



## To the 88<sup>th</sup> Texas Legislature:

For more than a generation, Texas' open energy market and low energy costs helped fuel the state's enviable economic boom.

Now, our energy system faces some of its most significant changes in years. Clearly, some fixes are needed: Texas must never again be paralyzed by blackouts, weather-driven or otherwise. But it's also vital to remember Texas' history, our energy leadership, and our historical commitment to innovation and open energy markets.

You should build on this open-market foundation — not destabilize it — by creating a **21<sup>st</sup> century electricity system that increases reliability, prevents unnecessary bill increases, reduces emissions, supercharges innovation, and powers economic growth.**

By coming together around the reliability, affordability, flexibility, and choices that families and employers need, Texas can power a new generation of prosperity.

Our organization, the Texas Energy Buyers Alliance, includes 370+ members, over half of which are large energy customers. These energy customers represent some of the state's largest employers and electricity users. Our members employ hundreds of thousands of Texans, operate thousands of job-creating facilities in Texas communities, and support innovative energy projects across the state.

As energy customers, affordability and reliability remain our top priorities. We also know first-hand that the state created one of the nation's top energy markets — it's what helped bring us to Texas.

We all felt the devastating impacts as Winter Storm Uri brought Texas to its knees in 2021. Power plants and gas supplies froze, and blackouts threw most of the state into darkness.

Unfortunately, a number of proposals adopted by the Public Utility Commission of Texas or now before the Legislature, at least based on the limited detail currently available, would substantially increase electricity costs for all customers — in one case through a novel, unproven regulatory scheme estimated to increase costs to consumers by \$460 million annually, and in another case by allowing market participants to build generation outside of the existing competitive market. They also would undermine Texas' nation-leading clean energy resources, potentially adding billions of dollars in costs.

Worse yet, these proposals will not fix Texas' reliability problem. Indeed, some of these proposals would leave Texans nearly as vulnerable to extreme weather as we are now.

As major employers and energy customers, we believe that you should instead build on what has worked for Texas for a quarter-century.

Texas needs a truly open energy market that doesn't discriminate or pick winners and losers. The state should encourage specific performance behaviors for all energy types and



technologies, allowing them to compete for market share and building on our state's pioneering energy innovation.

Texas also needs a much faster, stable, and more affordable path to reliability. That includes short-term solutions and market-driven strategies that will slow power plant retirements. It also includes effective longer-term solutions such as:

- Ancillary services, as described in Senate Bill 3 from the 87<sup>th</sup> Texas Legislative Session, that use non-discriminatory cost assignment processes;
- More robust electricity transmission to accommodate the increased load and additional generation of all kinds being built across the state;
- Widespread customer-side demand response and weatherization that cuts down on energy waste; and
- More affordable, emissions-free Texas energy.

Most importantly, Texas doesn't need — and Texans don't want — a risky, costly upheaval in the very energy market that helped propel the Texas economic miracle.

Instead, let's build on the things that work, fix the things that don't, maintain the vision and values that made Texas energy nation-leading, and improve the lives of all Texans and the Texas economy.

Texas' open, welcoming, and affordable energy market helped bring employers here — and it's what will continue attracting jobs, growing the economy, and fueling Texas' prosperity.

Thank you for your consideration.

Sincerely,

**The Texas Energy Buyers Alliance**

*The [Texas Energy Buyers Alliance](http://www.txenergybuyers.com) (TEBA) includes more than 370 members and some of the state's largest employers and electricity users. TEBA members represent more than \$7 trillion in revenues and 16 million employees nationwide — including hundreds of thousands of direct employees and thousands of facilities in Texas. A majority of the 20 GW of clean energy contracted by customers in Texas are TEBA members. TEBA companies came to Texas in part because of its open energy markets. Texas offers employers a dependable business environment — including low-cost, reliable, increasingly clean power, and the ability to freely choose and procure it without unnecessary regulations or red tape.*

[www.txenergybuyers.com](http://www.txenergybuyers.com)