



Public Utility Commission of Texas

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PUC ISSUES EMERGENCY ORDER ON ELECTRICITY PRICING

Austin, TX – In response to the weather-induced electricity crisis currently affecting Texas, the Public Utility Commission of Texas met in an emergency open meeting this evening to address concerns that certain pricing mechanisms were not generating an optimal response to the challenge.

In its order, the Commission directed the Electric Reliability Council of Texas to modify pricing models to more accurately reflect the scarcity conditions in the market. Specifically, the Commission directed ERCOT to ensure that firm load being shed in ERCOT's Energy Emergency Alert Level 3 operating condition is accounted for in ERCOT's scarcity pricing.

The decision was spurred by ERCOT's discovery that energy prices across the system were clearing at less than the current system-wide offer cap of \$9,000 established by Commission rule. When notified, the Commissioners agreed that energy prices across the system clearing as low as approximately \$1,200 during the first day of the weather crisis was inconsistent with the fundamental design of the ERCOT market. Because energy prices should reflect scarcity of the supply, the market price for the energy needed to serve load being shed in the face of scarcity should also be at its highest.

Click [here](#) to read the Commission order.

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About the Public Utility Commission

Our mission is to serve Texans by regulating the state's electric, telecommunication, and water and sewer utilities, implementing respective legislation, and offering customer assistance in resolving consumer complaints. Since its founding in 1975, the Commission has a long and proud history of service to Texas, protecting customers, fostering competition, and promoting high quality infrastructure. To learn more, please visit <http://www.puc.texas.gov>.

In addition to downloading the ERCOT mobile app (on both the [Apple Store](#) and [Google Play](#)), Texans are advised to bookmark the PUC's [Storm Resources](#) page for helpful advice and features like a statewide outage restoration map.

Customers are also encouraged to leverage social media for up-to-date information:

- PUC: [Facebook](#) | [Twitter](#) | [Instagram](#)
- ERCOT: [Facebook](#) | [Twitter](#)