



State Representative Lyle Larson
TX HD-122

02.15.2011
Weekly Recap #5
What's new in District 122

After weeks of anticipation, Speaker Joe Straus announced committee appointments for the 82nd Legislative Session last week. I was appointed to the Culture, Recreation and Tourism, Local & Consent Calendars and Natural Resources Committees. We look forward to sharing this experience with you as soon as these committees begin meeting.

After all of the power outages and rolling blackouts we experienced over the course of the last few weeks, its imperative we do something to ensure better oversight of our electric industry. For the last several months, I've been working on legislation that would combine the Public Utility Commission and the Railroad Commission to create the Texas Energy and Communications Commission. Yester, we filed the bill that will accomplish just that. We sent letters about the bill to members of the Sunset Advisory Commission, Senate Business and Industry, and Natural Resources Committees, which are holding a joint hearing today to discuss these issues. We also sent letters about the bill to the state leadership. Please take a moment to read the letter we sent to Governor Perry

February 14, 2011

The Honorable Rick Perry
PO Box 12428
Austin, TX 78711

Dear Governor Perry:

I want you to know that I have filed HB 1302 to abolish the Public Utility Commission (PUC), transfer its duties to the Railroad Commission (RRC) the RRC the Texas Energy and Communications Commission.

I have long questioned the PUC's lack of transparency, lack of accountability to Texans, and most recently its failure to accomplish its mission. In light of energy suppliers' failure to adequately respond to extreme weather conditions last week which caused rolling blackouts and widespread power outages all over central and south Texas, we must demand an explanation

It is inexcusable that energy suppliers could not meet the demands of consumers in central Texas. We deserve to know why this failure happened. There are several questions that must be answered: did the PUC verify the contingency plans of each generator? Did the PUC aggregate all power generating plants through an actuarial model to ensure capacity for sufficient delivery? What could the PUC have done differently to ensure prevention of rolling blackouts and power outages all over central and south Texas?

There are compelling reasons to combine these agencies. As evidenced by the power outages experienced last week and the failure of gas delivery to power plants, it makes perfect sense to merge the RRC and the PUC. This would help increase efficiency and close the gaps between the roles of the two Commissions. In addition, the Texas Energy and Communications Commission would have the ability to better facilitate the use of Texas natural gas in power plants.

After last week's debacle, the PUC has shied away from accepting responsibility for their lack of oversight. Instead of diverting the blame to ERCOT, the PUC board should take ownership of and be held accountable for this problem. Our intuition tells us and numerous studies confirm that elected representatives are more accountable and far more likely to do what we, the voters, want. Elected officials risk being thrown out of office if they don't. It's time that we give the people of Texas the opportunity to hold these regulators accountable.

Other issues overseen by the PUC that would be better handled by elected officials include eminent domain and oversight of utility rates. To provide for the transmission of electricity, the PUC has the power to condemn private property and allow electric companies to erect power lines therein. As it stands, landowners have eon recourse if the PUC chooses to condemn their property for this purpose. The PUC also regulates rates charged by investor owned utilities and is charged with ensuring consumer protection. According to a recent study prepared by the London School of Economics and Cornell University, states that elect their public utility commissioners have lower rates that those that appoint them.

Since 1991 there have been several legislative efforts to consolidate and streamline these regulatory agencies. With the PUC slated for Sunset review this session and as Texas faces a daunting \$25Billion shortfall, now is the optimal time to pursue and achieve this change.

Gig 'em

Lyle Larson

Other Legislative News

We received lots of constituents this week, including March of Dimes volunteers from San Antonio, leadership of Texas State University, leadership of UT Health Science Center, San Antonio members of the Texas Society of Professional Engineers, San Antonio members of Texas Associated Builders and Contractors, and many others. Come visit us in the Capitol and look for your photo in our newsletter and on Facebook!

At the Capitol



Pictured here is Rep. Larson with the Sweetwater Jaycees, who brought rattlesnakes to the Texas Capitol last week.



With Texas State University leadership, Board of Regents Chairman Charlie Amato, Chancellor Brian McCall and other members of the Texas State team.



With UT Health Science Center San Antonio (UTHSCSA) President William Heinrich and Armando Diaz

If we may be of assistance to you, please feel free to contact our Capitol office at (512) 463-0646 or lyle.larson@house.state.tx.us. Please continue to let us hear from you!

Best,

A handwritten signature in black ink, appearing to be "Lyle".