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Ms. DeAnn T. Walker, Chairman
 Mr. Arthur C. D’Andrea, Commissioner
 Ms. Shelly Botkin, Commissioner
 Public Utility Commission of Texas
 William B. Travis Bldg.
 1701 N. Congress Avenue
 Austin, TX 78701



March 20, 2020

Re: Issues Related to the State of Disaster for Coronavirus Disease 2019; Project No. 50664

Dear Chairman Walker and Commissioners D’Andrea and Botkin:

On behalf of the members of the Texas Association of Manufacturers (TAM), the Texas Oil and Gas Association (TXOGA), and the Texas Chemical Council (TCC), thank you for your work on behalf of the people of Texas. TAM represents more than 600 large and small companies across the state. Texas manufacturing accounts for almost 900,000 jobs and accounts for more than 13.3 percent of the total output in the state – more than \$226 billion (2017 data). TXOGA is a statewide trade association representing every facet of the Texas oil and gas industry including small independents and major producers. Collectively, the membership of TXOGA produces in excess of 90 percent of Texas’ crude oil and natural gas, operates over 80 percent of the state’s refining capacity, and is responsible for the vast majority of the state’s pipelines. In fiscal year 2019, the oil and natural gas industry supported more than 428,000 direct jobs and paid more than \$16 billion in state and local taxes and state royalties – the highest total in Texas history – funding our state’s schools, roads and first responders. TCC represents approximately 70 companies who own and operate more than 200 manufacturing and research facilities across the state of Texas. Our members have more than \$150 billion in physical assets invested in the state, directly employ more than 75,000 Texans, and indirectly employ over 400,000 Texans. The Texas chemical industry represents the #1 non-energy Texas export with over \$45 billion in exports annually and pays more than \$1.5 billion in state and local taxes each year.

Industries across Texas, and nationwide, are now facing extreme economic impacts due to the spread of COVID-19. Manufacturing is contracting following declining demand and a reversion to an “essential employee only” workforce, leading to increased unemployment and idle factories. A volatile international business climate is putting pressure on many of Texas’ most important business sectors, including the global market for Texas goods, including oil and gas.

Chairman Walker, Commissioners D'Andrea and Botkin

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Because of these factors, both business and consumer confidence have suffered significantly. In fact, major news outlets have reported that the economy is facing a recession this month. America's industries are indeed stepping up where they can and providing help where needed, but the overall financial situation of the U.S. economy is fragile at best.

We understand the need for the Public Utility Commission to move quickly to ensure that the continuation of service for vulnerable Texans. However, in light of this rapidly changing economic stability for Texas businesses, we ask that the Commission allow more time for industry input in finding a solution before enacting the proposed "COVID-19 Disaster Relief Fund." The implications of this decision could negatively impact already distressed industries, many might be asked to pay millions of dollars while trying to keep their businesses operational, their workforce employed, and the Texas economy moving forward. With a delayed implementation of this proposal, we commit to work with the Commission to make sure that vulnerable Texans receive the relief that they need, while allowing Texas industries to stay in business.

We are more than willing to do our part and look forward to working with you.

Sincerely,



Richard A. "Tony" Bennett
President & CEO
Texas Association of Manufacturers



Todd Staples
President
Texas Oil & Gas Association



Hector Rivero
President & CEO
Texas Chemical Council