

Control Number: 40000



Item Number: 490

Addendum StartPage: 0



6915 ANTOINE SUITE E HOUSTON TEXAS 77091 713 683 6363

## State of Texas House of Representatives Sylvester turner State Representative

October 7, 2013

Chairman Donna L. Nelson Commissioner Kenneth W. Anderson, Jr. Commissioner Brandy D. Marty Public Utility Commission Of Texas 1700 N. Congress Ave. Austin, TX 78701

Re: PUC Project No. 40000

Dear Chairman Nelson, Commissioner Anderson and Commissioner Marty:

I would like to thank you for the opportunity to provide my comments to *Project 40000 - Proceeding Relating to Resource Adequacy in the ERCOT Power Region*. I would also like to thank the PUC for taking up and addressing solutions to improving the efficiency and reliability of electric generation and markets in Texas.

I would respectfully request for the PUC to hold and move cautiously on any measure that may significantly raise the cost of electricity for consumers and small businesses. If the PUC wishes to move forward to allow capacity payments, it is essential that we be mindful of the impact upon consumers. It is essential that we implement measures that can provide for consumer protections in the event of price gouging.

Capacity payments could add billions of dollars each year to the cost of electricity, and are virtually guaranteed to increase my constituents' electricity bills. However, generators offer no similar guarantees that they'll use these subsidies to build more capacity. The reliability benefits of a capacity market are questionable, at best. Please do not proceed down this path without a detailed cost-benefit analysis of the potential rate and economic impacts of a capacity market.

Thank you for the opportunity to provide my brief comments. I look forward to monitoring the PUC in its efforts to ensure protections for our electric utility customers in Texas.

Sincerely,

Rep. Sylvester Turner

District 139, Houston, Texas

PO BOX 2910

AUSTIN TEXAS 78768-2910