



Control Number: 40000



Item Number: 623

Addendum StartPage: 0

November 21, 2013

2013 DEC 18 AM 10: 59

Public Utilities Commission of Texas

Re: PUCT Project No. 40000

P.O. Box 13326

Austin, TX 78711

FILING CLERK



Dear Commissioner:

The latest forecast done by the Electric Reliability Council of Texas predicts a long-term decline in operating reserves for electricity. This is something that does concern me. Recent news that the Public Utility Commissioners are examining reforms to the state's electricity marketplace is reassuring. A power shortage crisis is something that we cannot simply afford in Texas.

Thankfully, your agency is currently considering market reforms to the wholesale power market to encourage the building of new power plant and other energy resources like "demand response" programs that would work to decrease the need for additional power. Future economic growth in the state depends on the ability to solve the issue of decreasing reserve margins in Texas. The primary goal of reforms in the power market needs to be long-term reliability.

Recently, the PUCT indicated their support for a mandatory reserve margin as a first step toward greater reliability in the power market. I agree with the PUCT and suggest that our great state of Texas commit to transitioning to a capacity market. With a capacity market, we would have an established energy supply to avoid electricity shortages and limit price volatility. This solution addresses our current problem and looks ahead to plan better for our high tech future. Texans' demand for energy is projected to increase significantly over the coming decades, so now is the time to act. I believe we have a well-demonstrated need for immediate and broad reform of Texas' electricity market. Please make the sensible decision to support a capacity market.

There is no better time than right now for Texas to reform the energy market and provide the necessary improvements needed to meet the growing demand of power across the state. We hope that the Public Utility Commission of Texas will ensure that Texas has the electricity reserves it needs to operate.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Arias", is written over the word "Sincerely".

Joe Arias,
CEO

CC:

Governor Rick Perry
Lt. Gov. David Dewhurst
Rep. Byron Cook
Rep. Sylvester Turner
Rep. Helen Giddings
Sen. John Carona
Sen. Kirk Watson
Sen. Larry Taylor
Sen. Troy Frasier
Speaker Joe Straus