



## Public Utility Commission of Texas

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### **PUC OPENS INVESTIGATION INTO “INDEXED” RETAIL ELECTRICITY PLANS**

*Skyrocketing electricity bills for small segment of retail customer base cause for concern*

**Austin, TX** – The Public Utility Commission of Texas has opened an investigation into the business practices of Retail Electric Providers whose plans with pricing indexed to the electricity wholesale rate are reported to have inflicted unusually high bills on their Texas customers in the aftermath of last week’s winter storm grid event.

“While the architecture of these indexed plans are theoretically allowable under state law and Commission rules, an influx of complaints into our Customer Protection Division has caused concerns that questionable business practices might be exacerbating the situation,” said Thomas Gleeson, PUC Executive Director. “As the Legislature commences its exploration of the factors that combined with this natural disaster to cause outages across the state, we are responding to the economic impacts on individual Texans by investigating issues related to those consumer complaints including possible violations of the PUC’s rules on disclosures.”

While the customers of municipally owned utilities, electric co-ops and REPS with fixed price or variable price contracts across the ERCOT region will be largely unaffected by the scarcity-driven increase in the wholesale market price for electricity, customers with plans indexed to the wholesale rate are reporting serious financial consequences.

This investigation has been launched on the heels of the PUC Commissioners’ directive to launch an investigation into the grid event. Both investigations have been added to the agenda for discussion in the Commission’s open meeting on Wednesday, March 3, 2021.

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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> and follow the PUC on social media: [Facebook](#) | [Twitter](#) | [Instagram](#)