



Texas Competitive Power Advocates (TCPA) Recommendations to Prevent Future Outage Events Like February 2021

March 4, 2021

TCPA is committed to working with state leadership, industry regulators and stakeholders who have a vested interest in mitigating the risks associated with extreme weather events. The events of the week of February 14 resulted from many factors, including loss of generating resources across all fuel types.

Initial discussions and inquiries have begun to identify a range of operational issues, extensive supply chain issues, and equipment failures from the record statewide frigid temperatures. However, root cause analysis should be completed first to ensure all issues are identified and properly addressed.

Our power grid is critically important, and our policy choices must be carefully considered. Areas that have already been identified for improvement include: unsatisfactory reliability and weatherization standards for the entire supply chain, and a need for improved communication and coordination – both across critical infrastructure sectors and with the citizens of Texas.

In support of that effort, TCPA believes these concepts warrant consideration and further review:

- Conduct an independent root-cause analysis of the electric and natural gas sectors with oversight from both the Public Utility Commission and Railroad Commission.
- Establish mandatory and enforceable weatherization standards to account for extreme temperatures across electric, natural gas, and water resources.
- Formalize and improve communication and coordination across the electricity, water, and natural gas regulatory structures.
- Establish a uniform process for identifying and updating critical infrastructure across all industries needed to produce electricity, gas, and water.
- Consider a multi-platform statewide communication system to provide key information to the public during emergencies that may impact production and delivery of electricity, water, or gas.
- Review the ERCOT market structure to identify improvements including mandating an electric system reliability requirement.
- Protect residential and small commercial customers from retail electric pricing directly tied to real-time energy market prices.
- Publish a report on February wholesale cost impacts on retail electric and gas customers.
- Improve load shed capabilities and rule so rationing is shared more equitably when needed.

