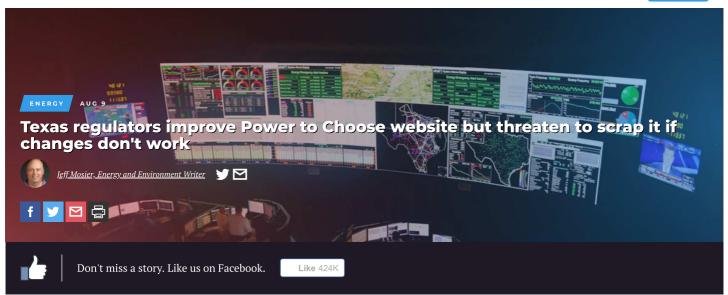




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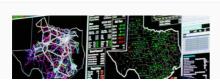
Texas utility regulators took steps today to make the state's electricity shopping site, <u>Power to Choose</u>, more transparent and its results less deceptive. And if that fails, they floated the possibility of scrapping the often-criticized website.

The new changes include limiting the number of plans retail electric providers can post on the site, a problem the commission described as "flooding" the site. Also, the website will provide more tutorials about how to navigate it and give customers a way to filter out tiered plans — ones that charge different rates or amounts at various usage levels.

Commissioners asked staff in June to look at tweaks after finding plans that appeared cheap but would cost consumers four or five times as much as promoted. These new changes, which would take a few weeks to complete, are the short-term revisions to the website. Public Utility Commission of Texas staff is also looking at other changes that would take longer to implement.

"We've been here before," said PUC commissioner Arthur D'Andrea. "The commission thought we fixed this website, and now here we are again ... I don't want to be back here in two years doing the same thing."

In response, commission chairwoman DeAnn Walker said, "Unfortunately, I think we may be because they [retail electric providers] adjust ... I had a REP visit with me yesterday saying that people are already trying to figure out how to get around these."



ENERGY

Texas to scrutinize 'misleading' electricity plans on Power to Choose website

Walker also asked staff to look at long-term changes to make Power to Choose more useful to consumers. She said that broader assessment should include whether the "pricing function" should still be part of Power to Choose.

The PUC filing did not identify any specific companies. But a search of electricity plans offered for a downtown Dallas zip code found a handful of companies dominating the listings.

Richard Paez, manager of regulatory affairs for Infinite Energy and Veteran Energy, which had seven of the 20 cheapest plans on Power to Choose, said the PUC changes are could "limit options for consumers." He said he'd rather see plans limited to five of each type — such as fixed or variable rate — and length of contract.



"We feel that these changes are generally positive for the consumers and electric market in Texas, although in the case of the tiered rate filtering and the five-rate cap, we believe the changes should be short-term solutions while more effective, long-term options are pursued," Paez said via email.

The Texas Coalition for Affordable Power praised the PUC's actions today and urged commitment to the website.

"The website is owned by the public, and as such the public has a right to expect that it remains transparent and free of deceiving offers," R.A. Dyer, policy analyst for the coalition, said in a statement. "Vigilance is key. The PUC should continually monitor powertochoose to ensure that companies don't unfairly game the site."

But the statement also said the PUC should keep the site's shopping function since "without it powertochoose loses much of its relevance."

Pamela Ferris, executive director of Texas ROSE (Ratepayers' Organization to Save Energy), said in a written statement this is a good step, but the "PUC has a little farther to go to have a truly transparent and clear website."

She said there are still hidden fees in the electricity deals that make offers misleading.

D'Andrea questioned the usefulness of the site if it's continually gamed by the retail electric providers.

"If two years from now none of those things work, then I think we need to reconsider the wisdom of government agency running a commercial website," he said.

Paez of Infinite Energy and Veteran Energy, said that Power to Choose shouldn't be thought of as a commercial website but as an "invaluable customer education and market power mitigation tool."

"Without Power to Choose, there is a serious chance that the three or four REPs that hold the lion's share of the market would be able to use their market power and vast financial resources to drive out the large number of smaller REPs whose presence on Power to Choose ensures those large marketers can't reestablish the very monopolies that electric choice in Texas eliminated nearly twenty years ago," Paez said.