

Control Number: 40000



Item Number: 351

Addendum StartPage: 0

October 29, 2012

Public Utility Commission
attention: Mr. Donna Nelson
1701 N. Congress Ave
Austin, TX 78711

RECEIVED

10 31 2012

00000
2012 NOV - 5
FILED
8:40

Dear Ms. Nelson:

CUSTOMER PROTECTION
PROTECTION

In regard to the inclosed Clippings you need to consider the real world of many Texas seniors. We are struggling to make ends meet now. Increased property taxes, transportation, medical expenses, goods and services, are all combined to place a heavy burden on us older folks. My home in an all electric subdivision will cost more than I can afford on a fixed income that has had no increase in several years. The job situation has created problems of unemployment for my children and grandchildren so I try to help them a little.

The utility companies are already charging high rates and making plenty of money to invest in future expansion. Please reconsider this decision.

Very truly yours,
Ms. Jane W. Laine
3330 OYSTER Cove
TV 77459

Docket
44000
RE 351

281-969-8955

PUC plan welcomed NO

The Texas Coalition for Affordable Power, a group of cities that purchase power on the deregulated market, welcomed the PUC decision, saying the price hike will hurt consumers less than a move to a capacity market.

"We urge the commission to assess carefully the impact this decision will have on Texas ratepayers and the electricity market."

YES!
and to avoid increasing costs even more through the creation of a complicated capacity market," said Randy Moravec, the group's executive director. "It's important that policymakers consider system reliability and costs because both directly impact the Texas economy and the welfare of its citizens."

The commission has oversight only over ERCOT, which covers most of the state, except for the El Paso region, the Panhandle and far Southeast Texas.

PUC chair sees future need for spare capacity

PUC from page B1

that operate the state's power plants are losing money because prices are too low for most of the year and they only make money during the hottest summer and coldest winter months.

Spare capacity

Texas customers only pay for electricity that reaches the grid, not for

companies to keep spare capacity available in case of an emergency.

ERCOT tries to maintain a 13.75 percent reserve, but with more demand and less generation, that will become increasingly difficult in the future.

Nelson said that Texas may eventually have to adopt a system that pays power plants to maintain excess capacity, even if

it's not immediately needed. Most states have some sort of system to encourage power companies to maintain a minimum level of capacity.

Pay for cutting back

Commissioner Kenneth Anderson said he preferred a system that paid customers to decrease their demand for electricity during peak periods. He pointed out that Texas only nears a dangerous level of electricity demand for 160 hours a year.

Sam Newell, a PUC

consultant with the Brattle Group, told the commission that raising the maximum wholesale price to \$9,000 will only guarantee an 8 percent reserve capacity, increasing the risk of outages. If the commission wants to guarantee a higher reserve, he said, it will need to make more drastic changes to the market.

Establishing a so-called capacity market would also increase costs, Newell said, but it would also increase reliability. He said the commission must strike

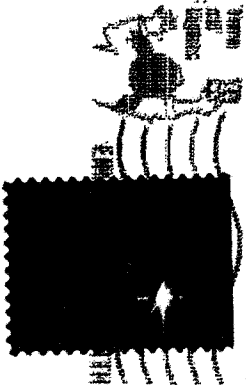
a balance between the factors.

I do not believe this!

Ms. Jane W. Latine
3330 Oyster Cove Dr.
Missouri City, TX 77459

Public Utility Commission
1701 N. Compress Ave.
P.O. BOX 13326
Austin, TX 78711

NORTH HOUSTON TX 773
30 OCT 2012 PM 1 L



78711332625

Postnet barcode