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ORLANDO SANCHEZ
Harris County Treasurer

2013 NOV 14 PM 2:53
PUBLIC UTILITY COMMISSION
FILING CLERK

Public Utilities Commission of Texas
RE: PUCT Project No. 40000
1701 N. Congress Ave.
P.O. Box 13326
Austin, TX 78711-3326

October 25, 2013

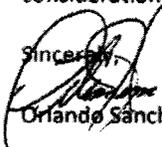
Dear Commissioners,

It is my understanding that in response to the growing concern related to power reliability in Texas, the Public Utility Commission of Texas (PUCT) is currently considering reforms to the wholesale power market. These reforms would have the intent of bringing new power supply onto the grid and encourage energy resources like "demand response" programs that work to decrease the need for additional power.

Harris County has experienced tremendous economic growth over the last several years. We are also not strangers to the inconvenience and economic disturbance that rolling blackouts and loss of power can bring to a community. Electricity is easy to take for granted – until it's not there. An energy strategy that places reliability with fiscal responsibility as a priority is critical to the future growth and health of our community and state.

I've been told that the PUCT commissioned a comprehensive study that urged comprehensive reform to the electric market to avoid rolling blackouts. This study also concluded that if the State of Texas hopes to maintain reliability and bring online enough generation resources to meet energy demand in the years to come, then a transition to a capacity market was suggested as the most efficient and reliable path forward. I encourage the PUCT to review the results of these programs in other areas of the country as part of this important decision.

I hope that any market reforms adopted by the Commission will prioritize reliability of the electrical grid by encouraging demand reduction through engaging consumers in conservation to reduce peak loads during critical hours, by ensuring that any payments to encourage new generation do in fact result in new generation, and to require the adoption of accurate forecasting models to incorporate all the different generation profiles from coastal and West Texas wind. Reliable electricity at an affordable price is something that must take precedence over other considerations. Thank you for your consideration of this important issue.

Sincerely,

Orlando Sanchez

cc: Governor Rick Perry

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