

[CBS Local Events](#) | [CBS Local Pages](#)



Home	News	Sports	Watch + Listen	Best Of	Deals	Fan Shop	Directory	Tra
----------------------	----------------------	------------------------	--------------------------------	-------------------------	-----------------------	--------------------------	---------------------------	---------------------

[Latest News](#) [Local](#) [Neighborhood](#) [Consumer News](#) [Politics](#) [Business](#) [Health](#) [Tech](#) [Entertainm](#)

NEWS

ERCOT Study: Deregulation Didn't Work

By Jack Fink, CBS 11 News

February 14, 2011 9:07 PM

Print Share 12 [Recommend](#) 74



Power line towers. (credit: Getty Images/Justin Sullivan)

ARLINGTON (CBSDFW.COM) – Delia Villareal of Arlington cooks three meals a day for herself and her husband, so she’s not happy to hear about a new study finding Texas residents have paid nearly \$11.5 billion dollars more than they should have for electricity since deregulation in 2002.

That’s about 42 percent higher than the national average. “I find that being very ridiculous,” says Villareal. This despite the promises deregulation would trigger

FILED UNDER

[Consumer](#)

[Local](#)

[News](#)

[Watch + Listen](#)

RELATED TAGS

[Electric Reliability Council of Texas](#)

[Public Utilities Commission](#)

[Texas Legislature](#)

LC

Get

PI

VI

competition and lower prices. "Us as the elderly live on a budget, we're on a fixed income. Of course, it's affecting us."

The study is called [The Story of ERCOT](#), the Electric Reliability Council of Texas, which runs the state's power grid. The study blames the high electric rates residents and businesses pay on Ercot's bias toward the industry, and what it calls ERCOT's alarming increases in spending and borrowing.



The study says in 2006, one company illegally charged \$57 million, yet only paid a \$15 million fine.

Arlington City Attorney Jay Doegey chairs two non-profit coalitions that commissioned the study. He says, "Everything is fine and if they just leave things alone, then everything's wonderful. For them, everything's wonderful. But it's not wonderful for consumers."

ERCOT declined an interview, but says the issues have been brought up before. In a statement, it says "...These are expected to be acted upon by the Texas Legislature during their current session, and ERCOT stands ready to institute any and all changes the Legislature adopts...."

The study's author says the state legislature needs to make drastic changes to make Ercot more accountable to the public. Lawmakers may do just that. On Tuesday, a state Senate hearing will focus on the recent rolling blackouts.

As for Delia Villareal, she's hoping the legislature will listen to people like her. "They need to get their act together. We've been promised lots of things. Where's all the promises?"

On Tuesday, ERCOT's president, the chairman of the Public Utilities Commission, and energy company executives will be among those testifying before lawmakers about the recent rolling blackouts.

- MORE: [ERCOT Study](#)
- MORE: [Power To Choose](#)

[Print](#)[Share](#)

12

[Recommend](#)

74

12 COMMENTS

Pingback: [ERCOT Study: Deregulation Didn't Work « Fort Worth News Feeds](#)

DR Howe

Really too much, I have lived here 3 months and have no idea why it is so expensive here. Lived in Colorado for 52 years and never paid close to what they charge here. Someone is making a lot of money off this.

February 14, 2011 at 10:07 pm | [Reply](#) | [Report comment](#)

Steve Karmetti

oh no! deregulation dont work?
go vote for bush and rick perry.....whatcha expect?

February 14, 2011 at 10:07 pm | [Reply](#) | [Report comment](#)

Tom

It looks to me like ERCOT is one of the state agencies that needs to be looked at real closely. Do we need it in it's current form? Do we need it at all? I think the companies that produce and deliver electricity could form a council to make the same kind of decisions as the government agency that cost us taxpayers and doesn't seem to be working! In fact, I think it's time to look at the work of all the state commissions and agencies to see where we could save some administrative costs.

February 14, 2011 at 11:27 pm | [Reply](#) | [Report comment](#)

weaseldog

"think the companies that produce and deliver electricity could form a council "

That's known as a 'cartel'.

OPEC is a Cartel...

February 15, 2011 at 10:07 am | [Reply](#) | [Report comment](#)

Michele Carroll

I have to agree. Something is wrong when you have 5.00 left to live on for a month after you pay the electric every month during the winter. I still sit in a jacket and under a blanket because it is so cold. I am 68 years old and in bad health but during the summer I sit and sweat because I keep the air off as long as I can stand it. I have lifeline in the summer but I need it more in the winter, Wish we would regulate them again!

February 14, 2011 at 11:38 pm | [Reply](#) | [Report comment](#)

HUBIE

I PAY ABOUT 10 CENTS PER KILOWATT HOUR AND I DONT THINK THAT PRICE IS TOO HIGH. WHEN DEREG WENT INTO EFFECT YEARS AGO THE PRICE WAS ABOUT THE SAME, THE DOWNSIDE IS THAT I HAVE SWITCHED POWER COPANIES 5 TIMES.

February 14, 2011 at 11:40 pm | [Reply](#) | [Report comment](#)

Busto

I've decided to start my own electric distribution company, as you know this is the way the rigged "capital market" works. Start a company and spend millions on PR to convince customers that they need my service. See that is what everyone is paying for, the Marketing budget to sell this electricity that comes from only one or two sources anyway. What a Crock!!!

February 15, 2011 at 12:41 am | [Reply](#) | [Report comment](#)

Pingback: [ERCOT Study: Deregulation Didn't Work | One Stop News Stand](#)

john

then why are the electric companies continually raising rates someone should take control of the power companies and make them pay back the money they stole from texas consumers

February 15, 2011 at 7:09 am | [Reply](#) | [Report comment](#)

smartypants

Deregulation NEVER works for the consumer. It is code for letting corporations do whatever they wish, including destroying the environment, ripping off and defrauding customers, and reaping record profits and executive bonuses while government turn their back on the process. Sure, these corporations may get slapped with a small fine here and there for the most egregious cases, but as long they contribute heartily to politicians' coffers, then all is forgiven. This is your elected Texas government people!. We have no one to blame but ourselves

February 15, 2011 at 9:26 am | [Reply](#) | [Report comment](#)

Rick McDaniel

Corporate greed always takes the customer, for all they can.

February 15, 2011 at 1:37 pm | [Reply](#) | [Report comment](#)

LEAVE A COMMENT BELOW

Empty text area for leaving a comment.

Name

Email



Submit Comment

Notify me of follow-up comments via email.

Subscribe to this site by email



Coollest Apple Stores



10 Sexiest Jobs



Faces Of Mark Cubar

News

Local | Business | Consumer | Politics | Entertainment | Get Healthy Texas | Tech | Weathe

Sports

Cowboys | Rangers | Mavericks | Stars | NASCAR | College Sports | High School Sports | C

Best Of DFW

Restaurants | Bars & Nightlife | Shopping | Fashion | Theater & Arts | Travel | Leisure | Fam

Watch + Listen

CBS 11 Video | TXA 21 Video | The Fan Shows | Charley Jones | The Greener Side | All Jack's

DFW Business Listings

A B C D E F G H I J K L M N O P Q R S T U



San Francisco: Do NOT Buy Car Insurance!

Your Auto Insurer Hates This. 1 trick to get extremely cheap rates!



California Refi Now 3.219%

California \$160,000 Mortgage \$434/mo. No SSN reqd. Get A Free Quote!



©2011 CBS Local Media, a division of CBS Radio Inc. All rights reserved.



[Privacy Policy](#) [Terms of Use](#) [EEO Reports](#) [About Us](#)
Powered by [WordPress.com](#) [VIP](#)