

WHO REGULATES WHAT

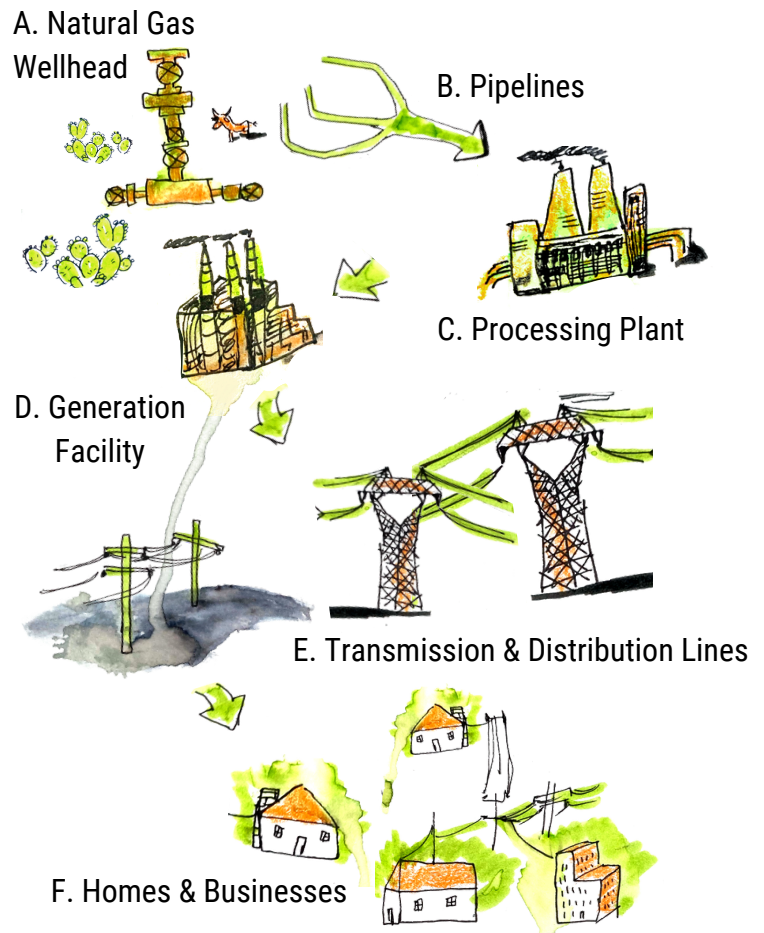
THE NATURAL GAS SUPPLY CHAIN AND THE TEXAS ELECTRIC GRID

NATURAL GAS AS A FUEL SOURCE FOR THE ELECTRIC GRID

Texas's use of natural gas for electricity generation is greater than in any other state in the nation, ranging from roughly 15% to 50% of the electric supply in any given day.

According to federal investigations, upstream gas production issues, such as water freezing in wellheads and pipelines, caused the majority of gas shortages for electrical generation during Winter Storm Uri.

Parts of the Chain



Agencies in Charge

Railroad Commission (RRC)

- Oversees oil and gas production, including wellhead and pipeline weatherization
- Approved passing extraordinary costs to consumers after Uri so companies could recuperate losses from the storm
- Three elected commissioners
- Top campaign donors are from the oil and gas industry

Public Utility Commission of Texas (PUCTX)

- Sets overall regulatory framework and oversees transmission and distribution utilities - aka "lines and wires"
- Supervises ERCOT
- Four commissioners are appointed by the governor

Electric Reliability Council of Texas (ERCOT)

- Oversees the market, balancing electricity supply and demand loads.
- Board of Directors is appointed by the governor
- The Board selects ERCOT's Chief Executive Officer (CEO)

The Texas Legislature has no direct control over the supply chain, but it can vote to pass bills that direct different agencies.