



Dan Patrick

Lieutenant Governor of Texas
President of the Senate

FOR IMMEDIATE RELEASE:
Monday, March 1, 2021

CONTACT:
512-463-0715

Lt. Gov. Dan Patrick Calls for Resignations of PUC Chair and ERCOT CEO

"They hoped for the best instead of planning for the worst."

HOUSTON - Lt. Gov. Dan Patrick today called for the resignations of Public Utility Commission (PUC) Chairman DeAnn Walker and Electric Reliability Council of Texas (ERCOT) President and CEO Bill Magness.

"Immediately following the storm, I pledged to the people of Texas that I would get to the bottom of the crippling power outages that began on February 15, leading to tragic loss of life and billions in damages to homes and infrastructure across the state.

"There is no question the arctic temperatures the state experienced beginning on February 14 were historically unprecedented. After almost 24 hours of testimony in the Senate Business and Commerce Committee's investigation of the power outages, including 9 hours from the Chair and the CEO, it is clear neither of them adequately addressed the challenges of this huge winter storm. Our state senators repeatedly asked for their analysis and suggestions regarding what could have been done differently and what needs to be done going forward to prevent a similar problem in the future. The Chair and the CEO offered few ideas. Frankly, I was shocked by their failure to respond.

"Both the PUC Chair and ERCOT CEO said they were prepared the day before the storm hit in full force, but obviously they were not. In his testimony before the Senate Committee, Vistra Corporation CEO Curt Morgan stated that on February 10, the Wednesday before the storm hit, he had informed ERCOT that Vistra didn't believe ERCOT had adequate power to address the arctic temperatures and precipitation that was projected. Morgan said he was surprised ERCOT did not respond to that information with any sense of urgency. ERCOT CEO Bill Magness testified the information was not delivered to him – a critical failure of Magness' team.

"This was not the only misjudgment the PUC or ERCOT made. From their testimony it is clear they also did not consider the harsh freeze could shut down electricity generating power plants or that crews would not be able to make emergency repairs because roads

would be impassable. Their projections did not accurately calculate the impact of diminished wind power that would be lost in the storm combined with the loss of 14,000 megawatts of power they knew would not be available due to power plants that had been shut down for maintenance. These two issues alone accounted for hundreds of thousands of homes being without power and threatened a statewide blackout.

“Magness and others testified that we were within minutes of losing the state’s entire power grid, which could have taken months to repair while Texans were in the dark. It is obvious ERCOT and the PUC simply did not anticipate the magnitude of the storm or the amount of power it would require.

“The ERCOT CEO and the PUC Chair did acknowledge their poor communication prior to the storm, but they did not seem to understand what a critical point that was. As one example, ERCOT didn’t make a public call for Texans to conserve energy until the storm was upon us on February 14.

“Instead, Texans and lawmakers were told there might be “rolling brownouts” of short duration along with the typical messages we get when cold weather comes to the state – cover your plants and keep your pets inside. In short, they hoped for the best instead of planning for the worst.

“Both the Chairman and CEO publicly testified they had informed state leadership, including me, about the seriousness of the winter storm. In fact, as they both admitted to me the day after the hearings, their testimony was not accurate. They did not provide me with information regarding the potential catastrophic grid-threatening danger of the storm before the morning of February 15, and, based on the questions that were asked in the House and Senate investigation committees, I don’t believe that information was provided to any other state lawmakers.

“I do not make this call for the resignation of the PUC Chair and the ERCOT CEO lightly. These are two good people who have worked very hard. ERCOT’s job is to manage our electricity grid and the PUC oversees ERCOT. The lack of adequate preparation by both the ERCOT CEO and the PUC chair prior to the storm, their failure to plan for the worst-case scenario and their failure to communicate in a timely manner dictates they are not the ones to oversee the reforms needed.

“The investigation into what happened during the winter storm crisis is just beginning. The state legislature will mandate reform of ERCOT and ensure the stability of the grid. I remain committed to making sure this problem is fixed so that we are prepared to face a power challenge like this should a major storm happen again.”

###