

# Here's a plan to help you shop for cheap electricity in Texas

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Written by



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Summer electricity prices are 40 percent higher or more compared to last year. This is distressing to The Watchdog because I want to save you money.

Add shopping confusion caused by electricity companies' deceptive marketing and you find that many Texans overpay for electricity each month.

Today I'm going to unveil Round 3 of my long-standing battle to convince Texas leaders that after 16 years, their retail electricity shopping system must be fixed.

Round 1 began in 2005 when I began receiving hundreds of complaints about companies mistreating customers. I started sharing these stories and will continue to do so.

But my watchdog journalism didn't attract any problem solvers among state lawmakers or the Public Utility Commission — er, excuse me, the Utility Commission as I call it (because I don't believe it cares about the public).

Round 2 fizzled at the last Texas Legislature. I organized more than a thousand Texans to form a people-power posse through my email list (write to [watchdog@dallasnews.com](mailto:watchdog@dallasnews.com) for inclusion) and my "DallasNews Watchdog Posse" group on Facebook (ask to join). Our collective goal was to pressure the state to fix this confusing, unfair system.

We flooded the UC with complaints, but that didn't work because legislators didn't introduce corrective bills. They didn't understand — or care — about problems consumers face. We were beaten before we began.

Now Round 3. My new strategy: Play the inside game. Let's find a respected state lawmaker familiar with the system and beseech him or her to lead our cause.

Yeah. The inside game. But who to lead?

## **Fixing PowerToChoose.org**

Before I tell you who, what The Watchdog did and how our meeting went, I want to share a bit of news.

The new Utility Commission head, DeeAnn Walker, announced last month that she wanted her staff to improve the government-sponsored PowerToChoose.org. It's a one-stop shopping website where companies offer their plans to the public.

Often, companies game the site's search engine by creating low-priced plans so that those appear first in PowerToChoose search results. But the supposed bargains often include seldom-noticed terms and conditions that make power bills much higher.

One UC study found that an offer of 2.3 cents per kilowatt-hour on the shopping site would, on average, cost consumers four or five times that.

The UC chairwoman's move would impress me if we hadn't been suckered by the commission before. They pretended to want to fix this a couple of years ago. Fool me once ...

In Round 3, I intend to use your stories sent to The Watchdog to convince my insider that electricity shopping is warped by zealous marketers taking advantage of weak regulation. I'll make a strong case to update state law.

But as this plays out, I'll need your help.

### **Sneaky electricity companies**

**Only sophisticated consumers who dig in deep and shoppers who pay an energy consultant (a growing industry) get the best deals, unfortunately. (emphasis added)**

You must be good at math, analysis and forecasting. But the system's complexity flabbergasts even ultra-careful consumers.

One ultra-careful shopper, Doug Archer, told me a while back: "In speaking to my neighbors, they are paying way more than I am."

Multiply that by millions of customers who overpay.

Archer's luck didn't last. He said this week that his electric company left Texas. He was automatically switched by the state to another company. His electricity rate almost doubled.

The previous UC chairwoman, Donna Nelson, said two years ago: "Whatever practice we put in place to try and end the confusion, then they [electric companies] find a way around that."

### **Shopping for cheap electricity**

I've shared an electricity guide to help Texans understand how to shop. (It took me several years to crack the code.)

**Search** for a deal on PowerToChoose that matches your needs.

**Read** the main offer, then carefully read the conditions.

**Double-check** directly with the company for better deals.

**Change** companies once or more a year depending on when your contract expires. You usually get a better introductory price elsewhere.

## Electricity fixes needed

I've boiled down problems to five necessary improvements:

**PowerToChoose** needs to smarten up so it can't be manipulated.

**Apples-to-apples comparison** is crucial. Add Oncor's 3.5-cent-per-kilowatt-hour rate to all offers so customers know the full price.

**Tricks to confuse customers** — credits, minimum fees, penalties for too much or too little usage and more — must stop.

**Fake websites** that use the keywords "power to choose" to steal customers away from their intended destination should be banned. Try it. Type "power to choose" in a search engine and look at all the name-stealers that buy ads to jump ahead of the government-sponsored site. Fakers!

**Door-to-door electricity salespeople**, who will, in many cases, say or do anything to make you switch companies, need oversight.

## The inside game

Getting these changes through the Texas Legislature is as tough as an old cowboy boot. In 2011, a proposal that could have tightened the noose on power companies "did not even receive committee votes," the Texas Coalition for Affordable Power reported in a recent study.

Pro-consumer bills were introduced two years later, but "utilities deployed their usual army of lobbyists, with between \$5 million and \$10 million spent on lobby contracts by five electric companies alone," the coalition study showed. The bills died.

Nothing much happened after that.

In Part 2 of this series, I'll share with you what happened when I visited state Rep. Phil King, a Weatherford Republican now running for speaker of the Texas House.

He was involved in the landmark electricity deregulation 20 years ago. Wait until you read what happened.

*Staff writer Marina Trahan Martinez contributed to this report.*