



August 19, 2026

The Honorable Greg Abbott
Governor of Texas
P.O. Box 12068
Austin, TX 78711

The Honorable Dan Patrick
Lieutenant Governor of Texas
P.O. Box 12068
Austin, TX 78711

The Honorable Dustin Burrows
Speaker of the House of Representatives
P.O. Box 2910
Austin, TX 78768

Dear Governor Abbott, Lieutenant Governor Patrick, and Speaker Burrows,

Texans expect electricity to be reliable when they need it and affordable when they pay their monthly bill. As organizations strongly aligned with all Texas consumers, we support a balanced approach that protects reliability, promotes affordability, respects private property rights, and allows regulators to address legitimate stakeholder concerns while continuing to advance infrastructure projects identified by ERCOT as necessary to serve Texans with an electrical transmission grid designed to meet their reliability and affordability goals. We write to urge continued implementation of the Permian Basin Reliability Plan (PBRP) and other needed approved transmission planning across the ERCOT system.

Clarity on the need to timely continue these transmission projects has been provided in ERCOT's recent letter to state leaders, dated August 12, 2026, regarding the Permian Basin Reliability Plan. That letter is the clearest and most current statement from the grid operator of why delay now carries real reliability and cost consequences for Texans, and we ask that it inform the path forward.

Respecting Landowners While Meeting the Reliability Need

We recognize and respect the concerns raised regarding transmission development. We support affected landowners' rights to meaningful engagement, transparency, and a fair process. We will work with legislators and regulators on changes that reinforce these rights. Responsible siting and critically needed infrastructure are not mutually exclusive. Texas can protect private property rights, address legitimate stakeholder concerns, and still keep these reliability-driven projects moving on the timeline ERCOT has determined is necessary.

This is a Reliability Issue, Not a Generation-Versus-Transmission Debate

ERCOT's engineering analyses — dating back to 2019 and reaffirmed across numerous forecasts and load scenarios — have repeatedly concluded that transmission improvements are necessary regardless of how much new generation is added. Dispatchable generation is essential, but power must also be delivered where and when it is needed. Market redesign will, over time bend investment decisions, but that process can take years to implement. Generation and transmission are complementary investments, and Texas needs both to keep the system reliable and to control long-term costs for consumers.

Reliable transmission is essential to developing the next generation of dispatchable power resources.

Texas offers one of the nation's greatest opportunities for additional natural gas-fired generation because of its abundant fuel supply, existing energy infrastructure, and proximity to growing electric demand. However, without sufficient transmission capacity, consumer needs cannot be realized, and without the load growth associated with Texas' growing demand, generators will face significant barriers to financing and constructing new dispatchable generation. Even where fuel is abundant and demand is growing, generation projects cannot be financed or operated efficiently if they lack confidence in the market and in the ability to reliably deliver electricity to customers.

Delay Has Real Consequences for Reliability and Cost

ERCOT has identified emerging reliability risks in Far West Texas and has warned that delaying planned transmission facilities increases the likelihood of operational challenges, including the potential for regional rolling blackouts and load-shedding during periods of high demand. Infrastructure of this scale takes years to plan, permit, finance, and construct, so a pause today does not simply delay a project by a few months — it can delay critical infrastructure for years, during which the underlying reliability risk does not go away.

Reliability failures, congestion, and operational limitations ultimately impose costs on Texas consumers that can exceed the cost of prudent, timely infrastructure investment. Avoidable delay is not a neutral choice for ratepayers; it is a choice between paying for planned infrastructure now or paying more later through outages and congestion. Just last week, ERCOT COO Woody Rickerson reiterated that hundreds of already completed customer and generation interconnection studies would need to be redone if transmission projects already endorsed by ERCOT were to be removed. These compounded delays would result in punitive conditions like more congestion and higher costs, both negative but avoidable consequences that will be imposed on all Texans.

Protecting Affordability for Existing Customers

The transmission investment framework is also built to protect affordability. Under the planning assumptions for these projects, once roughly 80 percent of the forecast load used to justify an investment materializes, the new demand substantially supports the cost of the infrastructure required to serve it — spreading the fixed costs of the grid across a larger customer base rather than leaving existing ratepayers to absorb them alone. That is an affordability safeguard built into the process, not a rationale for growth for its own sake, and it is one more reason timely execution matters: the longer these projects are delayed, the longer existing customers alone carry costs that new load is designed to help offset.

Conclusion

We respectfully urge the Public Utility Commission of Texas and state leadership to continue their efforts to ensure reliability and to maintain a balanced approach to transmission planning — one that seeks affordability, respects property rights, and allows regulators to address legitimate stakeholder concerns without pausing infrastructure that ERCOT has determined Texans need. By staying the course, Texas can continue providing dependable, reasonably priced electric service to families, businesses, schools, hospitals, and industries across the state.

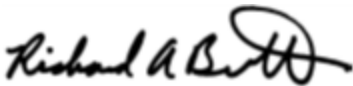
Sincerely,



Todd Staples, President
Texas Oil & Gas Association



Hector Rivero, President & CEO
Texas Chemistry Council



Tony Bennett, President & CEO
Texas Association of Manufacturers



Walt Baum
CEO, Powering Texans
Representing Powering Texans and TCPA



Mark Bell, President & CEO
Association of Electric Companies of Texas

cc: Legislative Leadership