



Hot Topics

Important issues for Entergy's customers, employees, investors and other stakeholders.

Entergy Texas, Inc. and Deregulation

There are two electric markets in Texas – regulated and deregulated. The Texas Legislature passed landmark legislation in 1999 known as Senate Bill 7 that deregulated much of the Texas electric industry. Electric deregulation became effective for the majority of Texans on Jan. 1, 2002. Deregulation for Entergy customers in Southeast Texas has been delayed.

Most major utility companies in Texas are part of the Electric Reliability Council of Texas. Other utility companies, including Entergy Texas, Inc., El Paso Electric, Southwestern Public Service and Southwestern Electric Power Company operate in geographic areas on the perimeter of Texas and get much of their power from other states. As a result, it has been more challenging for these non-ERCOT utility companies to move to deregulation until certain regulatory hurdles have been overcome.

At the conclusion of the 2009 session, the Texas Legislature approved a bill that delays any further consideration of retail customer choice in Entergy Texas, Inc.'s service area. Senate Bill 1492 delays competition in southeast Texas for an indefinite period. It allows Entergy Texas to remain in an electric grid known as the Southeastern Reliability Council, but does not preclude the company from joining another regional transmission organization known as the Southwest Power Pool.

Entergy believes the legislation signed by Gov. Perry June 19 will provide certainty to the company, its customers, and other stakeholders. While Entergy Texas will not be moving to deregulation in the foreseeable future, we will continue to deliver superior customer service to our nearly 400,000 customers and provide reliable, clean and affordable power.

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