

WEEKLY NEWS  
 KERA  
 LIVE Now  
 PLAYLIST



DONATE

Live Updates: Winter Storms 2021

# After Days Of Mass Outages, Some Texas Residents Now Face Huge Electricity Bills

February 21, 2021 · 12:01 PM ET



REBECCA HERSHER



Power lines near Houston on Feb. 16. Some Texas residents are facing enormous power bills after wholesale prices for electricity skyrocketed amid last week's massive grid failure.

David J. Phillip/AP

Millions of Texas residents suffered last week when a winter storm caused a statewide electrical grid failure. But those who had power, even intermittently, are also paying a price — literally.

Many residents face enormous bills for the electricity they used during the storm.

Residents with variable-rate power plans are being hit the hardest. Such plans charge different prices for electricity depending on how much demand there is. The more demand, the higher the price.

Variable-rate plans are enticing to many people because the price of electricity is often low during normal weather conditions and because it theoretically allows people to use more electricity when the price is lower — for example, by running appliances overnight.

But when a winter storm caused Texas' grid to all but shut down last week, the wholesale price of electricity skyrocketed.

One of the most popular wholesale plans in the state is offered by the company Griddy. As the storm moved in, the company took the extraordinary step of urging its customers to switch to a different electricity provider. But it was too late for many residents. Switching electricity companies can take days, and in the meantime the price of electricity increased dramatically.

Griddy customers have taken to social media to post harrowing examples of electricity bills gone haywire.



**kat and tony**  
@katandtonyT



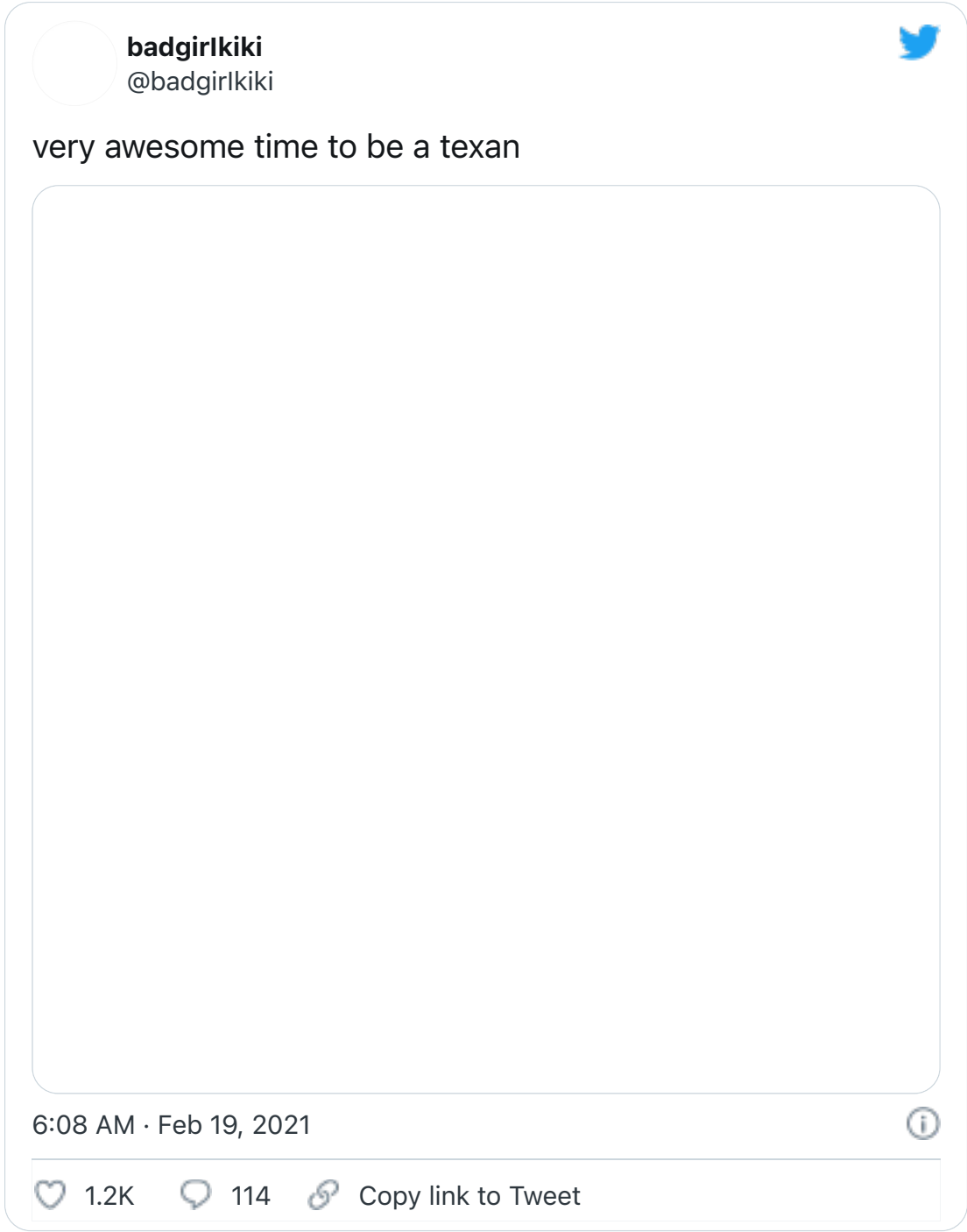
Updated Griddy bill! 1300 sq ft. Heat set at 60, no laundry, no running dishwasher, no stove/oven cooking, only used air fryer , lights off during the day candles at night most of the time , Tv on some. Some how they say I used 1772 khw. \$5,000 @wfaa @FOX4



5:07 PM · Feb 19, 2021



114 137 Copy link to Tweet



Griddy laid the blame with the Electric Reliability Council of Texas, which manages the vast majority of the state's grid, and the Public Utility Commission of Texas. As the storm caused temperatures across the state to plummet early last week, the utility commission ordered ERCOT to allow prices to increase to reflect the lack of supply. As a result, electricity prices skyrocketed.

The average price for electricity in Texas in the winter is about 12 cents per kilowatt-hour, according to the U.S. Energy Information Administration. Texas utility



regulators allowed that price to rise to \$9 per kilowatt-hour.

Officials for ERCOT and the Public Utility Commission of Texas were not immediately available for comment.



#### NATIONAL

Texas Governor Calls For Investigation Into Group That Manages State Power Grid

"We intend to fight this for, and alongside, our customers for equity and accountability – to reveal why such price increases were allowed to happen as millions of Texans went without power," Griddy's leaders wrote in a blog post.

On Saturday, Texas Gov. Greg Abbott held an emergency meeting to discuss the exorbitant energy bills. "We have a responsibility to protect Texans from spikes in their energy bills that are a result of the severe winter weather and power outages," the governor said.

It's still unclear how many Texans are facing huge bills. At the Saturday meeting, a group of nine bipartisan state legislators "focused on the need to quickly calculate the total cost of these energy bills and how the state can help reduce this burden," according to a statement released by the governor's office.

Meanwhile, Texas Attorney General Ken Paxton has launched an investigation. His office is seeking documents from ERCOT, including communications between the council and electricity providers about "energy pricing and/or price increases" during the winter storm, as well as price-related complaints that the council received from customers.

Paxton is also investigating the prices charged by individual electricity providers during the storm, including prices charged by Griddy.

The top elected official for Dallas County, Judge Clay Jenkins, used Twitter to ask for help from his constituents. "Tweet back at me please- What electric companies sold

Texans variable rate plans?" he wrote in a Friday tweet. "Variable rate plans are predatory as we all clearly are seeing now! Who did they target with those plans and what did they tell them?"

His constituents obliged. The replies poured in from customers of multiple companies, including Griddy and Reliant. Some residents said they were surprised to realize they were signed up for variable-rate plans.

Indeed, some customers with variable-rate plans may not even know that they are being charged in that way, according to reporting by Christopher Connelly of NPR member station KERA in Dallas.

"Many retail energy providers move customers automatically onto variable-rate plans after their fixed-rate contract term expires," Connelly reports. "If your 12-month, fixed-rate contract ends and you don't go shop for a new fixed-rate plan, you may find yourself moved onto a variable rate plan."

At least one state, Connecticut, has banned variable-rate power plans for residential customers. And this is not the first time such plans have drawn scrutiny after a polar vortex. In Pennsylvania, after a 2014 cold snap caused electricity rates to increase by 300% or more, the state's government took multiple utilities to court.

2021 winter storm   energy grid   electricity   texas

## More Stories From NPR

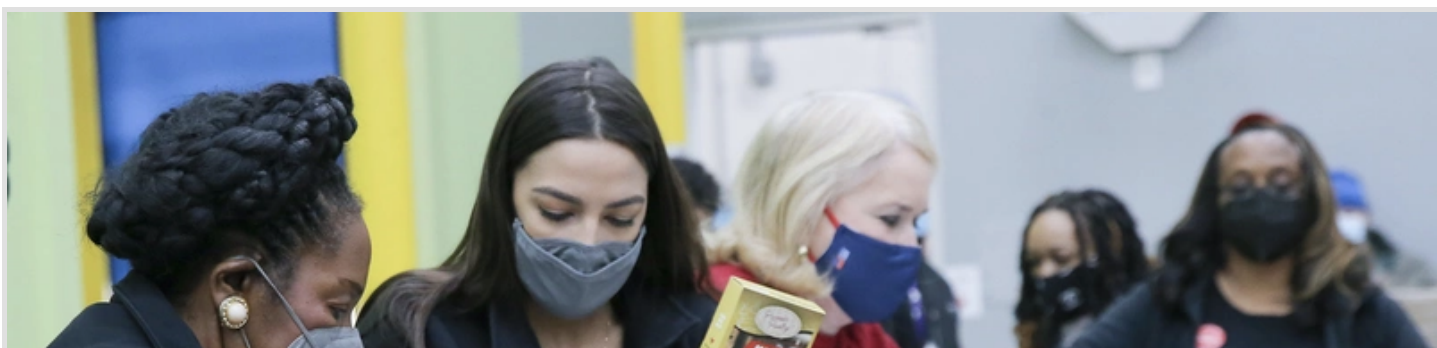




**NATIONAL**  
**8.7 Million People Under Boil Water Notices In Texas**



**WEATHER**  
**Texas Family Sues Power Provider, Utility Overseer After Son Dies In Freezing Weather**







**NATIONAL**  
**Ocasio-Cortez Fundraising Drive For Texas Relief Raises \$4 Million**



**WEATHER**  
**Biden Declares Disaster In Texas As Millions Are Asked To Continue Boiling Water**





**WEATHER**  
**Water Returning To Austin As Texas Recovers From Deep Freeze And Power Failures**



**POLITICS**  
**Biden To Authorize Broader Disaster Relief For Texas**

Popular on NPR.org







MUSIC VIDEOS

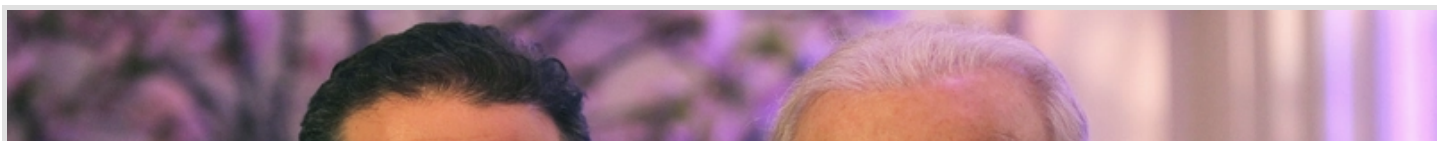
**Tiny Desk Meets SXSW: Steady Holiday**

## NPR Editors' Picks



BUSINESS

**Generation Unemployed: Another Class Of Graduates Faces Pandemic-Scarred Future**







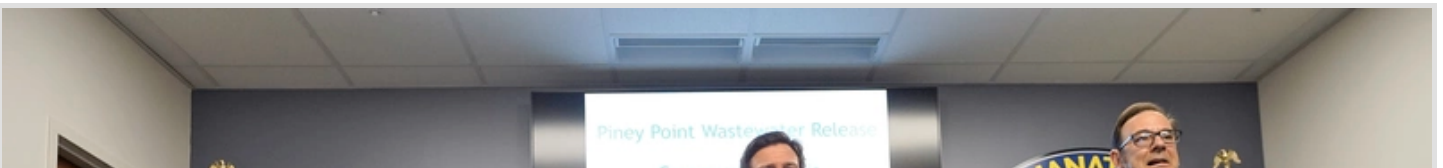
**AUTHOR INTERVIEWS**

## **Through Decades Of Addiction, Hunter Biden Says His Family Never Gave Up On Him**



**NATIONAL**

## **Former Obama Official On The Surge At The Border: 'This Is A Refugee Crisis'**







**ENVIRONMENT**

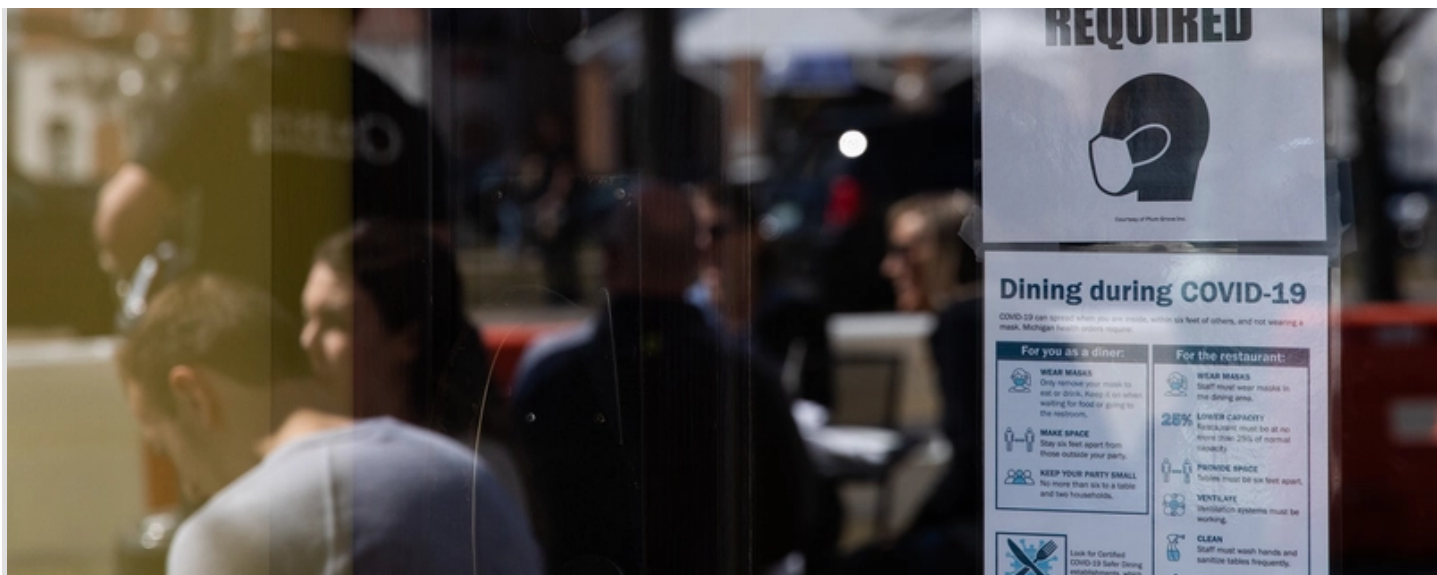
**State Of Emergency, Evacuations In Florida County Over Wastewater Pond Leak**



**NATIONAL**

**New Eyes On Alabama Death Row Case After Integrity Review Raises Questions**





HEALTH

**A 4th COVID-19 Surge May Be Starting. How Bad Could It Get?**

**Live Updates: Winter Storms 2021**

READ & LISTEN

**Home**

**News**

**Arts & Life**

**Music**

**Podcasts**

**Programs**

ABOUT NPR

**Overview**

**Diversity**

**Ethics**

**Finances**

**Public Editor**

**Corrections**

CONNECT

**Newsletters**

**Facebook**

**Twitter**

**Instagram**

**Press**

**Contact & Help**

GET INVOLVED

**Support Public Radio**

**Sponsor NPR**

**NPR Careers**

**NPR Shop**

**NPR Events**

**NPR Extra**

[terms of use](#)

[privacy](#)

[your privacy choices](#)

[text only](#)

© 2021 npr