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Moving violations

Weak regulation has allowed Texas electricity providers to amass a frightful record of incompetence, wrongdoing or both

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What would it be like if a town's residents reported 35,000 crimes, but authorities prosecuted only 38 cases and won only seven convictions. The police chief, district attorney and perhaps the mayor and City Council members would be looking for another job.

As unbelievable as that scenario might be, it is exactly analogous to the state Public Utility Commission's record of enforcing the rules governing retail electricity competition. Consumers filed 35,000 complaints, but the PUC issued only 38 notices of violation and levied only seven fines.

Part of the fault lies with the Legislature which, true to form, gave the commission weak powers and insufficient funds to regulate large, frequently unprincipled industries. Next session, the Legislature should increase the financial penalties the PUC can levy and increase its four-person enforcement staff, which has to handle telephone as well as electricity complaints.



If citizens file 35,000 complaints — alleging overbilling, deceptive billing, slamming and poor service — many more were abused but did not file an official complaint. If many of the violations were accidental, then Texans are dependent for their electricity upon companies where the CEO tolerates gross incompetence. If the violations were deliberate, then the public utility commissioners need to be more upset than they appear to be.

As Houston resident Darlene Wilcox told Chronicle reporter Purva Patel, "What's the point of having laws and someone found in violation, and then them not having any kind of penalty for violating the rules?"

Precisely. Patricia Dolese, a former head of consumer protection at the PUC who now advises the utility

companies she used to battle, said the companies learn quickly how to play the game. That indictment is harsher than it seems at first glance: If some of the largest companies in the state are willing to disregard the rules if they think they won't be punished, then they have little respect for society and its laws and lack basic decency.

In an era of rampant corporate malfeasance, the Public Utility Commission cannot forfeit the public interest and cavalierly ignore its duty to maintain orderly and honest markets.



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