

State Regulatory

Texas Straight Talk in Energy Regulation

Our Texas energy clients regularly deal with market forces and regulatory oversight. While their challenges continue to increase, so do our capabilities to help them.

Working in a complex regulatory and business landscape, marked by changing rules and economies, we offer sound advice and straight talk that comes from in-depth policy, legal and industry experience. Our clients include companies involved in every aspect of the energy industry, including transmission, distribution and production. Highlights of our regulatory practice include:

- Electric and Energy Industry Clients
- Public Utility Commission (PUC) Counsel
- ERCOT Practice
- Industry Unbundling and Restructuring
- Contested Proceedings and Litigation
- Legislative Advocacy

A major focus of our counsel is on the effect of energy costs on the profitability of our clients. For 30 years, Andrews Kurth lawyers have helped manage energy costs for companies doing business in Texas by synthesizing the key issues facing state regulatory bodies such as the Public Utility Commission of Texas (PUC) and by understanding the complex regulatory requirements governing the production and transmission of various energy sources in Texas.

In particular, our lawyers combine a facility with administrative law, industry knowledge and trial skills to advocate in cases involving power generating companies and transmission companies, cogeneration and electricity rates.

In rate cases and other types of administrative litigation, we defend clients and provide practical strategies for statutory and regulatory compliance. In addition to our ability to achieve administrative victories in cases before state agencies, we have also successfully defended those victories on appeal through the court system.

Electric and Energy Industry Clients

Our broad experience includes navigating the wide array of statutes and regulations that affect our clients including:

- Power project developers
- Power consumers/purchasers
- Independent power producers
- Power marketers

We are counselors to Texas Industrial Energy Consumers (TIEC), a trade association representing approximately 50 of the largest energy consumers in the state. Many of these companies are leaders in oil and gas production and refining, and in all forms of manufacturing, including high-tech, pulp and paper, and virtually every type of chemical manufacturing. We represent TIEC before the PUC in contested rate proceedings, including base rate cases, stranded cost cases, fuel reconciliation controversies and administrative rulemakings.

In addition to advancing the aggregate interests of TIEC members, our lawyers also advise on the electric energy needs of individual companies in oil and gas in the areas of exploration, production, pipelines and refining. Many of these companies are cogenerators of power, and we help them with their power transmission, interconnection, marketing and compliance needs.

Public Utility Commission (PUC) Counsel

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Our lawyers represent large energy consumers in state regulatory proceedings involving electricity rates and terms and conditions of service.

The heart of our PUC practice lies in securing and protecting our clients' rates and services in high-profile contested cases, major policy decisions and rulemakings. We have decades of experience in handling such proceedings. Andrews Kurth lawyers regularly prepare and file pleadings with state regulators on behalf of entities on issues such as:

- Building new power plants, including permitting
- Negotiating interconnection agreements
- Obtaining exempt wholesale generator or qualifying facility status
- Selling power at market-based rates
- Transferring ownership interests in power facilities
- Registering resources at all levels
- NERC, RTO and regional entity compliance

ERCOT Practice

The Electric Reliability Council of Texas (ERCOT) operates the electric grid and manages the deregulated market in much of Texas. Andrews Kurth lawyers have full experience in ERCOT proceedings that involve the complex protocols and guides involving rates and services for power transmission, distribution and generation.

Andrews Kurth lawyers regularly attend ERCOT committee meetings and advise clients on protocol revisions and other ERCOT matters. Among the issues we address:

- Interpretations of system operator rules
- Technical aspects of ERCOT rules and provisions
- Protocol or operating guide revisions
- Market issues
- Reliability issues
- Terms and conditions of access to transmission facilities

Industry Unbundling and Restructuring

Energy unbundling and restructuring present extremely complex legal issues. Our lawyers have substantial experience in these matters, particularly in Illinois, California, the Pacific Northwest, Pennsylvania and Texas.

We advise clients on electric industry restructuring and market development proceedings before all applicable state agencies. Andrews Kurth has been involved in industry restructuring proceedings affecting virtually all states that have unbundled services and restructured their retail electric industries, and the firm is actively involved in proceedings before regional independent system operators.