

**Houston Matters is on the air now!** Join the conversation: Call **713.440.8870** | Email <u>talk@houstonmatters.org</u> | <u>Listen Live</u>



Binge your favorite shows with PBS Passpo Find out how to gain access to extended content on-demand >>







**ENERGY & ENVIRONMENT** 

# Houston-Area Griddy Customer Seeks Class Action Lawsuit Alleging Unlawful Price Gouging

Customers say the retail electricity provider charged them exponentially higher rates during last week's storm. G says Public Utilities Commission to blame for soaring prices.

KYRA BUCKLEY | FEBRUARY 23, 2021, 7:20 PM



Crews work to restore power to homes in Euless, Texas, Thursday, Feb. 18, 2021.

A Chambers County woman who says she was charged more than \$9,000 for electricity during last week's winter storm is petitioning \$1 billion class action lawsuit against retail electricity provider Griddy, according to court documents.

Lisa Khoury, of Mont Belvieu, alleged in a petition filed in Harris County District Court that she attempted to switch providers after rea she was facing sky high electricity prices, but was not able to.

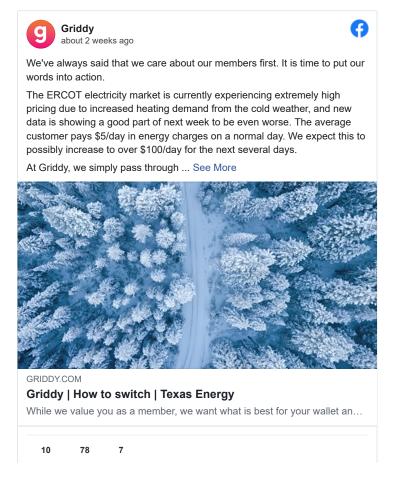
Over a six-day period from Feb. 13-19 Griddy charged her \$9,340, according to the petition. It goes on to say her normal monthly bil \$200-\$250.

"The outrageous bills added to Khoury's stress and financial burden, especially as a retiree," reads the petition, which seeks class at protection. "She describes herself as going into 'survival mode.' Many Texans complained the crisis drained "the mental reserves the left' from the COVID-19 pandemic."

The company did not respond to a request for comment Tuesday.

Heading into the storm Griddy warned its 29,000 customers in Texas that <u>prices were about to go up</u>, and in an unusual move asked customers to switch electricity providers.

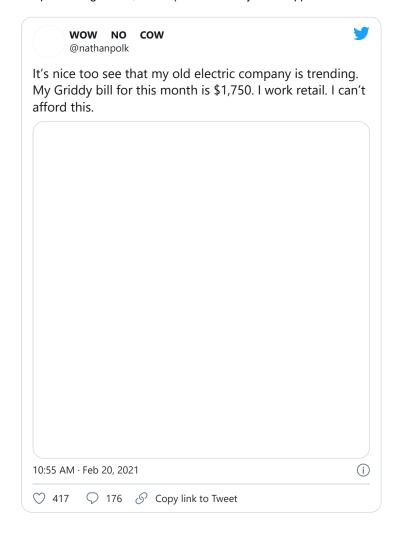
However, by the time many customers got the notification most providers had closed for the President's Day weekend or were not ac new customers.



As temperatures dipped below freezing across much of Texas and electricity demand approached record levels, the Public Utilities Commission directed the state's grid manager ERCOT to raise the wholesale price of electricity to reflect scarcity of supply. Normally price per kilowatt hour is 12 cents or less; ERCOT, as directed by the PUC, bumped the wholesale price up to \$9 per kilowatt hour.

Griddy bases what it charges customers on that wholesale price. Customers pay the delivery charge and a flat monthly fee plus the wholesale price of electricity at the time you use it.

"When there is excess energy on the grid, prices drop and can even go negative, which means you are getting paid to use electricity (awesome!)," Griddy's website explains, "And when demand is high like on hot summer days or winter storms, prices can spike. The the price can go to is \$9/kWh (which has only ever happened 0.005% of the time.)"

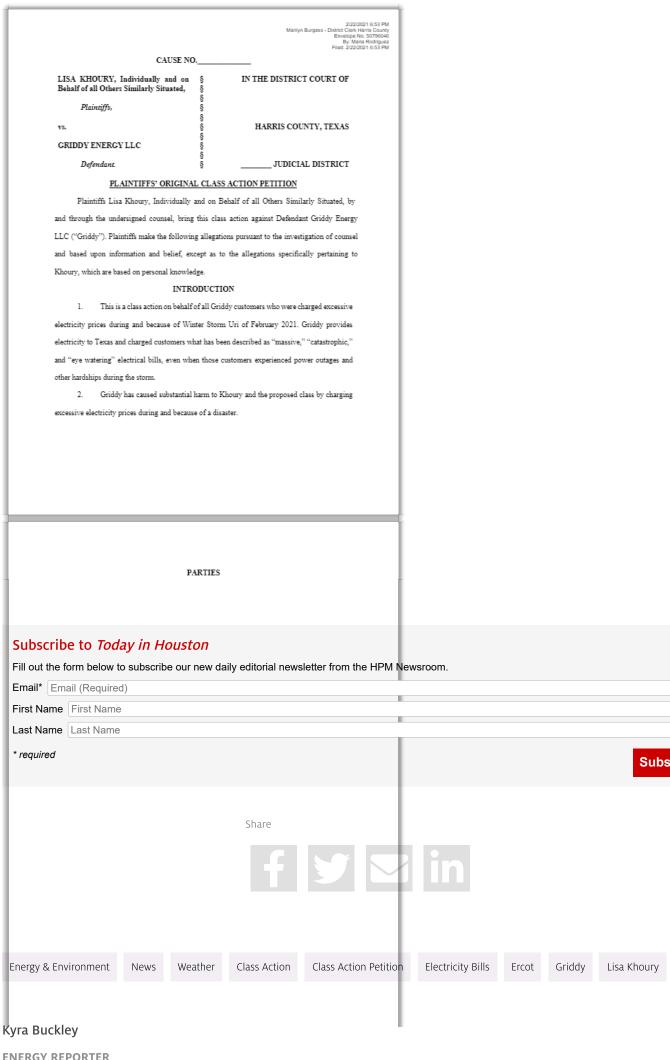


Khoury isn't the only customer expressing frustration.

On Twitter and Facebook Griddy customers have been sharing screenshots of bills charging \$1,000 or more, and demanding the co provide financial relief to those impacted by last week's high wholesale prices.

Griddy is blaming the Public Utilities Commission for the high prices, saying the PUC's move to raise wholesale prices "changed the

"We intend to fight this for, and alongside, our customers for equity and accountability," the company wrote in a statement, "to reveal such price increases were allowed to happen as millions of Texans went without power.



**ENERGY REPORTER** 





Kyra Buckley is an Energy Reporter with Houston Public Media. Before joining the News 88.7 team she was the Morn Edition Host and a reporter at KUNC in Northern Colorado. She started in public radio in her hometown of Eugene, O where she hosted Weekend Edition and reported for KLCC....

#### **RECENT STORIES**

Weekly Oil And Gas Update: Winter Storm Helps Boost Texas Oil To More Than \$60 Per Barrel Houston-Area Griddy Customer Seeks Class Action Lawsuit Alleging Unlawful Price Gouging Here's What To Expect From Your Next Electricity Bill In Texas

UPDATE: Water Has Returned To All Parts Of Houston, But Pressure Is Still An Issue, City Says

### More Articles by This Author

Support Comes From



## RELATED



Texas Lawmakers Set To Investigate Causes Of Winter Disaster



Electric Customers Go To Court Over Last Week's Power Outage (Feb. 25, 2021)



Resigning ERCOT Board Members Acknowledge 'Pain And Suffering' From Extreme Power Grid Strain That Caused Outages For Millions Of Texans



Gov. Greg Abbott, In Statewide Address, Promises Answers On Winter Weather Disaster

# MOST VIEWED

Here's What To Expect From Your Next Electricity Bill In Texas

NRG Park Vaccination Site To Prioritize Vulnerable Communities, Serve At Least 126,000 Houston-Area Judges Are Evicting Renters Who Could Be Protected Under Federal Order

Houston-Area Griddy Customer Seeks Class Action Lawsuit Alleging Unlawful Price Gouging – Houston Public Media Baytown Symphony Appoints 1st African American Conductor In Orchestra's History

Harris County To Debate Pulling Out Of ERCOT Grid After Winter Storm Outages

Support Comes From



Stories like this are made possible by the generosity of our community of donors, foundations and corporate partners. If you value our reporting, join others and make a to Houston Public Media.





About

Commitment

TV

Radio

News

Shows

**CPB** Compliance

FCC Station Information

KUHF Public File

**KUHT Public File** Privacy Policy

Additional Disclosures

First Name

Email Address

Subscribe

**Contact Us** 











**University of Houston**