

Misplaced Priorities: Texas Lawmakers Neglect Climate Disaster Preparedness, Endanger Texans and Hurt State Economy











Introduction: Extreme Weather, Extreme Politics

As the global climate crisis grows and extreme weather events become more commonplace, vulnerable states like Texas that are prone to natural disasters should be investing in climate solutions and taking precautions to protect their citizens from the dangers of harsh weather. Instead, extreme Texas lawmakers are fighting unpopular culture wars in order to appeal to wealthy special interests, neglecting the real needs of their constituents. As a result, the effects of climate change are incurring serious costs to the state, businesses, and individual taxpayers, while presenting active dangers to Texans.

Lawmakers who are focused on carrying out the political activist agenda of right-wing billionaires are not effectively addressing the growing effects of climate change and mitigating the costs for taxpayers and businesses that come with it. And Texans across the state are catching on. A majority of Texans believe state lawmakers are working for their wealthy campaign donors and are too friendly with the fossil fuel industry. As a result of these extremist policies, Texas has become the number one worst ranked state to live and work in.

This report takes a closer look at the tangible safety and economic costs of Texas' extremist lawmaking.

Extreme Heat

Every summer in Texas feels hotter than the last. The summer of 2023 was the <u>second</u> hottest on record in Texas, with an average temperature of 85.3 degrees, and <u>many</u> cities outright broke records for average temperature, triple-digit days, and most days above 105 degrees. Average temperatures for the entire year in 2023 were the highest ever and outpaced the 20th-century average by a <u>stunning 3.5 degrees</u>. The Texas state climatologist based at Texas A&M University attributes the "<u>consistent warmth</u>" to the climate crisis. Those high temperatures over an increasingly long period put extreme stress on our electric grid. In 2023 alone, Texas set and broke the all-time record for peak electricity demand <u>ten times</u>. The grid manager for much of the state, ERCOT, is already projecting a <u>16% chance</u> of a grid emergency this August that requires rolling blackouts to mitigate.

Dwindling periods of temperate weather between the winter freezes and the summer heat also mean that utilities have less time to take equipment offline safely for routine maintenance. This period, called the "shoulder season," has gotten shorter and shorter as it gets hotter earlier in the year. In 2022, ERCOT asked generation companies to delay their scheduled maintenance to avoid issues keeping up with greater-than-usual April and May demand. This potentially creates a precarious situation–generators can't turn off when grid conditions are tight, but delaying maintenance runs the risk that infrastructure won't be in prime shape heading into the most extreme heat of the summer months.

Generation isn't the only issue. Often in times of extreme heat, more than enough power is generated but it ends up trapped by an overburdened, congested transmission system that can't move the power from zone to zone. As a result, generators are <u>forced to curtail</u>, meaning they cannot put the power they're producing onto the grid. That's not a great outcome for a few reasons. First, it means less low-cost power is available to cool Texas homes and businesses. Second, it means we're leaving resources on the field and losing billions each year in curtailment losses. Upgrading existing transmission lines and building out new infrastructure are key to addressing this issue.

Finally, extreme heat is a safety risk with a human cost. It's common knowledge that the body cools itself by sweating, but in cases of extreme heat, sweating may not be able to cool the body fast enough to prevent dehydration and internal damage. As a result, over a thousand people die each year from heat-related deaths in the United States, and Texas had more than its share of that amount with a record 334 deaths in 2023. According to the Texas Tribune, that's twice the number that passed away from heat in 2011, the hottest summer in state history. Vulnerable populations include older adults, children, people with chronic conditions, and those that work outdoors. Texas heat-related deaths in 2023 range from a teenage hiker who died on a trail in Big Bend National Park; a postal worker from Dallas who collapsed on a yard on his mail route; and an estimated 41 incarcerated people living without air conditioning in Texas correctional facilities.

Distracted by Extreme Politics

The state has been so busy pushing extremist policies that the more granular, less glamorous solutions to extreme heat have fallen to the wayside. Instead of <u>pushing private school vouchers</u> to <u>drain tax dollars</u> from Texas public schools, the state could invest in <u>air conditioning systems</u> for all Texas schoolchildren, regardless of zip code. Time spent <u>preempting local labor laws</u> could have been spent crafting thoughtful <u>heat protection standards</u> for outdoor workers. Rather than <u>jeopardize the state's diplomatic relationship with Mexico</u> by passing extreme, <u>unconstitutional immigration laws</u>, the state could have negotiated with Mexico's leaders to <u>resolve the water rights issue</u> plaguing South Texas. Extremist policymaking is both costly and dangerous for Texas taxpayers and hasn't done anything to meet Texas's most basic needs or solve its most pressing problems. Instead, it has hurt the state's business-friendly and economically prosperous reputation and diverted focus from the actual work that needs to be done.

Extreme Cold

Texas may not regularly get buried in snow in the winter, but the state is no stranger to the dangers of extreme cold. In 2021, Winter Storm Uri hit Texas. Unlike other states, which could fall back on the shared resources of regional interconnections, Texas and its isolated electric grid were plunged into the dark and the cold for days on end. Upwards of 700 people died as result of the storm, including an eleven year old who froze in his unheated home. The storm caused over \$195 billion in damages and resulted in 500,000 insurance claims, largely related to residential property damage.

Over three years later, the trauma and fears about the grid still linger for many Texans. Yet, the grid isn't fixed. Loopholes in winterization laws have left some facilities vulnerable to winter freezes, and reluctance to winterize across the energy industry has created serious, possibly threatening gaps in the state's preparedness. Despite their failures contributing heavily to the crisis during Winter Storm Uri, one winterization law passed in the aftermath of the storm created a \$150 waiver for producers who did not want to be designated as critical infrastructure and forced to comply with potentially costly weatherization requirements. Critics have further alleged that of those roughly 7,000 facilities with the critical infrastructure designation, relatively few have received citations for failures to weatherize and none were cited for failing to upgrade equipment or add insulation. In contrast, the Public Utility Commission of Texas has ordered nearly \$900,000 in administrative penalties for weatherization violations in two years on six generators.

Transmission is also a key issue during extreme winter weather. One 2021 study found that Texas could save \$993 million per gigawatt of additional transmission capacity gained from connecting Texas's grid to that of the southeastern United States. Efforts to bolster regional interconnections have failed, largely due to Texas's aversion to federal oversight of its electric grid. Still, some energy leaders believe there are ways to build upon the limited existing connections to outside grids and create more stability for Texans without putting the state squarely under the jurisdiction of the federal government.

Conflicted Politicians Push Extreme Agenda

Instead of solving these and other outstanding issues on the grid, in recent years the Legislature has taken a different approach: when in doubt, blame it on wind and solar. Despite solar <u>outperforming</u> projections during Winter Storm Uri and renewables <u>providing low cost energy</u> to the grid, Texas legislators have taken <u>every chance</u> to penalize them, whether by <u>increasing the cost</u> for clean energy developers to connect generation to the grid or by proposing <u>stringent siting laws</u> to wipe out the wind and solar industries throughout the state. This extreme, anti-renewable agenda drives up consumer costs, <u>uses tax dollars</u> to bail out the oil and gas industry, and undercuts the free market principles that would otherwise allow market forces to decide which kinds of generation are preferred–reinforcing the message that the state is bad for business. It also diverts attention and bandwidth from the policies that would actually provide reliable, affordable energy to power Texas homes and businesses.

Natural Disaster

In addition to extreme heat and winter freezes, Texas experiences perhaps more than its share of natural disasters. Different parts of the state habitually get hit with different disasters. In early 2024, the <u>largest wildfire in Texas history</u> burned <u>over 1.2 million acres</u> of land in the Texas Panhandle, destroying <u>500 homes</u> and killing an estimated <u>12,000</u> <u>cattle</u>. Houston is prone to flooding, and seven years later the region is still recovering from the historic and destructive floods from 2017's Hurricane Harvey. Dallas-Fort Worth is <u>prone to tornadoes</u>, and West Texas with its fault zones and fracking <u>experiences more earthquakes</u> than much of the rest of the state. Around <u>97% of the state</u> experienced drought conditions heading into autumn 2023, <u>increasing the risk</u> of wildfires, agricultural losses, and water access and safety issues.

Over the years, Texas has had countless experiences with emergency preparedness and response from which to learn and evolve its policy landscape. Still, the state often gets caught flat-footed when disaster strikes. One major issue that arises as Texans start to rebuild is the <u>rising cost of property insurance</u>. As Texas gets hit with disaster after disaster, mainstream property insurance companies have <u>increased premiums</u> for customers living in disaster-prone areas in Texas, and <u>some fear</u> that insurers will eventually pull out of the market altogether, as has happened already in Florida and California. It's expensive to insure property in a state so plagued by catastrophe. In fact, the American Property Casualty Insurance Association (APCIA) reports that Texas insurers have been operating at a loss for years. Between 2018 and 2022, Texas insurance companies paid out \$1.07 per \$1 in premiums collected, according to APCIA. The burden on homeowners-both in rising insurance costs and the headache of working with contractors to make repairs-is even greater.

These costly climate disasters hurt taxpayers and businesses, and are incurring millions of dollars in claims costs for insurers—exacerbated by the lack of adequate infrastructure. Instead of fortifying Texas' system for future climate events, Texas lawmakers have cultivated an environment that impedes economic growth for homeowners and businesses struggling to insure their property and afraid of impending climate devastation.

Extremism Over Solutions

The state has an obligation to protect Texans, their property, and our shared infrastructure from the havoc and destruction of natural disasters. Texas could lead on this issue by <a href="https://docs.org/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/better.com/bet