(1) Problem 1 (50pts)

Do some research to determine (1) the number of US states that have continued to use the regulated monopoly market model for their electricity business and (2) the number of US states that have begun to move to a deregulated market model (wholesale/industrial or retail) for their electricity business. Don’t forget to name the states, and do please look at whether there is any pattern emerging between Group (1) and Group (2).

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The website (https://www.electricchoice.com) shows the following map of the US state regulation status (as of 2018)

![Map of US state regulation status](https://www.electricchoice.com)

Approximately 2/3 of the states (33) employ a regulated electricity market and 1/3 (17) have deregulated electricity markets. Twelve of the states with electricity regulation have deregulated gas markets, so one might expect that these states are at least considering deregulating the electricity markets too – assuming that the deregulated gas markets are operating in a beneficial fashion.
The deregulated markets are in:
- California
- Connecticut
- Delaware
- Illinois
- Maine
- Maryland
- Massachusetts
- Michigan
- New Hampshire
- New Jersey
- New York
- Ohio
- Oregon
- Pennsylvania
- Rhode Island
- Texas
- Virginia

Washington DC also has a deregulated electricity market.

The states with electricity deregulation appear to be concentrated in the northeast and west – where the most “progressive” state governments are located.

The Electric Choice website also contains a table listing the regulated and unregulated states and the year the deregulation began.
(2) Problem 2 (50pts)

It is widely believed that Texas has more consumer retail electricity options than any other US state. Do some digging and write a short report (a page or two) about the Texas plan.

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According to electricchoice.com, no state has an energy market that is completely deregulated, but in Texas, approximately 85% of the state has access to a deregulated market. The following lists some of the highest ranked retail electricity provider:

- Amigo Energy
- Bounce Energy
- Direct Energy
- Entrust Energy
- First Choice Energy
- Frontier Energy
- Just Energy
- Payless Power
- Sparkenergy
- Sperian Energy
- Tara Energy
- TriEagle Energy
- Veteran Energy
- Yep Energy

Each retailer offers a variety of plans that include:
- A base charge (a fixed amount to cover connection, service, and other fees)
- An energy charge (charge per kWh)
- A TDU (Transmission and Distribution utility charge)
- An ERCOT or similar administrative fee (recurring)
- Non-recurring charges (meter installation, disconnection, etc.)

Their plans are offered as contracts, with 6 month, 12 month, 24 month contract lengths, various connection or early disconnection fees.