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S&P: Winter Storm In Texas Will Continue To Be Felt In Utilities' Credit Profiles

Key Takeaways

- February's disruptions of the Texas electricity and gas markets have had varied credit impacts on rated entities.
- Electric cooperatives and public power utilities have had the most credit exposure.
- Unpaid bills for wholesale purchases of electricity and gas are the most significant financial exposures.
- Our negative rating actions have been concentrated among entities that were short electricity or natural gas.
- The ERCOT market's operational shortcomings and expectations that ERCOT will socialize defaulted payments among non-defaulting market participants presents ongoing negative credit risks.

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