**Frequently Asked Questions: 11/20/2013 Revision**

This version of FAQs was updated for the November 20, 2013 STTF meeting; see items in red. Additional Q&A’s may be added if warranted and this version will be retired. [Items that have been gray boxed will indicate a change that is proposed to the implementation plan. These gray box items only take effect in the event that the current Sharyland procedural schedule is delayed due to its rate case proceedings and a Final Tariff is not on file by January 31, 2014 and the PUCT orders a day-for-day delay in the implementation schedule.] [Items in yellow indicate an alternative adjustment to the implementation schedule based on a month-by-month delay so that implementation would begin with the first day of the meter reading cycle for the month that is 90 days after the Final Tariff is filed. These yellow box items only take effect in the event that the current Sharyland procedural schedule is delayed due to its rate case proceedings and a Final Tariff is not on file by January 31, 2014 and the PUCT orders a month-by-month delay in the implementation schedule.] [Items in blue indicate a third alternative fixed date for implementation beginning with the first day of the meter reading cycle for September 2014. These blue box items only take effect in the event that the current Sharyland procedural schedule is delayed due to its rate case proceedings and a Final Tariff is not on file by January 31, 2014 and the PUCT orders a delay in the implementation schedule to September 2014.]

**Q: Why did Sharyland create a new Transmission Distribution Service Provider (TDSP) entity and name when they were already registered with ERCOT as a TDSP in Texas’ competitive retail electric market?**

**A: New Sharyland TDSP. The creation of a new TDSP entity was necessary because, pursuant to the Final Order in PUCT Docket No. 39592 (Order), Sharyland’s upcoming rate case will set unbundled rates for the Brady, Celeste, Colorado City, and Stanton divisions on a combined basis, but will not include the McAllen division. Accordingly, because Sharyland will have two distinct tariffs, the Retail Electric Providers (REPs) desired two TDSP entities for pricing purposes. To facilitate the move of Sharyland’s load in the Brady, Celeste, Colorado City, and Stanton divisions from status as a Non-Opt-In Entity (NOIE) to retail competition, Sharyland registered with ERCOT a Transmission Distribution Service Provider (TDSP) with new DUNS Number 10-526-2336-4500 under the name Sharyland Utilities, L.P. The existing TDSP, Sharyland Utilities, L.P. with DUNS Number 10-526-2336, has been renamed Sharyland Utilities, L.P. – McAllen to distinguish by name the existing service area that is currently open to retail competition (the McAllen division) from Sharyland’s other areas that will open to retail competition in 2014. This naming convention will be used for pricing offers on** [www.powertochoose.org](http://www.powertochoose.org) **and other areas that require distinction between the two entities. Sharyland provided a Market Notice to the ERCOT market participants of this name change on March 18, 2013. This new Sharyland TDSP has successfully tested with ERCOT in Texas SET Flight 0213.**

**Q: Who decided how the transition to competition would occur?**

**A: Sharyland Transition Task Force (STTF).** The STTF was created under the ERCOT Retail Market Subcommittee (RMS) as a forum for stakeholder participation and input on the technical details required for a successful implementation of retail competition in Sharyland’s Brady, Celeste, Colorado City, and Stanton divisions (Sharyland). The STTF meets monthly and has active participation from several REPs, other market participants, and Staff of the Commission and ERCOT. Agendas, documents, meeting notes, and other information are available on the ERCOT website at [http://www.ercot.com/committees/board/tac/rms/sttf](http://www.ercot.com/committees/board/tac/rms/sttf/). Attachment 1 is a timeline reflecting major milestones for the transition process and the general framework for transactions that received unanimous stakeholder support at the March STTF meeting. The timeline assumes that Sharyland’s customers will be transitioned to competition on their normal meter cycle beginning on May 1, 2014 (Transition).

**Q: How can a REP identify the ESI IDs for Sharyland Utilities?**

**A: Establishment of Customer Information in ERCOT Systems.** Sharyland loaded customer ESI ID information into the ERCOT system during September 2013, and will submit 12 months of historical usage into the ERCOT systems for the ESI IDs during early 2014. Sharyland’s ESI IDs will be a total of 17 digits and reflect a 03109 Department of Energy (DOE) code, which is separate from the 17008 DOE code currently used for **Sharyland Utilities, L.P. – McAllen**. Reference the Sharyland ESI ID Format document under Key Document on the ERCOT STTF page.

<http://ercot.com/committees/board/tac/rms/sttf/>,

**Q: How will REPs know who the customers are in Sharyland Utilities?**

**A: Marketing and Customer Enrollment.** Sharyland will provide a Mass Customer List to certified REPs and registered aggregators upon request pursuant to P.U.C. Subst. R. 25.472 and the provisions of the Order by December 31, 2013. In addition to the information in the Mass Customer List, REPs will need the meter read date for each ESI ID in order to properly submit the transactions described below. (Meter read dates will be available for download from the ERCOT FTP site as they are for other TDSPs.)

**Q: How do REPs and Aggregators request a copy of the Sharyland Utilities, L.P. Mass Customer List?**

**A: REPs and Aggregators that are officially registered with the Public Utility Commission of Texas** can request to receive the Mass Customer List by sending a request to:

**Camie D. Flowers**

***Regulatory Specialist***

**One American Center**

**600 Congress Ave., Suite 2000**

**Austin, TX  78701**

**Office:  (512) 721-2651**

[cflowers@sharyland.com](mailto:cflowers@sharyland.com)

**Q: How will REPs be able to create products for Sharyland customers?**

**A: Tariff.** Sharyland anticipates having unbundled tariffs approved in early 2014, and at that time, REPs can begin pricing products and then marketing to customers. As discussed in detail below, REPs can begin submitting electronic EDI 814\_16 Move In (MVI) transactions for new customers to ERCOT beginning in February 2014, [June 2014], subject to limitations in the ERCOT systems that transactions may not be pending for more than 90 days prior to the customer’s regular meter read date in May 2014, [September 2014], when customers will be transitioned to REPs. [If the approved Sharyland Tariff is filed after January 31, 2014, then the first date REPs can submit 814\_16 MVI transactions will shift an equal number of days as the delay. Additionally, the first date for the Transition to begin assumes Filing date = F, then F + 90 = Day 1 of Transition (if not a Retail Business Day adjusted to the next Retail Business Day).] [If the approved Sharyland Tariff is filed after January 31, 2014, then the first date REPs can submit 814\_16 MVI transactions would be on the first day of the meter read cycle for the month that begins 90 days after the approved Sharyland Tariff is filed. (For example, if the approved Sharyland Tariff is filed February 15, then the Transition would begin on the first meter read cycle date for June).]

**Q: Will Sharyland have an Affiliated REP (AREP)?**

**A: No.**

**Q: How will REPs acquire customers?**

**A: Customer Enrollment.** Beginning February 1, 2014, REPs can begin submitting 814\_16 MVI transactions to ERCOT for new customers as they enroll in Sharyland’s service area. MVIs are necessary because customer meters will be viewed as de-energized in the ERCOT systems prior to retail competition. [If the approved Sharyland Tariff is filed after January 31, 2014, then the first date REPs can submit an MVI transaction will shift an equal number of days as the delay. Additionally, the first date for the Transition to begin assumes Filing date = F, then F + 90 = Day 1 of Transition (if not a Retail Business Day adjusted to the next Retail Business Day).] When submitting the MVI, **REPs will need to use the date of the customer’s May 2014 [September 2014] meter read. [REPs will need to use the date of the next cycle read following Day 1 of the Transition.]** [REPs will need to use the first billing cycle date for the month that is 90 days after the approved Sharyland Tariff is filed.**]** Under the standard logic of the ERCOT transaction system, any MVI that a REP subsequently submits for the same ESI ID with the same move-in date will be rejected as “not first in.” If a customer decides to change REPs before retail competition commences in May 2014 [the Transition Month] [the Transition Month] [September 2014], the customer must contact the first REP and cancel service so that the transaction from the second REP can be processed. REPs will be allowed to sign-up customers and submit MVIs from February 1 through April 13, 2014. [REPs will be allowed to sign-up customers and submit MVIs from the first Retail Business Day after Sharyland files approved Tariffs through the following 74 days.] [REPs will be allowed to sign-up customers and submit MVIs beginning with the meter read cycle in the first full month following the approval of Sharyland’s Tariffs through the following 74 days.] [from June 1 through August 14, 2014.] From April 14 to 16, 2014 [From day 75 to 77,] [From day 75 to 77,] [From August 15 to 17, 2014,] Sharyland will determine which customers have not chosen a competitive REP and will randomly assign those customers to **Default REPs**, as contemplated in the Order and discussed in more detail below**. Default REPs will submit MVIs** for their assigned customers between April 17 and 27, 2014. [day 78 and 88.] [day 78 and 88.] [August 18 and 28, 2014.] Other competitive REPs will hold transactions for any customers that they enroll between April 17 and 27, 2014. [day 78 and 88.] [day 78 and 88.] [August 18 and 28, 2014.] Beginning April 28, 2014 [day 89 but only during the Transition Month] [day 89 but only during the Transition Month] [August 29, 2014], since all customers will have or have been assigned a provider, the REP will submit a MVI using a meter read date that is one day past the customer’s normal monthly meter read date for the Transition Month. When Sharyland receives such a MVI, the initial Default REP’s MVI for the meter read date will be rejected as unexecutable, and Sharyland will execute the second MVI from the competitive REP on the scheduled meter read date. Detailed process flows documenting these transactions under multiple scenarios are available for review on the STTF website.

**Q: Will Sharyland assess MVI fees during the Transition to Competition month?**

**A: Sharyland will not be assessing MVI fees during the Transition.** The MVI is being utilized for this Transition due to settlement issues and not because a customer is moving**.**

**Q: How will customer education be accomplished?**

**A: Customer Notices and Informational Meetings.** In accordance with the Order, Sharyland has provided information on the transition to competition on its website at [http://www.sharyland.com](http://www.sharyland.com/transition_comp.aspx), and will continue to update this site as more information becomes available. In late August 2013, Sharyland provided direct mail notice to customers regarding the transition and information on the Mass Customer List, including the option to be excluded from the list, in accordance with P.U.C. Subst. R. 25.472 and the requirements of the Order. By January 31, 2014, Sharyland will provide direct mail notice to customers advising of the Default REPs they will be assigned to if they do not select a REP and other information explaining the transition to competition. In addition, Sharyland will conduct at least one public meeting in each of the four divisions during February and March 2014. All public meetings will be posted on [http://www.sharyland.com](http://www.sharyland.com/transition_comp.aspx).

**Q: How do REPS get certified?**

**A: REP Certification. REPs** can test with Sharyland in either the June 2013 (0613) or the October 2013 (1013) ERCOT flight tests, and execute a Distribution Service Agreement.

**Q: How do Default REPS get certified?**

**A: Default REP Certification.** During the course of the STTF meetings, it was determined that eligible REPs who desire to serve as Default REPs must test with the new Sharyland TDSP in the ERCOT Texas SET Flight 0613, which had a registration deadline of May 15, 2013. Commission Staff communicated to the potential REPs their eligibility to serve as a Default REP, Default REPs tested with Sharyland in Flight 0613 testing, and the final list of Default REPs was filed with the Commission in Project No. 41137 on October 31, 2013. Sharyland is working through the STTF with the Default REPs to further define the parameters for random assignment of customers.

**Q: Where can REPs find the approved tariffs for Sharyland Utilities?**

**A: Tariffs.** Sharyland filed its application to establish retail delivery rates on May 31, 2013, in PUCT Docket No. 41474, and copies of that filing are available for download on the PUCT’s website. The rate case must have final Tariffs approved by January 31, 2014 to allow competition to open on the May 1, 2014 read cycle. Electronic copies of Sharyland’s existing tariffs can be found on [http://www.sharyland.com](http://www.sharyland.com/transition_comp.aspx) and the new tariff, once approved, will also be posted to the site.

**Q:** **What is the Purchased Power Cost Recovery Factor Reconciliation** (PCRFR) Rider proposed in Sharyland’s new tariff?

**A: Sharyland’s proposed Rider PCRFR is a rider authorizing Sharyland to engage in a final reconciliation of any power costs incurred before the transition to retail competition**, but which could not be reconciled until after the transition due to the timing of the power cost bills. Sharyland does not own any generation resources, and instead supplies power to its customers by purchasing wholesale power and passing those costs through its existing Power Cost Recovery Factor (PCRF). Sharyland currently charges its customers an estimated power cost which adjusts monthly, and either refunds or recovers the difference from the estimated cost when it receives the final costs of power from the seller. Because there is often a delay of several months or more in reconciling the estimated and actual costs covered, by the time Sharyland receives the information it needs to make the necessary calculations under the PCRF, it may have expired by virtue of the transition to competition, leaving no means to reconcile several months’ worth of power adjustments. Rider PCRFR would authorize Sharyland to assess a final charge or refund after the transition to retail competition and would remain in effect until all over- or under-recovery amounts have been reconciled in accordance with P.U.C. Subst. R. 25.238(k). The initial, and largest, reconciliations will occur the first couple months after the transition to competition, which under the proposed transition timeline would occur during the summer months of 2014. Additional annual true-ups are anticipated through January 2015, and other unanticipated charges could result from alternative proceedings initiated by the power suppliers or resettlements of the ERCOT market.

**Q: Is there additional transition information Sharyland would like to share concerning the creation of ESI IDs?**

**A: Sharyland will need to create ESI IDs using substations that are currently unnamed in the ERCOT system**, due to the fact that parts of the Sharyland transmission system will remain in the Southwest Power Pool (SPP) until the end of 2013. Sharyland will need to create ESI IDs prior to that time and will be using a default substation for ESI IDs when necessary. Sharyland will correct the substation names after all transmission lines have been moved from SPP to ERCOT.

**Q: Is there additional transition information Sharyland would like to share concerning its IDR meters?**

**A: Sharyland currently has a small number of IDR meters.** Sharyland will be providing historical usage for these meters utilizing beginning and ending reads and will not be providing interval usage until sometime in 2014 (but prior to transition to competition).

**Q: How will Sharyland handle Tampering Fees during the May 2014 transition?**

**A: Sharyland will bill customers on the final bill and handle tampering situations pursuant to the current bundled utility tariff.** Sharyland has no plans to invoke the Switch Hold for Tampering process during the Transition. Sharyland will invoke the Switch Hold for Tampering processes after the 2014 Transition month.

**Q: Where can REPs and Aggregators find a listing of Sharyland Zip Codes?**

**A: An updated list of Sharyland Zip Code areas has been loaded under Key Documents on the ERCOT/RMS/STTF website**.

<http://www.ercot.com/committees/board/tac/rms/sttf/>

**Q: Where can REPs and Aggregators find information relating to estimated customer counts and energy for the new Sharyland territory?**

**A: This information has been uploaded to the ERCOT/RMS/STTF website**. <http://www.ercot.com/committees/board/tac/rms/sttf/>

**Q: Should REPs plan to provide the Lite-Up discount to Sharyland customers?**

**A: Yes.** Sharyland has discussed with PUCT Staff the eligibility of customers in the new divisions for the Low-Income Electric Rate Reduction Program (Lite-Up discount) once customer choice is implemented.  Given that Sharyland has participated in collecting System Benefit Fund fees in its McAllen division and Sharyland will continue operating as one company, customers in the new divisions will be eligible to participate in the program once customer choice is implemented. Sharyland will work with REPs, the PUCT and the Lite-Up discount administrator to determine the best way to ensure timely matching of customers in the administrator’s database.