**ERCOT Retail Market Guide**

**Section 7: Market Processes**

**December 11, 2017**

7.3 Inadvertent Gain Process

(1) This Section provides guidelines for ensuring that inadvertently gained Electric Service Identifiers (ESI IDs) are returned to the losing Competitive Retailer (CR) in a quick and efficient manner with minimal inconvenience to the Customer as required by P.U.C. Subst. R. 25.495, Unauthorized Change of Retail Electric Provider.

7.3.1 Escalation Process

(1) Each Market Participant is responsible for compliance with the Public Utility Commission of Texas (PUCT) rules and the procedures and timelines in this Section 7.3, Inadvertent Gain Process. Each Market Participant shall provide separate Escalation Primary and Secondary contacts to assist in resolution of delays and disputes regarding the procedures. MarkeTrak will send escalation e-mails to the escalation contact(s) whenever an issue has not been transitioned by the responsible party within the escalation timelines found in the MarkeTrak User Guide.

7.3.2 Competitive Retailer’s Inadvertent Gain Process

(1) As soon as a CR discovers or is notified of a potential inadvertent gain, the CR shall promptly investigate the matter and provide necessary Customer information in the comments field to effectively resolve the inadvertent gain issue, including, but not limited to the following:

(a) Customer name;

(b) Service address; and

(c) Meter number (if available).

(2) The CR investigation should include reviewing the ESI ID Service History on the Market Information System (MIS) Certified Area. Refer to Section 2, Inadvertent Gain, in the MarkeTrak Users Guide for more detail.

7.3.2.1 Buyer’s Remorse

7.3.2.1.1 Rescission Period

(1) An untimely notice of rescission does not constitute and should not be treated as an inadvertent gain or loss. Any CR receiving an untimely notice of rescission from the Customer shall inform the Customer that they have a right to select another CR and may do so by contacting that CR. The CR shall also inform the Customer that they will be responsible for charges from the CR for services provided until they switch to another CR. The right of rescission is not applicable to a Customer requesting a move in.

(2) CRs that receive a notice of rescission in a timely manner shall first attempt to cancel the order in question by submitting the appropriate Texas Standard Electronic Transaction (TX SET). If this is not possible due to the order having Completed, MarkeTrak shall be utilized to restore the Customer to their previous Retail Electric Provider (REP). The submitting REP for a rescinded switch shall follow the process outlined in the MarkeTrak Users Guide.

7.3.2.1.2 Breach of Contract

(1) The inadvertent gain process shall not be used to resolve an issue in which an authorized enrollment causes a breach of contract between the Customer and the losing CR.

7.3.2.2 Prevention of Inadvertent Gains

(1) If the gaining CR determines that a potential inadvertent gain may be avoided by cancelling a pending switch or move in transaction prior to the scheduled date, the gaining CR shall cancel the transaction using the 814\_08, Cancel Request.

7.3.2.3 Resolution of Inadvertent Gains

(1) If the gaining CR determines that the gain was unauthorized or in error, the CR shall promptly submit an *Inadvertent Gaining* issue in MarkeTrak. (See Section 7.2, Market Synchronization, for more information about MarkeTrak).

(2) The gaining CR shall not submit a Move-Out Request or a Disconnect for Non-Pay (DNP) on an ESI ID that was gained in error.

(3) The losing CR shall not submit an *Inadvertent Losing* issue in MarkeTrak until the gaining CR’s switch or move in transaction has completed.

(4) If the gaining CR placed a switch hold on an ESI ID that was gained in error via the 650\_01, Service Order Request, the gaining CR shall request the removal of all switch holds from the ESI ID via a 650\_01 transaction before proceeding towards a resolution of the *Inadvertent Gaining* or *Inadvertent Losing* MarkeTrak issue. However, if a switch hold was placed on the ESI ID by the TDSP due to tampering, the losing CR may request that the TDSP reinstate the tampering switch hold on the ESI ID..

(5) After the losing CR regains the ESI ID, the TDSP will reinstate any critical care designations that have not expired and were previously assigned to the Customer at the ESI ID and submit the 814\_20, ESI ID Maintenance Request.

7.3.2.3.1 Reinstatement Date

(1) The losing CR and the gaining CR may work together to negotiate a reinstatement date for the losing CR to take the ESI ID back and note that date in the MarkeTrak issue. However, the losing CR shall ultimately determine the reinstatement date and note that date in the MarkeTrak issue.

(2) The reinstatement date shall be one day beyond the date of loss (date of loss is the date the Customer started with the gaining CR) or any subsequent date chosen by the losing CR for which the losing CR had authorization to serve the Customer, but no greater than ten days from the date the MarkeTrak issue was submitted. If the reinstatement date in the backdated move in is prior to or equal to the gaining CR’s start date, ERCOT will reject the backdated move in and resolution of the inadvertent gain will be delayed.

(3) If the reinstatement process is delayed, the reinstatement date shall be no greater than ten days from the date the MarkeTrak issue was submitted.

(4) No later than 12 days after the submittal of the *Inadvertent Gaining* or *Inadvertent Losing* MarkeTrak issue, the losing CR shall submit an 814\_16, Move In Request, with the Inadvertent Gain/Loss indicator “IA” found in the BGN07 field, that is backdated by at least one Retail Business Day. The backdated move in shall use the date as populated within the “proposed regain date” field in MarkeTrak as the requested reinstatement date. The losing CR shall verify that the backdated move in was successfully received and accepted by the TDSP and populate the BGN02 field from that transaction.

(5) If the move in has not been submitted within the required timeline, or the reinstatement date is different than the date noted in the MarkeTrak issue, refer to the escalation process in the MarkeTrak Users Guide.

(6) MarkeTrak issues where all parties have agreed and the MarkeTrak issue remains untouched for 20 days will be auto closed in the system.

7.3.2.4 Valid Reject/Unexecutable Reasons

(1) The losing CR may reject the return of an inadvertently gained ESI ID from the gaining CR for one of the following reasons only:

(a) A new transaction has completed in the market, including, but not limited to the following transactions:

(i) The 814\_16, Move In Request; or

(ii) The 814\_01, Switch Request.

(b) Duplicate *Inadvertent Gaining* issue in MarkeTrak for the same Customer on the same ESI ID.

(2) The gaining CR may reject returning an inadvertently gained ESI ID to the Losing CR for one of the following reasons only:

(a) A new transaction has completed in the market, including, but not limited to the following transactions:

(i) The 814\_16 transaction; or

(ii) The 814\_01 transaction.

(b) Duplicate *Inadvertent Losing* issue in MarkeTrak for the same Customer on the same ESI ID;

(c) The Gaining CR has confirmed with the Customer that the Customer’s CR of choice is the Gaining CR:

(i) Gaining CR has a valid enrollment with the same Customer and provides the Customer name, service address and meter number (if available) in the comments section of the MarkeTrak issue.

(d) Customer has successfully completed an enrollment regarding the same ESI ID and the Gaining CR has the most recent effective date; or

(e) In cases of Customer rescission, *Inadvertent Losing* MarkeTrak issue is rejected/unexecuted and a *Rescission* MarkeTrak issue is created.

7.3.2.5 Invalid Reject/Unexecutable Reasons

(1) The losing CR shall not reject the return of an inadvertently gained ESI ID due to:

(a) Inability to contact the Customer;

(b) Past due balances or credit history;

(c) Customer no longer occupies the Premise in question;

(d) Contract expiration or termination;

(e) Pending TX SETs; or

(f) Losing CR serving the Premise under a Continuous Service Agreement (CSA).

7.3.2.6 Out-of-Sync Condition

(1) If the losing CR does not have a record of ever serving the ESI ID involved in the *Inadvertent Gaining* MarkeTrak issue, the losing CR shall update the MarkeTrak issue with this information. ERCOT and the losing CR will work together to resolve the out-of-sync issue. TDSP corrections necessary to reestablish the ESI ID with the losing CR may result in a TDSP invoice for a minimum of a one day charge which includes any applicable TDSP service charges according to the TDSP tariffs. For system logic rules, see Section 11, Solution to Stacking.

7.3.2.7 No Losing Competitive Retailer of Record

(1) If it is determined that the losing CR is no longer active in the market, then it is recommended that the gaining CR make reasonable attempts to contact the Customer to resolve the issue and request that ERCOT close the MarkeTrak issue. If the gaining CR is unable to contact the Customer, they may consider following the rules established in P.U.C. Subst. R. 25.488, Procedures for a Premise with No Service Agreement.

7.3.3 Charges Associated with Returning the Customer

(1) The affected CRs and TDSP shall take all actions necessary to correctly bill all charges, so that the end result is that the CR that served the ESI ID without proper authorization shall pay all transmission, distribution and discretionary charges associated with returning the ESI ID to the losing CR, or CR of choice in the case of a move in. Each CR shall be responsible for all non-by passable TDSP charges and wholesale consumption costs for the periods that the CR bills the Customer.

(2) If the gaining CR sends a move out or DNP (in violation of Section 7.3.2.3, Resolution of Inadvertent Gains), and in order for the TDSP to reverse fees associated with the inadvertent gain, the losing CR should file a MarkeTrak issue under the *Redirect Fees* subtype within three Retail Business Days following receipt of the 810\_02, TDSP Invoice, containing discretionary fees as a result of the inadvertent gain. The losing CR shall item link any existing related *Inadvertent Gaining* or *Inadvertent Losing* issues, if applicable. If the gaining CR agrees that an inadvertent gain has occurred, including agreement within a related inadvertent gain issue, then the gaining CR shall agree to the losing CR’s *Redirect Fees* MarkeTrak issue and shall not dispute any of the valid TDSP fees associated with returning the ESI ID to the losing CR.

(3) The losing CR shall not submit a priority 814\_16, Move In Request, if the Customer currently has power.

7.3.4 Transmission and/or Distribution Service Provider Inadvertent Gain Process

 (1) Once a TDSP receives the backdated 814\_16, Move In Request, with the Inadvertent Gain/Loss indicator “IA” found in the BGN07 field, the TDSP will complete the Move-In request and send the 867\_04 Initial Read transaction to the Losing CR and the 867\_03 Final transaction to the Gaining CR.

7.3.4.1 TDSP Valid Reject Reasons

(1) If the backdated 814\_16 Move In transaction does not contain the Inadvertent Gain “IA” or Customer Rescission “CR” indicator, the TDSP shall reject the backdated 814\_16 Move In with a reject response of “DIP” (Date in the Past).

(2) If the backdated 814\_16 Move-In transaction includes the Inadvertent Gain “IA” or Customer Rescission “CR” indicator, but the Move-In Date is greater than 150 days in the past the TDSP shall reject the backdated Move-In transaction with a reject response of “150”. The TDSP shall not cancel and rebill invoices greater than 150 days in the past from the date that the Move In transaction was received. Upon Competitive Retailer’s receipt of the reject response of “150”, the Competitive Retailer shall take the appropriate action(s) to correct the backdated Move-In Date before resubmitting their transaction to the TDSP.

(3) If a third party Competitive Retailer legitimately acquires a previously inadvertently gained ESI ID, the TDSP no longer considers this an inadvertent issue and shall reject the backdated 814\_16 Move In with a reject response of “Leapfrog Scenario - Third Party has Gained or in the process of Gaining this ESI ID”.

(4) If a Move Out transaction is scheduled or has been completed for an inadvertently gained ESI ID, TDSP shall reject the backdated 814\_16 Move In with a reject response of “Move-Out is Scheduled or has been Completed by the TDSP”.

7.3.4.2 Transmission and/or Distribution Service Provider Billing

(1) Once a backdated move in transaction has been accepted by the TDSP, the TDSP shall invoice all transmission, distribution and discretionary charges associated with returning the Customer to the losing CR, or CR of choice in the case of a move in, to the gaining CR. The TDSP shall be responsible for invoicing all non-bypassable TDSP charges to the CRs in accordance with the periods that they each served the Customer.

(2) Any disputes regarding TDSP charges shall be filed in accordance with Section 7.8, Formal Invoice Dispute Process for Competitive Retailers and Transmission and/or Distribution Service Providers.

7.3.5 Customer Rescission after Completion of a Switch Transaction

(1) The time period allowed for a Customer to rescind a switch transaction may extend beyond the completion date of a switch. If a Customer requests to cancel a switch for the purpose of rescission, the CR scheduled to gain the Premise shall attempt to cancel the transaction by following the steps outlined in Section 7.3.2.2, Prevention of Inadvertent Gains, regarding cancellation of the pending 814\_01, Switch Request.

(a) If the TDSP is unable to cancel the switch, or the Customer waits until after the switch is complete to exercise the rescission, but the Customer is still rescinding the agreement within the timelines specified in P.U.C. Subst. R. 25.474, Selection of Retail Electric Provider, the gaining CR shall file a MarkeTrak issue, subtype *Customer Rescission*, to initiate reinstatement of the Customer to the previous CR.

(b) Upon receiving the Customer Rescission MarkeTrak issue, the losing CR shall agree to the Customer Rescission MarkeTrak issue within two Business Days unless a valid reason for rejecting a rescission-based issue under Section 7.3.5.1, Additional Valid Reasons for Rejection of a Rescission-based Issue, is met.

(2) The TDSP shall not assess any fees related to Customer reinstatement in cases of a valid Customer rescission, provided the submit date of the MarkeTrak issue falls on or before the 25th day following the established First Available Switch Date (FASD) of the 814\_03, Enrollment Notification Request, per the timeline specified in Protocol Section 15.1.1, Submission of a Switch Request. Once this time frame has expired, the gaining CR will no longer be able to submit an issue under the subtype *Customer Rescission* and must use the *Inadvertent Gaining* subtype to return the Premise. The gaining CR will incur all TDSP charges normally associated with the return of a Premise through that subtype.

(3) Within two Business Days of CR agreement to the Customer Rescission MarkeTrak issue, the losing CR shall submit the backdated 814\_16, Move In Request, with the Customer Rescission indicator “CR” found in the BGN07 field, to reinstate the Customer for one day beyond the original date of loss. The option to reinstate the Customer for any date beyond that as outlined in Section 7.3.2.3.1, Reinstatement Date, is not applicable for rescissions received within the timelines specified in this scenario.

(4) The rules and guidelines set forth in previous sections regarding valid/invalid reject reasons, back-dated transactions over 150 days, pending order notification and third party transactions/leapfrog scenarios shall apply to rescission-based reinstatement.

(5) Only those enrollments initiated by an 814\_01 transaction, and eligible for Customer rescission as defined in P.U.C. Subst. R. 25.474, may be returned through the process outlined in this Section. Only the gaining CR may initiate the process of returning the Customer to the losing CR by filing a MarkeTrak issue upon being contacted by the Customer exercising rescission. If a gaining CR attempts to submit a *Customer Rescission* issue in MarkeTrak only to discover an *Inadvertent Losing* issue has been submitted by the losing CR for the same transaction, the gaining CR shall mark the *Inadvertent Losing* issue unexecutable and proceed with submission of anew issue under the *Customer Rescission* subtype.