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| RMGRR Number |  | RMGRR Title | Inadvertent Gain Process Updates |
| Date Posted | |  | |
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| Requested Resolution | | Normal | |
| Retail Market Guide Sections Requiring Revision | | 7.3 Inadvertent Gain Process | |
| Related Documents Requiring Revision/Related Revision Requests | | N/A | |
| Revision Description | |  | |
| Reason for Revision | | Addresses current operational issues.  Meets Strategic goals (tied to the [ERCOT Strategic Plan](https://www.ercot.com/files/docs/2018/12/13/ERCOT_Strategic_Plan_2019-2023.pdf) or directed by the ERCOT Board).  Market efficiencies or enhancements  Administrative  Regulatory requirements  Other: (explain)  *(please select all that apply)* | |
| Business Case | |  | |

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| Sponsor | |
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| E-mail Address |  |
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| **Market Rules Staff Contact** | |
| **Name** |  |
| **E-Mail Address** |  |
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| Proposed Guide Language Revision |

7.3 Inadvertent Gain Process

(1) An Inadvertent Gain/Loss (IAG) is an unauthorized change of a customer’s Competitive Retailer (CR) when a customer or a premise is changed to a CR that is different from the customer’s expected CR of choice. An IAG is either reported as a gain by the gaining CR or a loss by the losing CR.

(2) The inadvertent gain process shall be used in cases where a REP is serving a customer without proper authorization pursuant to P.U.C. SUBST.R. 25.474. 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.

(3) CRs shall report IAGs to the Electric Reliability Council of Texas (ERCOT) as promptly as possible.

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 Bulk Insert templates shall only be used for the submission of multiple IAGs for the same Customer under the same contract (retail service agreement) such as a large apartment complex or property management company or in cases where system issues occurred only with proper notification as required under 7.3.2.4. Gaining CR System Processing Errors.

(3) 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 Invalid Use of the IAG Process

7.3.2.1.1 After the 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)

7.3.2.1.2 Breach of Contract

(1) The IAG process shall not be used to resolve an issue in which an authorized enrollment causes a breach of contract (e.g. early termination fee) between the Customer and the losing CR.

(2) The IAG process shall not be used to resolve an issue in which an authorized enrollment causes a breach of contract (e.g. non-payment) between the Customer and the gaining CR.

*7.3.2.1.3* ***Service Connected As A Result of Identity Theft***

(1) The IAG process shall not be used to resolve an issue where the service is connected as a result of identity theft.

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 Rescission Period**

(1) 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

**7.3.2.4 Gaining CR System Processing Errors**

(1) Should a CR experience a system processing issue resulting in inadvertently gaining greater than 100 ESIs, the gaining CR shall send a timely market notice to all impacted market participants, via the MarkeTrak escalation contacts, detailing the cause of the issue, and send immediately following the submission of the IAG MarkeTraks.

7.3.2.5 Resolution of Inadvertent Gains

(1) If the Gaining CR determines that the gain wasinadvertent, 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 inadvertently.

(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 inadvertently 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 Transmission and/or Distribution Service Provider (TDSP) due to tampering, the Losing CR may request that the TDSP reinstate the tampering switch hold on the ESI ID in the *Inadvertent Gaining* or *Inadvertent Losing* MarkeTrak issue.

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| ***[RMGRR169: Replace paragraph (4) above with the following upon system implementation of NPRR1095:]***  (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 Transmission and/or Distribution Service Provider (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.

7.3.2.5.1 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, 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 from the date the TDSP selects *Ready to Receive* will be auto closed in the system.

7.3.2.6 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.

(c) the IAG was inappropriately submitted as described in Section 7.3.2.1 Invalid Use of the IAG Process (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)

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

7.3.2.7 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).

***7.3.2.7.1*** ***Procedures For A Premise with No Service Agreement / No Current Occupant Process***

(1) If a CR finds that a current occupant at a premise for which the provider is shown as the CR of record in the ERCOT or TDU system is not the customer with whom the CR currently has a service agreement for retail electric service or the occupant is a customer whose prior service agreement is expired or is no longer in effect, the procedures set forth in P.U.C. SUBST. R. 25.488 Procedures for a Premise with No Service Agreement shall be followed.

(2) The No Current Occupant Process may be used in cases where a CR has regained an inadvertently lost ESI ID for which the customer names differ and the CR does not have a valid service agreement for retail electric service.

7.3.2.8 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.

7.3.2.9 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) As soon as a TDSP is assigned the *Inadvertent Gaining MarkeTrak* issue, the TDSP shall acknowledge receipt of the issue by placing comments in the MarkeTrak issue.

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| ***[RMGRR169: Replace paragraph (1) above with the following upon system implementation of NPRR1095:]***  (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 Meter Read, to the Losing CR and the 867\_03, Monthly or Final Usage, to the Gaining CR. |

7.3.4.1 Inadvertent Dates Greater than 150 Days

(1) If the inadvertent gain occurred more than 150 days in the past, the TDSP shall not issue billing corrections more than 150 days in the past from the date of the receipt of the move in transaction by the TDSP. For those instances in which the requested reinstatement date in the MarkeTrak issue is 150 days or greater in the past, the TDSP will place comments in the MarkeTrak issue to indicate an acceptable reinstatement date for the move in. For instances in which the backdated move in date is further in the past than the date provided by the TDSP, the move in will be completed unexecutable with remarks. The CR must resubmit the move in with a new date.

7.3.4.2 Inadvertent Order is Pending

(1) If the inadvertent order is pending, TDSPs will respond with the following statement:

*Since the inadvertent transaction is still pending, an attempt should be made by the gaining CR to cancel the transaction, provided that the gaining CR agrees to do so. If so, please submit an 814\_08, Cancel Request, transaction prior to the date the inadvertent transaction is scheduled to complete. Otherwise, the inadvertent gain will follow the standard inadvertent process.*

7.3.4.3 Third Party has Gained Electric Service Identifier (Leapfrog Scenario)

(1) If a third party CR legitimately acquires a previously inadvertently gained ESI ID or if the backdated transaction is requesting a date prior to a scheduled transaction where the evaluation has already occurred (two Retail Business Days prior to the scheduled switch, move in, move out or Mass Transition drop), the TDSPs shall respond with the following statement:

*Gaining CR is no longer the REP of record or scheduled to be the REP of record for this ESI ID. A third party has gained or is in the process of gaining the account. The TDSP no longer considers this an inadvertent issue.*

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| ***[RMGRR169: Replace Sections 7.3.4.1, 7.3.4.2, and 7.3.4.3 above with the following upon system implementation of NPRR1095:]***  7.3.4.1 Transmission and/or Distribution Service Provider Transaction Processing Rejections  (1) If the backdated 814\_16, Move In Request, does not contain the Inadvertent Gain “IA” or Customer Rescission “CR” indicator, the TDSP shall reject the backdated 814\_16 transaction with a reject response of Date in the Past “DIP”.  (2) If the backdated 814\_16 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 the 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 transaction with a reject response of “Leapfrog Scenario - Third Party has Gained or is 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 transaction with a reject response of   “Move-Out is Scheduled or has been Completed by the TDSP”. |

7.3.4.4 Transmission and/or Distribution Service Provider Billing

(1) Once a backdated move in 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.

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| ***[RMGRR169: Replace Section 7.3.4.4 above with the following upon system implementation of NPRR1095:]***  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.

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| ***[RMGRR169: Replace item (b) above with the following upon system implementation of NPRR1095:]***  (b) Upon receiving the *Customer Rescission* MarkeTrak issue, the Losing CR shall agree to   the *Customer Rescission* MarkeTrak issue within two Business Days. |

(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 the TDSP updating the *Customer Rescission* MarkeTrak issue status to *Ready to Receive*, the Losing CR shall submit the backdated 814\_16, Move In Request, 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.

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| ***[RMGRR169: Replace paragraph (3) above with the following upon system implementation of NPRR1095:]***  (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.

7.3.5.1Additional Valid Reasons for Rejection of a Rescission-based Issue

(1) The TDSP may return an issue to the submitting CR due to the gaining CR requesting, and the TDSP completing, a move out transaction for the inadvertently gained ESI ID.

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| ***[RMGRR169: Delete Section 7.3.5.1 above upon system implementation of NPRR1095.]*** |