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| RMGRR Number | [170](https://www.ercot.com/mktrules/issues/RMGRR170) | RMGRR Title | Inadvertent Gain Process Updates |
| Date of Decision | | December 15, 2022 | |
| Action | | Approved | |
| Timeline | | Urgent | |
| Effective Date | | January 1, 2023 | |
| Priority and Rank Assigned | | Not Applicable | |
| Retail Market Guide Sections Requiring Revision | | 2.1, Definitions  2.2, Acronyms  7.3, Inadvertent Gain Process  7.3.2, Competitive Retailer’s Inadvertent Gain Process  7.3.2.1, Buyer’s Remorse  7.3.2.1.1, Rescission Period  7.3.2.1.2, Breach of Contract  7.3.2.1.3, Service Connected As A Result of Identity Theft (new)  7.3.2.3, Rescission Period (new)  7.3.2.4, Gaining CR System Processing Errors (new)  7.3.2.3, Resolution of Inadvertent Gains  7.3.2.3.1, Reinstatement Date  7.3.2.4, Valid Reject/Unexecutable Reasons  7.3.2.7.1, Procedures For A Premise with No Service Agreement / No Current Occupant Process (new) | |
| Related Documents Requiring Revision/Related Revision Requests | | Not Applicable | |
| Revision Description | | This Retail Market Guide Revision Request (RMGRR) addresses the following issues associated with the Inadvertent Gain/Loss (IAG) process:   * Defines an IAG; * Clarifies the appropriate use of the IAG process; * Limits the use of the bulk insert template for IAGs; * Requires a Competitive Retailer (CR) experiencing a system processing issue that results in inadvertently gaining greater than 100 Electric Service Identifiers (ESI IDs), and uses the IAG process to resolve the issue, to inform impacted Market Participants, and detail the cause of the issue; * Adds a provision under Section 7.3.2.4 that allows a losing CR to reject the return of an inadvertently gained ESI ID from the gaining CR if the IAG was inappropriately submitted as described in Section 7.3.2.1; and * Introduces the commonly referred to “No Current Occupant” process supported by P.U.C. Subst. R. 25.488, Procedures for a Premise with No Service Agreement,for scenarios where the losing CR no longer has a valid service agreement with the Customer and must regain an ESI ID. | |
| 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 | | The volume of IAG situations continues to increase year over year with some CRs utilizing the IAG process to resolve issues such as the return of Customers for non-payment or resolving enrollments resulting from identity theft that do not align with the spirit of the process.  These revisions to Section 2, Definitions and Acronyms, and Section 7.3 provide limitations on the appropriate use of the process by first, defining an Inadvertent Gain/Loss, and secondly, detailing situations when the IAG process is not appropriate for use by CRs (e.g., for Customer non-payment and identity theft). Use of the IAG process in these situations does not solve the Customer issue, but simply passes it from one CR to another thereby driving higher costs in the market and inappropriately shifting costs to other Market Participants. The IAG process is intended to protect a Customer’s authorization for service and return the Customer to their expected CR of choice in a quick and efficient manner. The revisions below simply codify what is currently contained in ERCOT trainings and reinforce the goal to reduce the volume of IAGs and, more importantly, protect Customers from IAG. CRs will be redirected to Public Utility Commission of Texas (PUCT) Substantive Rules for Customer nonpayment, and to establish more robust measures to mitigate/prevent enrollments resulting from identity theft.  Limiting the use of the MarkeTrak bulk insert template to only rare IAG situations (e.g., involving the same Customer under the same contract for a large number of ESI IDs or if a CR experiences a system processing issue that results in inadvertently gaining more than 100 ESI IDs), will minimize the misuse of the IAG process and support the informational requirements of Section 7.3.2 which is essential to a quick and efficient Customer resolution.  To allow for a more transparent, expeditious and efficient return of Customers who were inadvertently gained due to a CR’s system processing issue, language has been added to Section 7.3 requiring the gaining CR to send a Market Notice notifying all impacted Market Participants of the situation and the cause of the issue.  Currently, the provisions listed under paragraph (1) of Section 7.3.2.4 are limited to a duplicate MarkeTrak transaction or a subsequent transaction “breaking” the IAG process, thereby forcing the losing CR to regain an ESI ID even when the process has been utilized inappropriately. The revisions to Section 7.3 reinforce the changes discussed above and provide the losing CR with a “Valid Reject/Unexecutable Reason” to deny regaining the ESI ID in situations where a gaining CR inappropriately utilizes the MarkeTrak process (e.g., for Customer non-payment or identity theft).  Finally, the IAG MarkeTrak ERCOT training conducted by Market Participants describes the “No Current Occupant” process supported by P.U.C. Subst. R. 25.488 as a solution for regaining Premises where the losing CR no longer has a valid service agreement with the Customer, the Customer no longer occupies the Premise, etc. The revisions to Section 7.3 simply codifies that option for CRs. | |
| RMS Decision | | On 10/11/22, RMS voted unanimously to grant RMGRR170 Urgent status; to recommend approval of RMGRR170 as submitted; and to forward RMGRR170 to TAC. All Market Segments participated in the vote. | |
| Summary of RMS Discussion | | On 10/11/22, participants discussed the timeline needed to achieve the earliest possible effective date; and for consideration at the December 20, 2022 Board meeting. | |
| TAC Decision | | On 10/26/22, TAC voted unanimously to recommend approval of RMGRR170 as recommended by RMS in the 10/11/22 RMS Report as amended by the 10/24/22 TXU Energy comments and the 10/20/22 Impact Analysis. All Market Segments participated in the vote. | |
| Summary of TAC Discussion | | On 10/26/22, TAC reviewed the ERCOT Opinion, ERCOT Market Impact Statement, and Independent Market Monitor (IMM) Opinion for RMGRR170. Participants discussed the use of references to defined terms. | |
| PUCT Decision | | On 12/15/22, the PUCT approved RMGRR170 and accompanying ERCOT Market Impact Statement as presented in Project No. 52934, Review of Rules Adopted by the Independent Organization. | |

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| **Opinions** | |
| Credit Work Group Review | Not Applicable |
| Independent Market Monitor Opinion | IMM has no opinion on RMGRR170. |
| ERCOT Opinion | ERCOT supports approval of RMGRR170. |
| ERCOT Market Impact Statement | ERCOT Staff has reviewed RMGRR170 and believes the market impact for RMGRR170 does not violate existing rules as they pertain to inadvertent switches. |

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| **Comments Received** | |
| **Comment Author** | **Comment Summary** |
| TXU Energy 102422 | Recommended additional revisions to align the guide language with the RMGRR170 |

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| **Market Rules Notes** |

None

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| Proposed Guide Language Revision |

2.1 DEFINITIONS

**Inadvertent Gain/Loss (IAG)**

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.

2.2 ACRONYMS

**IAG** Inadvertent Gain/Loss

7.3 Inadvertent Gain/Loss Process

(1) An Inadvertent Gain/Loss (IAG) is defined in Section 2.1, Definitions.

(2) The IAG process shall be used in cases where a CR is serving a Customer without proper authorization pursuant to P.U.C. Subst. R. 25.474, Selection of Retail Electric Provider. This Section provides guidelines for ensuring that inadvertently gained Electric Service Identifiers (ESI IDs) are returned to the losing 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 submit IAGs to the Electric Reliability Council of Texas (ERCOT) as promptly as possible via the MarkeTrak tool.

7.3.2 Competitive Retailer’s IAG Process

(1) As soon as a CR discovers or is notified of a potential IAG, 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 Section 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.

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.

**7.3.2.3 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 informational only 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 IAGs

(1) If the Gaining CR determines that the gain was inadvertent, 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.

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

***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 TDSP 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.