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| RMGRR Number | [177](https://www.ercot.com/mktrules/issues/RMGRR177) | RMGRR Title | Switch Hold Removal Clarification |
| Date of Decision | March 27, 2024 |
| Action | Recommended Approval |
| Timeline | Normal |
| Estimated Impacts | Cost/Budgetary: NoneProject Duration: No project required |
| Proposed Effective Date | The first of the month following Public Utility Commission of Texas (PUCT) approval |
| Priority and Rank Assigned | Not applicable |
| Retail Market Guide Sections Requiring Revision  | 7.16.4.3.2, Steps for Removal of a Switch Hold for Meter Tamperingfor Purposes of a Move in7.17.3.3.2, Steps for Removal of a Switch Hold for Deferred PaymentPlans for Purposes of a Move in |
| Related Documents Requiring Revision/Related Revision Requests | None |
| Revision Description | This Retail Market Guide Revision Request (RMGRR) provides clarity on the lease agreement option of the documentation required from the Customer by the Competitive Retailer (CR) seeking to remove a switch hold that has been applied to a Premise for which the Customer is seeking to enroll.  |
| Reason for Revision |  [Strategic Plan](https://www.ercot.com/files/docs/2023/08/25/ERCOT-Strategic-Plan-2024-2028.pdf) Objective 1 – Be an industry leader for grid reliability and resilience [Strategic Plan](https://www.ercot.com/files/docs/2023/08/25/ERCOT-Strategic-Plan-2024-2028.pdf) Objective 2 - Enhance the ERCOT region’s economic competitiveness with respect to trends in wholesale power rates and retail electricity prices to consumers [Strategic Plan](https://www.ercot.com/files/docs/2023/08/25/ERCOT-Strategic-Plan-2024-2028.pdf) Objective 3 - Advance ERCOT, Inc. as an independent leading industry expert and an employer of choice by fostering innovation, investing in our people, and emphasizing the importance of our mission General system and/or process improvements Regulatory requirements ERCOT Board and/or PUCT Directive*(please select ONLY ONE – if more than one apply, please select the ONE that is most relevant)* |
| Justification of Reason for Revision and Market Impacts | Clarity on the required documents will provide consistency and efficiency amongs both Retail Electric Providers (REPs) and Transmission and/or Distribution Service Providers (TDSPs) on the acceptable documentation required to remove a switch hold from a Premise, thus enabling REPs to set expectations for Customers seeking a timely move in into a Premise with a switch hold. |
| RMS Decision | On 12/5/23, RMS voted unanimously to table RMGRR177 and refer the issue to Texas Data Transport and MarkeTrak Systems (TDTMS) Working Group. All Market Segments participated in the vote.On 2/6/24, RMS voted to recommend approval of RMGRR177 as amended by the 2/5/24 TDTMS comments. There was one abstention from the Consumer (OPUC) Market Segment. All Market Segments participated in the vote.On 3/5/24, RMS voted unanimously to endorse and forward to TAC the 2/6/24 RMS Report and the 2/13/24 Impact Analysis for RMGRR177. All Market Segments participated in the vote. |
| Summary of RMS Discussion | On 12/5/23, participants reviewed the 12/4/23 CenterPoint Energy comments and requested further review for comparison with current PUCT rule language. On 2/6/24, RMS reviewed the 2/5/24 TDTMS comments. General concerns were raised regarding changes to the switch move process. On 3/5/24, RMS reviewed the 2/13/24 Impact Analysis. |
| TAC Decision | On 3/27/24, TAC voted to recommend approval of RMGRR177 as recommended by RMS in the 3/5/24 RMS Report. There were two abstentions from the Consumer (OPUC, Residential Consumer) Market Segment. All Market Segments participated in the vote. |
| Summary of TAC Discussion | On 3/27/24, there was no additional discussion beyond TAC review of the items below. |
| TAC Review/Justification of Recommendation |  Revision Request ties to Reason for Revision as explained in Justification  Impact Analysis reviewed and impacts are justified as explained in Justification Opinions were reviewed and discussed Comments were reviewed and discussed (if applicable) Other: (explain) |

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| **Opinions** |
| **Credit Review** | Not Applicable |
| **Independent Market Monitor Opinion** | IMM has no opinion on RMGRR177. |
| **ERCOT Opinion** | ERCOT supports approval of RMGRR177. |
| **ERCOT Market Impact Statement** | ERCOT Staff has reviewed RMGRR177 and believes that it provides a positive market impact by offering process improvements that provide clarity to the lease agreement option of the documentation required from the Customer by the CR seeking to remove a switch hold that has been applied to a Premise for which the Customer is seeking to enroll. |

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| **Sponsor** |
| **Name** | Sheri Wiegand on behalf of TDTMS |
| **E-mail Address** | Sheri.wiegand@vistracorp.com  |
| **Company** | TXU Energy |
| **Phone Number** | 972-979-5225 |
| **Cell Number** | 972-979-5225 |
| **Market Segment** | Independent Retail Electric Provider (IREP) |

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| **Market Rules Staff Contact** |
| **Name** | Jordan Troublefield |
| **E-Mail Address** | jordan.troublefield@ercot.com |
| **Phone Number** | 512-248-6521 |

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| **Comments Received** |
| **Comment Author** | **Comment Summary** |
| CenterPoint Energy 120423 | Proposed clarifications stating that CRs are responsible for evaluating the accuracy of the new move-in occupant documents they receive |
| TDTMS 020524 | Supported the 12/4/23 CenterPoint Energy comments and clarified paragraph (1)(a)(ii)(B) of Section 7.16.4.3.2 and paragraph (1)(a)(ii)(B) of Section 7.17.3.3.2 for further guidance on acceptable lease agreement submissions for the removal of a switch hold |

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| **Market Rules Notes** |

None

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| Proposed Guide Language Revision |

7.16.4.3.2 Steps for Removal of a Switch Hold for Meter Tampering for Purposes of a Move in

(1) Switch Hold Removal Step 1 – Gaining CR

(a) Once the gaining CR determines that the Customer requesting the move in is neither the Customer nor associated with the Customer subject to the switch hold, the gaining CR shall obtain the documentation listed in items (i) and (ii) below from the Customer to remove the switch hold. For move ins associated with a Continuous Service Agreement (CSA), only documentation in item (iii) below is required.

(i) A signed statement as set forth in Section 9, Appendices, Appendix J2, New Occupant Statement, or Appendix J3, Declaración De Nuevo Ocupante (New Occupant Statement – Spanish), from the applicant stating that the applicant is a new occupant of the Premise(s) and is not associated with the preceding occupant. All fields must be completed to be considered a valid submission; and

(ii) The name(s) on the New Occupant Statement shall appear at least one time on any of the following document(s), and may be rejected if the name(s) cannot be reconciled:

1. One of the following bills, in the new occupant’s name, dated within the last two months from a different Premise address (cell phone invoices are not accepted):
	1. Natural Gas/Propane;
	2. Water/Sewer;
	3. Electricity; or
	4. Cable/Internet.

(B) Relevant portions of current, signed lease agreement showing the following pertinent information:

1. Full Premise address;
2. Tenant and landlord/property manager names;
3. Occupant names (if provided);

(4) Authorized signature pages with both the tenant and the landlord/property manager; and

(5) Effective lease dates.

(a) The commencement date of the effective lease agreement must be after the switch hold was applied to the Premise for the new occupant requesting the move in.

(b) Any expired lease agreements, or any lease agreement not signed by all responsible parties are not acceptable.

The gaining CR requesting removal of a switch hold shall review all documentation and, if all requirements are met, may proceed with MarkeTrak request.

(C) Notarized affidavit of landlord (see Section 9, Appendices, Appendix J6, Sample – Affidavit of Landlord);

(D) Closing documents indicating transfer of ownership occurred subsequent to the date the switch hold applied to Premise:

(1) Closing Statement with buyer/seller signatures; or

(2) Deed that has been filed with the county clerk, indicating street name and house number;

(E) Certificate of occupancy indicating new occupant being subsequent to the date of the switch hold applied to the Premise;

(F) Other comparable documentation in the name of the new retail applicant for electric service.

(iii) A CSA Statement as set forth in Section 9, Appendices, Appendix J4, Continuous Service Agreement (English), or Appendix J5, Declaración de Acuerdo deServicio Continuo (Continuous Service Agreement Statement – Spanish), from the current CSA REP of record stating that the Premise is vacant and has an active CSA.

(b) Gaining CR shall create a MarkeTrak issue using the subtype of *Switch Hold Removal,* attach all required documentation and assign the issue to the TDSP.

 (2) Switch Hold Removal Step 2 – TDSP

(a) The TDSP shall reply within one Business Hour of becoming the responsible Market Participant of the MarkeTrak issue with one of the responses below:

(i) The TDSP may reject the issue. If the issue is rejected, any further request to have the switch hold removed must be submitted in the form of a new MarkeTrak issue. All timelines will be reset upon submittal of a new MarkeTrak issue as outlined starting with Switch Hold Removal Step 1 in paragraph (1) above. Reasons for which the TDSP may reject the issue are as follows:

(A) Inadequate documentation upon submission of the MarkeTrak issue;

 (1) Name(s) on New Occupant Statement does not appear on any documentation submitted under paragraph (1)(a)(ii) above;

(B) Reasonable determination that the gaining CR’s Customer is associated with the Customer who resided at the location when meter tampering occurred, including the reason for this determination and all relevant internal documentation;

(C) Current REP of record is the submitter of the MarkeTrak issue; or

(D) No switch hold is currently applied to the ESI ID.

(ii) The TDSP may accept the issue and shall:

(A) Transition the MarkeTrak issue to the current REP of record; or

(B) Proceed to Switch Hold Removal Step 4 in paragraph (4) below if there is no REP of record; and

(C) Assign the issue back to the gaining CR.

(3) Switch Hold Removal Step 3 – Losing CR

(a) The losing CR shall take the following action within one and a half Business Hours of having been assigned the issue by the TDSP:

(i) Review all documentation provided by the gaining CR; and

(ii) Transition the issue as indicated below:

(A) If the losing CR agrees that gaining CR’s Customer is not associated with the losing CR’s Customer, the losing CR shall select the “Agree” transition within MarkeTrak; or

(B) If the losing CR has information that indicates that the gaining CR’s Customer and the losing CR’s Customer are associated, the losing CR shall choose the “Disagree” transition within MarkeTrak. Additionally, the losing CR must state reasons for disagreement and attach documents that support the losing CR’s position.

(b) If the losing CR has not chosen the “Agree” or “Disagree” transition within one and a half Business Hours of receipt, therefore remaining responsible Market Participant within the MarkeTrak issue, the losing CR is considered to agree with the gaining CR’s removal of the switch hold request.

(i) The gaining CR may use the “Time Limit Exceeded” transition to request a final decision from the TDSP if there is no response from the losing CR by the end of the allotted time. The gaining CR shall only use this transition when the losing CR has been responsible Market Participant of the MarkeTrak issue in excess of their allotted time. The TDSP will become responsible Market Participant if this transition is used by the gaining CR.

(4) Switch Hold Removal Step 4 – TDSP

(a) The TDSP shall have the remaining time between the assignment of the issue and the end of the four Business Hours timeframe to respond with a decision, but no less than one and a half Business Hours.

(b) The TDSP shall review all comments and documentation received, but retains the discretion to determine the final status of the switch hold. Upon completion of the review, the TDSP shall take the following action:

(i) Disapprove the removal of the switch hold during the final review period if the TDSP has internal information that indicates the requesting CR’s Customer is associated with the losing CR’s Customer regardless of documentation provided. TDSP shall place comments in the issue notifying parties of the reason for disapproval and attach all relevant internal documentation;

(ii) Approve the removal of the switch hold upon verification that the losing CR failed to respond within one and a half Business Hours of receipt using the “State Change History” as the sole indicator if the gaining CR transitions the MarkeTrak issue to the TDSP requesting a final decision due to the losing CR’s failure to respond to the issue within the allotted timeframe. The TDSP shall remove the switch hold to allow completion of a move in request and place comments in the issue notifying parties of the decision to remove the switch hold;

(iii) Review the MarkeTrak issue received with comments from both CRs and if it is determined that the TDSP has no internal information that indicates the gaining CR’s Customer is associated with the losing CR’s Customer, the TDSP shall:

(A) If there is agreement among both CRs that the switch hold should be removed, the TDSP will remove the switch hold and assign the issue back to the gaining CR, notifying parties of the removal of the switch hold, through comments; or

(B) If there is disagreement, the TDSP will evaluate all information provided by both CRs and assign the issue back to the gaining CR with the final decision to approve or deny the request to remove the switch hold, through comments. If the decision is to approve the request to remove the switch hold, the TDSP shall remove the switch hold prior to assigning the issue back to the gaining CR.

(iv) Disapprove the removal of the switch hold and notify parties, through comments, of the reason for disapproval if the TDSP receives the MarkeTrak issue from the gaining CR for a final decision and the “State Change History” indicates that the losing CR was not provided the full one and a half Business Hours allocated under Switch Hold Removal Step 3 in paragraph (3) above; or

(v) Disapprove the removal of the switch hold and notify parties, through comments, of the reason for disapproval if the TDSP does not receive the full Business Hour for review and the allotted time was inadequate for a final decision to be made.

(5) Switch Hold Removal Step 5 – All Market Participants Involved

(a) If at any time, the TDSP becomes aware that the MarkeTrak issue was not resolved within the four Business Hour timeframe, the TDSP shall make a decision on whether or not to remove the switch hold based upon the existing activity within the MarkeTrak issue. The TDSP shall place comments in the MarkeTrak issue containing the final decision and transition the issue if possible.

(b) If at any time, the gaining CR becomes aware that the MarkeTrak issue was not resolved within the four Business Hour timeframe, the gaining CR shall notify the TDSP, via the MarkeTrak e-mail function and request a final decision.

(c) If at any time, the losing CR becomes aware that the MarkeTrak issue was not resolved within the four Business Hour timeframe, the losing CR shall notify the TDSP, via the MarkeTrak e-mail function and request a final decision.

7.17.3.3.2 Steps for Removal of a Switch Hold for Deferred Payment Plans for Purposes of a Move in

(1) Switch Hold Removal Step 1 – Gaining CR

(a) Once the gaining CR determines that the Customer requesting the move in is neither the Customer nor associated with the Customer subject to the switch hold, the gaining CR shall obtain the documentation listed in items (i) and (ii) below from the Customer to remove the switch hold. For move ins associated with a Continuous Service Agreement (CSA), only documentation in item (iii) below is required.

(i) A signed statement as set forth in Section 9, Appendices, Appendix J2, New Occupant Statement, or Appendix J3, Declaración De Nuevo Ocupante (New Occupant Statement – Spanish), from the applicant stating that the applicant is a new occupant of the Premise(s) and is not associated with the preceding occupant. All fields must be completed to be considered a valid submission; and

(ii) The name(s) on the New Occupant Statement shall appear at least one time on any of the following document(s) and may be rejected if the name(s) cannot be reconciled:

1. One of the following bills, in the new occupant’s name, dated within the last two months from a different Premise address (cell phone invoices are not accepted):
	1. Natural Gas/Propane;
	2. Water/Sewer;
	3. Electricity; or
	4. Cable/Internet.

(B) Relevant portions of current, signed lease agreement showing the following pertinent information:

1. Full Premise address;
2. Tenant and landlord/property manager names;
3. Occupant names (if provided);

(4) Authorized signature pages with both the tenant and the landlord/property manager; and

(5) Effective lease dates.

(a) The commencement date of the effective lease agreement must be after the switch hold was applied to the Premise for the new occupant requesting the move in.

(b) Any expired lease agreements, or any lease agreement not signed by all responsible parties are not acceptable.

The gaining CR requesting removal of a switch hold shall review all documentation and, if all requirements are met, may proceed with MarkeTrak request.

(C) Notarized affidavit of landlord (see Section 9, Appendices, Appendix J6, Sample – Affidavit of Landlord);

(D) Closing documents indicating transfer of ownership occurred subsequent to the date the switch hold applied to Premise:

 (1) Closing Statement with buyer/seller signatures; or

 (2) Deed that has been filed with the county clerk, indicating
 street name and house number;

(E) Certificate of occupancy indicating new occupant being subsequent to the date of the switch hold applied to the Premise;

(F) Other comparable documentation in the name of the new retail applicant for electric service.

(iii) A CSA Statement as set forth in Section 9, Appendices, Appendix J4, Continuous Service Agreement (English), or Appendix J5, Declaración de Acuerdo deServicio Continuo (Continuous Service Agreement Statement – Spanish), from the current CSA REP of record stating that the Premise is vacant and has an active CSA.

(b) Gaining CR shall create a MarkeTrak issue using the subtype of *Switch Hold Removal,* attach all required documentation and assign the issue to the TDSP.

(2) Switch Hold Removal Step 2 – TDSP

(a) The TDSP shall reply within one Business Hour of becoming the responsible Market Participant of the MarkeTrak issue with one of the responses below:

(i) The TDSP may reject the issue. If the issue is rejected, any further request to have the switch hold removed must be submitted in the form of a new MarkeTrak issue. All timelines will be reset upon submittal of a new MarkeTrak issue as outlined starting with Switch Hold Removal Step 1 in paragraph (1) above. Reasons for which the TDSP may reject the issue are as follows:

(A) Inadequate documentation upon submission of the MarkeTrak issue;

(1) Name(s) on New Occupant Statement does not appear on any documentation submitted under paragraph (1)(a)(ii) above;

(B) Reasonable determination that the gaining CR’s Customer is associated with the Customer who resided at the location when placement of the switch hold occurred, including the reason for this determination and all relevant internal documentation;

(C) Current REP of record is the submitter of the MarkeTrak issue; or

(D) No switch hold is currently applied to the ESI ID.

(ii) The TDSP may accept the issue and shall:

(A) Transition the MarkeTrak issue to the current REP of record; or

(B) Proceed to Switch Hold Removal Step 4 in paragraph (4) below if there is no REP of record; and

(C) Assign the issue back to the gaining CR.

(3) Switch Hold Removal Step 3 – Losing CR

(a) The losing CR shall take the following action within one and a half Business Hours of having been assigned the issue by the TDSP:

(i) Review all documentation provided by the gaining CR; and

(ii) Transition the issue as indicated below:

(A) If the losing CR agrees that gaining CR’s Customer is not associated with the losing CR’s Customer, the losing CR shall select the “Agree” transition within MarkeTrak; or

(B) If the losing CR has information that indicates that the gaining CR’s Customer and the losing CR’s Customer are associated, the losing CR shall choose the “Disagree” transition within MarkeTrak. Additionally, the losing CR must state reasons for disagreement and attach documents that support the losing CR’s position.

(b) If the losing CR has not chosen the “Agree” or “Disagree” transition within one and a half Business Hours of receipt, therefore remaining responsible Market Participant within the MarkeTrak issue, the losing CR is considered to agree with the gaining CR’s removal of the switch hold request.

(i) The gaining CR may use the “Time Limit Exceeded” transition to request a final decision from the TDSP if there was no response from the losing CR by the end of their allotted time. The gaining CR shall only use this transition when the losing CR has been responsible Market Participant of the MarkeTrak issue in excess of their allotted time. The TDSP will become responsible Market Participant if this transition is used by the gaining CR.

(4) Switch Hold Removal Step 4 – TDSP

(a) The TDSP shall have the remaining time between the assignment of the issue and the end of the four Business Hours timeframe to respond with a decision, but no less than one and a half Business Hours.

(b) The TDSP shall review all comments and documentation received, but retains the discretion to determine the final status of the switch hold. Upon completion of the review, the TDSP shall take the following action:

(i) Disapprove the removal of the switch hold during the final review period if the TDSP has internal information that indicates the requesting CR’s Customer is associated with the losing CR’s Customer regardless of documentation provided. TDSP shall place comments in the issue notifying parties of the reason for disapproval and attach all relevant internal documentation;

(ii) Approve the removal of the switch hold upon verification that the losing CR failed to respond within one and a half Business Hours of receipt using the “State Change History” as the sole indicator if the gaining CR transitions the MarkeTrak issue to the TDSP requesting a final decision due to the losing CR’s failure to respond to the issue within the allotted time frame. The TDSP shall remove the switch hold to allow completion of a move in request and place comments in the issue notifying parties of the decision to remove the switch hold;

(iii) Review the MarkeTrak issue received with comments from both CRs and if it is determined that the TDSP has no internal information that indicates the gaining CR’s Customer is associated with the losing CR’s Customer, the TDSP shall:

(A) If there is agreement among both CRs that the switch hold should be removed, the TDSP will remove the switch hold and assign the issue back to the gaining CR, notifying parties of the removal of the switch hold, through comments; or

(B) If there is disagreement, the TDSP will evaluate all information provided by both CRs and assign the issue back to the gaining CR with the final decision to approve or deny the request to remove the switch hold through comments. If the decision is to approve the request to remove the switch hold, the TDSP shall remove the switch hold prior to assigning the issue back to the gaining CR.

(iv) Disapprove the removal of the switch hold and notify parties, through comments, of the reason for disapproval if the TDSP receives the MarkeTrak issue from the gaining CR for a final decision and the “State Change History” indicates that the losing CR was not provided the full one and a half Business Hours allocated under Switch Hold Removal Step 3 in paragraph (3) above; or

(v) Disapprove the removal of the switch hold and notify parties, through comments, of the reason for disapproval if the TDSP does not receive the full Business Hour for review and the allotted time was inadequate for a final decision to be made.

(5) Switch Hold Removal Step 5 – All Market Participants Involved

(a) If at any time, the TDSP becomes aware that the MarkeTrak issue was not resolved within the four Business Hour time frame, the TDSP shall make a decision on whether or not to remove the switch hold based upon the existing activity within the MarkeTrak issue. The TDSP shall place comments in the MarkeTrak issue containing the final decision and transition the issue if possible.

(b) If at any time, the gaining CR becomes aware that the MarkeTrak issue was not resolved within the four Business Hour time frame, the gaining CR shall notify the TDSP, via the MarkeTrak e-mail function and request a final decision.

(c) If at any time, the losing CR becomes aware that the MarkeTrak issue was not resolved within the four Business Hour time frame, the losing CR shall notify the TDSP, via the MarkeTrak e-mail function and request a final decision.