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DOCKET NO. 55959

JOINT PETITION OF TEXAS	§	PUBLIC UTILITY COMMISSION
ENERGY ASSOCIATION FOR	§	
MARKETERS AND ALLIANCE FOR	§	OF TEXAS
RETAIL MARKETS FOR	§	
DESIGNATION UNDER 16 TAC	§	
§ 25.475(b)(5)	§	

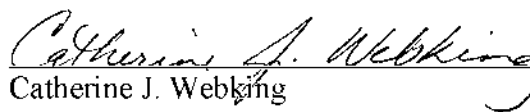
REVISED FORM OF NOTICE

The Texas Energy Association for Marketers (TEAM) and Alliance for Retail Markets (AMR) respectfully submit the notices included in Attachment A to this pleading, both of which incorporate feedback from the Office of Public Utility Counsel. In addition, the Market Notice included in Attachment A reflects changes requested by the Electric Reliability Council of Texas, Inc. (ERCOT) and is provided to replace the Market Notice filed by the Staff of the Public Utility Commission of Texas on January 22, 2024. Finally, Attachment A includes a notice that could be used for publication in the *Texas Register*, if so ordered.¹

If further changes are needed, the parties will work together and in collaboration with ERCOT to come to a consensus on additional or revised language.

¹ Commission Staff's Response to Order No. 3 at Exhibit A (Jan. 22, 2024).

Respectfully submitted,



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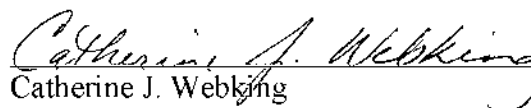
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CERTIFICATE OF SERVICE

I hereby certify that notice of the filing of this document was provided to all parties of record via electronic mail on January 24, 2024 in accordance with the Order Suspending Rules, issued in Project No. 50664.


Catherine J. Webking

ATTACHMENT A

NOTICE DATE:

NOTICE TYPE: Legal

SHORT DESCRIPTION: Notice of Petition for Designation Addressing ERCOT Contingency Reserve Service (ECRS)

INTENDED AUDIENCE: All Load Serving Entities (LSEs); All Qualified Scheduling Entities (QSEs); and Retail Electric Providers (REPs)

DAY AFFECTED:

LONG DESCRIPTION: ERCOT provides the following notice at the request of Public Utility Commission of Texas (Commission) Staff:

On December 8, 2023, the Texas Energy Association for Marketers (TEAM) and Alliance for Retail Markets (ARM) (collectively, REP Coalition) filed with the Commission a petition requesting that the Commission designate ERCOT Contingency Reserve Service (ECRS) as an ancillary service incurring a cost beyond a retail electric provider's (REP) control pursuant to 16 Texas Administrative Code (TAC) § 25.475(b)(5).

Under 16 TAC § 25.475(b)(8), the term "price" as it relates to a product for retail electric service includes ancillary services. Under 16 TAC § 25.475(b)(5), the price of a fixed rate product "may not vary from the disclosed amount to reflect changes in ancillary service charges unless the commission expressly designates a specific type of ancillary service product as incurring charges beyond the REP's control for a customer's existing contract." The combined effect of these provisions is to require an express Commission designation regarding a new ancillary service before a REP can apply a one-time price increase to an existing contract for a residential or small commercial fixed rate product that was executed before the implementation of the new ancillary service.

The Commission's resolution of the REP Coalition's request will affect REPs that are providing service to residential and/or small commercial customers in the competitive service areas of ERCOT. If the Commission designates ECRS as an ancillary service incurring a cost beyond a REP's control, it could provide REPs with an option to make a one-time increase to existing fixed price contracts for residential and small commercial customers that were executed prior to the implementation of the new ancillary service. If the Commission approves the REP Coalition's request, residential and small commercial customers on existing fixed rate contracts that were in effect prior to June 10, 2023, could have a price adjustment that would result in rate increase.

A complete copy of the application is available at PUC Docket No. 55959, *Joint Petition of Texas Energy Association for Marketers and Alliance for Retail Markets for Designation Under 16 TAC § 25.475(b)(5)*.

The intervention deadline in this docket is 30 days after proof of this notice being filed in the proceeding. Persons who wish to intervene in or comment upon these proceedings should notify

the Public Utility Commission of Texas (Commission) as soon as possible, as the intervention deadline will be imposed. A request to intervene or for further information should be mailed to the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326. Further information may also be obtained by calling the Public Utility Commission at (512) 936-7120 or (888) 782- 8477. Hearing and speech-impaired individuals may contact the Commission through Relay Texas at 1-800-735-2989.

CONTACT: Persons with questions or who want more information on this petition may contact TEAM and ARM via their legal representatives at cwebking@spencerfane.com or carrie.collierbrown@lockelord.com, or call these legal representatives at (512) 575-6060 or (512) 305-4732, respectively during normal business hours. A complete copy of this petition is available for inspection on the website of the Public Utility Commission under PUC Docket No. 55959 as listed above.

Notice of Petition for a Designation Under 16 TAC § 25.475(b)(5)

Notice is given to the public of a petition filed with the Public Utility Commission of Texas (Commission) on December 8, 2023, requesting a Commission designation under 16 Texas Administrative Code (TAC) § 25.475(b)(5) to address the Electric Reliability Council of Texas (ERCOT) Contingency Reserve Service (ECRS).

Docket Style and Number: Joint Petition of Texas Energy Association for Marketers and Alliance for Retail Markets for Designation Under 16 TAC § 25.475(b)(5), Docket Number 55959.

The Petition: The Texas Energy Association for Marketers and Alliance for Retail Markets (collectively, REP Coalition) filed a petition requesting that the Commission designate ECRS as an ancillary service incurring a cost beyond a retail electric provider's (REP) control.

Under 16 TAC § 25.475(b)(8), the term "price" as it relates to a product for retail electric service includes ancillary services. Under 16 TAC § 25.475(b)(5), the price of a fixed rate product "may not vary from the disclosed amount to reflect changes in ancillary service charges unless the commission expressly designates a specific type of ancillary service product as incurring charges beyond the REP's control for a customer's existing contract." The combined effect of these provisions is to require an express Commission designation regarding a new ancillary service before a REP can apply a one-time price increase to an existing contract for a residential or small commercial fixed rate product that was executed before the implementation of the new ancillary service.

The Commission's resolution of the REP Coalition's request will affect REPs that are providing service to residential and/or small commercial customers in the competitive service areas of ERCOT. If the Commission designates ECRS as an ancillary service incurring a cost beyond a REP's control, it could provide REPs with the option to make a one-time adjustment to existing fixed price contracts for residential and small commercial customers that were executed prior to the implementation of the new ancillary service. If the Commission approves the REP Coalition's request, residential and small commercial customers on existing fixed rate contracts that were in effect prior to June 10, 2023, could have a price adjustment that would result in a rate increase.

Persons who wish to file a motion to intervene or comments on the petition should contact the Commission no later than [DATE], by mail at P.O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at (888) 782-8477. Hearing and speech-impaired individuals with text telephone (TTY) may contact the commission through Relay Texas by dialing 7-1-1. All comments should reference Docket Number 55959.