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## Public Utility Commission of Texas

July 24, 2020

Dear Subscriber:

Enclosed is one new rule as recently adopted:

### Chapter 25 — Substantive Rules Applicable to Electric Service Providers.

<u>Project</u>	<u>Section</u>	<u>Title</u>	<u>Action</u>	<u>Effective Date</u>
		Table of Contents	Amended pages XXIX and XXX	
50031	§25.248	Generation Cost Recovery Rider.	New	7/28/20

Please place the new rule in your rulebooks in the appropriate order. The order adopting the rule can be found on the Commission's Interchange System.

If you have any questions, please call (512) 936-7244 or e-mail [andrea.gonzalez@puc.texas.gov](mailto:andrea.gonzalez@puc.texas.gov). Thank you.





**CHAPTER 25. SUBSTANTIVE RULES APPLICABLE TO ELECTRIC SERVICE PROVIDERS.**

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- (b)

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- (c) Metering Provision Specific to an Electric Utility Subject to PURA Chapter 39, Subchapter L.

**§25.214. Terms and Conditions of Retail Delivery Service Provided by Investor Owned Transmission and Distribution Utilities.**

- (a) Purpose.
- (b) Application.
- (c) Tariff.
- (d) Pro-forma Retail Delivery Tariff.

**§25.215. Terms and Conditions of Access by a Competitive Retailer to the Delivery System of a Municipally Owned Utility or Electric Cooperative that has Implemented Customer Choice.**

- (a) Purpose.
- (b) Application.
- (c) Access tariff.
- (d) Pro-forma access tariff.

**§25.216. Selection of Transmission Service Providers.**

- (a) Application.
- (b) Purpose.
- (c) Definitions.
- (d) Selection process.
- (e) Selection of Designated TSP.
- (f) Performance of Designated TSP.
- (g) Filing requirements.

**§25.217. Distributed Renewable Generation.**

- (a) Application.
- (b) Definitions.
- (c) Interconnection.
- (d) Renewable Energy Credits (RECs)
- (e) Sale of out-flows by an ISD-SG Owner.
- (f) Sale of out-flows by a DRGO.
- (g) Transition provision.
- (h) Authority to act on behalf of a customer.
- (i) Exemptions.

**§25.221. Electric Cost Separation.**

- (a) Purpose.
- (b) Application.
- (c) Definitions.
- (d) Cost separation.
- (e) Compliance filing.

**§25.223. Unbundling of Energy Service.**

- (a) Purpose.
- (b) Application.
- (c) Definitions.
- (d) Review of energy services.
- (e) Accessible utility information.
- (f) Filing.

**§25.227. Electric Utility Service for Public Retail Customers.**

- (a) Purpose.
- (b) Application.
- (c) Definitions.
- (d) Obligations of affected utilities.
- (e) Filing requirements.
- (f) Tariff requirements.
- (g) Competition transition charge (CTC).
- (h) Rate design for electric utilities.

**SUBCHAPTER J. COSTS, RATES AND TARIFFS.**

**DIVISION 1: Retail Rates.**

**§25.231. Cost of Service.**

- (a) Components of cost of service.
- (b) Allowable expenses.
- (c) Return on invested capital.

**§25.232. Adjustment for House Bill 11, Acts of 72<sup>nd</sup> Legislature, First Called Special Session 1991.**

- (a)
- (b)
- (c)
- (d)
- (e)
- (f)

**§25.234. Rate Design.**

- (a)
- (b)

**§25.235. Fuel Costs – General.**

- (a) Purpose.
- (b) Notice of fuel proceedings.
- (c) Reports; confidentiality of information.

**§25.236. Recovery of Fuel Costs.**

- (a) Eligible fuel expenses.
- (b) Reconciliation of fuel expenses.
- (c) Petitions to reconcile fuel expenses.
- (d) Fuel reconciliation proceedings.
- (e) Refunds.
- (f) Procedural schedule.

**§25.237. Fuel Factors.**

- (a) Use and calculation of fuel factors.
- (b) Petitions to revise fuel factors.
- (c) Fuel factor revision proceeding.
- (d) Schedule for filing petitions to revise fuel factors.
- (e) Procedural schedules.
- (f) Emergency revisions to the fuel factor.

**§25.238. Purchased Power Capacity Cost Recovery Factor (PCRf).**

- (a) Application.
- (b) Definitions.
- (c) Establishment, adjustment, and termination of a PCRf.
- (d) Pre-approval of purchased power agreements.
- (e) Notice of PCRf proceeding.
- (f) Procedural schedule.
- (g) Exclusion from fuel factor.
- (h) PCRf formula.
- (i) True-up
- (j) Reconciliation of PCRf expenses.
- (k) Transition issues.

**§25.239. Transmission Cost Recovery Factor for Certain Electric Utilities.**

- (a) Application.
- (b) Definitions.
- (c) Recovery authorized.
- (d) Transmission cost recovery factor (TCRF).
- (e) Transmission cost recovery factor revenue requirement (RR).
- (f) Setting and amending the TCRF.
- (g) TCRF forms.

**§25.240. Contribution Disclosure Statements in Appeals of Municipal Utility Rates.**

- (a) Pursuant to Chapter 33, Subchapter D.
- (b) Pursuant to PURA §33.123.
- (c) Hearings on statements.

**§25.241. Form and Filing of Tariffs.**

- (a) Application.
- (b) Effective tariff.
- (c) Requirements as to size, form, identification and filing of tariffs.
- (d) Composition of tariffs.
- (e) Tariff filings in response to commission orders.
- (f) Symbols for changes.
- (g) Availability of tariffs.
- (h) Rejection.
- (i) Effective date of tariff change.
- (j) Compliance.

**§25.242. Arrangements Between Qualifying Facilities and Electric Utilities.**

- (a) Purpose.
- (b) Application.
- (c) Definitions.
- (d) Negotiation and filing of rates.
- (e) Availability of electric utility system cost data.
- (f) PTB REP and electric utility obligations.
- (g) Rates for purchases from a qualifying facility.
- (h) Standard rates for purchases from qualifying facilities with a design capacity of 100 kilowatts or less.
- (i) Tariffs setting out the methodologies for purchases of nonfirm power from a qualifying facility.
- (j) Periods during which purchases not required.
- (k) Rates for sales to qualifying facilities.
- (l) System emergencies.
- (m) Enforcement.

**§25.243. Distribution Cost Recovery Factor (DCRF)**

- (a) Purpose and application.
- (b) Definitions.
- (c) Application for a DCRF.
- (d) Calculation of DCRF.
- (e) Procedures for DCRF proceeding.
- (f) DCRF reconciliation.
- (g) DCRF's effect on electric utility's financial risk and rate of return.
- (h) Reports.
- (i) Expiration.

**§25.244. Billing Demand for Certain Utility Customers.**

- (a) Application.
- (b) Definitions.
- (c) Rates.
- (d) Annual Verification.

**§25.245. Rate-Case Expenses.**

- (a) Application.
- (b) Requirements for claiming recovery of or reimbursement for rate-case expenses.
- (c) Criteria for review and determination of reasonableness.
- (d) Calculation of allowed or disallowed rate-case expenses.

**§25.246. Rate Filing Standards and Procedures for Non-ERCOT Utilities.**

- (a) Application.
- (b) Adjustments to test year information.
- (c) Requirement to initiate rate proceeding.
- (d) Relation back of rates.

**§25.247. Rate Review Schedule.**

- (a) Application.
- (b) Filing requirements for investor-owned electric utilities.
- (c) Transition issues for investor-owned electric utilities.
- (d) Filing requirements for non-investor-owned transmission service providers.
- (e) Transition period for filings by non-investor-owned transmission service providers.

**§25.248. Generation Cost Recovery Rider.**

- (a) Applicability.
- (b) Definitions.
- (c) GCRR Requirements.
- (d) Calculation of GCRR Rates.
- (e) Jurisdictional and class allocation factors.
- (f) Customer classification.
- (g) GCRR application.
- (h) Update of generation invested capital.
- (i) Reconciliation.
- (j) Threshold to initiate base-rate proceeding.

**§25.251. Renewable Energy Tariff.**

- (a) Purpose.
- (b) Application.
- (c) Definitions.
- (d) Eligible renewable resources.
- (e) Renewable energy tariff requirements.

- (f) Tariff attributes and operation.
- (g) Marketing.
- (h) Accountability.
- (i) Tariff approval process.
- (j) Education program.
- (k) Criteria for educational materials.
- (l) Cost recovery.
- (m) Commission review.



**DIVISION 2: Recovery of Stranded Costs.**

**§25.261. Stranded Cost Recovery of Environmental Cleanup Costs.**

- (a) Purpose.
- (b) Applicability.
- (c) Definitions.
- (d) Requirements.
- (e) Request for approval of cost-effectiveness determination.
- (f) Reconciliation of environmental cleanup costs during the true-up proceedings.

**§25.263. True-up Proceeding.**

- (a) Purpose.
- (b) Application.
- (c) Definitions.
- (d) Obligation to file a true-up proceeding.
- (e) True-up filing procedures.
- (f) Quantification of market value of generation assets.
- (g) Quantification of net book value of generation assets.
- (h) True-up of final fuel balance.
- (i) True-up of capacity auction proceeds.
- (j) True-up of PTB revenues.
- (k) Regulatory assets.
- (l) TDU/APGC true-up balance.
- (m) TDU/AREP true-up balance.
- (n) Proceeding subsequent to the true-up.

**§25.264. Quantification of Stranded Costs of Nuclear Generation Assets.**

**§25.265. Securitization by River Authorities and Electric Cooperatives.**

- (a) Application.
- (b) Definition of stranded costs.
- (c) Quantification of stranded costs.
- (d) Demonstration of tangible and quantifiable benefits to ratepayers.
- (e) Limit on amount of qualified costs to be securitized.
- (f) Use of proceeds.
- (g) True-up in the event of sale.
- (h) Recovery of stranded costs.
- (i) Financing order.

**SUBCHAPTER K. RELATIONSHIPS WITH AFFILIATES.**

**§25.271. Foreign Utility Company Ownership by Exempt Holding Companies.**

- (a) Certification to Securities and Exchange Commission.
- (b) Policy goals.
- (c) Safe harbor investments.
- (d) Other investments.
- (e) Post-investment reporting.
- (f) Commission standards for granting or maintaining certification.

**§25.272. Code of Conduct for Electric Utilities and Their Affiliates.**

- (a) Purpose.
- (b) Application.
- (c) Definitions.
- (d) Separation of a utility from its affiliates.
- (e) Transactions between a utility and its affiliates.
- (f) Safeguards relating to provision of products and services.
- (g) Information safeguards.
- (h) Safeguards relating to joint marketing and advertising.
- (i) Remedies and enforcement.

**§25.273. Contracts Between Electric Utilities and Their Competitive Affiliates.**

- (a) Purpose.
- (b) Application.
- (c) Definitions.
- (d) Competitive bidding required.
- (e) Contracts.

**§25.275. Code of Conduct for Municipally Owned Utilities and Electric Cooperatives Engaged in Competitive Activities.**

- (a) Purpose.
- (b) Application.
- (c) Definitions.
- (d) Annual report of code-related activities.
- (e) Copies of contracts or agreements.
- (f) Tracking migration and sharing of employees.
- (g) Reporting deviations from the code of conduct.
- (h) Ensuring compliance for new competitive affiliates.
- (i) Separation of a TDBU from its competitive affiliates.
- (j) Transactions between a TDBU and its competitive affiliates.

- (k) Safeguards relating to provision of products and services.
- (l) Information safeguards.
- (m) Safeguards relating to joint marketing and advertising.
- (n) Remedies and enforcement.
- (o) Provisions for Bundled MOU/COOPs.

**SUBCHAPTER L. NUCLEAR DECOMMISSIONING.**

**§25.301. Nuclear Decommissioning Trusts.**

- (a) Duties of electric utilities.
- (b) Agreements between the electric utility and the institutional trustee or investment manager.
- (c) Trust investments.

**§25.303. Nuclear Decommissioning Following the Transfer of Texas Jurisdictional Nuclear Generating Plant Assets.**

- (a) Purpose.
- (b) Application.
- (c) Definitions.
- (d) Transfer of Nuclear Decommissioning Trust Funds.
- (e) Administration of the Nuclear Decommissioning Trust Funds.
- (f) Periodic reviews of decommissioning costs and Nuclear Decommissioning Trust Funds.
- (g) Collecting utility rate proceedings for decommissioning charges.
- (h) Good cause exception.

**§25.304. Nuclear Decommissioning Funding and Requirements for Power Generation Companies.**

- (a) Purpose.
- (b) Applicability.
- (c) Definitions.
- (d) Application.
- (e) Commission Review.
- (f) Order.
- (g) Annual Reports.
- (h) Periodic Commission Review.
- (i) Annual Decommissioning Funding Amount.
- (j) Creditworthiness of PGC.
- (k) State Assurance Obligation.
- (l) Annual Funding Obligation.
- (m) Funding Shortfall and Unspent Funds.
- (n) Administration of the PGC Decommissioning Trust Funds.
- (o) Trust investments.

**SUBCHAPTER M. COMPETITIVE METERING.**

**§25.311. Competitive Metering Services.**

- (a) Purpose.
- (b) Definitions.
- (c) Meter ownership.
- (d) Data ownership.
- (e) Metering equipment.
- (f) Conformance with metering standards.
- (g) Testing of meters.
- (h) Use of meter data for settlement and TDU billing.
- (i) Competitive metering service credit.

**SUBCHAPTER O. UNBUNDLING AND MARKET POWER.**

**DIVISION 1: Unbundling.**

**§25.341. Definitions.**

**§25.342. Electric Business Separation.**

- (a) Purpose.
- (b) Application.
- (c) Compliance and timing.
- (d) Business separation.
- (e) Business separation plans.
- (f) Separation of transmission and distribution utility services.

**§25.343. Competitive Energy Services.**

- (a) Purpose.
- (b) Application.
- (c) Competitive energy service separation.
- (d) Petitions relating to the provision of competitive energy services.
- (e) Filing requirements.
- (f) Exceptions related to certain competitive energy services.
- (g) Emergency provision of certain competitive energy services.
- (h) Evaluation of competitive energy services.
- (i) Sales of non-roadway security lighting assets.

**§25.344. Cost Separation Proceedings.**

- (a) Purpose.
- (b) Application.
- (c) Compliance and timing.
- (d) Test year.
- (e) Rate of return.
- (f) Separation of affiliate costs and functional cost separation.
- (g) Jurisdiction and Texas retail class allocation.
- (h) Determination of ERCOT and Non-ERCOT transmission costs.
- (i) Rate design.

**§25.345. Recovery of Stranded Costs Through Competition Transition Charge (CTC).**

- (a) Purpose.
- (b) Application.
- (c) Definitions.
- (d) Right to recover stranded costs.

- (e) Recovery of stranded cost from wholesale customers.
- (f) Quantification of stranded costs.
- (g) Recovery of stranded costs through securitization.
- (h) Allocation of stranded costs.
- (i) Applicability of CTC to customers receiving power from new on-site generation or eligible generation.
- (j) Collection and rate design of CTC charges.

**§25.346. Separation of Electric Utility Metering and Billing Service Costs and Activities.**

- (a) Purpose.
- (b) Application.
- (c) Separation of transmission and distribution utility billing system service costs.
- (d) Separation of transmission and distribution utility billing system service activities.
- (e) Uncollectibles and customer deposits.
- (f) Separation of transmission and distribution utility metering system service costs.
- (g) Separation of transmission and distribution utility metering system service activities.
- (h) Competitive energy services.
- (i) Electronic data interchange.

**DIVISION 2: Independent Organizations.**

**§25.361. Electric Reliability Council of Texas (ERCOT).**

- (a) Applicability.
- (b) Functions.
- (c) Liability.
- (d) Planning.
- (e) Information and coordination.
- (f) Interconnection standards.
- (g) ERCOT administrative fee.
- (h) Reports.
- (i) Anti-trust laws.
- (j) Decertification.
- (k) Pilot Projects.

**§25.362. Electric Reliability Council of Texas (ERCOT) Governance.**

- (a) Purpose.

- (b) Application.
- (c) Adoption of rules by ERCOT and commission review.
- (d) Access to meetings.
- (e) Access to information.
- (f) Conflicts of interest.
- (g) Qualifications, selection, and removal of members of the governing board.
- (h) Chief executive officer.
- (i) Required reports and other information.
- (j) Compliance with rules or orders.
- (k) Priority of commission rules.

**§25.363. ERCOT Budget and Fees.**

- (a) Scope.
- (b) System of accounts and reporting.
- (c) Allowable expenses.
- (d) Budget Submission.
- (e) Commission review and action.
- (f) Performance measures.
- (g) User Fees.

**§25.364. Decertification of an Independent Organization.**

- (a) Purpose.
- (b) Applicability.
- (c) Initiation of proceeding to decertify.
- (d) Standard for decertification.
- (e) Order revoking certification.
- (f) Selection of successor organization.
- (g) Transfer of assets.
- (h) Continuity of operations.

**§25.365. Independent Market Monitor.**

- (a) Purpose.
- (b) Definitions.
- (c) Objectives of market monitoring.
- (d) Responsibilities of the IMM.
- (e) Authority of the IMM.
- (f) Selection of the IMM.
- (g) Funding of the IMM.



- (h) Staffing requirements and qualification of IMM director and staff.
- (i) Ethics standards governing the IMM director and staff.
- (j) Confidentiality standards governing the IMM director and staff.
- (k) Reporting requirement.
- (l) Communication between the IMM and the commission.
- (m) ERCOT's responsibilities and support role.
- (n) Liability of the IMM.
- (o) Contractual Provisions.

**§25.366. Internet Broadcasting of Public Meetings of an Independent Organization.**

- (a) Purpose.
- (b) Applicability.
- (c) Internet Broadcasting.
- (d) Cost Recovery by the Independent Organization.

**DIVISION 3: Capacity Auction.**

**§25.381. Capacity Auctions.**

- (a) Applicability.
- (b) Purpose.
- (c) Definitions.
- (d) General requirements.
- (e) Product types and characteristics.
- (f) Product descriptions for capacity auctions in ERCOT.
- (g) Product descriptions for capacity in non-ERCOT areas.
- (h) Auction process.
- (i) Resale of entitlement.
- (j) True-up process.
- (k) True-up process for electric utilities with divestiture.
- (l) Modification of auction procedures or products.
- (m) Contract terms.

**DIVISION 4: Other Market Power Issues.**

**§25.401. Share of Installed Generation Capacity.**

- (a) Application.
- (b) Share of installed generation capacity.
- (c) Capacity ratings.
- (d) Installed generation capacity of a power generation company.

- (e) Total installed generation.

**DIVISION 5: Competition in Non-ERCOT Areas.**

**§25.421. Transition to Competition for a Certain Area Outside the Electric Reliability Council of Texas Region.**

- (a) Purpose.
- (b) Application.
- (c) Readiness for retail competition.
- (d) Cost-of-service regulation.
- (e) Transition to competition.
- (f) Applicability of energy efficiency and renewable energy requirements.
- (g) Applicability of other rules.
- (h) Good cause.

**§25.422. Transition to Competition for Certain Areas within the Southwest Power Pool.**

- (a) Purpose.
- (b) Application.
- (c) Readiness for retail competition.
- (d) Cost-of-service regulation.
- (e) Transition to competition.
- (f) Annual report.
- (g) Pilot project continuation.
- (h) Protection of contractual rights.
- (i) Energy efficiency and renewable energy requirements.
- (j) Applicability of other sections.
- (k) Good cause.

## **SUBCHAPTER P. PILOT PROJECTS.**

### **§25.431. Retail Competition Pilot Projects.**

- (a) Purpose.
- (b) Application.
- (c) Intent of pilot projects.
- (d) Definitions.
- (e) Requirements for participants that are not retail customers.
- (f) Customer education.
- (g) Customer choice during pilot projects.
- (h) Transmission and distribution rates and tariffs.
- (i) Billing requirements.
- (j) Evaluation of the pilot projects by the commission; reporting.
- (k) Pilot project administration and recovery of associated costs.
- (l) Compliance filings.

**SUBCHAPTER R. CUSTOMER PROTECTION RULES FOR RETAIL  
ELECTRIC SERVICE.**

**§25.471. General Provisions of Customer Protection Rules.**

- (a) Application.
- (b) Purpose.
- (c) Prohibition against discrimination.
- (d) Definitions.

**§25.472. Privacy of Customer Information.**

- (a) Mass customer lists.
- (b) Individual customer and premise information.

**§25.473. Non-English Language Requirements.**

- (a) Applicability.
- (b) Retail electric providers (REPs).
- (c) Aggregators.
- (d) Dual language requirement.
- (e) Prohibition on mixed language.

**§25.474. Selection of Retail Electric Provider.**

- (a) Applicability.
- (b) Purpose.
- (c) Initial REP selection process.
- (d) Enrollment via the Internet.
- (e) Written enrollment.
- (f) Enrollment via door-to-door sales.
- (g) Personal solicitations other than door-to-door marketing.
- (h) Telephonic enrollment.
- (i) Record retention.
- (j) Right of rescission.
- (k) Submission of an applicant's switch or move-in request to the registration agent.
- (l) Duty of the registration agent.
- (m) Exemptions for certain transfers.
- (n) Fees.
- (o) TDU cost recovery.
- (p) Meter reads for the purpose of a standard switch.
- (q) Scheduled switch date.

**§25.475. General Retail Electric Provider Requirements and Information Disclosures to Residential and Small Commercial Customers.**

- (a) Applicability.
- (b) Definitions.
- (c) General Retail Electric Provider requirements.
- (d) Changes in contract and price and notice of changes.
- (e) Contract expiration and renewal offers.
- (f) Terms of service document.
- (g) Electricity Facts Label.
- (h) Your Rights as a Customer disclosure.
- (i) Advertising claims.

**§25.476. Renewable and Green Energy Verification.**

- (a) Purpose.
- (b) Application.
- (c) Definitions.
- (d) Marketing standards for “green” and “renewable” electricity products.
- (e) Compilation of scorecard data.
- (f) Calculating renewable generation and authenticating “green” claims.
- (g) Fuel Mix for Renewable Energy.
- (h) Annual update.
- (i) Compliance and enforcement.

**§25.477. Refusal of Electric Service.**

- (a) Acceptable reasons to refuse electric service.
- (b) Insufficient grounds for refusal to serve.
- (c) Disclosure upon refusal of service.
- (d)

**§25.478. Credit Requirements and Deposits.**

- (a) Credit requirements for residential customers.
- (b) Credit requirements for non-residential customers.
- (c) Initial deposits for applicants and existing customers.
- (d) Additional deposits by existing customers.
- (e) Amount of deposit.
- (f) Interest on deposits.
- (g) Notification to customers.
- (h) Records of deposits.
- (i) Guarantees of residential customer accounts.

- (j) Refunding deposits and voiding letters of guarantee.
- (k) Re-establishment of credit.
- (l) Upon sale or transfer of company.

**§25.479. Issuance and Format of Bills.**

- (a) Application.
- (b) Frequency and delivery of bills.
- (c) Bill content.
- (d) Public service notices.
- (e) Estimated bills.
- (f) Non-recurring charges.
- (g) Record retention.
- (h) Transfer of delinquent balances or credits.

**§25.480. Bill Payment and Adjustments.**

- (a) Application.
- (b) Bill due date.
- (c) Penalty on delinquent bills for electric service.
- (d) Overbilling.
- (e) Underbilling by a REP.
- (f) Disputed bills.
- (g) Alternate payment programs or payment assistance.
- (h) Level and average payment plans.
- (i) Payment arrangements.
- (j) Deferred payment plans and other alternative payment arrangements.
- (k) Allocation of partial payments.
- (l) Switch-hold
- (m) Placement and Removal of Switch-holds
- (n) Annual reporting requirement.

**§25.481. Unauthorized Charges.**

- (a) Authorization of charges.
- (b) Requirements for billing charges.
- (c) Responsibilities for unauthorized charges.
- (d) Notice to customers.
- (e) Compliance and enforcement.

**§25.482. Prompt Payment Act.**

- (a) Application.
- (b) Time for payment by a governmental entity.
- (c) Disputed bills.
- (d) Interest on overdue payment.

(e) Notice.

**§25.483. Disconnection of Service.**

- (a) Disconnection and reconnection policy.
- (b) Disconnection authority.
- (c) Disconnection with notice.
- (d) Disconnection without prior notice.
- (e) Disconnection prohibited.
- (f) Disconnection on holidays or weekends.
- (g) Disconnection of Critical Care Residential Customers.
- (h) Disconnection of Chronic Condition Residential Customers.
- (i) Disconnection of energy assistance clients.
- (j) Disconnection during extreme weather.
- (k) Disconnection of master-metered apartments.
- (l) Disconnection notices.
- (m) Contents of disconnection notice.
- (n) Reconnection of service.
- (o) Electric service disconnection of a non-submetered master metered multifamily property.

**§25.484. Electric No-Call List.**

- (a) Purpose.
- (b) Application.
- (c) Definitions.
- (d) Requirement of REPs.
- (e) Exemptions.
- (f) Electric no-call database.
- (g) Notice.
- (h) Violations.
- (i) Record retention; Provision of records; Presumptions.
- (j) Evidence.
- (k) Enforcement and penalties.

**§25.485. Customer Access and Complaint Handling.**

- (a)
- (b) Customer access.
- (c) Complaint handling.
- (d) Complaints to REPs or aggregators.
- (e) Complaints to the commission.

**§25.486. Customer Protections for Brokerage Services.**

- (a) Applicability.

- (b) Definitions.
- (c) Voluntary alteration of customer protections.
- (d) Broker communications.
- (e) Language requirements.
- (f) Required disclosures.
- (g) Client agent requirements.
- (h) Unauthorized charges and unauthorized changes of retail electric provider.
- (i) Discrimination prohibited.
- (j) Proprietary client information.
- (k) Client access and complaint handling.
- (l) Record retention.

**§25.487. Obligations Related to Move-In Transactions.**

- (a) Applicability.
- (b) Definition.
- (c) Standard move-in request.
- (d) Safety-net move-in request.
- (e) Sunset provision for review of safety-net process.

**§25.488. Procedures for a Premise with No Service Agreement.**

- (a) Applicability.
- (b) Service to premise with no service agreement.

**§25.489. Treatment of Premises with No Retail Electric Provider of Record.**

- (a) Applicability.
- (b) Definition.
- (c) Obligation of TDUs to identify premises with no REP of record.
- (d) Submission of No REP of Record List to REPs.
- (e) Customer notification.
- (f) Wires charges billed to customer with no REP of record.
- (g) Format of notice.
- (h) REP Obligation to submit move-in transaction.
- (i) Disconnection of premise with no REP of record.
- (j) Expedited reconnection of premise.

**§25.490. Moratorium on Disconnection on Move-Out.**

- (a) Applicability.
- (b) Moratorium on disconnection on move-out.
- (c) Reporting requirement.
- (d) Relaxation of moratorium on disconnection.
- (e) Elimination of reporting requirement.
- (f) Notice of moratorium status.



**§25.491. Record Retention and Reporting Requirements.**

- (a) Application.
- (b) Record retention.
- (c) Annual reports.
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**§25.495. Unauthorized Change of Retail Electric Provider.**

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**§25.497. Critical Load Industrial Customers, Critical Load Public Safety Customers, Critical Care Residential Customers, and Chronic Condition Residential Customers.**

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- (c) Benefits for Critical Load Public Safety Customers, Critical Load Industrial Customers, Critical Care Residential Customers, and Chronic Condition Residential Customers.
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- (j) Pricing safeguards.
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- (c) Resource Adequacy Reports.
- (d) Daily assessment of system adequacy.
- (e) Filing of resource and transmission information with ERCOT.
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**§25.507. Electric Reliability Council of Texas (ERCOT) Emergency Emergency Response Service (ERS)**

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- (c) Definitions.
- (d) Participation in ERS.
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**APPENDIX I    CROSS REFERENCE: LOCATION OF RULE SECTION IN  
CHAPTER 23 TO NEW LOCATION IN CHAPTER 25 OR  
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**APPENDIX II    COMMONLY USED ACRONYMS**

**APPENDIX III   RECORDS, REPORTS, AND OTHER INFORMATION THAT  
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**APPENDIX IV    NO LONGER EXISTS – see §25.214(d)(1) for Retail Electric  
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**APPENDIX V    TARIFF FOR COMPETITIVE RETAILER ACCESS**

## CHAPTER 25. SUBSTANTIVE RULES APPLICABLE TO ELECTRIC SERVICE PROVIDERS.

### Subchapter F. COSTS, RATES, AND TARIFFS.

#### DIVISION 1. RETAIL RATES.

##### §25.248. Generation Cost Recovery Rider.

- (a) **Applicability.** This section provides a mechanism for an electric utility to request to recover investment in a power generation facility through a generation cost recovery rider (GCRR) outside of a base-rate proceeding. This section applies only to an electric utility that operates solely outside of the Electric Reliability Council of Texas.
- (b) **Definitions.** The following terms, when used in this section, have the following meanings unless context indicates otherwise.
- (1) **GCRR billing determinant** -- Each rate class's annual billing determinant (kilowatt-hour, kilowatt, or kilovolt-ampere) for the previous calendar year.
  - (2) **Generation invested capital** -- The parts of the electric utility's invested capital for a power generation facility that will be functionalized as generation plant properly recorded in Federal Energy Regulatory Commission (FERC) Uniform System of Accounts 303 through 347, 352, and 353 when the generation facility is placed into service.
  - (3) **Power generation facility** -- A discrete facility or facilities constructed or purchased by an electric utility for use in generating electricity for public service by the electric utility, and the cost of which is not included in the electric utility's base rates. The term "facility" may encompass different parts of a single generation facility that begins providing service to the electric utility's customers on the same date.
  - (4) **Power generation facility invested capital** -- Generation invested capital associated with a power generation facility included in the electric utility's GCRR that will be placed into service before or at the time the GCRR becomes effective under subsection (g) of this section.
  - (5) **Power generation facility net invested capital** -- Power generation facility invested capital that is adjusted for accumulated depreciation and any changes in accumulated deferred federal income taxes, including changes to excess accumulated deferred federal income taxes, associated with all power generation facilities included in the electric utility's GCRR.
  - (6) **Weather-normalized** -- Adjusted for normal weather using weather data for the most recent ten-year period prior to the year from which the GCRR billing determinants are derived.
- (c) **GCRR Requirements.** The GCRR rate for each rate class, and any other terms or conditions related to those rates, will be specified in a rider to the utility's tariff.
- (1) An electric utility must not have more than one GCRR.
  - (2) An electric utility with an existing GCRR may apply to amend the GCRR to include the electric utility's actual capital investment in a power generation facility and additional power generation facilities.
  - (3) Any GCRR established under this section will take effect on the date the power generation facility begins providing service to the electric utility's customers. Any amendment to an existing GCRR for an additional power generation facility will take effect on the date that the additional power generation facility begins providing service to the electric utility's customers.
  - (4) As part of the next base-rate proceeding for the electric utility, the electric utility must request to move all investment being recovered in a GCRR into base rates and the GCRR will be set to zero.
- (d) **Calculation of GCRR Rates.** The GCRR rate for each rate class must be calculated according to the provisions of this subsection and subsections (e) and (f) of this section.
- (1) The GCRR rates will not take into account changes in the number of the electric utility's customers and the effects that energy consumption and energy demand have on the amount of revenue recovered through the electric utility's base rates.
  - (2) The GCRR rates must not include estimated costs.
  - (3) The GCRR rate for each rate class will be calculated using the following formula:

$$\text{GCRR}_{\text{CLASS}} = \text{RR}_{\text{CLASS}} / \text{BDC}_{\text{CLASS}}$$

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- (4) The values of the terms used in this subsection will be calculated as follows:
- (A)  $RR_{CLASS} = RR_{TOT} * ALLOC_{C-CLASS}$
  - (B)  $RR_{TOT} = TRAF * ((PGFIC * ROR_{RC}) + PGFDEPR + PGFFIT + PGFOT)$
  - (C)  $ALLOC_{C-CLASS} =$   
 $ALLOC_{RC-CLASS} * (BD_{C-CLASS} / BD_{RC-CLASS}) / \Sigma (ALLOC_{RC-CLASS} * (BD_{C-CLASS} / BD_{RC-CLASS}))$
- (5) The terms used in this subsection represent or are defined as follows:
- (A) **Descriptions of calculated values.**
    - (i) **GRR<sub>CLASS</sub>** -- GRR rate for a rate class.
    - (ii) **RR<sub>CLASS</sub>** -- GRR class revenue requirement.
    - (iii) **RR<sub>TOT</sub>** -- Total GRR revenue requirement.
    - (iv) **ALLOC<sub>C-CLASS</sub>** -- GRR class allocation factor for a rate class.
  - (B) **GRR billing determinants and power generation facility values.**
    - (i) **BD<sub>C-CLASS</sub>** -- GRR billing determinants that are weather-normalized.
    - (ii) **PGFIC** -- Power generation facility net invested capital.
    - (iii) **PGFDEPR** -- Power generation facility depreciation expense.
    - (iv) **PGFFIT** -- Federal income tax expense associated with the return on the power generation facility net invested capital, reduced by any tax credits related to the power generation facility that are not returned to customers as a credit or other offset to eligible fuel expense.
    - (v) **PGFOT** -- Other tax expense associated with the power generation facility.
  - (C) **Baseline values.** The following values are based on those values used to establish rates in the electric utility's most recent base-rate proceeding, or if an input to the GRR calculation from the electric utility's last base-rate proceeding is not separately identified in that proceeding, it will be derived from information from that proceeding:
    - (i) **TRAF** -- Texas retail jurisdiction production allocation factor value used to establish rates in the electric utility's last base-rate proceeding determined under the provisions of subsection (e) of this section.
    - (ii) **BD<sub>RC-CLASS</sub>** -- Rate class billing determinants used to establish generation base rates in the last base-rate proceeding. Energy-based billing determinants will be used for those rate classes that do not include any rate demand charges, and demand-based billing determinants will be used for those rate classes that include rate demand charges.
    - (iii) **ROR<sub>RC</sub>** -- After-tax rate of return approved by the commission in the electric utility's last base-rate proceeding.
    - (iv) **ALLOC<sub>RC-CLASS</sub>** -- Rate class allocation factor value determined under the provisions of subsection (e) of this section.
- (e) **Jurisdictional and class allocation factors.** For calculating GRR rates, the baseline jurisdictional and rate-class allocation factors used to allocate generation invested capital in the last base-rate proceeding will be used.
- (f) **Customer classification.** For the purposes of establishing GRR rates, customers will be classified according to the rate classes established in the electric utility's most recently completed base-rate proceeding.
- (g) **GRR application.** An electric utility may file an application for a GRR before the electric utility places a power generation facility in service. An electric utility may include only one discrete power generation facility in an application for a GRR. An electric utility may file an application to amend its GRR to include another discrete power generation facility even if it has another application to amend its GRR pending before the commission. The proceeding for a GRR application must conform to the requirements of this subsection.



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- (1) **Scope of proceeding.** The issues of whether generation invested capital included in an application for a GCRR complies with PURA and is prudent, reasonable, and necessary will not be addressed in a GCRR proceeding.
  - (2) **Notice.** The applicant must notify all parties in the applicant's last base-rate proceeding that an application was filed. The notice must be provided by first-class mail and mailed the same day the application is filed. The notice must specify the docket number assigned to the application and a copy of the application must be included with the notice.
  - (3) **Parties and intervention.** Requests to intervene must be filed no later than 10 calendar days after the date the application is filed. Objections to a request to intervene must be filed no later than five working days after the request is filed. All requests to intervene must be ruled upon no later than 21 calendar days after the application is filed.
  - (4) **GCRR forms.** If the commission adopts a form for GCRR applications, an electric utility must file its application using that form.
  - (5) **Sufficiency of application.** A motion to find the application materially deficient must be filed no later than 10 calendar days after the application is filed. A motion to find an amended application deficient, when the amendment is in response to an order issued under this paragraph, must be filed no later than five working days after the amended application is filed. The motion must specify the nature of any alleged deficiency and, if the commission has adopted a form for a GCRR application, the particular requirements of the form for which the application is alleged to be out of compliance. The applicant's response to such motion must be filed no later than five working days after the motion is filed. Within five working days of the applicant's response, the presiding officer must issue an order finding the application sufficient or deficient, and if deficient must specify the deficiencies and the time within which the applicant must amend its application to cure the deficiencies. If the presiding officer has not issued a written order within 35 calendar days of the filing of the application, or 25 calendar days of the filing of an amended application, concluding that material deficiencies exist in the application, the application is sufficient.
  - (6) **Action on application.** If the requirements of §22.35 of this title are met, the presiding officer must issue a notice of approval within 60 calendar days of the date an application is found to be sufficient by order or rule. The presiding officer may extend this time if a party demonstrates that additional time is needed to review the application or the presiding officer needs additional time to prepare the notice of approval. Further, if the presiding officer determines that the application should be considered by the commission, the presiding officer must issue a proposed order for consideration by the commission at the next available open meeting.
- (h) **Update of generation invested capital.** Within 60 calendar days after a power generation facility included in a GCRR begins providing service to the electric utility's customers, the electric utility may file an application to update the GCRR to reflect the electric utility's actual capital investment in the power generation facility. An application to update the GCRR under this subsection is subject to the requirements in subsection (g) of this section. Any update to the GCRR made under this subsection must include carrying costs on the amount of investment in excess of the investment initially approved for recovery under subsection (g) of this section. Carrying costs will accrue monthly from the date the power generation facility began providing service to the electric utility's customers through the date the adjustment is approved and must be calculated using the rate of return approved by the commission in the electric utility's most recent base-rate proceeding.
- (i) **Reconciliation.**
- (1) Amounts recovered through a GCRR approved under this section are subject to reconciliation in the first base-rate proceeding for the electric utility that is filed after the effective date of the GCRR. The reconciliation will true up the total amount actually recovered through the GCRR approved under this section with the total revenue requirement that the approved GCRR was designed to

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recover. As part of the reconciliation, the commission will determine if the amounts recovered through the GCRR are reasonable and necessary.

- (2) Any amounts recovered through the GCRR that are found to have been unreasonable, unnecessary, or imprudent, plus the corresponding return and taxes, must be refunded with carrying costs. Carrying costs will be determined as follows:
  - (A) For the time period beginning with the date on which over-recovery is determined to have begun to the effective date of the electric utility's base rates set in the base-rate proceeding in which the GCRR is reconciled, carrying costs will accrue monthly and will be calculated using an effective monthly interest rate based on the same rate of return that was applied to the investments included in the GCRR.
  - (B) For the time period beginning with the effective date of the electric utility's rates set in the base-rate proceeding in which the GCRR is reconciled, carrying costs will accrue monthly and will be calculated using an effective monthly interest rate based on the electric utility's rate of return authorized in that base-rate proceeding.
- (j) **Threshold to initiate base-rate proceeding.** If a GCRR approved under this section includes cumulative incremental recovery for a power generation facility or power generation facilities where the amount of generation invested capital is greater than \$200 million on a Texas jurisdictional basis, the electric utility must initiate a base-rate proceeding at the commission not later than 18 months after the date the GCRR takes effect.