

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

### Subchapter E. CERTIFICATION, LICENSING AND REGISTRATION.

#### §25.112 Registration of Brokers.

- (a) **Registration required.** A person must not provide brokerage services, including brokerage services offered online, in this state for compensation or other consideration unless the person is registered with the commission as a broker. A broker is responsible for all activities conducted on its behalf by any subcontractor or agent. A retail electric provider (REP) is not permitted to register as a broker and must not knowingly provide bids or offers to a person who provides brokerage services in this state for compensation or other consideration and is not registered as a broker. A REP may rely on the publicly available list of registered brokers posted on the commission's website to determine whether a broker is registered with the commission.
- (b) **Definitions.** The following terms, when used in this section, have the following meanings unless the context indicates otherwise:
- (1) **Broker** -- A person that provides brokerage services.
  - (2) **Brokerage services** -- Providing advice or procurement services to, or acting on behalf of, a retail electric customer regarding the selection of a REP, or a product or service offered by a REP.
- (c) **Requirements for a person seeking to register as a broker.** A person seeking to register under this section must provide the information listed in this subsection.
- (1) All business names of the registrant limited to five business names;
  - (2) The mailing address, telephone number, and email address of the principal place of business of the registrant;
  - (3) The name, title, business mailing address, telephone number, and email address for the registrant's commission contact person;
  - (4) The name, title, business mailing address, telephone number, and email address of the registrant's customer service contact person;
  - (5) The name, title, business mailing address, telephone number, and email address of the registrant's commission complaint contact person;
  - (6) The form of business being registered (e.g., corporation, partnership, or sole proprietor); and
  - (7) An affidavit from the owner, partner, or officer of the registrant affirming that the registrant is authorized to do business in Texas under all applicable laws and is in good standing with the Texas Secretary of State; that all statements made in the application are true, correct, and complete; that any material changes in the information will be provided in a timely manner; and that the registrant understands and will comply with all applicable law and rules.
- (d) **Registration procedures.** The following procedures apply to a person seeking to register as a broker:
- (1) A registration application must be made on the form approved by the commission, verified by notarized oath or affirmation, and signed by an owner, partner, or officer of the registrant. The form may be obtained from the central records division of the commission or from the commission's Internet site. Each registrant must file its registration application form with the commission's filing clerk in accordance with the commission's procedural rules.
  - (2) The registrant must promptly inform the commission of any material change in the information provided in the registration application while the application is being processed.
  - (3) An application will be processed as follows:
    - (A) Commission staff will review the submitted form for completeness. Within 20 working days of receipt of an application, the commission staff will notify the registrant by mail or e-mail of any deficiencies in the application. The registrant will have ten working days from the issuance of the notification to cure the deficiencies. If the deficiencies are not cured within ten working days, commission staff will notify the registrant that the registration application is rejected without prejudice.
    - (B) Commission staff will determine whether to accept or reject the application within 60 days of the receipt of a complete application.
    - (C) An applicant may contest commission staff's rejection of its application by filing a petition for formal review of the registration application in accordance with the

commission's procedural rules. The registrant has the burden of proof to establish that its application meets the requirements of PURA and commission rules.

- (e) **Registration Update.** Unless updated, a broker registration expires three years after the date of the assignment of a broker registration number or the registration's most recent update. Each registrant must submit the information required to update its registration with the commission not less than 90 days prior to the expiration date of the current registration. An expired registration is no longer valid, and the broker will be removed from the broker list on the commission's website.
- (f) **Registration Amendment.** A broker must amend its registration to reflect any changes in the information previously submitted, including business name, mailing address, email address, or telephone number within 30 calendar days from the date of the change. This amendment is an update under (e) of this section.
- (g) **Suspension and Revocation of Registration and Administrative Penalty.** The commission may impose an administrative penalty for violations of PURA or commission rules. The commission may also suspend or revoke a broker's registration for significant violations of PURA or commission rules. Significant violations include, but are not limited to, the following:
  - (1) providing false or misleading information to the commission;
  - (2) engaging in fraudulent, unfair, misleading, deceptive or anti-competitive practices;
  - (3) a pattern of failure to meet the requirements of PURA, commission rules, or commission orders;
  - (4) failure to respond to commission inquiries or customer complaints in a timely fashion;
  - (5) switching or causing to be switched the REP of a customer without first obtaining the customer's authorization; or
  - (6) billing an unauthorized charge or causing an unauthorized charge to be billed to a customer's retail electric service bill.