

**PROJECT NO. 22834**

|                                      |          |                                  |
|--------------------------------------|----------|----------------------------------|
| <b>IMPLEMENTATION ACTIVITIES</b>     | <b>§</b> | <b>PUBLIC UTILITY COMMISSION</b> |
| <b>RELATED TO RETAIL COMPETITION</b> | <b>§</b> | <b>OF TEXAS</b>                  |
| <b>PILOT PROJECTS</b>                | <b>§</b> |                                  |

**ORDER  
GRANTING GOOD CAUSE EXCEPTION**

This Order grants a good cause exception to P.U.C. SUBST. R. 25.431(g)(1)(E), which requires the registration agent to maintain a record of electric service identifiers (ESIs) identified by a utility as eligible for the pilot project, and further requires the registration agent to verify whether an ESI submitted for participation in the pilot project is eligible.

This good cause exception is granted for the purposes of facilitating the on-going test of the registration system through the pilot project. It has been brought to the Commission's attention by the registration agent that a large number of errors have resulted from incorrect eligibility designation at the registration agent. Such designation was initially intended to avoid pilot participation that exceeds the 5% participation limit set forth in P.U.C. SUBST. R. 25.431. However, because each utility is charged with determining eligibility, a mechanism for holding the participation to the 5% limit already exists. This mechanism is sufficient as long as a retail electric provider (REP) submits switches only for those customers recorded as eligible by the utility. The Commission expects that REPs will comply with that requirement, and will take seriously any deliberate infractions on the part of a REP.

The Commission finds that because the eligibility requirements of P.U.C. SUBST. R. 25.431 relate only to the pilot project, errors resulting from those requirements do little to inform the results of testing in preparation for full retail choice on January 1, 2002, and that the eligibility process maintained by each utility is sufficient for the purpose of adhering to the 5% pilot project participation limit. Therefore, the Commission determines that good cause exists to grant an exception to P.U.C. SUBST. R. 25.431(g)(1)(E) until September 19, 2001.

**SIGNED AT AUSTIN, TEXAS the 13th day of SEPTEMBER 2001.**

**PUBLIC UTILITY COMMISSION OF TEXAS**

---

**MAX YZAGUIRRE, CHAIRMAN**

---

**BRETT A. PERLMAN, COMMISSIONER**

---

**REBECCA KLEIN, COMMISSIONER**