



PUBLIC UTILITY COMMISSION OF TEXAS

How to become an

AGGREGATOR

in a

COMPETITIVE ELECTRIC MARKET





Powerful Connections

Thanks to a new state law, most Texans can now add another item to their shopping list — electricity. In a competitive marketplace, customers may choose to use a buying agent — known as an **Aggregator** — who knows the electric market and can help find the best deal available from Retail Electric Providers (REPs).

An Aggregator represents a group of customers who have banded together through their church, neighborhood association, or employer. Aggregators may recruit members from anywhere there is electric choice.

For the entrepreneur, aggregation is a new business opportunity in a competitive electric market. By managing groups of people and their electricity loads, Aggregators can provide a valuable service. Aggregators compare offers and contract terms and negotiate electric rates with REPs.

The first step in becoming an Aggregator is to register with the Public Utility Commission of Texas (PUC). To learn more about how to be an Aggregator, log on to the PUC web site at www.puc.state.tx.us or call the PUC answer center toll free at **1-888-782-8477**.

Frequently Asked Questions

What is an Aggregator?

An Aggregator joins two or more customers into a single purchasing unit to negotiate the purchase of electricity from Retail Electric Providers (REPs). Aggregators shop for their customers and often help them save time, effort, and money. An Aggregator conducts research on electricity prices, contract terms and conditions, and other services that their customers want, and recommends a REP.

Why would someone want to be an Aggregator?

Entrepreneurs, who register as Aggregators, can provide a valuable service to their group of customers by comparing offers and negotiating electric rates with REPs. Aggregators may also monitor electricity that customers use through an electric load profile, which shows what months, days of the week, and times of day their group tends to use electricity.

What does it take to become an Aggregator?

First, do your homework! If you are interested in becoming an Aggregator, become familiar with general electric restructuring issues. In particular, Aggregators should have a thorough understanding of the Public Utility Regulatory Act (PURA) 39.353 and PUC Substantive Rule 25.111.

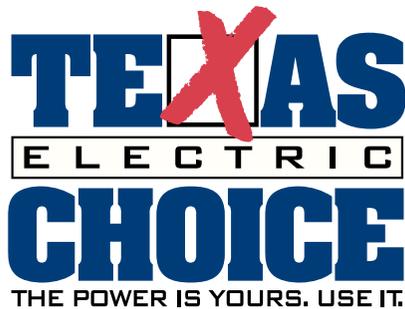
Second, register as an Aggregator with the PUC.

To become familiar with PUC rules and register as an Aggregator, visit <http://www.puc.state.tx.us/electric/business/index.cfm> or call toll free 1-888-782-8477 for an application.

What are the responsibilities of an Aggregator?

All Aggregators:

- must obtain verifiable authorization that a customer has requested their services.
- must comply with all PUC rules regarding customer education, disclosures, marketing, and customer protections. If any rules are violated, registration can be suspended or revoked.
- must disclose to customers how they will be compensated for their services.
- cannot collect any payments on behalf of a REP.
- cannot contact any customer on the PUC's "Do Not Call" list.



Texans now have the power to choose their own Retail Electric Provider (REP) — the company that provides electricity to their home or business.

Customers of investor-owned utilities can shop for a REP, just as they do for other products like groceries or gasoline.

Competition is expected to lower prices over time, and speed the development of products and services. As always, the Public Utility Commission of Texas will continue to regulate the delivery of power to ensure the safety and reliability of electric service.

Beginning January 2002, most customers of investor owned utilities will be able to choose their own electric provider.

For more information on *Texas Electric Choice*, visit www.powertochoose.org or call toll free 1-800-PWR-4-TEX.

THE POWER IS YOURS. USE IT.

For more information about *Texas Electric Choice*, log on to

POWERTOCHOOSE.ORG

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1-866-PWR-4-TEX