WRIGHT & TALISMAN PC

1200 G Street, N.W.
Suite 600
Washington, D.C. 20005-3802
202.393.1200
Fax 202.393.1240
www.wrightlaw.com

December 30, 2010

The Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Entergy Services, Inc., Docket No. ER05-1065-000
The ICT's Quarterly Performance Report

Dear Secretary Bose:

The Southwest Power Pool, Inc. ("SPP"), as the Independent Coordinator of Transmission ("ICT") for the Entergy Services, Inc. ("Entergy") system, hereby submits the ICT's Fourth Quarterly Performance Report for 2010, in accordance with the Federal Energy Regulatory Commission's orders approving the establishment of the ICT and section 7 of Attachment S in Entergy's Open Access Transmission Tariff ("OATT").[1]

The ICT will serve a copy of this report to all Interested Government Agencies and will make the report publicly available by posting it electronically on SPP's website and Entergy's OASIS.

If there are any questions related to this matter, please contact the undersigned at the number listed above.

Respectfully submitted,

/s/ David S. Shaffer
David S. Shaffer

Counsel for the ICT

Attachments

[1] See Entergy Services, Inc., 115 FERC ¶ 61,095, order on reh'g, 116 FERC ¶ 61,275, order on compliance, 117 FERC ¶ 61,055 (2006), order on reh'g, 119 FERC ¶ 61,187 (2007).

Southwest Power Pool

Independent Coordinator of Transmission (ICT) for Entergy - Quarterly Performance Report

September 1, 2010 – November 30, 2010

Table of Contents

1. Overview

1.1 Entergy

Entergy Services, Inc. (Entergy or ESI) is a service company providing services for the Entergy Operating Companies, which are a part of a multi-state public utility holding company system. The Entergy Operating Companies include Entergy Arkansas, Inc., Entergy Gulf States Louisiana, LLC, Entergy Louisiana, LLC, Entergy Mississippi, Inc., Entergy New Orleans, Inc., and Entergy Texas, Inc. Entergy provides electricity to 2.7 million utility customers in Arkansas, Louisiana, Mississippi, and Texas. The Entergy Operating Companies have 15,500 miles of 69 kV – 500 kV transmission lines and move about 23,000 megawatts (MW) of power across the interconnected lines in a 112,000 square-mile area. Entergy also operates more than 40 generating plants using natural gas, nuclear, coal, oil, and hydroelectric power with approximately 30,000 MW of electric generating capacity.

1.2 Independent Coordinator of Transmission (ICT)

On May 27, 2005, Entergy submitted to the Federal Energy Regulatory Commission (hereinafter, FERC or Commission), on behalf of the Entergy Operating Companies, a proposed revision of its Open Access Transmission Tariff (OATT or Tariff) reflecting its proposal to establish an ICT for its energy system and a Weekly Procurement Process (WPP). In its filing, Entergy identified Southwest Power Pool, Inc. (SPP) as the candidate it had chosen to perform the function of the ICT. On April 24, 2006, in Docket No. ER05-1065-000 (hereinafter, ICT Approval Order), the Commission found that SPP, operating as a Regional Transmission Organization (RTO), satisfied the independence requirement of operating in the capacity of the ICT for Entergy and conditionally approved the tariff changes filed by Entergy. SPP initiated its duties, as set forth in Attachment A of the ICT Agreement and further defined in Attachment S of Entergy's OATT on November 17, 2006, with select reliability functions starting on November 1, 2006.

1.3 ICT Duties Pursuant to Attachment A of the ICT Agreement

1.3.1 Act as Reliability Coordinator for Entergy's transmission system.

1.3.2 Calculate Available Flowgate Capability (AFC) and grant and deny requests for transmission service under Entergy's OATT.

1.3.3 Grant and deny requests for interconnection service under Entergy's Large Generator Interconnection Procedures (LGIP) and Large Generator Interconnection Agreement (LGIA).

1.3.4 Operate Entergy's Open Access Same Time Information System (OASIS).

1.3.5 Perform a regional planning function.

1.3.6 Implement Entergy's transmission expansion pricing proposal, including preparation of the Base Plan.

1.3.7 Oversee the planning and operation of Entergy's transmission system, as well as Entergy's WPP.

1.3.8 File such reports as may be required by the ICT Agreement, Attachment S of Entergy's OATT, or as otherwise required by the FERC or Entergy's Retail Regulators.

1.3.9 Conduct stakeholder meetings.

1.4 Reporting

In accordance with section 7 of Attachment S of Entergy's OATT, SPP provides quarterly reports to all Interested Government Agencies pertaining to the ICT's performance. Also, in the ICT Approval Order the FERC required that SPP prepare a yearly report to measure the success of the ICT and the WPP in meeting Entergy's claimed objectives, including benefits, and to ensure that market participant concerns are being adequately addressed.

This quarterly report addresses current ICT duties and briefly discusses WPP operations. In addition, this report contains operational results from the current reporting period and includes a presentation of certain historical data to permit a comparative analysis of ICT performance in areas such as reliability and tariff administration.

1.4.1 No persons, party, or agent including Entergy, Market Participants, Interested Government Agencies, or any other administrative oversight group has been given authority to screen the findings, conclusions, and recommendations contained in this report. Entergy, and any Market Participant so choosing, shall have forty-five (45) days to respond to this report.

1.4.2 This report shall be forwarded to each of the Interested Government Agencies and will be made publicly available, subject to redaction or other means necessary to protect the confidentiality of certain report aspects.

1.5 Arkansas Public Service Commission (APSC) Public Hearing

As previously reported, the APSC initiated a general proceeding in Docket No. 10-011-U to examine transmission issues affecting electricity service within Arkansas. In particular, the APSC directed SPP to report on two matters that directly implicate the operation of the ICT: (i) Entergy's and/or Entergy Arkansas, Inc.'s (EAI) membership in SPP RTO; and (ii) completion of a seams agreement between Entergy and SPP.

Pursuant to an order issue on August 18, 2010, the APSC directed SPP and the Midwest Independent Transmission System Operator, Inc. (Midwest ISO) to make presentations on September 13, 2010, and September 14, 2010, respectively, in order to educate the APSC and stakeholders on the two RTOs generally and on specific issues relating to the possible integration of Entergy into each RTO. SPP's presentation provided an overview of the steps and timing involved in a new member joining its RTO as well as an overview of the types of markets offered by SPP currently and in the future and the cost allocation methodologies employed within SPP. The Midwest ISO's presentation provided a primer on its role as an RTO, the steps and timing involved in integrating a new member into its RTO, and the cost allocation methodologies and markets in the Midwest ISO.

On November 10, 2010, Entergy held a technical conference to discuss the draft Energy System Agreement successor arrangement that was filed with the APSC in Docket No. 10-011-U on September 16, 2010. At the conference, Entergy explained the results of its initial analysis of the draft successor arrangement**,** the key principals supporting the proposed successor arrangement, and the cost allocation process following joint economic dispatch.

1.5.1 SPP RTO Cost/Benefit Study

As previously reported, the Commission awarded a contract to Charles River and Associates (CRA) to conduct a comprehensive cost benefit study on Entergy and Cleco Power joining SPP RTO versus Entergy extending the ICT arrangement (CRA Study). The CRA Study was issued

on September 30, 2010, and filed with the APSC on November 1, 2010, in Docket No. 10-011-U. As an addendum to that study, CRA agreed to perform a cost benefit study on EAI, as a stand-alone entity, joining SPP RTO or remaining in the ICT arrangement. A discussion of the results of the CRA Study is included in section 6 of this report.

1.5.2 SPP/Entergy Seams Agreement

On March 26, 2010 and April 16, 2010, SPP submitted a Comprehensive Seams Agreement between Entergy and SPP. The filings included an executed Letter Agreement that adopted certain procedures and processes meant to provide "comprehensive" coordination between the Entergy and SPP transmission systems. The Letter Agreement also incorporated four (4) protocols governing the following areas: (i) coordination of enhanced regional planning activities, study coordination activities, and flowgate financial rights; (ii) coordination of AFC/Total Flowgate Capability values; (iii) allocation of costs of upgrades; and (iv) data exchange, confidential information, and critical energy infrastructure information (CEII). SPP stated that the Letter Agreement and protocols will allow SPP and Entergy to share information and coordinate their processes in a manner that will allow both systems to operate more efficiently. Further, SPP recognized that additional procedures may be developed to better coordinate operations and enhance the quality and availability of transmission across the Entergy/SPP seam.

On June 15, 2010, the Commission conditionally accepted the March 26, 2010 and April 16, 2010 filings with an effective date of March 31, 2010. The Commission commended SPP and Entergy for their efforts toward addressing seams issues that impede both of their systems from operating more efficiently but recognized that other seams issues remain unaddressed. Finally, the Commission required SPP and Entergy to modify certain portions of the Coordination and AFC/TFC Protocols in a compliance filing to provide further clarity on the processes used in the seams coordination agreement. SPP made the compliance filing as required by the Commission on July 15, 2010 and on the same date, East Texas Cooperatives requested rehearing of the June 15 order. The Commission granted rehearing for further consideration on August 16, 2010 and no further action has been taken to date.

2. Reliability Coordination (RC)

2.1 Overview

In the ICT Approval Order, paragraph 94, the Commission stated that the SPP shall act as the Reliability Coordinator for Entergy's transmission system. On November 1, 2006, Entergy formally transitioned the Reliability Coordinator function to SPP. As the Reliability Coordinator for Entergy, SPP has authority over all matters within the scope of its duties as a North American Electric Reliability Council (NERC) Reliability Coordinator. SPP's performance of these duties has been strictly on an independent basis utilizing information from Entergy, Market Participants, and other balancing authorities in analyzing Entergy's system and taking any necessary actions under its authority as the Reliability Coordinator. SPP is in compliance with the standards set forth by NERC and has complied with all Southeastern Electric Reliability Council (SERC) Reporting Standards and deadlines. SPP participates in the SERC Daily Coordination Telecom, in which the Tennessee Valley Authority (TVA) Reliability Coordinator System Operator initiates and leads the call. In the ICT Approval Order, paragraph 149, the Commission also stated that Entergy will retain its obligations as the Control Area Operator and Transmission Provider.

2.2 Monthly SERC Filing Requirements

SPP submitted monthly SERC RC filings for the period of September 1, 2010 to November 30 2010. The monthly filings certify that SPP is compliant with the following standards:

2.2.1 TOP-007 Reporting System Operating Limits (SOL) and Interconnected Reliability Operating Limits (IROL) Violations: SPP monitors for IROL and SOL violations and will implement a contingency plan when those events occur, which includes developing an action plan to return the system within limits.

Note: No SOL or IROL violations occurred within the reporting period of September 1, 2010 to November 30, 2010.

2.2.2 PER-003 Operator Credentials: All SPP RC personnel are NERC Certified and have undergone the proper training to maintain such certification.

2.2.3 PER-004 Operator Credentials: RC Operators are present at the RC desk twenty-four (24) hours per day, seven (7) days per week.

2.2.4 IRO-004 Reliability Coordination - Operations Planning: SPP conducts next day reliability analysis for the Entergy footprint to ensure ongoing reliability in the transmission system under normal and contingency situations. In addition, SPP considers adjacent Reliability Coordinator areas in its analysis to prevent unacceptable burdens being placed on the adjacent system.

2.3 Other SERC Filing Requirements

SPP did not submit any other SERC self-certifications this quarter.

2.4 Transmission Loading Relief (TLR) Events

Section 5 of Attachment S to Entergy's OATT in conjunction with the Reliability Coordinator Protocol provides that SPP shall have exclusive authority to execute TLR procedures under NERC Standards IRO-006-3 and PER-004-1. Therefore, as ICT Reliability Coordinator, SPP has exercised the authority to execute TLR events as it deems necessary. To mitigate the number of TLRs on Entergy's system, SPP will re-dispatch generators, reconfigure and modify transmission maintenance and outage schedules, as well as adjust transmission schedules and reduce load to mitigate critical conditions.

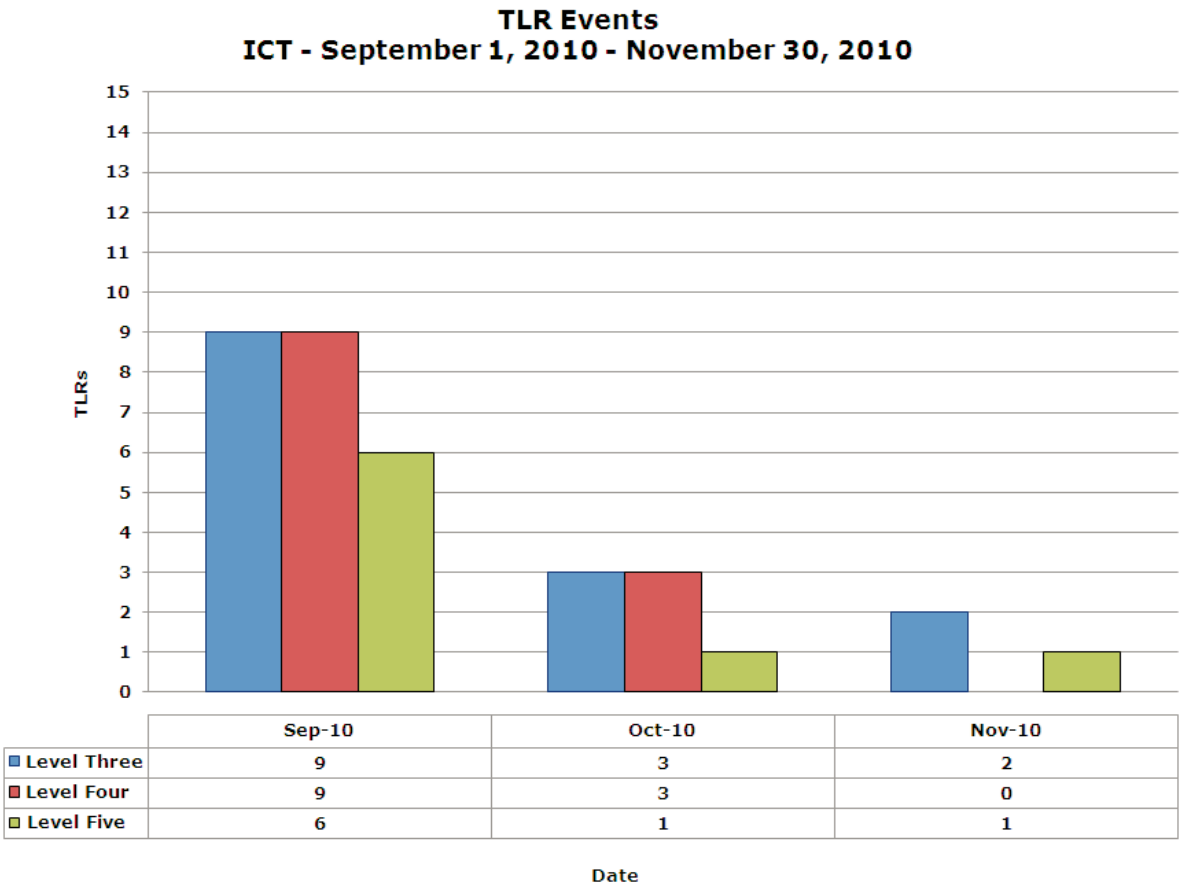
TLRs are used to curtail transmission service and help prevent instability, uncontrolled separation, or cascading outages. NERC prescribes eight levels of TLRs. The higher the TLR level, the

more critical the potential problem is on the transmission system. Actions taken by SPP on TLR levels one through four include curtailment or holding of Non-Firm transmission service. Reallocation, curtailment, or holding of Firm transmission service occurs when TLRs reach levels five or above. This report identifies TLR procedures invoked by SPP during the reporting period in connection with TLR Level 3, 4, and 5 events – i.e., the levels which allow for the curtailment of transmission service.

2.4.1 Review of TLRs

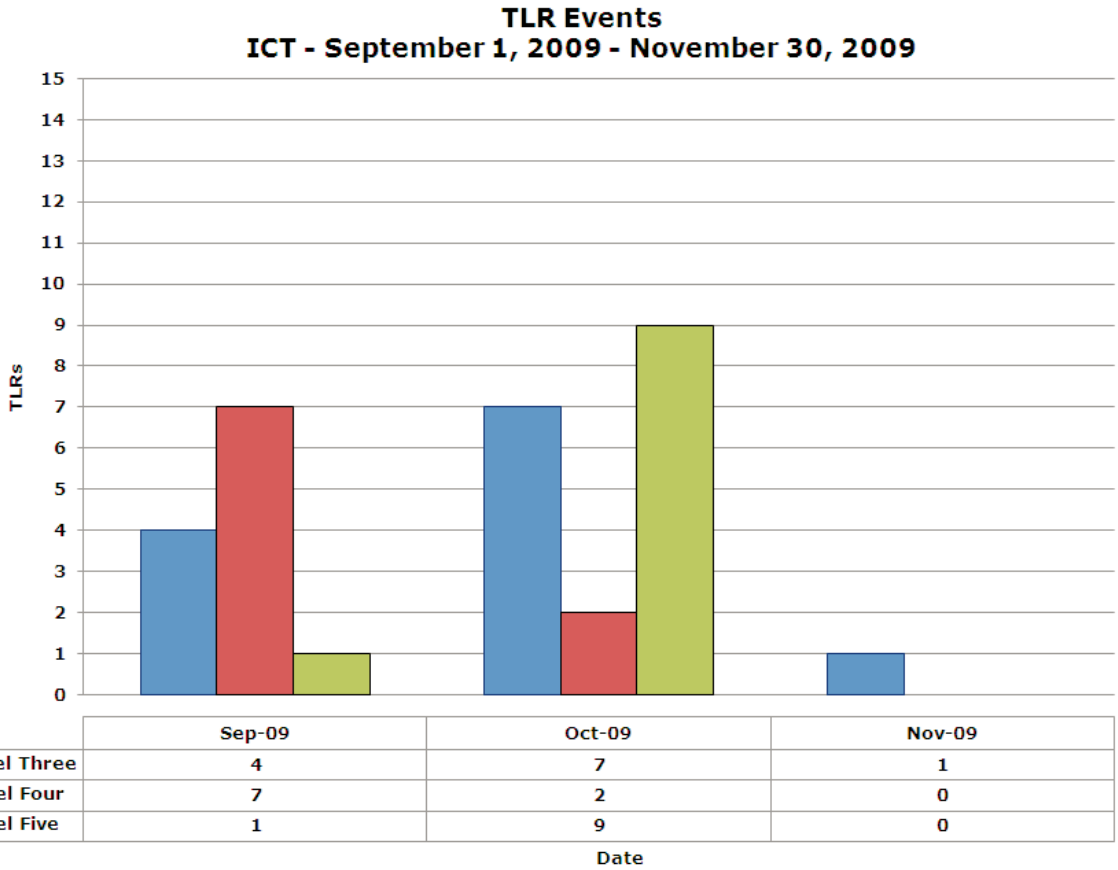
The ICT Reliability Coordinator initiated thirty-four (34) TLR Level 3, 4, and 5 events with a total curtailment of 64,227 MWh's from September 1, 2010 to November 30, 2010. For comparison purposes, during the same period in the previous year there were a total of thirty-one (31) TLR Level 3, 4, and 5 events initiated with a total of 75,506 MWh's curtailed. Figures 1 and 2 illustrate these TLR events broken down by monthly totals for the current and previous year time period.

Figure 1



	Sep-10	Oct-10	Nov-10
Level Three	9	3	2
Level Four	9	3	0
Level Five	6	1	1

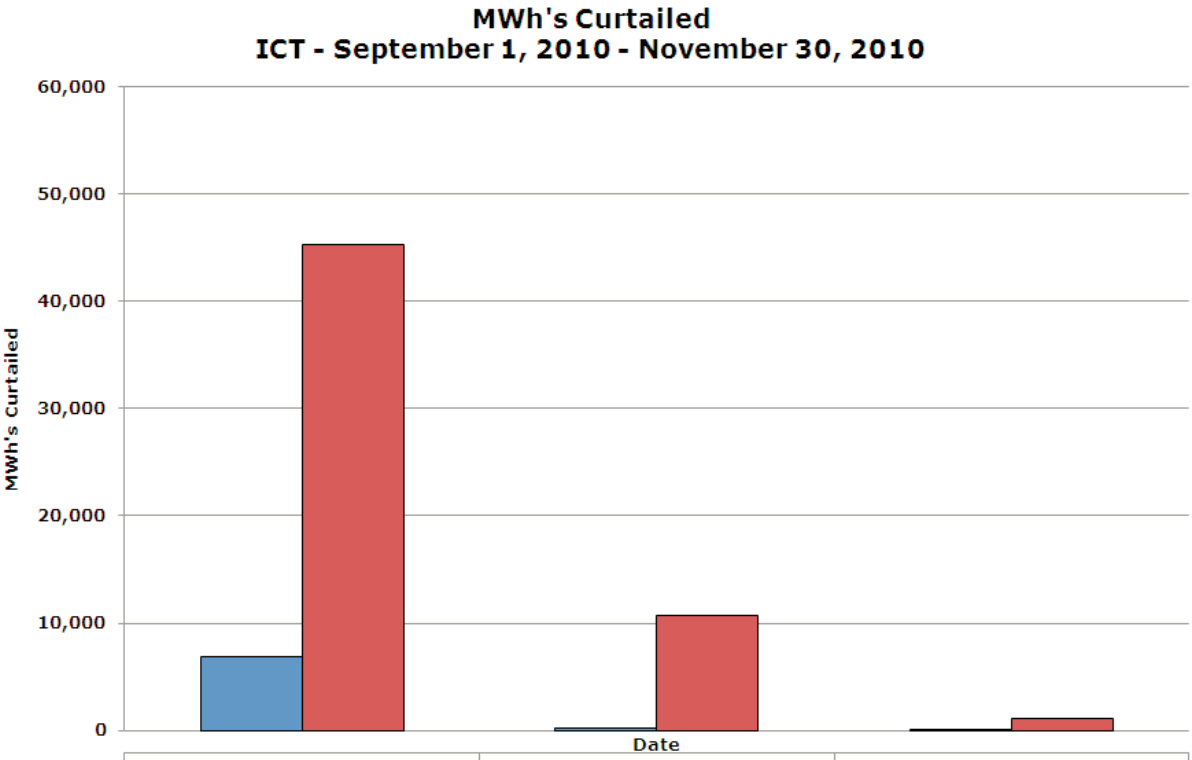
Figure 2



	Sep-09	Oct-09	Nov-09
Level Three	4	7	1
Level Four	7	2	0
Level Five	1	9	0

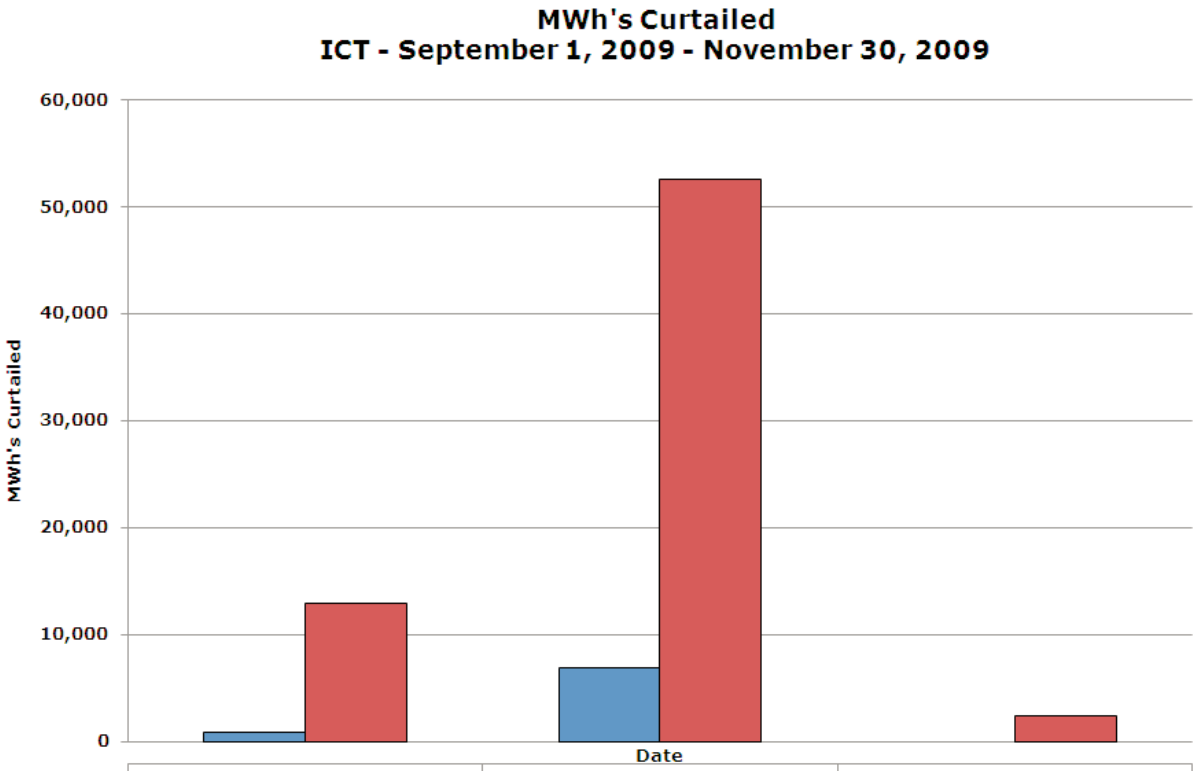
A total of 56,982 MWh's of Non-Firm service and 7,245 MWh's of Firm service were curtailed by the ICT from September 1, 2010 to November 30, 2010. A total of 67,761 MWh's of Non-Firm service and 7,745 MWh's of Firm service were curtailed by the ICT during the same timeframe in the prior year. Figures 3 and 4 illustrate the MWh's curtailed by the ICT broken down by monthly totals and Firm and Non-Firm service.

Figure 3



	Sep-10	Oct-10	Nov-10
Firm	6923	207	115
Non Firm	45301	10649	1032

Figure 4



	Sep-09	Oct-09	Nov-09
Firm	874	6871	0
Non Firm	12889	52554	2318

2.4.2 TLR Analysis

During the current reporting period, the total number of TLRs increased, but the total MWh's curtailed decreased, as compared to the same period of the previous year. For this quarter, Non-Firm service MWh curtailments decreased by sixteen (16) percent and Firm service MWh curtailments decreased by six (6) percent from the same period last year.

The following flowgates accounted for most of the TLR Level 3, 4 and 5 events that occurred during this quarter:

- West Memphis-Birmingham Steel 500 kV for the loss of Sans Souci-Shelby 500 kV – This flowgate has high west to east power transfers. The flowgate continued in September 2010 to have TLRs issued, curtailing Non-Firm schedules.

- Mt Olive – Hartburg for the loss of Webre-Wells 500 kV - the TLRs issued for this flowgate were caused by the Nelson 6 unplanned outage.

Collectively, these flowgates accounted for forty-one (41) percent of the TLR events, seventy-two (72) percent of the total MWh's curtailed, and fifty-seven (57) percent of the Firm MWh's curtailed. The flowgate issues highlighted above were all typically on-peak occurrences.

2.4.3 ICT Reliability Improvement Plan

SPP's RC group developed the Reliability Improvement Plan (RIP) in an effort to minimize the level and severity of TLR events on Entergy's system. The SPP RC group took no actions under the RIP during this reporting period.

2.4.4 Acadiana Load Pocket Upgrade Project

As previously reported, the first phase of the Acadiana Load Pocket Upgrade Project was completed on May 15, 2010. The second phase of the Project began in September 2010 and will continue through April 2011. Seventeen (17) planned outages related to this project have been completed this quarter.

2.4.5 Reliability Task Force

During this quarter, the Stakeholder Policy Committee (SPC) established the Reliability Task Force. The Reliability Task Force held its first meeting on November 9, 2010, and discussed various topics, including suspension of Non-Firm AFC's during a TLR Level 3 and above, curtailment of Internal Non-Firm schedules, TLR 5 Event Report information, RC TLR Analysis recommendations, and Entergy Regional State Committee Working Group (E-RSC WG) items. Agendas, minutes and background materials from the Reliability Task Force meetings are available on SPP's website at www.spp.org.

3. Tariff Administration (TA)

3.1 Overview

Section 3.1 of Attachment S to Entergy's OATT establishes that SPP shall oversee the provision of transmission service for Entergy and provide TA functions to evaluate (grant or deny) all transmission service requests (TSRs) on a non-discriminatory basis consistent with the TSR Processing Criteria and Transmission Study Criteria. This section of the report will address SPP's oversight of TA for short-term TSRs. SPP's TA group's oversight of long-term TSRs is discussed in section 4 of this report.

3.2 AFC Studies and Research

The activities of SPP's TA group from September 1, 2010 through November 30, 2010, included, among other things, the ongoing analysis of AFC models; reviewing the practices and processes for all AFC horizons; implementation of Order No. 890's Conditional Firm service; coordination of the draft business practices associated with Entergy's Criteria Manuals; and suspension of Non-Firm sales during a TLR. A more detailed description of these and other activities is provided below.

3.2.1 Ongoing studies

On a daily basis, SPP's TA group's AFC Engineers analyze and respond to TSRs, AFC model problems, transmission constraints, and other issues identified through the TSR process and specific stakeholder concerns and questions.

3.2.2 Suspension of Non-Firm Sales

As reported last quarter, SPP's TA and RC groups are operating under the new process for suspending the sale of Non-Firm transmission service during a TLR that was approved and implemented by the Near-Term Transmission Issues Working Group (NTTIWG) in May 2010. The TA and RC groups are continuing to monitor and collect data on the new process to determine if the process is working as intended.

3.2.3 WPP Support

SPP's TA group continues to support the interface between the WPP and the AFC process on a weekly basis.

3.2.4 Implementation of Order Nos. 890 et seq. Requirements

SPP's TA group continues to work with Entergy to finalize the business practices associated with the Conditional Firm service established by FERC Order Nos. 890 et seq.

3.2.5 Criteria Manuals

Entergy filed the Criteria Manuals (now Attachments C, D, and E to the Entergy OATT) with the Commission on April 3, 2009. By the end of this reporting period, the Commission had not yet acted on Entergy's filing.

In filing the Criteria Manuals, Entergy stated that it intended to post certain business practices on the more detailed and technical processes associated with the Criteria Manuals to allow SPP's TA group and stakeholders the flexibility to continue to discuss and make technical improvements and adjustments to these processes. Consistent with this commitment, Entergy circulated part of its draft business practices to stakeholders on July 17, 2009, that addressed various AFC related criteria and modeling.

During this reporting period, Entergy circulated the remaining pieces of the business practices to Entergy stakeholders on September 24, 2010, and requested that stakeholders provide written comments no later than October 22, 2010. One set of comments was received by Entergy by the deadline from a group of stakeholders. As of the end of the reporting period, Entergy was in the process of drafting a response to the stakeholder comments and preparing to file the business practices with the Commission for informational purposes.

3.2.6 Designated Network Resource (DNR) Technical Team

During this reporting period, SPP's TA group continued to participate in the DNR Technical Team.

3.2.7 AFC Modeling Improvements Task Force

As previously reported, the AFC Modeling Improvements Task Force was formed to address three specific AFC modeling issues: (i) the timing for inclusion of transmission upgrades in the short-term AFC models; (ii) improving the modeling in the WOTAB Load Pocket; and (iii) modifying the current AFC modeling assumptions related to first-tier external control area dispatch and net interchange. With the SPC's elimination of the NTTIWG and the establishment of the AFC Task Force, each of these items has now been transferred to, and will be addressed

by, the AFC Task Force. Accordingly, updates on these items will be included in the discussion of the AFC Task Force's future activities in this section of the report.

In addition, the AFC Task Force is still tasked with addressing a list of stakeholder items involving Available Transmission Capability (ATC)/AFC modeling issues. See Attachment 1. Currently, SPP is collecting data from the stakeholders to prioritize this list of issues for the task force to address.

3.2.8 Reservation Stack for Load-Only Balancing Authorities

As previously reported, Entergy has agreed to work with the software vendor to implement an automated modeling process to allow Load Serving Entity (LSE) customers to provide a stack of reservations for the modeling of network service to meet their load in the Study Horizon. Entergy has informed SPP that the work on the software patch has been delayed due to higher priority issues, including the replacement of Entergy's OASIS vendor.

This item has also been transferred to the AFC Task Force and will be addressed by that group. Accordingly, updates on this item will be included in the discussion of the AFC Task Force's future activities in this section of the report.

3.2.9 AFC Task Force

The AFC Task Force was formed under the revised SPC charter to address AFC related issues. During the quarter, the stakeholders were asked to submit issues for the new AFC Tack Force to address. The AFC Task Force then met to review, consolidate, and prioritize the list of stakeholder submitted issues. Based on this review, the highest priority issues were: (i) improved coordination between the ICT TA and RC groups; (ii) improved stakeholder notification of upgrades reflected in the AFC models; and (iii) defining the scope of issues examined by the task force. As a result, Entergy has agreed to examine how to improve the process of notifying stakeholders when a new or upgraded transmission facility is modeled in the AFC process.

Agendas, minutes and background materials from the AFC Task Force meetings are available on SPP's website at www.spp.org.

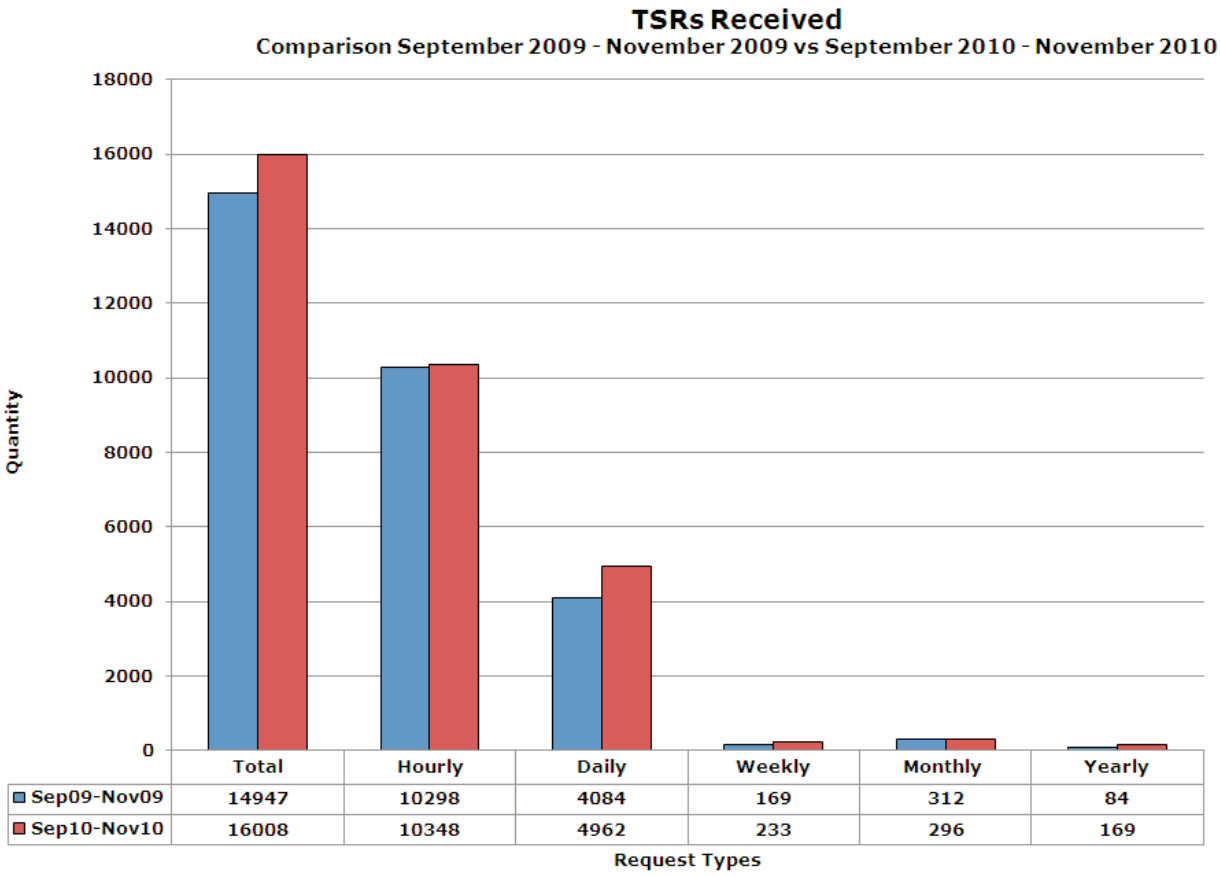
3.3 ICT Processing of TSRs

Transmission Customers have the responsibility to submit a complete and accurate request for service via the OASIS website. SPP's TA group then assesses the completed requests for Non-Firm Hourly service, Firm and Non-Firm Daily, Weekly, Monthly, and Yearly service. The OATi software is used to access and evaluate TSRs to determine whether each TSR should be accepted or refused. Short-term TSRs are accepted or refused based upon the AFC at that particular time. Long-term TSRs or requests outside the AFC Study Horizon (18 months) require a System Impact Study (SIS) and/or a Facilities Study (FS) performed by SPP Planning Engineers. A more detailed discussion of SPP's TA group's oversight of these TSRs and the planning process is included in section 4 of this report.

3.3.1 Review of TSRs

3.3.1.1 Figure 5 illustrates the number of TSRs received and acted on by SPP from September 1, 2010 to November 30, 2010, as compared to the same time period in the prior year. As shown, there was a 7.1 percent increase in the total number of TSRs received by SPP during this reporting period. The percentage difference for each type of service by duration was as follows: Hourly (+0.5 percent), Daily (+21.5 percent), Weekly (+37.9 percent), Monthly (-5.1 percent), and Yearly (+ 101 percent). These percentage changes can also be seen in Figure 12.

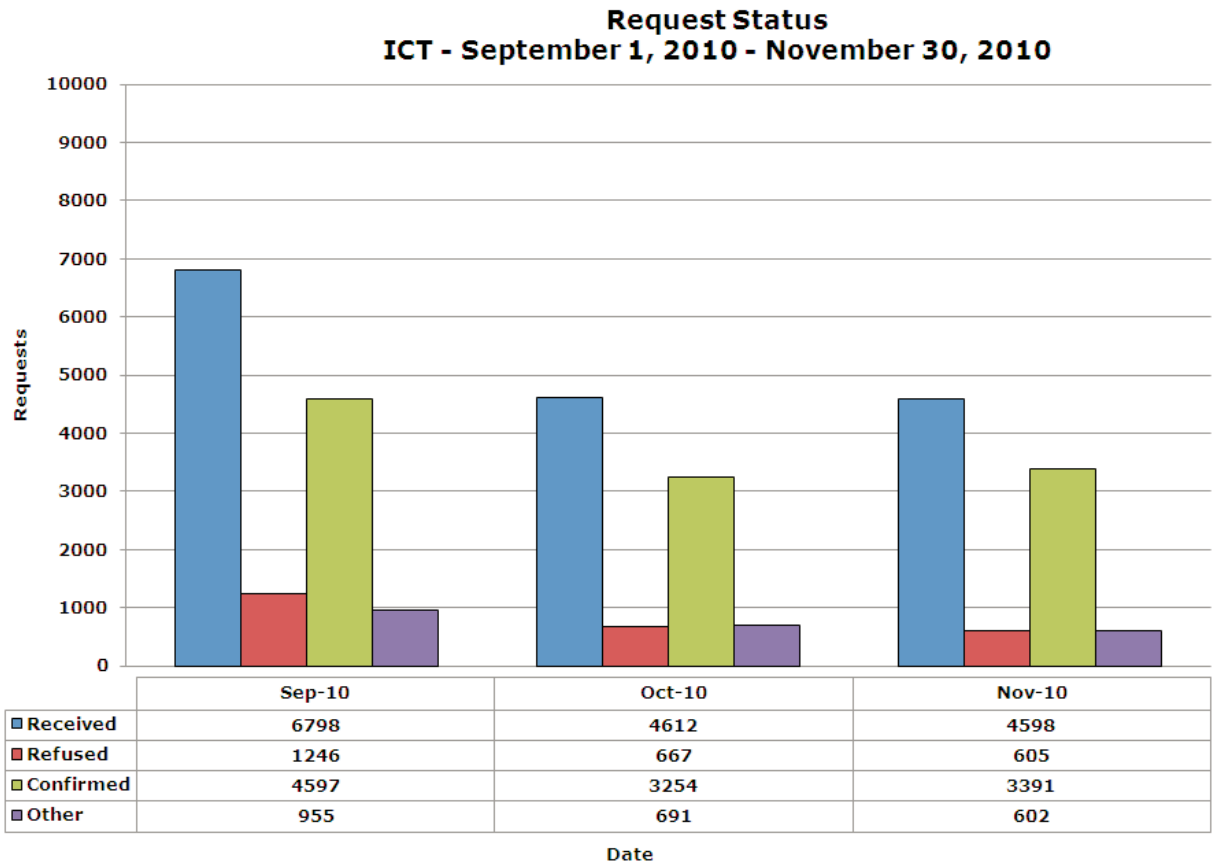
Figure 5



	Total	Hourly	Daily	Weekly	Monthly	Yearly
Sep09-Nov09	14947	10298	4084	169	312	84
Sep10-Nov10	16008	10348	4962	233	296	169

3.3.1.2 The following figures (Figures 6, 7, and 8) illustrate the total number and percentage change of confirmed versus refused service requests for the period from September 1, 2010 to November 30, 2010, compared to the same period in the previous year. The request type of "other" includes TSRs that are in the following statuses: study, accepted, withdrawn, displaced, invalid, declined, superseded, counteroffer, annulled, and retracted. Also, included in the figures below is the total number of requests received by month during the same time periods.

Figure 6



	Sep-10	Oct-10	Nov-10
Received	6798	4612	4598
Refused	1246	667	605
Confirmed	4597	3254	3391
Other	955	691	602

Figure 7

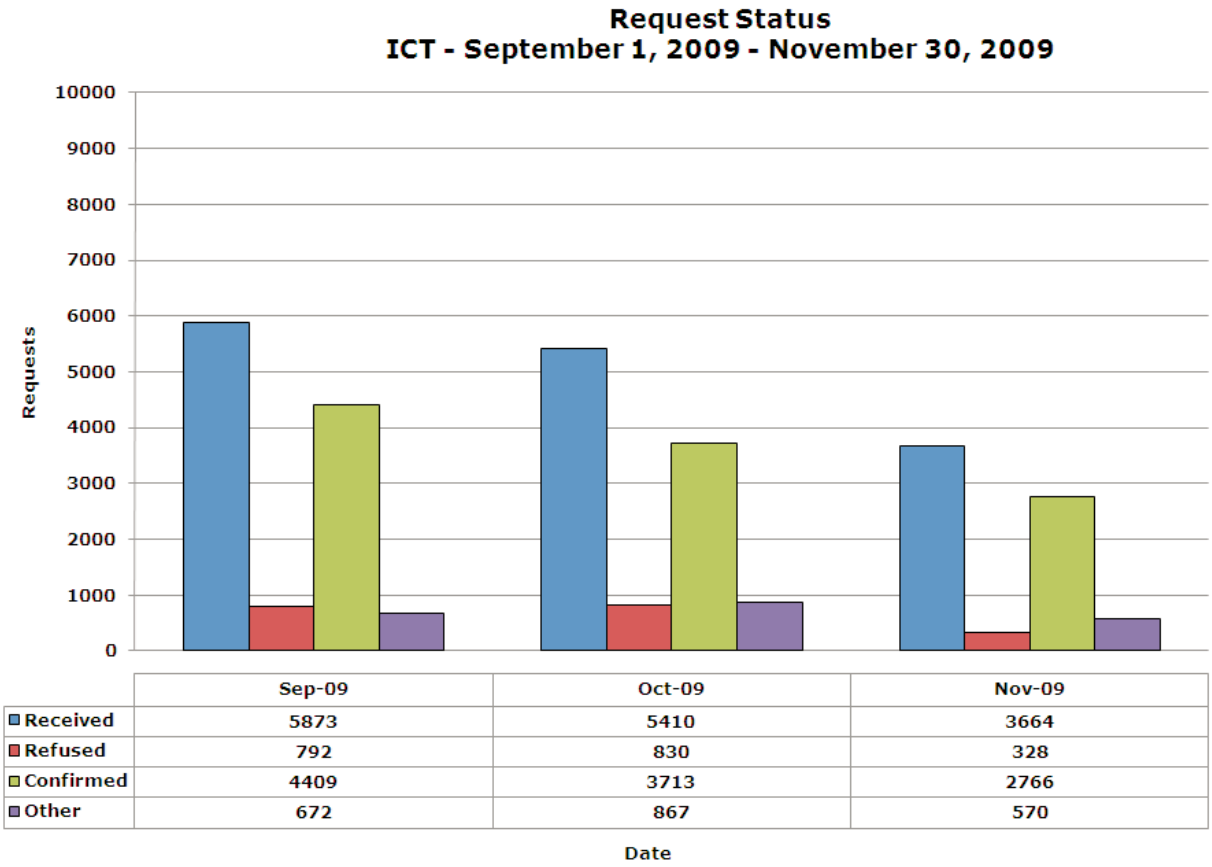


Figure 8

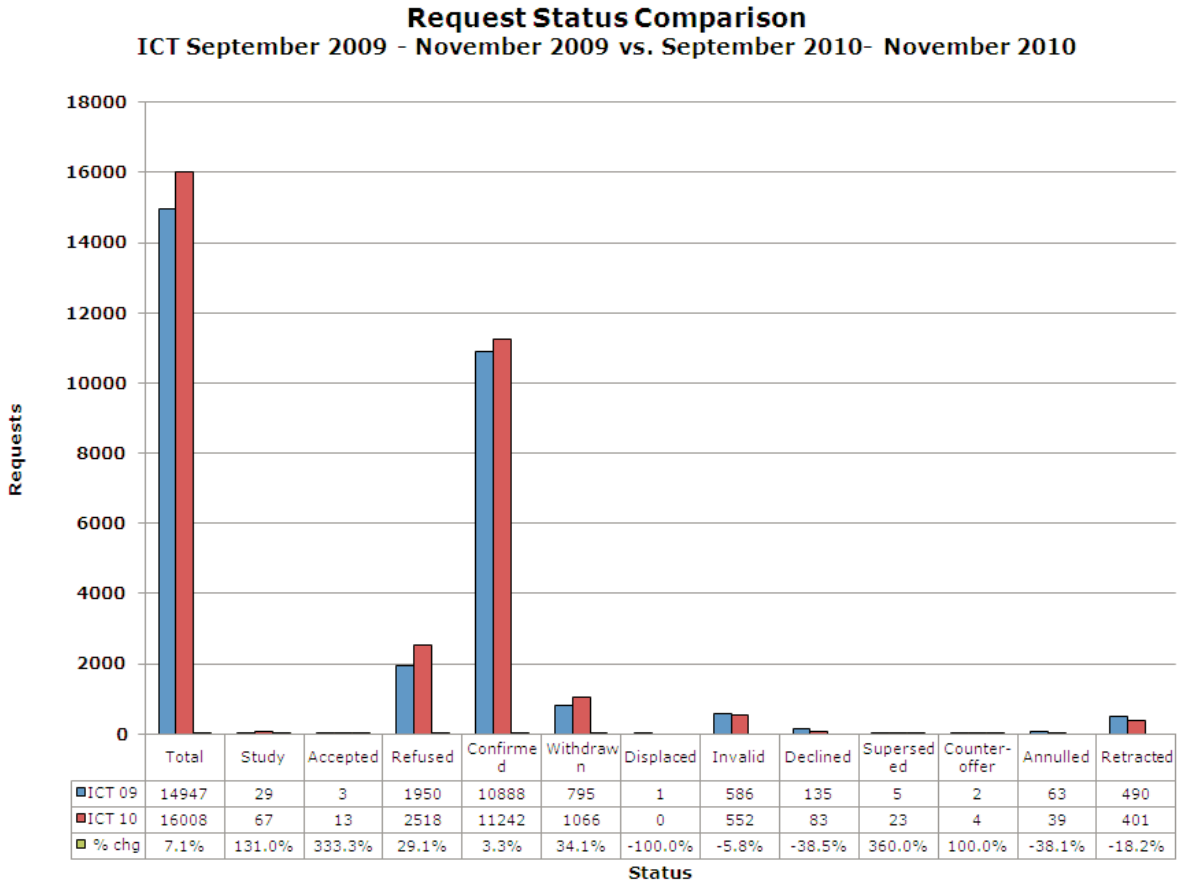
Year to Year Comparison of Request Status Sep 2009 - Nov 2009 vs. Sep 2010 - Nov 2010				
Status	September	October	November	Total
Received	15.8%	-14.8%	25.5%	7.1%
Refused	57.3%	-19.6%	84.5%	29.1%
Confirmed	4.3%	-12.4%	22.6%	3.3%
Other	42.1%	-20.3%	5.6%	6.6%

3.3.1.3 Figure 9 compares the ultimate disposition for the total amount of TSRs received by SPP's TA group from September 1, 2010 to November 30, 2010, and the same time period for the previous year. Since each TSR is received and queued with a status of "study" pending final disposition, some TSRs received by SPP are currently listed in "study" due to the fact that a final decision has not yet been made on the TSR.

SPP's TA group reports that, due to a change in the procedure to comply with Order No. 890, a TSR will be "declined" for the following additional reasons: an Hourly Secondary request is submitted that is not a re-direct; a reservation is overbooked; a reservation window is not yet open; or an e-mail for DNR is not received.

In addition, Attachment 2 to this report provides a more detailed analysis of the TSRs received during the current reporting period. The graphs in Attachment 2 present the disposition of each TSR received by service duration.

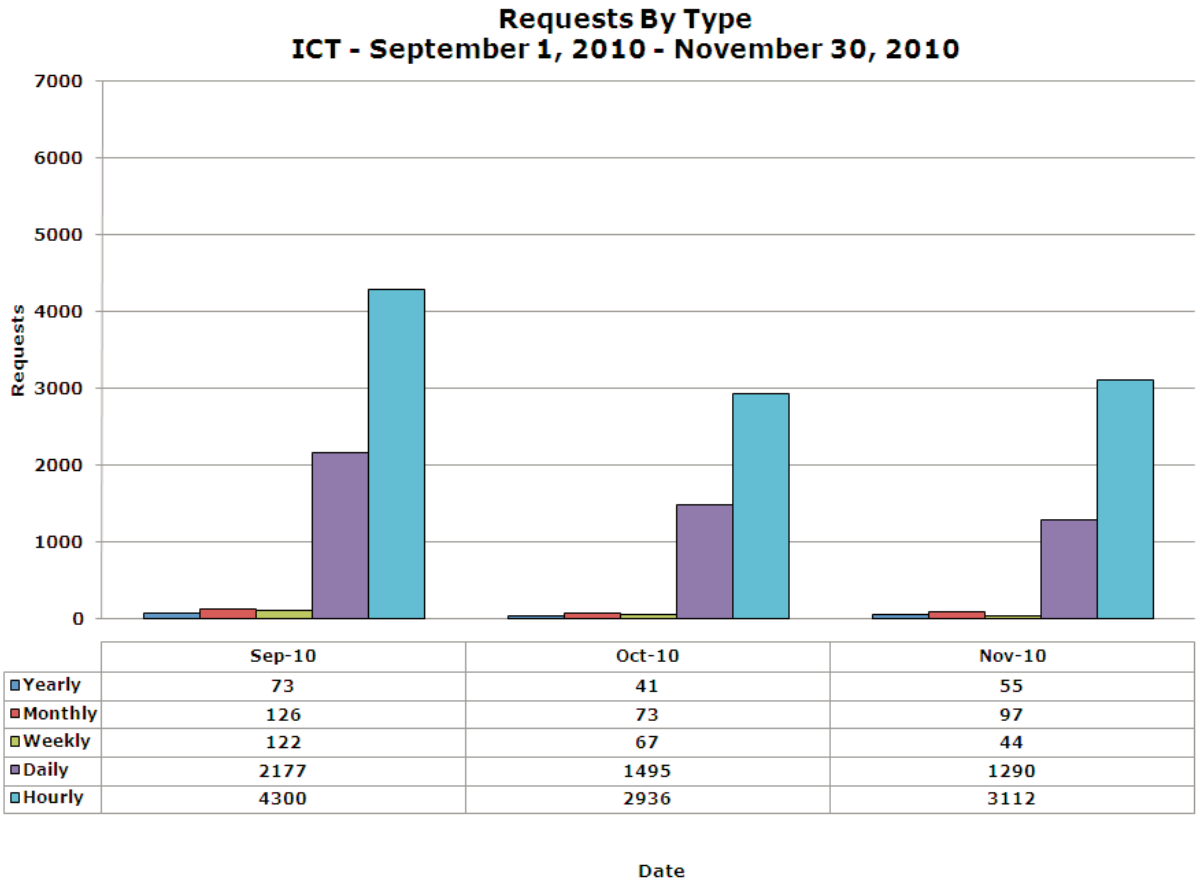
Figure 9



	Total	Study	Accepted	Refused	Confirmed	Withdrawn	Displaced	Invalid	Declined	Superseded	Counter-offer	Annulled	Retracted
ICT 09	14947	29	3	1950	10888	795	1	586	135	5	2	63	490
ICT 10	16008	67	13	2518	11242	1066	0	552	83	23	4	39	401
% chg	7.1%	131.0%	333.3%	29.1%	3.3%	34.1%	-100.0%	-5.8%	-38.5%	360.0%	100.0%	-38.1%	-18.2%

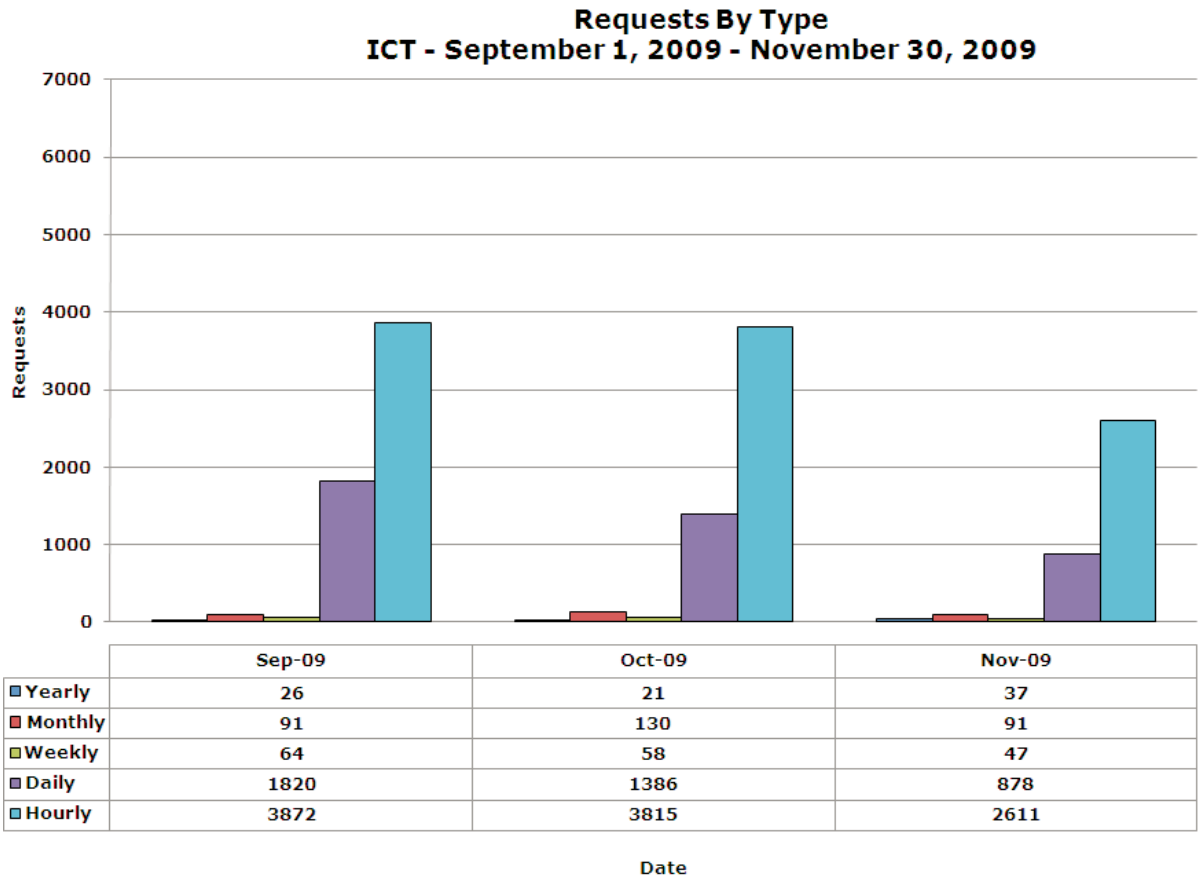
3.3.1.4 The following Figures 10 and 11 illustrate the number of TSRs, sorted by type, that SPP's TA group processed from September 1, 2010 to November 30, 2010, and for the same period of the previous year. Figure 12 offers an illustration of the percentage change in service types from September 1, 2010 to November 30, 2010, versus the same period of the previous year.

Figure 10



	Sep-10	Oct-10	Nov-10
Yearly	73	41	55
Monthly	126	73	97
Weekly	122	67	44
Daily	2177	1495	1290
Hourly	4300	2936	3112

Figure 11



	Sep-09	Oct-09	Nov-09
Yearly	26	21	37
Monthly	91	130	91
Weekly	64	58	47
Daily	1820	1386	878
Hourly	3872	3815	2611

Figure 12

Request Status Percentage Change
Sep 2009 - Nov 2009 vs. Sep 2010 - Nov 2010

	September	October	November	Total
Yearly	180.8%	95.2%	48.6%	101.2%
Monthly	38.5%	-43.8%	6.6%	-5.1%
Weekly	90.6%	15.5%	-6.4%	37.9%
Daily	19.6%	7.9%	46.9%	21.5%
Hourly	11.1%	-23.0%	19.2%	0.5%

4. Planning and Tariff Studies

4.1 Overview

Section 3.1 of Attachment S states "[t]he ICT shall oversee the provision of transmission service pursuant to the OATT and the provision of interconnection service pursuant to the [LGIP] and [LGIA]." Section 3.1 (a) (5) of Attachment S also states "[t]he ICT shall prepare the Base Plan pursuant to the Transmission Planning Protocol." SPP assumed the planning function for Entergy on November 17, 2006. This section of the report will describe the functions performed by SPP relating to generation interconnection, long-term planning, and the approval of long-term transmission service.

4.2 Recommended Expansion Planning/Investment

Base Plan/Construction Plan

As previously reported, Entergy has begun to post monthly Construction Plan project status reports on OASIS. The reports capture changes made to the projects in the Construction Plan over the past month. For example, if a project is delayed, completed, or received approved funding status, the change to the project is included in the monthly report.

Both Entergy's 2010-2012 Construction Plan and the ICT's 2010 Base Plan were updated this quarter. The Construction Plan Update 5, posted November 8, 2010, reflected the following: (i) one (1) project changed to approved funding status; (ii) six (6) projects completed; (iii) eight (8) projects changed to construction; (iv) four (4) projects given "TBD" in-service dates and are being re-evaluated; (v) three (3) projects moved to design/scoping; (vi) one (1) project ISD changed from 2012 to 2014; and (vii) thirty-six (36) terminal equipment upgrade projects were added. All of these changes were reflected in the ICT's 2010 Base Plan Update 6 that was posted on November 10, 2010.

This quarter, the ICT developed a draft 2011 Base Plan taking into consideration the ICT's reliability assessment of Entergy's draft 2011-2013 Construction Plan and the input of stakeholders. On November 8, 2010, the ICT's draft 2011 Base Plan was posted on Entergy's OASIS. The draft 2011 Base Plan included thirty-one (31) new projects. In addition, all projects from the 2010 Base Plan were carried over into the 2011 Base Plan with the exception of those projects that were completed, displaced, or deferred during the year.

On November 10, 2010, the ICT posted an update to the draft 2011 Base Plan on Entergy's OASIS. The update added terminal equipment upgrades recently added to Entergy's Construction Plan. These terminal equipment upgrades displaced seven (7) of the thirty-one (31) new projects added to the

2011 draft Base Plan. The ICT also removed two (2) new projects after further evaluation and also removed projects that were completed. The development of the ICT's 2011 Base Plan and Entergy's 2011-2013 Construction Plan will continue through the end of 2010. Entergy has indicated that it expects to provide the final 2011-2013 Construction Plan in December 2010 and the ICT expects to finalize the 2011 Base Plan late December 2010 to early January 2011.

4.3 10-Year Strategic Plan

As previously reported, the economic studies for the projects in the ICT Strategic Transmission Expansion Plan (ISTEP) 2009 were completed and posted on Entergy's OASIS. Entergy's evaluation of the projects included in the ISTEP 2009 report is still ongoing and will be posted on SPP's website when completed. Accordingly, no action was taken on the ISTEP 2009 projects during this quarter.

The five (5) projects chosen to be included in the ISTEP 2010 study process were as follows:

- North East Arkansas
- Western Region (This project replaces the previously listed Conway Area project which will be addressed by the Holland Bottoms projects included in Entergy's 2010-2012 Construction Plan)
- Mt. Olive – Hartburg voltage stability constraint
- Hartburg – Cypress 500 kV contingency
- ANO- Pleasant Hills for the loss of ANO-Mabelvale flowgates

During this quarter there were no meetings to discuss the ISTEP 2010 projects. However, the ISTEP 2010 projects continue to be evaluated with a target to have a final report by early first quarter 2011.

4.4 Minimizing Bulk Power Costs (MBPC) Study (formerly RMR Displacement Study)

As previously reported, the SPC approved a recommendation to perform an economic transmission study to determine the set of transmission upgrades needed to significantly reduce or eliminate the use of reliability must run (RMR) units located in load pockets, while providing net savings to customers. Originally, SPP was tasked to perform the study. However, at the request of stakeholders, the E-RSC determined that a comprehensive study of transmission alternatives should be performed by a third-party consultant.

This quarter, the E-RSC WG selected ABB as the vendor for performing the MBPC study. The kick-off meeting for the study was held on October 5, 2010, where ABB presented their approach to completing the study and the staffing assigned to the study. The first stakeholder update meeting was

held on November 18, 2010, at which ABB reported on the status of the study, study assumptions, and analysis tools that are going to be utilized. ABB intends to hold monthly update meetings to allow stakeholder's to see the progress of the study and provide comments. All meeting background information is available for review on SPP's website at www.spp.org.

4.5 Inter-Regional Coordination

During the current reporting period, SPP has been actively involved in inter-regional coordination for the Entergy system. SPP's activities in each region are discussed below.

SPP RTO

As previously reported, the following regional economic studies for the 2010 Entergy SPP RTO Regional Planning Process (ESRPP) were selected by stakeholders:

Two detailed step 2 studies:

1) Messick 500/230 kV Transformer

2) Turk-McNeil 345 kV Transmission Line

Three new high-level studies selected:

1) Arkansas independent power producers' (IPP) (Hot Springs, Magnet Cove, and PUPP) to SPP South (AEP and OG&E) for 3000 MW

2) AEPW to Entergy Arkansas for 700 MW

3) Entergy Arkansas to AEPW for 700 MW

During this quarter, there were no ESRPP meetings. Based on stakeholders' review of the limiting elements and recommended projects to alleviate overloads, stakeholders did not recommend any new projects. Accordingly, the projects that were submitted in the initial study request for the ESRPP 2010 cycle will be used in evaluating overloads as well as SPP RTO proposed projects. The ESRPP study team is working on evaluating the overloads, proposing solutions, and testing transfer capability with new projects. The next ESRPP meeting is scheduled for the first quarter of 2011.

Southeast

SPP is also actively involved in the Southeastern Regional Transmission Planning (SERTP) group, formally called Southeast Regional Planning Stakeholders Group (RPSG). The third quarter meeting of the SERTP's 2010 planning cycle was held on September 21, 2010. At that meeting, the preliminary results of the 2010 Economic Planning Studies were discussed. Stakeholders also provided feedback and alternatives to the expansion plan for consideration. In addition, the SERTP provided the

SERC Regional Model Development update and the Florida Reliability Coordinating Council (FRCC) update. SPP continues to monitor this process for any incidental impact on Entergy.

SPP also participates in the Southeastern Inter-Regional Participation Process (SIRPP), which addresses inter-regional planning for the SERC region as required under Order No. 890. SPP is directly involved in the Study Team and Process Team which evaluate studies across the southeast region. SIRPP held their third 2009-2010 Inter-Regional Stakeholder Meeting on September 2, 2010. At this meeting, the SIRPP presented the final results of the 2009-2010 Economic Planning Studies. Stakeholders also provided feedback and alternatives to the expansion plan for consideration. In addition, the projected timeline for the 2010-2011 SIRPP planning cycle. On October 25, 2010, the SIRPP held the first 2010-2011 Inter-Regional Stakeholder Meeting to review the 2010-2011 SIRPP process and solicit feedback from the stakeholders. Also, the 2010-2011 projected timeline and Economic Planning Studies were discussed. SPP will continue to monitor this process for any incidental impact on Entergy.

SPP also reports that no action was taken on the SIRPP 2009/2010 interchange/tie lines update and the SIRPP 2009/2010 Base Case Development during this quarter. SPP will continue to follow and participate in the study process as it affects the Entergy system.

4.6 Louisiana Public Service Commission (LPSC) Technical Conference

The LPSC Transmission Task Force has not completed its final report evaluating concerns related to Entergy's transmission planning; base case contingency overloads (BCCO); financial flowgate rights; the use of undocumented operating guides; a Joint Planning Study Process; and Entergy's 2009 Economic Study Process. SPP will continue to participate in the Task Force in a supporting role to facilitate discussion and resolution of the issues assigned to the Task Force.

4.7 Generation Interconnection Request Studies (GIRS)

When a Transmission Customer requests to connect a generation facility to the transmission grid, the request must go through the Entergy interconnection process as defined in Attachment N of Entergy's OATT. A series of three (3) studies are performed by SPP and its contractors for each interconnection request: a Feasibility Study, a SIS, and a FS. Prior to each study phase, the Transmission Customer is tendered a study agreement, which they must respond to within thirty (30) days to continue the study process. Each study phase has its own time limit for completion or explanation for extension of the due date:

- Feasibility Study (45 day limit)
- SIS (90 day limit)
- FS (90 day limit for a 20 percent cost estimate, 180 day limit for 10 percent cost estimate)

At the conclusion of this quarter (September 1, 2010 – November 30, 2010), there were no active Feasibility Study projects; one (1) active SIS project; and four (4) active FS projects being conducted by SPP. Additionally, the study process for one (1) generation interconnection project was completed. No new generation interconnection projects were added to the GIRS queue during the reported quarter.

This section discusses the status of the GIRS for the quarter, including occurrences where due dates for studies were met or delayed and a delay letter was sent to the Transmission Customer. Generally, SPP is in constant contact with a customer throughout the course of a study and the transmittal of a delay letter is not the customer's first notification of a delay. It also bears noting that Entergy's OATT requires that all studies be processed and studied in queue order. For this reason, SPP is required to consider the implications of all prior studies before commencing the next study in the queue. Accordingly, for many of the study delays, the cause of the delay involves events beyond SPP's control.

4.7.1 Figure 14 shows the GIRS that were active during the reporting period and their current status.

Figure 14

GI Project #	Fuel Type	Capacity Requested	Project Validation Date	Delay Letters	Completion Date	Status
221	NG	875 MW	4/15/2008	SIS delay letters were sent on 10/9/08 11/17/08 Delay letter for FS issued 3/24/2009	FS Report Declared Final on 5/25/2010	Awaiting Tender of Revised LGIA
223	Wind	125 MW	5/21/2008	FS delay letter was sent on 5/4/09	Customer Comments Received 5/12/2010	LGIA Executed 9/20/2010
224	Wind	100 MW	8/27/2008	FS delay letter was sent on 5/4/09	Customer Comments Received 5/25/2010	Awaiting Executed LGIA
226	Nuclear	206 MW	12/23/2008	LGIA Extension Letter issued 5/26/2010	Customer Requested Extension	Awaiting Executed LGIA
231	NG	31 MW	3/18/2009	SIS delay letter was sent on 8/4/09	FS Report Declared Final on 5/18/2010	Awaiting Executed LGIA
233	Wind	150 MW	8/27/2009	FS Delay letters were sent on 7/2/2010 and 8/18/2010	SIS Posted on 3/15/2010	Awaiting Tendered LGIA

238	NG	550 MW	9/1/2009	SIS delay letters were sent on 3/11/2010 and 4/15/2010 FS Delay letters were sent on 7/27/2010, 8/17/2010, & 9/23/2010	SIS Posted on 4/5/2010	Awaiting Posting of FS
240	NG	650 MW	10/2/2009	SIS delay letters were sent on 3/11/2010 and 4/15/2010 FS Delay letters were sent on 7/27/2010, 8/17/2010, & 9/23/2010	SIS Posted on 4/5/2010	Awaiting Posting of FS
244	Coal	13 MW	12/30/2009	FS Delay letters were sent on 9/3/2010, 10/11/201, & 11/18/2010	FS Agreement Executed 6/11/2010	Awaiting Posting of FS
246	Steam	37 MW	2/9/2010	SIS delay letters were sent on 5/18/2010 and 7/14/2010	FS Agreement Executed 7/19/2010	FS Posted 10/29/2010
247	Wind	400 MW	4/19/2010	--	SIS Agreement Executed 9/22/2010	Awaiting Posting of SIS
250	Biomass	50 MW	10/15/2010	--	Feasibility Study Agreement Issued 11/16/2010	Awaiting Executed Feasibility Study Agreement

4.8 TSR Studies (TSRS)

TSRs are received by SPP's TA group through OASIS. Requests for long-term yearly service or short-term monthly requests that extend partially or completely outside the eighteen (18) month AFC Study Horizon require a SIS and, if needed, a FS. These studies are performed by SPP planning personnel and SPP's contractors and must be completed in sixty (60) calendar days.

During the current reporting period, SPP completed six (6) SIS. Entergy and SPP also completed four (4) FS during this reporting period.

4.8.1 SPP did not miss the sixty (60) day deadline for any SIS.

4.8.2 SPP did not miss the sixty (60) day deadline for any FS.

4.8.3 SPP had twenty-eight (28) SIS in progress at the end of the current reporting period. The following list provides the OASIS Reservation numbers for the SIS currently in progress:

74691007, 74727213, 74727223, 74728324, 74728369, 74728376, 74728382, 74728386, 74728388, 74728393, 74728395, 74728400, 47428402, 74728406, 74728408, 74728415, 74728420, 74789476, 74799834, 74799836, 74799837, 74799841, 74799843, 74799848, 74799851, 74799858, 74835023, and 74846159.

4.8.4 Entergy and SPP had four (4) FS in progress at the end of the current reporting period. The following list provides the OASIS Reservation numbers for the FS currently in progress:

74570529, 74573323, 74597193, and 74597198.

4.9 System Impact Study (SIS) Task Force

This quarter, the SPC established the ICT SIS Task Force. The SIS Task Force held its first meeting on November 8, 2010. Jennifer Vosburg from NRG was selected as the Chairperson for the group and John Chiles from GDS Associates, representing East Texas Electric Cooperative, was selected as the Vice-Chair. Based on a discussion of issues and questions raised by stakeholders, the group decided that the increased transparency for the process regarding Supplemental Upgrades and Financial Flowgate Rights (FFR) would be a primary focus for the group. The group also agreed to focus on improving transparency in SIS Reports (SISR) and understanding the process for inclusion of transmission projects in the models used for SIS. Finally, the group requested that the ICT examine the possibility of including the actual ATC value when transmission service is not available (including negative

ATCs), and including the Transfer Distribution Factor (TDF) on the limiting elements identified in the SISR.

The SIS Task Force held another meeting on November 19, 2010. At this meeting, the group finalized and approved the SIS Task Force Guiding Document. The group also discussed the development of documentation for the Supplemental Upgrade and FFR processes. The ICT and Entergy agreed to develop the draft documentation and circulate it to the group for consideration prior to the end of 2010. In this regard, several examples of FFR calculations were presented and discussed by the group to illustrate the areas where further transparency in the FFR process is needed. The ICT also committed to add the negative ATC and TDF values to the SISR. The SIS Task Force will meet again in early January 2011, prior to the E-RSC WG meeting. Agendas, minutes, and background material for the SIS Task Force are available on SPP's website at www.spp.org.

5. Weekly Procurement Process (WPP)

Section 3.2(a) of Attachment S in Entergy's OATT states "[t]he ICT shall oversee the design and operation of the WPP by the Transmission Provider." Attachment V of Entergy's OATT governs the WPP and took effect March 17, 2009, after the Commission conditionally approved Entergy's filings to amend Attachment V made on January 16, 2009, in Docket Nos. ER08-513 and ER09-555.

5.1 ICT Oversight

SPP fulfilled its obligation to oversee the design and implementation of the WPP as the start-up of the WPP successfully began the week of March 23, 2009. Currently, SPP oversees the operation of the WPP and independently reviews the WPP's results.

SPP anticipates that the WPP will evolve and improve over time as parties gain more experience with the process. Therefore, SPP will continue to monitor the WPP and, as appropriate, will recommend enhancements to the process.

5.2 WPP Task Force

During this quarter, the SPC established the WPP Task Force to replace the WPP Issues Working Group (WPPIWG). In accordance with the WPP Task Force's guiding document, the task force will address the technical aspects of policies being evaluated by the SPC. The task force will be a stakeholder-driven group. As a result, the task force is expected to have a chairperson and/or vice chairperson that is a stakeholder. WPP Task Force meeting schedules will be dependent on need, rather than regular time intervals.

During the past quarter, SPP focused on the operation and results of the WPP at the meetings held. In these meetings the following items concerning the WPP were discussed: weekly summaries of the WPP results, review of the WPP Quarterly Report, a proposal to model Qualifying Facilities' (QF) puts in the WPP, a proposal for extending the on-peak offer period in the WPP, a sensitivities analysis of offers into the WPP, and WPP transparency. A more detailed discussion of these items is provided below.

5.2.1 WPP Results For September to November 2010

As previously reported, SPP provides a summary of WPP results at each WPP Task Force meeting. In doing so, SPP gives a general discussion about the results of the WPP for a given period without disclosing any information about the underlying data and analysis. Stakeholders have expressed frustration over the lack of detailed information about the WPP results. Due to the strictures of Attachment V, however, the results of the WPP are considered confidential.

Therefore, SPP cannot disclose any details about the WPP results that are not publicly available under the Tariff.

During this quarter, the WPP results showed an increase in the total number of participating generators; third-party supplier offers submitted and accepted; the total number of MWs offered and awarded through the WPP; and the level of estimated production cost savings from the WPP, as compared to last quarter.

5.2.2 QF Modeling in the WPP

In an effort to enhance WPP operations, SPP and Entergy presented stakeholders with a proposal to model QF puts in the WPP. Under the proposal, historical QF puts would be used to develop forecasted QF puts on an hourly basis and those amounts would be put into the WPP model as self-scheduled purchases and injected into the transmission system at the bus level. SPP further explained that by directly modeling QF puts into the WPP it will reduce the Participating Network Customer's hourly flexibility requirement, increase the accuracy of the transmission power flows, and should improve the WPP model's unit commitment and dispatch.

During this quarter, SPP presented the results of its testing of the QF proposal. In doing so, SPP provided stakeholders with numerical examples to illustrate how the QF proposal would work. At stakeholders' request, SPP agreed to provide a further quantitative summary of its test results at a future meeting, including a listing of the change in offer MWh's forecasted to be purchased; the change in production costs expressed as a percentage; the aggregate dollar value of change in savings; and the total QF put energy forecasted in MWs. In response to stakeholder questions, Entergy stated that it did not believe that the QF put proposal would require a change to Entergy's tariff or business practices and SPC approval would not be needed to move forward. In addition, stakeholders raised a concern about the potential impact of the QF put proposal on the AFC process. Entergy agreed to evaluate the potential differences between the WPP and AFC process if this modeling change were made.

Stakeholders also recommended a zonal hourly flexibility concept as an alternative to the current QF put proposal. In contrast to the QF put method that directly models forecasted QF bus specific injections, the zonal hourly flexibility method simply limits the flexibility contributions to resources located in regions of expected QF puts. SPP agreed to examine this alternative proposal if the QF put proposal is not accepted.

5.2.3 WPP On-Peak Extension

At stakeholders' request, SPP developed a proposal to examine the possibility of extending the on-peak offer period on a weekly basis for the WPP. SPP tested its proposal and presented the results of this testing at the September meeting. As a result of stakeholder questions, SPP agreed to provide stakeholders with additional information at the next WPP Task Force meeting showing the change in MWh's forecasted to be purchased as a result of the on-peak extension proposal in the test cases performed by SPP.

5.2.4 Offer Sensitivity Evaluation

Stakeholders raised a concern about the number of WPP Operating Weeks in which offers were not accepted as a result of a violation of the Hold Harmless provision of Attachment V, In response to this stated concern, SPP agreed to perform SCUC sensitivities evaluating each offer individually in weeks in which there was a Hold Harmless violation. At the September meeting, SPP reported that its testing confirmed that every sensitivity case that selected an offer failed Hold Harmless.

5.2.5 WPP Transparency

During this quarter, SPP revisited a stakeholder request for increased transparency in the WPP and developed a proposal for additional data that could be made public via Entergy's OASIS or given directly to stakeholders. SPP contends the disclosure of certain data could lead to greater confidence in the WPP and could improve the participation of third-party suppliers in the WPP. In response, Entergy stated that additional information on the results of the WPP should only be disclosed if such disclosure is reasonably expected to increase the benefits of the WPP for Entergy's customers. Entergy argued that no such showing has been made for SPP's proposal, and therefore, Entergy does not support it.

A presentation on the WPP transparency issue was made at the E-RSC WG meeting in November. At that meeting the E-RSC WG directed Entergy to determine what, if any, additional information could be shared with stakeholders to increase the transparency in the WPP. Entergy is expected to report back to the E-RSC WG in January 2011.

5.3 WPP Quarterly Report For June to August 2010

In accordance with the Commission's order in Docket No. ER09-555, the ICT filed a quarterly report on the WPP's operations and savings on September 15, 2010, for the period June to August 2010. As reported, the WPP's quarterly results show that the total number of third-party supplier offers accepted through the WPP decreased from those reported last quarter. Likewise, the total MWs awarded through

the WPP decreased over the same period. As a result, the WPP achieved a lower level of estimated production cost savings this quarter than in the last reporting period. Based on SPP's assessment of publicly-available information, SPP saw that a number of utilities entered into longer-term transactions with Entergy that committed their capacity during the summer months to meet Entergy's increased load requirements. A number of these transactions involved some of the regular participants in the WPP. Therefore, the number of third-party suppliers that regularly participate in the WPP from week to week was reduced by these suppliers committing their resources in longer-term deals and not offering them into the WPP. In SPP's view, these transactions had a significant impact on the participation in, and result of, the WPP and contributed to the decreased number of third-party supplier offers accepted and MWs awarded. More details and analysis on the quarterly results of WPP's operations and savings can be found in the filed report. The filing date for the next WPP quarterly report is December 15, 2010.

6. Entergy Regional State Committee (E-RSC)

6.1 Overview

As previously reported, the E-RSC was established to provide collective state regulatory agency input on the operations of and upgrades to the Entergy Transmission System (ETS), including, without limitation, issues relating to the operations and functions of the ICT and the ICT committees, working groups, and task forces. Such input and participation shall include, but not be limited to: the differences between the ICT Base Plan and the Entergy Construction Plan, the need for executed seams agreements between Entergy and the surrounding transmission systems and RTOs, the appropriate mechanisms to increase the amount of transmission built, and cost allocation methodologies.

6.2 E-RSC WG

The E-RSC WG consists of staff and consultants representing each of the Entergy retail regulatory bodies. The E-RSC WG has assumed a tactical role in support of issues and concerns raised before the E-RSC.

During this quarter, the E-RSC WG held several in-person meetings and conference calls with staff and Entergy stakeholders to discuss the issues being considered by the E-RSC.

6.3 E-RSC Meetings

The E-RSC held face-to-face meetings on September 9, 2010, and October 20-21, 2010. At the September meeting, the discussion centered around (i) WPP operational results and potential improvements; (ii) Entergy projects included in the current Construction Plan and the differences in 'need by' versus 'in service' dates; (iii) a Midwest ISO presentation on the handling of QF Puts and potential flow between Entergy and the Midwest ISO; and (iv) the importance of the upcoming vote for E-RSC authority scheduled for the October E-RSC meeting.

At the October meeting, the E-RSC discussed the following: (i) a proposed directive and Memorandum of Understanding on the E-RSC's tariff filing rights under section 205 of the Federal Power Act; (ii) a presentation by the ICT on the TLR 5 Analysis Report on the TLR Level 5 events issued by the SPP Reliability Coordinator in the ICT reliability area from January 1, 2010, through September 30, 2010: (iii) WPP operational results and status of potential improvements: (iv) approval of the 2011 E-RSC budget: (v) an Entergy presentation on transmission issues related to the City of New Orleans: (vi) the allocation of benefits between the Entergy Operating Companies based on the findings of the CRA cost-benefit study: (vii) Entergy's Alternative Economic Study Process: and (viii) Entergy's draft Commitment, Operations, and Dispatch Agreement (CODA) plan.

Agendas, minutes, background material, and full transcripts for all E-RSC meetings are available on SPP's website at: http://www.spp.org/section.asp?group=1630&pageID=27

6.4 FERC Sponsored Cost Benefit Study of Entergy Joining the SPP RTO

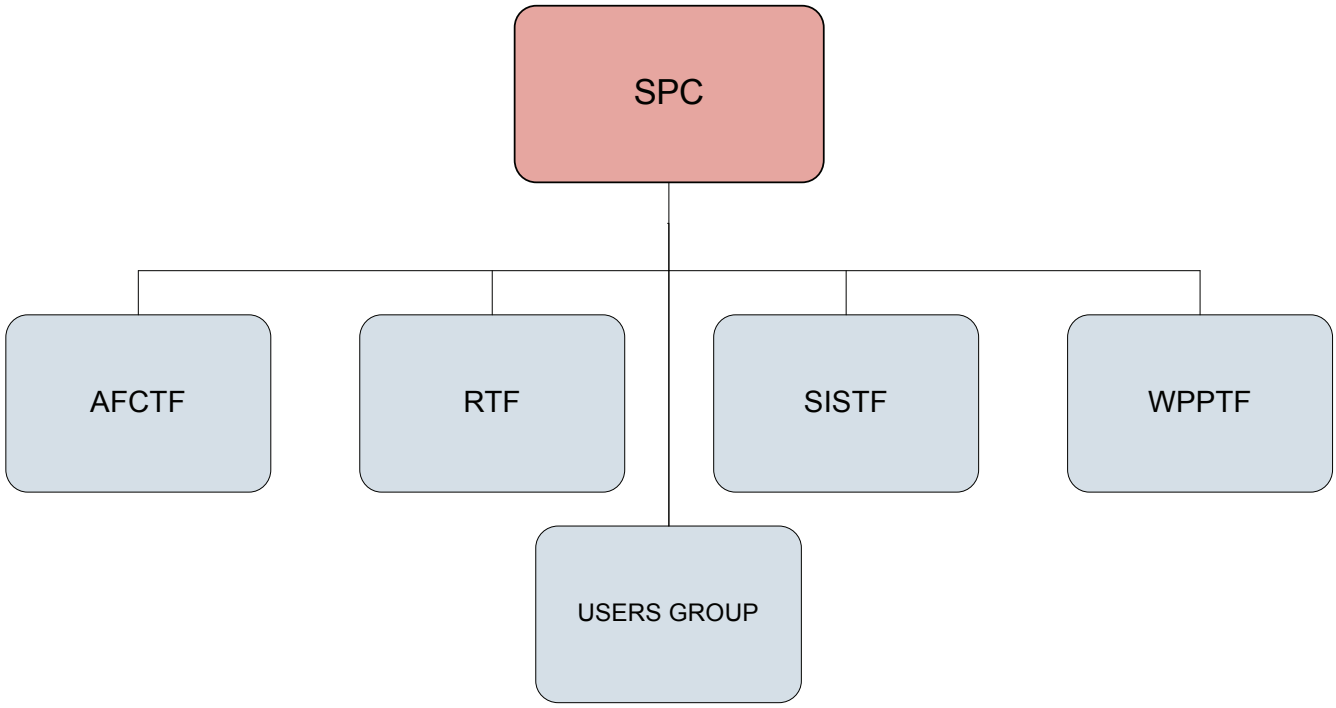
On September 30, 2010, the Commission held a conference to present the final results of the CRA Study of Entergy and Cleco Power joining the SPP RTO. Overall, the CRA Study found that ratepayer benefits of Entergy and Cleco Power joining SPP RTO could be as high as $739 million in 2010 dollars for the 10-year period (i.e., 2013 to 2022) that was studied. In the report both operational and qualitative benefits were also calculated. CRA reported that a number of "Addendum Studies" are ongoing or planned, including: (i) EAI joining SPP RTO as a stand-alone entity; (ii) Cleco Power joining SPP RTO as a stand-alone entity; and (iii) additional sensitivities to further assess the potential benefits of RTO membership by Entergy. A copy of the CRA cost-benefit study is available on SPP's website at: http://www.spp.org/section.asp?group=1784&pageID=27

7. Stakeholder Process

7.1 SPC Organization Chart

In 2010, stakeholders, Entergy, the ICT, and the E-RSC agreed to examine the current structure of the SPC to determine whether changes needed to be made to increase the efficacy of the committee and to prevent duplication of work on issues jointly addressed by the E-RSC. To this end, the SPC formed a Charter Review Task Force to propose changes to the SPC structure and format, consider whether any changes to the Entergy tariff would be required to implement the new structure, and report back to the SPC.

On August 26, 2010, the SPC approved the proposed restructuring of the SPC Charter. In that restructuring the SPC disbanded the permanent working groups (i.e., LTTIWG, NTTIWG, and WPPIWG) and instituted a new process for the creation of specific task forces to address issues of interest to the SPC. The Users Group would stay intact, reporting directly to the SPC. The following chart displays the four task forces currently approved by the SPC under the revised charter, including the AFC Task Force (AFCTF); the Reliability Task Force (RTF); the System Impact Study Task Force (SISTF); and the Weekly Procurement Process Task Force (WPPTF).



Each task force is charged with the following duties:

- Understand and explore the complexity of the task force issues.
- Facilitate open discussion amongst group members.
- Seek consensus within the group as to what are the most efficient and fair alternatives to correct any gaps in processes.
- Assist in making a reasonable decision based upon the information gleaned from the group's discussions.

All future updates and reports on each task force's activities will be provided in the section of this report associated with their respective functional responsibilities. See sections 2, 3, 4, and 5.

7.2 IssueTrak Update

As previously reported, SPP implemented IssueTrak to help manage stakeholder communications with SPP. The SPP IssueTrak can be viewed at: http://spp.issuetrak.com/Login.asp.

SPP continues to encourage stakeholders to access and utilize IssueTrak for all informal communications. SPP reviews IssueTrak to make certain that open items are responded to in a timely manner.

Since the last report, a total of five (5) new issues have been entered into IssueTrak. Figure 15 below shows the breakdown of the new issues by ICT department.

Figure 15

Issues Received by IssueTrak
September - November 2010

Contract Services – General	**0**
Planning	**0**
Reliability	**1**
Tariff	**4**
WPP	**0**
Total	**5**

The statistics for September through November 2010 are below:

A total of five (5) new issues were assigned this quarter:

- Disposition:

  Five (5) issues have been closed with an average close time of 16.3 days

- For the five (5) that were closed by the end of November:

  Priority:

  1 was marked High

  4 were marked Medium

- There are three (3) that remain opened that were submitted before September:

  Priority:

  1 was marked Critical

  1 was marked High

  1 was marked Medium

7.3 SPC Meeting Reports

7.3.1 September 17, 2010, SPC Meeting via net-conference. Thirty (30) attendees participated by phone. Meeting minutes are provided in this report. See Attachment 3.

The purpose of this meeting was to review the current activities of the ICT working groups and to make certain that work is continued as the transition is made to task forces within the SPC. As previously mentioned, the activities of the LTTIWG, NTTIWG, and WPPIWG are now to be addressed by the AFCTF, the RTF, the SISTF, and the WPPTF. The Users Group would stay intact.

At the meeting, certain activities were identified that would need to be addressed immediately by the task forces, including a list of ATC/AFC stakeholder items and the structure and representation within the task forces. In addition, the roles and members of the SPC/E-RSC Coordination Committee were discussed. Jennifer Vosburg, NRG Energy, was elected as the Stakeholder Representative from the SPC. It was also agreed upon at the meeting that the task forces would meet prior to the October SPC meeting.

7.3.2 October 20, 2010 SPC Meeting, Hyatt Regency Downtown, Austin, TX. Twenty-nine (29) were in attendance and six (6) by teleconference. Meeting minutes and all meeting attachments are provided in this report. See Attachment 4.

Revised SPC Charter and Task Force Structure

The revised SPC Charter was reviewed along with the formation of the SPC Task Forces. The discussion concentrated on the task forces' operational details, including clarification of the voting

process; representation within the task forces; and an appropriate appeals process. It was also discussed that the intent of the task forces is to have a large membership of stakeholders who have interest in the subject matter, but a smaller group within the task force who are experts in that field that can make informed presentations on issues for the group.

Several details of the issues within the task forces were also discussed and the next steps for the SPC Task Forces were outlined.

Regulatory Update

SPP reported that the ICT agreement has been extended from 1 to 2 years, but the Commission had not yet acted upon the filing as of the SPC meeting date. Entergy also announced that the remaining pieces of the business practices associated with the Criteria Manuals had been distributed to stakeholders on September 24, 2010.

The E-RSC WG discussed the portfolio of economic upgrades associated with the E-RSC Strategic Projects and the need for feedback from the stakeholders on the projects chosen. The stakeholders asked SPP to provide additional information on the projects prior to the next E-RSC WG meeting in November.

ICT Functional Area Reports

SPP presented additional updates on the activities of the various working groups and their transition to the new task force structure. A report was also given on the activities of the Users Group. Those presentations are included in the SPC meeting minutes and attachments referenced herein. Additional details can also be found in the discussion in each section covering their functional responsibilities. See sections 2, 3, 4, 5, and 9.

Future Meetings

The timing and frequency of the SPC meetings was discussed. It was determined by vote that the next ICT SPC meeting in January 2011 would be by teleconference.

8. Stakeholder Communication

As outlined in the ICT's first quarterly report, the stakeholder process developed protocols for communications between stakeholders and SPP. The protocols developed by the stakeholder process state that communications between stakeholders and SPP will be classified as either formal or informal. If stakeholders desire to have their positions noted and documented in regulatory reports, the communication must be formal and follow the guidelines for formal communication provided below. This procedure does not limit communications with SPP or regulatory bodies, but provides an operating procedure for sorting and designating communications.

Stakeholders may provide written positions at stakeholder and task force meetings and all written material will be considered a formal communication. Stakeholder communication on issues currently under consideration in the stakeholder process must be presented at stakeholder and task force meetings or through the established exploder protocols to be considered formal communications. Stakeholders may also provide written communication directly to SPP on issues that are not under consideration in the stakeholder process but are relevant to ongoing activities. The stakeholders must conspicuously mark the written communication as formal. Stakeholders may provide positions over e-mail to SPP management. E-mail messages must be identified as formal; otherwise, e-mail messages will be considered informal communication. All communication required to be posted pursuant to FERC regulations shall be sent to SPP as required and will be considered formal communication.

Stakeholders should be actively engaged in the SPC meetings and may also have representatives at the task force meetings. SPP may refer to positions taken during meetings in its FERC reports, but will consider this informal communication. A written follow-up to a position taken at a meeting will be required to identify a position as a formal communication. Periodic meetings will take place between SPP and stakeholders. These meetings will be considered informal unless a stakeholder requests in writing that the meeting be considered formal. All telephone calls will be considered informal communication.

In comments to prior reports, stakeholders have expressed concern that such reports only account for formal communications and do not adequately reflect the stakeholders' informal communications. While SPP continues to believe that the reporting of only "formal" communications is consistent with the communication procedures unanimously adopted prior to the start-up of the ICT operations, SPP agrees that stakeholders' informal communications should also be accounted for and tracked in the report. Accordingly, SPP proposed and implemented IssueTrak to manage these stakeholder communications. See section 7.2.

8.1 Formal Communications During the Current Reporting Period

8.1.1 On June 9, 2010, Becky Turner, on behalf of Entegra Power Group, LLC, sent a formal communication to SPP to follow-up on the answers received from SPP and Entergy on June 2, 2010 in response to the formal communication on March 25, 2010, relating to Entergy's Local Planning Criteria. During the period covered by this report, SPP continued to evaluate the follow up questions and will include SPP's response in a future quarterly report.

8.1.2 On July 23, 2010, Becky Turner, on behalf of Union Power Partners, sent a formal communication to SPP regarding the Retrospective Generation Interconnection Analysis (RGIA) Phase 2 performed by the ICT. On September 2, 2010 Becky Turner requested a call between the ICT, Entegra, and SPP Counsel to discuss any needed data to complete the RGIA Phase 2. On November 19, 2010 the ICT and Entegra had a conference call to discuss the status of the RGIA and developed a target date (i.e., December 28, 2010) for completion of the analysis.

9. Users Group and Data/Software Management

9.1 Overview

The ICT Approval Order (at paragraph 109) states "the Commission proposes that users of Entergy's transmission and data systems form a Users Group to assess how the Entergy transmission and data (IT) systems are performing." Pursuant to this directive from the Commission, the Users Group was formed under the SPC and addresses specific IT and data system issues as well as other issues brought forth by the SPC.

The actions of the Users Group will target Entergy's transmission and data systems and assess how these systems are performing in the area of data access, quality, and data retention. In addition, the Users Group, either in conjunction with SPP or separately, will evaluate Entergy's IT systems and IT resource allocations to measure their efficiency. If deemed necessary, recommendations for change will be addressed to the Commission in order to correct the accuracy of data received by Transmission Customers.

9.2 Assessment of Entergy's AFC Backup Process

As previously reported, the Users Group's last quarterly on-site assessment of the Entergy AFC Backup Process was not completed during the last quarterly reporting period and was not presented to the SPC until September. Therefore, SPP is including that discussion and a copy of the report in this quarterly report. See Attachment 5.

In addition, the current quarterly on-site assessment of the Entergy AFC Backup Process was performed by SPP on November 17, 2010, and was subsequently reported to the Users Group. The report will also be presented at the January 2011 SPC meeting. See Attachment 6.

Assessment Discussion for September Report: SPP examined the regular AFC and WPP data retention processes and reviewed pending recommendations and issues from the May 2010 Assessment.

The specifics of the data requested and validated as part of the audit can be found in the meeting report referenced above. Entergy was able to provide the requested information for the on-site assessment. SPP's audit provided reasonable assurance that the AFC and WPP-AFC data retention processes will prevent data loss.

SPP's audit and inspection of backup and restoration logs confirmed that Entergy's Energy Management System (EMS) weekly and daily AFC data files were being properly backed-up and test stored with the exception of weekly full backup failures for July 17, 2010, and July 22, 2010. Entergy reported that the root cause of the failures could not be determined, but the corrective action taken has fixed the problem and it has not occurred again. SPP confirmed that the daily data backups continued

during the weeks that the weekly full backups were not performed. As a result, all data was backed-up and no data was lost or mismanaged due to the weekly full backup failures. SPP directed Entergy to update the Remedy incident ticket associated with the weekly full backup process failures with complete and accurate documentation. SPP will follow-up to ensure Entergy continues to update its AFC and WPP backup process documentation.

SPP's examination of Entergy's internal Information Vaulting System (IVS) documentation and restoration test logs confirmed that all backup tapes were properly sent offsite for storage, except for the delivery of one copy to offsite storage that was delayed by one day. Entergy was unable to provide an explanation for the deviation from the established backup procedures.

SPP's audit of the May 2010 archive backup and restoration logs confirmed that AFC data files were properly backed up to the archive and test stored. An examination of the checksum process logs determined that all files archived for the month of June 2010 were successfully transferred from the EMS to online file storage.

SPP's audit confirmed that all AFC data was properly stored in accordance with Entergy policy and procedure.

As previously reported, Entergy identified certain AFC data that was reaching its end-of-life and no longer needed to be retained. However, this data resides on archive tapes that also contain High Data Rate (HDR) data that has a longer (i.e., 25 years) retention schedule. Entergy is continuing to finalize a process to expunge the end-of-life data and archive the HDR data. SPP continues to monitor this matter to ensure a process is put in place in a timely manner.

During the September Assessment, SPP and Entergy IT Staff reviewed and discussed each of the error reports that were filed by Entergy in June and July 2010. In doing so, SPP was able to confirm that for each error report the corrective actions taken by Entergy should be adequate to resolve the identified problems. Moreover, no further issues related to these matters have been observed by SPP.

Assessment Discussion for November Report: SPP examined the regular AFC and WPP data retention processes and reviewed pending recommendations and issues from the August 2010 Assessment.

The specifics of the data requested and validated as part of the audit can be found in the meeting report referenced above. Entergy was able to provide the requested information for the on-site assessment. SPP's audit provided reasonable assurance that the AFC and WPP-AFC data retention processes will prevent data loss.

SPP's audit and inspection of backup and restoration logs confirmed that Entergy's EMS weekly and daily AFC data files were being properly backed-up and test stored with the exception of a weekly full backup for September 3, 2010, which was delayed by two days. Entergy explained the delay may have

been caused by an interruption due to the HDR backup processes. SPP confirmed that all data was backed-up and no data was lost or mismanaged despite the delay in the weekly full data backup. SPP also reported that Entergy had not provided the requested update to the Remedy incident ticket associated with the weekly full backup process failures from the last assessment. SPP will continue to follow-up on Entergy's progress to update its AFC and WPP backup process documentation.

SPP's examination of Entergy's internal IVS documentation and restoration test logs confirmed that all backup tapes were properly sent offsite for storage, except for the delivery of one copy to offsite storage that was delayed by two days. Entergy explained that the delay was due to an oversight of Entergy's established backup procedures.

SPP's audit of the September 2010 archive backup and restoration logs confirmed that AFC data files were properly backed up to the archive and test stored. An examination of the checksum process logs determined that all files archived for the month of September 2010 were successfully transferred from the EMS to online file storage.

SPP's audit confirmed that all AFC data was properly stored in accordance with Entergy policy and procedure.

As previously reported, Entergy identified certain AFC data that was reaching its end-of-life and no longer needed to be retained. However, this data resides on archive tapes that also contain HDR data that has a longer (i.e., 25 years) retention schedule. Entergy is continuing to finalize a process to expunge the end-of-life data and archive the HDR data. SPP continues to monitor this matter to ensure a process is put in place in a timely manner.

During the November Assessment, SPP and Entergy IT Staff reviewed and discussed the error report that was filed by Entergy on August 13, 2010. SPP reports that it expects Entergy's review of normally open breakers will ensure improved accuracy in the EMS network model. At the time of this report, Entergy is still conducting its review and will share the results with SPP upon completion. Upon completion of this review, Entergy will establish a baseline and perform an annual review to make sure its breakers are being modeled correctly. Entergy committed to submit additional information to the Commission regarding this error after its review is completed and corrective actions have been implemented.

9.3 Data Accuracy and Management

Pursuant to the ICT Approval Order at paragraphs 110 and 304, SPP and Users Group are required to track and provide an annual report on certain metrics related to the occurrences by Entergy of software or data management errors that have resulted in lost, inaccurate, or mismanaged data. In anticipation of providing that information in its annual report, SPP is collecting data for each category identified in the ICT Approval Order. In addition, when problems are discovered, SPP and Users Group

work with Entergy to alleviate incompleteness and improve the accuracy of data. Such issues may include, but are not limited to, AFC data availability and accuracy as well as various other customer concerns regarding transmission service availability, approvals, or denials.

During the current reporting period, SPP is not aware of any occurrences of lost AFC data. SPP, working with the stakeholders and Entergy, identified instances during the current reporting period which may have impacted the proper evaluation of TSRs due to inaccurate modeling assumptions or mismanaged data. Additional details concerning these incidents are provided in section 9.3.2 below.

In addition, the ICT Approval Order, at paragraph 110, established procedures SPP must follow for reporting complaints and errors related to Entergy's data systems. Under those procedures, SPP shall post any Transmission Customer complaints related to Entergy's data systems on OASIS within 24 hours of such complaint. In addition, SPP shall post on OASIS within 24 hours any notice received by Entergy that Entergy has discovered data has been lost, reported inaccurately, or mismanaged. Further, in the next scheduled report, SPP shall advise Interested Government Agencies whether Entergy has remedied the problem. In cases where Entergy has not remedied the problem, SPP is required to provide a timetable indicating when Entergy proposes to implement a remedy and SPP's views on the adequacy of the remedy. See section 9.3.2. Each filed data error report discussed in section 9.3.2 below was posted to Entergy's OASIS within 24 hours after filing.

9.3.1 Inaccurate Data

As of the date of this report, no instances of inaccurate data were known to SPP that had not already been reported as discussed in more detail in section 9.3.2.

9.3.2 Filed Data Error Reports

9.3.2.1 *November 18, 2010, Docket No. ER05-1065-000: Report of AFC Related Error*.

Transmission Outage Data

On November 4, 2010, Entergy identified an outage on certain auto-transformers from 500 to 161 kV that was not modeled in the Operating and Planning Horizons for calculating AFCs. Upon further investigation, Entergy determined that this outage was not included in the list of outages provided by the Transmission Automated Outage Request System (TAORS). Entergy reported that the error resulted because the field for EMS Equipment ID in Substation Work Management System (SWMS) database was left blank. EMS does not recognize the information from TAORS as an outage without the EMS Equipment ID information in SWMS. Therefore, the information was not included in

TAORS and, as a result, the outage was not included in EMS for modeling in the AFC process.

Subsequently, Entergy identified more auto-transformer outages that were not in EMS. Therefore, Entergy initiated a process to review the SWMS database to identify all auto-transformers with a blank EMS Equipment ID field. Entergy continues to review all auto-transformer entries in SWMS to identify and any blank EMS Equipment ID. Entergy is manually making the necessary corrections to include the outages in the EMS once identified. The date on which the error was introduced has not yet been determined.

Entergy reported that not modeling these outages may have resulted in an increase in AFC values, and TSRs processed during the time the error existed could have resulted in granting more service than was actually available. As a result, the error may have potentially affected customers requesting service in the Operating and Planning Horizons. However, Entergy stated it is not technically feasible to determine the exact impact. See Attachment 7.

This error report was filed after the November on-site assessment was performed by SPP. Therefore, SPP's assessment of this matter will be reported in the next ICT Quarterly Report.

Net Schedule File

On November 5, 2010, Entergy discovered that the Net Schedule File used as an input to RFCalc for the AFC process during the Operating Horizon had hours shifted for the days November 7, 2010, until November 8, 2010. Upon investigation, Entergy reported that the error may have been caused by incorrect software logic for handling schedules during the change to Fall daylight savings time. Entergy reported that the software was immediately corrected on November 5, 2010, and did not impact the AFC calculations.

Entergy reported, however, that the error potentially affected customers requesting Non-Firm service in the Operating Horizon during certain dates in 2008 and 2009, but it could not determine the specific impact to TSRs during this period. See Attachment 7.

This error report was filed after the November on-site assessment was performed by SPP. Therefore, SPP's assessment of this matter will be reported in the next ICT Quarterly Report.

9.4 Modeling Assumptions Log

As discussed in section 8, SPP has established a formal communication procedure for a stakeholder to raise any issue or make a reasonable request. Under this procedure, a stakeholder must either provide a written request to SPP or provide a written request to one of the stakeholder e-mail exploder lists. SPP has discussed the process for formal communication in multiple stakeholder committee and working group meetings and has highlighted the adopted procedure in these meetings.

During the current reporting period, SPP received no formal requests to make a specific change in modeling assumptions. However, numerous policy-related assumptions continue to be considered by the various SPC task forces referenced in section 7.

Attachment 1

ATC/AFC Stakeholder Issues/Questions

1. Improve interregional coordination and representation of neighboring systems in the daily AFC models.

2. Improve generations dispatch in AFC models so that forecasted MW flows are consistent with flows on the operating day.

3. Improve coordination between Tariff Administration and Reliability Coordination processes. These two processes need to be in synch especially in the day-ahead and operating day timeframes. The purpose of this is to prevent overselling of transmission service.

4. Speed-up the process to incorporate new flowgates in the AFC process so that Tariff Administrators do not oversell a flowgate in TLR because the flowgate was not included in the AFC model.

5. Fix Base Case Contingency Overloads in AFC models.

6. Resolve the QF put modeling issue in the AFC models.

7. Complete AFC benchmark effort and distribute findings and recommendations to stakeholders.

8. Finalize policy on timeframe to incorporate approved transmission upgrades in the AFC models. A proposal was developed by the AFC Improvement Task Force.

9. Review modeling assumptions to calculate Transfer Distribution Factors (TDFs) and determine whether changes are needed especially for small network customers.

10. Finalize policy on use of automatic operating guides in the calculation of AFCs.

11. Proposal to include transmission projects in the current Entergy Construction Plan that are scheduled for completion within a <u>xxx</u> month period.

   a. Eliminate time-lag for insertion into model

12. Improve the current, official notification timeline for new transmission projects to be placed in the AFC/ATC calculation process. Consider a monthly or as-needed basis. This could be distributed to market participants via a defined e-mail list to ensure prompt (real-time) market notification.

13. Improvements in scheduled transactions (TIE FLOWS) outside the Entergy footprint that affect AFC/ATC Calculations.

    a. Estimation of ATC on seams transactions

14. Update stability runs that limit transmission lines below their thermal rating.

    a. Calculated limit is currently used throughout the year

    b. Consider seasonal or more frequent reviews

15. Improve coordination between real-time operations and AFC/ATC calculation. Example: Over selling of transmission system during TLR/LAP declarations.

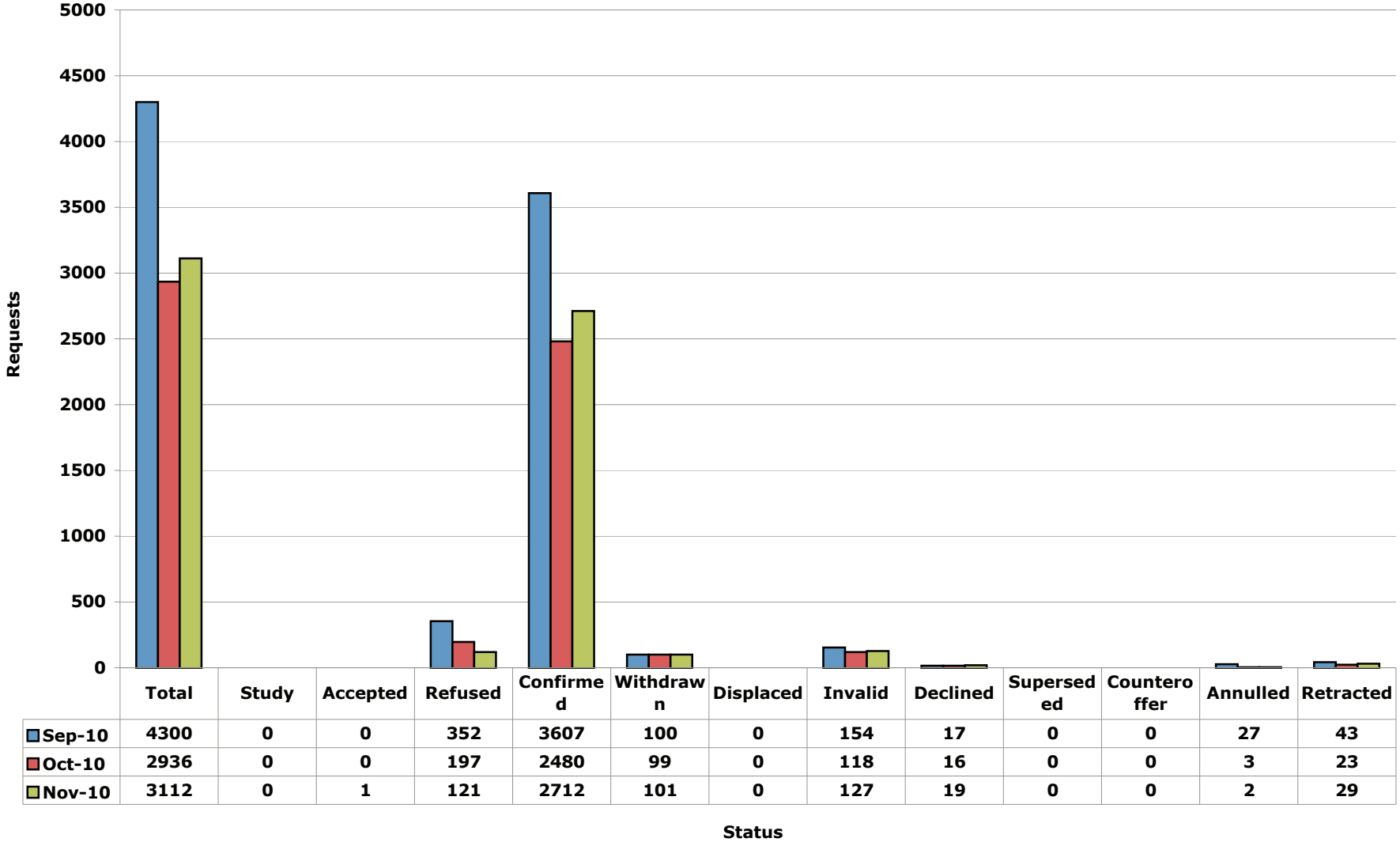
16. Review enforcement of load pocket requirements during AFC/ATC calculations and possible improvements to this process.

17. How are case studies developed for AFC/ATC calculation, checked for accuracy in terms of line ratings, generator max/min capability, etc?

18. Investigate the possibility of using a short-term higher transmission line rating for hourly/daily transmission service.

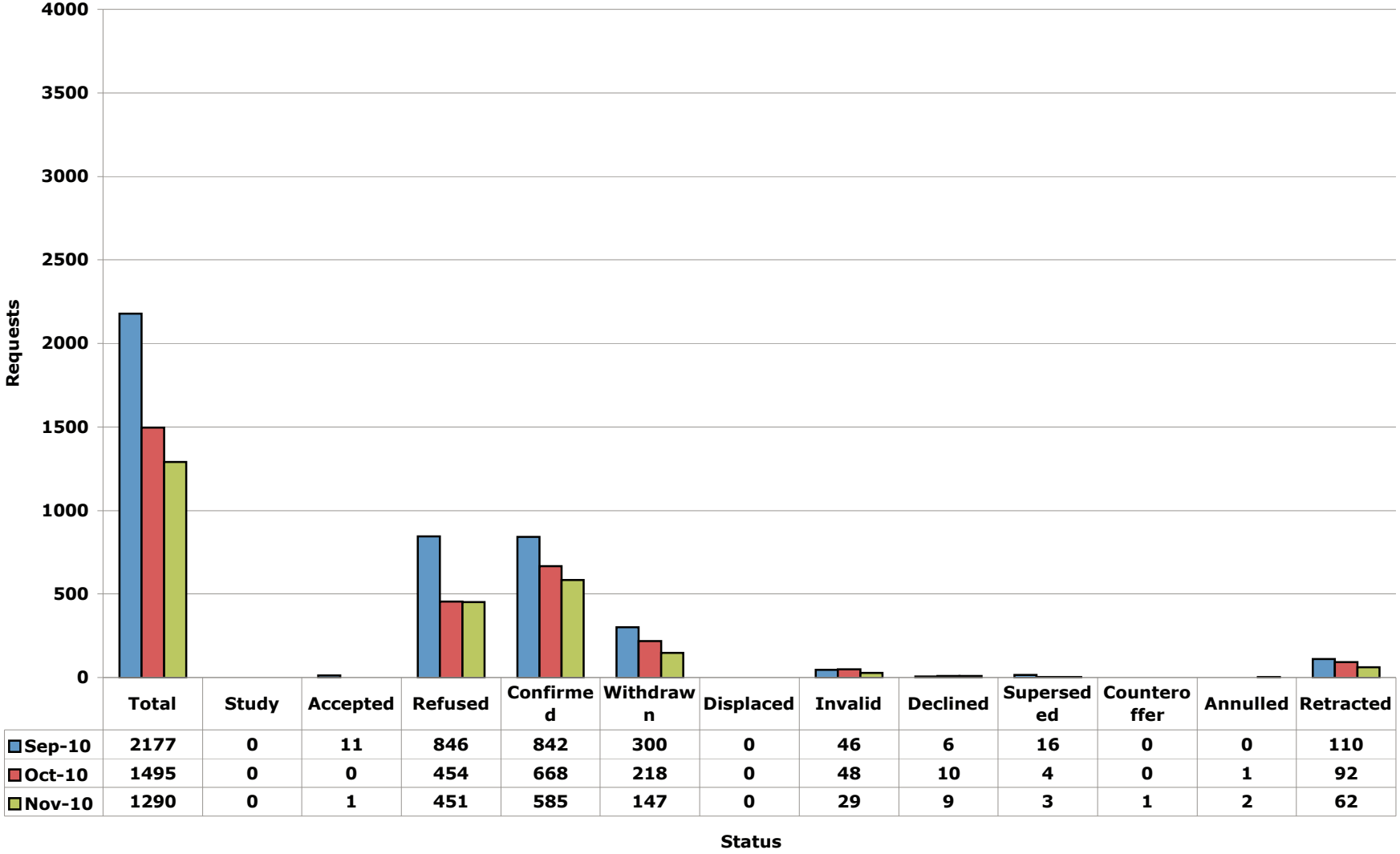
Attachment 2

Request Comparison - Hourly Requests
ICT - September 1, 2010 - November 30, 2010



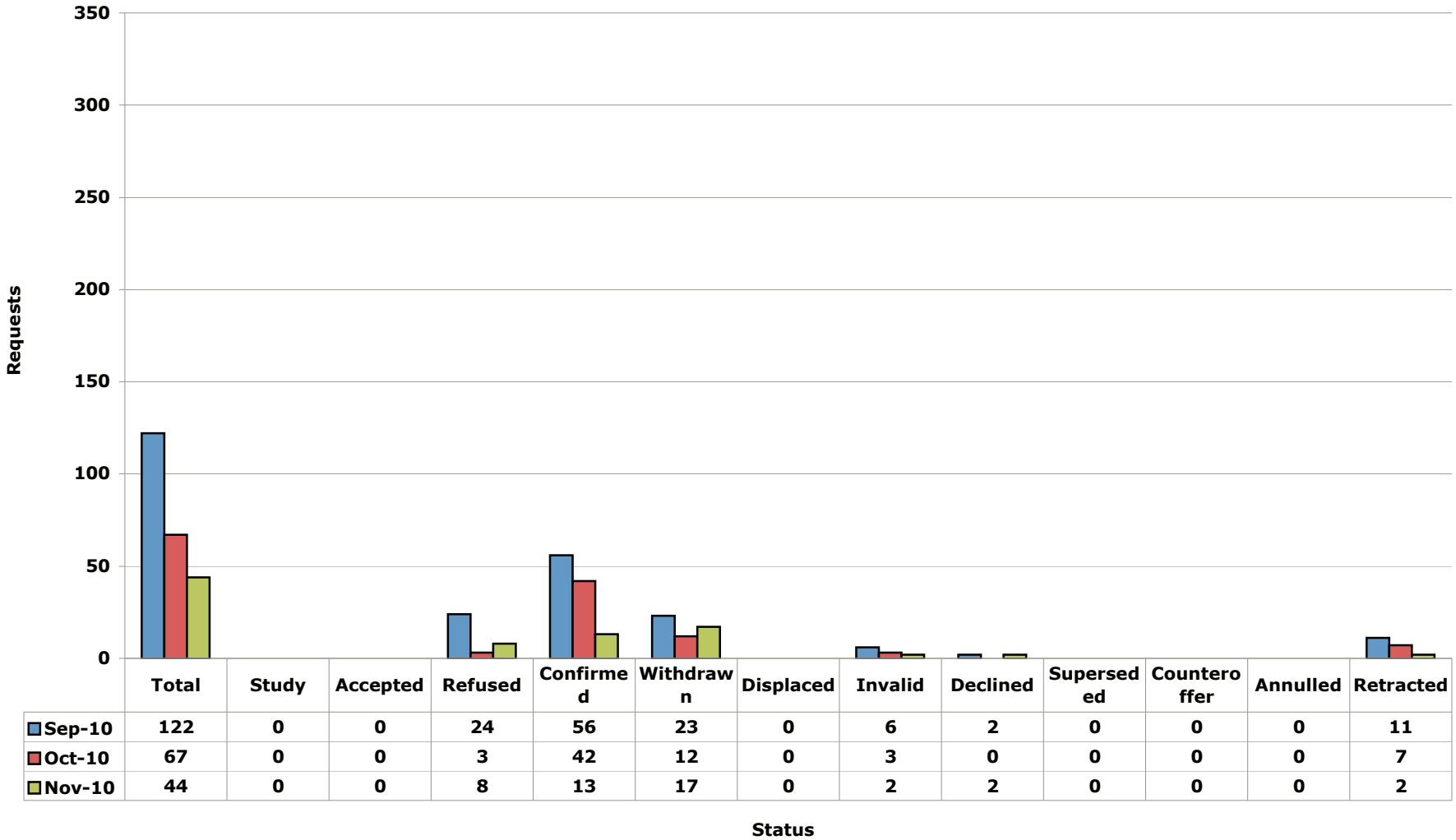
	Total	Study	Accepted	Refused	Confirmed	Withdrawn	Displaced	Invalid	Declined	Superseded	Counteroffer	Annulled	Retracted
Sep-10	4300	0	0	352	3607	100	0	154	17	0	0	27	43
Oct-10	2936	0	0	197	2480	99	0	118	16	0	0	3	23
Nov-10	3112	0	1	121	2712	101	0	127	19	0	0	2	29

Request Comparison - Daily Requests
ICT - September 1, 2010 - November 30, 2010



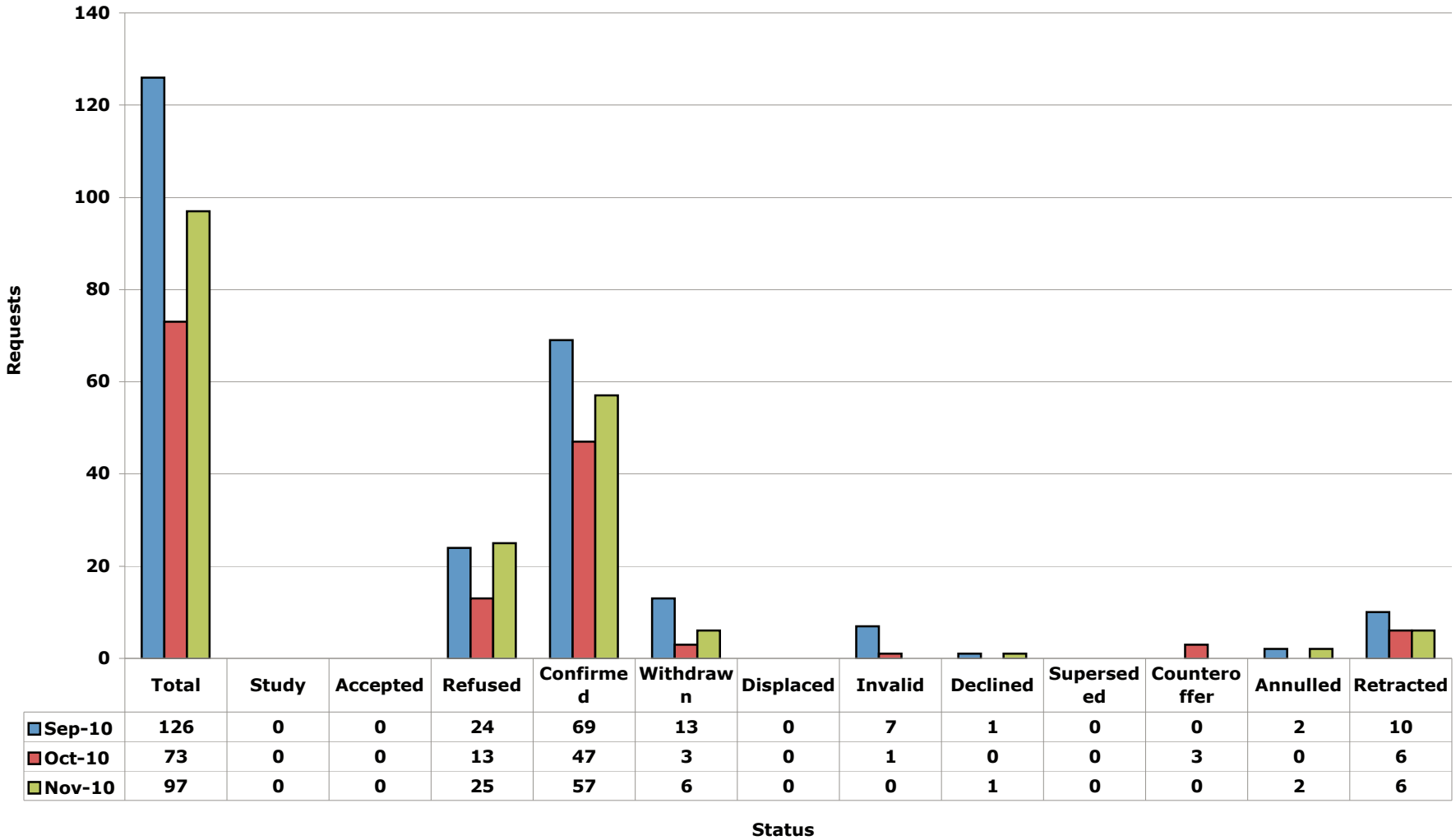
	Total	Study	Accepted	Refused	Confirmed	Withdrawn	Displaced	Invalid	Declined	Superseded	Counteroffer	Annulled	Retracted
Sep-10	2177	0	11	846	842	300	0	46	6	16	0	0	110
Oct-10	1495	0	0	454	668	218	0	48	10	4	0	1	92
Nov-10	1290	0	1	451	585	147	0	29	9	3	1	2	62

Request Comparison - Weekly Requests
ICT - September 1, 2010 - November 30, 2010



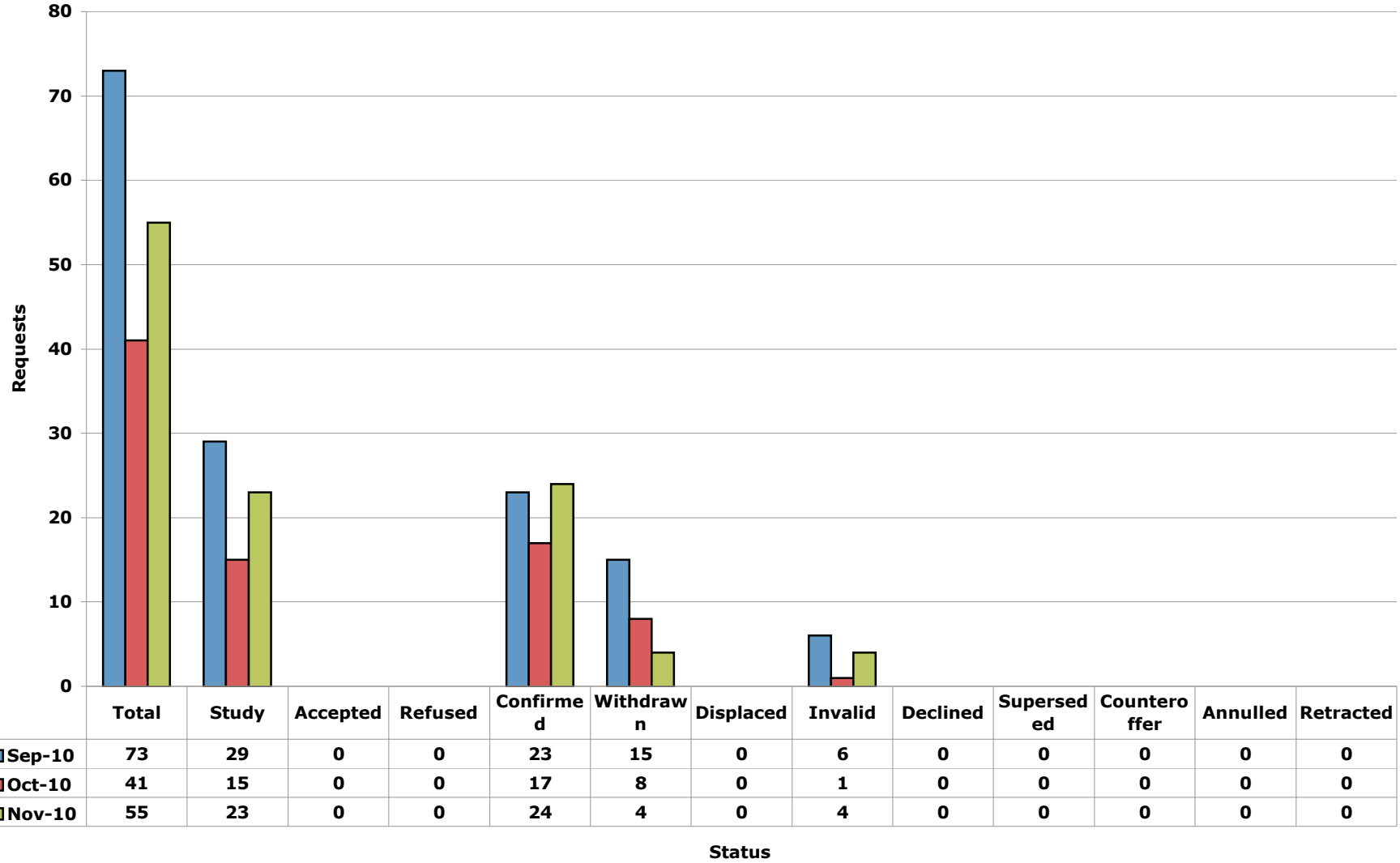
	Total	Study	Accepted	Refused	Confirmed	Withdrawn	Displaced	Invalid	Declined	Superseded	Counteroffer	Annulled	Retracted
Sep-10	122	0	0	24	56	23	0	6	2	0	0	0	11
Oct-10	67	0	0	3	42	12	0	3	0	0	0	0	7
Nov-10	44	0	0	8	13	17	0	2	2	0	0	0	2

Request Comparison - Monthly Requests
ICT - September 1, 2010 - November 30, 2010



	Total	Study	Accepted	Refused	Confirmed	Withdrawn	Displaced	Invalid	Declined	Superseded	Counteroffer	Annulled	Retracted
Sep-10	126	0	0	24	69	13	0	7	1	0	0	2	10
Oct-10	73	0	0	13	47	3	0	1	0	0	3	0	6
Nov-10	97	0	0	25	57	6	0	0	1	0	0	2	6

Request Comparison - Yearly Requests
ICT - September 1, 2010 - November 30, 2010



	Total	Study	Accepted	Refused	Confirmed	Withdrawn	Displaced	Invalid	Declined	Superseded	Counteroffer	Annulled	Retracted
Sep-10	73	29	0	0	23	15	0	6	0	0	0	0	0
Oct-10	41	15	0	0	17	8	0	1	0	0	0	0	0
Nov-10	55	23	0	0	24	4	0	4	0	0	0	0	0

Attachment 3

Southwest Power Pool, Inc.

ICT STAKEHOLDERS POLICY COMMITTEE MEETING

September 17, 2010

Net Conference

• Meeting Minutes •

10:00 a.m. – 12:00 p.m.

Agenda Item 1- Administrative Items

Bruce Rew, SPP, called the meeting to order at approximately 10:00 a.m. There were 30 in attendance by teleconference.

Agenda Item 2- Review of Current Activities by the ICT Working Groups

The main purpose of the meeting was to review the current activities of the ICT Working Groups to make certain work is continued as the transition is made to Task Forces within the SPC.

LTTIWG- Jody Holland, SPP, started the review by going through the current activities of the LTTIWG. The question was raised as to which items the LTTIWG was passing to the SPC. Jennifer Vosburg, NRG Energy, stated there would be a System Impact Studies (SIS) Task Force that would handle issues with SIS. Dave Wilson, Arkansas Cities, commented on the membership of the SIS Task Force. Sam Loudenslager, Arkansas Public Service Commission, asked once the Task Force was formed that members be posted on the SPP website.

Gary Newell, LVS, LEPA, MEAM, MDEA, questioned that perhaps generation dispatch in the SIS ties into a NTTIWG issue. Dowell Hudson, SPP, commented that the merit order dispatch issue is similar to the SIS but is not the same and will be handled separately. Jennifer Vosburg commented that the existing action items presented would be addressed by a task force from the SPC, but that there would be other “long-term” responsibilities that would also need attention, such as Base Plan and Construction Plan input.

Bruce Rew summarized that an action item for the SPC meeting in October would be to determine which standing ongoing responsibilities will be addressed. Ms. Vosburg added that there should be two recognized categories of activities: action items and ongoing tariff responsibilities.

NTTIWG- Dowell Hudson led the discussion of the current activities of the NTTIWG. After the review, Mr. Hudson stated he would follow up with two action items: 1) provide list of 18 ATC/AFC Stakeholder items received by the AFC Task Force, and 2) issue a list of the current members of the AFC Task Force.

Mr. Hudson made a suggestion that when forming the SPC task force for the AFC issues the committee should look into membership and how technical the task force needs to be. Bruce Rew commented that the membership of this particular task force will need guidance from the SPC as to possibly limiting the number of members and insuring voting parity within the group. Mark McCulla, Entergy, and Dowell Hudson both commented on the recommended size of the task force. Mr. Hudson inquired if there would be a need for a task force meeting prior to the October SPC meeting. Jennifer Vosburg stated it is likely but not set yet.

Ms. Vosburg inquired as to the why TLR5 issues were not an ongoing item listed by the NTTIWG. Don Shipley, SPP, answered that the E-RSC was being presented a new report for the TLR5 items, and that the ICT would like to continue the pursuit in that avenue. Mr. Shipley then gave a short review of the open items. Dowell Hudson brought up the suggestion of forming a reliability task force, and Ms. Vosburg stated that suggestion should be reviewed.

WPPIWG- Antoine Lucas, SPP, provided a review of the current WPPIWG activities. Mr. Lucas announced there would be a final WPPIWG conference call meeting on September 21st. Jennifer Vosburg inquired if the WPP tasks will be addressed between both the SPC and the E-RSC based on the previous E-RSC meeting. Sam Loudenslager agreed that they should. Mr. Loudenslager voiced a concern about a hold on WPP activities during the SPC transition. Mr. Lucas assured the SPC the WPP was still moving forward.

User's Group- Tim Phillips, SPP, gave a brief overview of the User's Group activities and the newly proposed AFC Related Errors report. Jennifer Vosburg stated the new report would be well received. Tina Lee, KGEN Power, had some suggestions for improving the report. Mr. Phillips stated he would follow up with her for further action.

Agenda Item 3- Selection of E-RSC Representative

Bruce Rew reminded the Committee that as part of the new charter, a Stakeholder Representative from the SPC would be elected and would serve on the SPC/ERSC Coordination Committee. Mr. Rew opened up for discussion the nomination of the Stakeholder Representative. David Cheshire, ExxonMobil, nominated Jennifer Vosburg. Becky Turner, Entegra Power, seconded the nomination. Dave Wilson moved to elect the nominee by acclimation. Joan Walker-Ratliff, Conoco-Phillips, seconded the motion. With no dissent, Jennifer Vosburg accepted the election as Stakeholder Representative of the SPC.

Agenda Item 4- Review of the SPC/ERSC Coordination Committee

Discussion was held on the other members of the SPC/ERSC Coordination Committee. Kristine Schmidt will be the representative for the ERSC. Mark McCulla will be the representative for Entergy. Bruce Rew will be the representative for the ICT.

Agenda Item 5- Additional Transition items

David Cheshire commented that the plan is to organize and prioritize the current items between the ERSC and the SPC and could this be done before the October SPC and ERSC meetings.

Jennifer Vosburg agreed with the comments and that it is possible that multiple task forces will need to meet prior to the October meetings. Ms. Vosburg also reminded the Committee that stakeholders can lead the SPC task forces. Antoine Lucas brought to the SPC's attention that the use of e-mail exploders via SPP have been used to communicate to the working groups. This would need to be changed and an interim method may need to be established. An action item was established to deliver to Kristine Schmidt an interim list that could be used until further work is completed on the SPC task force structures.

Agenda Item 11- Action Items Review

Action items:

1. Publish list of 18 items from the AFC Task Force
2. Issue list of current members of the AFC Task Force
3. Provide interim list of SPC contacts to Kristine Schmidt

Agenda Item 12- Adjournment

Meeting adjourned at approximately 11:35 a.m.

Respectfully Submitted,

Bruce Rew

Company Name	Attendee
Arkansas Cities	Zachary David Wilson
Arkansas Electric Coop. Corp.	Ronnie Frizzell
ConocoPhillips	Joan Walker-Ratliff
Cottonwood Energy Company, LP	Roberto Paliza
East Texas Electric Cooperative, Inc.	John Chiles
Entegra Power Group	Rebecca Turner
ExxonMobil Power and Gas Services Inc.	David Cheshire
GDF SUEZ Energy North America	Tom Allen
KGen Power Management (Hinds, Hot Spring	Tina Lee
Lafayette Utilities System	Gary Newell
Louisiana Energy & Power Authority	Gary Newell
Miss.Delta Energy Agency	Gary Newell
Municipal Energy Agency of MS (MEAM)	Gary Newell
NRG Energy	Jennifer Vosburg
Entergy Services	Alan Ralston
	Mark McCulla
	Vinit Gupta
	Cameron Warren
	Jim Case
	Glen Bernstein
	Kham Vongkhamchanh
Southwest Power Pool	Kim Gorter
	Jody Holland
	Dowell Hudson
	Don Shipley
	Tony Green
	Antoine Lucas
	Tim Phillips
	Bruce Rew
	Lanny Nickell
Arkansas Public Service Commission	Sam Loudenslager
E-RSC Working Group	Kristine Schmidt
	William Taylor III

SPP Southwest Power Pool

Helping our members work together
to keep the lights on...
today & in the future

SPP Southwest Power Pool

ICT Working Groups Current Activities

Jody Holland

Dowell Hudson

Antoine Lucas

Tim Phillips

Long Term Transmission Issues Working Group

Study Efficiency and Improvement

- **Current Activities**
  - **WOTAB modeling comparisons for WPP, AFC analysis and CBA to review for study consistencies**
  - **SIS to add a section for using Base Plan upgrades vs. an "after-the-fact" solutions check**
    - **Improve determination of influence of future construction projects on TSR's**
  - **Continued Base Case Contingency Overload review**
- **Proven Successes**
  - **Reliability Must Run study being conducted from request by the stakeholders**

Improve Stakeholder Value

- **Current Activities**
  - **Form a task force of stakeholders for recommendations on improving System Impact Study process and the System Impact Study Report**
    - **Provide stakeholders more clarification of the process**
  - **Review procedures for use of stakeholder provided generation dispatch in the SIS**
    - **Allow stakeholders more control in the dispatch of generation units**
  - **Post a Model Assumption Document, developed by the ICT for use with the yet to be accepted revised Attachment D**
    - **Help stakeholders better understand the construction of models**

Near Term Transmission Issues Working Group

Increase Service Reliability

- **Current Activities**
  - **Continue the in-depth review of the AFC/ATC process with Entergy and Stakeholders**
    - **Quantitative and independent analysis continues to correct calculation errors and improve Transmission Service quality**
  - **Review of Entergy's Congestion Management Process (CMP) for determination of curtailment of Non-Firm transactions with no deference to tagged transactions**
    - **Actions by the ICT provide positive reliability and economic impact with assurance of the proper service being provided**

Stakeholder Involvement

- **Current Activities**
  - **AFC Task Force**
    - **AFC Task force organized to identify and prioritize outstanding AFC issues for study and analysis**
    - **Establish membership requirements and set schedule of efforts for stakeholders to engage in process**

Increase Stakeholder Value

- **Proven successes**
  - **The Operating Efficiency Task Force "One Stop Shopping" efforts produced the Customer Assistance Process, by which SPP Customer Relations acts as single point of contact for the status of all study information for both RTO and ICT study processes**
  - **AFC Task Force implemented changes to modeling of load pockets**
    - **Disabled Zonal Import limit in AFC modeling**
    - **Improved AFC calculation in the Operating and Planning Horizons**

Weekly Procurement Process Issues Working Group

Process Refinement

- **Current Activities**
  - **Continue effort on the QF Put Modeling proposal**
    - **Increase accuracy of transmission flows**
    - **Reduce PNC flexibility requirement**
    - **Improve SCUC model's unit commitment and dispatch**
  - **Extend the WPP on-peak offer period**
    - **Provide stakeholders more opportunities for WPP participation**
  - **Continue to gather and publish WPP Summary of Results**
    - **Provides stakeholders WPP metrics on a weekly basis for review and discussion**

Process Improvement Value

- **Proven Successes**
  - **Reduction of forecasted production costs for Entergy's ratepayers.**
  - **Increased access to Entergy's transmission system.**

User's Group

Data Integrity Assessment

- **Current Activities**
  - **Continue to perform quarterly assessments of Entergy's transmission and data systems**
    - **Verify Data access**
    - **Validate AFC and WPP data retention**
    - **Evaluation and resolution of filed data error reports from stakeholders, Entergy, and the ICT**
  - **Report all findings to stakeholders and regulatory agencies**

Data Integrity Assessment

- **Proven Successes**
  - **Entergy implemented and completed an ICT recommended Gap Plan ahead of schedule to bring AFC and WPP data archive and restoration current.**
  - **Software has been upgraded so that Entergy tracks backup process errors and notifies support staff in real-time.**
  - **ICT has verified multiple Entergy corrections for the Study Horizon model, RFLOADER code, and date range for the ATC=Zero Report.**
  - **All filed Data Error Report issues for the last quarter have been corrected.**
    - **10 of 10 issues resolved, with Entergy still investigating the cause of one issue.**

AFC Related Errors Filed

Issue Title	Total Issues Filed	AFC Related	ICT Discovered	Entergy Discovered	Customer Discovered	Caused by OATI Software	Caused By Human Error	Issue Corrected	Caused Impact
2/11/2010 Filing									
Incorrect Bus number in the Study Horizons	1	1	0	1	0	0	1	1	No
Network Resource Designation	1	1	0	1	0	0	1	1	Not Determined
ATC = Zero Posting	1	0	0	1	0	0	1	1	n/a
Preemption Issue	1	1	0	0	1	0	1	1	Entergy Investigating
2/24/2010 Filing									
Incorrect Monitored Elements	1	1	0	1	0	0	1	1	Not Determined
3/4/2010 Filing									
Affiliate Flag	1	0	0	1	0	0	0	1	n/a
3/10/2010 Filing									
Incorrect Outage Entry	1	1	1	0	0	0	1	1	No
3/16/2010 Filing									
Displaced Redirects in WebTrans	1	1	1	0	0	1	0	1	Yes
4/5/2010 Filing									
Model Inconsistency	1	1	0	1	0	0	1	1	Not Determined
Incorrect Outage Dates	1	1	0	1	0	0	1	1	Not Determined

Period	Total Issues Filed	AFC Related	ICT Discovered	Entergy Discovered	Customer Discovered	Caused by OATI Software	Caused By Human Error	Issues Corrected
02/10 - 04/10	10	8	2	7	1	1	8	10

SPP Southwest Power Pool

Attachment 4

Southwest Power Pool, Inc.

ICT STAKEHOLDERS POLICY COMMITTEE MEETING

October 20, 2010

Hyatt Regency Downtown, Austin, TX

• M e e t i n g M i n u t e s •

8:00 a.m. – 12:00 p.m.

Agenda Item 1- Administrative Items

Bruce Rew, SPP, called the meeting to order at approximately 8:00 a.m. There were 29 in attendance and 6 participating by teleconference.

Agenda Item 2- Agenda Review

Bruce Rew reviewed the agenda which was posted prior to the meeting on the SPP website and available at the meeting.

Agenda Item 3- Approval of Previous Meeting Minutes

Bruce Rew asked for a motion of approval of the minutes for the previous meeting on July 21, 2010, along with the teleconference meetings on August 26, 2010 and September 17, 2010. There were no objections, changes or modifications, and the motion was moved, seconded, and passed. Bruce Rew announced that the meeting materials are posted on the SPP website.

Discussion of the Revised SPC Charter and Task Force Structure

Bruce Rew began a review of the Revised SPC charter approved at the August 26, 2010 ICT SPC meeting. Specific items Mr. Rew brought forward for discussion were an appeals process, the organization of the SPC task forces, the clarification of the voting processes within the task forces, and the representation of members within the task forces. Mr. Rew further explained the concept of members identified within sectors was not for voting by sector but for representative purposes. Dave Wilson, Arkansas Cities, asked for some clarification on the discussion. Mr. Rew referred Mr. Wilson to the revised ICT SPC Charter.

Jennifer Vosburg, NRG Energy, discussed the SPC's intent for the organization of the SPC task forces. Ms. Vosburg discussed specifics for the membership, structure, and voting procedures for the task forces. The intent for the task forces is to have a large membership of those stakeholders who have interest in those subjects, but a smaller group within the task force who are experts in that field that can make informed presentation of issues for the group. Several stakeholders added comments to the discussion. Dave Wilson stated there are several stakeholders within his representative sector that would be very interested in serving on a task force and should have the opportunity to do so. Tom Allen, GDF Suez Energy, inquired about

the meetings of the task forces being open. Ms. Vosburg confirmed that all meetings of the ICT SPC and its task forces are open meetings. Bruce Rew clarified the language in Section 6.2 of the Revised SPC Charter concerning the membership and openness of the SPC task forces. Kip Fox, AEP, also provided comments on this section of the ICT SPC Charter.

Jeff Price, Wright & Talisman, inquired if the SPC were looking to propose changes to Section 6.2. Jennifer Vosburg responded that the SPC would use the Guiding Document of each appointed task force to address representation and other issues for the structure of the task force and that no changes to the filed ICT SPC Charter are intended.

Jennifer Vosburg asked Don Shipley, SPP, to give some details about the success of the DNR Task Force. Mr. Shipley gave an explanation of how the previous DNR Task Force was successful in resolving issues. Mr. Shipley stressed the need for technical experts in the task force to determine the impact of the issues on different sectors and stakeholders of the ICT. These experts can step away from voting and deliver a technical consensus on the issue. Bruce Rew added that the task forces cannot have a narrow focus that doesn't take into account all stakeholders. Dave Wilson commented that the explanations from Mr. Shipley, Mr. Rew, and Ms. Vosburg helped clarify the positions.

Don Shipley stated that a response was needed as soon as possible for those interested and willing to serve on the task forces. Mr. Shipley added that if necessary the ICT can help choose those members qualified to assist on the task forces. Jennifer Vosburg asked Mr. Shipley if the ICT reviewed the list of task force membership and they found a gap in expertise, could the ICT request the right member to fill that gap. Mr. Shipley responded the ICT was prepared to do that. Ms. Vosburg requested the stakeholders to respond to Mr. Shipley by the close of business Friday October 22, 2010 with those members willing and eligible to serve on the task forces, specifically the Reliability Task Force. If the ICT found that there was a gap in expertise or representation they would extend an invitation to a qualified stakeholder representative. No objections were received from the stakeholders. Tim Phillips, SPP, and Dowell Hudson, SPP, commented on the importance of the stakeholders to be involved in the task forces and take the leadership roles in those task forces.

The next steps for the task forces were discussed. Rick Henley, Jonesboro City Water & Light, stated that a message needs to be sent out as not all stakeholders attended the task force meetings last week. Jennifer Vosburg and Bruce Rew charged the task forces with choosing their chairs and co-chairs at their next meeting. Mark McCulla, Entergy, commented that it would help Entergy and the task forces if the task forces define the specific issues needed to be addressed. Sam Loudenslager, Arkansas Public Service Commission, asked for a summary of the tasks that are to be completed. Ms. Vosburg took an action item for the SPCCC to send out a message to the full ICT SPC summarizing the Task Force formation process discussed today and what is expected at each of the next Task Force meetings. This message will be distributed no later than end of business Friday October 22, 2010.

Bruce Rew commented on Section 2.2 of the Revised ICT SPC Charter. Jennifer Vosburg explained the specific issues with Section 2.2 and an appeals process within the SPC and ERSC structure. Brenda Harris, Occidental, agreed with the position of independence between the ICT SPC and the ERSC. Dave Wilson commented on the avenue of the public service commissions. Becky Turner, Entegra, stated a concern for FERC to be the venue for an appeal, and would be more comfortable with another process.

Agenda Item 4- ICT Regulatory Update

Jeff Price gave an update on the ICT Regulatory activity. The ICT Agreement has been extended from 1 to 2 years, but the commission has not acted upon the filing yet. Dave Wilson inquired about a discrepancy in the docket number. Erin Murphy, Entergy, commented the docket number had been corrected and no other changes were made to the filing and comments have been extended to Friday. Glenn Bernstein, Entergy, stated an attachment would be filed if the ERSC passes 205 filing rights. Jennifer Vosburg inquired about Attachment updates. Ms. Murphy responded that Business Practices had been distributed.

Agenda Item 5- ERSC Working Group Update

Sam Loudenslager reported on the ERSC Working Group updates. Mr. Loudenslager discussed the portfolio of economic upgrades and the need for feedback from the stakeholders on the projects chosen. Jennifer Vosburg and Bruce Rew discussed the economic projects. The ICT took an action item for Ben Roubique, SPP, to provide additional information on the economic projects discussed by the ERSG Working Group prior to their next meeting on November 17, 2010.

Kip Fox had questions from the previous ERSC meeting. The ICT took an action item for Ben Bright, SPP, to send Bruce Rew's presentation from the previous ERSC meeting to the full ICT SPC.

Agenda Item 6- Long Term Report

Ben Roubique provided an overview of activities for long term transmission activity. Mr. Roubique reviewed the System Impact Studies Task Force questions that had been gathered from the stakeholders. The main issues were consolidated into 6 areas: the SIS Report, Cost Estimates, Modeling, SIS Coordination, FFR's, and the SIS Study Process. Mr. Roubique and several stakeholders discussed the SISTF issues.

Jennifer Vosburg stated the SISTF needed to meet within the next two weeks with some direction. Becky Turner and Roberto Paliza, Paliza Consulting LLC, inquired on the prioritization of the SISTF issues and the actions to take. How the task force should address the issues was discussed by several stakeholders, the ICT, and Entergy. Ben Roubique and the ICT took and action item to answer and consolidate as many questions as possible from the SIS Task Force Issue List prior to November 5, 2010.

Becky Turner requested information about FFR issues and whether those should be addressed directly to Entergy or if they are at the task force level. Ms. Turner discussed the FFR issues in more detail. Mark McCulla stated that Entergy would need specific issues to address and would refer to Attachment T, but would try to answer any specific questions. Jennifer Vosburg added

that if Entergy could communicate the specific answers as they get them, rather than waiting until all questions were answered.

Agenda Item 7- Near Term Report

Dowell Hudson provided an update for the activities in the near term transmission area. Mr. Hudson presented a list of the AFC Task Force membership, the AFC Task Force issues provided by the stakeholders, and an update and review of the AFC Task Force meeting held October 12, 2010. Discussions were held by the stakeholders on the prioritization of the task force issues. Tim Phillips inquired if the SPC was comfortable with the task force setting the priority of the issues. No objections were received from the stakeholders. Roberto Paliza confirmed he was working with the task force to draft the scope for issue resolution. Mark McCulla and Mr. Paliza discussed details of several issues.

Agenda Item 8- Reliability Coordinator Report

Don Shipley discussed the reliability issues at hand and those the Reliability Task Force needs to address. Mr. Shipley discussed the details of the TLR Analysis Report and the recommendations of the Reliability Coordinator. Mr. Shipley also discussed the role of the Reliability Task Force in TLR5 reporting. Mr. Shipley reinforced the discussions held earlier on task force structure and formation.

Jennifer Vosburg inquired if there would be an opportunity for coordination between the AFC Task Force and the Reliability Task Force. Don Shipley responded that the ICT had already been looking at that possibility. The process would be looked at from both task forces, with a combined task force being considered.

Agenda Item 9- WPP Report

Antoine Lucas, SPP, presented the WPP report. During the review of the report, Mr. Lucas discussed the improvement in participation after the summer peak periods. Mr. Lucas also clarified the results of the WPP process with questions from Kip Fox, Roberto Paliza, Sam Loudenslager, and Brenda Harris.

Mr. Lucas also discussed the QF Puts Modeling and Offer Period Extension enhancements to the WPP process the WPP Task Force has been reviewing and the ICT positions for those enhancements. The QF Puts Modeling Proposal was not endorsed by the ICT and there were several discussions concerning this enhancement. Mark McCulla inquired if any further testing had been performed since the last meeting. Mr. Lucas stated there had been no further testing. Sam Loudenslager asked Entergy on their position. Glenn Bernstein responded Entergy was still looking into the issue and needed further discussion. David Cheshire, ExxonMobil, discussed a technical aspect of the process. Mr. Lucas responded with details.

Sam Loudenslager supplied comments on the Offer Period Extension enhancement. Antoine Lucas reviewed the proposal and stated the enhancement was endorsed by the ICT and was being evaluated by Entergy. Glenn Bernstein commented Entergy believes this is a good idea but has a few issues to resolve prior to endorsement. Mr. Bernstein stated the extension may

pose a legal issue with the Tariff on the day of the week the process is to be complete, and a review of the seasonal or holiday impact of the new hours needs to be reviewed.

Agenda Item 10- Users Group Report

Tim Phillips presented the Users Group Report. Mr. Phillips reviewed the results of the report, which included a new chart that tracks the FERC Filings for error reporting.

Open Items Review

Jennifer Vosburg opened for discussion the future meeting schedule for the SPC. David Cheshire commented that there was a need for meeting more often than quarterly, perhaps should be bi-monthly. Brenda Harris commented that there needed to be more meetings by teleconference, and noted the sparse attendance at the face to face meetings. There were discussions by several members of the group on teleconferencing or WebEx type meetings. Ms. Vosburg asked for a motion that the next ICT SPC meeting be held in January and that it be conducted as a WebEx/interactive teleconference meeting. The motion was moved, seconded, and passed. Ms. Vosburg took as an action item that the SPCCC will determine the specific date for the January ICT SPC WebEx meeting.

Kristine Schmidt, ERSC, made final comments asking the task forces to complete their Guiding Documents prior to the ERSC meeting in November so they could be presented at that time.

Agenda Item 11- Action Items Review

Action items:

1. SPCCC will send out a message to the full ICT SPC summarizing the Task Force formation process discussed today and what is expected at each of the next Task Force meetings. This message will be distributed no later than end of business Friday October 22, 2010.
2. Ben Roubique, SPP, will provide additional information on the Economic Projects discussed by the ERSG Working Group prior to their next meeting on November 17, 2010.
3. Ben Bright, SPP, will send Bruce Rew's presentation to the ERSC to the full ICT SPC.
4. Ben Roubique, SPP, will answer and consolidate as many questions as possible from the SIS Task Force Issue List prior to November 5, 2010.
5. SPCCC will determine the specific date for the January ICT SPC WebEx meeting.

Agenda Item 12- Adjournment

Meeting adjourned at approximately 11:46 a.m.

Respectfully Submitted,

Bruce Rew

Company	Last Name	First Name	Email	Attending	Present
GDF SUEZ Energy North America	Allen	Thomas	tom.allen@gdfsuezna.com	In Person	
Marathon Petroleum Co LLC	Barfield	Carol	crbarfield@marathonpetroleum.com	In Person	
Entergy Services, Inc.	Bernstein	Glen	gbernstein@entergy.com	In Person	
ExxonMobil	Cheshire	David	David.A.Cheshire@exxonmobil.com	In Person	
GDS Associates, Inc.	Chiles	John	john.chiles@gdsassociates.com	Teleconferencing	
Entergy Services, Inc.	Cyr	Paula	pcyr@entergy.com	In Person	
Entergy	Daspit	Laurence	ldaspi1@entergy.com	In Person	
American Electric Power	Fox	Kip	kmfox@aep.com	In Person	
Southwest Power Pool	Green	Tony	tgreen@spp.org	In Person	
Occidental Chemical Corp.	Harris	Brenda	brenda_harris@oxy.com	In Person	
City Water & Light	Henley	Rick	rhenley@jonesborocwl.org	In Person	
Southwest Power Pool	Hudson	Dowell	dhudson@spp.org	In Person	
Tenaska Power Services Co.	Lane	Sarah	slane@tnsk.com	In Person	
KGen Power	Lee	Tina	tlee@kgenpower.com	Teleconferencing	
Arkansas Public Service Commission	Loudenslager	Sam	sam_loudenslager@psc.state.ar.us	In Person	
Southwest Power Pool	Lucas	Antoine	alucas@spp.org	In Person	
Entergy Services, Inc.	McCulla	Mark	mmccul1@entergy.com	In Person	
SMEPA	McElhaney	Steve	smcelhaney@smepa.coop	Teleconferencing	
Entergy Services, Inc.	Murphy	Erin	emurph1@entergy.com	In Person	
Thompson Coburn, LLP	Newell	Gary	gnewell@thompsoncoburn.com	In Person	
Entergy Texas	Olson	Carl	colson1@entergy.com	In Person	
Southwest Power Pool	Phillips	Tim	tphillips@spp.org	In Person	
Wright & Talisman	Price	Jeffrey	price@wrightlaw.com	In Person	
Entergy Services	Ralston	Alan	aralsto@entergy.com	Teleconferencing	
Southwest Power Pool	Rew	Bruce	brew@spp.org	In Person	
Southwest Power Pool	Roubique	Benjamin	broubique@spp.org	In Person	
ERSC	Schmidt	Kristine	kschmidt@espyenergysolutions.com	In Person	
Entegra Power Group/UPP	Turner	Rebecca	rturner@entegrapower.com	In Person	
ConocoPhillips	Walker-Ratliff	Joan	joan.walker-ratliff@conocophillips.com	In Person	

	Wells	Connie	cwells@entergy.com	Teleconferencing	
Zachary David Wilson, P.A.	Wilson	Zachary	zdwpa@cei.net	In Person	
NRG Energy	Vosburg	Jennifer	Jennifer.vosburg@nrgenergy.com	In Person	
Southwest Power Pool	Shipley	Don	dshipley@spp.org	In Person	
Cleco Power LLC	Skinner	Doug		In Person	
Paliza Consulting LLC	Paliza	Roberto		In Person	

6

Southwest Power Pool

Southwest Power Pool, Inc.

ICT STAKEHOLDER POLICY COMMITTEE MEETING

October 20, 2010

Hyatt Regency Austin Austin, TX

• ATTENDANCE LIST •

Name	System
GLEN BERNSTEIN	ENTERGY
MARK McCULLA	ENTERGY
Erin Murphy	Entergy
Sam Loudenslager	Ark PSC
KRISTINE SCHMIDT	ESPY
Tim Phillips	SPP
Carl Olson	Entergy Texas
Paula Cyr	Entergy Texas
LARRY DASPIT	Entery Corp.
Ben Roubique	SPP
Don Shipley	SPP
Dave Wilson	Ark. Ark
Lowell Hulson	SPP
JEFF PRICE	WET (SPP)

Southwest Power Pool

Southwest Power Pool, Inc.

ICT STAKEHOLDER POLICY COMMITTEE MEETING

October 20, 2010

Hyatt Regency Austin Austin, TX

• ATTENDANCE LIST •

Name	System
BRENDA HARRIS	Oxy
Kip Fox	AEP
Carol Barfield	Marathon Oil
Doug SKINNER	CIECO

Southwest Power Pool, Inc.

ICT STAKEHOLDERS POLICY COMMITTEE MEETING

October 20, 2010

Hyatt Regency Downtown, Austin, TX

• D R A F T A G E N D A •

8:00 a.m. – 12:00 p.m.

1. Introductions and roll call ..... Bruce Rew
2. Review of meeting agenda ..... All
3. Approval of prior SPC minutes and conference calls ..... All
4. ICT Regulatory update ..... ICT/Entergy
5. ERSC Working Group update ..... ERSC WG Representative
6. Long Term Report ..... Jody Holland
7. Near Term Report ..... Dowell Hudson
8. Reliability Coordinator Report ..... Don Shipley
9. WPP Report ..... Antoine Lucas
10. Users Group report ..... Tim Phillips
11. Action Items review ..... All
12. Adjournment ..... Bruce Rew

Southwest Power Pool, Inc.

ICT STAKEHOLDERS POLICY COMMITTEE MEETING

July 21, 2010

Sheraton North, Houston, TX

• M e e t i n g M i n u t e s •

1:00 p.m. – 5:00 p.m.

Agenda Item 1- Administrative Items

Bruce Rew called the meeting to order at approximately 1:00 p.m. There were 23 in attendance and 5 participating by teleconference.

Agenda Item 2- Agenda Review

Bruce Rew reviewed the agenda which was posted prior to the meeting on the SPP website and available at the meeting. Bruce emphasized the components of item 4, review of the SPC Charter.

Agenda Item 3- Approval of October 2009 Minutes

Bruce Rew asked for changes or modifications to the minutes; there were no objections. Bruce Rew announced that the meeting materials are posted on the SPP website.

Agenda Item 4- Review of the SPC Charter

Charter Review – Discussed options to improve the structure of the SPC and working groups. The ERSC is a major change that affects the structure of the stakeholder process. Bruce Rew mentioned the new contract extenstion and the study of the cost benefit analysis and how it impacts the set up of the stakeholder process.

SPC was formed in 2006 when the ICT was formed. SPC was formed by the stakeholders. The primary functions were:

- forum for interactions with the ICT
- place to address issues and concerns
- method to formulate consensus based solutions
- provide for majority and minority positions of stakeholders to be heard.

The SPC would ultimately provide recommendations for changes to ICT policies based on the above process. The User's Group was formed in the contract while the other groups were formed outside of the contract.

ERSC – Bruce reviewed the ERSC slides of the SPC presentation. Robert Mechler, RRI Energy, asked a question about the "mechanism to increase transmission" statement in the presentation. Dave Wilson, Arkansas Cities, asked about the role of the ERSC in the SEAMS agreement statement in the presentation. Sam Loudenslager, APSC, responded.

Sam Loudenslager disagreed with the "arbiter and enforcer" description of the ERSC; he asserted that FERC is the enforcer while the ERSC is a facilitator.

ICT Chairs the SPC- Mark McCulla asked what the difference is between the SPP structure and ICT structure. Bruce Rew explained in more detail the roles of chairs, etc. in the SPP structure.

Mark McCulla asked about confidentiality if a stakeholder were to chair the group. He stated that the ICT is different from SPP because Entergy is the only transmission owner, while all the other stakeholders are transmission users. It was discussed how to handle confidential information, Bruce Rew suggested some ways to keep confidential information confidential. Mr. McCulla stated concern with how these roles would be defined if a stakeholder chairs the group.

Mr. Loudenslager responded that the RTO is a member driven process, different people share different responsibilities with policy groups and working groups. When confidentiality issues are encountered, the RTO may form a task force with confidentiality agreements.
Mr. Loudenslager reiterated that he likes the idea of a stakeholder chairing the SPC. Mr. McCulla mentioned again the transmission owner/transmission user issue that makes the ICT different from the RTO.

Mr. Rew suggested these details be put in the parking lot while we discuss the rest of the changes associated with changing the structure of the SPC. It was also mentioned that there may be contract/tariff changes if this structure is changed. Mr. Rew discussed how changes might impact the SPC charter document, and that input about possible changes to the structure would be needed before any changes are made.

ERSC and Working Groups- Sam Loudenslager took the floor to present "ERSC and Working Groups". He spoke about comments from the previous meeting of the ERSC working group and how to utilize everyone's resources for better use of our time. Preface to the presentation: "this isn't the only option; it's just what makes sense right now". Bruce Rew will post the presentation on the SPP website.

Mr. Loudenslager presented a proposal that could result in a more effective structure of Entergy, ERSC, all the working groups, and the SPC. He suggests that the SPC/WGs handle technical issues and ERSCWG handle the policy issues. SPP would exist between these two functions. He also discussed the issue of "meeting fatigue" and ways to improve the meeting schedule.

Jennifer Vosburg, NRG/LAGN, pointed out that many of the attendees were at the ERSCWG meeting in Dallas, TX. She stated that the "re-explaining" of issues between meetings of working groups/ERSC/SPC is time consuming. She feels the group needs to be re-energized. She reiterated that "this is our stakeholder process". She agreed that everyone needs to address how to get more progress. Ms. Vosburg acknowledged some of Mark McCulla's concerns but mentioned that there will be ways to work through those issues.

Mr. Loudenslager also suggested that a tariff change to Attachment S may be needed to address the structure changes to this group. Sept 17 would be a target date to file the changes.

Dave Wilson expressed his agreement with Mr. Loudenslager's assessment of the deadlines.

Robert Mechler asked about the time frame of the ICT's contract extension as it could be a driver of decisions about the structure of the stakeholder process. He remarked that he's seen many different structures, MISO, SPP, ERCOT, PJM, etc and that the ICT should look at their success or failures in their stakeholder processes.

Mr. Loudenslager stated that their processes can be slow; however, they are usually accurate with few issues encountered when they go to FERC. Robert Mechler suggested that Transmission Customers belong at the top of Sam"s "org chart" because they would be running the groups if they are the chairs. Mr. Mechler also commented about the technical problems of the stakeholder meetings. He stated that other RTO's conduct the technology at meetings better than Entergy/ICT.

Tina Lee, KGEN, suggested combining the SPC and ERSC because they are both "policy" committees.

Dave Wilson supports having the regulators at the "bottom" of the org chart.

John Orr, Constellation Energy, asked how the ERSC decides between "technical" or "policy" type issues. Mr. Loudenslager said the ERSC, ICT and Entergy would discuss and decide which category issues will fall into.

Ms. Vosburg pointed at that overlap among groups exists. She stated that some issues would involve both the technical group and the policy group, which could increase the time to resolve issues.

Mr. McCulla pointed out another issue is resources. Entergy's resources are overtaxed. He suggested that the group put some thought into prioritizing issues. Mr. Loudenslager responded the focus should be on the Sept 17th filing, even though there are a lot of issues that need to be resolved. Ms. Vosburg commented there could be a conflict on how stake holders would prioritize things and how ICT/Entergy would prioritize issues.

Mr. Rew asked for more discussion on the individual working groups NTTIWG, LTTIWG, and WPPIWG. He noted that there are a lot of the same people in theses meetings that are in the SPC. He asked if we should merge these groups together. Brenda Harris, Oxy, stated it appears that the NTTIWG, LTTIWG and WPPIWG should become part of the SPC. Ms. Vosburg commented that if we did that, we'd have to rely more on the task forces to get things done. John Orr agreed that we should combine the groups, and then break out task forces to address issues, and then deliver results back to the main group. Mr. Rew proposed keeping the User's Group because it is specifically mentioned in the order.

Jeff Price, Wright and Talisman, stated that limited changes to attachments could provide the flexibility needed to address structure changes after the September 17th filing deadline.

Action item: Get tariff changes for August 8 meeting.
Action item: Form a Task Force for changing the Att. S language. Bruce Rew looking for volunteers for drafting and writing the charter. A WebEx meeting is scheduled for August 26, 2010 1pm to 3pm for SPC to discuss the draft of a new charter, task force deadline for draft is 8/20/2010.

Agenda Item 5- ICT Regulatory Update

Jeff Price reported on June 15th order approved the SEAMS agreement with modifications for SPP and Entergy. Mark McCulla stated a filing has been made with the LPSC concerning the contract end date. The filing states the decision is still pending.

Agenda Item 6- LTTIWG Report

Jody Holland, SPP, gave the LTTIWG report. In the LTTIWG meeting prior to the SPC and a teleconference on June 17th progress in the base construction plan evaluation and reliability assessment was discussed. Evaluation of the construction plan will be posted soon on SPP website. Mr. Holland discussed that the minimizing bulk power cost study, MBPC (which started as the RMR study) is now out for RFP. He said that they are looking for bids during the next few weeks with expectation of the awarding a bid within 6 weeks. Gary Newell, LVS, LEPA, MEAM, MDEA, asked how the MBPC study will be funded. Mark McCulla replied that Entergy will be funding the MBPC. Ben Bright, SPP, has posted that in the RFP. It was determined to put together a task force to review how a SIS is formatted regarding AFC's showing negative or just zero.

Enrique Silva, Entergy, presented the Entergy economic study process at the LTTIWG.

John Orr provided feedback on the LTTIWG presentations. Mr. Orr suggested the ICT look at other's reports from other RTO's for improvements.

Agenda Item 7- NTTIWG report

Dowell Hudson, SPP, reviewed the NTTIWG presentation, which will be posted on the SPP website. It detailed action items that came from the NTTIWG meeting prior to the SPC meeting. Jennifer Vosburg commented that the presentation on the NSNF was helpful, however would like it in advance. The charts showed that progress has been made.

Agenda Item 8- WPPIWG Report

Antoine Lucas, SPP, presented the items from the WPPIWG. The presentation will be posted to the SPP website.

Agenda Item 10- Users Group Report

Tim Phillips, SPP, presented the User's Group report, which was posted with the meeting materials.

Agenda Item 11- Action Items Review

Action items:

1. Tariff changes for the August 8th meeting
2. Form a Task Force for the changes in the Attachment S language
3. ICT will actively try to procure a better sound system for use in the ICT SPC meetings

Agenda Item 12- Adjournment

Meeting adjourned at approximately 3:45 p.m.

Respectfully Submitted,

Bruce Rew

Southwest Power Pool, Inc.

ICT STAKEHOLDERS POLICY COMMITTEE MEETING

August 26, 2010

Conference Call and Webex

• Meeting Minutes •

1:00 p.m. – 3:00 p.m.

Bruce Rew called the meeting to order at approximately 1:00 p.m. There were 21 participating in the meeting (Attachment 1- Attendance List). Proxies were received as follows; Jennifer Vosburg for Brenda Harris and David Cheshire, Becky Turner for Tina Lee, John Chiles for Seth Brown, and John Heisey for Becky Turner. The purpose of the meeting was to review the proposed SPC charter revisions.

Jeff Price presented the overview of the proposed SPC Charter changes (Attachment 2 – Charter Presentation). The SPC asked several questions during the presentation. Gary Newell asked about the division of responsibilities between the ERSC Working Group and the SPC. The document does not provide details and is that appropriate? It was discussed that at this time the details should not be included in this charter. Dave Wilson mentioned the transition of current working group activities to the SPC in regards to how and when that will be done. The working groups will be presenting the action item list to the SPC. A special SPC meeting was setup on September 17 to have the working groups present their action items and for the SPC to review.

Jeff Price presented specific comments he received from Ronnie Frizzell with Arkansas Electric Cooperatives. Comments were discussed in Section 2.1.1, and 8.1.2. Al Ralston with Entergy also noted that Section 4.5 had an old reference to Section 6 that should be Section 5. In Section 2.1.1 the SPC recommended changes as shown in the attached document (Attachment 3 – SPC Charter revisions) based on comments and discussion. This was to better represent the scope of responsibilities of the SPC. Section 8.1.2 was modified to provide the possibility that an ERSC member may be the appropriate representative rather than an ERSC working group member. Jennifer Vosburg recommended approval of the revised SPC Charter and John Chiles seconded the motion. The SPC approved the changed document (Attachment 4 – Voting). Gary Newell asked for additional time to vote on the Charter until Friday at 5 pm. The SPC granted that extension for those who needed additional time.

The next SPC webex meeting will be held on September 17 at 10 am until noon. The LTTIWG, NTTIWG, and WPPIWG Chairs will distribute their action items list on September 3.

Respectfully Submitted,

Bruce Rew

ICT Stakeholders Policy Committe Teleconference Attendance
08/26/10

Company	Last Name	First Name	Email	Attending
	Allen	Thomas	tom.allen@gdfsuezna.com	X
Marathon Petroleum Co LLC	Barfield	Carol	crbarfield@marathonpetroleum.com	X
	Bernstein	Glen	gbernstein@sidley.com	X
Calpine	Charytoniuk	Wiktor	charytoniukw@calpine.com	X
ExxonMobil	Cheshire	David	David.A.Cheshire@exxonmobil.com	X
GDS Associates, Inc.	Chiles	John	john.chiles@gdsassociates.com	X
ConocoPhillips	Clynes	Terri	Terri.Clynes@Conocophillips.Com	X
Southwest Power Pool	Gorter	Kim	kgorter@spp.org	X
Southwest Power Pool	Hudson	Dowell	dhudson@spp.org	X
Tenaska	Lane	Sarah	slane@tnsk.com	X
Arkansas Public Service Commission	Loudenslager	Sam	sam_loudenslager@psc.state.ar.us	X
Entergy Services, Inc.	McCulla	Mark	mmccul1@entergy.com	X
	McElhaney	Steve	smcelhaney@smepa.coop	X
Thompson Coburn, LLP	Newell	Gary	gnewell@thompsoncoburn.com	X
	Price	Jeffrey	price@wrightlaw.com	X
Entergy Services	Ralston	Alan	aralsto@entergy.com	X
Southwest Power Pool	Rew	Bruce	brew@spp.org	X
NRG Louisiana Generating, LLC	Vosburg	Jennifer	jennifer.vosburg@nrgenergy.com	X
ConocoPhillips	Walker-Ratliff	Joan	joan.walker-ratliff@conocophillips.com	X
Entergy	Wells	Connie	cwells@entergy.com	X
Zachary David Wilson, P.A.	Wilson	Zachary	zdwpa@cei.net	X

SPC Charter Reform Task Force Update

Jeffrey W. Price
Wright & Talisman, P.C.

Overview

- ERSC Coordination
  - SPC Formal Positions
  - Appeal Process
  - Meeting Coordination
- Stakeholder Representative
- Working Group Revision
- SPC/ERSC Coordination Committee

2

ERSC Coordination

- Formal Positions of the SPC – Section 7
  - ERSC and/or ERSC WG now included in SPC formal position process
  - ICT still provides final independent opinion after considering SPC position, Entergy Response, and any ERSC/ERSC Working Group Response.
  - Addition of specific response time unless otherwise agreed upon
- Appeal Process – Section 7.5
  - If a stakeholder requests SPC consideration of a specific issue and the SPC declines, the stakeholder may appeal the decision to the ICT or ERSC for consideration and further discussion
- Meeting Coordination – Section 4.1
  - SPC will coordinate meeting schedules with ERSC Working Group meetings.

3

Stakeholder Representative

- Section 4.5 now provides for an Elected Stakeholder Representative
  - Elected Annually by approved voting process
  - Works directly with ICT to develop SPC agenda
  - Participates on Coordination Committee
  - Potential delegation of tasks by the ICT

4

Working Group Revisions

- LTTIWG, NTTIWG and WPPIWG will be disbanded and all open issues will be referred to the SPC
- Section 6 provides for limited duration SPC Task Forces to consider specific issues and develop information for the SPC
- Stakeholders are allowed to chair/lead SPC Task Forces
- SPC Task Forces are required to issue written opinion/recommendation to the SPC

5

SPC/ERSC Coordination Committee

- Section 8 provides for the formation of a Coordination Committee primarily to coordinate the schedules and issues arising in the each forum to prevent duplication of efforts.
- The SPC/ERSC Coordination Committee will also maintain a list of issues and action items and ensure that each member of the committee is fully informed on the status of the various issues working through the SPC and ERSC
- The Coordination Committee will be made up of the ICT, the Stakeholder Representative, an Entergy staff member and a member of the ERSC Working Group

6

Next Steps

- Final Meeting of the Working Groups
- Next Meeting of the SPC
  - Election of Stakeholder Representative
  - Development of Issue List and Prioritization
  - Discussion of Permanent Agenda Items (i.e. WPP report, Attachment K process report, etc.)

7

Questions?

Contact Information:

Jeffrey W. Price
Wright & Talisman, P.C.
1200 G Street, N.W., Suite 600
Washington, D.C. 20005
202-393-1200
202-393-1240 (fax)
price@wrightlaw.com

8

REVISED DESCRIPTION OF STRUCTURE, ROLE AND OPERATION OF ENTERGY STAKEHOLDER POLICY COMMITTEE AND USERS GROUP

(August 20, 2010)

1. PURPOSE

1.1. This document ("The Revised SPC Charter") is intended to replace the "Description of Structure, Role, and Operation of Entergy Stakeholder Policy Committee and Users Group" dated August 23, 2006 which established a framework for conducting stakeholder meetings and processes referred to in the ICT Agreement, the Entergy OATT and FERC's April 24, 2006 order in Docket No. ER05-1065-000. This document is not intended to and shall not modify in any respect any provision of the Entergy OATT or the ICT Agreement. Any conflict between (i) this document and the stakeholders processes established herein and (ii) any applicable provision of the Entergy OATT or the ICT Agreement shall be resolved by the ICT in favor of the Entergy OATT or the ICT Agreement.

2. STAKEHOLDER POLICY COMMITTEE

2.1. Entities with a direct interest in transmission services and/or wholesale power transactions in the Entergy region shall form a Stakeholder Policy Committee ("SPC"). The SPC shall be a forum for transmission customers, market participants and other interested parties to interact with the ICT and Entergy for the purpose of addressing issues and problems of concern and seeking consensus-based solutions to those issues and concerns. Among other things, the SPC may provide the ICT and/or the Entergy Regional State Committee ("ERSC") specific recommendations as to ICT or Entergy policies, practices and procedures (as described in Section 7 below), and the ICT shall assist and provide information to the SPC as may be necessary and appropriate to facilitate the SPC's informed consideration of potential recommendations.

2.1.1. In accordance with Section 4 herein, the ICT shall organize meetings of the SPC with the goal of addressing and developing mutually satisfactory solutions to issues relating to the Entergy OATT or services there under~~transmission system~~ brought to the attention of the ICT or Entergy by the SPC as a whole, any member of the SPC, or any other directly interested party, including the Entergy Regional State Committee ("ERSC") and its Working Group.

2.1.2. Subject to the applicable provisions of the ICT Agreement and the Entergy OATT and any valid claim of privilege or confidentiality, the ICT shall provide to the SPC such information as may be reasonably requested by the SPC for its own use, or for the use of a SPC Task Force formed to study a specific issue (as described in Section 6 below). The ICT shall not be required to provide information reasonably available to the SPC or its members from other sources accessible by the SPC.

2.1.3. The ICT shall in good faith consider and give due regard to the views and positions of the SPC formally adopted in accordance with Section 7 herein in formulating the ICT's policies, practices, procedures and formal recommendations to Entergy.

2.2. In its reports to FERC and other regulators, the ICT shall provide a narrative discussion of positions of the SPC that have been adopted by a formal vote of the SPC pursuant to Section 7 herein.

2.2.1. The ICT's determinations regarding any recommendation tendered by the SPC shall be discussed in the ICT's next-following set of reports to regulatory agencies.

2.2.2. Upon the request of a majority of SPC members that vote against a formal recommendation or resolution, the ICT shall include in its reports a description of the "minority position" of those members.

2.2.3. Provided that no person, party or agent is granted authority to screen the ultimate findings, conclusions, and recommendations developed by the ICT as provided for in Attachment S of the Entergy OATT, the ICT shall endeavor to consult with the SPC prior to making any filing that includes a description of a SPC position and/or minority position. The ICT shall endeavor to accommodate comments received from the SPC or any member thereof that are intended to improve the accuracy of the ICT's description of the SPC and/or minority position to be included in the ICT's report.

3. USERS GROUP

3.1. Pursuant to FERC's April 24, 2006 order, a "Users Group" shall be formed for the following purposes:

3.1.1. to assess how the Entergy transmission and data (IT) systems are performing, especially in terms of data access, quality and retention (Order at P 109);

3.1.2. to conduct with the ICT annual reviews of error rates associated with Entergy data in accordance with the metrics discussed in the April 24 Order, including any relevant information (Order at P 110);.

3.1.3. to recommend to FERC and/or Entergy's state regulators, as appropriate, either in conjunction with the ICT or separately, changes to Entergy IT systems and IT resource allocations (*id*.);

3.1.4. to receive notification from Entergy if Entergy discovers that it has lost data, or reported inaccurate data, or otherwise believes that it has mismanaged data, such notification to be provided within 15 days of any such discovery (*id*.);

3.1.5. to address concerns raised by Entergy's transmission customers that they lack sufficient feedback from Entergy after they have been denied transmission service (Order at P 111);

3.1.6. to propose to FERC an appropriate means by which transmission customers can be given access to inputs into the AFC and planning processes and the models used under the direction of the ICT (*id*.);

3.1.7. to work with Entergy to alleviate any problems related to the completeness and accuracy of Entergy's data and the preservation of such data (including but not limited to AFC-related data) (Order at P 304); and

3.1.8. to provide the ICT with information that will help FERC in assessing the performance metrics identified in paragraph 304 of the April 24 Order (*id*.).

3.2. Not less often than quarterly, the Users Group, the ICT and IT experts from Entergy shall meet so both Entergy and the ICT are made aware of any problems with the those systems. At such meetings, the Users Group also shall discuss proposed solutions with the ICT and IT experts (Order at P 109).

3.3. The Users Group shall be an adjunct to the SPC

3.3.1. The Users Group shall keep the SPC informed on an ongoing basis regarding all matters being addressed by the Users Group in its interactions with the ICT. The Users Group shall coordinate and consult with the SPC with regard to positions to be asserted by the Users Group in its interactions with the ICT.

3.3.2. In the event the Users Group and the ICT identify issues concerning any matter being discussed that cannot be resolved, the matter shall be brought to the attention of the SPC. The SPC shall determine what, if any, stakeholder action should be taken to obtain resolution of the matter. The Users Group shall not have authority to make any representations on behalf of the SPC without the express authorization of the SPC.

4. STAKEHOLDER POLICY COMMITTEE MEETINGS

4.1. The ICT shall convene meetings of the SPC in conjunction with the ERSC Working Group or as the Chairman of the SPC otherwise determines is appropriate. In addition, if any five (5) or more stakeholder entities jointly call for a meeting of the SPC, the ICT shall convene such a meeting as soon thereafter as practicable.

4.2. Any transmission customer, market participant or other entity with a direct interest in transmission or wholesale power service in the Entergy region may attend and participate in SPC meetings. Other than as necessary to maintain good order, the Chairman of the SPC may not preclude any interested party from participating in a SPC meeting, except the Chairman may, in the exercise of its reasonable discretion, limit attendance and/or participation in portions of SPC meetings by attendees that are not stakeholders eligible to vote on matters pending before the SPC, when such a limitation is deemed by the Chairman to be conducive to the goals of the stakeholder process.

4.3. Any regulatory body that has jurisdiction over any part of Entergy Corp. and its regulated affiliates (hereinafter "Entergy") may attend and participate in SPC meetings.

4.4. Except as otherwise provided in Section 4.2, any representative of Entergy may attend and participate in SPC meetings, but Entergy will not be considered a stakeholder or stakeholder member of the SPC and will not vote as such.

4.5. The ICT shall arrange for all meetings and shall appoint an ICT staff member as the Chairman of all SPC meetings, which are designed to develop consensus-based resolutions to any issues or concerns raised by any stakeholder or otherwise brought before the SPC. The Chairman has the authority to delegate tasks, including facilitating meetings, to the Stakeholder Representative described herein or any other member of the SPC. Further, a stakeholder shall be elected annually as a Stakeholder Representative, through a vote pursuant to Section 5~~6~~ herein, and will work directly with the Chairman to set the agenda of SPC meetings and participate in the Coordination Committee as described in Section 8 herein. The Chairman of the SPC shall utilize reasonable, efficient and fair procedures in conducting SPC meetings. In the event of any disagreement concerning those procedures, the Chairman's position shall control pending further discussion of the matter or other form of dispute resolution.

4.6. Notice of SPC meetings shall be provided as follows:

4.6.1. Notice of each SPC meeting shall be posted on a dedicated node on the SPP website as far in advance of the date of each meeting as practicable. The final agenda and background materials for the meeting shall be posted no later than 5 business days prior to the date of the meeting.

4.6.2. The ICT shall maintain an e-mail ListServ of SPC representatives and other interested parties, which shall be used for disseminating notice of SPC meetings and meetings of SPC Task Forces to address specific issues, and for issuing any other communications that the SPC wishes to publish to interested parties.

4.6.3. At least 15 business days before any SPC meeting, the ICT shall circulate by ListServ a proposed agenda for the meeting (except in the case of special or emergency meetings, for which the ICT shall circulate by ListServ a proposed agenda as soon as practicable after the need for the meeting has been determined). Any stakeholder may request one or more additions to the draft agenda, and the ICT shall include such additional items on the agenda for the SPC meeting provided that the proposed agenda items are within the ambit of matters subject to the consideration of the SPC.

5. STAKEHOLDER POLICY COMMITTEE PROCEDURES

5.1. The SPC shall develop all such rules and procedures for its own governance as necessary. This Revised SPC Charter specifically adopts the voting procedures adopted by the SPC on September 20, 2006 and procedures for communicating

individual stakeholder positions to the ICT and/or regulatory bodies adopted by the SPC on June 19, 2008.

5.2. The SPC procedures and rules shall be posted on the node of the SPP website dedicated to ICT activities.

5.3. This Revised SPC Charter also adopts the standards regarding meetings via conference phone and any notice deadlines required for each such meeting adopted by the SPC on September 20, 2006.

6. STAKEHOLDER POLICY COMMITTEE TASK FORCES

6.1. The SPC may form an SPC Task Force upon recommendation of an SPC member or the ICT through a majority vote of the SPC membership in accordance with the voting rules described in Section 5 herein. The purpose of any such SPC Task Force shall be to conduct focused consideration and interaction with the ICT, Entergy and/or the ERSC Working Group on particular matters and to provide technical basis for any position/recommendation of the SPC. Such SPC Task Forces shall be formed for a limited duration and shall report back any findings or information to the SPC as required by the SPC. SPC Task Forces shall also provide a written report for publication to the SPC upon request of a majority of the SPC membership.

6.2. Stakeholders shall appoint a representative set of individuals to act as the members of each SPC Task Force. Those representatives shall appoint a Chair and a Co-chair from among the ICT and individual stakeholders appointed to serve on each SPC Task Force. Meetings of the SPC Task Forces shall be open to any interested stakeholder, any representative of Entergy, and any interested regulatory body that has jurisdiction over Entergy. Notice of a SPC Task Force meeting shall be posted on the SPP Website as soon as practicable after the date for the meeting is set, but in no event shall such posting be made less than 7 business days in advance of such meeting.

7. FORMAL POSITIONS OF THE STAKEHOLDER POLICY COMMITTEE

7.1. In the event that the SPC adopts a formal position and/or recommendation on an Entergy-related issue pursuant to the voting procedures outlined in Section 5 herein, the SPC shall present this position/recommendation in writing to Entergy and the ICT. The ICT will also provide the same to the ERSC through its Working Group.

7.2. After receipt of such position/recommendation, Entergy shall be required to prepare a formal response in writing no later than three weeks after receiving the recommendation, unless a different deadline is specified by the ICT, provided that nothing in this Revised SPC Charter prevents Entergy from submitting additional information regarding a matter after the time specified in this Section 7.2. The Entergy response must detail Entergy's reasons for adopting or rejecting the SPC position/recommendation including any supporting documentation relied upon to develop the response.

7.3. The ICT will then consider the SPC position/recommendation, the Entergy response, and the position of the ERSC (or its Working Group), if any, and develop a written response regarding its independent position supporting or declining to support the SPC position/recommendation no later than three weeks after receiving the recommendation, the Entergy response and any ERSC/ERSC Working Group response, unless a different deadline is specified by the ICT. The ICT response must detail the ICT's reasons for supporting or declining to support the SPC position/recommendation including any justifications relied upon to develop its response.

7.4. The SPC position/recommendation (including a minority response if applicable), the Entergy response, any ERSC/ERSC Working Group response, and the ICT response will be included in the ICT's quarterly reports to the FERC pursuant to Section 2.2 herein.

7.5. In the event the SPC declines to address a specific issue after a request by a member of the SPC, the member may appeal the SPC decision in writing to either the ICT or ERSC for further consideration. The ICT or ERSC will provide a written response to the appeal for discussion at the next available SPC meeting. Such response will provide an independent determination by the ICT or ERSC whether the issue should be addressed by the SPC as well as a recommendation on the next steps to address the stakeholder concern.

8. SPC/ERSC COORDINATION COMMITTEE

8.1.1. The SPC and ERSC shall form a SPC/ERSC Coordination Committee designed to coordinate the issues, action items and topics being discussed by each group and to provide updates on the progress of each group. No Committee member shall have the authority to bind any other party or group but each member shall in good faith attempt to gain consensus regarding the correct forum for the action item or issue to

be addressed and provide regular updates to the other members of the Committee on on-going issues being discussed in each group.

8.1.2. The SPC/ERSC Coordination Committee shall be comprised of the Chairman of the SPC, the Stakeholder Representative for the SPC, an Entergy staff member and a member of the ERSC or ERSC Working Group.

8.1.3. The SPC/ERSC Coordination Committee shall hold regular meetings and/or teleconferences not less than once per month and as often as necessary to coordinate the activities of the SPC, the ERSC, and the ERSC Working Group and provide updates to each group.

8.1.4. The SPC/ERSC Coordination Committee shall maintain a schedule of action items and due dates that shall be reported to the SPC and ERSC. Key metrics of the schedule shall be included in the ICT quarterly reports.

8.1.5. The SPC/ERSC Coordination Committee shall regularly report to the ERSC and SPC on the status and progress of issues, action items and topics being discussed in each forum.

9. MISCELLANEOUS

9.1. No individual or member may speak on behalf of the SPC without the SPC's express authorization, as adopted through formal vote.

9.2. No SPC member shall be responsible for the costs of any other SPC member.

9.3. No SPC member shall be responsible for any costs, other than the costs incurred by its own staff or representatives in participating in SPC activities, without such member's express agreement to bear such other costs.

9.4. The availability of the issue identification and resolution processes established herein shall not affect any party's right to exercise at any time any other legal remedy or process that may be available to that party, and the party shall not be required to pursue or exhaust any process described herein before pursuing such alternative relief, remedy or form of dispute resolution.

9.5. No SPC member shall be bound by any SPC position, including those positions as may be adopted by formal vote, in any regulatory or other proceeding.

Recommendation:	To approve the revised SPC Charter.			
Company Name	**For**	**Against**	**Obstention**	
Arkansas Cities	1			
Arkansas Electric Coop. Corp.				
American Electric Power Service				
Benton Arkansas Utilities System	1			
Calpine Corp	1			
Cargill Power Markets, LLC				
City Water & Light				
Clarksdale Public Utilities				
Cleco Power LLC				
ConocoPhillips	1			
Constellation Energy				
Conway Corporation	1			
Cottonwood Energy Company, LP				
East Texas Electric Cooperative, Inc.	1			
Entegra Power Group	1			
ExxonMobil Power and Gas Services Inc.	1			
GDF SUEZ Energy North America	1			
Hope Water & Light	1			
KGen Power Management (Hinds, Hot Spring)	1			
Lafayette Utilities System				
Louisiana Energy & Power Authority				
LS Power				
Marathon Petroleum Co LLC	1			
Miss.Delta Energy Agency				
Municipal Energy Agency of MS (MEAM)				
North Little Rock Electric Department	1			
NRG Energy	1			
Occidental Chemical Corp.	**1**			
Osceola	1			
PPG Industries, Inc.				
Prescott	1			
SMEPA				
Tenaska Power Services Co.	1			
The Empire District Electric Company				
West Memphis Util. Comm.	1			
Williams Power Company				
	19		0	
Percentage Approving	**100.0%**			
Recommendation Approved?	**YES**			

Southwest Power Pool, Inc.

ICT STAKEHOLDERS POLICY COMMITTEE MEETING

September 17, 2010

Net Conference

• Meeting Minutes •

10:00 a.m. – 12:00 p.m.

Agenda Item 1- Administrative Items

Bruce Rew, SPP, called the meeting to order at approximately 10:00 a.m. There were 30 in attendance by teleconference.

Agenda Item 2- Review of Current Activities by the ICT Working Groups

The main purpose of the meeting was to review the current activities of the ICT Working Groups to make certain work is continued as the transition is made to Task Forces within the SPC.

LTTIWG- Jody Holland, SPP, started the review by going through the current activities of the LTTIWG. The question was raised as to which items the LTTIWG was passing to the SPC. Jennifer Vosburg, NRG Energy, stated there would be a System Impact Studies (SIS) Task Force that would handle issues with SIS. Dave Wilson, Arkansas Cities, commented on the membership of the SIS Task Force. Sam Loudenslager, Arkansas Public Service Commission, asked once the Task Force was formed that members be posted on the SPP website.

Gary Newell, LVS, LEPA, MEAM, MDEA, questioned that perhaps generation dispatch in the SIS ties into a NTTIWG issue. Dowell Hudson, SPP, commented that the merit order dispatch issue is similar to the SIS but is not the same and will be handled separately. Jennifer Vosburg commented that the existing action items presented would be addressed by a task force from the SPC, but that there would be other “long-term” responsibilities that would also need attention, such as Base Plan and Construction Plan input.

Bruce Rew summarized that an action item for the SPC meeting in October would be to determine which standing ongoing responsibilities will be addressed. Ms. Vosburg added that there should be two recognized categories of activities: action items and ongoing tariff responsibilities.

NTTIWG- Dowell Hudson led the discussion of the current activities of the NTTIWG. After the review, Mr. Hudson stated he would follow up with two action items: 1) provide list of 18 ATC/AFC Stakeholder items received by the AFC Task Force, and 2) issue a list of the current members of the AFC Task Force.

Mr. Hudson made a suggestion that when forming the SPC task force for the AFC issues the committee should look into membership and how technical the task force needs to be. Bruce Rew commented that the membership of this particular task force will need guidance from the SPC as to possibly limiting the number of members and insuring voting parity within the group. Mark McCulla, Entergy, and Dowell Hudson both commented on the recommended size of the task force. Mr. Hudson inquired if there would be a need for a task force meeting prior to the October SPC meeting. Jennifer Vosburg stated it is likely but not set yet.

Ms. Vosburg inquired as to the why TLR5 issues were not an ongoing item listed by the NTTIWG. Don Shipley, SPP, answered that the E-RSC was being presented a new report for the TLR5 items, and that the ICT would like to continue the pursuit in that avenue. Mr. Shipley then gave a short review of the open items. Dowell Hudson brought up the suggestion of forming a reliability task force, and Ms. Vosburg stated that suggestion should be reviewed.

WPPIWG- Antoine Lucas, SPP, provided a review of the current WPPIWG activities. Mr. Lucas announced there would be a final WPPIWG conference call meeting on September 21st. Jennifer Vosburg inquired if the WPP tasks will be addressed between both the SPC and the E-RSC based on the previous E-RSC meeting. Sam Loudenslager agreed that they should. Mr. Loudenslager voiced a concern about a hold on WPP activities during the SPC transition. Mr. Lucas assured the SPC the WPP was still moving forward.

User's Group- Tim Phillips, SPP, gave a brief overview of the User's Group activities and the newly proposed AFC Related Errors report. Jennifer Vosburg stated the new report would be well received. Tina Lee, KGEN Power, had some suggestions for improving the report. Mr. Phillips stated he would follow up with her for further action.

Agenda Item 3- Selection of E-RSC Representative

Bruce Rew reminded the Committee that as part of the new charter, a Stakeholder Representative from the SPC would be elected and would serve on the SPC/ERSC Coordination Committee. Mr. Rew opened up for discussion the nomination of the Stakeholder Representative. David Cheshire, ExxonMobil, nominated Jennifer Vosburg. Becky Turner, Entegra Power, seconded the nomination. Dave Wilson moved to elect the nominee by acclimation. Joan Walker-Ratliff, Conoco-Phillips, seconded the motion. With no dissent, Jennifer Vosburg accepted the election as Stakeholder Representative of the SPC.

Agenda Item 4- Review of the SPC/ERSC Coordination Committee

Discussion was held on the other members of the SPC/ERSC Coordination Committee. Kristine Schmidt will be the representative for the ERSC. Mark McCulla will be the representative for Entergy. Bruce Rew will be the representative for the ICT.

Agenda Item 5- Additional Transition items

David Cheshire commented that the plan is to organize and prioritize the current items between the ERSC and the SPC and could this be done before the October SPC and ERSC meetings.

Jennifer Vosburg agreed with the comments and that it is possible that multiple task forces will need to meet prior to the October meetings. Ms. Vosburg also reminded the Committee that stakeholders can lead the SPC task forces. Antoine Lucas brought to the SPC's attention that the use of e-mail exploders via SPP have been used to communicate to the working groups. This would need to be changed and an interim method may need to be established. An action item was established to deliver to Kristine Schmidt an interim list that could be used until further work is completed on the SPC task force structures.

Agenda Item 11- Action Items Review

Action items:

1. Publish list of 18 items from the AFC Task Force
2. Issue list of current members of the AFC Task Force
3. Provide interim list of SPC contacts to Kristine Schmidt

Agenda Item 12- Adjournment

Meeting adjourned at approximately 11:35 a.m.

Respectfully Submitted,

Bruce Rew

Southwest Power Pool, Inc.

ICT SPC AFC TASK FORCE MEETING

October 12, 2010

Net Conference

• M e e t i n g M i n u t e s •

1:00 p.m. – 3:00 p.m.

Jason Davis, SPP, called the meeting to order at approximately 1:00 p.m. There were 16 in attendance by teleconference.

The main purpose of the meeting was to review and prioritize the 18 identified issues submitted by the former Near Term Transmission Issues Working Group (NTTIWG) and also the formation of the new AFC Task Force.

Jennifer Vosburg, NRG Energy, stated that a goal would be to produce a prioritized list of the 18 items, with them broken down by those that be could be addressed in the short term, and those that would require a longer term to address. Roberto Paliza, Paliza Consulting LLC, also stated that some of these issues could be consolidated reducing the total number of issues. Robert Lona, GDF Suez, questioned as to how work would be accomplished if two items are similar but one item is a short term issue while another is a long term issue. Ms. Vosburg added that it is possible for two similar items to be prioritized as short term and long term. Jason Davis, SPP, commented that as work was completed on items deemed short term, the groundwork for those items that are similar but are long term will be established, making the long term issues easier to resolve.

The group determined to start prioritizing the items in the list. Kristine Schmidt, ERSC, sent out a revised list from Roberto Paliza that had done a preliminary prioritization of short term vs. long term issues. After the list was received by everyone in the teleconference, several questions were asked by the group. The first question was for issue #16. It was suggested that this issue was completed. Tim Phillips, SPP, and Cameron Warren, Entergy, provided details of the actions taken. Mr. Paliza agreed with the action resolving the issue at this time, but that seasonal changes may require the solution to be monitored. Mr. Warren will review the item and report back to the Task Force before November 12th.

Robert Lona asked if issues 1and 13, 3 and 15, and 8 and 11 are similar enough to be combined from 6 to 3 issues. Roberto Paliza agreed that 1/13 and 3/15 could be combined but 8/11 are different. Mr. Paliza commented that the ICT had written a white paper on issue #8. John Chiles, ETEC, asked if these issues had been given to Entergy. Cameron Warren stated it

had not been turned over to Entergy, but had been discussed at a LTTIWG meeting and Entergy was waiting on a statement from the ICT before resolving.

John Chiles asked Roberto Paliza which issues he recommended as short term. Mr. Paliza recognized that issues regarding improved reliability coordination should be addressed as listed in item 3. After group discussion, Jason Davis asked the stakeholders to better define the improvements needed. Reference was made to the latest improvements on the stop sale of non-firm transmission service during TLR. Mr. Paliza further identified that day ahead firm service needs to be improved so that the AFC process sees the same flowgate as the Reliability Coordination (R/C) process

Issue #4 on speeding up the process of incorporating new flowgates to the AFC process was discussed and several comments were made. Cameron Warren stated that Entergy had put in place procedures for using placeholders for temporary flowgates in the studies and increasing the number of these placeholders available is under investigation. This would provide a much smaller turnaround. Vinit Gupta, Entergy, added that temporary flowgates could not be added on the fly, but can be added quicker than a new flowgate, and a new flowgate takes 7-9 days to be added.

Roberto Paliza suggested that the AFC Benchmarking process could be done quickly to produce benefits. Jason Davis commented that the ICT is still working on the process and is currently interpreting data that has been collected. Several in the group asked if a date could be set for the ICT to complete its analysis. Erin Murphy, Entergy, stated that Entergy needs more definition of what the stakeholders are looking to have produced. John Chiles requested the stakeholders get the ICT more specifics and then the ICT can give dates of completion. Mr. Davis stated the ICT can provide the current progress of the ICT benchmarking efforts to the stakeholders.

The next issue discussed by the group was #12, which addressed improving the current, official notification timeline for new transmission projects to be placed in the AFC/ATC calculation process. Several stakeholders expressed an opinion on the issue, including posting the notice after the project goes into the model, or coordinate the time frame with the same approach used for #s 8 and 11. Cameron Warren will research issue #12 and should be complete no later than November 12th.

The group then had discussions on what issues had been determined as short term at this point and what their rank would be. There was consensus in the group Issue #12 should be ranked first and R/C Coordination should be second. Roberto Paliza agreed to define the scope of issues #3, 4, and 15 to determine if they can be consolidated.

The group then discussed structural items relating to the AFC Task Force, including timeline for resolution of tasks, how the Task Force will be formed, what should be reported to the SPC. Specific items included:

1. Number of participants in the task force to be larger or smaller (previous AFC Task Force was 22 members)
2. Should the participants be polled from the SPC or the old task force
3. How should the AFC Task Force members be chosen

Tim Phillips discussed some ideas on the membership of the task force and provided a description of the task force process. John Chiles made a recommendation to set up the AFC Task Force by sector, similar to how other RTO organizations do. Roberto Paliza asked if that should apply to all newly formed SPC task forces. Mr. Chiles responded that all task forces should be formed in that manner, and that it should be proposed to the SPC. Kristine Schmidt recommended that the group produce an outline on the formation of the AFC Task Force and present it to the SPC. Roberto Paliza then provided a review of the actions taken to this point in the meeting.

Action items:

1. Cameron Warren will review enforcement of load pocket requirements during AFC/ATC calculations actions (issue #16) and report findings by November 12.
2. Mr. Warren will also review issue #12, to improve the current, official notification timeline for new transmission projects to be placed in the AFC/ATC calculation process. He will be providing his analysis by November 12
3. Roberto Paliza will define the scope of issues #3, 4, and 15 for the purpose of consolidating them into one issue.
4. The group to provide a recommendation to the SPC Coordination Committee for the membership of the AFC Task Force.

Meeting adjourned at approximately 3:00 p.m.

Respectfully Submitted,

Tony Green

Southwest Power Pool, Inc.

ICT SPC RELIABILITY TASK FORCE MEETING

October 15, 2010

Net Conference

• Meeting Minutes •

1:00 p.m. – 2:30 p.m.

Don Shipley, SPP, called the meeting to order at approximately 1:00 p.m. There were 22 in attendance by teleconference.

The main purpose of the meeting was to review the Reliability Task Force Guiding Document, the TLR Investigation Report, and the TLR5 Analysis Report.

Item 1- Reliability Task Force Guiding Document

Don Shipley, SPP, delivered opening comments on the purpose and intentions of the Reliability Task Force, specifically to be able to review issues and come to resolution in a timely and equitable manner. Mr. Shipley also introduced the Reliability Task Force Guiding Document which outlined the proposed main structure and duties of the Task Force. Mr. Shipley went through some points in the document, including the voting structure where representation on the Task Force would be by Business Sector. Jennifer Vosburg, NRG Energy, stated the AFC Task Force has a similar document.

Ms. Vosburg discussed some of the concepts of the Reliability Task Force Guiding Document, specifically where the consultants would fall in the membership structure and voting procedure clarification. Ms. Vosburg also commented if the representative doesn't vote on the SPC, then they shouldn't get a vote on the Task Force. Don Shipley agreed, giving the example that SPP would have a representative in order to give the ICT position and opinions, but would not vote. Mr. Shipley also added that consultants could have the proxy of one group, or could be chosen as an expert by the Task Force.

Todd Peterson, West Memphis Utilities, asked for a clarification of the representative levels within the document and what would be considered an Entergy Network Customer. The group discussed the different representative levels and sector voting or representation. Jennifer Vosburg gave an example of how NRG would qualify in several sectors. Kristine Schmidt, ERSC, suggested that there could be information provided based on sector voting, but not voting by sector. Bruce Rew, SPP, commented that sector voting was not in the SPC charter. Mr. Shipley stated that the intent was to have every organization represented fairly, but let the Task Force be small enough to get things done. Reliability decisions need diversity because

they impact the sectors of the stakeholders differently. Ms. Vosburg stated she would work with Mr. Shipley to clarify voting rights in the Reliability Task Force Guiding Document.

Ronnie Frizell, Arkansas Electric Coop. Corp., asked if the Task Force was intended to number 8 representatives. Don Shipley stated that was the intent, with the addition of experts as deemed necessary by the Task Force; but that the Task force meetings would be open to all of the SPC members. The group discussed the need for the meetings to be open to all stakeholders and interested parties. George Heintzen, Conway Corporation, was interpreting the document stating if you were a representative of the Task Force you could attend meetings. Mr. Frizell added that there are stakeholders and interested parties that are not SPC members that have the right to attend meetings. Mr. Shipley commented that the intent of the document was not to exclude anyone from attending the Task Force meetings, but to make voting fair. The group agreed that further discussion was necessary. Jennifer Vosburg recommended that a determination be made on who was interested on being on the Reliability Task Force, similar to the actions taken by the AFC Task Force. Ms. Vosburg also stated that the voting and member procedures will need to be approved at the SPC. Mr. Shipley agreed and took an action item to send an e-mail gathering who has interest in being a member of the Task Force.

Bruce Rew added that those stakeholders who vote must also participate in the meetings and Task Force activities. Mr. Frizell agreed with Mr. Rew that the ability to vote should be related to participation. Tina Lee, KGen Power Management, suggested if a sector chose not to participate in the Task Force activities that the Task Force can continue to move forward in completing its activities. Mr. Shipley concurred.

Item 2- TLR5 Investigation Report

Don Shipley discussed the TLR5 Investigation Report, which gives greater detail of a specific TLR event. Entergy Operations has reviewed the details and confidentiality within the report. Mike Boustany, Lafayette Utilities, inquired on the additions to the document, as this document had much more detail than the previous document. Mr. Shipley took an action item to send the original and updated reports prior to the SPC meeting so that they could be reviewed side by side for the changes.

Roberto Paliza, Paliza Consulting LLC, commented on the report, citing several specific issues and technical questions with the report. Don Shipley stated he would respond to Mr. Paliza's questions as soon as possible.

Jennifer Vosburg inquired about footnotes within the document and how those may be used to address disagreements. Mr. Shipley noted that there were confidentiality concerns with information in the footnotes, but that discussion was warranted. Mr. Shipley stated that the material had been posted both at the SPC and the ERSC.

Item 3- TLR5 Analysis Report

Don Shipley then discussed the TLR5 Analysis Report, which adds clarity to the TLR5 events that occurred during the year. Jennifer Vosburg added that the Reliability Task Force will have input on this report via the SPC and the ERSC. George Heintzen asked about the distribution of the report. Mr. Shipley replied the ERSC had requested the document be created and it was first distributed to the ERSC and the ERSC Working Group.

The group discussed the specifics of the report and the relation to AFC's. Ms. Vosburg stated that there may be an opportunity for a joint task force with the AFC Task Force and Mr. Shipley stated those discussions had started. Roberto Paliza added discussions on generation outages and existing processes. Tina Lee asked questions on the details of the flowgates listed and the charts available. Mr. Shipley responded to Ms. Lee's questions.

Jennifer Vosburg inquired if this is a document that will continue to be produced. Don Shipley stated the request for the document came from the ERSC and the ICT would need to wait on a position from them.

Ms. Vosburg asked for any additional questions from the Stakeholders on other Reliability issues. Mr. Shipley stated the ICT is still working on two open items from the previous Reliability discussion. Mr. Shipley took an action item to solicit any Reliability issues from the Stakeholders and present those at the next meeting.

Action Items:

1. The ICT will poll the Stakeholders to determine those that are interested in serving on the Reliability Task Force.
2. The ICT will provide the original and updated copy of the TLR5 Investigative Report to the Stakeholders prior to the SPC meeting.
3. The ICT will send an e-mail to the Stakeholders requesting any Reliability issues that the Stakeholders would like to have addressed.

Meeting adjourned at approximately 2:30 p.m.

Respectfully Submitted,

Tony Green

SIS Reports

1) Reporting of Negative AFC in SIS Reports – The current SIS report shows a zero for any AFC value that is negative due to a Base Case Contingency Overload. At a minimum, Entergy/ICT need to show the actual AFC/ATC values.
2) Failure to Show TDF Values – The SIS report would be more valuable to the Transmission Customer if the TDF values on impacted elements were given. I recognize could be issues of confidentiality, but a redacted version of the study could be posted on OASIS, and a non-redacted version could be made available to the Transmission Customer upon request.
3) Lack of detail in the presentation of SIS results. SIS reports only present the ATC for each limiting equipment identified in the study. When an ATC is negative, the ATC value is set to zero masking the real value which could be significantly negative, i.e. Base Case Overload. To improve the usefulness and transparency of SIS reports, the following should be presented for each limiting equipment identified in the report:
   a) Actual ATC value
   b) Pre-transfer flow
   c) Post-transfer flow
   d) Rating of limiting element
   e) OTDF (Outage Transfer Distribution Factor) value

Cost Estimates

1) More Accurate Cost Estimates for Potential Solutions – Currently, there is a wide disparity between what is shown for SIS upgrade costs and FS upgrades costs, even if the list of overloaded elements is unchanged between the studies. Entergy should provide a “weak link” database to ICT for use in developing cost estimates. If the Entergy Facility Rating Methodology requires the listing of each transmission element then such list could be made available to determine the items that need to be upgraded in order to provide the necessary ampacity to alleviate the overload. For example, a transmission line with a conductor rating of 350 MVA may have a significantly lower rating due to the rating of wave traps, switches, fuses, etc on the circuit.
2) Lack of complete cost estimates ("tbd") for upgrades and financial compensation for FFRs in the SIS reports. An SIS study is not useful if it does not include a complete estimate of the total cost of upgrades and financial compensation for FFRs. Unfortunately, this is the case with most of the SIS studies conducted by the ICT.

Modeling

1) Model Coordination with ICT – There have been documented instances whereby model data for a specific transaction has not been handled correctly due to not coordinating with the Transmission Customer on Network Customer assumptions for generating resources and dispatch. This needs to be part of the SIS process to avoid multiple studies.

Study Process

1) Cluster Study Process for Load – Currently, the ICT has the ability to study multiple requests from the same generator to different load points as a single cluster study. The OATT has provisions for studying requests as part of "a competitive solicitation." A Transmission Customer participating in a competitive power supply solicitation should have the ability to have multiple requests from varying sources to the same sink studied as a cluster.
2) Treatment of Third Party Impacts in SIS Process – Coordination between the Entergy/ICT TSR queue and the SPP TSR queue needs to take place to make sure that third-party transactions are properly identified, queued and treated.
3) How are prior required transmission upgrades for previous transmission service requests incorporated in an SIS? If this process was changed, when was it changed and why?
4) In the SIS process, what is the internal process within the ICT and Entergy that tracks common transmission upgrades associated with different transmission service requests? How is this commonality conveyed to the market participants associated with these SIS?
5) Due to load variations, transmission topology changes and generation dispatch variations, has the ICT and/or Entergy ever performed an updated study for any FIS previously studied?
6) All ICT Base Plan upgrades should be included in the SIS models used to evaluate long-term TSRs. The ICT does not include the upgrades in the models rather it uses an "after-the-fact check" to determine whether a Base Plan upgrade mitigates an overload or not. This is an inaccurate method to evaluate the benefits of Base Plan upgrades.

    a) The report should also list upgrades included in the models. This could be done using the ICT Base Plan as a reference so only additions/deletions need to be identified.
7) Some network resources are not properly dispatched in SIS studies. The ICT uses a default dispatch for network resources. But a network customer can provide a specific dispatch order or methodology for its network resources. If the network customer provides this information, the ICT should use this dispatch in all SIS studies. This issue needs a thorough discussion which should lead to the development of guidelines for submitting dispatch data, type of resources to be dispatched (owned vs. contracted), frequency of dispatch changes, and events triggering changes in network customer's dispatch.
8) Evaluation of network resources re-dispatch of a network customer in SIS studies. Typically, the ICT does not include an evaluation of network resources re-dispatch to mitigate overloads identified in SIS studies. But this evaluation is performed if requested by the network customer after the initial study is completed. Network customers should be given an option up front to request the use of re-dispatch and/or delisting of their network resources as mitigation in SIS studies.
9) Improve planning re-dispatch methodology and presentation. Discuss and clarify this issue. It is not clear whether this is a real option for customers in Entergy.

SIS/FS Coordination

1) The dispatch should be the same in both SIS and FS. Modification of the dispatch to account for transactions, loading, etc. needs to be coordinated so the results are the same in both cases.
2) Network topology should be consistent in both studies.
3) Unless there can be improvements to bring the SIS and FS results into a much more consistent pattern, we would be better off to drop the SIS step and go directly to FS with a shorter time window for results.

FFRs

1) What is the process and procedure that will be used to calculate the FFR capacity and financial compensation?
2) Does the process and procedure take into account impact of BBCOs and loop flows on FFRs capacity and financial compensation?
3) Where is this process and procedure documented?
4) What is the time frame for providing the FFR information to requesting customer? Will this information be included in SIS? If not, please explain. Does the ICT and Entergy consider a SIS issued without the FFR amount or total cost to be a completed SIS? If so, what is your justification? What is the plan to be able to perform these costs as part of the SIS?
5) Who will calculate the FFR?
6) If the FFR is not calculated as part of the SIS, will the queue be frozen until the FFR is calculated?
7) Please reference OASIS #s 74412181, 7426230_7426230[1], 74262367
    a) Was service confirmed for these requests (and others) for Cargill under a "higher of" pricing?
    b) How was that determination made if FFRs needed to be calculated?
    c) How can a requesting party timely confirm service without knowing the price impact of the FFR?
    d) Can a party withdraw its confirmation without penalty if the FFR cost makes the request uneconomical to the requesting party?
    e) How is that a SIS report that does not provide a total cost (including FFRs compensation) meet the tariff obligations of Entergy and the ICT.
    f) If service is granted using the higher-of methodology, how is it determined as to how much of the PTP revenues go to the funding customer and how much go to offset the network revenue requirement? Is there a minimum offset to the network revenue requirement considered in granting service? For example, if PTP service is going to bring in $1mm of revenues but the FFR would be 950k, is there only going to be 50k

allocated to the network revenues requirement even though the vast majority of the atc being used by this transaction is being supported by the general rate base?

g) Describe the impact of Base Case Overloads, loop flows or changes in network resource dispatch on the FFR calculation. For example, if a funded supplemental upgrades originally creates 100 MW of AFC, of which 30 is needed for the funding customer, and 50 mw of the remaining 70 mw of AFC is taken up by the next resync of the model due to load and dispatch changes, how is the cost of the FFR allocated to the next customer who request service under this flowgate?

h) How are FFR's allocated among different customers with different lengths of transmission service request? For example, if Customer A needs 100 MW from 2015 through 2045 on a given flowgate, and Customer B needs 100 mw on the same flowgate from 2015 to 2016, how would their FFRs be calculated.

i) In example above, assuming Customer B pays same as customer A, then how would Entergy/ICT allocate FFR beyond 2016 once Customer Bs transmission is over but there may/may not still be FFR rights.

j) If a customer gets an FFR because of upgrades needed for his TSR, and later redirects or annuls the TSR such that ATC is created due to his upgrades, is the customer compensated for releasing his upgrade capacity? How?

Reliability Task Force Guiding Document

1. PURPOSE

1.1 This document is intended for the sole purpose of establishing the framework for the Reliability Task Force which was approved to exist as an *ad hoc* working group of the ICT's Stakeholder Policy Committee. This group will address reliability issues laid out in detail in Section 2 below.

2. DESCRIPTION

2.1 Pursuant to FERC's April 24, 2006 Order conditionally approving the ICT, the stakeholder process, ICT Stakeholder Policy Committee (SPC), provides for the development of *ad hoc* working groups to support the resolution of stakeholder issues within the Entergy transmission system.

2.2 The Reliability Task Force is an *ad hoc* group whose purpose is to:

- Understand and explore the complexity of the reliability issues.
- Facilitate open discussion amongst group members.
- Seek consensus within the group as to what are the most efficient and fair alternatives to correct any gaps in reliability processes.
- Assist the ICT to make a reasonable decision based upon the information gleaned from the group's discussions.

3. REPRESENTATION

3.1 The Reliability Task Force will be composed of:

- 4 representatives from the Entergy Stakeholder group
    a) Qualifying Facilities (QF)
    b) Independent Power Producers (IPP)
    c) Municipalities and Cooperatives
    d) Power Marketers and Power Brokers
- 4 representatives from the Entergy Network Customer group
    a) Transmission Level Customers
    b) Industrials
    c) Investor Owned Utilities
    d) Load Serving Entities
- Don Shipley, ICT, Reliability Coordinator
- Additional ICT personnel
- Additional experts as determined time to time by the group

3.2 Transparency and Voting Rights

- Any ICT Stakeholder Policy Committee member can participate in the meetings
- Reliability Task Force Recommendations will be voted on by the representative members of the task force only.

4. DURATION
3.1 The Reliability Task Force is intended to be a technical working group to address the specific reliability issues described in Section 2. The intent is to produce a recommendation to the reliability issue for the ICT Stakeholder Policy Committee to consider as soon as possible.
3.2 The team will meet as required to create a recommendation until the issue is resolved, or until the team decides to discontinue meetings.

5. REPORTING
4.1 The Reliability Task Force is a formal sub group of the ICT Stakeholder Policy Committee and formal reporting to the ICT SPC is required.
4.2 Discussion documentation and meeting minutes will by posted for public viewing via the Reliability Task Force exploder and on the ICT webpage at www.spp.org.
4.3 The team will develop recommendations and present them to the ICT Stakeholder Committee, however ICT Reliability Coordinator has ultimate authority to make, accepts or implement recommendations. Any changes to procedure will be implemented by the ICT Reliability Coordinator.
4.4 Depending on the scope of change and/or necessity to engage a regulatory body (NERC) or other Reliability Coordinators from adjacent systems, the team may need to seek informal or formal support from the ICT SPC.
4.5 If formal support from the ICT SPC is requested, then the team will develop a position document, including a majority and minority position, to present to the SPC at the next time ICT SPC meeting.

6. MEETINGS
6.1 Meetings regularly held until the issue is resolved.
6.2 Meetings will either be a conference call or in person at a place TBD. Conference call dial in numbers will be distributed before the call to team members.
6.3 Notice of the date of each Reliability Task Force meetings will be posted on the SPP website and noticed via the exploder as far as advance as practical. The final agenda and any background materials will be posted no later than 3 business days prior to the date of the meeting.
6.4 Minutes will be distributed of all meetings within 5 business days after a meeting.

7. **Attendance**
7.1 Attendance by the voting members of the Reliability Task Force is encouraged and there will be a 60% attendance by voting members required for a quorum.
7.2 No recommendation will be voted on without a quorum.
7.3 A roster of the Reliability Task Force voting members will be maintained and attendance will be recorded in the minutes of the meetings.
7.4 All meeting attendees will be noted in the meeting.

ICTE TLR 5 Investigation Report
Flowgate 1324
(Whitebluff - Sheridan 500 kV for the loss of Mabelvale - Sheridan 500 kV)
TLR Level 5: May 22, 2010
Report Issued:

1. Description of purpose/cause of hold/curtailment.
This report is submitted in accordance with the NERC Transmission Loading Relief Investigation Procedure for the TLR 5 event that occurred on Flowgate 1324 on May 22, 2010. Flowgate 1324 is an Entergy flowgate. The TLR 5 was in effect from 12:13 AM until 9:29 AM on May 22, 2010. Projected post-contingent flows on the Whitebluff - Sheridan 500 kV line for the loss of the Mabelvale - Sheridan 500 kV line exceeded the SOL.

2. Facility/flowgate limitations and flows at the time the TLR was initiated.
At the time the TLR 5b was issued, the Limiting Element was rated at 1732 MVA. Flow on the Limiting Element was 1220 MVA. Flow on the Contingent Element was 923 MVA. The LODF was approximately 80%. Post-contingent flow on the Limiting Element was approximately 1958 MVA.

3. TLR levels, timing, and relief requested amounts.
TLRs levels, timing and relief requested amounts are shown on pages 3 and 4.

4. Transmission and generation outages or changes from prediction that may have contributed.

- There were no unplanned outages on the ICTE system associated with this flowgate.
- There were no abnormal load changes.
- There was 0 mw of non-firm service impacting the flowgate day of since the RC was in a TLR 5 event.

There were no unplanned/planned transmission outages that significantly impacted the TLR 5 event. The constraint is a North to South flowgate. Units in the Entergy BA (including internal IPPs and QFs) North of the constraint have an average Generation Shift Factor (GSF) of -25%, while units south have an average GSF of 30%, [redacted] [1]
The base loaded units north of the constraint (WhiteBluff 1 & 2, ISES 1 & 2, and ANO 1 & 2) were for the most part loaded at their PMAX for the duration of the event. There were key planned base loaded generation outages south of the constraint on Nelson 6 (apprx. 550mw) and Grand Gulf (apprx. 1300). LAGN Big Cajun 2 unit 2 was in a forced outage (approx. 600mw) during the TLR event. Other base loaded units south of the constraint including Waterford 3 and Riverbend were for the most part operating at PMAX during the event. Other generating units south of the constraint including Lewis Creek 1 & 2, Sabine 1,2,3,5, Nelson 3, Toledo Bend 1 & 2, Sam Rayburn, St. Gabriel, Little Gypsy 3, Ninemile 4 & 5, Waterford 1, Michoud 2, Andrus, Baxter Wilson 1, and RexBrown 4 had lowered due to a decrease in load and for regulation reasons.

[1] Redacted at Entergy's request. GSF values are confidential operating reliability data subject to the NERC ORD Agreement under NERC standards and Entergy believes that neither it nor the ICT may disclose such information.

Before the TLR 5 event the Independent Power Producers located south of the flowgate including Frontier, Cottonwood, DukeHinds, and Cypress, total output was 1491 mws.[2] When the TLR 5 event started the total output of the IPPs was approximately 74 mws. PUPP generation south of the constraint was approximately 1446 mws before the TLR 5 event and at the time of the TLR 5 event PUPP generation was at 0 mw. The Qualified Facilities (QF) south of the flowgate total net output before the TLR 5 event was approximately 1938 mw, at the time of the TLR 5 event the QF net output was approximately 1630 mws.

See the **Generation Summary,** labeled as Appendix 1, for generation levels before, during and after the TLR 5 event.

At 23:07 on May 21, 2010 the ICTE issued a TLR 4 with Post Contingent loading on the flowgate at 107%. There were 521 mws of non-firm schedules curtailed for the current hour.
At 00:11 on May 22, 2010 the ICTE RC issued a TLR 5b with Post Contingent loading on the flowgate at 111%. The initial schedule curtailment of the TLR 5b included 206 mw of firm schedules and 159 mw of NNL responsibility.
At 11:11 on May 22, 2010 the ICTE RC issued a TLR 0 with Post Contingent loading on the flowgate at 75%. At this time all curtailed schedules were reloaded. The Post Contingent loading on the flowgate reduced because of the load and generation increase.

At the time of the TLR 4 at 23:06 pm, generation south of the constraint had decreased approximately 3600[3] MW, along with a decrease in load, as compared to 17:31 pm, resulting in approximately 620 MW of increase flow on the flowgate (FG). At the time of the initial TLR 5, the generation decreased an additional 1600MW along with a decrease in load and flow increased an additional 90 MW on the FG.

- If had been available, Nelson #6 and Grand Gulf base load units would have provided approximately 540 MW of relief.
- If had been available, LAGN Big Cajun 2 Unit 2 would have provided approximately 180 MW of relief.

5. Procedures implemented prior to hold/curtailment.
Curtailed non-firm transactions, not enough non-firm to alleviate the flowgate. The system was not re-dispatched to prevent curtailment of firm service. The ICT RC verifies with Entergy's Shift Supervisor before a TLR 5 event is called if there are any re-dispatch options available.

6. The initial investigation shall compare all transaction curtailment lists as generated by the IDC with the list of transactions flowing as determined by the IDC (Whole Transaction Lists) both before and after curtailment. The reasons for any transactions that were excluded from curtailment shall be provided. For those transactions not curtailed, the Reliability Authority will identify those entities and any affiliation with said entities.
There were no known transactions excluded from curtailment for this TLR.

---

[2] Entergy notes that there is more generation south of the constraint than the ones listed that could be included in this description of the conditions leading to this TLR.
[3] This number represents the amount of generation that would have been subject to NNL. NNL is distributed according to the impact of generation which meets the threshold of 5% or greater impact in GLDF. Entergy notes that this number does not include all generation which impacts the flowgate, including that which does not meet the 5% threshold established by NERC.

7. List of known transactions not in the IDC with Transaction Contribution Factors greater than the curtailment threshold and actions taken to curtail such transactions.
There were no known transactions not in the IDC.

8. Excerpts from the RA Operations Log containing information relevant to the TLR event.
Information was provided to Reliability Coordinators through the IDC and the RCIS. Also the ICTE Reliability Coordinators logged information describing the actions taken at each issuance of the TLR, included below.

9. Flowgate limitations as identified by security analysis processes conducted by the Reliability Authority for the day prior to the TLR event.
The Whitebluff-Sheridan FTLO Mabelvale-Sheridan flowgate was not seen as a contingency in the next day study analysis. The issue was off peak, next day study analysis are for the peak hour only. [4]

No actions were taken day ahead to coordinate between the RC and TA or RC to external RC's. The next day peak analysis did not show the Whitebluff-Sheridan FTLO Mabelvale-Sheridan as overloaded.

10. State Estimator snapshots and security analysis, including any contingency analysis or stability analysis, along with any other recorded data indicating need for TLR.
The ICTE Reliability Coordinator was monitoring their state estimator for potential issues during this time. Screen shots were taken during each issuance of the TLR level 5.

11. ATC limitations before, during, and after the TLR event.
ICT Tariff Administration grants transmission service using an AFC process. This process evaluates each transmission request on a case by case basis. There are no ATC values for individual corridors to or from the Entergy system. ICT Tariff Administration was not granting any transmission requests that impacted the congested flowgate by 3 % or greater at the time of the TLR 5.

		AFC available on WHBSHE_MABEL (MW)																							
	AFC Initialization Summary Report Timestamp	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
prior to day ahead	5/20/10 20:03	549	549	546	524	540	540	511	492	526	550	625	719	819	927	957	969	988	998	957	878	865	832	736	673
day ahead	5/21/10 10:27	574	570	560	552	524	519	548	641	649	632	721	812	839	913	948	983	988	977	931	863	857	851	762	626

		Sum of impact of firm reservations and rfcalc baseflow on WHBSHE_MABEL (MW)																							
	AFC Initialization Summary Report Timestamp	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
prior to day ahead	5/20/10 20:03	1183	1183	1186	1208	1192	1192	1221	1240	1206	1182	1107	1013	914	805	775	763	744	734	775	854	867	900	996	1059
day ahead	5/21/10 10:27	1158	1162	1172	1180	1208	1213	1184	1091	1083	1100	1011	920	893	819	784	749	744	755	801	869	875	881	970	1106
		25	21	14	28	-16	-21	37	149	122	82	96	92	20	-14	-10	13	0	-21	-26	-15	-8	19	26	-47

TFC of WHESHE_MABEL
1732

[4] Entergy disagrees with this general statement made by the ICT about Entergy's next-day study process. Entergy does perform an off-peak study for days in which a planned outage is scheduled that may create off-peak issues. Since there was no such scheduled outage related to the TLR 5 in this report, there was no off-peak study performed on this day.

AFC available on WHBSHE_MABEL (MW)	Average of 24 hours on 5/22/2010
AFC Initialization Summary Report Timestamp	
5/20/10 20:03	720
5/21/10 10:27	743
Difference	23

Sum of impact of firm reservations and rfcalc baseflow on WHBSHE_MABEL (MW)	Average of 24 hours on 5/22/2010
AFC Initialization Summary Report Timestamp	
5/20/10 20:03	1012
5/21/10 10:27	989
Difference	-23

	AFC available on WHBSHE_MABEL (MW)																							
AFC Initialization Summary Report Timestamp (CST)	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
5/21/10 10:27	574	570	560	552	524	519	548	641	649	632	721	812	839	913	948	983	988	977	931	863	857	851	762	626
5/21/10 23:16	573	465	443	506	469	473	536	569	561	604	645	698	754	825	876	894	938	936	874	808	892	734	795	713
5/22/10 0:44		576	471	460	487	491	551	571	563	621	666	768	822	891	941	957	1001	999	939	875	961	803	812	729
5/22/10 1:16			576	455	420	488	547	568	567	633	707	804	859	928	980	997	1041	1036	976	911	994	847	825	737
5/22/10 1:41			576	455	420	488	547	568	567	633	707	804	859	928	980	997	1041	1036	976	911	994	847	825	737
5/22/10 2:15				329	376	385	512	547	531	594	650	744	797	867	917	934	977	972	914	849	932	785	781	693
5/22/10 3:14					329	478	499	581	592	656	740	837	891	960	1010	1027	1069	1065	1007	942	1024	877	879	791
5/22/10 4:14						397	513	503	685	747	786	882	968	1054	1104	1120	1162	1156	1097	1032	1015	968	930	845
5/22/10 5:31							397	525	536	686	837	938	992	1061	1110	1125	1167	1160	1103	1038	1120	962	872	771
5/22/10 6:15								48	653	801	999	1102	1172	1245	1297	1315	1357	1347	1287	1218	1295	1123	1029	894
5/22/10 7:14									-59	614	788	933	985	1066	1119	1137	1180	1171	1112	1040	1110	963	874	789
5/22/10 8:13										340	590	808	921	1001	1065	1085	1128	1116	1045	1048	1120	975	935	847
5/22/10 9:13											486	758	839	1010	1075	1105	1157	1136	1064	1072	1144	990	891	820
5/22/10 10:12												-23	829	930	1110	1145	1194	1177	1108	1106	1164	1013	904	832

12. Description of actions taken to avoid future hold/curtailments.
This TLR was caused by a combination of generation patterns, load, and system flows. Due to this situation, no actions were taken to avoid future hold/curtailments.

The ICTE RC uses the congestion management process to mitigate Post Contingent overloads. This includes using the NERC accepted IDC TLR process.

This was an identified issue in the 2009 ICT Strategic Transmission Plan (ISTEP) located under Central Arkansas Constraint.

13. Provide IDC generated Congestion Management Reports showing transaction curtailment list and Control Area NNL (network and native load) curtailment responsibility.
Congestion Management Reports for each issuance of the TLR have been reviewed and kept on file. These screen shots are not being provided to reduce the size of this report

14. Re-dispatch actions taken.
Entergy achieved their NNL obligation by moving generation on White Bluff and Independence 1 and 2.

Event History

Issuing RC: ICTE
Flowgate: 1324 - WhiteBluff-Sheridan for loss of Mabelvale-Sheridan
Event Begin: 2010-05-21 22:20
Event End: 2010-05-22 10:25
Event Duration: 12 Hours

TLR Level	TLR Date	TLR Confirm Time	Run Time	Requested Relief	Remaining Relief	Relief Provided	Total Cuts	
							Tags	MW
TLR Level 4	05/21/2010 22:20	05/21/2010 22:10	05/21/2010 22:07:23	0.0	0.0	0.0	11	521
TLR Level 5B	05/21/2010 23:25	05/21/2010 23:13	05/21/2010 23:11:51	250.0	0.0	255.1	50	206
TLR Level 5A	05/22/2010 01:00	05/22/2010 00:29	05/22/2010 00:26:54	154.0	0.0	317.8	53	554
TLR Level 5A	05/22/2010 02:00	05/22/2010 01:29	05/22/2010 01:27:16	173.0	0.0	321.1	55	551
TLR Level 5A	05/22/2010 03:00	05/22/2010 02:33	05/22/2010 02:31:24	214.0	0.0	355.3	51	589
TLR Level 5A	05/22/2010 04:00	05/22/2010 03:38	05/22/2010 03:36:26	189.0	0.0	330.2	51	561
TLR Level 5A	05/22/2010 05:00	05/22/2010 04:31	05/22/2010 04:29:03	146.0	0.0	286.0	54	477
TLR Level 5A	05/22/2010 06:00	05/22/2010 05:35	05/22/2010 05:31:14	24.0	0.0	163.4	48	381
TLR Level 5A	05/22/2010 07:00	05/22/2010 06:30	05/22/2010 06:28:30	106.0	0.0	162.8	53	410
TLR Level 5A	05/22/2010 08:00	05/22/2010 07:30	05/22/2010 07:29:33	58.0	0.0	131.2	54	406
TLR Level 5A	05/22/2010 09:00	05/22/2010 08:29	05/22/2010 08:28:27	0.0	0.0	42.8	6	282
TLR Level 4	05/22/2010 09:40	05/22/2010 09:29	05/22/2010 09:28:01	0.0	0.0	0.0	0	0
TLR Level 0	05/22/2010 10:25	05/22/2010 10:11	05/22/2010 10:11:20	0.0	0.0	0.0	0	0

Event Summary

FILE SAVED AS: ICTE_1324_20100521_2220.htm

Incident:	ICTE_1324_20100521_2220	Date: 05/21/2010 (CDT)	Reliability Coordinator: ICTE
Initial Conditions:	N/A		
Flowgate:	1324 - WhiteBluff-Sheridan for loss o...	Rating: 1732	LODF: 79.73%
TLR Direction:	Normal		
Effective StartTime:	05/21/2010 23:20 (CDT)	Effective EndTime: 05/22/2010 11:25 (CDT)	TLR Duration: 12 Hours and 5 Minutes

TLR Actions

Confirm Time	Level	Effective Hour	Priority	Schedule							NNL Relief			Market Relief				Flow			
				Total Tags Cut / Hold	IDC Cut		RC Cut Acknowledge		Hold		CA	IDC MW	RC Ackn MW	Type	Mkt	IDC MW	RC Ackn MW	Current	Post Cont.	Cont. Flow	TLR Action Comments
					MW	Relief	MW	Relief	MW	Relief											
May 21 23:10 (CDT)	TLR 4	CURRENT	1-NS	1 / 0	16	1.0	16	1.0	0	0.0		NONE		ED-2	SWPP	0.0	0.0	1168	1852	858	N/A
			2-NH	4 / 0	145	13.4	145	13.4	0	0.0				ED-5	SWPP	55.0	55.0				
			6-NN	6 / 0	357	71.5	357	71.5	0	0.0				FIRM-7	SWPP	0.0	0.0				
			Total	11 / 0	1155	85.8	521	85.8	0	0.0				Total		55.0	55.0				
		NEXT	1-NS	0 / 1	0	0.0	0	0.0	6	0.3		NONE			NONE						
			2-NH	6 / 0	241	34.7	241	34.7	0	0.0											
			6-NN	3 / 0	393	65.1	393	65.1	0	0.0											
			Total	9 / 1	1155	99.7	634	99.7	6	0.3											
May 22 00:13 (CDT)	TLR 5B	CURRENT	7-F	50 / 0	206	50.7	206	50.7	0	0.0	EES	144.0	144.0	ED-2	SWPP	0.0	0.0	1220	1955	923	N/A
			Total	50 / 0	206	50.7	206	50.7	0	0.0	SMEE	5.0	5.0	ED-6	SWPP	81.0	81.0				
											TVA	10.0	10.0	FIRM-7	SWPP	13.3	13.3				
											Total	159.0	159.0	Total		94.3	94.3				
		NEXT	1-NS	1 / 0	112	24.9	112	24.9	0	0.0		NONE			NONE						
			2-NH	3 / 0	152	28.0	152	28.0	0	0.0											
			6-NN	1 / 0	88	19.5	88	19.5	0	0.0											
			7-F	44 / 3	220	51.3	220	51.3	101	13.3											
			Total	49 / 3	206	123.6	572	123.6	101	13.3											
May 22 01:29 (CDT)	TLR 5A	NEXT	2-NH	3 / 0	152	28.0	152	28.0	0	0.0	EES	129.0	129.0	ED-2	SWPP	0.0	0.0	917	1602	860	N/A
			6-NN	1 / 0	200	44.3	200	44.3	0	0.0	SMEE	5.0	5.0	ED-5	SWPP	29.0	29.0				
			7-F	49 / 0	202	48.8	202	48.8	0	0.0	TVA	8.0	8.0	FIRM-7	SWPP	25.1	25.1				
			Total	53 / 0	554	121.0	554	121.0	0	0.0	Total	142.0	142.0	FIRM-CREDIT	SWPP	0.0	0.0				
														Total		54.1	54.1				
May 22 02:29 (CDT)	TLR 5A	NEXT	2-NH	3 / 0	152	28.0	152	28.0	0	0.0	EES	124.0	124.0	ED-2	SWPP	0.0	0.0	889	1648	953	N/A
			6-NN	1 / 0	200	44.7	200	44.7	0	0.0	SMEE	5.0	5.0	ED-5	SWPP	45.0	45.0				
			7-F	51 / 0	199	47.8	199	47.8	0	0.0	TVA	8.0	8.0	FIRM-7	SWPP	19.2	19.2				
			Total	55 / 0	551	120.4	551	120.4	0	0.0	Total	137.0	137.0	FIRM-CREDIT	SWPP	0.0	0.0				
														Total		64.2	64.2				
May 22 03:33 (CDT)	TLR 5A	NEXT	2-NH	2 / 0	100	19.6	100	19.6	0	0.0	EES	124.0	124.0	ED-2	SWPP	0.0	0.0	872	1647	973	N/A
			7-F	47 / 0	237	53.6	237	53.6	0	0.0	SMEE	5.0	5.0	ED-5	SWPP	73.0	73.0				
			Total	49 / 0	337	73.2	337	73.2	0	0.0	TVA	8.0	8.0	FIRM-7	SWPP	20.1	20.1				
											Total	137.0	137.0	FIRM-CREDIT	SWPP	0.0	0.0				
														Total		93.1	93.1				
May 22 04:38 (CDT)	TLR 5A	NEXT	2-NH	2 / 0	100	19.7	100	19.7	0	0.0	EES	124.0	124.0	ED-2	SWPP	0.0	0.0	912	1681	965	N/A
			6-NN	1 / 0	200	43.6	200	43.6	0	0.0	SMEE	5.0	5.0	ED-5	SWPP	51.0	51.0				
			7-F	47 / 2	209	53.3	209	53.3	25	10.2	TVA	8.0	8.0	FIRM-7	SWPP	18.4	18.4				
			Total	50 / 2	509	116.6	509	116.6	25	10.2	Total	137.0	137.0	FIRM-CREDIT	SWPP	0.0	0.0				
														Total		69.4	69.4				

May 22 05:31 (CDT)	TLR 5A	NEXT	2-NH 7-F **Total**	2 / 0 50 / 1 **52 / 1**	100 173 **273**	19.7 37.1 **56.9**	100 173 **273**	19.7 37.1 **56.9**	0 103 **103**	0.0 11.2 **11.2**	EES SMEE TVA **Total**	123.0 5.0 8.0 **136.0**	123.0 5.0 8.0 **136.0**	ED-2 ED-6 FIRM-7 FIRM-CREDIT **Total**	SWPP SWPP SWPP SWPP	0.0 40.0 21.1 0.0 **61.1**	0.0 40.0 21.1 0.0 **61.1**	862	1599	925	N/A
May 22 06:35 (CDT)	TLR 5A	NEXT	1-NS 2-NH 7-F **Total**	1 / 0 3 / 0 44 / 0 **48 / 0**	100 204 77 **381**	15.8 36.2 15.3 **67.3**	100 204 77 **381**	15.8 36.2 15.3 **67.3**	0 0 0 **0**	0.0 0.0 0.0 **0.0**	EES SMEE TVA **Total**	48.0 2.0 3.0 **53.0**	48.0 2.0 3.0 **53.0**	ED-2 ED-6 FIRM-7 FIRM-CREDIT **Total**	SWPP SWPP SWPP SWPP	0.0 38.0 4.8 0.0 **42.8**	0.0 38.0 4.8 0.0 **42.8**	938	1622	858	N/A
May 22 07:30 (CDT)	TLR 5A	NEXT	2-NH 7-F **Total**	2 / 0 49 / 2 **51 / 2**	100 106 **206**	20.0 22.6 **42.5**	100 106 **206**	20.0 22.6 **42.5**	0 103 **103**	0.0 9.0 **9.0**	EES SMEE TVA **Total**	62.0 2.0 4.0 **68.0**	62.0 2.0 4.0 **68.0**	ED-2 ED-6 FIRM-7 FIRM-CREDIT **Total**	SWPP SWPP SWPP SWPP	0.0 8.0 12.7 0.0 **20.7**	0.0 8.0 12.7 0.0 **20.7**	974	1660	861	N/A
May 22 08:30 (CDT)	TLR 5A	NEXT	1-NS 2-NH 7-F **Total**	1 / 0 1 / 0 50 / 1 **52 / 1**	50 50 102 **202**	2.5 5.9 21.6 **30.0**	50 50 102 **202**	2.5 5.9 21.6 **30.0**	0 0 50 **50**	0.0 0.0 4.5 **4.5**	EES SMEE TVA **Total**	53.0 2.0 4.0 **59.0**	53.0 2.0 4.0 **59.0**	ED-2 ED-6 FIRM-7 FIRM-CREDIT **Total**	SWPP SWPP SWPP SWPP	0.0 0.0 11.6 0.0 **11.6**	0.0 0.0 11.6 0.0 **11.6**	967	1615	814	N/A
May 22 09:29 (CDT)	TLR 5A	NEXT	2-NH 6-NN 7-F **Total**	2 / 0 2 / 0 0 / 3 **4 / 3**	51 27 0 **78**	5.9 5.7 0.0 **11.6**	51 27 0 **78**	5.9 5.7 0.0 **11.6**	0 0 211 **211**	0.0 0.0 25.5 **25.5**	NONE			ED-2 ED-6 FIRM-7 FIRM-CREDIT **Total**	SWPP SWPP SWPP SWPP	0.0 0.0 0.0 0.0 **0.0**	0.0 0.0 0.0 0.0 **0.0**	883	1446	707	N/A
May 22 10:29 (CDT)	TLR 4	CURRENT	NONE								NONE			ED-2 ED-6 FIRM-7 **Total**	SWPP SWPP SWPP	0.0 0.0 0.0 **0.0**	0.0 0.0 0.0 **0.0**	957	1546	739	N/A
		NEXT	1-NS 2-NH **Total**	1 / 0 2 / 0 **3 / 0**	100 154 **254**	15.3 21.8 **37.0**	100 154 **254**	15.3 21.8 **37.0**	0 0 **0**	0.0 0.0 **0.0**	NONE			NONE							
May 22 11:11 (CDT)	TLR 0	CURRENT	NONE								NONE			NONE				847	1299	568	N/A

TLR Schedule Totals

Priority	Schedule			
	Total Tags Cut / Hold	IDC Cut MW	RC Cut Acknowledge MW	Hold MW
0	0	0	0	0
1	5	378	378	6
2	35	1704	1704	0
3	0	0	0	0
4	0	0	0	0
5	0	0	0	0
6	15	1465	1465	0
7	481	1731	1731	593
Total	**536**	**5278**	**5278**	**599**

TLR NNL Totals

CA	NNL Relief	
	IDC MW	RC Ackn MW
EES	931.0	931.0
SMEE	36.0	36.0
TVA	61.0	61.0
Total	**1028.0**	**1028.0**

TLR Market Flow Totals

Market	Type	Market Relief	
		IDC MW	RC Ackn MW
SWPP	ED-2	0.0	0.0
	ED-6	420.0	420.0
	FIRM-7	146.3	146.3
Total for SWPP		566.3	566.3
Total		**566.3**	**566.3**

Date	Time	Category	Operator Name	Issue
05/21/10	2302	Flow Gate Assessment	Wayne/Chad	Assessed FG as ICP PC 102%
05/21/10	2307	TLR - 4	Wayne/Chad	Issued TLR 4 PC 107% Ref # 259670, no internal nonfirm tags available
05/22/10	0011	TLR - 5b	Wayne Johnson	Issued TLR 5B PC 113% Ref # 259670, no internal nonfirm tags available. NNL: EES 144.1, SMEE 5.1, SPA .2, TVA 9.7. TVA dropping Allen units 105mws. Informed SWPP RC that SPA could hold generation at present levels.

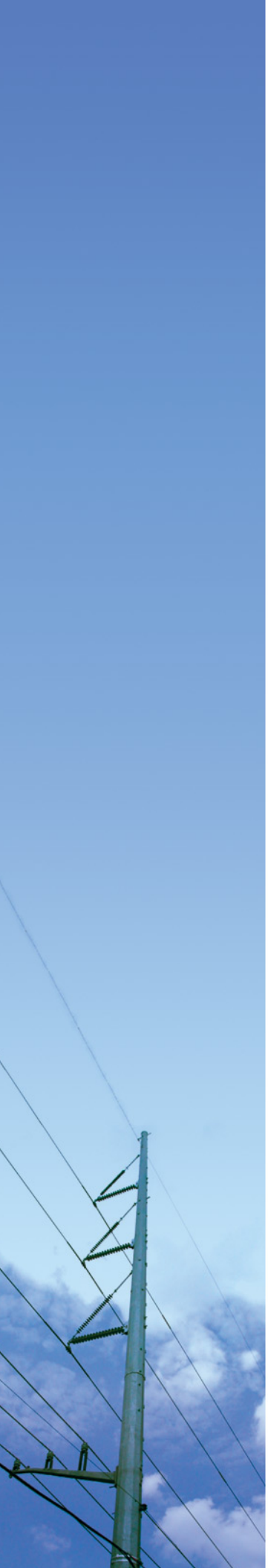
05/22/10	0126	TLR - 5a	Wayne Johnson	Issued TLR 5A PC 93%, no internal nonfirm tags available. NNL: EES 129.3, SMEE 4.9, SPA .2, TVA 8.3. TVA raising Allen units 14mws.
05/22/10	0227	TLR - 5a	Wayne Johnson	Reissued TLR 5A PC 95%, no internal nonfirm tags available. NNL: EES 124, SMEE 4.6, SPA .2, TVA 7.7. TVA setting Allen units at 84mws.
05/22/10	0331	TLR - 5a	Wayne Johnson	Reissued TLR 5A PC 95%, no internal nonfirm tags available. NNL: EES 124.3, SMEE 4.7, SPA .2, TVA 7.8.
05/22/10	0436	TLR - 5a	Wayne Johnson	Reissued TLR 5A PC 97%, no internal nonfirm tags available. NNL: EES 123.6, SMEE 4.6, SPA .2, TVA 7.7.
05/22/10	0529	TLR - 5a	Wayne Johnson	Reissued TLR 5A PC 92%, no internal nonfirm tags available. NNL: EES 123.3, SMEE 4.6, SPA .2, TVA 7.7.
05/22/10	0630	TLR - 5a	Heath Martin	Re-issued TLR 5a, PC 94% EES NNL 48.4, SMEE 1.8, SPA 0.1, TVA 3.1, no internal non-firm identified
05/22/10	0730	TLR - 5a	Heath Martin	Re-issued TLR 5a, PC 96% EES NNL 62.3, SMEE 2.1, SPA 0.1, TVA 3.9, no internal non-firm identified
05/22/10	0830	TLR - 5a	Heath Martin	Re-issued TLR 5a, PC 93% EES NNL 53.1, SMEE 1.7, SPA 0.1, TVA 3.5, no internal non-firm identified
05/22/10	0930	TLR - 5a	Heath Martin	Re-issued TLR 5a, PC 84%, NO NNL, JEFF026 Internal Non-firm tag identified As provided in the email to the Shift Supervisor, the ICT RC has issued a TLR Level 5a on Flowgate 1324 WhiteBluff-Sheridan for loss of Mabelvale-Sheridan . At this time Entergy is instructed to curtail the non-firm portion of the following Schedules JEFF026. These curtailments should remain in place until the TLR level is reduced below a TLR Level 3.

05/22/10	1030	TLR - 4	Heath Martin	Issued TLR 4, PC 89%, 0045131 Internal non-firm tag identifiedFor 1030 TLR 4 issue As provided in the email to the Shift Supervisor, the ICT RC has issued a TLR Level 4 on Flowgate 1324 WhiteBluff-Sheridan for loss of Mabelvale-Sheridan . At this time Entergy is instructed to curtail the non-firm portion of the following Schedules 0045131. These curtailments should remain in place until the TLR level is reduced below a TLR Level 3.
05/22/10	1115	TLR - 0	Heath Martin	Issued TLR 0, PC 75%

APPENDIX 1

Generation Summary[5]

[5] Redacted due to the confidential nature of the information.



SPP Reliability Coordinator TLR 5 Analysis Report for the ICT Reliability Area

MAINTAINED BY
SPP Reliability Coordinator

PUBLISHED: 10/11/2010
LATEST REVISION: 10/12/2010

Southwest Power Pool

Table of Contents

1. Executive Summary

This report analyzes Transmission Loading Relief (TLR) level 5 events issued by the Southwest Power Pool (SPP) Reliability Coordinator in the Independent Coordinator of Transmission (ICT) reliability area. The analysis used statistical data from January 1, 2010 through September 30, 2010, and is divided into three sections: total number of TLR 5 events, arrangement of TLR 5 events by flowgates, and the overlap of TLR and Local Area Problem (LAP) flowgates.

The TLR 5 events are arranged by the state, in which the flowgate contingent element is located, and include the flowgate name and interchange distribution calculator (IDC) identifier, dates and number of events and TLR level for the flowgate during the reporting period, cause of the TLR 5 event, and a proposed mitigation plan to limit future TLR 5 events on the flowgate. The report also includes a list of each state's total number of TLR5s and amount of firm curtailment in gigawatt hours.

The overlap of TLR/LAP flowgates is listed, along with an explanation of the transmission congestion management assessment process. This explanation includes the assessment formula for determining the TLR or LAP and an example of the calculation using the formula.

The SPP Reliability Coordinator makes the following recommendations:

- Perform off-peak engineering analysis on all transmission outages.
- Schedule transmission upgrades as soon as possible on the flowgates with the greatest TLR 5 activity.
- Provide greater accuracy between the projected generation and the actual generation in the Available Flowgate Capacity (AFC) model.
- The SPP Reliability Coordinator should be given approval rights for generation outages in the ICT reliability area.

This report acknowledges the following limitations to the analysis performed on the TLR 5 events:

- The research is from the SPP Reliability Coordinator's perspective and does not include economic considerations.
- It is difficult to project generation dispatch in real-time.
- Most of the TLR 5 activity is on the 500 kV transmission grid, which is owned by Entergy but used by multiple entities.

2. TLR 5 Statistics

The following chart represents the TLR 5 activity by state and gigawatt hours curtailed.

For the ICT footprint, the 500 kV transmission grid in Arkansas incurred 73% of gigawatt hours curtailed and 60% of TLR 5 events.

State	# TLR5's	GWH
Arkansas	44	87.18
Louisiana	8	6.92
Louisiana/Texas	9	17.79
Mississippi	12	8.20
Grand Total	73	120.09

3. TLR 5 Events by Flowgates

Arkansas

1324 - Whitebluff-Sheridan for loss of Mabelvale-Sheridan

TLR Date	Return To Zero	Level
4/30/2010 23:15	5/1/2010 13:30	5a
5/15/2010 22:00	5/17/2010 06:40	5b
5/17/2010 23:00	5/18/2010 06:40	5a
5/18/2010 22:00	5/19/2010 05:45	5b
5/19/2010 22:00	5/20/2010 06:30	5a
5/20/2010 21:45	5/21/2010 06:45	5a
5/21/2010 22:20	5/22/2010 10:25	5b

Cause:
This is an off-peak issue created because of a north-to-south power transfer during the off-peak hours. Nelson 6 is a coal unit in the south portion of the Entergy system that was not available during this time due to planned maintenance activities.

Mitigation Plan:
This issue is addressed in the 2009 ICT Strategic Transmission Expansion Plan (ISTEP). There are two short-term opportunities to limit TLR 5 activity on this flowgate:

- A generation ratio between the north and south generation should be established to limit the north to south power transfer. The appropriate ratio would be determined by engineering analysis and could be established on a daily or seasonal basis.

- The second opportunity for mitigation would be to provide the Reliability Coordinator with approval authority for planned generation outages. Currently, the Reliability Coordinator manages the system without this authority; in many instances, generation maintenance activities create transmission constraints that require the congestion management process to relieve the constraint.

1913 - Keo-West Memphis 500 kV for the loss of Independence-Dell 500 kV

TLR Date	Return To Zero	Level
7/22/2010 06:35	07/22/2010 22:35	5b
7/20/2010 08:00	7/20/2010 21:40	5a
7/21/2010 06:20	7/21/2010 23:30	5a
7/23/2010 06:20	7/23/2010 22:35	5a

Cause:
This on-peak issue was created from high loads and large west-to-east power transfers. Most of these power transfers were generated from the west side of the Entergy transmission system and sent to Tennessee Valley Authority and Southern Company.

Mitigation Plan:
Review the AFC methodology to ensure greater accuracy between model and real-time generation dispatch; this would limit flows across the transmission system from west to east.

Long-term planning should investigate possible upgrades to these 500 kV transmission facilities to allow greater transfer capability from west to east.

1966 - Sheridan - Mabelvale 500 kv ftlo White Bluff - Keo 500kv

TLR Date	Return To Zero	Level
6/22/2010 10:00	6/22/2010 21:15	5b
6/23/2010 09:30	6/23/2010 21:35	5a
7/17/2010 12:00	7/17/2010 20:35	5b
7/19/2010 10:05	7/19/2010 23:00	5b
7/26/2010 09:45	7/26/2010 22:00	5b
7/27/2010 09:30	7/27/2010 22:00	5b
7/28/2010 08:55	7/28/2010 21:30	5a
7/29/2010 08:45	7/29/2010 21:30	5a
8/12/2010 10:00	8/12/2010 22:00	5a
8/13/2010 10:00	8/13/2010 21:20	5a
8/14/2010 11:30	8/14/2010 21:00	5b
8/20/2010 10:00	8/20/2010 22:00	5a
8/21/2010 14:00	8/21/2010 22:00	5a
8/23/2010 10:55	8/23/2010 23:15	5b
8/30/2010 11:20	8/30/2010 22:35	5a
8/31/2010 11:00	8/31/2010 22:30	5a
8/9/2010 10:50	8/9/2010 23:30	5a

Cause:
This is typically an on-peak issue resulting from south-to-north power flow due to off-system sales from an internal generation-only control area. Amite South and Gulf States Utilities (GSU) are dispatched to serve native load during high load periods.

Mitigation Plan:
Review AFC model to ensure that generation dispatch in the model is comparable to real-time generation dispatch.

Long-term planning should investigate transmission upgrades to provide additional transfer capability to support off-system sales.

The North-to-south generation ratio recommended in the ICT Reliability Improvement Plan would assist in managing this transmission constraint.

14804 - Russellville E-Russellville S 161 kv FTLO ANO - Ft. Smith 500kv

TLR Date	Return To Zero	Level
8/9/2010 15:30	8/9/2010 18:00	5b

Cause:
OG&E de-rated several units when a 345 kV transmission line from Ft. Smith to Muskogee tripped due to grass fire underneath line. Generation at the Muskogee generation plant also tripped for unrelated reasons on August 9, 2010. The combination of these events led to a reverse flow on the Entergy ANO – Ft. Smith 500 kV line, which is the contingent element for this flowgate. The flow on the contingent element created the constraint and required the TLR action.

The market-coordinated flowgate listed below (16556) was created at 18:00 on August 9, 2010 to achieve the required relief from the SPP market that was not available until the original flowgate (14804) was coordinated with the market.

Mitigation Plan:
There is no mitigation planned for this event, as it was created by a forced outage on the transmission system.

16556 - Russellville E-Russellville S 161 kv FTLO ANO-Ft.Smith 500kv (MKT COOR)

TLR Date	Return To Zero	Level
8/9/2010 18:00	8/9/2010 22:45	5a
8/11/2010 11:00	8/11/2010 23:00	5a

Cause:
The cause of this event is listed above.

Mitigation Plan:
No mitigation required.

16288 - Marshall-Botkinburg 161 kv ftlo Dardanelle Dam-Russellville S. 161kv

TLR Date	Return To Zero	Level
4/6/2010 19:00	4/7/2010 00:00	5a

Cause:
Arkansas Nuclear One (ANO) planned outage.

Mitigation Plan:
The Reliability Coordinator should have approval authority for generation maintenance outages.

Review the AFC methodology to ensure greater accuracy between the model generation dispatch and real-time generation dispatch.

16314 - Mabelvale-Bryant 115 KV for the loss of Sheridan - Mabelvale 500KV

TLR Date	Return To Zero	Level
4/13/2010 00:40	4/13/2010 06:15	5b

Cause:
The Sheridan - White Bluff 500 kV outage was planned to perform SERC-required relay calibration and check direct current control for the breakers. The testing was performed at the Sheridan substation.

The TLR activity was off-peak; the Reliability Coordinator's next day on-peak analysis did not reveal this transmission constraint, and the outage was approved.

Mitigation Plan:
The Reliability Coordinator should perform off-peak analysis for all request outages; the off-peak model is being created for this analysis.

16445 - Wmemphis - BirmingST 500 KV FTLO SanSouci-Shelby 500KV

TLR Date	Return To Zero	Level
7/24/2010 09:55	7/24/2010 22:30	5a
7/30/2010 09:00	7/30/2010 22:00	5a
8/16/2010 8:00	8/16/2010 21:40	5a
8/17/2010 9:00	8/17/2010 21:35	5b
8/18/2010 8:00	8/18/2010 21:40	5a
8/19/2010 9:00	8/19/2010 21:40	5a

Cause:
This on-peak issue was created from high loads and large west-to-east power transfers. Most of these transfers were generated from the west side of the Entergy transmission system and sent to Tennessee Valley Authority and Southern Company.

Mitigation Plan:
Review the AFC methodology to ensure greater accuracy between model and real-time generation dispatch; this would limit flows across the transmission system from west to east.

Long-term planning should investigate possible upgrades to these 500 kV transmission facilities to allow greater transfer capability from west to east.

16470 - Melbourne-Calico Rock 161 kV ftlo ISES-Dell 500kV

TLR Date	Return To Zero	Level
7/14/2010 10:20	7/14/2010 22:55	5b
7/15/2010 19:00	7/15/2010 22:00	5a
8/10/2010 20:00	8/10/2010 22:15	5a
8/9/2010 9:00	8/9/2010 23:30	5b

Cause:
This issue was caused by south-to-north power transfers due to high loads in the area; additional impact was caused by the lack of Southwestern Power Administration (SPA)hydro generation due to water restrictions placed by the Army Corps of Engineers.

Mitigation Plan:
The 161 kV transmission system should be evaluated for transmission upgrade opportunities due to increasing load in the area. No upgrades are planned for this area at this time.

16500 - Sage-Melbourne 161 kV FTLO Independence-Dell 500 kV

TLR Date	Return To Zero	Level
7/15/2010 10:30	7/15/2010 19:00	5b

Cause:
This event was declared on the incorrect line section; 16470 was the correct flowgate for this transmission constraint. At 19:00 on 7/15/10, the Reliability Coordinator switched the TLR activity to the correct flowgate. There was no adverse impact from this action, as the same relief requirements are in effect for both flowgates.

Mitigation Plan:
The mitigation plan for 16470 also applies to this flowgate.

Louisiana

1347 - Wilbert-Livonia for loss of Webre-Wells

TLR Date	Return To Zero	Level
4/9/2010 05:00	4/9/2010 22:40	5b

Cause:
The Nelson 6 generating unit was in a planned maintenance outage, which reduces generation on the west side of the Entergy system that is available to balance flow across the contingent 500 kV Webre–Wells element.

Mitigation Plan:
The Reliability Coordinator should have approval authority for generation maintenance outages.

This was a single occurrence, so no other mitigation action is planned at this time.

15867 - Webre-Willow Glen 500 kv ftlo Big Cajun-Fancy 500 kv

TLR Date	Return To Zero	Level
7/8/2010 11:00	7/8/2010 21:35	5a
7/31/2010 08:40	7/31/2010 21:00	5a
8/1/2010 09:50	8/1/2010 22:00	5a
8/2/2010 09:00	8/2/2010 20:50	5a
8/3/2010 08:00	8/3/2010 20:40	5a
8/4/2010 08:00	8/4/2010 18:45	5b

Cause:
On 7/8/10, the Ninemile 4 generating unit was forced offline due to a tube leak in the boiler.

All other TLR events on this flowgate were due to the Riverbend planned outage to correct an ID fan problem.

Mitigation Plan:
No mitigation is planned at this time; the circumstances that created the TLR event were either forced or associated with a Nuclear Regulatory Commission (NRC) directive to make repairs to the nuclear unit. The load was high during this time; typically the units would have been in service.

16132 - Nelson-LakeCharlesBulk1 138 kv for the loss of Nelson-Richard 500kv

TLR Date	Return To Zero	Level
7/8/2010 16:00	7/8/2010 21:20	5a

Cause:
The Whitebluff #2 generation unit was offline due to a tube leak, and was replaced with generation from the Sabine and Lewis Creek units, which has a negative impact on this flowgate.

Mitigation Plan:
This was a one-time occurrence created by a forced outage on a major generating plant that is typically dispatched during high load periods; there is no mitigation plan.

Louisiana/Texas

1388 - Mt. Olive - Hartburg for the loss of Webre - Wells

TLR Date	Return To Zero	Level
9/25/2010 2:35	9/27/2010 19:50	5b

Cause:
The Nelson 6 generating unit was forced offline due to a tube leak.

Mitigation Plan:
The circumstances that led to this TLR event do not require a mitigation plan.

16272 - Nelson AT1 500/230 for the loss of Hartburg 500kv - Cypress

TLR Date	Return To Zero	Level
3/23/2010 08:00	3/23/2010 16:00	5a
4/30/2010 10:30	5/1/2010 01:40	5a
5/16/2010 08:00	5/16/2010 22:50	5b
5/17/2010 09:55	5/17/2010 22:45	5a
5/19/2010 09:25	5/19/2010 23:20	5b
9/18/2010 10:00	9/18/2010 23:00	5b
9/19/2010 9:45	9/20/2010 0:40	5a
9/25/2010 6:00	9/25/2010 22:40	5a

Cause:
The TLR 5 events for March through May were created by the planned maintenance outage of the Nelson 6 generating unit. The TLR 5 events for September were due to a forced outage of Nelson 6.

Mitigation Plan:
The Reliability Coordinator should have approval authority for generation maintenance outages.

No other mitigation plan has been created.

Mississippi

1330 – McAdams 500-230 for loss of McAdams-Lakeover

TLR Date	Return To Zero	Level
2/12/10 07:00	2/12/10 13:25	5a
4/19/2010 12:55	4/20/2010 00:55	5a
5/11/2010 08:30	5/12/2010 00:40	5b
5/19/2010 20:00	5/20/2010 00:45	5a
5/21/2010 15:00	5/21/2010 18:40	5b
5/23/2010 22:20	5/24/2010 03:40	5b

Cause:
2/12/10: The Baxter-Wilson-Ray Braswell EHV switch upgrade was in progress as part of the Ouachita project. Loads were higher than expected, and the combination of negative-impacting Entergy and TVA generation created a post-contingent overload that was controlled with a TLR.

4/19/10: The El Dorado–Sterlington 500 kV element was in a planned outage to perform SERC-required relay calibration and check direct current control for the breakers. This testing was performed at the El Dorado substation.

All other TLR 5 events were due to planned outages of the Grand Gulf nuclear generating facility and the Nelson 6 generating facility.

Mitigation Plan:
McAdams substation upgrades are planned for 2011.

The Reliability Coordinator should have approval authority for generation maintenance outages

16373 - McAdams-Pickens 230 kV ftlo McAdams-Lakeover 500kV

TLR Date	Return To Zero	Level
5/18/2010 12:55	5/18/2010 20:45	5b

Cause:
The Grand Gulf nuclear facility was in a planned outage.

Mitigation Plan:
There is a proposed 230 kV line upgrade on the McAdams–Pickens 230kV line for 2011. This upgrade is also part of the Generation Interconnection study PID 221.

The Reliability Coordinator should have approval authority for generation maintenance outages.

16487 - McAdams AT1 ftlo Choctaw-West Point 500kV

TLR Date	Return To Zero	Level
07/22/2010 15:50	07/22/2010 23:00	5b
7/23/2010 11:00	7/23/2010 22:35	5a
7/25/2010 12:35	7/25/2010 22:25	5b
9/1/2010 16:00	9/2/2010 0:00	5a
9/2/2010 12:00	9/2/2010 21:00	5a

Cause:
July 2010: The Gerald Andrus generator was offline in an unplanned outage.
September 2010: The Gerald Andrus generator was offline in an unplanned outage.

Mitigation Plan:
These TLR events were due to unplanned generation outages; there is no mitigation plan other than the McAdams substation upgrades.

4. TLR/LAP Overlap Assessment Process

The Reliability Coordinator uses two types of congestion management processes to relieve congestion on the Entergy transmission system: the NERC-defined TLR process that provides relief from schedules and generation, and the Local Area Process used to relieve congestion in areas for which only Entergy dispatch can provide relief.

The Reliability Coordinator is responsible for determining the most effective method to provide relief for a transmission constraint, using the following assessment process:

A. The first part of the assessment process describes an interconnect problem (ICP) and is defined as follows:

   If the total Firm and Non-Firm Schedule impact on the constrained element/flowgate is greater than 10% of the Post-Contingent Flow, the problem will be deemed an ICP.

   All Schedules with a 5% or greater impact will be subject to curtailment during this procedure. The NERC IDC will be used to determine the impact of the schedules on the constrained element/flowgate, and the most current set of NERC TLR procedures will apply.

   Problems typically involve interchange transactions with other Balancing Authorities and transmission service reserved under the Entergy OATT and are “regional” in nature, probably caused due to parallel path flows, loop flows, or OATT service.

   The formula that represents an ICP during the assessment process is:
   Interconnection (NF + F) Impact / PC Flow > 10%

   An example of this formula is:
   NF Schedules equals 40
   Firm Schedules equals 60
   Post Contingent Flow on the limiting element equals 120
   (40 +60) = 100 / 120 = .83 or 83% >10%

   This issue would be declared by the Reliability Coordinator to be an ICP and the TLR process would be used.

B. The second method for relieving a transmission constraint is the Local Area Problem or LAP, defined below:

   If the total Firm and Non-Firm Schedule impact on the constrained element/flowgate is 10% or less than the Post-Contingent Flow, the problem will be deemed a LAP.

   All generators with a 3% or greater impact and that meet the other below requirements will be subject to curtailment during this procedure. The generation shift factors will be used to determine the impact of generators on the constrained element/flowgate.

   Problems are inside the Entergy Balancing Area and “local” in nature, probably caused due to import limitations, and/or an imbalance between generation and load. Potential

examples of this type of problem would be the Amite South Area and the GSU Western Division.

The formula that represents an LAP during the assessment process is:

Interconnection (NF + F) Impact / PC Flow <= 10%

An example of this formula is:

NF Schedules equals 10
Firm Schedules equals 0
Post Contingent Flow on the limiting element equals 120
(10 +0)= 10 / 120 = .08 or 8% >10%

This issue would be declared by the Reliability Coordinator to be a Local Area Problem (LAP) and the Local Area process would be used.

The Reliability Coordinator has assessed as an Interconnect Problem and Local Area Problem for the following flowgates during the reporting period. These flowgates are subject to either process, depending on the scheduled flow when it was assessed by the Reliability Coordinator.

FGID	Description	ICP	LAP
1309	Terrebonne-Greenwood for loss of Webre-Wells	14	2
1310	Rilla-Riverton for loss of MtOlive-ElDorado	1	4
1316	Scott-Semere 138kv FTLO Wells-Pont Des Mouton 230kv	66	4
1330	McAdams500-230 for loss of McAdams-Lakeover	38	3
1347	Wilbert-Livonia for loss of Webre-Wells	12	6
1350	North Crowley-Scott 138kV for loss of Richard-Scott 138kV	11	1
14764	Morrilton-East Gleason ftlo Pleasant Hills-Mayflower	12	1
14804	Russellville E-Russellville S 161kv FTLO ANO-Ft.Smith 500kv	3	3
15008	Nelson XF 500/230 ftlo Cyress-Hartburg 500 kv	7	1
15447	Ringgold-Sailes 115kv ftlo El Dorado-Longwood 500kv	1	1
15745	Woodstock-Vulchlor 230kV flo Willow Glen-Waterford 500kV	5	14
15909	North Crowley - Scott 138kv ftlo Wells - Pont D Mouton 230kv	25	1
15912	El Dorado 500/115 XFMR (ftlo) Mcneil 500/115 XFMR	1	41
15913	Newton Bulk - Hollysprings 138 kv (ftlo) Hartburg - Cypress 500 kv	1	27
15942	Smackover-Camden 115KV FTLO McNeil AT1	2	33
16177	Cecela Moril 138kv ftlo Scott-Judice	1	1
16184	Ringgold-Sales 115kV ftlo Dolet Hills-SW Shreveport 345kV	7	11
16272	Nelson AT1 500/230 (ftlo) Hartburg 500kv - Cypress	42	14
16320	Danville_Ola 115kV FTLO Mabelvale-Sheridan 500kV	1	1
16373	McAdams-Pickens 230kV ftlo McAdams-Lakeover 500kV	3	1
16398	Jackson Rankin - Jackson Airport 115kv ftlo Rankin AT1 230/115kv	3	90
16418	Blakely-Mountain Pine South 115kv ftlo Hot Springs South-Carpenter Dam 115kv	1	39
16445	Wmemphis-BirmingST 500KV FTLO SanSouci-Shelby 500KV	52	1
16470	Melbourne-Calico Rock 161kV ftlo ISES-Dell 500kV	16	25
16487	McAdams AT1 ftlo Choctaw-West Point 500kV	1	36
16500	Sage-Melbourne 161kV FTLO Independence-Dell 500 kV	3	7
16524	Baxter Wilson-Vicksburg SE 115 ftlo Vicksburg-Vicksburg W 115	1	13
16538	Mountain Pine N-Blakely 115kV ftlo Carpenter-Hot Springs S 115kV	1	27
1901	Hot Springs-Bismark for loss of El Dorado-Longwood	2	17
1903	Cecelia-Moril 138 kV for loss of Flanders-Hopkins 138 kV	49	2
1904	Sterlington-Oak Ridge 115 kV for loss of Perryville-Baxter Wilson 500 kV	1	48
1908	Brookhaven-Mallalieu 115 kV for the loss of Franklin-Bogalusa 500 kV	3	49
1911	Hartburg-Inland Orange 230 kV for the loss of Hartburg-Cypress 500 kV	13	20
1920	Mayflower-Morgan 115 kVfor the loss of Mayflower-Sylvan Hills 115 kV	16	31
1923	St. Gabriel-AAC Corp 230 kV for the loss of Coly-Vignes 230 kV	6	22
1927	St. Gabriel-AAC Corp 230 kV for the loss of Willow Glen-Waterford 500 kV	10	21
1946	Newport-Fisher 161 kV for the loss of Independence-Dell 500 kV	1	34
1967	Arkansas (ANO) - Pleasant Hills 500 kv (ftlo) Arkansas - Mabelvale 500 kv	18	1

5. Conclusion

This report documents the TLR 5 activity during the reporting period and offers the following recommendations:

- Perform off-peak engineering analysis on all transmission outages.
- Schedule transmission upgrades as soon as possible on the flowgates with the greatest TLR 5 activity.
- Provide greater accuracy between the projected generation and the actual generation in the Available Flowgate Capacity (AFC) model.
- The SPP Reliability Coordinator should be given approval rights for generation outages in the ICT reliability area.

The report offers an explanation of the Reliability Coordinator transmission constraint assessment process, and provides examples of the formula used by the Reliability Coordinator during the assessment process.

The report lists the transmission facilities that have been assessed as an Interconnect Problem and a Local Area Problem during the reporting period.

AFC Model Improvement Task Force Membership

Name	Company	Email
Jason Shook	ETEC	jason.shook@gdsassociates.com
John Chiles	ETEC	john.chiles@gdsassociates.com
Deral Danis	Constellation	deral.danis@constellation.com
Bruce Walkup	AECC	bwalkup@aecc.com
Matt Wolf	EMO	hwolf1@entergy.com
Roberto Paliza	Paliza Consulting LLC	Roberto@Palizaconsulting.com
Matt Harward	SPP	mharward@spp.org
Rick Henley	CWL – Jonesboro, AR	rhenley@jonesborocwl.org
Robert Lona	Suez	Robert.Lona@gdfsuezna.com
Jennifer Vosburg	NRG	Jennifer.vosburg@nrgenergy.com
Vinit Gupta	Entergy	VGUPTA@entergy.com
Sarah Lane	Tenaska	slane@tnsk.com
Tim Phillips	SPP	tphillips@spp.org
Scott Brown	SPP	bsbrown@spp.org
Joel Rogers	SMEPA	jrogers@smepa.coop
Jason Goar	SMEPA	jgoar@smepa.coop
Matthew Cripps	CLECO	matthew.cripps@cleco.com
Kenisha Webber	EMO	kwebber@entergy.com
Mike Boustany	LAFA	mbous@lus.org
Cameron Warren	Entergy	CWARRE1@entergy.com
Becky Turner	Entegra	BTurner@entegrapower.com
Jason Davis	SPP	jdavis@spp.org

ATC/AFC Stakeholder Issues/Questions

1. Improve interregional coordination and representation of neighboring systems in the daily AFC models.

2. Improve generations dispatch in AFC models so that forecasted MW flows are consistent with flows on the operating day.

3. Improve coordination between Tariff Administration and Reliability Coordination processes. These two processes need to be in synch especially in the day-ahead and operating day timeframes. The purpose of this is to prevent overselling of transmission service.

4. Speed-up the process to incorporate new flowgates in the AFC process so that Tariff Administrators do not oversell a flowgate in TLR because the flowgate was not included in the AFC model.

5. Fix Base Case Contingency Overloads in AFC models.

6. Resolve the QF put modeling issue in the AFC models.

7. Complete AFC benchmark effort and distribute findings and recommendations to stakeholders.

8. Finalize policy on timeframe to incorporate approved transmission upgrades in the AFC models. A proposal was developed by the AFC Improvement Task Force.

9. Review modeling assumptions to calculate Transfer Distribution Factors (TDFs) and determine whether changes are needed especially for small network customers.

10. Finalize policy on use of automatic operating guides in the calculation of AFCs.

11. Proposal to include transmission projects in the current Entergy Construction Plan that are scheduled for completion within a xxx month period.

a. Eliminate time-lag for insertion into model

12. Improve the current, official notification timeline for new transmission projects to be placed in the AFC/ATC calculation process. Consider a monthly or as-needed basis. This could be distributed to market participants via a defined e-mail list to ensure prompt (real-time) market notification.

13. Improvements in scheduled transactions (TIE FLOWS) outside the Entergy footprint that affect AFC/ATC Calculations.

    a. Estimation of ATC on seams transactions

14. Update stability runs that limit transmission lines below their thermal rating.

    a. Calculated limit is currently used throughout the year

    b. Consider seasonal or more frequent reviews

15. Improve coordination between real-time operations and AFC/ATC calculation. Example: Over selling of transmission system during TLR/LAP declarations.

16. Review enforcement of load pocket requirements during AFC/ATC calculations and possible improvements to this process.

17. How are case studies developed for AFC/ATC calculation, checked for accuracy in terms of line ratings, generator max/min capability, etc?

18. Investigate the possibility of using a short-term higher transmission line rating for hourly/daily transmission service.

SPP Southwest Power Pool

Helping our members work together
to keep the lights on...
today & in the future

Southwest Power Pool

AFC Task Force Update

- **October 20, 2010**

AFC Task Force

- **Conference Call held October 12, 2010**
- **Reviewed the list of 18 items**
- **Discussed the formation of the taskforce**

Review of the 18 items

- **The list of 18 was reviewed to see if any of the items could be consolidated**
- **Question about # 16 was completed**
  - **The group agreed that the item has been resolved at this time, but changes may require the solution to be monitored. Item to be reviewed and reported back to task force by November 12.**
- **Started prioritization of the open items**

Consolidation of Items

- **The group determined that items 1 and 13 were similar enough to be combined**
  - **Improve interregional coordination and representation of neighboring systems in the daily AFC models.**
  - **Improvements in scheduled transactions (TIE FLOWS) outside the Entergy footprint that affect AFC/ATC Calculations.**
    1. **Estimation of ATC on seams transactions**

Consolidation of Items cont.

- **Items 3, 4, and 15 similar enough to combine**
  - **Improve coordination between Tariff Administration and Reliability Coordination processes. These two processes need to be in synch especially in the day-ahead and operating day timeframes. The purpose of this is to prevent overselling of transmission service.**
  - **Speed-up the process to incorporate new flowgates in the AFC process so that Tariff Administrators do not oversell a flowgate in TLR because the flowgate was not included in the AFC model.**
  - **Improve coordination between real-time operations and AFC/ATC calculation. Example: Over selling of transmission system during TLR/LAP declarations.**

Prioritization of issues

- **The group determined that item 12 should be ranked as the first priority**
  - **Improve the current, official notification timeline for new transmission projects to be placed in the AFC/ATC calculation process. Consider a monthly or as-needed basis. This could be distributed to market participants via a defined e-mail list to ensure prompt (real-time) market notification.**
    1. **Entergy is researching this item and will provide an update by November 12.**

Prioritization of issues cont.

- **The group determined that the consolidated items (3, 4, and 15) should be ranked as the next item**
  - **Improve coordination between Tariff Administration and Reliability Coordination processes. These two processes need to be in synch especially in the day-ahead and operating day timeframes. The purpose of this is to prevent overselling of transmission service.**
  - **Speed-up the process to incorporate new flowgates in the AFC process so that Tariff Administrators do not oversell a flowgate in TLR because the flowgate was not included in the AFC model.**
  - **Improve coordination between real-time operations and AFC/ATC calculation. Example: Over selling of transmission system during TLR/LAP declarations.**

- **An action item was taken to better define the issues between RC and TA coordination**

AFC Task Force Membership

- **3 options briefly discussed, but no resolution for recommendation to SPC**
  - **Representation by sector**
  - **Poll members of the old task force**
  - **Poll the members of the SPC for membership**

- **All the Task Forces' under the SPC should have the same structure**

SPP Southwest Power Pool

Southwest Power Pool

Helping our members work together
to keep the lights on...
today & in the future

Weekly Procurement Process (WPP) Report

Stakeholder Policy Committee Meeting

October 20, 2010

WPP Operations

WPP Weekly Summary of Results

	# of Offers Submitted	Total MWs Offered	# of Offers Accepted	Total MWs Awarded
Week 79: 9/25/10 – 10/1/10	5	1,345	4	1,125
Week 80: 10/2/10 – 10/8/10	8	2,610	6	1,975
Week 81: 10/9/10 – 10/15/10	8	2,335	8	2,335
Week 82: 10/16/10 – 10/22/10	8	2,130	5	1,525

WPP Enhancements Update

WPP QF Puts Modeling Proposal

- **Testing results were provided to stakeholders at the September WPPIWG and ERSC WG meetings.**
- **Results showed a net decrease in offers selected, MWs forecast to be purchased, and estimated savings.**
- **Transmission line flows improved, relative to the accuracy of the QF put forecast.**
- **Hourly Flexibility violations decreased.**
- **Binding or violated Load Balance (Dump Energy) requirements increased.**

WPP QF Puts Modeling Proposal (ICT Position)

- **Testing results suggest the QF Put modeling proposal shifts software constraints (i.e. Hourly Flexibility vs. Dump Energy) rather than reducing constraints.**
- **The ICT believes the emergence of issues with the Dump Energy constraint may risk the stability of the WPP software beyond the benefits of the QF Puts modeling proposal.**
- **As a result, the ICT does not endorse the QF Puts modeling proposal.**

WPP QF Puts Modeling Proposal (Entergy Position)

- **Entergy currently is considering the input provided by the ICT and stakeholders.**

WPP Offer Period Extension Proposal

- **Testing results were provided to stakeholders at the September WPPIWG and ERSC WG meetings.**
- **This proposal produced an increase in hours that Third Party Suppliers could submit offers to the WPP.**
- **Testing results showed a net increase in offers selected, MWs forecast to be purchased, and estimated savings.**

WPP Offer Period Extension Proposal (ICT Position)

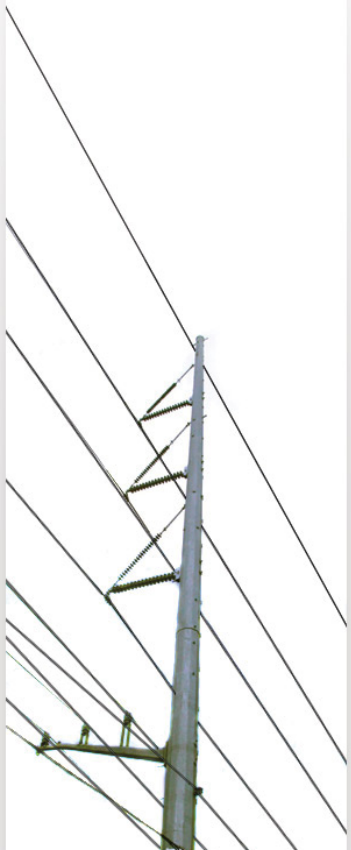
- **This proposal increases the number of hours in which Third Party Suppliers can compete to reduce Network Customer production costs and requires no modifications to the WPP software.**
- **The testing results showed minimal risk of increasing soft constraint violations.**
- **As a result, the ICT endorses this proposal for implementation in the WPP.**

WPP Offer Period Extension Proposal (Entergy Position)

- **Entergy is currently evaluating the WPP Offer Period Extension Proposal.**

Antoine Lucas
Manager, Inter-Regional Planning & Procurement
501-614-3382
alucas@spp.org

SPP Southwest Power Pool



Helping our members work together to keep the lights on...

today & in the future

Entergy Users Group

Report to the ICT Stakeholders Policy Committee
October 20, 2010

Assessment

- **Performed on 08/31/10 for the period 05/10 through 07/10**
- **Examined AFC and WPP data retention:**
  1. **Sampled evidence of the full and incremental backup processes**
  2. **Sampled evidence of the test restoration process**
  3. **Sampled AFC data storage on EMS and online file server**
  4. **Verified evidence of tape storage maintenance**
  5. **Discussed AFC/HDR data and end of life issues**
  6. **Reviewed FERC Filings**

Findings

- **Backup and Restoration Processes**

  - **Issues from previous assessment:**

    1. **The revised backup process has corrected the extend run times and increased the stability of the full weekly B&R**
    2. **Veritas Version 6 media server hardware was installed**

  - **Issue Updates/New Issues:**

    1. **The B&R process are still being revised to include the additional steps that are required to shorten B&R run times.**
    2. **ICT will continue to follow up to ensure the process documentation is updated with the additional steps**
    3. **Weekly Full backup did not run on July 17, 2010. ICT confirmed that the daily differential data backups ran successfully until the next weekly full backup ran on July 29. Entergy staff failed to document the backup issue as required by the documentation. Entergy is researching the cause and will report back to the ICT.**

Findings

- **AFC and WPP Date Archive:**
  - **Issues from previous assessment:**
    1. **Entergy is now fully current with all data backup processes**
       A. **At the time of the assessment, data was archived through April 2010**
       B. **Gap plan was completed ahead of schedule**
       C. **Extended run time issues are resolved**
  - **Issue Update:**
    1. **Entergy remains current will data backup processes**

FERC Filings

Summary of Docket No. ER05-1065-000 Filings:

			Discovered By:			Caused By:			
Period	Issues Filed	AFC Related	ICT	Entergy	Customer	OATI Software Issue	AREVA Software Issue	Human Error	Issues Corrected
05/10 - 07/10	8	8	2	4	2	1	3	4	8
02/10 - 04/10	10	8	2	7	1	1	0	9	10
11/09 - 01/10	10	10	6	3	1	5	0	5	10
08/09 - 10/09	1	1	0	1	0	0	0	1	1
05/09 - 07/09	3	1	2	1	0	-	2	1	2
02/09 - 04/09	3	3	2	1	0	-	1	2	3
Total	35	31	14	17	4	7	6	22	34

- **Work continues to produce this same chart dating back to 11/06.**

FERC Filings

- **June 3, 2010: Modeled Reservation File**
  - **On 05/24/10 Entergy confirmed an issue identified by the ICT had the potential to affect certain reservations in the Operating and Planning Horizon.**
  - **For certain TSRs, the modeled MW capacity printed in the "MOD file" was inconsistent with actual modeled MW capacity in the base flow MW sent to webTrans. AREVA determined that the issue only existed where "Load of a network customer is fully met without modeling any reservations in basecase and the local variable used in RFCALC code for writing reservation modeled capacity to MOD Files have a non zero value from previous runs".**
  - **This issue did not impact RFCALC's ability to model reservations correctly, hence it did not impact base flow calculations or response factors in RFCALC.**
  - **This error was introduced with the implementation of webTrans on 09/28/09. Areva provided a software patch to prevent further occurrences of this issue on 7/13/2010.**

FERC Filings

- **June 3, 2010: Load Schedules for External Control Areas**
  - **On 5/20/10 Entergy identified that load schedules for some external control areas (AECI, CSWS, EDE, AMIL, SPA, OKGE and LEPA) were constant for all seven days of the week from 1000 5/19/10, until corrected around 0900 on 5/20/10.**
  - **During the daily manual load forecast process an error was made which resulted in incorrect load forecast values. The error may have impacted base flow values for Operating and Planning Horizons. However, the impact to specific TSRs cannot be determined.**
  - **Entergy took three corrective actions to mitigate this issue:**
    1. **Scripts were modified to eliminate the manual step for file renaming.**
    2. **A control point was added after the first script creates the file containing 7-day loads to ensure the data used is valid. Additionally, as part of this control point, a spreadsheet was created to compare values in the ldsked.csv file to those in the NETMOM database to ensure a wider sample of areas from all different sources will be captured. This spreadsheet also reads and displays the timestamps of the value2.csv and ldsked.csv files to ensure that correct files are being used.**
    3. **A checklist was created and added to the procedure to further mitigate the likelihood of human error.**

FERC Filings

- **June 3, 2010: EMS Network Model**
  - **During the Weekly Procurement Process (WPP) quality checks on 5/20/10, it was identified that a topology error in the network model used in the Operating and Planning Horizons existed.**
  - **The 115 KV line between NLR Palm Street and NLR Dixie substation was incorrectly showing out of service for all time points in RFCALC. A breaker connecting the load at the station to the rest of the system was incorrectly designated as normally open in the network model resulting in RFCALC model being incorrect.**
  - **The error existed from 1705 5/13/10, until it was corrected at 1005 on 5/25/10. No corrective actions were identified for this issue. The error may have impacted the base flow and response factors for Operating and Planning Horizons; however, the impact, if any, would have been minimal because the load was only approximately 20 MW.**

FERC Filings

- **June 3, 2010: Inconsistent AFC Values**
  - **On 5/21/10, it was identified that for most hours of 05/24/10, PUPP was oversold by 100MW in AFC.**
  - **It was determined that webTrans was not properly removing "Recall credits" resulting in the AFCs to be incremented.**
  - **A manual workaround was implemented by the ICT on 5/21/10, and continued until the software fix was put in production on 5/24/10. This error potentially impacted the Operating, Planning and Study Horizons.**

FERC Filings

- **June 24, 2010: Network Model Reservation File**
  - **On 6/10/10, Entergy identified an issue where the EMS Network Model incorrectly identified Plum Control Area's only generator as an Independent Power Producer (IPP). This resulted in RFCALC not modeling the generator in Plum Control Area as an Automatic Generation Control (AGC) unit.**
  - **RFCALC has controls to disable AGC status of IPPs and Qualified Facilities (QF) to ensure that units are dispatched based on reservations and schedules. Plum is defined as an area type source in RFCALC and RFCALC requires at least one generator on AGC in the control area to model any reservations and schedules on area type sources.**
  - **Because of this error, the Plum area had no generator on AGC; thus, RFCALC was unable to model any reservation and schedules with Plum as source in the Operating and Planning Horizons. This error was introduced on 5/10/10 and Entergy corrected the issue on 6/11/10.**
  - **To prevent this type of error in the future, the Network Model User Guide will be converted to a procedure and checklists will be developed along with periodic reviews to ensure that procedure is followed. These are due by 10/31/2010.**

FERC Filings

- **July 1, 2010: Network Model Reservation File**
  - **On June 18, 2010, Entergy identified an issue where the participation factor used for Willow Glen Unit G4 was incorrect.**
  - **Since July 2009, the participation factor file used in the AFC process contained Willow Glen Unit G5 instead of G4 resulting in the participation factor for Unit G4 to be incorrectly set. Willow Glen Unit G5 had been placed on inactive reserve and was not used in response factor calculation since it was modeled as offline.**
  - **The issue was discovered during the software testing and was corrected on 6/18/10. Test cases used for participation factor file upload testing were modified to ensure that there is a one-to-one match between units specified in the participation factor file and units specified in the EMS network model for response factor calculation.**
  - **The impact on the response factors calculated for paths with EMO as the sink would be minimal since this was only one unit with an incorrect participation factor out of a total of 57 units used in the EMO sink.**

FERC Filings

- **July 8, 2010 Filing: Duplicate Flowgates**
  - **On 6/24/10 the ICT identified an error in the file containing the response factors and baseflows for the Operating and Planning Horizon.**
  - **The data file created by RFCALC contains up to the 15 most limiting flowgates for each transfer path for each hour/day of the horizon resyncs.**
  - **This error resulted in the file containing duplicate flowgates with incorrect response factors for several transfer paths for certain hours/days of resync.**
  - **Entergy determined that an error existed in a piece of code that was deployed into production on 6/21/10 at 1400. A temporary fix was implemented on 6/25/10 at 1700 until a permanent software fix was developed by the vendor. The permanent software patch was tested and deployed on 7/13/10.**
  - **This issue may have potentially impacted firm and non-firm reservations in the Operating and Planning Horizon that were queued between 6/21/10 at 1405 and 6/25/10 at 1700.**

FERC Filings

- **July 28 2010 Filing: Incorrect Modeling of Stack Reservations**
  - **On 7/12/10, Entergy identified an error in the way RFCALC was using the stack reservation files in the Planning Horizon.**
  - **The stack file is provided by customers and includes reservations for peak and off-peak hours for each day of AFC operating and planning horizon. The duration of reservations specified in peak hour may span the off-peak hours and vice versa; however, RFCALC should only model the reservations as specified by the customer in the stack file.**
  - **Due to a software error, RFCALC was using some peak hour reservations to meet the network customer load in an off-peak time point.**
  - **This error was introduced in an April 2009 code release. A manual workaround was put in place on 7/13/10. A permanent software fix for the issue was put in place on 7/21/10. This issue only affected certain reservations modeled in the Planning Horizon where ENTEMO was the sink.**
  - **At his time Entergy cannot determine the specific impact of this error on AFC values.**

Questions?

SPP Southwest Power Pool

Tim Phillips
Chair, Entergy User's Group
501-614-3562
tphillips@spp.org

Attachment 5

Southwest Power Pool, Inc. ("SPP")

INDEPENDENT COORDINATOR OF TRANSMISSION ("ICT") FOR ENTERGY

SECOND QUARTER 2010 ASSESSMENT

Report to the Entergy Users Group

September 16, 2010

Background

The ICT conducts a quarterly assessment of the Entergy Available Flowgate Capability (AFC) data retention processes. The most recent assessment was performed on August 31, 2010. Conducting the assessment on behalf of the ICT:

Joe Codemo, SPP IT Security and Risk Mitigation
Tim Phillips, Chair of the Entergy Users Group
Erin Jester, SPP Internal Audit

Representing Entergy:

Tim Angel, Supervisor, System Hardware Support
David Stacks, Sr. Associate System Analyst, System Management
Connie Wells, Sr. Staff Analyst, Transmission Compliance

Assessment

The ICT examined regular AFC and Weekly Procurement Process (WPP) data retention processes and investigated FERC Lost, Inaccurate or Mishandled submissions submitted since the last assessment. The ICT also reviewed pending recommendations and issues from the May 2010 assessment. A discussion of the assessment follows:

AFC and WPP-AFC Data Retention Process

The ICT performed a random sampling of compliance with key process controls to provide reasonable assurance that AFC and WPP-AFC data retention processes will prevent data loss. Upon arrival onsite August 31, 2010, the ICT requested Entergy make the following available for inspection:

1. Evidence to verify Energy Management System ("EMS") full and incremental backup processes were performed.
    a) Weekly full image backup logs for the dates 5/22 – 5/23/2010, 6/12 – 6/13/2010, and 7/17 – 7/18/2010.
    b) Daily incremental backup logs for the dates 5/26/2010, 6/7/2010, and 7/8/2010.
    c) Logs created from restoration testing of the above full and incremental backups.
    d) Transmittal documentation from both Information Vaulting Service ("IVS") and Entergy to substantiate tapes created for above backups were sent offsite.
    e) Tapes that were removed from the rotation during the May 1 through July 31 period were properly identified and logged.
    f) Obtain and review updated process documentation for reengineered data backup procedures.
2. Evidence to verify AFC and WPP data archive backup and restoration processes were performed.
    a) Remedy service requests from archive cycles performed during July 2010.
    b) Archive backup logs from archive cycles performed during May 2010.

   c) Veritas backup logs for the same – May 2010.
   d) Veritas logs from the restoration testing of archive cycles performed for June 2010.
   e) Evidence of restored file checksums comparison to backup list checksums for the June 2010 backup to ensure backup process produced no discrepancies.
3. Evidence of current plus three months AFC data are stored on the EMS and previous 13 months AFC data are stored on the online file server.
4. Evidence of action taken to resolve the issue of AFC data reaching end of life (5 year retention) but collocated on backup archive tapes with Historical Data Retention ("HDR") data that has 25 year retention.
   a) Obtain and review updated process documentation for reengineered AFC/HDR data retention procedures.
5. Root cause analysis of FERC filings for the period.

EMS Weekly Full and Daily Incremental Backup and Restoration Processes (Item 1)

The ICT found that weekly full data backup processes for July 17, 2010 and July 22, 2010 failed and were not performed due to unknown errors. The ICT reviewed evidence of the next successful weekly full backup which was performed on July 29, and found no errors. In addition, the ICT also confirmed that daily differential data backups continued to run successfully for the two week period that weekly full backups were not performed to ensure that all data was backed up and that no data was lost or mismanaged due to the weekly full backup failures.

Entergy reported that the backup failures were most likely a result of a connection issue between the tape drive and the server. In performing trouble shooting exercises, Entergy removed multiple tapes from the rotation, upgraded the MSL5060 hardware firmware and re-seated all SCSI cables (Interface cables). Although the root cause of the failures could not be definitively determined, Entergy reports that this problem has not occurred again since July. All tapes that were removed from rotation during trouble shooting efforts were returned to the rotation. There were no tape failures identified during the review.

Entergy documented the failures in Remedy Incident ticket 701819 on July 22, 2010. The ICT reviewed the Incident ticket and found the supporting documentation within the ticket to be incomplete. The ICT has requested that Entergy update the Incident ticket with appropriate supporting documentation.

The ICT found that the daily incremental backup processes for the sampled dates were performed successfully during the period. No issues were noted during the review related to incremental backup processes.

The ICT examined the IVS transmittal documentation and the restoration test logs for the sampled dates and confirmed that all but one copy of the backup tapes were properly sent offsite for storage. The June 7th backup tape, tape DF8597, was not properly sent offsite on the same day as required by Entergy backup procedures. However, the ICT did confirm that the tape was sent offsite on the following day, June 8th. Entergy was not able to provide an explanation of why the offsite storage of this tape was delayed.

As previously reported, the revised backup procedures have significantly reduced the occurrence of backup run interruptions. However, revised process documentation has not yet been completed and approved. The ICT will continue to follow up to ensure Entergy is actively working to update all related process documentation.

Recommendations: The ICT would like to make the following recommendations as a result of the above findings:

- Entergy should consider utilizing Remedy to automatically generate an Incident ticket when Veritas generates a backup failure email to document and track backup failures as they occur.

- Entergy should consider utilizing existing software/technology to implement automated tools to aid in the log collection, review, and testing processes for both backup and restoration. Automated capabilities can aid in addressing scheduling and task completion issues, and can provide real-time verification of ongoing weekly and incremental backups.
- Entergy should better define a set of requirements for investigating, documenting, resolving and reporting backup failures. These requirements should be documented and included in existing processes for AFC and WPP data backup.
- Entergy should expedite efforts to complete revised AFC and WPP backup process documentation and provide the revised processes to the ICT.

Action Items: The ICT will continue to follow up on Entergy's progress towards updating AFC and WPP backup process documentation. Entergy will update the Remedy Incident ticket associated with the weekly full backup failures with complete and accurate documentation and will provide evidence of this action to the ICT.

AFC and WPP Data Archive Backup and Restoration Processes (Item 2)

An inspection of the May 2010 archive backup and restoration logs confirmed that AFC data files were properly backed up to the archive and test restored. An examination of the checksum process logs determined that all files archived for the month of June 2010 were successfully transferred from the EMS to online file storage.

The ICT reviewed the March 2010 Remedy incident ticket because the July process was not complete and found both the corporate external review and archive-to-tape process and the deletion approval and deletion action to be complete.

AFC Data Storage (Item 3)

The ICT reviewed evidence to substantiate current plus three months of AFC data was stored on the EMS and current plus 12 months AFC data was stored online. The ICT found all AFC data was stored as required by Entergy policy and procedure.

HDR/AFC End-of-Life (Item 4)

Entergy acknowledged during the November 2008 assessment that certain AFC data was reaching end-of-life (older than five years) and no longer needs to be retained. This data resides on archive tapes that also contain HDR data for the same time period with a 25 year retention schedule. Entergy is continuing with work to finalize processes which will resolve this issue and permit the end-of-life data to be expunged. The archived data will likely be reloaded to temporary space with only the HDR data being re-archived. Entergy is also evaluating options for separating the AFC and HDR archive data going forward.

Action Item: The ICT will continue to follow-up to ensure processes are complete and in place in a timely manner to adequately address this issue.

FERC Filings

Filings made by Entergy to FERC since the 1st quarter assessment were discussed in some depth.

June 3 Filing – Four issues reported:

Modeled Reservation File

On May 24, 2010 Entergy confirmed an issue identified by the ICT had the potential to affect certain reservations in the Operating and Planning Horizon. For certain TSRs, the modeled MW capacity printed

in the “MOD file” was inconsistent with actual modeled MW capacity in the base flow MW sent to webTrans. Upon further investigation by AREVA it was determined that the issue only existed where “Load of a network customer is fully met without modeling any reservations in basecase and the local variable used in RFCALC code for writing reservation modeled capacity to MOD Files have a non zero value from previous runs”. This issue did not impact RFCALC’s ability to model reservations correctly, hence it did not impact base flow calculations or response factors in RFCALC. This error was introduced with the implementation of webTrans on September 28, 2009.

Areva provided a software patch to prevent further occurrences of this issue on 7/13/2010.

Load Schedules for External Control Areas

On May 20, 1010 Entergy identified that load schedules for some external control areas were constant for all seven days of the week. The control areas affected were AECI, CSWS, EDE, AMIL, SPA, OKGE and LEPA from 10:00 AM May 19, 2010, until corrected around 9:00 AM on May 20, 2010. Entergy uses a manual process to update the load forecast of these areas every business day. During the execution of this manual process an error was made which resulted in incorrect load forecast values for these areas. The error may have impacted base flow values for Operating and Planning Horizons. However, the impact to specific TSRs cannot be determined.

Entergy took three corrective actions to mitigate this issue; 1. Scripts were modified to eliminate the manual step for file renaming. 2. A control point was added after the first script creates the file containing 7-day loads to ensure the data used is valid. Additionally, as part of this control point, a spreadsheet was created to compare values in the ldsked.csv file to those in the NETMOM database to ensure a wider sample of areas from all different sources will be captured. This spreadsheet also reads and displays the timestamps of the value2.csv and ldsked.csv files to ensure that correct files are being used. 3. A checklist was created and added to the procedure to further mitigate the likelihood of human error.

EMS Network Model

During the Weekly Procurement Process (WPP) quality checks on May 20, 2010, it was identified that a topology error in the network model used in the Operating and Planning Horizons existed. The 115 KV line between NLR Palm Street and NLR Dixie substation was incorrectly showing out of service for all time points in RFCALC. A breaker connecting the load at the station to the rest of the system was incorrectly designated as normally open in the network model resulting in RFCALC model being incorrect. The error existed from 5:05 PM May 13, 2010, until it was corrected at 10:05 AM on May 25, 2010. No corrective actions were identified for this issue. The error may have impacted the base flow and response factors for Operating and Planning Horizons; however, the impact, if any, would have been minimal because the load was only approximately 20 MW.

Inconsistent AFC Values

On May 21, 2010, it was identified that for most hours of May 24, 2010, PUPP was oversold by 100MW in AFC. Upon further investigation, it was determined that webTrans was not properly removing “Recall credits” resulting in the AFCs to be incremented. A manual workaround was implemented by the ICT on May 21, 2010, and continued until the software fix was put in production on May 24, 2010. This error potentially impacted the Operating, Planning and Study Horizons.

June 24, 2010 Filing: One issue reported

Network Model Reservation File

On June 10, 2010, Entergy identified an issue where the EMS Network Model incorrectly identified Plum Control Area's only generator as an Independent Power Producer (IPP). This resulted in RFCALC not modeling the generator in Plum Control Area as an Automatic Generation Control (AGC) unit. RFCALC has controls to disable AGC status of IPPs and Qualified Facilities (QF) to ensure that units are dispatched based on reservations and schedules. Plum is defined as an area type source in RFCALC and RFCALC requires at least one generator on AGC in the control area to model any reservations and schedules on area type sources. Because of this error, the Plum area had no generator on AGC; thus, RFCALC was unable to model any reservation and schedules with Plum as source in the Operating and Planning Horizons. This error was introduced on May 10, 2010 and Entergy corrected the issue on June 11, 2010. To prevent this type of error in the future, the Network Model User Guide will be converted to a procedure and checklists will be developed along with periodic reviews to ensure that procedure is followed. These are due by 10/31/2010.

July 1, 2010 Filing: One issue reported

Network Model Reservation File

On June 18, 2010, Entergy identified an issue where the participation factor used for Willow Glen Unit G4 was incorrect. Since July 2009, the participation factor file used in the AFC process contained Willow Glen Unit G5 instead of G4 resulting in the participation factor for Unit G4 to be incorrectly set. Willow Glen Unit G5 had been placed on inactive reserve and was not used in response factor calculation since it was modeled as offline. The issue was discovered during the software testing and was corrected on June 18, 2010. Test cases used for participation factor file upload testing were modified to ensure that there is a one-to-one match between units specified in the participation factor file and units specified in the EMS network model for response factor calculation. The impact on the response factors calculated for paths with EMO as the sink would be minimal since this was only one unit with an incorrect participation factor out of a total of 57 units used in the EMO sink.

July 8, 2010 Filing: One issue reported

Duplicate Flowgates

On June 24, 2010 the ICT identified an error in the file containing the response factors and baseflows for the Operating and Planning Horizon. The data in the file created by RFCALC contains up to the 15 most limiting flowgates for each transfer path for each hour/day of the horizon resyncs. This error resulted in the file containing duplicate flowgates with incorrect response factors for several transfer paths for certain hours/days of resync. Entergy determined that an error existed in a piece of code that was deployed into production on June 21, 2010 around 14:00. A temporary fix was implemented on June 25, 2010, at 17:00 until a permanent software fix is developed by the vendor. The permanent software patch was tested and deployed on July 13, 2010. This issue may have potentially impacted firm and non-firm reservations in the Operating and Planning Horizon that were queued between June 21, 2010, 14:05 and June 25, 2010, 17:00.

July 28, 2010 Filing: One issue reported

Incorrect Modeling of Stack Reservations

On July 12, 2010, Entergy identified an error in the way RFCALC was using the stack reservation files in the Planning Horizon. The stack file is provided by customers and includes reservations for peak and off-peak hours for each day of AFC operating and planning horizon. The duration of reservations specified in peak hour may span the off-peak hours and vice versa; however, RFCALC should only model the reservations as specified by the customer in the stack file. Due to a software error, RFCALC was using some peak hour reservations to meet the network customer load in an off-peak time point. This error was introduced in an April 2009 code release. A manual workaround was put in place on July 13, 2010. A permanent software fix for the issue was put in place on July, 21, 2010. This issue only affected certain reservations modeled in the Planning Horizon where ENTEMO was the sink. At his time Entergy cannot determine the specific impact of this error on AFC values.

Attachment 6

Southwest Power Pool, Inc. ("SPP")

INDEPENDENT COORDINATOR OF TRANSMISSION ("ICT") FOR ENTERGY

THIRD QUARTER 2010 ASSESSMENT

Report to the Entergy Users Group

November 17, 2010

Background

The ICT conducts a quarterly assessment of the Entergy Available Flowgate Capability (AFC) data retention processes to provide reasonable assurance that data retention processes will prevent data loss. The most recent assessment was performed on November 17, 2010. Conducting the assessment on behalf of the ICT:

Philip Propes, SPP IT Security and Risk Mitigation
Joe Codemo, SPP IT Security and Risk Mitigation
Tim Phillips, Chair of the Entergy Users Group
Erin Jester, SPP Internal Audit

Representing Entergy:

Tim Angel, Supervisor, System Hardware Support
David Stacks, Sr. Associate System Analyst, System Management
Connie Wells, Sr. Staff Analyst, Transmission Compliance

Assessment Scope and Methodology

The ICT examined regular AFC and Weekly Procurement Process (WPP) AFC data retention processes and investigated FERC Lost, Inaccurate or Mishandled submissions submitted since the last assessment. The ICT also reviewed pending recommendations and issues from the August 2010 assessment. The assessment included a review of the following:

AFC and WPP-AFC Data Retention Processes

The ICT performed a random sampling of compliance with key process controls to provide reasonable assurance that AFC and WPP-AFC data retention processes will prevent data loss. Upon arrival onsite November 17, 2010, the ICT requested Entergy make the following available for inspection:

1. Evidence to verify Energy Management System ("EMS") full and differential incremental backup processes were performed.
    a) Weekly full image backup logs for the dates 8/6 – 8/7/2010, 9/3 – 9/4/2010 and 10/22 – 10/23/2010.
    b) Daily differential incremental backup logs for the dates 8/10/2010, 9/6/2010 and 10/20/2010.
    c) Logs created from restoration testing of the above full and incremental backups.
    d) Transmittal documentation from both Information Vaulting Service ("IVS") and Entergy to substantiate tapes created for above backups were sent offsite.
    e) Tapes that were removed from the rotation during the August through October 31 period were properly identified and logged.
    f) Obtain and review updated process documentation for reengineered data backup procedures.
2. Evidence to verify AFC and WPP data archive backup and restoration processes were performed.

a) Remedy service requests from archive cycles performed during August 2010.
b) Archive backup logs from archive cycles performed during August 2010.
c) Veritas backup logs for the same – August 2010.
d) Veritas logs from the restoration testing of archive cycles performed for September 2010.
e) Evidence of restored file checksums comparison to backup list checksums for the September 2010 backup to ensure backup process produced no discrepancies.

3. Evidence of current plus three months AFC data are stored on the EMS and previous 13 months AFC data are stored on the online file server.
4. Evidence of action taken to resolve the issue of AFC data reaching end of life (5 year retention) but collocated on backup archive tapes with Historical Data Retention ("HDR") data that has 25 year retention.
    a) Obtain and review updated process documentation for reengineered AFC/HDR data retention procedures.
5. Root cause analysis of FERC filings for the period.

Results and Recommendations

<u>Item 1 - EMS Weekly Full and Daily Incremental Backup and Restoration Processes</u>

During the review the ICT found that weekly full data backup processes for September 3, 2010 were not performed until September 5, 2010. Entergy was unable to provide supporting documentation to explain why the September 3, 2010 weekly full data backup was not completed during the regular scheduled interval; activity logs were not created. Entergy reported that the September 3, 2010 backup may have been manually interrupted to perform HDR backup processes. The ICT found that all other weekly full data backups performed for the sampled dates were completed successfully during the period.

The ICT found that the daily incremental backup processes were performed successfully during the period. No issues were noted during the review related to incremental backup processes.

The ICT examined the IVS transmittal documentation and the restoration test logs for the sampled dates and confirmed that all but one copy of the backup tapes were properly sent offsite for storage. The September 6 backup tape, tape DF8470, was not properly sent offsite on the same day as required by Entergy backup procedures. The ICT confirmed that the tape was sent offsite two days later on June 8th. Entergy reported that this tape was not sent offsite on the same day (September 6) due to the Labor Day holiday. Entergy acknowledged the tape should have been sent offsite on the next business day, September 7, however it was overlooked and not sent to offsite storage until September 8.

There were no tape failures identified during the review for the period.

As previously reported, the revised backup procedures have significantly reduced the occurrence of backup run interruptions. However, revised process documentation has not yet been completed and approved. The ICT will continue to follow up to ensure Entergy is actively working to update all related process documentation.

Recommendations: As previously recommended by the ICT:

- Entergy should consider utilizing Remedy to automatically generate an Incident ticket when Veritas generates a backup failure email to document and track backup failures as they occur.
- Entergy should consider utilizing existing software/technology to implement automated tools to aid in the log collection, review, and testing processes for both backup and restoration. Automated capabilities can aid in addressing scheduling and task completion issues, and can provide real-time verification of ongoing weekly and incremental backups.

- Entergy should better define a set of requirements for investigating, documenting, resolving and reporting backup failures. These requirements should be documented and included in existing processes for AFC and WPP data backup.
- Entergy should expedite efforts to complete revised AFC and WPP backup process documentation and provide the revised processes to the ICT.

Action Items: The ICT will continue to follow up on Entergy's progress towards updating AFC and WPP backup process documentation.

Follow up on Items Noted During Previous Assessments: Entergy is working to address the recommendations made as a result of the 3rd quarter assessment (see current recommendations). Entergy has acknowledged that certain process improvements are needed in relation to the previous and current recommendations and will update the ICT as progress is made. The ICT has requested information from Entergy to substantiate that the Remedy Incident ticket, created to document the weekly full backup failures noted during the August assessment, has been updated with complete and accurate documentation as recommended. Entergy has not provided this information as of the date of this report.

Item 2 - AFC and WPP Data Archive Backup and Restoration Processes

An inspection of the September 2010 archive backup and restoration logs confirmed that AFC data files were properly backed up to archive and test restored. An examination of the checksum process logs determined that all files archived for the month of September 2010 were successfully transferred from the EMS to online file storage.

The ICT reviewed the July 2010 Remedy incident ticket because the August process was not complete and found both the corporate external review and archive-to-tape process and the deletion approval and deletion action to be complete.

Item 3 - AFC Data Storage

The ICT reviewed evidence to substantiate current plus three months of AFC data was stored on the EMS and current plus 12 months AFC data was stored online. The ICT found all AFC data was stored as required by Entergy policy and procedure.

Item 4 - HDR/AFC End-of-Life

Entergy acknowledged during the November 2008 assessment that certain AFC data was reaching end-of-life (older than five years) and no longer needs to be retained. This data resides on archive tapes that also contain HDR data for the same time period with a 25 year retention schedule. Entergy is continuing with work to finalize processes which will resolve this issue and permit the end-of-life data to be expunged. The archived data will likely be reloaded to temporary space with only the HDR data being re-archived. Entergy is also evaluating options for separating the AFC and HDR archive data going forward.

Action Item: The ICT will continue to follow-up to ensure processes are complete and in place in a timely manner to adequately address this issue.

FERC Filings

Filings made by Entergy to FERC since the 2nd quarter assessment were discussed in some depth.

August 13 Filing – One issue reported:

EMS Network Model

On July 30, 2010, the ICT contacted Entergy and requested review of certain line outages. Entergy identified twelve breakers that were incorrectly modeled in the network model used in the Operating and Planning Horizons. These breakers were incorrectly designated as Normally Open in the EMS network model resulting in RFCALC model incorrectly modeling as outages. The errors may have impacted the base flow and response factors for Operating and Planning Horizons; however, the impact, if any, would be minimal because only four of these resulted in a loss of a total of 25 MW. The others resulted in topology changes but no loss of load. Entergy is programmatically reviewing normally open breakers to determine if they are being correctly modeled. The review is extensive and may result in identifying additional breakers that are modeled incorrectly. The results and status of the review will be provided to the ICT and the Users Group. Upon completion of the effort, a baseline will be established and an annual review performed consistent with the process used in the Study Horizon. Entergy will submit additional information to the Commission regarding this error upon completion of the review and implementation of corrective actions.

Attachment 7

Entergy Services, Inc.
Mail Unit L-ENT-24A
639 Loyola Avenue
New Orleans, LA 70113
Tel 504-576-4993
Fax 504-576-5123
e-Mail gpierc2@entergy.com

Gregory D. Pierce
Director Transmission Compliance

November 18, 2010

VIA ELECTRONIC FILING

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Entergy Services, Inc.; Docket No. ER05-1065-000
Report of AFC-Related Errors

Dear Secretary Bose:

Pursuant to the Federal Energy Regulatory Commission's ("Commission") April 24, 2006 Order in *Entergy Services, Inc.*, 115 FERC ¶ 61,095 (2006) ("April 24 Order"), Entergy Services, Inc., acting as agent for the Entergy Operating Companies,[1] hereby notifies the Commission it has recently become aware of the following AFC-related error.

In the April 24 Order, the Commission conditionally accepted Entergy's proposal to establish an Independent Coordinator of Transmission ("ICT") for the Entergy System. As the Commission is aware, the Southwest Power Pool, Inc. acts as Entergy's ICT. In the April 24 Order, the Commission imposed an obligation for Entergy to "notify the Commission, the ICT and the Users Group within 15 days if Entergy discovers that it has lost data, or reported inaccurate data, or otherwise believes that it has mismanaged data." See April 24 Order at P 110. Accordingly, Entergy submits the following summaries of mismanaged data.

[1] The Entergy Operating Companies include: Entergy Arkansas, Inc., Entergy Gulf States Louisiana, LLC, Entergy Louisiana, LLC, Entergy Mississippi, Inc., Entergy New Orleans, Inc., and Entergy Texas, Inc. The Entergy Operating Companies and Entergy Services, Inc. are referred to collectively herein as "Entergy."

Transmission Outage Data

On November 4, 2010, Entergy was performing routine testing on a temporary flowgate and identified that an outage on certain auto-transformers from 500 to 161KV was not modeled in Operating and Planning Horizons for calculating AFCs. Upon further investigation, Entergy determined that this outage was not included in the list of outages provided by Transmission Automated Outage Request System (TAORS). The outage was found to be on a Limiting Element of a flowgate definition. Entergy has identified additional auto-transformer outages not in EMS and is continuing to review and correct once errors are identified. The date on which the error was introduced has not yet been determined.

The error resulted because the field for EMS Equipment ID in Substation Work Management System (SWMS) database was left blank. EMS does not recognize the information from TAORs as an outage without the EMS Equipment ID information in SWMS. Therefore, the information was not included in TAORS and, as a result, the outages were not included as outages in EMS for modeling in the AFC process. Subsequently, Entergy initiated a process to review the SWMS database to identify all auto transformers with a blank EMS Equipment ID field. Entergy continues to review all auto-transformer entries in SWMS to identify and correct any blank EMS Equipment ID.

Not modeling these outages may have resulted in an increase in AFC values; however, it is not technically feasible to determine the exact impact on AFCs. Transmission Service Requests (TSRs) processed during the time the error existed could have resulted in granting more service than was actually available.

Individual customers affected during this time frame could not be determined but could have potentially affected customers requesting service in the Operating and Planning Horizons. Entergy manually made the necessary corrections to include the outages in the EMS once identified.

Net Schedule File

On November 5, 2010, Entergy discovered that the Net Schedule File had hours shifted for the days November 7, 2010 until November 8, 2010. The Net Schedule File is only used in the AFC process during the Operating Horizon. The Net Schedule File contains 72 hours of data and is used as an input to RFCALC for the AFC process. The incorrect schedule data was for November 7, 2010 and was to be included in the model starting at noon on November 6, 2010. An immediate change was made to the software on November 5, 2010; therefore, it did not impact the AFC calculations during 2010 Fall DST.

The potential error was caused because of the incorrect software logic for handling schedules during Fall DST. The error was introduced on October 31, 2008 when the Net Schedule File logic was modified. The error potentially impacted the non-firm AFC calculations in the Operating Horizon on November 2, 2008 for the 02:00 hour until November 3, 2008 00:00 hour. In 2009, the software logic that created the Net Schedule File also had an additional issue causing it to incorrectly use November 8 as the Fall DST date. Thus, in 2009 the additional issue could have affected the non-firm AFC calculations in Operating Horizon for November 8, 2009 02:00 until November 9, 2009 00:00. The non-firm AFCs in the Operating Horizon for November 1, 2009 to November 2, 2009 00:00 may have been impacted as well because of the incorrect DST date.

This error potentially affected customers requesting non-firm service in operating horizon during the time period mentioned in this report.

In the event that further information is needed, please do not hesitate to contact the undersigned.

Respectfully submitted,
/s/Gregory D. Pierce
Gregory D. Pierce
Director, Transmission Compliance

cc: Southwest Power Pool, Inc.
ICT Users Group
Service List; Docket No. ER05-1065-000

CERTIFICATE OF SERVICE

I hereby certify that I have this 18th day of November, 2010, served the foregoing document upon the Southwest Power Pool, Inc., the ICT Users Group, and each person designated on the official service list compiled by the Secretary in this proceeding.

/s/ Nicole A. Livaccari

Nicole A. Livaccari
Mail Unit L-ENT-24A
New Orleans, LA 70113
Tel: (504) 576-4296