# Table of Contents

## Grid Operation

- Peak Demand........................................................................................................... 4
- OOMC and RMR Activity....................................................................................... 6
- Transmission Congestion Management................................................................. 7
  - Local Congestion................................................................................................. 7
  - CSC Congestion................................................................................................... 8
- Notable Events ......................................................................................................... 9

## Market Operation

- Ancillary Services .................................................................................................... 11
- Balancing Energy ..................................................................................................... 15
  - Average Balancing Energy Deployed................................................................. 15
  - % of Total ERCOT Energy Requirement.......................................................... 18
  - Average MCPE.................................................................................................... 20
  - Average Shadow Price....................................................................................... 23

## Cost Summary

- Ancillary Service Capacity Cost .............................................................................. 23
- Ancillary Service Depolyment Cost ......................................................................... 27
- OOMC Cost............................................................................................................... 28
- Local Congestion Cost ............................................................................................ 20
- RMR Cost.................................................................................................................. 30
- Cost Summary.......................................................................................................... 31
Grid Operation
Peak Demand for the Month:  2/13/2004  7:30  42292 MW

Daily Peak Demand
February 2004

Monthly Peak Demand
February 2003 - February 2004

Note: Peak Demand is Peak Interval Demand
Trend of Temperature in Four Congestion Management Zones
OOMC and RMR Activity

Relative Activity Capacity Purchases - OOMC & RMR
February 2004

Note: 1 Unit-Day = 1 unit procured during any time period within one trade day.
Transmission Congestion Management
Local Congestion

Occurences of Congestion Management

Post-Contingency Violation occurrences for February of 1 day listed below:

Allen SW-Royse SW
Northeast- North
Comanche SW-Comanche Peak
Marion-Hill Country/Skyline
Midland East-Odessa
Mulberry Creek-Oklahoma
W Columbia Main-Sweeney Cogen
Watermill-Tricorner
Transmission Congestion Management

CSC Congestion

Instances of CSC congestion

Number of intervals

EN  SN  NH  SH  WN
Notable Events

New Procedures/ Forms/ Operations Bulletins
2/10/2004  Shift Supervisor V2R4  Added step in section 1.3.3 and inserted section 1.3.4 addressing SSRG Conference calls.
2/27/2004  Frequency Control Desk V2R11  Revised sections 2.6.2 to reflect PRR470 (to include fuel availability as a concern for an emergency condition)
2/27/2004  Transmission & Security Desk V2R17  Revised sections 2.5.2 and 2.5.4 to reflect PRR470 (to include fuel availability as a concern for an emergency condition)

Security Alert Stage/ Threatcon/ Related issues
Security Threat Alert Yellow (Elevated) maintained through February.

EECP Occurrence
None.

Major Weather Related Power System Problems
None.

Major System Voltage Problems
None.

OCN, Advisory, Alert, Emergency Notice and Major Disturbances
2/05  OCN issued due to gas curtailments.
2/12 23:00 to 12/13 11:00  Cold Weather Advisory issued.
2/12 20:00 to 12/13 24:00  OCN for possible gas curtailments.
2/13 01:00 to 13:00  OCN issued for freezing temperatures.
2/15 00:00 to 16:00  Advisory issued due to reported gas curtailments.

Significant Communication Problems
2/02  Portal down from 12:30 -12:50.
2/05  Portal down from 05:23-06:00.
2/10  Held 00:00-00:30 deployments. Hour Ahead study produced bad offset.

Major Computer System Problems/Fixes
None

Load Shed incidences
None

Update on New Generation
No new generation approved for synchronization in the month of February.
Max / Min Temperature
   Max: 81.2°F   S
   Min: 19.5°F   FW

New SPS & RAP’s
   None.

Other
   None.
Market Operation

Ancillary Services
Average Hourly Procurement by Ancillary Service
February 2004

- URS
- DRS
- RRS
- NSRS

Average Hourly Procurement by Ancillary Service
February 2003 - February 2004

- URS
- DRS
- RRS
- NSRS

PAGE 12 OF 31
Balancing Energy

Average Balancing Energy Deployed
Balancing Energy

% of Total ERCOT Energy Requirement
Balancing Energy

Average MCPE
Average MCPE in Four Zones
February 2004

Average MCPE at Each Interval for Four Zones
February 2004
MCPE: Rolling 12 Month Records
February 2003 - February 2004

Trend of Average Fuel Index
Balancing Energy

Average Shadow Price
Note: There is not a price for self-arranged Ancillary Services. MCPC is used to calculate the cost for self-arrangement.
Estimated OOMC Cost At Final Settlement
February 2004

Note:
All OOMC’d units are paid Generic Start-Up Cost and Generic Operational Cost in Initial Settlement. The Start-Up payment for some units will be taken back in Final Settlement if those units did not have an actual startup.

OOMC Cost provided in this chart is an estimation because of the potential of disputes before Final Settlement. This chart will be updated after Final Settlement is completed.
RMR Cost
February 2004

RMR Net Cost (Total: 13.06 Million)
February 2004

Energy  Stand By  Start Up  BENA Credit
Cost Summary (in Million $)
(Total w DBES: $ 52.69 Total w/o DBES: $ 68.81)

Note:

1. DBES cost is a credit to system costs and therefore is shown as a negative number here to differentiate it from the other types of Reliability Costs.

2. BES deployment costs include two parts: the cost for Power Balance and the cost for CSC Congestion. Due to Relaxed Balanced Schedule, the cost paid for Power Balance covers both the difference between ERCOT load forecast and QSE’s schedule and the difference between QSE’s Relaxed scheduled load and the load it would schedule should RBS were not allowed. The cost for Power Balance is not further divided accordingly because currently we do not have a way to differentiate these two types of Power Balance costs.
Please contact Shuye Teng at 512-248-3998 or email at steng@ercot.com should you have any questions.