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### Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AS</td>
<td>Ancillary Service</td>
</tr>
<tr>
<td>BES</td>
<td>Balancing Energy Service</td>
</tr>
<tr>
<td>DBES</td>
<td>Down Balancing Energy Service</td>
</tr>
<tr>
<td>DRS</td>
<td>Down Regulation Service</td>
</tr>
<tr>
<td>LBE</td>
<td>Local Balancing Energy</td>
</tr>
<tr>
<td>MCPC</td>
<td>Market Clearing Price for Capacity</td>
</tr>
<tr>
<td>MCPE</td>
<td>Market Clearing Price for Energy</td>
</tr>
<tr>
<td>NSRS</td>
<td>Non-Spinning Reserve Service</td>
</tr>
<tr>
<td>OOMC</td>
<td>Out of Merit Capacity</td>
</tr>
<tr>
<td>OOME</td>
<td>Out of Merit Energy</td>
</tr>
<tr>
<td>QSE</td>
<td>Qualified Scheduling Entity</td>
</tr>
<tr>
<td>RMR</td>
<td>Reliability Must Run</td>
</tr>
<tr>
<td>RPRS</td>
<td>Replacement Reserve Service</td>
</tr>
<tr>
<td>RRS</td>
<td>Responsive Reserve Service</td>
</tr>
<tr>
<td>UBES</td>
<td>Up Balancing Energy Service</td>
</tr>
<tr>
<td>URS</td>
<td>Up Regulation Service</td>
</tr>
</tbody>
</table>
Daily Peak Demand

Peak Demand for the Month: 11/30/04  20:30  37599

13 Month Review of Peak Demand

Note: Peak Demand is Peak Interval Demand
Trend of Temperature in Five Congestion Management Zones

Relative Activity Capacity Purchases – OOMC & RMR

Note: 1 Unit-Day = 1 unit procured during any time period within one trade day.
<table>
<thead>
<tr>
<th>Contingency</th>
<th>Congestion Element</th>
<th>Number of Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heights Sub - Freeway Park</td>
<td>Heights - PH Robinson</td>
<td>14</td>
</tr>
<tr>
<td>Clear Springs - Marion/Zorn</td>
<td>SMI - McQueeney</td>
<td>13</td>
</tr>
<tr>
<td>N Edinburg - Bates</td>
<td>Polk - Hall Acres</td>
<td>7</td>
</tr>
<tr>
<td>Big Brown - Richland Chambers</td>
<td>Trinidad TR 6H</td>
<td>4</td>
</tr>
<tr>
<td>N Edinburg - Rio Hondo</td>
<td>Weslaco - N Weslaco</td>
<td>4</td>
</tr>
<tr>
<td>STP - Skyline/Hill Country</td>
<td>Blessing - Lolita</td>
<td>4</td>
</tr>
<tr>
<td>Austrop - Lost Pines</td>
<td>Winchester - Fayetteville</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Spunky - Hood</td>
<td>3</td>
</tr>
<tr>
<td>Duke - N Edinburg</td>
<td>Pharr - Pharr MVEC</td>
<td>2</td>
</tr>
<tr>
<td>Steephollow - Gibbons Creek</td>
<td>Jewet - Watsons Chapel</td>
<td>2</td>
</tr>
<tr>
<td>Uvalde - Hamilton</td>
<td>Asherton - West Conoco</td>
<td>2</td>
</tr>
</tbody>
</table>

Note: 1 day= units procured during any time period within one trade day. Total numbers of 1 day or less of local congestion management are not shown in the graph. Occurrences of 1 day or less are not listed in table but are totaled in graph.
Instances of CSC Congestion

Number of intervals

EN  SN  NH  SH  WN
## Notable Events

### New Procedures/ Forms/ Operations Bulletins

<table>
<thead>
<tr>
<th>Date</th>
<th>Bulletin Number</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/1/04</td>
<td>118</td>
<td>DC Ties V1R5 – CN#165</td>
</tr>
<tr>
<td>11/2/04</td>
<td>119</td>
<td>Shift Supervisor V3R11 – CN #164</td>
</tr>
<tr>
<td>11/4/04</td>
<td>120</td>
<td>Temporary Change – Transmission &amp; Security Desk CN# 166</td>
</tr>
</tbody>
</table>

### Security Alert Stage/ Threatcon/ Related issues

None

### EECP Occurrence

None

### Major Weather Related Power System Problems

None

### Major system Voltage problems

- **11/8 -11/9** Fluctuating 138 kV voltages observed in the McCamey area during increased wind farm generation.

### Significant Communication Problems

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/19/04</td>
<td>16:30</td>
<td>Lost Hot Line communications with a QSE</td>
</tr>
<tr>
<td>11/26/04</td>
<td>03:00</td>
<td>Held interval due to an incorrect offset entered</td>
</tr>
<tr>
<td>11/29/04</td>
<td>15:00</td>
<td>Extended the Ancillary Service Market until 17:00</td>
</tr>
</tbody>
</table>

### Major Computer System Problems/Fixes

None

### Load Shed incidences

- **11/24/2004** Approximately 150 MW of distribution load lost due to storm

### New SPS & RAP’s

None

### OCN, Advisory, Alert, Emergency Notice and Major Disturbances

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/1/04</td>
<td>12:00-21:00</td>
<td>Transmission Alert. Loss of Bates U1 loads Bates Tr.</td>
</tr>
<tr>
<td>11/1/04</td>
<td>13:00-21:00</td>
<td>Transmission Alert. Loss of Rio Hondo Tr. loads Rio Hondo-La Palma</td>
</tr>
<tr>
<td>11/10/04</td>
<td>08:00-15:00</td>
<td>OCN issued for notification of winter preparedness drill</td>
</tr>
<tr>
<td>11/22/04</td>
<td>16:45-17:45</td>
<td>Transmission Alert. Loss of Dilley Sw-San Miguel loads Derby-Pearsall</td>
</tr>
<tr>
<td>11/25/04</td>
<td>03:45-16:50</td>
<td>OCN issued to request QSE’s to update load forecast &amp; resource plans for HE 10:00 and 11:00</td>
</tr>
<tr>
<td>11/29/04</td>
<td>19:00-22:00</td>
<td>Transmission Alert. Loss of Military Park Tr. #2 loads Military Park Tr. #1</td>
</tr>
</tbody>
</table>
Update on New Generation

None

Max / Min Temperature

Max: 85.6˚F     SW
Min: 28.5˚F     FW
Market Operation

Ancillary Services
Average Hourly Procurement by Ancillary Service

13 Month Review of Average Hourly Procurement by Ancillary Service
Average MCPC by Ancillary Service

13 Month Review of Average MCPC by Ancillary Service

DRS  URS  RRS  NSRS

$/MW

≈ 62.28
Average Deployment by Ancillary Service

13 Month Review of Average Deployment by Ancillary Service
Balancing Energy

Average Balancing Energy Deployed
Average UBES Deployment in Five Zones

Average DBES Deployment in Five Zones
13 Month Review of UBES Deployment

13 Month Review of DBES Deployment
Balancing Energy
% of Total ERCOT Energy Requirement
Average BES Deployed: as A Percentage of Total Energy Requirement

13 Month Review of Average BES Deployed: as A Percentage of Total Energy Requirement
Balancing Energy
Average MCPE
Average MCPE in Five Zones

Average MCPE at Each Interval for Five Zones
13 Month Review of MCPE

Trend of Average Fuel Index

MCPE_H  MCPE_N  MCPE_S  MCPE_W  MCPE_NE

$/MW

Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov
Balancing Energy
Average Shadow Price
Average Shadow Price

13 Month Review of Average Shadow Price
Ancillary Service Deployment Cost

Total w DRS: $-0.22 Million  Total w/o DRS: $4.66 Million

13 Month Review of Ancillary Service Deployment Cost
13 Month Review of OOMC Cost At Final Settlement and True Up

- **Start-Up Payment (Total: $.25 Million)**
- **Total OOMC Payment (Total: $.50 Million)**

- **Total OOMC Payment (Total: $87.02 Million)**

*Up to date as of 1/1/2005*
RMR Cost (Initial Settlement)

-30  -20  -10   0   10   20   30   40


RMR Net Cost: $104.66

Total Net Cost: $6.12 Million

RMR Net Cost (Initial Settlement)
Verified Actual RMR Cost*

RMR Net Cost: $110.36

*Note:

1. Trade dates 1/1/04 thru 10/26/04 complete with Final Resettlement data, using verifiable actual cost data provided by the RMR Unit owner.

2. Trade date 10/27/04 thru 11/30/04 complete with Initial Resettlement data, using estimated eligible costs.
Total Local Congestion Costs by Area

Total: $3.25 Million

- Austin: $0.10
- Corpus: $0.00
- DFW: $0.27
- Houston: $0.27
- North: $0.45
- San Antonio: $0.39
- South: $0.73
- Valley: $0.72
- West: $0.30
- Wind: $0.02

Total Local Congestion Costs by Instruction Type (in Million $)

- LBE-operate at or below a level: $0.50
- LBE-operate at or above a level: $1.25
- LBE-hold at a level: $1.32
- Manual OOME DN: $0.04
- Manual OOME UP: $0.12
- OOMC: $0.00
- Wind: $0.00
Local Congestion Cost for Energy

Total $2.7 Million

- DN Payment for Aggregated Units for Both Manual and LBE Deployment
- UP Payment for Aggregated Units for Both Manual and LBE Deployment
- DN Payment for LBE Deployment without Market Solution
- UP Payment for LBE Deployment without Market Solution
- DN Payment for Manual OOME Deployment
- UP Payment for Manual OOME Deployment
- DN Payment for LBE Deployment with Market Solution
- UP Payment for LBE Deployment with Market Solution
Cost Summary
(Total w DBES: $86.74   Total w/0 DBES: $99.43)

13 Month Review of Cost Summary

Total with DBES (Total: $855.22 Million)
Total Without DBES (Total: $1088.75 Million)
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.