Market Operation

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

Ancillary Service Deployment Cost

13 Month Review of Ancillary Service Capacity Cost

Grid Operation

Daily Peak Demand

Verified Actual RMR Cost*

Instantaneous CSC Congestion

Notable Events

Addendum: Map of Local Congestion Areas (charts on pages 35 & 36)
<table>
<thead>
<tr>
<th>Acronyms</th>
<th>Description</th>
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</thead>
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<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>UBERS</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: 8/17/06 17:00 62429

13 Month Review of Peak Demand

Peak Demand is Peak Interval Demand

Daily Average Temperature in Five Congestion Management Zones

Instances of CSC Congestion
Notable Events

### New Procedures/ Forms/ Operations Bulletins

<table>
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<tr>
<th>Date</th>
<th>Subject</th>
<th>Bulletin</th>
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<td>08/01/06</td>
<td>Shift Supervisor-PUC Daily Report</td>
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<tr>
<td>08/02/06</td>
<td>Frequency Control Desk – Provide Advance Notice of Diminishing Responsive Reserve</td>
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<td>FC Desk – Fast Start Emergency Schedules to SPP</td>
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<td>08/14/06</td>
<td>Shift Supervisor Desk - V3R28</td>
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<td>08/28/06</td>
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<td>Operating Period Desk - V2R16</td>
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<tr>
<td>08/31/06</td>
<td>Frequency Control Desk - V3R40</td>
<td>280</td>
</tr>
</tbody>
</table>

### Significant Communication Problems

- None
- Major system Voltage problems/ Load Shed incidences:
  - None
- Major Computer System Problems/Enhancements/Fixes:
  - None
- Security Alert Stage/ Threatcon/ Related issues:
  - None/Yellow
- Major Weather Related Power System Problems:
  - None
- New SPS & RAP’s:
  - None
- Update on New Generation:
  - None
- **Max / Min Temperature**
  - Max: 105°F North
  - Min: 64°F East

---

**Market Operation**

**Ancillary Services**
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
- UBES_H
- UBES_N
- UBES_S
- UBES_W
- UBES_NE

Average DBES Deployment in Five Zones
- DBES_H
- DBES_N
- DBES_S
- DBES_W
- DBES_NE
13 Month Review of UBES Deployment

13 Month Review of DBES Deployment

Balancing Energy

Energy Purchased Through ERCOT

(PRRA04: Any Balancing Energy scheduled through the ERCOT Scheduling process)
Total Daily Balancing Energy Scheduled for Purchase Through ERCOT (GWh)

Average Balancing Energy Scheduled for Purchase Through ERCOT by Interval (MWh)

13 Month Review of Total Balancing Energy Scheduled for Purchase through ERCOT (GWh)
Balancing Energy
% of Total ERCOT Energy Requirement
Balancing Energy

Average MCPE

Average MCPE at Each Interval for Five Zones

Average MCPE in Five Zones
13 Month Review of MCPE

Average Fuel Index

Balancing Energy
Average Shadow Price
### Average Shadow Price

The graph shows the average shadow price over a period from August 1 to August 31. The price varies significantly across different dates, with a peak around July 11th at approximately $71.63. The data is segmented into and lines for different regions (EN, NH, NW, SH, SN, WN).

### 13 Month Review of Average Shadow Price

The additional graph extends the review over 13 months, from August to August, showing a more extended trend of average shadow price changes. The color coding remains consistent with the previous graph, indicating different regions and their respective price movements.

### Cost Summary

The page titled "Cost Summary" is visible but the specific content is not readable from the image provided.
Note: There is not a price for self-arranged Ancillary Services. MCPC is used to calculate the cost for self-arrangement.
13 Month Review of OOMC Cost At Final Settlement and True Up

OOMC Payment (Total: $101.15)
RPRS Step 1
RPRS Step 2

RMR Cost (Initial Settlement)

RMR Net Cost (Initial Settlement)

Total Net Cost $2.92 Million
1. Trade dates thru 8/31/06 complete with Initial Settlement data, using estimated eligible costs.

2. Trade dates thru 7/13/06 complete with Final Settlement data, using verifiable actual cost data provided by the RMR Unit owner.
ERCOT OPERATIONS MONTHLY REPORT – AUGUST 2006

Local Congestion Cost By Instruction Type by Day

- RPRS STEP1
- LBE-operate at or below level
- LBE-operate at or above level
- LBE-hold at a level
- Manual OOME Up
- Manual OOME Dn
- OOMC

Total $4.83 Million

Top Ten Local Energy Deployment Cost by Local Constraints
(Does not include OOMC)

Top Ten Total: $2.29 Million

- Duke-Pharr 138kv
- North Edinburg 138kv
- Herty North Switch- Nacogdoches Scr 138kv
- Robertson- Watson Chapel 138kv
- South Mcallen- Las Milpas 138kv
- Barney Davis- Alazan 138kv
- Seguin-Seguin West 138kv
- Rhome-Chisolm 138kv
- North Edinburg- Magic Valley
- Odessa Ehv 345/138 Kv Xfmr
The historical data gathered from the monthly reports has been compiled into an Excel workbook which will be updated and posted along with this report at the following link:


Please contact Shuye Teng at 512-248-3998 or email at steng@ercot.com should you have any questions.
Addendum: Map of Local Congestion Areas (charts on pages 31 & 32)