ERCOT OPERATIONS MONTHLY REPORT – MAY 2007

Acronyms.........................................................................................................................3

Grid Operation......................................................................................................................4
Daily Peak Demand ...........................................................................................................5
13 Month Review of Peak Demand ....................................................................................5
Daily Average Temperature in Four Congestion Management Zones .........................5
Instances of CSC Congestion ............................................................................................6

Market Operation..............................................................................................................7

Ancillary Services.............................................................................................................7
Average Hourly Procurement by Ancillary Service ..............................................................8
13 Month Review of Average Hourly Procurement by Ancillary Service .........................8
Average MCPC by Ancillary Service ....................................................................................9
13 Month Review of Average MCPC by Ancillary Service ...................................................9
Average Deployment by Ancillary Service........................................................................10
13 Month Review of Average Deployment by Ancillary Service ..........................................10

Balancing Energy.............................................................................................................11
Average Balancing Energy Deployed ................................................................................11
Average UBES Deployment in Five Zones .........................................................................12
Average DBES Deployment in Five Zones .........................................................................12
13 Month Review of UBES Deployment ...........................................................................13
13 Month Review of DBES Deployment ...........................................................................13

Energy Purchased Through ERCOT................................................................................14
Total Daily Balancing Energy Scheduled for Purchase through ERCOT (GWh) .................15
Average Balancing Energy Scheduled for Purchase through ERCOT by Interval (MW/h) ..15

% of Total ERCOT Energy Requirement ........................................................................16
Average BES Deployed: as a Percentage of Total Energy Requirement ..............................16
13 Month Review of Average BES Deployed: as A Percentage of Total Energy Requirement 16

Average MCPE ..................................................................................................................19
Average MCPE in Four Zones............................................................................................20
Average MCPE at Each Interval for Four Zones ...............................................................20
13 Month Review of MCPE ...............................................................................................21
Average Fuel Index ............................................................................................................21

Average Shadow Price ....................................................................................................22
Average Shadow Price .......................................................................................................23
13 Month Review of Average Shadow Price .....................................................................23

Cost Summary..................................................................................................................24
Ancillary Service Capacity Cost .........................................................................................25
13 Month Review of Ancillary Service Capacity Cost .......................................................25
Ancillary Service Deployment Cost ....................................................................................26
13 Month Review of Ancillary Service Deployment Cost ..................................................26
OOMIC Cost At Final ..........................................................................................................27
13 Month Review of OOMIC Cost At Final Settlement and True Up ...............................27
RMR Cost (Initial Settlement) ..........................................................................................28
RMR Net Cost (Initial Settlement) .....................................................................................28
Verified Actual RMR Cost* ..............................................................................................29
Total Local Congestion Costs by the Physical Location of Instructed Units ....................30
Total Local Congestion Costs by Instruction Type (in Million $) .......................................30
Local Congestion Cost By Instruction Type by Day ..........................................................31
Top Ten Local Energy Deployment Cost by Local Constraints .......................................32
Cost Summary ...................................................................................................................33
13 Month Review of Cost Summary ..................................................................................33

Addendum:  Map of Local Congestion Areas (charts on pages 30 & 31) ............................35

May 2007

Kent Saathoff, Vice President
ERCOT System Operations

Joel Mickey, Director
Wholesale Market Operations Systems
### Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<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>MCPP</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>
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<tr>
<td>RMR</td>
<td>Reliability Must Run</td>
</tr>
<tr>
<td>RPRS</td>
<td>Replacement Reserve Service</td>
</tr>
<tr>
<td>RSS</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>
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</table>
**Daily Peak Demand**

Peak Demand for the Month: 5/31/07 17:00

**13 Month Review of Peak Demand**

Peak Demand is Peak Interval Demand

**Daily Average Temperature in Four Congestion Management Zones**

**Instances of CSC Congestion**

Number of intervals
Market Operation

Ancillary Services

Average Hourly Procurement by Ancillary Service

13 Month Review of Average Hourly Procurement 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

Balancing Energy
Energy Purchased Through ERCOT

(PRR404: Any Balancing Energy scheduled through the ERCOT Scheduling process)
Balancing Energy
% of Total ERCOT Energy Requirement
Balancing Energy

Average MCPE

Average MCPE at Each Interval for Four Zones

Average MCPE in Four Zones
13 Month Review of MCPE

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.

13 Month Review of Ancillary Service Capacity Cost

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

OOMC Payment (Total: $2.99)  RPRS Step 1 (Total:$0.26)  RPRS Step 2 (Total:$0.05)

OOMC Payment (Total: $74.06)

RPRS Step 1: RPRS procured for local congestion.
RPRS Step 2: RPRS procured for zonal congestion and capacity insufficiency.

RMR Cost (Initial Settlement)

RMR Net Cost (Initial Settlement)

Total Net Cost $2.72 Million
*Note:

1. Trade dates thru 4/30/07 complete with Initial Settlement data, using estimated eligible costs.

2. Trade dates thru 3/17/07 complete with Final Settlement data, using verifiable actual cost data provided by the RMR Unit owner.
Cost Summary

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 amount of energy that QSEs intend to buy from Real-Time Energy market.

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 30 & 31)