

Compliance Update

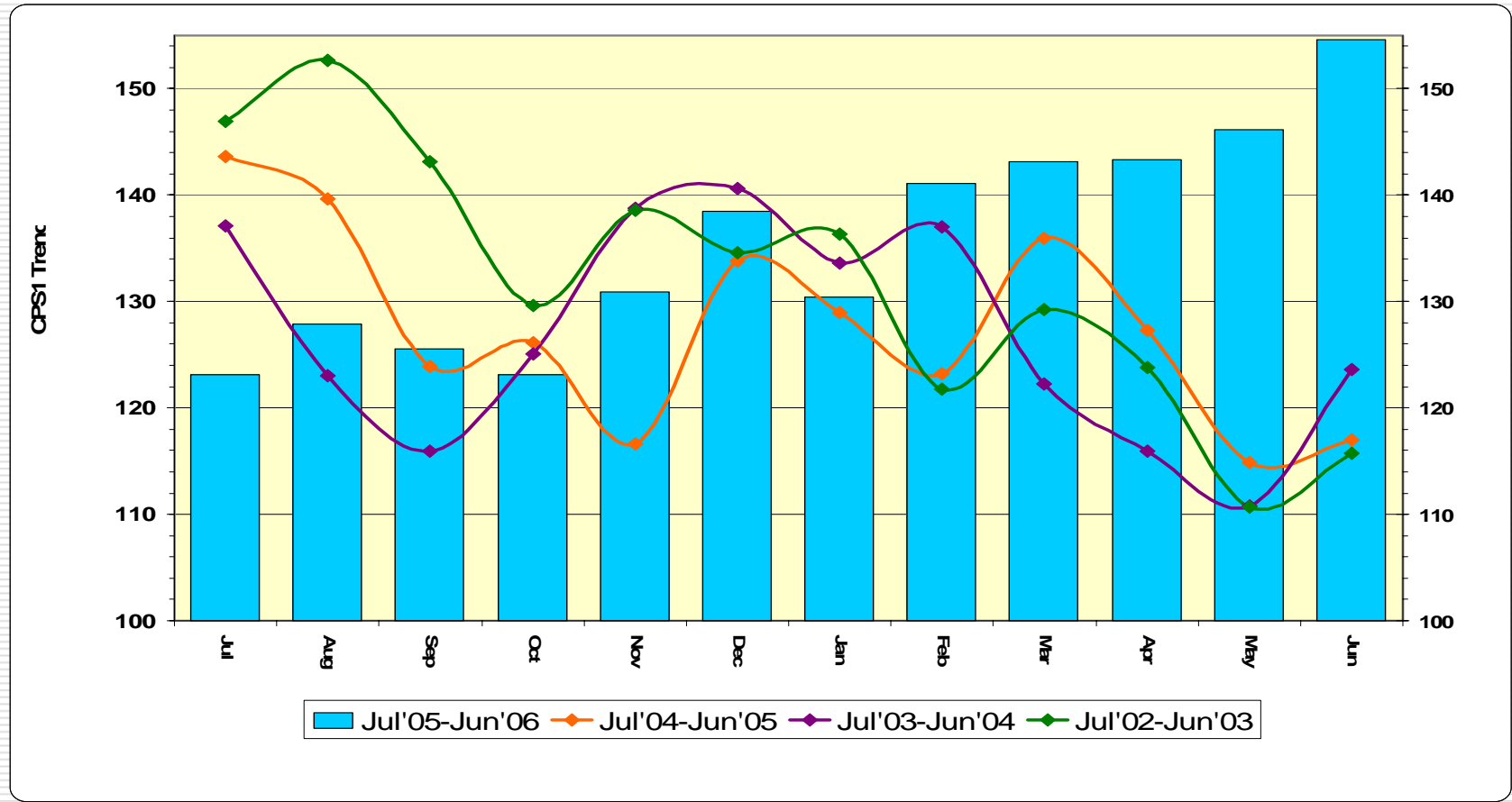
July 2006

Control Performance Highlights

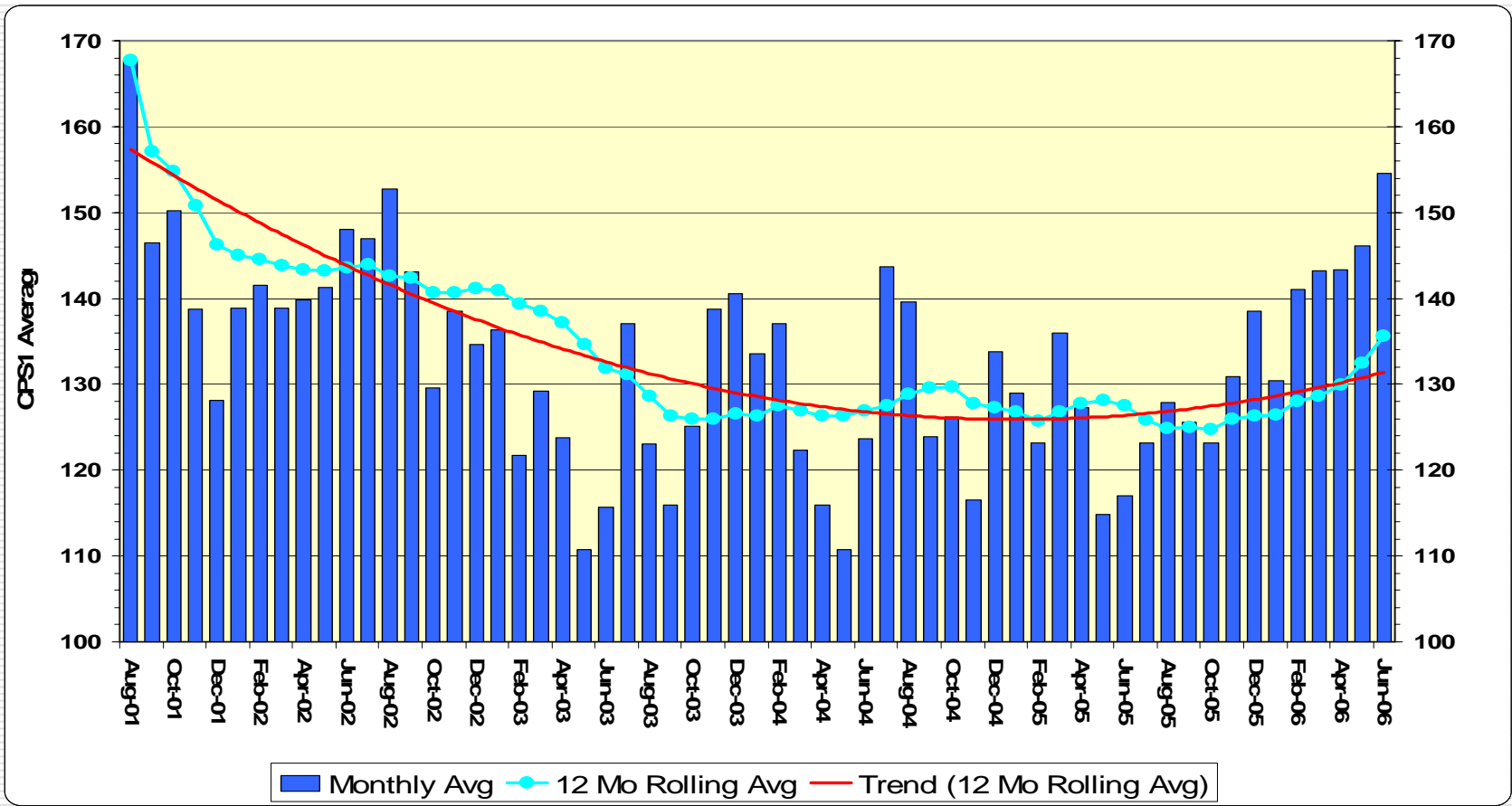
- NERC CPS1 Performance
 - ERCOT's May score was 146.1; June's score was 154.6
 - May has typically been ERCOT's poorest performing month
 - June is the first month that all monthly averaged intervals passed CPS1
 - ERCOT's CPS1 scores show significant improvement over the same month for the past three years since the implementation of PRR525 with the exception of January

 - PRR 525 Performance
 - 30 passed / 3 non-wind-only QSEs failed the measure in May
 - Preliminary scores for June indicate 30 passed / 3 non-wind-only QSEs failed the measure
 - Scores posted on the ERCOT Compliance Web Page
 - Performance of Wind-Only QSEs is not improving, possibly declining
-

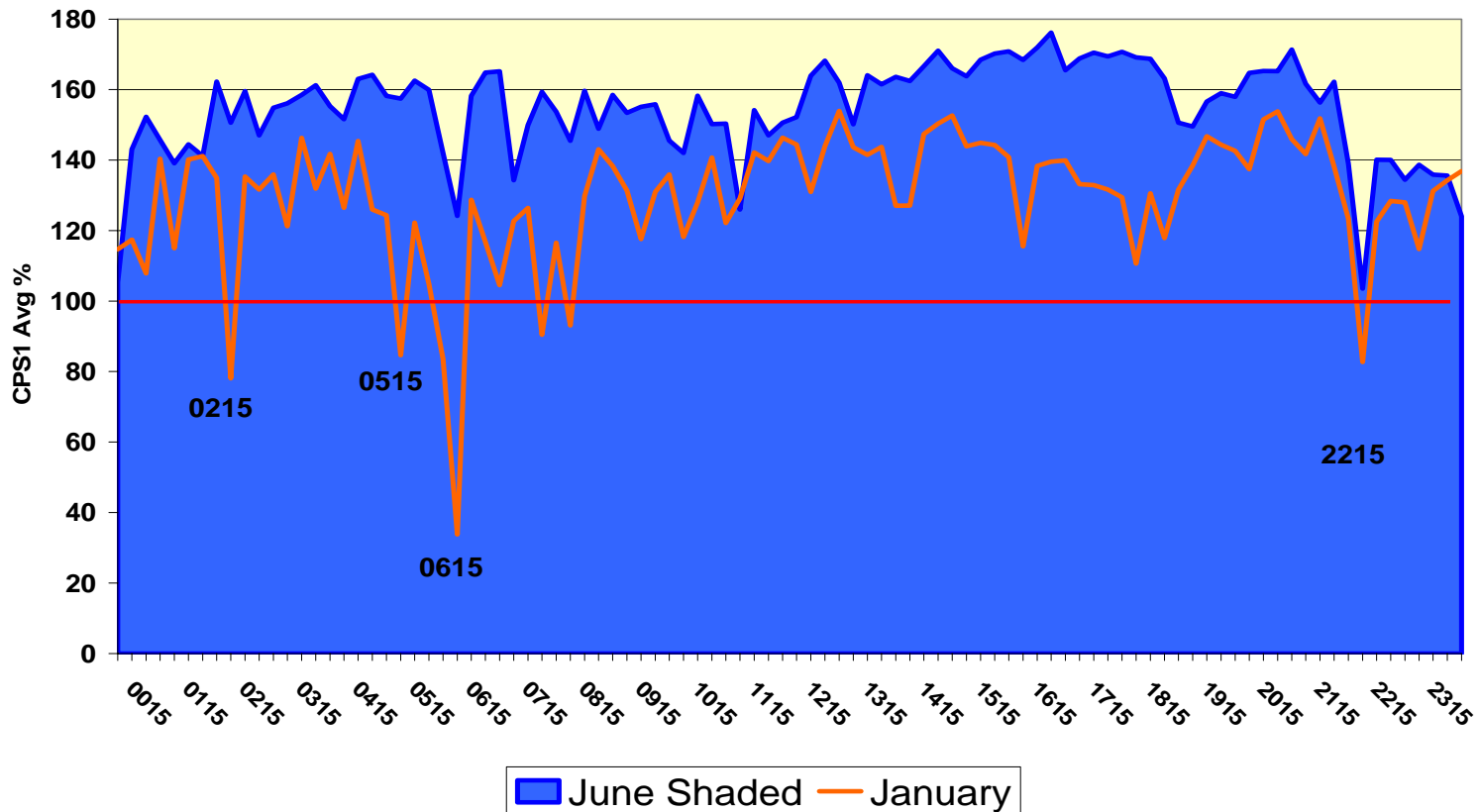
ERCOT CPS1 Performance Comparison



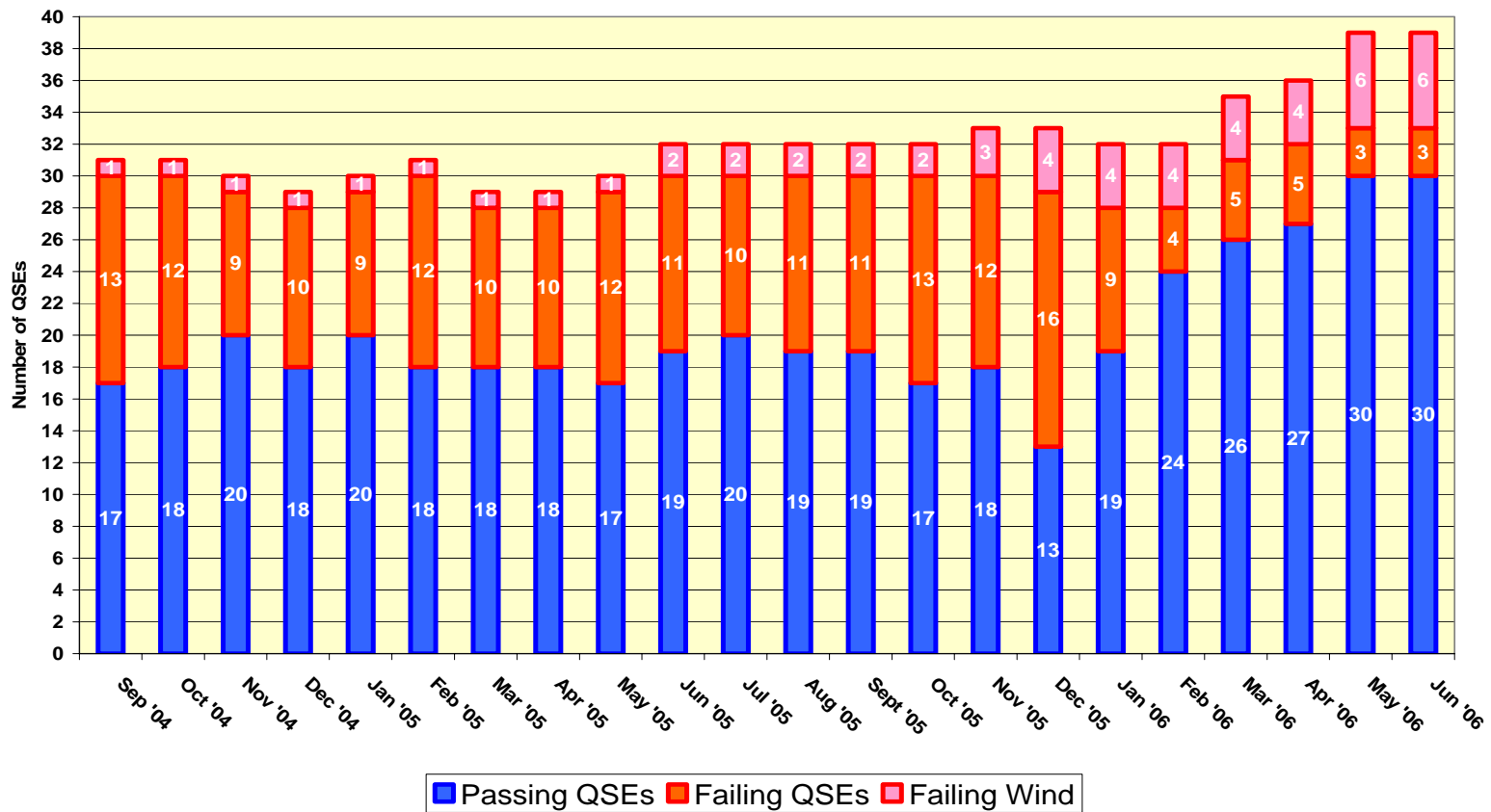
ERCOT's CPS1 Monthly Trend



ERCOT CPS1 by Interval



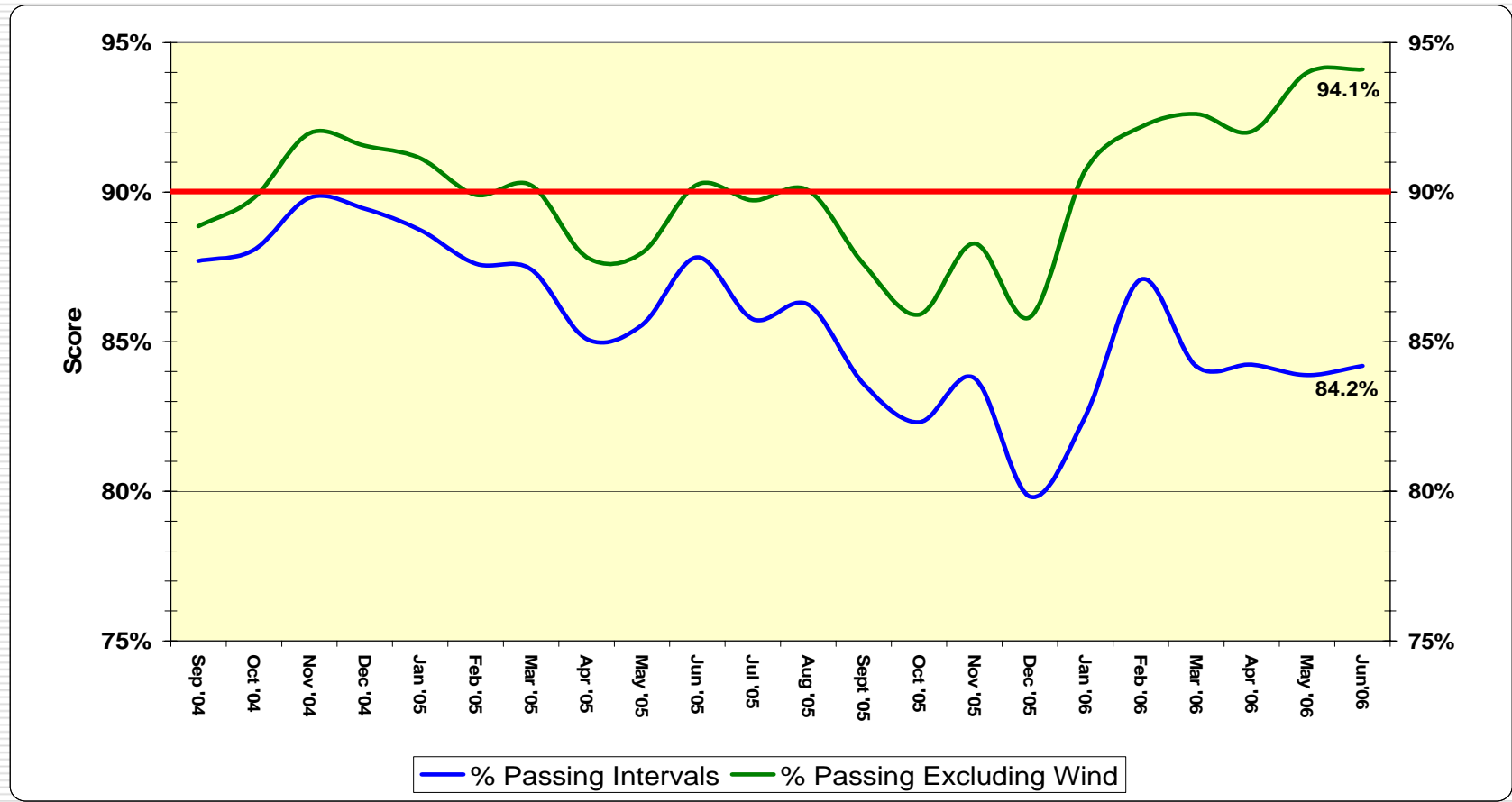
QSE PRR525 10-Minute Interval Scoring



SCE Performance Monitoring

- SCE Performance Monitoring scores for all QSEs are published on the Compliance Website
 - [SCE Performance Scores](#)
-

525 Passing 10-Min Interval Percentage Trends



Resource Plan Performance Metrics

May Results

Resource Plan Metrics	QSE IDENTIFIER																							
	AP	CY	AY	DQ	BR	BF	CV	ET	HA	DP	DE	FR	IC	BC	CQ	DA	CF	DF	BG	BY	BX	FK	AO	
Resource Status	99	-	95	-	98	-	99	98	98	100	100	100	100	100	99	98	100	100	99	99	96	99	100	
Resource LSL as % of HSL	85	-	100	-	97	-	99	90	100	100	99	92	100	100	94	100	99	100	95	94	100	99	100	
DA Zonal Schedule	97	0	89	-	96	99	99	100	98	97	100	100	100	100	93	93	100	98	100	98	96	100	100	
AP Zonal Schedule	97	0	95	0	81	100	99	99	98	98	98	99	100	99	99	98	96	100	100	99	99	100	100	
Down Bid & Obligation	89	-	86	-	84	49	74	78	85	88	89	89	100	98	90	97	92	95	99	97	97	100	95	
Total Up AS Scheduled Obligation	100	-	99	-	98	-	96	99	100	96	97	-	0	91	96	97	98	98	99	99	99	99	99	

Resource Plan Metrics	QSE IDENTIFIER																					
	CD	AM	AR	CJ	BP	CC	CX	AE	FY	BE	HJ	BT	DK	AB	GR	CI	BH	AD	AC	FS	CU	GH
Resource Status	100	99	100	100	100	100	99	-	-	-	-	-	97	100	-	100	-	100	100	100	100	100
Resource LSL as % of HSL	96	100	95	100	100	100	100	-	-	-	-	-	97	98	-	98	-	99	100	100	-	-
DA Zonal Schedule	99	100	100	94	100	100	100	-	-	100	94	94	91	100	95	100	100	100	100	100	-	-
AP Zonal Schedule	100	100	99	99	99	100	100	-	-	100	97	92	93	99	95	99	99	99	100	100	-	-
Down Bid & Obligation	96	94	93	96	94	99	99	-	-	90	93	94	94	95	95	96	99	100	100	-	-	-
Total Up AS Scheduled Obligation	99	100	100	100	100	100	100	100	100	-	-	-	-	-	-	-	-	-	-	-	-	-

4 Consecutive Failing Scores

3 Consecutive Failing Scores

2 Consecutive Failing Scores

1 Failing Score

ERCOT Compliance Process

□ Timeline

- May 12th – ERCOT filed new redline
 - May 22nd – Replies to ERCOT redline
 - May 31st – Workshop to review all redlines and get consensus on most or all of document
 - June 6th – ERCOT filed second revised draft
 - June 13th – Deadline for filing hearing request
 - June 23rd – ERCOT files Settlement Agreement, including the final version of the process
 - June 27th – Pre-hearing conference scheduled; not held, no need
 - July 20th – Open Meeting to consider approval
-

NERC ERO Filing Developments

- ❑ ERCOT Compliance is continuing to collect contact information from ERCOT Entities responsible for NERC Reliability Standards. This is in support of NERC's filing to be the Electric Reliability Organization (ERO). Current deadline for submission of list of identified responsible Entities is September 1st.
 - ❑ Draft Regional Entity budget submitted in June.
 - ❑ Proposed Regional Entity Work Plan to be submitted in July.
 - ❑ NERC is asking each Region to supply a draft Regional Delegation Agreement by August 1st.
-