

| Program Area | Budget Request | Project Count | Counts by Priority |          |      |          |
|--------------|----------------|---------------|--------------------|----------|------|----------|
|              |                |               | Carryover          | Critical | High | High/Med |
| CO           | \$5,750,000    | 31            | 2                  | 13       | 16   | 0        |
| IO           | \$16,000,000   | 14            | 5                  | 8        | 1    | 0        |
| MO           | \$2,058,000    | 16            | 7                  | 1        | 7    | 1        |
| RO           | \$7,659,000    | 13            | 6                  | 0        | 7    | 0        |
| SO           | \$4,908,000    | 17            | 9                  | 8        | 0    | 0        |
| Total        | \$36,375,000   | 91            | 29                 | 30       | 31   | 1        |

**2007 Project Prioritization - PUCT, Market and ERCOT Projects**

| Source | Committee | Prog Area | Source Doc | Project   | Project No. | Status      | 2007 Priority | 2007 Rank | 2007 Budget Range | 2007 Running Range | CBA Score | Net Benefit  | Summary Description  | Benefit Summary   |
|--------|-----------|-----------|------------|---|-------------|-------------|---------------|-----------|-------------------|--------------------|-----------|--------------|--|---|
| ERCOT  | CO        | CO        |            | Identity & Access Management                      | 60075_01    | Planning    | 0 - Carryover | 0.1       | \$500k-\$1M       | <\$1M              |           |              | Automate and provide ability to generate SAS70, NERC and 17799 compliance reports  |   |
| ERCOT  | CO        | CO        |            | Lawson 8.1 Upgrade                                | 60020_01    | Not Started | 0 - Carryover | 0.2       | \$100k-\$500k     | <\$1M              | 19        | \$ 177,090   | Upgrade Lawson Application Suite and Environment to version 8.1  | Internal ERCOT benefit: increased efficiencies in various areas and reduced cost and risk in maintaining unsupported software |
| ERCOT  | CO        | CO        |            | Physical Security Project #1                      | 50103_01    | Not Started | 1 - Critical  | 1         | <\$100k           | \$1M-\$2M          | 15        | \$ (311,784) |  |   |
| ERCOT  | CO        | CO        |            | Corporate Document Management                     | New         | Not Started | 1 - Critical  | 2         | \$100k-\$500k     | \$1M-\$2M          | 15        | \$ 255,263   | HR, Finance, Procurement, Security   |   |
| ERCOT  | CO        | CO        |            | Cyber-Security Project #1                         | New         | New         | 2 - Critical  | 3         | \$100k-\$500k     | \$1M-\$2M          | 25        | \$ 5,400,508 |  |   |
| ERCOT  | CO        | CO        |            | Lawson Expense Management                         | 60066_01    | Not Started | 1 - Critical  | 4         | <\$100k           | \$1M-\$2M          | 14        | \$ (55,641)  | Implement Lawson Expense mangement in order to track expenses online.  |   |
| ERCOT  | CO        | CO        |            | Physical Security Project #2                      | New         | New         | 1 - Critical  | 5         | \$100k-\$500k     | \$1M-\$2M          | 20        | \$ (237,577) |  |   |
| ERCOT  | CO        | CO        |            | Physical Security Project #3                      | New         | New         | 1 - Critical  | 6         | \$100k-\$500k     | \$1M-\$2M          | 25        | \$ (131,310) |  |   |
| ERCOT  | CO        | CO        |            | Lawson Security                                   | New         | New         | 1 - Critical  | 7         | <\$100k           | \$1M-\$2M          | 14        | \$ 232,488   | Lawson has restructured the application security within the suite of applications. The security is no longer deductive where a user is given access to everything and the security administrator must strip away any access that is not required. Instead, the new version allows for additive privileges and provides real role based security. The current version requires one security class per user. This results in many unmanageable classes. The role based model is much more flexible and maintainable. |   |
| ERCOT  | CO        | CO        |            | Identity & Access Management (IAM) Integration    | New         | New         | 1 - Critical  | 8         | <\$100k           | \$1M-\$2M          | 9         | \$ (37,596)  | To fully utilize the Identity and Access Management project, ERCOT will need to integrate the tool with Lawson HR, the contract management database as well as other applications such as Altiris and Aperture Vista.  |   |
| ERCOT  | CO        | CO        |            | Lawson eRecruiting                                | 60073_01    | Not Started | 1 - Critical  | 9         | <\$100k           | \$2M-\$3M          | 17        | \$ 159,978   | Implement Lawson eRecruiting module. ERCOT owns the license to support this functionality.   |   |
| ERCOT  | CO        | CO        |            | Absence Management                                | New         | New         | 1 - Critical  | 10        | <\$100k           | \$2M-\$3M          | 11        | \$ (69,281)  | Replace the existing Time Accrual component in Lawson with Absence Management  |   |
| ERCOT  | CO        | CO        |            | Aperture Vista 500 Upgrade                        | New         | New         | 1 - Critical  | 11        | <\$100k           | \$2M-\$3M          | 10        | \$ (54,988)  | Upgrade Aperture Vista to the latest platform  |   |
| ERCOT  | CO        | CO        |            | Physical Security Project #4                      | New         | New         | 1 - Critical  | 12        | <\$100k           | \$2M-\$3M          | 25        | \$ (93,812)  |  |   |
| ERCOT  | CO        | CO        |            | Open Enrollment                                   | New         | New         | 1 - Critical  | 13        | <\$100k           | \$2M-\$3M          | 11        | \$ 10,031    | Enable Open Enrollment via Lawson Employee Self Service  |   |
| ERCOT  | CO        | CO        |            | Flexible Port Security                            | New         | New         | 2 - High      | 14        | \$100k-\$500k     | \$2M-\$3M          | 20        | \$ 666,330   | Develop systems and methodologies to allow ERCOT employees to connect to any network port within the network perimeter and be granted access to the resources they are authorized. Additionally, explore the technology that will allow guests to connect and be automatically routed to the Guest Network.  |   |
| ERCOT  | CO        | CO        |            | Benefits Data Transmission                        | 60045_01    | Not Started | 2 - High      | 15        |                   | \$2M-\$3M          | 12        | \$ (62,055)  | ERCOT currently submits data to our benefits provider manually by extracting the data from Lawson to an Excel spreadsheet and emailing the data. Lawson support edl transmission of data. This would completely automate the process eliminating any potentia  |   |
| ERCOT  | CO        | CO        |            | Business Function Automation Time Mgt Integration | 60034_01    | Not Started | 2 - High      | 16        | \$100k-\$500k     | \$2M-\$3M          | 8         | \$ 6,648,961 | Integrate Identity and Access Management functions with key enterprise infrastructure applications. Improves SAS70 compliance.   | ERCOT benefit: 10 minutes of time savings per ERCOT employee per day  |
| ERCOT  | CO        | CO        |            | Budgeting Tool                                    | 40029_01    | Not Started | 2 - High      | 17        | <\$100k           | \$2M-\$3M          | 16        | \$ 45,657    | Evaluate, select, and implement an automated budgeting tool that offers interconnectivity to the Lawson Accounting system.   |   |
| ERCOT  | CO        | CO        |            | Process Flows - HR                                | New         | New         | 2 - High      | 18        | <\$100k           | \$2M-\$3M          | 17        | \$ 188,462   | Automate and provide auditable checkpoints for the hiring and termination of ERCOT employees   |   |
| ERCOT  | CO        | CO        |            | Requisition Self Service                          | New         | New         | 2 - High      | 19        | <\$100k           | \$2M-\$3M          | 17        | \$ 125,108   | Allow employees and managers to begin the process of requesting software, hardware and/or services via an on line form. Support the procurement process with workflow appropriate workflow so that users can see the status of these requisitions  |   |
| ERCOT  | CO        | CO        |            | Enterprise Document Management                    | 60029_01    | Not Started | 2 - High      | 20        | \$100k-\$500k     | \$3M-\$4M          | 15        | \$ 5,684,672 | Provide a document management system to be used across the enterprise for policies, procedures, department documentation, etc.   | Internal ERCOT benefit: 10 min. time savings per employee per workday   |
| ERCOT  | CO        | CO        |            | Cyber-Security Project #2                         | New         | New         | 2 - High      | 21        | \$100k-\$500k     | \$3M-\$4M          | 20        | \$ 158,753   |  |   |
| ERCOT  | CO        | CO        |            | Cyber-Security Project #3                         | New         | New         | 2 - High      | 22        | \$100k-\$500k     | \$3M-\$4M          | 25        | \$ 2,058,450 |  |   |
| ERCOT  | CO        | CO        |            | TCC2 Security Facilities Buildout                 | New         | New         | 2 - High      | 23        | \$500k-\$1M       | \$4M-\$5M          | 27        | \$ 852,388   | Security needs to vacate current space to make room for IT.  |   |
| ERCOT  | CO        | CO        |            | TCC2 HR Buildout                                  | New         | New         | 2 - High      | 24        | \$500k-\$1M       | \$4M-\$5M          |           | \$ -         |  |   |
| ERCOT  | CO        | CO        |            | Corporate Development Environment                 | New         | New         | 2 - High      | 25        | \$100k-\$500k     | \$5M-\$6M          | 19        | \$ 555,579   | Allow the corporate development environment to expand so that the resources are available to the development team so that Corporate Applications is able to follow the ERCOT standard Software Development Lifecycle.  |   |
| ERCOT  | CO        | CO        |            | Corporate i-Test Environment                      | New         | New         | 2 - High      | 26        | \$100k-\$500k     | \$5M-\$6M          | 19        | \$ 555,579   | Allow the corporate test environment to expand so that the resources are available to ERCOT so that Corporate Applications is able to follow the ERCOT Software Development LifeCycle.   |   |
| ERCOT  | CO        | CO        |            | Intranet Re-Arch                                  | New         | New         | 2 - High      | 27        | \$100k-\$500k     | \$5M-\$6M          | 15        | \$ 31,352    | Retiring Cold Fusion   |   |
| ERCOT  | CO        | CO        |            | Report Writer                                     | New         | New         | 2 - High      | 28        | <\$100k           | \$5M-\$6M          | 16        | \$ 259,559   | Provide enhanced reporting for ERCOT's standard applications. Allow end users reporting self service.  |   |
| ERCOT  | CO        | CO        |            | Vendor Contract Mgt - Phase 2                     | New         | New         | 2 - High      | 29        | <\$100k           | \$5M-\$6M          | 19        | \$ 21,548    | The project will automate and link Hummingbird's contract approval process with the contract and vendor database.  |   |

| Source   | Committee | Prog Area | Source Doc | Project  | Project No. | Status      | 2007 Priority     | 2007 Rank | 2007 Budget Range | 2007 Running Range | CBA Score | Net Benefit  | Summary Description   | Benefit Summary   |
|--|-----------|-----------|------------|--|-------------|-------------|-------------------|-----------|-------------------|--------------------|-----------|--------------|---|---|
| <b>Estimated Resource Capability = \$5,750,000</b> |           |           |            |  |             |             |                   |           |                   |                    |           |              |   |   |
| ERCOT  | CO        | CO        |            | Project Portfolio Management System                        | 60058_01    | Not Started | 2 - High          | 30        | \$500k-\$1M       | >\$6M              | 13        | \$ (644,026) | Provide additional portfolio analysis features to existing project scheduling tool that allows for tracking and reporting on project portfolio health, performance, budgets, costs and issues.  |   |
| ERCOT  | CO        | CO        |            | Patrol path and 3 wheel vehicle for Taylor                 | New         | New         | 3 - High / Medium | 31        | \$100k-\$500k     | >\$6M              | 24        | \$ (162,355) |   |   |
| ERCOT  | CO        | CO        |            | Continuous Monitoring Software                             | 60026_01    | Not Started | 9 - Parking Lot   |           |                   |                    | 15        | \$ (194,924) | Provide automated capabilities to review and interrogate data from ERCOT's key business systems to help ensure there are no fraudulent transactions being processed throughout the organization.  | Intangible benefit: Provide improved assurance that fraud is not being perpetrated throughout the organization  |
| ERCOT  | CO        | CO        |            | NERC Tracking Database                                     | 60032_01    |             | 9 - Parking Lot   |           |                   |                    | 21        | \$ (44,482)  | Track NERC recommendations, Compliance audit issues, mitigation plans, investigations and correspondence to market participants.  | Creates a common data repository for various issues that are currently tracked separately   |
| ERCOT  | CO        | CO        |            | Intrusion Detection/Intrusion Protection (IDS/IPS)         | 50132       | Closing     | N/A               |           |                   |                    | 23        | \$ (925,451) | Implement Network Intrusion Detection and Intrusion Protection Systems into the ERCOT network at the perimeter and internal network layers.   | Allows ERCOT to appropriately respond to E&Y audit findings; improves monitoring capability of data transported across the network, allowing for the identification of attack or malware activity |
| ERCOT  | CO        | CO        |            | Collateral Calculation                                     | 50017       | Execution   | N/A               |           |                   |                    | 17        | \$ 26,954    | Automate much of the "data gathering" piece of credit monitoring that is currently done manually using Excel spreadsheets.  | Significant intangible benefits plus time savings in Credit group due to automation of collateral calculations  |
| ERCOT  | CO        | CO        |            | Lawson SIR - Time Tracking                                 | 50015_01    | Closed      | N/A               |           |                   |                    | 18        | \$ 63,910    | Replace manual Excel time tracking with online Lawson entry system for ERCOT employee time reporting  | Internal ERCOT benefit: increased efficiencies in Finance department and improved ease of time entry for ERCOT employees  |
| ERCOT  | CO        | CO        |            | IT Incident Reporting                                      | 50152       | Closed      | N/A               |           |                   |                    | 21        | \$ 102,197   | Implement an automated IT Incident Reporting to address inaccuracies and deficiencies of existing reports, provide greater auditing and issue tracking functionality, and better information to aid in decision making on issues that occur within the production environment   |   |
| ERCOT  | CO        | CO        |            | Log and Event Management                                   | 50140       | Execution   | N/A               |           |                   |                    | 27        | \$ (655,320) | Through the use of robust technology, identify, correlate and investigate possible incidents where systems were attacked directly (popularly know has hacking) or indirectly (worms, viruses and denial of service). Allow a single console system to permit the investigation of Intrusion Detection, Operating System, Application logs for event detection and analysis.   | Manual monitoring of logs is impossible without either a software solution or a large number of analysts. A software solution is recommended.   |
| ERCOT  | CO        | CO        |            | Secure E-mail  | 50141       | Execution   | N/A               |           |                   |                    | 19        | \$ (166,446) | Provide the ability to encrypt email that may contain confidential or restricted information.   | Response to an audit finding that suggests certain enhancements relating to e-mail security.  |
| ERCOT  | CO        | CO        |            | Document Management  | 50123       | Execution   | N/A               |           |                   |                    | 24        | \$ 8,370,569 | To implement a document management system and roll out to one or more ERCOT departments in addition to the current HR, Legal, and Finance implementation.   | Improved efficiency in document handling within ERCOT   |
| ERCOT  | CO        | CO        |            | Proxy Server   | 60076_01    | Execution   | N/A               |           |                   |                    |           |              |   |   |
| ERCOT  | CO        | CO        |            | Security Camera Enhancements                               | 50106_01    | Execution   | N/A               |           |                   |                    | 26        | \$ (234,135) | To enhance visibility of the Austin/Taylor data centers, the EMMS test lab, and the Blue building.  |   |
| ERCOT  | CO        | CO        |            | Risk Management (incl Security Auditing and Monitoring SW) | 60014_01    | Planning    | N/A               |           |                   |                    | 27        | \$ (349,170) | To acquire software for the purpose of identifying vulnerabilities within the network, operating systems and applications. Provide automated, real time capabilities to audit and monitor compliance with ERCOT's security infrastructure, policies, and procedures.  | Improve ERCOT's ability to identify vulnerabilities associated with the network, internet-facing applications and other cyber-critical applications   |
| ERCOT  | CO        | CO        |            | Vendor and Contract Management                             | 50111_01    | Execution   | N/A               |           |                   |                    | 21        | \$ (254,403) | Provide database which provides tracking and reporting regarding all vendors and vendor contracts, to help enforce company policies, procedures, and financial reporting. Regulatory support to include: Sarbanes-Oxley, Corporate Contract Management Procedures.  | Resolves an audit finding and increases internal controls; provides more efficient reporting capabilities; increases reliability of information about vendors and vendor contracts                |
| ERCOT  | CO        | CO        |            | Host Intrusion Detection System                            | 60016_01    | Planning    | N/A               |           |                   |                    | 26        | \$ (298,222) | Implementation of a system for reporting attacks against individual servers thereby increasing the granularity of incident monitoring and investigation.  | Event correlation gives ERCOT the ability to identify incidents at a very early stage and mitigate damages; increased productivity of Security Operations group                                   |
| ERCOT  | CO        | CO        |            | Lawson SIR - Process Flow                                  | 50015_02    | Planning    | N/A               |           |                   |                    | 19        | \$ 145,389   | Implement Lawson Process Flow to enable workflow processing within Lawson. 1) Automation of requisition approval process; 2) Email notifications to approvers when a requisition is awaiting their approval; 3) Perform the financial control of allowing only certain users to approve GL entries over a specific amount   | Reduction in manual effort tracking purchase orders   |
| ERCOT  | CO        | CO        |            | Computer Aided Facilities Mgmt                             | 50149       | Closed      | N/A               |           |                   |                    | 22        | \$ 24,100    | This project supports: • Long-range and annual facility planning • Facility financial forecasting • Real estate acquisition and/or disposal • Work specifications, installation and space management • Architectural and engineering planning and design • New construction management and build-out • Maintenance and operations management • Telecommunications integration, security and general administrative services • Floor plans • Building and property information • Space characteristics and usage • Employee and occupancy data • Workplace assets (furniture and equipment) • Business continuity and safety information • LAN and telecom information | Enhance asset management reporting; automate key business processes (6 hours per workday)   |

**2007 Project Prioritization - PUCT, Market and ERCOT Projects**

| Source  | Committee | Prog Area | Source Doc | Project   | Project No. | Status                               | 2007 Priority | 2007 Rank | 2007 Budget Range | 2007 Running Range | CBA Score | Net Benefit    | Summary Description   | Benefit Summary  |
|---|-----------|-----------|------------|---|-------------|--------------------------------------|---------------|-----------|-------------------|--------------------|-----------|----------------|---|--|
| ERCOT   | IO        | IO        |            | EDW EMMS Decommission                                   | 50031       | Initiation                           | 0 - Carryover | 0.1       |                   | <\$2M              | 29        | \$ 81,234      | Transition reporting to the EDW Lodestar/EMMS ODS.  | Reduction of support costs of over 50% (10 hours per day to 4 hours per day)   |
| PUCT  | IO        | IO        |            | EIS Conformed Data Warehouse Foundations                | 60004_01    | Initiation                           | 0 - Carryover | 0.2       |                   | <\$2M              | 29        | \$ 48,620,154  | Roll out the architecture and framework for the next generation data warehouse environment. This project is in direct support of Section 17 of the Protocols and is required element to directly support the PUCT and the Market.               | Market cost savings equates to 2 hours of savings per day per participant, through optimized access to data, additional data access, and analytical processes to be rolled out at a later time through data marts                          |
| PUCT  | IO        | IO        |            | EIS CDW Data Marts                                      | 60005_01    | On Hold<br>Possibly be Absorbed into | 0 - Carryover | 0.3       | \$500k-\$1M       | <\$2M              | 25        | \$ 24,350,470  | Roll out first wave of data marts in the next generation data warehouse environment   | Market cost savings equates to 1 hour of savings per day per participant, through optimized access to data, additional data access, and analytical processes to be rolled out at a later time through data marts                           |
| ERCOT   | IO        | IO        |            | Enhance Digital Certificate Program                     | 60013_01    | Start June/July                      | 0 - Carryover | 0.4       |                   | <\$2M              | 15        | \$ 4,074,838   |   |  |
| ERCOT   | IO        | IO        |            | Enterprise Service Management                           | 60055_01    | Initiation                           | 0 - Carryover | 0.5       | \$500k-\$1M       | <\$2M              | 16        | \$ -           |   |  |
| ERCOT   | IO        | IO        |            | Cisco NAC Appliances                                    | New         | Not Yet Started                      | 1 - Critical  | 1         | \$100k-\$500k     | <\$2M              | 20        | \$ (300,000)   | (includes 4) appliances and software) This will allow ERCOT to check AV, Alteris, patch-level, and other criteria prior to access to ERCOT systems. This will enable ERCOT to be certain that only ERCOT authorized                             |  |
| ERCOT   | IO        | IO        |            | Citrix Rebuild  | New         | Not Yet Started                      | 1 - Critical  | 2         | \$500k-\$1M       | \$2M-\$4M          | 18        | \$ 790,000     |   |  |
| ERCOT   | IO        | IO        |            | Switch Consolidation                                    | 60047_01    | Not Yet Started                      | 1 - Critical  | 3         | \$100k-\$500k     | \$2M-\$4M          | 16        | \$ (200,000)   | The Network Group currently maintains several hubs and switches that can be consolidated in to a single chassis switch. Provisioning will call for two in Austin and two in Taylor. Most of these devices are obsolete and end-of-life          |  |
| ERCOT   | IO        | IO        |            | Storage Upgrade   | New         | Not Yet Started                      | 1 - Critical  | 4         | \$500k-\$1M       | \$2M-\$4M          | 23        | \$ 8,400,000   |   |  |
| ERCOT   | IO        | IO        |            | Tools and Strategy for Information Lifecycle Management | 60035_01    | Not Yet Started                      | 1 - Critical  | 5         | >\$5M             | \$10M-\$12M        | 19        | \$ 2,763,458   | Develop strategy for Information lifecycle management to manage data in production databases. This will include Tier 2 Storage w/San Switches.  |  |
| ERCOT   | IO        | IO        |            | TCC Data Center Virtualization                          | 60011_01    | Not Yet Started                      | 1 - Critical  | 6         | \$1M-\$3M         | \$12M-\$14M        | 21        | \$ 5,800,000   | There is a need to expand the Taylor Data Center in order to maintain the necessary redundant capacities and provide for continued increases in storage requirements.   | Addressing power and cooling limitations will allow ERCOT to continue to effectively support ongoing operations and additional capital project requirements  |
| ERCOT   | IO        | IO        |            | Virtual Tape Backup                                     | New         | Not Yet Started                      | 1 - Critical  | 7         | \$1M-\$3M         | \$14M-\$16M        | 26        | \$ 7,700,000   |   |  |
| ERCOT   | IO        | IO        |            | Minor Capital   | New         | Not Yet Started                      | 1 - Critical  | 7.5       | \$1M-\$3M         | \$14M-\$16M        | 23        | \$ 1,100,000   |   |  |
| <b>Estimated Resource Capability = \$16,000,000</b> |           |           |            |   |             |                                      |               |           |                   |                    |           |                |   |  |
| ERCOT   | IO        | IO        |            | Deskside Standardization                                | New         | Not Yet Started                      | 2 - High      | 8         | \$500k-\$1M       | \$14M-\$16M        | 23        | \$ 1,100,000   |   |  |
| ERCOT   | IO        | IO        |            | Console Operations Area                                 | 60057_01    | Not Yet Started                      | 2 - High      | 9         | \$1M-\$3M         | \$16M-\$18M        | 25        | \$ (443,271)   | Provide a permanent and suitable location for Console Operations. The build-out will provide a 1500 sq.ft. location in the hardened area of TCC adjoining the Data Center. The objective is to design and construct a work area with the proper |  |
| ERCOT   | IO        | IO        |            | UNIX Hardware EOL                                       | New         | Not Yet Started                      | 2 - High      | 10        | >\$5M             | \$32M-\$34M        | 14        | \$ 13,000,000  |   |  |
| ERCOT   | IO        | IO        |            | Software Standardization (non-Nodal)                    | New         | Not Yet Started                      | 2 - High      | 11        | \$100k-\$500k     | \$34M-\$36M        | 16        | \$ 100,000,000 | Reduce the number of technologies supported in ERCOT's production web environment and register the updated applications in a configuration management database (CMDB)   | ERCOT's web platform has a large number of technology components and versions. Supporting such a diverse environment is expensive to both the operations and development teams and it affects the quality of the solutions ERCOT delivers. |

|        |     |    |        |  |          |                   |                   |    |               |             |    |                  |   |   |
|--------|-----|----|--------|--|----------|-------------------|-------------------|----|---------------|-------------|----|------------------|---|---|
| ERCOT  | IO  | IO |        | WAN GTM  | New      | Not Yet Started   | 2 - High          | 12 | \$100k-\$500k | \$34M-\$36M | 12 | \$ 430,000       | (includes 4) Big-IP 3400s w/ max memory) Enhance high availability and Disaster Recovery for WAN facing services. This will allow us to load balance WAN service such as MOS, MOSTML, TML, etc... between Austin and Taylor. This will reduce   |   |
| ERCOT  | IO  | IO |        | Tellabs Digital Cross-Connect System Replacement                                   | New      | Not Yet Started   | 2 - High          | 13 | \$500k-\$1M   | \$34M-\$36M | 15 | \$ (600,000)     | Hardware for ERCOT's current Tellabs systems have been manufacturer discontinued. This replacement is required to continue reliable operation and support of System Operations voice, RTU and data communications on the ERCOT Windows and Jrun environment has proven problematic. Jrun will end of life next year (complete product), and Windows for DMZ applications is being decommissioned. |   |
| ERCOT  | IO  | IO |        | TML Port to Unix   | 50062_01 | Not Yet Started   | 2 - High          | 14 | \$100k-\$500k | \$34M-\$36M | 16 | \$ 6,348,545     |   |   |
| ERCOT  | IO  | IO |        | DB High Availability / Recovery  | New      | Not Yet Started   | 2 - High          | 15 | \$500k-\$1M   | \$36M-\$38M | 24 | \$ 8,400,000     |   |   |
| ERCOT  | IO  | IO |        | LDAP Implementation  | New      | Not Yet Started   | 3 - High / Medium | 16 | \$500k-\$1M   | \$36M-\$38M | 18 | \$ 540,000       |   |   |
| ERCOT  | IO  | IO |        | DR Test  | New      | Not Yet Started   | 3 - High / Medium | 17 | \$500k-\$1M   | \$36M-\$38M | 17 | \$ 1,600,000,000 | Prove, through a successful executed test, that ERCOT can recover it's core IT capabilities in the event that we are unable to operate our systems out of the Taylor Data Center.   | It is critical, given the amount of change to our IT infrastructure, that we perform and successfully complete a DR tests in 2007 to validate ERCOT's ability to recover it's IT systems in the event we are not able operate these                   |
| ERCOT  | IO  | IO |        | ERCOT Private OC-3 Microwave System Retirement                                     | New      | Not Yet Started   | 3 - High / Medium | 18 | <\$100k       | \$36M-\$38M |    | \$ -             | ERCOT's existing OC-3 Microwave System will be retired provided that an alternative, comparably priced redundant infrastructure is attainable.  |   |
| ERCOT  | IO  | IO |        | Spectel Hotline System Replacement   | New      | Not Yet Started   | 3 - High / Medium | 19 | \$500k-\$1M   | \$38M-\$40M |    | \$ -             | ERCOT's existing Hotline system is 5 years old and is operating on Windows NT. Upgrading and expansion is costly, the system should be replaced with improved technologies providing better functionality and   |   |
| ERCOT  | IO  | IO |        | Email PST Consolidation  | New      | Not Yet Started   | 4 - Medium        | 20 | <\$100k       | \$38M-\$40M |    | \$ -             |   |   |
| ERCOT  | IO  | IO |        | Firewall Modules Between Internal Subnets  | 60019_01 | Not Yet Started   | 4 - Medium        | 21 | \$100k-\$500k | >\$40M      | 28 | \$ (132,651)     | Separation of CORP Servers from Workstation Environment. This will provide for a more secure and segmented environment.   | Improve ERCOT's reliability performance; security; accuracy, timeliness and transparency of transactions/settlements related to date received from, managed and delivered to the market; and supports the baseline architecture that delivers current |
| PUCT   | IO  | IO |        | EIS BI Foundations III   | 60001_01 | To be Moved to SO | 9 - Parking Lot   |    |               |             | 25 | \$ (195,455)     | Enable consistent and efficient reporting for the PUCT, ERCOT, and, eventually, MPs. This project will roll out a third set of Business Intelligence (BI) components per the PUCT's requests.   | Improve ERCOT's reliability performance; cyber security; efficiency; and accuracy, timeliness and transparency of transactions/settlements related to date received from managed and delivered to the market.   |
| Market | ROS | IO | SCR744 | Outage Scheduler View Only Access (to be included in Enhance Digital Cert project) | 60012_01 | To be Moved to SO | N/A               |    |               |             | 15 | \$ 4,074,838     |   |   |
| ERCOT  | IO  | IO |        | Austin Test Environment  | 40070    | Execution         | N/A               |    |               |             |    | \$ -             | The ability to run concurrent application tests, using equipment that will match more closely the production environment. Create a production functional equivalent for integration, regression, and negative testing, and for User Acceptance testing, break   |   |
| PUCT   | IO  | IO |        | EDW Business Intelligence Foundation Phase 2                                       | 50001    | Planning          | N/A               |    |               |             |    |                  |   |   |
| ERCOT  | IO  | IO |        | Disk Based Recovery  | 50027    | Execution         | N/A               |    |               |             | 20 | \$ (437,582)     | Remove the overhead and performance impact of backups on production systems to increase performance and meet the needs of current growth  | Increased efficiency in performing data restores and refreshing test environments. Savings in tape cartridges (\$120k per year). Eliminates risk of unrecoverable data due to tape error.   |
| ERCOT  | IO  | IO |        | Altiris DC Implementation  | 50028    | Closing           | N/A               |    |               |             | 20 | \$ 8,321         | Implement Altiris monitoring software in the Data Center Environment. Be able to run reports on all systems against a known good configuration. Enable comparison of two systems to one another to analyze differences between the systems for  | Implement audit recommendations were made to improve network security and safety.   |
| ERCOT  | IO  | IO |        | TCC II Completion  | 50049    | Closing           | N/A               |    |               |             |    |                  |   |   |
| ERCOT  | IO  | IO |        | SBC Network Replacement  | 50078    | Execution         | N/A               |    |               |             | 26 | \$ 300,000       | Altiris project replaces the SBC telecommunications infrastructure between Austin and Taylor that is used for SAN DR replication and network communications. The project significantly reduces ERCOT's long term O&M costs for these services. The replacement network will be comprised of AT&T and Alpheus fiber plus Cisco   |   |
| ERCOT  | IO  | IO |        | Production Storage   | 50125    | Closing           | N/A               |    |               |             | 23 | \$ 4,630,932     | Addition and optimization of data storage to meet ongoing demands   | Establish Homogeneous storage infrastructure; Reduce storage management overhead; Improve continuity of storage related to business continuity (DR); Improve reporting accuracy and timeliness; Reduce the O&M overhaed for storage                   |
| ERCOT  | IO  | IO |        | EMMS Development Environment Upgrade   | 50138    | Closing           | N/A               |    |               |             |    |                  |   |   |

|       |    |    |  |   |          |                   |     |  |  |  |     |    |                    |  |   |  |
|-------|----|----|--|---|----------|-------------------|-----|--|--|--|-----|----|--------------------|--|---|--|
| ERCOT | IO | IO |  | ACC Data Center Power & Cooling             | 50145    | Closing           | N/A |  |  |  |     |    |                    |  | Extend the Cooling capacity in the Austin Datacenter. This project included the installation of 2-30ton units and the supporting controls to manage the expanded cooling capabilities |  |
| ERCOT | IO | IO |  | Windows Domain Restructuring                | 50147    | Execution         | N/A |  |  |  | 21  | \$ | 122,841            | Restructure Windows forest under ercot.com domain as an implementation of best practices. This project should result in one Windows Domain with proper trusted relationships among the environments  | Improve ERCOT's reliability performance. Proper infrastructure design is necessary for all projects and effects implementation and management of all systems.                         |  |
| ERCOT | IO | IO |  | System Engineering Metrics                  | 50077_01 | Will be Cancelled | N/A |  |  |  | 14  | \$ | (131,183)          | Ensure delivery of key service metrics, ensure growth and capital efforts are adequately forecasted, and stimulate continuous improvement for data center capacity management.   |   |  |
| ERCOT | IO | IO |  | MET Center Remediation                      | 50082_01 | Will be Cancelled | N/A |  |  |  | n/a |    | n/a (3.x priority) | To remediate potential drainage problems and reduce/eliminate water migration underneath the foundation of the MET Center facility.  |   |  |
| ERCOT | IO | IO |  | 2006 Minor Capital                          | 60009_01 | Execution         | N/A |  |  |  |     | \$ | -                  | Capital purchases over the course of the year: new desktop and laptop systems, SAN switch upgrades, voice recording system for Outage Coordinators, add'l Mercury Interactive licenses, etc.   | Continued maintenance activities in support of ERCOT's infrastructure   |  |
| ERCOT | IO | IO |  | SAN Switch Expansion                        | 60011_02 | Closing           | N/A |  |  |  | 19  | \$ | 20,000             | Introduce new EMC Connectrix to mitigate the lack of SAN ports and the inability to provision more SAN-attached hardware.  |   |  |
| ERCOT | IO | IO |  | Exchange 2003 Implementation                | 60036_01 | Closing           | N/A |  |  |  | 22  | \$ | 29,345             | Upgrade Email system to latest version and avoid sunseting and need for emergency migration later. Exchange 2003 is also necessary for upgrading new software products with a dependancy on Exchange.  |   |  |
| ERCOT | IO | IO |  | IT Systems Map                              | 60037_01 | Will be Cancelled | N/A |  |  |  | 19  | \$ | 1,269,302          | Create a map of the ERCOT DC environment including all servers in all environments, node to node, applications, Ips, System Model, RAM, Processor, HBA, FA Path and all other important information. Some of this effort may be                        |   |  |
| ERCOT | IO | IO |  | Network Response                            | 60038_01 | Will be Cancelled | N/A |  |  |  | 27  | \$ | (120,323)          | Reduce the amount of time required to disable infected hosts on the ERCOT Corporate network.   |   |  |
| ERCOT |    |    |  | Alcatel MDR8000 SNMP Upgrade                | 60048_01 | Will be Cancelled | N/A |  |  |  | 16  | \$ | (55,022)           |  |   |  |
| ERCOT | IO | IO |  | TCC Modular Storage/Additional Office Space | 60054_01 | Will be Cancelled | N/A |  |  |  | 22  | \$ | (708,911)          | When TCC2 is completed, ERCOT will not have any storage space available on-site for critical computer equipment. A modular storage/office building will give ERCOT additional office space if needed and an on-site, secure environmentally controlled |   |  |
| ERCOT | IO | IO |  | PowderHorn Tape Library Redundancy          | 60070_01 | Will be Cancelled | N/A |  |  |  | 14  | \$ | (191,098)          | Provide redundant power for the Tape backup library.   | The existing tape library is not power redundant and losses of power to the unit will halt functionality of backup and restore operations.  |  |

**MO 2007 Project Prioritization - PUCT, Market and ERCOT Projects**

| Source     | Committee | Prog Area | Source Doc | Project   | Project No. | Current Status  | 2007 Priority     | 2007 Rank | 2007 Budget Range | 2007 Running Range | CBA Score | Net Benefit   | Summary Description  | Benefit Summary  |
|------------|-----------|-----------|------------|---|-------------|-----------------|-------------------|-----------|-------------------|--------------------|-----------|---------------|--|--|
| Market     | MO        | MO        | SCR740     | Enhancements to SCR727 - Market Access  | 50024_01    | Execution       | 0 - Carryover     | 0.1       | <\$100k           | <\$1M              | 15        | \$ 3,500,000  | Subproject to provide market access to SCR727 data   |  |
| Market     | MO        | MO        | SCR740     | Enhancements to SCR727 - Market Enhancements                                    | 50024_02    | Initiation      | 0 - Carryover     | 0.2       | <\$100k           | <\$1M              | 15        | \$ 3,500,000  | Subproject to provide market-requested enhancements to SCR727 data extract   |  |
| ERCOT      | MO        | MO        |            | SCR 727 Phase II  | 40007_01    | Execution       | 0 - Carryover     | 0.3       | <\$100k           | <\$1M              |           |               |  |  |
| Market     | COPS      | MO        |            | TML Phase 3 - Wholesale Enhancements  | 40103_01    | Hold            | 0 - Carryover     | 0.4       | \$100k-\$500k     | <\$1M              | 18        | \$ 11,145,103 | The scope of Phase 3 will focus on user experience enhancement of the new portal platform for ERCOT Wholesale Market Participants. The goal is to incorporate additional functionalities and enhanced usability for QSEs, Transmission Operators and Resources.  | 50 impacted QSE's, 3 hours per calendar day savings in scheduling, 1 hour per workday in settlement mismatch analysis  |
| ERCOT      | MO        | MO        |            | Lodestar 4.x Upgrade  | 40066_04    | Initiation      | 0 - Carryover     | 0.5       | \$100k-\$500k     | <\$1M              | 19        | 26,444        | Maintain efficiency, and reliability of the LodeStar application to enable ERCOT to meet Energy Aggregation and Billing & Settlements business needs   | Nightly processing speed improvement; improved data editing capabilities (0.5 hours per workday); enhanced querying capability for users (0.5 hours per workday) |
| ERCOT      | MO        | MO        |            | EIS L* Transition to ODS (formerly EDW Lodestar Data Archive Transition to EDW) | 50030_01    | Execution       | 0 - Carryover     | 0.6       | <\$100k           | <\$1M              | 29        | 67,868        | Transition reporting to the EDW Lodestar/EMMS ODS.   | Reduction of support costs of over 50% (10 hours per day to 4 hours per day)   |
| PUCT/ERCOT | MO        | MO        |            | REC Program Modifications   | 60027_01    | Planning        | 0 - Carryover     | 0.7       | <\$100k           | <\$1M              | 19        | \$ (389,860)  | The REC program has been in operation for almost 4 years, and the technology roadmap has deviated from Microsoft tools. Currently, the REC program is written in ASP. In order to efficiently continue support of this application, it will need to be ported to Java in line with ERCOT's technology roadmap. | Enhance ability to make changes and enhancements to the REC program software; better align with long-term IT strategic direction.                                |
| Market     | MO        | MO        | PRR598     | Extension of Credit Against OOM Start Up (** COPS Review Requested)             | New         | New             | 1 - Critical      | 1         | <\$100k           | <\$1M              | 13        | \$ (50,000)   | Maintain efficiency, and reliability of the LodeStar application to enable ERCOT to meet Energy Aggregation and Billing & Settlements business needs   | Nightly processing speed improvement; improved data editing capabilities (0.5 hours per workday); enhanced querying capability for users (0.5 hours per workday) |
| Market     |           | MO        | PRR661     | SCE Performance Enforcement Criteria  | New         | Not Yet Started | 2 - High          | 1.4       | <\$100k           | <\$1M              | 20        | \$ (476,000)  |  | Primary benefits are non-quantifiable  |
| Market     |           | MO        | PRR666     | Modification of RPRS Under-Scheduled Capacity Charge Calculation                | New         | Not Yet Started | 2 - High          | 1.5       | TBD               |                    | 16        | \$ (300,000)  |  | Reduced cost to procure RPRS for capacity sufficiency  |
| Market     | COPS      | MO        | PRR565     | Calculation of Losses for Settlement  | 60068_01    | Not Yet Started | 2 - High          | 2         | <\$100k           | \$1M-\$2M          |           |               |  |  |
| Market     | COPS      | MO        | SCR743     | QSE Dispute Extract   | New         | New             | 2 - High          | 3         | <\$100k           | \$1M-\$2M          |           |               |  |  |
| ERCOT      | MO        | MO        |            | Siebel to L* 5 - Rewrite  | New         | New             | 2 - High          | 4         | \$100k-\$500k     | \$1M-\$2M          | 19        | 210,000       |  |  |
| ERCOT      | MO        | MO        |            | Transition of Production Reporting to EIS - Wholesale                           | New         | New             | 2 - High          | 5         | \$100k-\$500k     | \$1M-\$2M          | 16        | (50,000)      |  |  |
| ERCOT      | MO        | MO        |            | Lodestar Web Services   | 60030_01    | Not Yet Started | 2 - High          | 6         | \$100k-\$500k     | \$1M-\$2M          | 21        | 250,000       | Provide enhanced access to Lodestar data via web services.   | Market benefit: Create efficiencies in information retrieval (0.5 hours per workday savings for QSEs, CRs and Resources)   |
| ERCOT      | MO        | MO        |            | Upgrade to Load Profiling SW  | New         | New             | 2 - High          | 7         | \$100k-\$500k     | \$1M-\$2M          | 14        | (200,000)     |  |  |
| Market     | WMS       | MO        | PRR426     | URC for Uncontrollable Resources(** WMS Review Requested)                       | 40057_01    | Not Yet Started | 3 - High / Medium | 8         | <\$100k           | >\$2M              |           |               | Defines an Uncontrollable Renewable Resource and allows wind resource to elect to use their Renewable Production Potential in lieu of their schedule as the basis for URC charges and OOM Down payments  |  |

**Estimated Resource Capability = \$2,058,000**

|        |      |    |        |   |          |                 |                 |     |               |       |     |                    |   |   |
|--------|------|----|--------|---|----------|-----------------|-----------------|-----|---------------|-------|-----|--------------------|---|---|
| ERCOT  | MO   | MO |        | EIS Reporting Tool II   | 60021_01 | Not Yet Started | 9 - Parking Lot | N/A | \$100k-\$500k | >\$2M | 24  | 2,358,819          | Enable consistent and efficient reporting for the PUCT, ERCOT, and MPs. Implementation of the reporting tool will enable users translate business questions into  | Market benefit: Create efficiencies in information retrieval (1 hour per workday savings for all Market Participants)   |
| Market | COPS | MO | PRR577 | TDSP Load Extract   | 50150_01 | Not Yet Started | 9 - Parking Lot | N/A | <\$100k       | >\$2M | 17  | \$ 47,000          | To receive aggregated TDSP Load data from ERCOT for the purposes of accurately identifying TDSP system peaks required for FERC filings.   | Possible fines associated with non-compliance = \$100k. This number is estimated, and based on the assumption FERC may fine the TDSP for non-compliance considering the TDSP can not produce the data accurately. |
| Market | COPS | MO |        | TCR Synchronization of Credit Payment with Settlement Invoices    | 30103_01 | Not Yet Started | 9 - Parking Lot | N/A |               |       | n/a | n/a (3.x priority) |   |   |
| Market | COPS | MO | PRR385 | DLC Implementation  | -        | Not Yet Started | 9 - Parking Lot | N/A |               |       |     |                    |   |   |
| Market | COPS | MO | PRR478 | Use of Lagged Dynamic Samples for New Load Profiles               | 40056_01 | Not Yet Started | 9 - Parking Lot | N/A |               |       |     |                    |   |   |
| Market | MO   | MO | SCR740 | Enhancements to SCR727 - Market Enhancements                      | 50024_03 | Not Yet Started | DELETE          | N/A |               |       |     | \$2M-\$4M          |   |   |
| Market | MO   | MO | PRR613 | Replacement Reserve Under Scheduled Capacity Delineation          | -        | Cancel          | DELETE          | N/A |               |       | 15  | \$ 400,000         |   |   |
| Market | WMS  | MO | SCR747 | Removal of Price Administration for Zonal Congestion              | 60080_01 | Cancel          | DELETE          | N/A |               |       |     | <\$100k            | \$16M-\$18M   |   |
| ERCOT  | MO   | MO |        | DC Tie Automation (Pk2 Only)                                      | 50018_01 | X-fer           | DELETE          | N/A |               |       | 19  | 25,041             | This project will implement the EAA and CRC DC Tie accounting tasks that are currently being performed manually for settlement. It is recommended to work this project with the Package 1 component although some automation may be achieved without it.  | Automation of various manual aspects of DC Tie accounting (approximately 750 hours per year [1/3 FTE])  |
| Market | MO   | MO | PRR602 | Ancillary Service Obligation for DC Tie Exports                   | -        | Cancel          | DELETE          | N/A |               |       | 12  | \$ 1,600,000       |   |   |
| Market | COPS | MO |        | Extract/Report Enhancements                                       | 60025_01 | Not Yet Started | DELETE          | N/A |               |       | 10  | \$ -               | To implement enhancements recognized as necessary with implementation of web services (SCR740). Estimate: 4 small changes at \$50k each; 1 large change at \$300k   | Changes will only be considered if they have a positive net benefit   |
| ERCOT  | MO   | MO |        | SIR Enhancement Projects - 3 Releases                             | 60040_01 | Not Yet Started | DELETE          | N/A |               |       | 15  | (210,000)          | To resolve System Investigation Requests to continue to improve system performance and remove manual workarounds that currently exist in the ERCOT Production environment.  | Dependent on nature of SIR enhancements   |
| ERCOT  | MO   | MO |        | Uninstructed Deviation Calc for Uncontrollable Renewable Resource | 50115_01 | Not Yet Started | DELETE          | N/A |               |       | 15  | 38,178             | The Settlement system shall automate receiving and calculating URC charges based on imported RPP data cuts. Also, OOME down shall be calculated using RPP data in lieu of Resource Plan data for units opt for RPP. This project will automate the manual processes currently performed by ERCOT Settlements team (Option A on the Impact Analysis) |   |
| Market | MO   | MO | PRR312 | Enhance ESIID Lookup Function                                     | 50025_01 | Execution       | N/A             | N/A |               |       | 14  | \$ 725,000         | Provide additional information for an ESI ID to include Station ID, Power Region, Premise Type, status (active/de-energized/inactive) for an ESI ID. In addition, advise if there is a pending Move In/Move Out for the ESI ID.   | 1 hour time savings per week per CR due to increased efficiencies   |
| PUCT   | MO   | MO |        | EDW BI Reporting Tool   | 50004_01 | Closing         | N/A             | N/A |               |       | 24  | \$ 15,276,127      | Enable consistent and efficient reporting for the PUCT, ERCOT, and eventually, MPs. Implementation of the BI Tool will enable users to translate business questions into optimized queries.   | Framework project that will provide additional secured access to information by the PUCT and the Market.  |



|        |    |    |                  |   |          |           |     |     |  |  |    |            |  |   |
|--------|----|----|------------------|---|----------|-----------|-----|-----|--|--|----|------------|--|---|
| ERCOT  | MO | MO |                  | Lodestar Extracts                               | 40042_06 | Execution | N/A | N/A |  |  | 25 | 1,013,815  | To migrate the Generation, Load, Settlements & Billing, and Shadow Pricing extracts from the Data Archive to the ODS (Operational Data Store).   | Market benefit: 10 minutes of savings per day per Market Participant due to optimized data access.  |
| Market | MO | MO | PRR283<br>PIP204 | EPS Meter Data                                  | 30026_01 | Execution | N/A | N/A |  |  |    |            |  |   |
| ERCOT  | MO | MO |                  | TCR Report Enhancements Phase II                | 40015_02 | Execution | N/A | N/A |  |  |    |            |  |   |
| Market | MO | MO | PRR548           | Settlement Mismatches Inter-QSE Schedules       | 50128_01 | Closing   | N/A | N/A |  |  |    |            |  |   |
| Market | MO | MO | PRR599           | Notification for Mismatched Inter-QSE Schedules | 50128_01 | Closing   | N/A | N/A |  |  | 15 | \$ 400,000 |  |   |
| ERCOT  | MO | MO |                  | Maestro Upgrade                                 | 50137_01 | Execution | N/A | N/A |  |  | 22 | 380,296    | This project will replace ERCOT's current batch job scheduling software. The current scheduling software, Maestro, experiences issues outlined below:<br><ul style="list-style-type: none"> <li>• Maestro is currently not supported – Major upgrade required</li> <li>• Maintenance cost expensive due to CPU Pricing Model</li> <li>• Security Risk – passwords not encrypted</li> <li>• Preventing upgrade of DBMS and Operating System</li> <li>• Uses a Proprietary Database</li> </ul> | Increased efficiencies in script creation, testing and maintenance (6 hours per day); Change migration efficiency; Improved job scheduling capabilities |
| ERCOT  | MO | MO |                  | MV90 Upgrade Part 2 - Installation of Software  | 50033_02 | Closing   | N/A | N/A |  |  | 14 | 46,011     | This project will install and implement the MV-90 software upgrade that was purchased in 2005. Support of the current product version ends in 2007.  | Automation of manual tasks (1 hour per workday); Allow TDSPs to select new meter types for deployment as EPS meters                                     |

**RO 2007 Project Prioritization - PUCT, Market and ERCOT Projects**

| Source   | Committee | Prog Area | Source Doc | Project  | Project No. | Current Status  | 2007 Priority     | 2007 Rank | 2007 Budget Range | 2007 Running Range | CBA Score | Net Benefit  | Summary Description  | Benefit Summary   |
|--|-----------|-----------|------------|--|-------------|-----------------|-------------------|-----------|-------------------|--------------------|-----------|--------------|--|---|
| Market   | RMS       | RO        | PRR660     | TX. SET 3.0, including Mass Transition and T&C's   | 40038_01    | Initiation      | 0 - Carryover     | 0.1       | \$3M-\$5M         | \$2M-\$4M          | 16        | \$ 3,100,000 | Certain circumstances may arise during the course of business in the Texas retail electric market that may necessitate the transition of ESI IDs from one CR to another or one TDSP to another in quantities and on a time frame that is not completely supported by | Estimated savings of \$100k per year per TDSP and \$100k per year per POLR CR.  |
| ERCOT  | RO        | RO        |            | EDW Siebel Transition  | 50059_01    | Planning        | 0 - Carryover     | 0.2       | <\$100k           | \$2M-\$4M          | 23        | \$ 448,938   | Transition of Siebel reporting from Data Archive to Enterprise Data Warehouse  | Fewer ad hoc data requests (4 hours per workday), less production support of data archive (4 hours per workday), improved daily research of Siebel service order changes (8 hours per |
| ERCOT  | RO        | RO        |            | ESI ID Account Table Split   | 60015_01    | Not Yet Started | 0 - Carryover     | 0.3       | \$100k-\$500k     | \$2M-\$4M          | 18        | \$ 891,464   | Normalize type of data associated to business objects. Multiple business objects are using the same tables which are growing large causing performance and   | Increased efficiencies in development and integration time as well as end user interaction (approximately 12 hours per day)   |
| ERCOT  | RO        | RO        |            | EDW TCH (Transaction Clearinghouse) Transition   | 50060_01    | Planning        | 0 - Carryover     | 0.4       | <\$100k           | \$2M-\$4M          | 23        | \$ 743,338   | Transition of TCH reporting from Data Archive to Enterprise Data Warehouse   | Fewer ad hoc data requests (4 hours per workday), less production support of data archive (4 hours per workday), improved daily research of Siebel service order changes (8 hours per |
| ERCOT  | RO        | RO        |            | ETS (ESIID Tracking System) Transition to EDW  | 50088_01    | Not Yet Started | 0 - Carryover     | 0.5       | \$500k-\$1M       | \$4M-\$6M          | 21        | \$ 1,240,143 | Transition of ETS reporting from Data Archive to Enterprise Data Warehouse   | Improved reporting and analysis efficiency (7 hours per workday); Improved development efficiencies (16 hours per workday)  |
| ERCOT  | RO        | RO        |            | EDW EAI Transition (inc. PaperFree & NAESB)  | 50061_01    | Not Yet Started | 0 - Carryover     | 0.6       | \$100k-\$500k     | \$4M-\$6M          | 23        | \$ 743,338   | Transition of EAI reporting from Data Archive to Enterprise Data Warehouse   | Fewer ad hoc data requests (4 hours per workday), less production support of data archive (4 hours per workday), improved daily research of Siebel service order changes (8 hours per |
| ERCOT  |           | RO        |            | EIS Siebel to L* Data Comparison   | New         | New             | 2 - High          | 2         | \$100k-\$500k     | \$4M-\$6M          | 17        | \$ 390,000   |  |   |
| Market   |           | RO        | SCR748     | Website Enhancements for ERCOT Outages   | New         | New             | 2 - High          | 3         | \$100k-\$500k     | \$4M-\$6M          | 6         | \$ 756,085   |  |   |
| Market   | ERCOT     | RO        |            | MarkeTrak Enhancements (Workflow & Reporting)  | New         | New             | 2 - High          | 4         | \$500k-\$1M       | \$6M-\$8M          | 16        | \$ 740,000   |  |   |
| ERCOT  |           | RO        |            | Exception Reporting / Monitoring Enhancements  | New         | New             | 2 - High          | 5         | \$100k-\$500k     | \$6M-\$8M          | 9         | \$ 400,000   |  |   |
| ERCOT  |           | RO        |            | Systematic Exception Reprocessing Functionality  | New         | New             | 2 - High          | 6         | \$500k-\$1M       | \$6M-\$8M          | 8         | \$ 40,000    |  |   |
| ERCOT  |           | RO        |            | Transition of Production Reporting to EIS - Retail   | New         | New             | 2 - High          | 7         | \$100k-\$500k     | \$6M-\$8M          | 21        | \$ 80,000    |  |   |
| ERCOT  | RO        | RO        |            | Integration of Commercial Operations Data in EIS (formerly Web Services that integrate L* and Siebel data for MPs) | 60028_01    | Not Yet Started | 2 - High          | 8         | \$100k-\$500k     | \$6M-\$8M          | 18        | \$ 246,591   | Provide enhanced access to both Siebel and Lodestar data via web services.   | Market benefit: fewer D2D and DEV FasTrak issues (8 hours per workday for 25 CRs)   |
| <b>Estimated Resource Capability - \$7,659,000</b> |           |           |            |  |             |                 |                   |           |                   |                    |           |              |  |   |
| ERCOT  | RO        | RO        |            | 867 inbound map rewrite  | 60042_01    | Not Yet Started | 3 - High / Medium | 9         | \$100k-\$500k     | \$6M-\$8M          | 11        | \$ 6,920     | Re-Write of Inbound 867 maps to Increase Efficiency, Reliability and Stability of ERCOT transaction data processing.   |   |
| Market   | RMS       | RO        | ???        | Retail Enhancements to TML - Ph 4  | 50058_01    | Not Yet Started | 3 - High / Medium | 10        | \$500k-\$1M       | \$8M-\$10M         | 16        | \$ (960,000) |  |   |
| ERCOT  | RO        | RO        |            | 814 inbound XML rewrite (impacts input from portal only)   | 60043_01    | Not Yet Started | 3 - High / Medium | 11        | \$100k-\$500k     | \$8M-\$10M         | 13        | \$ 444,532   | Re-Write of Inbound 814 XML maps to Increase Efficiency, Reliability and Stability of ERCOT transaction data processing.   |   |

|        |     |    |        |   |          |                 |                   |     |               |             |     |                    |  |   |
|--------|-----|----|--------|---|----------|-----------------|-------------------|-----|---------------|-------------|-----|--------------------|--|---|
| ERCOT  | RO  | RO |        | EDI Transaction logging   | 60062_01 | Not Yet Started | 3 - High / Medium | 12  | \$100k-\$500k | \$8M-\$10M  | 14  | \$ 74,851          | Change the Paper Free application system to log all ANSI records to TRLOG and to log all TXSET records to a new table which will better support current and          |   |
| ERCOT  |     | RO |        | 997 records logged to ETS (or ETS Replacement)                          | New      | New             | 3 - High / Medium | 13  | \$100k-\$500k | \$8M-\$10M  | 11  | \$ 90,000          |  |   |
| ERCOT  |     | RO |        | MID reporting enhancements  | New      | New             | 3 - High / Medium | 14  | \$100k-\$500k | \$8M-\$10M  |     | \$ -               |  |   |
| ERCOT  | RO  | RO |        | Commercial Apps - Calendar Consolidation                                | 60033_01 | Not Yet Started | 3 - High / Medium | 15  | \$100k-\$500k | \$10M-\$12M | 23  | \$ 740,000         | Develop single business calendar for use by all retail applications  | Reduced rework for both market and ERCOT by eliminating possibility of out of sync conditions between multiple business calendars (50 hours)        |
| ERCOT  | RO  | RO |        | Name to DUNS conversion   | 60059_01 | Not Yet Started | 4 - Medium        | 16  | \$100k-\$500k | \$10M-\$12M | 14  | \$ 14,148          | Change the Paper Free application system to utilize DUNS numbers as opposed to Market Participant company names.   |   |
| ERCOT  | RO  | RO |        | MP configuration Table  | 60060_01 | Not Yet Started | 4 - Medium        | 17  | \$100k-\$500k | \$10M-\$12M | 18  | \$ (325)           | Remove all of the MPDB.conf files in the MB/PF systems and consolidate all of the configurations into a single table. The complexity of adding new MP to the         |   |
| Market | RO  | RO |        | Create Retail XML Transaction Format to MPs - set the national standard | 60065_01 | Not Yet Started | 9 - Parking Lot   |     | \$100k-\$500k | \$10M-\$12M |     | \$ -               |  |   |
| Market | RMS | RO | ???    | Performance Measures Reporting Requirements (changes to Project 24462)  | 60007_01 | Not Yet Started | 9 - Parking Lot   |     | \$1M          | \$10M-\$12M | 18  | \$ (1,000,000)     | Expected project needed to enhance reporting systems as a result of T&Cs requirements effecting PUCT Performance Measures Project 24462                              | TBD   |
| Market | RMS | RO | SCR745 | ERCOT Outage Evaluation and Resolution (TDTWG)--Phase III               | 60006_02 | Not Yet Started | 9 - Parking Lot   |     | \$1M          | >\$12M      | 24  | \$ 25,200,000      | Identify market facing servers without redundancy. Implement new code and hardware when possible to eliminate single points of failure. This will include            | Savings based on cost estimates of data cleanup due to outages: 4 large incidents per year at \$25k each; 20 small incidents per year at \$5k each. |
| Market | RMS | RO | SCR737 | Estimated Meter Read Data   | 50091_01 | Not Yet Started | 9 - Parking Lot   |     | \$100k-\$500k | >\$12M      | 7   | \$ 500,000         | Create a calendar month, summary report to be presented at RMS that will provide Market Participants with estimated meter reading information broken-down            |   |
| ERCOT  | RO  | RO |        | SOA Extend Footprint  | 60010_01 | Not Yet Started | DELETE            | N/A |               |             | 21  | \$ 3,226,908       | This project will continue the strategic implementation, approved by the BoD, of Service Oriented Architecture (SOA) using TIBCO technology. It includes:            | Internal ERCOT savings due to manual process reduction and reduction in project manual processes: reduction of licensing in software                |
| ERCOT  | RO  | RO |        | Enhance Digital Certificate Program                                     | 60013_01 | X-fer           | DELETE            | N/A |               |             | 15  | \$ 4,074,838       | ERCOT is implementing a 2005 project, VeriSign Upgrade Project (PR 40107), that is upgrading ERCOT's digital certificate technology from the                         | Estimated savings: 6 hours of maintenance per digital certificate per year  |
| Market | RMS | RO | PRR565 | Calculation of Losses for Settlement                                    | 60068_01 | X-fer           | DELETE            | N/A |               |             |     |                    |  |   |
| ERCOT  | RO  | RO |        | Enhancements to Retail Test Website                                     | 60031_01 | Not Yet Started | DELETE            | N/A |               |             | 12  | \$ 499,743         | This project will provide increased efficiency and agility to the testing of Retail Market Participants. It also provides additional reporting and produces existing | Market benefit: For each day that is reduced in the length of a market test flight, each MP could reduce their expenditure on the flight by 1/2 FTE |
| ERCOT  | RO  | RO |        | SIR enhancements - RO   | 60041_01 | Not Yet Started | DELETE            | N/A |               |             | 17  | \$ 69,333          | To implement RO-SIR enhancements using internal ERCOT resources  | Dependent on nature of SIR enhancements   |
| ERCOT  | RO  | RO |        | Enhancements to ERCOT.com (enhancements not included in PR-40106)       | 60046_01 | Not Yet Started | DELETE            | N/A |               |             | 18  | \$ 950,476         |  |   |
| ERCOT  | RO  | RO |        | Web based ERCOT 101 training  | 60051_01 | Not Yet Started | DELETE            | N/A |               |             |     | \$ -               |  |   |
| ERCOT  | RO  | RO |        | L* Retail POC (Proof of Concept)  | 60052_01 | Not Yet Started | DELETE            | N/A |               |             | 15  | \$ (602,009)       |  |   |
| ERCOT  | RO  | RO |        | MP Automation of Manual Cancels   | 60053_01 | Not Yet Started | DELETE            | N/A |               |             |     | \$ -               |  |   |
| ERCOT  | RO  | RO |        | Siebel GUI-Based Data Validation Improvements                           | 60056_01 | Not Yet Started | DELETE            | N/A |               |             |     | \$ -               |  |   |
| ERCOT  | RO  | RO |        | Publish / subscribe self services / communications                      | 60061_01 | Not Yet Started | DELETE            | N/A |               |             |     | \$ -               |  |   |
| ERCOT  | RO  | RO |        | Unified Member Account Management View                                  | 60067_01 | Not Yet Started | DELETE            | N/A |               |             |     | \$ -               |  |   |
| ERCOT  | RO  | RO |        | Automate Internal Surveys   | 60069_01 | Not Yet Started | DELETE            | N/A |               |             | n/a | n/a (3.x priority) |  |   |

|        |      |    |         |   |          |                 |        |     |  |     |     |                    |   |   |
|--------|------|----|---------|---|----------|-----------------|--------|-----|--|-----|-----|--------------------|---|---|
| ERCOT  | RO   | RO |         | Outage notification system & storage facility (centralized)                   | 60071_01 | Not Yet Started | DELETE | N/A |  |     | n/a | n/a (3.x priority) |   |   |
| Market | RMS  | RO | PRR241  | UFE Analysis  | 30022_01 | X-fer           | DELETE | N/A |  |     | n/a | n/a (3.x priority) | 1) Revises the beginning date for UFE analysis in Section 11.5.1 to January 2002. 2) Modifies the language in 11.5.2.1 to accommodate a December 1.   |   |
| Market | RMS  | RO | PRR385  | DLC Implementation  | -        | X-fer           | DELETE | N/A |  |     | n/a | n/a (3.x priority) | This PRR will allow the DLC programs to be appropriately profiled and ERCOT systems to properly process DLC programs.   |   |
| Market | RMS  | RO | PRR478  | Use of Lagged Dynamic Samples for New Load Profiles                           | 40056_01 | X-fer           | DELETE | N/A |  |     | n/a | n/a (3.x priority) | This is a change to the method for creating Load Profiles allowing for the use of lagged dynamic samples for new profiles adopted subsequent to   |   |
| ERCOT  | RO   | RO |         | Market Meeting Electronic Voting  | 60072_01 | Not Yet Started | DELETE | N/A |  |     | n/a | n/a (3.x priority) |   |   |
| ERCOT  | RO   | RO |         | Administration of Enrollment Notifications                                    | 60074_01 | Not Yet Started | DELETE | N/A |  |     | n/a | n/a (3.x priority) |   |   |
| Market | RMS  | RO | ???     | Terms and Conditions requirements, not limited to Texas SET changes           | 60008_01 | Not Yet Started | DELETE |     |  | 17  | \$  | (500,000)          | To implement Public Utility Regulations as they relate to the establishment of non-discriminatory terms and conditions of retail delivery service, including delivery                                   | TBD   |
| Market | COPS | RO | SCR743  | Settlement Disputes Extract (QSE Dispute Extract)                             | 60022_01 | Not Yet Started | DELETE |     |  | 19  | \$  | 660,000            | Provide QSEs detailed information regarding all submitted settlement disputes. The current method of looking up disputes via the ERCOT Texas Market Link  | Estimated savings of 8 hours per year for 50 QSEs due to improved dispute tracking  |
| Market | RMS  | RO | ???     | Texas Set 2.2   | 60050_01 | Not Yet Started | DELETE |     |  | 15  | \$  | 3,862,239          | This is a place holder for new TxSet version 2.2 for 2006   |   |
| Market | RMS  | RO | SCR742  | Automated Retail Transaction Verification                                     | 60064_01 | Not Yet Started | DELETE |     |  | 13  | \$  | 3,400,000          | Build interface to existing Market Certification environment<br>This option involves building automation and an   |   |
| Market | RMS  | RO | SCR734  | CSA Report for CRs  | 50057_01 | Not Yet Started | DELETE |     |  | 8   | \$  | 200,000            | Provide CR's with an on-demand extract capability to retrieve CSA (Continuous Service Agreement) data for their DUNS via the ERCOT Portal   |   |
| Market | RMS  | RO | RMGRR26 | TDSP to TDSP Transition Process   | New      | Not Yet Started | DELETE |     |  | 14  | \$  | 1,400,000          | Certain circumstances may arise during the course of business in the Texas retail electric market that may necessitate the transition of ESI IDs from one CR to   | Estimated savings of \$100k per year per TDSP and \$100k per year per POLR CR.  |
| Market | RMS  | RO | SCR736  | TML ESIID TXN Portal Flag   | 50100_01 | Not Yet Started | DELETE |     |  | n/a | n/a | n/a (3.x priority) | Append a data Flag of "P" to the Transaction Type number to indicate when a displayed transaction was generated and transmitted through the Texas Market  |   |
| Market | RO   | RO | SCR738  | Enhancement to FasTrak Tools  | 50007_01 | Execution       | N/A    | N/A |  | 20  | \$  | 18,300,000         | FasTrak is the retail transaction issue resolution tool. The system currently in place does not include the capability to track issues by variables such as ESI ID                                      | Significant direct cost savings and time efficiencies for CRs and TDSPs. CBA estimates varying amounts of savings depending on size of  |
| ERCOT  | RO   | RO |         | Service Oriented Architecture (formerly EAI Upgrade/Replacement - PR40066-06) | 50121    | Execution       | N/A    | N/A |  | 21  | \$  | 3,244,060          | The Service Oriented Architecture (SOA) project is comprised of a series of sub-projects designed to implement a service-oriented architecture – a collection of services on a network that communicate | Expected efficiency gain of 32% on current application interface development time. Reduced need for data center expansion due to consolidation of application interface activities in a |
| ERCOT  | RO   | RO |         | Endpoint Services - Phase I   | 50121_06 | Closing         | N/A    | N/A |  | 21  | \$  | 3,244,060          |   |   |
| ERCOT  | RO   | RO |         | Retail Business Processes   | 50121_07 | Execution       | N/A    | N/A |  | 21  | \$  | 3,244,060          |   |   |
| ERCOT  | RO   | RO |         | Endpoint Services - Phase II  | 50121_08 | Execution       | N/A    | N/A |  | 21  | \$  | 3,244,060          |   |   |
| ERCOT  | RO   | RO |         | TX SET 2.1  | 40034_01 | Closing         | N/A    | N/A |  | 15  | \$  | (4,800,000)        | To implement changes to retail transactions as identified by TX SET in support of the RMS directed Task Forces, DNP, TITF, and 810/867/824 Workgroup  | Enhancements to systems to accommodate MOU/EC participants into the Retail Electric Market; enhancements to billing determinants for  |
| ERCOT  | RO   | RO |         | 2005 SIR Enhancements (ETS/DA/DW/TS/CARR/Portal)                              | 50026_01 | Execution       | N/A    | N/A |  |     |     |                    |   |   |
| Market | RMS  | RO | SCR745  | ERCOT Outage Evaluation and Resolution (TDTWG)--Phases I and II               | 60006_01 | Planning        | N/A    | N/A |  | 24  | \$  | 25,200,000         | Identify market facing servers without redundancy. Implement new code and hardware when possible to eliminate single points of failure. This will include   | Savings based on cost estimates of data cleanup due to outages: 4 large incidents per year at \$25k each; 20 small incidents per year at \$5k each.                                     |
| ERCOT  | MO   | RO |         | ERCOT.com Secured Area  | 60077_01 | Planning        | N/A    | N/A |  |     |     |                    |   |   |

**2007 Project Prioritization - PUCT, Market and ERCOT Projects - System Operations (SO)**

| Source     | Committee | Prog Area | Source Doc | Project   | Project No. | Status          | 2007 Priority | 2007 Rank | 2007 Budget Range | 2007 Running Range | CBA Score | Net Benefit    | Summary Description  | Benefit Summary  |
|------------|-----------|-----------|------------|---|-------------|-----------------|---------------|-----------|-------------------|--------------------|-----------|----------------|--|--|
| PUCT       | SO        | SO        |            | Enhancements to MOMS Study Market Clearing Engines                      | 50003       | Execution       | 0 - Carryover | 1         | \$100k-\$500k     | <\$2M              | 23        | \$ (277,874)   | Implement enhancements to MOMS (Market Oversight and Monitoring System) relating to Study Market Clearing Engines.   | Help ensure ancillary services are available at reasonable prices; deter illegal contact and anticompetitive behavior; help identify market power abuses and prevent their recurrence; promote fair and competitive market operations; help eliminate loopholes and flaws in market design |
| ERCOT      | SO        | SO        |            | OTS System  | 40090_02    | Execution       | 0 - Carryover | 2         | \$1M-\$3M         | <\$2M              | 18        | \$ 1,426,448   |  |  |
| ERCOT      | SO        | SO        | PRR425     | Outage Scheduler Enhancements Phase II                                  | 40084       | Execution       | 0 - Carryover | 3         | <\$100k           | <\$2M              | 19        | \$ 916,617     | These enhancements will provide the Outage Coordination team the capability to supply better information on outages to the Market and ERCOT, as well as comply with PRR 425 mandates   | Reduce unnecessary congestion management costs due to incorrect outage approval 2 incidents per year at a cost of \$250,000 per incident   |
| ERCOT      | SO        | SO        |            | Load Forecast Enhancements  | New         | Not Yet Started | 0 - Carryover | 4         | \$100k-\$500k     | \$2M-\$4M          |           |                |  |  |
| ERCOT      | SO        | SO        |            | Improvements to VSA/DISA - Phase II                                     | 50029       | Not Yet Started | 0 - Carryover | 5         | \$100k-\$500k     | \$2M-\$4M          |           |                |  |  |
| PUCT       | SO        | SO        |            | EDW BI Foundation P2 - Repl Reserves Market Ad-hoc Reporting            | 50001_03    | On Hold         | 0 - Carryover | 6         | <\$100k           | \$2M-\$4M          | 27        | \$ (21,813)    | Sub-project 50001_03 asks for the creation of an ad-hoc reporting piece for the new (not yet in place, to be created as part of EMMS Release 4) Replacement Reserves Market  | The EDW will minimize the necessity for PUCT and ERCOT users to manually manipulate data for reporting, thereby improving the consistency and accuracy of ERCOT reports. It will serve as the logical foundation for all extracting and  |
| PUCT       | SO        | SO        |            | EDW BI Foundation P2 - Ad-hoc Access to QSE Rpt Data                    | 50001_04    | On Hold         | 0 - Carryover | 7         | <\$100k           | \$2M-\$4M          | 27        | \$ 11,968      |  |  |
| Market     | ROS       | SO        | SCR746     | Dynamic Rating Data to TO Using ICCP Link                               | 60082_01    | Initiation      | 0 - Carryover | 8         | <\$100k           | \$2M-\$4M          | 10        | \$ (1,000,000) |  |  |
| Market     | SO        | SO        | PRR601     | 15 Minute Ramping for BES and Base Power Schedule                       | 60081_01    | Planning        | 0 - Carryover | 9         | <\$100k           | \$2M-\$4M          | 12        | \$ (360,000)   |  |  |
| PUCT       |           | SO        |            | Potential IMM Needs   | New         |                 | 1 - Critical  | 10        | \$100k-\$500k     | \$2M-\$4M          |           |                |  |  |
| ERCOT      | SO        | SO        |            | Operations Support Study Environment/Disaster Recovery Test Environment | 50052_01    |                 | 1 - Critical  | 11        | \$500k-\$1M       | \$2M-\$4M          | 18        | \$ 329,414     | Conflicts with Test environment scheduling indicate the need for Operations Support group to be able to study conditions independent of production and test environment. This project will provide the necessary environment | Reduce unnecessary congestion management costs due to incorrect outage approval 2 incidents per year at a cost of \$250,000 per incident   |
| Compliance | SO        | SO        |            | Performance Monitoring for ERCOT, TDSP, & QSE                           | 40085_01    |                 | 1 - Critical  | 12        | \$500k-\$1M       | \$4M-\$6M          | 20        | \$ (593,125)   | Merge eight performance reports into one project<br>• (ER-50067) Load Forecast Performance Report<br>• (ER-30104) STLF and BES Offset Reports  |  |
| Compliance | SO        | SO        |            | Governor Analysis Enhancements  | 50071_01    |                 | 1 - Critical  | 13        | <\$100k           | \$4M-\$6M          | 21        | \$ (77,675)    | Provides reporting and data analysis tools to assess ERCOT system-wide performance during disturbance events.  |  |
| Compliance | SO        | SO        |            | Outage Coordination Statistical Reports                                 | 50093_01    |                 | 1 - Critical  | 14        | \$100k-\$500k     | \$4M-\$6M          | 20        | \$ (52,650)    | Develop reports indicating outage statistics focused on Compliance monitoring needs.   |  |
| Compliance | SO        | SO        |            | Generator Database Automation (50038)                                   | 50038       |                 | 1 - Critical  | 15        | <\$100k           | \$4M-\$6M          |           |                |  | Provides a common repository for generator information.  |
| Compliance | SO        | SO        |            | Voltage/Reactive Compliance Management Database (50055)                 | 50055       |                 | 1 - Critical  | 16        | \$100k-\$500k     | \$4M-\$6M          |           |                |  | Provides the ability to continuously monitor all generator buses to verify if Generators are meeting their voltage profile requirements.   |
| Compliance | SO        | SO        |            | Unit Testing-Electronic Submittal via Web (50070)                       | 50070       |                 | 1 - Critical  | 17        | \$100k-\$500k     | \$4M-\$6M          |           |                |  | Automates the generator unit test submittal process.   |

| Estimated Resource Capability = \$4,908,000 |     |    |        |  |          |                 |                   |     |               |            |             |                |   |  |
|---|-----|----|--------|--|----------|-----------------|-------------------|-----|---------------|------------|-------------|----------------|---|--|
| ERCOT                                       | SO  | SO |        | Outage Sensitive Factor Screening Technique  | 30056_01 |                 | 2 - High          | 18  | \$100k-\$500k | \$4M-\$6M  | 14          | \$ 93,757      | To reduce the computational time in the calculation of the OSF tool to less than 5 minutes; thereby increasing efficiency and productivity within Outage Coordination.  |  |
| ERCOT                                       | SO  | SO |        | Security Constrained Power Flow for Feasible Generation for Outage Evaluation      | 50048_01 |                 | 2 - High          | 19  | \$100k-\$500k | \$4M-\$6M  | 16          | \$ 157,285     | This project will provide the capability for the outage coordinator to simultaneously study multiple planned generation outages over a time range taking into account all defined contingencies and feasible generation patterns. The intent of this project is | Reduced manual effort in Outage Coordination (12.5 hours per workday)  |
| ERCOT                                       | SO  | SO |        | Operator Interface Enhancements  | 60018_01 |                 | 2 - High          | 20  | \$100k-\$500k | \$4M-\$6M  | 18          | \$ 713,028     | This project consists of three distinct enhancements: 1) Offset Spreadsheet Replacement; 2) Constraint Entry Check/Validation; 3) Transmission Security Spreadsheet   | Reduction in balancing energy cost due to improvement in offset value  |
| ERCOT                                       | SO  | SO |        | EMMS Production Support Process Automation (Site Failover Automation)              | 50065_01 |                 | 2 - High          | 21  | \$100k-\$500k | \$4M-\$6M  | 17          | \$ 25,251      | This project will provide the following capabilities:<br>Increased Automation of the current EMMS database load procedures.<br>Increased Automation of the current EMMS Site Failover procedures.   | Increase automation of tasks in EMMS Production Support (0.5 FTE savings)  |
| ERCOT                                       | SO  | SO |        | EMS Archive Comparison Tool Phase II   | 50039_01 |                 | 2 - High          | 22  | \$100k-\$500k | \$6M-\$8M  | 16          | \$ 1,029,079   | This project will add deferred requirements to the R4 delivered case comparison capability. Some of the deferred requirements are, The ability to compare fields on multi-dimensional tables, The ability to compare fields on records that have no key         | Reduce unnecessary congestion management costs due to modeling error - 2 incidents per year at a cost of \$250,000 per incident  |
| PUCT  | SO  | SO |        | MOMS Enhancements 2007   | New      |                 | 2 - High          | 23  | \$100k-\$500k | \$6M-\$8M  |             |                |   |  |
| Market                                      | WMS | SO | PRR409 | Voltage Support Service  | 30032_01 |                 | 2 - High          | 24  | \$1M          | \$6M-\$8M  | 14          | \$ (1,100,000) | The current Protocols allow for excessive reactive dispatching on the part of TSPs without compensation to generation owners. This PRR changes the power factor envelope from +-95 to +-98, and allows for payment to generators.                               |  |
| PUCT  | SO  | SO |        | EIS BI Foundations III   | 60001_01 | Not Yet Started | 2 - High          | 25  | \$100k-\$500k | \$6M-\$8M  |             | 25             |   |  |
| ERCOT                                       | SO  | SO |        | DC Tie Scheduling for South  | 50134_01 |                 | 3 - High / Medium | 26  | \$500k-\$1M   | \$8M-\$10M | 23          | \$ 816,755     | To automate as much as possible the current manual processes that consume considerable ERCOT resources in managing and accounting for energy flow across the DC Ties. To provide the ERCOT System Operator with a tool to properly                              | Reduction in current manual verification process for Backup Frequency Desk. Avoid manual work in becoming the Scheduling Agent for additional DC Ties (dedicated Operations desk). |
| ERCOT                                       | SO  | SO | PRR428 | RMR Process Automation   | 40087_01 |                 | 3 - High / Medium | 27  | \$500k-\$1M   | \$8M-\$10M | 19          | \$ 2,699,772   | The proposed functionality will automate the Availability/Delivery plan interaction between ERCOT and QSE and provide an interface to run the reliability study that uses the RPRS Market Clearing engine. The requirements were already gathered               |  |
| ERCOT                                       | SO  | SO |        | Automate AS Qualification Testing  | 30073_01 |                 | 4 - Medium        | 28  | \$100k-\$500k | \$8M-\$10M | 16          | \$ 128,370     | Add automation to the existing process of providing Ancillary Service Qualification testing.  | Internal ERCOT benefit: Savings of 5 hours per workday of manual Ancillary Services qualification testing  |
| ERCOT                                       | SO  | SO |        | ICCP Security Enhancements   | 60049_01 |                 | 4 - Medium        | 29  | \$100k-\$500k | \$8M-\$10M | 16          | \$ (146,594)   | Provide the Market Participants with capability to encrypt and authenticate data transfer using Inter Control Center Protocol (ICCP)  |  |
| ERCOT                                       | SO  | SO |        | Enhancement to Market Analyst Interface for Ancillary Service Schedule Monitoring  | 40082_01 |                 | 4 - Medium        | 30  | <\$100k       | \$8M-\$10M | 11          | \$ 8,716       | Create and install a display in the Operations Market Analyst Interface to display all QSE ancillary services resources and obligations based on A/S requirements, A/S schedules entered and A/S awards. This functionality is needed to allow Operations       |  |
| ERCOT                                       | SO  | SO |        | EMMS Production Support Process Automation (Database Load Automation)              | 50065_02 |                 | 4 - Medium        | 31  | \$100k-\$500k | >\$10M     |             |                |   |  |
| Market                                      | SO  | SO | PRR558 | Market Notice of LaaR Proration  | 50131    | Not Yet Started | 9 - Parking Lot   | n/a |               |            |             |                |   |  |
| ERCOT                                       | SO  | SO |        | Integrate Risk Based Transmission Reliability Analysis Tool into RT and Study Mode | 60017_01 |                 | 9 - Parking Lot   | n/a |               |            | 16          | \$ 3,744,643   | Provide Risk based security assessment results in terms of: (1) Identify which double circuit contingency/overloads exceed a risk threshold which justifies congestion management action; (2) Provide screening to identify "most risky" contingencies          | Estimated reduction of double circuit base congestion (10% * \$15,000,000)   |
| ERCOT                                       | SO  | SO |        | AVR Validation   | 50016    | On Hold         | 9 - Parking Lot   | n/a |               |            |             |                |   |  |
| Market                                      | WMS | SO | PRR590 | Update Unit Telemetry Requirement  | 60024_01 |                 | 9 - Parking Lot   | n/a |               |            | In progress | In progress    | This revision proposes to add a requirement for QSEs to submit real-time AGC status and Ramp Rate for all online units in their portfolio. This addresses Potomac Economics Recommendation #14.   |  |
| ERCOT                                       | SO  | SO |        | Voltage Scheduler  | 40091_01 |                 | 9 - Parking Lot   | n/a |               |            | 11          | \$ (313,377)   | It is expected some of the framework developed for Security Constrained Power flow tool will be used in this project. A tool is required to compute the set point voltages for all generators in the ERCOT grid such that the post contingency                  |  |
| ERCOT                                       | SO  | SO |        | Remodel Control Room Console Configuration   | 50051_01 |                 | 9 - Parking Lot   | n/a |               |            | 12          | \$ (764,944)   | The objectives of this project are to improve operator efficiency and eliminate ergonomic concerns by redesigning the console footprint. The improved design should minimize side-to-side movement currently required to view all of the                        |  |

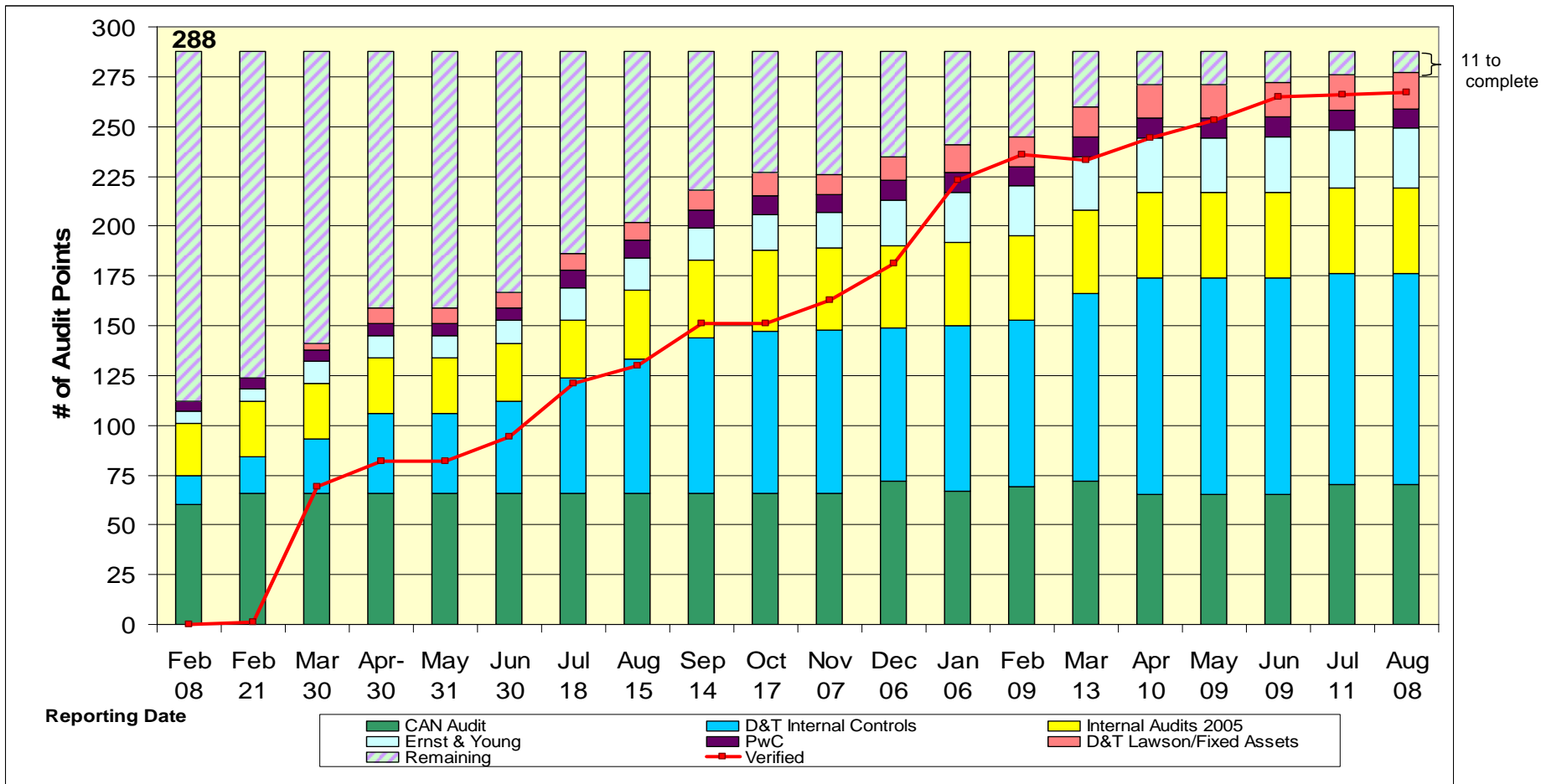
|        |     |    |        |   |          |           |                 |     |  |  |     |                    |  |  |
|--------|-----|----|--------|---|----------|-----------|-----------------|-----|--|--|-----|--------------------|--|--|
| Market | WMS | SO | SCR720 | Zone Forecast and Actual Generation   | 20126_01 |           | 9 - Parking Lot | n/a |  |  | 17  | \$ (50,000)        | ERCOT will provide real-time posting of Forecasted Net Zonal Energy and Actual Zonal Generation as an interim means of making a portion of the QSE data requirements available between now and the time that real-time XMI                         |  |
| Market | WMS | SO | SCR728 | Display ERCOT Deployments   | 20126_01 |           | 9 - Parking Lot | n/a |  |  | 17  | \$ (50,000)        | Display ERCOT total aggregated balancing energy deployment, total aggregated responsive deployment, total aggregated non-spin deployment, ERCOT SCE and ERCOT responsive reserve on the ERCOT public website                                       |  |
| Market | WMS | SO | PRR454 | OOME Off-line   | 30193_01 |           | 9 - Parking Lot | n/a |  |  | n/a | n/a (3.x priority) | When a generation unit receives an OOME instruction that would force it off-line, ERCOT must provide OOME instructions until the unit was scheduled to come off-line, or an OOMC instruction when the unit is requested to return.                 |  |
| Market | WMS | SO | PIP112 | DLC for BULs  | 50108_01 |           | 9 - Parking Lot | n/a |  |  | n/a | n/a (3.x priority) |  |  |
| Market | WMS | SO | PRR311 | DLC to BUL Transition   | 50108_01 |           | 9 - Parking Lot | n/a |  |  | n/a | n/a (3.x priority) | Permits load control or load management programs involving small energy consumers (under 1 MW) to provide a balancing-up load (BUL) without the requirement that interval data recorders (IDRs) be installed on all of the participating           |  |
| Market | WMS | SO | PRR484 | Changes for Implementation of Direct Load Control (DLC)   | 50108_01 |           | 9 - Parking Lot | n/a |  |  | n/a | n/a (3.x priority) | The requested changes will facilitate and specify how DLC programs participate in the BUL market.  |  |
| Market | WMS | SO | PIP128 | Synchronous Condenser Compensation  | 30034_01 |           | 9 - Parking Lot | n/a |  |  | n/a | n/a (3.x priority) |  |  |
| Market | WMS | SO | PIP210 | Block Bidding for Reserve Services - Related to PRR496  | 50046_01 |           | 9 - Parking Lot | n/a |  |  | n/a | n/a (3.x priority) |  |  |
| Market | WMS | SO | PRR307 | Controllable Resources  | 30039_01 |           | 9 - Parking Lot | n/a |  |  | n/a | n/a (3.x priority) | This revision defines Load which can provide Regulation Service.   |  |
| Market | WMS | SO | PRR355 | BLT OOME  | 30132_01 |           | 9 - Parking Lot | n/a |  |  | n/a | n/a (3.x priority) | Allows availability of Block Load Transfers for OOME deployment  |  |
| Market | WMS | SO | SCR729 | Unit Status Information   | 20126_01 |           | 9 - Parking Lot | n/a |  |  | n/a | n/a (3.x priority) |  |  |
| Market | WMS | SO | SCR735 | Include Hydro Units in Synchronous Condenser Mode in SPD RRS Allocation                                     | 50120_01 |           | 9 - Parking Lot | n/a |  |  | n/a | n/a (3.x priority) |  |  |
| Market | WMS | SO | PRR496 | Block Bidding and Deployment of LaaRs providing Responsive Reserve Service and Non-Spinning Reserve Service | 50046_01 |           | 9 - Parking Lot | n/a |  |  | n/a | n/a (3.x priority) | Include provisions for LaaRs to have the option to bid Responsive Reserve Service and Non-Spinning Reserve Service as a block.   |  |
| Market | WMS | SO | PRR436 | Enhance LaaR/BUL Ability to Participate in Balancing Energy Up Service, Non-Spinning Reserve Service, and   | 30191_01 |           | 9 - Parking Lot | n/a |  |  | n/a | n/a (3.x priority) | This PRR would include the changes proposed by the Demand Side Working Group to clarify the role of Loads in the Ancillary Service and BUL markets.  |  |
| Market | WMS | SO | PRR619 | Day Ahead Procurement of LaaR for RRS   |          |           | Delete          |     |  |  | 11  | \$ (50,000)        |  |  |
| ERCOT  | SO  | SO |        | Web Posting for Market Transparency-Rollover  | 20126_01 |           | Delete          |     |  |  | 17  | \$ -               | To be deleted  |  |
| Market | WMS | SO |        | TGR (Trading piece)   | 50110_01 |           | Delete          |     |  |  | n/a | n/a (3.x priority) |  |  |
| PUCT   | SO  | SO |        | Enhancements to MOMS ISR - Post-R4  | 50002_02 | Closing   | N/A             |     |  |  | 23  | \$ (363,069)       | Deliver new MOMS ISR functionality needed by the PUCT  | Help ensure ancillary services are available at reasonable prices; deter illegal contact and anticompetitive behavior; help identify market power abuses and prevent their reoccurrence; promote fair and competitive market operations; help eliminate loopholes and flaws in market design |
| ERCOT  | SO  | SO |        | OTS Center  | 40090_01 | Closing   | N/A             |     |  |  | 18  | \$ 1,426,448       |  |  |
| ERCOT  | SO  | SO |        | CSC Thermal & Volt Limits Calculations/Posting  | 30084    | Execution | N/A             |     |  |  | 18  | \$ 22,486          | The objective of this project is to eliminate the daily and time consuming manual work around for calculating and posting CSC Limits and move from a day-ahead calculation to a more near real-time calculation; hence, improving the accuracy and | Internal savings of 6 hours per workday performing manual limit calculations   |

|        |     |    |                                      |   |          |            |     |  |  |  |    |              |  |  |
|--------|-----|----|--------------------------------------|---|----------|------------|-----|--|--|--|----|--------------|--|--|
| ERCOT  | SO  | SO |                                      | Incident Report   | 40086    | Execution  | N/A |  |  |  | 17 | \$ (95,351)  | (1) Improve Protocol violation creation accuracy and efficiency. (2) Enable Routing, Approval, Transmittal of Notifications and Status tracking to Stakeholders. (3) Archive all Violation Transmittals, Dates Sent, Dates Received, and Dates   | Reduction in manual effort: 0.5 hours per workday  |
| PUCT   | SO  | SO |                                      | EDW EMMS Extracts   | 50005    | Execution  | N/A |  |  |  | 26 | \$ 1,254,693 | Transition PUCT, ERCOT, and MP reporting to the EDW EMMS ODS   | The legacy Data Archive has design limitations that do not enable ERCOT to capture all necessary business data. Maintenance of and development is significantly expensive. Objective: Transition PUCT, ERCOT, and MP reporting to the EDW  |
| ERCOT  | SO  | SO |                                      | RTCA Archiving  | 40100    | Closing    | N/A |  |  |  |    |              |  |  |
| ERCOT  | SO  | SO |                                      | RAP-C Modeling Enhancements   | 40113    | Closing    | N/A |  |  |  |    |              |  |  |
| ERCOT  | SO  | SO |                                      | Performance Monitoring for SCADA / State Estimator                            | 40098    | Closing    | N/A |  |  |  |    |              |  |  |
| ERCOT  | SO  | SO |                                      | Overload Reports  | 30028    | Execution  | N/A |  |  |  |    |              |  |  |
| ERCOT  | SO  | SO |                                      | Overlimit Reports   | 30029    | Execution  | N/A |  |  |  |    |              |  |  |
| Market | SO  | SO | PRR492<br>PRR515                     | Congestion Management Reports   | 30105    | Execution  | N/A |  |  |  |    |              |  |  |
| ERCOT  | SO  | SO |                                      | Near Miss Indicator IROL/SOL (Informational Reporting Indicator for IROL/SOL) | 50044    | Execution  | N/A |  |  |  |    |              |  |  |
| Market | SO  | SO | PRR502<br>OGRR149                    | Aggregation of Combined Cycle Units Providing RRS                             | 50008    | Closing    | N/A |  |  |  |    |              |  |  |
| ERCOT  | SO  | SO | PRR342<br>PRR359<br>PRR413<br>PRR422 | EMMS Release R4A  | 30183_01 | Closing    | N/A |  |  |  |    |              |  |  |
| ERCOT  | SO  | SO |                                      | Improve Reliability of Frequency Input to AGC                                 | 50021    | Initiation | N/A |  |  |  |    |              |  |  |
| PUCT   | SO  | SO |                                      | Increase Number of Seats for Study Market Clearing Engines                    | 60002_01 | Initiation | N/A |  |  |  | 23 | \$ (224,062) | Increase the number of seats for the Study Market Clearing Engines (used by the PUCT for market monitoring) from two to unlimited.   | Help ensure ancillary services are available at reasonable prices; deter illegal contact and anticompetitive behavior; help identify market power abuses and prevent their recurrence; promote fair and competitive market operations; help eliminate loopholes and flaws in market design |
| PUCT   | SO  | SO |                                      | Enhancements to MOMS Metrics and Reports                                      | 60003_01 | Initiation | N/A |  |  |  | 23 | \$ (500,000) | This Project would involve implementing enhancements to the Market Monitoring Reports and Metrics in the MOMS software. These enhancements will be in the areas of: User Interface Improvements, Additional Indices and Screens, and Additional Alerts and Automated Reporting.          | Help ensure ancillary services are available at reasonable prices; deter illegal contact and anticompetitive behavior; help identify market power abuses and prevent their recurrence; promote fair and competitive market operations; help eliminate loopholes and flaws in market design |
| Market | WMS | SO | SCR747                               | Removal of Price Administration for Zonal Congestion                          | 60080_01 | Initiation | N/A |  |  |  | 13 | \$ (20,000)  |  |  |
| Market | SO  | SO | PRR525                               | SCE Performance and Monitoring  | 50130    | Execution  | N/A |  |  |  | 23 | \$ 6,400,000 | Provide real-time SCE Performance Monitoring and reporting capability for PRR525 that was approved by the ERCOT BOD.   | Savings estimate: 0.5% of ancillary service market (0.005 * \$500,000,000)   |
| ERCOT  | SO  | SO |                                      | Additional SMP Front End  | 50151    | Execution  | N/A |  |  |  | 25 | \$ (250,513) | Current SMP Front End has reached capacity. No new QSE, QSE DR, and TDSP SCADA RTUs can be added until the SMP Front End is expanded.  |  |
| ERCOT  | SO  | SO |                                      | DC Tie Automation   | 50134    | Execution  | N/A |  |  |  | 23 | \$ 816,755   | To automate as much as possible the current manual processes that consume considerable ERCOT resources in managing and accounting for energy flow across the DC Ties. To provide the ERCOT System Operator with a tool to properly schedule transactions across the DC Ties with Mexico. | Reduction in current manual verification process for Backup Frequency Desk. Avoid manual work in becoming the Scheduling Agent for additional DC Ties (dedicated Operations desk).   |



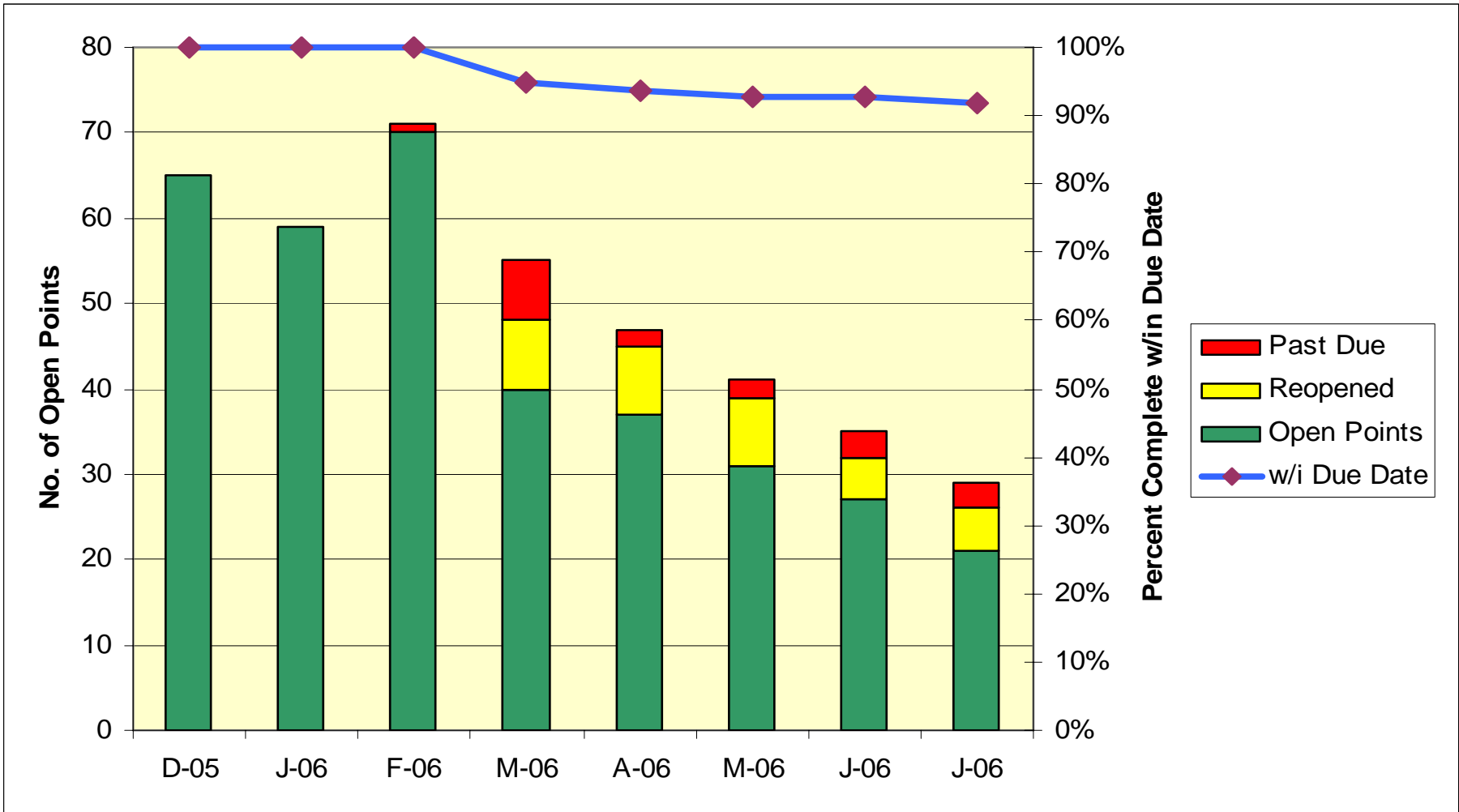
|        |     |    |        |  |          |                        |     |  |  |  |    |               |  |  |
|--------|-----|----|--------|--|----------|------------------------|-----|--|--|--|----|---------------|--|--|
| ERCOT  | SO  | SO |        | Upgrade of ERCOT MCE Software to AIMMS 3.6   | 60079_01 | Execution              | N/A |  |  |  | 20 | \$ (123,552)  | Provide graphical representation of system-wide connectivity. Provide ability to view all or part of the ERCOT system including powerflow. This project should provide the operator the ability to navigate easily from one station or substation to another in a one-line diagram format.               |  |
| ERCOT  | SO  | SO |        | Breaker to Breaker One Lines/System Map  | 50083_01 | Planning               | N/A |  |  |  | 20 | \$ (732,819)  | Provide graphical representation of system-wide connectivity. Provide ability to view all or part of the ERCOT system including powerflow. This project should provide the operator the ability to navigate easily from one station or substation to another in a one-line diagram format.               |  |
| Nodal  | SO  | SO |        | Network Model Management System (NMMS)   | 50142    | Planning               | N/A |  |  |  | 24 | \$ 879,954    | business has the following objectives with the implementation of this project: (1) Provide improved reliability by mitigating risk associated with model delays or errors. (2) Provide improved accuracy of model results. (3) Provide improved accuracy of all downstream real-time sequence processes. | Reduction of manual modeling workarounds (4 hours per day); avoid FTE increase in this area (3 FTE's)  |
| ERCOT  | SO  | SO |        | Topology Estimation System (Phase 1)   | 50135    | Execution              | N/A |  |  |  | 16 | \$ 1,190,876  | With this additional software application functionality added to the SE environment the accuracy and reliability of the SE solution will be improved leading to increased accuracy of all downstream real-time sequence processes.   | Reduce congestion cost due to topology errors: 2 incidents per year at \$250k each; also, faster identification of issues: 1 event per month identified 4 hours earlier (100 MW * \$30 *4 * 12 months) |
| ERCOT  | SO  | SO |        | Replace DSM6 High-Speed Frequency Recorder   | 30021    | Closing                | N/A |  |  |  | 24 | \$ (81,691)   | Add redundant high speed frequency recorder to ensure reliable capture of frequency disturbances.  | Intangible benefits. Supports NERC Standards and Reporting requirements, increases accuracy of reportable frequency disturbance events data; provides sub-   |
| ERCOT  | SO  | SO |        | EMMS Software Upgrade - OSI PI, OAG  | 50136    | Closing                | N/A |  |  |  | 18 | \$ (160,250)  | This project will address the upgrade of two important software applications to the business users: 1) Open Access Gateway applications upgrade; 2) 2. OSI-soft Historian upgrade  | Intangible benefit: Upgrades to OSI PI and OAG will bring us back to versions supported by our vendors   |
| Market | WMS | SO | PRR567 | Simplified Three-Part Bidding for Ancillary Services                               | New      | Cancelled              | N/A |  |  |  | 15 | \$ 41,000,000 |  |  |
| ERCOT  | SO  | SO |        | Satellite Communications for Black Start suppliers                                 | 50050    | Closing                | N/A |  |  |  | 19 | \$ (85,403)   | Provide backup communications via Satellite Phone between ERCOT Operations and TSPs for the purpose of coordinating Black Start procedures. Protocols require backup communications for the purpose of Black Start coordination.   | Operational readiness for potential black start event  |
| Market | ROS | SO | SCR744 | Outage Scheduler View Only Access (to be included in Enhance Digital Cert project) | 60012_01 | Transferred to IO CART |     |  |  |  |    |               |  | BoD 9/22/05  |
| Nodal  | SO  | SO |        | Topology Estimation System (Phase2 and 3)  | 50135_01 | Transferred to Nodal   |     |  |  |  | 16 | \$ 1,190,876  | With this additional software application functionality added to the SE environment the accuracy and reliability of the SE solution will be improved leading to increased accuracy of all downstream real-time sequence processes.   | Reduce congestion cost due to topology errors: 2 incidents per year at \$250k each; also, faster identification of issues: 1 event per month identified 4 hours earlier (100 MW * \$30 *4 * 12 months) |
| Nodal  | SO  | SO |        | Entity Name Change in ERCOT Applications   | 50056_01 | Transferred to Nodal   |     |  |  |  | 11 | \$ (836,494)  | This project will identify the applications in ERCOT that use the entity's name and modify those applications to allow for the future name changes without system or   |  |

## Completion Status by Audit 2004-05 Audit Points

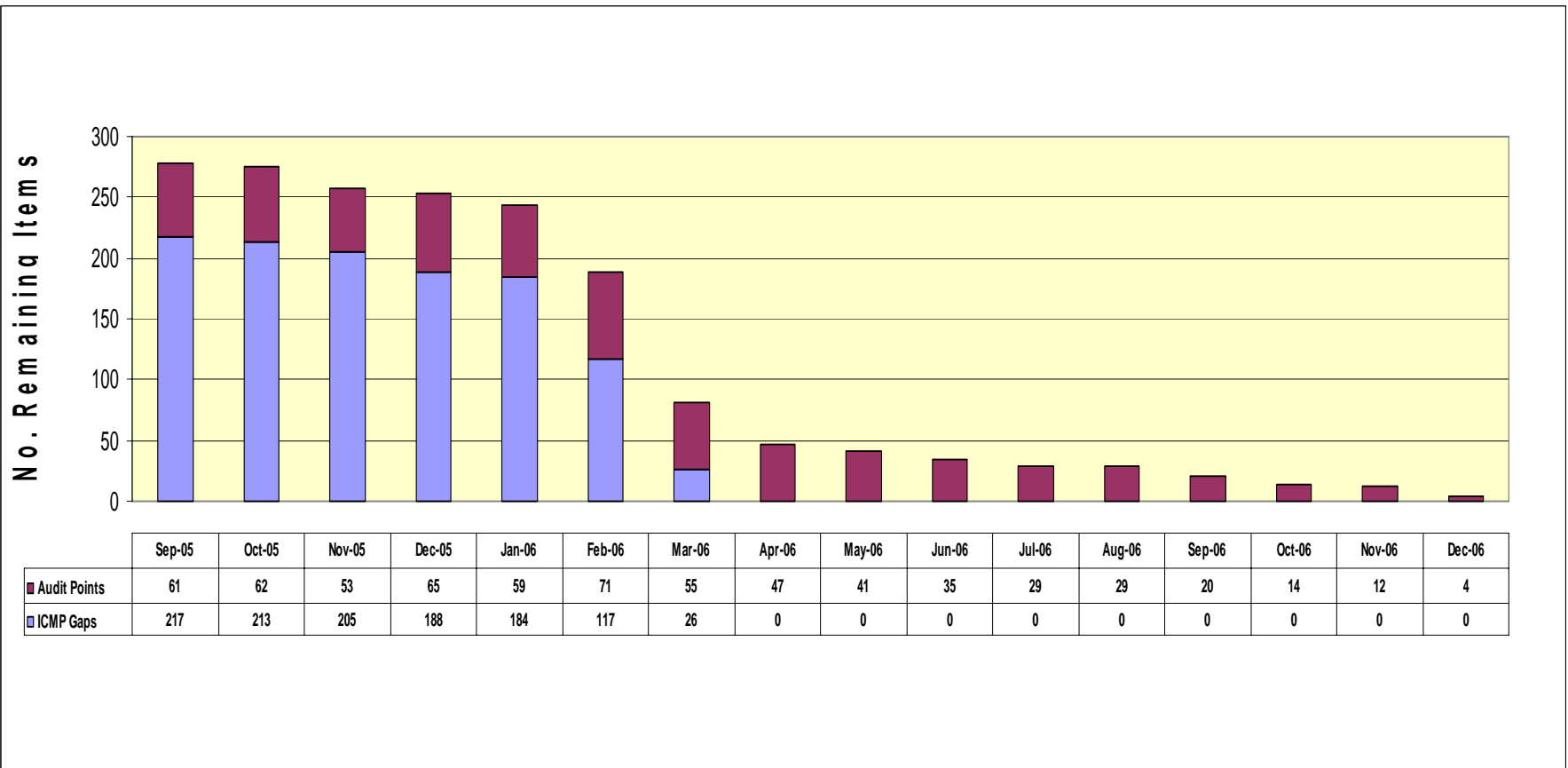


11 to complete

### Status of Open Audit Points - 2006



## Projected Audit Point and ICMP Gap Progress



**PUC Filings - FINANCE and AUDIT Excerpt as of August 15, 2006**

| Docket / Project No. | Docket Description   | Status   |
|----------------------|--|--|
| P-24055              | Protocol Revision Informational Filings by the Electric Reliability Council of Texas (includes Protocol Revisions and Nodal Protocol Revisions)                                | Systems Implementation – Cost Benefit Analysis   |
| P-24462              | PUC Proceeding to Establish Performance Measures Relating to the Competitive Retail Electric Market  | 08/14/06 2 <sup>nd</sup> Quarter Report Filing   |
| P-27706              | Reports of the Electric Reliability Council of Texas   | 08/14/06 2 <sup>nd</sup> Quarter Report (Financials and Audits) Filing   |
| P-28109              | Competitive Metering Services Market Readiness Project Subst. R. 25.311(e)   | 08/14/06 2 <sup>nd</sup> Quarter Report Filing   |
| P-28320              | Reports of Complaints Filed Against the Electric Reliability Council of Texas (ERCOT)  | Litigation Cases (not under PUC jurisdiction)  |
| D-30456              | PUC Proceeding Regarding ERCOT Fee   | File Quarterly Reports and Present at PUC Open Meetings  |
| P-30634              | Activities Related to Implementation of Recommendations from the Potomac Economics 2004 Reports on the Operation of the ERCOT Wholesale Electricity Market                     | Commission Staff Appeal of PRR 590 – Potomac Recommendation #14 request to reprioritize PRR 590 (currently priority 1.2 and rank of 57) – Procedures to Monitor QSE Reserve Obligations in Real-time – System changes and Cost to design and installation of monitoring equipment in ERCOT Control Rooms |
| P-31111              | Rulemaking to Address Independent Market Monitor for the Wholesale Electric Market in ERCOT  | Final Order Issued 04/20/06<br>ERCOT to Fund IMM   |
| D31166               | Complaint of TXU Electric Delivery Company and CenterPoint Energy Houston Electric, LLC to Revoke Retail Electric Provider Certificate No. 10068 of Energy West Resources, LTD | 07/17/06 Final Order Issued  |
| D-31243              | Complaint of TXU Portfolio Management Company LP and TXU Energy Retail Company LP and Against the Electric Reliability Council of Texas  | 06/20/06 SOAH Issued Proposal for Decision<br>Load Imbalance Charges   |

**PUC Filings - FINANCE and AUDIT Excerpt as of August 15, 2006**

| Docket / Project No. | Docket Description  | Status  |
|----------------------|---|---|
| P-31416              | Evaluation of Default Service for Residential Customers and Review of Rules Relating to the Price to Beat and Provider of Last Resort           | 07/11/06 Order Adopting Amendment to 25.43 - Create two different POLR small non-residential customer classifications - In the event that ERCOT is not capable of having an automated process in place to effectuate the bifurcation by December 31, 2006, ERCOT shall manually bifurcate the small non-residential customer class until the automated process is in place, which shall be no later than July 1, 2007 |
| D-31540              | Proceeding to Consider Protocols to Implement a Nodal Market in the Electric Reliability Council of Texas Pursuant to PUC Subst. R. 25.501      | 04/05/06 Final Order Issued   |
| P-31575              | Improvements to the ERCOT Zonal Market Design   |   |
| P-31600              | Transition to an ERCOT Nodal Market Design  |   |
| D-31824              | 2006 – Application of the Electric Reliability Council of Texas for Approval of the ERCOT System Administration Fee (\$0.42 Mwh)                | 05/15/06 Final Order  |
| P-31972              | Rulemaking Concerning Resource Adequacy and Market Power in the Electric Reliability Council of Texas Power Region                              | Potential Resource and System Impacts   |
| D-32025              | Petition of the Electric Reliability Council of Texas for Approval of Amended and Restated Bylaws   | Costs for Unaffiliated Board of Directors and TAC Representative  |
| D32174               | Petition of Tenaska Power Services Co. d/b/a TPS III for Declaratory Order Interpreting PUC Subst. R. 25.43(n) and 25.272(g)(1)(D)              | 07/19/06 PUC Order No. 18 Dismissing Petition   |
| P-32401              | FY 2006 Activities Related to the Oversight of the Electric Reliability Council of Texas  | 04/17/06 Rolling Blackout   |
| D-32486              | Complaint and Request for Emergency Action of CenterPoint Energy Houston, LLC regarding Retail Electric Provider Ideal Energy, Inc.             | 07/21/06 Proposed Final Order Issued Reserve funds held by ERCOT  |
| D-32492              | Petition of ERCOT for Approval of Unaffiliated Director   | 06/29/06 Final Order of Approval  |
| D-32573              | Petition of Commission Staff to Revoke the Retail Electric Provider Certificate of Usave Energy Services, Inc.                                  | 05/15/06 ERCOT Intervened Amount due by Usave to ERCOT is \$212,202.90  |
| D-32574              | Petition of Commission Staff to Revoke the Retail Electric Provider Certificate of Azor Energy, L.P.  | 07/13/06 Proposed Order Issued Azor owes ERCOT \$26,394.07  |
| D-32686              | Application of the Electric Reliability Council of Texas for Approval of a Nodal Market Implementation Surcharge and Request for Interim Relief | 07/27/06 Parties filed Post-Hearing Briefs  |

**PUC Filings - FINANCE and AUDIT Excerpt as of August 15, 2006**

| Docket / Project No. | Docket Description   | Status  |
|----------------------|--|---|
| D-32695              | Petition of TXU Energy Retail Company for Declaratory Judgment, or in the Alternative, for Approval of a New Time of Use Schedule (TOUS)   | 06/29/06 Final Order Issued – TXU Energy Time-of-Use Schedule to be implemented by ERCOT in the TXU Electric Delivery Service Territory |
| D32992               | Compliance Proceeding Pursuant to Final Order in Docket No. 31243 (Complaint of TXU Portfolio Management Company LP; and TXU Energy Retail Company LP and Against the Electric Reliability Counsel of Texas) | ERCOT Ordered to Re-settle see TXU Complaint Docket No. 31243   |