



Board of Directors Presentation

PR-60087_01: Modification of RPRS
Under Scheduled Capacity Charge
Calculation

Project Update

November 14, 2006

PR-60087_01 Modification of RPRS Under Scheduled Capacity Charge Calculation

Project Overview:

- This project implements multiple PRRs to address RPRS calculations and cost allocations

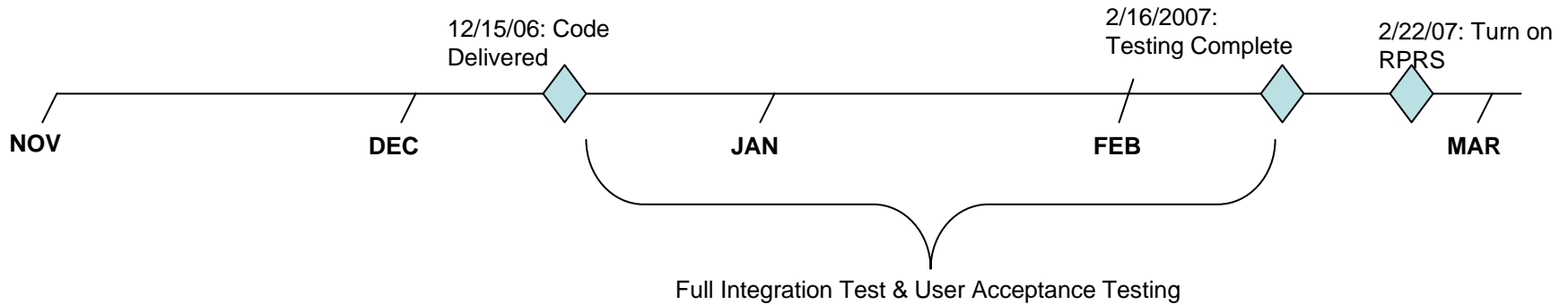
PRR	Description	PRS Action	Impact	Board Action
666	The PRR revises Section 6.9.2.1.1, Replacement Reserve Under Scheduled Capacity, to charge QSE's for ERCOT-wide RPRS based on their net ERCOT-wide position. A clarification is also included for Section 4.7.2(2) which refers to sections of the Protocols that use the Schedule Mismatch amount.	Approved: 6/22/2006	Planned to deliver full functionality by DEC 2006	Approved: 7/18/2006
687	This PRR corrects errors in the Replacement Reserve Under-Scheduled Capacity charge equation as previously approved in PRR666.	Approved: 8/31/2006	Increased scope of work and approved to consolidate with PRR666 and thus modified delivery date to 2/22/2007	Approved: 9/19/2006
676	This PRR modifies the policy related to allocation methodology.	Approved: 8/31/2006		
674	This PRR temporarily suspends the settlement equations for the RPRS Under Scheduled charge.	Rejected: 8/31/2006	Requests ERCOT to activate RPRS effective 2/1/2007	Approved: 9/19/2006

Project Status:

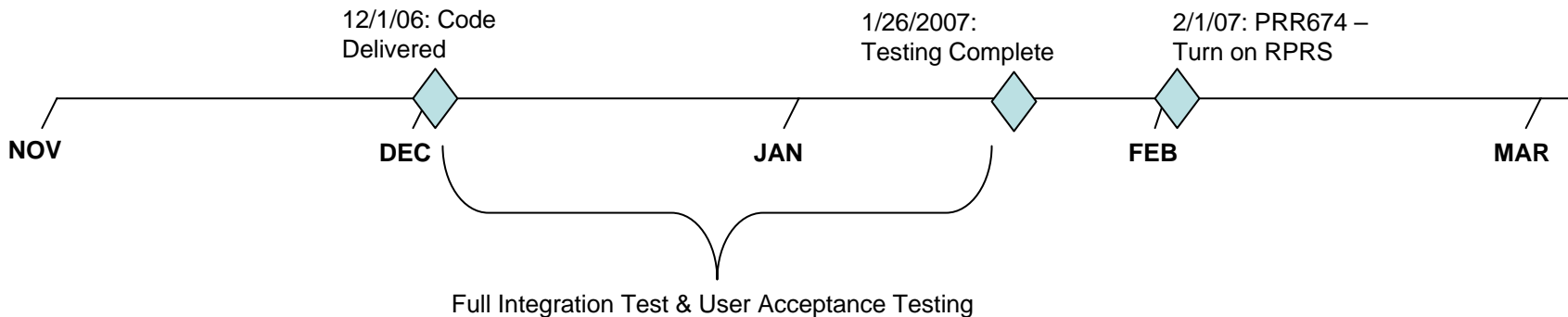
- Turned off RPRS calculation effective 10/1/2006
- On plan for schedule, scope, budget
- Key ERCOT resources dedicated to project
 - Manager, Settlements & Billing
 - Senior Analysts, Settlements & Billing
 - DPO Manager
 - Project Manager, Commercial Systems
 - Delivery Team (Development & Testing)

PR-60087_01 Modification of RPRS Under Scheduled Capacity Charge Calculation

Timeline Prior to PRR674:



Adjusted Timeline(50% Confidence Level):



PR-60087_01 Modification of RPRS Under Scheduled Capacity Charge Calculation

High Level Project Milestones:

Milestone	Timeline Prior to PRR674	Adjusted Timeline	Milestone Status / Completion Date
Business Requirements	10/3/2006	10/3/2006	10/3/2006
Detailed Design	10/12/2006	10/12/2006	10/12/2006
Development & Unit Test	12/15/2006	12/1/2006	In progress (30% Complete)
Test Cases/Scripts	12/15/2006	12/1/2006	In progress (10% Complete)
Perform Integration Test & UAT	2/16/2006	1/26/2006	
Production Rollout	2/22/2007	2/1/2007	

Next Steps:

- Continued focus on 2/1/2007 Delivery
- Confidence level of meeting 2/1/2007 delivery date is 50%
- Maintain rigorous issue tracking & risk management
- Provide ongoing visibility
 - Continue weekly DPO reviews
 - Provide monthly PMO updates
 - Provide Board updates as requested