



**TEXAS
REGIONAL
ENTITY™**

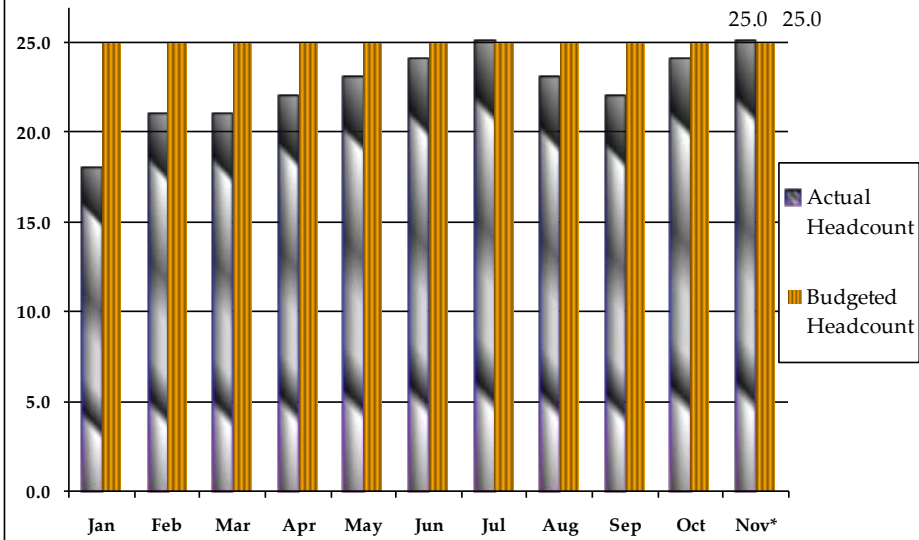
An Independent Division of ERCOT

Texas Regional Entity Financial Report

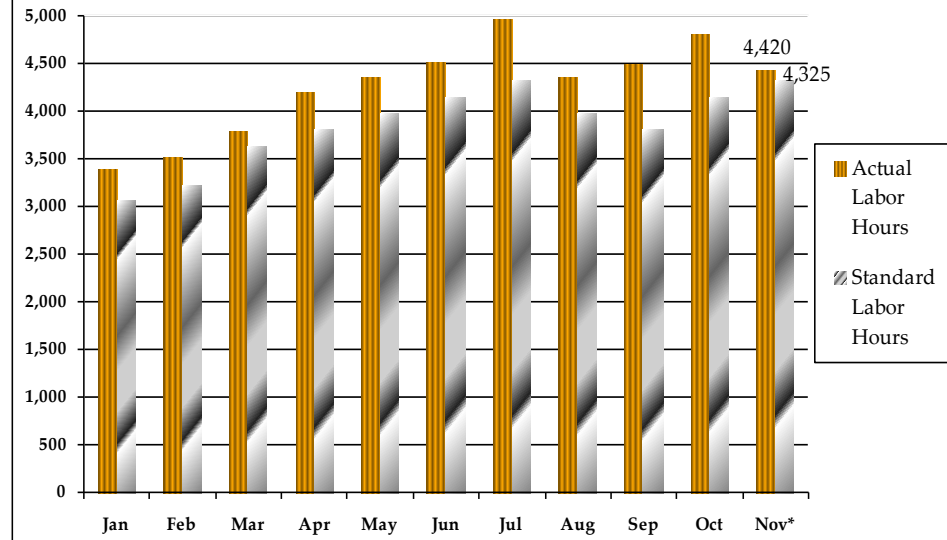
November 2008 & Year-to-Date
Financial Overview
December 8, 2008

November 2008 & YTD Actual Workforce

Texas Regional Entity - Workforce Exhibit

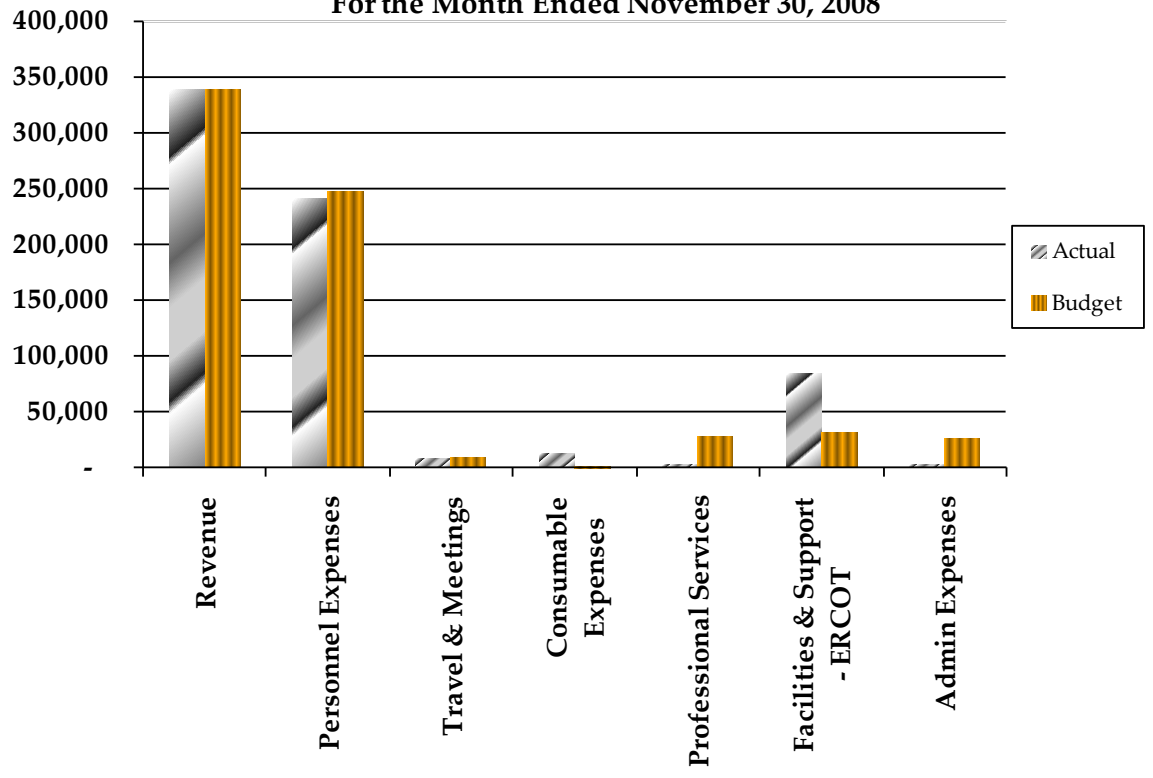


Texas Regional Entity - Labor Hours



November 2008 Operating Expenses

**Texas RE - Income Statement by Category
For the Month Ended November 30, 2008**

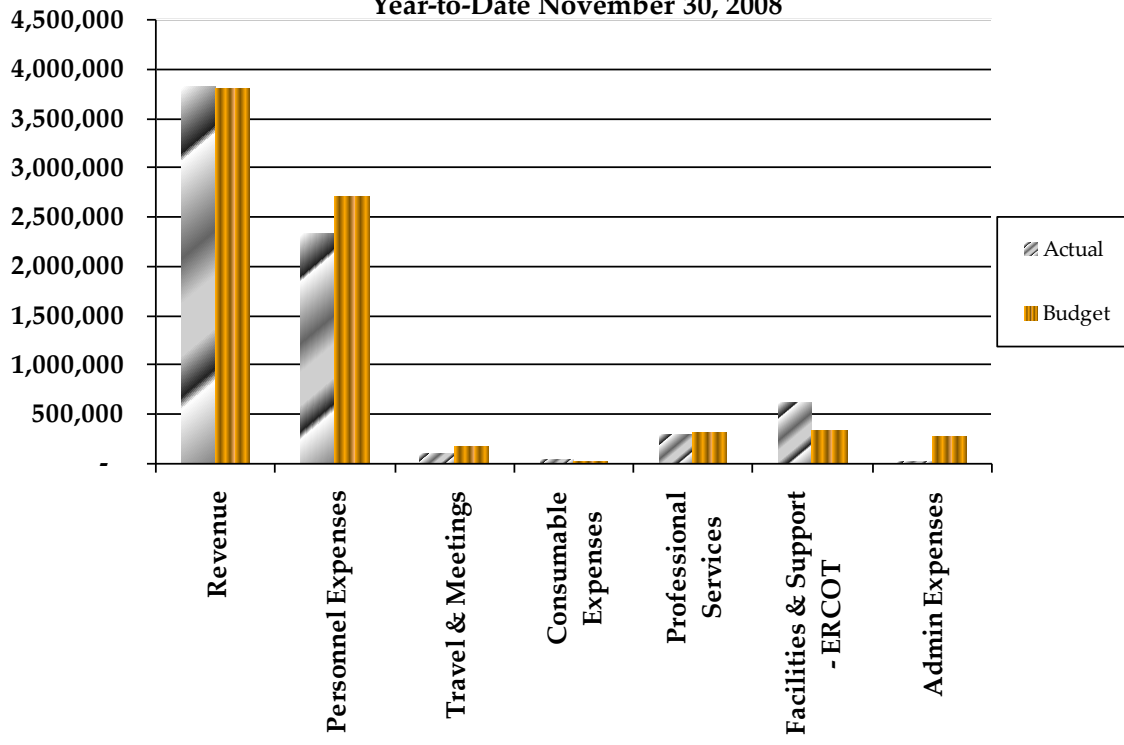


November Comments

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Revenue - Revenue for November is on target compared to plan.
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Personnel Expenses - Lower in November due to partial month with personnel vacancies.
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Travel & Meetings Expenses - Slightly less in November due to a fewer number of employees traveling offsite.
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Consumable Expenses - For the month is trending higher due to increased demand for printing, resulting from the compliance seminar.
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Professional Services - Expenses for November are less than plan primarily due to underspending in legal.
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Facilities & Support - Higher in November due to the higher than planned expenses paid to ERCOT for Administrative services (MOU executed in July, 2008).
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Administrative Expenses - The contingency reserve was budgeted in this category.

YTD November 2008 Operating Expenses

Texas RE - Income Statement by Category
Year-to-Date November 30, 2008



YTD November Comments

- ➔ **Revenue** - Revenue year-to-date is higher than plan, due to interest income earnings on excess cash.
- ➔ **Personnel Expenses** - Lower YTD due to personnel vacancies.
- ➔ **Travel & Meetings Expenses** - Lower due to vacancies.
- ➔ **Consumable Expenses** - YTD, is trending higher due to the increased demand for office supplies and printing. The increase is a result of reporting activities, printing, and requests for information.
- ➔ **Professional Services** - Expenses YTD are on target despite the financial audit expenses from 2007 impacting 2008 and outside review of Texas RE procedures.
- ➔ **Facilities & Support** - Higher YTD due to the higher than planned expenses paid to ERCOT for Administrative services (MOU executed in July, 2008).
- ➔ **Administrative Expenses** - The contingency reserve was budgeted in this category.

November 2008 & YTD Operating Expenses

Texas Regional Entity
Income Statement
Statutory & Non-Statutory Consolidated
For the Period Ended November 30, 2008
Unaudited

Group Rollup	Group Rollup Name	Period to Date			Year to Date			Annual Budget
		Actual	Budget	Difference	Actual	Budget	Difference	
Revenue	1-Assessments	339,571	339,570	(0)	3,735,278	3,735,277	-	4,074,848
	2-Workshops	-	-	-	-	70,000	(70,000)	70,000
	3-Interest Income	(256)	-	(256)	90,041	-	90,041	-
Total Revenue		339,315	339,570	(256)	3,825,318	3,805,277	20,041	4,144,848
Personnel Expenses	10-Salaries	190,145	186,899	(3,246)	1,780,815	2,055,885	275,070	2,242,782
	11-Payroll Taxes	11,665	15,513	3,848	131,316	170,639	39,322	186,151
	12-Employee Benefits	19,399	22,428	3,029	189,250	246,706	57,457	269,134
	13-Saving and Retirement	19,653	21,867	2,215	222,999	240,539	17,540	262,406
Total Personnel Expenses		240,861	246,706	5,845	2,324,379	2,713,768	389,389	2,960,473
Travel & Meetings	20-Meetings & Training	1,712	353	(1,358)	23,200	73,885	50,686	74,240
	30-Travel	5,064	8,095	3,031	77,714	89,041	11,327	97,135
Total Travel & Meetings		6,775	8,448	1,673	100,913	162,926	62,013	171,375
Consumable Expenses	40-Office Supplies	405	550	145	10,967	6,050	(4,917)	6,600
	41-Postage & Shipping	366	300	(66)	4,107	3,300	(807)	3,600
	42-Telecommunications	9,875	325	(9,550)	14,051	3,575	(10,476)	3,900
	43-Printing & Copying	1,121	100	(1,021)	12,643	1,100	(11,543)	1,200
Total Consumable Expenses		11,766	1,275	(10,491)	41,768	14,025	(27,743)	15,300
Equipment & Maintenance	50-Equipment Maintenance	-	350	350	-	3,850	3,850	4,200
Professional Services & Consulting Expenses	60-Professional Services-Legal	1,300	23,167	21,867	145,286	254,833	109,547	278,000
	61-Professional Services-Accounting/Auditing	4,388	3,000	(1,388)	67,490	33,000	(34,490)	36,000
	62-Professional Services-Other	(2,695)	2,000	4,695	73,046	22,000	(51,046)	24,000
Total Professional Services & Consulting Expenses		2,993	28,167	25,174	285,822	309,833	24,011	338,000
Facilities & Support - ERCOT	70-Rent & Improvements	9,835	9,333	(502)	108,185	102,667	(5,518)	112,000
	71-Support (HR, Treas, Finance, BOD, etc.)	56,141	8,417	(47,724)	333,640	92,583	(241,057)	101,000
	72-IT/MIS Support & Services	17,734	12,250	(5,484)	170,177	134,750	(35,427)	147,000
Total Facilities & Support - ERCOT Total		83,710	30,000	(53,710)	612,002	330,000	(282,002)	360,000
Administrative Expenses	73-IT/MIS Projects, Purchases & Maintenance	-	-	-	1,987	-	(1,987)	-
	80-Depreciation Expense	2,455	-	(2,455)	17,042	-	(17,042)	-
	81-Interest Expense	-	-	-	395	-	(395)	-
	90-Miscellaneous Other	145	24,625	24,480	2,709	270,875	268,166	295,500
Total Administrative Expenses		2,600	24,625	22,025	22,133	270,875	248,742	295,500
Total Expenses		348,704	339,571	(9,133)	3,387,018	3,805,277	418,260	4,144,848
GAIN / (LOSS)		(9,389)	(0)	(9,389)	438,300	(0)	438,300	0