ERCOT Nodal Program

Resource Management Overview

Resource Management Process - Summary

Effective resources are critical to the successful completion of the nodal program – 68.4% of the revised $566.1M budget (excluding finance costs) to implement the revised wholesale energy market in Texas relates to the payment of ERCOT, vendor and independent contract resources.

The resource management guiding principles for the Nodal Program are:

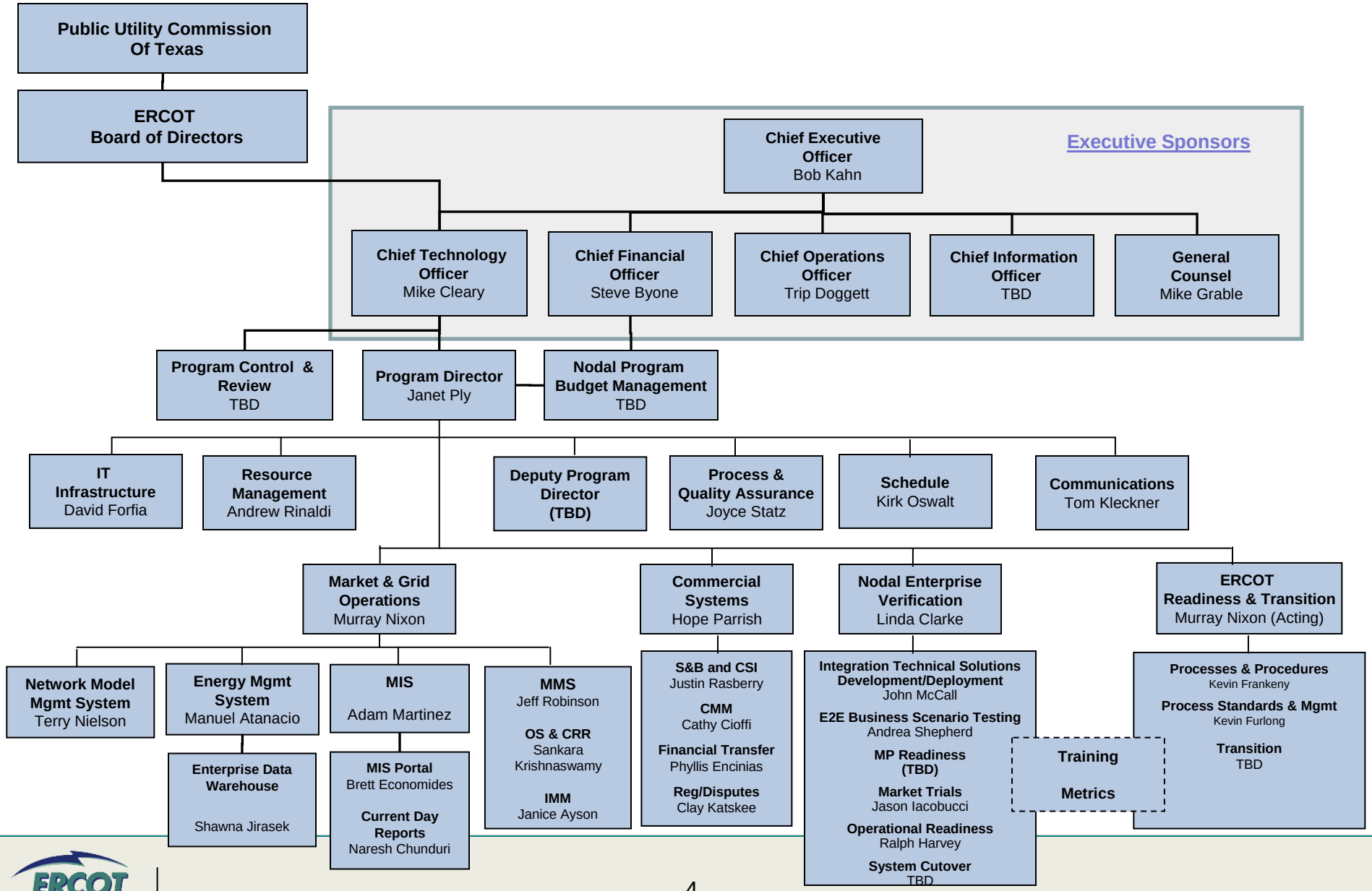
- **High quality –** high performing , qualified resources with the attitude and experience to successfully deliver a complex program.
- **Effective and efficient** – get the right number of people with the right skills doing the right things at the right price
- **Control -** Continuous review of project staffing needs based on current and planned workflows – projects are challenged to justify staffing levels to avoid under and over staffing
- **Low tolerance of poor performance –** continuous assessment of performance (vendors, contractor and employee) – poor performing resources are removed from the program quickly
- **Knowledge Transfer -** the hiring of contract staff is viewed as a learning opportunity to develop ERCOT personnel. Formal knowledge transfer plans are required for each project in the program

A summary of the process and controls to implement these principles is as follows:

- PMs must provide justification for extension (must be in project EAC, no ERCOT employee available, detailed job description with deliverables)
- PMO must approve prior to submission to CTO
- Detailed job descriptions are developed and distributed internally within ERCOT and to multiple vendors with utility/large program experience
- Most positions require prior ISO/nodal implementation experience so the current resource pool is polled to identify potential candidates within their networks with relevant experience
- Interviews are conducted by experienced nodal leaders
- Selections are challenged by the Program management team to ensure only highly qualified candidates are brought onto the nodal program
- New resources are placed on 2 week probation to prove they can perform as expected
- Team performance is reported to the CTO as part of the weekly program status report
- Nodal Resource Manager is accountable for reviewing project resource levels and performance quality.

Nodal Program Organization – Early 2008

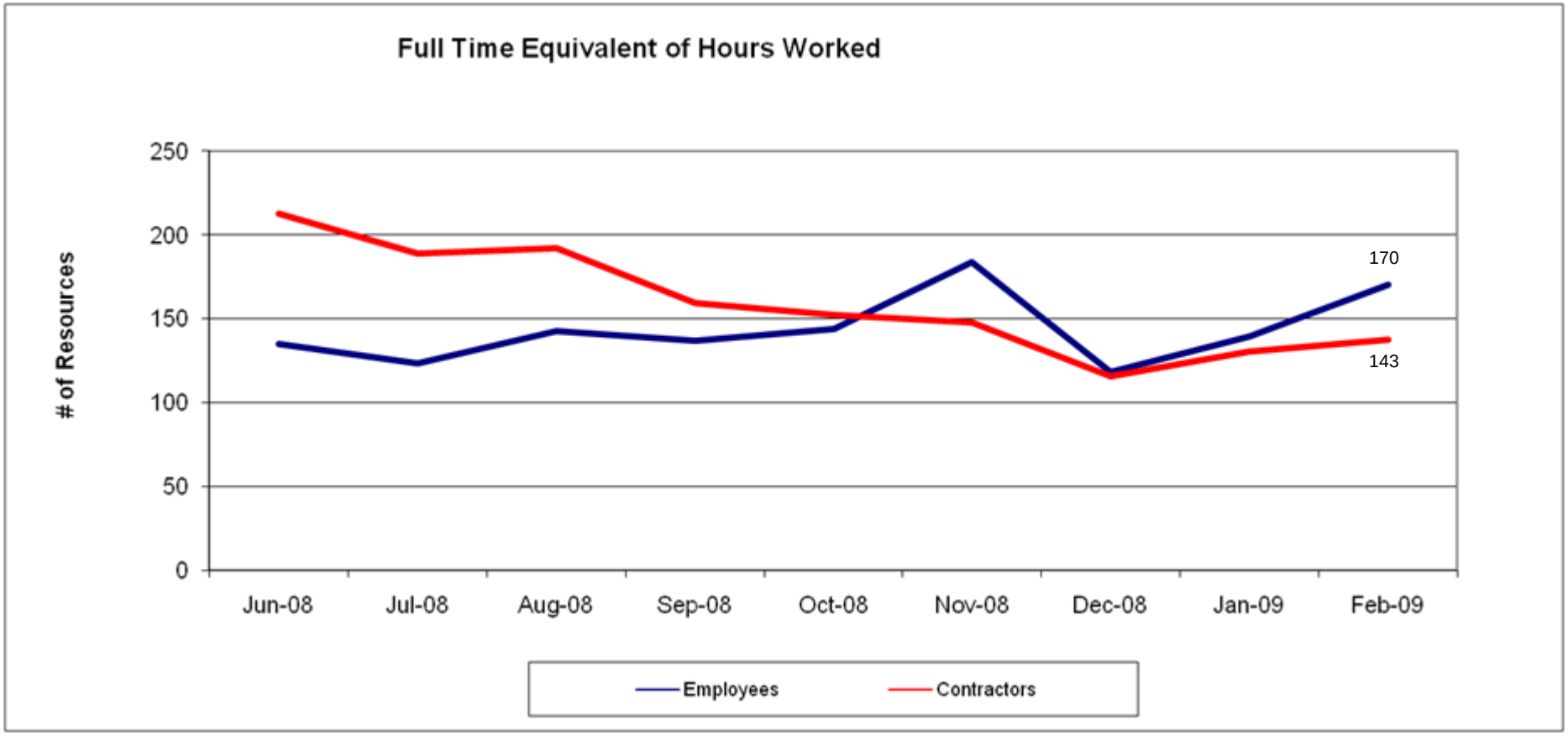
Nodal Reporting Structure Today – WIP



Staff movement summary

- **In June, 2008, there were a total of 285 contractors assigned to the Nodal Program**
- **To date,**
  - 21 contractors have been converted to ERCOT employees
  - 142 contractors have rolled off the program
  - 21 new contractors have been added to the program
- **Currently, there are 143 contractors assigned to the Nodal Program. This includes 5 contractors added in March '09 to lead the Enterprise Verification teams and 3 additional team members**
- **A key objective of the PMO is to continuously challenge, assess and upgrade the resources engaged to deliver the Nodal Program on time and on budget**

Full Time Equivalents



Nodal Program Leadership Attrition	
Leadership Changes Prior to June 2008	13
Leadership Changes post June 2008	20

Leadership Additions to Nodal Program – Post June 2008	
Contract Resources	21
ERCOT Resources	12

New People Added to the Nodal Program Since June 2008

- **Mike Cleary – CTO, Nodal Executive Sponsor**
- **Nodal Budget/Finance**
  - Aaron Smallwood – Nodal Budget Management
  - Chris Howell – Nodal Finance Manager
  - Charan Saini – Sr. Financial Analyst
- **New Nodal Project Managers Additions**
  - Manuel Atanacio – EMS PM
  - Shawna Jirasek – EDW PM
  - Naresh Chunduri – CDR PM
  - Jeff Robinson – MMS PM under Murray Nixon
  - Sankara Krishnaswamy – OS PM under Murray Nixon
- **Nodal Enterprise Verification Team Lead Additions (restructured EIP, INT, and EDS)**
  - Linda Clarke – PM
  - John McCall (March 23, 2008) – Integrated Technical Solution Development & Deployment
  - Andrea Shepherd (March 16, 2008) – E2E Business Scenario Testing
  - Jason Iacobucci (March 16, 2008) – Market Trials
  - Ralph Harvey (March 16, 2008) – Operational Readiness
- **Commercial Systems (COMS)**
  - Hope Parrish – PM
  - Justin Rasberry – CSI and Settlements and Billing
  - Cathy Cioffi – CMM
  - Phyllis Encinias – Financial Transfer

- **ERT Team Lead Additions**
  - Murray Nixon
  - Kevin Frankeny – Processes and Procedures
  - Kevin Furlong – Process Standards & Management
  - Chuck Hanson – Training
  - Brandon McElfresh – Metrics
- **PMO Leadership Additions**
  - Janet Ply – PMO Lead
  - Betty Luedke – Requirements Practice Manager
  - Tom Kleckner – Sr. Communications Strategist
  - John Mullikin/Kirk Oswalt – Master Schedulers
  - Dawn Moldenhour – Resource/Contract Coordinator
  - Andrew Rinaldi – Resource Manager
  - Ingrid Garner – Process Standardization
  - Shawn Catoe – Enterprise Architecture
- **Quality Assurance**
  - Joyce Statz – Quality Assurance Practice Manager
  - Eileen Hall – Testing Process Lead
  - James Frietag – Sharepoint Lead
- **Infrastructure – ITEST Build-Out**
  - Ken Meinen – Project Manager for ITEST and EDS environments

Sample biographies of recent additions to the Nodal team

Linda J. Clarke – Nodal Enterprise Verification Core PM

- 20 years experience in electric power industry, focusing on energy market design initiatives and assisting in development of market and system operations services
- Manager of Market Development at PJM - assisted with the development and implementation of the LMP, FTR auction, and the multi-settlement markets
- Director of Market Integration for MISO - business requirements group lead on the Midwest Market Initiative project and providing oversight and direction to Midwest ISO staff, as well as outside vendors for business requirement and implementation aspects of the MMI project
- Lead Consultant at CAISO - leading the business practice manual development team and supporting external readiness activities
- NYISO - developed the software requirements for credit management system
- Ireland's EirGrid - developed the software specification for its market clearing engine
- BS in Electrical Engineering from University of Maryland and MBA from Villanova University.

John McCall - Integration Technical Solution Development & Deployment Lead

- Over 11 years working in the energy and utility sector
- Wipro's Engagement Manager and Principal Consultant for MISO's Ancillary Services Market (ASM) project - assisted the overall all Program Manager in all aspect of implementing a highly available technical infrastructure identifying and tracking technical dependencies between other MISO technology initiatives and the ASM project; providing system acquisition planning and tracking for all ASM hardware and software components; coordinating business continuity planning; managing performance testing for all ASM infrastructure and application components; and coordinating cutover activities
- Project Manager and Architect for the infrastructure components of MISO's $250M Markets project, managing the implementation of multiple infrastructure environments, including: high availability production, failover, staging, integration testing, and development environments. Also managed the operational support organization for these environments, including Solaris and Linux Unix, and Windows System Administrators, Database Administrators, Network Administrators, Security Administrators, and Hardware Technicians

Sample biographies of recent additions to the Nodal team

Andrea Shepherd – End to End Business Scenario Lead

- More than 7 years consulting experience specializing in the implementation of wholesale electricity markets; expertise includes market simulation execution, process design and development and organizational readiness
- Supported Midwest ISO and Ireland's EirGrid in the launch of their markets; spent two years at California ISO establishing their issues management process and as the Project Manager of the Market Simulation Team; supported PG&E and CDWR in their preparedness of California ISO's nodal market, set to launch April 2009
- BS in Economics from Texas A & M University

Jason Iacobucci – Market Trials Lead

- Over twelve years experience with architecture, design and implementation services for Market Operations, Settlements, Billing, Forecasting and B2B Transaction Management systems for ISOs/ RTOs, including ERCOT, PJM, NE-ISO, GridSouth, SPP, MISO, and BCTC
- Readiness Advisor at CAISO - advisor to Executive Management on $200M MRTU Program; consulting on Organizational and System Readiness matters and lead for externally-facing Market Participant test readiness planning and activities
- Project Manager at CAISO responsible for $20M, 50 person project delivering a new market settlements system for the California Wholesale Electricity Market
- Readiness Advisory Team Member at Midwest ISO working with FERC, MISO and Stakeholders to ensure a successful Ancillary Service Market Launch
- Consultant to ERCOT in re-architecting specific business and technical processes to enhance performance, functionality and productivity by 500%
- Bachelor of Arts/ Economics from University of New Hampshire-Whittemore School of Business and Economics

Ralph Harvey – Operational Readiness Lead

- 14 years of consulting with digital equipment, where he was responsible for numerous successful integration implementations in financial and utility markets
- Southern Electric and Scottish Power (regional electric companies in the United Kingdom) planned and executed operational readiness initiative
- Chief technology officer and vice president of engineering for leading security product vendor Prevx
- PJM -- worked on notifications for designing rules and patterns to assist predictive real-time decision making for demand-response and energy management system areas
- Master's in information technology from Liverpool University, UK.