



Texas Regional Entity Financial Report March 2009

Texas RE Advisory Committee
April 21, 2009

March 2009 Financial Accomplishments

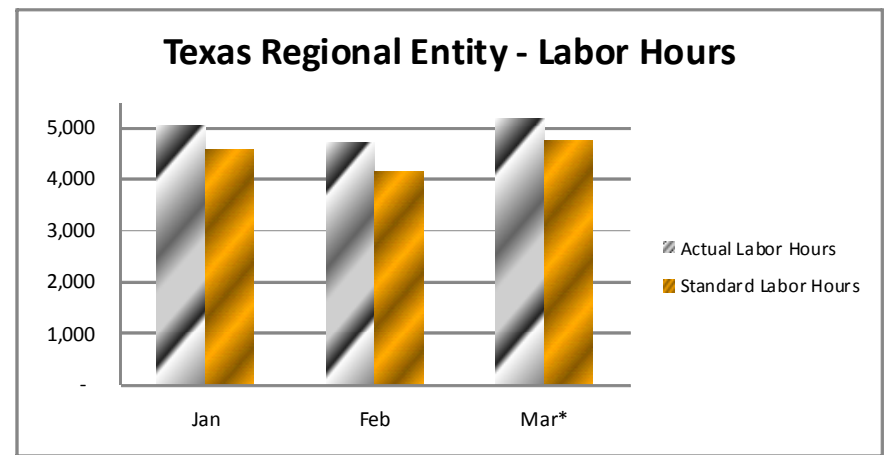
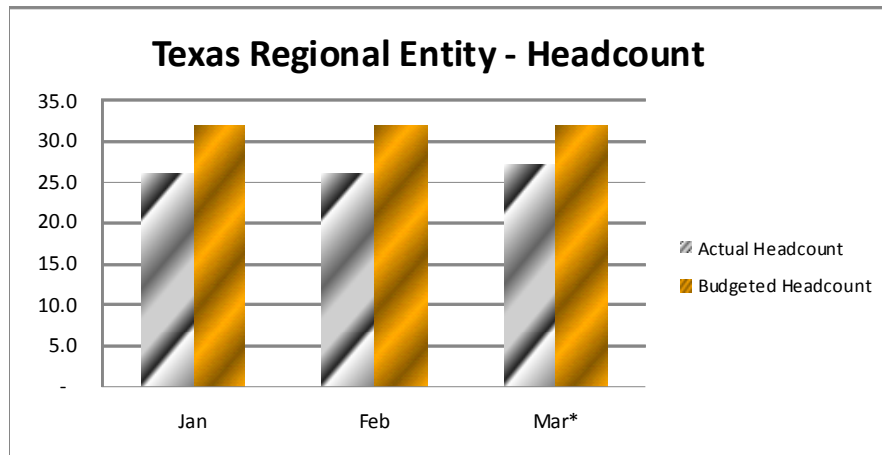
- **Began developing the Draft 2010 Budget:**
 - Details to be provided at May 12, 2009 Advisory Committee and Board meetings.
 - Texas RE Board approval needed June 15, 2009
 - Board approved Business Plan & Budget submitted to NERC before July 8, 2009
- **Texas RE is working with ERCOT Finance & PwC on the 2008 financial statement audit.**

March 2009 Actual Workforce

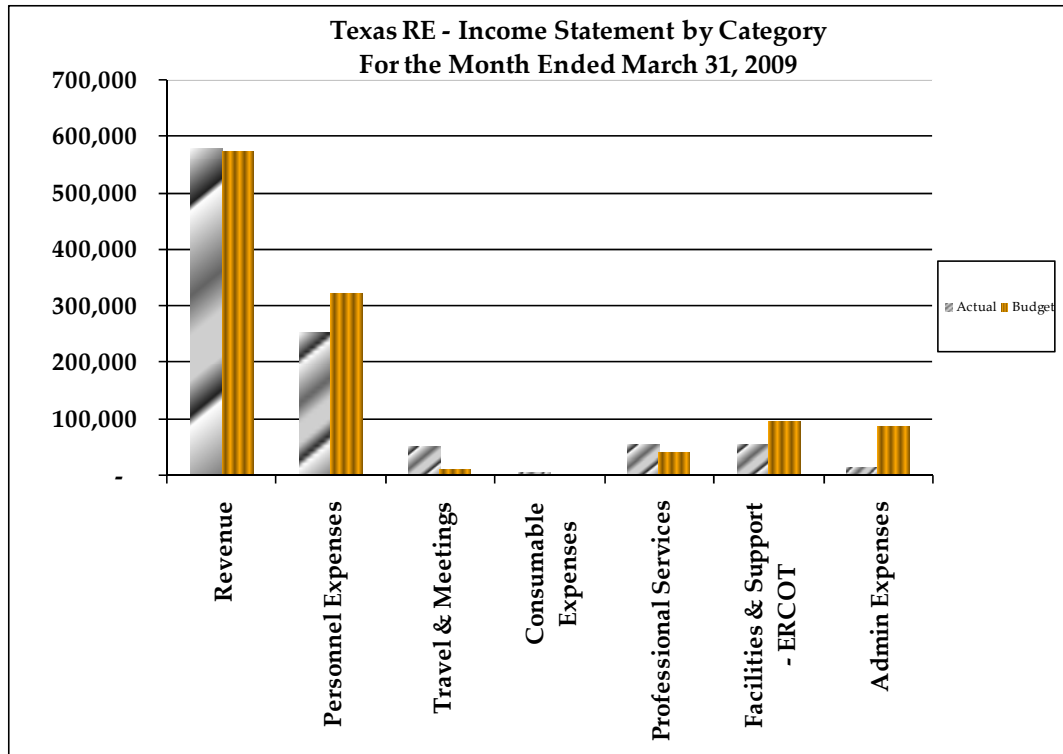
Texas Regional Entity Headcount Statutory & Non-Statutory Combined For The Month Ended March 31, 2009

	Jan	Feb	Mar*	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Actual Headcount	26.0	26.0	27.0									
Budgeted Headcount	32.0	32.0	32.0									
Variance Under/(Over)	6.0	6.0	5.0									
<hr/>												
	Jan	Feb	Mar*	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Actual Labor Hours	5,050	4,688	5,154									
Standard Labor Hours	4,576	4,160	4,752									
Variance Under/(Over)	(474)	(528)	(402)									
	10.4%	12.7%	8.5%									

* Does not include interns and consultants



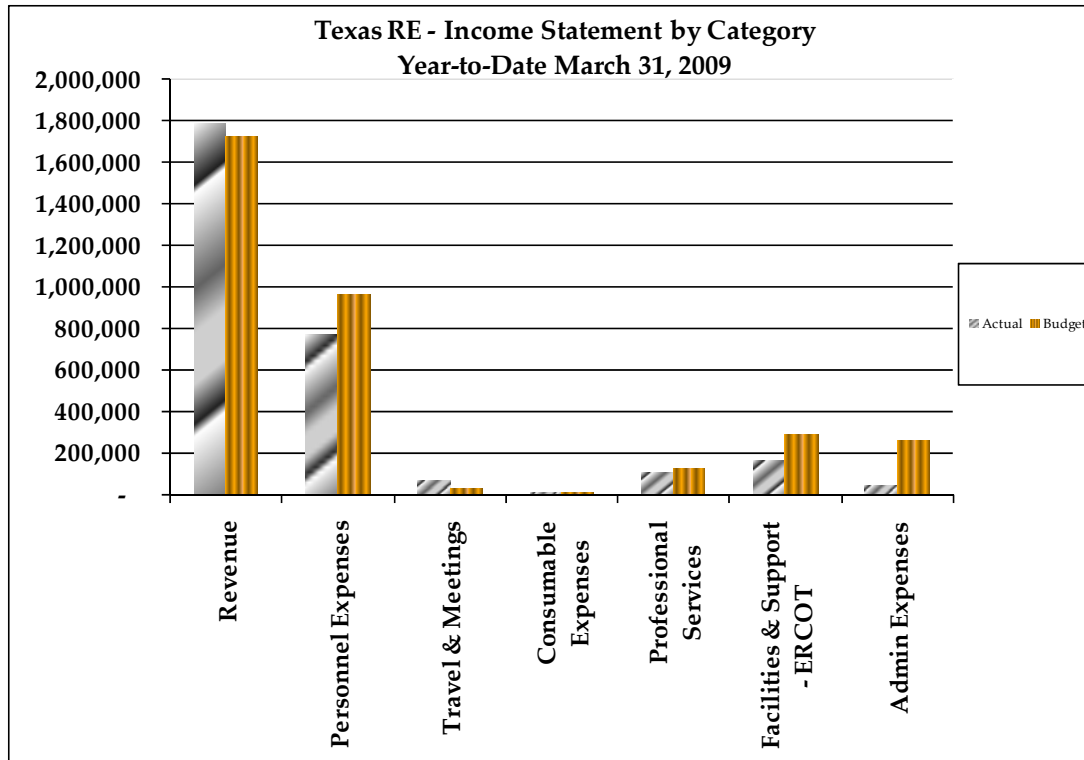
March 2009 Operating Expenses



March Comments

- ➔ **Revenue** - Revenue is higher than budget due to the Operations Training Seminar receipts.
- ➔ **Personnel Expenses** - Lower due to employee vacancies. Budget is 32 FTEs, we currently are staffed at 27 FTEs.
- ➔ **Travel & Meetings Expenses** - Slight Overspending due to Operations Training Seminar costs, timing variance.
- ➔ **Consumable Expenses** - Slightly over for the month due to shipping expenses incurred for the FERC audit.
- ➔ **Professional Services** - Higher than plan for the month due to legal expenses for the FERC audit.
- ➔ **Facilities & Support** - Accruing the expenses associated with Texas RE's move and rent.
- ➔ **Administrative Expenses** - Variance is primarily driven by the budgeted cash/operating reserve of \$855K (annual).

YTD March 2009 Operating Expenses



YTD March Comments

- ➔ **Revenue** - Higher than budget due to the Operations Training Seminar.
- ➔ **Personnel Expenses** - Lower YTD due to employee vacancies. Budget is 32 FTEs, we currently are staffed at 27 FTEs.
- ➔ **Travel & Meetings Expenses** - Overspending due to Operations Training Seminar costs, timing variance.
- ➔ **Consumable Expenses** - Currently spending at plan.
- ➔ **Professional Services** - Less than plan primarily due to underspending in legal.
- ➔ **Facilities & Support** - Accruing the expenses associated with Texas RE's move and rent. There will be a permanent variance due to the timing of Texas RE's move and the budget, as well as the expected rent and actual rent.
- ➔ **Administrative Expenses** - Variance is primarily driven by the budgeted cash/operating reserve of \$855K (annual).

March 2009 Operating Expenses

Texas Regional Entity
Income Statement
Statutory & Non-Statutory Consolidated
For the Period Ended March 31, 2009
Unaudited Management Report

Group Rollup	Group Rollup Name	Period to Date			Year to Date			Annual Budget
		Actual	Budget	Difference	Actual	Budget	Difference	
Revenue	1-Assessments	543,856	573,526	(29,670)	1,650,962	1,726,150	(75,188)	6,969,021
	2-Workshops	34,687	-	34,687	169,542	-	169,542	70,000
	3-Interest Income	379	-	379	1,503	-	1,503	-
Total Revenue		578,922	573,526	5,396	1,822,007	1,726,150	95,857	7,039,021
Personnel Expenses	10-Salaries	194,661	244,189	49,528	588,715	732,449	143,734	2,960,004
	11-Payroll Taxes	14,537	19,521	4,985	50,111	64,611	14,500	261,151
	12-Employee Benefits	16,170	21,714	5,545	48,552	62,600	14,048	253,026
	13-Saving and Retirement	26,801	35,990	9,190	80,963	104,388	23,425	421,928
Total Personnel Expenses		252,168	321,415	69,247	768,341	964,048	195,707	3,896,109
Travel & Meetings	20-Meetings & Training	39,812	-	(39,812)	44,681	-	(44,681)	105,000
	30-Travel	9,874	9,265	(609)	23,883	24,024	141	112,685
Total Travel & Meetings		49,686	9,265	(40,421)	68,564	24,024	(44,540)	217,685
Consumable Expenses	40-Office Supplies	656	860	204	2,720	2,560	(160)	10,200
	41-Postage & Shipping	300	200	(100)	1,457	600	(857)	2,400
	42-Telecommunications	923	967	44	2,067	2,900	833	11,600
	43-Printing & Copying	1,656	100	(1,556)	-	300	300	1,200
Total Consumable Expenses		3,534	2,127	(1,407)	6,244	6,360	116	25,400
Equipment & Maintenance	50-Equipment Maintenance	-	-	-	-	-	-	-
Professional Services & Consulting Expenses	60-Professional Services-Legal	46,494	29,167	(17,327)	49,070	87,500	38,430	350,000
	61-Professional Services-Accounting/Auditing	4,167	3,750	(417)	13,476	11,250	(2,226)	45,000
	62-Professional Services-Other	1,950	5,575	3,625	44,936	25,475	(19,461)	75,650
Total Professional Services & Consulting Expenses		52,610	38,492	(14,118)	107,482	124,225	16,744	470,650
Facilities & Support – ERCOT	70-Rent & Improvements	34,835	49,979	15,144	67,005	149,937	82,932	599,748
	71-Support (HR, Treas, Finance, BOD, etc.)	26,080	26,388	308	77,694	79,164	1,470	316,654
	72-IT/MIS Support & Services	18,416	19,000	584	53,884	57,000	3,116	228,000
Total Facilities & Support – ERCOT Total		79,330	95,367	16,036	198,583	286,101	87,518	1,144,402
Administrative Expenses	73-IT/MIS Projects, Purchases & Maintenance	9,584	5,250	(4,334)	30,015	16,712	(13,303)	63,993
	74-Employee Training	-	550	550	1,662	1,870	208	7,440
	80-Depreciation Expense	2,476	6,378	3,903	7,427	19,135	11,708	76,540
	82-Bank Fees	251	-	(251)	508	-	(508)	-
	90-Miscellaneous Other	-	2,700	2,700	706	8,385	7,679	35,640
	91-Contingency	-	71,250	71,250	-	213,750	213,750	855,000
Total Administrative Expenses		12,311	86,128	73,817	40,318	259,852	219,534	1,038,613
Total Expenses		449,640	552,793	103,153	1,189,532	1,664,610	475,078	6,792,859
GAIN / (LOSS)		129,282	20,733	108,550	632,475	61,540	570,935	246,162

NOTE: Accruing rent expense under Rent & Improvements until MOU is signed between Texas RE and ERCOT. If Texas RE were to accrue in the ledger, it would overstate total liabilities for the consolidated financials.

