2009 ERCOT KEY PERFORMANCE INDICATOR MATRIX

%	KPIs	CURRENT QUARTER PERFORMANCE	PRIOR QUARTER PERFORMANCE	TREND	STATUS
				[Up, Down or Same?]	
25	Maintain reliability and compliance with ERCOT Protocols and NERC Standards and Requirements.	On Target	Measures are being achieved.	First Report	System reliability maintained. Compliance program enhanced by addition of CCO.
15	Retail and Wholesale Transaction Processing in Accordance with Protocols	On Target	Measures are being achieved.	First Report	All measured achieved except for IT outage
5	Execute the requirements, as defined by the PUCT, for advanced metering	On Target	Measures are being achieved.	First Report	Interim solution on schedule
25	Completion of Nodal Milestones in Accordance with Schedule and budget	On Target	Measures are being achieved.	First Report	Major milestones are being accomplished
7.5	Conduct Base Operations Within Approved Budget	Above budget (excluding non-operating revenue)	Below budget	First Report	Preparing updated forecast and alternatives
7.5	Provide the workforce, facilities and project management resources to support the operations of ERCOT	On Target	Measures are being achieved.	First Report	Facilities on schedule, management training and project management on-track
5	Receipt of Favorable Financial and SAS 70 Audits	On Target	In process	First Report	Financial Audit unqualified
10	Manage Legal, Legislative, Regulatory and Market Participant relationships to meet the expectations of the Board. Continue to implement actions from the 2008 market survey	On Target	Measures are being achieved.	First Report	Nodal Surcharge Docket in progress; other regulatory matters controlled.

ERCOT
KEY PERFORMANCE INDICATORS AND 2009 GOALS

KPI 1. Maintain Reliability and Compliance with ERCOT Protocols, and NERC Standards and Requirements

KPI	%	Goal	Officer	Measurement	Status	Performance
Maintain reliability and compliance with ERCOT Protocols and NERC Standards and Requirements.	20.00%	Complete the reviews of all projects submitted for regional planning along with the ERCOT 5-Year Transmission Plan.	Kent Saathoff	Complete the 5-year plan and 90% of regional planning project review on time	On Target	5 year plan target date is July 2009. All regional planning project reviews completed on time in 1st Q
	10.00%	Complete all generation interconnection and reliability must run studies in accordance with PUCT rules and ERCOT protocols	Kent Saathoff	95% of generation interconnections and reliability must run studies completed on time.	On Target	All studies done on time in 1st Q.
	30.00%	Achieve full compliance with NERC/ERO planning and operating standards, and PUCT rules requirements.	Kent Saathoff	No emergency conditions or loss of firm load attributable wholly or in part to violation of standards and requirements and no more than 5 exceptions from NERC Standards as found in a NERC Compliance Audit.	On Target	No emergency conditions or loss of load during first quarter. NERC Compliance Audit scheduled for October 2009.
	20.00%	Comply with all Operating Procedures	Kent Saathoff	At least 99% compliance as found in the annual internal Operations Audit	On Target	Operations Audit conducted in April. Report pending.
	20.00%	Comply with all ERCOT Protocols and Operating Guides	Kent Saathoff	No more than 3 operating related exceptions from ERCOT Protocols and Operating Guides	On Target	No known Protocol violations.
Total Pct	100.00%					

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KEY PERFORMANCE INDICATORS AND 2009 GOALS

KPI 2. Retail and Wholesale Transaction Processing in Accordance with Protocols

KPI	%	Goal	Officer	Measurement	Status	Performance
Retail Transaction Processing in Accordance with Protocols	10.00%	ERCOT Initiated 814 Switch Transactions – Enrollment and Meter Read Scheduling	Trip Doggett	99.00%	On Target	99 70%
	10.00%	ERCOT Initiated Switch 867 Transactions – Historical and Initial Meter Read Deliveries	Trip Doggett	99.00%	On Target	99.17%
	10.00%	ERCOT Initiated MIMO 814 Transactions – Enrollment and Meter Read Scheduling	Trip Doggett	95.00%	On Target	99.54%
	10.00%	ERCOT Initiated MIMO 867 Transactions – Historical and Initial Meter Read Deliveries	Trip Doggett	99.00%	On Target	99.20%
	10.00%	Provide overall reliability of 99.9%, with reliability defined in retail segment service expectation agreement	Dave Forfia and Richard Morgan	99.90%	First quarter overall reliability was 99.77%, slightly below goal of 99.9%.	Power supply failure in January caused 103 minute outage and locked data base in February caused 170 minute failure.
Wholesale Transaction Processing in Accordance with Protocols	12.50%	Percent of transactions processed within the settlement calendar which followed the calendar.	Trip Doggett	99.00%	On Target	99.55%
	12.50%	Completed and accurate EPS meter data for settlement runs	Trip Doggett	99.00%	On Target	100.00%
	12.50%	Percent of IDR data captured by true-up as requested from MRE.	Trip Doggett	99.20%	On Target	99.94%
	12.50%	Percent of Completed dispute filings in accordance to protocol – Annual	Trip Doggett	95.00%	On Target	100%
Total Pct	100.00%					

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KEY PERFORMANCE INDICATORS AND 2009 GOALS

KPI 3. Execute the requirements, as defined by the PUCT, for advanced metering.

KPI	%	Goal	Officer	Measurement	Status	Performance
Execute the requirements, as defined by the PUCT, for advanced metering	33.34%	Completion of project milestones within approved timeline and budget	Trip Doggett	Project milestones are met on time and delivered to the specifications as determined by the project team.	On Target	Project is on schedule
	33.33%	Participation in the PUCT AMIT projects applicable to ERCOT	Trip Doggett	Participation in AMIT meetings and responses filed to PUCT on related dockets.	no meetings scheduled	n/a
	33.33%	Complete development of revised business processes/procedures related to the Interim Solution	Trip Doggett	Revised business processes/procedures related to the Interim Solution delivered on time.	On Target	Interim solution is currently under development and scheduled for completion on time.
Total Pct	100.00%					

KPI	%	Goal	Officer	Measurement	Status	Performance
	10.00%	Monitor and execute Nodal program to meet critical milestone dates and meet approved budget levels.	Mike Cleary	10% completion of milestones within 60 days of plan. 90% completion of milestones per plan.	On Target	All critical milestones have been completed against the rebaselined schedule. Jan-Feb "under spend" is pending quarterly contingency process. Reorganized financial management structure and reforecasted budgets leading to continual budget improvements.
	10.00%	The completion of all business processes and procedures.	Trip Doggett / Mike Cleary	Project milestones are met on time and delivered to the specifications as determined by the Nodal project team.	On Target - Milestones not fully developed.	Milestone and mitigation plan development in April with focus on single entry model. On target to deliver all relevant level 5 process and procedures to support end to end testing
Completion of Nodal Milestones in Accordance with Schedule and Budget	10.00%	Support successful completion of Texas Nodal Implementation in Credit Monitoring	Steve Byone / Mike Cleary	Project milestones are met on time and delivered to the specifications as determined by the Nodal project team.	Some milestones are behind schedule	A recovery plan has been agreed with the Nodal project team. Weekly monitoring in place.
	15.00%	Support successful completion of Texas Nodal Implementation in Program Controls, Infrastructure, Enterprise Integration Program & Testing, Enterprise Data Warehouse (tool), and Market Engagement Readiness	Mike Cleary	Project milestones are met on time and delivered to the specifications as determined by the Nodal project team.	On Target	Completion of Nodal milestones in accordance with schedule and budget.
	15.00%	Provide IT Infrastructure, Applications, and Operations Services required to implement Nodal deliverables in alignment with Nodal Schedule	David Forfia / Richard Morgan / Mike Cleary	Project milestones are met on time and delivered to the specifications as determined by the Nodal project team.	On Target	All services delivered in accordance with Nodal milestone schedules and specifications.
	10.00%	Support successful completion of Texas Nodal Implementation for ERCOT Readiness Transition	Nancy Capezzuti / Mike Cleary	Project milestones are met on time and delivered to the specifications as determined by the Nodal project team.	Milestones are being reviewed for 2009	ERCOT readiness is currently being reviewed for proper alignment with the new Nodal market.
	15.00%	Support successful completion of Texas Nodal Implementation in Market Training, Management Info System, and Commercial	Mike Cleary	Project milestones are met on time and delivered to the specifications as determined by the Nodal project team.	On Target	Currently in the planning phase - working with market participants and ERCOT business leads to identify training needs and develop course curricula
	15.00%	Support successful completion of Texas Nodal Implementation in Energy Management, Market Management, and Network Model	Kent Saathoff / Mike Cleary	Project milestones are met on time and delivered to the specifications as determined by the Nodal project team.	On Target	All services delivered in accordance with Nodal milestone schedules and specifications
Total Pct	100.00%					

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KEY PERFORMANCE INDICATORS AND 2009 GOALS
KPI 5. Conduct Base Operations Within Approved Budget

KPI	%	Goal	Officer	Measurement	Status	Performance
Conduct Base Operations Within Approved Budget	15.00%	Facilitate quarterly performance reviews with executive officers	Steve Byone	Quarterly review held with documentation & discussion regarding action items	On Target	1st quarter review held in April.
	25.00%	Coordinate development of required fee filings (s) consistent with budgets, ensure synchronization across ERCOT base, Nodal and TRE budgets as warranted	Steve Byone	Accomplish in accordance with business planning	On Target	Required filings have been accomplished according to schedule.
	30.00%	Manage total spending for ERCOT within approved 2009 authorized budget and ensure the Board and Commission receive timely projections of actual performance.	Steve Byone	Authorized annual 2009 budget as approved by the Board	Below Target	New full year forecast under development; expect completion following Nodal re-planning in May
	5.00%	Manage ERCOT total spending within 2009 authorized budget and within 105% of the authorized budget for your specific reporting areas	Kent Saathoff	Authorized annual 2009 budget as approved by the Board	Below Target	Area 7% under budget YTD as of end of 1Q 2009
	5.00%	Manage ERCOT total spending within 2009 authorized budget and within 105% of the authorized budget for your specific reporting areas	Trip Doggett	Authorized annual 2009 budget as approved by the Board	Below Target	Unfavorable variance of 14.97% thru Q1 for Program Operations less SP&O due to lack of planned Nodal Contra
	5.00%	Manage ERCOT total spending within 2009 authorized budget and within 105% of the authorized budget for your specific reporting areas	David Forfia and Richard Morgan	Authorized annual 2009 budget as approved by the Board	Below Target	IT spending within 0.2% of authorized budget. Labor and benefits under budget as a result of vacancies. This is offset by under charges for Nodal and Other Capital Projects.
	5.00%	Manage ERCOT total spending within 2009 authorized budget and within 105% of the authorized budget for your specific reporting areas	Nancy Capezzuti	Authorized annual 2009 budget as approved by the Board	Below Target	HR and Project Management spending is on target and Facility budget is currently over due to the reduced allocation to Nodal.
	5.00%	Manage ERCOT total spending within 2009 authorized budget and within 105% of the authorized budget for your specific reporting areas	Grable, Mike	Authorized annual 2009 budget as approved by the Board	Below Target	Spend is well below budget, but large negative variance due to reduced allocation to Nodal.
	5.00%	Manage ERCOT total spending within 2009 authorized budget and within 105% of the authorized budget for your specific reporting areas	Steve Byone	Authorized annual 2009 budget as approved by the Board	Below Target	Unfavorable variance primarily due to lower effort on Nodal.
Total Pct	100.00%					

ERCOT
KEY PERFORMANCE INDICATORS AND 2009 GOALS
KPI 7. Provide the workforce, facilities and project management resources to support the operations of ERCOT.

KPI	%	Goal	Officer	Measurement	Status	Performance
Provide the workforce, facilities and project management resources to support the operations of ERCOT.	20.00%	Oversee PMO activities and obtain TAC and Board approval of projects	Nancy Capezzuti	Complete projects as outlined in the 2009 plan	May miss some targets	Currently projects are on track to be completed in 2009.
	10.00%	Ensure the develop of technical tracks for engineers and certain IT staff to reduce turnover and improve employee retention.	Nancy Capezzuti	Project plan must be established by July 1, 2009 and roll-out with the management team before the end of 2009.	On Target	The technical track has been presented to the Executive Team and a sub-committee has been developed.
	20.00%	Deliver the expanded facilities on schedule and on budget	Nancy Capezzuti	In accordance with the approved project plan	On Target	Facilities are on track to be completed on time and on budget.
	20.00%	Expand management training for all management personnel Ensure that the total management program covers core values for ERCOT.	Nancy Capezzuti	Provide at least four new courses for managers during 2009.	On Target	The first two classes are currently being offered to all managers.
	5.00%	Conduct annual performance evaluations on all applicable staff by April and provide regular feedback regarding performance. Properly determine the staffing needed to meet the workload requirements for each area of responsibility.	Steve Byone	On-going performance feedback throughout 2009.	On Target	Evaluations and merit increases done on schedule. Current staffing needs determined and budgeted.
	5.00%		Kent Saathoff		On Target	Evaluations and merit increases done on schedule. Current staffing needs determined and budgeted.
	5.00%		Trip Doggett		On Target	Evaluations and merit increases done on schedule. Current staffing needs determined and budgeted.
	5.00%		David Forfia and Richard Morgan		On Target	Evaluations and merit increases done on schedule. Current staffing needs determined and budgeted.
	5.00%		Mike Grable		On Target	Evaluations and merit increases done on schedule. Current staffing needs determined and budgeted.
	5.00%		Nancy Capezzuti		On Target	Evaluations and merit increases done on schedule. Current staffing needs determined and budgeted
Total Pct	100.00%					

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KEY PERFORMANCE INDICATORS AND 2009 GOALS
KPI 8. Receipt of Favorable Financial and SAS 70 Audits

KPI	%	Goal	Officer	Measurement	Status	Performance
Receipt of favorable Financial and SAS 70 Audits	50.00%	Obtain unqualified ("clean") financial audit opinions	Steve Byone	Unqualified Financial Audit	On Target	Unqualified opinion received
	50.00%	SAS 70 Audit - Performance	Trip Doggett	Unqualified opinion for each SAS 70 control objective	On Target	First phase of testing scheduled to begin in May
Total Pct	100.00%					

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KEY PERFORMANCE INDICATORS AND 2009 GOALS

KPI 9. Manage Legal, Legislative, Regulatory and Market participant relationships to meet the expectations of the Board. Continue to implement actions from the 2008 market survey..

KPI	%	Goal	Officer	Measurement	Status	Performance
Manage Legal, Legislative, Regulatory and Market Participant relationships to meet the expectations of the Board. Continue to implement actions from the 2008 market survey.	20.00%	Sustain and strive to improve market participant satisfaction within legislative, regulatory and corporate governance (i.e. By-Laws, Protocols, Operating Guides, etc.) parameters.	Trip Doggett	Implement actions outlined in the 2008 market survey.	On Target	2nd progress update on market survey to HR&G planned for May 2009.
	40.00%	Proactively build relationships and establish clear and open communications with all of needed external constituencies: the PUC, key legislators, market participants, consumer representative groups and the ERCOT Board Members.	Bob Kahn	Target-audience satisfaction with quality and timeliness of communication	On Target	Continuing to provide open communication to the PUC and key legislators on ERCOT issues.
	40.00%	Guide ERCOT through regulatory matters such as System Administration Fee cases and Nodal filings	Mike Grable	Whether pleadings and communications are timely and effective	On Target	Nodal Surcharge Docket in progress; other regulatory matters controlled.
Total Pct	100.00%					