



ERCOT Enhanced Reliability & Markets Implementation: Program Update

Janet Ply

EERM Program Director

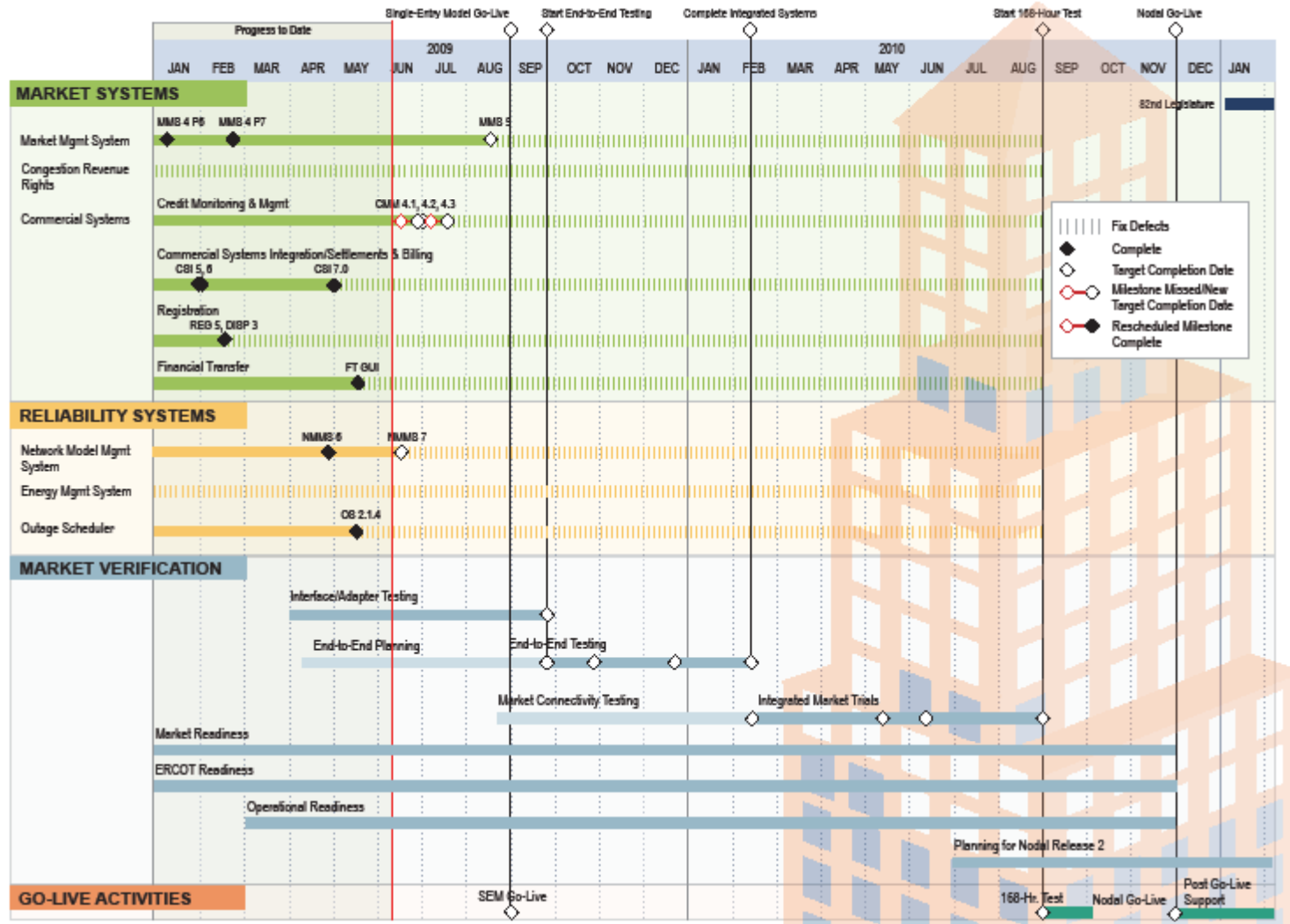
Special Nodal Program Committee

15 June 2009

Agenda

- **Nodal Update**
 - Timeline
 - Milestones
 - Critical Path/Near-Critical Path
 - People
 - Program Initiatives
 - Risks/Issues
 - Audit Points
- **Financial Review**
- **Appendix**

Timeline



Milestones Performance

Tracking Milestones Planned					May 2009	
Proj	Name	%	Baseline	Forecast	Actual	Variance
MMS	ETAG to MMS iTest Test Execution Completed	0%	05/01/09	08/28/09	Delayed	83 days
NMMS	NMMS Interface Testing Complete	0%	05/04/09	07/13/09	Delayed	48 days
MMS	MMS UI Project End	0%	05/12/09	07/30/09	Delayed	55 days
COMS CMM	REG > CMM iTest Test Execution Completed	0%	05/12/09	06/08/09	Delayed	18 days
EIP	EWVS 1.18 Enhancements Completed	100%	05/14/09	05/21/09	05/21/09	5 days
COMS CMM	CMM - 4.2 Development Complete	100%	05/15/09	05/21/09	05/21/09	4 days
COMS REG	CMM-REG: (Creditworthy Status Update) Interface Test Complet	0%	05/15/09	06/16/09	Delayed	21 days
NMMS	Issue Modeling Guidelines Draft to Participants	100%	05/19/09	05/15/09	05/15/09	-2 days
EDS	Publish Draft Modeling Guidelines Document for MP Review	100%	05/19/09	05/15/09	05/15/09	-2 days
NMMS	Deliver NMMS 7 INT	0%	05/21/09	06/23/09	Delayed	22 days
EMS	EMS Release 6.6.x SPR Patch 3 FAT Complete	0%	05/22/09	06/23/09	Delayed	29 days
OS	Deliver OS Feature Pack 2 to iTest	100%	05/26/09	05/26/09	05/26/09	0 days
MMS	MMS5 Patch 1 Delivered by ABB	100%	05/29/09	05/29/09	05/29/09	0 days

- 6 of 13 tracking milestones for May completed

Tracking Milestones Planned					June 2009	
Proj	Name	%	Baseline	Forecast	Actual	Variance
Data	First Release of Common Data Set - DSV 1.0.0.0	100%	06/01/09	06/01/09	06/01/09	0 days
CRR	Final Updates to Transition Plan Complete	0%	06/01/09	06/16/09	NA	11 days
EMS	EMS 6.3.1.x FAT Complete	100%	06/02/09	05/04/09	05/04/09	-20 days
NMMS	Modeling Guidelines Complete	0%	06/05/09	06/16/09	NA	7 days
NMMS	Performance Testing of training Environment Complete	100%	06/04/09	06/04/09	06/04/09	0 days
NMMS	Start Training for MP's	0%	06/23/09	06/23/09	NA	0 days
OS	2.1.4.0 OS FAT Testing Complete	100%	06/15/09	05/14/09	05/14/09	-21 days
MIS	Dashboard Group 2 Portal Components Complete	0%	06/26/09	06/26/09	NA	0 days
COMS CMM	CMM 4.2 FAT Test Execution Complete	0%	06/24/09	06/30/09	NA	4 days
EIP	Integration Smoke Test of Adapters Complete	0%	06/19/09	06/19/09	NA	0 days
E2E	Framework Established & Communicated to Team	0%	06/29/09	06/29/09	NA	0 days
EDS	Publish MMS Validation Rules Document	100%	06/01/09	06/01/09	06/01/09	0 days
EDS	Complete Submission of Simple Cycle Greater than 90MW	0%	06/30/09	06/30/09	NA	0 days

- 13 tracking milestones scheduled for June

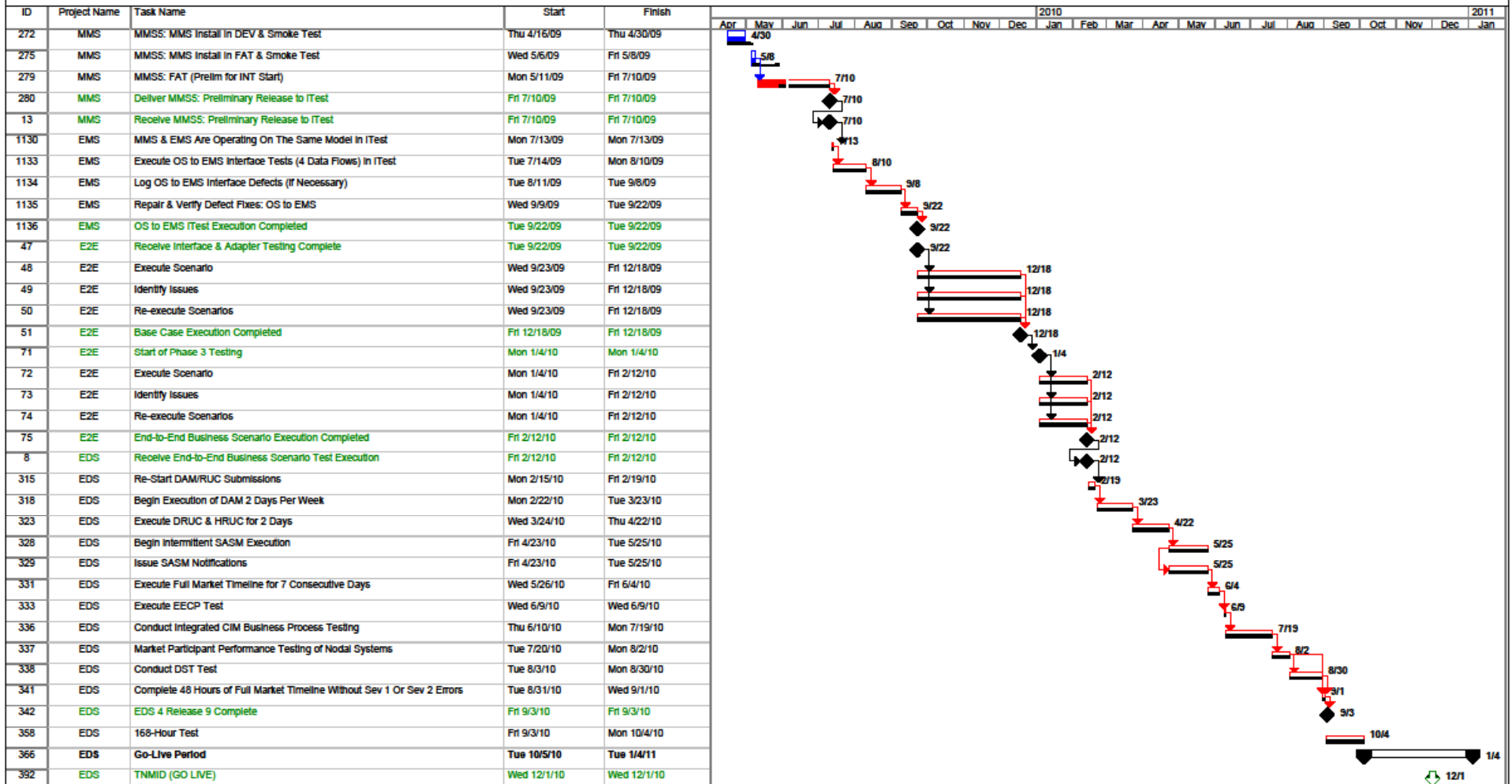
Milestone Variance Analysis

- **May Tracking Milestones**

- MMS: ETAG to MMS iTest: originally omitted from schedule because of miscommunication about testing (already in Zonal); inserted to test with MMS5
- NMMS: “Interface Testing Complete” Milestone: dependent on NMMS6 delivery to NiTest (delayed due to SV2 defects & resource constraints)
- MMS UI Project End: defects were found, patch retracted & new technical platform implemented
- COMS CMM: REG - CMM iTest: EIP smoke testing taking longer than expected in NiTest
- NMMS-NMMS 7 INT: delayed into FAT by NMMS 6 being in FAT; other projects not dependent ... functionality for use by NMMS team
- EMS Release 6.6.x Patch 3 FAT: delays due to vendor resource constraints for same people needed on release 6.5

Nodal Program Critical Path

Nodal IPS - Critical Path



Project: Nodal Program Date: Fri 6/5/09	Task		Critical Task Progress		Summary		Rolled Up Milestone		Rolled Up Progress
	Task Progress		Baseline		Rolled Up Task		Baseline Summary		Deadline
	Critical Task (20d)		Milestone		Rolled Up Critical Task		Rolled Up Baseline Milestone		



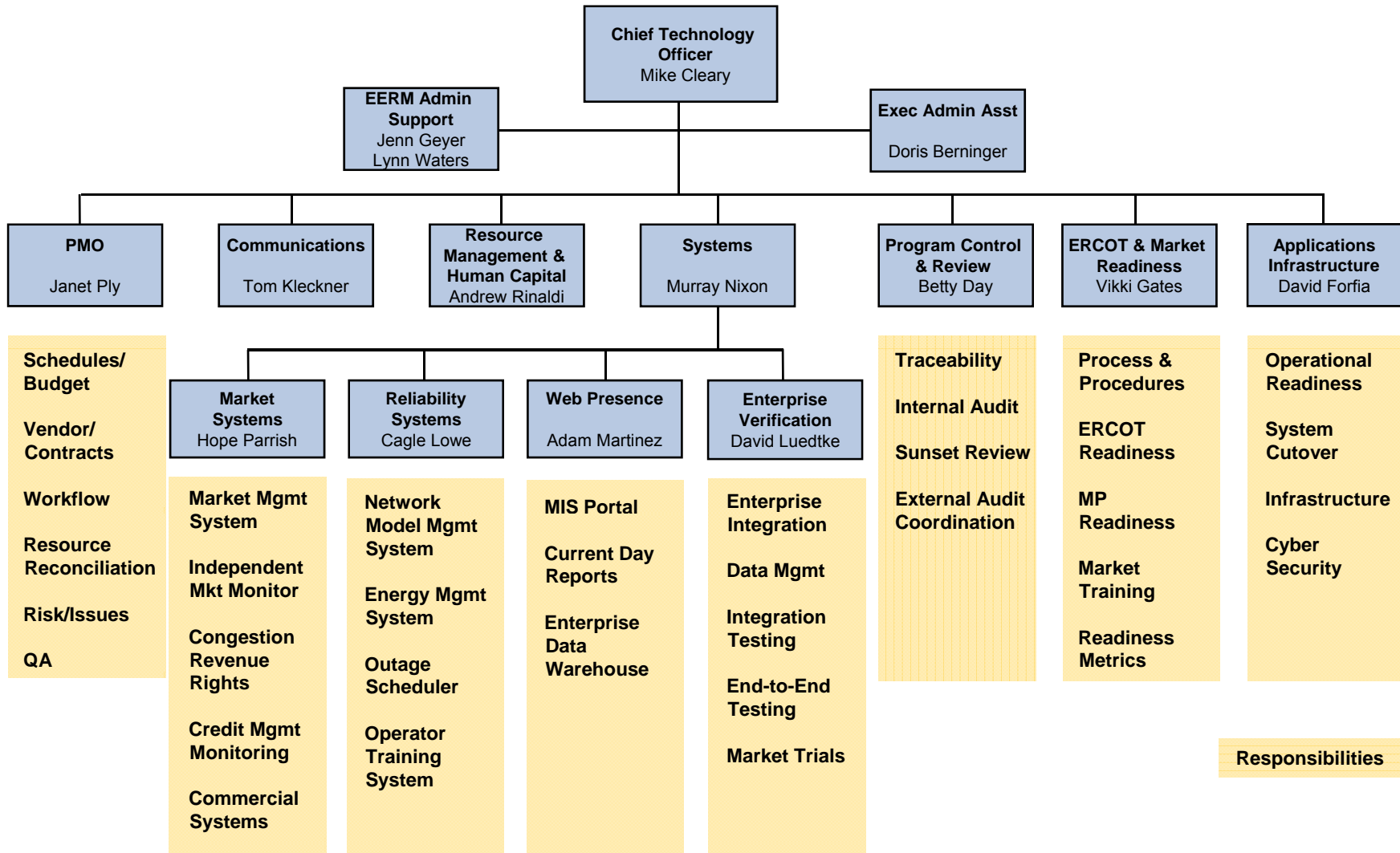
Near Critical Path Work Stream Status (1 of 2)

Total Slack- Week days	Finish Variance- Week days	R/Y/G	Project	Work-flow Description	Analysis	Corrective Action Plan
7	30+	R	COMS - CMM	CMM Releases	Could impact downstream activities if CMM continues to slip	See attached explanation
0	0	Y	MMS	MMS5	Preliminary Release of MMS5 is on critical path... currently on baseline and has remained on schedule	On schedule but monitor closely
0	0	Y	EMS	OS to EMS Interface Testing	The Preliminary Release of MMS5 drives the OS to EMS Interface. The completion of this Interface drives E2E testing, putting it on critical path	On schedule but monitor closely
0	0	Y	End to End	E2E Testing	E2E Testing is driven by the completion of the last Interface and then drives Market Trials, putting it on critical path	On schedule but monitor closely
5	57	Y	MMS	Market Manager UI FAT Delivery to iTest	Added 2 FAT Correction Cycles	Monitor Closely
5	2	Y	COMS CMM	MMS to CMM Interface Testing	Minimal slips but low total Slack	Monitor Closely
8	8	Y	MMS	EMS to MMS	Minimal slips but low total Slack	Monitor Closely
13	86	Y	MMS	ETAG to MMS Interface Testing	Moved out testing to coincide with MMS5	Monitor Closely
13	1	Y	EMS	EMS to EWS Interface Testing	Minimal slips but low total Slack	Monitor Closely
14	2	Y	MMS	S&B to MMS Interface Testing	Minimal slips but low total Slack	Monitor Closely
15	53	Y	EIP/MMS	EIP: NMMS-MMS CCT Design	MMS owes EIP Requirements for the Design to be completed	Monitor Closely
15	16	Y	MMS	NMMS (CCT) to MMS Interface Testing	Minimal slips but low total Slack	Monitor Closely
15	1	Y	MMS	REG to MMS Interface Testing	Minimal slips but low total Slack	Monitor Closely
16	10	Y	MMS	CRR to MMS Interface Testing	Minimal slips but low total Slack	Monitor Closely
17	12	Y	EMS	EMS to CDR Interface Testing	Minimal slips but low total Slack	Monitor Closely
17	1	Y	EMS	EMS to PI Interface Testing	Minimal slips but low total Slack	Monitor Closely
17	2	Y	COMS S&B	NMMS to S&B Interface Testing		Monitor Closely

Near Critical Path Work Stream Status (2 of 2)

Total Slack- Week days	Finish Variance- Week days	R/Y/G	Project	Work-flow Description	Analysis	Corrective Action Plan
1	0	G	COMS S&B	LODESTAR EXECUTION	On schedule to baseline	None required
5	-5	G	OS	EWS to OS Interface Testing	Testing Progressing faster than planned... work-flow is not on Critical Path	Monitor Closely
5	-7	G	OS	OS to MIS/CDR Interface Testing	Currently forecasted ahead of schedule.	None required
5	-5	G	COMS S&B	MMS to S&B Interface Testing	Currently forecasted ahead of schedule.	None required
8	-18	G	CRR	CMM to CRR - ACL for CRR Account Holders: Interface Test	Currently forecasted ahead of schedule.	Monitor Closely: Added Resources to CMM team
8	0	G	OS	EMS to OS Interface Testing	On schedule to baseline	None required
10	-2	G	COMS S&B	EMS to S&B Interface Testing	Currently forecasted ahead of schedule.	None required
12	-8	G	MMS	EWS to MMS Interface Testing	Currently forecasted ahead of schedule.	None required
13	-12	G	EDW	OS Related Reports	Currently forecasted ahead of schedule.	None required
13	0	G	MMS	MMS to EDW Interface Testing	On schedule to baseline	None required
15	0	G	COMS S&B	CRR to S&B Interface Testing	On schedule to baseline	None required
15	-2	G	CRR	CRR to MIS Interface Testing	Currently forecasted ahead of schedule.	
16	-13	G	OS	NMMS to OS Interface Testing	Currently forecasted ahead of schedule.	None required
16	0	G	EMS - Areva	Preparation of Zonal Seed for Validation Sem Go-Live	Delivery drives NMMS SEM Go-Live	Monitor Closely
16	0	G	NMMS	Zonal Seed for Sem Go-Live	On schedule to baseline	Monitor Closely
17	-11	G	CRR	CMM to CRR - Bilateral Market: Interface Test	Currently forecasted ahead of schedule.	Monitor Closely: Added Resources to CMM team
17	0	G	OS	OS to EDW interface Testing	On schedule to baseline	None required
19	0	G	EMS	MMS to EMS Interface Testing	On schedule to baseline	None required
20	0	G	MIS	Release 12	On schedule to baseline	None required

People: EERM Leadership



People: New Additions to EERM

Contract Staff

Vikki Gates/Readiness & Transformation PM

- 12 years experience in energy/utility sector
- ERCOT, MISO, PG&E, Entergy
- Market-rules development (ERCOT, SERC), translating rules into system design specs

David Luedtke, Verification PM

- 13 years utility and energy consulting experience
- MISO, ESB National Grid, Southwest Power Pool, ERCOT, Constellation
- Led system-cutover team for MISO ASM and led planning/execution of MISO market trials

Bob Spangler, Project Control & Review Industry SME

- 20 years experience in regulatory/energy/nuclear sectors
- Luminant Energy, Johnson Controls, US Nuclear Regulatory Commission
- Protocol/design development of Nodal Program; develop ERCOT/MP consensus on protocols/designs

Floyd Trefny, Project Control & Review Industry SME

- 38 years experience in power systems operations, wholesale and retail power markets
- Reliant Energy, Houston Lighting & Power
- Primary contributor to the drafting process and key player in training for Texas Nodal Market Protocols

Jeff Fruit, Vendor Relations Lead

- 20 years experience in energy and trading; extensive ISO/RTO experience
- Southwest Power Pool, CAISO, MISO, Henwood Energy Services
- Managed/validated Areva's delivery schedule; key player in launch of MISO's \$25B market

Harry Nelson, Enterprise Integration Lead

- 29 years IT, energy experience
- MISO, Maxcess, ATT, AMS
- MISO PM analyzing, planning, designing infrastructure/integration components for \$70M program

ERCOT Staff

John Adams/Readiness & Transition

- Director, Grid Operations
- 13 years ERCOT, 30 industry

Betty Day/Program Control & Review

- Director, Markets
- 9 years ERCOT, 23 industry

Cagle Lowe/Reliability Systems PM

- Manager, Divisional Project Office
- 13 years ERCOT, 28 industry

Matt Mereness/Market Readiness

- Supv, Market Operations Support
- 6 years ERCOT, 18 industry

Sanjay Mijar/Integration Testing

- Senior Enterprise Architect
- 2 years ERCOT, 14 industry

Hope Parrish/Market Systems PM

- Manager, Market Operations DPO
- 7 years ERCOT, 11 project management

Kenneth Ragsdale/Data Management

- Manager, Market Redesign
- 9 years ERCOT, 25 industry



Program Initiatives

- **Vendor Contract Re-Negotiations**
 - To better manage costs, schedule and emergency situations
 - Vendor resource and workflow management
 - Rates/costs
 - Warranties
 - Obtain non-core vendor code
 - Goal: Re-negotiate existing contracts by June 30, negotiate new maintenance contracts thereafter
 - Current status:
 - Currently restructuring largest contract and secondary vendor
 - In negotiations with other three vendors
 - Options include placing ERCOT personnel on site
- **Resource Management**
 - Continuously evaluating resources to ensure quality personnel
 - Looking for opportunities to transition and train ERCOT staff
- **Third-Party External Review**
 - Board request for external audit
 - RFP currently in process
- **Items of Concern**
 - Continuing emphasis on effective communication with Texas Legislature
 - Continuing emphasis on media responses to project milestones

Risks & Issues to Achieving EERM's Major Milestones

- ◆ **Complete Integrated Systems (2-12-10)**
 - Issue: Resource constraints for program
 - Issue: Handling CMM delays for program

- ◆ **Market Trials (2-12-10)**
 - Risk: Reconciling protocols, systems and market expectations

- ◆ **Nodal Go-Live (12-1-10)**
 - Risk: Data Center capacity concerns
 - Risk: Integrity of SEM data provided by Market Participants

External Audit Status Summary

Audit	Audit Points Identified	Audit Points in Execution	Date to Complete Last Point
IBM Report 7	4	1	12/31/09
Utilicast Report 8	6	2	2011
Utilicast Report 10 (Morgan)	10	4 in progress; 6 complete	7/31/09
Utilicast Report 10 (Cleary)	13	10 in progress; 3 complete	9/17/09
Utilicast Report 10 (Capezzuti)	1	1 in progress	9/14/09



Financial Review

Special Nodal Program Committee

15 June 2009

Monthly Financial Review - May 2009 Performance

ERCOT Enhanced Reliability and Markets Approved Budget to Actual Comparison Month of May 2009

Line	Cost Summary	Budget	Actual	Variance	Cumulative Variance* (Pending Contingency Mgmt Disposition)
1	Internal Labor Costs	\$ 2.1	\$ 1.8	\$ 0.3	\$ 3.4
2	Backfill Labor Costs	0.1	0.2	-0.1	-0.2
3	External Resource Costs	5.9	4.5	1.4	8.5
4	Software & Software Maintenance	0.2	0.3	-0.1	-0.6
5	Hardware & Hardware Maintenance	0.3	0.1	0.2	1.8
6	Sub-total Direct Project Costs	\$ 8.6	\$ 6.9	\$ 1.7	\$ 12.9
7	Contingency Costs	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
8	Allocations & Other	\$ 0.6	\$ 0.3	\$ 0.3	\$ 2.0
9	Finance Charges	1.3	1.0	0.3	1.0
10	Sub-total Indirect Project Costs	\$ 1.9	\$ 1.3	\$ 0.6	\$ 3.0
11					
12	Total	\$ 10.5	\$ 8.2	\$ 2.3	\$ 15.9

Amounts in millions



Monthly Financial Review - LTD Performance through May 2009

ERCOT Enhanced Reliability and Markets Approved Budget to Actual Comparison Life-to-Date through May 2009

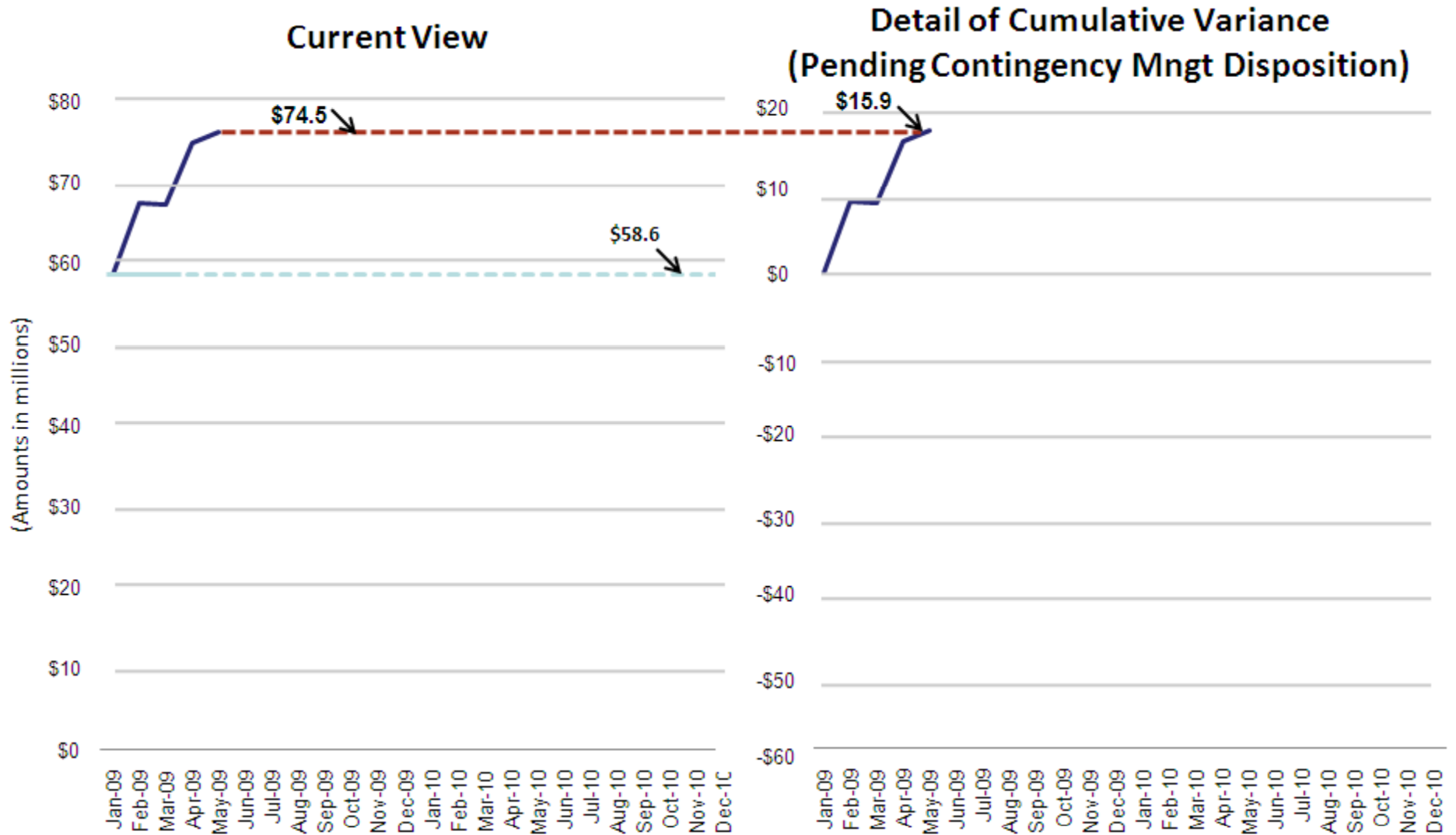
Line	Cost Summary	Budget	Actual	Cumulative Variance + (Pending Contingency Mgmt Disposition)	Budget Remaining
1	Internal Labor Costs	\$ 44.7	\$ 41.3	\$ 3.4	\$ 41.5
2	Backfill Labor Costs	4.3	4.5	-0.2	4.2
3	External Resource Costs	232.9	224.4	8.5	59.6
4	Software & Software Maintenance	24.2	24.8	-0.6	12.9
5	Hardware & Hardware Maintenance	48.9	47.1	1.8	5.5
6	Sub-total Direct Project Costs	\$ 355.0	\$ 342.1	\$ 12.9	\$ 123.7
7	Contingency Costs	\$ 0.0	\$ 0.0	\$ 0.0	\$ 58.6
8	Allocations & Other	\$ 21.3	\$ 19.3	\$ 2.0	\$ 7.5
9	Finance Charges	18.8	17.8	1.0	58.9
10	Sub-total Indirect Project Costs	\$ 40.1	\$ 37.1	\$ 3.0	\$ 66.4
11					
12	Total	\$ 395.1	\$ 379.2	\$ 15.9	\$ 248.7

Amounts in millions

\$643.8

* Note: Effective with February 17, 2009 approved budget, LTD budgeted spend set to actual spend through December 31, 2008; accordingly, cumulative variance "reset" as of January 1, 2009.

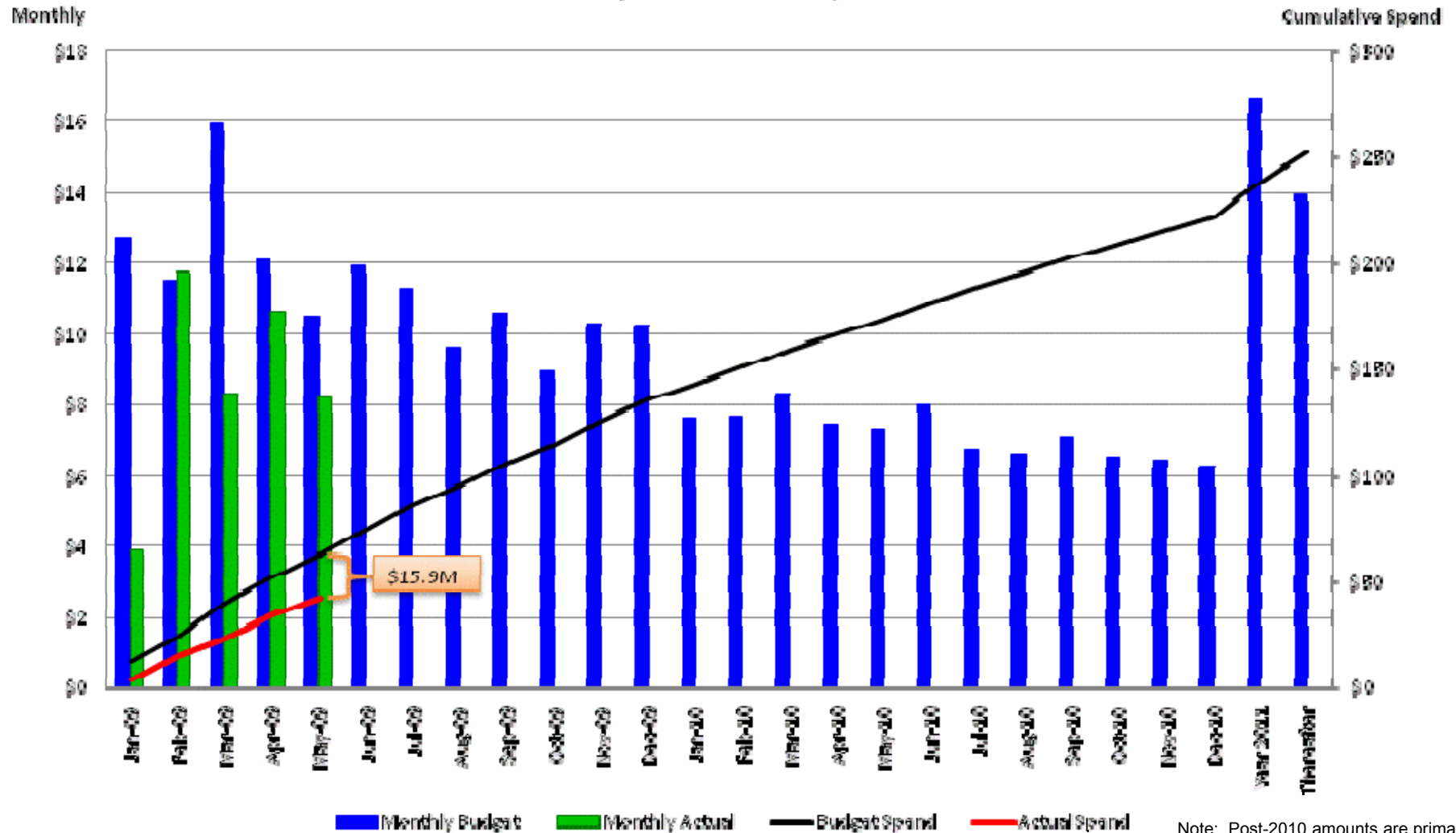
Monthly Financial Review – Contingency Monitoring



Monthly Financial Review - Program Cost Management

Monthly Budget to Actual Variance

(Amounts in millions)



Note: Post-2010 amounts are primarily additional debt service costs

Questions ?

Appendix

ERCOT-Wide Issue: Zonal Resource Constraints for EERM Program

◇ Potential Milestone Impact: Complete Integrated Systems

Issue: Zonal Resource Constraints for EERM Program		Because the go-live date has been delayed, there are a number of Zonal projects, PRRs, and IMM suggestions for Zonal improvements that result in resource constraints for the EERM Program.		
Issue Life Cycle State				
Plan	Manage			
Mitigation Plans		Who	Target Date	Current Status
1. Manage list of PRRs and SCRs to a resource plan that uses a strategy to avoid impacting program personnel resources when delivering additional Zonal enhancements.		D. Forfia D. Troxtell	Ongoing	5/15/09 – Meetings were held, to review EACs with Mike Cleary and Janet Ply, with updates made 4/24/09 – Meetings of PM with Program Office and with Resource Managers set for week of 4/27/09, to address personnel allocations
2. Manage Project Priority List (PPL) with clear view of resources needed for any projects in flight or about to be launched, with a strategy to avoid impact on Nodal personnel resources.		D. Forfia D. Troxtell	5/29/09 for solution to be used for resource monitoring	5/29/09 – Prototype solution completed, and resource over-allocations identified for PM and Resource Manager resolution. Work in progress to resolve those over-allocations. Progress review with Executive Team on 6/1 5/22/09 – Nodal and ERCOT PMOs reviewed progress and plans

EERM Program Issue: Handling CMM Delays for EERM Program

◇ Potential Milestone Impact: Complete Integrated Systems

Issue: Handling CMM Delays		Delays in completing the detailed requirements and designs for CMM have occurred because of turnover in both ERCOT and vendor staff. There are limited business resources allocated to complete creation of requirements and to perform reviews.		
Issue Life Cycle State				
Plan	Manage			
Mitigation Plans		Who	Target Date	Current Status
1. Break the definition and development of remaining CMM capability into incremental releases. Modify contract with vendor to fit the approach.		H. Parrish	Contract revisions in process	6/5/09 SOW for new contract drafted and reviewed, but not yet signed, as discussions of quality of work continue
2. Identify ERCOT business resources to ensure the plan can be executed.		H. Parrish		6/5/09 2 backfill positions filled 4/17/09 2 additional Credit FTE resources are participating in testing. Business to have at least 2 backfill.
3. Identify vendor resources to ensure the plan can be executed.		H. Parrish	As needed	5/7/09 ERCOT on site at TriplePoint, providing PM oversight and 2 testers for pre-FAT
4. Receive software and perform FAT in increments, to keep overall program on schedule.		H. Parrish	7/08/09	5/15/09 Deliveries of software scheduled from through 5/26/09, with testing incrementally to 7/17/09

EERM Program Risk: Reconciling Protocols, Systems and Market Expectations

◇ Potential Milestone Impact: Market Trials

Risk: Reconciling Protocols, Systems and Market Expectations				Experience with deploying nodal markets by other ISOs has shown that expectations of the market participants are often missed, despite best efforts at defining tariffs or protocol requirements. ERCOT needs to assume such a risk exists for this nodal implementation as well.		
Risk Life Cycle State						
Define	Plan	Manage	Watch			
Mitigation Plans				Who	Target Date	Current Status
1. Assess maturity and readiness of software in the initial nodal release, focusing on new/tailored capability for the EERM Program.				Nodal Project Managers	7/1/09	4/13/09 Program is planning the assessment activities.
2. Add team members to the program with Texas market experience to ensure readiness for Market Trials. Have them assess completeness of requirements addressed by the software new/tailored for the Texas market and participate in end-to-end testing.				J. Ply	8/1/09	6/1/09 Both members now on board and working on tracing and delta analysis under Betty Day's leadership with recent program restructuring.
3. Keep the oversight groups apprised of progress.				M. Cleary	Ongoing	4/13/09 Risk incorporated into the set being reported externally; will be maintained actively.

ERCOT-Wide Risk: Data Center Capacity Concerns

◇ Potential Milestone Impact: EERM Go-Live

Risk: Data Center Capacity Space Concerns				Data center capacity, space, and power may be inadequate for EERM go-live, unless plans for expansion are adequate.		
Risk Life Cycle State						
Define	Plan	Manage	Watch			
Mitigation Plans				Who	Target Date	Current Status
1. Establish an Information Lifecycle Management approach, to manage the life cycle of data being managed.				D. Forfia	Implementation ongoing	3/31/09 ILM Roadmap has been completed by SAIC, and next planning activities underway ERCOT project PR 90006_01 Commercial Systems Information Lifecycle Management: Project
2. Expand current data center space, and build out new data center, to increase ERCOT data center capacity.				D. Forfia	TCC1 build out complete 9/09 South DC in production Feb 2011 TCC3 in production May 2011	3/30/09 Work underway to expand current TCC1 data center ERCOT project PR_80047 TCC1 equipment to be purchased May 2009. ERCOT project PR_80001 South DC will run parallel Oct 2010 – Feb 2011 to test and avoid disruption to Nodal
3. Validate and monitor EERM data capacity assumptions for Go Live				D. Forfia	Plan: May 2009 Analysis: to complete 7/15/09	5/11/09 Plan under review by D. Forfia

Program Risk

Integrity of SEM Data Provided by Market Participants

◇ **Potential Milestone Impact: EERM Go-Live**

Risk: Quality of Model Data from Market is insufficient				The market participants do not populate the SEM with data and we do not have a quality network model for Go-Live.		
Risk Life Cycle State						
Define	Plan	Manage	Watch			
Mitigation Plans				Who	Target Date	Current Status
Participant Readiness will plan and implement an initiative to assist the MPs in entering their data and to ensure the best quality possible for the network model at Go-Live.				V. Gates	TBD	Planning is underway.

Audit Points to Address from Utilicast Report 8

ID	Description	Action Plan	Responsible Manager	Target Date
UT108-01	<p>The individual project budgets should be challenged in the following areas:</p> <ul style="list-style-type: none"> a. Vendor contracts b. Contract staff c. Internal staff 	<ul style="list-style-type: none"> a. Long –term vendor contracts will be negotiated with the assistance of a 3rd party negotiator, to address budget matters as well as others. b, c. Plans for use of contract staff, as well as the orderly transition to ERCOT teams are being examined, as we refine the schedule and plan for the remainder of the schedule 	J. Ply	<ul style="list-style-type: none"> a) Target: 6/30/09 for contracts to be renegotiated for 5 top vendors 3/31/09 Third party has been engaged to conduct one vendor negotiation as an initial effort, to be complete 3/31 3/3/09 Have completed one review of our key contracts by an outside firm b) 3/30/09 resourcing of remaining effort shows growth in size of ERCOT teams and reduction of contract staff as testing effort is re-planned incrementally ; Program has engaged a resource manager to review all staffing.
UT108-05	<p>There should be immediate investment in new data center capacity to allow for expansion of IT infrastructure to support the Nodal Program.</p>	<p>A project has been initiated to expand the data center in Taylor (PR-80047). Planned occupancy date is September 2009, with plan to add or move hardware under development. Additional data center space planned as part of the Met Center disposition project (PR-80001). Those data centers should be online in early 2011. Plans are under development to provide capacity prior to those new data centers becoming available.</p>	J. Floyd	Early 2011

Audit Points to Address from Utilicast Report 10 – 1

ID	Short Description	Recommendation	Action Plan Status	Resp. Dir.	Resp. Mgr.	Target Date
UTI-10-01B	Release Mgmt, Change Mgmt, Access Mgmt, Problem Mgmt	A plan will be developed to consolidate into one repository after the final releases of software are available for nodal go-live. Execution of the plan is not expected to occur until mid-2010.	A plan will be developed to consolidate into one repository after the final releases of software are available for nodal go-live. Execution of the plan is not expected to occur until mid-2010.	R. Morgan	D. Forfia	7/3/09
UTI-10-01C	Release Mgmt, Change Mgmt, Access Mgmt, Problem Mgmt	The Nodal Project Team should continue to require the implementation of ClearCase for use as the automatic code deployment tool, and the Nodal PM's should be required to use their assigned Release Coordinators to facilitate their use of the RM process.	Release Mgt (RM) Team is working with the teams to define methods for all Nodal Project teams to do auto-deployment using the standard RM process and coordinator roles by August 2009. This will be enforced by the nodal program.	M. Cleary	J. Ply	9/4/09
UTI-10-01D	Release Mgmt, Change Mgmt, Access Mgmt, Problem Mgmt	The Nodal Project Teams should work with their Release Coordinators to refine their release planning processes and work toward a forecasting accuracy of +/- 20% or better.	Weekly release planning sessions began the week of 4/20/09 at both program and project level. Measurement will be done to monitor progress toward improved forecasting accuracy.	M. Cleary	J. Statz; D. Gwinn	9/4/09

Audit Points to Address from Utilicast Report 10 – 2

ID	Short Description	Recommendation	Action Plan Status	Resp. Dir.	Resp. Mgr.	Target Date
UTI-10 – 02A	Information Technology Infrastructure Library	Develop a program roadmap to guide the implementation ITIL V3 service management module with a target completion by December 2010 and assess the ability of the internal staff to support the ITIL effort while maintaining zonal operations and supporting Nodal testing and go-live.	A roadmap is under development. There are multiple projects in flight that will be synched with the roadmap, and some will need to be funded in the project list for 2010.	R. Morgan	D. Forfia	7/3/09
UTI-10 – 02B	Information Technology Infrastructure Library	Evaluate the costs and benefits of purchasing a complete set of ITIL processes and related consulting services from one of the vendors who have pre-configured their tools to support ITIL.	This will be included as an element of the roadmap being developed for implementing ITIL V3.	R. Morgan	D. Forfia	7/3/09
UTI-10 – 04A	Taylor Data Center Expansion Project Mgt	Continue to manage the Taylor Control Center Expansion project to ensure that the additional capacity is available, as planned, by October 2009.	Expansion is underway, controlled by ERCOT facilities; no budget or schedule issues known.	R. Morgan	J. Floyd	9/14/09
UTI-10 – 04B	Taylor Data Center Expansion Project Mgt	Continue to track and trend data center usage and available capacity to ensure that the actual usage remains within expected ranges.	Capacity planner in place, collecting data on capacity needs. Defining process for monthly review of needs.	R. Morgan	J. Floyd	7/31/09

Audit Points to Address from Utilicast Report 10 – 3

ID	Short Description	Recommendation	Action Plan Status	Resp. Dir.	Resp. Mgr.	Target Date
UTI-10 – 05B	Vendor Performance Management	The Nodal Program should work with the vendor to expedite the release cycle and to decrease the average defect closure time. The overall process needs to be reviewed. The current process includes overhead activities that need to be streamlined to support upcoming test phases. Testing should drive the release schedule; the release schedule should not drive the testing	Changes being made to how the work is planned and tracked, to streamline the process. Incorporating these changes into re-negotiated contracts with vendors.	J. Ply	J. Statz, E. Hall	6/30/09
UTI-10 – 05C	Vendor Performance Management	The measure of defect closure time should be updated to reflect only the time spent by the vendor to correct assigned defects. The current values include contracting time, migration time and other factors that are not related to vendor performance. As introduced in Report #8, negotiations should continue with the vendors to deliver more value for the overall cost. Vendor costs continue to exceed industry peers.	Defect states will reflect changes agreed to in contract re-negotiations.	J. Ply	J. Statz, E. Hall	6/30/09

Audit Points to Address from Utilicast Report 10 – 4

ID	Short Description	Recommendation	Action Plan Status	Resp. Dir.	Resp. Mgr.	Target Date
UTI-10 – 06B	End-to-End Business Readiness Activities	Use manual triggers, or other workarounds, to string together business functions to simulate End-to-End testing. This will be particularly beneficial in areas where ERCOT has unique market rules	<p>The End-to-End (E2E) strategy will define this. Manual triggers or workarounds (documented in test scripts) will be used where necessary to execute an end-to-end or bid-to-bill test.</p> <p>Not all of ERCOT's unique market rules will be executed in E2E testing. Due to time constraints, E2E will first execute a Base Case scenario, then a select set of scenarios expected to occur frequently after go-live.</p>	J. Ply	A. Shepherd	9/17/09
UTI-10 – 06C	End-to-End Business Readiness Activities	Ensure Nodal processes and procedures are completed so they can be exercised during End-to-End testing	There is a plan for ensuring that all nodal processes and procedures that will need to be exercised during end-to-end testing are scheduled for completion prior to the execution of those processes and procedures per the end-to-end schedule.	J. Ply	M. Nixon	9/17/2009
UTI – 10 – 06D	End-to-End Business Readiness Activities	Prior to End-to-End testing, complete a final review of the Protocols to compare against current system capabilities. Such reviews are underway on many of the project teams.	Consolidate the results of the review of protocols to system capabilities and identify any gaps.	J. Ply	B. Luedke	9/4/2009

Audit Points to Address from Utilicast Report 10 – 5

ID	Short Description	Recommendation	Action Plan Status	Resp. Dir.	Resp. Mgr.	Target Date
UTI-10 – 07A	Organization Assessment	A comprehensive organizational assessment should be completed to confirm that skilled staff is in place to support the Nodal Program. The objective of the assessment should be: 1) to verify that dual operations can be run and supported and 2) to confirm that ERCOT has the appropriate staff in place to support long-term Nodal Market operations.	Such an analysis has begun, in collaboration with the ERCOT HR function. A full assessment plan will be developed.	J. Ply	A. Rinaldi	7/1/09
UTI-10 – 08	Contingency Plans for Failed Data Transfers	Utilicast recommends that the Nodal Program should create and execute contingency plans for failed data transfers which would include the following components: 1) Create manual workarounds for situations where interfaces fail to enable continued End-to-End operations. 2) Create procedures to correct flawed or missing data from upstream systems. The workarounds and procedures could evolve into a long-term data controls and data quality management process. 3) Utilize these tools now to support functional Integration Test while technical components are still evolving.	1. Manual workarounds will be created where needed, documented either as a part of the test script or as a defect. 2. Our common data set approach details how data will be collected, made common, released, and managed in terms of defects and modifications. 3. Other actions TBD upon clarification of this item.	J. Ply	A. Shepherd	9/17/09

Audit Points to Address from Utilicast Report 10 – 6

ID	Short Description	Recommendation	Action Plan Status	Resp. Dir.	Resp. Mgr.	Target Date
UTI – 10 – 09	End to End Testing Readiness Updates	The Nodal Program should provide monthly End-to-End Testing Readiness updates. Utilicast recommends that the Nodal Program provide an End-to-End Testing Readiness update each month to the Special Nodal Program Committee Meeting. To reduce the subjectivity in status reporting, the Nodal Program should report the status of End-to-End requisite components (not simply % complete of tasks). Milestones should be developed that clearly cover the entry criteria for End-to-End testing.	Progress tracking charts have been developed to show progress through the Interface and Adapter testing, per connector (interface or adapter), to complement the milestone tracking that is already underway. In addition, there are entry criteria established for End-to-End Testing which must be met before it can start. All of these comprise our readiness measures for End-to-End testing.	J. Ply	J. Statz	9/4/2009

Audit Points Complete – to be Verified – 1

ID	Short Description	Recommendation	Action Plan Status	Resp. Dir.	Resp. Mgr	Target Date
UTI-10-01A	Release Mgmt, Change Mgmt, Access Mgmt, Problem Mgmt	The Nodal PMO in conjunction with IT should ensure that proper education is provided to the Nodal PMs and new staff regarding the IT processes including contact information for those who support the IT processes.	Nodal team provides reports on incidents, from which IT does its problem management. Training was recently provided on nodal release and change management. The Access Mgt team is updating its documentation and will provide a concierge to train and assist with the process. Training on Access Mgt will be done the week of 5/4/09.	R. Morgan	D. Forfia	5/8/09 Complete; to be verified
UTI-10-01E	Release Mgmt, Change Mgmt, Access Mgmt, Problem Mgmt	Since the version of the IDM project scheduled to be completed by November 2009 will only support SAS 70 related environments and Active Directory, a follow-on project is recommended. This project should focus on ensuring that the remainder of the ERCOT environments will be supported by IDM at Nodal go-live	After the first phase is complete, a plan will be built for the succeeding project. It is likely to be part of the 2010 PPL.	R. Morgan	D. Forfia	4/20/09; complete; to be verified
UTI-10-01F	Release Mgmt, Change Mgmt, Access Mgmt, Problem Mgmt	Establish an IT SWAT team dedicated to the Nodal effort and focused on developing plans to mitigate the impact of potential Nodal workload waves on IT process performance.	A forecast is being built based on the nodal schedule, to establish a plan for adding contract staff to handle workload waves.	R. Morgan	D. Forfia	6/5/09; complete; to be verified

Audit Points Complete to be Verified – 2

ID.	Short Description	Recommendation	Action Plan Status	Resp. Dir.	Resp. Mgr.	Target Date
UTI-10-03A	Nodal Infrastructure Budget	The Nodal Program should continue to perform a “deep dive” on the INF project specifically focusing on challenging the work expected and the resources required to support the Nodal Program.	This is underway, as part of mapping out resource needs for all ERCOT resources - nodal and otherwise - for 2009.	R. Morgan	D. Forfia	5/29/09; complete; to be verified
UTI-10-03B	Nodal Infrastructure Budget	A reoccurring planning exercise between the INF project manager and the other Nodal project managers should occur to ensure that IT Operations and Infrastructure support requirements are more thoroughly assessed and forecasted	This is underway, as part of resource management for all ERCOT resources - nodal and otherwise. A process will be established for monthly review.	R. Morgan	D. Forfia	5/29/09; complete; to be verified
UTI-10-06A	End-to-End Business Readiness Activities	Establish a common test bed with data from common business days to allow data validation logic to be fully exercised.	Common Data Set Approach communicated week of 4/20. Scheduling to release first data set version (DSV) on June 1. Goal is to establish a DSV with good data for E2E prior to the start of E2E testing as well.	J. Ply	A. Shepherd	Complete; to be verified
UTI-10-07B	Organization Assessment	ERCOT staff should be deployed in time for End-to-End testing to take advantage of the training opportunity and to assist with the dual operation workload.	Resource plans for End-to-End testing are being identified in the resource planning spreadsheet, with appropriate ERCOT staff handling their operations roles.	J. Ply	A. Shepherd	Complete; to be verified

In addition, two audit points were verified as being complete on 5/27 – UTI10-4C and UTI10-5A

