

2010 ERCOT KEY PERFORMANCE INDICATOR MATRIX

INITIAL REPORT -- 2010

PERCENTAGE	TAB	KPI	CURRENT QUARTER PERFORMANCE	PRIOR QUARTER PERFORMANCE	TREND positive negative neutral	OVERALL STATUS
25	NODAL (1)	Successfully implement the Nodal Program milestones on time and within budget				
25	OPERATIONS (2)	Provide reliable grid and market operations for the Texas electric market within compliance of all ERCOT protocols, NERC standards and requirements and Service Level Agreements				
25	COMPLIANCE (3)	Conduct ERCOT business and operations in compliance with all applicable NERC/FERC regulatory requirements and standards, financial/accounting regulatory requirements and standards, legislative and PUCT directives				
15	CORPORATE SUPPORT (4)	Manage legal, legislative, regulatory and market participant relationships to meet the expectations of the Board of Directors as outlined in ERCOT's strategic plan				
10	PROJECTS (5)	Plan and implement critical projects on-time and within budget while delivering capabilities as defined and agreed within project's scope, objectives and deliverables				
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2010 ERCOT KEY PERFORMANCE INDICATORS AND GOALS

KPI 1: Successfully implement the Nodal Program milestones on time and within budget

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TAB ITEM	GOAL	PERCENTAGE	OFFICER	MEASUREMENT	STATUS	PERFORMANCE
1.1	Successful completion of Market Trials Phase 3	15	Cleary	Completion within 30 days of plan		
1.2	Successful completion of Market Trials Phase 4	15	Cleary	Completion within 30 days of plan		
1.3	Successful completion of Market Trials Phase 5	15	Cleary	Completion within 30 days of plan		
1.4	Successful completion of 168 Hour Test	15	Cleary	Completion within 30 days of plan		
1.5	December 1, 2010 Go-Live Achieved	20	Cleary	December 1, 2010 Nodal Market achieved		
1.6	Do not exceed approved Nodal program budget	20	Cleary / Bowman	Program completes within approved budget		
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KPI 2: Provide reliable grid and market operations for the Texas electric market within compliance of all ERCOT protocols, NERC standards and requirements and Service Level Agreements

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TAB ITEM	GOAL	PERCENTAGE	OFFICER	MEASUREMENT	STATUS	PERFORMANCE
2.1	Complete the reviews of all projects submitted for regional planning along with ERCOT's 5-year Transmission Plan	5	Saathoff	Complete the 5-year plan and 90% of regional planning project review on time		
2.2	Complete all generation interconnection and reliability must run studies in accordance with PUCT rules and ERCOT protocols	5	Saathoff	95% of generation interconnections and reliability must run studies completed on time		
2.3	Maintain frequency control within standard	20	Saathoff	No instances of system frequency being lower than 59.91 Hz or higher than 60.09 Hz for more than 30 consecutive minutes		
2.4	Manage transmission system within limits	15	Saathoff	No instances of Interconnection Reliability Operating Limits (IROLs) being exceeded for more than 30 consecutive minutes		
2.5	Conduct retail transaction processing within protocols	8	Doggett	98%		
2.6	Retail systems availability within SLA as agreed to by stakeholders.	8	Morgan	99.9% Business Hours 99.0% Non-business hours		
2.7	Conduct wholesale transaction processing within protocols	8	Doggett	99%		
2.8	Market systems availability within SLA	8	Morgan	99%		
2.9	Provide overall reliability of 99%, with reliability defined in retail segment service expectation agreement	8	Morgan	99%		
2.10	Percent of completed dispute filings in accordance to protocol -- annual	5	Doggett	95%		
2.11	Meet or exceed Real-time Balancing Market and Frequency Control system availability targets within SLAs as agreed to by stakeholders.	10	Morgan	99.932% with no outages exceeding 30 consecutive minutes and no more than 12 outages per year.		
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2010 ERCOT KEY PERFORMANCE INDICATORS AND GOALS

KPI 3: conduct ERCOT business and operations in compliance with all applicable NERC/FERC regulatory requirements and standards, financial/accounting regulatory requirements and standards, legislative and PUCT directives.

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TAB ITEM	GOAL	PERCENTAGE	OFFICER	MEASUREMENT	STATUS	PERFORMANCE
3.1	Maintain reliability while achieving full compliance with NERC/FERC planning and operating standards <i>(this goal will be monitored by HR&G and adjusted as directed)</i> .	35	Saathoff / Manning	No more than 1 high severity and no more than 5 total exceptions from NERC Standards as found in a NERC Compliance Audit excluding current registration mitigation plan regarding TOP.		
3.2	Achieve full compliance with all operating procedures	20	Saathoff / Manning	At least 99% compliance as found in the annual internal Operations Audit		
3.3	Achieve compliance with all ERCOT Protocols and Operating Guides	20	Saathoff / Manning	No more than 3 operating related exceptions from ERCOT Protocols and Operating Guides as found in TRE Protocol Compliance Audit		
3.4	Successful SAS 70 Audit Performance	25	Doggett / Bowman	Unqualified opinion for each SAS 70 control objective		
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2010 ERCOT KEY PERFORMANCE INDICATORS AND GOALS

KPI 4: manage legal, legislative, regulatory and market participant relationships to meet the expectations of the Board of Directors as outlined in ERCOT's strategic plan.

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TAB ITEM	GOAL	PERCENTAGE	OFFICER	MEASUREMENT	STATUS	PERFORMANCE
4.1	ERCOT's five year strategic plan presented on or before the June 2010 ERCOT Board of Directors meeting	15	Capezzuti	Accomplish in accordance with business planning		
4.2	Organizational structure and staffing level presented on or before the June 2010 ERCOT Board of Directors meeting	15	Capezzuti	Accomplish in accordance with business planning		
4.3	ERCOT's 2011 budget/fee case presented by July 2010 ERCOT Board of Directors meeting	15	Bowman	Accomplish in accordance with business planning		
4.4	Manage ERCOT total spending within 2010 authorized budget and within 5% of the authorized budget for Officer level reporting areas	15	Executive Team	Authorized annual 2010 budget as approved by the Board		
4.5	Proactively build relationships and establish clear and open communications with key constituencies: elected officials, PUCT, Board, key other stakeholders, with emphasis on preparing the best possible rate case filing for 2011.	15	Grable	Target-audience satisfaction with quality and timeliness of communication		
4.6	Meet all Sunset Commission information and communication needs to achieve best possible outcome of Sunset process	15	Grable	Target-audience satisfaction with quality and timeliness of communication		
4.7	Each Officer will continue/begin holding skip-level meetings with members of their staff	10	Executive Team	All Officers will have performed skip-level meetings with members of their staff by December 31, 2010		
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2010 ERCOT KEY PERFORMANCE INDICATORS AND GOALS

KPI 5: plan and implement critical projects on-time and within budget while delivering capabilities as defined and agreed within project's scope, objectives and deliverables

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TAB ITEM	GOAL	PERCENTAGE	OFFICER	MEASUREMENT	STATUS	PERFORMANCE
5.1	Taylor Data Center completed per schedule and within budget	25	Capezzuti	Completed within 30 days of September 30, 2010 and within approved budget		
5.2	Bastrop Control Center and Data Center completed per schedule and within budget	25	Capezzuti	Completed within 30 days of September 30, 2010 and within approved budget		
5.3	Plan and begin implementation of Data Center relocation while minimizing costs and remaining within budget	25	Morgan	*Plan completed - July 1, 2010. *2010 equipment in place by December 15, 2010. *2011 equipment ordered and staged for delivery in January 2011 *Within approved project budget		
5.4	Information Lifecycle Management ("ILM") Project	25	Doggett	Phase 1 of ILM project implemented within 30 days of May 1, 2010		
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