



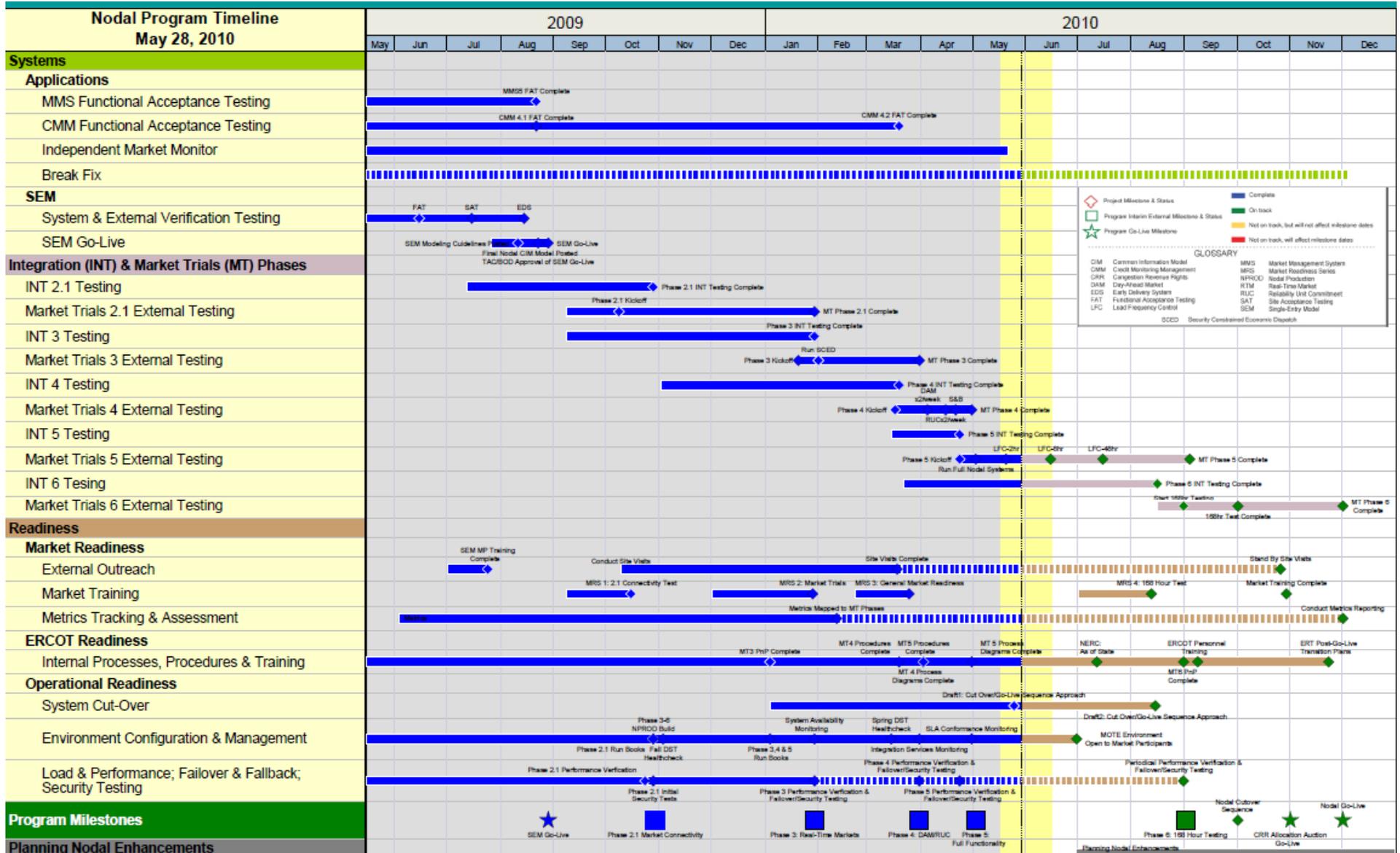
Nodal Program Update

Special Nodal Program Committee
14 June 2010

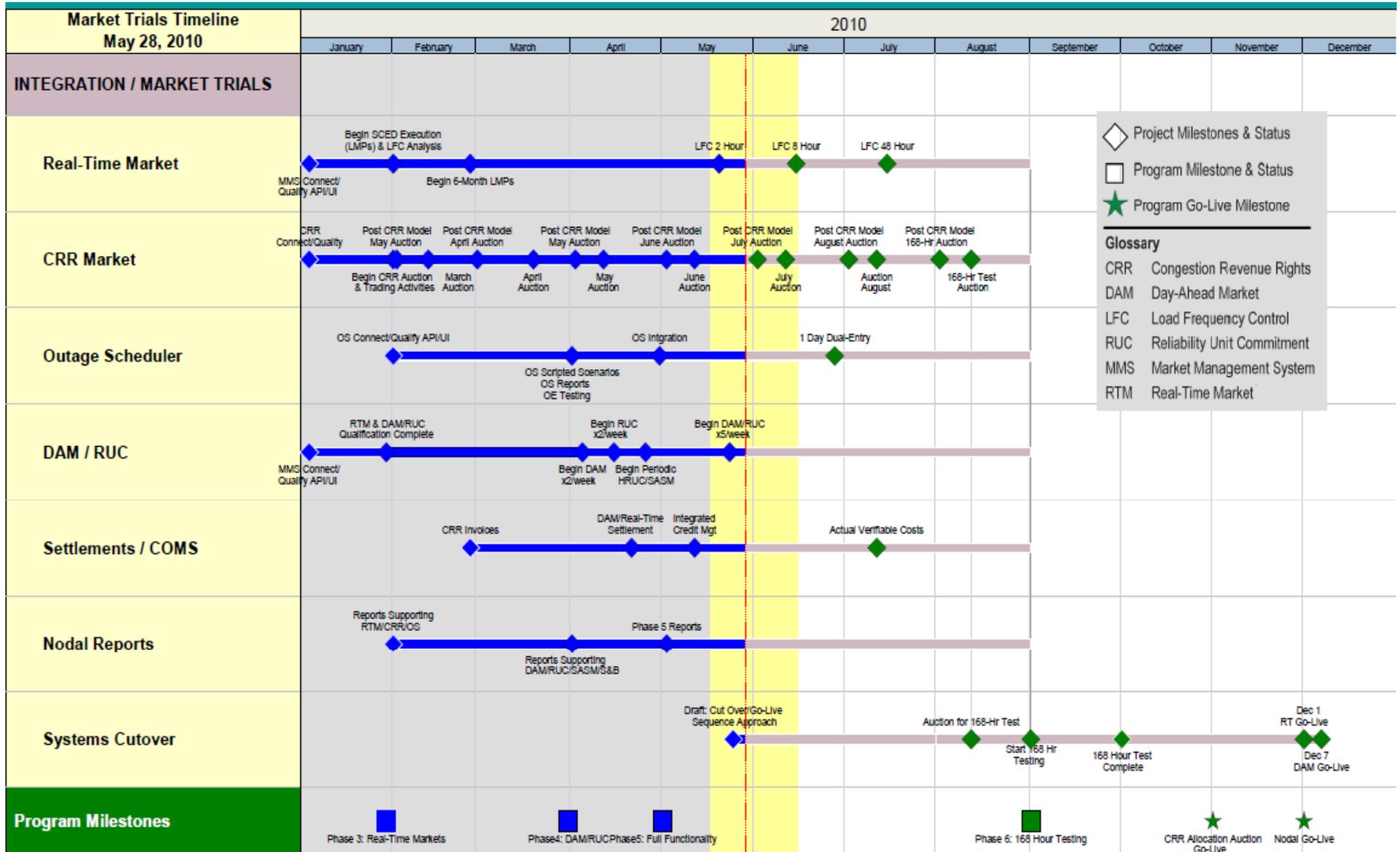
Today's Agenda

- **Program Status**
- **Market Readiness**
- **Financials**
- **Appendix**

Integrated Nodal Timeline – Go-Live December 1st, 2010



2010 Market Trials Timeline - Go-Live December 1st, 2010



169 Days to Go-Live

Market Trials has been running for 18 weeks Market Quality Testing and Operational Readiness

Achievements within Market Trials:

- CRR
 - Four monthly CRR auctions and one Balance of the Year auction have been completed and invoiced
 - July Auction in progress until July 17th
- Real Time Markets
 - SCED
 - Real Time settlements
- DAM / RUC
 - DRUC has been running in conjunction with DAM for 6 weeks
 - DAM Settlements are being executed
 - Settlement and extract data has been available since Mid-May
 - Continual strong participation from the Market Participants (Averaged 185 QSEs / DAM run)
 - DAM / RUC 5 times per wk
- Ancillary Services
 - SASM
 - Will run as needed with Ancillary Services
- Closed Loop LFC
 - 2 hour test occurred last month
- Credit
 - Credit Module went into effect on May 14th

169 Days to Go-Live

Market Trials has been running for 18 weeks Market Quality Testing and Operational Readiness

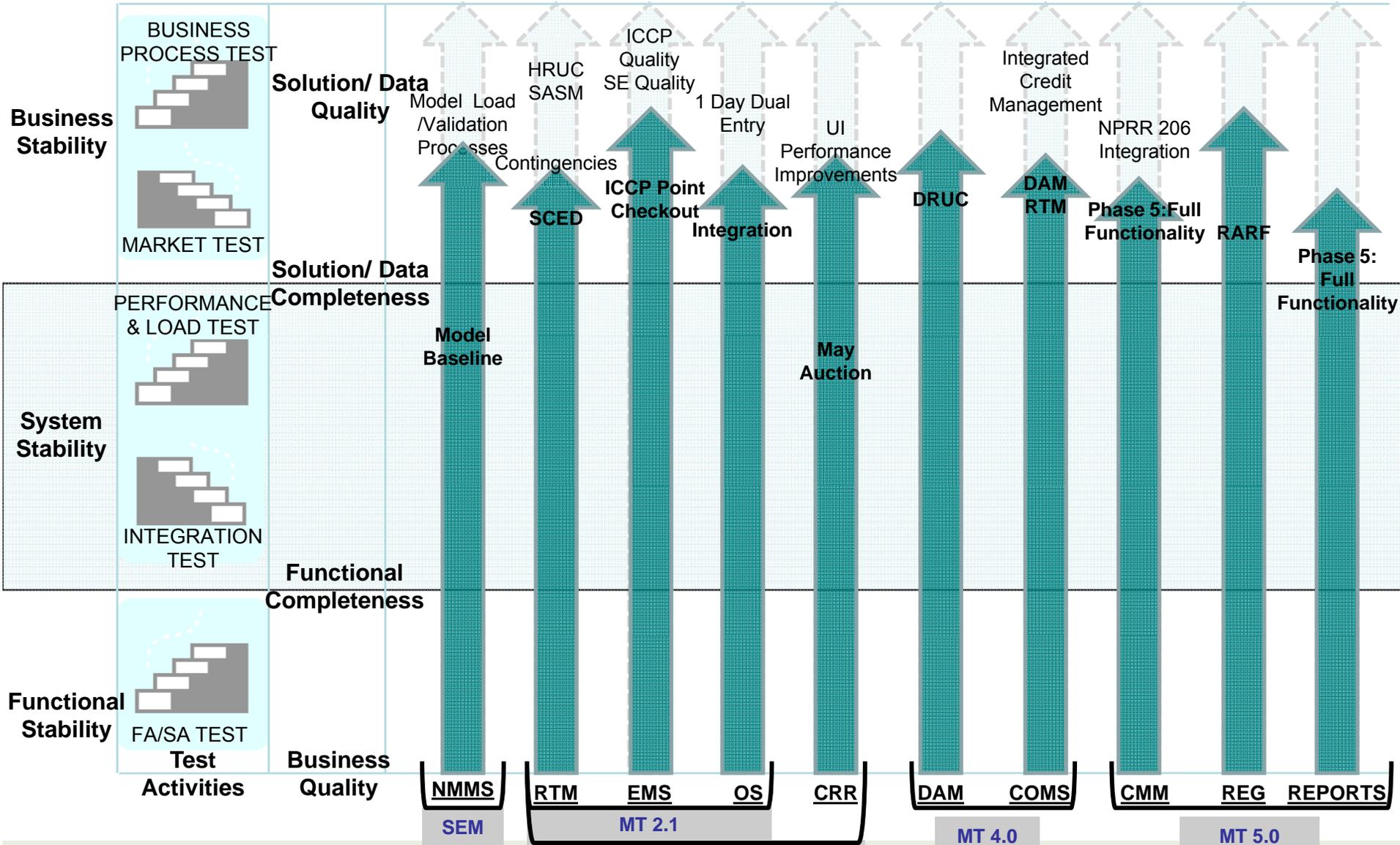
Upcoming Milestones for Market Trials:

- Closed Loop LFC
 - 8 hour will occur this week
 - A market notice will go out two days before the selected day
- DAM/RUC/SASM Scenarios
 - Operational scenarios will run on Tuesdays and Thursdays in June
- CMM Module for NPPRR 206
 - Patch to be installed in late June
- 168 HR Test
 - ERCOT will publish the 168-Hour Test Handbook by June 30, 2010
 - ERCOT will review the handbook at a high level at the first NATF in July
 - The 168-Hour Test Workshop will take place in tandem with Market Readiness Seminar #5 on July 28, 2010
- System Cut-Over
- Go-Live

Nodal Internal/External and Vendor Headcount 2010

To be provided before SNPC meeting

Go-Live



Nodal Program Risks & Issues

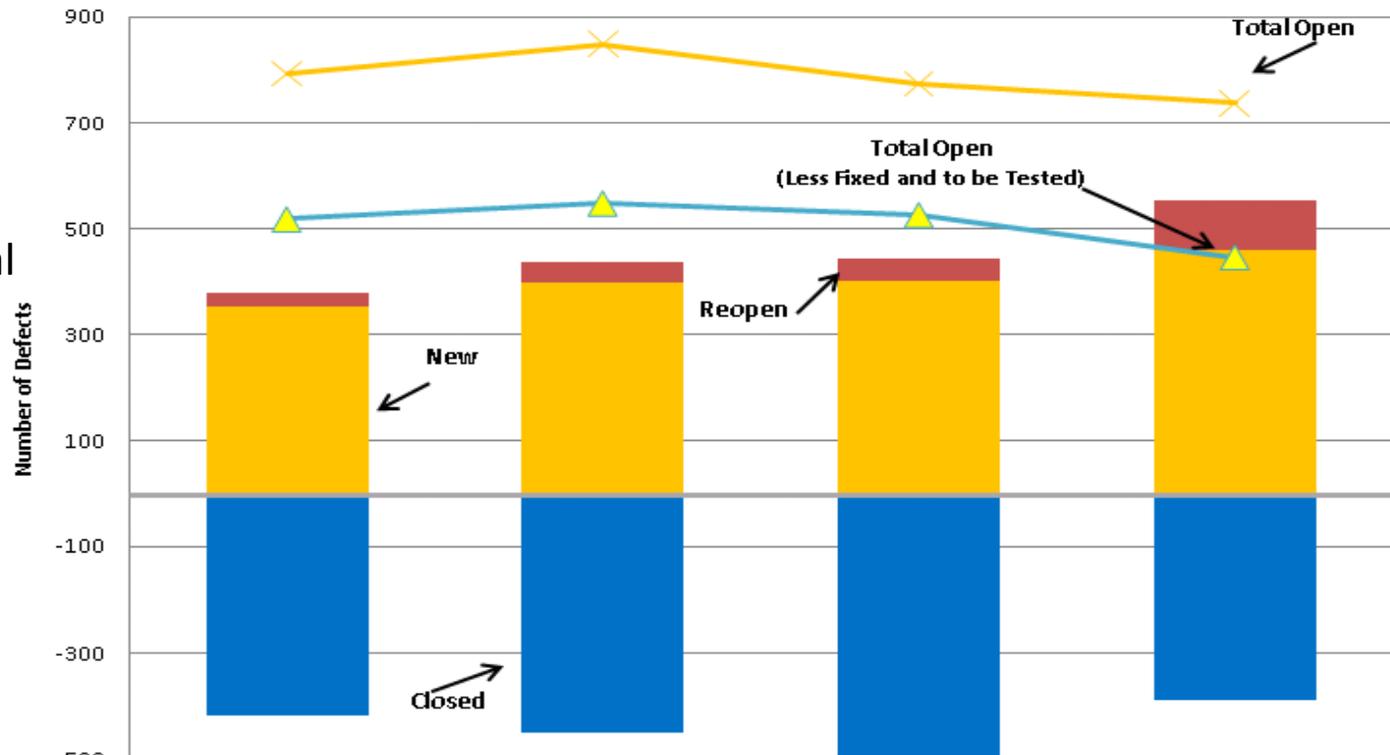
Risk/Issue	Impacted Milestone	Target	Category	Probability	Severity	Status
<p>Market Interaction Operating Level Agreements (OLAs) <i>Need to determine operating level agreements associated with market interactions to assist ERCOT in establishing operational thresholds:</i></p> <p>-Network Model Management</p> <p>-Reporting</p>	Program	April/ May 2010	Scope / Budget	High	Low	<ul style="list-style-type: none"> Phase 4 OLA definitions complete Phase 5 OLA definitions drafted, pending approval Update given at NATF on 06/01; Transition plans discussed at both TAC and NWSG Reports continue to become available as Market Trials activities ramp-up. Performance monitoring continues
<p>Market Design Assessment <i>Risk around the protocol traceability project and the market results as each phase of market trials becomes active.</i></p>	Program	August 2010	Scope / Budget	Low	High	<ul style="list-style-type: none"> Building experienced market design team to review and assess design and protocol alignment with market trials results
<p>Operational Readiness <i>Operational readiness of the Nodal systems and business processes are an increasing risk at this point in the program</i></p>	Program	September 2010	Scope / Schedule/ Budget	Med	High	<ul style="list-style-type: none"> Organizational capability assessments and improvement recommendations are under review by executive management The PMO has and will continue to identify critical deficiencies and implement mitigation strategies to ensure delivery

Nodal Defects Trends - High Priority (Must Fix Before Go-Live)

- Defect counts decreased due to planned defect migrations into Nodal iTest.

- Primary source for New defect counts are EDW, EIP, and MMS.

**Nodal Defects
Total Open vs. Monthly Variation**



	February	March	April	May
Closed	-419	-450	-496	-389
Reopened	25	37	43	93
New	354	399	401	461
Total Open	793	849	774	737
Total Open - (Fixed & to be Tested)	518	548	526	446

Earned Value for the Nodal Program

To be provided before SNPC meeting

Nodal Parking Deck - Approved and Pending

Source Document	Title	Priority	Current Status
NPRR131	Ancillary Service Trades with ERCOT	High	BoD Approved 1/19/2010
NPRR181	FIP Definition Revision	High	BoD Approved 1/19/2010
NPRR153	Generation Resource Fixed Quantity Block Offer	Medium	BoD Approved 1/19/2010
NPRR164	Resubmitting Ancillary Service offers in SASM	Medium	BoD Approved 1/19/2010
SCR755	ERCOT.com Website Enhancements	Medium	BoD Approved 2/16/2010
NPRR146	ICCP Telemetry Information Submittals	TBD	Tabled at TAC PRS approved 2/19/2009
NPRR207	Hour Start Unit Deselection and Half Hour Start Unit RUC Clawback	High	Tabled at TAC PRS approved 2/19/2009
NPRR222	Half-Hour Start Unit RUC Clawback (companion to NPRR207)	TBD	PRS Approved 4/22/2010
SCR756	Enhancements to the MarkeTrack Application	TBD	Tabled at RMS

The following items were removed from the Parking Deck in the past month:
None

Nodal Parking Deck – Possible Additions

Title	Current Status
Wind Cost Allocation	High level impact assessment of two options is near completion
Deferred NOGRR025 Reports	Draft NPRR in progress to gray-box reports planned for delivery after Nodal go-live
NMMS API	Currently below the cutline on the System Operations (SO) PPL
CRR API	Currently below the cutline on the Market Operations (MO) PPL
MMS Multiple Network Models	Currently below the cutline on the Market Operations (MO) PPL
Add PSS Status to RARF	Currently below the cutline on the Market Operations (MO) PPL



Market Readiness

Brandon McElfresh
Readiness & Transformation

Special Nodal Program Committee

14 June 2010

Special Topic – Nodal Registration Cutoff – QSEs and CRRAHs

- **Scope**

- What is the cutoff date for QSEs and CRRAHs to begin registration for Nodal Go-Live (based on ERCOT resource availability)?

- **Registration must begin by these dates to be qualified for Nodal Go-Live**

- **August 13th, 2010**

- QSEs with Resources with a new WAN connection *
- CRRAHs (to be qualified for the 10/13 PCRR nomination and for the 11/11 December 2010 CRR Auction) * ~

- **October 1st, 2010**

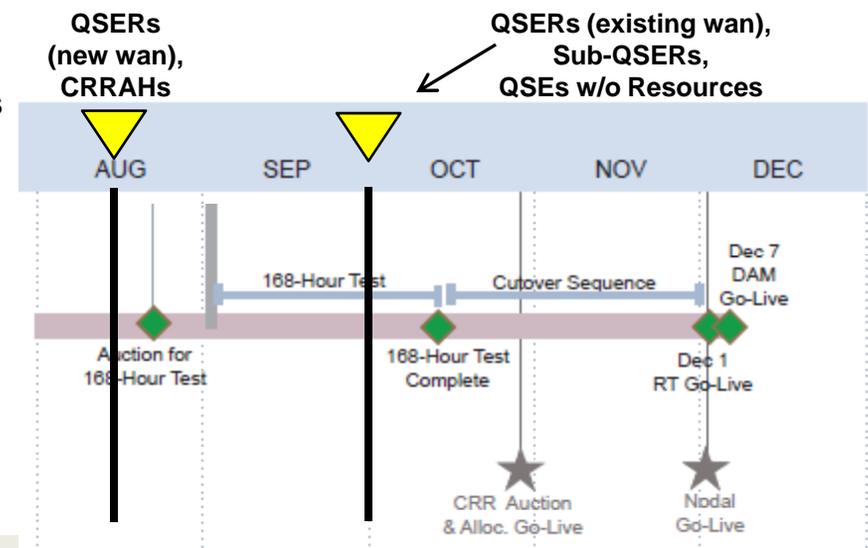
- QSE with Resources using a Nodal qualified service provider *
- QSEs without Resources *
- Sub-QSEs using a Nodal qualified parent QSE *

- **Mechanics**

- Qualification will follow the Nodal production qualification process and all testing will be done in the MOTE environment
- MPs that want to begin registration past these deadlines will be examined on a case-by-case basis
- Nodal Metric MP22 will measure progress of new entrants

* QSE Application or CRRAH Application must be submitted, which includes Credit Application

~ Doesn't include NOIE Allocation Eligibility Form, which must be submitted by 6/30 for CRRAHs eligible for PCRRs



Participant Readiness Touch Points

2010				
	June	July	August	September
Meetings	<ul style="list-style-type: none"> • NATF 6/1 and 6/29 	<ul style="list-style-type: none"> • TBD 	<ul style="list-style-type: none"> • NATF 8/3 and 8/31 	<ul style="list-style-type: none"> • TBD
Training	<ul style="list-style-type: none"> • Nodal 101 • LSE 201 • Generation 101, 201 • Economics of LMP • CC Workshop • <i>Retail Workshop (6/17)</i> • <i>VC Workshop (6/22)</i> • <i>AS Workshop (6/30)</i> 	<ul style="list-style-type: none"> • Nodal 101 • Transmission 101 • Generation 101, 201 • Basic Training Program • NOIE QSE Operations • Settlements 301 	<ul style="list-style-type: none"> • Nodal 101 • Transmission 101 • Generation 101, 201 • Basic Training Program • NOIE QSE Operations • Settlements 301 	<ul style="list-style-type: none"> • Nodal 101 • Transmission 101 • Generation 101, 201 • NOIE QSE Operations • Settlements 301 • MMS & MIS GUI (Online only)
Outreach	<ul style="list-style-type: none"> • TSP OS Road Show • Settlement Metrics • Telemetry Quality Metrics 	<ul style="list-style-type: none"> • <i>MRS #5 (7/28)</i> • Dispute & Reports Metrics • Standby site visits 	<ul style="list-style-type: none"> • Standby site visits 	<ul style="list-style-type: none"> • Standby site visits
Market trials	<ul style="list-style-type: none"> • Weekly Trials calls • 8 hr system-wide LFC test 	<ul style="list-style-type: none"> • Weekly Trials calls • 48 hr system-wide LFC test • Verifiable costs in execution • NPRR206 in execution 	<ul style="list-style-type: none"> • Weekly Trials calls • Prepare for 168 hr test 	<ul style="list-style-type: none"> • Weekly Trials calls • Execute 168 hr test

Next 60-days of Classes/Workshops

Course	Start Date	Location
ERCOT Nodal 101	June 15	Suez Energy (Houston)
Generation 201	June 17	LCRA (Austin)
Credit Workshop	June 17	ERCOT Met Center (Austin)
Retail Workshop	June 17	Stream Energy (Dallas)
Basic Training Program	June 21	ERCOT Met Center (Austin)
Verifiable Cost Workshop	June 22	Suez Energy (Houston)
Load Serving Entity 201	June 23	Austin Energy Town Lake Center (Austin)
NOIE QSE Operations	June 23	Sam Rayburn Plant (Victoria)

Enrollment at: <http://nodal.ercot.com/training/courses/index.html>

Next 60-days of Classes/Workshops - continued

Course	Start Date	Location
Credit Workshop	June 24	ERCOT Met Center (Austin)
ERCOT 101 for Wind Generation	June 28	ERCOT Met Center (Austin)
Transmission 101	June 29	Energy Plaza (Dallas)
Ancillary Services Workshop	June 30	ERCOT Met Center (Austin)
Market Settlements 301	July 6	ERCOT Met Center (Austin)
Transmission 101	July 13	CenterPoint Energy (Houston)
Load Serving Entity 201	July 20	Optim Energy (Dallas)
Congestion Revenue Rights	July 21	Optim Energy (Dallas)
Generation 101	July 27	Calpine (Houston)
Market Readiness Seminar #5	July 28	ERCOT Met Center (Austin)

Enrollment at: <http://nodal.ercot.com/training/courses/index.html>

Active Nodal Metrics

ACTIVE NODAL METRICS								
Metric #	Metrics Name	Category	ERCOT	QSERs	QSEs	TSPs	CRRAHs	REs
MO4	Verify SCED Execution Quality	RT	Green	N/A	N/A	N/A	N/A	N/A
MO5	Generate LMPs for 6 months	RT	Green	N/A	N/A	N/A	N/A	N/A
CRR3 (ERCOT)	Operation of CRR Auctions and Allocations	CRR	Green	N/A	N/A	N/A	N/A	N/A
MO9	Generate Day-Ahead LMPs	DAM	Green	N/A	N/A	N/A	N/A	N/A
MO10	DRUC Execution	DAM	Green	N/A	N/A	N/A	N/A	N/A
CO8	Verify CRR Auction Invoices	COMS	Green	N/A	N/A	N/A	N/A	N/A
EMO9(B)	RTCA Modeling Differences	NM	Red	N/A	N/A	N/A	N/A	N/A
EMO19	Anomalous/Auto-Disabled Telemeted Points	NM	Green	N/A	N/A	N/A	N/A	N/A
E1	ERCOT Internal Training	READ	Green	N/A	N/A	N/A	N/A	N/A
E9	Develop Nodal Procedures	READ	Green	N/A	N/A	N/A	N/A	N/A
MP3	Market Submissions Connectivity Qualification	CONN	Green	Green	Green	N/A	N/A	N/A
MP15B	CRR Connectivity Qualification	CONN	Red	N/A	N/A	N/A	Red	N/A
MP20	Outage Scheduler Connectivity Qualification	CONN	Green	Green	N/A	Green	N/A	N/A
EMO6	Individual LFC Testing	RT	N/A	Green	N/A	N/A	N/A	N/A
MP15A	Real-Time Market Daily Participation	RT	N/A	Green	N/A	N/A	N/A	N/A
EMO6	Individual LFC Testing	RT	N/A	Green	N/A	N/A	N/A	N/A
CRR3	Operation of CRR Auctions and Allocations	CRR	N/A	N/A	N/A	N/A	Green	N/A
MP16	DAM Participation	DAM	N/A	Green	Amber	N/A	N/A	N/A
MP20	Outage Scheduler Connectivity Qualification	OS	N/A	Green	N/A	Green	N/A	N/A
N2	Telemetry/ICCP System Failover	NM	N/A	Green	N/A	N/A	N/A	N/A
MP6(SE)	Telemetry Compliance 3.10.7.5	NM	N/A	Green	N/A	N/A	N/A	N/A
MP6(SCED)	Telemetry Compliance 3.10.7.5	NM	N/A	Green	N/A	N/A	N/A	N/A
MP6 (TSP)	Telemetry Compliance 3.10.7.5	NM	N/A	N/A	N/A	Green	N/A	N/A
MP14B	Participation in NOMCR Trials	NM	N/A	N/A	N/A	Green	N/A	N/A
MP14C	Network Model Validation	NM	N/A	N/A	N/A	Green	N/A	N/A
MP11	Resource Registration	RES	N/A	N/A	N/A	N/A	N/A	Green

RED/AMBER Metrics Summary

Market Participant Metrics

Metric Name	Current Score	Applies to	Weight	Green %	Yellow %	Red %	Not Scored %	Primary Criteria	Notes
Market Participant Metrics									
MP15(B) CRR Connectivity Qualification *	Red	CRRAHs	Even weighting	94.2%	0.0%	0.0%	5.8%	Successful submission CRR transactions	65/69 CRRAHs qualified. Greater than 5% RED.
MP16 DAM Participation	Amber	QSEs	Even Weighting	74.2%	10.4%	13.2%	2.2%	Participation in 50% of the Day-Ahead Market runs	135/182 QSEs w/o Resources

ERCOT Metrics

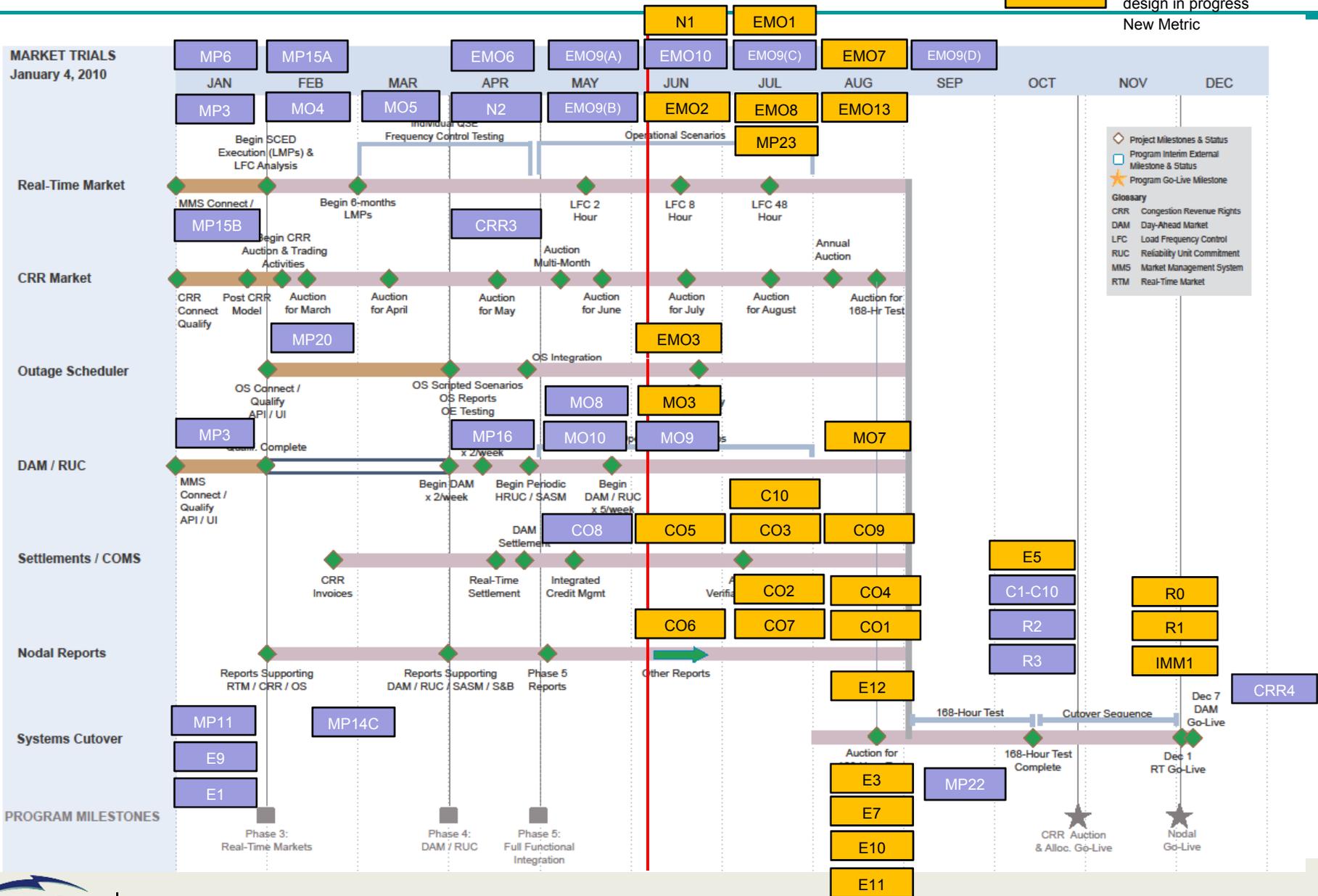
Metric Name	Current Score	Applies to	Weight	Green %	Yellow %	Red %	Not Scored %	Primary Criteria	Notes
ERCOT Metrics									
EMO9(B) RTCA Modeling Differences	Red	ERCOT	N/A	56.3%	N/A	N/A	N/A	95% of load tap setting values matched between Zonal/Nodal	56% Match for transformer tap settings. 1464 transformers in Nodal.

* ERCOT is also scored on the connectivity metrics, so MP15-B is RED on the ERCOT scorecard as well.



Metrics Roadmap

PURPLE Timing and Design Confirmed
ORANGE Timing subject to change, design in progress
 New Metric



CRR Metrics

Metric Name	Current Score	Applies to	Weight	Green %	Yellow %	Red %	Not Scored %	Primary Criteria	Notes
Market Participant Metrics									
MP15(B) CRR Connectivity Qualification	Red	CRRAHs	Even weighting	94.2%	0.0%	0.0%	5.8%	Successful submission CRR transactions	65/69 CRRAHs qualified. Greater than 5% RED.
CRR3 Operation of CRR Auctions and Allocations	Green	CRRAHs	Even weighting	95.4%	0%	0%	4.6%	Participation in at least one of the last two auctions or allocations.	62/65 CRRAHs with adequate participation in BOY or June auction or allocation
ERCOT Metrics									
CRR3 Operation of CRR Auctions and Allocations	Green	ERCOT	N/A	N/A	N/A	N/A	N/A	Auction results distributed to participants per schedule in CRR Handbook	5/24 2010 June Monthly Auction results posted to market.
	TBD	ERCOT	N/A	100%	0%	0%	0%	Allocated Revenue Rights in statistical sample = 100% accurate	Source – Sink prices = CRR Clearing prices for obligations for BOY auction. ERCOT working on similar validation process for options.
CO8 Verify CRR Auction Invoices	Green	ERCOT	N/A	100%	0%	0%	0%	CRR Auction Result for MP(n) – CRR Auction Invoices for MP(n) = 0\$	S&B validated that auction invoices reflected awards per CRRAH for March, April, and May auctions, .
	Green	ERCOT	N/A	100%	0%	0%	0%	System Generated CRR Auction Invoices not posted = 0	March 2010 Monthly = 40 of 40 April 2010 Monthly = 38 of 38 May 2010 Monthly = 48 of 48

Real-Time Metrics

Metric Name	Current Score	Applies to	Weight	Green %	Yellow %	Red %	Not Scored %	Primary Criteria	Notes
Market Participant Metrics									
MP3 Market Submissions Connectivity Qualification	Green	QSERS	Generation Ratio Share	99.0%	1.0%	0.0%	0.0%	Successful submission of RT and DAM transactions	79/81 QSERS qualified
	Green	QSEs	Even weighting	98.9%	1.1%	0.0%	0.0%		178/182 QSEs qualified.
EMO6 Individual LFC Testing	Green	QSERS	Generation Ratio Share	96.9%	0%	0%	3.1%	80% of system-wide generation has completed individual QSE tests for LFC	70/73 QSERS completed their individual LFC test or provided attestation
MP15-A Real-time Market Participation	Green	QSERS	Generation Ratio Share	98.9%	1.1%	0.0%	0.0%	Weekly average of daily SCED submissions	73/79 QSERS above 95% weekly average for SCED submissions.
ERCOT Metrics									
MO3 Verify SASM	6/2/2010	ERCOT	N/A	N/A	N/A	N/A	N/A	Multiple SASMs are successfully executed during Market Trials and the 168 hour test.	SASMs executed successfully on 4/28, 4/30, 5/4, 5/6, 5/7, 5/12, and 5/14.
MO4 Verify SCED Execution Quality	Green	ERCOT	N/A	100%	0%	0%	0%	All successful SCED executions passed the post-execution price validations.	5/4-5/17 period - 4,055 Price Validation runs with no rule violations
MO5 Generate 6 Months of LMPs	Green	ERCOT	N/A	98.1%	0%	1.9%	0%	95% of SCED executions completed with LMPs posted on MIS.	5/4-5/17 period, 4,076 out of 4,058 SCED runs with LMPs posted.
CO5 Verify RTM Settlement Statements/CO6 Verify RTM Settlement Invoices	6/2/2010	ERCOT	N/A	100%	0%	0%	0%	System Generated RT Statement Dollars- Independently Generated RT Calculation Dollars =\$0	Stats available 6/2
	6/2/2010	ERCOT	N/A	100%	0%	0%	0%	System Generated RT Statements/Invoices not posted = 0	Stats available 6/2

Day-Ahead Market Metrics

Metric Name	Current Score	Applies to	Weight	Green %	Yellow %	Red %	Not Scored %	Primary Criteria	Notes
Market Participant Metrics									
MP16 DAM Participation	Green	QSERS	Generation Ratio Share	98.7%	0.7%	.5%	.1%	Participation in 50% of the Day-Ahead Market runs	77/81 QSEs with Resources
	Amber	QSEs	Even Weighting	74.2%	10.4%	13.2%	2.2%		135/182 QSEs w/o Resources
CO10 Credit Calculations	6/30/2010	QSERS, QSEs	Gen Ratio Share, Even Weighting	N/A	N/A	N/A	N/A	<= 25% of MPs credit limits inconsistent with protocols	To be determined
ERCOT Metrics									
MO8 Verify DAM Execution Quality	Report in Progress	ERCOT	N/A	N/A	N/A	N/A		DAM executions pass the post-execution price validations	Report in progress
MO9 Generate DAM LMPs	Green	ERCOT	N/A	N/A	N/A	N/A	N/A	95 percent DAM execution as evidenced by DAM LMP postings	5/3-5/17 – 4/4 DAM runs execute (doesn't measure quality)
MO10 DRUC Execution	Green	ERCOT	N/A	N/A	N/A	N/A	N/A	95 percent DRUC execution	5/3-5/17 - 4 out of 4 DRUC runs executed (doesn't measure quality)
CO3 Verify DAM Settlement Statements/CO7 Verify DAM Invoices	6/2/2010	ERCOT	N/A	100%	0%	0%	0%	System Generated RT Statement Dollars- Independently Generated RT Calculation Dollars = \$0	Stats available 6/2
	6/2/2010	ERCOT	N/A	100%	0%	0%	0%	System Generated RT Statements/Invoices not posted = 0	Stats available 6/2
CO10 Credit Calculations	6/30/2010	ERCOT	N/A	N/A	N/A	N/A	N/A	ERCOT performs credit calcs for a stat. sample of MPs	To be determined

1. MP16 – Metric is based on a 2 week rolling average (5/18-20, 5/24-28 – 8 runs).
2. MP16 – 98% Load participating.



Network Modeling Metrics

Metric Name	Current Score	Applies to	Weight	Green %	Yellow %	Red %	Not Scored %	Primary Criteria	Notes
Market Participant Metrics									
MP14-C TSP Model Validation	Green	TSPs	Ownership Ratio Share	99.9%	.1%	0.0%	0.0%	Network Model data validated by TSP	24/28 TSPs have submitted model validation e-mail to ERCOT.
MP6 Telemetry Compliance with Nodal Protocols 3.10.7.5	Green	QSERS	Generation Ratio Share	100%	0.0%	0.0%	0.0%	Expected State Estimator telemetry submitted.	78/78 complete. 3502 total SE points provided
	Green	QSERS	Generation Ratio Share	100%	0.0%	0.0%	0.0%	Expected SCED telemetry submitted.	78/78 complete. 7629 SCED points provided
	Green	TSPs	Ownership Ratio Share	99.3%	0.0%	0.0%	.7%	Expected TSP telemetry per ICCP Handbook submitted	14/17 TSPs above 98% threshold for GREEN. 143 points outstanding
N2 Telemetry ICCP System Failover	Green/White only	QSERS	Generation Ratio Share	18.3%	0%	0%	81.7%	ICCP Failover test completed successfully prior to the 8-hour LFC test.	22/78 QSERS completed ICCP telemetry failover test
MP18 Mapping of Resources and Loads in Private Use Networks	6/30/2010	QSERS	Generation Ratio Share	N/A	N/A	N/A	N/A	# of QSE(n) PUN Points Provided / # of QSE(n) PUN Points Expected	306 points across 7 QSEs with Resources. 15 points still assigned to TSP.
MP21 WGRs ICCP Meteorological Telemetry	6/30/2010	REs (only WGRs)	Registered MW Capacity Ratio Share	N/A	N/A	N/A	N/A	WGRs must meet reasonability tests for MET ICCP	To be determined
MP23 Telemetry Quality (MP to ICCP server)	6/30/2010	TSPs	Ownership Ratio Share	N/A	N/A	N/A	N/A	# of TSP(n) Suspect/Bad points provided / # of TSP(n) points total	1356 Suspect/Bad points (97.9% good quality).
	6/30/2010	QSERS	Generation Ratio Share	N/A	N/A	N/A	N/A	# of QSER(n) Suspect/Bad points provides / # of QSER(n) points total	871 Suspect/Bad points (94.9% good quality)

1. MP6 does not include 405 QSE CB and DSC points from TSP outreach. ERCOT is determining whether these rollback into the QSER MP6 measurement.



Network Model Metrics

Metric Name	Current Score	Applies to	Weight	Green %	Yellow %	Red %	Not Scored %	Primary Criteria	Notes
ERCOT Metrics									
EMO9(A) State Estimator Standards Performance	6/2/2010	ERCOT	N/A	N/A	N/A	N/A	N/A	State Estimator converges 97% during monthly test period	May % available 6/2/2010
EMO9(B) RTCA Modeling Differences	Green	ERCOT	N/A	96.8%	N/A	N/A	N/A	95% of impedance values matched between Zonal/Nodal	97.4% match for impedances for lines and transformers. 5266 lines in Nodal.
	Green	ERCOT	N/A	96.8%	N/A	N/A	N/A	95% of dynamic line ratings matched between Zonal/Nodal	97.5% match for dynamic ratings for lines and transformers. 5266 lines in Nodal.
	Red	ERCOT	N/A	56.3%	N/A	N/A	N/A	95% of load tap setting values matched between Zonal/Nodal	56% Match for transformer tap settings. 1464 xfrms in Nodal.
EMO10 Anomalous / Auto-Disabled Telemetered Points	Green	ERCOT	N/A	N/A	N/A	3.04%	N/A	The % of Anomalous and Auto-Disabled Measurements < 2% of Total Measurements	April Nodal 2.58% March Nodal 3.17% May Nodal 1.92%%
EMO9(C) RTCA CSC Comparison	7/14/2010	ERCOT	N/A	N/A	N/A	N/A	N/A	CSC Pre-contingency SE Flows within 5% (Hourly snapshot)	Measurement establishes baseline flows on Commercial lines to indicate the significance of Psuedo modeling and multi-section lines on the SE flows.
EMO9(D) Validate Zonal and Nodal Security Analysis Results	9/8/2010	ERCOT	N/A	N/A	N/A	N/A	N/A	90% of active constraints in Zonal RTCA are also detected in Nodal RTCA	To be determined

Other Readiness Metrics

Metric Name	Current Score	Applies to	Weight	Green %	Yellow %	Red %	Not Scored %	Primary Criteria	Notes
Market Participant Metrics									
MP20 Outage Scheduler Connectivity Qualification	Green	QSERSs	Generation Ratio Share	98.9%	0.0%	0.0%	1.1%	Successful submission of OS transactions	75/81 QSERS qualified.
	Green	TSPs	Ownership Ratio Share	99.8%	0%	0%	.02%		23/25 TSPs qualified.
MP11 Resource Registration	Green	REs	Registered MW Capacity Ratio Share	99.6%	0.0%	.4%	0.0%	Decision Making Authority form submitted, and GENMAP validated	154/157 Resources completed.
CO2 Verify Dispute Process	7/14/2010	QSERSs, QSEs	Generation Ratio Share, Even Weighting	N/A	N/A	N/A	N/A	>=1 dispute submitted per MP. # of unprocessed disputes by 168 = 0	To be determined
ERCOT Metrics									
E1 ERCOT Staff Completes Training	Green	ERCOT	N/A	100%	N/A	N/A	N/A	Training plans must be adhered to for highly impacted departments	15 out of 15 highly impacted departments are up to date with their training plans.
E9 Develop Nodal Procedures	Green	ERCOT	N/A	100%	N/A	N/A	N/A	Procedures developed 1 month prior and exercised in the appropriate Market Trials Phase	All MT4 and MT5 are developed and the MT4 procedures exercised as scheduled in MT4.
EMO3 Verify Outage Evaluation System Functionality	6/30/2010	ERCOT	N/A	N/A	N/A	N/A	N/A	A test of the Outage Management Process is completed	To be determined



Monthly Financial Review

Don Jefferis

Interim Director – Nodal Financial Management Office

Special Nodal Program Committee

14 June 2010

Monthly Financial Review

Financials to be provided before SNPC meeting.

Questions ?

Appendix

Nodal Program Risks & Issues: Definitions

Definitions for Category, Probability and Severity of Risks & Issues:

- **Category**
 - Scope: Will require a scope change
 - Schedule: Will require a schedule change
 - Budget: Will require a budget change
- **Probability**
 - High: Probability to occur is $\geq 90\%$; perceived impact would require a Change Request over the next 1-3 months
 - Medium: Probability to occur is between 31 – 89%; perceived impact would require a Change Request over the next 4 -10 months
 - Low: Probability to occur is $\leq 30\%$; not expected to require a Change Request
- **Severity**
 - High: Milestone impact, or budget impact $> \$250,000$
 - Medium: Milestone impact - but expected to be mitigated, or budget impact between \$0 - \$250,000
 - Low: No milestone impact, or no budget impact

Defect Definitions

Severity	Definition
Severity 1: Data loss/critical error	Defects that render unavailable the critical functions of the system under test. These include errors such as system errors, application failures, loss of data, incorrect calculations, inability to transfer data, failure to access database, and inability to display information to the user.
Severity 2: Loss of functionality w/o workaround	Defects that render unavailable partial functionality of the system under test with no workaround available. These include errors such as incorrect information displayed to the user, information not updating correctly, extracts failing, and missing export files.
Severity 3: Loss of functionality with workaround	Defects that render unavailable partial functionality of the system under test with a workaround available. These include errors such as incorrect message displayed, optional information missing or not displayed correctly, not receiving e-mail notifications, and incorrect defaults.
Severity 4: Partial loss of a feature set	Defects that affect a feature that is not executed on a frequent basis and there is not a significant impact on the system. These include errors such as help information, filtering, and consistent naming.
Severity 5: Cosmetic/documentation error	Defects that are cosmetic and need to be resolved, but are not a factor in the functionality or stability of the system. These include errors such as field alignment, report formatting, drop down list order, fonts, column order and documentation that is inconsistent with the system(s) as tested.

	Prescription in Quality Center
Priority 1	Must fix ASAP
Priority 2	Must fix prior to Go-Live
Priority 3	Not critical to fix before Go-Live
Priority 4	Minor system/user impact
Priority 5	No system/user impact

Critical Defect Definitions

- **Critical defects are required to be fixed before go-live**
- **Critical defects are identified as:**
 - Severity 1
 - Severity 2
 - Severity 3 priority 1 & priority 2
 - Severity 4 priority 1 & priority 2
 - Severity 5 priority 1 & priority 2
- **A continual defect review process will ensure that, after review and approval by the business, non-critical defects are deferred in Quality Center with adequate documentation (e.g., test script results, impacted functions, recreation steps, workarounds)**

NOTE: All documented workarounds for deferred defects will be provided to the ERCOT readiness team for review and inclusion in desk procedures, when applicable

External Audit Status Summary

Audit	Audit Points Identified	Audit Points in Execution	Date to Complete Last Point
Utilicast Report 8	6	6 complete	2011*
Utilicast Report 10 (Cleary)	17	1 in progress; 16 complete	6/1/10**

* Audit point required for go-live complete with the construction of the TCC1 expansion in Taylor.

** Updated end date to reflect date to complete remaining audit points

Audit Points to Address from Utilicast Report 8

ID	Description	Action Plan	Responsible Director	Responsible Manager	Target Date
UT108-05	There should be immediate investment in new data center capacity to allow for expansion of IT infrastructure to support the Nodal Program.	Additional data center space planned as part of the Met Center disposition project (PR-80001). Those data centers should be online in mid-2011. Plans are under development to provide capacity prior to those new data centers becoming available. Nodal Go-Live has sufficient space with the expansion of TCC1.	R. Morgan	David Forfia	COMPLETE - TCC1 expansion ensured sufficient space for Go-Live.

Audit Points to Address from Utilicast Report 10-1

ID	Short Description	Recommendation	Action Plan Status	Resp. Dir.	Resp. Mgr.	Target Date
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.	<p>Planning is complete 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.</p> <p>The schedule below reflects the Nodal test schedule for 4 audit points:</p> <ol style="list-style-type: none"> 1. MT Phase 3 – SCED, OS Submissions, CRR Auctions due 12/15/09 COMPLETE <ul style="list-style-type: none"> • 29 procedures (written) • 18 processes (written) 2. MT Phase 4 & 4.1 - DAM, RUC, OS, CRR Invoices, Settlements and Billing COMPLETE <ul style="list-style-type: none"> • New end date 3/31/10 • 153 procedures (written); 5 outstanding • 30 processes (written); 9 outstanding 3. MT Phase 5 & 6 – Remaining production procedures due 5/1/10 COMPLETE 4. Phase 6 – Integrated final code due 6/1/10 	V. Gates	J. Adams	06/01/10