



Business Integration Update

Betty Day

Vice President, Business Integration

Board of Directors Meeting

January 17, 2012

Summary

- **Project Management Update:**

- Data Center relocation:
 - Successful Retail & Commercial Operations disaster recover test
 - Final equipment decommissioning and removal near completion
- Stabilization Closed (see appendix for more details)
 - Completed 23 Nodal Protocol Revision Requests (NPRRs)
 - Completed 5 System Change Request (SCRs)
 - Completed 7 Internal Projects
 - 1,553 Defects Closed (Fixed or Marked Invalid)
 - 696 Remaining Defects
- Other Projects:
 - December Release included NPRRs, SCRs, stabilization items and deferred defects

- **Market Rules Update:**

- 8 new revision requests were filed during the month of December (compared to 17 new in November).
- 207 total revision requests were filed in 2011; 31 more than 2010. Of the NPRRs filed in 2011, approximately 55% were submitted by ERCOT.

- **Enterprise Information Management Update:**

- Almost 15M reports and extracts were posted during 2011 with over 315M downloads. ERCOT currently has 957 followers on Facebook and 2,632 followers on Twitter.

Data Center Migration Project

Monthly Highlights & Upcoming Program Activities

- **Wave 1 – Corporate and Support Systems**
 - Lower priority IT supporting infrastructure will complete in January.
 - Decommissioning activities in progress
- **Wave 1.5 – All Virtual Systems**
 - Completed
- **Wave 2 – Development & Integrated Test systems**
 - Lower priority development systems will complete in January
 - Decommissioning activities in progress
- **Wave 3 – Bastrop Control and Data Center Commissioning**
 - Completed
- **Wave 4 – Bastrop Disaster Recovery Environment**
 - Completed
- **Wave 5 – Taylor Production Migration**
 - All market facing migrations completed
 - Decommissioning activities in progress

Project Management Organization - Project Status Overview

- **December Release**

- SCR763 - Modify COP Validation Rule for RRS
- SCR764 - Public Access to Select MIS Dashboards
- SCR765 - Public Aggregated Wind Dashboard
- NPRR251 - Sync of PRR845, Definition of IDR Meters and Optional Removal of IDR Meters at a Premise Where an Advanced Meter Can be Provisioned
- NPRR290 - ERCOT Publication of DAM PSS/E Files
- NPRR310 - Expand Output Schedule Acceptable Range to Include HSL and LSL
- NPRR316 - Negative Self-Arranged Ancillary Services Quantity
- NPRR326 - Adjust the Calculation of the Real-Time Settlement Point Price for a Resource Node
- NPRR343 - CRR Bid and PTP Obligation Bid Criteria Change
- TML Transition to MIS

- **Other Highlights**

- Look Ahead SCED - Moved to Planning
- Outage Capacity Reporting tool - Moved to Planning
- NPRR347, Single Daily Settlement Invoice and Updates to Credit Calculations – Moved to Planning
- NPRR400, Eliminate Unsecured Credit for CRR Auctions and for Future Credit Exposure and Eliminate Netting of FCE with CCE - Moved to Planning
- NPRR326, Adjust the Calculation of the Real-Time Settlement Point Price for a Resource Node – Moved to Execution
- NPRR355, Adjust the Calculation of the Real-Time Settlement Point Price for a Load Zone – Moved to Execution
- Compliance Software - Moved to Execution

PMO - Improvements to the Project Priority List (PPL)

- **The new Multi-Year PPL is complete and posted to ERCOT.com**
 - <http://www.ercot.com/services/projects/index>
 - The format has been changed to accommodate a multi-year view (2011-2015)
 - Additional data is captured that will better inform the market on delivery plans for items approved in the stakeholder process
 - Refreshed on a monthly (or more frequent) basis
 - ERCOT will attempt to undertake all projects in the year(s) when they are funded
 - If resource constraints prevent execution in the desired timeframe, ERCOT will determine an achievable schedule and update the “Projected End Date” on the PPL
- **Summary Portfolio Financials**
 - Budget and Spending Forecasts by Project Category and Budget Year
 - See rows in the header of the PPL
 - Summary information is based on individual budget and spending forecasts
- **Release Planning**
 - ERCOT staff will regularly evaluate new NPRRs, SCRs, and projects for inclusion in the release plan
 - Results of this analysis (Projected Start and End Dates) will be reflected on the PPL

2012 Release Targets – Board-Approved NPRRs/SCRs

Source	Release 1 2/2012	Release 2 4/2012	Release 3 6/2012	Release 4 8/2012	Release 5 10/2012	Release 6 12/2012	TBD
Market / PUCT	NPRR321 _(b) SCR760 _(b) SCR761 SCR764 _(e)	NPRR313 NPRR314 <u>NPRR359</u> NPRR361 <u>NPRR395</u>	NPRR294 <u>NPRR351</u> NPRR382 NPRR383 <u>NPRR403</u> SCR756 _(a) SCR760 _(c)	<u>NPRR322</u> <u>NPRR354</u> <u>NPRR357</u>	NPRR207 NPRR222 NPRR260 NPRR272 NPRR360		<u>SCR756</u> _(b)
ERCOT	NPRR326 NPRR355			<u>NPRR347</u> <u>NPRR348</u> NPRR365 <u>NPRR400</u>	NPRR379		<u>NPRR377</u>
Counts	6	5	7	7	6	0	2

Note 1: Bold indicates inclusion in the original Board-approved 2012 PPL

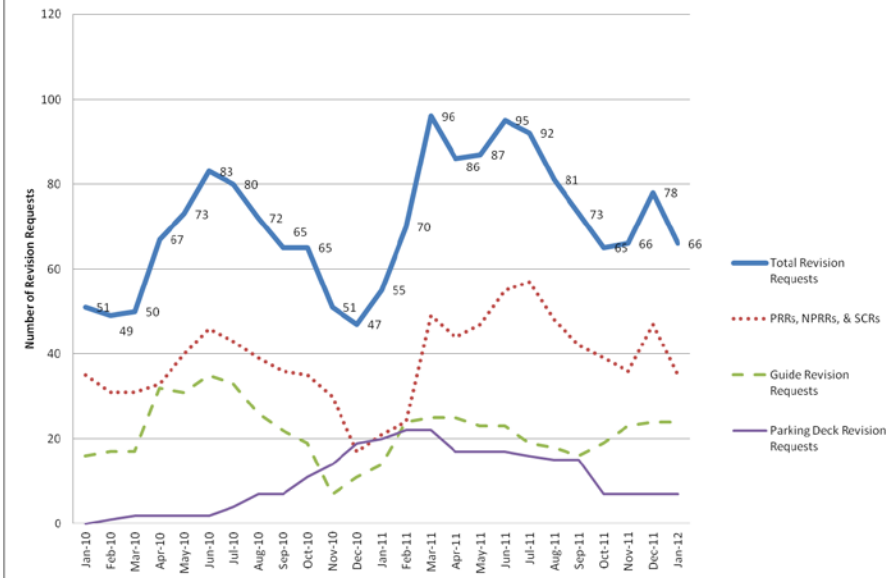
Note 2: Underline indicates new/revised release targets

Note 3: (a), (b), etc. indicates multiple release phases

Note 4: Release targets are subject to change

Market Rules Update

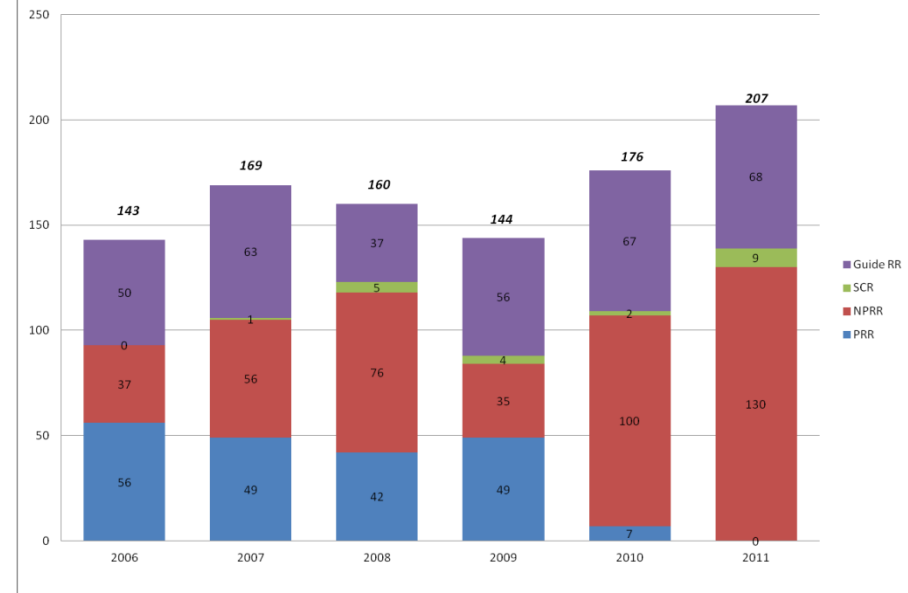
Total Revision Requests Active in Stakeholder Process
(through 12/31/11)



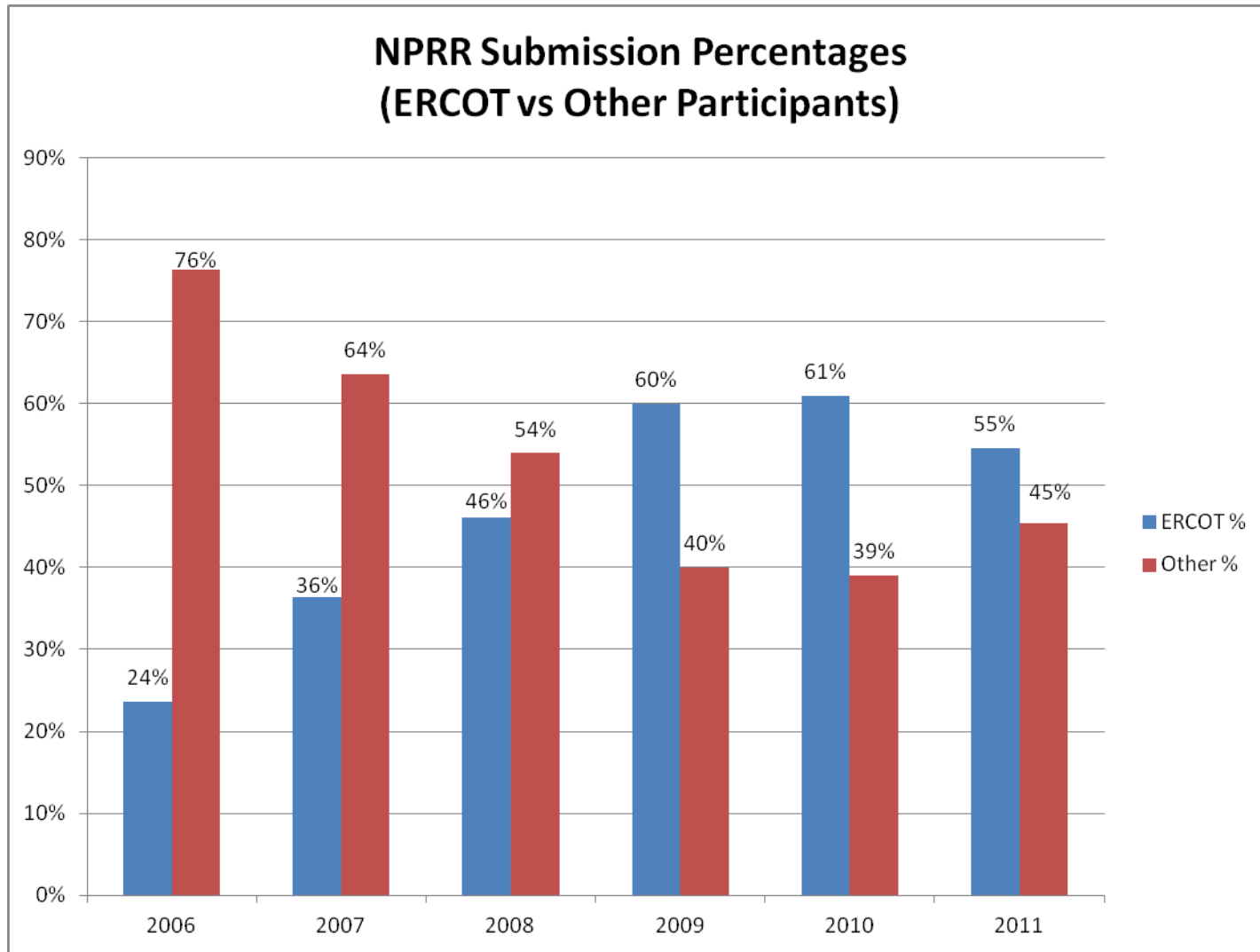
Market Rules staff managed an average of 78 revisions each month during 2011.

The number of new guide revision requests filed in 2011 was comparable to 2010; however, more 30 more NPRRs were filed in 2011 than 2010.

Total New Revision Requests Submitted by Year



Market Rules Update



* The 2006-2007 stats are deceiving as ERCOT staff was often taking NPRRs to the Transition Plan Task Force to get their endorsement and then TPTF would submit the NPRR.

This helped to speed the process as PRS was sending all NPRRs through TPTF prior to considering the language.

ERCOT Staffing Impacts due to Market Rule Changes

Summary of Staffing Impact of Revision Requests By Department

--- Board Approved ---			Incremental Labor Impact of Change	Net ERCOT Staffing Impact		
Revision Request	Division	Department Name	Labor Effort (in FTEs*)	Additional FTEs Required	Budget Impact	Status / Comments
SCR760	Operations	Network Modeling	2.20	0	\$0	Absorbed in 2012 budget and staffing plan
NPRR286	Corporate	Credit	0.50	0	\$0	Absorbed in 2012 budget and staffing plan
NPRR365	Operations	Outage Coordination	2.00	2	\$240k-\$260k	Board approved - 9/20/2011
NOGRR054	Compliance	Compliance	1.00	0	\$0	Absorbed in 2012 budget and staffing plan
Board-Approved Items			5.70	2		

--- In-Flight at Board/TAC ---						
NPRR327	Operations	Operations Support	1.00	1	\$125k-\$135k	Tabled for 1 month at 1/5/2012 TAC meeting
NPRR408	Operations	Resource Integration	0.10	0	\$0	Up for vote at 1/17/2012 Board meeting
In-Flight at TAC			1.10	1		

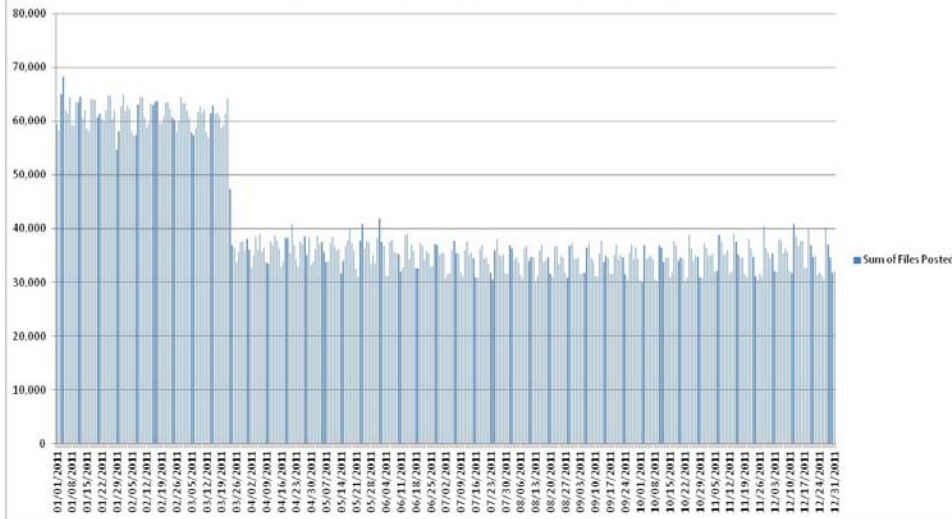
Total of All Items	6.80	3
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*FTE = Full Time Equivalent Staff

This slide documents additional staff required to support ongoing ERCOT operations activities

Enterprise Information – Extracts & Reports

Enterprise Information - Extract & Report Postings



2011 Statistics

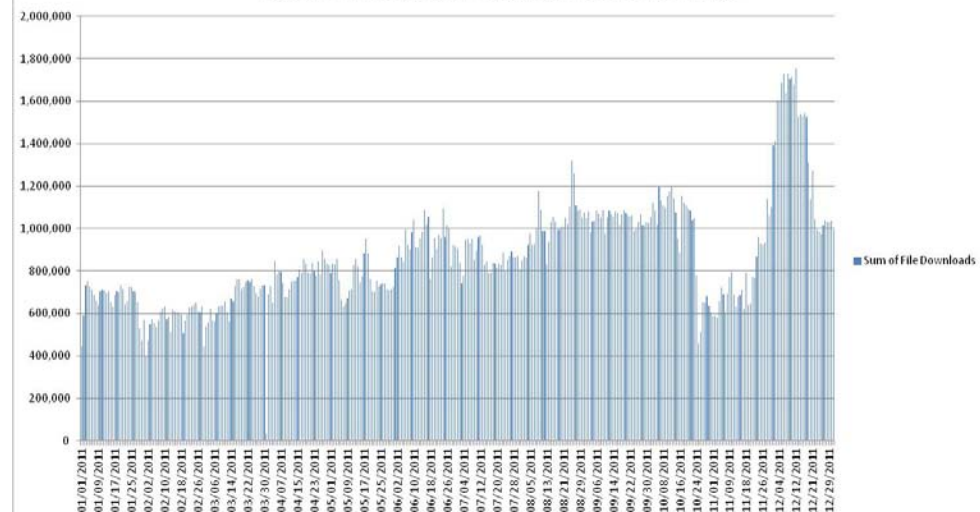
<i>Postings</i>	<i>Downloads</i>
Total = 14,896,578	Total = 315,365,533
87% - Certified	88% - Public
7% - Secure	9% - Secure
6% - Public	3% - Certified

December 2011 Statistics

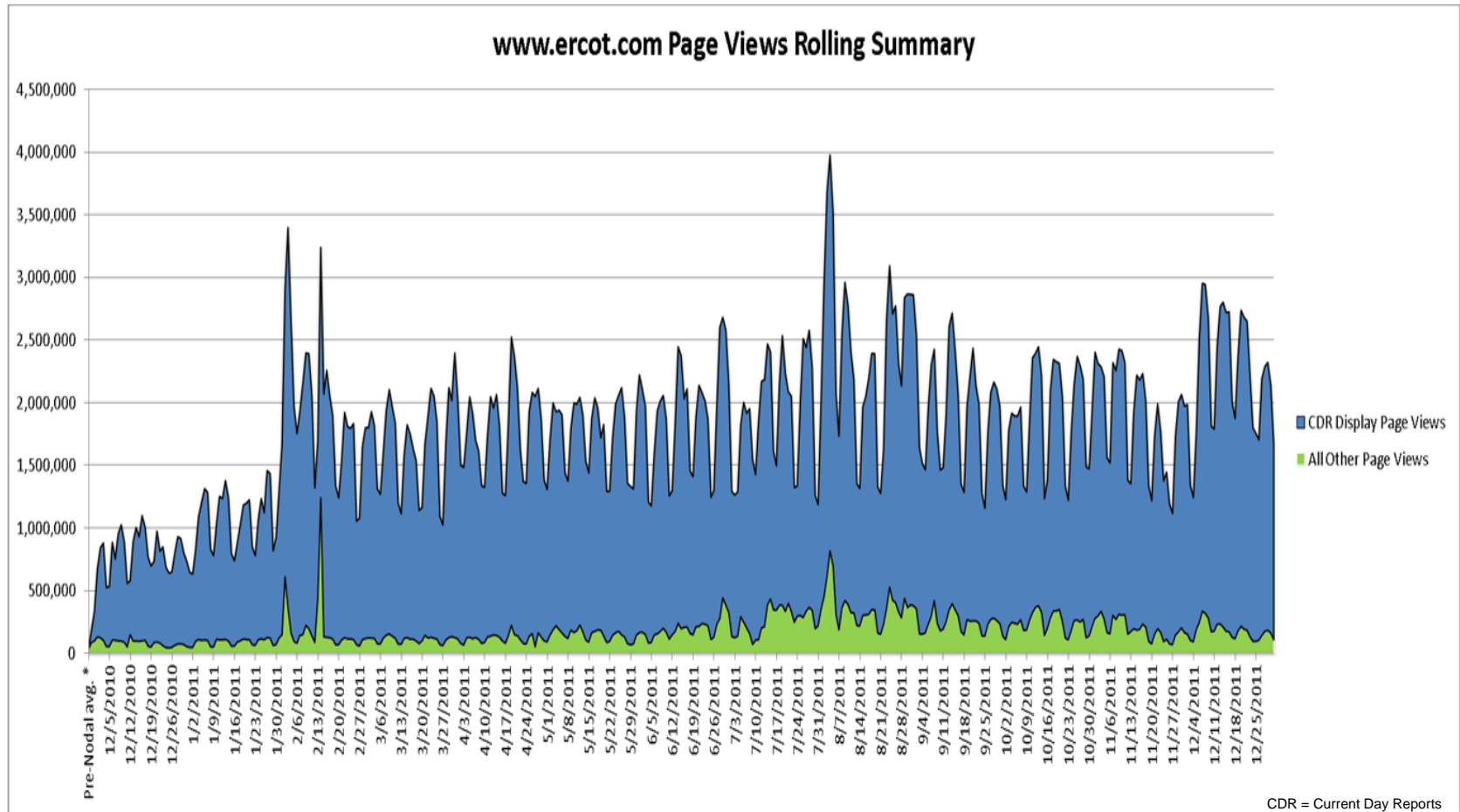
<i>Postings</i>	<i>Downloads</i>
Total = 1,085,124	Total = 22,211,635
86% - Certified	78% - Public
8% - Secure	19% - Secure
6% - Public	3% - Certified

- Spike in downloads in early December 2011 was due to one Market Participant's download behavior

Enterprise Information - Extract & Report Downloads



Enterprise Information – Public Media



December 2011 Social Media Statistics

Social Media	Followers	Lists	Total Messages	Total # of Users Reached	Likes	Total re-tweets
Facebook	957	n/a	24	5198	15	17
Twitter	2,632	84	24	unknown	n/a	68

Appendix

Stabilization Defect Summary

- **2,249 Defects Identified**
 - # of Deferred Defects at Nodal Go-Live – 958
 - # of Stabilization Defects Opened – 1,291
- **1,553 Defects Closed (Fixed or Marked Invalid)**
 - Market Facing
 - # of Defects Closed – 248
 - Stabilization – 152
 - Deferred Defects – 96
 - Internal
 - # of Defects Closed – 1,305
 - Stabilization – 994
 - Deferred Defects – 311
- **696 Defects Remaining**
 - Market Facing
 - Defects Remaining – 52
 - Forecasted for 2012 completion – 46
 - Under consideration for future years – 6
 - Internal
 - Defects Remaining – 644
 - Forecasted for 2012 completion – 252
 - Under consideration for future years – 392

Stabilization Deliveries

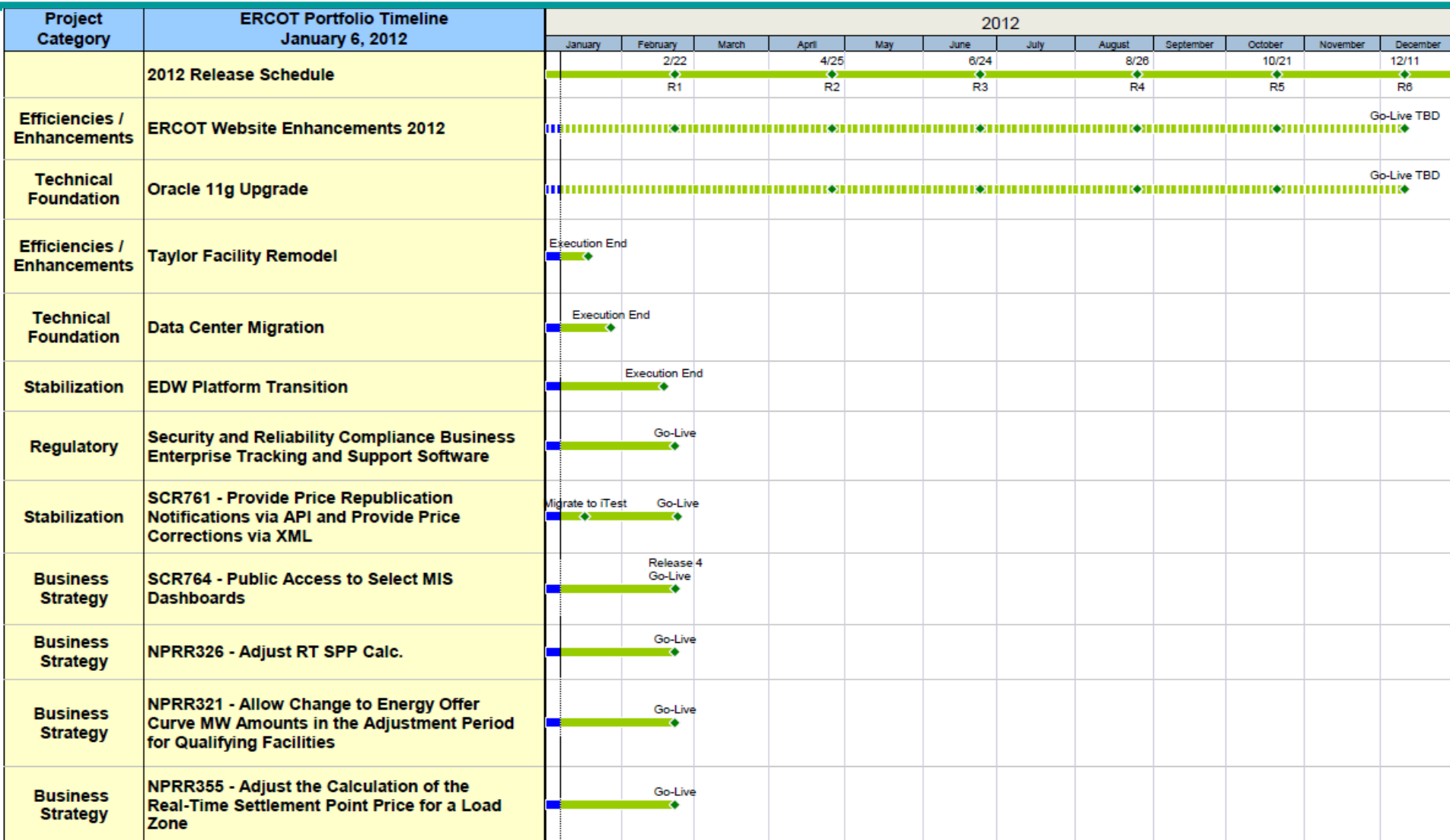
- **Completed NPPR Projects-23**

- NPPR208, Registration and Settlement of Distributed Generation (DG) Less Than One MW
- NPPR221, Day-Ahead Market and Real-Time Market Default Allocation Changes
- NPPR251, Synchronization of PRR845, Definition for IDR Meters and Optional Removal of IDR Meters
- NPPR258, Synchronization with PRR824 and PRR833 and Additional Clarifications
- NPPR282, Dynamic Ramp Rates Use in SCED
- NPPR285, Generation Resource Base Point Deviation Charge Corrections
- NPPR290, ERCOT Publication of DAM PSS/E Files
- NPPR293, Requirement to Post PTP Obligation Quantities Awarded in DAM
- NPPR302, Correct Fuel Type Language for Mitigated Offer Cap
- NPPR303, Requirement to Post PTP Options Cleared in DAM or Taken to Real-Time
- NPPR307, Change SASM Offer Procedures
- NPPR310, Expand Output Schedule Acceptable Range to Include HSL and LSL
- NPPR316, Negative Self-Arranged Ancillary Services Quantity
- NPPR320, Minimum PTP Option Bid and Settlement
- NPPR323, Correct DAM Credit Exposure Language and Enable Qualified Expiring CRRs to Offset PTP Bid Exposure
- NPPR329, Security Classification Changes for Extracts/Reports
- NPPR338, Modifications to Support Revenue Neutrality
- NPPR339, Modifications to Heuristic Rules
- NPPR341, Remove Ancillary Service Offers from SASM that do not Meet the Lead Time
- NPPR343, CRR Bid and PTP Obligation Bid Criteria Change
- NPPR346, Removal of Redundant Posting Requirement Related to Electrical Bus Changes
- NPPR350, Change to the Security Classification of the System Ancillary Service Capacity Monitor Dashboard
- NPPR376, CRR Volume Limitation

Stabilization Deliveries (cont.)

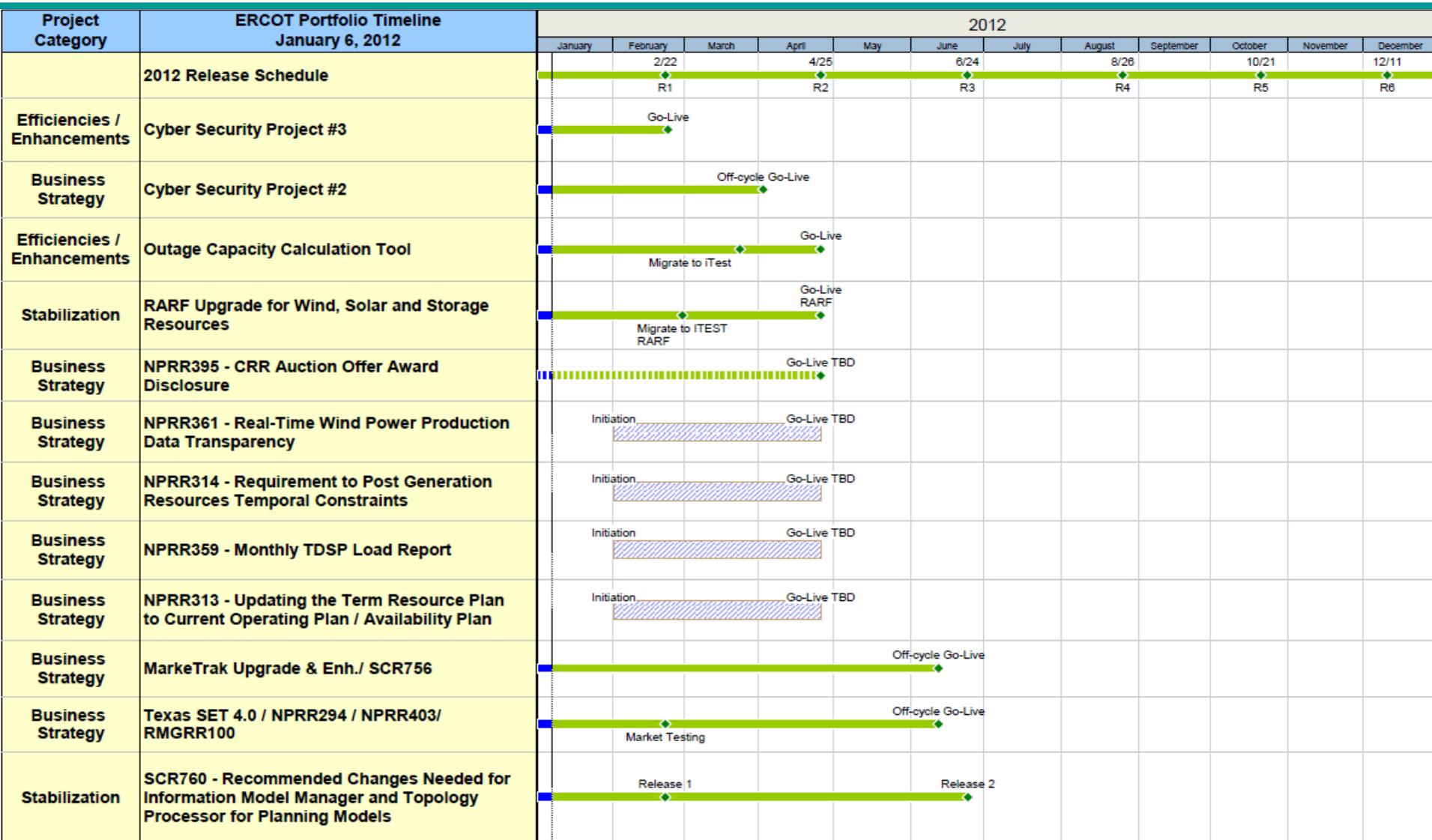
- **Completed SCR Projects**
 - Phase 1 SCR760, Recommended Changes Needed for Information Model Manager and Topology Processor for Planning Models. Phase 1, comprised of enhancements 3, 7 and 8, SCR762, Enable a Single Step Cancel/Resubmit of Trades
 - SCR763, Modify COP Validation Rule for RRS
 - SCR764, Public Access to Select MIS Dashboards
 - SCR765, Public Aggregated Wind Dashboard
 - SCR766, Load Zone and Hub LMPs Distributed by ICCP
- **Other Completed Projects / Initiatives**
 - Planning Model Go-Live
 - Zonal Applications Decommissioning
 - Texas Market Link migration to the Market Information System
 - ERCOT.com Homepage Improvements
 - Grid Conditions and Today's Outlook Forecast/Load Dashboard
 - EEA notices via Notice Builder
 - 48-Hour and 61 Day Disclosure Reports
 - Information System Management extract tuning and performance improvements
- **In Progress Projects**
 - Planning completed under Stabilization; 2012 R1 target release
 - NPRR321, Allow Change to Energy Offer Curve MW Amounts in the Adjustment Period
 - NPRR326, Adjust the Calculation of the Real-Time Settlement Point Price for a Resource Node
 - NPRR355, Adjust the Calculation of the Real-Time Settlement Point Price for a Load Zone
 - Planning & Development completed under Stabilization; 2012 R1 target release
 - SCR761, Provide Price Republication Notifications via API and Provide Price Corrections via XML
 - Nodal System Monitoring Upgrade

ERCOT Portfolio Status Report (as of 1/06/2012)



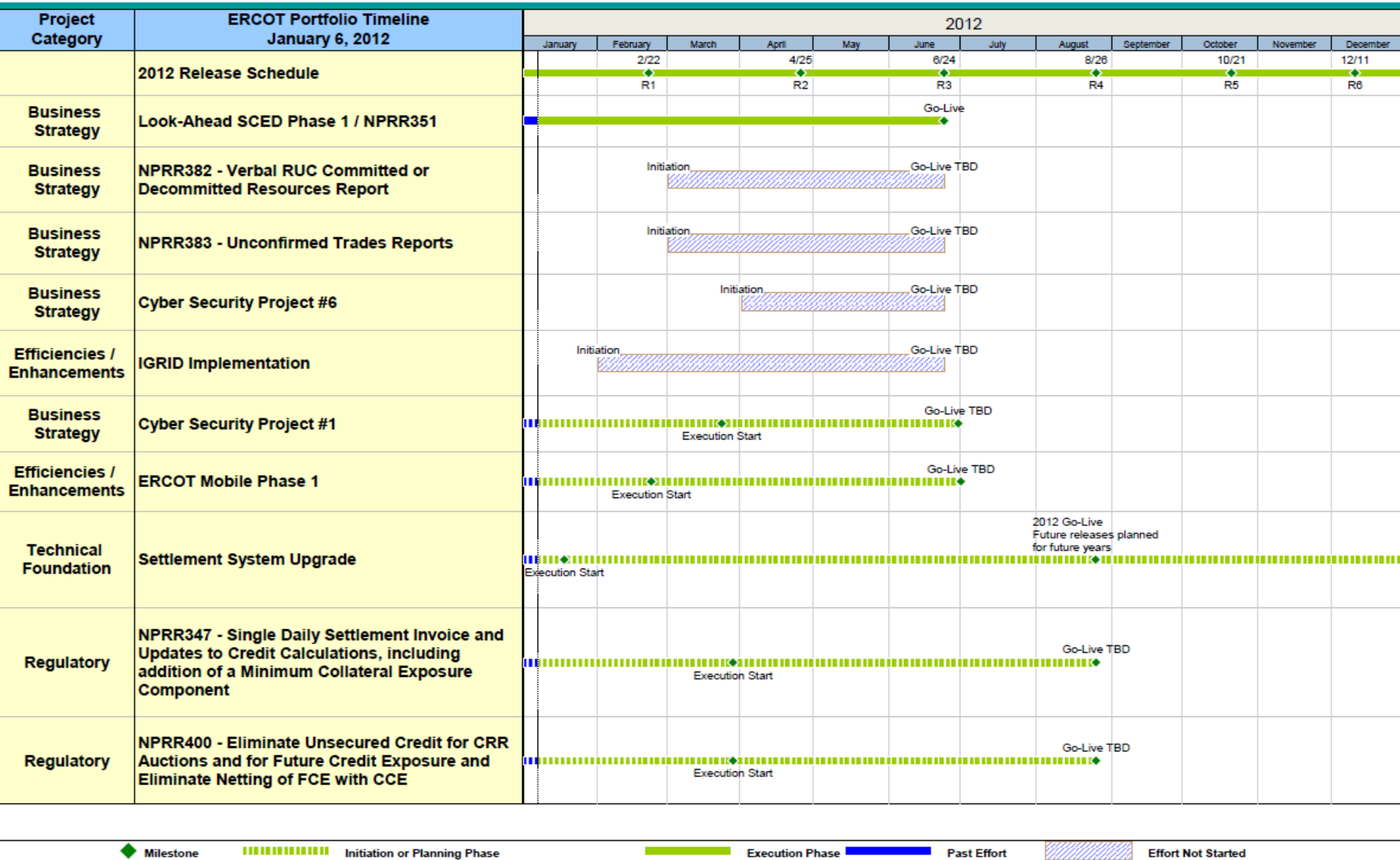
 Milestone
  Initiation or Planning Phase
  Execution Phase
  Past Effort
  Effort Not Started

ERCOT Portfolio Status Report (as of 1/06/2012)

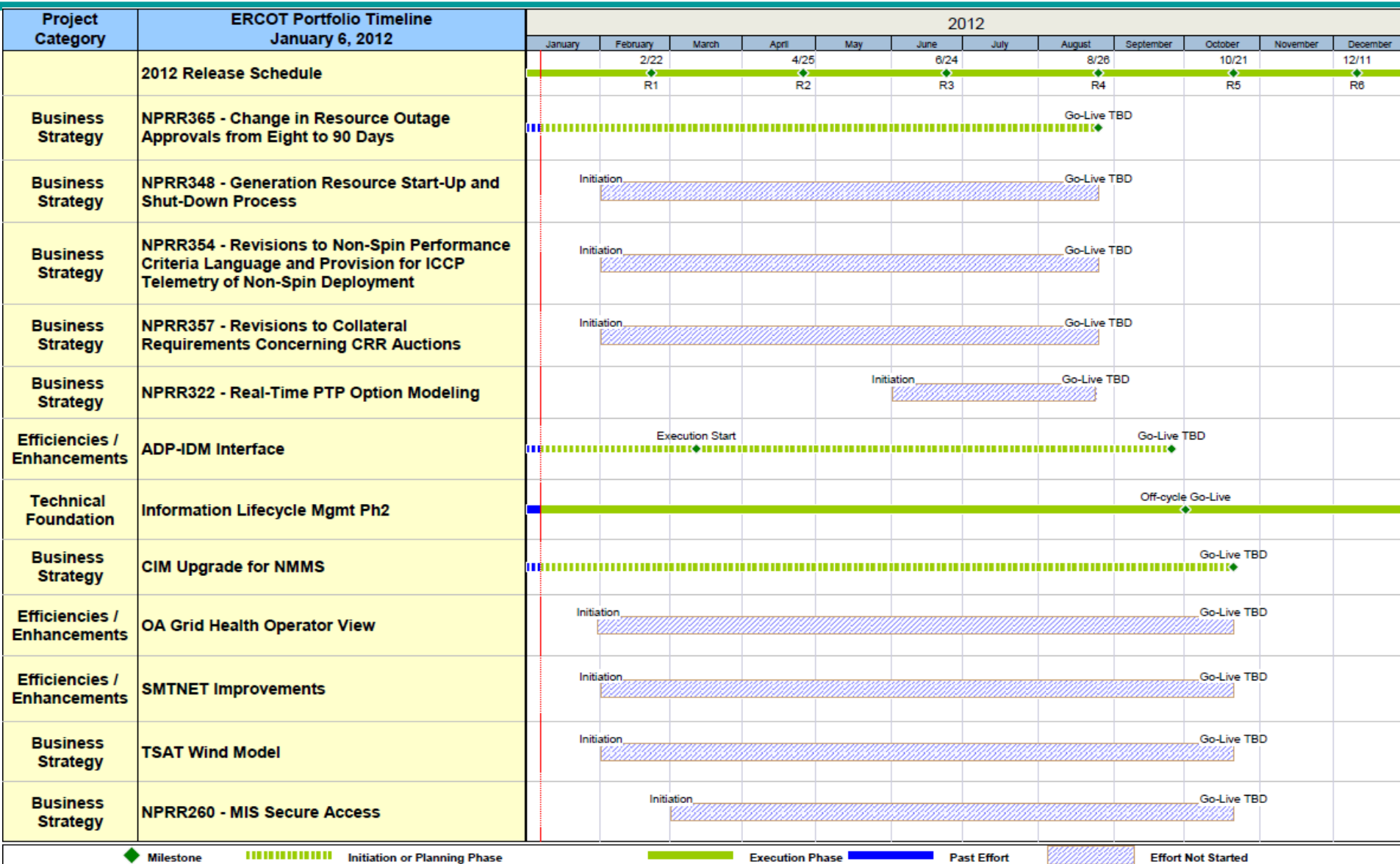


 Milestone
  Initiation or Planning Phase
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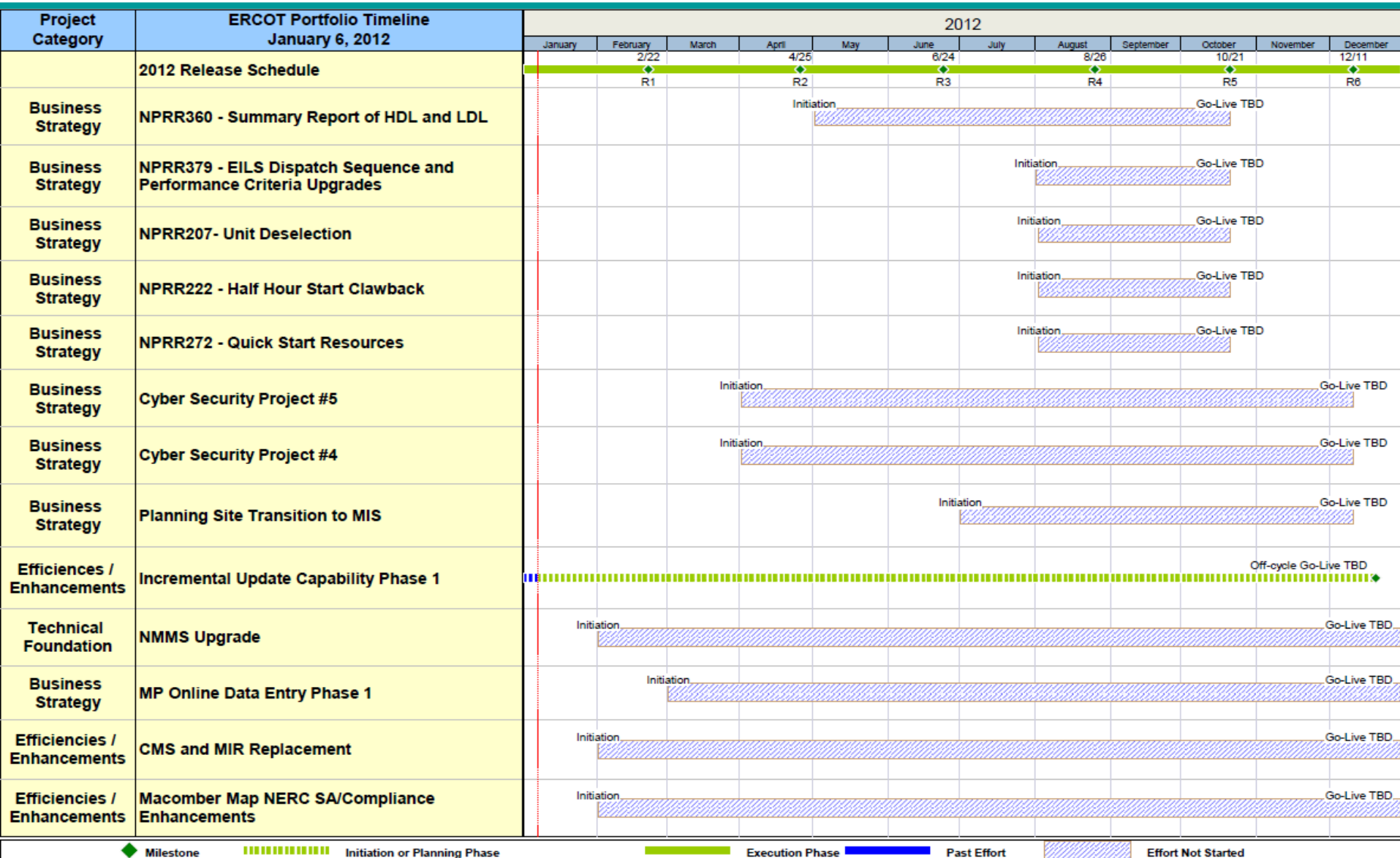
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