



Financial Summary

**Board of Directors Meeting
February 21, 2012**

Financial Performance - As of January 31, 2012

(\$ in Millions)

YTD BUDGET VS. ACTUAL PERFORMANCE: \$5.0 MILLION FAVORABLE

REVENUES \$5.7 Million favorable 2011 Carry Forward
\$0.6 Million unfavorable System Administration Fee

EXPENSES \$0.4 Million unfavorable Outside Services
\$0.2 Million favorable Facilities & Equipment Cost

YEAR-END PERFORMANCE FORECAST: \$5.5 MILLION FAVORABLE

REVENUES \$5.7 Million favorable 2011 Carry Forward

EXPENSES \$3.6 Million unfavorable Outside Services
\$3.2 Million favorable Salary & Benefits
\$0.2 Million favorable Hardware/Software Maintenance & Licenses

Financial Summary - As of January 31, 2012

(\$ in Millions)

	Year to Date				End of Year			
	Budget	Actual	Variance		Budget	Forecast	Variance	
			\$	%			\$	%
Revenue								
System Administration Fee	\$ 10.7	\$ 10.1	\$ (0.6)	(5.6)	\$ 137.7	\$ 137.7	\$ -	-
NERC Electric Reliability Organization Fee	1.1	1.1	-	-	13.1	13.1	-	-
Wide-area Network Fees	0.2	0.2	-	-	2.8	2.8	-	-
Generation Interconnection Study Fees	-	-	-	n/a	0.4	0.4	-	-
Other Revenue	0.1	0.1	-	-	0.4	0.4	-	-
2011 Carry Forward	13.7	19.4	5.7	41.6	13.7	19.4	5.7	41.6
Total - Revenue	25.8	30.9	5.1	19.8	168.1	173.8	5.7	3.4
Expense (excluding Depreciation)								
Salary & Benefits	6.1	6.2	(0.1)	(1.6)	74.4	71.2	3.2	4.3
Facility & Equipment Costs	1.1	0.9	0.2	18.2	13.3	13.3	-	-
Hardware/Software Maintenance & Licenses	1.4	1.3	0.1	7.1	20.1	19.9	0.2	1.0
Outside Services	0.7	1.1	(0.4)	(57.1)	3.2	6.8	(3.6)	(112.5)
Other	0.4	0.3	0.1	25.0	5.0	5.0	-	-
Subtotal - Operating Expense	9.7	9.8	(0.1)	(1.0)	116.0	116.2	(0.2)	(0.2)
NERC Electric Reliability Organization	1.1	1.1	-	-	13.1	13.1	-	-
Market Monitoring	0.2	0.2	-	-	2.8	2.8	-	-
Protocol Services	0.1	0.1	-	-	1.0	1.0	-	-
Revenue-Funded Portfolio Expenditures (40%)	0.7	0.6	0.1	14.3	6.0	6.0	-	-
Principal Repayment	2.2	2.2	-	-	26.2	26.2	-	-
Interest Payments	0.2	0.3	(0.1)	(50.0)	3.0	3.0	-	-
Total - Expense	14.2	14.3	(0.1)	(0.7)	168.1	168.3	(0.2)	(0.1)
Excess/(Deficit) of Revenue Over Expense	\$ 11.6	\$ 16.6	\$ 5.0	43.1	\$ -	\$ 5.5	\$ 5.5	n/a

Project Expenditures - As of January 31, 2012

(\$ in Millions)

Cost Summary	Life to Date				Estimate at Completion			
	Budget	Actual	Variance		Budget	Forecast	Variance	
			\$	%			\$	%
Data Center	\$ 43.3	\$ 43.1	\$ 0.2	0.5	\$ 44.7	\$ 43.4	\$ 1.3	2.9
Settlement System Upgrade	1.0	1.1	(0.1)	(10.0)	6.3	6.8	(0.5)	(7.9)
Information Lifecycle Mgmt	0.7	0.9	(0.2)	(28.6)	2.0	1.9	0.1	5.0
Texas Standard Electronic Transaction (SET) 4.0	1.0	1.0	-	-	1.8	1.8	-	-
Oracle 11G Upgrade	0.3	-	0.3	100.0	1.4	1.4	-	-
MarkeTrak Upgrade/Enhancements	0.5	0.5	-	-	1.2	0.8	0.4	33.3
SCR760 Info Model Manager & Topology Processor	0.3	0.3	-	-	1.0	1.0	-	-
Security Admin Gateway Environment (SAGE)	0.5	0.2	0.3	60.0	0.9	0.9	-	-
Look Ahead SCED	0.1	0.1	-	-	0.7	0.7	-	-
NPRR347/400	0.1	0.1	-	-	0.7	0.7	-	-
Taylor Facilities Upgrade	0.6	0.6	-	-	0.6	0.6	-	-
Security and Reliability Compliance Software	0.4	0.3	0.1	25.0	0.5	0.4	0.1	20.0
Minor Capital	-	-	-	n/a	0.5	0.5	-	-
Capital Efficiencies & Enhancements Release 1	-	-	-	n/a	0.5	0.5	-	-
Other Portfolio Projects	1.6	1.3	0.3	18.8	2.8	2.5	0.3	10.7
Total - Project Expenditures	\$ 50.4	\$ 49.5	\$ 0.9	1.8	\$ 65.6	\$ 63.9	\$ 1.7	2.6