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Gregory D. Pierce
Director Transmission Compliance

February 11, 2010

VIA ELECTRONIC FILING

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Entergy Services, Inc.; Docket No. ER05-1065-000
Report of AFC-Related Errors

Dear Secretary Bose:

Pursuant to the Federal Energy Regulatory Commission's ("Commission") April 24, 2006 Order in *Entergy Services, Inc.*, 115 FERC ¶ 61,095 (2006) ("April 24 Order"), Entergy Services, Inc., acting as agent for the Entergy Operating Companies,¹ hereby notifies the Commission it has recently become aware of the following AFC-related error.

In the April 24 Order, the Commission conditionally accepted Entergy's proposal to establish an Independent Coordinator of Transmission ("ICT") for the Entergy System. As the Commission is aware, the Southwest Power Pool, Inc. acts as Entergy's ICT. In the April 24 Order, the Commission imposed an obligation for Entergy to "notify the Commission, the ICT and the Users Group within 15 days if Entergy discovers that it has lost data, or reported inaccurate data, or otherwise believes that it has mismanaged data." See April 24 Order at P 110. Accordingly, Entergy submits the following explanation of reported inaccurate data and mismanagement of data.

¹ The Entergy Operating Companies include: Entergy Arkansas, Inc., Entergy Gulf States Louisiana, LLC, Entergy Louisiana, LLC, Entergy Mississippi, Inc., Entergy New Orleans, Inc., and Entergy Texas, Inc. The Entergy Operating Companies and Entergy Services, Inc. are referred to collectively herein as "Entergy."

Incorrect Bus number in the Study Horizons

On January 27, 2010, Entergy discovered that a change on January 18, 2010 made to the monthly models in the Study Horizon contained an incorrect bus number. When a change to a monthly model is made, the Limiting Element (LE) and Contingent Element (CE) on the flowgate list posted on OASIS are reviewed to ensure that the model contains accurate information. The BATBA_LSPXFR flowgate had an incorrect bus number associated with its CE, but continued to be associated with various transmission paths and had a calculated AFC value. As a result of the incorrect bus number, the Response Factor for the BATBA_LSPXFR flowgate was likely less than what the response factor would have been had the correct bus number been associated with its CE. Upon further investigation, it was determined that no Transmission Service Requests (TSRs) were impacted by the incorrect bus number and the AFC on the BATBA_LSPXFR flowgate was adequate across all time points of the Study Horizon. The bus numbers were corrected on January 27, 2010, and a new model was put in production on February 4, 2010.

Network Resource Designation

On February 1, 2010, Entergy discovered that the software logic in RFLOADER to enforce Network Resource Designation (NRD) limits was not working. Upon further investigation, it was determined that the NRD logic was inadvertently disabled as a result of a configuration change to disable the zonal import limit logic in RFCalc as recommended by the AFC Modeling Improvements Task Force. Therefore, the NRD limits were not enforced in the calculation of AFCs since November 12, 2009. A temporary work around was implemented on Feb 1, 2010, to enable the NRD logic with a permanent software correction to be deployed upon development and testing. An impact analysis indicated that this error may have impacted the dispatch of SPO generators at approximately nine plants.

ATC = Zero Posting

On February 1, 2010, Entergy discovered that the ATC = Zero Report posted on OASIS did not contain the date range on the paths for which the ATC equaled zero for a period of six months or longer. The file which contains the information was changed due to the transition to OATi OASIS on September 28, 2009 and resulted in the exclusion of the date range. All data was available and the corrected files were uploaded to OASIS on February 2, 2010. The posting had no impact on the calculation of AFC values.

Preemption Issue

On January 28, 2010, a transmission customer requested additional information from Entergy regarding preemption of unconfirmed TSRs and any competition lead time that was required prior to implementation of preemption. As a result of the request, Entergy initiated a review and discovered that some of the Competition and Unconditional Lead Times settings within Entergy's Competition Module of webTrans were different from the original values established during the transition to OATi

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webOASIS and webTrans on September 28, 2009. All settings were corrected by February 4, 2010. Entergy continues to review the issue to determine any impact on the processing of TSRs.

In the event that further information is needed, please do not hesitate to contact the undersigned.

Respectfully submitted,
/s/Gregory D. Pierce
Gregory D. Pierce
Director, Transmission Compliance

cc: Southwest Power Pool, Inc.
ICT Users Group
Service List; Docket No. ER05-1065-000

CERTIFICATE OF SERVICE

I hereby certify that I have this 11th day of February, 2010, served the foregoing document upon the Southwest Power Pool, Inc., the ICT Users Group, and each person designated on the official service list compiled by the Secretary in this proceeding.

/s/ Nicole A. Livaccari

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