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August 25, 2008

**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,<sup>1</sup> hereby notifies the Commission it has recently become aware of the following AFC-related errors.

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 inaccurate flowgate modeling in the Planning Horizon and inaccurate response factor modeling.

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<sup>1</sup> 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."

### **Inaccurate Flowgate Modeling in OASIS Automation's Planning Horizon**

At approximately 10:00 AM on the morning of August 8, 2008, a transmission customer called the ICT questioning the values associated with a large number of flowgates in OASIS Automation ("OA"). ICT personnel verified that there was a data problem, ceased processing Transmission Service Requests ("TSRs") and contacted Entergy staff by approximately 10:10 AM. Entergy staff confirmed that the data in OA for a large number of flowgates on the Entergy system was "skewed" and that the affected flowgates' Total Transfer Capability values for the Planning Horizon were inaccurate. Entergy staff further ascertained that this problem was introduced to the Planning Horizon during an OA resynchronization at 9:19 AM on the morning of August 8, 2008.

During an OA resynchronization for all horizons at 9:19 AM, inaccurate Planning Horizon Data was introduced to OA. OA performed a scheduled planning horizon resynchronization at 11:40 AM and ICT personnel confirmed that this corrected the data in OA's Planning Horizon. The ICT resumed processing TSRs at 11:40 AM on August 8, 2008.

Between 9:19 AM and 10:10 AM, 94 TSRs were submitted and processed while OA was using the inaccurate Planning Horizon data. Entergy cannot determine at this time how many, if any, of these TSRs were acted upon improperly.

At this time Entergy staff believes that the inaccurate data is related to two back-to-back Internet Protocol Security Option routing daemon crashes and restarts that occurred the morning of August 8, 2008. Entergy is now testing a new version of the Internet Protocol Security Option routing daemon.

### **Flowgate Response Factors Modeled Incorrectly**

On August 14, 2008, Entergy staff discovered that RFCALC was unable to compute the line outage distribution factor ("LODF") for certain flowgates. Upon further review, Entergy staff determined that the inability to calculate LODF for certain flowgates was limited to those flowgates which had a circuit breaker or a zero impedance branch defined as a contingent element. This LODF calculation inability was found to affect two out of 526 flowgates on the Entergy system.

This LODF calculation inability affected response factor calculation in the Operating and Planning Horizons. At this time it is not known if the limitation affected any transmission service requests.

In order to correct the LODF calculation inability, a new network model was installed on production EMS servers on August 18, 2008. The new model corrected one of the flowgates, but at this time it is not known if the other flowgate's response factors are being calculated correctly. The software vendor for RFCALC is still researching this problem and until the issue is resolved the flowgate will be disabled.

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

Respectfully submitted,  
/s/ Floyd L. Norton, IV  
Floyd L. Norton  
Attorney for  
Entergy Services, Inc.

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 25th day of August, 2008, 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/ Kevin C. Frank  
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