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August 6, 2007

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 OASIS and OASIS Automation 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 certain OASIS function issues that may have resulted in the mismanagement of data.

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 recent OASIS function issues.

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

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Issue 1: OASIS Automation Re-direct Decrementing

Entergy became aware on July 20, 2007, while conducting pre-confirmed re-direct testing, that there was an issue with the way the OASIS Automation (“OA”) system was processing Transmission Service Requests (“TSRs”) involving re-directs. After reviewing this issue, Entergy concluded that the OA system was not properly assessing or reflecting impacts to Available Flowgate Capacity (“AFC”) associated with TSRs requesting re-directs. Entergy uncovered this issue while scrutinizing software fixes to prior reported issues in this docket.

When requests to re-direct TSRs were entered, new impacts to AFC across flowgates that would not be utilized by both the TSR parent and the re-directed TSR were not being properly decremented by OA. On the other hand, if a TSR parent and a TSR re-direct involved the same flowgates, and those flowgates became more constrained due to that TSR re-direct, then while that re-direct was in Study, Accepted, or Counteroffer mode, those flowgates’ AFC was not being properly adjusted to reflect that increased impact.

After testing to determine if this issue was in production, Entergy reported this issue to AREVA on July 27, 2007. AREVA is currently working to address this issue with the OA system and software.

This issue results in incorrect impacts to AFC being calculated during the time period between when a re-direct request is accepted and confirmed. For that window of time, subsequent TSRs could be incorrectly denied because the AFC shown on OASIS is less than it should be.

Issue 2: Bumping

While testing a fix for OA, an issue arose concerning the competing requests analysis (“Bumping Analysis”) for monthly TSRs in the study horizon. On July 24, 2007, Entergy ascertained that when processing such TSRs, the Bumping Analysis was not functioning properly. The competing request analysis is an OA software enhancement that assists with the complex evaluation and resolution of competing requests that the Commission has required for TSR processing.

Entergy evaluated the functionality of the Bumping Analysis by intentionally entering one TSR into the system that maxed out a particular flowgate’s AFC capacity and then entering a second TSR that, under FERC Order No. 638’s rules, would bump the first TSR. When doing the analysis of the second TSR, OA displayed that there was not enough AFC available to accommodate that TSR; however, it did not indicate that there were any competing TSRs to which AFC had been committed. The next step in the operators’ normal process would have been to refuse the second TSR request since the AFC to accommodate that request was not available across the implicated flowgates. However, in actuality, the AFC necessary for the

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second TSR would have been available if the first TSR had been properly bumped pursuant to the Commission's Order No. 638 priority requirements.

This issue occurred only in the Bumping Analysis for monthly TSRs in the study horizon. This problem was reported to AREVA as a critical issue on July 27, 2007. AREVA has assigned this issue a high priority and is working on resolving this software issue. Daily and weekly TSRs are being processed appropriately by OA and are not implicated by this issue.

The potential impact of this issue with the Bumping Analysis of OA is that monthly TSRs in the study horizon that should be accepted may be refused, if the operator on duty cannot monitor all affected TSRs and analyze them manually. Entergy notes to the Commission, however, that monthly TSRs in the study horizon that implicate the Bumping Analysis are relatively uncommon.

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 6th day of August, 2007, 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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