

Morgan, Lewis & Bockius LLP  
1111 Pennsylvania Avenue, NW  
Washington, DC 20004  
Tel. 202.739.3000  
Fax: 202.739.3001  
www.morganlewis.com

**Morgan Lewis**  
C O U N S E L O R S   A T   L A W

**Floyd L. Norton, IV**  
Partner  
202.739.5620  
fnorton@morganlewis.com

December 27, 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 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 OASIS issues involving the mismanagement of data utilized in the AFC process.

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. ("SPP") 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 recently discovered issues involving AFC related errors.

---

<sup>1</sup> 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."

### **Subsystem Definition Files**

On December 13, 2007, Entergy discovered four errors in the subsystem definition files used for the evaluation of transmission service requests (“TSRs”) in the Study Horizon portion of the AFC process. The Study Horizon subsystem definition files contain data regarding the sources and sinks used in the AFC calculation process. These source and sink definitions, which are comprised of buses associated with the Wrightsville source, the Crossroads source, the DellTPS source and the ENTEMO sink, were incorrectly modeled. These definitions have been corrected as of December 20, 2007. The Wrightsville and DellTPS errors did not affect the granting or denial of transmission service because no new monthly TSRs from either facility were processed during the time that the errors were present. The list of buses associated with oil and gas generation facilities for the ENTEMO sink was incomplete. However, due to the distributed nature of the generators comprising the ENTEMO sink, the incomplete modeling of the generator buses likely had little impact on the evaluation of Study Horizon TSRs.

### **Wrightsville Network Model Configuration**

On December 12, 2007, during a routine inspection of RFCALC Operating and Planning Horizons, Entergy discovered that the Wrightsville bus was not “connected” in the EMS State Estimator network model. The bus had been modeled as “off-line” to reflect the fact that the units were not generating power. RFCALC is designed to not calculate flowgate values for disconnected buses and ceased calculating flowgate values for transfer paths with Wrightsville as the source. However, in real-time system operations, the Wrightsville bus was actually in service even though the Wrightsville units were not generating power. Accordingly, the proper network model configuration would reflect the Wrightsville bus as “connected” in the EMS State Estimator network model and would model the Operating and Planning Horizons so that flowgate values would have been calculated. This configuration was reflected in the network model on December 12, 2007, approximately an hour after Entergy discovered the improper network model configuration. The impact of this modeling error is limited to transactions sourcing in Wrightsville. There is no evidence at this time that any TSRs were improperly denied or granted because of this event.

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.

Kimberly D. Bose, Secretary  
December 27, 2007  
Page 3

**Morgan Lewis**  
C O U N S E L O R S   A T   L A W

ICT Users Group  
Service List; Docket No. ER05-1065-000

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this 27th day of December, 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  
Kevin C. Frank  
Morgan, Lewis & Bockius LLP  
1111 Pennsylvania Ave., N.W.  
Washington, D.C. 20004  
Tel: (202) 739-5709