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June 3, 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 Data-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, hereby notifies the Commission it has recently become aware of errors in the AFC process affecting the modeling and evaluation of certain transmission service requests ("TSRs").

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 recently discovered issues involving the processing of TSRs with high segment counts, Flowgate Ratings on three flowgates, unusual network traffic, and a discrepancy in Unit Commitment ("UC") data.

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."

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TSRs with High Segment Counts

On May 19, 2008, the ICT informed Entergy personnel that it appeared some TSR data was not being included in certain loadflow models and was not reflected in the Study Horizon resynchronization performed on May 16, 2007. After reviewing the Study Horizon resynchronization and TSRs received, Entergy staff concluded that three TSRs with high segment counts had their later segments truncated.

Some TSRs are received from OASIS Automation ("OA") with high segment counts. These high segment counts occur because of the large number of hourly and daily changes to monthly and yearly TSRs. Once the study window exceeds the timeframe of daily and hourly redirects, the remaining monthly and yearly segments often exceed Microsoft Excel 2002's ("Excel") 256 column limit. Previously, TSRs files were opened with Excel to prepare each file for use with automation scripts.

TSRs with high segment counts exceeding the Excel's column capacity (256 columns) required a manual step to delete the hourly and daily segments to make room for monthly and yearly segments that needed to be reflected in the Study Horizon. This manual process overrode the "Segment Count" field with a lower number of segments to keep the column length at or below 256. The relevant segment information in the rightmost columns of the spreadsheet was then also manually changed.

The procedure for processing TSRs in the Study Horizon has been changed to remove the manual step which required opening the file with Excel. Entergy now uses an automated process involving a different program, Microsoft Access, to process the TSR file. The new process interprets each segment into a separate row in the Microsoft Access database table so that the 256 column limitation is removed and all segments are properly reflected.

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Flowgate Rating Values

On May 19, 2008, Entergy confirmed that three flowgates² were improperly modeled in the Operating, Planning and Study Horizons. As a result of these flowgate ratings having been modeled improperly, it is possible that TSRs implicating those flowgates could have been improperly granted or denied. The flowgate definition for Flowgate No. 064 was corrected on May 21, 2008, and Entergy expects to have corrected the definitions for the other two affected flowgates by June 6, 2008. At this time, it is not known what caused the flowgate ratings for these three flowgates to be defined improperly.

Possible Impact of Unusual Network Traffic on Specific Operating Horizon Resynchronizations

On May 19, 2008, between 02:00-04:00 and again from 14:00-16:00, the Internet Data Center ("IDC") which houses Entergy's OASIS website experienced unusual network activity. As a result, routine communications between the OASIS website and the OA server at the System Operating Center were intermittently interrupted during the times noted above.

On May 21, 2008, Entergy discovered that hourly Operating Horizon resynchronization operations for 02:15 and 14:15 on May 19, 2008 were affected by this unusual network activity. For each of these resynchronizations (02:15 and 14:15) and extending until the following scheduled Operating Horizon resynchronization (04:15 and 15:15), RFCALC completed resynchronization operations without all of the complete TSR information.

This event only impacted Operating Horizon resynchronizations and therefore its impact is limited to non-firm TSRs evaluated for the limited time period ending at 24:00 on May 20, 2008. It is inconclusive if the unusual network activity had any impact on the granting or denying of non-firm TSRs evaluated for the affected time period

² The three affected flowgates are:

Flowgate No. 179: MTOXF STNELD: Mt. Olive 230/115 kV Auto FTLO El Dorado - Sterlington 500 kV Flowgate currently rated 560 MVA and will be re-rated to 336 MVA (correction underway).

Flowgate No. 274: VLNXF VACTHB: Valentine 230/115 kV Auto FLTO Vacherie – Thibodaux 230 kV Flowgate currently rated at 300 MVA and will be re-rated to 336 MVA (correction underway).

Flowgate No. 064: CTHOU VALWAT: Coteau - Houma 115 kV FTLO Waterford - Valentine 230 kV Limiting element upgraded on 5/22/08 and re-rated to 286 MVA. Previous to upgrade, limiting element was erroneously rated to 227 MVA (should have been 239 MVA).

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UC Commitment Data Input File

On May 23, 2008, the ICT reported a discrepancy between the UC data input file used by RFCALC and the original UC file supplied by the SPO. The dispatch information for the Lewis Creek units was zero in the file used by RFCALC and not zero in the original file supplied by the SPO. A pre-processor is used to examine and modify the limits of generators in Amite South and WOTAB load areas to ensure that the minimum dispatch for units in these zones is met. The pre-processor did not detect a modeling discrepancy and this resulted in the zonal import calculation routines producing improper results for Lewis Creek generating units. The dispatch values, as well as minimum and maximum limits, were all set to zero for the units. This resulted in RFCALC modeling the Lewis Creek units incorrectly for the AFC calculations. The underlying discrepancy was resolved on May 28, 2008.

At this time it has not been determined if this incident had any impact on the evaluations of TSRs.

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 3rd day of June, 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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