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



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

May 7, 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, hereby notifies the Commission it has recently become aware of issues it believes involve the mismanagement of data and the inaccurate reporting 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 recently discovered issues involving modeling of equipment outages and the posting of effective ATC.

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."

Kimberly D. Bose, Secretary May 7, 2008 Page 2



# **AFC Outage Data File Incident**

On April 22, 2008, for a limited period of time, the AFC resynchronization ("resync") process did not reflect an equipment outage due to an input data file formatting error. This single equipment outage was improperly omitted from three consecutive hourly Operating Horizon resync processes from 16:15 through 18:15 on that day. At this time, Entergy does not believe Operating Horizon and Planning Horizon resync processes prior to or after the times listed above were affected.

At 13:35 on April 22, 2008 the pre-processor, which assembles outage information for the AFC System, encountered an error with a data record in the manually generated outage file. This data record was manually repaired at 18:35, at which time all outages were properly reflected in the AFC resync process.

Non-firm service sold in the Operating Horizon may have been impacted throughout the duration of this incident. The equipment outage which was not modeled was an active outage in real-time during this period. For each operating horizon resync, the AFC process uses the outages from the real-time state estimator for the first three hours of the Operating Horizon.<sup>2</sup>. Thus, the outage was modeled properly in the first three hours of AFC calculations in each resync mentioned in this report.

Three hourly non-firm service requests were evaluated throughout the duration of this incident. Two were accepted and confirmed, and one was refused. The refused request was denied due to insufficient AFC on AMRN\_TIECAPE and was not affected by this incident.<sup>3</sup> Thus, this incident may have resulted in the improper granting of two hourly non-firm transmission service requests.

## **Posting of Effective ATC**

On April 28, 2008 Entergy was notified by the ICT that the posted effective ATC Value was not being updated at fifteen-minute intervals on the Entergy Transmission website ("ET.com"). This case was traced to a process not operating on the OA Server. The server experienced a failover operation from "Server B" to "Server A" that morning at 02:41. This resulted in inaccurate postings of the effective ATC value from approximately 03:00 until 09:30, at which time the problem was fixed.

The Operating Horizon resync of RFCALC calculates AFCs for all hours of the Operating Horizon.

AMRN\_TIECAPE represents the contract path limit of AMRN and is independent of outages modeled in the manually generated outage file.

Kimberly D. Bose, Secretary May 7, 2008 Page 3



The effective ATC files saved on ET.com during the affected time period reflect the "stale" 02:30 data, although the correct data can be recreated if needed. No data was lost as a result of this incident.

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 7th day of May, 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

Kevin C. Frank Morgan, Lewis & Bockius LLP 1111 Pennsylvania Ave., N.W. Washington, D.C. 20004

Tel: (202) 739-5709