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March 7, 2007

BY HAND DELIVERY

Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Entergy Services, Inc.; Docket No. ER05-1065-000
Report on AFC Impact Log Files

Dear Secretary Salas:

Pursuant to the Federal Energy Regulatory Commission's ("Commission") April 24, 2006 Order in *Entergy Services, Inc.*, 116 FERC ¶ 61,095 (2006) ("April 24 Order"), Entergy Services, Inc., acting as agent for the Entergy Operating Companies,¹ hereby notifies the Commission that certain Available Flowgate Capacity ("AFC") Impact Logs covering the period of time between October 27, 2006 and November 12, 2006 were not recorded on the Entergy computer system.

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.

AFC Impact Log Files

The AFC Impact Log files are created by the OASIS Automation ("OA") software and record information associated with the detailed calculations used to evaluate Transmission Service

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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Requests (“TSRs”) at the time the evaluations are performed. The files contain the calculations used for each evaluation including, but not limited to, the capacity requested, the impacted flowgates, the pre-existing flows on those flowgates, the sensitivity of the requested path on each flowgate, the impact of the request on each flowgate, and other information regarding OA resynchronization events. Most importantly to the current issue, each line of data recorded in the AFC Impact Log files is accompanied by a timestamp indicating the precise time, to the second, at which the record was written to the file.

The information contained in the AFC Impact Logs can be used to perform an ex-post audit of each TSR evaluation and to identify the flowgate constraints that might limit transmission service or to verify that sufficient flowgate capacity is available to accept a request. In most circumstances, the level of detail provided in the AFC Impact Logs is more than is necessary to perform an ex-post audit.

Deficient AFC Impact Log Files

On February 5, 2007 the ICT requested from Entergy AFC Impact Log files for October 26 and 27, 2006. While attempting to retrieve the requested data, Entergy discovered that the AFC Impact Log file for October 27 was incomplete. Further investigation revealed that the OA software failed to create AFC Impact Logs from approximately noon on October 27, 2006 to 9:30 a.m. on November 12, 2006.

Although further investigation is required to conclusively identify the exact cause of the incomplete AFC Impact Log files, evidence suggests that the issue may be related to the installation of new OA software “patches” provided by AREVA, the OA software vendor. One patch, OASIS Automation release 4.6.0, was installed on October 11, 2006, and problems were reported after this release went into production on October 27, 2006. The problems related to a comment field for counteroffers and enhancements to the available profile. A subsequent patch, release 4.6.1.1, went into production on November 1, 2006. The correlation between these patches and the occurrence of software errors lead both AREVA and Entergy to believe that the OA software’s failure to create the AFC Impact Log files is likely to be related to the two patches that were introduced during the same period.

While Entergy initially believed that it would be possible to produce the information contained in the files to the extent needed to perform an audit of each TSR evaluation, Entergy subsequently determined, on February 20, 2007, that it would not be possible to create every element of the AFC Impact Log files. This difficulty is discussed below.

Corrective Actions

Entergy notified AREVA of the missing AFC Impact Log files on February 5, 2007, and concurrently implemented a manual process to verify creation of the AFC Impact Log files until

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a software solution was provided. AREVA provided a software correction on February 21, 2007. Pursuant to normal protocol, review and testing of the new software must be conducted prior to implementation on Entergy's system. Entergy has worked diligently to coordinate the review and testing of this change along with the review and testing of a major release of software related to the WPP process. Entergy plans to implement the software correction tomorrow, March 8, 2007.

Since discovery of this issue, Entergy has relied on a manual process to verify that the AFC Impact Log files are generated. Until final implementation of the software correction, Entergy personnel will continue to manually check the contents of the AFC Impact Log files four (4) times per day to ensure that the OA software is properly recording AFC Impact calculations. This manual procedure allows operators to identify any logging failure quickly and to remedy the problem in a timely manner. However, Entergy has identified no recurrence of the problem since the October 27, 2006 to November 12, 2006 period.

Feasibility of AFC Impact Log File Reconstruction

The AFC Impact Logs are created in real-time and present a snapshot of a complex and dynamic system. The timestamp of each event written to the AFC Impact Log is a function of the performance of Entergy's server at that time, including the programs that are running, the number of users accessing files, the commands being processed, etc. All of those factors influence how quickly the server records individual events. Because it is impossible to determine the status of the server at the time the AFC Impact Logs should have been created, it is not possible to construct the exact time at which each line in the file would have been written. Entergy's review of historical AFC Impact Log information revealed that much of the data written in the AFC Impact Log files was not recorded instantaneously but over a period of several seconds to several minutes.

As a result, the precise timing of OA evaluations cannot subsequently be determined with the information available. Although information exists in other files to identify important information about TSRs, such as when TSR status changed, when the TSR was queued, and when it was approved or refused, the exact time the OA evaluation occurred has not been recorded in other files. Entergy can establish approximate times that the OA evaluations were likely to have occurred, and in most instances, the level of detail available is sufficient to perform an ex-post audit.

Similarly, the precise timing of OA resynchronizations cannot be determined. In many cases it might be clear which power flow model or "resync" served as the basis for a set of calculations, but without the AFC Impact Log, no source definitively indicates the precise time of the OA resynchronization. In many instances, this level of detail is not necessary to reconstruct the basis for a TSR evaluation, but in some cases, the audit of a TSR evaluation could be affected by whether the evaluation occurred before or after a particular resynchronization. Accordingly,

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Entergy has concluded that it cannot at this time fully construct the deficient AFC Impact Log files.

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

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Floyd L. Norton, IV". The signature is fluid and cursive, with a long horizontal stroke at the end.

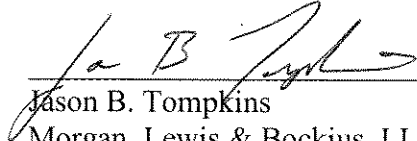
Floyd L. Norton, IV

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 March 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.



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