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February 1, 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,¹ 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.

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."

Improper Configuration of Certain Flowgates

On January 17, 2008, Entergy discovered errors in the flowgate definition files used for the evaluation of transmission service requests in the Operating and Planning Horizons of the AFC process. Flowgate definition files in the AFC process contain the contingent and monitored transmission facilities that define each flowgate. Flowgates in the AFC process are also monitored on a direction-specific basis. After completing a detailed review of the flowgate definition files, Entergy identified the following errors in the flowgate definition files used for the evaluation of TSRs in the Operating and Planning Horizons:

- An incorrect flow direction configuration for 29 flowgates; and
- An incorrect facility definition for 6 flowgates.

These errors could not have affected Study Horizon service, as the flowgate definitions in the Study Horizon software file were correct. The definitions for all erroneously modeled flowgates in the Operating and Planning Horizons were corrected on January 30, 2008.

On January 30, 2008, Entergy discovered an error in the flowgate definition file used for the evaluation of transmission service requests in the Study Horizon of the AFC process. After completing a detailed review of the flowgate definition files, Entergy ascertained that the flowgate definition file contained an incorrect flow direction convention for 1 flowgate in the Study Horizon. The definition for the erroneously modeled flowgate in the Study Horizon was corrected on January 31, 2008.

RFCALC Planning Horizon Resynchronization

On January 22, 2008, at 9:30 AM, due to an application aborting in the middle of the resynchronization process, the resynchronization of the RFCALC Planning Horizon failed to complete. This resulted in indeterminate data values in RFCALC. OASIS Automation (“OA”) next resynchronized with RFCALC for the Planning Horizon at 10:40 AM and received indeterminate AFC data values for the period of time from January 23, 2008 through February 21, 2008. The acquisition of indeterminate data values was a software error, as OA is designed not to capture data from RFCALC if resynchronization has failed.

The Planning Horizon resynchronization problem was the result of an error in ETEC sink modeling. The ETEC model became invalid after a new Network model was placed into production at 9:00 AM on January 22, 2008. This resulted in a data configuration error causing the application to abort due to an unexpected data error condition. During this time, the Operating Horizon resynchronizations of RFCALC properly occurred every hour without error.

The ICT became aware of the issue and, starting at approximately 1:30 PM, stopped processing

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service requests implicating the Planning Horizon. The ETEC data model problem was corrected by 6:40 PM on January 22, 2008 and confirmed through a manually initiated resynchronization sequence of RFCALC and OA.

Entergy has contacted AREVA to implement a permanent fix in the RFCALC validation process to properly handle subsequent data model configuration errors should a similar issue arise.

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 1st day of February, 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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