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July 31, 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 Error

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 an error in the AFC process affecting response factors for ENTEMO sink. Additionally, Entergy reports that it recently became aware that certain prior responses to Transmission Service Requests ("TSRs") may not have properly explained the reason why certain TSRs were refused.

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 certain response factor data errors and an explanation of improper descriptions of prior TSR refusals.

¹ 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."

Inaccurate Response Factor Reporting on OASIS

On July 17, 2008, the ICT questioned the list of generators in the network model used for response factor calculations. Entergy subsequently discovered that the list of generators used in response factor calculation for the ENTEMO sink differed from the list posted on OASIS. Upon further investigation, Entergy found that 19 out of the 63 generators listed on OASIS were not being used by RFCALC for the calculation of response factors for the ENTEMO sink.² These generators and their response factor values were not carried over to the network model at the time the file was updated. This caused the response factors used for the evaluation of TSRs in the Operating and Planning Horizons with a sink of ENTEMO to be incorrect.

The network model was corrected on July 18, 2008. The effect the incorrect response factors had on specific TSRs, if any, is unknown at this time.

Inaccurate Responses to TSRs

Pursuant to a Request for Production of TSRs counteroffered or refused for lack of AFC in an on-going civil action with the Louisiana Public Service Commission, Entergy reviewed certain TSR data and discovered that reportable OASIS posting inaccuracies occurred prior to effectiveness of the ICT Approval Order (November 17, 2006). These OASIS postings include the following categories of inaccuracies: (1) improper assignment of TSR status in OASIS as refused rather than invalid due to customer input errors; (2) failure to post the constraining flowgate associated with refused TSRs; (3) counteroffered TSRs that were retracted or declined but assigned refused status in OASIS; and (4) Entergy test case TSRs assigned refused status in OASIS. From Entergy's review of the data, it does not appear that any of the affected TSRs were refused in error.

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

² The generators affected were: CALCAS:G1ES; CALCAS:G2ES; LST:G10; LST:G11; LST:G12; MABELV:MABELV_1; MABELV:MABELV_2; MABELV:MABELV_3; MABELV:MABELV_4; SABINE:G1; SABINE:G2; SABINE:G3; SABINE:G4; SABINE:G5; STERLN:G6; STERLN:G7; STL500:G1ES; STL500:G2ES; STL500G3ES.

CERTIFICATE OF SERVICE

I hereby certify that I have this 31st day of July, 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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