

Control Number: 28832



Item Number: 154

Addendum StartPage: 0

PUCT DOCKET NO. 28832
ERCOT'S RESPONSES TO COMMISSION STAFF'S
FIFTH REQUEST FOR INFORMATION TO ERCOT

PUC DOCKET NO. 28832

**APPLICATION OF THE ELECTRIC
RELIABILITY COUNCIL OF TEXAS
TO CHANGE THE ERCOT SYSTEM
ADMINISTRATION FEE**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

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PUBLIC UTILITY COMMISSION
CLERK

**ERCOT'S RESPONSES TO THE COMMISSION STAFF'S FIFTH REQUEST FOR
INFORMATION TO ERCOT QUESTION NOS. JL-80 THROUGH JL-84**

TO: Interveners, Commission Staff of the Public Utility Commission of Texas (Staff), in the above referenced docket, by and through Patrick J. Sullivan, Attorney, 1701 N. Congress Avenue, P. O. Box 113326, Austin, Texas 78711-3326.

COMES NOW the Electric Reliability Council of Texas, Inc. (ERCOT), and makes the following attached Responses to *Commission Staff's Fifth Requests for Information to ERCOT Question Nos. JL-80 Through JL-84* filed on January 20, 2004. ERCOT's Response is due by January 27, 2004, and thus this Response is timely filed. ERCOT agrees and stipulates that all parties may treat these responses as if the answers were filed under oath.

Respectfully Submitted,

By: 

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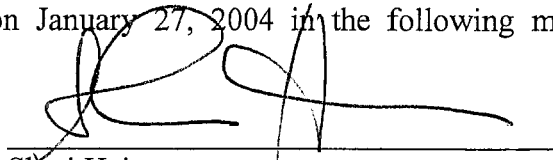
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CERTIFICATE OF SERVICE

I, Shari Heino, attorney for ERCOT, certify that a copy of this document was served on all parties of record in this proceeding on January 27, 2004 in the following manner: by facsimile, first class U.S. mail, or email.



Shari Heino

JL-80 Please provide a list of all ERCOT projects for 2003 and 2004 that have been abandoned or/and suspended. Please include the project number, project title, source, start-up date, estimate budget, actual expense, balance remaining and date of abandon or/and suspension.

RESPONSE: Projects that were canceled are listed under the "Closed" tab in ERCOT's project list provided in response to Commission Staff's Fourth Request for Information No. JL-65. This project list includes the most recent Project Priority List ("PPL") and listings of active and closed projects. Because "Closed" projects were never on active status, they do not have actual expenses associated with them. Projects that were delayed, re-scoped or prioritized lower by PRS and TAC still remain on the PPL, but are not included in the "Active" project listing. Projects on the PPL do not have any actual expenses or balances associated with them as they are not yet active. When a project is canceled or delayed, the planned budget dollars are available to other pending projects on the PPL. The entire capital budget amount approved by the ERCOT Board serves as a total spending limit for capital projects, somewhat like a "credit line." ERCOT's ability to reallocate remaining balances when a project is closed allows ERCOT to work further down the PPL and complete additional PUCT, Market and Internal projects while staying below the capital budget spending limit.

An example of delayed project that is still listed on the PPL is PR-30001, "Competitive Metering." This project, when planned for and budgeted in May 2002 for implementation in 2003, was anticipated to be a very large project that included not only large scale computer systems changes, but also purchase of a large number of network attached meters. As the Competitive Metering working group finalized its plans with the Commission in 2003 for this project, requirements were scaled back significantly. ERCOT was able to complete the minor changes with internal staff (and no capital project), and the large project itself was never brought to active, or charging status. The Competitive Metering working group is still considering whether it will need to complete the larger portion of this project; thus, it is kept on the PPL.

PREPARER: Steve Wallace

WITNESS: Steve Wallace

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JL-81 Please reference to JL-80. When a project is abandoned, what does ERCOT do with the remaining balance? Please provide your work-papers on how this is reflected in your budget request for 2004.

RESPONSE: Please see ERCOT's response to JL-80 above. For related workpapers, please see the PPL provided in response to Commission Staff's Fourth Request for Information No. JL-65 and Appendices F and G of Workpaper 19 of the Fee Filing Package.

PREPARER: Steve Wallace

WITNESS: Steve Wallace

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JL-82 What internal controls does ERCOT have to provide assurance that the budget amounts that the projects are assigned are reasonable?

RESPONSE: ERCOT's Program Management Office ("PMO"), in conjunction with Business and IT Project Managers, is made up of senior project management professionals with an average of 15 years experience in delivering projects for companies. Along with this valuable experience in project estimation, ERCOT uses standard estimating templates and practices. Prior to becoming active, Projects are reviewed by ERCOT business and IT managers and then approved by the ERCOT Operating Committee, which is made up of ERCOT's Executive Staff and chaired by the PMO. ERCOT's ability to estimate is evidenced by ERCOT's excellent track record of project estimation and, more importantly, project delivery as shown by ERCOT's project spending record. For a record of ERCOT's project spending in 2003, please see ERCOT's most recent Capital BTA spreadsheet provided in response to Commission Staff's Third Request for Information No. JL-46.

PREPARER: Steve Wallace

WITNESS: Steve Wallace

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JL-83 Please provide a list of all projects completed for 2003. In this schedule, please provide the project number, estimate budget and actual cost. If the project has a balance, please provide an explanation of what ERCOT did with the balance.

RESPONSE: Please see the Capital BTA spreadsheet provided in response to Commission Staff's Third Request for Information No. JL-46. This document lists the projects numbers, the estimated budget and actual spending, as well as spending percentage budget to actual. As discussed in ERCOT's response to JL-81 above, as the Capital Budget approved by the board acts as a total spending limit, any un-spent funds allow ERCOT to complete other projects that are on the Project Priority List.

PREPARER: Steve Wallace

WITNESS: Steve Wallace

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JL-84 Please provide a complete copy of the auditors report regarding consultant and/or contractors compliance. This audit report was completed in 2003.

RESPONSE: ERCOT's new Internal Auditor has not yet completed a review of consultants and/or contractors. ERCOT expects this report to be complete in late February 2004.

WITNESS: Maxine Buckles