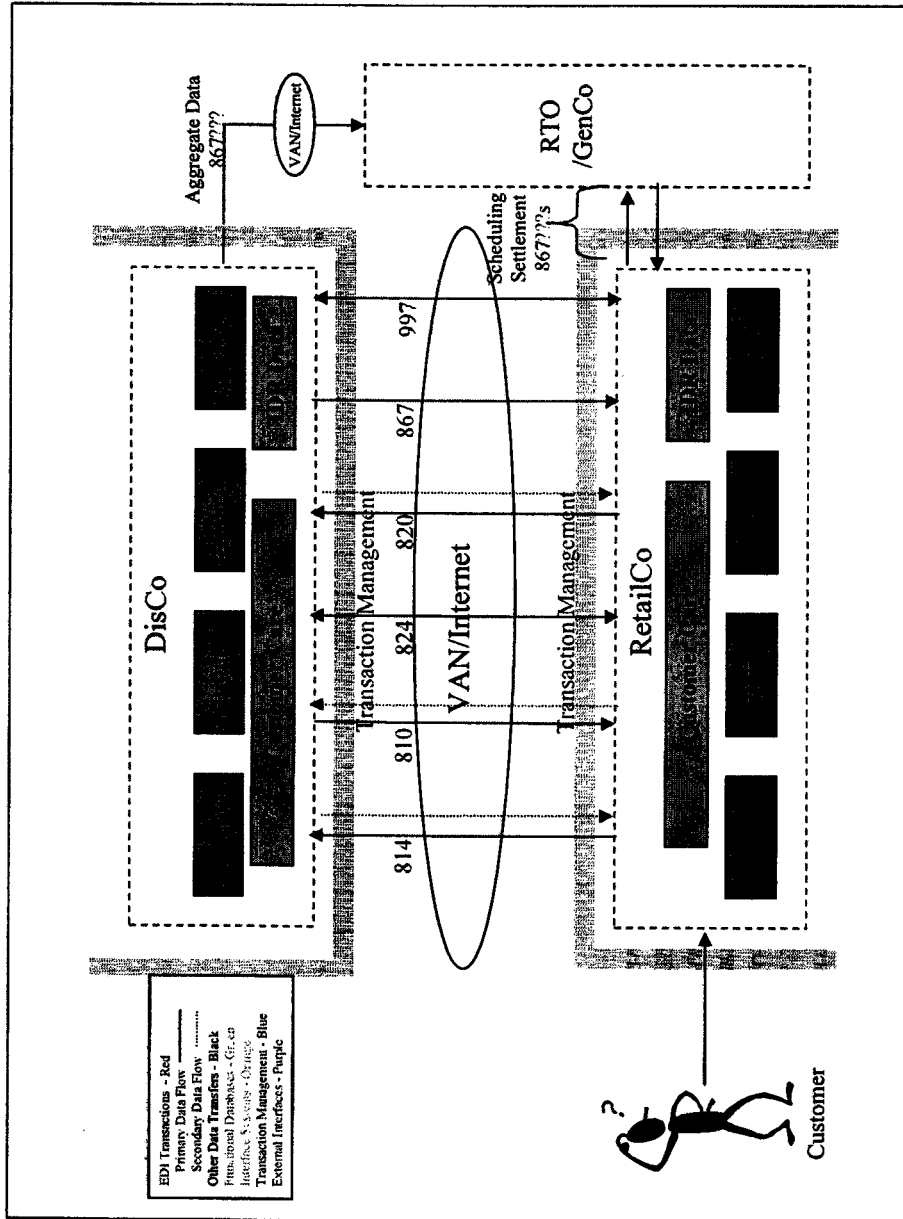
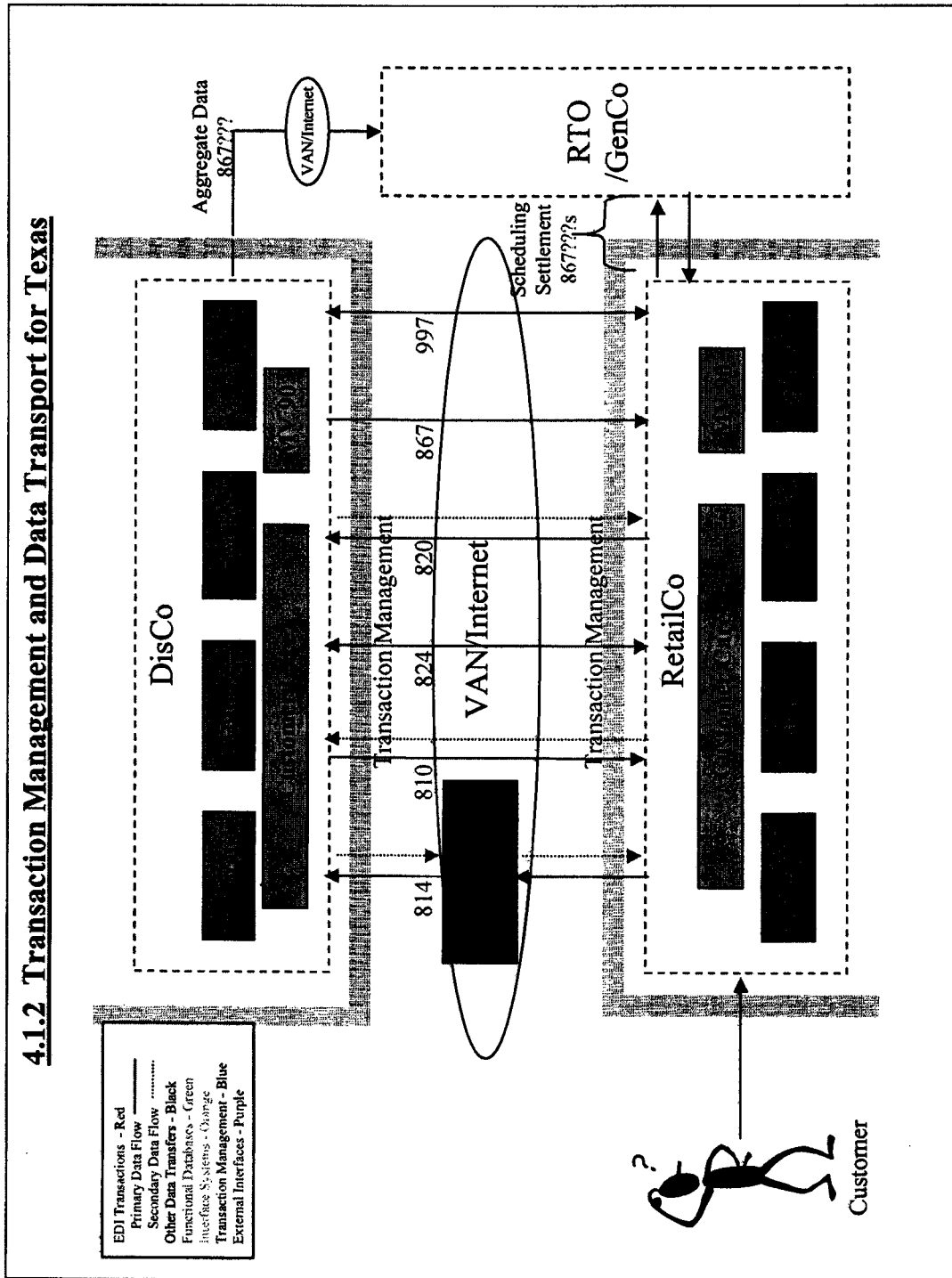


**Figure 4.1.1 Transaction Management and Data Transport for Arkansas**



#### 4.1.2 Transaction Management and Data Transport for Texas



## **5. TECHNICAL APPROACH**

---

### **5.1. Entergy**

Entergy is in the process of deploying Enterprise Application Integration (EAI) "integration engine" across the enterprise, and include enhanced services such as standardized interfaces, message transformation and process flow automation. EAI is a set of technologies enabling the integration of end-to-end business processes and data across disparate systems to increase the ability of the Entergy organization's ability to respond and adapt to change driven by:

- TTC and functional unbundling
- eBusiness and eCommerce initiatives
- Replacement of key customer care processes and systems
- New retail capabilities, and wholesale energy and trading activity

The EAI will support bridging of legacy and web applications as the enterprise evolves for business-to-business (B2B) and business-to-customer (B2C) interactions.

Market Mechanics initiatives requiring interfaces with legacy systems will interface with the EAI mid-tier architecture to obtain and transmit data. Required data and mapping exercises will be performed in the detailed requirements phase. While the contractor will perform the mapping, necessary in-house resources will be provided as required.

### **5.2. Contractor**

The contractor shall design an interface architecture to include the design and construction of a framework to support cross-application and market participant communications in a secure environment to support the business operation requirements described in Sections 2.0 – Distribution Systems, 3.0 – Retail Systems, and 4.0 – Data Transport and Transaction Management.

Bidders shall identify the proposed IT infrastructure both hardware and software for the Distribution, Retail, and Data Transport and Transaction Management systems.

## 6. INSTRUCTIONS TO BIDDERS

---

### 6.1. CONTRACTOR'S LICENSE

For those jobs that require a contractor's license/certificate of responsibility, the Bidder **MUST** comply with all requirements of the State Contracting Regulations.

### 6.2. PROPOSAL

Proposal will not be considered unless it consists of the accompanying Bid and Bid Schedule forms properly filled out. Bidders may copy these forms for use in submitting their bids. Bidder shall use the same format and page numbering in submitting his bid. Bidder's proposal will not be considered unless all items in the Proposal Form are completely filled out.

### 6.3. PRICE INFORMATION

Only the base price shall appear where specified in the Bid Schedule. A firm-fixed base price will be provided for each of the following:

- A. Distribution Systems as described in Section 2.0
- B. Retail Systems as described in Section 3.0
- C. Data Transport and Transaction Management as described in Section 4.0

For each of the items above the following price options shall be provided:

- Option 1. **Complete Outsourcing**: designing, testing, and building the systems for commercial operations to include mapping to Entergy legacy systems and operating the systems on a day-to-day basis, including hosting of the application and providing technical and business services;
- Option 2. **Partial Outsourcing**: designing, testing, and building the systems for commercial operations to include mapping to Entergy legacy systems and operating the systems on a day-to-day basis, including hosting of the application and providing technical services; and
- Option 3. **Insourcing**: designing, testing, building, installing and maintaining the systems for commercial operations to include mapping to Entergy legacy systems and training of Entergy staff to host and support the system technical and operationally. For this option, the cost should be provided for each of the insourcing components.

The proposed solutions should be scalable for Louisiana, New Orleans, and the Mississippi jurisdictions. Entergy may partner with other utilities in Arkansas to offer a statewide centralized market mechanics clearinghouse, in particular, for registration, load profiling and data aggregation functions. The proposed solutions should be portable to such an organization. The clearinghouse operation may also be extended to Louisiana and Mississippi when those states mandate retail open access market. Vendors are

requested to provide Entergy with road maps and appropriate options and cost savings, if any, for such an eventuality.

Other price information, such as options and alternates, shall be given as a price addition to or deduction from the base price, or options shall be submitted as attachments to the Bid Schedule. Price information shall not be included in proposal transmittal letter or in the Bidder's technical or other non-priced data. Alternate proposals may be submitted and will be considered by Entergy Services, Inc. provided the Bidder has first submitted a proposal in full accordance with the specifications as furnished by Entergy Services, Inc.

#### **6.4. COMPLETENESS OF PROPOSAL**

Bidder's proposal shall be complete in order to avoid extras to the Contract Price. Bidder shall include in his bid all work which is indicated in the Bid Documents and which is normally considered part of the type of work covered by the Bid Documents, whether or not such work is fully detailed in the Bid Documents.

#### **6.5. BID DOCUMENTS**

Bid documents includes, but not necessarily limited to, the following:

- A. Bid Cover Letter
- B. Instructions to Bidders
- C. Entergy's Proposal Form, including Bidder's Certification, Bid Schedule and List of Proposed Subcontractors
- D. Sample Agreement
- E. Project Manual, Specifications, and Drawings
- F. Other related documents as referenced in any special instructions or cover letter

Any contract resulting from these Bid Documents will incorporate the terms and conditions of these documents that shall prevail over conflicting provisions of Bidder's proposal. Any exceptions to these Bid Documents must be listed and specifically identified as Exception in Bid. Bidder's printed terms and conditions are not considered specific exceptions.

#### **6.6. ADDENDA DURING BIDDING**

Any additional information required by the Bidders, revisions in the work, changes or additions, discrepancies in the bidding documents, or clarifications will be in the form of addenda written and issued to all Bidders. Any addenda issued to Bidders shall be acknowledged in proposal when submitting bid.

#### **6.7. BIDDER'S RESPONSIBILITY**

It is the Bidder's responsibility to gather and dispense all information to his subbidders regarding the provisions of the Bid Documents and any other information a subbidder may require to prepare his bid(s).

Contract between subbidders and Entergy Services, Inc. shall be only through the Bidder, and Bidder shall so inform his subbidders.

#### **6.8. PROPOSAL DISTRIBUTION**

All matters pertaining to submission of a proposal should be addressed to:

Doug Kibler  
Entergy Services, Inc.  
L-ENT-23C  
639 Loyola Avenue 70113  
P.O. Box 61000  
New Orleans, LA 70161  
Telephone: 504-576-6428  
e-mail address: dkibl91@entergy.com

Three (3) proposal copies are required by Entergy Services, Inc.

All copies of Bidder's Proposal shall be enclosed in a sealed envelope, marked "Request For Proposal" in the lower left-hand corner, with reference made to the RFP Number, and delivered by 12:00 PM on May 15, 2000 to:

Doug Kibler  
Entergy Services, Inc.  
L-ENT-23C  
639 Loyola Avenue 70113  
P.O. Box 61000  
New Orleans, LA 70161  
Telephone: 504-576-6428  
e-mail address: dkibl91@entergy.com

In addition, the envelope should bear on the outside the name and address of the Bidder. Any proposal received after the time and date specified above will not be considered.

Any price or technical data submitted subsequent to the original proposal shall state the reason for the revision, be submitted in the same number of copies as the original proposal and be mailed or delivered as indicated above.

#### **6.9. PERFORMANCE SCHEDULE**

Bidder shall recognize and comply with the following:

Submit questions/clarifications	April 28, 2000
Pre-Bid Meeting	May 3, 2000
Proposal Due Date	May 15, 2000
Contract Award (on or about)	June 16, 2000
Work to Begin (on or about)	June 26, 2000

#### **6.10. PROPOSAL REQUIREMENTS**

Each Bidder is responsible for reading and being thoroughly familiar with all documents contained herein.

Selected Bidder will be required to enforce the safety, security and fitness-for-duty procedures while Bidder, its employees, agents, representatives and/or subbidders are on Entergy premises.

**6.11. RETURN OF CONTRACT DOCUMENTS**

All Contract Documents including all plans and specifications shall be returned to the Contracts Department whether or not a bid is submitted.

**6.12. RIGHT TO ACCEPT OR REJECT**

Entergy Services, Inc. may waive any informalities or minor defects in proposals. The right is reserved to reject any or all proposals or any portion thereof for any reason or for no reason at all at any point prior to the written execution of the Agreement referred to herein. Neither receipt of proposal nor failure to reject proposal shall impose any legal obligation on Entergy Services, Inc. No bidder may withdraw a proposal within 60 days after the date of actual opening.

**6.13. ENTERGY SERVICES, INC. POLICIES AND PROCEDURES**

The Contractor shall comply with those Entergy Services, Inc. policies and procedures which apply to the services to be provided hereunder and which are specifically set forth in the Agreement attached hereto and made a part hereof.

**6.14. COMPLETION SCHEDULES**

The Contractor shall furnish to the Architect a completion schedule listing each phase of the work and indicating the date for proposed completion. This schedule shall be submitted within two weeks after written notice to proceed is issued to the successful bidder.

**6.15. STANDARDS AND NAMED PRODUCT AND MATERIALS**

The naming of products and materials is done for the express purpose of establishing a standard and not for the purpose of limiting competition. Other manufacturers' products or materials may be used providing the product or materials are presented to and approved by the Architect a minimum of five (5) working days before bids are due.

**6.16. COORDINATION/PROTECTION**

Contractor shall coordinate with designated Entergy Project Manager to ascertain laydown area, access to area and general function of the facility so as not to impair operations.

NOTE: All work of this Contract shall not affect Entergy's normal operations.

**6.17. ALTERNATE BIDS**

Bidder may, and is encourage to, submit an alternate bid whenever an alternate approach or design is thought to be in the Owner's best interest. Bidder must submit a proposal in full accordance with the specifications furnished by Owner in order to have his alternate bid considered. Such options or alternates shall be presented as a price addition or deduction from the base price given on the Proposal Form, unless prior written notice has been received from the Procurement Specialist. Please include the following with any alternate bid submitted:

1. A clear description of the change in design or work scope as specified, and
2. The benefits to be realized from said change.

#### **6.18. STATE REQUIREMENTS**

##### **Arkansas**

For work performed in Arkansas that is greater than or equal to \$20,000, the Bidder must have an Arkansas Contractor's License issued by the State Licensing Board.

Arkansas state law requires that all successful bidders file with the state Contractor's Licensing Board a surety bond in the amount of \$10,000.00 before work can begin. The bond is required to assure a bidder's ability to satisfy its financial obligations to the state. (See Arkansas Statute, Title 17, Chapter 22). For additional information contact the state Contractor's Licensing Board at (501)372-4661. Arkansas state law requires that non-resident bidders file with the Director of the Department of Finance and Administration a surety bond in the amount of 10% of the bid price before work can begin. The bond is required to assure a bidder's ability to satisfy its financial obligations to the state. (See Arkansas Statute, Title 17, Chapter 22).

##### **Louisiana**

The bidders are required to have a Louisiana Contractors License for all jobs that are estimated to be greater than \$50,000.00. The bidder **MUST** CERTIFY THAT HE IS LICENSED under R.S. 37:2150-2164 and place his license number on the outside of the envelope when submitting his bid. If this request is not complied with, the owner **MUST**, by Louisiana Contractors Regulation, stamp "REJECTED" on the bid proposal and return to the bidder.

If you should have any questions concerning the Louisiana contractors license and/or Regulations, you may contact Jack Brown at Baton Rouge, LA, at 1-800-256-1392.



**Mississippi**

Please be advised that Title 31 of Chapter 3 of the Mississippi Code of 1972, as amended, provides that any Bidder who submits a bid in excess of \$100,000.00 with respect to a private construction project, at the time the bid is submitted, holds a Certificate of Responsibility issued by the State of Mississippi Board of Contractors or a similar certificate issued by another state which recognizes certificates issued by the State of Mississippi. Additionally, Section 31-3-21 prohibits the opening or consideration of any bid unless the exterior of the bid envelope or unless there appears a statement on the outside of such bid envelope that the bid enclosed does not exceed \$100,000.00. Please insure that your bid is in compliance with this law.

**COMPLETE AND RETURN THIS SHEET**

**ENTERGY'S PROPOSAL FORM**

PROPOSAL NUMBER: «rfp number code»

PROPOSAL FOR Market Mechanics

DATE OF PROPOSAL: \_\_\_\_\_

Proposal of \_\_\_\_\_ (hereinafter called "Bidder")  
organized and existing under the laws of the State of \_\_\_\_\_ doing  
business as a \_\_\_\_\_ (corporation, partnership or sole proprietorship), to Entergy  
Services, Inc.

In submitting this proposal, the undersigned, as Bidder, declares that the only persons or parties interested in this Proposal as principals are those named herein; that he has carefully examined the Bid Documents therein referred to, and he has carefully examined and is aware of and satisfied with the locations and condition of the site, supply sources, types of materials, and scope of the proposed work.

Bidder further agrees that he will provide all necessary labor, materials, machinery, tools, equipment and other facilities, and will perform or cause to be performed all activities necessary or incidental to the performance of work herein called for, complete in every respect, in strict compliance with the Contract Documents. Also, he agrees to accept as full compensation only the prices named in the following Bid Schedule unless otherwise provided in the Contract.

Bidder acknowledges Entergy Services, Inc. schedule and hereby agrees to commence work under this Contract on or before \_\_\_\_\_ and to fully complete the Projects not later than \_\_\_\_\_. Bidder further agrees to pay as liquidated damages, the sum of N/A for each consecutive calendar day thereafter, should contract not be completed within the time allowed due to conditions within Contractor's control.

Bidder acknowledges that Entergy Services, Inc. reserves the right to reject any and all bids or proposals or any part thereof for any reason or for no reason at all at any point prior to the execution of the Agreement.

Bidder acknowledges receipt of the following Addenda:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ Dated: \_\_\_\_\_  
\_\_\_\_\_ Dated: \_\_\_\_\_  
\_\_\_\_\_ Dated: \_\_\_\_\_



**COMPLETE AND RETURN THIS SHEET**

**BID SCHEDULE**

PROPOSAL NUMBER: «rfp\_number\_code»

PROPOSAL FOR Market Mechanics

Bidder agrees to perform all the work described in the Contract Documents for the following price. Proposals shall include all applicable taxes, permits and fees. Bidder shall define the number and type of resources to be provided.

1. Base Bid for «work\_scope\_description» \$ \_\_\_\_\_  
(cost in words \_\_\_\_\_)
2. When changes in the work are ordered involving extra costs above the contract sum and when such work is ordered to proceed on the basis of cost plus fee, such fee shall be \_\_\_\_\_ percent of such extra work, including profit and overhead.
3. Bidder shall provide, if required, the following items for an additional cost of:  
  
Performance Bond: \$ \_\_\_\_\_  
Builder's Risk Insurance: \$ \_\_\_\_\_

Respectfully submitted:

Full Company Name: \_\_\_\_\_

License No.: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**COMPLETE AND RETURN THIS SHEET**

**LIST OF PROPOSED SUBCONTRACTORS**

PROPOSAL NUMBER: «rfp\_number\_code»

PROPOSAL FOR «work\_scope\_description»

I, the undersigned, agree that if I am the successful bidder and if the following Subcontractors are approved, I will not enter into contracts with others prior to written approval from Entergy Services, Inc. Contractor shall ensure that qualified small/small disadvantage/women owned businesses are given equal access to participate in subcontractor opportunities.

**PAYMENTS TO SUBCONTRACTORS**

I, the undersigned, further agree that, if I am the successful bidder, I shall pay each Subcontractor, upon receipt of payment from Entergy Services, Inc., an amount equal to the percentage of completion allowed to me on account of such Subcontractor's Work, less the percentage retained from payments to me. I shall also require each Subcontractor to make similar payments to his subcontractors.

Subcontractor	
Contractor Name	
Address	
Type of Work	
License Number	
Contact Name/Phone	
Minority Contractor/Type	
Contractor Name	
Address	
Type of Work	
License Number	
Contact Name/Phone	
Minority Contractor/Type	
Contractor Name	
Address	
Type of Work	
License Number	
Contact Name/Phone	
Minority Contractor/Type	

Entergy Services, Inc. Reserves The Right To Reject Any Subcontractor. If additional space is required please detail this information on your letterhead and attached to this page.

Printed Name: \_\_\_\_\_

Market Mechanics  
Request for Proposal  
Confidential to Entergy Services, Inc.

Section 6, RFP Instructions • 50

Signature\*: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\* Signature must be the same as on the Proposal.

## **7. SAMPLE CONTRACT**

---

ENTERGY SYSTEMWIDE STAND-ALONE CONTRACT  
FOR CONSULTING, PROFESSIONAL  
OR OTHER NONMANUAL SERVICES  
(LONG FORM)

# INDEX

<u>ARTICLES</u>	<u>PAGE</u>
1. DEFINITIONS .....	1
2. SCOPE OF AGREEMENT/EXCLUSIVE OBLIGORS .....	2
3. CONTRACT AND PROJECT MANAGERS .....	2
4. CHANGE ORDERS .....	3
5. AMENDMENTS .....	3
6. COMPENSATION .....	3
7. LAWS, PROJECT RULES AND LICENSES.....	4
8. INDEPENDENT CONTRACTOR.....	5
9. TERM AND TERMINATION .....	6
10. USE OF INFORMATION.....	6
11. NON-STANDARD PARTS .....	7
12. NONWAIVER.....	7
13. CONTRACTOR-PROVIDED INSURANCE.....	7
14. CLAIMS REPORTING .....	8
15. INDEMNITY .....	9
16. INFRINGEMENT.....	9
17. NOTICES .....	10
18. WARRANTY.....	10
19. INSPECTION.....	11
20. AUDIT.....	11
21. PREFERENCE TO OWNER SERVICE AREA SUPPLIERS .....	12
22. SUBCONTRACTING .....	12
23. ASSIGNMENT.....	12
24. TITLE TO MATERIAL PREPARED OR SUPPLIED BY CONTRACTOR	12
25. RISK OF LOSS.....	13
26. HANDLING OWNER FURNISHED MATERIAL AND EQUIPMENT	13
27. TIME AND ORDER OF COMPLETION; EXPEDITING .....	13
28. DELAYS .....	14
29. FORCE MAJEURE.....	14
30. SAFETY AT OWNER'S FACILITY OR JOBSITE.....	14
31. SEVERABILITY .....	15
32. REPORTS.....	15



33.	GOVERNING LAW .....	15
34.	CONFLICT OF INTEREST .....	15
35.	SALES TAXES .....	15
36.	ANNOUNCEMENTS AND PRESS RELEASES .....	16
37.	ENTIRE AGREEMENT .....	16

**EXHIBITS**

Exhibit A - Description of Services

Exhibit B - Compensation Terms

AGREEMENT NO. «agreement\_number\_code»  
Effective Date: «agreement\_effective\_date\_full»

ENTERGY SYSTEMWIDE STAND-ALONE CONTRACT  
FOR CONSULTING, PROFESSIONAL  
OR OTHER NONMANUAL SERVICES

THIS AGREEMENT is made between Entergy Services, Inc., acting for itself and as agent for each of the other Entergy Companies as defined in section 1.4 ("Owner") and «vendor\_name» ("Contractor"), a \_\_\_\_\_ (State) \_\_\_\_\_ (Company Form), with principal offices located at «vendor\_address1», «vendor\_city», «vendor\_state» «vendor\_zip».

**Contractor's commencement of performance of services or acceptance of any payments hereunder in advance of Contractor's execution hereof shall constitute acceptance of all terms set forth herein.**

In consideration of the undertakings and subject to the conditions set forth herein, the parties agree as follows:

1. Definitions.

The words and terms specified in this Article, or pronouns used in their stead, shall, for the purpose of this Agreement, have the meanings set forth below unless the context clearly indicates another meaning:

1.1 The word "Agreement" or "Contract" shall mean, collectively, all of the covenants, terms, and stipulations contained in the various portions of this Agreement, its Exhibits, Amendments (if any), and all Change Orders executed pursuant hereto.

1.2 The term "Change Order" shall mean a written document used to implement a change in accordance with the provisions of Article 4 herein.

1.3 The term "Contract Manager(s)" shall refer to the person(s) designated in Exhibit A to this Agreement to act as the Owner's liaison to the Contractor as described in Article 3 herein.

1.4 The term "Entergy Companies" includes Entergy Arkansas, Inc., an Arkansas corporation, with principal offices located at 425 West Capitol Avenue, Little Rock, Arkansas 72201, Entergy Services, Incorporated, a Delaware corporation, with principal offices located at 639 Loyola Avenue, New Orleans, Louisiana 70113, Entergy Gulf States, Inc., a Texas corporation, with principal offices located at 350 Pine Street, Beaumont, Texas 77701, Entergy Louisiana, Inc., a Louisiana corporation, with principal offices located at 639 Loyola Avenue, New Orleans, Louisiana 70113, Entergy New Orleans, Inc., a Louisiana corporation, with principal offices located at 639 Loyola Avenue, New Orleans, Louisiana 70113, Entergy Mississippi, Inc., a Mississippi corporation, with principal offices located at 308 East Pearl Street, Jackson, Mississippi 39205, and System Fuels, Incorporated, a Louisiana corporation, with principal offices located at 639 Loyola Avenue, New Orleans, Louisiana 70113

1.5 The term "Owner(s)" shall mean \_\_\_\_\_.

1.6 The term "Site(s)" shall refer to the locations of the Owner for which the Work is being performed.

Market Mechanics  
Request for Proposal  
Confidential to Entergy Services, Inc.

Section 7, Sample Contract • 55

1.7 The term "Specifications" shall mean any detailed technical requirements incorporated in this Agreement or Exhibit A hereto.

1.8 The term "Work" means each and every element of the services required by this Agreement, and includes all testing, materials, equipment, transportation and other items necessary to complete such activities, except for items that are expressly stated to be the responsibility of the Owner in Exhibit A.

2. Scope of Agreement/Exclusive Obligors

2.1 The purpose of this Agreement is to set forth the terms and conditions under which the Contractor will provide to the applicable Entergy Company(ies) consulting, professional or other technical services, as described in Exhibit A, attached hereto and made a part hereof, and Contractor agrees to complete such services in accordance with this Agreement. This is not a requirements contract and it is not an exclusive dealing contract.

2.2 Notwithstanding anything in this Agreement to the contrary, the only Entergy Companies that have any liability or responsibility under this Agreement are those Entergy Companies for which Contractor's scope of work set forth in Exhibit A requires Contractor to deliver goods or services. Each such Entergy Company is severally and not jointly liable to Contractor hereunder, and no Entergy Company shall have financial responsibility for any goods or services that are not furnished for that Entergy Company's site or operations.

3. Contract and Project Managers.

3.1 The following Contract Managers, or such other individuals that might be designated by the Owner, in writing, during the term of this Agreement shall serve as the liaison to the Contractor with respect to Contractor's performance hereunder: [insert names, addresses, phone & fax numbers]. The Contract Manager shall not have the authority to waive any terms hereof or to execute Amendments. However, Contract Managers are authorized to issue minor Change Orders pursuant to paragraph 4.1 but have no authority to execute written Change Orders implementing changes in schedule or compensation provisions.

3.2 Contractor shall also designate a representative who shall have full authority to act for Contractor in connection with this Agreement.

4. Change Orders.

4.1 The Owner's Contract Manager(s) shall have the authority to order, orally or in writing, minor changes in the scope of Work, provided the change does not affect the cost or schedule of performance. The Contractor shall carry out such directions promptly.

4.2 A Change Order is a written supplement or change in the scope of Work, schedule, and/or compensation provisions. Each Change Order must reference this Agreement being changed and must be signed by a duly authorized representative of both parties. Except as otherwise provided herein, no schedule extensions and no compensation in excess of any fixed prices or expenditure limitations will be allowed until applicable schedule and compensation provisions are adjusted by means of a Change Order.

4.3 Notwithstanding the provisions of paragraphs 4.1 and 4.2, the Contract Manager may order orally, in the case of an emergency or schedule sensitive situation, changes in the schedule and/or scope of Work, and such changes shall be implemented by the Contractor. In this event, a written notice of

anticipated schedule or cost impacts resulting from the Owner's order shall be provided by the Contractor within ten (10) working days from the date of the oral change. As soon as practical following receipt of Contractor's written notice of impacts, the Owner will issue a Change Order for execution by both parties containing any changes to compensation, scope or schedule provisions made necessary by such oral order.

4.4 Contractor hereby waives all claims for schedule extensions or additional compensation beyond that expressly allowed in this Agreement. All such claims shall be made in accordance with the following procedures:

4.4.1 A written claim shall be submitted to the Owner within ten (10) working days of the event which the Contractor claims has added to or changed the original schedule or scope of Work and, except as provided in paragraph 4.3 prior to performing any such changed Work.

4.4.2 The claim shall indicate the increase or decrease, if any, in cost and schedule in comparison to what the cost and schedule would have been had such event not occurred.

4.4.3 Sufficient detail shall be provided in the proposal to permit a thorough analysis, including, without limitation, the methodology of computing proposed compensation.

4.4.4 In the event the Owner determines the claim is authorized under the provisions of this Agreement, a Change Order incorporating agreed upon scope, schedule and compensation revisions shall be executed by both parties.

## 5. Amendments.

Except as expressly allowed in Article 4 above, no waiver, addition, deletion, or modification of any provision contained in this Agreement shall be binding unless in writing and signed by duly authorized representatives of both parties.

## 6. Compensation.

6.1 For the satisfactory performance of Work under this Agreement by the Contractor, the Owner shall pay the Contractor in accordance with the provisions of Exhibit B hereto and any Change Orders.

6.2 Overtime may be required in order to complete a specific portion of the Work or to carry out the Work effectively. However, prior to scheduling any overtime, the written approval of the Contract Manager is required. Overtime is defined as time worked by any one employee of the Contractor or of an authorized subcontractor in excess of forty (40) hours per week and shall only be reimbursed to the extent that the Contractor's employee or authorized subcontractor employee is paid such overtime.

6.3 The Owner shall not pay the Contractor or its employees for non-performance time, i.e., vacation time, sick time, holidays or other leave time authorized by the Contractor, nor for travel time to and from the Site designated for the performance of services hereunder. The Contractor's holidays shall be consistent with the holiday schedule at the Site for which Work is being performed. The Owner may direct the Contractor to work on a designated Site holiday. If the Contractor is so directed, that day becomes a performance day and is compensable at the premium rate established in Exhibit B.

6.4 With respect to Work that is not compensated on a fixed price basis, the Contractor shall prepare and submit to the Owner on or as soon as practical after the first day of each calendar month, invoices for Work, reimbursable costs and other amounts due the Contractor to the extent specified in Exhibit B, and each invoice shall be itemized to reflect the number of hours worked and other items as are appropriate under the provisions of this Agreement and shall be supported by time sheets, receipts and other

documentation as the Owner may reasonably require. Costs shall be distributed against Owner provided cost codes if requested by the Owner. Where Exhibit B sets forth a fixed price, a single invoice shall be issued upon completion and acceptance of the fixed price Work, unless a different payment schedule is stated in Exhibit B. Invoices shall reference the contract number shown on the first page of this Agreement and shall be submitted to the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6.5 Payments shall be made to the Contractor within forty-five (45) days after receipt of properly itemized and documented invoices, subject to the Owner's right to contest in good faith all or any part of the charges set forth therein. Payment of Contractor's final invoice is conditioned upon final completion of the Work, Owner's acceptance thereof, and receipt by Owner of satisfactory evidence of no undischarged liens arising because of the Work. Acceptance by Contractor of final payment shall constitute a waiver of all claims by Contractor against Owner in connection with the Work performed pursuant to this Agreement.

7. Laws, Project Rules and Licenses.

7.1 Prior to commencement of Work at any Site, Contractor shall request in writing from the Contract Manager copies of any applicable Site health, quality, safety, and security rules, programs, and procedures. Contractor and its subcontractors, if any, shall observe and comply with all such applicable Site health, safety and security rules, programs or procedures, and shall abide by all applicable laws, federal, state and local, and the rules and regulations of any lawful regulatory body acting thereunder in connection with the services to be rendered pursuant to this Agreement. Contractor shall indemnify and hold harmless the Owner and its affiliated and associated companies with respect to any claims, expenses (including attorneys fees), liability or damage arising out of Contractor's failure to comply with any such laws, regulations, project rules, programs or procedures.

7.2 Without limiting the foregoing, unless this Agreement is exempt from Executive Order 11246, under the rules and regulations of the Secretary of Labor (41 C.F.R., Ch. 60), the Contractor agrees that during the performance of this Agreement, it will fully comply with the provisions of the equal opportunity clause as set forth in Section 202 of Executive Order 11246 and 41 C.F.R. Section 60-1.4(a)(1-7), which provisions are hereby incorporated by reference and made a part of this Agreement. During the performance of this Agreement, Contractor also agrees that it will fully comply with the applicable equal opportunity provisions of the Rehabilitation Act of 1973, as amended, and applicable regulations, 41 C.F.R. Section 60-741, et seq., and the Vietnam Era Veterans Readjustment Act of 1974, as amended, and applicable regulations, 41 C.F.R. Section 60-2.50, et seq., which are hereby incorporated by reference and made a part of this Agreement. The Contractor certifies that it does not and will not maintain or provide for its employees any facilities which are segregated by race, color, religion or national origin, or permit its employees to perform any services at any location, under its control, where segregated facilities are maintained, and Contractor will obtain a similar certification for all non-exempt subcontractors, as required by 41 C.F.R. Section 60-1.8. The Contractor further agrees that to the extent applicable, including but not limited to, the purpose of promoting small and small disadvantaged businesses, the Contractor will fully comply with the requirements of the Small Business Act, 15 U.S.C. Section 631, et seq., and the Office of Procurement Policy Act, 41 U.S.C. Section 423, et seq., as implemented in the Federal Acquisition Regulations found at 48 C.F.R. Part 1, et seq., all of which are hereby incorporated by reference and made part of this Agreement

7.3 If during the term of this Agreement there are any changed or new laws, ordinances or regulations not foreseeable at the time of signing this Agreement which affect both the scope of Work as

set forth in this Agreement and the cost or time of performance of this Agreement, Contractor shall immediately and prior to implementing the changed scope of Work notify the Owner in writing and submit detailed documentation of such effect in terms of both time and cost of performing this Agreement. Thereafter, the Owner will make an equitable adjustment in any applicable fixed price compensation and schedule provisions by issuance of an appropriate Change Order; provided, however, no adjustment shall be made where Contractor fails to give the Owner written notice of the change and anticipated results thereof prior to implementing the change.

7.4 Contractor shall procure at its own expense all necessary municipal and other governmental permits, licenses and inspections in connection with Contractor's Work performed under this Agreement.

7.5 The Contractor shall immediately remove from the Sites, whenever requested to do so by the Contract Manager, any of the Contractor's employees who have violated laws, project rules or other provisions of this Agreement. Such employee shall not again be allowed on the Site by the Contractor without the prior written consent of the Owner.

## 8. Independent Contractor

8.1 Except as provided in paragraph 8.3, the Contractor shall maintain the status of an independent contractor with the sole authority to control and direct the performance of the details of the Work being rendered by its employees and with responsibility for determining the safety of its employees performing Work and with the Owner being interested only in the results obtained. The Owner shall have the right, but not the duty, to review the qualifications of Contractor's personnel and to disapprove unqualified personnel before assignment to perform Work hereunder. Nothing in this Article shall be construed as precluding the Owner from raising the "Statutory Employee" defense, if applicable, to any suit filed against the Owner by an employee of the Contractor. Further, the parties mutually agree that it is their intention to recognize the Owner as the statutory employer of the Contractor's employees, whether direct employees or statutory employees of the Contractor, in accordance with Revised Statute 23:1061 while Contractor's employees are providing Work hereunder.

8.2 The Contractor shall be solely responsible for payment of the Contractor's employees' wages or salaries; employee benefits such as vacation, sick leave, pension, holidays, medical, disability benefits, dental and life insurance; workers' compensation, unemployment insurance and all other legal and labor requirements except for any reimbursable sales or use taxes allowed to be billed pursuant to Exhibit B. The Contractor shall also pay and be solely responsible for all contributions, taxes and premiums payable under federal, state and local laws, measured on the compensation paid to the Contractor and/or its employees pursuant to this Agreement.

8.3 Only if specifically required in Exhibit A, the Contractor shall provide qualified and competent personnel meeting any qualifications stated in Exhibit A to perform Work described therein under the complete direction and control of the Owner for the duration stated in Exhibit A, such personnel being referred to herein as "staff augmentation personnel." Contractor shall indemnify and hold harmless the Owner and its affiliated and associated companies, and the officers, employees and agents of any of them with respect to any claims, expenses (including attorneys' fees), liability and damages arising out of any allegations by such staff augmentation personnel for wrongful termination, libel, slander, interference with employment or business relationships, or for any type of alleged discrimination in employment activities.

## 9. Term and Termination

9.1 The term of this Agreement shall be one year commencing on the effective date noted on the first page of this Agreement and shall automatically renew for successive one-year periods, unless sooner terminated pursuant to paragraph 9.2 or 9.3.

9.2 This Agreement may be terminated, in whole or in part, at any time by the Owner by written notice to the Contractor. In the event of termination by the Owner, the Work shall be discontinued by Contractor at the times and to the extent specified in the notice of termination.

9.3 Termination by the Owner, whether for cause or convenience, shall not entitle the Contractor to any anticipated profits on Work not actually performed prior to termination, and the Contractor hereby waives any such claim for anticipated profits. Termination pursuant to this Article shall not relieve either party of obligations, including, without limitation, obligations of indemnities, warranties and payment, arising out of this Agreement in connection with Work performed prior to termination.

10. Use of Information.

10.1 Unless otherwise agreed in writing by the Owner, all Specifications, drawings or other data, software, materials or information (collectively the "Information") obtained by the Contractor from the Owner or developed or obtained by the Contractor (or others under its direction or supervision) in connection with the performance of this Agreement, shall be deemed confidential information belonging to the Owner. Furthermore, during the term of this Agreement and thereafter, the Contractor shall not use or otherwise disclose such Information for any purpose (nor permit its use or disclosure by others who are under the Contractor's supervision or direction) without the Owner's prior written consent, except (i) to the extent necessary in connection with the performance of the Work hereunder for the benefit of the Owner, or (ii) where such Information was publicly available, or (iii) the Contractor otherwise demonstrates to the satisfaction of the Owner that such Information was either actually known to the Contractor prior to this Agreement, or was independently and properly obtained or developed by the Contractor apart from this Agreement or any connection with the Owner or its affiliated and associated companies (directly or indirectly) and without breach of any confidential relationships. Notwithstanding anything to the contrary contained herein, neither Contractor nor its subcontractors or the employees of either of them shall be restricted from providing information to judicial or regulatory bodies to the extent required by law or court order.

10.2 The Contractor represents that except to the extent stated otherwise in Exhibit A, Contractor has the full and unrestricted right to disclose any information, knowledge and data which it or its employees may present to the Owner in the performance of Work pursuant to this Agreement; that the Owner shall have the full and unrestricted right to use, reproduce, distribute or publish such information, knowledge, data or any material prepared pursuant to or in connection with this Agreement as the Owner may deem appropriate; and that such knowledge, data or material shall be the sole and exclusive property of the Owner.

11. Non-Standard Parts.

The Owner shall have the absolute perpetual right to use equipment furnished by the Contractor as part of the Work, subject only to payment obligations in the case of rental or lease. When the Contractor furnishes equipment incorporating non-standard parts, it shall also furnish or obtain the right for the Owner to have full access without additional charge to all drawings, prints, specifications, software and instructions and to use that information for the purpose of repairing, producing or obtaining parts allowing the continued use of existing equipment. Non-standard parts include those which are not industry standard designs or qualifications, or are otherwise unique or proprietary and available from limited suppliers.

12. Nonwaiver.

The failure of either party to insist upon or enforce, in any instance, strict performance by the other of any of the terms of this Agreement or to exercise any rights herein conferred shall not be construed as a waiver or relinquishment to any extent of its rights to assert or rely upon any such terms or rights on any future occasion.

13. Contractor-Provided Insurance.

13.1 Without limiting any obligations or liabilities of Contractor under this Agreement, Contractor shall provide and maintain for the term of this Agreement, at its own expense, without direct reimbursement, insurance coverages in forms and amounts that Contractor believes will adequately protect it but in no case less than:

13.1.1 Workers' Compensation Insurance, and such insurance shall be in accordance with all applicable state, federal, and maritime laws, including Employer's Liability Insurance in the amount of \$500,000 per accident. Policy shall be endorsed to include a waiver of subrogation in favor of the Entergy Companies and their affiliated and associated companies. Notwithstanding applicable statutory exemptions, Workers' Compensation insurance shall be maintained regardless of the number of employees employed by Contractor or the type of Work performed.

13.1.2 Commercial General Liability Insurance including Contractual Liability Coverage covering liability assumed under this Agreement, Products/Completed Operations Coverage, Broad Form Property Liability Coverage, and Personal Injury Coverage in the amount of \$1,000,000 per occurrence for Bodily Injury and Property Damage.

13.1.3 Commercial Automobile Liability Insurance including all owned, hired, leased, assigned and non-owned vehicles, with a combined single limit of not less than \$1,000,000 per performance by accident.

13.1.4 If services provided under this Agreement are of a professional nature (design, engineering, etc.), Errors and Omissions Liability Insurance as may be appropriate and available in the amount of not less than \$1,000,000 per claim, covering claims or damages because of injury or damages arising out of any act, error or omission of the Contractor in the rendering of professional services.

13.2 Contractor's insurance policies required by paragraphs 13.1.2 through 13.1.4 above, shall include the Entergy Companies and their affiliated and associated companies as additional insureds with respect to Contractor's liability arising from this Agreement. Contractor hereby waives all rights of recourse, including any right to which another may be subrogated, against the Owner and its affiliated and associated companies for personal injury, including death, and property damage. All of Contractor's policies of insurance shall be primary insurance and non-contributing with any other insurance maintained by Entergy Companies and their affiliated and associated companies, and are to provide the Owner with thirty (30) days' prior written notice of cancellation or any material adverse change in conditions or limit of liability. Contractor shall provide the Owner with Certificates of Insurance evidencing coverage currently in effect upon execution of this Agreement and for the duration of this Agreement.

13.3 Unless agreed otherwise in writing by the Owner, the Contractor shall require any subcontractor providing on-Site services under this Agreement to carry insurance coverages in a form and amount consistent with the requirements of this Article 13. Contractor shall obtain Certificates of Insurance evidencing such coverage prior to commencement of on-Site services by the subcontractor and shall present such Certificates evidencing coverage for the duration of the subcontract to the Owner upon Owner's request and, in any case, no later than completion of the Work hereunder.



14. Claims Reporting.

14.1 Each party shall notify the other immediately at the address specified in Article 17, by certified mail or overnight express delivery, of all claims (i) brought for which the other may be liable, or (ii) asserted as arising from or connected with the contractual relationship, or (iii) which may materially impair the ability of the party giving notice to perform any of its obligations to the other; and all events which in the light of reasonable experience may give rise to a claim included in the above categories.

14.2 Copies of notices given by Contractor pursuant to this Article 14 shall be sent concurrently to:

Claims Management  
Entergy Services, Inc.  
P. O. Box 8082  
Little Rock, Arkansas 72203

Legal Services Department  
Entergy Services, Inc.  
P. O. Box 61000  
New Orleans, Louisiana 70161

15. Indemnity.

15.1 To the fullest extent allowed by applicable law, the Contractor agrees that it will indemnify and hold harmless the Entergy Companies, their affiliated and associated companies and any of their agents, officers, directors, shareholders, employees, successors and assigns from any and all claims, losses, costs, damages, expenses, including attorneys fees, and liability by reason of property damage, personal injury (including death), or both such damage and injury of whatsoever nature or kind arising out of or as a result of any negligent or wrongful act or omission in connection with the performance of the Work by the Contractor, its employees, agents, and subcontractors. THE PARTIES EXPRESSLY AGREE THAT THIS INDEMNITY SHALL APPLY EVEN IN THE EVENT OF THE CONCURRENT NEGLIGENCE OF THE ENTERGY COMPANIES.

15.2 Further, with respect to Work being performed by Contractor as an independent contractor with sole rights to direct the Work performed by its employees, the Contractor shall be solely responsible for and shall indemnify and hold harmless the Entergy Companies, their affiliated and associated companies and any of their agents, officers, directors, shareholders, employees, successors or assigns from and against any and all claims, liability, losses, costs, damages and expenses, including attorneys fees, on account of the death of or injury to the Contractor or any subcontractors, or to any employees or agents of the Contractor or any subcontractor, caused by, arising out of, or in any way connected with the Work to be performed hereunder, or while the Contractor or any such subcontractors, employees or agents are on or near any of the Sites or Owner's premises, WITHOUT REGARD TO WHETHER ANY SUCH DEATH OR INJURIES ARE ALLEGED TO HAVE BEEN CAUSED BY OR ARE ATTRIBUTABLE IN WHOLE OR IN PART TO THE NEGLIGENCE OF THE ENTERGY COMPANIES, THEIR EMPLOYEES OR AGENTS, THE CONDITIONS OF THE PREMISES, OR OTHERWISE, AND NOTWITHSTANDING ANY OTHER PROVISIONS HEREIN CONTAINED TO THE CONTRARY.

15.3 Owner may require Contractor to defend any claims or suits to which the foregoing indemnities apply.

16. Infringement.

---

Market Mechanics  
Request for Proposal  
Confidential to Entergy Services, Inc.

Section 7, Sample Contract • 62

16.1 The Contractor hereby indemnifies and holds harmless the Entergy Companies, their affiliated and associated companies and any of their agents or employees, and will, at its own expense, defend any or all of them against claims, suits or proceedings that are based on any allegations that any services rendered by the Contractor or documents, goods, materials or software furnished by the Contractor to the Owner pursuant to this Agreement or the use thereof, in the form submitted by the Contractor, for its intended purposes, constitutes an infringement of any patent, copyright, or other proprietary right, and if the Contractor is notified promptly in writing and is given full authority, information, and assistance for the defense of said claim, suit or proceeding, and provided the Contractor is given all reasonable cooperation in any effort by the Contractor amicably to settle such claim, or to mitigate damages resulting from any act or thing complained of, the Contractor will pay all damages and costs awarded in any such claim, suit or proceeding, and will pay all reasonable costs and expenses, including attorneys fees, resulting therefrom.

16.2 In the event the use of the items, articles or processes furnished by the Contractor hereunder, or any part thereof, is, in such suit, held to constitute infringement, and the use of said items, articles or processes is enjoined, the Contractor shall, at its own expense and obligation, either procure the right for the applicable Entergy Companies to continue using said items, articles or processes, or replace the infringing articles or processes with non-infringing items, articles or processes of equivalent value and functionality, completely at the Contractor's expense.

17. Notices.

Any notice given by either party to the other pursuant to this Agreement, including but not limited to, termination notices or assignments or subcontracts, shall be deemed validly given if deposited in the mail properly stamped with the required postage and addressed to the last known office address of the respective addressee. Either party hereto shall have the right to change any address or addressee it may have given to the other party by giving such other party due notice in writing of such a change. Until so changed, notices shall be given as required by Article 14 and as follows:

To Owner:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Contractor:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

18. Warranty.

18.1 The Contractor shall assign qualified and competent personnel to the performance of the Work, and the Contractor and such personnel shall use their best efforts to perform the Work described in the Exhibit A in the most expeditious, professional and economical manner consistent with the interests of the Owner.

18.2 The Contractor warrants that it will perform the Work provided for in this Agreement in conformance with the highest standards of care and practice appropriate to the nature of the services rendered and exercise the highest degree of thoroughness, competence and care that is customary in the industry. The Contractor further warrants that the Work performed hereunder will be of the kind and quality described in Exhibit A and will be free of defects in design (except where the Owner has furnished the design), title, workmanship, and materials. Contractor warrants that any equipment or goods supplied hereunder shall be new unless otherwise specified in Exhibit A and that any Work supplied, repaired or modified by Contractor shall meet all performance or acceptance criteria in the applicable Specifications.

18.3 Without limiting the foregoing warranties and in addition to other remedies available to the Owner, at law or in equity, upon notice of a nonconformity in services or items provided by the Contractor, the Contractor shall promptly correct such nonconformities at the Contractor's sole expense.

18.4 Contractor shall perform such tests as the Owner may reasonably require to verify that corrective rework complies with the original warranty. Should Contractor fail to correct nonconformities promptly in accordance with this Article 18, the Owner, in addition to other available remedies at law or in equity, shall be entitled to perform the rework itself or through a third party at Contractor's expense.

18.5 Contractor warrants and represents that materials and/or services it provides under this Agreement are "Year 2000 Compliant." Materials and/or services are Year 2000 Compliant if:

(a) No failure, error, interruption, reduction, or alteration of any sort in the performance, delivery, and/or functionality of such materials and/or services will result, directly or indirectly, from any date change in the twentieth or twenty-first century, including the advent of the year 2000, or from the extra day occurring in any leap year; and

(b) If such materials and/or services involve processing of date-related data, such processing will produce error-free results; and

(c) If any date-related data (input and output) and results are produced, directly or indirectly, by such materials and/or services there shall be included an indication of the century.

If Contractor is or becomes aware that Year 2000 Compliance of such materials and/or services is dependent in any manner on the associated use of a specific operating system, interface, hardware, software, or the like, Contractor shall immediately notify Entergy in writing of such dependency without delay. Without limiting any other remedies Entergy has under this Agreement or under law, Contractor agrees to work diligently to correct any deficiency or failure at no cost to Entergy and to a schedule satisfactory to Entergy.

Without limiting the generality of the foregoing, if Contractor, in providing materials and/or services to Entergy under this Agreement in any way uses or relies upon any hardware, software, or firmware of Contractor, and/or materials or services of one or more third parties, that is dependent in any manner on the use of date-related data (collectively, the "Support Items"), Contractor shall ensure that such Support Items are Year 2000 Compliant. If Contractor is or becomes aware that any Support Item is not Year 2000 Compliant, Contractor shall immediately notify Entergy in writing of such noncompliance without delay. Without limiting any other remedies Entergy has under this Agreement or by law, Contractor agrees to work diligently to correct any such noncompliance at no cost to Entergy and to a schedule satisfactory to Entergy.

19. Inspection.

All Work must be thoroughly inspected by Contractor, and the Owner shall have the right, at reasonable times and frequencies and during normal working hours, to inspect and review Work being performed pursuant to this Agreement by the Contractor or authorized subcontractors without charge by Contractor. Neither the failure to make such inspections nor the approval of Work being performed shall relieve the Contractor of its responsibilities under this Agreement.

20. Audit.

The Contractor shall, throughout the term of this Agreement and for at least three (3) years thereafter, keep and maintain such time and other records or accounts of the Contractor, its subsidiaries and affiliates as are necessary to verify and support any and all charges billed to the Owner pursuant to this Agreement. This includes verification that any and all material, services, labor, and other expenses incurred under the Agreement have been paid. This provision does not entitle Owner to audit fixed prices or agreed upon markups for profit or indirect costs. All books and records shall be maintained in accordance with generally accepted accounting principles. Such books and records shall be made available, on mutually agreeable dates and times, at the Contractor's United States facility for verification, copying, audit and inspection by representatives of the Owner. Any such audit shall be at the Owner's expense and conducted during the Contractor's normal working hours; provided, however, that the Contractor shall provide reasonable assistance necessary to enable the Owner to conduct such audit and shall not be entitled to charge the Owner for any such assistance. Amounts incorrectly or inappropriately invoiced to the Owner, whether discovered prior to or subsequent to payment by the Owner, shall be adjusted or reimbursed to the Owner by the Contractor within five (5) days of notification by the Owner to the Contractor of the error in the invoice.

21. Preference to Owner Service Area Suppliers.

For Work performed in the State of Louisiana and only to the extent required by laws, rules or regulations, or as required to maintain an available tax exemption for the Owner, the Contractor agrees to give preference and priority to sources of supply within the area served by the Owner's facilities. Justifiable exceptions could be, among others, price differential or inability to meet specifications or delivery schedule.

22. Subcontracting.

For work to be performed in Louisiana, Contractor agrees to give preference to sources of supply within the State of Louisiana in subcontracting opportunities. The Contractor shall not employ subcontractors to perform any of the services covered by this Agreement without first securing the written consent of the Owner. Contractor shall remain liable for all acts or omissions of an authorized subcontractor. Contractor further hereby agrees to provide maximum practicable opportunity to small and small disadvantaged businesses (as such businesses are defined by the Small Business Administration or by the Federal Acquisition Regulations), for participation in any subcontracts that are to be let by Contractor in the performance of its obligations under this Agreement. Lists of all subcontractors that qualify as such small or small disadvantaged business shall be supplied to Owner by Contractor.

23. Assignment.

Neither party may assign any of its rights or obligations hereunder without the prior written consent of the other party, and any such assignment without such consent shall be null and void; provided that no prior consent shall be necessary for an assignment by or on behalf of the Owner incident to a change in the ownership of its Site or an assignment by the Owner to one of its affiliated and associated companies. Any assignee of Contractor shall meet all the requirements of Article 13 as a condition precedent to the assignment.

24. Title to Material Prepared or Supplied by Contractor.

24.1 The Contractor shall require each of its employees, and any applicable subcontractor employees, to execute such documents as may be necessary to provide that any or all process, machine, manufacture, composition of matter, writings, software, or product inventions and original works developed or produced in the performance of Work under this Agreement shall become the property of the Owner, and to provide that such employees shall be required to cooperate and participate in obtaining

patents and copyrights to such inventions and works. At the request of Owner, Contractor shall do all things necessary at the Owner's sole cost and expense to obtain such patents or copyrights.

24.2 It is understood and agreed that title to any supplies, equipment, or other property purchased by the Contractor pursuant to this Agreement or purchased for use or consumption in performing Work pursuant to this Agreement, the costs of which are reimbursed by the Owner, shall vest in the Owner when placed in use or consumed in the performance of such Work.

25. Risk of Loss

25.1 Contractor shall be responsible for and shall bear all risks of loss to Work in progress and all materials and equipment delivered to Site in connection with the Work until the Work has been completed.

26. Handling Owner Furnished Material and Equipment

26.1 The Contractor, upon delivery to it or acquisition by it of any equipment, goods or other property owned or supplied by the Owner or in which the Owner has an insured interest, assumes the risk of and shall be responsible for any loss thereof or damage thereto at full replacement cost until returned to the Owner. Upon completion of the Work provided by the Contractor pursuant to this Agreement, the Contractor shall return any such property to the Owner in the condition which it was received except for reasonable wear and tear and except to the extent such property has been reasonably consumed or modified in performance of Work pursuant to this Agreement.

26.2 Unless otherwise stated in Exhibit A, all Work requiring loading, unloading, hauling, handling, storing, caring for, reloading, securing and rehauling of all Owner furnished materials and equipment as required to transport all such items from the point of delivery (Owner or third-party storage points, freight cars, truck trailers or staging areas, whether at the Owner's facility or Contractor's facility) to the place of use, installation, repair or modification shall be performed by the Contractor at its expense. Contractor shall also pay on its own account any demurrage or damage charges imposed on the Owner by carriers which arise from Contractor's action or inaction. The Contractor shall report to the Owner, in writing, within twenty-four (24) hours after receipt, any shortage in or damage to Owner furnished materials or equipment. The Contractor shall maintain accurate records of all Owner furnished materials on hand, and of the disposition and use of such materials or equipment.

27. Time and Order of Completion; Expediting

27.1 The Contractor agrees that Work shall be performed and carried on at such points and times as may be required to meet the schedule as outlined in Exhibit A. Schedule requirements are understood to constitute material terms of this Agreement.

27.2 The Contractor's Work shall be undertaken in full cooperation with the Owner and with the least possible interference with the continuity and efficiency of other activities being conducted at the Sites.

27.3 If at any time the Contractor's personnel, in the opinion of the Contract Manager, shall be inadequate for securing the necessary progress or required quality of Work, as herein stipulated, the Contractor shall increase or supplement its personnel to such an extent as to give reasonable assurance of compliance with the schedule of completion and the required quality of Work. The failure of the Contract Manager to make such demands shall not relieve the Contractor of its obligation to secure the quality and rate of progress required, and the Contractor, alone, shall be and remain liable and responsible for the efficiency and adequacy of its methods and personnel.

27.4 The equipment and material furnished under this Agreement shall be subject to expediting by the Owner. The Owner or its representatives shall be allowed reasonable access to Contractor's plants, and those of its suppliers, for expediting purposes. As required by the Owner, Contractor shall supply schedules and progress reports for the Owner's use in expediting and shall cooperate with the Owner and require its subcontractors and suppliers to cooperate with the Owner in expediting.

27.5 Unless otherwise provided, all references in this Agreement to days shall mean calendar days, and the time within which acts are to be done shall be computed by excluding the first and including the last day. If the last day is Sunday or a legal holiday, the act shall be completed on the next business day.

28. Delays

28.1 The Contractor warrants its expertise in maintaining schedules for assigned Work and will recognize events likely to cause delay. In the event of an occurrence which is likely to cause a delay in the schedule, whether or not due to an act or proposed act of the Owner or by Force Majeure, the Contractor shall give the Owner prompt written notice of such likelihood and shall submit any claims for schedule extension in accordance with Article 4. The Contractor shall give written notice to the Owner, in accordance with Article 4 herein, and shall continue to keep the Owner advised during the continuance of the delay and shall furnish current estimates of the expected length of the delay and its effect upon the services.

28.2 In the event of a delay which is excused due to Force Majeure, the Owner will execute a Change Order granting an extension of time for completion equal to the time lost by reason of the delay, only where Contractor has complied with Article 4, but any such events shall not be a basis for any Contractor claim for compensation in excess of the fixed prices or compensation limits contained in Exhibit B and shall not operate to release the Contractor from any obligations, other than schedules, under this Agreement.

28.3 In the event of an Owner-caused delay, the Owner will issue a Change Order granting an extension of time for completion equal to the time lost by reason of the delay and a price increase reflecting actual, direct costs necessarily incurred by Contractor in excess of any fixed prices or compensation limits contained in Exhibit B solely as a result of the Owner-caused delay only where Contractor has complied with Article 4.

29. Force Majeure

Neither party shall be liable to the other party for loss or damage resulting from any delay or failure to perform its contractual obligations within the time specified due to causes beyond its reasonable control, including acts of God, war, acts of the public enemy, riot, civil commotion, sabotage, federal, state, or municipal actions or regulations, failure or refusal by any regulatory or other agency to act upon or grant permits, licenses, or rate increases; labor difficulties such as strikes; fires, flood, or accidents causing damage to or destruction in whole or in part of the equipment or property necessary to perform the Work; or any other causes, contingencies, or circumstances not subject to its reasonable control, which prevent or hinder performance or payment of compensation hereunder.

30. Safety at Owner's Facility or Jobsite

30.1 Contractor shall not undertake performance of any Work until the Work can be done safely. Contractor shall at all times conduct all Work under this Agreement in a manner to avoid the risk of bodily harm or property damage to any property. Contractor shall promptly take all precautions which are necessary and adequate to guard against any conditions which involve a risk of bodily harm or a

risk of damage to any property. Contractor will only employ skilled employees and subcontractors who are knowledgeable of dangers involved in the Work. Contractor shall continuously inspect all Work, materials and equipment to discover and determine any such conditions and shall be solely responsible for identification and correction of any such conditions.

30.2 Contractor shall notify the Owner immediately of any accident or injury Contractor shall give the Owner access to any accident reports or descriptions as requested.

30.3 The Contractor shall not permit or suffer the introduction or use of intoxicating liquor, beverages, drugs or the possession of firearms, explosives, or weapons or any other contraband upon any of the grounds of the Owner being occupied or controlled by the Contractor's employees.

31. Severability

It is agreed that if any clause or provision of this Agreement is by the courts held to be illegal or void, the validity of the remaining portions and provisions shall not be affected, and the rights and obligations of the parties shall be enforced as if the Agreement did not contain such illegal or void clauses or provisions.

32. Reports.

With respect to the Work performed by Contractor pursuant to this Agreement, Contractor shall provide the Owner with such records and reports concerning the Work as the Owner shall reasonably request.

33. Governing Law.

This Agreement shall be governed and construed in accordance with the laws of the State of Mississippi.

34. Conflict of Interest.

34.1 The Contractor represents that there is no conflict of interest between its performance of this Agreement and its employment by others. In the event the Contractor believes that there is presently any such conflict, or such conflict arises during the performance of the Work pursuant to this Agreement or any extension thereof, it shall advise the Owner immediately and take all necessary action as may be required by Owner to reduce or eliminate the conflict of interest.

35. Sales Taxes

35.1 Taxes will be paid in accordance with Exhibit B hereto.

35.2 Contractor will indemnify and hold the Entergy Companies harmless from penalties or interest imposed as a result of Contractor's failure to pay required taxes, unless such failure was the result of an Owner's instructions issued pursuant to this Section. Prior to payment of any sales, use, excise, contractor's tax or similar tax for which Contractor is entitled to reimbursement, Contractor will afford the Owner the opportunity to challenge the tax computation or the taxability of Work that the Owner believes in good faith to be taxed in error. Contractor further agrees to cooperate with the Owner with regard to the Owner's challenge of a disputed tax before the applicable taxing authority. The Owner agrees to reimburse Contractor for any penalties incurred by Contractor by reason of following the Owner's instructions to challenge and withhold payment of a particular tax.

36. Announcements and Press Releases.

During the term of this Agreement and for a period of twenty-four (24) months thereafter, Contractor shall not make any announcement or release any information concerning Owner, this Contract or the project or any part thereof to any member of the public, press or any official body, unless prior written consent of the Owner is obtained. Inquiries should be directed to the Company's Headquarters Communications Department.

37. Entire Agreement.

This Agreement, including all Exhibits, constitutes the entire Agreement between the parties with respect to the subject matter hereof and supersedes all previous and collateral agreements or understandings with respect to the subject matter hereof. The various parts of this Agreement are intended to be complementary; however, any conflicts between the body of this Agreement and the Exhibits attached hereto shall be resolved in favor of the terms and conditions contained in the body of this Agreement.

Witness the due execution hereof by the parties hereto, effective as of the day and year first above mentioned.

ENTERGY SERVICES, INC.,  
for itself and as agent for  
the Entergy Companies

«vendor\_name»

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: August 17, 2005

Date: \_\_\_\_\_



EXHIBIT A  
TO  
STAND-ALONE CONTRACT  
FOR CONSULTING, PROFESSIONAL  
OR OTHER NONMANUAL SERVICES

DESCRIPTION OF SERVICES  
PROVIDED BY CONTRACTOR

«contract\_order\_code»

EXHIBIT B  
TO  
STAND-ALONE CONTRACT  
FOR CONSULTING, PROFESSIONAL  
OR OTHER NONMANUAL SERVICES

I. RATES AND COMPENSATION PROVISIONS

[insert as applicable]

II. GENERAL SALES TAX PROVISIONS

- A. Except with respect to sales and use taxes that will be paid directly by the Owner pursuant to direct pay permits as described herein, Contractor will bill and collect from the Owner as a direct cost and will pay all required Arkansas, Louisiana, Mississippi, and Texas state and local taxes imposed upon transactions pursuant to this Agreement in a timely manner. Any prompt-pay discounts or other refunds of tax overpayments obtained from applicable taxing authorities will be passed on to the Owner.
- B. Invoices shall separately itemize material costs, service costs, the portion of the price representing the sale of manufacturing or processing machinery or other items that are exempt from taxes or subject to a lower rate and itemize tax rates applicable to each so as to allow verification of proper calculation and payment by Contractor of taxes.

III. COMPANY SPECIFIC SALES AND CONTRACTOR'S TAX PROVISIONS FOR  
NONMANUAL SERVICES [insert as applicable]

- A. With respect to Entergy New Orleans, Inc., Entergy Services, Inc., System Fuels, Inc., Entergy Arkansas, Inc., and Entergy Gulf States Inc., Contractor is solely responsible for billing and remittance of state and local taxes in a timely manner, except in cases where the Contractor is not registered or authorized to, and is not otherwise required to, collect and remit such taxes.
- B. Entergy Mississippi, Inc. (EMI) - EMI will pay any sales and use tax owed to the Mississippi State Tax Commission pursuant to direct pay permit no. \_\_\_\_\_, and Contractor should not bill EMI for any Mississippi taxes other than the Contractor's tax, where applicable.

C. Entergy Louisiana, Inc. (ELI) - ELI is authorized to pay directly to the taxing authority any local taxes in the ELI service area, and Contractor should not bill ELI for such taxes. Contractor is solely responsible for billing and remittance of state taxes in a timely manner, except in cases where the Contractor is not registered or authorized to, and is not otherwise required to, collect and remit such taxes.

Public

This exhibit contains information that is confidential and will be provided under the terms of the Protective Order (Confidentiality Disclosure Agreement) entered in this case.

This page has been intentionally left blank.

Public

This exhibit contains information that is confidential and will be provided under the terms of the Protective Order (Confidentiality Disclosure Agreement) entered in this case.

This page has been intentionally left blank.

**Section 1: Market Monitoring/Involvement: Transfer of Responsibility to Texas Jurisdiction**

**4/18/02: STATUS & ACTION ITEMS**

**Develop high level transition plan by 4/12/02 – Completed**

- roles/responsibilities
- high level timeline for 6/1/02 completion

**Responsibilities:**

- Ray Pregeant [EGSI] will be the designated “executive contact” for EGSI.
- Todd Dunkleberger [EGSI] will be the designated “business contact” have lead responsibility of the Texas Market Team, and will be primary designee for EGSI Distribution Representation in RMS.
- Vernon Pierce [EGSI] will have support role with primary focus on “wires related” issues/teams.
- Lora Davis [EGSI] has lead responsibility for REP interaction/contact.

**EVALUATE CURRENT LEVEL OF INVOLVEMENT AND DETERMINE FUTURE LEVEL OF INVOLVEMENT ON PRIORITIZED BASIS BY 4/19/02.**

**Retail Market Subcommittee - Dunkleberger**

Todd Dunkleberger will have primary lead responsibility, with support from other Texas Team members as necessary. No anticipated support from CSS team after 6/1/02.

**Action Item 1:**

Todd and Jim Breakfield [ESI] (with support from Vernon/Pam) assigned action item to complete detailed transition & communication plan for execution by May 6.

**Market Metrics Team - Dunkleberger (monitoring role)**

Todd will assume monitoring role for this team. ETR will not actively participate going forward, and no longer co-chair, nor be actively and continuously involved in this team.

**Action Item 2:**

Todd and Jim Breakfield assigned action item to complete detailed transition & communication plan for execution by May 6.

**Ad hoc TDSP Team – Dunkleberger/Pierce**

Todd/Vernon will assume monitoring/participation role for this team on an as needed basis.

**Action Item 3:**

Todd and Jim Breakfield assigned action item to complete detailed transition & communication plan for execution by May 6.



**Ad hoc ERCOT Technical Team - Murphy**

Consensus of the teams that this is an operational item and falls under the IT Maintenance/Ops Team existing costs/responsibility and is no longer a responsibility of the Texas Market Team.

**Action Item 4:**

Pam Wallace [ESI] & Cindy Murphy [ESI] assigned action item to transition this responsibility to the IT Maintenance Team by 5/1/02

**Market Test Team\* - Wallace**

Current consensus of the team that the Texas Market Team will continue to need technical support from CSS staff through the end of 2002. (Or at least through completion of current testing, and completion of SET 1.5 testing, currently scheduled to end in Nov). Due to EGSi pilot status in the market place, this involvement in testing preparation and coordination is mandatory.

Estimate of time is approximately 20% of 1 FTE (~ \$ 3000/mo in financial view).

**This requires EGSi Management approval.**

**Action Item 5:**

Pam Wallace [ESI] & Cindy Murphy [ESI] assigned action item to develop further justification and documentation for this support by April 26.

**Texas SET Team\* - Wallace**

Current consensus of the team that the Texas Market Team will continue to need technical support from CSS staff through the end of 2002. It is the consensus of the joint teams that the benefits to EGSi of proactive participation in the development/modification of SET designs is cost justified.

Estimate of time is approximately 30% of 1 FTE (~ \$ 4000/mo in financial view).

**This requires EGSi Management approval.**

**Action Item 6:**

Pam Wallace & Cindy Murphy assigned action item to develop business case and justification to support this cost by April 26.

**Ad hoc Work Groups -Dunkleberger**

These groups are formed on an as needed basis, and are usually comprised of MP volunteers. Participation in these work groups, if any, will be determined on a case-by-case basis.

**Market Fast-Track Resolution Process**

Involvement is only on an as needed basis. EGSi-required contacts for this market process will change from:

Executive Contact: From Manasco to Pregeant

Business Contact: From Breakfield to Dunkleberger

Technical Contact: From Wallace to Murphy

**Action Item 7:**

Breakfield/Wallace will initiate change in contact notification and bring the new contacts up to speed on expected roles. May 6.

**OTHER ITEMS DISCUSSED/DISPOSITION:**

**Management of EGSI digital certificates for ERCOT systems.**

This will be transferred from Jim Breakfield to the Business and IT Operational teams. Russo [ESI] will have business responsibility of determining/approving who is assigned digital certificates. The IT Operational Team will be responsible for management/security of the digital certificates.

**Action Item 8:**

Breakfield will transition this responsibility to Russo/Murphy as part of the hand-off to the operational teams by May 1.

**Management of user access to VeriTRAN IMB**

This is an operational item. The MM team will transfer this responsibility to the Business and IT Operational Teams.

**Action Item 9:**

Breakfield/Wallace will transition this responsibility to Russo/Murphy as part of the hand-off to the operational teams by May 1.

**Competitive Retailer Web Page and Support**

This is an operational item. The MM team will transition this responsibility to the Business Operational team.

**Action Item 10:**

Stone & MM team will transition this responsibility to Russo as part of the hand-off to the operational teams by June 1.

**DEVELOP INTERNAL/EXTERNAL IMPLEMENTATION AND COMMUNICATION PLAN FOR RESPONSIBILITY TRANSFER AND COMMUNICATION BY 5/6/02.**

*Teams will complete required actions and attend the May 3 RMS meeting. Next meeting is scheduled for May 6 at which time final approval will occur and execution will begin.*

**EXECUTION AND COMPLETION OF TRANSITION: MAY 1 – JUNE 1**

**Section 2: CR Web Page Support**

Assumption is that appropriate group(s) will assume these roles/responsibilities 6/1/02. The majority of these activities will be transferred to the business and IT operations teams as opposed to Texas Jurisdictional Team.

**Action Item 11:**

Lora Davis/Keith have lead to ensure activities are appropriately transferred.

**COMPETITIVE RETAILER INFORMATION WEB SITE** (CURRENTLY ACTIVELY INVOLVED: STONE)

- **Scope:**  
VeriTRAN currently hosts the Competitive Retailer (CR) Information Web Site on a server in Boulder, Colorado. The site content consists of business information designed to orient existing or potential CRs on how to conduct business with Entergy Texas during the pilot phase into retail open access.
- **Technical Scope:**  
The CR Information Web Site is maintained on a UNIX server, hosting an Apache/Tomcat web server with JAVA Server Pages (JSP). This configuration differs markedly from the Entergy hardware/software environment based heavily on Microsoft's Windows NT server, with Active Server Pages (ASP).
- **General Responsibilities:**  
The general responsibilities associated with supporting the CR Information web site fall into two categories: recurring and on-demand:

Recurring (weekly)      10% to 20% of one FTE (dependent on activity)

**Texas Permit Requirements**

Contact: Robin Chamblee / CSC Support / (501) 377-3911

Duties: 5% to 10% of one FTE (dependent on activity)

- Monitor Texas permit requirement changes, modify HTML to remove internal company directories & references, format appropriately and generate into Adobe PDF format, present for review, upload approved content to the web

**Texas Pilot Available Load Calculation**

Contact: Mark Russo / Texas Market Operations / (409) 981-2722

Duties: 2.5% to 5% of one FTE (dependent on activity)

- Obtain Available Load Calculation changes from Texas Market Operations, modify HTML to reflect data changes and last update date, present for review, upload approved content to the web.

**Data Aggregation (secured CR web pages)**

Contact: Chi-Kong Sun [ESI] / Customer Load Information

Chris Crawford [IBM] / VeriTRAN (ExoLink)

Ron Dean [IBM] / VeriTRAN project manager

Duties: 2.5% to 5% of one FTE (dependent on activity)

- Monitor data aggregation files generated by Entergy Load Research (Chi Sun)

to ensure data flow from Entergy to VeriTRAN and proper posting to secured (SSL) CR web pages. Facilitate resolution of any file flow and placement problems.

On-demand activity)      Currently ranges from 5% to 10% of one FTE (dependent on

Provider Relations Support

Contact:      Lora Davis / Provider Relations Manager  
Chris Crawford / VeriTRAN (ExoLink)  
Ron Dean / VeriTRAN project manager

Duties:

- Receive approved content changes, backup existing content, adjust content name to match web requirements, upload content to web site, modify last update date.
- Receive request and facilitate setup of new CR in appropriate Entergy (CCS, EV2K, PBC) and VeriTRAN (registration data base, secured and unsecured CR web pages, CR logon id/password) systems; modify data aggregation file parsing scripts to ensure correct data aggregation file placement on the web site.
- Package all Distribution Operations web information into a composite CR Orientation Guide in Adobe PDF format and post to the web.
- Receive notification of Meter Reading schedule changes; convert from Entergy all jurisdiction MS Excel format to Texas-specific MS Word format and post to web with appropriate “how to use” instructions.

Entergy-VeriTRAN CR web site gatekeeper

Contact:      Bryan Bennett [ESI] / V.P. Communications  
Chris Crawford / VeriTRAN (ExoLink)  
Ron Dean / VeriTRAN project manager

Duties:

- Maintain and configure CR Information “Content Management” data base used to drive web changes for the VeriTRAN web site. Includes “image” creation, HTML page references, content file names and path locations, last date changed, etc.
- Ensure Entergy web standards are adhered to on the VeriTRAN hosted CR Information web site.

▪ Criticality of Support Effort:

Under the terms of the settlement agreement to delay deregulation for Southeast Texas, the pilot project will be continued until September 15, 2002 or until the beginning of retail open access. This agreement requires that Entergy Texas maintain accurate and timely updates to the business information provided to existing or potential Competitive Retailers on our web site(s).

▪ *Benefits vs. Risks to Providing Support:*

Ongoing support of the information contained on Entergy Texas' web site and the CR Information web site is mandated (see Criticality of Support Effort above). Entergy business process changes in Texas are not static and require periodic adjustment. Failure to reflect adjustments on our web sites that may impact existing or potential Competitive Retailers operating in the Entergy Texas service territory would place Entergy Texas in violation of the settlement agreement.

**Section 3: Justification for on going Technical Support for Distribution****JUSTIFICATION FOR PROACTIVE PARTICIPATION IN TEXAS SET**

By participating in the Texas SET team, Entergy TDSP is able to work towards the building and design of transactions that will both accomplish the business need in the market and minimize the impact to Entergy's back end systems and/or processes.

Specific examples of areas where Entergy's proactive participation has benefited us in minimizing impacts and/or preventing rework include (but are not limited to):

**Formatting of the name and address fields in the 814 20 transactions.**

The market in general was leaning toward a complicated parsing of the service address, which would have required an entire system change in CCS. Our work in fighting this movement was successful, with all market participants realizing the implications to their own systems.

- Estimated cost savings ~ \$500,000?

**Eliminating the 814 28 for un-executable switches.**

Entergy was successful in arguing against the use of the 814\_28 (un-executable move-in) for un-executable switches. Had Entergy not been proactively involved, VeriTRAN would have had to build at least two more transactions to Entergy's back end systems.

- Estimated cost savings ~ \$200,000

**Re-tooling of the meter reads for SET v1.4.**

As previous versions of SET were developed as they pertain to meter reads, it became evident that many of the market participants did not fully understand meter readings at all. Through Entergy's participation and our pulling in our subject matter experts, we were successful in the complete re-design of the meter reading transactions so that they were both workable and would accommodate Entergy's systems for handling meter reads.

- Estimated cost savings ~ \$500,000

**Design of the invoicing transactions.**

As the invoicing transactions were developed, many market participants were pushing for either requiring proration on un-metered devices or prohibiting proration on un-metered devices. Entergy was successful in demonstrating how both situations could be accomplished in the market with the existing transactions so that no TDSP would have to change the way they are currently doing business.

- Estimated cost savings ~ \$200,000

**Move-in/Move-out Processes.**

Entergy's involvement in developing a solution to the market's difficulties with the move-in/move-out process has been key in getting ERCOT to accept the responsibility for managing these processes. Beginning in workshops conducted last

year and continuing through workshops currently being conducted, Entergy has provided concise and thorough processes and examples, which are proving to be extremely valuable in gaining buy-in by the market and ERCOT. Other proposals offered for managing the move-in/move-out processes would have left a number of gaps remaining, been very costly for all market participants, and would have required further work-arounds and rework in order to make successful

- Estimated cost savings ~ \$750,000??

#### **JUSTIFICATION FOR PROACTIVE PARTICIPATION IN TEXAS TEST PLANNING TEAM (TTPT)**

By participating in the Texas Test Planning Team (TTPT), Entergy TDSP is able to work towards the building and design of testing scenarios, processes, and requirements that will both accomplish the business need in the market and minimize the impact to Entergy's back end systems and/or processes.

Specific examples of areas where Entergy's proactive participation has benefited us in minimizing impacts and/or preventing rework include (but are not limited to):

##### **Encouraging the development of the ERCOT Testing on Demand (ETOD) system**

Allows new market participants (CRs) to download "canned" transactions from each TDSP and push those transactions through their systems without requiring the TDSP to interactively create those transactions.

1. Estimated cost savings ~ \$200,000

##### **Actively participating in the development and testing of the ETOD system**

Assist in gaining market approval for its use.

- Estimated cost savings ~ \$50,000

##### **Encouraging ERCOT to reset test bed data for subsequent test flights**

So that each TDSP does not incur the considerable costs associated with creating new test beds for each testing flight.

- Estimated cost savings ~ \$50,000

##### **Leading the effort to structure re-testing requirements for market participants**

Each entity has the responsibility to determine their requirements for retesting. Most significant here is that we were instrumental in gaining RMS approval to allow a market participant to change service providers without forcing them to completely retest in the market.

- Estimated cost savings ~ \$200,000

##### **Encouraging the limiting of the number of test scripts required**

So to reflect only the areas of greatest risk, removing redundancies, and streamlining processes.

- Estimated cost savings ~ \$50,000

#### **Section 4: Supplemental Settlement Support Functions**

Assumption is that these items are currently out-of-scope of the transition plan. CSS staff will continue to support these activities. Costs are chargeable to TTC code TRGTIM.

##### **ERCOT LOAD PROFILE WORK GROUP (PWG)**

###### **Purpose:**

- This team was established in 1999 to develop protocols related to load profiling in ERCOT's jurisdiction in Texas. Following the completion of the protocols, the PWG is drafting a Load Profiling Operating Guide (LPOG) which goes into more detail in documenting processes, methodologies, rules and requirements for the operation of a load profiling system. The PWG will monitor ERCOT load profiling on an on-going basis and make revisions to protocols and LPOG as warranted, as well as participate in profiling disputes in the market.

Entergy's participation in the PWG is to influence the team to develop protocols and operating guides that are compatible with Entergy's load profiling operation.

###### **Meeting Frequency**

Meetings are held weekly in Austin, Texas. The meetings alternate between one-day and two-day meetings each week.

###### **Current Estimated Participation in PWG:**

Six days/month attending PWG meetings in Austin, plus one day for document review, providing comments, and other correspondence. This equates to 35% for one FTE.

###### **Need for Participation by ETR:**

Participation in the PWG is not absolutely necessary or mandatory.

###### **Benefits to ETR for PWG Participation:**

PWG participation provides ETR with an opportunity for input to rules and processes being developed for load profiling. PWG participation allows ETR to gain information on a first-hand basis and incorporate any needed changes to ETR's Load Profiling System in a timely manner. In addition, participation allows ETR personnel to stay abreast of current topics and ROA issues related to load profiling in Texas.

##### **PUCT PROJECT NO. 25516 LOAD RESEARCH AND LOAD PROFILING WORKSHOP**

###### **Purpose:**

ETR is participating in a team established by PUCT to study how load research should be conducted to support both wires companies and load profiling. PUCT may also focus on ERCOT providing load profiles for non-ERCOT utilities.



**Meeting Frequency:**

Meetings are held in Austin, Texas. It is expected the meetings will occur two days per month.

**Current Estimated Participation:**

Estimated two days/month (10% FTE).

**Need for Participation by ETR:**

Mandatory participation is required of ETR.

**Benefits to ETR for Participation:**

Provides opportunity to put forth ETR's position on new rules, changes, or processes in areas of load research and profiling. Provides mechanism to understand other utilities' research and profiling processes and procedures.

**Section 5: ETR Protocol Collaborative**

Considered out-of-scope for the transition plan. These costs are chargeable to TTC code TRGTIM. Assumption is that Manasco [ESI]/Snyder [ESI] will continue to provide the needed support for the ETR Protocols Collaborative Work.

**Purpose:**

The Entergy Collaborative Protocols define the rules by which the Entergy-Texas electricity market will be governed. These protocols will govern the distribution company's practices in the proposed SeTRANS Market Area of Texas, as well as Transmission and other market participant activities.

Tom Manasco [ESI] has primary responsibility for the protocols applicable to the distribution company. Brenda Snyder provides support and subject matter expertise in the development and resolution of protocols that specifically affect the distribution company in it's role of performing the load profiling and data aggregation functions, as associated functions, necessary to support the wholesale settlement processes.

These responsibilities include participation in drafting of documentation and attendance, as required, of meetings involving the protocols applicable to the distribution, specifically as they relate to Load Profiling and Data Aggregation Sections of the ETR Protocols as well as support the Settlement and Losses Sections (responsibility of ETR Transmission).

**Meeting Frequency:**

Meetings are established by PUCT to discuss protocols. Minimum activity is expected in the Load Profiling and Data Aggregation protocols until the Settlement protocols are completed. Protocol meetings are held in Austin, Texas. Collaborative Sessions are currently meeting bi-weekly for two days in Austin. Distribution participation is limited to an as needed basis.

**Current Estimated Participation in Protocols:**

Estimate one day/month (5% FTE) in support of Transmission protocols. At some future time, additional collaborative review/rewriting of the Load Profiling and Data Aggregation, and other distribution protocols, is estimated to require up to 50% FTE for both Manasco and Snyder.

**Need for Participation by ETR:**

Participation is mandatory for Protocol meetings involving Load Profiling and Data Aggregation; participation on as needed basis to support Settlement and Losses.

**Benefits to ETR for Participation:**

Provides opportunity to influence market participants to approve ETR's protocols; understand/clarify issues in the marketplace; gain approval by PUCT.