

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Pat Wood, III, Chairman;
William L. Massey, and Nora Mead Brownell.

Entergy Services, Inc.

Docket No. ER02-2014-007

ORDER ON AMENDED GENERATOR OPERATING LIMITS FILING
ESTABLISHING AN INTERNAL GENERATOR OPERATING LIMIT

(Issued June 4, 2003)

1. In this order, the Commission accepts an Internal Generator Operating Limit (Internal GOL) procedure filed by Entergy Services, Inc. (Entergy)¹ and requires it to become effective thirty days from the date of issuance of this order, subject to the conditions described in this order. While Entergy's previously accepted Directional GOL filing calculates transfer capability for short-term firm point-to-point transmission service requests to Entergy's interfaces with other control areas, the Internal GOL procedure is designed for short-term network and firm point-to-point transmission service within Entergy's control area. As discussed below, we consider the Internal GOL, as well as the Directional GOL, to be another tool under Entergy's Open Access Transmission Tariff (OATT) in addition to Entergy's "knowledge of its system" for evaluating whether short-term transmission service is available.

2. The Internal GOL methodology is generally supported by a majority of the parties and appears to be superior to the status quo, since it offers generators an alternative. This order directs Entergy to make certain modifications to its proposal and requires Entergy to submit information on a monthly basis that will allow the Commission and interested parties to monitor and evaluate the new procedure. This order benefits customers because it will permit Entergy to implement, and gain experience with, an alternative methodology for evaluating short-term network resources in time for the summer peak period.

¹The filing was made by Entergy Services, Inc. on behalf of the Entergy Operating Companies. The Entergy Operating Companies include: Entergy Arkansas, Inc., Entergy Gulf States, Inc., Entergy Louisiana, Inc., Entergy Mississippi, Inc., and Entergy New Orleans, Inc.

Background

3. On June 3, 2002, Entergy filed Attachment Q to its OATT,² which proposed a GOL procedure (Initial Proposed GOL) to address local transmission constraints on the Entergy transmission system and to provide a process for generators to participate in short-term bulk power markets without first submitting each proposed transaction for a System Impact Study (SIS). The GOL procedure set forth the methodology for evaluating local transmission constraints on Entergy's transmission system. Entergy further stated that the GOL is the MW value up to which a generating facility, or group of generating facilities, can ordinarily be operated on a short-term basis without compromising local transmission reliability and without requiring an SIS for transmission service requests. In an order issued on August 2, 2002,³ the Commission accepted the Initial Proposed GOL filing, suspended its effectiveness until January 3, 2003, and directed staff to convene a technical conference to explore the issues raised by the parties. Entergy was ordered to continue to offer the unfiled GOL procedure (Original GOL procedure) it had in place prior to its filing of Attachment Q on June 3, 2002.

4. On October 11, 2002, the Commission granted rehearing of the August 2 Order and found that Entergy's Original GOL procedure should have been filed with the Commission.⁴ The Commission ruled that under Section 205, Entergy cannot adopt operating practices such as its Original GOL procedure that affect reservations, scheduling and curtailment without making a filing to obtain Commission authorization.

5. On October 17, 2002, Entergy filed an Emergency Request for Stay of the Rehearing Order, arguing that the elimination of its Original GOL procedures would harm the short-term market by requiring Entergy to perform an SIS for all daily and weekly transmission service requests. Entergy argued that SISs could not be completed in time for Entergy to respond to daily and weekly transmission service requests. On November 7, 2002, the Commission issued an Order Denying Stay and Clarifying Prior Order⁵ which directed Entergy to follow its OATT, which meant using its knowledge of its system (which is based on existing information and studies of its system) to determine on a non-

²Entergy's current OATT is FERC Electric Tariff Second Revised Volume No. 3.

³Entergy Services, Inc., 100 FERC ¶ 61,147 (2002) (August 2 Order).

⁴Entergy Services, Inc., 101 FERC ¶ 61,040 (2002), order on reh'g, 103 FERC ¶ 61,271 (2003) (Rehearing Order).

⁵Entergy Services, Inc., 101 FERC ¶ 61,169 (2002).

discriminatory basis whether it can fulfill a short-term transmission service request instead of automatically performing an SIS for every such request.

6. The technical conference established in the August 2 Order was held on October 29, 2002. On November 12, 2002, Entergy filed comments in which it proposed to make extensive modifications to its GOL procedure (Amended GOL filing) to resolve outstanding issues. Entergy further committed to study two additional proposals that were raised during the technical conference and to submit a status report to the Commission by April 30, 2003.⁶

7. On December 16, 2002, the Commission issued an order⁷ dismissing without prejudice Entergy's Initial Proposed GOL procedure because the substance of its proposal had been superseded by the Amended GOL filing. The Commission found that Entergy's Amended GOL filing represented significant progress in addressing various concerns discussed at the technical conference, but lacked the detail and clarity needed to fully evaluate the proposal. We directed Entergy to refile its Amended GOL within 30 days of the issuance of the order, setting forth a specific and better-supported proposal (including revision to its OATT) to implement a GOL procedure. In the meantime, we directed Entergy to continue to grant short-term transmission service requests based on its knowledge of its system. In addition, we ordered Entergy to file its proposed status report by April 30, 2003.

8. On January 15, 2003, Entergy filed a revised Attachment Q and a further explanation setting forth in more detail its proposed revisions to the Amended GOL

⁶The first proposal, Available Flowgate Capability (AFC), is an alternative methodology for evaluating transfer capability that could replace the GOL method. The second proposal involves identifying alternatives to Entergy's current process for evaluating the ability of the transmission system to accommodate new network resources on a short-term basis.

⁷Entergy Services, Inc., 101 FERC ¶ 61,291 (2002).

proposal. On March 13, 2003, the Commission issued an order⁸ accepting the Amended GOL proposal, as revised, and required it to become effective on April 12, 2003 subject to certain conditions.

Description of Entergy's Internal GOL Procedure

9. On February 28, 2003, Entergy filed another revision to its Attachment Q and other explanatory information setting forth a proposal to adopt a more detailed process for evaluating short-term network resources than the "knowledge of the system" approach currently in the Amended GOL filing. Entergy proposes to calculate a predetermined, generator-specific operating limit value that can be used to reserve short-term firm transmission service within the Entergy control area without requiring an SIS. While Entergy's Amended GOL filing provides that Entergy will calculate path-specific GOL values from each generator to each of the fourteen control areas directly connected to Entergy's transmission system (Directional GOL), Entergy now proposes to calculate a value for the Entergy control area to be used to reserve transmission service -- network and point-to-point -- internal to the Entergy control area (Internal GOL).

10. Entergy's proposed Internal GOL is an expedited procedure for market participants to designate short-term network resources. Entergy's OATT would be modified to specify expedited procedures for requests to designate new network resources for a short-term (less than one year) period. Entergy proposes to calculate Internal GOL values for the Entergy control area that are similar to Directional GOL values for service to other control areas, in that they are predetermined, generator-specific values that can be used to reserve short-term transmission service, including both point-to-point service within the Entergy control area and requests to designate new network resources on a short-term basis, without the need for an SIS.

11. Entergy states that the Internal GOL value would measure the ability of generators to displace existing network resources within the Entergy control area, rather than measuring the ability of the transmission system to accommodate another transaction in addition to the service already reserved as part of the base case model. Instead of studying an additional transaction on top of those existing network resources, a displacement study assesses the level of output that can be accommodated by the transmission system if the

⁸Entergy Services, Inc., 102 FERC ¶ 61,281 (2003), order on reh'g, 103 FERC ¶ 61,271 (2003) (March 13 Order) .

generating facility being studied displaces existing network resources in providing energy to native and network load located within the Entergy control area.⁹

12. Entergy also states that rather than simply evaluating the transmission facilities within a ten-bus radius of the generating facility being studied, the Internal GOL power flow study for the Entergy control area will be based on an examination of all transmission facilities within the control area. This is because the Internal GOL value can be used by any network customer in the Entergy control area to access any generating unit within the Entergy control area.

13. Furthermore, the Internal GOL value will be a path-specific value for purposes of addressing simultaneous impacts. The Amended GOL filing procedures for addressing simultaneous impacts will apply to reservations using a facility's Internal GOL.

14. Entergy has also provided additional options to network customers for designating new network resources, including studying new network resources as: (1) incremental uses of the transmission system; (2) short-term temporary displacements of other network resources; and (3) long-term permanent displacements of other network resources. Local Area generating units will also have the option of requesting a one-to-one displacement study that will examine the ability of a generating facility within a Local Area to displace the output of other generating facilities that participate in the Local Area.

15. Entergy requests that the Commission approve the Internal GOL procedure within 60 days of its filing and establish an effective date 30 days after the Commission issues that order. Entergy argues that the one-month implementation period is necessary to complete preparations for conducting daily GOL calculations from every generating facility to the Entergy control area. During the one-month implementation period, Entergy will continue to use its knowledge of the system, existing information, and system assessments and studies to determine if it can grant short-term transmission requests without requiring an SIS.

Notice and Responsive Filings

⁹For example, a market participant with a generating facility with an internal "displacement" GOL value of 500 MW can displace up to 500 MW of its own existing network resource generation across the Entergy control area.

16. Notice of Entergy's filing was published in the Federal Register,¹⁰ with interventions or protests due on or before March 21, 2003. A Joint Protest was filed by Dynegy Power Marketing, Inc., Exelon Generation Company, LLC, InterGen Services, Inc. (InterGen), International Paper Company, PG&E Energy Trading-Power, L.P. and Tenaska Frontier Partners, Limited (collectively, Joint Intervenors). In addition, comments were filed by Tractebel Energy Marketing, Inc. (Tractebel); TECO Power Services Corporation (TECO); and Duke Energy North America, LLC, Duke Energy Southaven, LLC, Duke Energy Hot Spring, LLC, and Duke Energy Hinds, LLC (collectively, Duke).

17. On April 7, 2003, Entergy filed an answer to the comments. On April 22, 2003, Duke filed a Motion for Leave to Answer and Answer to the Entergy Answer. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure¹¹ generally prohibits answers to protests and comments, unless there is good cause to allow the answer. In light of the various clarifications made by Entergy in response to the issues raised by the intervenors, and by Duke in response to Entergy's Answer, we will accept Entergy's and Duke's answers.

Discussion

18. The Internal GOL proposal is generally supported by certain market participants and opposed by others. TECO supports the implementation of the Internal GOL procedure by summer 2003 to ensure that merchant generators can be designated as short-term network resources. Tractebel supports the approval of the Internal GOL, saying that it would allow more opportunities for merchant generators to sell to firm transmission customers in the Entergy control area. Duke states that it generally supports Entergy's filing.

19. Joint Intervenors request that the Commission reject the proposal and note that they have withdrawn their support for the entire GOL process.¹² The Joint Intervenors note that Entergy's attempt to account for the displacement of network resources is an improvement over the original Internal GOL proposal, which did not account for the fact that existing network resources could be backed down when merchant units sell "into Entergy." However, Joint Intervenors urge the Commission to reject Entergy's proposed Internal

¹⁰68 Fed. Reg. 11,826 (2003).

¹¹18 C.F.R. § 385.213(a)(2)(2002).

¹²On April 14, 2003, Joint Intervenors filed a request for Rehearing of the March 13 Order in Docket No. ER02-2014-008 and a request for Stay of the March 13 Order in Docket No. ER02-2014-009 on April 10, 2003. They now oppose both GOL procedures.

GOL, arguing that it is too conservative and, in combination with other rules on the use of Directional GOLs, would limit generators' ability to access the short-term firm market.

20. However, as we noted in our March 13 Order on Entergy's Directional GOLs, we cannot determine without some practical experience with the GOL whether it is overly conservative. We would consider it overly conservative if it limits generators' access to transmission more than is necessary to protect reliability. We stated that the best way to determine whether the Directional GOL is overly conservative is to gain working experience with it. We permitted the Directional GOL proposal to be put into effect, with specific reporting requirements that will allow the Commission and the market participants to more fully evaluate the performance of the procedures after the summer cooling season.

21. Joint Intervenors state that the addition of the Internal GOL, combined with the restrictions imposed by the Directional GOL, will essentially eviscerate a generator's ability to participate in the short-term firm markets in the Entergy control area. Joint Intervenors raise essentially the same issue as that we addressed in our March 13 Order; that is, how to ensure reliability while providing as much access as possible to Entergy's transmission system. Consequently, consistent with our March 13 Order, we will permit the Internal GOL proposal to be put into effect subject to modification and specific reporting requirements that will allow the Commission and the market participants to monitor the system during the summer and evaluate the performance of the procedures after the summer cooling season.

22. The parties also raise technical issues about the Internal GOL methodology and implementation, which we address below.

Monitoring of Constraints

23. The Joint Intervenors note that, when calculating Directional GOLs, Entergy examines potential constraints within ten buses of a generation facility. However, when calculating Internal GOLs, Entergy proposes to examine all constraints on its entire system. The Joint Intervenors argue that this is an unacceptable modification that goes well beyond the purpose of dealing with local constraints.

24. Entergy responds that, in order to give generating facilities the ability to serve load located anywhere on the Entergy transmission system without first requiring an SIS, Entergy must take into account constraints beyond the ten-bus radius. Entergy asserts that the Internal GOL calculation will not be too conservative. Entergy argues that, because its

new network GOL study disperses a generator's output over a wide variety of facilities and paths, the effect of the generator output on a particular set of constrained facilities will be similarly dispersed. Entergy further argues that the Joint Intervenors ignore the role of the 3% OTDF in ensuring that internal GOLs will only be determined based on constraints that the studied generator contributes to in a significant fashion. Entergy points out that the Joint Intervenors do not offer an alternative proposal, but instead argue that Entergy should be required to grant service throughout its entire control area based solely on an evaluation of the transmission facilities within a ten-bus radius of the generating facility under study.

25. Entergy's Answer provides a reasonable rationale for considering impacts beyond the 10-bus radius when determining Internal GOL values. Entergy's proposed Local Area GOL values were originally developed to analyze the transmission system constraints that occur when exporting power out of the "source" generator area. Entergy's rationale is reasonable, since the "sink" or load demand area would not be monitored using only the local area generator GOL. The Internal GOL is Entergy's proposal to conduct the necessary line monitoring in order to additionally monitor transmission constraints at the importing load demand area. Entergy states that the Internal GOL will only be used to evaluate internal point-to-point reservations or short-term internal network reservations without limiting reservations that have sources or sinks outside the Entergy internal control area.¹³

Determination of Available Capacity

26. Entergy proposes to eliminate tariff language from Attachment Q that requires Entergy to use its general knowledge of its system in determining whether to provide requested short-term transmission service. However, we do not consider the GOL methodology and Entergy's "knowledge of its system" methodology to be mutually exclusive when determining whether there is short-term transmission available. If a transmission customer wants Entergy to use the knowledge of the system methodology instead of the GOL methodology, Entergy must do so. In other words, a transmission customer can request that Entergy use its knowledge of its system to determine if there is transmission capacity available beyond the customer's GOL value. Entergy's "knowledge of its system" methodology relies on existing information and studies of its system and, therefore, can be performed in an expedited manner and should not be a burden on Entergy. If Entergy determines, through its knowledge of its system, that there is capability available

¹³The Commission interprets Entergy's proposal to include only limiting elements that meet the 3% OTDF threshold when calculating the Internal GOL.

beyond the GOL values, Entergy must make that capability available on a non-discriminatory basis. Consequently, we will require Entergy to refile Attachment Q to allow a prospective transmission customer to request that Entergy use its knowledge of its system to identify any additional capability not captured in the GOL calculation, and to provide that if Entergy determines that capability exists above a calculated GOL value, that capacity will be made available on a non-discriminatory basis.

Intra-Company Power Sales

27. Tractebel states that Entergy may intend to take advantage of the new proposal to designate as network resources hundreds of megawatts of its own affiliated generation and to exempt Entergy's affiliates from GOLs. Tractebel cites Entergy's request for Commission approval of an affiliate power sale in Docket No. ER03-583-000 that would transfer approximately 517 MW of capacity from Entergy's market-based affiliate, EWO Marketing, Inc., ultimately to Entergy Louisiana and Entergy New Orleans. Tractebel states Entergy intends to confer transmission benefits on its affiliates and greatly increase its market power. Tractebel contends that once the capacity is transferred to Entergy's affiliates, the 517 MW could be designated as network resources and would be exempt from GOLs. Tractebel requests that the Commission condition Entergy's GOL program to limit Entergy's market power, but does not provide any specific suggestions as to how to condition the approval.

28. Entergy argues that Commission approval of the affiliate transactions in Docket No. ER03-583-000 will not convey network resource status on a generating unit. Entergy states that the Internal GOL procedure improves the evaluation of network resources by providing a "before-the-fact" measurement of transfer capability for network service internal to the Entergy control area. It says that it will evaluate a request to designate a new network resource pursuant to Attachment Q and Entergy's OATT provisions on a non-discriminatory basis, treating all generation facilities the same regardless of ownership. Thus, Entergy states, all requests to designate a new network resource for Entergy's native load, including the affiliate power purchases filed in Docket No. ER03-583-000, will be evaluated to determine if Entergy's transmission facilities can support the requested service.

29. Entergy's proposed Internal GOL process outlines a specific process for a transmission customer to designate new network resources for a short-term basis. It may be possible, as Tractebel states, that Entergy will attempt to designate as new network resources any capacity transferred to it from its affiliates pursuant to the proceeding in

Docket No. ER03-583-000.¹⁴ Based on our understanding of how the GOL process is intended to work, the proposed Internal GOL provisions of Attachment Q will not grant Entergy, as transmission provider, any advantage over other transmission customers in designating new network resources. We believe that the reporting requirements imposed on Entergy in this docket will provide the information necessary for Tractebel and the Commission to determine if the Internal GOL proposal is implemented appropriately. Consequently, we deny Tractebel's request to condition the acceptance of the GOL program.

Line Loading Standards

30. Duke and TECO request that the Commission require Entergy to use the same line loading standard to determine the Internal GOLs (short-term network service) as it does to evaluate requests for long-term network service.¹⁵ They argue that Entergy uses a 120% line loading standard when evaluating requests for long-term network transmission service but uses only a 100% standard when determining the Internal GOLs. Duke and TECO state that as long as the redispatch option is available, and the obligation to redispatch applies equally under the Commission's pro forma OATT to all network resources (short-term and long-term), Entergy should be obligated to use the same line loading standard. They argue that since short-term network resources are predominately non-Entergy generators and long-term network resources are predominately Entergy-owned units, the differing standards give a competitive advantage to Entergy-owned generators.

31. Entergy responds that this issue was raised prior to the March 13 Order and the Commission declined to require the requested modification.¹⁶ However, Entergy states that the difference is between methodologies, not generation ownership. Entergy argues that it uses the 120% line loading standard for all requests for monthly or long-term network service requests and the 100% standard for daily and weekly service regardless of generator ownership. Entergy states that the two are treated differently because for monthly or long-term service requests it is able to perform a more detailed analysis as a

¹⁴The Commission has consolidated the market-based power purchase agreements at issue in Docket No. ER03-583-000 with several other dockets and set the matter for hearing. Entergy Services, Inc. and EWO Marketing, et al., 103 FERC ¶ 61,256 (2003).

¹⁵A 120% line loading standard means that Entergy will allow the line to be loaded to 120% of its normal thermal limit rating in its models and studies for purposes of granting network service.

¹⁶Entergy states that if the Commission addresses the substance of these arguments, they should be rejected for the reasons specified in Entergy's prior pleadings.

part of a transaction-specific SIS and the 120% line loading standard is based on a determination, made during the performance of the SIS, that redispatch is available to address the facilities that are loaded beyond 100% on a post-contingency basis. In contrast, daily and weekly GOLs are an automated study process performed before the actual service request and independent of other requests. Entergy argues that the existence of necessary differences between the monthly SIS and daily/weekly GOL studies does not show that Entergy is discriminating against other generators.

32. Entergy has not justified (operationally or technically) using a 120% single contingency line rating for an SIS and a lower 100% single contingency line rating for shorter term GOL studies since there is typically less operational risk in the short term. Entergy must submit a consistent single contingency line rating percentage for both SIS and GOL studies. This is without prejudice to Entergy making a further filing attempting to explain why different path limits ratings are necessary in the treatment of transmission customers typically needing short term transmission reservations versus those typically needing longer term reservations.

Redispatch Mitigation

33. Duke states that, while Entergy has determined that the 120% line loading standard can be used to grant requests for network service (because of the ability to redispatch during system operation and ameliorate any overload that might arise during a contingency situation), Entergy does not recognize the redispatch mitigation for previously granted requests in its base case used for determining the Internal GOLs. Duke argues that since Entergy has determined that there is no reliability issue with respect to such overloads in its base case due to Entergy's ability to mitigate any actual overload through redispatch, this redispatch must be included in the base case. Duke further states that section 19.7 (Partial Interim Service) of the pro forma OATT requires Entergy to consider redispatch solutions in evaluating requests for transmission service. Accordingly, Duke requests that the Commission require Entergy to consider redispatch solutions considered in granting new requests in its base case used to determine Internal GOLs for subsequent transactions. In its Answer, Duke states that Entergy should be required to report on every instance where a generator's Internal GOL is limited by a contingency overload in the base case. If the studies reveal that merchant generators are not treated in a comparable manner, Duke requests that the Commission reconsider its arguments and require such comparable treatment.

34. TECO states that Entergy should be required to address base case overloads in a comparable manner for all designated network resources. TECO states that when confronted with a base case overload in relation to an Entergy network resource transmission request, Entergy will redispatch its resources to accomplish its transaction.

Similarly, Entergy should be required to redispatch its system for third parties to accommodate base case overloads.

35. Entergy again responds that the intervenors have requested a change that the Commission declined to require for Directional GOLs in the March 13 Order.¹⁷ Entergy argues that the base case powerflow models used by Entergy for the calculation of the GOL values meet the requirements set forth by the North American Electric Reliability Council (NERC). NERC guidelines require a control area operator to return the transmission system to within operating security limits within 30 minutes of a contingency. Entergy states that real-time solutions are designed only to bring the loading on an overloaded facility down to 100% and, thus, do not produce additional capacity on the overloaded element. Entergy argues that these operational solutions used to reduce an overloaded facility down to 100% should not be included in the base case because the same operational solution that relieves one overload will often simply lead to another overload on a different facility. This would result in Entergy constantly modifying the base case to eliminate post-contingency overloads. Entergy states that these real-time solutions are not a reasonable basis for granting service on facilities that are already overloaded on a post-contingency basis and that Entergy should not be obligated to grant new transmission service where that service will exacerbate post-contingency overloads.

36. The Commission notes that the issue of whether and how to reflect redispatch solutions in the base case power flow model used to develop GOL levels is being addressed in the Order on Rehearing, Clarification and Stay, being issued concurrently in Docket No. ER02-2014-008, *et al.* In that order, the Commission denies rehearing and states that, under its OATT, Entergy is not required to investigate redispatch alternatives for new transmission requests unless an SIS has been requested by a transmission customer. The order also grants rehearing and states that transmission customers may request Entergy to perform a transaction specific SIS. Finally, the order notes that Entergy must use good utility practices in both operational practices and the planning methods of its transmission system. The planning base case for SIS and GOL studies are to be a reasonable simulation of Entergy's day to day transmission practices. Therefore, we will not require Entergy to change its proposed base case model as requested by the intervenors. However, we will require Entergy to provide the information suggested by Duke. In its monthly informational filings, Entergy will be required to report on every instance where a generator's Internal GOL is limited by a contingency overload in the base case. We note further that this issue, as well as others, will be examined as part of the technical conference we are convening this fall, and after we have gathered more data on the performance of the GOLs.

¹⁷Entergy again refers to its prior pleadings for its response to the intervenors.

Displacement Study

37. Entergy states that it is proposing to modify its SIS business practices to provide additional options for studying new network resources. These options include: (1) a request by a network customer to perform a one-to-one displacement study of a particular generating unit as a displacement of one or more existing network resources; (2) for long-term network resource requests, Entergy will allow a network customer to request a study of a particular generating unit as a permanent replacement for an existing network resource (delisting or terminating an existing network resource); and (3) a request for a one-to-one displacement study that will examine the ability of a generating facility within a Local Area to displace the output of the other generating facility in the Local Area.

38. Entergy has not included in its proposal the specific methodology that will be used to analyze these additional options. In its compliance filing, Entergy must file additional information that details how the displacement and delisting options are to be analyzed and explain why this methodology should not be a part of Entergy's OATT.

Conclusion

39. Entergy's Internal GOL proposal, as modified above, appears a reasonable process for evaluating short-term network resources. However, consistent with our order approving Entergy's Directional GOL proposal, we will establish procedures for continuing to investigate the Internal GOL procedure as the parties gain experience with it. The Commission believes that such actual experience will demonstrate whether the proposal properly balances the twin goals of ensuring reliability while maximizing the transmission capacity available on a non-discriminatory basis. Entergy must file the same information as applicable to the Internal GOLs, as was set forth in the March 13 Order regarding Directional GOLs, as set forth below. These reporting requirements will permit the Commission and the parties to monitor the Internal GOL program.

The Commission orders:

(A) Entergy's proposed amended Attachment Q to its Open Access Transmission Tariff, containing Entergy's Internal GOL proposal, is accepted for filing and suspended to become effective 30 days from the date of this order, subject to the conditions set forth below.

(B) Entergy must file with the Commission, and serve on all parties, the following information. Such information must be filed in accordance with 18 CFR § 385.2010 (2003) (Rule 2010), which requires that a copy of the response be served on

each person whose name appears on the official service list for this proceeding. If a request for privileged treatment accompanies any specific response, the response must be filed pursuant to the procedures established in Section 388.112 of the Commission's regulations. All responses must be filed under oath (18 CFR § 385.2005 (2003)) by an authorized Entergy representative and include the name, position, and telephone number of the respondent to each item. Please provide electronic as well as hard copies. Such information is required to be filed on a monthly basis for operations during the period through and including September 2003. Entergy is required to file this information within five business days of computing each month's GOL values:

(1) Entergy must file the data inputs used to run the Internal GOL power flow studies and all changes to those inputs.

(2) Entergy must report on every instance where a generator's Internal GOL is limited by a contingency overload in the base case.

(3) Entergy must keep a log of all Internal GOL studies performed to calculate monthly GOL values for specific generating facilities and for Local Area GOLs. The log must include the following information:

- a. The date of the study.
- b. All assumptions used in the study.
- c. The person performing the study.
- d. The parties being studied.
- e. If the study is deemed non-representative or labeled for discard then the Log must contain a reason for this conclusion.
- f. If the study is implemented as representative then the log should clearly identify this fact.
- g. A list of all transmission service requests affected by Internal GOL calculations. Document in detail the reason for approval or denial, with reference to the specific Internal GOL run.

(C) Entergy must retain all studies, including assumptions, operator logs and notes, as well as conclusions and reports, for three years even if the study was not used to set Internal GOLs. All log entries and retention of study materials will be subject to Commission compliance audits.

(D) Within thirty days of the date of this order, Entergy will provide additional information that details how the displacement and delisting options included in Entergy's modification of its SIS business practices are to be analyzed and explain why this

methodology should not be included as a part of Entergy's OATT. Entergy must also submit a consistent single contingency line rating percentage for both SIS and GOL studies and revised redispatch mitigation provisions for the GOL powerflow model as discussed above. Entergy must also refile Attachment Q to allow a transmission customer to request that Entergy use its knowledge of its system to identify any additional capability not captured in the GOL calculation and, should such capacity exist, it be made available on a non-discriminatory basis.

(E) A technical conference will be held later to evaluate the market implications of Entergy's new Internal GOL procedure.

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.