

## **Information Technology Report**

**To: Sam Jones, Chief Executive Officer  
ERCOT Board of Directors**

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### **Items requiring Board Action:**

Three funding authorizations will be brought to the meeting seeking Board approval for various Nodal projects.

### **Highlights:**

- 1) Upgraded the storage environment in the Austin Data Center, which netted reductions in power and cooling requirements. A similar upgrade is planned for the Taylor Data Center. These upgrades are outlined in the Data Center power recovery strategy as explained to the Board in 2006.
- 2) Significant progress has been made in reducing the number of physical servers in the Data Center. These reductions have occurred by placing multiple server environments on single physical server devices, which is reducing power and cooling needs.
- 3) Release Management Team facilitated 28 Production Releases with a total of 76 release components.

### **Project Highlights:**

- Retail Business Processes and End Point Services were migrated to production with very few issues. The Retail Business Processes project replaced key middleware used by the retail systems with TIBCO thereby increasing reliability and transaction throughput for many transaction types.
- A decision was reached to negotiate an outsourcing arrangement for Lawson hosting services. If an agreement can be reached, the Board may be asked to approve a contract which will enable core Lawson support to move from ERCOT to the outsourcer.

### **Issues:**

Several retail transaction processing issues were experienced in December, resulting in a year-to-date service level for 2006 of 99.28%. This is slight above the service agreement of 99.25%. Root cause analysis and remediation of these issues is ongoing. The service agreement will increase to 99.9% in April of 2007 as key components of SCR745 are completed.

Early December system implementations resulted in added lag in replicating the Lodestar system, causing delays in the posting of extracts and reports for use by Market Participants. This lag has been recovered and extracts postings are current.