Suggestions for Enhanced ICT

A) Independence & Accountability Goals

- Enhanced ICT should be able to demonstrate beyond any doubt that it is a fully independent entity.
- Enhanced ICT should be fully accountable for mistakes and deficiencies incurred in the course of providing services to transmission customers.
- The above goals can be accomplished with the implementation of the following rights and responsibilities for the Enhanced ICT.

B) Market Power Monitoring

- A Market Power Monitor (MPM) reporting directly to FERC is needed. This entity should NOT be the enhanced ICT or SPP. The MPM should be an independent entity solely focused on the detection and mitigation of market power in Entergy’s footprint.
- One of the main functions of the MPM is the identification and mitigation of vertical market power in all Entergy processes, including WPP, short-term & long-term TSRs processing, and implementation of TLRs and LAPs.

C) Control over Hardware/Software Systems and Models

- Enhanced ICT should have control over the hardware/software systems used in the AFC and WPP processes. Currently, Entergy has control over the AFC and WPP systems and models, and the ICT is responsible for oversight of those processes.
- Enhanced ICT should have full responsibility for and ownership of transmission models used in Entergy’s tariff administration processes. It should also be responsible for the modeling assumptions used in the processing of short-term and long-term Transmission Service Requests (TSRs).
- Enhanced ICT should have control over the hardware/software system used to implement Entergy’s Local Area Procedures (LAPs).

D) Rights to Change Entergy’s OATT

- Enhanced ICT should have the right to establish and file with FERC the planning criteria to be met by Entergy. This would determine reliability upgrades needed by the transmission system.
- Enhanced ICT should have the right to change Entergy’s tariff and business practices. This would provide the ICT an effective means to change policies affecting customers’ access to the transmission system.
• Enhanced ICT should have the right to establish transmission upgrades cost allocation policies and file these policies with FERC as part of Entergy’s tariff.
• Enhanced ICT would become the Transmission Provider (TP) on behalf of Entergy.
• As the TP, enhanced ICT would become fully responsible for all System Impact Studies (SIS) and Facility Studies (FS) used in the evaluation of long-term and interconnection service.

E) Planning and Operational Transmission Policies

• Enhanced ICT should have the right to require Entergy to upgrade or build new transmission to meet reliability criteria.
• The Construction Plan should be eliminated, and the Base Plan should be the controlling plan to determine what is built and for what reasons.
• Enhanced ICT should identify economic projects, beneficiaries, and determine cost allocation.
• Enhanced ICT should be responsible for exchanging operational and planning data and coordinating with neighboring entities on behalf of Entergy.
• Enhanced ICT should be responsible for implementation of the Local Area Procedure (LAP) and the establishment of criteria for using LAPs instead of TLRs.
• Enhanced ICT should be responsible for establishing policies which affect curtailments of transmission schedules and redispatch practices in Entergy’s footprint.
• Enhanced ICT should be responsible for establishing policies associated with modeling and curtailment priorities of QF puts. These policies shall be filed with FERC.

F) Developing new Markets

• Enhanced ICT shall be responsible for leading the development of new markets in Entergy such as real-time & day-ahead markets, ancillary markets, etc. to optimize the use of existing transmission and generating resources and minimize cost of delivered energy to customers.