

# Dual Fuel Market Compensation

Status Update

**Market Structure Working Group**  
**December 14, 2006**

# Agenda

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- ◆ Timeline
- ◆ Market Solutions
- ◆ Next Steps

# Timeline and Triggering

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- *Coordinating with ConEd a review of load forecasting capabilities*
- *Accuracy of Zone J to represent ConEd service territory*
- *Time periods for invoking conditions*

# Timeline

<u>Current Process</u>	<u>Day-2</u>	<u>Proposed Process</u>
	8:00	NYISO Publishes Load Forecast
	11:00	MOB Declared for Day -0
	16:00	DAM Reference Price Adjustments complete
	<u>Day-1</u>	
CE notifies generation of MOB forecast	4:00	
	5:00	DAM closes for Day -0
	8:00	NYISO Publishes Load Forecast
	11:00	MOB Declared for Day -0
	22:00	HAM Reference Price Adjustments complete
	<u>Day-0</u>	
CE notifies generation of MOB conditions	4:00	ConEd confirms MOB for Day-0

# Market Solution Status

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- ◆ Market Based Compensation
  - *Completed review of available market based compensation for providing dual-fuel capability*
  - *Established internal NYISO proposal*
  - *Solution being reviewed internally and with Market Advisor*
- ◆ Resource Commitment Requirements
  - *Resource commitment obligation only exists in Winter Capability Period*
  - *Will continue to utilize current processes for commitment and for augmenting solutions*
  - *Long-term solution options will be investigated as part of the Rules Assessment and the evaluation of the LRR committed units in SCUC*
- ◆ Tariff Review
  - *Initiated review to establish impact*

# Next Steps

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- ◆ Complete internal review of proposal
- ◆ Return to MSWG with compensation plans and tariff implications