

Real-Time Guarantee Payment Mitigation

Market Structures Working Group
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DRAFT—FOR DISCUSSION PURPOSES ONLY

November 3 FERC Order

- In its November 3, 2006 Order in Docket ER06-185-002 the FERC instructs the NYISO to engage in further discussions with its stakeholders commencing no later than January 3, 2007.
- The NYISO is here today to kick-off those discussions.

Status of FERC Proceeding

- Both the NYISO and NRG have requested clarification/rehearing of FERC's November 3, 2006 Order.
- The NYISO would like to engage in open and frank discussions with its Market Participants, but believes the ongoing litigation presents an impediment to an open and honest dialogue.
- The NYISO is open to suggestions to resolve this concern.

Market Participant Concerns the NYISO Plans to Address

- The NYISO is willing to work with its Market Participants on developing:
 - The RTGP consultation process; and
 - The timeframe in which the NYISO will impose RTGP mitigation.
- The NYISO will present a proposal for addressing both of these issues in January, 2007.

Issues the NYISO is Not Willing to Negotiate

- The NYISO believes it possesses all necessary tariff authority to test for and impose RTGP mitigation at/after the conclusion of the relevant market day.
 - The NYISO is willing to consider clarifying tariff provisions that the Market Participants consider ambiguous so long as the NYISO retains its authority to test for and impose RTGP mitigation at/after the conclusion of the market day.
 - As this issue is presently the subject of clarification/rehearing requests at FERC, it is not possible to further discuss this topic today.
- The RTGP Test applies to all NYCA generators, not just New York City generators.
- Changes in metering data affect all aspects of the NYISO settlement, including the results of the RTGP Test.
 - Changes in metering data can result in RTGP mitigation or “undo” a prior determination that RTGP mitigation was appropriate.

The NYISO's July 31, 2006 S&P WG Presentation

- The NYISO continues to support the proposals it made at the July 31, 2006 S&P Working Group.
- The NYISO agrees that the proposal it made at S&P need to be further refined.

E-Mail Notification

- New York City Generators have been receiving e-mail notification when the NYISO is prepared to commence consultation regarding RTGP impact test results.
- The NYISO wanted to know if the generators that are receiving the notifications continue to find them valuable, given the information that is available in DSS.
 - Have the NYC generators found that adequate familiarity with DSS obviates the need to receive e-mail notices of potential RTGP mitigation?

Other Issues

- The NYISO is willing to consider any other issues that the MPs want to raise or suggestions that the MPs want to make regarding the appropriate implementation of RTGP testing and mitigation.