

# **Settlement System Replacement: Phase II**

## **Finance Product Management**

**BAWG**

**March 16, 2006**

# Presentation Outline

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- ◆ Phase I Review
- ◆ Phase II Deliverables
- ◆ Value Proposition
- ◆ Benefits
  - *Market Participants*
  - *NYISO*
- ◆ Estimated Delivery
- ◆ Estimated Cost

# Phase I Review

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- ◆ Successful completion of 2005 Billing Simulator Project on time and under budget
- ◆ Designed, implemented, and tested over 100 settlement calculations
- ◆ Built and leveraged a new tool to generate rules and test code
- ◆ Supported troubleshooting and resolution of issues in the current production system
- ◆ Finalized documentation of all 151 settlement rules
- ◆ Necessary precursor to replace the existing engine
- ◆ Well-positioned to port the settlement rules to the new engine

# Phase II Deliverables

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- ◆ A fully functional rules-based engine
- ◆ Thoroughly documented and tested
- ◆ Operational and deployed to production
- ◆ Reviewed and verified for tariff compliance
- ◆ Rules standards, including precision, rounding, and tuning, defined and built

# Value Proposition

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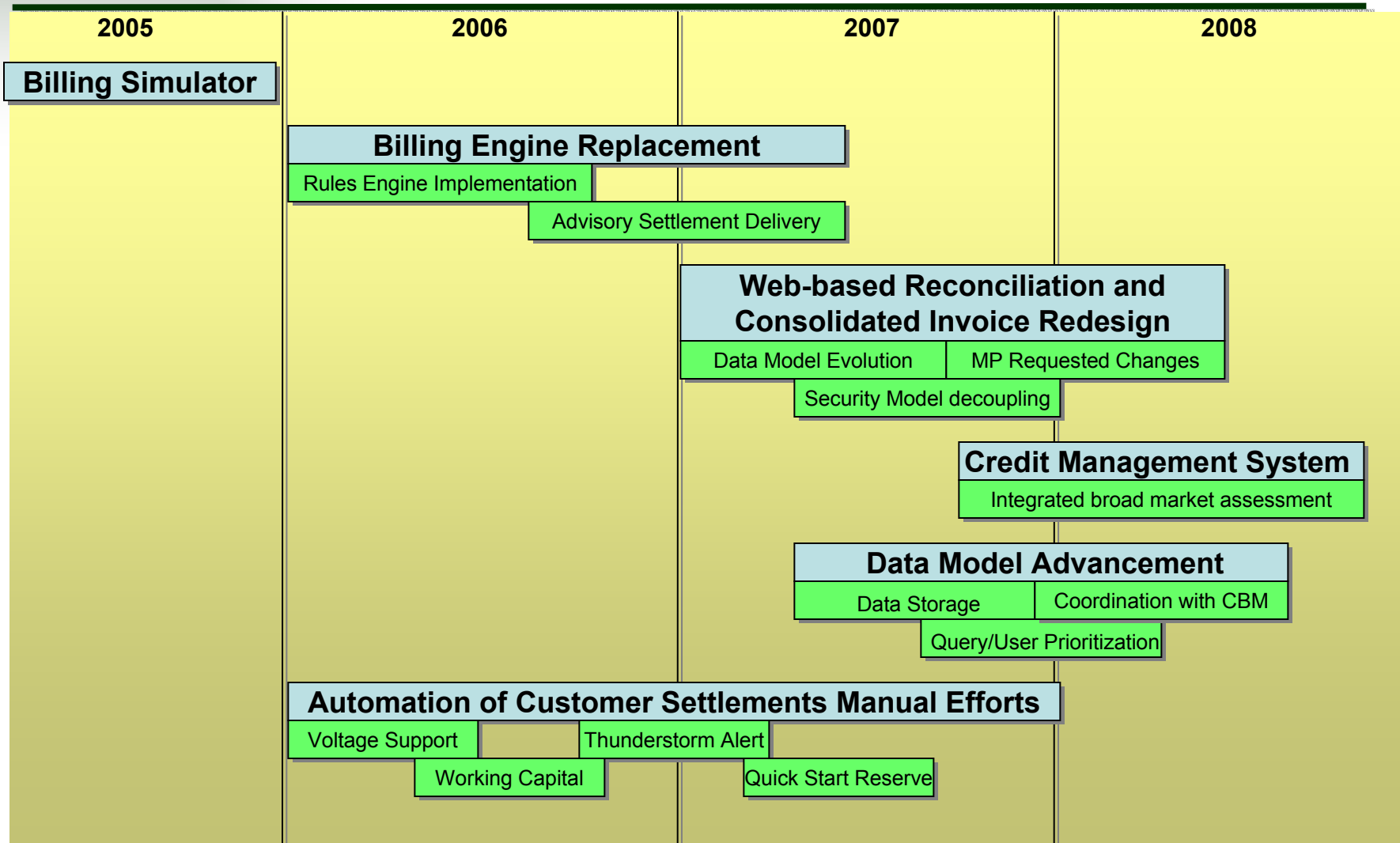
NYISO will deploy a rules-based engine in a new production environment to continue improving the efficiency of the customer settlements process in a tariff compliant manner.

# Phase II Benefits

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- ◆ All Market Participants and the NYISO
  - *A more efficient settlements system*
  - *A well-documented system*
  - *Ability to accommodate settlement rule changes more efficiently and accurately*
  - *Ability to progress towards more frequent posting of advisory statements*
  - *Versioning of settlement rules*
  - *Data precision standards*

# Estimated Delivery



# Estimated Cost - 2006

