

Management Committee Project Update



6 July 00
Tony Elacqua

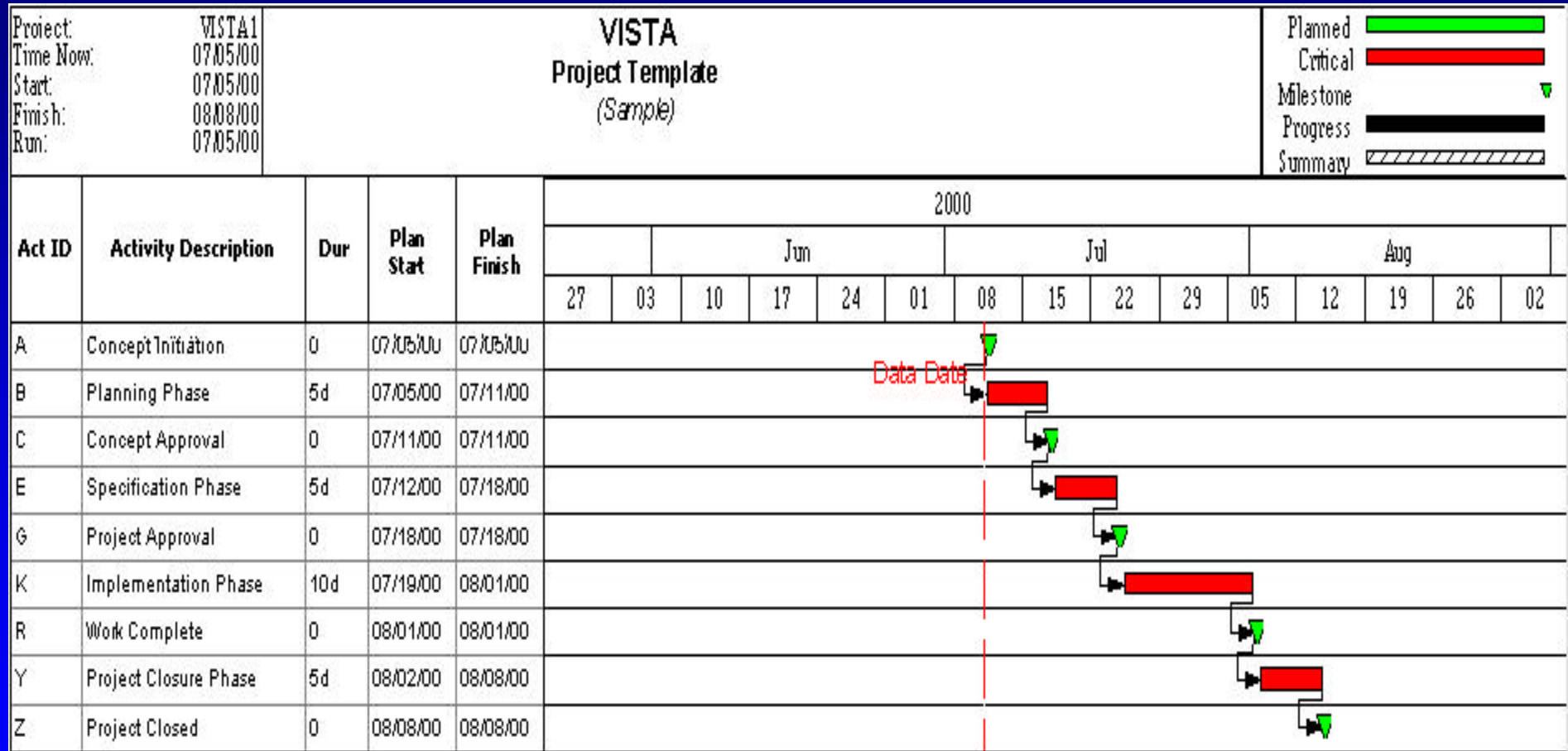
Agenda

- ✓ Vista Work Management System Overview
- ✓ Project Updates



Vista Work Management System Overview:

Projects Have A Standard Life-Cycle of 4 phases delimited by milestones



Project Updates

✓ Flexible Bidding and Scheduling

- ISO Implementation of eSchedule Software
- Virtual Gen and Load Bidding

✓ Curtailment Management

- Curtailment Messages. Implement automated process

✓ BME/SCD Issues

- BME vs. RT Schedule and Prices, Model consequences of Inconsistencies

✓ Generation Expansion Cost Allocation

- Method and Process for Determining Cost Responsibilities for New Interconnects

✓ Improving Competitive Electricity Market Performance through Demand Side Bidding

- BIC Develop Methods to Implement Interruptible loads as Dispatchable load
- ISO Modify SCD to Handle Short Startup Time Resources



Flexible Bidding and Scheduling

- ✓ Description: This project will permit virtual load and generation bidding
- ✓ Objective: 1- Make load bidding available to all M P s at current locations and with current processes and procedures; 2 - Add the ability to define price caps to virtual load bids; 3- Define and develop mechanisms for M P s to bid virtual generation
- ✓ Scope/Deliverables: 1- Once committee endorsement of functional requirements are approved, a virtual load bidding project could begin (due 8/24); 2- Depending on project requirements, virtual load bidding could be available by 10/01; 3- Requirements documents for defining price caps load bids mechanism for bidding virtual generation
- ✓ Project Manager: Bob Thompson

Flexible Bidding and Scheduling - Status

√ Virtual Load Bidding

- *Expansion of load bidders beyond the M Ps who own load*
- *Planning stage*
- *N Y ISO developing functional requirements with S & P W G and B I C*
- *Implementation 8/24 - 10/1 depending on project requirements*
- *Future phase implements price cap load bid mechanism for virtual gen bidding*

Flexible Bidding and Scheduling - Status (cont.)

√ E-schedule Software

- *Inactive*
- *Numerous conversations with PJM lead to conclusion that we would have to modify PJM program to implement on the NY system*
- *Research contract with e-schedule software developer to construct NY ISO program*

Flexible Bidding and Scheduling - GANTT Chart

ID	Task Name	Issue No.	Finish	Start	2, 2000		Qtr 3, 2000		Qtr 4, 2000		Qtr 1, 2001		Qtr 2, 2001		Qtr 3, 2001		Qt	
					Ma	Jur	Ju	Au	Se	Oc	No	De	Ja	Fe	Ma	Ap	Ma	Jur
389																		
390	bidding	E24	Wed 1/3/01	Fri 4/14/00														
391	TBD	E24	Wed 1/3/01	Fri 4/14/00														
392	implementation	A23	Fri 7/13/01	Fri 9/1/00														
393	/	A23	Fri 9/15/00	Fri 9/1/00														
394	TBD	A23	Fri 7/13/01	Mon 9/18/00														
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Curtailment Management

- ✓ **Description:** This project will identify areas of improvement in the scheduling/checkout/curtailment and curtailment notification process
- ✓ **Objective:** Enhancements will be made to the curtailment communications with MPs. This project will seek to realize significant improvements in the scheduling area such that curtailments due to transaction checkout verification problems are minimized
- ✓ **Scope/Deliverables:** 1- Automate notification by email of BME schedule changes and reasons for changes will be implemented by 09/01; 2- improve intercontrol area transaction checkout and verification process to reduce curtailments through the M0U0WG Task Force
- ✓ **Project Manager:** Bob Thompson

Curtailment Management- Status

✓ 2 Stage Process Defined

- *E-mail automation*
 - **implementation by 9/1**
- *Improve intercontrol area transaction management*
 - **MOUWG**
 - *agreed to form regional task force to reduce/eliminate curtailments due to checkout process*
 - *Operations, Scheduling and Settlement representatives selected, no kick-off yet*
 - **MOUB business Issues Working group**
 - *CAK representative*



Curtailment Management - GANTT Chart

ID	Task Name	Issue No	Finish	Start	2, 2000		Qtr 3, 2000			Qtr 4, 2000			Qtr 1, 2001		Qtr 2, 2001		Qtr 3, 2001		Qtr 4, 2001				
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395																							
396																							
397	Messages	A19	Tue 11/21/01	Wed 10/18/01																			
398	Process	A19	Tue 11/21/01	Wed 10/18/01																			
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B M E /S C D Issues

- ✓ Description: Mitigate price differences between B M E and S C D
- ✓ Objective: Review recently issued report on this subject and identify and prioritize tasks aimed at mitigating differences between B M E and real time prices
- ✓ Scope/Deliverables: 1 - Prepare report (completed 5/23); 2 - Review report and task identification and prioritization (10/1); 3 - Implement solutions (T B D)
- ✓ Project Manager: Bob Thompson

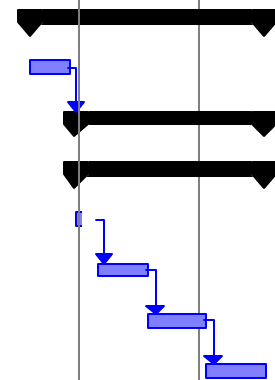
B M E / S C D I s s u e s - S t a t u s

✓ **“Initial Report on Price Differentials Between Balance Market Evaluation and Real Time” by Bob Thompson 05/23/00**

- *Indicated 5 sources for S C D / B M E differences*
 - **Changes in Generation**
 - *P U R P A /classified generation implementation of agreements (Implementation stage Nov '00)*
 - *Out of Merit Generation interface between B M E and Out of Merit scheduling function (Implementation - automation with software Nov '00)*
 - **Change in Load**
 - *Transaction curtailment checkout process between control areas*
 - **Differences in modeling constraints**
 - *Identification of modeling differences into pricing process*
 - *Results of this investigation to M Ps this Fall*
 - **Design of S C D and B M E**
 - *Rewrite - Concept Stage*
 - *Create Hour Ahead Market - Concept Stage*
 - **Changes in Transmission Configuration**
 - *Improved communications for scheduling and canceling outages - Concept Stage*

BME/SCD Issues - GANTT Chart

ID	Task Name	Issue No	Finish	Start	2, 2000		Qtr 3, 2000			Qtr 4, 2000			Qtr 1, 2001			Qtr 2, 2001			Qtr 3, 2001			Qtr 4	
					Me	Ju	Ju	Au	Se	O	Nc	De	Je	Fe	Ma	A	Me	Ju	Ju	Au	Se	Oct	
355																							
356																							
357	inconsistencies	A40	Fri 11/17/00	Wed 5/31/00																			
358	MPs	A40	Tue 6/27/00	Wed 5/31/00																			
359	Actions	A40	Fri 11/17/00	Mon 7/3/00																			
360	Sched	A40	Fri 11/17/00	Mon 7/3/00																			
361	Definition	A40	Mon 7/17/00	Mon 7/3/00																			
362	Review	A40	Thu 8/24/00	Tue 7/18/00																			
363	Changes	A40	Thu 10/5/00	Fri 8/25/00																			
364	Filing	A40	Fri 11/17/00	Fri 10/6/00																			
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Generation Expansion Cost Allocation Project Summary

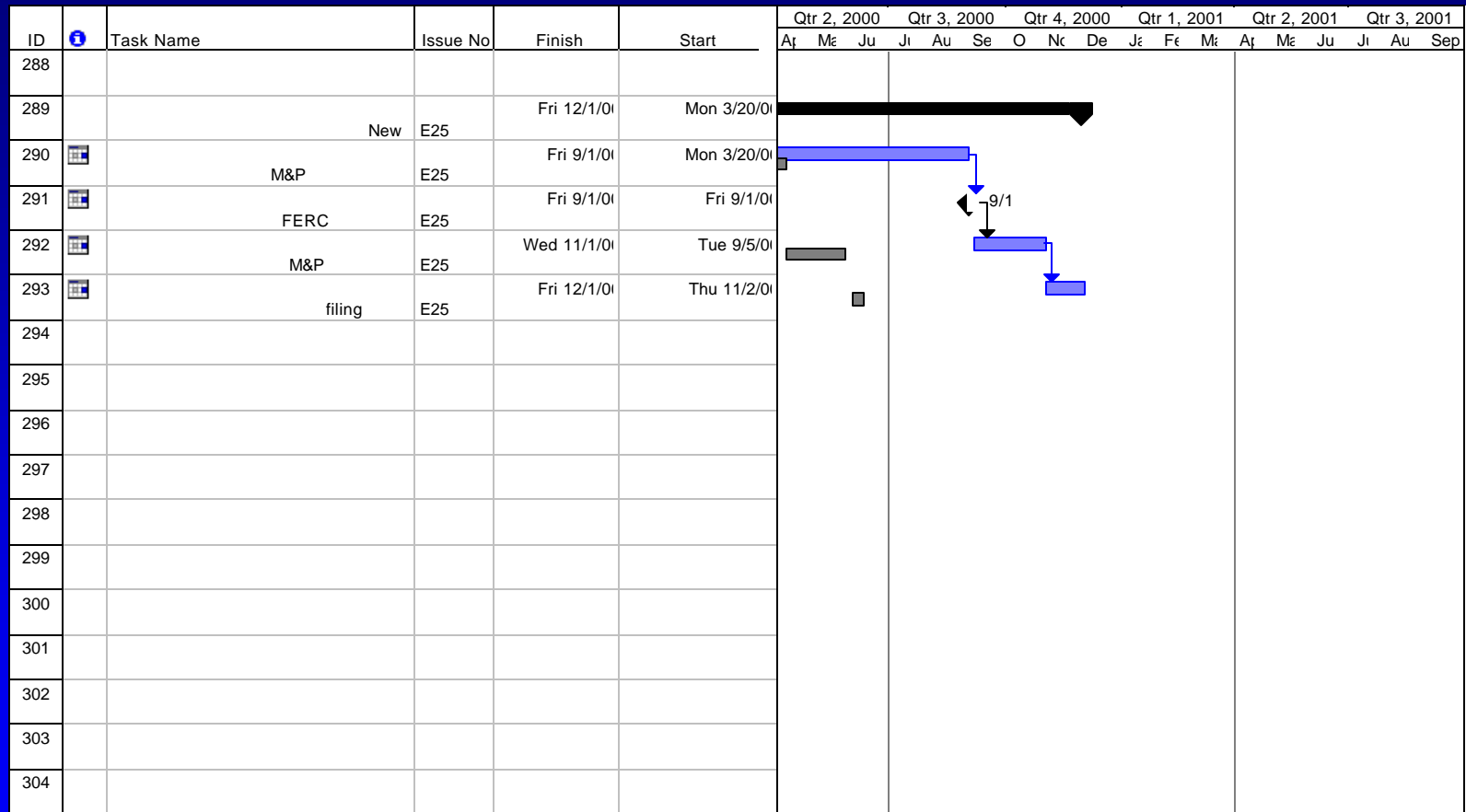
- ✓ Description: Develop Transmission Allocation Methodology for Interconnection Costs for New Generators
- ✓ Objective: FERC Order; ISO and Market Participants Develop Guidelines for Cost Responsibility for New Interconnections
- ✓ Scope/Deliverables: Proposed Transmission Cost Allocation Methodology for FERC Filing
- ✓ Completion Date: Dec '00
- ✓ Project Manager: S. Corey

Generation Expansion Cost Allocation Project Status

✓ **Status: Interconnection Issues Task Force (IITF) working on addressing procedural issues and cost allocation issues**

- *July '00 procedural issues to O C*
- *Cost allocation issues are currently being addresses*
- *Expected completion date Dec '00 with proposed cost allocation methodology*
- *Project will require a FERC filing*

Generation Expansion Cost Allocation - GANTT Chart



Improving Competitive Electricity Market Performance through Demand Side Bidding

- ✓ **Description:** The NYISO is to develop a work plan to allow the NYISO software to accept price sensitive load bids by June 1, 2001. That is, load/demand-side resources should have the capability to participate in the market essentially as pseudo generators or accordingly supply megawatts.
- ✓ **Objective:** The objective of this work plan will be to develop and implement terms of trade that allow electricity consumers to participate more directly in the New York State wholesale electricity market
- ✓ **Scope/Deliverables:** A key element of this work will be the development of a portfolio of DSB products which will be accomplished by a review of existing products and conducting market research to understand customer preference for the design of DSB products. The plan would consist of the following: ID set of conceptually feasible DSB products; assess feasibility of products; conduct market research; Refine products; assess customer response and product performance under market conditions, specify a portfolio of DSV products that meet the NYISO needs; Develop tariff requirements; identify infrastructure requirements and cost to support implementation of the tariff; develop implementation program which incorporates alternative options and cost; Implement.
- ✓ **Project Manager:** John Adams
- ✓ **Status:** Concept

Improving Competitive Electricity Market Performance through Demand Side Bidding - Status

- ✓ Contract Negotiations to Develop Implementation Plan
- ✓ Scope of Work Exists, Timeline 08/01 - 12/31 for Implementation Plan Development
- ✓ Initial Process Implementation 1st half 2001
- ✓ Possibly Tariff Revisions Necessary