

NYISO
PROJECT PRIORITIZATION TEAM (PPT)
AGENDA

September 9, 2004

3:00 - 4:30 PM

Conference Call

Dial In #: 303-262-2240

Participant Code #: 685-532

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|---|----------------------|----------------|
| 1. Introduction and meeting objectives | Joe Oates | 3:00 PM |
| 2. Review of action items | Tim Schmehl | 3:02 PM |
| 3. Status of project incentive goals | Tim Schmehl | 3:05 PM |
| 4. Report on projects budget | Mary McGarvey | 3:10 PM |
| 5. Report on priority projects | Tim Schmehl | 3:15 PM |
| 6. Report on SMD project | Rich Dewey | 3:25 PM |
| 7. New business | Tim Schmehl | 3:35 PM |
| • Review of 2005 projects portfolio | | |
| • New Facility | | |
| 8. Adjourn | Joe Oates | 4:30 PM |

PPT Action Items

Updated 8/12/04

(Changes since last meeting in RED)

ID#	Initiated	Action Needed	Assignee	Target Date	Status
46	4/10/03	<p>Integrate the “Project Description”, “Project Status” and “Project Tracking” reports into a single comprehensive report. This will be addressed over next several months. Project scheduling software was upgraded in October. New reporting features are being evaluated for developing a prototype report to satisfy BS&P and PPT. The vendor provided upgrade to our project scheduling software was expected to deliver new capability to display customized project information. However, we have learned the full functionality is not available until we upgrade to the next software version - planned for June. In the interim, we created new pages on MDEX where we will post consolidated project information. The screens have been created in the test environment and we expect to begin posting individual project data in the coming weeks.</p> <p>7/7 - The software upgrade has been delayed until Q3 due to other higher priority issues in the PM dept.</p> <p>8/12 - New software was installed in our test environment for initial department testing.</p>	T. Schmehl	<p>Q3 2004 Q2 2004 Q1 2004 10/10/03 09/30/03 5/27/03</p>	Open

NYISO Projects Portfolio Status Report

This report provides the current status of projects prioritized by the Project Prioritization Team (PPT). Please refer to the accompanying Projects Portfolio (Gantt chart) for the latest scheduling and deployment information. This information is updated monthly in preparation for the scheduled PPT meetings.

Priority Projects

A725 2004 SAS 70 Type 2 Audit

- KPMG auditing NYISO Bid-to-Bill process – progress continues.
- Audit scope period ends November 30.
- Designated as “exempt” priority meaning that resources are made available when and as needed to support the audit.

A573 SMD 2.0 Internal NYISO System Implementation

- MIS interfaces are in Phase E – Project System Operation/Functional Test Phase.
- BAS re-bills are in Phase E – Project System Operation/Functional Test Phase.
- MIS rules changes are in Phase E – Project System Operation/Functional Test Phase.
- BAS rules changes are in Phase E – Project System Operation/Functional Test Phase.
- Upload/Download is in Phase E – Project System Operation/Functional Test Phase.
- Bid Post is in Phase E – Project System Operation/Functional Test Phase.
- The PTS replacement is in Phase E – Project System Operation/Functional Test Phase.
- Price Verification is in Phase E – Project System Operation/Functional Test Phase.
- MMRD Replacement is in Phase E – Project System Operation/Functional Test Phase.
- Probe support is in Phase E – Project System Operation/Functional Test Phase.
- The new Load Forecaster is in Phase E – Project System Operation/Functional Test Phase.

A574 SMD 2.0 ABB System Implementation Support

- The SMD2 project team conducted two (2) Real-time Market Trial exercises during the month of August; both exercises involved the simulation of a Day Ahead Market, followed by a 24-hour real-time simulation. The bids and offers for both exercises were supplied by Market Participants, and system conditions were supplied by the power system simulator.
- These additional exercises mark the completion of the five (5) planned Market Trials (two Day Ahead Trials and three Real-time Trials).

- The issues uncovered during the trial events were manageable, and decreasing in both frequency and severity with each successive trial.
- Independent analysis reported on the accuracy of the market results for the first four trials indicate generally correct operation of the new SMD2 market rules; results of the fifth trial are still pending.
- ABB delivered a new software release at the end of August that contained the balance of the Phase 2b development features and a number of fixes to previously identified software defects.
- The delivery of the Phase 2b software is almost four (4) weeks ahead of the revised ABB software development schedule.

A697 Auto Sys Replacement

- End User testing is currently being performed focusing on Billing and Market Monitoring functions.
- A verbal sign-off from Market Monitoring on their UAT was received.
- Currently pending written sign-off.
- Distribution lists are being created with the Patrol System to communicate to impacted stakeholders when Control M fails over.

Next Steps:

- Continue to track progress on all testing tasks.
- Continue coordination efforts with the other SMD project managers in order to integrate all work and testing schedules.

A696 SMD-DAC

- The project team successfully completed testing of the 345 KV system (this is the main voltage component of the mapboard system)
- The project team is currently working on the testing for the 230 KV system.
- Analog testing is 75% complete.
- The project team continues to work with SMD and ABB in the resolution of outstanding problems (SPR's) identified during this testing phase.
- Next Steps:
- Continue to track progress on all pending SPRs.
- Continue coordination efforts with the other SMD project managers in order to integrate all work and testing schedules

A667 Scarcity Pricing in SMD

- This project is required for performing Scarcity Pricing calculations in SMD2.
- Coding / unit test complete.
- Code is in the queue for QA testing in the PQA1 test environment. (Test date unknown).

A710 SMD Web Environment

- Testing of SMD2's BidPost application (marketplace.nyiso.com) on a clustered server environment is now complete; the clustered application will be deployed to support future Market Trail exercises.

- Additional OASIS Web Postings for SMD2 have been identified. Postings of the Generator-weighted LBMPs for all markets will be created; these new postings are in definition (Phase B).
- Phase D development activities are complete for the Control Room Logging application. Phase E testing activities are underway in SMD2's testing environments.
- Additional Phase E activities are underway to incorporate eTagging into the SMD2 web environment.

A709 Reserve Pickup Reporting

- Project is currently in Phase E - System Operational / Functional Test.
- Awaiting PTS data and backfill refresh for UAT.
- Scheduled deployment with SMD.

A577 SMD2 Integration

- The EAI interfaces supporting the Price Verification, Load Forecast, preMGF and DA Operating Plan processes continue to support the ongoing Market Trial exercises without issues.
- Additional Phase E test activities are underway to support testing of failover capabilities of Web and EAI applications to the ACC.
- The EAI monitoring solution has entered Phase D; components are being developed which will enhance the reliability of all NYISO's EAI solutions.

A729 MIS / BAS Cluster and Site Failover

- Failover includes hardware mirrors for MIS/LF & BAS/HIST, DataGuard for MIS/LF & Oracle Forms failover.
- All Production and QA systems have been configured for DataGuard.
- Failover / Switchover testing is in progress.

A690 Grouped Units

- QA testing proceeding in Legacy environment.
- Deployment to SMD2 test environment planned for September 3.
- To be deployed with SMD2.

A600 Open Billing Issues

- The Billing Issues Group (BIG), chaired by the CFO, is responsible for resolving all identified billing issues. The A600 project was established to ensure timely action on internal billing issues (not including external items such as bad or missing metering data). Incentive Goal 7 tracks performance on the timely correction of these internal billing issues. The table below shows the total number of open billing issues coincident with the last BIG meeting, the meeting a month prior and the meeting six-months prior. Note that four of the non-goal 7 issues currently open are non-IT issues. One is under guidance by special committee, two pertain to FERC regulatory actions, and one pertains to an ongoing dispute between two market participants.

**A600 – Open Billing Issues Status			
Number of Open Issues Needing Work	9/21/2004	7/7/2004	6/23/2004
Total Goal 7 Issues	3	5	4
Total Non-Goal 7 Issues	5	6	4
Total Issues	8	11	8

A630 Automate Voltage Support Billing Calculation

- Project is in Phase B – Requirements Development however, the ability to move forward with the project is dependent upon the availability of resources.
- For prioritization purposes, this project is considered as a part of the Billing Automation projects.

A687 Automate Local Black Start Calculation

- Project is delayed pending availability of resources
- For prioritization purposes, this project is considered as a part of the Billing Automation projects.

A636 85/15 Schedule 1 Split - Phase 1

- This project has been placed on hold pending the availability of resources.
- Customer Settlements will continue to calculate this component of customer bills manually until a software solution is made available.
- For prioritization purposes, this project is considered as a part of the Billing Automation projects.

A689 Store Intermediate Billing Calculation Data

- The project is currently on hold.

A676 Automate DAM Congestion Shortfall Calculation

- Automation of the billing process is delayed pending availability of resources.
- For prioritization purposes, this project is considered as a part of the Billing Automation projects.

A619 Controllable Tie Lines Scheduling & Pricing

- Project is currently in Phase C – Design
- Project on schedule to complete design by end of November.

A707 Process to Enhance the Settlement Cycle

- Project requirements are currently being defined.

A675 Billing Simulator

- Forty-two of the forty-five use cases have been coded and are being tested in the Stabilization / QA environment.
- Three remaining use cases have issues that preclude their inclusion in this phase.

- Daylight Savings time fix has been delivered and is undergoing testing in QA.
- Performance fix being tested in development appears to yield acceptable results.
- Focusing on Oracle tuning in QA.

A708 Consolidate NYISO Offices

- The development of a detailed layout (Phase II Lamb Report) is complete.
- The Site Selection process is continuing.
- Additional options and cost analysis (i.e. Integrated Facility vs. PCC only vs. ACC only) have been evaluated and presented to both the BSP and Management Committee. The feedback from the BSP and MC was communicated to the Board of Directors.
- A decision on which building option the NYISO will proceed with is expected in the September/October timeframe.
- Responses to an ISO questionnaire, sent to all the ISOs, concerning infrastructure and security issue, have been received. A summary of the questionnaire has been produced and will be sent back to the ISOs by the end of September.

A724 PCC Modifications – Security

- The Phase III work (outer perimeter security) is in the process of being approved.
- A new Digital Messaging System (Target Vision) has been approved and will be installed in both the PCC (in the new lobby) and at Wash. Ave.
- Phase II work (Guard House and Lobby) will be completed the first week of October.

A734 Guard Deployment – 24 x 7

- Security stations have been set up at all four NYSIO facilities.
- The new security system (Diamond II) has been configured and rolled out to Wolf, Annex and Washington Ave. offices.
- Guards have been deployed at all facilities.
- The security system will be rolled out to the PCC upon completion of the Guard House.

A737 Migration to New Facility

- Advisory committees have been identified to break down the work of the migration and develop a detailed plan.
- Discussions with third parties are in progress to generate cost estimates for the migration.

A739 Capital Improvements at PCC in Guilderland

- A preliminary report has been written identifying possible modifications to be made.

A649 Oracle Financials 9i Upgrade

- This project includes upgrading the Oracle Financials application to 11i, upgrading the database to 9i, and moving application & data to new hardware.

- Approval received for proceeding with the project, targeting Q1 2005 production implementation.
- Waiting for Statement of Work from Solution Beacon (Oracle Consultants) who will be assisting with the upgrade.

A732 Oracle Forms Upgrade to 6i

- FRS approved.
- Legacy / SMD2 Forms 6i server upgrade completed.
- Launchpad Upgrade currently being deployed to NYISO.

A658 Facilitated Checkout

- IMO and HQ plan to have checkout service in production in September/October timeframe.
- Planning to deploy display for NYISO Operations in similar timeframe.

A543 UCAP Market Automation

- Project is currently in Phase E – Construction Phase.
- Coding phase extended until end of September.
- Market Trials scheduled for January 2005.

A541 TCC Online Auction Automation

- Project to resume after TCC audit.

A706 Develop a Virtual Regional Dispatch

- Scope and project requirements/deliverables are not yet defined.

A664 DSS Enhancements V

- ADD Phase 1
 1. Currently running in parallel
 2. Provided additional functionalities that BAWG requested
 3. Discussed removal of CSS server with BAWG. Postponed cutover date to 10/1 to give some MPs additional time to get ready.
- Completed minor enhancement release (including ADD enhancements) on 8/14.
- SMD2 Integration
 1. Scope change: new changes for CSV is now required to support SMD 2
 2. Minor changes in requirements from SMD 2
 3. Continued working on Design and Development
- ADD Phase 2
 1. We now have power to all 3 servers required for this track
 2. Preparing for BO 6i upgrade
 3. Start gathering requirements
- Control-M
 1. This track is added back to project plan to be completed by 11/1
 2. Training resource needed for this track
- Sign convention

1. Start gathering requirements
 2. Transition/Knowledge transfer from Structure resource to NYISO staff
- Intermediate training has been successfully transitioned to Training Department.
 - Continued work on Quickstart/Mentoring program.
 - Continued working on staffing level for the DSS for the remainder of this year.
 - Unix resource availability, and environment stability continue to be major risks for this project.
 - Continued 2005 project planning and budgeting process.

A699 MDEX Enhancements

- Scope and requirements have yet to be fully defined.

A704 Operational Information to the Marketplace

- Scope and project requirements/deliverables are not yet defined.

A705 Inter-ISO Standards for Market Messages

- Scope and requirements have yet to be fully defined.

A740 Documentum - IT Implementation

- Testing is scheduled to complete the week of 9/13/04.
- Knowledge Transfer from contractors to NYISO resources is going very well.
- Training materials are being updated and transitioned to the training department.
- A Deployment Date of 9/23/04 is still planned.

A703 SW Development Lifecycle Tools

- Bearing Point was contracted to perform an assessment of SW development lifecycle.

A701 New Technology Initiatives

- Scope and requirements have yet to be fully defined.

A657 OSS SMD2 Support (15-Minute Schedules and ICAP Prescheduling)

- Development complete. Targeted for integration with SMD SAT testing.
- Contingency plan under development to allow deployment to legacy base code in Spring 04.

A702 Enhanced Market Security

- Scope and requirements have yet to be fully defined.

NYISO 2005 Projects Portfolio Preliminary Listing for PPT review

Following is a brief description of projects included in the 2005 Projects Portfolio for discussion with the PPT.

Priority	Project Title and Description
1	<p>Billing Automation and Enhancements</p> <p>The highest priority in 2005 will be to address billing automation and enhancements including the following major initiatives:</p> <p>TCC Settlement - Implement BAS software changes to facilitate the congestion shortfall allocation process.</p> <p>NTAC and TSC Rate Management (eliminate rate pan caking) – Modify BAS software to eliminate export fees (TSC charges by TOs and NYPA and NTAC charges by NYPA) between NYISO and ISO-NE.</p> <p>85/15 Rate Schedule 1 Split - Implement BAS software changes to facilitate the automatic calculation and allocation of LSE and Power Supplier rates.</p> <p>BAS Infrastructure / Billing Simulator - Goals for 2005 will include: implementing all BAS rules including those for SMD modeled in the Billing Simulator; developing a rules-based editor and a data simulator; enhanced reporting capabilities; and integration with DSS. The Billing Simulator is also envisioned to be the basis for a comprehensive suite of applications required to couple the processes of Settlements, Invoicing, Credit and Accounts Payable/Receivable. Integrating these applications will support rapid modifications to accommodate market changes and billing corrections.</p> <p>DSS Customer Settlements Expansion - In 2005 the Customer Settlements information in the data warehouse will be expanded to include NYISO Adjustments, Working Capital, Interest, Past Due Balances, Invoice Summary, Station Power, UCAP Auction Support and TCC Auction Support. Corporate and Ad Hoc reports for these areas will be expanded so the DSS becomes the source of all Customer Settlements data. Additional Corporate Reports requested by MPs and NYISO Business Units will be developed based on a predefined release schedule.</p>

<p>2</p>	<p>TCC Auction Automation</p> <p>This project will develop user interfaces to support online data entry and reporting of TCC auction information and provide auction data to the auction analysis products. The current TCC auction process is labor-intensive and uses a spreadsheet-based process to administer the TCC market. The TCC Automation System will enable market participants to send and receive information via a web-enabled system and will interface with existing NYISO legacy systems. Primary benefits will include:</p> <ul style="list-style-type: none"> • Improving data integrity and data security • Improving timeliness of communication between NYISO and market participants • Reducing manual/human interfaces • Providing flexibility to support future changes
<p>3</p>	<p>UCAP Auction Automation</p> <p>This project will develop a web-enabled interface to facilitate online bidding, logging, bid validation and posting in support of the UCAP auction process. This project will replace the existing manually intensive and spreadsheet-oriented process used to administer UCAP market. The UCAP Market Automation System will enable market participants to send and receive information via a web-enabled system. The system will interface with existing NYISO legacy systems. Primary benefits will include:</p> <ul style="list-style-type: none"> • Improving data integrity and data security • Improving timeliness of communication between NYISO and market participants • Reducing manual/human interfaces • Providing flexibility to support future changes
<p>4</p>	<p>Controllable Tie Lines Scheduling</p> <p>This project will provide an external proxy bus representation for controllable tie lines (HVDC and/or PAR) which span two control areas. The project addresses both the external node pricing calculations as well as scheduling of primary and secondary party transactions. It also includes additional changes necessary for NY-NE coordination for the Cross Sound Cable (CSC) project.</p>

<p>5</p>	<p>15-Minute Scheduling (External Transactions)</p> <p>This project will provide a software solution to enable 15-minute scheduling, update the necessary procedures to accommodate the scheduling change, and implement the required changes to the billing system. The new software will perform 15-minute economic dispatch scheduling for nominally off-dispatch units during the Real-Time Commitment (RTC) execution and reflect those schedules into the Real-Time Dispatch (RTD) process. Providing a solution for the 15-minute scheduling of these units was identified as a future requirement in the FERC conditional approval of the SMD2 tariff.</p>
<p>6</p>	<p>Scheduling of Combined Cycle Units</p> <p>This project will deliver both a scheduling software solution and a network modeling optimization for combined cycle generating units. Adding this capability was a requirement of FERC in the SMD order.</p>
<p>7</p>	<p>Self Supply of Reserves</p> <p>FERC has ordered that the NYISO markets be expanded to provide a mechanism for Market Participants to self-supply for reserves. This project will deliver both a scheduling software solution and billing system updates required to implement this new market feature.</p>
<p>8</p>	<p>SMD Feature Extensions</p> <p>Following the implementation of SMD2 and its suite of applications, it is expected that a sub-set of the planned functionality will fail to make the initial release, and will be required to be deployed in 2005. Included in this extended feature set is the original project Phase 2b and Phase 3 features; these items are SMD2 post-live requirements as defined in the current project.</p>

<p>9</p>	<p>MIS Enhancements</p> <p>The primary focus for MIS enhancements in 2005 will include two initiatives:</p> <ul style="list-style-type: none"> • Comprehensive Bid Management System - the proposed changes include a complete re-architecture and development of our web based application structure that will allow for reusable common components to support current application functionality and future application functional growth. The key deliverables include: updated functional requirements, detailed architecture diagrams, a series of common, reusable components and an enhanced fault tolerant, maintainable, secure market facing application. • Oracle Forms Replacement – Oracle Forms, a proprietary computer interface used by MPs and NYISO staff, will no longer be supported by the vendor in 2005. A replacement solution will be developed using modern technologies that will allow the organization to better leverage existing investments (i.e., SSO), and position the company to respond to future business needs more effectively. The solution will also facilitate more rapid development of new services for Market Participants thereby reinforcing NYISO’s position as a market leader.
<p>10</p>	<p>Outage Schedule Reporting</p> <p>The Outage Scheduling software was moved entirely to the RANGER system for both Scheduling and Operations to provide consistency. Due to the timeframe for the SMD2 project the process of creating the Outage Schedule reports on the primary Oracle database was not implemented. This project will create the required reports on the RANGER system as intended for SMD.</p>
<p>11</p>	<p>Virtual Regional Dispatch</p> <p>The objective of VRD is to produce more efficient use of the transmission system between NY and NE. This initiative has been encouraged by the NYISO Board of Directors and the independent Market Advisor for both NYISO and ISO-NE. In 2004, NYISO will conduct a pilot program to assess the ability to evaluate and schedule intra-hour transactions and to identify any operational issues with scheduling. Additional work is anticipated in 2005 based on the outcome of the pilot program, however, it is not expected that any significant software development will be completed in 2005.</p>

<p>12</p>	<p>MDEX Enhancements</p> <p>The NYISO internal and external web sites will be enhanced to fully utilize the MDEX technology deployed in 2004. There will be two primary areas of focus:</p> <ul style="list-style-type: none"> • Enhance the NYISO web portal (external) to allow users to filter the OASIS/Operational data they desire to see or download. This will allow users to specify the date range, the output format, the columns and rows to be displayed and other specific filtering capabilities. • Enhance the NYISO intranet (internal) with expanded functionality and processes for displaying and maintaining data. The NYISO intranet will also be ‘integrated’ with the NYISO Web portal so internal users can configure personalized views to contain desired information. Similar to the way many people use my.YAHOO.com, this capability will enable NYISO employees to configure their screens to show the latest NYISO information.
<p>13</p>	<p>Documentum - Expanded Implementation</p> <p>This project will continue the implementation of Documentum across the enterprise. The Documentum project was initiated in 2003 with the rollout to Committee Support and Regulatory Affairs. The second phase of the project, underway in 2004, includes a portion of IT and Customer Technical Services (primarily the Technical Bulletins). Expanded implementation in 2005 will include: more IT departments, Market Services, Corporate & Market Risk Management, System Operations and Communications.</p>
<p>14</p>	<p>Consolidate NYISO Offices</p> <p>This multi-year project will be the implementation of the selected plan to consolidate NYISO offices. The scope of the project will be determined after a final decision is made by the Board of Directors.</p>

Following is a list of issues and projects that were reviewed by NYISO but not selected for funding in 2005. Some of these items may be addressed as baseline effort, others may become projects in 2006 or later, and still others may never be completed.

Issues/Projects Reviewed - Not Budgeted	
Automate FERC Reports (Forms 582 & 714)	ITC Collaborative- Data Standards
Automated Generator Derate Interface	ITC Collaborative- Intelligent Alarming
Automated Notification for System Events	Load Bid Verification
BPCG for RRC Down Units	Metering Upgrades
Comprehensive Market Simulator	MMP MIS / Market Simulation Environment
Credit Management System	Netting Bi-laterals for Credit Requirements
Customer Relations Management System	New Meter Authorities Management
DADRP Enhancements	Operational Tools for Broader System Monitoring
DSS Expansion Including MMP	Oracle Clustering
EDRP Settlements	Real-Time Credit Risk Validation
ELR MWhr Bidding Capability for SCUC	Reference Price Calculations in MIS
Enterprise Metadata	Regulating Unit Specification of UOL
Expanding Product Environments	Renew/intermittent Unit Scheduling Enhancements
Generator Attributes Tracking System	Reserve sharing among Northeast ISOs/RTOs
Generator Audit Reporting Application	RT Bid Adjustments for Units with DAM Awards
In-House Price Validation - LECG process	SCUC LRR pass changes
Internal Controllable Lines	Virtual Trading in NYC Load Pockets
Internalize LECG Processes	Voltage Support Service Calculation
Intranet Upgrade	Working Capital / Voltage Support
ITC Collaborative - SCUC Standard Interface	Working Capital Rebalancing
ITC Collaborative - Visualization	