



SMD2 Readiness

**Business Issues Committee
Operating Committee
September 2004
Agenda 4**

For Discussion Purposes Only

SMD2 Readiness

- **Testing**
- **Training**
- **Departmental Procedures**
- **Detailed Cut-over Planning**
 - *Fall-back Contingency*
 - *Implementation Requirements*
 - ◆ **Parallel Operations**
 - ◆ **Price Reservations**

SMD2 Testing Objectives

- **Validate functional operation / performance**
- **Demonstrate integrated Bid-to-Bill capabilities**
- **Ensure Marketplace interfaces are operational**
- **Confirm accuracy of market results**

Current Status

➤ Testing

- *Factory Acceptance Tests (FAT)*
 - ◆ **Complete**
- *Internal Quality Assurance Testing*
 - ◆ **On-Target**
- *Integrated Testing*
 - ◆ **On-Target**
- *Business Owner / User Acceptance Tests*
 - ◆ **On-Target**
- *Market Trials*
 - ◆ **Exercise #6 preparations in progress**
 - ◆ **Scheduled for Week of September 20**

Market Readiness

- **Detailed Fall-back Plan**
- **Satisfactory Assessment of Market Trials/Simulation**
- **Departmental Readiness in the Following Functional Areas:**
 - *Market Operations*
 - *Market Monitoring & Performance*
 - *Power System Operations*
 - *Customer Settlements*
- **Consultation with MPs prior to FERC Notification**
- **LECG/Patton Assessment**
- **Final Signoff**

Market Operations

✓ **Testing - SCUC/ RTS**

- ✓ *Unit Commitment*
- ✓ *Network Security Analysis*
- ✓ *SCUC Multi-Pass Operations*
- ✓ *Automated Mitigation Procedures*
- ✓ *Data Interfaces/Processing*
- ✓ *Special Market Functions*

✓ **Procedures**

- ✓ *DAM Administration Procedures*
- ✓ *Network Model Maintenance Procedures*

✓ **Network Model Database Verification**

- ✓ *Validation of legacy conversion to SMD*
- ✓ *Operational review of SMD network model*

✓ **State Estimator Commissioning**

✓ **DAM/RTM Load Forecaster Operations**

✓ **Transmission Outage Reporting**

✓ **Special Operations Monitoring Programs**

Market Monitoring & Performance

✓ Testing

- ✓ *Mitigation Functions*
- ✓ *Screening Tools*
- ✓ *SCUC/RTS Market Analysis (Study Mode, Save Case) and Associated Tools*
- ✓ *Price Corrections*

✓ Procedures

- ✓ *Market Analysis*
- ✓ *Price Validation*
- ✓ *Market Monitoring*
- ✓ *Mitigation*

✓ Training

- ✓ *Running SCUC/RTS*
- ✓ *Extracting data*

✓ Data Interfaces

- ✓ *Price Correction Data to and from LECG*
- ✓ *Reference Price Information to and from Potomac*
- ✓ *Data flow between MIS and MM&P Reports*

Power System Operations

✓ Testing

- ✓ *Validate Program Results, such as Contingency Analysis, RTC/RTD/CAM functions, etc.*
- ✓ *Verify Applications: Metering/One-line, Displays, Big Board, Alarms*
- ✓ *Verify Identified Problems Corrected*
- ✓ *Ensure Overall System Performance*

✓ Procedures

✓ Training

- ✓ *Bid-to-Dispatch Basepoints*
- ✓ *Interaction with MIS and Ranger*
- ✓ *Two Weeks Training on Simulator for each Operator,*
- ✓ *Detailed Cut-Over Plan from SCD to SMD2*

Customer Settlements

✓ **Testing**

- ✓ *Over 100 Scenario Tests to Ensure SMD2 Settlement Rule Logic is Tested*
- ✓ *Testing to Support Re-Design for Legacy Settlements (e.g. Group Unit Logic Changes)*
- ✓ *Market Applications: Consolidated Invoice, Cash & Transmission Service Reconciliations, Data Warehouse, Advisory Settlement Statements*

✓ **Procedures**

- ✓ *Audit Processes*

✓ **Training**

- ✓ *SMD2 and Legacy Changes*

✓ **Audit Tool and Process Checks**

- ✓ *SMD2 and Legacy Changes*

✓ **Accounting & Billing Manual**

Next Steps

✦ Committees

- *MSWG*
 - ♦ Finalize Fallback Plans & Criteria for Cut-over Day
 - ♦ Address MP issues list items
 - ♦ Review of LECG Market Trial and Simulation Analysis
- *BAWG*
 - ♦ Finalize Fallback Plans & Criteria for Cut-over Day
 - ♦ Monitor Market Trial Billing Results
 - ♦ Discuss SMD2 Billing Readiness
- *CDAS*
 - ♦ Review ICCP data transfer and accuracy
 - ♦ Review State Estimator output
- *SOAS*
 - ♦ Monitor NYISO / TO Operator training completion
- *MC*
 - ♦ Discussion to review status of overall readiness and intent to “go-live”

✦ NYISO

- *Continue NYISO Testing & Training*
- *Departmental Readiness “Sign-off”*
- *Conduct Market Trial Exercise 6*
- *Complete LECG Market Trials Analysis*
- *Confirmation from Independent Market Advisor*