

*Market Monitoring and Price
Validation*

Presentation to Business Issues Committee
Agenda #4

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Price Validation

The Price Validation Process Includes:

- Calculation Accuracy
- Model Consistency
- MMP Evaluation of the Correction and the Decision to Correct

This process has been in-place since the start of the market and Prices are reviewed on a daily basis every day of the year and corrected as needed.

Price Reservations

- Process Enhancements – resulting in more investigative action prior to reservation
 - Index High Prices to Daily Fuel Prices in order to focus the reservations on potentially anomalous high prices.
 - Load Level Anomalies – related to inappropriately low or high LBMP.
 - Hardware & Software Improvements:
 - Higher data transfer speeds so more data is available earlier allowing sophisticated testing before decision to reserve is made.
 - General Improvement in Software Tools.