



# SMD2 Update

Presented to

**Billing and Accounting Working Group**

**September 29, 2004**

*For Discussion Purposes Only*

# SMD2 Update

- **Market Exercise 6**
- **Market Exercise 7**
- **Marketplace Readiness**
- **Deployment Plans**

# SMD2 Update

## Market Exercise 6

### ↘ Market Simulation

- *Designed to provide a comparison of legacy DAM results to SMD2 DAM results.*
- *Conducted on Sept. 27 – 28*
- *Bids and Offers from June 17, 2004 were entered by the NYISO*
  - ◆ Supply offers were converted to SMD2 format
  - ◆ No MP bidding allowed

# SMD2 Update

## Market Exercise 6

- **LECG will compare Exercise DAM results to legacy DAM results of June 17, 2004.**
  - *Differences to be explained in terms of SMD2 market rules and bid conversion constructs.*
  - *Results of analysis to be presented to the MSWG during the week of Oct. 11.*
  
- **RT Exercise results will be analyzed on their own merit.**
  - *Comparison to June 17 results not relevant.*

# SMD2 Update

## Market Exercise 7

### ↘ Interactive Market Trial

- *Market Participants will submit bids and offers.*
  - ♦ NYISO will pre-load bids to ensure a realistic solution
- *Based upon June 17, 2004 load forecast.*
- *Scheduled for October 13 and 14.*
  - ♦ DAM results post on Oct. 13
  - ♦ 24-hour RT exercise on Oct. 14
- *Success driven by full participation by the Marketplace*

### ↘ LECG will analyze exercise results

- *Results will be presented to MSWG during the week of Oct. 25.*

# SMD2 Update

## Marketplace 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

# SMD2 Update

## Cutover Plan

- **Cut-over scheduled for December 1, 2004**
- **Run SMD2 systems in parallel with legacy systems for up to 7 days prior to 12/1.**
  - *MPs will bid into both systems during parallel operation phase*
  - *NYISO Operations will monitor SMD2 performance*
- **Run legacy systems in parallel with SMD2 systems for up to 3 days after 12/1.**
  - *MPs will continue to bid into legacy system*
- **Fall-back to legacy systems if necessary**

# SMD2 Update

## Going Forward

### 👉 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 Exercises 6 and 7*
- *Complete LECG Market Trials Analysis*
- *Confirmation from Independent Market Advisor*