

NYISO Settlement Enhancements

Billing & Price Correction Task Force
October 14, 2005

Background

- Numerous changes since market start to the NYISO market rules have impacted settlements
- NYISO has struggled to manage the volume and complexity of these changes
- NYISO recognizes the need for further improvement
- Formation of the Billing and Price Correction Task Force represents a significant step

Progress Report

- NYISO issued Close-Out Settlements for nineteen months to date.
- Decision Support System provides greatly-enhanced transparency to settlements
- Draft Accounting & Billing Manuals provide algorithmic details of settlement rules

Progress Report (cont.)

- “Web Rec” provides hourly generator, tie-line, sub-zonal, and Load Serving Entity Bus MW flow data
- Issues affecting settlements regularly discussed with BAWG and posted on NYISO website

Progress Report (cont.)

- NYISO corporate goals address settlement timeliness [7A], accuracy [7B], and finality [7C]
- Measures implemented to improve change control, documentation, and depth of subject matter expertise in Market Design & IT

Next Steps

- NYISO is committed to further improvements in initial settlement accuracy and the true-up process
- Increased emphasis on assessing the impact of proposed changes to market structures on related settlements
- 6 Lean Six Sigma projects directly aimed at improving NYISO settlements, other 9 have indirect impact on settlements