# Accelerated Price Reservations & Corrections, and Enhanced Reporting
## Scheduling & Pricing Working Group

18 October 2006

# Agenda

o Background

o Tariff Requirements

o Price Reservation/Correction Schedule

o Price Validation Reporting

# Background

o **Billing & Price Correction Task Force**

- BPCTF Was Formed To Engage Stakeholders In Improving Price Validation Process
- Reviewed Existing Procedures
- Developed Revisions to Existing Procedures

o **Proposed Tariff Revisions**

- Eliminate TEP
- Establish Transparent Rules & Time Limits for Price Corrections
- Define Correction Methodologies
- Establish Schedules for Price Reservations & Corrections
- Provide Enhanced Reporting

# Tariff Requirements

o NYISO Received FERC Order in Response to Proposed Tariff Amendments

- Order Conditionally Accepting Tariff Revisions as Modified and Directing Compliance Filing, Docket No. ER06-1014-000, 14 July 2006
- Allows Price Corrections for:
  - ⤵ Calculation Errors
  - ⤵ Errors in Selecting the Price Setting Resource
- Collaboration with Stakeholders on Faster Reservations
- Three Calendar Day Correction Period
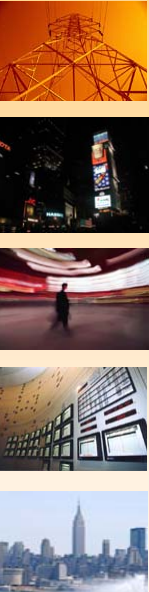- Approved Correction Modes
- Enhanced Reporting

# Price Reservation/Correction Schedule

o **Existing Price Reservation Process**

- 17 Hours to Evaluate & Reserve Prices (< 1 Day)
- Process Begins at 08:00 the Day After RTD/RTC Market Day
- Evaluation of Over 135,000 Prices and Dispatch Points
- RTD/RTC Reservation Notice Sent by 17:00 the Day After the Market Day

o **Accelerated Price Reservation Process**

- Would Allow Less Time to Evaluate Prices
- Potentially Fewer Resources Available to Investigate Pricing Issues
- Trade-off of Reservation Certainty versus Reservation Accuracy
  - ↘ Accelerated Price Reservation Schedule More Susceptible to False Positives

# Price Reservation/Correction Schedule

o Three Day Correction Period Process

- Monday Market Day – Corrections Due on Friday
- Tuesday Market Day – Corrections Due on Saturday, Done by Friday
- Wednesday Market Day – Corrections Due on Sunday, Done by Friday
- Thursday Market Day – Corrections Due on Monday
- Friday Market Day – Corrections Due on Tuesday
- Saturday Market Day – Corrections Due on Wednesday
- Sunday Market Day – Corrections Due on Thursday
- Thursday & Friday Workdays Have Staggered Shifts – Early Start/End, Late Start/End To Provide Additional Resources

# Price Validation Reporting

o **Prior Pricing Information Was Limited**

- Reservation Notification (TIE, OASIS)
- Price Correction Notification (OASIS)
- Monthly Correction Notes (OASIS)

o **NYISO Now Providing More Pricing Information**

- Market Participant Correction Report
  - Time
    - Interval Ending Timestamps for First & Last Interval of Correction Period
  - Duration & Hours Corrected
    - Number of RTD Intervals Affected
    - Which Hours Have Been Corrected
  - Error Type
    - Type I - Calculation Error
    - Type II – Error in Price Setting Resource

# Price Validation Reporting

o NYISO Now Providing More Pricing Information

- Market Participant Correction Report (Continued)
  - ↘ Error Description
    - Posting Error
    - Indeterminancy / Penalty or Shift Factor Trade-offs
    - Data Error - Static
    - Computer System Failure
    - Software Error
    - Telemetry
    - Prices Inconsistent w/Dispatch / No Marginal Unit
    - Operator Input
  - ↘ Additional Comments
    - Additional Information Regarding Correction (e.g. Location, Device, Unit Size)

# Price Validation Reporting

o NYISO Now Providing More Pricing Information

- Market Participant Correction Report (Continued)
  - ↘ Correction Mode
    – Replace with Preceding Interval
    – Replace with Subsequent Interval
    – Average - Preceding & Subsequent
    – Replace w/RTD Advisory Price
    – Substitution w/Similar Bus Price
    – RTD Re-Run
    – Replace w/RTC Prices
    – Replace w/SCUC Prices
    – Recalculation - External Proxy
    – Recalculation
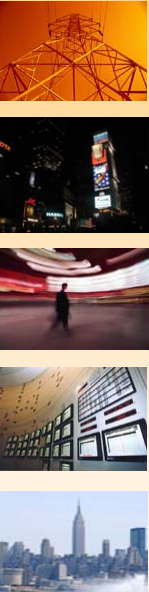  - ↘ Intervals Corrected by Zone
    – Count of Intervals Corrected in Each Zone for Each Pricing Error

# Enhanced Price Validation Project

o NYISO Has Committed to the Development of an Enhanced Price Validation Project

  - Project Will Provide:
    - ↘ New & Improved Analysis & Reporting Tools & Capabilities
    - ↘ Rules-Based Engine for Price Evaluation
    - ↘ Streamlined Reservation/Correction Processing
  - Additional Reporting Enhancements
    - ↘ Price Correction Log
    - ↘ Market Participant Correction Report

o DSS Pricing Data Mart

  - Original and Corrected Pricing Data for All Markets
  - Business Objects Reporting & Analysis Capabilities

NEW YORK INDEPENDENT SYSTEM OPERATOR

# Questions

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