

# Update and Status of 2003 Market Advisor Recommendations and Summer Initiatives

Management Committee Meeting

May 28, 2003

# Status of 2003 Market Advisor Recommendations

	<b>Recommendation</b>	<b>Status</b>
<b>1</b>	Implement scarcity pricing provisions that would set prices at \$1000 (excluding losses) in reserve-deficient areas.	Interim solution scheduled for June 10 implementation. Full demand curve implementation included in SMD 2.0.
<b>2</b>	Modify its pricing rules to allow emergency demand response resources to set energy prices when they are needed to avoid a shortage.	Interim solution scheduled for June 10 deployment will be handled consistently in SMD 2.0 deployment for 2004.
<b>3</b>	Coordinate the physical interchange with adjacent ISO's to maximize the utilization of the external interfaces.	Virtual Regional Dispatch (VRD) white paper issued on May 19. Stakeholder process is underway.
<b>4</b>	Disaggregate the virtual trading and price-capped load bidding within New York City to the load pocket level or the 345kv/138kv level at a minimum.	This item is being reviewed by NYISO staff.
<b>5</b>	Address the virtual trading scheduling and settlement rules to ensure that they are scheduled consistent with their bid prices.	This item will be addressed in the SMD 2.0 deployment in 2004.

# SUMMER INITIATIVES

- Day-Ahead Demand Response
  - Capability to Bid & Schedule – Deployed on May 21
  - Settlements – Targeted for July 20
  - Market Participant usability on target for July 1
- Scarcity Pricing
  - Initial Deployment targeted for June 10
  - LO Payments – Target for August
- Non-Competitive Proxy
  - Pricing - Scheduled deployment is June 10, Manual Price Correction process in place if triggered between May 30 & June 10
  - BPCG Limitation – Target for August

# SUMMER INITIATIVES

- 85/15
  - **Will be billed manually using Consolidated Invoice June '03 for period June '02-May '03**
  - Complete BAS Settlements for 85/15 – (Target for September)
  - Complete Load Tracking and Recalculation of Rate Recommendation – Targeted for November 1
- Web-Based Reconciliation Readiness
  - **Deployment will follow posting of June invoices – Targeted for July 9**
  - Phase I – Deployed on May 21
  - Phase II – Targeted for July 9
- GT Management II / Persistent unit dragging
  - Under Generation – Target for June 17
  - GT Late Start – Targeted for June 17