New E-Tag Validation Feature

Presented to

Scheduling and Pricing Working Group

March 24, 2006

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New E-Tag Validation Feature

Overview

- On March 14, 2006 the NYISO deployed a new MIS validation feature designed to provide Market Participants with the opportunity to correct certain syntax errors in external transaction bids.

- New validation feature applies to NERC E-Tag fields.

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Background

- E-Tag information must be entered into a transaction bid for cases where the source or sink of the transaction is external to the NYCA.

- Transactions can be scheduled in MIS, only to be cut during the hourly transaction check-out process due to an E-Tag discrepancy.

- The new MIS feature that the NYISO deployed will reduce the occurrence of E-Tag discrepancies.

New E-Tag Validation Feature

Impact of E-Tag Mismatch

- Reliability – anticipated interchange did not flow

- Markets – potential price divergence between RTC and RTD

- Business – MP transactions did not flow due to data input errors.
    - Financial Impact Charges applied (cause of failed transaction under the control of the MP)

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Solution

- Use MIS to validate that certain E-Tag fields are populated with <u>feasible</u> data.
    - PSE (Purchase-seller entity) is a NERC registered PSE.
    - RCA (Receiving Control Area) is consistent with sink field identified in bid, and is a feasible sink.
    - SCA (Sending Control Area) is consistent with source field in bid, and is a feasible source.
- Detect duplicate E-Tags.
- MIS "Validation failed" message issued in the event of a discrepancy.
    - TB 19 provides additional information.

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Limitations

- Feature can not validate the "unique number" field of the Tag

    – Can only validate that the field is populated

- Feature can not validate intent

    – Can only validate that the E-Tag entered on the bid meets certain syntax and feasibility criteria

- The MIS was not designed to determine if the E-Tag information entered is valid. Market Participants must still pay close attention to their OATI tag status to ensure that the E-Tag is both accurate and valid.

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Benefits

- Market Participants now have an improved opportunity to correct and resubmit external transaction bids.

- Reduces market and business impacts of transactions that fail due to E-Tag errors.

- Reduces potential for reliability impacts.

- Market Participants must still review all E-Tags that are placed in Study, even if they are later Passively Approved.

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