



# **NYISO**

**Building the Energy Markets of Tomorrow . . . Today**

**METERING ACCURACY & ADEQUACY  
FOR SETTLEMENT OF NYISO MARKETS**

*JUNE 16, 2004 BUSINESS ISSUES COMMITTEE  
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## ***WHY IMPROVE METERING ACCURACY & ADEQUACY?***

- ✓ NYISO performance/flow-based market settlements are only as accurate as the metering systems that support them.
- ✓ NYISO has worked closely with BAWG to establish processes that provide for effective provision and reconciliation of billing-quality metered data [e.g. Web-based reconciliation; Settlements DSS Data-mart]
- ✓ Recent self-assessment by T.O.'s of their metering systems indicate that some systems are outside of industry standards or the specifications detailed in the Control Center Communications Manual.
- ✓ NYISO Strategic Plan emphasizes improving the settlements process
- ✓ 2004 Business Plan calls for establishing a process that ensures proper maintenance, replacement, and administration of metering systems used for NYISO settlement.
- ✓ March 15, 2004 R.J. Rudden report on shortening the settlement cycle recommends metering improvements, just to support current market design.
- ✓ Market reaction to a shorter settlement cycle indicates that settlement accuracy is the foremost concern.



## ***WHY IMPROVE METERING ACCURACY & ADEQUACY?***

**Market Participants’  
concerns over accuracy of  
the settlements process  
often involve issues of  
metering accuracy.**



## ***ISSUES TO BE ADDRESSED:***

- ✓ Some Market products may not have the metering infrastructure necessary to effectively support accurate & timely settlement.
- ✓ Self-assessment performed by the Transmission Owners indicated that some systems are not within specification.
- ✓ Should NYISO incorporate load & generator profiling as a settlement process.



## ***THE NYISO PROPOSED:***

- ✓ Performing an adequacy assessment of current metering systems and associated administrative & maintenance processes.
- ✓ Establishing joint Operating Committee [CDAS] – Business Issues Committee [BAWG] task force to ensure market-wide involvement in metering quality.
- ✓ Pursuing an RFP for consulting & technical services to assess metering accuracy & adequacy, and perform cost/benefit analyses for upgrades or replacements.
- ✓ Pursuing in the short term, improvements in the administrative processes to address market concerns over settlement accuracy



## **ACTION ITEMS FROM JOINT OC- & BIC- CHAIR TELECONFERENCE:**

- ✓ Bruce Metruck [CDAS] and Duane Wheeler [BAWG] to divide the Control Center Requirements Manual into two separate documents
  - *Current manual to only address SCADA/EMS interfaces*
  - *New manual to focus on settlement-related metering systems & processes*
  
- ✓ Schedule a joint Operating Committee [CDAS] – Business Issues Committee [BAWG] meeting(s) to review proposed scope of an RFP for consulting & technical services to perform metering infrastructure adequacy assessment and possible cost/benefit analyses for upgrades or replacements
  
- ✓ Work with S&PWG, and possibly the PSC, to identify possible cost recovery mechanism for investment in metering infrastructure & administrative process improvements