



# Reference Level Consultation Improvement Process: Continued Discussions

**Timothy Duffy**

*Manager – MMA Production Processes  
New York Independent System Operator*

**NYISO Market Issues Working Group**

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# Background

- ◆ **NYISO and its Market Participants initiated discussions on improvements to the reference level consultation process at the 12/13/11 MIWG**
- ◆ **NYISO described two primary processes associated with reference level consultations (although there can be overlap)**
  - *Ex Ante - establishment of references*
  - *Ex Post - following supplier mitigation*
- ◆ **While initial discussion focused on the Ex Post concerns (due to high volume of consultations), future discussions will also address concerns with Ex Ante process**

## “Ex Post” Process Recommendations

- ◆ **Develop Standardized Consultation Request Format**
- ◆ **Adopt Stricter Communication Protocols**
- ◆ **Market Participant feedback**
  - *Minimal level of response*
  - *Supportive of Consultation Request Form*
- ◆ **NYISO proposes that these process improvements be finalized in an MMA Task Force and documented in a Reference Level Technical Guide**

# Key Attributes of “Ex Ante” Process

- ◆ **Timely**

- *Resolution is achieved within reasonable period of time*

- ◆ **Transparent**

- *Requirements are established and documented*
- *Status of request is communicated*

# Key Attributes of “Ex Ante” Process

- ◆ **Efficient**

- *Limits multiple iterations of repeated data requests and clarifications*

- ◆ **Robust**

- *Allows for adequate review of data submittals prior to approval*

# Enhancements for Consideration

- ◆ **Greater Segregation of RLS Submittals**
  - *By level of review effort; level of documentation required*
  - *Urgent, Normal-Low and Normal-High*
- ◆ **Establishment of “best effort” response times and performance tracking for each category of submittal**
  - *Urgent (1-2 business days)*
  - *Normal-Low (2-5 business days)*
  - *Normal-High (1-3 months)*
- ◆ **Implementing additional structure for Normal-High submittals**
  - *Annual submittal with suppliers assigned quarters (e.g., Q1)*
  - *Submittal due by first day of quarter; finalized by last day of quarter*

# Enhancement for Consideration

- ◆ **Reference Level Technical Guide**
  - *Key definitions(e.g., marginal costs)*
  - *Data and documentation requirements*
  - *Acceptable calculations (e.g., risk and opportunity costs)*
- ◆ **Communication**
  - *Established time-line and protocol for Normal-Low and Normal-High communications*

# Proposed MMA Task Force

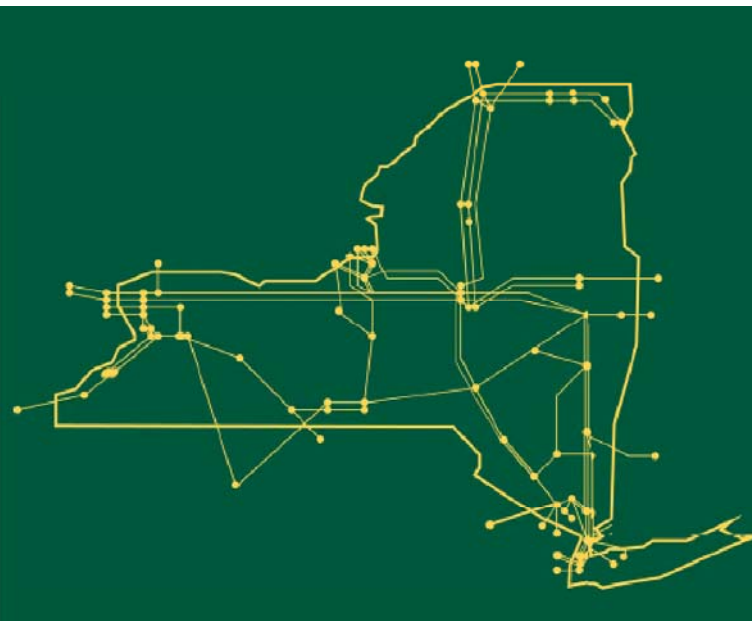
- ◆ **To be initially tasked with,**
  - *Finalizing protocols for ex ante and ex post reference consultations*
  - *Documenting protocols in Reference Level Technical Guide*
- ◆ **Supplier SMEs encouraged to participate**
- ◆ **Initial meeting to be scheduled in early February**



# Open Discussion

- ◆ **Market Participant Feedback**
- ◆ **Status review**
- ◆ **Next Steps**

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