



SMD2 Testing

Market Structures Working Group

August 13, 2004

For Discussion Purposes Only

SMD2 Testing Objectives

- **Validate functional operation / performance**
 - *Ensure software matches requirements and design*
- **Demonstrate integrated Bid-to-Bill capabilities**
- **Ensure Marketplace interfaces are operational**
- **Confirm accuracy of market results**
 - *Day-Ahead Commitment*
 - *Real-Time Scheduling*

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SMD2 Testing Methodology

- **Factory Acceptance Tests (FAT)**
 - *Validate vendor deliverables meets requirements*
- **Internal Quality Assurance Testing**
 - *Validate NYISO-developed software*
- **Integrated Testing**
 - *Prove integrated Bid-to-Bill operation*
- **Business Owner / User Acceptance Tests**
 - *Functional validation by business experts; scenario testing*
- **Market Trials**
 - *Confirm Market Participant capabilities; demonstrate readiness*

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SMD2 Testing Schedules

April

May

June

July

August

September

SMD 2.0 Market Trials

Quality Assurance Integration Testing

Market Operations Functional Testing

Upload/Download 'Sandbox'

Web 'Sandbox'

Day-Ahead Trials

Real-time Trials

Market Training

Final Integration

Stabilization

Data Prep

SMD 2.0
Market Trial
Project Plan

Proposal for Market Results

➤ Market Simulation

- *Using historical, Marketplace-provided inputs for the day-ahead market*
- *Inputs entered into SMD2 system by NYISO staff*
- *Day-ahead results compared to current Security Constrained Unit Commitment (SCUC)*
- *Simulation continued into real time*
- *Real-time results validated by LECG*
- *Day-ahead and real-time results and settlement data posted on the website*

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Next Steps

- **Update SMD2 testing with BIC at August 18 meeting**
 - *Review market simulation proposal*
 - *Provide estimated schedule impact*
- **Finalize deployment contingency plans**
 - *Communicate with Marketplace by the end of August*

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