

Enhanced Interregional Transaction Coordination:

Phase 3 implementation update

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Background

Enhanced Interregional Transaction Coordination (EITC) will permit the scheduling of inter-Balancing Authority transactions involving the NYISO on a more frequent basis than the current hourly schedules. This is a multiphase effort that will be rolled out on an interface-by-interface basis for energy transactions.

The NYISO completed the software implementation of phase 1 (15-minute scheduling with HQ) on May 17th *. That implementation included the majority of functionality necessary to coordinate 15-minute energy transaction scheduling with PJM as well.

For design and concept details, please refer to the EITC Concept Update presented to MIWG on June 07, 2010:

http://www.nyiso.com/public/webdocs/committees/bic_miwg/meeting_materials/2010-06-07/Agenda_04_EITC_Scheduling_Pricing_Concept.pdf

For tariff details, see the tariff filing from December 28, 2010 and subsequent compliance filing on April 13, 2011:

http://www.nyiso.com/public/webdocs/documents/regulatory/filings/2010/12/NYISO 205 EITC Filing 12-28-10.pdf

http://www.nyiso.com/public/webdocs/documents/regulatory/filings/2011/04/EITC_Compliance_Filing_FINA L_04_13_11.pdf

^{*} The actual begin date of the 15-minute scheduling at the HQ-Chateaugay interface is expected in July 2011.



Implementation Approach - Multiple Phases

- ✓ Phase 1 Provide the ability to schedule 15-minute energy transactions between the NY and HQ control areas.
- Phase 3 Implement scheduling of 15-minute energy transactions between the NY and PJM control areas.
 - Enabling the capability at one NY-PJM Proxy Bus at a time, including the controllable tie lines and the 'AC' interface. The order of the rollout will be determined by operations staff of both NYISO and PJM.
 - NYISO Market Participants will be given a twoweek notice before each NY-PJM Proxy Bus is activated for 15-minute transaction scheduling.
- Phase 4 Implement scheduling of intra-hour energy transactions between the NY and NE control areas.



Important upcoming EITC dates

July 2011

- Enable the eleven-point bid curve capability for external energy transactions. This had been disabled for the May 17th Phase 1 deployment due to software issues.
- Activate the 15-minute scheduling capability at the HQ-Chateaugay interface, assuming no issues with HQ converter testing.

Beginning March 2012

 Begin activating the 15-minute scheduling capability at each of the NY-PJM Proxy Buses.

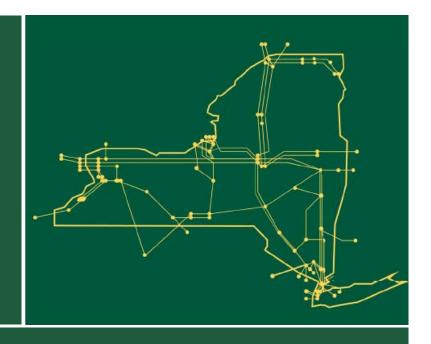


Next steps

- Continue operational discussions with PJM to identify all necessary process changes.
- Return to MIWG in Fall 2011 with an implementation update, including a rollout plan for the NY-PJM Proxy Buses.
- At least two-week notice prior to enabling each NY-PJM Proxy Bus for 15-minute scheduling.



The New York Independent System Operator (NYISO) is a not-for-profit corporation that began operations in 1999. The NYISO operates New York's bulk electricity grid, administers the state's wholesale electricity markets, and conducts reliability and resource planning for the state's bulk electricity system.



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