

# Inter-Regional Coordination

## Through the ISO MOU Business Practices Working Group



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Presented to the NYISO Management  
Committee

by Charles A. King  
NYISO Market Services

# Mission of the MOU BPWG

*To create a “virtual ISO” among the four Northeast ISOs in order to encourage the development of broader competitive markets in the region through:*

- *Seamless transaction management policies across the extended region*
- *Region-wide congestion management procedures*
- *Uniform business practices across regions.*



# Responsibilities of the BPWG

- Identify market interface issues between ISOs for resolution
- Review existing or planned market rules of each ISO and identify methods to improve inter-regional transaction management
- To seek advice of ISO stakeholders in identifying and resolving business practice issues

# Responsibilities of the BPWG

- To advise and recommend to ISO committees, market rule modifications consistent with seamless transaction management
- Provide liaison with other ISO coordination working groups
- Recommend to appropriate ISO committees, regulatory filings to be required for market integration matters

# BPWG Activities

Held ISO staff meetings & conference calls.

- Developed Inter-ISO congestion management concepts
- Shared information regarding individual ISO practices and procedures (demonstrated data sharing on the PJM e-Data website w/NYISO)
- Developed a strategy to enhance stakeholder involvement in the MOU BPWG process
- Provided input to MOU operations group regarding transaction/checkout issues requiring immediate attention

# BPWG Activities

## Inter-ISO Congestion Management

- Developed Inter-ISO congestion management concepts as documented in LECG/Hogan paper.
- Demonstrated practical feasibility of technique through MAPS/MW Flow simulations.
- Developing implementation strategy which will include...
  - Identify software changes & effort
  - Develop data transfer strategy
  - Identify tariff modifications

# BPWG Activities

## Facilitated stakeholder meetings

- March 30, 2000 - defined stakeholder issues including “Seams Issues” & set initial priorities.
- August 22, 2000 - review MOU progress on Seams Issues, set up a stakeholder “Seams Team” with Marjorie Philips (Exelon Power Team) as the chairperson. A BPWG coordination team was created which includes an ISO Rep. & a stakeholder Rep. from each of the 4 areas to enhance stakeholder involvement in the MOU activities.

# BPWG Coordination Team

- Developed matrix (seams matrix) of industry issues and practices with input from each ISO
- Identified and set an initial priority for the most significant issues (8 major issues)
- Identified the attributes of a “best practice” for each of the high priority issues
- Segregated the high priority issues into Tier-1 & Tier-2 to further refine level of importance



# BPWG Coordination Team

## Issue Prioritization

Tier-1 high priority issues:

- Transaction schedule changes due to failed tie-out
- Ramping
- Transaction implementation rules
- Transaction curtailment rules & curtailment notifications

# BPWG Coordination Team

## Issue Prioritization

Tier-2 high priority issues:

- ATC/TTC calculations
- Pricing at the boundaries
- Recall of capacity
- Trading hubs

# BPWG Coordination Team

For the remainder of 2000...

- Finalize seams matrix, adding detail and clarifying each ISO/IMO practice or procedure
- Schedule & prepare for large stakeholder meeting on January 4th
- Continue to support implementation plan development for the Inter-ISO congestion management proposal
- Explore opportunities for common reserve market model
- Continue to monitor operations check-out task force to enhance transaction management

# BPWG Coordination Team

## Purpose & Objectives of 1/4/2001 stakeholder meeting

- Review and obtain stakeholder input on seams matrix
- Obtain input & consensus on issue priorities
- Review and obtain input regarding “best practices” for high priority issues
- Provide status update regarding all on-going MOU work activities

# BPWG Coordination Team: 2001 Look Ahead

- Finalize the Seams Matrix including “best practices” for each of 8 high priority issues
- Meet with appropriate ISO committees to discuss the MOU “best practices” identified above
- Develop action plan for addressing each of 8 high priority issues including milestones and completion dates

# BPWG Coordination Team: 2001 Look Ahead

- Develop implementation requirements document for the inter-regional congestion management process
- Provide input to NE DAM feasibility study being conducted by NYISO, IMO, & ISO-NE
- Explore common ancillary service market models

# ISO Coordination Highlights

- Demonstrated feasibility of Inter-Regional Congestion management
- Demonstrated the ability to provide multiple ISO market data at a single website (PJM e-Data)
- NYISO provides day-ahead “must run” status to minimize hourly curtailments affecting NY & PJM
- PJM assists NYISO in developing the unforced capacity concept for stage II ICAP
- ISOs implement more stringent check-out review process and data sharing protocols to minimize transaction failures