Project Status Overview

PPT – February 13, 2006

Agenda

- Current project status report
- Project prioritization process review
- Prioritization recommendations and discussion
- New project kick-offs
  - *Settlement System Replacement*
  - *DSS Pricing Data Mart*
  - *SRE / OOM Mitigation*
  - *Real-time BPCG Mitigation*
- Feedback

Status of Current Projects

NEW YORK INDEPENDENT SYSTEM OPERATOR

2006 Major Product Enhancements

	Description	Status and Milestone Deliverables
	Energy Marketplace Product Enhancements	
A767	MIS Enhancements: Comprehensive Bid Management System	**Status:** This project is in the concept development phase and will be formally initiated in the first quarter of 2006. **Deliverables:** This project will upgrade the web-based application structure to replace [illegible] applications by allowing common components to support current application functionality and future [illegible] functional growth. One of the deliverables will be the implementation of a more flexible and reliable application architecture for the market applications. This project is part of a multi-year effort that will lead to a replacement of the Market Information System (MIS) and related bidding and scheduling applications.
	Enhanced Price Validation	**Status:** This project is in the concept development phase and [illegible] phase. Concept and design work will continue through the first quarter of 2006; development progress will be dictated by various factors including regulatory process, technical feasibility, and resource constraints. This project will entail a multi-phase, multi-year implementation of tools to enhance the price monitoring, reservation and collection processes for the NYISO markets. **Deliverables:** The NYISO has investigated the known causes of pricing errors, and has taken a systematic approach to determine features and functions that will significantly enhance the price validation process. Product enhancements are proposed to implement proactive price monitoring, improved price reservations, and enhanced price corrections. Additionally, the NYISO will continue to aggressively pursue resolution to any issue that causes pricing errors.
A769	Enhanced Scheduling of Combined Cycle Units	**Status:** This project is in the concept development phase. Concept and design work will continue in 2006; development progress will be dictated by various factors including, regulatory process, technical feasibility, and resource constraints. **Deliverables:** Market Participants have historically expressed concern that NYISO does not model or schedule combined cycle generating units to their most efficient capabilities, thus impacting both real-time operations and market outcomes. This project will deliver a scheduling software solution and network modeling optimization for combined cycle generating units. Software may perform 15-minute economic dispatch scheduling for nominally off dispatch units during the real-time commitment execution and reflect those schedules into the real-time dispatch process.
A706	Intra-Hour Transaction Scheduling (ITS)	**Status:** This project is in the concept development phase. Concept and design work will continue in 2006; development progress will be dictated by various factors including, regulatory process, technical feasibility, and resource constraints. **Deliverables:** In 2005, the NYISO conducted a pilot project to assess the ability to evaluate and schedule intra-hour transactions and to identify any operational issues with scheduling. Additional work in 2006 will be based on the outcome of the pilot program, however, it is not assured that any significant software development will be completed in 2006.

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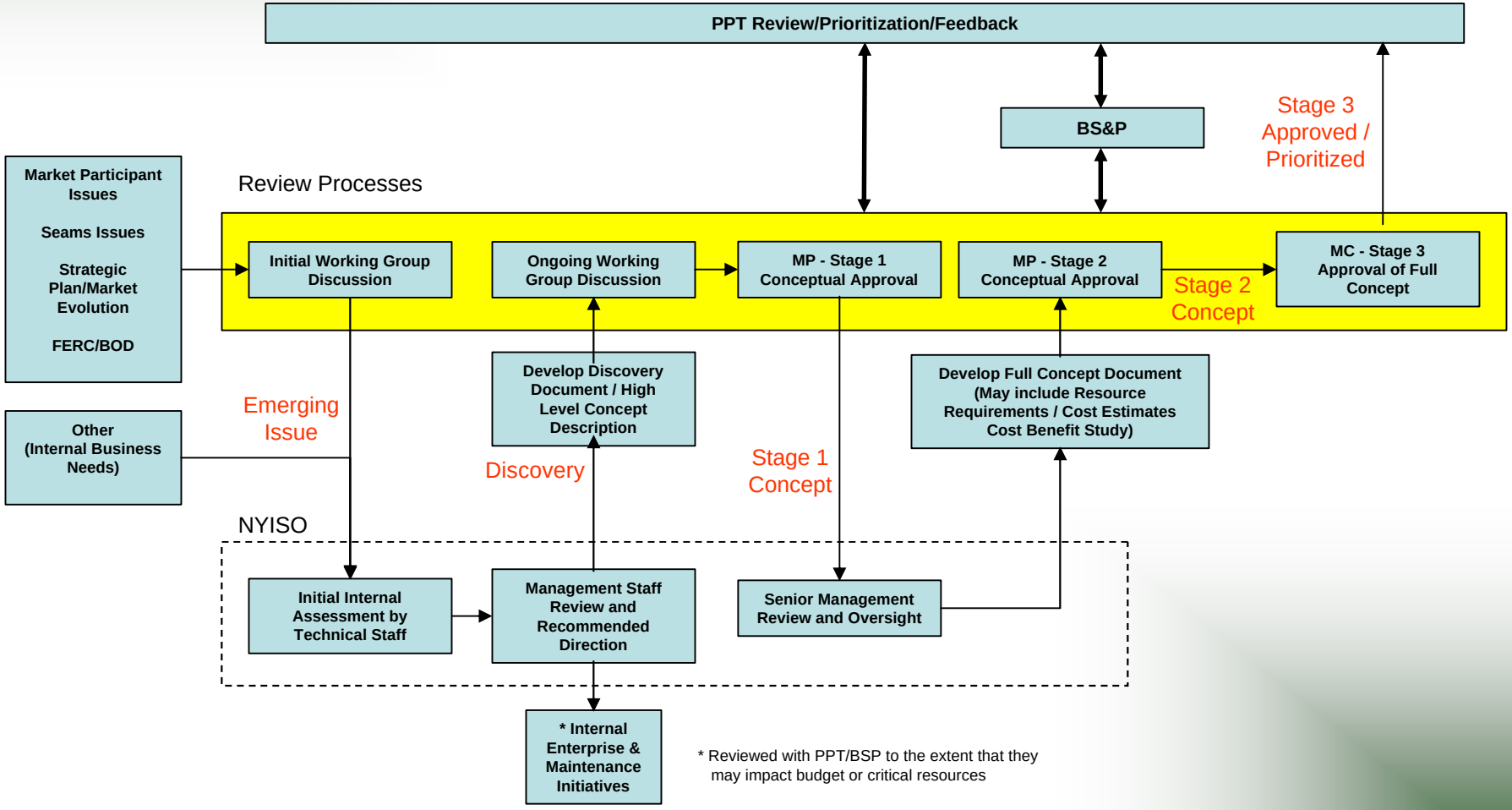
2/9/2006

View Separate Handouts

Project Prioritization Process

- NYISO staff propose initial project prioritizations for MP review
- Internal process based on quantified scoring process driven by current business priorities
  - *Scoring process has been improved to utilize Lean Six Sigma methodologies*
- PPT process allows Market Participants to review proposed priorities and provide feedback
- Capital budgeting review process allows MPs opportunity to review and comment on project proposals
- Prevailing drivers in current prioritization process
  - *Excellence in Execution*
  - *Stabilization of existing infrastructure*
  - *Quality*

Capital Budgeting Review Process



For Discussion Only

Original Budget Project Priorities

Original Priority	Project Description	Status	Product	Budget
1	TCC Auction Automation Phase I	Active	TCC Markets	Yes
2	BAS Engine Replacement / Automation	Active	Finance	Yes
3	Comprehensive Bid Mgmt. System	Concept	Energy Markets	Yes
4	Integration of SRE/OOM applications	Planning	Ops. & Reliability	Yes
5	ICAP Auction Automation Phase II	Planning	Auxiliary Markets	Yes
6	Outage and Derate Scheduling	Planning	Ops. & Reliability	Yes
7	DSS Pricing Data Mart	Active	Business Intelligence	Yes
8	Pricing and Operational Dashboards	Concept	Business Intelligence	Yes
9	Combined Cycle Unit Modeling	Concept	Energy Markets	Partial
10	Wind Forecasting	Concept	Ops. & Reliability	Partial
11	Intra-Hour Transaction Scheduling	Planning	Energy Markets	Partial
12	Generator Attr. Tracking System (GATS)	Planning	Auxiliary Markets	Partial
13	Self Supply of Reserves	Concept	Energy Markets	Partial

Revised / Proposed Project Priorities

Priority	Project Description	Status	Product	Budget
1	TCC Auction Automation Phase I	Active	TCC Markets	Yes
2	BAS Engine Replacement / Automation	Active	Finance	Yes
3	DSS Pricing Data Mart	Active	Business Intelligence	Yes
4	SRE / OOM Mitigation	Active	Ops. & Reliability	No
5	Comprehensive Bid Mgmt. System	Concept	Energy Markets	Yes
6	ICAP Auction Automation Phase II	Planning	Auxiliary Markets	Yes
7	Real-time BPCG Mitigation	Active	Finance	No
8	Integration of SRE/OOM applications	Planning	Ops. & Reliability	Yes
9	Enhanced Price Validation	Planning	Energy Markets	No
10	Outage and Derate Scheduling	Planning	Ops. & Reliability	Yes
11	Combined Cycle Unit Modeling	Concept	Energy Markets	Partial
12	Wind Forecasting	Concept	Ops. & Reliability	Partial
13	Intra-Hour Transaction Scheduling	Planning	Energy Markets	Partial
14	Generator Attr. Tracking System (GATS)	Planning	Auxiliary Markets	Partial
15	Self Supply of Reserves	Concept	Energy Markets	Partial

For Discussion Only

Updated Product Portfolios

Products & Enhancements	Concept Development	Feasibility and Design	Product Development	Product Launch
Energy Marketplace Products				
Comprehensive Bid Management	⊗	⊗	⊗	**Under Review**
Price Error Elimination	⊗	⊗	⊗	⊗
Enhanced Price Validation	⊗	⊗	⊗	**Under Review**
Combined Cycle Modeling*	⊗			
Intra-hour Transaction Scheduling*	⊗			
Wind Forecasting System*	⊗			
ICAP Marketplace Products				
ICAP Auction Automation	⊗	⊗	⊗	⊗
ICAP Auction Automation – Phase 2	⊗	⊗	**Under Review**	**Under Review**
TCC Marketplace Products				
TCC Auction Automation – P1 (Awards)	⊗	⊗	⊗	⊗
TCC Auction Automation – P2 (Database)	⊗	⊗	⊗	**Under Review**
TCC Auction Automation – P3 (Bidding)	⊗	⊗	⊗	**Under Review**

Updated Product Portfolios (Cont.)

Products & Enhancements	Concept Development	Feasibility and Design	Product Development	Product Launch
Operations and Reliability Products				
Automate Outage Schedule Reporting	⊗	⊗	**Under Review**	**Under Review**
Integrate SRE / OOM Applications	⊗	⊗	**Under Review**	**Under Review**
SRE / OOM Mitigation	⊗	⊗	⊗	⊗
Controllable Tie Line Additions*	⊗	⊗	**Under Review**	**Under Review**
Data Communications Security	⊗	⊗		
Financial Service Products				
Billing Engine Replacement	⊗	⊗	⊗	
Automation of Voltage Support Service	⊗	⊗	⊗	⊗
Real-time BPCG Mitigation	⊗	⊗	⊗	
Web-Based Rec. Enhancements	⊗			
Automation of Working Cap. Rebalancing	⊗	⊗	**Under Review**	**Under Review**
Business Intelligence Products				
Pricing Data Mart	⊗	⊗	⊗	⊗
Operational and Pricing Dashboard	⊗	⊗	⊗	⊗

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