

# Proposed Protocol For Metering Corrections Under Shortened Settlement Cycle

Presentation To The Billing & Accounting Working Group

Friday, September 22, 2006

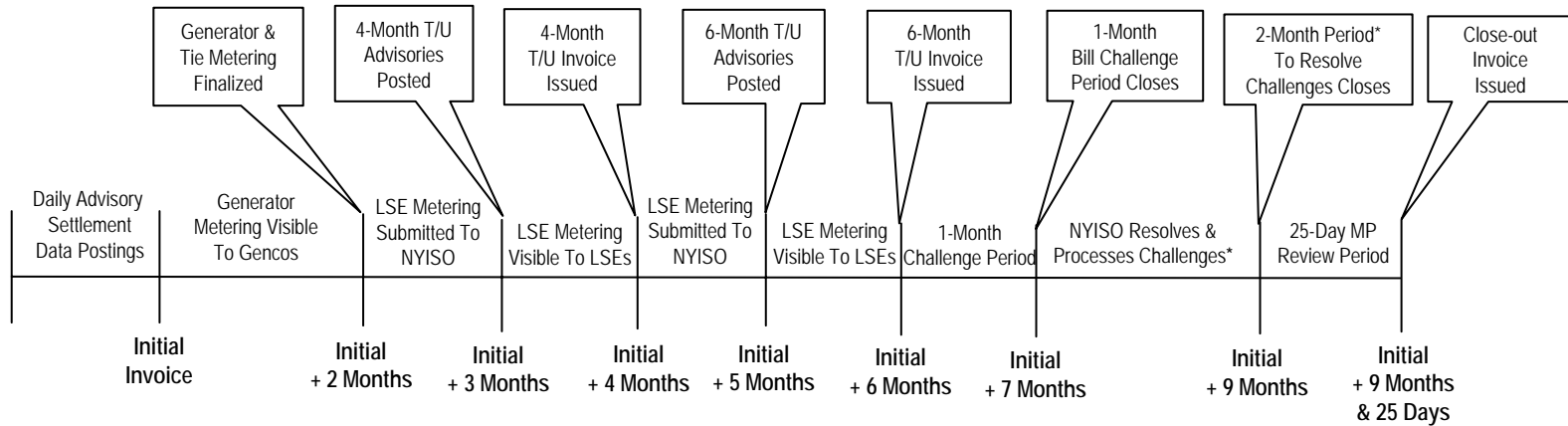
Randy A. Bowers, Principal – Settlement Processes & Controls

# Introduction

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- ◆ The Billing & Accounting Working Group's (BAWG) motion to adopt the hybrid BAWG - NYISO shortened settlement cycle proposal was approved by the Business Issues Committee on Wednesday, September 13, 2006.
- ◆ One of the defining elements of the shortened cycle is the lockdown of metering data prior to the Final Bill Challenge period.
- ◆ Tie-line and generator hourly metering data will only be eligible for revision during the two-month period after the issuance of a month's initial invoice and will be precluded from further revision upon the expiration of that two-month review & correction period.
- ◆ Load Serving Entity (LSE) hourly metering data will be trued-up at four- & six-months after the issuance of a month's initial invoice and will be precluded from further revision upon the issuance of a month's six-month true-up invoice.
- ◆ The purpose of this presentation is to outline the NYISO's proposed protocols for administering metering corrections during the respective meter data's review and correction periods following the initial invoice.

# BIC Approved Revised Settlements Cycle



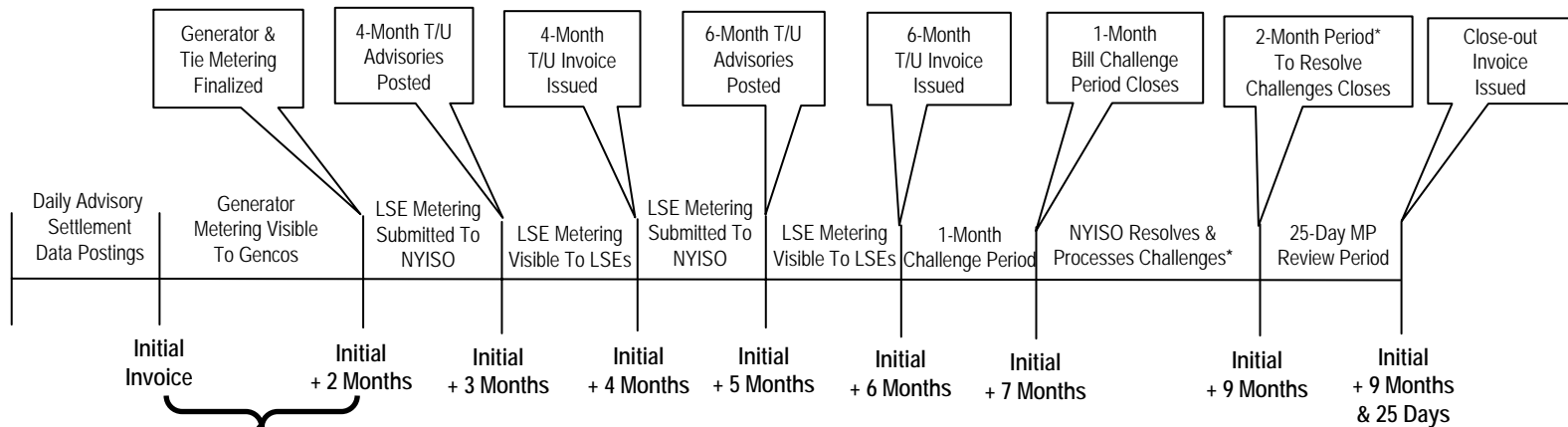
\* - Period Could Expand By 4 Months In The Event Of An "Extraordinary Circumstance."

## Scenarios That Initiate Metering Revisions

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- ◆ Four scenarios prompting hourly tie-line & generator metering revisions are:
  - ◆ *tie-line metering corrections initiated by the tie-line's Meter Authority,*
  - ◆ *tie-line metering corrections initiated by the tie-line's counter-party Meter Authority,*
  - ◆ *generator metering corrections initiated by the generator's Meter Authority, and*
  - ◆ *generator metering corrections initiated by the generator.*
  
- ◆ Two scenarios prompting LSE metering revisions are:
  - ◆ *LSE metering true-ups initiated by the LSE's Meter Authority, and*
  - ◆ *LSE metering corrections initiated by the LSE.*

# Two-Month Tie & Generator Metering Review & Correction Period



**Two-Month Review & Correction Period For Tie & Generator Hourly Metering**

\* - Period Could Expand By 4 Months In The Event Of An "Extraordinary Circumstance."

## Proposed Protocols Provide For Generator Awareness

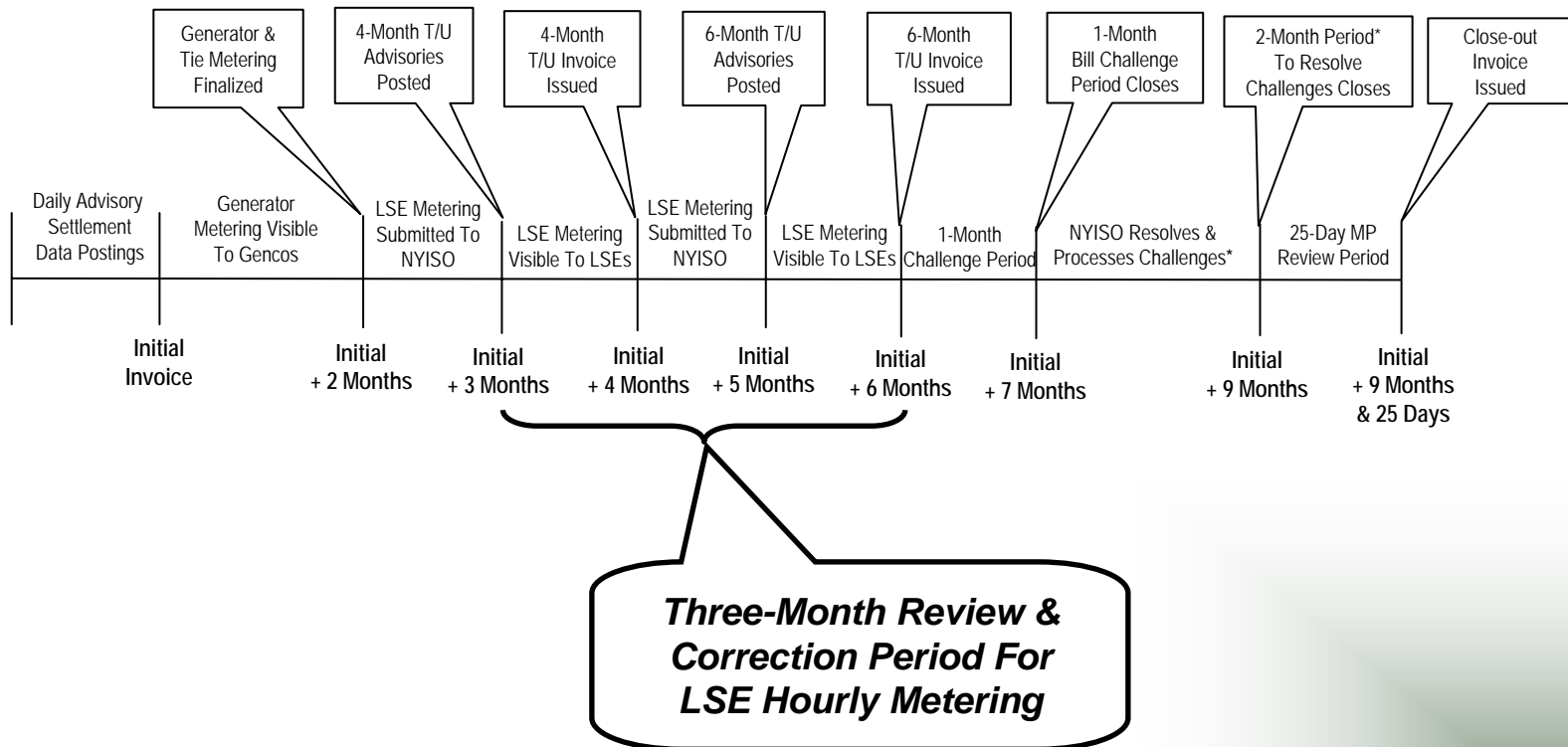
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- ◆ Periodic email notifications will keep the Market apprised of the time remaining for hourly metering revisions during the review & correction periods.
- ◆ The following details the proposed email notification process for the two-month review & correction period for tie-line & generator hourly metering :
  - ◆ *a web-posting of the schedule of each month's metering data review & correction period expirations,*
  - ◆ *an email to notify the Market of the beginning of the two-month review & correction period,*
  - ◆ *weekly emails to remind the Market of the time remaining in each review period,*
  - ◆ *an email notifying a generator that their Meter Authority proposes generator metering changes, inclusive of current and proposed values,*
  - ◆ *an email notifying a generator that their Meter Authority has changed their unit(s)' metering, inclusive of previous value and current/revised value,*
  - ◆ *an email notifying the counter-party Meter Authority that a tie-line's Meter Authority proposes tie-line metering changes, inclusive of current and proposed values,*
  - ◆ *an email notifying the counter-party Meter Authority that a tie-line's Meter Authority has changed the tie-line(s)' metering, inclusive of previous value and current/revised value,*
  - ◆ *an email to notify the Market of the impending expiration of a month's review period, and*
  - ◆ *an email to notify the Market of the expiration of a month's review period.*

## Proposed Tie-line & Generator Hourly Metering Revision Protocols

- ◆ All metering revisions requested during the two-month review period will be initiated by an email from the requesting party to an email address specifically set up for Settlements issues.
- ◆ All requests must be supported with appropriate metering point identifier, the value that is in dispute, and the value that is being proposed as a revision.
- ◆ All requests will be tracked through implementation via the Customer Relations Critar database.
- ◆ NYISO will communicate metering changes to the affected generators and counter-party Meter Authority.
- ◆ Meter Authorities must submit fully supported requests to revise metering no later than five business days prior to the expiration date a month's review period to allow time for processing.
- ◆ Generators must submit fully supported requests to revise metering no later than three business days prior to the expiration date a month's review period to allow time for processing.

# Three-Month LSE Metering Review & Correction Period



\* - Period Could Expand By 4 Months In The Event Of An "Extraordinary Circumstance."



## Proposed Protocols Provide For LSE Awareness

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- ◆ The following details the proposed email notification process for the three-month review & correction period for hourly LSE metering :
  - ◆ *a web-posting of the schedule of each month's metering data review & correction period expirations,*
  - ◆ *an email notifying LSEs that their Meter Authority has provided updates to hourly metering for LSE buses within their sub-zone & when the NYISO will begin processing the month's four-month true-up settlements,*
  - ◆ *an email, on or about three months after a month's initial invoicing, to notify the Market of the posting of advisory settlement statements for a month's four-month true-up, inclusive of hourly LSE bus metering data, signifying the beginning of LSEs' three-month review & correction period for hourly metering data,*
  - ◆ *an email notifying LSEs that their Meter Authority has provided metering updates to LSE buses within their sub-zone & when the NYISO will begin processing the month's six-month true-up settlements,*
  - ◆ *an email, on or about five months after a month's initial invoicing, to notify the Market of the posting of advisory settlement statements for a month's six-month true-up, inclusive of hourly LSE bus metering data, informing them of the impending expiration date of LSEs' opportunity to request revisions to their hourly metering data, and*
  - ◆ *inclusion of a statement within the six-month true-up invoice's posting notification email that informs the Market that hourly metering data for the invoiced month is precluded from further revision.*

## Proposed LSE Hourly Metering True-up Protocols

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- ◆ The three-month review & correction period during which LSE hourly metering will be subject to true-up will commence on or about three-months after initial invoicing, when the NYISO posts hourly advisory settlement statements for a month's four-month true-up.
- ◆ LSEs will have a period of approximately three weeks to request revision of their hourly LSE bus metering prior to the invoicing of a month's four-month true-up, allowing a week to process warranted, available corrections.
- ◆ All LSEs' requests to revise their hourly LSE metering will be initiated by an email from the requesting party to an email address specifically set up for Settlements issues.
- ◆ All requests must be supported with an appropriate metering point identifier, the value that is in dispute, and the value that is being proposed as a revision.
- ◆ All requests will be tracked through implementation via the Customer Relations Critar database.
- ◆ On or about five months after initial invoicing, the NYISO will post hourly advisory settlement statements for a month's six-month true-up, providing LSEs a final three weeks to review & request hourly LSE bus metering revisions, allowing a week to process warranted revisions.

# Implementation Plan

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- ◆ The NYISO proposes to implement the process changes for the submission of requests to revise tie-line and generator metering in October 2006.
  - ◆ *Allows time to work out implementation issues with Meter Authorities and generators prior to their being subject to the time constraints of the two-month review period*
  - ◆ *Allows time to develop and publicize web-posting process,*
  - ◆ *Allows time to monitor and report volume of requests to BAWG/BIC,*
  - ◆ *Allows time for Market feedback on the process*
  
- ◆ The process will likely be fully implemented with the February 2007 issuance of the initial invoice for January 2007 settlements.
  - ◆ *BIC motion to approve the shortened settlement cycle pertains to settlements beginning in January 2007.*
  - ◆ *Settlements through December 2006 will not be subject to the two-month review period; however, the same notification protocols will be drafted to identify the affected months and inform Market Participants of the non-applicability to settlements prior to January 2007.*