

Management Committee

September 29, 2006

Supporting Material #01 to Motion Agenda # [#]

The NYISO will file proposed revisions to its tariffs with FERC to establish a Shortened Settlement Cycle effective with the January 2007 service month (that is, with the posting of the Initial Invoice for January 2007 which occurs on or about the fifth business day of February 2007).

The elements and timeline for the shortened settlement cycle are as follows:

Settlement Cycle:

- Initial Invoice posted on, or about, the fifth business day following the close of the billing month
- NYISO posts Meter Authorities submitted generator and tie-line metering readings throughout the billing month, which are subject to Meter Authority correction up to the issuance of the initial invoice. A sixty-day review period for generator and tie-line metering data begins, commensurate with the issuance of the initial invoice. When a Market Participant identifies meter errors during a review period, the Market Participant, Meter Authority, and the NYISO will work cooperatively to resolve such errors during the respective review period.
- Review period for generator and tie-line metering ends on, or about, day sixty following the close of the billing month. Generator and tie-line metering data is finalized and not subject to further revision by any party including the NYISO.
- NYISO calculates and posts finalized sub-zonal loads for all sub-zones on, or about, day sixty one following the close of the billing month
- Meter Authorities submit hourly Load Serving Entity (LSE) bus metering data by day seventy five following the close of the billing month
- NYISO posts hourly LSE bus metering data for Market Participant review at approximately day seventy six following the close of the billing month
- NYISO posts advisory four-month true-up daily, hourly, and dispatch-interval settlement support to the Decision Support System at approximately day ninety five following the close of the billing month

- NYISO issues four-month true-up invoice on, or about, day one hundred twenty five following the close of the billing month
- Meter Authorities submit final hourly LSE bus metering data by day one hundred thirty five following the close of the billing month, for inclusion in the six-month true-up invoice
- NYISO posts hourly LSE bus metering data for Market Participant review on, or about, day one hundred thirty six following the close of the billing month
- Review period for LSE load data ends on, or about, day one hundred fifty following the close of the billing month. LSE load data is finalized and not subject to further revision.
- NYISO posts advisory six-month true-up daily, hourly, and dispatch-interval settlement support to the Decision Support System at approximately day one hundred fifty five following the close of the billing month
- NYISO issues the six-month final bill on, or about, day one hundred eighty five following the close on the billing month
- A Market Participant thirty-day challenge period commences immediately following issuance of the six-month final invoice
- As presented at the August 29, 2006 BPCTF, the NYISO will provide a response to supported bill challenges submitted to the NYISO Critar System within 20 business days. In all cases the NYISO shall provide a definitive, substantive response to a supported bill challenge prior to the end of the 2 month NYISO correction period
- The Market Participant challenge period closes on, or about, day two hundred fifteen following the close of the billing month. Challenges raised during the thirty-day challenge period will exclude challenges to meter and load data.
- As provided for under current tariff provisions, NYISO shall review and resolve challenges over a two month period directly following the close of the Market Participant challenge period. This review period could expand to a six-month period in the event of “extraordinary circumstances.”
- Also as provided for under current tariff provisions, NYISO shall post advisory bill close-out settlement invoices for a Market Participant twenty-five-day review period on, or about, day two hundred seventy five following the close of the billing month, absent extraordinary circumstances, as described above.
- NYISO shall issue the final bill close-out invoice on, or about, day three hundred following the close of the billing month.

- The Business Issues Committee recognizes that the issuance of final bills does not affect the NYISO's authority or responsibility to impose ICAP/UCAP or other penalties in accordance with its Tariffs or a regulatory mandate.

Implementation Requirements:

- The NYISO must have procedures and controls which assure the metering data for Generator and Sub-Zonal Ties will be finalized and not subject to further revision by any party, including the NYISO, at day sixty following the close of the billing month and that LSE load data will be finalized and not subject to further revision at day one hundred fifty following the close of the billing month.
- NYISO must implement near-term performance enhancements to web-based metering reconciliation which include procedures and processes for data modification and finalization, data change notification, and data feasibility checks.