

Market Mitigation & Analysis (MMA) Task Force: Session 4

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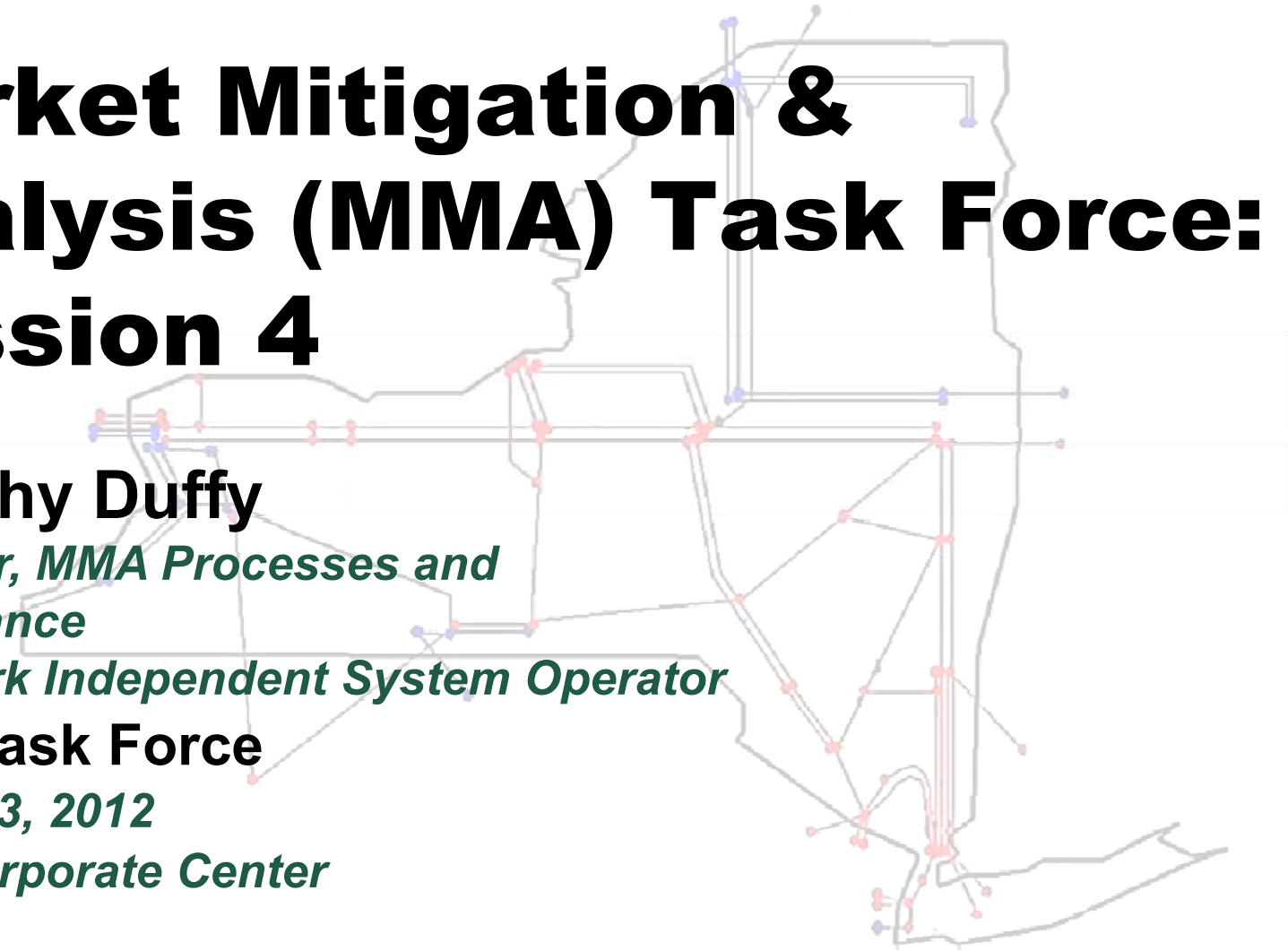
*Manager, MMA Processes and
Compliance*

New York Independent System Operator

MMA Task Force

March 23, 2012

Krey Corporate Center



Agenda

- ◆ **Review MMATF Objective and Goals**
- ◆ **Review Activities to Date**
- ◆ **Review final Technical Bulletin**
- ◆ **Review revised Technical Guide**
- ◆ **Finalize Process Scorecard**
- ◆ **Discuss Additional Documentation Requirements**
- ◆ **Next Steps**

MMA Task Force

- ◆ **Objective**

- *Improve timeliness, transparency, efficiency, and robustness of reference level processes*

- ◆ **Goals**

- *Develop a process that addresses the mutual needs of Market Participants and the NYISO in administering reference level processes*
- *Develop operational metrics that monitor success of process in achieving stated objective*

MMATF Activities to Date

◆ February 9, 2012

- *Reviewed MMATF Charter*
- *Reviewed Proposed Process Improvements for Mitigation Consultations (ex post)*
- *Reviewed Proposed Process Improvements for Reference Level Consultations (ex ante)*

◆ February 23, 2012

- *Reviewed Technical Bulletin*
- *Discussed Components of Technical Guide*

◆ March 12, 2012

- *Reviewed Revised Technical Bulletin*
- *Reviewed Draft Technical Guide*
- *Reviewed Draft Scorecard*

Technical Bulletin

- ◆ **Focuses on Reference Level and Mitigation Consultation processes**
- ◆ **Describes process for NYISO-initiated consultation/reference level updates**
- ◆ **Final draft reflects comments received to date**
 - *Note one correction to the Operational Metrics section, conforming the target for Urgent submittals to 16 hours*
- ◆ **Reviewed with MIWG on March 22**
- ◆ **To be posted for formal review period of 10 business days on NYISO website**

Technical Guide

- ◆ Detailed discussion of major components of cost-based references
- ◆ Revised draft incorporates:
 - *Comments received to date*
 - *Additional editorial modifications*
 - *Technical Bulletin material on consultation processes and timelines*
 - *Flowcharts capturing the high-level consultation processes*

Consultation Process Scorecard

Mitigation Consultations

Month Opened	Number Opened	Number Closed	Average Elapsed Days to Close	Number Closed By	
				20 Business Days	50 Business Days
Aug 2011					
Sep 2011					
Oct 2011					
Nov 2011					
Dec 2011					
Jan 2012					
Feb 2012					

Consultation Process Scorecard

Mitigation Consultations: Root Causes

Month Opened	Fuel Price-Related	Fuel Type-Related	Other	Comments
Aug 2011				
Sep 2011				
Oct 2011				
Nov 2011				
Dec 2011				
Jan 2012				
Feb 2012				

Consultation Process Scorecard

Reference Level Consultations

Month Opened	Urgent			Normal-Low			Normal-High		
	Number Opened	Number Closed Within 16 hours	Average Elapsed Days to Close	Number Opened	Number Closed Within 5 Days	Average Elapsed Days to Close	Number Opened	Number Closed Within 1 / 3 months	Average Elapsed Days to Close
Aug 2011								/	
Sep 2011								/	
Oct 2011								/	
Nov 2011								/	
Dec 2011								/	
Jan 2012								/	
Feb 2012								/	

Additional Documentation

- ◆ **Market Participants have raised for consideration the need for more formal documentation (i.e., tariff, Manuals) of Technical Bulletin/Technical Guide material**
- ◆ **MMATF should consider options in terms of content and form of any additional documentation and make recommendation to MIWG**

Option “1” for Consideration

- ◆ **Segregate consultation timelines from discussion of cost data elements**
- ◆ **Incorporate timelines in Administrative Practices Manual**
- ◆ **Maintain Technical Guide as stand-alone document focused initially on cost data discussion**

Option “2” for Consideration

- ◆ **Incorporate Technical Guide as currently structured as a Manual subject to BIC-approval**
 - *With consultation process timelines having been incorporated*

Option “3” for Consideration

- ◆ Incorporating all or part of Technical Guide/Technical Bulletin into the NYISO tariff

Option “4” for Consideration

- ◆ Incorporating limited language in NYISO tariff cross-referencing NYISO procedures
 - *Limited to consultation timelines*

Open Discussion

- ◆ Identify “hybrid” options
- ◆ Identify other options
- ◆ Identify “pros” and ‘cons” of each option
- ◆ Develop final recommendation for MIWG

Next steps

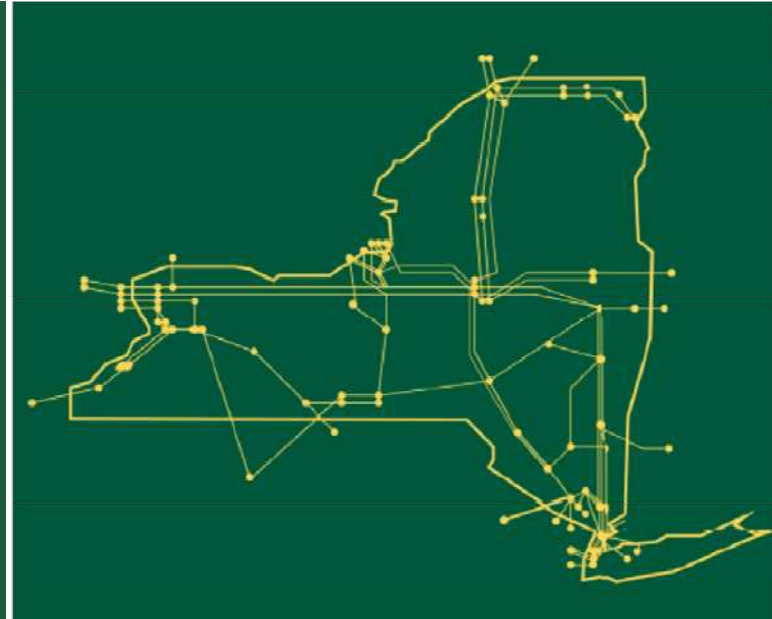
- ◆ **Formal Report to MIWG**
 - *April 26th (tentative)*
 - *Summary of Activities*
 - *Review Technical Guide and Process Scorecard*
 - *Recommend form and content of any additional documentation requirements*
- ◆ **Begin tracking performance against targets**
 - *Quarterly reporting to MIWG*

NEXT SESSIONS: None scheduled

Additional Feedback

- ◆ Any additional feedback on MMATF activities can be provided to tduffy@nyiso.com.

The New York Independent System Operator (NYISO) is a not-for-profit corporation responsible for operating the state's bulk electricity grid, administering New York's competitive wholesale electricity markets, conducting comprehensive long-term planning for the state's electric power system, and advancing the technological infrastructure of the electric system serving the Empire State.



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