

#### Briefing on Market Initiatives Release Plan

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Board of Governors Meeting General Session November 1-2, 2010

# Progress continues on several committed market initiatives with multiple deployments due this quarter.

Project	Planned Deployment							
Multi-stage generator modeling	November 15, 2010							
Congestion revenue rights enhancements and credit policy	November 3, 2010 December 1, 2010							
Initial conditions	December 7, 2010							
Scarcity pricing	December 14, 2010							
Phase 2 of standard capacity product	by January 1, 2011							
Convergence bidding	February 1, 2011							



# Multi-stage generator modeling deployment is moving forward with contingencies in place.

- Code promotion will occur on November 2-3 without MSG resources enabled to ensure backwards compatibility
- Market simulation will continue through November 5 to demonstrate that all dispatch issues are resolved
- Operational contingencies will be finalized next week
- Market participates can withdraw their MSG resources (remain as forbidden operating regions) through November 9
- A final go / no-go decision will be made on November 10



### Convergence bidding market simulation has started and will continue during November.

- Bidding scenarios were successfully completed during the first weeks of market simulation
- Results of the day ahead market testing was shared with market participants proving AC power flow convergence
- Market simulation of the day ahead market has been delayed due to resource constraints; however does not impact the overall schedule
- Internal testing does not reveal any showstoppers and measures are being taken to address anticipated bid volumes



### The release plan is expanded to show future policy efforts that will require implementation planning.

10/11/2010	)	Market Initiatives Release Plan - Stra	w Propos	sal																			
Release	Phase	Initiative	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12
Fall / Winter 2010	Implementation	Multi-Stage Generation Modeling			*																Market Sim - MAP Stage		
	Implementation	Initial Conditions			-															Ĵ	Market Sim - Stage		
	Implementation	ScarcityPricing			1	*														$\land$	Start Sta	akeholder	Process
	Implementation	Standard Capacity Product Phase 2				*	~														End Stakeholder Process		
	Implementation	CRR Enhancements / Credit Policy		7																*	Deployment Date		
Early 2011	Implementation	Convergence Bidding / Credit Tracking System	•																	★	Effective Date, if differe		
Spring 2011	Policy	Updating ICPM and Exceptional Dispatch and Bid Mitigation		>					7	~													
	Planning	72 Hour Residual Unit Commitment (pending prototype analysis)																					
	Planning	Participating Load Pilot (placeholder)																					
	Planning	Aggregated Pumps and Pump Storage																					
	Planning	AS for Non-Generation Resource																					
	Policy	Bids for RA Imports and Subset of Hours RA																7	~				
Ξ	Policy	Standard Capacity Product Phase 3						$\land$										7					
Fall 2011	Policy	Dynamic Transfers - Full Functionality (Interim release to be determined)																					
ш	Planning	Changes in Commitment Costs - SUC/MLC (Interim release TBD)																					
	Policy	Reliability Demand Response Product		$\rightarrow$																			
	Policy	Data Release Phase 3																					
	Implementation	Outage Management System																					
	Policy	Renewable Integration Market & Product Review (Phase 1&2)					>																
	Policy	Year Three Mandated Items (listed below)																					
	Policy	Load Granularity Refinements	$\Delta$																				
	Policy	Refinements in LMPM Process																					
0	Policy	Export of AS																					
12012	Policy	Bid Cost Recovery for Unit over Multiple Days																					
Spring 2012	Policy	Two Tier Real-Time Uplift																					
05	Policy	Non Mandated Items (listed below)																					
	Policy	Simultaneous RUC and IFM																					
	Policy	Multi Day Unit Commitment																					
	Policy	AS Substitution																					
	Policy	Multi Hour Block Bidding in RUC																					