

Briefing on Market Initiatives Release Plan



Petar Ristanovic Vice President, Technology

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Progress continues on several committed market initiatives with multiple deployments this month.

Project	Planned Deployment							
Congestion revenue rights enhancements and credit policy	November 3, 2010 December 1, 2010							
Hourly Intertie Ramping	December 3, 2010 🗸							
Multi-stage generator modeling	December 6, 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							



Management is mitigating hour-ahead scheduling process and real-time price divergence.

- Hourly intertie ramping, deployed on December 3, considers energy associated with ramp in of intertie schedule across two hours.
- Planned improvements in day-ahead and real-time load forecasting are anticipated in December and February.
- Flexible ramping, which will introduce explicit system ramping up and down capacity constraints in the market optimization module, is planned for early next year.
- Adaptive control enhancements will further converge hour-ahead scheduling process and real-time prices.



Convergence bidding is on track for deployment on February 1, 2011.

- Day-ahead market simulation is on track with successful execution of every scenario attempted to date.
- The first settlement statement was published as expected on December 9.
- Monitoring efforts are focused on operational, market and behavior impacts.
- As of now, no known issues will prevent us from deploying on February 1.



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

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	1 C C	Multi-Stage Generation Modeling			• ••••															Market Sim - MAP Stage				
Fall /Winter 2010	Implementation	h thiCorditions			-	k													-	Market Sim - Stage				
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	Implementation	Standard Capacity Product Phase 2			_	1	7												$\overline{\mathbf{A}}$	End Stakeholder Process				
	Implementation	C RR Enhancements / Credit Policy																	-	Deployment Date				
218 218	Implementation	Convergence Bikking/CieditTracking			<u> </u>														X	Effective Date, if different				
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81	1.1	and Biol Mitigation 72 Hour Residual Unit Commitment			<u> </u>				7	x														
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ω	Planning	Participating Load Pilot (place ho be)																						
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20	Policy	Dynamic Transfers – Full Functionality (Interim release to be determined)						-											<u> </u>				_	
Fall 2011	Panning	Changes & Commitment Costs – SUC/MLC Phase 2																					_	
ш	Policy	Reliability Demand Response Product																						
	Policy	Danta Rebase Phase 3		2																				
	Implementation	O utage Management System																						
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