

# MRTU Program Update



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**California ISO**  
Your Link to Power

Board of Governors Meeting  
General Session  
January 28-29, 2008

# Background

- 🌐 In August 2007, a thorough assessment and re-baselining of the project was completed. That plan served as the basis for the market simulations and go live date
- 🌐 At that time, there were many software deliveries that still had not been received by the vendor
- 🌐 Significant unknowns existed and contingency was carried to mitigate that risk

# Risk Impacts

- 🌐 As expected and planned, the market simulations and internal testing uncovered a number of issues associated with:
  - Performance
  - System Stability and
  - Quality of Solution
- 🌐 Resolution of those issues was on the critical path and has impacted the overall schedule
- 🌐 Positively, the testing regime is working and finding things before market go live

# What Happened Since Last Board Report

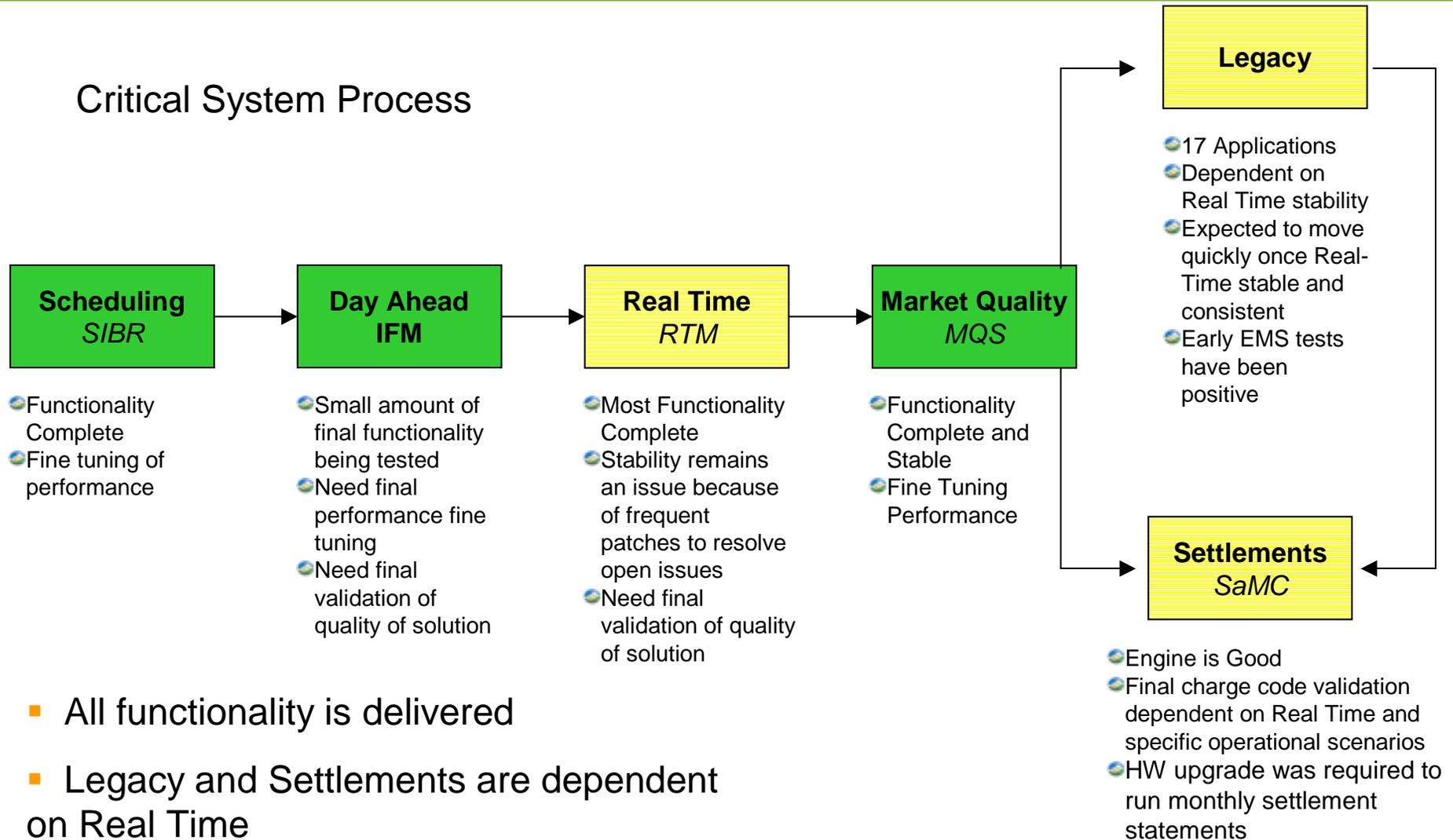
- 🌐 Early-December – Regression testing was proceeding well but testing of new functionality was un-covering a number of variances
- 🌐 By Mid-December, final patches required for the next market simulation were received
- 🌐 Over Holidays
  - Testing activities became bogged down in a cycle of test, remediation and retest
  - Additional variances were found impacting performance and quality of solution
- 🌐 Start of Update 2 had to be delayed because of commitment to market for a quality, final market simulation

## Small Sample of Issues That Have Been Encountered

- Transmission Corridors – original design ~ 50 corridors, to account for complexity and operator flexibility that had to be increased to ~ 500
- Complexities in market power mitigation resulted in insufficient time to run the 3 passes required for solution quality – 5 minutes vs times-out
- The requirement for the number of external resources has grown from ~10,000 to over ~50,000 to account for market participant accounting flexibility (found in a simulation)
- Generation unit ramping and forbidden region requirements needed to be adjusted to provide a quality solutions

# Significant Progress Has Been Made

## Critical System Process



- All functionality is delivered
- Legacy and Settlements are dependent on Real Time

# Required For the Next Market Simulation

- 🌐 Stability – All core applications have to consistently run within market timelines.
- 🌐 Performance – All systems must demonstrate acceptable response times
- 🌐 End-to-End Testing – The systems must run end-to-end consistently and with required quality and result in accurate settlement statements
- 🌐 Quality of Solution – Pricing solutions need to be within tolerances

# Projected Outlook

Assuming vendor focus remains and no new significant variances are encountered....

- 🌐 We expect reasonable stability during the week of January 28<sup>th</sup>
- 🌐 Assuming required stability, final end-to-end testing should be completed by February 10<sup>th</sup>
- 🌐 We expect allowing advance testing by a few volunteer participants week of February 11<sup>th</sup>
- 🌐 Simulation will only go forward when criteria has been met
- 🌐 Adequate advanced notice will be provided

## Go Live Date Consideration

CAISO **will not** determine a new Go Live date until:

- 🌐 Market Participants have had an opportunity to test the final MRTU functionality
- 🌐 Market Participants have provided feedback to CAISO management

➤ ***Go Live is not April 1, 2008***