

Intertie Failures: Introduction, Issues, and Change Proposal

Harry Chandler, MACD

Intertie Trading Sub-Committee - February 11, 2005



- To provide an introduction and context for presentations by Carmela Phillips, Richard Penn and Paul Berry
- To propose a consultation strategy, schedule and deliverables
- To obtain input and feedback

- Volume and incidence of transaction failures and impact on market efficiency and reliability
- Possible causes of failures
 - external scheduling procedures & integration with Ontario
 - implied wheels
- MACD's Guidelines
 - perceived contribution to higher failures
 - inconsistency between NYISO and MISO
 - standard release form - NYISO transactions

- Carmela will address the data we have on import and export failures by:
 - month and year, including average and maximum monthly failures
 - interface
- Data on proportion of failures caused by circumstances traditionally viewed as outside control of participant - external TLR, NYISO 'security' - to be developed

- Carmela and Richard will address the impact of transaction failures on market efficiency and reliability
- Market Surveillance Panel has highlighted these negative impacts in successive reports

- Carmela, Richard and other IESO representatives are prepared to discuss your comments on the impact of scheduling protocols on failures
- Richard will:
 - present information on the practice of ‘implied wheels’ through Ontario and the perceived impact on transaction failures
 - propose changes to address this impact
- Carmela will present views on perceived deficiencies in the existing MACD Guidelines

- Carmela will review the existing guidelines and explain:
 - how the safe harbours in the NYISO guide can contribute to increased failures
 - the inconsistency in the guides treatment of NERC tag errors originating in NYISO versus MISO
- Carmela will propose changes to the guidelines to address these perceived deficiencies
- Paul Berry present a proposed standard release form to expedite MACD investigations of NYISO failures

- Receive feedback at today's meeting and subsequent written or oral comments
- Establish small working group chaired by IESO & composed of participant representatives to:
 - review relevant data
 - receive presentations from subject matter experts on defined questions
 - explore proposals to improve transaction success
- Deliver recommendations to ITS and IESO by March 31, 2005

- Develop terms of reference
- Identify working group members
- Establish schedule of meetings
- Develop work plan: issues, data and analysis, schedule of presentations

- Hold until after Carmela's and Richard's presentations