

Coordinated OASIS Analysis Update



**Joint Stakeholder Meeting
January 22, 2007**



Background

Previous filings

- ▶ **Coordinated OASIS** – This proposal would link the PJM OASIS and the Midwest ISO OASIS nodes so there is single logon to both nodes simultaneously thus allowing a single request to be submitted. Midwest ISO and PJM recognize that there are efficiencies created by this recommendation in that market participants would not need to learn two separate nodes and it would allow transmission service requests to be submitted once.

This initiative will not allow requests to be linked for evaluation purposes. In addition, the initiative to align OASIS business practices may result in enough significant benefits which may negate the value of this initiative.

- **Single OASIS** – This proposal would implement a single OASIS user interface that appears to the customer as if they are making a single request and they are receiving a single evaluation. In reality, the interface would send transmission requests to the two separate OASIS nodes and receive results back from two separate evaluations. This initiative is not recommended for further consideration at this time because the costs of this initiative significantly outweigh the benefits.

Background

Activity to Date

▶ **Alignment of OASIS Business Practices:**

- Stakeholder reviews second / third quarter 2006
- Filings third/fourth quarter 2006
- Timing requirement changes implemented in December 2006

➤ **Coordinated OASIS**

- First / second quarter 2006 Midwest ISO and PJM explored possibility of the Midwest ISO hosting the PJM OASIS node.
- Second quarter 2006, PJM decision to bring OASIS node in house
- Third quarter 2006, PJM starts up new OASIS node.
- Third / fourth quarter 2006 Midwest ISO and PJM met to review alternatives to improve OASIS coordination.

➤ **Objective of a Coordinated OASIS redefinition**

- FROM: a single user interface to enter a single request that results in two unlinked requests for the evaluation purposes;
- TO: linking requests in the two OASIS systems for evaluation purposes, where a customer is provided responses to both requests prior to having to make a decision on one of the requests.

Option 1 – Manual Coordination

Overview

- Customer indicates request for coordination on OASIS.
 - Customer will need to manually match the Midwest ISO and PJM requests at the time of entry.
- Midwest ISO and PJM create a manual process to coordinate the evaluation of reservations for mid-term requests.
 - Probably would apply to Firm and Non-Firm Weekly and Monthly service.
- Coordinate final status of reservations (both accepted or refused).
 - Coordinated approvals are done manually between the Midwest ISO and PJM personnel.
 - RTOs will provide coordinated response to user via OASIS.

Option 1 – Manual Coordination

➤ Pros

- Minor system changes are required
- Quick implementation
- Low implementation cost

➤ Cons

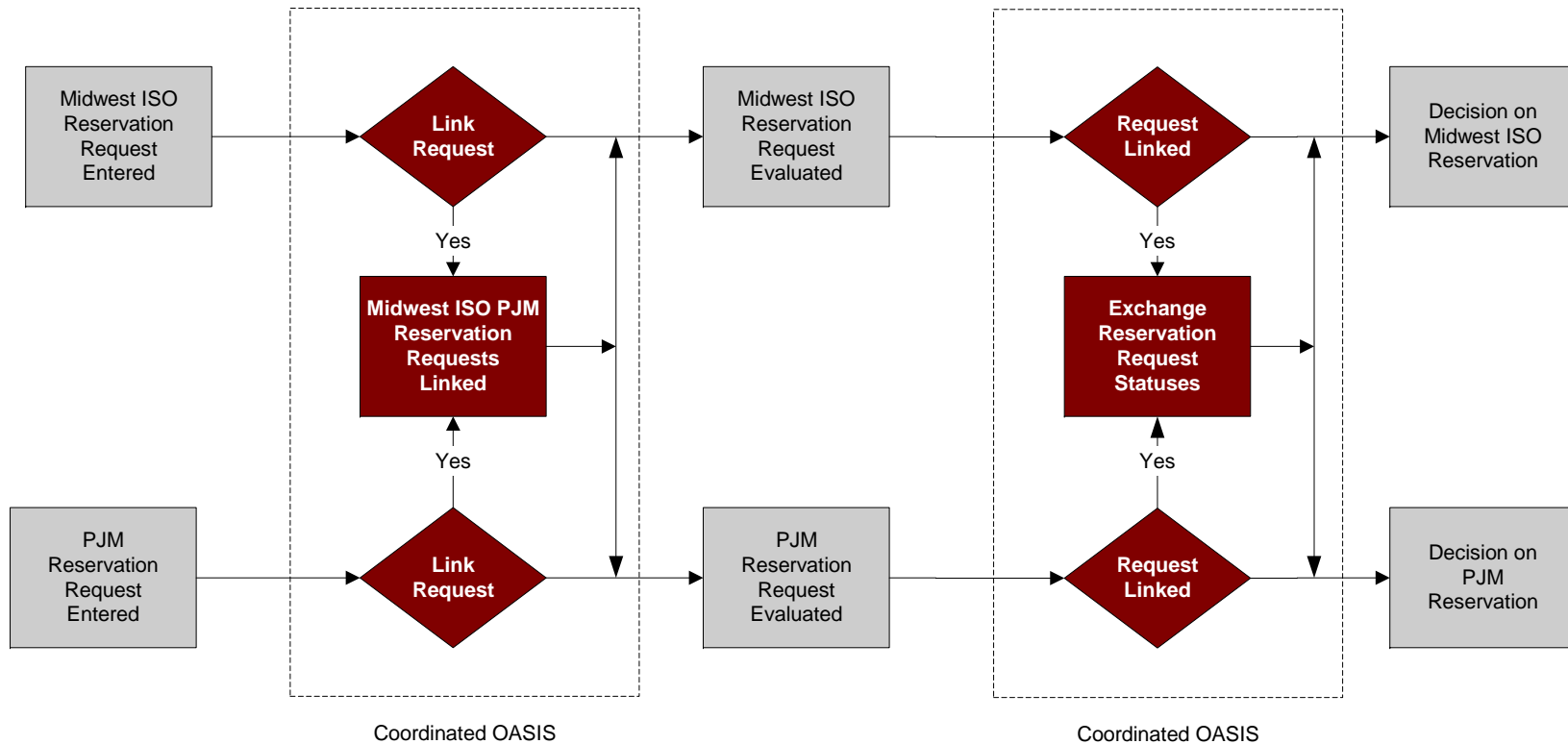
- Manual process, may result in transactions being refused if coordination is late
- Reservation timing limitations
- Short-term implementation cost but may result in higher long-term coordination costs
- Does not cover daily or hourly service.

Option 2 – Automated Coordination

Overview

- Customer indicates request for coordination on OASIS.
 - Customer will need to cross reference the Midwest ISO and PJM requests at the time of entry.
 - Requirements will be established for linking reservation requests.
- Midwest ISO and PJM will create an automated process to coordinate the evaluation of reservations for mid-term requests.
 - Applies to Firm and Non-Firm Weekly and Monthly service. May also apply to daily service.
- Coordinate final status of reservations (both accepted or refused).
 - Coordinated approvals are done automatically between the Midwest ISO and PJM application.
 - Additional fields will be added to link reservations.
 - Additional statuses will be required to indicate a request is approved in one system and pending approval in the other.

Option 2 – Automated Coordination



Option 2 – Automated Coordination

➤ Pros

- Supports more service types than manual coordination
- OASIS applications will exchange statuses vs. manual coordination

➤ Cons

- Increase implementation costs but may result in lower long-term coordination costs.
- Longer implementation time.
- Will need to coordinate with other software releases.

Coordinated OASIS - Recommendation

- **Midwest ISO and PJM Recommend Option 2 Automated Coordination**
- **Stakeholder Feedback**
 - **Impact of Alignment of OASIS Business Practices:** Does the initiative to align OASIS business practices meet the Coordinated OASIS need?
 - **Objective:** Linking requests in the two OASIS systems for evaluation purposes, where a customer is provided responses to both requests prior to having to make a decision on one of the requests.
 - **Recommendation:** Do the stakeholders agree with the Midwest ISO and PJM Coordinated OASIS evaluation recommendation?
- **Next Steps**