

SSG-WI
Market Monitoring Work Group

April 24, 2003

Market Monitoring

Work Group

- The three Western RTOs support the creation of a West-wide market monitoring function although questions remain about the structure
- The following areas of consensus will likely be unaffected by the choice of structure:
 - Market monitoring function will be independent
 - Western RTO Boards will not act as screen for market monitor's reports to the Commission and other appropriate regulatory and enforcement entities
 - Market monitor will have direct relationship with the Commission and other appropriate regulatory and enforcement entities

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- Market monitor will actively monitor markets operated or administered by Western RTOs
 - If market monitor identifies market performance that is inconsistent with competitive markets, it will evaluate further to determine cause (including the activities of all market participants including transmission providers and the RTOs)
- Market monitor will evaluate market design and, after consultation with RTO staff, will recommend market design and rule changes
- Market monitor will monitor compliance with FERC-imposed mitigation measures and RTO-designed, FERC-approved mitigation measures

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Key Remaining Tasks:

- Identify and evaluate options for how the West-wide function should be structured, for example:
 - Individual RTO market monitors coordinate on West-wide market issues
 - Umbrella market monitor focuses on seams issues
 - Single, primary market monitor for Western markets
- Consider the appropriate division of responsibilities between the West-wide market monitoring function and individual Western RTO market monitoring units; and
- Consider appropriate data release and confidentiality standards.

Market Monitoring Work Group

Initial Comparison of Current SSG-WI
Discussions and CREPC/OMOI Draft Joint
Mission Statement:

- Both support independent West-wide market monitoring function with similar responsibilities
- Different scope regarding markets to be monitored
- Reporting differences
- Unknown whether differences in data collection and dissemination policies and enforcement authority