

# 2015 Project Prioritization and Budgeting Process

**Ryan Smith**

*Senior Manager, Enterprise Product &  
Project Management  
New York Independent System Operator*

**Budget and Priorities Working Group**

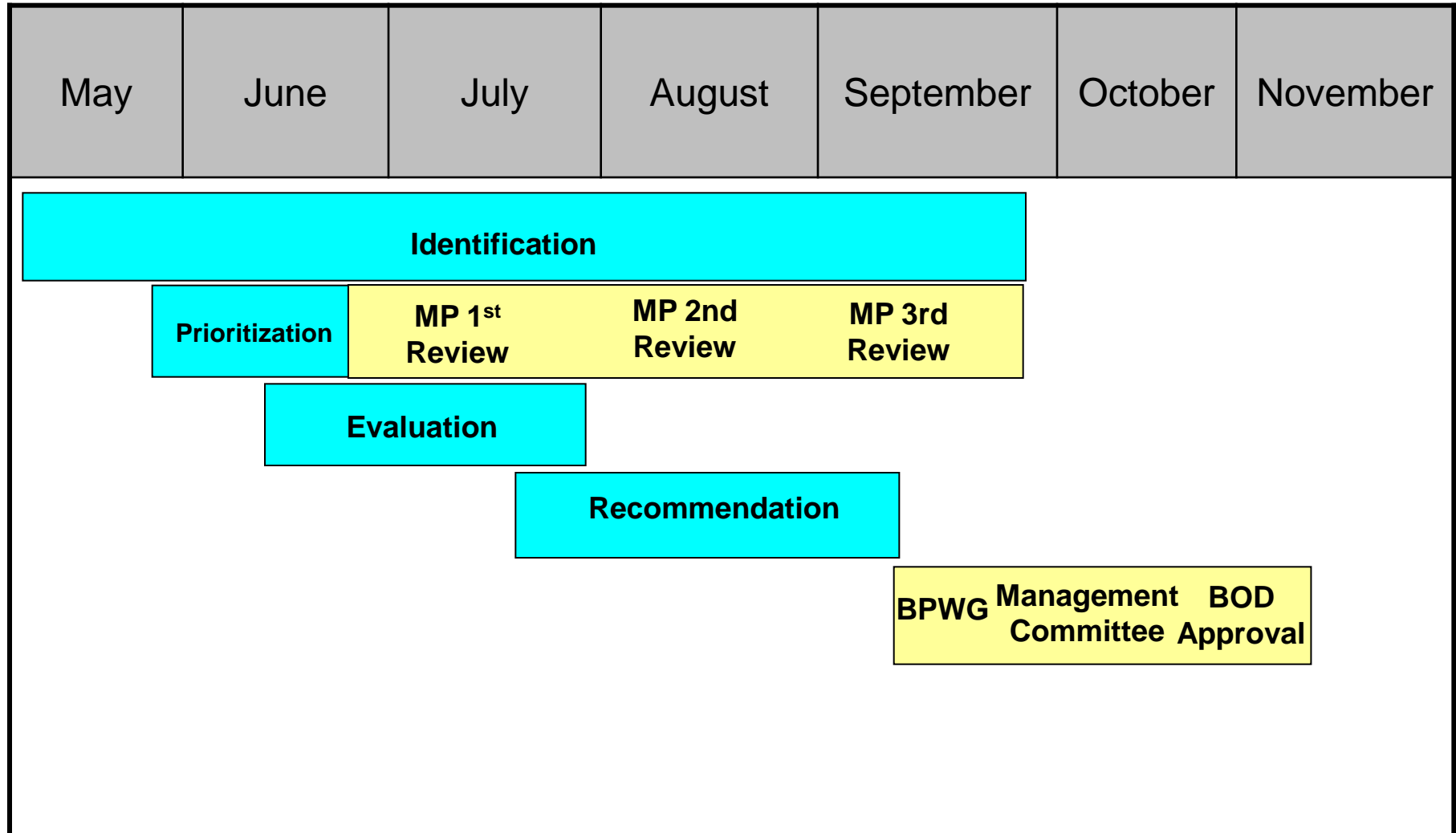
*July 9, 2014*

*Krey Corporate Center*

# 2015 Project Selection Process

Phase	Definition
Identification	<ul style="list-style-type: none"> <li>◆ FERC Orders</li> <li>◆ Existing tariff obligations</li> <li>◆ Strategic Initiatives</li> <li>◆ State of the Market recommendations</li> <li>◆ Necessary infrastructure enhancements</li> <li>◆ Feedback from MPs throughout the year</li> <li>◆ Product Plans, Market Design Evolution and Strategic Plan</li> </ul>
Prioritization	Evaluate projects using objective criteria that reflects the NYISO strategy, stakeholder interest, and potential impacts to budget and resources
Evaluation	Conduct feasibility assessment – detailed estimates of hardware, software, consultancy and staff
Recommendation	Refine 2015 proposed projects based on feasibility assessment

# 2015 Project Prioritization and Budgeting Timeline



# 2015 Preliminary Project Candidates

Business Intelligence Products	2015 Candidates
<i>Mandatory Projects*</i>	
NY Generator Attribute Tracking (GATS) Data Feed	
<i>Continuing from 2014</i>	
OASIS Postings Technology Upgrade Phase 2	
DSS Business Objects Upgrade	
<i>Projects for Prioritization</i>	
Public Website Renewables Page	
Public Website Value Proposition Page	
Enterprise Information Mgmt: Data Integration	

\*Mandatory = FERC Order, Strategic Initiative, Tariff Obligation, or Dependency To Support Order, Initiative, or Obligation

<b>Capacity Markets Products</b>		<b>2015 Candidates</b>
<i>Mandatory Projects*</i>		
Modify the Pivotal Supplier Tests (SOM)		
<i>Continuing from 2014</i>		
ICAP AMS Enhancements Phase 2		
<i>Projects for Prioritization</i>		
DMNC Test Validation Automation	Expand BSM to Address Uneconomic Transmission Investment (SOM)	
Reactive Test Data Collection and Tracking	Modify Demand Curve to Minimize Costs of Satisfying LCRs (SOM)/Model Export Constrained Zones	
ICAP Reference System Phase 2	Winter DMNC Temperature Adjustments	
ICAP Auction Validating and Reporting Phase 2	ICAP Import Rights Design Re-assessment	
Incremental External CRIS Rights for Non-UDR Transmission Expansion	Grant Internal Capacity Deliverability Rights for Transmission Upgrades into a Local Area (SOM)	
Locational Planning Requirements - Pre-define Capacity Zones (SOM) and Rules to Eliminate Zones	Fuel Assurance: Market Design Concepts	
Behind the Meter: Net Generator Model	ICAP AMS Enhancements Phase 3	

\*Mandatory = FERC Order, Strategic Initiative, Tariff Obligation, or Dependency To Support Order, Initiative, or Obligation

<b>Demand Response Products</b>	<b>2015 Candidates</b>
<i>Mandatory Projects*</i>	
Demand Response in Real-Time Energy Market	
FERC Order 745: Monthly Net Benefits Test	
<i>Continuing from 2014</i>	
Demand Response Performance Obligations	
Metering Infrastructure Requirements for Demand Response	
<i>Projects for Prioritization</i>	
DRIS Enhancements for DR Program Administration	
Market Rule Changes to SCR Baselines	
Business Requirements for Distributed Energy Resources	

\*Mandatory = FERC Order, Strategic Initiative, Tariff Obligation, or Dependency To Support Order, Initiative, or Obligation

Energy Market Products	2015 Candidates
<i>Continuing from 2014</i>	
Scheduling & Pricing: Comprehensive Shortage Pricing Phase 1 (SOM)	
Coordinated Transaction Scheduling with ISO-NE (SOM)	
Scheduling & Pricing: Comprehensive Shortage Pricing Phase II (SOM)	
<i>Projects for Prioritization</i>	
Fuel Assurance: Market Design Concepts	
Gas-Electric Coordination: Constrained Fuel Supply Bidding (SOM)	
Behind the Meter: Net Generation Model	
Disaggregated Virtual Trading	
External Transaction Balancing Protection	
Energy Storage Optimization	
5 minute Transaction Scheduling	
Scheduling & Pricing: RTD/RTC Forward Horizon Coordination Improvements (SOM)	
Long Island PAR Optimization (SOM)	
Scheduling & Pricing: Hybrid GT Pricing Improvements (SOM)	
Virtual Trading using Spread Bids	

\*Mandatory = FERC Order, Strategic Initiative, Tariff Obligation, or Dependency To Support Order, Initiative, or Obligation



Enterprise Products	2015 Candidates
<i>Mandatory Projects*</i>	
NERC CIP v5 Planning & Conversion	
NERC CIP-005 v5 Electronic Security Perimeter	
NERC CIP-010 v5 Configuration Management	
NERC CIP-011 v5 Information Protection	
<i>Continuing from 2014</i>	
Enterprise Project Management Phase IV	
Stakeholder Services Suite Phase II	
Identity and Access Management Phase IV	
Enterprise Technology Monitoring Phase II	
Application Platform Upgrade Phase II (Linux)	
Windows Server Upgrades	
<i>Projects for Prioritization</i>	
Improve MP Access Security	
Integration Platform Availability Improvements	
Storage Infrastructure Redesign	

\*Mandatory = FERC Order, Strategic Initiative, Tariff Obligation, or Dependency To Support Order, Initiative, or Obligation

<b>Finance Products</b>	<b>2015 Candidates</b>
<i>Mandatory Projects*</i>	
Regulated Transmission Cost Recovery	
<i>Continuing from 2014</i>	
Procurement Enhancements	
Manual Adjustments Redesign	
<i>Projects for Prioritization</i>	
CMS True-up Exposure	
Oracle Financials Fixed Assets	
Budget versus Actual Automation	
RFP Evaluation Tool	
DAMAP Enhancement	
North Subzone Redistricting	
Rate Schedule 1 Automation	
CMS Financial Risk Assessment Tools	
CMS Ratings Automation	
CMS External Transactions Timing Enhancement	
CMS ICAP Spot Market Offers Enhancement	
CMS Unbalanced Trading Hubs	

\*Mandatory = FERC Order, Strategic Initiative, Tariff Obligation, or Dependency To Support Order, Initiative, or Obligation

Operations & Reliability Products	2015 Candidates
<i>Continuing from 2014</i>	
FERC Funded Rerun Phase 2	
FERC Funded Rerun Phase 3	
<i>Projects for Prioritization</i>	
EMS/BMS System Upgrade	
Breaker Level Market Modeling	
Transmission Service Charges: Rate Update	
BES: Contingency Analysis Updates	
BES: Interconnection Reliability Operating Limits (IROL) Visualization	
Dispatcher Training System (DTS) Sustainability Phase II	
Gas-Electric Coordination: Fuel Availability Self Reporting (SOM)	
MetrixIDR (Load Forecaster Upgrade)	
MMA Market Operations Report Automation	
2015 Reference Level Software (RLS) Enhancements	

\*Mandatory = FERC Order, Strategic Initiative, Tariff Obligation, or Dependency To Support Order, Initiative, or Obligation

Planning Products	2015 Candidates
<i>Continuing from 2014</i>	
Economic Planning Model Management	

\*Mandatory = FERC Order, Strategic Initiative, Tariff Obligation, or Dependency To Support Order, Initiative, or Obligation

TCC Market Products	2015 Candidates
<i>Continuing from 2014</i>	
TCC Revenue Allocation Automation	
<i>Projects for Prioritization</i>	
Balance-of-Period AMS	
Balance-of-Period AVS	
Balance-of-Period CMS	
TCC AMS Round Type and Upgrade	
TCC On-Peak/Off-Peak	

\*Mandatory = FERC Order, Strategic Initiative, Tariff Obligation, or Dependency To Support Order, Initiative, or Obligation

# Next Steps

- ◆ **Ongoing dialogue with Market Participants at BPWG and other working groups**
- ◆ **Continue internal NYISO prioritization process**
- ◆ **Conduct feasibility assessment of mandatory projects and high priority projects**
- ◆ **Solicit feedback from Market Participants at July BPWG**

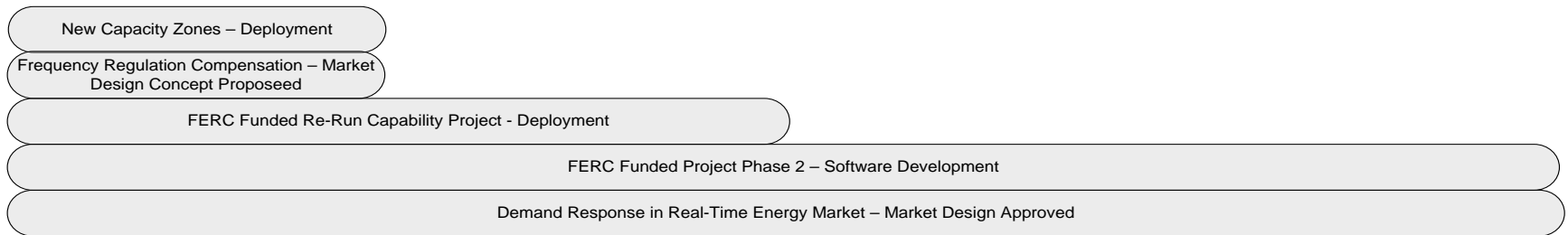
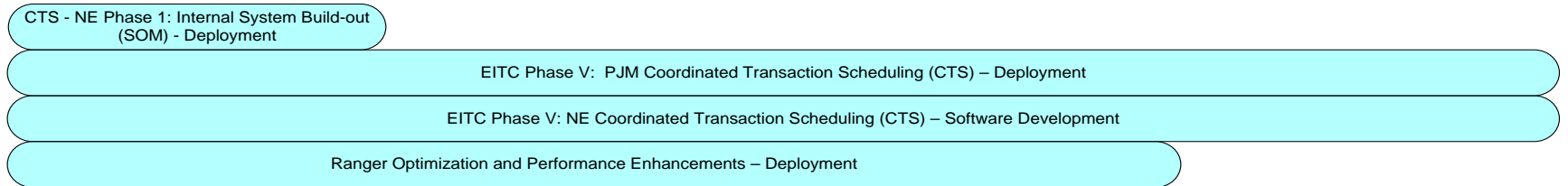
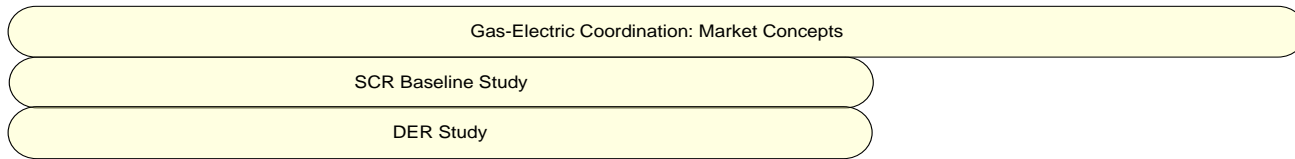
# APPENDIX

# 2014 – 2016 Product Plan: Strategic Initiatives and FERC Orders



# 2014 Product Plan - Strategic Initiatives and FERC Orders

Q1-2014	Q2-2014	Q3-2014	Q4-2014
---------	---------	---------	---------



- NYISO Strategic Initiatives
- Broader Regional Markets
- FERC Order

# 2015 - 2016 Product Plan - Strategic Initiatives and FERC Orders

2015	2016
------	------

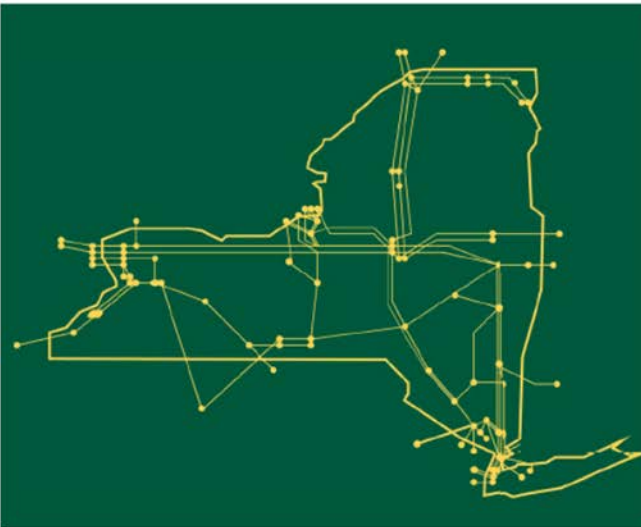
- Expanded Gas-Electric Coordination
- Robust Planning
- Capacity Markets and Generator Retirements
- Technology and Smart Grid
- Demand Response

- EITC Phase I: HQ on Dispatch (5-Minute)
- EITC Phase IV: ISO-NE CTS – Deployment

- Demand Response in RT Energy Market – Development and Testing
- Demand Response in RT Energy Market – Implementation
- FERC Funded Project Phase 2 - Deployment
- NERC Critical Infrastructure Protection v5 - Implementation

- NYISO Strategic Initiatives
- Broader Regional Markets
- FERC Order

The New York Independent System Operator (NYISO) is a not-for-profit corporation responsible for operating the state's bulk electricity grid, administering New York's competitive wholesale electricity markets, conducting comprehensive long-term planning for the state's electric power system, and advancing the technological infrastructure of the electric system serving the Empire State.



[www.nyiso.com](http://www.nyiso.com)