



# **Strategic Plan 2012-2016**

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# **Purpose of Strategic Planning**

- ◆ **Reaffirm the NYISO's Vision, Mission, Guiding Principles, and Core Values**
- ◆ **Review Strategic Corporate Objectives and associated initiatives, striking the correct balance among reliability, efficiency, affordability, and public policy objectives**
- ◆ **Incorporate input from Board of Directors, NYISO management and employees, Market Participants, and other stakeholders**
- ◆ **Identify any gaps and propose new initiatives or refinements, as necessary**
- ◆ **Serve as a communications tool for the NYISO Board of Directors, Management and Employees**
- ◆ **Drives the Business Plan**

# **Strategic Planning Timeline**

- ◆ **April: Sector Meetings**
- ◆ **June: Joint Board/MC Meeting**
- ◆ **July-August: Research and Analysis**
- ◆ **September: Strategic Planning Session**
- ◆ **October: Final Draft Strategic Plan**
- ◆ **November: Board Approval**
- ◆ **December: Publish Strategic Plan and Business Plan**

# ***Strategic Planning***



# NYISO Vision

*Broader Regional Markets*



*Expanded  
Interregional Planning*

*Smart Grid Future*



# Core Values

- ◆ **Accountability**
  - *Taking responsibility to do what needs to be done*
- ◆ **Quality**
  - *Commitment to excellence in all our processes, systems and products*
- ◆ **Integrity**
  - *Commitment to honest and ethical actions*
- ◆ **Team Work**
  - *Working together, succeeding together, respecting each other*
- ◆ **Customer Focus**
  - *Listening, caring, delivering*
- ◆ **Innovation**
  - *Pursuing creative and sound solutions*
- ◆ **Enthusiasm**
  - *Having a passion for our work and our interaction with our customers, stakeholders and policy makers*

# NYISO Mission

The mission of the New York Independent System Operator, in collaboration with its stakeholders, is to serve the public interest and provide benefit to consumers by:

- ◆ *Maintaining and enhancing regional reliability*
- ◆ *Operating open, fair and competitive wholesale electricity markets*
- ◆ *Planning the power system for the future*
- ◆ *Providing factual information to policy makers, stakeholders and investors in the power system*

# Strategic Objectives

- ◆ **A Leader in Reliability**
  - *Promote resource adequacy and transmission security now and in the future*
  - *Sustain and enhance reliable operation of the bulk electricity grid and the wholesale electricity markets*
- ◆ **A Leader in Market Design**
  - *Develop enhancements to the wholesale electricity markets that increase reliability and market efficiency and create value for consumers*
  - *Foster a market environment conducive to new investments in the wholesale electricity markets that attracts and retains resources needed in the state*
- ◆ **Authoritative Source of Information on Key Issues**
  - *Take a proactive leadership role in providing an independent, unbiased source of information on the operation of the bulk power system and wholesale electricity markets in New York, and identification of future needs by analyzing the reliability, environmental and cost attributes of policy and technology choices*



# Strategic Objectives (Cont.)

## ◆ Excellence in Execution

- *Sustain culture that promotes and strives for flawless performance in all that we do and engenders customer confidence in our operations, markets and planning*

## ◆ Sustain and Enhance Robust Planning Processes

- *Strengthen planning capabilities to effectively implement the Comprehensive System Planning Process (CSPP), which includes economic planning studies and other planning initiatives in New York*
- *Coordinate with Market Participants, State and Regional Planning Agencies and other key Stakeholders to complete studies and to analyze reliability, operations and market impacts of a broad range of energy-related federal and state level policy goals, including environmental, fuel diversity, energy efficiency and renewable integration*

## ◆ Leader in Technology Innovation

- *Work with Regulators and Other Stakeholders to coordinate Smart Grid standards and protocols and implementation*
- *Develop innovative market products and information architecture for integrating renewable resources and other new technologies needed for reliable grid operations*

# Key Initiatives to Meet Strategic Objectives

## A Leader in Reliability

- *Enhance NYISO operations and planning because of expanded dependency on natural gas-fired generation while incorporating significant quantities of renewable generation, and retirements of older less efficient fossil-fired generation in NYS and in neighboring systems*
- *Review and enhance NYISO system restoration plan (black start program)*
- *Enhance system visualization capability*
- *Implement new primary and alternate control centers*

# Key Initiatives to Meet Strategic Objectives

## A Leader in Market Design

- *Implement Broader Regional Markets initiatives (see Appendix)*
- *Enhance capacity markets by implementing new capacity zones in NYS and reviewing the benefits of broader forward capacity markets*
- *Increase the growth and effectiveness of Demand Response resources including enhanced aggregation capability, direct communication capability as well as development of a real time market for demand response*
- *Enhancements to scarcity pricing and transmission congestion contract (TCC) markets*

# Key Initiatives to Meet Strategic Objectives

- *Continue to support new initiatives in System Planning, including the EIPC, the NYS Energy Planning Board, and the study of transmission upgrades as potential solutions to power system problems projected in NY*
- *Conduct stakeholder outreach activities in leadership forums, national and international conferences as well as professional and standard setting groups*
- *Provide NYISO independent analysis to Market Participants, state or federal agencies, and standard setting entities*
- *Enhanced transparency and consideration of consumer impacts in NYISO initiatives*

# Key Initiatives to Meet Strategic Objectives

## Excellence in Execution

- *Continue to implement “best practices” in NYISO business operations*
- *Continue projects to reinforce/enhance cyber security protocols and best practices*

# Key Initiatives to Meet Strategic Objectives

## Robust Planning Processes

- *Strengthen planning capabilities to effectively implement NYISO's Comprehensive Reliability Planning Process (CRPP) and Economic Planning (CARIS) Process*
- **Perform Transmission Assessment Studies for Future Reliability and System Resiliency**
- ***Comply with FERC Order 1000 in collaboration with stakeholders and neighboring regions to enhance NYISO's existing planning processes, including the addition of inter-regional cost allocation methodologies.***
- *Continue to support new initiatives in System Planning, including the EIPC, the NYS Energy Planning Board, and the study of transmission upgrades as potential solutions to power system problems projected in NY*

# Key Initiatives to Meet Strategic Objectives

- *Support development of Smart Grid and other new technologies enabling implementation of needed grid assets that will provide cost effective solutions to emerging grid needs (e.g. ramping and storage, black start, regulation, quick start capacity, and others)*
- *Develop and implement data management strategies to maximize performance and analytics capabilities and to provide better service to Market Participants and other stakeholders while minimizing cost*
- *Support the evolution of Dynamic Pricing and identify potential technology and market solutions*

# **Keys to Successful Implementation**

- ◆ **Implement strategic plan through the business planning and budgeting process**
- ◆ **Ensure that the NYISO's senior management is accountable for the plan**
- ◆ **Effectively communicate the plan and its importance to the NYISO staff**
- ◆ **Establish milestones and measure progress through the Business Plan**
- ◆ **Ensure that each key objective has a champion who is empowered and accountable**
- ◆ **Reprioritize and make adjustments as conditions warrant**
- ◆ **Manage enterprise risk through the development of effective mitigation strategies that overcome risks to the achievement of objectives**
- ◆ **Continually collaborate with Market Participants, regulators and stakeholders**





NEW YORK INDEPENDENT SYSTEM OPERATOR

**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)**