




2023

Strategic Plan

THE NEW YORK INDEPENDENT SYSTEM OPERATOR

About the NYISO

The New York Independent System Operator (NYISO) is an independent, 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. The NYISO's role in providing grid reliability and competitive markets brings economic and environmental benefits to all New Yorkers.



For more than 20 years, the NYISO's markets have worked to improve system efficiency, supporting a shift toward cleaner sources of generation while upholding the nation's most stringent reliability rules.

For more information, visit:

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Message from the Board Chair and President & Chief Executive Officer

As we approach 2024, the strategic direction of the New York Independent System Operator (NYISO) remains focused on our core responsibilities of maintaining electric system reliability, operating fair and competitive wholesale markets, and supporting the grid in transition. Our *2023 Strategic Plan* reflects on the challenges of the past year but looks forward with optimism to the important work ahead.

Over the last year, we've seen progress and challenges in meeting the mandates of our state climate policies. We've also seen the adoption of new measures that will do even more to accelerate change in the electric system. Through it all the NYISO will continue to focus on keeping the power flowing to 20 million New Yorkers.

Our mission of ensuring system reliability and competitive markets in a clean energy future guides us during this time of unprecedented change within the electric industry. This Strategic Plan identifies our numerous efforts to develop market reforms that will help achieve public policy objectives; our work planning the system for the reliability challenges upon us; and how we are enhancing the NYISO workforce to build for the future. Our focus is on providing solutions.

As we identify pathways to meet the requirements of the Climate Leadership and Community Protection Act (CLCPA), the electric markets continue to play a central role in supporting the health, safety, and welfare of all New Yorkers. The NYISO's recent market design enhancements integrate new technologies and further support system reliability. Energy market projects including dynamic reserves and balancing intermittency, and the capacity accreditation design, better align the market requirements with reliability needs. Recognizing that we are in uncertain economic times, it is important to also capture the efficiency of markets to minimize the impact of the transitioning grid. Effective market signals promote investment and value resource performance for a more renewable, resilient, and distributed power grid while shielding consumers from certain economic risks and costs.

The NYISO's Comprehensive System Planning Process has evolved to become more flexible in order to address rapid changes in the system. It also is increasingly important in informing investments in new transmission and supply resources in New York, while helping policymakers understand the short and long-term impacts of energy and climate policy. New York has seen the most significant investment in new transmission in decades through the NYISO's Public Policy Transmission Planning Process. The recent selection of a project to meet the Long Island Public Policy Transmission Need enables greater offshore wind integration and strengthens the reliability of the grid for Long Island and New York City.

Interconnection reform is a priority. Continuing to provide a reliable interconnection process while improving the timeliness and transparency of these important studies is a central focus as we move forward.

As technological advances continue to drive increased renewable resources and distributed generation, our technology strategy will need to deliver capabilities that allow the NYISO to adapt to the



dynamic operational and planning requirements of managing a more complex grid. To achieve this, the NYISO will invest in technologies that provide a new level of flexibility and scalability, positioning the business to adapt to the changing needs of a grid in transition more rapidly.

We are also investing in new workforce development methods, including several new programs to support our dedicated employees in the modern economy. This focus on Our People and the development of a “learning culture” that celebrates diversity, equity, and inclusion will strengthen employee engagement and sharpen our ability to attract the right talent going forward.

Finally, our governance process continues its strong tradition of finding sound solutions in an increasingly complex regulatory environment. Our financial plans continue a long record of fiscal discipline while meeting the needs of stakeholders and strategic goals.

As you read our Strategic Plan, you will learn more about our continued efforts to positively impact all we do on behalf of New York’s electric consumers and the reliability of the system. We are committed to meeting the challenges of the grid transition. Thank you for your support and continued trust in the NYISO.

Sincerely,

Daniel C. Hill

Daniel C. Hill, Chair
NYISO Board of Directors

Richard J. Dewey

Richard J. Dewey,
President & CEO

Mission & Vision

The mission of the NYISO establishes the foundation from which all our responsibilities are delivered and the vision describes a future that we strive to achieve. Together, they provide the basis for the NYISO's Strategic Objectives and Strategic Initiatives, as well as a reference to guide decision making and action at all levels of the organization.

Mission

- ✓ Ensure power system reliability and competitive markets for New York in a clean energy future.

Vision

- 🔍 Working together with stakeholders to build the cleanest, most reliable electric system in the nation.

Core Values

The core values of the NYISO form the foundation on which we conduct ourselves. The core values provide the guiding principles for our organization as we work together to fulfill our mission and vision.

Our People

- ✓ Working, learning and growing together, respecting and embracing our differences.

Customer Focus

- ✓ Valuing our stakeholders' perspective.

Integrity

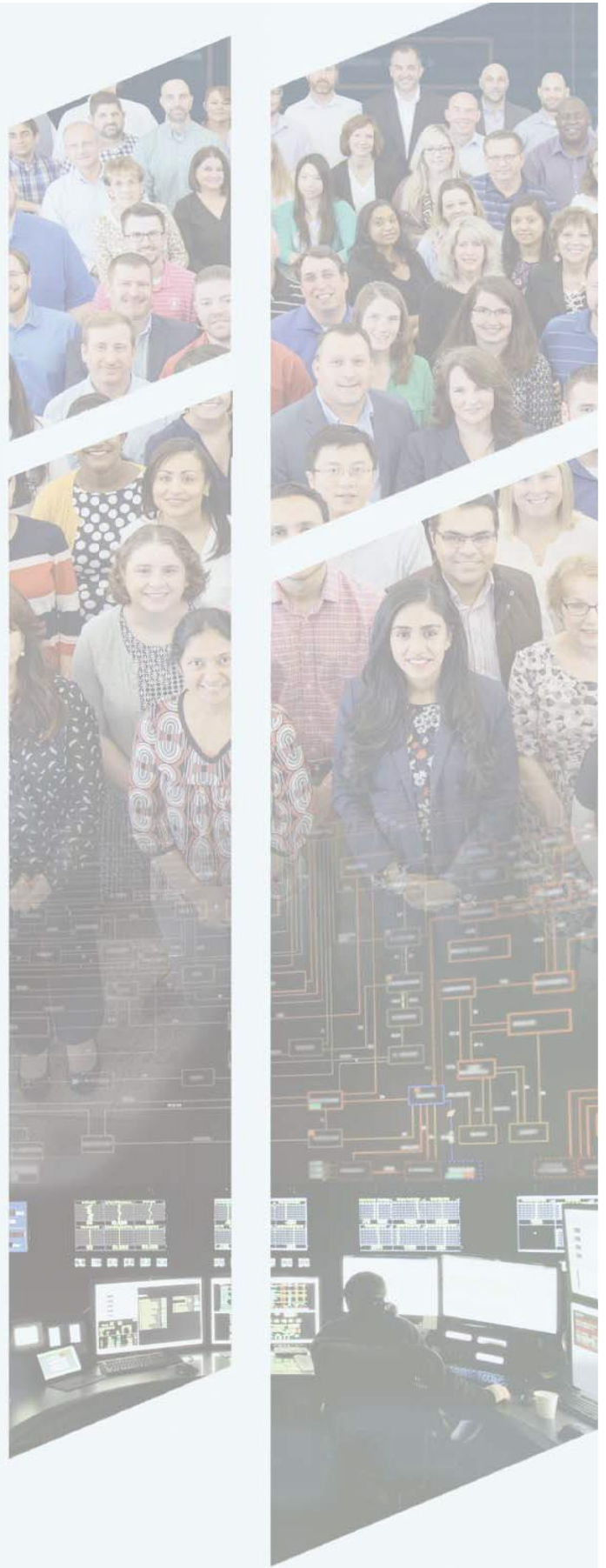
- ✓ Commitment to honest, ethical, and transparent actions.

Innovation

- ✓ Creating sound solutions in an environment of constant change.

Excellence

- ✓ Accountability for excellence in all that we do.



The Roles of the NYISO

Reliable Operations

Maintaining bulk power system reliability is the cornerstone of the NYISO's mission, shaping how we operate, design markets, and conduct system planning. Through the efforts of a highly dedicated and skilled workforce, the NYISO manages the flow of electricity across more than 11,000 miles of high-voltage transmission lines serving New York on a minute-to-minute basis, balancing supply, and demand throughout the state in accordance with the federal policy of open and non-discriminatory access to the grid. The NYISO operates one of the most technologically sophisticated control centers of its kind in the world; an essential tool to support reliability and the transition to a clean energy future. The control center provides operator visibility of regional and local grid conditions, enhanced integration of new technologies, and many of the situational awareness displays and other tools needed to meet strict requirements for the monitoring and control of the bulk electric system. Advanced forecasting capability to manage increasingly dynamic loads, weather patterns, and the integration of renewable wind and solar resources supports the efficient and reliable operation of the grid. Managing the grid reliably through the grid transition is imperative. The rapid changes occurring require the NYISO to anticipate future reliability challenges and integrate the skills and tools needed into operations in advance. The NYISO's expertise in operating the power system, described by some as the most complex machine in the world, is essential for a reliable grid in transition.

Efficient Markets

The NYISO supports reliability for New York State through the administration of three complementary markets: energy, ancillary services, and capacity. The NYISO's wholesale electricity markets continue to lead the way toward a cleaner, resilient, and efficient electricity grid. Market enhancements are underway to help meet the requirements of public policy, strengthen the reliability of the grid, and position the competitive markets for future technologies. These reforms will evolve the markets in light of the anticipated resource mix, serving as a new national model for wholesale electricity market design. **Market signals that guide investment and value high-performing resources will help provide a reliable transition to a more renewable and distributed power grid.**

Maintaining proper oversight of the market function is an essential role of the NYISO. The NYISO's independent market monitor and internal market mitigation and analysis group continually surveil the markets for attempts at manipulation, identify potential market improvements, and report any violations of the tariffs to the Federal Energy Regulatory Commission (FERC). The NYISO's credit requirements

require that all market participants entering into transactions provide reasonable assurance to protect the market from the potential for payment defaults.

Comprehensive Planning

The NYISO's independent, fact-based planning processes assess reliability and inform market participants, developers, and policymakers on the implications of public policies and technological advancements impacting the needs of the grid and the pace of change on the electric system.

The Comprehensive System Planning Process resolves reliability needs, identifies economic transmission investment opportunities, and addresses transmission needs driven by public policy requirements in New York State.

- **The Reliability Planning Process** includes short- and long-term assessments to evaluate and identify reliability needs culminating in a Comprehensive Reliability Plan. The quarterly Short-Term Assessment of Reliability (STAR) quickly reviews changes to the system such as generator deactivations and addresses reliability needs up to five years into the future. For a longer-term view, the Reliability Needs Assessment looks ahead ten years, and the Comprehensive Reliability Plan addresses any reliability needs identified on the bulk transmission system.
- **The System & Resource Outlook** evaluates various potential future system conditions over a 20-year time horizon and identifies transmission investment opportunities. During a time of significant change, the Outlook provides an independent view of possible pathways to a clean energy future to inform policymaking and investment decisions across New York State.
- **The Public Policy Transmission Planning Process** allows the NYISO to seek proposed solutions for a New York State Public Service Commission (NYPSC) identified transmission need. The NYISO evaluates proposals and recommends a solution that is reviewed by NYISO stakeholders and then selected by the NYISO Board of Directors. This process has resulted in New York's most significant investment in new transmission in decades.

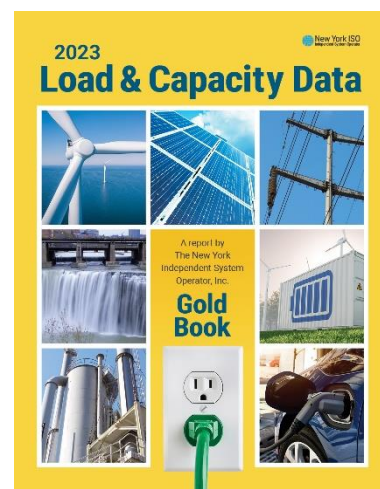
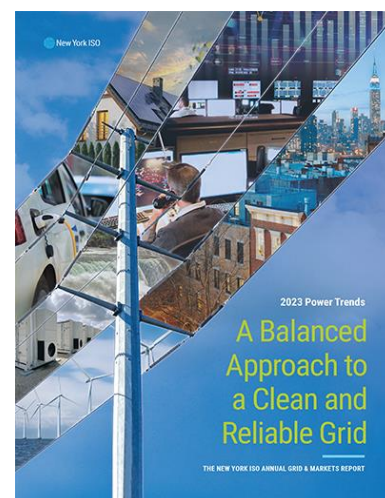
The Interconnection Process is another important aspect of the planning process. With the significant influx of interconnection requests across the nation, the recent FERC Order 2023 ("Improvements to Generator Interconnection Procedures and Agreements") adopts reforms to address interconnection queue backlogs, improve cost and timing certainty, and prevent undue discrimination of new technologies. The NYISO is committed to this effort to improve the interconnection process while continuing to provide the necessary reliability analyses through an efficient, transparent, and timely process.

An important step in supporting New York's ambitious clean energy goals is to study the future grid to promote a better understanding of what will be needed to meet reliability, including emerging technologies.

Authoritative Source

A pillar of the NYISO’s focus is to serve as an independent source of fact-based information on the evolving electric system. As the state works to achieve decarbonization mandates under the Climate Leadership and Community Protection Act (CLCPA), the need for factual information from an independent source has never been more important. We continue to implement new strategies to disseminate critical information on the grid of the future.

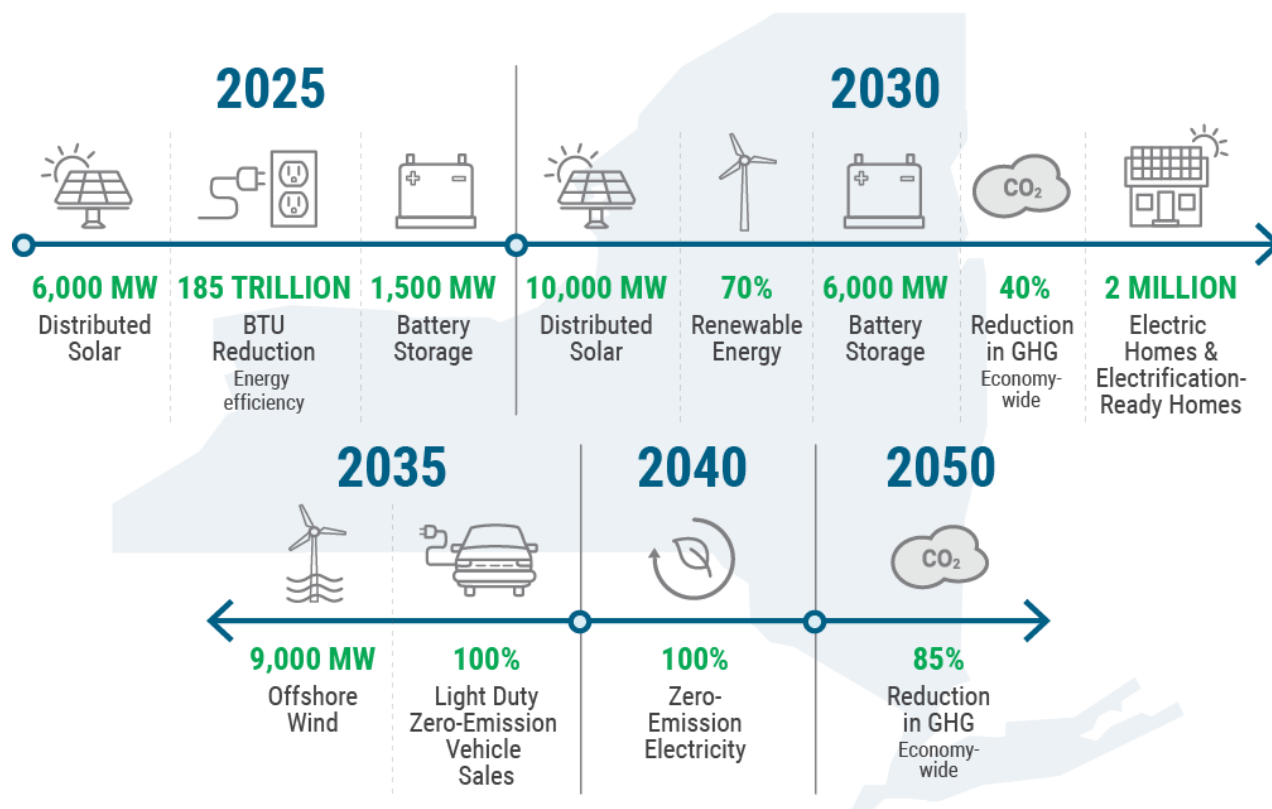
Our commitment to provide comprehensive analysis and information that can be relied upon is demonstrated through focused communication channels. Building on reports that compile critical data, such as our annual *Gold Book* and the planning reports that provide comprehensive technical evaluations of the power grid, we seek to provide a deeper understanding of the essential work underway. The annual award-winning *Power Trends* report serves as a trusted reference for elected officials, opinion leaders, industry experts, and the media. Through NYISO podcasts that feature in-depth yet accessible discussions with industry experts and through our social media presence, we seek to reach an even greater audience. Our objective is to share the NYISO’s unique and deep expertise to guide the ever-evolving debate concerning the grid in transition. **We also are mindful that the human side of our business matters, and we feature stories that demonstrate the dedication of our workforce in serving all New Yorkers and giving back to the communities in which we live.**



Key Areas of Strategic Focus

Evolving State Policy

In New York, increased adoption of renewable energy sources is a key strategy to mitigate climate change, improve air quality, increase energy security and resilience, and provide other benefits. A rapid transition is underway from a power grid with substantial generation from centralized fossil fuel stations to a grid with significantly more renewable resources and distributed generation.



The pace of the grid transformation is driven primarily by state policy, notably New York State’s CLCPA, requiring 70% of our electricity to be generated from renewables by 2030 and 100% to be zero-emission by 2040. The CLCPA also includes specific technology deployment mandates of 9,000 MW of offshore wind by 2035, 6,000 MW of distributed solar by 2025 (subsequently increased to 10,000 MW by 2030), and 3,000 MW of energy storage (subsequently increased to 6,000 MW) by 2030. In addition, the economy-wide greenhouse gas emission reductions included in the CLCPA require greater electrification of other sectors, such as transportation and buildings. The rate of electrification is an important component of forecasting the timing and nature of the future demand on the grid and understanding the associated reliability implications.

After extensive stakeholder engagement and analysis, in December 2022 the Climate Action Council, under the leadership of NYSEERDA and the New York Department of Environmental Conservation released a comprehensive Scoping Plan for implementation of the CLCPA. The Scoping Plan provides guidance on the actions that would help accomplish the requirements of the CLCPA, ranging from new resource development, transmission improvements, provisions to manage a reliable transition, and an economy-wide Cap and Invest Program. New York's evaluation of Cap and Invest is underway and the structure as it relates to the electric sector is of particular importance. As New York works to establish regulations, the NYISO continues to advocate for a responsible and reliable transition that maximizes the use of competitive wholesale markets.

In addition, Governor Kathy Hochul made a series of announcements in the past year, including: 1) that two proposed transmission projects were selected as part of the state's competitive Tier 4 Clean Energy Standard solicitations to deliver renewable energy into New York City, 2) the release of New York's third competitive offshore wind solicitation, and 3) a New York-led multi-state agreement and consortium to develop a proposal to become a Regional Clean Hydrogen Hub. Further, in February 2022, the U.S. Department of the Interior announced the results of the New York Bight offshore lease rights sale. The lease sale offered over 488,000 acres in the New York Bight for potential wind energy development. New York is actively involved in efforts to evaluate an offshore wind network.

Federal Energy Policy Implementation

The national energy policy of the U.S. continues to be heavily influenced by two overarching concerns: climate change and energy security. Primary drivers include trade and policy initiatives to decouple Europe from Russian energy sources, domestic expansion of renewable energy capacity, and establishment of autonomous supply chains for vital renewable energy materials and equipment.

Two laws enacted over the past two years – the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA) represent historic levels of federal funding that are poised to substantially modernize energy generation, transmission, and use. These efforts support the Biden administration's goals to deploy 30 GW of offshore wind energy by 2030 and halve economy-wide CO₂ emissions. Among their contributions, the \$1.2 trillion IIJA is investing \$11 billion to enhance grid resilience through upgrades to power infrastructure, including building thousands of miles of new transmission lines to facilitate the expansion of renewable energy. Some estimates predict the IRA could provide as much as \$1.2 trillion of incentives by 2032, as compared to the original estimate of \$369 billion, through production and investment tax credits designed to spur the adoption of electric vehicles and encourage utilities to develop renewable sources like wind and solar power. Also, in light of the potential benefits of

clean hydrogen, the laws provide incentives to lower its production cost and increase demand, such as \$9.5 billion in funding for hydrogen, including \$8 billion for hydrogen hubs from the IIJA and tax credits from the IRA.

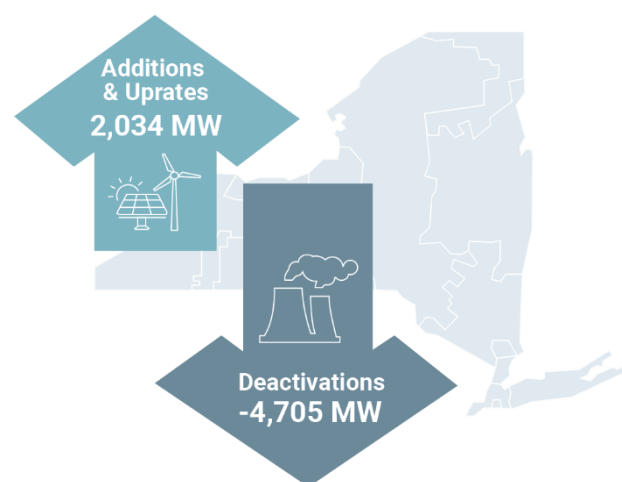
The laws are stimulating private sector investment to generate clean energy, advance new technologies, and build battery factories, as intended. Recent research estimates by 2032, there could be up to \$2.9 trillion of cumulative investment opportunity across sectors for the energy transition and that the IRA’s impact could potentially lead to \$11 trillion of total infrastructure investments by 2050. The country’s annual renewable energy capacity could triple in 10 years to 110 GW as a result of investment in the energy sector.

While these developments are encouraging, long project reviews and approvals are slowing progress. To address the nation’s 2 TW interconnection queue backlog for current projects, FERC is taking steps (FERC Order 2023) to reform rules to speed the grid connection process – the first major change to its interconnection requirements in two decades.

The NYISO is committed to facilitating the transition to a more sustainable grid.

Maintaining System Reliability

A balanced and carefully planned transition from the power system of today to the clean energy grid is essential. Fulfilling the objectives of the CLCPA and other state, federal, and local climate policies will require an unprecedented level of investment in new supply and transmission infrastructure at a time when reliability margins are thinning. The NYISO’s System & Resource Outlook report, with comparable estimates from New York State, indicates that our state will need to triple the amount of clean energy supply currently on the grid by 2040 to achieve the zero-emission electricity supply required by the CLCPA. Economic and technological uncertainties, geopolitical issues, siting and permitting uncertainties, and persistent supply chain constraints affecting the power industry on a global scale are impacting the pace of investment in New York as we seek to position the NYISO’s interconnection process to manage the influx of anticipated resources and provide for a reliable transition. Interconnection reform is essential to establish a more efficient and timely process with a continued focus on reliability.



The NYISO is obligated under its federally regulated tariffs to pursue solutions to resolve reliability issues when and if reliability margins decrease to a level in violation of any applicable reliability rules. Fossil fuel generation is retiring faster than new resources are entering service leading to declining reliability margins across the state, but most acutely in the New York City area. The responsibility of the NYISO in facilitating a reliable transition is manifested with the implementation of the New York State Department of Environmental Conservation’s “Peaker Rule.” As of May 2023, the Peaker Rule has resulted in the closure or reduced operation of approximately 950 MW of generation in New York City. Recently the NYISO identified a reliability need associated with additional peaker retirements slated for 2025. The NYISO communicated the need in advance and ultimately is managing the transitory challenges to maintain reliability until long-term solutions can be built. Recent events are emblematic of the challenges that must be met to achieve a reliable, clean energy future.

The mandates to reduce greenhouse gas emissions in the transportation and building sectors are further accelerating the pace of change in New York with the increasing adoption of electric vehicles and electric heat. Load growth driven by projected electrification and economic development combined with the changing resource mix with less dispatchable on-demand resources on the system, introduce reliability challenges. Solving future reliability risks and resource needs will require a combination of new supply coming into service, construction of additional transmission facilities, increased energy efficiency, and integration of demand response resources. A balanced approach to the retirement and addition of resources is essential for grid reliability, economic efficiency, and the environment.

Market Considerations for a Grid in Transition

Additionally, the NYISO’s *Grid in Transition* efforts are designed to enable the NYISO to make necessary market enhancements and implement operating protocols that support reliability through the most innovative wholesale market design at the lowest overall cost to consumers, while meeting ambitious state and federal environmental policy objectives. The *Grid in Transition* initiative, together with related studies, highlights the needed attributes for resources (such as dispatchability, flexibility, and duration) needed for reliability. With state contracts driving significant investment in the NYCA — particularly in offshore wind and storage resources — we are continually working to evolve market signals in preparation for a resource mix that is increasingly renewable, intermittent, and energy-limited. The NYISO is developing market improvements that are necessary for the power system changes that the CLCPA envisions. These improvements dynamically determine needed reserves, expand existing or advance new products to balance intermittency, and allow for the participation of new and evolving resource technologies. Additional improvements enhance capacity market signals to secure a resource mix that can

support growing winter reliability needs, deliver energy to alleviate transmission constraints and locate where the need is greatest (or value is highest).

Evolving the NYISO's Workforce and Business Delivery

Energy policy, together with market drivers, are increasing the demands on the NYISO to manage greater complexity, requiring reevaluation of the approach to business delivery. NYISO market applications must provide customers with flexibility and options to adjust their market participation models as their blend of resources changes. **With the integration of renewable and distributed grid resources, the power system will become more dynamic, increasing the need for studies, monitoring, and controls as well as enhanced market signals.** Grid reliability applications also need new capabilities that enable the operation of an increasingly complex portfolio of energy resources. The products and services offered by the NYISO are continually enhanced to remain current with rapidly developing technologies as well as to support longer-term needs shaped by public policy. The NYISO's technology platforms also must scale to manage the increasing demands from a more complex grid. The NYISO recently formed the Grid Transition department to provide greater technical depth to manage the changes underway. Grid Transition will help facilitate the path to a clean energy future by further integrating engineering, demand forecasting, and resiliency analysis, bridging planning and operations time horizons and workstreams.

A dedicated and skilled workforce is fundamental to the success of the organization. To continue serving New Yorkers at the highest standards, the NYISO is focused on continuously supporting employee development to ensure we have the knowledge, skills, and experience to perform at the highest level. Employees are



empowered to develop professionally through a wide range of opportunities such as cross-departmental training programs, mentoring and group learning experiences, and an education assistance program.

In addition, to support the changing nature of the workforce and how work is accomplished, the NYISO has instituted a comprehensive Diversity, Equity, and Inclusion (DE&I) program to promote its culture of respect, support, and recognition for all individuals within the NYISO, which is reflective of the society in which we exist and operate. By having a more inclusive workplace, the NYISO benefits from a broader range of experience, abilities, ideas, and perspectives. A focus on workforce engagement and inclusion fosters a culture of collaboration and innovation that better positions the NYISO to meet future challenges.

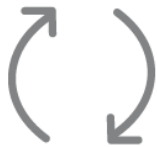
A Leader in the Application of Technology

As evolving public policy and technological advances continue to drive a rapid transition towards a grid with increased renewable resources and distributed generation, **the NYISO's technology strategy will need to deliver capabilities that allow the NYISO to adapt to the dynamic operational and planning requirements of managing a more complex grid.** To achieve this, the NYISO will invest in technologies that provide a new level of flexibility and scalability, positioning the business to adapt to the changing needs of a Grid in Transition more rapidly. Integral to the execution of this strategy will be continuing to advance cyber security protections to stay ahead of the evolving cyber threat landscape and continuing to explore the application of artificial intelligence (AI) technologies, such as machine learning, to address future business opportunities and risks.

The NYISO's technology strategy is designed to **provide a modern software architecture and delivery approach, increase automation of testing and the administration of on-premises systems, as well as provide the ability to selectively leverage and integrate cloud solutions** to address the evolving needs of the grid and electricity markets. In addition to developing these important capabilities for the future, the NYISO will continue to place a significant priority on its cyber security program. Cyber-attacks are becoming more prevalent, and attackers are adapting and evolving the methods they employ in innovative ways. Continuing the development of a comprehensive security program provides a heightened ability to protect grid and market operations against evolving and escalating cyber threats.

Strategic Objectives

Six strategic objectives underlay the various initiatives of the NYISO and provide guidance for the allocation of human, financial, and technological resources. **These objectives instill discipline to the use of resources, helping to evaluate and prioritize NYISO investments toward those activities that best meet the goals articulated by each objective.** The NYISO will work in collaboration with stakeholders to achieve these strategic objectives.



Leader in Reliability

- » Sustain and enhance reliable operation of the changing New York electric grid.
- » Provide secure environment to protect the NYISO cyber, physical, and personnel resources.



Excellence in Execution

- » Sustain a culture that fosters quality in all that we do and engenders customer confidence in our operations, markets and planning.
- » Support and develop our workforce to ensure the organization has the professional talent and skills needed to fulfill the NYISO's mission.
- » Demonstrate fiscal responsibility and cost management in order to mindfully provide value to consumers.



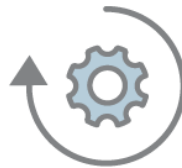
Leader in Application of Technology

- » Provide industry leading reliability management systems that evolve with the needs of the grid.
- » Enable industry leading market capabilities through the application of advanced technology platforms.
- » Build and evolve a technology ecosystem that provides new levels of flexibility and agility to meet the needs of the future grid.
- » Enhance cyber security capabilities to protect grid and market operations against evolving and escalating cyber threats.



Robust System Planning

- » Continuously enhance comprehensive system planning, including the reliability, economic, and public policy studies and other planning initiatives in New York.
- » Provide a reliable, transparent, and timely interconnection process.
- » Provide insight and guidance regarding the evolving power system.
- » Complete studies to analyze reliability, operations and market impacts to enable federal and state clean energy policy goals.



Leader in Market Design & Performance

- » Support and increase reliability, market efficiency, and value for consumers through the development of enhancements to the wholesale electricity markets.
- » Foster fair, competitive, and transparent wholesale electricity markets that attract new investments and retain needed resources.
- » Maximize the value of competitive wholesale markets in the grid transition.
- » Advance the transformation of the power grid with state-of-the-art technologies.



Authoritative Source of Information on Key Issues

- » Provide an independent, unbiased source of information on the reliable operation of New York's bulk electric system and wholesale electricity markets. Identify future needs by analyzing policy and technology developments.
- » Provide industry leadership through leadership forums, conferences, and professional and standard setting groups.

Strategic Initiatives

To meet evolving regulatory requirements, and expected technical, financial and market challenges, the NYISO has identified six key strategic initiatives in addition to its core responsibilities and ongoing project plans. **These initiatives provide guidance for projects and resource allocations into the future.** The NYISO will work in collaboration with stakeholders to achieve these strategic initiatives.



Grid Reliability & Resilience

- » Maintaining power system reliability is the NYISO's primary responsibility and the role of wholesale markets is critical in carrying this out.
- » The changing portfolio of resources requires continuous enhancement of the NYISO's market products, operational, and planning practices to ensure the ability to efficiently and reliably serve New York's power system requirements.



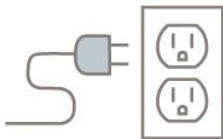
Technology Transformation

- » The NYISO IT Strategy and technology investments will position the NYISO with the flexibility and agility to comprehensively respond to emerging industry trends like the integration of new resources.
- » The organization will continue to maintain reliable operations of the grid and market systems while managing increased cyber security risks.



Efficient Markets for a Grid in Transition

- » The addition of new resources will create a more dynamic grid in the future. Accurately valuing the contribution of resources toward meeting reliability is critical.
- » The NYISO will implement market enhancements to incent the attributes needed on the bulk power system to reliably meet New York's energy needs.



Authoritative Source

- » The NYISO will continue to emphasize our brand value as a trusted, independent and expert source of information for the public, policymakers, and stakeholders.



Integration of Public Policy

- » The CLCPA requires aggressive state action to reduce greenhouse gas emissions and promote expansion of renewables, distributed energy, and storage resources. It is imperative that the NYISO's market design is harmonized with public policy goals.
- » The influx of new resources requires interconnection reform to establish an efficient, timely, and transparent process with continued reliability.
- » Continued study work is required to develop a deeper understanding of system needs to facilitate the grid in transition.



Workforce

- » In the current rapidly changing environment, a skilled workforce, product and service refinement, continuous process improvement, and business delivery focus will help maximize the value the NYISO delivers.
- » The NYISO will support and develop our workforce to position the organization with the professional talent and skills needed to fulfill the NYISO's mission.
- » The NYISO will enhance organizational effectiveness, modernize systems for faster, more flexible response to market and regulatory changes, and continuously scrutinize cost of operations.

Governance

Working with the transmission owners, the New York State Reliability Council (NYSRC), the Northeast Power Coordinating Council (NPCC), and the North American Electric Reliability Corporation (NERC), **the NYISO adheres to the nation’s strictest set of reliability standards, which include nearly 1,000 requirements designed to promote reliability for New York consumers.** Primarily regulated by FERC; the governance, structure, and mission of the NYISO comply with the guiding principles in FERC’s open access regulations — Order Nos. 888 and 2000.

The NYISO is governed jointly by an independent Board of Directors and market participants comprised of transmission owners, generation owners, other electric power suppliers, end-use consumers, public power, and environmental sectors. In accordance with a rigorous code of conduct, NYISO Board members and staff are required to be independent from the interests of market participants.

Standing Committees

The governance structure includes three standing committees — the Management Committee, the Business Issues Committee, and the Operating Committee. Each committee oversees its own set of working groups, subcommittees, and task forces. **The NYISO’s achievement of its objectives depends on the active involvement of participants in the shared governance process.**

Management Committee

Recommends tariff changes to the Board of Directors, reviews the NYISO’s annual budget, recommends candidates to fill vacancies on the Board, and supervises the activity of all other committees.

Business Issues Committee

Establishes rules related to business issues and provides a forum for discussion of those rules and issues.

Operating Committee

Coordinates operations, develops procedures, evaluates proposed system expansions and acts as a liaison to the NYSRC.

Board of Directors

Daniel C. Hill,
Board Chair

Joseph P. Oates,
Board Vice Chair

Gizman Abbas

Ave M. Bie

David R. Hill

Roger B. Kelley

Mark S. Lynch

Teresa F. Marrinan

Sally A. Talberg

Richard J. Dewey

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Richard J. Dewey
President &
Chief Executive Officer

Emilie Nelson
Executive Vice President &
Chief Operating Officer

Robert E. Fernandez
Executive Vice President,
General Counsel &
Chief Compliance Officer

Diane L. Egan
Corporate Secretary &
Board Secretary

Douglas L. Chapman
Senior Vice President &
Chief Information Officer

Rick Gonzales
Senior Vice President

Rana Mukerji
Senior Vice President,
Market Structures

Deneen Byrne
Vice President,
Human Resources

Cheryl L. Hussey
Vice President &
Chief Financial Officer

Kevin Lanahan
Vice President, External Affairs &
Corporate Communications

Aaron Markham
Vice President, Operations

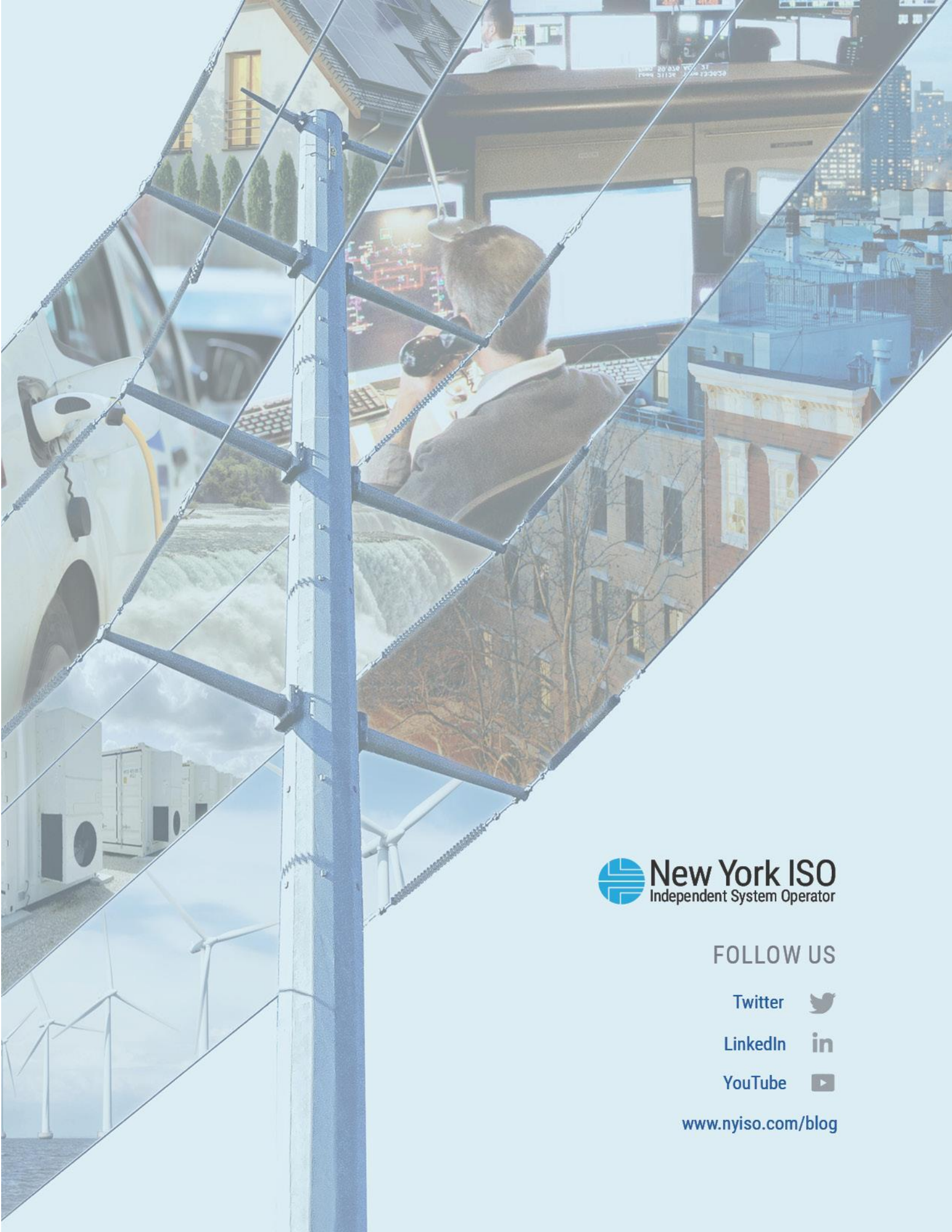
Robb A. Pike
Vice President, Market Operations

Zachary G. Smith
Vice President, System &
Resource Planning

Key Accomplishments

During the past year, the NYISO continued to maintain expected system reliability, added critical infrastructure, and worked to advance New York State policies requiring the development and reliable integration of new renewable resources and distributed energy resources. Notable accomplishments include:

- The Board of Directors selected the Propel Alternate Solution 5 transmission project to meet the Long Island Offshore Wind Export Public Policy Transmission Need of delivering at least 3,000 MW offshore wind energy across the state from Long Island injection points.
- Achieving our role as an authoritative source of information, published *Power Trends 2023*, focusing on the dramatic changes impacting New York’s power grid and assessing the effects of increasing electrification, retirements of fossil-fuel based generation, and the acute need for investments in new resources to continue to balance load and supply.
- Announced that 27 new wind, solar, energy storage and transmission expansion projects totaling 7,452 MW have completed the final interconnection study, or “Class Year,” required for commercial operation.
- Published the 2022 Reliability Needs Assessment and subsequent Short-Term Assessment of Reliability reports finding that thinning reliability margins present increased challenges to reliability, particularly in New York City beginning in 2025.
- Continuing to advance cyber security protections.
- Developed the market design for Hybrid Aggregated Storage, aimed at improving the optionality of policy resources by allowing more market participation options for generators that are co-located with energy storage resources.
- Developed a framework for day-ahead and real-time power system emissions reporting of the state’s production of electricity to support the use of load management and storage operations to reduce emissions.
- Implemented transmission constraint pricing that will improve energy market locational pricing to enable the re-dispatch of resources in the short term, alleviating constraints and incentivizing long-term investment where resources could provide the greatest benefits.
- Finalized market rules to incorporate point-to-point Internal Controllable Lines into the NYISO markets.
- Received approval of FERC Order 2222 compliance plan enabling NYISO to incorporate additional market design features required for the deployment of the DER Participation Model.
- Appointed Julie Tighe, Dr. Burçin Ünel, and Daniel Zarrilli to serve on the NYISO Environmental Advisory Council to advise NYISO Leadership on the dynamics between evolving state and federal environmental policies and the NYISO mission.
- Furthered the focus on workforce engagement and inclusion to continue building the NYISO’s culture of collaboration and innovation. Established organization-wide professional development programs fostering a work environment that prioritizes employee learning and competencies to enhance job satisfaction, essential skills, and alignment with the NYISO mission.



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