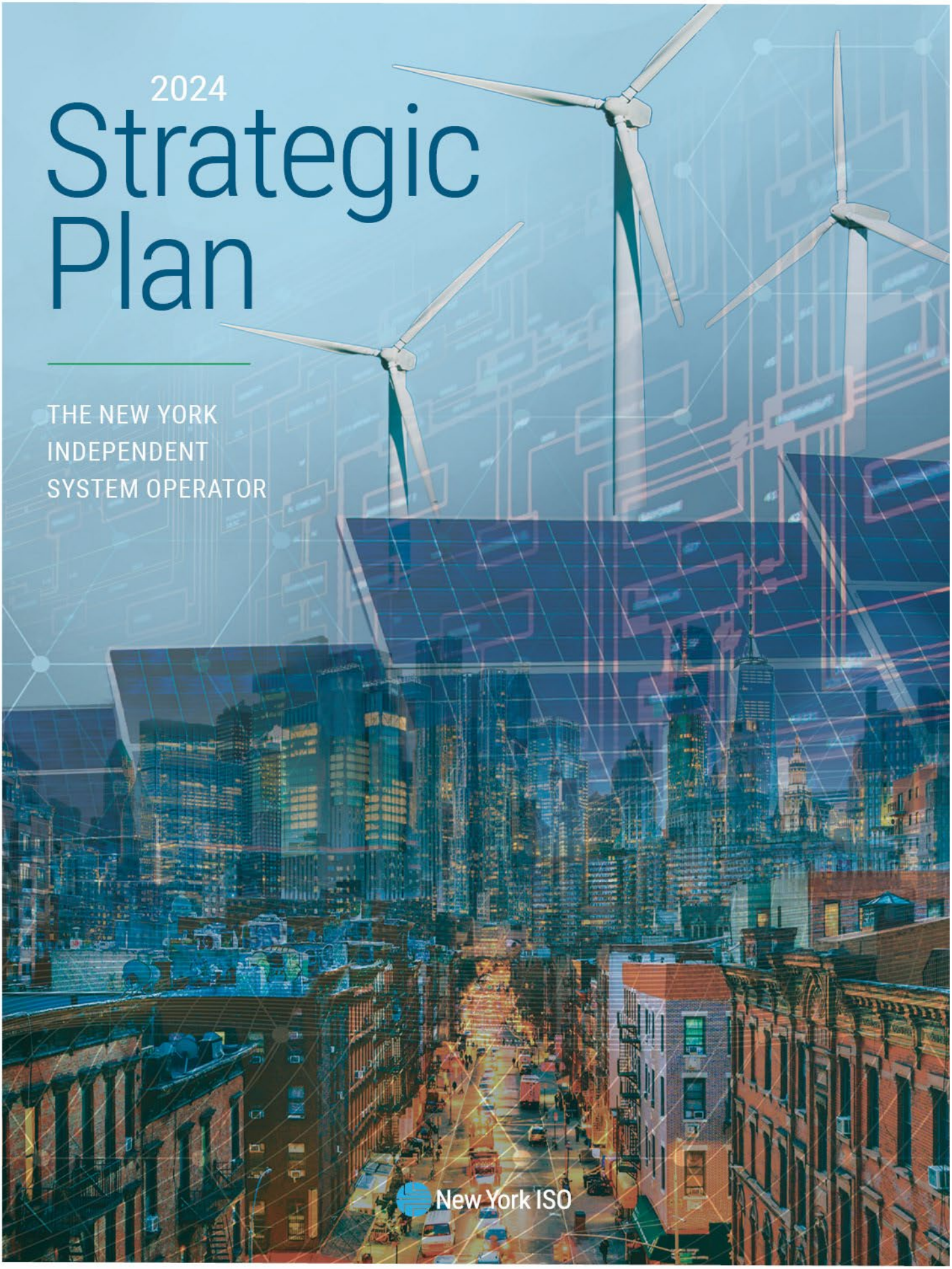
2024

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 information, visit:

www.nyiso.com/blog
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Message from the Board Chair and President & Chief Executive Officer

As we navigate another year of great change, 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.

We're proud to present our *2024 Strategic Plan*, which reflects on the challenges of the past year and looks forward with optimism to the important and challenging work ahead. We continue to collaborate with stakeholders and policymakers to maintain electric system reliability while working towards the requirements of the Climate Leadership and Community Protection Act (CLCPA). At the same time, competitive electric markets continue to provide efficiencies for consumers in a changing economy.

Our recent market design enhancements are integrating new technologies while supporting flexibility of the grid. The NYISO is proud to be the first market administrator in the country to allow aggregated distributed energy resources to participate in the competitive wholesale markets to provide energy, ancillary services, and capacity.

The NYISO's Comprehensive System Planning Process continues to take on even greater importance informing investments in new transmission and supply resources and providing policymakers with important analysis regarding the impacts of energy and climate policy.

New York has experienced significant investments in new transmission in recent years through the NYISO's Public Policy Transmission Planning Process. The recent selection of a project to meet the Long Island Public Policy Transmission Need (PPTN) will enable greater offshore wind integration and strengthen system reliability. The recent launch of the New York City PPTN process will provide end-to-end solutions to accommodate the full output of at least 4,770 megawatts of offshore wind generation injected into New York City.

Continuing to provide a reliable interconnection process for new generation projects while improving the timeliness and transparency of these important studies remains a central focus. Our new and improved cluster study process was developed on an accelerated timeline and has already launched with a new technology platform and a fresh customer-focused approach to supporting proposed projects.

Technological advances in the grid are driving new operational considerations and requirements. Our technology strategy will deliver capabilities that allow the NYISO to adapt to the dynamic operational requirements of managing a more complex grid. To achieve this, the NYISO is investing in technologies that provide a new level of flexibility, scalability, and security, positioning the business to keep pace with the changing needs of a grid in transition.

Our governance process continues its strong tradition of finding sound solutions and open lines of communication in an increasingly complex regulatory environment. Coupled with our financial strategy that demonstrates a long record of fiscal discipline while meeting the needs of stakeholders, NYISO customers know that they get tremendous value from our team.

Finally, we understand that the foundation of our success rests with our people. They are the front line, both individually and as teams, serving our customers and communities, building the technology, making the strategic decisions, managing the risks, determining our investments and driving innovation. As such, we are investing in our employees with programs that support skills development for success in a modern, rapidly changing economy, while also focusing on inclusion and teamwork. This focus on *Our People* and the development of a "learning culture" is strengthening employee engagement and our ability to attract talent going forward.

Our *Strategic Plan* covers our continued efforts to support the reliability of the electric system, which provides for the health and safety of all New Yorkers. As always, we remain committed to meeting the challenges of the grid in transition, the growing state economy and the well-being of New Yorkers.

Thank you for your support and continued trust in the NYISO.

Sincerely,

Joseph P. Oates

Joseph P. Oates, 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 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; 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-administered wholesale electricity markets continue to lead the way toward a cleaner, resilient, and efficient electricity grid. The NYISO market design team is developing new tools and programs to encourage investment in resources that are fast-ramping, flexible, dispatchable, and emissions-free — resource characteristics that are becoming increasingly important for grid reliability. These reforms will evolve the markets in light of the anticipated resource mix, serving as a model for wholesale electricity market design harmonized with clean energy policy. **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

establish that all market participants entering into transactions must 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.

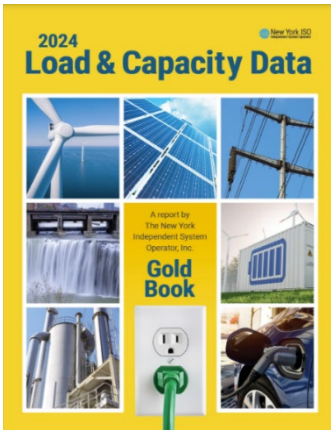
- **The Reliability Planning Process** includes short- and long-term assessments to evaluate and identify reliability needs culminating in a Comprehensive Reliability Plan. The *Quarterly Short-Term Assessment of Reliability* (STAR) quickly reviews changes to the system, such as generator deactivations, 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** (The Outlook) evaluates various potential future system conditions over a 20-year time horizon and identifies transmission and resource investment opportunities driven by economics and public policy. During a time of significant change, the Outlook provides an independent view of possible pathways to a clean energy future to inform policymaking, the Coordinated Grid Planning Process, and other 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 volume of interconnection requests across the nation, 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.



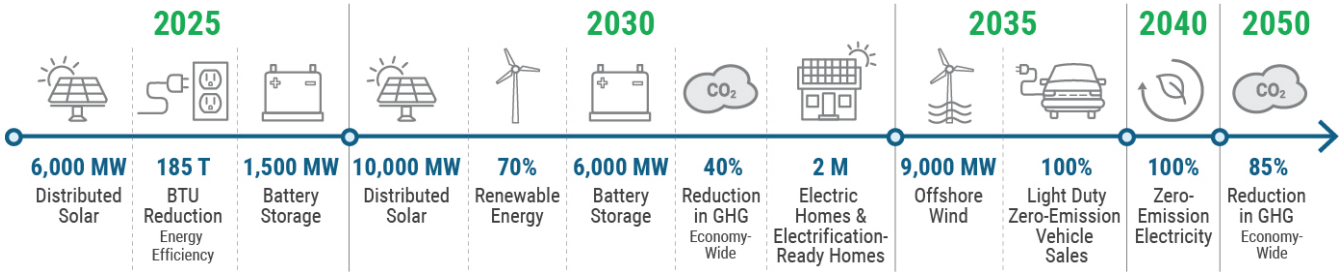
Our commitment to provide comprehensive analysis and information that can be relied upon is demonstrated through focused communication channels. Building on reports that compile critical data, such as our annual *Gold Book* and the planning reports that provide comprehensive technical evaluations of 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 and energy storage 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 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.



The Climate Action Council, under the leadership of NYSERDA and the New York Department of Environmental Conservation, released a comprehensive Scoping Plan for implementation of the CLCPA. The Scoping Plan is the framework for how New York will reduce greenhouse gas emissions and achieve net-zero emissions, increase renewable energy use, and ensure all communities equitably benefit in the clean energy transition. The scoping plan provides guidance for accomplishing 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 because it may impact wholesale market signals and ultimately resource investment decisions. Additionally, the New York Public Service Commission has furthered programs to spur transmission and resource

development across the state. 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, the state made a series of announcements in the past year, including: 1) the release of a new 10-Point Action Plan to expand and support large-scale renewable energy industry; 2) approval of an Energy Storage Roadmap that provides a comprehensive set of recommendations to achieve a 6 GW of energy storage by 2030; 3) completion of South Fork Wind, the nation's first utility-scale, offshore wind farm, and finalization of contracts for Empire Wind and Sunrise Wind; and 4) a new large-scale renewable energy solicitation for the development of new large-scale land-based renewable energy projects.

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 advance energy independence, expand domestic renewable energy capacity, and establish autonomous supply chains for vital renewable energy materials and equipment.

Two laws enacted over the past three 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 CO^2 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

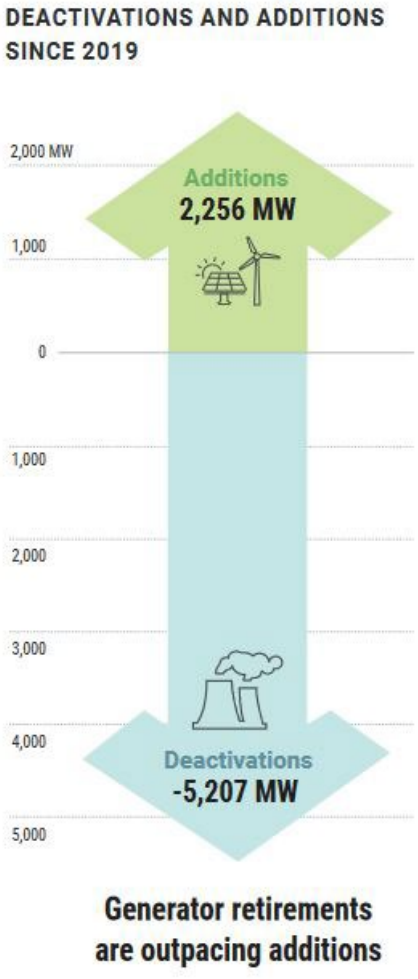
the energy sector.

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. In addition, FERC is addressing long-term transmission planning through Order No. 1920. This rule requires transmission operators to conduct and periodically update long-term transmission planning over a 20-year time horizon to discern future needs. It also provides for cost-effective or "right-size" expansion of transmission that is being replaced, and specifically details states' pivotal role throughout the process of planning, selecting, and determining how to pay for transmission lines. Compliance with Order 1920 will enhance the NYISO's planning processes.

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

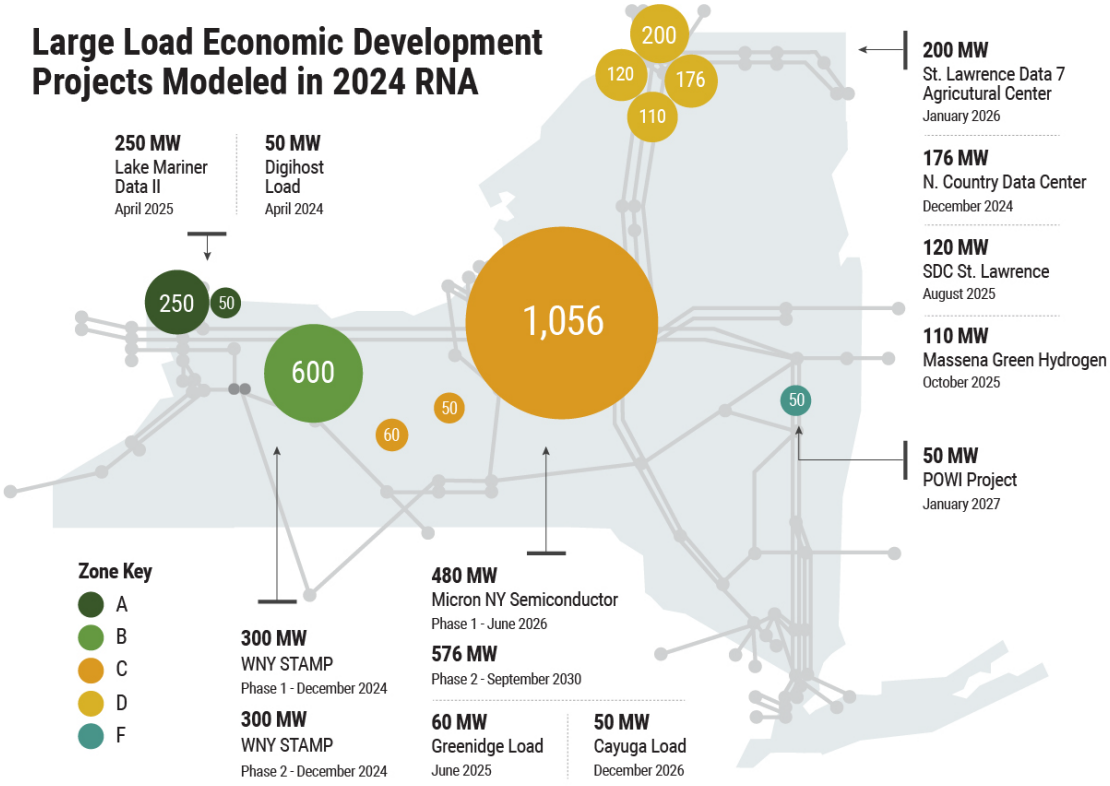
Maintaining System Reliability

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* indicates that our state will need to triple the amount of clean energy supply currently on the grid by 2040 to meet economic growth and 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 the NYISO seeks to position its 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 moved aggressively with stakeholders to implement the necessary reforms in August 2024, including a new technology platform and customer-focused support model to guide the interconnection process.



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. As conveyed in the NYISO's *2023 Comprehensive Reliability Plan* and the *2024 Reliability Needs Assessment*, 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. Additionally, energy security has become a more visible concern as supply margins shrink and winter reliability comes more sharply into focus. In order to allow for the most responsible transition and better manage the winter risk, the NYISO coordinated with the New York State Reliability Council to better model fuel security.

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 electricity generation in New York City. As part of its *Q2 2023 Short-Term Assessment of Reliability Report* the NYISO identified a reliability need associated with additional peaker retirements slated for 2025. In addition, the most recent New York State budget calls for the retirement of the New York Power Authority peaking units. 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.



As public policies continue to shape the grid of the future, the need to invest in the transmission system has never been greater. A historic level of transmission investment is underway, with three Public Policy Transmission projects recently completed, a fourth selected to deliver offshore wind energy from Long Island to New York City, and the rest of the state, and a fifth solicitation issued to accommodate delivery of up to 6,000 MW of offshore wind electricity into New York City. Together, these and other transmission investments, will deliver more clean energy to consumers while enhancing grid reliability.

Load growth driven by economic development and projected electrification of the transportation and building sectors, 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. Together with stakeholders, the NYISO also must consider whether and how the capacity market should evolve to support reliability in a cost-effective manner. Improvements must 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 is 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 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.

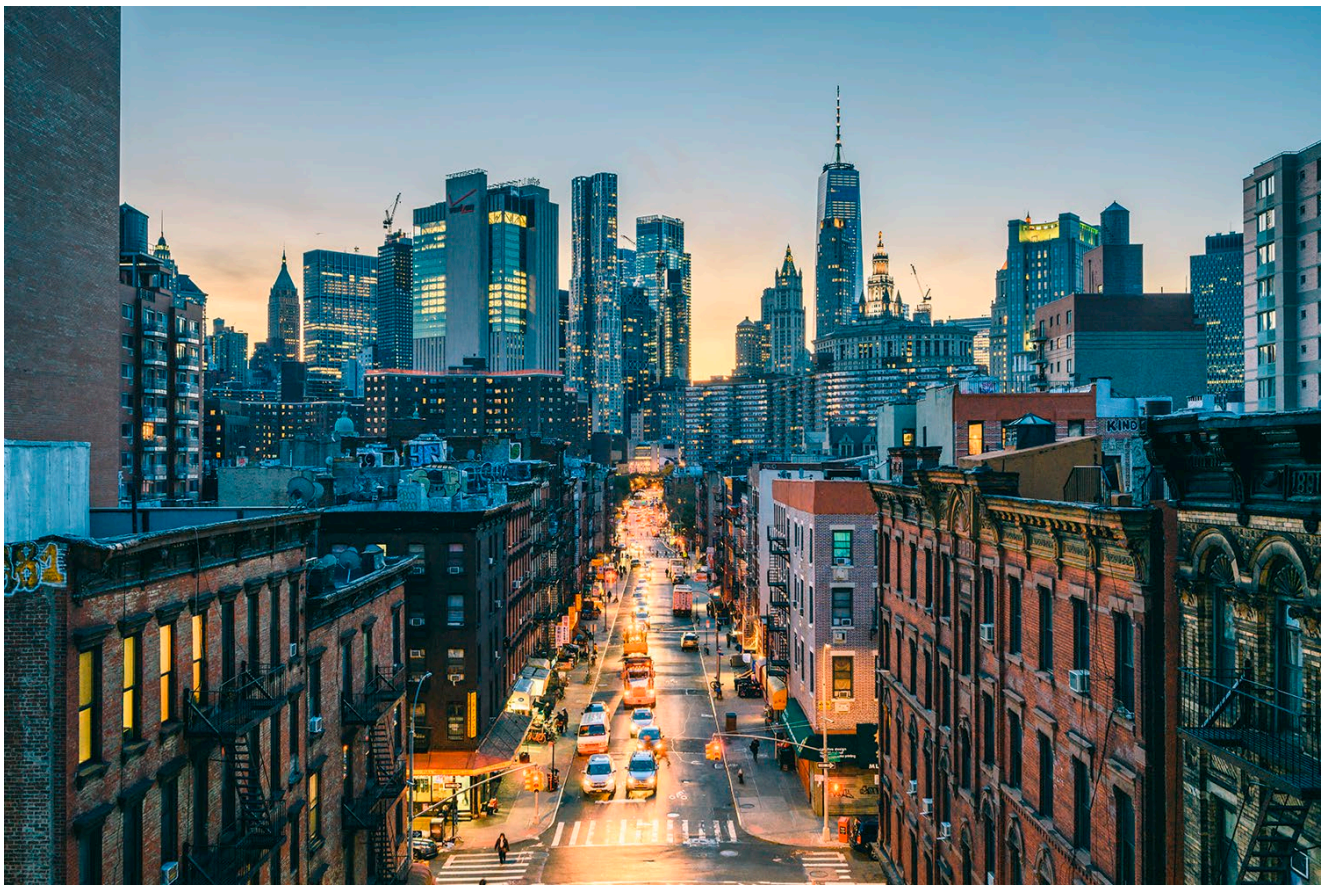
In addition, to support the changing nature of the workforce and how work is accomplished, the NYISO has instituted a comprehensive workforce engagement and inclusion program to promote its culture of respect, support, and recognition for all individuals within the NYISO, which is reflective of the society 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.

The NYISO's technology strategy is designed with these primary objectives – modernize software delivery capabilities and application architecture with continued focus on high degree of test automation; expand the hybrid infrastructure model and enhance digital user experience; responsibly leverage artificial intelligence (AI)-enabled solutions such as machine learning; continue to advance strategic cyber security capabilities to manage the growing level of threats to continue to protect the grid and market operations against evolving and escalating cyber threats. In addition, the NYISO technology strategy continues to invest in developing and enhancing skills necessary to implement the capabilities in the technology strategy.



The Strategic Planning Process

The *2024 Strategic Plan* is the result of an ongoing process through which the NYISO sets its forward course by bringing together the industry understanding and expertise of its board, management team, and stakeholders to examine current grid realities and define its vision for the future.

Beginning in the first quarter each year, the NYISO initiates strategic planning through off-site meetings of its senior leaders with representatives from all of its industry sectors: transmission owners, generation owners, public power and environmental, end-use consumers, and other suppliers. Although topics vary between sectors, these discussions provide a direct line of communication between stakeholders and NYISO senior leadership on areas of strategic value to the sector. The feedback from sector meetings is distilled into several key themes formulated as questions, which are explored further at the Annual Board of Directors & Management Committee Meeting in June. This meeting provides an opportunity for stakeholders to share their ideas and comments directly with the NYISO Board on key strategic topics.

The output from the Annual Board of Directors & Management Committee Meeting serves as a critical input for the strategic planning sessions that the Board holds with NYISO senior leaders to establish the NYISO's strategic priorities for the future. Each year the NYISO's *Strategic Plan* is shared across the enterprise and presented to market participants to provide transparency and clarity on the organization's strategic direction.

Strategic Objectives

The NYISO works in collaboration with its stakeholders to achieve its strategic objectives. Six strategic objectives underlay the work of the NYISO and provide guidance for the allocation of its human, financial, and technological resources. These objectives instill discipline into the use of resources, helping to evaluate and prioritize the NYISO'sinvestments and actions that best meet the goals articulated by each objective.

Leader in Reliability

Maintaining power system reliability is the NYISO's primary responsibility. The changing grid and 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.

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

Excellence in Execution & Workforce Development

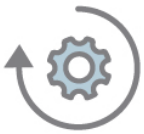
Sustain a culture that fosters quality in all that we do and engenders customer confidence in our operations. markets and planning.

- Support and develop the NYISO workforce to ensure the organization has the professional talent, skills and quality focus needed to fulfill the NYISO's mission.
- Demonstrate fiscal responsibility and cost management in order to provide value to consumers.
- Foster an inclusive environment of continuous improvement to maximize the value the NYISO delivers.

Robust System Planning

Provide comprehensive system planning through reliability, economic, public policy studies and other planning initiatives to guide the evolving power system.

- Complete studies to analyze state and interregional reliability, transmission, operations and market impacts and needs to enable federal and state clean energy policy goals.
- Provide a reliable, transparent, and timely interconnection process to manage the integration of new resources.
- Continuously improve studies to develop a deeper understanding, together with stakeholders, of system needs to facilitate the grid in transition.



Leader in Market Design & Performance

Support reliability, market efficiency and value for consumers through the design and administration of the wholesale electricity markets.

- The CLCPA requires aggressive state action to reduce greenhouse gas emissions and promote expansion of renewables, distributed energy, and storage resources. The NYISO's market design must incentivize the attributes needed for reliability and work in conjunction with state public policy, to facilitate the grid in transition.
- Foster fair, competitive and transparent wholesale electricity markets that attract new investments and retain needed resources.

Leader in Application of Technology

The NYISO IT Strategy and technology investments will position the NYISO with reliable, secure systems and the flexibility and agility to comprehensively respond to emerging industry trends.

- 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.

Authoritative Source of Information

The NYISO will continue to emphasize its role as a trusted, independent and expert source of information on the reliable operation of New York's bulk electric system and wholesale electricity markets for the public, policymakers, and stakeholders.

- Identify future grid needs by analyzing policy and technology developments and work collaboratively to find solutions.
- Provide industry leadership through forums, conferences, and professional and standard setting groups.

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

Joseph P. Oates,
Board Chair

David R. Hill
Board Vice Chair

Gizman Abbas

Michael A. Crowe

Daniel C. Hill

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

Rana Mukerji
Senior Vice President,
Market Structures

Zachary G. Smith
Senior Vice President,
System & Resource Planning

Deneen Byrne
Vice President,
Human Resources

Cheryl L. Hussey
Vice President &
Chief Financial Officer

Kevin Lanahan
Vice President, External Affairs &
Corporate Communications

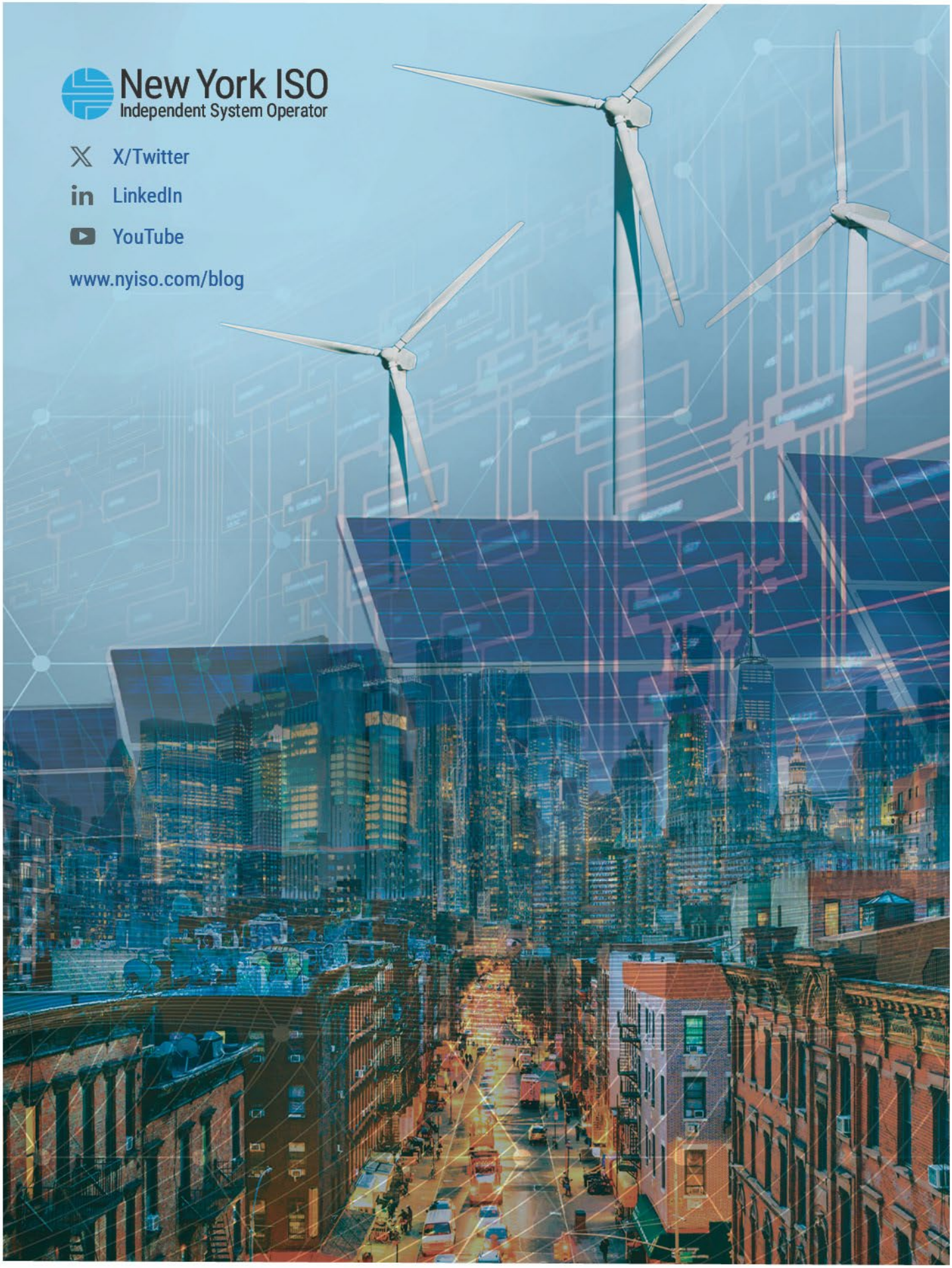
Aaron Markham
Vice President, Operations

Robb A. Pike
Vice President,
Market Operations

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:

- Launched a first-in-the-nation program to integrate aggregations of Distributed Energy Resources (DER) into the wholesale electric markets.
- Achieving our role as an authoritative source of information, published *Power Trends 2024*, focusing on how electrification programs and economic development initiatives are driving projected demand higher, while generator deactivations are outpacing new supply additions. Together, these forces are narrowing reliability margins across New York.
- Working with stakeholders, designed and filed interconnection process reforms required by FERC Order 2023 and implemented those reforms expeditiously on August 1, 2024.
- Released informative and critical reliability assessments to guide the grid transition including the *Quarterly Short-Term Assessments of Reliability* and the *2023-2032 Comprehensive Reliability Plan,* highlighting the growing risks to electric system reliability and necessary steps to maintain reliability.
- Released the *2023-2042 System & Resource Outlook* (The Outlook), which provides a wide-ranging assessment of future transmission and generation investment opportunities driven by economics and public policy.
- Continued efforts to advance and improve cyber security protections.
- Issued the NYC Public Policy Transmission Need solicitation and initiated the Viability and Sufficiency Assessment of the 28 project proposals submitted in response to solicitation.
- Enhanced NYISO's market design for dynamic reserves and balancing intermittency and deployed improved capacity accreditation rules.
- Implemented professional development programs that prioritize inclusion, employee learning and competencies to enhance workplace culture, job satisfaction, essential skills, and alignment with the NYISO mission.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