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NYISO Addresses New York State Senate Hearings

New York grid operator provides testimony on Energy Highway/Reforming the Energy Vision initiatives and cyber security issues

Albany, NY – The reliability of New York State's electric energy grid will be bolstered by upgraded transmission, integration of distributed energy resources, and close collaboration of the energy industry and government on cybersecurity, Executive Vice President Richard Dewey told participants in public hearings today. The New York Independent System Operator (NYISO) was invited by the New York State Senate to address the two hearings in Albany.

Energy Highway and Reforming the Energy Vision

The public hearing, *"Update on the Energy Highway and Reforming the Energy Vision Initiatives,"* was jointly conducted by the Senate Standing Committee on Energy and Telecommunications, and the Senate Standing Committee on Finance.

In his testimony, Mr. Dewey explained that upgraded and additional transmission capacity envisioned by New York's Energy Highway initiative would address concerns about aging infrastructure. More than 80 percent of New York's transmission system was built before 1980. He noted that transmission enhancements would provide greater operational flexibility, promote fuel diversity, increase the resilience of New York's power grid in the face of extreme weather, and advance the integration and efficient deployment of renewable resources among other benefits.

With regard to New York State's Reforming the Energy Vision (REV) initiative, Mr. Dewey said the NYISO is working with the Public Service Commission to provide data and analysis that will inform the effort. While distributed resources may be expected to play a larger role in the grid of the future, Mr. Dewey said the NYISO is researching ways to best integrate customer-sited solar photovoltaic systems, community-level microgrids, combined heat and power systems, and other distributed energy resources into the NYISO's markets and the operation of New York's electric system.

"In collaboration with market participants, stakeholders, regulators and policy makers, the NYISO – as an independent source of information and technical expertise – is addressing emerging challenges to best serve the public interest and benefit consumers as the power grid and electricity markets continue to evolve," Mr. Dewey noted.

As distributed resources grow, they can be expected to modify the load profile. The NYISO's realtime and long-range load forecasting techniques will consequently need data currently "behind-themeter" and unavailable to our grid operators and system planners.

"Shaping the grid of the future should not be an either/or proposition. It should be a 'best of both worlds' model that includes the strength of a centralized grid – and a modernized, upgraded backbone of transmission – with the flexibility and resilience provided by distributed resources," said Mr. Dewey.

A full copy of Mr. Dewey's <u>testimony to the Senate hearing on the Energy Highway/Reforming the Energy Vision initiatives</u> is available at <u>www.nyiso.com</u>.

Cyber Security

The public hearing "to address New York State's cyber security infrastructure, including the challenges, risks and protocols used to protect state information, hardware, software and systems" was conducted by Senate Standing Committee on Codes, the Senate Standing Committee on Consumer Protection, and the Senate Standing Committee on Veterans, Homeland Security and Military Affairs.

Mr. Dewey noted that the owners and operators of the nation's electric system recognize the importance of cybersecurity practices "to protect the assets and systems that enable American life." He explained that the industry is governed by critical infrastructure protection (CIP) cybersecurity standards promulgated by the North American Electric Reliability Corporation (NERC), which is certified by the federal government to serve as the nation's electricity reliability organization. Beyond compliance with NERC's mandatory standards, the electric industry is engaged in extensive information exchange among various part of the electric industry to enhance security awareness. All initiatives are conducted voluntarily in cooperation with the federal and state governments.

"While the energy industry is a leader in self-driven cybersecurity advances, partnerships with federal and state governments are essential to timely detecting and identifying threats as they occur and deploying effective responses," Mr. Dewey said.

On the state level, Mr. Dewey noted that the NYISO works regularly and collaboratively on security initiatives with a number of agencies, including the Department of Public Service, Division of Homeland Security and Emergency Services, New York State Police, New York City Police Department SHIELD and the New York Fusion Center.

A full copy of Mr. Dewey's <u>testimony to the Senate cybersecurity hearing</u> is available at <u>www.nyiso.com</u>.

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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.