

2025 Project Prioritization

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Agenda

- **Background**
- **Stakeholder Proposals & Feedback**
- **NYISO Proposed Changes**
- **Proposed Project Prioritization Timeline**
- **Next Steps**

Background

Background

- After the 2024 Project Prioritization concluded, stakeholders provided feedback and discussed potential changes to the prioritization process.
- At the November 3 and 15, 2023, BPWG meetings, the Transmission Owners and The City of New York/Multiple Intervenors provided presentations of their proposed changes.
- The NYISO has considered the proposals and stakeholder discussion, and proposes to implement the changes described in this presentation in the 2025 Project Prioritization.

Stakeholder Proposals & Feedback

Stakeholder Proposals & Feedback

- **Mike Cadwalader (Transmission Owners) – Transmission Owners’ Proposal for Defining Continuing Projects**
 - [Presentation Link](#)
 - Key Considerations: Change Continuing Projects definition to include projects that have met the milestone of Market Design Concept Proposed, Market Design Complete, or Functional Requirements Specifications, and implement a formal voting mechanism
 - This change would expand the definition of Continuing, which currently includes projects that have met the milestone of Software Design, Development Complete, or Deployment.

- **Kevin Lang (On Behalf of The City of NY and Multiple Intervenors) – Possible Improvements to Annual Project Prioritization Process**
 - [Presentation Link](#)
 - Key Consideration: Move Market Project prioritization to Q4 when more information on the current year projects is available

NYISO Proposed Changes

Continuing Project Definition

- **NYISO Considerations:**
 - Projects reaching an FRS milestone have been consistently selected to move forward in prioritization process, so the NYISO is proposing to modify the Continuing definition to include projects that have reached FRS
 - Projects reaching a MDCP/MDC milestone are not consistently selected to move forward in the prioritization process, so the NYISO is proposing to not include these in the Continuing definition
 - This allows Stakeholders to score these efforts providing formal input with more information about the project, including implementation resourcing estimates.
 - The NYISO does not support a formal voting mechanism for selecting or removing Continuing projects
 - The prioritization process is already complex and provides a scoring mechanism for any project that does not meet the Continuing definition

Continuing Project Definition (cont'd)

- **NYISO Proposal: Change Continuing Project Definition**
 - **Market Projects** approved in a prior year and have progressed to either **Functional Requirements Specification**, Software Design, Development Complete, or Deployment. Additional projects may be classified as Continuing based on stakeholder feedback. These projects will be included in the budget. **No Enterprise Projects will be Continuing.**
 - Impact: Dynamic Reserves–Phase 1, Improve Duct-Firing Modeling, and Internal Controllable Lines will be Continuing in 2025 as a result of this change.

* Red text indicates changes from the 2024 project prioritization

Project Prioritization Timeline

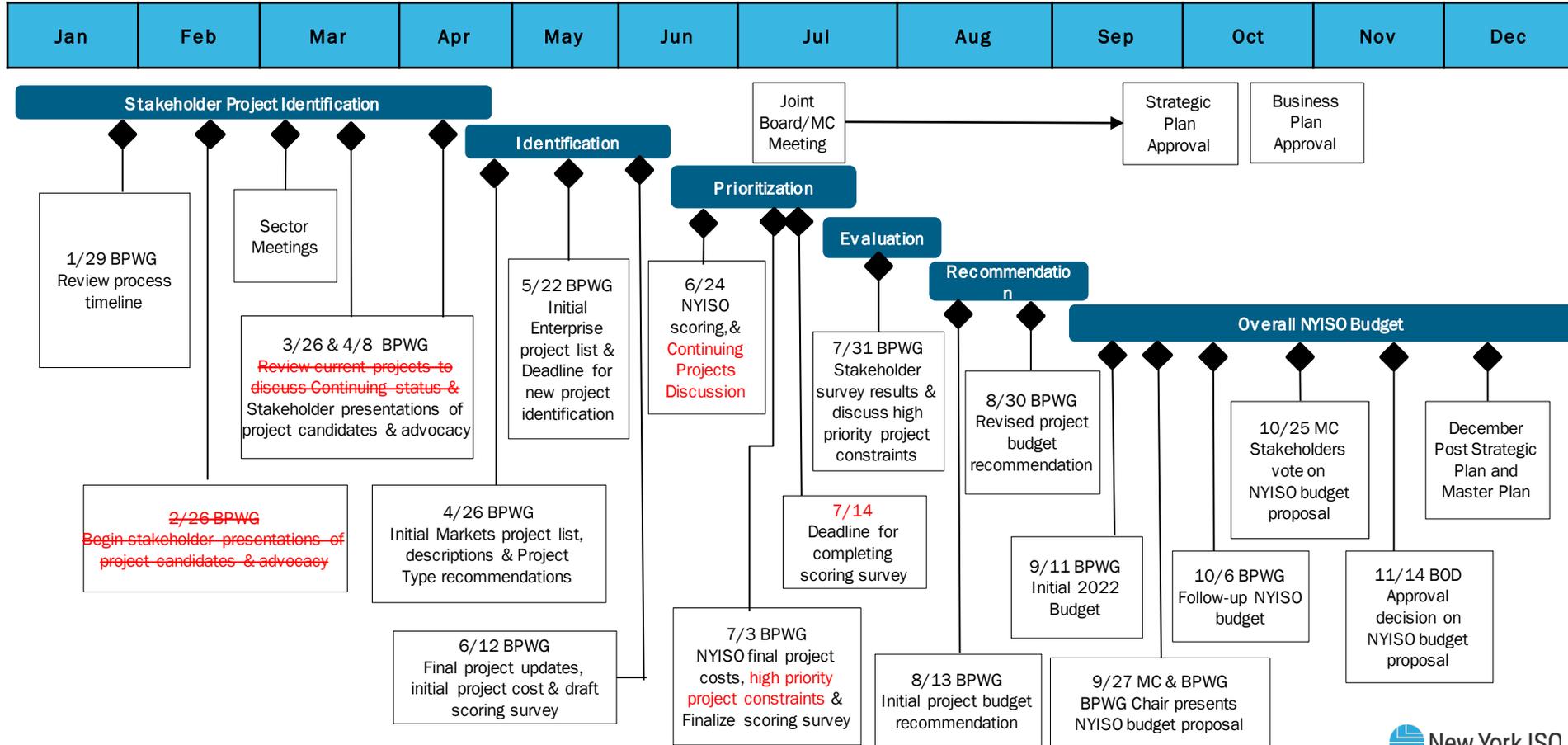
- **NYISO Considerations:**
 - The NYISO agrees the prioritization process would benefit by delaying discussions to later in the year to allow the current year projects to progress further
 - Due to resources and funding being shared across Enterprise and Market projects, the NYISO cannot separate these two efforts
 - Finalizing resources and budget information before the prioritization process will significantly reduce the NYISO's flexibility to create solutions to constraints found during the prioritization process
 - The project portfolio and budget must be finalized by October to support stakeholder review and internal processes

Project Prioritization Timeline (cont'd)

- **NYISO Proposal**
 - Shift continuing project discussion from March to June
 - This shift will allow current projects to begin and will provide better insights on whether projects should continue into the following year.
 - This shift will allow Market Participants to see the full list of projects along with the NYISO resourcing and scoring prior to providing feedback on projects they would like to see continuing.
 - Shift scoring survey from the June to July
 - This shift will allow for the Continuing project discussion at the end of June while maintaining NYISO's ability to get scores and develop a project set for budgeting purposes in early August.

Proposed Project Prioritization Timeline

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*Red text indicates changes from the 2024 project prioritization

Next Steps

Stakeholder Presentations

- **BPWG - March 26, 2024 and April 8, 2024**
 - Stakeholder presentations of project candidates & advocacy

Our Mission & Vision



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

Questions?

Appendix

Milestone Definitions

Milestone	Definition
Issue Discovery	NYISO has facilitated education session(s) for stakeholder knowledge development of problem/issue, conducted stakeholder solicitation of potential solutions to address problem/issue, and summarized findings at a working group meeting for potential ranking and future project identification.
Study Defined	The scope of work for the study has been presented to stakeholders, including a discussion on the necessary input(s), assumption(s) and objective(s) of the study.
Study Complete	Scope of work to be performed has been completed; results and recommendations have been presented to the appropriate Business Owners and stakeholders.
Market Design Concept Proposed	NYISO has initiated or furthered discussions with stakeholders that explore potential concepts to address opportunities for market efficiency or administration improvements.
Market Design Complete	NYISO has developed with stakeholders a market design such that the proposal can be presented for a vote at the BIC, OC, or MC to define further action on the proposal.
Functional Requirements	NYISO has completed documentation of the functional requirements and the Business Owner has approved.
Architectural Design	The architectural design document is complete and software development is ready to begin.
Projects with the following Milestones will generally be proposed as Continuing in future years, subject to Stakeholder input	
Software Design	The software design document is complete and software development is ready to begin.
Development Complete	Development has been completed, packaged and approved by the Supervisor.
Deployment	Required software changes to support commitment have been integrated into the production environment.

Project Type

*Red text indicates changes proposed by the NYISO at the January 29, 2024 BPWG.

Project Type	Description
Mandatory	Projects that are key to support Strategic Initiatives, FERC Orders, maintain reliable operations, or sustain the operation of the NYISO business. These projects will be included in the budget
Continuing	Approved in a prior year and have progressed to either Functional Requirements , Software Design, Development Complete, or Deployment. Additional projects may be classified as Continuing based on stakeholder feedback. These projects will be included in the budget. No Enterprise Projects will be Continuing.
Future	Consensus from stakeholder discussions of this projects priority relative to other projects has resulted in these projects NOT being prioritized and initiated in the coming budget year. Resources, time constraints, stakeholder feedback, and other project dependencies have been taken into consideration
Prioritize	Projects to be prioritized and included in the budget based on a feasibility assessment taking into consideration resources, time constraints, stakeholder feedback, priority score, and other project dependencies. Market projects are included in the stakeholder survey