

# Master Plan

## 2019 Process and Template Updates

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# Agenda

- Background
- Template Updates
- 2019 Process & Timeline
- Next Steps

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# Background

# Background

- In 2018, the NYISO created the first “Master Plan” based on the request of stakeholders
  - The goal was to create a single document that provided one cohesive strategic multi-year vision for future market design enhancements
  - The document ended up serving multiple purposes including providing valuable information for the NYISO’s project prioritization and strategic planning processes

# Background

- During the development of the 2018 Master Plan and 2019 project prioritization, stakeholders had several requests for improvements including:
  - Update the Master Plan more frequently
  - Provide some form of cost-benefit comparison for each of the initiatives listed in the Master Plan
  - Improve the timeline for the development of the Master Plan to avoid circumventing the project prioritization process

# Background

- The NYISO has already committed to updating the Master Plan annually
- Today, the NYISO will discuss improvements to the Master Plan template that will:
  - Improve understanding of the problem that each initiative aims to address
  - Compare the level of effort required to the expected benefits for each initiative
- Today, the NYISO will also discuss the Master Plan process and timeline

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# Master Plan Template

# Master Plan Initiative Description

- The 2018 Master Plan Initiative Description:

- ▲ DER Participation Model

2018	2019	2020	2021	2022	2023	Resource Flexibility	Grid Resilience	Price Formation
Market Design Concept Proposed	Functional Requirements	Development Complete	Deployment			X	X	

DER are poised to transform New York's wholesale electric system. DER can help system operators by improving grid resilience, energy security, and fuel diversity. DER can lower consumer prices, improve market efficiency, and allow consumers to take greater control of their electricity use and costs through a variety of new technologies. DER will also improve our environment through the development of new renewable generation and energy storage technologies, helping the State of New York achieve its goals under the Reforming the Energy Vision (REV) initiative<sup>12</sup> and Clean Energy Standard.<sup>13</sup>



# Proposed Update to Initiative Description

- The NYISO proposes to include the following information in the Master Plan
  - Title of Initiative
  - Problem Statement
  - Background
  - Benefit or Goal – If design is successful (discussed further on next few slides)
  - Effort – Amount of effort required to complete the project (discussed further on next few slides)
  - Timeline

# Proposed Handling of Benefits

- The NYISO proposes to describe benefits in the text of document and quantify benefits at a high level by determining whether the initiative would:
  - Improve Market Transparency
  - Improve Market Efficiency
  - Improve Markets support of Reliable Grid Operations
- Where:
  - High Benefit – Would be defined as achieving all three above
  - Medium Benefit – Would be defined as achieving two of the three above
  - Low Benefit – Would be defined as achieving one of the three above

# Proposed Handling of Effort Required

- The NYISO proposes to quantify “costs” at a high level by determining the expected effort to fully implement the initiative where:
  - High Effort – The initiative would take over 4 years to complete
  - Medium Effort – The initiative would take between 2 and 3 years to complete
  - Low Effort – The initiative would take less than 2 years to complete
- The quantification of benefits and effort would be included in a heat map for each initiative

		Benefits		
		Low	Medium	High
Effort	Low			
	Medium		X	
	High			

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# 2019 Master Plan Process & Timeline

# Master Plan Process

- **The Master Plan will begin with getting feedback at each of the Sector Meetings**
- **A draft of the Master Plan will be produced in mid-April**
  - This draft is intended to share an initial thinking of the NYISO based on Sector Meeting feedback
- **An updated draft of the Master Plan will be produced near the end of May**
  - This draft will incorporate more feedback and identify costs and benefits
- **A final draft of the Master Plan will be produced near the end of August**
  - This draft will incorporate any changes as a result of the project prioritization and budget process
- **A final Master Plan will be produced near the end of the year**
  - This final version will incorporate the changes from the final approved budget

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# Master Plan Timeline

- March 2019 – Meet with each governance sector to get initial feedback
- April 23, 2019 (MIWG) – Release and discuss the initial draft of the Master Plan
- April 24, 2019 (BPWG) – Release the initial draft of the Master Plan (no discussion)
- May 22, 2019 (MIWG) – Release and discuss updated draft
- May 29, 2019 (BPWG) – Release update draft (no discussion)
- August 28, 2019 (BPWG) – Release and discuss final draft of the Master Plan
- December 2019 – Release final Master Plan in conjunction with the 2020 Business Plan

All updates to the Master Plan will be coordinated with the overall project prioritization process.

# Next Steps

- Sector Meetings

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

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



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