

2020 Enterprise Project Costs and Deliverables

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Budget and Priorities Working Group

May 29, 2019, Krey Corporate Center

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Agenda

- Project Prioritization Phases, Milestones, and Timeline
- 2020 Enterprise Project Candidates –Costs and Deliverables
- Next Steps

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Project Prioritization Phases, Milestones, and Timeline

Project Prioritization Process

Phase	Description
Identification	This phase involves developing the list of project candidates taking into consideration regulatory obligations, strategic initiatives, State of the Market recommendations, necessary infrastructure enhancements, product plans, stakeholder feedback, etc.
Prioritization	The phase involves a stakeholder survey and the NYISO prioritization of projects. The stakeholder survey will facilitate an assessment of the relative priority of the topic within the portfolio and is used to determine stakeholder appeal. The NYISO prioritization incorporates the stakeholder appeal into objective criteria that reflects strategic alignment, expected outcomes, risks, and ability to execute in development of a priority score for each Market project.
Evaluation	This phase involves performing a feasibility assessment based on detailed cost and labor estimates, dependencies, priority scores, and stakeholder feedback.
Recommendation	This phase involves proposing a feasible set of project deliverables and related budget requirements. The proposal is refined as needed based on stakeholder feedback.

Project Type

Project Type	Description
Mandatory	Strategic Initiatives and FERC Orders. These projects will be included in the budget
Continuing	Approved in a prior year and have progressed to either software design or development complete. Additional projects may be classified as Continuing based on stakeholder feedback. These projects will be included in the budget
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 in to 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

Project Category

Project Category	Description
Enterprise	Includes internal-facing technology and back office support projects that have no market rule changes. This list includes projects that may be noticeable to Market Participants. These projects are NOT included in the stakeholder survey
Market	Projects associated with market rule(s) including market design and study projects as well as any project implementing market rule changes. These projects are included in the stakeholder survey unless they are Mandatory, Continuing, or Future

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Project Scoring

Project Scoring	Description
NYISO Only	Enterprise projects that are not Mandatory, Continuing, or Future types are scored by the NYISO Only during the Prioritization phase. These projects are included in the budget based on a feasibility assessment taking into consideration resources, time constraints, priority score and other project dependencies.
Stakeholder Scored	Market projects that are not Mandatory, Continuing, or Future are included in the stakeholder survey and scored by the NYISO during the Prioritization phase. These projects are included in the budget based on a feasibility assessment taking into consideration resources, time constraints, stakeholder feedback, priority score, and other project dependencies.

Survey Appeal Definition * Same as used in 2018

Criteria	Criteria Weight	HIGH	MEDIUM	LOW	NONE
		10	7	3	0
Appeal	15	Broad Customer Support: Supported by 5 sectors with 25% or more of survey respondents per sector applying points and average across the survey respondents per sector of 5 points or more; or either raw or weighted scores equivalent to 20% of survey respondents applying 25 points or more	Moderate Customer Support: Supported by 4 sectors with 25% or more of survey respondents per sector applying points and average across the survey respondents per sector of 5 points or more; or either raw or weighted scores equivalent to 10% of survey respondents applying 25 points or more	Minimal Customer Support: Supported by 2 sectors with 25% or more of survey respondents per sector applying points and average across the survey respondents per sector of 5 points or more; or either raw or weighted scores equivalent to 5% of survey respondents applying 25 points or more	Little to No Customer Support

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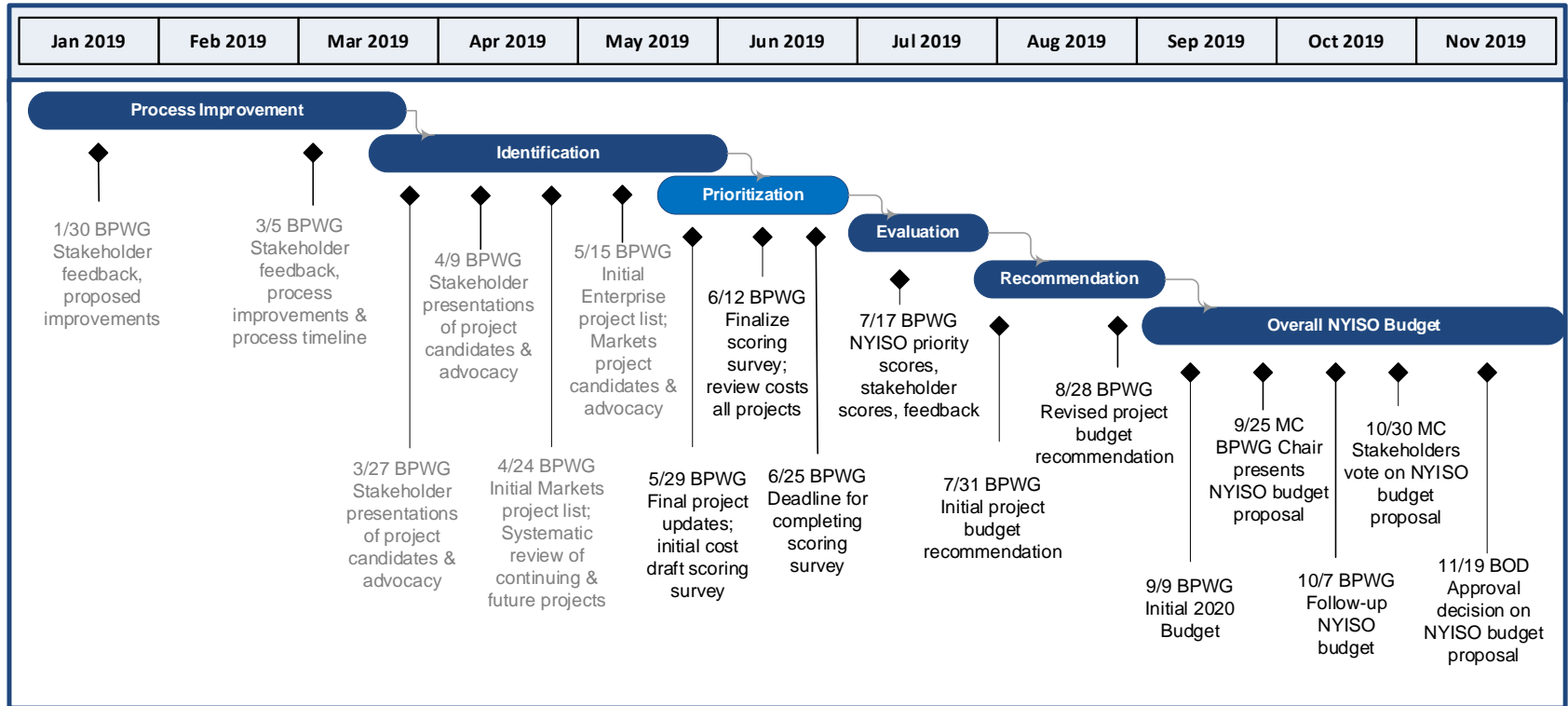
Project Prioritization Criteria * Same as used in 2018

PRIORITIZATION CRITERIA						
Category	Criteria	Criteria Weight	HIGH	MEDIUM	LOW	NONE
			10	7	3	0
Strategy (If we do this project)	Leader in Reliability	10	Significantly improves NYISO ability to maintain NYCA Reliability	Moderately improves NYISO ability to maintain NYCA Reliability	Minimally improves NYISO ability to maintain NYCA Reliability	None
	Leader in Market Design	10	Significantly improves NYISO Market Design	Moderately improves NYISO Market Design	Minimally improves NYISO Market Design	None
	Leader in Technology Innovation	6	Significantly advances the IT strategy or technology improvement	Moderately advances the IT strategy or technology improvement	Minimally advances the IT strategy or technology improvement	None
	Sustain and Enhance Robust Planning Processes	9	Supports tariff, FERC, NPCC, or NYSERC compliance requirements for Planning Process	Supports reliability planning and/or Business Plan objectives	Required for SRP planning study efficiency or continuous improvement initiatives	None
Outcome (If we do this project)	NYISO Annual Cost Reduction	10	>\$500k savings-Direct and soft (labor)	>\$100k, <\$500k savings-Direct and soft (labor)	>\$10k, <\$100k savings - Direct and soft (labor)	<\$10k savings - Direct and soft (labor)
	Appeal	15	Broad Customer Support : Supported by 5 sectors with 25% or more of survey respondents per sector applying points and average across the survey respondents per sector of 5 points or more; or either raw or weighted scores equivalent to 20% of survey respondents applying 25 points or more	Moderate Customer Support: Supported by 4 sectors with 25% or more of survey respondents per sector applying points and average across the survey respondents per sector of 5 points or more; ; or either raw or weighted scores equivalent to 10% of survey respondents applying 25 points or more	Minimal Customer Support: Supported by 2 sectors with 25% or more of survey respondents per sector applying points and average across the survey respondents per sector of 5 points or more; ; or either raw or weighted scores equivalent to 5% of survey respondents applying 25 points or more	Little to No Customer Support
	Market Efficiency	10	Significant improvement	Moderate improvement	Minimal improvement	No impact
	Post Production Sustainability	5	Existing support structure and skills	Support structure exists but needs minimal modifications	Support structure exists but needs major modifications	No skills or support structure in place
Risk (If we do NOT do this project)	Compliance	10	Significant risk of compliance violation	Moderate risk of compliance violation	Minimal risk of compliance violation	None
	Business Process (inclusive of technology impact on business process)	5	Enterprise Wide and/or Bid to Bill Impact. The project impacts processes in most departments	Multiple Department Impact.	Department Wide Impact The project impacts many processes within a department	Only one or two processes impacted
	Reliability and Market	10	Mission-critical systems becoming non operational or above \$1 million market impact	Non mission-critical systems becoming non operational or \$100,000 - \$1 million market impact	Non mission-critical systems affected or \$10,000 - \$100,000 market impact	No or less than 10,000 impact
Execution (If we do this project)	Cost	4	Total project cost (current & future years) estimated <\$100k	Total project cost (current & future years) estimated >\$100k, <\$500k	Total project cost (current & future years) estimated >\$500, <\$1M	Total project cost (current & future years) estimated >\$1M
	Multi-Year Dependency	8	Continuation of a multi-year project - postponement significantly disrupts value of previous investments	Continuation of a multi-year project - postponement moderately disrupts value of previous investments	Continuation of a multi-year project - postponement minimally disrupts value of previous investments	None
	Complexity of Business and Technology	4	One area/technology	Cross-functional < 3 Areas/Technology	Highly Cross-functional/ Re-engineering	Complex, solution and impact unknown
	Compliance	8	Non-appealable, ordered by FERC / desired by NYISO and MP	Ordered by FERC, undesired by NYISO or MP	Potential order identified by FERC	No order identified by FERC

Milestone Definitions

Milestone	Definition
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 concept such that the proposal can be presented for a vote at the BIC or MC to define further action on the proposal.
Architectural Design	The architectural design document is complete and software development is ready to begin.
Functional Requirements	NYISO has completed documentation of the functional requirements and the Business Owner has approved.
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.
Study Complete	Scope of work to be performed has been completed; results and recommendations have been presented to the appropriate Business Owners and stakeholders.
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.

Project Prioritization Timeline



2020 Enterprise Project Candidates – Costs and Deliverables

2020 Enterprise Project Candidates

Project Name	Product Area	Project Type	Proposed Deliverable	Estimated Cost (in millions)			
				Labor	Capital	Prof. Serv.	Total
Budgeting Tool	Business and Finance Products	Prioritize	Functional Requirements	0.11	0.00	0.00	0.11
CMS and ConInvoice Data Integration	Business and Finance Products	Prioritize	Functional Requirements	0.08	0.00	0.00	0.08
CMS Minimum Participation Criteria Enhancements	Business and Finance Products	Prioritize	Deployment	0.08	0.00	0.00	0.08
Customer Relationship Management (Salesforce CRM) Enhancements	Business and Finance Products	Prioritize	Deployment	0.15	0.08	0.10	0.33
Enterprise Information Management - Data Integration Phase IV	Business and Finance Products	Continuing	Deployment				
FERC Form1 Redesign	Business and Finance Products	Mandatory	Deployment	0.11	0.15	0.00	0.26
Finance Reporting and BVA Automation	Business and Finance Products	Prioritize	Functional Requirements				

2020 Enterprise Project Candidates

Project Name	Product Area	Project Type	Proposed Deliverable	Estimated Cost (in millions)			
				Labor	Capital	Prof. Serv.	Total
Financial Risk Assessment and Scoring Enhancement	Business and Finance Products	Continuing	Deployment	0.26	0.00	0.00	0.26
Minimum Oil Burn Enhancements	Business and Finance Products	Prioritize	Deployment				
Oracle Financials Upgrade	Business and Finance Products	Continuing	Deployment	0.24	0.00	0.50	0.74
Position Control System	Business and Finance Products	Continuing	Deployment				
Rate Schedule 12 Settlement	Business and Finance Products	Continuing	Deployment	0.26	0.00	0.00	0.26
SDX API Pilot	Business and Finance Products	Prioritize	Development Complete	0.18	0.00	0.00	0.18
Station Power Platform Enhancement	Business and Finance Products	Prioritize	Deployment	0.22	0.00	0.00	0.22

2020 Enterprise Project Candidates

Project Name	Product Area	Project Type	Proposed Deliverable	Estimated Cost (in millions)			
				Labor	Capital	Prof. Serv.	Total
Transactions Modifications and Confirmation Tool	Business and Finance Products	Prioritize	Functional Requirements	0.13	0.00	0.00	0.13
Vendor Management Tool	Business and Finance Products	Continuing	Deployment	0.04	0.00	0.00	0.04
DAM Congestion Settlement Re-Allocation	Energy Market Products	Prioritize	Development Complete	0.18	0.00	0.00	0.18
Energy Market Software Performance	Energy Market Products	Prioritize	Study Complete				
Access Management	Enterprise Products	Prioritize	Deployment	0.69	0.13	0.45	1.27
Advanced Test Automation	Enterprise Products	Prioritize	Deployment	0.17	0.00	0.65	0.82
Application Platform Upgrade - 2020	Enterprise Products	Continuing	Deployment	0.61	0.00	0.00	0.61

2020 Enterprise Project Candidates

Project Name	Product Area	Project Type	Proposed Deliverable	Estimated Cost (in millions)			
				Labor	Capital	Prof. Serv.	Total
CIP Program Optimization and New Standards Development	Enterprise Products	Prioritize	Study Complete	0.35	0.00	0.20	0.55
Database Upgrade and Platform Migration	Enterprise Products	Continuing	Deployment	0.40	1.62	0.13	2.14
IT Infrastructure Automation	Enterprise Products	Continuing	Deployment	0.46	0.00	0.20	0.66
IT Service Management Improvements	Enterprise Products	Prioritize	Deployment	0.24	0.45	0.25	0.94
Market Information Systems Modernization	Enterprise Products	Prioritize	Study Complete				
Network Infrastructure Upgrade	Enterprise Products	Continuing	Deployment	0.19	1.35	0.00	1.54
PCC Control Room Enhancements	Enterprise Products	Prioritize	Deployment	0.36	1.73	0.57	2.66

2020 Enterprise Project Candidates

Project Name	Product Area	Project Type	Proposed Deliverable	Estimated Cost (in millions)			
				Labor	Capital	Prof. Serv.	Total
Automated Default Bid Mitigation	Operations & Reliability Products	Continuing	Deployment	0.14	0.00	0.00	0.14
EMS Visualization Native PI Viewer - Interface and Event Tool	Operations & Reliability Products	Prioritize	Deployment				
EMS/BMS Operational Enhancements	Operations & Reliability Products	Prioritize	Deployment				
E-Tagging Refresh and Performance Improvements	Operations & Reliability Products	Prioritize	Deployment	0.14	0.00	0.69	0.82
GFER Upgrade	Operations & Reliability Products	Prioritize	Deployment	0.09	0.00	0.00	0.09
Grid Guardian Network Topology Feature Implementation	Operations & Reliability Products	Prioritize	Deployment				
NextEra Transmission Owner Integration	Operations & Reliability Products	Mandatory	Study Complete				

2020 Enterprise Project Candidates

Project Name	Product Area	Project Type	Proposed Deliverable	Estimated Cost (in millions)			
				Labor	Capital	Prof. Serv.	Total
Transmission and Generation Scheduling System (TAGSS)	Operations & Reliability Products	Continuing	Development Complete	0.28	0.00	1.53	1.81
TCC Auction Billing	TCC Products	Prioritize	Deployment				

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Next Steps

Next Steps

- **Written feedback may be provided until June 3rd**
 - Send to Leigh Bullock and Brian Hurysz
 - LBullock@nyiso.com : (518) 356-7503
 - Bhurysz@nyiso.com : (518) 356-6126
- **Cost review for all projects is scheduled for June 12th BPWG**
- **Deadline for completing scoring survey will be June 25th**

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Questions?

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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