



Decision on the 2010-2014 Five Year Strategic Plan

John Anders
Director, Organizational Effectiveness

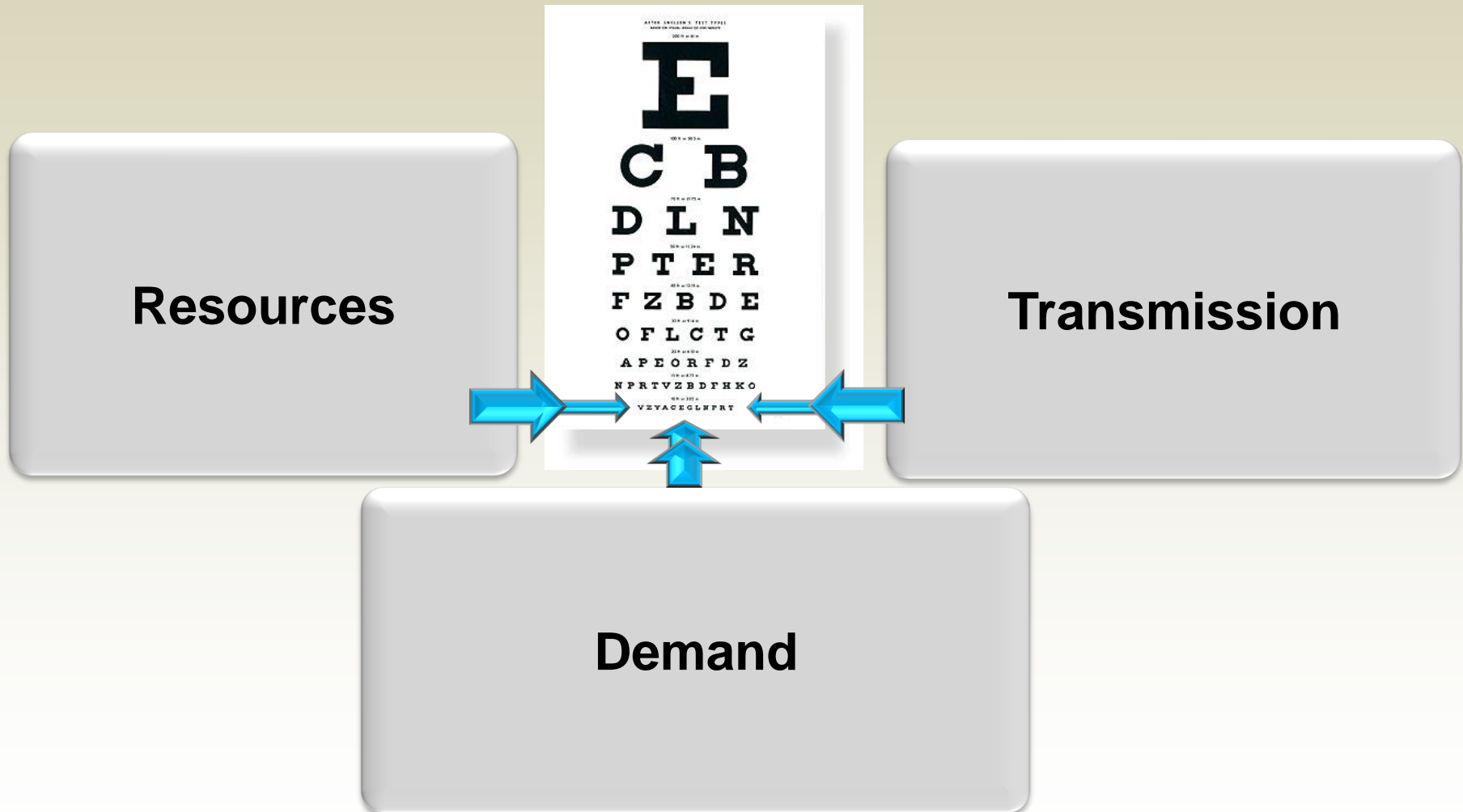
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The ISO engaged in an extensive process to envision a future with both optimism and reality.

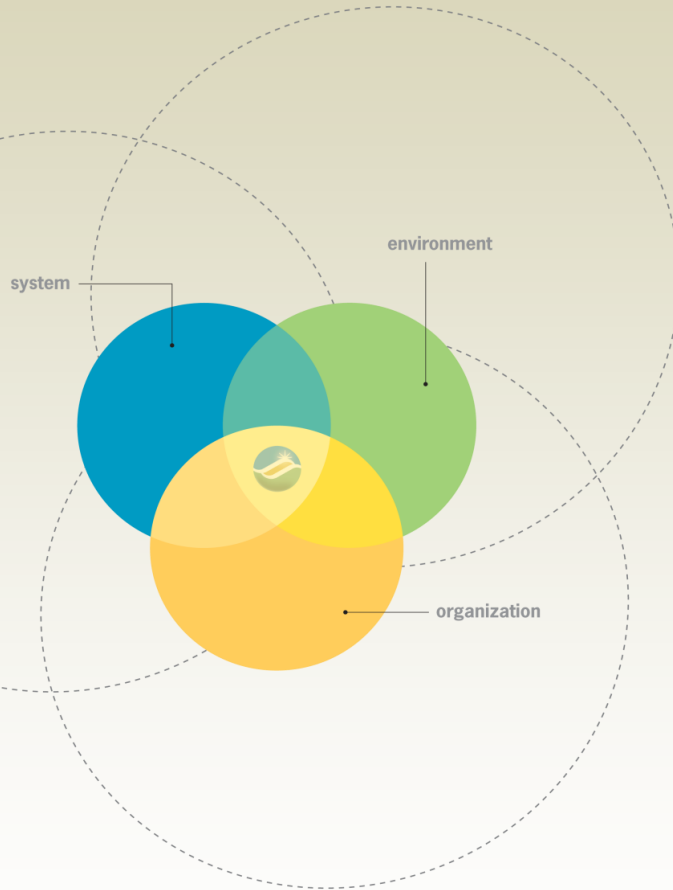
- Collaborated and discussed with senior executive industry leadership
- Extracted and organized ISO institutional intelligence
- Tested vision with industry experts
- Shared vision with state agencies
- Validated vision with the Board
- Incorporated vision into the strategic plan



A clear vision of the electric power industry in 2020 underpins the ISO's strategic direction.



Our vision for 2020 led to the formation of strategies in the following three areas:



- Ensure a stable, reliable foundation for system operations and planning
- Fulfill important environmental policy and regulatory objectives
- Secure the resources and tools required for success of the organization

Our system strategies assure continued focus on core business functions that do not change.

- Achieve consistent, reliable operations
- Design, facilitate, and operate efficient markets
- Plan the system efficiently
- Maintain open access
- Provide quality and timely information



Our system strategies focus on operations, markets, and infrastructure.

- Assess, test and deploy new technologies
 - Advance capabilities and situational awareness
 - Optimize economic dispatch
- Strengthen market functionality and efficiency
 - Increase alignment between market results and conditions
 - Reduce price corrections and exceptional dispatch
- Optimize use of the existing infrastructure
 - Assess system needs
 - Complete enhancements

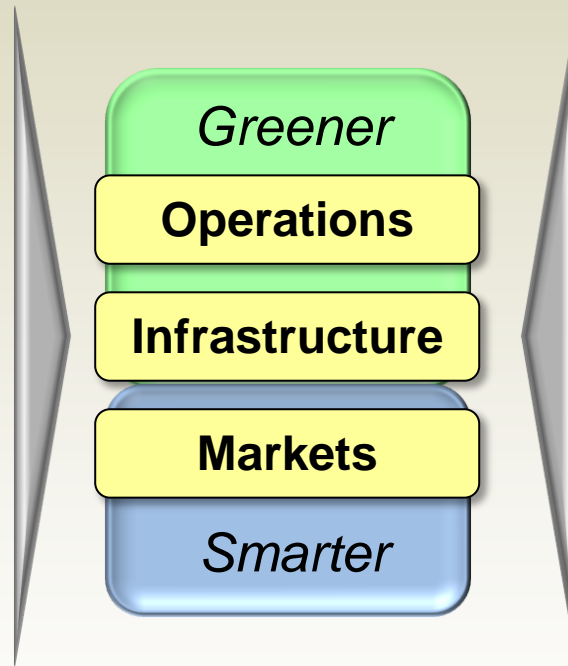


Our strategies with respect to environmental policy initiatives are interconnected.

Renewable integration



Strategies



Smart grid



Our strategies facilitate renewable resource development, while accounting for uncertainty.

- Deploy operational tools, technology and protocols
 - Define requirements and pilot new technology
 - Create advanced forecasting tools
- Establish market rules and designs
 - Improve accuracy and transparency of pricing
 - Provide appropriate incentives
- Develop infrastructure through collaboration
 - Improve transmission planning and interconnection processes
 - Identify cost-effective transmission upgrades
 - Encourage technological innovation



Our people, process, and technology strategies align with our core business strategies.

- Develop the next generation of ISO people to lead our organization into the future
- Build a sustainable process-centered organization that aligns performance to business objectives
- Create a state of the art business and operational environment

