



New York Power Authority

Generating more than electricity

Risk Management Update

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Board of Trustees Meeting

NYPA's Risk Management History

Concept Introduction

Trustee Commitment – 2009

- Creation of Enterprise Risk Department
- Initial approach

Risk Inventory Build-out

- Bottoms-up assessment approach – 2010-12
- 2012 – Participation of all Business Units/operating facilities

Risk Metrics

Governance

- Formalize and align to existing governance structure
- Clarify roles and responsibilities

Enterprise Risk Report – starts to tell the story

2013 and Beyond – Realizing Value

Assessment Process – maturity

- Top-down – enterprise/top risks
- Bottom-up – inform enterprise/top risks
- Risk Workshops
- Response Plans

Emerging Risks

- Internal – risk as part of the discussion
- External – enhance awareness

2013 – Next Steps



Executive Risk Management Committee (ERMC)

- *Priority Consensus*
- *Top Risks*

Incorporate Risk in Capital Allocation

- *Asset Investment Planning*



Governance
- Finalize Materials
- Audit Committee Update

Complete March 2013



Key Risk Indicators (KRI)

- *Development*

Enhance Coordination

- *Strategy*
- *Audit*
- *Compliance*

