

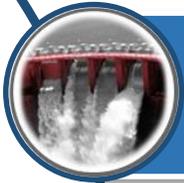


**NY Power  
Authority**

# **NYPA Corporate Performance**

## **2016 Revised Corporate Metrics**

*Three objectives of this presentation...*



Explain the rationale for why we are proposing changes to our corporate metric regime



Present the proposed set of nine revised NYPA corporate metrics



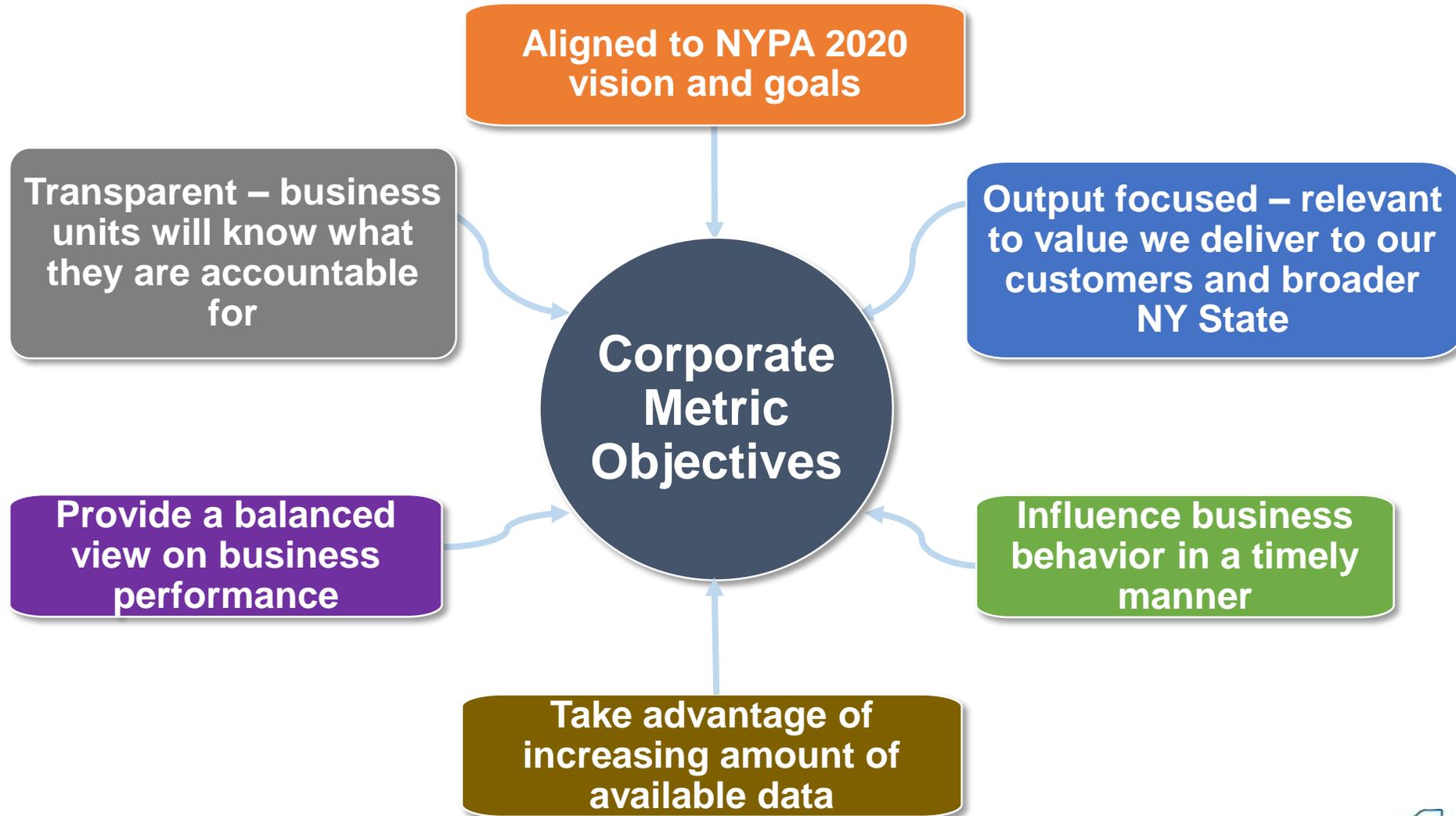
Outline next steps – and in particular when we will start reporting 2016 performance against the proposed set of revised metrics

*NYPA is facing some challenges around its corporate metric regime...*

- Given the nature and mandate of our business, it is very difficult to clearly define what success means for NYPA
- We have a new 2020 strategic vision / plan and our current set of metrics may not be fit for purpose
- The industry is changing rapidly and NYPA is facing new challenges that it hasn't had to manage in the past

We have therefore developed a revised set of corporate metrics that we are looking to role out in 2016

*The following set of design principles were applied in the development of the revised set of corporate metrics*



*Corporate metrics will help ensure that every NYPA employee is working towards NYPA's 2020 strategic vision ...*



An energy landscape that is

- Clean
- Affordable
- Reliable / Resilient

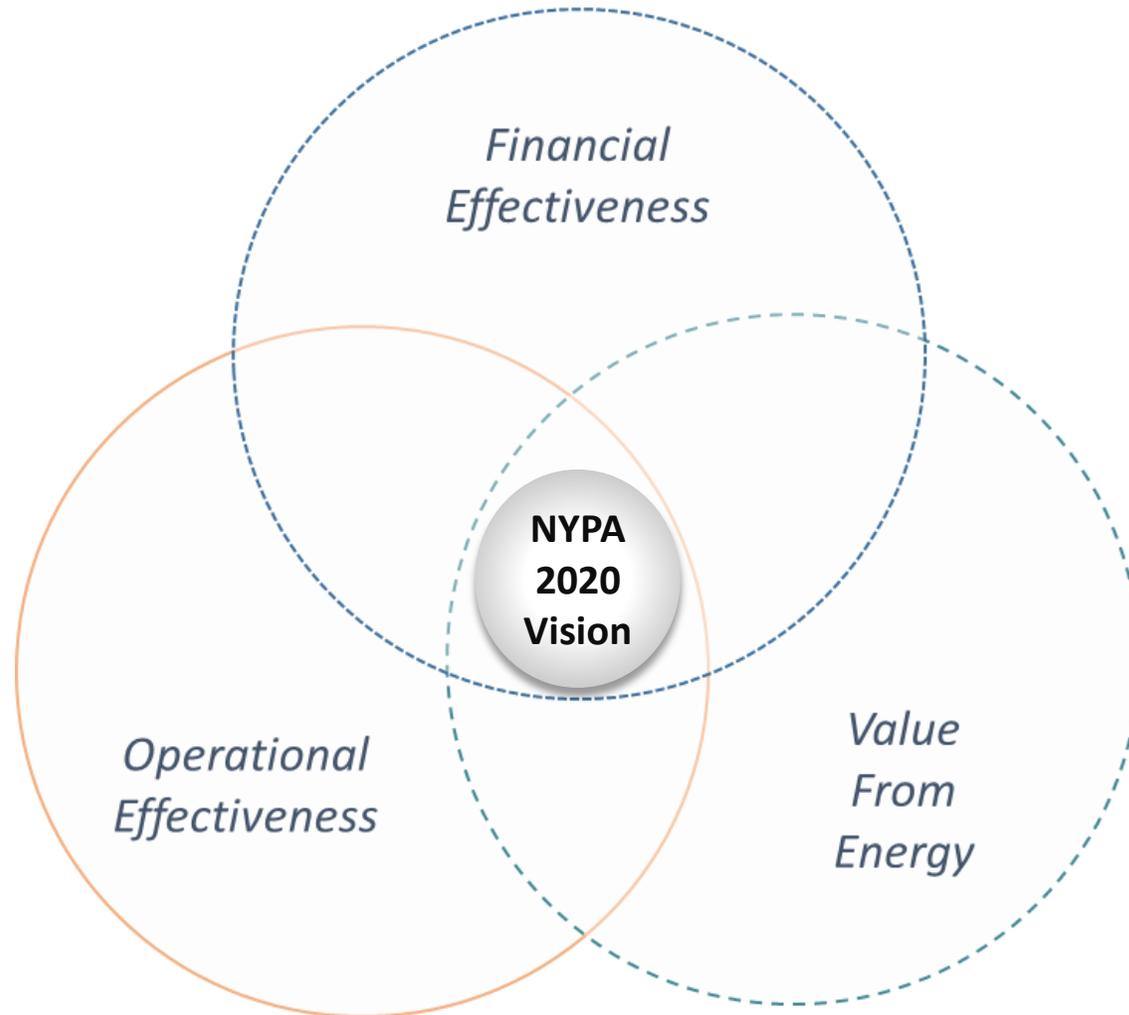
“Our vision is a Power Authority that enables a thriving New York state through the provision of sustainable, affordable energy, stewardship of the state’s natural resources, and leadership in innovative technologies and energy efficiency services”

- Financial Effectiveness
- Operational Effectiveness
- Value From Energy

*Introduce in 2016*

*Introduce in 2016*

*NYPA has three corporate goals that work collectively in delivering our strategic 2020 vision...*



**Financial Effectiveness**

Maximize our financial capacity to make capital investments that help achieve our goals

**Operational Effectiveness**

Maximize the efficiency, reliability and flexibility of our assets and organization

**Value From Energy**

Ensure that we provide the state with reliable, affordable, and sustainable energy

**Core Performance Metrics**

Metrics that are clearly aligned to our strategic goals and continue to deliver additional value to customers and the broader State of New York even when the target is exceeded.

Goal	Metric	Description
Financial Effectiveness	Economic Value Added (\$)	Measures economic value delivered through our capital investments
Operational Effectiveness	Non-Fuel O&M Cost / MWH (\$)	Measures operating efficiency as it relates to our production of electricity
	Commercial Availability %	Measures reliability of our assets with a particular focus on most valuable periods
	Load Factor Optimization (%)	Measures economic efficiency of our electricity generation (average load vs. peak load)
Value From Energy	Value of Carbon Reduction (\$)	Measures economic value of carbon reduction delivered through NYPA's operations and customers

Threshold Metrics

Metrics that are simply focused on meeting a threshold target. Either we meet the target or do not meet the target. Furthermore, they do not directly help us achieve our strategic goals

Goal	Metric	Description
n/a	Bond Rating	Measures NYPA’s ability to draw on financial capacity for capital investments and projects
	Safety (DART Rate)	Measures NYPA’s ability to limit the severity of recordable incidents resulting from NYPA operations
	Environmental Incidents	Measures NYPA’s ability to limit the number of environmental violations resulting from NYPA operations
	Workforce Alignment	Measures whether we have the right workforce to deliver NYPA’s 2020 strategic vision and plan

*Next Steps...*



Commence historic / current data collection and set targets



Build out business unit level metrics to support corporate metrics



Report on Q1 performance against proposed set of new metrics in March 2016