



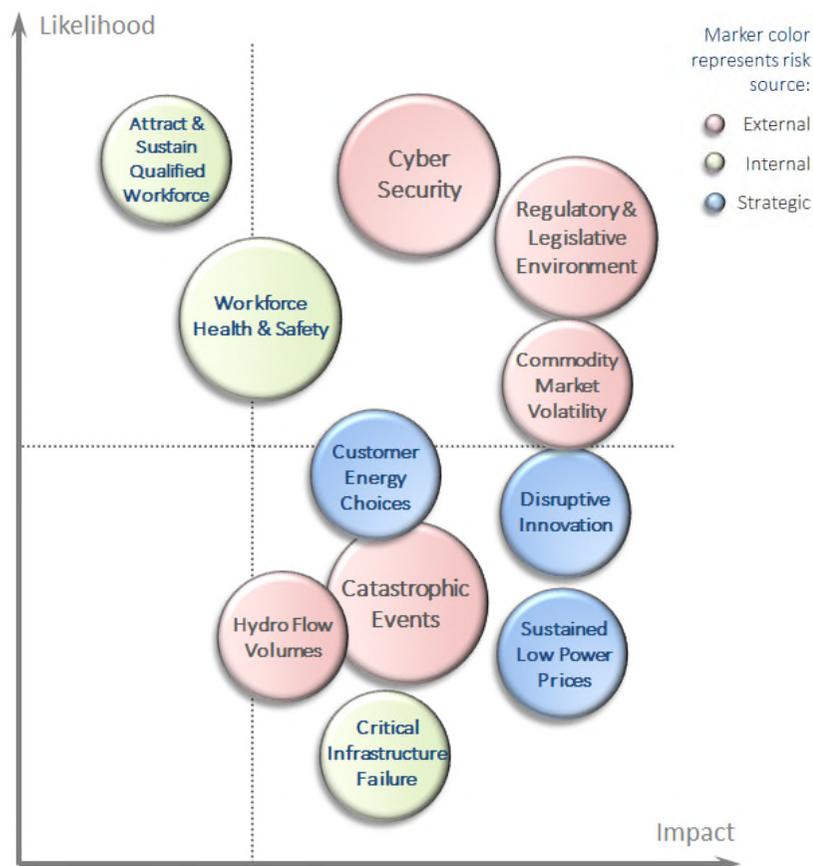
Risk Management Update: July 2016

Soubhagya Parija

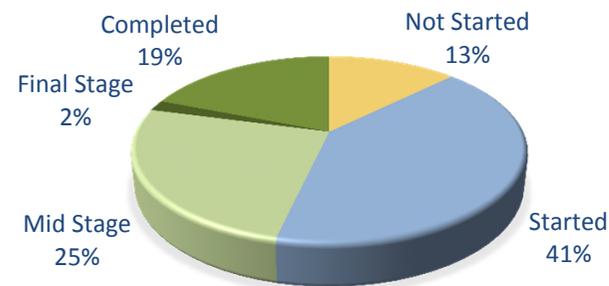
Senior Vice President & Chief Risk Officer

July 26, 2016

Top Enterprise Risks Update



Action Plan Status



Risk Management Activities

Chief Risk Officer

- Active participation in the Large Public Power Council (LPPC) & Committee of Chief Risk Officers (CCRO)

Commodity Risk

- Risk Appetite Workshop focused on the Merchant Energy Portfolio held on July 18 with Senior Executives

Insurance

- Review of Cyber Insurance gap analysis report in-progress
- Coverages, limits & deductibles to be assessed

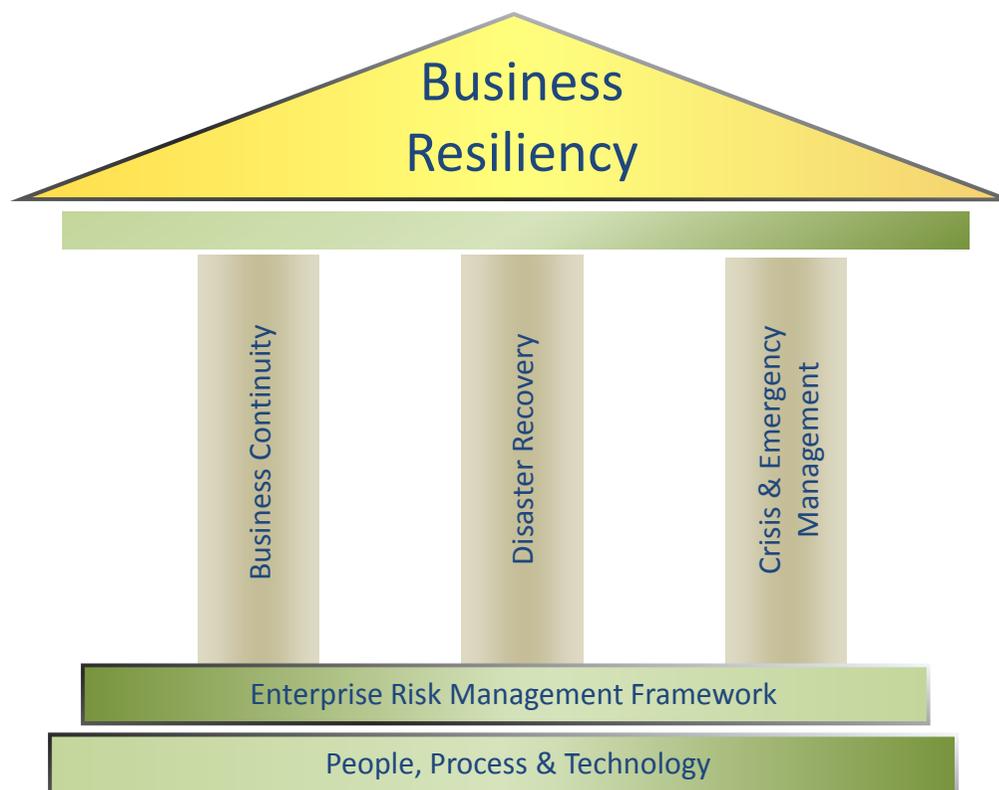
Business Resiliency

Risk Management

Business Resiliency

Enhances capability to anticipate disruption-related risks & increases preparedness to sustain critical operations

- **Aligns with Strategic Vision**
Create a stronger, more reliable & resilient grid
- **Builds upon a strong, existing foundation**
Leverage people, process & technology



Reputational Risk

Risk Management

Reputational Risk Program: Risk & Opportunity

Leading organizations manage reputational risk holistically across the enterprise using a well-defined, disciplined & operationalized reputation risk framework

Establish governance

- Program charter
- Steering Committee for program oversight
- Establish a Working Group
- Prioritize work plan for first 180 days

July to August

Consensus on desired reputation

- Develop assessment framework & prioritize stakeholder groups

September to November

Enhance internal awareness

Scenario Planning

- Deploy brand-building strategy: targeted messaging campaigns & training
- “What-if” scenario planning

December

Refresh

- Review & measure progress
- Update Trustees & Executive Management
- Identify steps for next 180 days

January 2017



NY Power Authority

Q & A

Appendix

Organizational Structure

Risk Management Business Unit

