

September 27, 2017

Setting the Board and Committee Agendas for 2018



Board's Annual Agenda Setting Process

- ▲ Board adopted Governance and Agenda Planning Policy in September 2016
 - ✦ Plan annual cycle of topics for Board and committee meetings to systematically monitor the totality of performance of LIPA and its Service Provider relative to the Board's Policies
- ▲ Historically, all voting matters were brought to a committee for recommendation to full Board
- ▲ Adoption of consent agenda – December 2016
- ▲ New practice: Ministerial items placed on consent agenda without committee recommendation so as to allow more meeting time for substantive discussion
 - ✦ Based on Trustees being briefed on all items and provided Board memos and resolutions in advance of Board meeting



Summary of LIPA Board and Committee Meetings/Workshops in Past 12 Months

Board/Committee	# of meetings	Average length	Total time
Board Meetings and Workshops	8	2.3 hours	18.4 hours
F&A	6	45 minutes	4.45 hours
Oversight	5	54 minutes	4.5 hours
REV	6	44 minutes	4.4 hours
Governance	5	23 minutes	1.9 hours
Personnel & Comp.	2	15 minutes	30 minutes

Total # of meetings: 32

Total time spent: 34.2 hours

- ▲ In addition, LIPA and DPS held 14 public comment sessions and took written public comments on two Board agenda items
- ▲ Public comments and recommendations provided to the Board after each public comment session, in addition to the in-person public comments at the Board meetings

Comparison of LIPA Board Meetings v. Other Public Power Boards (Past 12 Months)



	LIPA	Sacramento Municipal Utility District**	Omaha Public Power District**
# of Board meetings	8	19	11
<u># of Committee meetings</u>	<u>24</u>	<u>36</u>	<u>8</u>
Total # meetings	32	55	19
Board time	18.4 hours	15 hours	13.7 hours
<u>Committee time</u>	<u>15.8 hours</u>	<u>43 hours</u>	<u>18.2 hours</u>
Total time spent	34.2 hours	58 hours	31.9 hours
Avg. Board Meeting	2.3 hours	1.3 hours	1.3 hours
<u>Avg. Committee Meeting</u>	<u>0.7 hours</u>	<u>1.2 hours</u>	<u>2.3 hours</u>
Avg. Meeting	1.1 hours	1.0 hours	1.7 hours

- ▲ LIPA's Board spends a similar amount of time in session as other public utility boards
- ▲ Some Boards have fewer, longer meetings while others have more frequent, shorter meetings

* Data based on publicly available information

Summary of Proposed 2018 LIPA Meetings

Board/Committee	# of meetings	Average length	Total time
Board/Workshops*	8	1.6 hours	12.8 hours
F&A	6	1.2 hours	7.3 hours
Oversight	5	54 minutes	4.5 hours
REV	4	25 minutes	1.6 hours
Governance	4	43 minutes	2.2 hours
Personnel & Comp.	3	37 minutes	1.8 hours

Total # of meetings: 30

Total time: 30.2 hours

- ▲ The proposed Board agenda for 2018 does not include a time allowance for emerging issues, which are likely to increase the total time spent by the Board during the year by 3-4 hours

* Includes June Board Strategic workshop (2 hours) and November Board Budget workshop (2 hours)



Proposed January 25, 2018 Meetings

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| Board | <ul style="list-style-type: none">✧ Roll call, pledge, consent agenda, CEO, CFO and Operating Reports (“Routine Board Matters”) (30 mins.)✧ Annual Governance Package (see Appendix) (15 mins.)✧ Taxes, PILOTs and Assessments Policy (30 mins.)✧ Public Comment (20 mins.) | [95 mins.] |
| F&A | <ul style="list-style-type: none">✧ LIPA and PSEG LI Financial Report and LIPA Internal Audit (“Routine F&A Matters”) (20 mins.)✧ Audit Relationships Policy, Internal Audit Charter and Confirmation of Independence (15 mins.)✧ Review Quarterly Financials Ended December 31 (10 mins.) | [45 mins.] |



January 25, 2018, cont'd.

Governance	✧ Annual Governance Package including Governance Committee Charter (20 mins.)	[65 mins.]
	✧ Discussion of 2017 Goals and Accomplishments (25 mins.)	
	✧ Discussion of Three-Year Operations and Oversight Plan (20 mins.)	
REV	✧ Review REV Committee Charter (10 mins.)	[10 mins.]
Oversight	✧ Discussion of PSEG LI and PSEG ER&T's 2017 OSA Metric Performance (20 mins.)	[30 mins.]
	✧ Review Oversight Committee Charter (10 mins.)	
P&C	✧ Review P&C Committee Charter (10 mins.)	[10 mins.]
Total proposed time for January meetings:		4.3 hours



Proposed March 29, 2018 Meetings

Board	✧ Routine Board Matters (30 mins.)	[80 mins.]
	✧ Debt and Capital Markets Policy (20 mins.)	
	✧ Review and Approval of 2017 Financials (10 mins.)	
	✧ Public Comment (20 mins.)	

F&A	✧ Routine F&A Matters (20 mins.)	[100 mins.]
	✧ 2017 Audit Results from Independent Auditors (20 mins.)	
	✧ EXECUTIVE SESSION with Independent Auditors (10 mins.)	
	✧ Presentation of, and Recommendation to Approve, 2017 Financials (25 mins.)	
	✧ Annual Financial Package, including F&A Committee Charter (see Appendix) (15 mins.)	
	✧ Committee's Annual Self-Report to the Board (10 mins.)	



March 29, 2018, cont'd.

Oversight	✧ Discussion of 2018 OSA Performance Metrics (20 mins.)	[55 mins.]
	✧ Briefing on Winter Storm Summary (25 mins.)	
	✧ Committee's Annual Self-Report to the Board (10 mins.)	
P&C	✧ CEO Performance and Compensation (25 mins.)	[70 mins.]
	✧ Review LIPA Staffing Levels (20 mins.)	
	✧ Emergency Succession Planning (15 mins.)	
	✧ Committee's Annual Self-Report to the Board (10 mins.)	

Total proposed time for March meetings: 5.25 hours



Proposed May 24, 2018 Meetings

Board	✧ Routine Board Matters (30 mins.)	[80 mins.]
	✧ System Reliability Policy (30 mins.)	
	✧ Public Comment (20 mins.)	
F&A	✧ Routine F&A Matters (20 mins.)	[55 mins.]
	✧ EXECUTIVE SESSION – Internal Audit (10 mins.)	
	✧ Review Quarterly Financials Ended March 30 (10 mins.)	
	✧ Economic Development Policy (15 mins.)	
REV	✧ Update on Implementation of Utility 2.0 Programs (25 mins.)	[35 mins.]
	✧ Committee’s Annual Self-Report to the Board (10 mins.)	
Oversight	✧ Review Annual Update to Emergency Response Plan (25 mins.)	[70 mins.]
	✧ Summer Preparation for Power Supply & T&D (25 mins.)	
	✧ Briefing on Implementation of Management Audit Recommendations (20 mins.)	

Total proposed time for May meetings:

3.8 hours



Proposed June Board Strategic Workshop

Board	✧ Board Selected Strategic Topic 1 (45 mins.)	[2 hours]
	✧ Board Selected Strategic Topic 2 (45 mins.)	
	✧ Board Selected Strategic Topic 3 (30 mins.)	
Total proposed time for June Strategic Workshop:		2 hours



Proposed July 26, 2018 Meetings

Board	✧ Routine Board Matters (30 mins.)	[110 mins.]
	✧ Resource Planning, Renewables and Efficiency Policy (30 mins.)	
	✧ Regionally Competitive Rates Policy (30 mins.)	
	✧ Public Comment (20 mins.)	

F&A	✧ Routine F&A Matters (20 mins.)	[65 mins.]
	✧ Review Quarterly Financials Ended June 30 (10 mins.)	
	✧ Presentation from PSEG ER&T on Power and Fuel Supply Management and Hedging (20 mins.)	
	✧ Power Supply Hedging Program Policy (15 mins.)	

Governance	✧ Review Trustee Skill Profiles for Appointing Authorities (20 mins.)	[20 mins.]
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July 26, 2018, cont'd.

Oversight	✧ Update on T&D Capital Budget and FEMA Project (30 mins.)	[30 mins.]
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REV	✧ Presentation of Annual Energy Efficiency Report (20 mins.)	[30 mins.]
	✧ Committee's Annual Self-Report to the Board (10 mins.)	

Total estimated time for July meetings:	4.25 hours
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Proposed September 27, 2018 Meetings

Board	✧ Routine Board Matters (30 mins.)	[80 mins.]
	✧ Customer Service Policy (30 mins.)	
	✧ Public Comment (20 mins.)	
F&A	✧ Routine F&A Matters (20 mins.)	[85 mins.]
	✧ Discussion of Independent Auditor's 2018 Audit Plan (20 mins.)	
	✧ Enterprise Risk Management Policy (30 mins.)	
	✧ Annual Insurance Review (15 mins.)	
REV	✧ Review 2019 Utility 2.0 Proposals (25 mins.)	[25 mins.]



September 27, 2018, Cont'd.

Oversight	✧ Undergrounding and Communication Policy (20 mins.)	[105 mins.]
	✧ Briefing on Public Outreach in Connection with Major Construction Projects (20 mins.)	
	✧ Safety Policy (20 mins.)	
	✧ Physical and Cyber Security (25 mins.)	
	✧ Implementation of Management Audit Recommendations (20 mins.)	
P&C	✧ Development, Retention and Succession Policy (15 mins.)	[30 mins.]
	✧ Staffing and Employment Policy (15 mins.)	

Total estimated time for September meetings: 5.5 hours



Proposed November Board Budget Workshop

Board	✧ Budget Presentation (90 minutes)	[2 hours]
	✧ Q&A (30 minutes)	

Total proposed time for December Budget Workshop: 2 hours



Proposed December 20, 2018 Meetings

Board

- ✧ Routine Board Matters (30 mins.) [85 mins.]
 - ✧ Approval of 2019 Budget and Plan of Finance (20 mins.)
 - ✧ Approval of Tariff Changes (15 mins.)
 - ✧ Public Comment (20 mins.)
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F&A

- ✧ Routine F&A Matters (20 mins.) [90 mins.]
 - ✧ Approval of 2019 Budget and Plan of Finance (20 mins.)
 - ✧ Discussion of 2019 Internal Audit Plan (10 mins.)
 - ✧ EXECUTIVE SESSION – Internal Audit (10 mins.)
 - ✧ Approval of Tariff Changes (15 mins.)
 - ✧ Review Quarterly Financials Ended September 30 (10 mins.)
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December 20, 2018, cont'd.

Governance	✧ Governance and Agenda Setting Policy (20 mins.)	[45 mins.]
	✧ Review Board Committee Structure (10 mins.)	
	✧ Complete Board Self-Evaluation (15 mins.)	

Total estimated time for December meetings: 3.8 hours

Appendix

Annual Governance Package

- ▲ Procurement Policy
- ▲ Property Acquisition / Disposition Policy
- ▲ Lobbying Policy
- ▲ Mission Statement
- ▲ Bylaws
- ▲ Trustee Code of Ethics and Conduct
- ▲ Trustee Communications Policy
- ▲ Purpose and Role of LIPA Trustees Policy
- ▲ Whistleblower Policy



Annual Financial Package

- ▲ Investment and Risk Policy
- ▲ Interest Rate Exchange Agreement Policy
- ▲ Prompt Payment Policy
- ▲ Investment Report