

## **FOR CONSIDERATION**

September 27, 2017

**TO:** The Trustees

**FROM:** Thomas Falcone

**REQUEST:** Recommendation to Approve Board Policy on Safety

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### Requested Action

The Board of Trustees (the “Board”) is requested to adopt a resolution (attached as Exhibit A) approving the proposed Board Policy on Safety (the “Policy”, attached as Exhibit B) for the Long Island Power Authority and its subsidiary, LIPA (collectively the “Authority”).

### Background

Staff requests the Board to provide policy guidance regarding efforts to monitor, maintain, and improve the safety of the dedicated workforce that serves the Authority and the public and for Staff’s oversight of such efforts. Other public power utilities, such as Sacramento Municipal Utility District and Omaha Public Power District, have established similar frameworks to guide their operations.

### Discussion

The recommended Policy seeks to ensure that a safe working environment is maintained by: (1) assuring that the Authority’s service provider and contractors: comply with all applicable health and safety laws and regulations, maintain appropriate safety procedures and programs, report incidents promptly and take corrective actions, provide training and resources to safely perform duties; (2) benchmarking the service provider’s safety performance to the top 25% of peer utilities, as measured by OSHA metrics; (3) assessing and improving operational factors that contribute to injuries.

The foregoing objectives are consistent with the goals set forth in the Amended & Restated Operations Services Agreement (“OSA”) and provide further context to the administration of performance metrics established pursuant to the OSA and the Budgets and Rate Plans submitted to the Board. Moreover, the Policy establishes regular performance reporting by Staff to enable the Board to assess progress against the goals of the Policy.

### Recommendation

Based upon the foregoing, I recommend approval of the above requested action by adoption of the resolution in the form attached hereto.

### Attachments

Exhibit A Resolution

Exhibit B Policy on Safety

**RESOLUTION FOR APPROVAL OF BOARD POLICY ON SAFETY**

WHEREAS, the Board of Trustees (“Board”) recognizes that safety is an essential aspect of utility operations;  
and

WHEREAS, the Board recognizes that safe operations require appropriate policies, procedures and practices,  
as well as benchmarking to the performance of peer utilities; and

WHEREAS, the Board has considered and agrees with the Policy on Safety described in and attached to the  
accompanying memorandum:

NOW, THEREFORE, BE IT RESOLVED, that consistent with the accompanying memorandum, the  
proposed Policy on Safety, in the form attached to the accompanying memorandum, is hereby approved.

Exhibit B

Board Policy: **Safety**  
Policy Type: **Operating Policies**  
Monitored by: **Oversight Committee**  
Board Resolution: **[Resolution #, approved date of resolution]**

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### **Board Policy on Safety**

It is the policy of the Long Island Power Authority to ensure a safe environment for the dedicated workforce of its service provider and the public by:

- a) Reviewing on a periodic basis no less than every three years the policies, procedures, and practices of the Authority's service provider to:
  - Comply with applicable health and safety laws and regulations concerning its employees, contractors, and the public;
  - Maintain appropriate safety procedures, programs, and training for employees and contractors based on their responsibilities and duties;
  - Report incidents involving employees and the public promptly, investigate the cause of incidents, and take corrective action.
- b) Benchmarking the safety performance of the service provider to the top 25 percent of peer utilities, as measured by the OSHA Recordable Incidence Rate and OSHA Days Away Rate.
- c) Assessing the operational factors that contribute to injuries (e.g., motor vehicle accidents) and the efforts to improve performance, where necessary.

The Chief Executive Officer will report annually to the Board on:

- The adequacy of the service provider's policies, procedures, and practices related to safety;
- Compliance with applicable health and safety laws and regulations;
- Safety performance, including comparisons to peer electric utilities; and
- Initiatives to improve the safety of the service provider's operations.