

**LONG ISLAND POWER AUTHORITY**  
**MINUTES OF THE OVERSIGHT COMMITTEE MEETING**  
**HELD ON MARCH 29, 2018**

The Oversight Committee of the Long Island Power Authority (the “Authority”) was convened at 10:47 a.m. at LIPA Headquarters, Uniondale, NY, pursuant to legal notice given on March 26, 2018, and electronic notice posted on the Authority’s website.

The following Trustees of the Authority were present:

**Elkan Abramowitz, Committee Chair**  
**Matthew Cordaro, Committee Member**  
**Sheldon Cohen, Committee Member**  
**Peter Gollon, Trustee**

Representing the Authority were Thomas Falcone, Chief Executive Officer; Joseph Branca, Chief Financial Officer; Jon Mostel; General Counsel; Bobbi O’Connor, Vice President of Policy, Strategy and Administration & Secretary to the Board of Trustees; Ken Kane, Vice President of Financial Oversight; Rick Shansky, Vice President of Operations Oversight; and Michael Deering, Director of Customer Service Oversight and Stakeholder Relations.

Representing PSEG Long Island were Dan Eichhorn, President and COO, Paul Napoli, Vice President of Power Markets; John O’Connell, Vice President of Transmission & Distribution; Dave Lyons, Vice President of Business Services; and Lou Debrino, Senior Manager, Emergency Planning.

*Committee Chair Abramowitz welcomed everyone to the Oversight Committee meeting of the Long Island Power Authority Board of Trustees and stated that the first item on the agenda was the adoption of the minutes from the December 19, 2017 Committee meeting.*

*Upon motion duly made and seconded, the minutes of the December 19, 2017 meeting were approved unanimously.*

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*Chair Abramowitz then stated that the next item on the agenda was an Briefing on Winter Storm Summary, which was presented by Lou Debrino.*

*Mr. Debrino presented a Briefing on Winter Storm Summary then took questions from the Trustees.*

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*Chair Abramowitz then stated that the next item on the agenda was the Recommendation to Approve the Board Oversight Policy, which was presented by Rick Shansky.*

*Mr. Shansky presented the following action item and took questions from the Trustees:*

#### **Requested Action**

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

#### **Discussion**

Under the LIPA Reform Act and the Amended & Restated Operations Services Agreement (the “OSA”), the Authority has oversight rights and responsibilities with respect to the operation and maintenance of the Long Island electric grid and the generation assets under contract to LIPA.

The Authority utilizes a contracted business model for operations services, fuel and power procurement, and power supply. The Policy seeks to provide guidance regarding Staff’s oversight of the activities provided by these various service providers.

The recommended Policy seeks to ensure that the Authority’s oversight is conducted in a proactive and systematic manner that meets the needs and interests of the Authority’s customer-owners. The Policy establishes the expectations of the Board and requires regular performance reporting by Staff to enable the Board to assess the oversight called for by 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.

*A motion was made and seconded, and the Trustees unanimously adopted the following resolution:*

**RESOLUTION RECOMMENDING APPROVAL OF THE BOARD POLICY ON OVERSIGHT**

WHEREAS, the Oversight Committee of the Board of Trustees (the “Committee”) recognizes that oversight of service providers is one of the Authority’s primary responsibilities; and

WHEREAS, the Committee recognizes that effective oversight requires a systematic approach; and

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

NOW, THEREFORE, BE IT RESOLVED, that consistent with the accompanying memorandum, the Committee hereby recommends to the Board of Trustees the approval of the Policy.

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*Chair Abramowitz then stated that the last item on the agenda was the Recommendation to Approve the Amendments to the Oversight Committee’s Charter, to be presented by Jon Mostel.*

*Mr. Mostel presented the following action item and took questions from the Trustees:*

**Requested Action**

The Oversight Committee is being requested to adopt a resolution recommending revisions to the Long Island Power Authority (the “Authority”) Oversight Committee Charter (the “Charter”) in the form attached hereto.

**Background**

The Charter was last amended by the Board of Trustees in March 2017. It establishes the purpose, membership, meeting requirements and responsibilities of the Oversight Committee (the “Committee”) and serves as the governing document for the Committee.

Consistent with the Charter, the Committee has undertaken a thorough review of the Charter’s adequacy and compliance with applicable law, and has noted certain changes that

provide consistency with the New York State Open Meetings Law and New York State Public Officers Law and those provisions relating to a “quorum” of the Committee.

### **Recommendation**

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

*A motion was made and seconded, and the Trustees unanimously adopted the following resolution:*

### **RECOMMENDATION FOR THE APPROVAL OF THE REVISED LONG ISLAND POWER AUTHORITY OVERSIGHT COMMITTEE CHARTER**

WHEREAS, the Trustees last amended, in March 2017, an Oversight Committee Charter (“Charter”) which establishes, among other things, the purpose, powers, composition and key responsibilities of the Governance Committee (the “Committee”); and

WHEREAS, the Committee has reviewed the proposed revised Charter and believes it is reasonable and appropriate to revise it for the reasons set forth in the accompanying memorandum.

NOW, THEREFORE, BE IT RESOLVED, that the Oversight Committee hereby recommends to the Board of Trustees the adoption of the Long Island Power Authority’s “Oversight Committee Charter (January 24, 2018)” in the form presented at this meeting.

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*Chair Abramowitz then entertained a motion to adjourn, which was duly made and seconded, after which the meeting concluded at approximately 11:12 a.m.*