

Report to the Board of Trustees

September 27, 2018

PSEG Long Island Operating Report

PSEG Long Island OSA 2018 Balanced Scorecard

| | | | August YTD | | | | Month of August | | |
|--|---|--------|---------------|----------------|------------|--------------|------------------|--------------|--------------|
| | | | OSA YE Target | OSA YTD Target | YTD Result | OSA Forecast | OSA Month Target | Month Result | Month Status |
| Operations Services Agreement Metrics | | | | | | | | | |
| Peop. | OSHA Recordable Incidence Rate | L | 1.79 | 1.79 | 1.22 | ↑ | 1.79 | 0.00 | + |
| | OSHA Days Away Rate (Severity) | L | 28.22 | 28.22 | 17.00 | ↑ | 28.22 | 12.53 | + |
| Safe, Reliable | JD Power Customer Satisfaction Survey (Residential) | H | 672 or 14th | 672 or 14th | 680 | ↑ | 672 or 14th | 677 | + |
| | JD Power Customer Satisfaction Survey (Business) | H | 719 or 9th | 719 or 9th | 715 | → | 719 or 9th | 715 | |
| | After Call Survey (Residential) | H | 90.0% | 90.0% | 94.4% | ↑ | 90.0% | 94.7% | + |
| | After Call Survey (Business) | H | 90.0% | 90.0% | 94.2% | ↑ | 90.0% | 94.3% | + |
| | Personal Contact Survey | H | 90.0% | 90.0% | 95.8% | ↑ | 90.0% | 96.2% | + |
| | Average Speed of Answer | L | 26 | 26 | 15 | ↑ | 26 | 12 | + |
| | Customer Complaint Rate | L | 8.3 | 8.3 | 4.6 | ↑ | 8.3 | 4.4 | + |
| | SAIFI | L | 0.92 | 0.62 | 0.56 | → | 0.07 | 0.10 | - |
| | CAIDI | L | 85 | 85 | 79 | ↑ | 85 | 95 | - |
| | SAIDI | L | 75.0 | 51.0 | 44.3 | → | 7.1 | 9.2 | - |
| | Sustained MCO (4 or more) | L | 39,010 | 39,917 | 38,618 | → | N/A | N/A | N/A |
| | MAIFI | L | 3.62 | 2.40 | 2.31 | → | 0.36 | 0.50 | - |
| | Interconnection Cycle Time (<50kW) | H | 95.0% | 95.0% | 99.3% | ↑ | 95.0% | 99.8% | + |
| | Interconnection Cycle Time (>50kW) | H | 83.5% | 83.5% | 92.6% | ↑ | 83.5% | 88.2% | + |
| | AMI Installations | H | 52,000 | 34,667 | 45,551 | ↑ | 4,333 | 4,746 | + |
| | Long Term Estimates | L | 2,190 | 2,501 | 1,747 | ↑ | N/A | N/A | N/A |
| | Purchased Power Invoicing - Accuracy | H | 90.0% | 90.0% | 99.7% | ↑ | 90.0% | 100.0% | + |
| | Purchased Power Invoicing - Timeliness | H | 95.0% | 95.0% | 100.0% | ↑ | 95.0% | 100.0% | + |
| Double Woods | L | 12,829 | 12,926 | 10,738 | ↑ | N/A | N/A | N/A | |
| Mobile Communication Application | H | 1 | 1 | 1 | ↑ | 1 | 1 | + | |
| Economic | Operating Budget (\$M) | L | 589.3 | 390.7 | 377.1 | ↑ | 49.7 | 49.9 | - |
| | Capital Budget (\$M) | L | 514.6 | 303.5 | 253.4 | ↑ | 35.7 | 35.4 | + |
| | Days Sales Outstanding | L | 35.5 | 36.1 | 35.6 | → | 35.5 | 28.4 | + |
| | Net Write-Offs per \$100 Billed Revenue | L | 0.73 | 0.73 | 0.66 | ↑ | 0.73 | 0.30 | + |
| | LMI Program Participation | H | 23,000 | 21,630 | 21,201 | → | N/A | N/A | N/A |
| Non-Product Billing | L | 33.0% | 33.0% | 5.9% | ↑ | 33.0% | 0.2% | + | |
| Green | Customer Self-Service | H | 32.0% | 28.6% | 34.7% | ↑ | N/A | N/A | N/A |
| | Energy Efficiency Annualized Energy Savings | H | 259,000 | 169,412 | 171,328 | ↑ | 24,803 | 29,625 | + |

Notes:

- Color Coding in YTD Result column represents current status versus YTD Plan.
- YE Forecast is a subjective estimate of whether each metric is expected to meet the YE Target.
- * For Mobile Communication Application, 1 = Pass and 0 = Fail

YTD Result Color

- At or Better than YTD Plan
- Worse than YTD Plan

YE Forecast

- On track to meet Target
- Meeting Target at risk
- Not expected to meet Target

Month Status

- At or Better than Plan
- Worse than Plan
- N/A

August 2018 Scorecard Update

- PSEG Long Island is currently forecasting to meet 28 of 30 OSA targets through August year to date

Safety

- The OSHA Incidence and Days Away metrics are better than target

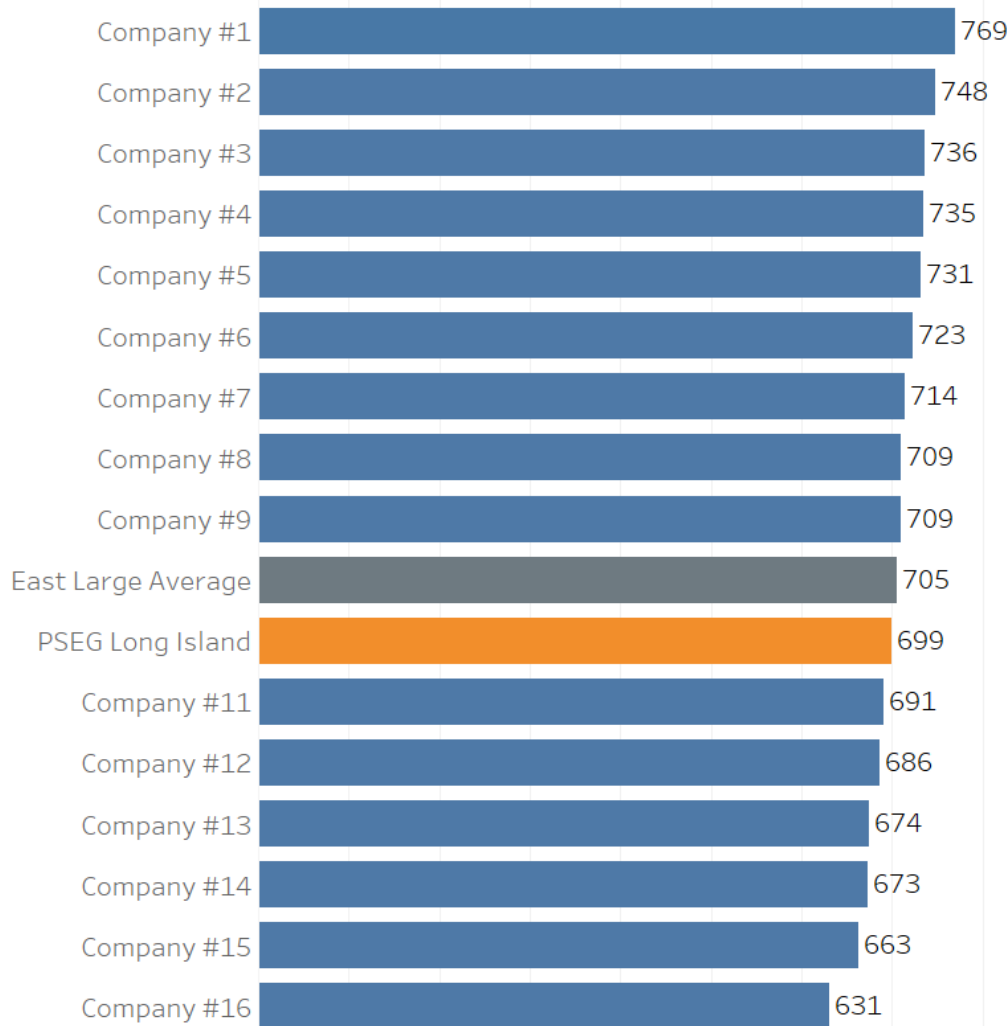
Reliability

- Recent weather events have put significant pressure on reliability targets (SAIFI, SAIDI, MAIFI, Sustained MCO) – all have been changed to an at risk status for YE forecasts

Customer Satisfaction

- 2019 JD Power Residential – Initial wave of residential customer satisfaction very positive.
- 2018 JD Power Business – Additional initiatives and increased focus on business customers being implemented.

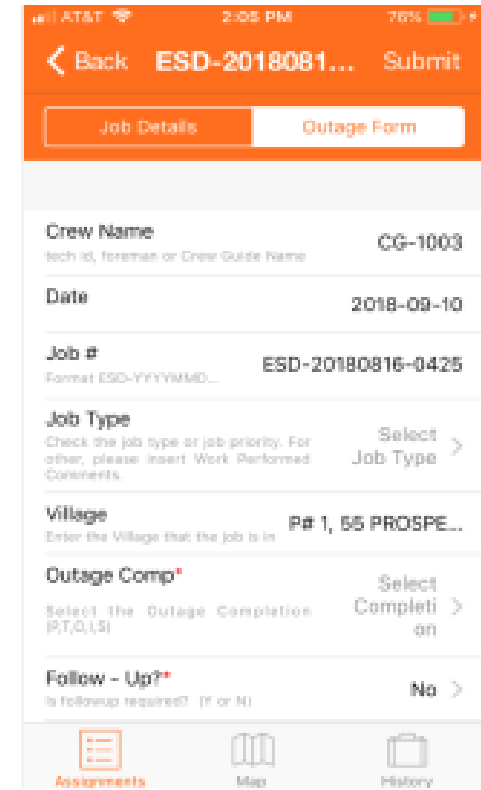
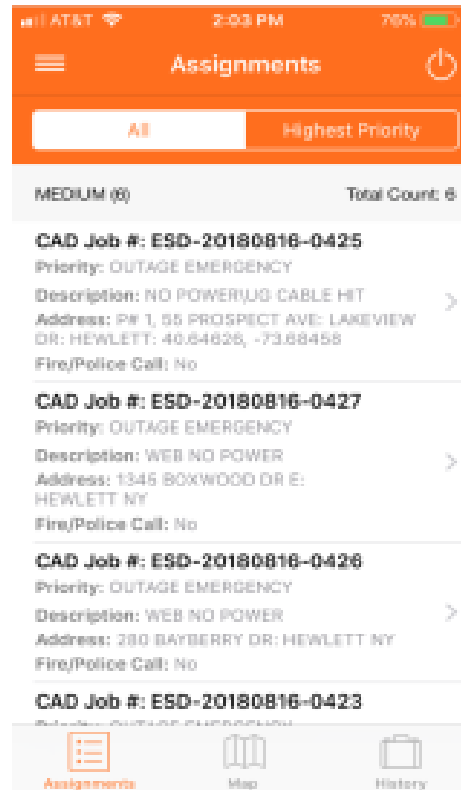
JD Power Residential 2019 – Wave 1 Update



- PSEG Long Island's Wave 1 result is 699 for the residential wave
- This is the highest score and ranking that PSEG Long Island has received in any residential wave since inception
- PSEG Long Island jumped to 10th of 16th position in the East Large Segment
- Increase of 19 Base Points from 2018 Syndicated Year End
- PSEG Long Island is 6 points below the East Large Average Score and 10 points below the bottom of the 2nd quartile

Recent Highlights – Storm Response Mobile Application

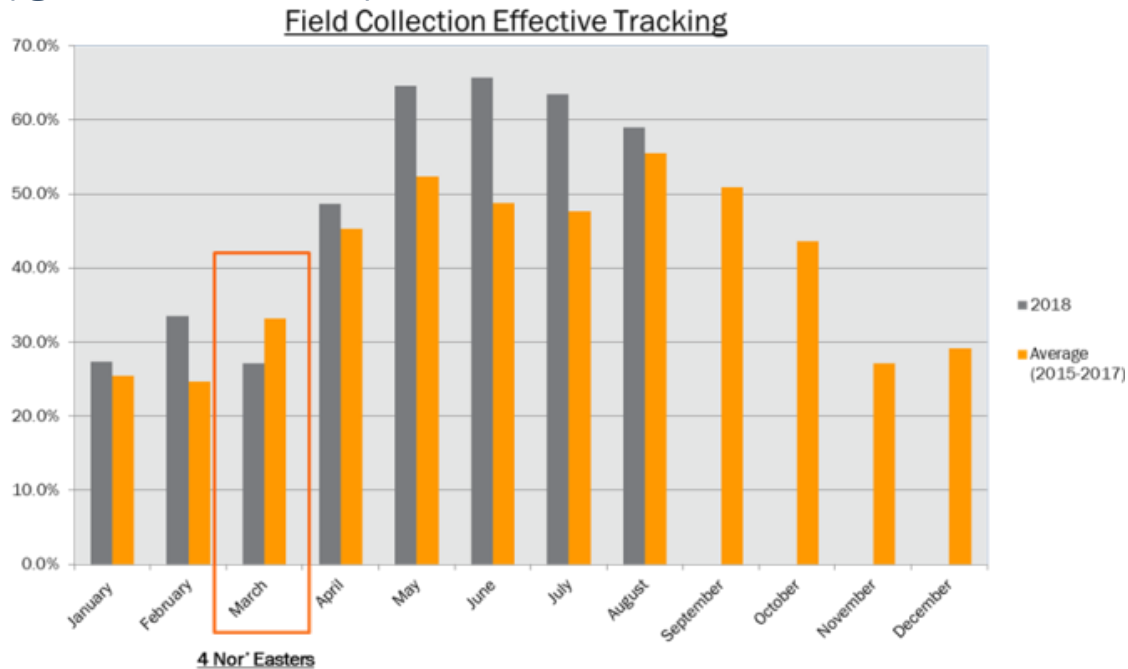
- Implementation of new Mobile App to assist with assigning work in storms.
Benefits Include:
 - Provides for Enhanced Mobility and Awareness
 - Improved Efficiency, Accuracy and Timeliness of Information



Recent Highlights – Transforming Credit and Collection

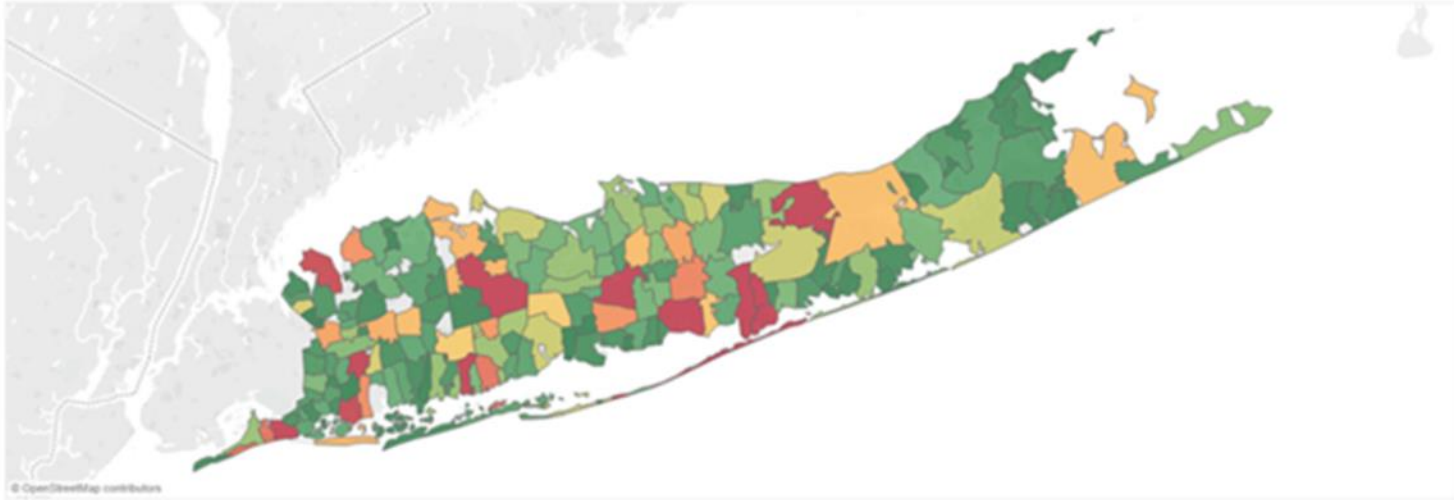
- **Transforming Credit and Collections – Technology Enhancements and Process Improvements.**

- Middleware technology to Manage Collection Agency Placements and Performance
- Creation of New Work Queues – Final Bill Internal Pre-Collect
- Back Office Collections – Tableau Heat Map
- Marketswitch software – detailed analysis on field eligible accounts
- Back Office Collections – PMP
- CGI Platform Upgrade and Mobile Dispatch



Recent Highlights – Field Collections Heat Map

Forecasted - Arrears Daily All - September 20, 2018



| | |
|-------|-------------|
| Total | \$5,363,523 |
| AMI | \$1,169,753 |
| AMI | 13% |



Area

District

Top 15 Towns

| | | | | | | | |
|-------------------|------------------|------------------|------------------|------------------|-----------------|------|-----|
| N15 \$330,087 | ES2 \$218,393 | ES6 \$138,871 | WS8 \$116,211 | ES1 \$114,740 | N14 | N18 | N00 |
| ES4 \$326,819 | ES5 \$198,755 | ES8 \$137,930 | ES10 \$96,877 | ES11 | N17 | WS9 | WS7 |
| | | N2 \$135,258 | | | ES9 \$93,321 | ES15 | |
| N3 \$266,909 | ES7 \$188,518 | N1 \$129,638 | N19 \$89,328 | N13 \$66,741 | N21 | N9 | |
| | N20 \$168,934 | | | | WS6 \$81,342 | WS10 | N8 |
| ES12 \$224,060 | WS2 \$155,696 | WS4 \$123,204 | ES3 \$77,841 | WS5 \$66,766 | N4 | ES13 | |
| | | WS1 \$116,259 | N11 | N5 | WS4 | | |

| Meter District | Service Address Town |
|----------------|----------------------|
| PATCHOGUE | \$1,623,799 |
| HEWLETT | \$936,450 |
| ROSLYN | \$820,373 |
| HICKSVILLE | \$712,978 |
| BRENTWOOD | \$497,742 |
| RIVERHEAD | \$397,292 |
| HAMPTONS | \$172,799 |

Service Address Town

Days Sales Outstanding (DSO) & Net Write-Offs

