

FOR CONSIDERATION

October 24, 2018

TO: The Board of Trustees

FROM: Thomas Falcone

SUBJECT: Approval of Board Policy on the Values of Responsiveness and Integrity

Requested Action

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

Discussion

In September 2016, the Board adopted the Mission Statement of the Authority, which provides that “LIPA is a not-for-profit public utility with a mission to enable clean, reliable, and affordable electric service for our customers on Long Island and the Rockaways.” The Mission Statement further defines Values for LIPA of:

- **responsiveness:** being attentive to the needs and expectations of our community;
- **excellence:** continually innovating and improving upon our performance;
- **integrity:** conducting our affairs in an ethical and transparent manner;
- **stewardship:** ensuring our assets are utilized efficiently and in accordance with sound fiscal and operating practices;
- **sustainability:** minimizing our impact on our natural environment; and
- **teamwork:** respecting diverse view points and attracting and retaining talented employees.

In accordance with the Mission Statement and Values, the recommended Policy seeks to define the roles of the Board and Staff in encouraging the Values of Responsiveness and Integrity. The Policy establishes the expectations of the Board as it relates to, among other matters, transparency, stakeholder participation, ethics and compliance with applicable law.

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 the Values of Responsiveness and Integrity

Exhibit A

**RESOLUTION APPROVING THE BOARD POLICY ON THE VALUES OF
RESPONSIVENESS AND INTEGRITY**

NOW, THEREFORE, BE IT RESOLVED, that consistent with the accompanying memorandum, the proposed Policy on the Values of Responsiveness and Integrity, in the form attached hereto, is hereby approved.

Dated: October 24, 2018

Exhibit B

Board Policy: **Values of Responsiveness and Integrity**

Policy Type: **Governance**

Monitored by: **Governance, Planning and Personnel Committee**

Board Resolution: **Resolution #____, approved October 24, 2018**



Board Policy on the Values of Responsiveness and Integrity¹

It is the policy of the Long Island Power Authority (“LIPA or the “Authority”) to act in accordance with its Values of Responsiveness and Integrity as set forth in LIPA’s Mission Statement by adopting standards that further accountability, transparency, stakeholder participation, and ethical conduct, such as:

- **Ensuring Board and Staff Accountability to Customer-Owners through the Board Policy Governance Process by:**
 - Defining the Mission and key Operating policies of the Authority in the form of Board Policies. These Board Policies encompass all key aspects of providing electric service to LIPA’s customer-owners and of operating a utility in accordance with sound fiscal and operating practices. These policies are available to the public on the LIPA’s [website](#) for their review.
 - Evaluating LIPA’s performance relative to each Board “Mission” and “Operating” policy² and making the evaluation available to the public on LIPA’s [website](#).
- **Making Board Decisions in a Transparent Manner by:**
 - Posting *Preliminary* Board and Committee agendas on LIPA’s [website](#) one week before each meeting, or at the date the meeting is noticed if that notice is within one week of the scheduled meeting date.

¹ This Policy is intended to establish standards for the Authority Trustees and staff but is not intended to supplant, alter, change and/or modify any responsibilities that the Authority may have under applicable laws, including, but not limited to, Public Authorities Law, Public Officers Law, Environmental Conservation Law and/or the State Administrative Procedures Act. Furthermore, in rare circumstance, LIPA may deviate from its standards, if appropriate or necessary.

² The Board has defined four types of Policies – Mission, Operating, Governance, and Compliance. The Mission and Operating Policies define the Mission of the Authority in areas such as clean energy, reliability, and affordability, while the Operating policies establish important parameters for Staff actions, such as borrowing, risk management, employment, and safety.

- Posting Board and Committee materials on LIPA’s website at least the day before each meeting.
 - [Live webcasting](#) Board and Committee meetings and making a replay video available online after the meeting.
 - Posting significant documents on LIPA’s website for public review such as [major contracts](#), bond [offering statements, financial reports, budgets](#), and [environmental assessments](#).
 - Making other materials available via New York’s Freedom of Information Law (“FOIL”), with information on how to request such material on [LIPA’s website](#).
- **Inviting Stakeholder Feedback by:**
 - Incorporating customer service and satisfaction information into the Board’s Policy Governance Process, where possible, such as survey data and benchmarked service levels.
 - For Board actions with significant public interest, in the judgement and at the discretion of the Board, directing Staff to either (i) hold public comment sessions or (ii) post the proposed action on LIPA’s website prior to Board action and solicit written public comment.
 - Transcripts of public comment sessions or any written materials submitted by the public will be provided to the Board at least one week before the Board considers such an action.
 - LIPA Staff will respond to such public comments received at least one week before the meeting in writing in the Staff memo prepared for the Board’s review.
 - Listening respectfully to members of the public wishing to speak at Board meetings, while maintaining the appropriate decorum at each meeting, including maintaining [Guidelines for Public Participation](#) on LIPA’s website and in the Board’s agendas.
 - Encouraging interested members of the public to participate in appropriate Department of Public Service (“DPS”) proceedings or working groups on matters of State policy that will come before the LIPA Board, including maintaining a [list of such proceeding or working groups](#) on LIPA’s website.
 - Providing the public with methods to contact the Board via the [Authority’s website](#), including in writing or online, and responding to such comments either in the Staff memo on each Board action, or individually, as appropriate.

- Maintaining a Community Advisory Board with members from business, labor, non-profit, and other stakeholder groups to advise management on issues of concern to the citizens of Long Island and the Rockaways.
- **Conducting LIPA's Affairs in an Ethical Manner by:**
 - Annually reviewing [LIPA's Codes of Ethics and Conduct](#) and making such codes available for the public's review on LIPA's website.
 - Ensuring that LIPA's Internal Audit Department has a [direct reporting relationship](#) to the LIPA Board of Trustees.
 - Maintaining a Whistleblower Protection Policy with associated anonymous hotline.