



Annual Board and Committee Agenda Planning for 2019

October 24, 2018

Annual Agenda **Planning**

Process and Trustee Feedback

Objective of the Board Governance and Agenda Planning Policy (adopted 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

Trustee feedback received at September 2018 Board meeting

- Overall number of meetings seems appropriate
- One night meeting should be considered for May or July 2019 (subject to scheduling and availability)
- One meeting in Suffolk County should be considered for May or July 2019 (subject to scheduling and availability)
- Agenda should include quarterly trustee development opportunities to be organized by areas of focus

Summary of LIPA Board and Committee Meetings in Past 12 Months

Board/Committee	Number of Meetings	Approximate Average Length	Approximate Total Time
Board Meetings and Workshops	7	2 hours	14.0 hours
F&A	6	45 minutes	4.5 hours
Oversight	5	30 minutes	2.5 hours
REV	4	45 minutes	3.0 hours
Governance	3	30 minutes	1.5 hours
Personnel & Compensation	2	8 minutes	0.25 hours
Total Number of Meetings	27	Total Time Spent*	25.75 hours

*Total time spent does not include:

- 1) executive sessions which constituted approximately 4 hours (30 minutes per Board meeting);
- 2) briefings; and 3) training

Summary of Proposed 2019 LIPA Meetings

Board/Committee	Number of Meetings	Average Length	Total Time
Board	7	1.9 hours	13.4 hours
F&A	6	1.2 hours	7.4 hours
Oversight & REV	6	1 hour	6.0 hours
Governance, Planning and Personnel	4	40 minutes	2.5 hours
Total Number of Meetings	23	Total Time Spent*	29.3 hours

*The proposed Board agenda for 2019 does not include:

- 1) a time allowance for executive sessions or emerging issues, which are likely to increase the total time spent by the Board during the year by 3-4 hours; or
- 2) Board briefings and training, which are in addition to the Board's meeting schedule

2019 Proposed Approach for Trustee Training and Development

4 distinct tracks organized by specific areas of focus!

Customer Voice

- Review J.D. Power Electric Utility Customer Satisfaction Surveys – Q1
- Deep Dive into Customer Insights (what do customers want?) – Q2
- Discuss Media, Marketing and Outreach – Q3
- Storm/Emergency Communications, Systems and Technologies – Q4

Governance

- Review of the results of the 2018 LPPC survey on Board Governance – Q1
- Discuss best practices in Board evaluations of CEOs, Board self-evaluations and options for peer-to-peer trustee evaluations – Q2
- NACD's Leading Minds of Governance – Q3
- APPA How to Conduct a Governance Check-Q4

Finance, Rates and Risks

- Budget Development – Q1
- Financial Reporting – Q2
- Internal Controls and Risk Assessment – Q3
- Rate Setting Process and PSC Working Group Initiatives – Q4

Operations and Planning

- Discuss fuel procurement practices – Q1
- SEQRA, permitting and siting discussion– Q2
- Northport visit (plant, cable and Iroquois pipeline) – Q3
- Planning for capacity, load and reserve projections and scenarios – Q4

Proposed January 23, 2019 Meetings

Board

- Roll call, pledge, consent agenda, CEO, CFO, Secretary and Operating Reports (“Routine Board Matters”) (30 mins.)
 - Taxes, PILOTs and Assessments Policy (30 mins.)
 - Discussion of PSEG LI and PSEG ER&T’s 2018 OSA Metric Performance (20 mins.)
 - Public Comment (20 mins.)
- [100 mins.]

F&A

- 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.)
 - Committee’s Annual Self-Report to the Board (10 mins.)
- [45 mins.]

Governance, Planning & Personnel

- Discussion of 2018 Goals and Accomplishments (25 mins.)
 - Discussion of 2019 Work Plan (20 mins.)
- [45 mins.]

Oversight & REV

- Oversight Policy (20 mins.)
 - Review Committee Charter (10 mins.)
- [30 mins.]

Total proposed time for January meetings: 3.6 hours

Proposed March 20, 2019 Meetings

Board

- Routine Board Matters (30 mins.)
- Debt and Capital Markets Policy (20 mins.)
- Review and Approval of 2018 Financials (10 mins.) [95 mins.]
- Annual Governance Package (see Appendix) (15 mins.)
- Public Comment (20 mins.)

F&A

- Routine F&A Matters (20 mins.)
- 2018 Audit Results from Independent Auditors (20 mins.)
- EXECUTIVE SESSION with Independent Auditors (10 mins.)
- Recommendation to Approve 2018 Financials (25 mins.) [110 mins.]
- Presentation from PSEG ER&T on Power and Fuel Supply Management and Hedging (20 mins.)
- Annual Financial Package (see Appendix) & Charter (15 mins.)

Governance, Planning & Personnel

- CEO Performance and Compensation (25 mins.)
- Annual Governance Package & Committee Charter (20 mins.) [55 mins.]
- Committee's Annual Self-Report to the Board (includes results of Board's self-evaluation for 2018) (10 mins.)

Oversight & REV

- Discussion of 2019 OSA Performance Metrics (20 mins.)
- Briefing on Winter Storm Summary (20 mins.) [50 mins.]
- Committee's Annual Self-Report to the Board (10 mins.)

Total proposed time for March meetings: 5.3 hours

Proposed May 22, 2019 Meetings

Board

- Routine Board Matters (30 mins.)
 - T&D System Reliability Policy (30 mins.)
 - Board Selected Topic (45 mins)
 - Public Comment (20 mins.)
- [125 mins.]

F&A

- Routine F&A Matters (20 mins.)
 - EXECUTIVE SESSION – Internal Audit (10 mins.)
 - Review Quarterly Financials Ended March 30 (10 mins.)
 - Economic Development Policy (15 mins.)
- [55 mins.]

Oversight & REV

- Update on Implementation of Utility 2.0 Programs (25 mins.)
 - Committee’s Annual Self-Report to the Board (10 mins.)
 - Review Annual Update to Emergency Response Plan (25 mins.)
 - Summer Preparation for Power Supply & T&D (25 mins.)
- [85 mins.]

Total proposed time for May meetings: 4.4 hours

Proposed July 24, 2019 Meetings

Board

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

F&A

- Routine F&A Matters (20 mins.)
 - Review Quarterly Financials Ended June 30 (10 mins.)
 - Power Supply Hedging Program Policy (15 mins.)
- [45 mins.]

Oversight & REV

- Update on T&D Capital Budget and FEMA Project (30 mins.)
 - Presentation of Annual Energy Efficiency Report (20 mins.)
 - Review 2019 Utility 2.0 Proposals (25 mins.)
 - Committee's Annual Self-Report to the Board (10 mins.)
- [85 mins.]

Total proposed time for July meetings: 4.0 hours

Proposed September 25, 2019 Meetings

Board

- Routine Board Matters (30 mins.)
 - Customer Service Policy (30 mins.)
 - Board Selected Topic (45)
 - Public Comment (20 mins.)
- [125 mins.]

F&A

- Routine F&A Matters (20 mins.)
 - Discuss Independent Auditor's 2019 Audit Plan (20 mins.)
 - Enterprise Risk Management Policy and Annual Insurance Review (30 mins.)
 - Presentation from PSEG ER&T on Power and Fuel Supply Management and Hedging (20 mins.)
 - Power Supply Hedging Policy (15 mins.)
- [105 mins.]

Governance, Planning & Personnel

- Staffing and Employment Policy (20 mins.)
- [20 mins.]

Oversight & REV

- Undergrounding and Communication Policy (20 mins.)
 - Public Outreach on Major Construction Projects (20 mins.)
 - Briefing on Implementation of Management Audit Recommendations (20 mins.)
- [60 mins.]

Total proposed time for September meetings: 5 hours

Proposed November Budget Meeting

Board

- Budget Presentation (90 minutes)
- Q&A (30 minutes)

[120 mins.]

Total proposed time for November meetings: 2.0 hours

Proposed December 18, 2019 Meetings

Board	<ul style="list-style-type: none">• Routine Board Matters (30 mins.)• Approval of 2020 Budget (10 mins.)• Approval of 2020 Plan of Finance (20 mins.)• Approval of Tariff Changes (15 mins.)• Board Selected Topic (45 mins.)• Public Comment (20 mins.)	[130 mins.]
F&A	<ul style="list-style-type: none">• Routine F&A Matters (20 mins.)• Approval of 2020 Budget (10 mins.)• Approval of 2020 Plan of Finance (10 mins.)• Discussion of 2020 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.)	[85 mins.]
Governance, Planning & Personnel	<ul style="list-style-type: none">• Governance and Agenda Planning Policy (20 mins.)• Review Board Committee Structure (10 mins.)	[30 mins.]
Oversight & REV	<ul style="list-style-type: none">• Safety Policy (20 mins.)• Physical and Cyber Security (25 mins.)	[45 mins.]
Total proposed time for December meetings:		4.8 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