



# INTERNAL AUDIT UPDATE

Finance & Audit Committee

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January 23, 2019

# 2018 Audit Plan Status

#	Entity	2018 Audit Plan	Proposed Timing	Status
1	PSEG LI	Procurement	Q2	Completed
2	PSEG LI	Customer Credit & Collections	Q3	Completed
3	PSEG LI	Non- Product (Miscellaneous) Billing	Q3	Completed
4	PSEG LI	A&R Operations Services Agreement (OSA) Performance Metrics – 2018	Q4	Completed
5	PSEG LI	Storm Invoices - 2017	Q4	Completed
6	PSEG LI	A&R Operations Services Agreement (OSA) Metrics Benchmarking	Q2	Completed
7	PSEG LI	Capital Project Performance	Q2	Deferred
8	NGG	Power Supply Agreement (PSA)- Property Tax True-Up	Q3	Completed
9	LIPA	Cybersecurity and Data Back-up and Recovery Review	Q3	Reporting
10	LIPA	LIPA Board Policy Governance	Q1	Completed
11	LIPA	LIPA Enterprise Risk Management (ERM) Assessment	Q4	Cancelled
12	LIPA/UDSA	LIPA/UDSA Internal Control Testing of Key Controls	Q4	Completed

# 2019 Audit Plan Status

#	Entity	Audit/Review	2019 Audit Plan	Proposed Timing	Status
1	PSEG LI	Audit	Fleet Asset Management	2nd Qtr	Not Started
2	PSEG LI	Audit	Customer Refunds	3rd Qtr	Not Started
3	PSEG LI	Audit	Customer Data Protection	2nd Qtr	Not Started
4	PSEG LI	Review	Dynamic Load Management Program	3rd Qtr	Not Started
5	PSEG LI	Audit	2019 A&R Operations Services Agreement (OSA) Metrics	3rd Qtr	Not Started
6	PSEG LI	Review	Revenue Assurance (5-Pack Review)	1st - 4th Qtrs	In-Progress
7	PSEG	Review	Power Supply Natural Gas Invoices	1st Qtr	In-Progress
8	PSEG LI	Review	Solar Liberty Feed-In Tariff Purchase Power Agreement	1st Qtr	Not Started
9	PSEG LI	Review	Power Supply Invoices - Start -Up Fees	1st Qtr	In-Progress
10	PSEG LI	Review	Purchase Power Agreement - Service Agreement True-Ups	4th Qtr	Not Started
11	PSEG LI	Audit	Electric Infrastructure Maintenance	1st Qtr	In-Progress
12	LIPA & PSEG LI	Audit	NorthStar Management Action Plans Audit	1st - 4th Qtrs	In-Progress
13	LIPA	Audit	Cybersecurity	4th Qtr	Not Started
14	LIPA & UDSA	Audit	LIPA & UDSA Internal Control Testing	4th Qtr	Not Started

# Status of the Implementation of Management's Action Plans

2016			
	# of Audit Observations	# Management Action Plans in Response to Audit Observations Completed	# Management Action Plans in Response to Audit Observations Open
LIPA Audits of PSEG LI	51	50	1
LIPA Internal Audits	2	2	0
PSEG LI Internal Audits	25	25	0
2017			
	# of Audit Observations	# Management Action Plans in Response to Audit Observations Completed	# Management Action Plans in Response to Audit Observations Open
LIPA Audits of PSEG LI	34	34	0
LIPA Internal Audits	11	7	4
PSEG LI Internal Audits	19	17	2
2018			
	# of Audit Observations	# Management Action Plans in Response to Audit Observations Completed	# Management Action Plans in Response to Audit Observations Open
LIPA Audits of PSEG LI	8	2	6
LIPA Internal Audits	2	1	1
PSEG LI Internal Audits	18	13	5