

Long Island Power Authority
OVERSIGHT AND REFORMING THE ENERGY VISION
("REV") COMMITTEE - 2018 REPORT

On October 24, 2018, the Long Island Power Authority Board of Trustees (the "Board") approved amendments to the Authority's By-Laws and Committee Charters to combine the Oversight and Reforming the Energy Vision ("REV") Committees to form the Oversight and REV Committee (the "Committee").

The Committee has prepared this report related to its obligations pursuant to the Committee's Charter¹.

Among its responsibilities, the Committee must report its actions and recommendations to the Board on at least an annual basis on how it has discharged its duties and met its responsibilities pursuant to its Charter.

The Committee is charged with specific responsibilities including:

- Monitoring PSEG Long Island's performance under the Amended and Restated Operations Services Agreement ("Amended OSA") related to: performance metrics; emergency management; transmission and distribution operations; energy efficiency and renewable goals; capital and operating budget expenditures; communications with stakeholders; customer service, billing and collections; power supply and fuel supply management (as carried out by PSEG Energy Resources & Trade); power markets activities; senior management staffing; and other matters related to PSEG Long Island's scope of services under the Amended OSA;
- Monitoring PSEG Long Island's compliance with "Contract Standards" as defined in the Amended OSA, including compliance with applicable law and New York Public Service Commission practices, PSEG Long Island's environmental stewardship goals, and its compliance with policies adopted by the Authority and the State;
- Monitoring PSEG Long Island's implementation of recommendations included in Management and Operations Audits conducted by the Department of Public Service;
- Reviewing recommendations made by the Department of Public Service with respect to PSEG Long Island's performance and proposed programs, expenditures, and tariff changes;²
- As needed to assist the Board of Trustees in considering proposed renewable energy contracts or power supply or transmission transactions, reviewing contracts and recommending appropriate action by the Board of Trustees;
- Reviewing Authority management's operations and oversight process;

¹ This self-report collectively covers all activities conducted by the Committee, as well as the former Oversight and REV Committees.

² The Oversight and REV Committee will coordinate with or defer to the Finance and Audit Committee on recommendations from the Department of Public Service that also have significant financial implications.

- Monitoring the policies, principles and recommendations being advanced by the Public Service Commission (“PSC”) in its REV proceeding;
- Monitoring management’s oversight of PSEG Long Island’s participation in the PSC’s REV proceeding and its efforts to implement the PSC’s REV policies, principles and recommendations;
- Reporting annually to the Board of Trustees on how it has met its responsibilities as outlined in the Committee’s Charter;
- Reporting and making recommendations to the Board of Trustees from time to time on the results of its reviews and monitoring of the foregoing and carrying out such other responsibilities consistent with its purpose as may be assigned from time to time by the Chair of the Board of Trustees or the Board of Trustees.

Membership

The Committee’s Charter requires that a minimum of three Trustees serves as members of the Committee. As appointed by the Chair of the Board, the following four Trustees served on the Committee as of December 31, 2018:

Mark Fischl, Chair
 Sheldon L. Cohen
 Matthew Cordaro
 Peter J. Gollon, Ph.D.

Meetings

The Committee is required to meet as often as it determines necessary, but not less frequently than four times per year. As of December 31, 2018: (i) the newly constituted Committee met once; (ii) the Oversight Committee met three times consistent with the requirements of its Charter; and (iii) the REV Committee met three times consistent with the requirements of its Charter.

Committee Activities

During 2018, collectively, the Committee and the former Oversight and REV Committees satisfied each of the obligations contained in their respective charters including the following key activities:

- Recommendation for Approval of the Annual Report and Amendments on the Board’s Policy on Evaluation of Underground Facilities and Public Outreach Prior to Construction of Major Projects;
- Briefing on Winter Storm Summary;
- Recommendation to Approve Oversight Policy;
- Briefing on the Summer Preparation;
- Consideration of a Board Policy for Evaluating Public Policy Transmission Needs;
- Committees’ Annual Self Reports to the Board;
- Semi-Annual Update on T&D Capital Budget and FEMA Projects;
- Recommendation to Amend the Committee Charters to combine the Oversight and the REV committees;

- Update to the Committee regarding the Implementation of the Value of Distributed Energy Resources;
- Briefing on Whitepaper on New Energy Efficiency Targets;
- Annual Presentation of Opinion Dynamics' Energy Efficiency Report; and
- Briefing on the 2018 Utility 2.0 Filing.

Conclusion

The Committee will continue to support the Board in discharging its responsibilities as set forth in the Charter, including overseeing PSEG Long Island's performance under the OSA, as well as, monitoring the principles, policies, and recommendations of the PSC's REV, and remains available to provide assistance and guidance regarding any additional responsibilities requested by the Trustees or the Chair of the Board.