# SECRETARY'S REPORT

January 2019



Secretary's Report

### CUSTOMER -TRUSTEE COMMUNICATIONS

- Correspondence from customers and other stakeholders is regularly monitored by LIPA staff
- Ordinary course, utility-related matters are forwarded to the proper business unit at PSEG Long Island
  - O Bill complaints
  - O Rebate questions
- Inquiries regarding sharing information with LIPA or obtaining information from LIPA are handled by LIPA staff
- Nothing has been received since the December 2018 Board meeting that should be raised with the Trustees at this time





# **BOARD POLICY CALENDAR**



Oversight Policy

 Policy on Taxes, PILOTs, and Assessments

# March

# January

- Investment Policy
- Debt and Access to Credit Policy





T & D System Reliability Report

# May



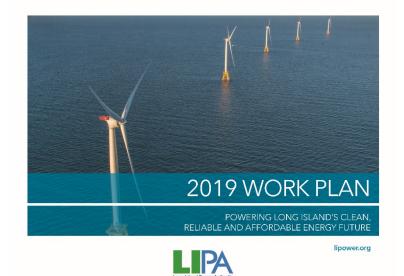
### **BOARD POLICY DASHBOARD**

Policy	Status	Latest Report	Next Report	Supporting Information
Taxes & PILOTs	ப	February 2018	January 2019	
<b>Oversight &amp; LIPA Operations</b>	ப	March 2018	January 2019	2018 Accomplishments
Investment		March 2018	March 2019	
Debt and Access to Credit		July 2018	March 2019	
T & D Reliability		May 2018	May 2019	
Economic Development		May 2018	May 2019	
Resource Planning, Efficiency, & Renewable Energy	Ċ	July 2018	July 2019	Integrated Resource Plan Energy Efficiency & Renewables
Regionally Comparable Rates		July 2018	July 2019	
Customer Service	Ċ	September 2018	September 2019	
Staffing and Employment	Ċ	October 2018	September 2019	
Enterprise Risk Management	Ċ	September 2018	September 2019	
Power Supply Hedging	Ď	September 2018	September 2019	
Construction of T&D Projects	Ľ,	December	December 2019	
Safety	Û	November 2018	December 2019	
Governance & Agenda Planning	Ď	October 2018	December 2019	2019 Agenda Planning

Long Island Power Authority

## WORK PLANS

- A strategic tool to establish priorities and manage resources to further LIPA's mission and the Board's policies
- 2018 Work Plan Recap:
  - O 91 objectives to further our mission
  - O 58 objectives complete
  - 33 made substantial progress and continuing into 2019





# SELECT 2018 ACCOMPLISHMENTS

- Upgraded New York's first Offshore Wind Farm with next-generation technology to cost-effectively boost output and to power nearly 70,000 homes
- Reached a milestone agreement to gradually lower the amount of property taxes LIPA customers pay for the Port Jefferson power plant through their electric bill
- Reduced the cost of our power supply by \$32 million per year by negotiating new agreements, contracts, and tax benefits
- Approved four-year Smart Meter deployment to empower customers to manage their energy use and lower energy costs

- Improved LIPA's financial condition and positioned the Authority for future credit rating upgrades
- ✓ Approved new incentives and programs to encourage electric vehicle adoption
- ✓ Completed the 2018 DPS Management Audit and filed implementation plan
- Enhanced LIPA's internal performance culture through new training, software, and development initiatives
- Launched new LIPA website recognized by the American Public Power Association



## 2019 WORK PLAN

• Work plan separated by key categories:

#### Finance and Financial Oversight Strategic Projects: • Durate data of the components to the

- Huistie gas and electric prepayments to reduce power supply Escapilish a process to routinely evaluate and pursue fame all UPA customers with regards to property tax assessment
- Prepare rate case filing for 2021 and beyond

#### SELECTED OPERATIONS OR OVERSIGHT ACTIVITIES:

- Monitor FEMA program to ensure costs are appropriately manages and any potential overruns are identified timely
- Develop and implement 2020 rate olicits, per the 2019 Utility 2. filling, and update road modernization roadmap
- Oversee PSEGLOIg have a simplementation of a prior program related to heat outputs for electric heat customers
- Review pure duct interinees for whereas to infanctions.
  Overside PSEC long Mand's implementation of Utility 2.0 inograms for behind-the-meter energy storage and electric vehicles and evaluate new customer products and services for 2013 Utility 2.0 filing
- Review OPEB Account funding strategy in advance of 2020 budget
  Implement process impreventents for reporting funces expended
- Evaluate option to buy certain real property instead of leasing
- Evaluate customer choice and community choice programs

#### CARRYOVER ACTIVITIES:

- Review PSEG Long Island's use of affiliates compared to alternatives
- Review books and records related to substation hardening efforts for FEMA grant compliance
- Review PSEG Long Island's pole attachment inventory processes
- Implement a new debt covenant compliance system

#### ACTIVITIES RELATED TO MANAGEMENT AUDIT:

- Contribution of the second seco
- Complete the Hinancial Oversight Documentation project

Department

- Strategic Projects
- Selected Operations and Oversight Activities
- Carryover Activities
- Activities Related to Management Audit

