



# SUMMARY OF 2019 FIRST QUARTER TRUSTEE WORKSHOPS

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March 20, 2019

# WHAT IS GOOD GOVERNANCE?



# Fuel Management Contract

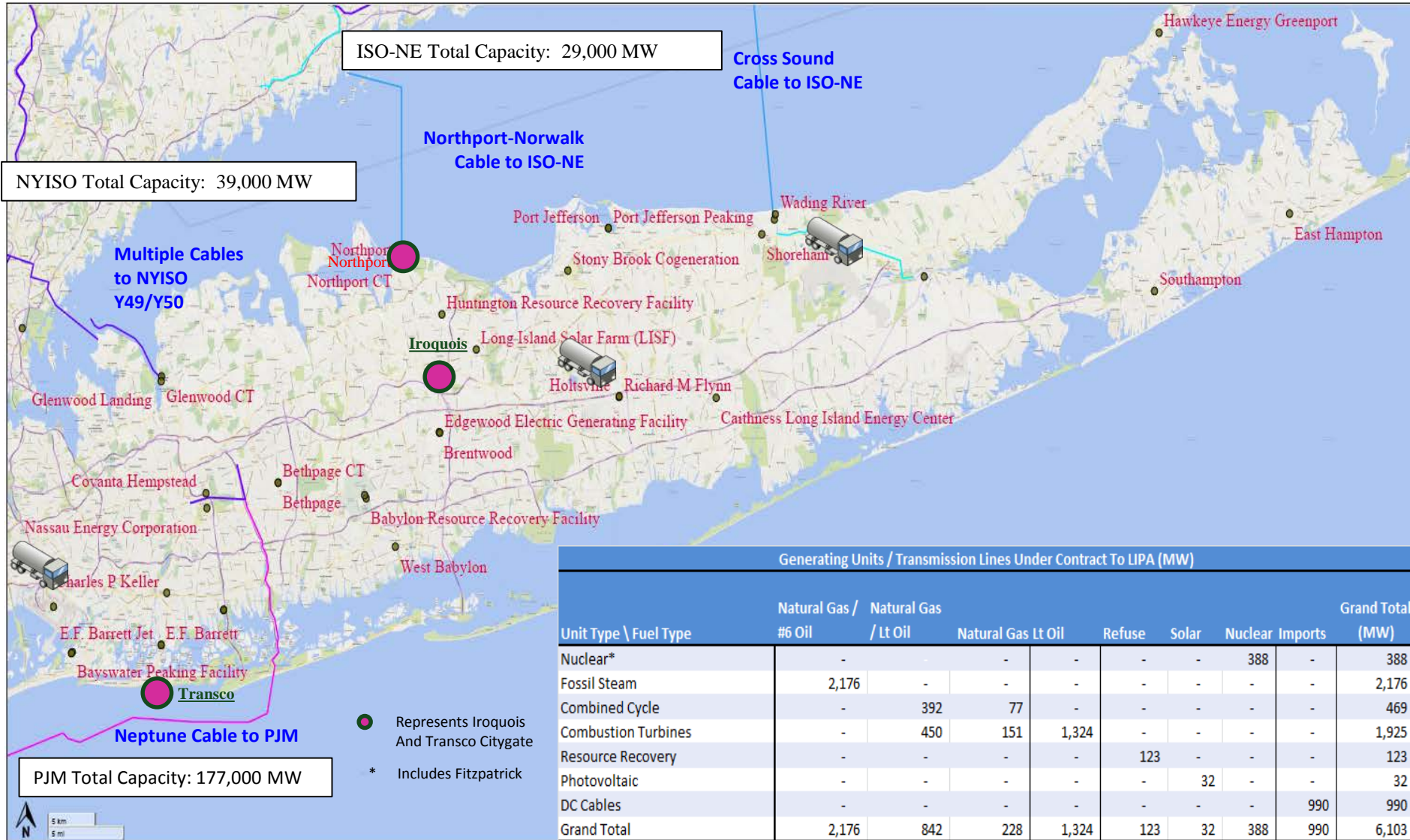
- Purchase of:
  - Seasonal and daily oil needs
  - Monthly and daily natural gas needs
- Coordination and communication with plant personnel
  - Natural gas deliveries (Interstate and NGRID-Gas)
  - Fuel oil deliveries (truck and barges)
- Negotiation of commodity contracts on LIPA's behalf
- Negotiation of oil service, delivery and logistics contracts
- Validation of counterparty bills
- Communication with LIPA staff, Fuel Suppliers, NGRID-Gas, NY DPS

	Winter				Summer			
	2014/15	2015/16	2016/17	2017/18	2015	2016	2017	2018*
Temperature	~4 degrees below	~5 degrees above	~2 degrees above	~1 degrees below	~4 degrees above	~2 degrees above	~1 degree above	~3 degrees above
#6 Oil Pur (bbls)	1,050,000	430,000	310,000	512,000	-	-	-	-
#2 Oil Pur (gal / trucks)	8,350,000 / 800	2,300,000 / 220	1,100,000 / 100	6,800,000 / 650	6,300,000 / 600	10,560,000 / 1000	4,437,000 / 425	7,900,000 / 750
Nat Gas Pur (BCF)	27.3	20.8	18.2	21.1	51.7	56.1	33.8	43.1
Load (GWH)	7,500	7,000	6,900	6,900	11,800	11,900	9,700	10,100

Winter = Nov thru Mar; Summer = Apr thru Oct

\* 2018 Summer thru 9/30/2018

# LIPA has access to generators on LI fueled by natural gas and oil, plus electric imports from upstate NY as well as PJM and ISO-NE





- A **budget** is a comprehensive financial plan for achieving the financial and operational goals of an **organization**
- Monthly budget monitoring reported to the Board ensuring meeting intended goals and objectives
- LIPA consolidated budget prepared in compliance with generally accepted accounting principals but adjusted to determine necessary cash requirements (revenue requirements)
- LIPA consolidated budget includes operating and capital costs and calculates debt financing requirements while ensuring meeting the Board's financial policy metrics – ***Debt and Access to Capital***
- LIPA publishes a 2 year budget which support and is the basis for long term financial and strategic planning
- Final rate-setting and budget approval by LIPA Board with Department of Public Service (DPS) review and recommendation



# Customer Voice Workshop Summary

March 20, 2019

# WORKSHOP OVERVIEW

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## J.D. POWER

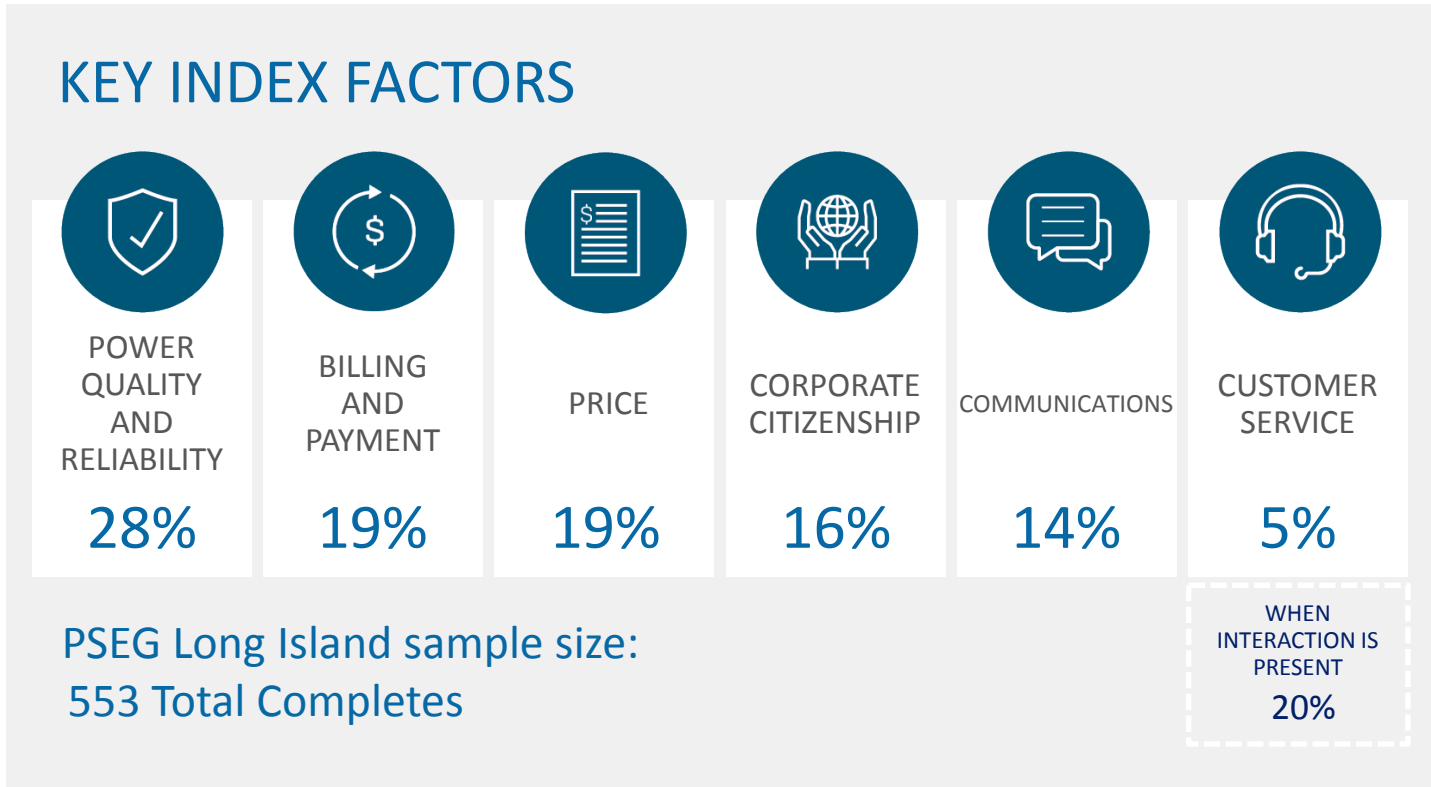
J.D. Power, a global leader in consumer insights, data and analytics, routinely surveys Long Island business and residential customers to identify their top priorities



PSEG Long Island and LIPA leverage data from the J.D. Power survey, as well as perform quantitative and qualitative research, to drive customer satisfaction

# SURVEY OF CUSTOMER TOP PRIORITIES

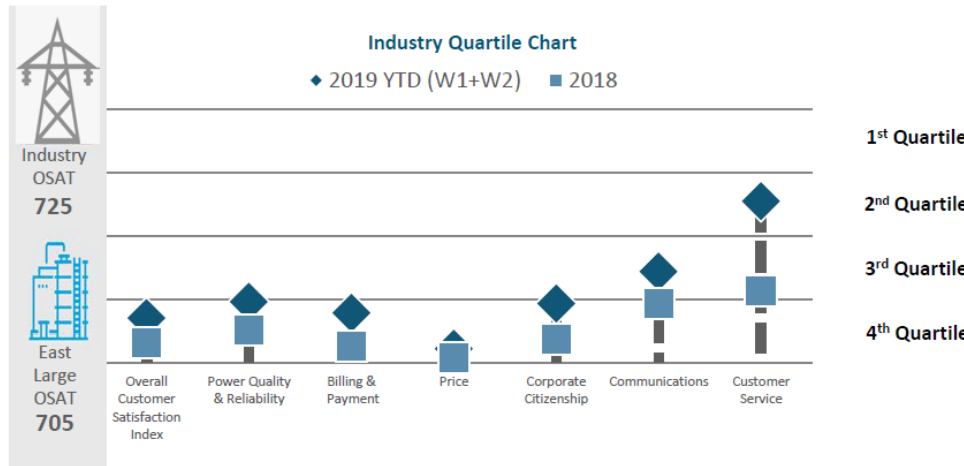
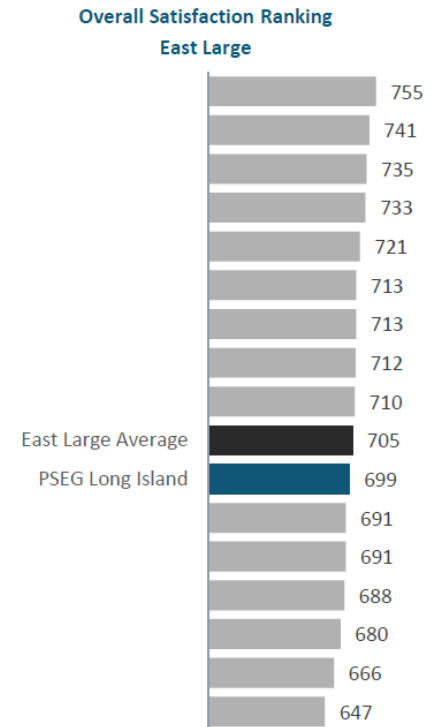
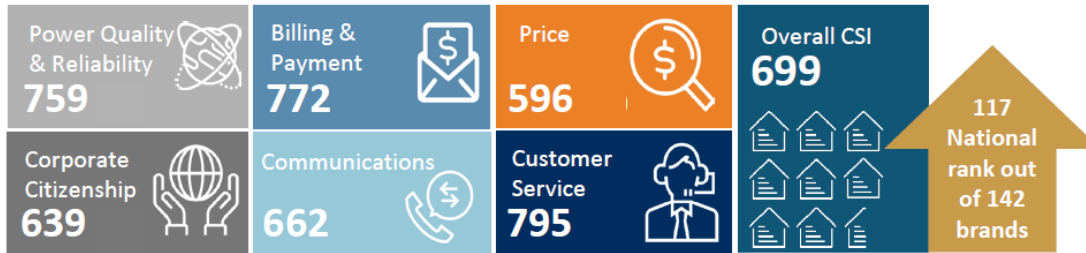
*J.D. Power surveys identified the top customer satisfaction priorities:*





# 2019 RESIDENTIAL ELECTRIC MIDPOINT RESULTS

*PSEG Long Island continues to climb in customer satisfaction rankings on the key categories that customers identified:*



# USING J.D. POWER DATA TO DRIVE SATISFACTION

## PSEG Long Island identifies tactics to target the six key index factors outlined by J.D. Power surveys

### Samples of data & response:

- Data: In the **power quality and reliability** ranking, PSEG Long Island achieved second quartile ranking, immediately behind Con Edison, with more than half of customers in 2019 stating they are “highly satisfied with their power quality”. *Response:* Continued island-wide investment on reliability, including new technology and innovation, will continue to drive power quality rankings
- Data: In the **price** ranking, customer perception of high utility rates are reflected in the survey, placing PSEG Long Island in the 4<sup>th</sup> quartile. *Response:* Additional promotion of opportunities to save on electric bills through energy efficiency programs can increase customer familiarity with utility price saving efforts and help increase ranking

*For more information on the six key factors, refer to PSEG Long Island’s presentation entitled “Leveraging Data to Drive Customer Satisfaction”*

# Key Takeaways

**01** J.D. Power is a customer perception survey. Customers perception of Long Island's electric utility dramatically improved, placing **PSEG Long Island as the most improved utility in the Nation**

**02** Based upon J.D. Power survey data, PSEG Long Island utilizes additional quantitative and qualitative surveys **to develop business and communications plans to drive customer satisfaction**