

Report to the Board of Trustees

FEBRUARY 6, 2020

				December YTD				Month of December				
Operations Services Agreement Metrics				Base Points	Low/ High	OSA YE Target	OSA YTD Target	YTD Result	OSA Forecast	OSA Month Target	Month Result	Month Status
People	OSHA Recordable Incidence Rate	5	L	1.53	1.53	1.34	↑	1.53	0.54	+		
	OSHA Days Away Rate (Severity)	2.5	L	22.61	22.61	29.90	↓	22.61	41.21	—		
	Reduce Motor Vehicle Accidents	2.5	L	-5.6%	-5.6%	-17.5%	↑	-5.6%	-25.0%	+		
Safe, Reliable	JD Power Customer Satisfaction Survey (Residential)	5	H	689 or 12th	689 or 12th	695	↑	689 or 12th	700	+		
	JD Power Customer Satisfaction Survey (Business)	5	H	732 or 8th	732 or 8th	754	↑	732 or 8th	751	+		
	After Call Survey (Residential)	5	H	91.5%	91.5%	95.0%	↑	91.5%	95.5%	+		
	After Call Survey (Business)	5	H	91.5%	91.5%	95.4%	↑	91.5%	96.6%	+		
	Personal Contact Survey	5	H	92.0%	92.0%	96.5%	↑	92.0%	95.5%	+		
	Average Speed of Answer	5	L	19	19	15	↑	19	15	+		
	Customer Complaint Rate	5	L	6.5	6.5	4.2	↑	6.5	3.9	+		
	SAIFI (System Average Interruption Frequency Index)	5	L	0.83	0.83	0.67	↑	0.05	0.07	—		
	CAIDI (Customer Average Interruption Duration Index)	5	L	85	85	76	↑	85	57	+		
	SAIDI (System Average Interruption Duration Index)	5	L	72.5	72.5	51.4	↑	3.6	4.0	—		
	Sustained Multiple Customer Outages (MCO) - 4 or more	5	L	36,289	36,289	14,477	↑	N/A	N/A	N/A		
	MAIFI (Momentary Average Interruption Frequency Index)	5	L	3.29	3.29	2.41	↑	0.19	0.19	—		
	AMI Installations	5	H	250,000	250,000	304,932	↑	20,833	12,908	—		
	First Call Resolution (FCR)	5	H	82.8%	82.8%	81.4%	↓	82.8%	82.4%	—		
	Double Woods (Focus Areas)	1	L	9,626	9,626	9,484	↑	N/A	N/A	N/A		
Utility 2.0 - OMS Integration (Focus Areas)	1	H	1	1	1	↑	1	1	+			
JD Power Communications Effectiveness (Focus Areas)	1	H	6.6%	6.6%	6.4%	↓	N/A	N/A	N/A			
Economic	Operating Budget (\$M)	N/A	L	593.5	593.5	581.2	↑	51.0	59.2	—		
	Capital Budget (\$M)	N/A	L	608.1	608.1	569.6	↑	67.5	106.2	—		
	Net Write-Offs per \$100 Billed Revenue	5	L	0.61	0.61	0.50	↑	0.61	0.59	+		
	AR > 90 (No Exclusions)	5	L	18.0%	18.0%	17.9%	↑	18.0%	19.6%	—		
	Low to Moderate Income Program Participation (Focus Areas)	1	H	27,000	27,000	31,673	↑	N/A	N/A	N/A		
Green	Customer Self-Service	5	H	40.5%	40.5%	47.2%	↑	N/A	N/A	N/A		
	Energy Efficiency Annualized Energy Savings	5	H	276,500	276,500	330,901	↑	20,682	18,742	—		

Notes:
- Color Coding in YTD Result column represents current status versus YTD Plan.
- YE Forecast is a subjective estimate of whether each metric is expected to meet the YE Target.
* For Utility 2.0 - OMS Integration, 1 = Pass and 0 = Fail

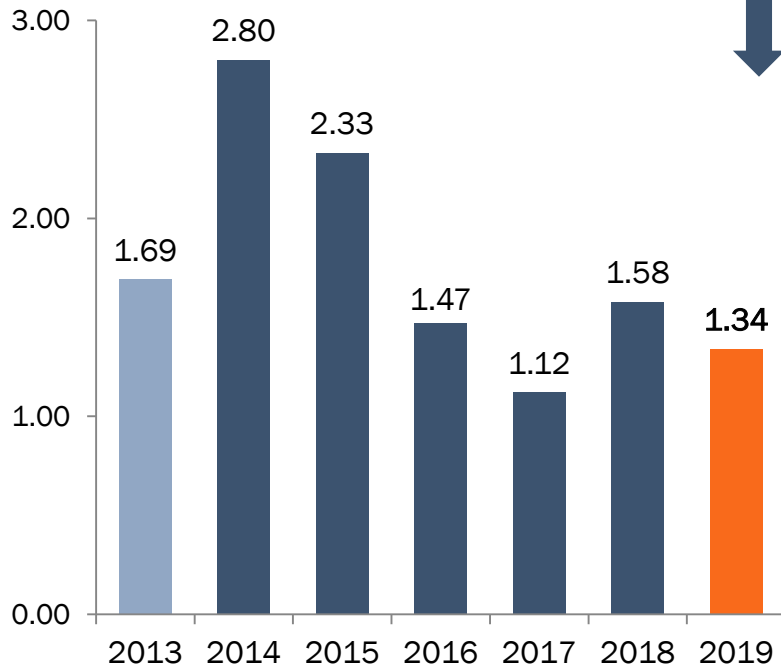
YTD Result Color
 At or Better than YTD Plan
 Worse than YTD Plan

YE Forecast
↑ On track to meet Target
↔ Meeting Target at risk
↓ Not expected to meet Target

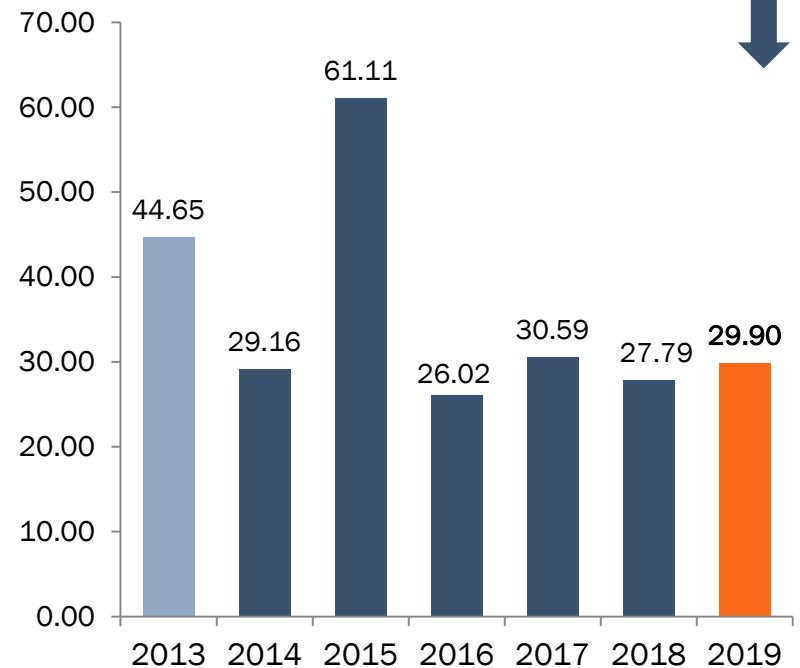
Month Status
+ At or Better than Plan
— Worse than Plan
N/A

Safety: Number of Incidents and Days Lost

OSHA Incidence Rate

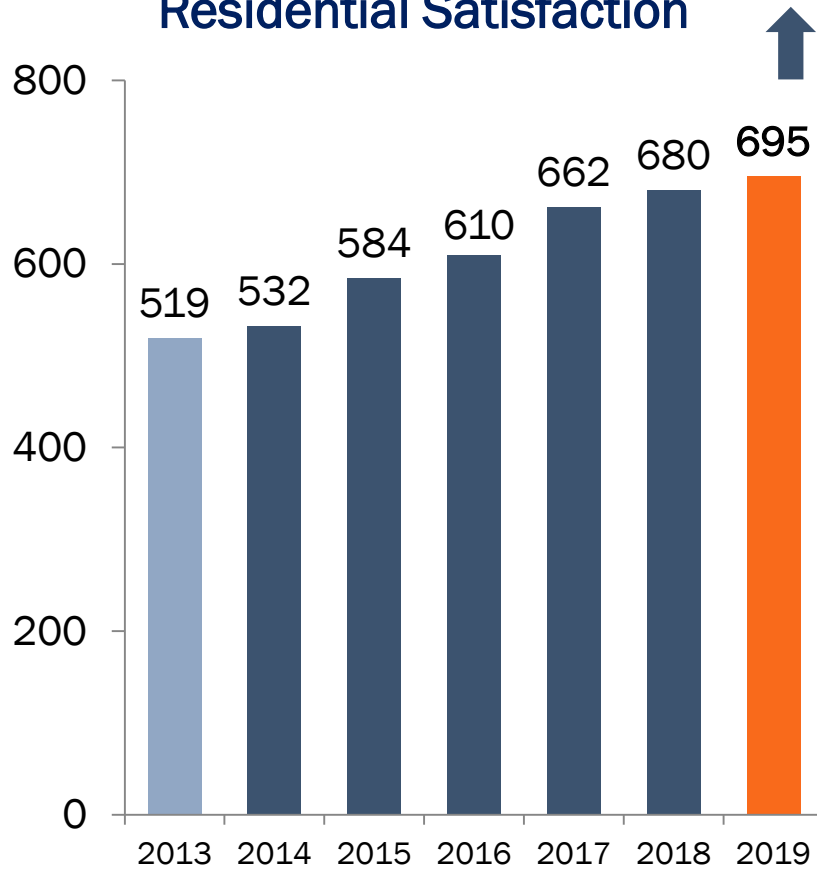


OSHA Days Away Rate

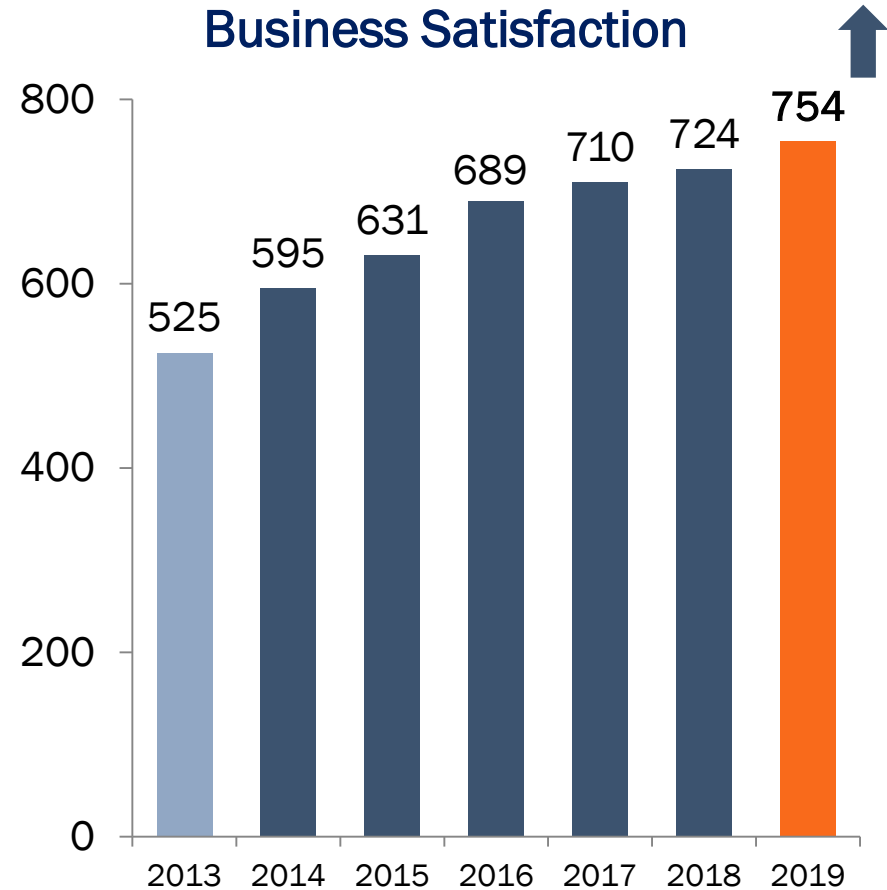


JD Power Residential & Business Satisfaction

Residential Satisfaction



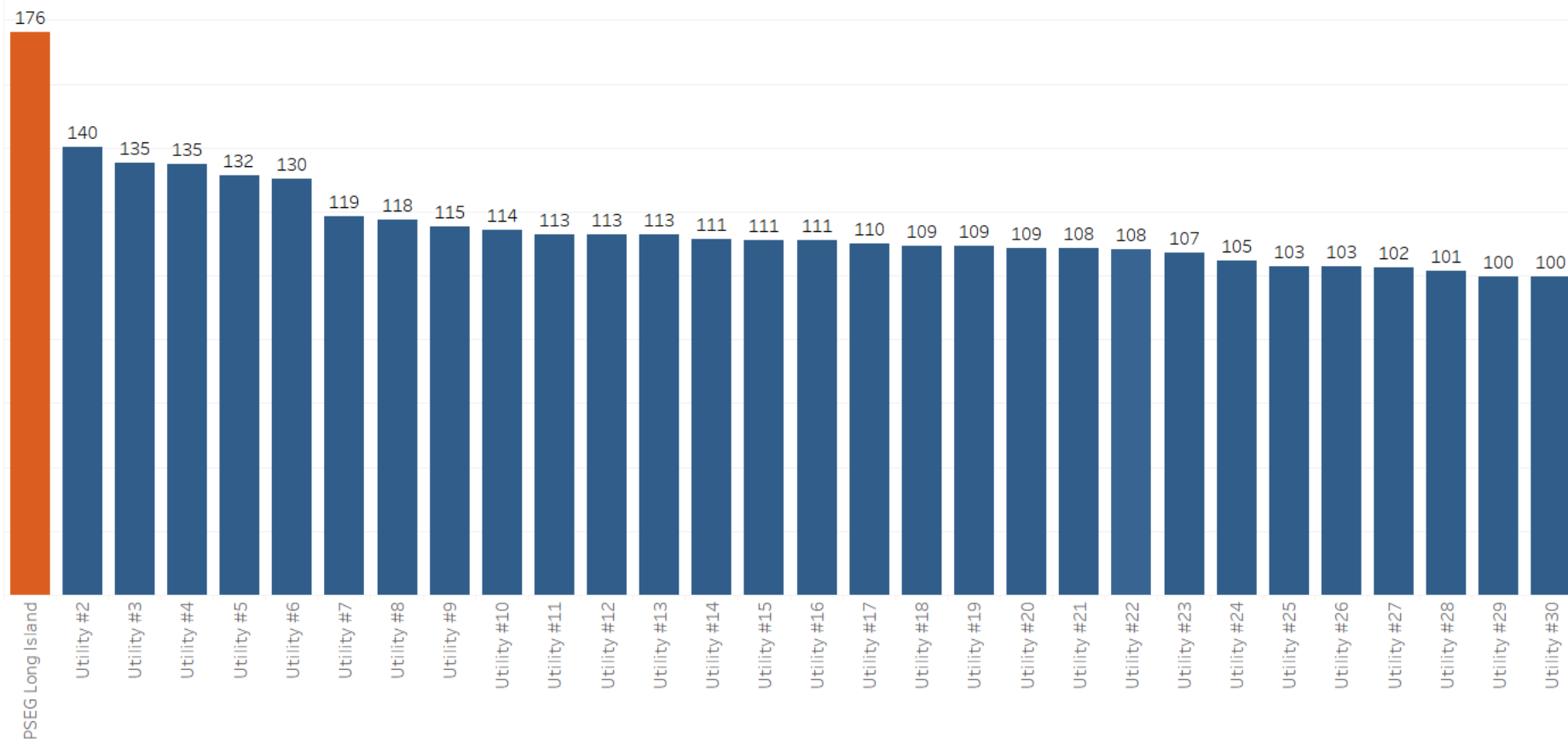
Business Satisfaction



JD Power – Residential – Most Improved

JD Power - Residential

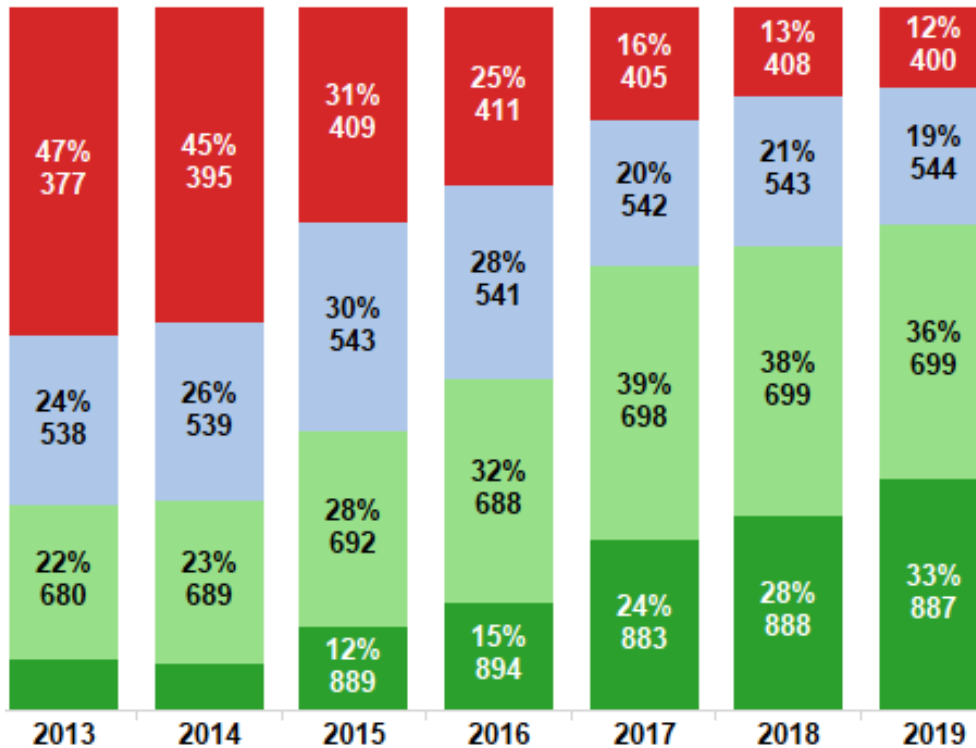
2019 vs. 2013 (100+ Point Improvement Club)



Satisfaction is growing

J.D. Power Residential – Syndicated 2019

CSI Satisfaction Trend



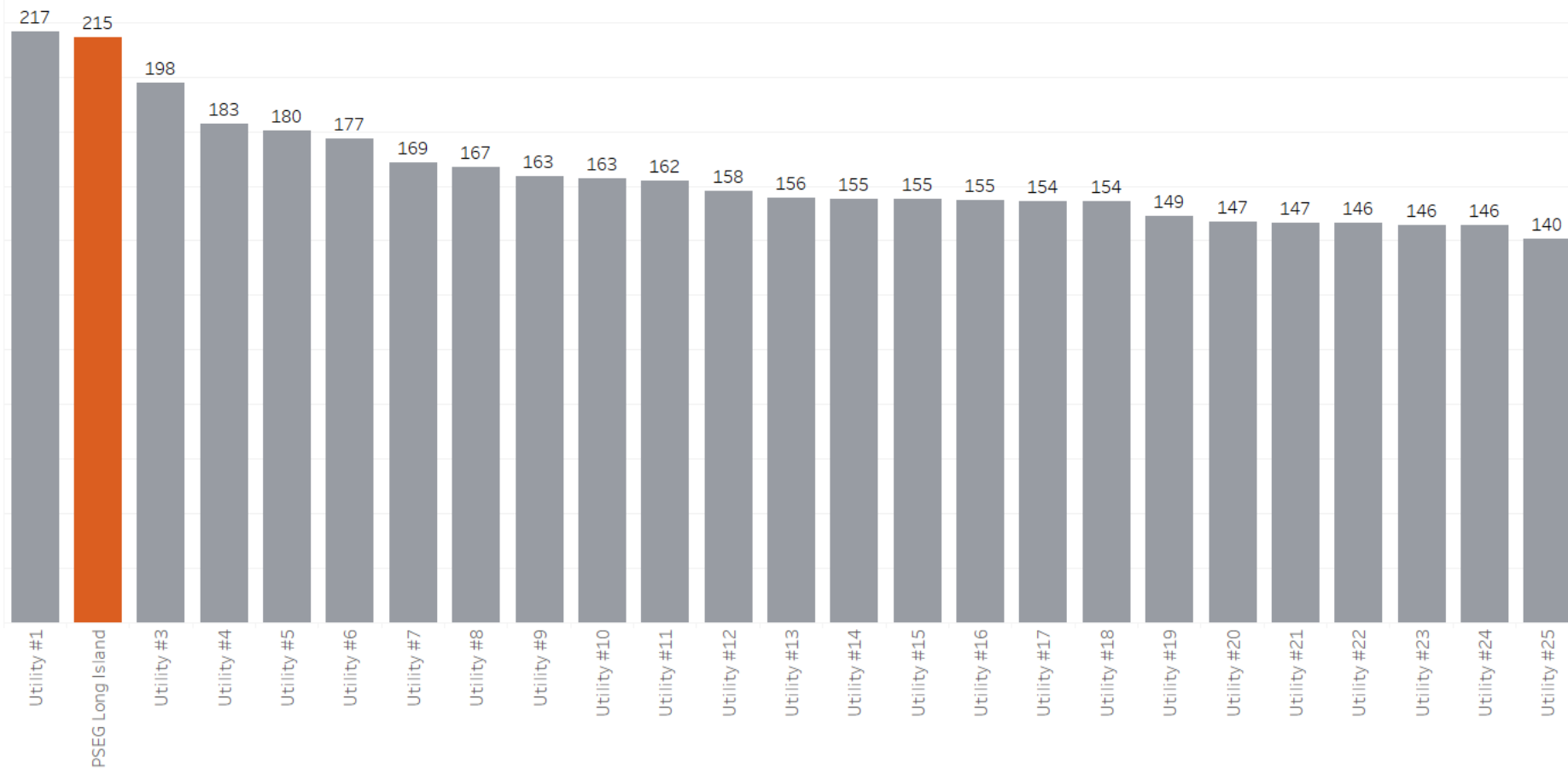
One third of J. D. Power Residential survey respondents score over 800 on the 100-1000 scale.



JD Power – Business – Most Improved

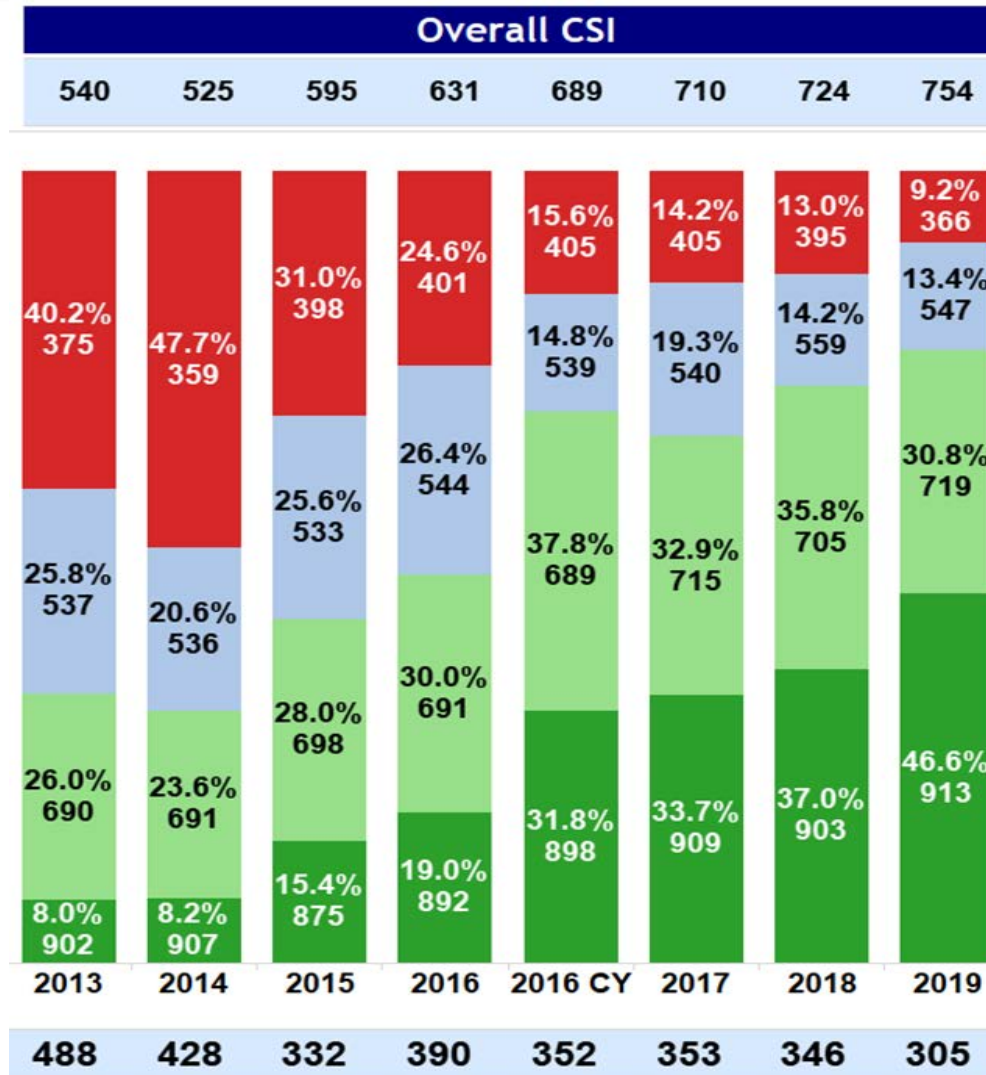
JD Power - Business

2019 vs. 2013 (140+ Point Improvement Club)



Satisfaction is growing

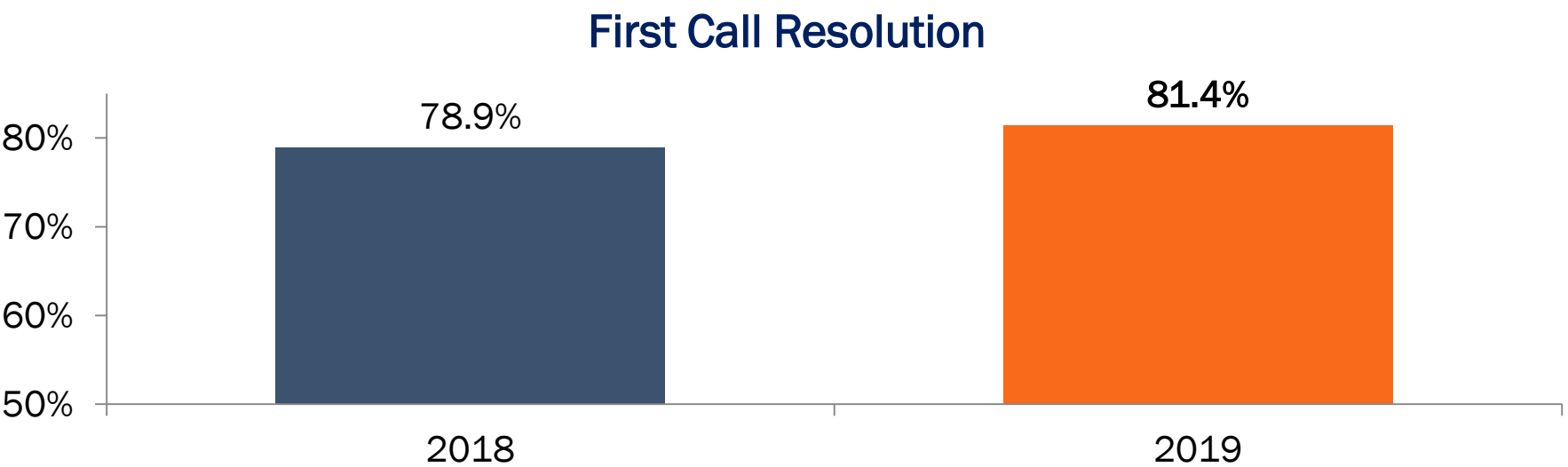
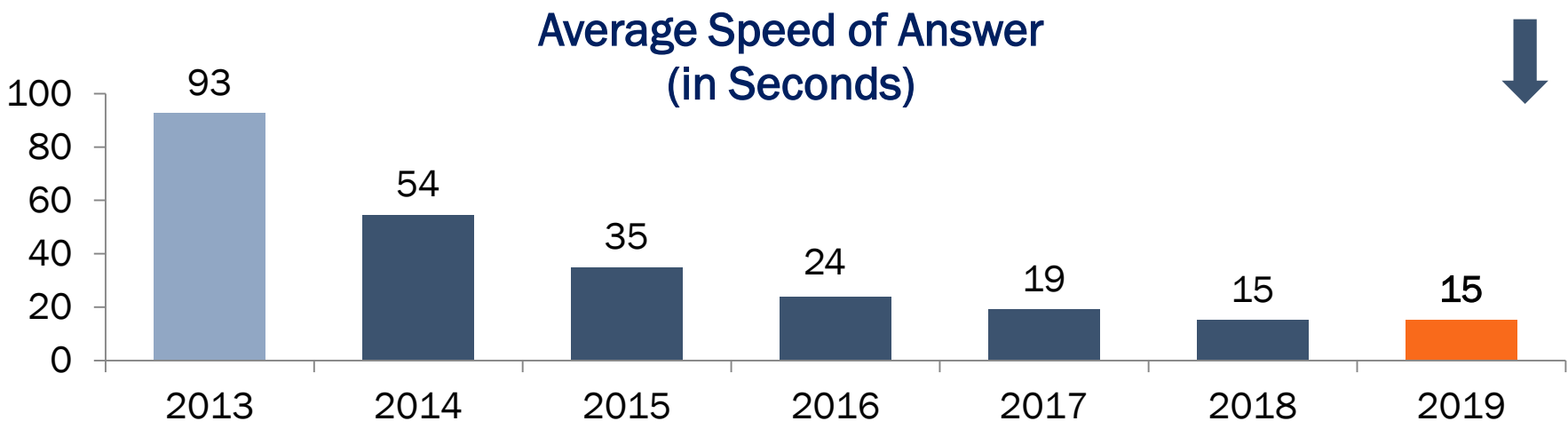
J.D. Power Business – Syndicated 2019



About half of J.D. Power Business survey respondents score over 800 on the 100-1000 scale.

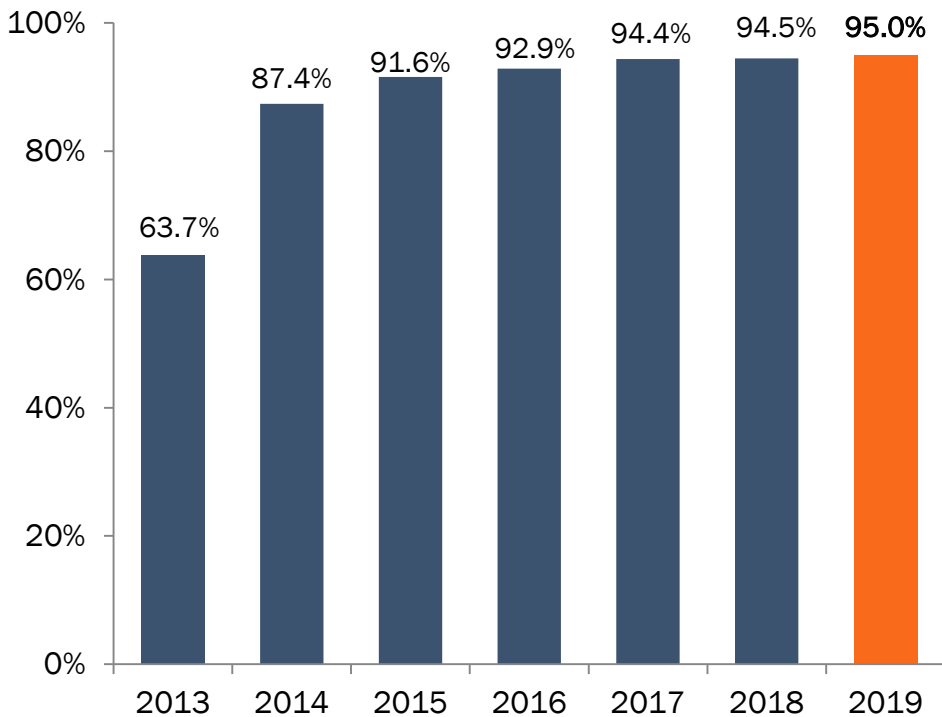


Call Center: Average Speed of Answer and FCR

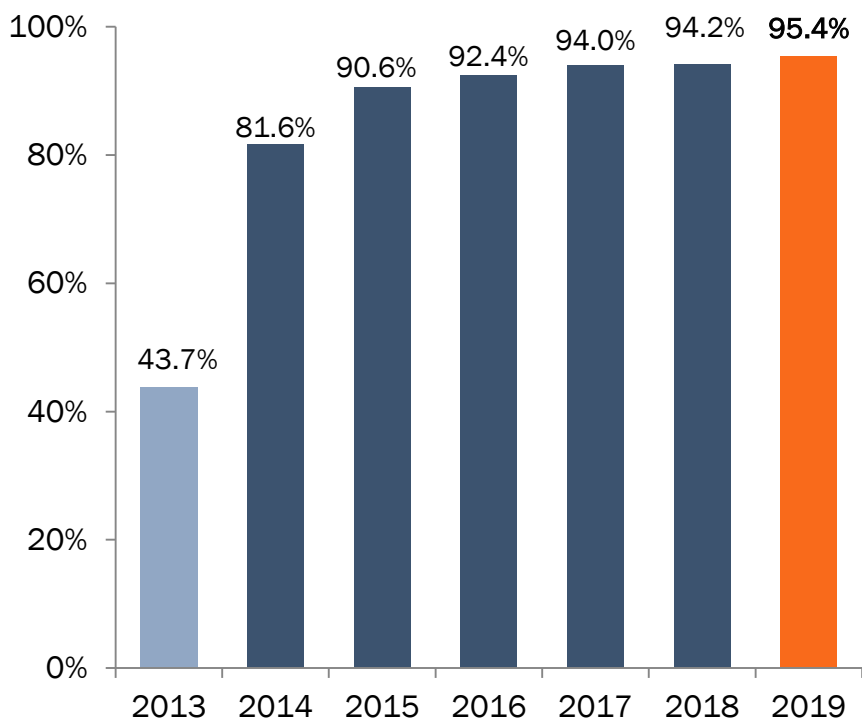


Call Center Surveys: Residential & Business Satisfaction

Residential Satisfaction



Business Satisfaction



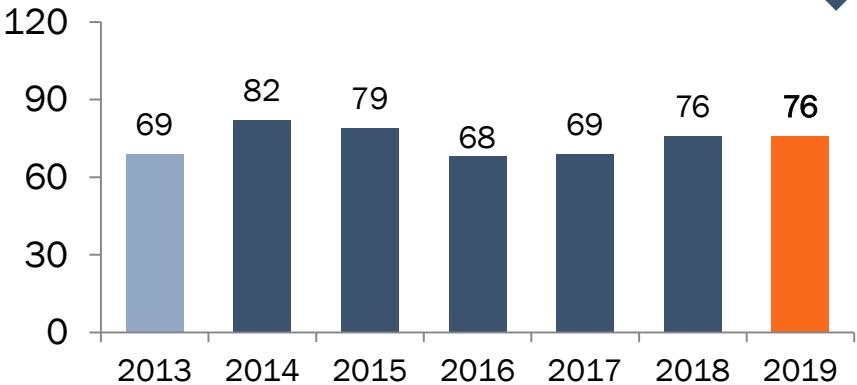
Personal Contact Satisfaction Survey

**(1) Energy Efficiency, (2) Customer Walk-In Centers,
(3) Major Accounts, (4) Electric Service Reps**

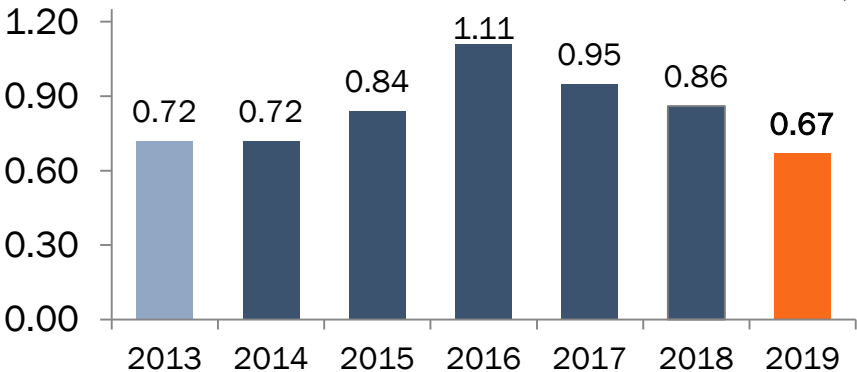


Reliability Metrics

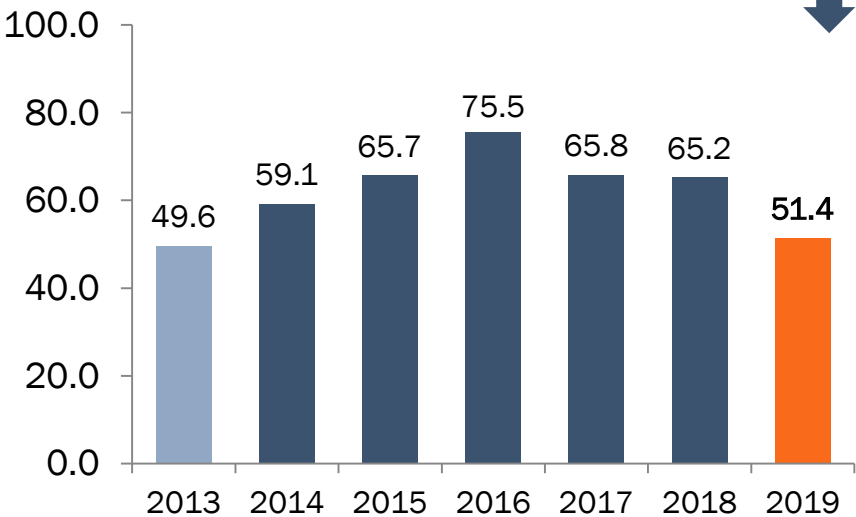
CAIDI



SAIFI

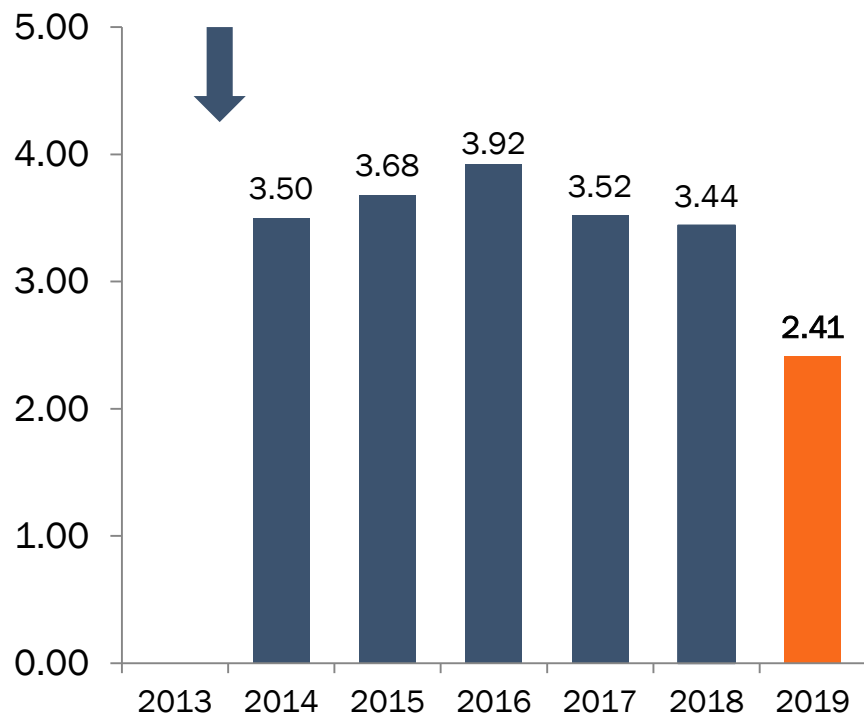


SAIDI

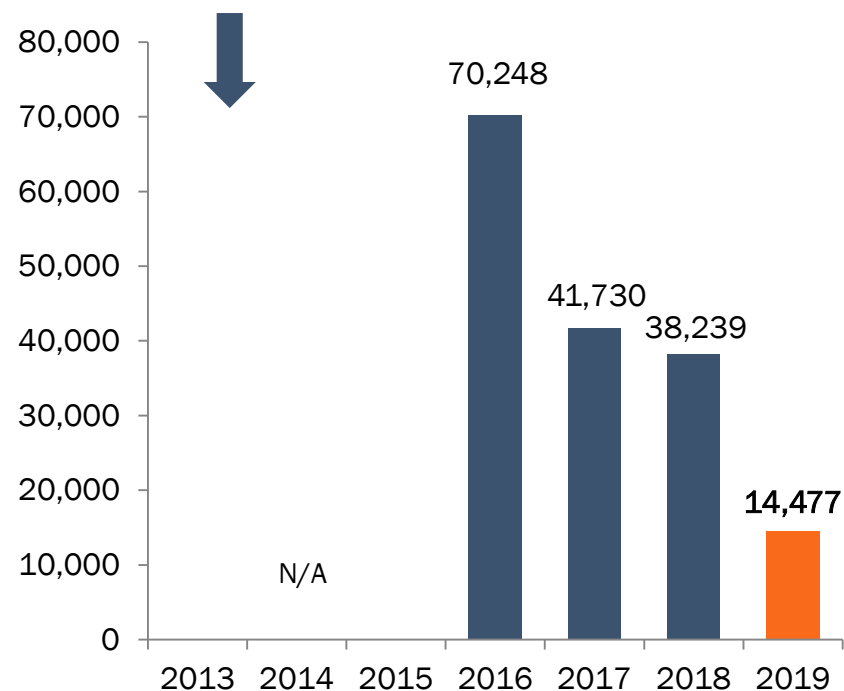


Reliability Metrics – MAIFI & Sustained MCO

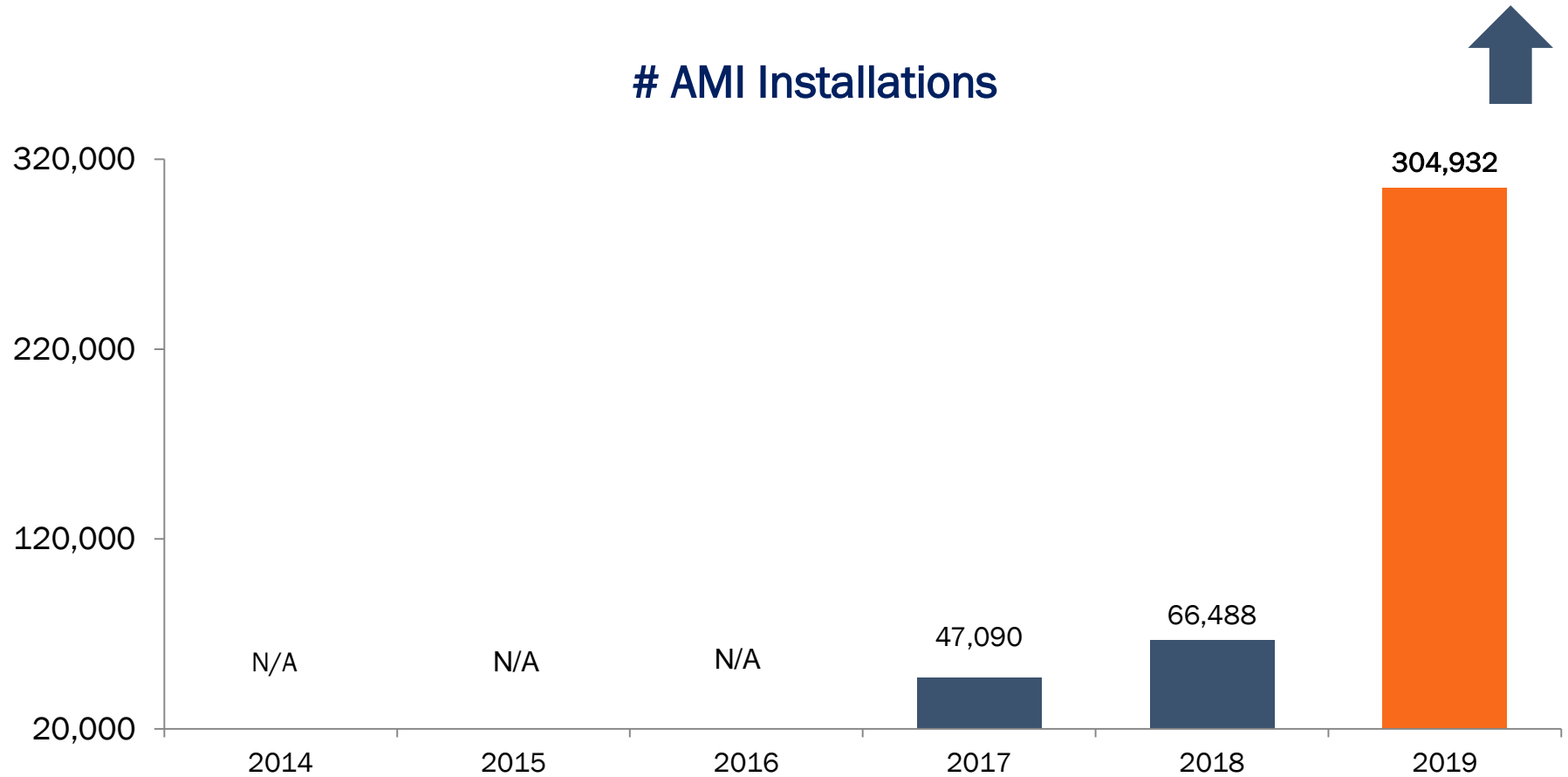
MAIFI



Sustained MCO (4 or more)

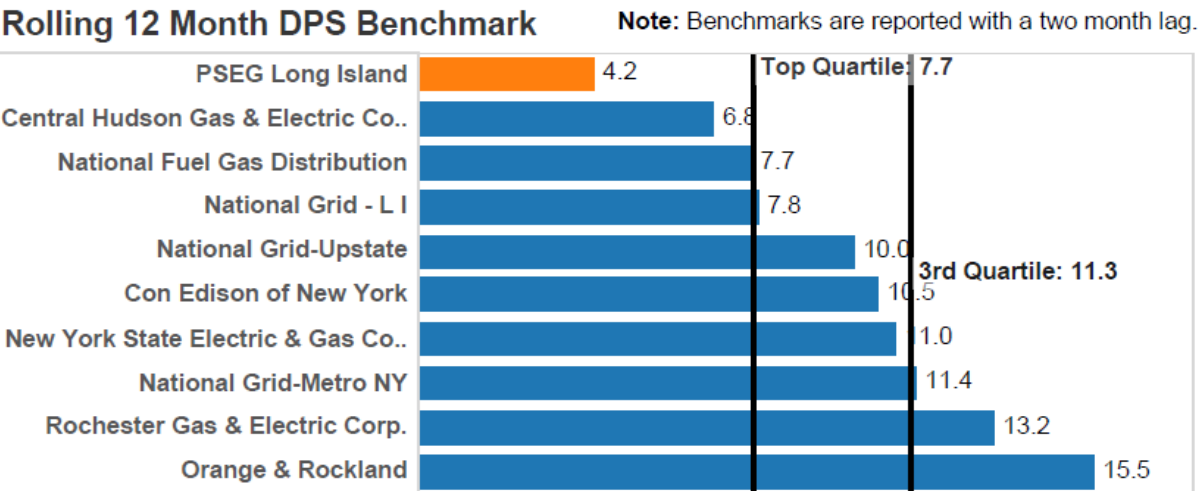
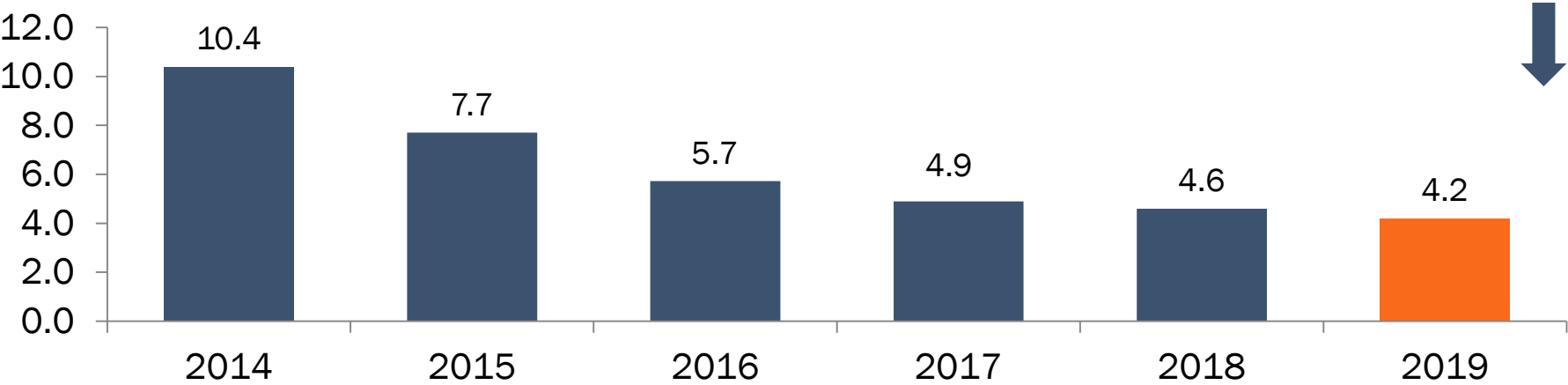


AMI Installations



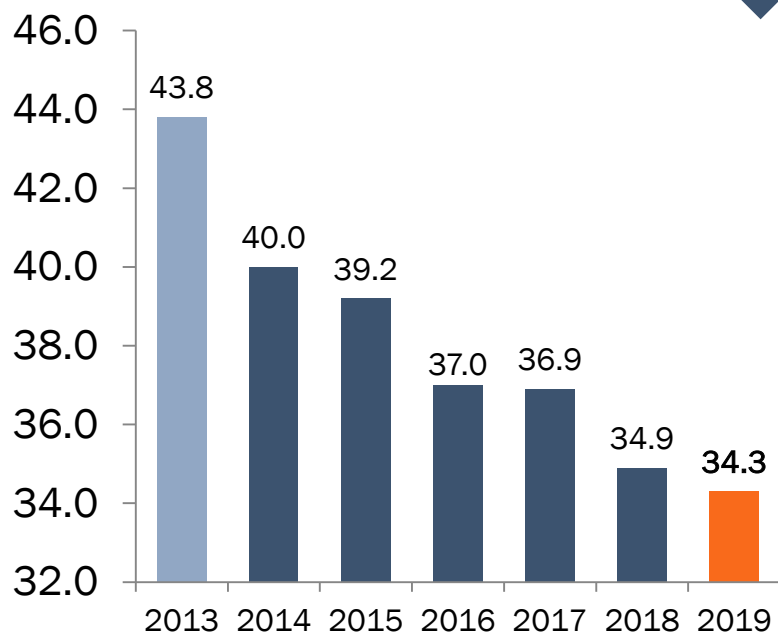
Number of Customer Complaints

Number of Complaints Per 100K Customers

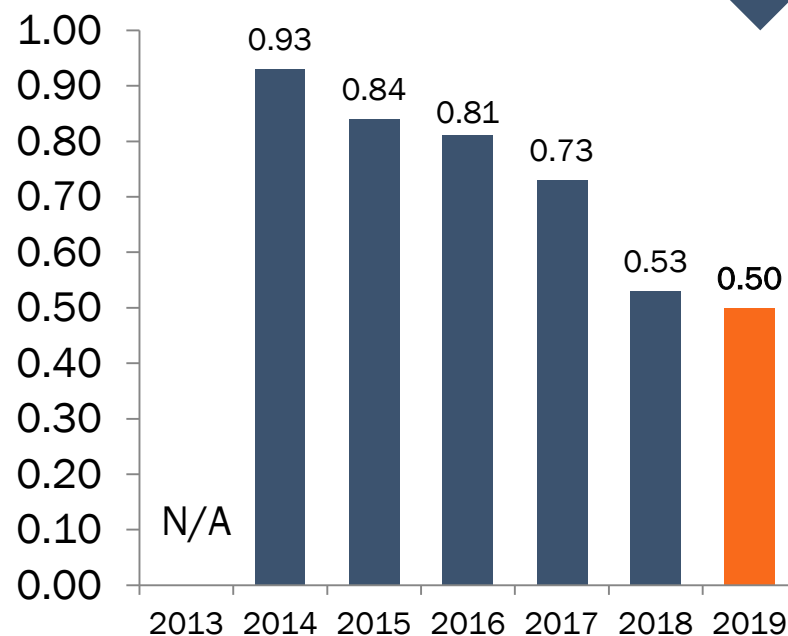


Days Sales Outstanding & Net Write-Offs

Days Sales Outstanding (# of Days)



Net Write-Offs (\$/Billed Rev)

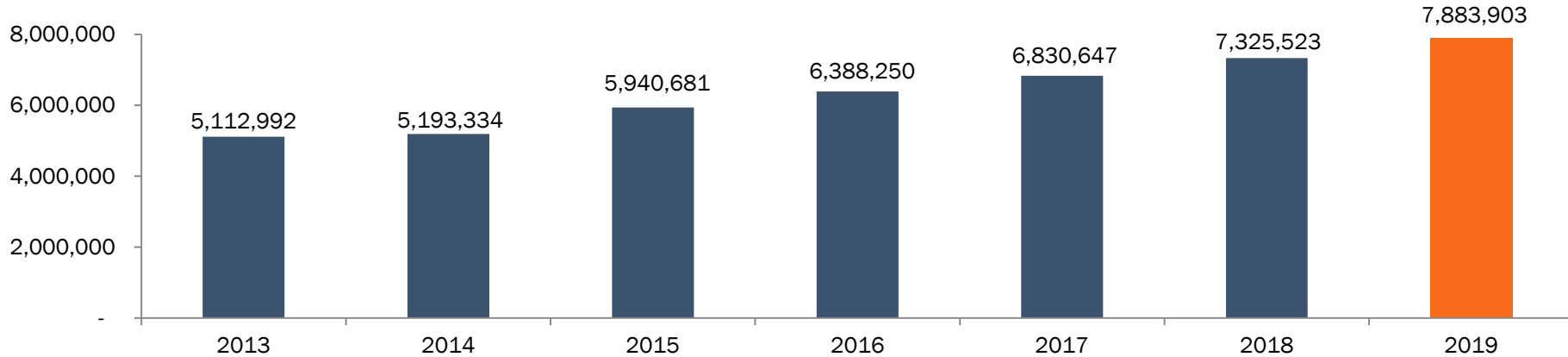


*Results reflect write-off procedural changes and 2017 metric target methodology change. Prior year results reflect new target calculation.

Customer Self-Service

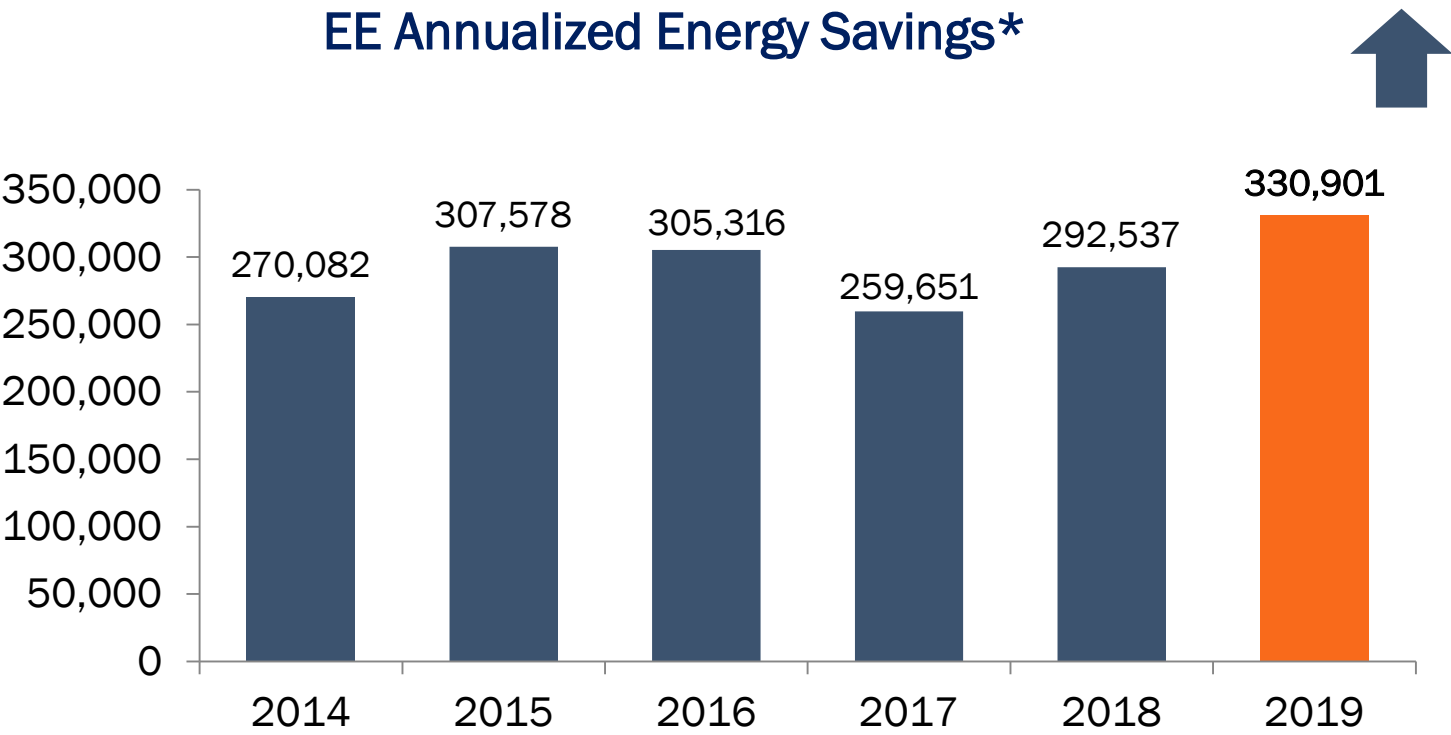
- (1) # Customers on Paperless Billing
- (2) # Customers Performing On-Line Home Energy Efficiency Audit
- (3) # Customers Paying Electronically

Customer Self Service Transactions



Transaction Type	2013	2014	2015	2016	2017	2018	2019
Electronic Payments	5,011,437	5,054,383	5,797,524	6,204,227	6,582,908	6,992,404	7,442,467
Energy efficiency audit on web	11,478	33,004	25,997	22,241	34,767	35,621	53,060
Paperless Billing Enrollment (# of Customers)	90,077	105,947	117,160	161,782	212,972	297,498	388,376
Grand Total	5,112,992	5,193,334	5,940,681	6,388,250	6,830,647	7,325,523	7,883,903

EE Annualized Energy Savings



*Targets are based on LIPA-approved plan and programs in conjunction with NYSERDA funding.

Community Partnership

2019 Community Outreach Milestones



1,047

Community Outreach Events

30,500

Community Outreach Hours

2019 Major Accomplishments

- Significant system improvements
 - 204 miles hardened under FEMA program
 - 135 smart switches commissioned under the LT5H (less than five hundred customer) program
 - Hi definition camera fly-over of all assets along the LIRR
- Best reliability results since taking over operations – All results better than top quartile
 - 21% reduction in SAIFI compared to 2018 results
 - 22% reduction in SAIDI compared to 2018 results
 - 31% reduction in MAIFI compared to 2018 results
 - 63% reduction in Sustained MCO compared to 2018 results
- Strong storm performance during June, August and October events
- Replacement of 230 substandard and defective Transmission poles within LIRR easement
- Secured stakeholder agreement to proceed with Montauk substation which is the first phase of the east end system expansion
- The Western Nassau Transmission Project's application for a Certificate of Environmental Compatibility and Public Need was approved in November and construction on Phase 1 commenced in early December.
- Completed Offshore wind study and internal supporting analysis



2020 Major Initiatives

- Continued focus on employee safety programs and culture - Electronic Device Disabling Technology
- Continued improvement on system reliability (tree trim, next outage, CIP program, poorest performing circuits)
- FEMA Hazard Mitigation Program is targeting overhead construction completion in March. Repeater installation is set to commence in Q2 2020.
- Launch of the “Power On” program – storm hardening program to start as the FEMA program completes . Scheduled to commence in April with a budget spend of \$37M.
- Belmont Substation is targeting completion in October 2020 to support the Arena opening scheduled for 2021
- Construction of (2) 138KV underground transmission lines; Riverhead to Canal (ISD 6/2021) and Western Nassau Transmission Project (ISD 12/2020)
- Full implementation of Salesforce CRM
- Continued focus on customer satisfaction improvements (mobile communications app, free credit card payments, energy concierge and Power of More)
- 2020 Utility 2.0 filing



2020 Update

"To build an industry leading electric service company that places safety first, in all we do, providing our customers across Long Island and the Rockaways with:

- *Excellent customer service*
- *Best in class electric reliability and storm response*
- *Opportunities for energy efficiency and renewables*
- *Local, caring, and committed employees, dedicated to giving back to their communities."*