

Report to the Board of Trustees

June 24, 2020

PSEG Long Island Operating Report

PSEG Long Island OSA 2020 Balanced Scorecard

		May YTD						Month of May		
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	1.27	1.27	0.55	↑	1.27	0.48	+
	OSHA Days Away Rate (Severity)	2.5	L	17.00	17.00	9.38	↑	17.00	7.19	+
	Reduce Motor Vehicle Accidents	2.5	L	-1.9%	-1.9%	-46.2%	↑	-1.9%	-75.0%	+
Safe, Reliable	JD Power Customer Satisfaction Survey (Residential)	5	H	703 or 10th	703 or 10th	744	↑	703 or 10th	744	+
	JD Power Customer Satisfaction Survey (Business)	5	H	763 or 7th	763 or 7th	Jul	↑	763 or 7th	Jul	N/A
	After Call Survey (Residential)	5	H	91.5%	91.5%	95.6%	↑	91.5%	96.1%	+
	After Call Survey (Business)	5	H	91.5%	91.5%	95.9%	↑	91.5%	95.9%	+
	Personal Contact Survey	5	H	92.0%	92.0%	96.8%	↑	92.0%	96.4%	+
	Average Speed of Answer	5	L	19	19	11	↑	19	5	+
	Customer Complaint Rate	5	L	6.5	6.5	3.4	↑	6.5	1.1	+
	SAIFI (System Average Interruption Frequency Index)	5	L	0.76	0.28	0.24	↑	0.06	0.05	+
	CAIDI (Customer Average Interruption Duration Index)	5	L	85	85	60	↑	85	59	+
	SAIDI (System Average Interruption Duration Index)	5	L	59.0	20.9	14.5	↑	4.6	2.9	+
	MAIFI (Momentary Average Interruption Frequency Index)	5	L	2.56	0.88	0.59	↑	0.21	0.12	+
	AMI Installations	5	H	250,000	104,167	130,272	↑	20,833	34,775	+
	First Call Resolution (FCR)	5	H	82.8%	82.8%	83.1%	↑	82.8%	83.5%	+
	Double Woods (Focus Areas)	1	L	9,110	9,328	9,594	→	N/A	N/A	N/A
	Technology Implementation Pilot (Focus Areas)	1	H	1	1	1	↑	1	1	+
Economic	Operating Budget (\$M)	N/A	L	633.7	260.5	249.6	↑	52.3	45.7	+
	Capital Budget (\$M)	N/A	L	735.2	313.8	258.3	↑	61.4	59.3	+
	Net Write-Offs per \$100 Billed Revenue	5	L	0.54	0.54	0.48	↑	0.54	0.57	-
	AR > 90 (No Exclusions)	5	L	17.7%	17.7%	18.0%	→	17.7%	22.8%	-
	Low to Moderate Income Program Participation (Focus Areas)	1	H	35,000	33,059	39,237	↑	N/A	N/A	N/A
Green	Customer Self-Service	5	H	47.1%	37.3%	38.6%	↑	N/A	N/A	N/A
	Energy Efficiency Annualized Energy Savings	5	H	1,036,000	435,338	435,797	↑	88,337	85,315	-
	Electric Vehicles (Focus Areas)	1	H	1,000	30	3	↑	10	0	-
	Heat Pumps (Focus Areas)	1	H	3,000	1,170	1,891	↑	210	313	+

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 Technology Implementation Pilot, 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 Update through 6/14/2020

Incident Type	2020 YTD	2019 YTD	% Change
ALL OSHA Cases	6	18	-67%
OSHA Days Away From Work Cases	6	12	-50%
OSHA Days Away From Work	128	439	-71%
First Aids	8	9	-11%
MVAs	23	44	-48%

OSHA Cases by LOB:

- 6 T&D Electric Ops
- 0 Customer Ops
- 0 Business Services

DAFW Cases by LOB:

- 6 T&D Electric Ops
- 0 Customer Ops
- 0 Business Services

First Aid Cases by LOB:

- 4 Customer Ops
- 4 T&D Electric Ops
- 0 Business Services

MVAs by LOB:

- 17 T&D Electric Ops
- 5 Customer Ops
- 1 Business Services

AT FAULT: 11 (48 %)
NOT AT FAULT: 12 (52 %)

Accident Types for OSHA cases:

- Felt Pain: 3
- MVA: 1
- Slip, Trip and Fall: 1
- Struck By: 1

Accident Types for DAFW Cases:

- Felt Pain: 3
- MVA: 1
- Slip, Trip and Fall: 1
- Struck By: 1

Accident Types for FA Cases:

- Struck By: 3
- Slip, Trip and Fall: 2
- Bite / Sting: 1
- Cut By: 1
- Felt Pain: 1

Perfectly Safe

Perfectly Safe I act in a manner to protect myself and others from all injuries and accidents.



Experiences create Beliefs
Beliefs drive Actions
Actions produce Results



Use Focused Storytelling
Here's what Perfectly Safe looks like to me...



ABOVE THE LINE®
Steps To Accountability®

Reduction in Motor Vehicle Accidents

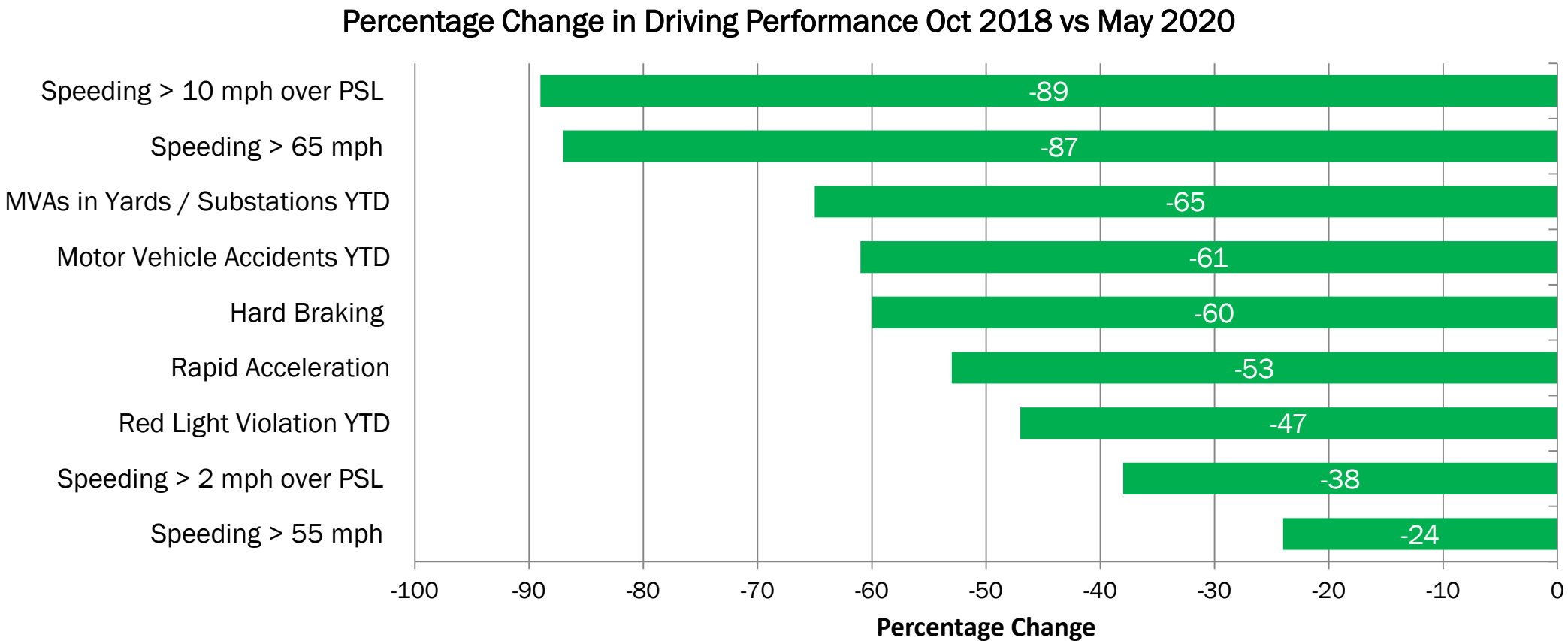
Automatic Vehicle Location System (AVLS)

- Includes GPS devices that when installed in vehicles provide the ability to analyze and manage fleet operations on a real time basis.
- The smart devices, through wireless communication allow the monitoring of vehicles 24/7 while providing :
 - Driver Performance Information (Speed, hard stops, rapid acceleration, engine idle time, mileage)
 - Asset Safety , Security & Location via GPS and mapping information (geofencing)
 - Fuel Usage Data
 - Vehicle performance and maintenance data (APUs, PTOs, bucket lifts)
- Multiple hardware options (hard-wired, plug in (OBDII), portable)
- On demand customizable reports / real-time exception based text and email alerts.
- Vehicle Technology Solutions (VTS) – Silent Passenger

Reduction in Motor Vehicle Accidents

Motor Vehicle Safety Performance

The addition of automated vehicle location system (AVLS) technology reinforced by a culture of accountability mindset is delivering desired results.



AR>90 Days

AR>90 reflects the 12 month average percentage of accounts receivable aged over 90 days.

Rolling 12 Month 90 Day Arrears
Rolling 12 Month Total Arrears

- Since the COVID outbreak accounts with 90 day arrears have increased ~\$16M
- 90 Day Arrears increases \$257,000 per day with reduced collection activities

Notable Impacts to AR>90

- 3/7/2020 – NYS issued Executive Order 202 declaring a state of emergency
- 3/13/2020 – Field Collection Moratorium (suspended all disconnects and field collection notices)
- 3/18/2020 – Closed Customer Offices
- 3/18/2020 - Suspended Late Payment Charges and Reconnection fees until at least 7/1/2020
- 3/19/2020 – Started to reconnect customers that were previously disconnected
- 3/20/2020 – “NY on Pause” Executive Order issued
- 3/20/2020 – Suspended all automated telephone campaigns that mentioned termination of service
- 4/15/2020 – Added bill message advising customers that we will not be shutting off due to COVID-19
- 6/5/2020 – Senate Bill S8113A delivered to Governor Cuomo – preventing utilities from disconnecting residential customers impacted by COVID-19 for a period of 180 days after the end of the state of emergency.

Initiatives to Mitigate COVID Impacts

RESIDENTIAL

Low/Moderate Income Outreach - LIHEAP

Refocused Collection Campaigns to Highest Liquidating

Launched High Risk E-mail Work Queue

Reevaluated Customers Propensity to Pay

Utilize Customer Office in High Risk / SRIMP Initiatives

Refined 10k Reporting for Residential Accounts in Arrears

New Refer to Field Database

Final Bills Transfer BOT

COMMERCIAL

Commercial Deferred Payment Agreement Options / Deposits

Utilizing new Experian SIC code data to identify commercial industries that are not rebounding financially from the COVID pandemic.

Non-Residential Customers with good payment history prior to March 1, 2020 will be eligible to utilize their deposit towards their past due balance

High Risk BOT will email Commercial DPA candidates with the terms and benefits of entering into payment arrangements

Helping our Small/Medium Business Customers

- **Vacant Space Program:**

- This program is designed to encourage occupancy of commercial space in a business district that has been vacant for a period of one year or more
- Assisting 75 customers since inception in 2018

- **Incentives:**

- Offers credit of a portion of energy delivery charges for first year
- (100% first quarter, then declining over three successive quarters)
- Rate 280 credits up \$1,500
- Rate 281 credits up to \$10,000



"PSEG Long Island is proud to provide Noble Savage Brewing Company with a \$25,000 'Main Street Revitalization' grant for improving the economic stability and growth of Glen Cove's business district," said John Keating, manager of economic development for PSEG Long Island. "We created this grant program to support Long Island's small businesses because our economy thrives on them. In addition to the grant, we also gave Noble Savage rebates totaling nearly \$600 for installing energy efficient lighting fixtures and bulbs."

Continuing & Expanding our Support

- **Main Street Revitalization Grant:**

- Program is designed to offer incentives with other community partners to encourage projects that will revitalize under-utilized business districts or benefit the local economy of a business district
- \$891K in grants approved since inception in 2018
- Average capital investment \$4.5M
- Includes 5 projects in early 2020 for a total of \$90K

- **Expansion of Main Street Revitalization Grant**

- Chamber of commerce grant
- Offer up to \$5,000 to help Chambers purchase tables, chairs, etc. to facilitate outdoor commerce

- **“Small Business First”**

- Energy Efficiency/Economic Development offering
- No cost lighting improvements to small business to help them lower its operating costs
- No contribution from the customer

Technology Enhancements and Utility of the Future

AMI CAPABILITIES

- Outage Detection/Restoration Response
- Remote Connect & Disconnect
- Rate Modernization
- Meter Data Management

DATA ANALYTICS

- ETR Analytics and Accuracy
- Bidgely – Next Generation Insights
- Asset Health Performance

ADVANCED DISTRIBUTION MANAGEMENT SYSTEM (ADMS)

- Supports the full suite of distribution management that automates:
 - Outage restoration, grid optimization, fault location, isolation and restoration, switching analysis and load flow.

DIGITAL ENGAGEMENT

- Digital Channels – Mobile App, Amazon, Google
- Commercial Industrial Portal
- Salesforce
- Call Center as a Service

AWS CLOUD

- Machine Learning – Image Recognition
- Cloud based File Storage

ROBOTICS

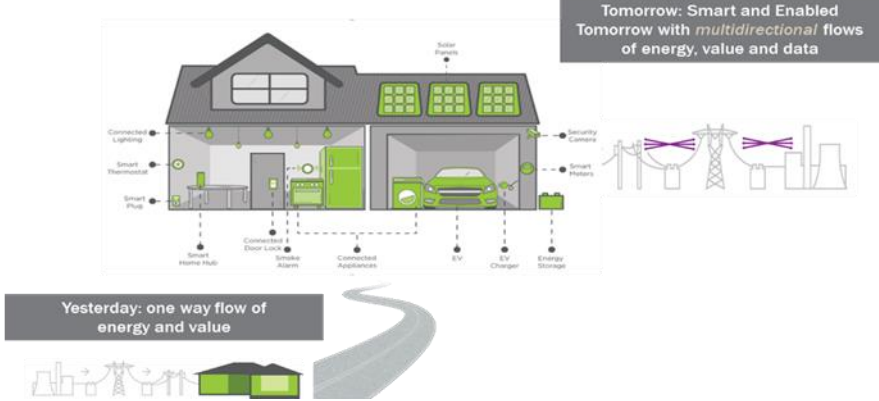
- Work with robotics vendors, research institutes, and/or universities to deliver feasibility reviews, conceptual designs, and prototypes
 - Improving the safety of employees to reduce injuries, Leveraging technology to drive field/operational efficiencies, Enabling a diverse workforce to perform the same tasks and Improving the customer experience

Technology Enhancements and Utility of the Future

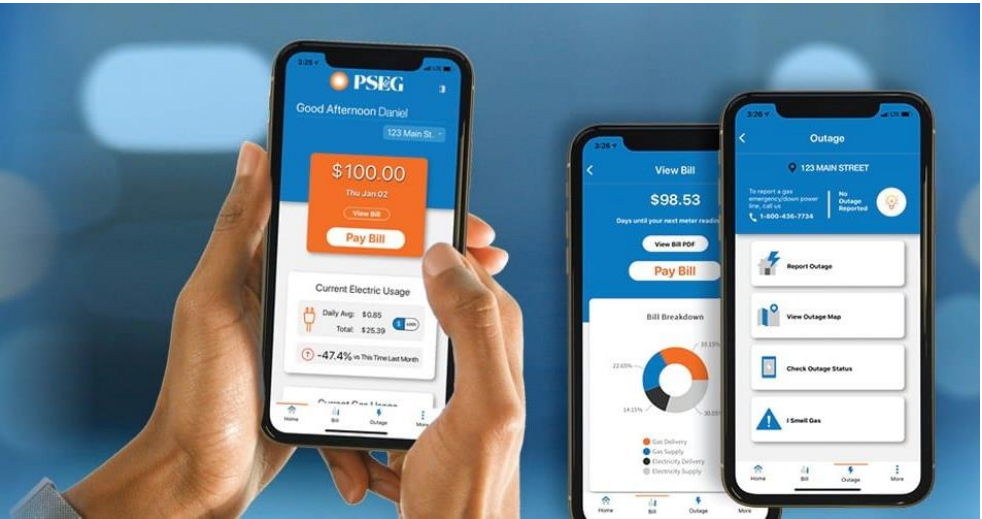
Machine Learning



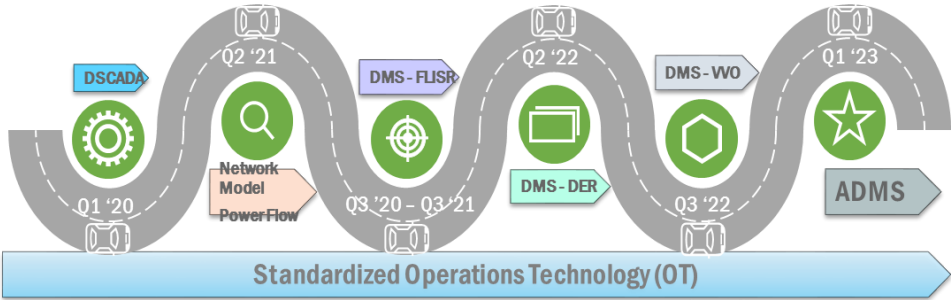
PSEG LI Customer & Grid of the Future



Digital Engagement – Mobile Application



Advanced Distribution Management System (ADMS)



Robotics



Responsible Re-Entry



- PSEG companies participating in Electricity Subsector Coordinating Council (ESCC) Tiger Team for responsible re-entry
- “Phased Approach” that prioritizes the safety of our employees, customers and communities
- Liaising with industry committees to determine best practices
- Incorporating standards and practices implemented within the various lines of business
- Ensuring consistency of standards across Enterprise, with any required exceptions clearly documented



Flexible
Resilient
Stronger

Appendix

Additional Safety Experiences

Traffic Cone – More Than A Traffic Control Device

Facility Service in reviewing ways to improve safety as part of our continuous improvement process recognized a safety opportunity regarding an item we utilize on a daily basis – the traffic cone.



Rave - Mobile Life Safety Application







Before



After

Last year while doing routine substation inspection at 3X Sperry a Technician encountered a Lightning Arrester that was encroaching on the minimum approach distance for 69 KV. The technician contacted his Supervisor and the Safety advocate. Sperry is an unusual Substation as we own and maintain some of the equipment and some equipment is maintained by a contractor. The minimum approach distance was measured and it was just within our standards. As a precaution modifications were made to increase the minimum approach distance. This is what achieving excellence in safety means to me.

4AH Carle Place Substation

- Entrance to substation deteriorated over time.
- Water would collect under the gate and freeze during the winter months.
- Potential Tripping Hazard due to potholes



5RK North Bellmore

- Tripping hazards and eyesore for community and employees
- Replaced the entire sidewalk from one block to the next for the safety of the community
- Installed a concrete apron and level driveway substrate for employees



Pole pulling existing method

Currently using hydraulic jack system at base of pole to break initial “seal” Heavy equipment to set up



Pulling with line truck requires hand digging to bottom of pole, can't lift unknown loads



EZ SPOT Pole Jack



Pole Jack by EZ SPOT UR Attachment

Load Cover Solutions



Standard Rear Property trailer configuration

Load Cover Solutions



Trailer retrofitted with sliding load cover

Distribution Design Planner Smaller Tool Bags

At a recent level I SAC meeting an East Division Design planner suggested transitioning to a smaller tool bag to carry only the most common small hand tools required for routine new business service inspections, instead of carrying the larger bag or making several trips back and forth to their vehicles for tools. We have ordered several samples to review and decide on best model at next meeting and look to roll out to East and West Division planners in the near future.



Cable Marking Inspection



Circuit Breaker Racking

Standard Racking



Remote Racking



Rubber Gloves

- *In Q1, 2019, rubber gloves were ordered and received for distribution to AMI Project personnel*
- *Gloves were stamped by the vendor indicating that they recently passed all required safety and quality testing*
- *During our compliance testing, it was determined that 5 of the gloves were compromised due to pinholes*



Creating Positive Experiences

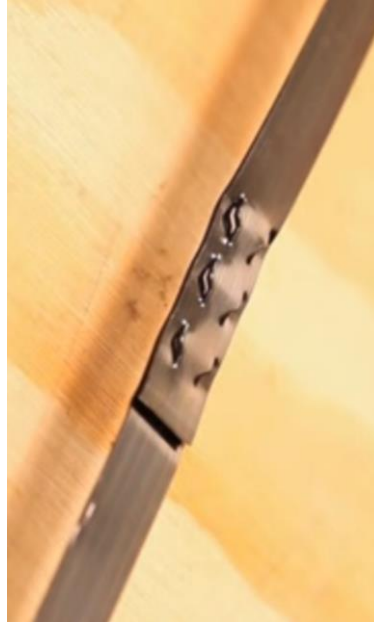
- *The quality and availability of our rubber goods is essential to employee morale and safety*
- *To address the logistical challenges associated with the current rubber goods process and the compromised goods received from the vendor, the equipment located in the Hicksville Rubber Goods Testing Facility was inspected and re-calibrated to initiate a pilot program aimed at re-internalizing the process*
- *The facility and equipment can now be utilized to internally manage the quality and logistical processes in maintaining our rubber goods*

Providing our personnel with effective PPE, that is what Perfectly Safe looks like to me



Signode Steel Strapping tool #SCM-34

- Less sharp edges
 - ✓ No metal shear needed
 - ✓ Self-cutting finish
- Less pinch points
 - ✓ No crimping sealer needed
 - ✓ No feedwheel adjustments
- Ergonomically designed
 - ✓ Large knob handles
 - ✓ Reduces operator fatigue



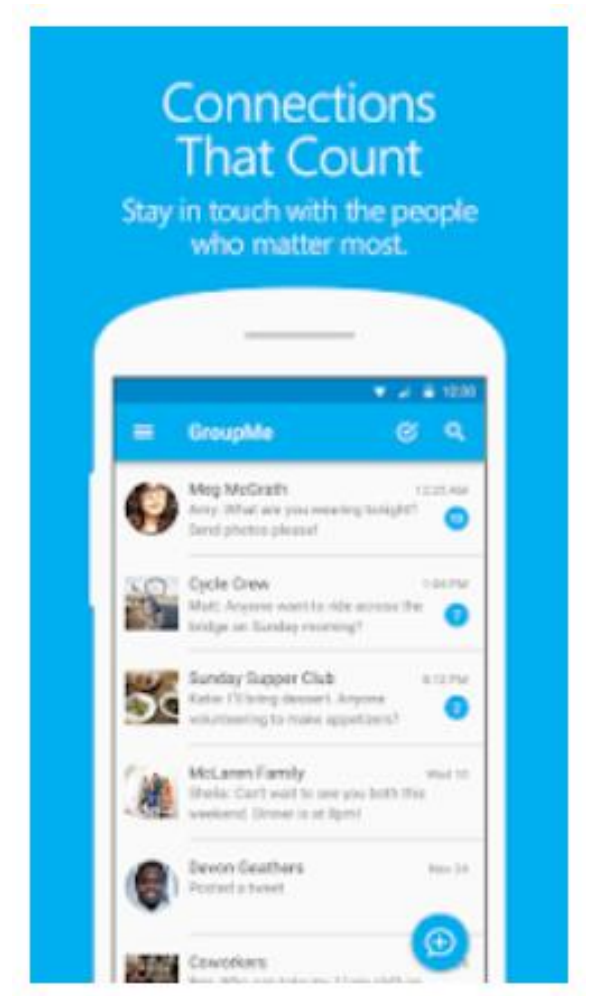
Western Nassau Transmission Project - LED Vests/Halos's

- Nassau County has the highest incident of pedestrians being struck by automobiles in New York State.
- Due to our concerns regarding Pedestrian Safety on the WNTTP project LED lighted vests and hard hats were ordered for all of our Field Supervisors to use during night operations.
- There is no Arc/Flash hazard, therefore no need for FR.
- LED Vests/Halos – Are above the standard requirement.
- Trial Basis.



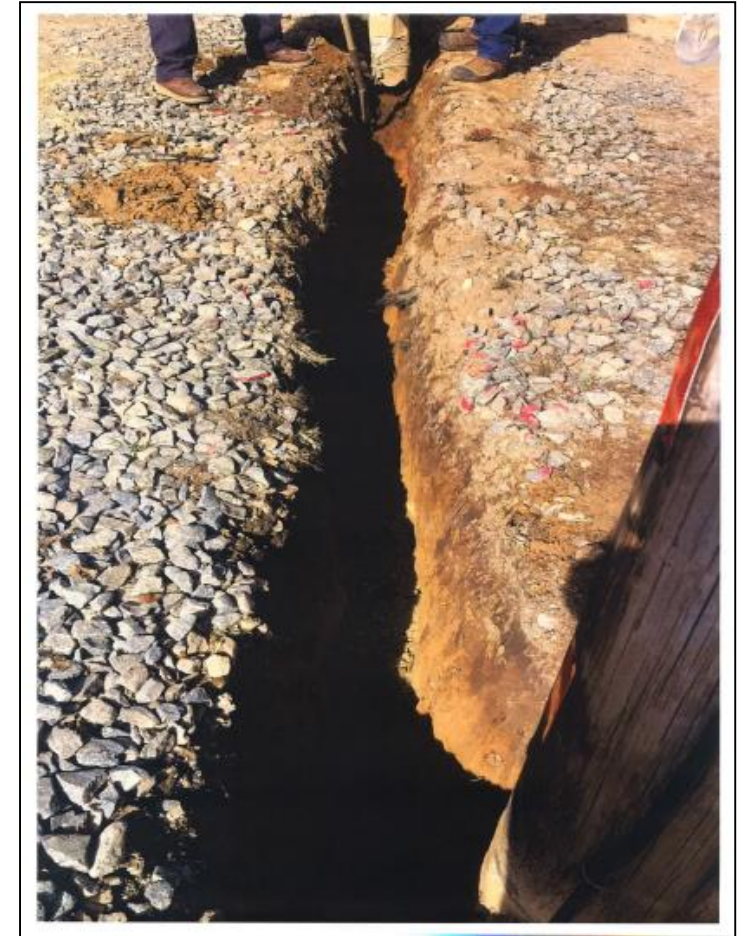
Changing the Experience

- Promote teamwork by open communication and learning through each other's experiences.
- Sharing best practices between Nassau and Suffolk
- Team group chats / text messages
- Weather issues
- Bi-weekly safety meetings
- Daily safety reminders
- All employees are empowered to share incidents and situations that were encountered throughout the day
- Sending pictures of infrequent meter pan set up's. Not all meter pans are the same and require working through the problem together.
- These implemented communications help create positive safety experiences and communications for employees.
- This helps to drive the principles of open lines of communication and a cohesive safety culture.



Creating Positive Experiences

- *Bridgehampton Overhead/Underground Lines was recently tasked with reconfiguring a temporary circuit located in the 9Z Amagansett Substation*
- *This task required –*
 - *Trenching-in 95 ft. of 3-Phase 750 MCM CU Cable*
 - *Terminating new cable feeding temporary switchgear and 2 circuit exits*
 - *Installing multiple transmission poles*
- *In accordance with living our value of safety and mitigating the potential for soft-tissue injury, Bridgehampton Overhead/Underground Lines solicited contractor WRS Environmental to utilize a vacuum truck as an assist to our crews to excavate the entirety of the trench and to dig holes for pole installation*



Living the Value of Safety

- *In addition to mitigating soft tissue injury, utilizing the vacuum truck also mitigates the potential for damaging any unknown/unidentified equipment located beneath the ground while at the same time improving operational efficiency/productivity*
- *As we continue to implement best practices such as this, we continue to create positive experiences for our employees; fostering a culture where we are actively living our foremost value of safety*
- *To further our efforts, the Overhead/Underground Lines Team is currently working to procure our own internally operated vacuum trucks with the intent of increasing overall availability of the equipment and reducing our dependence on the contractor*
- *Positive feedback was received from the overhead/underground team throughout the duration of this project*

Providing our personnel with the equipment they need to perform their job safely; that is what Perfectly Safe looks like to me.



Safety Experience - Bethpage Facility

Slips Trips and Falls

- Always a concern in an office environment, not just in the field.
- Bethpage Office
 - Slip and fall North stairwell - wet floor hazards – inadequate mats
 - Outside walkway North entrance - flooding / icing hazards
 - Bethpage parking lot re-paving – potential hazards

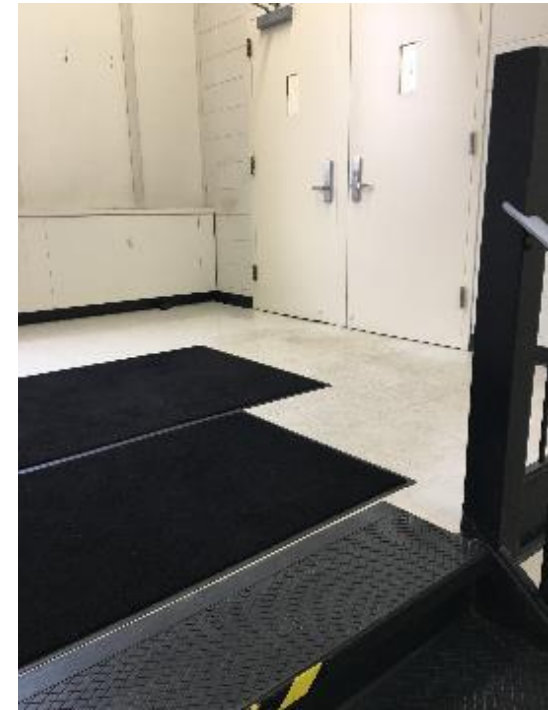
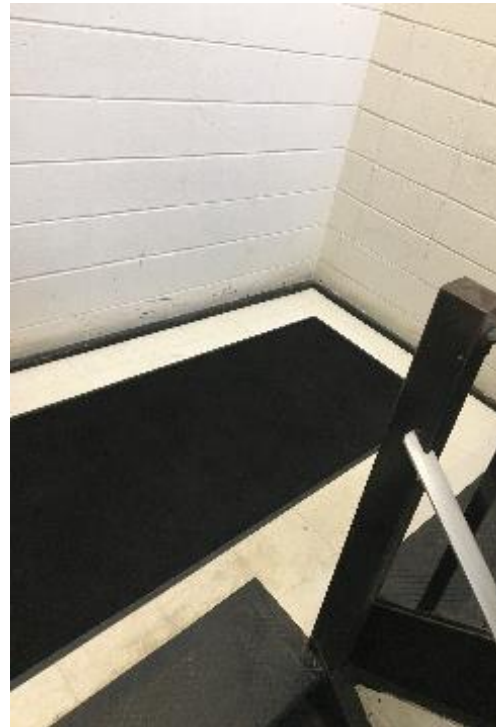
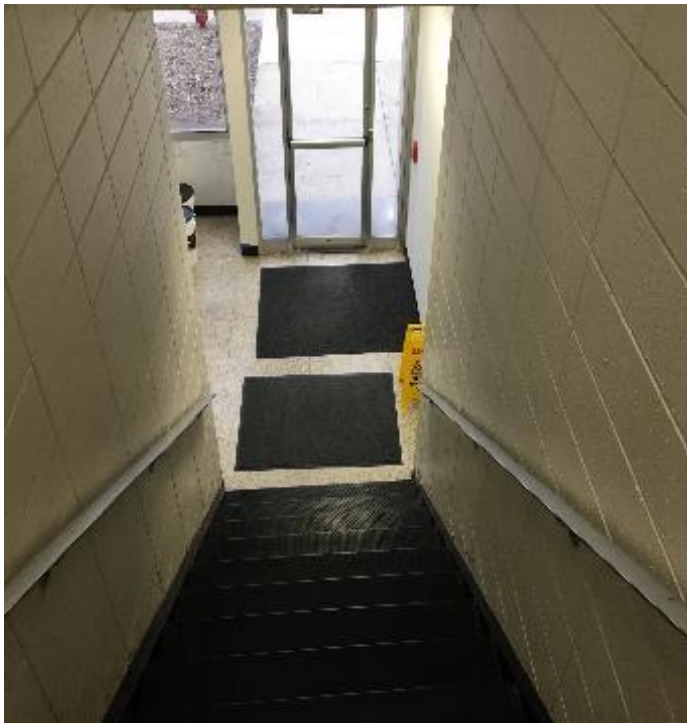
Control The Controllable

- Re-commit to Safety
- Safety Stand Down – alert everyone to refocus
 - Commit to Controlling the Controllable
 - Alert to potential hazards
- Group identified concerns

Safety Experience - Bethpage Facility

Inside North Stairwell

- Wet floor hazards – inadequate mats
- Mats added to 1st floor, mid-landing, and 2nd floor



Safety Experience - Bethpage Facility

Outside Walkway North Entrance

- Flooding / icing hazards
- Walkway corrected with new sections



Fabrication and Transformer Shops

- The Transformer Shop anticipated more pole-mounted ASU switches coming through the shop for Acceptance Testing and repair
- The switch is configured in a manner that does not allow for balanced placement on the Shop floor
- Changing the experience for the Mechanics who test and service the switches was necessary



Fabrication and Transformer Shops

- Collectively the Mechanics and Welders created a switch work station to work smarter instead of harder
- The new work station safely suspends the switch at various, adjustable heights so as to reduce back, neck and leg fatigue



Measurement Services – Storm Preparedness



*Providing our employees with the knowledge and tools they need to be safe -
That is what Perfectly Safe looks like to me.*