PSEG Long Island
Isaias Update on Project Plans

December 16, 2020
Agenda

• Opening Statements

• Progress and Planning for Key Objectives
  – Telecommunications
  – Outage Management System (OMS)
  – Operating Model
  – Additional Project Plans

• Path Forward

• Next Steps
PSEG Long Island’s Pledge

• PSEG Long Island will implement **ALL** Tier 1 recommendations from LIPA 30 & 90 day reports

• PSEG Long Island is committed to learning from and improving on Isaias experience

• We will prove to LIPA why we are the provider of choice

• We have and will continue to own the issues:
  • $6.5M paid out of profits for spoiled food and medicine to date
  • Public acknowledgement that we did not live up to our own expectations
  • Committed to our customers and want the chance to make good

• We are confident we can fix the issues and gain back the trust of LIPA, DPS, customers and key constituents
**Outstanding Employees and Focused Mission will Lead to Success....Again!**

*Our Mission remains the same, 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

**The LIPA and PSEGLI partnership has accomplished a great deal since the LIPA Reform Act:**

While the Task Force report rightly identifies that these metrics are not comprehensive, they are a point of pride and show our capability to improve:

<table>
<thead>
<tr>
<th>Metric</th>
<th>Improvement</th>
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<tbody>
<tr>
<td>Increased Customer Satisfaction</td>
<td>42%</td>
</tr>
<tr>
<td>Improved System Reliability</td>
<td>35%</td>
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<tr>
<td>Miles of hardened Electric Grid</td>
<td>&gt;1000</td>
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<tr>
<td>Megawatts of clean energy procured</td>
<td>&gt;1000</td>
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Summary of LIPA and DPS Recommendations – Tier 1 Focus

30 project plans have been developed to address the 40 tier 1 recommendations.

All 85 LIPA and 6 DPS Recommendations will be addressed.

Tier 1 Recommendations by Activity Grouping

<table>
<thead>
<tr>
<th>Recommendation Categories</th>
<th># Recs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outage Management System (OMS)</td>
<td>18</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>7</td>
</tr>
<tr>
<td>Digital Channel Enhancement</td>
<td>6</td>
</tr>
<tr>
<td>Operating Model</td>
<td>2</td>
</tr>
<tr>
<td>AMI Integration and Deployment</td>
<td>2</td>
</tr>
<tr>
<td>MDM Enhancement</td>
<td>1</td>
</tr>
<tr>
<td>Field Mobility</td>
<td>1</td>
</tr>
<tr>
<td>Crisis Management Team (CMT)</td>
<td>1</td>
</tr>
<tr>
<td>Emergency Assistance</td>
<td>1</td>
</tr>
<tr>
<td>Causal Analysis Team Review (CATRR)</td>
<td>1</td>
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</table>
10 of the 40 Tier one recommendations have already been completed and accepted by LIPA across a number of categories.
### Clear Priorities – Telecom – OMS – Organization Responsiveness

<table>
<thead>
<tr>
<th>Telecommunication</th>
<th>Outage Management System</th>
<th>Operating Model</th>
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<tbody>
<tr>
<td>• Identify and <strong>eliminate or mitigate bottlenecks</strong> and increase call capacity for customers to report outages via the telephony systems</td>
<td>• Maintain the <strong>current, stable OMS v5.5</strong> and invoke documented actions <strong>should it approach capacity limits</strong></td>
<td>• Strengthen <strong>culture of transparency</strong>, preparedness and continuous improvement</td>
</tr>
<tr>
<td>• Implement appropriate <strong>capacity monitoring and management processes</strong></td>
<td>• Improve the performance and function of the <strong>OMS v6.7 and re-implement</strong> to create a prudent utility solution to address future storm events</td>
<td>• Responsive dedicated management to LIPA and Long Island</td>
</tr>
<tr>
<td>• Modernize the call center infrastructure</td>
<td></td>
<td>• Broadened focus on operational risks, crisis management, and regulatory concerns.</td>
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</table>
On 12/3 the **newly implemented design** for calling the 800-490-0075 outage number was **stress tested to 5000 concurrent calls** (agreed upon threshold after Isaias).

### Completed and Future Action Items

- ✔ Added additional capacity in Verizon's networks
- ✔ Removed bottleneck from Verizon to High Volume Call Service (Intrado)
- ✔ Completed stress testing of up to 5000 concurrent calls
- ✔ Leveraged advice of third party experts
- ✔ Planned end-to-end test for January 2021

Note: Preliminary results show that the system met the exit criteria with no abnormal amount of failed or dropped calls (<4%).
OMS Status and Project Plan

Current status of OMS PragmaLINE v5.5
- Mitigating actions and preliminary business continuity plans have been developed.
- Performance and stress testing\(^1\) was completed on September 4th.
- The following areas passed testing:
  - OMS Web Service
  - ESB Web Services
  - Application System Resources
  - Server/Database Disk I/O Utilization
  - Network Bandwidth
- The following areas did not pass testing:
  - OMS Group Manager Service
  - OMS Incident Manager
  - Outage Map Accuracy

Status of OMS PragmaLINE v6.7
- **v6.7 is the desired version** given that it is vendor supported for enhancements and more completely enables AMI & Field Services Integration
- 8 tests conducted to date on v6.7 using Isaias storm conditions; has failed to perform at a satisfactory level

OMS v6.7 Plan
- **Re-platform v6.7** – estimated time to implementation 3-5 months
- Re-test OMS v6.7 using Isaias Storm conditions
- Go/No-Go decision on OMS v6.7 versus a new outage management system
- Evaluate Go-forward options and work with LIPA to determine the best course of action

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\(^1\) Two stress testing scenarios were performed: one that mimicked the conditions of Isaias over a 12-hour period and the second was modeled based on 90% of customers out in a 24-hour period
\(^2\) Details on business continuity plans included in appendix
Operating Model Status and Plan

PSEGLI recognizes the operating model concerns of the LIPA task force and has already taken steps to create clearer lines of accountability across the organization.

Completed Action Items

- President and COO of PSEGLI now solely focused on Long Island and all LI operations now under COO
- President and COO direct report to Corporate COO (eliminated path through PSE&G)
- Initiated formal recruiting process for dedicated PSEGLI CIO
- Hired a dedicated CISO Leader to report the PSEGLI CIO
- Revised approval process for approving press releases and ETR’s during a storm
- Established a plan to build a functioning Crisis Management Team

PSEGLI is also creating and hiring for an Emergency Preparedness leadership position that will focus exclusively on enhancing emergency planning and response.
Other Significant Project Plans

 Completed and Agreed to Action Items

- Smart Meter Deployment to be completed by Sept 1, 2021 (1.25 years early)
- Integration of Smart Meters to coincide with completion of deployment
- Crisis Management Team to be created with LIPA representation
- Field Mobile Application to be fully deployed
- Storm support contractor agreements will be executed (incl. National Grid)
- Meter Data Management enhancements completed

PSEGLI’s Project Plans will Adopt all LIPA Tier 1 Recommendations

PSEG Long Island values the LIPA Relationship and Recommendations
Next Steps

• Incorporate LIPA Management and Board of Trustee Feedback

• Assess and obtain the necessary resources to manage and execute plans

• Continue execution of the plans already underway and begin execution of the remaining plans addressing tier 1 recommendations

• Schedule regular progress updates with LIPA

• Continue developing action items for tier 2 and 3 recommendations
PSEG Long Island

PSEG Long Island is committed to continuous improvement, transparency and accountability

We remain committed to serving Long Island through our key business imperatives:

- Safety
- Customer service
- Electric reliability and storm response
- Energy efficiency and renewables
- Community involvement

Serving Long Island is a privilege and we will earn that privilege by delivering the service our customers deserve
Questions