Isaias Task Force Status Update

December 16, 2020
PSEG Long Island’s failed Isaias storm response was avoidable

- Inadequate preparedness, inadequate planning, inadequate system testing led to failures of telephone and outage management system
- Lack of solid contingency plans for critical IT systems

The root cause was not technical but management failures

- Failed leadership from a NJ-based IT management that has little accountability to Long Island operations
- Balanced scorecard metrics focused management attention on too few objectives
- PSEG lacks proactive risk management
KEY INVESTIGATION FINDINGS

Telephone systems lacked capacity and were not tested
- Over a million customer calls went unanswered

Outage Management System was failing before Isaias hit
- PSEG Long Island upgraded OMS without sufficient testing
- Management was slow to respond to known problems before storm

PSEG failed to disclose to LIPA that OMS was failing
- Before Isaias, PSEG knew OMS was not ready for a major storm but did not inform LIPA
- Even after storm, PSEG was not forthcoming about OMS issues
30-Day Report (09/23/2020)
• Number of Recommendations: 39
• Expected Completion date: 10/15/2020

90-Day Report (11/18/2020)
• Number of Recommendations: 47

Technical I Leadership and Management
Emergency Response Planning and Preparation I Storm Resiliency
11/20/2020 Action Request to PSEG Long Island

- Provide Deliverables for 30-Day Recommendations
- Submit Project Implementation Plans (PIPs) for 90-Day Recommendations (Tier 1) by 12/7/2020
- Comments provided to PSEG Long Island 12/9/2020 and revised Plans re-submitted to LIPA 12/11/2020

Information Requested in PIPs:

- Success Criteria
- Deliverables
- Work Plan
- Risk Management Plan
- Issue Resolution Plan
- LIPA Reporting Plan
- Technical Execution Plan
STATUS OF TIER 1 RECOMMENDATIONS

- Rejected (21)
- Accepted (8)
- PSEG Long Island Reports Task Completed (9)
KEY ISSUES WITH REJECTED PIPS

- Project completion timeline is too long
- Inadequate technical approach or insufficient articulation of the technical approach
- Project objectives described in project plan inconsistent with Board recommendation
- Check the box approach to project plan development
- Project team insufficiently resourced
30-DAY RECOMMENDATION STATUS

30-DAY RECOMMENDATIONS THAT WERE DUE 10/15/2020

Implementation Completed, pending verification (9)

Implementation Not Completed (30)
120+ Days After Isaias Many System Defects Remain Uncorrected

Telephone lines for storm reporting still need to be fully tested
- System has recently been unstable – customers encountering busy signals on various occasions
- PSEG Long Island has just recently ported the storm line to Verizon Business and undertook late night system tests – which encountered approximately 3.5% error rate
- To date, PSEG Long Island has not completed the following tests requested by LIPA:
  - End-to-end stress testing for call reporting wire-down or other emergencies
  - End-to-end stress test for trouble call from customer to OMS system
  - Stress tests that simulate calls originating from LIPA territory
120+ Days After Isaias Many System Defects Remain Uncorrected

OMS is still failing when stress-tested under the “Isaias” scenario
• PSEG Long Island moved to an older version (v 5.5) of the OMS system after the storm. In the meantime, it has been testing a newer version (v 6.7). Both systems are failing when subjected to Isaias-level stress testing
• PSEG Long Island is now planning to pursue a “re-platform” strategy – which is likely to slow down current efforts to finding root causes of the OMS failures; LIPA has not been provided a compelling rationale for this strategy
• Lack of strong internal capability have resulted in several false starts and over-reliance on vendor solutions
• Continued deficiencies in project management, vendor management, and problem resolution skills impeding progress
• Need a stronger sense of urgency in addressing these issues
Questions?