

**BOARD AGENDA SUMMARY SHEET**

<b>Committee or Board:</b> Board	<b>Date:</b> December 4, 2020	<b>Board Meeting Date:</b> December 16, 2020
-------------------------------------	----------------------------------	---

**For All Board Voting Items:**

**Title of Agenda Item:** Approval of the Annual Report and Amendments to the Board Policy on Customer Service

**Consent Agenda:**  Yes  No

**Accompanying Presentation:**  Yes  No

**Recommendation from Committee:**  N/A  F&A;  GP&P;  Oversight & Clean Energy

**LIPA Presenter:** Rick Shansky (presentation at Committee)      **PSEG Long Island Presenter:** Rick Walden

**Enterprise Risk Management Discussion:**  Yes  No

**For Policy Reports Only:**

**Type of Policy / Report:**  Operating;  Governance;  Compliance;  Mission

**Date of Last Report:** May 22, 2019

**Compliance Since Last Report:**  Yes  No

**Proposed Changes to Policy:**  Yes  No

<b>Requested Action:</b>	The Board is requested to adopt a resolution: (i) approving the annual report on the Policy; (ii) finding that LIPA has complied with the Policy; and (iii) approving certain amendments to the Policy.
<b>Summary:</b> <b>(include proposed amendments to Board Policies, if applicable)</b>	By Resolution No. 1370, dated July 26, 2017, the Board adopted the Policy with the purpose of providing a framework to achieve a high level of customer service and satisfaction. The Policy was last amended by the Board by Resolution No. 1480, dated May 22, 2019.  The Policy provides that the “Chief Executive Officer will report annually to the Board on compliance with the key provisions of the Customer Service Policy.”  LIPA Staff proposes one change to the Policy, to delete the section on protecting customer information, which is now covered by the Policy on Physical and Cyber Security.

**FOR CONSIDERATION**

December 16, 2020

**TO:** The Board of Trustees

**FROM:** Thomas Falcone

**SUBJECT:** Approval of the Annual Report and Amendments to the Board's Policy on Customer Service

---

**Requested Action**

The Board of Trustees (the "Board") of the Long Island Power Authority ("LIPA") is requested to adopt a resolution: (i) approving the annual report on the Board Policy on Customer Service (the "Policy"); (ii) finding that LIPA has complied with the Policy; and (iii) approving certain amendments to the Policy, which resolution is attached hereto as **Exhibit "A"**.

**Background**

By Resolution No. 1370, dated July 26, 2017, the Board adopted the Policy with the purpose of providing a framework to achieve a high level of customer service and satisfaction. The Policy was last amended by the Board by Resolution No. 1480, dated May 22, 2019.

The Policy provides that the "Chief Executive Officer will report annually to the Board on compliance with the key provisions of the Customer Service Policy."

**Compliance with the Policy**

Performance for 2020 has been overshadowed by poor storm performance by our service provider. This performance was compounded by the failure of telephone access to report outages and the failure of the outage management system used to identify and report on outages. These matters are more fully discussed in LIPA's 30 and 90-Day reports on Tropical Storm Isaias.

Nevertheless, consistent with the Policy, PSEG Long Island's customer service performance in the aggregate has continued to improve. This Report covers customer service activities since the Board's May 2019 review to the present. While PSEG Long Island's performance with respect to matters identified by the Isaias Task Force remains unacceptable, LIPA staff recommends that, for the reasons set forth below, the Board find that LIPA has substantially complied with the Policy since the last annual review. Compliance with each element of the Policy is discussed in detail below, including areas designated for improvement.

"Funding cost-effective initiatives and ongoing operations: (i) to provide customers with a level of service, as measured by industry standard customer service metrics, within the first quartile of peer utilities; and (ii) so that customers report a level of satisfaction, as measured by third-party

and internally-generated customer satisfaction surveys, within, where applicable, the first quartile of peer utilities by 2022.”

- Since 2014 PSEG Long Island is ranked as the most improved utility nationally by J.D. Power with an increase of 216 points; however, the score remains below average for a Large East Utility.
- PSEG Long Island met its customer satisfaction target for 2020, and LIPA and PSEG Long Island have established targets to achieve first quartile by 2022 with improvement each year.
- PSEG Long Island Residential and Business After-Call and Personal Contact survey demonstrate continued improvement, with 94.8%, 96.0% and 96.6% of respondents, respectively, indicating satisfaction with PSEG Long Island service through September 2020.
- First Call Resolution in the call center for 2020 YTD is 83.2%. First call resolution was added as a Tier 1 metric in 2019 and is targeted for further improvement.
- PSEG Long Island improved its Average Speed of Answer from a 2013 baseline of 93 seconds to 15 seconds in 2019. However, poor storm performance caused the 2020 YTD result to increase to 29 seconds. Over a million calls and texts were lost or unanswered due to communication systems failure and lack of contingency planning, which does not meet expectations for 2020. Remedial actions to address these failures remain in progress.
- Customer complaints increased from 2019 for 4.0 complaints to 11.5 for 2020 per 100,000 customers. This increase is the result of poor storm performance and high bill complaints following a hot summer.

“Supporting programs so that customers have information, education, and tools to manage their energy use according to their needs, including innovative billing options and emerging technologies and communications tools that enable multi-directional customer relationships for distributed resources and electric vehicles.”

PSEG Long Island continued to advance multiple Utility 2.0 priorities:

- Began implementing a new rate modernization system, which will result in five new time-based rate options to be available to customers beginning in February 2021.
- Built a new locational value tool, which will enable the utility to precisely target non-wires alternatives and price signals encouraging the development of distributed energy resources, potentially deferring or avoiding costly infrastructure upgrades.
- Began implementation of an online interconnection application portal.
- Completed a volt-var optimization study, exploring new technology to improve grid efficiency.
- Accepted applications for over 150 new behind-the-meter storage systems.
- Enrolled over 400 customers in the Super Savers peak load reduction program and dynamic load management incentives, reaching a total of 1.65 megawatts of peak load reduction in the North Bellmore pilot area.
- Incentivized 624 residential smart chargers and 31 DC fast chargers.

- During 2019, 5,755 customers participated in a home energy efficiency assessment. Despite being hampered by COVID-19, PSEG Long Island performed 2,007 assessments for 2020.

“Protecting customer information from unauthorized access, use, disclosure, modification or destruction through the adoption of appropriate policies and procedures.”

- Through press releases, television ads and bill inserts, PSEG Long Island provides customers with proactive reminders to be aware of and how to protect themselves from unscrupulous scam calls, scam emails, and unannounced visits.
- PSEG Long Island has assessed its data privacy framework, practices, and procedures as recommended by the National Institute of Standards (“NIST”) and has put in place:
  - Notifications to customers of data being collected, reasons for collection, and intended use, retention and sharing of data; and
  - Safeguards that protect customer information from unauthorized access or improper use.
- The Meter Data Management System has been implemented using configurations to support industry-standard data rules to protect information collected from loss, theft unauthorized access, disclosure, copying, use or modification, and to maintain integrity across the systems and to improve data privacy standards.

“Providing utility communications that are: accurate and easily accessible; understandable, including accurate billing that can be easily interpreted and conveniently paid; proactive regarding potential weather-related and/or emergency situations, including information on the restoration of electric outage.”

- During 2020, 278,250 smart meters were installed, exceeding the goal of 250,000 meters. As of September 2020, a total of 712,254 meters have been installed. This has improved the meter reading rate and timely and accurate billing.
- Revenue collected via text payments continues to increase as the number of payments received electronically continues to steadily grow reaching 70.7% up from 63.3%.
- Estimated time of restoration (ETR) remains an area that needs improvement. PSEG Long Island has been investigating improvements to its methodology for calculating ETRs, though its performance during Tropical Storm Isaias served to highlight the deficiencies in its approach to ETRs.

### **Annual Review of the Policy**

As shown in **Exhibit “B”**, LIPA Staff proposes one change to the Policy, to delete the section on protecting customer information, which is now covered by the Board’s Policy on Physical and Cyber Security.

## **Recommendation**

Based upon the foregoing, I recommend approval of the above requested action by adoption of a resolution in the form attached hereto.

## **Attachments**

**Exhibit "A"** Resolution

**Exhibit "B"** Board Policy on Customer Service (redline)

**Exhibit "C"** Board Policy on Customer Service (clean)

**RESOLUTION APPROVING THE REPORT TO THE BOARD OF TRUSTEES ON THE BOARD POLICY ON CUSTOMER SERVICE**

---

**WHEREAS**, the Board Policy on Customer Service (the “Policy”) was originally approved by the Board of Trustees by Resolution No. 1370, dated July 26, 2017; and

**WHEREAS**, the Policy was last amended by the Board pursuant to by Resolution No. 1480, dated May 22, 2019; and

**WHEREAS**, the Board has conducted an annual review of the Policy and affirms that the Policy has been complied with and the changes to the Policy recommended herein are due and proper.

**NOW, THEREFORE, BE IT RESOLVED**, that consistent with the accompanying memorandum, the Board hereby finds that LIPA has complied with the Policy for the period since the last annual review and approves the annual report to the Board; and

**BE IT FURTHER RESOLVED**, that consistent with the accompanying memorandum, the changes to the Policy that are reflected in attachment **Exhibit “B”** are hereby approved.

Dated: December 16, 2020

Board Policy: **Customer Service**  
Policy Type: **Mission**  
Monitored by: **Oversight and ~~REV Committee~~ Clean Energy**  
Board Resolution: **#1370, approved July 26, 2017**  
**#1430, amended September 27, 2018**  
**#1480, amended May 22, 2019**  
**[xxxx], amended December 16, 2020**

---



## **Board Policy on Customer Service**

It is the policy of the Long Island Power Authority to achieve a high level of customer service and satisfaction by:

- Funding cost-effective initiatives and ongoing operations: (i) to provide customers with a level of service, as measured by ~~industry-industry~~-standard customer service metrics, within the first quartile of peer utilities; and (ii) so that customers report a level of satisfaction, as measured by third-party and internally-generated customer satisfaction surveys, within, where applicable, the first quartile of peer utilities by 2022;
- Supporting programs so that customers have information, education, and tools to manage their energy use according to their needs, including innovative billing options and emerging technologies and communications tools that enable multi-directional customer relationships for distributed resources and electric vehicles; and
- ~~Protecting customer information from unauthorized access, use, disclosure, modification or destruction through the adoption of appropriate policies and procedures; and~~
- Providing utility communications that are:
  - accurate and easily accessible;
  - understandable, including accurate billing that can be easily interpreted and conveniently paid;
  - proactive regarding potential weather-related and/or emergency situations, including information on the restoration of electric outages.

The Chief Executive Officer will report annually to the Board on compliance with the key provisions of the Customer Service Policy.

Board Policy: **Customer Service**  
Policy Type: **Mission**  
Monitored by: **Oversight and Clean Energy**  
Board Resolution: **#1370, approved July 26, 2017**  
**#1430, amended September 27, 2018**  
**#1480, amended May 22, 2019**  
**[xxxx], amended December 16, 2020**

---



### **Board Policy on Customer Service**

It is the policy of the Long Island Power Authority to achieve a high level of customer service and satisfaction by:

- Funding cost-effective initiatives and ongoing operations: (i) to provide customers with a level of service, as measured by industry-standard customer service metrics, within the first quartile of peer utilities; and (ii) so that customers report a level of satisfaction, as measured by third-party and internally-generated customer satisfaction surveys, within, where applicable, the first quartile of peer utilities by 2022;
- Supporting programs so that customers have information, education, and tools to manage their energy use according to their needs, including innovative billing options and emerging technologies and communications tools that enable multi-directional customer relationships for distributed resources and electric vehicles; and
- Providing utility communications that are:
  - accurate and easily accessible;
  - understandable, including accurate billing that can be easily interpreted and conveniently paid;
  - proactive regarding potential weather-related and/or emergency situations, including information on the restoration of electric outages.

The Chief Executive Officer will report annually to the Board on compliance with the key provisions of the Customer Service Policy.