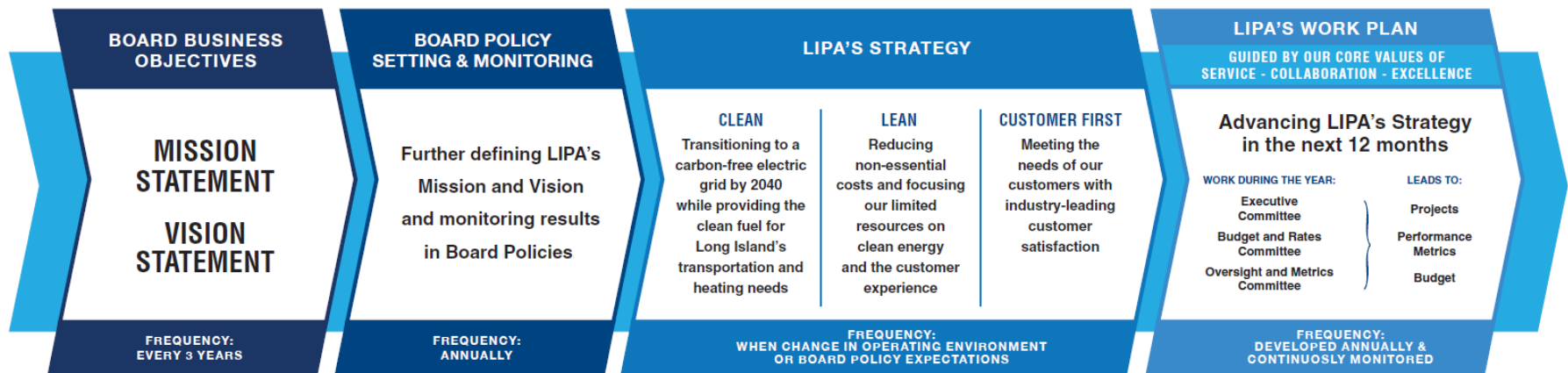




Annual Report on Strategy and Oversight Policy

January 27, 2021

STRATEGIC PLANNING PROCESS



- For 2020, 24 of the 37 projects identified in the 2020 Work Plan were completed and substantial progress was made on the remaining 13¹
- During 2020, an additional 35 projects were identified as important enough to warrant weekly monitoring by the Executive Committee
- For 2021, Staff has identified 50 projects designed to advance LIPA's Mission, Vision, and Board Policies¹

OVERSIGHT BACKGROUND

- LIPA's current business model involves significant outsourcing to Service Providers, which places heightened importance on LIPA's oversight in the achievement of its Mission and Vision and the Board's Policies
 - This business model is under review
 - Tropical Storm Isaias investigation emphasized the need to change LIPA's approach to oversight
 - In the past, LIPA relied too heavily on PSEG Long Island representations
- During 2020, Staff completed a project to develop an Oversight Framework, to help strengthen and formalize our oversight activities
- This effort included drafting internal policies for strategic planning and oversight, which among other things, established an Oversight and Metrics Committee and Budget and Rates Committee to coordinate such activities

OVERSIGHT BACKGROUND

- Oversight helps LIPA to ensure, among other things that:
 - The Board's Policies and LIPA's Strategy are implemented as intended
 - LIPA and its Service Providers advance the Mission and Vision adopted by the Board of Trustees
 - LIPA's Service Providers achieve reasonable results
 - LIPA's Budgets, including those of the Service Providers, provide value to our customer-owners for the money they pay

OVERSIGHT FRAMEWORK

To achieve LIPA's Oversight Objectives, the Oversight and Metrics Committee ("O&M Committee") and the Budget and Rates Committee have developed:

- an Oversight Framework to provide Subject Matter Experts (SMEs) the structure and processes to ensure effective Oversight
- an Oversight Universe, made up of Elements which are defined as the departments, functions, and systems contracted to a Service Provider that are subject to Oversight
- each Element has an SME assigned to it

These Committees:

- Work with SMEs to prioritize oversight activities, including the frequency and degree of oversight, by risk, materiality, and other measures of importance
- Refer Oversight findings, if any, to Service Providers to promptly resolve issues
- Refer Oversight findings to Internal Audit or Enterprise Risk Management, if such issues require further attention
- Review proposed plans and programs to ensure sufficient benefits for the cost
- Review the practices of Service Providers to foster continuous improvement, innovation, benchmarking, and industry best practice, to minimize cost and improve service quality

OVERSIGHT FRAMEWORK

- The O&M Committee and Budget & Rates Committee provide training to ensure all LIPA SMEs and project owners are aware of their roles and responsibilities in carrying out effective oversight activities
- Each year, SMEs deliver reports to the O&M Committee documenting their oversight activities and evaluating the effectiveness of those activities
- During 2020, the O&M committee received six reports:
 - Power Supply Planning – final
 - Wholesale Market Policy – final
 - Power Supply & Fuel Supply Management – final
 - Customer Service – being revised
 - Accounting – being revised
 - Budgeting – being revised
- The remaining 11 reports will be complete by the end of Q1 2021, concluding the first such annual reviews of the new O&M Committee

SELECTED OVERSIGHT HIGHLIGHTS

- Nearly 100 recommendations from LIPA's Tropical Storm Isaias investigation covering PSEG Long Island's management, emergency management, and information technology
- Eight recommendations to improve PSEG Long Island's Enterprise Risk Management
- Four recommendations to improve PSEG Long Island's budgeting
- Five recommendations to improve management of PSEG Long Island's Real Property and Records
- Five recommendations related to PSEG Long Island Safety
- Pole inventory and true up of property records and management
- Coming recommendations related to asset management and inventory management from activities completed in 2020

BOARD AGENDA SUMMARY SHEET

Committee or Board: Board	Date: December 9, 2020	Board Meeting Date: December 16, 2020
-------------------------------------	----------------------------------	-------------------------------------------------

For All Board Voting Items:

Title of Agenda Item: Approval of the Annual Report on the Board's Policy on Strategic Planning and Oversight

Consent Agenda: ☐Yes ☒No

Accompanying Presentation: ☒Yes ☐No

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

LIPA Presenter: Bobbi O'Connor & Ken Kane

PSEG Long Island Presenter: N/A

Enterprise Risk Management Discussion: ☐Yes ☒No

For Policy Reports Only:

Type of Policy / Report: ☒ Operating; ☐ Governance; ☐ Compliance; ☐ Mission

Date of Last Report: July 22, 2020

Compliance Since Last Report: ☒Yes ☐No

Proposed Changes to Policy: ☐ Yes ☒No

Requested Action:	The Board is requested to adopt a resolution: (i) approving the annual report on the Policy; and (ii) finding that LIPA has complied with the Policy.
Summary: (include proposed amendments to Board Policies, if applicable)	<p>Under the LIPA Reform Act and the Amended and Restated Operations Services Agreement (the "OSA"), LIPA has oversight rights and certain responsibilities with respect to its service providers, the operation and maintenance of the Long Island electric grid, and the generation assets under contract to LIPA. It is LIPA's policy to conduct its affairs and oversee its Service Providers in a manner that meets the needs and protects the interests of LIPA's customer owners. LIPA's business model involves significant outsourcing to Service Providers, which places heightened importance on LIPA's oversight in the achievement of its Mission and Vision and the Board's Policies.</p> <p>Oversight priorities for 2020 were shifted in the second half of the year as a result of poor storm performance by LIPA's 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, 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, including, as discussed below, by commencing implementation of changes in the way that LIPA conducts oversight of its service providers.</p>

FOR CONSIDERATION

January 27, 2021

TO: The Board of Trustees

FROM: Thomas Falcone

REQUEST: Approval of the Annual Report on the Board's Policy on Strategic Planning and Oversight

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 Strategic Planning and Oversight (the "Policy"); and (ii) finding that LIPA has complied with the Policy, which resolution is attached hereto as **Exhibit "A"**.

Background

Under the LIPA Reform Act and the Amended and Restated Operations Services Agreement (the "OSA"), LIPA has oversight rights and certain responsibilities with respect to its service providers, the operation and maintenance of the Long Island electric grid, and the generation assets under contract to LIPA. It is LIPA's policy to conduct its affairs and oversee its Service Providers in a manner that meets the needs and protects the interests of LIPA's customer owners. LIPA's business model involves significant outsourcing to Service Providers, which places heightened importance on LIPA's oversight in the achievement of its Mission and Vision and the Board's Policies.

By Resolution No. 1409, dated March 29, 2018, the Board initially adopted the Policy, and by Resolution No. 1547, dated July 22, 2020, the Board last approved amendments to the Policy related to LIPA's strategic planning efforts to clarify certain aspects of LIPA's oversight responsibilities. The Policy requires that the LIPA CEO or his or her designee report annually to the Board of Trustees on compliance with the key provisions of the Policy.

Compliance with the Policy

Oversight priorities for 2020 were shifted in the second half of the year as a result of poor storm performance by LIPA's service provider. These matters are more fully discussed in LIPA's 30 and 90-Day reports on Tropical Storm Isaias. Nevertheless, 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, including, as discussed below, by commencing implementation of changes in the way that LIPA conducts oversight of its service providers.

Annual Work Plan Report:

- Attached as **Exhibit “C”** is LIPA’s Annual Work Plan Report, including a section entitled, “2020 Work Plan Accomplishments,” which provides a summary of LIPA Staff’s 2020 accomplishments toward meeting the expectations of the LIPA Trustees and serving the needs of LIPA’s customer-owners. The Report also include a section entitled “2021 Work Plan Projects,” which describes the activities that LIPA Staff intends to undertake to further LIPA’s Mission and the Board’s policies in the areas of Reliability, Customer Service, Oversight, Resource Planning, Energy Efficiency and Renewables, Regionally Comparable Electric Rates, and Taxes, PILOTs and Assessments.
- The Annual Work Plan Report describes those activities that LIPA Staff believes are critical to advancing the Board Policies and LIPA’s Mission and are achievable based on current staffing levels and budgets.
- The discussion of the 2020 accomplishments and 2021 Work Plan projects includes activities for which LIPA has direct responsibility, like finance and legal, and oversight activities for functions for which LIPA’s service providers, including PSEG Long Island and National Grid share responsibility.
- The 2020 accomplishments discussion documents Staff’s progress on 72 projects monitored during the course of 2020, 37 of which were identified in the 2020 Work Plan as activities that would further the Board’s policies in LIPA’s key performance areas such as customer service, reliability, clean energy and affordability.
- As discussed in more detail in the Strategic Planning Report, Staff completed 47 of the 72 projects, including 24 of the 37 goals identified in the 2020 Work Plan, and made significant progress on the remaining projects, with additional work to be completed during 2021.

Staffing and Resource Constraints:

The Policy requires that Staff report on any current or projected staffing and resource constraints that may limit LIPA’s ability to achieve the Mission, Vision, and Board Policies adopted by the Board. Staff is considering these issues as it continues to evaluate the Options Analysis prepared at the Board’s request in response to PSEG Long Island’s response to Tropical Storm Isaias. To the extent that LIPA’s business model or contract with PSEG Long Island change significantly, additional staffing resources will likely be required.

Oversight Framework

The Policy requires LIPA’s CEO to achieve the Board’s Oversight Objectives by creating an Oversight Framework that:

- Prioritizes Oversight Activities, including the frequency and appropriate level of Oversight, by risk, materiality, and other measures of importance;
- Maintains appropriate documentation of Oversight Activities;
- Incorporates insights from LIPA’s Oversight Activities into annual budgets, projects, performance metrics, audits, and enterprise risk management activities;
- Balances the benefits and costs of proposed plans and programs;

- Fosters continuous improvement, innovation, benchmarking, and industry best practice, with a view to minimize cost and improve service quality; and
- Refers Oversight observations to Service Providers for resolution.

LIPA has created the Oversight Framework to ensure that our customers are receiving value for their dollar. The Oversight Framework maximizes LIPA's ability to effectively and efficiently identify areas for improvement across the organization by streamlining oversight activities and ensuring coordination across departments. Implementation of the Oversight Framework is the responsibility of the Oversight & Metrics Committee, which is constituted from among LIPA management and staff.

2020 Oversight Accomplishments:

As set forth in the Policy, the objectives of LIPA's Oversight are to ensure that:

- The Board's Policies and LIPA's Strategy are implemented as intended, in accordance with the terms of LIPA's contractual relationships, and that LIPA and its Service Providers advance the Mission and Vision adopted by the Board of Trustees.
- LIPA's Service Providers achieve reasonable results in accordance with expectations in exchange for the management fees and consideration paid for their services.
- LIPA's budgets, including those of the Service Providers, provide value to our customer-owners for the money they pay.
- The business processes and systems outsourced or provided to Service Providers operate to industry standards and best practices.
- Service Providers implement continuous improvement initiatives.
- Enterprise risks, including those managed by Service Providers, are identified, monitored, managed, and mitigated.
- Service Providers comply with applicable policies, laws, regulations, contract standards, and ethical standards.

Highlights of LIPA's 2020 oversight activities include:

- Investigating PSEG Long Island's response to Tropical Storm Isaias in August 2020 and making nearly **100 recommendations to improve PSEG Long Island's management, emergency management, and information technology** to address management failures during the storm;
- Making recommendations to improve the functioning and efficiency of PSEG Long Island's **budget development and monitoring** practices and **Enterprise Risk Management** practices;
- Benchmarking PSEG Long Island's **asset management practices** to the International Organization for Standardization (ISO) 55001 international standard and making recommendations for improvements;
- Making recommendations to improve PSEG Long Island's **management of LIPA's real property and related records**;
- Reviewing and making recommendations to PSEG Long Island to manage **staffing and overtime** for planned and unplanned work more effectively;

- Reviewing the appropriateness and effectiveness of PSEG Long Island's **safety initiatives** and making recommendations for improvements.

Each of these activities have been separately reported on and discussed with the Board, and certain recommendations have been adopted by the Board with ongoing reporting requirements.

2021 Oversight Activities:

LIPA's 2021 Work Plan includes oversight of the following significant activities:

- Conducting a new **Integrated Resource Plan** to determine the least-cost mix of generation and transmission to ensure continued system reliability while planning for an orderly transition away from fossil fuels;
- Issuing a request for proposals for **175 to 200 MW of utility-scale energy storage** to help address offshore wind intermittency and ensure that LIPA meets its share of New York's storage goals;
- Overseeing **PSEG Long Island's implementation of nearly 100 reforms** ordered by the LIPA Board to enhance management, emergency management, and information technology at our service provider;
- Completing a **final report by the Isaias Task Force** to make additional recommendations and inform the Board and public about the progress in addressing the PSEG Long Island management failures during the storm;
- **Reforming the budget development process** with PSEG Long Island to ensure alignment between budgets and work plans and enhanced accountability and transparency, including more robust variance monitoring;
- Completing studies of generation retirements and **retiring 400 to 600 MW of excess Long Island fossil-fuel generation** over the next several years;
- Preparing and filing the **\$225 million Tropical Storm Isaias claim** with the Federal Emergency Management Agency with appropriate support, reducing the storm costs for our customers;
- Enhancing the **PSEG Long Island Enterprise Risk Management** program to achieve greater transparency, better risk analysis, and improved monitoring of risk mitigation plans;
- Conducting an **independent review of the PSEG Long Island cybersecurity program** and information and operational technology and communication infrastructure to ensure robustness in serving our customers; and
- Developing **new metrics for analysis of emergency response effectiveness** and implement oversight process improvements, including analytical assessments.

Annual Review of the Policy

Staff has reviewed the Policy and does not propose any changes at this time.

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” Policy on Strategic Planning and Oversight

Exhibit “C” Annual Work Plan Report, Including 2021 Work Plan and 2020 Accomplishments
Report

**RESOLUTION APPROVING THE REPORT TO THE BOARD OF TRUSTEES ON THE
BOARD POLICY ON STRATEGIC PLANNING AND OVERSIGHT**

WHEREAS, the Board Policy on Strategic Planning and Oversight (the “Policy”) was originally approved by the Board by Resolution No. 1409, dated March 29, 2018; and

WHEREAS, the Policy was last reviewed and amended by the Board pursuant to Resolution No. 1547, dated July 22, 2020; and

WHEREAS, the Board has conducted an annual review of the Policy and affirms that the Policy has been complied with.

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.

Dated: January 27, 2021



Board Policy: **Strategic Planning and Oversight**

Policy Type: **Operating**

Monitored by: **Board of Trustees**

Board Resolution: **Resolution #1409, approved March 29, 2018,
#1461, amended January 23, 2019,
#1547, amended July 22, 2020**

Board Policy on Strategic Planning and Oversight

It is the policy of the Long Island Power Authority ("LIPA") to conduct its affairs and oversee its Service Providers in a manner that meets the needs and protects the interests of LIPA's customer-owners.

Key definitions for the purposes of this Policy are:

- **Mission** is a concise statement of why LIPA exists, sometimes also referred to as Purpose.
- **Vision** is a realistic and attainable idea of what LIPA seeks to become within a defined period of time (e.g. in 5 years).
- **Board Policies** are the Policies related to key areas of LIPA's business, adopted by the Board of Trustees, that provide additional guidance to LIPA's management related to LIPA's Mission and Vision. The current versions of the Board Policies can be found on [LIPA's website](#).
- **Strategy** is a multi-year view of the key themes or categories of initiatives (e.g. Clean, Lean, and Customer-First) that management must execute to further the Mission, Vision, and Board Policies adopted by LIPA's Board.
- **Work Plan** is the annual translation of LIPA's Mission, Vision, Board Policies, and Strategy into budgets, projects, Oversight activities, and performance metrics for a twelve-month period.
- **Oversight** refers to the actions LIPA takes to monitor and review the budgets, plans, processes, systems, programs, projects and services of its Service Providers.
- **Oversight Framework** refers to the structures and processes used by LIPA to ensure effective Oversight.

Strategic Plan and the Work Plan

LIPA's Strategic Plan involves several activities, including:

- Defining LIPA's Mission and Vision;
- Development and periodic review of Board Policies to provide additional guidance to LIPA management in key areas related to LIPA's Mission and Vision;
- Identification of a multi-year Strategy for management to achieve LIPA's Mission, Vision, and Board Policies;

- Creation and execution of an annual Work Plan that translates LIPA's Strategy into budgets, projects, Oversight activities and performance metrics for a twelve-month period; and
- Reporting to LIPA's Board by management on each Board Policy and on Strategy and the annual Work Plan.

The Board of Trustees is responsible for:

- defining LIPA's Mission and Vision, along with its expectations in key operational areas in the form of Board Policy;
- reviewing Board Policy reports, which are provided to the Board on a regular basis in accordance with the manner prescribed in each Board Policy; and
- communicating its expectations to LIPA management in the form of Board Policy.

LIPA's Chief Executive Officer ("CEO") is responsible for achieving the expectations communicated by the Board in its Policies. Specifically, LIPA's CEO is responsible for:

- **Supporting the Board in Establishing LIPA's Mission, Vision, and Board Policies** – LIPA's CEO works with the Board to provide the support and analysis necessary for the Board to make informed choices about LIPA's Mission and Vision, as communicated through Board Policies. The Board's Policies are necessarily constrained by LIPA's current state, resources, industry trends, laws, regulations, and other factors. The CEO supports the Board by providing management's assessment of these factors and the tradeoffs between competing objectives in the Board's Policies (e.g. customer enhancements versus affordability).
- **Reviewing and Modifying LIPA's Strategy** – LIPA's CEO works with the management team and Service Providers to review LIPA's Strategy not less than every three years. LIPA's Strategy, while periodically reviewed, will change infrequently and only with significant changes to LIPA's operating environment, legal and regulatory changes, and the Board's expectations, as communicated in the form of Board Policy.
- **Creating and Executing Annual Work Plans** – LIPA's CEO translates LIPA's Mission, Vision, Board Policies, and Strategy into annual budgets, projects, Oversight activities, and performance metrics, which together constitute the annual Work Plan. The CEO is responsible both for creating the Work Plan and ensuring it is executed in a manner that delivers the intended results.

LIPA's CEO will consult with and report to the Board on:

- The outcome of its Strategy reviews not less than every three years;
- The objectives of LIPA's annual Work Plans for the coming year and the accomplishments of LIPA's Work Plan for the prior year; and
- Any current or projected staffing and resource constraints that may limit LIPA's ability to achieve the Mission, Vision, and Board Policies adopted by the Board.

Oversight Objectives

LIPA's business model involves significant outsourcing to Service Providers, which places

heightened importance on LIPA's Oversight in the achievement of its Mission and Vision and the Board's Policies. The Objectives of LIPA's Oversight ("Oversight Objectives") are to ensure that:

- The Board's Policies and LIPA's Strategy are implemented as intended, in accordance with the terms of LIPA's contractual relationships, and that LIPA and its Service Providers advance the Mission and Vision adopted by the Board of Trustees;
- LIPA's Service Providers achieve reasonable results in accordance with expectations in exchange for the management fees and consideration paid for their services;
- LIPA's budgets, including those of the Service Providers, provide value for money to our customer-owners;
- The business processes and systems outsourced or provided to Service Providers operate to industry standards and best practices;
- Service Providers implement continuous improvement initiatives;
- Enterprise risks, including those managed by Service Providers, are identified, monitored, managed, and mitigated; and
- Service Providers comply with applicable policies, laws, regulations, contract standards, and ethical standards.

The Board of Trustees is responsible for periodically reviewing the Oversight Framework implemented by LIPA's CEO and the Oversight activities included in LIPA's annual Work Plan. LIPA's CEO is responsible for implementing an Oversight Framework consistent with the Oversight Objectives articulated by the Board in this Policy.

Oversight Activities

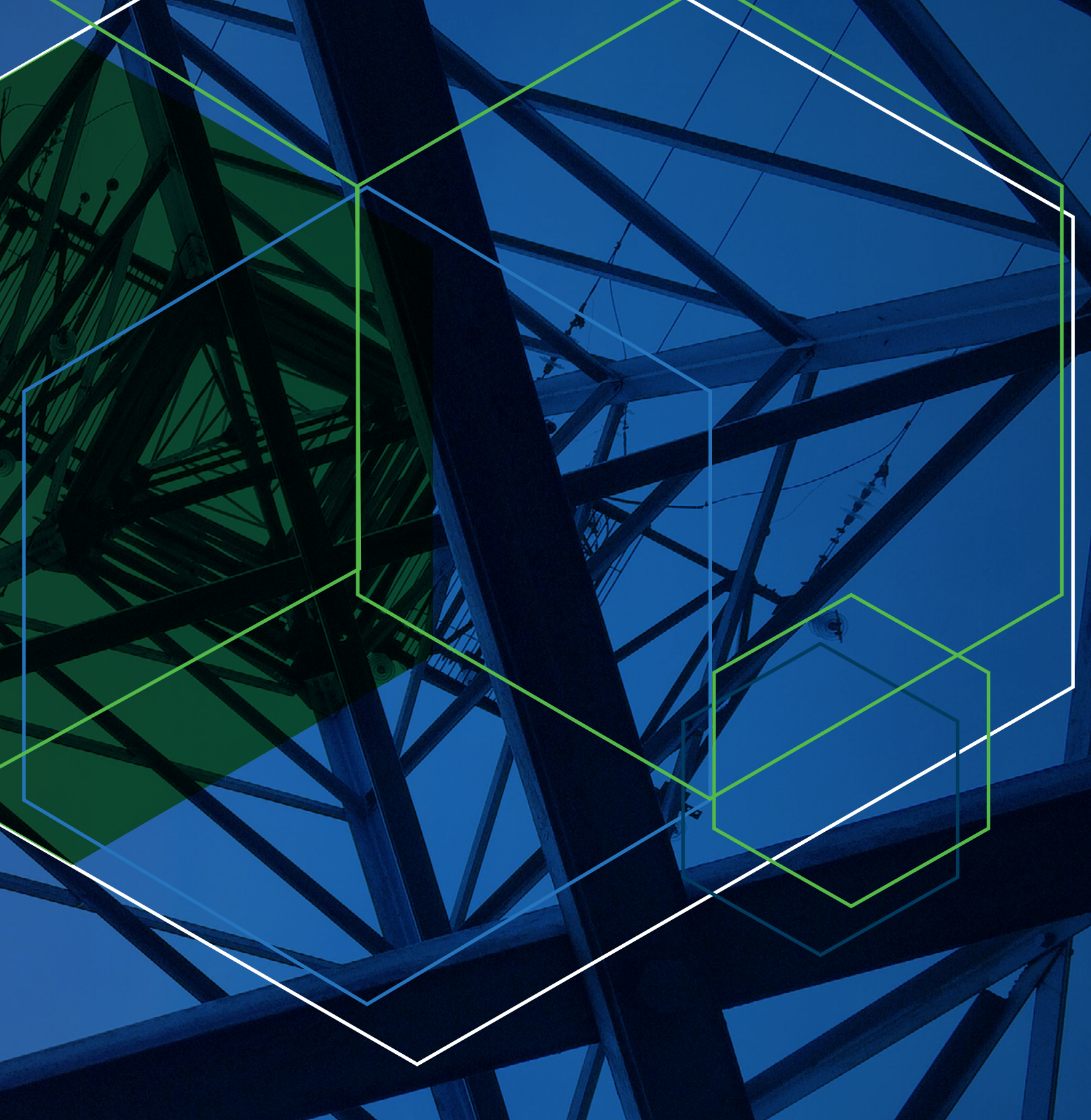
LIPA's CEO will achieve the Board's Oversight Objectives through an Oversight Framework that:

- Prioritizes Oversight activities, including the frequency and appropriate level of Oversight, by risk, materiality, and other measures of importance;
- Maintains appropriate documentation of Oversight activities;
- Incorporates insights from LIPA's Oversight activities into annual budgets, projects, performance metrics, audits, and enterprise risk management activities;
- Balances the benefits and costs of proposed plans and programs;
- Fosters continuous improvement, innovation, benchmarking, and industry best practice, with a view to minimize cost and improve service quality; and
- Refers Oversight observations to Service Providers for resolution.

Related to Oversight, LIPA's CEO will consult with and report to the Board on:

- The Oversight Framework implemented by LIPA's management team; and
- The objectives of LIPA's annual Work Plans for the coming year and the accomplishments of LIPA's Work Plan for the prior year related to Oversight.

The CEO or his or her designee will report annually to the Board of Trustees on compliance with the key provisions of the Policy.



Annual Work Plan Report

2020-2021





customers

1,023,221

residential

116,560

commercial

2020 peak demand

5,269

megawatts

energy requirements

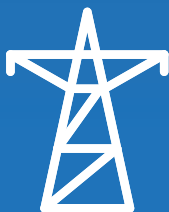
20,104,072

megawatt hours

generating capacity

5,757

megawatts



distribution system

9,000

miles overhead

5,000

miles underground

189,000

transformers

transmission system

1,400

miles

substations

30

transmission

152

distribution

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MISSION STATEMENT

LIPA is a not-for-profit public utility with a mission to enable clean, reliable, and affordable electric service for our customers on Long Island and the Rockaways.

BOARD OF TRUSTEES



Ralph V. Suozzi
Chairman of the Board



Mark Fischl
Vice Chairman of the Board,
Chair, Oversight & Clean
Energy Committee



Elkan Abramowitz
Chair, Governance,
Planning, & Personnel
Committee



Sheldon L. Cohen
Chair, Finance & Audit
Committee



Drew Biondo
Trustee



**Mathew C. Cordaro,
Ph.D.**
Trustee



Peter J. Gollon, Ph.D.
Trustee



Laureen Harris
Trustee



Ali Mohammed
Trustee

GOVERNANCE MODEL

The Long Island Power Authority is governed by a local Board of Trustees. The Board supervises, regulates, and sets policy for LIPA. The Board consists of nine Trustees, five of whom are appointed by the Governor, two by the Temporary President of the State Senate, and two by the Speaker of the State Assembly.

The Trustees serve for staggered four-year terms. The LIPA Reform Act of 2013 requires that all Trustees reside on Long Island or in the Rockaways and have relevant utility, corporate board, or financial experience. Trustees are not compensated for their service.

STRATEGIC DIRECTION BY THE BOARD

The Board has defined LIPA's mission as enabling clean, reliable, and affordable electric service for our customers. The Board has adopted a series of policies related to LIPA's mission, operations, and governance. For each Board Policy, the Board has specified required performance reports by management that allow the Board to monitor the Authority's performance relative to its policies.

For more information about the Board's Policies, please visit lipower.org/mission.

EXECUTIVE MANAGEMENT



Thomas Falcone
Chief Executive Officer



Anna Chacko
General Counsel



Mujib Lodhi
Chief Information Officer and
Senior Vice President of
Customer Experience



Tamela Monroe
Chief Financial Officer



Bobbi O'Connor
Chief Administrative
Officer, Secretary to the
Board of Trustees



Rick Shansky
Senior Vice President,
Operations Oversight



Kenneth Kane
Senior Advisor
for Oversight



Justin Bell
Vice President, Public
Policy and Regulatory
Affairs



James Miskiewicz
Deputy General Counsel



Kathleen Mitterway
Vice President, Audit



Donna Mongiardo
Vice President,
Controller



Barbara Ann Dillon
Director of Human
Resources and Administration



Jennifer Hayen
Director of
Communications



Thomas Locascio
Director of
External Affairs

OUR VISION: CLEAN, LEAN, AND CUSTOMER-FIRST

An electric utility for Long Island and the Rockaways that is focused on our customers' needs, providing clean, reliable energy, at the least possible cost.



1 | LIPA's Strategic Planning Process

LIPA's strategic planning process begins with its Board of Trustees. The Board approves LIPA's Mission and Vision and related Board Policies. These documents define the Board's aspirations for delivering electric service to customers and all significant aspects of the Trustee's expectations for LIPA's management team.

LIPA's Chief Executive Officer and management team are responsible for developing budgets, projects, oversight activities, and performance metrics to fulfill the Board's goals. The management team incorporates these plans into a multi-year Strategy with annual Budgets and Work Plans.

MISSION

LIPA is a not-for-profit public utility with a mission to enable clean, reliable, and affordable electric service for our 1.1 million customers on Long Island and in the Rockaways.

VISION

A trusted partner to our community, using innovation and continuous improvement to provide clean, reliable energy at the least possible cost. An industry leader known for our focus on our customers' needs.

BOARD POLICIES

LIPA's Board Policies relate to critical areas of our business and guide LIPA's management related to achieving our Mission and Vision. The Board Policies are reviewed and monitored annually by the Board and revised as appropriate. The Board's Policies are available on LIPA's website.

STRATEGY

LIPA's Clean, Lean, and Customer-First Strategy is a multiyear view of the key themes or types of initiatives that management must execute to further the Mission and Vision. The Strategy reflects an assessment of LIPA's current state and the types of activities necessary to achieve LIPA's Vision. LIPA's management translates our Strategy into Work Plans through an annual planning process.

WORK PLAN

LIPA's annual Work Plan turns our Strategy into budgets, projects, oversight activities, and performance metrics. Management provides the Work Plan to the Board of Trustees at the beginning of each year. Progress made in completing the Work Plan projects is reported back to the Board after the end of each year. Work Plan projects may be related to LIPA operations or LIPA's oversight of our service provider, PSEG Long Island.

LIPA does all of this work in a manner that demonstrates its commitment to its core values of Service, Collaboration, and Excellence.

2 | Our Values

LIPA has three values that distinguish our utility and describe how our employees work every day:



Service

In all our actions, we serve our customers, community, and the environment.

Behaviors:
Responsible | Efficient
Make Well-Informed Decisions



Collaboration

We leverage the abilities of our colleagues and stakeholders to benefit our customers.

Behaviors:
Embrace Diverse Perspectives
Communicate Openly | Build Trust



Excellence

We build on our successes, celebrate our wins, and learn from our mistakes.

Behaviors:
Deliver on our Promises |
Continuously Improve on our
Performance

3

An Overview

This annual report provides an overview of the accomplishments made on 2020 Work Plan projects. It also summarizes the projects LIPA's management intends to undertake in 2021 to continue towards the Board's aspirations for a Clean, Lean, and Customer-First utility for Long Island and the Rockaways.

For additional information regarding LIPA's financial position and results of operations, see LIPA's 2021 Budget.

Each year, LIPA's management team reports to the Board of Trustees on key accomplishments from the prior year and Work Plans for the coming year. The planning process ensures that LIPA and its service providers prioritize the activities that provide the most significant value to our customers and continue to move us towards the Board's goals for our customers and our service.

This annual report, along with the annual reports on each Board Policy, assists the Board in monitoring LIPA's activities and organizational progress towards the Board's Vision.

This report includes highlights of LIPA's 2020 accomplishments and planned projects for 2021. Appendices A and B contain the complete list of 2020 Accomplishments and 2021 Work Plan projects.



**Block Island Wind Farm,
Rhode Island**

4 | 2020 Work Plan Accomplishments

The 2020 Work Plan identified 37 projects or activities to further LIPA's Vision and the Board's Policies in critical areas such as customer service, reliability, clean energy, and affordability. Through the end of 2020, LIPA staff has completed 24 of those 37 projects and made substantial progress on the remaining 13 initiatives. Some projects are multiyear activities. For multiyear projects, LIPA management monitors project milestones weekly to ensure that the project remains on schedule. LIPA also routinely adds projects throughout the year as circumstances emerge and change. The following are highlights of LIPA's performance in 2020.

CLEAN: CARBON-FREE, RELIABLE ENERGY BY 2040

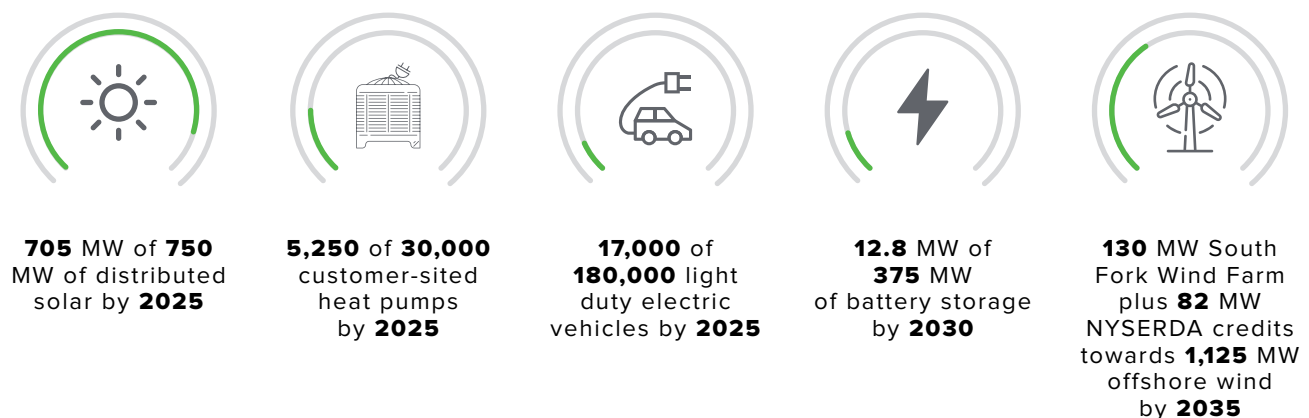
Running LIPA Clean means meeting New York State's aggressive climate goals and providing Long Island with 100 percent carbon-free energy by 2040. And it means enabling other sectors of the economy, like transportation and buildings, to decarbonize through the use of electricity. To meet our share of New York's goals, LIPA will need:

- 750 megawatts (MW) of distributed solar by 2025;
- 30,000 customer-sited heat pumps by 2025;
- 180,000 light-duty electric vehicles (EVs) by 2025;
- 375 MW of battery storage by 2030; and
- 1,125 MW of offshore wind by 2035.

Figure 1 shows LIPA's progress so far. While we are on track, we still have a lot to accomplish.

FIGURE 1

Long Island's Clean Energy Scorecard





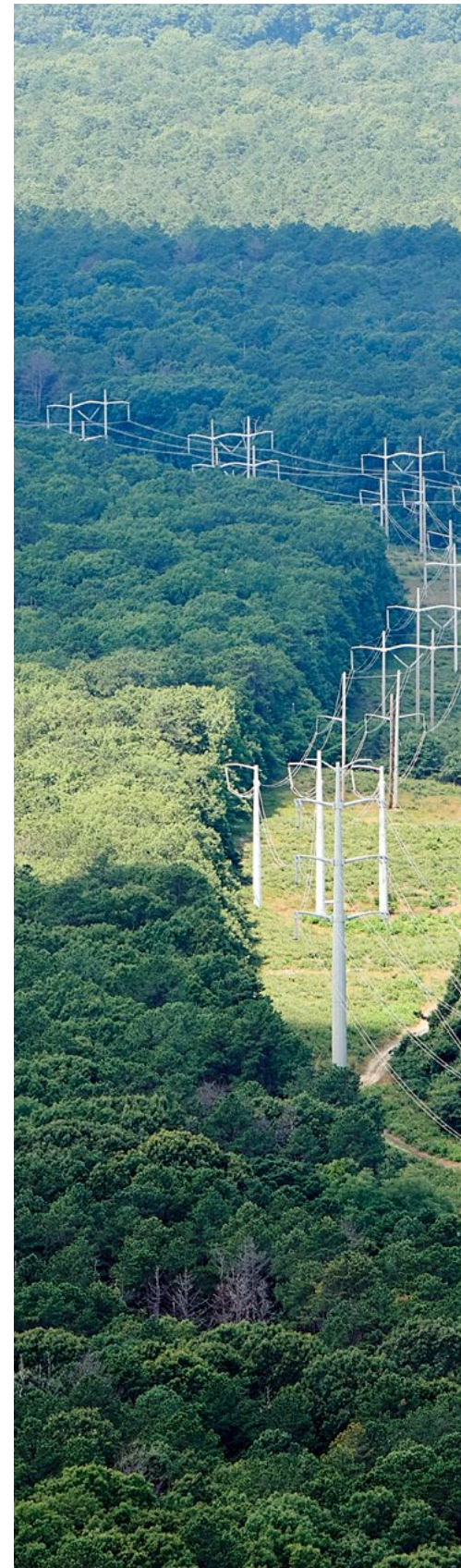
Here are some of the ways LIPA advanced its clean energy goals in 2020:

- Supporting the permitting of the transmission cable for New York's first offshore wind project, the **130 megawatt (MW) South Fork Wind Farm**;
- Studying the transmission reinforcements required to support the State's goal of **9,000 MW of offshore wind** and beginning the approval process for necessary transmission projects to integrate high levels of offshore wind on Long Island;
- Signing a power purchase agreement for a **23 MW utility-scale solar project** in Calverton;
- Soliciting **25 MW of community solar projects** to expand access to renewable power for qualifying low- and moderate-income residents and help address climate equity;
- **Retiring 68 MW of peaking units** at Glenwood Landing and West Babylon in 2020 and 2021;
- Approving **five new time-of-use rate designs** for residential and small business consumers, including a new off-peak electric vehicle (EV) charging rate, providing customers with an opportunity to save money by using electricity when it is cleaner and less expensive for LIPA to provide;
- Advancing the State's goal of **180,000 EVs on Long Island by 2025** by enrolling **1,000 EV owners** in Smart Charge off-peak charging program (an approximately 25 percent discount for overnight charging), rebating **900 residential EV smart chargers**, and issuing demand incentives to **115 DC EV fast charging ports**;
- Issuing rebates and incentives for **5,250 air source heat pumps** towards a goal of 30,000 carbon-reducing heat pumps by 2025; and
- Partnering with New York State Parks to open a world class **Energy and Nature Center at Jones Beach State Park** to showcase ways visitors can become conscientious stewards of our environment and smart energy consumers.

LEAN: ELECTRICITY AT THE LOWEST POSSIBLE COST

Operating Lean means achieving a balance between cost and service to get the most out of every dollar. Highlights of LIPA's activities in 2020 to Operate Lean include:

- Belt-tightening actions for 2021 to 2023, including deferring **\$60 million** of existing projects from the Capital Budget and **\$150 million** of new Capital initiatives; and cutting \$15 million from the Operating Budget and deferring **\$80 million** of new operating initiatives;
- Refinancing bonds for an estimated **\$70 million** of present value interest savings;
- Studying the **retirement of 400 to 600 MW of excess fossil fuel plant capacity** with announcements in early 2021;
- Settling decade-long litigation with the Huntington Town Board and Northport-East Northport School District to gradually reduce taxes on the Northport Power Station. This agreement, combined with the previous settlement for the Port Jefferson Power Station, maintains hundreds of millions of tax benefits for the host communities while saving LIPA's customers **\$364 million through 2028**;
- Benchmarking PSEG Long Island's **asset management practices** to the International Organization for Standardization (ISO) 55001 international standard and making recommendations for improvements;
- Making recommendations to improve the functioning and efficiency of PSEG Long Island's **budget development and monitoring** practices and **Enterprise Risk Management** practices; and
- Reviewing and making recommendations to PSEG Long Island to **manage staffing and overtime** for planned and unplanned work more effectively.





CUSTOMER-FIRST: FOCUS ON OUR CUSTOMERS' NEEDS

For LIPA, Customer-First means exceeding our customers' expectations reliably and responsively. Highlights of LIPA's activities that put our Customers First in 2020, include:

- Investigating PSEG Long Island response to Tropical Storm Isaias in August 2020 and making nearly **100 recommendations to improve PSEG Long Island's management, emergency management, and information technology** to address management failures during the storm;¹
- Submitting a report to the Board on the Options for the Management of LIPA Assets, which identifies opportunities to **improve management accountability and alignment** with Long Island customers and an alternative to **save up to \$815 million** through 2033 by managing LIPA's assets directly; and
- Continuing **record investment levels of \$802 million for 2020** – roughly three times those of a decade ago – into customer satisfaction and reliability, including storm hardening and Smart Meters, which provide better service at less cost.

The LIPA Board also took actions to ensure that customers impacted by the COVID-19 pandemic had access to essential electric service. The Board:

- Suspended customer terminations and late payment charges;
- Extended the grace period for low- and moderate-income customers to renew bill discounts;
- Suspended reconnection fees for commercial customers who disconnect electric services during pauses in business activity;
- Eased repayment terms for customers entering into deferred payment agreements; and
- Increased customer bill assistance to \$17.6 million in 2021 – quadrupling the five prior years' average funding level.

See Appendix A for a complete list of the significant projects advanced by LIPA management during 2020.

5 | 2021 Work Plan Projects

At the beginning of each year, LIPA's management presents the Board with a Work Plan to advance the Board's Vision for a Clean, Lean, and Customer-First utility for our customers. The planning process ensures that LIPA and its service providers prioritize the activities and projects that provide the greatest value to our customers and continue to move us forward in a rapidly changing industry.

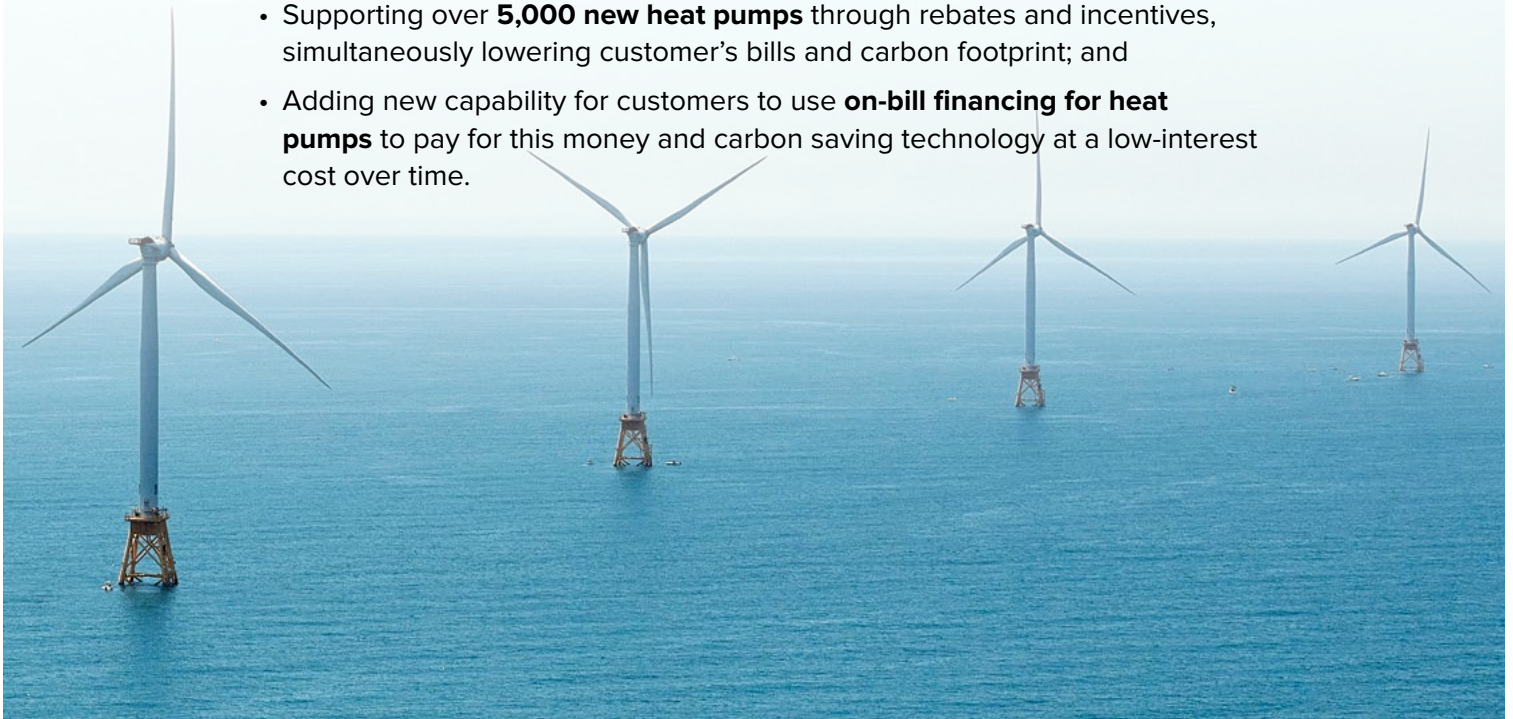
The annual Work Plan summarizes the projects that LIPA's management will undertake to further the Board's Vision and Policies, including (1) those related to LIPA's direct responsibilities, such as financing, wholesale markets policy, or rates and tariffs; and (2) oversight of the services provided to LIPA contractually by PSEG Long Island, National Grid, and other service providers. The projects in the Work Plan go beyond the day-to-day responsibilities of LIPA's staff. During the year, LIPA's management reviews the Work Plan weekly, and sometimes projects are added, revised, delayed, or canceled due to changing priorities. We will report back to the Board on the 2021 Work Plan's accomplishments at the first Board meeting of 2022.

As discussed above, 2021 will be a year of significant change for LIPA as we pursue options for different operating models going forward. The uncertainty around that requires that our plans include flexibility to adapt to changing circumstances. Therefore, management has separated the 2021 projects into Tier 1 projects, which are "must do's," and Tier 2 projects, which may be delayed based on changing priorities during the year. Below are highlights of the Tier 1 projects for 2021, including oversight activities.

CLEAN: CARBON-FREE, RELIABLE ELECTRICITY BY 2040

LIPA will advance the clean energy goals of the State and the Board by:

- Conducting a new **Integrated Resource Plan** to determine the least-cost mix of generation and transmission to ensure continued system reliability while planning for an orderly transition away from fossil fuels;
- Issuing a request for proposals for **175 to 200 MW of utility-scale energy storage** to help address offshore wind intermittency and ensure that LIPA meets its share of New York's storage goals;
- Advancing State approvals for necessary **transmission infrastructure** to allow developers to interconnect high levels of offshore wind to the Long Island electric grid;
- Contracting with the New York State Energy Research and Development Authority (NYSERDA), who will act as LIPA's procurement agent for **100 to 200 MW of Renewable Energy Credits**, to supplement LIPA's clean energy procurements;
- Investing in **EV make-ready infrastructure** to support 24 DC fast chargers and 254 level two chargers;
- Signing up 1,000+ customers for residential EV smart charger rebates and enrolling up to **245 new DC fast charging ports** in demand incentives;
- Enrolling another 1,000+ EV owners in **Smart Charge off-peak charging rewards**;
- Supporting over **5,000 new heat pumps** through rebates and incentives, simultaneously lowering customer's bills and carbon footprint; and
- Adding new capability for customers to use **on-bill financing for heat pumps** to pay for this money and carbon saving technology at a low-interest cost over time.



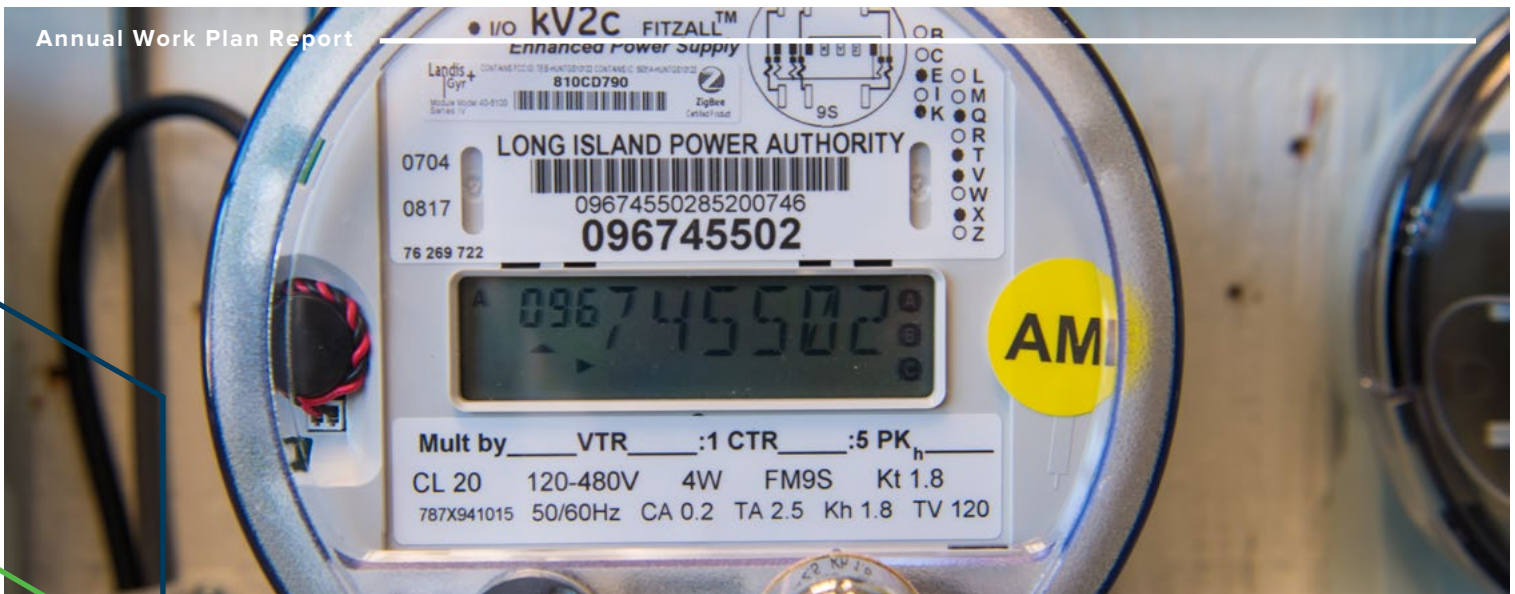


Riverhead, Long Island

LEAN: ELECTRICITY AT THE LOWEST POSSIBLE COST

To stay focused on operating Lean, LIPA will:

- **Reform the budget development process** with PSEG Long Island to ensure alignment between budgets and work plans and enhanced accountability and transparency, including more robust variance monitoring. These changes will uncover further opportunities to operate our business efficiently and better allocate our resources to our most important priorities;
- Complete studies of generation retirements and **retire 400 to 600 MW of excess Long Island fossil-fuel generation** over the next several years;
- Advance either a settlement or litigation to reduce the **excessive tax bills** on the Glenwood Landing and E.F. Barrett Power Plants in Nassau County;
- Prepare and file the **\$225 million Tropical Storm Isaias claim** with the Federal Emergency Management Agency with appropriate support, reducing the storm costs for our customers;
- Continue to advance **revised cost allocations for transmission and gas transportation services** at the Federal Energy Regulatory Commission and Public Service Commission to address formulas that overburden LIPA with excess costs for the services rendered;
- Deploy **data analytics** to evaluate PSEG Long Island's **fleet management** practices; and
- Enhance the PSEG Long Island **Enterprise Risk Management** program to achieve greater transparency, better risk analysis, and improved monitoring of risk mitigation plans.



CUSTOMER-FIRST: FOCUSED ON OUR CUSTOMERS' NEEDS

To demonstrate our continued commitment to our customers, LIPA will:

- Better align accountabilities and responsibilities with our customers by either **terminating or substantially renegotiating our contract with PSEG Long Island** to address the systematic management failures uncovered by LIPA's investigation of PSEG Long Island's response to Tropical Storm Isaias;
- Oversee PSEG Long Island's implementation of **nearly 100 reforms** ordered by the LIPA Board to enhance **management, emergency management, and information technology** at our service provider;
- Advance LIPA's claim and seek recovery of **\$70+ million in damages due to PSEG Long Island's mismanagement** of LIPA's assets so that our customers do not bear the costs of these failures;
- Complete a **270-day final report by the Isaias Task Force** to make additional recommendations and inform the Board and public about the progress in addressing the PSEG Long Island management failures during the storm;
- Seek legislation to permit the refinancing of LIPA debt for savings and to **fund additional storm hardening** at a lower cost to our customers;
- Conduct an **independent review of the PSEG Long Island cybersecurity program** and information and operational technology and communication infrastructure to ensure robustness in serving our customers;
- Develop **new metrics for analysis of emergency response effectiveness** and implement oversight process improvements, including analytical assessments;
- Continue to advance **record investments in customer satisfaction and reliability**, including new electric rate pricing plans, online tools, smart meters, and resiliency investments; and
- Simplify the **Long Island Choice** program to provide customers and communities with more choices while ensuring pricing appropriately reflects the cost of serving customers.

See Appendix B for a complete list of LIPA's 2021 projects.

6

Conclusion

This coming year will perhaps be the most significant in LIPA's 22-year history as the electric grid owner serving Long Island and the Rockaways. We face important decisions regarding whether to continue our business relationship with our service provider, PSEG Long Island. We must also continue to pursue projects and activities that will help us meet the Board's Vision for a Clean, Lean, and Customer-First utility for our customers. Our plans for the year ahead are ambitious but achievable for the betterment of Long Island and our customers.

2020 WORK PLAN ACCOMPLISHMENTS

APPENDIX A

Department:	Administration
GOAL 1	
Team Lead:	Bobbi O'Connor
Goal Description:	Generate a policy that documents all of the components of LIPA's strategic planning process, establishes an executive committee to coordinate and oversee the process and identifies the individuals involved in the process and the roles they play.
End of Year Status:	Complete
Task Completed:	Policy establishing the executive committee has created a very robust method of monitoring the status of LIPA's significant work plan projects.
GOAL 2	
Team Lead:	Bobbi O'Connor
Goal Description:	Benchmark status of strategic planning process against peers or established maturity model to identify strengths and weaknesses and implement changes as appropriate.
End of Year Status:	Complete
Task Completed:	Discussed LIPA's strategic planning process with peers at three other large public power companies to compare processes and identify process improvements resulting in process improvements to incorporate risk analysis into the budgeting process.
GOAL 3	
Team Lead:	Bobbi O'Connor
Goal Description:	Create a communications plan to engage employees in the components of the strategic planning process (including project plans, budgets and metrics) and explain the timing and interplay between the components.
End of Year Status:	Complete
Task Completed:	Identified opportunities to communicate aspects of the strategic planning process to the entire organization including presenting at employee staff meetings and writing an article in the monthly newsletter.
GOAL 4	
Team Lead:	Corey Horowitz
Goal Description:	Leverage risk analyses to enhance business processes for LIPA and PSEG Long Island; pilot one department at LIPA and one at PSEG Long Island and present findings to Senior Staff. Identify lessons-learned and develop the process to integrate into other business processes. For LIPA we will pilot the process for strategic planning, for PSEG Long Island the pilot will be for SOS prioritization.
End of Year Status:	Complete
Task Completed:	Worked with LIPA's human resources and audit departments to leverage risk analysis to help prioritize work flows, resulting in an 18-month human resource roadmap for strategic priorities and an audit plan focused on operational audits of the key risk areas of the business. ERM integration into PSEG Long Island's SOS prioritization process was deferred due to issues with staff time and funding and the project switched focus to working with PSEG Long Island's internal audit department to include ERM analysis into their audit universe.

APPENDIX A

Department:	Administration
GOAL 5	
Team Lead:	Bobbi O'Connor
Goal Description:	Develop trustee onboarding program to introduce new trustees to key areas of LIPA's business and familiarize them with LIPA's governance model.
End of Year Status:	Complete
Task Completed:	Developed a program to provide ongoing training for trustees across the key areas of LIPA's business. Conducted workshops on governance, storm response, and risk management. Schedule was extended into 2021 at the request of trustees to allow focus to be on post-Isaias issues.
GOAL 6	
Team Lead:	Bobbi O'Connor
Goal Description:	Lead relationship management strategic initiative with appropriate deliverables in 2020.
End of Year Status:	Complete
Task Completed:	LIPA retained a third-party consultant to identify areas for improvement and areas that are working well in the relationship. LIPA and PSEG Long Island leadership met four times in 2020 to discuss process improvements.
GOAL 7	
Team Lead:	Corey Horowitz
Goal Description:	Maturity model for PSEG Long Island's asset management.
End of Year Status:	Complete
Task Completed:	LIPA retained a third-party consultant to review PSEG Long Island's asset management practices and make recommendations for process improvements which will be implemented beginning in 2021.
GOAL 8	
Team Lead:	Bobbi O'Connor
Goal Description:	Review LIPA's mission, vision and values and revise to incorporate themes identified in 2019 strategic planning process and employee feedback.
End of Year Status:	Running Behind
Task Completed:	LIPA reviewed and refreshed its values which are now Service, Collaboration, and Excellence. This project is running behind because review of LIPA's mission and vision was deferred until 2021 at the request of trustees to allow focus to be on post-Isaias issues.

APPENDIX A

Department:	External Affairs & Communication
GOAL 9	
Team Lead:	Jen Hayen
Goal Description:	Build out the issue fact sheets on LIPA's website. Fact sheets will provide concise information and data on major policy issues.
End of Year Status:	Complete
Task Completed:	Generated issue-based fact sheets on key areas of the business including undergrounding, storm hardening, oversight of LIPA and PSEG Long Island, storm response oversight, distributed solar, community choice aggregation, Tropical Storm Isaias frequently asked questions, and more. Fact sheets were posted to the LIPA website and distributed to key LIPA stakeholders.
GOAL 10	
Team Lead:	Jennifer Hayen, Thomas Locascio
Goal Description:	Strategic Communications — Implement brand & communications strategy. Implementing a brand strategy can enhance reputation, attract talent, increase employee engagement, and give clarity to LIPA's role on Long Island.
End of Year Status:	Running Behind
Task Completed:	LIPA reviewed, and has already implemented, a few key elements of brand strategy. This project is running behind because branding and communication strategies are dependent on business options being considered by LIPA in response to PSEG Long Island's response to Tropical Storm Isaias.
GOAL 11	
Team Lead:	Jen Hayen
Goal Description:	Create a "history of LIPA" (pamphlet and digital format for intranet) for LIPA website and employees from the LILCO history, employee history, and other sources that explains LIPA's past and where we're headed, including use of photos of LIPA's assets to create a connection in the office to our business and tell our story.
End of Year Status:	Running Behind
Task Completed:	Content is near final, and last steps are needed to complete this goal. The project was delayed as it was ranked as a lower priority project, and the in-office deliverable will be in conjunction with the final configuration of the LIPA suite reimaged after COVID-19.
GOAL 12	
Team Lead:	Barbara Ann Dillon, Jen Hayen, Thomas Locascio
Goal Description:	Update LIPA's Office Suite Photos Using Asset Photos. Update LIPA Office Suite messaging to communicate Vision and Values. Displaying photos of LIPA's assets is an effective reminder and a good opportunity to provide information to guests and staff about our business and the purpose of our efforts and contributions.
End of Year Status:	Running Behind
Task Completed:	This project is running behind because the configuration of the office is being reconsidered in light of COVID-19.

APPENDIX A

Department:	Finance
GOAL 13	
Team Lead:	Chris Digilio
Goal Description:	2020 Medium Term Notes Offering Plan
End of Year Status:	Complete
Task Completed:	Developed an issuing plan and documents for \$250M note offering to be priced January 13, 2021 and close January 28, 2021.
GOAL 14	
Team Lead:	Chris Digilio
Goal Description:	2020 Finance Plan
End of Year Status:	Complete
Task Completed:	Developed the Detailed 2021 Finance Plan to issue Medium Term Notes and new money bonds to support the 2021 capital budget which was approved by the Board of Trustee in December 2020.
GOAL 15	
Team Lead:	John Little
Goal Description:	Conduct financial strategy review and create new PFM report.
End of Year Status:	Complete
Task Completed:	Analyzed LIPA Board financial policy to ensure metrics continue to meet our long-term financial goals. PFM provided recommendations which the Board adopted in the December 2020 meeting.
GOAL 16	
Team Lead:	Gerry Ring
Goal Description:	Transition power Markets planning to new platform to improve documentation. Ensure LIPA have approval rights to changes to the model. Eliminate the weaknesses of excel based modeling and thereby strengthen controls over the overall model. Transition annual budgeting process to new platform.
End of Year Status:	Complete (Phase 1)
Task Completed:	Obtained PSEG Long Island concurrence on the need for a single-model automated platform to develop and monitor LIPA's consolidated budget. Project in 2021 will improve budgeting process as well as review the best available software to implement.
GOAL 17	
Team Lead:	Chris Digilio
Goal Description:	Implement end-to-end comprehensive review of treasury operation processes to facilitate efficiencies through incorporation into new ERP process.
End of Year Status:	Complete
Task Completed:	End-to-end comprehensive review and assessment of treasury operations process was completed and execution of the recommendations is in progress.

APPENDIX A

Department:	Finance
GOAL 18	
Team Lead:	Chris Digilio
Goal Description:	Issue Letter of Credit RFP.
End of Year Status:	Complete
Task Completed:	Completed RFP, six banks were awarded and four of the six Lines of Credit were amended and/or renewed.
GOAL 19	
Team Lead:	Chris Digilio
Goal Description:	Issue RFP for investment banking services.
End of Year Status:	Complete
Task Completed:	Completed RFP and selection of investment banker underwriter pool.
GOAL 20	
Team Lead:	Gerry Ring
Goal Description:	Ensure that PSEG Long Island has staffing and overtime plans (resource loading plans) in place that effectively and efficiently address planned and unplanned workload. This includes the development of a new Monthly Overtime Report that enables PSEGLI to report on the planned and actual use of Overtime.
End of Year Status:	Complete
Task Completed:	Obtained regular reporting from PSEG Long Island to assure their review of continued use of overtime and ensure top-earners are appropriately awarded overtime as directed by union contract rules.
GOAL 21	
Team Lead:	Chris Digilio
Goal Description:	Private Business Use Certificate Review
End of Year Status:	Complete
Task Completed:	Revised Private Business Use Certificate completed.
GOAL 22	
Team Lead:	Chris Digilio
Goal Description:	Update capital spending allocation policies and procedures.
End of Year Status:	Complete
Task Completed:	Updated LIPA policy on tracking tax-exempt financed utility plant additions which identified efficiencies and implemented improvements in the monthly process.
GOAL 23	
Team Lead:	Chris Digilio
Goal Description:	Review UDSA legislation and advocate for any changes that may produce economic benefits.
End of Year Status:	In Progress
Task Completed:	Drafted proposed UDSA legislation amendments to be introduced for consideration in 2021 to gain economic benefits for our customers.

APPENDIX A

Department:	Finance
GOAL 24	
Team Lead:	Chris Digilio
Goal Description:	Complete all work necessary to pull the trigger on execution of a prepay transaction when market opportunity presents itself, including completion of RFP and vetting of transaction with OSC.
End of Year Status:	Running Behind
Task Completed:	Significant delays due to Office of State Comptroller resource challenges from COVID-19 and in-depth review of the complex transaction.
GOAL 25	
Team Lead:	Chris Digilio
Goal Description:	Update record retention policy associated with Authority bond issuances.
End of Year Status:	Running Behind
Task Completed:	Delayed due to timing of final audit report.

Department:	Human Resources
GOAL 26	
Team Lead:	Barbara Ann Dillon
Goal Description:	Complete new process for succession planning to implement industry best practice.
End of Year Status:	Complete
Task Completed:	Reviewed and revised our leadership competency framework to identify and define the competencies required for success and LIPA's Officers and Directors were assessed against these competencies to measure potential and readiness for succession and advancement. A summary of potential & succession readiness of Officers & Directors, and a list of high-potential Managers, was prepared for the CEO. An Officer succession heat map was created to show either gaps or successor candidates and the readiness of these candidates. Finally, action steps were identified to address gaps and to develop staff as successors.
GOAL 27	
Team Lead:	Barbara Ann Dillon
Goal Description:	Employee Engagement — Increase employee engagement initiatives at the department level. Increase overall performance and productivity by improving employee engagement levels across the organization by aligning department and employee focus and priorities with LIPA strategy.
End of Year Status:	Complete
Task Completed:	While enterprise - wide engagement efforts continued, department leaders undertook a more active role in conducting engagement activities within their departments and directly with/for their teams. Department heads participated in a presentation about the critical role leadership plays to increase engagement. Successful, creative engagement initiatives were researched and LPA leadership was surveyed and asked to commit to selecting and delivering engagement activities for their departments.

APPENDIX A

Department:	Human Resources
GOAL 28	
Team Lead:	Barbara Ann Dillon
Goal Description:	Improve the interview process to support making the right hiring decisions to ensure we are hiring the appropriate person for the identified job using the competencies identified for job success, including by creating a uniform list of behavioral interview questions for different levels of hiring (analyst, manager, director and officer) based on industry best practices.
End of Year Status:	Complete
Task Completed:	New behavioral interview questions focus on how a candidate has handled different work situations in the past and require a candidate to provide concrete examples of skills and experiences that relate to the position. After identifying the competencies required for each employee level (Officer, Director, Manager, Individual Contributor) a library of competency specific questions was prepared based on best practice and peer research.
GOAL 29	
Team Lead:	Barbara Ann Dillon
Goal Description:	Create a 360-degree review that provides more useful assessments and is shorter, simpler and encourages comments and feedback.
End of Year Status:	Complete
Task Completed:	The annual 360-evaluation process was redesigned to be more focused and to solicit better feedback to employees by using a new, shorter template that requires qualitative answers to a few questions regarding an employee's strengths and opportunities for development. Process improvements were also implemented so the 360-feedback, and the annual performance evaluation, provide actionable recommendations to include in employee annual development plans.
GOAL 30	
Team Lead:	Barbara Ann Dillon
Goal Description:	Create an 18-month HR roadmap outlining all inflight and contemplated HR programs and noting how all programs relate to one another. Provide a comprehensive and straightforward chart of all of LIPA HR's initiatives and programs to support employee understanding of what we do, why we do it and how it all fits together.
End of Year Status:	Complete
Task Completed:	An 18-month roadmap was prepared to identify and prioritize all of HR's initiatives and identifies resource needs, confirms that work is manageable and assists with prioritizing HR's the top objectives. HR then shared the roadmap and briefed the Executive Committee and staff about the various initiatives and how they fit together to support and drive LIPA strategy.
GOAL 31	
Team Lead:	Barbara Ann Dillon
Goal Description:	Reimagining LIPA for Post Covid 19
End of Year Status:	In Progress
Task Completed:	In progress project to provide a safe, functional office environment during the pandemic and to design a post COVID workspace for a hybrid workforce (remote and in-office); fosters collaboration and communication, maximizes use of space and is agile to meet future staffing requirements.

APPENDIX A

Department:	Innovation and Information Technology
GOAL 32	
Team Lead:	Mujib Lodhi
Goal Description:	Create a roadmap to enhance LIPA's cybersecurity program within three years. Implement 2020 Cybersecurity enhancements: C2M2 recommendations (wave 1 priority).
End of Year Status:	Complete
Task Completed:	Conducted a thorough third party independent cybersecurity assessment to baseline LIPA's cybersecurity practices, policies, controls, and cybersecurity architecture. Developed a multi-year cybersecurity program that delineates the strategic objectives, management structure, business processes, and technology capabilities to implement safeguards to minimize and manage risk to acceptable levels. Implemented several cybersecurity initiatives to introduce new policies, technologies, controls, cyber architecture, and management processes to enhance LIPA's cybersecurity posture.
GOAL 33	
Team Lead:	Mujib Lodhi
Goal Description:	Migrate Management Audit System to GoalHub Platform for management and reporting Management Audit goals.
End of Year Status:	Complete
Task Completed:	Migrated Management Audit System to a modern Platform to improve tracking and reporting of management audit recommendations.
GOAL 34	
Team Lead:	Mujib Lodhi
Goal Description:	Implement Phase I of LIPA's Enterprise Resource Planning system.
End of Year Status:	Complete
Task Completed:	Successfully went-live with a state-of-the-art, integrated and flexible Enterprise Resource Planning (ERP) system to support Financial, Human Resources, and Procure-to-pay operations. This enterprise system will support current and future best practices and improve operations across the organization.
GOAL 35	
Team Lead:	Brian Celleri
Goal Description:	Upgrade audio visual technology in executive conference room and two small conference rooms to support video conferencing capabilities
End of Year Status:	In Progress
Task Completed:	Completed the modernization of the Audio Visual Technology in the executive conference room to better facilitate virtual meetings and collaboration.
GOAL 36	
Team Lead:	Danny Jagoda
Goal Description:	Review and monitor IT metrics and consider the need for any additions, deletions, or modifications
End of Year Status:	In Progress
Task Completed:	Completed the annual review of IT metrics.

APPENDIX A

Department:	Innovation and Information Technology
GOAL 37	
Team Lead:	Brian Celleri
Goal Description:	Upgrade 40% of desktop hardware and operating system (Desktop/Laptop/Monitor/Windows 10) and selective Mac OS deployment based on users' needs.
End of Year Status:	Complete
Task Completed:	Completed the upgrade of LIPA's end-point infrastructure (desktop/laptop/tablets), including moving from Operating System (Windows 7) to Windows 10.
GOAL 38	
Team Lead:	Brian Celleri
Goal Description:	Develop an information technology asset management program for LIPA systems, including updated policies and procedures for inventory management throughout the asset life-cycle.
End of Year Status:	Complete
Task Completed:	Implemented a revised Asset Management program to ensure accurate and efficient tracking and management of LIPA's computing assets to improve management controls and strengthen security capabilities.
GOAL 39	
Team Lead:	Danny Jagoda, Faisal Bhatti
Goal Description:	Create a multi-year roadmap for IT investments for planning and 2021 rate case.
End of Year Status:	Running Behind
Task Completed:	Developed roadmap for IT investments which will evolve as LIPA considers its business options as a result of PSEG Long Island's response to Tropical Storm Isaias.
GOAL 40	
Team Lead:	Mujib Lodhi
Goal Description:	<p>Create a multi-year LIPA data analytics roadmap/strategy, including easier data access for LIPA employees to PSEG data (e.g., data warehouse) and set up data analytics as a service within IT to help departments implement data analytics. Implement phase I (POC) for 2020.</p> <p>Identify and implement a 2020 data analytics use case for FO/OO. Increase collaboration and effectiveness between departments (FO and OO) through enhanced use of data analytics (Tableau) to enable customized analysis and routine reporting of PSEG LI information.</p> <p>Data Analytics -In partnership with Internal Audit, work with PSEG Long Island to develop a repeatable P-card exception reporting workflow to analyze 100%of the P-card transactions monthly.</p>
End of Year Status:	Running Behind
Task Completed:	This project is running behind because resources had to be diverted to address PSEG Long Island's response to Tropical Storm Isaias. In 2021, staff will create a multi-year LIPA data analytics roadmap/strategy, and set up data analytics as a service within IT to help departments implement utility data analytics to provide actionable intelligence to improve business performance.

APPENDIX A

Department:	Internal Audit
GOAL 41	
Team Lead:	Kathleen Mitterway
Goal Description:	<p>The objective of the P-Card Robotic Process Automation Project is for LIPA to work with PSEG Long Island to develop a repeatable P-Card exception reporting workflow to analyze 100% of the P-Card transactions monthly.</p> <p>In addition, LIPA will develop two continuous auditing routines: (1) Split transactions and (2) Cardholder/Manager Approval.</p> <p>The objective of the P-Card Robotic Process Automation Project is to:</p> <ul style="list-style-type: none"> • Increase test coverage, by analyzing 100% of the PSEG Long Island P-Card transactions. • Eliminate manual testing and sampling with automated monitoring of processes. • Create a repeatable process which will increase PSEG Long Island P-Card Team's capacity and reduce risk exposure. • Begin using new data analytic tools, which will be expanded after implementing this first project
End of Year Status:	In Progress
Task Completed:	Developed a P-Card Robotic Process Automation workflow to analyze 100% of the PSEG Long Island P-Card transactions monthly.

Department:	Legal
GOAL 42	
Team Lead:	Anna Chacko
Goal Description:	Policy Management -- Inventory all departments to create written policies and procedures for all material functions and develop a "policy on policies" setting forth criteria by which policies may be promulgated and developed departmentally or by authority of the CEO.
End of Year Status:	Complete
Task Completed:	Developed repository for, and oversaw generation of, policies related to all key areas of the business to facilitate knowledge capture and transfer.
GOAL 43	
Team Lead:	Maria Gomes
Goal Description:	Develop process for annual review of LIPA vendors.
End of Year Status:	Complete
Task Completed:	Developed survey questions incorporating input from the various departments. Identified and tested portal to facilitate surveys launching 2 test surveys for 2 vendors; after successful testing, portal was utilized to review actual vendor.
GOAL 44	
Team Lead:	Anna Chacko
Goal Description:	Review structure of 1997 deal and determine whether the underlying rationale for LILCO still exists.
End of Year Status:	In Progress
Task Completed:	Concluded that LILCO can and should be merged into LIPA based on conversations with corporate and tax counsel.

APPENDIX A

Department:	Legal
GOAL 45	
Team Lead:	Elisa Rodriguez, Jim Miskiewicz, Maria Gomes, Mujib Lodhi
Goal Description:	<p>With IT project management, procure and customize document management system that integrates record retention policy across LIPA.</p> <p>The objective is to provide all LIPA staff with a digitally-based document management system that is easy-to-use within normal work, provides institutional knowledge as well as litigation functionality through a user-friendly search function, and integrates with a hosting, cloud-based system that retains and automatically disposes of records in compliance with state and federal law and regulation as applicable. The digital system would also, in time, serve as a replacement to costly paper archiving.</p>
End of Year Status:	In Progress
Task Completed:	Performed needs analysis with LIPA departments to determine requirements for updated document management system. Developed record retention policy.
GOAL 46	
Team Lead:	Anna Chacko
Goal Description:	<p>Oversee analysis by PSEG Long Island of NGRID properties to determine if ownership is more beneficial than current lease arrangements with National Grid.</p> <p>Reduce cost to LIPA, if possible.</p>
End of Year Status:	Running Behind
Task Completed:	Studied the call center and the primary transmission control center. Both efforts were unsuccessful for different reasons. Made recommendations for the Board's consideration to improve real estate management in 2021.



APPENDIX A

Department:	Office of the Controller
GOAL 47	
Team Lead:	Donna Mongiardo
Goal Description:	Bifurcate National Grid and LIPA poles and evaluate revenue optimization opportunities for the telecommunication portfolio after bifurcation is completed.
End of Year Status:	Complete
Task Completed:	LIPA ensured PSEG Long Island bifurcated the telecommunication leases from National Grid by December 31, 2020 allowing LIPA to earn its 100% share of the lease payments and eliminate National Grid's management of such master leases which were never transitioned after PSEG Long Island became service provider.
GOAL 48	
Team Lead:	Donna Mongiardo
Goal Description:	Develop a FEMA process for close-out of 428 grant that streamlines consultant review of documentation and most efficiently provides for collection of the remaining funds under the letter of understanding.
End of Year Status:	Complete
Task Completed:	LIPA reviewed the mitigation circuit binders with NYS Dept of Homeland Security and ensured they concurred with FEMA on the documentation necessary in such binders. A bi-weekly meeting with all related parties ensure a constant submission of additional circuits to obtain a complete review of all circuit binders within a 2-year period.
GOAL 49	
Team Lead:	Donna Mongiardo
Goal Description:	Evaluate PSEG Long Island's process for managing telecommunication assets and maximizing revenues from same.
End of Year Status:	Not Started
Task Completed:	This project was moved to 2021.
Department:	Operations Oversight
GOAL 50	
Team Lead:	Tom Simpson
Goal Description:	Oversee PSEG Long Island's completion of the mandated Northport repowering study by 4/1/20, including evaluation of possible retirement of one or more steam units.
End of Year Status:	Complete
Task Completed:	The report concluded that repowering would not produce net benefits for customers, but that retirement of one steam unit would produce significant savings without hurting reliability.
GOAL 51	
Team Lead:	Donald J. Schaaf
Goal Description:	Undertake a survey of other utilities to identify best practices in storm response drills to maximize the benefit of PSEG Long Island's drills.
End of Year Status:	Complete

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Department:	Operations Oversight
Task Completed:	The survey and assessment of PSEG Long Island's storm drills were included in LIPA's 90-Day Report on Tropical Storm Isaias.
GOAL 52	
Team Lead:	Timothy Lederer
Goal Description:	Oversee development of Deferred Payment Agreements Report to improve management of receivables.
End of Year Status:	Complete
Task Completed:	The report was completed and is being used by LIPA and PSEG Long Island to improve collection practices.
GOAL 53	
Team Lead:	Mike Deering
Goal Description:	Oversee the development and implementation of multi-year (through 2025) energy efficiency program and budget consistent with NYS standards.
End of Year Status:	Complete
Task Completed:	Oversaw development and implementation of three-year plan that is three-year plan that will be modified as needed to address legal and regulatory changes.
GOAL 54	
Team Lead:	Dave Clarke
Goal Description:	Oversee completion of the offshore wind (OSW) transmission study in order to, (i) understand OSW interconnection costs by landfall location, (ii) understand optimum mix of OSW landfall on Long Island versus New York City (iii) advocate for an OSW Public Policy Transmission Need and (iv) inform plans for generation sites under the Power Supply Agreement.
End of Year Status:	In Progress
Task Completed:	PSEG Long Island completed a study of the optimal interconnection plan for 3,000 MW of offshore wind on Long Island, with another 6,000 MW connected to New York City. In July 2020 LIPA submitted a letter to the Public Service Commission recommending a public policy transmission need involving an additional intertie between Long Island and the Con Edison system. The Public Service Commission is reviewing the need as part of a broader power grid study to be completed in 2021.
GOAL 55	
Team Lead:	Dave Clarke
Goal Description:	Represent LIPA customer interests in the Public Service Commission's Resource Adequacy Proceeding, including advocating for appropriate allocation of costs for clean, dispatchable generating plants needed for integration of renewable resources.
End of Year Status:	In Progress
Task Completed:	LIPA submitted comments in the Resource Adequacy proceeding, advocating for fair treatment of renewable resources in the state's electricity markets. Advocacy for fair treatment of renewable resource integration costs (both generation and transmission) is continuing through the Public Service Commission proceedings and the New York Independent System Operator's stakeholder process.

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Department:	Operations Oversight
GOAL 56	
Team Lead:	Tom Simpson
Goal Description:	Complete pending power purchase agreements for new utility-scale solar projects.
End of Year Status:	In Progress
Task Completed:	The power purchase agreement (PPA) for the Calverton solar project was completed and approved in 2020. The PPA for the Riverhead solar project cannot be completed until the project's Article 10 siting process is finished.
GOAL 57	
Team Lead:	Rick Shansky
Goal Description:	Develop a battery storage roadmap for LIPA's share of New York State's energy storage goals (1,500 MW statewide by 2025 and 3,000 MW by 2030) and oversee establishment and implementation of plans for meeting LIPA's resulting 2025 goal (approx. 200 MW by 2025).
End of Year Status:	Running Behind
Task Completed:	This project is running behind because additional analysis was required to develop the storage RFP. During 2020, assessment of distribution system opportunities was conducted and regulatory and contract structure issues were evaluated.
GOAL 58	
Team Lead:	Donald Schaaf
Goal Description:	Assess the efficiency and effectiveness of PSEG Long Island's warehouse and inventory management practices and benchmark them against other utilities.
End of Year Status:	Running Behind
Task Completed:	An independent consultant was engaged to review PSEG Long Island's inventory management practices. Work was delayed by Tropical Storm Isaias. The consultant's findings and recommendations will be included in LIPA's 270-Day Report.
GOAL 59	
Team Lead:	Donald Schaaf
Goal Description:	Review the scalability of PSEG Long Island's Emergency Response Plan to ensure it addresses severe storms and emergencies.
End of Year Status:	Running Behind
Task Completed:	The scalability of systems, logistics, and staffing was assessed. Work was delayed by Tropical Storm Isaias. LIPA's findings will be included in LIPA's 270-Day Report.
GOAL 60	
Team Lead:	Mike Simone
Goal Description:	Oversee refinement and implementation of storm hardening proposal and circuit improvement plans for 2020-2024.
End of Year Status:	Running Behind
Task Completed:	The performance of hardened circuits was assessed and the continuation of the mainline hardening program was determined to be the most cost-effective investment for 2021. Work was delayed by Tropical Storm Isaias. An assessment of hardening options for 2022 and beyond will be included in LIPA's 270-Day Report.

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Department:	Operations Oversight
GOAL 61	
Team Lead:	Rick Shansky
Goal Description:	Oversee NOx compliance plan filing to meet DEC requirement for legacy peaking generating units owned by National Grid.
End of Year Status:	Running Behind
Task Completed:	This project is running behind schedule because discussion of contractual issues has extended longer than expected. During 2020, the NOx Compliance Plan was submitted and two unit retirements were announced.
Department:	Public Policy & Regulatory Affairs
GOAL 62	
Team Lead:	Justin Bell
Goal Description:	Oversee implementation of rate modernization roadmap (2020 portion). Ensure PSEG Long Island executes the 2020 portion of the rate roadmap implementation plan to achieve joint rate modernization vision.
End of Year Status:	Completed
Task Completed:	The Rate Modernization Roadmap was completed in early 2020, setting the agenda for planned changes to LIPA's tariffs over the next several years. The initiatives are intended to keep pace with NY's REV and VDER policies, implement rate changes that promote community distributed generation and electric vehicle penetration, and complement the activities envisioned for Utility 2.0.
GOAL 63	
Team Lead:	Justin Bell
Goal Description:	Lead the policy advocacy strategic initiative to produce a useful policy advocacy process and plan. Develop and document process. Organize and run Policy Advocacy Steering Committee. Match resources with priorities.
End of Year Status:	Completed
Task Completed:	The Policy Advocacy Committee has been assembled to include the relevant participants from LIPA and PSEG Long Island. The committee meets monthly to address and promote the activities needed to define, analyze, and implement the policies that support LIPA's mission and strategy.
GOAL 64	
Team Lead:	Justin Bell
Goal Description:	Research experiences in other service territories with "all electric home" incentives (including SMUD's) and consider applicability in LIPA's service territory.
End of Year Status:	Completed
Task Completed:	Researched all electric home initiatives and oversaw PSEG Long Island's development of all electric home rebates, to be launched in 2021.

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Department:	Public Policy & Regulatory Affairs
GOAL 65	
Team Lead:	Justin Bell
Goal Description:	Oversee PSEG Long Island's analysis of the long-term impacts (5 and 10 years out) of increased electrification on the sales forecast. Ensure that PSEG Long Island's long-term sales forecast properly incorporates the impact of electrification of transportation, heating, and other sectors.
End of Year Status:	Completed
Task Completed:	The source and criteria utilized on long term projections of electrification of transportation, heat pumps and energy efficiency was reviewed and found consistent with other forecasts. These projections were included in the final approved 2021 sales forecast.
GOAL 66	
Team Lead:	Mark Smith
Goal Description:	Lead LIPA's oversight of PSEG Long Island's development and implementation of new on-bill financing programs. Ensure new on-bill program's structure facilitates strategic objective of promoting electrification and contains appropriate controls that minimize socialization of costs -->What projects qualify for on-bill financing -->Administration rules -->Reporting rules
End of Year Status:	Completed
Task Completed:	A two-year on-bill pilot program for residential customers will be initiated in 2021. The focus of the loan program will initially be restricted to heat pumps. The loan program will utilize \$10M of LIPA capital as funding for the customer loans.
GOAL 67	
Team Lead:	Justin Bell
Goal Description:	Oversee rate pilots and modernization plan.
End of Year Status:	Completed
Task Completed:	Rate pilots and modernization plans for updating the tariff have been proposed to and approved by the Board for 2020.
GOAL 68	
Team Lead:	Justin Bell
Goal Description:	Ensure continuity of LIPA rates and tariff functions through knowledge transfer activities within the rates group.
End of Year Status:	Completed
Task Completed:	Knowledge transfer plans have been prepared in 2020 for implementation in 2021 and continuously into the future, covering areas such as cost of service measurement, modern rate design, tariff review processes, and load research and analysis.
GOAL 69	
Team Lead:	Mark Smith
Goal Description:	Implement process to monitor applicable New York State regulatory and legislative activity and plan for compliance with same.

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Department:	Public Policy & Regulatory Affairs
End of Year Status:	Completed
Task Completed:	Regulatory affairs team including LIPA and PSEG Long Island participants meets regularly to track new and on-going regulatory initiatives at the DPS and to consider and establish LIPA's participation in and responses to those regulatory issues.
GOAL 70	
Team Lead:	Justin Bell
Goal Description:	Create a CCA and ESCO strategy for the DPS customer choice proceeding. Oversee development of CCA or CCA-like options and strategy for DPS proceeding.
End of Year Status:	In Progress
Task Completed:	DPS-led initiative to review LI Choice and CCA options on Long Island have been delayed at the request of outside participants. Initial comments were provided on time in December and the reply comments have been postponed until the second half of January 2021. DPS will determine the schedule for follow-on activities, which are expected to continue through 2021.
Department:	Senior Advisor for Oversight
GOAL 71	
Team Lead:	Ken Kane
Goal Description:	Create an oversight roadmap across LIPA and implement strategies in 2020 that advance that roadmap towards where we want to be in 5 years. Think longer term about where we want to be a few years from now so that we can work backwards and plan for the right tools, budgets and staff to meet our objectives.
End of Year Status:	Running Behind
Task Completed:	This project is running behind as revisions to Policy (CEO-POL-005) and agreement on a model annual oversight report took longer than anticipated. During 2020 the Policy was finalized, the report format agreed upon and several oversight Annual Reports were presented. Remaining reports to be presented by March 2021.



2021 WORK PLAN PROJECTS REPORTS

APPENDIX B

Department:	Administration Tier 1
GOAL 1	
Description:	Conduct a deep dive analysis of the top risks of PSEG Long Island. The analysis will include documenting the drivers which can cause the risk event to occur, an understanding of the consequences, and the mitigation actions currently being utilized to prevent it.
Strategic Initiative:	Enterprise Risk Management (ERM)
Shortened Goal Name:	ERM Deep Dive on Top PSEG Long Island Risks
Goal Type:	Team Goal
Objectives:	The objective of this project is to provide LIPA and PSEG Long Island senior management with a critical view of the organization's top risks along with the current mitigation strategies including projects dedicated to addressing the risk event. This will provide senior management the opportunity to modify mitigation actions where they deem it appropriate. The main objective is to reduce the probability that these significant risk events will occur.
Deliverables:	There will be meetings scheduled with senior management on all top risks of PSEG LI after a deep dive analysis is performed and mitigation actions are documented and evaluated by the ERM team.
Team Lead:	Corey Horowitz
GOAL 2	
Description:	Create a Diversity and Inclusion (D&I) Roadmap that identifies and executes best practices to support a sustainable D&I program
Strategic Initiative:	Diversity & Inclusion
Shortened Goal Name:	Create a Diversity & Inclusion Road Map
Goal Type:	Team Goal
Objectives:	This Roadmap will provide a clear vision of LIPA's 2-3 year plan for designing and executing a best practice D&I strategy in furtherance of the Board's Policy on Diversity and Inclusion. It will set out a wide range of initiatives to foster and promote a diverse and inclusive workplace and society in a sustained and systematic way.
Deliverables:	Provide a three-year strategic roadmap to help LIPA further develop a culture that values diversity and inclusion and sets out clear approaches and targets. It will set out our diversity and inclusion vision, our strategic goals and the steps we will take to realize this vision
Team Lead:	Barbara Ann Dillon
GOAL 3	
Description:	As part of LIPA's business strategy, design a two-year learning and development (L&D) strategy to develop LIPA's workforce's capabilities, skills and competencies and bring LIPA's performance and the performance of individuals to the next level.
Strategic Initiative:	Staffing & Employment
Shortened Goal Name:	Develop a Multi-Year Training and Development Strategy
Goal Type:	Individual

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Department:	Administration Tier 1
Objectives:	Create a training calendar, identify resources and deliver a 2-year L&D plan that provides the training needed to support and develop employees in the competencies LIPA has identified as necessary for success, will bring us to the next level of performance and are how we measure and evaluate employees; and the values we are expected to model. The multi-year theme is Path to Success: People, Projects, Processes. Within this theme, training will use multiple training channels: On-line classes/seminars, virtual instructor led training, webinars, coaching.
Deliverables:	<ul style="list-style-type: none"> • A multi-year enterprise-wide training theme and calendar • Specific training identified, scheduled and delivered using the most effective and efficient means. • Twice a year employee surveys to gather feedback on training and to monitor training needs/ requests.
Team Lead:	Barbara Ann Dillon
GOAL 4	
Description:	This project involves working with LIPA Subject Matter Experts (SMEs) to fully understand, identify areas that require additional development, and utilize the PSEG Long Island department risk profiles and their mitigation strategies to identify areas of risk that require priority attention.
Strategic Initiative:	ERM
Shortened Goal Name:	Utilization of PSEG Long Island Department Risk Profiles
Goal Type:	Team Goal
Objectives:	Enhance the ERM program to more closely partner with LIPA SMEs to better utilize PSEG Long Island department-level risk profiles and follow-up on the implementation and effectiveness of mitigation strategies for top risks and those requiring more thorough development of mitigation actions within each department at PSEG Long Island.
Deliverables:	The deliverable will be joint presentations (ERM and LIPA department personnel) to the LIPA ERMC in 2021 on the top risks in each department, including drivers and mitigation strategies.
Team Lead:	Corey Horowitz
GOAL 5	
Description:	Coordinate Board's review of LIPA's Policy Governance Model and implement necessary changes and recommendations from the Board.
Strategic Initiative:	Governance
Shortened Goal Name:	Policy Governance Model Review
Goal Type:	Team Goal
Objectives:	To facilitate the Board's review of its governance model and implement resulting changes and process improvements, including any necessary amendments to existing Board Policies or creation of new policies.
Deliverables:	Revised Policy Governance Model that reflects input from the Board.
Team Lead:	Bobbi O'Connor
GOAL 6	
Description:	Implement a process for appropriate members of LIPA staff to provide feedback up to the Board of Trustees, as requested by the Board.

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Department:	Administration Tier 1
Strategic Initiative:	Governance
Shortened Goal Name:	360-Reviews for LIPA Board
Goal Type:	Team Goal
Objectives:	In order to respond to the Board's request to provide feedback on its performance from staff, we will implement a form of 360-review to provide members of staff who have significant interaction with the Board the opportunity to provide constructive and meaningful feedback to the Board related to its performance.
Deliverables:	An annual review of Board performance conducted by appropriate members of staff and coordinated by the CAO.
Team Lead:	Bobbi O'Connor
GOAL 7	
Description:	Provide training and coaching to enhance the effectiveness of the feedback provided to staff to drive performance and solicit feedback for continued development as a manager/leader. Feedback channels include monthly Check-Ins, Annual Performance Appraisal, preparing and monitoring annual development plans, and real-time feedback for improvement and recognition.
Strategic Initiative:	Staffing & Employment
Shortened Goal Name:	Next Level Employee Feedback Project
Goal Type:	Individual
Objectives:	<p>To provide critical and constructive feedback to employees to bring them to next level performance.</p> <p>This project will support management employees by providing training and coaching to:</p> <ol style="list-style-type: none"> 1. Set and communicate high expectations regarding staff development and performance (moving from what it is to what it should be); 2. Provide candid and effective feedback; 3. Solicit and receive candid feedback from staff; and 4. Proactively address lingering performance issues.
Deliverables:	<ol style="list-style-type: none"> 1. Provide training on conducting effective performance evaluations (the written evaluation (January) and the performance evaluation meeting (March 15); 2. Provide support on drafting development focused Annual Development Plans for each employee based on the performance evaluation and multi-rater (360) feedback (March 31); 3. Deliver training for department heads and directors on conducting effective staff meetings (April); 4. Enhance the Check-In process by shifting the focus from tasks/projects/work to an employee development focus by revising the template to focus on values, competencies and behaviors needed for success and the employee's annual development plan; and coaching supervisors about providing employees the opportunity to regularly discuss their development and professional growth. 5. Develop quarterly anonymous employee survey for each department: <ul style="list-style-type: none"> - communicate with department employees the value and importance of their feedback - discuss survey results with department heads
Team Lead:	Barbara Ann Dillon

APPENDIX B

Department:	Administration Tier 1
GOAL 8	
Description:	Carry-over project: Preparing for a post-COVID Workplace
Strategic Initiative:	N/A
Shortened Goal Name:	Re-Imagine LIPA
Goal Type:	Team Goal
Objectives:	To prepare our workplace and our policies to support a post-COVID workforce.
Deliverables:	Post-COVID policies and an office environment to meet the needs of the organization and our workforce
Team Lead:	Barbara Ann Dillon

Department:	External Affairs & Communication Tier 1
GOAL 9	
Description:	Complete the review of LIPA's mission and vision and continue with progress on implementing a brand strategy.
Strategic Initiative:	Governance
Shortened Goal Name:	Carryover: Brand Strategy
Goal Type:	Team Goal
Objectives:	An effective brand strategy can enhance reputation, attract talent, increase employee engagement, and give clarity to LIPA's role on Long Island.
Deliverables:	Brand strategy provides a central, unifying idea around which all behavior, actions, and communications are aligned.
Team Lead:	Jennifer Hayen
GOAL 10	
Description:	Develop quarterly newsletter to engage stakeholders on important and timely issues and activities related to LIPA's operations.
Strategic Initiative:	Customer First
Shortened Goal Name:	Quarterly stakeholder newsletter
Goal Type:	Individual
Objectives:	Develop and issue a quarterly newsletter for stakeholders in addition to periodic constant contact updates on important and timely issues and activities.
Deliverables:	Issue quarterly newsletters tied into Trustees meeting agendas and coordinated with schedule of Community Advisory Board meetings.
Team Lead:	Jennifer Hayen

APPENDIX B

Department:	Finance Tier 1
GOAL 11	
Description:	Identify and update financial policies for new ERP system processes.
Strategic Initiative:	N/A
Shortened Goal Name:	Update financial policies and control objectives
Goal Type:	Team Goal
Objectives:	Updates to financial processes and control objectives to ensure policies and controls are effective and efficient.
Deliverables:	Updated financial policies.
Team Lead:	Donna Mongiardo
GOAL 12	
Description:	PSEG Long Island is engaging a consultant to study charging infrastructure needed to support Long Island's 2025 light-duty ZEV goal and evaluate fleet services programs. LIPA's 2021 project is to review the study results and determine any additional steps needed to create a long-term EV roadmap for Long Island.
Strategic Initiative:	Clean
Shortened Goal Name:	Evaluate results of PSEG Long Island's EV consultant study and determine next steps toward 2025 EV goal and long-term EV roadmap
Goal Type:	Individual
Objectives:	Identify and map out programs and resources needed to achieve Long Island's EV goals.
Deliverables:	An assessment of PSEG Long Island's study results and recommended next actions for development of a long-term EV roadmap.
Team Lead:	Mark Smith
GOAL 13	
Description:	Under LIPA's direction, PSEG Long Island established a new regulatory tracking spreadsheet last year. However, updating is manual and updates are circulated by email. Opportunities to submit comments are occasionally missed or discovered late. Staffing and roles are not always clear. Project is to evaluate opportunities for improvement and then implement.
Strategic Initiative:	N/A
Shortened Goal Name:	Improve regulatory tracking and commenting process
Goal Type:	Team Goal
Objectives:	Establish a regulatory tracking process through which opportunities to comment are identified consistently and early, escalated appropriately, and decisions about whether to comment and "who does what by when" are made according to a clear and effective process.
Deliverables:	A new regulatory tracking system and documented process.
Team Lead:	Justin Bell

APPENDIX B

Department:	Finance Tier 1
GOAL 14	
Description:	Review PSEG Long Island budget development process, make recommendations to strengthen the process in order to ensure department level budgets are aligned with workplans and the decision-making process provides for accountability and transparency. Develop a new Budget Development System that is robust, reliable and supports the enhanced budget process. The system should provide for budget development, budget forecasting and long-range planning required to support Power Markets needs.
Strategic Initiative:	Lean
Shortened Goal Name:	Develop and implement a Budget Process Improvement Program and associated New Budget Development System
Department:	Finance
Goal Type:	Team Goal
Objectives:	<ul style="list-style-type: none"> - Strengthen PSEG Long Island budget planning process to ensure accurate budgets, improved planning, and more informative variance explanations. - Develop a unified, stable, flexible and transparent platform for budget development, financial planning, and monitoring. - System to be managed by LIPA and PSEG Long Island - System should provide for forecasting and what-if scenarios - System with built-in controls to reduce human error - Expandable to incorporate both published budget templates as well as drill down to supporting calculations and worksheets - Supports reporting of project balance sheet, capital structure, and associated ratios: Debt-to-asset ratio, 2.5% Delivery Revenue Test, Project Cost Variances
Deliverables:	<ol style="list-style-type: none"> 1. Recommendations on PSEG Long Island budget process 2. New budget development system 3. New platform for long-term modeling
Team Lead:	Gerry Ring
GOAL 15	
Description:	The implementation of 2020 Treasury Operations Review project will incorporate the recommendations from the Treasury Management System & Process Assessment (implementation in process) with the opportunities from the ERP implementation to improve efficiency within the Treasury functions.
Strategic Initiative:	Lean
Shortened Goal Name:	Treasury Operations Process Improvements
Goal Type:	Individual
Objectives:	Enhancement of the Treasury department operations and deliverables through improvements in strategy and operations.
Deliverables:	<ol style="list-style-type: none"> 1. Execute the plan to improve business processes 2. Execute the plan to update policies/procedures where appropriate 3. Execute the plan for Finance Long Term 4. Execute the plan to improve Investor Relations 5. Execute the plan to Integrate Finance in ERM framework 6. Execute the plan to develop and implement Data Analytics
Lead:	Tamela Monroe

APPENDIX B

Department:	Finance Tier 1
GOAL 16	
Description:	LIBOR is the global reference rate for unsecured short-term borrowing in the interbank market. It is utilized as a benchmark for short-term interest rates and is used for pricing in LIPAs swap agreements. The benchmark will be discontinued in the fourth quarter of 2021. The project is to convert the swaps to a new benchmark.
Strategic Initiative:	N/A
Shortened Goal Name:	LIBOR benchmark transition
Goal Type:	Team Goal
Objectives:	Convert the existing swaps which contain the LIBOR benchmark to a new benchmark
Deliverables:	Maintain an executable swap portfolio with appropriate documentation
Team Lead:	Tamela Monroe
GOAL 17	
Description:	Carried over from 2020, this goal is to develop and execute a strategy to ensure that the rates we charge CCA and ESCO customers appropriately reflect the cost of serving those customers and are consistent with State policy.
Strategic Initiative:	Clean
Shortened Goal Name:	Develop and execute CCA/ESCO strategy
Value Ranking:	Tier 1
Goal Type:	Team Goal
Objectives:	Obtain Board approval of tariff changes needed to ensure that the rates we charge CCA and ESCO customers appropriately reflect the cost of serving those customers and are consistent with State policy.
Deliverables:	Tariff proposal to update Long Island Choice. Proposal will likely include a new non-bypassable charge to CCA/ESCO customers, in place of the existing bill credit and adjustment process.
Team Lead:	Justin Bell

APPENDIX B

Department:	Innovation and Information Technology Tier 1
GOAL 18	
Description:	Implement Carryover from 2020 Cybersecurity enhancements: C2M2 recommendations (wave 2 priority). Implementation of Administrative and Technical Controls Phase 1 thru 3.
Strategic Initiative:	Physical and cyber security
Shortened Goal Name:	LIPA Cyber Security Enhancements
Goal Type:	Individual
Objectives:	Implement cybersecurity initiatives identified in 2020 roadmap to enhance LIPA's cybersecurity by one level within three years.
Deliverables:	Implementation of Administrative and Technical Controls
Team Lead:	Mujib Lodhi
GOAL 19	
Description:	Conduct Independent review of the PSEG LI Cybersecurity program (Design, Management, and Architecture)
Strategic Initiative:	Physical and cyber security
Shortened Goal Name:	PSEG Long Island Cyber Security Review
Goal Type:	Individual
Objectives:	Perform independent verification and validation of PSEG Long Island cybersecurity posture.
Deliverables:	IV&V Report
Team Lead:	Mujib Lodhi
GOAL 20	
Description:	Conduct Independent review of the PSEG LI IT/OT Communication Infrastructure (Design and Architecture)
Strategic Initiative:	Strategic planning and oversight
Shortened Goal Name:	PSEG Long Island IT/OT Communication Infrastructure Review
Goal Type:	Individual
Objectives:	Perform independent verification and validation of PSEG Long Island key communication infrastructure resiliency vs redundancy. (Preventive controls and measure in place to reduce the system disruptions).
Deliverables:	IV&V Report
Team Lead:	Mujib Lodhi
GOAL 21	
Description:	Implement Phase II of LIPA's Enterprise Resource Planning system (ERP-Business Process Improvements). Carryover from 2020
Strategic Initiative:	N/A
Shortened Goal Name:	ERP Modernization and Business Process Improvement Initiative

APPENDIX B

Department:	Innovation and Information Technology Tier 1
Goal Type:	Team Goal
Objectives:	Complete the finance department end-to-end business Process improvement (BPI) initiative, including AP, Accounting, etc. In partnership with the CFO, identify business process improvement and automation opportunities to enhance business performance.
Deliverables:	Phase II completion
Team Lead:	Donna Mongiardo, Mujib Lodhi
GOAL 22	
Description:	Complete strategic roadmap development for Phase I projects for data analytics and begin implementation.
Strategic Initiative:	N/A
Shortened Goal Name:	Enhance Data Access & Analytics
Goal Type:	Individual
Objectives:	Create a multi-year LIPA data analytics roadmap/strategy and set up data analytics as a service within IT to help departments implement data analytics. In partnership with Finance, Operations Oversight and Internal Audit, identify and implement 2021 data analytics use cases to increase collaboration and effectiveness between departments and enhance oversight of PSEG Long Island through improved use of data analytics to enable customized analysis on data received from PSEG Long Island (e.g., financials, grid monitoring, outage management, system hardening, affiliate charges, fleet, etc. (We will also look at the utilities analytics use cases).
Deliverables:	Roadmap for data analytics
Team Lead:	Mujib Lodhi
GOAL 23	
Description:	Comprehensive review of PSEG Long Island storm performance
Strategic Initiative:	Customer First
Shortened Goal Name:	Isaias Task Force
Goal Type:	Team Goal
Objectives:	Conduct a comprehensive, independent review of PSEG Long Island's communications and service restoration systems before, during, and after Isaias, to: Identify root causes (operational and technical) of failures, Report to the LIPA Board and public on Task Force findings and recommendations for immediate and long-term corrective actions, and oversee PSEG Long Island's implementation of corrective actions.
Deliverables:	30, 90 and 270-Day Reports
Team Lead:	Mujib Lodhi, Rick Shansky

APPENDIX B

Department:	Internal Audit Tier 1
GOAL 24	
Description:	Internal Audit and ERM will work together to identify the top enterprise risks to LIPA and PSEG Long Island to develop the 2022 Audit Plan.
Strategic Initiative:	ERM
Shortened Goal Name:	Take the Internal Audit Plan to the next level and integrate ERM into audit planning
Goal Type:	Team Goal
Objectives:	To ensure that the 2022 Internal Audit Plan includes the top enterprise risks to LIPA and PSEG Long Island.
Deliverables:	2022 Internal Audit Plan that includes the top enterprise risks to the LIPA and PSEG Long Island.
Team Lead:	Kathleen Mitterway
GOAL 25	
Description:	Evaluation of PSEG Long Island's fleet management practices using data analytics.
Strategic Initiative:	Lean
Shortened Goal Name:	Fleet Management
Goal Type:	Team Goal
Objectives:	Evaluate the efficiency of PSEG Long Island's fleet management practices, including decisions regarding repairing or replacing fleet, and use evaluation as a test case for development of data analytics dashboards and procedures.
Deliverables:	Recommendations for process improvements in fleet management. Data analytics data collection practices, dashboards, and requirements for a data analytics dashboard.
Team Lead:	Kathleen Mitterway
GOAL 26	
Description:	A repeatable P-Card exception reporting workflow to analyze 100% of the P-Card transactions monthly.
Strategic Initiative:	Lean
Shortened Goal Name:	Carryover - P-Card Robotic Process Automation ("RPA")
Goal Type:	Team Goal
Objectives:	<p>The objective of the P-Card Robotic Process Automation Project is to:</p> <ul style="list-style-type: none"> • Increase test coverage, by analyzing 100% of the PSEG Long Island P-Card transactions. • Eliminate manual testing and sampling with automated monitoring of processes. • Create a repeatable process which will increase PSEG Long Island • Begin using new data analytic tools, which will be expanded after implementing this first project
Deliverables:	A repeatable process to analyze 100% of the P-Card transactions monthly and a Results Storyboard (visualization of results).
Team Lead:	Anna Chacko

APPENDIX B

Department:	Legal Tier 1
GOAL 27	
Description:	Carryover Goal from 2020: LIPA LILCO Merger
Strategic Initiative:	N/A
Shortened Goal Name:	Merger of Subsidiary into LIPA
Goal Type:	Team Goal
Objectives:	IRS private letter ruling and preparation of the transaction.
Deliverables:	Private letter ruling establishing there are no tax consequences to the merger; merger of subsidiary extinguishing LILCO.
Team Lead:	Alex Pozdnyakov

Department:	Operations Oversight Tier 1
GOAL 28	
Description:	Oversee update of the 20-year Integrated Resource Plan.
Strategic Initiative:	Clean
Shortened Goal Name:	Integrated Resource Plan
Goal Type:	Team Goal
Objectives:	Analyze the potential transmission and generation needs for long term system reliability under a range of scenarios and in the context of economic and policy considerations, including: <ul style="list-style-type: none"> • Meeting the clean energy requirements of the Climate Leadership and Community Protection Act (CLCPA), and • NYS Reliability Council and NYISO reliability planning criteria.
Deliverables:	2021 Integrated Resource Plan
Team Lead:	Tom Simpson

GOAL 29	
Description:	Carryover: Develop a battery storage roadmap for LIPA's share of New York State's energy storage goals (1,500 MW statewide by 2025 and 3,000 MW by 2030) and oversee establishment and implementation of plans for meeting LIPA's resulting 2025 goal (approx. 200 MW by 2025).
Strategic Initiative:	Clean
Shortened Goal Name:	Battery Storage Roadmap
Goal Type:	Team Goal
Objectives:	Make sure sufficient energy storage gets installed on Long Island to meet LIPA's share of New York State's energy storage goals.
Deliverables:	BES PPAs and new T&D deferral storage projects for 2021 Utility 2.0 Plan.
Team Lead:	Tom Simpson

APPENDIX B

Department:	Operations Oversight Tier 1
GOAL 30	
Description:	Develop metrics for analysis of emergency response effectiveness and implement oversight process improvements, including analytical assessments.
Strategic Initiative:	Customer First
Shortened Goal Name:	Analytical Assessment of Emergency Response
Goal Type:	Team Goal
Objectives:	Improve oversight of emergency response and implement analyses of response effectiveness.
Deliverables:	Updated emergency oversight policy, “use cases” and metrics for assessment of emergency response effectiveness.
Team Lead:	Donald Schaaf
GOAL 31	
Description:	Carryover of 2020 project to evaluate hardening strategy and alternatives and establish the plan for expenditures through 2025.
Strategic Initiative:	Customer First T&D reliability
Shortened Goal Name:	Storm hardening business case evaluation
Goal Type:	Team Goal
Objectives:	Identify the most cost-effective program(s) for improving the resiliency and reliability of the T&D system following Tropical Storm Isaias.
Deliverables:	Evaluation of the most cost-effective hardening programs and identification of needed changes or additions to capital budget line items, including Power On, Multiple Customer Outage program, Next Outage program, etc.
Team Lead:	Michael Simone
GOAL 32	
Description:	Manage LIPA/PSEG Long Island participation in the PSC’s T&D Planning and Public Policy Transmission Planning proceedings, providing policy and strategic guidance on cost/benefit analysis and cost allocation.
Strategic Initiative:	Clean
Shortened Goal Name:	Manage LIPA/PSEG participation in the PSC’s T&D Planning and Public Policy Transmission Planning proceedings
Goal Type:	Team Goal
Objectives:	Assure fair treatment of LIPA T&D projects and approval of necessary public policy projects with fair allocation of costs across the state.
Deliverables:	LIPA filings and PSC decisions on same.
Team Lead:	Michael Simone

APPENDIX B

Department:	Senior Advisor for Oversight Tier 1
GOAL 33	
Description:	LIPA and PSEG Long Island need to prepare an application and seek approval for the use of the excess FEMA grant funds. Currently the plan is to apply these excess funds to continuing Storm mitigation activities
Strategic Initiative:	Lean
Shortened Goal Name:	Use of excess Sandy related grant Funds
Goal Type:	Team Goal
Objectives:	To be granted permission to use the excess funds as proposed to FEMA to continue storm mitigation activities on the overhead system.
Deliverables:	Prepare a summary of proposal. Deliver high level proposal to DHSES. Once feedback on proposal is granted begin the process of completing the proposal for FEMA.
Team Lead:	Kenneth Kane
GOAL 34	
Description:	Oversee the preparation of the claim by PSEG Long Island for Tropical Storm Isaias to ensure that materials are prepared in a manner that allows for the use of data analytics to ensure timely application, appropriate support and eventual FEMA recovery.
Strategic Initiative:	Lean
Shortened Goal Name:	Oversee FEMA Isaias reimbursement process
Goal Type:	Team Goal
Objectives:	To file the Isaias claim during 2021 and maximize future recovery through use of data analytics to ensure proper documentation and support.
Deliverables:	Project Worksheets Invoice packages and other support, such as procurement records, vendor invoices, proof of payment, etc. to be presented to DHSES to support costs incurred.
Team Lead:	Kenneth Kane
GOAL 35	
Description:	Review and update LIPA storm invoice review procedure and review effectiveness of storm invoice reviews and process. Review opportunities to utilize accounting staff for FEMA claims review. Review opportunities for automation through continuous auditing software of storm invoices.
Strategic Initiative:	Lean
Shortened Goal Name:	Update LIPA storm invoice review procedures for FEMA compliance
Goal Type:	Team Goal
Objectives:	To ensure the storm invoice procedures are appropriate and reflect best practices. To review the effectiveness of our review procedures, opportunities to use accounting staff to review FEMA claims, and opportunities to deploy continuous auditing software for all storms.
Deliverables:	Updated procedure document, new staffing plan to review storm invoices using accounting staff, trained accounting staff, implementation of continuous auditing software.
Team Lead:	Kenneth Kane, Mujib Lodhi

APPENDIX B

Department:	Administration Tier 2
GOAL 36	
Description:	Develop a risk correlation matrix that identifies inter-dependencies between risks across business units to improve and align mitigation strategies, increase awareness between SMEs, and inform resource allocations.
Strategic Initiative:	ERM
Shortened Goal Name:	Develop a Risk Correlation Matrix
Goal Type:	Team Goal
Objectives:	Identify common drivers and triggers for risks, increase communication and awareness between SMEs for inter-related risks, and help to better inform resource allocations.
Deliverables:	Risk correlation matrix tying major risks to those across the organization that could impact the outcome of the risk, facilitation of cross-functional conversations between SMEs who own risks that are inter-dependent with risks in other lines of business.
Team Lead:	Jessica Dehnert
GOAL 37	
Description:	Review State-recommended climate disclosure process and PSC Order for utilities together with industry best practices. Develop and execute plan to incorporate recommendations into annual financial disclosure process.
Strategic Initiative:	Clean
Shortened Goal Name:	Implement Climate Financial Disclosure Best Practices
Goal Type:	Team Goal
Objectives:	<ul style="list-style-type: none"> • Review State climate financial disclosure recommendations • Review industry best practices • Implement State recommendations, as modified if needed by industry best practices or LIPA-specific considerations • Test new process in 2021
Deliverables:	<ul style="list-style-type: none"> • Summary of State recommendations and best practices • (If State recommendations adopted) Complete CDP (Carbon Disclosure Project) questionnaire in 2021
Team Lead:	Bobbi O'Connor

Department:	External Affairs & Communication Tier 2
GOAL 38	
Description:	With the implementation of the new LIPANet in 2020, we will look to understand current user engagement among staff, and potentially consider implementing a LIPANet 2.0 for 2021-2022 to drive increases in use.
Strategic Initiative:	N/A
Shortened Goal Name:	LIPANet 2.0
Goal Type:	Team Goal
Objectives:	Our goal is to have LIPANet be a collection of knowledge designed to connect teams across locations and departments.

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Department:	External Affairs & Communication Tier 2
Deliverables:	Ensure intranet design is engaging and there is a plan for content to be up-to-date, accurate, vetted, and detailed.
Team Lead:	Jen Hayen
GOAL 39	
Description:	Continue with work of 2020 history project to create a visual timeline in office, as well as page on lipower.org.
Strategic Initiative:	N/A
Shortened Goal Name:	Carryover: History of LIPA
Goal Type:	Individual
Objectives:	Create a history of LIPA for website and employees.
Deliverables:	Provide an education tool for employees, customers, and stakeholders to understand our past and goals as we look towards the future.
Team Lead:	Jen Hayen
GOAL 40	
Description:	Complete an undergrounding project with an interested municipality (party) using the tariff.
Strategic Initiative:	Customer First
Shortened Goal Name:	Completion of Undergrounding Project
Goal Type:	Team Goal
Objectives:	Identify an interested municipality (party) and utilize the relatively new undergrounding tariff to complete an undergrounding project.
Deliverables:	Work with a local municipality (party) to identify, develop, construct, and finance an undergrounding project using LIPA's tariff for financing.
Team Lead:	Michael Deering
GOAL 41	
Description:	Develop educational and informational materials and opportunities to maximize exposure to, and value provided by, JBENC.
Strategic Initiative:	Customer First
Shortened Goal Name:	Develop Educational Programs for JBENC
Goal Type:	Individual
Objectives:	Work in coordination with director and educational staff of JBENC, NYS Parks staff, and PSEG Long Island staff to develop educational programs, seminars, conferences and other informational materials for JBENC.
Deliverables:	Educational programs for various constituencies (including businesses; consumers; colleges, vocational and trade schools). Up-to-date JBENC website.
Team Lead:	Michael Deering

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Department:	Finance Tier 2
GOAL 42	
Description:	Develop guidelines for when and how green bonds or sustainability bonds should be incorporated into LIPA's processes for planning and issuing bonds.
Strategic Initiative:	Clean
Shortened Goal Name:	Develop green bond guidelines
Goal Type:	Individual
Objectives:	Incorporate green bonding into regular LIPA financing processes to the extent reasonable, following State recommendations.
Deliverables:	New guideline or process document. Sell green bonds as part of 2021 new money bond sale.
Team Lead:	Chris DiGilio
GOAL 43	
Description:	Evaluate PSEG Long Island's process for managing telecommunication assets and maximizing revenues from such asset attachments.
Strategic Initiative:	Lean
Shortened Goal Name:	Carryover - Telecommunication attachment revenue optimization
Goal Type:	Team Goal
Objectives:	To ensure PSEG Long Island is properly reviewing the asset portfolio for additional opportunities for telecommunication attachments to increase revenue opportunities.
Deliverables:	Process document from PSEG Long Island on its plan to market the telecommunication asset portfolio.
Team Lead:	Donna Mongiardo
GOAL 44	
Description:	Carryover: Obtain approval of a prepay transaction from AG/OSC and execute transaction.
Strategic Initiative:	Lean
Shortened Goal Name:	Prepay transaction
Goal Type:	Team Goal
Objectives:	Obtain approval of transaction from AG/OSC and execute transaction.
Deliverables:	Completion of a prepay transaction.
Team Lead:	Chris Digilio

APPENDIX B

Department:	Legal Tier 2
GOAL 45	
Description:	Carryover Goal from 2020: Develop comprehensive long-range plan for LIPA facilities including operational sites.
Strategic Initiative:	Lean
Shortened Goal Name:	Management of LIPA Properties and Facilities
Goal Type:	Team Goal
Objectives:	Comprehensive long-range plan for LIPA facilities including operational sites
Deliverables:	<ul style="list-style-type: none"> • Continue to meet with PSEG Long Island to obtain resources to develop long range plan • Continue to meet with National Grid to facilitate separation of colocated sites
Team Lead:	Mujib Lodhi
GOAL 46	
Description:	Carryover Goal from 2020: Work with DoIT to deploy an enterprise document and records management system that integrates record retention policies across LIPA.
Strategic Initiative:	N/A
Shortened Goal Name:	Enterprise Document and Records Management System
Goal Type:	Team Goal
Objectives:	Simplify and automate LIPA's management, retention and disposition of records in compliance with NYS and federal requirements.
Deliverables:	Integrate software with retention regulations and train Staff and implement enterprise-wide
Team Lead:	Jim Miskiewicz, Mujib Lodhi
Department:	Operations Oversight Tier 2
GOAL 47	
Description:	Research best practices around the country for DER interconnection process. Streamline SGIP simplifying document into user friendly format targeted at stakeholders. Provide transparency of the steps in the SGIP process for oversight and stakeholder. Establish an escalation process that is transparent for stakeholders as well as PSEGLI, DPS and LIPA. Establish procedure for measuring customer/contractor satisfaction for this process.
Strategic Initiative:	Clean
Shortened Goal Name:	Improve PSEGLI Interconnection process for Distributed Resources
Goal Type:	Team Goal
Objectives:	Align with the CLCPA by facilitating DER readiness as a leader in interconnection processing and policy.
Deliverables:	Utility benchmark study Proposed revisions to SGIP Customer satisfaction measurement procedure Case Escalation process/Ombudsman
Team Lead:	Pete Mladinich

APPENDIX B

Department:	Operations Oversight Tier 2
GOAL 48	
Description:	Assess PSM and FM Metrics against industry best practices and identify desired changes
Strategic Initiative:	Strategic planning and oversight
Shortened Goal Name:	PSM/FM Metric review and Benchmark study
Goal Type:	Team Goal
Objectives:	Benchmark the current PSM and FM metrics with other utilities performing such services. Review current PSM and FM metrics for desired changes in metrics or targets.
Deliverables:	Benchmark how PSM and FM Metrics compare with PSM and FM Metrics of other utilities (e.g., Con Edison, NYPA, LPPC members). Develop recommendations for new or changed metrics and/or targets for future PSM/FM metric negotiations.
Team Lead:	Ben Chu

Department:	Legal Tier 3
GOAL 49	
Description:	IT, Rates and Legal to work together to adopt a platform for LIPA and its service provider to house interrogatory requests (IRs) and document requests and responses, such as the Caseworks platform.
Strategic Initiative:	N/A
Shortened Goal Name:	Caseworks Platform for IRs
Goal Type:	Team Goal
Objectives:	To have a single coordinated shared platform with PSEG Long Island for all document requests and IRs from Staff and other parties and to manage all responses to such requests from DPS and in various proceedings and litigation.
Deliverables:	<ol style="list-style-type: none"> 1. Come to an understanding with PSEG Long Island on the value of a shared platform owned by LIPA and not tied to PSEG NJ to maximize efficiency in responding to IRs in the short timeframe provided for DPS and other requests. 2. DoIT to meet with vendor to determine license with Caseworks, based on prior research with this and other potential vendor. 3. Rates and Legal to coordinate with DoIT in meeting with vendor, understanding capabilities of platform and for sharing access with PSEG Long Island. 4. Purchase platform install and implement, with training for all users.
Team Lead:	Anna Chacko and Mujib Lodhi

