

**LONG ISLAND POWER AUTHORITY**

**MINUTES OF THE 296th MEETING**

**HELD ON FEBRUARY 24, 2021**

*The Long Island Power Authority (“LIPA”) was convened for the two-hundred-and-ninety-sixth time at 9:54 a.m. at LIPA’s Headquarters, Uniondale, NY, pursuant to legal notice given on February 19, 2021, and electronic notice posted on the LIPA’s website.*

*In compliance with Governor Andrew M. Cuomo’s Executive Order No. 202.1 on COVID-19 safety, the following guidelines were publicly posted and followed:*

*The Long Island Power Authority is taking steps to minimize the risk of exposure for the public and our employees. As such, LIPA will not be permitting in-person access to its February 24, 2021 Board meeting. Members of the public are encouraged to observe the live stream of the Board meeting posted at the LIPA website. The meeting will also be recorded and posted to LIPA’s website for later viewing.*

*The following LIPA Trustees were present:*

**Ralph Suozzi, Chairman (via video conferencing)**  
**Mark Fischl, Acting Chair (via video conferencing)**  
**Elkan Abramowitz (via video conferencing)**  
**Drew Biondo (via video conferencing)**  
**Sheldon Cohen (via video conferencing)**  
**Peter Gollon (via video conferencing)**  
**Laureen Harris (via video conferencing)**  
**Ali Mohammed (via video conferencing)**

**Representing LIPA, in person, were Thomas Falcone, Chief Executive Officer; Bobbi O’Connor, Chief Administrative Officer & Board Secretary; Rick Shansky, Senior Vice President of Operations Oversight; and Jen Hayen, Director of Communications. Participating via video conferencing were Anna Chacko, General Counsel; Mujib Lodhi,**

Chief Information Officer; Tamela Monroe, Chief Financial Officer; Thomas Locascio, Director of External Affairs; Jason Horowitz, Assistant General Counsel and Assistant Secretary to the Board; Jessica Avenia, Communications Specialist; and Osman Ahmad, IT-Consultant.

Representing PSEG Long Island, via video conferencing, was Daniel Eichhorn, President and Chief Operating Officer.

*Acting Chair Fischl welcomed everyone to the 296th meeting of the Long Island Power Authority Board of Trustees.*

*Acting Chair Fischl announced, with great sorrow, the passing of Trustee Matthew C. Cordaro, and asked for a moment of silence.*

*Acting Chair Fischl stated that the first item on the agenda was the Consideration of the Consent Agenda Items.*

*After questions and a discussion by the Trustees, and the opportunity for the public to be heard, upon a motion duly made and seconded, the following resolutions were unanimously adopted by the Trustees based on the memoranda summarized below:*

**1596. APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE JANUARY 27, 2021 SPECIAL MEETING OF THE BOARD OF TRUSTEES OF THE LONG ISLAND POWER AUTHORITY**

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**RESOLVED**, that the Minutes of the Special meeting of the Authority held on January 27, 2021 are hereby approved and all actions taken by the Trustees present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Authority.

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**1597. APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE JANUARY 27, 2021 MEETING OF THE BOARD OF TRUSTEES OF THE LONG ISLAND POWER AUTHORITY**

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**RESOLVED**, that the Minutes of the meeting of the Authority held on January 27, 2021 are hereby approved and all actions taken by the Trustees present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Authority.

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### **Requested Action**

The Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is requested to approve a resolution, attached hereto as Exhibit “A”, authorizing the Chief Executive Officer, or his designee, to engage 20 firms to provide utility consulting services, in the technical areas described below, on an as-needed basis for LIPA and its subsidiary, the Long Island Lighting Company d/b/a LIPA for a term not to exceed five years.

### **Background**

The consulting services to be provided by the firms selected in the Request for Proposals (“RFP”) will support LIPA’s oversight functions, including by providing specific technical expertise related to the Operations Services under the Amended and Restated Operations Services Agreement (“OSA”), as well as support LIPA’s finance and ratemaking functions. The proposed contracts will replace existing contracts that are due to expire this year. The need for consulting assistance will vary depending on the nature and extent of performance monitoring issues that arise, the need to modify the existing metrics under the OSA, and the nature of projects or initiatives proposed by PSEG Long Island. LIPA Staff believes it is likely that the needs will be project-specific, diverse, for limited duration, and therefore are best met by consultants rather than full-time staff.

On March 27, 2020, the Board approved 18 contracts for Utility Consulting Services. However, the Office of the State Comptroller (“OSC”), on August 12, 2020, recommended LIPA issue a Supplemental RFP to qualify additional vendors for the seven scopes, in order to have a minimum of four vendors per scope.

On September 23, 2020, LIPA issued the Supplemental RFP for experienced firms to provide utility consulting services on an as-needed basis. On or before October 18, 2020, LIPA received timely proposals from 26 firms. The 26 proposals were evaluated by a team of LIPA technical staff under the guidance of LIPA’s Legal and Procurement staff.

Proposals were sought in the following areas or scopes of work:

- 1. Power Supply Planning**
- 2. Transmission and Distribution Services**
- 3. Customer Service oversight**
- 4. Behind the Meter Resources**
- 5. Information Technology & Services**
- 6. Financial Support Services**
- 7. Wholesale Market Policy**

## **Discussion**

The 26 responsive proposals were evaluated according to the guidelines set forth in the RFP, which included assessments of the firms' experience and qualifications, their hourly rates, proposed changes to LIPA's standard consulting contract, and their proposals to comply with state requirements for participation by minority and women-owned business enterprises. Based on the evaluation, LIPA Staff recommends that the following firms be awarded contracts in the scopes indicated:

	<b>Scopes Description</b>	<b>Firms</b>
<b>1</b>	<b>Power Supply Planning</b>	<b>Siemens Industry, Inc., Energy &amp; Environmental Economics and The Brattle Group, Inc.</b>
<b>2</b>	<b>Transmission &amp; Distribution Services</b>	<b>K&amp;A Engineering Consulting, P.C.</b>
<b>3</b>	<b>Customer Service</b>	<b>Deloitte &amp; Touche, LLP.</b>
<b>4</b>	<b>Behind the Meter Resources</b>	<b>Energy &amp; Environmental Economics, Vrinda Inc. and The Brattle Group, Inc.</b>
<b>5A</b>	<b>Information Technology &amp; Services</b>	<b>Avance Digital Systems, Inc.</b>
<b>6</b>	<b>Financial Support Services</b>	<b>Ernst &amp; Young LLP and Utility Consulting Partners</b>
<b>7</b>	<b>Wholesale Market Policy</b>	<b>Western Power Project Advisors, Energy &amp; Environmental Economics and The Brattle Group, Inc.</b>

When a need for services arises, LIPA will provide each selected contractor for the relevant scope of work a description of the services required and necessary experience. Each contractor will be requested to provide resumes of available candidates, a plan for completing the work, and an estimate of each consultant's time. In deciding to engage a contractor on a particular project, LIPA Staff will consider the contractor's expertise, its "fit" for the assignment, and the cost of the work. An appropriate budgetary review will also be conducted.

## **Recommendation**

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

### **1598. RESOLUTION AUTHORIZING THE ENGAGEMENT OF FIRMS TO PROVIDE UTILITY CONSULTANT SERVICES**

**NOW, THEREFORE, BE IT RESOLVED**, that consistent with the attached Memorandum, the Chief Executive Officer or his designee be, and hereby is, authorized to engage the firms so designated in the Requested Action to provide utility consulting services, in the technical

areas described, on an as-needed basis for the Long Island Power Authority and its subsidiary, the Long Island Lighting Company d/b/a LIPA (collectively, “LIPA”) for a term not to exceed five years.

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### **Requested Action**

The Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is requested to adopt a resolution, which resolution attached hereto as Exhibit “A”, rejecting certain PSEG Long Island Implementation Plans to improve the management of LIPA Real Estate and Facility Assets and Records (the “Real Estate and Facility Recommendations”), which Real Estate and Facility Recommendations that were adopted by the Board on January 27, 2021.

### **Background**

PSEG Long Island is responsible for “real estate management, easements, leases and agreements, pole attachments (including billing and collection for pole attachment fees, as well as maintaining a complete inventory of type and location of each attachment and plans for revenue optimization), joint use agreements, and telecommunications for the provision of electric service.”

By way of background, in 1998, the LILCO real estate and facility assets were generally divided between LIPA, as owner of the electric Transmission and Distribution (“T&D”) system and MarketSpan, which retained the former LILCO power plants and gas system. From 1998 forward, the custodian of the real estate and facility records has changed as MarketSpan became KeySpan and eventually National Grid and, also, as LIPA has changed Service Providers. It is our understanding now that the real property and facility records are stored in the National Grid-owned Hicksville facility. These are vital property records, not only for ownership purposes, but for statutorily required reporting and for compliance with financing covenants and IRS regulations.

Since at least the beginning of 2020, LIPA, PSEG Long Island, and National Grid have discussed the potential reconfiguration of certain properties and facilities that were part of the 1998 merger. This effort requires a comprehensive look at the facilities currently owned and leased by LIPA and the space needs of the employee population at these locations, especially in a post-COVID work environment. Additionally, both PSEG Long Island and National Grid have expressed interest in separating certain operational facilities. Finally, as a parallel effort, PSEG Long Island has been looking for a location for a new Primary Transmission Control Center (“PTCC”). All of these work streams are necessary efforts for LIPA’s ongoing operations.

While LIPA has worked with PSEG Long Island to make progress on these issues since at least the beginning of 2020, the efforts have not appreciably advanced and require greater

focus and a more organized management approach, including timelines and deliverables, to address LIPA's ongoing concerns in a comprehensive and timely manner.

This effort is critical to ensuring an accurate and comprehensive understanding of LIPA real property and facility assets and will ensure that LIPA and PSEG Long Island are focusing their efforts on the long term viability of the LIPA real estate portfolio in a manner that is best suited for the workforce and provides the highest value to our customers.

### **Recommendations**

On January 27, 2021, the Board adopted the following five recommendations:

- Develop a long-term strategy for LIPA's real estate and facility assets, including a post- COVID-19 space needs analysis;
- Develop a comprehensive and formal strategy for the development of a new PTCC and Alternate Control Center;
- Develop a joint strategy with National Grid for separation of existing operations centers, including, among others, those located at Hicksville, Riverhead, Roslyn, and Hewlett;
- Hire an outside consultant to perform a comprehensive review of the existing real property records to confirm accuracy, identify gaps, and make recommendations or process improvements; and
- Develop a succession plan for current long-serving PSEG Long Island real estate professionals to ensure knowledge capture and transfer.

The Board requested that PSEG Long Island prepare Implementation Plans for these recommendations no later than February 8, 2021. On February 4, 2021, PSEG Long Island submitted to LIPA Staff the proposed Implementation Plans for the Real Estate and Facility Recommendations.

LIPA Staff provided PSEG Long Island with comments on the Implementation Plans, summarized in Exhibit B hereto, and is recommending that the Board reject the Implementation Plans at this time and direct PSEG Long Island to revise them consistent with Staff's comments and resubmit them no later than March 5, 2021 for consideration at the March Board meeting.

### **Recommendation**

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

### **1599. RESOLUTION REJECTING RECOMMENDATIONS RELATING TO THE MANAGEMENT OF LIPA REAL ESTATE AND FACILITY ASSETS AND RECORDS**

WHEREAS, pursuant to Section 4.4(16), Rights and Responsibilities of LIPA, of the Amended and Restated Operations Services Agreement ("OSA"), LIPA, in part, has the right to "make recommendations to the Service Provider, in each case as may be reasonably

necessary or appropriate to perform LIPA's oversight responsibilities and obligations with respect to the provision of Operations Services under this Agreement and as may otherwise be necessary or appropriate to comply with LIPA's legal, contractual and fiduciary obligations. . ."; and

WHEREAS, additionally, the OSA provides that PSEG Long Island is responsible for "real estate management, easements, leases and agreements, pole attachments (including billing and collection for pole attachment fees, as well as maintaining a complete inventory of type and location of each attachment and plans for revenue optimization), joint use agreements, and telecommunications for the provision of electric service."; and

WHEREAS, each of the Real Estate and Facility Recommendations is critical to ensuring an accurate and comprehensive understanding of LIPA real property and facility assets will ensure that LIPA and PSEG Long Island are focusing their efforts on the long term viability of the LIPA real estate portfolio in a manner that is best suited for the workforce and provides the highest value to our customers and will require the development and preparation of an Implementation Plan to ensure that the recommendations are acted on in a timely manner; and

WHEREAS, on January 27, 2021, the Board adopted the Real Estate and Facility Recommendations; and

WHEREAS, on February 4, 2021, PSEG Long Island submitted to LIPA Staff the proposed Implementation Plans for the Real Estate and Facility Recommendations; and

WHEREAS, LIPA Staff provided PSEG Long Island with comments on the Implementation Plans and is recommending that the Board reject the Implementation Plans at this time and direct PSEG Long Island to revise them consistent with Staff's comments and resubmit them no later than March 5, 2021 for consideration at the March 2021 Board meeting; and

NOW, THEREFORE, BE IT RESOLVED, the Board hereby rejects the Implementation Plans for the Real Estate and Facility Recommendations Recommendation and directs PSEG Long Island to revise them consistent with Staff's comments and resubmit them for consideration at the March 2021 Board meeting.

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*Acting Chair Fischl stated that the next item on the agenda was the CEO's Report to be presented by Thomas Falcone.*

*Mr. Falcone presented the CEO Report and took questions from the Trustees.*

*Assemblyman Steve Englebright appeared via video conferencing, and provided a few words of remembrance, honoring the late Trustee Cordaro. Kasey Scheid, Director, also conveyed condolences on behalf of management and members of IBEW.*

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*Acting Chair Fischl stated that the next item on the agenda was the Adoption of Resolution Honoring the Memory and Dedicated Service of Trustee Matthew C. Cordaro, PhD.*

*After questions and a discussion by the Trustees, and the opportunity for the public to be heard, upon a motion duly made and seconded, the following resolution was approved by the Trustees.*

**1600. THE BOARD OF TRUSTEES HONORS THE MEMORY AND DEDICATED SERVICE OF TRUSTEE MATTHEW C. CORDARO, PhD.**

**WHEREAS, Matthew C. Cordaro, PhD. was a Long Island native from Merrick and obtained his undergraduate degree in Engineering Science from C.W. Post College; and**

**WHEREAS, Trustee Cordaro began his career as an Assistant Engineer at the Long Island Lighting Company in 1966, while earning a Masters in Nuclear Engineering from New York University, a PhD. in Engineering and Physics from Cooper Union, and attending the Executive Management Program at the University of Michigan;**

**WHEREAS, Trustee Cordaro rapidly rose up the ranks at the Long Island Lighting Company through intelligence, hard work, and dedication to eventually become the Senior Vice President of Operations, Engineering, and Construction, overseeing 3,400 employees, the operation of the electric and gas transmission and distribution system, the operation of all fossil generating stations, and management of all construction and engineering functions;**

**WHEREAS, Trustee Cordaro went on to serve as President of the Long Lake Energy Corporation, a major independent power producer; as President and Chief Executive Officer of the Nashville Electric Service, one of the country's ten largest public power utilities; and as President and Chief Executive Officer of the Midwest Independent System Operator, the electric grid operator for 16 states, 80,000 megawatts of generation, and 52,000 miles of transmission; and**



**WHEREAS, Trustee Cordaro moved home to Long Island to begin a distinguished academic career as the Dean of the College of Management at the C.W. Post Campus of Long Island University and as Dean of the Townsend School of Business at Dowling College; and**

**WHEREAS, Trustee Cordaro was appointed to the Board of Trustees of the Long Island Power Authority, the parent company to the Long Island Lighting Company, where he began his career; and**

**WHEREAS, Trustee Cordaro loved the utility business and used his knowledge and experience to advocate for a cleaner, more affordable electric grid for customers on Long Island and in the Rockaways, and such efforts are worthy of praise and recognition, as are his distinguished lifetime achievements.**

**NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees hereby honors the memory and recognizes the friendship and faithful service of Trustee Cordaro.**

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*Acting Chair Fischl stated that the next item on the agenda was a presentation by PSEG Long Island led by Daniel Eichhorn.*

*Mr. Eichhorn presented on behalf of PSEG Long Island and took questions from the Trustees.*

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*Acting Chair Fischl stated that the next item on the agenda was the Discussion of Implementation Plans for Board Recommendations to be presented by Mujib Lodhi and Osman Ahmad.*

*Mr. Lodhi and Mr. Ahmad presented the Discussion of Implementation Plans for Board Recommendations and took questions from the Trustees.*

*Comments were made by the public via Zoom. Board Secretary Bobbi O'Connor also noted public comments which were submitted to the LIPA website. These comments are retained as public record.*

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*Acting Chair Fischl stated that the next item on the agenda was the adoption of various recommendations and implementation plans just briefed by LIPA Staff.*

*Upon a motion duly made and seconded, the following action items and resolutions was approved by the Trustees:*

### **Requested Action**

The Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is requested to approve a resolution adopting certain PSEG Long Island Implementation Plans for the Isaias Task Force (the “Task Force”) Recommendations, which resolution is attached hereto as Exhibit “A”.

### **Background**

On Tuesday, August 4, 2020, Tropical Storm Isaias landed on Long Island with rain and wind gusts of up to 70 miles per hour. The resulting damage to the electrical system caused approximately 646,000 customer outages.

On August 5, LIPA’s Chief Executive Officer initiated an independent investigation of the circumstances and root causes that led to well-documented lapses in PSEG Long Island’s storm response. The Task Force was charged with providing actionable recommendations and overseeing PSEG Long Island’s remediation activities. LIPA committed to reporting the Task Force’s findings and recommendations to the LIPA Board of Trustees and the public in a 30-Day Preliminary Report, 90-Day Interim Report. There will also be a Final Report in May 2021.

The Task Force presented the 30-Day Report to LIPA’s Board of Trustees at the September 23, 2020 Board Meeting and released it to the public. Because of the urgency of the immediate threat of another major storm, the 30-Day Report focused on the failures of PSEG Long Island’s information technology and communication systems and their proximate causes.

On November 13, DPS provided a recommendation (the “DPS Recommendation”) to the LIPA Board as a result of its ongoing investigation of PSEG Long Island’s storm response. DPS Staff identified more than 70 potential violations of PSEG Long Island’s ERP. The DPS recommended, among other things, that LIPA:

- evaluate options to terminate PSEG Long Island as LIPA’s Service Provider;
- declare PSEG Long Island’s poor performance during Isaias as a first failure of the Major Storm Performance Metric as defined in the OSA; and
- seek to either terminate or renegotiate the OSA to enable greater oversight by LIPA and DPS.

**The Task Force presented the 90-Day Report to the Board at the November 18, 2020 Board Meeting. The 90-Day Report expanded on the findings of the 30-Day Report and addressed broader questions on the effectiveness of PSEG Long Island’s management of utility operations.**

**As set forth in Appendix 2 and Appendix 3 of the 90-Day Report, the Task Force provided nearly 100 recommendations for the Board’s consideration (the “Task Force Recommendations”). The Task Force Recommendations were designed to, among other things, (i) change management incentives and accountabilities; (ii) reform information technology and emergency management; and (iii) strengthen LIPA’s oversight. The Task Force Recommendations are tiered based upon priority. The tiered system allows LIPA and PSEG Long Island to either implement or present implementation plans to implement the most critical recommendations on an accelerated basis.**

**By Resolution No. 1568, dated November 18, 2020, the Board directed the Task Force, together with PSEG Long Island, to implement the Task Force Recommendations, including the creation of Implementation Plans to be completed within the tiered structure as set forth in Appendix 2 and Appendix 3 of the 90-Day Report; and to report to the Board at least quarterly until such Task Force Recommendations are fully implemented.**

**Thereafter, by Resolution No. 1570, dated December 16, 2020, the Board adopted certain Implementation Plans for the Task Force Tier 1 Recommendations, and directed PSEG Long Island to amend the remaining Tier 1 Implementation Plans and resubmit such plans to the Task Force for review at the Board’s January 2021 meeting.**

**By Resolution No. 1590, dated January 27, 2021, the Board adopted certain other Tier 1 Recommendation Implementation Plans and directed PSEG Long Island to amend the remaining Tier 1 and 2 Implementation Plans and resubmit such plans to the Task Force for review on or before Board’s February 2021 meeting.**

### **Discussion of Implementation Plans**

**On December 7, 2020, PSEG Long Island submitted Implementation Plans for the Tier 1 Recommendations to the Task Force for review. The Task Force provided comments on each Implementation Plan on December 9, 2020 and asked for revised Plans to be submitted on December 11.**

**The Task Force subsequently reviewed the December 11 Plans provided by PSEG Long Island and recommended that eight of the revised Tier 1 Plans be adopted by the Board and 21 be resubmitted for the Board’s review at the January 2021 meeting with Task Force’s comments addressed.**

**The Task Force asked PSEG Long Island to submit the Tier 2 Plans and resubmit the 21 revised Tier 1 Plans on January 10 and deliverables belonging to the completed projects. PSEG Long Island submitted the majority of the Plans and six deliverables. The Task Force reviewed the January Plans provided by PSEG Long Island and recommended that ten of**

the revised Tier 1 and Tier 2 Plans be adopted by the Board and 20 be resubmitted for the Board's review at the February 2021 meeting with Task Force comments addressed.

On February 4 and 5, 2021, PSEG Long Island submitted 20 Tier 3 plans, three Tier 1 and 2 revised plans, and one deliverable to the Task Force for review.

A summary of the Implementation Plans is provided as Exhibit "B". The Task Force recommends the Board adopt 9 of the 23 Implementation Plans as attached hereto as Exhibit "C" and that the Board recommend PSEG Long Island resubmit the remaining 12 Implementation Plans at the Board's March meeting with the comments in Exhibit "B" addressed. Evaluation of two plans are being postponed until LIPA review of storm hardening data is completed.

In addition, as of February 19, 2021, PSEG Long Island did not submit 14 revised Tier 1 and Tier 2 Implementation Plans that were previously considered by the Board in the December and January meetings and not adopted. Revised plans were requested for the Board's consideration for the February meeting. These remaining plans should also be submitted with the comments previously conveyed in December and January addressed.

The remaining 28 Plans for those recommendations designated as Tier 1, 2 and 3 shall be submitted by PSEG Long Island for Task Force review no later than March 10 for consideration at the Board's March meeting. Thereafter, the Task Force shall submit a Status Report to the Board no less than quarterly that summarizes the Implementation Plans' status for each Task Force Recommendation.

### **Recommendation**

The issues identified by the Task Force's investigation, as well as the DPS' separate investigation, remain urgent. Based upon the foregoing, I recommend approval of the above requested action by adoption of a resolution in the form attached hereto.

### **1601. RESOLUTION ADOPTING CERTAIN PSEG LONG ISLAND IMPLEMENTATION PLANS FOR THE ISAIAS TASK FORCE REPORT RECOMMENDATIONS**

WHEREAS, on Tuesday, August 4, 2020, Tropical Storm Isaias landed on Long Island with rain and wind gusts of up to 70 miles per hour, resulting in damage to the electrical system and causing approximately 646,000 customer outages; and

WHEREAS, pursuant to Section 1020-f(y) of the Public Authorities Law, General Powers of the Authority, LIPA, in part, may "make any inquiry, investigation, survey or study which the authority may deem necessary to enable it effectively to carry out the provisions of this title. . ."; and

WHEREAS, pursuant to Section 4.4(16), Rights and Responsibilities of LIPA, of the Amended and Restated Operations Services Agreement ("OSA"), LIPA, in part, has the right to "make recommendations to the Service Provider, in each case as may be reasonably necessary or appropriate to perform LIPA's oversight responsibilities and obligations with

respect to the provision of Operations Services under this Agreement and as may otherwise be necessary or appropriate to comply with LIPA's legal, contractual and fiduciary obligations. . ."; and

WHEREAS, on August 5, LIPA's Chief Executive Officer initiated an independent review of the circumstances and root causes that led to the lapses in PSEG Long Island's Tropical Storm Isaias storm restoration; and

WHEREAS, LIPA's Chief Executive Officer appointed an Isaias Task Force that was charged with both providing actionable recommendations and overseeing PSEG Long Island's remediation activities; and

WHEREAS, LIPA committed to reporting the Isaias Task Force's findings, observations, and recommendations to the LIPA Board of Trustees and public in a 30-Day Report, 90-Day Report, and 180-Day Final Report; and

WHEREAS, the Task Force presented the 30-Day Report to LIPA's Board of Trustees at the September 23, 2020 Board Meeting and released it to the public; and

WHEREAS, on November 18, 2020, the Task Force presented the 90-Day Report, which provided recommendations to, among other things, (i) Change Management Incentives and Accountabilities; (ii) Reform Information Technology and Emergency Management; and (iii) Strengthen LIPA's Oversight (together with the 30-Day Report recommendations, the "Task Force Recommendations"); and

WHEREAS, by Resolution No. 1568, dated November 18, 2020, the Board directed the Isaias Task Force, in coordination with PSEG Long Island, to submit an Implementation Plan to the Board of Trustees for each Task Force Recommendation; and

WHEREAS, by Resolution No. 1570, dated December 16, 2020, the Board adopted certain Implementation Plans for the Task Force Tier 1 Recommendations, and directed that PSEG Long Island to amend the remaining Tier 1 Implementation Plans and resubmit such plans to the Task Force for review at the Board's January 2021 meeting; and

WHEREAS, by Resolution No. 1590, dated January 27, 2021, the Board adopted certain other Tier 1 Recommendation Implementation Plans; directed PSEG Long Island to amend the remaining Tier 1 and 2 Implementation Plans and resubmit such plans to the Task Force for review on or before Board's February 2021 meeting; and extended the time to submit the Task Force 180-Day Final Report to a 270-Day Final Report due to the Board on or before its May 2021 meeting.

WHEREAS, the Isaias Task Force has submitted to the Board nine (9) Implementation Plans recommended for the Board's approval; and

WHEREAS, the Isaias Task Force Recommendations include that if LIPA and PSEG Long Island renegotiate and cannot reach an agreement on acceptable reforms, or should there be a lack of progress to implement the Isaias Task Force Recommendations, the Board of

**Trustees consider the exercise of its rights to terminate the OSA with PSEG Long Island before 2025 due to the urgent issues identified by the Task Force’s investigation.**

**NOW, THEREFORE, BE IT RESOLVED, the Board hereby adopts Implementation Plans for the Task Force Tier 1, 2 and 3 Recommendations attached hereto as Exhibit “C”; and**

**BE IT FURTHER RESOLVED, the Board hereby directs PSEG Long Island to amend the remaining Tier 1, 2 and 3 Implementation Plans to address the comments provided by the Isaias Task Force and resubmit such plans to the Isaias Task Force for review on or before Board’s March 2021 meeting.**

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### **Requested Action**

**The Board of Trustees of the Long Island Power Authority (the “Board”) is requested to adopt a resolution attached hereto as Exhibit “A” adopting Implementation Plans for certain of the Enterprise Risk Management (“ERM”) recommendations (the “ERM Recommendations”) adopted by the Board at the December 16, 2020 meeting.**

### **Discussion**

**The Isaias Task Force’s 90-Day Report found numerous examples where PSEG Long Island lacked transparency in its dealings with LIPA. This lack of transparency has impacted the effectiveness of LIPA’s ERM Program, including inaccurate and, at times, overly confident rankings by PSEG Long Island of certain key risks and poor implementation of mitigation strategies. To address these issues, LIPA ERM Staff recommended, and the Board adopted, on December 16, 2020, the following recommendations:**

- **Include LIPA SMEs and ERM team members in all risk discussions;**
- **Designate management-level owners for each risk mitigation strategy and related management action plan;**
- **Establish a joint SharePoint site so that risk information, including risk assessment, deep dive analysis, mitigation strategies, and current status of implementation plans, can be accessed in real-time by LIPA SMEs;**
- **Produce an annual ERM report, providing a complete aggregation of all risks, effectiveness of mitigation actions for high-priority risks, areas of weakness/need improvement, and general observations, by June 1 of each year;**
- **Perform deep dive analysis on high-priority risks including what mitigation actions have been implemented, those underway, planned, and areas of deficiency;**
- **Develop a risk correlation matrix to better understand end-to-end impacts and the risks that are interrelated (especially for major storm) to better inform needed mitigation strategies;**
- **Provide risk training to all SMEs participating in the annual risk assessment process so that the expectations and value of the process are better understood by the participants; and**

- **Develop a process so that if a high-risk event or condition is identified by LIPA, PSEG Long Island, or PSEG personnel (e.g. when OMS was failing days before the storm) such event or condition (i) immediately triggers a risk review by the LIPA and PSEG Long Island ERM teams and (ii) is elevated to both LIPA and PSEG Long Island management.**

**On January 8, 2021, PSEG Long Island submitted Implementation Plans for the ERM Recommendations and, at its January 27<sup>th</sup> meeting, the LIPA Board adopted five Implementation Plans recommended by LIPA’s ERM Staff. On February 3, 2021, PSEG Long Island submitted revised Implementation Plans for the remaining three recommendations. LIPA ERM Staff provided comments on those Implementation Plans on February 8, 2021 and asked for revised Plans addressing those comments to be submitted on February 10, 2021. PSEG Long Island submitted its revised Implementation Plans on February 10, 2021. ERM Staff recommends the Board adopt the three Implementation Plans attached hereto as Exhibit “B”.**

### **Recommendation**

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

## **1602. RESOLUTION APPROVING IMPLEMENTATION PLANS FOR CERTAIN ENTERPRISE RISK MANAGEMENT RECOMMENDATIONS**

**WHEREAS, the Isaias Task Force’s 90-Day Report found numerous examples where PSEG Long Island lacked transparency in its dealings with LIPA, and this lack of transparency has impacted the effectiveness of LIPA’s ERM Program, including inaccurate and, at times, overly confident rankings by PSEG Long Island of certain key risks and poor implementation of mitigation strategies; and**

**WHEREAS, on December 16, 2020, the Board adopted the ERM Recommendations and requested implementation plans for each of these recommendations and quarterly reporting to the Finance & Audit Committee (the “Committee”) on the status of their implementation.**

**NOW, THEREFORE, BE IT RESOLVED, that consistent with the accompanying memorandum, the Board adopts the Implementation Plans attached hereto as Exhibit “B”; and**

**BE IT FURTHER RESOLVED, that the Board asks for quarterly reporting on the status of the Implementation Plans until such time as the plans are fully implemented.**

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### **Requested Action**

The Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is requested to adopt a resolution attached hereto as Exhibit “A” adopting Implementation Plans pursuant to the Budget Improvement Process Recommendations adopted by the Board at the December 16, 2020 meeting.

### **Discussion**

LIPA identified the need to further strengthen the budget development and oversight processes through increased transparency, accountability, and documentation. Further, LIPA is looking to enhance the alignment of budget planning with the development and review of operational work plans. To accomplish this, LIPA has already taken steps to improve its oversight of the PSEG Long Island departmental budgets by incorporating an increased number of existing LIPA Staff in the review of PSEG Long Island departmental budgets in accordance with an Oversight Framework implemented by staff in 2020. To build on this effort, LIPA developed the Budget Improvement Process Recommendations for the Board’s consideration that outlined recommendations to improve budget planning and documentation at the PSEG Long Island department level, increase accountability through tighter oversight of budget reallocations during the year, and leveraging technology to streamline the budget process. Each of the Budget Improvement Process Recommendations requires the development and preparation of a Project Implementation Plan to ensure that the recommendations are acted on in a timely manner.

- A. **Leverage New Technology** – LIPA to initiate the development of a new budget system to provide improved documentation, centralized budget calculations, data analytics and forecasting capabilities, and budget control.
- B. **More Detailed Budget Information** – PSEG Long Island to develop Budget Briefing Books as part of the budget development process. The Budget Briefing Books would document and explain work plans and the proposed resource allocation at department levels.
- C. **Reallocation Explanations** – LIPA is requiring PSEG Long Island to provide explanations on the reallocation of funds within the Operations and Maintenance Budget.

To address these issues, LIPA Staff recommended, and the Board adopted, on December 16, 2020, the three recommendations outlined above. The Board required Implementation Plans to be submitted no later than the Board’s February Board meeting.

On January 21, 2021, PSEG Long Island submitted Implementation Plans for Recommendations (B) and (C). LIPA Staff developed the Project Implementation Plan for Recommendation (A). LIPA Staff recommends the Board adopt the three Implementation Plans attached hereto as Exhibit “B”.

### **Recommendation**



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

**1603. RESOLUTION APPROVING IMPLEMENTATION PLANS FOR IMPROVING BUDGET DEVELOPMENT PROCESS RECOMMENDATIONS AND PROJECT PLANS**

WHEREAS, pursuant to Section 4.4(16), Rights and Responsibilities of LIPA, of the Amended and Restated Operations Services Agreement (“OSA”), LIPA, in part, has the right to “make recommendations to the Service Provider, in each case as may be reasonably necessary or appropriate to perform LIPA’s oversight responsibilities and obligations with respect to the provision of Operations Services under this Agreement and as may otherwise be necessary or appropriate to comply with LIPA’s legal, contractual and fiduciary obligations...”; and

WHEREAS, on December 16, 2020, the Board adopted the Budget Improvement Process Recommendations and the Board directed LIPA staff, together with PSEG Long Island, to implement the Budget Improvement Process Recommendations and associated Project Improvement Plans; and

NOW, THEREFORE, BE IT RESOLVED, that consistent with the accompanying memorandum, the Board adopts the Implementation Plans attached hereto as Exhibit “B”; and

BE IT FURTHER RESOLVED, that the Board asks for quarterly reporting to the Finance and Audit Committee on the status of the implementation plans until such time as the plans are fully implemented.

\*\*\*

**Requested Action**

The Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is requested to adopt a resolution approving certain recommendations developed by LIPA to improve the asset management policies and practices of PSEG Long Island (the “Asset Management Recommendations”), which resolution is attached hereto as Exhibit “A.”

**Background**

PSEG Long Island operates and maintains approximately 14,000 miles of transmission and distribution (“T&D”) assets owned by LIPA.

Asset management is a core utility responsibility. A strong asset management framework should:

- Aim to comply with an international or nationally accepted standard (such as ISO 55000).

- Provide clear direction, aligned goals, and strategies for a consistent approach to decision-making and performance management.
- Align planning processes to meet established delivery levels using consistent processes, data, and documentation.
- Enhance transparency and accountability in the life-cycle management of LIPA's assets through the development, approval, and implementation of asset management plans and reporting on asset performance against predetermined service levels.
- Maximize value for money invested in LIPA infrastructure assets.
- Reinforce a commitment to continuous improvement and provision of resources to deliver asset management objectives.

In 2020, LIPA hired the Woodhouse Partnership ("TPWL"), a firm with international expertise in asset management across many sectors, including the utility sector, to evaluate PSEG Long Island's asset management programs and policies. This review followed findings of significant weaknesses in National Grid and then PSEG Long Island's management of LIPA's assets in 2013 and 2018 by the New York State Department of Public Service ("DPS") as part of Management and Operations Audits, which PSEG Long Island was responsible for remedying. TPWL had the following principal findings:

- PSEG Long Island has only recently developed an Asset Management Policy. The policy needs to be vetted by LIPA and socialized throughout the organization and all Subject Matter Experts.
- Asset management needs more integrated process documentation to support a coherent and integrated Asset Management System. These documents should include identifying roles and responsibilities throughout the organization, training and communication across the organization, as well as increased awareness of emerging practices.
- The lack of a Strategic Asset Management Plan ("SAMP") inhibits PSEG Long Island's long term planning and allows undifferentiated spending. The SAMP is the foundational document established by International Standards Organization ("ISO") 55000 that aligns the organization's strategic plan with the actions necessary to accomplish that plan's objectives.
- PSEG Long Island is attempting to structure information to enable better asset management decisions. However, in the interviews conducted as part of the TPWL evaluation, there was a general lack of understanding of the capabilities and direction PSEG Long Island is taking regarding establishing a quantitative base for making and controlling asset management decisions.

Further, a published plan for asset information development would give clarity to the current state of asset information and plans for the integration of the various systems used to collect and manage asset information.

- Maintenance asset management decisions are not based on functional reliability analysis consistent with a risk analysis and using inputs from assessment of criticality.
- There is a lack of "project management" and focus in developing and operationalizing asset plans for operations and maintenance and capital plans.

- There is lack of a performance measures that represent the effectiveness of the asset management program.
- Communications and awareness within PSEG Long Island are siloed. This is in-part due to the lack of asset management system tools, such as processes and procedures and a comprehensive work and spending schedule established with performance metrics.

TPWL evaluated PSEG Long Island's asset management practices and processes relative to an asset management maturity model using ISO 55001 requirements. On a scale of 0 (innocent) to 4 (beyond ISO), with 3 being "competent," TPWL rated PSEG Long Island's Asset Management program between 0 (innocent) and 2 (developing) along the 27 program components prescribed by ISO.

### **Recommendations**

PSEG Long Island has undertaken various initiatives in response to prior DPS Management and Operations Audits, such as creating an Asset Management group, development of asset management policies and procedures, re-invigorating the asset information data system, providing greater support to project scheduling and estimating, and the introduction of risk evaluation for capital work; however, the pace of completion of these initiatives is not satisfactory, nor is there a clearly communicated SAMP that aligns the discrete initiatives.

LIPA staff recommends the Board adopt the following Asset Management Recommendations:

1. **Asset Management Framework** – adopt an asset management framework according to principles and standards prescribed by ISO and develop a 3-Year roadmap with milestones and steps toward a maturity goal of 3.0 by the end of 2023. The roadmap should be presented for LIPA approval by April 30, 2021.
2. **Reliability Assessment of Plant Asset Performance** – within 90 days of each year end, PSEG Long Island should perform and report results of this assessment. The report must include a plan and timeline to address any identified deficiencies.
3. **Asset Management Plans** – complete the development of asset management plans for transmission, distribution and substation infrastructure (preventative maintenance, upgrade/replacement of transformer, breaker, switchgear, poles, underground cable, switches (ASU), capacitor etc.) with annual reviews and three-year comprehensive updates. The Asset Management Plans should be presented to LIPA for approval by June 2021.
4. **Computerized Maintenance Management System (CMMS)** – Upgrade CMMS in accordance with the 2013 and 2018 Management and Operations Audit Recommendations.

- Complete CMMS upgrade by the end of 2021, including at least one-third of transmission and distribution assets.
  - Develop a plan to bring all transmission and distribution assets within CMMS within 3 years, including field verification. Deliver this plan to LIPA by August 2021.
  - Yearly audit of digital plant records to verify completeness and accuracy of newly installed and retired assets by end of 2021.
5. **Strategic Asset Management Plan (SAMP)** – Develop a SAMP that binds the work activities, investment commitments, and decision making through an overarching framework that would be explicated and communicated throughout the organization.
- Develop and present to LIPA for approval the topical outline for the first draft of the SAMP and identify what information is available and what information needs to be gathered or developed to prepare an SAMP by June 30, 2021.

PSEG Long Island should prepare Implementation Plans for each Asset Management Recommendation no later than April 9, 2021. The Implementation Plans will be presented to the Board for its consideration at its May 2021 meeting.

#### **Recommendation**

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

#### **1604.RESOLUTION ADOPTING THE ASSET MANAGEMENT RECOMMENDATIONS**

WHEREAS, pursuant to Section 4.4(16), Rights and Responsibilities of LIPA, of the Amended and Restated Operations Services Agreement (“OSA”), LIPA, in part, has the right to “make recommendations to the Service Provider, in each case as may be reasonably necessary or appropriate to perform LIPA’s oversight responsibilities and obligations with respect to the provision of Operations Services under this Agreement and as may otherwise be necessary or appropriate to comply with LIPA’s legal, contractual and fiduciary obligations...”; and

WHEREAS, Department of Public Service Management and Operations Audits in 2013 and 2018 found weaknesses in asset management that PSEG Long Island was to remedy; and

WHEREAS, LIPA hired The Woodhouse Partnership, a firm with international expertise in asset management across many sectors, including the utility sector, to evaluate PSEG Long Island’s asset management programs and practices and found significant weaknesses in PSEG Long Island’s management of LIPA’s assets; and

WHEREAS, LIPA Staff has developed Asset Management Recommendations, as described in the accompanying memorandum; and

**WHEREAS, each of the Asset Management Recommendations require the development and preparation of an Implementation Plan to ensure that the recommendations are acted on in a timely manner; and**

**NOW, THEREFORE, BE IT RESOLVED, that the Board hereby adopts the Asset Management Recommendations; and**

**BE IT FURTHER RESOLVED, that the Board directs LIPA Staff, together with PSEG Long Island, to implement the Asset Management Recommendations, including the creation of Implementation Plans for the Board’s consideration at its May 2021 meeting; and**

**BE IT FURTHER RESOLVED, that the Board directs LIPA Staff, together with PSEG Long Island, to report to the Board on the completion of the Implementation Plans on no less than a quarterly basis until they are completed.**

**\*\*\***

### **Requested Action**

The Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is requested to adopt a resolution approving certain recommendations to improve PSEG Long Island’s inventory management practices (the “Inventory Management Recommendations”), which resolution is attached hereto as Exhibit “A”.

### **Background**

PSEG Long Island is responsible for “Inventory Control” including (a) maintaining an inventory of equipment, spare parts, materials and supplies and maintaining and documenting an inventory control program; (b) complying with the inventory policy provided in the Operations Manual; (c) purchasing, maintaining and storing inventory in a manner consistent with the System Policies and Procedures; and (d) completing, on an agreed-upon cycle count basis, a physical inventory of the equipment, spare parts, materials and supplies and reconciling the same with the inventory assets carried on the balance sheet and providing the information to LIPA.

In December 2017, LIPA engaged Ernst & Young, LLP (“EY”) to perform a review of inventory controls during storm events. The review included:

- Evaluation of existing policies, procedures, and guidelines in place for the request and issuance of materials/equipment from storerooms under conditions of high activity (e.g., storms).
- Understanding the systems or tools utilized in the process including tracking, approving and/or reporting mechanisms used for materials/equipment distribution.
- Assessing the return of materials/equipment to storerooms after the storm event including, but not limited to: monitoring processes over the expected return of

materials and KPI's in place, effectiveness of policies and procedures, and cost recording/record-keeping implications if unused materials/equipment are not returned, but then used in a non-storm event.

EY presented 11 findings with 14 recommendations. PSEG Long Island addressed each of the recommendations through policy and procedure changes.

In 2020, LIPA engaged PA Consulting to confirm that the EY recommendations had been implemented and to conduct a broader assessment of PSEG Long Island's inventory management practices. The PA Consulting assessment included a review of the efficiency and effectiveness of warehouse and inventory management practices, how the practices benchmark against industry standards, and where there are opportunities to improve performance. The assessment was conducted from November 2020 through January 2021, and included evaluating current inventory operations and processes, identifying current state gaps, assessing readiness of storm response, and developing recommendations for next steps. During the course of the assessment, PA Consulting interviewed 27 PSEG Long Island personnel and observed activities and reviewed documents at two locations.

PA Consulting confirmed that the EY recommendations had all been implemented but reported 25 additional findings (collectively, the Inventory Management Recommendations) among the areas of general management, information technology, warehouse management, inventory management, and procurement practices. Based on these findings, PA Consulting promulgated over 50 remediations.

The findings and remediations are summarized in Exhibit B.

PSEG Long Island should prepare Implementation Plans for each of the 25 Inventory Management Recommendations no later than April 9, 2021. The Implementation Plans will be presented to the Board for consideration at its May 2021 meeting.

### **Recommendation**

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

### **1605. RESOLUTION ADOPTING RECOMMENDATIONS RELATING TO INVENTORY MANAGEMENT**

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WHEREAS, pursuant to Section 4.4(16) of the Amended and Restated Operations Services Agreement ("OSA"), LIPA has the right to "make recommendations to the Service Provider, in each case as may be reasonably necessary or appropriate to perform LIPA's oversight responsibilities and obligations with respect to the provision of Operations Services under this Agreement and as may otherwise be necessary or appropriate to comply with LIPA's legal, contractual and fiduciary obligations. . ."; and

**WHEREAS, additionally, the OSA provides that PSEG Long Island is responsible for “Inventory Control” and shall maintain an inventory of equipment, spare parts, materials and supplies and shall maintain and document an inventory control program; (b) comply with the inventory policy provided in the Operations Manual; (c) purchase, maintain and store inventory in a manner also consistent with the System Policies and Procedures; and (d) complete, on an agreed-upon cycle count basis, a physical inventory of the equipment, spare parts, materials and supplies and reconcile the same with the inventory assets carried on the balance sheet and provide the information to LIPA**

**WHEREAS, each of the Inventory Management Recommendations will address deficiencies in inventory management practices and material stocking levels. This will ensure appropriate levels of inventory to respond to routine workloads and adequate material inventory during emergency response restoration efforts, while providing the highest value to our customers; and**

**NOW, THEREFORE, BE IT RESOLVED, the Board hereby adopts the Inventory Management Recommendations; and**

**BE IT FURTHER RESOLVED, that the Board hereby directs LIPA Staff, together with PSEG Long Island, to implement the Inventory Management Recommendations, including the creation of Implementation Plans by April 9, 2021 for the Board’s consideration at its May 2021 meeting; and**

**BE IT FURTHER RESOLVED, that the Board directs LIPA Staff, together with PSEG Long Island, to report to the Board on the completion of the Inventory Management Implementation Plans no less than a quarterly until they are completed.**

**\*\*\***

### **Requested Action**

**The Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is requested to adopt a resolution approving a recommendation developed by LIPA to improve the processes related to billing and collections for reimbursable costs for damage done to LIPA’s T&D system, which is managed by PSEG Long Island through its Damage Tracking System (“DTS”), and other non-product billings, which resolution attached hereto as Exhibit “A”.**

### **Background**

**In 2017 and 2018, LIPA expressed its concerns to PSEG Long Island’s collection department with respect to issues surrounding non-product billings and miscellaneous receivables. LIPA asked for resolution on the increasing receivable balances related to billings for damage done to LIPA’s system. DTS receivable balances grew by 25 percent from approximately \$8 million to over \$10 million by the end of 2017. Subsequently, PSEG Long Island did a review**

of the process and decided to outsource the collection process similar to its customer receivables using DebtNext software.

Based on the latest report provided by the PSEG Long Island collections team, DTS invoices continue to have a low collection ratio. Over the past two years, amounts collected have averaged only 19% of billings.

Furthermore, miscellaneous non-product receivables need to be analyzed to improve aging information and the management of such receivables.

### **Discussion**

LIPA has the following recommendations for PSEG Long Island in accordance with the Amended and Restated Operations Services Agreement Section 4.4(A)(16) to evaluate the billing and collection process related to the DTS charges and other non-product billings, including:

1. Provide an Implementation Plan to materially improve the DTS billing and collections process, with expected costs and benefits, recommendations, and timelines. A step in the Implementation Plan should include a review of the end-to-end process currently used for DTS and delivering a report to LIPA that includes:
  - An analysis of the improvements realized by outsourcing to DebtNext and the costs of such outsourcing, including programming costs;
  - Comparison of DTS invoice collection rates prior to DebtNext and since its implementation, including analysis by each collection agency;
  - An analysis of the average lag time from the damage event to the date the estimated bill is sent to the payee, grouped by year and damage class, before and after implementing DebtNext;
  - A review of the effectiveness of methodologies used to prioritize accounts for collections;
  - Analysis of DTS receivables in aging buckets based on the original invoice date;
  - Evaluating the five largest causes of DTS write-off and identifying improvements in the end-to-end process that would reduce write-offs;
  - Identifying how collection Key Performance Indicators (e.g., Collector Effectiveness Index [“CEI”], Days Collections Outstanding) are tracked and used to improve collections effectiveness for DTS; and
  - Benchmarking PSEG Long Island’s end-to-end process and outcomes relative to other New York utilities, including by DTS write-off rates.
2. Provide access to the DebtNext platform to one (1) LIPA user, who should be able to view transactions and run all reports.



3. Provide an Implementation Plan to improve the billing and collections process for miscellaneous non-utility billings. A step in the Implementation Plan should include delivering improved reports to LIPA that includes:

- Analysis of such receivables in aging buckets based on the original invoice date;
- Identification of department/person responsible for resolution; and
- Recommended action for collection of these long-term outstanding receivables.

PSEG Long Island should prepare Implementation Plans for each recommendation no later than April 9, 2021 for review and approval by the Board at the May 2021 meeting.

### **Recommendation**

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

### **1606. RESOLUTION ADOPTING NON-PRODUCT COLLECTION IMPROVEMENT PROCESS RECOMMENDATIONS**

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WHEREAS, pursuant to Section 4.4(16), Rights and Responsibilities of LIPA, of the Amended and Restated Operations Services Agreement (“OSA”), LIPA, in part, has the right to “make recommendations to the Service Provider, in each case as may be reasonably necessary or appropriate to perform LIPA’s oversight responsibilities and obligations with respect to the provision of Operations Services under this Agreement and as may otherwise be necessary or appropriate to comply with LIPA’s legal, contractual and fiduciary obligations. . .”; and

WHEREAS, based on LIPA’s findings after review of the DTS and non-product receivables, the collection ratio continues to be low and LIPA Staff has concerns about the efficiency of the current processes for collections of such billings; and

WHEREAS, LIPA has developed recommendations for PSEG Long Island to develop improved analysis and collections for such billings; and

NOW, THEREFORE, BE IT RESOLVED, the Board hereby adopts the DTS and nonproduct receivables process improvement recommendations; and

BE IT FURTHER RESOLVED, that the Board hereby directs LIPA Staff, together with PSEG Long Island, to implement the Recommendations to Improve Processes Related to Collections for Damage Billing and other Non-Product Billings, including the creation of Implementation Plans in advance of the Board’s May 2021 meeting.

\*\*\*

*Acting Chair Fischl stated that the next item on the agenda was the Briefing on Grid Planning for the Climate Leadership and Community Protection Act to be presented by Rick Shansky.*

*Mr. Shansky presented the Briefing on Grid Planning for the Climate Leadership and Community Protection Act and took questions from the Trustees.*

\*\*\*

*Acting Chair Fischl stated that the last item on the agenda was the Secretary's Report on Board Policies and Communication to be presented by Bobbi O'Connor.*

*Ms. O'Connor presented the Secretary's Report on Board Policies and Communication and took questions from the Trustees.*

\*\*\*

*Acting Chair Fischl then announced that the next Board meeting is scheduled for Monday, March 29, 2021 at 11:00 a.m. in Uniondale.*

*Acting Chair Fischl then asked for a motion to adjourn to Executive Session to discuss litigation matters and announced that no votes would be taken and that the Board would not be returning to Open Session. The motion was duly made and seconded, and the following resolution was adopted:*

**1607. EXECUTIVE SESSION – PURSUANT TO SECTION 105 OF THE PUBLIC OFFICERS LAW**

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**RESOLVED**, that pursuant to Section 105 of the Public Officers Law, the Trustees of the Long Island Power Authority shall convene in Executive Session for the purpose of discussing litigation matters.

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*At approximately 12:46 p.m. the Open Session of the Board of Trustees was adjourned on a motion to enter into Executive Session.*

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**February 24, 2021**

**Board Meeting**

**Public Comments**

**From:** [Web Forms](#)  
**To:** [Comments on LIPA Board Agenda Items](#)  
**Subject:** Website Inquiry: Board Agenda Comments  
**Date:** Wednesday, February 24, 2021 8:40:12 AM

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**Name**

George Povall

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**Address****Affiliation**

All Our Energy

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**Agenda Topic**

Public power for LIPA

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**Comment**

My name is George Povall , Executive Director of All Our Energy, a Long-Island-based nonprofit environmental organization.

We support the LIPA board fully exploring and moving to a publicly owned, managed, and responsive municipal utility model, which would better serve ratepayers and reliability as it does virtually everywhere that uses this model. Privatization of any kind should be completely off the table- we've seen where that leads this month with the generation failures across the state of Texas, and right here, where the "private" part of the "public-private" PSEG LI partnership that we have continues to fail to live up to any greater success, often costs more, is less responsive, and is oftentimes a barrier to moving LIPA forward to more clean energy.

We call on LIPA to move on from PSEG LI and fully municipalize. The transformation should heavily include the public to discuss and decide the future of our public power structure inclusively and openly, and engage all stakeholder communities in the process for maximum public ownership and oversight, to bring in a new era for Long Island power generation and delivery.

We believe the Board of Trustees and the Governor have a huge opportunity to continue their forward-thinking stance on energy, and should seize this moment to continue their movement to a more reliable, affordable, accountable, and clean energy system for Long Island.

Public power really is All Our Energy. Together we can make it so.

Thank You,

George Povall  
Executive Director  
All Our Energy

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**From:** [Web Forms](#)  
**To:** [Comments on LIPA Board Agenda Items](#)  
**Subject:** Website Inquiry: Board Agenda Comments  
**Date:** Wednesday, February 24, 2021 1:36:09 PM

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**Name**

Nancy D'Angelo

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**Address****Agenda Topic**

Publically owned controlled and managed power on Long Island

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**Comment**

I am a retired chemist who has lived on Long Island all her life. I fully support a publically owned and managed power supply on Long Island.

We have all seen the lack of transparency and the shoddy administration of PSEG.

This should not go on. We pay some of the highest electrical rates in the country and can go for many days without power when a storm hasn't even been that severe.

The power must be out for 72 hours or we cannot be reimbursed for food and medications that have to be thrown out. The USDA says that after four hours without refrigeration many items will be unsafe to eat and must be discarded.

We need a power authority that will react quickly and one that is properly administered. One that thinks of the customer first and not the profit to shareholders. This is an imperative.

With the electrical grid crisis in Texas and other states it is all the more important to have oversight and accountability for essential services.

Thank you for your time.

**From:** [Web Forms](#)  
**To:** [Comments on LIPA Board Agenda Items](#)  
**Subject:** Website Inquiry: Board Agenda Comments  
**Date:** Tuesday, February 23, 2021 9:53:23 PM

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## **Name**

Billii Roberti

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## **Agenda Topic**

PSEG Long Island Utility 2.0 Update

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## **Comment**

This year the Long Island Power Authority (LIPA) is reviewing the PSEG Long Island (PSEG LI) 2020 Utility 2.0 Plan update submitted to the Department of Public Service on June 30, 2020.

As the municipal entity that owns the electric transmission and distribution system serving Long Island, LIPA must ensure this plan complies with the Climate Leadership and Community Protection Act (CLCPA) signed into law in July 2019. This is imperative whether PSEG LI remains the electric utility or LIPA fully municipalizes.

This law calls for the reduction of greenhouse gas emissions, the increase in renewable sources and the conservation of 185 trillion British thermal units (TBTUs) of annual end-use energy use. Energy Efficiency and Demand Response (EEDR) plans alone cannot achieve these goals. Only a wholesale transition to electrification of the transportation and building sectors, coupled with a fully renewable energy generated electric grid, will.

It is beneficial both to LIPA and PSEG LI, as the electric utility—as well as Long Islanders and their environment—to focus on this drive to electrification, which is being embraced by municipalities as the alternative to burning fossil fuels for space and water heating and for cooking.

### **Advocate for Beneficial Electrification**

We know it is necessary to decarbonize rapidly because of the climate crisis. New gas installations put in place today will endure for 20 or 25 years, emitting carbon dioxide (CO<sub>2</sub>) onsite and methane (86 times the 20-year global warming potential of CO<sub>2</sub>) from the fracking well site to the end user.



Long Islanders need to be aware that switching from heating oil to gas will slow decarbonization. As part of the new Utility 2.0 Plan, PSEG LI (or LIPA) needs to be investing in a series of public service announcements about beneficial electrification and the incentives to convert from fossil fuels to all-electric appliances. This is especially important in frontline, LMI and POC communities that are most vulnerable to air pollution (from gas power plants and compressor stations) and climate change impacts. The CLCPA requires 35% of funding to be invested in these locations.

It should endorse energy efficiency, weatherization and renewable heating with heat pumps like the New York State Energy Research and Development Authority (NYSERDA) HeatSmart program.

#### HeatSmart

NYSERDA's Clean Heating and Cooling Programs (also known as HeatSmart) provide a model that LIPA should replicate on Long Island. Alternatively, LIPA should consider contributing to the Systems Benefit Charge and thus be included in already existing--and successful--NYSERDA programs. Municipalities and nonprofit organizations administer these programs and provide outreach, referrals and other support for residents to make their homes energy efficient and replace their fossil fuel heating with heat pumps. Long Islanders are not eligible for NYSEDA programs, but LIPA/PSEG has funds to fill this gap and institute a HeatSmart-like program.

It would also help speed the electrification process if PSEG LI (or LIPA) provided higher rebates to early adopters of heat pumps for both space and water heating. There should be a sliding scale so that low-income households receive higher rebates and could participate more easily. The cost of larger rebates would be offset by the greater consumption of electricity.

#### Gas Sunsetting

In terms of promoting electrification, LIPA itself should start advocating for municipalities to adopt NYStretch codes to promote building envelope upgrades and electrification and by banning new gas installations after a certain date, first in new construction and major renovations and shortly after for retrofits when space and water heating systems need replacing. Higher rebates could be tied to retiring fossil fuel heating systems before they reach their expected end of life.

Many municipalities, including over 40 cities and towns in the State of California, have instituted sunset dates for gas, setting a precedent as well as providing suggestions and approaches on how Long Island communities can do this.

#### GeoMicroDistricts

In addition, LIPA should consider promoting “GeoMicroDistricts”, a concept promoted by the Home Energy Efficiency Team (HEET). HEET is a Massachusetts nonprofit seeking the best and most cost-effective heating solutions that also cut greenhouse gas emissions. The feasibility study by BuroHappold Engineering they commissioned has shown the shared loop system of a GeoMicroDistrict may be the least expensive and most climate-friendly for new developments. This is particularly true of large ones that contain a mix of residential and commercial space and/or do not have nearby gas mains.

National Grid’s own “residential geothermal energy demonstration program in Riverhead, N.Y., has been so successful, that the utility is looking to expand its program.”

Furthermore, LIPA should encourage municipalities to own these GeoMicroDistricts. This would provide a revenue stream that could even counteract the negative impacts of the loss of tax revenue due to the decommissioning of conventional fossil fuel power plants.

It is important to point out that as wind power grows and greens the LI grid, heat pumps systems automatically green with it, making them great investments. In addition, using geothermal sources of heat, when compared with air sourced ones, will avoid creating a winter peak even higher than the current summer one.)

And finally, LIPA might also benefit from learning about other clean and green technologies, besides wind and solar, that could provide baseload capacity. They are out there, just looking for opportunities for pilot programs to determine feasibility and scalability.

Please consider these suggestions carefully and implement them at your earliest convenience.

Additional reading:

- HEET – First State Law Could Shift Gas Companies towards Renewable Energy
- Massachusetts Pilot Project Offers Gas Utilities a Possible Path to Survival
- Municipal Natural Gas Bans - Round 1 by Amy Turner
- Municipal Natural Gas Bans - Round 2 the evolution of State preemption law. by Amy Turner
- Battle reignites over first East Coast gas bans by David Iaconangelo, E&E News reporter
- 2020 Nevada State Climate Strategy and Transition from residential and commercial use of natural gas.

PS: Some may say “natural gas is a ‘bridge fuel,’” but we’ve already crossed that bridge. Others will recommend “renewable natural gas,” but

this "green natural gas" supply is woefully inadequate to fill in for fracked gas and is best used near the site of origin (i.e. cows and sewage treatment plants). Still others will suggest "green hydrogen," but the supply is minimal right now and has better uses, when available, than running a clothes dryer or water heater.

Greta Thunberg says "Our house is on fire...and on climate change...we have failed..."

I say, "There's a baby drowning in the bathwater and everyone is quibbling over how hot the water is!"

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**From:** [Web Forms](#)  
**To:** [Comments on LIPA Board Agenda Items](#)  
**Subject:** Website Inquiry: Board Agenda Comments  
**Date:** Tuesday, February 23, 2021 8:30:22 PM

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**Name**

Elizabeth Marinelli

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**Address****Affiliation**

LIPA customer and LI citizen

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**Agenda Topic**

Municipalization of LIPA

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**Comment**

The time has come for the Long Island Power Authority to not only end its contract with PSEG-LI but to finally end decades of failed public-private partnerships that have put profit over people.

LIPA should be a fully publicly owned, controlled, and managed power authority in order to establish new standards for accountability, equity, resilience, and democracy in our energy system.

Sent from [Lipower](#)

**From:** [Web Forms](#)  
**To:** [Comments on LIPA Board Agenda Items](#)  
**Subject:** Website Inquiry: Board Agenda Comments  
**Date:** Tuesday, February 23, 2021 8:27:22 PM

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**Name**

Philip Marinelli

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**Address****Affiliation**

LIPA customer and LI resident

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**Agenda Topic**

Municipalization of LIPA

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**Comment**

The time has come for the Long Island Power Authority to not only end its contract with PSEG-LI but to finally end decades of failed public-private partnerships that have put profit over people. I think LIPA should be a fully publicly owned, controlled, and managed power authority in order to establish new standards for accountability, equity, resilience, and democracy in our energy system.

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**From:** [Web Forms](#)  
**To:** [Comments on LIPA Board Agenda Items](#)  
**Subject:** Website Inquiry: Board Agenda Comments  
**Date:** Tuesday, February 23, 2021 8:14:07 PM

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**Name**

Georgianna Dolan-Reilly

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**Address****Agenda Topic**

Public Power for Long Island

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**Comment**

My name is Georgianna Dolan-Reilly, a resident of Setauket, and a Long Island utility ratepayer.

Years of public-private partnerships under LIPA have removed us further from the root of our needs: an energy system in service of people, not profits. On good days, we pay outrageous rates for inadequate service. On bad days, we wait in the dark unable to get clear answers on when service will return. On all days, we maintain reliance on climate-wrecking fossil fuels that put our region at risk of further catastrophe.

Our utility consistently fails us, no more apparent than during last summer's Tropical Storm Isaias which proved PSEG LI incapable of responding to the challenge of providing and maintaining the resilient electric grid that Long Islanders need. While my power was out for only two days and I did not lose any food, neighbors on the other side of the street were without power for days and one end of the street was blocked by a large downed tree over wires for nearly two weeks. With the expensive cost of living on Long Island to begin with being prepared with a generator or being able to live near a location that gets restored quick is often linked to socioeconomic status, and we can do better than leaving people in the dark.

We must fully commit to a new paradigm of energy management on Long Island and oppose any efforts to further privatize our energy services.

Across the country, publicly owned utilities have proven more affordable and reliable for residential customers. They are more responsive to customer needs, yielding better customer satisfaction. Their shorter outage times safeguard households' food and medicine and improve the productivity of small businesses. With a proper process in place, we can reimagine, reinvent, and restructure LIPA so that it is led by those most impacted by decisions concerning our energy system. We can ensure that those who use, pay for, and work for the system have a say in how it runs.

We call on LIPA to terminate their contract with PSEG LI as soon as possible and fully municipalize. We demand a genuine, inclusive, and robust process as LIPA's path forward is determined. We can no longer separate LIPA from everyday Long Islanders. We call for a public process that convenes appropriate stakeholders to serve as a watchdog in this crucial moment through public hearings, town halls, and other forms of participatory community engagement.

Best wishes,

Georgianna Dolan-Reilly, LMSW

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**From:** [Web Forms](#)  
**To:** [Comments on LIPA Board Agenda Items](#)  
**Subject:** Website Inquiry: Board Agenda Comments  
**Date:** Tuesday, February 23, 2021 5:34:40 PM

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**Name**

Guy Jacob

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**Address****Affiliation**

Nassau Hiking & Outdoor Club

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**Agenda Topic**

Public Power for Long Island

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**Comment**

We urge ending LIPA's contract with PSEG-LI. We support a fully publicly owned, controlled and managed power authority for Long Island. It's high time that we take this bold step for our families, for our future, for our diverse ecosystems.

We believe an authentic public power authority provides our best opportunity for moving off fossil fuels to renewable energy. We are particularly exciting about the prospect of building out small and medium size solar installations in Nassau and Suffolk Counties.

The Long Island Solar Roadmap ( <http://solarroadmap.org/>) is an idea whose time has come. Each location is low impact on land use and does not harm habitat. There will be a fully developed website about this report online starting next month. This roadmap is a dream that has its best chance of being implemented if we have a fully public power authority. Certainly, the advancement of net metering would negatively impact PSEG's bottom line, and the company would resist significant solar buildout.

A plethora of evidence from states throughout our union points to the



following: private utilities are stagnant, uneconomical, and harmful to human health and the environment. It's time to move on to bigger and better things. It's time for a clean energy future, Long Island!

Thank you for your consideration,

Guy Jacob  
Conservation Chair  
Nassau Hiking & Outdoor Club

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**From:** [Web Forms](#)  
**To:** [Comments on LIPA Board Agenda Items](#)  
**Subject:** Website Inquiry: Board Agenda Comments  
**Date:** Tuesday, February 23, 2021 5:28:32 PM

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**Name**

elaine peters

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**Address****Agenda Topic**

LIPA as a public utility

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**Comment**

As a PSE & G Long Island customer, I have not been satisfied with their rates or with their service. I would like to see us make LIPA into a public utility where we can control the decisions, the rates, and new infrastructure supporting renewables as well as underground electric lines. We also will make sure that workers from New York and Long Island get a fair shake and the protections they need. Everything should be sustainable with proper oversight. No huge salaries should be paid to anyone involved.

Profits for new infrastructure or repairs when needed.

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**From:** [Web Forms](#)  
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**Subject:** Website Inquiry: Board Agenda Comments  
**Date:** Tuesday, February 23, 2021 5:24:30 PM

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**Name**

Michael Brady

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**Address****Agenda Topic**

LIPA Municipalization

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**Comment**

After attending in the recent LIPA Reimagined Forum, where I noted that several of the LIPA trustees were also in attendance, the solution to the ongoing PSEG-LI problem is clear. LIPA must terminate the PSEG contract and immediately stop all ongoing negotiations with them for a new contract.

\$80 million dollars for 18 managers? I couldn't believe my ears when Professor Michael Menser brought up this outrageous arrangement. Were that the only cost savings that would result from terminating the contract it would be enough. But your own study has demonstrated the annual cost savings would be even greater- \$65 - \$75 million annually will be saved if LIPA fully commits to full municipalization. That's money we will need to meet the mandates of the Climate Leadership and Community Protection Act and the soon to be passed Climate and Community Investment Act, not to mention resiliency measures to protect Long Island from ever more frequent and violent storms. Additionally, PSEG has lied and obfuscated time and time again, and in watching your trustee meetings, it appears they are no closer to truly solving the problems that made their response to Tropical Storm Isaias dangerously inadequate. As an attorney, I tell my clients the contracts are only as good as the people who sign them. PSEG-LI cannot be trusted as contract partners no matter what the contract provides.

After the failures LILCO, National Grid, and now PSEG-LI, it is abundantly clear that we cannot afford the involvement of yet another private company in our electric supply. The costs and the stakes are too high as has been shown by the recent power outages in Texas. LIPA must fully municipalize.

Experiences in other states have show the public power is cheaper, more innovative, and provides better service. Additionally, the community must also be provided a means to participate in oversight and management. Gone are the days of blind trust with little accountability and profiteering and mis-management behind closed doors.

Our times demand that the antiquated public/private partnership be discarded and replaced by full municipalization of our electric service with community oversight. Embrace the future and bring public power to the people.

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**From:** [Web Forms](#)  
**To:** [Comments on LIPA Board Agenda Items](#)  
**Subject:** Website Inquiry: Board Agenda Comments  
**Date:** Tuesday, February 23, 2021 5:22:24 PM

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**Name**

Olivia Ildefonso

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**Address****Agenda Topic**

Public Power for Long Island

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**Comment**

I am submitting this comment to call on LIPA to terminate their contract with PSEG LI as soon as possible and fully municipalize. Across the country, publicly owned utilities have proven more affordable and reliable for residential customers. They are more responsive to customer needs, yielding better customer satisfaction. Their shorter outage times safeguard households' food and medicine and improve the productivity of small businesses. With a proper process in place, we can reimagine, reinvent, and restructure LIPA so that it is led by those most impacted by decisions concerning our energy system. We can ensure that those who use, pay for, and work for the system have a say in how it runs.

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**To:** [Comments on LIPA Board Agenda Items](#)  
**Subject:** Website Inquiry: Board Agenda Comments  
**Date:** Tuesday, February 23, 2021 5:17:23 PM

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**Name**

Shameika Hanson

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**Affiliation**

The Long Island Progressive Coalition

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**Agenda Topic**

Public Power for Long Island

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**Comment**

My name is Shameika Hanson a resident of Huntington Station and a Long Island utility ratepayer.

Years of public-private partnerships under LIPA have removed us further from the root of our needs: an energy system in service of people, not profits. On good days, we pay outrageous rates for inadequate service. On bad days, we wait in the dark unable to get clear answers on when service will return. On all days, we maintain reliance on climate-wrecking fossil fuels that put our region at risk of further catastrophe. Our utility consistently fails us, no more apparent than during last summer's Tropical Storm Isaias which proved PSEG LI incapable of responding to the challenge of providing and maintaining the resilient electric grid that Long Islanders need.

During Hurricane Sandy, we were without power for weeks and sought shelter with family friends. Prior to their generous offer to open their homes however we slept in a heatless, powerless home. We lost hundreds of dollars in food that went bad due to the outages and upon finally being able to call LIPA we were given no sense of certainty when help would come. Years later we are in no better position which was proved during Tropical Storm Isaias.

We must fully commit to a new paradigm of energy management on Long Island and oppose any efforts to further privatize our energy services.

Across the country, publicly owned utilities have proven more affordable and reliable for residential customers. They are more responsive to customer needs, yielding better customer satisfaction. Their shorter outage times safeguard households' food and medicine and improve the productivity of small businesses. With a proper process in place, we can reimagine, reinvent, and restructure LIPA so that it is led by those most impacted by decisions concerning our energy system. We can ensure that those who use, pay for, and work for the system have a say in how it runs.

We call on LIPA to terminate their contract with PSEG LI as soon as possible and fully municipalize. We demand a genuine, inclusive, and robust process as LIPA's path forward is determined. We can no longer separate LIPA from everyday Long Islanders. We call for a public process that convenes appropriate stakeholders to serve as a watchdog in this crucial moment through public hearings, town halls, and other forms of participatory community engagement.

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**From:** [Web Forms](#)  
**To:** [Comments on LIPA Board Agenda Items](#)  
**Subject:** Website Inquiry: Board Agenda Comments  
**Date:** Tuesday, February 23, 2021 2:53:16 PM

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**Name**

Ryan Madden

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**Address**

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**Affiliation**

Long Island Progressive Coalition

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**Agenda Topic**

Public Power for Long Island

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**Comment**

To the LIPA Board of Trustees,

On behalf of the Long Island Progressive Coalition, I am including a copy of the presentation given at the forum held last night called "LIPA Reimagined: Building the Utility LI Deserves" and a video recording of the event. The forum, put together by signatories of the Reimagine LIPA statement (attached) went over the history of the utility, the benefits of public power, and offered concrete proposals for more participatory structures of governance for the utility.

We were joined by some LIPA Board of Trustees, LIPA staff, LI elected officials, solar industry groups, business groups, and grassroots supporters. In total we had 265 registrations with 145 attendees on the call.

The forum was held as a part of our continued efforts to realize a fully publicly owned, controlled, and managed power authority. It comes in response to ongoing revelations about PSEG Long Island's failures in dealing with Tropical Storm Isaias. We continue this call in order to establish new standards for accountability, equity, resilience, and democracy in our energy system.



We request that this statement be distributed as soon as it is received.

Presentation Link:

<https://docs.google.com/presentation/d/1JBiRrLGsTNeClfQGysLj2RrKPVISA-inNavrrnMvfJE/edit?ts=6033f7eb#slide=id.p1>

Video Link: [https://youtu.be/\\_uomzt-eog8](https://youtu.be/_uomzt-eog8)

Sincerely,

Ryan Madden

Sustainability Organizer

Long Island Progressive Coalition

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**If you have an attachment, please upload it here.**

[Reimagine-LIPA\\_-\\_Municipalization-Statement.pdf](#)

Sent from [Lipower](#)

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2/23/21

To the LIPA Board of Trustees,

The time to reimagine the Long Island Power Authority (LIPA) is long past due. Our utility and the systems of oversight around it have failed Long Island over and over again, yet some are calling for LIPA to restructure its contracts or to fully privatize. We cannot risk treading the same old path with a new pair of shoes. Instead we must strike out on a better road, envisioning a publicly owned, controlled, and managed power authority, establishing new standards for accountability, equity, resilience, and democracy.

Almost 35 years ago, New York State established LIPA to replace the Long Island Lighting Company (LILCO) to address private utilities' failure to provide adequate services. However, years of public-private partnerships have removed us further from the root of our needs: an energy system in service of people, not profits. On good days, we pay outrageous rates for inadequate service. On bad days, we wait in the dark unable to get clear answers on when service will return. On all days, we maintain reliance on climate-wrecking fossil fuels that put our region at risk of further catastrophe.

Our utility consistently fails us, no more apparent than during last summer's Tropical Storm Isaias which proved PSEG LI incapable of responding to the challenge of providing and maintaining the resilient electric grid that Long Islanders need. We call on LIPA to terminate their contract with PSEG LI as soon as possible and fully municipalize. The storms could only get worse and Long Islanders are already fed up.

We must fully commit to a new paradigm of energy management on Long Island and oppose any efforts to further privatize our energy services. Across the country, publicly owned utilities have proven more affordable and reliable for residential customers. They are more responsive to customer needs, yielding better customer satisfaction. Their shorter outage times safeguard households' food and medicine and improve the productivity of small businesses. And they can ensure that Long Island helps fulfill the legal and moral obligation we have to prevent climate catastrophe by moving off fossil fuels and transitioning to 100% clean, renewable energy.

With a proper process in place, we can reimagine, reinvent, and restructure LIPA so that it is led by those most impacted by decisions concerning our energy system: ratepayers, workers, municipalities, community organizations, low-income households, and environmental justice communities. We can ensure that those who use, pay for, and work for the system have a say in how it runs. This is a choice we can make together as Long Island to prevent further encroachment of our energy commons by the forces of privatization. After a past riddled with mismanagement and failure after failure for Long Island communities, now is our moment to

reimagine LIPA, end corporate control and abuse of our energy systems, and realize the benefits of public power and full municipalization: real accountability, reliable service, affordable power, and a commitment to our transition off harmful fossil fuels.

We demand a genuine, inclusive, and robust process as LIPA's path forward is determined. We can no longer separate LIPA from everyday Long Islanders. We call for a public process that convenes appropriate stakeholders to serve as a watchdog in this crucial moment through public hearings, town halls, and other forms of participatory community engagement.

**Signed:**

Long Island Progressive Coalition  
Nassau County Democratic Socialists of America  
Suffolk County Democratic Socialists of America  
New York Communities for Change  
Food & Water Action  
Warriors of the Sunrise  
Cooperation Long Island  
Green Party of Nassau County  
NY02 Indivisible  
Progressive East End Reformers  
Suffolk Progressives  
Environmental Action Coalition  
Four Directions Mutual Aid  
Nassau Hiking & Outdoor Club  
All Our Energy  
Long Island Activists  
Together We Will LI  
Planned Parenthood Hudson Peconic  
Shinnecock Grave Protection Warrior Society  
Long Island Network for Change  
Mothers Out Front Long Island Team  
National Organization for Women, Suffolk Chapter  
Sustainability Department of the Sisters of St. Joseph, Brentwood  
Transition Town Port Washington  
Bay Shore Babylon Women's Huddle  
HUMuS: Huntington Mobilization for Sustainability  
Long Island Metro Business Action (LIMBA)  
Sunrise Long Island  
OLA of Eastern Long Island  
S.T.R.O.N.G Youth, Inc.

**From:** [Web Forms](#)  
**To:** [Comments on LIPA Board Agenda Items](#)  
**Subject:** Website Inquiry: Board Agenda Comments  
**Date:** Wednesday, February 24, 2021 10:05:18 AM

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**Name**

Jessica G Enzmann

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**Affiliation**

Sierra Club

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**Agenda Topic**

Reimagine LIPA: Municipalization Statement Support

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**Comment**

This comment is to show Sierra Clubs support of the Reimagine LIPA: Municipalization Statement that has been signed by organizations throughout the region.

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**If you have an attachment, please upload it here.**

[Reimagine-LIPA-Municipalization-Statement.pdf](#)

Sent from [Lipower](#)

# Reimagine LIPA: Municipalization Statement

To the LIPA Board of Trustees,

The time to reimagine the Long Island Power Authority (LIPA) is long past due. Our utility and the systems of oversight around it have failed Long Island over and over again, yet some are calling for LIPA to restructure its contracts or to fully privatize. We cannot risk treading the same old path with a new pair of shoes. Instead we must strike out on a better road, envisioning a publicly owned, controlled, and managed power authority, establishing new standards for accountability, equity, resilience, and democracy.

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communities. We can ensure that those who use, pay for, and work for the system have a say in how it runs. This is a choice we can make together as Long Island to prevent further encroachment of our energy commons by the forces of privatization. After a past riddled with mismanagement and failure after failure for Long Island communities, now is our moment to reimagine LIPA, end corporate control and abuse of our energy systems, and realize the benefits of public power and full municipalization: real accountability, reliable service, affordable power, and a commitment to our transition off harmful fossil fuels.

We demand a genuine, inclusive, and robust process as LIPA's path forward is determined. We can no longer separate LIPA from everyday Long Islanders. We call for a public process that convenes appropriate stakeholders to serve as a watchdog in this crucial moment through public hearings, town halls, and other forms of participatory community engagement.

#### Current Signatories:

Long Island Progressive Coalition  
Nassau County Democratic Socialists of America  
Suffolk County Democratic Socialists of America  
New York Communities for Change  
Food & Water Action  
Warriors of the Sunrise  
Cooperation Long Island  
Green Party of Nassau County  
NY02 Indivisible  
Progressive East End Reformers  
Suffolk Progressives  
Environmental Action Coalition  
Four Directions Mutual Aid  
Nassau Hiking & Outdoor Club  
All Our Energy  
Long Island Activists  
Together We Will LI  
Planned Parenthood Hudson Peconic  
Shinnecock Grave Protection Warrior Society  
Long Island Network for Change  
Mothers Out Front Long Island Team

National Organization for Women, Suffolk Chapter  
Sustainability Department of the Sisters of St. Joseph, Brentwood  
Transition Town Port Washington  
Bay Shore Babylon Women's Huddle  
HUMuS: Huntington Mobilization for Sustainability  
Long Island Metro Business Action (LIMBA)  
Sunrise Long Island  
OLA of Eastern Long Island  
S.T.R.O.N.G. Youth, Inc.  
Sierra Club