

LONG ISLAND POWER AUTHORITY

MINUTES OF THE 298th MEETING

HELD ON APRIL 28, 2021

The Long Island Power Authority (“LIPA”) was convened for the two-hundred-and-ninety-seventh time at 9:05 a.m. at LIPA’s Headquarters, Uniondale, NY, pursuant to legal notice given on April 23, 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 April 28, 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 (in person)
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 Power Supply and Whole Markets; 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; Tom 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.

Acting Chair Fischl welcomed everyone to the 298th meeting of the Long Island Power Authority Board of Trustees.

Acting Chair Fischl stated that the first item on the agenda was the Consideration of Adoption of Minutes of the March 29, 2021 Board Meeting.

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 approved by the Trustees.

1621. APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE MARCH 29, 2021 MEETING OF THE BOARD OF TRUSTEES OF THE LONG ISLAND POWER AUTHORITY

RESOLVED, that the Minutes of the meeting of the Authority held on March 29, 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.

Acting Chair Fischl stated that the next item on the agenda was the Discussion of Phase II Options Analysis and Consideration of the Adoption of the Phase II Options Analysis and Direction to LIPA Staff on Next Steps to be presented by Thomas Falcone.

After requesting a motion on the matter, which was seconded, Mr. Falcone presented the following action item and took questions from the Trustees.

Requested Action

The Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is requested to approve a resolution adopting the Isaias Task Force (the “Task Force”) Phase II Options Analysis (the “Phase II Options Analysis”) and providing direction to LIPA Staff on next steps, 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 (“CEO”) initiated an independent review of the circumstances and root causes that led to the lapses in PSEG Long Island’s storm response.

LIPA’s CEO established a Task Force that 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, and 180-Day Final Report. By Resolution dated January 27, 2021, the Board approved extension of the 180-Day Final Report to a 270-Day Final Report, due in May 2021.

The Task Force presented the 30-Day Report to the Board 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 and made recommendations for implementation by PSEG Long Island.

On November 13, the Department of Public Service (“DPS”) provided a recommendation (the “DPS Recommendation”) to the LIPA Board as a result of its investigation of PSEG Long Island’s storm response. DPS Staff identified more than 70 potential violations of PSEG Long Island’s Emergency Restoration Plan. DPS recommended, among other things, that LIPA evaluate options to terminate PSEG Long Island as LIPA’s Service Provider.

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 the 90-Day Report, the Task Force provided nearly 100 recommendations for the Board’s consideration (the “Task Force Recommendations”). The Task Force’s main recommendation, however, was to change the way LIPA’s assets are managed to ensure management accountability to Long Island operations. At the November meeting, the Board also authorized filing a lawsuit against PSEG Long Island seeking \$70 million in damages related to PSEG Long Island’s failed management response before, during, and after the storm.

On December 16, 2020, LIPA released Phase I of its Options Analysis. The purpose of the Phase I report was to present the Board and stakeholders with an initial framing of the range

of possible restructuring options for the management of LIPA's assets. In response to the Phase I report, the Board asked LIPA Staff to forgo further development of the privatization alternative due to its high cost to customers and to further develop the other alternatives and report back to the Board and the public in a Phase II report no later than March 31, 2021.

On March 29, 2021, LIPA's CEO reported that LIPA Staff had been working diligently on the Phase II Options Analysis, including negotiations with PSEG Long Island on contract reforms that would increase PSEG Long Island management's alignment, accountability, and transparency, as well as facilitate greater oversight by LIPA and the DPS. LIPA's CEO reported that he believed providing negotiations with additional time could facilitate offering the Board and public greater choice and requested that the deadline for the Phase II report be extended to the Board's April 2021 meeting.

By Resolution dated March 29, 2021, the Board extended the deadline for the Phase II Options Analysis to the April Board meeting based on LIPA Staff's recommendation.

Discussion

The Phase II Options Analysis describes four potential alternatives – (i) privatization (i.e. sell LIPA's assets to private investors), (ii) reset the PSEG Long Island relationship and reform the terms of the current Amended and Restated Operations Services Agreement (“OSA”) with PSEG Long Island, (iii) contract with a new service provider to achieve improved operations of customer assets, and (iv) bring operations under a “fully municipal” LIPA management model.

The Phase II Options Analysis details that LIPA has been unable to achieve its negotiation objectives with PSEG Long Island to date. The report describes the benefits and considerations of outsourcing to a new service provider and the LIPA management model.

The Board has requested that staff arrange public comment hearings to solicit feedback on the future management of LIPA assets from our customers and stakeholders. The Board will accept public comment on the Options Analysis at its May 19 meeting. Additionally, staff has currently scheduled virtual public comment hearings starting at 6 p.m. on Tuesday, May 25 and Thursday, May 27. A link to the livestream of the public comment hearings will be available on LIPA's website at www.lipower.org. Finally, written comments may be submitted electronically through the LIPA website. All written comments will be available for public review.

Recommendation

The Phase II Options Analysis recommends that LIPA Staff should continue to simultaneously advance (i) resetting the PSEG Long Island relationship; (ii) contracting with a new service provider; and (iii) local management.

Staff will continue negotiations with PSEG Long Island on contract reforms that address the Board's concerns. Simultaneously, LIPA will advance the option to contract with a new

service provider through the issuance of a Request for Information (“RFI”). The RFI would outline LIPA’s requirements and ask potential proposers to detail their capabilities and interest. The initial RFI process would involve significant outreach to potential vendors by LIPA Staff. The RFI process would be followed by a Request for Proposals.

Finally, LIPA will continue its diligence and planning for the LIPA management model and will arrange public comment hearings to hear from members of the public on the future management of LIPA’s assets.

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

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 approved by the Trustees.

**1622. RESOLUTION ADOPTING THE ISAIAS TASK FORCE PHASE II
OPTIONS ANALYSIS**

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, 2020, 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 (the “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 Task Force’s findings, observations, and recommendations to the LIPA Board of Trustees (the “Board”) and public in a 30-Day Report, 90-Day Report, and 270-Day Final Report; and

WHEREAS, the Task Force presented the 30-Day Report to the Board 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, the 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 Task Force Recommendations, the Board 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; and

WHEREAS, on December 16, 2020, LIPA’s Chief Executive Officer delivered to the Board the Phase I Options Analysis; and

WHEREAS, the Phase I Options Analysis determined that public ownership of the electric utility reduces Long Island customer bills by approximately 20 percent; and

WHEREAS, by Resolution dated December 16, 2020, the Board directed LIPA’s Chief Executive Officer to further develop the options presented in the Phase I Options Analysis to (i) reset the PSEG Long Island relationship and reform the current terms of the current Amended and Restated Operations Services Agreement with PSEG Long Island, (ii) contract with a new service provider to achieve improved operations of customer assets, and (iii) bring operations under a “fully municipal” local management model; and report back to the Board in a Phase II Options Analysis no later than March 31, 2021; and

WHEREAS, by Resolution dated March 29, 2021, the Board extended the deadline for the Phase II Options Analysis to the April 2021 Board meeting based on LIPA Staff’s recommendation that providing additional time for negotiations could facilitate offering the Board and public greater choice.

NOW, THEREFORE, BE IT RESOLVED, the Board hereby adopts the Phase II Options Analysis; and

BE IT FURTHER RESOLVED, the Board finds that privatization is too costly for Long Island and Rockaways electric customers to merit investing additional LIPA Staff time and resources to further develop the alternative; and

BE IT FURTHER RESOLVED, the Board hereby directs LIPA's Chief Executive Officer to continue to pursue renegotiation of the Amended and Restated Operations Services Agreement with PSEG Long Island on terms that fundamentally address the Board's concerns about PSEG Long Island's management; and

BE IT FURTHER RESOLVED, the Board hereby directs LIPA's Chief Executive Officer to issue a Request for Information, in advance of a Request for Proposals, to evaluate market options for replacing the current service provider; and

BE IT FURTHER RESOLVED, the Board hereby directs LIPA's Chief Executive Officer to continue diligence and planning for the LIPA management model; and

BE IT FURTHER RESOLVED, the Board hereby directs LIPA's Chief Executive Officer to arrange public comment hearings on the future management of LIPA's assets.

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.

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

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

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 were 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”), 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 Board and the public in a 30-Day Preliminary Report and 90-Day Interim Report. There will also be a Final Report in May 2021.

The Task Force presented the 30-Day Report to the Board 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, the Department of Public Service (“DPS”) provided a recommendation (the “DPS Recommendation”) to the 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 Amended and Restated Operations Services Agreement (“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 for 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 the Board’s February 2021 meeting.

Thereafter, by Resolution No. 1601, dated February 24, 2021, the Board adopted certain other Tier 1, Tier 2, and Tier 3 Recommendation Implementation Plans and directed PSEG Long Island to amend the remaining Implementation Plans and resubmit such plans to the Task Force for review on or before the Board’s March 2021 meeting.

By Resolution No. 1615, dated March 29, 2021, the Board adopted certain other Tier 1, Tier 2, and Tier 3 Recommendation Implementation Plans and directed PSEG Long Island to amend the remaining Implementation Plans and resubmit such plans to the Task Force for review on or before the Board’s April 2021 meeting.

Discussion of Implementation Plans

On April 9, 2021, PSEG Long Island submitted two Tier 3 revised plans for the 18 plans due on April 10, 2021.

A summary of the Implementation Plans is provided as Exhibit “B.” The Task Force recommends the Board adopt two Implementation Plans as attached hereto as Exhibit “C”.

In addition, as of April 21, 2021, PSEG Long Island has not yet submitted one Tier 2 Implementation Plan and did not submit 15 revised Tier 1 and Tier 3 Implementation Plans that were previously considered by the Board in the December, February, and March meetings and not adopted. Revised plans were requested for the Board’s consideration for the January, March and April meetings. These remaining plans should also be submitted with the comments previously conveyed in December, February and March addressed.

The remaining 16 Plans shall be submitted by PSEG Long Island for Task Force review no later than May 10, 2021 for consideration at the Board’s May 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.

1623. 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, 2020, 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 (the “Board”) 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 the Board 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 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, pursuant to the Board's direction, LIPA's CEO and Staff developed the Phase I Options Analysis, which was the first in a series of reports detailing options to improve the management of LIPA's assets; and

WHEREAS, at its meeting in December 2020, the Board adopted the Phase I Options Analysis; found that privatization was too costly for LIPA's customers; and directed LIPA's CEO to further develop the Single-Provider Municipal model and Municipal Management model, as more specifically described in the Phase I Analysis, and report back to the Board in a Phase II Analysis Report no later than March 31, 2021; 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 the 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; and

WHEREAS, by Resolution No. 1601, dated February 24, 2021, the Board adopted certain other Tier 1, Tier 2, and Tier 3 Recommendation Implementation Plans; directed PSEG Long Island to amend the remaining Implementation Plans and resubmit such plans to the Task Force for review on or before the Board's March 2021 meeting; and

WHEREAS, by Resolution No. 1615, dated March 29, 2021, the Board adopted certain other Tier 1, Tier 2, and Tier 3 Recommendation Implementation Plans and directed PSEG Long Island to amend the remaining Implementation Plans and resubmit such plans to the Task Force for review on or before the Board's April 2021 meeting; and

WHEREAS, the Isaias Task Force has submitted to the Board two 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 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 the Board’s May 2021 meeting.

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 staff to improve PSEG Long Island’s strategic planning activities and related budget submissions related to their performance of the scope of services under the Amended & Restated Operations Services Agreement (“OSA”) (“Strategic Planning”), which resolution is attached hereto as Exhibit “A”.

Background

Long-term strategic planning is an essential element of utility governance and management. Strategic planning provides for proper setting of objectives, prioritization of projects, alignment among stakeholders, and accountability for promised results. Good strategic planning requires long-range plans for each key area of the business, and a process for coordinating long-range plans with shorter-term work plans and associated budgets.

LIPA has tried in the past, most recently in the summer of 2019, to collaborate with PSEG Long Island on strategic planning initiatives, but those efforts were largely unsuccessful. Although PSEG Long Island leaders participated in several meetings with LIPA to discuss strategic planning issues, those meetings were ultimately not as productive as they could have been because of lack of support by PSEG Long Island leadership.

Recommendations

LIPA Staff recommends the following be implemented by PSEG Long Island in 2021:

1. **Initiate development of five-year roadmaps for the transmission and distribution (“T&D”), information technology (“IT”), and customer service functions, in a format mutually agreed to by LIPA and PSEG Long Island, to be completed by March 31, 2022 and used as guidance for the 2023 Budget. The five-year roadmaps should evaluate the current state, articulate an end state vision, and identify the projects necessary to close the gap. The end state vision for the functions should take into account industry trends and customer needs and should align with the strategic direction articulated in the policies adopted for the utility by the LIPA Board. The roadmap should also include (i) a cost-benefit analysis for each project; and identify (ii) the schedule for and sequencing of projects; (iii) dependency on or interaction with projects initiated by other departments; and (iv) budget requirements for project implementation and operations. The roadmap should include Project Implementation Plans (“PIPs”) with greater detail for each of the projects.**
 - **The first step in implementing this recommendation requires development of a PIP (in the form attached as Exhibit “B”) describing the process PSEG Long Island will use to develop the roadmaps which will include, among other things, a schedule for meetings between LIPA and PSEG Long Island to mutually agree on format, identification of the team needed to develop each roadmap (both internal and external resources), and a schedule for (i) monthly progress reports to allow LIPA to monitor progress and (ii) presentations to LIPA Staff at key milestones to ensure alignment with the direction proposed by PSEG Long Island.**
 - **Roadmaps will be reviewed with, and approved by, the Board as guidance documents for future budget requests. Projects identified on the roadmaps with budgetary implications will be included in the Budget Plan and Budget Briefing Books.**

Further, beginning in April 2022, LIPA Staff recommends PSEG Long Island commence the development of five-year roadmaps for its remaining seven key functions (i.e. power supply, clean energy programs, business services, human resources, procurement, external affairs and communications, and legal) to be completed by March 31, 2023. Thereafter, the five-year departmental roadmaps should be updated on a biennial cycle.

This effort is critical to ensuring that the strategic direction articulated in the LIPA Board’s Policies is being advanced and supported by PSEG Long Island’s activities, that budgets reflect the Board’s priorities, and that management is accountable for delivery of the projects that move the utility forward. As such, PSEG Long Island should prepare a PIP for the recommendation described in paragraph one no later than May 31, 2021. That PIP is expected to be presented to the Board at its June 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.

1624. RESOLUTION ADOPTING RECOMMENDATIONS RELATING TO STRATEGIC PLANNING FOR THE LONG ISLAND ELECTRIC TRANSMISSION AND DISTRIBUTION SYSTEM

WHEREAS, long term strategic planning is an essential element of utility governance and management; and

WHEREAS, strategic planning provides for proper setting of objectives, prioritization of projects, alignment among stakeholders, and accountability of management for promised results; and

WHEREAS, good strategic planning requires long-range plans for each key area of the business, and a process for coordinating long-range plans with shorter-term work plans and associated budgets; and

WHEREAS, the strategic planning recommendations described in the accompanying memorandum are critical to ensuring that the strategic direction articulated in the LIPA Board of Trustees Policies are being advanced and supported by PSEG Long Island's activities, that budgets reflect the Board's priorities, and that management is accountable for the delivery of projects that move the utility forward;

NOW, THEREFORE, BE IT RESOLVED, the Board hereby adopts the strategic planning recommendations described in the accompanying memorandum; and

BE IT FURTHER RESOLVED, that the Board hereby directs LIPA Staff, together with PSEG Long Island, to implement the strategic planning recommendations, including the creation of a Project Implementation Plan describing the process PSEG Long Island will use to develop the roadmaps by May 31, 2021, to be presented to the Board in advance of the Board's June 2021 meeting; and

BE IT FURTHER RESOLVED, that LIPA Staff and PSEG Long Island will present to the Board five-year roadmaps for the transmission and distribution, information technology, and customer service functions no later than March 31, 2022; and

BE IT FURTHER RESOLVED, that LIPA Staff and PSEG Long Island will present to the Board five-year roadmaps for the power supply, clean energy programs, business services, human resources, procurement, external affairs and communications, and legal functions no later than March 31, 2023; and

BE IT FURTHER RESOLVED, that LIPA Staff and PSEG Long Island will update and present to the Board five-year roadmaps by function on a biennial cycle thereafter.

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 Staff to improve PSEG Long Island’s planning activities related to the replacement of the current Enterprise Resource Planning system (“ERP”) and Customer Accounting System (“CAS”), which resolution is attached hereto as Exhibit “A.”

Background

ERP refers to a type of software that organizations use to manage day-to-day business activities such as accounting, reporting, human resources, procurement, and other operational functions.

SAP is the integrated business software PSEG Long Island uses to coordinate these various aspects of LIPA’s business. In 2014, PSEG expanded their existing SAP system to include PSEG Long Island rather than building a stand-alone ERP system for LIPA’s operations. This action was taken for purported savings to LIPA’s customers. The legacy PSEG ERP implementation is at the end of its lifecycle and is due for an upgrade. Additionally, LIPA’s business model was designed to allow for a change in service providers without significant business interruption. PSEG Long Island’s SAP implementation is intricately intertwined with its setup for other PSEG business units. Consequently, using the PSEG corporate ERP raises the complexity, cost, and time required to change service providers, if necessary, and reduces the ability of LIPA to exercise its oversight rights.

LIPA’s CAS, which manages customer billing and other related customer information, was implemented in 1975 when the Long Island Lighting Company, as an investor-owned utility, operated the electric transmission and distribution system on Long Island. Over the years, the system has become more complex and intractable, resulting from opportunistic code-changes, patches, and other workarounds in order to meet changing bill formats, urgent customer needs, and regulatory requirements. In addition, there is a shortage of programming expertise to maintain this legacy system as many in the workforce have retired or transitioned to newer technologies. In 2013, PSEG Long Island recommended CAS replacement to LIPA as part of transition planning before taking over operations from National Grid. This recommendation was based on a lack of agility of the existing system, cost, and the shrinking availability of skills to maintain the legacy system. The report concluded that “PSEG Long Island will be able to greatly reduce ongoing operating costs and achieve very rapid paybacks even while factoring in substantial investments of time and expense in the migration process.” In 2016, PSEG Long Island declined to proceed with the replacement, without offering detailed analysis, expressing concerns about the risk to customer satisfaction.

Both the ERP and CAS systems need upgrades to modern versions that provide all the functions needed to best serve LIPA’s customers and avoid the inherent risks of running antiquated financial systems. Replacement of such critical systems comes with significant costs and operational risks and therefore requires thorough planning and testing in order to ensure a successful implementation and minimize disruptions for customers or LIPA’s general operation of the business.

Recommendations

LIPA Staff recommends that PSEG Long Island develop two project implementation plans (“PIPs”): one for the replacement of the existing ERP system, another for the replacement of CAS.

These systems do not operate in a vacuum and replacement is a multi-year project. The PIPs need to identify all related systems that will be impacted by the replacements, the proper sequencing of activities on which the replacements would be dependent, required resources (internal staff and external consultants), potential roadblocks, and operational considerations including financial impacts, required cost-control measures, and enterprise risk analysis. The PIPs should also include a schedule for meetings between LIPA and PSEG Long Island to mutually agree on the implementation scope, technical approach, consultant qualifications, and phasing of the implementation. The PIPs should also provide for (i) regular progress reports, (ii) independent verification and validation meetings and review activities, (iii) presentations to LIPA Staff at each key milestone along each PIP to ensure LIPA agrees with the direction proposed by PSEG Long Island, and (iv) routine document and data sharing with LIPA personnel. While PSEG Long Island should leverage knowledge and resources from PSEG Enterprise, the implementation approach should ensure that the PSEG Long Island implementation of these systems is separate and independently operable from PSEG's enterprise systems.

This effort is critical to ensuring that the financial systems LIPA relies on are robust and maintainable; nimble enough to effectively and efficiently respond to changes in customer needs and the regulatory environment; and provide the greatest value for the dollar to Long Island electric customers. As such, PSEG Long Island should prepare PIPs for the recommendation described above, no later than May 31, 2021. Those PIPs are expected to be presented to the Board at its June 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.

1625. RESOLUTION ADOPTING RECOMMENDATIONS RELATING TO REPLACEMENT OF CERTAIN FINANCIAL SYSTEMS

WHEREAS, the Enterprise Resource Planning and Customer Accounting System currently in use by PSEG Long Island for the management of LIPA’s business are antiquated and lack certain functionalities required for the efficient operation of LIPA’s business; and

WHEREAS, replacement of these financial systems is complicated and has various interdependencies with other systems across the organization; and

WHEREAS, successful implementation of replacement systems requires thorough planning.

NOW, THEREFORE, BE IT RESOLVED, the Board hereby adopts the recommendations related to planning for the replacement of the current Enterprise Resource Planning and Customer Accounting System described in the accompanying memorandum; and

BE IT FURTHER RESOLVED, that the Board hereby directs LIPA Staff, together with PSEG Long Island, to implement the recommendations, including the creation of Project Implementation Plans, by May 31, 2021, to be presented to the Board in advance of the Board's June 2021 meeting.

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," approving certain Implementation Plans to improve PSEG Long Island's inventory management practices (the "Inventory Management Recommendations"), which recommendations that were adopted by the Board on February 24, 2021.

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 the 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.

On February 24, 2021, the Board adopted the Inventory Management Recommendations and requested that PSEG Long Island prepare Implementation Plans for each of the 25 Inventory Management Recommendations no later than April 9, 2021.

On April 9, 2021, PSEG Long Island submitted to LIPA Staff 23 proposed Implementation Plans addressing the Inventory Management Recommendations. In addition, LIPA was informed that PSEG Long Island will not be submitting PIP for one recommendation.

A summary of the Implementation Plans is provided as Exhibit “B.” LIPA Staff recommends the Board adopt 15 of the 23 Implementation Plans as attached hereto as Exhibit “C” and that the Board direct PSEG Long Island to resubmit the eight (8) revised Implementation Plans at the Board’s May meeting with the comments in Exhibit “B” addressed.

The remaining nine (9) Implementation Plans shall be submitted by PSEG Long Island for LIPA Staff review no later than May 10, 2021, for consideration at the Board’s May meeting.

Thereafter, LIPA Staff shall submit a Status Report to the Board no less than quarterly that summarizes the Implementation Plans' status for each Inventory Management Recommendation.

Recommendation

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

1626. RESOLUTION ADOPTING CERTAIN IMPLEMENTATION PLANS RELATING TO INVENTORY MANAGEMENT

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; and

WHEREAS, each of the Inventory Management Recommendations will address deficiencies in inventory management practices and material stocking levels that 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

WHEREAS, on February 24, 2021, the Board adopted the Inventory Management Recommendations; and

WHEREAS, on April 9, 2021, PSEG Long Island submitted to LIPA Staff the proposed Implementation Plans relating to the Inventory Management Recommendations; and

NOW, THEREFORE, BE IT RESOLVED, the Board hereby adopts 15 Implementation Plans relating to the Inventory Management Recommendations, which Implementation Plans are attached hereto as Exhibit “B”; and

BE IT FURTHER RESOLVED, BE IT FURTHER RESOLVED, the Board hereby directs PSEG Long Island to amend the remaining Implementation Plans to address the comments provided by LIPA Staff and resubmit such plans for review at the Board’s 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.

Acting Chair Fischl stated that the next item on the agenda was the Consideration of the Adoption of a Memoranda of Understanding with NYSERDA Relating to the Clean Transportation Prizes and Religious and Community Building Heat Pump and Energy Retrofit Program to be presented by Justin Bell.

After requesting a motion on the matter, which was seconded, Mr. Bell presented the following action item and took questions from the Trustees.

Requested Action

The Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is being requested to authorize the Chief Executive Officer or his designee to execute memoranda of understanding with the New York State Energy Research and Development Authority (“NYSERDA”) relating to the Clean Transportation Prizes and Community Anchor Institutions Heat Pump and Energy Retrofit Program.

Clean Transportation Prizes

Significant efforts have been underway towards the development of additional and innovative programs that serve the clean energy needs of the State’s environmental justice and disadvantaged communities. LIPA Staff is requesting authorization to enter into a Memorandum of Understanding (“MOU”) with NYSERDA that extends certain programs to the LIPA service area and commits funding to those programs consistent with our participation on terms similar to commitments by the investor-owned utilities in the rest of the State.

New York’s transportation sector is responsible for more of the State’s greenhouse gas emissions than any other sector. In 2019, New York State enacted the Climate Leadership and Community Protection Act (the “CLCPA”), which established a State goal to “reduce greenhouse gas emissions from all anthropogenic sources 100% over 1990 levels by the year 2050, with an incremental target of at least a 40 percent reduction in climate pollution by the year 2030.”

Among other things, the CLCPA calls for a Climate Action Council to make recommendations to promote the beneficial electrification of the transportation sector in order to reduce greenhouse gas emissions.

In 2020, the Public Service Commission directed NYSERDA to establish an Environmental Justice Community Clean Vehicles Transformation Prize, a Clean Personal Mobility Prize, and a Clean Medium-Duty and Heavy-Duty Innovation Prize to equitably deliver transportation electrification benefits throughout the State. These actions will encourage the

accelerated, forward-thinking development of Electric Vehicle (“EV”) charging infrastructure and promote the State’s environmental and clean energy goals. Separate discussions were held with NYSERDA to see if the benefits and advantages of the NYSERDA efforts could be extended to LIPA’s customers through an MOU.

Per the CLCPA, disadvantaged communities are defined as communities that bear burdens of negative public health effects, environmental pollution, impacts of climate change, and possess certain socioeconomic criteria, or comprise high concentrations of low- and moderate-income households. Low-income households are defined as those with annual incomes at or below 60 percent of the State Median Income. The moderate-income market segment is comprised of households with an annual income between 60 and 80 percent of the State Median Income or the Area Median Income, whichever is greater.

The New York State Department of Environmental Conservation, Office of Environmental Justice defines Environmental Justice as the fair and meaningful treatment of all people, regardless of race, income, national origin, or color, with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies. Environmental Justice Programs are being developed in accordance with the CLCPA’s mandate to all State Agencies to prioritize reductions of GHG emissions in disadvantaged communities, as may be defined by the Climate Action Council, Climate Justice Working Group, and Environmental Justice Advisory Group.

Additional, immediate action to take meaningful, significant steps towards mitigating the disproportionate burden of disadvantaged communities as directed by the CLCPA calls for targeted additional Environmental Justice Programs that aim to give Disadvantaged Communities and low- and moderate-income households the tools and programs to address the disproportionate environmental impact of diesel transit.

The three prize competitions will be administered by NYSERDA. LIPA Staff and NYSERDA worked collaboratively to create criteria and other requirements consistent with the goals of the prize pilots to address emissions, equity, and electrification in places where people and transportation intersect. LIPA Staff and NYSERDA worked collaboratively to determine appropriate cost allocation for these pilots, under the framework that costs will generally be allocated to all customers within the service territory where the program activity takes place, with the exception that program activities with statewide benefits may be allocated to multiple utilities based on other factors such as utility revenues, number of customers, or other appropriate allocation factors.

The prize competition is currently open across the State to all communities, provided they are served by electric utilities willing to commit funding to the competitions, and to all types of organizations, including local government, not-for-profit, community-based organizations, and private sector service, equipment, and solution providers.

A. Environmental Justice Community Clean Vehicles Transformation Prize Pilot. The Environmental Justice Community Clean Vehicles Transformation Prize will drive innovative and high-impact approaches that utilize advances in clean transportation to

reduce harmful air pollution in disadvantaged communities, causing health, economic, and environmental harm. This \$40 million prize competition will aim to accelerate the design, development, and deployment of solutions by supporting pilot or demonstration projects that achieve direct benefits to these communities; allow concrete investigation of opportunities, costs, and benefits; and prove out approaches that can be replicated at scale.

B. Clean Personal Mobility Prize. The Clean Personal Mobility Prize competition will drive innovative and high-impact approaches that enable access to and delivery of clean transportation services, including “last-mile” solutions, to environmental justice, low- and moderate-income, and underserved communities. This \$25 million prize competition aims to accelerate the design, development, and deployment of solutions by supporting pilot or demonstration projects that achieve direct benefits to these communities; allow concrete investigation of opportunities, costs, and benefits; and prove out approaches that can be replicated at scale.

C. Clean Medium- and Heavy-Duty Vehicle Innovation Prize. The Clean Medium- and Heavy-Duty Vehicle Innovation Prize competition will drive innovative and high-impact approaches that demonstrate the viability of the most compelling opportunities for medium- and heavy-duty vehicle electrification. This \$20 million prize competition aims to accelerate the design, development, and deployment of solutions by supporting pilot or demonstration projects that achieve direct benefits; allow concrete investigation of opportunities, costs, and benefits; and prove out approaches can be replicated at scale.

LIPA has engaged in discussions with NYSERDA to extend participation in these Prize Competitions to customers and organizations on Long Island, with the understanding that LIPA would contribute to the funding of those prizes that are awarded to Long Island entrants. The funding rules and obligations are similar to the commitments made by the investor-owned utilities in the rest of the State, whose participation and associated funding requirements were ordered by the Commission.

LIPA’s financial participation in the prize competition will be capped at \$10.45 million, which will fund the grand prize winner located in the LIPA service area plus awards to three Long Island finalists (\$100 thousand) and grants to community-based organizations (\$150 thousand).

The grand prize, if awarded to a Long Island competitor will be limited to \$10 million for the Clean Neighborhoods Challenge, \$7 million for the Electric Mobility Challenge, or \$8 million for the Electric Truck & Bus Challenge. Additional terms for managing and coordinating the prize competitions between LIPA and NYSERDA will also be included in the MOU.

Community Anchor Institutions Heat Pump and Energy Retrofit Program

NYSERDA has contracted with Metro IAF’s to provide technical analysis and construction subsidies to a limited number of energy-saving retrofit projects in religious and community institutions in New York State. These specific participants are targeted because religious and

community institutions tend to be key influencers within the community, and the program will give preference to institutions that are located in environmental justice and disadvantaged areas.

Eligibility for these subsidies is limited to projects that will:

- Significantly reduce fossil fuel use in buildings.
- Advance the State’s Environmental Justice commitment that 40% or more of the benefits of energy-efficiency and decarbonization investments will accrue to disadvantaged communities.
- Allow the completed project to serve as an Energy Retrofit Demonstration Project and to help Metro IAF continue building the “pipeline” of energy-savings retrofit projects.
- Advance the research goals of the State by meeting requirements described below.

There is a preference for beneficial electrification projects, those involving: replacement of existing heating/cooling systems with electric heat-pump heating/cooling systems; replacement of existing gas; propane or electric water heaters with efficient electric heat-pump water heaters; or replacement of existing gas stoves with efficient electric stoves with induction cooktops. In exceptional cases, funds may be available for innovative energy-saving projects that do not involve electrification.

There is a preference for projects located in disadvantaged communities and supports New York State’s goal, set forth in the CLCPA, of ensuring that at least 40% of the benefits of the State’s climate change mitigation investments accrue to disadvantaged communities. Also, a minimum of 40% of the total worker hours used in the project should be performed by workers who were previously unemployed or underemployed or are residents of disadvantaged communities as defined by the CLCPA. Each person employed on the job shall be paid a living wage, defined as \$20 per hour or more. Each worker must receive health insurance or a health benefit wage supplement of at least \$2 an hour.

LIPA is proposing to contribute no more than \$0.5 million to the overall NYSERDA budget of \$4.0 million for this project.

Recommendation

Based on the foregoing, I recommend that the Board authorize the Chief Executive Officer or his designee to take all actions, including, without limitation, executing of the MOU with NYSERDA, as described above.

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 approved by the Trustees.

1627. AUTHORIZATION TO EXECUTE MEMORANDA OF UNDERSTANDING WITH NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY (“NYSERDA”) RELATING TO THE CLEAN TRANSPORTATION PRIZES AND RELIGIOUS AND COMMUNITY BUILDING HEAT PUMP AND ENERGY RETROFIT PROGRAM

WHEREAS, the Climate Leadership and Community Protection Act mandates all State Agencies to prioritize reductions of GHG emissions in disadvantaged communities, as may be defined by the Climate Action Council, Climate Justice Working Group and Environmental Justice Advisory Group; and

WHEREAS, the New York Public Service Commission has found that a number of new approaches are needed to address solutions that affect disadvantaged and environmental just communities; and

WHEREAS, the New York Public Service Commission has determined that the Environmental Justice Community Clean Vehicles Transformation Prize, Clean Personal Mobility Prize, and Clean Medium- and Heavy-Duty Innovation Prize will position NYSERDA to leverage its expertise and experience and procure innovative solutions that meaningfully benefit Disadvantaged Communities, and will promote the public interest by furthering the State’s environmental and clean energy goals; and

WHEREAS, the New York Public Service Commission has directed NYSERDA to create programs that directly address this mandate, ordered the regulated utilities to participate in these programs; and

WHEREAS, LIPA and NYSERDA are in the process of negotiating memoranda of understanding that would allow customers and organizations located in the LIPA service area to participate in these prize competitions on terms similar to the participation of the regulated utilities in the State as outlined in the attached memorandum; and

WHEREAS, NYSERDA’s Community Anchor Institution Heat Pump and Energy Retrofit Program will advance the goals of the Climate Leadership and Community Protection Act in meeting the needs of environmental justice and disadvantaged communities located in LIPA’s service territory.

NOW, THEREFORE, BE IT RESOLVED, that the Chief Executive Officer or his designee be and hereby is authorized to execute and effect memoranda of understanding with NYSERDA and its contractor Metro IAF consistent with the terms of the accompanying memorandum, and to perform such other acts and deeds as may be necessary, convenient or appropriate, in the judgment of the Chief Executive Officer or his designee, to implement these programs in conjunction with NYSERDA.

Acting Chair Fischl then stated that the final agenda item, Secretary's Report on Board Policies and Communications, would be in written submission only, and available at the Long Island Power Authority website for viewing.

Acting Chair Fischl then announced that the next Board meeting is scheduled for Wednesday, May 19, 2021 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:

1628. EXECUTIVE SESSION – PURSUANT TO SECTION 105 OF THE PUBLIC OFFICERS LAW

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.

At approximately 10:58 a.m. the Open Session of the Board of Trustees was adjourned on a motion to enter into Executive Session.
