Name

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Your Comment

I have 40 years of utility/government and computer systems experience at the leadership level.

The manufacturer of the LIPA/PSEG Outage Management System, CGI , I personally have first-hand experience with the same with a successful delivery of a major Financial Management System.

The engagement was on time and budget with zero impact to the business process. That being said, I was curious about the assertion that the failures of PSEG with hurricane Isaias was solely associated to the CGI-Outage Management System.

From my professional experience and observations the failures associated with this hurricane had nothing to do with the OMS but was 100% associated with poor decision making and practices on the PSEG side.

For instance it is my opinion that out of the 660,000 calls that were placed by the customer to the call centers , 575,000 were redundant calls reporting the same issue which consequently caused an overload of the system, industry best practice has always been a single call for a single issue. In some cases it was observed that the same phone numbers were called in excess of 400 times.

With the redundant calls this erroneously was causing false reporting to the OMS which led to crews being deployed duplicate times to the same job. Ironically, it is my understanding this feature of a single call for a single reported outage was just implemented by PSEG in the last round of testing last month.

Additionally the Storm ETR was not used correctly by PSEG by using manual overrides, again not using traditional industry best practice hence causing a tremendous amount of incorrect calculations with the estimates in regards to power restoration which was causing system overloads hence unnecessary duplicate deploying of restoration assets.

The OMS Version used, 6.7, is a minor up step from version 6.5 which 82% of the CGI customers have been using successfully at approximately 15 utilities, Additionally, there are only two utilities remaining on the legacy 5.5 version that PSEG rolled back to as a result of it failings with the Hurricane ….PSEG NJ and LI…being on such btw is a paper and radio deployment type management system versus the 6.x which is computer based. Why is that better? is anyone’s guess.

There was a fair amount of recommendations made by CGI surrounding functionality using industry best practice standards in 2016 to PSEG but they were not implemented, in 2018 DPS cited this fact but again however they were not implemented….

I can talk all day about the numerous other observations of failure with that failure solely a PSEG managerial failure of competence, lack of experience or just not caring…. The Technology was not the problem, the People managing it were.

For the last several decades LIPA has struggled with its management partners, either with National Grid with Super Storm Sandy or PSEG with Hurricane Isaias

This structure obviously does not work

A Municipal structure should be the new LIPA

Municipalization, essentially a transformation into a community owned utility, is the only practical alternative for LIPA. It would involve abandoning the concept of the $82 million Management Service Agreement and hiring the people who actually maintain and operate LI's transmission and distribution system as LIPA employees.

It would also require changes at the authority and bringing aboard accountable leadership with public power experience and at the same time eliminating the whole layer of expensive profit based management established by the MSA.

In the end LIPA would become more than a paper utility.

There are tremendous benefits of public power. These benefits are derived from the ability of these nonprofits to utilize tax exempt debt and the customer ownership concept underlying the public power model. Most municipal utilities operate reliably, have high customer satisfaction ratings and are well-managed.

Reflecting on LIPA's current situation, many successful municipal utilities also carry high levels of debt because as nonprofits they cannot rely on stockholders for capital. Surprisingly, they also make substantial payments in lieu of taxes, often qualifying them as the highest tax payer in an area. Yet public power utilities in general have the lowest rates in the country.

Also a plus for the municipal concept, is that public power can work well in a union environment. For example, the largest public utility in the US, Los Angeles Department of Water and Power, is unionized. Additionally, Memphis Light Water and Gas is staffed with IBEW personnel, and Nashville Electric Service hosts SEIU workers. Hopefully, this should comfort the many utility union workers on LI about the municipal concept.

As another concern, some on LI fear that municipalization would involve added costs for absorbing utility workers and their benefits, but this is not the case. Under the MSA as it

is now structured, LIPA pays almost all of PSEG's cost for employees who work on the electric system. Similarly, LIPA also makes payments for the infrastructure used in maintaining the transmission and distribution system. Municipalization, therefore, would not add a type of cost to LIPA bills not already included.

Finally, there is the question of regulatory oversight. In contrast to the current situation at LIPA, many municipal utilities in the country function under some form of regulatory oversight. There is no reason why pursuing the municipal option for LIPA should not allow for regulatory oversight. Presently, this is the case for other municipal utilities on LI like Freeport and Rockville Center.