

LONG ISLAND POWER AUTHORITY

MINUTES OF THE 303rd MEETING

HELD ON OCTOBER 29, 2021

The Long Island Power Authority (“LIPA”) was convened for the three hundred and third time at 11:52 a.m. at LIPA’s Headquarters, Uniondale, NY, pursuant to legal notice given on October 25, 2021, and electronic notice posted on the LIPA’s website.

In compliance with New York State Open Meeting Law and in furtherance of COVID-19 public 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 October 29, 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:

Mark Fischl, Acting Chair (in person)
Elkan Abramowitz (in person)
Valerie Anderson Campbell (via video conferencing)
Drew Biondo (in person)
Rev. Alfred Cockfield (in person)
Sheldon Cohen (in person)
Nancy Goroff (in person)
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; Tamela Monroe, Chief Financial Officer; Rick Shansky, Senior Vice President of Power Supply and Whole Markets, and Andrew Berger, Communications Assistant. Participating via video conferencing were Anna Chacko, General Counsel; Mujib Lodhi, Chief Information Officer and Senior Vice

President of Customer Experience; Billy Raley, Senior Vice President of T&D Oversight; Donna Mongiardo, Vice President-Controller; Justin Bell, Vice President of Public Policy and Regulatory Affairs; Tom Locascio, Director of External Affairs; Jason Horowitz, Assistant General Counsel and Assistant Secretary to the Board; and Osman Ahmad, IT-Consultant.

Acting Chair Fischl welcomed everyone to the 303rd 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 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:

1672. APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE SEPTEMBER 22, 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 September 22, 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.

Requested Action

The Board of Trustees (the “Board”) of the Long Island Power Authority is requested to approve a resolution, attached hereto as Exhibit “A,” authorizing the Chief Executive Officer, or his designee, to engage Goldman Sachs Asset Management, L.P to provide Cash Management Advisory Services and U.S. Bank National Association to provide Custody Services, 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 (5) years.

Background

LIPA currently maintains six separate and distinct cash management/investment accounts. Each has specific liquidity needs, however, they are all governed by either LIPA’s Investment Policy or UDSA Investment Guidelines. The consulting services to be provided by the firms selected in the Request for Proposals (“RFP”) will support Cash Management and Advisory in all investment decisions within the boundaries established by LIPA and Custodial Services to be provided by the Custodian. The proposed contracts will replace existing contracts that are due to expire in February of next year.

Discussion

On July 15, 2021, LIPA issued an RFP for experienced firms to provide Cash Management Advisory and Custody Services.

On or before August 12, 2021, LIPA received timely proposals from five firms. Responses were evaluated according to the criteria set forth in the RFP by LIPA’s finance team, while LIPA’s Procurement Department, as required by State law, ensured compliance with Minority/Women Based Enterprise (MWBE), Service-Disabled Veteran-Owned Business (SDVOB) solicitation opportunities, as well as cost aspects of the proposals.

The technical evaluation that resulted in the recommendation set forth in the accompanying resolution included assessments of the firm’s experience and qualifications, rates, proposed changes to LIPA’s standard consulting contract, and their proposals to comply with state requirements.

LIPA Staff recommends that the following firms be awarded contracts in the scopes indicated:

Scope Description	Firm
Cash Management Advisory Services	Goldman Sachs Asset Management, L.P
Custody Services	U.S. Bank National Association

1673. RESOLUTION AUTHORIZING THE ENGAGEMENT OF FIRMS TO PROVIDE CASH MANAGEMENT ADVISORY AND CUSTODY 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 Cash Management Advisory and Custody Services 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 (5) years.

Requested Action

The Board of Trustees of the Long Island Power Authority (the “Board”) is requested to adopt a resolution (i) authorizing the establishment of a revolving credit line agreement with JPMorgan Chase Bank, N.A. (“JPMorgan”) in a principal amount not to exceed

\$350,000,000 and authorizing the Chief Executive Officer or his designee to execute the revolving credit agreement and (ii) further amending and restating the Amended and Restated Nineteenth Supplemental Electric System General Revenue Bond Resolution.

Background

The Long Island Power Authority (the “LIPA”) desires to maintain its overall liquidity levels which are currently comprised of cash on hand and its existing bank facilities program. LIPA believes that maintaining its liquidity will help manage its varying cash flows from its seasonal business, provide for working capital, and provide extra financial support for unexpected events such as major storms. Additionally, refunding outstanding notes and bonds with draws on a bank facility may provide savings.

In 2019, pursuant to Board authorization and following a request for proposals, LIPA entered into a revolving credit agreement with JPMorgan for an amount up to \$200,000,000 (the “Existing Revolving Credit Agreement”), which agreement will expire by its terms on March 15, 2022. At its March 2020 meeting, the Board approved a resolution authorizing the Chief Executive Officer to amend the Existing Revolving Credit Agreement to increase the borrowing capacity thereunder to \$500,000,000 or to execute credit agreements with other financial institutions; however, due to improvements in LIPA’s liquidity position, no such amendment or other agreements were entered into pursuant to such Board authorization. Pursuant to authorizations of the Public Authorities Control Board, the total amount of General Revenue Notes that may be issued under LIPA’s General Revenue Notes program and amounts drawn under any revolving credit agreements at any time, together, is capped at \$1,200,000,000.

Because the Existing Revolving Credit Agreement is set to expire in early 2022, LIPA staff believe it is necessary to replace such agreement with a new revolving credit agreement providing similar borrowing capacity and terms, or to amend the Existing Revolving Credit Agreement.

Accordingly, LIPA issued a Request for Proposal for Revolving Credit Agreements (the “Bank Facilities RFP”) that was sent to thirteen institutions in August 2021. Four proposals were received. A selection committee consisting of three staff reviewed the proposals and concluded that LIPA should award the contract for the revolving credit agreement to JPMorgan. Under the proposed credit agreement, JPMorgan will be the only lender for a principal amount not to exceed \$350,000,000.

Tenor	Facility Fee	Applicable Margin
3 year	24.0 bps p.a.	+ 60.0 bps p.a.
4 year	26.0 bps p.a.	+ 66.0 bps p.a.
5 year	28.0 bps p.a.	+ 70.0 bps p.a.

As shown in the table above, JPMorgan is offering three term options with indicative pricings. Based upon the proposals and an assessment of LIPA’s needs, it was determined that the execution of a new revolving credit agreement with JPMorgan or an amendment and extension of the Existing Revolving Credit Agreement (such new or amended credit

agreement referred to herein as the “Revolving Credit Agreement”) for a term of five years provides the best value to LIPA for the services sought.

In connection with the execution of the Revolving Credit Agreement, the Trustees are also being requested to adopt a Second Amended and Restated Nineteenth Supplemental Electric System General Revenue Bond Resolution (the “Second Amended Nineteenth Supplemental Resolution”). The obligation to repay amounts advanced under the Revolving Credit Agreement will be evidenced by notes (the “Authorized Notes”) issued under the Second Amended and Restated Nineteenth Supplemental Resolution and a Certificate of Determination.

As amended, the Second Amended Nineteenth Supplemental Resolution would deem the holder of the Authorized Notes to have consented to the amendment and restatement of the Electric System General Revenue Bond Resolution of the Authority, as set forth in the resolution of the Trustees, dated July 22, 2020.

Recommendation

Based upon the foregoing and the recommendation of the Finance and Audit Committee, I recommend that the Trustees adopt the resolutions attached hereto authorizing the execution and delivery of the Revolving Credit Agreement and adopting the Second Amended Nineteenth Supplemental Resolution, all as described above.

1674. RESOLUTION AUTHORIZING THE ESTABLISHMENT OF A REVOLVING CREDIT AGREEMENT WITH JPMORGAN CHASE BANK, N.A. (“JPMORGAN”) IN A PRINCIPAL AMOUNT NOT TO EXCEED \$350,000,000 AND AUTHORIZING THE CHIEF EXECUTIVE OFFICER OR HIS DESIGNEE TO EXECUTE THE REVOLVING CREDIT AGREEMENT

WHEREAS, on May 13, 1998 the Long Island Power Authority (the “Authority”) adopted its Electric System General Revenue Bond Resolution (the “General Resolution”), which authorizes bonds, notes or other evidences of indebtedness of the Authority, as special obligations of the Authority in accordance with the terms thereof for any lawful purpose of the Authority; and

WHEREAS, on February 1, 2019, the Authority executed a revolving credit agreement with JPMorgan, which expires by its terms on March 15, 2022; and

WHEREAS, pursuant to the Authority’s Request for Proposal for Revolving Credit Agreements, the Authority has received proposals from a number of different banks to enter into lines of credit, revolving credit agreements or other credit facilities, and based on a review of such proposals, the staff has recommended that the Authority enter into a revolving credit agreement with JPMorgan for the purpose of providing a source of funding for the capital, operating needs, refunding certain outstanding obligations of the Authority, and other purposes of the Authority; and

WHEREAS, on December 13, 2012, the Trustees adopted the Nineteenth Supplemental Electric System General Revenue Bond Resolution and on May 18, 2016, the Trustees approved the amendment and restatement thereof (as so amended and restated, the “Nineteenth Supplemental Resolution”) which authorized Electric System General Revenue Notes in an amount not to exceed \$500,000,000 outstanding at any one time; and

WHEREAS, the Authority wishes to make certain amendments to the Nineteenth Supplemental Resolution, including the inclusion of a deemed consent to the amendment and restatement of the Authority’s General Resolution, and in order to achieve such purpose there has been prepared and submitted to the Trustees a form of a Second Amended and Restated Nineteenth Supplemental Electric System General Revenue Bond Resolution (the “Amended Nineteenth Supplemental Resolution”); and

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

- 1. The Amended Nineteenth Supplemental Resolution, in the form presented to this meeting and made a part of this resolution as though set forth in full herein, is hereby approved and adopted. The Chief Executive Officer, Chief Financial Officer, General Counsel, Secretary and Controller (the “Authorized Officers”) are each hereby authorized to deliver such Amended Nineteenth Supplemental Resolution to The Bank of New York Mellon, as the Trustee for the Bonds, with such amendments, supplements, changes, insertions and omissions thereto as may be approved by the Authorized Officers, which amendments, supplements, insertions and omissions shall be deemed to be part of such resolution as approved and adopted hereby.**
- 2. That the Board of Trustees hereby establishes a revolving credit agreement with JPMorgan (the “Credit Agreement”) in a principal amount not to exceed \$350,000,000, for a term of up to five years, with the option to extend the Credit Agreement for an additional three years upon agreement of the parties. The Authorized Officers may determine to execute the Credit Agreement in the form of a new revolving credit agreement, amendment and restatement of the existing revolving credit agreement with JPMorgan, or an amendment to such existing revolving credit agreement.**
- 3. The payment obligation of the Authority under the Credit Agreement shall be evidenced by the issuance of Notes constituting senior lien obligations under the General Resolution, as provided in the Amended Nineteenth Supplemental Resolution.**
- 4. That the Authorized Officers be, and each of them hereby is, authorized to approve, execute and deliver, under the seal of the Authority if required, the Credit Agreement and such other agreements, certificates and other instruments and to do any and all acts necessary or proper for carrying out and implementing the terms of, and the transactions contemplated by this resolution and each of the documents authorized thereby and hereby, and each Authorized Officer shall be an Authorized Representative (as defined in the General Resolution) in connection with such matters.**

5. This resolution shall take effect immediately.

1675. SECOND AMENDED AND RESTATED NINETEENTH SUPPLEMENTAL ELECTRIC SYSTEM GENERAL REVENUE BOND RESOLUTION

BE IT RESOLVED by the Trustees of the Long Island Power Authority as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

101. **Supplemental Resolution: Authority.** This resolution (“Supplemental Resolution”) is supplemental to, and is adopted in accordance with Articles II and VIII of, a resolution adopted by the Authority on May 13, 1998, entitled “Electric System General Revenue Bond Resolution,” as heretofore supplemented (“General Resolution”), and is adopted pursuant to the provisions of the Act.

102. **Definitions.** 1. All terms which are defined in Section 101 of the General Resolution (including by cross-reference to Section 101 of the Resolution) shall have the same meanings for purposes of this Supplemental Resolution, unless otherwise defined herein.

2. In this Supplemental Resolution:

“Authorized Denominations” with respect to Notes of a Series, shall have the meaning set forth in the applicable Certificate of Determination.

“Bank” shall mean any bank or other financial institution identified by an Authorized Representative.

“Bank Agreements” means the line of credit, revolving credit agreement or other agreement(s) among or between the Authority and the Banks pursuant to which Notes are delivered.

“Certificate of Determination” shall mean a certificate or certificates of an Authorized Representative of the Authority delivered pursuant to Section 203 of this Supplemental Resolution, setting forth certain terms and provisions of the Notes of a Series, as such certificate(s) may be amended and supplemented.

“Maturity Date” means, with respect to any Note, the final date specified therefor in the Bank Agreement, which shall not be later than five years after the date of issuance or renewal.

“Maximum Rate” means for Notes of a Series, such rate, if any, as may be specified in the applicable Certificate of Determination; provided, however, that in no event shall the Maximum Rate exceed the maximum rate permitted by applicable law.

“Note” shall mean any Bond issued pursuant hereto.

“Notes” or “Notes of a Series” and words of like import shall mean each or all a

Series of Bonds issued pursuant hereto collectively, as the context may require.

“Resolution” means the General Resolution, as amended and supplemented by the Supplemental Resolution.

ARTICLE II
AUTHORIZATION OF
BONDS

201. **Principal Amount, Designation, Series and Trustee.** Pursuant to the provisions of the General Resolution, one or more separate Series of Bonds entitled to the benefit, protection and security of such provisions are hereby authorized in a not-to-exceed aggregate principal amount of \$500,000,000 outstanding at any time and with the following designation: “Electric System General Revenue Notes, Series 20_ _” and with such additional or different designations as may be set forth in the applicable Certificates of Determination and the applicable Bank Agreement. The aggregate principal amount of each Series of Bonds issued pursuant hereto shall be determined by an Authorized Representative of the Authority, subject to the terms of Section 204 hereof. Each Series shall initially bear interest as may be provided by the applicable Certificate of Determination.

202. **Purposes.** (a) The purposes for which the Notes of any Series are to be issued shall include such of the following as shall be specified in the applicable Certificate of Determination:

- (i) to fund Costs of System Improvements or Operating Expenses, including reimbursement of moneys theretofore expended by the Authority and the Subsidiary for such Costs or Operating Expenses;
- (ii) to refund bonds or notes of the Authority, including, without limitation, any Notes heretofore issued pursuant to this Supplemental Resolution, or to repay amount drawn under a liquidity facility or credit facility to pay, redeem or purchase bonds or notes of the Authority;
- (iii) to pay fees and expenses in conjunction with each of the foregoing and the issuance of the Notes of a Series, including reimbursement of fees and expenses expended by the Authority in connection therewith; and
- (iv) such other purposes as may be specified by subsequent Authority resolution.

(b) The proceeds of the Notes of any Series shall be deposited and applied in accordance with the applicable Certificate of Determination.

203. **Delegation of Authority.** There is hereby delegated to each Authorized Representative of the Authority, subject to the limitations contained herein, the power with respect to the Notes of each Series to determine and effectuate the following:

(a) the principal amount of the Notes of each Series to be issued, provided that the aggregate principal amount of Notes of all Series issued hereunder outstanding at any time shall not exceed \$500,000,000;

(b) the dated date or dates, maturity date or dates and principal amount of each maturity of the Notes of such Series, the first and subsequent interest payment date or dates of the Notes of such Series, and the date or dates from which the Notes of such Series shall bear interest;

(c) the place of payment of the Notes and the appointment of a Paying Agent, if any, for Notes of any Series the amounts of the proceeds of the Notes of each Series to be deposited and applied in accordance with Section 202 hereof;

(d) the redemption provisions, if any, of the Notes;

(e) the definitive form or forms of the Notes and the definitive form or forms of the Trustee's certificate of authentication thereon;

(f) the specification, from time to time, of a new Maximum Rate, in accordance with the definition thereof;

(g) any other provisions deemed advisable by such Authorized Representative, not in conflict with the provisions hereof or of the General Resolution.

Such Authorized Representative shall execute one or more certificates evidencing determinations or other actions taken pursuant to the authority granted herein, an executed copy of which shall be delivered to the Trustee. Each such certificate shall be deemed a Certificate of Determination and shall be conclusive evidence of the action or determination of such officer as to the matters stated therein. The provisions of each Certificate of Determination shall be deemed to be incorporated in Article II hereof.

204. Form of Notes and Trustee's Authentication Certificate. Subject to the provisions of the General Resolution and this Supplemental Resolution, the form of the Notes of each Series, form of assignment, and the Trustee's Certificate of Authentication shall be in substantially the form set forth in the applicable Certificate of Determination. Any portion of the text of any Note of a Series may be set forth on the reverse thereof, with an appropriate reference thereto on the face of such Note. Notes of any Series may be typewritten, printed, engraved, lithographed or otherwise reproduced and may incorporate such legends and other additional text as may be customary, including but not limited to any legend to reflect delivery of the Notes of any Series to a Securities Depository.

205. Denominations; Medium of Payment of Principal and Interest; Dating. The Notes of each Series shall be issued in the form of fully registered notes in Authorized Denominations and shall be numbered, lettered and dated as prescribed in the applicable Certificate of Determination. The principal of and premium, if any, and interest on the Notes of each Series shall be payable in lawful money of the United States of America as provided in the applicable Certificate of Determination and Bank Agreement.

Interest on Notes of a Series shall be calculated as provided in the applicable Certificate of Determination and Bank Agreement.

No Note of a Series may bear interest at an interest rate higher than the Maximum Rate.

ARTICLE III

DELIVERY OF EACH SERIES; CERTAIN FINDINGS, DETERMINATIONS

AND AUTHORIZATIONS

301. Delivery of the Notes. (a) The Notes of each Series shall be delivered to the Bank named in the related Bank Agreement and approved by an Authorized Representative of the Authority, upon the terms and conditions set forth in such Bank Agreement.

(b) The Authority hereby authorizes one or more Bank Agreements with respect to the Notes, in such form as any Authorized Representative of the Authority, upon the advice of counsel to the Authority, approves. Any Authorized Representative of the Authority is hereby authorized to execute and deliver such Bank Agreements, which execution and delivery shall be conclusive evidence of the approval of any such modifications.

302. Further Authority. All Authorized Representatives of the Authority are and each of them is hereby authorized and directed to execute and deliver any and all agreements, documents and instruments and to do and cause to be done any and all acts necessary or proper for carrying out this Supplemental Resolution and each agreement authorized hereby, the issuance and delivery of the Notes of any Series and for implementing the terms of each such agreement and the transactions contemplated thereby and by this Supplemental Resolution.

303. Certain Findings and Determinations. The Authority hereby finds and determines:

(a) The General Resolution has not been amended, supplemented, or repealed since the adoption thereof except by the resolution of the Authority entitled “First Supplemental Resolution authorizing Electric System General Revenue Bonds, Series 1998A” adopted May 13, 1998, by the resolution of the Authority entitled “Second Supplemental Resolution authorizing Electric System General Revenue Bonds, Series 1998B” adopted October 20, 1998, by the resolution of the Authority entitled “Third Supplemental Resolution authorizing Electric System General Revenue Bonds, Series 2000A” adopted February 29, 2000, by the resolution of the Authority entitled “Fourth Supplemental Resolution authorizing Electric System General Revenue Bonds, Series 2001A” adopted March 1, 2001, by the resolution of the Authority entitled “Fifth Supplemental Resolution authorizing Electric System General Revenue Bonds, Series 2001B through 2001P” adopted May 1, 2001, by the resolution of the Authority entitled “Sixth Supplemental Resolution authorizing Electric System General Revenue Bonds, Series 2003A” adopted February 27, 2003, as amended March 27, 2003, by the resolution of the Authority entitled “Seventh Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted March 27, 2003, by the resolution of the Authority entitled “Eighth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted May 26, 2004, by the resolution of the Authority entitled “Ninth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted March 24, 2005, by the resolution of the Authority entitled “Tenth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted April 27, 2006, by the resolution of the Authority entitled “Eleventh Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted October 18, 2006, by the resolution of the Authority entitled “Twelfth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted February 26, 2008, and by the resolution of the Authority entitled “Thirteenth Supplemental Resolution authorizing Additional Interest Rate Modes and Modifications to the Operational Provisions and Characteristics of Existing Interest Rate Modes of Outstanding Electric System General Revenue Bonds” adopted February 26, 2008 and by the resolution of the Authority entitled “Fourteenth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted October 23, 2008, by the resolution of the Authority entitled “Fifteenth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted April 23, 2009, by the resolution of the Authority entitled “Sixteenth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted December 17, 2009, and

by the resolution of the Authority entitled “Seventeenth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted September 27, 2010, by the resolution of the Authority entitled “Eighteenth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted December 15, 2011, by the resolutions of the Authority entitled “Nineteenth Supplemental Resolution authorizing Electric System General Revenue Bonds,” “Twentieth Supplemental Resolution authorizing Electric System General Revenue Bonds” and “Twenty-First Supplemental Resolution authorizing Electric System General Revenue Bonds,” each adopted December 13, 2012, by the resolutions of the Authority entitled “Twenty-Second Supplemental Resolution authorizing Electric System General Revenue Bonds” and “Twenty-Third Supplemental Resolution authorizing Electric System General Revenue Bonds,” each adopted August 6, 2014, by the resolution of the Authority entitled “Twenty-Fourth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted December 16, 2015, by the resolution of the Authority entitled “Twenty-Fifth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted March 21, 2016, by the resolution of the Authority entitled “Twenty-Sixth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted December 19, 2016, by the resolution of the Authority entitled “Twenty-Seventh Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted December 19, 2017, by the resolution of the Authority entitled “Twenty-Eighth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted December 19, 2018, by the resolution of the Authority entitled “Twenty-Ninth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted December 18, 2019, as amended and restated May 20, 2020, by the Resolution of the Authority entitled “Thirtieth Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted September 23, 2020, and by the Resolution of the Authority entitled “Thirty-First Supplemental Resolution authorizing Electric System General Revenue Bonds” adopted December 16, 2020, and the certificates of determination delivered pursuant to all such resolutions. This Supplemental Resolution supplements the General Resolution, constitutes and is a “Supplemental Resolution” within the meaning of such quoted term as defined and used in the General Resolution, and is adopted under and pursuant to the General Resolution. The Notes of each Series constitute and are “Bonds” within the meaning of the quoted word as defined and used in the General Resolution.

(b) The Trust Estate is not encumbered by any lien or charge thereon or pledge thereof which is prior to or of equal rank with the lien and charge thereon and pledge thereof created by the General Resolution.

(c) There does not exist an “Event of Default” within the meaning of such quoted term as defined in Section 1001 of the General Resolution, nor does there exist any condition which, after the giving of notice or the passage of time, or both, would constitute such an “Event of Default.”

304. **Amendment to the General Resolution.** (a) *Amendment.* Pursuant to the resolution of the Board of Trustees of the Authority, dated July 22, 2020, the General Resolution shall be amended and restated as set forth in such resolution, subject to the consent or deemed consent of not less than a majority of the holders of Bonds and certain other conditions.

305. *Deemed Consents.* Pursuant to Section 903 of the General Resolution, the original purchasers and Holders of the Bonds of each Series issued pursuant to this Supplemental Resolution, by their purchase and acceptance thereof, thereby (i) consent, and shall be deemed to have consented to, the amendments made by or pursuant to this Supplemental Resolution, and (ii) waive, and shall be deemed to have waived, any and all other formal notices, implementation or timing requirements that may otherwise be required under the Resolution, which consents shall be effective and binding unless and until revoked pursuant to and to the extent permitted by said

Section 903 of the General Resolution.

ARTICLE IV

REDEMPTION OF NOTES

401. **Optional and Sinking Fund Redemption.** Notes of a Series shall be subject to optional and mandatory redemption as and to the extent and at the times and subject to such conditions, if any, as shall be specified in the applicable Certificate of Determination.

ARTICLE V

MISCELLANEOUS

501. **Notices.** All notices required to be given to Owners of Notes of a Series under this Supplemental Resolution in accordance with the related Bank Agreement.

502. **Effective Date.** This Supplemental Resolution, as amended and restated on October 29, 2021, shall be fully effective in accordance with its terms only upon the filing with the Trustee of a copy hereof certified by an Authorized Representative.

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. The Trustees took public comment after the CEO Report on matters contained in that report.

Acting Chair Fischl stated that the next item on the agenda was the Isaias Task Force Discussion to be presented by Mujib Lodhi.

Mr. Lodhi presented the Isaias Task Force Discussion and took questions from the Trustees.

Acting Chair Fischl stated that the next item on the agenda was the Consideration of Approval of Process Improvement Recommendations for Outage Determinations to be presented by Thomas Falcone.

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 adopt a resolution related to certain recommendations to improve the Root Cause Analysis (“RCA”) process and practices of PSEG Long Island relating to outage determinations, which resolution is attached hereto as Exhibit “A.”

Background

PSEG Long Island operates and maintains approximately 15,000 miles of transmission and distribution (“T&D”) assets owned by LIPA. Leading utilities in the United States utilize an RCA process to enhance the outage cause determination to better define the reasons for electric distribution disturbances. While PSEG Long Island currently utilizes a high level “outage cause” determination methodology, LIPA notes that the methodology lacks sufficient detail thereby leading to many outages being classified as “unknown” or potentially mis-classified. The findings of the RCA provide greater definition to the actions that need to be taken to avoid or minimize the impacts. The findings and recommendations of the RCA process will guide PSEG Long Island to ensuring the events caused by faulty components of the system are mitigated and do not reoccur. The RCA initiative is intended to benefit LIPA customers by progressing in key outcome areas:

- Outage reduction
- Electric System reliability improvement
- Identify compliance issues
- Reduction of “unknown” disturbance causes
- Improved safety
- Design improvements
- Vegetation management intelligence
- Targeted equipment maintenance
- Higher customer satisfaction
- Improved stakeholder management/relations

Recommendations

LIPA Staff recommends the Board adopt the following recommendations:

1. Development of comprehensive RCA processes. PSEG Long Island should focus on analyzing the cause of system/circuit disturbances using a process identifying the most basic “root” cause.
2. Development of a process for event tracking and remediation planning. The results of the RCA will be the impetus for recommendations to improve electric system operations.
3. Development of fact-based behavior. Develop and deliver comprehensive “Change Management” principles to improve the employees' overall understanding and compliance with the RCA process.
4. Development of RCA reporting. A monthly report of the RCA progress on outage analysis and remediation, a copy of which should be provided to LIPA.

PSEG Long Island should prepare Project Implementation Plans (“PIPs”) for each recommendation no later than November 30, 2021. The LIPA T&D Oversight Staff will provide additional detail regarding certain recommendations that should be incorporated into the PIPs, as needed. The PIPs will be presented to the Board for their consideration at its December 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.

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.

1676. RESOLUTION ADOPTING PROCESS IMPROVEMENT RECOMMENDATIONS FOR OUTAGE DETERMINATIONS

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, leading utilities in the United States utilize a Root Cause Analysis (“RCA”) process to enhance the outage cause determination to better define the reasons for electric distribution disturbances; and

WHEREAS, the findings of the RCA give greater definition to the actions that need to be taken to avoid or minimize the impacts; and

WHEREAS, the findings and recommendations of the RCA process will guide PSEG Long Island to ensuring the events caused by faulty components of the system are mitigated and do not reoccur; and

WHEREAS, the recommendations require the development and preparation of a Project Implementation Plan to ensure that the recommendations are acted on in a timely manner.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby adopts the recommendations as set forth in the accompanying memorandum; and

BE IT FURTHER RESOLVED, that the Board directs LIPA Staff, together with PSEG Long Island, to implement the Root Cause Analysis Recommendations, including the creation of Project Implementation Plans for the Board’s consideration at its December 2021 meeting.

Acting Chair Fischl stated that the next item on the agenda was the Consideration of Adoption of Recommendations Relating to Development of a Geographical Information Systems Long Term Plan presented by Mujib Lodhi.

Mr. Lodhi 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 adopt a resolution related to approving certain recommendations developed by LIPA Staff to improve PSEG Long Island’s use of Geographical Information System (“GIS”) capabilities to achieve business objectives, which resolution is attached hereto as Exhibit “A.”

Background

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...”. Under the OSA, PSEG Long Island is responsible for both Transmission and Distribution (“T&D”) and Information Technology (“IT”) services.

Additionally, LIPA and PSEG Long Island continue to negotiate the terms of a Second Amended OSA pursuant to the Term Sheet, dated June 26, 2021 (the “Term Sheet”). Under the Term Sheet executed by LIPA and PSEG Long Island, the Second Amended OSA will divide the Operations Services into six specific scope functions. In part, the scope function relating to IT requires PSEG Long Island to be responsible for system development and implementation. Likewise, the scope function relating to T&D, requires PSEG Long Island to be responsible for general transmission and distribution utility operations. The proposed recommendations are consistent with the responsibilities under the OSA and the IT and T&D scope functions in the Term Sheet.

GIS is a foundational platform for every utility, leveraging geographic and geo-referenced data to manage and optimize the use of spatial information. As spatial data collection and analytics technologies become increasingly sophisticated, utility IT and operational technology (“OT”) systems have evolved to leverage these capabilities, with GIS becoming an integral component of modern utility line-of-business processes and systems, including SCADA, Enterprise Asset Management, Advanced Distribution Management Systems, Distributed Energy Resource Management Systems, and Customer Information Systems.

Long-term planning is essential for leveraging the potential of GIS to optimize utility operations and drive improved decision-making via geospatial-data-derived insights. A comprehensive long-term GIS plan will assess the business objectives, opportunities, and priorities; the technology platform and marketplace; and the data, resource and process requirements; and provide a clear roadmap for delivering business applications across the enterprise cohesively and efficiently.

PSEG Long Island’s current GIS plan consists of a GIS Roadmap and Product Lifecycle chart that identifies broad timelines for upgrades/enhancements of current components and applications over the next 10 years. This level of planning falls far short of a comprehensive long-term plan; and LIPA Staff finds that the lack of a long-term plan is reflected in PSEG Long Island budget proposals, which indicate that GIS project development continues to be conducted in an ad-hoc, localized manner without adequate enterprise-level prioritization against business goals or evaluation of the IT marketplace.

LIPA Staff believes that the development of a comprehensive GIS Long-Term Plan would improve PSEG Long Island’s ability to leverage GIS as a platform for application development across the enterprise in a manner that optimizes business value.

Recommendations

LIPA staff recommends that PSEG Long Island develop a Project Implementation Plan with the objective of developing a comprehensive GIS Long-Term Plan that provides a clear roadmap for leveraging GIS across the enterprise in a manner that optimizes business value, and that at a minimum:

- Assesses and identifies the business objectives, opportunities, and priorities across the enterprise lines-of-business processes and systems, including SCADA, Enterprise Asset Management, Advanced Distribution Management Systems, Distributed Energy Resource Management Systems, and the Customer Information Systems.
- Evaluates the technology marketplace and develops a comprehensive ecosystem plan that considers the core platform and associated infrastructure; system resiliency; business application development toolsets and approaches; and third-party integration products and services.
- Identifies new opportunities to establish GIS-based services, applications, and capabilities to enhance utility business performance and customer experience.
- Identifies available or potential data sets and any associated data management or integration issues.
- Addresses process and resource requirements.

The Project Implementation Plan should be delivered no later than January 5, 2022 for the Board's review and approval at its January 2022 meeting, with the objective of the comprehensive GIS Long- Term Plan to be delivered for LIPA approval no later than July 1, 2022, and modernization/upgrade of the GIS technology stack and go-live, in line with the approved plan, no later than November 30, 2022.

Recommendation

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 resolution was approved by the Trustees.

1677. RESOLUTION ADOPTING RECOMMENDATIONS RELATING TO DEVELOPMENT OF A GEOGRAPHICAL INFORMATION SYSTEM LONG TERM PLAN

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, LIPA Staff developed Geographical Information System (“GIS”) recommendations, as described in the accompanying memorandum; and

WHEREAS, the recommendations require the development and preparation of a Project Implementation Plan to ensure that the recommendations are acted on in a timely manner.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby adopts the GIS recommendations; and

BE IT FURTHER RESOLVED, that the Board directs LIPA Staff, together with PSEG Long Island, to implement the GIS recommendations, including the creation of Project Implementation Plans for the Board’s consideration at its January 2022 meeting.

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, November 17, 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:

1678. 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 1:10 p.m. the Open Session of the Board of Trustees was adjourned on a motion to enter into Executive Session.