



Annual Report on the Board's Policy on Safety

December 15, 2021

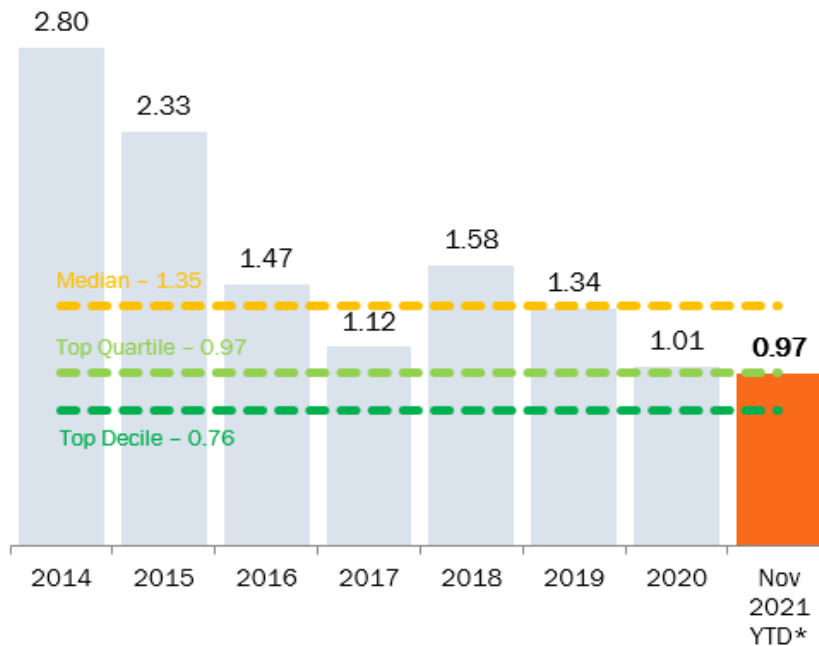
TOPICS FOR DISCUSSION

- Benchmarking, Measuring and Verifying Safety Performance
- Motor Vehicle Safety Performance
- Storm Contractor Safety Onboarding Improvements
- Key 2021 Oversight Initiatives
- Continuous Improvement Initiatives

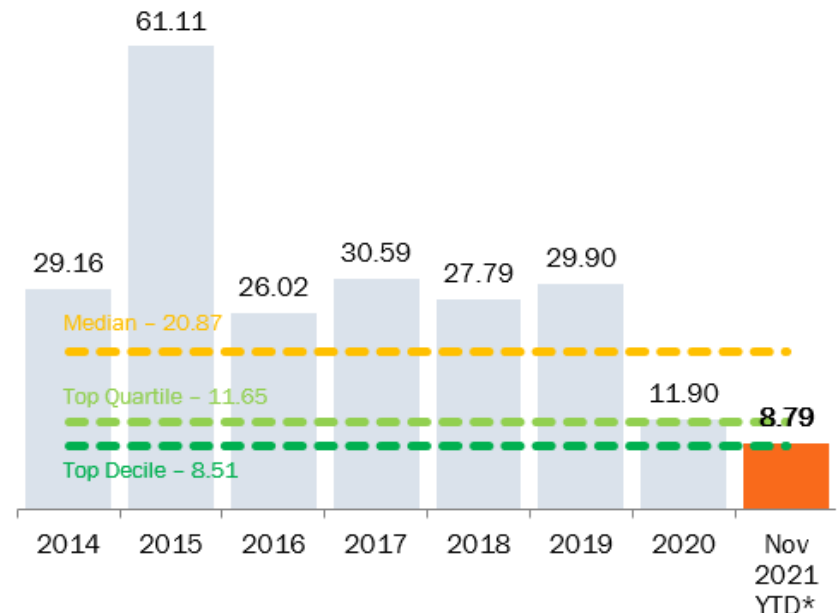
BENCHMARKING, MEASURING AND VERIFYING SAFETY PERFORMANCE

PSEG Long Island participates in an OSHA benchmarking process with utilities in the United States that is used by LIPA and PSEG Long Island to set Safety Targets for the OSA (Operations Services Agreement).

OSHA Recordable Incident Rate



OSHA Days Away Rate (Severity)

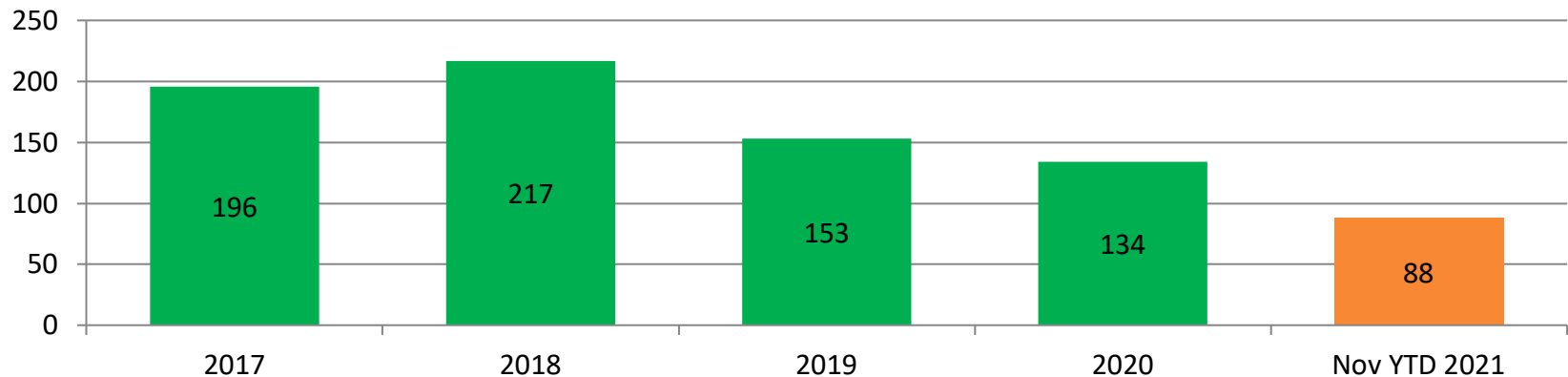


*November based on estimated exposure hours

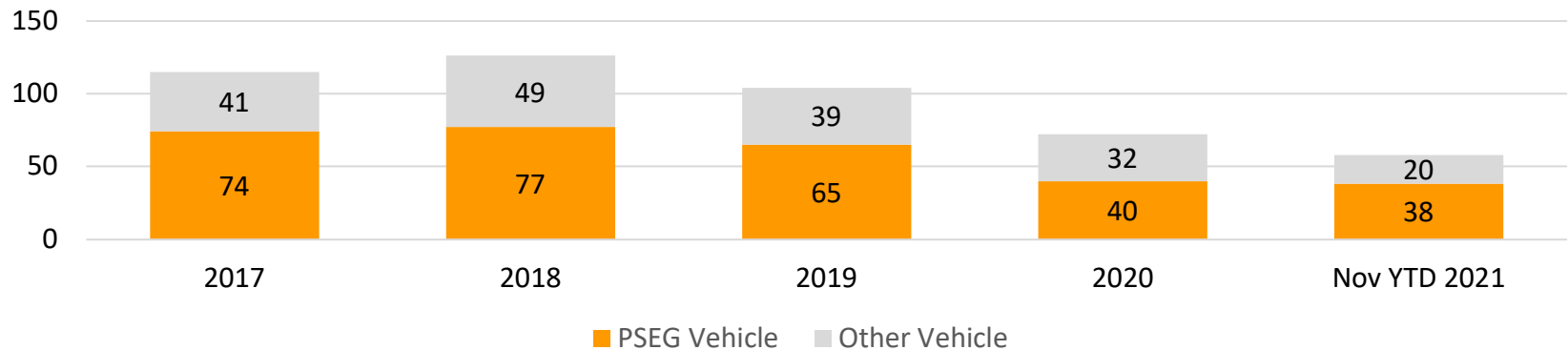
MOTOR VEHICLE SAFETY PERFORMANCE

The addition of automated vehicle location system (AVLS) technology reinforced by a culture of accountability mindset is delivering desired results.

Red Light Violations - By Year



MVA Count with Accident Responsibility



STORM CONTRACTOR SAFETY ONBOARDING IMPROVEMENTS

- Contractors are vetted for OSHA and ISNetworld safety ratings prior to arrival.
- Contractors are provided electronic copies of safety information upon call out in addition to receiving safety briefings upon arrival.
- PSEGLI ICS SHE Officer hosts a daily safety meeting with all internal and external Safety, Health and Environmental resources.

2021 KEY OVERSIGHT INITIATIVES

Workforce Safety & Oversight

- New OSA Serious Injury Incident Rate Metric with increased focus on in-house and contractor crew safety performance.
- The 2020 third-party safety report contained five recommendations aimed at enhancing existing practices in such areas as training, safety metrics, work practices, safety oversight, and the consolidation of training services and facilities. All recommendations were implemented and verified.
- The scope of the 2020 report was limited as a result of COVID-19, therefore, Staff issued and awarded an RFP in November 2021 to engage an independent third party to perform onsite field observations of PSEG Long Island's work practices and safety management processes, including a comparison to industry best practices beginning in January of 2022.
- Since 2014 through year-to-date ("YTD") 2021, there has been a 65% improvement in the OSHA Recordable Incident Rate and a 70% improvement in the OSHA Days Away Rate.
- Driving culture change in employee driving behaviors which is credited with the continued reduction of both motor vehicle accidents (12% November 2021 YTD year-over-year ("YOY") and 54% since the inception of AVLS) and red-light violations (33% November 2021 YTD YOY and 59% since the inception of AVLS).

CONTINUOUS IMPROVEMENT INITIATIVES - 2022

- **Self Assessments**

- Annual PSEGLI Self-Assessment and Senior/Executive Leader Certification of the Implementation of the PSEG EH&S Program Guide
- LIPA sponsored External Independent Assessment of PSEGLI Safety Program to be Conducted in January 2022

- **Prevention Through Design** - to prevent or reduce occupational injuries, illnesses, and fatalities by engineering out risks and hazards associated with employee work activities.

- **Continued use of Ergonomics and Soft Tissue Injury Prevention Programs** - To reduce employee repetitive motion and soft tissue injuries.

- **Information Technology Systems**

- A new PSEG Safety Information System (SIMS) is being rolled out in January that will increase functionality, user friendliness and provide easier more flexible reporting.
- Employee ID Card readers installed in fleet vehicles will be activated and integrated with AVLS reporting, helping to track red-light camera violators.
- PSEGLI will launch Safety Event Notifications Tool (SENT) to improve contractor safety event reporting.

- **Public and First Responder Safety** – PSEGLI will place in service two new mobile Electric Safety Education Units purchased in 2021.

FOR CONSIDERATION

December 15, 2021

TO: The Board of Trustees

FROM: Thomas Falcone

SUBJECT: Approval of the Annual Report on the Board Policy on Safety

Requested Action

The Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is requested to adopt a resolution finding that LIPA has complied with the Board Policy on Safety (the “Policy”) for the period since the last annual review and approving the annual report for the Policy, which resolution is attached hereto as **Exhibit “A.”**

Background

By Resolution No. 1379, dated September 27, 2017, the Board adopted the Policy. The Policy sets objectives to ensure a safe environment for the dedicated workforce of its service provider and the public. The Policy also establishes regular performance reporting by LIPA Staff to enable the Board to assess the adequacy of the service provider’s policies, procedures, and practices for safety, compliance with applicable health and safety laws and regulations, safety performance, including comparisons to peer electric utilities and initiatives to improve the safety of the service provider’s operations. The Policy was last reviewed by the Board in December 2020.

Compliance with the Policy

LIPA Staff recommends that the Board find that LIPA has complied with the objectives of the Policy for the period since the last annual review for the reasons set forth below.

The Policy provides the following:

“Reviewing on a periodic basis no less than every three years the policies, procedures, and practices of the Authority’s service provider.”

- In 2020, LIPA hired Schumaker & Company (“Schumaker”) to conduct the second triennial Safety Assessment of PSEG Long Island. The 2020 Schumaker report contains five recommendations aimed at enhancing existing practices in such areas as training, safety metrics, work practices, safety oversight, and consolidation of training services and facilities. All recommendations were implemented and verified.
- For 2021, in light of the limitations on the scope of the Schumaker review as a result of COVID-19, when such restrictions are lifted, LIPA is scheduled to engage an independent third party to perform onsite field observations of PSEG Long Island’s work practices and

safety management processes, including a comparison to industry best practices.

“Benchmarking against the top quartile in safety performance of the service provider to the top 25 percent of peer utilities, as measured by OSHA Recordable Incidence Rate and OSHA Days Away Rate.”

- PSEG Long Island benchmarks its safety performance against a nationwide panel of electric utilities. That benchmarking helps establish programs that improve safety performance at PSEG Long Island. Since 2014 through year-to-date (“YTD”) 2021, there has been a 65% improvement in the OSHA Recordable Incident Rate and a 70% improvement in the OSHA Days Away Rate. PSEG Long Island has now reached top quartile performance for both OSHA measures for the first time, and is moving towards top decile performance compared to industry benchmarked peers. The OSHA Recordable Incident Rate through November 2021 is 0.97 vs. the top quartile benchmark target of 0.97 and the OSHA Days Away Rate through November 2021 is 8.79 vs. the top quartile benchmark target of 11.90. PSEG Long Island is on track to achieving its best safety performance year on record in 2021.

“Assessing the operational factors that contribute to injuries, motor vehicle accidents and red-light violations and the efforts to improve performance, where necessary.”

- PSEG Long Island has an ongoing process for assessing the factors that drive safety performance. They have built a culture of accountability using Partners in Leadership concepts, effectively changing the way people think and act throughout the organization to achieve desired results. Contractor Safety Programs are stronger through improved vetting, communications, and oversight of contractors responding to storm emergencies. Throughout COVID-19, PSEG Long Island has enhanced employee safety and regulatory training experiences by implementing new online driver, safety leadership, and annual safety training programs. In addition, they have delivered newly created Work Area Protection and Flagging training to enhance safety while working on or alongside roadways and they have enhanced forklift training to include additional practical skills. Moreover, they continue to partner with Briotix Health reducing musculoskeletal injuries through improved work techniques and pre-job stretching (40% over 2020 and 60% since 2014).
- Motor vehicle safety continues to be an area of focus in 2021, including a new remedial training program offering insurance discounts and point reductions to employees upon completion. Continued enhancements of automated vehicle location system (“AVLS”) controls and red light ticket analytics is driving culture change in employee driving behaviors and is credited with the continued reduction of both motor vehicle accidents (12% November 2021 YTD year-over-year (“YOY”) and 54% since the inception of AVLS) and red-light violations (33% November 2021 YTD YOY and 59% since the inception of AVLS).
- PSEG Long Island continues to conduct executive-level meetings with contractors to review their investigations of injuries and motor vehicle accidents. Additionally, PSEG Long Island introduced improvements to the onboarding of foreign crews during restoration efforts that stemmed from a team of Long Island and New Jersey subject-matter

experts tasked with reviewing and recommending changes to the current on boarding and oversight practices of foreign crews during restoration efforts. These include, among other actions, reviewing contractor OSHA and ISNetworld safety ratings prior to arrival; communicating safety information electronically upon call out in addition to providing onsite safety briefings upon arrival; hosting daily safety meetings with all internal and external Safety, Health and Environmental resources throughout storm events; and assigning leads for field surveys of external crews.

Enterprise Risk Management Discussion

The Board has adopted a policy on Enterprise Risk Management (“ERM”). Enterprise risks are brought to the Board’s attention throughout the year. There is one risk related to the Policy; “Employees and contractors not following safety procedures and equipment failures resulting in injury/death to employees, contractors and/or member(s) of the public.”

This risk is rated as a medium level risk and is identified as one of PSEG Long Island’s top-tier risks. To mitigate this risk, PSEG Long Island’s Safety Program fosters a high level of safety awareness by its employees and contractors. PSEG Long Island verifies contractor safety records, reviews, authorizes contractor safety plans prior to commencement of work, and conducts required trainings for employees, contractors, and supervisors (e.g., Substation Awareness Training). Attendance is tracked and monitored at these training sessions. The Safety Program also includes contractor roundtables with PSEG Long Island staff to ensure adherence to the policies and procedures and identifies additional protocols for integration into these sessions. Equipment has also been installed in company vehicles to record driving data to help reduce motor vehicle incidences.

In addition to PSEG Long Island’s oversight of its contractors, LIPA continues its oversight by verifying OSHA-related data as part of the current monthly Scorecard meetings. Increased LIPA oversight of contractors will be achieved with the inclusion of all on-island contractor injuries not previously included in PSEG Long Island’s safety statistics and a new safety performance metric – Serious Injury Incidence Rate will capture high hazard related injuries. Given the oversight efforts of both organizations, the programs noted above, and the new metrics we believe the risk is adequately managed.

Annual Review of the Policy

LIPA Staff recommends no changes to the Policy.

Recommendation

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

Attachment

Exhibit “A” Resolution

RESOLUTION APPROVING THE REPORT TO THE BOARD OF TRUSTEES ON THE BOARD POLICY ON SAFETY

WHEREAS, the Board Policy on Safety (the “Policy”) was originally approved by the Board of Trustees Resolution No. 1739, dated September 27, 2017; and

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

NOW, THEREFORE, BE IT RESOLVED, that consistent with the accompanying memorandum, the Board hereby finds that LIPA has complied with the Policy for the period since the last annual review and approves the annual report to the Board.

Dated: December 15, 2021