



CEO REPORT

February 17, 2022

FEBRUARY BOARD MEETING

01 Significant Agenda Items

02 South Fork Wind Groundbreaking

03 PSEG Long Island Metrics Update

FEBRUARY BOARD MEETING SIGNIFICANT AGENDA ITEMS

FOR DISCUSSION

- 2022 LIPA Work Plan
- Financial Results*
- Annual Finance and Audit and Oversight and Clean Energy Committee Self Reports*
- PSEG Long Island Operating Report*
- PSEG ER&T 2021 Metric Performance*

FOR APPROVAL

- Adoption of PSEG Long Island Implementation Plans for the Isaias Task Force Recommendations
- Annual Governance Package
- 2022 Internal Audit Plan, Internal Audit Budget, Resource Requirements*
- Amendments to Oversight and Clean Energy Committee Charter*

* Discussed in Committee

Groundbreaking: South Fork Wind



South Fork Wind Farm

In 2017, the LIPA Board approved the first power purchase agreement in the country for offshore wind in federal waters.

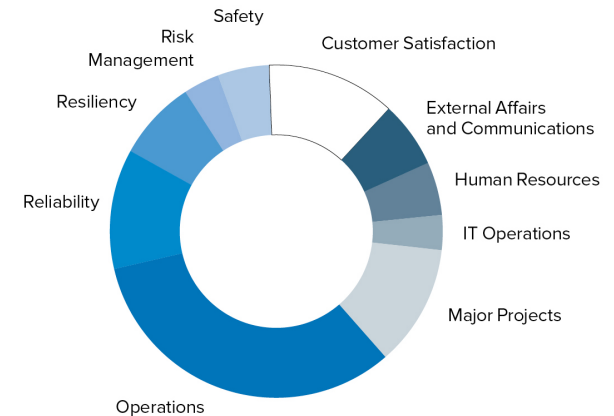
Fast Facts

- Operational in 2023
- Meets growing energy needs of South Fork
- Extensive environmental review and public comment process
- Enough to power 70,000 homes
- Equivalent of taking 60,000 cars off the road annually
- More to come! Three offshore wind projects will interconnect with Long Island by 2027

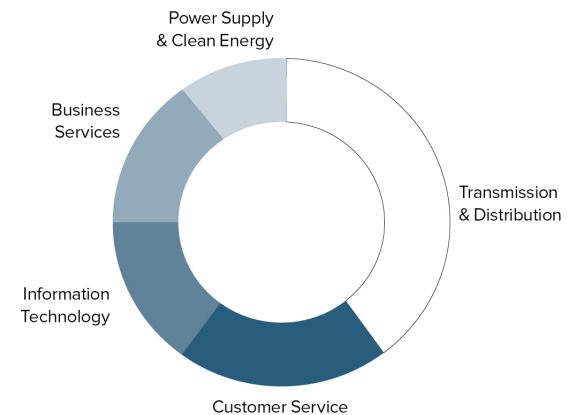
PSEG LONG ISLAND 2022 METRICS UPDATES

- For 2022, the Board approved **96 PSEG Long Island Performance Metrics**, distributed across all the management services provided by PSEG Long Island to LIPA and its customer
- There are two types of metrics – **quantitative** (e.g., SAIDI) and **projects**. There are **300+ discrete deliverables** in the project-based metrics
- \$40 million** of PSEG Long Island's compensation (51%) at-risk based on outcomes
- Will culminate in a **LIPA evaluation report** available in 2023, with an independent review of LIPA's evaluation by the Department of Public Service

Focus Areas for 2022 Performance Standards



2022 Performance Standards by Function



PERFORMANCE METRIC TRACKING & REPORTING

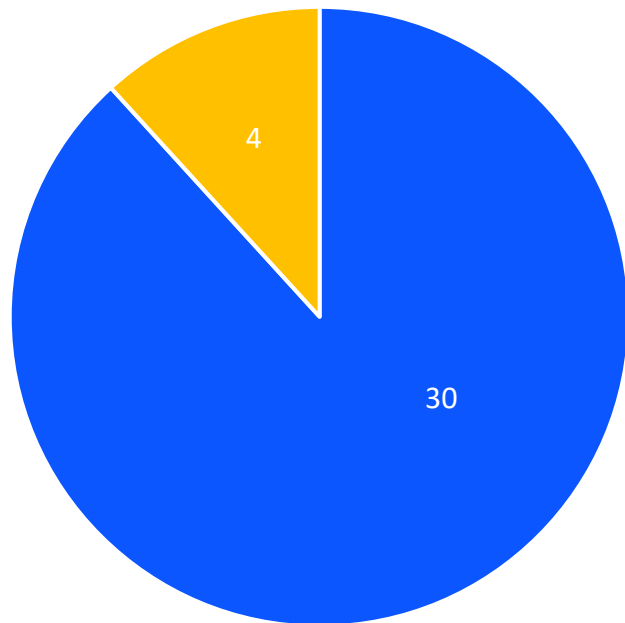
- LIPA has developed a **metrics tracking system** in Smartsheets that allows for direct read and update access for LIPA, PSEG Long Island, and DPS Long Island
- Demos and training are being provided to staff, with the expectation that the metric tracking system will go live by the **end of February**
- On an ongoing basis, LIPA will **Independently Verify and Validate** (IV&V) PSEG Long Island's performance against the established standards for each metric
- Metrics reports will be provided to the LIPA Board no less than **quarterly**, with expected reports at the Board's May, July, September, November, and January 2023 meetings

QUANTITATIVE METRIC REPORT **SAMPLE**

2022 OSA - Quantitative Metrics Scorecard							
Metric #	Metric Name	Low/High	YE Target	YTD Target	YTD Result	YTD Performance	YE Forecast
T&D-4	Transmission & Distribution System Relay Operations - Relay Mis-Operations	L	-5.0%	-5.0%	-7.1%		
T&D-7	System Average Interruption Duration Index (SAIDI) Reliability	L	59.0	59.0	65.5		
T&D-11	Reduce Repeat Customer Sustained Multiple Customer Outages (S-MCOs)	L	-80.0%	-6.7%	-8.0%		
T&D-13	Safety – Serious Injury Incident Rate (SIIR)	L	0.11	0.11	0.00		
T&D-15	Safety – OSHA Days Away Rate	L	12.50	12.50	7.75		
T&D-32	Estimated Time of Restoration (ETR)	H	65.0%	65.0%	62.5%		
T&D-36	Construction - Cost Estimating Accuracy	H	85.0%	85.0%	87.8%		
T&D-40	Double Wood Poles	L	6,295	6,295	6,550		
CS-2	J.D. Power – Residential	H	3rd Quartile	3rd Quartile	Q1 Results March	N/A	
CS-9	Billing Exception Cycle Time	H	95.0%	95.0%	96.2%		
CS-11	Contact Center Service Level with Live Agent Calls	H	80.0%	80.0%	78.2%		
CS-14	Net Write-Offs (Per \$100 Billed Revenue)	L	0.77	0.77	0.50		
CS-17	Low to Moderate Income (LMI) Program Participation	H	55,000	45,000	43,500		
CS-19	DPS Customer Complaint Rate	L	4.2	4.2	2.5		
BS-5 (HR-3)	Full Time Vacancy Rate	L	5.00%	5.00%	5.40%		
BS-13 (LEG-1)	Information Request (IR) Responses	H	90.0%	90.0%	92.8%		
BS-19 (E&C-4)	Reputation Management – Positive Media Sentiment	H	28.0%	28.0%	36.7%		
PS&CE-3 (CE-1)	Energy Efficiency Plan Savings	H	1,147,670	95,639	100,000		
PS&CE-9 (CE-7)	TOU Pricing Pilot – Year 1 Marketing	H	12,000	500	250		

PROJECT BASED METRIC REPORT **SAMPLE**

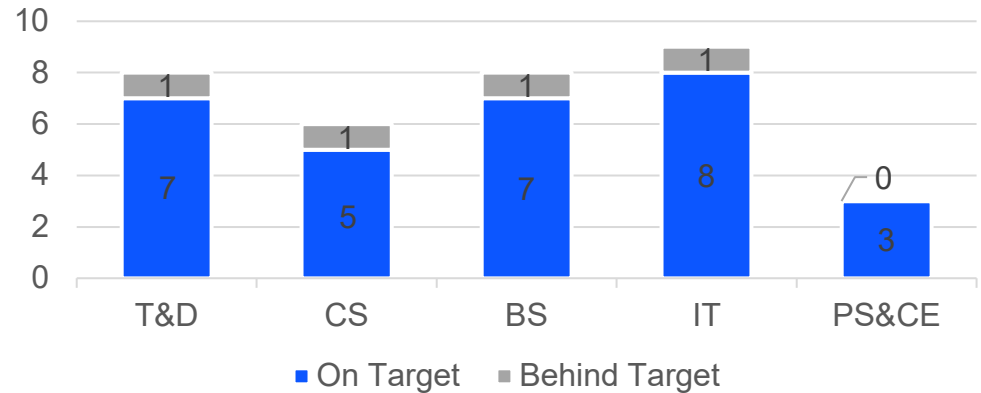
Overall YTD Deliverable Performance



■ On Target/LIPA Approval Granted

■ Missed Target/No LIPA Approval

Deliverable YTD Performance



Upcoming Monthly Deliverables by Scope Area

Scope Area	Feb 2022	Mar 2022	Apr 2022
T&D	7	16	3
CS	4	12	4
IT	3	7	2
BS	3	10	3
PS&CE	2	5	1
TOTAL	19	50	13

PROJECT BASED METRIC REPORT **SAMPLE**

Scope Function	Metric #	Deliverable	% Comp.	PSEG-LI Approval	Target Due Date	Date Artifacts Received	LIPA PM Approval	Actual Completion Date	Was Metric Achieved	LIPA Executive Approval
Electric T&D	T&D-24.1	The 2022 Vegetation Work Plans identifying the minimum of 225 circuits (or approximately ¼ of the total circuit miles) and budgets shall be provided to LIPA for approval, which shall not be unreasonably withheld, by January 31, 2022. Work plans shall include annual and monthly work and resource plans. Work plans should be coordinated with maintenance and construction work plans, where possible.	100%	Approved & Ready for LIPA Review	01/31/22	01/25/22	Approved	01/31/22	Yes	
Electric T&D	T&D-25.1	The 2022 Vegetation Work Plans identifying the minimum of 225 circuits (or approximately ¼ of the total circuit miles) and budgets shall be provided to LIPA for approval, which shall not be unreasonably withheld, by January 31, 2022. Work plans shall include annual and monthly work and resource plans. Work plans should be coordinated with maintenance and construction work plans, where possible.	100%	Approved & Ready for LIPA Review	01/31/22	01/25/22	Approved	01/31/22	Yes	
Electric T&D	T&D-26.1	The 2022 Vegetation Work Plans identifying the costs and resources associated with a workplan of 12,000 hazard trees. Workplan and associated budgets shall be provided to LIPA for approval, which shall not be unreasonably withheld, by January 31, 2022	100%	Approved & Ready for LIPA Review	01/31/22	01/25/22	Approved	01/31/22	Yes	
Electric T&D	T&D-27.1	Development of the 2022 Storm Hardening Work Plan – Overhead Hardening for LIPA approval, which shall not be unreasonably withheld, by January 31, 2022.	100%	Approved & Ready for LIPA Review	01/31/22	01/26/22	Approved	01/26/22	Yes	
Electric T&D	T&D-31.1	By January 31, 2022, submit a 2022 Storm Hardening Work Plan – LT5H (ASUV) that identifies installation locations, schedules, and cost estimates, and creates PJDs for ~150 ASUVs to be installed and commissioned in 2022.	100%	Approved & Ready for LIPA Review	01/31/22	01/28/22	Approved	01/28/22	Yes	
Electric T&D	T&D-2.2	The RFP for the Strategic Asset Management Plan (SAMP) to be issued by January 31, 2022.	100%	Approved & Ready for LIPA Review	01/31/22	01/31/22	Approved	01/25/22	Yes	
Electric T&D	T&D-29.1	By January 31, 2022, submit a 2022 Storm Hardening Work Plan for a minimum of 8 load pockets	100%	Approved & Ready for LIPA Review	01/31/22	01/31/22	Approved	01/31/22	Yes	
Electric T&D	T&D-30.1	By January 31, 2022, submit a 2022 Storm Hardening Work Plan for operationalizing ASUVs for a minimum of 10 circuits	100%	Approved & Ready for LIPA Review	01/31/22	01/31/22	Approved	01/31/22	Yes	
Electric T&D	T&D-18.1	Submission of 2022 Workforce Management Plan for LIPA Approval by February 1, 2022 (Approval not to be unreasonably withheld). The Workforce Management Plan shall include monthly and annual resource plans for all Capital and O&M work to be completed.	100%	Approved & Ready for LIPA Review	02/01/22	02/01/22	Approved	02/03/22	Yes	
Customer Services	CS-6.1	Master excel list of existing inactive estimates as of 12/31/21 to establish target	100%	Approved & Ready for LIPA Review	01/27/22	01/21/22	Approved	02/02/22	Yes	TRUE
Customer Services	CS-5.1	Develop a five (5) question monthly survey for the following customer transactions: payments, billing move in/move out (MIMO) and deferred payment agreements. The fifth survey is around outage reporting and we will continue to utilize the Chartwell Outage Communication Benchmarking.	100%	Approved & Ready for LIPA Review	01/31/22	12/13/21	Approved	12/15/21	Yes	
Customer Services	CS-1.4	Project Implementation Plan (including expected outcomes) is submitted for LIPA approval-KUBRA Bill Print	100%	Approved & Ready for LIPA Review	01/31/22	01/24/22	Approved	02/11/22	Yes	
Customer Services	CS-1.1	Project Implementation Plan (including expected outcomes) is submitted for LIPA approval-Advanced Metering Infrastructure (AMI) field remote disconnect (Phase 1)	100%	Approved & Ready for LIPA Review	01/31/22	01/26/22	Reviewing		Reviewing	
Customer Services	CS-18.1	Provide the current resource requirement utilized to process LMI enrollments by January 31, 2022	100%	Approved & Ready for LIPA Review	01/31/22	01/28/22	Reviewing		Reviewing	



Discussion

Questions?