



ACCOMPLISHMENTS & WORK PLAN

February 17, 2022

LIPA'S BOARD DEFINES OUR STRATEGIC DIRECTION

The LIPA Board provides its strategic direction through a set of [governance policies](#).

PURPOSE

To serve our customers and community by providing **clean**, **reliable**, and **affordable** energy to Long Island and the Rockaways. As a **not-for-profit** utility, LIPA is a value-driven organization that puts our **customers first** in all our actions.

VISION

To be our customers' **trusted energy partner**. LIPA will:

- Actively **engage** with our customers and the communities we serve
- **Respond** to our customers' needs and exceed their expectations
- Be a recognized **innovator** in our industry to better serve our customers
- Be known as a **steward** of our environment and community

KEY OBJECTIVES SET BY LIPA BOARD POLICIES

The Board Policies define LIPA's Purpose and Vision and all major aspects of delivering electric service to customers in a Clean, Reliable, and Customer-First manner

Reliability and Resiliency	Customer Experience	IT and Cybersecurity	Clean Energy	Customer Affordability
<p>Top 10% reliability among peer utilities</p> <p>Improve circuit conditions that cause some customers to have repeated outages</p> <p>Invest in system resiliency to reduce outages and restoration times from severe weather</p> <p>Independently verify and validate emergency restoration planning</p>	<p>Deliver top quartile customer satisfaction in J.D. Power survey</p> <p>Continually improve in ease of customer interaction, as measured by customer surveys</p> <p>Invest in technology to enhance convenience of billing, payments, appointments, emergency restoration, etc.</p>	<p>Deploy modern grid management technology and data analytics benchmarked to the top 25% of utilities</p> <p>Protect digital infrastructure and customer data, as measured by the NIST Cybersecurity Framework</p> <p>Clearly communicate customer information and data collection policies</p>	<p>70% renewable energy by 2030</p> <p>Zero-carbon electric grid by 2040</p> <p>Promote beneficial electrification of transportation and buildings (i.e., EVs and cold-climate heat pumps)</p>	<p>Electric rates at the lowest fiscally and operationally sound levels</p> <p>Electric rates comparable to regional utilities</p> <p>Electric rate increases that are in line with the rate of inflation</p> <p>Electric rate designs consistent with New York statewide principles</p>

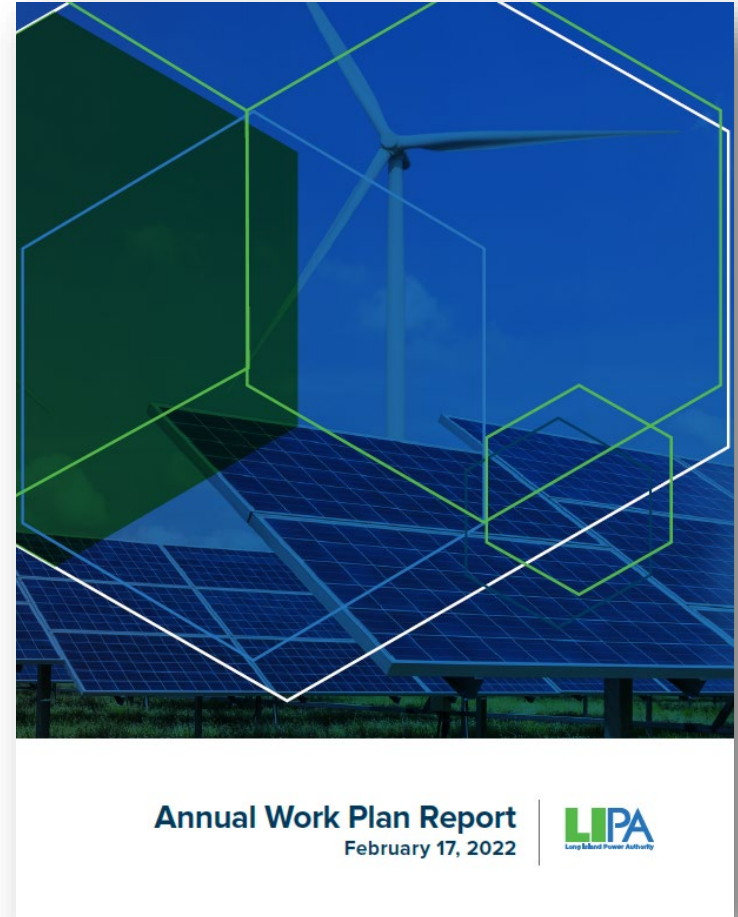
STRATEGIC PLANNING

- LIPA management works with PSEG Long Island to turn the Board's strategic direction into:
 - 5-Year Roadmaps
 - Annual Budgets
 - PSEG Long Island Performance Metrics
 - LIPA Work Plan Projects
- These documents allow the Board to review LIPA and PSEG Long Island's plans and performance each year relative to expected outcomes



ANNUAL WORK PLAN

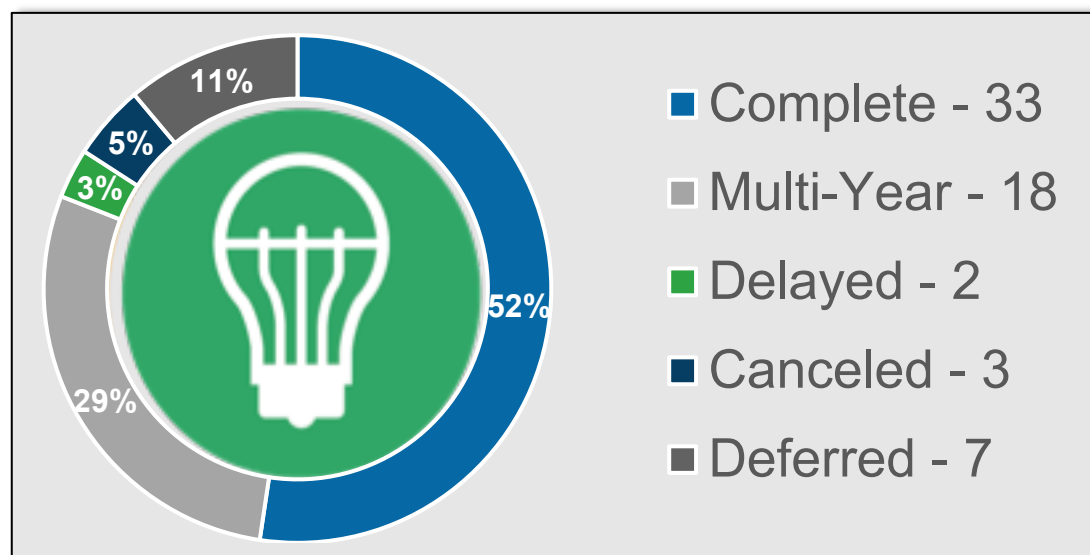
- The Work Plan contains the specific projects that LIPA staff will undertake to fulfill the Board's strategic direction
- Describes specific objectives and deliverables for each project, as well as LIPA's oversight of each of the PSEG Long Island's Performance Metrics
- Projects contained in the Work Plan include:
 1. Those related to LIPA's direct responsibilities, such as financing, wholesale markets policy, or rates/tariffs
 2. Oversight of services provided to LIPA contractually by PSEG Long Island, PSEG Energy Resources and Trade, National Grid, and other providers
 3. Work Plan projects go beyond day-to-day staff responsibilities



REPORT ON 2021 WORK PLAN PROJECTS

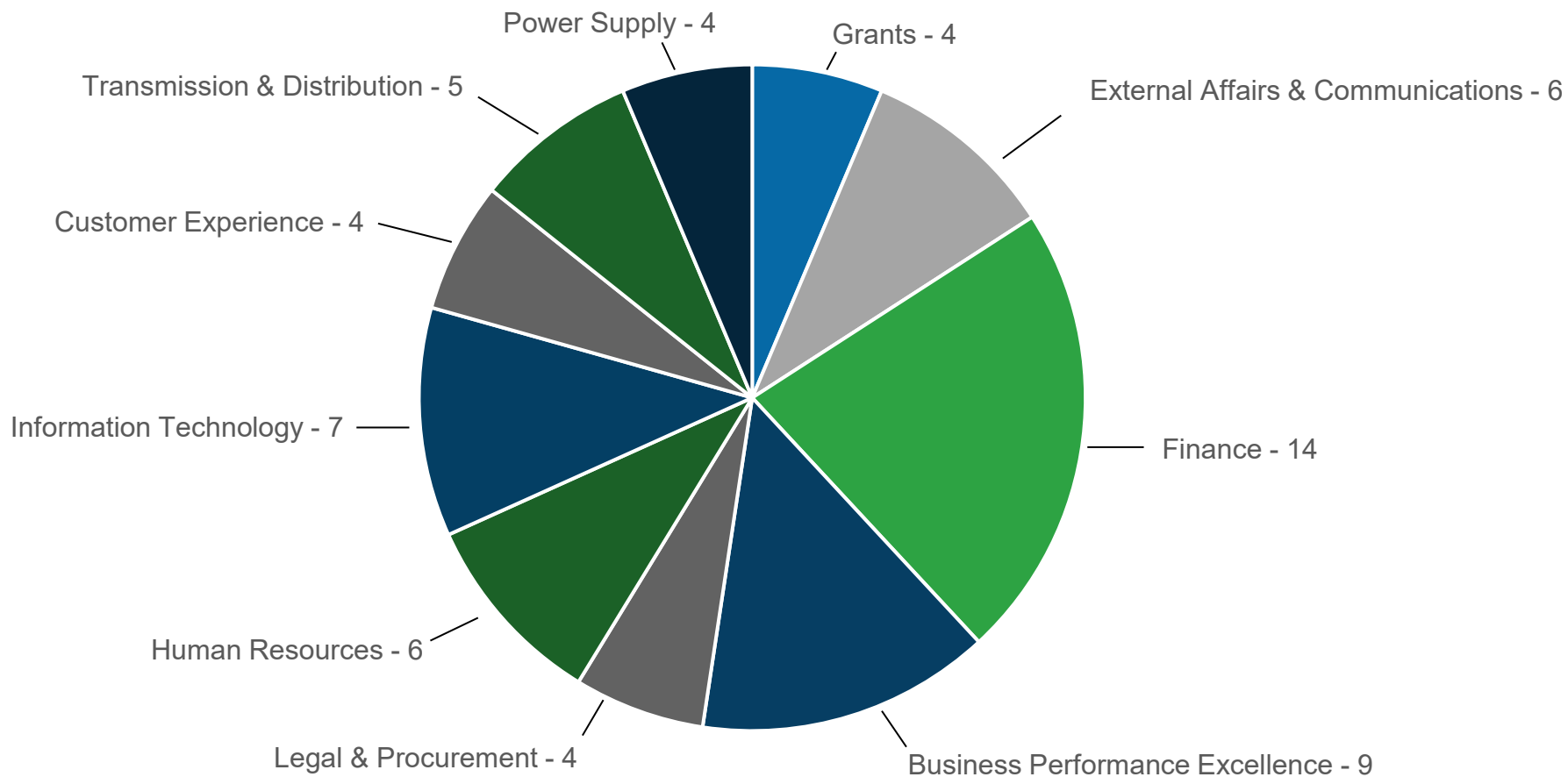
33	18	7	3	2
Complete	Multi-Year	Deferred	Canceled	Behind
63 Work Plan Projects in Total for 2021				

- **49 projects** presented to the Board in January 2021:
 - 34 Tier 1
 - 15 Tier 2 that might be delayed or cancelled to accommodate the work of the Isaias Task Force
- LIPA management added an additional **14 projects** for a total of **63 projects** for 2021



REPORT ON 2021 WORK PLAN PROJECTS

LIPA Work Plan Projects By Function



2021 PROJECT HIGHLIGHTS

- LIPA **renegotiated its contract with PSEG Long Island** to strengthen management incentives, accountability, and oversight
- The Isais Task Force published **three Quarterly Reports**, as well as **two Options Analyses** for the management of LIPA assets during the year
- The LIPA Board adopted **164 Recommendations** to improve management, emergency management, information technology, and other areas, including related Project Implementation Plans. The staff reported quarterly on the progress of each Recommendation
- LIPA established **96 PSEG Long Island Performance Metrics for 2022** that tie the 2022 Budget to tangible benefits for customers
- The LIPA Board completed strategic reviews of its Board Policy objectives related to **customer experience, transmission and distribution operations, and information technology**
- The Board approved an agreement with the New York State Solar Energy Industries Association to develop a **modern, “standard” residential Time of Day (TOD) rate** for electric customers, which will be adopted over the next three years



2021 PROJECT HIGHLIGHTS

- The Board approved a Customer Benefit Contribution charge on rooftop solar and other distributed generation to **ensure that all customers pay fairly into programs that help all customers**
- The Board reformed **Long Island Choice and Community Choice Aggregation (CCA)** by simplifying Long Island Choice pricing, allowing energy service companies and CCAs to obtain Market Power Supply directly from wholesale market or generators, making CCA available on same terms as rest of state, and offering consolidated billing
- LIPA established a 3-year roadmap on **Diversity, Equity, and Inclusion** and provided learning opportunities for staff in furtherance of the Board's Policy
- LIPA staff enhanced the training, coaching, and tools for supervisors/leaders to **enhance the effectiveness of performance management**
- LIPA submitted a grant application to FEMA **seeking \$300+ million to further storm hardening programs**

2022 WORK PLAN PROJECTS

- The 2022 Work Plan has **93 projects** in areas covering all aspects of delivering clean, reliable, and customer-first service to LIPA customers
- LIPA's 2022 Work Plan includes **50 projects** that involve independently verifying and validating (IV&V) the achievement of PSEG Long Island's Performance Metrics for 2022
- An additional **13 projects** oversee various aspects of services PSEG Long Island provides to LIPA and its customers
- **30 projects** are separate initiatives related to LIPA's operations and objectives

2022 Work Plan Projects By Function	
Transmission and Distribution	20
Information Technology	14
Finance	14
Customer Experience	9
Legal and Procurement	9
External Affairs and Communications	9
Business Performance Excellence	6
Grants	5
Power Supply	4
Human Resources	3
TOTAL	93

2022 WORK PLAN PROJECT HIGHLIGHTS



CLEAN

Complete LIPA's **Integrated Resource Plan** to study the need for future supply and demand-side resources for electric power and plans to achieve a **zero-carbon electric grid by 2040**

Meet LIPA's share of the state **battery storage goal** for 2025

Achieve fair cost allocation and approval of appropriate projects in the NYISO Public Policy Transmission Planning process for **Long Island offshore wind**

Create a roadmap to meet or exceed state goals for **air-source heat pump deployment** through 2030

Develop a new “standard” rate for residential customers based on the **Time of Day** that usage occurs, thereby providing opportunities to customers to save money, incentivizing off-peak usage, and encouraging the deployment of residential storage

2022 WORK PLAN PROJECT HIGHLIGHTS

RELIABLE

Obtain a **FEMA grant for storm resiliency** of \$300+ million to storm harden the LIPA transmission and distribution system

Review PSEG Long Island's (AMI) implementation for further opportunities to benefit from the deployment of this new technology

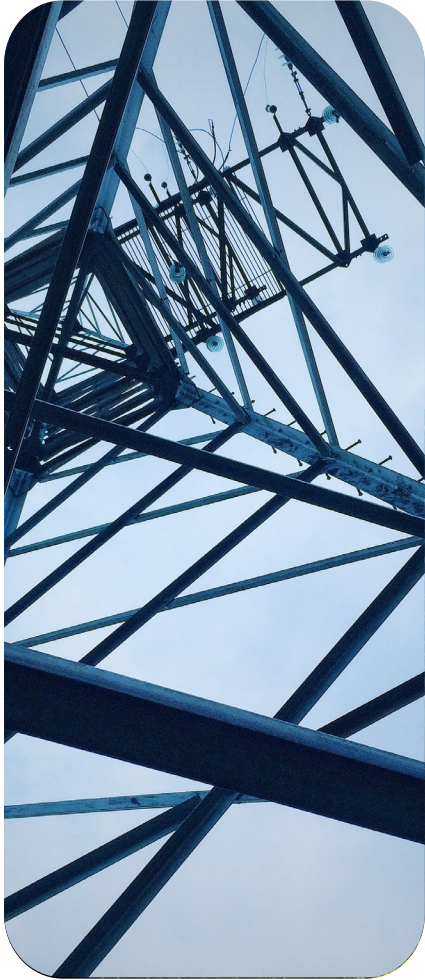
Complete a **climate study** to identify the impacts of climate change on design and corresponding effects on transmission and distribution assets and resource needs

Conduct a detailed review of PSEG Long Island's **cybersecurity** and **physical security** and establish a roadmap for enhancements

Independently review PSEG Long Island's **Business Continuity Plans, Disaster Recovery Plans, and Storm Drills**



2022 WORK PLAN PROJECT HIGHLIGHTS



CUSTOMER-FIRST

Develop **5-year Roadmaps** that advance the Board's Policies for Transmission and Distribution, Customer Experience, Information Technology, Finance, and Oversight, which will form the basis of future Work Plans, Budgets, and PSEG Long Island Performance Metrics

Establish a LIPA **Enterprise Program Management Office** with appropriate staffing and associated policies to ensure appropriate oversight and delivery of excellent service to customers

Develop detailed system implementation plans for a new **Customer Information System, Enterprise Asset Management System, and Enterprise Document and Records Management System**, among other major system implementations

Develop a detailed **information technology system segregation plan**, with the objective of segregating all Long Island systems from PSEG systems by the end of 2023 to provide enhanced oversight and greater operating independence

ANNUAL WORK PLAN REPORT



[Click here for full report](#)



Discussion

Questions?



Annual Work Plan Report

February 17, 2022





2022 Budget

\$3,911,479,000

operating

\$782,778,000

capital

Energy Requirements

19,330,450

megawatt hours

Transmission System

1,400

miles

2021 Peak Demand

5,217

megawatts

Distribution System

9,000

miles overhead

5,000

miles underground

189,000

transformers

Substations

30

transmission

152

distribution

Generating Capacity

5,757

megawatts

Customers

1,023,221

residential

116,560

commercial

contents

BOARD OF TRUSTEES	4
EXECUTIVE MANAGEMENT	5
LIPA'S PURPOSE, VISION, AND VALUES	6
AN OVERVIEW OF LIPA'S STRATEGIC PLANNING PROCESS AND THE WORK PLAN	7
REPORT ON 2021 LIPA WORK PLAN PROJECTS	12
SUMMARY OF 2022 WORK PLAN PROJECTS	16
CONCLUSION	19
APPENDIX A: 2021 WORK PLAN ACCOMPLISHMENTS	20
APPENDIX B: 2022 WORK PLAN PROJECTS	34
APPENDIX C: 2022 PSEG LONG ISLAND PERFORMANCE STANDARDS	63

BOARD OF TRUSTEES



Mark Fischl

Vice Chair
Chair, Oversight and
Clean Energy Committee
Finance and Audit
Committee



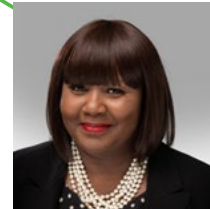
Elkan Abramowitz

Chair, Governance
Planning, and Personnel
Committee
Finance and Audit
Committee



Drew Biondo

Governance, Planning,
and Personnel
Committee



**Valerie Anderson
Campbell**

Governance, Planning,
and Personnel
Committee



**Reverend Alfred L.
Cockfield**

Oversight and
Clean Energy
Committee



Sheldon L. Cohen

Chair, Finance and Audit
Committee
Governance, Planning, and
Personnel Committee



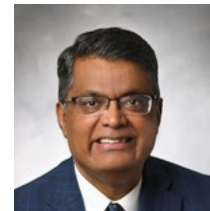
Nancy S. Goroff, Ph.D.

Oversight and
Clean Energy
Committee



Lauren Harris

Finance and Audit
Committee



Ali Mohammed

Oversight and
Clean Energy
Committee

Governance Model

The Long Island Power Authority is governed by a local Board of Trustees. The Board supervises, regulates, and sets policy for LIPA. The Board consists of nine Trustees, five of whom are appointed by the Governor, two by the Temporary President of the State Senate, and two by the Speaker of the State Assembly.

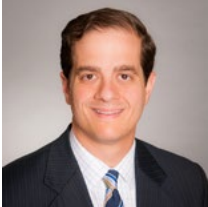
The Trustees serve staggered four-year terms. The LIPA Reform Act of 2013 requires that all Trustees reside on Long Island or in the Rockaways and have relevant utility, corporate board, or financial experience. Trustees are not compensated for their service.

Strategic Direction by the Board

The Board of Trustees defines LIPA's Purpose and Vision, as well as its expectations for the strategic outcomes that management will deliver in the areas of reliability, customer experience, information technology, clean energy, and customer affordability, among other areas.

For more information about the Board's Policies, please visit lipower.org/purpose.

EXECUTIVE MANAGEMENT



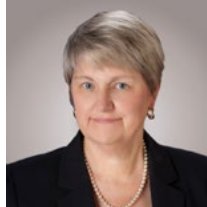
Thomas Falcone

Chief Executive Officer



Mujib Lodhi

Chief Information Officer
and Senior Vice President
of Customer Experience



Tamela Monroe

Chief Financial Officer



Bobbi O'Connor

General Counsel and
Secretary to the Board of
Trustees



Billy Raley

Senior Vice President,
Transmission and
Distribution System
Oversight



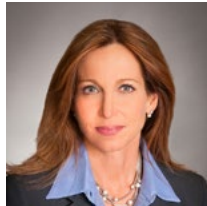
Rick Shansky, P.E.

Senior Vice President,
Power Supply and
Wholesale Markets



Justin Bell

Vice President, Public Policy
and Regulatory Affairs



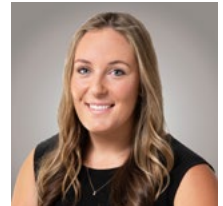
Donna Mongiardo, CPA

Vice President, Controller



**Barbara Ann Dillon,
Esq., PHR**

Director of Human
Resources and
Administration



Jennifer Hayen

Director of Communications



Kenneth Kane, CPA

Senior Advisor for Oversight



Tom Locascio

Director of External Affairs



Carolyn MacKool

Director of Customer
Experience Oversight

1

LIPA's Purpose, Vision, and Values

Purpose Statement

LIPA's purpose is to **serve our customers and community** by providing clean, reliable, and affordable energy to Long Island and the Rockaways. As a **not-for-profit utility**, LIPA is a value-driven organization that puts our **customers first** in all our actions.

Vision

LIPA's vision is to be our **customers' trusted energy partner**. To achieve our vision, LIPA will:

- Actively **engage** with our customers and the communities we serve;
- **Respond** to our customers' needs and exceed their expectations;
- Be a recognized **innovator** in our industry to better serve our customers; and
- Be known as a **steward** of our environment and community.

Our Values

LIPA has three values that distinguish our utility and describe how our employees work every day:

Service



In all our actions, we serve our customers, community, and the environment.

Behaviors:

Responsible | Efficient
Make Well-Informed Decisions

Collaboration



We leverage the abilities of our colleagues and stakeholders to benefit our customers.

Behaviors:

Embrace Diverse Perspectives
Communicate Openly | Build Trust

Excellence



We build on our successes, celebrate our wins, and learn from our mistakes.

Behaviors:

Deliver on our Promises | Continuously Improve on our Performance

2

An Overview of LIPA's Strategic Planning Process and the Work Plan

LIPA is a **non-profit, public power authority** governed by a nine-member Board of Trustees. Our Trustees are volunteers who serve four-year terms and reside in the communities we serve on Long Island and in the Rockaways. The LIPA Trustees are appointed by New York's Governor and Legislature.

The LIPA Board is committed to publicly reporting on our performance and, at the direction of Governor Kathy Hochul, has adopted and published a Transparency Plan to carry out the Board's Policy on Responsiveness and Integrity.

There are several documents available to our customers and stakeholders to assist in evaluating LIPA's objectives and performance each year.

Board Policies Establish LIPA's Strategic Direction

The LIPA Board provides its strategic direction through a set of governance policies. The **Board Policies define LIPA's Purpose and Vision and all major aspects of delivering electric service to customers** in a Clean, Reliable, and Customer-First manner. Figure 1 summarizes some of the key objectives from the LIPA Board's Policies.

The Board reviews each of its Policies annually, and LIPA management reports on outcomes in reports to the Board for each policy. These Board Policies and annual reports are available to our customers and stakeholders at www.lipower.org/purpose.

LIPA management works with our primary contractor, PSEG Long Island, to turn the Board's strategic direction into 5-Year Roadmaps as well as annual Budgets, PSEG Long Island Performance Metrics, and Work Plan Projects. This is an annual translation of the Board's Vision into specific activities and costs. The Board can then measure LIPA's performance and that of our contractor, PSEG Long Island, relative to anticipated outcomes.

Figure 1

Summary of Key Objectives from the LIPA's Board Policies

Reliability and Resiliency

- **Top 10% reliability** among peer utilities
- **Improve circuit conditions** that cause some customers to have repeated outages
- Invest in system resiliency to **reduce outages and restoration times** from severe weather
- Independently verify and validate **emergency restoration planning**

Customer Experience

- Deliver **top quartile customer satisfaction** in J.D. Power survey
- Continually improve in **ease of customer interaction**, as measured by customer surveys
- **Invest in technology to enhance convenience** of billing, payments, appointments, emergency restoration, etc.

Information Technology and Cybersecurity

- Deploy **modern grid management technology and data analytics** benchmarked to the top 25% of utilities
- **Protect digital infrastructure and customer data**, as measure by the National Institute of Standards and Technology (NIST) Cybersecurity Framework
- Clearly communicate customer information and data collection policies

Clean Energy

- **70% renewable energy** by 2030
- **Zero-carbon electric grid** by 2040
- **Promote beneficial electrification** of transportation and buildings (i.e., electric vehicles and cold-climate heat pumps)

Customer Affordability

- Electric rates at the **lowest fiscally and operationally sound levels**
- Electric rates **comparable to regional utilities**
- Electric rate increases that are **in line with the rate of inflation**
- Electric rate designs **consistent with New York statewide principles**



5-Year Roadmaps and Board Recommendations Set Multi-Year Objectives

LIPA's 5-Year Roadmaps establish a set of multi-year projects to deliver specified business objectives that fulfill the Board's Policies. The Board directed LIPA staff to craft such Roadmaps in 2021 and this new requirement was incorporated into a revised contract with our primary contractor, PSEG Long Island. Roadmaps will be reviewed and approved by the Board for Customer Experience, Transmission and Distribution Operations, Information Technology and Cybersecurity, Oversight, and Finance in 2022, while plans for Business Services, Power Supply, and Clean Energy will come before the Board in 2023. While the Roadmaps look out five years, the Board has requested updates no less than every third year.

In 2020 and 2021, **the Board also adopted 168 Recommendations to improve specific aspects of PSEG Long Island's operations, emergency management, and information technology**, among other areas. Many of these Recommendations are multi-year in nature. The Board has requested Project Implementation Plans for each Recommendation, and LIPA management reports on progress in Quarterly Reports. The most recent Quarterly Report for December 15, 2021, is available [here](#). New reports will be posted to our website when provided to the Board.

Budgets Prioritize Resources Annually

The Board's strategic direction must be prioritized each year among specific activities, costs, and resources. The Board reviews and approves the annual Budget, as well as PSEG Long Island's annual Performance Metrics, through an open and transparent process that includes public hearings, opportunities for public comment, and review by the Department of Public Service (DPS). The Board can then measure LIPA's performance and that of our contractor, PSEG Long Island, relative to anticipated outcomes.

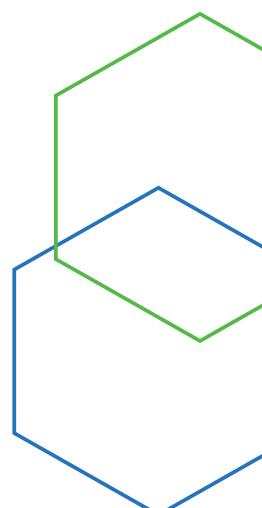
LIPA's Budget goes beyond facts and figures and includes an annual ***Letter From Our CEO*** that describes in plain English the significant management, operational, and financial items that either occurred in the prior year or are planned for the coming year. The 2022 Budget is available for your review.

LIPA management reports on budget performance at each Board meeting in statements available on our website. LIPA's annual financial statements are also available on our website and are audited each year by a certified, independent public accounting firm, KPMG, offering yet another layer of accountability and transparency.

PSEG Long Island Annual Performance Metrics Provide Tangible Outcomes for Customers

LIPA renegotiated our contract with PSEG Long Island in 2021. The reformed contract includes \$40 million of at-risk compensation or 51% of the total management fees paid to PSEG Long Island each year by LIPA, including:

- **\$20 million of Variable Compensation** at-risk based on Performance Metrics set by LIPA, with an independent recommendation to the LIPA Board by the DPS. These performance standards ensure that PSEG Long Island's compensation is tied to delivering meaningful results for Long Island and Rockaways electric customers.
- **\$20 million of DPS Compensation** at-risk if PSEG Long Island violates its Emergency Response Plan or fails to provide safe and adequate service, as determined by an independent DPS investigation and recommendation to the LIPA Board.



For 2022, LIPA has set **96 PSEG Long Island Performance Metrics**, distributed across all the management services provided by PSEG Long Island to LIPA and its customers. These metrics are reset annually by LIPA and DPS and are designed to be achievable levels of improvement that are objectively verifiable. The funds to achieve this performance are also budgeted, tying realistic plans and budgets to achievable, measurable outcomes each year.

Figure 2 highlights the 2022 performance standards by focus area and contract function.

A summary of the 96 Performance Metrics is contained in Appendix C, while detailed descriptions of each of the PSEG Long Island 2022 Performance Metrics are available for your review on our website.

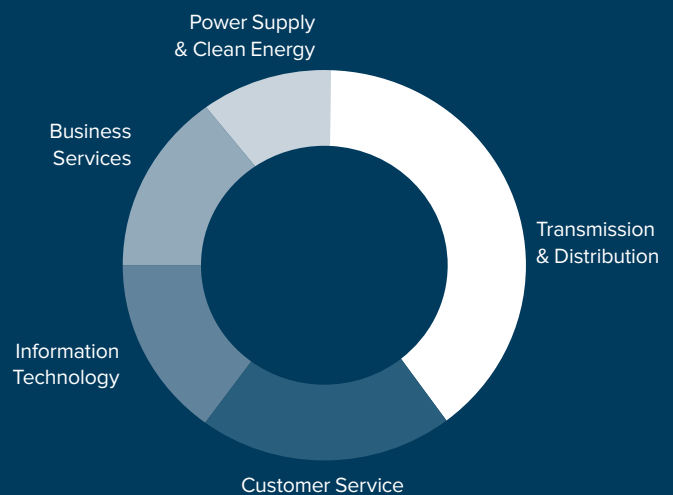
LIPA will report to the Board quarterly during 2022 on PSEG Long Island's performance under the metrics, with an end-of-year evaluation report available in 2023. Pursuant to the LIPA Reform Act, DPS also independently reviews LIPA's evaluation of the metrics prior to PSEG Long Island being paid variable compensation.

Figure 2

Focus Areas for 2022 Performance Standards



2022 Performance Standards by Function



LIPA's Work Plan Defines Projects and Oversight for the Year

The LIPA Work Plan is the final element of LIPA's annual planning and accountability reporting. The Work Plan contains the specific projects that LIPA staff will undertake to fulfill the Board's strategic direction. **The LIPA Work Plan is the counterpart to PSEG Long Island's Performance Metrics – both in describing the LIPA staff's specific objectives and deliverables for the year as well as in planning LIPA's oversight of each of the PSEG Long Island's Performance Metrics.**

The projects contained in the Work Plan include (1) those related to LIPA's direct responsibilities, such as financing, wholesale markets policy, or rates and tariffs; and (2) oversight of services provided to LIPA contractually by PSEG Long Island, PSEG Energy Resources and Trade, National Grid, and other providers. The projects in the Work Plan go beyond day-to-day staff responsibilities.

LIPA staff reports on the projects contained in the Work Plan for the coming year and accomplishments for the prior year at the first meeting of each year in this annual Work Plan Report. During the year, LIPA's Executive Committee, comprised of its senior management, sets quarterly deliverables for each Work Plan Project. The Executive Committee meets regularly to monitor progress, as well as to reprioritize efforts and resources during the year. It is typical that during the year some Work Plan projects are added, revised, delayed, or canceled based on evolving needs.



3

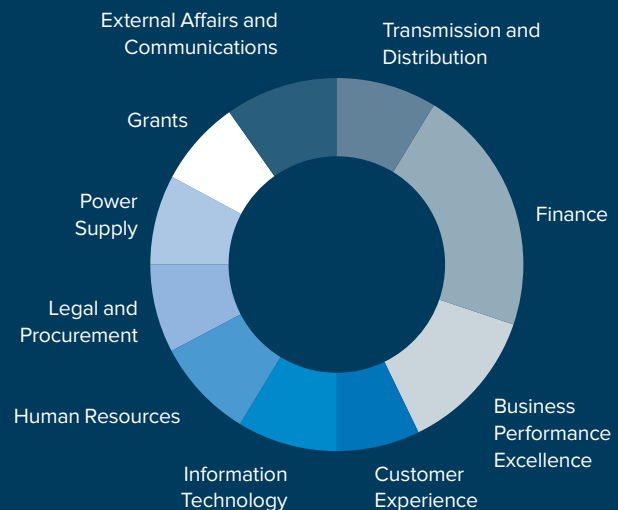
Report on 2021 LIPA Work Plan Projects

The 2021 LIPA Work Plan provided to the Board in January 2021 had **49 projects** in such areas as customer experience, finance, transmission and distribution operations, and information technology. The Plan included **34 Tier 1 projects** and **15 Tier 2 projects**. The Tier 2 projects were identified in the plan as the most likely to be deferred or canceled based on the evolving workload of the Isaias Task Force and changing priorities during 2021.

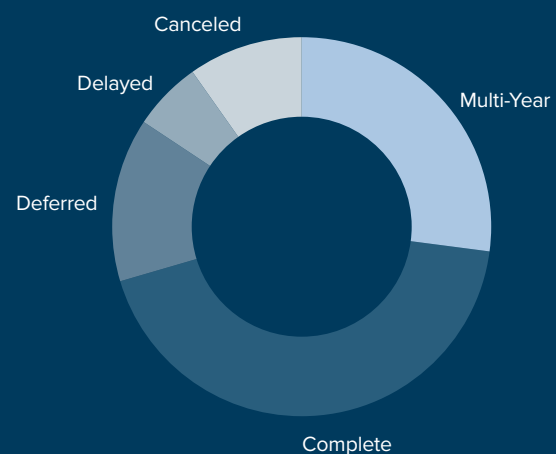
During the year, LIPA management added an additional **14 projects** for a total of **63 projects** for 2021. LIPA staff completed **33** of those projects, while **three** were canceled and **seven** were deferred based on emerging priorities. Additionally, **18** projects were multi-year (i.e. not planned to be complete by year-end) while **two** projects were to be complete by year-end but ran behind. The 2021 Projects are summarized in Figure 3.

Figure 3

2021 LIPA Work Plan Projects By Function

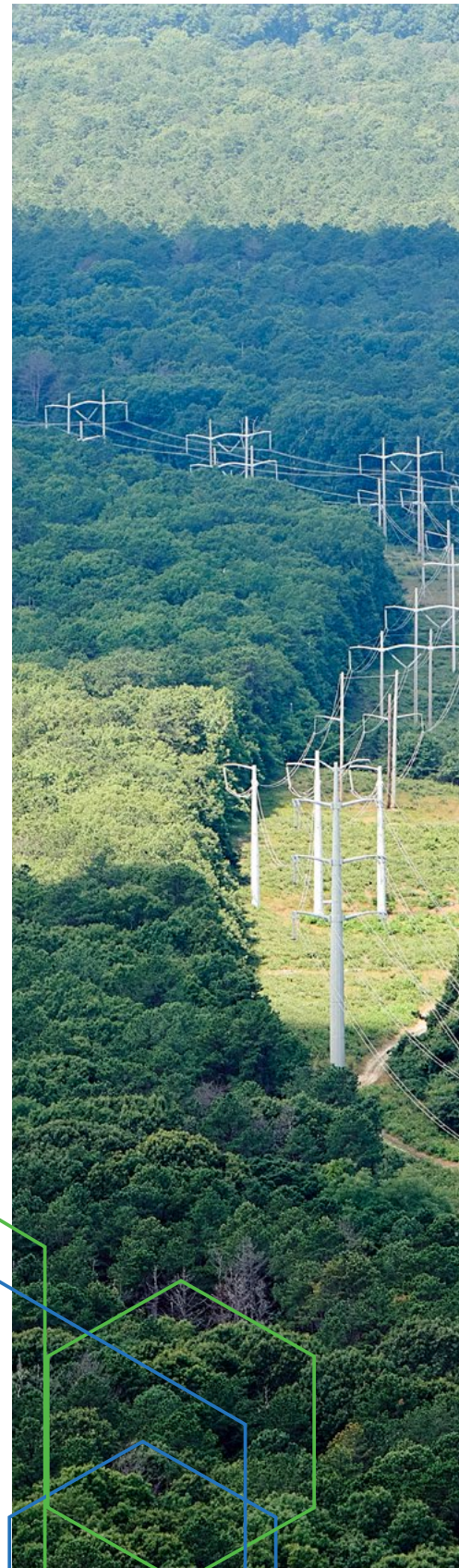


2021 LIPA Work Plan Projects By Status



The most substantial accomplishment of 2021 was the work of the Isaias Task Force, which included the adoption and independent verification and validation of **164 Board Recommendations** to improve management, emergency management, information technology, and other areas of service provided by PSEG Long Island. The Task Force published **three Quarterly Reports**, as well as **two Options Analyses** for the Management of LIPA Assets during the year. The work of the Isaias Task Force led to a **reformed contract with PSEG Long Island** that was approved by the Board of Trustees in December 2021, as well as **96 Performance Metrics** for 2022 that will deliver tangible results for customers. The reformed contract is further described in the *Letter From Our CEO* accompanying LIPA's 2022 Budget. The entire text of the reformed management contract with PSEG Long Island can be found on the Reformed Contract page at lipower.org. Details on all 96 Performance Metrics for 2022 can be found there, as well as Quarterly Reports on the status of the Board's 164 Recommendations.

In 2021, as described above, 14 projects were added to the Work Plan while ten projects were delayed or canceled due to the work of the Tropical Storm Isaias Task Force and evolving priorities during the year. As discussed in the 2021 Work Plan, the resolution of LIPA's Tropical Storm Isaias investigation was unclear when the Work Plan was presented to the Board in January 2021. The investigation is described in LIPA's 30-Day and 90-Day Isaias Task Force Reports and the alternatives considered for resolving the investigation are detailed in LIPA's Options Analysis reports. Ultimately, these activities developed into multiple phases that concluded in December 2021.

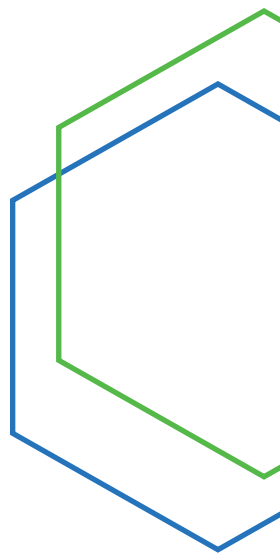




Highlights of 2021 Projects

Below are selected highlights of the 2021 LIPA Work Plan. For a full list of 2021 Work Plan projects, please see **Appendix A**.

- LIPA **renegotiated its contract with PSEG Long Island** to strengthen management incentives, accountability, and oversight.
- The LIPA Board adopted **164 Recommendations** to improve management, emergency management, information technology, and other areas, including related Project Implementation Plans. The staff reported quarterly on the progress of each Recommendation.
- LIPA established **96 PSEG Long Island Performance Metrics for 2022** that tie the 2022 Budget to tangible benefits for customers.
- The LIPA Board completed strategic reviews of its Board Policy objectives related to **customer experience, transmission and distribution operations, and information technology**.
- The Board approved an agreement with the New York State Solar Energy Industries Association (NYSEIA) to develop a **modern, “standard” residential Time of Day (TOD) rate** for electric customers, which will be adopted over the next three years. The new TOD rate will **allow customers to save money by using cheaper, cleaner electricity during off-peak hours and will encourage the deployment of battery storage**.
- The Board approved a Customer Benefit Contribution charge on rooftop solar and other distributed generation to **ensure that all customers pay fairly into programs that help all customers**.



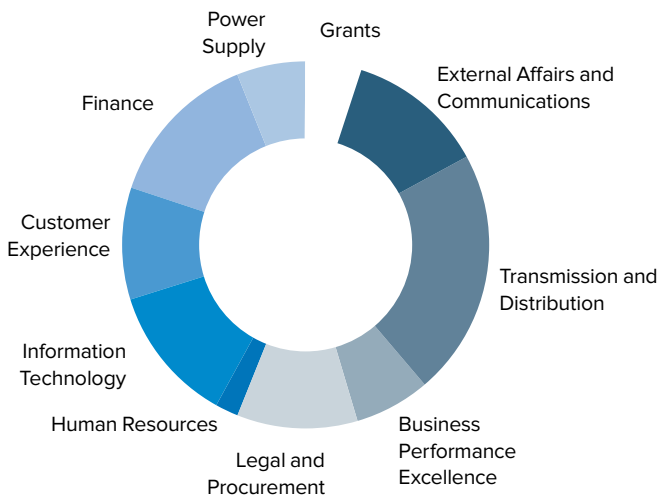


- The Board reformed **Long Island Choice and Community Choice Aggregation (CCA)** by simplifying Long Island Choice pricing, allowing energy service companies and CCAs to obtain Market Power Supply directly from wholesale market or generators, making CCA available on the same terms as rest of state, and offering consolidated billing.
- LIPA staff partnered with PSEG Long Island to assess how to align with industry best practices for customer service, resulting in **an increase in pay stations in the community from 120 to almost 500 locations.**
- LIPA established a three-year roadmap on **Diversity, Equity, and Inclusion** and provided learning opportunities for staff in furtherance of the Board's Policy.
- LIPA staff enhanced the training, coaching, and tools for supervisors/leaders to enhance the **effectiveness of performance management.**
- LIPA submitted a grant application to FEMA seeking **\$300+ million to further storm hardening programs.**

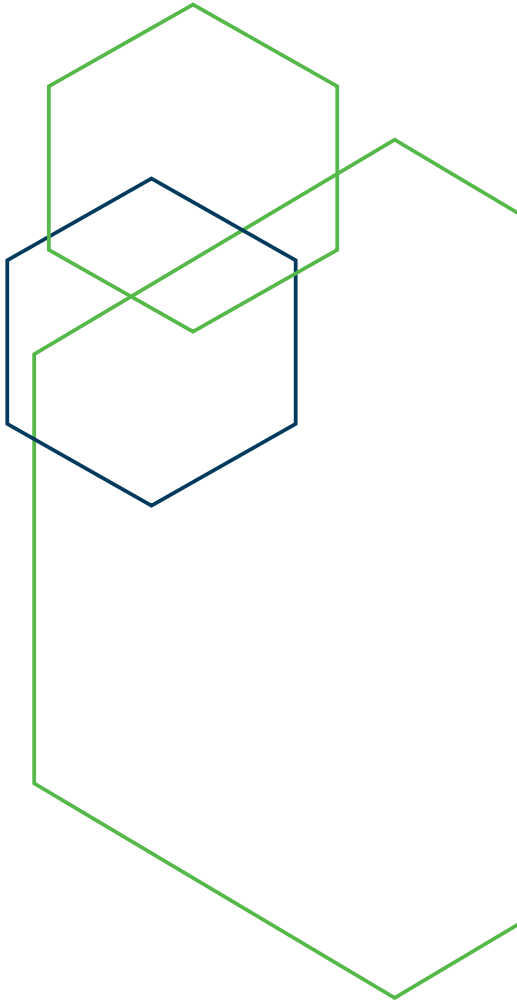
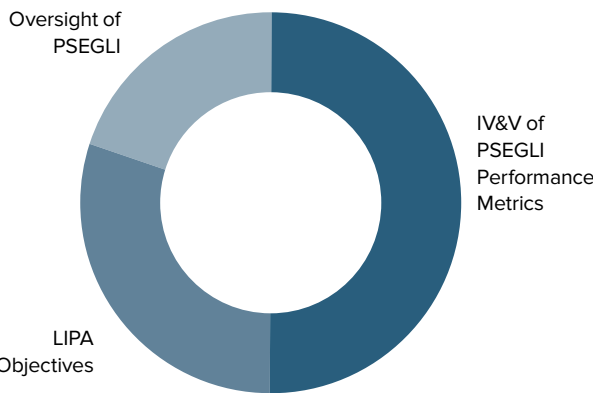
4 | 2022 Work Plan Projects

The 2022 Work Plan has 93 projects covering all aspects of delivering clean, reliable, and customer-first service to LIPA customers, as shown in Figure 4.

Figure 4
LIPA Work Plan Projects By Function



LIPA Work Plan Projects By Objective



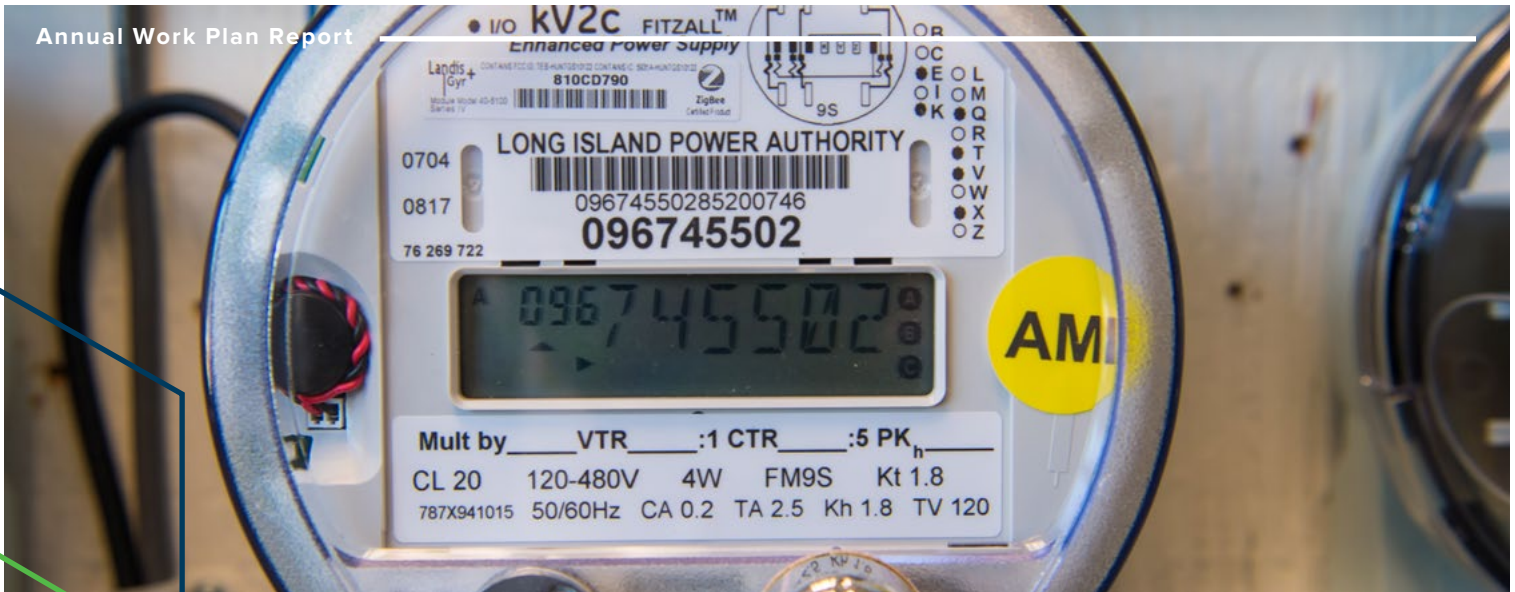


LIPA's 2022 Work Plan includes 50 projects that involve independently verifying and validating (IV&V) the achievement of PSEG Long Island's Performance Metrics for 2022. An additional 13 projects oversee various aspects of services PSEG Long Island provides to LIPA and its customers, while 30 projects are separate initiatives related to LIPA's operations and objectives.

Below are highlights of LIPA Work Plan projects scheduled for 2022. For a complete list of projects, please see Appendix B. LIPA management will report to the Board on the 2022 Work Plan's accomplishments in early 2023.

CLEAN

- Complete **LIPA's Integrated Resource Plan** to study the need for future supply and demand-side resources for electric power and plans to achieve a **zero-carbon electric grid by 2040**
- Meet LIPA's share of the state **battery storage goal** for 2025
- Achieve fair cost allocation and approval of appropriate projects in the New York Independent System Operator (NYISO) Public Policy Transmission Planning process for **Long Island offshore wind**
- Create a roadmap to meet or exceed state goals for **air-source heat pump deployment** through 2030
- Develop a new "standard" rate for residential customers based on the **Time of Day** that usage occurs, thereby providing opportunities to customers to save money, incentivizing off-peak usage, and encouraging the deployment of residential storage



RELIABLE

- Obtain a **FEMA grant for storm resiliency** of \$300+ million to storm harden the LIPA transmission and distribution system
- Review PSEG Long Island's **Advanced Metering Infrastructure (AMI)** implementation for further opportunities to benefit from the deployment of this new technology
- Complete a **climate study** to identify the impacts of climate change on design and corresponding effects on transmission and distribution assets and resource needs
- Conduct a detailed review of PSEG Long Island's **cybersecurity** and **physical security** and establish a roadmap for enhancements
- Independently review PSEG Long Island's **Business Continuity Plans, Disaster Recovery Plans, and Storm Drills**

CUSTOMER-FIRST

- Develop **5-Year Roadmaps** that advance the Board's Policies for Transmission and Distribution, Customer Experience, Information Technology, Finance, and Oversight, which will form the basis of future Work Plans, Budgets, and PSEG Long Island Performance Metrics
- Establish a LIPA **Enterprise Program Management Office** with appropriate staffing and associated policies to ensure appropriate oversight and delivery of excellent service to customers
- Develop detailed system implementation plans for a new **Customer Information System, Enterprise Asset Management System, and Enterprise Document and Records Management System**, among other major system implementations
- Develop a detailed **information technology system segregation plan**, with the objective of segregating all Long Island systems from PSEG New Jersey systems by the end of 2023 to provide enhanced oversight and greater operating independence

5

Conclusion

The LIPA Board of Trustees is committed to providing an excellent utility for our customers. The last 16 months have been arduous for both LIPA and PSEG Long Island. The new reformed contract with PSEG Long Island sets forth a new chapter in the energy history of Long Island and the Rockaways. The reformed contract reinforces LIPA's purpose of seeing that Long Island and the Rockaways are provided with energy in a clean, reliable, affordable manner that puts **customers first**.

LIPA will continue to pursue projects that meet the objectives laid out by the Board of Trustees and to strengthen the operations of our organization. We will continue to embrace our role as a **steward of clean, reliable, and affordable energy** and **actively engage** with the communities that we serve. Every project proposed for 2022 aligns with these ambitions.

LIPA's 2022 Work Plan advances the high standards set by the Board of Trustees for our customers and provides our stakeholders with a transparent view of our objectives.

2021 WORK PLAN ACCOMPLISHMENTS

APPENDIX A

Department:	Administration
Goal Name	ERM Deep Dive on Top PSEG LI Risks
Goal Description:	Conduct a deep dive analysis of the top risks of PSEG LI. The analysis will include documenting the drivers which can cause the risk event to occur, an understanding of the consequences, and the mitigation actions currently being utilized to prevent it.
End of Year Status	Complete
Task Completed	Completed deep dive analysis for LIPA Senior Management review related to the following risks: (1) failure of multiple tie lines; (2) cyber security; (3) major storm customer experience; and (4) major storm - crisis communications.
Goal Name	Create a Diversity, Equity, and Inclusion Roadmap
Goal Description:	Create a Diversity, Equity, and Inclusion (DE&I) roadmap that identifies and executes best practices to support a sustainable DE&I program.
End of Year Status	Complete
Task Completed	Established a 3-year DE&I roadmap of initiatives LIPA will implement based on best practices. Provided learning opportunities for staff in furtherance of the Board's Policy on DE&I.
Goal Name	Develop a Multi-Year Training and Development Strategy
Goal Description:	Design a two-year learning and development (L&D) strategy to develop LIPA's workforce's capabilities, skills, and competencies and bring LIPA's performance and the performance of individuals to the next level.
End of Year Status	Complete
Task Completed	Reviewed current tools and training to identify improvement themes. Expanded training options available to staff and delivered "People and Performance Management Training" to enhance effectiveness of performance feedback. Developed a training program and calendar for 2022/2023.
Goal Name	Develop a Risk Correlation Matrix
Goal Description:	Develop a risk correlation matrix as a pilot to identify inter-dependencies between risks across business units to improve and align mitigation strategies, increase awareness between Subject Matter Experts, and inform resource allocations.
End of Year Status	Complete
Task Completed	Developed a correlation matrix for the simultaneous failure of several LIPA tie-lines and used it to evaluate risks in different areas of the organization. Based on the pilot, LIPA decided to focus further development of the ERM program in other higher priority areas for 2022.
Goal Name	Utilization of PSEG LI Department Risk Profiles
Goal Description:	Engage LIPA Subject Matter Experts to fully understand, identify areas that require additional development, and utilize the PSEG Long Island department risk profiles and their mitigation strategies to identify areas of risk that require priority attention.
End of Year Status	Complete
Task Completed	Engaged LIPA Subject Matter Experts in risk assessment meetings with PSEG LI and utilized final risk assessments to develop 2022 internal audit plan and inform metric development where appropriate. PSEG LI's 2022 Performance Metrics BS-1: ERM Report and BS-2: ERM Key Risk Indicators further build on the ERM program.

APPENDIX A

Department:	Administration
Goal Name	Implement Climate Financial Disclosure Best Practices
Goal Description:	Review State-recommended climate disclosure process and Public Service Commission Order for utilities together with industry best practices. Develop and execute plan to incorporate recommendations into annual financial disclosure process.
End of Year Status	Deferred
Task Completed	Participated in New York State sponsored project to develop a framework for environmental, social and corporate governance (“ESG”) disclosure. Engaged in discussions with leaders from Large Public Power Council on pending regulatory initiatives regarding ESG disclosure. LIPA’s annual disclosure document for 2022 will be revised to reflect best practices in ESG disclosure and guidance from the Securities and Exchange Commission.
Goal Name	Policy Governance Model Review
Goal Description:	Coordinate Board’s review of LIPA’s Policy Governance Model and implement necessary changes and recommendations from the Board.
End of Year Status	Complete
Task Completed	Third-party facilitator worked with Board of Trustees to review and revise strategic direction in Board Policies related to Customer Experience, Transmission & Distribution Operations, and Information Technology & Cyber Security resulting in updated policies in each area. The revised Policies form the basis of LIPA’s 2022 activities for strategic planning.
Goal Name	360-Reviews for LIPA Board
Goal Description:	Implement a process for appropriate members of LIPA staff to provide feedback up to the Board of Trustees, as requested by the Board.
End of Year Status	Complete
Task Completed	Developed and implemented a process for senior management to provide anonymous feedback to the Board of Trustees annually.
Goal Name	Next Level Employee Feedback Project
Goal Description:	Provide training and coaching to enhance the effectiveness of the feedback provided to staff to drive performance and solicit feedback for continued development as a manager/leader. Feedback channels include monthly Check-Ins, Annual Performance Appraisal, preparing and monitoring annual development plans, and real-time feedback for improvement and recognition.
End of Year Status	Complete
Task Completed	Deployed a new performance management platform for LIPA staff. Enhanced the training, coaching and tools for supervisors/leaders to increase performance management effectiveness including assessing performance, creating effective employee development plans, enhanced processes for monthly feedback communication and documentation, and expanded surveys to solicit employee feedback. Delivered training to each department for “Improving the Effectiveness of Staff Meetings”.
Goal Name	Right-sizing the Employee Handbook
Goal Description:	Review and update employee policies and handbook to provide clear communication to employees.
End of Year Status	Complete
Task Completed	Revised the Employee Handbook to simplify and improve the clarity of information, providing user-friendly access for employees to the standards that govern the LIPA workplace. This included a comprehensive review of requirements, regulations, and best practices resulting in updates to policies and procedures.

Department:	Administration
Goal Name	Re-Imagining LIPA
Goal Description:	Prepare for a post-COVID Workplace
End of Year Status	Multi-Year
Task Completed	Researched best practices in modern office design to support collaboration, efficiency and productivity in hybrid workplaces and maximize use of space and resources, incorporating technology improvements. Execution of physical office design and IT improvements to be complete in first-half of 2022.
Goal Name	Kronos Upgrade
Goal Description:	Upgrade the Kronos Timekeeping System and LIPA's timekeeping process to be more efficient and user friendly.
End of Year Status	Complete
Task Completed	Delivered a user-friendly, cloud-hosted, timekeeping system that is accessible from anywhere on any device and reduced the time and effort required by employees to input/review/approve timekeeping.

Department:	Communications & External Affairs
Goal Name	Brand Strategy
Goal Description:	Complete the review of LIPA's mission and vision and implement a brand strategy.
End of Year Status	Deferred
Task Completed	The Board of Trustees developed a new Purpose and Vision statement, which was adopted in November 2021. This revised statement illustrates the priorities as directed by the Board. LIPA's corporate communications have been updated. The new Purpose and Vision statement and revised Board strategic directives for Customer Experience, T&D Operations, and Information Technology and Cybersecurity will be incorporated into the brand strategy project in 2022.
Goal Name	LIPANet 2.0
Goal Description:	Following the implementation of the new LIPANet in 2020, Corporate Communications will look to understand current user engagement among staff, and potentially consider implementing a LIPANet 2.0 for 2021-2022 to drive increases in use.
End of Year Status	Canceled
Task Completed	LIPANet project was deferred in 2021 to accommodate unplanned work for the Isaias Task Force. Developed a survey to be distributed to LIPA employees to understand potential improvements for LIPANet in 2022. The survey results and LIPANet improvements will be part of normal work in 2022 as no significant updates are planned at this time.

APPENDIX A

Department:	Communications & External Affairs
Goal Name	History of LIPA
Goal Description:	Create a visual LIPA history to be used in conveying the LIPA story.
End of Year Status	Canceled
Task Completed	History of LIPA project was deferred in 2021 to accommodate work for the Isaias Task Force. Due to competing priorities, the project is now deferred to 2023.
Goal Name	Completion of Underground Tariff Project
Goal Description:	Develop an effective process flow for customers seeking to utilize LIPA's Underground Tariff.
End of Year Status	Complete
Task Completed	Coordinated with PSEG LI to complete a project in Westhampton Beach utilizing the board-approved tariff. A coordinated review was completed on the process flow by which a municipality would engage with LIPA and PSEG LI to use the tariff for an undergrounding project. Process improvements were developed with updated documentation to enhance execution. The Underground Guide was also made more accessible on the PSEG LI website. Hard copies of the guide will be distributed by LIPA to the chief executives of towns, villages, and cities throughout the service territory in 2022.
Goal Name	Develop Educational Programs for JBENC
Goal Description:	Develop educational and informational materials and opportunities to maximize the customer value provided by the Jones Beach Energy and Nature Center.
End of Year Status	Deferred
Task Completed	JBENC project was deferred in 2021 to allow for further clarification of roles and responsibilities at the Energy Center, and to accommodate unplanned work for the Isaias Task Force. An assessment of the current exhibits was started, as well as research on exhibit design to enhance the energy experience and program development to reflecting the changing energy environment. Improvements will be implemented in 2022.
Goal Name	Quarterly Stakeholder Newsletter
Goal Description:	Develop quarterly newsletter to engage stakeholders on important and timely issues and activities related to LIPA's operations.
End of Year Status	Complete
Task Completed	Developed quarterly newsletters on a variety of topics, including the reformed PSEG Long Island contract, and distributed the newsletter through a variety of channels to customers, stakeholders, elected officials, and investors. Quarterly newsletters will be continued going forward as part of stakeholder communication efforts.

APPENDIX A

Department:	Customer Experience
Goal Name	Suffolk County Billing
Goal Description:	Identify potential solutions for key government and large customers such as Suffolk County to have access to consolidated billing data to better manage their costs and energy usage. Solution developed in 2021 with Suffolk county deployment in 2022.
End of Year Status	Complete
Task Completed	Oversaw the development of enhanced billing features for Suffolk County to improve access to billing information and energy data, enhancing the County's ability to manage its energy costs. Development complete. Suffolk County deferred "Go Live" to early 2022.
Goal Name	Customer Offices
Goal Description:	Develop a strategic and executable operational plan for providing modern services to customers in lieu of reopening certain in-person offices closed for more than two years as a result of the COVID-19 pandemic. With the change in customer behavior during the two-year closure, in person office volume will likely remain significantly below pre-pandemic levels. The plan will include a robust communications to customers and process or technology enhancements to facilitate self service payments, cash payments, and restores.
End of Year Status	Complete
Task Completed	LIPA and PSEG LI assessed the need for customer offices and determined an approach with industry best practices for customer service. PSEG LI initiated an increase in pay stations in the community from 120 to almost 500 locations, with availability nationally.
Goal Name	Advanced Consumption
Goal Description:	Improve the advance consumption process to eliminate lost energy, improve the timeliness of billing after move out, and ensure a long term solution exists to bill for all energy used.
End of Year Status	Complete
Task Completed	Reviewed the advance consumption process and made recommendations to improve the process including LIPA enhanced reporting, procedures, automation, and better documentation. Significant reduction of advance consumption backlog from 3,784 in January 2021 to 1,663 in November 2021. Established a PSEG LI 2022 Performance Metric to further reduce backlog to <400 by end of 2022 for advance consumption and unauthorized use.
Goal Name	Theft Handling Process
Goal Description:	Ensure the timely identification, prioritization, and handling of theft events to minimize lost revenue and ensure ability to bill for energy consumed. Project scope will include both back office and field work. AMI use cases except in working the office accounts will be out of scope for this project and will be included in the AMI project scope.
End of Year Status	Complete
Task Completed	Oversaw process improvements by PSEG LI including new reporting, increase in resources to address issues, and procedural changes to reduce unnecessarily and repeat visits to locations, resulting in a reduction in the theft backlog from 358 to 145 incidents.

APPENDIX A

Department:	Finance
Goal Name	Update Financial Policies and Control Objectives
Goal Description:	Identify and update financial policies for new ERP system processes.
End of Year Status	Complete
Task Completed	Reviewed and updated all financial processes and policies to gain efficiencies. The updates support and utilize the new ERP system automated processes and enhanced business reporting. The automated workflow and reporting tools allow for real-time information with less manual intervention.
Goal Name	Evaluate Results of PSEG LI's EV Consultant Study and Determine Next Steps Toward 2025 EV Goal and Long-Term EV Roadmap
Goal Description:	Review the PSEG LI study on charging infrastructure needed to support Long Island's 2025 light-duty ZEV goal and evaluate fleet services programs. Determine any additional steps needed to create a long-term EV roadmap for Long Island.
End of Year Status	Complete
Task Completed	Directed PSEG LI, based on the study results and public comments, to make enhancements or additions to its EV program offerings. The roadmap includes offering fleet advisory services consistent with the PSC's make-ready order, developing a plan to support electrification of municipal transit agencies, adding a dedicated EV interconnection ombudsperson to PSEG LI's staff, developing a long-term electrification plan for the LIPA/ PSEG Long Island fleet, and creating a high-level multi-year roadmap of the utility's EV customer programs and enrollment targets.
Goal Name	Improve Regulatory Tracking And Commenting Process
Goal Description:	Evaluate the opportunities for improvement in PSEG LI's regulatory tracking process and recommend changes which will create efficiencies in the process.
End of Year Status	Complete
Task Completed	Designed a new process for coordination of regulatory and policy advocacy, which will be implemented in 2022. The new process will enhance LIPA's ability to advocate effectively and efficiently for our customer's interests across a broad range of state and federal policymaking venues.
Goal Name	Develop Green Bond Guidelines
Goal Description:	Develop guidelines for when and how green bonds or sustainability bonds should be incorporated into LIPA's processes for planning and issuing bonds.
End of Year Status	Deferred
Task Completed	Researched with the LIPA's financial advisor, disclosure council, and bankers the process and administration of Green Bonds. Completed a preliminary assessment of potential Green Bond projects. This project, along with the Climate Financial Disclosure Project, will be completed in 2022.

APPENDIX A

Department:	Finance
Goal Name	Develop and Implement a Budget Process Improvement Program and a New Budget System
Goal Description:	Review PSEG LI budget development process, make recommendations to strengthen the process in order to ensure department level budgets are aligned with workplans and the decision-making process provides for accountability and transparency. Develop a new Budget Development System that is robust, reliable and supports an enhanced budget process, forecasting, and long-range planning.
End of Year Status	Multi-Year
Task Completed	Board adopted Budget-process improvement recommendations in 2021. LIPA staff directed and coordinated with PSEG LI a new budgeting process to detail resource requirements and work plans to support annual budget development. New process was utilized in the development of the 2022 Budget. Completed system requirements for a new Budget System. The first phase of the new Budget System will be implemented in 2022.
Goal Name	Treasury Operations Process Improvements
Goal Description:	Implement recommendations of 2020 Treasury Management System and Process Assessment and opportunities from the LIPA ERP implementation to improve efficiency within the Treasury functions.
End of Year Status	Multi-Year
Task Completed	Implemented Microsoft Dynamics to allow certain Treasury functions to be improved with automated workflow of invoices. The implementation in 2022 of a Treasury Management System will allow for interfaces with the banking system to achieve additional efficiencies.
Goal Name	Review OPEB Assumptions and End Of Contract Issues
Goal Description:	Analyze Other Post Employment Benefits (OPEB) assumptions and actual cost data to understand the PSEG LI end of contract issues.
End of Year Status	Complete
Task Completed	Reviewed reasonableness of OPEB assumptions used to calculate LIPA's contractual retirement liabilities. Reviewed medical and prescription programs offered to PSEG LI retirees to ensure the most cost effective programs are utilized. Reviewed end of contract transitional issues and impacts to liability and PSEG LI employees if LIPA pursued other business models or service providers.
Goal Name	LIBOR Benchmark Transition
Goal Description:	Convert interest rate swaps that use LIBOR as a benchmark for short-term interest rates to a new benchmark upon the discontinuation of the LIBOR index.
End of Year Status	Deferred
Task Completed	Reviewed LIPA's plans to execute the LIBOR transition with LIPA's swap advisor and financial advisor, and based on industry protocol development, delayed completing the conversion to early 2022.

APPENDIX A

Department:	Finance
Goal Name	Develop and Execute CCA/ESCO Strategy
Goal Description:	Develop and execute a strategy to ensure that the rates LIPA charges Community Choice Aggregation (CCA) and Energy Service Company (ESCO) customers appropriately reflect the cost of serving those customers and are consistent with State policy.
End of Year Status	Complete
Task Completed	Directed and oversaw PSEG LI's development of a proposal to improve Long Island Choice and CCA, which staff jointly presented to stakeholders and the DPS in the Long Island Choice collaborative proceeding. The proposal is responsive to stakeholders and concretely addresses many stakeholder requests, by simplifying Long Island Choice pricing, allowing ESCOs/CCAs to obtain Market Power Supply directly from the wholesale market or generators, making CCA available on same terms as rest of state, and offering consolidated billing. LIPA staff developed a 2022 PSEG LI Performance Metric focused on timely implementation of the LI Choice improvements.
Goal Name	Telecom Attachment Revenue Optimization
Goal Description:	Evaluate PSEG LI's process for managing telecommunication assets and maximizing revenues from such asset attachments.
End of Year Status	Complete
Task Completed	Evaluated PSEG LI's process for managing telecommunication assets and maximizing revenues from such asset attachments. The review concluded that PSEG LI's processes to manage the contracts and assets related to the attachments are effective with a few improved reporting recommendations provided to PSEG LI to implement.
Goal Name	Prepay Transaction
Goal Description:	Obtain approval of a natural gas/electricity prepay transaction from Office of the Attorney General and Office of the State Comptroller and execute transaction for customer savings.
End of Year Status	Delayed
Task Completed	Issued an RFP and the LIPA Board approved executing a transaction based on market conditions. LIPA engaged the OSC on the contract review process. Contract development is in process.
Goal Name	SAP Review for Improved Access
Goal Description:	Review PSEG LI Enterprise Resource Planning System (SAP) for Improved LIPA Access
End of Year Status	Complete
Task Completed	Obtained process documents for a review of available data on SAP and to train LIPA staff. The LIPA Board approved recommendations for PSEG LI data access, which were incorporated into PSEG LI's 2022 Performance Metrics. The purpose of this project will now be fulfilled as part of that metric.
Goal Name	Overtime Operations Review
Goal Description:	Conduct end-to-end comprehensive review of PSEG LI overtime controls and processes to facilitate enhanced controls and adoption of industry best practices.
End of Year Status	Complete
Task Completed	Reviewed PSEG LI timekeeping processes to understand impact on PSEG LI employee overtime. Report with recommendations completed.

APPENDIX A

Department:	Innovation and Information Technology
Goal Name	LIPA Cyber Security Enhancements
Goal Description:	Implement cybersecurity enhancements, including C2M2 recommendations (Wave 2) and Administrative and Technical Controls Phases 1 thru 3.
End of Year Status	Multi-Year
Task Completed	In 2020, LIPA established a 3-year road map to improve cybersecurity for assets directly managed by LIPA so as to achieve NIST-CSF Tier 3. The 2021 work plan was completed, resulting in significant improvements in LIPA's cybersecurity management practices.
Goal Name	PSEG Long Island Cyber Security Review
Goal Description:	Conduct independent review of the PSEG Long Island cybersecurity program, including design, management, and architecture.
End of Year Status	Deferred
Task Completed	LIPA incorporated this requirement into the Second Amended and Restated OSA with PSEG LI. Pursuant to the cyber default metric under the revised contract, LIPA will conduct an independent review of PSEG LI cybersecurity maturity beginning in Q12022 based on the NIST-CSF Framework and develop requirements for PSEG LI to achieve Tier 3 by June 2023.
Goal Name	ERP Modernization and Business Process Improvement Initiative
Goal Description:	Implement Phase II of LIPA's Enterprise Resource Planning System for additional business process improvements.
End of Year Status	Multi-Year
Task Completed	Completed market research on potential IT solutions for Vendor Invoice Presentment & Payment (EIPP) and a Treasury Management System. Completed the system requirements development phase in 2021. In 2022, LIPA will initiate the systems acquisition and implementation.
Goal Name	PSEG LI IT/OT Communication Infrastructure Review
Goal Description:	Conduct an independent review of the PSEG LI information technology and operational technology communication infrastructure, including its design and architecture.
End of Year Status	Canceled
Task Completed	This project was deferred based on Isaias Task Force work in 2021. It is now scheduled for 2023.
Goal Name	Enhance Data Access & Analytics
Goal Description:	Complete strategic roadmap development for Phase I projects for data analytics and begin implementation.
End of Year Status	Multi-Year
Task Completed	The Board adopted recommendations on data access and analytics in 2021, which are now incorporated into PSEG LI's 2022 Performance Metrics. In 2022, LIPA work with PSEG LI to integrate LIPA and DPS' Data Access/Analytics requirements into the PSEG LI roadmap and oversee Phase I implementation.

APPENDIX A

Department:	Innovation and Information Technology
Goal Name	Isaias Task Force
Goal Description:	Comprehensive review of PSEG LI storm performance during Tropical Storm Isaias.
End of Year Status	Multi-Year
Task Completed	Completed a comprehensive review of PSEG LI's performance during Tropical Storm Isaias. The review included 30-day and 90-day reports that identified root causes and made actionable recommendations and three quarterly reports on the implementation of the Board-adopted recommendation. Also, two Options Analysis Reports reviewed alternatives to improve the future management of LIPA's assets, which resulted in the reform of PSEG LI's management and incentive structures and a revised LIPA-PSEG LI contract. In 2022, staff will independently verify and validate (IV&V) PSEG LI's work product and the effectiveness of the remediation and report to the Board quarterly on the status, including the status of the PSEG LI communications and Outage Management System (OMS) remediations.
Goal Name	AMI Advancement Roadmap
Goal Description:	Realize additional benefits of AMI beyond meter reading and incorporate new programs in July 1, 2022 Utility 2.0 filing. Review AMI deployment, the current plans for use of AMI in OMS/storm restoration, customer/billing, and power quality compared to industry. Create a roadmap to achieve full value of AMI with PSEG LI.
End of Year Status	Multi-Year
Task Completed	Validated completion of the 95% meter installation. Reviewed remaining install and capital plans, along with key performance metrics data to develop stretch data-driven 2022 targets and a reduction to capital spending on meter installs and purchases. LIPA launched an in-depth review of the achievements and opportunities from the AMI program in Q12022.
Department:	Internal Audit
Goal Name	Integrate ERM into Internal Audit Plans
Goal Description:	Internal Audit and Enterprise Risk Management will work together to identify the top enterprise risks to LIPA and PSEG LI to develop the 2022 Audit Plan.
End of Year Status	Complete
Task Completed	Internal Audit and Enterprise Risk Management collaborated to ensure that the 2022 Audit Plan includes the top enterprise risks to LIPA and PSEG LI. Internal Audit also worked with T&D Operations and DoIT to ensure a focus on operational audits for 2022.
Goal Name	Fleet Management
Goal Description:	Use data analytics to evaluate PSEG LI's fleet management practices.
End of Year Status	Complete
Task Completed	Developed data analytics scripts utilizing Fleet Vehicle and Equipment files, preventive and corrective maintenance history files, and fuel invoice files. These data analytics scripts will be utilized in reviewing performance of scheduled preventive maintenance, fuel usage outliers, and to create a basis for recommendations for data standardization.
Goal Name	Automated Purchase Card Review
Goal Description:	Create a repeatable Purchase Card exception reporting workflow to analyze 100% of the P-Card transactions monthly.
End of Year Status	Complete
Task Completed	Developed a robotics process automation project to programmatically analyze all P-Card and Storm Card purchases by PSEG LI employees to identify purchases requiring further investigation.

APPENDIX A

Department:	Legal
Goal Name	Complete LIPA-LILCO Merger
Goal Description:	Complete the 1997 LIPA-LILCO Merger to streamline LIPA's legal and financing structure.
End of Year Status	Multi-Year
Task Completed	In 2020, LIPA completed "springing lien" amendments to its bond indenture to facilitate the consolidation of LIPA and LILCO upon bondholder consent (estimated to be achieved in late 2022 or early 2023). In 2021, LIPA reviewed the original merger agreements, developed a recommendation to streamline and update documentation to eliminate LILCO references, and successfully sought an IRS Private Letter Ruling to ensure that the LIPA-LILCO merger would not have tax consequences. In 2022, LIPA will proceed with due diligence so as to finalize the consolidation upon bondholder consent.
Goal Name	Enterprise Document and Records Management System
Goal Description:	Deploy an enterprise document and records management system that integrates record retention policies across LIPA.
End of Year Status	Multi-Year
Task Completed	Issued RFP and completed vendor selection. Phase I of the implementation of the document management system is in progress and will be completed in 2022. Incorporated PSEG Long Island's adoption of the LIPA document management system into the Second Amended and Restated OSA, which will be implemented in Phase II of the project.
Goal Name	Property Taxes on Substations
Goal Description:	Create a process to annually monitor and grieve excessive PILOTs on substations and take legal steps when necessary.
End of Year Status	Multi-Year
Task Completed	Filed challenges on selected over-assessed substations. Commencing settlement meetings with assessors, where appropriate. Incorporated development of necessary reporting into PSEG Long Island's 2022 Performance Metrics. LIPA project will continue in 2022 to evaluate staff, data, and resource needs.
Goal Name	Case Management System
Goal Description:	IT, Rates, and Legal to work together to adopt a platform for LIPA and its service provider to house interrogatory requests (IRs) and document requests and responses.
End of Year Status	Multi-Year
Task Completed	Implemented a Smartsheet-based system for tracking information requests and incorporated timely responses into 2022 PSEG Long Island Performance Metrics. Developed an RFP and selected a vendor for a case management system; however, needs are being re-assessed based on the development of a new document management system.

APPENDIX A

Department:	Power Supply Oversight
Goal Name	Integrated Resource Plan
Goal Description:	Oversee update of the 20-year Integrated Resource Plan.
End of Year Status	Multi-Year
Task Completed	Developed IRP scope and held public comment hearings. Board approved scope. Identified initial scenarios to be analyzed based on Board-approved IRP scope. Incorporated the IRP into 2022 PSEG LI Performance Metrics.
Goal Name	PSM/FM Metric Review and Benchmark Study
Goal Description:	Assess Power Supply Management and Fuel Management Metrics against industry best practices and identify desired changes.
End of Year Status	Complete
Task Completed	Benchmarked metrics to industry practices and negotiated revisions to ER&T metrics for 2022.
Goal Name	Manage LIPA/PSEG Participation in the PSC's T&D Planning and Public Policy Transmission Planning Proceedings
Goal Description:	Manage LIPA/PSEG participation in the Public Service Commission's T&D Planning and Public Policy Transmission Planning proceedings, providing policy and strategic guidance on cost/benefit analysis and cost allocation.
End of Year Status	Multi-Year
Task Completed	Submitted, along with the other utilities, a proposal to PSC for local transmission planning process. Submitted petition to PSC for rehearing on Public Policy Transmission Needs cost allocation for Long Island offshore wind. Commenced review of interconnection proposals for public policy projects.
Goal Name	Battery Storage Roadmap
Goal Description:	Develop a battery storage roadmap for LIPA's share of New York State's energy storage goals (1,500 MW statewide by 2025 and 3,000 MW by 2030) and oversee establishment and implementation of plans for meeting LIPA's resulting 2025 goal (approx. 200 MW by 2025).
End of Year Status	Multi-Year
Task Completed	Issued RFP and commenced evaluation of proposals. Incorporated necessary RFP analysis into 2022 PSEG LI Performance Metrics.



APPENDIX A

Department:	Senior Advisor for Oversight
Goal Name	Use of Excess Sandy FEMA Grant Funds
Goal Description:	Seek approval for the use of the excess FEMA Sandy grant funds for storm hardening.
End of Year Status	Complete
Task Completed	Submitted in August a request to FEMA to apply a portion of the Underrun of Funds to additional hardening projects on 19 circuits. There remains approximately \$11 million after completion of the 19 circuits for future work based upon the latest Estimate at Completion as provided by PSEG LI.
Goal Name	FEMA Isaias Reimbursement
Goal Description:	Oversee the preparation of the Tropical Storm Isaias FEMA grant application by PSEG Long Island to ensure timely application, appropriate support, and eventual FEMA recovery.
End of Year Status	Multi-Year
Task Completed	Reviewed the majority of the costs that have been submitted or will be submitted in the near term in accordance with a new FEMA protocol for storm cost submittals. To date, LIPA has received funding from its first submission for environmental spill clean up services. LIPA expects to be reimbursed PSEG Labor and burdens during the first quarter of 2022 (75% of \$28 million). LIPA identified areas for improvement to the processes being employed currently by PSEG LI.
Goal Name	Lead the LPPC Investor Conference
Goal Description:	Lead a successful Investor Conference for the Large Public Power Council in New York City.
End of Year Status	Multi-Year
Task Completed	Led the planning for the 2021 LPPC virtual meeting co-hosted with Standard and Poor's rating agency. The meeting was attended by approximately 200 investors. The in-person meeting was deferred to 2022 due to the COVID-19 pandemic.
Goal Name	Update LIPA Storm Invoice Review Procedures for FEMA Compliance
Goal Description:	Review and update LIPA storm invoice review procedure for FEMA compliance and evaluate effectiveness of storm invoice process, including additional improvement opportunities.
End of Year Status	Delayed
Task Completed	Updated LIPA's Storm Invoice Review Policy to reflect deficiencies noted during the review of Tropical Storm Isaias invoice packages provided by PSEG LI. During this update, LIPA determined it was appropriate to develop additional Contract Administration Management documents to further define the processes, which is ongoing in 2022.
Goal Name	Opportunities for Storm Mitigation Funding
Goal Description:	Apply for additional storm mitigation funding.
End of Year Status	Complete
Task Completed	Submitted to FEMA two separate mitigation opportunities during 2021, a 404 Grant seeking \$3.5 million to storm harden 3 transmission crossing over major roadways, including the Southern state Parkway, the Seaford Oyster Bay Expressway and Route 354. The 404 grant is a competitive application process and the total available statewide is limited to 10% of the state-wide damages incurred as a result of Tropical Storm Isaias. The 2nd grant is a 406 mitigation application seeking \$300+ million to harden three phase overhead facilities and mainline backyard facilities. FEMA will determine the outcome of these applications in 2022.

APPENDIX A

Department:	T&D Oversight
Goal Name	Improve PSEG LI Interconnection Process for Distributed Resources
Goal Description:	Research best practices for Distributed Energy Resource interconnection processes. Streamline Small Generator Interconnection Procedures (SGIP) by simplifying into user friendly format targeted to stakeholders. Provide transparency on the steps in the SGIP process for stakeholders. Establish an escalation process that is transparent for stakeholders as well as PSEG LI, DPS and LIPA. Establish procedure for measuring customer/contractor satisfaction for this process.
End of Year Status	Complete
Task Completed	LIPA Board approved SGIP recommendations in 2021, which were incorporated into 2022 PSEG LI Performance Metrics.
Goal Name	Analytical Assessment of Emergency Response
Goal Description:	Develop metrics for analysis of emergency response effectiveness and implement oversight process improvements, including analytical assessments.
End of Year Status	Complete
Task Completed	Developed processes and tools to evaluate and compare storm restoration performance. Restoration activities will be reviewed after each storm to trend improvements or needed improvements.
Goal Name	Storm Hardening Business Case Evaluation
Goal Description:	Evaluate hardening strategy and alternatives and establish the plan for expenditures through 2025.
End of Year Status	Complete
Task Completed	Board adopted storm hardening and vegetation management recommendations, which were incorporated into 2022 PSEG LI Performance Metrics, including several pilots that will be evaluated at year end. Additional vegetation management was identified and funded through a budget amendment in 2021 and continued into 2022.
Goal Name	Climate Change Study
Goal Description:	Identify impacts of climate change on design, normal and extreme weather references and corresponding impacts on generation and transmission assets and resource needs.
End of Year Status	Multi-Year
Task Completed	Reviewed the climate study technical report and the development of the RFP for the climate study is in process to be issued in 2022.
Goal Name	Management of LIPA Properties and Facilities
Goal Description:	Evaluate National Grid properties to optimize ownership versus leasing of various sites.
End of Year Status	Multi-Year
Task Completed	The third party consultant completed and presented a review of the National Grid facilities. The study recommendations were reviewed and discussions regarding owning vs leasing are ongoing. This project was incorporated into 2022 PSEG LI Performance Metrics.

2022 WORK PLAN PROJECTS

APPENDIX B

Business Performance Excellence	
Title:	Operationalize Enterprise Risk Management and IV&V of 2022 PSEG Long Island ERM Report Metric
Objective:	Integrate ERM analysis into the prioritization of resources (staffing, budgets, capital expenditures, Performance Metrics, Work Plans). IV&V of 2022 PSEGLI BS-1 ERM Report Metric. Develop 2023 PSEG LI ERM Performance Metrics.
Board Policy:	Enterprise Risk Management
PSEG Long Island Performance Metrics:	BS-1: ERM Report
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Jessica Dehnert
Title:	LIPA Enterprise Risk Management Key Risk Indicators and IV&V of 2022 PSEGLI ERM KRI Metric
Objective:	Review existing LIPA-managed Key Risk Indicators, their cadence, and reporting mediums; develop KRIs for three additional LIPA-managed risks. IV&V of 2022 PSEGLI BS-2: ERM Key Risk Indicators Metric.
Board Policy:	Enterprise Risk Management
PSEG Long Island Performance Metrics:	BS-2: ERM KRIs
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Jessica Dehnert
Title:	IV&V of PSEGLI Contract Administration Manual Metric
Objective:	Improve the Contract Administration Manual (CAM) governance, maintenance, and update processes by ensuring PSEG LI appoints a single dedicated lead responsible for all CAM matters. Ensure adherence to the stipulations of Metric BS-6 so that all open CAMs are completed in an organized and expeditious manner.
Board Policy:	Strategic Planning and Oversight
PSEG Long Island Performance Metrics:	BS-6: CAM Completion
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Michael Quinn

APPENDIX B

Business Performance Excellence	
Title:	Development of Strategic Roadmaps
Objective:	Develop 5-year Strategic Roadmaps that advance the Board's Policies for Transmission and Distribution, Customer Experience, Information Technology, Finance, and Oversight, which will form the basis of future (2023 forward) Work Plans, Budgets, and Performance Metrics. Initiate 5-year Strategic Roadmaps for 2023 for power supply, clean energy programs, business services, human resources, procurement, external affairs and communications, and legal.
Board Policy:	Strategic Planning and Oversight
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Tamela Monroe
Project Manager:	John Little

Customer Experience	
Title:	IV&V of 2022 PSEG LI Customer Information System Modernization Metric
Objective:	IV&V of 2022 PSEG LI CIS Modernization Metric (CS-4). Complete the planning and acquisition of a modern Customer Information System (CIS) capable of effective and efficient customer transactions. Completed contract for system solution and system integrator with a detailed implementation plan. Develop 2023 PSEG CIS Modernization Metrics and 2023 budget
Board Policy:	Customer Experience
Information Technology and Cyber Security	Carryover: Brand Strategy
PSEG Long Island Performance Metrics:	CS-4: CIS Modernization
Executive Sponsor:	Mujib Lodhi
Project Manager:	Carolyn MacKool

APPENDIX B

Customer Experience	
Title:	Review of PSEG LI Advance Metering Infrastructure Implementation and Develop 2023 Metrics
Objective:	<ol style="list-style-type: none"> 1. Validate reported savings for 2018 to 2021 for meter reading, billing, outage & restoration, and customer engagement. 2. Validate reported expenses for the customer engagement category. 3. Perform a interface design assessment of current state and 2022 planned upgrades versus industry best practices for OMS, CAS, Gridx, portals. 4. Determine the effectiveness of the meter inventory management process given the new infrastructure including reorder points, returns for warranty, reuse vs. scrapping, and physical inventory counts. Analyze changes in meter inventory requirements in the new AMI environment to align the budget for 2023-2028. 5. Validate that the manual meter reading process and the system were properly updated to generate the appropriate work (opt-out & non-responding AMI) and fees (opt-out & Meter removal). 6. Review RTM, test cases, and design for the field disconnect process, theft identification, advanced consumption, mobile app build out for AMI data, transformer replacement, load forecasting, and TOU. 7. Develop 2023 PSEG LI Performance Metrics related to AMI.
Board Policy:	Customer Experience
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Mujib Lodhi
Project Manager:	Carolyn MacKool
Title:	IV&V of 2022 PSEG LI Advanced Consumption Metric
Objective:	IV&V of 2022 PSEG LI Advanced Consumption Metric CS-8, including validate that advance consumption cases are being closed correctly and in a timely fashion and that improved performance will be sustained. Determine the appropriate staffing level to sustain timely closing of advanced consumption cases. Determine 2023 PSEG LI Advanced Consumption Metrics, if appropriate.
Board Policy:	n/a
PSEG Long Island Performance Metrics:	CS-8: Unauthorized Use / Adv. Consumption
Executive Sponsor:	Mujib Lodhi
Project Manager:	Adam D'Amato
Title:	IV&V of 2022 PSEG LI Collections Metrics
Objective:	IV&V of metric scorecard data accuracy for the following quantitative metrics in Collections: CS-14 net write-offs, CS-15 Accounts receivable aging > 90 days past due, and CS-16 days Sales Outstanding. Develop 2023 PSEG LI Performance Metrics related to collections.
Board Policy:	n/a
PSEG Long Island Performance Metrics:	CS-14: Net Write-Offs CS-15: Accounts Receivable Aging > 90 Days CS-16: Days Sales Outstanding

APPENDIX B

Customer Experience	
Executive Sponsor:	Mujib Lodhi
Project Manager:	Adam D'Amato
Title:	IV&V of 2022 PSEG LI Quantitative Call Center & Billing Metrics
Objective:	IV&V metric scorecard data accuracy to the source data for the following quantitative metrics in the Call Center & Customer Billing: CS-6 Billing - Inactive Accounts Long term Estimates, CS-7 Billing Active Accounts Long Term Estimates, CS-9 Billing Exception Cycle Time, CS-10 Billing Cancel Rebill, CS-11 Contact Center Service Level with Live Agent Calls, CS-12 Customer Email Closure Rate, CS- 13 First Call Resolution, and CS-19 DPS Customer Complaint Rate. Develop 2023 PSEG LI Performance Metrics related to the call center and billing.
Board Policy:	Customer Experience
PSEG Long Island Performance Metrics:	CS-6: Billing - Inactive Accounts LTEs CS-7: Billing - Active Accounts LTEs CS-9: Billing Exception Cycle Time CS-10: Billing - Cancelled Rebill CS-11: Contact Center SLA w/ Live Agent CS-12: Customer E-mail Closure Rate CS-13: First Call Resolution CS-19 DPS Customer Complaint Rate
Executive Sponsor:	Mujib Lodhi
Project Manager:	Carolyn MacKool
Title:	Review Gaps to Best Practices of Leading JD Power Utilities and IV&V of 2022 PSEG LI JD Power Metrics
Objective:	IV&V of 2022 PSEG LI JD Power Metrics CS-2 and CS-3, including insights on PSEG LI's performance and PSEG LI initiatives to improve customer satisfaction as measured by JD Power. Ownership of JD Powers components by the organization driving the impact. Integrate JD Power Residential and Business best practice recommendations and gaps to leading companies into LIPA's 5-Year Customer Experience Roadmap and 2023 PSEG LI Metrics proposals.
Board Policy:	Customer Experience
PSEG Long Island Performance Metrics:	CS-2: JD Power - Residential CS-3: JD Power - Business
Executive Sponsor:	Mujib Lodhi
Project Manager:	Sarah Mandli

APPENDIX B

Customer Experience	
Title:	IV&V of 2022 PSEG LI Customer Transactional Performance Metric
Objective:	IV&V of 2022 PSEG LI Customer Transactional Performance Metric (CS-5). Evaluate PSEG Long Island analysis, proposed channel and process changes, and technology solution recommendation for five (5) transactions (Payment, Billing, Outage, move-in/move out, and deferred payment agreements) to confirm gaps are documented, understood, and the 5-year roadmap efforts and budget are aligned to guide customers to low-cost, high first call resolution self-service channels and only selectively offer assisted channels. Close-out the customer office long-term plan. Understand how low-income and disadvantaged communities results differ from the broader residential population. Develop 2023 PSEG LI Customer Transactional Performance Metrics.
Board Policy:	Customer Experience
PSEG Long Island Performance Metrics:	CS-5: Customer Transactional Performance
Executive Sponsor:	Mujib Lodhi
Project Manager:	Sarah Mandli
Title:	Enhance PSEG LI's Tracking of Accounts Receivable
Objective:	<ol style="list-style-type: none"> Oversee the improvement and correct all identified deficiencies in the data tracked and reported by PSEG LI: <ol style="list-style-type: none"> by the aging bucket for payments received, aging of accounts receivable, collection activities, and write-offs; separated by customer segment (with additional details on significant industry groups with the commercial sector) and accounts status (active and inactive receivables). Verify that PSEG LI properly identified the significant operational drivers of accounts receivables and write-off by customer class and account status to determine how operational changes impact the end performance. Confirm that significant drivers are incorporated into the model forecast. Review key operational tactics for effectiveness including business rules for the following items: deposits, deferred payment agreements, restore after locking for non-payment, field collection procedures, and inactive account collection activities. Validate the methods to establish the reserve for uncollectible revenues and the projection of bad debt expense that reflect industry best practices and meet the requirements of LIPA's external auditors. Develop 2023 metrics for DSO, AR>90, and net write-offs based on the associated model and project findings.
Board Policy:	Customer Experience
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Mujib Lodhi
Project Manager:	Bob Cooke

APPENDIX B

Customer Experience	
Title:	IV&V of 2022 PSEG LI Strategic Customer Experience and Billing Projects
Objective:	IV&V of 2022 PSEG LI Strategic Customer Experience and Billing Projects (CS-1), including AMI service disconnection, AMI theft detection, chat optimization study, new bill print vendor, new credit card vendor, mobile app enhancement, and Kubra enhancement. Develop 2023 PSEG LI strategic customer projects based on insights from 2022 and largest opportunities to enhance customer experience.
Board Policy:	Customer Experience
PSEG Long Island Performance Metrics:	CS-1: Customer Experience and Billing Projects
Executive Sponsor:	Mujib Lodhi
Project Manager:	Carolyn MacKool

External Affairs & Communications	
Title:	Create LIPA's Brand Strategy
Objective:	Develop a well defined, research-based, long-term brand strategy to enhance LIPA's reputation and give clarity to LIPA's role on Long Island and the Rockaways. The brand strategy should encompass our values and define the personality of the LIPA brand, our central messages to customers, current and prospective employees, investors, and stakeholders, and the tools that will be used to communicate to each stakeholder group. Develop KPIs to measure the success of LIPA's brand strategy with customers, employees, investors, and stakeholders.
Board Policy:	LIPA's Purpose and Vision
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Thomas Falcone
Project Manager:	Jennifer Hayen
Title:	Enhance LIPA's Social Media Presence
Objective:	Enhance LIPA's online presence and reinforce its brand strategy through the use of social media tools; inform customers and stakeholders about LIPA in a customer-friendly medium; develop social media KPIs to measure and track improvements; have tools and staffing in place to respond to health and safety issues raised via social media during emergencies.
Board Policy:	Values of Responsiveness and Integrity
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Thomas Falcone
Project Manager:	Jennifer Hayen

APPENDIX B

External Affairs & Communications	
Title:	Prepare for the Legislative Commission on the Future of LIPA
Objective:	Research and prepare a report on the Legislative Commission's scope not covered in LIPA's prior Options Analysis, including the governance models of the other large public power utilities, local election models, employment practices, retirement benefit practices, powers required to effectively operate the utility, executive compensation, taxation and PILOTs, role of the public service commission, and the special needs of communities impacted by siting power plants.
Board Policy:	n/a
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Thomas Falcone
Project Manager:	Thomas Locascio
Title:	IV&V of 2022 PSEG LI Government and Legislative Affairs and Project Outreach Metrics
Objective:	IV&V of 2022 PSEG LI External Affairs Metrics for Government and Legislative Affairs (BS-16) and Project Outreach (BS-17).
Board Policy:	Strategic Planning and Oversight
PSEG Long Island Performance Metrics:	BS-16: Gov't and Legislative Affairs BS-17: Project Outreach
Executive Sponsor:	Thomas Falcone
Project Manager:	Thomas Locascio
Title:	IV&V of 2022 PSEG LI Customer Segmentation and Media Metrics
Objective:	IV&V of 2022 PSEG LI Performance Metrics BS-18: Customer Segmentation; BS-19: Reputation Management - Positive Media Sentiment; and BS-20: Reputation Management - Share of Voice.
Board Policy:	Strategic Planning and Oversight
PSEG Long Island Performance Metrics:	BS-18: Customer Segmentation BS-19: Positive Media Sentiment BS-20: Media Share of Voice
Executive Sponsor:	Thomas Falcone
Project Manager:	Jennifer Hayen
Title:	Update Jones Beach Energy & Nature Center Exhibits
Objective:	Create engaging and informative exhibits and educational content for the energy side of the Jones Beach Energy & Nature Center. Develop KPIs to measure and monitor project success.
Board Policy:	Economic Development and Community Engagement
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Thomas Falcone
Project Manager:	Thomas Locascio

APPENDIX B

External Affairs & Communications	
Title:	Improve Double Wood Pole Removal and IV&V of 2022 PSEG LI Double Wood Pole Metric
Objective:	Develop specific recommendations and a set of 2023 PSEG LI Performance Metrics to achieve a coordinated and accurate system of record to account for double wood poles, an accurate inventory of double wood poles, a comprehensive plan to reduce the backlog of such poles over a reasonable number of years, a plan for maintaining accurate and current records related to new double pole conditions, and enforcement of timely compliance of double wood pole removal. IV&V of 2022 PSEG LI T&D:40 Double Wood Poles Metric.
Board Policy:	Transmission & Distribution Operations
PSEG Long Island Performance Metrics:	T&D-40: Double Wood Poles
Executive Sponsor:	Thomas Falcone
Project Manager:	Thomas Locascio
Title:	Coordinate with State Officials and National Grid to Preserve LIPA Utility Corridors at Shoreham
Objective:	Complete LIPA's acquisition of portions of the Shoreham property from National Grid. The New York State Legislature passed a law in 2019 designating National Grid property around the Shoreham site core preservation area. The State has yet to close on the transaction. Legislation is necessary to allow for the corridors to be excluded from the Core Preservation Area, prior to NYS closing on the transaction, as was contemplated at the time the bill was passed.
Board Policy:	n/a
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Thomas Falcone
Project Manager:	Thomas Locascio

APPENDIX B

Finance	
Title:	PSEG LI Overtime Process Review and IV&V of 2022 PSEG LI Employee Overtime
Objective:	Improve Overtime processes. In 2022, LIPA will require PSEG LI to develop a Project Implementation Plan (PIP) that outlines the schedule to implement LIPA's consultant recommendations on PSEG LI's management of overtime. LIPA will review and approve the PSEG LI PIP as well as monitor and validate implementation. The PIP will need to conform to the consultant recommendations and address if a recommendation complements an existing metric (T&D Metric #17 Work Management Enhancements, #18 Workforce Management Plans, #19 Improve Planning and Tracking of Work, #21 Work Management KPIs and Dashboards, and #23 Employee Overtime). IV&V 2022 PSEG LI Employee Overtime Metric T&D-23, including understanding underlying data and PSEG LI's actions to meet the metric and manage overtime. Develop 2023 PSEG LI Overtime Metrics based on insights from 2022.
Board Policy:	Customer Value & Affordability
PSEG Long Island Performance Metrics:	T&D-23: Employee Overtime
Executive Sponsor:	Tamela Monroe
Project Manager:	Gerry Ring
Title:	IV&V of 2022 PSEG LI Affiliate Cost Benefit Justification Metric
Objective:	In accordance with approved Project Implementation Plan (PIP) PSEG LI will submit to LIPA for review and approval a benefit-cost analysis (BCA) for Human Resources (HR) and Information Technology (IT) affiliate services. Further, if justified by the BCA, PSEG LI shall develop alternative sourcing plans for securing the services. This project will entail monitoring and reviewing the PSEG LI analysis and making recommendation, if deemed necessary. This project will ensure the appropriate and efficient use of Affiliate Services to supplement or substitute for inhouse or third party Long Island based services.
Board Policy:	Customer Value & Affordability
PSEG Long Island Performance Metrics:	BS-7: Affiliate Cost Benefit Justification
Executive Sponsor:	Tamela Monroe
Project Manager:	Gerry Ring
Title:	Review Substation Property Tax Book Value Reporting and IV&V of 2022 PSEG LI Substation Property Tax Metrics
Objective:	Validate the accuracy of substation data used in RCNLD reporting for property tax valuation purposes. IV&V of 2022 PSEG LI BS-9: Substation Property Tax Report and BS-10: Substation Property Tax Module Metrics. Develop 2023 PSEG LI Performance Metrics related to substation taxes, as necessary
Board Policy:	Taxes and PILOTs
PSEG Long Island Performance Metrics:	BS-9: Substation Property Tax Report BS-10: Substation Property Tax Module Plan
Executive Sponsor:	Tamela Monroe
Project Manager:	Donna Mongiardo

APPENDIX B

Finance	
Title:	Complete LIBOR Interest Rate Swap Transition
Objective:	Complete LIBOR transition to conform to new regulations.
Board Policy:	Debt and Access to the Credit Markets
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Tamela Monroe
Project Manager:	Vinay Dayal
Title:	Issue Green Bonds
Objective:	Establish a program to regularly issue Green Bonds to fund sustainability and climate goals.
Board Policy:	Debt and Access to the Credit Markets
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Tamela Monroe
Project Manager:	Vinay Dayal
Title:	Deploy a Residential Time of Day Rate to All Customers
Objective:	Establish Time of Day rates as the “standard” for residential customers by January 2024. The Project will include establishment of a roadmap that encompasses: the stakeholder review process; TOD rate design to be approved by the LIPA board in December 2022 with opt-out provisions; alternative designs of the Customer Benefit Charge; customer enrollment outreach and marketing; and IT tools necessary to assist customers in understanding and saving money with time of day rates and to perform all the required billing functions. The project will also develop and receive approval to implement and enforce 2023 PSEG LI Performance Metrics related to the new TOD rate that support and reinforce the goals and obligations related to the new opt-out rate structure.
Board Policy:	Customer Value & Affordability
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Tamela Monroe
Project Manager:	Justin Bell
Title:	IV&V of 2022 PSEG LI Low-to-Moderate Income Metrics
Objective:	IV&V of 2022 PSEG LI Low-to-Moderate Income Metrics CS-17 (Program Participation) and CS-18 (Program Automation). Review the methods by which PSEG LI expands the LMI participation rate in 2022. Automate the process by which PSEG LI identifies and enrolls eligible customers in LMI discounts for at least one county, as required by Metric CS-18. Develop LMI Performance Metrics for 2023.
Board Policy:	Customer Value & Affordability
PSEG Long Island Performance Metrics:	CS-17: LMI Program Participation CS-18: LMI Program Automation
Executive Sponsor:	Tamela Monroe
Project Manager:	Mark Smith

APPENDIX B

Finance	
Title:	Review of Energy Efficiency Program Priorities and Potential and IV&V of 2022 PSEG LI Energy Efficiency Metric
Objective:	IV&V of 2022 PSEG LI PS&CE-3: Energy Efficiency Metric, including insights into methods used to meet the target for 2022. Independent review of Energy Efficiency Programs and achievable potential to establish proposed 2023 Energy Efficiency Plan Metrics and Integrated Resource Plan assumptions that (1) reflect LIPA's strategic priorities; and (2) are sufficiently aggressive to incentivize above-average performance within budgets.
Board Policy:	Resource Planning and Clean Energy
PSEG Long Island Performance Metrics:	PS&CE-3: Energy Efficiency Plan Savings
Executive Sponsor:	Tamela Monroe
Project Manager:	Justin Bell
Title:	Execute an Energy Prepay Transaction for Savings
Objective:	Execution of authorized prepay transactions to reduce power supply costs.
Board Policy:	Customer Value & Affordability
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Tamela Monroe
Project Manager:	Vinay Dayal
Title:	Review LIPA and PSEG LI Rates and Tariffs Staffing
Objective:	Complete a rates and tariffs staffing benchmarking study to understand gaps in PSEG LI and LIPA rates and tariffs staffing. Use study results to develop staffing plan and recommendations for future budget cycles.
Board Policy:	Customer Value & Affordability
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Tamela Monroe
Project Manager:	Justin Bell
Title:	IV&V of 2022 PSEG LI Capital Project Impact Analysis Metric
Objective:	IV&V of 2022 PSEG LI Capital Project Impact Analysis Metric. Oversee PSEG LI development of Capital Project Impact Analysis, including an assessment of discernable O&M impacts and qualitative impacts, such as customer benefits and enhanced system reliability for applicable capital projects. The analysis should include a framework for conducting a quantitative analysis and documenting qualitative benefits.
Board Policy:	Customer Value & Affordability
PSEG Long Island Performance Metrics:	BS-8: Capital Project Impact Analysis
Executive Sponsor:	Donna Mongiardo
Project Manager:	Gerry Ring

APPENDIX B

Finance	
Title:	IV&V of 2022 PSEG LI Tariff Metrics
Objective:	IV&V of 2022 PSEG LI BS-11: Long Island Choice, PS&CE-8: TOU - Space Heating and Large Commercial, and PS&CE-9 TOU - 1-Year Marketing Metrics. Develop 2023 PSEG LI Tariff Performance Metrics.
Board Policy:	Resource Planning and Clean Energy
PSEG Long Island Performance Metrics:	BS-11: Long Island Choice Reform BS-12: AMI Opt Out Fees PS&CE-8: TOU - Space Heating / Large Com. PS&CE-9: TOU - Year 1 Marketing
Executive Sponsor:	Tamela Monroe
Project Manager:	Justin Bell

Innovation and Information Technology	
Title:	LIPA ERP Modernization and Business Process Improvement Initiative
Objective:	Implement Phase II of LIPA's Enterprise Resource Planning System Enhancements (Account Payable, Treasury Management, Procurement - Business Process Improvements). Complete the finance department end-to-end Business Process Improvement (BPI) initiative, including Account Payable, Treasury Management and Procurement. In partnership with the CFO, identify business process improvement and automation opportunities to enhance business performance.
Board Policy:	Information Technology and Cyber Security
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Mujib Lodhi
Project Manager:	Minchy Shaw
Title:	IV&V of 2022 PSEG LI Data Access & Analytics Metric
Objective:	IV&V of 2022 PSEG LI IT-6: System Implementation - PIP Metric related to development of a Standardized Data Access and Analytics Platform to provide effective centralized access to organization-wide data to facilitate PSEG LI's decision-making as well as LIPA and DPS' oversight. The Standardized Platform will provide PSEG LI management, LIPA, and DPS effective access to PSEG LI financial, operational, and performance data. PSEG LI will develop a Standardized Data Access Platform consisting of an enterprise-wide data warehouse, a broader data lake, and provisioning and development of tools to support reporting and analytics. Develop 2023 PSEG LI Metrics related to data access and analytics.
Board Policy:	Information Technology and Cyber Security
PSEG Long Island Performance Metrics:	IT-6: System Impl. - PIPs
Executive Sponsor:	Mujib Lodhi
Project Manager:	Shonali Wadhwani

APPENDIX B

Innovation and Information Technology	
Title:	LIPA Deployment of an Enterprise Document and Records Management System
Objective:	<p>Simplify and automate LIPA's management, retention and disposition of records in compliance with NYS and federal requirements, including a common platform with PSEG LI in accordance with the 2nd A&R OSA.</p> <p>Wave 1: Complete, test and go live on Board documents, procurement, and PIPs by Q2. Complete phased-in implementation for rest of LIPA departments by end of 2022.</p> <p>Wave 2: IT and Legal to develop approach and scope to expand EDRMS to include PSEG LI maintained records. Develop 2023 PSEG LI Performance Metrics related to utilization of the LIPA EDRMS.</p>
Board Policy:	Information Technology and Cyber Security
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Mujib Lodhi
Project Manager:	Shonali Wadhwani
Title:	Conduct a Smart Grid Maturity Model Assessment
Objective:	<p>Assess the current state of grid technology implementation, define the future state's goals, and perform gap analysis to support the development of effective roadmaps, performance metrics, track progress, and benchmarking against other peers. Develop 2023 PSEG LI Performance Metrics related to improving LIPA's SGMM assessment consistent with the Board's IT Policy.</p>
Board Policy:	Information Technology and Cyber Security
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Mujib Lodhi
Project Manager:	Kenn Bengtsson
Title:	IV&V of Isaias Task Force Recommendations
Objective:	<p>Oversee PSEG LI implementation of corrective actions and independently verify and validate (IV&V) the work product and the effectiveness of the remediations and report to the Board quarterly on the status of each of the Isaias Task Force Project Implementation Plans (PIPs) as well as the status of the PSEG LI communications and Outage Management System (OMS) recommendations.</p>
Board Policy:	N/A
PSEG Long Island Performance Metrics:	IT-6: System Impl. - PIPs
Executive Sponsor:	Mujib Lodhi
Project Manager:	Osman Ahmad

APPENDIX B

Innovation and Information Technology	
Title:	LIPA Cybersecurity Enhancements
Objective:	Implement cybersecurity initiatives identified in 2020 roadmap to enhance LIPA's cybersecurity to NIST-CSF Tier 3.
Board Policy:	Information Technology and Cyber Security
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Mujib Lodhi
Project Manager:	Brian Rudowski
Title:	IV&V of PSEG LI Cyber Security Default Metric
Objective:	IV&V of PSEG LI Cybersecurity maturity based on NIST-CSF Framework and develop requirements for Second A&R OSA Cyber Default Metrics of Tier 3 by June 2023. Develop 2023 PSEG LI Cybersecurity Performance Metrics.
Board Policy:	Information Technology and Cyber Security
PSEG Long Island Performance Metrics:	IT-Default: Cyber Security Default Metric
Executive Sponsor:	Mujib Lodhi
Project Manager:	Kenn Bengtsson
Title:	IV&V of 2022 PSEG LI Enterprise Asset Management System Metric
Objective:	IV&V of 2022 PSEG LI T&D-3: EAMS Implementation Metric by completing the planning and acquisition of a full-fledged Enterprise Asset Management System (EAMS) that can plan, schedule, and track all asset, work, maintenance (PM, PdM, CM) and inventory activities, including work order originator, specific assets, failure, cause, parts, materials, supplies, crew time, fleet and equipment used, and contractor and other costs on all LIPA assets (Inside Plant and Outside Plant). Develop 2023 PSEG LI EAMS Performance Metrics.
Board Policy:	Asset Management
PSEG Long Island Performance Metrics:	T&D-3: AM - EAMS Implementation Plan
Executive Sponsor:	Mujib Lodhi
Project Manager:	Osman Ahmad
Title:	IV&V of 2022 PSEG LI IT Organizational Maturity Metrics
Objective:	IV&V of 2022 PSEG LI IT Organizational Maturity Level Metrics IT-1: Doing and IT-2 Managing, including Product Integration, Technical Solution, Peer Reviews, Process Quality Assurance, Requirement Development and Maintenance, Verification and Validation and Supplier Agreement Management, Risk Management, Organizational Training, Estimating, Monitor and Control, and Planning. Develop 2023 PSEG LI IT Organization Maturity Performance Metrics.
Board Policy:	Information Technology and Cyber Security
PSEG Long Island Performance Metrics:	IT-1: Org. Maturity - Doing IT-2: Org. Maturity - Managing
Executive Sponsor:	Mujib Lodhi
Project Manager:	Shonali Wadhvani
Title:	IV&V of 2022 PSEG LI IT System Resiliency Metric

APPENDIX B

Innovation and Information Technology	
Objective:	IV&V of PSEG LI 2022 IT System Resiliency Metric IT-3, including critical systems (Wave 1, 2 and 3), have updated and LIPA-approved Disaster Recovery and Business Continuity Plans and are successfully exercised and Verified by LIPA SMEs. Develop 2023 PSEG LI IT System Resiliency Performance Metrics.
Board Policy:	Information Technology and Cyber Security
PSEG Long Island Performance Metrics:	IT-3: IT System Resiliency
Executive Sponsor:	Mujib Lodhi
Project Manager:	Kenn Bengtsson
Title:	IV&V of 2022 PSEG LI System Software Lifecycle Management Metric
Objective:	IV&V of 2022 PSEG LI IT-4: System and Software Lifecycle Management Metric, upgrading Tier 1 and Tier 2 systems identified in the metric and developing a 2-year refresh to ensure that all IT and OT assets managed by PSEG LI on behalf of LIPA, including but not limited to computers, communications equipment, networking equipment, hardware, software, and storage systems, are within their active service life and under general support from the product vendor. Develop 2023 PSEG LI IT System and Software Lifecycle Management Metrics.
Board Policy:	Information Technology and Cyber Security
PSEG Long Island Performance Metrics:	IT-4: System and Software Lifecycle Management
Executive Sponsor:	Mujib Lodhi
Project Manager:	Kenn Bengtsson
Title:	IV&V of 2022 PSEG LI System Implementation Metric - 2022 Budget Projects
Objective:	IV&V of 2022 PSEG LI IT-5: System Implementation - 2022 Budget Projects Metric. PSEG LI to improve System Implementation Performance and complete Tier 1 and Tier 2 work plan identified in PSEG LI 2022 Metric on time and budget per LIPA approved Project Implementation Plans. Develop 2023 PSEG LI IT System Implementation Metrics
Board Policy:	Information Technology and Cyber Security
PSEG Long Island Performance Metrics:	IT-5: System Impl. - 2022 Budget Projects
Executive Sponsor:	Mujib Lodhi
Project Manager:	Mujib Lodhi
Title:	IV&V of 2022 PSEG LI System Implementation Metric - Project Implementation Plans

APPENDIX B

Innovation and Information Technology	
Objective:	IV&V of 2022 PSEG LI IT-6: System Implementation - PIPs Metric. PSEG LI to improve System Implementation Performance and complete implementation of the Board Project Implementation Plans to satisfy Board-adopted recommendations.
Board Policy:	Information Technology and Cyber Security
PSEG Long Island Performance Metrics:	IT-6: System Impl. - PIPs
Executive Sponsor:	Mujib Lodhi
Project Manager:	Mujib Lodhi
Title:	IV&V of 2022 PSEG LI Information Technology System Segregation Plan Metric
Objective:	IV&V of 2022 PSEG LI IT-7: IT System Segregation Plan Metric, including compliance with the requirements of the Second A&R OSA Section 4.2(A)(1)(q) for separation of all Long Island systems with the objective of segregating all Long Island systems by the end of 2023. Development of 2023 PSEG LI IT System Segregation Metrics.
Board Policy:	Information Technology and Cyber Security
PSEG Long Island Performance Metrics:	IT-7: IT System Segregation
Executive Sponsor:	Mujib Lodhi
Project Manager:	Kenn Bengtsson
Title:	Establish the New EPMO
Objective:	Establish an Enterprise Program Management Office with appropriate staffing and associated policies and procedures
Board Policy:	n/a
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Mujib Lodhi
Project Manager:	Wayne Steeves

APPENDIX B

Legal	
Title:	Fulfill DPS Management Audit Requirements
Objective:	LIPA and PSEG LI facilitate a successful DPS Management Audit process to meet our responsibilities under the LIPA Reform Act.
Board Policy:	Audit Relationships
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Jason Horowitz
Title:	Deploy a LIPA Case Management System for LIPA and PSEG LI
Objective:	To have one or more shared case management platforms with PSEG LI for information requests, management audits, rate cases, and DPS or FERC regulatory filings so as to manage responses to such requests and filings in various proceedings and litigation.
Board Policy:	N/A
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Jason Horowitz
Title:	Create a Property Tax Practice to Regularly Review Substation Property Tax Assessments
Objective:	Identify staffing, resource, and information needs to create a property tax practice that annually monitors and grieves excessive PILOTs on substations and either litigates or settles such grievances; litigate or settle grievances filed in 2020, 2021, and 2022.
Board Policy:	Taxes and PILOTs
PSEG Long Island Performance Metrics:	BS-9: Substation Property Tax Report
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Joseph Wiener
Title:	Review Data Privacy & Protection Policy for LIPA Customers
Objective:	Develop a thorough data privacy and management policy consistent with the Board's Information Technology Policy requirements and current legal and industry best practices governing collection, maintenance, disclosure and destruction of customer personal information; safeguarding of AMI data to prevent misuse; and a data privacy webpage communicating to customers our policy and their rights pursuant to NYS law.
Board Policy:	Information Technology and Cyber Security
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Lisa Zafonte

APPENDIX B

Legal	
Title:	Issue a Climate Disclosure Report
Objective:	Issue a climate disclosure report consistent with the recommendations of the Task Force on Climate-related Financial Disclosures, to the extent applicable and appropriate.
Board Policy:	Resource Planning and Clean Energy
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Alex Pozdnyakov
Title:	Complete LIPA/LILCO Merger
Objective:	Complete due diligence and draft any transaction documents necessary to merge LILCO into LIPA so that, when bondholder consent is achieved, transaction will become effective (subject to any necessary post-closing regulatory filings).
Board Policy:	N/A
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Alex Pozdnyakov
Title:	IV&V of 2022 PSEG LI Information Requests and Legal Staffing Metrics
Objective:	IV&V of 2022 PSEG LI Performance Metric BS-13: Information Request Responses by developing process for monitoring whether PSEG LI substantively responds to 90% of LIPA's information requests within 10 days. IV&V of 2022 PSEG LI Performance Metric BS-14: Legal Staffing by reviewing staffing the legal department. Develop 2023 PSEG LI Performance Metrics related to Information Request and Legal staffing and operations.
Board Policy:	N/A
PSEG Long Island Performance Metrics:	BS-13: Information Request Responses BS-14: Legal Staffing
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Lisa Zafonte
Title:	Amend LIPA's SEQRA Type II Categories
Objective:	Amend LIPA's list of Type II categories to include certain types of capital projects that would not require environmental review. Additionally, amend existing categories consistent with updated SEQRA regulations. Adding and/or amending LIPA's Type II list will streamline the SEQRA and permitting process as it relates to capital projects that do not to have a significant impact on the environment.
Board Policy:	Construction of Transmission and Distribution Projects
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Alex Pozdnyakov

APPENDIX B

Legal	
Title:	Conduct LIPA Procurement Maturity Model Review and IV&V of 2022 PSEG LI Contractor Performance Evaluation System Metric
Objective:	Enhance LIPA's procurement processes and procedures to ensure that staff successfully identifies qualified firms for the services sought, and effectively markets to those firms so they respond to LIPA RFPs.
Board Policy:	Customer Value & Affordability
PSEG Long Island Performance Metrics:	BS-15: Contractor Performance Evaluation System
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Maria Gomes
Title:	Establish Formal Career Pathing and Development for LIPA Staff
Objective:	Establish career development paths and create professional development plans for identified employees to improve skills in their current position and acquire new competencies and knowledge to expand their current responsibilities and prepare for promotional opportunities.
Board Policy:	Staffing and Employment
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Barbara Ann Dillon
Title:	Re-Imagining LIPA for a Hybrid Workplace
Objective:	To prepare a workplace for a hybrid, post-COVID workforce that maximizes the use of space, facilitates collaboration, offers flexibility and options, and is aesthetically pleasing. Administer an employee survey to measure satisfaction with the hybrid workplace and identify enhancements.
Board Policy:	Staffing and Employment
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Barbara Ann Dillon
Title:	IV&V of 2022 PSEG LI Human Resources Metrics
Objective:	Achieve insight into the processes and calculations that relate to the 2022 PSEG LI Human Resource Metrics (BS-3: Employee Engagement - Participation Rate, BS-4: Employee Engagement - Score, and BS-5: Full Time Vacancy Rate) to confirm measurements and management actions taken to achieve or improve results. Develop 2023 PSEG LI Human Resources Metrics.
Board Policy:	Strategic Planning and Oversight
PSEG Long Island Performance Metrics:	BS-3: Employee Engagement - Participation Rate BS-4: Employee Engagement - Score BS-5: Full Time Vacancy Rate
Executive Sponsor:	Bobbi O'Connor
Project Manager:	Barbara Ann Dillon

APPENDIX B

Power Supply Oversight	
Title:	Complete Integrated Resource Plan and IV&V of 2022 PSEG LI IRP Metric
Objective:	Verify satisfactory completion of the 2022 Integrated Resource Plan (per 2022 metric PS-1) and obtain approval of the IRP by the Board of Trustees. Develop 2023 PSEG LI Performance Metrics related to IRP implementation.
Board Policy:	Resource Planning and Clean Energy
PSEG Long Island Performance Metrics:	PS&CE-1: IRP
Executive Sponsor:	Rick Shansky
Project Manager:	Tom Simpson
Title:	Meet LIPA's Share of State Battery Storage Goal for 2025 and IV&V of 2022 PSEG LI Battery Storage Metric
Objective:	Verify satisfactory completion of the Bulk Energy Storage RFP (per 2022 metric PS-2) and obtain approval of storage contracts.
Board Policy:	Resource Planning and Clean Energy
PSEG Long Island Performance Metrics:	PS&CE-2: Energy Storage RFP
Executive Sponsor:	Rick Shansky
Project Manager:	Tom Simpson
Title:	Public Policy Transmission for Offshore Wind on Long Island
Objective:	Achieve fair cost allocation and approval of appropriate projects in the NYISO Public Policy Transmission Planning process for Long Island offshore wind.
Board Policy:	Resource Planning and Clean Energy
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Rick Shansky
Project Manager:	Dave Clarke
Title:	Submit Cost Effective Long Island Local Transmission Projects to Advance Clean Energy Goals
Objective:	Develop acceptable process for evaluating local transmission projects to support CLCPA, with most cost-effective projects submitted for PSC approval.
Board Policy:	Resource Planning and Clean Energy
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Rick Shansky
Project Manager:	Dave Clarke

APPENDIX B

Senior Advisor for Oversight	
Title:	Obtain FEMA Grant for Storm Resiliency
Objective:	To secure a FEMA mitigation grant of \$300+ million to storm harden the LIPA transmission and distribution system.
Board Policy:	Transmission & Distribution Operations
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Thomas Falcone
Project Manager:	Kenneth Kane
Title:	Close Out Sandy FEMA Claim
Objective:	To complete physical construction as required under the Sandy Category F and Category B Emergency Protective Measures and provide remaining support for costs to DHSES/FEMA to enable release of remaining funds to LIPA. Prepare documents necessary to close out the Sandy FEMA claim.
Board Policy:	Customer Value & Affordability
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Thomas Falcone
Project Manager:	Kenneth Kane
Title:	Update LIPA's Storm Invoice Review Policy for FEMA and Non-FEMA Events and Associated PSEG LI Contract Administration Manual
Objective:	To update the LIPA Storm Invoice Review Procedures and associated PSEG LI Contract Administration Manual. The objective is to create a realistic timeline for FEMA and non-FEMA storm invoice preparation/submission and review and to ensure the Storm Invoice Review Procedures are appropriate and reflect best practices for both FEMA and non-FEMA events.
Board Policy:	Strategic Planning and Oversight
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Thomas Falcone
Project Manager:	Kenneth Kane
Title:	Recover Funds from FEMA Isaias Claim
Objective:	Oversee PSEG LI's preparation of the Tropical Storm Isaias claim and receive reimbursement of a minimum of 75% of costs by September 1, 2022. Ensure that the materials are prepared and submitted in a manner that allows for an efficient review by LIPA/DHSES/FEMA and timely recovery from FEMA.
Board Policy:	Customer Value & Affordability
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Thomas Falcone
Project Manager:	Kenneth Kane

APPENDIX B

Senior Advisor for Oversight	
Title:	Update LIPA Oversight Policy and Universe
Objective:	Update the Oversight Policy and Oversight Universe to reflect the Second A&R OSA. Identify and reflect in the Oversight Policy changes in LIPA's role in the Second A&R OSA.
Board Policy:	Strategic Planning and Oversight
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Thomas Falcone
Project Manager:	Michael Quinn
Title:	LPPC Investor Conference
Objective:	Lead a successful September 2022 Investor Conference for the Large Public Power Council in New York City with a strong agenda and content and high investor participation.
Board Policy:	n/a
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Thomas Falcone
Project Manager:	Kenneth Kane
Title:	Identify and Apply for Federal Grants Under the Infrastructure Investment and Jobs Act
Objective:	Identify and apply for Federal grants available to LIPA under the Infrastructure Investment and Jobs Act.
Board Policy:	Customer Value & Affordability
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Thomas Falcone
Project Manager:	Kenneth Kane

APPENDIX B

T&D Oversight	
Title:	Complete a Climate Study to Identify the Most Significant Climate-Driven Risks to LIPA Operations
Objective:	<p>Create/execute a Climate Study, in line with the NYISO and NYS IOUs' studies, to identify the impacts of climate change on design, normal and extreme weather references, and corresponding impacts on transmission and distribution assets and resource needs. The study findings should evaluate the impact on:</p> <ol style="list-style-type: none"> 1. Policy, procedures, and system design criteria updates, as needed, to accommodate climate change impacts. 2. Asset-specific plans and resource needs to accommodate climate change.
Board Policy:	Transmission & Distribution Operations
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Billy Raley
Project Manager:	Michael Simone
Title:	IV&V of 2022 PSEG LI Storm Hardening Metrics
Objective:	<p>IV&V of Storm Hardening PIP Implementation and PSEG LI Storm Hardening Metrics T&D-27, 28, 29, 30, and 31, including:</p> <ol style="list-style-type: none"> 1) Engineering and constructing of undergrounding of selected rear yard distribution lines 2) Development and reporting on a plan for the implementation of fault interrupting on previously installed ASUV 3) Development of 2023 storm hardening budgets/plans, programs, and performance metrics
Board Policy:	Transmission & Distribution Operations
PSEG Long Island Performance Metrics:	<p>T&D-27: Storm Hard. - Overhead T&D-28: Storm Hard. - Underground T&D-29: Storm Hard. - Trans. Load Pockets T&D-30: Storm Hard. - ACRV Commissioning T&D-31: Storm Hard. - LT5H ASUV Program</p>
Executive Sponsor:	Billy Raley
Project Manager:	Michael Simone
Title:	IV&V of PSEG LI Emergency Response Plan, Business Continuity Plan, Disaster Recovery Plan, and Storm Drills
Objective:	Fulfill LIPA's obligations under the 2nd A&R OSA to review and approve the PSEG LI ERP, BCPs, DRP, storm drills, and related submissions. Establish process/ schedule for yearly review and approval of submissions beginning with 2023 filing. Review and approve 2022 ERP filed in December 2021 in conjunction with DPS. Ensure that ERP, BCPs, DRP, and Storm Drills are in-line and adequately address the needs of our customers
Board Policy:	Transmission & Distribution Operations
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Billy Raley
Project Manager:	Donald Schaaf

APPENDIX B

T&D Oversight	
Title:	IV&V of 2022 PSEG LI Asset Management Program and Framework Metrics
Objective:	IV&V of PSEG LI 2022 Performance Metrics T&D-1: Asset Inventory and T&D-2: Asset Management Governance, including for T&D-1 a review of the Data Governance Plan, an audit of outside plant and wood transmission data inventory; for T&D-2 approval of the Asset Management Framework, Strategic Asset Management Plan, 10 Overhead Asset Management Plans, and review of the Annual Reliability Assessment of Asset Performance. Develop 2023 PSEG LI Asset Management Performance Metrics.
Board Policy:	Customer Value & Affordability
PSEG Long Island Performance Metrics:	T&D-1: AM - Asset Inventory T&D-2: AM - AM Governance
Executive Sponsor:	Billy Raley
Project Manager:	Michael Simone
Title:	IV&V of 2022 PSEG LI Primary and Alternate Transmission Control Center Metric
Objective:	IV&V of 2022 PSEG LI Performance Metric T&D-6 for plans and funding of replacement of the Primary Transmission Control Center and Alternate Transmission Control Center, including review of Strategic Considerations, Conceptual Facility Design, and the Roadmap. Develop 2023 PSEG LI PTCC and ATCC Performance Metrics.
Board Policy:	Transmission & Distribution Operations
PSEG Long Island Performance Metrics:	T&D-6: PTCC/ATCC Replacement
Executive Sponsor:	Billy Raley
Project Manager:	Michael Simone
Title:	IV&V of 2022 PSEG LI Real Estate Management Metric
Objective:	IV&V of 2022 PSEG LI T&D-33: Real Estate Strategy, including reviewing and approving PSEGLI's proposed Project Implementation Plan to consolidate and reconfigure office space and optimization of operations centers, in accordance with Board Recommendations RE-01: Long Term Real Estate Strategy and RE-03: Strategy to Separate Operating Centers. Develop 2023 PSEG LI Real Estate Management Metrics.
Board Policy:	N/A
PSEG Long Island Performance Metrics:	T&D-33: Real Estate Strategy
Executive Sponsor:	Billy Raley
Project Manager:	Jason Horowitz

APPENDIX B

T&D Oversight	
Title:	IV&V of 2022 PSEG LI Quantitative Reliability Metrics
Objective:	IV&V of PSEG LI Performance Metrics T&D 7, 8, 9, 10, 11, and 12; review that PSEG LI reliability performance trends towards and ultimately meets LIPA Board Policy objective of top decile; including improved performance for customers with historically worst reliability experience, especially with multiple outages. Develop proposed 2023 metrics based on insights from 2022.
Board Policy:	Transmission & Distribution Operations
PSEG Long Island Performance Metrics:	T&D-7: SAIDI Reliability T&D-8: SAIFI Reliability T&D-9: MAIFI Reliability T&D-10: Reduce S-MCOs T&D-11: Reduce Repeat S-MCOs T&D-12: Reduce M-MCOs
Executive Sponsor:	Billy Raley
Project Manager:	Michael Quinn
Title:	IV&V of 2022 PSEG LI Quantitative Safety Metrics
Objective:	IV&V of PSEG LI Performance Metrics T&D 13, 14, 15 and 16; review that PSEG LI safety performance trends towards and ultimately meeting LIPA Board Policy objectives. Develop proposed 2023 metrics based on insights from 2022.
Board Policy:	Safety
PSEG Long Island Performance Metrics:	T&D-13: Safety - Serious Injury Rate T&D-14: Safety - OSHA Recordable Incident Rate T&D-15: Safety - OSHA Days Away Rate T&D-16: Safety - Motor Vehicle Accident Rate
Executive Sponsor:	Billy Raley
Project Manager:	Michael Quinn
Title:	IV&V of 2022 PSEG LI T&D Quantitative Relay Operations Metrics
Objective:	IV&V of PSEG LI Performance Metrics T&D 4 and 5; review that PSEG LI is following established operating best practices and procedures, as evidenced by a reduction in the number of relay mis-operations on the T&D System, including those attributable to operating errors. Develop proposed 2023 metrics based on insights from 2022.
Board Policy:	Transmission & Distribution Operations
PSEG Long Island Performance Metrics:	T&D-4: T&D System Relay Mis-Operations T&D-5: T&D Inadvertent Operation Events
Executive Sponsor:	Billy Raley
Project Manager:	Michael Simione

APPENDIX B

T&D Oversight	
Title:	IV&V of 2022 PSEG LI Estimated Time of Restoration (ETR) Metric
Objective:	IV&V of 2022 PSEG LI ETR Metric T&D-32, including underlying PSEG LI's actions to meet the metric and improve ETR performance. Develop 2023 PSEG LI ETR Metrics based on insights from 2022.
Board Policy:	Transmission & Distribution Operations
PSEG Long Island Performance Metrics:	T&D-32: ETRs
Executive Sponsor:	Billy Raley
Project Manager:	Michael Quinn
Title:	IV&V of 2022 PSEG LI Quantitative Project Construction Metrics
Objective:	IV&V of PSEG LI Performance Metrics T&D-36, 37, 38, and 39 related to: 1) Projects Milestone Achieved; 2) Cost Estimating Accuracy for 2022 Budget PJDs; 3) Completion of Program Planned Units; 4) Program Unit Cost Variance; and 5) Project Completion Consistent with Project Design. Develop 2023 PSEG LI Project Construction Metrics.
Board Policy:	Construction of Transmission and Distribution Projects
PSEG Long Island Performance Metrics:	T&D-36: Construction - Cost Estimating Accuracy T&D-37: Completion of Planned Work Units T&D-38: Program Unit Cost Variance T&D-39: Project Completion Consistent w/ Design
Executive Sponsor:	Billy Raley
Project Manager:	Michael Simione
Title:	IV&V of 2022 PSEG LI Qualitative Project Construction Metrics
Objective:	IV&V of PSEG LI Performance Metric T&D-34 related to submittal of PJDs for the 2023 Budget; and T&D-35 related to Project Milestones Achieved, including the initial schedules of Specific Capital Project key milestones submitted by PSEG LI to LIPA in January 2022 and subsequent changes to the initial schedules made throughout the course of the year. Develop 2023 PSEG LI Project Construction Metrics.
Board Policy:	Construction of Transmission and Distribution Projects
PSEG Long Island Performance Metrics:	T&D-34: Construction - PJDs T&D-35: Construction - Project Milestones
Executive Sponsor:	Billy Raley
Project Manager:	Michael Simione

APPENDIX B

T&D Oversight	
Title:	IV&V of 2022 PSEG LI Vegetation Management Metrics
Objective:	IV&V of PSEG LI Vegetation Management Performance Metrics T&D-24, 25, and 26; review improved system performance due to enhanced Vegetation Management. IV&V of the development of the Vegetation Management work plan/ budget for 2022 and 2023. IV&V of the execution Vegetation Management work plans, including Hazard Tree Removal, to limit vegetation caused outages using vegetation intelligence. Develop 2023 PSEG LI Vegetation Management Performance Metrics.
Board Policy:	Transmission & Distribution Operations
PSEG Long Island Performance Metrics:	T&D-24: Veg. Mgmt - Cycle Trim w/ Intelligence T&D-25: Veg. Mgmt - Trim to Sky Circuits T&D-26: Veg. Mgmt - Hazard Tree Removal
Executive Sponsor:	Billy Raley
Project Manager:	Donald Schaaf
Title:	Review PSEG LI Emergency Response Planning and Restoration Efforts
Objective:	Detailed review of the planning and execution of PSEG LI emergency planning and response compared to the Emergency Response Plan. Assess PSEG LI's matrix development, governance, and execution of staffing needs for all applicable storm events and make recommendations. Develop 2023 PSEG LI Performance Metrics related to emergency response planning and response.
Board Policy:	Transmission & Distribution Operations
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Billy Raley
Project Manager:	Donald Schaaf
Title:	Review and Enhance LIPA's Process for In-House Oversight of Storm Invoices
Objective:	To develop in-house resources capable of diligent review of PSEG LI incurred storm costs for FEMA and Non-FEMA storms.
Board Policy:	Strategic Planning and Oversight
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Billy Raley
Project Manager:	Donald Schaaf

APPENDIX B

T&D Oversight	
Title:	IV&V of 2022 PSEG LI Work Management Metrics
Objective:	IV&V for 2022 PSEG LI Work Management Metrics (T&D-17, 18, 19, 20, 21 and 22) that optimize staffing levels, productivity, and overtime in support of the scheduled T&D work. Develop 2023 PSEG LI Work Management Performance Metrics.
Board Policy:	Customer Value & Affordability
PSEG Long Island Performance Metrics:	T&D-17: WM - Short-Term Scheduling T&D-18: WM - Workforce Management Plans T&D-19: WM - Planning and Tracking Work T&D-20: WM - CUEs T&D-21: WM - KPIs and Dashboards T&D-22: WM - Rationalize WM Roles
Executive Sponsor:	Billy Raley
Project Manager:	Peter Mladinich
Title:	Review PSEG LI's Fleet Management Business Practices
Objective:	Initiate an independent third-party consultant to review of PSEG LI's Fleet Management practices, including fleet size, ownership, maintenance practices, fuel usage, vehicle utilization, replacement philosophy, and life cycle cost. The goal of the study is to identify opportunities for a more efficient and effective Fleet Management practices, while ensuring that the appropriate type and size of vehicle fleet is available to support PSE GLI operations. Recommendations for improvements will form the basis of 2023 performance metrics for PSEG LI.
Board Policy:	Customer Value & Affordability
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Billy Raley
Project Manager:	Gerry Ring
Title:	Develop Enhancements to PSEG LI Interconnection Process and IV&V of 2022 PSEG LI DER Hosting and Interconnection Process Metrics
Objective:	IV&V of 2022 PSEG LI PS&CE-4: DER Hosting and PS&CE-7: DER Interconnection Process Metrics. Improve the relationships with our clients and customers who are involved in our DER process. Research best practices around the country for DER interconnection process. Provide transparency of the steps in the SGIP process for oversight and stakeholder. Establish an escalation process that is transparent for stakeholders as well as PSEG LI, DPS and LIPA. Establish a procedure for measuring customer/contractor satisfaction for this process. Align with the CLCPA by facilitating DER readiness as a leader in interconnection processing and policy. Develop 2023 PSEG LI DER and Interconnection Process Metrics.
Board Policy:	Resource Planning and Clean Energy
PSEG Long Island Performance Metrics:	PS&CE-4: Utility 2.0 - DER Hosting PS&CE-7: DER Interconnection Process
Executive Sponsor:	Billy Raley
Project Manager:	Peter Mladinich

APPENDIX B

T&D Oversight	
Title:	Follow Up PSEG LI Safety Review and 2023 Safety Metric Development
Objective:	<p>Review safety and work practices of PSEG LI vendors and mutual aid staffing and develop implementable recommendations and associated PSEG LI safety metrics for 2023.</p> <ul style="list-style-type: none"> • IV&V the Benchmark reported by PSEG LI's for Safety Practices against the top quartile of peer utilities in measurable categories including OSHA Recordable Incidence Rate, OSHA Days Away Rate, and Motor Vehicle Incident Rate. • Utilize a Certified Safety Professional to assess the following processes: • End-to-end Safety Incident reporting • Mutual Aid Storm Contractor on-boarding, effective field observation and detailed incident investigation with corrective action. • Incidents and injuries reporting, including employee or public injury involving LIPA assets (i.e., stray voltage, hit pole, trip, MVA...) • Effectiveness of in progress work observations • Operating error investigations, circuit trips with work permits issued and corrective actions (HPI – Human Performance Improvement) • PSEGLI IMS Notification follow up investigation closeouts and corrective actions. • Job Hazard Assessments • Service Provider Safety Portal
Board Policy:	Safety
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Billy Raley
Project Manager:	Peter Mladinich
Title:	Review PSEG LI's Physical Security for Critical Infrastructure
Objective:	Conduct a review of existing physical security of critical infrastructure in compliance with LIPA's Board Policy. Develop implementable recommendations and 2023 PSEG LI Physical Security Performance Metrics.
Board Policy:	Transmission & Distribution Operations
PSEG Long Island Performance Metrics:	n/a
Executive Sponsor:	Billy Raley
Project Manager:	Michael Quinn

2022 PSEG LONG ISLAND PERFORMANCE STANDARDS

APPENDIX C

Some highlights among the 96 performance standards for 2022 include:

Major Projects	<ul style="list-style-type: none"> • Asset Management Program: Plan and implement a new asset management program consistent with ISO-55001, including developing effective asset management plans, surveying assets, and deploying a new Enterprise Asset Management System to track assets, work, maintenance, and inventory levels, to enable preventative and predictive maintenance that increases reliability and reduces cost to customers. • Primary Transmission Control Center Replacement: Complete strategic and conceptual design of a new control center to manage the electric flows on the Long Island electric grid. • Customer Information System (CIS): Plan for and deploy a new, flexible, modern CIS capable of effective and efficient customer transactions, billing and customer services.
Reliability	<ul style="list-style-type: none"> • Reliability Performance: Maintain average reliability among the top 10% of utilities; reduce the number of customers with four or more outages by 22%; reduce customers with “flicker” outages by 13%; and reduce customers with six or more “flicker” outages by 20%.
Resiliency	<ul style="list-style-type: none"> • Resiliency: Meet milestones for storm hardening program, while developing pilots and plans to underground rear-yard branch circuits, harden transmission feeds to load pockets, and operationalize smart switches. • Tree Trimming: Utilize data to target vegetation management plans to improve effectiveness, implement a new “trim to sky” protocol, and increase removal of “hazard” trees from 3,000 to 12,000 per year.
Customer Satisfaction	<ul style="list-style-type: none"> • Customer Experience Projects: Deliver seven projects to improve the customer contact and billing experience, including smart meter features, upgrading credit card vendors, enhancing the mobile app, and enhanced texting of outage information. • Call Center: Answer 80% of calls with a live agent within 30 seconds and resolve at least 80% of calls on the first call. • Email Resolution: Answer 70% of emails within 24 hours. • Social Media: Respond to 90% of social media inquiries related to health and safety with a live agent within 2 hours on blue sky days and 80% within 3 hours during storms. • Low Income Discounts: Increase participation in the low-income discount program by 34% compared to the 3-year average.

APPENDIX C

Clean Energy	<ul style="list-style-type: none"> • Integrated Resource Plan: Complete LIPA IRP per agreed upon scope. • Energy Storage RFP: Complete studies to award contracts for 180 MW of battery storage. • Energy Efficiency and Beneficial Electrification: Achieve targets contained in annual Utility 2.0 filing. • EV Make Ready: Achieve targets in annual Utility 2.0 filing for deploying EV chargers. • DER Interconnection: Improve the interconnection process for solar systems per LIPA Board recommendations. • Time of Use Rates (TOU): Implement new TOU rates for space heating and large commercial customers; enroll 12,000 new customers in optional TOU pricing plans.
Operations	<ul style="list-style-type: none"> • Work Management: Implement new practices for short and long-term scheduling and tracking of work to optimize staffing levels, increase productivity, and reduce overtime. • Construction: Implement a minimum of 85% of capital projects on time and within the estimated cost. • Safety: Maintain the incidents rate for employee injuries among the top 25% of utilities while reducing serious injuries resulting in days away by 22%. • Contractor Performance: Implement a new contractor evaluation system to benefit from suppliers that have demonstrated experience in cost controls, performance, quality, risk management, innovation, and transformation. • Estimated Times of Restoration: Improve the accuracy of restoration time estimates provided to customers in blue sky conditions by 10%.
Information Technology	<ul style="list-style-type: none"> • IT Organizational Maturity: Improve the organization's ability to manage and implement IT projects to Level 3 as measured by the Capability Maturity Model Integration (CMMI) model. • Disaster Recovery: Complete a robust IT resiliency plan that includes thoroughly exercised disaster recovery and business continuity plans for all critical systems/processes. • Lifecycle Management: Upgrade IT assets to be within their active service life and under general support by the product vendor. • IT System Implementation: Implement 21 major IT system projects. • IT Board Recommendations: Implement 9 major IT projects related to recommendations adopted by the LIPA Board, including the Outage Management System. • IT System Segregation: Plan for and separate LIPA IT systems from PSEG New Jersey systems.

For a complete summary of the performance standards for 2022, please see below.
To view them performance standards in detail, visit lipower.org.

2022 PSEG LONG ISLAND PERFORMANCE STANDARDS

APPENDIX C

Metric		At Risk Compensation	Metric Objective & Deliverables
Transmission & Distribution			
T&D-1	Asset Management Program Implementation - Asset Inventory	\$150,000	Requires PSEG LI to collect and document all Transmission and Distribution (T&D) assets as part of an Asset Management Program in accordance with the the Asset Management Recommendations adopted by the LIPA Board of Trustees.
T&D-2	Asset Management Program Implementation - Governance	\$200,000	Requires PSEG LI to develop and implement effective governance of an Asset Management Program in accordance with the Asset Management Recommendations adopted by the LIPA Board of Trustees.
T&D-3	Asset Management Program - Enterprise Asset Management System (EAMS)	\$600,000	Requires PSEG LI to plan and implement a full-fledged, electronic EAMS to track all asset, work, maintenance, and inventory activities, to be used for an Asset Management Program, including preventive and predictive maintenance of the T&D system, providing improved reliability and reduced cost to customers.
T&D-4	Transmission & Distribution System Mis-Operations	\$100,000	Requires PSEG LI reduce the number of relay mis-operations on the T&D System by 5% compared to the 3-year average.
T&D-5	Transmission & Distribution Operating Errors	\$100,000	Requires PSEG LI to limit the number of operating errors on the T&D System by 5% compared to the 3-year average.
T&D-6	PTCC Replacement	\$250,000	Requires PSEG LI to execute deliverables related to strategic considerations and conceptual facility designs for the construction of a new Primary Transmission Control Center (PTCC) and Alternate Transmission Control Center (ATCC) to replace the facilities that manage the electric flows on the Long Island electric grid.
T&D-7	System Average Interruption Duration Index (SAIDI) Reliability	\$400,000	Requires PSEG LI to maintain the outages (>5 minutes in duration) experienced by the average customer at under 1 hour annually, which is within the top 10% of peer utilities.
T&D-8	System Average Interruption Frequency Index (SAIFI) Reliability	\$200,000	Requires PSEG LI to maintain the number of outages experienced by the average customer at 1 outage (>5 minutes in duration) every 16 months, which is within the top 10% of peer utilities.
T&D-9	Momentary Average Interruption Frequency Index (MAIFI) Reliability	\$200,000	Requires PSEG LI to reduce the number of momentary outages (<5 minutes in duration) by 13% compared to the 3-year average. Performance has steadily improved and is now approaching the median level of peer utilities.
T&D-10	Reduce Sustained Multiple Customer Outages (S-MCOs)	\$150,000	Requires PSEG LI to reduce the number of customers with more than 4 outages (> 5minutes in duration) per year by 22% to meet the 3-year average, achieving performance that is within the top 25% of peer utilities.
T&D-11	Reduce Repeat Customer Sustained Multiple Customer Outages (S-MCOs)	\$200,000	Requires PSEG LI to improve circuit conditions for customers that have had more than 4 outages (>5 minutes in duration) per year for three or more consecutive years. PSEG LI will remediate circuit conditions accounting for at least 80% of these customers.
T&D-12	Reduce Momentary Multiple Customer Outages (M-MCOs)	\$150,000	Requires PSEG LI to reduce the customers with more than six momentary outages (<5 minutes in duration) per year by 20% compared to the 3-year average.
T&D-13	Safety – Serious Injury Incident Rate	\$200,000	Requires PSEG LI to safely maintain, construct, and operate the electric T&D system without risk of serious injuries and/or fatalities. The target level of performance is within the 25% of peer utilities.

APPENDIX C

T&D-14	Safety – OSHA Recordable Incidence Rate	\$250,000	Requires PSEG LI to maintain employee safety as recorded by OSHA incidents at the 3-year average and increase focus on safety training, employee awareness, and diligence.
T&D-15	Safety – OSHA Days Away Rate	\$250,000	Requires PSEG LI to improve employee safety as recorded by OSHA Days Away. The target level is approximately 22% better than the 3-year average.
T&D-16	Safety – Motor Vehicle Accident (MVA) Rate	\$100,000	Requires PSEG LI to reduce the Motor Vehicle Accident (MVA) Rate by 5% compared to the 3-year average.
T&D-17	Work Management Process Enhancements - Short-Term Scheduling	\$150,000	Requires PSEG LI to improve work management through short term scheduling in ways that optimize staffing levels, productivity, and overtime.
T&D-18	Work Management Process Enhancements - Workforce Management Plans	\$250,000	Requires PSEG LI to improve work management by creating an annual workplan with monthly visibility of all work to be completed in 2022.
T&D-19	Work Management Process Enhancements - Improve Planning and Tracking of Work	\$100,000	Requires PSEG LI to improve work management by improving the planning and tracking of work in ways that optimize staffing levels, productivity, and overtime.
T&D-20	Work Management Process Enhancements - Improve and Standardize Compatible Unit Estimating (CUEs)	\$100,000	Requires PSEG LI to enhance the governance and use of a detailed estimating process to improve cost and scheduling accuracy.
T&D-21	Work Management Process Enhancements - Work Management KPIs and Dashboards	\$100,000	Requires PSEG LI to develop work management metrics and tracking to identify opportunities to improve staffing levels, productivity, and reduce overtime in support of scheduled T&D work.
T&D-22	Work Management Process Enhancements - Clarify and Rationalize Work Management Roles	\$50,000	Requires PSEG LI to standardize work management roles/positions and implement consistency across yards.
T&D-23	Employee Overtime	\$300,000	Requires PSEG LI to manage T&D employee overtime hours by optimizing employee resources and demonstrating a 2 percentage point reduction in overtime hours worked from the previous 3-year average.
T&D-24	Vegetation Management Work Plan - Cycle Tree Trim With Vegetation Intelligence	\$200,000	Requires PSEG LI to develop and execute vegetation management plans to limit vegetation-caused outages using vegetation intelligence.
T&D-25	Vegetation Management Work Plan - Trim-To-Sky (TTS) Circuits	\$250,000	Requires PSEG LI to execute enhanced TTS vegetation management techniques that limit vegetation-caused outages.
T&D-26	Vegetation Management Work Plan - Hazard Tree Removal	\$400,000	Requires PSEG LI to identify and remove 12,000 “hazard” trees subject to falling and damaging the electric system during a storm, an increase from approximately 3,000 today.
T&D-27	Storm Hardening Work Plan - Overhead Hardening	\$250,000	Requires PSEG LI to develop and execute the milestones of the budgeted Storm Hardening Work Plans, which will strengthen the T&D system and improve its ability to withstand storms.

APPENDIX C

T&D-28	Storm Hardening Work Plan - Underground Hardening	\$150,000	Requires PSEG LI to develop a pilot program to identify electric system opportunities for rear-yard branch circuits to be converted from overhead to underground lines.
T&D-29	Storm Hardening Work Plan - Transmission Load Pockets	\$150,000	Requires PSEG LI to identify projects that will enhance system resiliency by providing alternate sources of power to transmission load pockets.
T&D-30	Storm Hardening Work Plan - ACRV Commissioning Program	\$250,000	Requires PSEG LI to begin a program to operationalize automatic overhead switches as tripping devices to reduce the amount of customers interrupted during a storm.
T&D-31	Storm Hardening Work Plan - LT5H (ASUV) Program	\$150,000	Requires PSEG LI to install a minimum of 150 automatic overhead switches that will reduce the amount of customers interrupted during a storm.
T&D-32	Estimated Time of Restoration (ETR)	\$200,000	Requires PSEG LI to improve by 10% the accuracy of restoration time estimates in blue sky conditions, giving customers the best available information regarding when their power will be restored.
T&D-33	Real Estate Strategy	\$100,000	Requires PSEG LI to execute the long-term strategy for LIPA's real estate and facility assets in accordance with the LIPA Board recommendations related to Real Estate Management.
T&D-34	Construction – Quality and Timely Completion of Project Justification Descriptions (PJDs)	\$200,000	Requires PSEG LI to provide timely and complete project justifications for each capital project and program for LIPA review and approval.
T&D-35	Construction – Project Milestones Achieved	\$200,000	Requires PSEG LI to complete a minimum of 85% of capital projects on time in accordance with the project milestone schedule, which is an improvement over the 3-year average performance.
T&D-36	Construction – Cost Estimating Accuracy	\$200,000	Requires PSEG LI to complete a minimum of 85% of capital projects at the estimated cost, which is an improvement over the 3-year average performance.
T&D-37	Completion of Program Planned Units Per Workplan	\$400,000	Requires PSEG LI to complete all units identified and budgeted in the construction program.
T&D-38	Program Unit Cost Variance	\$200,000	Requires PSEG LI to complete all units identified and budgeted in the construction programs within budget.
T&D-39	Project Completion Consistent with Project Design	\$100,000	Requires PSEG LI to manage capital projects completions such that they meet the approved design.
T&D-40	Double Wood Pole Reduction	\$50,000	Requires PSEG LI to maintain the backlog of double wood poles identified in the National Joint Utilities Notification System (NJUNS) at no higher than the 2021 year end result.
Compensation at Risk Based on Performance		\$8,000,000	

APPENDIX C

Metric		At Risk Compensation	Metric Objective & Deliverables
Information Technology - Organizational Performance			
IT-1	Organizational Maturity Level – Doing	\$250,000	Requires PSEG LI to improve its IT Organizational Maturity to Level 3 in the ‘Doing’ Category of the Capability Maturity Model Integration (CMMI) model within one year. This improves the capabilities of IT staff to implement IT projects.
IT-2	Organizational Maturity Level – Managing	\$500,000	Requires PSEG LI to improve its IT Organizational Maturity to Level 3 in the ‘Managing’ Category of the CMMI within one year. This improves the capabilities of IT staff to manage IT projects.
IT-3	System Resiliency	\$400,000	Requires PSEG LI to complete a well-designed and robust IT System Resiliency Plan that includes thoroughly exercised Disaster Recovery and Business Continuity Plans for all critical systems/processes.
IT-4	System and Software Lifecycle Management	\$300,000	Requires PSEG LI to maintain and upgrade all IT and operational technology assets managed on behalf of LIPA, including computers, communications equipment, networking equipment, hardware, software, and storage systems, to be within their active service life and under general support from the product vendor.
IT-5	System Implementation – 2022 Budget Projects	\$800,000	Requires PSEG LI to Improve System Implementation Performance to industry standards for projects at or over \$1 million in project lifecycle costs.
IT-6	System Implementation – Board PIPs	\$500,000	Requires PSEG LI to Improve System Implementation Performance to industry standards for projects related to LIPA Board-adopted recommendations.
IT-7	System Segregation	\$250,000	Requires PSEG LI to plan for and separate LIPA IT systems from PSEG New Jersey systems.
Compensation at Risk Based on Performance		\$3,000,000	

APPENDIX C

Metric		At Risk Compensation	Metric Objective & Deliverables
Power Supply Programs			
PS-1	Long Range Planning Studies - Integrated Resource Plan (IRP)	\$375,000	Requires PSEG LI to complete, per an agreed upon scope and schedule, deliverables associated with the development and issuance of the IRP.
PS-2	Long Range Planning Studies - Energy Storage Request for Proposal (RFP)	\$375,000	Requires PSEG LI to complete, on schedule, deliverables associated with the evaluation of proposals for the 180MW Energy Storage RFP.
Clean Energy Programs			
CE-1	Energy Efficiency Plan Savings	\$200,000	Requires PSEG LI achieve the Energy Efficiency Plan targeted savings in the Utility 2.0 filing.
CE-2	Utility 2.0 - Distributed Energy Resources (DER) Hosting	\$150,000	Requires PSEG LI to complete the hosting capacity study proposed in the Utility 2.0 filing.
CE-3	Beneficial Electrification - Building Electrification	\$200,000	Requires PSEG LI to achieve Beneficial Electrification Targets in the Utility 2.0 filing, including: Energy Efficient Products, Home Comfort, REAP (Low-Income), and Home Performance.
CE-4	Electric Vehicle (EV) Make-Ready	\$100,000	Requires PSEG LI to achieve the EV Make-Ready targets in the Utility 2.0 filing to accelerate development of EV charging stations.
CE-5	Distributed Energy Resources (DER) Interconnection Process	\$200,000	Requires PSEG LI to improve the DER interconnection process and pursuant to LIPA Board-adopted recommendations
CE-6	Time of Use (TOU) Pricing Pilots - Heating and Large Commercial	\$200,000	Requires PSEG LI to complete development of TOU Pricing Options for space heating and large commercial customers.
CE-7	TOU Pricing Pilot - Year 1 Marketing	\$200,000	Requires PSEG LI to engage and enroll 12,000 new customers in new TOU optional pricing plans.
Compensation at Risk Based on Performance		\$2,000,000	

APPENDIX C

Metric		At Risk Compensation	Metric Objective & Deliverables
Customer Service			
CS-1	Delivery of Project Implementation Plans	\$500,000	Requires PSEG LI to implement seven strategic customer projects to improve the customer contact and billing experience and drive top 25% utility performance, including implementing smart meter features, upgrading credit card vendors, enhancing the mobile app, and enhancing text messages of outage information.
CS-2	J.D. Power Residential Customer Survey	\$200,000	Requires PSEG LI to improve customer satisfaction for residential customers, as measured by the J.D. Power Residential Customer Survey, to 3rd quartile by 2022 year-end.
CS-3	J.D. Power Business Customer Survey	\$200,000	Requires PSEG LI to improve customer satisfaction for business customers, as measured by the J.D. Power Business Customer Survey, to 3rd quartile by 2022 year-end.
CS-4	Customer Information System (CIS) Modernization – Phase 1	\$600,000	Requires PSEG LI to plan for and deploy a new, flexible, modern CIS capable of effective and efficient customer transactions, billing, and services.
CS-5	Customer Transactional Performance	\$400,000	Requires PSEG LI to develop new customer transaction surveys to improve the satisfaction and cost of five (5) common customer transactions.
CS-6	Billing – Eliminate Long Term Estimates (LTEs) - Inactive Accounts	\$100,000	Requires PSEG LI to reduce the number of inactive accounts receiving estimated bills for more than 5 months by 90% and maintain accurate billing records.
CS-7	Billing – Eliminate LTEs - Active Accounts	\$100,000	Requires PSEG LI to reduce the number of customers receiving estimated bills for more than 3 months by 80%.
CS-8	Unauthorized Use/ Advanced Consumption Resolution	\$100,000	Requires PSEG LI to reduce by 75% the number of unauthorized use of service cases in a timely manner and in compliance with the rules.
CS-9	Billing Exception Cycle Time	\$200,000	Requires PSEG LI to render 95% of customer bills within 3 days of the scheduled date, representing an improvement over the 3-year historical average performance level of 88%.
CS-10	Billing – Cancel Rebill	\$200,000	Requires PSEG LI to provide an accurate bill to the customer the first time, not requiring a subsequent adjustment, by reducing cancelled rebills by approximately 23%.
CS-11	Contact Center Service Level with Live Agent Calls	\$175,000	Requires PSEG LI to answer 80% of calls with a live agent within 30 seconds during blue sky days and within 90 seconds during storms. This is 2% better than the 3-year historical average performance.
CS-12	Customer Email Closure Rate	\$75,000	Requires PSEG LI to answer 70% of emails within 24 hours, an increase from historical average performance of 42%.
CS-13	First Call Resolution (FCR)	\$100,000	Requires PSEG LI to resolve at least 80% of calls on the first call, despite higher expected call volume in 2022.
CS-14	Net Write-Offs (Per \$100 Billed Revenue)	\$250,000	Requires PSEG LI to maintain the bad debt written off for the year below 0.77. This metric was impacted by the COVID-19 moratorium in 2020 and 2021.
CS-15	Accounts Receivable Aging > 90 Days Past Due (AR>90)	\$300,000	Requires PSEG to reduce the % of total receivables that are past due more than 90 days below 30.25%. This metric was impacted by the COVID-19 moratorium in 2020 and 2021.
CS-16	Days Sales Outstanding (DSO)	\$200,000	Requires PSEG LI to reduce the days of revenue billed but not yet collected to 39.9 days. This metric was impacted by the COVID-19 moratorium in 2020 and 2021.

APPENDIX C

CS-17	Low to Moderate Income (LMI) Program Participation	\$100,000	Requires PSEG LI to increase participation in the low-income rate discount program by 34% over the 3-year average to improve affordability for vulnerable customers.
CS-18	LMI Program Participation - Automation	\$100,000	Requires PSEG LI to improve the ease of enrollment in the low-income rate discount program by automatically enrolling categorically eligible customers.
CS-19	DPS Customer Complaint Rate	\$100,000	Requires PSEG LI to perform within the top quartile of its peer group for initial complaints made to the New York Department of Public Service (DPS) to measure whether customers concerns are effectively handled.
Compensation at Risk Based on Performance		\$4,000,000	

APPENDIX C

Metric		At Risk Compensation	Metric Objective & Deliverables
Business Services - Risk Management			
ERM-1	Enterprise Risk Management (ERM) Report	\$150,000	Requires PSEG LI to develop a comprehensive ERM report that documents the identification and management of the most high-priority risks across the organization that could impede the achievement of business goals and objectives.
ERM-2	ERM Key Risk Indicators (KRIs)	\$150,000	Requires PSEG LI to develop a Proof-of-Value Pilot on KRIs for select high-priority risks. This Pilot will enable more proactive monitoring of risks and provide early indicators when management action is warranted.
Business Services - Human Resources			
HR-1	Human Resources Employee Engagement -- Participation Rate	\$100,000	Requires PSEG LI to increase the rate of employee participation in the annual Employee Engagement survey to 49% or more, up from 46% today.
HR-2	Human Resources Employee Engagement -- Score	\$200,000	Requires PSEG LI to improve the employee rating scores in key areas by 4% year-over-year on the annual Employee Engagement Survey. The Engagement Survey results drive initiatives to attract and retain a motivated workforce.
HR-3	Human Resources Full Time Vacancy Rate	\$200,000	Requires PSEG LI to maintain an annual vacancy rate of no greater than 5% overall and no greater than 7% in IT. This metric requires delivering an approximate decrease in vacancy of 3% in Business Services, 34% in Customer Service, and 35% in IT from the June 2021 reported levels.
Business Services - Performance Measurement & Administration			
PMA-1	Contract Administration Manual (CAM) Completion	\$50,000	Requires PSEG LI to complete drafts and expedite reviews of the CAM. Completed CAMs will improve day-to-day coordination and communication between LIPA and PSEG LI on operational processes.
Business Services - Budgets			
BGT-1	Affiliate Cost Benefit Justification	\$250,000	Requires PSEG LI to justify the use and cost of work done on Long Island by NJ-based PSE&G affiliates. This initiative provides a framework to more closely examine the use of Affiliates compared to alternative methods of providing the same service. If an alternative method is determined to be more cost effective or to provide higher quality, this metric requires the development of an implementation plan resulting in savings or greater value to Long Island customers.
BGT-2	Capital Project Impact Analysis	\$100,000	Requires PSEG LI to provide an analysis of the full range of costs and benefits for significant capital projects. LIPA invests over \$700 million on capital projects per year. Many of these projects are large, in excess of \$25 million, and can result in ongoing operating costs and benefits. The objective of this metric is ensure that the promised financial and operational benefits are identified upfront and realized.
Business Services - Accounting			
ACC-1	Substation Property Tax Report	\$150,000	Requires PSEG LI to develop the first Substation Valuation Report on 120 substations, comparing assessed values to actual values for tax purposes.
ACC-2	Substation Property Tax Module Plan	\$50,000	Requires PSEG LI to research and map an additional 45 substations for future annual Substation Valuation Reports.

APPENDIX C

Business Services - Rates & Tariffs			
RT-1	Long Island Choice Reform	\$150,000	Requires PSEG LI to implement the reforms to the Long Island Choice program that were recommended by the DPS and adopted by the LIPA Board by the deadlines.
RT-2	Advanced Metering Infrastructure (AMI) Fees	\$100,000	Requires PSEG LI to implement accurate and timely billing of AMI fees associated with the substantial completion of AMI deployment.
Business Services - Legal Services			
LEG-1	Information Request (IR) Responses	\$150,000	Requires PSEG LI to respond to at least 90% of IRs from LIPA and DPS within 10 days.
LEG-2	Legal Staffing	\$150,000	Requires PSEG LI to implement the results of a LIPA study of the staffing of its Legal department, to ensure adequate staffing of attorneys and paralegals to effectively carry out PSEG LI's obligations on behalf of LIPA.
LEG-3	Contractor Performance Evaluation System	\$250,000	Requires PSEG LI to implement a contractor evaluation system to ensure LIPA is benefitting from suppliers who have demonstrated experience in cost controls, performance, quality, risk management, and collaborative efforts to promote innovation and transformation.
Business Services - Performance Measurement & Administration			
E&C-1	Government & Legislative Affairs	\$100,000	Requires PSEG LI to develop a system to ensure proposed legislation is effectively monitored and that Long Island customers do not pay for lobbying related to PSEG corporate priorities.
E&C-2	Capital Project Outreach	\$200,000	Requires PSEG LI to deploy a survey to evaluate capital project outreach and implement process improvements.
E&C-3	Customer Segmentation and Consumer Priorities	\$100,000	Requires PSEG LI to develop targeted marketing and communications to drive measurable increases in program awareness of the household assistance rate, digital payments, and pay station payments and use customer segmentation to improve future marketing.
E&C-4	Reputation Management - Positive Media Sentiment	\$100,000	Requires PSEG LI to achieve at least 28% positive sentiment in media stories as measured by an independent third-party evaluation, up from 14.5% today.
E&C-5	Reputation Management - Share of Voice	\$100,000	Requires PSEG LI to achieve at least 50% "share of voice" in media during storms and emergency events.
E&C-6	Social Media Engagement and Response Rate	\$200,000	Requires PSEG LI to respond to 90% of social media inquiries related to personal health and safety with a live agent within 2 hours on blue sky days and 80% within 3 hours during major storms. Requires 90% of all other inquiries to be responded to with a live agent within 4 hours on blue sky days and 80% within 5 hours during major storms.
Compensation at Risk Based on Performance		\$3,000,000	

