



# CEO REPORT

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*September 27, 2023*

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# SEPTEMBER BOARD MEETING AGENDA

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## **FOR DISCUSSION**

- Quarterly Report on PSEG Long Island 2023 Performance Metrics, Work Plans, and PIPs
- Review of Quarterly Financial Statements Ended June 30
- Quarterly Update on Time of Day Transition
- Quarterly Update on IT System Separation
- Update on Call Center “Get Well” Plan

## **FOR APPROVAL**

- Approval of the Annual Report and Amendments on the Board Policy on Taxes and PILOTS\*
- Approval of the Annual Report and Amendments on the Board Policy on Enterprise Risk Management\*
- Selection of Firms to Provide Compensation Benchmarking and Job Valuation Services\*
- Selection of Firms to Provide IT Consulting Services\*
- Approval of the Annual Report on the Board Policy on Public Policy Transmission Planning
- Approval of the Annual Report and Amendments on the Board Policy on Asset Management
- Extension of the Fitzpatrick Power Purchase Agreement

*\*Consent agenda*

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# NEW MEMBERS OF LIPA'S LEADERSHIP TEAM

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# NEW LEADERSHIP ADDITIONS



**Werner Schweiger** joined LIPA in July as **Executive Advisor for Operations**

- **Over 40 years in the utility industry**, most recently as Chief Operating Officer for Eversource Energy
- Previously Vice President Electric Operations for Long Island Lighting Company (LILCO) and later Keyspan Corporation
- **Education:**
  - Master of Science in Energy Management from the New York Institute of Technology
  - Master of Science in Electrical Engineering from Stony Brook University
  - Master of Business Administration from Nichols College
  - Bachelor of Science in Electrical Engineering from Manhattan College
  - Completed the Senior Executive Leadership Program at Columbia University



**Gary Stephenson** joined LIPA in September as **Vice President of Power Supply**

- **38 years of experience in the electric utility industry**, most recently as Chief Operating Officer for Illinois Municipal Electric Agency
- Previously President and Chief Executive Officer at Peak Reliability, the reliability coordinator for the Western Interconnection; Executive Vice President of Operations at Dayton Power & Light, an electric utility serving 500,000 customers; Vice President of Commercial Operations at InterGen, a marketing and trading company for 4,000 megawatts of generation; and Vice President of Commercial Operations at PG&E National Energy Group, an energy marketing and plant development company
- **Education:**
  - Bachelor of Science degree in Electrical Engineering from Lafayette College.
  - Master of Science degree in Electrical Engineering from New York University
  - Master of Business Administration degree from the Amos Tuck School at Dartmouth College



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# LEGISLATIVE COMMISSION ON THE FUTURE OF LIPA

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# LEGISLATIVE COMMISSION UPDATE

- The Legislative Commission on the Future of LIPA held four more public hearings this month in Suffolk County, Nassau County, the Rockaways, and Southampton
- LIPA was invited to provide testimony at the hearings
- PSEG Long Island management contract expires December 31, 2025
- **Next Steps:**
  - A final report and draft legislation will be issued by the Commission by the end of November 2023
  - The Legislature and Governor will determine whether to move forward with the legislation in the next Legislative session
  - LIPA will move forward with the competitive bidding process for the next management contract(s) early next year unless the Legislature and Governor decide to implement changes to LIPA's business model



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# WOMEN IN CLEAN ENERGY EVENT

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# WOMEN IN CLEAN ENERGY

- Members of the LIPA team joined the Long Island Chapter of the Clean Energy Education & Empowerment (C3E) Initiative and Women in Communications and Energy NY (WICE) at the Jones Beach Energy and Nature Center
- The event included a dynamic panel discussion about the transition to clean energy here on Long Island and across the state, featuring LIPA Trustee Nancy Goroff and representatives from NYPA, NYSERDA, DPS Long Island, and other organizations

**Thank you to Trustee Goroff for participating and Jen Hayen, LIPA's Director of Communications, for helping arrange LIPA's involvement with the event**



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## UPCOMING ITEMS

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# 2023 PLAN OF FINANCE UPDATE

- **Completed transactions:**

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|-----------------|------------|---|
| • LIPA 2023 ABC | \$350MM    | Refinancing of short-term debt                              |
| • LIPA 2023 D   | \$128MM    | Refinancing of short-term debt                              |
| • LIPA 2023 E   | \$400MM    | Fund Capital Budget   |
| • LIPA 2023 F   | \$179.31MM | Refunding of hedged variable-rate debt with fixed-rate debt |

- **Upcoming transactions in October:**

- |               |          |                                     |
|---------------|----------|-------------------------------------|
| • UDSA 2023-1 | \$141MM  | Fund Capital Budget (resiliency)    |
| • UDSA 2023-2 | ~\$700MM | Refunding of UDSA bonds for savings |

**Bond refinancings are on track to provide \$125+ million savings**

# 2023 INTEGRATED RESOURCE PLAN

## LIPA's Integrated Resource Plan (IRP) will be released for public comment in October

- Issued every five years, the current IRP has a study period of 2023 to 2040 and discusses actions and decisions that need to occur between now and 2030 to meet the state's clean energy goals as we transition to a carbon-free grid
- The IRP looks at questions such as:
  - How will LIPA integrate substantial amounts of renewable generation and battery storage into the electric grid?
  - What significant investments are needed in the transmission grid serving Long Island and the Rockaways?
  - How is LIPA phasing out fossil-fueled generation? How can we use clean electricity to decarbonize heating and transportation?
  - How will disadvantaged communities and low-and moderate-income customers be affected?
- Any actions beyond 2030 will be considered in the next IRP and based on what has changed between reports





# 2024 BUDGET AND PERFORMANCE METRICS

- LIPA is preparing to present the **proposed 2024 Operating and Capital Budgets and Performance Metrics** at the **November 15** Board meeting, with the Board considering the plans at the **December 13** meeting
- LIPA provided its initial 2024 Metrics proposals to PSEG Long Island in two waves in mid-June and late July
- LIPA's Metric proposals are aligned with the strategic direction provided by the Board in its [policies](#) and with the [5-Year Strategic Plan](#)
- PSEG Long Island submitted to LIPA its proposed 2024 Operating and Capital Budget in late July
- LIPA and PSEG Long Island will submit their respective 2024 Metric proposals to DPS for their review and recommendation to the LIPA Board on or about **October 3**
- Public comment hearings are planned for on or about **November 27**



# Discussion

Questions?