



Time-of-Day Rate Update

September 27, 2023

PROJECT PLAN PROGRESS

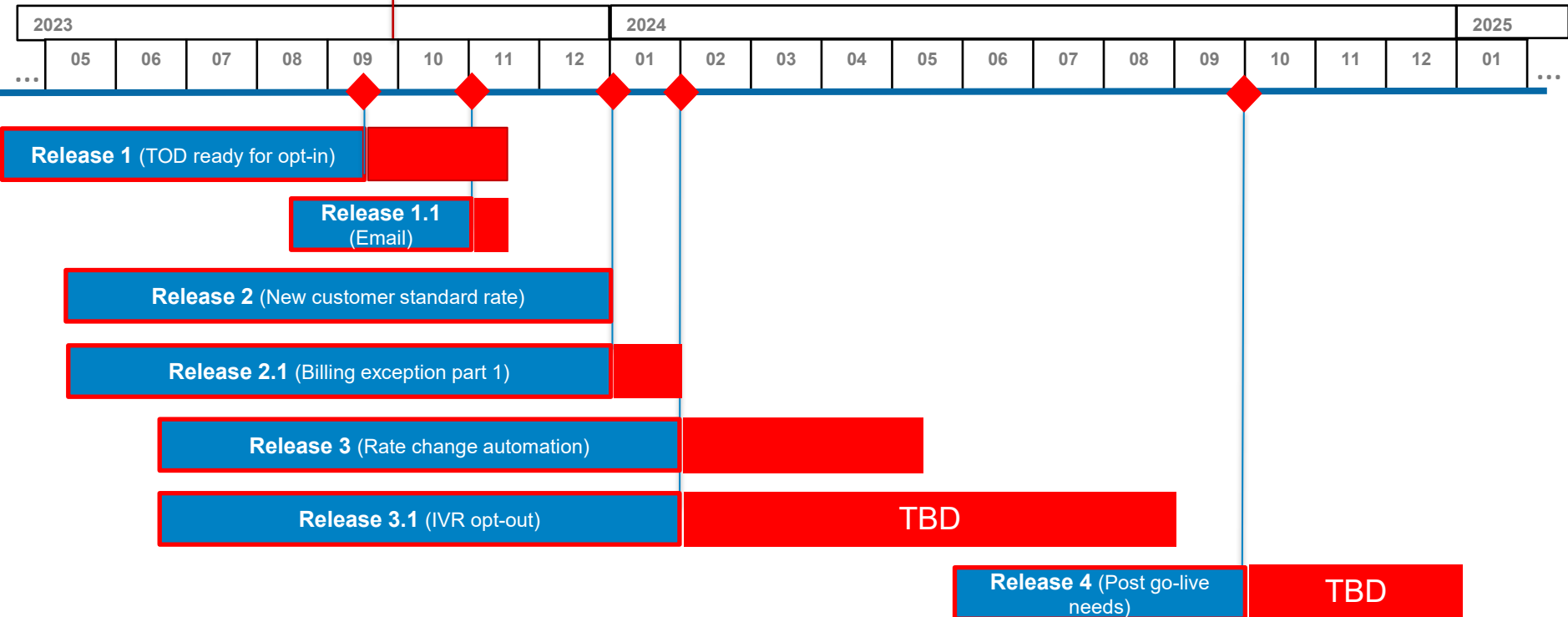
The TOD project timeline is behind schedule due to IT delays. Availability of the TOD rate for customer opt-in will be delayed from September to no earlier than November 2023. This delay will impact subsequent IT technical releases and the customer migrations to the new standard TOD rate next year

- **IT Release 1 (opt-in) build for billing systems delayed by two months**
 - Impacted testing schedule and test management approach
 - Increased risk to the quality of deliverables
- **PSEGLI proposed the following changes to the schedule, still under review:**
 - Reduce IT Release 2 scope for 12/31/23 (standard rate) and create new Release 2.1 for 1/31/24
 - Reduce and move out IT Release 3 scope (customer migration) from 1/31/24 to May 2024 and TBD
 - Delay first customer migration start from February to June 2024 and assessing the customer mix
 - Current proposed migration in 2024 is only the initial May 2024 group
- **Voluntary Time of Use (VTOU) rates closed to new enrollments as of September 15, 2023, per tariff**
- **Standard TOD rate for new customers effective January 2024 per tariff proposed to be achieved**
- **Open items remain with:**
 - IT requirement and design deliverables
 - IT test execution
 - Impact assumptions of new TOD rate on Call Center operations
 - Marketing and communications plan deliverables

PROJECT TIMELINE

Today

Timeline at risk



Release 1

- Standard 2-period and 3-period TOD rates available for opt-in
- Bill protection guarantee available
- Meter data validation, estimation, and editing in MDM-Complete (Separate Project)
- MyAccount and Mobile app enabled to accept opt-ins and opt-outs

Release 1.1 - Direct email communication and enabled acceptance of opt-outs

Release 2 - New customer move-ins and transfer default to 2-period TOD rate

Release 2.1 (NEW Release) - Enhance billing exception functionality part 1 (Moved from Release 2)

Release 3

- Rate change process automated
- Remaining billing exception enhancement part 2 (moved from Release 2)

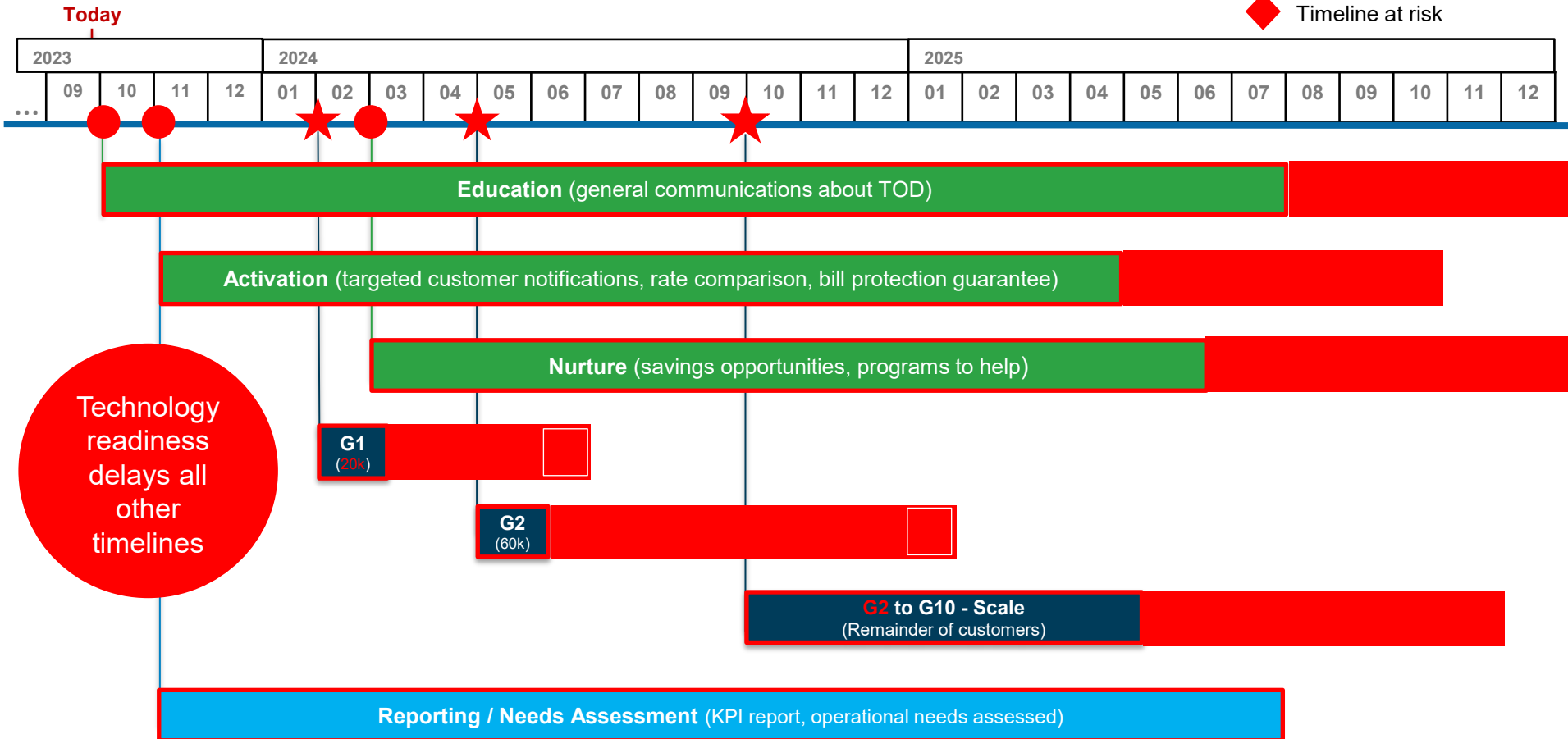
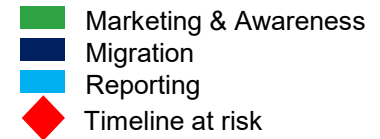
Release 3.1 (NEW Release - TBD)

- IVR able to accept opt-outs (moved from Release 3)
- Website enhanced for appliance calculator (moved from Release 3)

Release 4 (TBD)

- Billing & Call Center process &/or tools enhancement based on needs
- Customer tools and rate change impact calculator improvements

PROJECT TIMELINE



- Migration Group 1 moved from February 2024 to May 2024 & evaluating the group makeup
- Proposed for only one migration group in 2024, but starting with a more diverse population
- All marketing, awareness, and reporting delayed —pending final assessment

LIPA IV&V AND MONITORING

LIPA is executing deep engagement on development and execution of IT work as well as plans for management of the workload for the Call Center and Billing

Deliverable Review

- Completeness and accuracy
- Compliance with agreed requirements
- Alignment with best practices
- Appropriate test coverage for all segments

Independent Validation

- Random sampling to verify accuracy of usage and bill calculations
- Test execution and validate results

Go-Live / 1st Migration

- Decision driven by success of project execution and operational readiness

Post Go-Live / Post 1st Migration

- On-going measurement of key performance indicators
- Needs assessment for Call Center, Billing and Customer
- Resources secured for potential 2024 enhancements to address emerging employee or customer needs

UPCOMING ACTIVITIES



- Finalize revised timelines for IT Releases 1-4
 - Finalize new migration plan
 - Finalize marketing & communications plan
 - **Communications campaign (timeline moving)**
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- IT Release 1 & 1.1 – **Go-live (tentative)**
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- IT Release 2 reduced scope – **Go-live (tentative for 12/31/23)**



Discussion

Questions?