

Proposed 2024 Performance Metrics

November 15, 2023



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Rory M. Christian
Chair and
Chief Executive Officer

November 10, 2023

Via E-mail and U.S. Mail

Honorable Mark Fischl, Vice Chairman
Board of Trustees
Long Island Power Authority
333 Earle Ovington Blvd.
Uniondale, New York 11553

boardoftrustees@lipower.org

Re: Matter No. 23-02360: Recommendations Regarding LIPA's Proposed 2024 Final Performance Metrics

Dear Vice Chairman Fischl:

I am pleased to provide the recommendations of the New York State Department of Public Service (Department, DPS, or DPS Staff) regarding the Long Island Power Authority's (LIPA's) Final 2024 Performance Metrics proposal (LIPA Final Proposal) for PSEG Long Island (PSEG LI or the Company).¹ Pursuant to the requirements of the Second Amended and Restated Operating Services Agreement (the New OSA) between LIPA and PSEG LI, LIPA proposed 61 metrics covering all scope functions: 1) Transmission and Distribution (T&D); 2) Power Supply & Clean Energy Programs (PS&CE); 3) Business Services (BS); 4) Customer Services (CS); and 5) Information Technology (IT).² These recommendations constitute DPS Recommended Metrics pursuant to Appendix 4.3(C) of the New OSA.

Under the terms of the New OSA, LIPA and PSEG LI are required to conduct an annual metrics review process.³ As part of this process, LIPA sends an initial metrics proposal to PSEG LI for its review and comment. Then, PSEG LI may provide comments on this initial

¹ LIPA 2024 Proposed Performance Metrics for DPS Review and Recommendation (filed October 3, 2023) (LIPA's Proposed 2024 Metrics).

² Second Amended and Restated Operations and Services Agreement Between the Long Island Power Authority and PSEG Long Island, LLC, Appendix 4.3(C)(I)(A) (in effect April 1, 2022) (New OSA).

³ New OSA, Appendix 4.3(C)(I)(B).

proposal to LIPA and DPS, which LIPA must consider in good faith.⁴ After reviewing PSEG LI's comments, LIPA submits a Final Proposal to DPS for its review and recommendation, as well as to PSEG LI for further comment concerning the Final Proposal. Finally, the Department considers the Final Proposal, along with PSEG LI's comments, and submits its recommendation to the LIPA Board of Trustees (LIPA Board or the Board) for adoption.

Staff has reviewed LIPA's Final Proposal and recommends: 1) adoption of twenty-four (24) of the sixty-one (61) proposed metrics; 2) modification of thirty-six (36) metrics with adjustments to the "Standard Language" provisions proposed by LIPA or the target levels and/or certain deliverables; 3) rejection of one (1) metric; and 4) reintroduction of one (1) metric. The attached DPS Staff Memorandum outlines the process undertaken and details the Department's recommendations for the 36 metrics recommended for approval with modification, and the metrics that we recommend be removed or reintroduced. The DPS Staff Memorandum includes a short summary of each metric where PSEG LI and LIPA disagreed, or DPS Staff recommended a modification to targets, deliverables, or timelines. For these metrics, the corresponding explanation for DPS Staff's recommendation is also included.

Concerning the 24 metrics DPS Staff recommends be adopted without modification, these metrics encompass four scope areas: T&D, CS, BS, IT; and critical operation services such as reliability, vegetation management, customer service, and safety. The metrics will aid in ensuring that PSEG LI maintains and enhances its performance on behalf of customers and that PSEG LI improves its performance by reducing the amount of time that customers experience outages, ensuring that employees do not suffer serious injuries, and increasing the efficiency of its vegetation management work.

Staff also recommends adoption of several metrics that pertain to PSEG LI's targets to achieve compliance with the goals of the Climate Leadership and Community Protection Act (CLCPA). Specifically, these metrics contain deliverables to achieve set Energy Efficiency savings, incentivize residential customers to install heat pumps, and promote electric vehicle adoption on Long Island. Additionally, Staff recommends adoption of metrics that will directly target improvements in areas that impact customers' experience and will require PSEG LI to improve the accuracy of customer bills, increase the efficiency for live agent customer calls, and achieve a low customer complaint rate. Staff also recommends the adoption of metrics that will require PSEG LI to improve their cybersecurity readiness.

The New OSA establishes the criteria which LIPA must use to develop metrics.⁵ These criteria stress the reasonably achievable nature of metrics and that LIPA's evaluation of PSEG LI's performance is neither discretionary nor based on subjective judgement. DPS emphasizes that consideration of the reasonableness and objectively verifiable nature of any metric is keenly important in developing the metrics. Appropriate scheduling of deliverables that is neither protracted nor truncated must be considered when developing the metrics to ensure not only that PSEG LI has a reasonable opportunity to achieve the metrics, but also that LIPA has the time necessary to review the delivered materials. It is also important to begin from a place of clear and concise language which outlines the parameters for PSEG LI's achievement of the

⁴ Id.

⁵ Id., Appendix 4.3(1)(D).

metrics and creates commensurate parameters for LIPA's review and confirmation of deliverable or metric completeness.

Future iterations of any metrics should be predicated on a mutual understanding of customers' needs, but also on LIPA and PSEG LI's shared goals, their operational needs, and in consideration of the availability of their own internal resources. Metrics must also adequately align with the policies, goals, and strategies outlined by New York State, and by the LIPA Board.

In total, these metrics are intended to ensure that PSEG LI provides Long Island residents with improved service across all five scope functions, with a particular focus on reliability, customer satisfaction, and progress towards reaching the goals of the CLCPA. As stated in the Department's Recommendations concerning the New OSA, "[t]he substantial increase in metrics will ensure that the numerous aspects of PSEG LI's operations services are scrutinized and that performance in all scope areas is either improved or maintained appropriately."⁶

While the New OSA greatly enhanced various requirements it also increased the portion of PSEG LI's compensation at risk for failing to rise to the level set by the annual metrics. The DPS Recommended Metrics adequately incentivize PSEG LI to achieve the level and quality of service expected of a utility in New York State. As such, DPS recommends that the LIPA Board adopt the DPS Recommended Metrics as discussed in the attached DPS Staff Memorandum.

Respectfully Submitted,



Rory M. Christian
Chief Executive Officer

ATTACHMENT

cc: Thomas Falcone, LIPA, Chief Executive Officer
Bobbi O'Connor, LIPA, General Counsel & Secretary to the Board of Trustees
David C. Lyons, PSEG, LI Interim President and Chief Operating Officer
Andrea Elder-Howell, PSEG, LI Vice President Legal Services
Carrie Meek Gallagher, DPS, LI Director
Nicholas Forst, DPS, LI Counsel
Peter Hilerio, DPS, LI Counsel

⁶ DPS Recommendations re: Reformed Operations Services Agreement between LIPA and PSEG LI, dated November 23, 2021, p. 4.

STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE
INTEROFFICE MEMORANDUM

November 10, 2023

TO: Chief Executive Officer Rory Christian

FROM: DPS Staff Team

SUBJECT: Recommendations Regarding the Long Island Power Authority's Proposal for
PSEG Long Island's 2024 Performance Metrics

Introduction

This memorandum is provided to the Chief Executive Officer of the Department of Public Service (DPS or the Department) on behalf of the Department Staff (Staff) team who conducted the review, and herein present their recommendations (DPS Recommended Metrics) regarding the Long Island Power Authority's (LIPA or the Authority) Final 2024 Performance Metrics proposal (LIPA Final Proposal) for PSEG Long Island (PSEG LI or the Company).¹ Pursuant to the terms of the Second Amended and Restated Operating Services Agreement (the New OSA), LIPA proposed 61 metrics across the following scope functions: 1) 22 Transmission and Distribution (T&D) metrics; 2) six Power Supply and Clean Energy Programs (PS&CE) metrics; 3) 10 Business Services (BS) metrics; 4) 14 Customer Services (CS) metrics; and 5) nine Information Technology (IT) metrics.²

The New OSA requires LIPA and PSEG LI to conduct an annual metrics review process. As part of the process, LIPA issues an initial proposal to PSEG LI for its review and comment. PSEG LI may provide comments on this initial proposal to LIPA and DPS, which LIPA must consider in good faith.³ After reviewing PSEG LI's comments, LIPA submits its Final Metrics Proposal to DPS for DPS' review and recommendation, and to PSEG LI for further comment concerning the Final Metrics Proposal. Finally, the Department will consider the Final Metrics Proposal, along with PSEG LI's comments, and submit its recommendation to the LIPA Board of Trustees (LIPA Board or LIPA BoT) for adoption.

Executive Summary

Pursuant to the New OSA, Appendix 4.3(C)(I)(B)(1), in conjunction with DPS' statutory responsibilities pursuant to Public Service Law (PSL) §3-b(3)(h), DPS submits its recommendations concerning LIPA's Final Proposal, i.e., the DPS Recommended Metrics. Staff has reviewed LIPA's Final Proposal, as well as PSEG LI's comments, and recommends: 1) adoption of 24 of the 61 proposed metrics; 2) modification of 36 metrics with adjustments to the "Standard Language" provisions proposed by LIPA or the target levels and/or certain deliverables; 3) removal of one metric; and 4) reintroduction of one metric.

Consistent with the timing of LIPA's budgeting process, LIPA began its 2024 metrics process by initiating the first of two waves of metric submissions. On June 16, 2023, LIPA provided DPS and PSEG LI with a list of the 2023 metrics it proposed to carry over into 2024 (Wave 1). Subsequently, on July 28, 2023, LIPA submitted a list of new and carry over metrics for 2024 (Wave 1 and 2 Combined). Throughout September, LIPA provided

¹ LIPA 2024 Proposed Performance Metrics for DPS Review and Recommendation (filed October 3, 2023; supplement filed October 11, 2023) (LIPA's Proposed 2024 Metrics).

² Second Amended and Restated Operations and Services Agreement Between the Long Island Power Authority and PSEG Long Island, LLC, Appendix 4.3(C)(I)(B) (in effect April 1, 2022).

³ Id.

PSEG LI with the quantitative metric targets and additional information to support modification of LIPA's proposed metrics. PSEG LI provided multiple submissions of redline edits and feedback to LIPA and DPS during this process. On October 3, 2023, LIPA submitted its Final Metrics Proposal to DPS. On October 4, 2023, PSEG LI submitted its final comments and redline edits to LIPA and DPS for their consideration. On October 11, 2023, LIPA submitted a supplemental package addressing the variances between LIPA and PSEG LI's earlier proposals.⁴ In total, LIPA and PSEG LI are in full agreement concerning 23 metrics and disagree on 38 metrics.

Based upon its review, Staff recommends that 24 metrics be adopted as proposed by LIPA. Of these 24 metrics, 13 metrics are in the T&D scope function, three metrics are in the BS scope function, seven metrics are in the CS scope function, and one is in the IT scope function. A list of the 24 metrics recommended for adoption as proposed is provided in Appendix A. Further, Staff recommends a total of 36 metrics for approval with modifications. Modifications to these metrics include changes to targets, deliverables timelines, compensation structures, the Standard Language provisions proposed by LIPA, and/or DPS' inclusion in the development of project implementation planning. As stated above, Staff also recommends the modification of LIPA's proposed Standard Language, which allows PSEG LI to develop, submit, and resubmit deliverables to meet LIPA's expectations. Additionally, Staff recommends the removal of one metric, specifically, the Capital Project Outreach Improvements metric in the BS scope area. Finally, Staff recommends reintroducing one CS metric (DPS Customer Complaint Rate) which LIPA removed after Waves 1 & 2.

Staff's Recommendation

Metrics Recommended for Approval as Proposed by LIPA:

Staff recommends that 24 metrics be adopted as proposed. Out of these 24 metrics, there are six where LIPA and PSEG LI disagree. Staff's rationale for recommending the approval of these six metrics is explained below. Finally, a list of the 24 metrics recommended for adoption as proposed is provided in Appendix A.

- **BS-05 – Full Time Vacancy Rate**

- This metric requires PSEG LI to obtain the budgeted full-time headcount that is identified as necessary to meet operational objectives within five identified categories.
- Staff agrees with LIPA that if the requested headcount for IT category is not reasonably attainable, the budgeted headcount request should be adjusted rather than relaxing the vacancy rate targets. Thus, Staff recommends adopting the metric as proposed and setting the target of 10 percent for IT vacancy rate.

⁴ PSEG Long Island 2024 OSA Metrics Proposal (filed October 4, 2023).

- Staff does not support PSEG LI's proposal for counting contractor staff augmentation towards the vacancy calculation as it does not add any benefits to ratepayers.
- PSEG LI proposed to add a third tier to the compensation structure. Staff does not support PSEG LI's proposal as it does not incentivize improvement from the current level of performance.
- CS-10 – Billing – Cancelled Rebill
 - This metric requires PSEG LI to improve the accuracy of initial customer billing by reducing the percentage of bills cancelled and rebilled to customers.
 - LIPA proposed a target of equal to or less than 0.15 percent for 2024, while PSEG LI proposed a target of 0.16 percent.
 - Staff agrees with LIPA regarding PSEG LI's current year performance for this metric which we calculate to be 0.15 percent with the exclusion of the unusual increase due to cancellation and rebills of over 2,800 accounts caused by Community Distributed Generation manual billing in March.
 - Staff supports LIPA's proposed changes to the exclusion language that eliminates the option to remove the highest and lowest performing months from the calculation. Also, Staff agrees with LIPA's assessment that the exclusion of a month of poor performance is no longer required based on the flat performance improvement from the current year-to-date level required to achieve the objective of the metric.
- CS-14 – Net Dollars Written Off
 - This metric requires PSEG LI to manage the effectiveness of recovery efforts of uncollectible revenue.
 - LIPA and PSEG LI disagree on the model and assumptions for target calculation. Staff recommends that this metric be adopted as proposed by LIPA.
- CS-15 – Arrears Aging Percent > 90 Days Past Due (Arrears %>90)
 - This metric requires PSEG LI to manage the effectiveness of recovery efforts of aged receivables (> 90 days).
 - LIPA and PSEG LI disagree on the model and assumptions for target calculation. Staff recommends that this metric be adopted as proposed by LIPA.
- IT-01 – IT Organizational Maturity
 - This metric requires PSEG LI to achieve an Organizational Maturity Level at CMMI (Capability Maturity Model Integration) Level 3 in the CMMI Development Model.
 - Staff recommends adopting the metric as proposed by LIPA. PSEG LI proposed that the CMMI benchmark Appraisal would be conducted in the fourth quarter of 2024 instead of second quarter of 2024 as a new version of the CMMI Model (V3.0) will be used for the appraisal. PSEG LI has not completed a review process to evaluate the impact of the version change,

and as such has not identified any benefit to a delay in conducting the appraisal.

- T&D-50 – Storm Outage Response Performance
 - The proposed metric requires PSEG LI to improve the effectiveness of overall outage management and response for storms with durations of ≥ 24 hours and < 48 hours.
 - Staff recommends that the metric be adopted. Staff finds it appropriate to target a five percent improvement over the average of three year-end actual performance for measurement criteria of the scorecard as proposed by LIPA.
 - Staff agrees with LIPA's assessment that all outages including low voltage outages negatively affect customer experience during storm events and recommends that all outage jobs should be part of the measurement criteria of Job Dispatch to Start.

Recommendation Concerning Proposed Standard Language:

LIPA's Final Proposal added Standard Language that applies to all project-based qualitative metrics to further codify the process for the identification of metrics that are deficient and require resubmission. The Standard Language would require PSEG Long Island to resubmit a metric that LIPA has identified as deficient within 10 days after notification. LIPA's proposed Standard Language states:

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only one opportunity post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

This proposed language was the subject of negotiations between LIPA and PSEG Long Island. It appropriately adds more requirements and timelines in the event PSEG

Long Island must resubmit a deliverable after LIPA finds it deficient, and DPS notes that LIPA made considerable changes to the proposed Standard Language based on feedback from PSEG Long Island.

DPS supports clear communication between PSEG Long Island and LIPA to ensure the expectations of each metric are clearly understood and to increase the likelihood of success in achieving the desired outcome. DPS further supports efficient and constructive communications, whereby each resubmission demonstrates a good faith effort to address the feedback received.

It is equally important for the feedback to be provided in a timely manner and be actionable. In its October 4, 2023 submission of its final comments and redline edits of the metrics, PSEG Long Island proposed alternative Standard Language that stated in part:

“Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and expectations.”

DPS recommends the inclusion of PSEG Long Island’s additional language, which would emphasize the important expectation that LIPA will timely review deliverables and provide feedback.

In addition, DPS supports LIPA’s desire to limit the number of resubmissions, which should result in a more disciplined approach to resolving deficiencies. To the extent more than one resubmission is necessary, LIPA proposes a requirement that PSEG Long Island utilize the exceptions process to further justify its second (or more) resubmissions. Such a requirement is understandable but will take additional time for PSEG Long Island to resubmit. Before applying this higher standard, DPS recommends allowing up to two resubmissions without the need to apply the exceptions process (unless such resubmission will take greater than 10 days). This will allow efficient and good faith efforts by both parties.

DPS strongly encourages LIPA and PSEG Long Island to work collaboratively to ensure that the requirements of each metric are achieved by the individual deliverable dates within each metric. This includes robust discussions during development of work product(s) for deliverables, as allowed in the proposed Standard Language.

Accordingly, DPS recommends that the Final Metrics Proposal for Standard Language should read as follows:

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA’s expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

Metrics Recommended for Approval with Modifications Regarding Standard Language:

Staff recommends modification to 28 metrics solely limited to modifying LIPA's proposed Standard Language. The targets or deliverables for these metrics have not been modified. These 28 metrics are solely modified to adopt Staff's recommended Standard Language and are listed in Appendix B. Additionally, there are 11 metrics in this category where LIPA and PSEG LI disagree beyond the inclusion of Standard Language. Staff's rationale for supporting LIPA's position for these 11 metrics is provided below.

- BS-07 – Implement Affiliate Service Remediation Plans and Transition Plans
 - This metric requires PSEG LI to implement the remediation or transition plans for affiliate services provided by "PSEG Services Corporation" (PSEG New Jersey) effectively.
 - Staff recommends adoption of this metric as proposed to support LIPA and PSEG LI's corresponding contractual requirements under the New OSA.
- CS-01 – Delivery of Strategic Customer Experience & Billing Projects
 - This metric requires PSEG LI to implement strategic customer projects to improve customer experience in contact, payment, and billing.
 - PSEG LI conducted a study for the chat channel effectiveness as part of the 2022 CS-01 metric. Staff agrees with LIPA's assessment that implementing Chat Enhancements project is reasonable as it is the remaining part of a two-phased approach from PSEG LI's recommendations in the 2022 chat study.
 - In addition, this metric has undergone significant revision to amend the scope of projects. Staff finds that the scope of the metric is appropriate, and the deliverables are attainable. Therefore, Staff recommends this metric be adopted as proposed.

- CS-05 – Customer Transactional Performance Measurement & Analysis
 - This metric aims for continuous improvement of customer transactional performance through enhancing the existing customer surveys.
 - PSEG LI expressed concerns that current systems are not designed/or equipped for the project planning and implementation aspect of the metric.
 - Staff supports the metric as proposed. The projects contained in CS-05 will improve customer experience and satisfaction and provide valuable insight to customer behavior.
- CS-28 – Move Process Improvement
 - This metric aims to improve the residential move process so that customers can complete the process within one transaction.
 - Staff recommends adopting the metric as proposed by LIPA since it continues or carries-over project deliverables from 2023 as intended by the objective of the metric.
- CS-30 – Optimize Contact Center Resource Utilization
 - The proposed metric requires PSEG LI to efficiently and effectively improve its use of contact center resources.
 - LIPA proposed qualitative deliverables for this metric, while PSEG LI suggested using utilization rate as a target. Staff does not find the PSEG LI proposed calculation for utilization rate appropriate as it may create favorable results for call center understaffing. In addition, PSEG LI's proposal does not consider any measure to improve its ability to schedule agents to respond to intraday changes. Therefore, Staff recommends adopting the metric as proposed by LIPA.
- CS-31 – Call Average Handle Time (AHT)
 - The proposed metric requires PSEG LI to improve agent efficiency in handling customer inbound calls.
 - Staff agrees with LIPA's assessment that the lack of improvement in PSEG LI's AHT performance indicates that additional measures should be taken to address the root cause of AHT decline. Therefore, staff recommends the inclusion of LIPA's proposed PIP as it can identify and address underlying issues in AHT performance.
 - LIPA proposed to allocate 75 percent of the compensation to be awarded for quantitative performance improvement and the remaining 25 percent to be awarded for achieving project deliverables. Staff supports the proposed allocation as prioritizing quantitative performance will yield more direct benefits for customers.
- IT-03 – System Resiliency – Business Continuity Plans and Functional Drills
 - This metric requires PSEG LI to develop well-designed and robust IT system Business Continuity Plans based on comprehensive Business Impact Analyses.

- Staff recommends adopting this metric as proposed. The Business Continuity Plans are necessary to enable PSEG LI to respond to disruptions and ensure the continued operation of their systems.
- IT-10 – System Resiliency – Disaster Recovery Plans and Testing
 - This metric requires PSEG LI to develop and implement well-designed and robust IT System Resiliency Plans that include Disaster Recovery Plans.
 - Staff recommends adopting this metric as proposed. LIPA will be required to engage a third-party to conduct a resiliency program assessment with PSEG LI input based on PSEG LI's operational resources.
 - Staff supports this metric because the Consultant's assessment will identify gaps in PSEG LI's system resiliency and provide solutions to create an appropriate Disaster Recovery Plan.
- PS&CE-13 – Heat Pump Strategy to Address Barriers to Customer Adoption
 - This metric requires PSEG LI to address barriers to customer heat pump adoption through programmatic changes.
 - Staff recommends using the NYSERDA's Building Efficiency and Electrification Model (BEEM+) model as proposed by LIPA to align with NYSERDA's tool for statewide building electrification plan. Staff believes this will enable LIPA and PSEG LI to meet their share of the CLCPA building electrification goals by 2030.
- T&D-46 – Root Cause Analysis (RCA) Execution and Compliance
 - The proposed metric expands the current RCA program to other criteria such as Safety Incidents, Inadvertent Operations, Mis-Operations, Locate and Mark, and Outages affecting IT/OT Systems.
 - Staff recommends the inclusion of "IT – Outages or incidents affecting IT/OT systems" in the RCA program expansion as proposed by LIPA. Staff believes inclusion of IT/OT systems will enhance the effectiveness of the RCA program and in turn provide more reliable service to LIPA customers.
- T&D-52 – Triennial Safety Assessment
 - The proposed metric aims to improve safety performance by requiring PSEG LI to create a PIP based on recommendations of a third-party triennial safety assessment.
 - Staff recommends that this metric be adopted as proposed by LIPA. Further, Staff agrees with LIPA's assessment that PSEG LI should not receive compensation for this metric if the third-party consultant does not make material findings as part of its triennial safety assessment.
 - Staff agrees with LIPA that PSEG LI is already compensated for baseline performance in management fees outside of the incentive compensation package. Instead, Staff supports LIPA's proposal that the variable compensation for this metric should be reallocated on a pro-rata basis to the other 2024 T&D metrics if there are no material findings in the safety assessment.

Metrics Recommended for Approval with Modifications to Targets/Deliverables:

There are eight metrics where Staff recommends approval with modifications to the targets, deliverables, timelines, compensation structures, Standard Language, and/or DPS' inclusion in the development of project implementation planning. Staff's recommendations and proposed modifications are provided below.

- BS-38 – Improve the Rate and Tariff Change Implementation Process
 - The proposed metric requires PSEG LI to improve the rate and tariff change process to ensure that changes are made to customer bills accurately and in a timely manner. PSEG LI is required to create a Project Implementation Plan (PIP) for Rate and Tariff Change Implementation based on the findings and recommendations of a third-party consultant's report.
 - Staff recommends that LIPA and PSEG LI provide the third-party consultant report to DPS prior to implementing any changes based on the recommendation. We recommend that LIPA provide DPS at least 30 days to review and comment on the report, and DPS' comments are considered in developing any plans to implement the recommendations contained in the report.
 - Staff also recommends modifying the Standard Language applied to this metric.
- IT-07 – System Segregation
 - This metric requires PSEG LI to separate LIPA IT systems from PSEG New Jersey systems.
 - Staff agrees with LIPA's position on having specific due dates for Bundle 1, 2, and 3. Staff argues that establishing clear target due dates is critical in assessing the performance and deciding proper compensation for the metric. Staff supports the target due date for Bundle 1,2,3 as proposed and recommends that LIPA revisit the due dates in December in the event there are significant changes to the timeline as the PIPs receive LIPA approval.
 - The Bundle 4 PIP is a part of 2024 metrics, and it is premature to decide due dates related to Bundle 4 in 2023. Thus, Staff recommends aligning target due dates with the latest LIPA-approved PIP for Bundle 4 when it is available.
 - Staff also recommends modifying the Standard Language applied to this metric.
- IT-09 – IT Planning - Ransomware Readiness and Response
 - This metric requires PSEG LI to develop and implement Ransomware Readiness and Response plans to respond to suspected or confirmed ransomware incidents effectively.
 - Staff recommends LIPA engage a third-party consultant with PSEG LI's input based on PSEG LI's operational resources to complete a current state assessment to determine gaps in ransomware recovery readiness and response planning.

- Staff recommends this modification because the external third party will be in the best position to provide an objective assessment to determine gaps of ransomware recovery readiness and response preparation and planning.
 - Staff also recommends modifying the Standard Language applied to this metric.
- PS&CE-01 – Complete Integrated Resource Plan (IRP) Follow-on Activities
 - This metric requires PSEG LI to complete follow-on studies for the IRP that carry over into 2024.
 - The Steam Deactivation Study is being performed to identify the deficiencies and potential solutions in the LIPA system with planned retirement of existing Steam generation on Long Island by 2028. Staff disagrees with PSEG LI's proposal to remove the "Submit Draft Steam Deactivation Study for LIPA comments" deliverable as this deliverable is an opportunity for PSEG LI to get feedback from LIPA and incorporate the feedback for the final draft.
 - Staff recommends extending the "Steam Deactivation Study: Development of Solutions and Final Report" deliverable due date from March 15, 2024, to April 12, 2024. Further, LIPA should provide its comments on the draft report by March 29, 2024. By extending the due date PSEG LI will have an additional two weeks to incorporate the comments in their final report.
 - Staff also recommends modifying the Standard Language applied to this metric.
 - PS&CE-03 – Energy Efficiency Plan Savings
 - This metric requires PSEG LI to achieve the Energy Efficiency Plan Targeted Savings, which includes LIPA and DPS recommended savings target changes to achieve the Clean Energy Goals.
 - Staff agrees with using the ex-post verified gross savings as it is consistent with NYSERDA's Clean Energy Dashboard reporting.
 - Staff recommends the savings evaluation continue to follow the same practice in place since 2014, i.e., the evaluation be performed by an independent third-party evaluator.
 - Staff recommends increasing the target allocation for spending on disadvantaged communities to a minimum of 35 percent in alignment with the CLCPA requirements.
 - Staff recommends adopting a compensation structure based on achievement of specific goals for this metric – (1) 100 percent compensation is awarded for achieving both the energy efficiency target and DAC spending targets or (2) 50 percent for only achieving one of the two targets.
 - PS&CE-05 – Beneficial Electrification – Building Electrification
 - This metric requires PSEG LI to achieve the Beneficial Electrification targets from the Utility 2.0 filing and any LIPA and DPS recommended changes to the targets.
 - Staff recommends increasing the target allocation for spending on disadvantaged communities to a minimum of 35 percent in alignment with the CLCPA requirements.

- PS&CE-14 – Transportation Electrification Strategic Initiatives
 - This metric aims to address barriers to customer transportation electrification through programmatic changes.
 - Staff recommends LIPA and PSEG LI include DPS in the planned review sessions to discuss progress-to-date on the Transportation Electrification PIP.
 - Staff also recommends modifying the Standard Language applied to this metric.
- T&D-07– System Average Interruption Duration Index (SAIDI) Reliability
 - This metric aims for continuous improvement of the duration of sustained interruption for the average customer.
 - Staff recommends against rewarding 65 percent of the allocated compensation for meeting the same target for 2023 (57.5 minutes) since the objective of the metric is the continuous improvement of SAIDI. Staff recommends that the target for awarding 65 percent of the compensation be modified to 57 minutes because it is a reasonably achievable target based on staff evaluation of PSEG LI's SAIDI performance for the past five years. Staff recommends a target of 56.5 minutes or less for awarding 100 percent of incentive compensation as proposed by LIPA.

Metrics Recommended for Removal:

- BS-37 – Capital Project Outreach Improvements
 - The proposed metric aims to monitor and improve the effectiveness of T&D capital projects outreach. Currently, DPS and LIPA have a monthly meeting with PSEG LI to discuss external affairs and capital outreach projects. In addition, PSEG LI provides monthly updates on scorecards/tier level for each project and the level of outreach carried out for DPS's review.
 - Staff recommends removal of this metric as there are existing procedures, developed by DPS, in place to monitor External Affairs Capital Project Outreach effectively and efficiently.
 - DPS will carefully review PSEG LI's adherence to the existing procedures and will consider any necessary process improvements, including adding detailed capital project outreach requirements in the 2025 metrics, based on PSEG LI's performance in 2024.

Metrics Recommended for Reintroduction:

Staff recommends the following metric be reintroduced, which was removed after Wave 1 and 2.

- CS-19 – DPS Customer Complaint Rate
 - This metric measures the total number of initial customer complaints registered with DPS and incentivizes keeping the number of complaints to a

minimum. This metric was included in LIPA's Wave 1 & 2 metrics proposal, but it was withdrawn in LIPA's Final Metrics package.

- The Public Service Commission (PSC or Commission) uses the DPS Customer Complaint Rate to measure the performance of New York State's Investor-Owned Utilities (IOUs). The IOUs are also subject to a Negative Revenue Adjustment if they do not meet a target set by the Commission. Staff recommends that this metric be restored to incentivize PSEG LI to maintain or improve its DPS complaints Rate, to be aligned with the IOUs in New York State.
- LIPA and PSEG LI agreed to a target to achieve the top position for a rolling 12-month Initial Complaint Rate for electric and combination companies within the peer group. Staff agrees that achieving the top position in the group is reasonable for this metric.
- DPS understands LIPA will assign an appropriate level of compensation for this metric.

Conclusion

For the reasons stated above, DPS Staff recommends that the LIPA Board 1) adopt 24 of the metrics as proposed; 2) adopt 36 of the metrics with DPS' recommended modifications; 3) reintroduce CS-19 metric; and 4) remove BS-37 metric in LIPA's Final Proposal. DPS Staff's recommendations contained herein, should be considered the DPS Recommended Metrics under the terms of the OSA.

Appendix A

24 Metrics Recommended for Adoption without Modification

Metric #	Metric Title
BS-05	Full Time Vacancy Rate
BS-13	Information Request (IR) Responses
BS-22	Timely, Accurate, and Supported Storm Event Invoicing
CS-10	Billing – Cancelled Rebill
CS-11	Contact Center Service Level with Live Agent Calls
CS-14	Net Dollars Written Off
CS-15	Arrears Aging Percent > 90 Days Past Due (Arrears %>90)
CS-17	Low to Moderate Income (LMI) Program Participation
CS-21	Outage Information Satisfaction
CS-25	Interactive Voice Response (IVR) Containment Rate
IT-01	IT Organizational Maturity
T&D-01	Asset Management Program Implementation – Asset Inventory
T&D-08	System Average Interruption Frequency Index (SAIFI) Reliability
T&D-09	Momentary Average Interruption Frequency Index (MAIFI) Reliability
T&D-10	Reduce Sustained Multiple Customer Outages (S-MCOs)
T&D-12	Reduce Momentary Multiple Customer Outages (M-MCOs)
T&D-13	Safety – Serious Injury Incident Rate (SIIR)
T&D-24	Improve Reliability Through Vegetation Management Work Plan -- Cycle Trim and Trim-to-Sky
T&D-26	Improve Reliability Through Vegetation Management Work Plan – Hazard Tree Removal
T&D-36	Construction - Cost Estimating Accuracy
T&D-37	Improve Reliability and Resiliency Through Completion of Program Planned Units and Management of Unit Costs Per Workplan
T&D-40	Reduce Double Wood Poles
T&D-49	Work Management Effectiveness
T&D-50	Storm Outage Response Performance

Appendix B

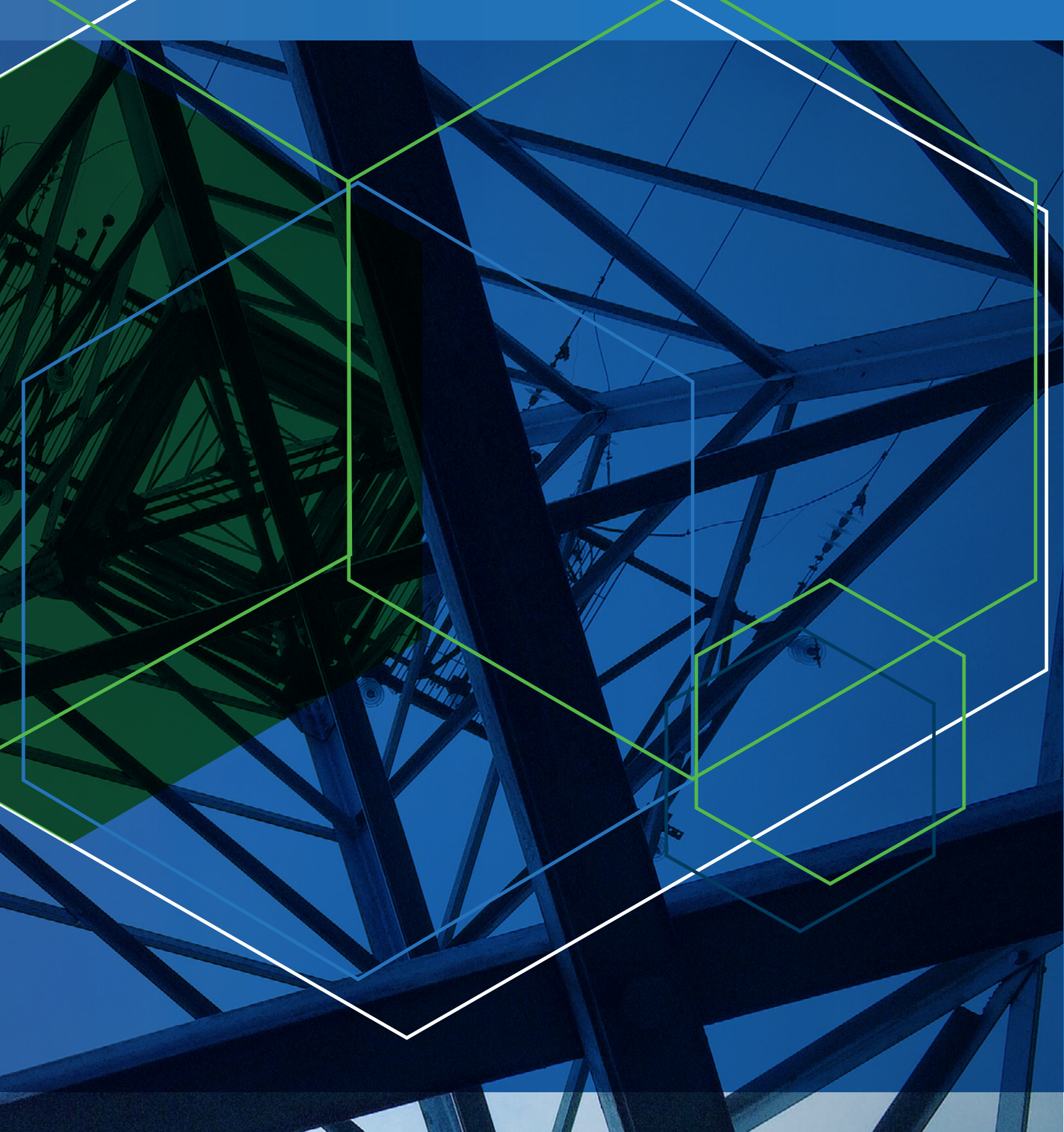
28 Metrics Recommended for Approval with Modifications Limited to Standard Language

Metric #	Metric Title
BS-07	Implement Affiliate Service Remediation Plans and Transition Plans
BS-34	Improve Budgeting, Billing, and Collection Efforts for Reimbursable Projects
BS-35	Implement Budget Process Improvements
BS-40	Implement Improvements to Budget Process Using New Budget System
BS-41	PJD and Capital Budget Process Improvements
CS-01	Delivery of Strategic Customer Experience & Billing Projects
CS-02	J.D. Power – Residential
CS-03	J.D. Power – Business
CS-05	Customer Transactional Performance Measurement & Analysis
CS-28	Move Process Improvement
CS-30	Optimize Contact Center Resource Utilization
CS-31	Call Average Handle Time (AHT)
IT-03	System Resiliency - Business Continuity Plans and Functional Drills
IT-04	System and Software Lifecycle Management
IT-05	Project Performance - In-flight Projects
IT-06	Project Performance – New 2024 Projects
IT-08	Cyber Security Organization - Implementation
IT-10	System Resiliency - Disaster Recovery Plans and Testing
PS&CE-08	Transition to New "Standard" Time of Day Residential Rates on an Opt-Out Basis
PS&CE-13	Heat Pump Strategy to Address Barriers to Customer Adoption
T&D-06	Primary Transmission Control Center (PTCC) Replacement
T&D-18	Improve Reliability Through Work Management Enhancements – Workforce Management Plans
T&D-30	Improve Resiliency Through Storm Hardening Work Plan - ACRV Commissioning Program
T&D-31	Improve Resiliency Through Storm Hardening Work Plan - LT5H (ASUV) Program
T&D-41	Program Effectiveness - Vegetation Management
T&D-44	Regulatory Compliance
T&D-46	Root Cause Analysis (RCA) Execution and Compliance
T&D-52	Triennial Safety Assessment

Appendix C

8 Metrics Recommended for Approval with Modifications to Targets and/or Deliverables

Metric #	Metric Title
BS-38	Improve the Rate and Tariff Change Implementation Process
IT-07	System Segregation
IT-09	IT Planning - Ransomware Readiness and Response
PS&CE-01	Complete Integrated Resource Plan (IRP) Follow-on Activities
PS&CE-03	Energy Efficiency Plan Savings
PS&CE-05	Beneficial Electrification – Building Electrification
PS&CE-14	Transportation Electrification Strategic Initiatives
T&D-07	System Average Interruption Duration Index (SAIDI) Reliability



Proposed 2024 Performance Metrics

LIPA 2024 Proposed Performance Metrics

BS-05: Full Time Vacancy Rate

Board Policy: "Customer Value, Affordability, & Rate Design"	Board PIPs: n/a
LIPA Exec. Sponsor: Bobbi OConnor	LIPA Proj. Mgr: Barbara Ann Dillon
PSEGLI Exec. Sponsor: David Lyons	PSEGLI Proj. Mgr: Beverly Esposito
PSEGLI Director: Jodi Varon	DPS Contact: Daniel Pohoreckyj
Allocated Compensation (2021 Dollars): 800000	

OBJECTIVE

Obtain the budgeted full-time headcount identified as necessary to achieve operational objectives within the identified categories and to minimize expenses related to supplemental resources such as temporary employees, consultants, affiliate employees, etc.

Track key performance indicators identified by LIPA related to recruiting, hiring, and retention practices. Key performance indicators will include: Time to Fill (exempt and non-exempt), Submittal to Interview Percentage, Voluntary/Involuntary Turnover Rates, First Year Turnover Rate, and Job Offer Acceptance Rate.

TARGETS AND CALCULATIONS

Achieve an annual vacancy rate of no greater than 5.0% in each of the following four identified organizations:

- Overall
- Transmission & Distribution
- Business Services plus Power System Management (formerly Power Markets) excluding IT
- Customer Service, including Energy Efficiency

Achieve an annual vacancy rate of no greater than 10% in the following organization:

- Information Technology (including Cyber Security)

Each of the above measured as the simple average of the 12 monthly results measured on the last day of each month in 2024.

Calculation:

1. The actual headcount for each month in 2024 is defined as the number of budgeted full-time employees on the PSEG Long Island payroll on the last business day of each month.
2. The budgeted headcount will be determined from the approved budget for each month of 2024.
3. The monthly occupancy rate equals the actual headcount divided by the budgeted headcount in each month. The monthly vacancy rate equals 1 minus the occupancy rate.
4. The annual vacancy rate equals the simple average of the monthly vacancy rates.

Note, a budget vacancy credit does not change the budgeted headcount for the month but instead acknowledges, as

LIPA 2024 Proposed Performance Metrics

BS-05: Full Time Vacancy Rate

this metric does, that some budgeted positions will be vacant. The objective of the metric is to minimize the vacancies in budgeted headcount.

100% of allocated incentive compensation payable for achievement of vacancy rate targets for 5 out of 5 organizations.

75% of allocated incentive compensation payable for achievement of vacancy rate targets for 4 out of 5 organizations.

Quarterly: On or before the 25th day of the month following the end of each quarter, PSEG Long Island will populate a LIPA-developed Smartsheet to track key performance indicators (KPIs) identified by LIPA related to recruiting, hiring and retention practices quarterly (the LIPA KPI Smartsheet). KPIs will include Time to Fill (exempt and non-exempt), Submittal to Interview Percentage, Voluntary/Involuntary Turnover Rates, First Year Turnover Rate, and Job Offer Acceptance Rate. PSEG Long Island will meet with LIPA to review metric performance at least quarterly.

All deliverables are subject to review and approval by LIPA, which shall not be unreasonably withheld.

EXCLUSIONS

Affiliate services employees, contractors, consultants, part-time employees, and temporary employees are excluded from this calculation.

Excluding situations or business conditions that arise that LIPA determines or agrees are truly out of PSEG Long Island's control.

DELIVERABLES

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA Sharepoint Site the following: 1) Monthly Scorecard Reporting Requirement for Full Time Vacancy Rate 2) Any additional supporting documentation as required	Monthly
Complete and provide the information identified in the LIPA KPI Smartsheet.	2024-04-25
Complete and provide the information identified in the LIPA KPI Smartsheet.	2024-07-25
Complete and provide the information identified in the LIPA KPI Smartsheet.	2024-10-25
Complete and provide the information identified in the LIPA KPI Smartsheet.	2025-01-27

Proposed 2024 Performance Metrics

BS-07: Implement Affiliate Service Remediation Plans and Transition Plans

Board Policy: "Customer Value, Affordability, & Rate Design"	Board PIPs: AS-01 (Enhanced Affiliate Budget Transparency)
LIPA Exec. Sponsor: Thomas Falcone	LIPA Proj. Mgr: Gerry Ring
PSEGLI Exec. Sponsor: Martin Shames, Sonny Chung	PSEGLI Proj. Mgr: Martin Shames
PSEGLI Director: Martin Shames, Prem Patel	DPS Contact: Seth Johnson
Allocated Compensation (2021 Dollars): 800000	

OBJECTIVE

To ensure PSEG Long Island implements the Remediation Plans or, to the extent required, Transition Plans for Affiliate Services provided by PSEG Services Corporation in an efficient and effective manner in accordance with the approved plans.

TARGETS AND CALCULATIONS

Pursuant to the OSA Section 5.2 and 2023 Performance Metric BS-7, PSEG Long Island is to execute Remediation Plans and, under certain circumstances, Transition Plans.

Target:

- i. Successfully implement all deliverables of the IT Remediation / Transition Plan for maintenance and support services of IT systems currently provided by affiliate services by the end of 2024, within Budget estimates and on schedule. This plan should include a detailed cost breakdown, including Hosting/Cloud Services, Annual Maintenance, Software Subscription, and System Operational Support (both staff and contractors) related to the support and maintenance of all IT systems separated under the LIPA-approved System Separation Plan = 50% of incentive compensation
- ii. Successfully implement all deliverables of the Human Resources Remediation / Transition Plan by the end of 2024 within Budget estimates and on schedule = 20% of incentive compensation
- iii. Successfully implement all deliverables of the Procurement Remediation / Transition Plan by the end of 2024 within Budget estimates and on schedule = 20% of incentive compensation
- iv. Successfully implement all deliverables of the Remediation / Transition Plan for All Other Affiliate Areas by the end of 2024 within Budget estimates and on schedule = 10% of incentive compensation

To the extent LIPA determines a Remediation / Transition Plan is not required for a function, the allocated metric compensation will be spread among the remaining Remediation / Transition Plans.

The Remediation / Transition Plans will be in a LIPA-approved format. The plan deliverables will be added as metric deliverables in Smartsheets.

The IT Remediation / Transition Plan should address all applicable recommendations from the LIPA OMS IV&V Final Report ("Independent Verification and Validation: Findings and Recommendations on PSEG Long Island's Outage Management Systems Remediation and Re-Test"); in particular, the Staffing and Employee Retention recommendations.

Proposed 2024 Performance Metrics

BS-07: Implement Affiliate Service Remediation Plans and Transition Plans

PSEG Long Island to develop and provide an informative and comprehensive monthly Remediation / Transition Plan Implementation Status Report in a LIPA-approved format briefing LIPA staff regarding the status of implementation of approved plans. The reports should address each Affiliate function separately and reflect, at a minimum, the following elements: restate the approved plan, including milestones and final condition, actions taken to date, milestones achieved vs plan month and year-to-date, upcoming actions, and risk assessment.

To the extent that LIPA reasonably concludes that the Remediation Plans referenced above are insufficient to address LIPA's concerns, all references above to "Remediation Plans" shall be deemed to refer to Transition Plans. If any Transition Plans are required, the approval of the plans will be contingent on PSEG Long Island providing all supporting information/data required by LIPA.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

None

DELIVERABLES

Deliverable Name	Target Due Date
Obtain LIPA approval of the Remediation / Transition Plans and Budget estimates in accordance with the OSA and 2023 Metric BS-07. Deliverables from the approved Remediation / Transition Plans will be added to Smartsheet and incorporated into 2024 Metric BS-07 deliverables.	2024-01-31
Submit monthly Remediation / Transition Plan Implementation Status Report.	2024-02-29
Submit monthly Remediation / Transition Plan Implementation Status Report.	2024-03-31

Proposed 2024 Performance Metrics

BS-07: Implement Affiliate Service Remediation Plans and Transition Plans

Submit monthly Remediation / Transition Plan Implementation Status Report.	2024-04-30
Submit monthly Remediation / Transition Plan Implementation Status Report.	2024-05-30
Submit monthly Remediation / Transition Plan Implementation Status Report.	2024-06-30
Submit monthly Remediation / Transition Plan Implementation Status Report.	2024-07-31
Submit monthly Remediation / Transition Plan Implementation Status Report.	2024-07-31
Submit monthly Remediation / Transition Plan Implementation Status Report.	2024-08-31
Submit monthly Remediation / Transition Plan Implementation Status Report.	2024-09-30
Submit monthly Remediation / Transition Plan Implementation Status Report.	2024-10-31
Submit monthly Remediation / Transition Plan Implementation Status Report.	2024-11-30
Submit monthly Remediation / Transition Plan Implementation Status Report.	2024-12-31

Proposed 2024 Performance Metrics

BS-13: Information Request (IR) Responses

Board Policy: N/A	Board PIPs: n/a
LIPA Exec. Sponsor: Bobbi OConnor	LIPA Proj. Mgr: Lisa Zafonte
PSEGLI Exec. Sponsor: Andrea Elder-Howell	PSEGLI Proj. Mgr: Michael Ennis
PSEGLI Director: Kara Krueger	DPS Contact: Nicholas Forst
Allocated Compensation (2021 Dollars): 300000	

OBJECTIVE

To respond to information and document requests from LIPA (such information and document requests referred to in this metric as "IRs") from a broad range of areas, including internal audit, for data, records, and information that PSEG Long Island generates or maintains in connection with providing operations services under the Second A&R OSA, within 10 days of such requests, except where LIPA agrees to exceptions to such response time as described in Targets and Calculations.

TARGETS AND CALCULATIONS

Respond to a minimum of 94% of LIPA IRs with responses that are timely (as defined below) and are reasonably acceptable to LIPA in terms of substance.

IRs fall into the following two categories:

- IRs for documents LIPA believes already exist in some format (e.g., electronic, paper) in PSEG Long Island's records and do not require the generation of new content ("Existing Documents"); and
- IRs for documents that require PSEG Long Island to generate information, in a format that does not currently exist ("Created Documents").

For the avoidance of doubt, requests that PSEG Long Island retrieve documents from IT platforms maintained by PSEG Long Island do not constitute IRs for "Created Documents." In addition, collection of documents from multiple sources does not constitute the generation of "Created Documents." Documents electronically maintained by PSEG Long Island for LIPA under the Second A&R OSA, whether such documents exist and are maintained today or at any time during the remainder of the contract, are "Existing Documents" for purposes of this metric, regardless of whether they are housed on an IT platform dedicated to LIPA documents or on a platform integrated with non-LIPA documents.

Targets:

IRs for Existing Documents will be subject to the 10/11-day rule mentioned below, subject to LIPA's discretion to grant extensions on a case-by-case basis.

IRs for Created Documents will be subject to the 10/11-day rule plus an additional 15 days upon 3 days' notice to LIPA

Proposed 2024 Performance Metrics

BS-13: Information Request (IR) Responses

with a reasonable explanation of why the document is a Created Document as opposed to an Existing Document. The three days' notice shall be provided prior to the IR's due date calculated under the 10/11-day rule. For Created Documents, additional extensions of time to respond beyond the automatic 15-day extension will be considered on a case-by-case basis consistent with the terms of the metric.

If PSEG Long Island requires additional time to respond to an IR for an Existing Document, a request for an extension of time must be made within 7 days of PSEG Long Island's initial receipt of the IR.

If PSEG Long Island requires additional time to respond to an IR for a Created Document (beyond the additional 15 days permitted above upon notice to LIPA), a request for an additional extension of time must be made within 14 days of the IR with a proposed new due date and a reasonable explanation of why the extension is necessary.

Calculations:

All calculations of "days" are based on calendar days.

For IRs issued by 2:00PM, a response to such request is expected within 10 days, and for IRs issued after 2:00PM, a response to such request is expected within 11 days (with the number of days adjusted for Created Documents above).

If a deadline falls on a Saturday, Sunday or holiday, it automatically becomes due on the next business day.

Should an IR need clarification, PSEG Long Island will notify LIPA within 2 days of receiving the IR. Once clarification is received from LIPA, the 10/11 day clock will re-start for the submission of the IR by the required due date. For example, if PSEG Long Island receives an IR on Monday that it reasonably believes requires clarification, it will request such clarification by Wednesday of that week. Calculation of the due date for the IR will begin once PSEG Long Island receives clarification from LIPA. So, if clarification is requested on Wednesday and LIPA provides clarification on Thursday, the clock begins on Thursday.

EXCLUSIONS

Where LIPA has agreed to an exclusion to the above or to a longer time frame, the exclusion or extended time frame will apply.

DELIVERABLES

Deliverable Name	Target Due Date
PSEG Long Island will report monthly to LIPA on the percent of Information Requests substantively responded to within the specified time frame, as tracked through LIPA's SmartSheet system.	Monthly

Proposed 2024 Performance Metrics

BS-22: Timely, Accurate, and Supported Storm Event Invoicing

Board Policy: Fiscal Sustainability	Board PIPs: n/a
LIPA Exec. Sponsor: Thomas Falcone	LIPA Proj. Mgr: Donna Mongiardo, James Murphy, Kenneth Kane
PSEGLI Exec. Sponsor: Peggy Keane	PSEGLI Proj. Mgr: Zuly Suarez
PSEGLI Director: Prem Patel	DPS Contact: Daniel Pohoreckyj
Allocated Compensation (2021 Dollars): 150000	

OBJECTIVE

To ensure PSEG Long Island provides timely, accurate, and appropriately-supported Storm Event costs to LIPA.

TARGETS AND CALCULATIONS

For Storm Events, PSEG Long Island shall:

1. Provide an estimated dollar value of damages by County (using preliminary estimated job counts that are subject to change based on final review), for each Storm Event within 10 days of the end of the follow-up period defined in ERIP-FIN-001 (Storm Accounting Protocols for Storm Events).
2. For 2023-2024 Storm Events whereby invoicing is due in 2024, submit "Invoice 1" within 3 months of the end date of the Storm Event which shall consist of:
(i) PSEG Long Island Labor; (ii) Indirect Labor (Fleet/Materials Handling); (iii) Labor Burdens (contract labor burdens); (iv) Indirect outside Services (Fleet/Materials Handling); (v) Employee Expenses (Logistics and Travel and Subsistence); and (vi) Materials
3. For 2023-2024 Storm Events whereby invoicing is due in 2024, submit "Invoice 2" within 6 months of the end date of the Storm Event which shall consist of: (i) Foreign crew tree trim, HV & LV; (ii) Damage Assessors; (iii) Wire watchers; (iv) Logistics (outside services); and (v) Other contractor invoices in support restoration.

For any 2023-2024 FEMA events whereby reporting/invoicing would be due in 2024, invoices shall be organized according to the Categories as defined in the Damage Inventory Line Item (DILI) and the timelines as outlined below (based on CAM FI-H1-16):

- Within 3 months from the Date of DILI: Category B – Call Center & Emergency Operations Center Costs, including PSEG Long Island Labor, Labor Burdens & Logistics.
- Within 4 months of Date of DILI provide Category B – Environmental Spills Clean-up cost
- Within 5 months of Date of DILI provide Category F – PSEG Long Island Labor and Burdens
- Within 6 months of Date of DILI provide Category F – Materials
- Within 7 months of Date of DILI provide Category F – Fleet
- Within 8 months of Date of DILI provide Category F – Logistics
- Within 10 months of Date of DILI provide Category F – Outside Services and Proof of Payment for all Categories above

Proposed 2024 Performance Metrics

BS-22: Timely, Accurate, and Supported Storm Event Invoicing

Timeliness is defined as meeting each of the above-stated deliverable timelines for a Storm Event. These dates can be modified by mutual consent, which shall not be unreasonably withheld, in writing by both parties depending upon the size of the event as stated on CAM-FI-H15. All such modifications will be documented through the metric exception process.

- Accuracy – LIPA will perform Independent Verification and Validation of 5 or more Storm Events for which storm invoices are presented in 2024 (storm could be declared in 2023) for compliance as defined in the 2nd Amended and Restated OSA (OSA).

- o For any Non-FEMA Storm Event, all adjustments related to the sum of PSEG Long Island labor, Employee expenses, and Materials provided in Invoice 1, or the total of Invoice 2 (measured separately) cannot exceed 5% of total applicable invoice to meet the accuracy standard for an event (i.e. the sum of PSEG Long Island Labor, Employee expenses, and Materials included in Invoice 1 = \$2M – adjustments to Invoice 1 cannot be greater than \$100k).

- o For FEMA events, the accuracy measurement will be measured on each month's Category package, described above accordance with CAM-FI-H16, Appendix A.

- o LIPA has 45 days to inform PSEG Long Island of any disputed costs submitted and PSEG Long Island has 10 business days to substantiate or remove such costs as outlined in CAM-FI-H15 and CAM-FI-H16.

Target: PSEG Long Island must meet both the Accuracy and Timeliness standard on 90% of Storm Events (rounded to nearest whole number, i.e. 20 storms @90%=18 storms; 15 storms @90%=14 storms) to earn the compensation.

PSEG Long Island shall provide a Monthly Status Report demonstrating metric performance for the prior month in a LIPA-approved format.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. "LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

None

DELIVERABLES

Deliverable Name	Target Due Date
Provide a Monthly Status Report demonstrating metric performance for the prior month.	2024-02-14
Provide a Monthly Status Report demonstrating metric performance for the prior month.	2024-03-13
Provide a Monthly Status Report demonstrating metric performance for the prior month.	2024-04-17
Provide a Monthly Status Report demonstrating metric performance for the prior month.	2024-05-15
Provide a Monthly Status Report demonstrating metric performance for the prior month.	2024-06-12
Provide a Monthly Status Report demonstrating metric performance for the prior month.	2024-07-17
Provide a Monthly Status Report demonstrating metric performance for the prior month.	2024-08-14

Proposed 2024 Performance Metrics

BS-22: Timely, Accurate, and Supported Storm Event Invoicing

Provide a Monthly Status Report demonstrating metric performance for the prior month.	2024-09-18
Provide a Monthly Status Report demonstrating metric performance for the prior month.	2024-10-16
Provide a Monthly Status Report demonstrating metric performance for the prior month.	2024-11-20
Provide a Monthly Status Report demonstrating metric performance for the prior month.	2024-12-18
Provide a Monthly Status Report demonstrating metric performance for the prior month.	2025-01-22

Proposed 2024 Performance Metrics

BS-34: Improve Budgeting, Billing, and Collection Efforts for Reimbursable Projects

Board Policy: "Customer Value, Affordability, & Rate Design"	Board PIPs: n/a
LIPA Exec. Sponsor: Thomas Falcone	LIPA Proj. Mgr: Donna Mongiardo
PSEGLI Exec. Sponsor: Prem Patel	PSEGLI Proj. Mgr: Sonny Chung
PSEGLI Director: Sonny Chung	DPS Contact: Daniel Pohorecky
Allocated Compensation (2021 Dollars): 150000	

OBJECTIVE

Improve budgeting, billing, and collection processes related to cost-sharing projects (e.g. DOT, LIRR) to ensure the least cost to LIPA's customers.

TARGETS AND CALCULATIONS

Develop and implement improved processes related to new reimbursable projects that include:

- 1) Standard third-party costing methodology on various scopes of work reasonably expected to be performed in the normal course of managing the T&D system; or a process that provides a billing format that would contain supporting documentation to support a third-party audit of such billings.
 - 2) a process document that supports an internal control environment that promotes accurate and timely billing, and collection; and
 - 3) a monthly reporting package to be presented to LIPA within 30 days of each month's accounting close, that includes budget vs. actual analysis and a receivable aging analysis related to third-party reimbursable projects.
- Monthly reporting package to be provided to LIPA beginning with the month ending June 30, 2024.

LIPA will audit a sample selection of third-party invoices for compliance with the process document identified 2 above for the period after July 31, 2024.

Target:

- 50% of the metric will be to meet all identified requirements with high-quality deliverables by established due dates related to #1 and #2 above.
- 50% of metric for achieving 90%+ accuracy in the LIPA audit.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA

Proposed 2024 Performance Metrics

BS-34: Improve Budgeting, Billing, and Collection Efforts for Reimbursable Projects

believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

None

DELIVERABLES

Deliverable Name	Target Due Date
Submission of a standard costing methodology or revised billing format.	2024-06-30
Submit process document for improved process including collections analysis process.	2024-06-30
Provide monthly reporting package to LIPA within 30 days of each month's accounting close, that includes budget vs. actual analysis reports and receivable aging analysis related to third-party reimbursable projects.	2024-07-31

Proposed 2024 Performance Metrics

BS-35: Implement Budget Process Improvements

Board Policy: "Customer Value, Affordability, & Rate Design"	Board PIPs: n/a
LIPA Exec. Sponsor: Thomas Falcone	LIPA Proj. Mgr: Gerry Ring
PSEGLI Exec. Sponsor: Sonny Chung	PSEGLI Proj. Mgr: Prem Patel
PSEGLI Director: Cladimir Lys, Prem Patel	DPS Contact: Seth Johnson
Allocated Compensation (2021 Dollars): 350000	

OBJECTIVE

To ensure PSEG Long Island successfully implements critical elements of the 2023 LIPA Budget Process Review.

TARGETS AND CALCULATIONS

Provide the following to address key findings of the 2023 Budget Process Review conducted by LIPA.

1. Work Management Models: Earn 60% metric compensation

A. Ensure the 2024 Transmission & Distribution (T&D) Workforce Management Model and Customer Contact Center Workforce Management Model ("Models") support the Approved 2024 Operation & Maintenance (O&M) and Capital Budgets. The T&D Workforce Management model will support Overhead, Underground, Distribution Design, Substation Maintenance, Relay, and Substation Civil crafts ("crafts") of the Budget.

B. Enhanced Variance Analysis

Beginning with March 2024 year-to-date actuals followed by each subsequent month-end, provide a monthly budget vs. actual variance analysis for T&D and Customer Contact Center in a format approved by LIPA. The variance analysis must include detailed explanations, including assumptions and inputs used in developing the T&D and Customer Call Center Workforce models, where applicable. The monthly budget vs. actual variance analysis report shall provide a comprehensive and clear variance explanation in a format mutually agreed upon between LIPA and PSEG Long Island.

C. Enhance Review of T&D

(i) For substation maintenance, produce Preventive Maintenance historical unit completion (# of mechanical and Relay Maintenance orders completed) trend based on 2020, 2021 and 2022 and average unit cost. Compare 2024 actual units and average cost to historical data on a monthly basis.

(ii) For substation maintenance, produce Corrective Maintenance historical unit completion (# of orders completed) trend based on 2020, 2021, and 2022 and average unit cost. Compare 2024 actual units and average cost to historical data on a monthly basis.

(iii) Produce electrical historical unit completion trend (# of work tickets completed) for Distribution Operations Service Personnel trend based on 2020, 2021 and 2022 and average unit cost. Compare 2024 actual units (work tickets) and average cost to historical data on a monthly basis.

(iv) T&D team members to conduct monthly meetings with PSEG Long Island and LIPA Finance to provide explanations for large drivers for variances against the historical trend.

Proposed 2024 Performance Metrics

BS-35: Implement Budget Process Improvements

2. Enhancements for 2025 Budget Development: Earn 15% metric compensation

Document the utilization of the 2025 Workforce Management Model and Customer Contact Center Workforce Model in a clear traceable format as the support in the relevant 2025 O&M and Capital Budgets. The T&D Work Management Model should also include unit data for work items in 1 B (i)-(iii) above. Submit to LIPA on or before August 1, 2024.

3. Measure Accuracy of Budget: Earn 25% metric compensation

Measure the accuracy of the T&D Workforce Management and Customer Contact Center Models used to support the 2024 Budget.

(i) Total Transmission and distribution Approved O&M budget should be within +10% of approved levels, excluding fringe expenses

(ii) Total Customer Service Approved O&M Budget are completed within +10% of approved levels, excluding fringe expenses.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

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EXCLUSIONS

None

DELIVERABLES

Deliverable Name	Target Due Date
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Proposed 2024 Performance Metrics

BS-35: Implement Budget Process Improvements

Submit the 2024 Work Management and Call Center Models provided in 2023 to develop the Approved 2024 O&M And Capital Budget reconciled to the direct inputs to each category of the Approved Budget, as presented.	2024-01-15
Starting from March 2024 accounting month-end close, hold monthly variance analysis review meeting with PSEG Long Island Finance to provide LIPA documented explanations on significant drivers of unit and cost variances compared to historical trend (Meetings held monthly through year end.)	04/30/2024-12/31/2024
Align on format for enhanced variance analysis in 1B. And provide monthly variance analysis using new format.	2024-04-30
Provide detailed support for the 2025 Budget submission related to the areas identified in Step 2.	2024-08-01
Present year-end results to validate actual costs are within 10% budget variance threshold as defined in Step 3.	2025-01-31

Proposed 2024 Performance Metrics

BS-38: Improve the Rate and Tariff Change Implementation Process

Board Policy: Customer Experience, "Customer Value, Affordability, & Rate Design"	Board PIPs: n/a
LIPA Exec. Sponsor: Thomas Falcone	LIPA Proj. Mgr: William Wai
PSEGLI Exec. Sponsor: Sonny Chung	PSEGLI Proj. Mgr: Joe Trainor, nayan.parikh@pseg.com
PSEGLI Director: Prem Patel	DPS Contact: Seth Johnson
Allocated Compensation (2021 Dollars): 150000	

OBJECTIVE

Adopt improvements to ensure customers are billed rates and tariff changes accurately and in a timely manner.

TARGETS AND CALCULATIONS

1. Create a Project Implementation Plan (PIP) for Rate and Tariff Change Implementation, including the review and selection of necessary software as appropriate, to address the findings and recommendations of LIPA's third-party consultant report. The report was provided to PSEG Long Island and DPS on November 2, 2023. DPS will be provided the opportunity to review and comment on the report by December 1, 2023. The PIP must give consideration to implementing the DPS recommendations and include providing LIPA with documentation of the improved rate and tariff change implementation process and subprocesses. If there is a delay in the delivery of the report including DPS comments beyond December 1, 2023, the metric deliverables below will have a day-for-day change to accommodate late delivery of the report. The quarterly update deliverables will remain unchanged.

2. Issue a Quarterly Progress Report in a LIPA-approved format,

Part A of the report shall include tariff changes that include the implementation or changes to customer's rates during 2024 with details including

i) Rate change implementation tracking number

ii) Name and description of the rate change implemented

iii) Implementation completion day

iv) Implementation result showing statement listing all customer classes impacted and confirms the change(s) made to each of them, billing results for sample customers before and after the billing change implementation showing each changed component has been effectuated accurately, and status of validation of the billing results by both PSEG Long Island Rates and IT functions.

Part B of the report shall include an Issues Table related to the PIP with the following:

Proposed 2024 Performance Metrics

BS-38: Improve the Rate and Tariff Change Implementation Process

- i) Issue Tracking #
- ii) Description of the issue and proposed changes that address the issue
- iii) Impact on functional areas
- iv) Details of improvement for each area including obstacles, challenges, pre-requisite activities, and change plans
- v) Schedule and deadline for completion
- vi) Implementation status - completion percentage

Target: Meet all identified requirements with high-quality deliverables and deliver by established due dates. All approved rate changes in 2024 will be reviewed by LIPA and must be implemented accurately and timely to achieve this metric.

PSEG Long Island will provide all reasonably requested documentation and calculations to allow LIPA to independently review rate implementation for timeliness and accuracy.

The PIP will be in a LIPA-specified format. Metric deliverables will be modified with 2024 PIP deliverables upon completion and approval of PIP.

If there is a delay in the delivery of the consultant report beyond the earlier of (i) the date by which PSEG Long Island provides the Budget Review Notice and (ii) December 1, 2023, reasonable incremental costs to complete the PIP deliverables in 2024 above the Consolidated LIPA Budget will be treated as an Added Project.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

Proposed 2024 Performance Metrics

BS-38: Improve the Rate and Tariff Change Implementation Process

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EXCLUSIONS

None

DELIVERABLES

Deliverable Name	Target Due Date
Submission of PIP defined in Targets and Calculations.	2024-04-30
Submit Quarterly Progress Report	2024-05-12
Obtain LIPA approval of PIP. Deliverables from the approved PIP will be added to Smartsheet as metric deliverables.	2024-05-31
Submit Quarterly Progress Report	2024-07-12
Submit Quarterly Progress Report	2024-10-11
Submit Quarterly Progress Report	2025-01-10

Proposed 2024 Performance Metrics

BS-40: Implement Improvements to Budget Process Using New Budget System

Board Policy: "Customer Value, Affordability, & Rate Design"	Board PIPs: OBD-01 PIP Leverage New Technology
LIPA Exec. Sponsor: Thomas Falcone	LIPA Proj. Mgr: Gerry Ring
PSEGLI Exec. Sponsor: Sonny Chung	PSEGLI Proj. Mgr: Prem Patel
PSEGLI Director: Cladimir Lys, Prem Patel	DPS Contact: Seth Johnson
Allocated Compensation (2021 Dollars): 150000	

OBJECTIVE

Ensure that LIPA's new budget system is fully utilized by PSEG Long Island in order to maximize the benefits of the new system to improve budget development, monitoring, reporting, and analysis.

TARGETS AND CALCULATIONS

Submit a Project Implementation Plan (PIP) for LIPA review and approval of a minimum of 3 value-added budget process improvements utilizing the new EPBCS (Enterprise Planning and Budgeting Cloud Service) Budget system. The goal of these improvements is to streamline the budget process, provide more transparency, and allow for more comprehensive budget and cost analysis. The budget process improvements should include developing KPIs/Business Intelligence, analytical dashboards, improved forecasting, and Work Category level reporting and must be improvements that provide added value to the budget process.

Improvements will depend on timely and effective system implementation and rollout of LIPA's new budget system from LIPA to PSEG Long Island by December 2023. If there is a delay in the expected rollout beyond December 31, 2023, the metric deliverables below will have a month-for-month change to accommodate late delivery of the implementation. If significant system enhancements (including the lack of substantive functionality) are required or issues are identified, LIPA and PSEG Long Island will mutually agree on a revised delivery schedule where such system enhancements affect metric performance.

The PIP shall include:

1. Change management - Identify current process requiring changes to leverage the new system.
2. Description of the benefits of each improvement.
3. Schedule for implementing the improvements with actionable items beginning in 2024 and continuing through the 2025 budget monitoring period.
4. Obstacles, challenges, and pre-requisite activities.

Target: Meet all identified requirements with high-quality deliverables and deliver by established due dates.

The PIP will be in a LIPA-specified format. Metric deliverables will be modified with 2024 PIP deliverables upon completion and approval of PIP.

Proposed 2024 Performance Metrics

BS-40: Implement Improvements to Budget Process Using New Budget System

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

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EXCLUSIONS

Schedule relief maybe granted for

- i) changes directed or requested by LIPA or
- ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of the Service Provider.

DELIVERABLES

Deliverable Name	Target Due Date
Submit to LIPA for approval a minimum of three proposed value-added budget process improvements utilizing the new EPBCS Budget system.	2024-04-30
Submit a PIP to implement the three or more budget process improvements.	2024-05-31
Obtain LIPA approval of the PIP for the budget process improvements, reflecting LIPA comments. The PIP deliverables will be added as metric deliverables in Smartsheets.	2024-07-31

Proposed 2024 Performance Metrics

BS-41: PJD and Capital Budget Process Improvements

Board Policy: "Customer Value, Affordability, & Rate Design"	Board PIPs: n/a
LIPA Exec. Sponsor: Thomas Falcone	LIPA Proj. Mgr: Gerry Ring
PSEGLI Exec. Sponsor: Sonny Chung	PSEGLI Proj. Mgr: Prem Patel
PSEGLI Director: Cladimir Lys, Prem Patel	DPS Contact: Seth Johnson
Allocated Compensation (2021 Dollars): 150000	

OBJECTIVE

To ensure PSEG Long Island successfully implements critical elements of the 2023 LIPA Budget Process Review.

TARGETS AND CALCULATIONS

Provide the following to address key findings of the 2023 Budget Process Review conducted by LIPA.

1. Develop internal policies and procedures to ensure Project Justification Documents (PJDs) are reviewed for quality, accuracy, and completeness before submitting to LIPA.
2. Develop a PJD development instruction manual with examples and detailed training guidance to be used to train employees on the quality development of a PJD. Such guidance shall be reviewed and approved by LIPA.
3. Provide training and educational sessions to employees who are involved in the development of PJDs.
4. Provide LIPA with increased visibility as follows:
 - a. Create a PJD quality checklist for Non-T&D projects with a budget of \$1 million or more for the current or upcoming year. The quality checklist data points/criteria will be based on the training that has been agreed upon with LIPA. The PJD quality checklist will be performed by PSEG Long Island Finance including the review for capitalization under generally accepted accounting principles. Final review and PSEG Long Island checklists will be submitted to LIPA together with applicable PJDs during the annual capital budget submittal process and for applicable new emergent capital projects occurring outside of the budget process as they arise.
 - b. Develop a capital project level report or modify an existing report to monitor the status of risk and contingency (R&C) and reconcile LIPA capital expenditure approvals vs. URB capital expenditure approvals. Format of the report to be reviewed and approved by LIPA.
 - c. After the review of the first report provided, reassess the process and make improvements as agreed upon between LIPA and PSEG Long Island.

Meet all identified requirements with high-quality deliverables and deliver by established due dates as outlined for steps 1-3 to earn 40% of the metric. LIPA will select a sample of checklist for accuracy to earn 20% of the metric. Provide for, and obtain LIPA approval of, the monitoring report measuring LIPA capital expenditure approvals compared to URB

Proposed 2024 Performance Metrics

BS-41: PJD and Capital Budget Process Improvements

approvals to earn the remaining 40%.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

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EXCLUSIONS

T&D capital projects; Non-T&D projects below \$1 million

DELIVERABLES

Deliverable Name	Target Due Date
Develop internal policies and procedures to ensure PJDs are reviewed for quality, accuracy, and completeness before submitting to LIPA.	2024-03-15
Submit the training guidance document to LIPA for review and approval.	2024-04-30
Provide training to employees developing PJDs. Provide training to LIPA upon request.	2024-05-31
Provide the standard format for the PJD Quality Checklist for approval by LIPA.	2024-05-31
Provide R&C monitoring and LIPA Capital expenditure approvals vs. URB approvals information either in a new report or an existing report (and report continuously monthly after July 31, 2024).	2024-07-31
Provide assessment of process and proposed improvements for implementation.	2024-09-30

Proposed 2024 Performance Metrics

CS-01: Delivery of Strategic Customer Experience & Billing Projects

Board Policy: Customer Experience	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Carolyn MacKool
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Jonnie Foley, Nayan Parikh, Veronica Isaac
PSEGLI Director: Brigitte Wynn, Jessica Tighe, Mike Presti	DPS Contact: Mike Sherman
Allocated Compensation (2021 Dollars): 500000	

OBJECTIVE

Implementation of strategic customer projects to improve customer contact, payment, and billing experience and drive top quartile performance.

TARGETS AND CALCULATIONS

PSEG Long Island to deploy the following strategic customer projects:

1. CCaaS Roadmap Enhancement Project #1 - Develop a PIP and execute implementation of a LIPA-selected enhancement project from the CCaaS Roadmap developed as part of 2023 Metric #CS-01. Project shall be selected by December 15, 2023.
2. CCaaS Roadmap Enhancement Project #2 - Develop a PIP and execute implementation of a LIPA-selected enhancement project from the CCaaS Roadmap developed as part of 2023 Metric #CS-01. Project shall be selected by December 15, 2023.
3. Chat Channel Enhancements – Develop a PIP and execute implementation of chat transactions defined in Appendix E of the Customer Chat Final Recommendations document submitted by PSEG Long Island on December 29, 2022 as part of 2022 Metric #CS-01 Chat Optimization Study that were not already deployed in 2023 as part of CCaaS project (Metric #IT-05).
4. Carryover of 2023 Metric #CS-01 Credit Card Implementation - Execution of remaining deliverables from LIPA-approved PIP that were not delivered in the 2023 performance year. Scope of work that will achieve the defined Project End State and Success Criteria of the LIPA-approved 2022 PIP shall be selected by December 15, 2023.
5. Carryover of 2023 Metric #CS-01 Kiosk Projects – Execute of remaining deliverables from LIPA-approved PIPs that were not delivered in the 2023 performance year.

Metric deliverables will be modified with 2024 PIP deliverables upon completion and approval of the PIP. The below deliverables must be included as part of the project and should be in compliance with PSEG Long Island CMMI best practices:

- > Project implementaton plan
- > Business & system requirements
- > Functonal & technical design
- > Test management plan
- > Requirements traceability matrix including test cases

Proposed 2024 Performance Metrics

CS-01: Delivery of Strategic Customer Experience & Billing Projects

- > Security review, if applicable
- > Test results with evidence
- > Business processes/procedures documentation
- > Customer communication & marketing plan
- > Customer satisfaction hypothesis and tracking
- > Go-live decision with supporting checklist

Projects that meet all of the following criteria will be considered successfully completed:

- i) meet or exceed the project expected outcomes;
- ii) pass the deliverable quality review process; and
- iii) meet due dates for project deliverables (only interim deliverables can be delivered +/- 3 weeks of the timeline in the approved PIP as long as it does not impact the go-live date)

Incentive will be allocated as follows for successful projects that meet the above criteria:

- 100% for 5 projects
- 75% for 4 projects
- 50% for 3 projects
- 0% for 2 projects or less

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for i) delays directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

Proposed 2024 Performance Metrics

CS-01: Delivery of Strategic Customer Experience & Billing Projects

DELIVERABLES

Deliverable Name	Target Due Date
PROJECT 1: CCaaS ROADMAP ENHANCEMENT PROJECT #1	
CCaaS Roadmap Enhancement Project #1 - Provide draft Project Implementation Plan, which shall be high quality and sufficiently complete	2024-02-15
CCaaS Roadmap Enhancement Project #1 - Provide business and system requirements informed by VOC feedback and industry best practices	2024-02-15
CCaaS Roadmap Enhancement Project #1 - Provide final Project Implementation Plan for approval, incorporating all LIPA feedback. Update Smartsheet to include the LIPA-approved PIP metric deliverables and due dates.	2024-03-15
CCaaS Roadmap Enhancement Project #1 - Provide test management plan	As approved in final PIP
CCaaS Roadmap Enhancement Project #1 - Provide functional and technical design document	As approved in final PIP
CCaaS Roadmap Enhancement Project #1 - Provide Requirements Traceability Matrix	As approved in final PIP
CCaaS Roadmap Enhancement Project #1 - Provide security review	As approved in final PIP
CCaaS Roadmap Enhancement Project #1 - Provide test results with evidence	As approved in final PIP
CCaaS Roadmap Enhancement Project #1 - Provide customer communication & marketing plan	As approved in final PIP
CCaaS Roadmap Enhancement Project #1 - Provide updated business processes/procedures	As approved in final PIP
CCaaS Roadmap Enhancement Project #1 - Provide customer satisfaction hypothesis	As approved in final PIP
CCaaS Roadmap Enhancement Project #1 - Inform LIPA of go-live decision and submit completed go-live checklist that supports decision	As approved in final PIP
CCaaS Roadmap Enhancement Project #1 - Go-live	2024-06-30
CCaaS Roadmap Enhancement Project #1 - Collect customer satisfaction feedback beyond go-live. Assess results of a representative sample against customer satisfaction hypothesis. Provide results and if hypothesis is not achieved, provide analysis and plan for resolving.	As approved in final PIP
PROJECT 2: CCaaS ROADMAP ENHANCEMENT PROJECT #2	
CCaaS Roadmap Enhancement Project #2 - Provide draft Project Implementation Plan, which shall be high quality and sufficiently complete	2024-06-15
CCaaS Roadmap Enhancement Project #2 - Provide business and system requirements informed by VOC feedback and industry best practices	2024-06-15
CCaaS Roadmap Enhancement Project #2 - Provide final Project Implementation Plan for approval, incorporating all LIPA feedback. Update Smartsheet to include the LIPA-approved PIP metric deliverables and due dates.	2024-07-15

Proposed 2024 Performance Metrics

CS-01: Delivery of Strategic Customer Experience & Billing Projects

CCaaS Roadmap Enhancement Project #2 - Provide test management plan	As approved in final PIP
CCaaS Roadmap Enhancement Project #2 - Provide functional and technical design document	As approved in final PIP
CCaaS Roadmap Enhancement Project #2 - Provide Requirements Traceability Matrix	As approved in final PIP
CCaaS Roadmap Enhancement Project #2 - Provide security review	As approved in final PIP
CCaaS Roadmap Enhancement Project #2 - Provide test results with evidence	As approved in final PIP
CCaaS Roadmap Enhancement Project #2 - Provide customer communication & marketing plan	As approved in final PIP
CCaaS Roadmap Enhancement Project #2 - Provide updated business processes/procedures	As approved in final PIP
CCaaS Roadmap Enhancement Project #2 - Provide customer satisfaction hypothesis	As approved in final PIP
CCaaS Roadmap Enhancement Project #2 - Inform LIPA of go-live decision and submit completed go-live checklist that supports decision	As approved in final PIP
CCaaS Roadmap Enhancement Project #2 - Go-live	2024-12-15
CCaaS Roadmap Enhancement Project #2 - Collect customer satisfaction feedback beyond go-live. Assess results of a representative sample against customer satisfaction hypothesis. Provide results and if hypothesis is not achieved, provide analysis and plan for resolving.	As approved in final PIP
PROJECT 3: CHAT CHANNEL ENHANCEMENT PROJECT	
Chat Channel Enhancement - Provide draft Project Implementation Plan, which shall be high quality and sufficiently complete	2024-04-15
Chat Channel Enhancement - Provide business and system requirements that align to Appendix E of 2022 Customer Chat Final Recommendations	2024-04-15
Chat Channel Enhancement - Provide final Project Implementation Plan for approval, incorporating all LIPA feedback. Update Smartsheet to include the LIPA-approved PIP metric deliverables and due dates.	2024-05-15
Chat Channel Enhancement - Provide test management plan	As approved in final PIP
Chat Channel Enhancement - Provide functional and technical design document	As approved in final PIP
Chat Channel Enhancement - Provide Requirements Traceability Matrix	As approved in final PIP
Chat Channel Enhancement - Provide security review	As approved in final PIP
Chat Channel Enhancement - Provide test results with evidence	As approved in final PIP
Chat Channel Enhancement - Provide customer communication & marketing plan	As approved in final PIP

Proposed 2024 Performance Metrics

CS-01: Delivery of Strategic Customer Experience & Billing Projects

Chat Channel Enhancement - Provide updated business processes/procedures	As approved in final PIP
Chat Channel Enhancement - Provide customer satisfaction hypothesis	As approved in final PIP
Chat Channel Enhancement - Inform LIPA of go-live decision and submit completed go-live checklist that supports decision	As approved in final PIP
Chat Channel Enhancement - Go-live	2024-09-15
Chat Channel Enhancement - Collect customer satisfaction feedback beyond go-live. Assess results of a representative sample against customer satisfaction hypothesis. Provide results and if hypothesis is not achieved, provide analysis and plan for resolving.	As approved in final PIP
PROJECT 4: CREDIT CARD IMPROVEMENT (2023 PROJECT CARRYOVER)	
Credit Card Improvement - Update Smartsheet with 2023 deliverables from LIPA-approved PIPs for Credit Card Improvement project that were not delivered in 2023	As identified at 2023 yearend
PROJECT 5: KIOSK (2023 PROJECT CARRYOVER)	
Kiosk - Update Smartsheet with 2023 deliverables from LIPA-approved PIPs for Kiosk project that were not delivered in 2023	As identified at 2023 yearend
Kiosk - Update deliverable dates in PIP for Payment Arrangement functionality	2024-01-15
Kiosk (Payment Agreement) - Provide functional and technical design document	As approved in updated PIP
Kiosk (Payment Agreement) - Provide test management plan	2024-01-15
Kiosk (Payment Agreement) - Provide Requirements Traceability Matrix	2024-02-05
Kiosk (Payment Agreement) - Provide test results with evidence	2024-03-15
Kiosk (Payment Agreement) - Inform LIPA of go-live decision and submit completed go-live checklist that supports decision	2024-03-22
Kiosk - Collect customer feedback on kiosk and create a roadmap outlining the future decisions required to determine the future of kiosks	2024-06-04
Kiosk (Payment Agreement) - Go-live	2024-04-02

Proposed 2024 Performance Metrics

CS-02: J.D. Power – Residential

Board Policy: Customer Experience	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Sarah Mandli
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Edyta Keppler
PSEGLI Director: Mike Presti	DPS Contact: Chris Ronacher
Allocated Compensation (2021 Dollars): 250000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
#10 703	#13 717	#8 730	#16 677	#13 NA	#14 690	#10 740

OBJECTIVE

Execute an effective plan to drive toward achievement of top quartile customer satisfaction within J.D. Power Residential East Large segment.

TARGETS AND CALCULATIONS

Definition: Overall J.D. Power and Associates Annual Electric Utility Customer Satisfaction Study for Residential Customers for the "East Region, Large Segment."

PSEG Long Island will develop a tactical plan to improve the overall satisfaction position, prioritizing items that will influence customers' perception, and provide progress reporting on achieving the goal on a quarterly basis. The tactical plan to be consistent with content and format expectations in the 2023 metric deliverable approved by LIPA. If there are any material changes to LIPA's expectations, LIPA will provide a format and layout two months prior to the deliverable date. This tactical plan will be worth 25% of the overall allocated compensation.

Satisfaction Position Target: Improve the overall customer satisfaction index to the targeted performance levels detailed below in the incentive allocation section.

Satisfaction Position Calculation: The position will be reported as PSEG Long Island's J.D. Power Customer Satisfaction Survey (Residential) 2024 year-end syndicated rank as reported by J.D. Power for "East Region, Large Segment." This year-end syndicated position for 2024 represents Quarter 1, Quarter 2, Quarter 3, and Quarter 4 results fielded in 2024 and will be the final YE results publicly reported by J.D. Power. The year-end syndicated position for 2024 will be determined by quartile placement or by measuring the ranking improvement over the 2023 year-end results. For example, if PSEG Long Island finishes 2023 in the 16th position, the 2024 result should be 12th or better for a four-position improvement.

Incentive to be allocated as follows:

Proposed 2024 Performance Metrics

CS-02: J.D. Power – Residential

25% for achieving the tactical plan

Up to 75% for achieving the J.D. Power Satisfaction Position target as follows:

- 75% of the allocated incentive compensation for achieving first quartile or an improvement of \geq four positions above the 2023 year-end syndicated position in the J.D. Power "East Region, Large Segment" or
- 50% of the allocated incentive compensation for achieving an improvement of \geq three positions above the 2023 year-end syndicated position in the J.D. Power "East Region, Large Segment" or
- 25% of the allocated incentive compensation for achieving an improvement of \geq two positions above the 2023 year-end syndicated position in the J.D. Power "East Region, Large Segment"

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

None

DELIVERABLES

Deliverable Name	Target Due Date
Submit tactical plan for performance year to improve satisfaction result, prioritizing items that will influence customers' perception.	2024-01-31
PSEG Long Island submits their calculation of the 2024 target based on 2023 results.	2024-01-31
Submit Q1 progress report for initiatives and tasks from tactical plan, identify prior events that could negatively impact results, and propose corrective actions.	2024-04-10

Proposed 2024 Performance Metrics

CS-02: J.D. Power – Residential

Submit Q2 progress report for initiatives and tasks from tactical plan, identify prior events that could negatively impact results, and propose corrective actions.	2024-07-10
Submit Q3 progress report for initiatives and tasks from tactical plan, identify prior events that could negatively impact results, and propose corrective actions.	2024-10-10
Submit Q4 progress report for initiatives and tasks from tactical plan, identify prior events that could negatively impact results, and propose corrective actions.	2024-12-31
Upload to the LIPA designated folder on the LIPA SharePoint Site the Scorecard Reporting Requirement for J.D. Power - Residential (aligned to quarterly J.D. Power reporting).	Quarterly

Proposed 2024 Performance Metrics

CS-03: J.D. Power – Business

Board Policy: Customer Experience	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Sarah Mandli
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Edyta Keppler
PSEGLI Director: Mike Presti	DPS Contact: Chris Ronacher
Allocated Compensation (2021 Dollars): 250000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
#7 763	#9 781	#6 789	#12 737	#9 NA	#12 710	#9 NA

OBJECTIVE

Execute an effective plan to drive toward achievement of top quartile customer satisfaction within J.D. Power Business East Large segment.

TARGETS AND CALCULATIONS

Definition: Overall J.D. Power and Associates Annual Electric Utility Customer Satisfaction Study for Business Customers for the "East Region, Large Segment."

PSEG Long Island will develop a tactical plan to improve the overall satisfaction position, prioritizing items that will influence customers' perception, and provide progress reporting on achieving the goal on a quarterly basis. The tactical plan to be consistent with content and format expectations in the 2023 metric deliverable approved by LIPA. If there are any material changes to LIPA's expectations, LIPA will provide a format and layout two months prior to the deliverable date. This tactical plan will be worth 25% of the overall allocated compensation.

Satisfaction Position Target: Improve the overall customer satisfaction index to the targeted performance levels detailed below in the incentive allocation section.

Satisfaction Position Calculation: The position will be reported as PSEG Long Island's J.D. Power Customer Satisfaction Survey (Business) 2024 year-end syndicated position as reported by J.D. Power for the "East Region, Large Segment." This year-end syndicated position for 2024 represents Wave 1 and Wave 2 results fielded in 2024 and will be the final YE results publicly reported by J.D. Power. The year-end syndicated position for 2024 will be calculated by measuring the ranking improvement over the 2023 year end position. For example, if PSEG Long Island finishes 2023 in the 12th position, the 2024 result should be 9th or better for a three-position improvement.

Incentive to be allocated as follows:
25% for achieving the tactical plan

Proposed 2024 Performance Metrics

CS-03: J.D. Power – Business

Up to 75% for achieving the J.D. Power Satisfaction Position target as follows:

- 75% of the allocated incentive compensation for achieving an improvement of \geq three positions above the 2023 year-end syndicated position in the J.D. Power "East Region, Large Segment" or
- 25% of the allocated incentive compensation for achieving an improvement of \geq two positions above the 2023 year-end syndicated position in the J.D. Power "East Region, Large Segment"

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

None

DELIVERABLES

Deliverable Name	Target Due Date
Submit tactical plan for performance year to improve satisfaction score, prioritizing items that will influence customers' perception.	2024-01-31
PSEG Long Island submits their calculation of the 2024 target based on 2023 results.	2024-01-31
Submit Q1 progress report for initiatives and tasks from tactical plan, identify prior events that could negatively impact results, and propose corrective actions.	2024-04-10
Submit Q2 progress report for initiatives and tasks from tactical plan, identify prior events that could negatively impact results, and propose corrective actions.	2024-07-31
Submit Q3 progress report for initiatives and tasks from tactical plan, identify prior events that could negatively impact results, and propose corrective actions.	2024-10-10

Proposed 2024 Performance Metrics

CS-03: J.D. Power – Business

Submit Q4 progress report for initiatives and tasks from tactical plan, identify prior events that could negatively impact results, and propose corrective actions.	2024-12-31
Upload to the LIPA designated folder on the LIPA SharePoint Site the Scorecard Reporting Requirement for J.D. Power - Business (aligned to bi-annual J.D. Power reporting).	Bi-annual

Proposed 2024 Performance Metrics

CS-05: Customer Transactional Performance Measurement & Analysis

Board Policy: Customer Experience	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Sarah Mandli
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Edyta Keppler
PSEGLI Director: Mike Presti	DPS Contact: Chris Ronacher
Allocated Compensation (2021 Dollars): 400000	

OBJECTIVE

Drive continuous improvement initiatives among various channel transactions and inquiries through on-going measurement and evaluation of customer satisfaction, transactional ease, and operational data including customer behaviors, segmentation, utilization volume, and cost per transaction. Enhance the existing survey approach and reporting to deepen customer insights.

TARGETS AND CALCULATIONS

PSEG Long Island to deliver the following:

BASE COLLECTION & ANALYSIS

1. Collect, analyze, and report on customer feedback across payment, billing, move in/move out (MIMO), outage, and collection transactions.
2. Compile 2023 cost per transaction analysis in LIPA-approved format from 2021 cost per transaction analysis
3. Document mapping of transaction types surveyed in the new CCaaS system to the appropriate transaction category for the following channels: IVR, live agent call, email, live agent chat, and chatbot. Document methodology for frequency of survey offering by channel.
4. Analyze the survey results with associated operational data including behavioral, segmentation, usage and cost per transaction. From the analyzed results and data, provide observations and deep insights (patterns, trends, correlations). Draw and document informed conclusions. Provide recommendations to drive continuous improvement initiatives in customer satisfaction and ease. Categorize recommendations/issues into categories of people, process, or technology and complexity of low, medium, high. Communicate the findings and insights with relevant stakeholders.

PROJECT PLANNING

Develop a Project Implementation Plan (PIP) to implement the following survey and reporting enhancements:

1. Expand surveys to include transactions that were not successful (failed or incomplete) for payments and payment arrangements (due date extension and installments) on MyAccount and mobile app. Expansion effort includes but is not limited to: a) defining failed and incomplete scenarios based on common system error responses; b) tracking and categorizing transaction status; and c) appending survey results with success category.
2. Expand surveys to include transactions not historically surveyed including: a) all other collections & payment assistance-related transactions beyond payment arrangements; b) billing transactions in MyAccount and mobile app; and c) additional payment-related transactions in MyAccount and mobile app.
3. Provide monthly volume by transaction and channel for: a) total completed transactions/inquires; b) total surveys

Proposed 2024 Performance Metrics

CS-05: Customer Transactional Performance Measurement & Analysis

sent; and c) total surveys received/completed. Total completed transaction volume for outages should be based on outage occurrence.

4. Explore utilizing other available data points beyond customer intent in CCaaS, including agent or system tagging, to more accurately identify and categorize transaction type. If data points are available, develop hierarchy to appropriately categorize survey.

5. Transition to "on-site" surveying within interaction channel, including MyAccount, mobile app, and SMS/text to increase participation and minimize survey fatigue.

6. Initiate "on-site" customer surveys according to best practices for MyAccount, mobile app, and text/SMS. Update logic so MIMO surveys are only triggered after issuance of first or final bill.

7. Build capability to automatically append survey results with operational, segmentation, and behavioral data to deepen insights from analysis:

a. Outage - append survey results with supplemental data to include: i. customer type (res, com); ii. ECRI designation (LSE, Critical facilities, none); iii. initial ETR provided to customer; iv. actual time to restore; v. number of total ETRs provided to customer; vi. whether subsequent ETRs were longer or shorter; vii. weather condition (blue sky, grey sky, storm); viii. type of outage (e.g. transmission, main, branch, transformer, secondary/service); ix. day & time of outage & restoration; x. zip code; xi. if customer reported outage (Y/N); xii. if customer is enrolled in for outage alerts (Y/N); xiii. if customer received outage notification (Y/N); and xiv. if customer received restoration notification (Y/N)

b. Payment, Collections, MIMO, Billing - append survey results with supplemental data to include: i. channel; ii. transaction type; iii. account number; iv. date of interaction; v. time of interaction; vi. rep id; vii. call handling time; viii. call wait time; ix. CCaaS-generated customer contact sentiment; x. budget billing (Y/N); xi. payment method (ACH/CC); xii. paperless (Y/N); xiii. #MyAccount/mobile log-ins for prior 30 days; xiv. #Calls for prior 30 day; xv. MyAlert enrollment type; xvi. LMI account; xvii. arrears amount; xviii. open complaint filed; xix. zip code; xx. last bill (estimated/actual); xxi. payment arrangement (Y/N); and xxii. transaction success category

PROJECT IMPLEMENTATION

Metric deliverables will be modified with 2024 PIP deliverables upon completion and approval of the PIP. The go-live can be split into phases as long as all enhancements are deployed within 2024. The below deliverables must be included as part of the project and should be in compliance with CMMI standards for the following:

- > Business & system requirements
- > Functional & technical design
- > Requirements traceability matrix including test cases
- > Business processes/procedures documentation
- > Go-live decision with supporting checklist

Target: Meet all identified requirements with high-quality deliverables and by established due dates. Reports and analysis to be in LIPA-approved format.

Incentive for deliverables that meet the above criteria will be allocated as follows:

- 1/3 for completion of Base Collection & Analysis and Project Planning Deliverables

Proposed 2024 Performance Metrics

CS-05: Customer Transactional Performance Measurement & Analysis

- 2/3 for completion of Project Implementation Plan

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for i) delays directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
BASE COLLECTION & ANALYSIS	
Provide list of transaction types surveyed in CCaaS and mapping to transaction category	2024-01-20
January survey result reports and supporting detail	2024-02-20
February survey result reports and supporting detail	2024-03-20
March survey result reports and supporting detail	2024-04-20
Provide 2023 cost per transaction analysis	2024-04-30
April survey result reports and supporting detail	2024-05-20
Provide observations and recommendations from survey results, operational data, and cost per transaction analysis to drive continuous improvement	2024-07-15
May survey result reports and supporting detail	2024-06-20
June survey result reports and supporting detail	2024-07-20
July survey result reports and supporting detail	2024-08-21
August survey result reports and supporting detail	2024-09-20
September survey result reports and supporting detail	2024-10-20

Proposed 2024 Performance Metrics

CS-05: Customer Transactional Performance Measurement & Analysis

October survey result reports and supporting detail	2024-11-20
November survey result reports and supporting detail	2024-12-20
December survey result reports and supporting detail	2025-01-20
PROJECT PLANNING	
Provide draft Project Implementation Plan, which shall be high quality and sufficiently complete	2024-01-31
Provide final Project Implementation Plan for approval, incorporating all LIPA feedback. Update Smartsheet to include the LIPA-approved PIP metric deliverables and due dates.	2024-02-29
PROJECT IMPLEMENTATION	
Provide business & system requirements	As approved in final PIP
Provide functional & technical design document	As approved in final PIP
Provide Requirements Traceability Matrix	As approved in final PIP
Provide updated business processes/procedures	As approved in final PIP
Inform LIPA of go-live decision and submit completed go-live checklist that supports decision	As approved in final PIP
Go-live	2024-06-30

LIPA 2024 Proposed Performance Metrics

CS-10: Billing – Cancelled Rebill

Board Policy: Customer Experience	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Vignesh Solai
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Thenaris Godbolt
PSEGLI Director: Brigitte Wynn	DPS Contact: Mike Sherman
Allocated Compensation (2021 Dollars): 200000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
NA	0.62%	NA	0.76%	0.50%	0.23%	0.18%

OBJECTIVE

Provide an accurate bill to the customer the first time, not requiring a subsequent adjustment.

TARGETS AND CALCULATIONS

Accuracy of a customer bill is measured by issuance of a subsequent bill for a previously billed period. Cancel/re-bill transactions are measured monthly based on issuance of a bill where the customer is being sent a correction for a previously issued bill. This includes all cancellations performed by the PSEG Long Island staff, as well as the cancel/re-bills performed automatically by the billing system.

Calculation: The sum of the number of the monthly cancel/rebill accounts divided by the sum of the number of unique bills issued for the contract year

Example calculation:

- o In January of 2021, PSEG Long Island rendered 1,052,628 customer bills
- o In January of 2021, PSEG Long Island issues 6,601 cancel/rebills accounts
- o The performance level for January 2021 would be $6,601 / 1,052,628 = 0.636\%$
- o For contract year 2020, PSEG Long Island rendered 13,048,651 customer bills
- o For contract year 2020, PSEG Long Island issues 84,980 cancel/rebills
- o The performance level for the performance metric would be $84,980 / 13,048,651 = 0.651\%$

Target: A performance of less than or equal (\leq) to 0.15% of cancel/re-bills relative to total bills issued within the target time frame.

LIPA 2024 Proposed Performance Metrics

CS-10: Billing – Cancelled Rebill

EXCLUSIONS

Exclusions will be granted if situations or business conditions arise that LIPA determines or agrees are truly out of PSEG Long Island’s control, as long as, they are presented to LIPA within 5 business days.

DELIVERABLES

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for Billing - Cancel Rebills 2) Any additional supporting documentation as required	Monthly

LIPA 2024 Proposed Performance Metrics

CS-11: Contact Center Service Level with Live Agent Calls

Board Policy: Customer Experience	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Sarah Mandli
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Brian Merkle
PSEGLI Director: Jessica Tighe	DPS Contact: Mike Sherman
Allocated Compensation (2021 Dollars): 300000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
NA	75.1%	NA	80.3%	80.0%	29.2%	80.0%

OBJECTIVE

Measure response of Customer Service Representatives to customer calls to promote efficient staffing and customer satisfaction.

TARGETS AND CALCULATIONS

The Contact Center Service Level for this metric is all calls handled by a representative (live agent) from Automatic Call Distribution (ACD) and High Volume Call Application (HVCA). When a customer is seeking to speak to a customer service representative, the performance expectation will be:

- o During blue sky days and any storms defined as “non-major,” 77% of calls will be answered within 30 seconds
- o During “major storms,” 77% of calls will be answered within 90 seconds

Major Storm is defined as any storm which causes service interruptions of at least ten percent of customers in an operating area, or if the interruptions last for 24 hours or more.

Note: HVCA results are included in this metric if they are transferred to a live person to handle.

For calls handled using PSEG Long Island's IVR and ACD systems, the source of reporting will be the IVR and ACD vendor reporting tools. For calls handled using the HVCA application, the source of reporting will be the HVCA vendor reporting system, if different than the ACD.

Calculation: The sum of the number of contacts answered in the contract year within the target thresholds defined above divided by the number of contacts offered in the contract year.

Formula = (major storm day ACD calls answered by the representative in 90 seconds + HVCA major storm calls answered by a representative in 90 seconds + ACD non-storm answered by a representative in 30 seconds + HVCA non-storm

LIPA 2024 Proposed Performance Metrics

CS-11: Contact Center Service Level with Live Agent Calls

answered by an HVCA provider in 30 seconds) divided by (ACD representative offered calls + HVCA representative offered calls)

- Target =
- ≥ 77.0% for year = 100% of Allocated Incentive Compensation or
 - ≥ 73.0% for year = 50% of Allocated Incentive Compensation

EXCLUSIONS

All contacts that are answered solely by IVR or any other self-service technology are excluded.
Incoming rep offered calls to the Time-of-Day skill queue are excluded.

DELIVERABLES

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for Contact Center Service Level with Live Agent Calls 2) Any additional supporting documentation as required	Monthly

Proposed 2024 Performance Metrics

CS-14: Net Dollars Written Off

Board Policy: "Customer Value, Affordability, & Rate Design"	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Carolyn MacKool
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Kim Soreil
PSEGLI Director: Brigitte Wynn	DPS Contact: Mike Sherman
Allocated Compensation (2021 Dollars): 300000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
NA	\$13,927,845	NA	\$11,270,944	NA	\$25,003,088	\$28,965,369

OBJECTIVE

Actively manage the receivables and associated write-offs and recoveries to maintain a solid financial position.

TARGETS AND CALCULATIONS

Definition: Net Write-Offs measures the effectiveness of recovery efforts of uncollectible revenue. It is an overall measure of the possibility of the business incurring bad debts.

Measured as the total net dollars written-off for January 1 to December 31, 2024.

Calculation: Total accounts receivable write-offs less recoveries received from January 1, 2024 to December 31, 2024.

Targets:

The total net write-off for January 1 to December 31, 2024 is:

- ≤ \$20,836,630 = 100% of Allocated Incentive Compensation or
- ≤ \$21,014,400 = 50% of Allocated Incentive Compensation

EXCLUSIONS

If a state mandated moratorium on shut-off is instituted for residential customers for more than two months prior to June 2024, the target will be adjusted for the period of time the moratorium is in effect to reflect the impact. The adjustment will be equal to the forecasted lock for non-payment write-off amount based on the final bill months that are in the state moratorium period. If it is a partial month, the target will be lowered by the percent of workdays in the month that are in the moratorium

DELIVERABLES

Proposed 2024 Performance Metrics

CS-14: Net Dollars Written Off

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for Net Write-Offs 2) Any additional supporting documentation as required	Monthly

Proposed 2024 Performance Metrics

CS-15: Arrears Aging Percent > 90 Days Past Due (Arrears %>90)

Board Policy: "Customer Value, Affordability, & Rate Design"	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Carolyn MacKool
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Kim Soreil
PSEGLI Director: Brigitte Wynn	DPS Contact: Mike Sherman
Allocated Compensation (2021 Dollars): 300000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
NA	56.7%	NA	68.3%	NA	65.63%	48.04%

OBJECTIVE

Effective management for aged receivables > 90 days to maintain a solid financial position.

TARGETS AND CALCULATIONS

Definition: Accounts receivable (AR) > 90 days measures the percent of past-due AR that have aged more than 90 days (i.e. excluding current AR).

Calculation: AR aging % YTD = Rolling 12-month total dollars outstanding more than 90 days / Rolling 12-month total dollars outstanding 30 and more days past due.

Target

≤ 48.58% = 100% of Allocated Incentive Compensation

EXCLUSIONS

If a state-mandated moratorium on shut-off is instituted for residential customers for more than 2 months during 2024, the target will be adjusted for the period the moratorium exists based on field disconnection portion of funds anticipated during that period. Partial months will be calculated based on workdays and the days covered by the moratorium legislation.

Proposed 2024 Performance Metrics

CS-15: Arrears Aging Percent > 90 Days Past Due (Arrears %>90)

Changes in any state or federal arrears assistance program beyond LI HEAP, where it impacts the outstanding arrears, will be adjusted in a manner consistent with the methodology utilized in 2022 and 2023. There will be no adjustment to the targets for programs implemented as a discount or a reduction to revenue.

DELIVERABLES

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for Arrears Aging Percent > 90 Days Past Due (Arrears %>90) 2) Any additional supporting documentation as required	Monthly

Proposed 2024 Performance Metrics

CS-17: Low to Moderate Income (LMI) Program Participation

Board Policy: "Customer Value, Affordability, & Rate Design"	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Vignesh Solai
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Kim Soreil
PSEGLI Director: Brigitte Wynn	DPS Contact: Denise Prestinari
Allocated Compensation (2021 Dollars): 200000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
35,000	45,721	35,000	46,917	55,000	42,528	50,000

OBJECTIVE

Increase the Low to Moderate Income (LMI) program customer enrollment in the Household Assistance Rate (HAR).

TARGETS AND CALCULATIONS

Definition: Count the number of unique valid LMI program enrollees in any month during the calendar year 2024 and demonstrate execution of an update of records based on automated matching at least once for the Rockaways and Nassau County in the program year.

Target and Calculation: Meet 50,000 LMI program enrollees in any month during the calendar year 2024 and demonstrates that automated file matching was executed, and the customer rate has been updated for the Rockaways and Nassau County data matching file.

EXCLUSIONS

Customers who have not met the 18-month renewal process. The automation requirement would be exempted if PSEG Long Island demonstrates that the agency refused to participate or if PSEG Long Island pursued automation beginning in January and the agency was unable to complete the execution of an automated matching process in 2024.

DELIVERABLES

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for Low to Moderate Income (LMI) Program Participation 2) Any additional supporting documentation as required	Monthly

Proposed 2024 Performance Metrics

CS-19: DPS Customer Complaint Rate

Board Policy: Customer Experience	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Sarah Mandli
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: John Krilovitch
PSEGLI Director: Mike Presti	DPS Contact: Chris Ronacher
Allocated Compensation (2021 Dollars): 50000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
6.5 N/A	11.8 #6	5.0 N/A	2.0 #1	4.2 N/A	3.8 #1	4.2 N/A

OBJECTIVE

Keep customer regulatory complaints to a minimum.

TARGETS AND CALCULATIONS

Definition: Total Number of Initial Customer Complaints registered with the NY Department of Public Service, Public Service Commission

- Monthly: Initial Complaint Rate = (Initial Complaints Total / Customer Population) * 100,000 Customers
- YTD: Rolling 12-month Initial Complaint Rate = [(Rolling 12 Month Initial Complaints Total /12) /Customer Population] * 100,000 Customer

Target level performance: Targeted performance level would be to achieve the top position for Rolling 12-month Initial Complaint Rate for electric and combination companies within the peer group. The peer group will include all electric and combination companies in New York State which includes the below:

- Central Hudson Gas & Electric Corp.
- Con Edison of New York
- National Grid-Upstate
- New York State Electric & Gas Corp.
- Orange & Rockland
- Rochester Gas & Electric Corp.

EXCLUSIONS

None

Proposed 2024 Performance Metrics

CS-19: DPS Customer Complaint Rate

DELIVERABLES

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for DPS Customer Complaint Rate 2) Any additional supporting documentation as required	Monthly

Proposed 2024 Performance Metrics

CS-21: Outage Information Satisfaction

Board Policy: Customer Experience	Board PIPs: 4.01: Comprehensive IT Plan for Outage Reporting and Communications
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Sarah Mandli
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Edyta Keppler
PSEGLI Director: Mike Presti	DPS Contact: Mike Sherman
Allocated Compensation (2021 Dollars): 200000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
NA	NA	NA	NA	NA	65%	70%

OBJECTIVE

Improve customer satisfaction with PSEG Long Island's proficiency in providing information for customers who experience an outage.

TARGETS AND CALCULATIONS

Survey all impacted customers after a residential and commercial customer experience of an outage to measure whether the customer was satisfied when asked the following question on the outage survey, "Overall satisfaction with the information received during the outage." Measured on a scale of 1 to 10 with 10 being extremely satisfied and 1 being extremely dissatisfied.

Calculation: % of Satisfied Customers = Blended (Residential + Commercial responses) with a Rating of 6-10 for the Target Question / Total Number of Responses to the Target Question

Target: Percentage point improvement over the % of Satisfied Customer baseline* from the new survey platform

- ≥ 6.00 percentage point improvement = 100% of Allocated Incentive Compensation
- 4.00 – 5.99 percentage point improvement = 75% of Allocated Incentive Compensation
- 2.00 – 3.99 percentage point improvement = 50% of Allocated Incentive Compensation
- < 2.00 percentage point improvement = 0% of Allocated Incentive Compensation

*Given that the outage survey platform is changing in October 2023, PSEG Long Island shall establish a new platform survey result baseline as observed during October 2023 through December 31, 2023. If there is a difference in the survey results between platforms greater than +/- 5 percentage points, PSEG Long Island and LIPA will meet to determine how best to adjust the target. All questions posed in the new survey platform will be as agreed between PSEG Long Island and LIPA in September 2023.

Proposed 2024 Performance Metrics

CS-21: Outage Information Satisfaction

Monthly supporting documentation will be consistent with the existing outage survey reporting.

EXCLUSIONS

Surveys do not include planned outages.

DELIVERABLES

Deliverable Name	Target Due Date
PSEG Long Island provide 2024 baseline based on 2023 survey results from the new platform	2024-01-31
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for % of Satisfied Customers for Outage Information 2) Any additional supporting documentation as required	Monthly

LIPA 2024 Proposed Performance Metrics

CS-25: Interactive Voice Response (IVR) Containment Rate

Board Policy: Customer Experience	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Sarah Mandli
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Philip Decicco
PSEGLI Director: Jessica Tighe	DPS Contact: Mike Sherman
Allocated Compensation (2021 Dollars): 150000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
NA	57.41%	NA	60.06%	NA	57.81%	61.00%

OBJECTIVE

Improve caller self-service provided by the IVR.

TARGETS AND CALCULATIONS

The containment rate is the percentage of callers who interact with the IVR residential customer general inquiry line, business solution center line, and the emergency line, and leave normally without transferring to the Automatic Call Distribution (ACD) system. Normal hang ups and transfers to payment vendor are considered contained and are to be counted in the numerator. Customer- initiated responses to outbound contacts that are routed to the IVR for a follow-up are to be counted in the denominator. Callbacks are only to be counted once in the denominator.

Calculation: % of Calls Contained = (Normal Hang Up* + Payment Vendor Transfers) / Total Number of Calls Answered in IVR

*Normal Hang Up = IVR Answered – Payment Vendor Transfers – Transfers to ACD – Callback Requests – Requests to Transfer to ACD during non-Business Hours

Target:

≥ 5.0% improvement over baseline** result – 100% of the overall allocated incentive compensation or

≥ 2.5% improvement – 50% of the overall allocated incentive compensation or

≥ 1.0% improvement – 25% of the overall allocated incentive compensation

**Baseline is January 1, 2023 through the sooner of 1) go live of the new NICE/Omilia IVR technology or 2) December 31, 2023.

Performance will be based on rounding for 2 significant digits to the right of the decimal point.

Measurement will begin 3 months after the go-live of the new NICE/Omilia IVR technology.

LIPA 2024 Proposed Performance Metrics

CS-25: Interactive Voice Response (IVR) Containment Rate

EXCLUSIONS

Exclude from numerator the following:

- 1) Callback requests
- 2) Hang ups resulting from system issues

Exclude from the numerator and denominator the following:

- 1) Transfers from ACD back to IVR
- 2) HVCA calls
- 3) Calls resulting from any scenario that prevents the customer while conducting regular business in the IVR from transferring to the ACD during normal business hours.

DELIVERABLES

Deliverable Name	Target Due Date
PSEG Long Island submits their calculation of the 2024 target based on 2023 results.	2024-01-31
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for % of IVR containment 2) Any additional supporting documentation as required	Monthly

Proposed 2024 Performance Metrics

CS-28: Move Process Improvement

Board Policy: Customer Experience	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Carolyn MacKool
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Nayan Parikh
PSEGLI Director: Mike Presti	DPS Contact: Mike Sherman
Allocated Compensation (2021 Dollars): 350000	

OBJECTIVE

Streamline the residential move process to complete the transaction within one efficient interaction.

TARGETS AND CALCULATIONS

Effectively execute LIPA-approved PIP as developed per 2023 Metric #CS-28. If a PIP is not developed in 2023, PSEG Long Island shall deliver a PIP as of January 15, 2024. This improvement project is to streamline the residential move in/move out/transfer (MIMO) process steps (excluding restores) for both the customer and the agent. The customer experience should be considered throughout the newly automated journey and when addressing improvements in MIMO information and flow on the corporate website.

Customers who request a MIMO transaction through self-service (IVR, chatbot, web) should be able to complete the transaction through the one interaction and not be required to switch channels to complete. Manual processing by Back Office Agents of non-exception MIMO transactions initiated by customers in self-service should be eliminated. Agents that process the MIMO transaction during live calls, live chats, or emails should be able to more quickly complete the entire transaction during the interaction. Automations for the customer and agent include, but not limited to the following:

- i) identity verification;
- ii) address validation;
- iii) account/property validation;
- iv) account and service order processing in the systems;
- v) arrears balance payment request and processing (excluding charge offs);
- vi) communication of the decision and/or next steps if transaction cannot be completed during the interaction;
- vii) agent exception creation; and
- viii) any other identified pain points in the business process, where appropriate.

The expected outcomes for this project related to non-exception residential MIMOs are to:

- i) eliminate manual back-office processes for self-service;
- ii) reduce agent-assisted call and email volumes;
- iii) reduce agent-assisted call and email AHTs; and
- iv) allow customers to complete MIMO transaction through one interaction in channel of choice.

Metric deliverables will be modified with 2024 PIP deliverables upon completion and approval of the PIP. The below

Proposed 2024 Performance Metrics

CS-28: Move Process Improvement

deliverables must be included as part of the project and should be in compliance with CMMI best practices:

- > Project implementation plan
- > Business & system requirements
- > Functional & technical design
- > Test management plan
- > Requirements traceability matrix including test cases
- > Security review
- > Test results with evidence
- > Business processes/procedures documentation
- > Customer communication & marketing plan
- > Go-live decision with supporting checklist

Projects that meet all of the following criteria will be considered successfully completed:

- i) meet or exceed the project expected outcomes;
- ii) pass the deliverable quality review process; and
- iii) meet due dates for project deliverables (only interim deliverables can be delivered +/- 3 weeks of the timeline in the approved PIP as long as it does not impact the go-live date).

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for i) delays directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

Proposed 2024 Performance Metrics

CS-28: Move Process Improvement

DELIVERABLES

Deliverable Name	Target Due Date
Move Automation Project - Provide Project Implementation Plan if not delivered in 2023	2024-01-15
Move Automation Project - Provide business and system requirements informed by VOC feedback and industry best practices	As approved in final PIP
Move Automation Project - Provide test management plan	As approved in final PIP
Move Automation Project - Provide functional & technical design document	As approved in final PIP
Move Automation Project - Provide Requirements Traceability Matrix	As approved in final PIP
Move Automation Project - Provide security review	As approved in final PIP
Move Automation Project - Provide test results with evidence	As approved in final PIP
Move Automation Project - Provide customer communication & marketing plan	As approved in final PIP
Move Automation Project - Provide updated business processes/procedures	As approved in final PIP
Move Automation Project - Inform LIPA of go-live decision and submit completed go-live checklist that supports decision.	As approved in final PIP
Move Automation Project - Go-live	2024-12-15

Proposed 2024 Performance Metrics

CS-30: Optimize Contact Center Resource Utilization

Board Policy: Customer Experience	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Sarah Mandli
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Philip Decicco
PSEGLI Director: Jessica Tighe	DPS Contact: Mike Sherman
Allocated Compensation (2021 Dollars): 250000	

OBJECTIVE

Ensure the use of agent resource time in the most efficient and effective manner possible. Create new report and process to improve resource optimization through adjustments to over/under agent staffing and scheduling by re-forecasting volumes within the day and adjusting agent schedules and their time utilization to meet the real time volume.

TARGETS AND CALCULATIONS

This project is to develop and execute two Project Implementation Plans (PIPs):

1) A PIP to deliver (i) a new resource utilization report and (ii) detailed procedures to make operational changes to react to trends in the report:

i) The new resource utilization report will measure and baseline intraday resource optimization for the contact center across agent-assisted phone, chat, and email work. The report must include the following concepts:

- a. Agent Schedule Efficiency – This is a measure of how closely the scheduled agents match the actual agent need (including surge and overtime) as a percentage for the day. This metric is a critical way that the call center adjusts for over/under agent staffing and scheduling by re-forecasting call volumes within the day and adjusting agent schedules and their time utilization accordingly to meet the real time volume. The goal of intraday is to optimize agent time by moving, cancelling, and/or adding work and agents so that service levels are met, and agent time utilization is optimized within 30-minute increments. These categories will need to be established and/or re-defined in the Automatic Call Distribution (ACD) system under the following three headings - 1) Productive work (e.g. inbound calls, outbound calls, email, chat, offline work); 2) Non-productive work (e.g. coaching, training, project); and 3) Auxiliary workstate/mode (e.g. break, lunch, personal, system down)
- b. Intraday Agent Schedule Adherence – The percentage of time an agent was doing the work as prescribed by their schedule. All time will be scheduled to include lunch, breaks, phone time, email time, coaching, meetings, etc.

ii) New detailed procedures to address the following. The procedures are required to be completed for every regular workday and cover the call center open hours, which is currently operational from 8 AM – 8 PM. Holidays and weekends are not covered; however, storm days are covered since it is important to respond to customers.

- a. Intraday call volume re-forecasting (re-defining the anticipated call volume by 30-minute increments for that day by mid-morning)
- b. Intraday schedule adjustments (adjust the current day's schedules to minimize the staffing overs (too many

Proposed 2024 Performance Metrics

CS-30: Optimize Contact Center Resource Utilization

scheduled) or unders (too few scheduled) by changing the work state/mode assignment)

2) A PIP and execution of associated improvement activities to optimize and improve intraday Contact Center resource utilization for performance benefits to be realized in 2025.

Metric deliverables will be modified with 2024 PIP deliverables upon completion and approval of the PIP. The below deliverables must be included as part of the project and should be in compliance with CMMI best practices:

- > Project implementation plans
- > Business & system requirements
- > Functional & technical design
- > Business processes/procedures documentation

Project deliverables that meet all of the following criteria will be considered successfully completed:

- i) deliver outputs as defined in the PIPs;
- ii) pass the deliverable quality review process; and
- iii) meet due dates for project deliverables.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for i) delays directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Proposed 2024 Performance Metrics

CS-30: Optimize Contact Center Resource Utilization

Deliverable Name	Target Due Date
1) RESOUC E UTILIZATION REPORT & PROCEDURES	
Resource Utilization Report & Procedures - Provide draft PIP, which shall be high quality and sufficiently complete	2024-01-15
Resource Utilization Report & Procedures - Provide business & system requirements, which shall also include concepts in metric definition	2024-01-15
Resource Utilization Report & Procedures - Provide final PIP for approval, incorporating all LIPA feedback. Update Smartsheet to include the LIPA-approved PIP metric deliverables and due dates.	2024-02-15
Resource Utilization Report & Procedures - Provide functional and technical design	2024-02-15
Resource Utilization Report & Procedures - Go-live: Provide final version of production report. If technically possible, provide monthly data retro to CCaaS go-live in 2023.	2024-02-29
Resource Utilization Report & Procedures - Submit monthly Resource Utilization report - March	2024-04-05
Resource Utilization Report & Procedures - Establish procedures and processes to perform intraday call volume reforecasting and agent schedule adjustments	2024-04-15
Resource Utilization Report & Procedures - Submit monthly Resource Utilization report - April	2024-05-05
Resource Utilization Report & Procedures - Submit monthly Resource Utilization report - May	2024-06-05
Resource Utilization Report & Procedures - Submit monthly Resource Utilization report - June	2024-07-05
Resource Utilization Report & Procedures - Submit monthly Resource Utilization report - July	2024-08-05
Resource Utilization Report & Procedures - Submit monthly Resource Utilization report - August	2024-09-05
Resource Utilization Report & Procedures - Submit monthly Resource Utilization report - September	2024-10-05
Resource Utilization Report & Procedures - Submit monthly Resource Utilization report - October	2024-11-05
Resource Utilization Report & Procedures - Submit monthly Resource Utilization report - November	2024-12-05
Resource Utilization Report & Procedures - Submit monthly Resource Utilization report - December	2025-01-05
2) RESOURCE UTILIZATION IMPROVEMENT	
Resource Utilization Improvement - Provide draft PIP, which shall be high quality and sufficiently complete	2024-05-31
Resource Utilization Improvement - Provide final PIP for approval, incorporating all LIPA feedback. Update Smartsheet to include the LIPA-approved PIP metric deliverables and due dates.	2024-06-30
Resource Utilization Improvement - Provide business & system requirements	As approved in final PIP
Resource Utilization Improvement - Provide functional and technical design	As approved in final PIP
Resource Utilization Improvement - Go-live	2024-11-30

LIPA 2024 Proposed Performance Metrics

CS-31: Call Average Handle Time (AHT)

Board Policy: Customer Experience	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Sarah Mandli
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Brian Merkle, Philip Decicco
PSEGLI Director: Jessica Tighe	DPS Contact: Mike Sherman
Allocated Compensation (2021 Dollars): 300000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
NA	405	NA	388	NA	433	NA

OBJECTIVE

Improve agent efficiency in responding to customer inbound phone inquiries by achieving pre-COVID (2019) and utility top quartile benchmark performance levels.

TARGETS AND CALCULATIONS

Quantitative Metric: For 2024, achieve the AHT target for Call Center operations. The AHT for this metric is the average duration of calls answered by the Call Center reps as tracked in the PSEG Long Island Call Center Daily Monthly YTD Summary report.

AHT Calculation: The sum of the call duration (Talk time + Hold time + After call work time) in seconds of rep answered calls in the contract year / total number of rep answered calls in the contract year

AHT Target (75% of the allocated compensation):

- Level 1 ≤ 376 seconds
- Level 2 ≤ 390 seconds

Improvements in AHT cannot degrade First Call Resolution after-call survey results for agent-assisted calls below 79%. If a decrease below 79% occurs, LIPA and PSEG Long Island will establish a mutually agreed upon adjustment (increase) to the actual AHT results for the month(s) that did not achieve 79%.

Project Deliverables: (25% of the allocated compensation):

Develop and execute a comprehensive Project Implementation Plan (PIP) in 2024 focused on continued reduction of AHT. LIPA and PSEG Long Island will work together to develop an approach and targeted end state level taking into consideration top quartile utility trends. This plan must include the following steps:

- 1) A detailed statistical analysis to determine the factors that are causing the current high level of AHT. The statistical

LIPA 2024 Proposed Performance Metrics

CS-31: Call Average Handle Time (AHT)

analysis must identify variance in the following factors:

- a. Avg Talk Time
- b. Avg. Hold Time
- c. After Call Work Time

2) The plan must address a method for determining the root cause of the current level AHT, including monitoring and analysis of actual calls, using voice and screen capture to substantiate and report findings. The following list are examples of root cause analyses findings:

- a. Lack of training/incomplete training
- b. Inability to efficiently navigate multiple systems
- c. Being distracted/not paying attention to the caller
- d. Taking unauthorized breaks
- e. Inefficient availability of customer information
- f. Poor information from system handoffs to agent
- g. Inefficient process/procedure design
- h. Insufficient performance management

3) The plan must address a means for resolving the root cause issues.

Metric deliverables will be modified with 2024 PIP deliverables upon completion and approval of the PIP. The below deliverables must be included as part of the project and should be in compliance with CMMI best practices:

- > Project implementation plan (people, process and technology)
- > AHT statistical analysis with underlying raw data
- > Business & system requirements
- > Functional & technical design
- > Requirements traceability matrix including test cases
- > Test results with evidence
- > Business processes/procedures documentation
- > Go-live decision with supporting checklist

Project deliverables that meet all of the following criteria will be considered successfully completed:

- i) deliver outputs as defined in the PIP;
- ii) pass the deliverable quality review process; and
- iii) meet due dates for project deliverables

Incentive to be allocated as follows:

25% for achieving project deliverables

Up to 75% for achieving AHT target as follows:

LIPA 2024 Proposed Performance Metrics

CS-31: Call Average Handle Time (AHT)

- 75% of the allocated incentive compensation for achieving Level 1 (≤ 376 seconds) or
- 50% of the allocated incentive compensation for achieving Level 2 (≤ 390 seconds)

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

For 2024 quantitative metric:

- AHT results will exclude incoming calls answered from the Time-of-Day skill queue
- In the event of a major storm that produces 100,000 or more outages, AHT results will be excluded up to 3 additional days after the active outages fall below 100,000 or the conclusion of the major storm, whichever is sooner.

For 2024 project - Schedule relief may be granted for

- delays directed or requested by LIPA or
- situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
AHT QUANTITATIVE	
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for Call Average Handle Time 2) Any additional supporting documentation as required	Monthly
AHT IMPROVEMENT PROJECT	

LIPA 2024 Proposed Performance Metrics

CS-31: Call Average Handle Time (AHT)

AHT Improvement Project - Provide statistical analysis of AHT with underlying raw data	2024-01-31
AHT Improvement Project - Provide draft PIP (people, process and technology), which shall be high quality and sufficiently complete, to resolve AHT root cause. PIP to also include methods utilized to determine root cause	2024-02-29
AHT Improvement Project - Provide final PIP for approval, incorporating all LIPA feedback. Update Smartsheet to include the LIPA-approved PIP metric deliverables and due dates	2024-03-31
AHT Improvement Project - Provide business & system requirements	As approved in final PIP
AHT Improvement Project - Provide test management plan	As approved in final PIP
AHT Improvement Project - Provide functional and technical design	As approved per the final PIP
AHT Improvement Project - Provide Requirements Traceability Matrix	As approved in final PIP
AHT Improvement Project - Provide test results with evidence	As approved in final PIP
AHT Improvement Project - Provide updated business processes/procedures for changes to resource management, process and/or technology and methodology for continuous identification of AHT root cause	As approved in final PIP
AHT Improvement Project - Inform LIPA of go-live decision and submit completed go-live checklist that supports decision.	As approved in final PIP
AHT Improvement Project - Go-live	2024-07-31
AHT Improvement Project - Provide evidence of utilization of new technology, performance/resource management, and processes and quantify impact on AHT	2024-08-31

LIPA 2024 Proposed Performance Metrics

IT-01: IT Organizational Maturity

Board Policy: Information Technology and Cyber Security	Board PIPs: 7.04: IT Organizational Maturity
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Randy Rinon
PSEGLI Exec. Sponsor: Gregory Filipkowski	PSEGLI Proj. Mgr: Joseph Jacko
PSEGLI Director: Joseph Jacko	DPS Contact: John Goench
Allocated Compensation (2021 Dollars): 350000	

OBJECTIVE

PSEG Long Island IT achieves an Organizational Maturity Level at CMMI Level 3 in the CMMI Development Model.

TARGETS AND CALCULATIONS

The maturity level of an organization provides a way to characterize its capability and performance. Under the CMMI model, capability levels apply to an organization's performance and process improvement achievements in individual practice areas, and maturity levels represent a staged path for an organization's performance and process improvement efforts based on predefined sets of practice areas. Level 3 is categorized as 'Defined'. An organization at Capability Level 3 focuses on achieving both project and organizational performance objectives. An organization at Maturity Level 3 is proactive rather than reactive, with organization-wide standards providing guidance across projects, programs, and portfolios.

The goal is to implement CMMI processes throughout the IT Organization to ensure they become institutionalized.

The Practice Areas that are required to be rated at Level 3 for CMMI Maturity Level 3 - Development View are listed in Table 1.

IT-1 and IT-2 in the 2022 OSA Performance Metrics required reaching CMMI Maturity Level 3 in the Doing and Managing categories. IT-01 in the 2023 Metrics covered two additional categories, Enabling and Improving, as well as remaining gaps, if any, to achieve Level 3 in the Doing and Managing categories, with CMMI Level 3 to be adopted per the following schedule:

- All projects initiated on or after September 1st, 2022, will follow CMMI Level 3 processes in the Doing and Managing categories.
- All projects initiated on or after May 1st, 2023, will follow CMMI Level 3 processes in all categories.
- Projects that are in-flight on May 1st, 2023, will follow CMMI Level 3 processes in all categories starting May 1st, 2023; but will not be required to retrofit deliverables/artifacts completed before May 1st, 2023.

A CMMI Benchmark Appraisal (Development View) of the PSEG Long Island IT Organization will be conducted by a LIPA consultant and will conclude no later than 2024 Q2 to assess PSEG Long Island's IT organizational maturity level.

Planning for the conduct of the Benchmark appraisal shall be compliant with:

- the most current CMMI baseline,
- the most current baseline of the CMMI MDD (Method Definition Document), and

LIPA 2024 Proposed Performance Metrics

IT-01: IT Organizational Maturity

- all applicable CMMI Quality Policies that are published by ISACA at the time of the planning, conducting, and reporting of the benchmark appraisal.

All projects shall be made available for inclusion in the Benchmark appraisal, except as specified in the Exclusions section.

Targets:

- The PSEG Long Island IT Organization is determined to be at Maturity Level 3 via a CMMI Benchmark Appraisal to be conducted by a LIPA-selected consultant in 2024 Q2, in accordance with all requirements and specifications in this metric.
- PSEG Long Island fully supports and cooperates with the planning, conduct, and reporting of the appraisal, including making all requested personnel and contractors available and providing all requested artifacts, information, and data, in a timely manner.

Execute all identified deliverables in the metric on or before their respective timelines.

EXCLUSIONS

- Projects and project phases completed before July 15, 2022, are fully exempt.
- Projects and project phases that were completed before September 1, 2022, are exempt from following CMMI Level 3 processes in the Managing and Doing categories unless they were included in the 2022 CMMI implementation pilot. For projects included in the pilot, project phases in-flight on or completed before July 15, 2022, are exempt.
- Projects and project phases that were completed before May 1, 2023, are exempt from following CMMI Level 3 processes in the Enabling and Improving categories.
- Projects that were in-flight on May 1, 2023, are exempt from following CMMI Level 3 processes in the Enabling and Improving categories for: (i) deliverables/artifacts completed before May 1st, 2023; and (ii) deliverables/artifacts/phases that were granted LIPA exemptions because the associated task was substantially complete on May 1, 2023, significant re-work was required to adopt the new processes, and no significant negative impact to the end-state and success of the project was expected from exempting the in-progress task.

DELIVERABLES

Deliverable Name	Target Due Date
PSEG Long Island IT organization determined to be at Maturity Level 3 in the CMMI Development Model via a CMMI Benchmark Appraisal to be conducted by a LIPA consultant in 2024 Q2, in accordance with all requirements and specifications in this metric.	Issuance of LIPA Appraisers final report
PSEG Long Island has fully supported and cooperated with the planning, conduct, and reporting of the appraisal, including making all requested personnel available and providing all requested artifacts, information and data, in a timely manner.	Issuance of LIPA Appraisers final report

LIPA 2024 Proposed Performance Metrics

IT-01: IT Organizational Maturity

Table 1: CMMI V2 Maturity Level 3 - Development View

Category	Capability Area	Practice Area
Doing	Engineering and Developing Products	Product Integration
Doing	Engineering and Developing Products	Technical Solution
Doing	Ensuring Quality	Peer Reviews
Doing	Ensuring Quality	Process Quality Assurance
Doing	Ensuring Quality	Requirements Development and Maintenance
Doing	Ensuring Quality	Verification and Validation
Doing	Selecting and Managing Suppliers	Supplier Agreement Management
Managing	Managing Business Resilience	Risk Management
Managing	Managing the Workforce	Organizational Training
Managing	Planning and Managing Work	Estimating
Managing	Planning and Managing Work	Monitor and Control
Managing	Planning and Managing Work	Planning
Enabling	Supporting Implementation	Causal Analysis and Resolution
Enabling	Supporting Implementation	Configuration Management
Enabling	Supporting Implementation	Decision Analysis and Resolution
Improving	Improving Performance	Managing Performance and Measurement
Improving	Improving Performance	Process Asset Development
Improving	Improving Performance	Process Management
Improving	Sustaining Habit and Persistence	Governance
Improving	Sustaining Habit and Persistence	Implementation Infrastructure

Proposed 2024 Performance Metrics

IT-03: System Resiliency - Business Continuity Plans and Functional Drills

Board Policy: Information Technology and Cyber Security	Board PIPs: 5.02: ERP and BCP Training and Exercises, 5.04: Develop Rigorous BCPs
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Moin Shaikh
PSEGLI Exec. Sponsor: Gregory Filipkowski	PSEGLI Proj. Mgr: Frank Savin
PSEGLI Director:	DPS Contact: John Goench
Allocated Compensation (2021 Dollars): 250000	

OBJECTIVE

Well-designed and robust IT System Resiliency Planning that includes Business Continuity Plans (BCPs) for critical business processes and their supporting IT systems/infrastructure, that are based on comprehensive Business Impact Analyses (BIAs); and are annually reviewed, updated, approved by LIPA, and successfully and thoroughly exercised for all critical business processes and their supporting critical systems. Plans should be developed and implemented using guidance from ISO 22301:2019, as applicable.

TARGETS AND CALCULATIONS

PSEG Long Island to fully participate in a resiliency program assessment, to be performed by a LIPA-engaged third-party Consultant and completed by April 15, 2024, to assess gaps and provide recommendations for developing a resiliency program that ensures that PSEG Long Island can continue to perform its essential functions and deliver core capabilities during and following disruptions to normal operations, including unplanned partial or complete loss of one or more critical systems and/or infrastructure.

The Consultant shall develop a recommended scope and framework for the resiliency program, including business and technical resiliency; assess the existing resiliency program and plans and provide a gap analysis and findings; provide recommendations for closing any identified gaps, with reasonable timelines for implementation; and develop a roadmap for maturing the resiliency program.

Additionally, the Consultant shall provide an achievable IT Systems Business Continuity Action Plan for 2024 targeted at having, by the end of the year, LIPA-approved BCPs that address the unplanned partial or complete loss of IT systems for five critical systems, providing clear and concrete direction for maintaining critical functions and processes in realistic disaster scenarios. The IT Systems Business Continuity Action Plan shall provide recommendations on the systems to be covered in 2024 and the actions required to achieve the target, considering the criticality of the impacted processes and functions, the impacts of any identified gaps, and the level of effort to close them. The IT Systems Business Continuity Action Plan shall recommend specific deliverables and due dates (mutually agreed upon by LIPA and PSEG Long Island) for 2024, which shall be adopted into this metric on LIPA acceptance of the plan.

Expected outcomes for 2024:

- BCPs for five critical systems and their associated critical business processes have been approved by LIPA. The BCPs provide clear and concrete direction for maintaining critical functions and processes in realistic disaster scenarios,

Proposed 2024 Performance Metrics

IT-03: System Resiliency - Business Continuity Plans and Functional Drills

including unplanned partial or complete loss of one or more critical systems and/or infrastructure.

- LIPA-approved BCPs have been successfully exercised for five critical systems and their associated critical business processes in accordance with LIPA-approved Exercise Design Documents.
- The BCPs and the design of the exercises will be in accordance with the recommendations of the IT Systems Business Continuity Action Plan for 2024, which will provide prioritized and achievable improvements over the current state.

Target:

PSEG Long Island to:

- (i) Fully support the assessment, including making all relevant PSEG Long Island personnel available as needed for interviews, meetings, etc. and providing all requested information and data in a timely manner.
- (ii) Implement the LIPA-approved IT Systems Business Continuity Action Plan for 2024, including submitting all specified 2024 deliverables by the specified due dates. Deliverables will be updated in the metric Smartsheet upon approval of the plan.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for i) delays directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
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Proposed 2024 Performance Metrics

IT-03: System Resiliency - Business Continuity Plans and Functional Drills

PSEG Long Island fully participates in the assessment, including making relevant personnel available and providing requested information and data and access to relevant systems, in a timely manner.	2024-04-30
Deliverables per LIPA-approved IT Systems Business Continuity Action Plan for 2024	Per LIPA-approved IT Systems Business Continuity Action Plan for 2024

Proposed 2024 Performance Metrics

IT-04: System and Software Lifecycle Management

Board Policy: Information Technology and Cyber Security	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Moin Shaikh, Randy Rinon
PSEGLI Exec. Sponsor: Gregory Filipkowski	PSEGLI Proj. Mgr: Maurice Johnson
PSEGLI Director: Irving Landesbaum	DPS Contact: John Goench
Allocated Compensation (2021 Dollars): 100000	

OBJECTIVE

All IT and OT assets managed by PSEG Long Island 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.

TARGETS AND CALCULATIONS

All IT and OT information assets, including but not limited to, computers, communications equipment, networking equipment, hardware, software, and storage systems, are assessed for end-of-life status and inventoried with information including, at a minimum, the purpose of the system, criticality, current deployed version, latest available version, when it was implemented, when it was last upgraded, end-of-life status, support status, known security risks, and any relevant supporting software/hardware constraints (for instance, a system that requires legacy hardware); with the inventory annually reviewed, updated, and LIPA-approved. The 2024 updated inventory is to be submitted for LIPA approval by February 28, 2024.

LIPA approved a 2-year Refresh Plan in 2023 to replace or upgrade end-of-life assets within two (2) years. The Refresh Plan is updated as needed to account for any relevant changes to the asset inventory or other conditions and extended to 2025. The Refresh Plan will include the support and security provisions for the assets until they are refreshed. In addition to the detailed asset refresh schedule listing, the updated 2-year Refresh Plan will incorporate (i) the work plan for 2024 including, at a minimum, the description and scope of each project to be worked on in 2024, and the timeline with the planned start and end dates for each project; and (ii) a listing of any changes made to the planned work for 2024 since the LIPA-approved 2023 Refresh Plan, including projects carried over from 2023, added, moved to a different year, or dropped. The 2024 updated plan is to be submitted for LIPA approval by March 31, 2024.

All planned work for 2024 in the LIPA-approved Refresh Plan is completed in accordance with the Refresh Plan; and all planned work for 2024 for any Life Cycle Planning (LCP) projects that are not in the 2024 Refresh Plan, but have approved budget for 2024, is completed in 2024.

PSEG Long Island to provide Quarterly Status Reports for the first three quarters of the year. PSEG Long Island to provide a Year-end Close-out Report including the scope delivered for each project, any scope dropped or deferred, and revised timelines/end dates for any projects not completed as planned. All four reports will cover all projects planned to be worked on in 2024, including projects identified in the 2024 Refresh Plan and LCP projects with approved budgets for 2024; they will be in a LIPA-approved format; and will be submitted by the specified due dates.

Proposed 2024 Performance Metrics

IT-04: System and Software Lifecycle Management

Targets:

- Full Incentive Compensation Target requires 100% of deliverables specified in this metric submitted by the specified due dates and subsequently accepted by LIPA.
- Minimum Baseline Target for receiving any compensation requires submission by the specified due dates and subsequent acceptance by LIPA of the 2-year Refresh Plan and the Close-out Report, and completion of at least 50% of the projects planned for 2024 in the 2024 LIPA-approved Refresh Plan.

Incentive will be awarded as follows:

- > 100% of allocated incentive compensation for meeting the Full Incentive Compensation Target specified above.
- > 90% of allocated incentive compensation for meeting the Minimum Baseline Target specified above and completing 100% of all projects planned for 2024 in the 2024 LIPA-approved Refresh Plan.
- > 50% of allocated incentive compensation for meeting the Minimum Baseline Target specified above and completing at least 50% of all projects planned for 2024 in the 2024 LIPA-approved Refresh Plan.
- > No incentive if Minimum Baseline Target specified above is not met.

Note: Multi-year projects that have planned work in 2024 will be considered complete for the purposes of incentive allocation if all 2024 scope specified in the LIPA-approved Refresh Plan is completed in 2024.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for i) delays directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

Proposed 2024 Performance Metrics

IT-04: System and Software Lifecycle Management

DELIVERABLES

Deliverable Name	Target Due Date
Submit updated 2024 IT and OT asset inventory, as specified in this metric.	2024-02-28
Submit 2-year Refresh Plan, as specified in this metric, updated to account for any relevant changes to the approved 2023 inventory or other conditions, and extended to 2025.	2024-03-31
Quarterly Project Status Report for 2024 Q1	2024-04-10
Quarterly Project Status Report for 2024 Q2	2024-07-10
Quarterly Project Status Report for 2024 Q3	2024-10-10
All planned work for 2024 in the LIPA-approved Refresh Plan is completed in accordance with the plan.	2024-12-31
All planned work for 2024 for any Life Cycle Planning (LCP) projects that are not in the 2024 Refresh Plan, but have approved budget for 2024, is completed.	2024-12-31
Year-end Closeout Report, as specified in this metric.	2025-01-15

Proposed 2024 Performance Metrics

IT-05: Project Performance - In-flight Projects

Board Policy: Information Technology and Cyber Security	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Randy Rinon
PSEGLI Exec. Sponsor: Gregory Filipkowski	PSEGLI Proj. Mgr: Multiple
PSEGLI Director: Irving Landesbaum, Joseph Jacko, Larry Rocha, Lavanya Myneni	DPS Contact: John Goench
Allocated Compensation (2021 Dollars): 300000	

OBJECTIVE

IT Projects are conducted in a structured manner with strong and rigorous project planning, monitoring, and controls, as demonstrated by:

1. Project Implementation Plans (PIPs) in an acceptable format, approved by LIPA, for all in scope projects.
2. Monthly Reporting of Project Status by ten days after the close of each month. Monthly Project Status Reporting will be in a LIPA-approved format and will be required starting from the month the PIP is due and continuing through the month that final close-out reports and/or artifacts are accepted by LIPA.
3. Planned project work completed on time and budget.

TARGETS AND CALCULATIONS

This metric includes all in-flight 2023 Performance Metrics (IT-05 and IT-06) projects that have LIPA-approved PIPs and LIPA-approved work plans for 2024, with the Deliverables and Due Dates as specified in the LIPA-approved PIPs.

Any approved Exception Request for a 2023 IT-05 or IT-06 project that moves a Deliverable Due Date from 2023 to 2024 will automatically result in that Deliverable being incorporated into this metric and will move the associated project in-scope if previously out-of-scope. Additionally, any 2023 Deliverables for IT-05 or IT-06 projects that are not completed in 2023 will be automatically incorporated into this metric for remediation even if the Due Date is not officially adjusted through the Exception process.

The in-scope Projects and Deliverables listing will be compiled and updated through 2023 year-end closeout as the 2023 IT-05 and IT-06 projects complete PIP reviews and progress through execution, and the projects that meet the criterion for inclusion are determined. The final Deliverables and Due Dates for the metric will be as specified in the LIPA-approved PIPs for the projects, with any applicable adjustments resulting from the Exception Request process or as determined by LIPA for deliverables incorporated for remediation without new Due Dates having been approved through the Exception process.

All submitted deliverables shall be clear, comprehensive, and substantive; and consistent with relevant PMI PMBOK/IIBA BABOK standards.

Target:

100% of the in-scope projects meet the following targets:

Proposed 2024 Performance Metrics

IT-05: Project Performance - In-flight Projects

- 100% of the 2024 Deliverables specified in the LIPA-approved PIP or in this metric are submitted by the specified due date and subsequently accepted by LIPA.
- 100% of the planned 2024 work specified in the LIPA-approved PIP or in this metric is completed in 2024, and the final tasks/milestones for 2024 are completed on schedule (+/- 3 weeks) per the LIPA-approved Project Implementation Plan.
- Projects completed in 2024 satisfy the End State and Success Criteria detailed in the LIPA-approved PIP.

Incentive will be awarded as follows:

- 100% incentive for meeting the target for 100% of projects
- 80% incentive for meeting the target for 90% of projects, as long as the target is met for all in-scope cybersecurity projects
- 75% incentive for meeting the target for 75% of projects
- 50% incentive for meeting the target for 50% of projects
- No incentive if target is met for less than 50% of projects

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for delays i) directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
2024 Deliverables from LIPA-approved PIPs for all in-scope projects	Per LIPA-approved PIPs

Proposed 2024 Performance Metrics

IT-06: Project Performance – New 2024 Projects

Board Policy: Information Technology and Cyber Security	Board PIPs: NA
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Randy Rinon
PSEGLI Exec. Sponsor: Gregory Filipkowski	PSEGLI Proj. Mgr: Multiple
PSEGLI Director: Irving Landesbaum, Joseph Jacko, Larry Rocha, Lavanya Myneni	DPS Contact: John Goench
Allocated Compensation (2021 Dollars): 400000	

OBJECTIVE

IT Projects are conducted in a structured manner with strong and rigorous project planning, monitoring, and controls, as demonstrated by:

1. Project Implementation Plans (PIPs) in an acceptable format, approved by LIPA for all in-scope projects.
2. Monthly Reporting of Project Status by ten days after the close of each month. Monthly Project Status Reporting will be in a LIPA-approved format; and will be required starting from the month the PIP is due and continuing through the month that final close-out reports and/or artifacts are accepted by LIPA.
3. Planned project work completed on time and budget.

TARGETS AND CALCULATIONS

This metric includes all new IT Projects at or over \$1 million in Capital Budget project lifecycle costs that have approved 2024 Capital Budget, with exceptions as defined the Exclusions section. For the purposes of this metric, new Projects are projects that do not have LIPA-approved PIPs/work plans for 2024.

The in-scope project list will be compiled based on the finalized PSEG Long Island Capital Budget Request. All in-scope cybersecurity projects will be designated Essential, indicating that they are high-priority. LIPA may designate up to three additional in-scope projects as Essential. PSEG Long Island will organize the in-scope projects into two waves, where Wave 1 PIPs are due by 3/31/2024 and Wave 2 PIPs are due by 6/30/2024; and provide the wave composition to LIPA by 1/31/2024. All projects designated as Essential will be included in Wave 1, unless otherwise agreed to by LIPA.

The PIPs required for each project will utilize the LIPA-provided "Project Implementation Plan Template," and must provide substantive information including Project Objectives, End State and Success Criteria, Deliverables, Project Structure, Work Plan, Risk Management Plan, Issue Resolution Plan, LIPA Reporting Plan and Technical Execution Plan, as well as Project Financial Plan and Budget. The LIPA-approved PIPs will constitute the baseline against which project performance is measured.

All submitted deliverables shall be clear, comprehensive, and substantive; and consistent with relevant PMI PMBOK/IIBA BABOK standards. Metric deliverables will be modified with 2024 PIP deliverables upon completion and approval of PIP.

Target:

- 100% of in-scope projects have PIPs submitted by the specified due dates and subsequently approved by LIPA.

Proposed 2024 Performance Metrics

IT-06: Project Performance – New 2024 Projects

- 100% of the in-scope projects meet the following targets:
 - > 100% of the 2024 Deliverables specified in the LIPA-approved PIP or in this metric are submitted by the specified due date and subsequently accepted by LIPA.
 - > 100% of the planned 2024 work specified in the LIPA-approved PIP or in this metric is completed in 2024, and the final tasks/milestones for 2024 are completed on schedule (+/- 3 weeks) per the LIPA-approved PIP.
 - > Work planned for 2024 is completed within the Board-approved budget (+/- 10%).
 - > Projects completed in 2024 satisfy the End State and Success Criteria detailed in the LIPA-approved PIP.

Incentive will be awarded as follows:

- 100% incentive for meeting the target for 100% of projects
- 80% incentive for meeting the target for 90% of projects, as long as the target is met for all projects designated as Essential in the final in-scope projects list
- 75% incentive for meeting the target for 75% of projects
- 50% incentive for meeting the target for 50% of projects
- No incentive if target is met for less than 50% of projects

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Projects not listed in the final In-scope Projects list for this metric. While all new IT Projects (projects that have approved 2024 Capital Budget but do not have LIPA-approved PIPs/work plans for 2024) at or over \$1 million in Capital Budget project lifecycle costs are included by default in this metric, certain projects may be excluded by LIPA based on LIPA priorities. Projects that are covered under separate metrics will not be included in IT-06. LCP (Life Cycle Planning) projects will typically be considered under 'IT-04 System and Software Lifecycle Management' and thus excluded from

Proposed 2024 Performance Metrics

IT-06: Project Performance – New 2024 Projects

IT-06.

Schedule relief may be granted for delays i) directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
Submit Wave Composition for all projects included in the final in-scope projects list, with all projects included in either Wave 1 or Wave 2.	2024-01-31
Submit PIPs for all Wave 1 projects by the target due date, which is 3/31/2024 for Wave 1 PIPs, except where otherwise specified.	2024-03-31
Submit PIPs for all Wave 2 projects by the target due date, which is 6/30/2024 for Wave 2 PIPs, except where otherwise specified.	2024-06-30
2024 Deliverables from LIPA-approved PIPs for all in-scope projects and all Mandatory Deliverables specified in this metric.	As specified in this metric or LIPA-approved PIP

Proposed 2024 Performance Metrics

IT-07: System Segregation

Board Policy: Information Technology and Cyber Security	Board PIPs: 7.03; ITSM-01
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Randy Rinon
PSEGLI Exec. Sponsor: Gregory Filipkowski	PSEGLI Proj. Mgr: Joseph Jacko, Theresa Derting
PSEGLI Director: David Lyons	DPS Contact: John Goench
Allocated Compensation (2021 Dollars): 900000	

OBJECTIVE

Separate LIPA IT systems from PSEG New Jersey systems.

TARGETS AND CALCULATIONS

This metric covers the second year of the LIPA Board-approved IT System Separation Plan.

PSEG Long Island to submit a Project Implementation Plan (PIP) for Implementation Bundle 4 for LIPA approval by March 31, 2024.

All planned scope and work for 2024 in the LIPA-approved Implementation Bundle 1, Implementation Bundle 2, Implementation Bundle 3, and Implementation Bundle 4 PIPs, and in any subsequent LIPA-approved detailed plans, will be completed in 2024 in accordance with the plans.

Metric deliverables will be modified to reflect 2024 PIP deliverables upon completion and LIPA approval of the relevant PIPs, including addition of detailed deliverables if needed and adjustment of deliverable due dates. In accordance with standard IT metric practices and procedures, if a detailed or revised plan or schedule is expected after System Integrator onboarding or other similar milestone, a deliverable may be included in the PIP for a revised PIP that will, on LIPA approval, supersede the previous LIPA-approved PIP, with metric deliverables adjusted to reflect the latest LIPA-approved PIP. Alternatively, the standard Metric Exception Request process may be followed for any changes after PIP approval.

Target:

100% of the 2024 Deliverables specified in the LIPA-approved PIPs for all Implementation Bundles are submitted by the specified due date and subsequently accepted by LIPA.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA

Proposed 2024 Performance Metrics

IT-07: System Segregation

believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for delays i) directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
Submit Implementation Bundle 4 PIP	2024-03-31
All Bundle 1 Implementations/Go-lives Completed	2024-06-30
Bundle 1 Close-out Report	2024-10-15
All 2024 Deliverables in the LIPA-approved Implementation Bundle 1 PIP	2024-10-15
All Bundle 2 Implementations/Go-lives Completed	2024-12-31
All 2024 Deliverables in the LIPA-approved Implementation Bundle 2 PIP	2024-12-31
All Bundle 3 Implementations Completed	2024-12-31
All 2024 Deliverables in the LIPA-approved Implementation Bundle 3 PIP	2024-12-31
All Bundle 4 Implementations Completed	Per LIPA-approved PIP
All 2024 Deliverables in the LIPA-approved Implementation Bundle 4 PIP	Per LIPA-approved PIP

Proposed 2024 Performance Metrics

IT-08: Cyber Security Organization - Implementation

Board Policy: Information Technology and Cyber Security	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Moin Shaikh
PSEGLI Exec. Sponsor: John Kupcinski	PSEGLI Proj. Mgr: Elias Senter
PSEGLI Director: Wiliam Stroud	DPS Contact: John Goench
Allocated Compensation (2021 Dollars): 250000	

OBJECTIVE

Build a cyber security organization under the PSEG Long Island CISO that is independent of PSEG New Jersey, with services, staffing, and capabilities optimized to ensure that the cyber team is fully capable of developing, managing, and supporting the cyber security program and delivering on current and future requirements independent of Affiliate Services (as defined in the Second A&R OSA).

TARGETS AND CALCULATIONS

All planned scope and work for 2024 in the LIPA-approved Cyber Security Organization Project Implementation Plan (PIP), and in any subsequent LIPA-approved detailed plans developed pursuant to the PIP, will be completed in 2024 in accordance with the plans.

Metric deliverables will be modified with 2024 PIP deliverables upon completion and approval of PIP.

Targets:

PSEG Long Island to execute all 2024 Deliverables as specified in this metric by the specified due dates.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

Proposed 2024 Performance Metrics

IT-08: Cyber Security Organization - Implementation

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EXCLUSIONS

Schedule relief may be granted for delays i) directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
All 2024 Deliverables from LIPA-approved Cyber Security Organization PIP	Per LIPA-approved PIP

Proposed 2024 Performance Metrics

IT-09: IT Planning - Ransomware Readiness and Response

Board Policy: Information Technology and Cyber Security	Board PIPs:
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Moin Shaikh, Shonali Wadhwani
PSEGLI Exec. Sponsor: Gregory Filipkowski	PSEGLI Proj. Mgr:
PSEGLI Director: Irving Landesbaum, John Kupcinski	DPS Contact: John Goench
Allocated Compensation (2021 Dollars): 200000	

OBJECTIVE

Development and Implementation of Ransomware Readiness and Response plans to ensure that any suspected or confirmed ransomware incidents are responded to in a consistent, controlled, and effective manner.

TARGETS AND CALCULATIONS

A. PSEG Long Island to fully participate in a Ransomware Readiness and Response current-state assessment, to be performed by a LIPA-engaged third-party Consultant and completed by April 15, 2024, to assess gaps and provide recommendations and an actionable roadmap for developing and implementing Ransomware Readiness and Response plans to ensure that any suspected or confirmed ransomware incidents are responded to in a consistent, controlled, and effective manner.

The Consultant shall develop a recommended scope and framework for Ransomware Readiness and Response; assess the current state of preparation and planning and provide a current-state assessment and findings, gap analysis, and recommendations for closing any identified gaps; and develop an actionable near-term Ransomware Readiness and Response Roadmap with reasonable timelines for achieving the Expected End State outcomes specified in this metric. The current state assessment will: (i) identify and document the current state for all critical systems/subsystems with respect to backups for ransomware recovery readiness, (ii) identify at a high level the current state, and the plans in conjunction with the NIST CSF project, for ransomware prevention and detection, (iii) identify and review existing processes, procedures, runbooks, plans, and similar artifacts in effect for ransomware response and recovery, and (iv) provide findings, gap analysis, and recommendations for closing any identified gaps.

The Roadmap will provide recommended actions for developing and implementing Ransomware Readiness and Response plans to ensure that any suspected or confirmed ransomware incidents are responded to in a consistent, controlled, and effective manner; including specific actions to achieve the Expected End State outcomes specified in this metric, with reasonable timelines for each action, considering PSEG Long Island input and operational resources.

B. PSEG Long Island to develop and submit for LIPA-approval a PIP to fully implement the Ransomware Readiness and Response Roadmap, in line with the recommended timelines in the roadmap.

C. All planned scope and work for 2024 in the LIPA-approved PIP will be completed in 2024.

Expected End State outcomes (after full implementation per LIPA-approved PIP):

(i) A written LIPA-approved Recovery Readiness Plan is in effect, providing detailed processes and procedures for regular data backups that are consistent with NIST/NCCOE Recommendations. Each of the priority systems/subsystems are

Proposed 2024 Performance Metrics

IT-09: IT Planning - Ransomware Readiness and Response

explicitly addressed.

(ii) All identified priority systems/subsystems are regularly backed up in accordance with the Recovery Readiness Plan. Backups may be conducted at system-specific or infrastructure levels, as long as all essential components of all priority systems/subsystems are fully covered. For SaaS systems, vendors have provided documentation on their current backup and restore processes, which has been analyzed for potential gaps under ransomware attack scenarios. Remediation plans from vendors have been requested/negotiated for any identified gaps, and all gaps have been either closed or addressed with contingency plans in the Ransomware Response and Recovery Plan.

(iii) Restoration of backups for priority systems/subsystems is tested annually. For SaaS systems, test requirements that demonstrate that uncontaminated data can be restored in case of contamination are documented for each system, and vendor provides written evidence/assurance that the requirements are met.

(iv) A written LIPA-approved Ransomware Response and Recovery Plan consistent with NIST/NCCOE Recommendations is in effect, addressing assessment and validation of attack vectors and level of breach, containment of breach; incident command and stakeholder communications; approach to business continuity, recovery, and resumption to normal; recovery of systems; and regular, periodic testing of the response from incident through resumption to normal for the entire organization.

(v) The Ransomware Response and Recovery Plan provides a Business Response Playbook/Runbook that delivers policies and procedures for plan activation, internal executive communication (including LIPA), external communication, coordination, business continuity until systems are restored/recovered, and procedures and process for resumption to normal including input of any manually captured data. The Business Response Playbook/Runbook can be similar to the Storm ERIP but more limited in scope.

(vi) The Ransomware Response and Recovery Plan provides a Technical Response Playbook/Runbook that provides step-by-step procedures that will guide validation and assessment, containment, data recovery, post-recovery data integrity assessment, and resumption of services. Procedures are detailed for priority systems and subsystems, and include communication and coordination with vendors for SaaS systems.

(vii) Thorough testing of the response is planned to be conducted annually.

Targets:

- PSEG Long Island has fully supported the assessment, including making all relevant PSEG Long Island personnel available as needed for interviews, meetings, etc. and providing all requested information and data in a timely manner.
- 100% of 2024 deliverables in the LIPA-approved PIP or in this metric are submitted by the specified due dates and subsequently accepted by LIPA.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations. PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and

Proposed 2024 Performance Metrics

IT-09: IT Planning - Ransomware Readiness and Response

resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

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EXCLUSIONS

Schedule relief may be granted for delays i) directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
Monthly progress reports and status briefing	Monthly
PSEG Long Island has fully supported the assessment, including making all relevant PSEG Long Island personnel available as needed for interviews, meetings, etc. and providing all requested information and data in a timely manner.	2024-04-15
PIP to implement the Ransomware Readiness and Response Roadmap	2024-05-31
All 2024 Deliverables in the LIPA-approved PIP	2024-12-31

Proposed 2024 Performance Metrics

IT-10: System Resiliency - Disaster Recovery Plans and Testing

Board Policy: Information Technology and Cyber Security	Board PIPs: 5.02: ERP and BCP Training and Exercises, 5.04: Develop Rigorous BCPs
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Moin Shaikh
PSEGLI Exec. Sponsor: Gregory Filipkowski	PSEGLI Proj. Mgr: Tikka Singh
PSEGLI Director: Irving Landesbaum	DPS Contact: John Goench
Allocated Compensation (2021 Dollars): 250000	

OBJECTIVE

Well-designed and robust IT System Resiliency Planning that includes Disaster Recovery Plans (DRPs) that are annually reviewed, updated, approved by LIPA, and successfully and thoroughly exercised, for all critical systems. Plans should be developed and implemented using guidance from ISO 22301:2019, as applicable.

TARGETS AND CALCULATIONS

PSEG Long Island to fully participate in a resiliency program assessment, to be performed by a LIPA-engaged third-party Consultant and completed by April 15, 2024, to assess gaps and provide recommendations for developing a resiliency program that ensures that PSEG Long Island can continue to perform its essential functions and deliver core capabilities during and following disruptions to normal operations, including unplanned partial or complete loss of one or more critical systems and/or infrastructure.

The Consultant shall develop a recommended scope and framework for the resiliency program, including business and technical resiliency; assess the existing resiliency program and plans and provide a gap analysis and findings; provide recommendations for closing any identified gaps, with reasonable timelines for implementation; and develop a roadmap for maturing the resiliency program.

Additionally, the Consultant shall provide an achievable Technology Resiliency Action Plan for 2024 targeted at having, by the end of the year, five critical systems exercised against LIPA-approved Disaster Recovery Plans that provide clear and concrete direction for recovery of the systems in realistic disaster scenarios. The Technology Resiliency Action Plan shall provide recommendations on the systems to be covered in 2024 and the actions required to achieve the target, considering the criticality of systems, the impacts of any identified gaps, and the level of effort to close them. The Technology Resiliency Action Plan shall recommend specific deliverables and due dates (mutually agreed upon by LIPA and PSEG Long Island) for 2024, which shall be adopted into this metric on LIPA acceptance of the plan.

Expected outcomes for 2024:

- DRPs for five critical systems have been approved by LIPA. The DRPs provide clear and concrete direction for recovery and restoration of the systems in realistic disaster scenarios, including unplanned partial or complete loss of one or more critical systems and/or infrastructure.
- LIPA-approved DRPs have been successfully exercised for five critical systems in accordance with LIPA-approved Test Plans.

Proposed 2024 Performance Metrics

IT-10: System Resiliency - Disaster Recovery Plans and Testing

- The DRPs and the design of the tests will be in accordance with the recommendations of the Technology Resiliency Action Plan for 2024, which will provide prioritized and achievable improvements over the current state.

Target:

PSEG Long Island to:

- (i) Fully support the assessment, including making all relevant PSEG Long Island personnel available as needed for interviews, meetings, etc. and providing all requested information and data in a timely manner.
- (ii) Implement the LIPA-approved Technology Resiliency Action Plan for 2024, including submitting all specified 2024 Deliverables by the specified due dates. Deliverables will be updated in the metric Smartsheet upon approval of the plan.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

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EXCLUSIONS

Schedule relief may be granted for delays i) directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
PSEG Long Island has fully participated in the assessment, including making relevant personnel available and providing requested information and data and access to relevant systems, in a timely manner.	2024-04-30
Deliverables per LIPA-approved Technology Resiliency Action Plan for 2024	Per LIPA-approved

Proposed 2024 Performance Metrics

IT-10: System Resiliency - Disaster Recovery Plans and Testing

	Technology Resiliency Action Plan for 2024
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Proposed 2024 Performance Metrics

PS&CE-01: Complete Integrated Resource Plan (IRP) Follow-on Activities

Board Policy: Resource Planning and Clean Energy	Board PIPs: n/a
LIPA Exec. Sponsor: Gary Stephenson	LIPA Proj. Mgr: Tom Simpson
PSEGLI Exec. Sponsor: paul.napoli@pseg.com	PSEGLI Proj. Mgr: Nicholas Culpepper
PSEGLI Director: lucyna.khazanovich@pseg.com	DPS Contact: mohammed.hasan@dps.ny.gov
Allocated Compensation (2021 Dollars): 100000	

OBJECTIVE

Complete follow-on studies for the IRP that are due in 2024.

TARGETS AND CALCULATIONS

PSEG Long Island is to complete the Scope of Work approved by LIPA in 2023 Performance Metric PS&CE-01 for the two follow-on activities for the 2023 IRP that carry over into 2024. These are the steam turbine deactivation study (Q1 2024 deliverable) and an assessment of optimal locations for energy storage (Q2 deliverable).

Compensation dollars associated with this metric will be spread equally between the steam turbine deactivation study and the assessment of optimal locations for energy storage.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

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EXCLUSIONS

Proposed 2024 Performance Metrics

PS&CE-01: Complete Integrated Resource Plan (IRP) Follow-on Activities

Schedule relief may be granted for i) delays directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
Submit Draft Steam Deactivation Study for LIPA comments.	2024-03-15
Steam Deactivation Study: Development of Solutions and Final Report	2023-04-12
Optimal Locations for Energy Storage: Review Steam Deactivation Study and update optimal storage locations as needed.	2024-06-28

PS&CE-01: Complete Integrated Resource Plan (IRP) Follow-on Activities

IRP Follow Up Assessment Energy Storage Needs Locational Evaluation- Scope of Work

The 2022 Integrated Resource Plan (IRP) recommended action plan included the addition of energy storage resources that aligns with LIPA's load ratio share of the 6,000 MW by year 2030 statewide goal. An IRP follow up assessment is required to identify at a high level the energy storage locations and sizes that will meet the transmission planning reliability criteria and provide an economic benefit to Long Island customers. This assessment is considered as a preliminary list of potential storage locations and sizes and not supported by any one standalone study.

Study Model Development

The assessment will utilize the production cost simulation from GE MAPS to evaluate the optimal location for Energy Storage addition. The evaluation will take into consideration:

- Potential IRP retirement Timeline based on studies done to date
- LIPA's load ratio share (LRS) of storage goal from CLCPA mandate
 - 339 MW of existing and planned energy storage (10 MW East End and 329 MW Energy Storage RFP)
 - 411 MW of incremental energy storage to be evaluated with 4 hour duration
- High level feasibility feedback from Engineering with respect to availability of required terminals for interconnection. This assessment will not evaluate the feasibility of siting and constructing Energy Storage.
- Repurposing the existing point of interconnections from the retired/planned retired fossil generation in order to enable energy storage interconnection
- Potential points of interconnection introduced by the awarded PPTN project for LIPA facilities
- Review points of interconnection based on known system constraints
- Load forecast based on the 2023 NYISO Gold Book

The evaluation will focus on Year 2030 with the following generation assumptions.

Proposed 2024 Performance Metrics

PS&CE-01: Complete Integrated Resource Plan (IRP) Follow-on Activities

The assessment will consider the following resource retirement schedule:

Year	Resource
2025	Shoreham GT 1
2025	Shoreham GT 2
2025	Glenwood GT 1
2025	Glenwood GT 3
2025	West Babylon
2026	Port Jefferson Steam 3*
2026	Barrett Steam 2*
2026	NYPA Flynn
2027	Port Jefferson Steam 4*
2028	Barrett Steam 1*
2028	East Hampton Diesels**
2028	East Hampton GT**
2028	Southampton GT**
2028	Southold GT**
2030	Greenport GT**

*Placeholder for Steam Retirement, subject to change with the final Steam Retirement Plan.

**Placeholder for East End Retirement, subject to change with the final East End Retirement Plan.

The assessment will consider the following resource addition schedule:

Year	Substation	Nameplate (MW)	Resource Type
2023	East Hampton 69kV	130	OSW
2024	Edwards Ave 138kV	36	PV
2025	North Street 138kV ¹ (Tap between Brookhaven to Sills Rd 138kV)	150	BESS
2026	Holbrook 138kV	924	OSW
2026	Kings 138kV	79	BESS
2026	Shoreham 138kV	50	BESS
2026	Brookhaven 138kV	50 + 100	BESS
2026	West Babylon 69kV	50	BESS
2028	Barrett/Liotta 138kV	1260	OSW

¹ The North Street 150MW BESS will be considered as a merchant unit and will not be included in the LIPA LSR goal.

Proposed 2024 Performance Metrics

PS&CE-01: Complete Integrated Resource Plan (IRP) Follow-on Activities

The assessment will assume the identified transmission build-out associated with the retirement assumptions along with the latest results of NYISO class year studies and the results of PPTN selection. The latest available system update at the start of the assessment will be incorporated in the system modeling data.

It should be noted that Long Island OSW PPTN projects are expected to significantly change LIPA's system topology. Therefore, additional potential points of interconnection for LIPA facilities introduced by the awarded PPTN project will be considered in the evaluation.

Identification of Optimal Locations for Energy Storage

The report will include a list of recommended points of interconnection for 4 hour energy storage with maximum injection ratings (MW) based on economic benefit. The study shall document the optimal location for energy storage based on load flow charging and discharging capabilities, and high level feasibility for interconnecting energy storage project.

Final Deliverables

End of Q3, 2023	Study Model Development Completed
End of Q4, 2023	Identification of optimal locations for energy storage
End of Q4, 2023	Development of Final Report
End of Q2, 2024	Review Steam Deactivation System Study and update locations as needed

**Delay in LI PPTN award information will delay the timing of the deliverables.*

PS&CE-01: Complete Integrated Resource Plan (IRP) Follow-on Activities

IRP Follow Up Study

Steady State Analysis – Steam Deactivation

Scope of Work

The 2022 Integrated Resource Plan (IRP) recommended retirement of steam generation resources on Long Island. As a result of this recommendation, further study is being performed to identify reliability/operational deficiencies and potential solutions (battery storage, energy efficiency, and/or transmission) in the LIPA system with retirement of up to 800 MW of existing Steam generation on Long Island by year 2028. This study will focus on year 2032, to identify impacts to the T&D Ten Year Plan.

Study Model Development

The following basecases will be developed (from the 2022 T&D Ten Year Plan basecases) for load flow study purposes to identify any reliability deficiencies:

- Case #1 – 2032 LICA Summer Peak System Coincident² = 5164 MW
- Case #2 – 2032 LICA Summer 90/10 Extreme Weather System Coincident = 5467 MW
- Case #3 – 2032 LICA System Light Load

Additional cases will be developed during the study process as needed. Based on specific steam retirement scenarios, additional cases for applicable load pocket will be created as applicable.

² Placeholder value, The 2023 NYISO Gold Book forecast will be utilized once it is available.

Proposed 2024 Performance Metrics

PS&CE-01: Complete Integrated Resource Plan (IRP) Follow-on Activities

The study cases will consider the following resource retirement schedule:

Year	Resource
2025	Shoreham GT 1
2025	Shoreham GT 2
2025	Glenwood GT 1
2025	Glenwood GT 3
2025	West Babylon
2026	NYPA Flynn
2026-28	Steam Retirements Placeholder*
2028	East Hampton Diesels**
2028	East Hampton GT**
2028	Southampton GT**
2028	Southold GT**
2030	Greenport GT**

**To be determined – Maximum of 3 scenarios will be assessed.*

***Placeholder for East End Retirement, subject to change with the final East End Retirement Plan.*

The study cases will consider the following resource addition schedule:

Year	Substation	Nameplate (MW)	Resource Type
2023	East Hampton 69kV	130	OSW
2024	Edwards Ave 138kV	36	PV
2025	North Street 138kV (Tap between Brookhaven to Sills Rd 138kV)	150	BESS
2026	Holbrook 138kV	924	OSW
2026	Kings 138kV	79	BESS
2026	Shoreham 138kV	50	BESS
2026	Brookhaven 138kV	50 + 100	BESS
2026	West Babylon 69kV	50	BESS
2028	Barrett/Liotta 138kV	1260	OSW

In addition, for OSW, PV, and BESS resources, the resources will be modeled as % of nameplate output for the differing seasonal conditions:

Season	% of Nameplate Output		
	OSW	PV	BESS
Summer Peak	3%	35%	0%
Extreme Weather	3%	35%	0%
Light Load	100%	46%	0%

Proposed 2024 Performance Metrics

PS&CE-01: Complete Integrated Resource Plan (IRP) Follow-on Activities

The study cases will consider the following firm transmission project schedule:

Year	Project
2023	New 33kV Circuit 2AR-Arverne to 2H-Far Rockaway
2023	New 69kV Brooklyn Ave substation
2023	Pilgrim 69kV Bus Reconfiguration Project
2023	Terryville to Flowerfield New 69kV Circuit
2024	New 33kV Circuit 2G-Rockaway Beach to 2AR-Arverne

In addition, the following non-firm transmission projects will also be modeled*:

Year	Project
2025	33 to 69 kV conversion at Belmont Substation
2025	East of Buell 23kV to 33kV Conversion
2028	Bridgehampton to Buell New 69kV Circuit
2028	Canal to Deerfield Double Circuit Reconfiguration
2028	Southampton to Deerfield New 138kV Circuit (69kV operated)
2028	New 69 kV Moriches Series Reactor
2032	Deerfield to Bridgehampton New 138kV Circuit (69kV operated)

**The project list and respective in-service date is subject to change based on the latest studies.*

The study will assume the identified transmission build-out associated with the retirement assumptions along with the latest results of NYISO class year studies and the results of PPTN selection. The latest available system update at the start of the study will be incorporated in the system modeling data.

It should be noted that Long Island OSW PPTN projects are expected to have a major impact on the LIPA system. Currently the expected PPTN buildout is not known and the study will model the selected PPTN proposal once it is available.

Identification of Reliability Needs

As applicable, thermal and voltage load flow analysis will be performed to identify any reliability violation being driven by the generator retirements. The analyses will report on relevant violations in the Long Island transmission system based on engineering judgement. The system analyses will be subject to N-0, N-1 and N-1-1 thermal & voltage testing consistent with the PSEG Long Island Transmission Planning Criteria.

This part of the study will identify and document:

- Transmission facilities that are not meeting reliability criteria
- Contingencies resulting in violation
- The System Load Level at which the violation occurs
- The year at which the violation occurs

Proposed 2024 Performance Metrics

PS&CE-01: Complete Integrated Resource Plan (IRP) Follow-on Activities

- DFAX output reports for limiting monitored/contingency pairs to provide insight on potential locations for future resource siting.

It should be noted that additional reliability needs beyond those identified might arise beyond the study period of 2032.

Identification of Operational Concerns

The study report will document any operational concerns as reported by Transmission Operations to bring visibility to any operational risks not captured through the normal planning process. Some operational concerns fall outside of Transmission Planning criteria and do not innately require a solution.

Development of Solutions

After identification of reliability needs, solutions will be developed to resolve any reliability needs. Solutions can consist of transmission reinforcements, addition of resources, or a combination thereof.

Transmission reinforcement solutions will be subject to typical planning processes where consideration will be given to feasibility, constructability, timelines, external affair impact, economic viability, long term appropriateness, and engineering judgement.

Resource solutions will be guided by DFAX outputs, understanding of location feasibility, and Resource Planning input. Solutions to be considered will include limited energy storage (identify required duration), and or energy efficiency load reduction program.

Solutions will be tested in the developed study models to confirm that they resolve the violations for long-term planning horizon, through 2040 as applicable.

The study report will document the final developed solution portfolios and associated cost estimates.

Final Deliverables

End of Q3	Study Model Development Completed
End of Q4	Identification of Reliability Needs & Identification of Operational Concerns
2024 Q1	Development of Solutions & Final Report

**Delay in LI PPTN award information will delay the timing of the deliverables.*

Proposed 2024 Performance Metrics

PS&CE-03: Energy Efficiency Plan Savings

Board Policy: Resource Planning and Clean Energy	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Carolyn MacKool
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Michael Voltz
PSEGLI Director: Michael Voltz	DPS Contact: Ed Wilkowski
Allocated Compensation (2021 Dollars): 350000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
1,055,000	1,214,935	1,091,000	1,266,176	1,147,670	1,224,185	900,730

OBJECTIVE

Achieve the Energy Efficiency Plan Targeted Savings, including any LIPA and DPS recommended changes to the savings target in alignment with achieving the Clean Energy goals.

TARGETS AND CALCULATIONS

Achieve 762,509 MMBTU (the Utility 2.0) energy efficiency target based on an assessment by an independent evaluator hired by LIPA to verify savings from the programs identified in the 2024 EEDR Plan (Table A-1), as modified by any LIPA and DPS recommendations, by December 31, 2024. A minimum of 35% spent on disadvantaged communities as defined by the Climate Justice working group and aligned with CLCPA requirements. Programs will not be arbitrarily shut down once the goal is achieved and any changes in rebate/incentive amounts will be discussed with LIPA and DPS prior to execution, including the rationale for the change.

Calculation and methodological changes identified and reported by the 2023 independent verifying party report, as well as LIPA and DPS changes noted prior to finalizing the budget and metric will be applied against 2024 performance.

The ex-post verified actual realization rate savings by program (actual energy efficiency savings / PSEG Long Island claimed energy efficiency savings) will not be less than 95%. Any efficiency program savings resulted in an ex-post verified actual realization rate of less than 95% or more than 105% of metric reported savings will be adjusted to actual results for that program. Below are some examples of the adjustments based on implementing the realization rate:

- Claimed savings for the Residential Energy Assistance Program are 5,000 MMBTU and the ex-post analysis calculated an actual realization rate of 80%. The total reported savings would be reduced by 1000 MMBTU (5,000 - (5,000 x 80%).

- Claimed savings for the Energy Efficient Product Program are 20,000 MMBTU and the ex-post analysis calculated an actual realization rate of 115%. The total reported savings would be increased by 3000 MMBTU ((20,000 x 115%) - 20,000).

Proposed 2024 Performance Metrics

PS&CE-03: Energy Efficiency Plan Savings

-Claimed savings for the Home Comfort program are 8,000 MMBTU and the ex-post analysis calculated an actual realization rate of 98%. The total reported savings would not be adjusted.

PSEG Long Island will provide access to all required data monthly and system access to independently verify the MMBtu savings achieved from 2024 EE Plan activities. The LIPA verification will be used to determine if the goal was achieved.

PSEG Long Island will submit monthly Tier 1, Tier 2, and TRC KPI report which includes measures and cost and meet with LIPA to present results. PSEG Long Island will demonstrate that the NYSERDA disadvantage community reporting is being performed and that the associated metric scorecard is in compliance with the reporting guidelines.

Incentive to be allocated as follows:

- (1) 100 percent compensation is awarded for achieving both the energy efficiency target and DAC spending targets or
- (2) 50 percent for only achieving one of the two targets.

Execute all identified deliverables in the metric on or before their respective timelines. All submitted deliverables shall be clear, comprehensive, and substantive. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld.

EXCLUSIONS

Calculation and methodological changes subsequently identified and reported by the 2024 independent verifying party will not be applied retroactively against 2024 performance, unless they were submitted as part of the LIPA or DPS recommendations prior to January 1, 2024 and such changes were incorporated into the approved budget and goals or exceed the +/- 5% realization threshold noted above.

DELIVERABLES

Deliverable Name	Target Due Date
PSEG Long Island submits their calculation of the target based on the LIPA and DPS recommendations.	2024-01-31
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Report 2) Any additional supporting documentation as required	Monthly

Proposed 2024 Performance Metrics

PS&CE-05: Beneficial Electrification – Building Electrification

Board Policy: Resource Planning and Clean Energy	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Carolyn MacKool
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Dan Zaweski
PSEGLI Director: Michael Voltz	DPS Contact: Ed Wilkowski
Allocated Compensation (2021 Dollars): 350000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
N/A	N/A	N/A	N/A	N/A	N/A	N/A

OBJECTIVE

Achieve the Beneficial Electrification targets from the Utility 2.0 filing, including any LIPA and DPS recommended changes to the targets in alignment with the LIPA portion of the 2 million home clean energy goals for whole home electrification and home electrification ready.

TARGETS AND CALCULATIONS

Achieve all the following implementation targets by December 31, 2024:

1. Pay rebates for a total of 3,600 single-family and multi-family housing units served by whole house heat pump systems in incentive programs. The heat pump system must be the primary heating source (minimum 90% heating load) to qualify as an electrified home under the statewide million homes initiative. Housing Units target identified may be modified to be commensurate with the LIPA approved energy efficiency budget and plan.
2. Meet the metric minimum of 35% of the heat pump rebate and incentive budget on disadvantaged/low-income customers, or those located in DAC communities.

PSEG Long Island submit monthly Tier 1, Tier 2, and TRC KPI report which includes measures and cost, and meet with LIPA to present results.

Incentive to be allocated as follows:
100% if both unit targets are met or
50% if only one unit target is met

EXCLUSIONS

Proposed 2024 Performance Metrics

PS&CE-05: Beneficial Electrification – Building Electrification

None

DELIVERABLES

Deliverable Name	Target Due Date
PSEG Long Island submits their calculation of the target based on the LIPA and DPS recommendations and final approved budget.	2023-12-31
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Report 2) Any additional supporting documentation as required	Monthly

Proposed 2024 Performance Metrics

PS&CE-08: Transition to New "Standard" Time of Day Residential Rates on an Opt-Out Basis

Board Policy: Resource Planning and Clean Energy, "Customer Value, Affordability, & Rate Design"	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Carolyn MacKool
PSEGLI Exec. Sponsor: Gregory Filipkowski, Louis Debrino	PSEGLI Proj. Mgr: Brian Kurtz
PSEGLI Director: Lavanya Myneni, Michael Voltz	DPS Contact: Sean Walters
Allocated Compensation (2021 Dollars): 400000	

OBJECTIVE

Implement transition to a standard Time-of-Day (TOD) rate for all residential customers as defined in the LIPA-approved Project Implementation Plan.

TARGETS AND CALCULATIONS

The following 2024 Residential TOD metric deliverables and timeline are in accordance with the June 28, 2023, LIPA-approved TOD PIP. The 2024 metric timeline from the approved PIP will be revised in late 2023 due to 2023 project delays. Deliverable dates including release go-lives and migration group conversions provided in this metric will no longer be valid and replaced with a new, LIPA-approved deliverable schedule and migration plan details for 2024.

Satisfy all requirements in the metric deliverables by the agreed-upon dates and as defined in the LIPA-approved Residential TOD Project Implementation Plan (PIP). The parties may reasonably agree to different interim deadlines (+/- 3 weeks), provided the schedule changes do not affect the established go-live dates including completion of Release 3 by January 30, 2024, and established migration conversion dates including conversion of Migration Groups 1-5, as defined in the LIPA-approved PIP, to the TOD rate by December 31, 2024.

Allocated compensation would be:

- 80% of the incentive compensation allocated to this metric for successful completion of all interim deliverables and release go lives per the agreed upon dates; and
- 20% of the incentive compensation allocated to this metric for successful completion of the Migration Groups 1-5. Successful migration to include but not be limited to issuance of pre-conversion notifications in the target month and post conversion nurture material as defined in the LIPA-approved Marketing and Communications Plan, conversion on the assigned month and cycle date, and issuance of the first bill post migration within 3 business days of the next billing cycle for 98.0% of customers, and 100% of these bills issued within 5 business days.

Project success will include high-quality deliverables that are clear, comprehensive, include supporting details, and are consistent with CMMI best practices for the following document (including document updates if necessary):

- > Project Implementation Plan
- > Operational readiness/impact assessment documentation
- > Business processes/procedures documentation

Proposed 2024 Performance Metrics

PS&CE-08: Transition to New "Standard" Time of Day Residential Rates on an Opt-Out Basis

- > Training plan
- > Communication plan
- > Marketing plan
- > Business requirements
- > Technical requirements
- > Requirements traceability matrix including test cases
- > Test results with evidence
- > Go live checklists
- > Project close out memo including lessons learned

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for i) delays directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island or (iii) LIPA directed program changes required as a result of the postproduction needs assessment report that causes a delay in migrations after the 2024 summer pause.

Deliverables that are agreed to be completed in 2023 that were and moved to 2024 will be added. Deliverables in 2025 will be removed from the 2024 metric.

DELIVERABLES

Proposed 2024 Performance Metrics

PS&CE-08: Transition to New "Standard" Time of Day Residential Rates on an Opt-Out Basis

Deliverable Name	Target Due Date
Provide revised 2024 migration plan details and metric deliverable schedule (to also include deliverables related to rate comparison modelling for future rate) as approved by LIPA in 2023. Update the metric deliverables and due dates in Smartsheet to reflect the LIPA-approved revised schedule.	2024-01-02
New or moved residential customers defaulting to standard TOD rates	As approved in revised schedule
Release 3: Provide business processes and procedures	As approved in revised schedule
Provide plan to capture customer feedback post conversion	As approved in revised schedule
Release 3: Provide UAT, performance and penetration testing results with evidence	As approved in revised schedule
Release 3: Provide go-live checklist	As approved in revised schedule
Release 3: Provide cutover plan	As approved in revised schedule
Release 3: Inform LIPA of go-live decision and submit completed go-live checklist that supports the decision	As approved in revised schedule
Release 3: Go-live	As approved in revised schedule
CI&HEM 1: Submit evidence of baseline Home Energy Reports (HER) available for customers	As approved in revised schedule
Begin converting eligible Group 1 customers to TOD rate	As approved in revised schedule
Release 3: Provide post go-live validation report containing business validation evidence capture and documentation	As approved in revised schedule
Provide implementation progress report, program progress report & bill guarantee revenue impact report - January	As approved in revised schedule
Provide implementation progress report, program progress report & bill guarantee revenue impact report - February	As approved in revised schedule
Begin customer education campaign	As approved in revised schedule
Provide implementation progress report, program progress report & bill guarantee revenue impact report - March	As approved in revised schedule
Provide migration/post-migration customer research summary and detail - March	As approved in revised schedule
Begin converting eligible Group 2 customers to TOD rate	As approved in revised schedule

Proposed 2024 Performance Metrics

PS&CE-08: Transition to New "Standard" Time of Day Residential Rates on an Opt-Out Basis

Provide implementation progress report, program progress report & bill guarantee revenue impact report - April	As approved in revised schedule
Provide migration/post-migration customer research summary and detail - April	As approved in revised schedule
CI&HEM 2: Submit evidence of including Time-of-Day content in HERs and related alerts for TOD customers	As approved in revised schedule
Submit post production needs assessment	As approved in revised schedule
Update the TOD 2023 PIP and associated workplan to include scope of Release 4 implementation based on post production needs assessment. Update Smartsheets for metric deliverables and due dates for Release 4 implementation	As approved in revised schedule
Provide implementation progress report, program progress report & bill guarantee revenue impact report - May	As approved in revised schedule
Provide migration/post-migration customer research summary and detail - May	As approved in revised schedule
Provide implementation progress report, program progress report & bill guarantee revenue impact report - June	As approved in revised schedule
Release TBD: Rate comparison modelling future inclusion updates - Go Live	As approved in revised schedule
Provide migration/post-migration customer research summary and detail - June	As approved in revised schedule
Provide implementation progress report, program progress report & bill guarantee revenue impact report - July	As approved in revised schedule
Provide migration/post-migration customer research summary and detail - July	As approved in revised schedule
Provide implementation progress report, program progress report & bill guarantee revenue impact report - August	As approved in revised schedule
Release 4: Provide business and system requirements	As approved in revised schedule
Release 4: Provide technical requirements	As approved in revised schedule
Release 4: Provide test management plan	As approved in revised schedule
Release 4: Provide solution design document	As approved in revised schedule
Release 4: Provide Requirements Traceability Matrix	As approved in revised schedule
Release 4: Provide SIT/system, UAT, performance and penetration test case scenarios and detailed scripts	As approved in revised schedule

Proposed 2024 Performance Metrics

PS&CE-08: Transition to New "Standard" Time of Day Residential Rates on an Opt-Out Basis

Release 4: Provide SIT/system, UAT, performance and penetration test results with evidence	As approved in revised schedule
Release 4: Provide updated business processes/procedures	As approved in revised schedule
Release 4: Provide go-live checklist template	As approved in revised schedule
Release 4: Submit cutover plan	As approved in revised schedule
Release 4: Inform LIPA of go-live decision and submit completed go-live checklist that supports decision.	As approved in revised schedule
Release 4: Go Live	As approved in revised schedule
Release 4: Submit post go-live validation report	As approved in revised schedule
Provide migration/post-migration customer research summary and detail - August	As approved in revised schedule
Begin converting eligible Group 3 customers to TOD rate	As approved in revised schedule
Provide implementation progress report, program progress report & bill guarantee revenue impact report - September	As approved in revised schedule
Provide migration/post-migration customer research summary and detail - September	As approved in revised schedule
Begin converting eligible Group 4 customers to TOD rate	As approved in revised schedule
Provide implementation progress report, program progress report & bill guarantee revenue impact report - October	As approved in revised schedule
Provide migration/post-migration customer research summary and detail - October	As approved in revised schedule
Begin converting eligible Group 5 customers to TOD rate	As approved in revised schedule
Provide implementation progress report, program progress report & bill guarantee revenue impact report - November	As approved in revised schedule
Provide migration/post-migration customer research summary and detail - November	As approved in revised schedule
Provide implementation progress report, program progress report & bill guarantee revenue impact report - December	As approved in revised schedule
Provide migration/post-migration customer research summary and detail - December	As approved in revised schedule

LIPA 2024 Proposed Performance Metrics

PS&CE-13: Heat Pump Strategy to Address Barriers to Customer Adoption

Board Policy: Resource Planning and Clean Energy	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Carolyn MacKool
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Dan Zaweski
PSEGLI Director: Mike Voltz	DPS Contact: Ed Wilkowski
Allocated Compensation (2021 Dollars): 400000	

OBJECTIVE

Implement programmatic changes to address barriers to customer heat pump adoption as part of the multi-year heat pump strategy.

TARGETS AND CALCULATIONS

Meeting all identified requirements with high-quality deliverables and deliver by established due dates, including those contained in the PIP.

1. Outreach and Engagement plan (2024 engagement and implementation expansion action plan and LMI engagement plan)
 - a. Execute the LIPA approved 2024 engagement and implementation expansion action plan from the 12/15/23 approved deliverable in the Supply Chain Development PIP. Deliverables to be added by 1/10/24.
 - b. Execute the LIPA approved LMI heat pump engagement plan from the 12/15/23 approved deliverable in the Supply Chain Development PIP. Deliverables to be added by 1/10/24.
 - c. Provide input into the LIPA proposed single family financing plan for LMI customers. Feedback to include operational opportunities, risks, resource needs, marketing and outreach approach.
 - d. Prepare all materials and plans to operationalize final financing plan for inclusion in 2025 budget submission and Utility 2.0 plan.
 - e. Demonstrate that PSEG Long Island chosen individual customer targeting tool results that are statistically significant or a minimum of 33% improvement in customer response over control general media marketing. For example, opening an email is not deemed as positive or clear customer response of interest, but click through shows interest. For example, if 3% of the people respond to general media marketing, the 33% target would be 4.0% of the individuals in the targeted outreach. If targeted results are not achieved by 6/15/24, PSEG Long Island will continually monitor marketing channel performance and identify opportunities for optimization every month of the campaign. PSEG Long Island will modify its approach to clearly test individual targeting. Performance success will be measured at 12/15/24 for demonstrating the statistically significant or minimum 33% difference.
 - f. Demonstrate execution of the 2023 approved Customer Outreach and Marketing Plan (COMP) (see 2023 Metric #PS&CE-13) for all items not completed in 2023 and deliver a 2024 COMP plan to build on 2023 lessons learned and objectives, as well as integration plans with KEDLI on Residential weatherization and Long Island Clean Energy Hub on outreach. COMP plan deliverables to be added to metric once approved.
 - g. By January 15, 2024, promulgate revised tools and incentives for contractors and by April 1, 2024, provide a list of qualified air-to-water heat pumps and addition of this equipment to heat pump incentive.

LIPA 2024 Proposed Performance Metrics

PS&CE-13: Heat Pump Strategy to Address Barriers to Customer Adoption

- h. Promulgate and promote 2 additional heat pump case studies each quarter throughout 2024 on PSEG Long Island website, shared with LI Clean Energy Hub, and incorporated in mass media and COMP plan.
 - i. Document and implement risk mitigation plans to avoid heat pump sizing issues for low-income customer, including any integration with weatherization.
2. Execute program review and design related to Supply Chain Development PIP.
- a. Complete 2024 all approved 2023 program design deliverables not completed in 2023 for contractor network.
 - b. Execute and report on the LIPA-approved proposed plan for coordination with NYSERDA about training program design and resources, per the 11/17/23 deliverable. Update Smartsheet with deliverables.
 - c. Straw dog deliverable of a midstream program, distributor and contractor discussions, and Con Ed meetings referenced in the 2023 Supply Chain Management PIP. If the LIPA approved 12/1/23 midstream recommendation is not to proceed, the alternative solution will be recommended in the document, and the associated straw dog for the program change is required.
 - d. Implement LIPA-approved long-term electronic payment solution for high-volume contractors.
 - e. Develop program revision recommendations to reduce contractor and customer process steps by 4/1/2024. Within this Program Revision to Reduce Contractor and Customer Friction document, PSEG Long Island shall incorporate the following points into their heat pump program redesign:
 - Input from its discussions with contractors, distributors, and manufacturers.
 - Possible full or partial upfront payment via distributors (semi-midstream).
 - Recommended options to reduce or eliminate paperwork payment to contractors / reduce process friction for contractors and customers.
 - Options to coordinate and integrate with other New York utility Heat Pump offerings.
 - f. Investigate best practice reports, filings, or observations within the state of New York relative to the heat pump incentive structure.
3. Execute a low-temperature water contractor recruitment initiative for air-to-water heat pump installations.
- a. Outreach to contractors for low-temperature heating and cooling systems, including boiler installers, plumbers, and solar installers, and market incentive extension to AWHP technology to these new segments and all existing QIV contractors. (AWHP technology webinar included in Supply Chain Management PIP 2/23/2024)
 - b. Facilitate training execution of existing and new contractors on technology, incentives, and implementation for low-temperature heating and cooling systems.
 - c. Promulgate at least one AWHP case study for low-temperature heating and cooling systems based on contractor submissions as set forth in existing Contractor PIP.
4. Develop a detailed 2024-2025 plan to achieve the Long Island portion of NYSERDA BEEM model projections + gap support (BEEM+) for supporting New York Beneficial Electrification Heat pump goals for 2024-2030. The plan will be broken down into a defined segment: Single-family existing (Market & Low to Moderate Income (LMI)), Multifamily existing (Market & LMI), Single-family new construction (Market & LMI), and Multifamily new construction (Market & LMI).
- Include the 2025 budget forecast to reach such goals by segment and overall.

LIPA 2024 Proposed Performance Metrics

PS&CE-13: Heat Pump Strategy to Address Barriers to Customer Adoption

- Identify forecasted housing units by segment for program based on the 2023 metric. improvements and gaps to the BEEM+ target.
- Identify new approaches and initiatives that may be necessary to attain the overall BEEM goals for each of the defined segments.
- Describe how the program revisions identified will achieve projected heat pump deployment.
- Execute in accordance with the plan.

PSEG Long Island will submit a project status report to LIPA on a monthly basis and review of metric performance at least quarterly, or more frequently as requested by LIPA.

CALCULATION: Each project delivers the expected outcome on target.

1. 4 out of 4 = 100% payout of allocated incentive compensation
2. 3 out of 4 = 50% payout of allocated incentive compensation

Projects that meet or exceed the expected outcome / KPIs defined in the PIP/plan will be considered successfully completed.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for
i) delays directed or requested by LIPA or

LIPA 2024 Proposed Performance Metrics

PS&CE-13: Heat Pump Strategy to Address Barriers to Customer Adoption

- ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island or
- iii) Receipt of the draft financing plan from LIPA after February 15, 2024 or
- iv) Demonstrated scheduling challenges with NYSERDA

DELIVERABLES

Deliverable Name	Target Due Date
OUTREACH AND ENGAGEMENT PLAN	
Update Smartsheet with the 2024 Engagement and implementation expansion action plan and LMI engagement plan as defined per the LIPA approved deliverable in the Supply Chain Development PIP (a)	2024-01-10
Demonstrate promulgation of revised tools incentive for contractors and list of qualified air-to-water heat pumps and addition of this equipment to heat pump incentive (g)	2024-01-15
All incomplete 2023 COMP plan deliverables to be added to 2024 deliverables (f)	2024-01-15
Provide low income heat pump sizing risk mitigation plan, including the focus on integration with weatherization (i)	2024-01-31
Customer Outreach and Marketing Plan for segment-specific targeted outreach and marketing. Scope of plan to build on the 2023 COMP plan with incorporation of lesson learned and new opportunities identified. Update Smartsheet to include the LIPA-approved COMP metric deliverables and due dates.(f)	2024-02-10
Demonstrate implementation of the LMI engagement plan items, excluding financing opportunity (b)	2024-03-15
PSEG Long Island to provide inputs to LIPA-Proposed financing plan (c)	14 days after receipt of the draft financing plan
PSEG Long Island to develop draft work plan to operationalize the final financing plan and associated budget (c)	45 days after receipt of the final financing plan
Promulgate and promote 2 additional heat pump case studies (h)	2024-04-30
PSEG Long Island to develop final work plan to operationalize the final financing plan and associated budget (d)	2024-06-15
Provide supporting information demonstrating the individual customer target results improvement. If less than 33% improvement, include the modified approach to clearly test individual targeting. (e)	2024-06-15
Promulgate and promote 2 additional heat pump case studies (h)	2024-07-31
Promulgate and promote 2 additional heat pump case studies (h)	2024-10-31
Deliverable(s) for execution of the COMP (f)	As approved in final COMP

LIPA 2024 Proposed Performance Metrics

PS&CE-13: Heat Pump Strategy to Address Barriers to Customer Adoption

Performance success will be measured at 12-15.24 for demonstrating the minimum percentage difference (e)	2024-12-15
EXECUTE PROGRAM REVIEW AND DESIGN - SUPPLY CHAIN	
Update Smartsheet to add deliverables and due dates for any 2023 program stream lining and design schedule for completion in 2023 that were not completed in the Supply Chain Development PIP (a)	2024-01-10
Update Smartsheet to add deliverables and due dates for LIPA approved proposed plan for coordination with NYSERDA about training program design and resources, per the 11/17/23 deliverable (b)	2024-01-10
Straw dog deliverable of a midstream program distributor and contractor discussions and Con Ed meetings referenced in 2023 Supply Chain Management PIP or LIPA-approved alternative (c)	2024-03-01
Implement LIPA approved long term electronic payment solution for high volume contractors (d)	2024-03-31
Implement propose program revisions recommendations that will reduce contractor and customer process (e)	2024-04-01
Provide installer training program results (b)	2024-12-31
AIR-TO-WATER HEAT PUMP	
Contractor PIP 2023 deliverables not completed in 2023 to be added.	2024-01-15
Demonstrate implementation of Air to Water Heat Pump Incentives Launch as stated in 2023 Contractor PIP deliverables	2024-04-01
Provide quarterly training to existing and new contractor for low temperature heating and cooling system (b)	2024-04-15
Provide quarterly training to existing and new contractor for low temperature heating and cooling system (b)	2014-07-15
Provide quarterly training to existing and new contractor for low temperature heating and cooling system (b)	2024-10-15
Execute a low-temperature water contractor recruitment initiative for air-to-water heat pumps installations (a)	2024-12-01
Promulgate at least one AWHP case study for low temperature heating and cooling systems based off of contractor submissions as set forth in existing Contractor PIP (c)	2024-08-15
NYSERDA BEEM	
Develop a detailed 2024-2025 plan to achieve the LI portion of NYSERDA BEEM model projections + gap support (BEEM+) for supporting New York Beneficial Electrification Heat pump goals for 2024-2030. The plan will be broken down into a defined segment: Single-family existing (Market & LMI), Multifamily existing (Market & LMI), Single-family new construction (Market & LMI), and Multifamily new construction (Market & LMI). Update the metric deliverables in Smartsheet to include the LIPA-approved deliverables and due dates identified in the plan.	2024-07-01
New initiatives deployment (Single family existing Market)	As approved in the detailed 2024-2025 plan
New initiatives deployment (Single family existing LMI)	As approved in the detailed 2024-2025 plan

LIPA 2024 Proposed Performance Metrics

PS&CE-13: Heat Pump Strategy to Address Barriers to Customer Adoption

New initiatives deployment (Multifamily existing Market)	As approved in the detailed 2024-2025 plan
New initiatives deployment (Multifamily existing LMI)	As approved in the detailed 2024-2025 plan
New initiatives deployment (Single family new construction Market)	As approved in the detailed 2024-2025 plan
New initiatives deployment (Single family new construction LMI)	As approved in the detailed 2024-2025 plan
New initiatives deployment (Multifamily new construction Market)	As approved in the detailed 2024-2025 plan
New initiatives deployment (Multifamily new construction LMI)	As approved in the detailed 2024-2025 plan
STATUS REPORTING	
Provide monthly project status report versus the work plan, including KPI as defined in the 2023 Supply Chain Development plan - January	2024-02-12
Provide monthly project status report versus the work plan, including KPI as defined in the 2023 Supply Chain Development plan - February	2024-03-12
Provide monthly project status report versus the work plan, including KPI as defined in the 2023 Supply Chain Development plan - March	2024-04-10
Provide monthly project status report versus the work plan, including KPI as defined in the 2023 Supply Chain Development plan - April	2024-05-10
Provide monthly project status report versus the work plan, including KPI as defined in the 2023 Supply Chain Development plan - May	2024-06-12
Provide monthly project status report versus the work plan, including KPI as defined in the 2023 Supply Chain Development plan - June	2024-07-11
Provide monthly project status report versus the work plan, including KPI as defined in the 2023 Supply Chain Development plan - July	2024-08-12
Provide monthly project status report versus the work plan, including KPI as defined in the 2023 Supply Chain Development plan - August	2024-09-12
Provide monthly project status report versus the work plan, including KPI as defined in the 2023 Supply Chain Development plan - September	2024-10-10
Provide monthly project status report versus the work plan, including KPI as defined in the 2023 Supply Chain Development plan - October	2024-11-13
Provide monthly project status report versus the work plan, including KPI as defined in the 2023 Supply Chain Development plan - November	2024-12-11

LIPA 2024 Proposed Performance Metrics

PS&CE-13: Heat Pump Strategy to Address Barriers to Customer Adoption

Provide monthly project status report versus the work plan, including KPI as defined in the 2023 Supply Chain Development plan - December	2025-01-13
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LIPA 2024 Proposed Performance Metrics

PS&CE-14: Transportation Electrification Strategic Initiatives

Board Policy: Resource Planning and Clean Energy	Board PIPs: n/a
LIPA Exec. Sponsor: Mujib Lodhi	LIPA Proj. Mgr: Carolyn MacKool
PSEGLI Exec. Sponsor: Louis Debrino	PSEGLI Proj. Mgr: Paul Dibenedetto
PSEGLI Director: Michael Voltz	DPS Contact: Ed Wilkowski
Allocated Compensation (2021 Dollars): 400000	

OBJECTIVE

Implement programmatic changes to address barriers to customer transportation electrification as part of the multi-year strategy.

TARGETS AND CALCULATIONS

Meet all identified requirements with high-quality deliverables and deliver by established due dates, including those contained in the Project Implementation Plan (PIP), which deliverables shall be added to the metric deliverables.

1. Transportation Electrification PIP - Pursue a Transportation Electrification PIP that helps to promote electric vehicle adoption on Long Island in support of the NY Climate Act goals. It will look at best practices set forth in the June 2020 Smart Electric Power Alliance (SEPA) Utility Best Practices for EV Infrastructure Deployment that focuses on:
 - a. Customer Engagement
 - b. Building a Utility Transportation Electrification Team
 - c. Disadvantaged Communities, Low-Income and Underserved Customers, and EV Equity

PSEG Long Island will perform the following:

- Compare PSEG Long Island's current practices to the best practices that were identified for the focus areas above from the June 2020 Smart Electric Power Alliance (SEPA) Utility Best Practices for EV Infrastructure Deployment. If PSEG Long Island determines that its current practices are best suited to remain in place for any of the focus areas above, subject to LIPA approval, which will not be unreasonably withheld, such practices may remain in place.
- Develop a plan to institute changes that bring PSEG Long Island into compliance with these best practices including submission in the 2024 Utility 2.0 plan
- Implement changes based upon agreed upon PIP schedule and subject to existing budgetary requirements or approved budget amendment requests.
- Review outcomes of the proposed changes to see if they resulted in the expected outcomes (i.e., increased program uptake, more chargers installed, higher interest from customers, etc.)
- In instances where outcomes are not as expected, institute further revisions that lead to desired outcome

The PIP will result in establishing a foundation for the transportation electrification plan and a project work plan targeted, which will be agreed upon by July 1, 2024, and will serve as the basis for the remainder of 2024 required work as identified in the PIP and the 2024 Utility 2.0 Filing, which focuses on 2025 – 2030 for electric vehicles. DPS will be included in the review sessions to discuss the PIP. The PIP will be in the LIPA-approved format, LIPA Deliverable Expectations, which include:

LIPA 2024 Proposed Performance Metrics

PS&CE-14: Transportation Electrification Strategic Initiatives

1. Project Definition

1.1. Project Purpose, Objectives, and Success Criteria

2. Project Deliverables

2.1. Assumptions, Dependencies, and Constraints

3. Project Structure

3.1. Internal Project Organization

3.2. Other Stakeholders

4. Project Plan

4.1. Project Work Plan

4.2. Audience

4.3. Messaging

4.4. Tasks

4.5. Marketing Channels

4.6. Evaluation

4.7. Risk Management Plan

4.8. Issue Resolution Plan

4.9. LIPA Reporting Plan

5. Timeline

6. Budget

2. Fleet Round Table - Host two (2) events (virtual or in-person) with fleet operators and developers situated within LIPA's service territory to discuss:

- Potential challenges they may face with fleet electrification
- Available resources and programs such as the Fleet Make Ready Program & Fleet Advisory Services.
- Collect feedback on the Fleet Make Ready Program & Fleet Advisory Services
- How to get started and understand how PSEG Long Island can help

Fleet operators include those that operate three (3) or more vehicles operated by a non-residential entity with a meter on a commercial tariff, consisting of any vehicle-type or weight class. Developers include those that install electric vehicle supply equipment (EVSE) or work with fleet operators with the installation of EVSE. Feedback from this group could provide insight into how to shape the Transportation Electrification Plan and therefore the plan will take this feedback into consideration.

3. EV Make Ready Program Round Table - Host two (2) events (virtual or in-person) with developers and commercial customers situated within LIPA service territory to discuss:

- Potential challenges they may face with deploying Electric Vehicle Supply Equipment (EVSE)

LIPA 2024 Proposed Performance Metrics

PS&CE-14: Transportation Electrification Strategic Initiatives

- Available resources and programs such as the EV Make Ready Program
- Collect feedback on the EV Make Ready Program
- How to get started and understand how PSEG Long Island can help

Developers include those that install EVSE or work with commercial customers with the installation of EVSE. Commercial customers are those with a meter on a commercial tariff that currently own or interested in owning EVSE on their property. Feedback from this group will provide insight into how to shape the Transportation Electrification Plan and therefore the plan will take this feedback into consideration.

Variable Compensation will be allocated as follows for elements that meet the above criteria:

1. Transportation Electrification Project Implementation Plan – 60%
2. Fleet Round Table – 20%
3. EV Make Ready Program Round Table – 20%

Projects that meet or exceed the expected outcome defined in the PIP will be considered successfully completed.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for i) delays directed or requested by LIPA or ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

LIPA 2024 Proposed Performance Metrics

PS&CE-14: Transportation Electrification Strategic Initiatives

DELIVERABLES

Deliverable Name	Target Due Date
TRANSPORTATION ELECTRIFICATION PROJECT IMPLEMENTATION PLAN	
Project Definition and initial outline for Project Deliverables, and Project Structure. Hold review session with LIPA and DPS to discuss progress-to-date on Transportation Electrification PIP	1 week prior to Stage Gate 1
Project Definition, Project Deliverables and Project Structure with LIPA and DPS feedback incorporated, along with initial outline for Project Plan, and Timeline, excluding Budget. Hold review session with LIPA to discuss progress-to-date on Transportation Electrification PIP	1 week prior to Stage Gate 2
Provide a first draft of the Project Implementation Plan (PIP) for Transportation Electrification	2024-04-11
Provide a second draft PIP updated with LIPA feedback incorporated. Hold review session with LIPA and DPS to discuss progress-to-date on Transportation Electrification PIP	1 week prior to Stage Gate 3
Submit Project Implementation Plan (PIP) for Transportation Electrification for final review by LIPA	2024-06-06
Receive final LIPA feedback on Transportation Electrification PIP	2024-06-14
Final Project Implementation Plan (PIP) for Transportation Electrification	2024-07-01
Provide monthly program implementation report and transportations statistics - July	2024-07-08
Provide monthly program implementation report and transportations statistics - Aug	2024-08-08
Provide monthly program implementation report and transportations statistics - Sept	2024-09-09
Provide monthly program implementation report and transportations statistics - Oct	2024-10-08
Provide monthly program implementation report and transportations statistics - Nov	2024-11-08
Provide monthly program implementation report and transportations statistics - Dec	2024-12-09
FLEET ROUND TABLE	
Host 1st round table with at least a total of 10 fleet operators and developers and provide round table summary and results report	2024-02-28
Host 2nd round table with at least a total of 10 different fleet operators and developers than 1st round table and provide round table summary and results report	2024-10-31
EV MAKE READY PROGRAM ROUND TABLE	
Host 1st round table with at least 10 Developers and at least 10 Commercial Customers and provide round table summary and results report	2024-03-31
Host 2nd round table with at least 10 Developers and at least 10 Commercial Customers that are different than the first round table and provide round table summary and results report	2024-11-30

LIPA 2024 Proposed Performance Metrics

PS&CE-14: Transportation Electrification Strategic Initiatives

Attachment to: PS&CE-14 LIPA Deliverable Expectations

1. *Project Definition*

- 1.1. **Project Purpose, Objectives, and Success Criteria** - Provide an overview of each project's motivation, objectives and success criteria.

2. *Project Deliverables*

- 2.1. **Assumptions, Dependencies, and Constraints** – Outline all assumptions, dependencies and any constraints or any doubt regarding the validity of the project assumptions.

3. *Project Structure*

- 3.1. **Internal Project Organization** – (1) Identify the Transportation Electrification organization (2) Leveraging internal other departments within the utility and (3) define roles and responsibilities.
- 3.2. **Other Stakeholders** – Identify other internal and external stakeholders who are not specifically members of the Transportation Electrification group.

4. *Project Plan*

- 4.1. **Project Work Plan** – Indicate how each task will be accomplished, audience, messaging, tasks, and the deliverables associated with each task
- 4.2. **Audience** – Provide a breakdown of targeted customer segments by program, and other stakeholders
- 4.3. **Messaging** – (1) List the customer segments that will be targeted; (2) Outline the specific message that will be communicated to all customer segments, and (3) the call to action (CTA) for each customer segment
- 4.4. **Tasks** – Task development is in progress and each task will prioritize the customer experience with the goal of installing more chargers. Tasks will include but not be limited to: commercial and residential customer journey mapping, contractor outreach program, website updates, internal EV program training of employees and cross-functional departments, development of stakeholder partnerships (dealerships, trade organizations, nonprofits, etc.), customer round tables, and data capturing (charging installations, EV purchases, etc.).
- 4.5. **Marketing Channels** – Identify the marketing channels that will be used for overall marketing, education, and outreach, as well as segment specific customer engagement, including:
 - Expansion of effective in-person EV event engagement and online webinars
 - Improvement of the online presence through enhancements determined by the customer journey,

LIPA 2024 Proposed Performance Metrics

PS&CE-14: Transportation Electrification Strategic Initiatives

including updating the customer-facing website

- 4.6. **Evaluation** – List all evaluation metrics to measure performance for each program and any marketing campaigns
- 4.7. **Risk Management Plan** – Provide a plan that outlines how PSEGLI will mediate any potential project delays, or missed milestones.
 - For delays outside of PSEGLI’s control, the Transportation Electrification team will notify LIPA prior to the milestone or deadline due date.
- 4.8. **Issue Resolution Plan** – For any issues or delays that arise for each of the programs, describe the steps that will be taken to resolve them, including how LIPA will be engaged.
- 4.9. **LIPA Reporting Plan** – Describe who and how frequently LIPA will be updated
5. **Timeline** – Create a Gantt chart timeline by task that lists the start and end dates along with each deliverable with its due date
6. **Budget** – List the costs associated with the deliverable for each task and provide supporting documentation

Proposed 2024 Performance Metrics

T&D-01: Asset Management Program Implementation – Asset Inventory

Board Policy: Asset Management	Board PIPs: AM-1: Asset Management Framework, AM-2: Asset Management Inventory
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Peter Mladinich
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Joseph Cicalo, Robert Bradley, Wayne Baldassare
PSEGLI Director: John Mccumiskey	DPS Contact: Sean Walters
Allocated Compensation (2021 Dollars): 500000	

OBJECTIVE

To implement an effective Enterprise Asset Management (EAM) Program consistent with both the ISO 55000 principles and the Asset Management Recommendations adopted by the LIPA Board of Trustees (AM-1 and AM-2).

TARGETS AND CALCULATIONS

PSEG Long Island to provide LIPA with quarterly updates on the data collection effort. LIPA to verify via an audit, the field survey completion and GIS record accuracy of the Outside Plant (OSP) T&D assets in 2024.

For 100% of the allocated incentive compensation, PSEG Long Island is to have collected a minimum of 65.0% of the total OSP T&D assets and successfully field verified and updated in EGIS by December 31, 2024, with at least 98.0% accuracy.

100% of all deliverables delivered by the specified date in the deliverables section.

Reports shall be in a LIPA-approved format and shall be reviewed in a meeting between LIPA, PSEG Long Island, and DPS.

“LIPA-approved format”, where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for delays

- i) directed or requested by LIPA or
- ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
Submit 1st Quarter status report of Asset Inventory collected and uploaded to EGIS by April 15, 2024.	2024-04-15

Proposed 2024 Performance Metrics

T&D-01: Asset Management Program Implementation – Asset Inventory

Submit 2nd Quarter status report of Asset Inventory collected and uploaded to EGIS by July 15, 2024.	2024-07-15
Submit 3rd Quarter status report of Asset Inventory collected and uploaded to EGIS by October 15, 2024.	2024-10-15
Capture the desired asset attributes for each asset class as established in Recommendation No. AM-2. QA/QC the new asset data, and timely update validated asset information in EGIS.	2024-12-31
Submit 4th Quarter status report of Asset Inventory collected and uploaded to EGIS by January 15, 2025.	2025-01-15

Proposed 2024 Performance Metrics

T&D-06: Primary Transmission Control Center (PTCC) Replacement

Board Policy: Transmission & Distribution Operations	Board PIPs: RE-02: PTCC and ATCC Strategy
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Michael Quinn
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Christopher Pezzino
PSEGLI Director: Paul Simmons	DPS Contact: Qin Shi
Allocated Compensation (2021 Dollars): 300000	

OBJECTIVE

Execute the project implementation plan containing the key milestones for the construction of the Primary Transmission Control Center (PTCC).

TARGETS AND CALCULATIONS

Execute all identified and mutually agreed upon 2024 deliverables from the multi-year PTCC PIP approved in 2023 on or before their respective timeframes. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be reasonably coherent, error free, well structured, consistent with all deliverable requirements, and aligned with achieving the metric objectives.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA-approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for delays

- i) directed or requested by LIPA or
- ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

Proposed 2024 Performance Metrics

T&D-06: Primary Transmission Control Center (PTCC) Replacement

DELIVERABLES

Deliverable Name	Target Due Date
Information Technology (IT) / Operational Technology (OT) implementation design	2024-01-15
Preliminary detailed architectural and engineering design and construction estimate	2024-02-16
Final Video Wall and solution architecture design	2024-03-31
Final construction level Architectural & Engineering (A&E) design and construction estimate	2024-05-03
Issue RFP for Construction Services	2024-05-03
External Affairs Final Scorecard and Outreach Plan	2024-06-03
Obtain Permits and Variances (if necessary)	2024-06-14
Contract Award for Construction Services	2024-07-15
Construction Project Work Plan for 2024-2026	2024-07-15
Commence Construction of New PTCC	2024-07-29

Proposed 2024 Performance Metrics

T&D-07: System Average Interruption Duration Index (SAIDI) Reliability

Board Policy: Transmission & Distribution Operations	Board PIPs: n/a
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Michael Quinn
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Wayne Baldassare
PSEGLI Director: John Mccumiskey	DPS Contact: Justin Koebele, Qin Shi
Allocated Compensation (2021 Dollars): 375000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
59	66	59	54.7	59	56	57.5

OBJECTIVE

Continuous improvement of SAIDI (System Average Interruption Duration Index) reflecting ongoing significant investments to programs and projects that will improve T&D system performance.

TARGETS AND CALCULATIONS

Total duration of sustained interruption (≥ 5 minutes) for the average customer during each Contract Year, computed in accordance with IEEE Standard 1366, Section 4.2.2.

$SAIDI = \Sigma(ri * Ni) / NT$ – (measured in minutes); where:

Σ = Summation function.

ri = Restoration time, minutes.

Ni = Total number of customers interrupted 5 minutes or more.

NT = Total number of customers served (fixed at beginning of the Contract Year).

Target:

- For 65% of the allocated incentive compensation, achieve a SAIDI of ≤ 57.0 minutes.
- For 100% of the allocated incentive compensation, achieve a SAIDI of ≤ 56.5 minutes.

Rounding protocols allow for a performance of below 57.55 (65% target level) and 56.55 (100% target level) minutes, respectively, to be rounded down to successfully meet each target.

EXCLUSIONS

Excludes only Major Storms as defined by NY Department of Public Service and NYCRR 97.1.

DELIVERABLES

Proposed 2024 Performance Metrics

T&D-07: System Average Interruption Duration Index (SAIDI) Reliability

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for SAIDI 2) Any additional supporting documentation as required	Monthly

Proposed 2024 Performance Metrics

T&D-08: System Average Interruption Frequency Index (SAIFI) Reliability

Board Policy: Transmission & Distribution Operations	Board PIPs: NA
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Michael Quinn
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Wayne Baldassare
PSEGLI Director: John Mccumiskey	DPS Contact: Justin Koebele, Qin Shi
Allocated Compensation (2021 Dollars): 350000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
0.76	0.8	0.76	0.68	0.76	0.68	0.7

OBJECTIVE

Continuous improvement of SAIFI (System Average Interruption Frequency Index) reflecting ongoing significant investments to programs and projects that will improve T&D system performance.

TARGETS AND CALCULATIONS

Frequency of sustained interruption (≥ 5 minutes) within a Contract Year, computed in accordance with IEEE Standard 1366, Section 4.2.1.

$SAIFI = \Sigma(N_i) / NT$; where:

Σ = Summation function.

N_i = Total number of customers interrupted 5 minutes or more.

NT = Total number of customers served (fixed at beginning of the Contract Year).

Target:

1. For 65% of the allocated incentive compensation, achieve a SAIFI of ≤ 0.69
2. For 100% of the allocated incentive compensation, achieve a SAIFI of ≤ 0.67

Rounding protocols allow for a performance of below 0.695 (65% target level) and 0.675 (100% target level), respectively, to be rounded down to successfully meet each target.

EXCLUSIONS

Excludes only Major Storms as defined by NY Department of Public Service and NYCRR 97.1.

DELIVERABLES

Proposed 2024 Performance Metrics

T&D-08: System Average Interruption Frequency Index (SAIFI) Reliability

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for SAIFI 2) Any additional supporting documentation as required	Monthly

Proposed 2024 Performance Metrics

T&D-09: Momentary Average Interruption Frequency Index (MAIFI) Reliability

Board Policy: Transmission & Distribution Operations	Board PIPs: n/a
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Michael Quinn
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Wayne Baldassare
PSEGLI Director: John Mccumiskey	DPS Contact: Justin Koebele, Qin Shi
Allocated Compensation (2021 Dollars): 275000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
2.56	2.14	2.56	1.78	1.89	1.67	1.7

OBJECTIVE

Continuous improvement of MAIFI (Momentary Average Interruption Frequency Index) reflecting ongoing significant investments to programs and projects that will improve T&D system performance.

TARGETS AND CALCULATIONS

Frequency of momentary interruptions (less than 5 minutes) within a Contract Year, computed in accordance with IEEE Standard 1366, Section 4.2.1.

$MAIFI = \Sigma(N_i) / NT$; where:

Σ = Summation function.

N_i = Total number of customers interrupted less than 5 minutes.

NT = Total number of customers served (fixed at beginning of the Contract Year).

Target: Achieve a MAIFI of ≤ 1.50

Rounding protocols will allow for a performance of below 1.505 to be rounded down to successfully meet the target of 1.50.

EXCLUSIONS

Excludes only Major Storms as defined by NY Department of Public Service and NYCRR 97.1.

DELIVERABLES

Deliverable Name	Target Due Date
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Proposed 2024 Performance Metrics

T&D-09: Momentary Average Interruption Frequency Index (MAIFI) Reliability

Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for MAIFI 2) Any additional supporting documentation as required	Monthly
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LIPA 2024 Proposed Performance Metrics

T&D-10: Reduce Sustained Multiple Customer Outages (S-MCOs)

Board Policy: Transmission & Distribution Operations	Board PIPs: n/a
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Michael Quinn
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Wayne Baldassare
PSEGLI Director: John Mccumiskey	DPS Contact: Justin Koebele, Qin Shi
Allocated Compensation (2021 Dollars): 275000	

OBJECTIVE

Improve performance for customers with the worst interruption experience, as measured by Sustained Multiple Customer Outages ("S-MCO" or "S-MCOs"), by continuing to improve overall system performance.

TARGETS AND CALCULATIONS

Provide a level of reliability for each customer that is within a reasonable variance from the system average conditions.

The metric measures the number of customers that have experienced the following levels of S-MCOs (outages greater than or equal to 5 minutes in duration) over a rolling 12-month period, as of December 31, 2024:

- A) A level of ≥ 6 S-MCOs
- B) A level of ≥ 8 S-MCOs
- C) A level of ≥ 10 S-MCOs
- D) A level of ≥ 12 S-MCOs

The S-MCO metric is stated in number of customers.

Computed in accordance with IEEE Standard 1366, Section 4.2.1.

Targets: Achieve an S-MCO performance, as of December 31, 2024:

- A) Equal to $\leq 2,275$ customers with ≥ 6 S-MCOs
- B) Equal to ≤ 375 customers with ≥ 8 S-MCOs
- C) Equal to ≤ 50 customers with ≥ 10 S-MCOs
- D) Equal to 0 customers with ≥ 12 S-MCOs

- Successfully achieving 1 of the 4 criteria = 25% of the allocated incentive compensation.
- Successfully achieving 2 of the 4 criteria = 50% of the allocated incentive compensation.
- Successfully achieving 3 of the 4 criteria = 75% of the allocated incentive compensation.
- Successfully achieving 4 of the 4 criteria = 100% of the allocated incentive compensation.

An alternate path to achieving 100% of the allocated incentive compensation can be accomplished if BOTH of the following conditions are met, as of December 31, 2024:

LIPA 2024 Proposed Performance Metrics

T&D-10: Reduce Sustained Multiple Customer Outages (S-MCOs)

1. Successfully achieving a level of $\leq 2,000$ customers with ≥ 6 S-MCOs; and
2. Successfully achieving a level of 0 customers with ≥ 10 S-MCOs.

EXCLUSIONS

Excludes only Major Storms as defined by NY Department of Public Service and NYCRR 97.1.

Exclusion for planned intentional interruptions taken to affect improvements to system associated with these customers to improve reliability.

Outages shall be counted at an incident level due to forced outage restoration multistep recording as with predominantly underground areas.

DELIVERABLES

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for S-MCOs. 2) Any additional supporting documentation as required.	Monthly

Proposed 2024 Performance Metrics

T&D-12: Reduce Momentary Multiple Customer Outages (M-MCOs)

Board Policy: Transmission & Distribution Operations	Board PIPs: n/a
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Michael Quinn
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Wayne Baldassare
PSEGLI Director: John Mccumiskey	DPS Contact: Justin Koebele, Qin Shi
Allocated Compensation (2021 Dollars): 275000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
NA	109273	NA	73677	92500	72198	76300

OBJECTIVE

Improve performance for customers with the worst interruption experience, as measured by Momentary Multiple Customer Outages ("M-MCO" or "M-MCOs"), by continuing to improve overall system performance.

TARGETS AND CALCULATIONS

Provide a level of reliability for each customer that is within a reasonable variance from the system average conditions.

The metric measures the number of customers that have experienced 6 or more momentary interruptions (< 5 minutes in duration) over a rolling 12-month period.

M-MCO = Total count of customers experiencing 6 or more interruptions of < 5 minutes in the last 12 months.

The M-MCO metric is stated in number of customers.

Computed in accordance with IEEE Standard 1366, Section 4.2.1.

Targets: Achieve an M-MCO performance, as of December 31, 2024, that is <= 54,000 customers.

Reports shall be in a LIPA-approved format and shall be reviewed in a meeting between LIPA and PSEG Long Island.

EXCLUSIONS

Excludes only Major Storms as defined by NY Department of Public Service and NYCRR 97.1.

DELIVERABLES

Proposed 2024 Performance Metrics

T&D-12: Reduce Momentary Multiple Customer Outages (M-MCOs)

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for M-MCOs (6 or More). 2) Any additional supporting documentation as required	Monthly

Proposed 2024 Performance Metrics

T&D-13: Safety – Serious Injury Incident Rate (SIIR)

Board Policy: Safety	Board PIPs: n/a
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Michael Quinn
PSEGLI Exec. Sponsor: Margaret Keane	PSEGLI Proj. Mgr: Theodore Kern
PSEGLI Director: Gregory Player	DPS Contact: Sean Walters, Umar Sultan
Allocated Compensation (2021 Dollars): 450000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
NA	NA	NA	NA	0.11	0.03	0

OBJECTIVE

To safely maintain, construct, and operate the Electric T&D system without risk of serious injuries and/or fatalities.

TARGETS AND CALCULATIONS

The prevention of fatalities and serious life altering injuries to a contractor employee or a PSEG Long Island employee associated with the operation, construction and/or maintenance of the Long Island Electric T&D System that are within the control of the contractor/employee (i.e. PSEG Long Island employee or contractor employee) in performance of their duties and/or the employer.

Life altering injuries include the following:

- Amputation (loss of all or part of a bodily appendage, which includes the loss of bone).
- Concussion.
- Crushing (internal, even though skin surface may be intact).
- Fracture (simple or compound), excluding any hairline fractures.
- 2nd (10% body surface) or 3rd degree burns.
- Lacerations resulting in severed tendons and/or a deep wound requiring internal sutures.

Injuries will be reported timely, using the PSEG Long Island Incident Alert process and internal guidelines for reporting and recording safety events, no later than seven (7) days from notification to PSEG Long Island of an event as required by the OSHA recordkeeping rule.

Serious Injury Incidence Rate (SIIR) for the calendar year of the OSA Contract.

The Serious Injury Incidence Rate (SIIR) is calculated using the formula (# cases x 200,000/exposure hours), where exposure hours equal the total of PSEG Long Island employee and contractor hours worked.

Target: A Serious Injury Incidence Rate (SIIR) of 0.00. Any qualifying life altering serious injury or fatality that occurs to an

Proposed 2024 Performance Metrics

T&D-13: Safety – Serious Injury Incident Rate (SIIR)

employee or contractor working on the system would constitute an automatic failure of this metric. All incidents that meet the criteria will be reviewed with LIPA.

EXCLUSIONS

LIPA will review qualifying incidents on a case-by-case basis and at their discretion, grant exclusions for up to two non-life-altering injuries (e.g., simple fractures and other milder injuries) that occur during the Contract Year.

This metric excludes all non-work-related events consistent with the OSHA exceptions for nonrecordable cases, i.e. [https://www.osha.gov/laws-regs/interlinking/standards/1904.5\(b\)\(2\)](https://www.osha.gov/laws-regs/interlinking/standards/1904.5(b)(2)).

Examples include:

- Injuries that occur on company property or while the worker is engaged in a work activity but would have occurred at the same time and at the same level of severity even if the employee was not engaged in a work activity (epileptic seizure, diabetic seizure, heart attacks, sudden joint failure, etc.).
- Injuries that are related to commuting to or from a place of employment outside of work hours.
- Injuries that result solely from normal body movements unrelated to work (sneezing, coughing, bending over to tie a shoe, walking, etc.).
- Injuries that result solely from personal tasks performed outside of assigned work hours (retrieving ice for personal use, holding community meeting at employer premises, etc.).
- Injuries that occur in a travel hotel unrelated to work.
- Injuries that occur where the employee is present at the site as a member of the general public, unrelated to his or her employment status.
- Injuries that result from voluntary participation in wellness, medical, or fitness programs, or recreational activity (teambuilding events).
- Injuries where symptoms surface at work from a known non-work-related event or exposure (yard work, sporting events, etc.).
- Injuries that result from eating/drinking or preparing food/drink for personal consumption (food/drink not provided by employer).
- Injuries that result from personal grooming, self-medication for a non-work-related condition, or intentionally self-inflicted injuries.
- Injuries that result from non-preventable vehicle accidents.
- The illness is a mental illness. Mental illness will not be considered work-related unless the employee voluntarily provides the employer with an opinion from a physician or other licensed health care professional with appropriate training and experience (psychiatrist, psychologist, psychiatric nurse practitioner, etc.) stating that the employee has a mental illness that is work-related.

DELIVERABLES

Deliverable Name	Target Due Date
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Proposed 2024 Performance Metrics

T&D-13: Safety – Serious Injury Incident Rate (SIIR)

Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for Serious Injury Incident Rate (SIIR) 2) Any additional supporting documentation as required	Monthly
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Proposed 2024 Performance Metrics

T&D-18: Improve Reliability Through Work Management Enhancements - Workforce Management Plans

Board Policy: Transmission & Distribution Operations	Board PIPs: WM PIPs
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Peter Mladinich
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Joseph Cicalo, Robert Bradley
PSEGLI Director: Curt Dahl, John Mccumiskey	DPS Contact: Sean Walters, Umar Sultan
Allocated Compensation (2021 Dollars): 400000	

OBJECTIVE

Develop Work Management Process Enhancements that optimize staffing levels, productivity, and overtime in support of the scheduled T&D work.

TARGETS AND CALCULATIONS

100% of all deliverables delivered by the specified dates, including achieving all elements of the LIPA- approved 2024 Workforce Management Plan by December 31, 2024.

The Workforce Management Plan includes:

1. Histogram by labor source (in-house / Contractor) and functional area (Divisions, P&C)
2. Histogram by settlement (Capital, O&M)
3. Hours by High Level Settlement
4. Hours by Low Level Settlement
5. Monthly work plan at a division level (for each of the four divisions) providing planned units for proactive blankets and programs and planned hours for reactive (emergent) programs (includes monthly actual units completed for variance purposes)

Reports shall be in a LIPA-approved format and shall be reviewed in a meeting between LIPA, PSEG Long Island, and DPS. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required

Proposed 2024 Performance Metrics

T&D-18: Improve Reliability Through Work Management Enhancements - Workforce Management Plans

revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Workforce management plans are limited to the following major workforce groups:

- Overhead, Underground, Substation Maintenance, Relay, Distribution Design, Transmission Engineering, Substation Engineering, Protection Engineering, and Substation Maintenance Civil.

DELIVERABLES

Deliverable Name	Target Due Date
Submission of 2025 Workforce Management Plan for LIPA approval by August 1, 2024 (approval not to be unreasonably withheld). The Workforce Management Plan shall include monthly and annual resource plans for all Capital and O&M work to be completed.	2024-08-01
PSEG Long Island hold Q1 quarterly review meeting with LIPA to review progress of the Workforce Management Plan. - Plan Vs. Actual Units Complete YTD - Planned Vs. Forecast Units Complete PYE	2024-04-15
PSEG Long Island hold Q2 quarterly review meeting with LIPA to review progress of the Workforce Management Plan. - Plan Vs. Actual Units Complete YTD - Planned Vs. Forecast Units Complete PYE	2024-07-15
PSEG Long Island hold Q3 quarterly review meeting with LIPA to review progress of the Workforce Management Plan. - Plan Vs. Actual Units Complete YTD - Planned Vs. Forecast Units Complete PYE	2024-10-15
Successfully deliver all elements of the LIPA-approved 2024 Workforce Management Plan by December 31, 2024.	2024-12-31
PSEG Long Island hold Q4 quarterly review meeting with LIPA to review progress of the Workforce Management Plan. - Plan Vs. Actual Units Complete YTD - Planned Vs. Forecast Units Complete PYE	2025-01-17

Proposed 2024 Performance Metrics

T&D-24: Improve Reliability Through Vegetation Management Work Plan -- Cycle Trim and Trim-to-Sky

Board Policy: Transmission & Distribution Operations	Board PIPs: n/a
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Donald Schaaf
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Mark Cerqueira
PSEGLI Director: Patrick Dempsey	DPS Contact: Jami Nafiul, Reshma Mathew
Allocated Compensation (2021 Dollars): 350000	

OBJECTIVE

Develop and execute Vegetation Management Work Plans and budgets.

TARGETS AND CALCULATIONS

100% of all deliverables delivered by the specified date in the deliverables section.

Work Plans shall include annual and monthly work. Work Plans identify circuit list for cycle trimming each year (minimum of 1/4 of the overhead distribution system which equates to approximately 2,200 miles) and all required substation vegetation management. Work Plans should be coordinated with maintenance and construction work plans, where possible.

The 2025 Vegetation Work Plan shall identify the minimum of 1/4 of the overhead distribution system (which equates to approximately 2,200 miles) and budgets and be provided to LIPA for approval, which shall not be unreasonably withheld, by August 30, 2024.

By December 31, 2024, execution of 100.0% of the work identified in the 2024 Vegetation Management Work Plan approved in August of 2023. To be considered trimmed and count towards metric achievement, 100% of a circuit must be trimmed per the Vegetation Management Specification (includes mainline trim-to-sky and substation, as per the 2024 Vegetation Management Work Plan) in the year.

Actual spending that is within up to +5% of the Board-approved cycle trim and trim-to-sky target.

Verification report, including schedule execution and budget spending, to be submitted to LIPA by January 31, 2025.

Incentive shall be awarded based on 100% completion of Vegetation Work Plans, per the Vegetation Management Specification (includes mainline trim-to-sky and substation, as per the 2024 Vegetation Management Work Plan) in the year and within prescribed budget range.

Reports shall be in a LIPA-approved format and shall be reviewed in a meeting between LIPA, PSEG Long Island and DPS

Proposed 2024 Performance Metrics

T&D-24: Improve Reliability Through Vegetation Management Work Plan -- Cycle Trim and Trim-to-Sky

“LIPA-approved format”, where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

1. Schedule relief may be granted for:
 - i) delays directed or requested by LIPA or
 - ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.
2. Vegetation trimmed as part of a storm response will not be included in completion count if charged to the storm account.

DELIVERABLES

Deliverable Name	Target Due Date
Submit January report of work completed vs. schedule and budget at the monthly meeting.	2024-02-16
Submit February report of work completed vs. schedule and budget at the monthly meeting.	2024-03-15
Submit March report of work completed vs. schedule and budget at the monthly meeting.	2024-04-19
Submit April report of work completed vs. schedule and budget at the monthly meeting.	2024-05-17
Submit May report of work completed vs. schedule and budget at the monthly meeting.	2024-06-21
Submit June report of work completed vs. schedule and budget at the monthly meeting.	2024-07-19
Submit July report of work completed vs. schedule and budget at the monthly meeting.	2024-08-16
The 2025 Vegetation Work Plan shall identify the minimum of 1/4 of the overhead distribution system (which equates to approximately 2,200 miles) and budgets and be provided to LIPA for approval, which shall not be unreasonably withheld, by August 30, 2024.	2024-08-30
Submit August report of work completed vs. schedule and budget at the monthly meeting.	2024-09-20
Submit September report of work completed vs. schedule and budget at the monthly meeting.	2024-10-18
Submit October report of work completed vs. schedule and budget at the monthly meeting.	2024-11-15
Submit November report of work completed vs. schedule and budget at the monthly meeting.	2024-12-20
Submit 2024 YE closeout report of work completed vs. schedule and budget at the monthly meeting.	2025-01-31

Proposed 2024 Performance Metrics

T&D-26: Improve Reliability Through Vegetation Management Work Plan – Hazard Tree Removal

Board Policy: Transmission & Distribution Operations	Board PIPs: n/a
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Donald Schaaf
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Mark Cerqueira
PSEGLI Director: Patrick Dempsey	DPS Contact: Jami Nafiul, Reshma Mathew
Allocated Compensation (2021 Dollars): 450000	

OBJECTIVE

Develop and execute Vegetation Management Work Plans and budgets. This metric measures hazard tree removal.

TARGETS AND CALCULATIONS

100% of all deliverables delivered by the specified date in the deliverables section.

The 2025 Vegetation Work Plans shall identify at least 14,000 hazard trees and limbs (9,000 trees + 5,000 limbs) to be removed (including locations, schedules, and cost estimates) and be provided to LIPA for approval, which shall not be unreasonably withheld, by August 30, 2024. Hazard tree and limb units include storm hardening and base vegetation budgets. Work plans shall include annual and monthly work and resource plans. Work plans should be coordinated with maintenance and construction work plans, where possible.

By December 31, 2024, execution of 100.0% of the work identified in the approved 2024 Vegetation Management Work Plan.

Actual spending that is within up to +5% of the Board-approved hazard-tree budget target.

Verification report, including schedule execution and budget spending, to be submitted to LIPA by January 31, 2025.

EXCLUSIONS

- Schedule relief may be granted for:
 - delays directed or requested by LIPA or
 - situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.
- Vegetation trimmed or hazardous trees & limbs removed as part of a storm response will not be included in completion count if charged to the storm account.

DELIVERABLES

Proposed 2024 Performance Metrics

T&D-26: Improve Reliability Through Vegetation Management Work Plan – Hazard Tree Removal

Deliverable Name	Target Due Date
Submit January report of work completed vs. schedule and budget at the monthly meeting.	2024-02-16
Submit February report of work completed vs. schedule and budget at the monthly meeting.	2024-03-15
Submit March report of work completed vs. schedule and budget at the monthly meeting.	2024-04-19
Submit April report of work completed vs. schedule and budget at the monthly meeting.	2024-05-17
Submit May report of work completed vs. schedule and budget at the monthly meeting.	2024-06-21
Submit June report of work completed vs. schedule and budget at the monthly meeting.	2024-07-19
Submit July report of work completed vs. schedule and budget at the monthly meeting.	2024-08-16
The 2025 Vegetation Work Plans shall identify at least 14,000 hazard trees and limbs (9,000 trees + 5,000 limbs) to be removed (including locations, schedules, and cost estimates) and be provided to LIPA for approval, which shall not be unreasonably withheld, by August 30, 2024.	2024-08-30
Submit August report of work completed vs. schedule and budget at the monthly meeting.	2024-09-20
Submit September report of work completed vs. schedule and budget at the monthly meeting.	2024-10-18
Submit October report of work completed vs. schedule and budget at the monthly meeting.	2024-11-15
Submit November report of work completed vs. schedule and budget at the monthly meeting.	2024-12-20
Submit 2024 YE closeout report of work completed vs. schedule and budget at the monthly meeting.	2025-01-31

Proposed 2024 Performance Metrics

T&D-30: Improve Resiliency Through Storm Hardening Work Plan - ACRV Commissioning Program

Board Policy: Transmission & Distribution Operations	Board PIPs: 5.4.1 and 5.4.5: Grid Resiliency
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: James Palmer
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Sunil Katwala, Wayne Baldassare
PSEGLI Director: John Mccumiskey, Larry Torres	DPS Contact: Qin Shi, Umar Sultan
Allocated Compensation (2021 Dollars): 450000	

OBJECTIVE

Development and execution of the Storm Hardening Work Plan - ACRV Commissioning Program.

TARGETS AND CALCULATIONS

100% of all deliverables delivered by the specified date in the deliverables section.

Metric success will include the execution, by December 31, 2024, of the work identified, which shall be a minimum of 300 ASUVs (Automatic Sectionalizing Unit Viper) to be operationalized to become ACRVs (Automatic Circuit Recloser Viper), in the final LIPA-approved PJD for 2024 Storm Hardening Work Plan – ACRV Commissioning Program.

Metric success also requires by August 30, 2024, submit a 2025 Storm Hardening Work Plan and budget that identifies the ASUV Program locations, schedules, cost estimates, and creates PJDs for a minimum of 300 ASUVs to be "operationalized" as reclosers with the same functionality as ACRVs during 2025.

Metric success also requires that PSEG Long Island complete by April 1, 2024 a total circuit operational coordination study on all circuits that contain an ASUV.

Verification report, including schedule execution and budget spending, to be submitted to LIPA by January 31, 2025.

Actual spending that is within up to +5% of the Board-approved ASUV Commissioning program budget, as applied to the actual number of units completed.

Reports shall be in a LIPA-approved format and shall be reviewed in a meeting between LIPA, PSEG Long Island and DPS.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA

Proposed 2024 Performance Metrics

T&D-30: Improve Resiliency Through Storm Hardening Work Plan - ACRV Commissioning Program

believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for delays

- i) directed or requested by LIPA or
- ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
Submit by April 1, 2024 a total circuit operational coordination study on all circuits that contain an ASUV.	2024-04-01
Submit 1st Quarter status report.	2024-04-19
Submit 2nd Quarter status report.	2024-07-19
Submit a 2025 Storm Hardening Work Plan and budget that identifies the ASUV Program locations, schedules, cost estimates, and creates PJDs for a minimum of 300 ASUVs to be "operationalized" as reclosers with the same functionality as ACRVs during 2025.	2024-08-30
Submit 3rd Quarter status report.	2024-10-18
Submit 2024 YE Verification Report.	2025-01-31

Proposed 2024 Performance Metrics

T&D-31: Improve Resiliency Through Storm Hardening Work Plan - LT5H (ASUV) Program

Board Policy: Transmission & Distribution Operations	Board PIPs: 5.4.1 and 5.4.5: Grid Resiliency
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: James Palmer
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Sunil Katwala, Wayne Baldassare
PSEGLI Director: John Mccumiskey, Larry Torres	DPS Contact: Qin Shi, Umar Sultan
Allocated Compensation (2021 Dollars): 350000	

OBJECTIVE

Development and execution of the Storm Hardening Work Plan - LT5H (ASUV) Program.

TARGETS AND CALCULATIONS

100% of all deliverables delivered by the specified date in the deliverables section.

Metric success will include the execution, by December 31, 2024, of the work identified in the final LIPA-approved PJD for the 2024 Storm Hardening Work Plan – LT5H (ASUV) Program, including that the 150 installed ASUVs are “operationalized” such that the ASUV operates as an ACRV.

Metric success also requires by August 30, 2024, PSEG Long Island shall submit a 2025 Storm Hardening Work Plan - LT5H (ASUV) Program and budget that identifies 75 ASUV locations, schedules, cost estimates, and updated PJD for the LT5H (ASUV) Program for 2025, including that the installed ASUVs are “operationalized” such that the ASUV operates as an ACRV.

Verification report, including schedule execution and budget spending, to be submitted to LIPA by January 31, 2025.

Actual spending that is within up to +5% of the Board-approved ASUV LT5H program budget, as applied to the actual number of units completed.

Reports shall be in a LIPA-approved format and shall be reviewed in a meeting between LIPA, PSEG Long Island and DPS.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA’s expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA’s standards for approval, LIPA will provide a summary of why and what is needed to bring

Proposed 2024 Performance Metrics

T&D-31: Improve Resiliency Through Storm Hardening Work Plan - LT5H (ASUV) Program

the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

Schedule relief may be granted for delays

- i) directed or requested by LIPA or
- ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
Submit 1st Quarter status report.	2024-04-19
Submit 2nd Quarter status report.	2024-07-19
PSEG Long Island shall submit a 2025 Storm Hardening Work Plan - LT5H (ASUV) Program and budget that identifies 75 ASUV locations, schedules, cost estimates, and updated PJD for the LT5H (ASUV) Program for 2025, including that the installed ASUVs are "operationalized" such that the ASUV operates as an ACRV.	2024-08-30
Submit 3rd Quarter status report.	2024-10-18
Submit 2024 YE Verification Report.	2025-01-31

Proposed 2024 Performance Metrics

T&D-36: Construction - Cost Estimating Accuracy

Board Policy: Transmission & Distribution Operations, "Customer Value, Affordability, & Rate Design"	Board PIPs: n/a
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: James Palmer
PSEGLI Exec. Sponsor: Margaret Keane	PSEGLI Proj. Mgr: Shaun Jeter
PSEGLI Director: Robert Rowe	DPS Contact: Jami Nafiul, Minji Ham
Allocated Compensation (2021 Dollars): 300000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
85%	84.2%	86%	94.1%	85%	90.7%	90%

OBJECTIVE

Execution of approved Specific Capital Projects as budgeted.

TARGETS AND CALCULATIONS

Execution of 2024 Specific Capital Projects within cost estimates. This metric is limited to measuring discrete capital projects at the time of their respective close-outs during the Contract Year 2024 versus their initial Definitive level cost estimates.

Cost estimating accuracy per existing methodology for Budget PJDs.

- Estimating accuracy reported based on the month when the project is closed-out.
- % Estimating Accuracy = % absolute variance of each project closed-out cost versus initial Definitive level estimate (Base cost approved by URB).
- An overall portfolio variance is % absolute variance of cumulative project closed-out cost versus cumulative initial Definitive level estimate.
- The YTD calculation is overall portfolio variance for all projects closed out YTD.

Target: >= 90.0% Cost estimating accuracy.

Rounding protocols will allow for a performance of 89.95% and above to be rounded up to successfully meet the target of 90.0%.

EXCLUSIONS

Proposed 2024 Performance Metrics

T&D-36: Construction - Cost Estimating Accuracy

Schedule relief may be granted for delays

- i) directed or requested by LIPA or
- ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for Construction - Cost Estimating Accuracy 2) Any additional supporting documentation as required	Monthly

Proposed 2024 Performance Metrics

T&D-37: Improve Reliability and Resiliency Through Completion of Program Planned Units and Management of Unit Costs Per Workplan

Board Policy: Transmission & Distribution Operations, "Customer Value, Affordability, & Rate Design"	Board PIPs: WM PIPs
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: James Palmer
PSEGLI Exec. Sponsor: Margaret Keane	PSEGLI Proj. Mgr: Shaun Jeter
PSEGLI Director: Robert Rowe	DPS Contact: Jami Nafiul, Qin Shi
Allocated Compensation (2021 Dollars): 600000	

OBJECTIVE

Adherence to Targeted Program planned units and unit costs.

TARGETS AND CALCULATIONS

Targeted Programs, distinct and separate from Projects, must include units of work to be completed within one year. Units of work must be deemed as complete to count as a completed unit.

Unit costs will be reviewed and modified pending the completion of the scheduled audit of Compatibility Unit Estimate (CUE) accuracy review.

By December 31, 2024, complete program planned units/miles within prescribed cost range consistent with Program Workplan PJDs for the following Targeted Programs:

1. Distribution Circuit Improvement Program (CIP) (SOS-1293) – 330 miles at cost of \$20,954/mile.
2. Transmission breaker replacement (SOS-1452) – 15 units at cost of \$255,000/breaker.
3. Underground distribution cable upgrades (SOS-183) – 92,100 feet at cost of \$200/foot.
4. Upgrade Supervisory Controller for Capacitor Banks (SOS-1183) – 130 units at a cost of \$27,500/unit.
5. Residential underground cables (SOS-1291) – 82,145 feet at cost of \$190/foot.
6. Replacement of non-restorable distribution pole rejects (SOS -2124) – 1,050 units at cost of \$11,943/pole.
7. Single Phase Recloser Devices (SOS-XXX) – XXX units at a cost of \$XXX/unit.
8. Transformer Monitoring (SOS-1250) – 50 units at cost of \$98,000/unit.

Note for item #7 above: Single Phase Recloser Devices - units and cost/unit will be developed and based upon LIPA-approved PJD which will occur subsequent to metric negotiations.

Note: Volumetric and cost targets to be based on PJDs submitted in September 2023. The final measurement for this will be based on the latest LIPA-approved PJD.

Achievement for volumetric elements will be calculated as the difference between the planned units/jobs/miles/feet and the actual units/jobs/miles/feet achieved by December 31, 2024, divided by the planned units/jobs/miles/feet.

Proposed 2024 Performance Metrics

T&D-37: Improve Reliability and Resiliency Through Completion of Program Planned Units and Management of Unit Costs Per Workplan

Achievement for cost elements will be calculated as the difference between the planned per unit and per foot costs and the actual per unit and per foot costs achieved by December 31, 2024, divided by the planned per unit and per foot costs.

Target: For the volumetric elements, complete $\geq 92.0\%$ of the planned units/miles within the established target and based on the latest LIPA-approved PJD documentation. For the cost elements, achieve $\pm 5\%$ of the planned per unit and per-mile costs within the established target and based on the latest LIPA-approved PJD documentation.

- 100% of the allocated incentive compensation for achieving 8 out of 8 Programs (both the volumetric and cost element targets of each must be successfully met)
- 75% of the allocated compensation for achieving 7 out of 8 Programs (both the volumetric and cost element targets of each must be successfully met)
- 6 or less of the Program targets will result in 0% of the allocated compensation being awarded.

EXCLUSIONS

Schedule relief may be granted for delays

- i) directed or requested by LIPA or
- ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for Completion of Program Planned Units Per Workplan. 2) Any additional supporting documentation as required	Monthly

Proposed 2024 Performance Metrics

T&D-40: Reduce Double Wood Poles

Board Policy: Transmission & Distribution Operations	Board PIPs: n/a
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Michael Quinn
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Tyler Pearsall, William Moir
PSEGLI Director: Richard Henderson	DPS Contact: Justin Koebele, Qin Shi
Allocated Compensation (2021 Dollars): 200000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
9110	9978	9110	6295	6295	6477	5829

OBJECTIVE

As a safety and system reliability matter, continue to manage the amount of Double Wood Poles on the T&D system.

TARGETS AND CALCULATIONS

Amount of double wood poles, as recorded in the National Joint Utilities Notification System (NJUNS), on December 31, 2024. Targets will be measured and stated in pole counts in the format of #,###.

Target: Achieve the following Double Wood Pole year-over-year performance criteria as of December 31, 2024:

1. For 50% of the allocated incentive compensation, achieve a Next-To-Go (NTG) that is 10% lower than the 2023 YE.
2. For 75% of the allocated incentive compensation, successfully achieve the NTG target stated above in Criterion #1 and also achieve an overall Double Wood Pole count that is no higher than the 2023 YE level.
3. For 100% of the allocated incentive compensation, successfully achieve the targets stated above in Criteria #1 & #2 and also achieve an overall Double Wood Pole count that is \geq 10% lower than the 2023 YE level.

Note: Discrete 2024 pole count target numbers will be calculated for each of the above three criteria after the close of 2023, reflecting performance as of December 31, 2023.

EXCLUSIONS

None

DELIVERABLES

Deliverable Name	Target Due Date
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Proposed 2024 Performance Metrics

T&D-40: Reduce Double Wood Poles

Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for Double Wood Poles 2) Documentation demonstrating NJUNS timely data-entry of all Double Wood Poles identified during the physical asset verification project. 3) Any additional supporting documentation, as required, including meeting minutes of bi-monthly meetings with external stakeholders.	Monthly
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Proposed 2024 Performance Metrics

T&D-41: Program Effectiveness - Vegetation Management

Board Policy: Transmission & Distribution Operations	Board PIPs: 5.4.1 and 5.4.5: Grid Resiliency
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Peter Mladinich
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Mark Cerqueira, Wayne Baldassare
PSEGLI Director: John Mccumiskey, Patrick Dempsey	DPS Contact: Jami Nafiul, Reshma Mathew
Allocated Compensation (2021 Dollars): 300000	

Historical Context YE Results (Quantitative Metrics Only)						
2020		2021		2022		2023
YE Target	YE Result	YE Target	YE Result	YE Target	YE Result	YE Target
NA	NA	NA	NA	NA	NA	-50%

OBJECTIVE

Realize tangible performance improvements on parts of the system that have completed prescribed vegetation management activities per the 2023 Vegetation Management work plan.

TARGETS AND CALCULATIONS

Year-Over-Year (YOY) outage incident reduction of 50% for the circuits actually addressed in the 2023 Plan due to effective Vegetation Management. This applies only to Primary, sustained outages directly related to vegetation. Baseline for each circuit will be set using 12 months immediately prior to 2023 work/upgrades being completed.

Target and Incentive compensation will be allocated as follows:

- 100% for achieving a $\geq 50.0\%$ YOY outage incident reduction.
- 50% for achieving a $\geq 35.0\%$ YOY outage incident reduction.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless

Proposed 2024 Performance Metrics

T&D-41: Program Effectiveness - Vegetation Management

otherwise approved as an exceptions request.

“LIPA Approved format”, where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

1. Exclusions only for NYS Department of Public Service 72-hour storm events.
2. Only those outages deemed to be directly Vegetation related, and with vegetation-related cause codes (e.g., Entire tree fell over or Large Overhanging Limb) will be included in the calculation.

DELIVERABLES

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for T&D-41 Program Effectiveness – Vegetation Management Any additional supporting documentation as required	Monthly
Submit January report of performance at the monthly meeting.	2024-02-16
Submit February report of performance at the monthly meeting.	2024-03-15
Submit March report of performance at the monthly meeting.	2024-04-19
Submit April report of performance at the monthly meeting.	2024-05-17
Submit May report of performance at the monthly meeting.	2024-06-21
Submit June report of performance at the monthly meeting.	2024-07-19
Submit July report of performance at the monthly meeting.	2024-08-16
Submit August report of performance at the monthly meeting.	2024-09-20
Submit September report of performance at the monthly meeting.	2024-10-18
Submit October report of performance at the monthly meeting.	2024-11-15
Submit November report of performance at the monthly meeting.	2024-12-20
Submit 2024 YE closeout report of performance at the monthly meeting.	2025-01-31

Proposed 2024 Performance Metrics

T&D-44: Regulatory Compliance

Board Policy: Transmission & Distribution Operations	Board PIPs: n/a
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Michael Quinn
PSEGLI Exec. Sponsor: Margaret Keane, Michael Sullivan	PSEGLI Proj. Mgr: Craig Laffey, Erin Gorman, Nicholas Culpepper, Tim Lupski
PSEGLI Director: Anie Philip, John Mccumiskey, Larry Torres, Patrick Dempsey, Paul Simmons	DPS Contact: Jami Nafiul, Qin Shi
Allocated Compensation (2021 Dollars): 250000	

OBJECTIVE

Operate within all applicable rules and regulations by meeting all local, state, and federal compliance reporting regulations. Appropriately Self-Report all instances of Non-Compliance.

TARGETS AND CALCULATIONS

- 1) Achieve ≤ 3 violations of Environmental Rules and Regulations to include both Self-Reports and Notice of Violations for the year ending December 31, 2024.
- 2) 100% of regulatory required Operator Training for the year ending December 31, 2024.
- 3) For Bulk Electric System (BES) System Studies managed by Transmission Planning, 100% of regulatory required BES System Studies for the year ending December 31, 2024.
- 4) Achieve ≤ 3 violations of all required permitting to include both Self-Reports and Notice of Violations for the year ending December 31, 2024.
- 5) Comply with all established NYS DPS requirements regarding Event Notifications.

Target:

Compensation to be allocated based on achievement of specific metrics above:

- 5 out of 5 is required for 100% of the allocated compensation
- 4 out of 5 is required for 65% of the allocated compensation
- ≤ 3 out of 5 will result in 0% of the allocated compensation

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive. Once a deliverable is received, LIPA shall timely review and provide feedback to ensure that the deliverable complies with the corresponding deadline and LIPA's expectations.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required

Proposed 2024 Performance Metrics

T&D-44: Regulatory Compliance

revisions to address LIPA’s feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only two opportunities post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

“LIPA Approved format”, where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

None

DELIVERABLES

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA SharePoint Site the following: 1) Monthly Scorecard Reporting Requirement for Items #1 through #5 above 2) Any additional supporting documentation as requested	Monthly

Proposed 2024 Performance Metrics

T&D-46: Root Cause Analysis (RCA) Execution and Compliance

Board Policy: Transmission & Distribution Operations	Board PIPs: n/a
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: James Palmer
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Wayne Baldassare
PSEGLI Director: John Mccumiskey	DPS Contact: Justin Koebele, Qin Shi
Allocated Compensation (2021 Dollars): 400000	

OBJECTIVE

Enhance and expand the RCA program through the inclusion of additional operational, safety and system-related events, and the development of a formal Corrective Action Program (CAP).

TARGETS AND CALCULATIONS

Develop and submit a Project Implementation Plan (PIP) by March 1, 2024, for the development and implementation of a formal Corrective Action Program (CAP), including the review and selection of necessary software, as appropriate. The PIP shall be in a LIPA-approved format. Execution of all approved PIP deliverables by December 31, 2024. Metric deliverables will be modified with 2024 deliverables upon completion and approval of PIP.

Expand the current RCA program to include, at a minimum:

- 1) T&D - Safety Incidents
- 2) T&D - Inadvertent Operations, including NRA incidents
- 3) T&D - Mis-Operations
- 4) T&D - Locate and Mark (Dig-Ins)
- 5) IT - Outages or incidences affecting IT/OT Systems

Target: Meet all identified requirements with deliverables and deliver by established due dates.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only one opportunity post the Due Date to resubmit deliverables to obtain LIPA approval, unless

Proposed 2024 Performance Metrics

T&D-46: Root Cause Analysis (RCA) Execution and Compliance

otherwise approved as an exceptions request.

“LIPA Approved format”, where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

EXCLUSIONS

- i) directed or requested by LIPA or
- ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
Develop and submit a PIP by March 1, 2024, for the development and implementation of a formal Corrective Action Program (CAP), including the review and selection of necessary software, as appropriate. Execution of all approved PIP deliverables by December 31, 2024. Metric deliverables will be modified with 2024 deliverables upon completion and approval of PIP.	2024-03-01
Q1 report delivered to LIPA and DPS to be reviewed at quarterly meeting between the three Parties	2024-04-19
Q2 report delivered to LIPA and DPS to be reviewed at quarterly meeting between the three Parties	2024-07-19
Q3 report delivered to LIPA and DPS to be reviewed at quarterly meeting between the three Parties	2024-10-18
Q4 report delivered to LIPA and DPS to be reviewed at quarterly meeting between the three Parties	2025-01-17

Proposed 2024 Performance Metrics

T&D-49: Work Management Effectiveness

Board Policy: Transmission & Distribution Operations, "Customer Value, Affordability, & Rate Design"	Board PIPs: WM PIPs
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Peter Mladinich
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Joseph Cicalo, Robert Bradley
PSEGLI Director: John Mccumiskey	DPS Contact: Sean Walters, Umar Sultan
Allocated Compensation (2021 Dollars): 500000	

OBJECTIVE

Measure the effectiveness of the Work Management initiatives implemented from 2021-2024.

TARGETS AND CALCULATIONS

Demonstrate the work management effectiveness by measuring the following factors:

1) Productivity for Specific Work Types (1 Target)

- Calculation: (Estimated Hours)/(Actual Hours) at Notification Level (job)
- Target: Overhead/Underground Lines: 2023 YE Performance x 1.05 or 80% whichever is lower
- Key Inclusions:
 - Completed work with a minimum of 24 actual hours (crew total hours) were spent on a notification (job)
 - Specific Work Types to Be Measured (that were created by Distribution Design):
 - ASUV
 - ACRV
 - New Business
 - Replacement of Non-Restorable Distribution Wood Pole Rejects
 - Distribution Transformer Replacement

2) Create Scorecard (1 Target)

- Utilization
 - Calculation: (Output) / (Available Hours)
 - Target: Create a LIPA OSA scorecard to demonstrate the review of the utilization metric for Overhead and Underground lines, Relay and Substation Maintenance.
- Work Plan Variance
 - Calculation: (Total Actual Hours)/(Total Forecasted Hours)
 - Target: Create a LIPA OSA scorecard to demonstrate the review of the work plan variance to review past performance and future forecast for Overhead and Underground lines.

3) Overtime Rates (3 Targets)

- Calculation: (Non-Storm OT Hours)/(Non-Storm productive Hours)
- Target:

Proposed 2024 Performance Metrics

T&D-49: Work Management Effectiveness

- Overhead/Underground Lines: 31.0%
- Distribution Ops: 36.0%
- Substation/Relay Maintenance: 32.0%

4) Schedule Attainment (3 Targets)

- Calculation: [Scheduled Jobs that were completed or in progress] / [Scheduled Jobs that were completed or in progress + Non-Scheduled Jobs that were completed or in progress]
- Target:
 - Overhead/Underground Lines: October – December YE Performance x 1.05 or 80% whichever is lower
 - Substation: October – December YE Performance x 1.05 or 80% whichever is lower
 - Relay Maintenance: October – December YE Performance x 1.05 or 80% whichever is lower
- Key Inclusions:
 - Must Go Job is a separate category and not counted in the dominator.

Incentive Compensation:

- Successfully meet 8 or more targets = 100% of incentive compensation
- Successfully meet 7 or more targets = 75% of incentive compensation
- Successfully meet 5 or more targets = 50% of incentive compensation
- Successfully meet 4 or less targets = 0% of incentive compensations

EXCLUSIONS

1. Non-Storm Emergencies pursuant to the Second A&R OSA.
2. Major DPS level storm(s) that cause significant disruptions in work plan execution.

DELIVERABLES

Deliverable Name	Target Due Date
Upload to the LIPA designated folder on the LIPA Sharepoint Site the following: 1) Monthly Scorecard Reporting Requirement for Work Management Effectiveness 2) Any additional supporting documentation as required	Monthly
3) Scorecards for Utilization and Work Plan Variance	2024-03-31

LIPA 2024 Proposed Performance Metrics

T&D-50: Storm Outage Response Performance

Board Policy: Transmission & Distribution Operations	Board PIPs: 3.2.2.3: CGI Outage Management System
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Donald Schaaf
PSEGLI Exec. Sponsor: Michael Sullivan	PSEGLI Proj. Mgr: Tim Lupski
PSEGLI Director: Larry Torres, Pat Hession, Richard Henderson	DPS Contact: Mohammed Hasan, Qin Shi
Allocated Compensation (2021 Dollars): 300000	

OBJECTIVE

Measure and improve the overall outage management and response effectiveness during storms with customer outage durations ≥ 24 hours and < 48 hours.

TARGETS AND CALCULATIONS

Demonstrate excellent performance as reflected in the Small Storm Scorecard ("Scorecard") for applicable OSA storms ≥ 24 and < 48 hours in length.

The Scorecard is based on a total maximum score of 1,000 points. Note: certain elements of the Scorecard will not be applicable for all storms. In those cases, a maximum eligible score of less than 1,000 points will result and be applicable to that specific storm. The % achievement calculations for that specific storm will then be calculated in the normal fashion on the lower point basis.

Each qualifying storm will be scored by PSEG Long Island within 15 business days from the end of the storm. LIPA will then perform IV&V and will render its own score within 10 business days of receiving the Scorecard from PSEG Long Island. In the event of an overall score discrepancy, the Parties will meet to discuss and reconcile. If full resolution does not occur, the final (original or modified) LIPA score shall serve as the official score for metric purposes.

Official reporting monthly as part of the T&D Balanced Scorecard monthly report and meeting between LIPA, PSEG Long Island, and DPS. Timely meetings to be held between the Parties within 10 business days after storm scorecards have been submitted by both PSEG Long Island and LIPA to conduct in-depth discussions specific to the qualifying storm.

The rating period will be for storms that commence on or after 12:00 a.m. EST on January 1, 2024, through storms ending on or before midnight December 31, 2024.

The elements and maximum point values of the Scorecard are shown below, with line-item detail and calculations contained in a Scorecard provided by LIPA (See Scorecard Structure in Figures 1-4 below):

- 1) Pre-Storm (200 Points)
 - a. Accuracy of Projected Weather Impact (Outage Jobs)
 - b. Customer notifications per the ERP including:

LIPA 2024 Proposed Performance Metrics

T&D-50: Storm Outage Response Performance

- i. LSE Customers Alerted
- ii. Critical Customers Notified
- iii. Press releases, texts, and emails

2) Storm Accuracy (500 Points)

- a. Reliability – SAIFI & CAIDI
- b. Crew Staffing & Productivity:
 - i. Internal Staffing
 - ii. On-Island Contractors
- c. Outage Start to Dispatch
- d. ETR Accuracy
- e. System Improvement programs are effective.
- f. Safety of Crews and Public

3) Post Storm (300 Points)

- a. Outage Map Availability
- b. Availability - AMI & OMS
- c. PSEG Long Island Storm Brief/AAR within 15 Business days from end of storm
- d. Final Storm SAS Report within 10 business days from the end of storm
- e. PSC Complaints

Note: For applicable Storm Scorecard line items, the baseline will be established as soon as practicable after December 31, 2023. The Parties will then review and reach agreement on the baseline levels applicable to be measured against for qualifying 2024 storms.

Target: Incentive compensation will be awarded, based on the average point score for all qualifying storms over the course of the rating period, as follows:

- 1) 100% of the allocated incentive compensation awarded for an average score of $\geq 80.0\%$ attainment of all eligible points for the rating period.
- 2) 50% of the allocated incentive compensation awarded for an average score of $\geq 70.0\%$ attainment of all eligible points for the rating period.
- 3) 0% incentive compensation awarded for an average score of $< 70.0\%$ attainment of all eligible points for the rating period.

Further, automatic metric failure will occur if one or more qualifying storms during the rating period earns a score(s) of $< 50.0\%$ of the total maximum achievable points for that particular storm(s). In such case, no incentive compensation will be awarded for this metric, irrespective of performance for all other qualifying storms.

LIPA 2024 Proposed Performance Metrics

T&D-50: Storm Outage Response Performance

If there are no qualifying storms that occur in 2024, the full allocated incentive compensation will be reallocated on a pro-rata basis among the Electric T&D Scope Function.

EXCLUSIONS

- 1) Storms that occur in whole or in part outside the established metric rating period
- 2) Planned (Scheduled) Outages
- 3) If a second storm occurs during the 5-day restoration period, then the Storm Brief and SAS report for the first storm will be due 10 business days after the end date of the second storm. The Storm Brief and SAS report due date for the second storm will not change and will be required as described in the definition of Measure in the Scorecard.

DELIVERABLES

Deliverable Name	Target Due Date
Finalize Storm Outage Response Performance Scorecard for utilization with 2024 metric	2024-01-15
Upload to the LIPA designated folder on the LIPA Sharepoint Site the following: 1) Monthly Scorecard Reporting Requirement for Storm Outage Response Performance (Small Storm Scorecard) 2) Any additional supporting documentation as required	10 business days after a qualifying event
For each qualifying storm, the Parties will meet and discuss within 10 business days after both PSEG Long Island and LIPA have provided storm scorecards to the other Party.	10 business days After Storm Scores have been provided by both Parties.

LIPA 2024 Proposed Performance Metrics

T&D-50: Storm Outage Response Performance

PROPOSED SCORECARD FOR STORMS > = 24 HOURS BUT < 48 HOURS				
	LIPA Scorecard Point System	Solid Performance (Agreed by PSEG-LI & LIPA)	Points Available	Points Earned
Pre-Storm	200	XX		
Storm	500	XX		
Post- Storm & Financials	300	XX		
Total Solid Performance	1000	XX		
High End performance incentive (Solid Performance with an average score of > = 80% for all storms)			100% Compensation	
Average performance (Overall performance is acceptable with an average score of > = 70% for all storms)			50% Compensation	
Storm Failure (Overall performance with an average score of < 70% is a storm failure)			0% Compensation	
If there are no qualifying storms that occur in 2024, the full allocated incentive compensation will be reallocated on a pro-rata basis among the Electric T&D Scope Function.				
Automatic metric failure will occur if one or more qualifying storms during the rating period earns a score(s) of < 50.0% of the total maximum achievable points for that particular storm(s). In such case, no incentive compensation will be awarded for this metric, irrespective of performance for all other qualifying storms.				

PROPOSED SCORECARD FOR STORMS > = 24 HOURS BUT < 48 HOURS					
Pre-Storm					
Area of Interest	Definition of Measure	Measurement Criteria	Points	Points Earned	LIPA Evaluation
Projected weather impact	PSEGLI uses past history, current weather projection and experience to project outage jobs and Cutomers Interrupted (CI)	Total outage jobs is within ± 10% of projected outage jobs.	50		
		Total outage jobs is within ± 20% of projected outage jobs.	20		
Customer Communication	Pre-storm notifications	All LSE Customers alerted (as outlined by ERP)	50		
		All Critical Customers notified (as outlined by ERP)	50		
		All Press Releases issued / text messages / emails sent (as outlined by ERP)	50		
			200		

LIPA 2024 Proposed Performance Metrics

T&D-50: Storm Outage Response Performance

PROPOSED SCORECARD FOR STORMS >= 24 HOURS BUT < 48 HOURS						
STORM						
Area of Interest	Definition of Measure	2024	Measurement Criteria	Points	Points Earned	LIPA Evaluation
Reliability	Storm restoration performance measured in storm event SAIFI and storm event CAIDI - Mainline	Storm SAIFI = (5% improvement over 3 year avg)	TBD	25		PSEGLI needs additional time to review 3-year average minus a 5% improvement. TBD by January 31, 2024 when 2023 numbers are finalized.
		Storm CAIDI = (5% improvement over 3 year avg)	TBD	25		
	Storm restoration performance measured in storm event SAIFI and storm event CAIDI - Branchline	Storm SAIFI = (5% improvement over 3 year avg)	TBD	25		
		Storm CAIDI = (5% improvement over 3 year avg)	TBD	25		
Crew Staffing Levels and Productivity	PSEGLI High voltage crew jobs productivity for the entirety of storm once the threshold has been met. (i.e. # of jobs not coded as Single or Single WD P-B in "Priority" field divided by number of crews)	Based on 16 hour shift (Measurement to begin when storm threshold is met and storm start time is agreed too)	Crew Productivity ≥ 2.0	50		PSEGLI agrees in principle but needs additional time to review proposed formula for measuring productivity.
			Crew Productivity ≥ 1.5	30		
			Crew Productivity < 1.5	10		
Crew Staffing Levels and Productivity	Contractor High voltage crew jobs productivity for the entirety of storm once the threshold has been met. (i.e. # of jobs not coded as Single or Single WD P-B in "Priority" field divided by number of crews)	Based on 16 hour shift (Measurement to begin when storm threshold is met and storm start time is agreed too)	Crew Productivity ≥ 2.0	30		
			Crew Productivity ≥ 1.5	20		
			Crew Productivity < 1.5	10		
Job Start to Dispatch	Average job dispatch time for the entire storm, as measured by job "Start" time to job "Dispatched" time for all outage jobs.	Average dispatch time = 10% improvement over 2023	TBD	10% improvement	20	PSEGLI was looking to make this measurement for only HV related outages. LIPA is looking to measure all outage jobs.
Estimated Time of Restoration (ETR)	Local ETR accuracy as published in accordance with ETR requirement time	1 ETR	40%	Restoration complete 0-2 hrs of prior	50	proposed percentages for measuring success and agree with proposal or recommendation
		2 ETRs	50%	Restoration complete 2-4 hrs of prior	20	
		3 ETRs	75%	Restoration complete 0-2 hrs of prior	10	
		4 or more ETRs to any customer	Metric Failure	Restoration complete 0-2 hrs of prior	0	
System Improvement programs are effective (e.g. circuit improvement program, hardening, vegetation management)	Circuit lockouts – jobs with priorities as LO-Lockout or ILO – Int Lockout or ASU-Lockout	Lock Out (3 year avg)	TBD	5% improvement = TBD	30	TBD by January 31, 2024 when 2023 numbers are finalized.
	Fuse Outages - Jobs with priorities listed as a Branch Line Fuse	Fuse Job (3 year avg)	TBD	5% improvement = TBD	20	
Safety	Measure of any employee, contractor or member of the Public injured as a result of work during storm/outage and restoration.		Non-high hazard injury (0)	100		
			Non-high hazard injury (1)	50		
			High-hazard injury	0		
			PMVA (0)	100		
			PMVA (1)	50		
			PMVA (2)	0		

PROPOSED SCORECARD FOR STORMS >= 24 HOURS BUT < 48 HOURS						
Post-Storm	Definition of Measure	Measurement Criteria	Points	Points Earned	Comments	
Outage Map Availability	No issues with outage map and updates	Availability of outage map throughout the duration of the storm	50			
AMI Availability	No issues with AMI	Availability of AMI throughout the duration of the storm	50			
OMS Availability	No issues with OMS	Availability of OMS throughout the duration of the storm	50			
Accurate storm information is captured and shared in the Storm Brief	PSEGLI issues a detailed Storm Brief within 15 business days after the storm (If a second storm occurs during the 5-day followup period then this Storm Brief will be due 10 business days after the end date of the second storm)	PSEGLI issues Storm Brief that includes but is not limited to:	50			
Timely SAS Report submitted	Final SAS report to be submitted within 10 business days after the storm (If a second storm occurs during the 5-day followup period then this SAS Report will be due 10 business days after the end date of the second storm)	Accuracy of information contained in report < 5% errors	50			
PSC Complaints	Number of storm/outage related PSC complaints received	No PSC complaints received	50			
			300			

Proposed 2024 Performance Metrics

T&D-52: Triennial Safety Assessment

Board Policy: Safety	Board PIPs: n/a
LIPA Exec. Sponsor: Billy Raley	LIPA Proj. Mgr: Michael Quinn
PSEGLI Exec. Sponsor: Margaret Keane	PSEGLI Proj. Mgr: Theodore Kern
PSEGLI Director: Gregory Player	DPS Contact: Sean Walters, Umar Sultan
Allocated Compensation (2021 Dollars): 350000	

OBJECTIVE

To assess and improve overall Safety performance as identified through an independent third-party review according to the Board of Trustees Policy on Transmission and Distribution Safety.

TARGETS AND CALCULATIONS

Develop and submit a PIP for LIPA approval that addresses recommendations of a third-party triennial safety assessment that is scheduled to be completed by December 31, 2023. The PIP shall be completed by March 1, 2024, or within two months of receiving the triennial safety assessment final report, whichever is later, and shall be in a LIPA-approved format. Metric deliverables will be updated in Smartsheets to include the LIPA-approved PIP deliverables and dates in 2024.

If the triennial safety assessment results in no material findings, in the reasonable judgement of LIPA, by December 31, 2023, then the compensation for this metric will be reallocated pro-rata to the other T&D metrics.

Execute all identified deliverables in the metric on or before their respective timelines. All deliverables are subject to LIPA review and approval, which shall not be unreasonably withheld. All submitted deliverables shall be clear, comprehensive, and substantive.

PSEG Long Island may submit deliverables before the Due Date, and time permitting, LIPA will make a reasonable attempt to provide feedback to allow PSEG Long Island to improve and resubmit the deliverable by the Due Date, if LIPA believes improvements and resubmissions are necessary. For deliverables submitted as of the Due Date that are determined to not meet LIPA's standards for approval, LIPA will provide a summary of why and what is needed to bring the deliverables to closure, and PSEG Long Island may resubmit the deliverables within ten business days. If required revisions to address LIPA's feedback will take longer than ten business days to complete, PSEG Long Island will submit an exceptions request with a proposed timeline, including justification, which LIPA will reasonably consider. PSEG Long Island shall have only one opportunity post the Due Date to resubmit deliverables to obtain LIPA approval, unless otherwise approved as an exceptions request.

"LIPA Approved format", where specified, is to be generated by PSEG Long Island unless otherwise agreed to by the parties.

Proposed 2024 Performance Metrics

T&D-52: Triennial Safety Assessment

EXCLUSIONS

Schedule relief may be granted for delays

i) directed or requested by LIPA or

ii) situations or business conditions that arise that LIPA determines or agrees are beyond the reasonable control of PSEG Long Island.

DELIVERABLES

Deliverable Name	Target Due Date
Develop and submit a PIP by March 1, 2024, or within two months of receiving the triennial safety assessment final report, whichever is later.	03/01/24 or within two months of receiving the triennial safety assessment final report.
Q1 Update of metric deliverables in Smartsheets. The Parties will meet, as deemed necessary, to discuss progress and issues.	2024-04-19
Q2 Update of metric deliverables in Smartsheets. The Parties will meet, as deemed necessary, to discuss progress and issues.	2024-07-19
Q3 Update of metric deliverables in Smartsheets. The Parties will meet, as deemed necessary, to discuss progress and issues.	2024-10-18
Q4 Update of metric deliverables in Smartsheets. The Parties will meet, as deemed necessary, to discuss progress and issues.	2025-01-17