



Annual Report on Safety

Presented by: Billy Raley, Senior Vice President of
Transmission & Distribution

March 26, 2025



Discussion Topics



Board Policy on Safety



Policy Compliance and Overall Assessment



Risk Management

Board Policy on Safety

It is LIPA's **Board Policy on Safety** to:

- Review no less than every three years the policies, procedures, and practices of the Authority's service provider.
- Benchmark safety to the top 10 percent of peer utilities, as measured by OSHA Recordable Incidence Rate and OSHA Days Away Rate.
- Take steps to eliminate fatalities and serious injuries to employees, contractors and members of the public.
- Assess the operational factors that contribute to injuries, motor vehicle accidents and red-light violations and the efforts to improve performance, where necessary.

Policy Compliance & Overall Assessment

Meeting the Board's Expectations for Safety

✓ **Triennial Review of the Service Provider's Safety Policies, Procedures, and Practices**

- In 2024, LIPA hired an independent third-party consultant to conduct a Triennial Safety Assessment of PSEG Long Island. The scope of work included the review of items from previously assessments to ensure that corrective actions associated with previous recommendations were properly implemented. The consultant also performed onsite field observations of PSEG Long Island's work practices and safety management processes, including a comparison to industry best practices.
- The final report was issued in October 2024, rendering an overall positive opinion and concluded that "PSEG Long Island's management personnel views safety as not just a priority but a value." The recommendations addressed a broad array of safety areas that when successfully completed would serve "to enhance PSEG Long Island's already extensive safety programs."
- Recommendations were consolidated in the 2024 Triennial Safety metric (T&D-52) that delineated the deliverable steps and timing of corrective actions. LIPA and PSEG Long Island met at the close of the year to review PSEG Long Island's comprehensive year-end report that highlighted its progress to date. PSEG Long Island's corrective actions were found to be responsive and timely, resulting in them successfully meeting the metric for 2024.
- LIPA and PSEG Long Island continue to resolve the remaining recommendations and items in the final safety report with longer implementation timetables, with the expectation that they would be fully completed in 2025.

Meeting the Board's Expectations for Safety

✓ **Benchmark top 10 percent OSHA Recordable Incidence and Days Away Performance**

- Long-term performance trend since PSEG Long Island's 2014 OSA contract start is positive for both OSHA metrics with improvements of approximately 80% for the Recordable Incidence Rate and 50% for the Days Away Rate.
- The OSHA Recordable Incidence Rate has a positive year-over-year trend, improving from 0.65 in 2023 to 0.61 in 2024. The 2024 result meets the Board Policy standard of top decile industry peer group benchmark of 0.63.
- While performance remains solid, the 2024 OSHA Days Away Rate of 14.85 slipped from the 2023 result of 10.13. The most recent top decile industry peer group benchmark is 8.53, last year's performance of 14.85 also falls outside of the top quartile level of 13.01.

Meeting the Board's Expectations for Safety

✓ Taking Steps to Eliminate Fatalities and Serious Injuries for Employees, Contractors and the Public

- In 2022, LIPA added the Serious Injury Incident Rate (“SIIR”) metric to track PSEG Long Island’s performance in this area. To set appropriate expectations regarding the importance of this metric, a zero-incident target was established and has remained at that level through the present contract year of 2025.
- This metric was not met in each of the 2022, 2023 and 2024 contract years. In 2022, there was one qualifying SIIR incident. In 2023, there were two qualifying SIIR incidents, and in 2024, there were five qualifying SIIR incidents.
- LIPA and PSEG Long Island have collaborated working to reduce these occurrences via the SIIR metric on the most serious life-altering injuries, with a heightened focus on safety training and messaging for both employees and contractors. PSEG Long Island contractor selection entails a thorough review of the company’s safety culture, practices and record, with those contractors having substandard safety marks excluded from potential selection.
- In 2024, a Root Cause Analysis (RCA)/Corrective Action Program (CAP) metric was initiated. A safety-focused CAP was established that entails a deep dive analysis for each incident, mitigating steps taken, lessons learned and continuous improvement through updating/adding new safety policies and procedures in response to the incidents. LIPA and PSEG Long Island will continue to meet monthly to review these incidents.

Meeting the Board's Expectations for Safety

- ✓ **Assessing Operational Factors that Contribute to Injuries, Motor Vehicle Accidents (MVA) and Red-Light Violations and the Efforts to Improve Performance**
 - LIPA conducted in-depth reviews of PSEG Long Island's safety metrics via the monthly Scorecard and the Quarterly Performance Metric Report processes.
 - PSEG Long Island's MVA rate performance spiked from 6.87 in 2023 to 9.36 in 2024, versus top decile and quartile benchmarks of 6.70 and 8.09, respectively. However, red-light violation performance, a motor vehicle accident safety leading indicator, improved from 2023 to 2024 by 18%. PSEG Long Island continues to administer and expand its driver safety training programs and utilization of technology to ensure consistently safe driver practices.
 - LIPA's independent verification and validation ("IV&V") of PSEG Long Island's safety oversight and practices extended to contractors and foreign crews during storm restoration activities indicates that additional work is required in this area; specifically, around virtual training documentation of individual contractor attendees.
 - LIPA's oversight for implementation of the 2024 Electric Safety Standards program included meeting with both the NYS Department of Public Service ("DPS") and PSEG Long Island to review current practices and compliance. The first annual report titled: "2024 Stray Voltage Testing and Facility Inspection Program" was filed on February 18, 2025, with the NYS DPS detailing the results for the 2024 program.

Risk Management

Enterprise Risk Management

There is one medium level rated risk related to the Safety Policy:

- “Employees and Contractors not following procedures, equipment failures, and a lack of adequate training result in injury/death to employees, contractors and/or members of the public.”
- To mitigate what is identified as one of its top risks, PSEG Long Island’s Safety Program fosters a high level of safety awareness among its employees and contractors. PSEG Long Island verifies contractor safety records, reviews, authorizes contractor safety plans prior to commencement of work, and conducts required training for employees, contractors, and supervisors (e.g., Substation Awareness Training). Attendance is tracked at these training sessions.
- The Safety Program also includes contractor roundtables with PSEG Long Island staff to ensure adherence to the policies and procedures and identifies additional protocols for integration into these sessions. Equipment has also been installed in company vehicles to record driving data to help reduce motor vehicle incidences.
- The SIIR metric has not been met in any year since first introduced in 2022, with one incident in 2022, two in 2023 and five in 2024. LIPA and PSEG Long Island are working together to reduce these incidents as evidenced by the implementation of an enhanced Root Cause Analysis and Corrective Action Plan in 2024. While LIPA recognizes there has been improvement in some safety processes and procedures, we must acknowledge that serious injuries have occurred, and PSEG Long Island must continue to strive for improved performance in this area.

Questions?

Billy Raley

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FOR CONSIDERATION

March 26, 2025

TO: The Board of Trustees

FROM: John Rhodes

SUBJECT: Approval of the Annual Report on the Board Policy on Safety

Requested Action

The Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is requested to adopt a resolution finding that LIPA has complied with the Board Policy on Safety (the “Policy”) for the period since the last annual review, and approving the annual report for the Policy, which resolution is attached hereto as **Exhibit “A.”**

Background

By Resolution No. 1379, dated September 27, 2017, the Board adopted the Policy. The Policy sets objectives to ensure a safe environment for the dedicated workforce of its service provider and the public. The Policy also establishes regular performance reporting by LIPA Staff to enable the Board to assess the adequacy of the service provider’s policies, procedures, and practices for safety, compliance with applicable health and safety laws and regulations, safety performance, including comparisons to peer electric utilities and initiatives to improve the safety of the service provider’s operations. The Policy was last reviewed by the Board in December 2022.

Compliance with the Policy

LIPA Staff recommends that the Board find that LIPA has complied with the objectives of the Policy for the period since the last annual review for the reasons set forth below.

The Policy provides the following:

“Benchmarking safety to the top 10 percent of peer utilities, as measured by OSHA Recordable Incidence Rate and OSHA Days Away Rate.”

- LIPA performed an independent review that PSEG Long Island benchmarked its safety performance against a nationwide panel of electric utilities. That benchmarking helps establish programs that improve safety performance. PSEG Long Island’s OSHA Recordable Incidence Rate performance has continued to improve year-over-year, with results of 0.65 in 2023 and 0.61 in 2024, with the latter superior to the Board Policy standard of top decile performance, which was 0.63 for industry benchmarked peer utilities. The 2024 OSHA Days Away performance of 14.85 regressed from the 10.13 result in 2023. LIPA and PSEG Long Island are focusing on the underlying factors that resulted in the unfavorable result in 2024, that now pushes the performance outside of

both top decile (8.53) and quartile (13.01) among industry benchmarked peer utilities.

“Taking steps to eliminate fatalities and serious injuries to employees, contractors, and members of the public.”

- In 2022, LIPA added the Serious Injury Incident Rate (“SIIR”) metric to track PSEG Long Island’s performance in this area. To set appropriate expectations regarding the importance of this metric, a zero-incident target was established and has remained at that level through the present contract year of 2025.
- This metric was not met in each of the 2022, 2023 and 2024 contract years. In 2022, there was one qualifying SIIR incident. In 2023, there were two qualifying SIIR incidents, and in 2024, there were five qualifying SIIR incidents.
- LIPA and PSEG Long Island have collaborated working to reduce these occurrences via enhanced focus on safety training and messaging for both employees and contractors. PSEG Long Island contractor selection entails a thorough review of the company’s safety culture, practices and record, with those contractors having substandard safety marks excluded from potential selection.
- Further, a Root Cause Analysis Execution and Compliance performance metric (T&D-46) was initiated in 2024. As part of that effort, an enhanced Corrective Action Program (CAP) was established, which includes all OSHA safety incidents, including those of the most serious nature. The CAP entails a deep dive analysis for each incident, mitigating steps taken, lessons learned and continuous improvement through updating or adding new safety policies and procedures in response to the incidents. LIPA and PSEG Long Island will continue to meet monthly to review and discuss these incidents.

“Assess the operational factors that contribute to injuries (e.g., motor vehicle accidents) and the efforts to improve performance, where necessary.”

- LIPA conducted monthly reviews of PSEG Long Island’s safety metrics via the Scorecard process. Additionally, LIPA conducts an in-depth quarterly independent verification and validation (“IV&V”) process for PSEG Long Island’s quantitative safety metrics, as described in the Quarterly Performance Metric Report.
- As part of its IV&V process, LIPA reviewed PSEG Long Island’s motor vehicle accident (MVA) rate and red-light violation performance. PSEG Long Island’s MVA rate performance spiked from 6.87 in 2023 to 9.36 in 2024, versus top decile and quartile benchmarks of 6.70 and 8.09, respectively. However, red-light violation performance, a motor vehicle accident safety leading indicator, has improved year-over-year from 2023 to 2024 by 18%. PSEG Long Island continues to administer and expand its driver safety training programs and utilization of technology to ensure consistently safe driver practices.
- The LIPA IV&V of PSEG Long Island’s safety oversight and practices extended to contractors and foreign crews during storm restoration activities indicates that additional work is required in this area; specifically, around virtual training documentation of

individual contactor attendees.

- LIPA's oversight for implementation of the 2024 Electric Safety Standards program included meeting with both the New York State Department of Public Service ("DPS") and PSEG Long Island to review current practices and compliance. The first annual report titled: "2024 Stray Voltage Testing and Facility Inspection Program" was filed on February 18, 2025 with the NYS DPS detailing the results for the 2024 program.

"Reviewing no less than every three years the policies, procedures, and practices of its service provider related to: o Complying with applicable health and safety laws and regulations concerning its employees, contractors, and the public; o Maintaining appropriate safety procedures, programs, and training for employees and contractors based on their responsibilities and duties; o Reporting incidents involving employees and the public promptly, investigating the cause of such incidents, and taking corrective action."

- In 2024, LIPA hired an independent third-party consultant to conduct the fourth triennial Safety Assessment of PSEG Long Island. The scope of work included the review of items from previously conducted Safety Assessments to ensure that corrective actions associated with previous recommendations were properly implemented. The consultant also performed onsite field observations of PSEG Long Island's work practices and safety management processes, including a comparison to industry best practices.
- The final report was issued in October 2024. The report rendered an overall positive opinion and concluded that "PSEG Long Island's management personnel views safety as not just a priority but a value." The recommendations addressed a broad array of safety areas that when successfully completed would serve "to enhance PSEG Long Island's already extensive safety programs."
- The recommendations contained in the final report were consolidated in the 2024 Triennial Safety performance metric (T&D-52) that delineated the deliverable steps and timing of corrective actions. LIPA and PSEG Long Island met at the close of the year to formally review PSEG Long Island's comprehensive year-end report that highlighted its progress to date. PSEG Long Island's corrective actions were found to be responsive and timely, resulting in them successfully meeting this metric for 2024.
- LIPA and PSEG Long Island continue to resolve the remaining recommendations and items in the final safety report with longer implementation timetables, with the expectation that they would be fully completed in 2025.

Enterprise Risk Management Discussion

The Board has adopted a policy on Enterprise Risk Management ("ERM"). Enterprise risks are brought to the Board's attention throughout the year. There is one risk related to the Policy; "Employees and contractors not following procedures, equipment failures, and a lack of adequate training result in injury/death to employees, contractors and/or member(s) of the public."

This is rated as a medium level risk and is identified as one of PSEG Long Island's top risks. To mitigate this risk, PSEG Long Island's Safety Program fosters a high level of safety awareness among its employees and contractors. PSEG Long Island verifies contractor safety records, reviews, authorizes contractor safety plans prior to commencement of work, and conducts required training for employees, contractors, and supervisors (e.g., Substation Awareness Training). Attendance is tracked and monitored at these training sessions. The Safety Program also includes contractor roundtables with PSEG Long Island staff to ensure adherence to the policies and procedures and identifies additional protocols for integration into these sessions. Equipment has also been installed in company vehicles to record driving data to help reduce motor vehicle incidences.

As mentioned above, the SIIR metric was introduced in 2022. To date, PSEG Long Island has missed this metric due to the occurrence of one incident in 2022, two in 2023, and five in 2024. LIPA and PSEG Long Island are working together to reduce these occurrences, by, among other steps, the implementation of an enhanced Root Cause Analysis and Corrective Action Plan in 2024. While LIPA recognizes there has been improvement in PSEG Long Island's safety processes and procedures, serious injuries have still occurred, and PSEG Long Island must continue to strive for improved performance in this area.

Annual Review of the Policy

The Policy was last updated in December 2022, to reflect the Board's strategic direction in this area. LIPA Staff has reviewed the Policy and proposes no changes at this time.

Recommendation

Based upon the foregoing, I recommend approval of the above-requested action by adoption of a resolution in the form attached hereto.

Attachment

Exhibit "A" Resolution

RESOLUTION APPROVING THE ANNUAL REPORT ON THE BOARD POLICY ON SAFETY

WHEREAS, the Board Policy on Safety (the “Policy”) was originally approved by the Board of Trustees Resolution No. 1739, dated September 27, 2017; and

WHEREAS, the Oversight and Clean Energy Committee (the “Committee”) of the Board of Trustees (the “Board”) has recommended that the Board approve the annual report on the Policy.

NOW, THEREFORE, BE IT RESOLVED, that consistent with the accompanying memorandum, the Board hereby finds that LIPA has complied with the Policy for the period since the last annual review and approves the annual report, as presented at this meeting.

Dated: March 26, 2025