



# PSEG Long Island Update

*Operating Report – January 2025*

*LIPA Board of Trustees Meeting*

January 23, 2025

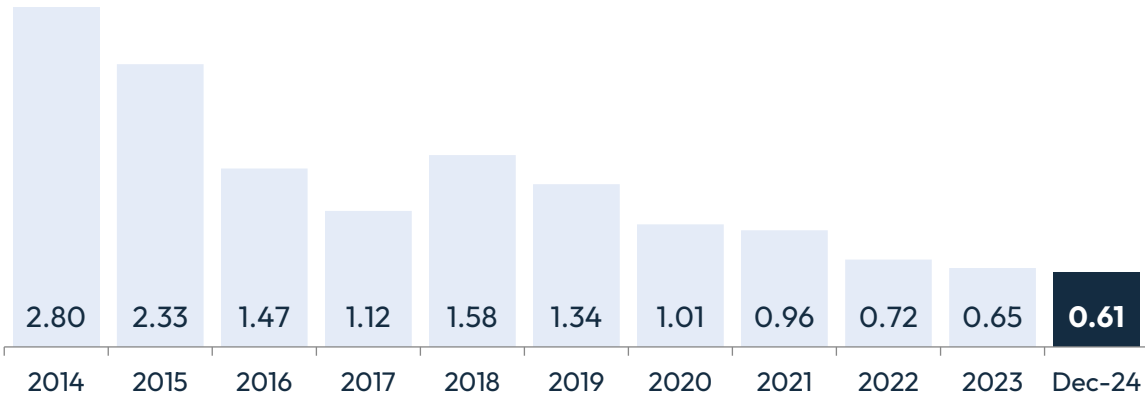
# Agenda

- *Operating Performance*
- *Time-of-Day Program Update*
- *System Separation Update*
- *Community Partnership 2024 Update*

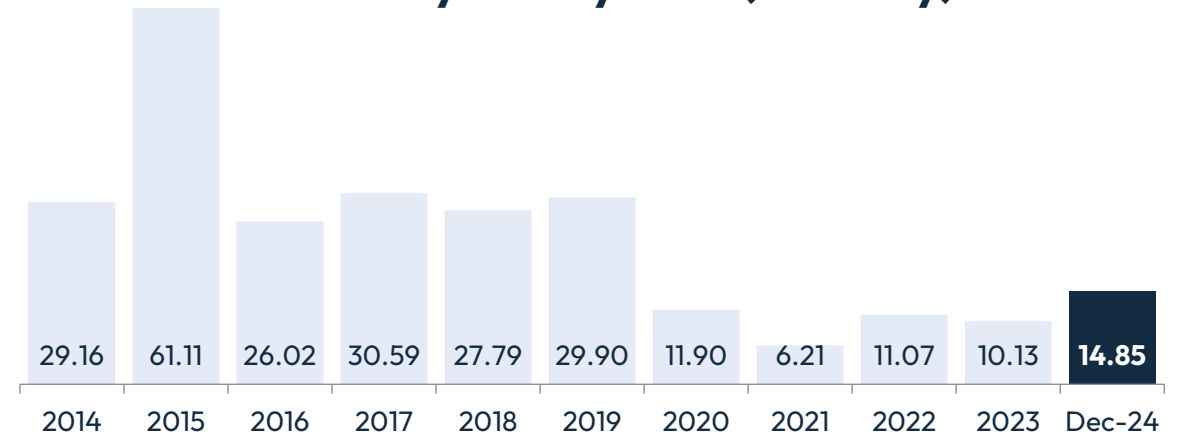
# Operating Performance

## Safety Performance

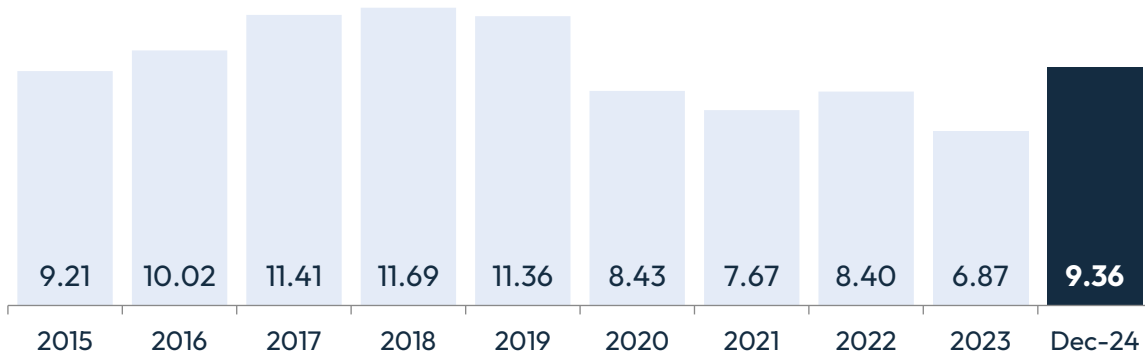
### OSHA Recordable Incident Rate



### OSHA Days Away Rate (Severity)



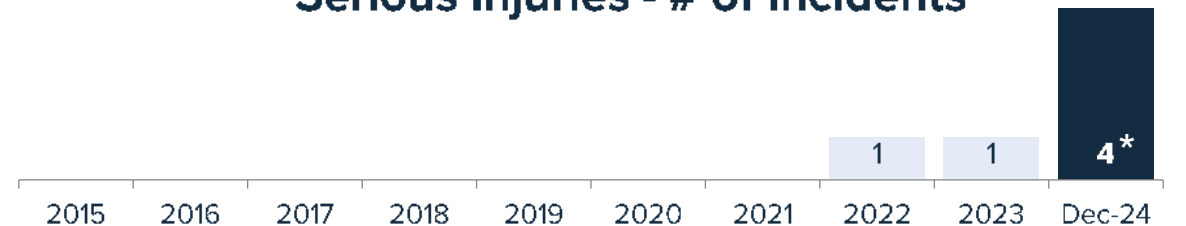
### Motor Vehicle Accident Rate



### Serious Injury Incident Rate



### Serious Injuries - # of Incidents

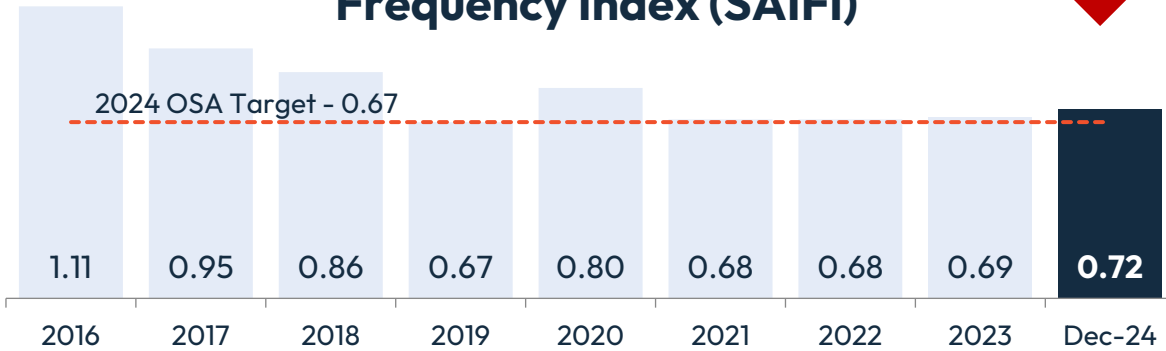


\*Statistics include one December 2024 incident and 2 incidents that PSEG LI will be seeking an exception via metric process as incidents were not life altering – metric will not be achieved

# Operating Performance

## Electric Reliability – SAIDI, SAIFI, MAIFI

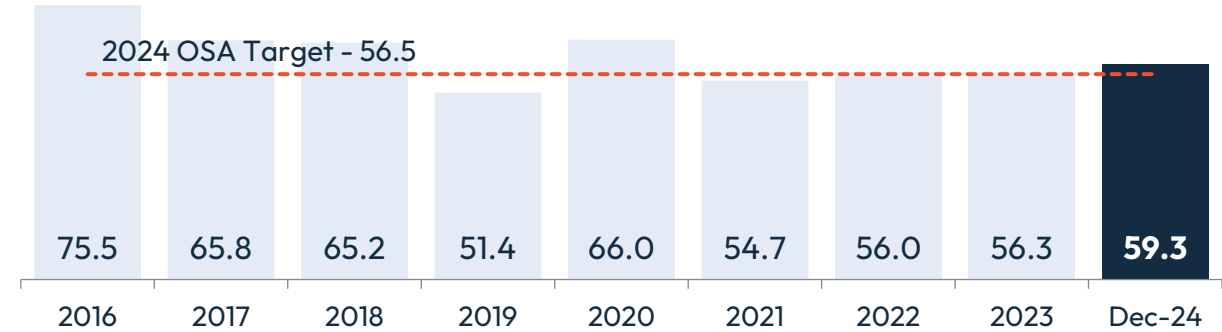
### System Average Interruption Frequency Index (SAIFI)



**Average customer has one sustained Outage (>5 minutes) every 16.7 months**

*New York State overhead utility average is 11.7 months<sup>1</sup>  
National average for Utilities > 500k customers is 12.5 months<sup>2</sup>*

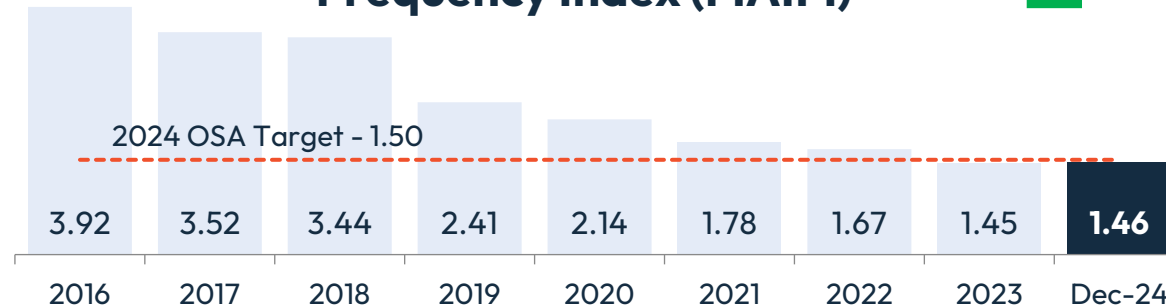
### System Average Interruption Duration Index (SAIDI)



**Average Outage Duration on System of 59.3 minutes annually**

*New York State overhead utility average outage duration is 121.4 minutes annually<sup>1</sup>  
National average for Utilities > 500k customers is 119.9 minutes annually<sup>2</sup>*

### Momentary Average Interruption Frequency Index (MAIFI)



Sources:

1 - CASE 24-E-0140 - In the Matter of 2023 Electric Reliability Performance in New York State – NYS Results exclude Con Edison and PSEG LI

2 - Annual Electric Power Industry Report, Form EIA-861 – 2023 Reliability Data

# Operating Performance

## Electric Reliability – Sustained and Momentary Multiple Customer Outages (MCOs)

### Sustained MCOs

(6 or more outages)

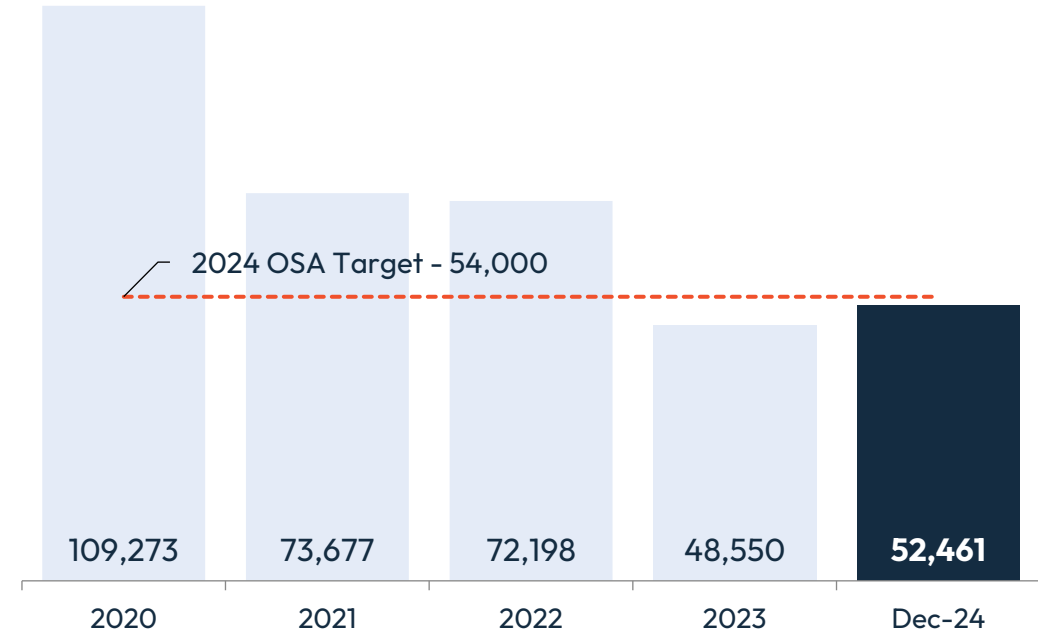
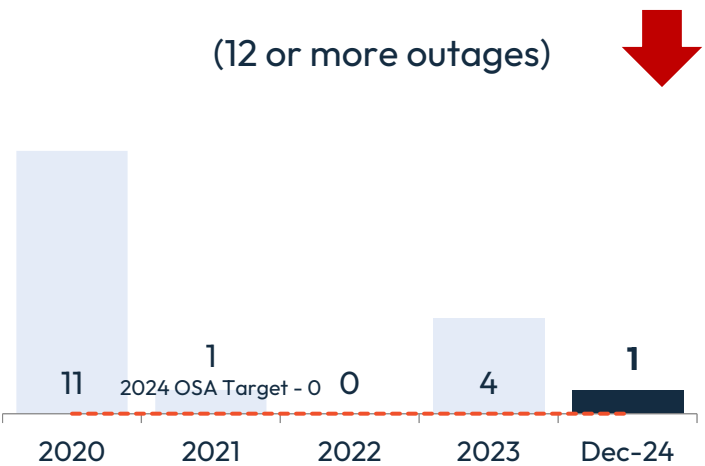
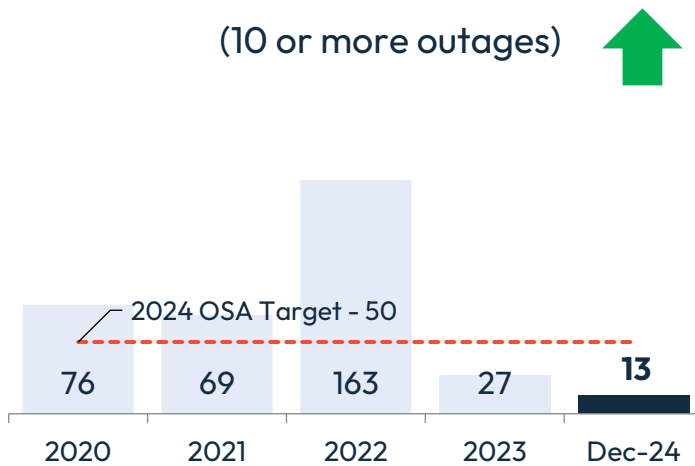
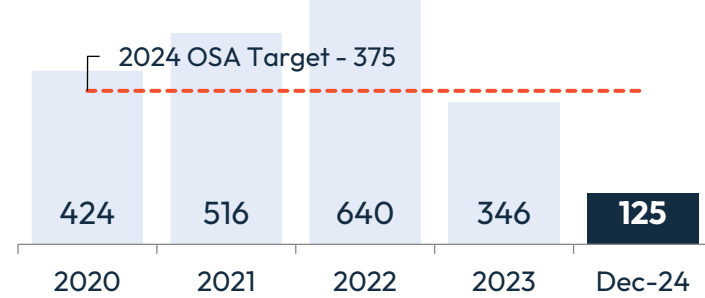
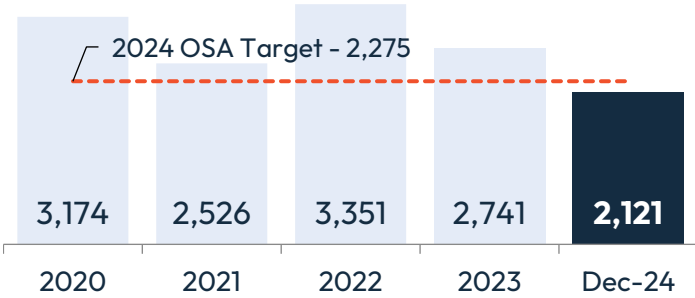


(8 or more outages)



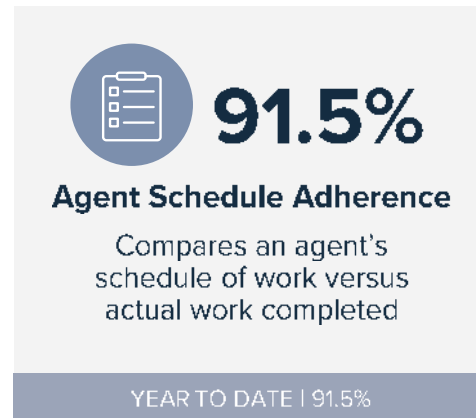
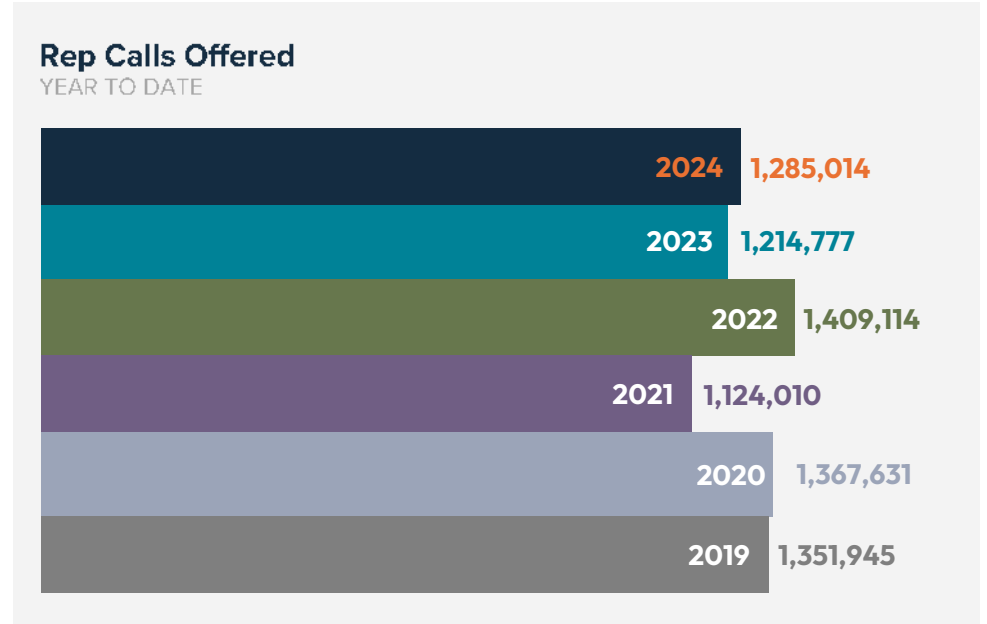
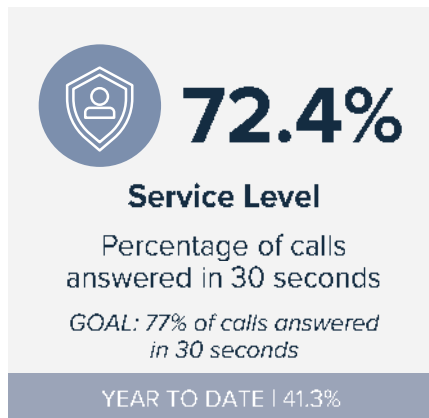
### Momentary MCOs

(6 or more outages)



# Operating Performance

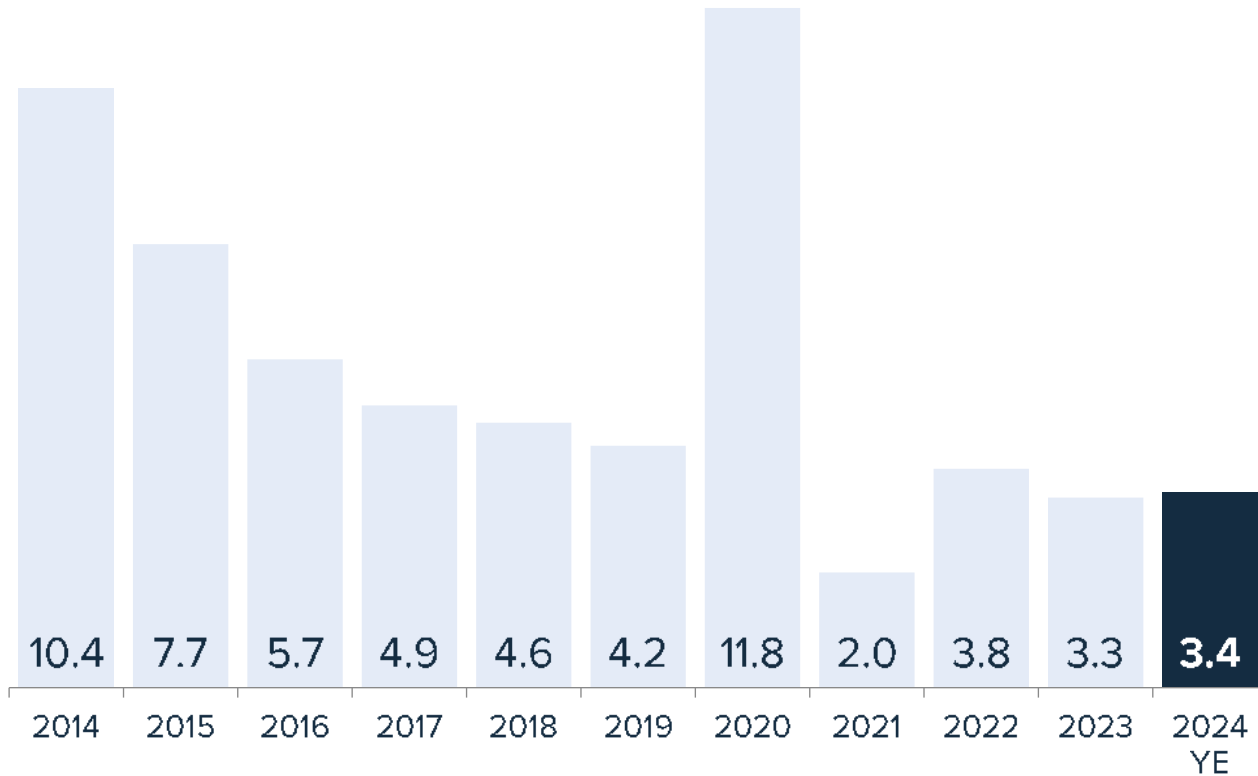
## Call Center Performance



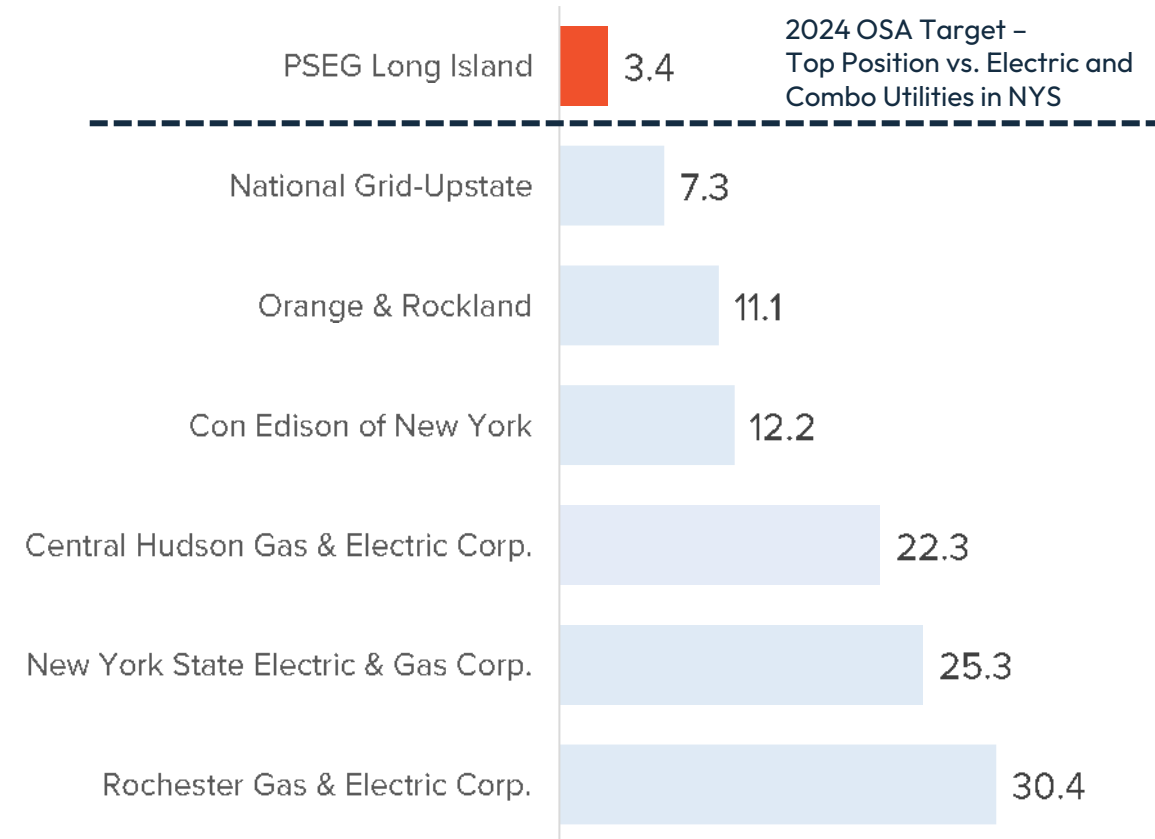
# Operating Performance

## *Customer Complaint Rate per 100,000 Customers*

### Customer Complaint Rate



### Rolling 12 Month DPS Complaint Rate per 100,000 Customers



# TOD Program Progress

*Customer Enrollment = 128,396\**

Rate Code	Move-In	Voluntary Opt-In	Migrated	Total Customers
Off Peak – Rate 194	63,249	8,845	48,620	120,714
Super Off-Peak Rate 195	0	7,682	0	7,682
<b>Total Customers</b>	<b>63,249</b>	<b>16,527</b>	<b>48,620</b>	<b>128,396</b>



# TOD Program Progress

## 2025 Migration Schedule

	January	February	March	April	May	June	Summer Pause	September	October	November	December	
Estimated Target Group Size	50,000	70,000	95,000	95,000	95,000				95,000	95,000	95,000	95,000
Migrate Billing Cycle Date	Group 2	Group 3	Group 4	Group 5	Group 6				Group 7	Group 8	Group 9	Group 10
Send First TOD Bill		Group 2	Group 3	Group 4	Group 5	Group 6				Group 7	Group 8	Group 9

# System Separation Status

## *Bundle 1*

**The Project remains On Track for the business to start using the Bundle 1 systems to perform their job function on April 14, 2025.**

- **Bundle 1 – (15 Systems)**

- Work in progress and on track for February Technical Readiness and April Business Go Live
- Mock 2 of the SAP data conversion (extraction, cleansing and uploading) to RISE is complete
- System Integration Testing (SIT) is in progress at 70%+ complete; 13 open defects being remediated; no critical / blocking defects have been identified
- User Acceptance Testing started for cases without impact by SIT and will overlap through month-end
- Decoupling systems that are not required to go live at the same time for independent implementation (SpinifexIT, Ironclad)
- Working with business and Internal Audit to ensure operational turnover success from NJ to LI at separation



# System Separation Status

## *Bundles 2, 3, and 4*

- **Bundle 2 – (15 Systems)**

- All planned procurements for Bundle 2 are executed
- M365 licenses and system integrator contracts for implementation issued
- Project Kick-off held for M365 on Jan 13
- Kick-off meetings for remaining assets are being finalized

- **Bundle 3 – (25 Systems)**

- Software license agreement and system integration contract issue for ServiceNow (SNOW), the most complex of the systems in this group
- SNOW project kickoff scheduled for 1/17
- All procurement activities are underway and expected to complete by end of month
- Project Kick-off events are being scheduled with stakeholders on all systems, with phased implementations beginning in May

- **Bundle 4 – (16 Systems)**

- Project Manager for execution hiring in progress
- Gathering existing documentation for scope finalization is in progress
- Vendor quote updates requested for software acquisitions



# Budget Update

## Financials as of December 31, 2024

### Original Estimates (mid-2023)

Bundle	Estimate (\$M)
Bundle-1	24.4
Bundle-2	17.1
Bundle-3	13.9
Bundle-4	13.3
<b>Total</b>	<b>68.7</b>



**Estimates include tolerances for variability per CMMI/AACE standard practices based on project state**

<b>Preliminary Estimate Range</b>	<b>+100%/-50%</b>	<b>\$34M - \$137M</b>
<b>Initial Design Phase</b>	<b>+30%/-20%</b>	<b>\$55M - \$89M</b>
<b>Build Phase</b>	<b>+10%/-10%</b>	<b>\$62M - \$76M</b>

### Project Actuals To Date

Bundle	Actuals (\$M)
Bundle-1	21.1
Bundle-2	6.2
Bundle-3	3.5
Bundle-4	1.8
<b>Total</b>	<b>32.6</b>



### 2025 Estimate To Complete

Bundle	Estimate (\$M)
Bundle-1	12.1
Bundle-2	9.3
Bundle-3	10.3
Bundle-4	10.2
<b>Total</b>	<b>41.9</b>



### Estimate At Completion

Bundle	EAC (\$M)
Bundle-1	33.1
Bundle-2	15.5
Bundle-3	13.8
Bundle-4	12.0
<b>Total</b>	<b>74.4</b>



**There is an estimated \$41M remaining spend. Based on the CMMI/AACE methodology this estimate represents a range of \$38M – \$54M**

# Energy runs our homes and businesses, but *people* power our communities!

We're proud to share that last year our amazing employees:

- Dedicated **8,282 hours** to volunteering
- Supported **231 local events**
- Partnered with **151 organizations**
- Served alongside **2,306 coworkers** to help our neighbors



support



 Thank  
*you*



# Appendix

# System Separation At a Glance

*All bundles for the system separation projects are on track to be completed by December 2025.*

**4**

**Bundles**

**71**

**Business  
Applications**

**18**

**Functional areas  
involved**

**300+**

**Project Team  
Members**

**450+**

**Interfaces  
Evaluated**

**30,000 GB**

**Data to Sort  
Through**

**11,000**

**Total System Users  
Across NJ and LI**

**2,850+**

**Long Island  
Users Affected**

**\$74M**

**Estimated Capital  
Funding**

**\$29M**

**Estimated Ongoing  
Costs**



# System Separation Scope

*Scope divided into 4 bundles based on logistics, complexity, and importance.*

BUNDLE 1 – 40%	BUNDLE 2 – 20%	BUNDLE 3 – 20%	BUNDLE 4 – 20%
<ul style="list-style-type: none"> <li>• <b>Over 40% of effort and budget (\$33M).</b></li> <li>• <b>Highly integrated and most complex bundle.</b></li> <li>• <b>All services and systems need to go live at the same time for this bundle.</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>20% of effort and budget each.</b></li> <li>• <b>The software in these bundles have limited or no integrations with other bundles.</b></li> <li>• <b>Rolling implementation with individualized work streams.</b></li> <li>• <b>These bundles operate independently and are not done in a series.</b></li> <li>• <b>The risk for these bundles is significantly lower than Bundle 1.</b></li> </ul>		
<ul style="list-style-type: none"> <li>○ Includes 15 SAP + finance, human resources, payroll, and procurement systems.</li> <li>○ All systems within this bundles are interconnected with many dependencies system-wide and external vendor interfaces.</li> <li>○ Affects all 2500+ employees and core business functions. This bundle is how we pay vendors, pay employees, succession planning, and so much more.</li> <li>○ Schedule adjustment to account for technology issue and business readiness.</li> <li>○ It is imperative to get this bundle right.</li> <li>○ Extensive testing is required to ensure optimal functionality and quality control.</li> </ul>	<ul style="list-style-type: none"> <li>○ Includes 15 email and identity management systems.</li> <li>○ Bundle 2 start does not coincide with end of bundle 1.</li> <li>○ This bundle is on target to be completed as planned in 2025.</li> <li>○ Affects all 2,500+ employee's daily work.</li> <li>○ PSEG New Jersey has already implemented Microsoft 365 and has lessons learned which will be transferred to Long Island's implementation.</li> </ul>	<ul style="list-style-type: none"> <li>○ Includes 25 cloud-hosted and other systems.</li> <li>○ Bundle 3 start does not coincide with end of bundles 1 or 2.</li> <li>○ This bundle is on target to be completed as planned in 2025.</li> <li>○ Most applications in this bundle impact small groups of users throughout the organization (5-20).</li> <li>○ Larger number of systems (25) within this bundle but overall less complexity and less risk.</li> </ul>	<ul style="list-style-type: none"> <li>○ Includes 16 cybersecurity systems.</li> <li>○ Bundle 4 start does not coincide with end of bundles 1,2, or 3.</li> <li>○ This bundle is on target to be completed as planned in 2025.</li> <li>○ Internal IT operations –internal cyber security tools to protect the company from external risks.</li> </ul>

# System Separation Scope

*71 Applications divided into 4 bundles.*

*Scope is divided into four bundles based on logistics, complexity and importance beginning with most complex and most integrated systems.*

## BUNDLE 1: SAP + Finance, Human Resources, Procurement Systems



1. [Catalyst](#)
2. [Microsoft Identity Manager](#) >> ISIM/Sailpoint
3. [Org Charts Plus](#) >> [Ingentis](#)
4. [PowerPlan](#)
5. [SAP ECC 6.0](#) (and related supporting tools)
6. [Accenture Clone & Test](#)
7. [CLM](#) >> [IronClad](#)
8. [Maestro](#)
9. [PBS](#)
10. [Winshuttle](#)
11. [Spinifex](#)
12. [Zoption](#)
13. [SAP Ariba](#)
14. [SAP Concur](#)
15. [SAP Success Factors](#)

## BUNDLE 2: Email & Identity Systems



16. [Active Directory](#)
17. [AirWatch](#) >> [InTune](#)
18. [Area 1 Security](#)
19. [AWS](#) related to DevOps
20. [CloudHealth](#)
21. [CyberArk](#)
22. [ForcePoint/DLP](#)
23. [Hitachi Password Manager](#)
24. [Lookout](#)
25. [Lync/Skype](#) >> [Teams](#)
26. [Microsoft Outlook/Exchange](#) >> [M365](#)
27. [Okta](#)
28. [ProofPoint](#)
29. [Zoom](#) >> [Teams](#)
30. [Move from Bundle 4: RSA Appliances](#) (now includes scope from [LDAP/PingID](#))

## BUNDLE 3: Cloud-hosted and Other Systems



- |   |  |
|---|--|
| 31. <a href="#">3E</a>  | 45. <a href="#">Practising Law Institute (PLI)</a>   |
| 32. <a href="#">Barista</a>                                     | 46. <a href="#">Project Tracking System</a>          |
| 33. <a href="#">CaseWorks</a>                                   | 47. <a href="#">Relativity One</a>                   |
| 34. <a href="#">Compliance 360</a>                              | 48. <a href="#">Roxi</a> >> <a href="#">DXC</a>      |
| 35. <a href="#">CyberGrants</a>                                 | 49. <a href="#">Robotic Process Automation (RPA)</a> |
| 36. <a href="#">Encase</a>                                      | 50. <a href="#">ServiceNow</a>                       |
| 37. <a href="#">Guidance Link</a> >> <a href="#">SharePoint</a> | 51. <a href="#">SharePoint</a>                       |
| 38. <a href="#">iManage</a>                                     | 52. <a href="#">SIMS-AVA</a>                         |
| 39. <a href="#">IS Network (ISN)</a>                            | 53. <a href="#">Sitecore</a>                         |
| 40. <a href="#">JAMS</a> >> <a href="#">GoAnywhere</a>          | 54. <a href="#">The Link (FirstUp)</a>               |
| 41. <a href="#">Legal Tracker</a>                               | 55. <a href="#">Westlaw Edge</a>                     |
| 42. <a href="#">LoadRunner</a>                                  |  |
| 43. <a href="#">Lotus Notes</a> >> <a href="#">Info Archive</a> |  |
| 44. <a href="#">P6 for IT</a>                                   |  |

## BUNDLE 4: Cybersecurity Systems



56. [Armortext](#)
57. [Bitsight](#)
58. [Burp Suite](#)
59. [Carbon Black](#)
60. [Cyber GRX](#)
61. [DigitCert](#)
62. [Dome9](#)
63. [FireEye Helix](#)
64. [Fortress](#)
65. [Knowbe4](#)
66. [Managed Security Services Provider \(Mandiant\)](#)
67. [Neustar UltraDNS/Ultra DDOS](#) (now [Vercara](#))
68. [Skyhigh](#)
69. [Symantec Endpoint Protection \(SEP\)](#)
70. [Venafi](#)
71. [Veracode](#)