

CONSIDERATION OF CANCELLATION OF MAY 29, 2024 REQUEST FOR PROPOSALS AND AUTHORIZATION TO NEGOTIATE EXTENSION OF CURRENT OPERATIONS SERVICES AGREEMENT

WHEREAS, on May 29, 2024, the Long Island Power Authority (“LIPA”) issued a Request for Proposals (“May 29, 2024 RFP”) seeking qualified bidders to provide operations services commencing in January 2026 for a ten-year period under a new Operations Services Agreement (“new OSA”); and

WHEREAS, a selection committee of LIPA staff (the “RFP selection committee”) was designated by LIPA staff to evaluate proposals submitted in response to the May 29, 2024 RFP; and

WHEREAS, the May 29, 2024 RFP expressly reserves LIPA’s right to withdraw the RFP, reject any or all proposals submitted, negotiate with any or all firms, or cancel the RFP in whole or in part without awarding any contracts pursuant to its solicitation; and

WHEREAS, the first phase of the RFP process was completed on July 15, 2024, which required all respondents to submit proposals, including documents relating to conflicts of interest, financial condition and references; and

WHEREAS, the second phase of the RFP process was completed on September 27, 2024, which required all respondents to submit additional documents relating to their proposals, including a technical proposal, a cost proposal and desired exceptions to LIPA-proposed contracts; and

WHEREAS, the RFP selection committee reviewed the technical aspects of the respondents’ proposals and then selected two finalists, Quanta Services, Inc. (“Quanta”) and PSEG Long Island LLC (“PSEG”); and

WHEREAS, on December 31, 2024, the RFP selection committee sent proposed drafts of LIPA contracts, including the new OSA, to the two finalists; and

WHEREAS, the RFP selection committee engaged in extensive negotiations with the two finalists in the first quarter of 2025 and directed the two finalists to submit their best and final offers on or before March 12, 2025; and

WHEREAS, on March 26, 2025, April 7, 2025 and April 28, 2025, the Board of Trustees (“Board”) met in executive session to review, discuss, and request additional information regarding the proposals of the two finalists; and

WHEREAS, at the Board meeting on April 30, 2025, the RFP selection committee delivered its formal recommendation to the Board, which included a memorandum, a proposed resolution and a verbal presentation, in support of the proposal by Quanta to provide the required services under the new OSA; and

WHEREAS, as part of the recommendation, the RFP selection committee found that PSEG did not satisfy certain minimum requirements of the May 29, 2024 RFP; and

WHEREAS, at the Board meeting on April 30, 2025, after the delivery of the RFP selection committee's formal recommendation, the Board exercised its authority to reject the recommendation by a vote of 6-1 with two members abstaining; and

WHEREAS, after the April 30, 2025 Board meeting where the Board considered the RFP selection committee's recommendation of Quanta's proposal, the Board learned for the first time that a member of the RFP selection committee owned a significant quantity of shares in Quanta from at least the beginning of the RFP process until approximately mid-December 2024; and

WHEREAS, the Board has a responsibility to maintain the highest level of public trust in LIPA's governance and conduct, to prevent any action or circumstances that may result in an actual conflict or create the appearance of a conflict of interest or any other impropriety, and to uphold LIPA's Code of Ethics and Conduct; and

WHEREAS, LIPA's current Operations Services Agreement with PSEG ("current OSA") expires on December 31, 2025, and provides that the parties may negotiate up to a five-year extension upon mutual agreement; and

WHEREAS, an extension of the current OSA will ensure continuity of services and operational stability for LIPA customers until a new RFP process and award is completed.

NOW, THEREFORE, BE IT RESOLVED, for the reasons set forth herein, the May 29, 2024 RFP is cancelled and no contract will be awarded pursuant to it; and be it further

RESOLVED, that a group to be determined by the Board shall be authorized to negotiate an extension of the current OSA; and be it further

RESOLVED, that a group to be determined by the Board shall be authorized to carry out all actions deemed necessary or convenient to implement this resolution.

Dated: May 22, 2025