



2025 Q1 Progress Report: PSEG Long Island Performance Metrics

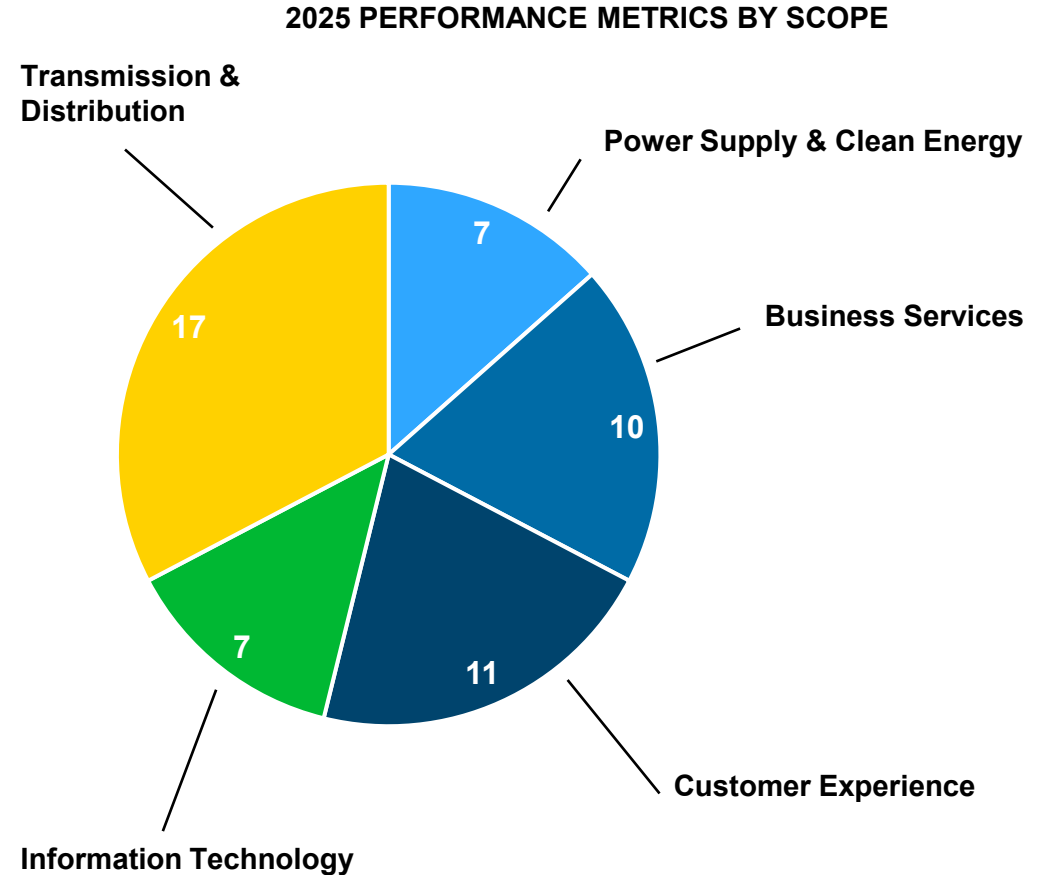
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May 22, 2025



PSEG Long Island 2025 Metrics

- For 2025, the Board approved 52 [PSEG Long Island Performance Metrics](#), distributed across all the management services provided by PSEG Long Island to LIPA and its customers.
- Metrics are designed to be reasonably achievable levels of performance that are objectively verifiable, with budgeted funds to achieve this performance.
- \$20 million of PSEG Long Island Variable Compensation* is at risk based on these performance standards



**2025 Variable Compensation including the Consumer Price Index is \$23,895,911.04*

Performance Metric Monitoring

Each metric is monitored by a LIPA team including an Executive Sponsor from LIPA's senior management, and a Project Manager/Subject Matter Expert (SME).

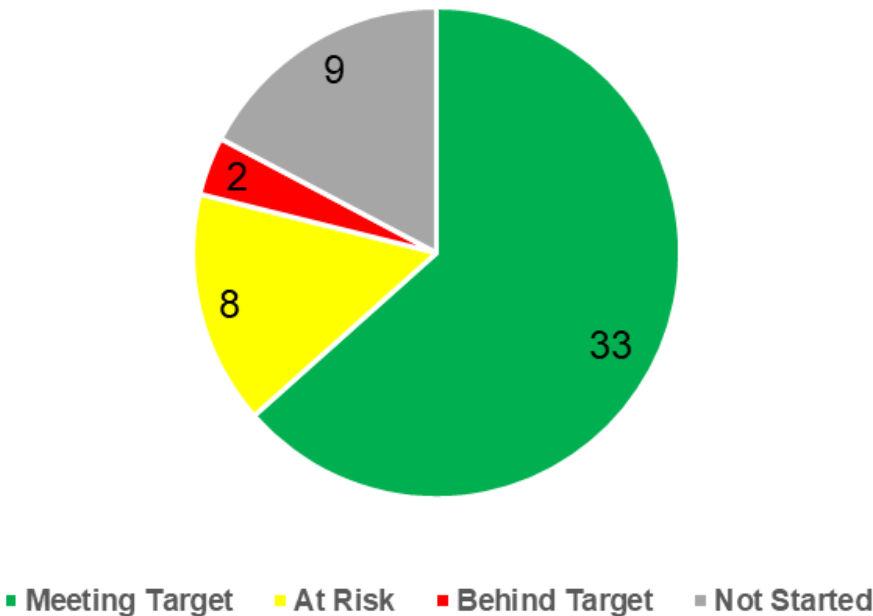
All metrics fall into one of two categories:

- **29 Quantitative Metrics** that specify **predefined numerical measurements** of performance.
- **23 Qualitative Metrics** that are **project-oriented initiatives** incorporating one or more required deliverables with defined target dates. This also includes Hybrid Metrics, which have both Qualitative and Quantitative deliverables.

Overall Performance Status

- Year to date, PSEG Long Island is **meeting approximately 64% of Performance Metrics, while 15% are at risk, 4% are behind the target, and 17% have yet to start.**
- These results reflect the year's first quarter, and results and current projections are expected to change throughout the year.
- LIPA, PSEG Long Island, and DPS work collaboratively to ensure that metrics are actively evaluated and customer value is obtained through each.

2025 Performance Metrics Status Summary



**Meeting Target = YTD Actual is 5% over or under YTD Target; At Risk = YTD Actual is 5%-15% below YTD Target; Behind Target = YTD Actual is >15% below YTD Target; Not Started = initiative has not started during reporting period.*



Key Performance by Corporate Objective

20 key performance metrics have been selected to highlight those most critical for operations and customer service. These metrics directly support LIPA's vision and purpose.

Reliability/Safety

Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating
T&D-07	System Average Interruption Duration Index (SAIDI)	Quantitative	15.7	56.5	At Risk
T&D-08	System Average Interruption Frequency Index (SAIFI)	Quantitative	0.19	0.68	At Risk
T&D-09	Momentary Average Interruption Frequency Index (MAIFI)	Quantitative	0.23	1.53	Meeting Target
T&D-10	Reduce Sustained Multiple Customer Outages (S-MCOs)	Quantitative	75%	100%	At Risk
T&D-12	Reduce Momentary Multiple Customer Outages (M-MCOs)	Quantitative	49,944	54,000	Meeting Target
T&D-13	Serious Injury Incident Rate (SIIR)	Quantitative	0	0	Meeting Target
T&D-24	Improve Reliability Through Vegetation Management Work Plan – Distribution Vegetation Programs	Hybrid	100%	100%	Meeting Target
T&D-50	Storm Outage Response Performance	Hybrid	NA	100%	Not Started

Key Performance by Corporate Objective

Customer Experience

Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating
CS-02	J.D. Power Customer Satisfaction Survey (Residential)	Quantitative	3rd Quartile/12th Place	1st Quartile	Behind Target
CS-11	Contact Center Service Level with Live Agent Calls	Quantitative	69.1%	77%	Behind Target
CS-13	First Call Resolution	Quantitative	80.9%	81%	Meeting Target
CS-31	Call Average Handle Time (AHT)	Quantitative	NA	433	Not Started

Clean Energy

Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating
PS&CE-05	Beneficial Electrification – Building Electrification	Quantitative	833	5,330	At Risk
PS&CE-06	Electric Vehicle (EV) Make-Ready	Quantitative	66.7%	100%	At Risk
PS&CE-13	Heat Pump Strategy to Address Barriers to Customer Adoption	Hybrid	25%	100%	Meeting Target
PS&CE-14	Transportation Electrification Strategic Initiatives	Qualitative	16%	100%	Meeting Target

Key Performance by Corporate Objective

Affordability

Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating
PS&CE-08	Transition to New "Standard" Time of Day Residential Rates on an Opt-Out Basis	Qualitative	22.2%	100%	Meeting Target
PS&CE-17	Disadvantaged Communities (DACs) – Spend %	Quantitative	46.3%	35%	Meeting Target
CS-17	Low to Moderate Income (LMI) Program Participation	Quantitative	40,558	50,000	Meeting Target

Information Technology

Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating
IT-07	System Separation	Qualitative	25%	100%	Meeting Target

Questions?

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First Quarter Report on 2025 PSEG Long Island Performance Metrics



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EXECUTIVE SUMMARY

The LIPA Board of Trustees provides strategic direction to LIPA's Executive Management through Governance Policies. The Board's policies define LIPA's purpose and vision and set expectations for the strategic outcomes that management will deliver. LIPA's 5-Year Roadmaps then establish a set of multi-year projects to deliver specified business objectives that fulfill the Board's Policies. Roadmaps for Customer Experience, Transmission and Distribution, Information Technology, Performance Management, and Finance have been reviewed and approved by the Board, and those for Business Services, Power Supply, and Clean Energy are under development.

The Board's strategic policy objectives and long-range plans are translated annually into PSEG Long Island Performance Metrics.

The PSEG Long Island Performance Metrics ensure that PSEG Long Island's compensation is tied to delivering meaningful results for LIPA's electric customers. These performance standards advance the Board's strategic direction, as outlined in LIPA's [5-Year Strategic Roadmap](#); and target levels of service the Board has established in [Board Policy](#) or address identified gaps between those levels of service and the current level of service. LIPA oversees PSEG Long Island's progress toward achievement of the fifty-two (52) [2025 Performance Metrics](#) on an ongoing basis. **This report is the year-to-date report on 2025 performance metrics. It summarizes the status of the metrics from January 1, 2025, through March 31, 2025.**

2025 PERFORMANCE METRICS

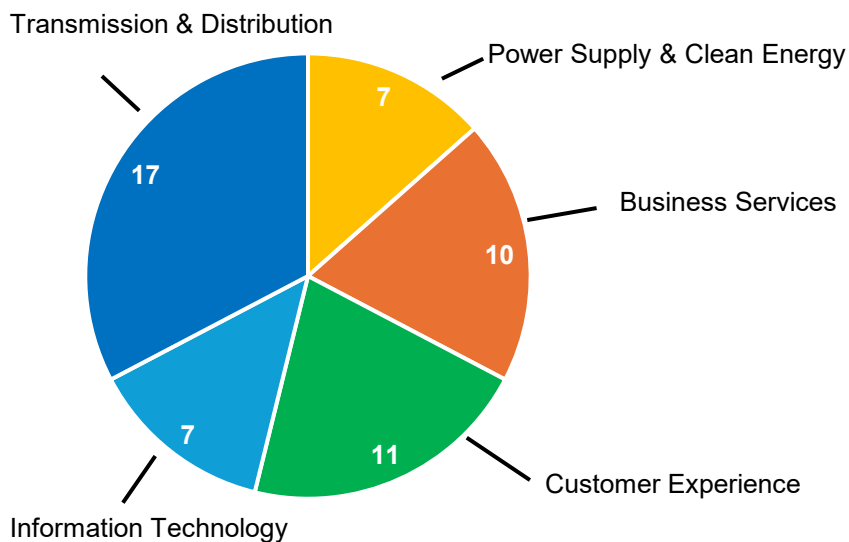
The Second Amended and Restated Operations Services Agreement (OSA) between LIPA and PSEG Long Island includes \$20 million of Variable Compensation at risk based on performance standards. The amount of Variable Compensation including the Consumer Price Index for 2025 is \$23,895,911.04. In 2022, the performance standards were negotiated between LIPA and PSEG Long Island as part of the reformed OSA. Starting in 2023, the performance standards are set by LIPA, with an independent recommendation to the LIPA Board of Trustees (Board) by the Department of Public Service (DPS), the staff arm of the State's Public Service Commission.

Metrics are designed to be achievable, objectively verifiable performance levels. The Board budgets the funds to achieve this performance, tying realistic plans and budgets to measurable yearly outcomes. **These performance standards ensure that PSEG Long Island's compensation is tied to delivering meaningful results for LIPA's customers.**

PSEG Long Island will submit to LIPA its evaluation of its performance on each metric within 90 days of the close of the contract year. Under the LIPA Reform Act, LIPA is responsible for the metric validation of PSEG Long Island's performance, and then providing its evaluation to DPS, who independently reviews LIPA's evaluation before LIPA pays any Variable Compensation. PSEG Long Island can utilize dispute resolution procedures when setting performance metrics and budgets at the beginning of each year and in the final dispensation of whether a metric was achieved.

The fifty-two (52) performance standards that constitute the [2025 Performance Metrics](#) are distributed across all the management services provided to LIPA and its customers. They include numerous improvements to customer service, reliability, resiliency, information technology, clean energy, and other customer improvements distributed across five scopes. The details of the metrics are available on the [LIPA Website](#).

FIGURE 1: 2025 PERFORMANCE METRICS DISTRIBUTION BY SCOPE



PERFORMANCE METRIC REVIEW PROCESS

All metrics fall into one of two categories – Qualitative or Quantitative:

- The 23 **Qualitative Metrics** are project-oriented initiatives incorporating one or more required deliverables with defined target dates. This also includes Hybrid Metrics, which have both Qualitative and Quantitative deliverables.
- The 29 **Quantitative Metrics** specify predefined numerical measurements of performance.

LIPA staff continuously monitors PSEG Long Island's progress on the metrics throughout the year. LIPA has assigned a Project Manager (PM) and/or Subject Matter Experts (SME) to lead the oversight process for each metric and other appropriate SMEs to assist with the validation activities. In addition, an Executive Sponsor (ES) from LIPA's senior management oversees the work of the metric validation team.

Qualitative Metrics are monitored and tracked via a process overseen and supported by the LIPA Performance Management team.

The Performance Management team has developed an automated tracking system to manage the hundreds of deliverables required by the metrics. PSEG Long Island staff uploads deliverables directly to the system, which initiates workflows for LIPA review. A LIPA PM and the appropriate SMEs review each deliverable. Each metric's status is reported to LIPA senior management continuously on an ongoing basis through a dashboard. The performance management system provides transparency and traceability, with time-stamped deliverables, activity history and comments, and real-time LIPA, PSEG Long Island, and DPS access.

Deliverables for Qualitative Metrics go through the following main stages of review:

- **PSEG Long Island Submission:** To meet the metric standards, PSEG Long Island must submit the required deliverables to the tracking system by the target due date, per all requirements specified in the metric. LIPA allows PSEG Long Island to submit an Exception Request to any deliverable. LIPA reviews all Exception Requests and grants them if deemed reasonable, justified, and in the best interests of achieving the metric objective.
- **LIPA Review:** LIPA reviews all submitted deliverables for compliance with metric standards and requirements. Since metrics aim to improve performance, LIPA will return unsatisfactory deliverables to PSEG Long Island for revision and resubmission if deemed necessary to achieve the metric objective.

Deliverables can have the following statuses:

- Review in Progress
- Approved
- Rejected
- Exception Requested
- Overdue

LIPA principally tracks **Quantitative Metrics** using scorecards submitted monthly by PSEG Long Island. LIPA conducts Scorecard Review Meetings at a scope or lower level with PSEG Long Island staff and DPS. PSEG Long Island also provides underlying data files for each Quantitative Metric, which LIPA staff reviews and validates.

The assigned PM and SMEs review Quantitative Metrics via a metric validation process for year-to-date (YTD) performance versus target, trending, and outlook for year-end performance. Further, LIPA monitors compliance with metric standards, requirements, calculations, and agreed-upon exceptions.

LIPA's metric validation process leads to the rendering of one of the following statuses for Quantitative Metrics:

- **Meeting Target (YTD)** – the metric is performing in line with YTD performance expectations
- **At Risk (YTD)** - the actual performance may be 5%-15% below the YTD target but LIPA believes that PSEG Long Island has the potential to meet the YE target through initiatives and future scheduled work
- **Behind Target (YTD)** - the YTD actual is >15% below YTD target and LIPA is not sure that PSEG Long Island can make the YE goal

Additionally, the OSA also contains certain Gating and Default Metrics, which are minimum performance levels related to reliability, customer service, cybersecurity, budgets, and emergency preparation and response that, if not met, can significantly reduce the available pool of compensation, or permit LIPA to terminate the contract.

PERFORMANCE METRIC EXCEPTIONS

PSEG Long Island may request an exception to metric deliverable requirements; LIPA can provide consideration where requests are adequately justified. To date, PSEG Long Island has asked for eighteen (18) Exceptions. LIPA has approved seventeen (17) of the requested Exceptions, and one (1) is still being reviewed. To the extent an Exception has been granted, performance is reported relative to the agreed-upon standards of the Performance Metric as modified by the Exception.

Exception Requests seek extensions to due dates and changes to project scopes, requirements, or methodology. For example, LIPA regularly provides PSEG Long Island with opportunities for corrective actions and resubmission of a deliverable, which may result in Exceptions when that resubmission occurs after a due date. PSEG Long Island has also sought extensions to due dates, citing delays due to external dependencies, among other reasons.

Exception Requests may also seek an exemption or waiver of a deliverable, making it no longer required. This can occur, for instance, when an extension to a project start is approved, rendering periodic status reporting before the new start date unnecessary.

Exception Requests have also sought more fundamental changes to scope, requirements, or methodology. These changes are typically the result of further analysis or discovery as an initiative commences.

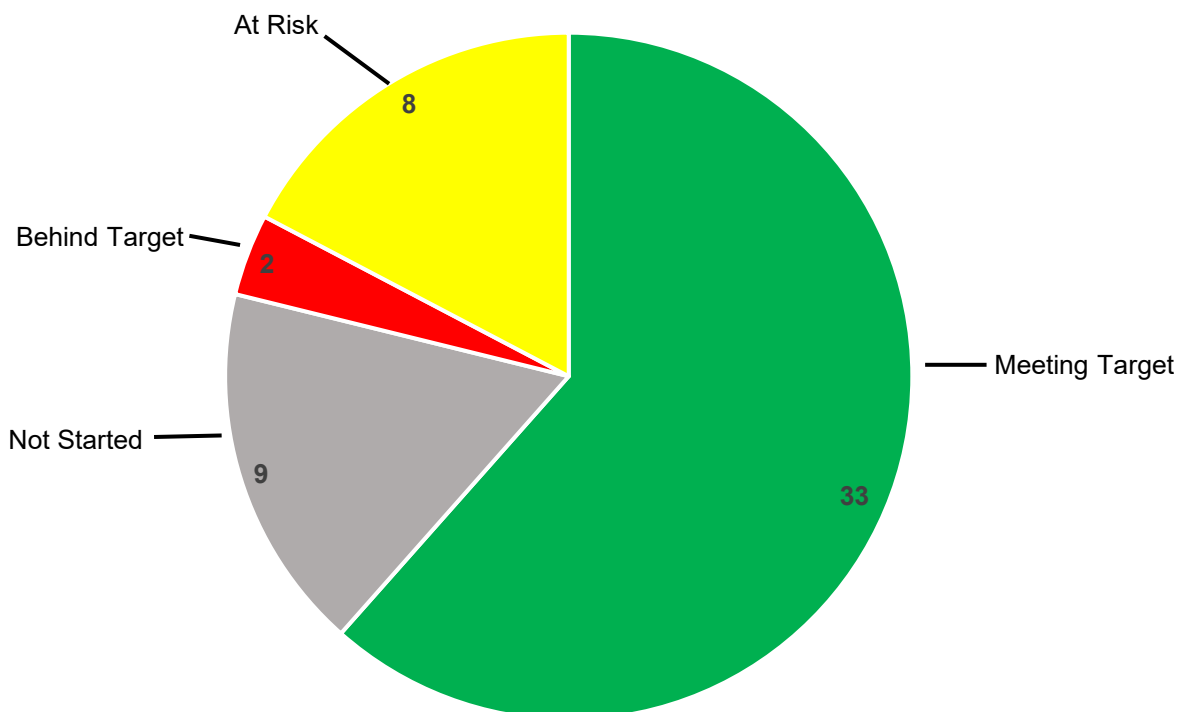
LIPA reviews all Exception Requests and grants them if deemed reasonable, justified, or in the best interests of achieving the metric objective. LIPA's primary goal is to utilize metrics to drive customer benefit and value throughout the year.

OVERALL PERFORMANCE STATUS

The overall status of all fifty-two (52) Performance Metrics as of March 31, 2025, is summarized in Figure 2. Year to date, PSEG Long Island is meeting approximately 64% of Performance Metrics, while 15% are at risk, 4% are behind the target, and 17% have yet to start. It is important to note that these results reflect the year's first quarter, and results and current projections could change. LIPA, PSEG Long Island, and DPS are working collaboratively to ensure that metrics are actively evaluated, and customer value is obtained through each. There are four (4) performance statuses which are used in this report and described below:

- **Meeting Target (YTD)** - the metric is performing in line or within 5% of YTD performance expectations
- **At Risk (YTD)** - the actual performance may be 5%-15% below the YTD target but LIPA believes that PSEG Long Island has the potential to meet the YE target through initiatives and future scheduled work
- **Behind Target (YTD)** - the YTD Actual is >15% below YTD Target and LIPA is not sure that PSEG Long Island can make the YE goal
- **Not Started** – initiative has not started, and no deliverables were due within this reporting period

FIGURE 2: 2025 PERFORMANCE METRICS STATUS SUMMARY



KEY METRIC PERFORMANCE BY CORPORATE OBJECTIVE

For 2025, LIPA and PSEG Long Island have agreed to fifty-two (52) metrics across five scope areas critical to utility performance. Of the fifty-two (52), twenty (20) key performance metrics have been selected to highlight those most critical for operations and customer service. These metrics directly support the Board's policies and define LIPA's purpose and vision and set expectations for the strategic outcomes that management will deliver in the areas of reliability, customer experience, clean energy, affordability, information technology, and fiscal sustainability. Appendix A summarizes the high-level YTD status of all fifty-two (52) Performance Metrics.

Reliability/Safety

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	15.7	56.5	At Risk

SAIDI is a standard utility reliability metric that measures the average sustained outage of five minutes or more in duration for each customer served. The SAIDI metric is featured prominently in the LIPA Board of Trustees' Transmission & Distribution Operations Policy and in the 2nd Amended & Restated Operations Services Agreement (OSA) as a gating metric. For this and other reliability metrics, the objective is to reach or maintain top decile performance as measured against industry peers, and the respective metric targets have been set accordingly. This metric provides a clear and quantifiable measure of reliability, which is directly tied to customer experience and can help inform decisions around investments in the grid. The March year to date SAIDI was higher (unfavorable) than the 2025 year to date target due to:

- The East End outage, precipitated by a motor vehicle accident on February 20, 2025, is the primary cause of the negative variance
- Equipment failures (primary wire down, primary line tap broken, etc.)
- Intentional
- Accident (motor vehicle accidents, animal contacts, etc.)

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	0.19	0.68	At Risk

SAIFI is a standard utility metric that measures the average number of sustained interruptions of five minutes or more for each customer served. This metric provides a clear and quantifiable measure of reliability, which is directly tied to customer experience and can help inform decisions around investments in the grid. PSEG Long Island is at risk of meeting this target through the end of the first quarter. The East End outage on February 20, 2025, is the primary cause of the negative variance, along with the four (4) storm events that occurred in the first quarter. PSEG Long Island will continue their Power On, Tree Trim and Circuit Improvement programs.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	0.23	1.53	Meeting Target

MAIFI is another standard utility metric measuring the average number of momentary interruptions (defined as less than five minutes) for each customer served. This metric provides a clear and quantifiable measure of reliability, which is directly tied to customer experience and can help inform decisions around investments in the grid. PSEG Long Island is progressing well with this metric. Their year-to-date MAIFI in 2025 is better than the same time period in 2024. PSEG Long Island will continue its MAIFI program which focuses on improving fuse coordination along with their Power On, Tree Trim, Circuit Improvement, and other initiatives to maintain and decrease the MAIFI level.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	75%	100%	At Risk

S-MCOs measure sustained outages of five minutes or more in duration over a 12-month rolling basis. These outages are likely to cause inconvenience and disruption to customers. At the end of the first quarter PSEG Long Island was meeting three (3) of the four (4) target levels. As of March 31, 2025, 4,900 customers experienced six (6) or more outages which is greater than the target of 2,275. PSEG Long Island met the targets for eight (8) or more outages, ten (10) or more, and twelve (12) or more outages in a rolling twelve (12) month period. Along with PSEG Long Island's other reliability-related programs, there is a specific MCO program that addresses local areas of deficient performance with a focus on customers experiencing the greatest number of sustained and momentary outages in the past twelve (12) months.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	49,944	54,000	Meeting Target

M-MCOs are another reliability metric used to monitor the frequency of power interruptions of less than five minutes in duration ("momentary outages") over a rolling 12-month basis. This metric provides insight into the frequency of brief interruptions that can disrupt sensitive electronic equipment and customer activities. Approximately 4.32% of all customers served have experienced six or more momentary outages during the previous twelve (12) months, which is a decrease of almost 5% from the year-end 2024 M-MCO of 52,461. In conjunction with other reliability initiatives listed previously, PSEG Long Island also conducts a specific Multiple Customer Outage (MCO) program that addresses local areas of poor performance, both overhead and underground to manage this metric.

T&D-13: Serious Injury Incident Rate (SIIR)

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	0	0	Meeting Target

SIIR is a crucial safety metric component of the LIPA Board's Safety Policy. This metric is used by OSHA and peer utilities to measure the frequency of severe injuries incurred by the workforce. This rate is essential for assessing the overall safety environment within utility operations and for implementing measures to protect employees and contractors. Year-to-date there have been no reported incidents. PSEG Long Island has implemented corrective actions stemming from lessons learned in 2024. Piloting Trigger Training is designed to aid employees in identifying when they are in a state of uncertainty, and it's time to stop and seek assistance. Training employees on high energy controls and advanced root cause analysis and reviewing the

PSEG Long Island Arc Flash Procedure and 2024 Arc Flash Analysis to ensure proper work methods and PPE, are in place to protect employees.

T&D-24: Improve Reliability Through Vegetation Management Work Plan – Distribution Vegetation Programs

Metric Type	YTD Actual	YE Target	YTD Rating
Hybrid	100%	100%	Meeting Target

The Distribution Vegetation Programs include Cycle Trim, Trim-to-Sky, and Hazard Tree Removal. The Vegetation Work Plan for Cycle Trim and Trim-to-Sky will identify the minimum of one quarter of the overhead distribution system which equals approximately 2,200 miles. The Vegetation Work Plan for Hazard Tree should identify at least 14,000 hazard trees and limbs to be removed. This work must be completed and actual spending within +5% of the Board-approved program level targets. PSEG Long Island is on target to complete the planned units for cycle trim, trim-to-sky and hazard tree removal; however, they are at 108% of budget but are working with their contractors to decrease costs.

T&D-50: Storm Outage Response Performance

Metric Type	YTD Actual	YE Target	YTD Rating
Hybrid	NA	100%	Not Started

This metric measures and improves outage management and response effectiveness during storms with customer outages lasting twenty-four to forty-eight hours. There have been no qualifying incidents in the first quarter of 2025.

Customer Experience

CS-02: J.D. Power Customer Satisfaction Survey (Residential)

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	3 rd Quartile/12 th Place	1 st Quartile	Behind Target

The J.D. Power Customer Satisfaction Survey enables LIPA to verify that our service provider, PSEG Long Island, meets our customers' needs and aligns with a key Board Policy. In the first quarter of 2025, JD Power made an adjustment to the overall structure of the survey by introducing a new set of core questions, rating scale, and weighting factors for the eight (8) new dimensions. PSEG Long Island places in the third quartile and is ranked 12th of 18 utilities in the East Large region as of March 31, 2025. Through the end of February, the "Our Island" campaign has exceeded 25M impressions and the Energy Efficiency campaign exceeded 11M impressions across paid media channels.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	69.1%	77.0%	Behind Target

This metric measures customer service representatives' response to customer calls to increase customer satisfaction and promote efficient staffing. At the end of March, the year-to-date service level was 69.1%. Service levels for the month of March were 79%, which was an improvement from February's service level of 61%. The improvement is driven by an increase in agent head count and a reduction in call average handle

time. On average, eleven (11) billing agents continue to assist the call center on Mondays to address increased call volume on that day

CS-13: First Call Resolution

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	80.9%	81%	Meeting Target

This metric measures call center proficiency in satisfactorily resolving customer issues and questions at the time of the initial call. At the end of the first quarter the First Call Resolution (FCR) was 80.9%. PSEG Long Island will continue to monitor FCR to ensure decreased Average Handle Time doesn't negatively impact the performance. The QA team will continue monitoring FCR during the audit process and providing feedback to agents where needed, and the supervisors will coach and develop agents monthly as needed.

CS-31: Call Average Handle Time (AHT)

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	NA	433	Not Started

The PSEG Long Island Call Center is a key customer interface where performance excellence is expected. In 2025 the metric was updated and the Average Handle Time results for January 1 to June 30, 2025, will be excluded to allow for additional training of the agents with higher AHT. Average Handle Time for the month of March was 448 seconds, which shows positive improvement. PSEG Long Island has communicated the goal of 433 to all agents, and supervisors are focusing on coaching agents individually with higher AHT and conducting monthly reviews with those agents. The PSEG Long Island QA team provides feedback and process improvements based on monthly findings.

Clean Energy

PS&CE-05: Beneficial Electrification

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	833	5,330	At Risk

PSEG Long Island must 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 two million home clean energy goals for the whole home electrification and home electrification ready target. Beneficial Electrification for LIPA primarily focuses on electrifying home heating via converting fossil fuel-fired equipment to electric heat pumps. New York State's long-term goal to decarbonize the economy is unachievable without widespread heat pump adoption. During the first quarter, 833 Heat Pumps were installed, which is 16% of the year-end goal. PSEG Long Island will promote beneficial electrification through their incentive programs for both single-family and multifamily housing units. They have also committed rebates for eighteen (18) multifamily sites which estimate 1,700 heat pump dwellings. All sites are expected to close before August. PSEG Long Island will continue outreach and marketing to the existing multifamily building market.

PS&CE-06: Electric Vehicle (EV) Make-Ready

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	66.7%	100%	At Risk

PSEG Long Island must achieve EV Make-Ready Targets, including any LIPA and DPS recommended changes to the targets below:

- a. Plugs Energized: Level 2: 621
- b. Plugs Energized: DCFC: 82
- c. Fleet Make Ready Enrollment Target: 15

As of March 31, 2025, PSEG Long Island has energized 178 Level 2 plugs, 8 DCFC plugs and zero (0) Fleet Make Ready enrolled. PSEG Long Island is collaborating with Major Account Consultants to speak with managed customers, such as school districts, to increase participation in the Fleet Make Ready program. They are also attending events to promote the program and developing one-pagers to give to customers. These efforts have already increased the number of school districts currently applying to the program. Program improvements are also being planned for the DCFC Plugs program making it easier for customers to install DC Fast Chargers and hopefully increasing enrollment.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Qualitative	25%	100%	Meeting Target

This metric seeks to implement programmatic changes to address barriers to customer heat pump adoption as part of the multi-year heat pump strategy. As discussed in PS&CE-05 above, New York State's decarbonization goals involve widespread penetration of heat pumps. In general, residential customers can save money and achieve investment paybacks quickly by converting to a heat pump system. This metric seeks to build upon our success so far and lay the groundwork for accelerated adoption over the coming decade. PSEG Long Island has developed their 2025 Heat Pump Marketing plan which includes additional promotion of the Home Comfort Program which increases customer awareness, education and demand for heat pumps, and targeting multifamily buildings especially four to ten unit buildings. The Home Comfort team also engaged with fifteen (15) plumbers and boiler installers during the first quarter. A contractor round table was held on January 30, 2025. Effective January 1, 2025, incentives for integrated controls were removed from the Home Comfort program to focus on Whole House Heat Pump upgrades and eliminating fossil fuel back-up systems.

PS&CE-14: Transportation Electrification Strategic Initiatives

Metric Type	YTD Actual	YE Target	YTD Rating
Qualitative	16%	100%	Meeting Target

This metric seeks to implement programmatic changes to address barriers to customer transportation electrification as part of the multi-year strategy. PSEG Long Island has submitted the monthly KPI reports which report on the status of applications and the progress of initiatives to increase engagement in the Commercial Managed Charging Pilot.

Affordability

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	22.2%	100%	Meeting Target

The new standard Time of Day (TOD) Rate initiative is a crucial LIPA Board priority, whose success is critically important for the Grid of the Future. The target of this metric is for the successful migration of Time-of-Day Migration Groups 2-10, by achieving all five of the following tasks:

1. Issuance of 90-day, 60-day, and 30-day pre-migration customer communications for eligible accounts
2. 99% rate conversion of eligible accounts on the assigned month and cycle date
3. Issuance of first bill post-migration within 5 days of the next billing cycle
4. 99% issuance of post-conversion customer welcome package within 30 days of conversion
5. 99% issuance of accurate bill protection credit to eligible account following the one-year anniversary, unenrollment or move out

Group 2 and 3 have been migrated in the first quarter. PSEG Long Island is actively monitoring performance of all customer communications, rate conversions, first bill issuances, and bill protection issuances to ensure a positive customer experience with the new rate.

PS&CE-17: Disadvantaged Communities (DACs) – Spend %

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	46.3%	35%	Meeting Target

PSEG Long Island is to achieve the statewide goal of ensuring that at least 35% of the rebate, incentive and direct services (REAP) spending benefits customers who meet the criteria of being designated communities (DACs) as set forth in NYS Climate Act for the following programs:

- Energy Efficiency and Beneficial Electrification Programs, including Home Comfort
- Electric Vehicle Charging (public, fleet, and home charging)

As of March 2025, most programs are performing at or above monthly targets, allowing DAC spend to track above the YE target of 35%. The only exception is the Multifamily program which is currently underperforming. PSEG Long Island is enhancing their outreach and marketing to increase Multifamily activity.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	40,558	50,000	Meeting Target

This metric seeks to encourage PSEG Long Island to increase customer enrollment in Low to Moderate-income programs. Affordability for customers is a LIPA Board priority, and ensuring awareness of these programs is critical. The target for this metric is 50,000 LMI program enrollees in conjunction with the automated file matching process with NYS OTDA, Nassau County Dept. of Social Services, NYC HRA or 40,000 LMI program enrollees in any month without the completion of the automated matching process. PSEG Long Island has met the target without the completion of the automated matching process; however, limited progress has been made with obtaining a vendor agreement with one of the three agencies to move forward with automation or file matching which will be imperative for the future.

Information Technology

IT-07: System Separation

Metric Type	YTD Actual	YE Target	YTD Rating
Qualitative	25%	100%	Meeting Target

System Segregation was a core reform negotiated as part of the 2022 2nd Amended & Restated Operations Services Agreement (OSA), and progress has been tracked in performance metrics since that time. This metric ensures that LIPA has stand-alone systems from PSEG Corporate. PSEG Long Island has submitted monthly updates and Bundle 1 Go-Live will be completed in April. Bundle 2, 3 and 4 are on track to Go-Live by December 31, 2025.

APPENDIX A:

The table below summarizes the status of all 52 Performance Metrics as of March 31, 2025. Additional details, including specific deliverables for each metric, can be found in the approved [2025 Performance Metric Report](#).

TRANSMISSION & DISTRIBUTION						
Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating	Comments
T&D-01	Asset Management Program Implementation - Asset Inventory	Hybrid	20%	100%	Meeting Target	The objective of this metric was 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). The metric target for 2025 is to complete 100% of field verifications and uploads into EGIS with at least 98% accuracy. As of March 31, 2025, PSEG Long Island has field verified approximately 70% of all poles and 44% of that data has been uploaded into EGIS. An additional contractor was hired to supplement the field work.
T&D-06	Primary Transmission Control Center (PTCC) Replacement	Qualitative	14%	100%	Meeting Target	PSEG Long Island has completed the Video Wall Display in the current Primary Transmission Control Center and is on track with all its 2025 deliverables, with construction expected to commence by the end of 2025.
T&D-07	System Average Interruption Duration Index (SAIDI)	Quantitative	15.7	56.5	At Risk	SAIDI is a standard utility reliability metric that measures the average sustained outage of five minutes or more in duration for each customer served. The SAIDI metric is featured prominently in the LIPA Board of Trustees' Transmission & Distribution Operations Policy and the 2 nd Amended & Restated Operations Services Agreement (OSA) as a gating metric. For this and other reliability metrics, the objective is to reach or maintain top decile performance as measured against industry peers, and the respective metric targets have been set accordingly. This metric provides a clear and quantifiable measure of reliability, which is directly tied to customer experience and can help inform decisions around investments in the grid. The March YTD SAIDI was higher (unfavorable) than the 2025 year to date target.
T&D-08	System Average Interruption Frequency Index (SAIFI)	Quantitative	0.19	0.68	At Risk	SAIFI is a standard utility metric that measures the average number of sustained interruptions of five minutes or more for each customer served. This metric provides a clear and quantifiable measure of reliability, which is directly tied to customer experience and can help inform decisions around investments in the grid. PSEG Long Island is at risk of meeting this target through the end of Q1. As with SAIDI, the East End outage, precipitated by a motor vehicle accident on February 20, 2025, is the primary cause of the negative variance, along with the four (4) storm events that occurred in the first quarter. PSEG Long Island will continue their Power On, Tree Trim and Circuit Improvement programs.
T&D-09	Momentary Average Interruption Frequency Index (MAIFI)	Quantitative	0.23	1.53	Meeting Target	MAIFI is another standard utility metric measuring the average number of momentary interruptions (defined as less than five minutes) for each customer served. This metric provides a clear and quantifiable measure of reliability, which is directly tied to customer experience and can help inform

						decisions around investments in the grid. PSEG Long Island is progressing well with this metric. Their YTD MAIFI in 2025 is better than the same time period in 2024.
T&D-10	Reduce Sustained Multiple Customer Outages (S-MCOs)	Quantitative	75%	100%	At Risk	S-MCOs measure sustained outages of five minutes or more in duration over a 12-month rolling basis. These outages are likely to cause inconvenience and disruption to customers. At the end of Q1 PSEG Long Island was meeting three (3) of the four (4) target levels. As of March 31, 2025, 4,900 customers experienced six (6) or more outages which is greater than the target of 2,275. PSEG Long Island met the targets for eight (8) or more, ten (10) or more and twelve (12) or more outages in a rolling twelve (12) month period.
T&D-12	Reduce Momentary Multiple Customer Outages (M-MCOs)	Quantitative	49,944	54,000	Meeting Target	M-MCOs are another reliability metric used to monitor the frequency of power interruptions of less than five minutes in duration ("momentary outages") over a rolling 12-month basis. Approximately 4.32% of all customers served have experienced six or more momentary outages during the previous twelve (12) months, which is a decrease of almost 5% from the year-end 2024 M-MCO of 52,461.
T&D-13	Serious Injury Incident Rate (SIIR)	Quantitative	0	0	Meeting Target	YTD there have been no reported incidents. PSEG Long Island has implemented corrective actions stemming from lessons learned in 2024. Piloting Trigger Training, high energy controls training, and reviewing the Arc Flash Procedure are being implemented in 2025.
T&D-18	Improve Reliability Through Work Management Enhancements - Workforce Management Plans	Hybrid	100%	100%	Meeting Target	PSEG Long Island is meeting the metric through March. They continue to manage projected year end completions versus the plan.
T&D-24	Improve Reliability Through Vegetation Management Work Plan - Cycle Trim & Trim-to-Sky	Hybrid	100%	100%	Meeting Target	PSEG Long Island is on target to reach the planned units for cycle trim, trim-to-sky and hazard tree removal; however, they are at 108% of budget but are working with their contractors to decrease costs.
T&D-36	Construction - Cost Estimating Accuracy	Quantitative	94.8%	90.0%	Meeting Target	As of March 31, 2025, the Greenlawn Substation Battery Addition project has been completed within 94.8% estimating accuracy. No other projects have been completed in Q1.
T&D-37	Improve Reliability Through Completion of Program Plan Units & Unit Cost	Quantitative	67%	100%	Meeting Target	PSEG Long Island is working to achieve all six (6) program targets and budget in 2025. Monthly discussions regarding progress are held with DPS, LIPA and PSEG Long Island.
T&D-40	Reduce Double Wood Poles	Quantitative	8,554	7,296	At Risk	Both the overall double wood pole count and the PSEG LI next-to-go count increased in the first quarter of 2025. PSEG Long Island will continue to have discussions with Verizon and Altice with the next meeting occurring in May.
T&D-41	Program Effectiveness - Vegetation Management	Quantitative	52.0%	40.0%	Meeting Target	PSEG Long Island is on track to meet this metric. The tree trim program has been expanded in accordance with ANSI A300 standards.
T&D-50	Storm Outage Response Performance	Hybrid	NA	100%	Not Started	There have been no qualifying events in the first quarter of 2025.
T&D-53	Capital Project Process Enhancements	Qualitative	25%	100%	Meeting Target	PSEG Long Island has submitted the first deliverable, a formalized procedure for approval of construction change orders and work directives. These improvements were developed in line with the NorthStar audit recommendation.

T&D-54	Storm Crewing Efficiency and Prudency	Hybrid	100%	100%	Meeting Target	PSEG Long Island has submitted all the required documentation for the four (4) storms that occurred in the first quarter and are meeting all the requirements of this metric.
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CUSTOMER SERVICES						
Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating	Comments
CS-02	J.D. Power Customer Satisfaction Survey (Residential)	Quantitative	3 rd Quartile/ 12 th Place	1 st Quartile	Behind Target	PSEG Long Island placed in the third quartile, ranking 12 th of 18 utilities in the East Large region.
CS-03	J.D. Power Customer Satisfaction Survey (Business)	Quantitative	NA	1 st Quartile	Not Started	Results for Wave 1 will be reported in July 2025.
CS-11	Contact Center Service Level with Live Agent Calls	Quantitative	69.1%	77%	Behind Target	The YTD Service Level is 69.1%. The service level in March was 79.0% compared to February which was 61%. The improvement is driven by an increase in agent head count and a reduction in call average handle time.
CS-13	First Call Resolution (FCR)	Quantitative	80.9%	81%	Meeting Target	As of March 31 st , the FCR was 80.9%. First Call Resolution residential and business increased slightly from February to March.
CS-14	Net Write-Off as a % of Revenue	Quantitative	0.43%	0.51%	Meeting Target	PSEG Long Island has continued stated initiatives and increased from quarterly to monthly meetings with third party collection agencies for increased collection effort of charged off debt. The collection team is meeting the target YTD.
CS-15	Arrears Aging Percent > 90 Days Past Due (Arrears %>90)	Quantitative	48.75%	51.91%	Meeting target	PSEG Long Island continues initiatives to maximize back office and field collection activities. A Commercial Account Management Team and the Difficult to Access process were launched January 2024 and continue into 2025. 90-day arrears are currently at pre-pandemic level.
CS-17	Low to Moderate Income (LMI) Program Participation	Quantitative	40,558	50,000	Meeting Target	The target for this metric is 50,000 LMI program enrollees in conjunction with the automated file matching process with NYS OTDA, Nassau County Dept. of Social Services, NYC HRA or 40,000 LMI program enrollees in any month without the completion of the automated matching process.
CS-19	DPS Customer Complaint Rate	Quantitative	1 st Rank	1 st Rank	Meeting Target	PSEG Long Island is meeting this target again YTD. Monthly reporting provided to each line of business to create awareness and insight into types of complaints will maintain their performance.
CS-25	Interactive Voice Response (IVR) Containment Rate	Quantitative	55.74%	58.43%	At Risk	IVR containment rate increased in March compared to February, however, it is not meeting the target. The IVR enhancements that the IT team deployed in November 2024 to improve containment are being reviewed to understand effectiveness. PSEG Long Island has additional IT enhancements planned for 2025.
CS-31	Call Average Handle Time (AHT)	Quantitative	NA	433	Not Started	The AHT results from January 1 to June 30, 2025, will be excluded to allow for additional training for the agents with higher AHT. PSEG Long Island QA team is providing feedback and process improvements based on monthly findings to help further reduce AHT.
CS-36	E-Bill Enrollment	Quantitative	48%	55%	At Risk	PSEG Long Island has implemented several promotional initiatives to increase enrollment in Paperless Billing, including: E-Newsletter, bill inserts, a Community Partnership Program event, and internal promotions. In addition, over 40k paper bill customers were enrolled in dual delivery starting in March for a 3-month trial of combined delivery to encourage conversion to paperless.

POWER SUPPLY & CLEAN ENERGY						
Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating	Comments
PS&CE-05	Beneficial Electrification – Building Electrification	Quantitative	833	5,330	At Risk	PSEG Long Island is lagging a little in the first quarter to reach their year-end target. PSEG Long Island will promote Beneficial Electrification through their incentive programs and has committed rebates for eighteen (18) multifamily sites which estimate 1,700 heat pump dwellings.
PS&CE-06	Electric Vehicle (EV) Make-Ready	Quantitative	66.7%	100%	At Risk	PSEG Long Island is meeting one (1) of the three (3) program targets. Zero (0) Fleet Make Ready have been enrolled and only 8 DCFC Ports were energized in the first quarter of the YE goal of 82.
PS&CE-08	Transition to New “Standard” Time of Day Residential Rates on an Opt-Out Basis	Quantitative	22.2%	100%	Meeting Target	Groups 2 and 3 were fully migrated to TOD during the first quarter. PSEG Long Island is actively monitoring the performance of customer communications, rate conversion, first bill issuance, and bill protection issuance to ensure a positive customer experience.
PS&CE-13	Heat Pump Strategy to Address Barriers to Customer Adoption	Qualitative	25%	100%	Meeting Target	PSEG Long Island has developed a 2025 Home Comfort Customer Outreach and Engagement Plan, conducted a contractor round table on January 30, 2025, engaged fifteen (15) plumbers and boiler installers and updated their incentive programs.
PS&CE-14	Transportation Electrification Strategic Initiatives	Qualitative	16%	100%	Meeting Target	PSEG Long Island has submitted the monthly KPI reports which report on the status of applications and the progress of initiatives to increase engagement in the Commercial Managed Charging Pilot.
PS&CE-16	Residential Time-of-Day Participation Rate	Quantitative	97%	85%	Meeting Target	As of the end of March 2025, the participation rate for Time-of-Day rates exceeds the target.
PS&CE-17	Disadvantaged Communities (DACs) – Spend %	Quantitative	46.3%	35%	Meeting Target	Most programs are performing at or above monthly targets, allowing DAC spend to track above the YE target of 35%. The only exception is the Multifamily program which is currently underperforming. PSEG Long Island is enhancing their outreach and marketing to increase Multifamily activity.

BUSINESS SERVICES						
Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating	Comments
BS-13	Information Request (IR) Responses	Quantitative	NA	94%	Meeting Target	PSEG Long Island has received 0 Information Requests (IRs) year to date.
BS-22	Timely, Accurate, and Supported Storm Event Invoicing	Hybrid	100%	100%	Meeting Target	LIPA has received all required monthly reports, including storms that took place in late 2024.
BS-42	Develop Annual Zero Based Budget (ZBB) for each “Affiliate Cost” category for LIPA’s review and approval	Qualitative	NA	100%	Not Started	This project has not started yet. The first deliverable, a scoping document detailing the structure of the required ZBB review is not due until 5/31/2025.
BS-43	Implement standards and methods to reduce project variances including risk and contingency management	Qualitative	NA	100%	Not Started	This project has not started yet. The first deliverable, an enhanced variance report to show Capital Project financial variances relative to scope and timeline is due 6/30/2025.
BS-44	Establish Annual Assessment Allocation Model for LIPA’s approval with quarterly selected work orders audits	Qualitative	NA	100%	Not Started	The project has not started yet. LIPA expects to receive a listing of all costing pools with assessment allocation models for each pool for the 2026 budget by 5/30/2025.

BS-45	Develop methods and standards for tracking productivity gains and sharing CapEx and OpEx savings	Qualitative	NA	100%	Not Started	Discussions between LIPA and PSEG Long Island have commenced regarding this pilot program but the first deliverable is not due until 5/30/2025.
BS-48	Strategic Supplier Master Services Agreements (MSAs)	Qualitative	30%	100%	Meeting Target	PSEG Long Island has submitted a Procurement Spend Analysis Report and a list of five (5) strategic spend categories where longer term MSAs would streamline the procurement process and/or allow the company to have more favorable commercial terms.
BS-50	Time to Start	Quantitative	93.9	97.5	Meeting Target	PSEG Long Island has been collaborating with HR and their talent acquisition consultant to focus on optimizing sourcing strategies, engaging candidates, and expediting offers to achieve the year-end target.
BS-51	HR Cost Efficiency Per Employee	Quantitative	-23%	-5%	Meeting Target	PSEG Long Island's year-end target is to decrease costs by 5% from the 2024 year-end cost. Their target is \$4,132 for YE 2025 and at the end of the first quarter their cost per employee was \$878 which is lower than their YTD HR Cost/Employee target.
BS-52	Unit Price Contract Reassessment	Qualitative	40%	100%	Meeting Target	PSEG Long Island has submitted the first two (2) deliverables in the first quarter. The first, a report identifying and detailing the top ten unit price contracts by spend. The other was a feasibility assessment document which summarized the viability of amending or rebidding the top ten unit price contracts.

INFORMATION TECHNOLOGY						
Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating	Comments
IT-03	System Resiliency - Business Continuity Plans and Functional Drills	Qualitative	NA	100%	Not Started	The list of projects that will be implemented in 2025 as a result of the assessment in 2024 will be finalized in the second quarter. PSEG Long Island has submitted their Project Implementation Plan for review and approval by LIPA.
IT-04	System and Software Lifecycle Management	Qualitative	43%	100%	Meeting Target	PSEG Long Island has submitted an updated 2025 IT and OT asset inventory and a 2-year Refresh Plan as required.
IT-05	Project Performance - In-flight Projects	Qualitative	30%	100%	Meeting Target	There are twelve (12) projects included in this metric in 2025. PSEG Long Island has started implementation of four (4) projects and eight (8) have not started yet.
IT-06	Project Performance – New 2025 Projects	Qualitative	25%	100%	Meeting Target	There are eight (8) projects included in this metric in 2025. PSEG Long Island has commenced implementation of two (2) of the projects. The other six (6) projects have not started yet.
IT-07	System Separation	Qualitative	25%	100%	Meeting Target	Monthly updates have been received and Bundle 1 Go-Live will be completed in April. Bundle 2, 3 and 4 are on track to Go-Live by 12/31/2025.
IT-09	IT Planning - Ransomware Readiness and Response	Qualitative	10%	100%	Meeting Target	The Project Implementation Plans have been approved, and PSEG Long Island has commenced implementation.
IT-10	System Resiliency - Disaster Recovery Plans and Testing	Qualitative	NA	100%	Not Started	The assessment was completed in 2024 and the Project Implementation Plan is due in April.