

FOR CONSIDERATION

September 25, 2025

TO: The Finance and Audit Committee

FROM: Carrie Meek Gallagher

SUBJECT: Consideration of Recommendation to Approve the Selection of a Firm to Provide Actuarial Services

Requested Action

The Finance and Audit Committee (the “Committee”) of the Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) is requested to approve a resolution, attached hereto as **Exhibit “A”**, recommending that the Board authorize the Chief Executive Officer, or her designee, to engage Cheiron, Inc. (“Cheiron”) to provide Actuarial Services to LIPA for a term not to exceed five (5) years.

Background

LIPA has an on-going need for actuarial services related to a variety of aspects of its business including calculations of ongoing pension and Other Post-Employment Benefits (“OPEB”) liabilities specific to LIPA employees and to advise LIPA management on matters relevant to the pension and OPEB costs that are flowed through to LIPA by PSEG Long Island, and by National Grid through the Power Supply Agreement.

Discussion

On May 15, 2025, LIPA issued a Request for Proposals (“RFP”) seeking qualified firms to provide actuarial services to LIPA. The RFP was distributed to 24 firms including MWBE firms, advertised in the NYS Contract Reporter, and posted on LIPA’s website.

On or before June 10, 2025, 2 firms responded to the RFP. LIPA staff formed a selection committee to review the responses. The selection committee performed a technical evaluation by scoring each proposal, while LIPA’s procurement staff evaluated cost and the Minority and Women Owned Business Enterprises and Service-Disabled Veteran-Owned Business criteria.

The proposals were evaluated by LIPA’s Controller, Senior Manager of Financial Reporting and Compliance, Accounts Payable Supervisor and Procurement according to the guidelines set forth in the RFP, which included assessments of the firms’ experience and qualifications, their hourly rates, proposed changes to LIPA’s standard consulting contract, and their proposals to comply with state requirements for participation by minority and women-owned business enterprises. No interviews were conducted.

Based upon the written submissions and an assessment of LIPA’s needs, Cheiron was judged to be best suited to provide LIPA actuarial services for the term of this engagement. Cheiron has extensive experience advising some of the largest public companies, including utilities, in the country, as well as multiemployer and corporate pension and OPEB plans. In addition, Cheiron’s proposal noted specific experience serving as an independent actuary while another actuary is conducting the day-to-day actuarial results which is an expertise LIPA needs to assist in evaluating

and overseeing the actuarial results presented by PSEG Long Island and National Grid's actuaries. Cheiron's costs were determined to be reasonable given the services to be provided.

Recommendation

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

Attachment

Exhibit "A" Resolution

Exhibit "A"

**RESOLUTION RECOMMENDING THE AUTHORIZING OF THE ENGAGEMENT OF
A FIRM TO PROVIDE ACTUARIAL SERVICES**

NOW, THEREFORE, BE IT RESOLVED, that consistent with the attached Memorandum, the Finance and Audit Committee hereby recommends that the Board authorize the Chief Executive Officer or her designee to engage Cheiron, Inc. to provide actuarial services to the Long Island Power Authority for a term not to exceed five (5) years

Dated: September 25, 2025