Customer Credit & Collections Review

Presented by: Carrie Meek Gallagher

Board of Trustees November 18, 2026



What the Board Directed

On May 20, 2026, the Board directed an independent review of PSEG Long Island's credit and collections practices.

Expand Internal Audit

Examine collections, communications, payment arrangements, terminations, training, controls and governance.

Review customer protections

Test HEFPA and tariff compliance, including safeguards for seniors, medically vulnerable, low- and moderate-income and other protected customers.

Engage the Community Advisory Board

Use listening sessions and a written survey to review hardship assistance, notices, payment options, escalation and access.

Consult customer advocates

Seek input from PULP, AARP, LIPC and other advocates on assistance, termination practices, complaints and customer protections.

Include labor and frontline employees

Hear from IBEW Local 1049 and frontline employees about procedures, training, quality assurance, operational problems and discretion.

Benchmark peers and return with action

Review peer public-power practices, coordinate with DPS, and return with recommendations for customer treatment, oversight and implementation.

What Customers Will Gain from This Review

The goal is to help customers resolve arrears and maintain service whenever possible.

12

Customer Commitments in a new Bill of Rights

What customers can expect when they need help, question a bill or face possible termination.

10

Service Standards

What PSEG Long Island must do to put those rights into practice.

5 to 20

Stronger protections

Business days to submit medical documentation, plus added protections before terminations resume.

The amended Customer Experience Policy will set the direction for this work.

A Stronger Customer Experience Policy

These amendments put the review's customer protections and service expectations into Board policy.

PROPOSED POLICY CHANGE	WHAT CHANGES
Customer rights and standards	Establish and review the Bill of Rights and Service Standards. The Board must approve material changes.
Before service is terminated	Make reasonable efforts to offer eligible customers assistance and payment options, and provide all required notices.
Clear communications	Tailor communications to customers' needs, with particular attention to low-income and disadvantaged communities.
Service performance	Set defined benchmarks and targets. The Board approves replacement measures and targets where peer comparisons are unavailable.
Annual Board reporting	Report results and evidence, identify gaps and customer impacts, implement all recommendations from the comprehensive review.

The policy makes clear what the Board expects and how we will hold PSEG Long Island accountable.

Stakeholder Engagement

We heard from customer advocates, community representatives, employees, and peer public-power utilities.

Community Advisory Board

Public Utility Law Project of New York (PULP)

AARP

Long Island Progressive Coalition

IBEW Local 1049 and frontline employees

Peer public-power utilities

Shared priorities

Dignity, clear information, early assistance, frontline support, termination as a last resort, and accountability.

Their feedback informed the proposed rights, service standards, and next steps.

Areas of Focus

We reviewed PSEG Long Island's policies, procedures, and day-to-day customer interactions.

- **Service terminations**
- **Medical protections**
- **Life-support protections**
- **Vulnerable-customer safeguards**
- **Deferred payment arrangements**
- **Assistance programs and referrals**
- **Notices and customer outreach**
- **Language access and accessibility**
- **Employee training and frontline discretion**
- **Complaints and escalation**
- **Quality assurance**
- **Third-party collection vendors**
- **Account accuracy and collection-related fees**
- **DSS payment reconciliation**
- **Performance measures and accountability**
- **Systems and technology**

A New Customer Bill of Rights

Twelve commitments for how PSEG Long Island will treat and assist our customers.

12

Customer commitments

These rights add to existing protections under law and tariff.

RESPECT AND ACCESS	FAIR COLLECTIONS	PROTECTION AND ACCOUNTABILITY
Dignity, respect and empathy	Notice before termination	Additional protections for vulnerable customers
Clear, accurate and accessible information	Opportunity to seek assistance	Complaint and response process
Meaningful access to assistance programs	Termination only as a last resort	Transparency and accountability
Language access and effective communication	Fair payment arrangements	Continuous improvement

Service Standards for PSEG Long Island

The Board would direct PSEG Long Island to meet these ten service standards.

SERVICE STANDARD	PSEG LONG ISLAND WILL
Customer-facing staff training	Provide annual empathy, de-escalation and assistance training for customer-facing staff. Include empathy in all onboarding.
Collections training	Train collections staff on assistance, referrals, hardship and customer treatment.
Customer-facing job titles	Review customer-facing titles to reflect dignity, respect, empathy and service.
Clear customer guidance	Post clear website guidance on assistance programs, eligibility and payment options.
Supervisory review	Strengthen supervisory review of service terminations.
Communications review	Regularly review communications for plain language, clarity and accessibility.
Assistance programs	Maintain and promote assistance programs and payment arrangements.
Multilingual support	Improve multilingual communications and customer support.
Board reporting	Report to the Board on compliance with these standards.
Audits and corrective action	Cooperate with LIPA audits and reviews, and promptly address findings.

Our Actions Go Beyond HEFPA

HEFPA provides the legal protections. Here is what we are adding.

AREA	HEFPA PROVIDES	WE ARE ADDING
Medical documentation	**5 business days** Written certification after initial oral certification.	**20 business days** To submit supporting medical documentation. **This extension is in effect and will remain in place** while it is formally incorporated into LIPA's tariff
Customer treatment	Rights covering bills, payment arrangements, notices and protections for vulnerable customers.	**12 customer commitments and 10 Service Standards**, including enhanced **annual empathy and de-escalation training** and empathy in all onboarding.
Accountability	Customers can challenge bills and seek review through the utility and DPS.	**Board and public reporting** on complaints, payment agreements, terminations and assistance, plus owners, deadlines and **Internal Audit validation**.

How We Will Hold PSEG Long Island Accountable

PSEG Long Island will implement the changes. LIPA will approve readiness, and Internal Audit will validate material corrective actions.

ANTICIPATED CUSTOMER OUTCOME	HOW WE WILL TRACK IT
Payment arrangements customers can maintain	Agreements established, maintained and defaulted, and barriers to affordable terms.
Easier access to assistance	Application processing times, assistance use, referrals and billing-management enrollment.
Protections work as intended	Protection flags, pending requests, unresolved issues and quality-review findings.
Proper termination and restoration	Notices, outreach, terminations, reconnections, improper shutoffs and customer remedies.
Fewer recurring complaints	Complaint trends, repeat concerns, collection-vendor performance and corrective actions.
Corrective actions completed	Owners, deadlines, evidence that changes are in place and Internal Audit validation.

Regular Board updates and proposed annual public reporting

Before Residential Terminations Resume

PSEG Long Island's planned date to resume residential terminations

April 15, 2027

Terminations cannot resume without LIPA's readiness approval

REQUIREMENT	WHAT PSEG LONG ISLAND MUST SHOW
Written transition plan	Updated 72-hour notices, evening outreach, clear payment options, trained staff and tested account safeguards.
LIPA readiness approval	Evidence that the required safeguards are working, with LIPA approval of any interim controls.
Account verification	Maintain protected account status until unresolved issues are verified.
Closer oversight after resumption	Targeted quality reviews, prompt escalation, customer remedies and corrective action.

Implementation Timeline

NOVEMBER 2026

Board considers the package. Assign owners, deadlines and a process to verify the work.

WINTER 2026–2027

PSEG Long Island updates notices and guidance, completes training and tests account safeguards.

BEFORE PLANNED RESUMPTION

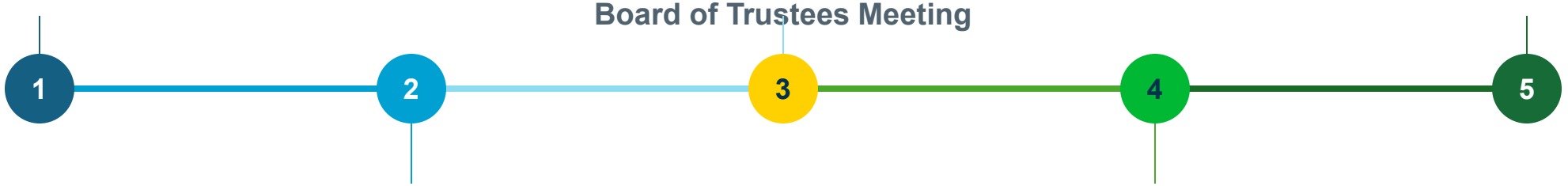
LIPA approves readiness. Accounts with unresolved protection-related issues stay on hold. **PSEG Long Island to provide an update at the March 2027 Board of Trustees Meeting**

AFTER RESUMPTION

Review early results and complaints. Verify corrective actions and continue stakeholder discussions.

ONGOING EVALUATION

Review customer results and provide regular Board updates and proposed annual public reporting.



Requested Board Action

A Customer Bill of Rights, ten Service Standards and stronger customer protections.

COMPONENT	REQUESTED BOARD ACTION
Customer Credit & Collections Review	Accept the review and direct corrective actions. Require LIPA approval before residential terminations resume.
Customer Experience Policy	Approve amendments to the existing Board policy.
Customer Bill of Rights	Adopt the 12 customer commitments.
Service Standards	Adopt the 10 service standards for PSEG Long Island.
Implementation and oversight	Require deadlines, progress updates and public reporting. Continue separate work on tariffs, fees and affordability.

LIPA will oversee the work, verify the changes and report the results to the Board.