



Third Quarter Report on 2025 PSEG Long Island Performance Metrics



Letter from the Chief Executive Officer

Dear Trustees, Stakeholders, and Community Partners,

I am pleased to share the Long Island Power Authority's Third Quarter Report on PSEG Long Island's 2025 Performance Metrics. This report provides transparency into the work being done under our Operations Services Agreement (OSA) and the progress being made toward the performance standards that advance LIPA's strategic goals of reliability, affordability, clean energy, and exceptional customer service.

Each year, LIPA—guided by recommendations from the Department of Public Service—sets a series of Performance Metrics that define what success looks like for our service provider, PSEG Long Island. These fifty-two metrics for 2025 span all areas of utility operations, from system reliability and information technology to customer experience and clean energy. They are designed with a stretch element, meaning that meeting the established targets generally requires performance that exceeds the baseline expectations already funded through the fixed management fee.

It is important to note that these metrics are not the sole measure of overall performance. Some are quantitative and data-driven; others are qualitative, evaluating the completion and quality of major initiatives that strengthen our operations and enhance customer value. Together, they form a balanced scorecard that encourages continuous improvement and aligns day-to-day management with the Board's long-term policy direction.

LIPA maintains a rigorous and transparent oversight process to validate metric performance throughout the year. Each metric is assigned to a LIPA project manager and subject matter expert, supported by an executive sponsor. Deliverables are tracked in real time using automated systems that provide full visibility to LIPA, PSEG Long Island, and the Department of Public Service. Before any variable compensation is paid, LIPA's evaluation is independently reviewed and validated by DPS. Approximately \$23.9 million in compensation is at risk annually, reinforcing accountability for results that matter most to our customers.

As of the third quarter of 2025, PSEG Long Island is meeting 71 percent of all performance metrics, with 21 percent at risk, 6 percent behind target, and 2 percent not yet started. These results reflect meaningful progress and a commitment to continuous improvement across our shared organization. They also underscore the maturity of LIPA's performance management framework—one that is evolving to ensure every dollar spent delivers customer value.

Thank you for your continued partnership as we work together to build a more reliable, affordable, and sustainable energy future for Long Island and the Rockaways.

Sincerely,

Carrie Meek Gallagher

Chief Executive Officer

Long Island Power Authority

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2025 PERFORMANCE METRICS

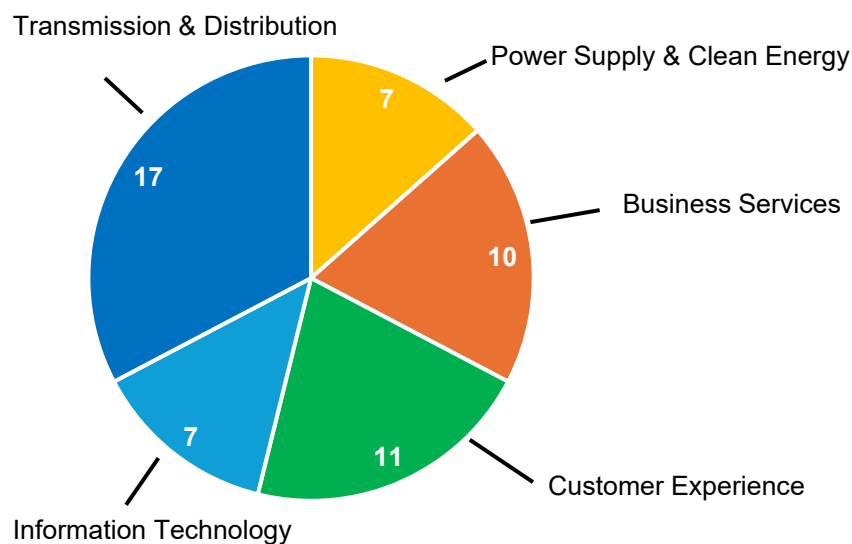
The Second Amended and Restated Operations Services Agreement (OSA) between LIPA and PSEG Long Island includes \$20 million of Variable Compensation at risk based on performance standards. The amount of Variable Compensation including the Consumer Price Index for 2025 is \$23,895,911.04. In 2022, the 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 determination 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 for 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 requested one hundred (100) Exceptions. LIPA has approved eighty (80) of the requested Exceptions, fifteen (15) were declined, and five (5) are still pending. 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 deliverables, 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.

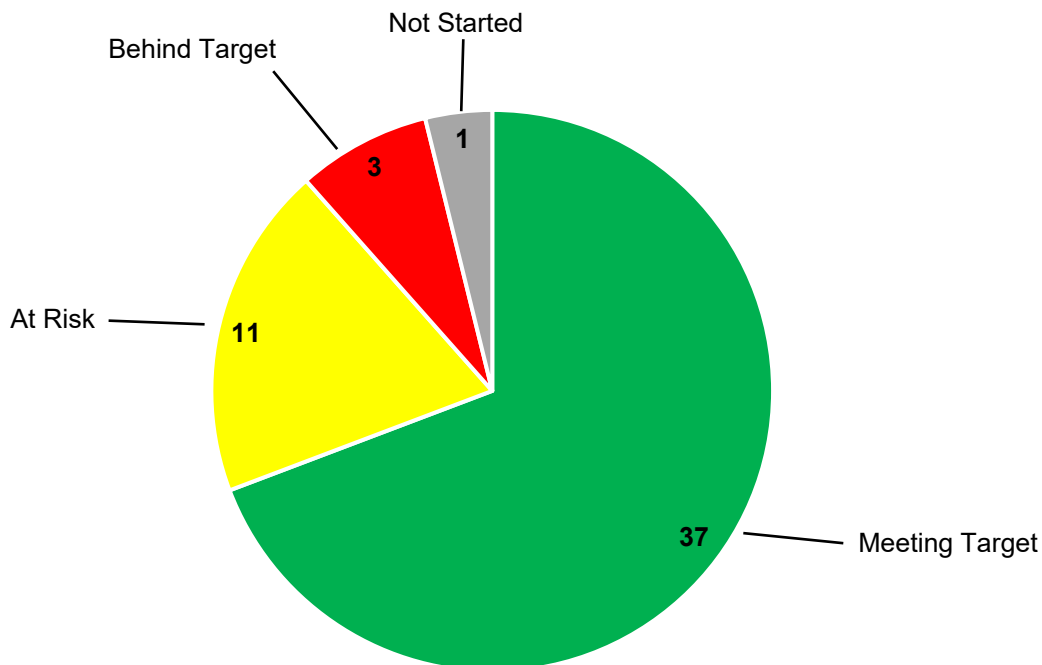
LIPA reviews all Exception Requests and grants them if deemed reasonable, justified, or in the best interests of achieving the metric objective. LIPA's primary goal is to utilize metrics to drive customer benefit and value throughout the year.

OVERALL PERFORMANCE STATUS

The overall status of all fifty-two (52) Performance Metrics as of September 30, 2025, is summarized in Figure 2. Year-to-date, PSEG Long Island is meeting approximately 71% of Performance Metrics, while 21% are at risk, 6% are behind the target, and 2% have yet to start. In the third quarter of 2024, PSEG Long Island was meeting 40% of Its Performance Metrics, while 44% were at risk, and 16% were behind the target. 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 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 status of all fifty-two (52) Performance Metrics from January 1 to September 30, 2025.

Reliability/Safety

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	44.1	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. PSEG Long Island's performance improved throughout the month of September; their year-to-date SAIDI was lower than their September 2024 YTD result. However, we are rating this metric at risk due to the East End outage, precipitated by a motor vehicle accident on February 20, 2025. This occurrence is the primary cause of the negative variance.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	0.55	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 third quarter. The East End outage on February 20, 2025, is the primary cause of the negative variance. Although the September 2025 year-to-date SAIFI was better than the September 2024 year-to-date result, they are still at risk of meeting the target. 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	0.83	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, with performance significantly better than the target. 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	50%	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 third quarter, PSEG Long Island is at risk of fully meeting the year-end target, as two (2) of the four (4) target levels are being met. As of September 30, 2025, 4,638 customers experienced six (6) or more outages, which is greater than the target of 2,275, and 451 customers have experienced eight (8) or more outages, which is above the target of 350. PSEG Long Island met the targets for ten (10) or more outages, 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	30,149	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. To date, approximately 2.61% of all customers served have experienced six (6) or more momentary outages during the previous twelve (12) months. As with the MAIFI metric, performance is significantly better than the target. 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

Serious Injury Incident Rate (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. As of the third quarter, there were zero (0) injuries that were deemed significant, where PSEG Long Island notified LIPA. PSEG Long Island has implemented corrective actions stemming from lessons learned in 2024, including a pilot Trigger Training program designed to aid employees in identifying when they are in a state of uncertainty and it's time to seek assistance. Additionally, training employees on high energy controls, advanced root cause analysis, and

reviewing the PSEG Long Island Arc Flash Procedure and 2024 Arc Flash Analysis will ensure proper work methods and proper 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 a minimum of one quarter of the overhead distribution system, which equals approximately 2,200 miles. This work must be completed, and actual spending must be within +5% of the Board-approved program level targets. PSEG Long Island is on target to complete the planned units and is trending within the approved budget.

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 not been any qualifying storm events through three quarters of 2025. If there are no qualifying storm events in 2025, the incentive compensation for this metric will be allocated to the remaining Transmission & Distribution metrics.

Customer Experience

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	3 rd Quartile/11 th Rank	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. Year-to-date, PSEG Long Island placed in the third quartile and is ranked 11th of 18 utilities in the East Large region. This is one ranking point improvement over the first and second-quarter results, but still behind the year-end target of the 1st Quartile. PSEG Long Island will continue its "Our Island" and Energy Efficiency campaigns on paid channels, as well as the Newsday "Together Long Island" partnership, across print and digital platforms.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	75.5%	77.0%	At Risk

This metric measures the response time of customer service representatives to customer calls, aiming to increase customer satisfaction and promote efficient staffing. At the end of September, the year-to-date service level was 75.5%. This represents a decrease from their second-quarter result of 77.5%. PSEG Long

Island is at risk of falling short of its year-end target of 77%. Historically, September is a peak call volume month due to high bill inquiries.

CS-13: First Call Resolution

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	80.9%	81%	At Risk

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 third quarter, the YTD First Call Resolution (FCR) was 80.9%, just below the target of 81%; however, the September result was 81.4%. PSEG Long Island will continue to monitor FCR to ensure that decreased Average Handle Time doesn't negatively impact performance. The QA team will continue to monitor FCR during the audit process and provide feedback to agents as needed, while supervisors will coach and develop agents monthly as necessary.

CS-31: Call Average Handle Time (AHT)

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	438	433	Meeting Target

The PSEG Long Island Call Center is a key customer interface where performance excellence is expected. In 2025, the metric was modified to exclude the Average Handle Time results from January 1 to June 30, 2025 to allow for additional training of new agents and those with higher AHT. As of the third quarter, the result is 438 seconds. 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. Starting in Q4, PSEG Long Island will begin an initiative to focus on after-call wrap time to further reduce AHT and meet the YE target.

Clean Energy

PS&CE-05: Beneficial Electrification

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	3,987	5,330	Meeting Target

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. At the end of the third quarter, 3,987 Heat Pumps have been installed, which is 75% of the year-end goal. PSEG Long Island will promote beneficial electrification through their incentive programs for both single-family and multifamily housing units to continue to close the gap and achieve the year-end target.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	33.3%	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 September 30, 2025, PSEG Long Island has energized 415 Level 2 plugs, 84 DCFC plugs, and enrolled two (2) Fleet Make Ready customers. The Transportation Electrification team has met the DCFC energization metric for 2025, and the team is actively engaging with developers to secure close-out documentation and energize remaining sites to reach the Level 2 target. Although the Fleet Make Ready program is not expected to meet the 2025 metric, there is significant momentum in outreach.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Qualitative	82%	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 completed additional projects through September 30, 2025, including heat pump case studies, low-temperature heating and cooling interior design training for contractors, and training of distributors.

PS&CE-14: Transportation Electrification Strategic Initiatives

Metric Type	YTD Actual	YE Target	YTD Rating
Qualitative	68%	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. In the third quarter, PSEG Long Island developed the Fleet Customers Engagement Plan and is meeting all the requirements of this metric.

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	56%	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

Groups 1-6 have been migrated through third quarter. There was a planned hold on migrations during the summer months from June to August. Group 7 began migration in September. PSEG Long Island is actively monitoring the 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	55%	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 the 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 September 30, 2025, most programs are performing at or above monthly targets, allowing DAC spend to track above the year-end target of 35%.

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, and 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 LMI target without automation and is still working with Nassau County DSS, NYC HRA, and NYS OTDA on approving data-sharing MOUs. New partnerships were established with 10 community organizations to enhance LMI program enrollment.

Information Technology

IT-07: System Separation

Metric Type	YTD Actual	YE Target	YTD Rating
Qualitative	50%	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 completed the Bundle 1 Go-Lives. Although some of the Bundles 2, 3, and 4 systems are reported to be facing additional delays in Go-Live, PSEG Long Island is still targeting the whole system to Go-Live by 12/31/2025.

APPENDIX A:

The table below summarizes the status of all 52 Performance Metrics as of September 30, 2025. The approved [2025 Performance Metric Report](#) provides additional details, including specific deliverables for each metric.

TRANSMISSION & DISTRIBUTION						
Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating	Comments
T&D-01	Asset Management Program Implementation - Asset Inventory	Hybrid	80%	100%	At Risk	PSEG Long Island has provided the third quarter status report for this metric by the required date to meet this deliverable. For the 2025 metric year, PSEG Long Island is to field verify all remaining poles and complete the upload into EGIS of all records related to the 545,255 poles on LIPA's system. To date, PSEG Long Island has field verified 515,375 poles (95%) of the total required for 2025. 410,923 (80%) of those poles have been uploaded into EGIS. Although they are on track to complete the field verification and upload into EGIS there is a concern that PSEG Long Island will not meet the 98% accuracy requirement for the data upload.
T&D-06	Primary Transmission Control Center (PTCC) Replacement	Qualitative	57%	100%	Meeting Target	PSEG Long Island is on track to commence pre-construction site layout by the end of 2025. Design documents and estimates have been received and approved by all Parties.
T&D-07	System Average Interruption Duration Index (SAIDI)	Quantitative	44.1	56.5	At Risk	At the end of the third quarter, SAIDI is 44.1. PSEG Long Island's performance improved throughout the month of September; their YTD result was better than the September 2024 YTD result. The extended customer minutes of interruptions (CMI) in September were lower than the 5-year average. However, this metric remains at risk due to the East End outage on February 20, 2025, which is having a negative impact on SAIDI and SAIFI.
T&D-08	System Average Interruption Frequency Index (SAIFI)	Quantitative	0.55	0.68	At Risk	The third quarter SAIFI is 0.55, which puts PSEG Long Island at risk of meeting the YE target of 0.68. The September YTD SAIFI was better than the September 2024 YTD result of 0.57. The February 20 th outage event is having a negative effect on this metric.
T&D-09	Momentary Average Interruption Frequency Index (MAIFI)	Quantitative	0.83	1.53	Meeting Target	The 2025 YTD MAIFI for the third quarter is 0.83, which is almost 29% better than the YTD 2024 MAIFI for September of 1.18. PSEG Long Island is continuing their initiatives, predominantly, the MAIFI Program which improves fuse coordination and the Branch Line Re-closer program which isolates the momentary interruption due to use of switches.
T&D-10	Reduce Sustained Multiple Customer Outages (S-MCOs)	Quantitative	50%	100%	At Risk	At the end of the third quarter, PSEG Long Island is only meeting 2 of the 4 target levels. There are 0 customers experiencing 12 or more outages, and only 16 customers who have had 10 or more outages, which is below the target of 25. There are 451 customers experiencing 8 or more outages, which is above the target of 350. PSEG Long Island has been struggling with the 6 or more outages target of 2,275 with 4,638 customers with that outage level YTD.
T&D-12	Reduce Momentary Multiple Customer Outages (M-MCOs)	Quantitative	30,149	54,000	Meeting Target	At the end of Q3 only 2.61% of all customers served in 2025 experienced 6 or more momentary outages during the previous 365-day rolling period. YTD 2025 PSEG Long Island has decreased the MMCO from YE 2024 by 42.53%. As with the

						MAIFI metric, things are proceeding well, with performance significantly better than target. As of the end of September, there is very little chance that this metric will not meet its full 100% target level.
T&D-13	Serious Injury Incident Rate (SIIR)	Quantitative	0	0	Meeting Target	As of the third quarter, there were no serious injuries. PSEG Long Island is meeting this target. PSEG Long Island has implemented corrective actions stemming from lessons learned in 2024, including a pilot Trigger Training, which 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-18	Improve Reliability Through Work Management Enhancements - Workforce Management Plans	Hybrid	103%	100%	Meeting Target	As of Q3, PSEG Long Island has completed their review meeting and discussed the progress of the metric. PSEG Long Island is meeting the target.
T&D-24	Improve Reliability Through Vegetation Management Work Plan - Cycle Trim & Trim-to-Sky	Hybrid	100%	100%	Meeting Target	As of Q3, PSEG Long Island is on target to reach the planned units for cycle trim, trim-to-sky, and hazard tree removal within the approved budget.
T&D-36	Construction - Cost Estimating Accuracy	Quantitative	89.7%	90.0%	Meeting Target	As of September 30, 2025 the estimating accuracy is 89.7% which is very close to the 90% target. Three projects closed in Q3, one project closed at 93.2%, one at 99.1% and one at 72.4%, bringing the YTD estimating accuracy of 89.7%. Although the projects closed under budget this metric measures the accuracy rate on an absolute dollar value basis. There are several additional projects scheduled to be closed out in Q4, and the current projection is that these will collectively improve the YTD performance.
T&D-37	Improve Reliability Through Completion of Program Plan Units & Unit Cost	Quantitative	100%	71%	Meeting Target	PSEG Long Island is meeting all seven (7) program targets and budgets for 2025 as of Q3. Monthly discussions regarding progress are held with DPS, LIPA, and PSEG Long Island.
T&D-40	Reduce Double Wood Poles	Quantitative	9,112	7,296	At Risk	PSEG Long Island is meeting one (1) of the three (3) criteria for this metric. The overall pole count continues to be over 9,000 and well above (unfavorable) the YTD and YE targets. The Next-to-Go (NTG) measure continues to improve and is now at its lowest level of the year, meeting the YE target. Based on discussions with PSEG Long Island and their current performance, the YE NTG target stands a good chance of being met; however, the overall pole count is extremely unlikely to be met.
T&D-41	Program Effectiveness - Vegetation Management	Quantitative	60.6%	40.0%	Meeting Target	As of Q3, PSEG Long Island is meeting both the maintenance and improvement targets with a total of 60.6% which exceeds the target of 40%.
T&D-50	Storm Outage Response Performance	Hybrid	NA	100%	Not Started	There have been no qualifying storm events during the first three quarters of 2025.
T&D-53	Capital Project Process Enhancements	Qualitative	100%	100%	Meeting Target	PSEG Long Island and LIPA have assessed the current methodology and implemented changes for use in future years for calculating estimating accuracy. A refined methodology for forecasting, budgeting and approving the use of risk and contingency in capital projects has been approved.

T&D-54	Storm Crewing Efficiency and Prudence	Hybrid	100%	100%	Meeting Target	YTD PSEG Long Island has submitted the required worksheets for each storm during the first three quarters of 2025. Storms 1-7 met the YE Target of 60% of 2-man crews. Storms 8 and 9 fell below the 60% criteria, but overall, PSEG Long Island is meeting the target.
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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/ 11 th Rank	1 st Quartile	Behind Target	In Q3 PSEG Long Island scored 471, up by 3 points from Q2 results, and ranked 11th out of 18 utilities in East Large Region. This placement is in the 3rd Quartile which is behind the target of 1st Quartile.
CS-03	J.D. Power Customer Satisfaction Survey (Business)	Quantitative	1 st Quartile/ 2 nd Rank	1 st Quartile	Meeting Target	PSEG Long Island's score was 627, which is in the 1st Quartile and 2nd rank out of 12 utilities in the East Large region. PSEG Long Island's Business First program was recognized by Chartwell for Excellence in Serving Business Customers - specifically Small and Medium Businesses.
CS-11	Contact Center Service Level with Live Agent Calls	Quantitative	75.5%	77%	At Risk	PSEG Long Island's service level for September was 62.0%, which brought the YTD Service level down to 75.5%, which is at risk of making the YE target of 77%. Historically, September is a peak month due to high bill inquiries.
CS-13	First Call Resolution (FCR)	Quantitative	80.9%	81%	At Risk	PSEG Long Island exceeded First Call Resolution target in September at 81.4%. The YTD performance is 80.9%, which is slightly below target.
CS-14	Net Write-Off as a % of Revenue	Quantitative	0.42%	0.51%	Meeting Target	PSEG Long Island is exceeding its YE target of 0.51% with a result for Q3 of 0.42%. This metric measures the effectiveness of recovery efforts for uncollectible revenue and is an overall indicator of the business's potential for incurring bad debts.
CS-15	Arrears Aging Percent > 90 Days Past Due (Arrears %>90)	Quantitative	47.56%	51.91%	Meeting target	PSEG Long Island is exceeding its YE target of 51.91% with a Q3 result of 47.56%. They are continuing several initiatives that started in 2024 to maximize collection activities.
CS-17	Low to Moderate Income (LMI) Program Participation	Quantitative	40,558	50,000	Meeting Target	Enrollment in the Household Assistance Rate as of September is 39,879 however the max enrollment reached was 40,558 which meets the target without automation. PSEG Long Island's consumer advocates conducted over 56 outreach events throughout the month of September and new partnerships were established with 10 community organizations.
CS-19	DPS Customer Complaint Rate	Quantitative	1 st Rank	1 st Rank	Meeting Target	The 12-month rolling complaint rate at the end of Q3 was 4.0, which is 1st Rank in New York State. PSEG Long Island continues to provide monthly reporting to each line of business to create awareness and insight into types of complaints.
CS-25	Interactive Voice Response (IVR) Containment Rate	Quantitative	52.82%	58.43%	Behind Target	The IVR containment rate is steadily decreasing, and therefore, this metric is behind target as of Q3. The IVR Containment Rate for September was 47.8%, which was the lowest all year. An IVR change in May contributed to the decrease in IVR containment.
CS-31	Call Average Handle Time (AHT)	Quantitative	438	433	Meeting Target	The Q3 results were 438 which is close to the YE target of 433. Average handle time decreased by 3.7 seconds in September compared to August. Starting in Q4, PSEG Long Island will begin an initiative to focus on

						after-call wrap time to further reduce AHT and meet the YE target.
CS-36	E-Bill Enrollment	Quantitative	56%	52%	Meeting Target	As of Q3, PSEG Long Island has exceeded the target of 52% of the customer base participating in E-Bill. The full complement of residential accounts are now converted to paperless billing via the Dual Delivery platform. To date, over 97,786 accounts have enrolled in paperless this year, surpassing the 2019 high point of 90,878 accounts.

POWER SUPPLY & CLEAN ENERGY

Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating	Comments
PS&CE-05	Beneficial Electrification – Building Electrification	Quantitative	3,987	5,330	Meeting Target	As of Q3, 3,987 whole house heat pumps have been installed, and PSEG Long Island is on target to reach the YE target of 5,330 dwellings. They will continue to promote Beneficial Electrification to both single-family and multi-family housing units to achieve the YE goal.
PS&CE-06	Electric Vehicle (EV) Make-Ready	Quantitative	33.3%	100%	At Risk	PSEG Long Island is meeting one (1) of the three (3) program targets as of Q3, which puts them At Risk. DCFC Ports Energized has met the YE target by energizing 84 plugs compared to the target of 82. However, only 415 Level 2 Plugs have been energized versus the YE target of 621, and 2 Fleet Make Ready have been enrolled, which is behind the target of 15.
PS&CE-08	Transition to New “Standard” Time of Day Residential Rates on an Opt-Out Basis	Quantitative	56%	100%	Meeting Target	Groups 1-6 have been migrated to TOD through Q3. There was a hold on migration from June – August, and then Group 7 began in September. PSEG Long Island is on target to migrate all eligible customers by December 31, 2025.
PS&CE-13	Heat Pump Strategy to Address Barriers to Customer Adoption	Qualitative	82%	100%	Meeting Target	PSEG Long Island has completed the additional projects through Q3: four more heat pump case studies, low temperature heating and cooling interior design training for contractors, meetings and trainings with distributors. PSEG Long Island is on target to complete all required deliverables.
PS&CE-14	Transportation Electrification Strategic Initiatives	Qualitative	68%	100%	Meeting Target	As of Q3, PSEG Long Island developed the Fleet Customer Engagement Plan and is meeting the targets of this metric.
PS&CE-16	Residential Time-of-Day Participation Rate	Quantitative	97%	85%	Meeting Target	As of Q3, the Time-of-Day participation rate is 97% which exceeds the target of 85%. PSEG Long Island is conducting research and analysis on specific customer segments (i.e. net meter customers) to find additional ways to support and optimize experiences on TOD in the future.
PS&CE-17	Disadvantaged Communities (DACs) – Spend %	Quantitative	55%	35%	Meeting Target	PSEG Long Island is exceeding the YE target of 35% by achieving a Q3 result of 54.5%. Most programs are performing at or above monthly targets, allowing DAC spend to track higher than the YE target.

BUSINESS SERVICES

Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating	Comments
BS-13	Information Request (IR) Responses	Quantitative	100%	94%	Meeting Target	There has only been one (1) IR in 2025, which occurred in April, and PSEG Long Island submitted the response within the ten-day requirement.
BS-22	Timely, Accurate, and Supported Storm Event Invoicing	Hybrid	100%	100%	Meeting Target	PSEG Long Island has experienced a total of nine (9) storm events through Q3. LIPA has received all required monthly reports.

BS-42	Develop Annual Zero Based Budget (ZBB) for each "Affiliate Cost" category for LIPA's review and approval	Qualitative	100%	100%	Meeting Target	PSEG Long Island has completed the Annual Zero Based Budget (ZBB) for each "Affiliate Cost" category.
BS-43	Implement standards and methods to reduce project variances including risk and contingency management	Qualitative	22%	100%	At Risk	PSEG Long Island has created and submitted June and July reports to show the financial variances relative to the scope and timeline for Capital Projects. This metric is at risk as of Q3 due to outstanding August and September reports.
BS-44	Establish Annual Assessment Allocation Model for LIPA's approval with quarterly selected work orders audits	Qualitative	40%	100%	At Risk	LIPA and PSEG Long Island came to an agreement on a revised path for this metric and are working collaboratively on the new set of deliverables. PSEG Long Island is making good progress, however, the level of detailed documentation required to meet LIPA's expectation remains a challenge. At the end of Q3 this metric is at risk.
BS-45	Develop methods and standards for tracking productivity gains and sharing CapEx and OpEx savings	Qualitative	75%	100%	Meeting Target	As of Q3 PSEG Long Island has created and shared a tracking worksheet that monitors and reports on certain Capex and OPEX initiatives and the associated savings due to productivity gains. This report includes variance explanations and a forecast of final costs. PSEG Long Island is on track to meet this metric.
BS-48	Strategic Supplier Master Services Agreements (MSAs)	Qualitative	66%	100%	Meeting Target	As of Q3, PSEG Long Island has completed the analysis of procurement spend, collaborated with internal business units, developed a supply market analysis, developed a sourcing strategy, and an execution plan. They will meet this metric.
BS-50	Time to Start	Quantitative	86.4	97.5	Meeting Target	At the end of Q3, PSEG Long Island is meeting the target with a Time to Start result of 86.4 days compared to the target of 97.5 days. PSEG Long Island has enhanced their hiring manager toolkit to help streamline the hiring process, ensured job descriptions are current and accurate, and encouraged early notification of employee's intent to retire to better determine the best staffing approach.
BS-51	HR Cost Efficiency Per Employee	Quantitative	-14%	-5%	Meeting Target	PSEG Long Island is meeting this target to efficiently use their resources across PSEG Long Island and Affiliate provided HR services. This has resulted in reduced HR costs per employee while maintaining/improving the quality of HR services provided.
BS-52	Unit Price Contract Reassessment	Qualitative	60%	100%	Meeting Target	PSEG Long Island has analyzed the unit price contracts above \$2 million, collaborated with internal business units and LIPA, developed a unit price contract renegotiation strategy, and created a contract rebid sourcing strategy. YTD they are meeting the metric.

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	20%	100%	Behind Target	LIPA is in discussions with PSEG Long Island to reach alignment on the path forward, as significant gaps remain with respect to the recommendations of the 2024 assessment.
IT-04	System and Software Lifecycle Management	Qualitative	71%	100%	Meeting Target	PSEG Long Island has been making steady progress on the 2025 IT and OT asset inventory Refresh Plan.
IT-05	Project Performance - In-flight Projects	Qualitative	80%	100%	Meeting Target	The incentive is based on the percentage of projects that meet the metric requirements. Of the

						twelve (12) in-scope projects, PSEG Long Island has completed six (6) projects. A few projects are reported at-risk of schedule/budget variances.
IT-06	Project Performance – New 2025 Projects	Qualitative	50%	100%	At Risk	Incentive is based on the percentage of projects that meet metric requirements. Of the eight (8) in-scope projects, two (2) projects are currently missing metric requirements, and some are reported at-risk of schedule/budget variances. PSEG Long Island has not completed any of the projects yet, therefore this metric as a whole is at risk as of Q3.
IT-07	System Separation	Qualitative	69%	100%	Meeting Target	PSEG Long Island has completed the Bundle 1 Go-Lives. Although some of the Bundles 2, 3 and 4 systems are reported to be facing additional delays in go-live, PSEG Long Island is still targeting for all the systems to go-live by 12/31/2025.
IT-09	IT Planning - Ransomware Readiness and Response	Qualitative	9%	100%	Meeting Target	The Project Implementation Plan has been approved, and PSEG Long Island has commenced implementation of the plan, which targets completion in 2027. There is a risk of 2025 timeline impacts due to vendor/contracting issues.
IT-10	System Resiliency - Disaster Recovery Plans and Testing	Qualitative	3%	100%	Meeting Target	PSEG Long Island and LIPA have finalized the plan. Implementation is delayed due to vendor/contracting issues.