



INTERNAL PROJECT PORTFOLIO:

2025 Close-Out and
2026 Workplan

Published January 2026

TABLE OF CONTENTS

- 3** Letter from LIPA’s Chief Executive Officer
- 4** Executive Summary
- 5** Overview of LIPA’s 2025 Internal Project Portfolio
- 7** Overview of LIPA’s 2026 Internal Project Portfolio
- 9** Conclusion
- 10** Appendix A: 2025 LIPA Internal Projects Status
- 22** Appendix B: 2026 LIPA Internal Projects

LETTER FROM THE CHIEF EXECUTIVE OFFICER

On behalf of the Long Island Power Authority, I am pleased to present LIPA's 2025 Internal Project Close Out and 2026 Internal Project Workplan.

This report provides the Board of Trustees, our stakeholders, and the public with a transparent view of how LIPA staff are advancing the strategic direction established by the Board. Our internal project portfolio reflects the disciplined, forward-looking work required to deliver reliable, affordable and customer-first service for the 1.2 million customers we serve on Long Island and in the Rockaways.

In 2025, LIPA staff made meaningful progress across a broad range of initiatives that strengthen reliability and resiliency, advance clean energy integration, improve customer experience and affordability, enhance cybersecurity and information technology, and reinforce long-term fiscal sustainability. Many of these efforts were completed during the year, while others continue as multi-year initiatives that will carry forward into 2026.

Looking ahead, the 2026 Internal Project Workplan builds on this foundation. It reflects a focused set of priorities aligned with the Board's governance policies, the approved 2026 Budget, and PSEG Long Island's Performance Metrics. Together, these efforts ensure that LIPA remains a strong, accountable asset owner and an effective steward of the electric system on behalf of our customers.

I want to thank the LIPA staff for their dedication and professionalism, and the Board of Trustees for its continued leadership and oversight. We remain committed to transparency, accountability, and continuous improvement as we carry this work forward.



Carrie Meek Gallagher
Chief Executive Officer
Long Island Power Authority

EXECUTIVE SUMMARY

The LIPA Board of Trustees sets the Authority's strategic direction through governance policies that define LIPA's purpose, vision, and expected outcomes across the major performance areas of a public power utility. Each year, this strategic direction is translated into specific priorities through LIPA's Budget, PSEG Long Island's Performance Metrics, and LIPA's Internal Project Portfolio.

LIPA's Internal Projects represent targeted initiatives that go beyond day-to-day operations. These projects advance LIPA's direct responsibilities, including fiscal sustainability, wholesale market policy, rates and tariffs, legal and regulatory matters, and the oversight and performance management of services provided by PSEG Long Island, National Grid, and other service providers. LIPA's Executive Committee monitors progress throughout the year, with executive sponsors adjusting priorities and resources as needed to remain aligned with Board direction.

In 2025, LIPA managed a portfolio of forty-two internal projects designed to strengthen the delivery of reliable, affordable and customer-first service. Nineteen projects were completed during the year, while twenty-three continue into 2026 as multi-year efforts. Key accomplishments included enhancements to system reliability and physical security, advancement of critical clean energy infrastructure such as battery storage and offshore wind integration, improvements to customer experience and affordability programs, strengthened cybersecurity and information governance, and upgrades to financial and budgeting processes that support long-term fiscal sustainability.

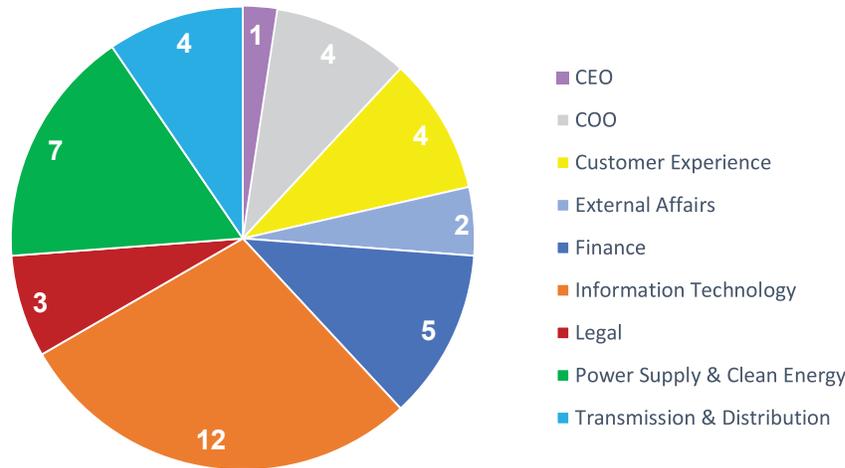
Building on this progress, the 2026 Internal Project Portfolio includes thirty-six projects, comprised of ongoing multi-year initiatives and new efforts aligned with emerging priorities. The 2026 workplan emphasizes improving outage performance and storm response, advancing clean energy and electrification readiness, expanding affordability and customer support programs, leveraging technology and artificial intelligence responsibly, and reinforcing LIPA's financial framework to balance affordability with long-term system needs.

Together, the 2025 project close out and the 2026 workplan provide a comprehensive view of how LIPA staff are executing the Board's strategic direction and positioning the Authority to meet the evolving needs of its customers and communities.

OVERVIEW OF LIPA'S 2025 INTERNAL PROJECT PORTFOLIO

In 2025, there were forty-two (42) projects designed to advance the delivery of reliable, affordable and customer-first service. Project work is monitored and adjusted throughout the year under the strategic direction of senior management and executive staff. The distribution of

FIGURE 1: 2025 Internal Projects by Function



Highlights of 2025 Projects

LIPA staff completed twenty (20) of the 2025 Internal Projects, with twenty-two (22) projects continuing into 2026. Below are selected highlights of the 2025 LIPA Internal Projects. Please see Appendix A for the full list of 2025 projects and accomplishments.

Reliability and Resiliency

- Executed a new Service Provider contract to ensure continuous and reliable service for our customers.
- Enhanced the physical security of LIPA's facilities through the successful transition to a new access control platform across several dozen sites. For the substation security project, a design was completed for one substation, with construction commencement in December 2025. Designs for two additional substations are in progress as of the end of the year; those sites will be fully constructed in 2026.
- Secured funding for a pilot drone program, which will be implemented in 2026. The program will support asset inspections, including blue-sky inspections and storm damage assessments, improving inspection efficiency, enhancing worker safety, accelerating inspection timelines, and reducing workforce requirements, resulting in cost savings for LIPA customers.

Clean Energy

- LIPA successfully negotiated the lease for the West Babylon Battery Storage site, a critical component of integrating offshore wind resources and achieving LIPA's share of New York State's battery storage targets for 2025 and 2030.
- PSEG Long Island's Integrated Planning team, in coordination with LIPA, leveraged the EV Fleet Analysis Report to conduct simulations on selected distribution circuits and identify potential system solutions. This effort supports a proactive, data-driven approach to identifying the long-term impacts of electric vehicle adoption on LIPA's infrastructure, ensuring system planning aligns with the objectives of New York State's Climate Leadership and Community Protection Act (CLCPA).

Customer Experience and Affordability

- LIPA analyzed the four major customer call types, including payments, collections, billing, and moves, and made recommendations to PSEG Long Island to reduce volume to the Call Center. Some of the recommendations were added as metrics for 2026.
- Streamlined coordination with New York State Office of Temporary and Disability Assistance (OTDA) reporting through automation to enroll and retain customers on the Low-to-Moderate Income (LMI) rate. Also advanced development of the Enhanced Energy Assistance Program for moderate-income customers and the Energy Affordability Guarantee automation, scheduled for implementation in 2026, to assist 100 LMI electric-heating customers in achieving a 6% energy burden.
- LIPA, its FERC legal consultants, and PSEG Long Island functional teams developed a draft proposal and have been working collaboratively with Department of Public Service (DPS) staff to secure support and agreements the Offshore Wind Public Policy Transmission Need (PPTN) project, an unprecedented initiative enabling fair cost recovery for capital invested on behalf of LIPA customers.
- Developed and began executing a strategy to maximize the value of Capacity Resource Interconnection Service (CRIS) rights, which could generate tens of millions of dollars in value for LIPA customers. LIPA has initiated negotiations with National Grid.

Information Technology and Cybersecurity

- Established a LIPA AI Governance Team to identify and evaluate AI use cases applicable to LIPA, while also benchmarking best practices from peer organizations. LIPA joined multiple industry groups, including EPRI's Open AI Consortium, the LPPC AI Task Force, and AEIC, to support informed and responsible AI adoption.
- Implemented procurement workflow enhancements within OpenText. The Electronic Document and Records Management System (EDRMS) is being deployed across remaining departments to serve as the centralized repository for records management, including document storage, retention, and final disposition, with PSEG Long Island utilizing the platform for document uploads.
- Completed penetration testing of LIPA and PSEG Long Island internal and external networks, with all identified vulnerabilities successfully remediated.

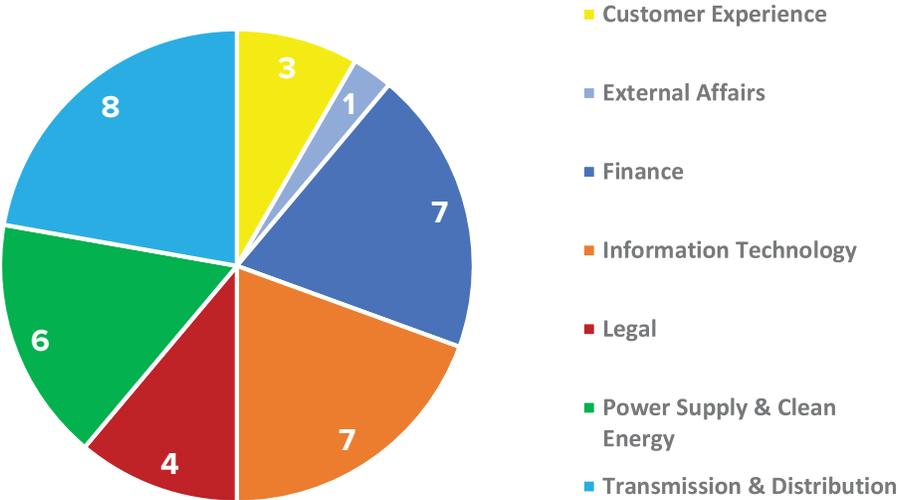
Fiscal Sustainability

- LIPA and PSEG Long Island implemented a shared automated platform that enables near-real-time budget updates and reduces manual intervention, resulting in a more efficient and accurate budgeting process.
- Developed an alert system to identify upcoming accounting pronouncements requiring review and potential implementation, ensuring timely compliance with emerging requirements and supporting the delivery of high-quality financial statements for internal and external stakeholders.

OVERVIEW OF LIPA'S 2026 INTERNAL PROJECT PORTFOLIO

In 2026, there are thirty-six (36) projects designed to advance the delivery of reliable, affordable and customer-first service. Project work is monitored and adjusted throughout the year under the strategic direction of senior management and executive staff. These thirty-six projects include twenty-two (22) multi-year/carryover projects from 2025 and fourteen (14) new projects. The distribution of the 2026 internal projects is summarized in Figure 2.

FIGURE 2: 2026 Internal Projects by Function



Below are selected highlights of LIPA internal projects scheduled for 2026. A comprehensive list of projects planned for 2026 is provided in Appendix B.

Reliability and Resiliency

- Improve System Average Interruption Duration Index (SAIDI) Reliability performance by leveraging new technology and alternative restoration methodologies to ensure efficient power restoration and enhanced customer service.
- Drive Innovation through Advanced Climate Modeling to improve outage predictions to optimize resource management and storm planning.
- Execute the Drone Program for asset inspections (blue sky inspections and damage assessment for storm restoration) to improve the overall inspection process, increase safety, increase inspection speed, and reduce the workforce needed, resulting in cost savings for LIPA customers.

Clean Energy

- Redesign LIPA's tariff structure and additional incentives that support retail storage project development in our service territory.
- Initiate outreach and education to assist municipalities in adopting best practices in EV permitting to facilitate increased buildout of EV charging stations on Long Island. This will assist LIPA in meeting the goals of New York State's Climate Leadership and Community Protection Act (CLCPA).

Customer Experience and Affordability

- Execute a strategy to maximize the value of Capacity Resource Interconnection Service (CRIS) rights, which has the potential to generate tens of millions of dollars in value for LIPA customers.
- Increase enrollment into low- and moderate-income rates by expanding relationships/partnerships with NYC, Nassau, and Suffolk Counties, and facilitate the implementation of technology for automated enrollment.
- Coordinate with Long Island's Clean Energy Hub in partnership with NYSERDA and regional partners to centralize an information hub about LIPA's programs, policies, and activities with consistent messaging and accuracy.

Information Technology and Cybersecurity

- Explore and develop the capabilities of using Artificial Intelligence (AI) at LIPA to drive innovation.
- Complete the deployment of technology to facilitate the War Rooms (Uniondale/Hicksville) operation, conduct crisis management training, and run tabletop exercises.
- Relocate the data center from the 2nd floor to the 4th floor office space, resulting in cost savings by avoiding a rent increase.

Fiscal Sustainability

- Update the 2020 study that sets forth LIPA's coverage targets and debt-to-asset goals. Determine whether LIPA is continuing on a gradual path to long-term financial improvement while balancing near-term affordability.
- Create a policy to develop a process whereby the Marginal Cost of Service (MCOS) is updated on a regular basis, and the information to obtain the results is shared properly with all stakeholders.

CONCLUSION

LIPA's Internal Project Portfolio is a central mechanism through which the Authority translates the Board of Trustees' strategic direction into concrete, measurable action. The 2025 project closeout and the 2026 workplan together demonstrate how LIPA staff are advancing the Board's priorities while maintaining a disciplined focus on reliability, affordability, clean energy, and responsible stewardship of public assets.

The progress achieved in 2025 reflects sustained attention to execution, oversight, and adaptability. Completed projects strengthened core functions, while multi-year initiatives continued to address complex challenges that require long-term coordination across policy, technology, finance, and operations. Throughout the year, projects were actively monitored and, where appropriate, reprioritized to respond to changing conditions and emerging risks.

The 2026 Internal Project Workplan builds deliberately on this foundation. It reflects lessons learned from prior years, incorporates evolving policy and market conditions, and targets areas where continued investment and oversight are essential to meeting customer expectations and statutory obligations. Collectively, these projects support LIPA's role as a strong asset owner and an accountable public authority acting in the long-term interest of its customers.

Taken together, the 2025 and 2026 internal project portfolios provide transparency into how LIPA aligns strategy, resources, and execution. They underscore the Authority's commitment to continuous improvement, effective governance, and the delivery of reliable, affordable and customer-first service for the communities LIPA serves.

Appendix A

2025 LIPA Internal Project Accomplishments

Department	CEO
Title	WP25-CEO-002 - Execute New Service Provider Contract
Objective	Planning for the end of the Service Provider contract on December 31, 2025, by executing new contracts, including bidding strategy, Request for Proposal (RFP), and contract execution.
Status	Complete
Board Policy	Strategic Planning and Performance Management
Year-End Highlights	An extension of the Operations Services Agreement has been negotiated, and the terms and conditions have been approved by the LIPA Board of Trustees, NYS Attorney General, and Office of New York State Comptroller. This ensures continuous and reliable service for our customers.

Department	COO
Title	WP25-COO-009 – Independent Verification and Validation (IV&V) Framework Development
Objective	Effectively employ performance management mechanisms and standards for deliverables and performance metrics.
Status	Complete
Board Policy	Strategic Planning and Performance Management
Year-End Highlights	Standardization of the processes and practices related to performance management oversight and independent verification and validation (IV&V) ensured process efficiencies, improved quality, reduced defects, and reduced the time needed to effectively oversee the service provider's performance.
Title	WP25-COO-044 - Closeout Sandy FEMA Grant Claim
Objective	Provide remaining support for costs to the Division of Homeland Security and Emergency Services (DHSES)/Federal Emergency Management Agency (FEMA) to enable the release of remaining funds to LIPA. Prepare documents necessary to close out the Sandy FEMA claim.
Status	Multi-Year Project
Board Policy	Customer Value, Affordability & Rate Design
Year-End Highlights	In 2025, LIPA received permission to spend the underrun of the grant spending totaling \$53M. Those funds are now earmarked to fund, in part, the installation of 8,500 in-line reclosers. As of December 31, 2025, 750 units were installed. LIPA also reconciled with NYDHSES the repair portion of the grant and is working through reconciling the mitigation funding portion, excluding the \$53M. As of year-end, it is estimated that LIPA is 90% complete and will wrap up the total reconciliation (excluding the \$53M) by June 30, 2026.
Title	WP25-COO-061 - Operational Performance Tracking Dashboard
Objective	Redesign the current Performance Management Dashboard to improve the tracking of internal LIPA initiatives and measure monthly progress made by the service provider on yearly performance metrics. This revamped dashboard will provide early warnings of potential problems, allowing LIPA leadership and LIPA Subject Matter Experts to identify when adjustments are needed to keep business on track.
Status	Complete
Board Policy	Strategic Planning and Performance Management
Year-End Highlights	In early 2025, the LIPA team completed a full redesign of the Performance Management Dashboard, an internal tracking tool used by the LIPA team to track progress on various key operational processes. The new and improved Operational Performance Dashboard offers two new dashboards. A newly designed dashboard to track the health of the yearly performance metrics resulting from the monthly metric validation and oversight process, and a dashboard to track progress on the completion and LIPA review of all 2022 Management Audit Recommendations. This new dashboard also includes a few visuals previously used to track progress on LIPA's internal projects and progress on the oversight steps required to complete metric validation. Having a robust dashboard that tracks the right things helps to provide visibility into key performance measures, allowing for the timely identification of potential issues and opportunities for improvement.
Title	WP25-COO-068 - T&D PJD and Budget Review Process Development Improvements
Objective	Evaluate the current Transmission & Distribution (T&D) Project Justification Document (PJD) and Operations & Maintenance (O&M)/Budget process and determine gaps and recommended improvements.
Status	Carryover to 2026
Board Policy	Fiscal Sustainability; Customer Value, Affordability & Rate Design; Transmission & Distribution Operations
Year-End Highlights	LIPA outsourced a review of the current state, provided feedback on industry best practices, and has worked to develop alignment between LIPA and PSEG Long Island while conducting increasingly informative meetings with PSEG Long Island, delving into variances in a respectful and collaborative manner. The workplan has supported LIPA in its quest to have meaningful monthly variance meetings, developing workbooks, and BI dashboards as a basis for more meaningful discussions. This effort will continue into 2026 to achieve a best-in-class reporting structure.

Department	Customer Experience
Title	WP25-CS-054 - Collections Process Optimization
Objective	Reduce net write-offs, increase recovery, and reduce arrears through thorough reviews. Identify improvements to the overall collections process.
Status	Complete
Board Policy	Customer Value, Affordability & Rate Design
Year-End Highlights	Streamlined and updated the collection forecast modeling to be based on prior year achievement and enhance the forecast year with improvement opportunities. The revised model now aligns to metric levels that are both attainable and provides opportunities for improvement in the next metric year. The model is also part of the overall financial health view for the coming year, based on the environment and not based on the possibility of events that would lower expectations for achievement.
Title	WP25-CS-057 - Advanced Customer Analytics Phase II
Objective	Build out LIPA analytical capabilities for customer feedback and operational data. Use the learnings to define future customer experience improvements.
Status	Complete
Board Policy	Customer Experience
Year-End Highlights	During Phase II of this project, LIPA developed analytical dashboards that streamline validation of Customer Service metrics and track the unit cost of customer channel interactions that inform future customer channel strategy.
Title	WP25-CS-058 - Call Center Optimization
Objective	Reduce call handle time, agent call volume, and the length of Contact Center agent training.
Status	Complete
Board Policy	Customer Experience
Year-End Highlights	LIPA analyzed the four major customer call types, including payments, collections, billing, and moves, and made recommendations to reduce volume to the Call Center. Some of the recommendations were added as metrics for 2026.
Title	WP25-CS-059 - LMI Enrollment Automation
Objective	Increase enrollment into low and moderate-income rates by expanding relationships/partnerships with NYC, Nassau, and Suffolk to facilitate technology implementation for enrollment automation.
Status	Multi-Year Project
Board Policy	Customer Value, Affordability & Rate Design
Year-End Highlights	Streamlined efforts with the NYS OTDA Performance Metric reporting, which enrolls or continues customers through automation on the Low-to-Moderate Income (LMI) rate. Efforts continue to solidify vendor agreements with local Department of Social Services agencies through 2026. Additional development of the Enhanced Energy Assistance Program for moderate-income customers, as well as the Energy Affordability Guarantee automation that is scheduled for 2026, to assist 100 LMI electric heating customers achieve their 6% energy burden. These additional programs will help to align automation efforts and technology to achieve results.

Department	External Affairs
Title	WP25-EA-060 - Battery Storage Engagement
Objective	Educate and train key stakeholders on the benefits of battery storage. This will help eliminate opposition to future projects, allowing LIPA to gain momentum as additional projects are proposed and attempts are made to meet the 2030 Climate Leadership and Community Protection Act (CLCPA) goals.
Status	Carryover to 2026
Board Policy	Clean Energy and Power Supply
Year-End Highlights	<p>In 2025, LIPA's External Affairs team focused on strategic groundwork and stakeholder engagement related to battery energy storage, recognizing the heightened public concern and scrutiny surrounding these technologies. Given the significant public opposition that emerged across Long Island, LIPA appropriately paused broad-based public outreach efforts to ensure future engagement would be informed, coordinated, and responsive to community concerns. During this period, External Affairs developed a comprehensive public outreach framework to guide future efforts once conditions allow for more effective engagement. In parallel, the team conducted targeted outreach with key decision-makers, engaging with multiple elected officials across Nassau and Suffolk Counties, including state, town, and county leaders. This included discussions with members of the East End Mayors and Supervisors Association and the Suffolk County Supervisors Association, ensuring local leadership was informed of LIPA's perspective, planning assumptions, and reliability considerations related to battery storage. LIPA also elevated education and awareness through conference participation and industry engagement across Long Island and statewide, including the Energy Summit held on Long Island in November 2025. Additionally, LIPA worked closely with NYSERDA to provide educational briefings to LIPA's Community Advisory Board (CAB), helping to ensure stakeholders had access to credible, fact-based information.</p> <p>Recognizing the importance of consistent and coordinated messaging, LIPA joined forces with its sister agencies, NYSERDA and the New York Power Authority (NYPA), to plan a joint battery energy storage public education campaign to be launched in 2026. NYSERDA is working with an external vendor to develop standardized outreach and educational materials that all agencies can utilize, ensuring alignment across state entities. These materials will be shared with LIPA for reuse upon completion. Internally, LIPA's Communications Department began the development of a battery energy storage fact sheet to support clear, accessible public information. In addition, LIPA began publicly articulating its support for battery energy storage projects in 2025, reinforcing the role these resources play in grid reliability and the clean energy transition—a position LIPA will continue to advance in 2026. External Affairs has also initiated discussions with key stakeholder organizations, including planned meetings with the legislative leadership of the Firemen's Association of the State of New York (FASNY), to explore opportunities for collaborative education and outreach.</p> <p>A more formal, comprehensive public outreach campaign is planned to launch in 2026. This campaign will include development and distribution of fact-based educational materials, coordination with state and local partners to ensure message alignment, briefings for elected officials, community leaders, and stakeholder groups, participation in public forums, conferences, and community events, ongoing media engagement and public communications and continued collaboration with NYSERDA and NYPA. The planned 2026 outreach is critical as New York State and LIPA continue to advance innovative energy solutions, educating stakeholders about battery energy storage and its benefits to the reliability and efficiency of the electric grid.</p>

Title	WP25-EA-066 - CLCPA Education Video
Objective	Educate LIPA staff on New York State's Climate Leadership and Community Protection Act (CLCPA) goals, so they are better equipped to assist the state in reaching its goals.
Status	Complete
Board Policy	LIPA's Purpose and Vision
Year-End Highlights	<p>In 2025, LIPA advanced a targeted internal initiative to strengthen staff understanding of New York State's Climate Leadership and Community Protection Act (CLCPA) and its implications for LIPA's mission, operations, and long-term planning. This effort was designed to better equip employees across the organization to support the State in achieving its ambitious climate and clean energy goals while maintaining reliability, affordability, and community trust.</p> <p>LIPA's Communications and External Affairs teams collaborated to research, define, and prioritize the most relevant elements of the CLCPA for staff education. This work included identifying statutory targets, implementation timelines, and policy considerations most closely tied to LIPA's business functions. As a result, the teams developed a strategic content plan for a video-based training program intended to deliver clear, consistent, and practical guidance.</p> <p>The initiative reflects LIPA's recognition that investing in staff education on the CLCPA delivers meaningful business value. A well-informed workforce supports stronger compliance, more informed decision-making, and improved engagement with customers, communities, and state partners. Equally important, it empowers employees to understand and evaluate emerging technologies and innovative energy solutions through both a professional and personal lens, reinforcing LIPA's leadership role in New York's clean energy transition.</p> <p>As New York State has just released its updated energy planning framework and state energy agencies begin aligning implementation efforts, LIPA has appropriately repositioned this initiative to ensure future training materials reflect the most current policy direction and coordinated statewide messaging. This deliberate sequencing will enable the program to move forward in a manner that is aligned, timely, and effective.</p> <p>LIPA remains committed to advancing this staff education initiative as part of its broader strategy to support New York State's climate objectives and to ensure its workforce is prepared to contribute meaningfully to achieving the goals of the CLCPA.</p>

Department	Finance
Title	WP25-FIN-021 - Enhance Development and Monitoring of Operating and Capital Budgets
Objective	Craft and implement additional improvements to developing and monitoring the Operating and Capital Budgets for PSEG Long Island and LIPA, including analysis of underlying workload and resource requirements in conjunction with PSEG Long Island. This project builds on prior recommendations and improvements to the budget process and seeks to leverage the new budget system, Enterprise Planning and Budgeting Cloud Service (EPBCS). Propose improvements to EPBCS utilization and review, monitor, and advise on PSEG Long Island utilization of EPBCS.
Status	Complete
Board Policy	Fiscal Sustainability
Year-End Highlights	LIPA and PSEG Long Island share an automated platform allowing for more real-time changes and less manual intervention, creating a more efficient and accurate budget process. Builds on the progress made to date in budget improvement and complements PSEG Long Island's performance metrics. Identifies improvement opportunities, strengthens the Capital Budget process by creating more automated activities with reduced manual intervention, and aims to ensure the new EPBCS budget system is fully embraced and utilized by all stakeholders.
Title	WP25-FIN-037 - Complete Rate Design & Tariff Filing for Offshore Wind (PPTN)
Objective	Obtain Federal Energy Regulatory Commission (FERC) tariff approval for the Offshore Wind Public Policy Transmission Need (PPTN) project to ensure a fair cost to LIPA's customers.
Status	Carryover to 2026
Board Policy	Customer Value, Affordability & Rate Design
Year-End Highlights	LIPA and LIPA's FERC legal consultants, along with PSEG Long Island functional teams, developed the draft proposal and have been working with the DPS staff to obtain support and agreements for this unprecedented project. Realize fair cost recovery for capital invested in the Offshore Wind PPTN project on behalf of LIPA's customers.
Title	WP25-FIN-038 - Execute Commercial Rate Design for TOU
Objective	Execute all deliverables in the commercial rate design strategy developed in 2023 - move commercial customers who take service under the legacy Time of Use (TOU) - Large General and Industrial Service with Multiple Rate Periods (Rate code 284, 285, 284M, and 285M) to a modern TOU - Large Demand Metered Service with Multiple Rate Periods (Rate Code 294).
Status	Complete
Board Policy	Customer Experience; Customer Value, Affordability & Rate Design
Year-End Highlights	LIPA and PSEG Long Island completed the proposal development ahead of schedule and obtained approval from the Board on June 25, 2025, providing additional time for better implementation. This alignment of LIPA's commercial rate design with industry practice enhances grid utilization, reduces peak demand, and allows customers to reduce their energy bills.
Title	WP25-FIN-051 - Develop Tracker for New GASB and Potential Impact on LIPA Disclosure Requirements
Objective	Build a tracking system to allow a timely understanding of the financial or disclosure implications of any potentially new Governmental Accounting Standards (GASB).
Status	Complete
Board Policy	Fiscal Sustainability
Year-End Highlights	An alert system has been created to highlight upcoming accounting pronouncements requiring attention, review, and potential implementation. Provide timely and accurate compliance with all emerging accounting requirements and regulations to ensure the highest quality financial statements for our internal and external stakeholders.

Title	WP25-FIN-053 - Develop a Plan for Standby Rate Update
Objective	Ensure transition to a fair and justified rate structure for applicable customers and communicate effectively to these customers.
Status	Complete
Board Policy	Customer Value, Affordability & Rate Design
Year-End Highlights	LIPA and PSEG Long Island completed the update to the standby rate and provided a "phase-in" rate for customers impacted to ensure affordability. Customers will be appropriately charged, and subsidies will be discontinued.

Department	Information Technology
Title	WP25-IT-007 - LIPA Deployment of Electronic Document and Records Management System
Objective	Phased implementation of an electronic document and records management platform (EDRMS) for lifecycle management of LIPA documents and simplified management, retention, and disposition of records in compliance with NYS and federal requirements, including a common platform with PSEG Long Island in accordance with the Second Amended and Reinstated Operations Services Agreement (OSA).
Status	Carryover to 2026 under Legal
Board Policy	N/A
Year-End Highlights	The As-Is data flow diagram was developed, and the Procurement workflow enhancements have been implemented for use with OpenText. LIPA will continue to review and update records management policy implementation of EDRMS in the remaining departments. This will be a centralized repository for records management and procedures for records storage, retention, and final disposition that PSEG Long Island will use to upload documents.
Title	WP25-IT-015 - Conduct Assessment of PSEG Long Island Business Continuity and Disaster Recovery Program
Objective	Assessment of PSEG Long Island resiliency program by a LIPA-engaged consultant, per PSEG Long Island Performance Metrics IT-03 and IT-10, to assess gaps and provide recommendations, a roadmap, and 2024 Business Continuity and Disaster Recovery Action Plans.
Status	Carryover to 2026
Board Policy	Transmission & Distribution Operations; Information Technology and Cyber Security
Year-End Highlights	LIPA has awarded and onboarded the contractor for this project. The Disaster Recovery plan drafts were completed for the five critical applications identified in the Metric. Action items were discussed with PSEG Long Island and their vendor, and deliverables and deliverable dates will be discussed in Q1. LIPA approved adjustments to the testing timeline, with testing based on revised plans to be conducted in 2026. No significant Business Continuity scope was completed in 2025 due to fundamental gaps in the initial proposed Project Implementation Plan (PIP). LIPA and PSEG Long Island reached an agreement on a PIP in 2025 Q4, with work to commence in 2026. This project will continue through December 2026.
Title	WP25-IT-031 - Conduct 2024 Benchmark Appraisal of PSEG Long Island IT Organization CMMI Maturity Level
Objective	Capability Maturity Model Integration (CMMI) Benchmark Appraisal (Development View) of PSEG Long Island IT Organization CMMI Maturity Level by a LIPA independent consultant per PSEG Long Island Performance Metric IT-01. The IT Organizational Metric requires reaching CMMI Maturity Level 3 (Development View) in 2023, with a Benchmark Appraisal to be conducted in 2024 Q2.
Status	Complete
Board Policy	Information Technology and Cyber Security
Year-End Highlights	Despite initial delays, the appraisal team confirmed that PSEG Long Island's Project Management program achieved CMMI Level 3 maturity. This level signifies that the organization has established defined processes that are well-documented and standardized across projects. The final Assessment, delivered on March 14, 2025, reflects the program's commitment to process improvement and consistent performance.

Title	WP25-IT-034 - Conduct Assessment of PSEG Long Island Ransomware Readiness and Response
Objective	Conduct a current-state assessment by an independent LIPA consultant of PSEG Long Island's Ransomware Readiness and Response preparedness to assess gaps and provide recommendations and an actionable roadmap for developing and implementing Ransomware Readiness and Response plans to ensure that any suspected or confirmed ransomware incidents are responded to in a consistent, controlled, and effective manner. PSEG Long Island performance metric IT-09 requires this evaluation.
Status	Carryover
Board Policy	Information Technology and Cyber Security
Year-End Highlights	LIPA engaged an independent consultant to assess gap closure activities conducted by PSEG Long Island pursuant to the 2024 third-party Ransomware Readiness and Response Assessment. The consultant reviewed all deliverables submitted per the LIPA-approved Project Implementation Plan, including over 100 artifacts, and provided detailed feedback to the PSEG Long Island team.
Title	WP25-IT-047 - Crisis Management Plan Improvements
Objective	Complete the technology deployment to facilitate the War Room (Hicksville) operation. Conduct crisis management training. Conduct tabletop exercises for crisis management.
Status	Multi-year
Board Policy	N/A
Year-End Highlights	Requirements for setting up crisis management rooms at two locations have been determined. Procurement has been completed, the vendor selected, and the technical design and site preparation works have been completed.
Title	WP25-IT-052 - Penetration Testing and Vulnerability Assessment of LIPA
Objective	Perform penetration testing of the LIPA's internal and external network, perform the configuration review of the LIPA's hosts and network devices, and develop recommendations to remediate the identified vulnerabilities. This review will cover all LIPA IT systems, data, communications networks, applications, or devices and the data contained within such systems owned, leased, licensed, utilized, or accessed by LIPA. This is a Board policy requirement.
Status	Complete
Board Policy	Information Technology and Cyber Security
Year-End Highlights	This is a Board policy requirement as LIPA is required to identify and remediate any vulnerabilities within its IT infrastructure. LIPA conducted the Vulnerability and Penetration testing on schedule and LIPA DoIT closed all gaps identified in the final report by December 31, 2025.
Title	WP25-IT-062 - Conduct 2025 Review of PSEG Long Island Cyber Security
Objective	LIPA has established a cybersecurity default metric for PSEG Long Island under the reformed PSEG Long Island contract, effective April 1, 2022, to achieve and maintain a specific National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF) level. LIPA has hired a third-party evaluator to independently review PSEG Long Island's cyber readiness relative to the metric.
Status	Carryover to 2026
Board Policy	Information Technology and Cyber Security
Year-End Highlights	LIPA has selected and onboarded consultants to conduct the NIST CSF assessment. A kick-off meeting was held, and a timeline for conducting the assessment was established. Key subject matter experts were identified, interviews were scheduled, and a document repository in iManage for evidence review has been set up.

Title	WP25-IT-067 - LIPA Intranet Redesign
Objective	Redesign the LIPA intranet sites for each department according to the business requirements, with features such as navigation, user experience, content updating, maintenance, etc.
Status	Multi-year
Board Policy	N/A
Year-End Highlights	The intranet sites for Procurement, Ethics & Compliance, and EPOS have been redesigned, which allows end users to post their own content, improve user navigation and experience, and more.
Title	WP25-IT-071 - Penetration Testing and Vulnerability Assessment of PSEG Long Island
Objective	Perform penetration testing of PSEG Long Island's internal and external network, perform the configuration review of PSEG Long Island's hosts and network devices, and develop recommendations to remediate the identified vulnerabilities. This review will cover all PSEG Long Island IT and OT systems, data, communications networks, applications, or devices, and the data contained within such systems owned, leased, licensed, utilized, or accessed by PSEG Long Island. This is a DPS Audit recommendation.
Status	Multi-year
Board Policy	Information Technology and Cyber Security
Year-End Highlights	Per the 2022 Management Audit recommendation, LIPA is required to oversee the Penn testing performed by an independent third party and PSEG Long Island to remediate any vulnerabilities within its IT infrastructure. The vendor has been selected and onboarded. A Kickoff meeting has been scheduled for January 2026 to discuss the Rules of Engagement (ROE) and testing timeframes.
Title	WP25-IT-074 - Data Center Relocation
Objective	Successfully relocate the data center from the 2nd floor to the 4th-floor office space by the end of March, ensuring minimal downtime and operational continuity through comprehensive planning, infrastructure preparation, equipment relocation, and post-move validation before the lease expiration on the 2nd floor.
Status	Carryover to 2026
Board Policy	N/A
Year-End Highlights	The procurement of the Uninterrupted Power Supply (UPS) has been completed. The project is delayed due to the dependency on new office renovations at Uniondale. The data center will be relocated to the new space after completion of the renovations. This work offers substantial cost savings by avoiding a drastic rent increase associated with the 2nd-floor space, which disrupts the building's floor plan and revenue potential. It also provides an opportunity to modernize infrastructure, enhance scalability, and ensure compliance with operational standards.
Title	WP25-IT-075 - Server Lifecycle Project
Objective	Replace aging on-premises Hewlett Packard (HP) physical servers with new Hewlett Packard Enterprise (HPE) servers to ensure system reliability, improved performance, and ongoing warranty coverage while leveraging HPE's take-back program for decommissioned hardware.
Status	Complete
Board Policy	N/A
Year-End Highlights	Assessment of server environment, development of requirements, and procurement of the new server solution have been completed. The servers have been configured, and their functionality has been validated. Modern hardware enhances performance, efficiency, and security, reducing maintenance costs, and improving reliability. It will also future proof the infrastructure for growth.

Title	WP25-IT-076 - Laptop Lifecycle Project
Objective	Replace the majority of organizational laptops nearing or past the end of life, ensuring a seamless transition with minimal disruption to operations.
Status	Complete
Board Policy	N/A
Year-End Highlights	The procurement of replacement laptops for employees was completed. The configuration and distribution of new employee laptops were completed, and the old laptops were returned and decommissioned. This project ensured that devices are up to date and standardized across the organization, enhancing security and cost efficiency. It also reduces downtime and maintenance costs, enhances user experience with modern features, and improves security through updated hardware and software.

Department	Legal
Title	WP25-LEG-011 - LIPA/LILCO Merger
Objective	Merge the subsidiary into the parent company, Long Island Lighting Company, to eliminate confusion and administrative work.
Status	Complete
Board Policy	N/A
Year-End Highlights	The merger was effective November 15, 2025, with the filing of the merger certificate with the New York State Department of State.
Title	WP25-LEG-026 - LIPA Procurement Enhancements
Objective	Increase competition in LIPA procurements, improve efficiency in procurement processes, and enhance the value of LIPA's procurements.
Status	Carryover to 2026
Board Policy	Procurement
Year-End Highlights	Procurement developed and published a Procedures Manual and a Marketing Plan to enhance competition for RFPs in 2025. Procurement and IT created a dashboard of Euna/Bonfire data to track status of RFI, RFQ and RFP events. As of January 2026, a tool has been selected to evaluate and track vendor performance. This tool is on track to be implemented by March 31, 2026.

Title	WP25-LEG-050 - Compensation Benchmarking Study
Objective	Complete a consultant-led benchmarking study to support LIPA's efforts to attract and keep quality talent by ensuring competitive compensation. Compensation benchmarking helps control labor costs and will highlight any pay inequities.
Status	Carryover to 2026
Board Policy	N/A
Year-End Highlights	<p>A project working team was established and included the Senior Advisor for Human Resources and Administration and the VP, Corporate Affairs, and Chief of Staff. An RFQ for expert consulting resources was issued, and a consultant was engaged to:</p> <p>Conduct Benchmarking Compensation, including:</p> <ul style="list-style-type: none"> • Conduct a comprehensive analysis of LIPA's current compensation structure, including base salary, incentives, and benefits. • Compare LIPA's compensation data against industry peers and regional/national benchmarks. • Identify gaps and recommend adjustments to ensure market competitiveness and alignment with LIPA's compensation philosophy. • Provide detailed reports and insights to support strategic decision-making related to compensation; and <p>Undertake Job Valuation, including:</p> <ul style="list-style-type: none"> • Conduct a thorough job analysis to evaluate the relative worth and complexity of critical positions within LIPA. • Develop a job valuation framework based on recognized methodologies (e.g., point factor, market pricing, etc.). • Assign job grades or levels, taking into account factors such as skills, responsibilities, and required qualifications. • Provide recommendations for salary ranges and career progression pathways for various job families within LIPA. <p>The consultant provided preliminary job matches for LIPA's roles and preliminary benchmarking for LIPA's non-executive roles. The project team spent considerable time reviewing and assessing these preliminary drafts, providing feedback for refinement and continued discussion to the consulting team. The project team, in order to make sure the job valuation and the benchmarking is appropriate for LIPA's responsibilities and recognizing that LIPA managing the performance of PSEG Long Island and does not directly operate the utility, paused the project until there was certainty around the service provider and the contract; and new CEO was on-boarded, the organizational review completed and implemented, and the successor Director, Human Resources and Administration is fully engaged. The work completed thus far provides the foundation for the accurate assessment, valuation, and benchmarking for LIPA roles in our oversight and performance management capacity at a NYS authority.</p>

Department	Power Supply & Clean Energy
Title	WP25-PCE-012 - Meet LIPA's Share of State Battery Storage Goal for 2025 and 2030
Objective	Complete the procurement and permitting of LIPA's battery storage RFP to meet 2025 storage goals and a New York State Energy Research and Development Authority (NYSERDA) procurement option for the 2030 storage goal.
Status	Carryover to 2026
Board Policy	Clean Energy and Power Supply
Year-End Highlights	The NYS climate law requires LIPA to completely decarbonize the electric grid by 2040. A critical component of compliance will be the successful integration of offshore wind and storage. LIPA substantially negotiated the lease for the West Babylon site. There has been agreement in principle on crediting for LIPA's storage projects against CLCPA goals.
Title	WP25-PCE-013 - Extend and/or Restructure National Grid PSA prior to 2028 Expiration
Objective	Develop and execute a strategy to maximize the value of Capacity Resource Interconnection Service (CRIS) rights, including negotiations with National Grid. Identify desired changes in terms and rate formula. Prepare for Power Supply Agreement (PSA) negotiations with National Grid.
Status	Multi-Year
Board Policy	Clean Energy and Power Supply; Customer Value, Affordability & Rate Design
Year-End Highlights	CRIS Rights has the potential to generate tens of millions of dollars in value for LIPA customers. Furthermore, negotiating an extension to the PSA is critical for LIPA because over half of our power supply comes from National Grid. LIPA kicked off negotiations with National Grid. LIPA also brought in Rick Shansky as a part-time consultant to be the technical lead for LIPA.
Title	WP25-PCE-014 - Develop Large Generator (>20MW) Interconnection Status Tracking System with NYISO and Transmission Owners
Objective	Enable LIPA and PSEG Long Island management visibility into the status of interconnection requests within the NYISO queue, including actions pending by relevant parties (developer, PSEG LI, NYISO). Review and implement business process improvements.
Status	Complete
Board Policy	Clean Energy and Power Supply; Transmission & Distribution Operations
Year-End Highlights	Completed revisions to the New York Independent System Operator (NYISO) interconnection process. Completed initial dashboard and began integration with NYISO Portal.
Title	WP25-PCE-019 - Develop an EV Infrastructure Tactical Implementation Strategy
Objective	Translate the Electric Vehicle (EV) (Light Duty Vehicle, Medium Duty Vehicle, Heavy Duty Vehicle) roadmap to blend into forecasting and system planning processes in terms of: <ol style="list-style-type: none"> 1. Sales and peak demand forecasting 2. System planning (geospatial and temporal) 3. Associated investments Develop the strategy and roadmap for managed charging. Assumption: The 2024 EV metric PS&CE-14 is supposed to develop market and stakeholder segmentation and identify potential locations for EVs.
Status	Complete
Board Policy	Clean Energy and Power Supply
Year-End Highlights	LIPA worked with the PSEG Long Island integrated planning team and leveraged the EV fleet analysis report to run simulations on selected distribution circuits and identify proposed solutions.

Title	WP25-PCE-025 - Implement the Long Island Clean Energy Hub
Objective	<p>Define LIPA's vision and objectives for the Long Island Clean Energy Hub and coordinate its implementation with NYSERDA, PSEG Long Island, and regional partners.</p> <ol style="list-style-type: none"> 1. Establish LIPA's point of contact for the Energy Hub and the milestone payment schedule. 2. Analyze Energy Hub Key Performance Indicators (KPIs) and deliverables to execute milestone payments. <p>Assess the effectiveness of PSEG Long Island and the Energy Hub in driving 40% of disadvantaged communities' target (35% minimum).</p>
Status	Carryover to 2026
Board Policy	Clean Energy and Power Supply; Economic Development & Community Engagement
Year-End Highlights	The Hub will serve as a clearinghouse for outreach, awareness, and education to foster residents' participation, especially those in underserved or otherwise disadvantaged communities, in New York's clean energy transition and help advance an equitable clean energy transition for all New Yorkers. LIPA has reviewed and provided feedback on the Regional Assessment and Barriers Analysis, as well as the Outreach and Equitable Engagement Plan, to NYSERDA and the Hub. LIPA has also provided feedback on the draft strategic plan which is now waiting for NYSERDA to finalize.

Title	WP25-PCE-033 - Plan for New Power Supply and Fuel Management Contract Beginning January 2026
Objective	<p>Issue RFP to retain a Power Supply and Fuel Management service provider for the Front, Middle, and Back Office functions to:</p> <ol style="list-style-type: none"> 1. Manage LIPA's wholesale power supply requirements in the NYISO, Pennsylvania-New Jersey-Maryland Interconnection (PJM), and Independent System Operator-New England (ISO-NE) markets, including the purchase and sale of energy, capacity, and ancillary services to serve our approximately 1.2 million customers. 2. Manage the fuel supply necessary for the oil and gas-fueled generating facilities under contract to LIPA and handle day-to-day purchases and sales. <p>Manage LIPA's hedging program to mitigate volatility in power and fuel costs.</p>
Status	Complete
Board Policy	Clean Energy and Power Supply; Power Supply Hedging Program
Year-End Highlights	<p>Successfully executed the transition of LIPA's Power Supply Management and Fuel Management (PSMFM) contract that expired on December 31, 2025, from PSEG Energy Resource and Trade (ER&T) to The Energy Authority (TEA). TEA now manages LIPA's wholesale power supply activities across the NYISO, PJM, and ISO-NE markets, including the purchase and sale of energy, capacity, and ancillary services. This transition supports LIPA's retail load of approximately 20,000 GWh annually, serving about 1.2 million customers. LIPA has around 5,800 MW of contracted generation, primarily oil-and-gas-fired, for which the service provider is responsible for all the NYISO market communication and transactions, including registering capacity, scheduling, and acting as a market participant. Additionally, the service provider manages fuel procurement for most contracted generating facilities and administers LIPA's hedging program to mitigate power and fuel price volatility, thereby ensuring reliability, cost stability, and regulatory compliance.</p> <p>Transition Key Accomplishments:</p> <ul style="list-style-type: none"> • Successfully submitted and obtained the vendor contract from the Attorney General (AG) and the Office of the State Comptroller. • Fully onboarded The Energy Authority and conducted a kick-off meeting, established communication protocols, and project roadmap. • Procured and implemented all required software solutions, including Bid/Offer Tool, Trade Capture Tool, Accounting & Settlement Tool, Load Forecasting Tool. • Conducted complete IT system testing and validation across all tools and interfaces. • Completed IT hardware procurement and system configuration to support operations. • Completed staffing, onboarding, and training of personnel across all functional areas. • Completed administrative procedures and protocols and business continuity plan testing to ensure operational resilience. • Designed/set up all reports and implemented a web portal to store the data in a centralized location securely. • Successfully executed 60-day live system and parallel operations period with ER&T. • Achieved all quarterly milestones and deliverables on schedule, resulting in full project completion. • Delivered a seamless and coordinated collaboration among LIPA (Power Supply, Procurement, Legal, IT, Finance, Treasury, Public Affairs, and HR), TEA, PSEG ER&T, PSEGLI, and National Grid, ensuring uninterrupted electric service and continued operational reliability throughout implementation and go-live.

Title	WP25-PCE-063 - Clean Energy Program 2026 Redesign Implementation
Objective	Draw upon lessons learned to refresh the structure and focus of the clean energy program. Outline program design principles along with LIPA's recommendations for program restructuring and deployment improvements.
Status	Complete
Board Policy	Clean Energy and Power Supply
Year-End Highlights	<p>Better align our deployment program structure and focus our efforts to reach CLCPA goals. Eliminate or reduce program spending on areas of low importance. Streamline deployment to reduce waste and improve LIPA's ability to oversee program deployment. LIPA completed a document and was able to convince PSEG Long Island to incorporate many of the program improvement ideas into their 2026 plan.</p> <ul style="list-style-type: none"> • Reduce incentive for projects keeping existing fossil fuel equipment. • 100% of incentive payments to contractors are now offered electronically. • Whole-home heat pump defined as meeting 100-120% of modeled heat loss, enforceable as program requirement. • Document weatherization scope of work during home energy audits. • Implement the proposed Residential and Commercial Managed Charging Programs under the existing DLM programs. • Offer home energy audits to Market-rate customers at a reasonable cost. • Change the Residential Charger Rebate incentive to increase the eligibility for DAC only customers and reduce the eligibility for non-DAC customers.

Department	Transmission & Distribution
Title	WP25-T&D-028 - Implement Physical Security Enhancements to LIPA's Facilities & Assets
Objective	Develop and implement a physical security program, administrative and technical controls, and technologies based on industry best practices to enhance the utility's physical security posture. Implement new technology that improves compliance with regulatory agency requirements regarding the physical security of facility access for control centers, substations, and operation centers.
Status	Carryover to 2026
Board Policy	Transmission & Distribution Operations
Year-End Highlights	The most significant accomplishment in 2025 was the successful transition to a new access control platform across several dozen sites. This was done on time and on budget, after a one-time budget adjustment was made early in the year to better align with the full scope of the effort. Additionally, the JMUX replacement project saw the first 31 sites progress through procurement, design, installation and the beginning of deployment. Finally, for the substation security project, a design was completed for one substation, with construction commencement in December. Designs for two additional substations are in progress as of the end of the year, those sites will be fully constructed in 2026.
Title	WP25-T&D-069 - Develop and Begin Execution of Drone Program
Objective	Establish a Drone Program for asset inspections.
Status	Carryover to 2026
Board Policy	Transmission & Distribution Operations; Fiscal Sustainability; Safety; Asset Management
Year-End Highlights	LIPA met with peer utilities and gathered information on a variety of use cases for employing drones. Met with NYPA in person and conducted meetings with other utilities that have successfully established drone programs and organizations to benchmark best practices. Evaluated multiple drone manufacturers and selected one for a pilot (POC). LIPA and PSEG Long Island completed the scope of the proof-of-concept for deploying, and objectives for the POC. Funding is secured for a pilot implementation in 2026. This program will improve the overall inspection process, increase safety, increase inspection speed, and reduce the manpower needed, resulting in cost savings for LIPA.
Title	WP25-T&D-070 - Evaluate and Begin Implementation of Alternative Restoration Methodologies
Objective	Ensure efficient power restoration, the System Average Interruption Duration Index (SAIDI) can be improved by leveraging new technology, optimizing contract agreements, and enhancing the deployment process for mobile generators.
Status	Carryover to 2026
Board Policy	Transmission & Distribution Operations; Customer Experience
Year-End Highlights	Two Rapid Pole units have been purchased and the training to all divisions has been completed. Utilization of the Rapid Pole during multiple projects throughout 2025 resulted in faster restoration. An updated scope document was developed by PSEGLI and an RFP issued for enhanced mobile generator support to manage both planned and unplanned outages. This new scope also includes the vendor to provide mobile batteries as part of their fleet. This project will continue into 2026.
Title	WP25-T&D-073 - Develop an AI Vision at LIPA to Drive Innovation
Objective	Explore capabilities of using Artificial Intelligence (AI) for T&D and Customer Experience business use cases.
Status	Carryover to 2026
Board Policy	Transmission & Distribution Operations; Customer Experience; Information Technology and Cybersecurity; Fiscal Sustainability; Asset Management
Year-End Highlights	A LIPA AI Governance Team has been created and identified use cases applicable to LIPA. They have also identified opportunities to learn from other organizations on how they employ AI currently or plan to do so. The AI Governance Team conducted multiple AI/Copilot workshops with Microsoft. During these workshops, multiple use cases are being explored. LIPA has also joined multiple industry organizations notably EPRI's Open AI consortium, LPPC AI Task Force, and AEIC. This project will continue in 2026.

Appendix B

2026 LIPA Internal Projects

Department	Customer Experience
Title	WP26-CS-059 - LMI Enrollment Automation
Objective	Increase enrollment into low- and moderate-income rates by expanding relationships/partnerships with NYC, Nassau, and Suffolk Counties, and facilitate the implementation of technology for automated enrollment.
Status	Carryover
Board Policy	Customer Value, Affordability, & Rate Design
Business Benefit	Increase collections, representative productivity, and functional job scope.
Risk If Not Executed	Inefficient utilization of resources performing manual functions.
Executive Sponsor	Suzanne Brienza
Project Manager	Erin Mullen
Title	WP26-CS-060 - Strategies for Efficiencies on Outbound Communications
Objective	Evaluate the timing and content of utility-initiated outbound customer communications and analyze the customer response impacts to the Contact Center.
Status	New
Board Policy	Customer Experience
Business Benefit	Reduce and levelize call volume, which decreases overtime hours, increases customer satisfaction, and improves service level.
Risk If Not Executed	Inefficient use of labor dollars to serve the customer. Lower customer satisfaction.
Executive Sponsor	Suzanne Brienza
Project Manager	Sarah Mandli
Title	WP26-CS-061 - Data Analysis of Customer Experience Data Lake
Objective	Develop operational, performance, and customer feedback dashboards with direct connections to the data lake for timely analysis
Status	New
Board Policy	Customer Experience
Business Benefit	Streamline data analysis, unlock insights to drive operational efficiencies, and better understand the customer experience.
Risk If Not Executed	Without a concerted effort to access and analyze data from the data lake, we will not reap the benefits of the data lake. Looking at this data can drive operational improvements by highlighting areas for improvement and identifying areas of success.
Executive Sponsor	Suzanne Brienza
Project Manager	Bridget McFadden

Department	External Affairs
Title	WP26-EA-060 - Battery Storage Engagement
Objective	Educate and train key stakeholders on the benefits of battery storage. This will help eliminate opposition to future projects, allowing LIPA to gain momentum as additional projects are proposed and attempts are made to meet 2030 Climate Leadership and Community Protection Act (CLCPA) goals.
Status	Carryover
Board Policy	Clean Energy and Power Supply
Business Benefit	Educational Outreach for the Public: As NYS and LIPA continue to explore innovative energy; solutions, it is crucial that we educate key stakeholders about battery storage technologies and their associated benefits. Education in battery storage technologies fosters a deeper understanding of their capabilities and promotes their wider adoption. When people are informed about how battery storage can enhance energy efficiency and reliability, they are more likely to embrace these systems in their homes and businesses. As awareness and acceptance of battery storage technologies grow, so will the demand. An informed public is better equipped to engage in dialogue about energy policies. By educating key stakeholders, we can create advocates for renewable energy solutions and battery storage, influencing local and national policies that support our business interests.
Risk If Not Executed	Town Battery Storage moratoriums are currently in effect in 11 of the 13 towns on Long Island. Without a significant effort to educate the public and firefighters on battery storage, we will continue to face strong public opposition that will severely impact our ability to meet 2030 CLCPA goals. Battery storage is vital to the future of clean energy.
Executive Sponsor	Thomas Locascio
Project Manager	Gaspare Tumminello, Jeanine Dillon

Department	Finance
Title	WP26-FIN-037 - Offshore Wind Rate Design & Tariff Filing (PPTN)
Objective	Obtain FERC tariff approval for the Offshore Wind PPTN project to ensure a fair cost to LIPA's customers.
Status	Carryover
Board Policy	Customer Value, Affordability, & Rate Design
Business Benefit	Realize fair cost recovery for capital invested in the Offshore Wind PPTN project on behalf of LIPA's customers.
Risk If Not Executed	Risk of not being able to recover the otherwise recoverable costs attributable to the Offshore Wind PPTN project resulting in excess cost to LIPA customers.
Executive Sponsor	Donna Mongiardo
Project Manager	William Wai
Title	WP26-FIN-054 - Update Financial Policy (PFM)
Objective	Update the 2020 study that sets forth LIPA's coverage targets and debt-to-asset goals. Determine if LIPA is continuing on a gradual path to long-term financial improvement while balancing near-term affordability.
Status	New
Board Policy	Fiscal Sustainability
Business Benefit	Provide LIPA with customer analysis, cost of service, customer program diagnostics, and improved capability to develop innovative rate products.
Risk If Not Executed	LIPA will delay or defer the modernization of its rate designs and offerings due to level of available data and tools.
Executive Sponsor	Donna Mongiardo
Project Manager	Vinay Dayal
Title	WP26-FIN-055 - OPEB Dedicated Account Analysis
Objective	Determine if the Other Post Employment Benefits (OPEB) dedicated account is sufficiently funded and aligns with the investment policy in relation to the liability analysis.
Status	New
Board Policy	Investment, Fiscal Sustainability
Business Benefit	Consider investing the OPEB Dedicated Account in more conservative securities, decreasing volatility to enable managing impacts to revenue requirement.
Risk If Not Executed	Overcollection of OPEB costs and policy currently doesn't allow LIPA to use those funds, which may lead to higher than necessary borrowing costs.
Executive Sponsor	Donna Mongiardo
Project Manager	Richard Tinelli, Vinay Dayal
Title	WP26-FIN-056 - NMP2 Trust Analysis
Objective	Determine if additional funding to NMP2 Trust is required.
Status	New
Board Policy	Fiscal Sustainability
Business Benefit	To allow for funds to remain liquid rather than in Trust.
Risk If Not Executed	Continuation of funding if not necessary and inquiring higher than necessary borrowing costs.
Executive Sponsor	Donna Mongiardo
Project Manager	Vinay Dayal

Title	WP26-FIN-057 - New Financing Orders for UDSA
Objective	Allow LIPA to refund bonds using the balance of Utility Debt Securitization Authority (UDSA) bonds if the market determines there are refunding savings.
Status	New
Board Policy	Fiscal Sustainability
Business Benefit	Lower interest costs for ratepayers.
Risk If Not Executed	Higher interest costs for ratepayers.
Executive Sponsor	Donna Mongiardo
Project Manager	Vinay Dayal
Title	WP26-FIN-058 - Marginal Cost of Service Study
Objective	Create a policy to develop a process whereby the Marginal Cost of Service (MCOS) is updated on a regular basis, and the information to obtain the results is shared properly with all stakeholders.
Status	New
Board Policy	Fiscal Sustainability
Business Benefit	To ensure the latest financial projections are included in LIPA's MCOS and provided in a timely manner to stakeholders.
Risk If Not Executed	Understate amounts provided to developers to determine the feasibility of renewable projects.
Executive Sponsor	Donna Mongiardo
Project Manager	William Wai
Title	WP26-FIN-059 - Transition to Hyperion for Budget Book Analysis
Objective	Utilize Hyperion for Budget Book analysis and incorporate Capital Expenditure information to allow an enhanced level of detail for improved analytics.
Status	New
Board Policy	Fiscal Sustainability
Business Benefit	Streamline processes and data integrity.
Risk If Not Executed	Manual processes and higher risk for data errors.
Executive Sponsor	Donna Mongiardo
Project Manager	Thomas Kelly, Jennifer Udell, Sean Haas

Department	Information Technology
Title	WP26-IT-015 – PSEG Long Island Business Continuity Assessment
Objective	Assessment of PSEG Long Island resiliency program by a LIPA-engaged consultant, per PSEG Long Island Performance Metrics IT-03 and IT-10, to assess gaps and provide recommendations, a roadmap, and 2026 Business Continuity and Disaster Recovery Action Plans.
Status	Carryover
Board Policy	Transmission & Distribution Operations; Information Technology and Cyber Security
Business Benefit	Make progress towards ensuring that PSEG Long Island can continue to perform its essential functions and deliver core capabilities during and following disruptions to normal operations, including the unplanned partial or complete loss of one or more critical systems and/or infrastructure.
Risk If Not Executed	PSEG Long Island's ability to deliver services during and following disruptions (planned and unplanned) may be hampered.
Executive Sponsor	Greg Flay
Project Manager	Brian Rudowski
Title	WP26-IT-034 – PSEG Long Island Ransomware Readiness
Objective	Conduct a current-state assessment by an independent LIPA consultant of PSEG Long Island's Ransomware Readiness and Response preparedness to assess gaps and provide recommendations and an actionable roadmap for developing and implementing Ransomware Readiness and Response plans to ensure that any suspected or confirmed ransomware incidents are responded to in a consistent, controlled, and effective manner. PSEG Long Island performance metric IT-09 requires the evaluation.
Status	Carryover
Board Policy	Information Technology and Cyber Security
Business Benefit	Ensure that PSEG Long Island is positioned to respond to and recover from a Ransomware incident effectively.
Risk If Not Executed	PSEG Long Island could have a higher risk of significant negative impacts in the event of a Ransomware incident.
Executive Sponsor	Greg Flay
Project Manager	Brian Rudowski
Title	WP26-IT-047 – LIPA Crisis Management Plan Program
Objective	Complete the deployment of technology to facilitate the War Rooms (Uniondale/Hicksville) operation. Conduct crisis management training. Conduct tabletop exercises for crisis management.
Status	Multi-year
Board Policy	Information Technology and Cyber Security
Business Benefit	Enhance LIPA's readiness in the event of a crisis.
Risk If Not Executed	LIPA is less prepared in an emergency
Executive Sponsor	Greg Flay
Project Manager	Brian Celleri, Brian Gallagher

Title	WP26-IT-062 – PSEG Long Island Cyber Security Review
Objective	LIPA has established a cybersecurity default metric for PSEG Long Island under the reformed PSEG Long Island contract, effective April 1, 2022, to achieve and maintain a specific NIST CSF level. LIPA has hired a third-party evaluator to conduct an independent review of PSEG Long Island's cyber readiness relative to the metric.
Status	Carryover
Board Policy	Information Technology and Cyber Security
Business Benefit	This assessment aims to determine whether PSEG Long Island has complied with the cyber security default performance metric, thereby reducing the risk of a cyber security event.
Risk If Not Executed	PSEG Long Island may have a greater risk of experiencing a cyber security incident.
Executive Sponsor	Greg Flay
Project Manager	Brian Rudowski
Title	WP26-IT-067 - LIPA Intranet Redesign
Objective	Redesign the LIPA intranet sites for each department according to the business requirements, with features such as navigation, user experience, content updating, maintenance, etc.
Status	Multi-year
Board Policy	N/A
Business Benefit	The redesigned site will provide functionality for end users to post their own content, improve user navigation and experience, etc.
Risk If Not Executed	Supporting each department's LIPANet sites would be a heavy lift for the IT department. Also, if the redesign is not implemented, each department would lose the ability to manage and control its own sites.
Executive Sponsor	Greg Flay
Project Manager	Sidney Shelton
Title	WP26-IT-071 – Penetration Testing and Vulnerability Assessment of PSEGLI
Objective	Perform penetration testing of the PSEG Long Island's internal and external network, perform the configuration review of the PSEG Long Island's hosts and network devices, and develop recommendations to remediate the identified vulnerabilities. This review will cover all PSEG Long Island information technology (IT) and Operational Technology (OT) systems, data, communications networks, applications, or devices, and the data contained within such systems owned, leased, licensed, utilized, or accessed by PSEG Long Island. This is a DPS audit recommendation.
Status	Multi-year
Board Policy	Information Technology and Cybersecurity
Business Benefit	Ensure that PSEG Long Island is positioned to respond to and recover from a Ransomware incident effectively.
Risk If Not Executed	PSEG Long Island may have a greater risk of significant negative impacts in the event of a Ransomware incident.
Executive Sponsor	Greg Flay
Project Manager	Brian Rudowski

Title	WP26-IT-074 - Data Center Relocation
Objective	Successfully relocate the data center from the 2 nd floor to the 4 th floor office space by the end of May, ensuring minimal downtime and operational continuity through comprehensive planning, infrastructure preparation, equipment relocation, and post-move validation before the lease expiration on the 2 nd floor.
Status	Carryover
Board Policy	N/A
Business Benefit	This work offers substantial cost savings by avoiding a drastic rent increase associated with the 2 nd floor space, which disrupts the building's floor plan and revenue potential. It also provides an opportunity to modernize infrastructure, enhance scalability, and ensure compliance with operational standards.
Risk If Not Executed	Increased rent costs due to the misalignment of the 2 nd floor space with the building's floor plan, resulting in higher operational expenses.
Executive Sponsor	Greg Flay
Project Manager	Brian Celleri

Department	Legal
Title	WP26-LEG-007 - LIPA Deployment of Electronic Document and Records Management System
Objective	Phased implementation of an electronic document and records management platform for lifecycle management of LIPA documents and simplified management, retention, and disposition of records in compliance with NYS and federal requirements, including a common platform with PSEG Long Island in accordance with the 2 nd A&R OSA.
Status	Carryover
Board Policy	N/A
Business Benefit	The business benefit is that this will be a centralized repository for records management and procedures for records storage, retention, and final disposition that PSEG Long Island will use to upload documents.
Risk If Not Executed	If not executed, LIPA will not meet the management authority requirements, and we will not have a central repository to store documents for retention purposes.
Executive Sponsor	Bobbi O'Connor
Project Manager	Lee Anna Bobb
Title	WP26-LEG-026 - LIPA Procurement Enhancements
Objective	Increase competition in LIPA procurements, improve efficiency in procurement processes, and enhance the value of LIPA's procurements.
Status	Carryover
Board Policy	Procurement
Business Benefit	Implement specific process improvements, including developing the Procurement Dashboard to better track the timing of procurement needs.
Risk If Not Executed	Less efficient and effective procurement processes.
Executive Sponsor	Bobbi O'Connor
Project Manager	Joseph Lamotta
Title	WP26-LEG-050 - Compensation Benchmarking Study
Objective	Complete a consultant-led benchmarking study to support LIPA's efforts to attract and keep quality talent by ensuring competitive compensation. Compensation benchmarking helps control labor costs and will highlight any pay inequities.
Status	Carryover
Board Policy	N/A
Business Benefit	Compensation benchmarking is critical to understanding how LIPA compensation compares with similar roles at companies with whom we compete for talent and ensures that our compensation is appropriate and competitive. Accurate and current benchmarking data is necessary to set compensation ranges that attract, reward, and retrain employees in a competitive job market.
Risk If Not Executed	N/A
Executive Sponsor	Bobbi O'Connor
Project Manager	Gary Martens

Title	WP26-LEG-053 - Evaluate Construction Permitting Authority Designation
Objective	Research the process needed for LIPA to become a construction-permitting agency which would allow it to review construction plans to ensure they comply with building codes and zoning laws. Additionally, LIPA would be able to issue permits to approve and authorize construction projects, conduct inspections to verify compliance during construction, and issue final certificates of occupancy certifying that the completed project meets all requirements.
Status	New
Board Policy	N/A
Business Benefit	This would allow LIPA to continue construction projects in a timely manner, ensuring there are no delays caused by a third-party.
Risk If Not Executed	Without this permit, LIPA must rely on other agencies to provide permitting, which causes delays in construction implementation and creates additional costs to the ratepayer.
Executive Sponsor	Bobbi O'Connor
Project Manager	Amy Majkrzak

Department	Power Supply & Clean Energy
Title	WP26-PCE-012 - Meet LIPA's Share of State Battery Storage Goal for 2030
Objective	Obtain LIPA Board of Trustees, Attorney General and OSC approvals for the West Babylon BESS contracts.
Status	Carryover
Board Policy	Clean Energy and Power Supply
Business Benefit	The NYS climate law requires LIPA to completely decarbonize the electric grid by 2040. A critical component of compliance will be the successful integration of offshore wind and storage.
Risk If Not Executed	Non-compliance with NYS storage and decarbonization goals.
Executive Sponsor	Gary Stephenson
Project Manager	Tom Simpson
Title	WP26-PCE-013 – CRIS Rights and Power Supply Agreement
Objective	Execute a strategy to maximize the value of Capacity Resource Interconnection Service (CRIS) rights at legacy generation sites, including negotiations with National Grid. Develop the form of contract and identify the desired terms for the Power Supply Agreement negotiations with National Grid.
Status	Carryover
Board Policy	Clean Energy and Power Supply, Customer Value, Affordability, and Rate Design
Business Benefit	CRIS Rights has the potential to generate tens of millions of dollars in value for LIPA customers. Furthermore, negotiating an extension to the Power Supply Agreement (PSA) is critical for LIPA, because over half of our power supply comes from National Grid.
Risk If Not Executed	Loss of potential value to LIPA customers
Executive Sponsor	Gary Stephenson
Program Manager	Tom Simpson
Title	WP26-PCE-025 – Long Island Clean Energy Hub
Objective	Coordinate with Long Island's Clean Energy Hub in partnership with NYSERDA and regional partners to centralize an information hub about LIPA's programs, policies, and activities with consistent messaging and accuracy.
Status	Carryover
Board Policy	Clean Energy and Power Supply, Economic Development & Community Engagement
Business Benefit	The Hub will serve as a clearinghouse of outreach, awareness, and education to help foster residents' participation, especially those in underserved or otherwise disadvantaged communities, in New York's clean energy transition, and help advance an equitable clean energy transition for all New Yorkers.
Risk If Not Executed	Potential for inconsistent or incorrect information being provided to those contacted by staff of the Long Island Clean Energy Hub about LIPA's programs, policies, and activities. This may result in customer confusion and impact customer satisfaction
Executive Sponsor	Suzanne Brienza
Project Manager	Louisa Chan

Title	WP26-PCE-046 - Integrated Resource Plan Scoping
Objective	The IRP studies supply and demand side resources for electric power supply to Long Island and the Rockaways. The IRP will help LIPA chart a path forward for compliance with New York State's nation-leading climate policy and ensure access to adequate electric power resources so that LIPA can continue to serve its customers reliably and affordably.
Status	New
Board Policy	Clean Energy and Power Supply
Business Benefit	The IRP will ultimately result in an action plan for the next five to ten years that will identify the key actions and investments that LIPA will undertake to meet state goals while continuing to meet the electricity needs of its customers.
Risk If Not Executed	LIPA will not have adequate resources for electric power supply to our customers.
Executive Sponsor	Gary Stephenson
Project Manager	Tom Simpson
Title	WP26-PCE-064 – Retail Storage Program Design
Objective	Redesign LIPA's tariff structure and additional incentives that support retail storage project development in our service territory.
Status	New
Board Policy	Clean Energy and Power Supply
Business Benefit	It will create a locational value of energy storage that will incite industry to develop storage projects in places where it will directly benefit our grid.
Risk If Not Executed	It will create some costs that need to be included in the power supply charge (estimated order of \$3-\$5M annually starting in 2027).
Executive Sponsor	Suzanne Brienza
Project Manager	Brian Levite
Title	WP26-PCE-065 – EV Permitting Outreach
Objective	This outreach initiative is intended to educate and assist municipalities adopt best practices in EV permitting to facilitate increased buildout of EV charging stations on Long Island.
Status	New
Board Policy	Clean Energy and Power Supply
Business Benefit	There are significant business benefits in educating municipalities and helping them facilitate increased buildout of EV charging stations on Long Island. This will assist LIPA in meeting New York State's CLCPA goals.
Risk If Not Executed	LIPA may be unable to meet future EV demand due to the long lead time for utility infrastructure buildout to support the required EV charging and may become a barrier to EV adoption in our service territory.
Executive Sponsor	Suzanne Brienza
Project Manager	Louisa Chan

Department	Transmission & Distribution
Title	WP26-TD-028 - Physical Security Enhancements
Objective	Develop and implement a physical security program, administrative and technical controls, and technologies based on industry best practices to enhance the utility's physical security posture. Implement new technology that improves compliance with regulatory agency requirements regarding the physical security of facility access for control centers, substations, and operation centers.
Status	Carryover
Board Policy	Transmission & Distribution Operations
Business Benefit	To protect electrical assets in the field and provide resilient and reliable electricity to our customers.
Risk If Not Executed	Loss of electrical supplies and cost of restoration to our customers.
Executive Sponsor	Robert Frenna
Project Manager	Donald Schaaf, Brian Gallagher
Title	WP26-TD-044 – Closeout Sandy FEMA Grant Claim
Objective	Provide remaining support for costs to DHSES/FEMA to enable the release of remaining funds to LIPA. Prepare documents necessary to close out the Sandy FEMA claim.
Status	Carryover
Board Policy	Customer Value, Affordability, & Rate Design
Business Benefit	Obtain the remaining funding the Letter of Undertaking provided, which will replenish the LIPA treasury for funds expended on mitigation.
Risk If Not Executed	Higher cost to customers for delayed FEMA reimbursement.
Executive Sponsor	Carrie Meek-Gallagher
Project Manager	Kenneth Kane
Title	WP26-TD-068 – T&D PJD and Budget Review Process Development Improvements
Objective	Evaluate the current T&D Project Justification Documents (PJD) and O&M/Budget process and determine gaps and implement recommended improvements.
Status	Carryover
Board Policy	Transmission & Distribution Operations, Customer Value, Affordability, & Rate Design, Fiscal Sustainability
Business Benefit	Streamline current processes and enhance insight into operations of the T&D business.
Risk If Not Executed	Lack of meaningful insight and lost opportunity to reduce operating costs.
Executive Sponsor	Carrie Meek-Gallagher
Project Manager	Kenneth Kane
Title	WP26-TD-069 - Execute Drone Program
Objective	Establish a Drone Program for asset defect inspections.
Status	Carryover
Board Policy	Transmission & Distribution Operations, Safety, Asset Management, Fiscal Sustainability
Business Benefit	This program will improve the overall inspection process, increase safety, increase the speed of inspection, and reduce the workforce needed, resulting in cost savings for LIPA.
Risk If Not Executed	Service provider will continue to tie manpower and hours to inspections that can be done more efficiently.
Executive Sponsor	Umair Zia
Project Manager	Brian Gallagher

Title	WP26-TD-070 – Evaluate and Implement Enhanced Restoration Methodologies
Objective	Improve SAIDI performance by leveraging new technology, optimizing contract agreements, and enhancing the deployment process for mobile generators to ensure efficient power restoration.
Status	Carryover
Board Policy	Transmission & Distribution Operations, Customer Experience
Business Benefit	Improve SAIDI performance by leveraging new technology, optimizing contract agreements, and enhancing the deployment process for mobile generators to ensure efficient power restoration.
Risk If Not Executed	Prolonged outages leading to poor customer service.
Executive Sponsor	Umair Zia
Project Manager	Peter Mladinich
Title	WP26-TD-073 - Develop an AI Vision at LIPA to Drive Innovation
Objective	Explore capabilities of using Artificial Intelligence (AI) for T&D and Customer Experience business use cases.
Status	Carryover
Board Policy	Transmission & Distribution Operations, Customer Experience, Information Technology and Cyber Security, Fiscal Sustainability, Asset Management
Business Benefit	Enhance operational efficiency and accelerate decision-making, resulting in cost savings and reduction in time and manpower.
Risk If Not Executed	Delay in identifying and maintaining our infrastructure and vulnerability to disruptions of our business.
Executive Sponsor	Umair Zia, Greg Flay
Project Manager	Sidney Shelton
Title	WP26-TD-074 - National Incident Management System (NIMS) Training Program
Objective	Increase baseline and position specific knowledge and capabilities of the LIPA staff to prepare for, mitigate, respond to and recover from emergency incidents and crises.
Status	New
Board Policy	Transmission & Distribution Operations
Business Benefit	Increase baseline and position specific knowledge and capabilities of the LIPA staff to prepare for, mitigate, respond to and recover from emergency incidents and crises.
Risk If Not Executed	A potential decrease in the oversight and support provided to PSEGLI, and coordination with other organizations, before and during emergency events.
Executive Sponsor	Robert Frenna
Project Manager	Brian Gallagher
Title	WP26-TD-075 – Driving Innovation: Advanced Climate Modeling and Digital Twin Initiative
Objective	Improve outage predictions to optimize resource management and storm planning.
Status	New
Board Policy	Transmission & Distribution Operations
Business Benefit	Improve outage response and enhance customer service.
Risk If Not Executed	Less efficient and effective storm planning.
Executive Sponsor	Umair Zia
Project Manager	Umair Zia