

## **FOR CONSIDERATION**

July 26, 2017

**TO:** Oversight Committee of the Board of Trustees

**FROM:** Thomas Falcone

**REQUEST:** Consideration of Recommendation of Approval of Board Policy on Customer Service

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### Requested Action

The Oversight Committee (the “Committee”) of the Board of Trustees is requested to approve a resolution (attached as Exhibit A) recommending that the Board adopt the proposed Board Policy on Customer Service (the “Policy”, attached as Exhibit B) for the Long Island Power Authority and its subsidiary, LIPA (collectively the “Authority”).

### Background

Staff requests the Board to provide policy guidance regarding Customer Service to create a framework for ongoing efforts to maintain and improve customer service and for Staff’s oversight of such efforts. Other public power utilities, such as Sacramento Municipal Utility District, Omaha Public Power District, and Jacksonville Electric Authority, have established similar frameworks to guide their operations.

### Discussion

The recommended Policy seeks to ensure that: (1) customers are offered innovative and cost effective solutions tailored to best meet their needs for clean, reliable, and affordable service; (2) investments are made to provide the emerging capabilities and technologies required to meet the future needs of customers to exercise more choice and more control over their use of electricity; (3) courteous service is provided in a timely manner; (4) cyber and physical information is properly managed to reduce risk; and (5) communications to customers convey respect and provide accurate and timely information.

The foregoing objectives are consistent with the goals set forth in the Amended & Restated Operations Services Agreement (“OSA”) and provide further context to the administration of performance metrics established pursuant to the OSA and the Budgets and Rate Plans submitted to the Board. Moreover, the Policy establishes regular performance reporting by Staff to enable the Board to assess progress against the goals of the Policy.

### Recommendation

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

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Attachments

Exhibit A Committee Resolution  
Exhibit B Policy on Customer Service

**RECOMMENDATION OF APPROVAL OF BOARD POLICY ON CUSTOMER SERVICE**

WHEREAS, the Oversight Committee (“Committee”) recognizes that customer service is a cornerstone for building customer satisfaction with, and achieving the mission of, the Authority; and

WHEREAS, the Committee recognizes that providing innovative services to meet customer needs and protect customer information may require investments in new technologies for delivering new services and improving customer communications; and

WHEREAS, the Committee has reviewed the proposed Policy on Customer Service and believes it is reasonable and appropriate to adopt it for the reasons set forth in the accompanying memorandum:

NOW, THEREFORE, BE IT RESOLVED that, consistent with the accompanying memorandum, the Committee recommends that the Board of Trustees adopt the proposed Policy on Customer Service in the form attached to the accompanying memorandum.

## Exhibit B

Board Policy:	<b>Customer Service</b>
Policy Type:	<b>Operating</b>
Monitored by:	<b>Oversight Committee</b>
Board Resolution:	<b>[Resolution #, approved date of resolution]</b>

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### **Board Policy on Customer Service**

It is the policy of the Long Island Power Authority to achieve a high level of customer service and satisfaction by:

- Funding cost-effective initiatives and ongoing operations to provide customers with a level of service, as measured by industry standard customer service metrics, within the first quartile of peer utilities by 2018;
- Funding cost-effective initiatives and ongoing operations so that customers report a level of satisfaction, as measured by third-party and internally-generated customer satisfaction surveys, within the first quartile of peer utilities by 2022;
- Supporting programs so that customers have information, education, and tools to manage their energy use according to their needs, including innovative billing options and emerging technologies and communications tools that enable multi-directional customer relationships for distributed resources and electric vehicles;
- Protecting customer information from unauthorized access, use, disclosure, disruption, modification or destruction; and
- Providing utility communications that are:
  - accurate and easily accessible;
  - understandable, including accurate billing that can be easily interpreted and conveniently paid;
  - proactive regarding potential weather-related and/or emergency situations, including information on the restoration of electric outages.

The Chief Executive Officer will report annually to the Board on:

- Customer service and satisfaction metrics, including comparisons to peer electric utilities;
- Initiatives to provide customers with information, education, and tools to manage their energy use;
- Access, use, disclosure, disruption, modification, or destruction of customer information by unauthorized persons; and
- Feedback from customers on customer communication.