

Board Policy: **Trustee Communications**
Policy Type: **Governance Process**
Monitored by: **Governance Committee**
Board Resolution: **#1331, approved December 20, 2016**



Policy on Trustee Communications and Conduct

The Trustees of the Board of the Long Island Power Authority undertake a fiduciary duty of loyalty and care as part of their oath of office, as defined by the New York Public Authorities Law, Trustee Code of Ethics and Conduct, bond covenants, and other policies adopted by the Board,¹ including:

- A duty of loyalty, which requires that each Trustee (i) act at all times in the best interests of the Authority, its customers and bondholders, whose interests must take precedence over any self-interest of the Trustee, and (ii) avoid conflicts of interest and self-dealing; and
- A duty of care, which requires that each Trustee act in good faith and with the degree of diligence, care, and skill of an ordinarily prudent person in similar circumstances.

In acknowledgement and furtherance of its fiduciary duties, the Board hereby adopts this Policy on Trustee Communications and Conduct. Specifically, Trustees shall:

- a) at all times act in an ethical, businesslike, productive, and lawful manner and shall avoid even the appearance of impropriety or self-interest to ensure and maintain public confidence in the Authority and its Board of Trustees.
- b) conduct themselves with civility and respect at all times with one another, with staff, and with members of the public.
- c) pursuant to their fiduciary duty of loyalty, subordinate any conflicting loyalties such as that to advocacy or interest groups, membership on other boards, employers or consulting engagements, or their personal interests acting as a consumer or industry professional.
- d) at all times maintain the confidentiality of Authority information² that is available to them only due to their status as a Trustee, in accordance with their fiduciary obligations and the Trustee Code of Ethics and Conduct, as breaches of confidentiality harm the interests of the Authority and its customers and undermine the Board's deliberative process, relationships with staff, and the trust and confidence that the Trustees have in each other.
- e) not represent to the public or media that they exercise individual authority over the Authority except as explicitly set forth in Board policies and recognize the inability of any one Trustee to speak for the Authority, the Board, or other Trustees. In particular, Trustees shall:
 - i. not appear, or present themselves as a representative of the Authority, the Board, or other Trustees, except to repeat explicitly stated Board decisions or where explicitly authorized by the Board.
 - ii. refrain from representing to members of the public or media that they influence an individual customer's level of service or electric bill.

¹ See N.Y. Pub. Auth. Law § 2824(1) (McKinney); see also the Trustee Code of Conduct and the Authority's bond covenants.

² The definition of "confidential information," whether pursuant to this policy or the Trustee Code of Ethics and Conduct, is not intended to be nor should it be interpreted as limiting the scope of information subject to disclosure pursuant to New York's Freedom of Information Law ("FOIL") or any provision of New York's Open Public Meetings Law. Nevertheless, pursuant to Public Officers Law § 74(3)(c) a Trustee may not "disclose confidential information acquired by him in the course of his official duties nor use such information to further his personal interests."

- f) refer public or media inquiries dealing with matters of fact concerning the Authority, rather than matters on which they may have an opinion, to the Authority's Chief Executive Officer or Director of Public Information, who are the only official spokespersons for the Authority, in recognition that a Trustee is not authorized to speak on behalf of the Authority or the Board, a Trustee may not have all of the relevant or most current information necessary to respond accurately to a factual inquiry, and the media and public must receive correct, complete, and consistent information.
- g) at all times endeavor to express their individual opinions in a responsible manner, clearly identifying such as their individual opinions, comments or statements.
 - i. Trustees may criticize the decisions of the Authority, but in doing so should make it clear that it is their own opinion and not the opinion of the Authority, the Board or other Trustees, and so long as such criticism complies with the other limitations set forth herein.
 - ii. Trustees shall not use their position as a platform for publicity for an advocacy or interest group to which they belong, employment or consulting engagements, or to further their personal or professional reputation in an industry or community, which would be in conflict with their fiduciary duty of loyalty to place the interests of the Authority over their own self-interest.
 - iii. Pursuant to their fiduciary duty of care, Trustees should refrain from publicly espousing a position on matters that may come before the Board prior to reviewing the record or recommendation so as to make a reasonably informed, rational judgment and avoid even the appearance that a Trustee has failed to discharge their duties in good faith.
 - iv. Trustees should exercise utmost care concerning ongoing or imminent procurements, request for proposals, or contract awards in order to avoid improperly influencing the outcome, appearing conflicted, or violating any procurement lobbying laws or guidelines.
 - v. Trustees are encouraged to notify the Chief Executive Officer or Director of Public Information in advance if they plan to speak publicly, in the media, or through the various other communication channels that may be available now or in the future with regard to Authority matters, decisions and policies.