PSEG Long Island Update

Operating Report – November 2024 LIPA Board of Trustees Meeting

November 13, 2024
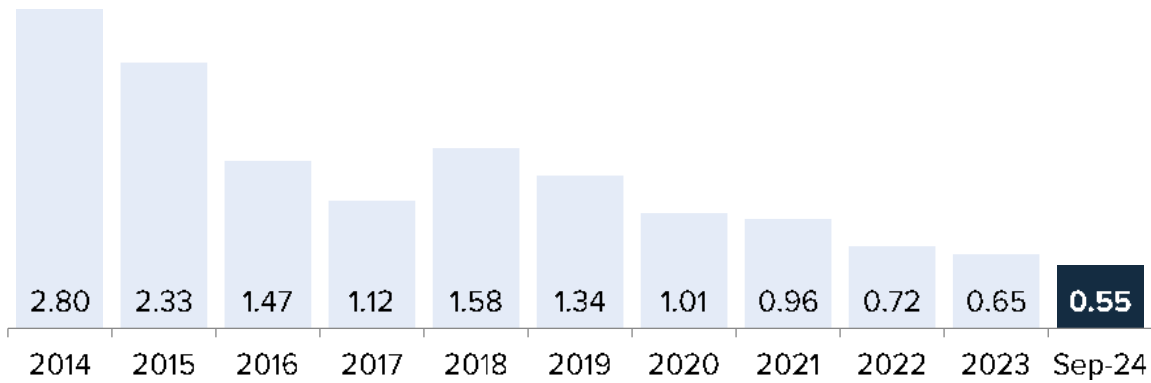
Agenda

↗ Operating Performance

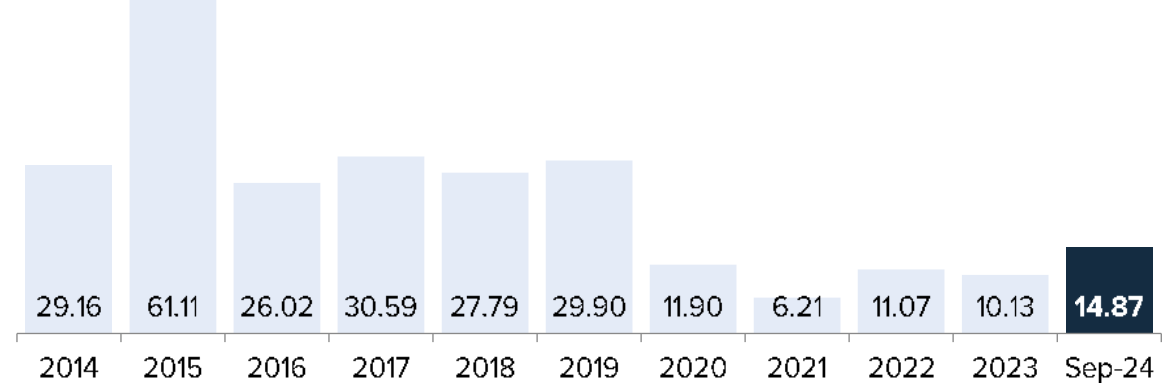↗ Time of Day Update

↗ System Separation Update

Operating Performance
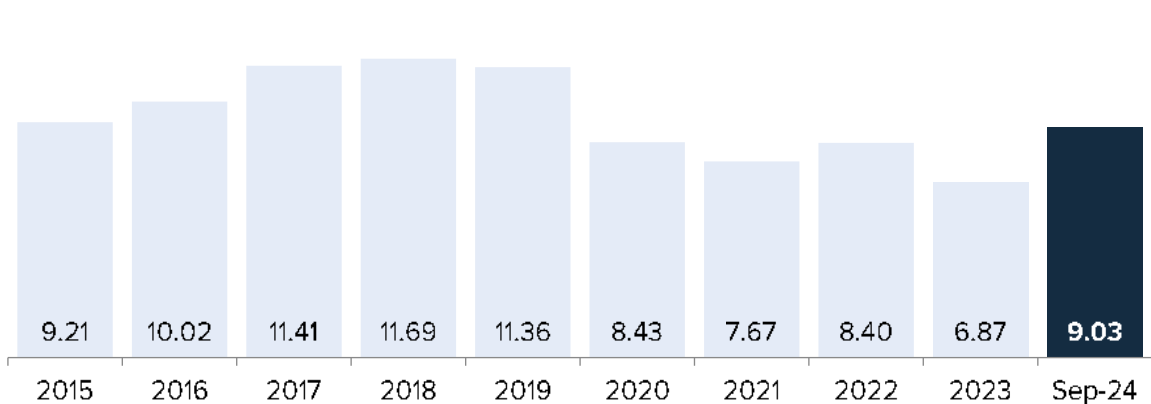## *Safety Performance*

OSHA Recordable Incident Rate

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Sep-24
2.80	2.33	1.47	1.12	1.58	1.34	1.01	0.96	0.72	0.65	0.55

Motor Vehicle Accident Rate

2015	2016	2017	2018	2019	2020	2021	2022	2023	Sep-24
9.21	10.02	11.41	11.69	11.36	8.43	7.67	8.40	6.87	9.03

OSHA Days Away Rate (Severity)

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Sep-24
29.16	61.11	26.02	30.59	27.79	29.90	11.90	6.21	11.07	10.13	14.87

Serious Injury Incident Rate

2015	2016	2017	2018	2019	2020	2021	2022	2023	Sep-24
							0.03	0.06	0.07

Serious Injuries - # of Incidents

2015	2016	2017	2018	2019	2020	2021	2022	2023	Sep-24
							1	1	2
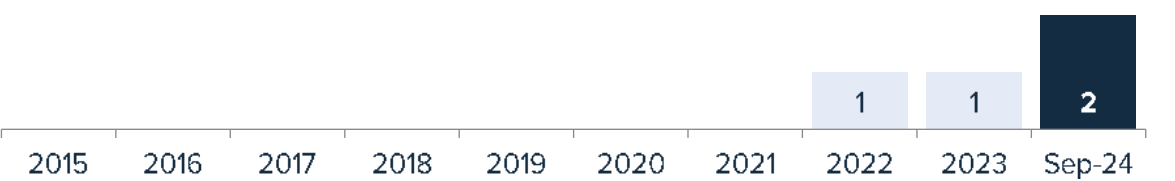
Operating Performance
Electric Reliability

System Average Interruption Duration Index (SAIDI)

2023 OSA Target - 56.5

Year	Value
2016	75.5
2017	65.8
2018	65.2
2019	51.4
2020	66.0
2021	54.7
2022	56.0
2023	56.3
Sep-24	47.6

System Average Interruption Frequency Index (SAIFI)

2023 OSA Target - 0.67

Year	Value
2016	1.11
2017	0.95
2018	0.86
2019	0.67
2020	0.80
2021	0.68
2022	0.68
2023	0.69
Sep-24	0.57
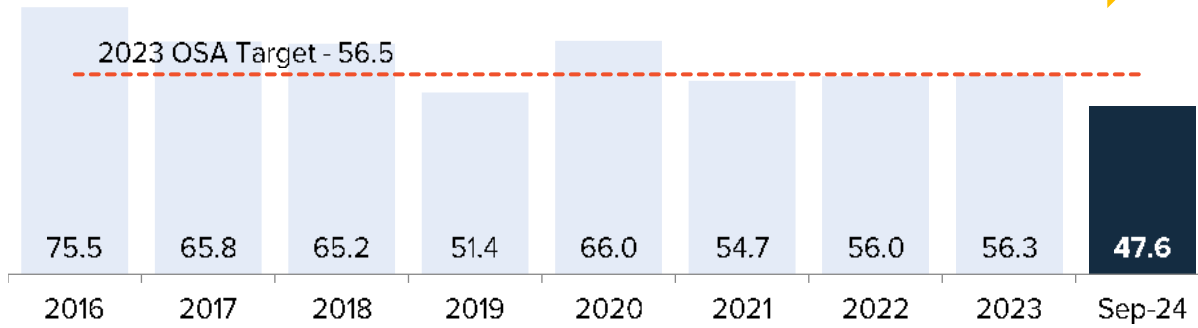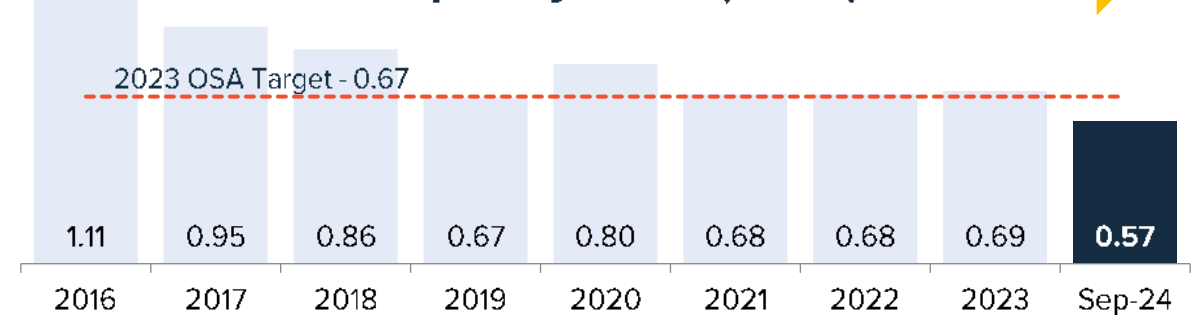
Momentary Average Interruption Frequency Index (MAIFI)

2023 OSA Target - 1.50

Year	Value
2016	3.92
2017	3.52
2018	3.44
2019	2.41
2020	2.14
2021	1.78
2022	1.67
2023	1.45
Sep-24	1.18
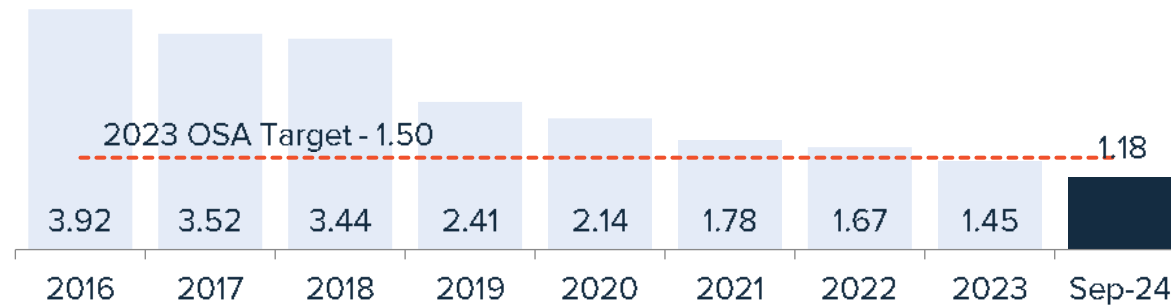
Operating Performance
Call Center Update

2024 October YTD/MTD Performance
Performance through October 31, 2024

JAN   FEB   MAR   APR   MAY   JUN   JUL   AUG   SEP   **OCT**   NOV   DEC

Rep Calls Offered
YEAR TO DATE

Year	Value
2024	1,104,250
2023	1,018,622
2022	1,171,992
2021	945,953
2020	1,160,355
2019	1,138,119

80.1% First Call Resolution
YEAR TO DATE | 79.9%

95.6% After Call Survey
YEAR TO DATE | 94.9%

128 Staffing
Contact Center Agents
29 Agents In Training

165
Average Speed of Answer
Average time to answer a phone call in seconds
YEAR TO DATE | 264 SECONDS

49.5%
Service Level
Percentage of calls answered in 30 seconds
GOAL: 77% of calls answered in 30 seconds
YEAR TO DATE | 35.6%

479.4
Average Handle Time
Average length of time to complete a transaction
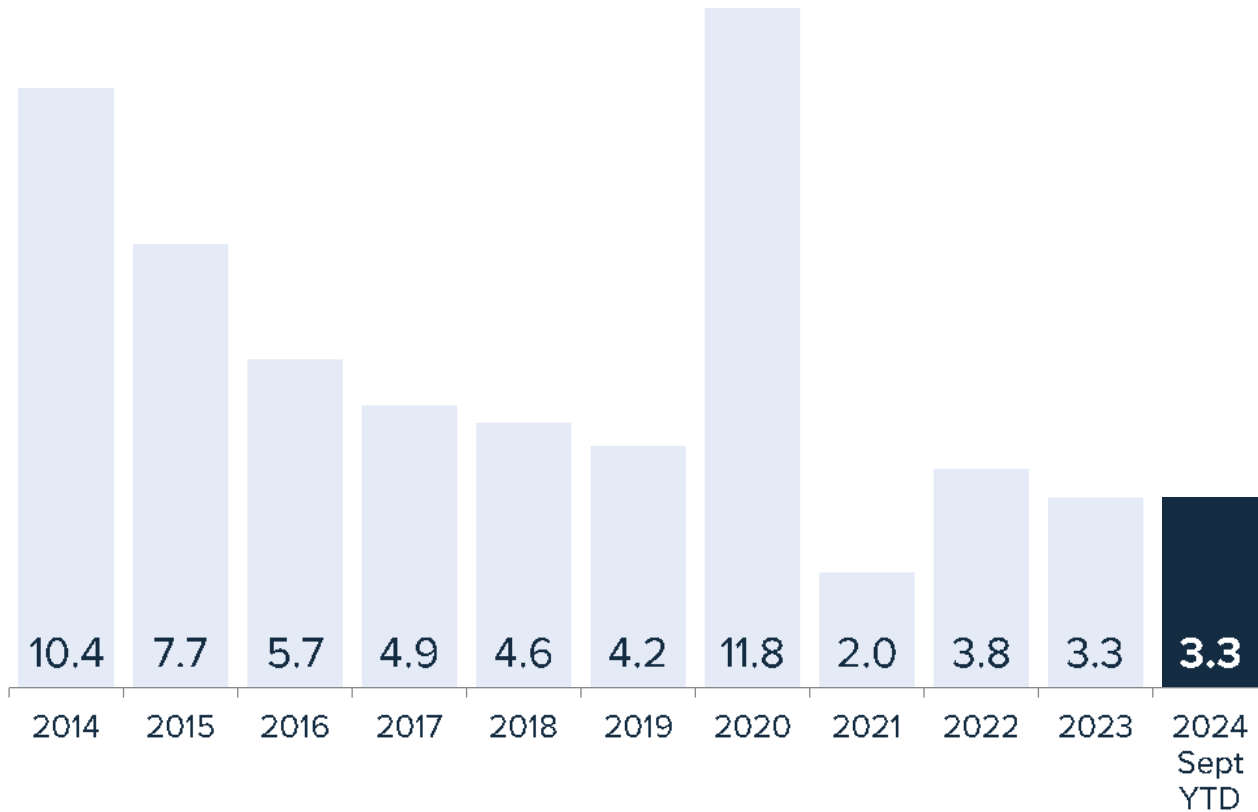GOAL: 376 seconds
YEAR TO DATE | 472.0 seconds
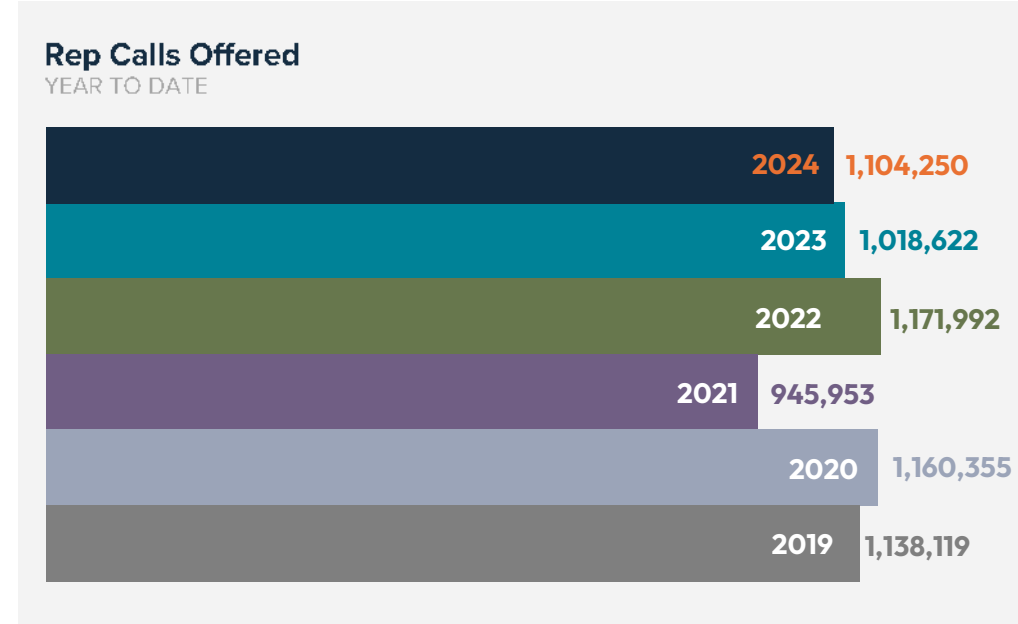
92.2%
Agent Schedule Adherence
Compares an agent's schedule of work versus actual work completed
YEAR TO DATE | 91.4%

10.7%
Abandonment Rate
Percentage of customers who disconnect before connecting with an agent
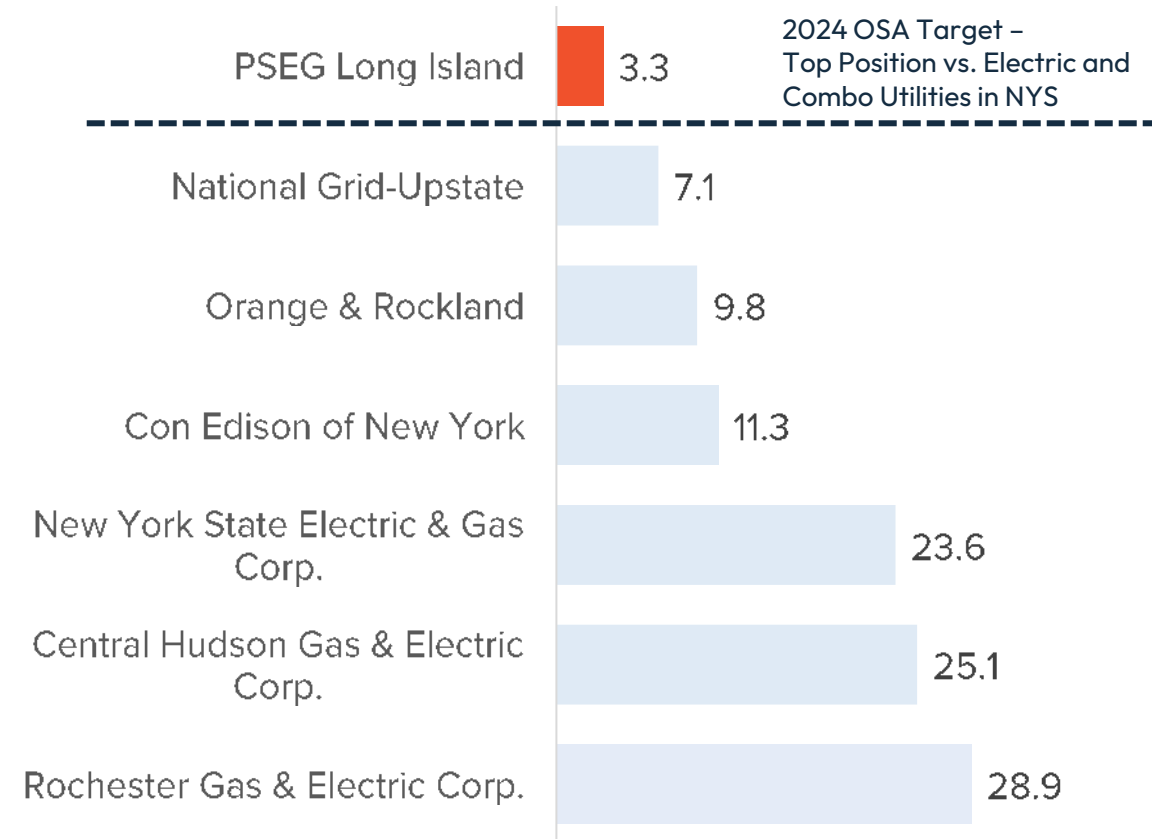YEAR TO DATE | 14.4%

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Operating Performance
*Customer Complaints*

Customer Complaint Rate

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Sept YTD
10.4	7.7	5.7	4.9	4.6	4.2	11.8	2.0	3.8	3.3	3.3

Rolling 12 Month DPS Complaint Rate per 100,000 Customers

PSEG Long Island	3.3
National Grid-Upstate	7.1
Orange & Rockland	9.8
Con Edison of New York	11.3
New York State Electric & Gas Corp.	23.6
Central Hudson Gas & Electric Corp.	25.1
Rochester Gas & Electric Corp.	28.9

2024 OSA Target – Top Position vs. Electric and Combo Utilities in NYS

TOD Program Progress
Customer Enrollment

	Total As of 2023	2024 Program Enrollment									Total Customers
		Q1	Q2	July	August	September	October	November	December	
	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	
Voluntary	471	2,572	3,554	667	868	695	500	500	500	10,327
Move-in		10,619	14,969	5,940	5,280	4,848	5,000	5,000	5,000	56,656
Targeted Migration Population			28,615							28,615
Total*	471	13,191	47,138	6,607	6,148	5,543	5,500	5,500	5,500	95,598
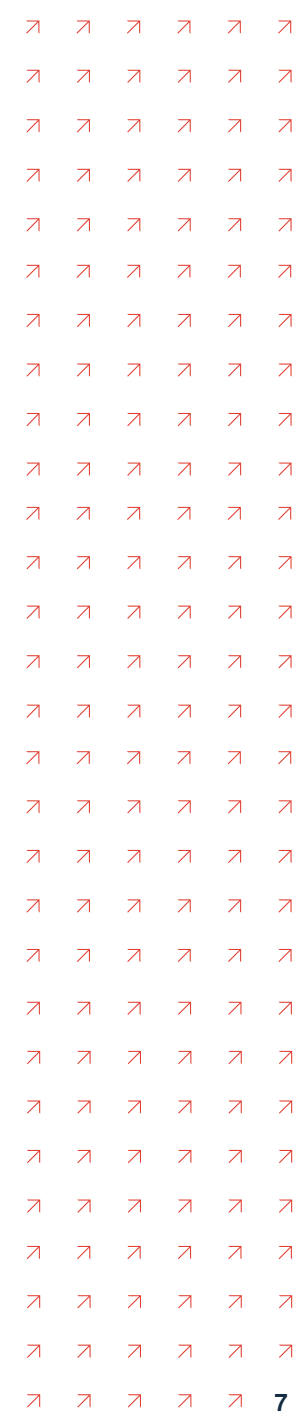
* Monthly totals do not equal the sum of the Voluntary, Move-in and Targeted Migration Population values. Program Enrollment totals also reflect variances due to customer opt-out, unenrollment and account closures.

Operating
Performance

Time of
Day Update

System
Separation

TOD Program Progress

Customer Engagement – 80,000+ Customers Enrolled

300,000+
**Communications
Sent**

100,000+
**Customer Views of the
Rate Comparison Tool**

75%
**Group 1 Customers Winning
on Time-of-Day Rates**

98.81%
**Enrollment Retention
Rate**

15.8% – 28.5%
**Click to Open
Rate**

1*
**Department of Public Service
Complaint**

*Customer complaint was filed on 11/30/2023 regarding not being able to see a personalized rate comparison at the time of the call. Customer was informed that the comparison tool will be available after 12/13/2023. No complaints have been filed since.

Operating
Performance

Time of
Day Update

System
Separation

TOD Program Progress
Preparing for Migrations

Customer Preparedness

- Pre-migration **Awareness, 90-day, 60-day, and 30-day** direct mail and email communications are underway for Groups 2 and 3

- Targeted **mass marketing** campaign **kicked off in September** and is continuing

Technology Preparedness

- Several system enhancements are scheduled to **launch before migrations** restart

- Additional system enhancements are being **planned for 2025**

- All previously identified **system issues have been resolved**

Employee Preparedness

- Preparing system enhancement **training and awareness communications** for customer-facing teams

- Created and distributed talking points for:
  - **Energy efficiency programs and solar** customers
  - **LMI team**

- **Refresher training** for Call Center planned ahead of migrations

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TOD Program Progress

Customer Engagement – Responding to Customer Feedback

The Time-of-Day project team is capturing customer feedback via **ongoing Customer Research efforts** and iterating on project activities to address findings. As a result, the team has:

- Expanded 90-day communications with **additional FAQs**
- Updated **Guaranteed Bill Protection** language for clarity
- Enhancing self-service tools to **boost customers' confidence** in Time-of-Day decision-making

Operating
Performance

Time of
Day Update

System
Separation

TOD Program Progress

2024 Enhancements Plan – Release 4

Go-Live

Release Planning → Design → Build → Testing → Training → Post Go-Live
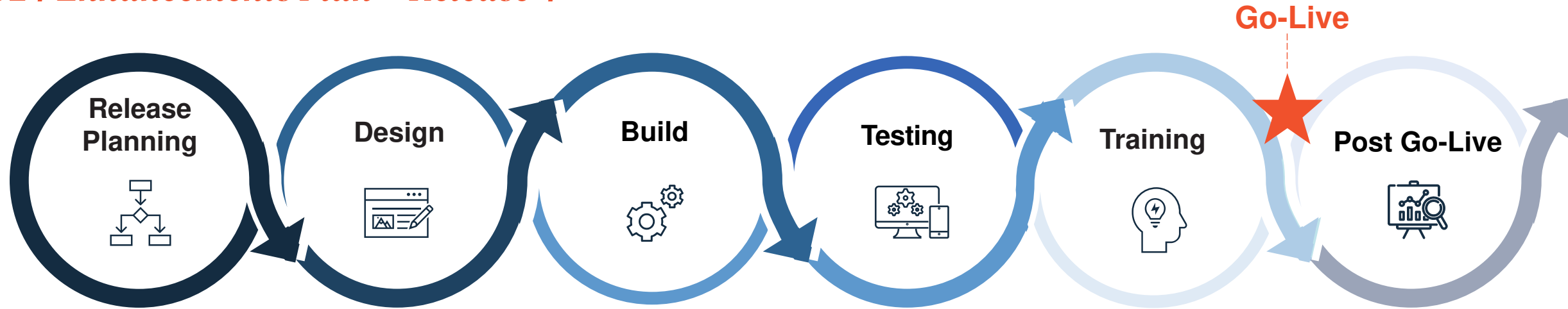
Release 4A – Live! (as of October 31st)

- Default Move-in Functionality: Net Meter Customers

- Reporting Enhancements: GridX Dashboard Expansion

Release 4B – by year end

- Digital Self-Service Enhancements (Mobile App and MyAccount)

- Exception Management: Improving GridX Exception Tool UI

Operating
Performance

Time of
Day Update

System
Separation

System Separation
Summary

- The System Separation Program is actively in progress, with implementation efforts for 71 applications. The Program was initiated in September 2022 after approval of the preliminary plan by DPS and the LIPA BOT.

- The Program is like a merger and acquisition / divestiture and is very complex, requiring extensive analysis and planning, coordination of many vendors, internal support teams and functional business unit experts for a highly integrated portfolio of products.

- An experienced team with backgrounds in similar work is in place and is supplemented by professional services teams of System Integration partners and software providers for execution.

    - Costs are estimated at $68M for the separation work, followed by $28M annually for post-implementation maintenance and support.

    - The delivery schedule consists of program management and work activities for each of the systems in scope.

    - The Program Team is committed to execute the planned delivery work in a rolling manner and completing by the end of 2025.

System Separation

Scope - 71 Applications and 450+ Interfaces

Scope is divided into four bundles based on logistics, complexity and importance.

BUNDLE 1: SAP & Ancillary ERP Systems	BUNDLE 2: Email & Identity Systems	BUNDLE 3: Cloud-hosted and Other Systems	BUNDLE 4: Cybersecurity Systems

BUNDLE 1: SAP & Ancillary ERP Systems

1. Catalyst
2. Microsoft Identity Manager >> ISIM/Sailpoint
3. Org Charts Plus >> Ingentis
4. PowerPlan
5. SAP ECC 6.0 (and related supporting tools)
6. Accenture Clone & Test
7. CLM >> IronClad
8. Maestro
9. PBS
10. Winshuttle
11. Zoption
12. SAP Ariba
13. SAP Concur
14. SAP Success Factors

BUNDLE 2: Email & Identity Systems

16. Active Directory
17. AirWatch >> InTune
18. Area 1 Security
19. AWS related to DevOps
20. CloudHealth
21. CyberArk
22. ForcePoint/DLP
23. Hitachi Password Manager
24. Lookout
25. Lync/Skype >> Teams
26. Microsoft Outlook/Exchange >> M365
27. Okta
28. ProofPoint
29. Zoom >> Teams
30. Move from Bundle 4: RSA Appliances (now includes scope from LDAP/PingID)

BUNDLE 3: Cloud-hosted and Other Systems

31. 3E
32. Barista
33. CaseWorks
34. Compliance 360
35. CyberGrants
36. Encase
37. Guidance Link >> SharePoint
38. iManage
39. IS Networld (ISN)
40. JAMS >> GoAnywhere
41. Legal Tracker
42. LoadRunner
43. Lotus Notes >> Info Archive
44. P6 for IT
45. Practising Law Institute (PLI)
46. Project Tracking System
47. Relativity One
48. Roxi >> DXC Assure Claims
49. Robotic Process Automation (RPA)
50. ServiceNow
51. SharePoint
52. SIMS-AVA
53. Sitecore
54. The Link (FirstUp)
55. Westlaw Edge

BUNDLE 4: Cybersecurity Systems

56. Armortext
57. Bitsight
58. Burp Suite
59. Carbon Black
60. Cyber GRX
61. DigitCert
62. Dome9
63. FireEye Helix
64. Fortress
65. Knowbe4
66. Managed Security Services Provider (Mandiant)
67. Neustar UltraDNS/Ultra DDOS (now Vercara)
68. Skyhigh
69. Symantec Endpoint Protection (SEP)
70. Venafi
71. Veracode

>> denotes a change from the original 2022 asset on the left to the new name on the right
Note 1: Some shifts of products between Bundles have occurred based on dependencies/relationships identified in 2023 and the need to manage the workload effectively.
Note 2: Scope of The Program is to complete the work to separate the systems and does not represent changes to how business operations functions are performed.

Operating
Performance

Time of
Day Update

System
Separation

System Separation

Updates since the June 2024 LIPA BOT Update

- Bundle 1 - The Delivery Schedule for Bundle 1 was revised in September/October 2024:

  – Technical Readiness – February 10, 2025

  – Business Readiness – April 14, 2025

- The overall timeline was established considering the detailed project task plan, as well as the many business functions and activities that are included in this effort, for example, annual performance management and compensation planning, and financial closing.

- A significant amount of work and many key milestones have been completed, including establishing operating environments, finalizing data conversion designs, completion of several mock data conversions, and initiation of System Integration Testing.

- Bundles 2, 3 & 4

  – Work related to the 56 applications in these bundles is in progress.

  – Completed work is primarily related to software acquisition, procurement of professional services and internal staffing, and finalizing requirements for the new LI systems.

  – Planned work over the next 4-5 weeks will be to initiate multiple work streams related to creating the new LI systems.

Appendix

Operating
Performance

Time of
Day Update

System
Separation

System Separation

Bundle 1 – Risks and Issues

→ RISKS

- Financial Planning and Budget alignment is complex and continues to be refined.

- Resource planning and commitment for core business, testing and cutover activities continue to be refined.

- Technical solutions for several areas continue to be refined:

    - Ability of data processing tool to process 30+TB of data within a reasonable timeframe (5 days) for cutover activities.

    - The SAP configuration with the Long Island implementation of SailPoint continue to be refined.

- Business processes in a multi-system environment and technical solutions to certain issues raised continue to be refined. This is important as affiliate roles to support HR/Finance/Procurement are expected to continue post-separation. This includes key service delivery areas (including and without limitation pay, benefits, and recruitment).

- Hiring for PSEG LI IT support roles and incremental PSEG HRIS support is in progress and essential for system operation.
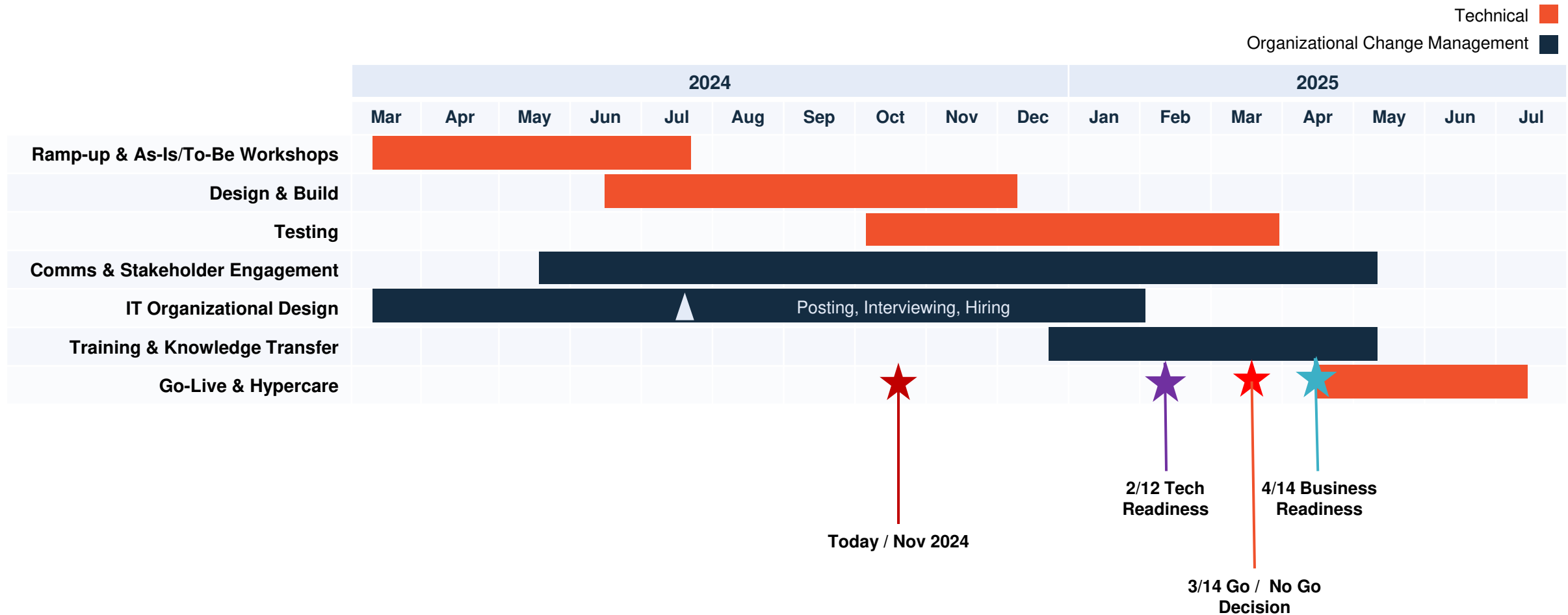
→ ISSUES

- Infrastructure and Network requirements are complex and have resulted in emergent needs and changes to environments. (i.e. connectivity, additional NS2 instances, increased memory & storage, etc.)

- Lack of pre-existing documentation has resulted in delays in approvals, requiring additional unplanned work to mitigate.

- Critical process during "Mock 0" failed in the final step from database corruption.

- These issues plus other estimate revisions have resulted in an approximate 12-week schedule adjustment to reset the environment and re-work predecessor activities.

System Separation

Bundle 1 High Level Schedule

This represents the current schedule as previously reviewed with internal business stakeholders.

Legend:
- Technical (orange)
- Organizational Change Management (dark navy)

	2024										2025						
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Ramp-up & As-Is/To-Be Workshops																	
Design & Build																	
Testing																	
Comms & Stakeholder Engagement																	
IT Organizational Design							Posting, Interviewing, Hiring										
Training & Knowledge Transfer																	
Go-Live & Hypercare																	

Today / Nov 2024

2/12 Tech Readiness

3/14 Go / No Go Decision

4/14 Business Readiness

Operating
Performance

Time of
Day Update

System
Separation

System Separation

From the September 2024 LIPA BOT Meeting

IT-07	System Segregation	Qualitative	30%	100%	Behind Target	PSEG Long Island has completed all necessary deliverables, and LIPA has either approved them or is in the process of reviewing them. However, the initial deadlines have shifted from the second quarter to the fourth quarter. Due to these exceptions and schedule changes, the metric has fallen behind its target. Additionally, recent technical issues have cast doubt on the Q4 delivery date, making a Q1 2025 launch for Bundle 1 appear more probable.

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