

LONG ISLAND POWER AUTHORITY

MINUTES OF THE 323rd MEETING

HELD ON May 22, 2024

The Long Island Power Authority (“LIPA”) was convened for the three hundred and twenty-third time at 11:04 a.m. at LIPA’s Headquarters, Uniondale, NY, pursuant to legal notice given on May 17, 2024, and electronic notice posted on the LIPA’s website.

The following LIPA Trustees were present in person:

**Tracey Edwards, Chair
Valerie Anderson Campbell
Vanessa Baird-Streeter
Drew Biondo
Claudia Lovas
Dominick Macchia
David Manning**

Representing LIPA, in person, were John Rhodes, Acting Chief Executive Officer; Bobbi O’Connor, General Counsel and Board Secretary; Dennis Anosike, Chief Financial Officer; William Wai, Director of Rates; Jen Hayen, Director of Communications; Sarah Mandli, Senior Manager of Customer Experience; and Bill Robins, Digital Media Specialist. Participating via video conferencing was Jason Horowitz, Assistant General Counsel and Assistant Secretary to the Board.

Representing PSEG Long Island, in person, were David Lyons, Interim President and Chief Operating Officer; Michael Sullivan, Vice President - Electric T&D; Andrea Elder-Howell, Vice President - Legal; Lou DeBrino, Vice President - Customer Operations; Peggy Keane, Vice President - Construction and Operations; and Jessica Tighe, Director - Customer Contact & Billing.

Representing the Department of Public Service were Carrie Meek Gallagher, Director; and Nick Forst, Deputy Director.

Chair Edwards welcomed everyone to the 323rd meeting of the Long Island Power Authority Board of Trustees.

During opening remarks, Chair Edwards announced that Trustee Laureen Harris had submitted her resignation. Chair Edwards thanked Ms. Harris for her service to the Board.

Chair Edwards stated that the first item on the agenda was the Consideration of the Consent Agenda Items.

After questions and a discussion by the Trustees, and the opportunity for the public to be heard, upon a motion duly made and seconded, the following resolution was unanimously adopted by the Trustees based on the memoranda summarized below:

1842. APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE APRIL 17, 2024 MEETING OF THE BOARD OF TRUSTEES OF THE LONG ISLAND POWER AUTHORITY

RESOLVED, that the Minutes of the meeting of the Authority held on April 17, 2024 are hereby approved and all actions taken by the Trustees present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Authority.

Chair Edwards stated that the next item on the agenda was the Chief Executive Officer's Report to be presented by LIPA's Acting Chief Executive Officer, John Rhodes.

Mr. Rhodes presented the Chief Executive Officer's Report and took questions from the Trustees.

Chair Edwards stated that the next item on the agenda was the Consideration of Approval of Tariff Changes to be presented by William Wai.

After requesting a motion on the matter, which was seconded, the following action item was presented and questions were taken from the Trustees.

Requested Action

The Trustees are requested to approve the following proposals to modify LIPA's Tariff for Electric Service:

- 1. Residential Time of Day ("TOD") Bill Protection: Modifying LIPA's Tariff for Electric Service (the "Tariff"), effective June 1, 2024, to expand the TOD Bill Protection Guarantee to new customer accounts that do not qualify for Rate Code 580 and are assigned or request enrollment in Rate Code 194 or 195.**
- 2. Community Choice Aggregation ("CCA") Program: Modifying LIPA's Tariff, effective June 1, 2024, to implement changes to its Long Island Choice Program consistent with recent New York State Public Service Commission (the "Commission") orders.**
- 3. Outdoor Area Lighting Program: Incorporating two new and more efficient Light-Emitting Diode ("LED") lighting fixtures under the Dusk-to-Dawn Program to provide customer savings and environmental benefits.**
- 4. PSEG Long Island Holiday: Removing Good Friday as a PSEG Long Island Holiday as the new Memorandum of Agreement regarding the Union's collective bargaining agreement removes Good Friday as a Union Holiday.**

Residential TOD Bill Protection: Background

TOD rate becomes the standard rate for residential non-heating service: On March 29, 2023, the LIPA Board of Trustees ("the Board") approved a Tariff modification to: (1) introduce a TOD rate that would become the standard rate for residential, non-heating service beginning in 2024; and (2) implement a 12-month bill protection guarantee to provide eligible customers with a risk-free transition to the new TOD rates (i.e., the TOD Bill Protection Guarantee). This Tariff modification became effective on April 1, 2023.

TOD migration: On September 29, 2023, the Board was briefed by LIPA Staff that the majority of the migration to the TOD rate will occur in 2025. Approximately 5,000 new residential accounts are established each month that would not be eligible for TOD Bill Protection as currently authorized, so given the anticipated 24-month duration for the migration schedule, approximately 120,000 accounts would not receive the TOD Bill Protection over that 2-year period.

Residential TOD Protection: Proposed Action

LIPA Staff proposes to modify the Tariff to expand the TOD Bill Protection Guarantee to new customer accounts that would have otherwise been assigned to Rate Code 180. The proposed Tariff modification also clarifies that the TOD Bill Protection Guarantee will be provided to existing Rate 180 customers who request enrollment in Rate Code 194 or Rate Code 195 as well as those Rate 180 accounts that are migrated to the TOD rate code 194 by the last scheduled date of migration. Staff also notes that Customers currently enrolled in TOD rates from rate codes 181, 182, 184, 188, 190, 191, 192, and 193 would not be eligible for TOD Bill Protection under this proposal.

The TOD Bill Protection Guarantee is intended to facilitate a smooth transition for residential non-heating customers from a traditional flat rate (*i.e.*, Rate Code 180) to a standard time differentiated rate program by providing them with an opportunity to test the new TOD rate structure and learn how to time and modify their consumption. The proposed expansion of the categories of customers eligible for the TOD Bill Protection Guarantee will incentivize more customers to try the new TOD rates.

Residential TOD Bill Protection: Financial Impact

Under this proposal, the TOD Bill Protection Guarantee will be available to approximately 60,000 additional customers per year during the migration period. LIPA Staff estimates that the TOD Bill Protection Guarantee will provide a \$13.00 benefit per customer per 12-month period on average; therefore, the total financial impact is estimated to be a reduction of approximately \$780,000 in total revenue per year during the migration period.

Residential TOD Bill Protection: Stakeholder and DPS Comments

Two public comment sessions were held on the Tariff proposals and written comments were also solicited from interested stakeholders. Fred Harrison of Merrick spoke at the evening public comment session. Mr. Harrison stated that he was very much in support of the tariff change and the rate guarantee is essential for the success of the TOD program.

The Department of Public Service (“DPS”) supported LIPA’s tariff change proposal and recommended adoption of the changes to the SGIP as proposed. In addition, DPS also recommended (1) the current TOD outreach and communication campaigns that targeted new and migrating customers be enhanced to be more clear, direct, and informative, and include a more direct explanation of the time variant pricing of the TOD Rates.

- LIPA Staff Response: Staff understands the recommended enhancement of the TOD outreach and communications campaigns and agrees to making the enhancement as recommended.

CCA Program: Background

On April 21, 2016, the Commission issued an Order Authorizing Framework for the Community Choice Aggregation (“CCA”) Opt-Out Program, known as the CCA Framework Order. On August 26, 2019, the Department of Public Service (“DPS”) issued the CCA Guidance Document “to assist and inform CCA administrators, participating

utilities, Energy Service Companies (“ESCOs”), Distributed Energy Resource (“DER”) developers, and other stakeholders on the existing rules and regulations of New York State’s CCA program.”

Several municipalities within LIPA’s service territory have expressed interest in exploring the adoption of CCA within their communities. In response to the interest in CCA, LIPA’s Board of Trustees adopted a Tariff amendment that established a CCA program on Long Island effective June 1, 2020, in alignment with the requirements of the Commission’s CCA Framework Order and the 2019 DPS Guidance Document.

On April 14, 2021, DPS Staff filed the CCA Whitepaper, which described the status of the State’s CCA programs, detailing successes and challenges and recommending program improvements.

The identified improvements include standardization of CCA program filing requirements, streamlining of the filing process, modification of existing requirements, and adoption of additional requirements.

On November 18, 2021, the Commission issued its Order Denying Rehearing, Providing Clarification and Confirming Tariff Modifications in Case 20-M-0082 (“CCA Data Fee Order”) which, in relevant part, directed the regulated utilities to modify their respective tariffs to remove fees associated with the release of customer data, except for cost-based fees associated with requests for historical energy usage data in excess of 24 months.

On March 21, 2022, Section 74-b of the New York State Public Service Law (“PSL”) became effective which established CCA programs in Long Island (the “Long Island CCA Statute”).

Specifically, PSL § 74-b required, in relevant part, that by no later than January 1, 2022, the Commission, in consultation with the New York State Energy Research and Development Authority and the Authority, establish “by order, rules, and regulations a Long Island community choice aggregation program.”

On January 19, 2023, the Commission adopted the CCA Whitepaper recommendations with modifications (the “CCA Modification Order”). The CCA Modification Order, in relevant part, directed DPS to update the 2019 DPS Guidance Document. DPS accordingly issued its Community Choice Aggregation Program Rules on March 20, 2023 (“DPS CCA Program Rules”).

On December 13, 2023, the LIPA Board of Trustees adopted Tariff amendments to align, in part with the DPS CCA Program Rules.

This proposal seeks to implement additional changes to the Tariff to be consistent with the DPS CCA Program Rules, the CCA Data Fee Order, and similar changes made by other utilities in New York State.

CCA Program: Proposed Action

LIPA Staff proposes to modify the following aspects of the Tariff:

- 1) To make clear that CCA Administrators must be authorized by the Commission;**
- 2) To clarify that CCA Administrators must provide proof that the municipality exercised its Municipal Home Rule Law and enacted a Local Law to implement a CCA program, or submission of the agreement or Memoranda of Understanding between the Administrator and municipality;**
- 3) To clarify that fees shall not be charged for the release of customer data, except for any cost-based fees consistent with Section IV.C.10.a) of the Tariff;**
- 4) To refine the types of data to be disclosed to a municipality or its designee; and**
- 5) To establish a dispute resolution process for disputes between LIPA, CCA Administrators, and Energy Services Entities**

CCA Program: Financial Impact

There are no expected revenue impacts for LIPA.

CCA Program: Stakeholder and DPS Comments

Two public comment sessions were held on the Tariff proposals and written comments were also solicited from interested stakeholders. No comments were received from the public on the CCA Program proposal.

After reviewing LIPA's proposal, DPS Staff determined that it predominately brought LIPA's CCA program into alignment with the CCA program requirements required of New York State's Investor-Owned Utilities (IOUs and agreed that the proposed dispute resolution process was appropriate to facilitate a resolution under LIPA's governance framework. Accordingly, DPS Staff recommends that LIPA's tariff modifications be adopted as proposed.

Outdoor Area Lighting Program: Background

SC No. 7A offers eligible customers outdoor area dusk-to-dawn lighting service with equipment owned, operated, and maintained by LIPA. Under SC No. 7A, there are three lighting technologies: high-pressure sodium, metal halide, and LED lighting. The LED lighting technology is the offering for any new installation.

PSEG Long Island recently conducted a review of the Dusk-to-Dawn Program and identified an opportunity to offer new, more efficient, lower-wattage LED fixtures to participating customers.

The proposed addition of these new and more efficient fixtures to the Dusk-to-Dawn Program will benefit both customers and the environment by reducing energy usage.

Outdoor Area Lighting Program: Proposed Action

LIPA Staff proposes to add two LED lighting fixture options in its Tariff under Service Classification SC No. 7A, effective June 1, 2024, that will be used for new installations and replacing fixtures currently in use as they go out. By offering this additional LED lighting type, the Authority will provide energy savings to customers and reduce greenhouse gas emissions.

PSEG LI anticipates that the new installations will increase customer satisfaction and retention in this service classification due to the resulting energy savings and cost reductions.

Outdoor Area Lighting Program: Financial Impact

There is no financial impact to LIPA. LIPA will produce about 15% less energy to serve these fixtures and the Customers will benefit from a corresponding reduction in power supply and distributed energy resource (“DER”) charges from the new lighting technology, given the lower wattages used by the new fixtures. Additionally, the customer will experience no change in the customer’s existing monthly base charges for LED fixtures.

Outdoor Area Lighting Program: Stakeholder and DPS Comments

Two public comment sessions were held on the Tariff proposals and written comments were also solicited from interested stakeholders. No comments were received from the public on the Outdoor Area Lighting Program proposal.

DPS Staff agreed LIPA’s proposal contributed toward the State’s clean energy objectives and help customers save money by reducing energy usage. DPS Staff recommends adoption of LIPA’s LED tariff as proposed.

PSEG Long Island Holiday: Background

LIPA’s current Tariff includes Good Friday as a PSEG Long Island Holiday. Good Friday occurs two days before Easter Sunday in the United States. While not a federal holiday, it is an important Christian religious holiday and has historically been observed as a PSEG Long Island Holiday by its Union members.

On October 21, 2023, Long Island Electric Utility ServCo LLC (“PSEG LI” or “Company”) and IBEW Local 1049 (the “Union”) entered into a new Memorandum of Agreement regarding the Union’s collective bargaining agreement that removed Good Friday as a Union Holiday and added Veterans Day (previously observed by PSEG LI Management, Administrative, Supervisory and Technical (“MAST”) employees only). Thus, the Tariff must be modified to reflect this update.

PSEG Long Island Holiday: Proposed Action

LIPA Staff proposes to remove Good Friday as a PSEG Long Island Holiday, effective June 1, 2024. PSEG Long Island Holidays are used in the Tariff provisions related to the Long

Island Choice program to define the days on which charges for Special Metering Readings will apply.

PSEG Long Island Holidays are also referenced in the tariff provisions for the Distribution Load Relief Program and Commercial System Relief Program to determine when load relief events may be called and when applications for participation may be submitted. Staff also notes that:

- PSEG Long Island Holidays do not determine when the peak and off-peak hours apply for LIPA’s time of day (“TOD”) rates, which are defined by the list of Federal Holidays, which are not proposed for change under the subject proposal.
- PSEG Long Island Holidays do not determine when LIPA may terminate service to a customer. Termination of service is governed by Public Holidays, which are defined in the New York State General Construction Law.

PSEG Long Island Holiday: Financial Impact

No financial impacts on customers are anticipated as a result of this proposal, which only serves to affect the referenced Tariff leaves as distinct from LIPA’s overall cost of doing business.

PSEG Long Island Holiday: Stakeholder and DPS Comments

Two public comment sessions were held on the Tariff proposals and written comments were also solicited from interested stakeholders. No comments were received from the public on the PSEG Long Island Holiday proposal.

DPS Staff confirmed that the proposal aligns with the Union agreement and recommends adoption LIPA’s Good Friday Tariff modification as proposed.

Public Comments

LIPA held two public comment sessions on the proposed tariff changes on April 29, 2024, and solicited written comments through May 4, 2024. Transcripts of the public comment sessions are attached as exhibits, and the comments are summarized above, together with responses from LIPA Staff.

Recommendation

For the foregoing reasons, I recommend that the Trustees approve the modifications to the Tariff for Electric Service described herein and set forth in the accompanying resolutions.

After questions and a discussion by the Trustees, and the opportunity for the public to be heard, upon a motion duly made and seconded, the following resolutions were approved by the Trustees.

1843. APPROVAL OF MODIFICATIONS TO LIPA'S TARIFF RELATED TO THE RESIDENTIAL TOD BILL PROTECTION

WHEREAS, the Board of Trustees (the "Board") of the Long Island Power Authority ("LIPA") has adopted a Board Policy on Customer Value, Affordability, and Rate Design, which sets forth the Board's commitment to establishing rates and tariffs that equitably allocate costs, provide customers with the opportunity to save money, employ innovative rate designs, encourage conservation, efficient use of energy resources, and the transition to a carbon-free economy, and offer programs to maintain electric bills that are a reasonable percentage of income for low-income customers; and

WHEREAS, the Board also has adopted a Board Policy on Clean Energy and Power Supply, which sets forth the Board's commitment to achieving a zero-carbon electric grid by 2040, while meeting or exceeding LIPA's share of the clean energy goals of New York's Climate Leadership and Community Protection Act, including those for renewables, offshore wind, distributed solar, and storage; and

WHEREAS, the Board has reviewed the proposal and determined that the proposal is consistent with LIPA's purpose, including as set forth in the Board Policy on Customer Value, Affordability, and Rate Design and the Board Policy on Clean Energy and Power Supply; and

WHEREAS, the Department of Public Service is supportive of this proposal; and

WHEREAS, following the issuance of public notice in the State Register on February 28, 2024, public hearings were held on April 29, 2024, in Nassau County in person, and Suffolk County in person, by phone and video conference accessible to all customers in LIPA's service territory, and the public comment period has since expired;

NOW, THEREFORE, BE IT RESOLVED, that for the reasons set forth herein and in the accompanying Memorandum, the proposed modifications to LIPA's Tariff, are hereby adopted and approved to be effective June 1, 2024; and be it further

RESOLVED, that the Chief Executive Officer and his designees are authorized to carry out all actions deemed necessary or convenient to implement this Tariff; and be it further

RESOLVED, that the Tariff amendments reflected in the attached redlined Tariff leaves are approved.

1844. APPROVAL OF MODIFICATIONS TO LIPA’S TARIFF RELATED TO THE COMMUNITY CHOICE AGGREGATION PROGRAM

WHEREAS, the Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) has adopted a Board Policy on Customer Value, Affordability, and Rate Design, which sets forth the Board’s commitment to establishing rates and tariffs that equitably allocate costs, provide customers with the opportunity to save money, employ innovative rate designs, encourage conservation, efficient use of energy resources, and the transition to a carbon-free economy, and offer programs to maintain electric bills that are a reasonable percentage of income for low-income customers; and

WHEREAS, the Board has also adopted a Board Policy on Clean Energy and Power Supply, which sets forth the Board’s commitment to achieving a zero-carbon electric grid by 2040, while meeting or exceeding LIPA’s share of the clean energy goals of New York’s Climate Leadership and Community Protection Act, including those for renewables, offshore wind, distributed solar, and storage; and

WHEREAS, the Board has reviewed the proposal and determined that the proposal is consistent with LIPA’s purpose, including as set forth in the Board Policy on Customer Value, Affordability, and Rate Design and the Board Policy on Clean Energy and Power Supply; and

WHEREAS, the Department of Public Service is supportive of this proposal; and

WHEREAS, following the issuance of public notice in the State Register on February 28, 2024, public hearings were held in Nassau and Suffolk County on April 29, 2024, in person, by phone and video conference accessible to all customers in LIPA’s service territory, and the public comment period has since expired;

NOW, THEREFORE, BE IT RESOLVED, that for the reasons set forth herein and in the accompanying Memorandum, the proposed modifications to LIPA’s Tariff are hereby adopted and approved to be effective June 1, 2024; and be it further

RESOLVED, that the Chief Executive Officer and his designees are authorized to carry out all actions deemed necessary or convenient to implement this Tariff; and be it further

RESOLVED, that the Tariff amendments reflected in the attached redlined Tariff leaves are approved.

1845. APPROVAL OF MODIFICATIONS TO LIPA’S TARIFF RELATED TO THE OUTDOOR AREA LIGHTING PROGRAM

WHEREAS, the Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) has adopted a Board Policy on Customer Value, Affordability, and Rate Design, which sets forth the Board’s commitment to establishing rates and tariffs that equitably allocate costs, provide customers with the opportunity to save money, employ innovative rate designs, encourage conservation, efficient use of energy resources, and the transition to a carbon-free economy, and offer programs to maintain electric bills that are a reasonable percentage of income for low-income customers; and

WHEREAS, the Board has also adopted a Board Policy on Clean Energy and Power Supply, which sets forth the Board’s commitment to achieving a zero-carbon electric grid by 2040, while meeting or exceeding LIPA’s share of the clean energy goals of New York’s Climate Leadership and Community Protection Act, including those for renewables, offshore wind, distributed solar, and storage; and

WHEREAS, the Board has reviewed the proposal and determined that the proposal is consistent with LIPA’s purpose, including as set forth in the Board Policy on Customer Value, Affordability, and Rate Design and the Board Policy on Clean Energy and Power Supply; and

WHEREAS, the Department of Public Service is supportive of this proposal; and

WHEREAS, following the issuance of public notice in the State Register on February 28, 2024, public hearings were held in Nassau and Suffolk County on April 29, 2024, in person, by phone and video conference accessible to all customers in LIPA’s service territory, and the public comment period has since expired;

NOW, THEREFORE, BE IT RESOLVED, that for the reasons set forth herein and in the accompanying Memorandum, the proposed modifications to LIPA’s Tariff (other than those related to the dispute resolution provisions which will be proposed in a separate rule making under the SAPA) are hereby adopted and approved to be effective June 1, 2024; and be it further

RESOLVED, that the Chief Executive Officer and his designees are authorized to carry out all actions deemed necessary or convenient to implement this Tariff; and be it further RESOLVED, that the Tariff amendments reflected in the attached redlined Tariff leaves are approved.

1846. APPROVAL OF MODIFICATIONS TO LIPA’S TARIFF RELATED TO REMOVAL OF GOOD FRIDAY AS A PSEG LONG ISLAND HOLIDAY

WHEREAS, the Board of Trustees (the “Board”) of the Long Island Power Authority (“LIPA”) has adopted a Board Policy on Customer Value, Affordability, and Rate Design, which sets forth the Board’s commitment to establishing rates and tariffs that equitably

allocate costs, provide customers with the opportunity to save money, employ innovative rate designs, encourage conservation, efficient use of energy resources, and the transition to a carbon-free economy, and offer programs to maintain electric bills that are a reasonable percentage of income for low-income customers; and

WHEREAS, the Board has also adopted a Board Policy on Clean Energy and Power Supply, which sets forth the Board's commitment to achieving a zero-carbon electric grid by 2040, while meeting or exceeding LIPA's share of the clean energy goals of New York's Climate Leadership and Community Protection Act, including those for renewables, offshore wind, distributed solar, and storage; and

WHEREAS, the Board has reviewed the proposal and determined that the proposal is consistent with LIPA's purpose, including as set forth in the Board Policy on Customer Value, Affordability, and Rate Design and the Board Policy on Clean Energy and Power Supply; and

WHEREAS, the Department of Public Service is supportive of this proposal; and

WHEREAS, following the issuance of public notice in the State Register on February 28, 2024, public hearings were held in Nassau and Suffolk County on April 29, 2024, in person, by phone and video conference accessible to all customers in LIPA's service territory, and the public comment period has since expired;

NOW, THEREFORE, BE IT RESOLVED, that for the reasons set forth herein and in the accompanying Memorandum, the proposed modifications to LIPA's Tariff are hereby adopted and approved to be effective June 1, 2024; and be it further

RESOLVED, that the Chief Executive Officer and his designees are authorized to carry out all actions deemed necessary or convenient to implement this Tariff; and be it further

RESOLVED, that the Tariff amendments reflected in the attached redlined Tariff leaves are approved.

Chair Edwards stated that the next item on the agenda was the PSEG Long Island Operating Report to be presented by David Lyons and PSEG Long Island Staff.

Mr. Lyons and staff presented the PSEG Long Island Operating Report and took questions from the Trustees.

Chair Edwards stated that the last item on the agenda was the Time-of-Day Rate Transition Update to be presented by Lou DeBrino.

Mr. DeBrino presented the Time-of-Day Rate Transition Update and took questions from the Trustees.

Chair Edwards then announced that the next Board meeting is scheduled for Wednesday, June 26, 2024.

Chair Edwards then entertained a motion to adjourn, which was duly made and seconded, after which the meeting concluded at approximately 11:59 a.m.
