



# 2024 Q1 Progress Report: PSEG Long Island Performance Metrics

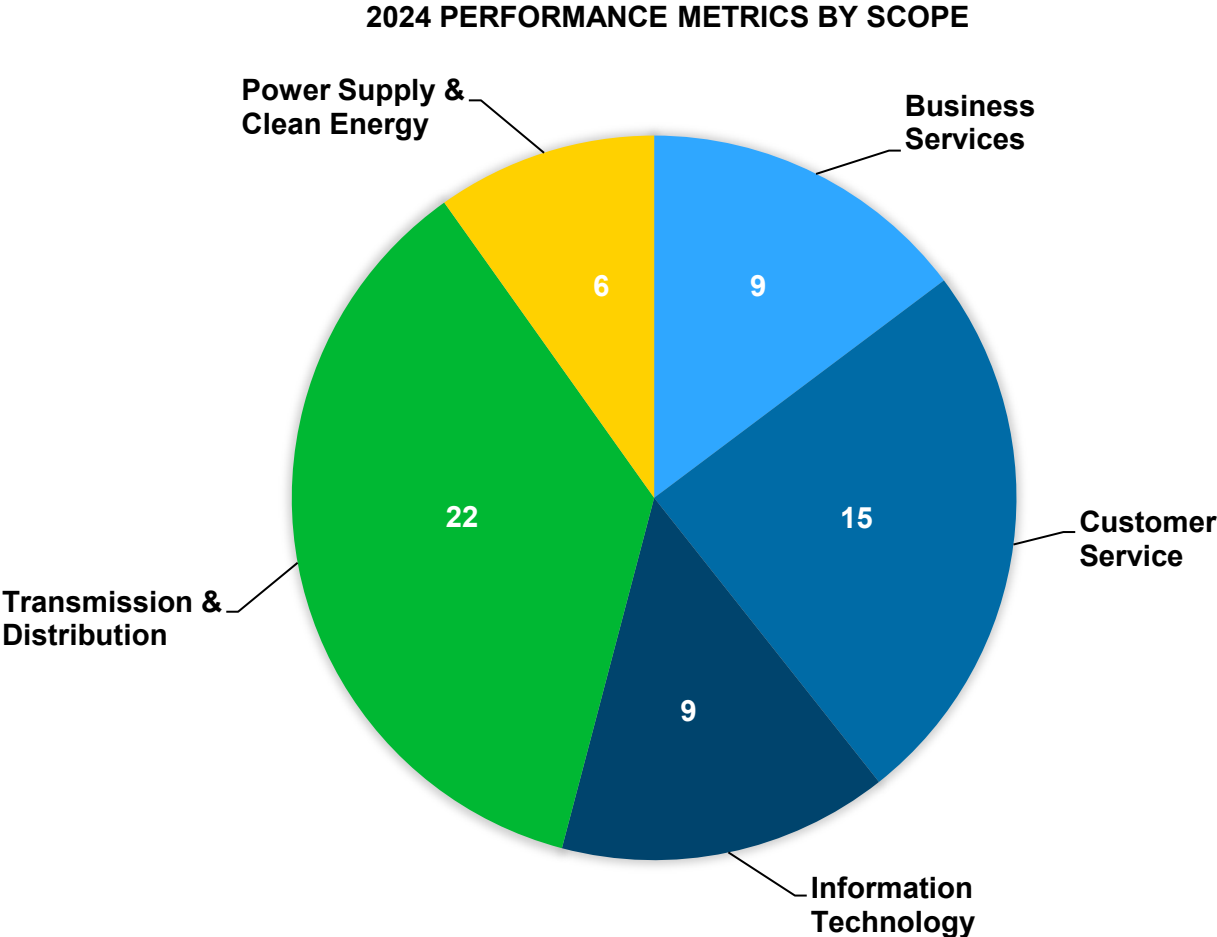
May 22, 2024



# PSEG Long Island 2024 Metrics

- For 2024, the Board approved 61 [PSEG Long Island Performance Metrics](#), distributed across all the management services provided by PSEG Long Island to LIPA and its customers.
- Metrics are designed to be reasonably achievable levels of performance that are objectively verifiable, with budgeted funds to achieve this performance.
- \$21 million of PSEG Long Island Variable Compensation\* is at risk based on these performance standards

*\*2021 dollars indexed for the Consumer Price Index*



# Performance Metric Monitoring

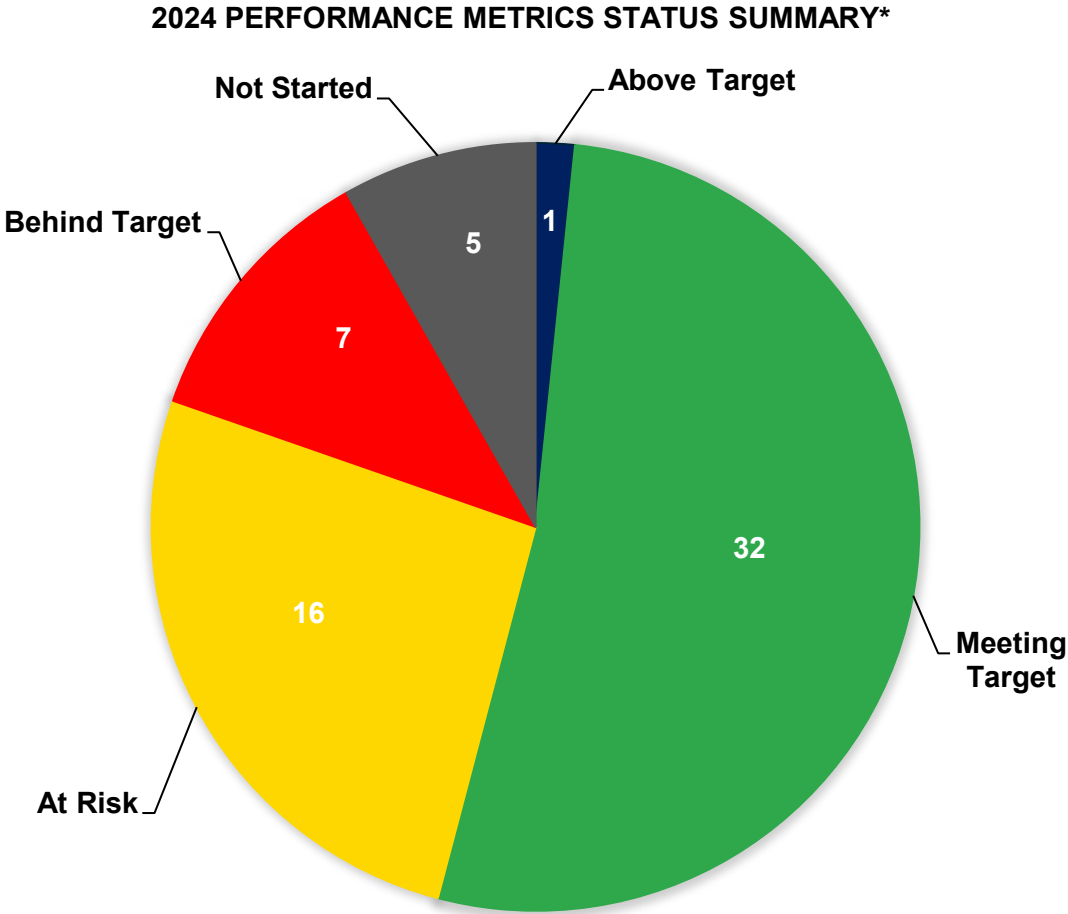
Each metric is monitored by a LIPA team including an Executive Sponsor from LIPA's senior management, a Project Manager, and Subject Matter Experts.

All metrics fall into one of two categories:

- **23 Quantitative Metrics** that specify **predefined numerical measurements** of performance.
- **38 Qualitative Metrics** that are **project-oriented initiatives** incorporating one or more required deliverables with defined target dates. This also includes Hybrid Metrics, which have both Qualitative and Quantitative deliverables.

# Overall Performance Status

- Year to date, PSEG Long Island is **meeting approximately 54%** of Performance Metrics, while **26% are at risk**, **11% are behind the target**, and **8% have yet to start**.
- These results reflect the year's first quarter, and results and current projections are expected to change throughout the year.
- LIPA, PSEG Long Island, and DPS work collaboratively to ensure that metrics are actively evaluated and customer value is obtained through each.



\*Above Target = YTD Actual >5% of YTD Target; Meeting Target = YTD Actual is 5% over or under YTD Target; At Risk = YTD Actual is 5%-15% below YTD Target; Behind Target = YTD Actual is >15% below YTD Target; Not Started = initiative has not started during reporting period.



# Key Performance by Corporate Objective

21 key performance metrics have been selected to highlight those most critical for operations and customer service. These metrics directly support LIPA's vision and purpose.

## Reliability/Safety

Metric #	Metric Name	Metric Type	YTD Actual	YTD Target	YTD Rating
T&D-07	System Average Interruption Duration Index (SAIDI)	Quantitative	13.90	11.60	At Risk
T&D-08	System Average Interruption Frequency Index (SAIFI)	Quantitative	0.16	0.16	Meeting Target
T&D-09	Momentary Average Interruption Frequency Index (MAIFI)	Quantitative	0.32	0.30	Meeting Target
T&D-10	Reduce Sustained Multiple Customer Outages (S-MCOs)	Quantitative	0%	100%	At Risk
T&D-12	Reduce Momentary Multiple Customer Outages (M-MCOs)	Quantitative	60,168	54,000	At Risk
T&D-13	Serious Injury Incident Rate (SIIR)	Quantitative	0	0	Meeting Target
T&D-24	Improve Reliability Through Vegetation Management Work Plan - Cycle Trim & Trim-to-Sky	Hybrid	100%	100%	Meeting Target
T&D-26	Improve Reliability Through Vegetation Management Work Plan - Hazard Tree Removal	Hybrid	100%	100%	Meeting Target



# Key Performance by Corporate Objective

## Reliability/Safety (continued)

Metric #	Metric Name	Metric Type	YTD Actual	YTD Target	YTD Rating
T&D-30	Improve Resiliency Through Storm Hardening Work Plan - ACRV Commissioning Program	Hybrid	100%	100%	Meeting Target
T&D-31	Improve Resiliency Through Storm Hardening Work Plan - LT5H (ASUV) Program	Hybrid	100%	100%	Meeting Target
T&D-50	Storm Outage Response Performance	Hybrid	100%	100%	Meeting Target
T&D-52	Triennial Safety Assessment	Qualitative	100%	100%	Meeting Target

## Customer Service

Metric #	Metric Name	Metric Type	YTD Actual	YTD Target	YTD Rating
CS-02	J.D. Power Customer Satisfaction Survey (Residential)	Hybrid	693 12 <sup>th</sup> Rank	1st Quartile or 5 <sup>th</sup> Rank	Behind Target
CS-11	Contact Center Service Level with Live Agent Calls	Quantitative	16.7%	77.0%	Behind Target
CS-21	Outage Information Satisfaction	Quantitative	69.77%	71.12%	Meeting Target
CS-31	Call Average Handle Time (AHT)	Hybrid	468	376	Behind Target

# Key Performance by Corporate Objective

## Clean Energy

Metric #	Metric Name	Metric Type	YTD Actual	YTD Target	YTD Rating
PS&CE-05	Beneficial Electrification – Building Electrification	Quantitative	100%	100%	Meeting Target
PS&CE-13	Heat Pump Strategy to Address Barriers to Customer Adoption	Qualitative	100%	100%	Meeting Target

## Affordability

Metric #	Metric Name	Metric Type	YTD Actual	YTD Target	YTD Rating
PS&CE-08	Transition to New "Standard" Time of Day Residential Rates on an Opt-Out Basis	Qualitative	0%	100%	At Risk
CS-17	Low to Moderate Income (LMI) Program Participation	Quantitative	38,716	50,000	At Risk

## Information Technology

Metric #	Metric Name	Metric Type	YTD Actual	YTD Target	YTD Rating
IT-07	System Segregation	Qualitative	TBD	100%	Not Started

# Questions?

[lipower.org](http://lipower.org)

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May 22, 2024

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# 2024 First Quarter Progress Report: PSEG Long Island Performance Metrics



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## EXECUTIVE SUMMARY

The LIPA Board of Trustees provides strategic direction to LIPA's Executive Management through Governance Policies. The Board's policies define LIPA's purpose and vision and set expectations for the strategic outcomes that management will deliver. LIPA's 5-Year Roadmaps then establish a set of multi-year projects to deliver specified business objectives that fulfill the Board's Policies. Roadmaps for Customer Experience, Transmission and Distribution, Information Technology, Performance Management, and Finance have been reviewed and approved by the Board, and those for Business Services, Power Supply, and Clean Energy are under development.

The Board's strategic policy objectives and long-range plans are translated annually into PSEG Long Island Performance Metrics.

The PSEG Long Island Performance Metrics ensure that PSEG Long Island's compensation is tied to delivering meaningful results for LIPA's electric customers. These performance standards 1) advance the Board's strategic direction, as outlined in LIPA's [5-Year Strategic Roadmap](#); and 2) target levels of service the Board has established in [Board Policy](#) or address identified gaps between those levels of service and the current level of service. LIPA oversees PSEG Long Island's progress toward achievement of the sixty-one (61) [2024 Performance Metrics](#) on an ongoing basis. **This report is the first year-to-date report on 2024 performance metrics. It summarizes the status of the metrics from January 1, 2024, through March 31, 2024.**

## 2024 PERFORMANCE METRICS OVERVIEW

The Second Amended and Restated Operations Services Agreement (OSA) between LIPA and PSEG Long Island includes \$21 million<sup>1</sup> of Variable Compensation at risk based on performance standards. In 2022, the performance standards were negotiated between LIPA and PSEG Long Island as part of the reformed OSA. Starting in 2023, the performance standards are set by LIPA, with an independent recommendation to the LIPA Board of Trustees (Board) by the Department of Public Service (DPS), the staff arm of the State's Public Service Commission.

Metrics are designed to be achievable, objectively verifiable performance levels. The Board budgets the funds to achieve this performance, tying realistic plans and budgets to measurable yearly outcomes. **These performance standards ensure that PSEG Long Island's compensation is tied to delivering meaningful results for LIPA's customers.**

PSEG Long Island will submit to LIPA its evaluation of its performance on each metric within 90 days of the close of the contract year. Under the LIPA Reform Act, LIPA is responsible for IV&V (Independent Verification and Validation) of PSEG Long Island's performance and then providing its evaluation to DPS, who independently reviews LIPA's evaluation before LIPA pays any Variable Compensation. PSEG Long Island can utilize dispute resolution procedures when setting performance metrics and budgets at the beginning of each year and in the final dispensation of whether a metric was achieved.

In 2024, LIPA decreased the number of metrics from 93 to 61 due to improvements in Transmission and Distribution, Customer Service performance, and other scope areas. For instance, PSEG Long Island has base programs to meet top decile scores for the OSHA Recordable Incidence and Days Away rates. The implementation of smart meters discontinued the need for the following metrics: Billing – Inactive Accounts Long-Term Estimates (LTEs) (CS-06), Billing – Active Accounts Long Term Estimates (LTEs) (CS-07), Unauthorized Use/Advanced Consumption Resolution (CS-08), and Billing Exception Cycle Time (CS-09).

PSEG Long Island also implemented improvements that strengthened their performance in Utility Marketing Effectiveness (BS-18), Reputation Management and Positive Media Sentiment (BS-19), Reputation Management – Share of Voice (BS-20), and Social Mediate Engagement and Following (BS-21). Additionally, PSEG Long Island implemented improvements in outside plant asset records (BS-24) and updated the Low and Moderate Income (LMI) Tariff and Billing at the end of 2023 (BS-32).

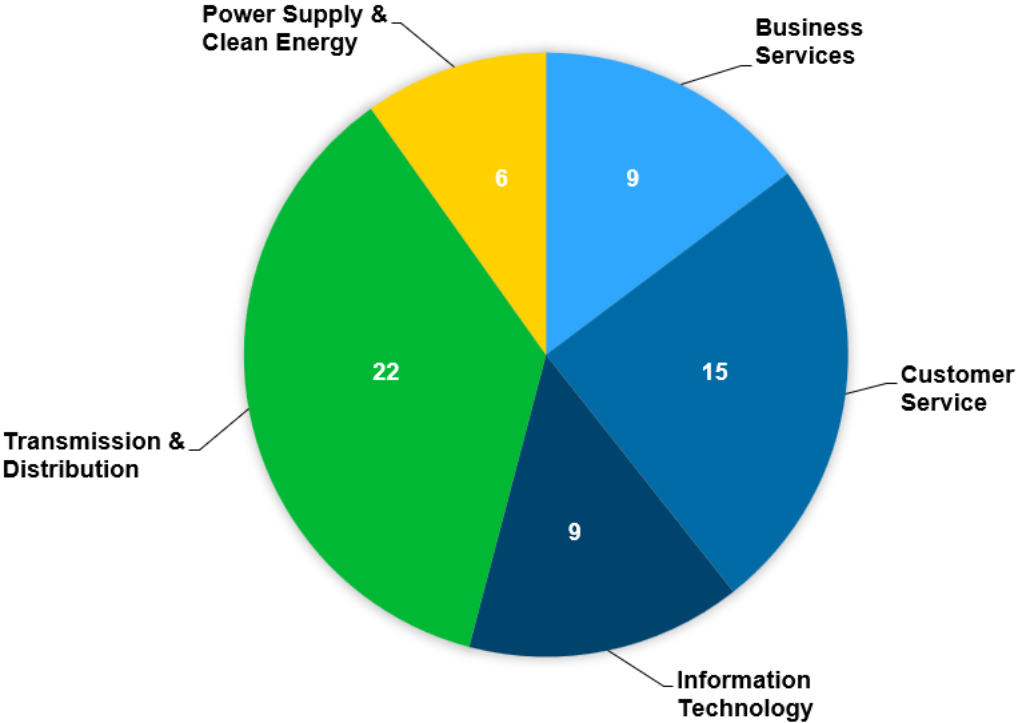
The **61 performance standards** that constitute the [2024 Performance Metrics](#) are distributed across all the management services provided to LIPA and its customers. They include numerous improvements to customer service, reliability, resiliency, information technology, clean energy, and

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<sup>1</sup> The amount of Variable Compensation including the CPI for 2024 is \$22,976,000.00

other customer improvements distributed across five scopes. The details of the 61 metrics are available on [LIPA's website](#). Appendix A summarizes the individual metrics for each contract scope and the current status toward the Year-End Goal.

**FIGURE 1: 2024 PERFORMANCE METRICS DISTRIBUTION BY SCOPE**



**PERFORMANCE METRIC REVIEW PROCESS**

All metrics fall into one of two categories – Qualitative or Quantitative:

- The 38 **Qualitative Metrics** are project-oriented initiatives incorporating one or more required deliverables with defined target dates. This also includes Hybrid Metrics, which have both Qualitative and Quantitative deliverables.
- The 23 **Quantitative Metrics** specify predefined numerical measurements of performance.

LIPA staff continuously monitors PSEG Long Island’s progress on the metrics throughout the year. LIPA has assigned a Project Manager (PM) to lead IV&V for each metric and appropriate Subject Matter Experts (SMEs) to assist with the metric. In addition, an Executive Sponsor (ES) from LIPA’s senior management oversees the work of the IV&V team.

**Qualitative Metrics** are monitored and tracked via a process overseen and supported by the LIPA Performance Management team.

The Enterprise Project Management Office (EPMO) has developed an automated tracking system to manage the hundreds of deliverables required by the metrics. PSEG Long Island staff uploads deliverables directly to the system, which initiates workflows for LIPA review. A LIPA PM and the appropriate SMEs review each deliverable. Each metric's status is reported to LIPA senior management on an ongoing basis through a dashboard. The EPMO system provides transparency and traceability, with time-stamped deliverables, activity history and comments, and real-time LIPA, PSEG Long Island, and DPS access.

Deliverables for Qualitative Metrics go through the following main stages of review:

- PSEG Long Island Submission: To meet the metric standards, PSEG Long Island must submit the required deliverables to the tracking system by the target due date, per all requirements specified in the metric. LIPA allows PSEG Long Island to submit an Exception Request to any deliverable. LIPA reviews all Exception Requests and grants them if deemed reasonable, justified, and in the best interests of achieving the metric objective.
- LIPA Review: LIPA reviews all submitted deliverables for compliance with metric standards and requirements. Since metrics aim to improve performance, LIPA will return unsatisfactory deliverables to PSEG Long Island for revision and resubmission if deemed in the best interests of achieving the metric objective.

Deliverables can have the following statuses:

- Review in Progress
- Approved
- Rejected
- Exception Requested
- Overdue

LIPA principally tracks **Quantitative Metrics** using scorecards submitted monthly by PSEG Long Island. LIPA conducts Scorecard Review Meetings at a scope or lower level with PSEG Long Island staff and DPS. PSEG Long Island also provides underlying data files for each Quantitative Metric, which LIPA staff reviews and validates.

The assigned PM and SMEs review Quantitative Metrics via an IV&V process for year-to-date (YTD) performance versus target, trending, and outlook for year-end performance. Further, LIPA monitors compliance with metric standards, requirements, calculations, and agreed-upon exceptions.

LIPA's IV&V leads to the rendering of one of the following statuses for Quantitative Metrics:

- Meeting Target (YTD)
- Behind Target (YTD)
- Missed Target (i.e., the YTD performance is such that PSEG Long Island cannot make the metric)
- TBD (i.e., the basis of the metric measurement has yet to occur during the year, or there is a situation where LIPA and PSEG Long Island are reexamining the metric parameters).

## **PERFORMANCE METRIC EXCEPTIONS**

PSEG Long Island may request an exception to metric deliverable requirements; LIPA can provide consideration where requests are adequately justified. To date, PSEG Long Island has asked for 65 Exceptions. LIPA has approved 36 of the requested Exceptions, 12 have been rejected, and 17 are under LIPA review. To the extent an Exception has been granted, performance is reported relative to the agreed-upon standards of the Performance Metric as modified by the Exception.

Exception Requests seek extensions to due dates and changes to project scopes, requirements, or methodology. For example, LIPA regularly provides PSEG Long Island with opportunities for corrective actions and resubmission of a deliverable, which may result in Exceptions when that resubmission occurs after a due date. PSEG Long Island has also sought extensions to due dates, citing delays due to external dependencies, among other reasons.

Exception Requests may also seek an exemption or waiver of a deliverable, making it no longer required. This can occur, for instance, when an extension to a project start is approved, rendering periodic status reporting before the new start date unnecessary.

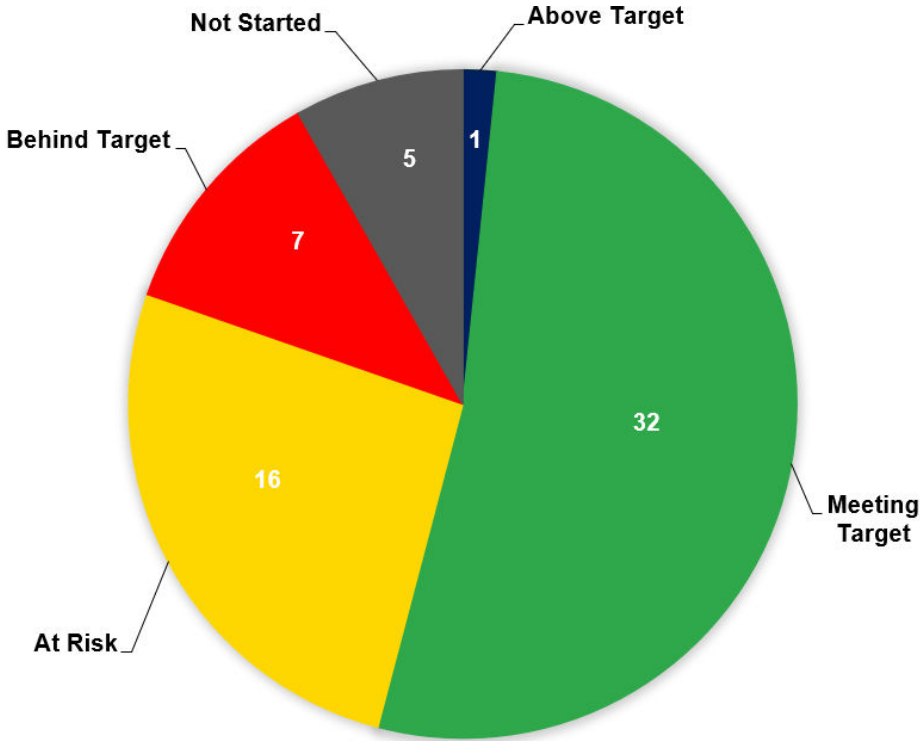
Exception Requests have also sought more fundamental changes to scope, requirements, or methodology. These changes are typically the result of further analysis or discovery as an initiative commences.

**LIPA reviews all Exception Requests and grants them if deemed reasonable, justified, or in the best interests of achieving the metric objective. LIPA's primary goal is to utilize metrics to drive customer benefit and value throughout the year.**

**OVERALL PERFORMANCE STATUS**

The overall status of all 61 Performance Metrics as of March 31, 2024, is summarized in Figure 2. Year to date, PSEG Long Island is meeting approximately 54% of Performance Metrics, while 26% are at risk, 11% are behind the target, and 8% have yet to start. It is important to note that these results reflect the year’s first quarter, and results and current projections could change. LIPA, PSEG Long Island, and DPS are working collaboratively to ensure that metrics are actively evaluated, and customer value is obtained through each.

**FIGURE 2: 2024 PERFORMANCE METRICS STATUS SUMMARY<sup>2</sup>**



<sup>2</sup> Above Target = YTD Actual >5% of YTD Target; Meeting Target = YTD Actual is 5% over or under YTD Target; At Risk = YTD Actual is 5%-15% below YTD Target; Behind Target = YTD Actual is >15% below YTD Target; Not Started = initiative has not started during reporting period



**KEY METRIC PERFORMANCE BY CORPORATE OBJECTIVE**

For 2024, LIPA and PSEG Long Island have agreed to 61 metrics across five scope areas critical to utility performance. Of the 61, 20 key performance metrics have been selected to highlight those most critical for operations and customer service. These metrics directly support LIPA’s vision and purpose. Appendix A summarizes the high-level YTD status of all 61 Performance Metrics.

**Reliability/Safety**

**T&D-07 - System Average Interruption Duration Index (SAIDI)**

Metric Type	YTD Actual	YTD Target	YTD Rating
Quantitative	13.90	11.60	At Risk

SAIDI is a standard utility reliability metric that measures the average sustained outage of five minutes or more in duration for each customer served. The SAIDI metric is featured prominently in the LIPA Board of Trustees’ Transmission & Distribution Operations Policy and in the 2<sup>nd</sup> Amended & Restated Operations Services Agreement (OSA) as a gating metric. For this and other reliability metrics, the objective is to reach or maintain top decile performance as measured against industry peers, and the respective metric targets have been set accordingly. This metric provides a clear and quantifiable measure of reliability, which is directly tied to customer experience and can help inform decisions around investments in the grid. The March YTD SAIDI was higher (unfavorable) than the 2024 YTD target due to:

- Equipment failures: PSEG Long Island reports incidents of primary wire down, primary line tap broken, intentional outages to make repairs, and other miscellaneous accidents such as Motor Vehicle Accidents and animal contacts.
- Increased Storm Activity: The five (5) declared storms in 2024 are above recent comparable YTD averages. Typically, more active weather is detrimental to reliability performance.

To meet the intended metric target, PSEG Long Island continues its Power-On Program, which consists of hardening distribution mainlines by replacing/ upgrading poles, conductors, and equipment and converting existing lines to narrower profile design lines. The Tree Trim Program has been expanded, and the Circuit Improvement Program will continue the comprehensive inspection of poles, wires, and equipment in addition to reviewing historical outage patterns.

**T&D-08 - System Average Interruption Frequency Index (SAIFI)**

Metric Type	YTD Actual	YTD Target	YTD Rating
Quantitative	0.16	0.16	Meeting Target

SAIFI is a standard utility metric that measures the average number of sustained interruptions of five minutes or more for each customer served. This metric provides a clear and quantifiable measure of reliability, which is directly tied to customer experience and can help inform decisions around investments in the grid. PSEG Long Island is meeting this target through the end of Q1, with the year-

end target equating to the average customer experiencing one sustained outage every eighteen months.

**T&D-09 - Momentary Average Interruption Frequency Index (MAIFI)**

Metric Type	YTD Actual	YTD Target	YTD Rating
Quantitative	0.32	0.30	Meeting Target

MAIFI is another standard utility metric measuring the average number of momentary interruptions (defined as less than five minutes) for each customer served. This metric provides a clear and quantifiable measure of reliability, which is directly tied to customer experience and can help inform decisions around investments in the grid.

Customers have experienced a slight uptick in momentary interruptions this year compared to the same period in 2023, primarily due to increased storm activity. However, the number of momentary interruptions customers have experienced during blue-sky conditions has improved year over year. PSEG Long Island will continue its Power On, Tree Trim, Circuit Improvement, and other initiatives to maintain and decrease the MAIFI level.

**T&D-10 - Reduce Sustained Multiple Customer Outages (S-MCOs)**

Metric Type	YTD Actual	YTD Target	YTD Rating
Quantitative	0%	100%	At Risk

S-MCOs measure sustained outages of five minutes or more in duration over a 12-month rolling basis. These outages are likely to cause inconvenience and disruption to customers. As of the end of Q1, and measured over the last twelve months, 2,511 customers experienced six or more outages, which exceeded the target of 2,275. Three hundred eighty (380) customers had eight or more outages, which exceeds the target of 375, and 84 customers experienced ten or more outages, which is greater than the target of 50. Additionally, one customer experienced 12 or more outages, with the target at 0. Thus, in 2024, PSEG Long Island is meeting 0% of the targets for each of the four identified groups of customers. Along with PSEG Long Island’s other reliability-related programs, there is a specific MCO program that addresses local areas of deficient performance with a focus on customers experiencing the greatest number of sustained and momentary outages in the past 12 months.

**T&D-12 – Reduce Momentary Multiple Customer Outages (M-MCOs)**

Metric Type	YTD Actual	YTD Target	YTD Rating
Quantitative	60,168	54,000	At Risk

M-MCOs are another reliability metric used to monitor the frequency of power interruptions of less than five minutes in duration (“momentary outages”) over a rolling 12-month basis. This metric provides insight into the frequency of brief interruptions that can disrupt sensitive electronic equipment and customer activities. Approximately 5.2% of all customers served have experienced six or more momentary outages over the last twelve months, an increase of nearly 10,000 customers since the

end of 2023. In conjunction with other reliability initiatives listed previously, PSEG Long Island also conducts a specific Multiple Customer Outage (MCO) program to manage this metric.

**T&D-13 - Serious Injury Incident Rate (SIIR)**

Metric Type	YTD Actual	YTD Target	YTD Rating
Quantitative	0	0	Meeting Target

SIIR is a crucial safety metric component of the LIPA Board’s Safety Policy. This metric is used by OSHA and peer utilities to measure the frequency of severe injuries incurred by the workforce. This rate is essential for assessing the overall safety environment within utility operations and for implementing measures to protect employees and contractors.

**T&D-24 - Improve Reliability Through Vegetation Management Work Plan - Cycle Trim & Trim-to-Sky**

Metric Type	YTD Actual	YTD Target	YTD Rating
Hybrid	100%	100%	Meeting Target

The Vegetation Management Work Plans identify scheduled work on at least one-quarter of the overhead distribution system, which equals about 2,200 miles of power lines. This work, also referred to as Cycle Trim, ensures that equipment failures do not occur due to regular vegetation maintenance. This project is on track to achieve the goal. All deliverables have been received on time and approved by LIPA. The storms in January and February 2024 have not impacted the trimming schedule.

**T&D-26 - Improve Reliability Through Vegetation Management Work Plan - Hazard Tree Removal**

Metric Type	YTD Actual	YTD Target	YTD Rating
Hybrid	100%	100%	Meeting Target

This metric is part of the Grid Resiliency Improvement Program. To meet the year-end target, the work plan must include removing 14,000 trees and limbs (9,000 trees + 5,000 limbs). This project is on track to achieve the goal. LIPA and PSEG Long Island continue to meet monthly to review progress, budgets, and upcoming schedules. All deliverables have been received on time and approved by LIPA.

**T&D-30 - Improve Resiliency Through SHWP - ACRV Commissioning Program**

Metric Type	YTD Actual	YTD Target	YTD Rating
Hybrid	100%	100%	Meeting Target

This metric is part of the overall Storm Hardening that PSEG Long Island is completing to enhance the distribution system's reliability. PSEG Long Island submitted the first quarter report on April 11<sup>th</sup>, which has been reviewed and approved by LIPA. This project is on track to achieve the goal. All deliverables have been received on time and approved by LIPA. The approved 2024 Storm Hardening Work Plan

requires a year-end target of a minimum of 300 Automatic Circuit Recloser Viper (ASUVs) to be “operationalized” to become Automatic Circuit Recloser Viper (ACRVs).

**T&D-31 - Improve Resiliency Through Storm Hardening Work Plan - LT5H (ASUV) Program**

Metric Type	YTD Actual	YTD Target	YTD Rating
Hybrid	100%	100%	Meeting Target

This metric is also part of the overall Storm Hardening that PSEG Long Island is completing to enhance the distribution system's reliability. The project is on track to achieve the goal. As per the 2024 Storm Hardening Work Plan, at least 150 LT5H (ASUV) must be “operationalized” so that the ASUV operates as an ACRV. Construction of 26 units has been completed, with 12 units commissioned in the first quarter, which aligns with projected targets.

**T&D-50 - Storm Outage Response Performance**

Metric Type	YTD Actual	YTD Target	YTD Rating
Hybrid	100%	100%	Meeting Target

This metric measures and improves outage management and response effectiveness during storms with customer outages lasting twenty-four to forty-eight hours. There were five Storm Events in the first quarter of 2024, with no events exceeding 24 hours in duration.

**T&D-52 – Triennial Safety Assessment**

Metric Type	YTD Actual	YTD Target	YTD Rating
Qualitative	100%	100%	Meeting Target

Per the Board of Trustees’ Policy on Safety, which focuses on the actions and welfare of employees, contractors, and the public, an independent third-party review is occurring to assess the overall Safety performance of PSEG Long Island. The assessment is nearing completion, with the final report expected to be issued in June 2024. Improvement opportunities identified will become the foundation of the Project Implementation Plan that PSEG Long Island will develop, outlining the individual steps required to satisfy this metric’s objective.

**Customer Service**

**CS-02 - J.D. Power Customer Satisfaction Survey (Residential)**

Metric Type	YTD Actual	YTD Target	YTD Rating
Hybrid	693 12 <sup>th</sup> Rank	1 <sup>st</sup> Quartile or 5 <sup>th</sup> Rank	Behind Target

The J.D. Power Customer Satisfaction Survey enables LIPA to verify that our service provider, PSEG Long Island, is meeting our customers’ needs and aligns with a key Board Policy. The first quarter J.D.

Power Customer Satisfaction Survey (Residential) showed that PSEG Long Island ranked below target. The first quarter results are a nine-point and three-position decline from the 2023 year-end results. As part of this metric, PSEG Long Island developed a tactical plan for the year to improve customer perception and track progress on the delivery. The Call Center QA team evaluates calls and email transactions and reviews email templates. The Call Center QA team met with new hire class B after they passed the final exam to provide a refresher on QA expectations and review all QA forms. The J.D. Power Customer Satisfaction Survey is released quarterly; these plans are designed to positively impact the overall score.

**CS-11 - Contact Center Service Level with Live Agent Calls**

Metric Type	YTD Actual	YTD Target	YTD Rating
Quantitative	16.7%	77.0%	Behind Target

This metric measures customer service representatives’ response to customer calls to increase customer satisfaction and promote efficient staffing. At the end of March, an additional seventeen (17) agents completed training, sixteen (16) are currently training and a class of twenty-five (25) is currently being recruited for an April 22, 2024, start date. PSEG Long Island also focuses on agents’ performance.

**CS-21 - Outage Information Satisfaction**

Metric Type	YTD Actual	YTD Target	YTD Rating
Quantitative	69.77%	71.12%	Meeting Target

This metric aims to improve customer satisfaction with PSEG Long Island’s proficiency in providing information for customers who experience an outage. PSEG Long Island is monitoring recent Cause Code adjustments that went into production in Q4 2023 and analyzing the results of low performers from the first quarter of 2024 to identify trends.

**CS-31 - Call Average Handle Time (AHT)**

Metric Type	YTD Actual	YTD Target	YTD Rating
Hybrid	468	376	Behind Target

The PSEG Long Island Call Center is a key customer interface where performance excellence is expected. Recent data shows that recent actions have resulted in a positive change in trajectory; to date, performance has not met the established target. The Call Center QA team has listened to high talk time calls and tracked trends for the past two months. With 33 new agents on the phones in April, PSEG Long Island expects higher AHT.

## Clean Energy

### **PS&CE-05 – Beneficial Electrification**

Metric Type	YTD Actual	YTD Target	YTD Rating
Quantitative	100%	100%	Meeting Target

PSEG Long Island must achieve the Beneficial Electrification targets from the Utility 2.0 filing, including any LIPA and DPS recommended changes to the targets in alignment with the LIPA portion of the two million home clean energy goals for the whole home electrification and home electrification ready target. Beneficial Electrification for LIPA primarily focuses on electrifying home heating via converting fossil fuel-fired equipment to electric heat pumps. New York State’s long-term goal to decarbonize the economy is unachievable without widespread heat pump adoption. During the first quarter, 1,023 Heat Pumps were installed, which is 128% of the YTD goal. 37% of the total incentive spend was in DAC (Disadvantaged Communities) communities, slightly exceeding the 35% spend target. In general, LIPA is outperforming most other utilities in New York State in terms of heat pump installations.

### **PS&CE-13 – Heat Pump Strategy to Address Barriers to Customer Adoption**

Metric Type	YTD Actual	YTD Target	YTD Rating
Qualitative	100%	100%	Meeting Target

This project is on track to achieve the goal. All deliverables have been received on time and approved by LIPA, including a revised incentive tool for contractors to determine customer incentives. This tool will also include a list of qualified air-to-water heat pumps and the addition of this equipment to heat pump incentives. As discussed in PS&CE-05 above, New York State’s decarbonization goals involve widespread penetration of heat pumps. In general, residential customers can save money and achieve investment paybacks quickly by converting to a heat pump system. This metric seeks to build upon our success so far and lay the groundwork for accelerated adoption over the coming decade.

## Affordability

### **PS&CE-08 – Transition to New Std TOD Residential Rates on an Opt-Out Basis**

Metric Type	YTD Actual	YTD Target	YTD Rating
Qualitative	0%	100%	At Risk

The new standard Time of Day Rate initiative is a crucial LIPA Board priority, whose success is critically important for the Grid of the Future. While LIPA has approved certain exceptions to delay the implementation of this program, those exceptions were out of necessity to modify the system to extend bill protection to new accounts and ensure more comprehensive testing, that otherwise could result in a negative customer experience. The metric expectation was to provide the schedule and migration plan details to LIPA in 2023 and to obtain LIPA approval before the start of 2024. PSEG Long Island’s submission was over two months past due and does not cover the 2024 releases beyond Release 3.

PSEG Long Island did not fully meet this metric in 2022 or 2023. LIPA and PSEG Long Island are continuing to discuss the mitigation plans.

**CS-17 - Low to Moderate Income (LMI) Program Participation**

Metric Type	YTD Actual	YTD Target	YTD Rating
Quantitative	38,716	50,000	At Risk

This metric incentivizes PSEG Long Island to increase customer enrollment in Low to Moderate-income programs. Affordability for customers is a LIPA Board priority, and ensuring awareness of these programs is critical. At the end of Q1, enrollment rates were below the YTD target. PSEG Long Island has worked to meet the target in several ways:

- PSEG Long Island Consumer Advocacy hosted bi-monthly webinars on March 14<sup>th</sup> and 25<sup>th</sup>. Approximately 222 customers attended the webinars YTD.
- An additional 25 outreach events were conducted throughout Nassau and Suffolk counties, including non-profit organizations such as the Family Service League, local food pantries, and the Department of Social Services.

**Information Technology**

**IT-07 – System Segregation**

Metric Type	YTD Actual	YTD Target	YTD Rating
Qualitative	TBD	100%	Not started

System Segregation was a core reform negotiated as part of the 2022 2<sup>nd</sup> Amended & Restated Operations Services Agreement (OSA), and progress has been tracked in performance metrics since that time. This metric ensures that LIPA has stand-alone systems from PSEG Corporate. PSEG Long Island has submitted the Project Implementation Plan (PIP), which LIPA is currently reviewing. There is no progress to report on this metric YTD.

**APPENDIX A:**

The table below summarizes the status of all 61 Performance Metrics as of March 31, 2024<sup>2</sup>. Additional details, including specific deliverables for each metric, can be found in the approved [2024 Performance Metric Report](#).

TRANSMISSION & DISTRIBUTION						
Metric #	Metric Name	Metric Type	YTD Actual	YTD Target	YTD Rating	Comments
T&D-01	Asset Management Program Implementation - Asset Inventory	Hybrid	52%	65%	At Risk	As of March 2024, PSEG Long Island has verified 185,428 assets. By year end, it will need to verify 354,416 assets to meet the target of 65% of the total pole field. PSEG Long Island is hiring a consultant to assist with the backlog.
T&D-06	Primary Transmission Control Center (PTCC) Replacement	Qualitative	0%	100%	At Risk	No deliverables, including the IT/OT implementation design, have been received yet. The Parties are working on finalizing an updated project plan.
T&D-07	System Average Interruption Duration Index (SAIDI)	Quantitative	13.90	11.60	At Risk	The March YTD SAIDI was higher than in March 2023 and higher than the 2024 YTD target due to equipment failures (primary wire down, primary line tap broken, etc.), intentional, and accidents (MVA, animal contacts, etc.). The five (5) storms in 2024 also contributed. PSEG Long Island will continue its Power-On Program, which consists of hardening distribution mainlines by replacing/upgrading poles, conductors, and equipment and converting existing lines to narrower profile design lines. The Tree Trim Program has been expanded, and the Circuit Improvement Program will continue the comprehensive inspection of poles, wires, and equipment in addition to reviewing historical outage patterns.
T&D-08	System Average Interruption Frequency Index (SAIFI)	Quantitative	0.16	0.16	Meeting Target	PSEG Long Island is meeting the target through the end of Q1, with the YE target equating to the average customer experiencing one sustained outage every 18 months. PSEG Long Island will continue its Power On, Tree Trim, Circuit Improvement, and other initiatives to maintain and decrease this level.



T&D-09	Momentary Average Interruption Frequency Index (MAIFI)	Quantitative	0.32	0.30	Meeting Target	Customers were Interrupted more than in 2023 due to storms, but the blue-sky interruptions were lower. PSEG Long Island will continue its Power On, Tree Trim, Circuit Improvement, and other initiatives to maintain and decrease the MAIFI level.
T&D-10	Reduce Sustained Multiple Customer Outages (S-MCOs)	Quantitative	0%	100%	At Risk	2,511 customers experienced 6 or more outages, which exceeds the target of 2,275. 380 customers had 8 or more outages, which exceeds the target of 375, and 84 customers experienced 10 or more outages, which is greater than the target of 50. Additionally, one customer experienced 12 or more outages, with the target at 0. PSEG Long Island is meeting 0% of the targets for each group of customers and will continue their Power On, Tree Trim, Circuit Improvement, and other initiatives to maintain and decrease this level.
T&D-12	Reduce Momentary Multiple Customer Outages (M-MCOs)	Quantitative	60,168	54,000	At Risk	Approximately 5.22% of all customers served have experienced 6 or more momentary outages year to date. In conjunction with the initiatives listed previously, PSEG Long Island also initiated a Multiple Customer Outage (MCO) program, which addresses local areas of deficient performance, both overhead and underground. The focus will be placed on those customers experiencing the greatest number of outages in the past 12 months.
T&D-13	Serious Injury Incident Rate (SIIR)	Quantitative	0	0	Meeting Target	This metric is a crucial safety metric used by OSHA and peer utilities to measure the frequency of severe injuries incurred by the workforce. There were no severe injuries in the first quarter of 2024.
T&D-18	Improve Reliability Through Work Management Enhancements - Workforce Management Plans	Qualitative	100%	100%	Meeting Target	This project is on track to achieve the goal. All deliverables have been received on time and approved by LIPA.
T&D-24	Improve Reliability Through Vegetation Management Work Plan - Cycle Trim & Trim-to-Sky	Hybrid	100%	100%	Meeting Target	This project is on track to achieve the goal. All deliverables have been received on time and approved by LIPA. The storms in January and February 2024 have not impacted the trimming schedule.

T&D-26	Improve Reliability Through Vegetation Management Work Plan - Hazard Tree Removal	Hybrid	100%	100%	Meeting Target	This metric is part of the Grid Resiliency Improvement Program. This project is on track to achieve the goal. All deliverables have been received on time and approved by LIPA. To meet the YE target, the work plan needs to include removing 14,000 trees and limbs (9,000 trees + 5,000 limbs). PSEG Long Island and LIPA meet monthly to review progress, budgets, and upcoming schedules.
T&D-30	Improve Resiliency Through Storm Hardening Work Plan - ACRV Commissioning Program	Hybrid	100%	100%	Meeting Target	This metric is part of the Storm Hardening that PSEG Long Island is completing to enhance the distribution system's reliability. This project is on track to achieve the goal. All deliverables have been received on time and approved by LIPA. The approved 2024 Storm Hardening Work Plan requires a year-end target of a minimum of 300 Automatic Circuit Recloser Viper (ASUVs) to be "operationalized" to become Automatic Circuit Recloser Viper (ACRVs).
T&D-31	Improve Resiliency Through Storm Hardening Work Plan - LT5H (ASUV) Program	Hybrid	100%	100%	Meeting Target	This metric is also part of the Storm Hardening that PSEG Long Island is completing to enhance the distribution system's reliability. The project is on track to achieve the goal. All deliverables have been received on time and approved by LIPA. As per the 2024 Storm Hardening Work Plan, at least 150 LT5H (ASUV) must be "operationalized" so that the ASUV operates as an ACRV.
T&D-36	Construction - Cost Estimating Accuracy	Quantitative	81.6%	90.0%	At Risk	PSEG Long Island met this metric in 2023 and is encouraged to continue its processes to improve this score throughout 2024. The two projects completed in Q1 2024 include the Bridgehampton 2 Feeders C&R Project, estimated on 2/28/2023, and Flowerfield-Terryville New 69kV UG Cable, estimated on 10/3/2022.
T&D-37	Improve Reliability Through Completion of Program Plan Units & Unit Cost	Quantitative	100%	100%	Meeting Target	PSEG Long Island is meeting targets for all eight targeted program planned units and unit costs.
T&D-40	Reduce Double Wood Poles	Quantitative	7,210	7,378	Meeting Target	Discussions between Verizon, Altice, and PSEG Long Island continue.
T&D-41	Program Effectiveness - Vegetation Management	Quantitative	6.3%	-50.0%	Behind Target	PSEG Long Island has expanded the tree trim program per ANSI A300 standards and the "Best Management Practices - Tree Pruning" publication. The 2024 Distribution circuits are on a four (4) year cycle trim. The goal of the annual vegetation work is to complete approximately 25% of the distribution miles, which is a minimum of 2200 miles per calendar year.

T&D-44	Regulatory Compliance	Quantitative	≤3	0	Meeting Target	PSEG Long Island has not reported any instances of non-compliance. They are operating within all applicable rules and regulations and meeting all local, state, and federal compliance reporting regulations.
T&D-46	Root Cause Analysis (RCA) Execution and Compliance	Qualitative	100%	100%	Meeting Target	This project is on track to achieve the goal. All deliverables have been received on time and approved by LIPA.
T&D-49	Work Management Effectiveness	Quantitative	50%	100%	Behind Target	PSEG Long Island met the Productivity for Specific Work Types and Utilization/Work Plan Variance target but only partially met the Overtime Rates and Schedule Attainment target. The metric is currently behind target.
T&D-50	Storm Outage Response Performance	Hybrid	100%	100%	Meeting Target	This metric deals with outage management and response effectiveness during storms with customer outages of 24-48 hours. Five storm events occurred in the first quarter of 2024, with no events exceeding 24 hours in duration.
T&D-52	Triennial Safety Assessment	Qualitative	100%	100%	Meeting Target	The assessment has been completed, and the final report will be issued in June 2024. Identified improvement opportunities will become the foundation of PSEG Long Island's Project Implementation Plan, which outlines the steps required to satisfy this metric's objective successfully.

CUSTOMER SERVICES						
Metric #	Metric Name	Metric Type	YTD Actual	YTD Target	YTD Rating	Comments
CS-01	Delivery of Strategic Customer Experience & Billing Projects	Qualitative	3 projects	5 projects	At Risk	At this time, only three projects are on track to be completed. PSEG Long Island and LIPA are discussing whether other projects will be substituted.

CS-02	J.D. Power Customer Satisfaction Survey (Residential)	Hybrid	693 12 <sup>th</sup> Rank	1st Quartile or 5th Rank	Behind Target	The first quarter J.D. Power Customer Satisfaction Survey (Residential) ranked below target. The survey results are released quarterly. The first quarter results are a 9-point and 3-position decline from the 2023 year-end results. As part of the metric, PSEG Long Island developed a tactical plan for the year to improve customer perception and track progress on the delivery.
CS-03	J.D. Power Customer Satisfaction Survey (Business)	Hybrid	TBD	6th Rank	Not Started	The J.D. Power Customer Satisfaction Survey (Business) is only issued twice yearly, with July as the first report.
CS-05	Customer Transactional Performance Measurement & Analysis	Qualitative	100%	100%	Meeting Target	This project is on track; however, LIPA and PSEG Long Island are still discussing viable solutions for appending survey results with operational and customer data, as the original solution offered was cost-prohibitive.
CS-10	Billing - Cancelled Rebill	Quantitative	0.13%	0.15%	Meeting Target	In March, there were 1,120,740 unique bills and 1,322 canceled rebills. The metric is meeting the target.
CS-11	Contact Center Service Level with Live Agent Calls	Quantitative	16.7%	77.0%	Behind Target	At the end of March, an additional 17 agents completed training, 16 are currently in training, and a class of 25 was recruited for an April 22, 2024, training start date. PSEG Long Island is also focusing on agent performance.
CS-14	Net Dollars Written Off	Quantitative	6,871,711	6,624,206	At Risk	With higher-than-normal inflation rates continuing into 2024, prices for everyday essentials remain high, resulting in consumers prioritizing essential purchases rather than paying off debt. Additionally, most collection pauses related to the pandemic have resumed, which has increased consumers' monthly financial obligations.
CS-15	Arrears Aging Percent > 90 Days Past Due (Arrears %>90)	Quantitative	54.20%	48.58%	At Risk	Back Office Collections continues to partner with Field Collections on various scenarios campaigns to maximize field collection activities. The email Robotic Process Automation (RPA) Re-Branding Project went live in February 2024.

CS-17	Low to Moderate Income (LMI) Program Participation	Quantitative	38,716	50,000	At Risk	Enrollment rates did not meet the YTD target. Consumer Advocacy hosted bi-monthly webinars on March 14th and 25th. Approximately 222 customers attended the webinars YTD. They have also conducted over 25 outreach events throughout Nassau and Suffolk counties, including the Family Service League, Department of Social Services, and local food pantries.
CS-19	DPS Customer Complaint Rate	Quantitative	1st Rank /3.2	1st Rank	Meeting Target	PSEG Long Island is educating case managers, providing refresher training as needed, and providing monthly reporting to each line of business to create awareness and insight into the complaints.
CS-21	Outage Information Satisfaction	Quantitative	69.77%	71.12%	Meeting Target	PSEG Long Island is monitoring recent Cause Code adjustments that went into production in Q4 2023. They are also analyzing low performers from the first quarter of 2024 results to identify trends.
CS-25	Interactive Voice Response (IVR) Containment Rate	Quantitative	55.84%	62.08%	At Risk	PSEG Long Island identified IVR improvements and submitted a plan to the IT (Information Technology) team to review and prioritize.
CS-28	Move Process Improvement	Qualitative	TBD	100%	At Risk	LIPA and PSEG Long Island are working on an updated Project Implementation Plan to streamline the residential move process to complete the transaction within one efficient interaction in the customer's channel of choice. PSEG Long Island has recently indicated that resource constraints may result in the solution for the IVR and agent to be delivered beyond the performance year
CS-30	Optimize Contact Center Resource Utilization	Qualitative	0%	100%	Behind Target	PSEG Long Island and LIPA met in January, February, and March to discuss the metric and definition of the Utilization Report, which comprises two measurements: adherence and schedule efficiency. PSEG Long Island identified a canned report (Intraday) that was initially assumed to provide schedule efficiency, but upon further review, it was discovered it did not. The metric deliverables are currently being declined as the dates are past due, and the work was not planned or completed. LIPA is open to approving an exception to extend the deliverable dates to accommodate a new schedule to execute.

CS-31	Call Average Handle Time (AHT)	Hybrid	468	376	Behind Target	Recent data shows that recent actions have resulted in a positive change in trajectory; to date, performance has not met the established target. The Call Center QA team has listened to high talk time calls and tracked trends for the past two months. With 33 new agents on the phones in April, PSEG Long Island expects higher AHT.
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POWER SUPPLY & CLEAN ENERGY						
Metric #	Metric Name	Metric Type	YTD Actual	YTD Target	YTD Rating	Comments
PS&CE-01	Complete Integrated Resource Plan (IRP) Follow-on Activities	Qualitative	100%	100%	Meeting Target	PSEG Long Island has submitted its Draft Steam Deactivation Study for LIPA comments, and developed solutions and a final report.
PS&CE-03	Energy Efficiency Plan Savings	Quantitative	145,982	137,050	Above Target	Both Residential and Commercial programs are off to a strong start. 37% of the total incentive spending was in DAC communities, exceeding the 35% spend target.
PS&CE-05	Beneficial Electrification – Building Electrification	Quantitative	100%	100%	Meeting Target	LIPA is outperforming most other utilities in NYS (New York State) regarding heat pump installations. In the first quarter, 1,023 Heat Pumps were installed, 128% of the YTD goal. 37% of total incentive spending was in DAC communities, slightly exceeding the 35% spend target.
PS&CE-08	Transition to New “Standard” Time of Day Residential Rates on an Opt-Out Basis	Qualitative	0%	100%	At Risk	This metric required developing a schedule and migration plan details to LIPA in 2023 and obtaining LIPA approval before the start of 2024. PSEG Long Island’s submission was over two months past due and does not cover the 2024 releases beyond Release 3. LIPA and PSEG Long Island are continuing to discuss the mitigation plans.
PS&CE-13	Heat Pump Strategy to Address Barriers to Customer Adoption	Qualitative	100%	100%	Meeting Target	This project is on track to achieve the goal. All deliverables have been received on time and approved by LIPA. Key deliverables include a revised incentive tool for contractors to determine customer incentives. This tool will also include a list of qualified air-to-water heat pumps and the addition of this equipment to heat pump incentives.

PS&CE-14	Transportation Electrification Strategic Initiatives	Qualitative	100%	100%	Meeting Target	This project is on track to achieve the goal. All deliverables have been received on time and approved by LIPA.
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BUSINESS SERVICES						
Metric #	Metric Name	Metric Type	YTD Actual	YTD Target	YTD Rating	Comments
BS-05	Full-Time Vacancy Rate	Quantitative	60%	100%	At Risk	The Business Support Services and Information Technology departments are not meeting the vacancy rate. Efforts are underway to staff the Information Technology organization, which has a 20.7% vacancy rate.
BS-07	Implement Affiliate Service Remediation Plans and Transition Plans	Quantitative	12%	100%	Behind Target	Four of sixteen deliverables have been received on time and approved by LIPA. LIPA, PSEG Long Island, and DPS are discussing this metric.
BS-13	Information Request (IR) Responses	Quantitative	100%	94%	Meeting Target	PSEG Long Island has received 34 total Information Requests (IR) year to date. 3 of the 34 IR responses received an approved extension and were submitted within the approved extension dates.
BS-22	Timely, Accurate, and Supported Storm Event Invoicing	Hybrid	100%	100%	Meeting Target	This project is on track to achieve the goal. All deliverables have been received on time and approved by LIPA.
BS-34	Improve Budgeting, Billing, and Collection Efforts for Reimbursable Projects	Hybrid	TBD	100%	Not Started	No deliverables were due in Q1 2024. The project has not started.

BS-35	Implement Budget Process Improvements	Qualitative	0%	100%	Meeting Target	This project is on track to achieve the goal. All deliverables have been received on time and are being reviewed by LIPA.
BS-38	Improve the Rate and Tariff Change Implementation Process	Qualitative	0%	100%	Meeting Target	The project is on track to achieve the goal. The project implementation plan has been submitted on time and is being reviewed by LIPA
BS-40	Implement Improvements to Budget Process Using New Budget System	Qualitative	1	3 process improvements	Meeting Target	The project is on track to achieve the goal. The project implementation plan has been submitted on time and is being reviewed by LIPA
BS-41	PJD (Project Justification Document) and Capital Budget Process Improvements	Qualitative	100%	100%	Meeting Target	This project is on track to achieve the goal. All deliverables have been received on time and are being reviewed by LIPA.

INFORMATION TECHNOLOGY						
Metric #	Metric Name	Metric Type	YTD Actual	YTD Target	YTD Rating	Comments
IT-01	IT Organizational Maturity	Qualitative	TBD	CMMI Level 3	Meeting Target	No deliverables were due in Q1 2024. Planning for the Benchmark Appraisal has been initiated.
IT-03	System Resiliency - Business Continuity Plans and Functional Drills	Qualitative	TBD	100%	Not Started	No deliverables were due in Q1 2024. The metric requires an assessment of the PSEG Long Island resiliency program by a LIPA-engaged third-party consultant, which is in progress.



IT-04	System and Software Lifecycle Management	Qualitative	100%	100%	Meeting Target	All deliverables due in Q1 2024 have been received and either approved by LIPA or under review.
IT-05	Project Performance - In-flight Projects	Qualitative	TBD	100%	At Risk	This metric includes several projects. Some deliverables are overdue, and those received are either approved or under review by LIPA.
IT-06	Project Performance – New 2024 Projects	Qualitative	TBD	100%	At Risk	This metric includes several projects. Some projects have not submitted PIPs (Project Implementation Plans), and some deliverables are overdue. LIPA has reviewed and approved the deliverables received or requested PSEG Long Island submit revised artifacts.
IT-07	System Segregation	Qualitative	TBD	100%	Not Started	PSEG Long Island has submitted the PIP, which LIPA is currently reviewing. There is no progress to report on this metric YTD.
IT-08	Cyber Security Organization - Implementation	Qualitative	100%	100%	Meeting Target	This project is on track to achieve the goal. LIPA has received and approved all deliverables due in Q1 2024.
IT-09	IT Planning - Ransomware Readiness and Response	Qualitative	100%	100%	Meeting Target	The metric requires a current-state assessment by a LIPA-engaged third-party consultant, which is in progress. LIPA has received and approved status reports due in Q1 2024.
IT-10	System Resiliency - Disaster Recovery Plans and Testing	Qualitative	TBD	100%	Not Started	No deliverables were due in Q1 2024. The metric requires an assessment of the PSEG Long Island resiliency program by a LIPA-engaged third-party consultant, which is in progress.