

**LONG ISLAND POWER AUTHORITY**

**MINUTES OF THE 322nd MEETING**

**HELD ON APRIL 17, 2024**

*The Long Island Power Authority (“LIPA”) was convened for the three hundred and twenty-second time at 11:01 a.m. at LIPA’s Headquarters, Uniondale, NY, pursuant to legal notice given on April 12, 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  
Laureen Harris  
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; Billy Raley, Senior Vice President of Transmission and Distribution; Jen Hayen, Director of Communications; 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 of Electric Operations; Andrea Elder-Howell, Vice President-Legal; Jessica Tighe, Director, Customer Contact & Billing and Joanna Weissman, Manager, Climate Change and Resilience. Lou DeBrino, Vice President of Customer Operations appeared via video conferencing.**

Representing PSEG ER&T, in person, were Ray DePillo, Senior Director, Wholesale Energy Services; and Glenn Nafey, Director, Quantitative Analysis.

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

*Chair Edwards welcomed everyone to the 322nd meeting of the Long Island Power Authority Board of Trustees.*

*Chair Edwards stated that the first item on the agenda<sup>1</sup> 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.*

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*Chair Edwards stated that the next 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:*

**1839. APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE MARCH 27, 2024 MEETING OF THE BOARD OF TRUSTEES OF THE LONG ISLAND POWER AUTHORITY**

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**RESOLVED, that the Minutes of the meeting of the Authority held on March 27, 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.**

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<sup>1</sup> Agenda item was presented out of order from the originally posted Board Agenda.

*Chair Edwards stated that the next item on the agenda was the Consideration of the Acceptance of the Recommendations Set Forth in the NorthStar Comprehensive Management and Operations Audit Final Report, dated March 22, 2024 to be presented by Carrie Gallagher and Nick Forst of the Department of Public Services.*

*The following action item was presented and questions were taken from the Trustees.*

### **Requested Action**

The Board of Trustees (the “Board”) is requested to direct LIPA and PSEG Long Island to commence development of implementation plans for the 80 recommendations in the NorthStar Management and Operations Audit of LIPA and PSEG Long Island Final Report, dated March 22, 2024 and to file such plans with the Board and Department of Public Service (“DPS”) within 90 days of this meeting, consistent with the Board’s Policy on Audit Relationships.

### **Background**

The LIPA Reform Act of 2013 (the “Reform Act”) directed DPS to conduct or cause to be conducted every five years comprehensive management and operations audits to review the overall management of LIPA and PSEG Long Island. DPS procured NorthStar Consulting Group to conduct the audit, which concluded on March 22, 2024 with the filing of a final report containing 80 individual recommendations in 15 areas of management, oversight, and operations. NorthStar had been commissioned to conduct similar audits in 2012-13 and 2017-18. The Reform Act provides that, unless the Board “makes a preliminary determination that any particular finding or recommendation contained in such audit is inconsistent with the authority’s sound fiscal and operating practices, any existing contractual or operating obligation, or the provision for safe and adequate service,” the Board shall cause LIPA and PSEG Long Island staff to implement the audit report’s “recommendations in accordance with the timeframe specified under such audit.”

### **Discussion**

LIPA and PSEG Long Island have reviewed the audit final report and recommendations. LIPA staff does not believe any of the audit recommendations meet the statutory standard for a preliminary determination (i.e., a finding or recommendation that is inconsistent with the Authority’s sound fiscal and operating practices, contractual or operating obligations, or with the provision for safe and adequate service).

The audit report recognizes the improvements made by the LIPA and PSEG Long Island including in the areas of reliability, budget development, and financial performance. Many audit recommendations continue and build on management and process improvements already underway. In other areas, the audit report identified opportunities for new and better improvements.

Unless the Board makes a preliminary finding of inconsistency, LIPA staff and PSEG Long Island will now work together to produce plans to implement each of the 80 individual audit recommendations. Each project plan will articulate specific project objectives, identify personnel responsible for implementation, and set forth milestones for completion. LIPA staff will file the initial implementation plans with the Board and DPS within 90 days of today's meeting with annual progress reports filed pursuant to the reporting requirements in the Board's Policy on Audit Relationships.

**Recommendation**

Based upon the foregoing, I recommend approval of the above-requested action by adoption of the resolution in the form attached as Exhibit "A".

*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 approved by the Trustees.*

**1840. RESOLUTION DIRECTING LIPA AND PSEG LONG ISLAND STAFF TO PREPARE AND FILE IMPLEMENTATION PLANS FOR 80 MANAGEMENT AUDIT RECOMMENDATIONS**

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**NOW, THEREFORE, BE IT RESOLVED,** that consistent with the accompanying memorandum, the Board of Trustees hereby directs LIPA and PSEG Long Island staff to prepare and file, within 90 days of this meeting, an implementation plan for each recommendation in the Management and Operations Audit of LIPA and PSEG Long Island Final Report, dated March 22, 2024.

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*Chair Edwards stated that the next item on the agenda was the Discussion of the Climate Change Vulnerability Study to be presented by Billy Raley and Joanna Weissman.*

*Mr. Raley and Ms. Weissman presented the Discussion of the Climate Change Vulnerability Study and took questions from the Trustees.*

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*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.*

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*Chair Edwards stated that the next 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.*

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*Chair Edwards stated that the last item on the agenda was the Discussion of ER&T 2023 Metrics Performance and Presentation on Power and Fuel Supply Management and Hedging to be presented by Ray DePillo and Glenn Nafey.*

*Messrs. DePillo and Nafey presented the Discussion of ER&T 2023 Metrics Performance and Presentation on Power and Fuel Supply Management and Hedging and took questions from the Trustees.*

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*Chair Edwards then announced that the next Board meeting is scheduled for Wednesday, May 22, 2024.*

*Chair Edwards then asked for a motion to adjourn to Executive Session to discuss public safety matters and announced that no votes would be taken and that the Board would not be*

*returning to Open Session. The motion was duly made and seconded, and the following resolution was adopted:*

**1841. EXECUTIVE SESSION – PURSUANT TO SECTION 105 OF THE PUBLIC OFFICERS LAW**

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**RESOLVED, that pursuant to Section 105 of the Public Officers Law, the Trustees of the Long Island Power Authority shall convene in Executive Session for the purpose of discussing public safety matters.**

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*At approximately 1:39 p.m. the Open Session of the Board of Trustees was adjourned on a motion to enter into Executive Session.*

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