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2024 Q3 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 third year-to-date report on 2024 performance metrics. It summarizes the status of the metrics from July 1, 2024, through September 30, 2024.**

2024 PERFORMANCE METRICS OVERVIEW

The Second Amended and Restated Operations Services Agreement (OSA) between LIPA and PSEG Long Island includes \$21 million¹ 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).

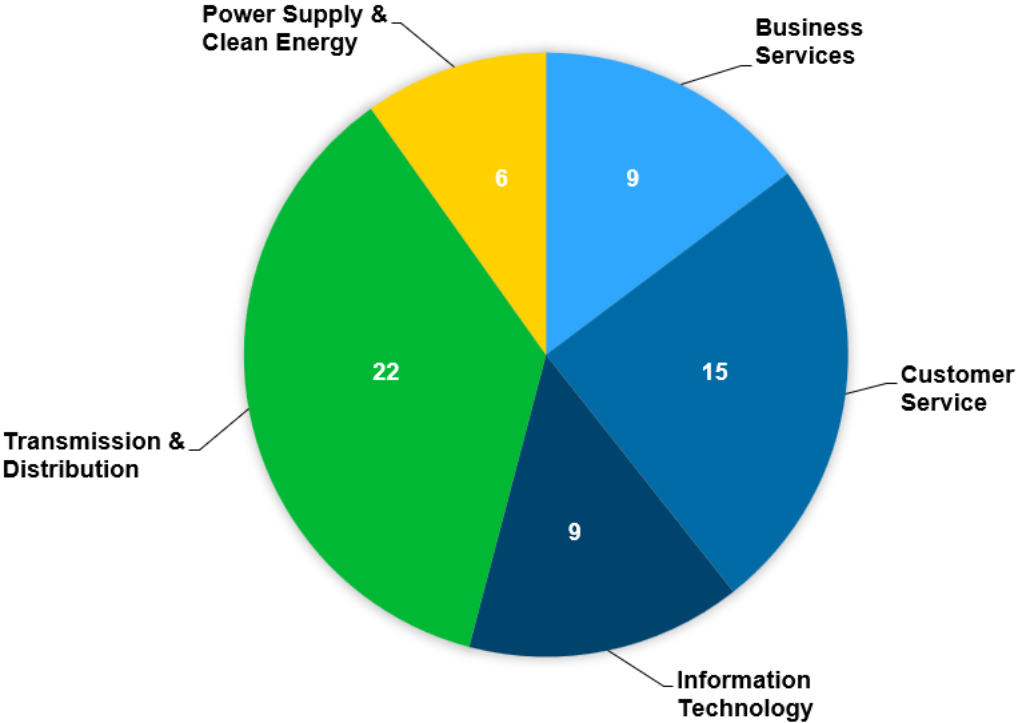
PSEG Long Island also implemented improvements that strengthened their performance in Utility Marketing Effectiveness (BS-18), Reputation Management and Positive Media Sentiment (BS-19), Reputation Management – Share of Voice (BS-20), and Social Mediate Engagement and Following (BS-21). Additionally, 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

¹ 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 the [LIPA 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 Performance Management team (formally known as the Enterprise Project Management Office) 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 continuously on an ongoing basis through a dashboard. The performance management 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 necessary to achieve 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 233 Exceptions. LIPA has approved 175 of the requested Exceptions, and fifty-eight (58) have been rejected. 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.

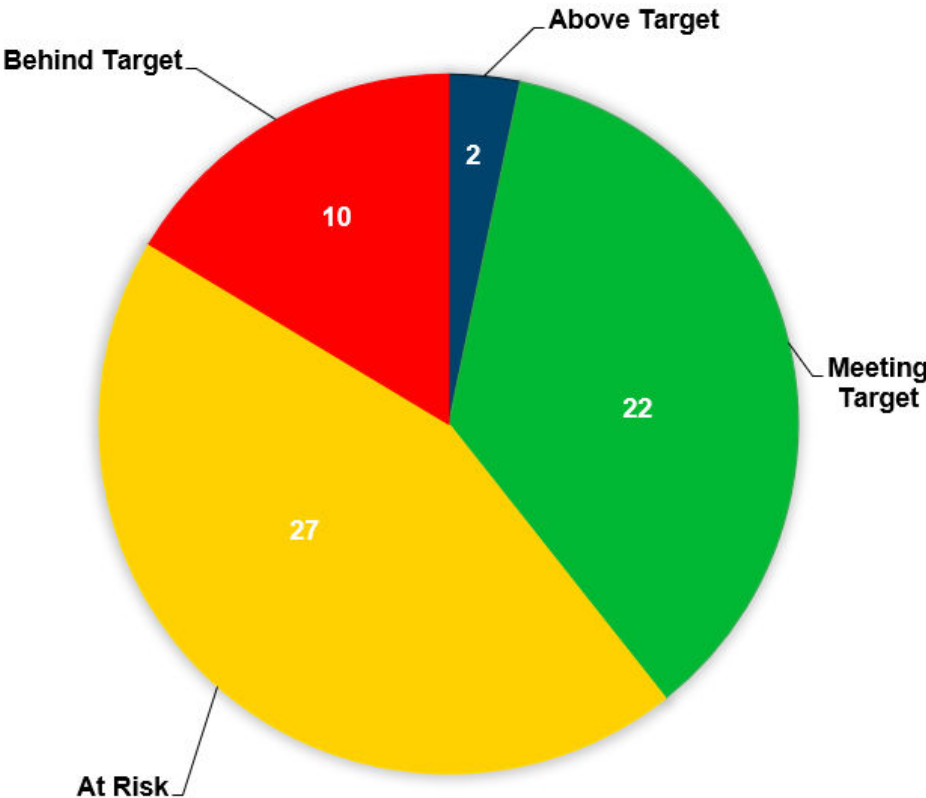
Exception Requests have also sought more fundamental changes to scope, requirements, or methodology. These changes are typically the result of further analysis or discovery as an initiative commences.

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 September 30, 2024, is summarized in Figure 2. Year-to-date, PSEG Long Island is meeting approximately 39% of Performance Metrics, while 44% are at risk, and 16% are behind the target. It is important to note that these results reflect the results of the year's first three quarters, and results and current projections are subject to 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 SUMMARY²



² 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 sixty-one (61) metrics across five scope areas critical to utility performance. Of the sixty-one (61) metrics, twenty-one (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. Appendix A summarizes the high-level Year-to-date status of all sixty-one (61) Performance Metrics.

Reliability/Safety

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	47.6	56.50	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 the 2nd 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 September Year-to-Date SAIDI was 47.60 (unfavorable) compared to the 2024 Year End 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 twelve (12) storm events in 2024 are above recent comparable YTD averages. More active weather is typically 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	YE Target	YTD Rating
Quantitative	0.57	0.67	At Risk

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's September Year-to-Date SAIFI for 2024 was 0.57, higher than the June 2024 Year-to-Date result of 0.37. Although there has been improvement, PSEG Long Island is still at risk of not meeting the target. The leading causes were equipment failures (primary wire down, primary line tap broken, etc.) and intentional and accident (MVA, animal contacts, etc.). Twelve (12) storms occurred to date in 2024.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	1.18	1.50	At Risk

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. There have been twelve (12) storms so far in 2024. The 2024 Year-to-Date MAIFI for September was 1.18, 6.48% higher than the 2023 Year-to-Date MAIFI for September, which was 1.10. 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	YE Target	YTD Rating
Quantitative	75%	100%	At Risk

S-MCOs measure sustained outages of five minutes or more in duration over a twelve-month rolling basis. These outages are likely to cause inconvenience and disruption to customers. As of the end of Q3, and measured over the last twelve months, 2,268 customers experienced six (6) or more outages, less than the target of 2,275. Two hundred sixty-one (261) customers had eight (8) or more outages, which is less than the target of 375, and four (4) customers experienced ten (10) or more outages, which is less than the target of fifty (50). However, one (1) customer experienced twelve (12) or more outages, with the target at zero (0). Therefore, in Q3 of 2024, PSEG Long Island is meeting 75% of the targets for each of the four identified groups of customers, putting this metric at risk. Along with PSEG Long Island's other reliability-related programs, a specific MCO program addresses local areas of deficient performance, focusing on customers experiencing the most significant number of sustained and momentary outages in the past twelve months.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	58,737	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 twelve-month basis. This metric provides insight into the frequency of brief interruptions that can disrupt sensitive electronic equipment and customer activities. As of September 30, 2024, 58,737 customers experienced six (6) or more momentary outages during the previous 365-day rolling period, higher than the target of 54,000 customers. This represents approximately 5.1% of all customers served in 2024. In conjunction with other reliability initiatives listed previously, PSEG Long Island also conducts a specific Multiple Customer Outage (MCO) program, which addresses local areas of poor performance, both overhead and underground. The focus will be placed on those customers experiencing the greatest number of outages in the past twelve months.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	0.07	0	Behind Target

SIIR is a crucial safety metric component of the LIPA Board’s Safety Policy. OSHA and peer utilities use this metric 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 implementing measures to protect employees and contractors. In the second quarter, two (2) incidents occurred that automatically resulted in PSEG Long Island missing the zero (0) target.

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

Metric Type	YTD Actual	YE 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 total miles completed in September Year-to-Date is 1,761. The year-end target for the distribution cycle trim is 2,258. The Trim-to-Sky plan for 2024 is a minimum of 175 circuits by year’s end. September Year-to-Date PSEG Long Island has completed 125 circuits.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Hybrid	63%	100%	At Risk

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). As of September 30, 2024, PSEG Long Island has completed 8,755 units (2,716 limbs and 6,039 trees) compared to the

target of 14,000 units. They have already spent approximately 70% of their budget but have only completed 63% of the units, putting this metric at risk. LIPA and PSEG Long Island continue to meet monthly to review progress, budgets, and upcoming schedules.

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

Metric Type	YTD Actual	YE 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. All deliverables have been received on time and approved by LIPA. An exception was submitted and approved in August to reduce the scope of work, complete an engineering coordination study, and provide a cost-benefit analysis report. The study is scheduled to be completed by the end of November.

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

Metric Type	YTD Actual	YE 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. PSEG Long Island has completed 109 of the 150 targeted for 2024 and submitted the Q3 status report before the due date. PSEG Long Island is currently on track to complete all 150 ASUVs funded in the capital budget by the end of the year.

T&D-50 - Storm Outage Response Performance

Metric Type	YTD Actual	YE 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. PSEG Long Island had its first applicable storm on June 26, 2024 (storm #8), with an overall score of 755/855, 88.3% of potential points, and above the target of 80%. On August 3, 2024 (storm #9), there was another storm where they scored 790/855 of the potential points, which was 92.4%. This second storm was also above the target of 80%. The two jobs over the 24-hour threshold on August 3rd involved underground distribution: Lattingtown – cable fault and Mill Neck – cable tap assembly.

T&D-52 – Triennial Safety Assessment

Metric Type	YTD Actual	YE 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 PSEG Long Island's overall safety performance. The Safety Assessment was completed, and a draft report was issued. LIPA and PSEG Long Island met on December 5, 2024, to discuss the findings and determine the next steps to address areas of deficiency noted in the report.

Customer Service

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

Metric Type	YTD Actual	YE Target	YTD Rating
Hybrid	698 10 th Rank	1 st Quartile or 5 th Rank	Behind Target

The J.D. Power Customer Satisfaction Survey enables LIPA to verify that our service provider, PSEG Long Island, meets our customers’ needs and aligns with a key Board Policy. PSEG Long Island has increased one ranking since the second quarter to the 10th rank but is still below target. Although the Corporate Citizenship, Communications, Billing & Payment, and Price scores increased, the Power Quality & Reliability and Customer Care scores dropped. 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 while also providing tips for general calls, orders, and usage of the databases. PSEG Long Island continues to promote its energy efficiency programs and is continuing its campaigns for the Mobile App, Storms Preparedness & Financial Assistance. The J.D. Power Customer Satisfaction Survey is released quarterly; these plans are designed to impact the overall score positively.

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

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	34.1%	77.0%	Behind Target

This metric measures customer service representatives’ response to customer calls to increase customer satisfaction and promote efficient staffing. PSEG Long Island is behind target on this metric. Service levels decreased in Q3 compared to Q2 (36.8%) results. Increased hold times contributed to repeat callers, resulting in increased call volume. Currently, forty-one (41) agents are in training. PSEG Long Island will continue to focus on service levels.

CS-21 - Outage Information Satisfaction

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	69.28%	71.12%	At Risk

This metric aims to improve customer satisfaction with PSEG Long Island’s proficiency in providing information for customers who experience an outage. During Q3, PSEG Long Island continued to observe low survey scores. They are conducting deep dives to support ongoing training and

improvement opportunities for T&D outage jobs. A permanent banner will be added to the outage map to educate customers on the restoration process during blue sky days.

CS-31 - Call Average Handle Time (AHT)

Metric Type	YTD Actual	YE Target	YTD Rating
Hybrid	471	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 still needs to meet the established target. Average Handle Time (AHT) increased to 471 in Q3 compared to 459 in Q2. Thirty (30) trainees assisted with phone calls through September, which increased the overall department AHT. There was also an increase in AHT of Time-of-Day calls, which had a negative impact.

Clean Energy

PS&CE-05 – Beneficial Electrification

Metric Type	YTD Actual	YE Target	YTD Rating
Quantitative	115%	100%	Above 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 of building decarbonization is unachievable without widespread heat pump adoption. During the third quarter, 3,028 heat pumps were installed, 112% of the year-to-date goal. 40% of the total incentive spend was in DAC (Disadvantaged Communities) communities, exceeding the 35% spend target. LIPA generally outperforms 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	YE 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. Key deliverables include developing a detailed plan for 2025 to achieve statewide heat pump electrification targets by 2030 broken down by segments (single-family, multi-family, LMI, and new construction). 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	YE Target	YTD Rating
Qualitative	80%	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. In June 2024, PSEG Long Island successfully transitioned the first migration group of approximately 30,000 customers to the TOD rate. However, in Q3, several deliverables were submitted to LIPA for review and declined, putting the overall project success at risk. PSEG Long Island will most likely only partially meet this metric.

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

Metric Type	YTD Actual	YE 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 the third quarter, enrollment rates were below the Year-to-date target. PSEG Long Island has worked to meet the target in several ways:

- PSEG Long Island Consumer Advocacy hosted a monthly webinar on September 16th. Approximately 320 customers attended the monthly webinars so far this year.
- An additional thirty (30) 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.

Vendor agreements with Nassau and the New York City Human Resource Association are still in the discussion/development phase to afford the automation portion of the metric when completed.

Information Technology

IT-07 – System Segregation

Metric Type	YTD Actual	YE Target	YTD Rating
Qualitative	15%	100%	Behind Target

System Segregation was a core reform negotiated as part of the 2022 2nd Amended & Restated Operations Services Agreement (OSA), and progress has been tracked in performance metrics since then. This metric ensures that LIPA has stand-alone systems from PSEG Corporate. PSEG Long Island has submitted several deliverables that have yet to be approved by LIPA. Exceptions have been requested to push the initial deadlines from the second quarter of 2024 to the fourth quarter of 2025.

Due to these exceptions and schedule changes, the metric has fallen behind its target. At this point, no bundles will be completed in 2024.

APPENDIX A:

The table below summarizes the status of all 61 Performance Metrics as of September 30, 2024². The approved [2024 Performance Metric Report](#) provides additional details, including specific deliverables for each metric.

TRANSMISSION & DISTRIBUTION						
Metric #	Metric Name	Metric Type	YTD Actuals	YE Target	YTD Rating	Comments
T&D-01	Asset Management Program Implementation - Asset Inventory	Hybrid	67%	100%	At Risk	As of the September Scorecard, PSEG Long Island has completed 293,352 field verifications out of the required 354,416. However, PSEG Long Island hired a consultant to address the backlog of GIS uploads. Currently, 240,615 records have not been uploaded, putting the metric at risk.
T&D-06	Primary Transmission Control Center (PTCC) Replacement	Qualitative	70%	100%	Meeting Target	The required milestones for the construction of a Primary Transmission Control Center are on track to be completed by December 24, 2024.
T&D-07	System Average Interruption Duration Index (SAIDI)	Quantitative	47.60	56.50	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 September 2024 SAIDI was higher than the September 2023 YTD result of 44.0. There were zero (0) storm events in September, resulting in twelve (12) storm events in 2024. The leading known causes were equipment failures, intentional, and accidents.
T&D-08	System Average Interruption Frequency Index (SAIFI)	Quantitative	0.57	0.67	At Risk	SAIFI is a standard utility metric that measures the average number of sustained interruptions of five minutes or more for each customer served. The September 2024 SAIFI was 0.57, higher than the September 2023 YTD result of 0.522. There were zero (0) storm events in September, resulting in twelve (12) storm events so far in 2024. The twelve (12) storm events accounted for a total of 187,966 customers interrupted and 22,262,169 customer minutes.
T&D-09	Momentary Average Interruption Frequency Index (MAIFI)	Quantitative	1.18	1.50	At Risk	The 2024 year-to-date MAIFI for September is 1.18, higher than the YTD 2023 MAIFI for September, which was 1.10. So far, in 2024, twelve (12) storm events have accounted for 349,928 momentary customer interruptions. 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	75%	100%	At Risk	S-MCOs measure sustained outages of five minutes or more in duration over a 12-month rolling basis. As of Q3, PSEG Long Island is meeting the targets for six (6) or more, eight (8) or more, and ten (10) or more outages. However, one (1) customer experienced twelve (12) or more outages, higher than the allotted target of zero (0).
T&D-12	Reduce Momentary Multiple Customer Outages (M-MCOs)	Quantitative	58,737	54,000	At Risk	M-MCOs monitor the frequency of power interruptions of less than five (5) minutes in duration over a rolling 12-month basis. At year-end 2023, M-MCO customers stood at 50,502. As of September 2024, M-MCO is at 58,737, 16% higher than last year's end. PSEG Long Island is at risk of meeting the year-end target of 54,000. Power On, Tree Trim, Circuit Improvement, Circuit Improvement Switch Study, Repeat Fuse Program, and other initiatives will assist in decreasing the number of M-MCOs.
T&D-13	Serious Injury Incident Rate (SIIR)	Quantitative	0.07	0	Behind Target	There have been two (2) incidents so far this year compared to the target of zero (0) incidents. PSEG Long Island has not met the metric target for 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	PSEG Long Island has completed approximately 75% of the targeted work within the allotted budget and is on track to meet the YE Targets.
T&D-26	Improve Reliability Through Vegetation Management Work Plan - Hazard Tree Removal	Hybrid	63%	100%	At Risk	This project is part of the Grid Resiliency Improvement Program. To meet the YE target, the work plan must include removing 14,000 trees and limbs (9,000 trees + 5,000 limbs). As of September 30, 2024, PSEG Long Island has completed 8,755 units (2,716 limbs and 6,039 trees) compared to the target of 14,000 units (4,901 limbs and 9,099 trees). They have spent approximately 70% of their budget and only completed 63% of the units, which puts this metric at risk.
T&D-30	Improve Resiliency Through Storm Hardening Work Plan - ACRV Commissioning Program	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. At the end of Q2, only 39 ASUVs were operationalized, which put this metric at risk. However, an exception request was submitted and approved by LIPA in August 2024 to reduce the scope of completing an engineering coordination study. LIPA informed PSEG Long Island that all locations under this program that require the relocation of an

						ASU and installation of an ACRV have been put on hold, which changed the year-end target for this metric. PSEG Long Island is currently meeting the new target.
T&D-31	Improve Resiliency Through Storm Hardening Work Plan - LT5H (ASUV) Program	Hybrid	100%	100%	Meeting Target	PSEG Long Island has completed 109 of the 150 targeted units, putting this project on track to achieve the goal. All deliverables have been received on time and approved by LIPA.
T&D-36	Construction - Cost Estimating Accuracy	Quantitative	81.2%	90.0%	At Risk	Year-to-date, PSEG Long Island's cost estimating accuracy is 81.2%. LIPA encourages them to continue their processes to reach the 90% target.
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 (8) targeted program planned units and unit costs.
T&D-40	Reduce Double Wood Poles	Quantitative	8,163	6,810	At Risk	The NJUNS double wood pole count increased this month by 481 poles. Discussions between Verizon, Altice, and PSEG Long Island continue to work towards better communication and coordination of efforts to reduce the overall system double wood count.
T&D-41	Program Effectiveness - Vegetation Management	Quantitative	7.7%	-50.0%	Behind Target	For the circuits with a full year from trim since 2023, there has been a 7.7% increase in vegetation-related incidents, mainly from the branch line during storm periods. PSEG Long Island is not achieving minimum metric targets at this time.
T&D-44	Regulatory Compliance	Quantitative	0	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 as defined in this metric.
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	75%	100%	At Risk	PSEG Long Island is meeting seven (7) out of the eight (8) targets for this metric. The only target they are missing is Overtime Rates, which puts the overall metric at risk of missing the year-end goal.
T&D-50	Storm Outage Response Performance	Hybrid	100%	100%	Meeting Target	PSEG Long Island had a second applicable storm on August 3, 2024. The score for Storm #9 was 92.40% of the applicable available points (790 out of 855).
T&D-52	Triennial Safety Assessment	Qualitative	100%	100%	Meeting Target	The Safety Assessment was completed, and a draft report was issued. LIPA and PSEG Long Island met on December 5, 2024, to discuss the findings and determine the next steps to address the areas of deficiency noted in the report.

CUSTOMER SERVICES						
Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating	Comments
CS-01	Delivery of Strategic Customer Experience & Billing Projects	Qualitative	4 projects	5 projects	At Risk	At the end of Q3, four (4) projects were targeted to be completed in 2024. However, several defects were found in the Credit Card Improvement project, and its completion is questionable.
CS-02	J.D. Power Customer Satisfaction Survey (Residential)	Hybrid	698 10th Rank	1st Quartile or 5th Rank	Behind Target	At the end of 2023, PSEG Long Island ranked 9 th with an ending score of 702. At 698 YTD, PSEG Long Island is in the third quartile and is down four (4) points from the YE 2023 Study. Although the Corporate Citizenship, Communications, Billing & Payment, and Price scores increased, the Power Quality & Reliability and Customer Care scores dropped.
CS-03	J.D. Power Customer Satisfaction Survey (Business)	Hybrid	720 11 th Rank	6th Rank	Behind Target	The J.D. Power Customer Satisfaction Survey (Business) is only issued twice yearly, with July being the first report. With a score of 720, PSEG Long Island's Wave 1 overall satisfaction score has dropped by nineteen (19) points from the 2023 Wave Score of 737. They are in the fourth quartile, ranking eleven (11) of twelve (12) companies in the East Large utility.

CS-05	Customer Transactional Performance Measurement & Analysis	Qualitative	33%	100%	At Risk	At the end of Q3, the Base Collection and Analysis deliverable and Project Planning had been completed, which is one-third of the metric target. The other two-thirds of the metric target relates to completing a Project Implementation Plan (PIP), which has not been submitted, putting this overall metric at risk.
CS-10	Billing - Cancelled Rebill	Quantitative	0.15%	0.15%	Meeting Target	Although PSEG Long Island is meeting the target, it received an increase in Energy Efficiency rate changes for customers who installed electric heat pumps that qualify for an electric heat rate. As a result, there was an increase in canceled rebills for May 2024. There is a delay between the install date and when PSEG Long Island becomes aware of the customer's eligibility. PSEG Long Island will investigate and compile a mitigation plan.
CS-11	Contact Center Service Level with Live Agent Calls	Quantitative	34.1%	77.0%	Behind Target	The service level decreased slightly in September 2024 compared to August 2024 due to increased hold times, which contributed to repeat callers and increased call volume. PSEG Long Island currently has forty-one (41) agents in training.
CS-14	Net Dollars Written Off	Quantitative	\$16,476,883	\$20,836,630	Meeting Target	As of the end of Q3, PSEG Long Island is meeting the target. The 2024 September YTD result of \$16,476,883 shows a decrease from the 2023 September YTD results of \$28,257,162.
CS-15	Arrears Aging Percent > 90 Days Past Due (Arrears %>90)	Quantitative	51.04%	48.58%	At Risk	PSEG Long Island continues to implement the initiatives to improve for 2024. However, they are still at risk of meeting the overall metric.
CS-17	Low-to Moderate-Income (LMI) Program Participation	Quantitative	38,716	50,000	At Risk	Nassau County DSS and PSEG Long Island Legal teams have been reviewing and editing the MOU drafts to complete the automation portion of this metric. A meeting with the newly appointed Commissioner of Nassau County DSS has been scheduled for October 2024 to renew and strengthen the relationship and finalize the data exchange agreement. The Consumer Advocates hosted a monthly webinar on September 16, 2024. Approximately 320 customers attended the webinars YTD.
CS-19	DPS Customer Complaint Rate	Quantitative	1st Rank /3.3	1st Rank	Meeting Target	PSEG Long Island continues to educate case managers, provide refresher training as needed, and conduct monthly reporting to each line of business to create awareness and insight into the complaints. It is on track to meet this metric.

CS-21	Outage Information Satisfaction	Quantitative	69.28%	71.12%	At Risk	The goal is to improve customer satisfaction by improving PSEG Long Island's proficiency in providing information for customers who experience an outage. PSEG Long Island continues to observe low survey scores and is conducting deep dives to support ongoing training and improvement opportunities for T&D outage jobs.
CS-25	Interactive Voice Response (IVR) Containment Rate	Quantitative	55.52%	62.08%	At Risk	PSEG Long Island's NICE IVR project with the IT team is underway. The team is providing recommendations on IVR improvements. Nine improvements are scheduled to go live by November 15, 2024.
CS-28	Move Process Improvement	Qualitative	0%	100%	Behind Target	LIPA and PSEG Long Island continue to work on an updated Project Implementation Plan to streamline the residential move process and complete the transaction in one efficient interaction. However, PSEG Long Island is still determining whether it can complete all the required work by the end of the year.
CS-30	Optimize Contact Center Resource Utilization	Qualitative	0%	100%	Behind Target	PSEG Long Island and LIPA have met monthly 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 that 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 execution schedule.
CS-31	Call Average Handle Time (AHT)	Hybrid	471	376	Behind Target	The PSEG Long Island Call Center is a key customer interface where performance excellence is expected, and at the end of Q3, the Average Handle Time (AHT) increased to 471 seconds. Thirty (30) trainees assisted with the phones throughout September, resulting in an overall increase in department AHT. There was also an increase in AHT of Time-of-Day calls, which had a negative impact.

POWER SUPPLY & CLEAN ENERGY						
Metric #	Metric Name	Metric Type	YTD Actual	YE 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, developed solutions, and produced a final report. LIPA has approved all deliverables.

PS&CE-03	Energy Efficiency Plan Savings	Quantitative	563,463	791,725	At Risk	As of the end of Q3, the Commercial programs were below target. The overall MMBTU savings are slightly below the year-to-date target MMBTUs. 40% of the total incentive spend was in DAC communities, exceeding the target of 35%.
PS&CE-05	Beneficial Electrification – Building Electrification	Quantitative	112%	100%	Above 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 targets. Year-to-date, PSEG Long Island has installed 3,028 Whole-House Heat Pumps and is on track to exceed its year-end goal of 3,600.
PS&CE-08	Transition to New “Standard” Time of Day Residential Rates on an Opt-Out Basis	Qualitative	80%	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. In June 2024, PSEG Long Island successfully transitioned the first migration group of approximately 30,000 customers to the TOD rate. At the end of Q3, some of the remaining deliverables for this project were declined during the LIPA review. Therefore, the project is at risk and will likely only partially meet the year-end target.
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 developing a detailed plan for 2025 to achieve statewide heat pump electrification targets by 2030, broken down by segments (single-family, multifamily, LMI, and new construction).
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.

BUSINESS SERVICES						
Metric #	Metric Name	Metric Type	YTD Actual	YE Target	YTD Rating	Comments
BS-05	Full-Time Vacancy Rate	Quantitative	80%	100%	At Risk	As of Q3, the Information Technology organization is not meeting the vacancy rate. PSEG Long Island is meeting the target for the other four (4) groups (Overall, T&D, Business Services, and Customer Service).

BS-07	Implement Affiliate Service Remediation Plans and Transition Plans	Quantitative	20%	100%	Behind Target	This metric ensures that PSEG Long Island implements the remediation plans or, to the extent required, transition plans for affiliate services provided by PSEG Services Corporation efficiently and effectively. Currently, the only remediation plan that will be completed by year-end is for Procurement, which is 20% of the metric compensation. LIPA and PSEG Long Island discuss this metric regularly.
BS-13	Information Request (IR) Responses	Quantitative	100%	94%	Above Target	PSEG Long Island has received sixty-four (64) Information Requests (IRs) year to date. All have been received within the allotted timeframes, exceeding the YE target of 94%.
BS-22	Timely, Accurate, and Supported Storm Event Invoicing	Hybrid	100%	100%	Meeting Target	This project is on track to achieve the goal. Monthly status reports have been received on time and approved by LIPA.
BS-34	Improve Budgeting, Billing, and Collection Efforts for Reimbursable Projects	Hybrid	20%	100%	At Risk	The project is in progress, and PSEG Long Island submitted the deliverables on time. However, LIPA has reviewed and declined them. PSEG Long Island and LIPA have been discussing the next steps.
BS-35	Implement Budget Process Improvements	Qualitative	20%	100%	At Risk	This project is in progress. As of Q3, PSEG Long Island has submitted eight (8) more deliverables. However, LIPA has reviewed and declined them, putting the overall metric at risk. PSEG Long Island and LIPA have been discussing the next steps.
BS-38	Improve the Rate and Tariff Change Implementation Process	Qualitative	90%	100%	Meeting Target	The project is on track to achieve the goal. All deliverables have been submitted on time and approved by LIPA.
BS-40	Implement Improvements to Budget Process Using New Budget System	Qualitative	3	3 process improvements	Meeting Target	The project is on track to achieve the goal. The project implementation plan was submitted on time and approved. PSEG Long Island's three proposed value-added budget improvements are 1) Produce monthly deliverable reports from Hyperion, 2) Load O&M Access Database information into Hyperion for reporting, and 3) Load Capital Database information into Hyperion for reporting.

BS-41	PJD (Project Justification Document) and Capital Budget Process Improvements	Qualitative	66%	100%	At Risk	As of Q3, the project is at risk of meeting the target, with LIPA declining two (2) of the six (6) deliverables.
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INFORMATION TECHNOLOGY

Metric #	Metric Name	Metric Type	YTD Actual	YTD Target	YTD Rating	Comments
IT-01	IT Organizational Maturity	Qualitative	TBD	CMMI Level 3	At Risk	PSEG Long Island omitted the System Separation projects from the metric scope, causing concern for the LIPA team. The consulting firm's use of assessors to review the projects in scope also raises security concerns. The Legal teams from LIPA and PSEG Long Island are working together to resolve the security issue. This metric is now at risk of missing the year-end target.
IT-03	System Resiliency - Business Continuity Plans and Functional Drills	Qualitative	50%	100%	At Risk	PSEG Long Island participated in the assessment. However, as of Q3, it has not presented an action plan, which is required to meet the year-end target.
IT-04	System and Software Lifecycle Management	Qualitative	100%	100%	Meeting Target	All deliverables due in the third quarter of 2024 have been received on time and approved by LIPA.
IT-05	Project Performance - In-flight Projects	Qualitative	50%	100%	At Risk	This metric includes several projects. As of Q3, no projects have been completed. Several deliverables have been submitted for LIPA approval and have been declined. This metric is at risk of not meeting the year-end target.
IT-06	Project Performance – New 2024 Projects	Qualitative	75%	100%	At Risk	Several projects are included in this metric. The HER/EHER launch was scheduled for July 2024 but is delayed. Thus, the overall metric is at risk of meeting the year-end target.
IT-07	System Segregation	Qualitative	15%	100%	Behind Target	System Segregation was a core reform negotiated as part of the 2022 2nd Amended & Restated Operations Services Agreement, and progress has been tracked in metrics since that time. As of the end of Q3, PSEG Long Island has submitted several status reports for

						review, and only two (2) have been approved. At this point, no bundles will be completed in 2024.
IT-08	Cyber Security Organization - Implementation	Qualitative	100%	100%	Meeting Target	This project is on track to achieve the goal. LIPA is waiting for PSEG Long Island's Affiliate Reduction Plan, which is still in progress.
IT-09	IT Planning - Ransomware Readiness and Response	Qualitative	100%	100%	Meeting Target	This project is on track to achieve the goal. All deliverables have been received on time and approved or are under review by LIPA.
IT-10	System Resiliency - Disaster Recovery Plans and Testing	Qualitative	50%	100%	At Risk	This metric requires an assessment of the PSEG Long Island resiliency program by a LIPA-engaged third-party consultant, which has been completed. However, PSEG Long Island has not presented an action plan which is required to meet this target.