

DPS RESPONSIBILITIES FOR LONG ISLAND ELECTRIC CUSTOMERS

In July 2013, the LIPA Reform Act was signed by Governor Andrew M. Cuomo to restructure electric utility operations on Long Island. The legislation called for the reorganization of the Long Island Power Authority (LIPA) and placed day-to-day operations of the electric grid under the direction of PSEG Long Island, a private utility company. The Act also provides for additional regulatory oversight by the NYS Department of Public Service (DPS).

The revamping of Long Island's electric operations focuses on:

- improving customer service
- enhancing emergency response and preparation
- reducing the cost of LIPA's debt by refinancing up to half of the \$6.7 billion debt at a lower interest rate
- limiting the need to increase the non-fuel portion of the bill for 2014 and 2015

DPS opened a Long Island based office (DPS-LI) to implement state oversight of LIPA and PSEG-LI.

DPS brings its extensive experience overseeing utility performance and rates to Long Island. DPS is working with PSEG-LI and LIPA to ensure accountability and transparency. Six key areas of focus are:

RATES

- LIPA's goal is to limit the need to increase the non-fuel portion of the customers' bill through 2015. DPS will review future rate filings including all rate filings that request at least a 2.5% increase.

EMERGENCY RESPONSE PLAN REVIEW

- PSEG-LI's Emergency Response Plan was filed with DPS. DPS provided recommendations to the LIPA Board in April and the Emergency Plan will be finalized in June 2014.
- DPS has met with PSEG-LI to understand the storm response plan in place and has integrated the plan into DPS storm response protocols (e.g. staffing command center, etc.).
- DPS will actively monitor the storm response of PSEG-LI and provide post-event analysis of storm response, including assessment of the reasonableness of storm restoration costs.

DPS-LI OTHER REVIEW AREAS

- Annual reviews by DPS include proposed capital expenditure plans and PSEG-LI's performance incentives.
- DPS will review LIPA and PSEG-LI's long range plan for electric system improvements.
- DPS will conduct periodic detailed examinations of internal policies and procedures to improve transparency and the efficiency of management and operations. The primary objective is to identify areas of strength and weakness and make recommendations for improvement.

The first DPS comprehensive management and operations audit of LIPA was issued in September 2013. The audit contained recommendations that are being used by LIPA and PSEG-LI to ensure an improved level of service to electric customers on Long Island. The next DPS management audit of LIPA will be initiated in 2016.

CUSTOMER RIGHTS AND PROTECTIONS

- DPS oversees customer rights and protections including: application for service; payment for service; service termination for non-payment; special protections for medical emergencies, customers who are elderly, blind or disabled, and customers requiring electric service to operate life support systems.

CUSTOMER COMPLAINT RESOLUTION

- Customers should first contact PSEG-LI to try to resolve a complaint. If unable to resolve an issue with PSEG-LI, a complaint can be filed with DPS by internet, toll-free phone, fax, mail, or in person.
- The complaint resolution process includes three levels of investigation: an initial decision, an informal hearing if necessary, and an appeal to the LIPA Board.

CONSUMER EDUCATION

- DPS consumer education staff will provide outreach and education to electric customers on Long Island including presentations to community groups, exhibiting at community and business events and providing educational material on a variety of utility service topics.

WHO IS PSEG-LI?

PSEG-Long Island is a private utility that took over management of LIPA's electric system on January 1, 2014. PSEG-LI is a subsidiary of the New Jersey-based Public Service Enterprise Group, one of the largest energy companies in the U.S.

WHAT WILL THEY DO ON LI?

PSEG-LI is responsible for LIPA's day-to-day operations including:

- budgeting
- maintenance
- storm preparedness and response
- infrastructure improvements
- energy efficiency and renewable energy activities

PSEG-LI branding has replaced LIPA's name and logo on electric bills, electric service trucks and vehicles, and transportation. Customers on Long Island now receive their electric bill from PSEG-LI. Natural gas customers will receive a separate bill from National Grid, which owns and operates the gas distribution business on Long Island.

TO REACH THE DEPARTMENT OF PUBLIC SERVICE:

• CALL OUR TOLL-FREE NUMBERS:

- Helpline (complaints/inquiries on utility service or billing)
1-800-342-3377
8:30 am to 4:00 pm (Monday through Friday)
- Hotline (gas and electric shut-offs)
1-800-342-3355
7:30 am to 7:30 pm (Monday through Friday)

- Consumer Information
1-888-275-7721

Consumers with hearing or speech impairment can contact the DPS through the NYS Relay Service by dialing 711.

• VISIT OUR OFFICE LOCATION:

- NYS Department of Public Service – Long Island
125 East Bethpage Road,
Plainview, NY 11803

• USE OUR WEBSITE:

- www.dps.ny.gov/longisland



New York State
Department of Public Service
Long Island Office

WHAT YOU SHOULD KNOW ABOUT:

ELECTRIC SERVICE ON LONG ISLAND



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Department of Public Service
Long Island Office