

CHAIR
LOCAL GOVERNMENT
COMMITTEES
ALCOHOLISM AND SUBSTANCE ABUSE
COMMERCE, ECONOMIC DEVELOPMENT
AND SMALL BUSINESS
HIGHER EDUCATION
RACING, GAMING AND WAGERING
WOMEN'S ISSUES

NEW YORK
STATE
SENATE



SENATOR JAMES F. GAUGHRAN
SENATOR, 5TH DISTRICT

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August 6, 2020

Mr. Thomas Falcone
Chief Executive Officer
Long Island Power Authority
333 Earle Ovington Blvd
Uniondale, NY 11553

Dear Mr. Falcone:

We are writing with grave concern about the events that have unfolded over the past 48 hours, and continue to unfold, following Tropical Storm Isaias. We are outraged by PSEG Long Island's failed response to the storm and the breakdown in communications. We are seeking answers from LIPA, the main oversight authority over PSEG.

Since LIPA is the authority responsible for overseeing PSEG's performance, what action, if any, has LIPA taken in the past 48 hours, and plans to take in the imminent future, to examine what exactly went wrong in PSEG's communications and disaster response plan. Since we are in the beginning of hurricane season, we are deeply concerned that PSEG is unable to properly respond to and keep our electrical grid running. This storm was PSEG's first major test since taking over running our system in 2013, and they unequivocally failed in a manner unseen since the abhorrent failure in planning for and responding to Superstorm Sandy.

Reports, including from PSEG, suggest there was a severe breakdown in PSEG's communications system that left PSEG unable to relay critical information to the public about outages, provide estimated times for restoration, receive incoming calls about downed wires and outages, and communicate with customers with medical conditions trapped at home.

As Chairs of the Local Government Committees, we are concerned about the numerous calls we received from local government officials who themselves were not able to communicate with PSEG. This is particularly alarming since some of their calls involved inability to provide emergency services to their communities. Moreover, PSEG's failed response is particularly problematic during a pandemic when many people remain in their homes and working from home.

We are requesting that LIPA, in its capacity as the oversight authority to PSEG, please address the following pressing concerns:

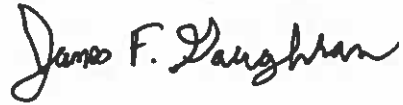
1. Has PSEG provided LIPA with prompt notice of the nature and duration of the Storm Event, Tropical Storm Isaias? Has this information been made public? What action, if any, is LIPA taking in response to this information?
2. Pursuant to both the LIPA Reform Act and the contract standards within the PSEG-LIPA Operations and Services Agreement, when was the last time PSEG and LIPA implemented any disaster recovery and emergency response plans, including testing the functions of the communications systems?
3. When was the last time periodic drills, testing the validity of the emergency response plan, were conducted? When was the last time the overall communications strategy for the emergency response plan was conducted?
4. Normally PSEG would be able to access funds from the Storm Reserve for storm events, funds paid for by LIPA's 1.1 million ratepayers, unless the costs were incurred unreasonable and imprudently. Has PSEG sought to access these funds? What action, if any, has LIPA undertaken to review PSEG's actions to ensure PSEG's actions meet the highest standards that ratepayers deserve?
5. What are LIPA's plans, if any, to conduct, as the authority with primary oversight over this contract, a full review of the communications breakdown from this event and its negative impact on lives, property, businesses, and local governments?
6. What are LIPA's plans, if any, to conduct a full review of the communications breakdown from this event and the burden it placed on emergency systems, namely 911, when constituents were forced to call 911 because of the complete inability to connect to PSEG through PSEG's website, phone system, and texting system for imminent dangers such as downed wires dangling over major streets, and more?
7. How does PSEG advertise its Critical Care Program? What actions, if any, does LIPA plan to take to ensure that enrollment in this program is expanded to all eligible medically vulnerable persons, since enrollment in this program seems to be the only way for a medically vulnerable person to receive expedited attention from PSEG during a loss of power?

We expect that LIPA will conduct a swift and comprehensive review of PSEG's communications breakdown and report these findings to us and to the public. We remind LIPA that while you seem to be focused on your lawsuits against school districts and local governments, your primary responsibility is to be the oversight role over the service providers that you contract with. LIPA has a statutory and contractual obligation of continued oversight responsibilities and obligations with respect to the operation and maintenance of the transmission and distribution system and PSEG's performance of operations and services. After your review, please inform us as to whether any of PSEG's failures rise to the level that may permit LIPA to exercise any termination rights.

Our main concern remains PSEG's communications breakdown. We are collectively navigating global climate change, and inevitably additional hurricanes and tropical storms will impact Long Island this season. PSEG must cure their communications failures immediately and ensure confidence to the public that PSEG is equipped to competently and safely service Long Island's 1.1 million electrical customers. Should LIPA find that PSEG is unable to cure this communication problem immediately, pursuant to the Operations Services Agreement, will LIPA consider exercising its emergency powers to step in and make sure that the cure is made?

We appreciate your taking immediate action to address these serious concerns, and we are certain our concerns will not fall on deaf ears. We eagerly await your timely response. Thank you.

Sincerely,

Handwritten signature of James F. Gaughran in cursive script.

James F. Gaughran
State Senator, 5th District

Handwritten signature of Fred Thiele, Jr. in cursive script.

Fred Thiele
State Assemblyman, 2nd District