

Reimagine LIPA Campaign: Guide to the Final Round of LIPA Commission Public Hearings

The Commission on the Future of the Long Island Power Authority (LIPA) [has issued its draft report](#) to offer different pathways to restructure our utility to make it more reliable, affordable, and democratic. It is now holding a **2nd (and final) round of public hearings** and accepting **written comments** to get input from community members on what they want to see in a restructured LIPA. Hearings will be in Suffolk, Nassau, and Queens. Written comments will be accepted online. Our input will help the Commission determine the specific steps to revamp our utility into a true public power authority.

Contact Rmadden@lipc.org for questions related to this guide or the hearings. Click to jump to:

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Background

More than 30 years ago, the Long Island Power Authority (LIPA) was created as a public authority, nonprofit entity to address the failures of the privately-owned Long Island Lighting Company (LILCO) after the debacle of the Shoreham Nuclear Power Plant and years of high rates and poor service. But the "public-private" model that was put into place, first with National Grid and now with PSEG LI, has been incredibly expensive and unreliable compared to other utilities and subject to political interference from Albany.

The failure of PSEG's communication systems during Tropical Storm Isaias in August of 2020 was especially egregious and demonstrated the structural failures of our utility model. The storm resulted in 645,000 LIPA customers without power for, on average, more than 2-7 days. Customers were unable to report outages, PSEG was slow to determine damage and prioritize repairs, and customer service gave out wrong information on restoration times. We also know that PSEG lied about its preparedness for the storm, its immediate response to it, and the number of upgrades it made afterwards. Our systems of oversight for the utility did not catch any of this. The public-private model does not put ratepayers first and it must be eliminated.

Long Island and the Rockaways deserve better and luckily, we have the opportunity to transform our utility system together. In the 2022-23 NYS budget, legislation was passed and funding secured for a Legislative Commission to develop the roadmap to a democratically restructured LIPA. This involves ending the current public-private model, which gets rid of PSEG. LIPA is to become fully public, locally controlled, renewable, resilient, and accountable to its ratepayers.

Made up of 8 members of the NYS legislature and an Advisory Committee of stakeholders with relevant experience, expertise, or affiliations, the Commission will provide the NYS legislature with a report on specific actions, legislation, and a timeline to accomplish all of this.

The Commission process is the result of our work at [Reimagine LIPA](#). We are a campaign of grassroots ratepayers and organizations that believe we must fully commit to a new paradigm of energy management in the LIPA service area.

This is the final public hearing period to inform the work of the Commission, after 5 public hearings were held at the end of 2022 and beginning of 2023 to inform the draft report. Your input will help the Commission determine the specific steps to revamp our utility into a true public power authority. You can [view our two-pager](#) for further information on the process. [Please let Reimagine LIPA know if you can participate by RSVPing here.](#)

Draft Report Summary

- Converting LIPA to a fully public power model would result in an overall positive benefit for LIPA customers, with important financial benefits including lower rates, more accountability, and greater local control.
- All the major challenges of converting LIPA to a fully public model are doable, but special legislation and amendments to the original LIPA Act will be required to make it happen.
- It seems to favor an appointed board but offers many different models from other parts of the country. It is left open how any new appointed board will be selected.
- Converting LIPA to a fully public model clearly leads to savings. The exact estimate varies from \$48 million to \$78 million annually.
- On the issue of oversight, it notes the limitations of the Department of Public Service-Long Island (DPS-LI) and briefly mentions the possibility of a new Energy Observatory but does not offer a clear path forward.
- It states that any increase in the powers of DPS-LI is to be avoided because it would increase LIPA's cost of borrowing and could lead to higher rates.
- It suggests keeping the current structure of triggering a rate review by the state Department of Public Service when LIPA's proposed rates increase by more than 2.5%.
- LIPA's current debt will not be impacted as a result of the transition, nor taxes and payments in lieu of taxes.
- Going fully public will allow LIPA to better and more fairly manage the transition to 100% renewable energy in order to meet NY's climate mandates under the Climate Leadership and Community Protection Act.

- Going fully public will better position LIPA to more directly meet the needs of Disadvantaged Communities.
- About 1,500 PSEG employees under IBEW Local 1049, employed in a subsidiary known as ServCo, can be transitioned to LIPA without shifting them to state employees, as is their preference.

How to Provide Verbal Testimony

The following schedule provides opportunities for community members to provide verbal testimony in-person. Individuals will have 3-5 minutes to provide their remarks. Members of the Commission may ask you questions afterwards. You can use our [sample verbal testimony](#) or talking points below. The schedule can also be found on the [LIPA Commission website](#).

<p><u>Tuesday, September 12, 2023 @ 10:00 AM</u></p> <p>LIPA Commission Hearing: Suffolk County</p> <p>Location: Suffolk County Legislature, 725 Veterans Memorial Hwy, Smithtown, New York 11787</p> <p>*Register on-site to testify. Written testimony can be submitted at nylipa.gov/public-input. If translation services are needed, contact the Commission at info@nylipa.gov.</p>	<p><u>Thursday, September 14, 2023 @ 10:00 AM</u></p> <p>LIPA Commission Hearing: Nassau County</p> <p>Location: Nassau County Legislature, 1550 Franklin Avenue, Mineola, NY 11501</p> <p>*Register on-site to testify. Written testimony can be submitted at nylipa.gov/public-input. If translation services are needed, contact the Commission at info@nylipa.gov.</p>
<p><u>Monday, September 18, 2023 @ 10:00 AM</u></p> <p>LIPA Commission Hearing: The Rockaways</p> <p>Location: Rockaway YMCA, 207 Beach 73rd Street, Arverne, New York 11692</p> <p>*Register on-site to testify. Written testimony can be submitted at nylipa.gov/public-input. If translation services are needed, contact the Commission at info@nylipa.gov.</p>	<p><u>Wednesday, September 20, 2023 @ 11:00 AM</u></p> <p>LIPA Commission Hearing: East End</p> <p>Location: Southampton Town Hall, 116 NY-27A, Southampton, NY 11968</p> <p>*Register on-site to testify. Written testimony can be submitted at nylipa.gov/public-input. If translation services are needed, contact the Commission at info@nylipa.gov.</p>

How to Provide Written Comments

Written comments can be submitted on the LIPA Commission website: <https://nylipa.gov/public-input>. You will need to create a log-in with basic information. The page then gives you the option to upload a document or simply paste your comment into a form. Creating a log-in will also allow you to get email updates about the process. You can use our [sample written comment](#) or talking points below for support.

Talking Points:

Governance

- We need to transform the Board of Trustees to make it more accountable and diverse. This means restructuring the Board to have more expertise and to better represent ratepayers and their communities.
- We need to establish an accountable and representative multi-stakeholder Board of Trustees where local voices help determine the composition by appointment. Right now all appointments to the LIPA Board are made by the governor and elected state officials with no meaningful input from local communities.
- The Board must be multi-stakeholder in terms of both constituencies and expertise. It should be composed of traditional members skilled in management, policy, law, science, engineering, technology, and cybersecurity. It should also consist of workers, customers, and community-based organizations, as well as experts in justice, resilience, and engagement.
- Ultimately, major issues of governance should be focused around the creation of a new empowered Community Board to replace the current Advisory Board, which has little power and rarely meets. The new Community Board will center justice, affordability, innovation, and inclusion in its deliberations and recommendations. It will play a central role in advising the Board, bringing ratepayer, business and community voices into the planning process, and creating policy around rates and shut offs, and other major topics.

Oversight

- The current Department of Public Service-Long Island should stay in place to monitor the operations of LIPA but its budget should be halved and used to fund a ratepayer-led Energy Observatory to monitor the LIPA Board and support a reconfigured Community Board in carrying out research, energy planning, and project implementation.

Community decision-making

- LIPA's mission should be expanded to include climate justice, energy democracy, equity, and greater participation by its customers. This is necessary to change the underlying purpose of the utility, which does not currently prioritize these issues.
- A new Community Board must be established to replace the existing Advisory Board. The Community Board should be made up of representatives from diverse sectors and backgrounds including social justice, environmental, Indigenous Nations, business, labor, local government, economic development, energy, low and fixed income, consumer, civic, and education. These representatives should include those in

Disadvantaged Communities in the LIPA service territory as defined by the Climate Leadership and Community Protection Act. It should also have appropriate regional representation to account for the particular geographic scope of the service territory.

- The Community Board must play a leading role in engaging communities across the LIPA service territory in determining rate structure, accessing energy programs, implementing renewable energy projects, providing support during outages and other emergencies, and developing initiatives to help the utility realize its mission. It must be resourced with research support, technical assistance, and a budget to carry out its work.
- In order for the Community Board to be properly resourced, it must be supported by an independent Energy Observatory which would be funded by half of the current DPS-LI budget. Every self-directed public utility needs an independent partner institution to help monitor and advise the utility, engage ratepayers, conduct independent research, and support communities in their own efforts for resilience and energy justice.
- A fully funded independent Energy Observatory would be a partner for the Community Board in order to:
 - Play a leading role in managing the system: making decisions around rates and shutoffs, long-term energy planning, community investments, and more.
 - Engage the public to provide direction and input on the utility's performance and services, comment at relevant meetings and hearings, and determine budgets;
 - Develop LIPA policies, procedures, programs, and actions;
 - Contract with local schools and universities to conduct relevant, independent research to deal with the changing climate and to equitably integrate renewable and performance-enhancing technologies in homes, schools, businesses, and municipalities in Nassau and Suffolk Counties and the Rockaways;
 - Enable diverse ratepayers to make proposals to address their needs and desires for more affordable, renewable and resilient programs (e.g. community-owned solar and thermal energy networks, energy conservation retrofits, school bus vehicle-to-grid networks and other battery-to-grid options)

Workforce

- Unless requested by the workers, there must be no change to jobs, salaries, or benefits for the 2,500 ServCo employees. LIPA made, and kept, the same promise when it transitioned from National Grid to PSEG Long Island management in 2014. This dedicated workforce is integral to LIPA's success under any management structure.
- IBEW Local 1049 has made it clear they do not want to be a public sector union. There are a few pathways to ensuring this outcome that they will help determine.

- We must support IBEW's position in the transition and stand with the workers who have kept this system running.

Affordability

- PSEG-LI is an investor-owned utility (IOU) that costs \$80 million a year for high-priced executives. It sends its profits to its stockholders whose only interest is their rate of return on investment. Ending the public-private model means saving these management fees and investing excess revenue to create more affordable and reliable service.
- A locally run LIPA with an empowered Community Board and Energy Observatory can create programs and services to benefit low-income and fixed-income ratepayers, local small businesses, and vulnerable communities.
- An electric system that is fully operated by LIPA can create programs that will help low income households save money and reduce energy consumption by retrofitting homes and apartments with heat pumps, solar panels, and battery storage at a subsidized cost. All of these technologies manage and reduce energy usage and help phase out polluting fossil fuel infrastructure in line with NY state climate mandates.
- A restructured utility will be better positioned to uphold NY's goal of tackling the energy burden on lower to moderate income (LMI) customers by ensuring they don't spend more than 6% of their monthly income on their energy bills.
- A restructured utility will be better positioned to implement ideas like the recent decision by the Los Angeles Department of Water and Power to end power shutoffs for low-income customers who can't pay.

Overall Benefits of Public Power

- The hybrid public-private partnership between LIPA and PSEG does not work for the people of Long Island and the Rockaways. Compared to other utilities we pay more for lower quality service. Customer satisfaction with LIPA/PSEG is among the lowest in the region.
- We have a chance with this Commission to finally make LIPA fully public and locally owned and operated, which would eliminate the middleman (PSEG), cost less, be more accountable, and more directly connected to and representative of the customers and communities of Long Island and the Rockaways.
- Publicly-owned utilities and co-ops nationwide fare as well or better than private sector utilities in the measures customers care about most: customer satisfaction and reliability. They also tend to be leaders in clean energy.

- Across the country, 2,000 public power utilities serve almost 15% of Americans, offering 13% cheaper rates and 46% shorter outage times than private utilities. In the face of worsening storms, Winter Park, Florida voted to municipalize in 2003. They've since expanded solar generation and vastly improved grid reliability, while keeping rates below their state's average.
- Municipal utilities can be remarkably innovative: In 1996, Chattanooga's Electric Power Board began investing in fiber optics, laying the groundwork for a world-class smart grid that has reduced power outages by 60% and saved the city close to \$60 million annually.
- LIPA's own 2021 Options Analysis for the Management of LIPA Assets report supports this path: "Eliminating management fees and affiliate expenses saves approx. \$100 million annually. Municipal Management is financially feasible and an attractive alternative to the single-source service provider model. This savings can be used for storm hardening, investing in clean energy production, and lowering rates."

Advice for Verbal Testimony

Individuals will have a maximum of 3 to 5 minutes to provide their comments. The schedule for the hearings and info for registration can be found on the [LIPA Commission website](#). The average person speaks approximately 100-130 words per minute, so you should prepare statements between 300-500 words. Ideally, your testimony should contain four elements:

- 1) Who you are and where you're from. This should include your name and town or community, as well as how you identify yourself, whether a parent, a teacher, a business owner, an environmentalist, etc.
- 2) Who – if anyone – you are associated with. That is, if you're a member of an organization, or community group. We encourage you to say you're a member of the Reimagine LIPA campaign.
- 3) Your demands – that is, the talking points about what you're specifically looking for in a reimagined LIPA. Reference one or two of the specifics that you find most compelling – whether it's a multi-stakeholder Board where local voices determine the composition by appointment, around maintaining the current unionized workforce, or ensuring lower rates.
- 4) Most importantly, the personal touch: Your story about why this matters – to you, your family, your community.

Sample Verbal Testimony

My name is _____, a resident of _____, a (*teacher, parent, business owner*), and a Long Island Power Authority ratepayer. I am here to say that I support the work of this Commission. The findings of the draft report only reconfirm what many have pointed out for years: Long Island and Rockaway ratepayers will be better off without PSEG. A fully public LIPA will lower

rates and provide more transparency and accountability, with more opportunities for local input. Now we must finalize the details to get there. The Commission must introduce legislation in time to pass in the 2024 legislative session.

I care about this issue because I pay too much for my electric bill. I was also negatively impacted by both Superstorm Sandy and Tropical Storm Isaias. I believe our utility should do more to protect ratepayers, invest in resilient infrastructure, and expand renewable energy. It must also be more democratic and provide meaningful opportunities for community participation.

We need to transform the Board of Trustees to make it more accountable and diverse. This means restructuring it to have more expertise and to better represent ratepayers and their communities. We need to establish an accountable and representative multi-stakeholder Board where local voices help determine the composition by appointment.

A new Community Board must be established to replace the existing Advisory Board. The Community Board should be made up of representatives from diverse sectors and backgrounds with proper geographic representation, all from within the LIPA service territory. It must play a leading role in engaging communities across the service territory in determining rate structure, accessing energy programs, implementing renewable energy projects, providing support during outages and other emergencies, and developing initiatives to help the utility realize its mission. It must be resourced with research support, technical assistance, and a budget.

In order for the Community Board to be properly resourced, it must be supported by an independent Energy Observatory which would be funded by half of the current DPS-LI budget. Every self-directed public utility needs an independent partner institution to help monitor and advise the utility, engage ratepayers, conduct independent research, and support communities in their own efforts for resilience and energy justice.

A restructured LIPA must spend more of its revenues for the benefit of our communities. LIPA should lower utility rates, especially for low-income households, seniors on fixed incomes, and small businesses. It should reinvest revenues to enhance resiliency, like burying our lines. And it should improve identification of and service to customers with special needs. We also need a more equitable rate structure and to explore ending power shutoffs for low-income customers who can't pay.

Finally, unless requested by the workers, there must be no change to jobs, salaries, or benefits for the 2,500 ServCo employees under LIPA. IBEW Local 1049 has made it clear they do not want to be a public sector union. There are a few pathways to ensuring this outcome that they will help determine. We must support IBEW's position in the transition and stand with the workers who have kept this system running.

Thank you for your time and consideration.

Sample Written Comment

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My name is _____, a resident of _____, a *(teacher, parent, business owner)*, and a Long Island Power Authority ratepayer. I am here to say that I support the work of this Commission. The findings of the draft report only reconfirm what many have pointed out for years: Long Island and Rockaway ratepayers will be better off without PSEG. A fully public LIPA will lower rates and provide more transparency and accountability, with more opportunities for local input. Now we must finalize the details to get there. The Commission must introduce legislation in time to pass in the 2024 legislative session.

This Commission is the opportunity to reimagine, reinvent, and restructure LIPA so that it is led by those most impacted by decisions concerning our energy system: ratepayers, union workers, municipalities, community organizations, low-income households, and environmental justice communities. We must ensure that those who use, pay for, and work for the system have a say in how it runs. In order to do that, many things must happen.

We need to transform the Board of Trustees to make it more accountable and diverse. This means restructuring the Board to have more expertise and to better represent ratepayers and their communities. We need to establish an accountable and representative multi-stakeholder Board of Trustees where local voices help determine the composition by appointment. Appointees need to be from the LIPA service territory. Right now all appointments to the LIPA Board are made by the governor and elected state officials with no meaningful input from local communities.

The Board must be multi-stakeholder in terms of both constituencies and expertise. It should be composed of traditional members skilled in management, policy, law, science, engineering, technology, and cybersecurity. It should also consist of workers, customers, and community-based organizations, as well as experts in justice, resilience, and engagement.

LIPA's mission should be expanded to include climate justice, energy democracy, equity, and greater participation by its customers. This is necessary to change the underlying purpose of the utility, which does not currently prioritize these issues.

Across the US, publicly owned utilities employ a range of mechanisms for public engagement, which we can learn from. Some such as the Sacramento Municipal Utility District (SMUD) have citizen review boards that allow ratepayers to be actively involved in giving feedback on specific

policy proposals and/or rate increases. SMUD also has a business advisory board with a focus on racial justice.

Seattle's public utility has a public advisory council that advises on rates and strategic plans. Austin Energy sponsors a regional science festival to invite diverse youth to learn about the energy sector. And one of the most impressive recent examples of engagement occurred in Los Angeles where the Department of Water and Power, as a part of developing its plan to transition to renewables by 2035, did a two-year-long engagement process that had an advisory group dedicated to environmental justice.

With this in mind, a new Community Board must be established to replace the existing Advisory Board so that communities are centered in decision-making for the energy system and that sustained public participation is a function of the utility. LIPA has struggled to engage the public across the many different Towns, Villages, and Cities of Long Island and in the Rockaways. This has fostered disengagement and distrust while perpetuating inequities and vulnerabilities.

The Community Board should be made up of representatives from diverse sectors and backgrounds with proper geographic representation, all from the LIPA service territory, including social justice, environmental, Indigenous Nations, business, labor, local government, economic development, energy, low and fixed income, consumer, civic, and education. These representatives should include those in Disadvantaged Communities in the LIPA service territory as defined by the Climate Leadership and Community Protection Act. It should also have appropriate regional representation to account for the particular geographic scope of LIPA's service territory. All this must be codified in statute.

The Community Board must play a leading role in engaging communities across the LIPA service territory in determining rate structure, accessing energy programs, implementing renewable energy projects, providing support during outages and other emergencies, and developing initiatives to help the utility realize its mission. It must be resourced with research support, technical assistance, and a budget to carry out its work.

In order for the Community Board to be properly resourced, it must be supported by an independent Energy Observatory which would be funded by half of the current DPS-LI budget. Every self-directed public utility needs an independent partner institution to help monitor and advise the utility, engage ratepayers, conduct independent research, and support communities in their own efforts for resilience and energy justice.

This is a body, independent from both the utility and the government, that would coordinate the needs of the utility with the needs of the community. Partnered with universities and community-based organizations, it would be a place to meaningfully involve communities within the LIPA service territory and has the potential to empower ratepayers, enhance social justice, and improve the quality of decision-making.

A restructured LIPA must spend more of its revenues for the benefit of our communities. Rather than continue the decades-long habit of spending money on expensive management fees for

private corporations, which diverts funds from public use, LIPA can double down on its commitment to invest in Long Island and the Rockaways.

Instead of providing bonuses to unaccountable management and dividends to distant stockholders, LIPA should lower utility rates, especially for low-income households, seniors on fixed incomes, and small businesses; reinvest revenues to enhance resiliency; improve identification of and service to customers with special needs such as those requiring electricity for medical equipment and municipal sewage treatment plants and other services that would otherwise create environmental disasters; support community solar, thermal energy networks, and more wide ranging conservation programs; and seek out public-public partnerships that improve service delivery and community resilience.

LIPA also has the right and ability to fund, build, own, and operate its own renewable energy systems via bond issuances, which should be explored as a part of the democratic buildout of public renewables.

A more equitable rate structure is really vital and a restructured LIPA must do more to uphold NY's goal of tackling the energy burden on LMI customers by ensuring they don't spend more than 6% of their monthly income on their energy bills. We should also explore the recent decision by the Los Angeles Department of Water and Power to end power shut offs for low-income customers who can't pay.

Some things should stay the same, however, unless otherwise requested by the workers. There should be no change to the jobs, salaries, or benefits for the 2,500 ServCo employees. LIPA made, and kept, the same promise when it transitioned from National Grid to PSEG Long Island management in 2014. This dedicated workforce is integral to LIPA's success under any management structure. IBEW Local 1049 has made it clear they do not want to be a public sector union. There are a few pathways to ensuring this outcome that they will determine for themselves. We must support IBEW's position in the transition and stand with the workers who have kept this system running.

This commission was set up to steer Long Island and the Rockaways back on course to the electric utility we need. I urge this commission to stay strong on this path and incorporate the above suggestions to truly reimagine LIPA. These are the reforms needed to build a truly accountable, democratic, renewable and affordable energy system.