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May 18, 2026

VIA ELECTRONIC FILING (DMM)

Rory M. Christian
Commission Chair
New York State Department of Public Service
Three Empire State Plaza
Albany, New York 12223-1350

Re: Matter 26-00971: In the Matter of Department of Public Service Investigation into Utility Collections Practices

Dear Chair Christian:

PSEG Long Island is in receipt of your letter, dated May 7, 2026, regarding recent media coverage of statements made at a collections industry event involving PSEG Long Island and other utilities. PSEG Long Island has been sharply focused on the recent media coverage and concerns raised in your letter as well as by Governor Hochul and other stakeholders. We have been in constant contact with LIPA and DPS Staff over the past several weeks and, as summarized below, are taking clear and decisive actions to address these rightful concerns.

Customer affordability is a challenge for utility customers across New York State, and we are acutely aware of the challenges faced by our customers on Long Island and in the Rockaways. The statements made by a PSEG Long Island employee suggested a disregard for the challenges that many of our customers face and, simply put, these statements were unacceptable and do not reflect the values or practices of PSEG Long Island. Nonetheless, we take accountability at all times and have addressed the issue with urgency.

To that end, provided below is a summary of our immediate actions to ensure that our communications and collections practices are aligned with our values. This information was publicly posted on our website on May 8th to provide transparency for our customers and stakeholders.[1] Our responses to each of the questions outlined in your May 7th letter are also provided below, with corresponding supporting documents included as attachments for Commission review.

Summary of PSEG Long Island Immediate Actions

- **Immediate Investigation and Subsequent Action**: We immediately investigated the employee's reported comments and have taken prompt action.

[1] The website information is available at: https://www.psegliny.com/en/OurCommitment.

- **Pause in Collections Shut Offs and Review of our Collections Process and Culture:** As of Friday, May 8th, all residential terminations for non-payment have been paused while we complete an internal review and reaffirm our confidence in our procedures and culture. We will share our results, and any corrective actions, with LIPA and DPS Staff after the review is completed.
- **Company-wide Stand-down and Communications**: Communications focusing on customer affordability and conducting customer interactions with empathy and dignity have been sent to all of our employees. In addition, on May 8th, I held a company-wide stand-down discussion with our employees to discuss these issues, and subsequent meetings were held with our customer-facing teams.
- **External Events Review**: Attendance and presentations at any conference or public events will be preemptively reviewed to ensure appropriate representation and messaging from PSEG Long Island.
- **Training**: In the coming weeks, PSEG Long Island will be providing expanded training company-wide on customer empathy, with a focus on affordability. Additional tailored trainings will also be provided to our customer-facing teams.

PSEG Long Island believes that these steps will ensure that we meet the high standards we have set for our employees and provide additional value for our customers. We will continue to update LIPA and Department of Public Service ("DPS") Leadership and Staff with respect to our ongoing efforts.

PSEG Long Island Responses to Commission Inquiries in Matter 26-00971

1. **Affirm that no ratepayer funds were used for any expenses related to attending the 2026 Annual Utilities Credit & Collections Symposium, which took place at the Hyatt Regency Coral Gables and any previous iterations of this event.**

   PSEG Long Island has reviewed expenses associated with the 2026 Symposium and ensured that ratepayer funds were not used to fund employee attendance at the event.

   Attendance at industry conferences is a common practice for utilities and provides value to utilities and their customer interactions and operations.

2. **Provide a list of all utility staff attendance at the 2026 Annual Utilities Credit & Collections Symposium, and all similar collections events. Also, indicate the costs incurred by ratepayers for attendance, if any.**

   Two PSEG Long Island employees attended the 2026 Symposium. Employee names will be separately provided to DPS Staff for employee safety and privacy reasons. PSEG Long Island employees have not attended any other external collections events in 2026.

   As noted in the response above, ratepayer funds were not used to fund PSEG Long Island employee attendance at the 2026 Symposium.

3. **Identify any programs or incentive structures utilized with third-party revenue or arrears collection vendors.**

   PSEG Long Island utilizes third-party collection agencies to collect on accounts that have been "finaled" and written off. Payment to the collection agency is made in accordance with terms of the specific vendor agreements. A vendor only receives payment if it is able to collect on the subject debt. Vendors may receive an additional allotment of accounts to collect upon based on their performance; however, there is no additional bonus or incentive structure associated with collection vendor activities.

4. **Provide all documents, including but not limited to any policy, standard operation procedure, manual(s), or employee training materials, and a detailed description of all existing practices and policies related to arrears and revenue collection.**

   The processes, procedures, training documents and job aides are utilized by back-office collections, field collections, and the schedule and dispatch organization to perform collections functions are provided as the Question 4 Attachments hereto. The processes and procedures include, but are not limited to: customer notification and postings, cut-on and cut-off procedures, dormant reviews, winter procedures, senior impaired processes, medical and critical facilities procedures, back-office collections processes, 24-hour re-checks, and other materials. The training documents and job aides are utilized by PSEG Long Island personnel in their respective collection functions when onboarded and during scheduled refresher training. A description of each attachment can be found in the introduction to the individual process, procedure, training document, and job aid.

   PSEG Long Island notes that certain non-public customer and internal IT/operational system information has been redacted from the responsive documents.

5. **Provide all documents including but not limited to any policy, standard operation procedure, manual(s), or employee training materials, and a detailed description for the qualification and termination of service for Life Saving Equipment (LSE) customers, senior citizens, and medically impaired individuals.**

   PSEG Long Island's collections practice and associated documentation were provided in response to Question 4 above. The Question 5 Attachments include policies, manuals, and other materials for senior citizens and customers with lifesaving equipment ("LSE") and medical impairments. PSEG Long Island notes that certain non-public customer and internal IT/operational system information has been redacted from the responsive documents.

   <u>LSE Protections</u>
   A customer can contact PSEG Long Island via phone, email, or use the PSEG Long Island to apply for household LSE protections for their life support equipment. Customers may also specifically discuss the availability of LSE protections with field collection personnel. Contacts received by phone or email are handled by PSEG Long Island's Customer Safeguard Solutions ("CSS") team. Following the initial customer contact, the CSS team will send the customer a Critical Care Enrollment form. The form is also

available online[2] and supplied to field collections personnel for use in the field. Customers can also inform a Field Collector who will provide the form at that time. The "Question 5 Attachments" contain a Critical Care enrollment form that outlines qualification information for customers.

Customers are required to complete the form and return to PSEG Long Island. The team works with customers to ensure that the information received is accurate and complete. Once all required information is received, a code is added on the account in the Customer Accounting System ("CAS") and notification is sent to the Meter Service team to place a medical tag on the meter. The team work with customers to ensure that the information is accurate and complete. Customers enrolled in the LSE program are protected from service termination for non-payment.

Elderly, Blind or Disabled (EBD) Program

The EBD Program is available to senior citizens and customers with medical impairments that require special accommodations for their electric service. To qualify for enrollment in PSEG Long Island's EBD Program, the senior customer must attest that in the customer household "the customer of record is 62 years of age or over, blind, or disabled, and all other residents are 62 years of age or over, 18 years of age or under, or blind or disabled." The customer is also required to provide their name, address, phone number, and the associated PSEG Long Island account number. Once this information is received a code is added on the account in CAS. Once this information is received and confirmed, a code is added on the account in CAS.

Customers can apply for this program by:

- Completing the "Caring for our Customers" form on the PSEG Long Island website[3];
- Completing the form found on the annual "Customer Rights and Responsibilities' brochure available via bill insert or on the PSEG Long Island website;[4]
- Informing a Customer Service Representative at the PSEG Long Island Customer Assistance Center available via phone at 1-800-490-0025; or
- Informing a member of PSEG Long Island's field collections staff who can immediately provide the form in the field.

The EBD program provides additional customer notifications prior to service termination for non-payment. The "SR IMP Process Document" provided in the Question 5 Attachments outlines PSEG Long Island's timeline for additional notifications to these customers. The Question 5 Attachments also provide the CSS department procedure manual, a special conditions and medical hardships job aid used in the Customer Assistance Center, and other trainings and procedures used to by customer representatives interacting with customer in the EBD Program.

[2] The form is available at https://www.psegliny.com/en/Outages/StormPrepandRestoration/criticalcareprogram.

[3] https://www.psegliny.com/myaccount/customersupport/financialassistance/paymentplans. The form is also provided is provided for reference in the Question 5 Attachments.

[4] https://www.psegliny.com/aboutpseglongisland/ratesandtariffs/rightsresponsibilities. The form is also provided is provided for reference in the Question 5 Attachments.

6. **Provide a detailed breakdown of the process and timeline for customer notifications issued in pursuit of termination for arrears.**

Please see below for timeline and associated process description for PSEG Long Island's residential and non-residential customer service terminations process.

Residential Customers

Day(s)	Action
1	Bill is generated and sent to the customer
23	Bill payment due
27	Late Payment charges will be assessed on past due balances unless the customer is on a deferred payment agreement (DPA)
30	Second bill is generated with a "Reminder Notice"
38-58	Past due reminder e-mail(s) are sent to customers
60	Third bill is issued via e-mail or phone call
65	Payment agreement is offered (if the customer has not had a standard agreement in the last 18 months)
70	72-hour termination call to customer
73	Second 72-hour termination call is made (winter period only)
75	Termination notice expires
76	Account becomes field eligible for termination
76+	Could receive an e mail if not scheduled for the field or if the account has a low balance

All subsequent bills after the initial termination notification will contain a termination notice with a termination date and amount due. The above process will repeat if the customer makes an agreement or payment before being terminated in the field. If a customer enters into a deferred payment agreement, late payment charges will be stopped and the termination notice will be removed from the customer bill. The field teams will only select accounts for termination that have balances with 90-day arrears.

Non-Residential Customers

Day(s)	Action
1	Bill is generated and sent to the customer
23	Bill Payment Due
27	Late Payment charges will be assessed on past due balances
30	Second bill is generated with a "Reminder Notice"
38-58	Past due reminder e-mail(s) are sent to customers
60	Third bill is issued with a termination notice expires in 15 days
65	Standard offer agreement issued, if applicable –

	customer may also receive a phone call
75	Termination notice and standard agreement offer expire
76	Account becomes field eligible for termination
76+	Could receive an e-mail if not scheduled for the field or if the account has a low balance

All subsequent bills after the initial termination notification will contain a termination notice with a termination date and amount if the account is not paid. The above process will repeat if the customer makes an agreement or payment before being terminated in the field. If a customer enters into a deferred payment agreement, the termination notice is no longer applicable.

7. Confirm the use of Deferred Payment Agreements (DPAs) as a mechanism to help customers avoid service shut-offs and provide all documents including but not limited to any policy, standard operation procedure, manual(s), or employee training materials, and a detailed description of the utility's process to implement DPAs.

PSEG Long Island's collections practice and associated documentation were provided in response to Question 4 above. With respect to Deferred Payment Agreements ("DPAs"), PSEG Long Island utilizes DPAs as one of various tools employed to help customers avoid service shut-offs. Our customer service representatives receive training and guidance regarding how to identify available payment support programs for customers, including guidance on DPA conversations. A refresher training is also provided twice annually to customer-facing representatives to provide guidance on how to identify and interact with customers that have experienced a "significant financial change" that would allow them to renegotiate their current agreement if they can no longer manage monthly installments in prior agreements.

Additionally, PSEG Long Island staffs a team of Consumer Advocates that work in the field with customers and assistance organizations, and also maintains a Consumer Advocacy Referral Line where support staff assist customers over the phone and via email. These resources work with vulnerable customers to connect those customers with available assistance programs and services. The resources also educate customers on the DPA process and, depending on eligibility, payment agreements with installments as low as $10 a month to assist with customer affordability.

PSEG Long Island's policies, trainings, and other materials related to DPAs are provided as Question 7 Attachments attached hereto. PSEG Long Island notes that certain non-public customer and internal IT/operational system information has been redacted from the documents.

8. **Affirm that the utilities' practices are consistent with the Public Service Commission's Rules and Regulations pursuant to Title 16 of the N.Y.C.R.R.**

PSEG Long Island, as service provider to LIPA, is subject to the requirements of the New York State Public Authorities Law, the LIPA Tariff for Electric Service ("LIPA Tariff"), and those provisions of the Public Service Law explicitly specified by the New York State Legislature.[5] LIPA is required to "establish rules and regulations with respect to providing to its residential … customers those rights and protections provided in [A]rticle [T]wo" of the Public Service Law (*i.e.,* the Home Energy Fair Practices Act ("HEFPA")).[6] Accordingly, LIPA and PSEG Long Island are subject to the applicable provisions of HEFPA related to customer collections and terminations[7], as promulgated in LIPA's Tariff.

As required by the Public Authorities Law, PSEG Long Island is subject to management and operations audits overseen by DPS Staff.[8] The most recent audit report, published in March 2024, did not identify non-compliance in the areas of customer collections or terminations, and found that PSEG Long Island's current practices and policies in dealing with customers in arrears were "effective" and adhered to applicable Commission requirements.[9] As of the date of this letter, we believe we remain in compliance with applicable regulatory requirements relating to customer collections and terminations. As required, we will continue to review our customer operations and practices with LIPA on an ongoing basis to ensure compliance.

PSEG Long Island is currently conducting a review of its practices and procedures, and we will provide an update to DPS Staff, LIPA, and the Commission once it is completed.

Conclusion

PSEG Long Island is grateful for the opportunity to serve customers and communities on Long Island and in the Rockaways. The reported statements in the media were unacceptable, do not reflect our values, and are being handled accordingly. That said, we do not believe that these statements should detract from the efforts of so many of our team members who are deeply engaged in our communities and work diligently every day to provide strong customer service and payment support programs to those customers who need financial assistance. We remain committed to safely delivering reliable and affordable energy and outstanding customer service.

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[5] LIPA is a public authority of the State of New York and is not regulated by the Commission.

[6] N.Y. Pub. Auth. Law § 1020-cc(1). *See also* LIPA Tariff Leaf 25 ("In administering the provisions of the Tariff, the Authority shall give effect to the rights, protections, and obligations of Customers contained in Article 2 . . . of the Public Service Law[.]").

[7] *See* N.Y. Pub. Serv. Law §§ 32-35, 37, 42, and 43.

[8] N.Y. Pub. Auth. Law § 1020-f.

[9] Matter 21-00818, *In the Matter of a Comprehensive and Regular Management and Operations Audit of Long Island Power Authority and PSEG Long Island LLC*, Final Audit Report (March 22, 2024), at XIII-37-XIII-46.

Please feel free to contact me with any questions regarding this letter or our recent efforts. Thank you for your time and attention to this matter.

Sincerely,

Scott Jennings
President and COO, PSEG Long Island

Enc.

cc: Active Parties in Matter 26-00971 (via DMM)
Nicholas Forst, Esq., DPS Staff (via email)
Carrie Meek-Gallagher, LIPA (via email)