

Shared Facilities

PSEG LI monitors and controls the LIPA bulk electric system under the direction of the New York Independent System Operator, and supports activities required for the operation of the bulk power transmission system, including planning, engineering, construction, and Energy Management System (“EMS”) computer support. PSEG LI’s Transmission Operations unit monitors and controls the LIPA bulk electric system from the PSEG LI Transmission Control Center (“TCC”).

PSEG LI has implemented procedures to physically separate employees engaged in Transmission Functions (“Transmission Function Employees”) from employees of PSEG LI affiliates who are engaged in Marketing Functions (“Marketing Function Employees”). No Marketing Function Employees of PSEG or its affiliates are located in PSEG LI’s office space. Marketing Function Employees who visit PSEG LI, such as employees of PSEG Energy Resources & Trade LLC who provide power supply and fuel management services to LIPA, are prevented from accessing areas where PSEG LI or LIPA non-public Transmission Information is located or stored. In addition, affiliates of National Grid (including KeySpan Electric Facilities LLC, KeySpan Energy Trading Services LLC, KeySpan Gas East Corporation, and KeySpan Generation LLC,) have offices within the building. Those companies are not affiliated with PSEG; however, they are also prevented from accessing areas where PSEG LI or LIPA non-public Transmission Information is located or stored.

To assure physical separation between PSEG LI and the companies listed above, PSEG LI has physically secured the TCC through a series of measures. These measures include specially coded card keys required for entry to PSEG LI offices, with additional and separately coded card keys required to access certain areas of PSEG LI offices, requiring a PIN code for sensitive areas. Escorts are also required in certain situations. Similar measures are in place to prevent Marketing Function Employees from accessing PSEG LI’s Power Asset Management (PAM) unit.

A master list (“Master List”) of persons authorized to have access to the Electric System Operations Transmission Operations Area and the nature of the access is maintained by PSEG LI’s Corporate Security Group. The list is maintained pursuant to a protocol which specifies a procedure for the periodic review and verification of the list and a procedure for the approval of additions and removal to the list.