



NEW YORK STATE SENATOR

Mario R. Mattera

Senators Demand That PSEG Long Island Management Forgo Bonuses

MARIO R. MATTERA January 8, 2021

| ISSUE: **PSEG LONG ISLAND, UTILITIES, PROTECTING UTILITY RATEPAYERS**



Senator Mario Mattera (2nd Senate District), the ranking Republican on the Senate's Standing Committee on Corporations, Authorities and Commissions, joined with his Senate Republican Conference colleagues from Suffolk County to call on PSEG Long Island (PSEGLI) management to reject the idea of seeking any state bonus tied to last year's performance. Senator Mattera, Senator Phil Boyle (4th Senate District), Senator Anthony Palumbo (1st Senate District) and Senator Alexis Weik (3rd Senate District) **sent a joint letter** to PSEGLI's President and Chief Operating Officer Daniel Eichhorn citing the ongoing COVID crisis and the utility's failures during August's Tropical Storm Isaias as reasons to reject any such bonus.

The four representatives made their collective call following a recent Newsday article that stated how the utility had the option to seek over \$3.5 million from New York State based on their overall performance in 2020. In the article, representatives of PSEGLI did not rule out applying for the bonus even though many in the region were without power for over a week following the August storm.

While the Senators are aware that any such bonus is based on the entire year's operation, they were jointly incensed with how PSEGLI's prepared for, dealt with and recovered from Tropical Storm Isaias. Their lack of leadership through this period of time left PSEGLI workers, who were out in the field ready and willing to restore power, without a clear plan to accomplish their mission. This was the most egregious failure and something that the four state officials feel should not be rewarded.

The reality is that the utility's inadequate response during that time has already led the Long Island Power Authority (LIPA) to publicly state their willingness to examine early termination of their contract with PSEGLI.

"As our state continues to grapple with the economic damage of COVID-19, it is disgraceful that PSEG Long Island management would even consider seeking any type of bonus - especially after the debacle our region experienced through their inept response to Tropical Storm Isaias. They left their customers in the dark - both literally and figuratively - for weeks and they seem to have the misconception that we have forgotten. We are trying to remind them that we do remember and that we believe they should be more respectful of their customers," stated Senator Mattera.

"Bonuses are the last thing that the management at PSEGLI should be contemplating during these difficult times," said Senator Anthony Palumbo. "Long Islanders are hurting, businesses are closing and the state is facing massive deficits. Requesting bonuses on the

backs of overtaxed residents who pay some of the highest energy costs in the nation is both out-of-touch and fiscally irresponsible,” stated Senator Palumbo.

“While ratepayers all across Long Island have been trying to keep their heads above water during this difficult economic climate, it is troubling to learn that the management at PSEG-Long Island may seek millions of dollars in bonuses,” said Senator Weik. “The lackluster response from PSEGLI’s management to Tropical Storm Isaias left hundreds of thousands of residents without power for days, and failed to reimburse customers for additional costs they incurred related to perishable goods, yet they are still considering to seek millions of dollars on the backs of Long Islanders in bonus compensation. Pursuing these bonuses would be outrageous and completely unacceptable.”