

- Complete Control. Completely Paperless.
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LIPA BUSINESS NEWS



A Note from LIPA

I wanted to take the opportunity to reflect on some of the extraordinary accomplishments over the past year which have laid the ground work for a new and improved LIPA.

Last October, LIPA adopted a new business model designed to enhance the quality of customer service, provide long-term workforce stability and allow LIPA to more effectively manage costs with greater accountability and transparency. This action was the culmination of a year-long, independent and comprehensive review of LIPA's strategic organizational options. Following up on that decision, on December 15, 2011 the LIPA Board of Trustees selected Public Service Enterprise Group (PSEG) to implement LIPA's new business model and to run the day-to-day operation of LIPA's electric utility business beginning on January 1, 2014. PSEG brings over 100 years of experience in electric energy generation, transmission and distribution with a proven record of superior customer service. PSEG has already formed a Long Island based company which will focus exclusively on services to LIPA. This is the first time that LIPA's operating services have been competitively procured since LIPA acquired the Long Island electric grid in 1998.

Also last year, LIPA commissioned the Long Island Solar Farm (LISF) at Brookhaven National Laboratory. The LISF is the largest solar farm in the eastern region and will produce up to 32MW of solar energy (enough to power up to 4,500 homes) that will be generated on Long Island and distributed to our customers. This project created over 200 full-time jobs during the construction phase underscoring LIPA's commitment to strengthening the local economy through economic development.

Following the aftermath of Tropical Storm Irene which affected nearly 523,000 customers, LIPA made a pledge to improve the channels of communication with our customers regarding power outages and restoration efforts. We have already deployed numerous programs and initiatives to achieve this goal such as LIPA's "Power Out? Text It In" initiative, which allows customers to report and receive information on their power outages through texting. We have also bolstered our social media efforts by adding a Twitter and Facebook storm page which provides our customers with additional tips and information about extensive power outages and restoration updates. This year, LIPA will also introduce a new outage management system that will enable LIPA to improve dispatch times for customer power outages as well as provide automated information on the cause of customer outages.

In addition to these accomplishments, our commitment to energy efficiency and renewable energy remains stronger than ever. Our solar and wind programs continue to thrive throughout Long Island. LIPA and the Nassau and Suffolk County Planning Commissions have created a unified solar permitting process which has already been adopted by ten of Long Island's 13 towns in an effort to streamline the solar permitting process and provide expedited approvals. LIPA continues to partner with our residential and business customers as well as our schools and municipalities through LIPA's Efficiency Long Island program to promote energy efficiency, lower peak demand, reduce electric costs, and create new energy jobs on Long Island.

Finally, I'd like to extend my very best wishes to you and your families. On behalf of all of our employees at LIPA, we look forward to working together with all of you for a prosperous and successful 2012.

Sincerely,

Michael D. Hervey
Chief Operating Officer; Long Island Power Authority

For Our Environment

Complete Control. Completely Paperless.

LIPA offers free services that can add convenience and remove paper clutter. Don't you have enough paperwork to deal with every month? Get real power over your power bills when you combine these programs:

<p>Balanced Billing</p> <hr/> <p>steady bills that eliminate surprises</p>	<p>e-LERT</p> <hr/> <p>paperless billing</p>	<p>DirectPay</p> <hr/> <p>paperless, automatic bill payments</p>
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With **Balanced Billing**, we simply divide your annual electric costs evenly into monthly payments. You avoid seasonal spikes in your bill, and you'll always know the amount of your bill in advance, even if your payment amount changes. When you get your bills online with **e-LERT**, you have even more time to review your bill, and it looks exactly the same as the printed bill. **DirectPay** ensures your payment is always on time and you never have to worry about due dates with automatic payments from your bank account.

Add up the benefits of all three programs and you'll see that there's less guesswork, less paperwork, and less time spent managing bills. Of course, each program is available individually also.

Log in and sign up today at www.lipower.org/account.

How'd we do?

We're pleased to introduce the new LIPA News. You'll find more of what you're looking for, whether it's ways to save money, save our planet, or both!

Tell us what you think.

Go to "Contact LIPA" at www.lipower.org or Twitter @LIPANews.

Long Island's Energy Future is Looking Brighter.



Long Island's rich history of farming continues today with a new bumper crop - solar power. Instead of growing produce, the new Long Island Solar Farm (LISF) at Brookhaven National Laboratory is producing clean energy to meet the growing power needs of Long Island. All of the power generated will supply LIPA customers.

LIPA partnered with Brookhaven Lab to build LISF, the largest solar energy project in New York State and the largest array of solar panels in the eastern U.S. A total of 164,312 solar panels will generate enough energy to power 4,500 homes, further solidifying Long Island as a national leader in clean, renewable energy.

LISF will also help reduce emissions of carbon dioxide and pollutants that degrade air quality and contribute to climate change. This project will benefit LIPA customers, our environment, and economy for decades to come with clean energy that reduces our reliance on fossil fuels and fosters the creation of new, high-quality energy jobs.

Working for You

Power Out? Text it In.

LIPA restores power outages faster than any other utility in New York State. The faster you report an outage to us, the faster we can respond. It's now easier than ever by texting "OUT" to myLIPA (695472).



After a one-time registration you'll be able to:

- let us know if your power goes out
- get real-time restoration updates anytime, anywhere you are

For more information and complete instructions on text messaging, please visit www.lipower.org/myLIPA. This is a free service from LIPA, but standard text messaging and other rates from your wireless provider may apply.

New Year, New Opportunities.

If you're looking to grow your business on Long Island, LIPA's Economic Development wants to help you. From rate discounts to energy-efficiency rebates, we'll make sure you receive all the benefits for which you are qualified. We'll also connect you with other economic and governmental resources.

To see if you qualify, visit our Economic Development page at www.lipower.org/commercial or call our Business Call Center at **1-800-966-4818**.

Stay in the know, on the go.

Sign up to get the latest energy news, energy-saving ideas and more right in your e-mail inbox with LIPA Business eNews. Go to www.lipower.org/commercial/benews.html.



On Call for Your Business.

Give us a call at our Business Call Center at **1-800-966-4818** whenever you have a question about your bill or how we can help you lower it by making your facility more energy efficient. Our specially-trained representatives are available Monday to Friday from 8:00 AM to 8:00 PM.

Focus on Safety

Nothing More Important.

One of our main responsibilities is ensuring the safety of our customers and employees. We're sure you feel the same way about the people for which you are responsible. Here are a few electric safety tips from the Occupational Safety and Health Administration (OSHA) to guide you:

- All electrical equipment should be visually inspected before use. Any equipment with frayed cords, missing ground prongs, or cracked tool casings should be removed from service.
- Normal wear on cords can loosen or expose wires. Cords that are not 3-wire type, not designed for hard-usage, or that have been modified, increase your risk of contacting electrical current.
- Do not modify cords or use them incorrectly.
- Stay at least 10 feet away from overhead power lines and look for buried power line indicators.
- Use non-conductive wood or fiberglass ladders when working near power lines.

For full details about the compliance requirements of OSHA standards or regulations, refer to Title 29 of the Code of Federal Regulations and visit www.osha.gov.

