



January/February 2011

LIPA NEWS



www.lipower.org

A Message to Our Valued Customers

The independent LIPA Board of Trustees has approved the 2011 Operating and Capital Budgets which provide for an overall bill decrease of 2.2% for the typical residential customer. The bill decrease reduces LIPA rates to their lowest levels since 2007 and will equate to a reduction of \$3.31 in monthly savings for the typical residential customer. The 2011 budget continues to demonstrate fiscal responsibility while maintaining leadership in reliability, efficiency and renewable energy, and smart grid technology.

Components of the Bill

The approved budget lowers the Power Supply Charge by 4.6%. This is the third reduction in the Power Supply Charge since the beginning of 2010. More efficient sources of power, lower natural gas prices, and decreased purchased power costs coupled with a refund of 2010 over recoveries of fuel and purchased power costs are responsible for the reduction in the Power Supply Charge. The reduction in the Power Supply Charge will take effect on January 1, 2011.

While LIPA has held the line on the Delivery Charge for the past 12 years, LIPA is proposing a modest increase of 1.9% on this component of the bill which is driven by nearly \$74 million of increased costs including; taxes and assessments, escalating contract costs, and increased costs associated with LIPA's storm budget to reflect historical storm expenditures. To offset the Delivery Charge impact to low income customers, LIPA, for the first time, will implement a low income credit to qualifying customers. The increase in the Delivery Charge will take effect March 1, 2011.

As we continue to invest in Long Island's greener energy future through the advancement of energy efficiency and renewable programs, LIPA has increased its investments for Efficiency and Renewable programs by \$20 million from the 2010 budgeted level resulting in an increase of 0.5%, or 77 cents to the typical residential customer's monthly bill to recover costs associated with the expanded program. The funds from this charge are used to offer a wide array of incentives, rebates and initiatives to LIPA's residential and commercial customers to assist them in reducing their energy usage and thereby lowering their bills as well as decrease LIPA's peak load growth and Long Island's environmental footprint. This plan will result in the deferral or elimination of the need for a new generating plant and decrease Long Island's dependence on foreign fuels.

LIPA's Commitment

In these challenging economic times, LIPA must continue to strike a balance between maintaining our high level of service reliability, continuing to plan for our energy future and demonstrating leadership in the areas of efficiency and renewable energy while keeping costs down and stabilizing rates. We believe that LIPA's 2011 Operating and Capital Budgets highlight the tough choices we have made, while continuing to remain focused on the important investments necessary for our future.

LIPA wishes you all a happy and a healthy 2011.

The Most Important STAR on TV

It seems TVs these days come in one size – large. They can also affect the size of your electric bills. That's why it's important to make sure one particular star is on your TV – ENERGY STAR®.

Some of the largest, high-resolution TVs can use as much electricity as a new conventional refrigerator; about 500 kWh per year. Compare that to the current average energy consumption of a 42 inch ENERGY STAR qualified LCD TV: 179 kWh per year.

In addition to LCD and plasma, there are new TV technologies emerging, including Digital Light Processing (DLP) and Organic Light Emitting Diode (OLED).

LIPA is partnering with participating retail stores to promote select ENERGY STAR qualified televisions this year. Visit www.lipower.org/efficiency for more information.



Resolve to Save This Year

Start off 2011 right with www.lipower.org. Sign up for "My Account" to take advantage of time-saving services such as e-LERT paperless billing with, online bill payment, and DirectPay for automatic payments. Or check out all the rebates available on energy-saving products and appliances. All of these services are free and available 24/7.

FREE ASSISTANCE IF YOU'RE HAVING DIFFICULTY WITH ENERGY COSTS



LIPA's Residential Energy Affordability Partnership (REAP) program is for income-eligible customers to help lower electric bills and make your home healthier and safer. REAP will also direct you to non-LIPA services should you need additional assistance.

REAP starts with a free comprehensive home energy audit that will include inspecting your electric appliances, lighting, and

other electric consuming equipment. We'll provide practical suggestions to lower your energy costs. You may even qualify for FREE energy-saving measures such as compact fluorescent light bulbs (CFLs) and insulation.

Qualifications for REAP:

- Must have a LIPA account number
- One to four family dwelling
- Meet the income guidelines below:

| Size of Household | Annual Income |
|-------------------|---------------|
| 1 | \$50,820 |
| 2 | \$58,030 |
| 3 | \$65,310 |
| 4 | \$72,520 |
| 5 | \$78,330 |
| 6 | \$84,140 |
| 7 | \$89,950 |
| 8 | \$95,760 |

For each additional person, add \$6,420

Call us, toll-free, at 1-800-263-6786 or e-mail us at reap.lipa@honeywell.com.

SAFETY SPOTLIGHT

Winter Safety

It's the season for wearing scarves and mittens, but electric safety is in fashion year-round. *Follow these tips:*

- Keep space heaters at least three feet away from flammable materials such as drapes, rugs, furniture, and newspapers.
- Make sure your space heater is stable and placed where it will not be tipped over.
- Do not use an extension cord with a portable space heater.
- Do not tuck in electric blankets or cover them while in use, which can lead to excessive heat buildup.
- Check the power cords of cold weather tools, such as leaf and snow blowers, for unusual wear and tear. Repair or replace worn tools or parts right away.
- Extension cords used for outdoor work should be marked "for outdoor use." This ensures you have the extra protection of a coating that is designed to handle the rougher outdoor environment and keep water out.
- Always check for overhead power lines before you place a ladder or trim a branch to avoid accidental contact.



GREEN FROM THE GROUND UP

The best time to think about a home's energy efficiency, and its carbon footprint, is before a single shingle goes up. No matter what style, size, or price of house you want to build, it can be built to meet the New York ENERGY STAR® labeled home standards and lower the overall cost of home ownership.

A New York ENERGY STAR labeled home has energy-saving features such as:

- increased insulation
- high-performance windows and doors
- high-efficiency heating and cooling systems
- energy-saving appliances and lighting

These features result in approximately 30% less energy usage compared to conventionally built homes. You'll have the peace of mind in knowing you've built a home that's safer, healthier, and better for the environment.

The first step to owning a New York ENERGY STAR labeled home is to visit www.lipower.org/efficiency or call toll-free 1-877-ESTAR-LI (1-877-378-2754).

You can choose from a list of participating builders in your area, or we'll provide your builder all the information needed to build a New York ENERGY STAR labeled home.

Working for Long Island



Power Park

Imagine the sun beating down on the tops of thousands of cars across Long Island all day while their owners are at work. Wouldn't it be great to put all that solar energy to work? LIPA thinks so. That's why we've partnered with New York State, Suffolk County, and enXco to create the Suffolk Solar Carport Project. Carports with solar panels on the rooftops will soon cover up to seven parking lots in Suffolk, becoming the largest solar carport project in the country. These carports will provide enough clean, renewable energy to power almost 2,000 Long Island homes and reduce annual carbon emissions by the equivalent of nearly 2,500 cars. They'll be parking lots with lots of benefits.