



May/June 2009

# LIPA NEWS



[www.lipower.org](http://www.lipower.org)

## Message from LIPA

Utility bills seem to be the place our various levels of government have chosen to place new taxes and fees. While LIPA was recently able to lower its power supply charge resulting in a 3.2% bill reduction for the typical residential LIPA customer, you may not feel the benefits of that reduction because of some new taxes that may impact LIPA customers. For instance, if you live in Nassau County, beginning June 1st, 2009, you will see a new line on your LIPA bill that includes a 2.5% sales tax on residential energy and services. In the cities of Glen Cove and Long Beach, the county tax will be in addition to city taxes that were already applied to electric bills.

Though LIPA is required to collect this tax from Nassau ratepayers, all of the revenue collected will be passed through to Nassau County. If you live in Suffolk County, a similar type of tax has been collected on your bill on behalf of Suffolk County since LIPA took over the region's transmission and distribution system in 1998.

Additionally, as part of New York State's recently enacted budget, a temporary 1% assessment has been levied on all utilities in the state which will cost LIPA ratepayers \$37 million in 2009. While we will attempt to absorb some of the impacts of that assessment through a combination of cuts, efficiencies and deferral of programs, in the end, LIPA must ultimately recover its costs. LIPA has no shareholders and, unfortunately, LIPA's only revenue source is our customers. If the lower-than-budgeted fuel costs for this year continue, we may be able to offset some of the impact of the assessment in 2009 with another reduction in our power supply charge. However, you may have noticed that oil prices have risen from \$35 a barrel to \$55 a barrel in just the past two months; fortunately, however, natural gas prices (the predominant fuel used to generate power on Long Island), has been remaining low.

Although LIPA is a not-for-profit state agency, the Authority is required to pay a variety of taxes itself, which are embedded in our basic delivery and power supply charges. In fact, LIPA pays nearly \$500 million annually in taxes to the state, counties, towns, villages and local school districts on Long Island. The taxes levied against LIPA have increased more than 22% in the past five years.

These taxes make up nearly 12% of LIPA's annual operating budget; said another way, almost 12 cents of every dollar you pay to LIPA goes for taxes. Thus, LIPA could lower bills approximately 12% if it was relieved of this tax burden.

As most of LIPA's costs are fixed, there is not much we can do about 'rates', but we can help you lower your 'bills'. Remember, the best way to lower energy bills is by continuing to reduce energy consumption and becoming more energy efficient. You can log on to [www.lipower.org](http://www.lipower.org) for a host of energy saving tips that can help you spend less by using less.

Kevin S. Law  
President & CEO

## TRIMMING TREES MEANS TRIMMING OUTAGES

You expect reliable service from LIPA, and we do many things to ensure those expectations are met. Each year we trim trees that interfere with electric wires...to the tune of about 1800 miles of trees along our electric lines. Hazardous trees and tree branches can fall on wires and cause serious problems, including electric outages.



LIPA hires professional crews who follow standards developed and approved by arboricultural societies and national safety agencies to perform line clearance (tree trimming) work. The method used is known as Directional Pruning. Sometimes this method may result in trees having unnatural appearances, but it minimizes damage to the trees and keeps tree branches safely away from electric wires.

Directional pruning strives to train the tree to grow away from and around the wires. This practice provides the best opportunity for the tree to stay healthy.

LIPA's Line Clearance Program focuses on trimming trees along an entire electrical circuit, which can be ten miles long. This is our most effective way of reducing outages to a majority of customers. Line clearance work is performed all year long.

For more information, visit us online at [www.lipower.org](http://www.lipower.org).

*In the event of a natural disaster, help is available for shelter and transportation assistance to eligible disabled individuals who have no other way to evacuate their homes. Suffolk residents can apply for the Joint Emergency Evacuation Plan (JEEP) by calling the County's Department of Fire, Rescue and Emergency Services (FRES) at 631 852-4900. You must be enrolled prior to the need for service to utilize JEEP. Disabled individuals in Nassau can call 516 573-0750 for more information on similar types of programs that are available there.*

# SUMMER ENERGY SAVING TIPS

As the summer approaches, everyone is trying to find ways to cut energy costs while enjoying the warmer weather.

The following tips will save you energy and help your budget during the summer months:

## Room & Central Air Conditioners

- Look for ENERGY STAR® room air conditioners. They are the most energy efficient models on the market. Replacing your old room air conditioner with a new ENERGY STAR® qualified model can reduce your cooling costs by 20 percent.
- By keeping your central air conditioner (CAC) thermostat at 78 degrees instead of 73 degrees, you can save up to five percent off your energy bill.
- If your CAC is not operating efficiently, look into LIPA's *Cool Homes Tune-Up Program*. An inefficient CAC system wastes energy and could be increasing your summer costs by as much as 50%.

With this program, A LIPA Cool Homes participating contractor will test your CAC system using the CheckMe!™ evaluation for proper air flow and refrigerant charge. Based on the results, the LIPA Cool Homes contractor will make recommendations concerning any adjustments or repairs that your CAC system may need.

For more information, visit us online at [www.lipower.org/efficiency](http://www.lipower.org/efficiency) or call the Infoline at 1-800-692-2626.

## Shades & windows

- Close shades (curtains & blinds) and windows during the day to help keep the sun's rays from penetrating your home and heating it up. At night, open windows opposite one another for cross-ventilation, allowing the evening breezes to cool your home.

## Cooking

- What says summer better than grilled burgers and hot dogs? Instead of using your oven or stove, fire up the outdoor grill for cooking. If you do not have an outdoor grill, you can also use your microwave or other countertop appliances in place of the stove.

## Lighting

- Install ENERGY STAR® compact fluorescent light (CFL) bulbs in your most heavily-used fixtures and lamps. CFL bulbs generate less heat, plus you'll save \$30 to \$40 in energy costs over the life of each bulb.

## Laundry

- Postpone laundry and dishwashing until after nighttime to avoid generating extra heat in your home.
- Consider taking advantage of the warmer air and dry your laundry outside using a clothesline.

For more tips on saving energy costs during this summer, visit our Web site at [www.lipower.org/efficiency](http://www.lipower.org/efficiency).



# May is National Electrical Safety Month

*Do you know how to keep your family safe around electricity?*

Would you know if your home's circuits were overloaded? May is National Electrical Safety month and it is a good time to review electrical safety practices for inside and outside your home.

Home electrical problems account for nearly 55,000 home fires every year. These fires cause over 500 deaths, injure more than 1,400 people, and account for \$1.4 billion in property damage. Older homes are at even greater risk for a fire.

If you notice any of these warning signs, contact a licensed electrician immediately:

- Dimming or flickering lights
- Sizzle or buzzing sounds
- Odor of overheated plastic
- Plugs that pull out of the receptacle easily
- Flashes or showers of sparks
- Hot switch plate and outlet covers
- Fuses that burn out or circuit breakers need resetting frequently

Follow these important steps to prevent electrical fires from occurring in your home:

- Never run a cord outdoors from an indoor outlet. If you need to have access to electricity outdoors, have a licensed electrician install **Ground Fault Circuit Interrupter** (GFCI) receptacles in outdoor outlets and in any outlets near water. GFCIs are electrical safety devices that trip electrical circuits when they detect ground faults or current leakage.
- After you install your GFCIs, test the outlets monthly. Push the "test" button and make sure that the power is cut off in the outlet, then push the "reset" button to restore power.
- Remind your children to keep away from all utility equipment and power outlets.

Want more tips? Download our brochure "64 Ways to Make Your Home A Safer Place" at [www.lipower.org/residential](http://www.lipower.org/residential) or call us at 1-800-490-0025.

## Attention Pool Owners!!

Summer is almost here and it's time to get the pool ready. Did you know that there is a more efficient way to filter your water through two-speed or variable speed pumps? In fact, a variable speed pool pump can cut your energy costs by 30% or more.

These more efficient pumps operate at the lowest speed necessary to filter the pool. Since it takes far less energy for the pump to move water slowly rather than quickly, reducing the pump speed actually reduces the power needed to an eighth of what was needed previously to get the job done.

The most efficient pool pump is the one that runs the smartest - at the minimum speed needed to get the job done. For more information on rebates and incentives, visit us at [www.lipower.org](http://www.lipower.org).



## Cool Down with an ENERGY STAR® Room Air Conditioner!!

Summer is approaching and with an ENERGY STAR® room air conditioner, you and your family will not only stay cool, but will save money and help protect the environment.

ENERGY STAR-qualified room air conditioners use at least 10% less energy than conventional models. Also, ENERGY STAR room air conditioners often include timers and directional vents for better temperature control, allowing you to use the minimum amount of energy needed to cool your room.

LIPA customers can save by replacing older room air conditioners with new, ENERGY STAR-qualified models. For example, replacing a 10-year-old conventional room air conditioner with a new ENERGY STAR qualified model could save an average of \$400 over the life of the unit!

For more information on air conditioners or other ENERGY STAR products, visit LIPA online at [www.lipower.org/efficiency](http://www.lipower.org/efficiency).