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LIPA NEWS



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As we continue to prepare for our energy future on Long Island, LIPA is excited to announce a decision to restructure the way it contracts to operate its electric utility business. The improved business model is designed to enhance the quality of customer service, provide long-term workforce stability on Long Island, and allow LIPA to more effectively manage costs with greater transparency.

In 2010, LIPA retained The Brattle Group to conduct a year-long independent study that considered three primary strategic alternatives: (1) municipalization; (2) continuing to contract for the operation of LIPA's electric utility business, but under an improved public/private partnership ("ServCo"); and (3) privatization.

At its meeting on October 27, 2011, the LIPA Board of Trustees approved Brattle's recommendation to adopt an improved business model. This decision will allow LIPA to retain the efficient operations achieved by private utilities, take advantage of LIPA's tax-exempt financing, subject LIPA to less transition risk compared to municipalization, and preserve LIPA's opportunity to move to an alternative business model in the future if it would benefit our customers.

There is a new LIPA on the way and we look forward to the implementation of this improved business model which represents our commitment to delivering better services and maintaining reliability for LIPA customers at the most economical rates, which is always our number one priority. For additional information, please refer to LIPA's Web site at <http://www.lipower.org/strategicreview>.

Michael D. Hervey
Chief Operating Officer
Long Island Power Authority

Light Bulbs - Phase-Out Facts New Lighting Standards Will Save You Money

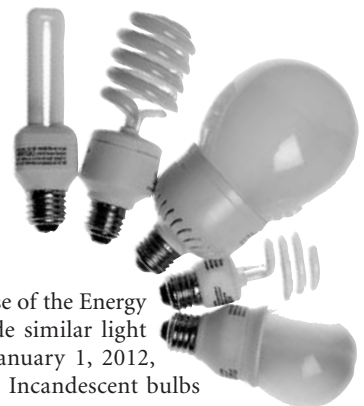
There's a lot of confusion about what is, and what is not, happening to light bulbs starting next year. Let's start with a true or false quiz:

- Starting in 2012, some inefficient light bulbs will no longer be manufactured or imported – TRUE FALSE
- It will be against the law to buy incandescent light bulbs – TRUE FALSE

Just as automobiles have energy efficiency standards, so will the light bulbs we buy because of the Energy Independence and Security Act of 2007. The law will require that light bulbs provide similar light output while using less energy than they do today – 27% less to be exact. As of January 1, 2012, inefficient 100-watt incandescent bulbs will no longer be manufactured or imported. Incandescent bulbs with lower wattages will be similarly phased out in following years.

Here's what the law does not do: it does not ban incandescent bulbs or require you to purchase any particular type of bulb. In fact, there are already incandescent bulbs that you can buy now that meet the new standard. Plus, 22 types of incandescent bulbs are exempt from the law, including appliance bulbs, 3-way bulbs, and bug lights.

Now, while you will not be required to purchase compact fluorescent light bulbs (CFLs), here's why you should: a CFL is simply the best value. CFLs use 75% less energy than standard incandescent bulbs and can last up to 10 times longer. You'll spend less money on energy and less time changing bulbs.



A WORD ABOUT MERCURY

While CFLs do contain mercury, it is a small amount. It would take more than 100 CFLs to equal the amount of mercury in a fever thermometer. The new law will actually reduce the amount of mercury in the environment, because the number one source of mercury emissions is energy production from coal. Less energy use equals less mercury produced.

Visit www.lipower.org/CFL for tips on handling CFLs.

Just like many products, not all CFLs are created equal. To ensure quality, always look for the ENERGY STAR® label. Today's CFLs achieve full brightness quickly and have excellent color quality.

Finally, the law requires that by 2020, most light bulbs will have to be 60-70% more efficient than today's standard incandescent bulbs. CFLs already exceed that requirement today. The bulb of the future is already here!

To help you get started on saving energy, LIPA offers in-store, instant rebates on many energy-efficient light bulbs. Visit www.lipower.org/CFL and see the article below about LIPA's online store where you can also save money on efficient lighting products.

FINANCIAL ASSISTANCE

Anytime you need assistance with paying your LIPA bill, let us know so we can work with you. There are resources that are available to help you. Here are a few programs available to LIPA customers:

REAP (Residential Energy Affordability Partnership): this LIPA program for income-eligible customers can help you save energy and lower your electric bills with a home survey and installation of energy-saving measures at no cost to you. Participants may also be referred to other non-LIPA services that can help with any additional special needs. Call **1-800-263-6786** for more information.

Household Assistance Rate

LIPA offers reduced rates for customers participating in at least one of the following programs:

HEAP, Medicaid, Food Stamps, Temporary Assistance for Needy Families or Safety Net Assistance, SSI, Veteran's Disability Assistance or Veteran's Surviving Spouse Pension, or Child Health Plus. Visit www.lipower.org/HAR or call **1-800-490-0025**.

HEAP (Home Energy Assistance Program): this federally-funded financial assistance program provides grants to help income-eligible households pay energy costs. HEAP grants do not have to be paid back. There are two types of HEAP grants available: "Regular" and "Emergency" grants. Depending upon your financial situation, you may qualify for one or both. For more information, call the following HEAP information line for your area:

Rockaway Peninsula - 800-692-0557 • **Nassau County** - 516-565-4327 • **Suffolk County** - 631-853-8825

Project Warmth: this is an emergency assistance program to help families and individuals with energy emergencies. Project Warmth provides a one-time grant for fuel, plus an additional amount for fuel-related electricity. The heating grant may be used to pay for any fuel source including oil, natural gas, electricity, and propane. Project Warmth will open on or about December 1, 2011 and is available until funds are exhausted. Contact Project Warmth at **631-940-3757**.

LIPA's Consumer Advocates: our skilled advocates are available to customers experiencing financial problems to provide guidance and assistance in applying for various social services programs. Call **1-800-266-1923** for more information or visit us online at www.lipower.org/residential/custserv.

LIPA's Friendly Follow-up Program: financial assistance can be as simple as offering a reminder about a bill to a friend or loved one. Friendly Follow-up provides that to someone you care about by designating you, a friend, or a social service agency to receive a copy of the bill when it becomes overdue. Call us at **1-800-490-0025** for more information.

SAFETY SPOTLIGHT

'Tis the season for extension cords. While you're making the season bright, keep it safe too:



- Check that extension cords are correctly rated for the amount of electricity they are to carry and are Underwriter Laboratory (UL) approved.
- Check all electric cords for visible damage. Cracked or frayed cords can be a fire and shock hazard.
- Make sure electric cords are not nailed or stapled in place.
- To avoid excessive wear and cord damage, ensure that cords don't run under rugs or have furniture resting on them.
- Outlets and wall switches that are unusually warm to the touch may indicate an unsafe wiring connection and should be checked by a licensed electrician.



GO ONLINE. SAVE ON LIGHTING.

As a LIPA customer, you have special access to savings on energy efficient lighting products that can help to lower your electric bill. Through our partnership with Energy Federation Incorporated, you can receive discount pricing on a variety of light fixtures and light bulbs. Check out the online catalog at www.lipower.org/products or call **1-800-206-0955**.

ASSISTANCE FOR THE VISUALLY IMPAIRED

To assist customers that are blind or visually impaired, LIPA provides either large-print bills or a bill summary in Braille that is sent along with the standard LIPA bill. To find out more or to enroll in our programs for the visually impaired, call LIPA at **1-800-490-0025**.

WHEN DO YOU USE ELECTRICITY?

Most LIPA customers pay a flat rate for electricity, based on how much electricity is used, not what time of the day it is used.

LIPA does offer voluntary "time of use" rates that require a special meter and have pricing based on when you use electricity. While this type of rate can offer savings, it's not the best option for everyone.

Time-of-Use rates are variable, with Peak and Off-Peak hours:

Time-of-Use Schedule	
Peak hours	10 AM to 8 PM weekdays
Off-Peak hours	8 PM to 10 AM weekdays and all weekend

Why are they not for everyone? Off-peak hours offer a reduced price compared to standard rates, but peak pricing can be as much as three times higher than standard rates.

Time of use rates require a significant commitment to shift most electric usage to off-peak hours. It may be easy to run the dishwasher after 8 PM, but not so easy to turn off TVs, computers, and other electronic devices. If you feel that a time of use rate is right for you, call LIPA at **1-800-490-0025**.

Religious organizations, Veterans organizations and qualified community residences may choose service under an appropriate residential or non-residential service classification, subject to a minimum term of one year.

Please call **1-800-490-0025** for additional information.