Long Island Power Authority

Statement of Interest on Customer Deposits

Applicable to all Customer Deposits as set forth in the Tariff for Electric Service

1. Annual Composite Yield of Intermediate Term, A-Rated Municipal Bonds (1) 1.85%
2. Less Administrative Cost Allowance Annually 1.75%
3. Simple Annual Interest on Customer Deposits 0.10%

(1) The “Annual Composite Yield of Intermediate-Term, A-Rated Municipal Bonds” of 1.85%, is used for “Interest on Customer Overpayments,” which is also known as “Other Customer Provided Capital”.

Effective: January 1, 2015