Authority Mission Statement and 2014 Performance Measurements

Name of Public Authority: 
Long Island Power Authority

Public Authority’s Mission Statement:  
Our Mission is to ensure the provision of reliable, economical and responsive electric service to 1.1 million customers on Long Island and in the Rockaways, meet the expectations of our bond holders and be a trusted, valued member of the community. We will oversee the performance of our Service Provider, PSEG-Long Island, maintain a consistent focus on energy efficiency and renewable energy and carry out our public service, fiscal and contractual duties faithfully, transparently and professionally.

Date Adopted:  
February 26, 2014

List of Long Island Power Authority Performance Goals

<table>
<thead>
<tr>
<th>Long Island Power Authority Goals</th>
<th>2014 Performance Measurements</th>
</tr>
</thead>
</table>
| Ensure the provision of reliable, economical and responsive electric service | • Establish and implement an organization at LIPA that works with stakeholders including PSEG-LI, customer and public officials.  
• Develop and implement an OSA Contract Oversight Process.  
• Establish a policy planning process that will lead to a comprehensive Strategic Plan.  
• Monitor and ensure LIPA & PSEG-LI Management Audit Recommendations are being accomplished. |
| Meet the expectations of bondholders | • Review PSEG-LI’s proposed 2015 operating budget.  
• Review long term capital forecast.  
• Monitor and limit the risks from variations in revenue.  
• Calculate the monthly Power Supply Charge and manage Securitization Charge.  
• Issue 2013 audited financial statements and A-133 audit. |
| Maintain a focus on energy efficiency and renewable energy | • Manage Rating Agency and investor relationships during transition to new business model and 2016-18 rate case.  
• Maximize FEMA and CDBG funding for Sandy, NEMO and mitigation work.  
• Oversee clean energy performance including ongoing independent evaluation.  
• Monitor monthly performance results.  
• Effective OSA oversight including Utility 2.0, Clean Energy Advisory Board and Government and stakeholder coordination of initiatives. |
| Transparency | • Website information availability, including meeting webcasts.  
• Compliance with all aspects of New York State’s Open Meetings Law.  
• Public Dissemination of Pertinent Information. |