

## **PART 3**

### **FORM OF STATEMENTS**

**Long Island Power Authority**

**Statement of Values for Losses and Local ICAP for the Long Island Choice Program**

Applicable to all licensed Energy Service Companies (ESCOs) and Direct Retail Customers (DRCs) under Service Classification No. 14 as set forth in the Tariff for Electric Service

**Losses**

DRCs and ESCOs are responsible for delivering to LIPA sufficient energy and capacity to meet their customers' load and to compensate LIPA for electrical losses that occur as part of the delivery process. The loss factors will vary depending upon the voltage level of the customer delivery. The energy loss factors must be multiplied by the energy as measured at the customers' meter to yield the total energy to be delivered by the ESCO or DRC to the border of the LIPA system. The energy loss factors shall also be applied to ancillary services procured on behalf of customers. The demand loss factors will be applied to the peak demand measured at the customer meter or the load profile calculated at the customer meter. The New York Independent System Operator (NYISO) will assess losses at the transmission level.

| <u>Delivery Voltage Level</u>                | <u>Energy</u> | <u>Demand</u> |
|--|---------------|---------------|
| Transmission (greater than 115kV)            | 0             | 0             |
| Subtransmission (between 34.5 kV and 115 kV) | 1.5472%       | 1.7754%       |
| Primary (between 2.4 kV and 13.2 kV)         | 3.2188%       | 4.7093%       |
| Secondary (less or equal to 480 kV)          | 6.2671%       | 8.2079%       |

**Installed Capacity Reserve Requirement (ICAP)**

Each ESCO will be required to provide an Installed Capacity Reserve Requirement (ICAP) in accordance with the applicable NYISO tariff.

**Local Installed Capacity Reserve Requirement (Local ICAP)**

A portion of the ICAP requirement must be provided by resources that qualify as local capacity. The Local Installed Capacity Reserve Requirement (Local ICAP) is equal to 89.4% of the ICAP requirement defined above.

Effective: May 1, 2000

**LIPA Statement No. 1 - BCA**

**Long Island Power Authority**

**Statement of Bill Credit Adjustment for the Long Island Choice Program**

**For the month of                   , 2000**

**Applicable to all licensed Energy Service Companies (ESCOs) and  
Direct Retail Customers (DRCs) under Service Classification No. 14  
As set forth in the Tariff for Electric Service**

|   |                |
|---|----------------|
| 1. Locational Based Marginal Price (LBMP) (\$/MWh)    | \$33.00        |
| 2. Tariff LBMP Credit (\$/MWh)                        | <u>\$30.00</u> |
| 3. Net LBMP Adjustment (\$/MWh) (1) - (2)             | \$ 3.00        |
| 4. LIPA's Avoided Cost of Ancillary Services (\$/MWh) | \$ 2.80        |
| 5. Ancillary Services Bill Credit (\$/MWh)            | <u>\$ 1.80</u> |
| 6. Net Ancillary Adjustment (\$/MWh) (4) - (5)        | <u>\$ 1.00</u> |
| 7. Total Adjustment (\$/MWh)                          | \$ 4.00        |
| 8. System Loss Factor                                 | <u>1.0606</u>  |
| 9. Bill Credit Adjustment (\$/MWh)                    | \$ 4.24        |

Note: The values shown on this example are for illustrative purposes only.

Effective: