Applicable to Customers within the Town of Southampton located East of the Shinnecock Canal, excluding the unincorporated villages of Shinnecock Hills, Tuckahoe, Shinnecock Indian Reservation, and Hampton Bays, as these boundaries and property lines have been identified to LIPA by the Town of Southampton.

Applicable to all metered accounts with rate codes within Service Classification Nos. 1, 1-VMRP, 1L-VMRP, 2, 2-VMRP, 2L, 2H, 2L-VMRP, 2-MRP, 12, 13, 15 and 16.

1. Unrecovered balance of the incremental costs already incurred, plus projected incremental costs anticipated for the remainder of the recovery period, plus net accrued interest to date. $10,185,246
2. Annual amortization rate assuming 6.00% annual cost of money over the remaining 20 years 8.72%
3. Total Annual Amount to be Recovered $887,996
4. Expected Annual Energy Usage by the Service Classifications in the Designated Areas (in kWhs) 289,082,309
5. VBA Rate ($/kWh) $0.003072

Effective: September 28, 2009