



333 Earle Ovington Boulevard
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Uniondale, NY 11553
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December 4, 2015

Mr. Robert Gurman, Vice-Chairman
Utility Debt Securitization Authority
c/o Long Island Power Authority
333 Earle Ovington Blvd. Ste. 403
Uniondale, NY 11553

Subject: Notice of Adjustment for 2015 Bonds

Pursuant to the Restructuring Cost Financing Order No. 2 of the Long Island Power Authority (“Authority”) dated June 26, 2015 (the “Financing Order”) and the Restructuring Property Servicing Agreement, dated as of October 27, 2015 (the “Servicing Agreement”), between the LONG ISLAND LIGHTING COMPANY, as Servicer, and the UTILITY DEBT SECURITIZATION AUTHORITY, the undersigned does hereby provide notice of an adjustment to the Charge to take effect on the Adjustment Date specified below.

Adjustment Date: January 1, 2016

Adjusted Charge: \$0.004827 per kWh

The adjusted Charge was calculated as the higher of the charge required to meet the June 15th payment or the sum of the two payments due in 2016, as shown on the table below.

Respectfully,

A handwritten signature in black ink that reads "John W. Little". The signature is written in a cursive, slightly slanted style.

John W. Little
Managing Director of Planning and Strategy
As Servicer to the Utility Debt Securitization Authority

Utility Debt Securitization Authority
 Securitization Charge to be Effective on January 1, 2016

<u>Expense Component</u>	<u>Payment Due</u> <u>6/15/16</u>	<u>2016</u> <u>Annual</u>
Principal Due	\$0	\$0
Interest Due	\$30,969,588	\$55,419,263
Reserve Fund Earnings	-\$2,500	-\$5,000
Replenish Reserve Fund	\$0	\$0
Additional Revenue through December 31st	\$0	\$0
Ongoing Servicer fee	\$250,526	\$501,053
Administration Fees	\$50,000	\$100,000
Bond Administration Fees	\$32,500	\$65,000
Bond Trustee Fees and Expenses	\$7,000	\$14,000
Legal fees	\$5,000	\$10,000
Accounting fees	\$10,000	\$20,000
Directors and Officers Insurance	\$45,000	\$95,000
<u>Miscellaneous</u>	<u>\$3,000</u>	<u>\$13,000</u>
Total to be Recovered	\$31,370,115	\$56,232,316
Allowance for Write-off at .590% (see note 1)	\$186,182	\$333,740
Revenue to be Recovered	\$31,556,297	\$56,566,056
kWhs (based on 37 Days Sales Outstanding)	6,537,793,808	17,329,143,327
Last Billing Date (see note 2)	May 9, 2016	November 8, 2015
Securitization Charge (per kWh)	\$0.004827	\$0.003264

Notes:

1) $\$186,182 / \$31,556,297 = .590\%$

Write-off rate based on PSEG Scorecard YTD October 2015

2) Billings on November 8th will be received 37 days later on December 15

Billed sales reflect latest projections as of November 2015

Days Sales Outstanding based on PSEG Scorecard YTD October 2015

Required Distribution List:

UDSA Trustees:

Bruce Levy
Robert Gurman

Bond Administrator:

LIPA
333 Earle Ovington Blvd. Ste. 403
Uniondale, NY 11782
Attention: Bobbi O'Connor, Deputy General
Counsel

Bond Trustee:

The Bank of New York Mellon
101 Barclay Street, Floor 7- West
New York, NY 10286
Attention: Frederic Belen

Bond Issuer:

Utility Debt Securitization Authority
c/o Long Island Power Authority
333 Earle Ovington Blvd. Ste. 403
Uniondale, NY 11782
Attention: Jon Mostel, General Counsel

Allocation Agent:

Long Island Power Authority

Rating Agencies:

Moody's Investors Service, Inc.
25th Floor, 7 World Trade Center, 250
Greenwich Street
New York, New York 10007
Attention: ABS/RMBS Monitoring
Department

Standard & Poor's Ratings Services
55 Water Street
New York, New York 10041
Attention: Structured Credit Surveillance

Fitch Ratings
One State Street Plaza
New York, New York 10004
Attention: ABS Surveillance

Electronic Municipal Market Access:

Filed electronically by
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