



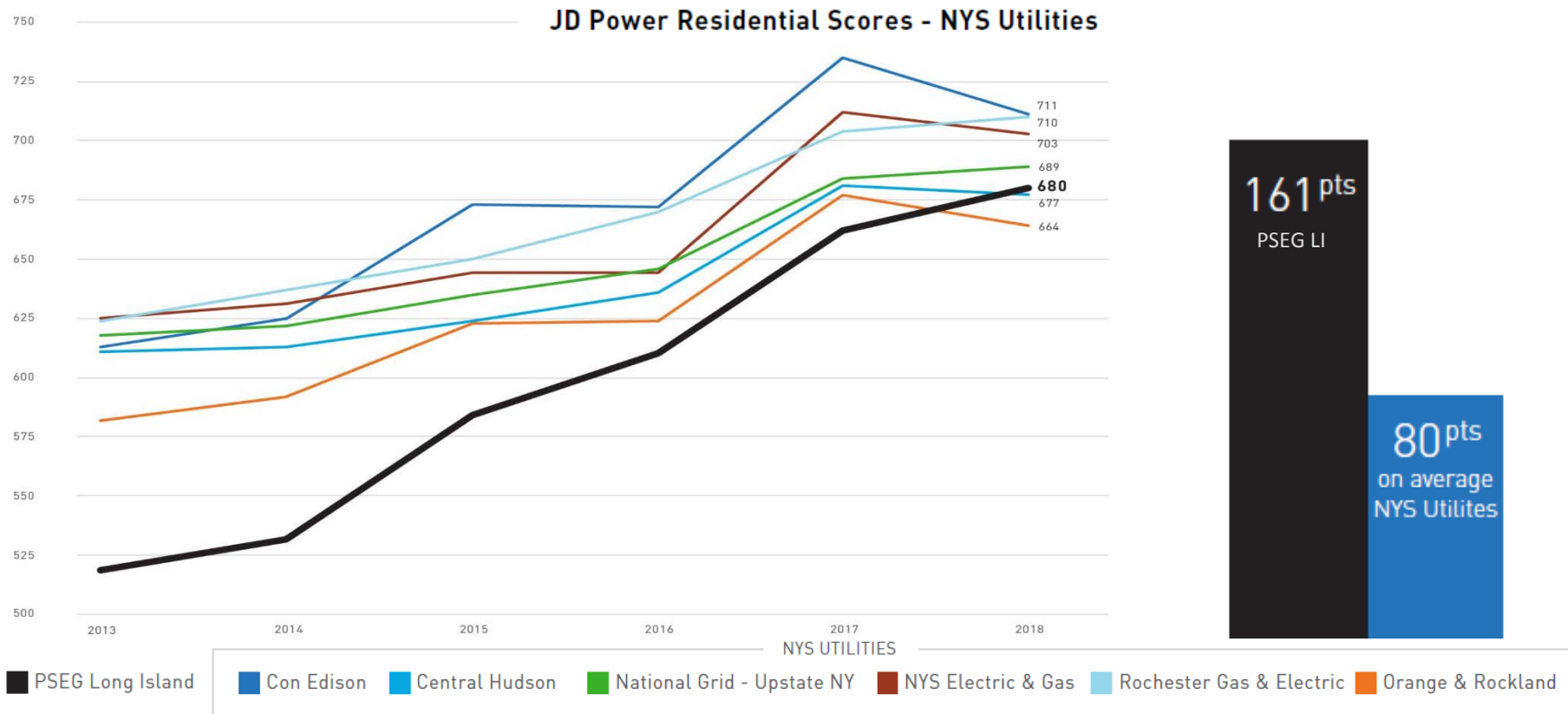
CEO REPORT

July 25, 2018

2018 J.D. Power Survey: PSEG Long Island Most Improved Utility

From 2013-2018, PSEG Long Island:

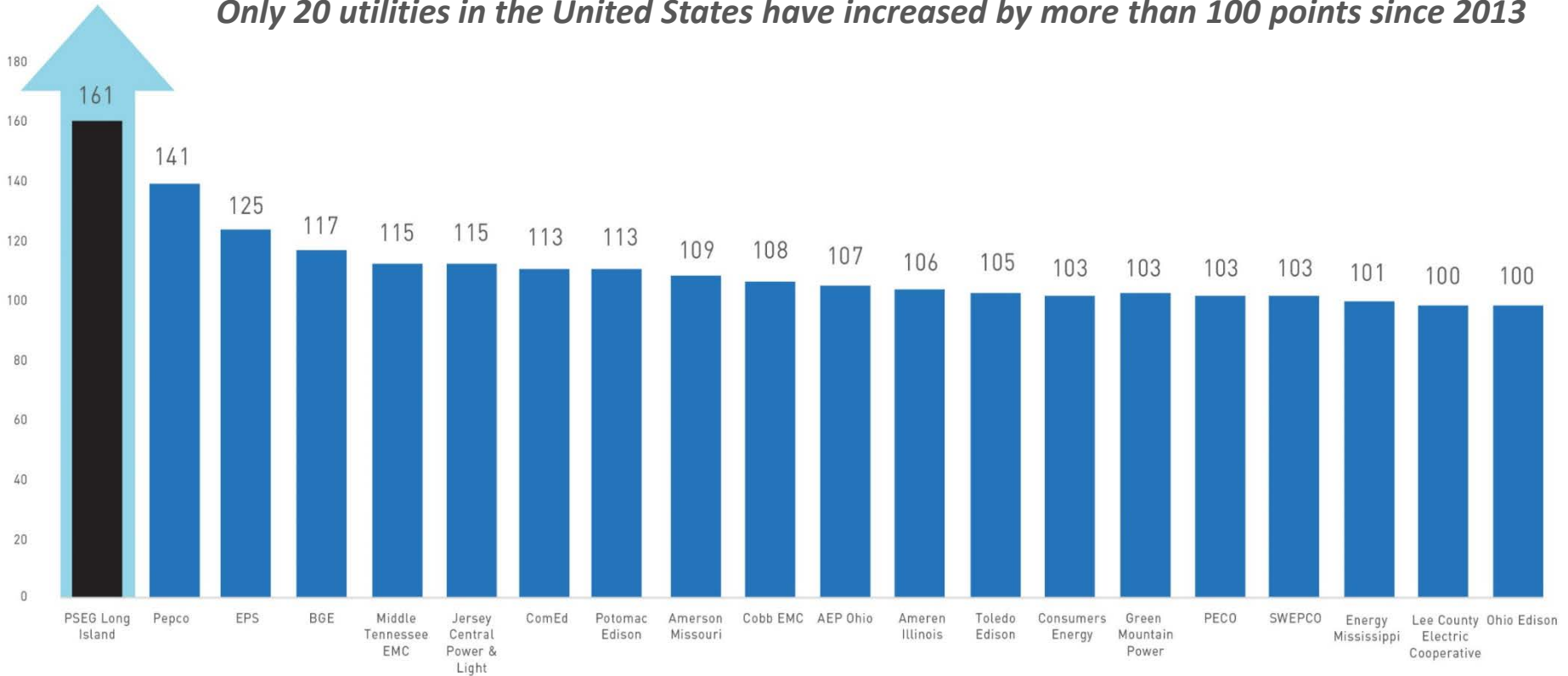
- Is the only utility in New York State to show consistent and dramatic improvement
- Increased scores 161 points, while the average New York State utility improved by just 80 points



2018 J.D. Power Survey: PSEG Long Island Most Improved Utility

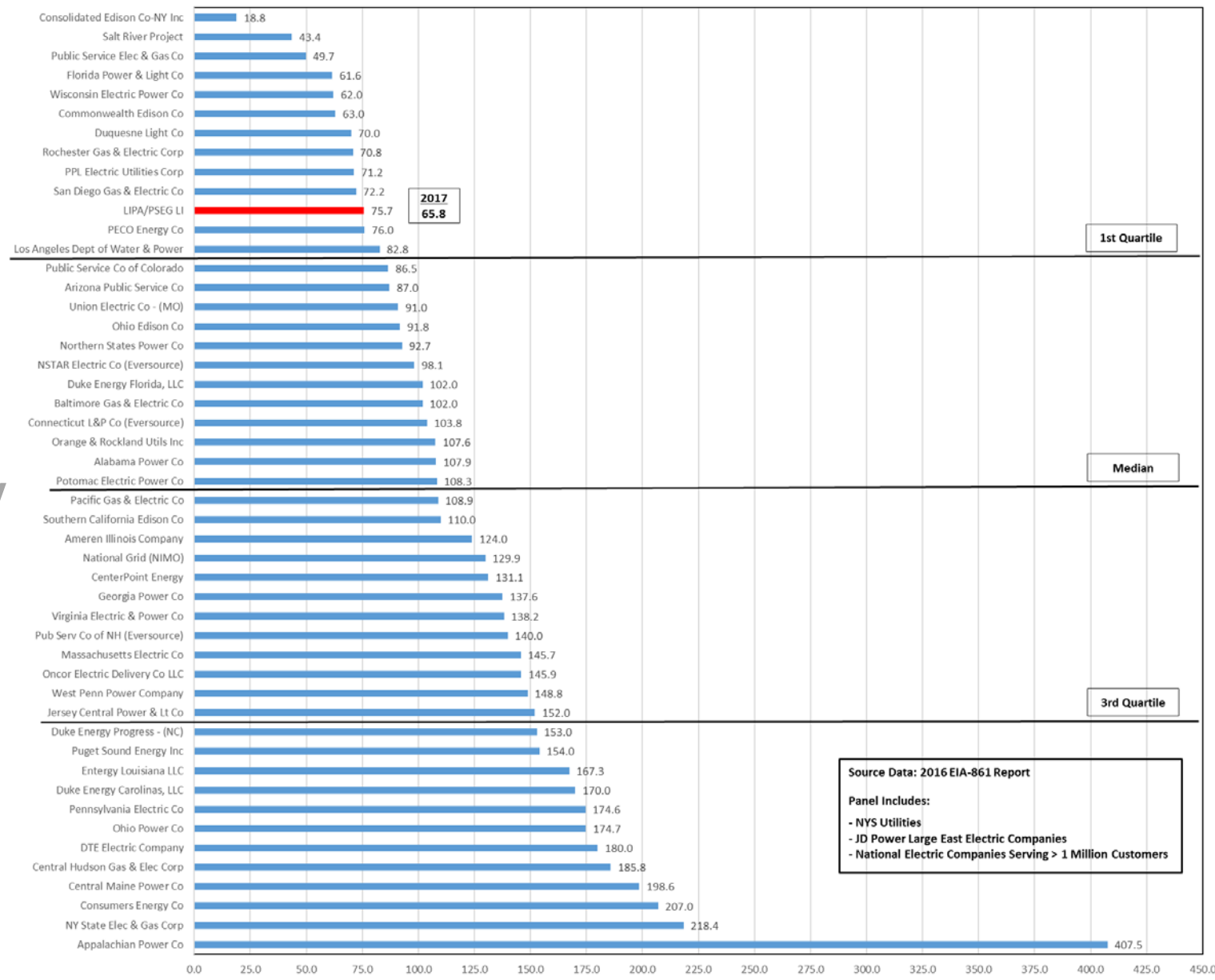
PSEG Long Island has improved at twice the rate of the average electric utility

Only 20 utilities in the United States have increased by more than 100 points since 2013



2016 SAIDI PERFORMANCE (MINUTES)

1st
Quartile
Reliability



Source Data: 2016 EIA-861 Report
Panel Includes:
 - NYS Utilities
 - JD Power Large East Electric Companies
 - National Electric Companies Serving > 1 Million Customers



And The Award Goes To...

LIPA Earns National Recognition



Northport Power Plant Nationally Recognized as the Highest Taxed Property in America

Rank	2017 Taxes	Building Name	City, State	Year Built
1	\$82,093,239	Northport Power Station	Northport, NY	1967
2	\$75,568,292	General Motors Building	New York, NY	1968
3	\$66,504,858	Stuyvesant Town	New York, NY	1945
5	\$52,089,329	Metlife Building	New York, NY	1963
15	\$39,895,406	Empire State Building	New York, NY	1931
21	\$36,576,768	Exelon - Byron Nuclear Generating Station	Byron, IL	1985
22	\$35,642,819	Disneyland® Resort	Anaheim, CA	1955
28	\$31,742,883	Sears/Willis Tower	Chicago, IL	1973
31	\$30,761,902	Mall Of America	Bloomington, MN	1990
58	\$20,411,225	Borgata Hotel and Casino	Atlantic City, NJ	2003
68	\$19,230,044	The Waldorf Astoria	New York, NY	1930
76	\$17,912,974	Xcel Energy Monticello Nuclear Generating Plant	Monticello, MN	1971
94	\$16,365,273	Bellagio Hotel and Casino	Las Vegas, NV	1998

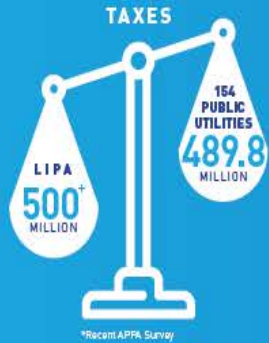
A FAIR TAX, CLEAN ENERGY FUTURE

Reducing utility property taxes furthers LIPA's mission to provide clean, reliable, and affordable energy to our 1.1 million customers on Long Island and Rockaways.

1. Where does LIPA Rank?

LIPA customers pay more in taxes and payments-in-lieu-of-taxes ("PILOTs") than 154 utilities* combined.

The Northport power plant is the highest taxed property in the nation.



- | | | |
|----|-----------------------------|--------|
| 1 | Northport Power Station | \$82 M |
| 2 | General Motors Building, NY | \$75 M |
| 3 | Stuyvesant Town, NY | \$66 M |
| 15 | Empire State Building, NY | \$39 M |
| 22 | Disneyland® Resort, CA | \$35 M |
| 28 | Sears/Willis Tower, IL | \$31 M |
| 31 | Mall Of America, MN | \$30 M |
| 94 | Bellagio Hotel & Casino, NV | \$16 M |

*Recent Commercial Café Report



2. High taxes on legacy power plants



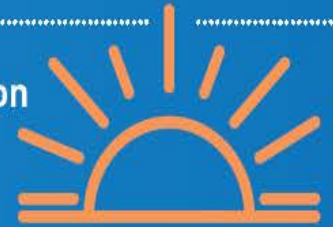
3. Where do the taxes go?

\$2 billion will go to pay property taxes on four legacy power plants over the next decade.



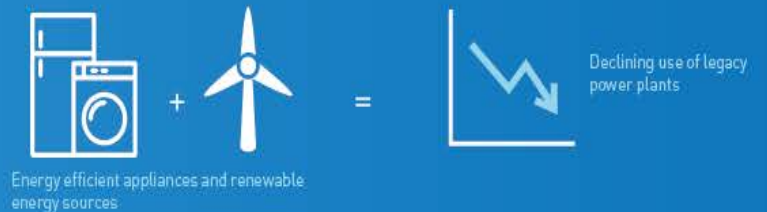
4. A new energy grid on the horizon

New York has a nation-leading mandate to generate 50% of the state's electricity needs from renewable sources. LIPA and PSEG Long Island are doing their part:



- NY's First Offshore Wind Project
- Leading NY in Rooftop Solar
- NY's First Utility-Scale Battery Project
- Largest Fuel Cell Commitment

5. Decreasing power production from legacy power plants



PSEG Long Island & LIPA Launch New Websites

