October 15, 2018

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 2013 Bonds

Pursuant to the Restructuring Cost Financing Order of the Long Island Power Authority (“Authority”) dated October 3, 2013 (the “Financing Order”) and the Restructuring Property Servicing Agreement, as amended on April 14, 2016 (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: November 15, 2018 May 15, 2018

Adjusted Charge: $0.010081 per kWh $0.008086 per kWh

The adjusted Charge was calculated as the higher of the charge required to meet the June 15, 2019 debt service payment and the charge required to meet both the June 15, 2019 payment and the December 15, 2019 payment (Combined), as shown on the table below.

Respectfully,

/s/ Justin H. Bell

Justin H. Bell
Director of Rates and Regulation
Long Island Power Authority
As Servicer to the Utility Debt Securitization Authority
Utility Debt Securitization Authority - 2013 Bonds  
Securitization Charge to be Effective on November 15, 2018

<table>
<thead>
<tr>
<th>Expense Component</th>
<th>Payment Due</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6/15/19</td>
<td>Combined</td>
</tr>
<tr>
<td>Principal Due</td>
<td>$65,017,000</td>
<td>$130,761,000</td>
</tr>
<tr>
<td>Interest Due</td>
<td>$40,659,819</td>
<td>$80,592,844</td>
</tr>
<tr>
<td>Reserve Fund Earnings</td>
<td>-$98,719</td>
<td>-$197,439</td>
</tr>
<tr>
<td>Replenish/(Release) Reserve Fund</td>
<td>-$84,785</td>
<td>-$84,785</td>
</tr>
<tr>
<td>Revenue from Prior Periods</td>
<td>-$22,884,778</td>
<td>-$22,884,778</td>
</tr>
<tr>
<td>Ongoing Servicer Fee</td>
<td>$505,581</td>
<td>$1,011,162</td>
</tr>
<tr>
<td>Administration Fees</td>
<td>$50,000</td>
<td>$100,000</td>
</tr>
<tr>
<td>Bond Administration Fees</td>
<td>$30,000</td>
<td>$60,000</td>
</tr>
<tr>
<td>Accounting Fees</td>
<td>$33,705</td>
<td>$67,411</td>
</tr>
<tr>
<td>Directors and Officers Insurance</td>
<td>$73,028</td>
<td>$146,057</td>
</tr>
<tr>
<td><strong>Total to be Recovered</strong></td>
<td><strong>$83,300,852</strong></td>
<td><strong>$189,571,473</strong></td>
</tr>
<tr>
<td>Allowance for Write-off at .660%</td>
<td>$553,438</td>
<td>$1,259,484</td>
</tr>
</tbody>
</table>

**Revenue to be Recovered**  

| kWhs (based on 36 Days Sales Outstanding) | 8,652,545,331 | 18,930,143,544 |
| Last Billing Date                      | May 10, 2019   | November 9, 2019 |
| **Securitization Charge (per kWh)**    | $0.009691      | $0.010081      |

**Notes:**

1) $553,438 / $83,854,290 = .660%
   Write-off rate based on PSEG Long Island Scorecard August 2018

2) Days Sales Outstanding based on PSEG Scorecard August 2018
   Billings on May 10 will be received 36 days later on June 15
   Billings on November 9 will be received 36 days later on December 15
   Billed sales reflect latest projections as of August 2018
Required Distribution List:

**UDSA Trustees:**
Bruce Levy  
Robert Gurman

**Allocation Agent:**
Long Island Power Authority

**Bond Administrator:**
LIPA  
333 Earle Ovington Blvd. Ste. 403  
Uniondale, NY 11553  
Attention: Anna Chacko, General Counsel

**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

**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 11553  
Attention: Anna Chacko, General Counsel

**Electronic Municipal Market Access:**
Filed electronically by  
Christopher Reitzl  
Squire Sanders