

**FINANCE AND AUDIT COMMITTEE OF THE
UTILITY DEBT SECURITIZATION AUTHORITY**

MINUTES OF THE 12TH MEETING

HELD ON JANUARY 5, 2018

AT THE OFFICES OF HAWKINS DELAFIELD & WOOD, LLP

7 WORLD TRADE CENTER, 250 GREENWICH STREET, NEW YORK, NY

The Finance and Audit Committee (the “Committee”) of the Utility Debt Securitization Authority (the “Authority”) was convened at 1:40 pm, at Hawkins Delafield & Wood LLP, 7 World Trade Center, 250 Greenwich Street, New York, NY, pursuant to legal notice given on December 28, 2017; and electronic notice posted on the website of the Long Island Power Authority (“LIPA”).

The following Trustees of the Authority were in attendance:

**Bruce Levy, Committee Chair
Robert Gurman**

Representing the Authority were Thomas Falcone, Chief Executive Officer; Joseph Branca, Chief Financial Officer; and Bobbi O’Connor, Vice President, Policy, Strategy and Administration and Secretary to the Board of Trustees. Representing LIPA were Donna Mongiardo, Controller; Kathleen Mitterway, Director Audit; Thomas Tran, Manager of Finance; and, by phone, Jon R. Mostel, General Counsel.

Also in attendance were Bruce Van Dusen Esq. and Arthur Kimball-Stanley, Esq. of Hawkins Delafield & Wood LLP; and, by phone, Elizabeth Columbo, Esq. of Nixon Peabody and Christopher Reitzel, Esq. of Squire Patton Boggs.

The Chair stated that the first item on the agenda is the adoption of minutes from the

September 29, 2017 meeting. He asked if there were any changes or deletions. Hearing none, the following resolution was then adopted by the Trustees upon motion duly made and seconded:

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE SEPTEMBER 29, 2017 MEETING OF THE FINANCE AND AUDIT COMMITTEE OF THE BOARD OF TRUSTEES OF THE UTILITY DEBT SECURITIZATION AUTHORITY

RESOLVED, that the Minutes of the meeting of the Finance and Audit Committee held on September 29, 2017 are hereby approved and all actions taken by the Trustees present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Committee.

The Chair stated that the next item on the agenda is the Discussion of Financing Savings and Investment Report, to be presented by Joseph Branca.

Mr. Branca presented the Discussion of Financing Savings and Investment Report and took questions from the Trustees.

The Chair stated that the next item on the agenda is the Discussion of Rates, to be presented by Joseph Branca.

Mr. Branca presented the Discussion of Rates and took questions from the Trustees.

The Chair stated that the next item on the agenda is the presentation of Internal Audit Activities, to be presented by Kathleen Mitterway.

Ms. Mitterway presented the Internal Audit Activities and took questions from the Trustees.

The Chair stated that the next item on the agenda is the Adoption of Resolution

Recommending Approval of 2018 Budget, to be presented by Joseph Branca.

Mr. Branca presented the Adoption of Resolution Recommending Approval of the 2018 Budget. The Chair made a motion that the Committee recommend adoption of the resolution by the full UDSA Board, which was seconded. The Committee unanimously adopted the following resolution:

**RECOMMENDATION OF APPROVAL OF THE UTILITY DEBT SECURITIZATION
AUTHORITY'S 2018 BUDGET**

RESOLVED, that the proposed 2018 budget of the Utility Debt Securitization Authority, is hereby recommended by the Finance and Audit Committee of the Board for approval by the Board.

At approximately 2:11 pm. the Chair entertained a motion to adjourn, which was duly made and seconded.