



# CEO Report

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*September 23, 2020*

# AGENDA

- 01** September Board Meeting Significant Items
- 02** Update: COVID-19 Impact on Electricity Sales
- 03** Tropical Storm Isaias 30-Day Report
- 04** Power Plant Tax Case Update
- 05** Jones Beach Energy and Nature Center

# SEPTEMBER BOARD MEETING SIGNIFICANT ITEMS

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## **FOR DISCUSSION**

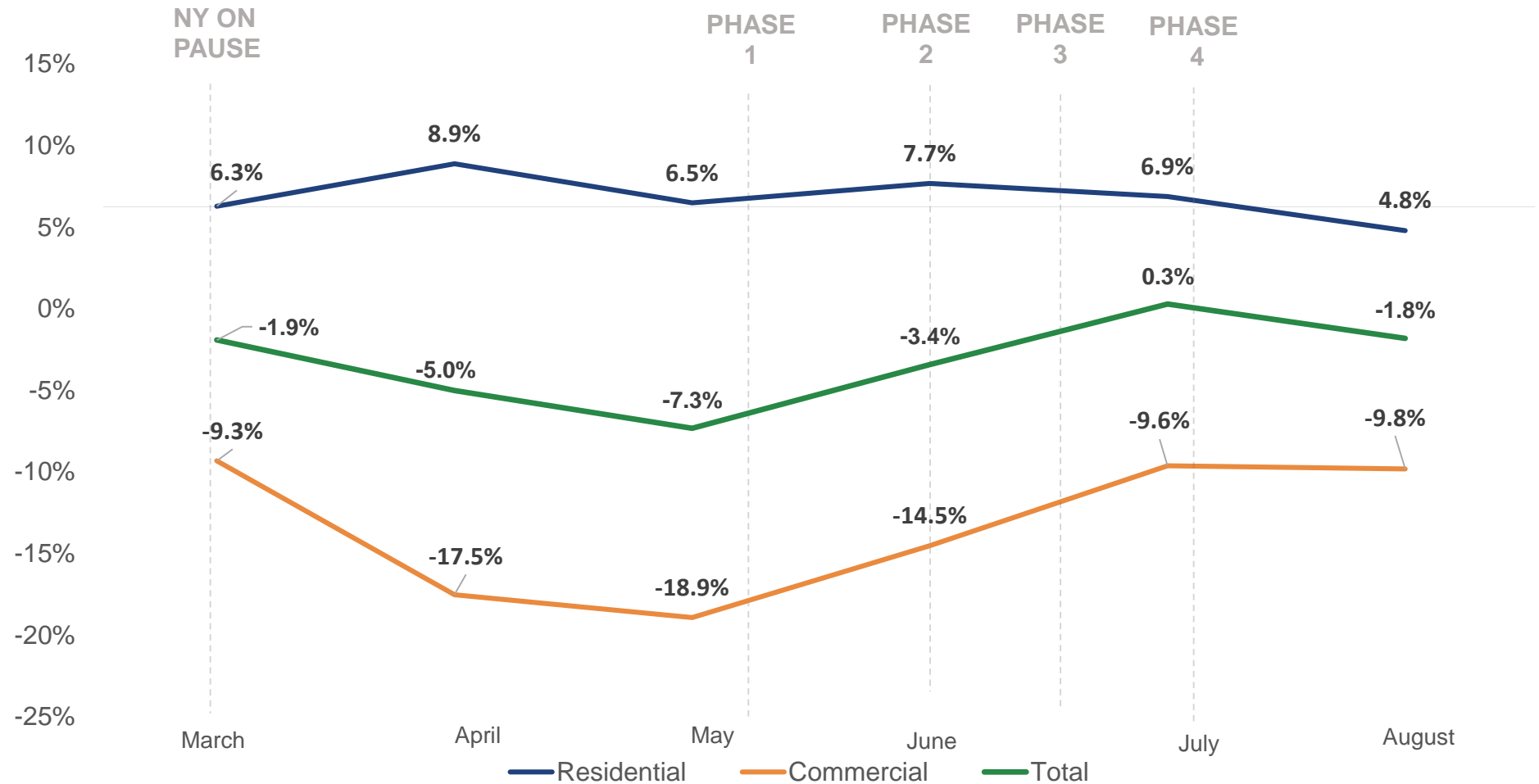
- 30-Day Report from Isaias Task Force
- Independent Auditor's 2020 Audit Plan\*
- Emergency Response Oversight Process\*
- Implementation of Management Audit Recommendations\*

## **FOR APPROVAL**

- Authorization for Medium Term Note Financing\*
- Board Policy on Power Supply Hedging
- Board Policy on Construction of T&D Projects
- Operating Agreement with New York State Parks for the Jones Beach Energy Center\*
- Tariff Changes Related to COVID
- Extension of the Power Purchase Agreement for Fitzpatrick\*
- Extension of the Sound Cable Agreement with New York Power Authority\*

# COVID-19: ELECTRIC SALES UPDATE

*Weather Adjusted Electric Sales: March – September  
Compared to Prior Year*



# COVID-19: ELECTRIC SALES UPDATE

## REVENUE BY CUSTOMER CLASS

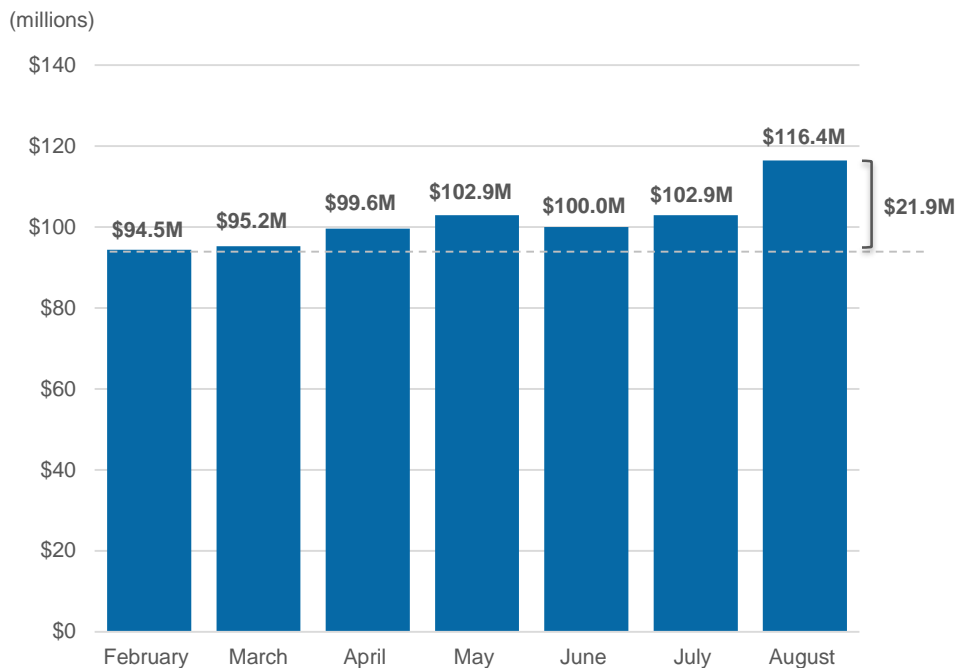
**Budget vs. Booked Delivery Revenue March-August 2020:  
Revenue Decoupling Balance due to/(from) by Customer Class**



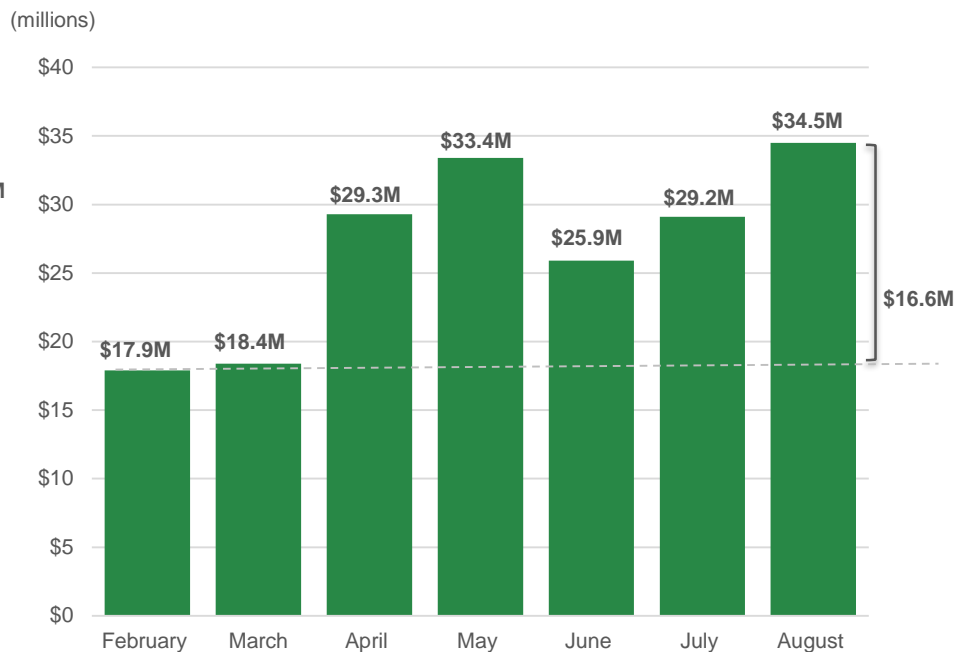
Revenue Decoupling balance from March to August 2020 changed by +\$22 million on sales of \$2.2 billion; includes weather-related effects on sales

# COVID-19: CUSTOMER AMOUNTS DUE OVER 30 DAYS

## Residential



## Commercial



Amounts due from customers (> 30 days) have increased by \$38 million since February 2020. Part of the effect is seasonal (higher summer electric usage and bills) and part is related to the pandemic-induced recession

# TROPICAL STORM ISAIAS: A TOP 5 STORM

**#1**

**Superstorm Sandy**  
2012

**Outages: 1,194K**

**Damage  
Locations:  
37,000**

**Restoration Time:  
16 Days**

**#2**

**Hurricane Gloria**  
1985

**Outages: 750K**

**Damage  
Locations:  
18,730**

**Restoration Time:  
11 Days**

**#3**

**Tropical Storm Isaias**  
2020

**Outages: 645K**

**Damage  
Locations:  
22,986**

**Restoration Time:  
8 Days**

**#4**

**Tropical Storm Irene**  
2011

**Outages: 523K**

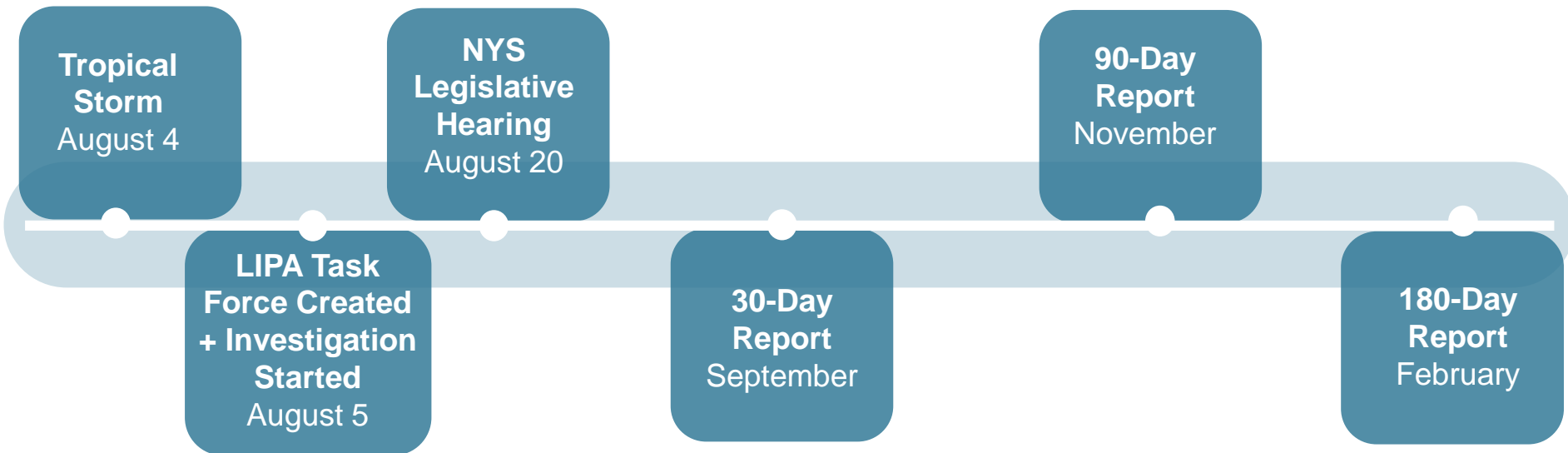
**Damage  
Locations:  
18,926**

**Restoration Time:  
8 Days**

# ISAIAS TASK FORCE 30-DAY REPORT

## 30-Day Report Includes:

- 4 preliminary findings and 37 near-term recommendations to improve on customer communications and service restoration system performance during Tropical Storm Isaias
- Description of root causes and workstreams for 90 and 180-day reports
- Discussion of storm hardening investments with recommendations in 90-day report





# NORTHPORT POWER STATION SETTLEMENT

## Settlement with the Town of Huntington Approved

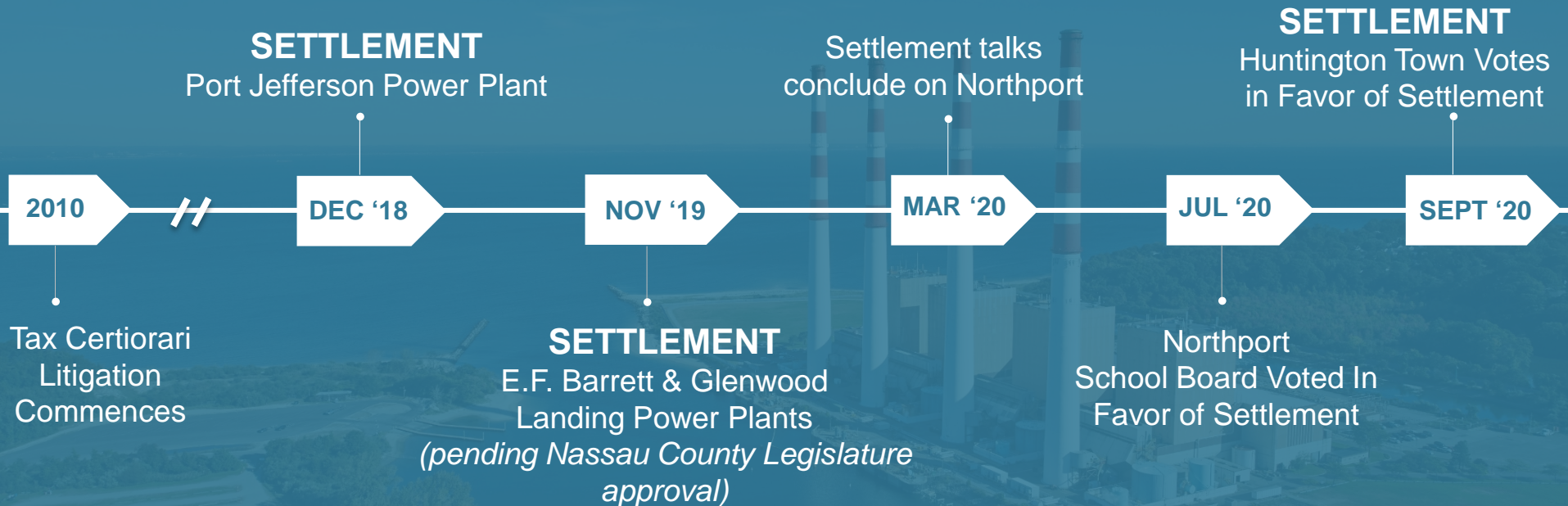
On September 3, 2020, the Huntington Town Council voted in favor of LIPA's settlement agreement on the Northport Power Station.

The settlement will:

- ✓ Reduce total payments by 47 percent through a gradual phase-in through 2027
- ✓ Provide an additional \$14.5 million in direct payments to the Northport-East Northport School District
- ✓ Provide an additional \$3 million to the Town of Huntington
- ✓ Waive over ~\$800 million in potential tax refunds for all Town of Huntington Residents



# PROPERTY TAX TIMELINE



- Nassau County settlement remains pending approval in the Nassau County Legislature
- LIPA continues to prepare for trial for the E.F. Barrett and Glenwood Landing plants
- 400-600MW of steam and peaking plant closures are under evaluation with an announcement by year end, which may impact the value LIPA derives from settling the tax cases

# OPENING SOON: JONES BEACH ENERGY & NATURE CENTER

- A one-of-a-kind educational institution dedicated to exploring relationships between human life, energy use, and environmental conservation
- Located on the West End of Long Island's iconic Jones Beach State Park, the Center activates the coastal landscape as a living example of these relationships
- The net-zero building models how architecture, design, and technology can adapt to a changing environment to meet our energy needs

