



2022 Integrated Resource Plan

June 23, 2021

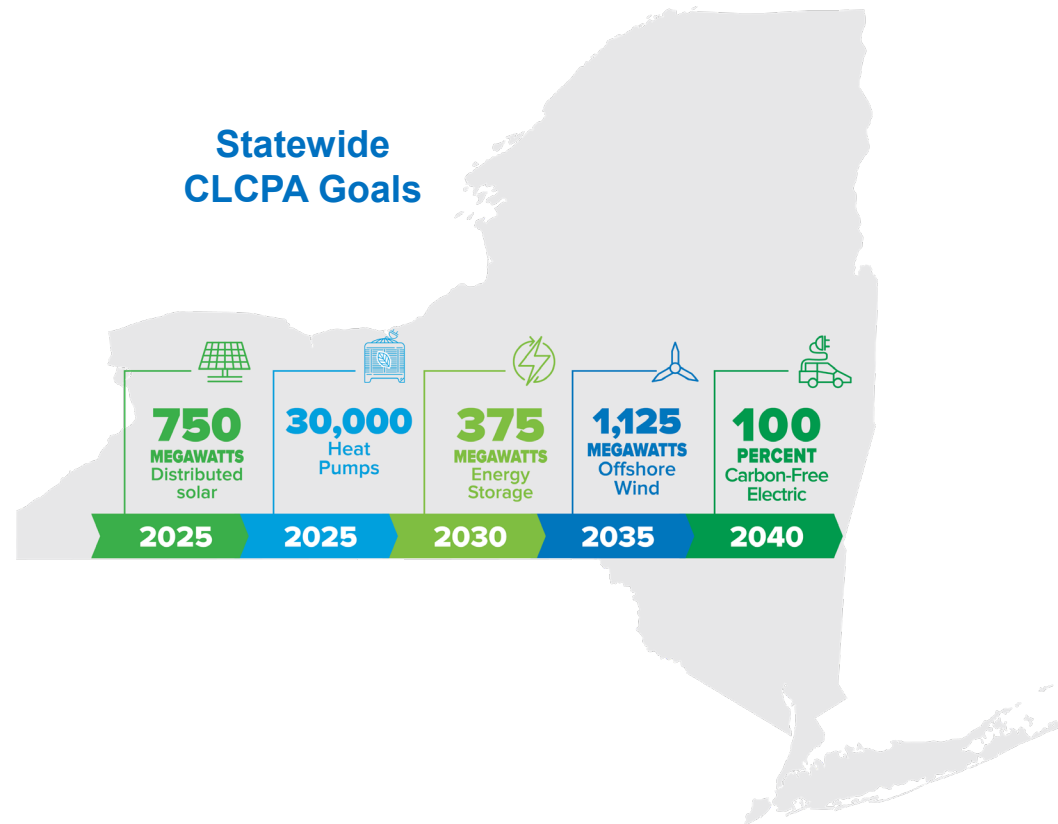
OVERVIEW OF THE 2022 INTEGRATED RESOURCE PLAN

The Integrated Resource Plan (IRP) is a comprehensive assessment of LIPA's resource and transmission assets that identifies reliable, environmentally compliant, cost effective, and timely options for meeting future demand

- PSEG Long Island, as agent of and acting on behalf of LIPA, has commenced the development of a new 2022 IRP for electric power supply to the electric grid for Long Island and the Rockaways
- IRPs are typically conducted every 3 - 5 years with a 10+ year planning horizon
 - The 2017 IRP rejected proposals to build new combined-cycle plants and identified future challenges of integrating offshore wind
 - The 2022 IRP will use a Study Period of 2022 - 2040 with a focus on changes needed by 2030
- The IRP will produce an Action Plan

WHAT'S NEW FOR THE 2022 IRP?

- In 2019, New York State adopted the Climate Leadership and Community Protection Act (CLCPA) which includes aggressive goals to decarbonization the electric grid
- CLCPA will require sweeping changes to LIPA's power supply portfolio and planning for future generation and transmission
- Transitioning to a carbon-free grid involves both adding new clean sources of energy and retiring older, fossil-fueled power plants



KEY CHALLENGES FOR THE 2022 IRP

Near-Term Challenges

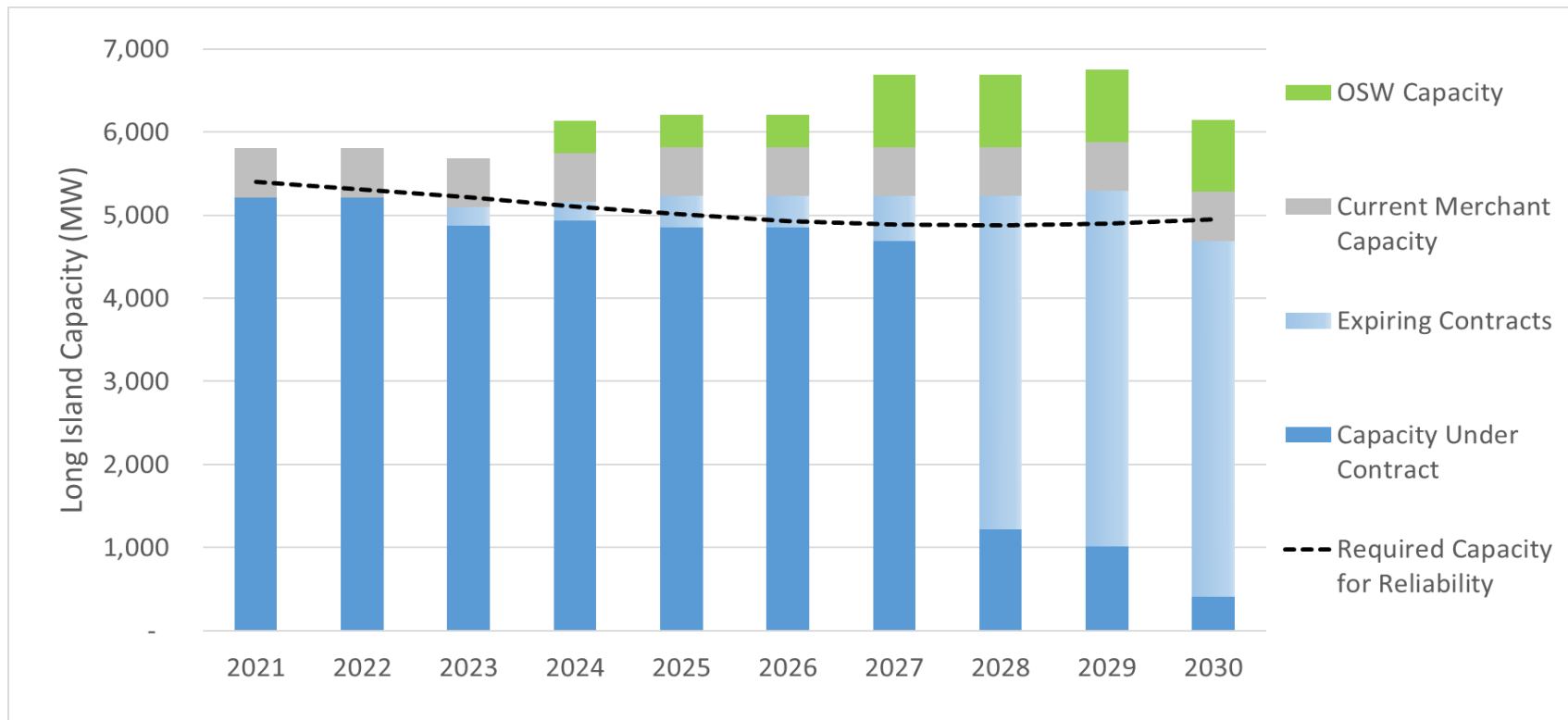
- Contracts with existing fossil-fired plants, which currently meet about 80% of local capacity needs, are set to expire in the next 5-10 years and will need to be replaced by clean energy
- Integration of offshore wind, solar, and energy storage resources will necessitate upgrades to the on-Island transmission grid
- New York State CLCPA goals and New York Independent System Operator market reforms are changing the rules of the electric business

Long-Term Challenges

- Transitioning Long Island to a zero emissions reliable power grid by 2040
- Meeting growth in electric vehicles and building electrification

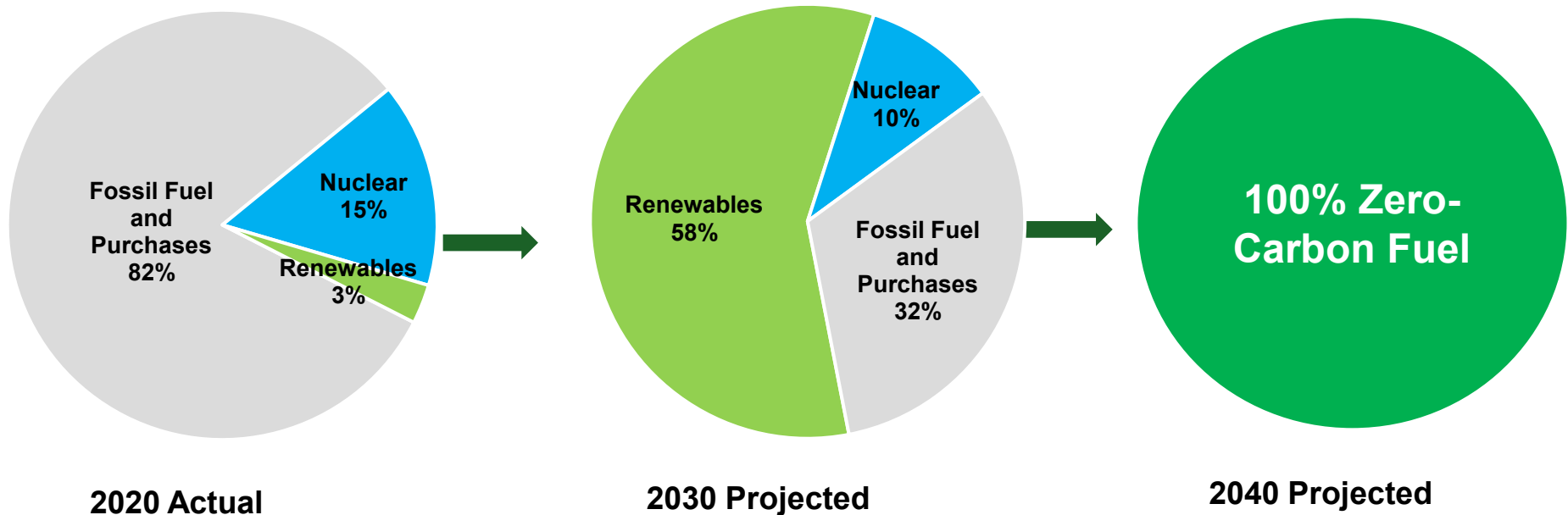
GENERATION RESOURCE ADEQUACY

- Existing resources meet LIPA's capacity requirements through 2030
- Most power purchase contracts with fossil units expire by 2030
- Many older, LILCO-era fossil units are candidates to retire by 2030



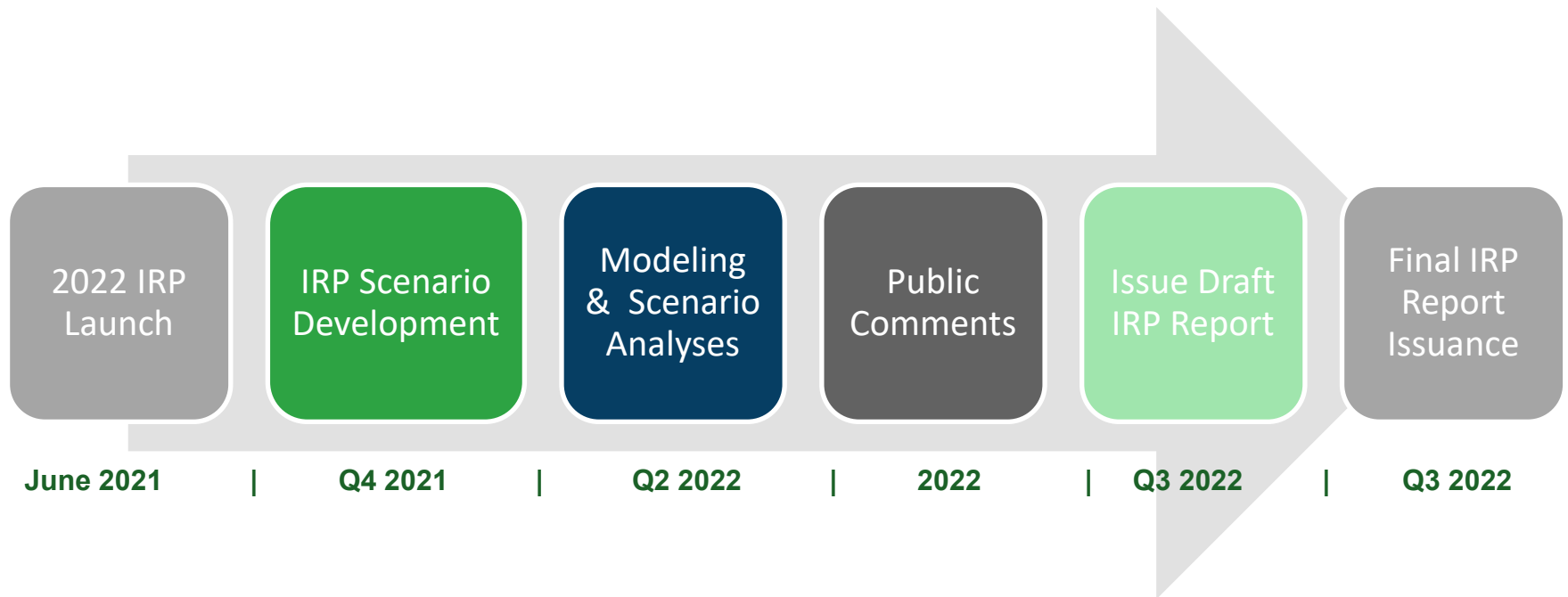
CURRENT AND PROJECTED FUEL MIX

- The large majority of LIPA's current fuel supply mix uses fossil fuels
- By 2040, LIPA will serve its customers with 100% zero-carbon electricity generation



TIMELINE

The 2022 IRP process will be a one year+ effort



COLLABORATION

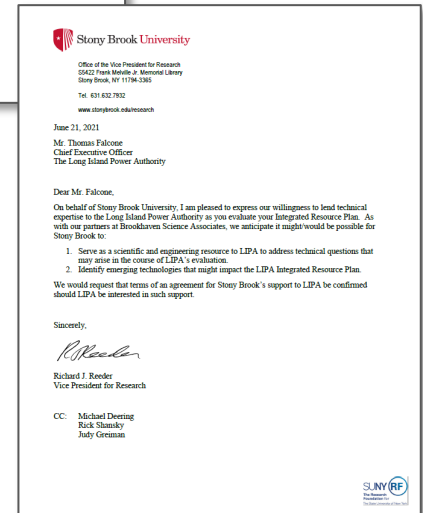
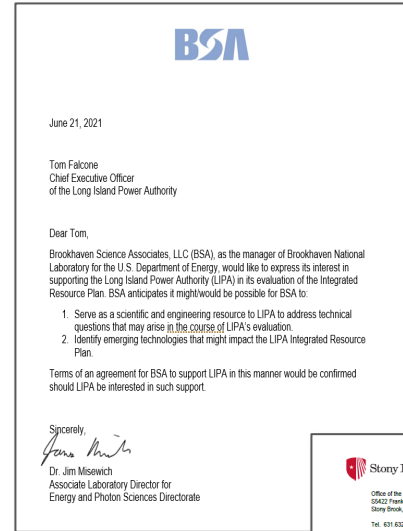
LIPA and PSEG Long Island staff will be collaborating with additional resources, including:

Consultant Support

- Consultant with extensive industry experience is being retained to assist in IRP development

Utilizing Academic and National Expertise

- Stony Brook University and Brookhaven National Laboratory representatives to provide input on topics and identify emerging technology



IRP WEBPAGE AND COMMUNICATION

IRP Website, Email & Notifications

- A dedicated public [webpage](#) has been created on the LIPA website
- Interested parties can sign up to an email list to receive IRP related updates
- Questions and feedback can be provided directly via an online form or via email to IRP@lipower.org

Public Comment Period

- LIPA and PSEG Long Island will post the proposed IRP scope of work and seek public comments for a period of 30 days
- Additional opportunities for public comments will be provided later in the IRP process