



CEO REPORT

December 15, 2021

DECEMBER BOARD MEETING

01 Significant Agenda Items

02 APPA Policy Makers Council

03 Reformed PSEG Long Island Contract

04 New York State Public Power Study Bill

05 CBC/NYSEIA & LIPA Agreement

DECEMBER BOARD MEETING SIGNIFICANT AGENDA ITEMS

FOR DISCUSSION

- Isaias Task Force Quarterly Report
- Semi-Annual Report on Power and Fuel Supply Hedging*

FOR APPROVAL

- Reformed PSEG Long Island Contract
- Tariff Changes
- 2022 Budget
- 2022 Plan of Finance*
- Annual Report to the Board Policy on Safety*
- Annual Report on the Former Board Policy on Information and Physical Security*
- Selection of Letter Credit Facilities*
- Annual Agenda Planning
- General Counsel Appointment

* Discussed at Committee

APPA POLICY MAKERS COUNCIL



- LIPA Vice Chair Mark Fischl selected to serve as member of APPA's Policy Makers Council (PMC) for three-year term
- The PMC is made up of locally elected and appointed officials from public power communities across the country
- Its mission is to assist APPA in advocating for federal policies that are important to public power utilities nationwide



NOVEMBER 9 PROPOSED SETTLEMENT AGREEMENT WITH PSEG LONG ISLAND

LIPA & PSEG Long Island Reach Proposed Settlement Agreement, including 2022 Performance Standards and Budget



November 9

- New contract addresses all eight core contract reforms consistent with Board's publicly-stated requirements
- Enhances oversight, while driving management accountability and performance
- Consistent with the terms of the June term sheet with PSEG Long Island

Eight Core Contract Reforms Required for a New Contract with PSEG Long Island

Strengthen Incentives and Accountability Mechanisms

- 1** Greater share of management compensation at risk based on performance
- 2** Expanded performance metrics with greater rigor covering all categories of the management services provided to LIPA
- 3** Strong gating and default metrics to discourage singularly poor performance (e.g., storms)
- 4** Strengthen Long Island-based management and accountability for Long Island operations
- 5** Require candor from service provider



Strengthen Oversight

- 6** Require compliance with Board recommendations to address known deficiencies
- 7** Strengthen oversight in long-term planning, project prioritization, and budget development
- 8** Partition Long Island IT systems and facilitate independent verification and validation by LIPA

LIPA'S OBJECTIVES FOR A REFORMED CONTRACT HAVE BEEN ACHIEVED

Reformed PSEG Long Island Contract

	Original 2013 LIPA-PSEG Long Island Contract	REFORMED 2022 LIPA-PSEG Long Island Contract	Description
Objective 1: Greater Share of PSEG Long Island Compensation at Risk Based on Performance			
How much of PSEG Long Island's compensation is at risk based on performance?	\$10 million (13% of contract fees)	\$40 million (51% of contract fees)	The reformed management contract increases the amount of PSEG Long Island's annual compensation at risk from \$10 million to \$40 million.
Objective 2: Expanded Performance Metrics with Greater Rigor Covering all Categories of Management Services			
How are Performance Metrics set?	Initially in 2013; any changes are with PSEG Long Island's agreement	Annually, by LIPA Board and DPS	Under the existing contract, PSEG Long Island is effectively able to set its own standards of performance by declining to update metrics for evolving industry trends and customer needs. Now, Performance Metrics will be set by LIPA and DPS and voted on by the LIPA Board in a public meeting at the beginning of each year.
How many Performance Metrics affect compensation?	20-26	Up to 110	PSEG Long Island will be subject to detailed performance requirements set annually by the LIPA Board and DPS to ensure the company meets industry best practices across all the management services provided to LIPA and its customers.

LIPA'S OBJECTIVES FOR A REFORMED CONTRACT HAVE BEEN ACHIEVED

	Original 2013 LIPA-PSEG Long Island Contract	REFORMED 2022 LIPA-PSEG Long Island Contract	Description
Objective 3: Strong Gating and Default Metrics to address Failure to Achieve Minimum Performance			
• Cost Management: spending more than 102% of LIPA budgeted funds	\$5-10 million	\$10-20 million	PSEG Long Island's compensation pool is automatically reduced if PSEG Long Island does not stay within budget or fails to meet minimum levels of performance in four core customer-facing categories. A new gating metric has been added for emergency preparation and response. A new default metric has been added for cybersecurity.
• Emergency Preparedness and Response: failure to achieve minimum performance score on a 48-hour or 72+ hour storm	Right to terminate after two failures on 72+ hour storm in three consecutive years	\$5 million (48-hour) to \$10 million (72+ hour) and right to terminate (72+ hour) on a single failure	
• Reliability: average customer minutes without power exceeds utility benchmark	\$13.4 million for 2 failures in 3 consecutive years (>95 Minutes)	\$10 million for failure in any contract year (>85 minutes)	
• Customer Satisfaction: failure to meet minimum customer satisfaction performance	\$13.4 million for 2 failures in 3 consecutive years on a combination of JD Power and internal customer contact surveys (unlikely to occur); right to terminate after 4 consecutive annual scores in 4th quartile	\$3 million and right to terminate for 2 consecutive annual scores in 4th quartile of JD Power Customer Satisfaction Survey beginning in 2024	
Violations of emergency response plan for failure to provide safe, adequate, and reliable service to customers	-	Up to \$20 million	The reformed contract includes a new DPS investigative process with compensation reductions for violations of PSEG Long Island's emergency response plan or failures to provide safe, adequate, and reliable service to customers.
Cybersecurity: failure to implement measures to achieve NIST Cybersecurity Framework Tier 3	-	Right to terminate	The reformed contract has a termination right for failed cybersecurity performance.

LIPA'S OBJECTIVES FOR A REFORMED CONTRACT HAVE BEEN ACHIEVED

	Original 2013 LIPA-PSEG Long Island Contract	REFORMED 2022 LIPA-PSEG Long Island Contract	Description
Contract Term			
When does the contract end?	PSEG Long Island has the right to extend the contract for eight years on substantially similar terms to 12/31/2033	12/31/2025	The reformed contract eliminates PSEG Long Island's option to extend the contract on substantially similar terms for eight years, effectively shortening the termination date to December 31, 2025. Any renewal of the contract will be based on demonstrated performance.
Objective 4: Strengthen Long Island-Based Management and Accountability for Long Island Operations			
Does PSEG Long Island have a fully staffed local management team?	34 PSEG Long Island employees report to superiors in New Jersey	Fully staffed Long Island executive team with decision making authority. All Long Island employees report to a local manager. 5 new local executive positions to be added	The President and Chief Operating Officer of PSEG Long Island will have full and final operational decision-making authority. All Long Island employees report to a local manager. Local senior executives will be added to strengthen information technology, cybersecurity, emergency response, business services, and human resources.
Does the contract require transparency by PSEG Long Island around decisions to hire PSEG affiliates to provide services to LIPA?	No	Yes	The reformed contract requires a demonstration of cost savings or improved service for hiring or retaining a PSEG affiliate to perform services for LIPA. LIPA has the right to reject affiliate services that do not meet this standard.
Objective 5: Duty of Candor			
Does the contract require timely and accurate disclosure of significant operational issues?	No	Yes	The reformed contract requires timely, affirmative disclosure to LIPA and DPS of issues that significantly impair PSEG Long Island's ability to provide reliable service, emergency response, cybersecurity, financial impairment, noncompliance with laws, or circumstances that may endanger public health, safety, and welfare.
Can LIPA terminate for Violation of the Duty of Candor?	No	Yes	LIPA may terminate the contract if the PSEG Long Island violates the Duty of Candor.

LIPA'S OBJECTIVES FOR A REFORMED CONTRACT HAVE BEEN ACHIEVED

	Original 2013 LIPA-PSEG Long Island Contract	REFORMED 2022 LIPA-PSEG Long Island Contract	Description
Objective 6: Require Compliance with LIPA Board Recommendations to Address Known Deficiencies			
Does the contract require PSEG Long Island to fix operational issues identified by LIPA or DPS in a timely manner?	No	Yes	The reformed contract requires PSEG Long Island to implement plans to fix known operational issues identified by LIPA management or DPS, with oversight by the LIPA Board, pursuant to agreed upon plans.
Objective 7: Long-term Planning, Budget Development, and Cost Management			
Are management objectives, budgets, and performance metrics tied together to deliver value for LIPA customers?	Limited to Utility 2.0 Plans (energy efficiency and electrification programs); limited recourse for failure to deliver approved plans	Each scope of management services has a long-term plan approved by the LIPA Board. Budget proposals and performance metrics are aligned with delivering on long-term plans	The reformed contract requires 5-year plans for each scope of management services provided by PSEG Long Island management. Budgets and performance metrics are tied to delivering on the objectives of these plans, providing greater transparency and accountability for delivering projects and services on time and within budget.
Objective 8: Partition Long Island IT Systems and Facilitate Independent Validation and Verification			
Can LIPA independently stress test and validate the performance of mission-critical information technology systems?	No	Yes	The reformed contract has new rights to allow LIPA to independently stress test and validate the performance of mission-critical information technology systems, such as those that failed during Tropical Storm Isaias.
Are LIPA IT systems entangled with PSEG Long Island's parent company system?	Partially merged with PSEG Long Island's parent company systems, with limited LIPA oversight	Separate, independently testable, LIPA-owned IT systems	The reformed contract requires PSEG Long Island to separate information technology platforms from New Jersey-based systems to ensure better accountability and oversight and to reduce barriers to switching to a new provider in the future, if desirable.

ACCOUNTABILITY FOR PERFORMANCE

- The reformed contract between LIPA and PSEG Long Island includes **\$40 million of at-risk compensation**, or 51% of the total management fees paid each year by LIPA, including:



\$20 million of Variable Compensation at-risk based on performance standards set by LIPA, with an independent recommendation to the LIPA Board by the Department of Public Service (DPS)

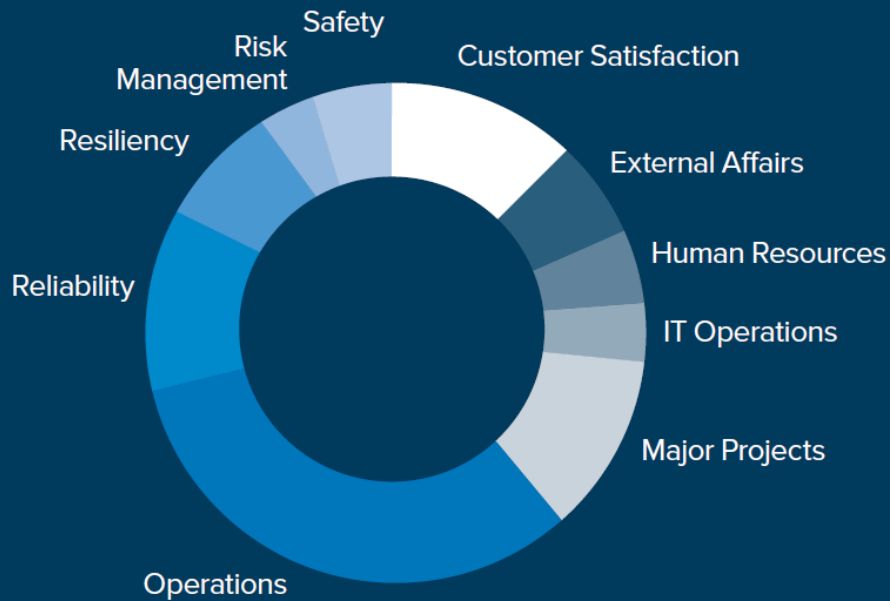


\$20 million of DPS Compensation at-risk if PSEG Long Island violates its Emergency Response Plan or fails to provide safe and adequate service, as determined by an independent DPS investigation and recommended to the LIPA Board

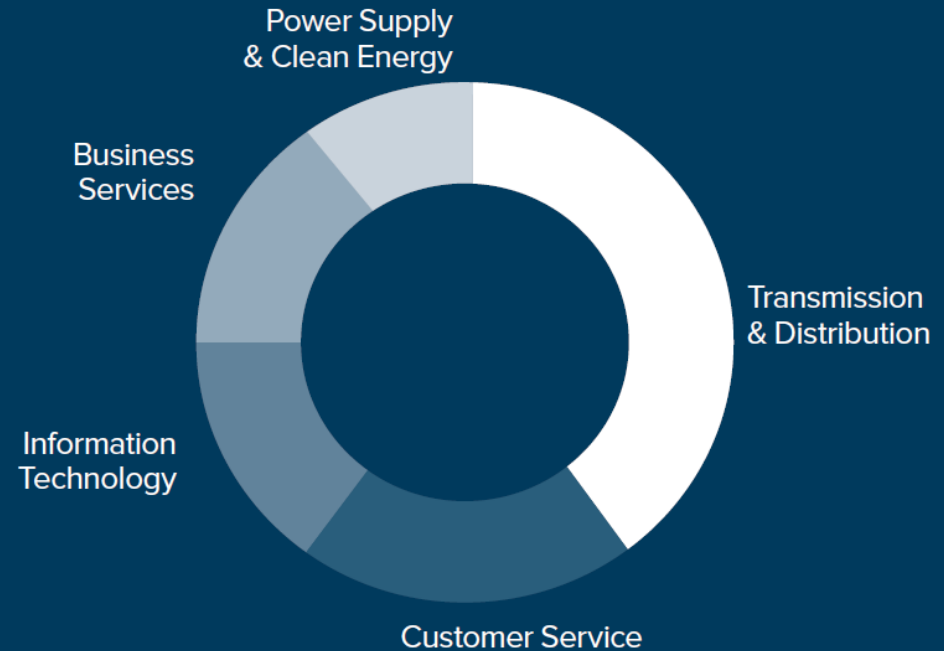


PSEG LONG ISLAND'S VARIABLE COMPENSATION BY SCOPE AND AREA FOR 2022

Focus Areas for 2022 Performance Standards



2022 Performance Standards by Function



Visit www.lipower.org/reformedcontract for proposed contract and 2022 performance standards

NEW PERFORMANCE STANDARDS - HIGHLIGHTS

Major Projects	<ul style="list-style-type: none"> • Asset Management Program: Plan and implement a new asset management program consistent with ISO-55001, including developing effective asset management plans, surveying assets, and deploying a new Enterprise Asset Management System to track assets, work, maintenance, and inventory levels, to enable preventative and predictive maintenance that increases reliability and reduces cost to customers. • Primary Transmission Control Center Replacement: Complete strategic and conceptual design of a new control center to manage the electric flows on the Long Island electric grid. • Customer Information System (CIS): Plan for and deploy a new, flexible, modern CIS capable of effective and efficient customer transactions, billing and customer services.
Reliability	<ul style="list-style-type: none"> • Reliability Performance: Maintain average reliability among the top 10% of utilities; reduce the number of customers with four or more outages by 22%; reduce customers with “flicker” outages by 13%; and reduce customers with six or more “flicker” outages by 20%.
Resiliency	<ul style="list-style-type: none"> • Resiliency: Meet milestones for storm hardening program, while developing pilots and plans to underground rear-yard branch circuits, harden transmission feeds to load pockets, and operationalize smart switches. • Tree Trimming: Utilize data to target vegetation management plans to improve effectiveness, implement a new “trim to sky” protocol, and increase removal of “hazard” trees from 3,000 to 12,000 per year.
Customer Satisfaction	<ul style="list-style-type: none"> • Customer Experience Projects: Deliver seven projects to improve the customer contact and billing experience, including smart meter features, upgrading credit card vendors, enhancing the mobile app, and enhanced texting of outage information. • Call Center: Answer 80% of calls with a live agent within 30 seconds and resolve at least 80% of calls on the first call. • Email Resolution: Answer 70% of emails within 24 hours. • Social Media: Respond to 90% of social media inquiries related to health and safety with a live agent within 2 hours on blue sky days and 80% within 3 hours during storms. • Low Income Discounts: Increase participation in the low-income discount program by 34% compared to the 3-year average.

NEW PERFORMANCE STANDARDS - HIGHLIGHTS

Clean Energy	<ul style="list-style-type: none"> • Integrated Resource Plan: Complete LIPA IRP per agreed upon scope. • Energy Storage RFP: Complete studies to award contracts for 180 MW of battery storage. • Energy Efficiency and Beneficial Electrification: Achieve targets contained in annual Utility 2.0 filing. • EV Make Ready: Achieve targets in annual Utility 2.0 filing for deploying EV chargers. • DER Interconnection: Improve the interconnection process for solar systems per LIPA Board recommendations. • Time of Use Rates (TOU): Implement new TOU rates for space heating and large commercial customers; enroll 12,000 new customers in optional TOU pricing plans.
Operations	<ul style="list-style-type: none"> • Work Management: Implement new practices for short and long-term scheduling and tracking of work to optimize staffing levels, increase productivity, and reduce overtime. • Construction: Implement a minimum of 85% of capital projects on time and within the estimated cost. • Safety: Maintain the incidents rate for employee injuries among the top 25% of utilities while reducing serious injuries resulting in days away by 22%. • Contractor Performance: Implement a new contractor evaluation system to benefit from suppliers that have demonstrated experience in cost controls, performance, quality, risk management, innovation, and transformation. • Estimated Times of Restoration: Improve the accuracy of restoration time estimates provided to customers in blue sky conditions by 10%.
Information Technology	<ul style="list-style-type: none"> • IT Organizational Maturity: Improve the organization's ability to manage and implement IT projects to Level 3 as measured by the Capability Maturity Model Integration (CMMI) model. • Disaster Recovery: Complete a robust IT resiliency plan that includes thoroughly exercised disaster recovery and business continuity plans for all critical systems/processes. • Lifecycle Management: Upgrade IT assets to be within their active service life and under general support by the product vendor. • IT System Implementation: Implement 21 major IT system projects. • IT Board Recommendations: Implement 9 major IT projects related to recommendations adopted by the LIPA Board, including the Outage Management System. • IT System Segregation: Plan for and separate LIPA IT systems from PSEG New Jersey systems.

FOR MORE INFORMATION



Reforming Long Island's Electric Service

On November 9, 2021, LIPA announced a revised management services contract and settlement with PSEG Long Island that includes reforms designed to drive performance and accountability. This new contract is the strongest in LIPA's history, offering an unprecedented level of oversight of PSEG Long Island's operations. The reformed contract puts \$40 million in annual PSEG Long Island management fees at risk based on performance under new contract terms.

Below are answers to frequently asked questions about the contract reforms.

What problems did PSEG Long Island experience during Tropical Storm Isaias?

Tropical Storm Isaias caused 650,000 customers outages. On the afternoon of the storm, all PSEG Long Island's restoration and communication systems failed. Over 1 million customer calls received busy signals and 300,000 text messages bounced back. The outage map, municipal portal for government officials, and mobile phone application failed. PSEG Long Island's outage management system—used to dispatch trucks, estimate restoration times, and coordinate outage restoration—also failed, hampering restoration efforts.

How did LIPA respond to PSEG's failures during Tropical Storm Isaias?

On August 5, 2020, LIPA and the New York Department of Public Service (DPS) began an investigation of PSEG Long Island's response to Tropical Storm Isaias. That investigation led to the issuance of six reports between September 2020 and September 2021, including 30-Day and 90-Day reports as well as two Options Analysis reports and two Quarterly Reports.

LIPA's investigation found that the problems experienced by PSEG Long Island during the storm were preventable and that the root cause of the issues was management.

How is LIPA addressing the problems identified in the investigative reports?

The 30-Day and 90-Day Reports directed PSEG Long Island to implement 85 specific recommendations to address management, emergency management, and information technology. In subsequent Board meetings, the Board has adopted an additional 79 recommendations concerning non-storm areas of management.

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Reforming Long Island's Electric Service: Accountability for Performance

The reformed contract between LIPA and PSEG Long Island includes **\$40 million of at-risk compensation**, or 51% of the total management fees paid each year by LIPA, including:

- \$20 million of Variable Compensation at-risk based on performance standards set by LIPA, with an independent recommendation to the LIPA Board by the Department of Public Service (DPS), the staff arm of the State Public Service Commission. These performance standards ensure that PSEG Long Island's compensation is tied to delivering meaningful results for Long Island and Rockaways electric customers.
- \$20 million of DPS Compensation at-risk if PSEG Long Island violates its Emergency Response Plan or fails to provide safe and adequate service, as determined by an independent DPS investigation and recommended to the LIPA Board.

For 2022, LIPA and PSEG Long Island have agreed to **96 performance standards**, distributed across all of the management services provided to LIPA and its customers. These metrics, which will be reset annually by LIPA and DPS, are designed to be achievable levels of improvement (or to maintain already high levels of service) that are objectively verifiable. The funds to achieve this performance are also budgeted, tying realistic plans and budgets to achievable, measurable outcomes each year.

Q: How do the performance standards under the reformed contract compare to LIPA's existing management contract with PSEG Long Island?

LIPA's existing contract has a limited number of performance standards that were negotiated in 2013 and that can only be updated by mutual agreement between LIPA and PSEG Long Island. Those metrics cover only a small share of the management services provided to LIPA by PSEG Long Island and only determine \$10 million (13%) of PSEG Long Island's compensation, as illustrated in Figure 1. The reformed contract includes performance standards for all the management services PSEG Long Island provides and the metrics are set independently by LIPA and DPS each year.

Figure 1: Accountability for Performance

	EXISTING CONTRACT	NEW CONTRACT
Number of Performance Metrics	20-26 *	96 **
Compensation at Risk	\$10 million	\$40 million

* Set in 2013 and only change with PSEG Long Island's consent

** Up to 100 metrics set annually by LIPA and DPS

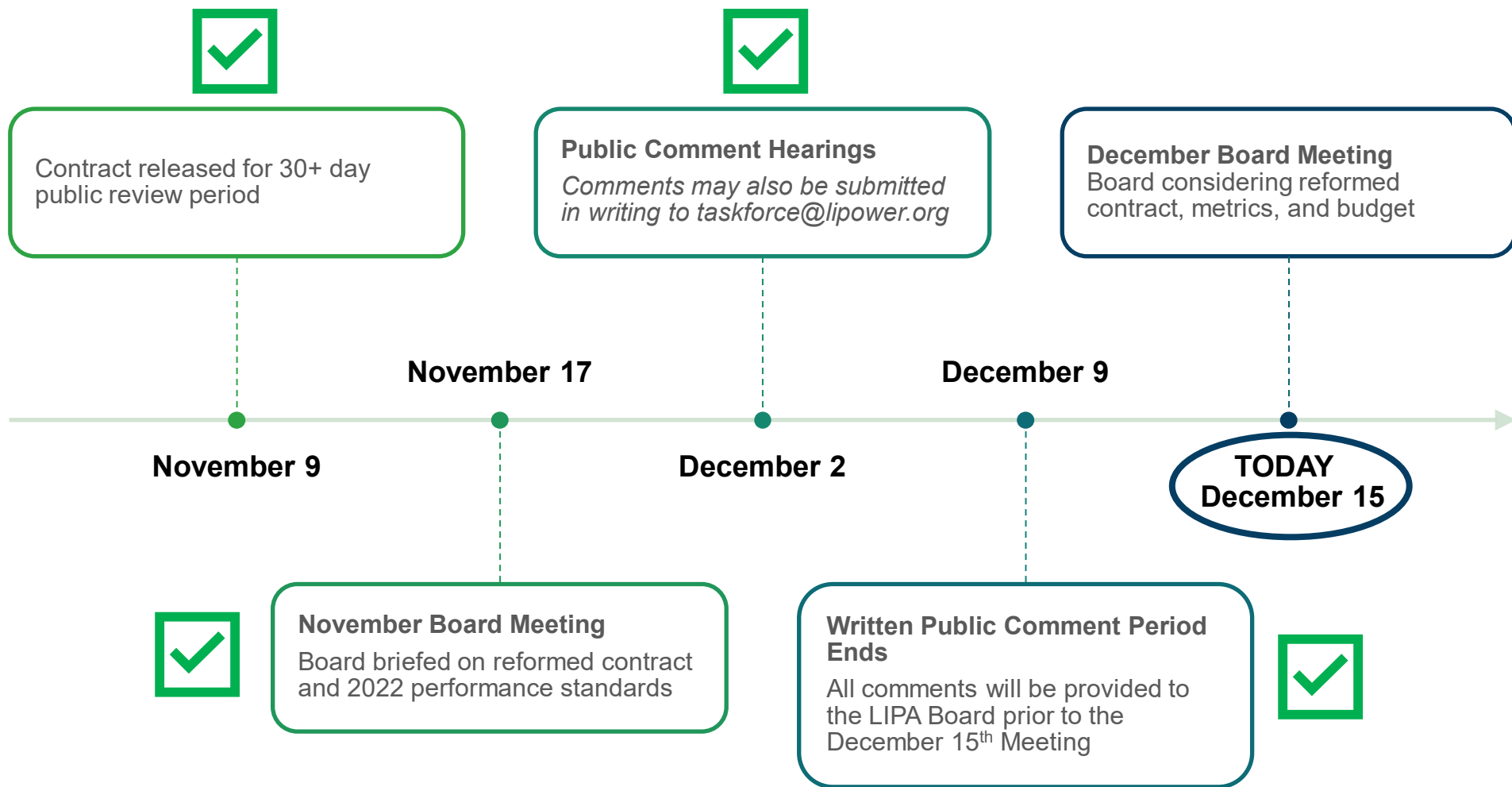
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[Fact Sheet: Reforming Long Island's Electric Service](#)

[Fact Sheet: Accountability for Performance](#)

Visit www.lipower.org/reformedcontract for full contract and related documents

TIMELINE FOR PUBLIC REVIEW



LIPA PUBLIC POWER STUDY BILL INTRODUCED IN LEGISLATURE

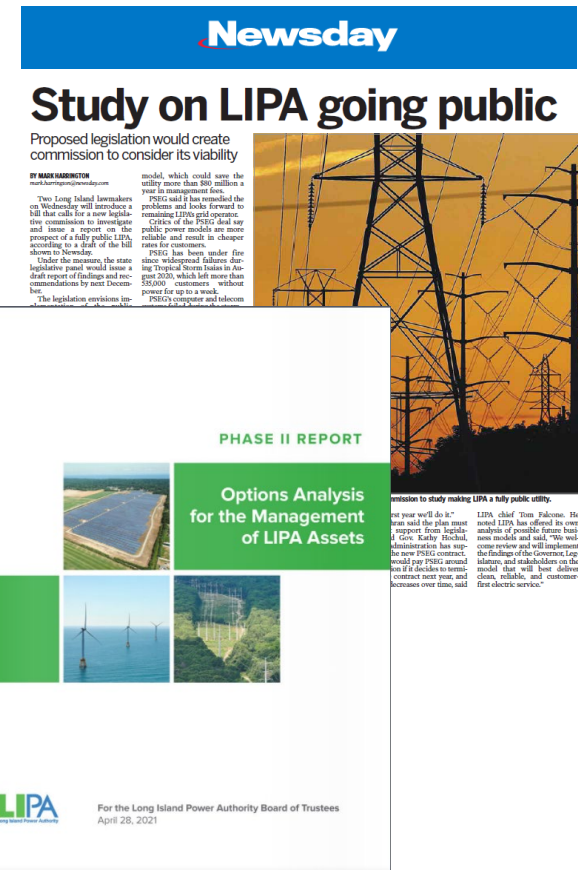
Legislation has been introduced to evaluate whether LIPA should directly manage the utility

Creates a Legislative Commission

- 8 members appointed by the Senate and Assembly

Creates an Advisory Committee

- Appointed by the Commission, not more than 15 members covering a broad range of stakeholders
- The commission shall report by **April 1, 2023** on the specific actions necessary to restructure LIPA into a true publicly owned power authority and provide for the implementation by **December 31, 2025**
- The Legislative Commission shall consider and report on:
 - Governance of the public authority; Improved transparency, accountability, and public involvement; Improved reliability of the system; The impact on electric rates; Improved storm response; The powers required by LIPA to more effectively operate the utility, amongst other items





THE ASSEMBLY
STATE OF NEW YORK
ALBANY

December 14, 2021

Honorable Mark Fischl, Vice Chairman
Board of Trustees
Long Island Power Authority
333 Earle Ovington Blvd.
Uniondale, New York 11553
boardoftrustees@lipower.org

Re: Reformed Operation Services Agreement between the Long Island Power Authority and
PSEG Long Island LLC

Dear Vice-Chairman Fischl:

Thank you for the opportunity to comment on the revised contract. While we have a number of concerns about the revised contract including: the timing, inadequate integration of municipalization, and the continued lack of value and accountability for ratepayers, we appreciate that LIPA followed through on the commitment for a public comment period made at the August Assembly Energy Committee hearing. We think it is important that the public have the opportunity to provide input on this important issue. Their verdict has been clear – they want municipalization. We concur. It is true that there is a new explicit reference related to municipalization (page 107), which is one more reference than the prior contract, but we are disappointed that municipalization wasn't more fully integrated.

LIPA rates are among the highest in the country and ratepayers have been held hostage by PSEG-LI with its poor performance and customer service for too long already. The existing contract hurt ratepayers by making them pay for bad performance. This year for example, PSEG-LI can get up to \$5.5 million despite being rated at 37% on the electric reliability index, which relates to how well system interruptions are addressed. (p.81). The subsequent contract years, while slightly better, still involve metrics negotiated with PSEG-LI, and an established right for PSEG-LI to have a chance to earn those bonuses (p.91). Assurances have been offered that the Long Island Department of Public Service will have a more robust role, but given their relatively low profile previously, promises of more involvement are not reassuring.

NYSEIA – LIPA COLLABORATION



- LIPA and New York State Solar Energy Industries Association (NYSEIA) have agreed on a roadmap to develop a modern standard residential rate for electric customers on Long Island and the Rockaways.
- The new Time of Day (TOD) rate, which will be developed and adopted over the next three years with extensive stakeholder input, **will allow customers to save money by using cheaper electricity during off-peak hours.**

TIME OF DAY RATES

- Developing and implementing new or enhanced electric rate designs is a **key part of achieving New York's Climate Leadership and Community Protection Act goal of a carbon-free electric grid by 2040**
- Many utilities have introduced Time of Day rates, which better reflect the cost of providing electricity. LIPA recently introduced five optional TOD rates for customers
- Lowering electric use during a few peak hours reduces LIPA's need to buy energy from sources that are **less environmentally friendly and more expensive**
- Provides **lower rates when cleaner power is abundant** and higher prices during the few peak hours when power is more carbon intensive



BENEFITS OF TIME OF DAY RATES

- Customers will have the option for a fixed rate -- the new Time of Day rate will **not be mandatory**
- All savings from Time of Day rates are passed along to customers in the form of **lower off-peak rates and bills**
- More than 80% of the hours in a year will have **lower, off-peak pricing**
- **Weekends and holidays are always off-peak pricing**, while summer peak hours make up less than 5% of the total hours in a year
- Time of Day rates support electric grid modernization and shift energy production to **cleaner, lower carbon sources of energy**

TIME OF DAY RATES SUPPORT TRANSITION TO A LOW CARBON NEW YORK

- Time of Day rates will bring even **greater savings for solar customers with residential energy storage**, allowing batteries to power homes during summer peak hours and use grid-energy during cheaper off-peak hours
- Time of Day pricing also **reduces cost for customers with electric vehicles and heat pumps**, allowing customers to use cheaper off-peak hours for extra savings
- LIPA will phase in the Customer Benefit Contribution (CBC) for net-metered customers over three-years while the new Time of Day rate is developed



CUSTOMER BENEFIT CONTRIBUTION

EDITORIAL

LIPA solar fee a sensible deal

■ MEMBERS OF THE EDITORIAL BOARD are experienced journalists who offer reasoned opinions, based on facts, to encourage informed debate about the issues facing our community.

The companies that sell residential solar systems on Long Island have a public relations dilemma. They say a proposed change that would average about \$8 a month on new Long Island systems is large enough to cripple their sales.

But they also have to sell prospective buyers on solar, and claiming that an \$8 charge makes the systems unattractive doesn't match that pitch.

Luckily for them, residential solar on Long Island can be a good deal for customers, even with the fee.

Wednesday, the Long Island Power Authority board will decide whether to accept a new contract with PSEG intended to improve performance after the utility's disastrous response to Hurricane Ida, and that deal, while certain to go through, is getting most of the attention. This modified pact is far better than the old contract, and will keep the for-profit power flowing for now as advocates of municipalization keep pushing their vision forward.

But LIPA's vote on the new change, a customer benefit contribution on owners of residential systems installed after Dec. 31, is important, too. Current solar owners would be grandfathered out of the fee, intended to help fund energy efficiency programs and discounts for low-income customers.



Workers install solar panels on a home's roof.

The fee, already charged by every other electric utility in New York, would be 89 cents monthly per kilowatt-hour. Long Island systems average 9 kwh.

And LIPA's proposed customer benefit contribution would be the lowest in the state, 20% lower than Con Ed's.

In well-situated homes, the systems, which average \$30,000, more than pay for themselves. The federal government rebates 26% of the purchase price, slated to decline to 22% in 2023. The power generated, whether used by the customer or sold to LIPA, is enough that the customer usually pays a lower total cost after installing the system than before. And the systems last 25 years, but are usually paid off more quickly, leaving plenty of profit.

The solar companies concede that point, but argue that at first the net bill reduction, after saving on power but paying for the system, is \$20 to \$30 a month, so \$8 is a big chunk. But solar customers stay attached to the grid because they sometimes need power from LIPA, and sometimes sell power to LIPA. And in a month when they use no LIPA power, they pay just \$13.20 for their share of the system.

The best argument against this fee is that we should erect no obstacles in the push to encourage renewables. But this power transition, intended to make energy generation in New York carbon free by 2040, also demands that we all continue to support LIPA's generation capacity, transmission and distribution systems, and programs that help our less fortunate neighbors.

The fact that solar owners don't generally have to pay for their power shouldn't mean they don't support the system that keeps them up and running when the sun won't.

Newsday

Tuesday – December 14, 2021

"Current solar owners would be grandfathered out of the fee, intended to help fund energy efficiency programs and discounts for low-income customers."

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VOICES OF SUPPORT



“Solar and battery storage systems deliver significant financial savings when paired with Time of Day rates, in addition to resilient, clean, back-up power. The solar industry is excited to partner with LIPA and the PSC to develop rates predicated on market forces that will accelerate clean energy deployment, deliver financial and environmental benefits to all ratepayers and help build the utility grid of the future,”
- **David G. Schieren, NYSEIA Board Chair and EmPower Solar CEO**

“We are excited to partner with LIPA and the solar industry to develop a sustainable and equitable approach to achieve Governor Hochul’s target to deploy 10 gigawatts of solar in New York by 2030. We are continuously evolving the Statewide strategies that are necessary to keep our clean energy sector strong, protect consumers, and ensure reliability standards are met. This initiative with LIPA to develop new rate designs for Long Island customers will inform our statewide efforts to achieve our State’s ambitious clean energy goals,”

- **Rory Christian, Chair of the Public Service Commission and CEO of the Department of Public Service**



VOICES OF SUPPORT



"This deal removes barriers and will encourage the growth of solar on Long Island. Our region has a great, growing solar industry and we are here to support it."

- New York State Senator Todd Kaminsky

"I am pleased that LIPA will work with the solar industry to establish a package to ensure the future growth of renewable energy, such as solar energy. Our future is at stake and we must remain committed to empowering every New Yorker to move towards renewable energy options in order to meet the goals set forth in the nation-leading Climate Leadership and Community Protection Act."

- New York State Assemblyman Fred Thiele



"This collaborative initiative from LIPA and the solar industry is great news for Long Islanders. The new Time of Day Rate will empower customers with new opportunities to save money, provide crucial funding for community services, and help our state meet its clean energy goals."

- New York State Senator Kevin Thomas

VOICES OF SUPPORT

"Working together, LIPA and the solar industry have successfully threaded the energy needle by continuing to incentivize residents to go green while ensuring those now utilizing solar contribute fairly to maintaining our region's electric grid. Our hope is that this proven model is replicated across the State of New York."

- Kyle Strober, Executive Director, Association for a Better Long Island



"The agreement for the new residential time-of-day rate is a sensible solution to continue to encourage residential solar power and support our clean energy economy, help manage the grid during peak times and save customers money. This is a great example of the business community and LIPA working together to achieve renewable energy goals, help Long Island residents and support innovation."

- Matt Cohen, President and CEO, Long Island Association



"More flexible rate structures are a critical part of moving forward with our clean energy transition. I applaud the leadership of LIPA and NYSEIA for tackling the complexity that accompanies forging our way ahead. I'm optimistic that this collaborative approach will allow Long Island to lead on clean energy deployment and better serve ratepayers and the public good, particularly the interests of communities that have been historically underserved."

- Sammy Chu, Chair, US Green Buildings Council Long Island Chapter



VOICES OF SUPPORT

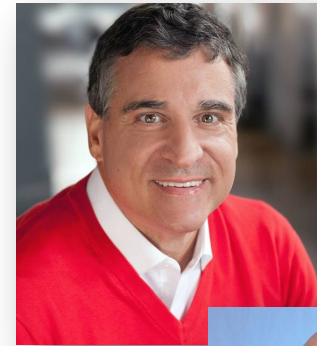


"This agreement between LIPA and the solar association is needed to avoid negatively impacting the solar installer businesses on Long Island, at a time when it is critical to grow the industry to expand the use of clean renewable energy. The electric energy section will change dramatically in the coming years to achieve a carbon-free electric grid by 2040, it is important for LIPA to implement new policies such as time-of-day-pricing, to facilitate that transformation and that those policy changes are timed in coordination with the changes to the rules for solar energy."

- Neal Lewis, Executive Director, Sustainability Institute at Molloy College

"The Long Island Business Council supports the proposed reformed contract between LIPA and PSEG. The clearly defined benchmarks in the contract are sound and will provide transparency to ratepayers going forward. Coming together to craft an agreement that works for both parties and their customers is the true art of negotiation. We are pleased to see that this is also the case with the agreement on the CBC. This agreement will continue to help drive the rising tide of economic prosperity through the creation of jobs and commerce that will help to float all businesses and boats. As we remain vigilant in protecting businesses from excess costs, we are pleased that the parties involved in the reformed contract and the CBC will continue their efforts at advancing clean energy technologies in a financially responsible manner to better the future of Long Island."

- Robert Fonti, Suffolk Chairman, and Rich Bivone, Nassau Chairman, Long Island Business Council



Questions?