LIPA COMMUNITY ADVISORY BOARD
MEETING AGENDA
Friday, June 17, 2022
8:00 A.M.

I. Welcome & Introductions (10 minutes)
II. 2022 NYS Legislative Session Update (30 Minutes)
III. Update on PPTN Cost Allocation (10 Minutes)
IV. Update on LIPA Tax Cases (10 Minutes)
V. Hurricane Season - Storm Hardening and Grid Resiliency Improvements (15 Minutes)
VI. Look Ahead Priority Items (15 minutes)
VII. Round Table Discussion (30 minutes)

Next Meeting Dates:

July 22, 2022 – 9:00 am
Community Advisory Board – Summer Facility Tour
E.F Barrett Power Station

Monday, September 19, 2022
Community Advisory Board Meeting
LIPA Board Room – Uniondale, NY
Welcome & Introductions

02 2022 NYS Legislative Session Update

03 Update on OSW Transmission Cost Allocation

04 Update on LIPA Tax Cases

05 Hurricane Season - Storm Hardening and Grid Resiliency Investments

06 Look Ahead of Priority Items

07 Roundtable Discussion
The LIPA team brings **extensive utility experience** to the organization

**Tom Falcone**  
*Chief Executive Officer and Interim Chief Financial Officer*  
- 20-years experience in utility sector at LIPA and as an investment banker  
- Joined LIPA in 2014 as CFO; CEO since 2015  
- Vice Chair of Large Public Power Council  
- Previously investment banker to utilities, including for municipalization and P3 studies

**Bobbi O’Connor**  
*General Counsel*  
- 20-years experience in utility sector at LIPA and as counsel to utilities  
- Joined LIPA in 2013 and has served in various senior legal and senior management roles  
- Previously a partner at an international law firm, representing utility clients

**Rick Shansky, P.E.**  
*Senior Vice President Power Supply and Wholesale Markets*  
- 40-years experience in utility sector at LIPA, LILCO, and ConEd  
- Joined LIPA in 2008  
- Previously held positions at ConEd and LILCO in energy management, resource planning, fuel and purchased power, and generation planning

**Mujib Lodhi**  
*Chief Information Officer & SVP of Customer Experience*  
- 20-years experience in utility sector, including senior management positions at Riverside Public Utilities, Washington Suburban Sanitary Commission, and DC Water  
- Joined LIPA in 2018

**Billy Raley**  
*Senior Vice President of Transmission and Distribution*  
- 35-years of experience in the utility sector, including T&D and customer service leadership positions at Progress Energy, Georgia Power, and the Southern Company  
- 8 years experience as senior consultant to utilities across country  
- Joined LIPA in 2021

**Carolyn MacKool**  
*Director of Customer Experience*  
- 33-years experience in utility sector, including director positions at DC Water and DTE Energy  
- Joined LIPA in 2021
Welcome Larry Waldman

- Lawrence J. Waldman, CPA, has over forty years of experience in public accounting, and the Managing Partner of the Long Island office of KPMG LLP from 1994 through 2006, the accounting firm where he began his career in 1972.

- Mr. Waldman currently serves as a senior advisor to First Long Island Investors, LLC, an investment and wealth management firm since May 2016, and is currently the Chair of The Long Island Association.

- Mr. Waldman also served as a member of the State University of New York 2019 Board of Trustees and as chair of its audit committee. He previously served as the Chair of the LIPA Board of Trustees.
MEMBER SPOTLIGHT: SAMMY CHU

NY SENATE OKs APPOINTMENT OF LIers TO MTA

Newcomer Chu, veteran Mack are confirmed to 21-member board

BY ALFONSO A. CASTILLO

The state Senate confirmed two Long Island representatives to the Metropolitan Transportation Authority Board early Friday. Filling two seats that had been vacant for more than a month and restoring Island votes on issues governing the MTA and the LIRR.

The pair were among nine MTA Board members confirmed by the Senate to the 21-member board, including six new appointments. MTA Chairman and CEO Janno Lieber said the members represent the agency’s “diverse ridership,” and that he looks forward to working with them to make the MTA’s services more reliable, accessible and affordable for all customers.

In addition to veteran Nassau County representative David Mack of Great Neck being reappointed to another term, the Senate installed Sammy Chu of Lindenhurst as Suffolk County’s representative on the board, replacing Kevin Law, who stepped down in April.

Chu, 45, owns two clean energy companies — Edgemere Energy and Caltech Electric Inc. — and is vice chairman of the Suffolk County Planning Commission. Chu began his public service career working in Suffolk County Executive Steve Bellone’s administration, where he rose to chief of staff.

Having grown up riding the subways in Brooklyn, later commuting to job as a union electrician, and immersing himself in recent years on issues of clean energy and sustainability, Chu believes he is well-suited to represent Suffolk in the governing body of the largest public transportation agency in the United States.

“I am excited to bring that perspective that I don’t necessarily think is on the board now,” said Chu, who mentioned the electrification of the Port Jefferson branch, transit-oriented development opportunities, and the use of battery-operated trains as among the issues in which he is interested.

“I would say I’m not coming in as a complete novice,” Chu said. “But I also have enough experience with organizations to know that, until you’re in it, and you pore through it and immerse yourself in the details, that you can never really get to the solutions.”

Among the more colorful bits of experience Chu brings to the board is his competitive power lifter for the last 25 years. On Tuesday, he set a world record in his division, deadlifting 505 pounds.

“This is the first day that I feel a little human,” Chu said Friday morning. “It wasn’t great that I had to stay up till 2:30 last night to tune into the Senate,” referring to the Senate’s last hours to vote on bills before adjournment for the session.

Bellone on Friday called Chu “an excellent addition to the MTA Board, as some of the LIRR’s largest projects come to fruition this year” and “a new voice, with a fresh perspective for years to come.”

The LIRR’s $1.2 billion East Side Access line to Grand Central, and the $2.6 billion Third Track between Floral Park and Hicksville are both scheduled for completion by December.

Also on the board is Mack, 80, who served as Nassau’s MTA representative from 1993 to 2009, and again from 2009 until his term expired in April. A real estate executive and philanthropist whose name is emblazoned on Hofstra University’s sports complex and, more recently, a Nassau police training facility, Mack readily weighs in on transportation issues at MTA Board meetings.

Despite some lawmakers opposing his nomination, Mack, at a confirmation hearing last week, insisted that he remains “an asset to the MTA.” Mack said he wants to address “animation” in the transit system, refurbish deteriorating Long Island Rail Road bridges on Long Island, and bring back Kappler commuter.

Speaking at a meeting of the Long Island Association on Thursday, LIRR interim President Catherine Rinaldi welcomed Chu and Mack as board members, who said she is asked to keep “hard questions” and keep railroad leadership engaged.

“If you don’t have somebody like that in that role, you miss something,” Rinaldi said. “I think having local representation from Nassau, from Suffolk...is really important.”
2022 NYS LEGISLATIVE SESSION UPDATE
The 2022 New York State budget enacted a Legislative Commission on the Future of LIPA

Commission Overview:

- Comprised of members of the Legislature appointed in a bipartisan manner guided by an Advisory Committee of local stakeholders representing diverse interests
- Engage the community and conduct an in-depth examination of LIPA's future as a public utility, including whether LIPA should implement a full public power management model for the first time in its history

NYS SESSION UPDATE: COMMISSION ON THE FUTURE OF LIPA
By the end of 2023, LIPA will move forward with either the recommendations of the Legislative Commission (e.g. the public power management model) or to rebid the PSEG Long Island management contract

PSEG Long Island management contract expires at the end of 2025

- Last bid for management services occurred in 2010
- Reviewing alternative management providers after 15 years is appropriate for a contract likely to be worth over $1 billion over ten years
  - PSEG Long Island may or may not seek to extend contract
  - Office of the State Comptroller (OSC) will *not* consider an extension of the PSEG Long Island contract without a competitive bidding process
  - LIPA marketing efforts in 2021 indicate there would be other potential vendors, particularly if the contract is split into multiple scopes of services
  - Bid for new contractors would need to start in 2023 to allow time to select vendor(s) and transition services

Over the next year, the Governor, State Legislature, and LIPA Board of Trustees will make significant decisions about LIPA’s management model
LIPA’S GOVERNANCE AND MANAGEMENT STRUCTURE

- **Board of Trustees**
  - 9 volunteer residents of service area appointed by Governor and Legislature
  - Owns all assets and contract with PSEG Long Island for day-to-day management services

- **Energy Resources & Trade**
  - 5,800 MW of power plants under contract to LIPA
  - 70 utility professionals that manage LIPA affairs, including policy, electric rates, budgets, metrics, debt, and managing PSEG Long Island and other vendors
  - 19 executives at Vice President and Director level
  - Shared services from PSEG affiliates (e.g., IT)

- **ServCo Subsidiary**
  - 2,500 employees at the Director, Manager, and staff level, including related benefit plans
  - LIPA has a contractual right to transfer ServCo to LIPA or another service provider

- **Executive Team & Staff**
  - State-wide utility regulator*
  - Provides oversight of both LIPA and PSEG Long Island through independent recommendations to LIPA Board

*The LIPA Reform Act of 2013 requires that the terms and benefits of employment and union agreements of LIPA’s 2,500 dedicated employees be unaffected by management transitions

PSEG Long Island contract only affects 19 executives and shared services from Newark

**PSEG & Other Generators**
- 2,500 employees at the Director, Manager, and staff level, including related benefit plans
- LIPA has a contractual right to transfer ServCo to LIPA or another service provider

State-wide utility regulator*
- Provides oversight of both LIPA and PSEG Long Island through independent recommendations to LIPA Board

- **PSEG Long Island contract only affects 19 executives and shared services from Newark**
1. **PSEG Provides 19 of 33 PSEG Long Island Senior Management Positions**

   - LIPA pays on average **$82.8 million** per year in management fees for **19 positions**, an equivalent of **$4.4 million per position**
     - PSEG staffs 14 of these positions; 5 are staffed by ServCo
     - The total compensation for all 19 positions is estimated at **$7.6 million per year**, or 9% of the fees LIPA pays
     - Over 10 years, the cost premium over hiring management directly is estimated at **$752 million**

2. **PSEG Affiliates Provide Certain Services for Additional Cost**

   - LIPA pays an additional **$20 million per year** for staff and IT system support from PSEG’s NJ headquarters for IT, Human Resources, Treasury, Legal, and other functions. LIPA estimates it could secure **higher quality service from other providers or by insourcing at ServCo at less cost**

3. **PSEG Provides Energy Management Services for LIPA’s Generation**

   - LIPA pays an additional **$19 million per year** to PSEG under a separate contract to bid LIPA’s power plants and transmission into energy markets and procure fuel to supply power plants

All other costs of operating the LIPA electric grid are a “pass through” and paid by LIPA
LIPA's third-party management model is rare in the utility industry or business world.

Very few companies in any industry outsource management of core functions.

LIPA contracts with PSEG Long Island and other providers to manage nearly all aspects of utility operations.

Outsource noncore functions for savings or best practices
In 1998, full outsourcing of management and systems was the only viable option

- LIPA had less than a dozen employees when it bought LILCO and contracted with the former LILCO/KeySpan (later bought by National Grid) to operate the T&D system under the LIPA brand

- Operation of LIPA T&D assets (e.g., billing, IT systems, staffing) were highly integrated with the former LILCO gas and power plant assets bought by KeySpan and could not be separated on the LIPA/LILCO merger timeline

- LIPA paid a fixed fee to National Grid for operations services. Net profit was estimated at $30 million. KeySpan / National Grid employed the staff and owned the IT systems and processes, which were the same used by LILCO

- KeySpan was at first a locally-based company, but eventually operations grew to include upstate and New England utilities and then merged with the large UK utility, making LIPA an increasingly small share of a large company with a distant headquarters

- There was little cost transparency, with blended operations, employees, pension plans, and systems. The fixed fee contract incentivized National Grid to minimize cost
In 2010-11, the LIPA Board approved a new “ServCo” model to begin January 1, 2014. The ServCo model separated key aspects of Long Island operations. This model was based on several key assumptions:

- Cost of ServCo model and LIPA management would be about the same (assuming a $30-55 million management fee)
- Savings from maintaining private-sector pension and retirement benefits rather than adding employees to State plans (based on incomplete estimates and approximations)
- Hiring another utility would help separate integrated utility management and IT systems from National Grid at a lower risk
- LIPA would have the option to re-examine LIPA management in the future
- PSEG Long Island was selected after a competitive process to begin providing service on January 1, 2014 at a cost of $43.9 million (2011 dollars) per year
Superstorm Sandy occurred while the 2-year transition to the ServCo model with PSEG was ongoing

The LIPA Reform Act of 2013 renegotiated the PSEG Long Island contract and made changes to the ServCo model based on four assumptions:

1. PSEG Long Island’s “name on the truck” and reputation on the line would align their interests with LIPA (i.e., a high trust contract with fewer controls were needed due to that alignment)
2. PSEG Long Island’s “name on the truck” would provide political insulation to LIPA and the Board
3. PSEG would dedicate high-quality operational and technical expertise to manage LIPA’s system
4. LIPA couldn’t pay the salaries necessary to attract talented executives

The contract was renegotiated to a current cost of $82 million per year, plus affiliate services of about $20 million, and energy management costs of $19 million
LIPA & PSEG Long Island Contract Receives OSC Approval of 2nd Amended & Restated Operations Services Agreement

April 1, 2022

- Since 2016, LIPA has made record investments in the electric grid – roughly 3x the capital investment as under the National Grid contract
- Tropical Storm Isaias resulted in similar communications and emergency response failures as LIPA experienced during Superstorm Sandy under National Grid management
- In 2021, LIPA evaluated terminating or reforming the PSEG Long Island contract. The new contract contains eight core reforms to improve PSEG Long Island’s performance
- The new contract terms became effective April 1, 2022. LIPA will report publicly on the effectiveness of the new contract

Eight Core Reforms of the 2013 PSEG Long Island Contract

1. Strengthen Incentives and Accountability Mechanisms
   - 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 will be closely monitoring the work of the Legislative Commission and offer objective information and support as requested.
UPDATE ON OSW TRANSMISSION COST ALLOCATION
INVESTMENTS TO MEET CLEAN ENERGY GOALS

- Investing in upgrades to Long Island infrastructure to integrate offshore wind and other renewables will cost about ~$1.5 billion by 2030
- LIPA advocated that the cost allocation on transmission needed to meet the Climate Act should be shared uniformly state-wide
**NEW YORK OFFSHORE WIND PROJECTS**

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Owner</th>
<th>Size (MW)</th>
<th>Contract Off-Taker</th>
<th>Interconnect Utility</th>
<th>In-Service Date</th>
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<tr>
<td>South Fork Wind</td>
<td>Joint Venture: Ørsted and Eversource</td>
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<td>LIPA</td>
<td>LIPA</td>
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<td>Empire Wind 1</td>
<td>Equinor Wind US LLC</td>
<td>816 MW</td>
<td>NYSERDA</td>
<td>ConEd</td>
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<td>Sunrise Wind</td>
<td>Joint Venture: Ørsted and Eversource</td>
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<td>2024-25</td>
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<td>Empire Wind 2</td>
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<td>NYSERDA</td>
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<td>2026-27</td>
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<tr>
<td>Beacon Wind</td>
<td>Equinor Wind US LLC</td>
<td>1,230 MW</td>
<td>NYSERDA</td>
<td>ConEd</td>
<td>2028</td>
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UPGRADING THE LONG ISLAND ENERGY GRID

- In 2020, LIPA and Con Edison conducted a regional study to connect 9,000 megawatts (MW) of offshore wind to Long Island and New York City.
- In 2021, the New York State Public Service Commission (PSC) confirmed in New York State’s Power Grid Study that the Long Island’s transmission system requires substantial upgrades to move offshore wind-generated electricity onshore and to the rest of the state.
TIMELINE & PUBLIC SUPPORT

Timeline

2020
LIPA & Con Ed conducts study of transmission upgrades necessary for 9,000 MW of offshore wind

January 2021
PSC releases initial report on New York State’s Power Grid Study

March 2021
PSC determines that offshore wind transmission is a public policy need. Issues order allocating up to 75% of costs to “beneficiaries”

April 2021
LIPA & ConEd file petition for rehearing, arguing that costs should be shared statewide

May 2021
PSC grants a limited stay on a final decision on cost allocation

May 2022
Final PSC ruling allocating 100% of PPTN costs statewide by load share

Public Support

LIPA’s position was supported by many local and state elected officials, and organizations representing government, business, labor, and non-profits throughout the service territory
On May 16, the PSC issued an order allocating the cost to all-electric customers in New York of transmission upgrades needed to interconnect offshore wind from Long Island to the rest of the state:

- “…the Commission found that the CLCPA is driving the need for additional transmission facilities between Long Island and New York City, and therefore constitutes a Public Policy Requirement.”
- “…at least 3,000 MW of offshore wind are expected to be interconnected onto Long Island, which “illustrates an impending [transmission] need for upgrades to onshore transmission facilities to assure that the offshore wind energy expected to be injected into New York City and Long Island can be distributed to the State at large.”

- LIPA customers will pay around 13% of the costs for these transmission projects rather than up to 75%+

- Decision will save our customers hundreds of millions of dollars, and potentially more over time as additional transmission projects are built beyond this initial set

- Thank you to our Community Advisory Board members for advocating for Long Island customers!!!
PSC PROCEEDING ON LOCAL TRANSMISSION TO UNBOTTLE RENEWABLE GENERATION

Two petitions before the PSC
- Upstate regions ($4 billion)
- Con Edison Wind Hub ($1 billion)

Source: NYISO
Settlements have been approved for the Northport, Port Jefferson, E.F. Barrett, and Glenwood Landing power plants.

As part of the settlements, LIPA waived over $1 billion in tax refund liabilities owed by the Towns of Huntington & Brookhaven, the Village of Port Jefferson, and Nassau County.

LIPA customers will save approximately $554 million in property tax payments for these four facilities through 2028.

While tax payments remain in excess of that required by law, the settlements will continue to support host communities as they adjust to lower taxes and the transition to fossil-free electricity.

Thank you to our Community Advisory Board members who actively supported these settlements over the last decade!!!
TAX CERTIORARI TIMELINE

2010
LIPA Commences Tax Certiorari Litigation

December 2018
SETTLEMENT
Town of Brookhaven & Village of Port Jefferson Settlement for Port Jefferson Power Plant

September 2020
SETTLEMENT
Town of Huntington Settlement for Northport Power Plant

April 2022
SETTLEMENT
Nassau County Settlement for E.F. Barrett and Glenwood Power Plants
In 2022, LIPA will:

- Continue to defend against certain Suffolk County municipalities’ refusal to comply with the 2% tax cap on LIPA’s PILOT payments and complete briefing on LIPA’s appeal of the Court’s decision ordering LIPA to make additional payments.
- The City of New York and Nassau County comply with the 2% tax cap.
- Continue to monitor tax bills for overassessments of LIPA substations and take appropriate actions to seek fair tax bills, where appropriate.
The LIPA Board of Trustees has set objectives for reliability and resiliency to measure management’s performance.

LIPA Board’s **reliability** objectives:
- Provide **top decile levels of reliability** as measured by system average outage duration.
- **Improve circuit conditions** that cause customers to experience 4 or more sustained or 6 or more momentary outages in any 12-month period.
- Utilize **modern system design and technology** to anticipate and minimize outages, and provide for **preventative and predictive maintenance**.

LIPA Board’s **resiliency** objectives:
- Mitigate effects of climate change through multi-year programs to **reduce the number and duration of outages caused by storms**.
- Assure **timely and accurate communication** to customers about outages and restoration times.
- Independently verify emergency restoration plans and testing of IT systems.
RELIABILITY AND RESILIENCY ARE IMPORTANT TO CUSTOMERS

- Since 2016, LIPA has invested a record $4.9 billion in infrastructure to improve the reliability and resiliency of Long Island’s electric grid – over 3x the investment of a decade ago

- In 2020, LIPA completed a $730 million FEMA-funded storm hardening program. In 2021, we began a LIPA-funded Phase II program at $70 million per year
The Long Island Grid Resiliency Improvement Program seeks to quantify and further reduce the number of customers and restoration times after a severe weather event.

**Reduce the number of outages by:**
- Continuing to harden worst performing distribution circuits
- Hardening one transmission supply feed to every substation in a load pocket
- Reducing number of customers behind each protective device to less than 500
- Additional hazard tree removal and deploying intelligence to the tree trim cycle

**Shorten length of storm restoration by:**
- Utilizing smart meter data for operational intelligence
- Selective undergrounding of hard to access rear-lot service
- Deploying electricians for low-voltage restoration
**NEXT PHASE OF RESILIENCY INVESTMENT**

- LIPA is applying for an **additional $300+ million** FEMA storm hardening grant related to Tropical Storm Isaias

- We have obtained approval from NYS Legislature under the Utility Debt Securitization Authority to permit securitization of storm hardening and resiliency projects

- In 2022, we implemented an expanded hazard tree removal program and new vegetation management standards, expanding **tree trimming by over 40%**

- It’s important to think of resiliency not just in terms of grid infrastructure but also **IT systems and the ability to communicate with customers**
LIPA is eligible for FEMA and other grants due to its status as a public power utility, **mitigating a significant portion of the financial risk of storms and impacts on customer bills**

## Financial Impact of Storms

<table>
<thead>
<tr>
<th>Storm</th>
<th>Cost Incurred by LIPA</th>
<th>Recovered from FEMA/Other Grants</th>
</tr>
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<tbody>
<tr>
<td>Tropical Storm Irene (2011)</td>
<td>$144 million</td>
<td>$144 million</td>
</tr>
<tr>
<td>Superstorm Sandy (2012)</td>
<td>$686 million</td>
<td>$670 million</td>
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<tr>
<td>Winter Storm Nemo (2013)</td>
<td>$14 million</td>
<td>$11 million</td>
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<tr>
<td>Winter Storm Stella (2017)</td>
<td>$14 million</td>
<td>$4 million</td>
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<tr>
<td>Tropical Storm Isaias (2020)</td>
<td>$295 million</td>
<td>$221 million*</td>
</tr>
<tr>
<td>Tropical Storm Ida (2021)</td>
<td>$9 million</td>
<td>$6.75 million*</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$1.1 BILLION COST</strong></td>
<td><strong>$1 BILLION RECOVERED</strong></td>
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*expected
LOOK AHEAD OF PRIORITY ITEMS
HEATING OIL PRICES & BUILDING DECARBONIZATION

- Newsday: “For the week of April 25, average heating oil prices on Long Island hit $5.50 a gallon, according to the New York State Energy Research and Development Authority, a 74% increase from the $3.16-a-gallon price of a year ago”

- Buildings produce nearly a third of New York's carbon emissions

- Steps need to be taken to reduce Long Island's carbon footprint, including the electrification of heat and hot water in buildings and homes

- LIPA initiatives, such as promoting cold climate heat pumps and implementing a Time-of-Day rate, can help customers save on both carbon and money
# New Construction -- Heat Pump Savings

<table>
<thead>
<tr>
<th></th>
<th>Natural Gas</th>
<th>All-Electric Home</th>
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<tbody>
<tr>
<td>Heating and Cooling</td>
<td>Gas Furnace and Central Air-Conditioning</td>
<td>Cold Climate Heat Pump</td>
</tr>
<tr>
<td>Water Heater</td>
<td>Gas Water Heater</td>
<td>Heat Pump Water Heater</td>
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<tr>
<td>Clothes Dryer</td>
<td>Gas</td>
<td>Heat Pump</td>
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<tr>
<td>Equipment, Connection, and</td>
<td>$22,973</td>
<td>$22,418</td>
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<tr>
<td>Installation Costs</td>
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<td></td>
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<tr>
<td>LIPA Rebates</td>
<td>—</td>
<td>$5,900</td>
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<tr>
<td>Net Cost with Rebates</td>
<td>$22,973</td>
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<td>Upfront Savings</td>
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<td>$6,455</td>
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<td>Annual Bill Savings</td>
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<td>$765</td>
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<tr>
<td>Home Carbon Footprint (2022)</td>
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<td>-21%</td>
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<tr>
<td>Home Carbon Footprint (2040)</td>
<td></td>
<td>-100%</td>
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Objective: Leverage our customer insights, relationships, and contractor network to accelerate heat pump adoption

Focus Areas
1. Empowering the private market and contractor network with tools and information
2. Streamlining and standardizing the customer experience
3. Leveraging utility data and insights for customer segmentation and targeting
4. Broadening our reach through statewide collaboration and partnerships
**TIME-OF-DAY RATES**

What is a Time-of-Day Rate? A rate structure where eligible customers can opt into to pay different rates for electricity based on the time of day they use it.

**Timeline:**

- **December 2021:** LIPA and the New York Solar Energy Industries Association (NYSEIA) propose phasing-in a Customer Benefit Charge and plan for a 2024 transition to opt-out time-of-day rates for residential customers.
- **June 2022 – August 2022:** Stakeholder meetings.
- **September 2022:** Tariff proposal.
- **November 2022:** Public hearings.
- **December 2022:** LIPA Board consideration.
- **2023:** Customer outreach and engagement, IT improvements and testing, business process modifications, change management.
COVID ARREARS FORGIVENESS

- The New York State budget allocated $250 million statewide for COVID-19 arrears forgiveness
- The Department of Public Service (DPS) is currently conducting a working group to determine eligibility and allocation of funding among utilities
- DPS and LIPA staff are considering a proposal to forgive all low-income customer arrears incurred prior to May 1, 2022
- Arrears of LIPA customers enrolled in the low-income program are approximately $28 million
- State budget allocation to cover between $9 million and $10 million
- Customers eligible but not yet enrolled in the low-income program would have the opportunity to enroll by December 31, 2022 to receive the forgiveness benefit
ROUNDTABLE DISCUSSION