

RATING ACTION COMMENTARY

# Fitch Rates LIPA Electric System Rev Bonds 'A'; Outlook Positive

Thu 11 Aug, 2022 - 3:11 PM ET

Fitch Ratings - New York - 11 Aug 2022: Fitch Ratings has assigned an 'A' rating to the following Long Island Power Authority, NY (LIPA or the authority) bonds:

--Approximately \$145 million electric system general revenue bonds series 2022A;

--Approximately \$100 million electric system general revenue bonds series 2022B (mandatory tender bonds);

--Approximately \$100 million electric system general revenue bonds series 2022C (floating rate mandatory tender bonds).

Proceeds from the series 2022A and 2022B bonds will be used to fund system improvements and pay the costs of issuance. Proceeds from the series 2022C bonds will be used to refinance existing debt and to pay the costs of issuance. The series 2022A bonds will be sold with a fixed rate and amortize through 2044. The series 2022B will be sold with a fixed rate through the mandatory tender date. The series 2022C bonds will be sold with a floating rate of interest through the mandatory tender date. LIPA will have the option to purchase the series 2022B and 2022C bonds on the respective mandatory tender dates.

In addition, Fitch has affirmed the following LIPA ratings at 'A':

--Issuer Default Rating (IDR);

--Approximately \$4.8 billion senior-lien electric system revenue and refunding bonds.

The Rating Outlook is Positive.

## **ANALYTICAL CONCLUSION**

The Positive Outlook reflects LIPA's improving leverage ratio and Fitch's expectation that the gradual but consistent deleveraging trend that began in 2015 will continue through 2026. Leverage, measured by net adjusted debt-to-adjusted funds available for debt service (FADS), improved to 8.3x at YE 2021 from 8.8x three years prior. The improvement is attributable, in part, to LIPA's strategy of budgeting to achieve higher fixed obligation coverage.

Going forward, leverage ratios are expected to trend below 8.0x in 2023, consistent with a higher rating, as performance continues to benefit from LIPA's revenue-decoupling mechanism (RDM) as well as modest but consistent rate increases designed to achieve higher fixed charge coverage.

LIPA's very strong service area, more disciplined approach to rate setting and authorized RDM should sustain its very strong revenue defensibility and overall performance even through periods of stress, further supporting its financial profile. LIPA's operating cost burden remains comparatively high within the sector. However, ongoing efforts to moderate costs and operating risk have been reasonably successful in recent years, and are factored in the rating.

Anticipated benefits that could accrue as a result of the renegotiated operating services agreement (OSA) with LIPA's system operator PSEG Long Island (PSEGLI) are also factored in the rating. The changes were triggered by PSEGLI's poor response to Tropical Storm Isaias in 2020 and are expected to enhance LIPA's oversight, as well as strengthen incentives and accountability measures. Further, LIPA continues to evaluate management options for the Authority upon termination of the OSA in 2025, including bringing utility operations under LIPA management. An upgrade is unlikely prior to a final decision related to the future management of the authority's assets.

## **CREDIT PROFILE**

LIPA owns one of the largest municipal electric distribution systems in the U.S., serving about three million people located throughout New York's Nassau and Suffolk counties and

the Rockaway section of New York City. LIPA has provided electric service throughout the area since May 28, 1998, when it acquired the Long Island Lighting Company (LILCO) as its wholly owned subsidiary. Since the acquisition, the LILCO subsidiary does business under the acronym LIPA. LIPA owns the electric transmission and distribution system located throughout its service territory. However, operation and maintenance of the system, and significant responsibilities for power supply are contracted for with external service providers.

LIPA and PSEGLI reached an agreement earlier this year to amend the existing OSA. The amendments are broadly designed to place a greater share of PSEGLI's compensation at risk based on performance, introduce a wider array of metrics to evaluate performance, strengthen accountability, facilitate long-term planning and separate systems dedicated to LIPA. The amendments further eliminated PSEGLI's eight-year extension option leaving the termination date at Dec. 31, 2025.

LIPA is currently evaluating options for extending or replacing the contract, as well as managing the system assets directly. A draft recommendation from the legislative commission investigating the options is due by Dec. 31, 2022 and a final report by April 1, 2023.

The majority of LIPA's generating capacity is provided pursuant to a power supply agreement (PSA) with National Grid plc (BBB-/Stable). The PSA, which extends through May 2028, provides LIPA with access to approximately 3,700MW of on-island generating capacity currently owned by National Grid. LIPA also maintains an ownership interest in the Nine Mile Point 2 (NMP2) nuclear facility. The remainder of LIPA's capacity and the majority of its energy supply are met through a portfolio of purchased power agreements, including off-island and market purchases. Power supply and fuel management services are provided by PSEG Energy Resources & Trade LLC, a PSEG affiliate.

## **KEY RATING DRIVERS**

### **Revenue Defensibility: 'aa'**

Very Strong and Mature Service Area

LIPA's revenue defensibility assessment reflects the revenue stability provided by its primary role as a transmission and distribution utility, and exceptionally strong service area profile. The assessment also factors in LIPA's legal ability to determine rates, its ability to recover 80% of costs through rate mechanisms and its affordable cost of electric service.

## **Operating Risk: 'bbb'**

### Above Average Operating Costs

Operating risk is assessed as midrange given LIPA's relatively high operating cost burden of 17.2 cents per kilowatt hour (kwh) in 2021, which reflects legacy acquisition costs, challenges related to serving LIPA's island geography and high payments in lieu of taxes (PILOTs).

## **Financial Profile: 'a'**

### Improved Cash Flow Supports Lower Leverage

Lower leverage of 8.3x and stable coverage of full obligations of 1.3x in 2021 reflect a series of base rate increases and the resulting improvement in FADS, together with increasing cash on hand. Leverage is expected to continue trending lower, declining below 8x, which is supportive of the financial profile assessment.

## **Asymmetric Additional Risk Considerations**

There are no asymmetric additional risk considerations factored in the rating.

## **RATING SENSITIVITIES**

Factors that could, individually or collectively, lead to a positive rating action/upgrade:

- A sustained reduction in leverage, approaching 7.0x in Fitch's base and stress cases;
- A sustained reduction in operating cost burden to below 15 cents/kWh, which improves the authority's operating risk assessment to 'a';
- A determination that any proposed change in the management of LIPA's assets does not introduce additional operating or financial risk;

Factors that could, individually or collectively, lead to a negative rating action/downgrade:

- Failure to achieve leverage approaching 7.0x in Fitch's base and stress cases would likely result in a revision of the Outlook to Stable;

--Failure to sustain leverage below 9.0x in Fitch's base or stress cases would likely result in a downgrade;

--Failure to implement planned rate increases;

--Increased political pressures that weakens performance and introduces asymmetric risk;

--Higher than anticipated capex and related borrowings.

## **BEST/WORST CASE RATING SCENARIO**

International scale credit ratings of Sovereigns, Public Finance and Infrastructure issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of three notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit <https://www.fitchratings.com/site/re/10111579>.

## **SECURITY**

The series 2022A, 2022B and 2022C bonds are senior-lien obligations of LIPA secured by the net revenues of the electric system, after payment of O&M expenses.

## **REVENUE DEFENSIBILITY**

LIPA's utility operations exhibit very strong revenue source characteristics, anchored by the authority's electric services. While LIPA allows customers to purchase energy from third-party providers, the authority's existing tariff structure provides that alternate energy service providers would be required to pay LIPA the full value of unavoidable power supply charges that would otherwise be recovered from nonparticipating customers, offsetting much of the related credit risk. According to LIPA, less than 100 customers are supplied by alternate suppliers.

## **Service Area Characteristics**

LIPA provides transmission and distribution service throughout a built-out territory that exhibits exceptionally strong demographics and very stable demand characteristics. The

territory includes most of Nassau (A/Stable) and Suffolk (BBB+/Positive) counties in Long Island, and a small portion of Queens, NY. As of YE 2021, the authority served approximately 1.2 million customers and a population of approximately three million.

Both Nassau and Suffolk counties benefit from a broad and diverse economy, a well-educated workforce, and close proximity to New York City. Median household income (MHI) ratios in both Nassau (\$120,036) and Suffolk (\$105,362) counties remain well above the national average and among the highest in the nation, while unemployment throughout the counties is typically below state and national averages.

Despite the service area's strong demographics profile, energy sales at LIPA declined 1% per year on average over the past five years, reflecting efficiency gains, weather patterns and modest customer growth that is somewhat constrained by the mature and well-developed nature of large portions of the service area.

LIPA's customer base is well diversified, exhibits no customer concentration and is heavily weighted toward residential users, which account for approximately 54% of revenues. Commercial users account for approximately 44% of revenue. LIPA does not serve any large energy-intensive customers, more typical of the industrial service class. LIPA's 10 largest customers typically account for approximately 6% of retail revenues, with the largest user (the Long Island Rail Road) representing less than 2% of electric sales and revenues.

### **Rate Flexibility**

LIPA's rate flexibility is assessed as very strong despite retail rates that rank among the highest in the nation, and a history of pressure to moderate rate increases from ratepayers and local constituents. Fitch's assessment focuses on LIPA's legal ability to determine rates, which, while influenced by 2013 reforms, has not been undermined. It also factors in the authority's improving rate competitiveness and affordability, as measured by average annual electric costs to income levels.

LIPA's rates for electric service are legally determined by the authority's board of trustees and are not subject to the approval of the New York Public Service Commission (NYPSC) or any other regulatory authority. However, following passage of the LIPA Reform Act in 2013, certain rate proposals may be subject to review and recommendation by the NYPSC's DPS. These include any rate proposal that seeks to increase delivery rates more than 2.5%, in addition to LIPA's initial rate plan filed in 2015.

Overall, Fitch views the DPS's review and recommendations to date as constructive. The DPS has positively endorsed several rate adjustment mechanisms to offset variability in some of LIPA's largest expense items, including debt service, storm damage, energy efficiency, PILOTs, and fuel and purchased power costs.

The authority has not proposed a rate increase of more than 2.5% since the initial rate plan concluded, and does not expect to do so through 2023, obviating the need for DPS review. To the extent that increases exceeding 2.5% are necessary to support credit quality, and the DPS review process and LIPA board approvals constrain revenue over time, Fitch's assessment of rate flexibility could be lowered.

LIPA's rate flexibility is further supported by the regional competitiveness of its retail rates and the very high affordability of electric service. While LIPA's residential rates of roughly 20 cents/kWh remain 17% above the New York state average, comparisons against neighboring systems, including Consolidated Edison Company of New York and United Illuminating, are more favorable. Moreover, despite the absolute level of rates, the affordability of LIPA electric service remains very high. The retail cost of electricity for LIPA's residential customers represents less than 2% of MHI, lower than the national average.

### Rate Structure Features

LIPA's revenue defensibility assessment is further supported by its electric rate structure, which includes recovery mechanisms for more than 80% of its revenue requirements and an RDM that will annually adjust for the difference in actual revenues versus budgeted revenues. Electric rates incorporate a base delivery service charge, as well as a series of charges and riders designed to automatically recover fuel and purchased power expenditures, certain PILOT payments, and costs related to energy efficiency and distributed energy.

Most of the recovery mechanisms are adjusted at least annually, including the authority's power supply charge, which is adjusted monthly. LIPA's largest adjustment factor remains the power supply charge, which recovers 50% of total revenue. Together, these mechanisms should stabilize margins even during periods of higher demand and cost volatility.

### **OPERATING RISK**

LIPA's operating cost burden is assessed as midrange, reflecting operating costs that are well above the national average and have consistently exceeded 15 cents/kWh over the last

five years. LIPA's comparatively high cost burden reflects, among other factors, the high cost structure and debt burden of the original acquisition, the inherent challenges of serving the island geography and PILOT payment requirements that are more than double the average of the Fitch-rated portfolio. The burden rose above 17 cents/kWh in 2020 reflecting storm restoration costs that exceeded budget by almost \$277 million and lower energy sales, and fell only modestly in 2021 as power supply charges rose.

LIPA relies heavily on purchased resources to meet its energy demand and capacity requirements. Declining wholesale market prices and expanded access to regional energy markets moderated the cost of LIPA's energy supply in recent years by allowing the authority to displace more expensive generation from its PSA resources in favor of more economic energy purchases from independent power producers and short-term purchases in the regional electricity markets.

Most of LIPA's available capacity remains rooted in its legacy PSA with National Grid. Although available capacity under the agreement has declined in recent years as a result of unit retirements, the agreement still provides important access to 3,600MW of on-island gas/oil-fired resources; approximately 66% of the authority's total capacity requirements. Power is supplied under the PSA at rates and charges approved by the Federal Energy Regulatory Commission.

The addition of several new system interconnections over the last decade significantly has increased LIPA's access to a broad range of off-island resources and improved LIPA's power supply diversity. The interconnections, which include several underwater cables, now provide in aggregate more than 2,125MW; 2,719MW of import capacity that is partially owned or contracted and capable of supplying up to 40% of LIPA's peak energy requirements. Purchases pursuant to the PSA accounted for 30% of requirements in 2021 compared to 51% in 2005; purchases from other suppliers, including short-term purchases, accounted for 54% of requirements.

Current requirements for PILOT payments by LIPA remain another meaningful contributor to the authority's cost burden. PILOT payments and assessments totaled 9% of total revenue in 2021, well above the 4.1% average for the Fitch-rated portfolio. Including property taxes, aggregate payments were even higher totaling 14% of revenue in 2020. Recent efforts to address the burden, including provisions of the LIPA Reform Act that limit annual increases to no more than 2% and settlements to reduce payments related to LIPA's power plants should lower payments by an aggregate \$554 million through 2028.

## **Operating Cost Flexibility**



LIPA's operating cost flexibility is assessed as neutral. As noted above, the authority has worked to diversify its power supply mix, adding roughly 1,620MW of purchased capacity from independent generating units located on Long Island and elsewhere. LIPA's current portfolio of contracts includes nearly 30 individual agreements with expiration dates and capacity ranging between 2022 and 2052 and between 2MW and 685MW, respectively. Natural gas is the predominant fuel source for the vast majority of the contracted capacity, supplemented by smaller amounts of nuclear, solar, hydro, oil-fired and refuse capacity. Additional contracts for renewable energy, particularly offshore wind, are expected to diversify resources going forward.

LIPA's minority 18% ownership interest in the (NMP2) nuclear generating station (224MW share) facility located in Oswego, NY, and operated by Constellation Energy Nuclear Group, LLC, accounts for roughly 4% of LIPA's capacity and 9% of its energy supply, broadening the authority's fuel mix and operating cost flexibility even further.

The authority's available capacity remained comfortably above peak demand (4,984 MW in 2021) in recent years, due to moderate summer temperatures, pandemic-related slowdowns and energy-efficiency initiatives. Reserve margins ranged between 9% and 17% since 2017.

The authority's pending decision regarding the operation of its assets is not expected to heavily impact its operating cost burden or weaken operating flexibility. While moving operations under LIPA management could reportedly save \$77 million-\$85 million a year, the authority's overall cost burden should remain consistent with Fitch's midrange assessment. Moreover, LIPA's ownership of, and access to, power supply resources, as well as the system's employee base would be unaffected by any management transition.

### Environmental Considerations and Clean Energy Transition

LIPA is in the midst of conducting its 2022 Integrated Resource Plan (IRP), which is expected to more clearly chart the authority's path toward the goals New York State has outlined in its Climate Leadership and Community Protection Act (CLCPA). These goals include state-wide requirements that 70% of electricity consumed in the state by 2030 be produced from renewable energy, and 100% zero-carbon electricity generation by 2040. The preliminary results of the IRP will be available later this year, and are also expected to address the pending expiration of the PSA in 2028.

Meeting the requirements of the CLCPA is expected to involve the addition of significant amounts of new distributed solar installations and off-shore wind capacity across New York

State, and within LIPA's own portfolio. The state has already contracted for capacity from three off-shore wind projects that could provide 2,270 MWs of capacity to Long Island by 2027, and continues to solicit interest in new distributed solar resources. The arrangements would add to the roughly 255 MWs of existing solar and wind capacity.

The NYPSC has further confirmed that up to \$1.5 billion in infrastructure spending may be required across Long Island's transmission system to support the integration of off-shore wind and other renewable projects, but with considerable cost sharing across the state's utilities any burden for LIPA should be manageable. The IRP will specifically focus on the period through 2030, but longer-term needs may be identified and further evaluated in subsequent plans.

### **Capital Planning and Management**

LIPA's capex needs are assessed as moderate, evidenced by a low Fitch-calculated average age of plant (eight years) and the robust capex program that the authority has undertaken in recent years. Since 2017, capex averaged 150% of depreciation.

Peak demand for the authority is expected to decline by roughly 300MW, or 6% by 2026, primarily due to the greater adoption of energy efficiency and rooftop solar. These estimates not only confirm that there is no need for additional baseload capacity through the foreseeable future, but also provides an opportunity to retire existing capacity and continue the transformation of LIPA's resource portfolio. LIPA has announced its intention to retire 400MW-800MW of steam capacity by 2027.

LIPA's latest IRP will consider future projects to meet the service area need and goals outlined in the CLCPA. Given LIPA's commitment to the CLCPA, resource planning is expected to involve the integration of over 3,000MWs of offshore wind energy by 2035 and the addition of 375MW of battery storage by 2030.

Despite limited generation needs, LIPA's five-year capex budget of approximately \$3.7 billion remains elevated. The increased investment in the electric system reflects LIPA's remaining initiatives related to strengthening system resiliency, reliability and storm hardening, as well as major projects related to smart meter installation and reliability. LIPA expects to debt finance roughly 70% of the planned capex over the next three years, which exceeds its target of 64%.

### **FINANCIAL PROFILE**

LIPA's financial profile assessment reflects the authority's improving leverage ratio, cash flow and coverage metrics. Cash flow and coverage metrics improved steadily since 2016 as higher FADS, driven by rate increases and improved cost recovery, outpaced slightly higher debt service. The improvement in LIPA's FADS reflects the effect of certain noncash charges and funds received to offset certain debt obligations, as well as consistent rate increases, and is consistent with LIPA's stated objectives. Coverage of LIPA's full obligations, which conservatively incorporates the authority's sizable PILOT payments and a portion of purchased power expense as a fixed obligation, was 1.26x in 2021, up from 1.14x in 2017.

Leverage has also steadily improved to 8.3x at YE 2021 from over 9.8x in 2015, due to the authority's improved cash flow and its accumulation of cash reserves. Fitch calculates LIPA's net adjusted debt burden for 2021 at roughly \$12.8 billion, which is higher than historical levels, but a significant portion of the increase reflects LIPA's adoption of accounting guidelines for leases. The calculation incorporates LIPA's long- and short-term borrowings (\$12.3 billion; including Utility Debt Securitization Authority [UDSA] borrowings) and capitalized purchased power obligations pursuant to Fitch's criteria (\$2.0 billion), offset by cash and investments that are unrestricted and/or available for debt service (\$1.36 billion) and debt service reserve funds \$112 million.

LIPA's liquidity profile also improved, supporting a neutral assessment. Total liquidity, including borrowing capacity under its revolving credit agreement and CP program, improved to 333 days in 2021 from 251 days in 2017. LIPA intends to maintain solid liquidity levels of at least \$250 million in cash and available credit of at least 120 days of operating expenses.

#### Fitch Analytical Stress Test (FAST) - Base and Stress Cases

Overall performance through Fitch's FAST scenario analysis is expected to improve gradually and remain consistent with the authority's financial profile assessment. Fitch's base case is informed by LIPA's approved and projected budgets for 2022-2026, and factors an average decline in energy sales of 2% per annum, rate increases sufficient to meet LIPA's increasing fixed coverage goals (1.4x), cost recovery pursuant to clauses in place, RDM collections and FEMA reimbursements.

Capital spending ranges between \$782 million and \$663 million per annum. The results of the base case indicate that leverage could trend below 8.0x by 2023. Debt levels are also expected to moderate as a lower percentage of capital spending is debt-funded and scheduled debt and capital lease principal payments are made. Coverage of full obligations

is expected to remain relatively stable at 1.0x-1.3x over the scenario and cash balances remain neutral to the rating.

Fitch's standard stress scenario incorporates a more pronounced decline in energy sales, however, the financial impact is modest given the authority's RDM, which adjusts revenue collections for deviations from budgeted energy sales. In Fitch's stress scenario, leverage is still expected to trend below 8.0x in 2024.

Finally, Fitch's assessment recognizes that LIPA's leverage ratio is modestly overstated given the terms of the unique UDSA-issued debt, which provides for mandated debt service coverage and related revenue collection that are lower than the authority's remaining indebtedness.

## **Debt Profile**

LIPA's debt profile is neutral in Fitch's assessment. Total debt obligations have stabilized in recent years, and largely include the authority's electric system revenue bonds, capitalized lease obligations and securitized restructuring bonds issued by the UDSA (a special-purpose corporate municipal instrumentality of the State of New York). Total reported debt at YE 2021 (\$12.3 billion) was modestly higher than reported last year.

### **Securitized Debt**

Part of the LIPA Reform Act created the UDSA and authorized the issuance of restructuring bonds to retire a portion of the authority's outstanding debt, lowering debt costs. The securitization law permits the UDSA to create and collect separate irrevocable and non-bypassable restructuring charges from LIPA's distribution customers that are sufficient to meet its restructuring bond obligations.

Moreover, the legislation provides that restructuring charges must be adjusted at least annually to ensure that aggregate collections are sufficient to meet scheduled restructuring bond payments. The restructuring charges are not subject to the lien of LIPA's master or subordinate general resolution supporting its electric system revenue bonds.

The UDSA-issued restructuring bonds (AAAsf) benefit from the strength and stability of the underlying legislatively approved restructuring charges and defined property rights in the restructuring property, which, together with the characteristics of LIPA's service area, provide bondholders with enhanced protections and repayment expectations that lowered financing costs. Although Fitch recognizes the benefits of the separately secured

restructuring bonds, which are not direct obligations of the authority, the required restructuring charges remain an obligation and burden of current ratepayers, limiting the benefits attributable to the initiative in Fitch's view.

Outstanding UDSA debt totaled \$3.7 billion at YE 2021. Recent legislation permits the UDSA to issue up to \$8.0 billion in restructuring bonds to refinance outstanding LIPA or UDSA debt, or to fund resiliency investments.

In aggregate, approximately 9% of LIPA's debt was variable rate, and the remainder was fixed rate, including the securitization bonds at YE 2021. Overall, interest rate and liquidity risk is limited as a portion of the authority's variable-rate debt that is hedged through a floating- to fixed-interest rate swaps, and exposure to failed remarketings or mandatory redemptions is mitigated by the terms of the floating-rate note agreements. LIPA maintains an aggregate \$1.2 billion of short-term borrowing arrangements and CP programs, with expiration dates that are comfortably staggered between 2023 and 2025.

In addition to the sources of information identified in Fitch's applicable criteria specified below, this action was informed by information from Lumesis.

## **REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING**

The principal sources of information used in the analysis are described in the Applicable Criteria.

## **ESG CONSIDERATIONS**

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on Fitch's ESG Relevance Scores, visit [www.fitchratings.com/esg](http://www.fitchratings.com/esg)

## **RATING ACTIONS**

**ENTITY / DEBT** ⚡

**RATING** ⚡

**PRIOR** ⚡

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|----------------------------------|----------|---------------------------|--|---------------------------|
| Long Island Power Authority (NY) | LT IDR   | A Rating Outlook Positive |  | A Rating Outlook Positive |
|                                  | Affirmed |                           |  |                           |

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| Long Island Power Authority (NY) /Electric System Revenues/1 LT | LT | A Rating Outlook Positive | Affirmed | A Rating Outlook Positive |
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## **PARTICIPATION STATUS**

The rated entity (and/or its agents) or, in the case of structured finance, one or more of the transaction parties participated in the rating process except that the following issuer(s), if any, did not participate in the rating process, or provide additional information, beyond the issuer's available public disclosure.

## **APPLICABLE CRITERIA**

[U.S. Public Power Rating Criteria \(pub. 09 Apr 2021\) \(including rating assumption sensitivity\)](#)

[Public Sector, Revenue-Supported Entities Rating Criteria \(pub. 01 Sep 2021\) \(including rating assumption sensitivity\)](#)

## **APPLICABLE MODELS**

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

[FAST Econometric API - Fitch Analytical Stress Test Model, v3.0.0 \(1\)](#)

## **ADDITIONAL DISCLOSURES**

[Dodd-Frank Rating Information Disclosure Form](#)

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## **ENDORSEMENT STATUS**

Long Island Power Authority (NY)

EU Endorsed, UK Endorsed

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