



COMMUNITY ADVISORY BOARD

January 25, 2023

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2023 BUDGET & METRICS UPDATE

LIPA BOARD'S STRATEGIC OBJECTIVES

1

Reliability and Resiliency

- Top 10% reliability among peer utilities
- Improve circuit conditions that cause repeated customer outages
- Invest in system resiliency to reduce outages and restoration times from severe weather
- Independently verify and validate PSEG Long Island's emergency restoration planning

2

Customer Experience

- Deliver top 25% customer satisfaction in J.D. Power studies
- Continual improvement in ease of customer interaction, as measured by customer surveys
- Invest in technology to enhance the convenience of billing, payments, appointments, emergency restorations, etc.

3

Information Technology and Cybersecurity

- Deploy modern grid management technology and data analytics benchmarked to the top 25% of utilities
- Protect digital infrastructure and customer data, as measured by an annual independent assessment of cybersecurity practices
- Clearly communicate customer information collection policies

4

Clean Energy

- 70% renewable energy by 2030
- Zero-carbon electric grid by 2040
- Encourage beneficial electrification of transportation and buildings (i.e., electric vehicles and cold climate heat pumps)

5

Customer Affordability

- Maintain regionally competitive electric rates
- Prioritize investments to balance cost and service quality
- Maintain affordable electric bills for low-income customers and disadvantaged communities

6

Fiscal Sustainability

- Achieve AA-category credit ratings by reducing LIPA's debt-to-assets ratio from 90%+ to 70% or less by 2030
- Maximize grants and low-cost funding sources
- Develop budgets and financial plans that maximize customer value and aggressively manage costs
- Provide LIPA's customers and investors with timely, transparent, accurate, and useful information to evaluate LIPA's financial performance and plans

LIPA'S PRIORITIES FOR 2023

- The Board's strategic objectives are turned into annual budget and performance metrics
- The 2023 Performance Metrics and Budget are available to the public to view at lipower.org. A copy was sent to all members of the Community Advisory Board
- Performance reports are provided to the LIPA Board quarterly and are available to the public

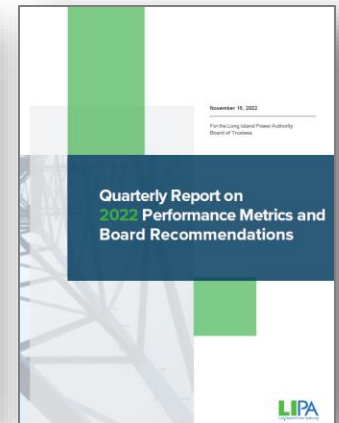
2023 Budget



2023 Performance Metrics



Quarterly Report on 2022 Performance Metrics



LIPA BOARD'S VISION FOR RELIABILITY AND RESILIENCY

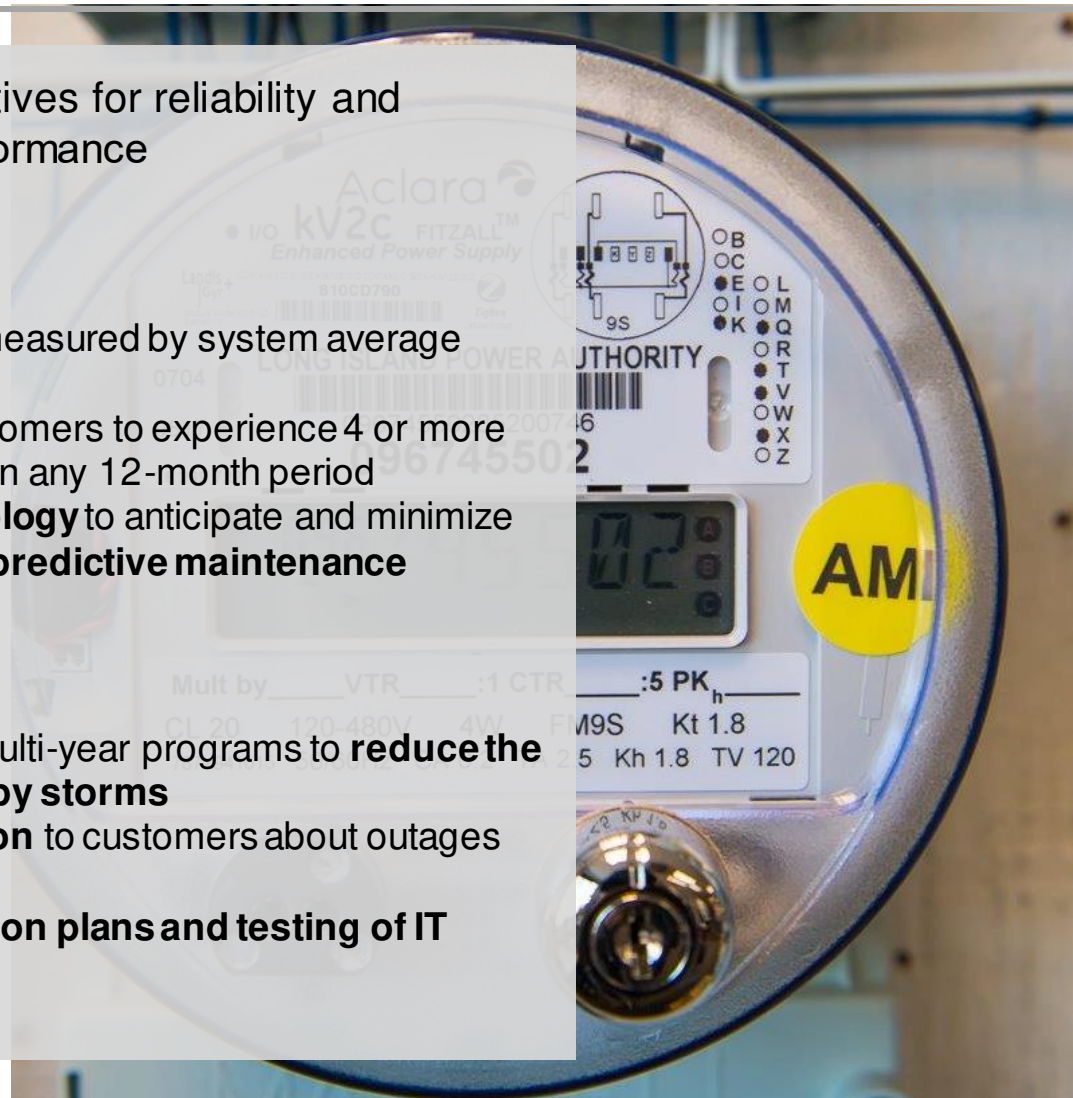
The LIPA Board of Trustees has set objectives for reliability and resiliency to measure management's performance

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**

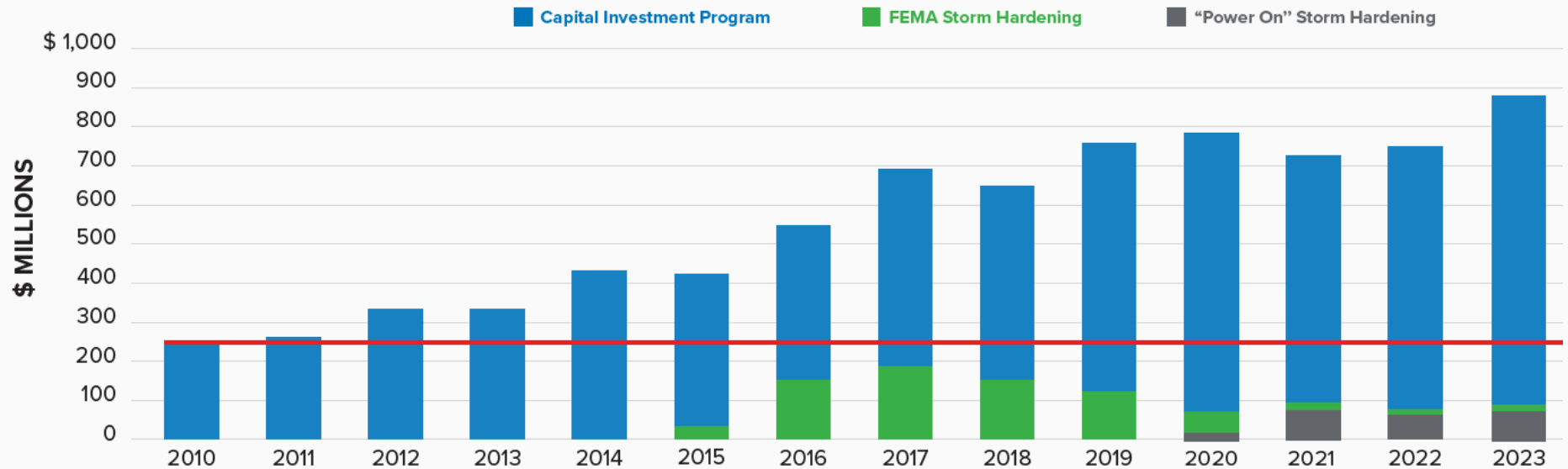
LIPA Board's [resiliency](#) objectives:

- 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**



MAKING THE GRID MORE RELIABLE & RESILIENT

LIPA has invested a record **\$5.7 billion** in infrastructure since 2016 to improve the reliability and resiliency of Long Island's electric grid



RELIABILITY INVESTMENTS = REAL RESULTS

Customers with Power Outages

↓ 37%

Customers with > 4 Outages Per Year

↓ 71%

Customers with “Flicker” Interruptions

↓ 58%

National Utilities Ranking for Reliability **TOP 10%**

MEETING NEW YORK'S CLEAN ENERGY GOALS



Climate Action
Council

NEW YORK STATE CLIMATE ACT GOALS



Renewables
70% by 2030

Electric Sector
GHG Reduction
100% by 2040



Offshore Wind
9,000 MW
by 2035



Solar Energy
6,000 MW
by 2025

10,000 MW
by 2030



Battery Storage
6,000 MW
by 2030



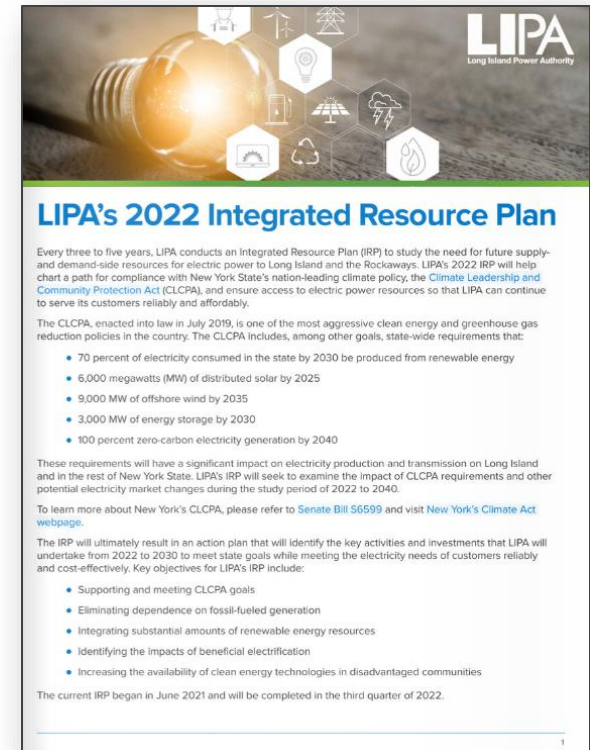
Energy Efficiency
185 trillion BTU
reduction by 2025



Electric Vehicles
100% zero-emission
vehicles by 2035

ACHIEVING A ZERO-CARBON ELECTRIC GRID

- In June 2021, LIPA and PSEG Long Island launched an **Integrated Resource Plan (IRP)** to study the transition to a zero-carbon grid by 2040
- The IRP will result in an action plan for the period of 2023 to 2030 that will recommend key actions and investments needed to **achieve state goals** while continuing to meet the electricity needs of LIPA's customers **reliably and cost-effectively**
- IRP preliminary results will be available in **Q1 2023**
- An initial public hearing was held in September 2021. Additional opportunities for public input will be provided as study results are available






[Fact Sheet: LIPA's Integrated Resource Plan](#)

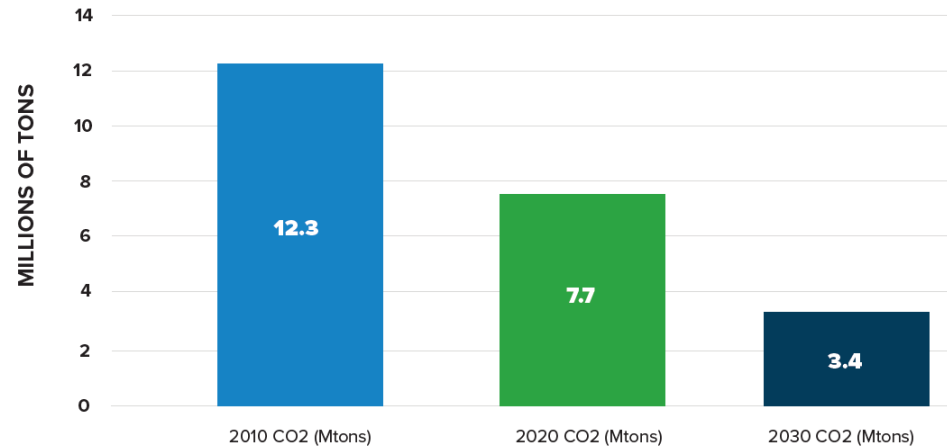
TRANSITIONING TO A ZERO-CARBON GRID

Long Island clean energy projects will **reduce LIPA's carbon footprint over 72% by 2030**

Long Island Clean Energy Projects In Service by 2030

 Solar (914 MW)	Size (MW AC)	In-Service (Est.)
Long Island Solar Farm	32	2011
Eastern Long Island Solar Project	11	2013
Shoreham Solar Commons	25	2018
Riverhead Solar	20	2019
Kings Park Solar 1 and 2	4	2019
Solar Feed-in Tariffs I-III	89	2021-2022
LI Solar Calverton	23	2021
Behind-the-Meter	695+	2030
Solar Communities (FIT V)	15	2022
 Offshore Wind (2,366 MW)	Size (MW AC)	In-Service (Est.)
South Fork Wind Farm	130	2023
Sunrise Wind	880	2025
Empire Wind 2	1,356	2026
 Energy Storage (750 MW)	Size (MW AC)	In-Service (Est.)
East Hampton & Montauk Storage	10	2018 & 2019
2022 RFP Awards	175+	2025
Future Storage Additions	565	2030
TOTAL	4,030 (MW AC)	

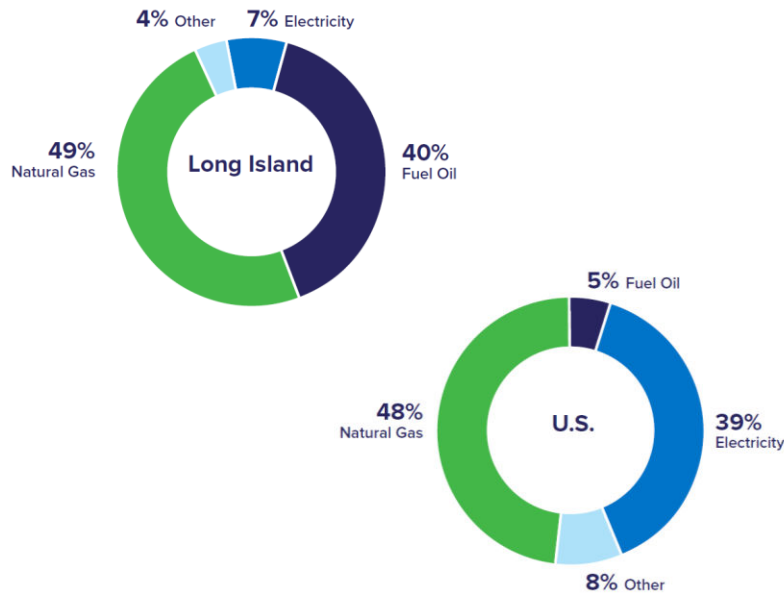
Long Island and Rockaways Electric Grid Carbon Emissions 2010-2030




BUILDING DECARBONIZATION SAVES MONEY & CARBON FOR LONG ISLAND

- Cold climate heat pumps can help customers **save on both carbon and money**
- LIPA seeks to leverage our customer insights, relationships, and contractor network to accelerate heat pump adoption

Long Island Homes Heat with Oil
at Eight Times the National Average



Long Island Households Could Save Money
and Reduce Their Carbon Footprint with Heat Pumps

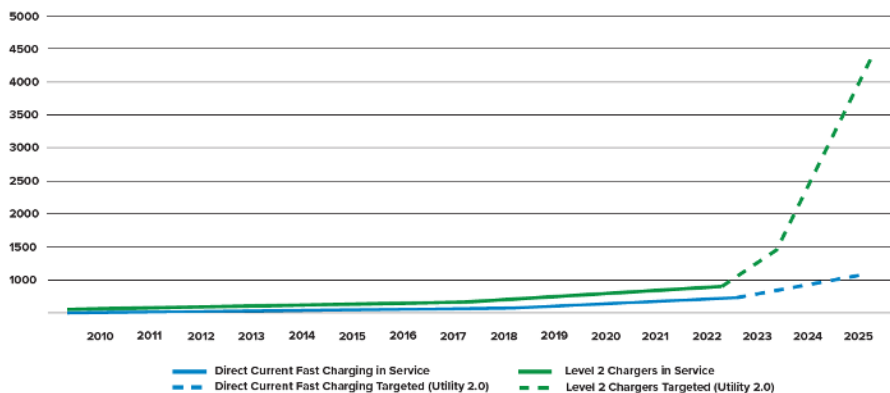
 Existing Building - Oil Boiler	Buying New Central Air Conditioning	Buying New Air-Source Heat Pump
Upfront Cost	\$12,646	\$22,132
LIPA Rebate*	-	-\$4,600
Federal Tax Credit*	-	-\$2,000
Net Cost	\$12,646	\$15,532
Annual Home Heat Bill	\$2,581	\$1,099
Annual Savings	-	\$1,482
Payback Period	-	1.9 years
Carbon Footprint from heating (2022)	-	-46%
Carbon Footprint from heating (2040)	-	-100%

*Low- to moderate-income households are eligible for LIPA rebates that cover 70% or more of the cost of installing a heat pump as well as federal tax credits of up to \$8,000.

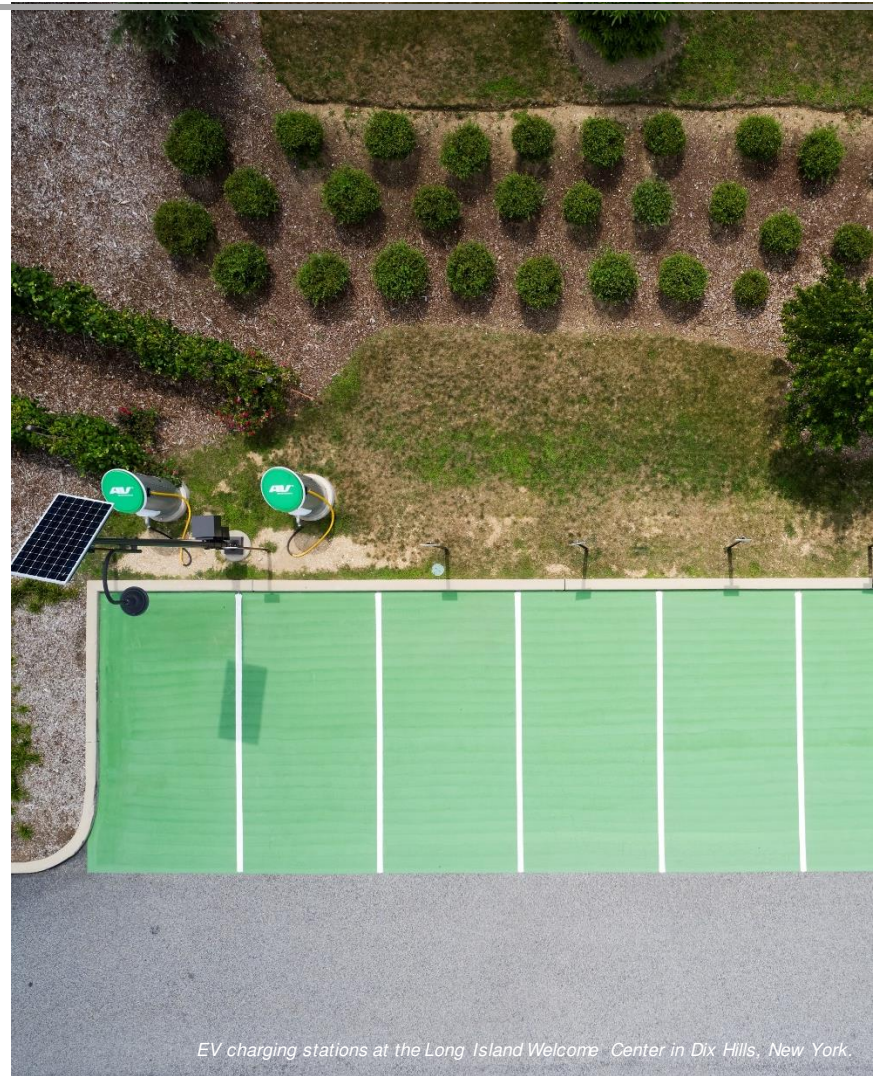
DECARBONIZING TRANSPORTATION

- LIPA has an **\$88 million plan** to build out the infrastructure to support more than **4,700 EV chargers across Long Island and the Rockaways by 2025**
- This infrastructure plan supplements LIPA's other EV initiatives, including home smart charger incentives, public fast charger incentives, and electric rate discounts for charging at off-peak times

Publicly Available Electric Vehicle Chargers in LIPA's Service Territory*



- *In service charging ports include all publicly accessible ports in LIPA's service territory, according to NYSERDA data. Targeted ports are based on PSEG Long Island filed make-ready targets.*





TIME-OF-DAY RATE PROPOSAL FOR 2024

14

LIPA IS MOVING TO TIME-OF-DAY RATES IN 2024

NO

newsday.com
\$2.50 / 11 EDITION
Thursday
Jun. 12, 2023

Newsday

SPORTS FINAL
YOUR EYE ON LI
HI 52° LO 49°
RAIN LIKELY

FIRST IN NEWSDAY

\$4B Pitch For Resort At Hub

Las Vegas Sands
submits bid to Nassau
A7



Conceptual renderings of parts of the project at the Coliseum property.

Nassau GOP Tells Santos To Resign

Congressman digs in,
says he's staying in office
A4 | VIDEO AT NEWSDAY.TV



Rep. George Santos on Capitol Hill Wednesday.

NEW LIPA PLAN REWARD FOR OFF-PEAK POWER USE

Imposes higher rates from 3 p.m. to 7 p.m. and gives discounts at other times

Promises money back if customer bills rise in first year

A3 | UPDATES AT NEWSDAY.COM

9 NEW RESTAURANTS TO TRY IN 2023 EXPLORE LI

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TOP STORIES

Off-peak incentive

LIPA's rate plan has savings for usage in less-busy hours

BY MARK HARRINGTON

Q & A

■ **What's the benefit of switching to time-of-day rates?**

Customers who shift their power to off-peak times can save money by avoiding usage in the 3 p.m. to 7 p.m. peak period.

■ **What types of appliances benefit from the change?**

The biggest gains would be from shifting appliances such as electric dryers, dishwashers, air conditioners and electric car chargers to off-peak.

■ **What if I don't want time-of-day rates?**

LIPA is offering a flat rate that won't fluctuate during the day, but customers must opt out of the time-of-day program. LIPA is also offering a money-back guarantee that would refund the difference if a customer's bill goes up after a year of time-of-day rates compared with the flat rate.

In a prospective analysis provided by LIPA, the discounted rate for those who shift to off-peak usage would vary from 20 cents a kilowatt-hour from June 1 through Sept. 30, to 18 cents a kilowatt-hour for the remainder of the year. Peak rates would rise to 39 cents a kilowatt-hour for usage between 3 p.m. and 7 p.m. from June 1 through Sept. 30, and 37 cents a kilowatt-hour for the remainder of the year. Average LIPA customers now pay about 26 cents a kilowatt-hour for power.

The super off-peak rate would offer power at 13 cents a kilowatt-hour for those who shift usage to 10 p.m. to 6 a.m. during the summer period, but the cost of peak power during that period spikes to 44 cents a kilowatt-hour in summer and 34 cents in winter. Standard off-peak for that plan is between 25 cents and 19 cents a kilowatt-hour for summer and non-summer, respectively.

Those rates include only the delivery and power supply charges, not other bill elements such as the delivery service adjustment and a renewables charge. And the rates would fluctuate somewhat monthly with changes in the cost of power, LIPA said. The new rates apply to residential customers. Commercial customers, some of which already operated under time-of-day rates, would see new rates in 2025, LIPA said.

For those who choose to opt out of the time-of-day plan, a new flat rate of 24 cents a kilowatt-hour would be available for all hours in the summer period, dropping to 21 cents a kilowatt-hour from Oct. 1 through May 31.

Key Shore ratepayer Holly Gordon said she'd be interested in hearing about how all-electric customers would be impacted by the new rates, because if it's freezing outside, she has no option but to raise the heat during the winter peak. "It's interesting," she said of the plan. "We'll see if it makes a difference. I need to see the specs before giving it a shot."

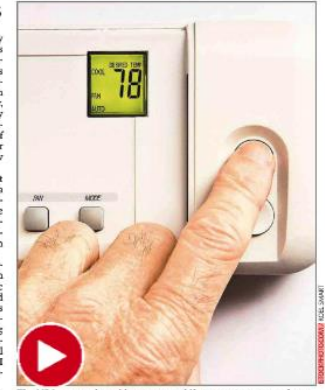
Falcone said LIPA plans to come up with a time-of-day rate design for all-electric customers before year end.

Anthony Letieri of Fort Salonga said he'd be willing to try the new rate, but said he wished the service provider would focus first on making sure his outage-prone neighborhood was addressed first. "Under normal circumstances, I'd like to give it a shot," he said. "I want to help, but I don't have a lot of faith in the utility."

Falcone said PSEG LI's compensation will be based on its excess usage of the plan, and that the phase-in period will allow LIPA to course-correct if needed. "Our job is to make it as easy as possible," he said. "The peak is 3 p.m. to 7 p.m. Save after seven."

Savings on appliances

Shifting usage of some basic appliances to off-peak can shave an average 50 cents a month for a dishwasher to \$2.25 a month for an electric dryer, according to LIPA estimates. Shifting to the super off-peak rate could save even more — \$1.50 a



The LIPA proposal would attempt to shift power usage away from the peak hours of 3 p.m. to 7 p.m. Video: newsday.com

month for turning on the dishwasher between 10 p.m. and 6 a.m. and \$6 a month for the electric car, which have seen surging growth rates, are expected to become the prominent form of transportation in coming years, necessitating the transition to nighttime charging.

Under the plan, which also will be the subject of public hearings, PSEG will alert customers to the coming rate change, with alerts 90, 60 and 30 days before it rolls out. Customers can opt out of the new rate to remain either with the standard rate or the new flat rate.

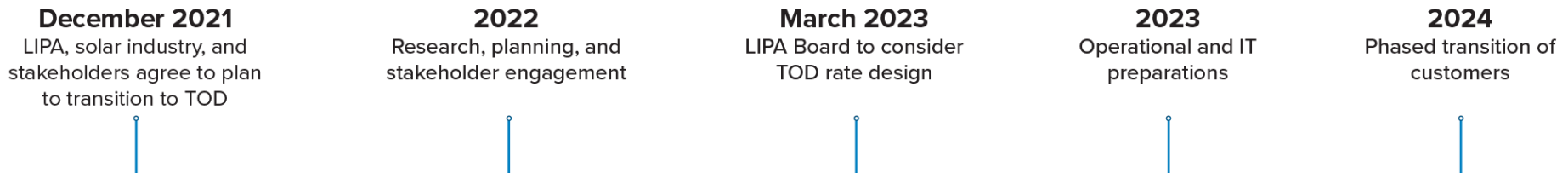
Hearings on the new rates are scheduled for Feb. 21 in Hauppauge and Uniondale at 10 a.m. and 6 p.m., respectively. The LIPA board will vote on the proposals at its March 29 meeting.

Customers can submit written comments via email to: TODpubliccomments@lipoa.com

PHOTO: SHUTTERSTOCK/ANDREW JACOBSEN

LIPA IS MOVING TO TIME-OF-DAY RATES IN 2024

- **LIPA will offer a standard Time-of-Day (TOD) rate plan for residential customers in 2024**
- Peak hours are **3 p.m. to 7 p.m. on weekdays**. Electricity will be cheaper “off peak” **88% of the hours of the year** including all day on weekends and holidays.
- LIPA will deploy services and tools to educate customers and help them make the most of the new plans. Customers who try TOD will receive a 1-year **Bill Protection Guarantee** and can switch back to their current rate plan at any time. Customers will be notified 90, 60 and 30 days before transition.
- Shifting electric use during a few peak hours to other times of day results in **cleaner and less expensive** energy use and helps prevent high-cost upgrades to the electric grid (substations, transformers) to meet peak capacity



SAVINGS POTENTIAL

- Over **80% of customers will pay less on time-of-day rates** without changing their routines as most energy is consumed off peak.

Customer Bill Savings on the Time-of-Day Rate and Super Off-Peak Rates

With the modernized TOD Rate, customers who run appliances before 3 p.m. or after 7 p.m. will save money as compared to the Flat Rate. With the optional Super Off-Peak Rate, customers can save even more by running appliances after 10 p.m. and before 6 a.m.

	TOD Rate (Save before 3 p.m. or after 7 p.m.)	Super Off-Peak Rate (Smaller savings before 3 p.m. or after 7 p.m. and larger discounts between 10 p.m. and 6 a.m.)
Initial Savings¹ (Before any Changes to Electric Use)	Save \$3.50 per month	Save \$5.75 per month
Dishwasher	Save \$0.50 per month	Save \$1.50 per month
Washing machine	Save \$1.75 per month	Save \$4.50 per month
Electric dryer	Save \$2.25 per month	Save \$6.00 per month
Pre-cool home before 3 p.m.	Save \$12.75 per month (in the summer)	Save \$13.75 per month (in the summer)
Pool Pump	Save \$4.00 per month (in the summer)	Save \$6.50 per month (in the summer)
Battery storage optimized use	Save \$40.00 per month	Save \$51.25 per month
Electric vehicle	Save \$43.50 per month	Save \$56.50 per month
Total Savings (including changes)**	Save up to \$91.50 per month (\$108.25 in the summer)	Save up to \$125.50 per month (\$145.75 in the summer)

Note: These estimates are based on average household appliance usage. The typical household already uses most of its electric off-peak, so the "initial savings" is without assuming changes to electric usage. The additional savings estimates for dishwashers, laundry, pool pumps, and electric vehicles assume customers move their appliance usage to the lowest price period. The "initial savings" does not include savings for customers with pool pumps or EVs, as their usage is higher than the typical customer. Pre-cooling and pool pump savings only apply to the summer months. The battery storage example shows the savings available from using residential storage to optimize a TOD rate. LIPA will help every customer estimate their individual savings potential based on their actual usage patterns.

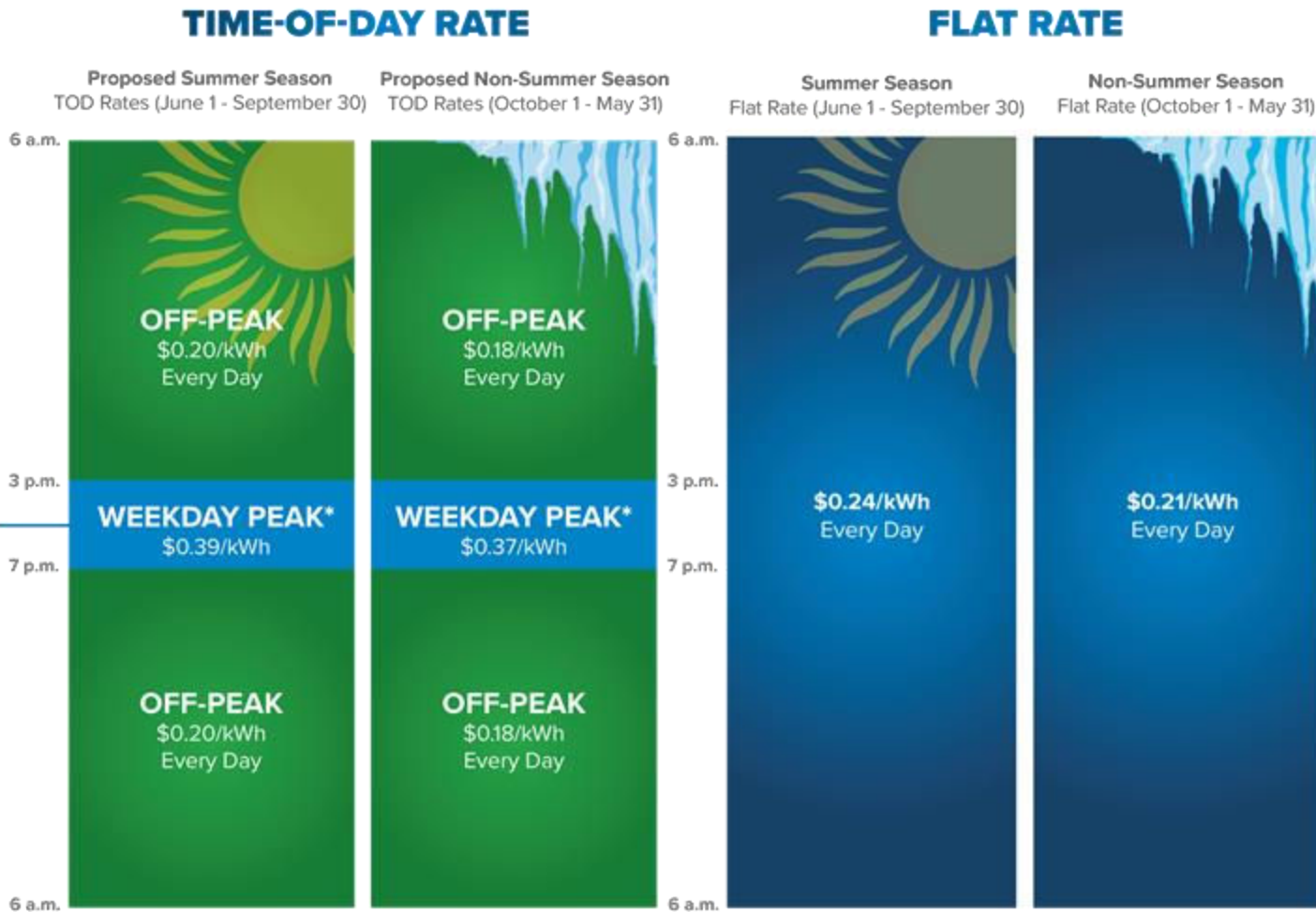
COMPARING TIME-OF-DAY TO FLAT RATE

Most customers save money on TOD.

- On average, customers will save \$3.50 per month.

** Weekdays Only
(No Peak Hours on Weekends and Federal Holidays)*

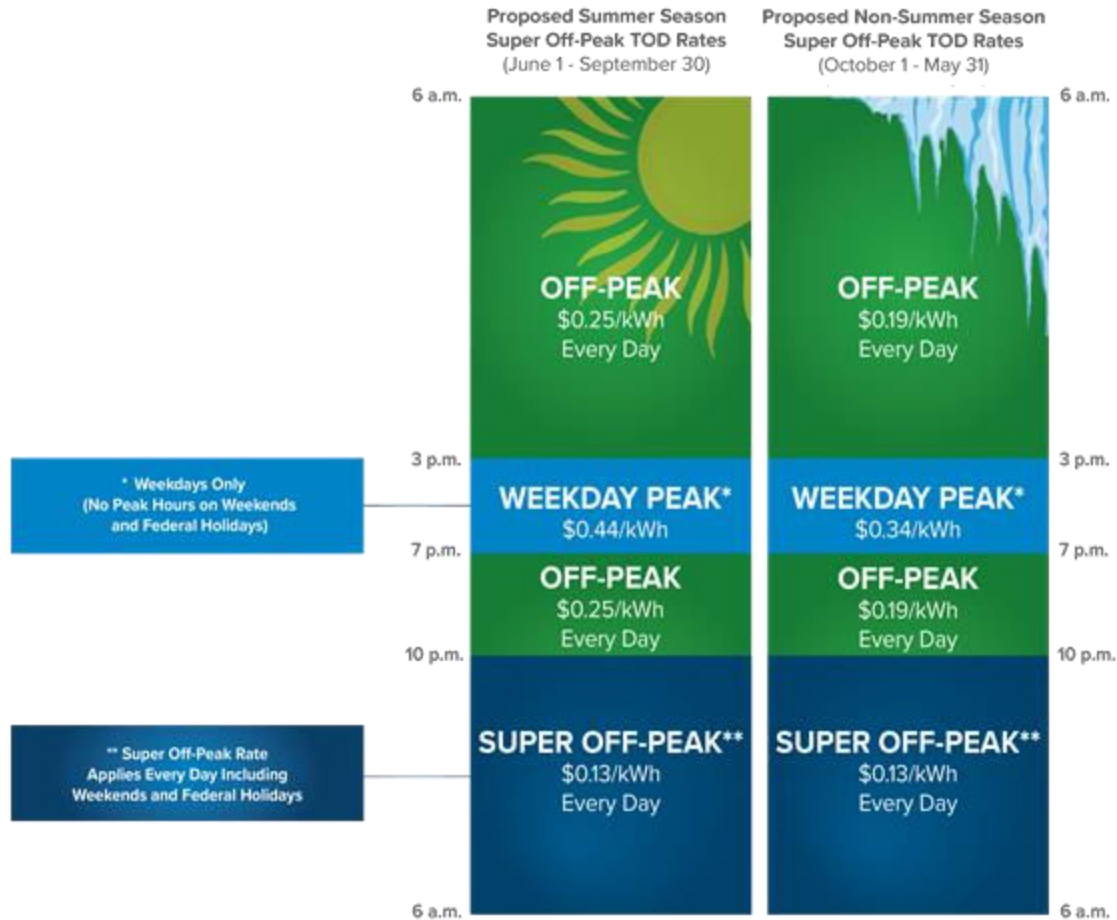
- Customers who move a portion of their usage to off-peak times can save more money.



**These are the rates that would apply if the program were launched in 2023.*

THE SUPER OFF-PEAK RATE

SUPER OFF-PEAK RATE



Deep discounts overnight.

- “Super off-peak” hours from 10 p.m. to 6 a.m. every day.
- Low super off-peak pricing creates bigger savings for customers who can use more overnight.

**These are the rates that would apply if the program were launched in 2023.*

2024 RESIDENTIAL RATE PLANS

New Plans in 2024

Time-of-Day (TOD) Rate

New standard rate

- Peak price from 3 p.m. to 7 p.m. on weekdays (excluding holidays)
- Off-peak price during all other hours
- 1-year Bill Protection Guarantee

Super Off-Peak Rate

New optional rate with deeper overnight discount

- Peak price from 3 p.m. to 7 p.m. on weekdays (excluding holidays)
- Super off-peak price from 10 p.m. to 6 a.m. every day
- Off-peak price during all other hours
- 1-year Bill Protection Guarantee

Existing Plans

Flat Rate

Optional rate with same price all-day, like the current standard rate

- Same price all-day
- Same structure as current standard rate
- Higher price for usage above 250 kW per month (summer only)

Other Options

Less common optional rates

- Electric heating rate
- Long Island Choice and Green Choice
- Existing Time-of-Use pilots will remain available for enrolled customers and will be closed to new customers

NEXT STEPS

FEB
21

Public Hearing
Hauppauge, NY
10 a.m.
(In-person)

FEB
21

Public Hearing
Uniondale, NY
6 p.m.
(In-person & Virtual)

FEB
27

**Public
Comment
Deadline**

MAR
29

**LIPA Board of
Trustees Meeting**
11 a.m.

- LIPA will hold two public hearings on February 21, 2023, where customers can sign up to speak. LIPA will also accept written public comments until February 27, 2023. Written comments can be submitted by emailing TODpubliccomments@lipower.org.
- The proposal is scheduled for consideration at the March 29, 2023 meeting of the LIPA Board of Trustees in Uniondale, New York. Consideration by the Board of rate and tariff changes are held in open session and the public is always invited to attend and speak. For more information on how to attend and participate in public hearings and Board meetings, please visit lipower.org.

For more information, view LIPA's [Fact Sheet on Time-of-Day Rates](#)



COVID-19 ELECTRIC BILL CREDIT PROGRAM

22

COVID-19 BILL CREDIT PROGRAM



Fairfield Properties has agreed to return the money, Attorney General Letitia James said.

**AG:
FAIRFIELD
ILLEGALLY
KEPT SECURITY
DEPOSITS**

A5



Geese cross the street in Brightwaters.

**Residents
Run Afoul
Of Rules**

A4

VIDEO AT NEWSDAY.TV

GIANTS VS. EAGLES TONIGHT IN PLAYOFF SHOWDOWN

SPORTS

NEW LIPA PLAN UP TO \$2G CREDIT FOR OVERDUE BILLS

As many as 44,000
ratepayers who fell
behind are eligible for help

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TOP STORIES

FEDS O.K. LIRR SAFETY SYSTEM FOR EAST SIDE

BY ALFONSO A. CASTRILLO
alfonso.cast@newsday.com

The Long Island Rail Road has cleared another hurdle to opening Grand Central Madison, as it has met federal safety requirements involving potential collisions inside the new tunnels.

Federal Railroad Administration spokesperson Cory Gantie said Thursday that the LIRR had completed the installation of federally mandated safety systems on all trains that will serve Grand Central Madison.

In October, the LIRR sent a letter to the FRA requesting a temporary waiver from the requirement that its train signal system be equipped with "hazard detectors" that would prevent an oversized train from crashing into one of the newly dug East Side Access tunnels.

In its request to the FRA, the LIRR said it already has "significant hazard detection and/or enforcement" technology to prevent such accidents. But it expected that the addition of required software into the LIRR's federally mandated "positive train control" system "will not be completed until after commencement" of the new service to Grand Central.

The new station was originally scheduled to open last month, but has been delayed because of issues with its ventilation system, MTA chairman Janno Lieber earlier this month wouldn't put a date on the opening but said the railroad was making progress.

In November, the FRA granted the temporary waiver giving the LIRR until Feb. 15 to install the needed technology.

LIRR spokespersons declined to comment Friday. The FRA said it is still evaluating plans to ensure that the railroad's positive train control system will also protect Amtrak trains, which share some tracks with the LIRR.

Per the conditions of the waiver, Amtrak trains must stay away from the tunnels until the issue is resolved.

The \$1.1 billion East Side Access megaproject aims to give the LIRR a second Manhattan home.

LIPA TO BEGIN PROGRAM FOR OVERDUE BILLS HELP

\$2,000 credits
for bills accrued
by May 1, 2022

BY MARK HARRINGTON
mark.harrington@newsday.com

Long Island ratepayers who fell behind on their electric bills because of the COVID-19 pandemic may be eligible for a new one-time credit of up to \$2,000 under a state-devised program that LIPA plans to begin next month.

The new program, which applies to all customers who haven't previously received arrears forgiveness in the first round of credits last year, will fund around \$42 million in bill credits starting next month, about \$33 million of which LIPA said will come from existing reserves.

The credits will apply to arrears had accrued up through May 1, 2022. Past-due bills that have accrued after that date "are still owed," LIPA said.

LIPA in a statement Friday said the plan would help about 44,000 residential customers across the service territory, over and above the roughly 11,000 low-income customers already helped with \$25 million in arrears forgiveness last year, about \$9.8 million of which was state-funded. A similar program for small commercial customers also will be available in 2023, LIPA said.

Ratepayers who are eligible don't even need to apply for the credits, LIPA said, adding that the program will post on customers' bills starting next month.

LIPA said the program also includes a shut-off moratorium for "all residential customers until at least March 1, 2023 to avert potential service terminations for the 44,000 residential customers that will receive bill credits." In addition, ratepayers who were shut off due to a COVID-19-related issue will have power restored through a moratorium period through June 30, LIPA said.

"It's a great program to help people who have gotten behind on their bills," LIPA chief Tom Falcone told Newsday Friday morning.

LIPA disclosed the program Friday, a day after the state Public Service Commission approved a similar forgiveness program for regulated utilities across the state. LIPA, which does not come under the PSC's jurisdiction, isn't obligated to follow its recommendations.

In an unusual rebuke, two PSC commissioners took sharp aim at LIPA and grid manager PSEG Long Island over concerns that the LIPA program could be delayed or weakened because it was handled outside



A LIPA smart meter, recently installed at a Suffolk County home, is seen in 2022.

WHAT TO KNOW

■ **LIPA will provide a new one-time credit of up to \$2,000 to eligible ratepayers who fell behind on their electric bills because of the COVID-19 pandemic.**

■ **The new program will fund about \$42 million in bill credits, about \$33 million of which LIPA said will come from existing reserves.**

■ **The credits will apply to arrears accrued up through May 1, 2022, and will post on customers' bills starting next month.**

the PSC process.

"I'm troubled," said PSC commissioner Diane Burman, a former Long Islander. "This is not the first time, and it continues to happen with PSEG Long Island that they wait and then pick and choose what they are and aren't going to do and it gets lost after the fact, and for me it's important enough that I'm disappointed."

Falcone noted that LIPA participated in the PSC's Energy Affordability Policy Working Group that devised the arrears forgiveness programs, and has adopted all seven recommendations of the group.

"There's nothing we did differently," he said. "We even did it on the same timeline."

Commissioner Tracey Edwards also took aim at LIPA and PSEG, saying their not coming under the jurisdiction of the PSC led to questions about how and when the utility will roll out its program.

"If there's anyone that is hesitant, if there's anyone that doesn't understand the need for this commission to regulate utilities, they should look no further than what did not occur with LIPA and PSEG," she said, "and how we are now waiting for them to decide to take action. Look no further to why we need this commission to regulate utilities. Look no further."

Burman noted that while LIPA and PSEG had indicated their intent to implement a bill-

credit program that would follow "the same general parameters" as state-regulated utilities, she added, "I find it incredulous that they are waiting until after we act to start" the program.

"They should have already started the proceeding," she said. "They could have made sure they were aligning themselves so they'd be ready to go in real time right after we decided what we were doing."

Falcone, calling the comments "misinformed," said all LIPA/PSEG information for the working group was "up-loaded and available to anybody in the working group."

LIPA's information wasn't in a final paper for Thursday's PSC vote because LIPA isn't regulated by the PSC, he said.

LIPA, Falcone noted, is implementing its program without the approval of the LIPA board, which has been informed about it, because the utility has already set aside most of the reserves for the latest arrears forgiveness program. All LIPA reserves are paid for by LIPA customers, and LIPA may have to increase reserves in future budgets to pay the roughly \$9 million not covered by 2022 reserves, Falcone said.

Burman said she had also hoped the Long Island utility would have provided an "apples to apples comparison" of its plan so that other state utilities could have examined and possibly replicated it.

COVID-19 BILL CREDIT PROGRAM

Elements of Phase 2 (*same as IOU program*)

1. One-time bill relief for residential customers not relieved in Phase 1 and small commercial customers
2. The arrears must be from the COVID-19 period (before May 1, 2022)
3. The credit is subject to an “up to” cap per customer (\$2,000 for residential), which is designed to eliminate COVID-19 period arrears for 75% of customers
4. Bill credit is automatic (customer does not need to sign up)
5. Allow reinstatement, through June 30, 2023, of accounts held by eligible residential customers who were shut off in 2022
6. Existing reconciliation mechanism reconciles bad debt expense (budgeted to accrued)
7. Suspend residential shut-offs through the later of March 1, 2023, or 30 days after credits have been applied

Details

- LIPA and PSEG LI participated in the Energy Affordability Policy working group since 2021 and implemented bill discount increases and Phase 1 arrears forgiveness
- \$42M in residential arrears to be forgiven in Phase 2, helping ~44,000 customers
- \$1.5M-2.7M in small commercial arrears to be forgiven in Phase 2
- \$33M already in rates (bad debt reserves); remainder subject to true-up
- Residential credit to be applied on February 1; small commercial to follow in February



LIPA – U.S. DEPARTMENT OF ENERGY GRANT SUBMISSION

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MINIMIZING COST TO CUSTOMERS

LIPA's status as a public power utility makes it eligible for federal grants not available to investor-owned utilities and has reduced costs for customers by **\$1.8 billion over the last decade**

Federally Declared Weather and Other Events	LIPA Recovery Cost	Federal Grants
Tropical Storm Irene (2011)	\$170 million	\$154 million
Superstorm Sandy Restoration (2012) Superstorm Sandy Storm Hardening (2016-2020)	\$671 million --	\$660 million \$656 million
Winter Storm Nemo (2013)	\$17 million	\$11 million
Winter Storm Stella (2017)	\$14 million	\$4 million
Tropical Storm Isaias (2020) Tropical Storm Isaias Storm Hardening (2023+)	\$309 million --	\$276 million \$400+ million*
COVID-19 Pandemic (2020-2022)	\$28 million	\$27 million*
Tropical Storm Ida (2021)	\$9 million	\$7 million
TOTAL	\$1.2 BILLION	\$1.8 BILLION*

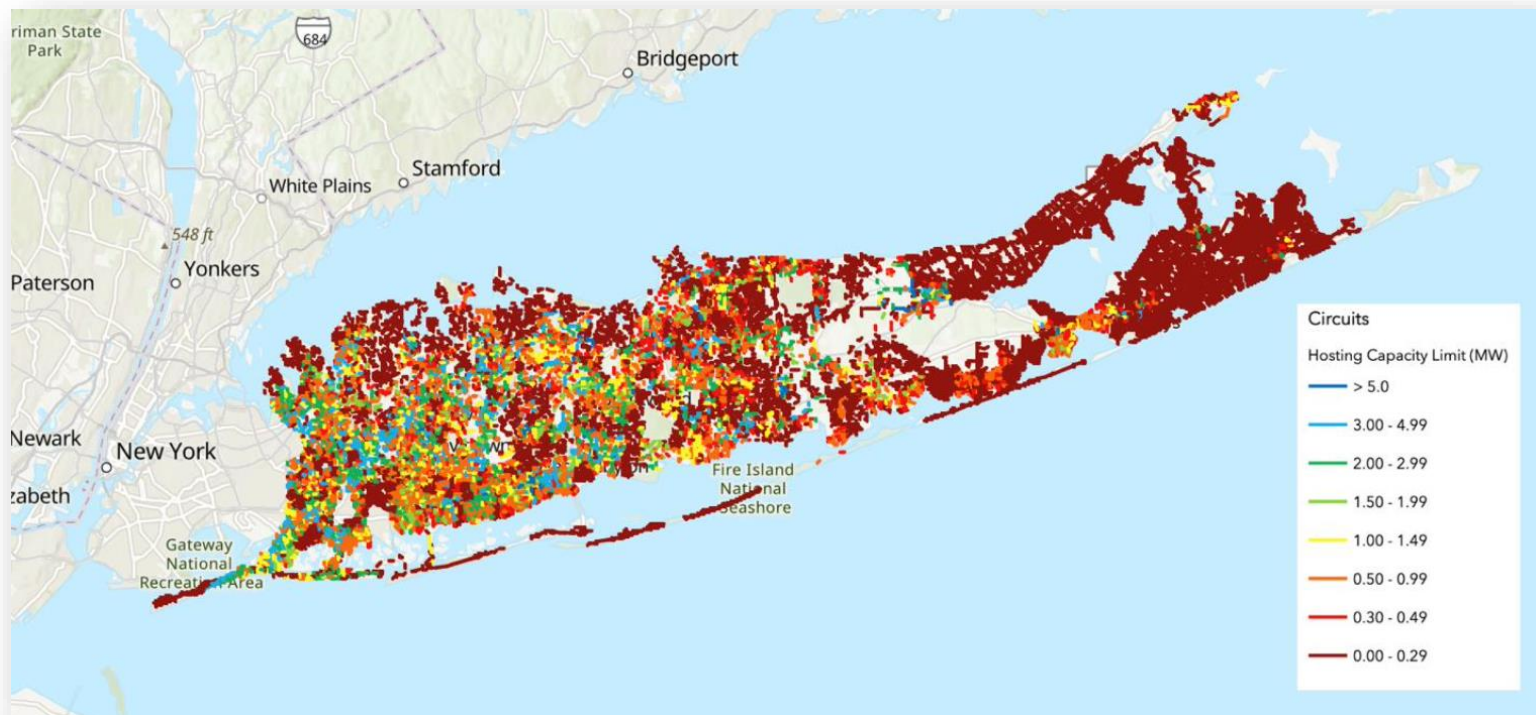
**Application pending; total excludes grants not yet awarded.*

LIPA FEDERAL GRANT PROPOSAL

- On January 13, LIPA submitted a concept paper under the Grid Resilience and Innovation Program, authorized under the Bipartisan Infrastructure Law (BIL). **LIPA is eligible for the grant as governmental entity**
- LIPA is seeking a **federal grant of \$250 million** toward \$500 million of upgrades to the Transmission & Distribution System to allow for additional interconnection capacity for Distributed Energy Resources (DER)
- The proposal builds upon two recent actions taken by LIPA to address hosting capacity constraints and lower interconnection costs for project developers:
 - (1) a recently launched Interconnection Cost Sharing 2.0 Framework and
 - (2) a study to identify distribution system constraints and technical solutions to address those constraints on LIPA's distribution circuits, utilizing the latest distribution system modeling technology, smart inverter breakthroughs, and recently upgraded hosting capacity mapping technology
- LIPA will partner with developers and municipalities to interconnect community solar and other DERs serving low-income customers and disadvantaged communities
- The initial determination of support by DOE is expected to be announced on February 24th. Full grant applications are due on May 19th



DER HOSTING CAPACITY MAPS



Over 40% of LIPA's distribution feeder circuits have less than 1 MW of available average hosting capacity, and 22% have no capacity at all



COMMUNITY NEWS

LIPA SCHOLARSHIP UPDATE

- Applications for the LIPA Scholarship are **now available** at lipower.org/scholarship
- Announced in November, the program is open to students from historically underrepresented communities who will be attending either Nassau Community College or Suffolk County Community College and are pursuing associate degrees/certificates related to the electric utility or clean energy sectors
- The program intends to create new talent pipelines to meet the **growing demand for clean energy jobs in our region**
- LIPA will be conducting outreach to high schools in eligible areas early this year





LEGISLATIVE COMMISSION UPDATE

NEW YORK STATE LEGISLATIVE COMMISSION ON THE FUTURE OF LIPA

- The 2022 New York State budget enacted a Legislative Commission on the Future of LIPA to investigate and report to the legislature on the establishment of a public power model of management for LIPA's assets
- [Members of the Commission](#) have been announced. There is also an [Advisory Committee](#) to the Commission
- [Six hearings](#) have been held across Long Island and the Rockaways
- LIPA's goal is to provide the Commission with objective research and analysis on relevant topics

Commission Members



Senator Kevin Thomas
Co-Chair



Assemblyman Fred W. Thiele Jr.
Co-Chair



Senator
Anthony Palumbo



Assemblywoman
Stacey Pheffer Amato



Assemblyman
Doug Smith



Senator
James Sanders



Roundtable

Discussion