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LIPA Issues RFP for Temporary Generation Resources, Files FERC Complaint Seeking Fair Transmission Rates

Initiatives seek to protect Long Island customers from rising wholesale electricity costs while strengthening system reliability and expanding available power supply resources

UNIONDALE, NY, August 4, 2026 - The Long Island Power Authority (LIPA) today announced two actions that will help address concerns about rising electricity prices while improving reliability and grid stability, advancing LIPA's commitment to provide reliable, affordable and sustainable energy for customers across its service area.

Seeking fair and reasonable transmission rates

In a recent filing, LIPA has requested that the Federal Energy Regulatory Commission (FERC) address transmission rates set by the Neptune Regional Transmission System ("Neptune"), a transmission cable connecting Long Island with the PJM regional electricity market through New Jersey, that LIPA believes no longer reflect competitive market conditions. The complaint asks FERC to intervene by determining that individually negotiated rates are no longer appropriate in LIPA's service area, and to establish a cost-based, regulated rate structure consistent with other FERC-regulated utilities.

LIPA contends that changing market conditions have reduced competitive alternatives available to Long Island customers and that Neptune's rates should therefore be reviewed under FERC's negotiated rate policy. LIPA is requesting that rates be based on an appropriate cost-based framework that is fair to both electric customers and suppliers while ensuring reliable service.

Expanding supply through new competition

In a parallel initiative, LIPA, through its service provider PSEG Long Island, has issued a Request for Proposals (RFP) seeking proposals for temporary generation resources that can be deployed quickly, operate during periods of system need, and be removed when no longer required, while LIPA continues to pursue long-term clean energy, storage, and reliability initiatives.

The solicitation invites new market participants who can expand available generating capacity, improve system reliability, and provide customers with the benefits that result from meaningful competition among suppliers without long-term commitments and major investments.

Interested bidders can go to [Proposals & Bids - PSEG Long Island](#) for full details.



Protecting customers while maintaining reliability

Together, these actions seek to balance increasingly challenging market conditions by relieving pressure of rising costs while easing constraints on Long Island electrical system.

"Our responsibility is to provide reliable electric service at the lowest reasonable cost," said Carrie Meek Gallagher, LIPA's CEO. "When market conditions change, we have an obligation to pursue every available option to protect customers, promote competition among suppliers, and ensure rates remain just and reasonable."

Gary Stephenson, Senior Vice President, Power Supply at LIPA, added, "Market-based rates can deliver value when effective competition exists. However, when market conditions change, regulatory safeguards are necessary to ensure customers continue receiving reliable service at fair and reasonable prices."

LIPA will continue working with regulators, existing suppliers, prospective developers, and other stakeholders to ensure a reliable, affordable, and increasingly clean supply of electricity for the communities it serves.

About LIPA

The Long Island Power Authority is a non-profit municipal electric provider that owns the electric transmission and distribution system serving approximately 1.2 million customers across Long Island and the Rockaways.