Community Choice Aggregation

August 17, 2020

Long Island Power Authority

AGENDA

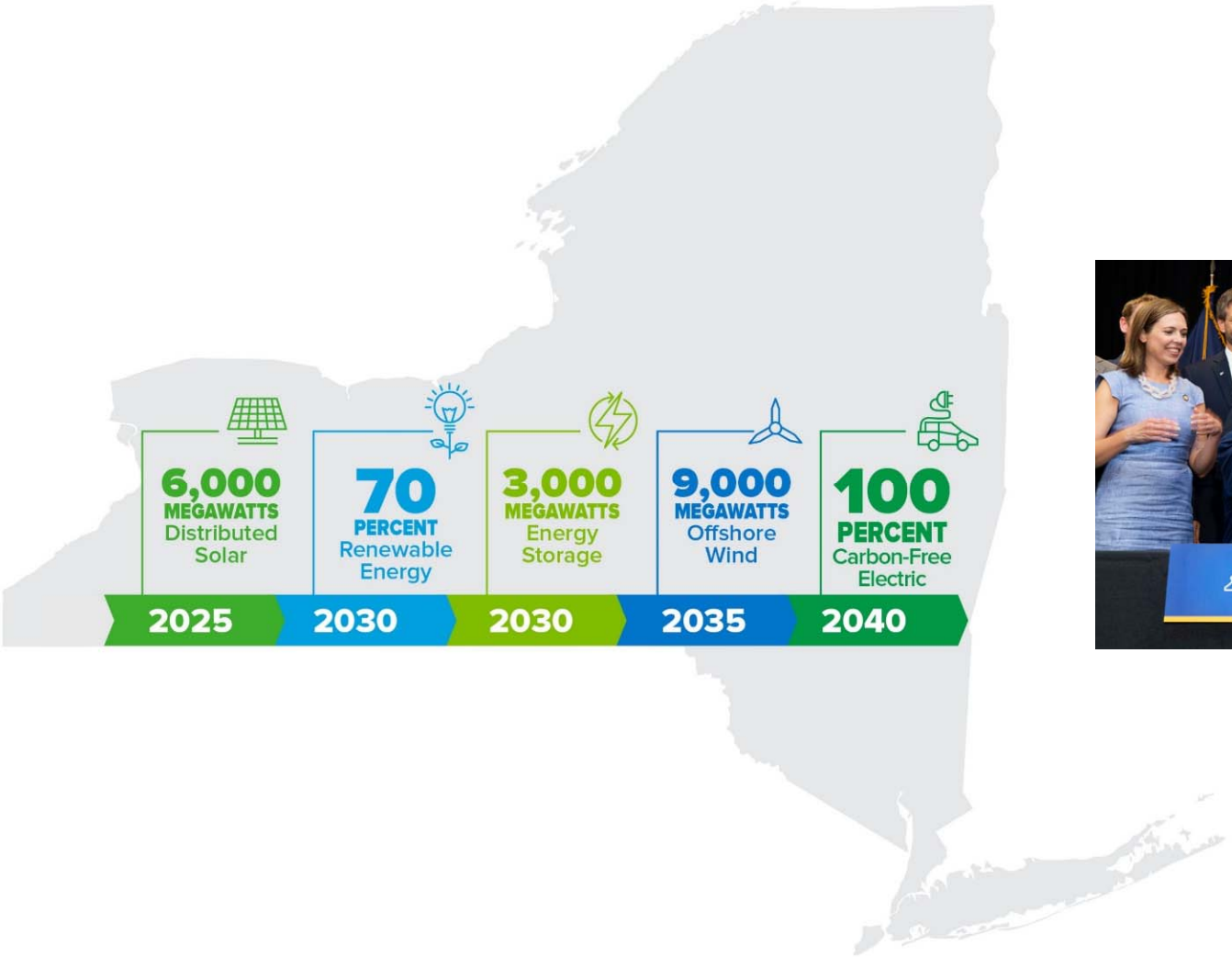
01 Meeting Our Clean Energy Goals

02 Key Players in Long Island's Electric Industry

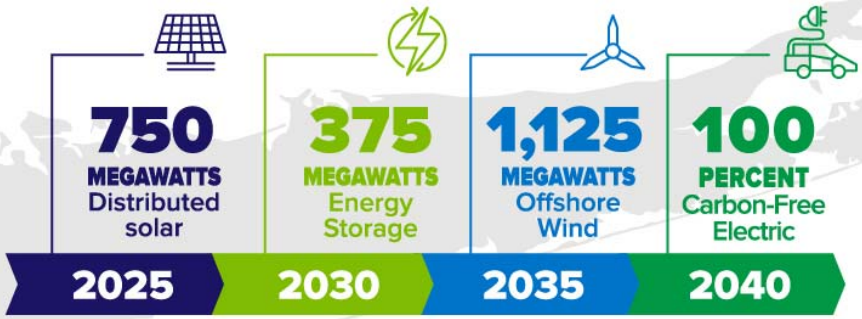
03 Understanding Community Choice Aggregation

Long Island Power Authority

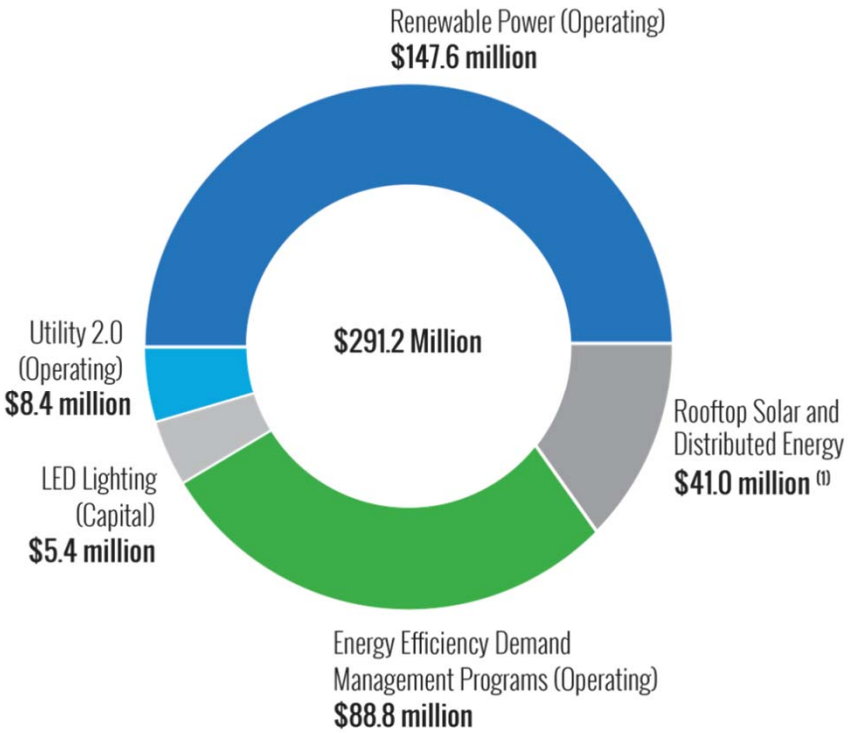
NEW YORK'S RECORD CLEAN ENERGY GOALS



LONG ISLAND IS LEADING THE WAY



LIPA's 2020 Clean Energy Investments



East Hampton Goals

100% renewable electricity by 2020

100% renewable energy by 2030

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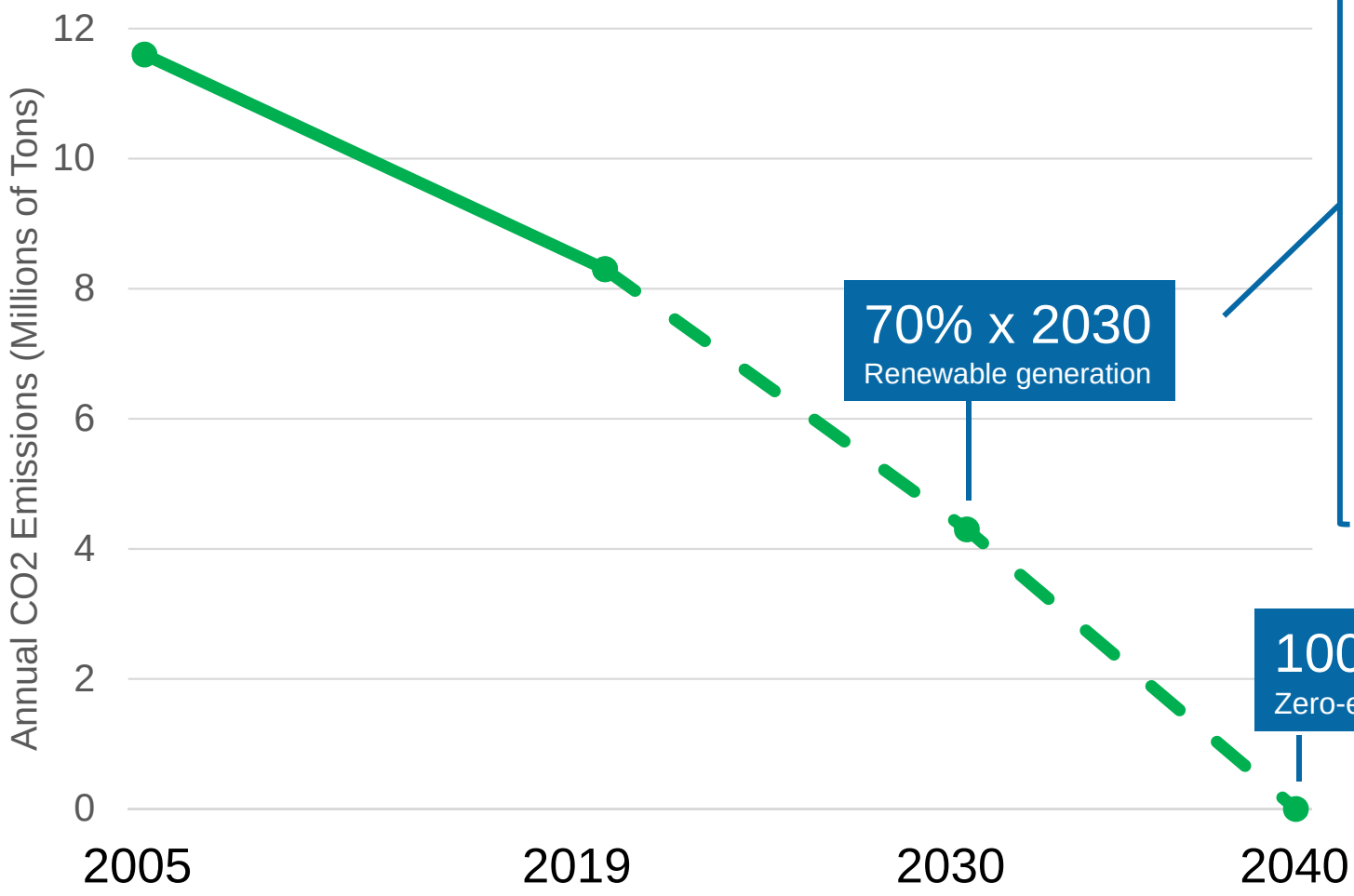
LONG ISLAND'S CARBON FOOTPRINT FROM ELECTRICITY



2030 Vision:

50% decrease in CO2 from 2019 levels

500+ MW utility-scale solar

800+ MW distributed solar

1,800+ MW offshore wind

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ENERGY PLAYERS ON LONG ISLAND

LIPA
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Not-for-Profit State Authority

- Owns Electric Grid
- Contracts for T&D Services and Generation
- Oversees PSEG Long Island Operations
- Funds LI Clean Energy Programs
- Access to low-cost financing, FEMA grants

PSEG LONG ISLAND

Utility Contracted to Operate LIPA's Grid

- Day-to-Day Operations of T&D System
- Name and Face to Customers
- Storm Response
- Infrastructure and IT Improvements
- Power Supply Planning

NEW YORK STATE OF OPPORTUNITY. Department of Public Service

- Oversight of LIPA and PSEG Long Island
- Independent Rate Recommendations
- Consumer Complaint Investigations
- Management Audits
- Review Emergency Response Plans

NYISO

New York Independent System Operator

- Dispatches Power Plants and Transmission on a Least Cost Basis
- Performs Planning Studies and Sets Energy Market Rules

nationalgrid

& Other Generators

- Own and Operate Power Plants

Energy Service Companies (and CCAs)

- Procure energy on behalf of Retail Choice and Community Choice Aggregation customers
- Procure renewable energy certificates

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UNDERSTANDING CUSTOMER CHOICE PROGRAMS

	Full-service Customer	PSEG LI Green Choice	Long Island Choice	Community Choice Aggregation (CCA)
Delivers electricity	PSEG LONG ISLAND	PSEG LONG ISLAND	PSEG LONG ISLAND	PSEG LONG ISLAND
Procures energy	PSEG LONG ISLAND	PSEG LONG ISLAND	ESCO	ESCO/CCA
Procures RECs / clean energy	PSEG LONG ISLAND	ESCO	ESCO	ESCO/CCA
How are customers enrolled?	Default (if no local CCA)	Opt-in	Opt-in	Default w/ opt-out (requires adoption of local law)
How green is it?	Meets NY goals 70 x 30 100 x 40	Meets NY goals + Voluntary customer REC purchase (50% or 100% of usage)	Meets NY goals + ESCO may offer additional voluntary REC options	Meets NY goals + CCA may choose to procure additional RECs / clean energy

ESCO = Energy services company
REC = Renewable energy certificate (see slide 11)

POTENTIAL BENEFITS OF CCA

Potential customer benefits

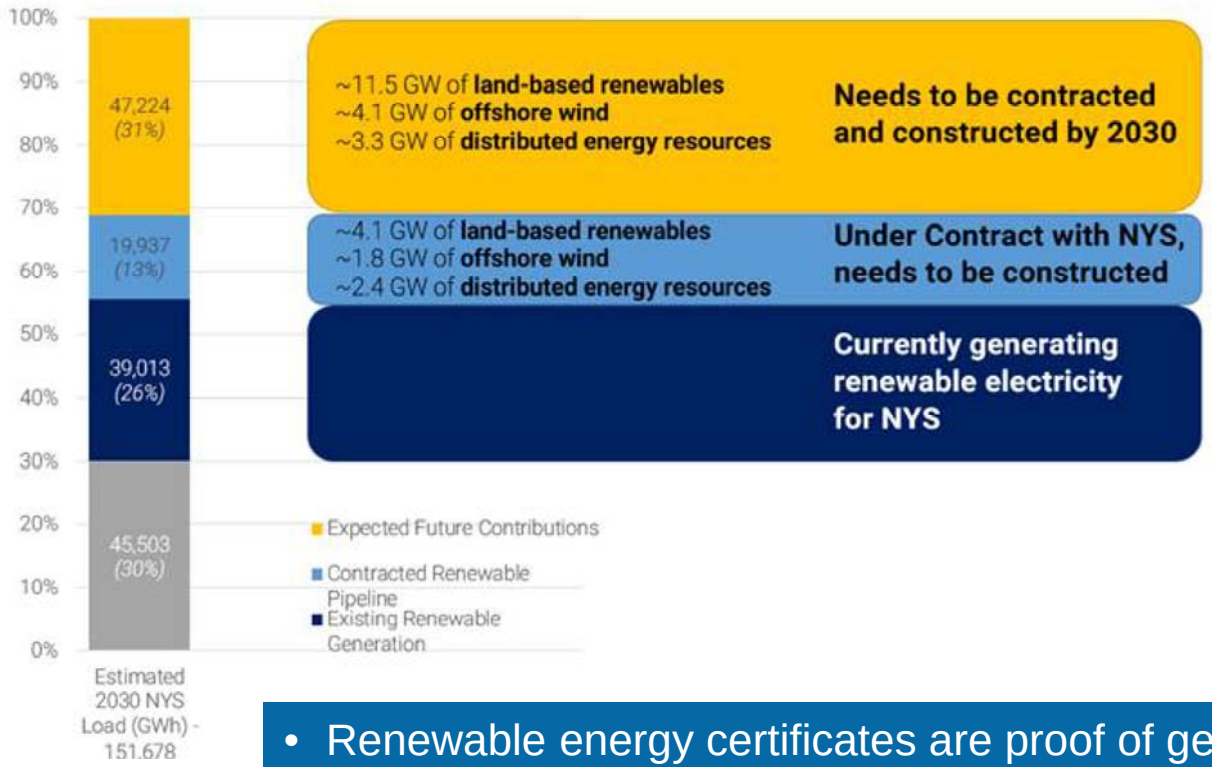
- Focus on local priorities (such as low-cost or renewable energy) when negotiating procurements

Potential utility benefits

- Improves customer engagement and amplifies community outreach
- Creates clean energy advocates within the community
- Supports market for renewables in New York state

SOURCES OF RENEWABLE ENERGY

New York's path to 70% renewables by 2030

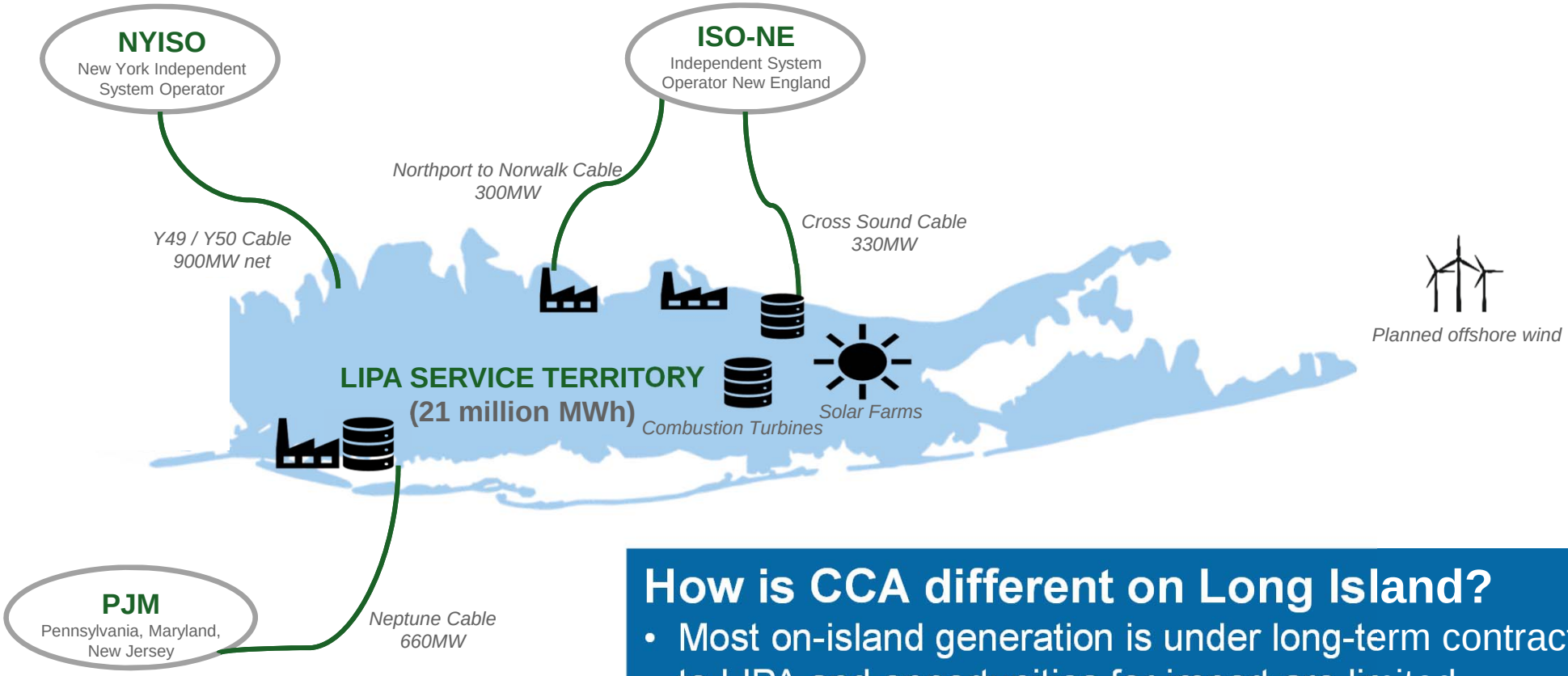


Tier 1 and O-RECs
- New renewables
- CLCPA compliant technologies
- O-REC = offshore wind

Tier 2 RECs
- Maintenance of existing renewables (predating 2015 clean energy standard)
- Mostly older hydropower

- Renewable energy certificates are proof of generation by a renewable resource
- All load-serving entities (utilities, ESCOs, and CCAs) have a minimum obligation set by NY regulations to generate or purchase Tier 1 RECs
- Beyond the minimum, additional procurements are voluntary
- Most RECs procured by CCAs are Tier 2 or not from New York

COMMUNITY CHOICE AGGREGATION ON LONG ISLAND



How is CCA different on Long Island?

- Most on-island generation is under long-term contract to LIPA and opportunities for import are limited
- Capacity requirements are provided by PSEG Long Island (only energy is procured separately by ESCO)
- Consolidated billing not yet available

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QUESTIONS?

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