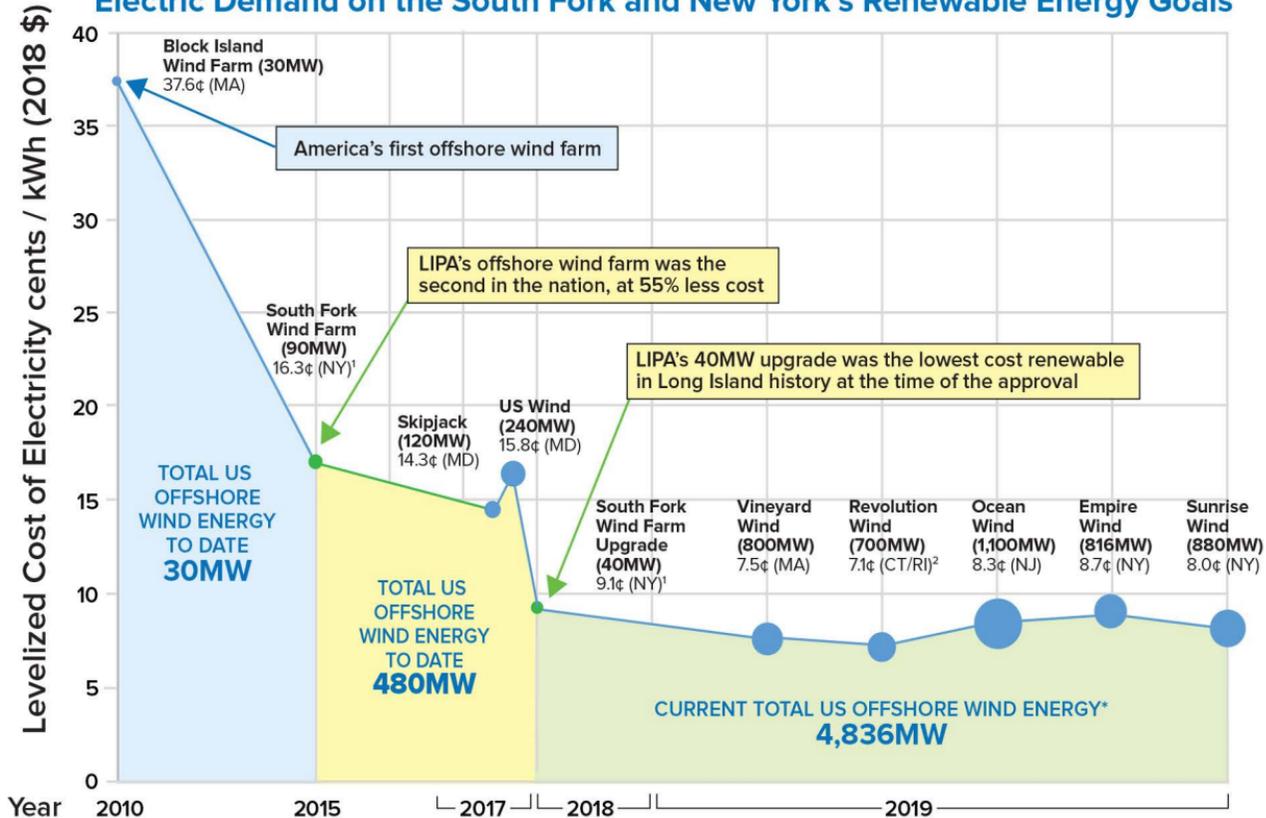


A Developing Offshore Wind Industry

South Fork Wind Farm was the Least Cost Solution to Meet Increasing Electric Demand on the South Fork and New York's Renewable Energy Goals

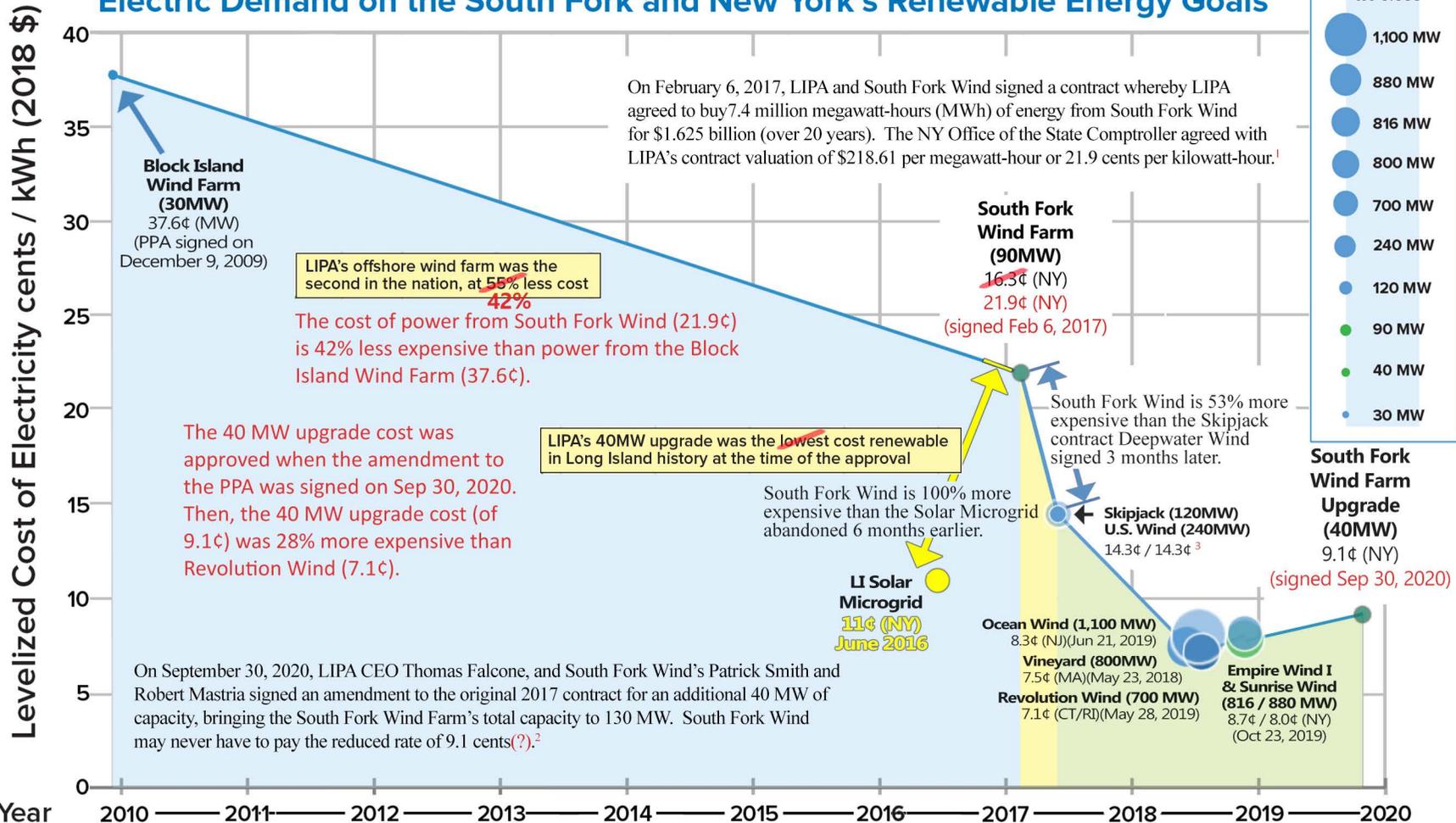


electricity describes the estimated energy, capacity, and renewable attributes over the period of the contract in 2018 dollars, using a 6.5% discount rate. ¹ The 130MW South Fork project is 14.4¢. ² Revolution Wind's Connecticut contracts are not yet available; price based on Rhode Island contract.

A Developing Offshore Wind Industry

Solar Microgrid was half the cost

South Fork Wind Farm was the Least Cost Solution to Meet Increasing Electric Demand on the South Fork and New York's Renewable Energy Goals



On February 6, 2017, LIPA and South Fork Wind signed a contract whereby LIPA agreed to buy 7.4 million megawatt-hours (MWh) of energy from South Fork Wind for \$1.625 billion (over 20 years). The NY Office of the State Comptroller agreed with LIPA's contract valuation of \$218.61 per megawatt-hour or 21.9 cents per kilowatt-hour.¹

LIPA's offshore wind farm was the second in the nation, at 55% less cost

The cost of power from South Fork Wind (21.9¢) is 42% less expensive than power from the Block Island Wind Farm (37.6¢).

The 40 MW upgrade cost was approved when the amendment to the PPA was signed on Sep 30, 2020. Then, the 40 MW upgrade cost (of 9.1¢) was 28% more expensive than Revolution Wind (7.1¢).

LIPA's 40MW upgrade was the lowest cost renewable in Long Island history at the time of the approval

South Fork Wind is 100% more expensive than the Solar Microgrid abandoned 6 months earlier.

South Fork Wind is 53% more expensive than the Skipjack contract Deepwater Wind signed 3 months later.

On September 30, 2020, LIPA CEO Thomas Falcone, and South Fork Wind's Patrick Smith and Robert Mastria signed an amendment to the original 2017 contract for an additional 40 MW of capacity, bringing the South Fork Wind Farm's total capacity to 130 MW. South Fork Wind may never have to pay the reduced rate of 9.1 cents(?).²

Note 1 - Long Island Power Authority ("LIPA") agreed to buy 7,432,080 megawatt-hours (MWh) of energy (i.e., 371,604 MWh per year for 20 years) over the 20-year contract term for \$1,624,738,893. The average price of power over the life of the contract, therefore, is \$218.61 per MWh (i.e., \$1,624,738,893 divided by 7,432,080 MWh), or 21.9 cents per kilowatt-hour (kWh)

Note 2 - See New York Office of the State Comptroller, Contract No. C-0008883 (signature page at p. 21 of 176).

Note 3 - Maryland PSC Order 88192 of May 11, 2017

Note 4 - See Long Island Community Microgrid Project, Final Report, June 2016 (at pp. 56 & 83). The U.S. National Renewable Energy Laboratory performed the independent analysis.

Note 5 - LIPA paid Gordian Raacke indirectly through Mr. Raacke's personal not-for-profit organization, executive director of Renewable Energy Long Island (NY State Registration No. 20-78-29).