NEW YORK STATE PUBLIC AUTHORITIES CONTROL BOARD

RESOLUTION No. 20-LI-39

APPROVING CERTAIN SPECIFIED PROJECTS OF THE
LONG ISLAND POWER AUTHORITY
(Approval of Electric System General Revenue Bonds)

WHEREAS, the New York State Public Authorities Control Board ("PACB"), created pursuant to Chapter 38, Laws of 1976, as amended, has been empowered by Section 51 of the Public Authorities Law to receive applications from designated public benefit corporations, including the Long Island Power Authority ("the Authority"), for approval of the acquisition, financing, and construction of any project by any such public benefit corporation; and

WHEREAS, Section 1020-f(aa) of the Long Island Power Authority Act (the "LIPA Act") provides that the Authority shall not undertake any project (as defined therein) without the approval of the PACB, which approval is conditioned upon determinations as to certain matters described therein by the PACB; and

WHEREAS, the PACB has received an application (the "Application") from the Authority requesting approval of the issuance and sale from time to time of Electric System General Revenue Bonds or Notes (the "Bonds") in an aggregate principal amount of $560,000,000; provided that, the principal amount of
any notes issued pursuant to this resolution which are refunded with Bonds issued pursuant to this resolution shall be excluded for purposes of the limit on the principal amount of Bonds that may be issued; and

WHEREAS, the proceeds from the issue of Bonds shall be used for the purposes of (i) paying or reimbursing the Authority or its subsidiary, the Long Island Lighting Company d/b/a LIPA, for certain costs of system improvements, (ii) paying or reimbursing the Authority or its subsidiary for amounts due or which may become due under certain financial contracts entered into in connection with the Bonds or any refunded bonds, and (iii) paying miscellaneous costs of issuance and miscellaneous costs and expenses related to the purpose listed above; and

WHEREAS, in accordance with Authority resolutions adopted at meetings of the Authority held on December 18, 2019, and May 20, 2020, and as more particularly described in the Application, the Authority proposes to issue the Bonds pursuant to the Authority’s General Revenue Bond Resolution, as supplemented, which contains, among other provisions, a covenant as to the establishment of rates, fees, and charges adopted pursuant to Section 1020-k(6) of the LIPA Act; and

WHEREAS, the Bonds shall be secured by a pledge of the revenues of the Authority derived from the operation of the assets owned by its subsidiary and by such reserves and other
security as shall be deemed necessary or desirable by the Authority; and

WHEREAS, the Bonds will be issued in one or more series, each of which shall have a final maturity not later than the thirty-fifth anniversary of the date of issuance of such series; and

WHEREAS, it is expected that the Bonds will be rated not less than investment grade by one or more nationally recognized rating agencies at the time of their issuance; and

WHEREAS, the Bonds may be issued as fixed rate or variable rate obligations and, if issued as variable rate obligations, may bear interest at various rates determined from time to time in the manner prescribed by the related Authority resolution which includes, among others, daily rate mode, term rate mode, weekly rate mode, index rate mode, and/or fixed rate mode, and in connection with any such variable rate Bonds, the Authority may appoint one or more remarketing agents, tender agents, and paying agents; and

WHEREAS, the Authority may obtain and maintain letters of credit, standby purchase agreements, or other forms of credit or liquidity facilities (the “Liquidity Facilities”) to provide funds to pay variable rate Bonds as they mature, are redeemed, or are tendered in the event that other moneys are not available to pay such Bonds; and
WHEREAS, in connection with any Liquidity Facility, the Authority may enter into a reimbursement agreement or similar instrument with the financial institution providing such facility and the Authority’s obligations to make payments thereunder will be secured under the Authority’s bond resolutions; and

WHEREAS, with respect to the portion, if any, of the Bonds issued as variable rate obligations, the Authority from time to time may elect to enter into one or more agreements, including, among others, agreements providing for interest rate caps, collars, locks, interest rate swaps, or exchanges including basis swaps, total return swaps, forward delivery agreements, and other similar agreements (collectively, the “Interest Rate Agreements”); and

WHEREAS, the Authority may also elect to enter into Interest Rate Agreements in anticipation of the issuance of the Bonds for the purpose of mitigating the potential effects of changes in interest rates between the authorization of the Bonds and the issuance thereof; and

WHEREAS, any Interest Rate Agreement will be entered into by the Authority in a manner consistent with the guidelines of the Authority relating to such agreements; and

WHEREAS, the Bonds shall be issued subject to the following conditions: (i) fixed-rate Bonds shall bear interest at rates
resulting in a true interest cost not greater than six per centum (6.00 percent) per annum, (ii) variable rate Bonds shall initially bear interest at an initial rate not to exceed an interest rate of six per centum (6.00 percent) per annum, and thereafter shall bear interest at such other interest rates as are determined in accordance with the applicable Authority resolution, and (iii) the compensation paid to the underwriters in connection with the issuance of the Bonds shall not exceed one per cent (1.00 percent) of the aggregate principal amount thereof; and

WHEREAS, the Bonds are special obligations of the Authority; the Bonds do not constitute a debt or give rise to any liability of the State of New York; and no holder of any Bonds has the right to demand the payment of applicable principal, premium, if any, or interest out of funds raised by taxation; and

WHEREAS, the application has been submitted to the Comptroller and he has had the opportunity to comment.

NOW THEREFORE BE IT RESOLVED, that the PACB approves the project identified below in accordance with Section 51 of the Public Authorities Law and Section 1020-f(aa) of the LIPA Act:

(Continued on next page)
## PROJECT IDENTIFICATION

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Estimated Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electric System Revenue Bonds and/or Notes</td>
<td></td>
</tr>
<tr>
<td>To fund costs of system improvements and other expenses, pay amounts due or which</td>
<td></td>
</tr>
<tr>
<td>may become due under certain financial contracts entered into in connection with</td>
<td></td>
</tr>
<tr>
<td>the Bonds or any refunded bonds, and pay miscellaneous costs of issuance and</td>
<td></td>
</tr>
<tr>
<td>miscellaneous costs and expenses related to the transactions described in the</td>
<td></td>
</tr>
<tr>
<td>foregoing resolution; execution, delivery</td>
<td></td>
</tr>
<tr>
<td>and implementation of the Interest Rate Agreements described in the foregoing</td>
<td></td>
</tr>
<tr>
<td>resolution and other agreements to effectuate the transactions described in the</td>
<td></td>
</tr>
<tr>
<td>foregoing resolution</td>
<td></td>
</tr>
</tbody>
</table>

### Sources of Funds

<table>
<thead>
<tr>
<th>Revenue Bond Proceeds</th>
<th>$560,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Sources</strong></td>
<td><strong>$560,000,000</strong></td>
</tr>
</tbody>
</table>

### Uses of Funds

<table>
<thead>
<tr>
<th>Costs of System Improvements and related purposes</th>
<th>$554,400,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of Issuance, including Underwriters’ Discount and Credit Enhancement and</td>
<td>$5,600,000</td>
</tr>
<tr>
<td>Liquidity Fees</td>
<td></td>
</tr>
<tr>
<td><strong>Total uses</strong></td>
<td><strong>$560,000,000</strong></td>
</tr>
</tbody>
</table>

Principal Amount of Bonds to be issued:

not to exceed $560,000,000.
This resolution shall become effective immediately.

Darby Grassy for
Robert F. Mujica, Jr., Chair
Public Authorities Control Board

Ashley M. Ryle for
Amy Paulin, Member of the Board

Allison Bradley for
Leroy Comrie, Member of the Board

20-LI-39
Date: June 24, 2020

Signature: Ashley M. Ryle for
Email: rylea@nyassembly.gov

Signature: Allison Bradley
Email: abradley@nysenate.gov

Signature: Darby Grassy for
Email: darby.grassy@budget.ny.gov
CERTIFICATION

STATE OF NEW YORK
COUNTY OF ALBANY ss.

I, Dylan Williams, Assistant Secretary of the New York State Public Authorities Control Board, do hereby certify that at a meeting of such Board, held on June 24, 2020, the attached resolution was duly adopted by the unanimous vote of the Members of the Board. The resolution attached is a true copy of the resolution and the certification of the determination made by such resolution and of the signatures thereto of each of the Members of the Board or their duly appointed representatives, the original of which is on file in my office. As of the date of this certification, such resolution has not been modified, superseded, amended or repealed and remains in full force and effect.

In witness thereof I have hereunto set my hand this 24th day of June 2020.

[Signature]

Dylan Williams
Assistant Secretary

STATE OF NEW YORK
COUNTY OF ALBANY ss.

On this 24th day of June 2020, before me personally came Dylan Williams to me known, who, being by me duly sworn, did depose and say that he is the Assistant Secretary of the New York State Public Authorities Control Board, that he executed the foregoing certification and that the contents thereof are true.

[Signature]

Brittany M. Glenn
Notary Public, State of New York
No. 01GL6253075
Qualified in Rensselaer County
Commission Expires: 12/19/2023