



333 Earle Ovington Boulevard
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Uniondale, NY 11553
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April 15, 2016

Mr. Robert Gurman, Vice-Chairman
Utility Debt Securitization Authority
c/o Long Island Power Authority
333 Earle Ovington Blvd. Ste. 403
Uniondale, NY 11553

Subject: Notice of Adjustment for 2015 Bonds

Pursuant to the Restructuring Cost Financing Order No. 2 of the Long Island Power Authority (“Authority”) dated June 26, 2015 (the “Financing Order”) and the Restructuring Property Servicing Agreement, as amended on April 14, 2016 (the “Servicing Agreement”), between the LONG ISLAND LIGHTING COMPANY, as Servicer, and the UTILITY DEBT SECURITIZATION AUTHORITY, the undersigned does hereby provide notice of an adjustment to the Charge to take effect on the Adjustment Date specified below.

Adjustment Date: May 15, 2016

Adjusted Charge: \$0.002879 per kWh

The adjusted Charge was calculated as the higher of the charge required to meet the December 15th payment or the sum of the two payments due by June 15th, 2017, as shown on the table below.

Respectfully,

A handwritten signature in black ink that reads "John W. Little". The signature is written in a cursive, slightly slanted style.

John W. Little
Managing Director of Planning and Strategy
As Servicer to the Utility Debt Securitization Authority

Utility Debt Securitization Authority
Securitization Charge to be Effective on May 15, 2016

<u>Expense Component</u>	<u>Payment Due</u> <u>12/15/16</u>	<u>Payments due by</u> <u>6/15/17</u>
Principal Due	\$0	\$0
Interest Due	\$24,449,675	\$48,899,350
Reserve Fund Earnings	-2,500	-5,000
Replenish Reserve Fund	1,625,376	1,625,376
Collections Billed in Prior Year	0	0
Ongoing Servicer fee	250,526	501,053
Administration Fees	50,000	100,000
Bond Administration Fees	32,500	65,000
Bond Trustee Fees and Expenses	7,000	14,000
Legal fees	5,000	10,000
Accounting fees	10,000	20,000
Directors and Officers Insurance	50,000	100,000
Miscellaneous	10,000	20,000
Total to be Recovered	\$26,487,578	\$51,349,779
Allowance for Write-off at .720% (see note 1)	\$192,094	\$372,400
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Revenue to be Recovered	\$26,679,671	\$51,722,179
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kWhs (based on 37 Days Sales Outstanding)	10,584,557,001	17,938,594,257
Last Billing Date (see note 2)	November 8, 2016	May 9, 2017
Securitization Charge (per kWh)	\$0.002521	\$0.002883

Notes:

1) $\$192,094 / \$26,679,671 = .720\%$

Write-off rate based on PSEG Scorecard YTD February 2016

2) Billings on November 8th will be received 37 days later on December 15

Billed sales reflect latest projections as of April 2016

Days Sales Outstanding based on PSEG Scorecard YTD February 2016

Required Distribution List:

UDSA Trustees:

Bruce Levy
Robert Gurman

Bond Administrator:

LIPA
333 Earle Ovington Blvd. Ste. 403
Uniondale, NY 11782
Attention: Bobbi O'Connor, Deputy General
Counsel

Bond Trustee:

The Bank of New York Mellon
101 Barclay Street, Floor 7- West
New York, NY 10286
Attention: Frederic Belen

Bond Issuer:

Utility Debt Securitization Authority
c/o Long Island Power Authority
333 Earle Ovington Blvd. Ste. 403
Uniondale, NY 11782
Attention: Jon Mostel, General Counsel

Allocation Agent:

Long Island Power Authority

Rating Agencies:

Moody's Investors Service, Inc.
25th Floor, 7 World Trade Center, 250
Greenwich Street
New York, New York 10007
Attention: ABS/RMBS Monitoring
Department

Standard & Poor's Ratings Services
55 Water Street
New York, New York 10041
Attention: Structured Credit Surveillance

Fitch Ratings
One State Street Plaza
New York, New York 10004
Attention: ABS Surveillance

Electronic Municipal Market Access:

Filed electronically by
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