

## Overview

LIPA is preparing to update its Energy Master Plan. LIPA intends to use the following process to develop the plan:

- Publish a draft outline of the Energy Master Plan contents.
- Solicit public input on the draft outline.
- Develop a Draft Energy Master Plan based on the outline and the public input received.
- Hold public hearings on the Draft Energy Master Plan.
- Revise the plan based on the public hearings and new information that may become available after the preparation of the Draft. Issue a Final Energy Master Plan for the consideration of the LIPA Board of Trustees.

This document is the draft outline of the Energy Master Plan contents, referred to in the first bullet above. The LIPA Energy Master Plan is intended to provide a blueprint for Long Island's electric energy future. It will articulate LIPA's strategy for developing a balanced and comprehensive electric energy policy. It will discuss the methodologies employed and the rigorous technical analyses undertaken in support of crafting the plan. It will also incorporate valuable oral and written commentary received from LIPA's concerned customers and other interested parties. Additionally, the LIPA Energy Master Plan will include a discussion of the critical education activities which are underway to disseminate information regarding how changes in the electric industry impact LIPA and its customers. In order to comprehensively address these issues, LIPA proposes to organize the LIPA Energy Master Plan and supporting documentation as follows:

- *Volume 1, Strategic Plan*, will provide a description of LIPA's Energy Master Plan for the period 2008 through 2017;
- *Volume 2, Energy Primer*, will provide an overview on the current state of the energy industry, background on LIPA, and a review of the initiatives LIPA is undertaking to promote customer understanding of the critical energy issues facing Long Island today;
- *Volume 3, Technical Report*, will provide detailed information regarding the planning process and the planning methodologies employed to create the Energy Master Plan;
- *Volume 4, Response to Comments*, will summarize the comments received during the Energy Master Plan related public hearings, organized according to similarity of contents; and
- *Volume 5, Appendices*, will provide additional and supporting details on studies, methodologies, and criteria used in the planning analysis.

The content of each of these volumes is discussed on the following pages.

## Volume 1 Strategic Plan

### 1 Overview

Volume 1, Strategic Plan, will provide a description of LIPA's Energy Master Plan for the period 2008 through 2017. It will contain LIPA's Vision and Mission Statements and a summary of the Strategic Objectives of the LIPA Energy Master Plan. The keys goals, targets, and means to achieve targets will be identified, as well as an explanation of their inter-relationships and how they drive and impact the formation of the Strategic Plan.

### 2 Action and Policy Plans

LIPA's Energy Master Plan is proposed to consist of the following plan components:

- Energy Efficiency and Demand Reduction Plan,
- Renewable and Distributed Generation Plan,
- Power Supply Plan,
- Transmission and Distribution Plan,
- Environmental Plan,

The component plans presented here represent the culmination of an extensive and ongoing planning process that addressed both resource adequacy and infrastructure development for a 10-year planning horizon. Based on the current resource situation, the anticipated reserve requirements, and the available options to meet those requirements, LIPA will develop a flexible strategy that allows it to respond and adapt to changing conditions in the industry and the market. The component plans will be multi-faceted in approach, designed to address both short and long-term requirements.

### 3 Description of Plan Elements

This section will provide detailed descriptions of the specific elements of LIPA's Action and Policy Plans presented previously in this volume. Each plan component will be described in its own section and will identify individual projects or programs and describe their status, targets and goals.

## Volume 2      Energy Primer

### Overview

Volume 2, the Energy Primer, will provide a resource for LIPA customers who wish to better understand the current state of the electric energy industry and the initiatives that LIPA is undertaking to provide reliable, cost-effective, efficient, and clean energy solutions to Long Island. Volume 2 is proposed to be organized into six sections as follows:

- Section 1 will be an overview.
- Section 2 will provide background on LIPA, its history and a description of its service territory and electric system.
- Section 3 will provide a discussion of the LIPA planning process including initiatives to acquire needed resources, provide customer education programs to promote customer understanding of the critical energy issues facing Long Island today, and LIPA efforts for sound operation of the electric system.
- Section 4 will discuss changes and the evolution of the energy industry including: federal, regional, and state initiatives; fuel markets; environmental matters; renewable and other sources of energy. It will also provide a description of the relationships LIPA has with various organizations and government agencies.
- Section 5 will describe the communication channels LIPA uses to provide customers with timely information regarding energy issues.
- Section 6 will offer a list of definitions for commonly used energy industry terms that can be used as a reference by the reader when reviewing LIPA's Energy Master Plan.

## Volume 3      Technical Report

### 1      Overview

Volume 3, Technical Report, will provide information regarding the planning process and the results which drive the Energy Master Plan. Volume 3 will contain four sections as follows:

- Section 1 will be an overview.
- Section 2 will be a status report which highlights LIPA actions, major accomplishments and issues encountered during implementation of the 2004-2013 Energy Plan.
- Section 3 will provide a description of LIPA's generation, transmission and distribution (T&D) infrastructure. It will also summarize the Long Island economy, changes in the economic climate and describe LIPA's electric energy requirements. Infrastructure enhancements made since LIPA's inception will also be described in this section.
- Section 4 will contain the assumptions, analyses, and results obtained from the various planning processes described in Volume 5 (e.g. resource, transmission, distribution, environment, etc.) and offer key observations and conclusions about Long Island's future energy requirements. Discussions will be organized around each sub-element of the energy planning process: the fuel price forecast, the energy and peak load forecast, the demand-side plan and clean energy analysis, the resource plan, the transmission and distribution plan.

The Resource Planning (energy efficiency, renewables, power supply) portion will contain an evaluation of the need for new resources based on a probabilistic analysis of risks, a screening of various alternatives on a stand-alone basis, a comparison of alternative resource plans based on an integrated analysis of selected resources with the existing system, a sensitivity analysis of these alternative resource plans, a probabilistic assessment of alternative resource plans and a recommended resource plan. The appendix of this Draft Outline provides three tables that describe the following: The alternative technologies that will be screened; The alternative resource scenarios that will be evaluated; and, The evaluation metrics that will be used in develop the plan.

The Transmission and Distribution Planning Analysis section will discuss the transmission and distribution planning studies that drive the need for infrastructure maintenance and development. Discussion will focus on how these study results are incorporated into LIPA's strategic plan.

The Environmental Planning Analysis will describe current and potential environmental regulations, alternative compliance strategies and LIPA's strategic approach to compliance.

## Volume 4 Responses to Comments

Volume 4, Response to Comments, will synthesize comments received by LIPA on both the Energy Master Plan Outline issued in January 2008 and the Draft Energy Master Plan planned to be issued in the summer 2008. The Draft Energy Master Plan will include responses to comments on the Energy Master Plan Outline. The Final Energy Master Plan will include responses to comments received on both the Energy Master Plan Outline and the Draft Energy Master Plan.

### 1 Summary of Commentators

In compiling the record of public commentary, LIPA will make every attempt to accurately represent the position of all public hearing participants. All commentators will be listed individually. LIPA will make a diligent effort to address all oral and written comments and recommendations received that pertain to the development of the Energy Master Plan. Transcripts of the Draft Energy Master Plan Public Hearings will be posted on LIPA's Web site, [www.lipower.org](http://www.lipower.org).

### 2 Responses to Comments on Energy Master Plan Outline

The comments received on the Energy Master Plan Outline will be organized on a topical basis to facilitate the reader's efficient review of public commentary and LIPA's responses. Comments will be grouped according to similarity of contents and LIPA's energy planning objectives as presented in the Energy Master Plan. A response may address more than one comment. In that instance, the response will be placed at the end of the series of comments.

### 3 Responses to Comments on Draft Energy Master Plan

The comments received on the Draft Energy Master Plan will be treated in the same way in the Final Energy Master Plan.

## Volume 5 Appendices

### **Appendix A Energy Plan 2004-2013 Status Report**

This section will present a status report on each program identified in the 2004 Energy Plan.

### **Appendix B Energy Plan 2004-2013 Follow-up Studies & Reports**

This section provides follow-up information relative studies and reports LIPA committed to providing as part of the 2004-2013 Energy Planning process.

### **Appendix C LIPA & Other Energy Related Web Links**

### **Appendix D Long-Range Forecast of Energy Requirements**

This section will provide LIPA's long term forecast of peak load, energy requirements and sales.

### **Appendix E Emerging T&D Technologies**

This section will provide a summary of emerging transmission and distribution technologies that may be available to LIPA during the planning period.

### **Appendix F Energy Planning Process**

This section will describe the processes and sub-processes used to develop the energy plan, the tools used to support the process, and the criteria that frame the process.

### **Appendix G Transmission & Distribution Planning Criteria & Guidelines**

This section will provide a copy of the Transmission & Distribution Planning Criteria & Guidelines used to develop the system.

### **Appendix H Design and Application Standards**

This section will provide Design and Application standards that are used to design the system.

