

## History of Northport Power Plant

LILCO was the original power utility for Long Island from 1911 until 1998

1967 Built by Long Island Lighting Company – LILCO

On March 5, 1998, final Federal approval was received for LIPA to take over LILCO's electrical transmission network

The rest of LILCO merged with Brooklyn Union Gas to form KeySpan, which continued to run its former transmission network under contract with LIPA.

KeySpan was formed in 1998 as a result of the merger of Brooklyn Union Gas Company (founded 1895 by merging several smaller companies) and Long Island Lighting Company (LILCO), and briefly operated under the name MarketSpan following the merger.

On November 8, 2000, KeySpan acquired Eastern Enterprises, Eastern's natural gas distribution subsidiaries including Boston Gas Company, Colonial Gas Company and Essex Gas Company; Eastern's unregulated businesses including ServicEdge Partners, the largest unregulated provider of residential HVAC equipment installation and services in Massachusetts; and EnergyNorth Natural Gas in New Hampshire.[2][3] It also was the operator of the Long Island Power Authority's electrical grid

KeySpan was taken over by National Grid USA in 2007. August 2007 Became part of National Grid USA with KeySpan Energy purchase. National Grid handed control of Long Island's electrical transmission system to New Jersey utility Public Service Enterprise Group in 2014.

Electric output is distributed via Long Island Power Authority (LIPA)

Since January 2014, LIPA has contracted with PSEG Long Island to operate the grid on its behalf. LIPA was originally created under the Long Island Power Act of 1985 to acquire the Long Island Lighting Company (LILCO)'s assets and securities after the cancellation of the Shoreham Nuclear Power Plant. LIPA acquired LILCO's transmission and distribution system in May 1998.

PSEG Long Island is a division of PSEG and has managed the LIPA electric grid under contract since January 1, 2014. Before that, LIPA's grid was run under its own brand name, though National Grid USA (previously Keyspan Energy) maintained LIPA's transmission and distribution system under a prior management contract that expired on December 31, 2013.

In 2010, LIPA and National Grid filed a tax certiorari action challenging the assessment on the Northport Power Plant (essentially, they are arguing that their taxes are too high). Their tax certiorari action seeks a 90% reduction in the assessed value of the Northport Power Plant.

In 2011, LIPA and National Grid attempted to dismiss the third party beneficiary case commenced by the Town of Huntington and the Northport-East Northport School District. The lower court denied LIPA/National Grid's motion to dismiss and they appealed to the Appellate Division, Second Department. The Town of Huntington and the School District were victorious in the Appellate Division. After extensive discovery, including the request and exchange of documents between the parties and depositions, both sides made motions for summary judgment. On or about August 15, 2018, Justice Emerson, in two separate but substantially identical decisions, dismissed both the Town's and the School District's third-party complaints and granted summary judgment to LIPA and National Grid.

A Market Value Report from Tulis Wilkes Huff & Geiger LLP which was submitted to the court on behalf of LIPA as put to its highest and best use, as of July 1, 2013 is reasonable represented by the amount of \$193,680,000.

In July 2018, the Huntington Town Board voted to enter into voluntary, non-binding mediation with the Northport-East Northport School District, LIPA and National Grid in an attempt to reach a resolution. Non-binding mediation means that the mediator is not the fact finder in the case and cannot determine the outcome of the cases. Additionally, any party may terminate participation for any reason upon written notification to the mediator and the other parties in the litigation. Thus, the Town of Huntington can walk away at any time if mediation is not proving successful and continue to litigate. Trial postponed to February 2019.