

**GREEN ISLAND POWER AUTHORITY
REPORT ON OPERATIONS AND ACCOMPLISHMENTS
FOR THE PERIOD ENDING MAY 31, 2013**

July 1, 2013

Dear Reader:

The Green Island Power Authority (GIPA) is pleased to review the annual results of operations and accomplishments occurring during the fiscal year June 1, 2012 through May 31, 2013. In line with our mission statement, GIPA was able to deliver electric service to our customers at a rate significantly lower than surrounding IOUs, as well as maintain reliable service while keeping costs of operations at a ten year low.

GIPA has continued work on its residential metering project with a goal set to be completed by 5/31/2015. GIPA was able to replace an additional 300 outdated meters with the new standard GE meter in fiscal year ending 5/31/2013. An additional 300 meters are planned to be purchased and put into the system for fiscal year ending 5/31/2014. The target of 5/31/2015 for completion of the project is still an attainable goal.

GIPA replaced several transformers throughout the system that were beyond their useful life or became overloaded due to business expansion within the Village. The older, heavier transformers were replaced by smaller, lighter and higher rated transformers appropriate for the customers loads to maintain our track record of delivering cheap, reliable power.

In August of 2012, GIPA was awarded a 50 year operating license from the Federal Energy Regulatory Commission (FERC) to continue to operate, as well as expand the existing facility from 6MW to 48MW. The relicensing phase drew to conclusion after approximately 8 years of engineering and compliance work.

GIPA also contracted with Davey Tree Service to eliminate large trees located in rear lots interfering with our secondary and service lines. This was an emergency action as the area has seen an increase in severe weather over the past three years. The large oak trees were seen as a major concern for the safety and reliability of our lines. The entire block was either eliminated or cut back to ensure continued reliability within the system. GIPA will continue to monitor the Village for tree trimming/tree removal moving forward.

GIPA did experience two outages in the fiscal year ending 5/31/2013, however both instances were not contained within our system. The issue was caused by external factors in National Grids system, which is the main feeder for GIPA's distribution load. Both instances were reconciled well within a 24 hour period.

Moving forward, GIPA will remain fiscally responsible to its rate payers while maintaining our mission statement of delivering cheap, reliable power to our customers.

David Paterniani
Chief Fiscal Officer