

**GREEN ISLAND POWER AUTHORITY
REPORT ON OPERATIONS AND ACCOMPLISHMENTS
FOR THE PERIOD ENDING MAY 31, 2014**

December 22, 2014

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, 2013 through May 31, 2014. 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 5/31/2017. GIPA was able to replace an additional 200 outdated meters with the new standard GE meter in fiscal year ending 5/31/2014. An additional 100 meters are planned to be purchased and put into the system for fiscal year ending 5/31/2015. The original target of 5/31/2015 for completion of the project has been modified due to budget constraints. Fiscal year end 2017 is a more attainable goal.

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, along with the aid of our consultant Albany Engineering, is working to continue the expansion requirements within the FERC timeline. To date, there have been no issues in keeping FERC informed and any modifications to the original timeline have been approved with no issues.

GIPA experienced minimal outages in the fiscal year ending 5/31/2014. All 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.

The polar vortex of 2014 proved to be beneficial to GIPA. The sales on generation from our hydro facility to National Grid were at an all-time high, due to a significant spike in LBMP prices. This allowed GIPA to start to build up reserves that will be needed for future upgrades to our system.

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

Madeline Paterniani
Chief Fiscal Officer