

Oversight Committee

July 25, 2018

Capital Program and FEMA Project Update

PSEG LI Capital Program – Update

	Approved Budget	Year To Date May		YTD May Under/(Over)	Projected Year End
		Plan	Actuals		
Transmission & Distribution	\$423,212	\$163,309	\$134,013	\$29,296	\$420,852
Information Technology	\$39,028	\$11,789	\$8,768	\$3,021	\$38,389
Customer Operations	\$19,394	\$11,193	\$7,928	\$3,265	\$19,300
Facilities	\$9,196	\$607	\$356	\$251	\$9,195
Fleet	\$8,901	\$3,806	\$3,280	\$526	\$8,770
Sub-Total	\$499,731	\$190,704	\$154,345	\$36,359	\$496,506
FEMA	\$190,273	\$80,311	\$54,669	\$25,642	\$169,758
TOTAL	\$690,004	\$271,015	\$209,014	\$62,001	\$666,263

PSEGLI 2018 Capital Budget Summary - T & D

	Approved Budget	Year To Date May		YTD May Under/(Over)	Projected Year End
		Plan	Actuals		
Regulatory	\$8,130	\$3,028	\$1,993	\$1,035	\$7,945
Load Growth	\$188,668	\$58,980	\$55,127	\$3,853	\$182,629
Reliability	\$191,845	\$87,228	\$70,248	\$16,980	\$201,101
Tools/Salvage	\$34,569	\$14,073	\$6,645	\$7,428	\$29,177
Sub-Total	\$423,212	\$163,309	\$134,013	\$29,296	\$420,852
Fleet	\$8,901	\$3,806	\$3,280	\$ 526	\$ 8,770
Sub-Total	\$432,113	\$167,115	\$137,293	\$29,822	\$ 429,622
FEMA	\$190,273	\$80,311	\$54,669	\$25,641	\$169,758
Total	\$622,386	\$247,426	\$191,962	\$55,463	\$ 599,380

YTD underrun = timing of work due to storms, SEQRA delays, Far Rockaway land purchase, and materials for 2-way radio project.

Major Projects Completed by June 30th

Substation, Transmission and Distribution Projects completed by June 30th .

Queens Division:

- Park Place – Distribution Feeder C&R and Exit Feeder (Phase One)
- Floral Park - Distribution Feeder C&R and Exit Feeder

Central Nassau Division:

- Garden City Park 4kV Switchgear Replacement

Western Suffolk Division

- Pulaski – Install New 13kV Distribution Feeder
- Central Islip Substation - Replace Cable from Bank #4 to Switchgear

Eastern Suffolk Division:

- West Bartlett - New Substation - Transmission and Distribution
- Greenport Village C&R
- Southold - Shelter Island – HDD
- East Hampton 9EU-Battery Storage Interconnection
- Temporary Generation – Montauk and East Hampton

Recent Impacts of Construction Resource Constraints

Drivers:

- Utilities investing in infrastructure across the Northeast and beyond
- Storm Restoration/ Storm Hardening (Caribbean, Puerto Rico, Florida, North East).
- Local Supply / Demand – In response to a lack of local manpower, Contractors have staffed Projects with out of Area personnel. These personnel are inherently more expensive.

Results:

- Contractors selective on work they bid on (Avg. 20% - 30% decline to bid)
- Higher bid prices (Avg. 40% - 60% above estimate)

Mitigation Strategy

Short term

- Work with contractors to bring resources from outside of region:
 - Hempstead project – Hawkeye utilizing crew from Indiana
 - LIRR Pole replacement worked with Procurement to utilize Wilson with crews from Pennsylvania

Mid term

- Work with Planning, Engineering, Distribution Design and Procurement to provide longer lead times for projects to allow contractors better opportunity to resource workers
- Evaluate current workload and possibly re-prioritize

Long term

- Increase internal apprentice training to increase capacity of internal workforce.
- Improve long range work plan and provide contractor stability

FEMA Hazard Mitigation Project – Overview

FEMA 428 Grant - \$727M

Distribution work - \$ 714 million

- Harden 1025 miles of “main-line” (320 circuits)
- Install additional distribution automation (900 switches)

Substation work - \$ 10 million

- Elevate Sandy flooded substation equipment

Transmission work - \$ 5 million

- Address transmission circuits damaged in Sandy
- Focus on roadway and rail crossings

FEMA Hazard Mitigation Project – Status (through May 2018)

Distribution work – Project to Date (320 circuits – 897 switches)

2018 Cost

- Budget: \$190.3M
- Spend to Date: \$54.0M
- Forecast: \$112.5
- Year End EAC: \$166.5M

Engineering & Construction Project to Date

- FEMA Approval: All approvals received
- Engineering: Complete
- OH Miles Constructed: 504.1 miles
- UG Miles Constructed: 86.4 miles
- Switches Installed: 613 (383 commissioned)
- Circuits complete: 131 circuits complete (42 pending punch list completion)
- Construction Completion: Target Q1 2020

Transmission work – (critical highway crossings)

- 6) Transmission Crossings – Packages issued to FEMA (5/18)
- Detailed Designs – 3 approved by PSEG LI engineering. 3 need minor engineering revisions.
- Plan construction start scheduled for Q3/4 2018

Substation Storm Hardening - Status (through May 2018)

Substations – Elevate critical equipment

Station	Construction	Service Date	Status Update
Arverne 13 kV	Completed	Completed	
Arverne 33 kV	Completed	Completed	
Barrett	Completed	Completed	
Far Rockaway 13 kV	Completed	Completed	
Long Beach	Completed	Completed	
Park Place	Completed	Completed	
Woodmere	Completed	Completed	
Far Rockaway 33kV	In Progress	June 2019	Work was delayed due to need of additional property

Transmission Storm Hardening - Status (through May 2018)

Transmission – Reinforce/Replace critical highway crossing

- Six HMP transmission packages submitted to FEMA
- Preliminary engineering packages completed and under review
- Plan construction to start by the end of 2018

FEMA Hazard Mitigation Project

Substation Elevation



Switch Installation

