



LONG ISLAND POWER AUTHORITY

CFO Report – August 2018

LIPA Consolidated Results

(\$ in thousands)	August Year to Date				Annual Budget
	Actual	Budget	\$ Var.	% Var.	
Revenues	\$2,472,168	\$2,419,579	\$52,589	2.2%	\$3,521,694
Power Supply Charge	1,287,150	1,283,135	(4,015)	-0.3%	1,876,980
Revenue Net of Power Supply Costs	\$1,185,018	\$1,136,444	\$48,574	4.3%	\$1,644,714
PSEG Long Island Operating Expenses	\$377,115	\$383,068	\$5,953	1.6%	\$577,705
PSEG Long Island Managed Expenses	427,296	389,324	(37,972)	-9.8%	585,336
LIPA Managed Expenses	379,617	381,684	2,067	0.5%	572,308
Total Expenses	\$1,184,028	\$1,154,076	(\$29,952)	-2.6%	\$1,735,349
Other Income and Deductions	\$32,021	\$30,033	\$1,988	6.6%	\$47,433
Grant Income	31,581	22,715	8,866	39.0%	43,578
Total Non-Operating Revenue	\$63,602	\$52,748	\$10,854	20.6%	\$91,011
Change in Net Position	\$64,592	\$35,116	\$29,476	83.9%	\$376

Note: Variance - favorable/(unfavorable)

Liquidity Position

Liquidity Position

<i>(\$ in thousands)</i>	August 31, 2018	Days Cash	July 31, 2018	Days Cash
Operating liquidity				
Unrestricted cash and cash equivalents	\$436,624		\$367,270	
OPEB account cash, cash equivalents & investments	208,373		205,520	
PSEG Long Island Working Capital requirements	305,443		254,644	
Total operating liquidity	950,440	118 days	827,434	103 days
Available credit				
General Revenue Notes - Revolving Credit Facility	345,000		345,000	
General Revenue Commercial Paper	240,000		285,500	
Total available credit	585,000		630,500	
Total cash, cash equivalents, investments & available credit	\$1,535,440	191 days	\$1,457,934	182 days
Restricted cash				
FEMA - restricted	158,227		170,159	
UDSA	166,248		135,957	
Total restricted cash	\$324,475		\$306,116	

LIPA continues to exceed its required 120 days cash and available credit on hand

Capital Expenditures

(\$ in thousands)

	August Year to Date				Annual Budget
	Actual	Budget	\$ Var.	% Var.	
Transmission and Distribution					
Regulatory Driven	\$3,384	\$5,459	\$2,075	38.0%	\$8,130
Load Growth	85,186	88,236	3,050	3.5%	188,668
Reliability	113,302	132,042	18,740	14.2%	191,845
Economic, Salvage, Tools, Equipment & Other	16,621	23,991	7,371	30.7%	34,569
Total Transmission and Distribution Projects	\$218,493	\$249,729	\$31,235	12.5%	\$423,212
Other PSEG Long Island Capital Expenditures					
Information Technology Projects	15,635	22,125	6,491	29.3%	43,828
Customer Operations	13,045	15,484	2,439	15.7%	19,394
Other General Plant Projects	522	3,730	3,209	86.0%	9,196
Fleet	5,667	6,451	784	12.2%	8,901
Management Fee	16,989	20,422	3,433	16.8%	30,632
Total Other Capital Expenditures	\$51,858	\$68,213	\$16,355	24.0%	\$111,952
Total PSEG Long Island Capital Expenditures Excluding FEMA	\$270,351	\$317,941	\$47,590	15.0%	\$535,164
FEMA	102,170	133,020	30,850	23.2%	190,273
Total PSEG Long Island Capital Expenditures	\$372,521	\$450,962	\$78,440	17.4%	\$725,437
Nine Mile Point 2	\$16,529	\$15,030	(\$1,499)	-10.0%	\$15,858
LIPA Capital Expenditures	\$0	\$0	\$0	0.0%	\$7,547

Note: Variance - favorable/(unfavorable)

Financing Activity – Floating Rate Notes Remarketing

Old Bonds				
Bonds				
Remarketed	Amounts	Price	Spread	Term
2014C	\$150 million	70% - 1 month LIBOR	+65	4 years
2015C	\$149 million	70% - 1 month LIBOR	+88	3 years

New Bonds				
Bonds				
Remarketed	Amounts	Price	Spread	Term
2014C	\$150 million	70% - 1 month LIBOR	+75	5 years
2015C	\$149 million	70% - 1 month LIBOR	+75	5 years