



April 2022 Financial Results

F&A Committee – May 2022

LIPA CONSOLIDATED RESULTS – APRIL 2022

<i>(\$ in thousands)</i>	<u>Actual</u>	<u>Budget</u>	<u>\$ Var.</u>	<u>% Var.</u>	<u>FY Budget</u>
Revenues	\$1,156,625	\$1,086,228	\$70,397	6.5%	\$3,850,840
Power Supply Charge	652,055	566,962	(85,093)	-15.0%	1,879,216
Revenue Net of Power Supply Charge	\$504,570	\$519,266	(\$14,696)	-2.8%	\$1,971,624
PSEG Long Island Operating and Managed Expenses					
PSEG Long Island Operating Expenses	184,233	195,146	10,914	5.6%	609,547
PSEG Long Island Managed Expenses	45,339	64,919	19,581	30.2%	182,088
Utility Depreciation	91,878	91,757	(121)	-0.1%	289,157
PILOTs	113,327	112,525	(801)	-0.7%	344,478
LIPA Operating Expenses	26,036	26,990	954	3.5%	91,874
LIPA Depreciation and Amortization	45,999	46,066	67	0.1%	138,199
Interest Expense	113,445	113,453	8	0.0%	348,388
Total Expenses	\$620,255	\$650,858	\$30,602	4.7%	\$2,003,732
Other Income and Deductions	15,437	12,110	3,327	27.5%	46,370
Grant Income	11,681	11,975	(294)	-2.5%	40,924
Total Non-Operating Revenue	\$27,118	\$24,084	\$3,034	12.6%	\$87,294
Change in Net Position	(\$88,567)	(\$107,507)	\$18,940	17.6%	\$55,186

Note: Variance - favorable/(unfavorable)

LIPA MANAGED EXPENSES & INCOME – APRIL 2022

(\$ in thousands)

	<u>Actual</u>	<u>Budget</u>	<u>\$ Var.</u>	<u>% Var.</u>	<u>FY Budget</u>
LIPA Expenses					
LIPA Operating Expenses	\$26,036	\$26,990	\$954	3.5%	\$91,874
LIPA Depreciation and Amortization	37,661	37,728	67	0.1%	113,185
LIPA Deferred Amortized Expenses	8,338	8,338	-	0.0%	25,014
Interest Expense, other Interest Costs and Interest Amortizations	113,445	113,453	8	0.0%	348,388
Total Expenses	\$185,480	\$186,509	\$1,030	0.6%	\$578,462
Other Income and Deductions	7,250	5,281	1,969	37.3%	26,897
Grant Income	11,681	11,975	(294)	-2.5%	40,924
Total Income	\$18,931	\$17,255	\$1,675	9.7%	\$67,821
LIPA Capital	\$1,102	\$988	(\$114)	-11.6%	\$11,850

Note: Variance - favorable/(unfavorable)

- LIPA operating expense is under budget by \$1.0M due to the timing of consulting expense.
- Other income and deductions is over budget \$2.0M primarily due to gains realized on the OPEB Account offset by unrealized losses in the Rate Stabilization fund.

LIPA LIQUIDITY POSITION – APRIL 2022

<i>(\$ in thousands)</i>	April 30, 2022	Days Cash	March 31, 2022	Days Cash
Operating liquidity				
Unrestricted cash, cash equivalents, and investments	\$ 685,034		\$ 733,625	
OPEB Account cash, cash equivalents, and investments	523,814		559,462	
PSEG Long Island working capital requirements	275,914		277,144	
Total operating liquidity	1,484,762	174	1,570,231	184
Available credit				
General Revenue Notes – Revolving Credit Facility	200,000		200,000	
General Revenue Notes – Commercial Paper	726,000		481,000	
Total available credit	926,000		681,000	
Total cash, cash equivalents, investments and available credit	\$ 2,410,762	283	\$ 2,251,231	264
Restricted cash				
Clean Energy Compliance Fund	13,776		12,354	
FEMA Grant Proceeds	-		-	
UDSA	220,072		197,023	
Total restricted cash and cash equivalents	\$ 233,848		\$ 209,377	

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

PSEG LONG ISLAND OPERATING EXPENSES – APRIL 2022

(\$ in thousands)

	<u>Actual</u>	<u>Budget</u>	<u>\$ Var.</u>	<u>% Var.</u>	<u>FY Budget</u>
PSEG Long Island Operating Expenses					
Transmission & Distribution	\$60,757	\$57,416	(\$3,340)	-5.8%	\$176,076
Construction & Operations Services	11,993	12,435	442	3.6%	39,115
Emergency Preparedness	2,528	3,049	520	17.1%	9,156
Customer Services	32,958	34,447	1,490	4.3%	104,362
Business Services	41,377	45,790	4,413	9.6%	141,178
Power System Management	5,513	6,471	958	14.8%	19,264
Energy Efficiency & Renewable Energy	22,646	27,758	5,111	18.4%	92,833
Utility 2.0	6,461	7,781	1,320	17.0%	27,563
Total PSEG Long Island Operating Expenses	\$184,233	\$195,146	\$10,914	5.6%	\$609,547

Note: Variance - favorable/(unfavorable)

- Total expenses are under budget by \$10.9M primarily due to:
 - T&D is over budget by (\$3.3M) primarily due to telecommunication broker fees (\$2.2M), higher weather support, offset by lower training costs.
 - Customer Service is under budget by \$1.5M primarily due to open vacancies and contract delays.
 - Business Services is under budget by \$4.4M primarily due to open vacancies in IT and Strategic Planning & Analytics, less contractor spend than planned, and lower legal support costs.
 - Energy Efficiency is under budget by \$5.1M primarily due to the Commercial Efficiency Program which has achieved energy savings 6% above goal while holding costs to 31% below budget.
 - Utility 2.0 is under budget by \$1.3M primarily due to delays in Rate Modernization, EV Make Ready and lower applications for Super Savers program.

PSEG LONG ISLAND MANAGED EXPENSES – APRIL 2022

(\$ in thousands)

	<u>Actual</u>	<u>Budget</u>	<u>\$ Var.</u>	<u>% Var.</u>	<u>FY Budget</u>
PSEG Long Island Managed Expenses					
Uncollectible Accounts	\$8,439	\$8,357	(\$82)	-1.0%	\$28,760
Storm Restoration	12,257	31,534	19,277	61.1%	76,276
NYS Assessment	3,342	3,291	(51)	-1.5%	11,719
Utility Depreciation	91,878	91,757	(121)	-0.1%	289,157
Pension & OPEB Expense	19,668	20,304	637	3.1%	61,400
PILOTs - Revenue-Based Taxes	12,017	11,216	(801)	-7.1%	40,549
PILOTs - Property-Based Taxes	101,310	101,310	-	0.0%	303,929
PSEGLI Managed - Misc	1,633	1,432	(200)	-14.0%	3,933
Total PSEG Long Island Managed Expenses	\$250,543	\$269,202	\$18,659	6.9%	\$815,723
Other Income & Deductions	\$8,183	\$6,800	\$1,383	20.3%	\$19,387

Note: Variance - favorable/(unfavorable)

- Storm Restoration is under budget by \$19.3M primarily due to less actual storms and mutual aid assistance than budgeted. Budget included 6 storms of which 3 would need mutual aid assistance vs. an actual of 5 storms with only 1 requiring mutual aid assistance.

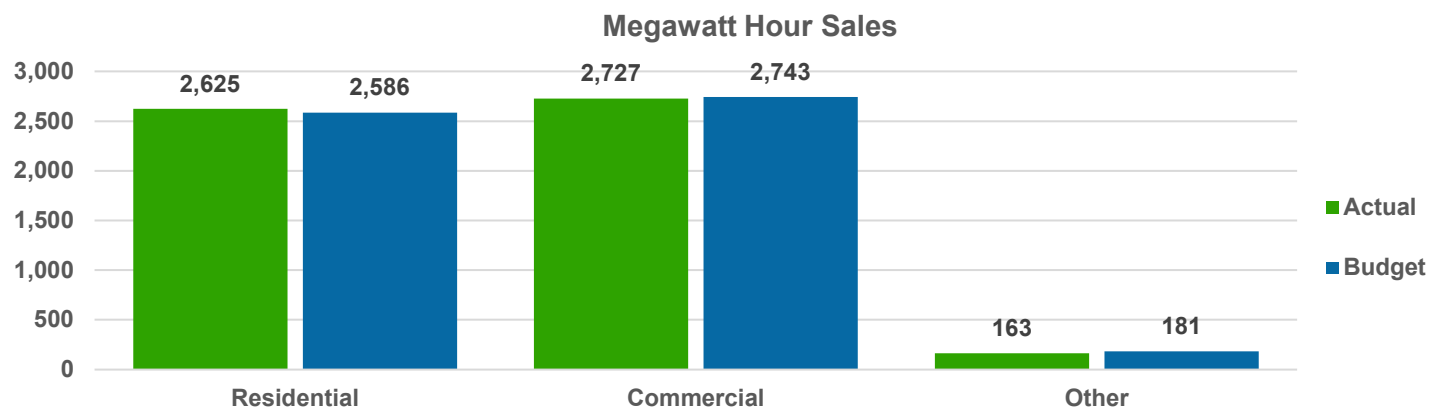
PSEG LONG ISLAND REVENUE – APRIL 2022

(\$ in thousands)

	<u>Actual</u>	<u>Budget</u>	<u>\$ Var.</u>	<u>% Var.</u>	<u>Budget</u>
Revenues	\$1,156,625	\$1,086,228	\$70,397	6.5%	\$3,850,840
Power Supply Charge	\$652,055	\$566,962	(\$85,093)	-15.0%	\$1,879,216
Revenue Net of Power Supply Costs	\$504,570	\$519,266	(\$14,696)	-2.8%	\$1,971,624

Note: Variance - favorable/(unfavorable)

- Revenue, net of PSCs, is (\$14.7M) lower than budget primarily driven by:
 - Delivery Service Adjustment (DSA) of (\$19.9M) primarily driven by lower Storm expenses of (\$19.3M)
 - Higher miscellaneous revenues of \$4.3M due to higher than budgeted collection of late payment charges



- Sales of electricity are higher than budget by 5 GWh or 0.1% due to higher sales in residential sector partially offset by lower sales in the commercial-industrial sector and the railroad.

CAPITAL EXPENDITURES – APRIL 2022

(\$ in thousands)

	<u>Actual</u>	<u>Budget</u>	<u>\$ Var.</u>	<u>% Var.</u>	<u>FY Budget</u>
Transmission and Distribution					
Regulatory Driven	(\$2)	\$0	\$2	0.0%	\$0
Load Growth	61,442	60,678	(764)	-1.3%	178,268
Reliability	72,303	88,192	15,889	18.0%	252,069
Storm Hardening	20,687	24,890	4,202	16.9%	70,000
Economic, Salvage, Tools, Equipment & Other	7,400	13,401	6,002	44.8%	60,229
Total Transmission and Distribution Projects	\$161,830	\$187,161	\$25,331	13.5%	\$560,566
Other PSEG Long Island Capital Expenditures					
Information Technology Projects	8,884	18,349	9,466	51.6%	81,701
Customer Operations	2,317	3,448	1,131	32.8%	10,683
Other General Plant Projects	266	128	(138)	-108.0%	3,072
Fleet	2,550	207	(2,343)	-1131.0%	15,974
Utility 2.0	5,906	13,562	7,656	56.5%	40,013
Total Expenses	\$19,923	\$35,695	\$15,772	44.2%	\$151,444
Total PSEG Long Island Capital Expenditures (excl. FEMA)	\$181,754	\$222,857	\$41,103	18.4%	\$712,010
FEMA	4,358	895	(3,464)	-387.2%	2,690
Capital Storm	461	1,585	1,124	70.9%	4,755
Management Fee	10,072	9,499	(573)	-6.0%	28,496
Total PSEG Long Island Capital Expenditures	\$196,645	\$234,835	\$38,190	16.3%	\$747,951
Nine Mile Point 2	\$24,331	\$24,030	(\$301)	-1.3%	\$27,267
LIPA Capital	\$975	\$988	\$12	1.2%	\$11,850

- T&D is under budget by \$25.3M driven by construction and equipment delivery delays for East Garden City Switchgear Replacement, Substation Transformers Replacements Program, Residential Underground Cable Upgrades, and Glenwood Substation Structural Modification, coupled with lower Storm Hardening due to contractor resource constraints due to mutual aid assistance required in other service territories.
- IT is under budget \$9.5M due to timing of scheduled work and open vacancies.
- Fleet is over budget (\$2.3M) due to earlier delivery of medium and heavy-duty chassis due to ECM (Electronic Control Module) chips becoming available sooner.
- Utility 2.0 is under budget by \$7.7M due to pending contract award for Grid Storage, delayed customer requests for EV Charging Station infrastructure for EV Make Ready, and delays with DER Visibility.
- FEMA is over budget (\$3.5M) due to timing of construction for substation Inside Plant (IP) Repeaters and higher program management costs for additional circuits transferred from Power On.

Note: Variance - favorable/(unfavorable)

PSEG LONG ISLAND MAJOR CAPITAL EXPENDITURES – OVER \$25M (TOTAL PROJECT COST) – APRIL 2022

Description	Original Total Project Cost (\$M)**		Total Project Actuals Through 4/30/22 (\$M)	Current Working Estimate* (\$M)	Current Estimated Completion Date*
	Cost Estimate	Date of Cost Estimate			
Ruland Rd to Plainview: Transmission	\$46.8	2017	\$33.7	\$42.9	Jun-22
Round Swamp Substation	\$20.5	2018	\$19.3	\$27.9	Jun-22
Arverne - New 33kV Circuit to Far Rockaway Substation	\$31.2	2020	\$16.4	\$25.4	Jun-22
Flowerfield - Terryville: Install new 69 kV cable to Flowerfield	\$52.5	2022	\$2.5	\$52.5	Jun-23
Rockaway Beach - New 33kV Circuit to Arverne Substation	\$36.9	2020	\$6.6	\$34.4	Jun-23
Brooklyn Ave (Massapequa) New Substation	\$22.7	2017	\$7.2	\$33.0	Jun-23
Navy Road New Substation	\$33.5	2017	\$29.0	\$30.8	Dec-23
East Garden City: Switchgear replacement	\$49.0	2021	\$2.5	\$49.0	Jun-24
Fire Island Pines New Circuit to Ocean Beach	\$51.1	2017	\$2.4	\$46.1	Jun-24
Belmont: Convert substation from 33 kV to 69 kV	\$131.3	2021	\$0.0	\$131.3	Jun-24
North Bellmore Install 33 MVA bank, switchgear, and feeders	\$28.8	2021	\$0.0	\$28.8	Jun-24
Smithtown: Storm Hardening	\$34.1	2021	\$0.0	\$34.1	Dec-24
Transmission Operations Control Room Facility Replacement	\$84.0	2018	\$0.0	\$78.2	Dec-24
Substation Security Expansion Project	\$52.9	2017	\$16.2	\$48.3	Dec-24
Bridgehampton to Buell: Transmission	\$46.1	2017	\$3.8	\$45.5	Jun-25
Elwood: Install new distribution bank and switchgear	\$32.3	2021	\$0.0	\$32.3	Jun-25
North Bellport: Eastport 23kV conversion	\$26.4	2021	\$0.0	\$26.4	May-26
Southampton Install new 138kV cable to Deerfield	\$142.4	2021	\$0.1	\$142.4	Jun-27
Syosset to Shore Rd.: Transmission	\$268.0	2019	\$0.2	\$268.0	Dec-31
Total	\$1,190.6		\$139.9	\$1,177.4	

*The Current Working Estimate and Completion Dates will be updated ending June 30 and November 30.

** Revised estimate based on PSEG LI new estimating process.

OMS – APRIL 2022

(\$ in thousands)

	2020	2021												2022				
	Oct-Dec	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	TOTAL
TOTAL	\$1,349	\$1,195	\$3,788	\$4,787	\$4,282	\$4,525	\$3,018	\$3,557	\$3,504	\$2,975	\$2,130	\$2,271	\$3,284	\$462	\$1,013	\$1,357	-\$616	\$42,881