



# March 2025 Financial Results

*Finance and Audit Committee*

May 22, 2025

**Presented by:** Donna Mongiardo, CFO LIPA  
and Martin Shames, Senior Director of Finance PSEG LI



# LIPA Consolidated Results – March 2025

(\$ in thousands)

	Actual	Budget	\$ Var.	% Var.	FY Budget
<b>Revenues</b>	<b>\$1,004,266</b>	<b>\$966,668</b>	<b>\$37,598</b>	<b>3.9%</b>	<b>\$4,336,666</b>
Power Supply Charge	540,381	498,230	(42,152)	-8.5%	2,068,435
<b>Revenue Net of Power Supply Charge</b>	<b>463,885</b>	<b>468,438</b>	<b>(4,553)</b>	<b>-1.0%</b>	<b>2,268,231</b>
<b>PSEG Long Island Operating and Managed Expenses</b>					
PSEG Long Island Operating Expenses	165,685	169,699	4,014	2.4%	686,000
PSEG Long Island Managed Expenses	22,939	34,103	11,164	32.7%	156,243
Utility Depreciation	87,962	89,240	1,278	1.4%	374,821
PILOTs	85,980	86,462	483	0.6%	350,907
LIPA Operating Expenses	25,485	25,638	153	0.6%	127,265
LIPA Depreciation and Amortization	34,660	34,667	8	0.0%	138,669
Interest Expense	85,930	89,352	3,422	3.8%	374,203
<b>Total Expenses</b>	<b>\$508,640</b>	<b>\$529,161</b>	<b>\$20,521</b>	<b>3.9%</b>	<b>2,208,109</b>
Other Income and Deductions	22,338	17,453	4,886	28.0%	74,103
Grant Income	10,040	9,930	110	1.1%	39,719
<b>Total Non-Operating Revenue</b>	<b>\$32,378</b>	<b>\$27,382</b>	<b>\$4,996</b>	<b>18.2%</b>	<b>\$113,822</b>
<b>Change in Net Position</b>	<b>(\$12,377)</b>	<b>(\$33,341)</b>	<b>\$20,964</b>	<b>62.9%</b>	<b>\$173,945</b>

Note: Variance - favorable/(unfavorable)

# LIPA Managed Expenses & Income – March 2025

- Interest expense is under budget \$3.4M due to lower interest rates and outstanding balances for short term debt.
- Other income and deductions are favorable against budget by \$4.1M due to (i) higher than budgeted funds in the construction account providing additional income of \$1.0M (ii) \$1.8M in capital gains combined with \$1.1M dividends on the OPEB Dedicated Account.

(\$ in thousands)

## LIPA Expenses

	Actual	Budget	\$ Var.	% Var.	FY Budget
LIPA Operating Expenses	\$25,485	\$25,638	\$153	0.6%	\$127,265
LIPA Depreciation and Amortization	28,406	28,414	8	0.0%	113,655
LIPA Deferred Amortized Expenses	6,254	6,254	-	0.0%	25,014
Interest Expense, other Interest Costs and Interest Amortizations	85,930	89,352	3,422	3.8%	374,203
<b>Total Expenses</b>	<b>\$146,075</b>	<b>\$149,658</b>	<b>\$3,583</b>	<b>2.4%</b>	<b>\$640,137</b>
Other Income and Deductions	14,965	10,818	4,148	38.3%	48,096
Grant Income	10,040	9,930	110	1.1%	39,719
<b>Total Income</b>	<b>\$25,006</b>	<b>\$20,748</b>	<b>\$4,258</b>	<b>20.5%</b>	<b>\$87,815</b>
<b>LIPA Capital</b>	<b>\$151</b>	<b>\$415</b>	<b>\$264</b>	<b>63.5%</b>	<b>\$6,000</b>

Note: Variance - favorable/(unfavorable)

# LIPA Liquidity Position – March 2025

(\$ in thousands)	March 31, 2025	Days Cash	February 28, 2025	Days Cash
<b>Operating liquidity</b>				
Unrestricted cash, cash equivalents, and investments	\$ 363,989		\$ 487,743	
OPEB Account cash, cash equivalents, and investments	740,534		755,895	
PSEG Long Island working capital requirements	269,399		371,947	
Total operating liquidity	1,373,922	148	1,615,585	174
<b>Available credit</b>				
General Revenue Notes - Revolving Credit Facility	200,000		200,000	
General Revenue Notes - Commercial Paper	712,000		712,000	
Total available credit	912,000		912,000	
<b>Total cash, cash equivalents, investments, and available credit</b>	<b>\$ 2,285,922</b>	<b>246</b>	<b>\$ 2,527,585</b>	<b>272</b>
<b>Restricted cash and cash equivalents</b>				
Clean Energy Compliance Fund	20,717		20,667	
UDSA	218,782		184,255	
Repayment of Series 2021 Notes	250,000		250,000	
<b>Total restricted cash</b>	<b>\$ 489,499</b>		<b>\$ 454,922</b>	

**LIPA continues to exceed its required 150 days cash and available credit on hand**

# PSEG Long Island Operating Expenses – March 2025

Total expense is under budget by \$4.0M primarily due to:

- Transmission & Distribution is over budget by (\$2.9M) due to acceleration of preventive maintenance - mechanical and transmission tree trim and storm hardening.
- Asset Management is under budget by \$1.4M due to schedule shift of pole inspections and consultants.
- Customer Service is under budget by \$2.5M primarily due to delay of non-labor Customer Experience & Marketing expenses.
- IT & Cyber are under budget by \$1.9M due to slower than expected hiring and a delay of non-labor expense.
- Business Services is over budget by (\$2.3M) due to the trending of potential cost-saving strategies pending in the budget.
- Energy Efficiency is under budget by \$2.7M due to an underrun in commercial rebates, however, on track to reach energy savings goals.

(\$ in thousands)

## PSEG Long Island Operating Expenses

	Actual	Budget	\$ Var.	% Var.	FY Budget
Transmission & Distribution	\$51,906	\$49,037	(\$2,869)	-5.9%	\$195,460
Asset Management & Reliability	2,649	4,021	1,371	34.1%	13,425
Construction & Operations Services	12,560	13,070	509	3.9%	48,115
Customer Services	28,991	31,488	2,497	7.9%	126,939
Information Technology & Cybersecurity	23,127	24,990	1,864	7.5%	100,490
Business Services	18,061	15,749	(2,312)	-14.7%	68,949
Power System Management	5,185	5,660	475	8.4%	23,009
Energy Efficiency & Renewable Energy	20,623	23,336	2,712	11.6%	95,903
Utility 2.0	2,581	2,349	(233)	-9.9%	13,710
<b>Total PSEG Long Island Operating Expenses</b>	<b>\$165,685</b>	<b>\$169,699</b>	<b>\$4,014</b>	<b>2.4%</b>	<b>\$686,000</b>

Note: Variance - favorable/(unfavorable)

# PSEG Long Island Managed Expenses – March 2025

- Storm Restoration is under budget by \$9.7M due to lower storm activity. Four storms were incurred, none of which required mutual aid assistance.
- Utility Depreciation is under budget by \$1.3M due to the timing of IT projects being placed in service.
- Pension & OPEB expense is under budget by \$0.9M due to discount rate updates in the actuarial models.
- PSEGLI Misc. Managed expense is over budget by (\$1.0M) due to legal claims.

(\$ in thousands)

## PSEG Long Island Managed Expenses

	Actual	Budget	\$ Var.	% Var.	FY Budget
Uncollectible Accounts	\$4,612	\$5,360	\$748	14.0%	\$23,412
Storm Restoration	6,769	16,426	9,657	58.8%	83,500
NYS Assessment	2,089	2,878	789	27.4%	12,237
Utility Depreciation	87,962	89,240	1,278	1.4%	374,821
Pension & OPEB Expense	7,482	8,407	925	11.0%	33,629
PILOTs - Revenue-Based Taxes	9,281	10,227	946	9.2%	45,965
PILOTs - Property-Based Taxes	76,699	76,235	(463)	-0.6%	304,941
PSEGLI Managed - Misc	1,988	1,032	(956)	-92.6%	3,465
<b>Total PSEG Long Island Managed Expenses</b>	<b>\$196,881</b>	<b>\$209,805</b>	<b>\$12,924</b>	<b>6.2%</b>	<b>\$881,971</b>
<b>Other Income &amp; Deductions</b>	<b>\$7,373</b>	<b>\$6,635</b>	<b>\$738</b>	<b>11.1%</b>	<b>\$26,007</b>

Note: Variance - favorable/(unfavorable)

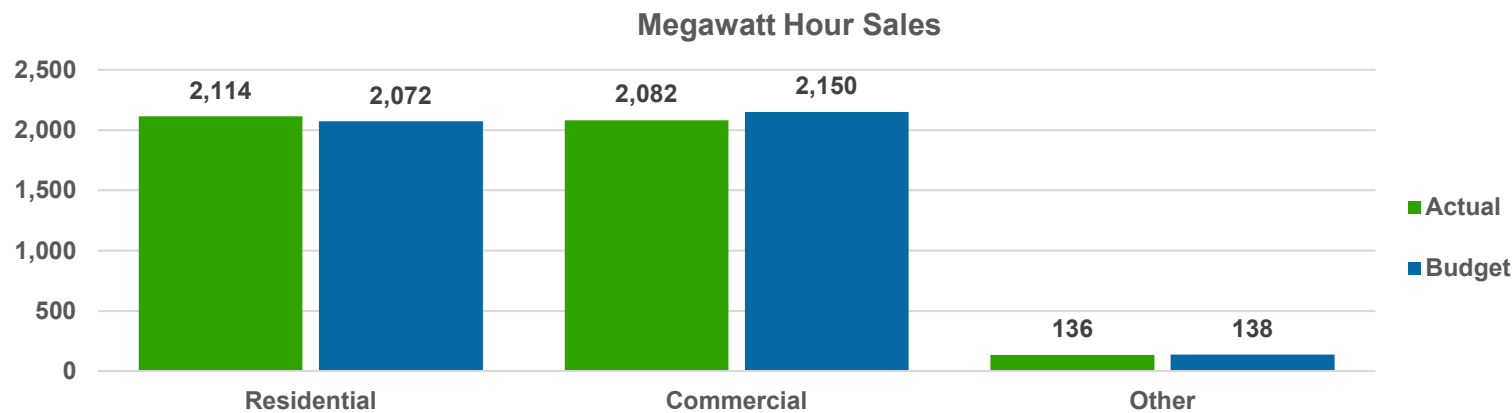
# PSEG Long Island Revenue – March 2025

- Revenue, net of PSCs, is (\$4.6M) lower than budget primarily due to DSA Debt Service Deferral resulting from lower than budgeted interest rates combined with lower short-term debt balances outstanding.
- Power Supply Charge is (\$42.2M) higher than budget primarily due to higher commodity prices, driven by colder than normal weather and higher demand for natural gas in the region.
- Total Sales of electricity are lower than budget due to Commercial Sales impacted by weak growth in the local economy partially offset by higher Residential Sales.

(\$ in thousands)

	Actual	Budget	\$ Var.	% Var.	Budget
Revenues	\$1,004,266	\$966,668	\$37,598	3.9%	\$4,336,666
Power Supply Charge	\$540,381	\$498,230	(\$42,152)	-8.5%	\$2,068,435
Revenue Net of Power Supply Costs	\$463,885	\$468,438	(\$4,553)	-1.0%	\$2,268,231

Note: Variance - favorable/(unfavorable)



# Capital Expenditures – March 2025

- T&D is under budget by \$27.3M primarily due to:
  - \$15M underspend related to construction, material and permitting delays, which have pushed milestones to later in the year or the following year.
  - \$10M Cost savings variance occurred due to favorable pricing.
  - The underrun is partially offset by reactive emergent work of (\$2.6M).
- IT Projects are under budget by \$8.2M due to shift in schedule for Bundles 2 through 4 of System Separation.
- Offshore Wind Transmission is under budget by \$1.8M due to the shift of civil construction to Q3 for Northport-Install new 138kV Phase Angle Regulator.

(\$ in thousands)

	Actual	Budget	\$ Var.	% Var.	FY Budget
<b>Transmission and Distribution</b>					
Load Growth	36,002	54,143	18,141	33.5%	191,477
Reliability	70,666	73,110	2,444	3.3%	301,316
Storm Hardening	20,769	21,442	673	3.1%	52,732
Economic, Salvage, Tools, Equip & Other	8,285	14,352	6,067	42.3%	52,989
<b>Total T&amp;D Projects</b>	<b>\$135,722</b>	<b>\$163,047</b>	<b>\$27,325</b>	<b>16.8%</b>	<b>\$602,609</b>
<b>Other PSEG Long Island Capital Expenditures</b>					
Information Technology Projects <sup>1</sup>	13,038	21,219	8,181	38.6%	61,076
Information Technology - Cyber Security <sup>1</sup>	1,732	1,511	(221)	-14.6%	4,353
Customer Operations <sup>1</sup>	1,465	1,688	224	13.2%	7,354
Other General Plant	229	300	71	23.6%	56,980
Fleet	(35)	179	214	119.8%	13,199
Offshore Wind Transmission	2,821	4,590	1,769	38.5%	15,401
Property Acquisition	6	-	(6)	0.0%	-
Utility 2.0	1,756	2,584	828	32.0%	13,237
<b>Total T&amp;D and Other Projects</b>	<b>156,734</b>	<b>195,119</b>	<b>\$38,385</b>	<b>19.7%</b>	<b>774,210</b>
FEMA Storm Hardening	1,379	1,235	(144)	-11.7%	33,202
Capital Storm	886	576	(309)	-53.7%	3,340
<b>Total PSEG Long Island Capital</b>	<b>\$158,998</b>	<b>\$196,930</b>	<b>\$37,932</b>	<b>19.3%</b>	<b>\$810,752</b>
Management Fee	9,645	8,655	(991)	-11.4%	35,102
Pending Project Authorization Funds	-	5,794	5,794	100.0%	149,783
Nine Mile Point 2	1,910	1,067	(843)	-79.0%	4,268
LIPA Capital	151	415	264	63.5%	6,000
<b>Total Capital Expenditures</b>	<b>\$170,705</b>	<b>\$212,861</b>	<b>\$42,157</b>	<b>19.8%</b>	<b>\$1,005,906</b>

Note: Variance - favorable/(unfavorable)

<sup>1</sup> In 2025 YTD, LIPA released \$18.8M for IT projects, \$1.6M for Cyber projects and \$4.0M for Customer Operations projects, originally designated "Pending Project Authorization" in LIPA-Approved FY Budget.

# PSEG Long Island Major Capital Expenditures – Over \$25M

## (Total Project Cost) – March 2025

Description	Original Total Project Cost		Total Project	Current	Spend	Current
	Cost	Date of Cost	Actuals Through	Working		Estimated
	Estimate	Estimate	3/31/25 (\$M)	Estimate (\$M)	Progress	Completion Date
Belmont: Convert substation from 33 kV to 69 kV	\$131	2021	\$37	\$52	72%	Jun-25
Bridgehampton to Buell: Transmission	\$46	2017	\$23	\$65	36%	Dec-25
System Separation	\$21	2022	\$42	\$75	56%	Dec-25
North Bellport: Eastport 23kV conversion	\$26	2021	\$0	\$52	0%	May-26
North Bellmore Install 33 MVA Bank, Swgr, Feeders & C&R	\$22	2020	\$5	\$26	19%	Jun-26
Southampton Install new 138kV cable to Deerfield	\$142	2021	\$5	\$79	6%	Dec-26
West Hempstead (3R) Install four 69/13kV 33MVA	\$30	2023	\$0	\$42	1%	Dec-27
Transmission Operations Control Room Facility Replacement	\$84	2018	\$4	\$113	3%	Dec-27
East Garden City Install Reactors on 138kV circuits (138-462/463)	\$14	2023	\$1	\$34	2%	May-28
Rockville Centre Load Pocket	\$37	2022	\$0	\$36	0%	Jun-28
Lindbergh: Substation Expansion	\$60	2024	\$0	\$60	0%	Jun-28
Elmont (3G) Substation Rebuild and Feeder Conversions	\$54	2023	\$0	\$44	0%	Oct-28
Enterprise Asset Management System	\$48	2022	\$5	\$61	8%	Dec-28
Fire Island Pines New Circuit to Ocean Beach	\$51	2017	\$3	\$47	7%	Apr-29
Northport Install new 138kV Phase Angle Regulator	\$38	2023	\$1	\$48	3%	May-29
Syosset Replace UG section of 138-676 circuit to Greenlawn	\$117	2023	\$1	\$103	1%	Dec-29
Newbridge Convert 138kV Ckt EGC-Ruland 138-467/567 to 345kV	\$37	2023	\$1	\$46	2%	May-30
Barrett OSW (Liotta) Interconnect to New Barrett 138/345kV Sub	\$88	2023	\$0	\$88	0%	May-30
Arverne - New Wavecrest Substation and C&R	\$86	2023	\$0	\$86	0%	Dec-30
Fire Island Pines: Install new 23 kV circuit to Ocean Beach	\$40	2024	\$0	\$40	0%	Dec-30
Transmission Operations Alternate Control Room Facility	\$69	2023	\$0	\$68	0%	Dec-33
Substation Security Expansion Project	\$53	2017	\$32	\$152	21%	Dec-33
<b>Total</b>	<b>\$1,294</b>		<b>\$161</b>	<b>\$1,417</b>		

- **Belmont: Convert substation from 33 kV to 69 kV Project**
  - Installs two circuits from Lake Success to Belmont.
  - Supply the proposed load additions in Belmont area especially by the Belmont UBS arena.
- **Bridgehampton to Buell: Transmission Project**
  - Installs approximately 7.5 miles of 69kV cables between the Bridgehampton and Buell substations, through Sag Harbor and utilizing Route 114.
- **System Separation Project**
  - Separates LIPA IT systems from PSEG New Jersey
  - Requires implementation of newly dedicated systems and infrastructure, transfer of LI data, and establishment of technical support roles in LI to manage the systems following separation.
  - Bundle I: SAP and Ancillary ERP Systems by April 2025
- **North Bellmore Install 33 MVA Bank, Swgr, Feeders & C&R**
  - Installs 69/13 kV 33 MVA bank using Gas Insulated Substation equipment
  - Includes two underground exit cables for 1.6 total circuit miles
- **Substation Security Expansion Project**
  - Multiyear plan to install a state-of-the-art security system with communications to a centralized security center for the 63 critical stations.
  - Card control access for the substation, intrusion alert, electronic surveillance, license plate readers and RADAR detection. Mitigates the risks associated with Physical Asset Protection.

Note: Project Update for Highlighted Projects – all projects are within budget and estimated time of completion

# Questions?

**Donna Mongiardo**  
CFO

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