



April 2025 Financial Results

Finance and Audit Committee

June 25, 2025

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



LIPA Consolidated Results – April 2025

(\$ in thousands)

	Actual	Budget	\$ Var.	% Var.	FY Budget ¹
Revenues	\$1,323,421	\$1,245,235	\$78,186	6.3%	\$4,336,666
Power Supply Charge	726,195	638,466	(87,729)	-13.7%	2,068,435
Revenue Net of Power Supply Charge	597,226	606,769	(9,543)	-1.6%	2,268,231
PSEG Long Island Operating and Managed Expenses					
PSEG Long Island Operating Expenses	216,575	226,414	9,839	4.3%	692,937
PSEG Long Island Managed Expenses	26,583	48,404	21,821	45.1%	156,243
Utility Depreciation	117,669	119,589	1,920	1.6%	374,821
PILOTs	113,834	114,741	907	0.8%	350,907
LIPA Operating Expenses	33,805	33,519	(286)	-0.9%	120,328
LIPA Depreciation and Amortization	46,205	46,223	18	0.0%	138,669
Interest Expense	115,758	119,610	3,852	3.2%	374,203
Total Expenses	\$670,428	\$708,500	\$38,071	5.4%	2,208,109
Other Income and Deductions	30,603	23,529	7,074	30.1%	74,103
Grant Income	11,721	11,573	148	1.3%	39,719
Total Non-Operating Revenue	\$42,324	\$35,102	\$7,222	20.6%	\$113,822
Change in Net Position	(\$30,879)	(\$66,629)	\$35,751	53.7%	\$173,945

Note: Variance - favorable/(unfavorable)

¹ LIPA transferred \$6.9M for IT to PSEG Long Island Operating Expense that was originally designated "Pending Project Authorization" in LIPA-Approved FY Budget.

LIPA Managed Expenses & Income – April 2025

- Interest expense is under budget \$3.9M due to lower interest rates and outstanding balances for short term debt offset by unfavorable interest rates on swaps.
- Other income and deductions are favorable against the budget by \$7.1M due to (i) higher than budgeted funds in the rate stabilization and construction accounts providing additional income of \$2.9M, and (ii) higher dividends of \$4.0M on the OPEB Dedicated Account.

(\$ in thousands)

LIPA Expenses

	Actual	Budget	\$ Var.	% Var.	FY Budget ¹
LIPA Operating Expenses	\$33,805	\$33,519	(\$286)	-0.9%	\$120,328
LIPA Depreciation and Amortization	37,867	37,885	18	0.0%	113,655
LIPA Deferred Amortized Expenses	8,338	8,338	-	0.0%	25,014
Interest Expense, other Interest Costs and Interest Amortizations	115,758	119,610	3,852	3.2%	374,203
Total Expenses	\$195,768	\$199,351	\$3,584	1.8%	\$633,200
Other Income and Deductions	21,150	14,013	7,137	50.9%	48,096
Grant Income	11,721	11,573	148	1.3%	39,719
Total Income	\$32,871	\$25,586	\$7,285	28.5%	\$87,815
LIPA Capital	\$205	\$415	\$210	50.7%	\$6,000

Note: Variance - favorable/(unfavorable)

¹ LIPA transferred \$6.9M for IT to PSEG Long Island Operating Expense that was originally designated "Pending Project Authorization" in LIPA-Approved FY Budget.

LIPA Liquidity Position – April 2025

(\$ in thousands)	April 30, 2025	Days Cash	March 31, 2025	Days Cash
Operating liquidity				
Unrestricted cash, cash equivalents, and investments	\$ 423,885		\$ 363,989	
OPEB Account cash, cash equivalents, and investments	744,639		740,534	
PSEG Long Island working capital requirements	344,517		269,399	
Total operating liquidity	1,513,041	163	1,373,922	148
Available credit				
General Revenue Notes - Revolving Credit Facility	200,000		200,000	
General Revenue Notes - Commercial Paper	662,000		712,000	
Total available credit	862,000		912,000	
Total cash, cash equivalents, investments, and available credit	\$ 2,375,041	256	\$ 2,285,922	246
Restricted cash and cash equivalents				
Clean Energy Compliance Fund	20,764		20,717	
UDSA	248,868		218,782	
Repayment of Series 2021 Notes	250,000		250,000	
Total restricted cash	\$ 519,632		\$ 489,499	

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

PSEG Long Island Operating Expenses – April 2025

Total expense is under budget by \$9.8M primarily due to:

- Asset Management is under budget by \$1.8M due to schedule shift of pole inspections and consultants.
- Construction & Ops Services is under budget by \$2.5M due to less spending than planned in Hicksville and Brentwood facilities outside services, more outside services applied to Capital, and timing of professional and outside services with NERC, Safety, and Environmental vendors.
- Customer Service is under budget by \$3.3M primarily due to delay of non-labor Customer Experience & Marketing expenses.
- IT & Cyber are under budget by \$1.8M due to slower than expected hiring and a delay of non-labor expense.
- Business Services is over budget by (\$2.7M) due to the trending of potential cost-saving strategies pending in the budget.
- Energy Efficiency is under budget by \$2.9M 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 ¹
Transmission & Distribution	\$66,600	\$65,711	(\$889)	-1.4%	\$195,460
Asset Management & Reliability	3,631	5,411	1,780	32.9%	13,425
Construction & Operations Services	14,627	17,091	2,464	14.4%	48,115
Customer Services	38,645	41,989	3,343	8.0%	126,939
Information Technology & Cybersecurity	31,235	33,043	1,808	5.5%	107,427
Business Services	23,789	21,137	(2,652)	-12.5%	68,949
Power System Management	6,882	7,606	723	9.5%	23,009
Energy Efficiency & Renewable Energy	28,226	31,088	2,862	9.2%	95,903
Utility 2.0	2,940	3,340	400	12.0%	13,710
Total PSEG Long Island Operating Expenses	\$216,575	\$226,414	\$9,839	4.3%	\$692,937

Note: Variance - favorable/(unfavorable)

¹ LIPA transferred \$6.9M for IT to PSEG Long Island Operating Expense that was originally designated "Pending Project Authorization" in LIPA-Approved FY Budget

PSEG Long Island Managed Expenses – April 2025

- Storm Restoration is under budget by \$19.6M due to lower storm activity. Four storms were incurred, none of which required mutual aid assistance.
- Utility Depreciation is under budget by \$1.9M due to the timing of IT projects being placed in service.
- Pension & OPEB expense is under budget by \$1.3M due to discount rate updates in the actuarial models.
- PILOTS - Revenue Based Taxes are under budget by \$1.5M due to timing and will be trued-up in May.

(\$ in thousands)

PSEG Long Island Managed Expenses

	Actual	Budget	\$ Var.	% Var.	FY Budget
Uncollectible Accounts	\$5,998	\$7,007	\$1,010	14.4%	\$23,412
Storm Restoration	5,655	25,232	19,577	77.6%	83,500
NYS Assessment	2,772	3,659	887	24.2%	12,237
Utility Depreciation	117,669	119,589	1,920	1.6%	374,821
Pension & OPEB Expense	9,903	11,204	1,300	11.6%	33,629
PILOTS - Revenue-Based Taxes	11,558	13,094	1,536	11.7%	45,965
PILOTS - Property-Based Taxes	102,276	101,647	(629)	-0.6%	304,941
PSEGLI Managed - Misc	2,255	1,302	(953)	-73.2%	3,465
Total PSEG Long Island Managed Expenses	\$258,086	\$282,734	\$24,648	8.7%	\$881,971
Other Income & Deductions	\$9,453	\$9,516	(\$63)	-0.7%	\$26,007

Note: Variance - favorable/(unfavorable)

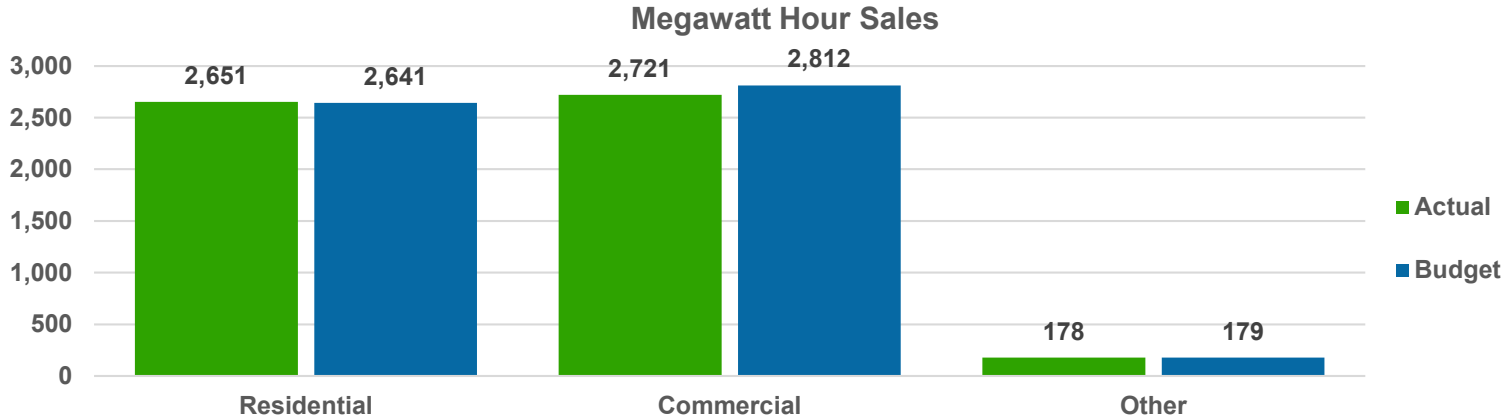
PSEG Long Island Revenue – April 2025

- Revenue, net of PSCs, is (\$9.5M) 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 (\$87.7M) higher than budget primarily due to higher commodity prices, driven by colder than normal weather and higher demand for natural gas in the region and true up related to the 2025 Nuclear Production Tax credit filing.
- 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	\$1,323,421	\$1,245,235	\$78,186	6.3%	\$4,336,666
Power Supply Charge	\$726,195	\$638,466	(\$87,729)	-13.7%	\$2,068,435
Revenue Net of Power Supply Costs	\$597,226	\$606,769	(\$9,543)	-1.6%	\$2,268,231

Note: Variance - favorable/(unfavorable)



Capital Expenditures – April 2025

- T&D is under budget by \$35.9M primarily due to:
 - \$31.6M underspend related to construction, material and permitting delays, which have pushed milestones to later in the year or the following year.
 - \$7.0M cost savings variance occurred due to favorable pricing.
 - The underrun is partially offset by reactive emergent work of (\$2.0M).
- IT Projects are under budget by \$7.1M due to a shift in schedule for Energy Management System (EMS) Upgrade and Bundles 3 through 4 of System Separation.
- Other General Plant is under budget by \$5.1M due to the delayed commencement of the Medford facility development.
- Offshore Wind Transmission is under budget by \$2.2M due to the shift of civil construction to Q3 for Northport-Install new 138kV Phase Angle Regulator.
- Utility 2.0 is under budget by \$1.1M due to pending confirmations of lease prospects for the EV Make Ready Program.

(\$ in thousands)

	Actual	Budget	\$ Var.	% Var.	FY Budget ¹
Transmission and Distribution					
Load Growth	49,688	75,391	25,703	34.1%	191,477
Reliability	95,989	97,699	1,710	1.8%	301,316
Storm Hardening	27,701	27,222	(479)	-1.8%	52,732
Economic, Salvage, Tools, Equip & Other	11,419	20,383	8,964	44.0%	52,989
Total T&D Projects	\$184,797	\$220,696	\$35,899	16.3%	\$602,609
Other PSEG Long Island Capital Expenditures					
Information Technology Projects ¹	22,482	29,552	7,070	23.9%	65,648
Information Technology - Cyber Security ¹	2,139	1,782	(357)	-20.0%	4,853
Customer Operations ¹	2,017	2,309	292	12.6%	8,614
Other General Plant	294	5,381	5,087	94.5%	57,547
Fleet	(35)	398	433	108.9%	13,199
Offshore Wind Transmission	3,356	5,537	2,181	39.4%	15,401
Property Acquisition	6	-	(6)	0.0%	-
Utility 2.0	2,252	3,326	1,074	32.3%	13,237
Total T&D and Other Projects	217,308	268,980	\$51,672	19.2%	781,110
FEMA Storm Hardening	2,012	1,685	(327)	-19.4%	33,202
Capital Storm	1,679	960	(718)	-74.8%	3,340
Total PSEG Long Island Capital	\$220,999	\$271,626	\$50,627	18.6%	\$817,651
Management Fee	12,863	11,612	(1,251)	-10.8%	35,102
Pending Project Authorization Funds	-	13,136	13,136	100.0%	142,884
Nine Mile Point 2	1,914	1,423	(491)	-34.5%	4,268
LIPA Capital	205	415	210	50.7%	6,000
Total Capital Expenditures	\$235,981	\$298,211	\$62,230	20.9%	\$1,005,906

Note: Variance - favorable/(unfavorable)

¹ In 2025 YTD, LIPA released \$23.4M for IT projects, \$2.1M for Cyber projects, \$5.3M for Customer Operations projects and \$0.6M for Other General Plant projects, originally designated "Pending Project Authorization" in LIPA-Approved FY Budget.

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

(Total Project Cost) – April 2025

Description	Original Total Project Cost		Total Project Actuals Through 4/30/25 (\$M)	Current Working Estimate (\$M)	Spend Progress	Current Estimated Completion Date
	Cost Estimate	Date of Cost Estimate				
Belmont: Convert substation from 33 kV to 69 kV	\$131	2021	\$39	\$52	76%	Dec-25
Bridgehampton to Buell: Transmission	\$46	2017	\$26	\$65	39%	Dec-25
System Separation	\$21	2022	\$50	\$75	66%	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	20%	Jun-26
Southampton Install new 138kV cable to Deerfield	\$142	2021	\$5	\$79	7%	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	4%	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
Total	\$1,294		\$174	\$1,417		

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

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.
- The in-service date has been updated from Jun-25 due to delayed clearances at Lake Success Substation.

Bridgehampton to Buell: Transmission Project

- Install approximately 7.5 miles of 69kV cables between the Bridgehampton and Buell substations, through Sag Harbor 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

- Install 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

- Multi-year plan to install a centralized communications system at substations.

Questions?

Donna Mongiardo
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lipower.org

