



# September 2025 Financial Results

*Finance and Audit Committee*

November 12, 2025

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



# LIPA Consolidated Results – September 2025

(\$ in thousands)

	Actual	Budget	\$ Var.	% Var.	FY Budget <sup>1</sup>
<b>Revenues</b>	<b>\$3,571,036</b>	<b>\$3,455,008</b>	<b>\$116,028</b>	<b>3.4%</b>	<b>\$4,336,666</b>
Power Supply Charge	1,759,603	1,624,088	(135,515)	-8.3%	2,068,435
<b>Revenue Net of Power Supply Charge</b>	<b>1,811,433</b>	<b>1,830,920</b>	<b>(19,487)</b>	<b>-1.1%</b>	<b>2,268,231</b>
<b>PSEG Long Island Operating and Managed Expenses</b>					
PSEG Long Island Operating Expenses	507,247	511,723	4,475	0.9%	692,937
PSEG Long Island Managed Expenses	64,383	116,991	52,608	45.0%	156,243
Utility Depreciation	273,298	276,806	3,508	1.3%	374,821
PILOTs	266,723	265,534	(1,189)	-0.4%	350,907
LIPA Operating Expenses	67,964	77,450	9,486	12.2%	120,328
LIPA Depreciation and Amortization	103,854	104,002	148	0.1%	138,669
Interest Expense	269,199	281,700	12,501	4.4%	374,203
<b>Total Expenses</b>	<b>\$1,552,668</b>	<b>\$1,634,205</b>	<b>\$81,537</b>	<b>5.0%</b>	<b>2,208,109</b>
Other Income and Deductions	67,588	54,884	12,704	23.1%	74,103
Grant Income	30,023	29,789	234	0.8%	39,719
<b>Total Non-Operating Revenue</b>	<b>\$97,611</b>	<b>\$84,673</b>	<b>\$12,938</b>	<b>15.3%</b>	<b>\$113,822</b>
<b>Change in Net Position</b>	<b>\$356,375</b>	<b>\$281,388</b>	<b>\$74,987</b>	<b>26.6%</b>	<b>\$173,945</b>

Note: Variance - favorable/(unfavorable)

<sup>1</sup> LIPA transferred \$7M for IT to PSEG Long Island Operating Expense that was originally designated "Pending Project Authorization" in LIPA-Approved FY Budget.

# LIPA Managed Expenses & Income – September 2025

- LIPA Operating expense is under budget \$9M due to lower 2024 PSEGLI Incentive Compensation incurred, legal reserve release, lower IT related consulting expense and lower employee related benefits.
- Interest expense is under budget \$13M due to lower interest rates and lower outstanding balances for short term debt coupled with lower than budgeted interest rates for long term debt.
- Other income and deductions are favorable against the budget by \$12M due to (i) higher than budgeted funds in the rate stabilization, UDSA and construction accounts providing additional income of \$6M, and (ii) higher dividends of \$5M on the OPEB Dedicated Account.

(\$ in thousands)

## LIPA Expenses

	Actual	Budget	\$ Var.	% Var.	FY Budget <sup>1</sup>
LIPA Operating Expenses	\$67,964	\$77,450	\$9,486	12.2%	\$120,328
LIPA Depreciation and Amortization	85,093	85,241	148	0.2%	113,655
LIPA Deferred Amortized Expenses	18,761	18,761	-	0.0%	25,014
Interest Expense, other Interest Costs and Interest Amortizations	269,199	281,700	12,501	4.4%	374,203
<b>Total Expenses</b>	<b>\$441,017</b>	<b>\$463,152</b>	<b>\$22,135</b>	<b>4.8%</b>	<b>\$633,200</b>
Other Income and Deductions	46,745	34,973	11,772	33.7%	48,096
Grant Income	30,023	29,789	234	0.8%	39,719
<b>Total Income</b>	<b>\$76,768</b>	<b>\$64,762</b>	<b>\$12,006</b>	<b>18.5%</b>	<b>\$87,815</b>
<b>LIPA Capital</b>	<b>\$515</b>	<b>\$750</b>	<b>\$235</b>	<b>31.3%</b>	<b>\$6,000</b>

Note: Variance - favorable/(unfavorable)

<sup>1</sup> LIPA transferred \$7M for IT to PSEG Long Island Operating Expense that was originally designated "Pending Project Authorization" in LIPA-Approved FY Budget.

# LIPA Liquidity Position – September 2025

(\$ in thousands)	September 30, 2025	Days Cash	August 31, 2025	Days Cash
<b>Operating liquidity</b>				
Unrestricted cash, cash equivalents, and investments	\$ 676,496		\$ 844,464	
OPEB Account cash, cash equivalents, and investments	851,898		826,377	
PSEG Long Island working capital requirements	266,695		260,983	
Total operating liquidity	1,795,089	193	1,931,824	208
<b>Available credit</b>				
General Revenue Notes - Revolving Credit Facility	200,000		200,000	
General Revenue Notes - Commercial Paper	712,000		547,000	
Total available credit	912,000		747,000	
<b>Total cash, cash equivalents, investments, and available credit</b>	<b>\$ 2,707,089</b>	<b>292</b>	<b>\$ 2,678,824</b>	<b>289</b>
<b>Restricted cash and cash equivalents</b>				
Clean Energy Compliance Fund	20,985		20,948	
UDSA	217,412		167,606	
<b>Total restricted cash</b>	<b>\$ 238,397</b>		<b>\$ 438,554</b>	

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

# PSEG Long Island Operating Expenses – September 2025

Total expense is under budget by \$4M primarily due to:

- T&D is over budget by (\$12M) due to timing of Vegetation Management (Distribution Tree Trim and Customer Work) and Corrective Maintenance (Cable Repairs and the Valley Stream Non-Toxic Spill remediation).
- Asset Management is under budget by \$3M due to lower consultants/contractors' costs, lower staffing levels due to timing of new hires.
- Construction & Ops Services is under budget by \$7M driven by lower National Grid operating expenses related to facility leases including a true-up credit for 2019-2021.
- Customer Service is under budget by \$3M primarily due to lower vendor costs in Customer Technology and vacancies in Revenue Operations, most of which are expected to be filled.
- IT & Cyber are under budget by \$4M due to delays in consultant expense timeline as well as labor challenges in hiring qualified candidates.
- Business Services is over budget by (\$6M) due to the trending of potential cost-saving strategies pending in the budget.
- Energy Efficiency is under budget by \$3M due to the customer mix of rebate applications, which has skewed lower cost measures compared to those assumed in the plan. Despite the lower spending, energy savings are exceeding the year-to-date goals.

(\$ in thousands)

## PSEG Long Island Operating Expenses

	Actual	Budget	\$ Var.	% Var.	FY Budget <sup>1</sup>
Transmission & Distribution	\$159,253	\$147,181	(\$12,071)	-8.2%	\$195,460
Asset Management & Reliability	7,547	10,625	3,078	29.0%	13,425
Construction & Operations Services	29,380	36,508	7,128	19.5%	48,115
Customer Services	91,902	94,828	2,927	3.1%	126,939
Information Technology & Cybersecurity	70,703	74,568	3,865	5.2%	107,427
Business Services	56,474	50,568	(5,906)	-11.7%	68,949
Power System Management	15,596	17,235	1,639	9.5%	23,009
Energy Efficiency & Renewable Energy	70,349	73,275	2,925	4.0%	95,903
Utility 2.0	6,043	6,934	890	12.8%	13,710
<b>Total PSEG Long Island Operating Expenses</b>	<b>\$507,247</b>	<b>\$511,723</b>	<b>\$4,475</b>	<b>0.9%</b>	<b>\$692,937</b>

Note: Variance - favorable/(unfavorable)

<sup>1</sup> LIPA transferred \$7M 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 – September 2025

- Uncollectible Accounts is under budget by \$4M due to an actual write off rate of 0.42% compared to the budgeted rate of 0.54%.
- Storm Restoration is under budget by \$46M due to lower storm activity. Nine storms were incurred, none of which required mutual aid assistance.
- Utility Depreciation is under budget by \$4M due to the delayed timing of IT projects being placed in service.
- Pension & OPEB expense is under budget by \$3M due to discount rate updates in the actuarial models.
- PSEGLI Managed expense is over budget by (\$2M) due to higher legal claims.

(\$ in thousands)

## PSEG Long Island Managed Expenses

	Actual	Budget	\$ Var.	% Var.	FY Budget
Uncollectible Accounts	\$14,621	\$18,452	\$3,832	20.8%	\$23,412
Storm Restoration	14,874	61,019	46,146	75.6%	83,500
NYS Assessment	8,481	9,659	1,179	12.2%	12,237
Utility Depreciation	273,298	276,806	3,508	1.3%	374,821
Pension & OPEB Expense	22,246	25,207	2,961	11.7%	33,629
PILOTs - Revenue-Based Taxes	37,251	36,828	(423)	-1.1%	45,965
PILOTs - Property-Based Taxes	229,472	228,706	(766)	-0.3%	304,941
PSEGLI Managed - Misc	4,162	2,653	(1,509)	-56.9%	3,465
<b>Total PSEG Long Island Managed Expenses</b>	<b>\$604,404</b>	<b>\$659,331</b>	<b>\$54,927</b>	<b>8.3%</b>	<b>\$881,971</b>
<b>Other Income &amp; Deductions</b>	<b>\$20,843</b>	<b>\$19,911</b>	<b>\$931</b>	<b>4.7%</b>	<b>\$26,007</b>

Note: Variance - favorable/(unfavorable)

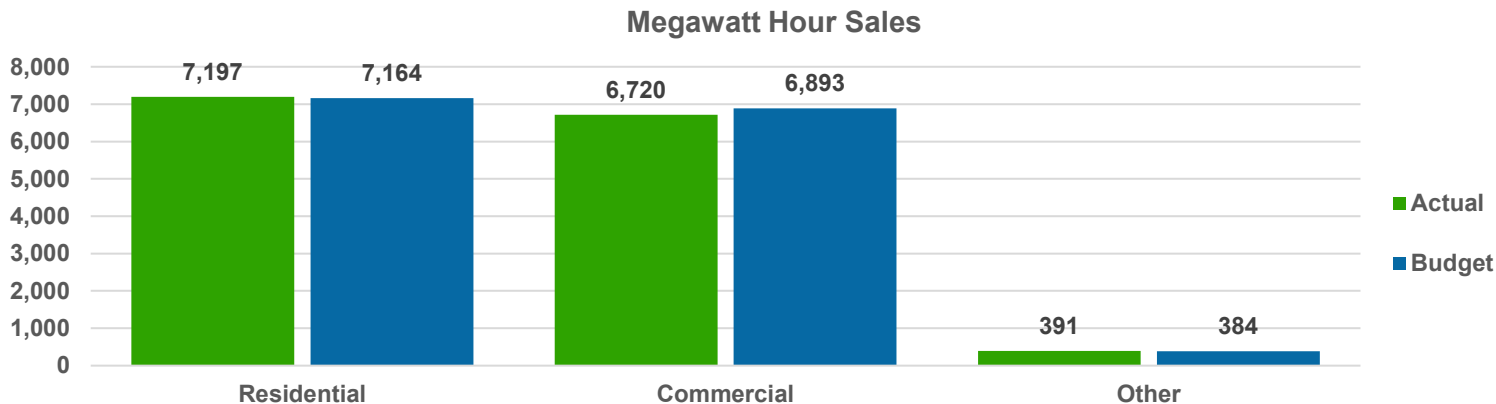
# PSEG Long Island Revenue – September 2025

- Revenue, net of PSCs, is (\$19M) lower than budget primarily due to DSA Debt Service Deferral of (\$14M) resulting from lower than budgeted interest rates combined with lower short-term debt balances outstanding.
- Power Supply Charge is (\$135M) higher than budget primarily due to higher natural gas and oil purchases and higher commodity prices.
- Total Sales of electricity are slightly 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	\$3,571,036	\$3,455,008	\$116,028	3.4%	\$4,336,666
Power Supply Charge	\$1,759,603	\$1,624,088	(\$135,515)	-8.3%	\$2,068,435
Revenue Net of Power Supply Costs	\$1,811,433	\$1,830,920	(\$19,487)	-1.1%	\$2,268,231

Note: Variance - favorable/(unfavorable)



# Capital Expenditures – September 2025

- T&D is under budget by \$43M primarily due to:
  - \$38M underspend related to construction, material and permitting-delays, which have pushed milestones to later in the year or the following year.
  - \$26M cost savings variance occurred due to favorable vendor contracts.
  - The underrun is partially offset by reactive emergent work of (\$21M).
- Information Technology is under budget \$6M due to timing of work for Ransomware projects.
- Other General Plant is under budget by \$30M due to the delayed commencement of the Medford facility development.
- Fleet is under budget by \$3M due to delayed delivery of vehicles until December and into 2026.
- Property Acquisition is under budget by \$27M due to timing of land purchase.
- Utility 2.0 is under budget by \$4M due to lower level of lease prospects for the EV Make Ready Program.
- FEMA Storm Hardening is under budget by \$7M due to a later than planned construction start for the Isaias project.
- Capital Storm is over budget by (\$4M) primarily due to the higher number of transformers replaced during the extreme heat event in June.

(\$ in thousands)

## Transmission and Distribution

Load Growth	129,545	145,762	16,217	11.1%	193,390
Reliability	229,682	245,861	16,179	6.6%	316,082
Storm Hardening	51,087	52,304	1,217	2.3%	52,732
Economic, Salvage, Tools, Equip & Other	28,604	38,359	9,755	25.4%	52,989

## Total T&D Projects

Actual	Budget	\$ Var.	% Var.	FY Budget <sup>1</sup>
<b>\$438,918</b>	<b>\$482,286</b>	<b>\$43,368</b>	<b>9.0%</b>	<b>\$619,288</b>

## Other PSEG Long Island Capital Expenditures

Information Technology Projects <sup>1</sup>	62,205	67,963	5,758	8.5%	82,785
Information Technology - Cyber Security <sup>1</sup>	4,668	5,227	559	10.7%	6,268
Customer Operations <sup>1</sup>	4,773	6,243	1,470	23.5%	9,114
Other General Plant	1,101	31,330	30,229	96.5%	58,009
Fleet	103	3,532	3,428	97.1%	15,253
Offshore Wind Transmission	10,626	11,842	1,216	10.3%	15,401
Property Acquisition	261	27,500	27,239	99.1%	31,090
Utility 2.0	6,453	10,159	3,706	36.5%	13,237

## Total T&D and Other Projects

<b>529,107</b>	<b>646,082</b>	<b>\$116,975</b>	<b>18.1%</b>	<b>850,447</b>
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FEMA Storm Hardening	5,317	12,786	7,469	58.4%	36,677
Capital Storm	6,608	2,411	(4,197)	-174.1%	3,340

## Total PSEG Long Island Capital

<b>\$541,032</b>	<b>\$661,278</b>	<b>\$120,247</b>	<b>18.2%</b>	<b>\$890,464</b>
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Management Fee	26,643	26,293	(350)	-1.3%	35,102
Pending Project Authorization Funds	-	30,380	30,380	100.0%	70,071
Nine Mile Point 2	4,441	3,201	(1,240)	-38.7%	4,268
LIPA Capital	515	750	235	31.3%	6,000

## Total Capital Expenditures

<b>\$572,631</b>	<b>\$721,902</b>	<b>\$149,271</b>	<b>20.7%</b>	<b>\$1,005,906</b>
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Note: Variance - favorable/(unfavorable)

<sup>1</sup> In 2025 YTD, LIPA released \$17M for T&D, \$41M for IT projects, \$3M for Cyber projects, \$6M for Customer Operations projects, \$1M for Other General Plant projects, \$2M for Fleet, \$3M for FEMA and \$31M for Property Acquisition originally designated "Pending Project Authorization" in LIPA-Approved FY Budget.

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

## (Total Project Cost) – September 2025

Description	Original Total Project Cost (\$M)		Total Project Actuals Through 9/30/25 (\$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	\$50	\$52	95%	Dec-25
Bridgehampton to Buell: Transmission	\$46	2017	\$32	\$63	51%	Dec-25
System Separation	\$21	2022	\$69	\$75	91%	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	\$7	\$28	24%	Jun-26
Southampton Install new 138kV cable to Deerfield	\$142	2021	\$7	\$73	9%	Dec-26
West Hempstead (3R) Install four 69/13kV 33MVA	\$30	2023	\$1	\$42	1%	Dec-27
Transmission Operations Control Room Facility Replacement	\$84	2018	\$8	\$113	5%	Dec-27
Rockville Centre Load Pocket	\$37	2022	\$0	\$36	0%	Jun-28
Lindbergh: Substation Expansion	\$60	2024	\$0	\$60	0%	Jun-28
Enterprise Asset Management System	\$48	2022	\$5	\$61	8%	Dec-28
Fire Island Pines New Circuit to Ocean Beach	\$51	2017	\$4	\$51	8%	Apr-29
Elmont (3G) Substation Rebuild and Feeder Conversions	\$54	2023	\$0	\$38	0%	Jun-29
East Garden City Install Reactors on 138kV circuits (138-462/463)	\$14	2023	\$1	\$25	3%	Dec-29
Northport Install new 138kV Phase Angle Regulator	\$38	2023	\$4	\$49	8%	Dec-29
Syosset Replace UG section of 138-676 circuit to Greenlawn	\$117	2023	\$2	\$102	2%	Dec-29
Newbridge Convert 138kV Ckt EGC-Ruland 138-467/567 to 345kV	\$37	2023	\$1	\$46	3%	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	\$37	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>\$223</b>	<b>\$1,397</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**
  - 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 1: SAP and Ancillary ERP Systems was implemented successfully in April 2025. Bundles 2-4 are in progress. ServiceNow form Bundle 3 was completed successfully in June 2025.
- **North Bellmore Install 33 MVA Bank, Switchgear, Feeders & Conversion and Reinforcement (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 systems at substations.

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

# Questions?

**Donna Mongiardo**  
CFO

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