May 2026 Financial Results

Finance and Audit Committee

June 24, 2026

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

LIPA **Consolidated Results** – YTD May 2026

($ in thousands)	Actual	Budget	$ Var.	% Var.	FY Budget
Revenues	**$1,833,205**	**$1,512,381**	**$320,824**	**21.2%**	**$4,300,637**
Power Supply Charge	1,059,618	736,485	(323,133)	-43.9%	1,977,335
Revenue Net of Power Supply Charge	**773,587**	**775,896**	**(2,309)**	**-0.3%**	**2,323,303**
PSEG Long Island Operating and Managed Expenses					
PSEG Long Island Operating Expenses	280,143	284,111	3,968	1.4%	698,000
PSEG Long Island Managed Expenses	44,507	53,245	8,738	16.4%	148,906
Utility Depreciation	164,834	164,865	31	0.0%	411,059
PILOTs	146,887	145,768	(1,120)	-0.8%	357,300
LIPA Operating Expenses	42,946	42,394	(552)	-1.3%	121,788
LIPA Depreciation and Amortization	47,138	47,151	13	0.0%	100,177
Interest Expense	140,997	152,811	11,813	7.7%	373,321
Total Expenses	**$867,453**	**$890,344**	**$22,891**	**2.6%**	**2,210,550**
Other Income and Deductions	23,969	24,895	(927)	-3.7%	71,825
Grant Income	13,236	13,199	37	0.3%	39,678
Total Non-Operating Revenue	**$37,205**	**$38,095**	**($890)**	**-2.3%**	**$111,503**
Change in Net Position	**($56,661)**	**($76,353)**	**$19,692**	**25.8%**	**224,255**

Note: Variance - favorable/(unfavorable)

LIPA **Managed Expenses & Income** – YTD May 2026

- LIPA operating expense is over budget ($1M) due to higher PSEGLI management fee incentive accrual compared to a 3-year trend assumption in the budget offset by lower software related expenses in IT.
- Interest expense is under budget by $12M due to (i) lower interest rates for short-term and long-term variable rate debt, coupled with the timing of scheduled payment dates for short-term, and (ii) higher non-cash deferred gain amortizations resulting from the 2025 UDSA bond deal.
- Other income and deductions are favorable against the budget by $1M due to higher dividends on OPEB holdings.

($ in thousands)	**Actual**	**Budget**	**$ Var.**	**% Var.**	**FY Budget**
LIPA Expenses					
LIPA Operating Expenses	$42,946	$42,394	($552)	-1.3%	$121,788
LIPA Depreciation and Amortization	47,138	47,151	13	0.0%	100,177
Interest Expense, other Interest Costs and Interest Amortizations	140,997	152,811	11,813	7.7%	373,321
Total Expenses	**$231,082**	**$242,356**	**$11,274**	**4.7%**	**$595,286**
Other Income and Deductions	15,982	14,701	1,281	8.7%	49,725
Grant Income	13,236	13,199	37	0.3%	39,678
Total Income	**$29,218**	**$27,900**	**$1,318**	**4.7%**	**$89,403**
LIPA Capital	**$453**	**$550**	**$97**	**17.6%**	**$5,000**

Note: Variance - favorable/(unfavorable)

LIPA **Liquidity Position** – YTD May 2026

($ in thousands)		May 31, 2026	Days Cash		April 30, 2026	Days Cash
Operating liquidity						
Unrestricted cash, cash equivalents, and investments	$	378,038		$	340,193	
OPEB Account cash, cash equivalents, and investments		956,577			926,029	
PSEG Long Island working capital requirements		311,739			278,898	
Total operating liquidity		1,646,354	182		1,545,120	171
Available credit						
General Revenue Notes - Revolving Credit Facility		200,000			200,000	
General Revenue Notes - Commercial Paper		512,000			657,000	
Total available credit		712,000			857,000	
Total cash, cash equivalents, investments, and available credit	**$**	**2,358,354**	**261**	**$**	**2,402,120**	**265**
Restricted cash and cash equivalents						
Clean Energy Compliance Fund		18,167			18,772	
UDSA		270,931			242,739	
Total restricted cash	**$**	**289,098**		**$**	**261,511**	

LIPA met its required 150 days of cash and available credit on hand

PSEG Long Island **Operating Expenses** – YTD May 2026

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

- T&D is over budget by ($7M) primarily due to preventative maintenance, cable repair activities and vegetation management.
- Asset Management is under budget by $1M due to lower labor related to vacancies, higher levels of capital work and lower management consulting services.
- IT & Cyber are under budget by $5M due to lower application services and software expenses, as well as a decrease in telecommunication usage.
- Energy Efficiency is under budget by $3M due to lower rebate applications submitted by customers.
- Utility 2.0 is under budget by $1M primarily due to lower application volume for incentives and rebates for both the Electric Vehicle program and customer side Make Ready incentives.

($ in thousands)	Actual	Budget	$ Var.	% Var.	FY Budget
PSEG Long Island Operating Expenses					
Transmission & Distribution	$81,840	$75,099	($6,741)	-9.0%	$188,644
Asset Management & Reliability	4,662	6,033	1,371	22.7%	13,192
Construction & Operations Services	19,976	19,244	(732)	-3.8%	46,070
Customer Services	52,669	52,724	55	0.1%	127,814
Information Technology & Cybersecurity	44,696	49,363	4,667	9.5%	119,253
Business Services	30,517	31,202	686	2.2%	78,257
Power System Management	9,739	9,505	(233)	-2.5%	22,797
Energy Efficiency & Renewable Energy	31,390	34,870	3,480	10.0%	88,268
Utility 2.0	4,654	6,069	1,415	23.3%	13,705
Total PSEG Long Island Operating Expense	**$280,143**	**$284,111**	**$3,968**	**1.4%**	**$698,000**

Note: Variance - favorable/(unfavorable)

PSEG Long Island **Managed Expenses** – YTD May 2026

- Storm expense is under budget by $6M due to lower storm activity. The storm threshold was met twice and one of the storms required mutual aid assistance.
- Pension & OPEB expense is under budget by $3M due to discount rate updates in the actuarial models.
- PILOTs - Revenue-Based Taxes is over budget by ($2M) due to higher revenue.
- PSEGLI Managed – Misc. is under budget by $1M due to timing of legal claims.
- Other Income and Deductions is under by ($2M) due to loss on the sale of excess inventory of AMI meters.

($ in thousands)	Actual	Budget	$ Var.	% Var.	FY Budget
PSEG Long Island Managed Expenses					
Uncollectible Accounts	$8,890	$8,536	($355)	-4.2%	$23,207
Storm Restoration	20,681	26,849	6,168	23.0%	82,000
NYS Assessment	4,833	4,141	(692)	-16.7%	11,215
Utility Depreciation	164,834	164,865	31	0.0%	411,059
Pension & OPEB Expense	8,837	11,342	2,505	22.1%	27,086
PILOTs - Revenue-Based Taxes	18,440	16,390	(2,050)	-12.5%	46,794
PILOTs - Property-Based Taxes	128,448	129,377	930	0.7%	310,506
PSEGLI Managed - Misc	1,266	2,377	1,111	46.7%	5,398
Total PSEG Long Island Managed Expenses	**$356,228**	**$363,877**	**$7,649**	**2.1%**	**$917,264**
Other Income & Deductions	**$7,987**	**$10,195**	**($2,208)**	**-21.7%**	**$22,098**

Note: Variance - favorable/(unfavorable)

PSEG Long Island **Revenue** – YTD May 2026

- Revenue, net of PSCs is in line with budget.
- Power Supply Charge is ($323M) higher than budget due to higher power supply costs in January and February drive by extreme weather. The prolonged cold-weather led to significantly higher energy prices throughout Northeast, combined with higher on-island generation and lower purchases than planned.
- Total Sales of electricity are higher than budget due to colder than normal weather in January and February.

($ in thousands)	Actual	Budget	$ Var.	% Var.	Budget
Revenues	**$1,833,205**	**$1,512,381**	**$320,824**	**21.2%**	**$4,300,637**
Power Supply Charge	**$1,059,618**	**$736,485**	**($323,133)**	**-43.9%**	**$1,977,335**
Revenue Net of Power Supply Costs	**$773,587**	**$775,896**	**($2,309)**	**-0.3%**	**$2,323,303**

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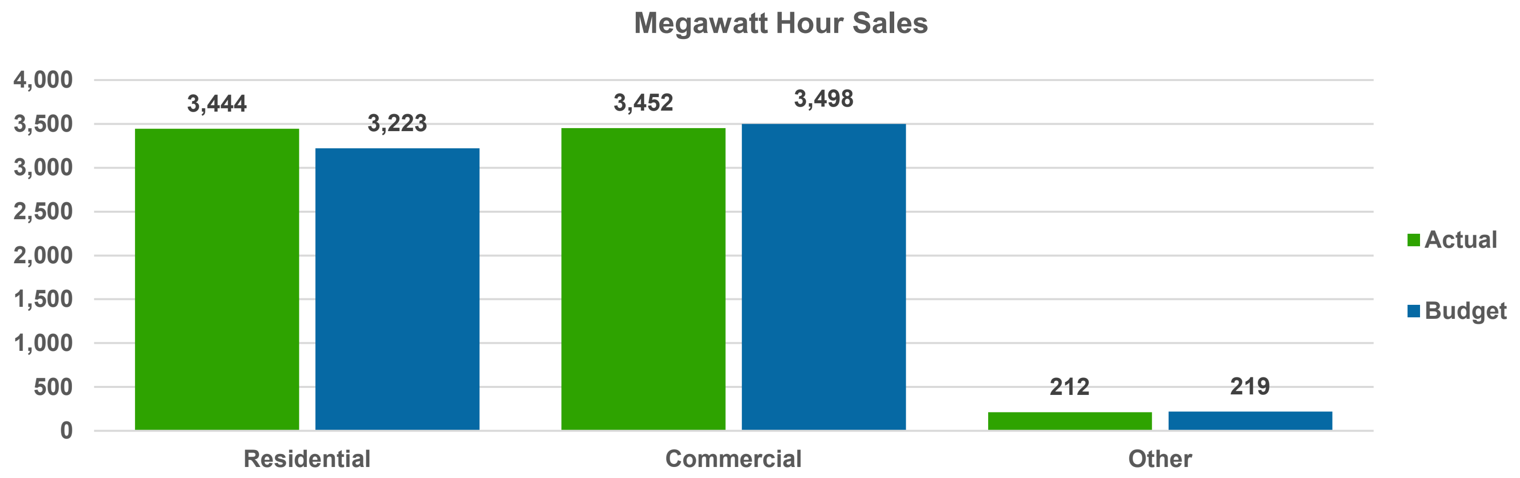

Capital **Expenditures** – YTD May 2026

- T&D is under budget by $6M due to construction schedule changes related to new operation facilities and lower demand for underground services in Load Growth partially offset by higher Reliability related to an emergent cable failure, substation equipment failures and distribution system improvement projects.
- IT & Cyber is under budget by $2M due to the purchase date of materials for the Life Cycle Programs shifting to July.
- Other General Plant is under budget by $8M due to the delayed commencement of the Medford facility development, awaiting permits.
- Public Policy Transmission Upgrades is under budget by $3M due to construction schedule phasing, timing of material deliveries, and improved engineering cost efficiencies across multiple projects.
- FEMA is over budget by ($9M) due to procurement and construction work related to Branch Line Re-Closers project.
- Capital Storm is over budget by ($3M) due to higher storm capitalization rate.

($ in thousands)	Actual	Budget	$ Var.	% Var.	FY Budget
Transmission and Distribution					
Regulatory Driven	$1,328	($63)	($1,390)	2217.3%	$979
Load Growth	68,150	75,653	7,503	9.9%	142,034
Reliability	155,359	132,285	(23,075)	-17.4%	348,832
Storm Hardening	637	1,635	999	61.1%	4,839
Facilities & Other	23,956	46,027	22,071	48.0%	164,273
Total T&D Projects[a]	**249,430**	**255,538**	**6,108**	**2.4%**	**660,957**
Other PSEG Long Island Capital Expenditures					
IT & Cybersecurity[a]	15,363	17,323	1,959	11.3%	68,363
Customer Operations[a]	2,854	3,016	161	5.4%	8,291
Other General Plant[a]	4,591	12,845	8,254	64.3%	62,419
Fleet[a]	10,351	10,614	263	2.5%	27,665
Property Acquisition[a]	-	1,405	1,405	100.0%	40,002
Utility 2.0	2,248	3,245	997	30.7%	10,193
Total T&D and Other Projects	**284,838**	**303,986**	**19,148**	**6.3%**	**877,890**
Public Policy Transmission Upgrades	12,123	14,960	2,838	19.0%	38,179
FEMA Storm Hardening[a]	32,313	23,597	(8,716)	-36.9%	153,008
Capital Storm	5,507	2,325	(3,182)	-136.9%	8,200
Total PSEG Long Island Capital	**334,780**	**344,868**	**10,087**	**2.9%**	**1,077,277**
Management Fee	15,231	15,400	169	1.1%	36,189
Pending Project Authorization Funds	-	4,334	4,334	100.0%	27,163
Nine Mile Point 2	32,655	32,013	(642)	-2.0%	34,565
LIPA Capital	453	550	97	17.6%	5,000
Total Capital Expenditures	**$383,119**	**$397,164**	**$14,045**	**3.5%**	**$1,180,194**

Note: Variance - favorable/(unfavorable)

(a) PSEG Long Island Pending Project Authorizations are budgeted resources held outside the PSEG Long Island Budget pending additional project information. YTD in 2026, LIPA released $18M for T&D, $1M for IT projects, $5M for Customer Service, $1M for Other General Plant Projects, $93M for FEMA and $34M for Property Acquisition. Both the YTD and FY Budgets have been adjusted.

PSEG Long Island **Major Capital Expenditures – Over $25M** (Total Project Cost) – YTD May 2026

Description	Original Total Project Cost ($M) Cost Estimate	Original Total Project Cost ($M) Date of Cost Estimate	Total Project Actuals Through 5/31/26 ($M)	Current Working Estimate ($M)	Spend Progress	Current Estimated Completion Date
North Bellmore Install 33 MVA Bank, Swgr, Feeders & C&R	$22	2020	$20	$28	70%	Dec-26
Southampton Install new 138kV cable to Deerfield	$142	2021	$36	$54	67%	Dec-26
New Operations Yard	$57	2022	$26	$91	29%	Mar-27
Construction of T&D Operations Center	$84	2018	$31	$242	13%	Dec-27
West Hempstead (3R) Install four 69/13kV 33MVA	$30	2023	$2	$35	5%	Dec-27
Enterprise Asset Management System	$48	2022	$5	$61	8%	Dec-28
Elmont (3G) Substation Rebuild and Feeder Conversions	$54	2023	$1	$38	2%	Jun-29
Syosset Replace UG section of 138-676 circuit to Greenlawn	$117	2023	$4	$90	4%	Dec-29
Northport Install new 138kV Phase Angle Regulator	$38	2023	$10	$49	21%	Dec-29
Newbridge Convert 138kV Ckt EGC-Ruland 138-467/567 to 345kV	$37	2023	$2	$23	9%	May-30
Syosset Install new 138kV PAR on terminal for new circuit	$44	2024	$3	$44	8%	Apr-30
Fire Island Pines New Circuit to Ocean Beach	$51	2017	$4	$47	8%	Apr-31
Far Rockaway New Circuit to Supply the Load Pocket	$165	2025	$0	$165	0%	May-32
New Wainscott Sub w New Exp 138kV feeder	$676	2025	$0	$676	0%	Jun-33
Substation Security Expansion Project	$53	2017	$35	$113	31%	Dec-33
Total	**$1,618**		**$179**	**$1,756**		

- **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.
- **Southampton Install new 138kV cable to Deerfield**
  - Install approximately 4.5 miles of new 138 kV cable (operating at 69 kV) between the Southampton and Deerfield substations.
  - Includes the installation of new terminals, Busbar switches, and ground switches at each substation.
- **New Operations Yard**
  - Purchase and construct a new operations center in Medford, NY that consolidates two locations into one operating center.
- **Construction of T&D Operations Center**
  - Construct and commission of new T&D Operation Center.
- **Northport Install new 138kV Phase Angle Regulator**
  - Work required as part of NYISO PPTN.
  - Project adds a second Phase Angle Regulator to an existing substation, offering higher ability to route power.
- **Substation Security Expansion Project**
  - Increase in scope resulting in higher total project cost estimate.
  - Multi-year plan to install a centralized communications systems at substations.

Questions?

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