

CFO Report to the Board of Trustees

January 24, 2018



LIPA Consolidated Results – December 2017 (Unaudited¹)

(\$ in thousands)

	Current Month				Year to Date				Annual* Budget
	Actual	Budget	\$ Var.	% Var.	Actual	Budget	\$ Var.	% Var.	
Revenues	\$246,936	\$266,640	(\$19,704)	-7.4%	\$3,481,613	\$3,586,948	(\$105,335)	-2.9%	\$3,586,948
Power Supply Charge	146,576	156,930	10,354	6.6%	1,842,587	1,992,875	150,288	7.5%	1,992,875
Revenue Net of Power Supply Costs	\$100,360	\$109,710	(\$9,350)	-8.5%	\$1,639,026	\$1,594,073	\$44,953	2.8%	\$1,594,073
PSEG Long Island Operating and Managed Expenses									
PSEG Long Island Operating Expenses	\$54,954	\$47,691	(\$7,263)	-15.2%	\$552,627	\$566,982	\$14,355	2.5%	\$566,982
PSEG Long Island Managed Expenses	(8,618)	5,471	14,089	257.5%	99,408	73,040	(26,368)	-36.1%	73,040
Utility Depreciation	14,665	14,031	(634)	-4.5%	165,884	167,634	1,750	1.0%	167,634
PILOTs - Revenue-Based Taxes	2,201	2,423	222	9.2%	31,764	32,482	718	2.2%	32,482
PILOTs - Property-Based Taxes	22,646	24,102	1,456	6.0%	282,833	285,772	2,939	1.0%	285,772
LIPA Expenses									
LIPA Operating Expenses	14,311	7,874	(6,437)	-81.8%	98,695	95,655	(3,040)	-3.2%	95,655
LIPA Depreciation and Amortization	9,319	9,315	(4)	0.0%	111,856	111,781	(75)	-0.1%	111,781
LIPA Deferred Amortized costs	2,585	2,585	-	0.0%	31,014	31,015	1	0.0%	31,015
Interest Expense, Other Interest Costs and Interest Amortizations	28,421	27,626	(795)	-2.9%	336,071	331,032	(5,039)	-1.5%	331,032
Total Expenses	\$140,484	\$141,118	\$634	0.4%	\$1,710,152	\$1,695,393	(\$14,759)	-0.9%	\$1,695,393
Other Income and Deductions	\$8,571	\$2,752	\$5,819	211.4%	\$41,715	\$33,552	\$8,163	24.3%	\$33,552
Grant Income	9,599	18,189	(8,590)	-47.2%	42,058	45,388	(3,330)	-7.3%	45,388
Change in Net Position	(\$21,954)	(\$10,467)	(\$11,487)	109.7%	\$12,647	(\$22,380)	\$35,027	-156.5%	(\$22,380)

Note: Variance - favorable/(unfavorable)

*Annual budget reflects budget amendment of \$10.2M

¹ Year-end results are draft, subject to change

LIPA Liquidity Position – December 2017

Liquidity Position

(\$ in thousands)

	December 31, 2017	Days Cash	November 30, 2017	Days
Operating liquidity				
Unrestricted cash and cash equivalents	\$633,555		\$343,085	
OPEB account cash, cash equivalents & investments	194,699		144,398	
PSEG LI Working Capital requirements	211,972		222,150	
Total operating liquidity	1,040,226	133 days	709,633	91
Available credit				
General Revenue Notes - Revolving Credit Facility	337,180		308,500	
General Revenue Commercial Paper	186,875		186,875	
Subordinated Revenue Commercial Paper	90,625		90,625	
Total available credit	614,680		586,000	
Total cash, cash equivalents, investments & available credit	\$1,654,906	212 days	\$1,295,633	166
Restricted cash				
FEMA - restricted	275,784		311,613	
UDSA	109,167		218,801	
Total restricted cash	\$384,951		\$530,414	