

Report to the Board of Trustees

JULY 26, 2017

PSEG Long Island Operating Results –June 2017

(\$ in thousands)

	Year to Date				Annual
	Actual	Budget	\$ Var.	% Var.	Budget
<u>PSEG Long Island Operating Expenses</u>					
Transmission & Distribution	\$106,743	\$93,641	(\$13,102)	-14.0%	\$189,850
Customer Services	61,507	58,878	(2,630)	-4.5%	117,997
Business Services	62,799	70,468	7,669	10.9%	145,925
Power Markets	4,475	6,218	1,743	28.0%	14,054
Energy Efficiency & Renewable Energy	40,071	43,076	3,005	7.0%	88,917
Total PSEG Long Island Operating Expenses	\$275,595	\$272,280	(\$3,315)	-1.2%	\$556,743

Note: Variance - favorable/(unfavorable)

Variance Explanation:

- Transmission & Distribution, year to date, is over budget by \$13.1M primarily due to an increase in tree trimming and circuit improvement costs targeted to improve reliability.
- Customer Services, year to date, is over budget by \$2.6M primarily driven by additional outside services spend.
- Business Services, year to date, is under budget by \$7.6M due to lower legal counsel, facility improvements and outside services spend.
- Power Markets, year to date, is under budget by \$1.7M due to timing of various projects.
- Energy Efficiency & Renewable Energy, year to date, is under budget by \$3.0M primarily due to lower rebates than planned for Home Performance with the Energy Star Program.

PSEG Long Island Capital and Deferred Expenditures – June 2017

(\$ in thousands)

	Year to Date				Annual Budget
	Actual	Budget	\$ Var.	% Var.	
Transmission and Distribution					
Regulatory Driven	\$514	\$5,203	\$4,689	90.1%	\$12,884
Load Growth	96,649	88,032	(8,616)	-9.8%	162,548
Reliability	98,220	98,124	(96)	-0.1%	192,183
Economic, Salvage, Tools, Equipment & Other	9,885	13,314	3,429	25.8%	31,156
Total Transmission and Distribution Projects	\$205,268	\$204,673	(\$595)	-0.3%	\$398,771
Other PSEG Long Island Capital Expenditures					
Information Technology Projects	6,368	19,061	12,693	66.6%	38,180
Customer Operations	7,509	5,527	(1,982)	-35.9%	11,197
Other General Plant Projects	855	1,405	550	39.1%	5,006
Fleet	1,634	9,300	7,666	82.4%	27,899
Management Fee	5,109	6,390	1,281	20.0%	12,779
Total PSEG Long Island Capital Expenditures Excluding FEMA	\$226,742	\$246,355	\$19,613	8.0%	\$493,832
FEMA	98,825	90,749	(8,076)	-8.9%	188,754
Total PSEG Long Island Capital Expenditures	\$325,567	\$337,104	\$11,537	3.4%	\$682,586

Note: Variance - favorable/(unfavorable)

Variance Explanation:

- IT is under budget by \$12.6M due to the timing of various projects; Fleet is under budget by \$7.6M due to the timing of purchasing new vehicles.
- FEMA is over budget by \$8.0M, year to date, due to greater circuit mileage completed than planned.

PSEG Long Island OSA 2017 Balanced Scorecard

			June YTD				Month of June		
Operations Services Agreement Metrics			OSA YE Target	OSA YTD Target	YTD Result	OSA Forecast	OSA Month Target	Month Result	Month Status
People	OSHA Recordable Incidence Rate	L	2.05	2.05	0.67	↑	2.05	0.94	+
	OSHA Days Away Rate (Severity)	L	33.82	33.82	6.82	↑	33.82	10.39	+
Safe, Reliable	JD Power Customer Satisfaction Survey (Residential)	H	640 or 15th	640 or 15th	662	↑	640 or 15th	667	+
	JD Power Customer Satisfaction Survey (Business)	H	699 or 10th	699 or 10th	Sept	↑	699 or 10th	Sept	N/A
	After Call Survey (Residential)	H	88.0%	88.0%	94.2%	↑	88.0%	94.1%	+
	After Call Survey (Business)	H	85.0%	85.0%	93.8%	↑	85.0%	94.5%	+
	Personal Contact Survey	H	90.0%	90.0%	95.6%	↑	90.0%	95.4%	+
	Average Speed of Answer	L	39	39	20	↑	39	23	+
	Abandonment Rate	L	2.6%	2.6%	0.9%	↑	2.6%	1.1%	+
	SAIFI	L	0.92	0.42	0.51	→	0.09	0.12	-
	CAIDI	L	85	85	69	↑	85	74	+
	SAIDI	L	75.0	31.6	35.5	→	7.6	9.2	-
	Interconnection Cycle Time %	H	93%	93%	98%	↑	93%	100%	+
	% AMI-measured Energy	H	33.8%	28.8%	29.2%	↑	0.8%	0.5%	-
	Long Term Estimates	L	2,190	2,301	1,845	↑	N/A	N/A	N/A
	Purchased Power Invoicing	H	90.0%	90.0%	99.3%	↑	90.0%	97.8%	+
	Customer Complaint Rate	L	9.2	9.2	5.4	↑	9.2	4.2	+
Economic	Operating Budget (\$M)	L	567.9	277.7	275.6	↑	47.7	48.8	-
	Capital Budget (\$M)	L	490.7	244.8	221.6	↑	52.1	38.0	+
	Days Sales Outstanding	L	37.2	37.2	36.8	↑	37.2	36.3	+
	Net Write-Offs per \$100 Billed Revenue	L	0.91	0.91	0.56	↑	0.91	0.54	+
Green	Customer Self-Service	H	31.6%	27.8%	28.9%	↑	N/A	N/A	N/A
	Energy Efficiency Annualized Energy Savings	H	243,000	103,790	127,590	↑	19,836	22,630	+
	Renewable Energy Generated	H	15,000	11,611	14,828	↑	565	5,300	+

Notes:

Color Coding in YTD Result column represents current status versus YTD Plan.
YE Forecast is a subjective estimate of whether each metric is expected to meet the YE Target.

YTD Result Color

- At or Better than YTD Plan
- Worse than YTD Plan

YE Forecast

- ↑ On track to meet Target
- Meeting Target at risk
- ↓ Not expected to meet Target

Month Status

- + At or Better than Plan
- Worse than Plan
- N/A