

Danielle Lopez
Associate Counsel-Regulatory

Law Department
80 Park Plaza, T-5, Newark, New Jersey 07102-4194
Tel: 973.430.6479 fax: 973.430.5983
Email: danielle.lopez@pseg.com



March 30, 2020

VIA ELECTRONIC MAIL ONLY

Aida Camacho-Welch, Secretary
Board of Public Utilities
44 South Clinton Avenue, 9th Flr.
P.O. Box 350
Trenton, New Jersey 08625-0350

**Re: NEXT PHASE OF THE PSE&G GAS SYSTEM MODERNIZATION PROGRAM
Monthly Report – JANUARY 2020**

Dear Secretary Camacho-Welch:

Enclosed for filing is the letter and enclosures providing Public Service Electric & Gas Company's (PSE&G's) monthly report for January 2020 on its Next Phase of the Gas System Modernization Program (GSMP II or the Program).

The GSMP II was approved by a Board Order dated May 22, 2018 in BPU Docket No. GR17070776. That Order adopted a Stipulation pursuant to which PSE&G is operating the Program. This report is filed pursuant to paragraph 43 of that Stipulation and is designed to address the first four items contained in Attachment C to that Stipulation.

The first three items are addressed in the attached materials. With regard to item 4, there were no funds or credits received from the United States government, the State of New Jersey, a county or a municipality, for work related to any of the Program projects.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Danielle Lopez", written over a light blue circular stamp.

Danielle Lopez

cc: Stefanie Brand (via e-mail only)

Via E-Mail Only:

Paul Flanagan
Grace Strom Power
Stacy Peterson
Caroline Vachier
Ilene Lampitt
Brian Lipman
Felicia Thomas-Friel
Karen Forbes
Matko Illic

**PSE&G - GAS SYSTEM MODERNIZATION PROGRAM
ATTACHMENT C - MONTHLY REPORT**

1) PSE&G's overall approved GSMP II Rate Mechanism and Stipulated Base capital budget broken down by major categories, both budgeted and actual amounts.

GSMP II Major Project Categories	Overall Approved Program	January PTD Budget	January PTD Actual
Replacement Main	\$ 1,087,400,000	\$ 285,523,821	\$ 246,451,649
Replacement Service	\$ 482,000,000	\$ 55,940,721	\$ 73,261,190
Regulator Elimination	\$ 5,600,000	\$ 6,539,513	\$ 423,423
Total	\$ 1,575,000,000	\$ 348,004,055	\$ 320,136,262

Stipulated Base II Major Project Categories	Overall Approved Program	January PTD Budget	January PTD Actual
Replacement Main	\$ 217,200,000	\$ 51,274,327	\$ 41,242,781
Replacement Service	\$ 34,800,000	\$ 9,764,058	\$ 7,650,195
Large Diameter HP Joints	\$ 18,000,000	\$ -	\$ -
GSMP Meter Reconstruction	\$ 30,000,000	\$ 14,892	\$ 12,798,808
Total	\$ 300,000,000	\$ 61,053,277	\$ 61,691,784

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project. Expenditures broken down by internal labor, materials, and other costs. Internal labor hours broken down by regular hours and overtime hours.

Expenditures Incurred To Date GSMP II Projects	January PTD Actual Internal Labor \$	January PTD Actual Material \$	January PTD Actual Other \$	January PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 43,466,988	\$ 14,603,188	\$ 188,381,473	\$ 246,451,649	\$ 237,206,123
Replacement Service	\$ 15,624,264	\$ 7,908,478	\$ 49,728,448	\$ 73,261,190	\$ 73,197,611
Regulator Elimination	\$ 91,319	\$ 25,428	\$ 397,995	\$ 423,423	\$ 48,628
Total	\$ 59,182,571	\$ 22,537,094	\$ 238,507,916	\$ 320,136,262	\$ 310,452,362
GSMP II Internal Labor Hours					
Internal Labor - Regular Hours	627,056				
Internal Labor - Overtime Hours	223,030				

Expenditures Incurred To Date Stipulated Base II Projects	January PTD Actual Internal Labor \$	January PTD Actual Material \$	January PTD Actual Other \$	January PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 6,242,238	\$ 3,600,808	\$ 31,399,736	\$ 41,242,781	\$ 38,453,996
Replacement Service	\$ 1,687,210	\$ 378,992	\$ 5,583,993	\$ 7,650,195	\$ 7,635,794
Large Diameter HP Joints	\$ -	\$ -	\$ -	\$ -	\$ -
GSMP Meter Reconstruction	\$ 5,203,566	\$ 799,909	\$ 6,795,333	\$ 12,798,808	\$ 12,798,808
Total	\$ 13,133,014	\$ 4,779,708	\$ 43,779,062	\$ 61,691,784	\$ 58,888,598
Stip Base II Internal Labor Hours					
Internal Labor - Regular Hours	153,827				
Internal Labor - Overtime Hours	50,597				

**PSE&G - GAS SYSTEM MODERNIZATION PROGRAM
ATTACHMENT C - MONTHLY REPORT**

REPORT DATE: January 2020

2a - Description of projects

2c - Projected and actual miles of main installed

2d - Projected and actual number of services installed

	Project	Sub-Project	Project Completion Date	Units	Size Installed	Material Installed	2019 Quantity Completed	Projected Quantity Jan 2020	Actual Quantity Jan 2020	2020 Estimated Quantity	2020 Quantity Completed	Total Program Quantity Completed To Date
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Dec-23	Feet of Main	2"	Plastic	746,745	6,800	93,763	646,580	93,763	840,508
					4"	Plastic	246,779	2,100	39,197	317,400	39,197	285,976
					6"	Plastic	80,521	1,100	13,556	120,800	13,556	94,077
					8"	Plastic	34,576	-	3,140	29,300	3,140	37,716
					12"	Plastic	-	-	-	-	-	-
					12"	Steel	-	-	-	-	-	-
					16"	Steel	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	1,108,621	10,000	149,656	1,114,080	149,656	1,258,277
	Replace Facilities Blanket	Replacement Service	Dec-23	Services Replaced	≤ 2"	Plastic	14,653	1,000	1,905	14,500	1,905	16,558
					>2"	Plastic	2	-	1	-	1	3
Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	14,655	1,000	1,906	14,500	1,906	16,561	
Abandon Facilities Blanket	Abandon Regulator	Dec-23	Regulators Abandoned	N/A	N/A	22		10		10	32	
Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	22		10		10	32	
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Dec-23	Feet of Main	2"	Plastic	79,126	1,000	3,673	39,113	3,673	82,799
					4"	Plastic	30,415	500	2,985	33,300	2,985	33,400
					6"	Plastic	9,773	500	485	10,800	485	10,258
					8"	Plastic	277	250		7,400	-	277
					8"	Steel	-			-	-	-
					12"	Plastic	2	-		900	-	2
					12"	Steel	171	500	281	16,651	281	452
					16"	Steel	100			12,400	-	100
					20"	Steel	-	-		-	-	-
	42"	Steel	700	-		-	-	700				
Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	120,564	2,750	7,424	120,564	7,424	127,988	
Replace Facilities Blanket	Replacement Service	Dec-23	Services Replaced	≤ 2"	Plastic	1,393	60	42	1,300	42	1,435	
				>2"	Plastic	-	-		-	-	-	
Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	1,393	60	42	1,300	42	1,435	
Large Diameter High Pressure Joints	Joints	Dec-23	HP Joints Encapsulated	N/A	N/A	-				-	-	
Large Diameter High Pressure Joints	Joints	N/A	HP Joints Encapsulated	N/A	N/A	-	-	-	-	-	-	

