

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



August 31, 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 – JUNE 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 June 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 - E-Mail Only:

Stefanie Brand
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	June PTD Budget	June PTD Actual
Replacement Main	\$ 1,087,400,000	\$ 447,733,875	\$ 360,352,109
Replacement Service	\$ 482,000,000	\$ 91,088,947	\$ 96,024,069
Regulator Elimination	\$ 5,600,000	\$ 1,046,720	\$ 605,655
Total	\$ 1,575,000,000	\$ 539,869,542	\$ 456,981,833

Stipulated Base II Major Project Categories	Overall Approved Program	June PTD Budget	June PTD Actual
Replacement Main	\$ 217,200,000	\$ 51,262,140	\$ 51,063,185
Replacement Service	\$ 34,800,000	\$ 12,581,323	\$ 8,583,206
Large Diameter HP Joints	\$ 18,000,000	\$ -	\$ -
GSMP Meter Reconstruction	\$ 30,000,000	\$ 9,150,000	\$ 15,884,445
Total	\$ 300,000,000	\$ 72,993,463	\$ 75,530,836

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	June PTD Actual Internal Labor \$	June PTD Actual Material \$	June PTD Actual Other \$	June PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 65,253,569	\$ 22,167,442	\$ 272,931,098	\$ 360,352,109	\$ 348,520,998
Replacement Service	\$ 19,971,961	\$ 10,615,821	\$ 65,436,287	\$ 96,024,069	\$ 95,941,929
Regulator Elimination	\$ 111,619	\$ 90,090	\$ 515,565	\$ 605,655	\$ 85,331
Total	\$ 85,337,149	\$ 32,873,353	\$ 338,882,950	\$ 456,981,833	\$ 444,548,258
GSMP II Internal Labor Hours					
Internal Labor - Regular Hours	937,894				
Internal Labor - Overtime Hours	315,372				

Expenditures Incurred To Date Stipulated Base II Projects	June PTD Actual Internal Labor \$	June PTD Actual Material \$	June PTD Actual Other \$	June PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 7,108,369	\$ 4,740,506	\$ 39,214,310	\$ 51,063,185	\$ 48,104,209
Replacement Service	\$ 1,803,091	\$ 412,520	\$ 6,367,595	\$ 8,583,206	\$ 8,568,805
Large Diameter HP Joints	\$ -	\$ -	\$ -	\$ -	\$ -
GSMP Meter Reconstruction	\$ 6,273,139	\$ 955,046	\$ 8,656,261	\$ 15,884,445	\$ 15,884,445
Total	\$ 15,184,599	\$ 6,108,071	\$ 54,238,165	\$ 75,530,836	\$ 72,557,459
Stip Base II Internal Labor Hours					
Internal Labor - Regular Hours	177,639				
Internal Labor - Overtime Hours	59,396				

