

In response to question ZECJ-FIN-0024 please find attached the requested information for each of the next five (5) years covering 2021 to 2025.

Specific categories include in this pro forma income statement are:

- Total Revenues made up of:
  - Energy Revenue: Generator energy revenue forecasts are a product of the expected PJM locational marginal prices (LMP) and the expected unit generation.
  - Capacity Revenue: Generator capacity revenue is the product of the cleared capacity quantity and the PJM capacity auction price. Uncleared capacity is assumed to earn revenue based on the historic incremental auction prices.
  - Ancillary Revenue: Generator revenues for providing reactive power voltage support
- Nuclear Fuel Amortization: Represents the expensing of the nuclear fuel that is in the core of the reactor and used to generate the energy for sale to the grid
- Labor: Represents all labor costs, including overtime and fringe benefits associated with plant operations and outages
- Materials: Includes materials and tools
- Outside Services: Primarily contractors and maintenance support
- Real Estate Tax
- Support Services and Fully Allocated Overheads: includes administrative and general expenses, costs associated with insurance, costs incurred outside of the site that directly support site activities, and corporate overhead costs. Overheads are allocated to the unit based upon PSEG's standard methodology
- Spent Fuel: Upon enactment of the Nuclear Waste Policy Act of 1982 (NWPA), the Department of Energy ("DOE") began collecting a charge from nuclear generators for the costs of fulfilling its legal obligation to dispose of the nuclear fuel used to generate power. Most recently, this fee was assessed on a \$/MWh basis at a rate of \$0.955/MWh. However, when development of Yucca Mountain was discontinued, this fee was suspended by court order in May 2014, at which point PSEG ceased accruing for that expense in its financial statements. Until a disposal solution is identified and a new fee structure is placed in effect, PSEG will not accrue for that expense. But we recognize that the NWPA is still in effect and DOE still has a legal obligation to dispose of nuclear fuel and will need to pay for the costs of whatever that ultimate solution is through a fee on nuclear generators. Accordingly, to approximate this cost, PSEG has included the fee on generation at its suspended rate of \$0.955/MWh in its financial projections. We also note that this cost was recognized and included in the NY ZEC process as a reasonable risk factor that nuclear generation owners need to ensure they can cover in order to remain in operation economically
- Other: Includes regulatory fees, membership fees, facilities and rental costs, office expenses, business travel
- Depreciation & Amortization: Book expense related to the depreciation of the assets in operation at the nuclear unit
- Interest Charges: Attribution of a share of PSEG Power's total interest expense to the nuclear unit
- Tax: State and Federal tax at statutory rate on the nuclear unit's Income before Taxes
- Operating Earnings: Earnings produced through this calculation by the unit after operating expenses, depreciation & amortization, interest and taxes
- Refueling Outage: Indicates whether a routine refueling outage occurred in the given calendar year.