

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



February 26, 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 – DECEMBER 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 December 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
Replacement Main	\$ 1,087,400,000
Replacement Service	\$ 482,000,000
Regulator Elimination	\$ 5,600,000
Total	\$ 1,575,000,000

December PTD Budget	December PTD Actual
\$ 541,462,960	\$ 543,494,731
\$ 171,818,692	\$ 149,735,577
\$ 1,570,080	\$ 1,223,680
\$ 714,851,732	\$ 694,453,988

Stipulated Base II Major Project Categories	Overall Approved Program
Replacement Main	\$ 217,200,000
Replacement Service	\$ 34,800,000
Large Diameter HP Joints	\$ 18,000,000
GSMP Meter Reconstruction	\$ 30,000,000
Total	\$ 300,000,000

December PTD Budget	December PTD Actual
\$ 75,542,088	\$ 70,730,847
\$ 15,007,144	\$ 12,410,327
\$ -	\$ -
\$ 12,700,000	\$ 22,645,431
\$ 103,249,232	\$ 105,786,605

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	December PTD Actual	December PTD Actual	December PTD Actual	December PTD Actual
	Internal Labor \$	Material \$	Other \$	Total \$
Replacement Main	\$ 92,970,378	\$ 36,139,897	\$ 414,384,456	\$ 543,494,731
Replacement Service	\$ 30,437,780	\$ 15,437,622	\$ 103,860,175	\$ 149,735,577
Regulator Elimination	\$ 249,551	\$ 156,538	\$ 1,067,142	\$ 1,223,680
Total	\$ 123,657,709	\$ 51,734,057	\$ 519,311,772	\$ 694,453,988
GSMP II Internal Labor Hours				
Internal Labor - Regular Hours	1,326,672			
Internal Labor - Overtime Hours	454,608			

Amount to Plant In-Service
\$ 525,531,021
\$ 149,598,901
\$ 406,903
\$ 675,536,825

Expenditures Incurred To Date Stipulated Base II Projects	December PTD Actual	December PTD Actual	December PTD Actual	December PTD Actual
	Internal Labor \$	Material \$	Other \$	Total \$
Replacement Main	\$ 9,209,949	\$ 5,977,344	\$ 55,543,554	\$ 70,730,847
Replacement Service	\$ 2,334,731	\$ 501,656	\$ 9,573,940	\$ 12,410,327
Large Diameter HP Joints	\$ -	\$ -	\$ -	\$ -
GSMP Meter Reconstruction	\$ 8,325,798	\$ 1,194,382	\$ 13,125,251	\$ 22,645,431
Total	\$ 19,870,479	\$ 7,673,382	\$ 78,242,745	\$ 105,786,605
Stip Base II Internal Labor Hours				
Internal Labor - Regular Hours	225,497			
Internal Labor - Overtime Hours	79,628			

Amount to Plant In-Service
\$ 66,811,369
\$ 12,385,698
\$ -
\$ 22,645,431
\$ 101,842,498

