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May 27, 2021

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 – MARCH 2021**

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 March 2021 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", is 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	March PTD Budget	March PTD Actual
Replacement Main	\$ 1,087,400,000	\$ 646,099,036	\$ 608,958,096
Replacement Service	\$ 482,000,000	\$ 139,577,559	\$ 177,540,665
Regulator Elimination	\$ 5,600,000	\$ 1,929,890	\$ 1,380,907
Total	\$ 1,575,000,000	\$ 787,606,485	\$ 787,879,668

Stipulated Base II Major Project Categories	Overall Approved Program	March PTD Budget	March PTD Actual
Replacement Main	\$ 217,200,000	\$ 90,199,847	\$ 72,915,518
Replacement Service	\$ 34,800,000	\$ 16,860,464	\$ 14,069,443
Large Diameter HP Joints	\$ 18,000,000	\$ -	\$ -
GSMP Meter Reconstruction	\$ 30,000,000	\$ 14,375,000	\$ 25,783,863
Total	\$ 300,000,000	\$ 121,435,311	\$ 112,768,824

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	March PTD Actual Internal Labor \$	March PTD Actual Material \$	March PTD Actual Other \$	March PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 105,412,391	\$ 39,368,790	\$ 464,176,915	\$ 608,958,096	\$ 587,020,928
Replacement Service	\$ 35,723,788	\$ 17,511,697	\$ 124,305,180	\$ 177,540,665	\$ 177,403,414
Regulator Elimination	\$ 294,006	\$ 156,943	\$ 1,223,964	\$ 1,380,907	\$ 510,916
Total	\$ 141,430,185	\$ 57,037,429	\$ 589,706,059	\$ 787,879,668	\$ 764,935,257
GSMP II Internal Labor Hours					
Internal Labor - Regular Hours	1,498,919				
Internal Labor - Overtime Hours	508,650				

Expenditures Incurred To Date Stipulated Base II Projects	March PTD Actual Internal Labor \$	March PTD Actual Material \$	March PTD Actual Other \$	March PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 9,770,238	\$ 6,137,308	\$ 57,007,971	\$ 72,915,518	\$ 68,861,419
Replacement Service	\$ 2,574,140	\$ 514,494	\$ 10,980,809	\$ 14,069,443	\$ 14,044,434
Large Diameter HP Joints	\$ -	\$ -	\$ -	\$ -	\$ -
GSMP Meter Reconstruction	\$ 9,007,562	\$ 1,212,635	\$ 15,563,666	\$ 25,783,863	\$ 25,783,863
Total	\$ 21,351,941	\$ 7,864,437	\$ 83,552,446	\$ 112,768,824	\$ 108,689,716
Stip Base II Internal Labor Hours					
Internal Labor - Regular Hours	239,962				
Internal Labor - Overtime Hours	84,985				

