

**On Sept. 11, 2019, the New Jersey Board of Public Utilities approved significant elements of the second phase of PSE&G's Energy Strong program, clearing the way to further strengthen our electric and gas systems to withstand storms, improve reliability and significantly enhance resiliency.**

For customers this program means that fewer customers will experience outages and, when outages do occur, they will be restored more quickly. Energy Strong creates jobs, improves worker safety and adds more advanced technology and redundancy to make our systems even more resilient. The \$842 million program, which began fall 2019, is expected to continue through 2023.

Under Energy Strong, PSE&G will continue its momentum to modernize its electric and gas infrastructure across New Jersey by:

- raising critical electric and gas equipment in flood prone areas
- modernizing aging electric and gas stations
- installing stronger poles and wires to reduce wind and tree damage



More than 4,600 PSE&G customers in Ewing and Trenton did not lose power in May 2018 thanks to Energy Strong. The program built a new, elevated station (on right) that did not flood while the lower old station (on left) flooded after storms. Now, because of work completed under the Energy Strong Program, 490,000 of PSE&G's 2 million New Jersey customers who lost power during Sandy aren't expected to lose power again due to flooding.

- deploying advanced technology to reduce outages and quicken restoration.

“In addition to the need to build greater resiliency, much of our infrastructure is aging and needs replacement,” said Kim Hanemann, PSE&G's senior vice president and chief operating officer. “This next phase of Energy Strong continues to modernize our electric and gas systems, resulting in less frequent outages and faster restorations.”

### Program Highlights:

#### Electric Program

- \$389 million to raise and harden equipment in 16 switching and sub-stations and replace assets in up to 4 stations that are nearing end-of-life
- \$145 million to upgrade to smart grid technologies to reduce the number of people impacted by an outage (rerouting electricity quickly around problems), and reduce outage durations

- \$100 million to upgrade distribution circuits and other infrastructure, reducing power outages by adding measures such as cable that is more resistant to tree damage
- \$107 million to create, upgrade and secure vital communications networks and an advanced distribution management system — to make the system smarter and improve outage response through quicker detection of problems on the distribution system and swifter deployment of repair teams.

### Gas Program

- \$101 million to modernize six natural gas metering stations and replace assets nearing end-of-life.

### Under Energy Strong Phase 1 (2014 – 2018), PSE&G:

- Raised, relocated or protected 26 switching and substations that were damaged by water in recent storms, including Sandy, benefiting 490,000 customers.
- Improved 223 circuits and resiliency by adding smart equipment, including 465 reclosers, benefitting 260 critical facilities (police, hospitals, etc.) and 412,500 additional customers. Since the completion of this work, critical facilities affected during major events were restored on average 91% quicker than the rest of the customers on their outage. In the current phase of Energy Strong, even more customers will experience quicker restoration.
- Created redundancy in the system, reducing outages when damage occurs.
- Installed more than 1,200 smart grid technologies at 111 stations that serve 1.45 million customers, allowing for the remote detection of outages and quicker restoration.
- Replaced and modernized 240 miles of low-pressure cast iron gas mains in or near flood areas, removing 90,000 customers from risk of losing gas service due to flooding. Within the program's first three years, nearly 1,800 active leaks were eliminated.
- Protected five natural gas metering stations and three gas storage facilities affected by Sandy or located in flood zones, resulting in no customer outages due to flooding.

### Modest Impact on Customer Bills

For the typical combined residential electric and gas customer, bills as of Jan. 1, 2020 are 30% lower than they were in 2008. PSE&G gas bills are the lowest in the region and electric bills are lower than average, allowing our customers to get better service at a lower cost than most of the region.

The total cumulative cost for a typical electric customer who uses 750 kilowatt-hours per summer month and 7,200 kilowatt-hours annually will be an average of about \$3 more per month. A residential gas heating customer who uses 165 therms in a winter month and 1,010 therms annually would pay an average of about \$0.25 cents more per month. The total impact for a typical combined electric and gas customer would be less than one-half percent per year over the 5-year period.

The Energy Strong program calls for upgrades statewide, with significant work on electric and gas facilities in Bergen, Burlington, Camden, Essex, Hudson and Middlesex counties. This project puts an estimated 1,368 people to work annually for the next four years.