



Agenda Date: 05/19/2015
Agenda Item: 2G

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF PUBLIC)
SERVICE ELECTRIC AND GAS COMPANY FOR)
APPROVAL OF CHANGES IN ITS ELECTRIC SOLAR)
PILOT RECOVERY CHARGE ("SPRC") FOR ITS)
SOLAR LOAN I PROGRAM) **ORDER**

DOCKET NO. ER14070650

Parties of Record:

Alexander C. Stern, Esq., Public Service Electric and Gas Company
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD¹:

On July 2, 2014, Public Service Electric and Gas Company ("PSE&G" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") requesting approval for changes in its electric Solar Pilot Recovery Charge ("SPRC"). By this Decision and Order, the Board considers a stipulation of settlement ("Stipulation") entered into by PSE&G, the New Jersey Division of Rate Counsel ("Rate Counsel"), and Board Staff ("Staff") (collectively, the "Parties"), requesting that the Board approve a decrease in the SPRC.

BACKGROUND AND PROCEDURAL HISTORY

By Order dated April 16, 2008, the Board approved a settlement that authorized PSE&G to implement a 30 MW solar-photovoltaic ("PV") project loan pilot program ("Program") for a period of two years within its service territory including participation across all customer classes ("SPRC Settlement")². The Program consisted of three segments: The Municipal/Non-Profit; Residential and Multi-Family/Affordable Housing; and Commercial and Industrial. Based on reported demand within the commercial and industrial sectors, by Order dated November 10, 2009, 7.83 MW of Program capacity was transferred to Solar Loan II, leaving the Program

¹ Commissioner Upendra J. Chivukula recused himself due to a possible conflict of interest, and did not participate in the deliberations on this matter.

² In re the Petition of Public Service Electric and Gas Company for Approval of a Solar Energy Program and an Associated Cost Recovery Mechanism, BPU Docket NO. EO07040278, Order dated April 16, 2008 ("SPRC Order").

capacity at 22.17 MW.³ Under the terms of the SPRC Settlement as approved, PSE&G is entitled to recover the net monthly revenue requirements associated with the Program through the SPRC, provided that the Board finds the expenses were reasonable and prudent. SPRC rates were not implemented at the time the Program was approved as all costs were deferred for future recovery. By Order dated July 18, 2012, the Board approved an SPRC rate of \$0.000062 per kWh, including Sales and Use Tax ("SUT").⁴ Subsequently, by Order dated May 29, 2013, the Board approved an SPRC rate of \$0.000486 per kWh, including SUT.⁵ By Order dated December 31, 2013, the Board approved a stipulation maintaining the SPRC rate of \$0.000486 per kWh, including SUT.⁶

COMPANY FILING

On July 1, 2014, PSE&G filed the instant petition and accompanying exhibits, including the pre-filed direct testimony of Jess E. Melanson and Stephen Swetz. According to the filing, the rates proposed for PSE&G's SPRC for the period October 1, 2014 through September 30, 2015 were designed to recover approximately \$10.4 million in revenue. The Company's filing was based on actual collections through March 31, 2014 and projected collections through September 30, 2015. The resultant net annual revenue impact on the Company's electric customers, if approved, was an \$8.5 million decrease. The Company proposed that a new SPRC rate of \$0.000268 per kWh, including SUT, be implemented on October 1, 2014, and be left in place through September 30, 2015, or until the Board approves new SPRC rates.

Subsequently, in response to a discovery request, PSE&G updated its revenue requirement calculation to include actual data through December 31, 2014. As a result of the update, implementation of PSE&G's new revenue requirement would result in a \$9.7 million decrease.

STIPULATION

Following discovery, the Parties reached a settlement of all issues and on May 6, 2015 executed the Stipulation. The Stipulation provides the following⁷:

³ In re the Petition of Public Service Electric and Gas Company for Approval of a Solar Loan II Program and Associated Cost Recovery Mechanism, BPU Docket No. EO09030249, Order dated November 10, 2009.

⁴ In re the Petition of Public Service Electric and Gas Company for Approval of Changes in its Electric Solar Pilot Recovery Charge (SPRC) for its Solar Loan 1 Program; and for Changes in the Tariff for Electric Service, B.P.U.N.J. No 14 Electric, Pursuant to N.J.S.A. 48:2-21 and 2-21.1, BPU Docket No. ER10030220, Order dated July 18, 2012.

⁵ In re the the Petition of Public Service Electric and Gas Company for Approval of Changes in its Electric Solar Pilot Recovery Charge (SPRC) for its Solar Loan 1 Program; and For Changes in the Tariff for Electric Service, B.P.U.N.J. No 15 Electric, Pursuant to N.J.S.A. 48:2-21 and 2-21.1, BPU Docket No. ER12070599, Order dated May 29, 2013.

⁶ In The Matter Of The Petition Of Public Service Electric And Gas Company For Approval Of Changes In Its Electric Solar Pilot Recovery Charge ("SPRC") For Its Solar Loan 1 Program, BPU Docket No. ER13070605, Order dated December 18, 2013.

⁷ Although described in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusions contained in this Order.

6. PSE&G shall decrease the existing SPRC rate of \$0.000454 per kWh without sales and use tax (SUT) (\$0.000486 per kWh including SUT) that was previously approved by the Board in Docket No. ER13070605, dated December 18, 2013, to \$0.000150 per kWh without SUT (\$0.000161 per kWh including SUT). This rate reduction to the SPRC rate reflects a revenue decrease of \$9,705,523 which, for ratemaking purposes only, reflects the decrease in the existing SPRC rate based on the updated revenue requirements reflecting actual results through December 2014, attached to the Stipulation as Attachment B.
7. The SPRC rate shall be reflected in Tariff Sheet No. 64 of the Company's Tariff for Electric Service, a copy of which is attached to the Stipulation as Attachment A, for rates effective June 1, 2015 upon approval by the Board. The Company will provide an updated tariff sheet within five (5) business days of the effective date of the Board's Order in this docket reflecting the approved rate.
8. The actual SPRC costs incurred prior to October 1, 2014 as shown in Attachment B have been reviewed and deemed prudent and reasonable by the Parties. Actual costs incurred after that date are subject to review for reasonableness and prudence in future SPRC adjustment proceedings.
9. PSE&G hereby agrees that it shall make its next SPRC filing with actual data from October 1, 2014 to March 31, 2015, and forecasted data through September 30, 2016 no later than July 1, 2015.
10. As a result of the Stipulation, PSE&G's class average residential electric customers using 750 kWh in a summer month and 7,200 kWh annually would experience a decrease in their annual bill from \$1,344.16 to \$1,341.76, a decrease of \$2.40 or approximately 0.18%. This is based upon current Delivery Rates and Basic Generation Service – Residential Small Commercial Pricing (“BGS-RSCP”) charges in effect May 1, 2015, and assumes that the customer receives BGS-RSCP service from PSE&G. The residential customer bill impacts comparing the current and proposed delivery charges are contained in Attachment C to the Stipulation for the aforementioned class average customers as well as other typical customer usage patterns. The Parties agree that the rates are just and reasonable and that PSE&G should be authorized to implement the rates as set forth herein in accordance with a written BPU Order of approval.
11. To be consistent with the Board's Order in the Solar Loan III Program, PSE&G agrees to no longer exercise the Call Option for loans that have been paid prior to the end of their term.

DISCUSSION AND FINDING

The Board has carefully reviewed the record in this proceeding, including the filing and the Stipulation. The Board is persuaded that the actual costs incurred through September 30, 2014, as shown on Attachment B, have been reviewed and deemed to be reasonable and prudent, and therefore, **FINDS** that the Stipulation is reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the Stipulation as its own, as if fully set forth herein.

The Board **HEREBY APPROVES** a decrease in the SPRC rate to \$.0000161 (inclusive of SUT) effective for usage on or after June 1, 2015. As a result of the Stipulation, PSE&G's class average residential electric customers using 780 kWh in a summer month and 7,360 kWh annually would experience a decrease in their annual bills from \$1,344.16 to \$1,341.76, a decrease of \$2.40 or approximately 0.18%.

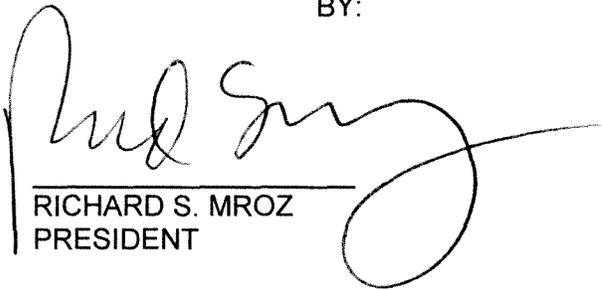
This Board Order shall be effective as of June 1, 2015. The Board **HEREBY ORDERS** PSE&G to file revised tariff sheets conforming to the terms of the Stipulation within five (5) days of service of this Order.

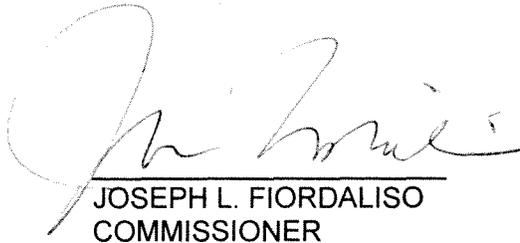
The Company's costs will remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

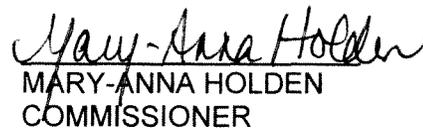
DATED:

May 19, 2015

BOARD OF PUBLIC UTILITIES
BY:

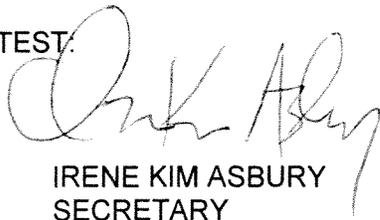

RICHARD S. MROZ
PRESIDENT


JOSEPH L. FIORDALISO
COMMISSIONER

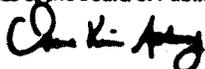

MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER

ATTEST:


IRENE KIM ASBURY
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public Utilities



IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY
FOR APPROVAL OF CHANGES IN ITS ELECTRIC SOLAR PILOT RECOVERY CHARGE
("SPRC") FOR ITS SOLAR LOAN I PROGRAM
DOCKET NO. ER14070650

SERVICE LIST

Alexander C. Stern, Esq.
Assistant General Regulatory Counsel
PSE&G
80 Park Plaza, T5
Newark, NJ 07101

Matthew Weismann, Esq.
General Regulatory Counsel- Rates
80 Park Plaza, T5
Newark, NJ 07101

Michele Falcao
PSEG Services Corporation
80 Park Plaza, T5G
PO Box 570
Newark, NJ 07102

Stefanie A. Brand, Esq., Director
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Brian O. Lipman, Esq.
Litigation Manager
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Felicia Thomas-Friel, Esq.
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

James W. Glassen, Esq.
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Jerome May, Director
Board of Public Utilities
Division of Energy
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Irene Kim Asbury, Secretary
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Alice Bator, Bureau Chief
Board of Public Utilities
Division of Energy
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Stacy Peterson
Board of Public Utilities
Division of Energy
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Bethany Rocque-Romaine, Legal Specialist
Board of Public Utilities
Counsel's Office
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Caroline Vachier, DAG
Deputy Attorney General
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029

Kurt Lewandowski, Esq.
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Babette Tenzer, DAG
Deputy Attorney General
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029

David Wand, Esq.
Deputy Attorney General
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029

Alex Moreau, DAG
Deputy Attorney General
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029

Alexander C. Stern
Associate General Regulatory Counsel

PSEG Services Corporation
80 Park Plaza – T5G, Newark, New Jersey 07102-4194
tel: 973.430.5754 fax: 973.430.5983
email: alexander.stern@pseg.com



May 7, 2015

In The Matter of the Petition of
Public Service Electric And Gas Company
for Approval of Changes in its
Electric Solar Pilot Recovery Charge ("SPRC")
for its Solar Loan I Program

BPU Docket No: ER14070650

VIA E-MAIL AND OVERNIGHT DELIVERY

Irene Kim Asbury, Secretary
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

Dear Ms. Asbury:

Attached please find a Settlement executed by all parties to the above-referenced matter.

Thank you for your consideration in this matter.

Respectfully submitted,

A handwritten signature in cursive script that reads "Alexander C. Stern".

C Attached Service List (E-mail Only)

BPU

Elizabeth Ackerman
Board of Public Utilities
Div. of Econ Develop & Energy Policy
44 South Clinton Avenue, 9th Flr.
P.O. Box 350
Trenton NJ 08625-0350
(609) 292-0072
elizabeth.ackerman@bpu.state.nj.us

BPU

Alice Bator
Board of Public Utilities
Division of Energy
44 South Clinton Avenue, 9th Flr.
P.O. Box 350
Trenton NJ 08625-0350
(609) 943-5805
alice.bator@bpu.state.nj.us

BPU

Scott Hunter
Board of Public Utilities
44 South Clinton Avenue, 9th Flr.
P.O. Box 350
Trenton Nj 08625-0350
(609) 292-1956
B.Hunter@bpu.state.nj.us

BPU

Jerome May
Board of Public Utilities
Division of Energy
44 South Clinton Avenue, 9th Flr.
P.O. Box 350
Trenton NJ 08625-0350
(609) 292-3960
Jerome.may@bpu.state.nj.us

DAG

Jenique Jones
NJ Dept. of Law & Public Safety
Division of Law
124 Halsey Street, 5th Flr.
P.O. Box 45029
Newark NJ 07101
jenique.jones@dol.lps.state.nj.us

DAG

Caroline Vachier DAG
NJ Dept. of Law & Public Safety
Division of Law
124 Halsey Street, 5th Flr.
P.O. Box 45029
Newark NJ 07101
(973) 648-3709
caroline.vachier@dol.lps.state.nj.us

BPU

William Agee Esq.
Board of Public Utilities
44 South Clinton Avenue, 9th Flr.
P.O. Box 350
Trenton NJ 08625-0350
(609) 292-1616
william.agee@bpu.state.nj.us

BPU

Mark Beyer
Board of Public Utilities
44 South Clinton Avenue, 9th Flr.
P.O. Box 350
Trenton NJ 08625-0350
(609) 292-2637
mark.beyer@bpu.state.nj.us

BPU

Eleana Lihan
Board of Public Utilities
Division of Energy
44 South Clinton Avenue, 9th Flr.
P.O. Box 350
Trenton NJ 08625-0350
(609) 777-3253
eleana.lihan@bpu.state.nj.us

BPU

Jacqueline O'Grady
Board of Public Utilities
44 South Clinton Avenue, 9th Flr.
P.O. Box 350
Trenton NJ 08625-0350
(609) 292-2947
jackie.ogrady@bpu.state.nj.us

DAG

Alex Moreau DAG
NJ Dept. of Law & Public Safety
Division of Law
124 Halsey Street, 5th Flr.
P.O. Box 45029
Newark NJ 07101
(973) 648-3762
Alex.Moreau@dol.lps.state.nj.us

DAG

T. David Wand
NJ Dept. of Law & Public Safety
Division of Law
124 Halsey Street, 5th Flr.
P.O. Box 45029
Newark NJ 07101
(973) 648-3441
david.wand@dol.lps.state.nj.us

BPU

Irene Kim Asbury
Board of Public Utilities
44 South Clinton Avenue, 9th Flr.
9th Floor
P.O. Box 350
Trenton NJ 08625-0350
(609) 292-1599
Irene.Asbury@bpu.state.nj.us

BPU

Paul Flanagan
Board of Public Utilities
44 South Clinton Avenue, 9th Flr.
P.O. Box 350
P.O. Box 350
Trenton NJ 08625-2836
paul.flanagan@bpu.state.nj.us

BPU

Christine Lin
Board of Public Utilities
44 South Clinton Avenue, 9th Flr.
P.O. Box 350
Trenton NJ 08625-0350
(609) 292-2956
christine.lin@bpu.state.nj.us

BPU

Stacy Peterson
Board of Public Utilities
Division of Energy
44 South Clinton Avenue, 9th Flr.
P.O. Box 350
Trenton NJ 08625-0350
(609) 292-4517
stacy.peterson@bpu.state.nj.us

DAG

Babette Tenzer DAG
NJ Dept. of Law & Public Safety
Division of Law
124 Halsey Street, 5th Flr.
P.O. Box 45029
Newark NJ 07101
(973) 648-7811
babette.tenzer@dol.lps.state.nj.us

PSE&G

Michele Falcao
80 Park Plaza, T5
P.O. Box 570
Newark NJ 07102
973-430-6119
michele.falcao@pseg.com

PSE&G

Alex Stern Esq.
PSEG Services Corporation
80 Park Plaza, T5
P.O. Box 570
Newark NJ 07102
(973) 430-5754
alexander.stern@pseg.com

Rate Counsel

James Glassen
Division of Rate Counsel
140 East Front Street, 4th Flr.
P.O. Box 003
Trenton NJ 08625
(609) 984-1460
jglassen@rpa.state.nj.us

Rate Counsel

Shelly Massey
Division of Rate Counsel
140 East Front Street, 4th Flr.
P.O. Box 003
Trenton NJ 08625
(609) 984-1460
smassey@rpa.state.nj.us

PSE&G

Matthew M. Weissman Esq.
PSEG Services Corporation
80 Park Plaza, T5
P.O. Box 570
Newark NJ 07101
(973) 430-7052
matthew.weissman@pseg.com

Rate Counsel

Kurt Lewandowski Esq.
Division of Rate Counsel
140 East Front Street, 4th Flr.
P.O. Box 003
Trenton NJ 08625
(609) 984-1460
klewando@rpa.state.nj.us

Rate Counsel

Felicia Thomas-Friel
Division of Rate Counsel
140 East Front Street, 4th Flr.
P.O. Box 003
Trenton NJ 08625
(609) 984-1460
fthomas@rpa.state.nj.us

Rate Counsel

Stefanie A. Brand
Division of Rate Counsel
140 East Front Street, 4th Flr.
P.O. Box 003
Trenton NJ 08625
(609) 984-1460
sbrand@rpa.state.nj.us

Rate Counsel

Brian O. Lipman
Division of Rate Counsel
140 East Front Street, 4th Flr.
P.O. Box 003
Trenton NJ 08625
(609) 984-1460
brian.lipman@rpa.state.nj.us

Rate Counsel Consultant

David E. Peterson
Chesapeake Regulatory Consultants, Inc.
10351 Southern Maryland Blvd.
Suite 202
Dunkirk MD 20754-9500
(410) 286-9500
davep@chesapeake.net

STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF)
PUBLIC SERVICE ELECTRIC AND GAS)
COMPANY FOR APPROVAL OF CHANGES)
IN ITS ELECTRIC SOLAR PILOT RECOVERY)
CHARGE (SPRC) FOR ITS SOLAR LOAN I)
PROGRAM)

STIPULATION

BPU DKT NO. ER14070650

APPEARANCES:

Matthew M. Weissman, Esq., General Regulatory Counsel - Rates, and **Alexander C. Stern, Esq.**, Associate General Regulatory Counsel, for the Petitioner Public Service Electric and Gas Company

Felicia Thomas-Friel, Esq., Deputy Rate Counsel, **Sarah H. Steindel, Esq.**, Assistant Deputy Rate Counsel, and **Kurt S. Lewandowski, Esq.**, Assistant Deputy Rate Counsel, for the Division of Rate Counsel (**Stefanie A. Brand, Esq.**, Director)

Alex Moreau and T. David Wand, Deputy Attorneys General, for the Staff of the New Jersey Board of Public Utilities (**John J. Hoffman**, Acting Attorney General of New Jersey)

TO: THE NEW JERSEY BOARD OF PUBLIC UTILITIES

BACKGROUND

1. As authorized by the New Jersey Board of Public Utilities (“Board”) in an Order dated April 16, 2008 in BPU Docket No. EO07040278, Public Service Electric and Gas Company (“PSE&G” or “Company”) implemented the Solar Loan I (“SL I”) Program and associated cost recovery mechanism (“SPRC Order”). On July 1, 2014, PSE&G made a filing in BPU Docket No. ER14070650 requesting a decrease in the cost recovery charge for the SL I Program, which is referred to as the Solar Pilot Recovery Charge, or “SPRC.” The Company proposed that the current SPRC of \$0.0004540 per kwh without Sales and Use Tax (“SUT”) (\$0.0004860 with SUT) be reduced to \$0.000250 per kwh without SUT (\$0.000268 with SUT).

As part of the July 1, 2014 filing, PSE&G included an annual update on the status of the Program. As proposed in the Company's filing, the resultant revenue decrease on the Company's electric customers was \$8.5 million on an annual basis. This decrease reflected an estimated revenue requirement of \$8,219,700 for the period October 1, 2014 through September 30, 2015, a projected under-recovery of \$2,146,872 through September 2014, including interest, for a total rate revenue to be recovered of \$10,366,572. The revenue requirement was updated for actual results through September 2014 and then again for actual results through December 2014.

2. On April 8, 2015, the Company updated its filing with actuals through December 31, 2014. The update resulted in a further reduction in revenues than originally proposed, resulting in a revenue reduction of \$9,705,523 on an annual basis. This decrease reflected an estimated revenue requirement of \$5,130,459 from January 2015 through September 2015. It also reflected an over-collection of \$350,730 as of December 31, 2015 plus interest of \$1,889 on the over-collection.

3. Public hearings were not statutorily necessary given the proposed rate reduction.

DISCOVERY AND SETTLEMENT DISCUSSIONS

4. Discovery questions have been propounded and the Company has responded thereto.

5. Following review of discovery, representatives of the Company, Board Staff and Rate Counsel (collectively, "the Parties") have discussed the issues and reached a comprehensive settlement of all issues. Specifically, the Parties hereby **STIPULATE AND AGREE** to the following:

STIPULATED MATTERS

6. The Parties hereby agree that PSE&G shall decrease the existing SPRC rate of \$0.000454 per kWh without sales and use tax (SUT) (\$0.000486 per kWh including SUT) that was previously approved by the Board in Docket No. ER13070605, dated December 18, 2013, to \$0.000150 per kWh without SUT (\$0.000161 per kWh including SUT). This rate reduction to the SPRC rate reflects a revenue decrease of \$9,705,523 which, for ratemaking purposes only, reflects a decrease in the existing SPRC rate based on the updated revenue requirements reflecting actual results through December 2014, attached as Attachment B.

7. The SPRC rate shall be reflected in Tariff Sheet No. 64 of the Company's Tariff for Electric Service, a copy of which is attached as Attachment A, for rates effective June 1, 2015 upon approval by the Board. The Company will provide an updated tariff sheet within five (5) business days of the effective date of the Board's Order in this docket reflecting the approved rate.

8. The Parties agree that the actual SPRC costs incurred prior to October 1, 2014 as shown in Attachment B have been reviewed and deemed prudent and reasonable by the Parties. Actual costs incurred after that date are subject to review for reasonableness and prudence in future SPRC adjustment proceedings.

9. PSE&G hereby agrees that it shall make its next SPRC filing with actual data from October 1, 2014 to March 31, 2015 and forecasted data through September 30, 2016 no later than July 1, 2015.

10. As a result of this Stipulation, PSE&G's class average residential electric customers using 750 kWh in a summer month and 7,200 kWh annually would experience a decrease in their annual bill from \$1,344.16 to \$1,341.76, a decrease of \$2.40 or approximately 0.18%. This is based upon current Delivery Rates and Basic Generation Service – Residential Small Commercial Pricing (“BGS-RSCP”) charges in effect May 1, 2015, and assumes that the customer receives BGS-RSCP service from PSE&G. The residential customer bill impacts comparing the current and proposed delivery charges are contained in Attachment C for the aforementioned class average customers as well as other typical customer usage patterns. The Parties hereby agree that the rates are just and reasonable and that PSE&G should be authorized to implement the rates as set forth herein in accordance with a written BPU Order of approval.

11. To be consistent with the Board's Order in the Solar Loan III Program, PSE&G agrees to no longer exercise the Call Option for loans that have been paid prior to the end of their term.

12. This Stipulation represents a mutual balancing of interests, contains interdependent provisions and, therefore, is intended to be accepted and approved in its entirety. In the event any particular aspect of this Stipulation is not accepted and approved in its entirety by the Board, or is modified by the Board, each party that is adversely affected by the modification can either accept the modification or declare this Settlement to be null and void, and the Parties shall be placed in the same position that they were in immediately prior to its execution. More particularly, in the event this Stipulation is not adopted in its entirety by the Board, then any Party hereto is free to pursue its then available legal remedies with respect to all issues addressed in this Stipulation as though this Stipulation had not been signed.

13. It is the intent of the Parties that the provisions hereof be approved by the Board as being in the public interest. The Parties further agree that they consider the Stipulation to be binding on them for all purposes herein.

14. The Parties further acknowledge that a Board Order approving this Stipulation will become effective upon the service of said Board Order, or upon such date after the service thereof as the Board may specify, in accordance with N.J.S.A. 48:2-40.

15. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of these proceedings. Except as expressly provided herein, PSE&G, Board Staff, and Rate Counsel shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein, in total or by specific item. The Parties further agree that this Stipulation is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.

WHEREFORE, the Parties hereto do respectfully submit this Stipulation and request that the Board issue a Decision and Order approving it in its entirety, in accordance with the terms hereof, as soon as reasonably possible.

PUBLIC SERVICE ELECTRIC AND GAS
COMPANY

BY: 
Alexander C. Stern, Esq.
Associate General Regulatory Counsel

DATED: May 6, 2015

NEW JERSEY DIVISION OF RATE
COUNSEL
STEFANIE A. BRAND, DIRECTOR

BY: 
Kurt S. Lewandowski, Esq.
Assistant Deputy Rate Counsel

DATED: May 6, 2015

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF
NEW JERSEY
Attorney for the Staff of the
Board of Public Utilities

BY: 
Alex Moreau
Deputy Attorney General

DATED: May 6, 2015

PUBLIC SERVICE ELECTRIC AND GAS COMPANY
B.P.U.N.J. No. 15 ELECTRIC

XXX Revised Sheet No. 64
Superseding
XXX Revised Sheet No. 64

SOLAR PILOT RECOVERY CHARGE

Charge
(per kilowatthour)

SOLAR PILOT RECOVERY CHARGE:

Charge	\$ 0.000 <u>150454</u>
Charge including New Jersey Sales and Use Tax (SUT)	\$ 0.000 <u>161486</u>

SOLAR PILOT RECOVERY CHARGE

This charge is designed to recover the revenue requirements associated with the Public Service Solar Pilot Program per the Board Order in Docket No. EO07040278 less the net proceeds from the sale of associated Solar Renewable Energy Certificates (SRECs) or cash received in lieu of SRECs. The net recovery by the Company is subject to deferred accounting. Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances. This interest rate shall change each August 1.

Date of Issue:

Issued by DANIEL J. CREGG, Vice President Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102
Filed pursuant to Order of Board of Public Utilities dated
in Docket No.

Effective:

PUBLIC SERVICE ELECTRIC AND GAS COMPANY
B.P.U.N.J. No. 15 ELECTRIC

XXX Revised Sheet No. 64
Superseding
XXX Revised Sheet No. 64

SOLAR PILOT RECOVERY CHARGE

Charge
(per kilowatthour)

SOLAR PILOT RECOVERY CHARGE:

Charge \$ 0.000150

Charge including New Jersey Sales and Use Tax (SUT) \$ 0.000161

SOLAR PILOT RECOVERY CHARGE

This charge is designed to recover the revenue requirements associated with the Public Service Solar Pilot Program per the Board Order in Docket No. EO07040278 less the net proceeds from the sale of associated Solar Renewable Energy Certificates (SRECs) or cash received in lieu of SRECs. The net recovery by the Company is subject to deferred accounting. Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances. This interest rate shall change each August 1.

Date of Issue:

Issued by DANIEL J. CREGG, Vice President Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102
Filed pursuant to Order of Board of Public Utilities dated
in Docket No.

Effective:

PSE&G Solar Loan I Program Proposed Rate Calculations

(\$'s Unless Specified)

Attachment B

Page 1 of 8

Actual results through 12/31/2014
SUT Rate 7%

<u>Line</u>	<u>Date(s)</u>		<u>Electric</u>	<u>Source/Description</u>
1	Jan-15 to Sep-15	Revenue Requirements	5,130,459	SUM (Schedule SS-SLI-3, Col 20)
2	Dec-14	(Over) / Under Recovered Balance	(350,730)	Schedule SS-SLI-4, Line 4, Col 84
3	Dec-14	Cumulative Interest Exp / (Credit)	<u>1,889</u>	Schedule SS-SLI-4, Line 7, Col 84
4	Sep-15	Total Target Rate Revenue	4,781,618	Line 1 + Line 2 + Line 3
5	Jan-15 to Sep-15	Forecasted kWh (000)	31,926,062	
6		Updated Calculated Rate w/o SUT (\$/kWh)	0.000150	(Line 4 / (Line 5*1,000)) [Rnd 6]
7		Original Public Notice Rate w/o SUT (\$/kWh)	0.000250	
8		Proposed Rate w/o SUT (\$/kWh)	0.000150	Min (Line 6 , Line 7
9		Proposed Rate w/ SUT (\$/kWh)	0.000161	(Line 8 * (1 + SUT Rate)) [Rnd 6]
10		Existing Rate w/o SUT (\$/kWh)	0.000454	
11		Difference in Proposed and Existing Rate	(0.000304)	(Line 8 - Line 10)
12		Resultant SPRC Revenue Increase / (Decrease)	(9,705,523)	(Line 5 * Line 11 * 1,000)

**PSE&G Solar Loan I Program
Electric Revenue Requirements Calculation - Summary**

Actuals through December 2014

Annual Pre-Tax WACC 11.1100%
Monthly Pre-Tax WACC 0.92583%

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(17a)	(18)	(19)	(20)
	Total Loan Outstanding Balance	SREC Inventory	Total Net Loan Investment	Return Requirement On Net Loan Investments	Net Plant Investment	Return Requirement On Plant Investment	Loan Accrued Interest	Loan Interest Paid	Net Loan Accrued Interest	Loan Principal Paid / Amortized	Plant Depreciation	Depreciation / Amortization	O&M Expenses	SREC Value Credited to Loans	Gain / (Loss) on SREC Sales	SREC Disposition Expenses	SREC Call Option Net Benefit	SREC Floor Price Cost	Net Proceeds from the Sale of SRECs	Cash Payments to Loans	Revenue Requirements
Monthly Calculations																					
Sep-13	64,587,805	1,649,716	66,237,521	605,443	-	-	588,177	588,177	-	682,020	-	682,020	8,722	1,270,150	-	2,322	-	676,267	591,561	48	704,576
Oct-13	63,919,791	512,718	64,432,509	620,728	-	-	601,524	601,524	-	668,013	-	668,013	11,819	1,228,825	(415,165)	7,357	-	716,107	90,195	40,713	1,169,453
Nov-13	63,651,138	837,530	64,488,668	588,356	-	-	576,324	576,324	-	268,653	-	268,653	6,640	843,600	-	(1,240)	-	518,787	326,053	1,378	536,218
Dec-13	63,542,118	268,789	63,810,907	603,528	-	-	593,173	593,173	-	109,020	-	109,020	8,511	702,050	(191,806)	6,642	-	433,261	70,341	143	650,575
Jan-14	63,825,664	372,542	64,198,205	601,904	-	-	592,194	308,648	283,546	-	-	-	9,139	279,300	-	(1)	-	175,547	103,754	29,348	194,396
Feb-14	63,983,457	516,584	64,500,042	547,056	-	-	537,416	379,623	157,794	-	-	-	7,571	373,350	-	-	-	229,308	144,042	6,273	246,519
Mar-14	64,155,544	124,889	64,280,433	607,998	-	-	596,149	424,063	172,087	-	-	-	6,963	323,475	(1,370)	5,762	-	198,586	117,756	100,588	224,531
Apr-14	63,637,947	514,932	64,152,879	586,261	-	-	578,198	1,095,795	(517,597)	-	-	-	8,044	1,014,125	-	-	-	624,082	390,043	81,670	640,189
May-14	62,885,743	1,014,881	63,900,624	605,063	-	-	593,178	699,007	(95,829)	656,376	-	656,376	7,361	1,311,950	-	-	-	812,000	469,950	33,433	831,246
Jun-14	62,177,120	490,152	62,667,272	575,226	-	-	567,375	567,375	-	708,623	-	708,623	5,688	1,274,900	44,381	10,446	-	784,748	524,087	1,087	784,353
Jul-14	61,257,908	546,372	61,804,281	588,345	-	-	579,573	579,573	-	919,211	-	919,211	7,762	1,424,050	(44,637)	10,183	-	876,765	462,465	74,734	948,119
Aug-14	60,435,453	1,074,015	61,509,467	582,907	-	-	571,258	571,258	-	822,456	-	822,456	8,606	1,392,700	-	-	-	865,057	527,643	1,014	885,312
Sep-14	59,642,007	1,578,803	61,220,811	561,413	-	-	545,511	545,511	-	793,445	-	793,445	6,404	1,338,550	-	(6,563)	-	833,762	511,352	406	849,504
Oct-14	59,146,437	370,291	59,516,728	569,769	-	-	556,491	556,491	-	495,571	-	495,571	5,142	1,051,650	24,226	6,950	-	681,359	387,567	411	682,503
Nov-14	58,819,831	665,023	59,484,854	542,979	-	-	533,896	533,896	-	326,605	-	326,605	4,186	772,825	-	-	-	478,094	294,731	87,676	491,363
Dec-14	58,826,912	199,853	59,026,766	556,524	-	-	548,156	542,075	7,081	-	-	-	5,903	541,500	106,250	7,198	-	341,647	288,906	575	255,865
Jan-15	58,880,170	340,276	59,220,446	556,819	-	-	549,253	495,995	53,258	-	-	-	8,207	372,400	-	-	-	231,978	140,422	123,595	247,751
Feb-15	58,937,813	508,903	59,446,716	550,623	-	-	496,633	438,990	57,643	-	-	-	7,834	436,525	-	-	-	267,898	168,827	2,465	283,722
Mar-15	58,888,090	751,093	59,639,183	550,540	-	-	540,223	557,723	(17,500)	32,227	-	32,227	8,388	589,950	-	-	-	347,760	242,190	-	366,465
Apr-15	58,692,136	302,055	58,994,191	551,826	-	-	539,820	636,332	(96,511)	96,443	-	96,443	8,388	735,775	44,312	4,645	-	433,720	341,722	-	414,547
May-15	58,193,794	727,545	58,921,339	546,369	-	-	538,108	703,177	(165,069)	333,273	-	333,273	8,388	1,036,450	-	-	-	610,960	425,490	-	627,609
Jun-15	57,583,900	1,205,295	58,789,195	545,165	-	-	533,627	563,330	(29,704)	600,191	-	600,191	8,388	1,163,521	-	-	-	685,771	477,750	-	706,098
Jul-15	56,705,046	569,400	57,274,446	544,123	-	-	527,938	531,721	(3,784)	855,070	-	855,070	8,388	1,386,791	-	5,658	-	817,391	563,742	-	847,623
Aug-15	55,865,138	1,127,880	56,993,018	530,535	-	-	520,144	524,241	(4,097)	835,811	-	835,811	8,388	1,360,052	-	-	-	801,640	558,412	-	820,419
Sep-15	55,032,939	1,679,925	56,712,864	527,684	-	-	512,527	515,728	(3,202)	828,997	-	828,997	8,388	1,344,725	-	-	-	792,680	552,045	-	816,225
	From Sched SS-SL1-3a Col 11	From Sched SS-SL1-3a Col 15	Col 1 + Col 2	From Sched SS-SL1-3a Col 3 + Col 16	From Sched SS-SL1-3a Col 26	(Prior Col 5 + Col 5) / 2 * [Monthly Pre Tax WACC]	From Sched SS-SL1-3a Col 4	From Sched SS-SL1-3a Col 7	Col 7 - Col 8	From Sched SS-SL1-3a Col 8	From Sched SS-SL1-3a Col 20	Col 9 + Col 10	From Sched SS-SL1-3a Col 28	From Sched SS-SL1-3a Col 5	From Sched SS-SL1-3a Col 14	From Sched SS-SL1-3a Col 17	From Sched SS-SL1-3a Col 18	From Sched SS-SL1-3a Col 18a	Col 14 + Col 15 + Col 16 + Col 17 - Col 17a	From Sched SS-3 Col 6	Col 4 + Col 6 - Col 9 + Col 12 + Col 13 - Col 18 - Col 19
Annual Summary																					
2009	42,055,057	1,483,481	43,538,538	1,322,954	-	-	1,267,817	1,209,191	58,626	937,413	-	937,413	505,554	2,146,604	271,256	135,091	-	3,499	2,279,270	-	428,024
2010	62,387,945	2,636,299	65,024,244	5,825,922	-	-	5,558,562	5,617,178	(58,626)	3,820,753	-	3,820,753	258,525	9,411,252	1,499,493	203,401	-	-	10,707,344	26,680	(770,198)
2011	73,099,428	1,795,218	74,894,646	7,945,123	-	-	7,473,721	7,429,658	44,062	4,927,273	-	4,927,273	127,415	12,280,358	(3,344,977)	285,220	-	559,489	8,090,672	76,574	4,788,503
2012	68,251,150	1,287,622	69,538,772	8,049,416	-	-	7,781,089	7,678,212	102,878	4,968,092	-	4,968,092	68,189	12,500,100	(5,730,793)	108,511	-	3,967,845	2,692,950	146,204	10,143,665
2013	63,542,118	268,789	63,810,907	7,490,617	-	-	7,306,211	7,453,150	(146,940)	4,582,082	-	4,582,082	95,021	11,936,750	(2,101,031)	37,127	-	7,028,218	2,770,374	78,482	9,445,803
2014	58,826,912	199,853	59,026,766	6,925,446	-	-	6,800,395	6,793,314	7,081	4,722,287	-	4,722,287	82,769	11,088,375	128,850	33,975	-	6,900,955	4,292,295	417,226	7,013,900
2015	53,372,066	1,296,360	54,668,426	6,397,140	-	-	6,254,738	6,464,419	(206,681)	5,245,170	-	5,245,170	94,626	11,583,529	44,312	17,011	-	6,850,874	4,759,956	126,060	7,060,602
Total Oct-14 - Sep-15				4,858,183				4,967,238	(208,967)	3,585,011		3,585,011	74,758	8,426,190	44,312	10,303		4,989,798	3,470,401	126,060	5,130,459

**PSE&G Solar Loan I Program
Electric Revenue Requirements Calculation - Detail**

Actuals through December 2014

Annual Pre-Tax WACC 11.1100%
Monthly Pre-Tax WACC 0.92583%

(1)	(2)	(3)	(3a)	(3b)	(4)	4a	4b	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Loan Amount Issued	Capitalized Plant	Return On Total Outstanding Loan Balance	Loan Interest Rate to WACC Differential Cost - Commercial	Loan Interest Rate to WACC Differential Cost - Residential	Loan Accrued Interest	Loan Accrued Interest - Commercial	Loan Accrued Interest - Residential	SREC Value Credited to Loans	Cash Payments to Loans	Loan Interest Paid	Loan Principal Paid / Amortized	Loan Accrued Interest Balance	Loan Principal Balance	Total Loan Outstanding Balance	Value of SREC Transferred to PSE&G	SREC Auction Sales	Gain / (Loss) on SREC Sales
Sep-13	-	595,625	-	7,448	588,177	577,676	10,501	1,270,150	48	588,177	682,020	-	64,587,805	64,587,805	593,883	-	-
Oct-13	-	609,028	-	7,504	601,524	590,944	10,580	1,228,825	40,713	601,524	668,013	-	63,919,791	63,919,791	512,718	1,234,551	(415,165)
Nov-13	-	583,423	-	7,099	576,324	566,314	10,010	843,600	1,378	576,324	268,653	-	63,651,138	63,651,138	324,813	-	-
Dec-13	-	600,391	-	7,219	593,173	582,995	10,178	702,050	143	593,173	109,020	-	63,542,118	63,542,118	268,789	645,724	(191,806)
Jan-14	-	599,341	-	7,147	592,194	582,116	10,078	279,300	29,348	308,648	-	283,546	63,542,118	63,825,664	103,753	-	-
Feb-14	-	543,841	-	6,425	537,416	528,357	9,059	373,350	6,273	379,623	-	441,339	63,542,118	63,983,457	144,042	-	-
Mar-14	-	603,247	-	7,098	596,149	586,141	10,008	323,475	100,588	424,063	-	613,426	63,542,118	64,155,544	124,889	515,214	(1,370)
Apr-14	-	585,007	-	6,809	578,198	568,598	9,600	1,014,125	81,670	1,095,795	-	95,829	63,542,118	63,637,947	390,043	-	-
May-14	-	600,057	-	6,879	593,178	583,479	9,699	1,311,950	33,433	689,007	656,376	-	62,885,743	62,885,743	499,950	-	-
Jun-14	-	573,846	-	6,471	567,375	558,251	9,124	1,274,900	1,097	567,375	708,623	-	62,177,120	62,177,120	490,152	1,059,262	44,381
Jul-14	-	586,100	-	6,527	579,573	570,371	9,202	1,424,050	74,734	579,573	919,211	-	61,257,908	61,257,908	547,285	446,428	(44,637)
Aug-14	-	577,596	-	6,338	571,258	562,323	8,936	1,392,700	1,014	571,258	822,456	-	60,435,453	60,435,453	527,643	-	-
Sep-14	-	551,457	-	5,946	545,511	537,128	8,383	1,338,550	406	545,511	793,445	-	59,642,007	59,642,007	504,788	-	-
Oct-14	-	562,453	-	5,962	556,491	548,084	8,407	1,051,650	411	556,491	495,571	-	59,146,437	59,146,437	370,292	1,603,029	24,226
Nov-14	-	539,513	-	5,617	533,896	525,977	7,919	772,825	87,676	533,896	326,605	-	58,819,831	58,819,831	294,731	-	-
Dec-14	-	554,848	-	5,692	549,156	541,131	8,026	541,500	575	542,075	-	7,081	58,819,831	58,826,912	199,853	771,273	106,250
Jan-15	-	554,896	-	5,643	549,253	541,297	7,956	372,400	123,595	495,995	-	60,339	58,819,831	58,880,170	140,422	-	-
Feb-15	-	501,675	-	5,043	496,633	489,523	7,110	436,525	2,465	438,990	-	117,981	58,819,831	58,937,813	168,627	-	-
Mar-15	-	545,664	-	5,441	540,223	532,550	7,672	589,950	-	557,723	32,227	305,555	58,582,535	58,888,090	242,190	-	-
Apr-15	-	545,204	-	5,383	539,820	532,230	7,590	735,775	-	636,332	99,443	209,044	58,483,092	58,692,136	302,055	795,405	44,312
May-15	-	543,390	-	5,281	538,108	530,662	7,446	1,036,450	-	703,177	333,273	43,975	58,149,819	58,193,794	425,490	-	-
Jun-15	-	538,776	-	5,149	533,627	526,366	7,260	1,163,521	-	563,330	600,191	14,271	57,549,628	57,563,900	477,750	-	-
Jul-15	-	532,944	-	5,006	527,938	520,879	7,059	1,386,791	-	531,721	855,070	10,487	56,694,559	56,705,046	569,400	1,205,295	-
Aug-15	-	524,992	-	4,848	520,144	513,308	6,836	1,360,052	-	524,241	835,811	6,390	55,858,747	55,865,138	558,480	-	-
Sep-15	-	517,216	-	4,690	512,527	505,914	6,612	1,344,725	-	515,728	828,997	3,189	55,029,751	55,032,939	552,045	-	-
Program Assumption	Program Assumption	Col 3a + Col 3b + Col 4	WP-SS-SL1-2.xlsx 'LoansC' wksht Col 32	WP-SS-SL1-2.xlsx 'LoansR' wksht Col 32	WP-SS-SL1-2.xlsx 'Loans' wksht Col 11	WP-SS-SL1-2.xlsx 'LoansC' wksht Col 11	WP-SS-SL1-2.xlsx 'LoansR' wksht Col 11	WP-SS-SL1-2.xlsx 'Loans' wksht Col 13	WP-SS-SL1-2.xlsx 'Loans' wksht Col 14	WP-SS-SL1-2.xlsx 'Loans' wksht Col 16	WP-SS-SL1-2.xlsx 'Loans' wksht Col 17	WP-SS-SL1-2.xlsx 'Loans' wksht Col 18	WP-SS-SL1-2.xlsx 'Loans' wksht Col 19	Col 9 + Col 10	WP-SS-SL1-2.xlsx 'SREC Inv.' wksht Col 23	WP-SS-SL1-2.xlsx 'SREC Inv.' wksht Col 25	WP-SS-SL1-2.xlsx 'SREC Inv.' wksht Col 26
Annual Summary																	
2009	42,933,844	-	1,272,374	-	1,267,817	-	-	2,146,604	-	1,209,191	937,413	58,626	41,996,431	42,055,057	2,143,104	930,880	271,256
2010	24,212,268	-	5,633,081	-	5,558,552	-	-	9,411,252	26,680	5,617,178	3,820,753	-	62,387,945	62,387,945	9,412,632	9,759,306	1,499,493
2011	15,594,694	-	7,594,846	-	7,473,721	-	-	12,280,358	76,574	7,429,658	4,927,273	44,062	73,055,366	73,099,428	11,724,979	9,221,084	(3,344,977)
2012	16,936	-	7,893,123	-	7,781,089	-	-	12,500,100	146,204	7,678,212	4,968,092	146,940	68,104,210	68,251,150	8,533,307	3,309,809	(5,730,793)
2013	-	-	7,400,847	-	7,306,211	-	-	11,936,750	78,492	7,453,150	4,562,092	-	63,542,118	63,542,118	4,908,532	3,826,635	(2,101,031)
2014	-	-	6,877,305	-	6,800,395	-	-	11,098,375	417,226	6,793,314	4,722,287	7,081	58,819,831	58,826,912	4,197,420	4,395,206	128,850
2015	-	-	6,314,373	-	6,254,738	-	-	11,583,529	126,060	6,464,419	5,245,170	2,475	53,369,592	53,372,066	4,732,820	3,680,625	44,312
Total Oct-14 - Sep-15	-	-	4,804,757	-	4,758,272	-	-	8,426,190	126,060	4,967,238	3,585,011	-	-	-	3,436,460	2,000,700	44,312

**PSE&G Solar Loan I Program
Electric Revenue Requirements Calculation - Detail**

Actuals through December 2014

Annual Pre-Tax WACC 11.1100%
Monthly Pre-Tax WACC 0.92583%

	(15)	(16)	(17)	(18)	(18a)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
	<u>SREC Inventory</u>	<u>Return on SREC Inventory</u>	<u>SREC Disposition Expenses</u>	<u>SREC Call Option Net Benefit</u>	<u>SREC Floor Price Cost</u>	<u>Gross Plant</u>	<u>Plant Depreciation</u>	<u>Accumulated Depreciation</u>	<u>Net Plant</u>	<u>Tax Depreciation</u>	<u>Deferred Income Tax</u>	<u>Accumulated Deferred Income Tax</u>	<u>Net Plant Investment</u>	<u>Return Requirement on Plant Investment</u>	<u>O&M Expenses</u>	<u>Revenue Requirements</u>	<u>Alternative Revenue Requirements Calculation</u>
Sep-13	1,649,716	9,818	2,322	-	676,267	-	-	-	-	-	-	-	-	-	8,722	704,576	704,576
Oct-13	512,718	11,701	7,357	-	716,107	-	-	-	-	-	-	-	-	-	11,619	1,169,453	1,169,453
Nov-13	837,530	4,932	(1,240)	-	518,787	-	-	-	-	-	-	-	-	-	6,640	536,218	536,218
Dec-13	268,789	3,136	6,642	-	433,261	-	-	-	-	-	-	-	-	-	8,511	650,575	650,575
Jan-14	372,542	2,563	(1)	-	175,547	-	-	-	-	-	-	-	-	-	9,139	194,396	194,396
Feb-14	516,584	3,215	-	-	229,308	-	-	-	-	-	-	-	-	-	7,571	246,519	246,519
Mar-14	124,889	4,750	5,762	-	198,586	-	-	-	-	-	-	-	-	-	6,963	224,531	224,531
Apr-14	514,932	1,255	-	-	624,082	-	-	-	-	-	-	-	-	-	8,044	640,189	640,189
May-14	1,014,881	5,006	-	-	812,000	-	-	-	-	-	-	-	-	-	7,361	831,246	831,246
Jun-14	490,152	1,380	10,446	-	784,748	-	-	-	-	-	-	-	-	-	5,688	764,353	764,353
Jul-14	546,372	2,246	10,183	-	876,765	-	-	-	-	-	-	-	-	-	7,762	948,119	948,119
Aug-14	1,074,015	5,311	-	-	865,057	-	-	-	-	-	-	-	-	-	8,606	885,312	885,312
Sep-14	1,578,803	9,956	(6,563)	-	833,762	-	-	-	-	-	-	-	-	-	6,404	849,504	849,504
Oct-14	370,291	7,316	6,950	-	681,359	-	-	-	-	-	-	-	-	-	5,142	682,503	682,503
Nov-14	665,023	3,466	-	-	478,094	-	-	-	-	-	-	-	-	-	4,186	491,363	491,363
Dec-14	199,853	1,675	7,198	-	341,647	-	-	-	-	-	-	-	-	-	5,903	255,865	255,865
Jan-15	340,276	1,924	-	-	231,978	-	-	-	-	-	-	-	-	-	8,207	247,751	247,751
Feb-15	508,903	2,947	-	-	267,898	-	-	-	-	-	-	-	-	-	7,834	283,722	283,722
Mar-15	751,093	4,876	-	-	347,760	-	-	-	-	-	-	-	-	-	8,388	366,465	366,465
Apr-15	302,055	6,722	4,645	-	433,720	-	-	-	-	-	-	-	-	-	8,388	414,547	414,547
May-15	727,545	2,980	-	-	610,960	-	-	-	-	-	-	-	-	-	8,388	627,609	627,609
Jun-15	1,205,295	6,789	-	-	685,771	-	-	-	-	-	-	-	-	-	8,388	706,098	706,098
Jul-15	569,400	11,179	5,658	-	817,391	-	-	-	-	-	-	-	-	-	8,388	847,623	847,623
Aug-15	1,127,880	5,543	-	-	801,640	-	-	-	-	-	-	-	-	-	8,388	820,419	820,419
Sep-15	1,679,925	10,467	-	-	792,680	-	-	-	-	-	-	-	-	-	8,388	816,225	816,225
	Prior Col 15 + Col 12 - Col 13 - Col 14	WP-SS-SL1- 2.xlsx 'SREC Inv.' wksht Col 28	WP-SS-SL1- 2.xlsx 'SREC Inv.' wksht Col 29	Included in Col 14	WP-SS-SL1- 2.xlsx 'Loans' wksht Col 36	Prior Month Col 19 + Col 2	1/120 of Each Prior 120 Months of Col 2 (10 year amortization)	Prior Col 21 + Col 20	Col 19 - Col 21	See WP- SS-SL1- 1.xlsx 'AmortE' wksht	(Col 23 - Col 20) * Income Tax Rate	Prior Col 25 + Col 24	Col 22 - Col 25	(Prior Col 26 + Col 26) / 2 * Monthly Pre Tax WACC	Program Assumption	Col 3 - Col 4 - Col 5 - Col 6 + Col 7 + Col 8 - Col 14 + Col 16 + Col 17- Col 18 + Col 18a + Col 20 + Col 27 + Col 28	3a + 3b - 14 + 16 + 17 - 18 + 18a + 20 + 27 + 28
Annual Summary	2009	1,483,481	50,579	135,091	-	3,499	-	-	-	-	-	-	-	-	505,554	428,024	428,024
	2010	2,636,299	192,841	203,401	-	-	-	-	-	-	-	-	-	-	258,525	(770,198)	(770,198)
	2011	1,795,218	350,277	285,220	-	559,489	-	-	-	-	-	-	-	-	127,415	4,788,503	4,788,503
	2012	1,287,922	156,293	108,511	-	3,967,845	-	-	-	-	-	-	-	-	68,189	10,143,665	10,143,665
	2013	268,789	89,770	37,127	-	7,028,218	-	-	-	-	-	-	-	-	95,021	9,445,803	9,445,803
	2014	199,853	48,141	33,975	-	6,900,955	-	-	-	-	-	-	-	-	82,769	7,013,900	7,013,900
	2015	1,296,360	82,767	17,011	-	6,850,874	-	-	-	-	-	-	-	-	94,626	7,060,602	7,060,602
Total Oct-14 - Sep-15	-	53,427	10,303	-	4,989,798	-	-	-	-	-	-	-	-	-	74,758	5,130,459	5,130,459

PSE&G Solar Loan I Program
(Over)/Under Calculation

Existing / Proposed SL I Rate w/o SUT \$/kWh	0.000451	0.000451	0.000454	0.000454	0.00015	0.00015	0.00015
	(69)	(70)	(71)	(72)	(73)	(74)	(75)
<u>SLI (Over)/Under Calculation</u>	<u>Sep-13</u>	<u>Oct-13</u>	<u>Nov-13</u>	<u>Dec-13</u>	<u>Jan-14</u>	<u>Feb-14</u>	<u>Mar-14</u>
(1) Solar Loan I SPRC Revenue	1,517,420	1,432,157	1,422,547	1,521,019	1,629,839	1,499,432	1,536,884
(2) Revenue Requirements	<u>704,576</u>	<u>1,169,453</u>	<u>536,218</u>	<u>650,575</u>	<u>194,396</u>	<u>246,519</u>	<u>224,531</u>
(3) Monthly (Over)/Under Recovery	(812,843)	(262,703.5)	(886,329.0)	(870,443.6)	(1,435,443.1)	(1,252,913.6)	(1,312,352.9)
(4) Deferred Balance	13,079,797	12,817,093.4	11,930,764.4	11,060,320.9	9,668,041.6	8,415,128.0	7,102,775.1
(5) Monthly Interest Rate	0.07917%	0.07917%	0.07917%	0.07917%	0.07917%	0.07917%	0.07917%
(6) After Tax Monthly Interest Expense/(Credit)	6,290.2	6,039.4	5,771.4	5,361.7	4,834.0	4,217.2	3,618.9
(7) Cumulative Interest Balance Added to Subsequent Year's Revenue	25,991.3	32,030.7	37,802.1	43,163.9	4,834.0	9,051.2	12,670.1
(8) Requirements	13,105,788	12,849,124.1	11,968,566.6	11,103,484.7	9,672,875.6	8,424,179.2	7,115,445.2
(9) Net Sales - kWh (000)							
(10) SPRC Settlement: Application Fee Credit							
(11) SPRC Settlement: Prior to Filing Expenses Credit							

PSE&G Solar Loan I Program
(Over)/Under Calculation

Existing / Proposed SL I Rate w/o SUT \$/kWh	0.00015	0.00015	0.00015	0.00015	0.00015	0.00015	0.00015
	(76)	(77)	(78)	(79)	(80)	(81)	(82)
<u>SLI (Over)/Under Calculation</u>	<u>Apr-14</u>	<u>May-14</u>	<u>Jun-14</u>	<u>Jul-14</u>	<u>Aug-14</u>	<u>Sep-14</u>	<u>Oct-14</u>
(1) Solar Loan I SPRC Revenue	1,370,473	1,350,933	1,648,951	1,965,366	1,742,844	1,526,122	1,421,126
(2) Revenue Requirements	<u>640,189</u>	<u>831,246</u>	<u>764,353</u>	<u>948,119</u>	<u>885,312</u>	<u>849,504</u>	<u>682,503</u>
(3) Monthly (Over)/Under Recovery	(730,283.6)	(519,686.7)	(884,598.3)	(1,017,246.8)	(857,532.0)	(676,617.3)	(738,622.1)
(4) Deferred Balance	6,372,491.5	5,852,804.8	4,968,206.5	3,950,959.8	3,093,427.8	2,416,810.5	1,704,753.4
(5) Monthly Interest Rate	0.07917%	0.07917%	0.07917%	0.07917%	0.08917%	0.08917%	0.08917%
(6) After Tax Monthly Interest Expense/(Credit)	3,142.6	2,851.1	2,523.6	2,080.0	1,850.3	1,447.4	1,082.6
(7) Cumulative Interest Balance Added to Subsequent Year's Revenue	15,812.7	18,663.7	21,187.3	23,267.3	25,117.6	26,565.0	1,082.6
(8) Requirements	6,388,304.2	5,871,468.5	4,989,393.8	3,974,227.1	3,118,545.4	2,443,375.5	1,705,836.0
(9) Net Sales - kWh (000)							
(10) SPRC Settlement: Application Fee Credit							
(11) SPRC Settlement: Prior to Filing Expenses Credit							

PSE&G Solar Loan I Program
(Over)/Under Calculation

Existing / Proposed SL I Rate w/o SUT \$/kWh		0.00015	0.00015	0.00015	0.00015	0.00015	0.00015	0.00015
		(83)	(84)	(85)	(86)	(87)	(88)	(89)
<u>SLI (Over)/Under Calculation</u>		<u>Nov-14</u>	<u>Dec-14</u>	<u>Jan-15</u>	<u>Feb-15</u>	<u>Mar-15</u>	<u>Apr-15</u>	<u>May-15</u>
(1)	Solar Loan I SPRC Revenue	1,338,764	1,463,947	542,034	477,837	492,118	440,644	460,802
(2)	Revenue Requirements	<u>491,363</u>	<u>255,865</u>	<u>247,751</u>	<u>283,722</u>	<u>366,465</u>	<u>414,547</u>	<u>627,609</u>
(3)	Monthly (Over)/Under Recoverv	(847,400.9)	(1,208,082.0)	(294,283.4)	(194,114.8)	(125,652.7)	(26,096.8)	166,806.5
(4)	Deferred Balance	857,352.5	(350,729.5)	(645,012.9)	(839,127.7)	(964,780.4)	(990,877.2)	(824,070.7)
(5)	Monthly Interest Rate	0.08917%	0.08917%	0.08917%	0.08917%	0.08917%	0.08917%	0.08917%
(6)	After Tax Monthly Interest Expense/(Credit)	673.0	133.1	(261.5)	(389.8)	(473.8)	(513.7)	(476.7)
(7)	Cumulative Interest	1,755.6	1,888.7	1,627.1	1,237.3	763.4	249.8	(227.0)
(8)	Balance Added to Subsequent Year's Revenue Requirements	859,108.1	(348,840.9)	(643,385.8)	(837,890.5)	(964,017.0)	(990,627.5)	(824,297.7)
(9)	Net Sales - kWh (000)			3,613,562	3,185,578	3,280,787	2,937,624	3,072,016
(10)	SPRC Settlement: Application Fee Credit							
(11)	SPRC Settlement: Prior to Filing Expenses Credit							

PSE&G Solar Loan I Program
(Over)/Under Calculation

Existing / Proposed SL I Rate w/o SUT \$/kWh		0.00015	0.00015	0.00015	0.00015	
		(90)	(91)	(92)	(93)	
<u>SLI (Over)/Under Calculation</u>		<u>Jun-15</u>	<u>Jul-15</u>	<u>Aug-15</u>	<u>Sep-15</u>	<u>Notes</u>
(1)	Solar Loan I SPRC Revenue	549,578	651,605	640,521	533,771	SL I Rate * Line 9
(2)	Revenue Requirements	<u>706,098</u>	<u>847,623</u>	<u>820,419</u>	<u>816,225</u>	From SS-SL1-3, Col 20
(3)	Monthly (Over)/Under Recovery	156,520.0	196,017.8	179,898.6	282,454.0	Line 2 - Line 1
(4)	Deferred Balance	(667,550.7)	(471,533.0)	(291,634.4)	(9,180.4)	Prev Line 4 + Line 3 + Line 10 + Line 11
(5)	Monthly Interest Rate	0.08917%	0.08917%	0.08917%	0.08917%	Annual Interest Rate / 12
(6)	After Tax Monthly Interest Expense/(Credit)	(391.8)	(299.2)	(200.5)	(79.0)	(Prct. Line 4 + Line 4) ' 2 * (1 - Tax Rate) * Line 5
(7)	Cumulative Interest	(618.8)	(918.0)	(1,118.4)	(1,197.4)	Prev Line 7 + Line 6
(8)	Balance Added to Subsequent Year's Revenue Requirements	(668,169.5)	(472,450.9)	(292,752.8)	(10,377.8)	Line 4 + Line 7
(9)	Net Sales - kWh (000)	3,663,851	4,344,034	4,270,137	3,558,474	
(10)	SPRC Settlement: Application Fee Credit					
(11)	SPRC Settlement: Prior to Filing Expenses Credit					

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed change in the electric Solar Pilot Recovery Charge (SPRC) on typical residential electric bills, if approved by the Board, is illustrated below:

Residential Electric Service					
If Your Monthly Summer kWhr Use Is:	And Your Annual kWhr Use Is:	Then Your Present Annual Bill (1) Would Be:	And Your Proposed Annual Bill (2) Would Be:	Your Annual Bill Change Would Be:	And Your Percent Change Would Be:
200	1,920	\$377.68	\$377.00	(\$0.68)	(0.18%)
450	4,320	813.32	811.92	(1.40)	(0.17)
750	7,200	1,344.16	1,341.76	(2.40)	(0.18)
803	7,800	1,455.62	1,453.10	(2.52)	(0.17)
1,360	13,160	2,457.92	2,453.68	(4.24)	(0.17)

(1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect May 1, 2015 and assumes that the customer receives BGS-RSCP service from Public Service.

(2) Same as (1) except includes changes in the Solar Pilot Recovery Charge.

Residential Electric Service					
If Your Annual kWhr Use Is:	And Your Monthly Summer kWhr Use Is:	Then Your Present Monthly Summer Bill (3) Would Be:	And Your Proposed Monthly Summer Bill (4) Would Be:	Your Monthly Summer Bill Change Would Be:	And Your Percent Change Would Be:
1,920	200	\$38.92	\$38.85	(\$0.07)	(0.18%)
4,320	450	84.55	84.40	(0.15)	(0.18)
7,200	750	141.28	141.04	(0.24)	(0.17)
7,800	803	151.64	151.38	(0.26)	(0.17)
13,160	1,360	260.64	260.20	(0.44)	(0.17)

(3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect May 1, 2015 and assumes that the customer receives BGS-RSCP service from Public Service.

(4) Same as (3) except includes changes in the Solar Pilot Recovery Charge.