



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
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 AND)
GAS SOCIETAL BENEFITS CHARGE RATES, FOR A)
CHANGE IN ITS ELECTRIC NON-UTILITY)
GENERATION CHARGE RATE) DOCKET NO. ER15050558

Parties of Record:

Matthew M. Weissman, Esq., for Public Service Electric and Gas Company
Stefanie A. Brand, Esq., Director, Division of Rate Counsel

BY THE BOARD:

BACKGROUND

Pursuant to the Electric Discount and Energy Competition Act, specifically, N.J.S.A. 48:3-60, in 1999 the New Jersey Board of Public Utilities (“Board”) established Public Service Electric and Gas Company’s (“Company”) electric Societal Benefits Charge (“SBC”) and Non-Utility Generation Charge (“NGC”), and the associated cost recovery mechanisms. The Company’s gas SBC was established in August 2000. The Board requires each energy utility to file a request for recovery of deferred expenses pertaining to un-recovered balances in the SBC, NGC, and any transition period purchased power costs.

The Company’s NGC rate is intended to recover the difference between the contract-set prices at which PSE&G purchases generation from non-utility generators (“NUGs”) under contracts entered into pursuant to 16 U.S.C.A. §§ 791-828c,¹ and the market (“day-ahead” or “real-time”) price that the energy is sold for through the PJM Interconnection, LLC (“PJM”).

The Company sells purchased NUG power in the PJM market. Contractual purchase power agreement (“PPA”) payments may differ from the market value of that power. The net revenues that the Company receives from PJM for the power sales are used to offset payments due to the NUG under the PPA, with the difference (positive or negative) reflected in the NGC. NUG contract payments are set to expire in April 2016.

¹ Also known as the Public Utilities Regulatory Policies Act of 1978 (“PURPA”).

The SBC components addressed in this proceeding relate to 1) the recovery of electric and gas Energy Efficiency and Renewable Energy (“EE&RE”) program costs administered through the Office of Clean Energy; and 2) the value of electric customer receivables expected to be written-off as uncollectible (i.e., “Bad Debts”) by the Company.

On May 11, 2015, the Company petitioned (“May Petition”) the Board for approval of proposed changes in its Electric Bad Debts, NGC, and EE&RE rates, and in its Gas EE&RE rate, collectively yielding an annual revenue reduction of \$90.8 million. Comparisons of the rates currently in effect with those proposed in the May Petition, reflecting actual expenses through December 31, 2014 and estimated expenses through July 31, 2016 are as follows:

Rate and \$000 Changes						
ELECTRIC [‡]					GAS [‡]	
	SBC			Total	Total	
	Bad Debt		Total	ELECTRIC	GAS	[EE&RE]
NGC	Provision	EE&RE	SBC			
Current Rate	0.3203	0.1441	0.3260	xxxx	xxxx	2.8276
PROPOSED RATES	0.1744	0.1180	0.3048	xxxx	xxxx	2.4188
Rate (Decreases)	(0.1459)	(0.0261)	(0.0212)	xxxx	xxxx	(0.4088)
KWH Output (000s)	44,364,315	44,364,315	44,364,315			xxxx
Therm Sales (000s)						2,804,896
(Rev.) Change	(\$60,469)	(\$10,825)	(\$8,784)	(\$19,609)	(\$80,078)	(\$10,715)
(Rev. + SUT) Change	(\$64,702)	(\$11,583)	(\$9,399)	(\$20,982)	(\$85,683)	(\$11,465)
	‡ Rates are after-tax ¢ per kwh			‡ Rates are after-tax ¢ per therm		

On June 23, 2015, the Matter was transmitted to the Office of Administrative Law (“OAL”) and assigned to Administrative Law Judge (“ALJ”) McGill.

The Company responded to discovery requests propounded by Board Staff and the Division of Rate Counsel (“Rate Counsel”) concerning the Company’s filing. On September 18, 2015, the Company, in response to discovery request RCR-A - 27, up-dated the May Petition reflecting actual data through July 2015, collectively yielding a lower annual revenue reduction of \$83.5 million.

Stipulation of Settlement²

On December 23, 2015, the Company, Board Staff and Rate Counsel (“Parties”) executed a Stipulation of Settlement (“Stipulation”), agreeing to the following:

The Company’s actual electric and gas costs and expenditures through July 31, 2015 are reasonable and prudent. The over/(under) balances including interest through July 15, 2015 are as follows: Electric EE&RE - \$18.475 million, Bad Debt - \$2.459 million, NGC – \$13.935 million and Gas EE&RE - \$11.745 million.

² Although described in this Order, should there be a conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusions of this Order.

Actual and forecasted costs and revenues from August 1, 2015 forward will be reviewed in the Company's next SBC/NGC filing.

The Parties agree that the proposed rates including Sales and Use Taxes ("SUT"), reflected in Table 1 in the Stipulation as well as Attachment A and B to the Stipulation are appropriate at this time, and are to take effect on the first of the month after approval by the Board.

The Company requests expedited service of the Board Order approving the Stipulation in compliance with the Board Secretary's memo of July 20, 2015, with the Company's goal of having the proposed rates taking effect February 1, 2016. These rates are expected to generate a decrease in SBC/NGC revenues of \$80.1 million and \$10.7 million for electric and gas components, respectively.

The Parties agree that the proposed rates translate to annual bill decreases of \$15.08 (1.18%) for an electric residential customer using 7,200 kWh, and \$4.10 (0.47%) for residential heating customer using 1,010 therms.

On December 29, 2015, ALJ McGill issued his Initial Decision, finding that the Parties voluntarily agreed to the Stipulation, and that the Stipulation fully disposes of all issues in controversy and is consistent with the law.

DISCUSSION AND FINDING

Having reviewed the record in this matter, including ALJ McGill's Initial Decision and the Stipulation. The Board **FINDS** that the Parties have voluntarily agreed to the Stipulation, and that the Stipulation fully disposes of all issues in this proceeding and is consistent with the law. The Board **FINDS** the Initial Decision, which adopts the Stipulation, to be reasonable, in the public interest, and in accordance with the law. Therefore, the Board **HEREBY ADOPTS** the Initial Decision and the Stipulation, attached hereto, including all attachments and schedules, as its own, incorporating by reference the terms and conditions of the Stipulation, as if they were fully set forth at length herein. The Board **HEREBY ORDERS** that the after-tax cents per kWh and cents per therm rates are as stipulated:

Electric			Gas
NGC	Bad Debts	EE&RE	EE&RE
0.1744	0.1180	0.3048	2.4188

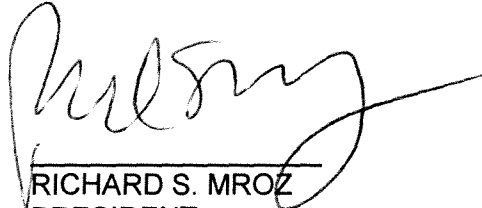
The Board **FURTHER ORDERS** that the above rates as well as this Order will become effective February 1, 2016.

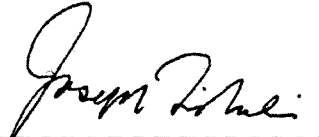
The Company is **HEREBY DIRECTED** to file the appropriate tariff sheets conforming to the terms and conditions of this Order within five (5) business days after the effective date of this Order.

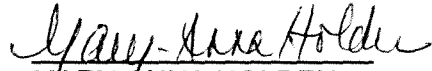
The Company's electric and gas costs will remain subject to audit by the Board. This decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

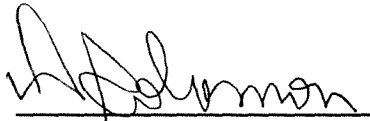
DATED: *Jan 28, 2016*


BOARD OF PUBLIC UTILITIES
BY:

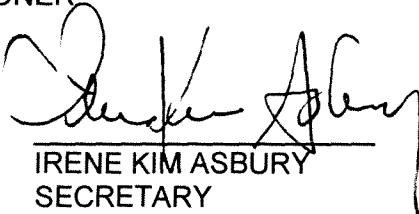

RICHARD S. MROZ
PRESIDENT


JOSEPH L. FIORDALISO
COMMISSIONER

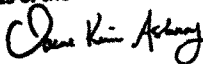

MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
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 AND GAS SOCIETAL BENEFITS
CHARGE RATES, FOR A CHANGE IN ITS ELECTRIC NON-UTILITY GENERATION CHARGE
RATE - DOCKET NO. ER15050558

SERVICE LIST

Stefanie A. Brand, Esq., Director
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, New Jersey 08625
sbrand@rpa.state.nj.us

Matthew M. Weissman
Gen. Reg. Counsel - Rates
PSEG Services Corporation
80 Park Plaza, T5G
Newark, New Jersey 07102
matthew.weissman@pseg.com

Felicia Thomas-Friel, Esq.
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, New Jersey 08625
ftthomas@rpa.state.nj.us

Alex Moreau, DAG
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, New Jersey 07101
alex.moreau@lps.state.nj.us

David Wand, DAG
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, New Jersey 07101
david.wand@lps.state.nj.us

Geoffrey Gersten, Esq.
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, New Jersey 07101
Geoffrey.gersten@dol.lps.state.nj.us

Irene Kim Asbury, Esq.
Secretary of the Board
Office of the Secretary
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
irene.asbury@bpu.state.nj.us

Jerome May, Director
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
jerome.may@bpu.state.nj.us

Robert Schultheis
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
robert.schultheis@bpu.state.nj.us

Beverly Tyndell
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
beverly.tyndell@bpu.state.nj.us

Megan Lupo, Esq.
Counsel's Office
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
Megan.lupo@bpu.state.nj.us

Valerie Haynes, Chief
Office of Case Management
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
valerie.haynes@bpu.state.nj.us

Bethany Rocque-Romaine, Esq.
Counsel's office
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
bethany.rocque-romaine@bpu.state.nj.us



State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

SETTLEMENT

OAL DKT. NO. PUC 09345-15

BPU DKT. NO. ER15050558

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF CHANGES IN ITS ELECTRIC AND GAS SOCIETAL BENEFITS CHARGE RATES, FOR A CHANGE IN ITS ELECTRIC NON-UTILITY GENERATION CHARGE RATE.

Martin C. Rothfelder, Associate General Regulatory Counsel, for Public Service Electric and Gas Company

James W. Glassen, Assistant Deputy Rate Counsel (Stephanie A. Brand, Director of the Division of Rate Counsel, attorney)

Alex Moreau and Patricia A. Krogman, Deputy Attorneys General, for the Staff of the New Jersey Board of Public Utilities (John J. Hoffman, Acting Attorney General of New Jersey, attorney)

Record Closed: December 28, 2015

Decided: December 29, 2015

BEFORE **RICHARD McGILL**, ALJ:

On May 11, 2015, Public Service Electric and Gas Company filed a petition with the Board of Public Utilities seeking approval of changes to its electric Non-utility Generation Charge (“NGC”), in the Societal Program component of the electric Societal Benefits Charge (“SBC”) and to the Energy Efficiency and Renewable Energy components of both its electric and gas SBC. The matter was transmitted to the Office of Administrative Law on June 25, 2015, for determination as a contested case.

Prior to the hearing, the parties submitted a Stipulation of Settlement, which resolves all issues in this proceeding. Having reviewed the record and the settlement terms, I **FIND** as follows:

1. The parties have voluntarily agreed to the settlement as evidenced by their signatures or the signatures of their representatives.
2. The settlement fully disposes of all issues in controversy and is consistent with the law.

Therefore, I **CONCLUDE** that the agreement meets the requirements of N.J.A.C. 17:27-19.1 and that the settlement should be approved. Accordingly, it is **ORDERED** that the parties comply with the terms of the settlement, and it is **FURTHER ORDERED** that the proceedings in this matter be concluded.

I hereby **FILE** my initial decision with the **BOARD OF PUBLIC UTILITIES** for consideration.

This recommended decision may be adopted, modified or rejected by the **BOARD OF PUBLIC UTILITIES**, which by law is authorized to make a final decision in this matter. If the Board of Public Utilities does not adopt, modify or reject this decision within forty-five days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with N.J.S.A. 52:14B-10.

December 29, 2015

Richard McGill

DATE

RICHARD MCGILL, ALJ

Date Received at Agency:

Date Mailed to Parties:

ljb

Martin C. Rothfelder
Associate General Regulatory Counsel

Law Department
PSEG Services Corporation
80 Park Plaza – T5, Newark, New Jersey 07102-4194
tel : 973-430-6479 fax: 973-430-5983
email: martin.rothfelder@pseg.com



December 23, 2015

In the Matter of the Petition of
Public Service Electric and Gas Company
for Approval of Changes in its Electric and Gas
Societal Benefits Charge Rates, for a Change in its
Electric Non-Utility Generation Charge Rate

BPU Docket No. ER15050558
OAL Docket No. PUC-09345-15

VIA ELECTRONIC MAIL & OVERNIGHT MAIL

Honorable Richard McGill
Administrative Law Judge
Office of Administrative Law
33 Washington Street
Newark, New Jersey 07102

Dear Judge McGill:

Enclosed is a fully executed Stipulation of Settlement in the above-referenced matter. If you have any questions regarding this, do not hesitate to contact me.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Martin C. Rothfelder".

C Attached Service List (E-mail only)

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

Scott Sumliner
Board of Public Utilities
Division of Energy
44 South Clinton Avenue, 9th Flr.
P.O. Box 350
Trenton NJ 08625-0350
(609) 292-4519
scott.sumliner@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

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

Ami Morita
Division of Rate Counsel
140 East Front Street, 4th Flr.
P.O. Box 003
Trenton NJ 08625
(609) 984-1460
amorita@rpa.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

Patricia A. Krogman DAG
NJ Dept of Law & Public Safety
Division of Law
124 Halsey Street, 5th Flr.
P.O. Box 45029
Newark NJ 07101
(973) 648-3441
patricia.krogman@dol.lps.state.nj.us

PSE&G

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

Rate Counsel

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

Rate Counsel

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

BPU

Robert Schultheis
Board of Public Utilities
Division of Energy
44 South Clinton Avenue, 9th Flr.
P.O. Box 350
Trenton NJ 08625-0350
(609) 984-9633
robert.schultheis@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

PSE&G

Martin C. Rothfelder Esq.
PSEG Services Corporation
80 Park Plaza, T5
P.O. Box 570
Newark NJ 07102
(973) 430-6479
martin.rothfelder@pseg.com

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

Andrea Crane
The Columbia Group, Inc.
P.O. Box 810
Georgetown CT 06829
(203) 438-2999
ctcolumbia@aol.com

STATE OF NEW JERSEY
OFFICE OF ADMINSTRATIVE LAW

IN THE MATTER OF THE PETITION OF)
PUBLIC SERVICE ELECTRIC AND GAS)
COMPANY FOR APPROVAL OF CHANGES) OAL NO. PUC-09345-15
IN ITS ELECTRIC AND GAS SOCIETAL)
BENEFITS CHARGE RATES, FOR A) AGENCY NO. ER15050558
CHANGE IN ITS ELECTRIC NON-UTILITY)
GENERATION CHARGE RATE)

APPEARANCES:

Martin C. Rothfelder, Esq., Associate General Regulatory Counsel for the Petitioner, Public Service Electric and Gas Company

Ami Morita, Assistant Deputy Rate Counsel, New Jersey for the Division of Rate Counsel (Stefanie A. Brand, Director)

Alex Moreau and **Patricia A. Krogman**, Deputy Attorneys General, for the Staff of the New Jersey Board of Public Utilities (John Jay Hoffman, Acting Attorney General of New Jersey)

STIPULATION OF SETTLEMENT

1. On May 11, 2015 Public Service Electric and Gas Company (the “Company”) filed a petition with the Board of Public Utilities (the “Board”) seeking approval of changes to its electric Non-utility Generation Charge (“NGC”), in the Social Programs component of the electric Societal Benefits Charge (“SBC”) and to the Energy Efficiency and Renewable Energy (“EE&RE”) components of both its electric and gas SBC. The proposed rate changes as filed are shown in Table 1.

Table 1

	Current Rate Per kWh Excluding Losses and SUT	Filed Proposed Rate per kWh Excluding Losses and SUT
Electric		
NGC	\$0.002993	\$0.001630
SBC - Social Programs	\$0.001347	\$0.001103
SBC - EE&RE	\$0.003047	\$0.002849
Gas	Current Rate Per Therm Excluding SUT	Filed Proposed Rate Per Therm Excluding SUT
SBC - EE&RE	\$0.026426	\$0.022606

2. The Company's NGC rate is intended to recover the difference between the contract-set prices at which the Company purchases generation from the non-utility generators ('NUGs'), and the market ("day-ahead" or "real-time") price that the energy is sold through PJM Interconnection ("PJM")¹.

3. The filed-for rate changes per the May 2015 petition proposed for the electric SBC components were designed to decrease revenues by \$19.6 million from electric customers on an annual basis beginning on August 1, 2015. The rates proposed for the NGC were designed to decrease revenues by \$60.5 million on an annual basis beginning on August 1, 2015.

4. The rate proposed for the gas SBC component was designed to decrease annual revenues from gas customers by \$10.7 million on an annual basis beginning on August 1, 2015.

5. The Company has responded to discovery requests propounded by Board Staff and Rate Counsel. On September 18, 2015, the Company, in response to a discovery request (RCR-A-27 Update), updated the filing with actual data through July 31, 2015.

¹ PJM is a regional transmission organization, or RTO, that coordinates the movement of wholesale electricity in all or parts of thirteen states and the District of Columbia.

6. The Parties agree that the Company's actual electric and gas costs and expenditures through July 31, 2015, are reasonable and prudent. The Over / (Under) balances including interest through July 31, 2015, which were provided in the response to RCR-A-27 (Update), are shown in Table 2 below. The Parties further agree that the forecasts of costs and revenues for the SBC/NGC and the actual results for these items from August 1, 2015 forward will be reviewed in the Company's next SBC/NGC filing.

Table 2
Over (Under) Including Interest as of July 31, 2015
(Thousands)

	<u>ELECTRIC</u>		<u>GAS</u>	
EE&RE	\$18,475		\$11,745	
SOCIAL	\$2,459			
NGC	\$13,935			

7. The Parties further agree that the electric and gas SBC/NGC rates as originally filed as set forth above in Table 1, and in Schedule SS-2A-Settlement (Attachment A) and Schedule SS-2B-Settlement (Attachment B), attached, shall be reflected in rates on the first of the month after approval by the Board. These rates are expected to generate a decrease in SBC/NGC revenues of \$80.1 million and \$10.7 million for electric and gas, respectively for a total decrease of \$90.8 million on an annual basis.

8. The Parties agree that the Company's electric SBC/NGC rates will be changed, which corresponds to an annual bill decrease of \$15.08 or approximately 1.18% on a typical residential customer using 7,200 kWh per year and 750 kWh in a summer month (based on current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect December 1, 2015 and assuming that the customer receives BGS-RSCP service from PSE&G).

9. The Parties also agree that the Company's gas SBC rate will be changed, which corresponds to an annual bill decrease of \$4.10 or 0.47% for typical residential heating customer using 1,010 therms annually and 165 therms in a winter month (based on current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect December 1, 2015 and assuming that the customer receives BGSS service from PSE&G not including any BGSS-RSG bill credits).

10. Also attached hereto as Exhibit C, are current tariff pages as well as draft redline and clean tariff pages setting forth the proposed electric SBC/NGC and gas SBC rates.

11. The Parties recommend that the Board issue an Order approving this Stipulation of Settlement ("Settlement") without modification, with the rate modifications set forth herein effective for service rendered on the first of the month after approval by the Board.

12. PSE&G shall request expedited service of the Board Order approving this Stipulation consistent with the Board Secretary's memo of July 20, 2015 with the goal of getting rates in place February 1, 2016.

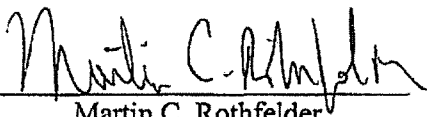
13. The undersigned Parties agree that this Settlement is being entered into exclusively for the purpose of resolving the issues in these matters.

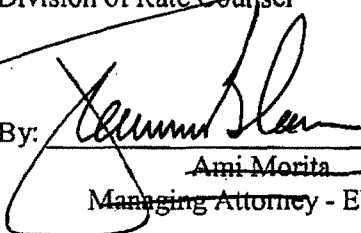
14. The Parties agree that this Settlement was negotiated and agreed to in its entirety with each section being mutually dependent on approval of all other sections. Therefore, if the Board modifies any of the terms of this Settlement, each Party is given the option, before implementation of any different rate or terms in this case, to accept the change or to resume the proceeding as if no agreement had been reached. If these proceedings are resumed, each Party is given the right to return to the position it was in before this Settlement was executed.

15. The undersigned Parties hereby agree that this Settlement has been made exclusively for the purpose of this proceeding and that this Settlement, in total or by specific item, is in no way binding upon them in any other proceeding, except to enforce the terms of this Settlement.

Public Service Electric and Gas Company

Stefanie A. Brand, Director
Division of Rate Counsel

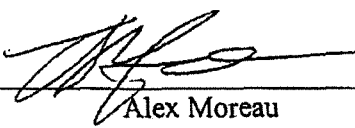
By: 
Martin C. Rothfelder
Associate General Regulatory Counsel

By: 
~~Ami Morita~~ ~~James W. Glasser~~
Managing Attorney - Electric

DATED: December 23, 2015

DATED: 12/23/15

John Jay Hoffman,
Acting Attorney General of New Jersey
Attorney for the Staff of the
Board of Public Utilities

By: 
Alex Moreau
Deputy Attorney General

DATED: December 23, 2015

CALCULATION OF COST RECOVERY FACTOR

ELECTRIC	(\$000's)				TOTAL INCLUDING NGC
	NGC	SOCIAL	EE&RE	TOTAL ELECTRIC SBC*	
BEGINNING BALANCE AS OF 12/31/13 INCLUDING INTEREST	(\$5,825)	(\$7,846)	\$4,354	(\$3,492)	(\$9,317)
ACTUAL REVENUES (01/01/14 - 12/31/14)	\$137,876	\$58,505	\$151,424	\$209,929	\$347,805
ACTUAL EXPENSES (01/01/14 - 12/31/14)	(\$119,332)	(\$51,468)	(\$141,659)	(\$193,127)	(\$312,459)
INTEREST FOR JANUARY 1, 2014 THROUGH DECEMBER 31, 2014	\$94	(\$41)	\$97	\$56	\$151
BALANCE AS OF DECEMBER 31, 2014 INCLUDING INTEREST	\$12,813	(\$849)	\$14,216	\$13,367	\$26,180
PROJECTED REVENUES (01/01/15 - 07/31/15)	\$76,533	\$34,444	\$77,906	\$112,350	\$188,883
PROJECTED EXPENSES (01/01/15 - 07/31/15)	(\$66,180)	(\$32,405)	(\$76,977)	(\$109,382)	(\$175,562)
PROJECTED INTEREST (01/01/15 - 07/31/15)	\$70	(\$9)	\$47	\$38	\$108
PROJECTED BALANCE AS OF 07/31/15 INCLUDING INTEREST	\$23,236	\$1,181	\$15,193	\$16,374	\$39,610
OVER/(UNDER) RECOVERY WITH INTEREST 07/31/2015	\$23,236	\$1,181	\$15,193	\$16,374	\$39,610
ESTIMATED EXPENSES TO BE COLLECTED (08/01/15 - 07/31/16)	\$95,561	\$50,097	\$141,602	\$191,699	\$287,260
TOTAL TO BE COLLECTED	\$72,325	\$48,916	\$126,409	\$175,325	\$247,650
KWH OUTPUT (000s) (08/01/15 - 07/31/16)	44,364,315	44,364,315	44,364,315		
AVERAGE COST PER KILOWATTHOUR (DOLLAR/KWH)	0.001630	0.001103	0.002849		
CHARGE - Secondary (DOLLAR/KWH)	0.001763	0.001193	0.003081		
LPL Primary (DOLLAR/KWH)	0.001718	0.001163	0.003003		
HTS Subtransmission (DOLLAR/KWH)	0.001679	0.001136	0.002935		
HTS High Voltage (DOLLAR/KWH)	0.001654	0.001119	0.002891		

CALCULATION OF REVENUE IMPACT
(\$000's)

	NGC	SOCIAL	EE&RE	TOTAL ELECTRIC SBC*	TOTAL INCLUDING NGC
REVISED RATE PER KWH	0.001630	0.001103	0.002849		
CURRENT RATE PER KWH	0.002993	0.001347	0.003047		
DIFFERENCE	(0.001363)	(0.000244)	(0.000198)		
KWH OUTPUT (000s) (08/01/15 - 07/31/16)	44,364,315	44,364,315	44,364,315		
REVENUE IMPACT (08/01/15 - 07/31/16)	(\$60,469)	(\$10,825)	(\$8,784)	(\$19,609)	(\$80,078)

1. For purposes of this filing, references to NGC are for the Non-Utility Generation above market cost component.

* Excludes RAC, Lifeline and USF.

CALCULATION OF COST RECOVERY FACTOR

GAS	<u>EE&RE</u>	(\$000's) <u>TOTAL</u> <u>* GAS SBC</u>
BEGINNING BALANCE AS OF 12/31/13 INCLUDING INTEREST	(\$5,502)	(\$5,502)
ACTUAL REVENUES (01/01/14 - 12/31/14)	\$90,804	\$90,804
ACTUAL EXPENSES (01/01/14 - 12/31/14)	(\$71,306)	(\$71,306)
INTEREST FOR JANUARY 1, 2014 THROUGH DECEMBER 31, 2014	\$40	\$40
BALANCE AS OF DECEMBER 31, 2014 INCLUDING INTEREST	\$14,036	\$14,036
PROJECTED REVENUES (01/01/15 - 07/31/15)	\$46,324	\$46,324
PROJECTED EXPENSES (01/01/15 - 07/31/15)	(\$55,609)	(\$55,609)
PROJECTED INTEREST (01/01/15 - 07/31/15)	\$56	\$56
PROJECTED BALANCE AS OF 07/31/15 INCLUDING INTEREST	\$4,807	\$4,807
OVER/(UNDER) RECOVERY WITH INTEREST 07/31/2015	\$4,807	\$4,807
ESTIMATED EXPENSES TO BE COLLECTED (08/01/15 - 07/31/16)	\$68,215	\$68,215
TOTAL TO BE COLLECTED	\$63,408	\$63,408
THERM SALES (000s) (08/01/15- 07/31/16)	2,804,896	
DOLLAR PER THERM	0.022606	

CALCULATION OF REVENUE IMPACT (\$000's)
--

	<u>EE&RE</u>	<u>*TOTAL GAS SBC</u>
REVISED RATE PER THERM	0.022606	
CURRENT RATE PER THERM	0.026426	
DIFFERENCE	(0.003820)	
THERM SALES (000s) (08/01/15- 07/31/16)	2,804,896	
REVENUE IMPACT (08/01/15 - 07/31/16)	(\$10,715)	(\$10,715)

* Excludes RAC, Lifeline and USF.

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

Fourteenth Revised Sheet No. 57
Superseding
Thirteenth Revised Sheet No. 57

SOCIETAL BENEFITS CHARGE

**Cost Recovery
(per kilowatthour)**

Component:

Social Programs.....	\$ 0.001347
Energy Efficiency and Renewable Energy Programs	0.003047
Manufactured Gas Plant Remediation	0.000434
Sub-total per kilowatthour	\$ 0.004828

Charge including losses, USF and Lifeline:

	<u>Loss</u> <u>Factor</u>	<u>Sub-total</u> <u>Including</u> <u>Losses</u>	<u>USF</u>	<u>Lifeline</u>	<u>Total</u> <u>Charge</u>
Secondary Service	7.5377%	\$ 0.005222	\$ 0.002086	\$ 0.000677	\$ 0.007985
LPL Primary	5.1232%	0.005089	0.002086	0.000677	0.007852
HTS Subtransmission	2.9402%	0.004974	0.002086	0.000677	0.007737
HTS High Voltage	1.4590%	0.004899	0.002086	0.000677	0.007662

Charges including New Jersey Sales and Use Tax (SUT)

Secondary Service.....	\$0.008544
LPL Primary.....	0.008402
HTS Subtransmission	0.008279
HTS High Voltage	0.008198

SOCIETAL BENEFITS CHARGE

This mechanism is designed to insure recovery of costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Actual costs incurred by the Company for each of these cost components will be 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 for all components other than Manufactured Gas Plant Remediation. Interest at the seven-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances for the Manufactured Gas Plant Remediation. The interest rates for all components other than USF and Lifeline shall change each August 1. The interest rates for the USF and Lifeline components shall be reset each month.

Date of Issue: September 21, 2015

Effective: October 1, 2015

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 September 11, 2015
in Docket No. ER15060732

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

Ninth Revised Sheet No. 60
Superseding
Amended Eighth Revised Sheet No. 60

NON-UTILITY GENERATION CHARGE

	Cost Recovery (per kilowatthour)		
	St Lawrence NYPA Credit RS, RHS and RLM	Non-Utility Generation above market costs	Total
Total Cost per kilowatthour		\$0.002993	
Amount per kilowatthour of cost recovery after application of losses:			
RS, RHS & RLM (Loss Factor =7.5377%)	(\$ 0.000083)	\$ 0.003237	\$0.003154
Other Secondary (Loss Factor =7.5377%)		0.003237	0.003237
LPL Primary (Loss Factor =5.1232%)		0.003155	0.003155
HTS Subtransmission (Loss Factor =2.9402%)		0.003084	0.003084
HTS High Voltage (Loss Factor =1.4590%)		0.003037	0.003037
Charges including New Jersey Sales and Use Tax (SUT)			
RS, RHS & RLM	(\$ 0.000089)	\$0.003464	\$0.003375
Other Secondary Service		0.003464	0.003464
LPL Primary		0.003376	0.003376
HTS Subtransmission		0.003300	0.003300
HTS High Voltage		0.003250	0.003250

NON-UTILITY GENERATION CHARGE

This mechanism is designed to insure recovery of costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. This charge shall recover: 1) above market costs associated with non-regulated generation costs which are related to long-term contractual power purchase arrangements approved by the Board and/or established under requirements of the Public Utility Regulatory Policies Act of 1978 and 2) other generation costs as may be approved by the Board. Actual costs incurred by the Company will be subject to deferred accounting. The St. Lawrence New York Power Authority (NYPA) Annual Benefit Allocation credit reflects the annual Economic Benefit allocation for New Jersey's investor owned utilities to supply residential customers' load.

Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered Non-utility Generation above market cost balances. This interest rate shall change each August 1.

Date of Issue: April 15, 2015

Effective: June 1, 2015

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 November 9, 2004
in Docket Nos. EO04101124

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

Fifteenth Revised Sheet No. 41

B.P.U.N.J. No. 15 GAS

**Superseding
Fourteenth Revised Sheet No. 41**

SOCIETAL BENEFITS CHARGE

**CHARGE APPLICABLE TO
RATE SCHEDULES RSG, GSG, LVG, SLG,
TSG-F, TSG-NF, CIG, CSG
(Per Therm)**

Social Programs.....	\$ 0.000000
Energy Efficiency and Renewables Programs.....	0.026426
Manufactured Gas Plant Remediation	0.008927
Universal Service Fund - Permanent	0.004800
Universal Service Fund - Lifeline	<u>0.005300</u>
Societal Benefits Charge	\$ 0.045453
Societal Benefits Charge including New Jersey Sales and Use Tax (SUT)	<u>\$ 0.048635</u>

Societal Benefits Charge

This mechanism is designed to insure recovery of costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Actual costs incurred by the Company for each of these cost components will be subject to deferred accounting. Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under-over recovered balances for all components other than Manufactured Gas Plant Remediation. Interest at the seven-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances for the Manufactured Gas Plant Remediation. The interest rates for all components other than USF and Lifeline shall change each August 1. The interest rates for the USF and Lifeline components shall be reset each month.

See Section 16 of the Standard Terms and Conditions for exemptions from this charge.

Date of Issue: September 21, 2015

Effective: October 1, 2015

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 September 11, 2015
in Docket No. ER15060732

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 57

B.P.U.N.J. No. 15 ELECTRIC

Superseding

XXX Revised Sheet No. 57

SOCIETAL BENEFITS CHARGE

**Cost Recovery
(per kilowatthour)**

Component:

Social Programs.....	\$ 0.001347	0.001103
Energy Efficiency and Renewable Energy Programs.....	0.003047	0.002849
Manufactured Gas Plant Remediation.....		<u>0.000434</u>
Sub-total per kilowatthour.....	\$ 0.004828	<u>0.004386</u>

Charge including losses, USF and Lifeline:

	<u>Loss Factor</u>	<u>Sub-total Including Losses</u>	<u>USF</u>	<u>Lifeline</u>	<u>Total Charge</u>
Secondary Service	7.5377%	\$ <u>0.005222</u> <u>0.004744</u>	\$ 0.002086	\$ 0.000677	\$ <u>0.007985</u> <u>0.007507</u>
LPL Primary	5.1232%	<u>0.005089</u> <u>0.004623</u>	0.002086	0.000677	<u>0.007852</u> <u>0.007386</u>
HTS Subtransmission	2.9402%	<u>0.004974</u> <u>0.004519</u>	0.002086	0.000677	<u>0.007737</u> <u>0.007282</u>
HTS High Voltage	1.4590%	<u>0.004899</u> <u>0.004451</u>	0.002086	0.000677	<u>0.007662</u> <u>0.007214</u>

Charges including New Jersey Sales and Use Tax (SUT)

Secondary Service.....	\$0.008544	0.008032
LPL Primary.....	0.008402	0.007903
HTS Subtransmission.....	0.008279	0.007792
HTS High Voltage.....	0.008198	0.007719

SOCIETAL BENEFITS CHARGE

This mechanism is designed to insure recovery of costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Actual costs incurred by the Company for each of these cost components will be 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 for all components other than Manufactured Gas Plant Remediation. Interest at the seven-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances for the Manufactured Gas Plant Remediation. The interest rates for all components other than USF and Lifeline shall change each August 1. The interest rates for the USF and Lifeline components shall be reset each month.

Date of Issue:

Issued by SCOTT S. JENNINGS, 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. 60
Superseding
XXX Revised Sheet No. 60

NON-UTILITY GENERATION CHARGE

	Cost Recovery (per kilowatthour)		
	St Lawrence NYPA Credit RS, RHS and RLM	Non-Utility Generation above market costs	Total
Total Cost per kilowatthour		\$0.002993 <u>0.001630</u>	
Amount per kilowatthour of cost recovery after application of losses:			
RS, RHS & RLM (Loss Factor =7.5377%)	(\$ 0.000083)	\$ 0.003237	\$0.003154
Other Secondary (Loss Factor =7.5377%)		<u>0.001763</u>	<u>0.001680</u>
LPL Primary (Loss Factor =5.1232%)		<u>0.003237</u>	<u>0.003237</u>
HTS Subtransmission (Loss Factor =2.9402%)		<u>0.001763</u>	<u>0.001763</u>
HTS High Voltage (Loss Factor =1.4590%)		<u>-0.003155</u>	<u>0.003155</u>
		<u>0.001718</u>	<u>0.001718</u>
		<u>-0.003084</u>	<u>0.003084</u>
		<u>0.001679</u>	<u>0.001679</u>
		<u>0.003037</u>	<u>0.003037</u>
		<u>0.001654</u>	<u>0.001654</u>
Charges including New Jersey Sales and Use Tax (SUT)			
RS, RHS & RLM	(\$ 0.000089)	\$0.003464	\$0.003375
Other Secondary Service		<u>0.001886</u>	<u>0.001797</u>
LPL Primary		<u>-0.003464</u>	<u>0.003464</u>
HTS Subtransmission		<u>0.001886</u>	<u>0.001886</u>
HTS High Voltage		<u>-0.003376</u>	<u>0.003376</u>
		<u>0.001838</u>	<u>0.001838</u>
		<u>0.003300</u>	<u>0.003300</u>
		<u>0.001797</u>	<u>0.001797</u>
		<u>-0.003250</u>	<u>0.003250</u>
		<u>0.001770</u>	<u>0.001770</u>

NON-UTILITY GENERATION CHARGE

This mechanism is designed to insure recovery of costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. This charge shall recover: 1) above market costs associated with non-regulated generation costs which are related to long-term contractual power purchase arrangements approved by the Board and/or established under requirements of the Public Utility Regulatory Policies Act of 1978 and 2) other generation costs as may be approved by the Board. Actual costs incurred by the Company will be subject to deferred accounting. The St. Lawrence New York Power Authority (NYPA) Annual Benefit Allocation credit reflects the annual Economic Benefit allocation for New Jersey's investor owned utilities to supply residential customers' load.

Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered Non-utility Generation above market cost balances. This interest rate shall change each August 1.

Date of Issue:

Issued by SCOTT S. JENNINGS, 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

**XXX Revised Sheet No. 41
Superseding**

B.P.U.N.J. No. 15 GAS

XXX Revised Sheet No. 41

SOCIETAL BENEFITS CHARGE

**CHARGE APPLICABLE TO
RATE SCHEDULES RSG, GSG, LVG, SLG,
TSG-F, TSG-NF, CIG, CSG
(Per Therm)**

Social Programs	\$ 0.000000
Energy Efficiency and Renewables Programs	0.026426 0.022606
Manufactured Gas Plant Remediation	0.008927
Universal Service Fund - Permanent	0.004800
Universal Service Fund - Lifeline	<u>0.005300</u>
Societal Benefits Charge	\$0.045453 0.041633
Societal Benefits Charge including New Jersey Sales and Use Tax (SUT)	\$0.048635 0.044547

Societal Benefits Charge

This mechanism is designed to insure recovery of costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Actual costs incurred by the Company for each of these cost components will be subject to deferred accounting. Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under-over recovered balances for all components other than Manufactured Gas Plant Remediation. Interest at the seven-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances for the Manufactured Gas Plant Remediation. The interest rates for all components other than USF and Lifeline shall change each August 1. The interest rates for the USF and Lifeline components shall be reset each month.

See Section 16 of the Standard Terms and Conditions for exemptions from this charge.

Date of Issue:

Issued by SCOTT S. JENNINGS, 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. 57
Superseding
XXX Revised Sheet No. 57

SOCIETAL BENEFITS CHARGE

**Cost Recovery
(per kilowatthour)**

Component:

Social Programs.....	\$ 0.001103
Energy Efficiency and Renewable Energy Programs.....	0.002849
Manufactured Gas Plant Remediation.....	<u>0.000434</u>
Sub-total per kilowatthour	\$ 0.004386

Charge including losses, USF and Lifeline:

	<u>Loss Factor</u>	<u>Sub-total Including Losses</u>	<u>USF</u>	<u>Lifeline</u>	<u>Total Charge</u>
Secondary Service	7.5377%	\$ 0.004744	\$ 0.002086	\$ 0.000677	\$ 0.007507
LPL Primary	5.1232%	0.004623	0.002086	0.000677	0.007386
HTS Subtransmission	2.9402%	0.004519	0.002086	0.000677	0.007282
HTS High Voltage	1.4590%	0.004451	0.002086	0.000677	0.007214

Charges including New Jersey Sales and Use Tax (SUT)

Secondary Service.....	\$0.008032
LPL Primary.....	0.007903
HTS Subtransmission.....	0.007792
HTS High Voltage.....	0.007719

SOCIETAL BENEFITS CHARGE

This mechanism is designed to insure recovery of costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Actual costs incurred by the Company for each of these cost components will be 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 for all components other than Manufactured Gas Plant Remediation. Interest at the seven-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances for the Manufactured Gas Plant Remediation. The interest rates for all components other than USF and Lifeline shall change each August 1. The interest rates for the USF and Lifeline components shall be reset each month.

Date of Issue:

Issued by SCOTT S. JENNINGS, 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

XXX Revised Sheet No. 60

B.P.U.N.J. No. 15 ELECTRIC

Superseding

XXX Revised Sheet No. 60

NON-UTILITY GENERATION CHARGE

Cost Recovery (per kilowatthour)			
	St Lawrence NYPA Credit RS, RHS and RLM	Non-Utility Generation above market costs	Total
Total Cost per kilowatthour		\$0.001630	
Amount per kilowatthour of cost recovery after application of losses:			
RS, RHS & RLM (Loss Factor =7.5377%)	(\$ 0.000083)	\$ 0.001763	\$0.001680
Other Secondary (Loss Factor =7.5377%)		0.001763	0.001763
LPL Primary (Loss Factor =5.1232%)		0.001718	0.001718
HTS Subtransmission (Loss Factor =2.9402%)		0.001679	0.001679
HTS High Voltage (Loss Factor =1.4590%)		0.001654	0.001654
Charges including New Jersey Sales and Use Tax (SUT)			
RS, RHS & RLM	(\$ 0.000089)	\$0.001886	\$0.001797
Other Secondary Service		0.001886	0.001886
LPL Primary		0.001838	0.001838
HTS Subtransmission		0.001797	0.001797
HTS High Voltage		0.001770	0.001770

NON-UTILITY GENERATION CHARGE

This mechanism is designed to insure recovery of costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. This charge shall recover: 1) above market costs associated with non-regulated generation costs which are related to long-term contractual power purchase arrangements approved by the Board and/or established under requirements of the Public Utility Regulatory Policies Act of 1978 and 2) other generation costs as may be approved by the Board. Actual costs incurred by the Company will be subject to deferred accounting. The St. Lawrence New York Power Authority (NYPA) Annual Benefit Allocation credit reflects the annual Economic Benefit allocation for New Jersey's investor owned utilities to supply residential customers' load.

Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered Non-utility Generation above market cost balances. This interest rate shall change each August 1.

Date of Issue:

Issued by SCOTT S. JENNINGS, 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

XXX Revised Sheet No. 41

B.P.U.N.J. No. 15 GAS

Superseding

XXX Revised Sheet No. 41

SOCIETAL BENEFITS CHARGE

**CHARGE APPLICABLE TO
RATE SCHEDULES RSG, GSG, LVG, SLG,
TSG-F, TSG-NF, CIG, CSG
(Per Therm)**

Social Programs	\$ 0.000000
Energy Efficiency and Renewables Programs	0.022606
Manufactured Gas Plant Remediation	0.008927
Universal Service Fund - Permanent	0.004800
Universal Service Fund - Lifeline	<u>0.005300</u>
Societal Benefits Charge	\$ 0.041633
Societal Benefits Charge including New Jersey Sales and Use Tax (SUT)	<u>\$ 0.044547</u>

Societal Benefits Charge

This mechanism is designed to insure recovery of costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Actual costs incurred by the Company for each of these cost components will be subject to deferred accounting. Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under-over recovered balances for all components other than Manufactured Gas Plant Remediation. Interest at the seven-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances for the Manufactured Gas Plant Remediation. The interest rates for all components other than USF and Lifeline shall change each August 1. The interest rates for the USF and Lifeline components shall be reset each month.

See Section 16 of the Standard Terms and Conditions for exemptions from this charge.

Date of Issue:

Issued by SCOTT S. JENNINGS, 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: