



Agenda Date: 9/22/17  
Agenda Item: 2J

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
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Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

ENERGY

IN THE MATTER OF PUBLIC SERVICE ELECTRIC )  
AND GAS COMPANY'S 2017/2018 ANNUAL BGSS )  
COMMODITY CHARGE FILING FOR ITS )  
RESIDENTIAL GAS CUSTOMERS UNDER ITS )  
PERIODIC PRICING MECHANISM )  
DECISION AND ORDER )  
APPROVING STIPULATION )  
FOR PROVISIONAL )  
BGSS-RSG RATES )  
BPU DOCKET NO. GR17060589 )

**Parties of Record:**

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

**BY THE BOARD:**

On June 1, 2017, Public Service Electric and Gas Company ("PSE&G" or "Company") filed a petition ("2017 BGSS Petition") with the New Jersey Board of Public Utilities ("Board") seeking approval to modify its Basic Gas Supply Service ("BGSS")-Residential Gas Service ("BGSS-RSG") rate. By this Decision and Order, the Board considers a Stipulation for Provisional Rates ("Stipulation") executed by PSE&G, the New Jersey Division of Rate Counsel ("Rate Counsel") and Board Staff ("Staff") (collectively, the "Parties") requesting that the Board approve changes in the BGSS-RSG rate on a provisional basis, subject to refund with interest.

**BACKGROUND**

By Order dated January 6, 2003,<sup>1</sup> in Docket No. GX01050304 ("January 2003 BGSS Order"), the Board directed each of New Jersey's four (4) gas distribution companies ("GDCs") to submit to the Board by June 1 its annual BGSS cost filing for the BGSS year beginning October 1. In addition, the January 2003 BGSS Order authorizes each GDC to: a) self-implement up to a five (5) percent BGSS increase effective December 1 of the current year and February 1 of the following year with one (1) month's advance notice to the Board and Rate Counsel; and b) implement a decrease in its BGSS rate at any time during the year upon five (5) days' notice to the Board and Rate Counsel.

<sup>1</sup> I/M/O the Provision of Basic Gas Supply Service Pursuant to the Electric Discount and Energy Act, N.J.S.A. 48:3-49 et seq. – BGSS Pricing, BPU Docket No. GX01050304 (January 6, 2003).

Pursuant to the January 2003 BGSS Order, on June 1, 2017, PSE&G filed the instant petition with the Board requesting that the Board permit the Company to increase its BGSS-RSG Charge, effective October 1, 2017 or earlier, should the Board deem it appropriate. Approval of the Company's request as filed would result in an increase in annual BGSS-RSG revenues of approximately \$34.4 million, excluding losses and Sales and Use Tax ("SUT"). The Company requested a per therm increase in the BGSS-RSG Commodity Charge rate from \$0.339408 per therm to \$0.369939 per therm.<sup>2</sup>

Based upon rates in effect at the time of the June 1, 2017 filing, with the combined decreases in the BGSS Commodity and Balancing charges, the annual bill of a residential heating customer using 100 therms per month during the winter months and 610 therms on an annual basis would be increased from \$547.68 to \$566.30, an increase of \$18.62 or 3.4 percent, while the annual bill of a typical residential heating customer using 165 therms per month during the winter and 1,010 therms on an annual basis would be increased from \$861.02 to \$891.88, an increase of \$30.86 or 3.6 percent.

Subsequent to the June 1, 2017 Filing, the Company made a Compliance Filing on or about August 30, 2017 in response to the Board's Order in the Company's Petition for Approval of Electric and Gas Base Rate Adjustments Pursuant to the Energy Strong Program ("Energy Strong Matter") in Docket Nos. ER17030324 and GR17030325. As a result of the settlement of the Energy Strong Matter, the Company's BGSS-RSG Commodity Charge was decreased from \$0.339408 per therm (including losses and SUT) to \$0.339397 per therm (including losses and SUT) effective September 1, 2017.<sup>3</sup>

After publication of notice in newspapers of general circulation in PSE&G's service territory, public hearings were scheduled and conducted in Mt. Holly, New Brunswick, and Hackensack, on September 11, 14, and 15, 2017, respectively. No members of the public appeared at the public hearings.

### **STIPULATION**

Following further review and discussions, the Parties determined that additional time is needed to complete a review of the Company's 2017 BGSS Petition. Accordingly, on September 18, 2017, the Parties executed the Stipulation. The Stipulation provides for the following:<sup>4</sup>

1. The Company's BGSS Commodity Service, Tariff rate BGSS-RSG, shall provisionally be increased from \$0.339397 per therm (including losses and SUT) to \$0.369939 per therm (including losses and SUT). This BGSS-RSG Commodity Charge is on a provisional basis, subject to refund with interest on any net over-recovered BGSS-RSG balance.

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<sup>2</sup> All rates quoted herein include losses and SUT unless otherwise stated.

<sup>3</sup> As a result of the BGSS-RSG commodity decrease approved in the Board's Order in the Energy Strong Matter, a typical residential gas heating customer using 100 therms per month during the winter months and 610 therms on an annual basis would see no change in the monthly winter commodity bill. Further, a typical residential gas heating customer using 165 therms per month during the winter months and 1,010 therms on an annual basis would see no change in their annual commodity bill.

<sup>4</sup> Although summarized in this Order, should there be any conflict between this summary and this Stipulation, the terms of the Stipulation control subject to the findings and conclusion in this Order.

2. There will be an opportunity for full review of all the changes requested by the Company at the Office of Administrative Law ("OAL"), if necessary, and final approval by the Board.
3. The residential customer impact of this action is as follows: MONTHLY – a residential customer using 100 therms per month during the winter months and 610 therms on an annual basis would see an increase in the monthly winter bill of \$3.05; and ANNUAL – a residential customer using 165 therms per month during the winter months and 1,010 therms on an annual basis would see an increase in the annual bill of \$30.86. The agreed-upon provisional rates would result in an increase in BGSS revenues during the 2017-2018 BGSS year of \$34.4 million (excluding losses and SUT). The Company requests that the provisional rate become effective as of October 1, 2017, or as soon as possible upon the issuance of a Board Order approving the Stipulation.
4. The Board, in its generic Order in Docket No. GX01050304 dated January 6, 2003, granted approval to increase the BGSS-RSG Commodity Charge to be effective December 1 of this year and/or February 1 of next year, on a self-implementing basis, with each such increase being subject to a maximum rate increase of five (5) percent of the average rate based on a typical 100 therms per month average (1,200 therms annual usage) residential customer's total bill. Such rate increases shall be preconditioned upon written notice by PSE&G to Staff and Rate Counsel no later than November 1, 2017 and/or January 1, 2018 of its intention to apply a December 1 or a February 1 self-implementing rate increase, respectively, and of the approximate amount of the increases based upon then-current market data. PSE&G is permitted to decrease its BGSS-RSG Commodity Charge at any time, upon five (5) days' notice to the Board and Rate Counsel.
5. The Company will provide updated tariff sheets within five (5) business days of the effective date of the Board's Order in this docket reflecting the provisional rate of \$0.369939 per therm (including losses and SUT) for the BGSS-RSG Commodity Charge agreed to by the parties in the Stipulation. The proposed tariff sheet is attached to the Stipulation as Exhibit C.
6. The Company agrees to continue to provide electronically to the Parties in this proceeding, on a monthly basis, the following updated information: 1) the BGSS NYMEX Update Report (also known as S-PSCHART-1) attached to the Stipulation as Exhibit A; and 2) a monthly report of unitized credits to the BGSS (ISG, Cogeneration, TSG-F, Off System Sales, Capacity Releases, Gas to Electric and Supplier Refunds) and the associated dollar amounts (attached hereto as Exhibit B). The chart reflected on Exhibit A of the Stipulation is to be completed using information from the first Friday of the month and submitted to BPU Staff and Rate Counsel the following Tuesday. The chart reflected on Exhibit B to the Stipulation is to be submitted to Board Staff and Rate Counsel on approximately the 15th of the following month.

**DISCUSSION AND FINDINGS**

The Board has carefully reviewed the record to date in this proceeding and the attached Stipulation. The Board **HEREBY FINDS** that, subject to the terms and conditions set forth below, the attached Stipulation is reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the Stipulation as its own, as though fully set forth herein.

The Board **HEREBY ORDERS** that the Company's BGSS-RSG per therm rate should be provisionally increased to \$0.369939, and be made effective on and after October 1, 2017. Any net over-recovered BGSS-RSG balance at the end of the BGSS period shall be subject to refund with interest.

The Board **HEREBY DIRECTS** that the Company file tariff sheets substantially in the form of Exhibit C to the Stipulation by October 1, 2017.

The Board **HEREBY DIRECTS** that this matter be transmitted to the OAL for a full review of the filing.

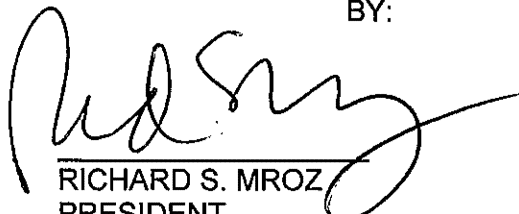
The Company's costs, including those related to BGSS, remain subject to audit by the Board. This Decision and Order shall not preclude the Board from taking any actions deemed to be appropriate as a result of any such audit.

The effective date of the Order is September 29, 2017.

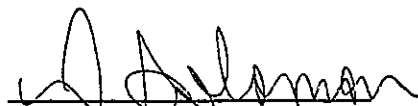
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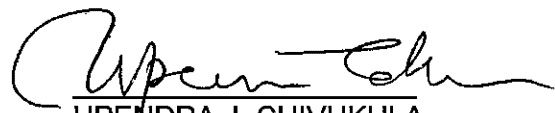
BOARD OF PUBLIC UTILITIES  
BY:

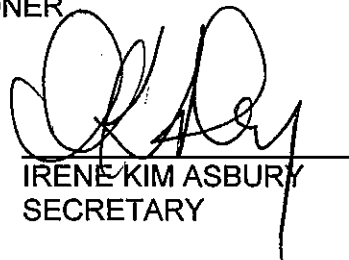
  
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RICHARD S. MROZ  
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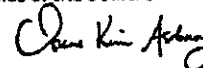
  
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ATTEST:   
\_\_\_\_\_  
IRENE KIM ASBURY  
SECRETARY

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 PUBLIC SERVICE ELECTRIC AND GAS COMPANY'S  
2017/2018 ANNUAL BGSS COMMODITY CHARGE FILING FOR ITS  
RESIDENTIAL GAS CUSTOMERS UNDER ITS PERIODIC PRICING MECHANISM  
DOCKET NO. GR17060589

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September 18, 2017

*Via Overnight Mail*

In the Matter of Public Service Electric and  
Gas Company's 2017/2018 Annual BGSS Commodity  
Charge Filing for its Residential Gas Customers  
Under its Periodic Pricing Mechanism

BPU Docket No. GR17060589

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

Dear Secretary Asbury:

Enclosed for filing by Public Service Electric and Gas Company ("Company"), please find an original and ten copies of the Company's fully-executed Stipulation for Provisional BGSS Rates in the captioned matter.

Very truly yours,

A handwritten signature in black ink, appearing to be "Justin B. Incardone", written in a cursive style.

Justin B. Incardone

Attach.

C Service List (Electronic)

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07/03/2017

Public Service Electric and Gas Company  
BGSS 2017-2018  
GR17060589

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STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF PUBLIC SERVICE )  
ELECTRIC AND GAS COMPANY'S )  
2017/2018 ANNUAL BGSS COMMODITY ) STIPULATION FOR  
CHARGE FILING FOR ITS RESIDENTIAL ) PROVISIONAL BGSS RATES  
GAS CUSTOMERS UNDER ITS PERIODIC )  
PRICING MECHANISM ) BPU DOCKET NO. GR17060589

**APPEARANCES:**

**Matthew M. Weissman, Esq.**, General Regulatory Counsel - Rates, and **Justin B. Incardone, Esq.**, Associate General Regulatory Counsel, Esq., 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 **Maura Caroselli, Esq.**, Assistant Deputy Rate Counsel, for the New Jersey Division of Rate Counsel (**Stefanie A. Brand**, Director)

**Alex Moreau, Patricia Krogman, and Emma Yao Xiao**, Deputy Attorneys General, for the Staff of the New Jersey Board of Public Utilities (**Christopher S. Porrino**, Attorney General of New Jersey)

On June 1, 2017, Public Service Electric and Gas Company ("Public Service" or "the Company") made a filing in the above-referenced matter requesting an increase in Annual Basic Gas Supply Service ("BGSS") gas revenues of approximately \$34.4 million (excluding losses and New Jersey Sales and Use Tax, ("SUT")) to be implemented for service rendered on and after October 1, 2017 or earlier, should the Board deem it appropriate. In the June 1<sup>st</sup> filing, the Company requested to increase the BGSS Commodity Charge to Residential Service Customers ("BGSS-RSG") from \$0.339408 per therm (including losses and SUT) to \$0.369939 per therm (including losses and SUT).

As filed, the proposed change would increase the annual bill for a typical residential heating customer using 165 therms per winter month and 1,010 therms annually from \$861.02 to \$891.88, an annual increase of \$30.86, or approximately 3.6% (based upon

rates in effect on June 1, 2017 and assuming that the customer receives BGSS service from PSE&G). The proposed change as filed would increase the annual bill for a residential heating customer using 100 therms per month during the winter months and 610 therms annually from \$547.68 to \$566.30, an annual increase of \$18.62, or approximately 3.4% (based upon rates in effect on June 1, 2017 and assuming that the customer receives BGSS service from PSE&G). Notice setting forth the Company's June 1, 2017 request for the BGSS Commodity Charge increase, including the date, time, and place of the public hearing, was placed in newspapers having a circulation within the Company's gas service territory and was served on the county executives and clerks of all municipalities within the Company's gas service territory.

Public hearings were scheduled and conducted in Mount Holly, New Brunswick, and Hackensack on September 11, 14, and 15, 2017, respectively. No member of the public appeared at the public hearings.

Subsequent to the June 1, 2017 Filing, the Company made a Compliance Filing on August 30, 2017 in response to the Board's Order in the Company's Petition for Approval of Electric and Gas Base Rate Adjustments Pursuant to the Energy Strong Program ("Energy Strong Matter") in Docket Nos. ER17030324 and GR17030325. As a result of the settlement of the Energy Strong Matter, the Company's BGSS-RSG Commodity Charge was reduced from \$0.339408 per therm (including losses and SUT) to \$0.339397 per therm (including losses and SUT) effective September 1, 2017.<sup>1</sup>

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<sup>1</sup> As a result of the BGSS-RSG commodity decrease approved in the Board's Order in the Energy Strong Matter, a typical residential gas heating customer using 100 therms per month during the winter months and 610 therms on an annual basis would see no change in the monthly winter commodity bill. Further, a typical residential gas heating customer using 165 therms per month during the winter months and 1,010 therms on an annual basis would see no change in their annual commodity bill.

Public Service, Board Staff, and the Division of Rate Counsel ("Rate Counsel") (collectively, "the Parties") have determined that additional time is needed to complete the review of the Company's proposed BGSS-RSG Commodity Charge. However, the Parties also agree that action with respect to the Company's BGSS-RSG Commodity Charge for the 2017-2018 BGSS year, on a provisional basis, is reasonable at this time and HEREBY AGREE as follows:

1. The Company's BGSS Commodity Service, Tariff rate BGSS-RSG, shall provisionally be increased from \$0.339397 per therm (including losses and SUT) to \$0.369939 per therm (including losses and SUT). This BGSS-RSG Commodity Charge is on a provisional basis, subject to refund with interest on any net over-recovered BGSS-RSG balance.

2. There will be an opportunity for full review of all the changes requested by the Company at the Office of Administrative Law, if necessary, and final approval by the Board.

3. The residential customer impact of this action is as follows: MONTHLY – a residential customer using 100 therms per month during the winter months and 610 therms on an annual basis would see an increase in the monthly winter bill of \$3.05. ANNUAL – a residential customer using 165 therms per month during the winter months and 1,010 therms on an annual basis would see an increase in the annual bill of \$30.86 (based upon rates in effect on September 1, 2017 and assuming the customer receives BGSS service from PSE&G). The agreed-upon provisional rate would result in an increase in BGSS revenues during the 2017-2018 BGSS year of \$34.4 million (excluding losses and SUT). The Company requests that the

provisional rate become effective as of October 1, 2017, or as soon as possible upon the issuance of a Board Order approving this Stipulation.

4. The Board, in its generic Order in Docket No. GX01050304 dated January 6, 2003, granted approval to increase the BGSS-RSG Commodity Charge to be effective December 1 of this year and/or February 1 of next year, on a self-implementing basis, with each such increase being subject to a maximum rate increase of 5% of the average rate based on a typical 100 therms per month average (1,200 therms annual usage) residential customer's total bill. Such rate increases shall be preconditioned upon written notice by Public Service to the BPU Staff and Rate Counsel no later than November 1, 2017 and/or January 1, 2018 of its intention to apply a December 1 or a February 1 self-implementing rate increase, respectively, and of the approximate amount of the increases based upon then-current market data. Public Service is permitted to decrease its BGSS-RSG Commodity Charge at any time, upon five days notice to the Board and Rate Counsel.

5. 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 provisional rate of \$0.369939 per therm (including losses and SUT) for the BGSS-RSG Commodity Charge agreed to by the parties in this Stipulation. The proposed tariff sheet is attached hereto as Exhibit C to this Stipulation.

6. The Company agrees to continue to provide electronically to the Parties in this proceeding, on a monthly basis, the following updated information: 1) the BGSS NYMEX Update Report (also known as S-PSCHART-1) attached hereto as Exhibit A; and 2) a monthly report of unitized credits to the BGSS (ISG, Cogeneration, TSG-F, Off System Sales, Capacity Releases, Gas to Electric and Supplier Refunds) and the associated dollar amounts (attached

hereto as Exhibit B). The chart reflected on Exhibit A is to be completed using information from the first Friday of the month and submitted to BPU Staff and Rate Counsel the following Tuesday. The chart reflected on Exhibit B is to be submitted to BPU Staff and Rate Counsel on approximately the 15th of the following month.

7. The undersigned Parties recommend to the Board that this matter be transmitted to the Office of Administrative Law for an opportunity for full review of all issues, including the provisional rate approved by the Board.

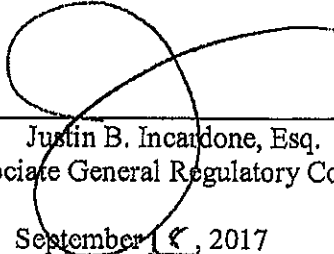
8. The undersigned agree that this Stipulation for a Provisional BGSS-RSG Commodity Charge contains mutually balancing and interdependent provisions and is intended to be accepted and approved in its entirety. In the event any particular aspect of this Stipulation is not accepted and approved by the Board, this Stipulation shall be null and void, and the parties shall be placed in the same position that they were in immediately prior to its execution.

9. The undersigned 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.

10. The undersigned Parties further HEREBY AGREE that this Stipulation for a Provisional BGSS-RSG Commodity Charge has been made exclusively for the purpose of this proceeding and that this Stipulation, in total or specific item, is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation for a Provisional BGSS-RSG Commodity Charge.

PUBLIC SERVICE ELECTRIC AND  
GAS COMPANY

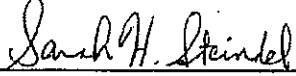
BY: \_\_\_\_\_

  
Justin B. Incardone, Esq.  
Associate General Regulatory Counsel

DATED: September 14, 2017

STEFANIE A. BRAND  
DIRECTOR,  
DIVISION OF RATE COUNSEL

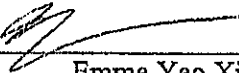
BY: \_\_\_\_\_

  
Sarah H. Steindel  
Assistant Deputy Rate Counsel

DATED: September \_\_\_\_, 2017

CHRISTOPHER S. PORRINO  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for the Staff of the Board of Public Utilities

BY: \_\_\_\_\_

  
Emma Yao Xiao  
Deputy Attorney General

DATED: September 18, 2017

**S-PSCHART-1 -- RESTATED FOR PURCHASES NOT SENDOUT**  
**BGSS NYMEX Update Report**  
as of July 6, 2015

Month	a	b	c = b - a		d	e	f	g = e - f	h = c x g
	BGSS	NYMEX	Incr/ (Decr)	% Chg	Sales forecast (dths)	(dths)	Hedged volume (dths)	Unhedged volume (dths)	Change in value unhedged
Oct-14	\$4.422	\$3.984	(\$0.438)		5,945	8,960	4,725	4,235	(\$1,855)
Nov-14	\$4.467	\$3.728	(\$0.739)		16,958	14,686	6,500	8,185	(\$6,049)
Dec-14	\$4.573	\$4.282	(\$0.291)		21,103	17,535	6,717	10,818	(\$3,148)
Jan-15	\$4.640	\$3.189	(\$1.451)		30,055	21,404	6,717	14,687	(\$21,311)
Feb-15	\$4.614	\$2.866	(\$1.748)		30,822	22,224	6,067	16,157	(\$28,243)
Mar-15	\$4.519	\$2.894	(\$1.625)		22,405	13,018	7,003	6,015	(\$9,774)
Apr-15	\$4.072	\$2.590	(\$1.482)		9,243	10,765	4,560	6,205	(\$9,196)
May-15	\$4.046	\$2.517	(\$1.529)		4,113	9,310	4,712	4,598	(\$7,030)
Jun-15	\$4.064	\$2.815	(\$1.249)		3,765	10,620	4,560	6,060	(\$7,569)
Jul-15	\$4.088	\$2.773	(\$1.315)		2,859	7,439	4,712	2,728	(\$3,587)
Aug-15	\$4.083	\$2.756	(\$1.327)		2,937	7,179	4,712	2,467	(\$3,274)
Sep-15	\$4.068	\$2.766	(\$1.302)		3,277	7,091	4,560	2,531	(\$3,296)
<b>Avg Total \$</b>	<b>\$4.305</b>	<b>\$3.097</b>	<b>(\$1.208)</b>	<b>-28.1%</b>	<b>153,484</b>	<b>150,230</b>	<b>65,544</b>	<b>84,687</b>	<b>(\$104,332)</b>
Oct-15	\$2.919	\$2.797	(\$0.122)		5,787	10,653	4,712	5,941	(\$725)
Nov-15	\$3.021	\$2.906	(\$0.115)		14,112	10,503	5,914	4,589	(\$528)
Dec-15	\$3.196	\$3.089	(\$0.107)		23,021	13,338	6,111	7,228	(\$773)
Jan-16	\$3.306	\$3.200	(\$0.106)		24,850	13,973	6,111	7,862	(\$833)
Feb-16	\$3.295	\$3.198	(\$0.097)		22,919	8,704	5,716	2,988	(\$290)
Mar-16	\$3.245	\$3.158	(\$0.087)		18,297	13,400	6,111	7,289	(\$634)
Apr-16	\$3.083	\$3.017	(\$0.066)		9,486	8,259	2,609	5,651	(\$373)
May-16	\$3.083	\$3.022	(\$0.061)		3,710	9,995	2,695	7,300	(\$445)
Jun-16	\$3.112	\$3.055	(\$0.057)		3,617	10,868	2,609	8,260	(\$471)
Jul-16	\$3.147	\$3.093	(\$0.054)		2,837	10,971	2,695	8,276	(\$447)
Aug-16	\$3.153	\$3.108	(\$0.045)		2,910	12,611	2,695	9,916	(\$446)
Sep-16	\$3.145	\$3.103	(\$0.042)		3,251	11,025	2,609	8,417	(\$354)
<b>Avg Total \$</b>	<b>\$3.142</b>	<b>\$3.062</b>	<b>(\$0.080)</b>	<b>-2.5%</b>	<b>134,797</b>	<b>134,302</b>	<b>50,586</b>	<b>83,716</b>	<b>(\$6,319)</b>

**Footnotes:**

a : Nymex rate used for annual BGSS periodic rate filing

b : Nymex rate as of date of the report

c : Increase/Decrease in the Nymex rate compared to rate used for annual BGSS periodic rate filing

d : Sales forecast (includes fuel requirement)

e : Receipt volumes and projections

f : 'Hedged' volume consists of all fixed price contracts (financial or physical), purchased call option positions, and tentative storage withdrawal volumes (reduced by fuel required for delivery to citygate)

g : 'Unhedged' volume consists of receipts volume forecast less 'hedged' volume

h : Not necessarily representative of a change in under/over-recovery value

**Public Service Electric and Gas Company****Unitized Credits to BGSS-RSG****June 2015**

<b><u>Contribution Category</u></b>	<b><u>Credits</u></b> <b><u>(\$ 000)</u></b>	<b><u>BGSS-RSG</u></b> <b><u>Share of the</u></b> <b><u>Volumes</u></b> <b><u>(MDth)</u></b>	<b><u>Unitized</u></b> <b><u>Credits</u></b> <b><u>(\$/Dth)</u></b>
Interruptible Service Gas (ISG)	\$180	24	\$7.390
Cogeneration	\$1,999	2,382	\$0.839
Transportation Service Gas-Firm (TS)	\$66	99	\$0.669
Off-System Sales	\$5,498	4,058	\$1.355
Capacity Release	\$942	8,100	\$0.116
Gas to Electric	\$2,518	9,660	\$0.261
CSG Non Power	(\$32)	(29)	\$1.119
Supplier Refunds	\$77	n/a	n/a



**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**XXX Revised Sheet No. 54**

**Superseding**

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

**XXX Revised Sheet No. 54**

**BGSS-RSG  
BASIC GAS SUPPLY SERVICE-RSG  
COMMODITY CHARGES APPLICABLE TO RATE SCHEDULE RSG  
(Per Therm)**

Estimated Non-Gulf Coast Cost of Gas .....	\$ 0.040675
Capital Adjustment Charge (See Tariff Sheet Nos. 48 to 49) .....	<u>0.000000</u>
Adjusted Non-Gulf Coast Cost of Gas .....	0.040675
Estimated Gulf Coast Cost of Gas .....	0.290370
Adjustment to Gulf Coast Cost of Gas .....	0.000000
Prior period (over) or under recovery .....	<u>0.008310</u>
Adjusted Cost of Gas .....	0.339355

Commodity Charge after application of losses: (Loss Factor = 2.0%)..... \$ 0.346142

Commodity Charge including New Jersey Sales and Use Tax (SUT)..... \$ 0.369939

The above Commodity Charge will be established on a level annualized basis immediately prior to the winter season of each year for the succeeding twelve-month period. The estimated average Non-Gulf and Gulf Coast Cost of Gas will be adjusted for any under- or over-recovery together with applicable interest thereon which may have occurred during the operation of the Company's previously approved Commodity Charge filing. Further, the Company will be permitted a limited self-implementing increase to the Commodity Charge on December 1 and February 1 of each year. These limited self-implementing increases, if applied, are to be in accordance with a Board of Public Utilities approved methodology. Commodity Charge decreases would be permitted at any time if applicable.

The difference between actual costs and Public Service's recovery of these costs shall be determined monthly. If actual costs exceed the recovery of these costs, an underrecovery or a negative balance will result. If the recovery of these costs exceeds actual costs, an overrecovery or a positive balance will result. Interest shall be applied monthly to the average monthly cumulative deferred balance, positive or negative, from the beginning to the end of the annual period. Monthly interest on negative deferred balances (underrecoveries) shall be netted against monthly interest on positive deferred balances (overrecoveries) for the annual period. A cumulative net positive interest balance at the end of the annual period is owed to customers and shall be returned to customers in the next annual period. A cumulative net negative interest balance shall be zeroed out at the end of the annual period. The sum of the calculated monthly interests shall be added to the overrecovery balance or subtracted from the underrecovery balance at the end of the annual period. The positive interest balance shall be rolled into the beginning under- or over-recovery balance of the subsequent annual period.

Pursuant to the Board's January 6, 2003 Order approving the BGSS price structure under Docket No. GX01050304 and the BGSS Pricing Proposal appended as Attachment A to and approved in that Order, Public Service Electric and Gas Company may issue a bill credit for its BGSS-RSG customers as detailed below.

Effective	BGSS-RSG Credit (per therm)	BGSS-RSG Credit including SUT (per therm)
March 1, 2017 through March 31, 2017	(\$0.070175)	(\$0.075000)
April 1, 2017	\$0.000000	\$0.000000

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: