



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 ELECTRIC AND GAS BASE RATE)
ADJUSTMENTS PURSUANT TO THE ENERGY STRONG)
PROGRAM (MARCH 2018 ES ELECTRIC AND GAS)
RATES FILING))
ORDER
DOCKET NOS. ER18040358
AND GR18040359

Parties of Record:

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

BY THE BOARD:¹

By this Order, the New Jersey Board of Public Utilities ("Board") considers a stipulation and agreement ("Stipulation") executed by Public Service Electric and Gas Company ("PSE&G" or "Company"), Board Staff, and the New Jersey Division of Rate Counsel (collectively, "Parties") intended to resolve the Company's requests related to the above docketed matter.

BACKGROUND

By Order dated May 21, 2014,² the Board authorized PSE&G to implement an Energy Strong Program ("ES Program"). Pursuant to the May 2014 Order, PSE&G was to invest up to \$1.0 billion (\$0.6 billion electric and \$0.4 billion gas), to be recovered through future base rate adjustments, to harden its infrastructure, thereby making it less susceptible to damage from wind, flying debris and water damage in anticipation of future major storm events and to strengthen the resiliency of the Company's delivery system.³ The following ES Program investments were anticipated to be made over a three (3) or five (5) year period:

¹ Commissioner Robert M. Gordon did not participate.

² In re the Petition of Public Service Electric and Gas Company for Approval of the Energy Strong Program, BPU Docket Nos. EO13020155 and GO13020156 (May 21, 2014) ("May 2014 Order").

³ The Company was to invest an additional \$220.0 million into the ES Program - Electric related to substations which will not be recoverable through the ES Program rate recovery mechanism.

	\$ millions
Electric	
Station Flood Mitigation	400.0
Contingency Reconfiguration Strategies	100.0
Advanced Technologies	100.0
Total Electric	600.0
Gas	
Utilization Pressure Cast Iron M&R Station Flood Mitigation	350.0
	50.0
Total Gas	400.0
Total ES Program	1,000.0

The May 2014 Order also approved a cost recovery mechanism that allowed for semi-annual rate adjustments for spending related to electric ES Program investments and annual rate adjustments for spending related to gas ES Program investments. In addition, the May 2014 Order required that PSE&G file a base rate case with the Board no later than November 1, 2017. However, the Board granted the Company an extension to file a base rate case until February 1, 2018.⁴ Accordingly, PSE&G filed its base rate case⁵ on January 12, 2018.

March 2018 Petition

On March 30, 2018, the Company filed the instant petition ("March 2018 Petition") seeking Board approval to recover \$594,000 in revenue related to electric ES Program costs through May 31, 2018 for electric ES Program costs not previously placed in base rates. The March 2018 Petition also sought Board approval to recover \$120,000 in revenue related to gas ES Program costs through May 31, 2018 for gas ES Program costs not previously placed in base rates. The March 2018 Petition was based on actual costs from December 1, 2017 through February 28, 2018 and projected program expenditures from March 1, 2018 through May 31, 2018.

After publication of notice in newspapers of general circulation in the Company's service territory, public hearings were held at 4:30 p.m. and 5:30 p.m. in New Brunswick, Mt. Holly and Hackensack on June 11, 13, and 19, 2018, respectively. No members of the public provided comments addressing this matter at any of the hearings. One customer submitted a letter to the Board opposing the Company's proposed increase, commenting that the Company must be more proactive in their utility trench restoration and maintenance.

⁴ In re the Board's Review of the Petition of Public Service Electric and Gas Company for Approval of the Energy Strong Program, BPU Docket Nos. EO13020155 and GO13020156 (November 21, 2017).

⁵ In re the Petition of Public Service Electric and Gas Company for Approval of an Increase in Electric and Gas Rates and for Changes in the Tariffs for Electric and Gas Service, B.P.U.N.J. No.16 Electric and B.P.U.N.J. No. 16 Gas, and for Changes in Depreciation Rates, Pursuant to N.J.S.A. 48:2-18, N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1 and for Other Appropriate Relief, BPU Docket Nos. ER18010029 and GR18010030.

On June 15, 2018, PSE&G updated the March 2018 Petition to include actual electric and gas ES Program expenditures through May 31, 2018. The updated annual increase in revenue requirements reflected the same level as the increase in annual electric revenue requirements proposed in the filing but reflected a slight increase in the gas revenue requirements compared to what was proposed in the filing. The revenue requirements reflected in the June 15, 2018 update were calculated as follows:

Energy Strong - Revenue Requirements – Roll-In at 5/31/18 (\$000)			
		ELECTRIC	GAS
		Roll-In #8	Roll-In #4
1	Gross Plant	\$5,066	\$1,013
2	Accumulated Depreciation	\$366	\$521
3	Net Plant	\$5,431	\$1,534
4	Accumulated Deferred Taxes	(\$318)	(\$386)
5	Rate Base	\$5,113	\$1,148
6	Rate of Return - After Tax	6.61%	6.61%
7	Return Requirement - After Tax	\$338	\$76
8	Depreciation Exp., net	\$91	\$10
9	Tax Adjustment	(\$3)	\$0
10	Sub-total [lines 7 + 8 + 9]	\$426	\$86
11	Revenue Factor	1.3944	1.41
12	Total Revenue Requirement	\$594	\$121
13	Public Notice Revenue Requirement	\$594	\$120
14	Roll-In Revenue Requirement	\$594	\$120

STIPULATION

Upon review of the filing and updates thereto, and subsequent to conducting and reviewing responses to discovery, on August 7, 2018, the Parties executed the Stipulation, which provides as follows:⁶

Electric rates⁷ should be established to recover an annualized increase in electric revenues of \$594,000. Gas rates⁸ should be established to recover an annualized increase in gas revenues of \$120,000. The Parties agree that the Company may implement the rates reflected in Attachments 1 and 2 of the Stipulation effective September 1, 2018.

⁶ Although summarized in this Order, the detailed terms of the stipulation are controlling, subject to the findings and conclusions of this Order.

⁷ Listed under "Proposed" in Attachment 1 of the Stipulation.

⁸ Listed under "Proposed" in Attachment 2 of the Stipulation.

The rate adjustments shall be provisional, subject to prudence review in the Company's pending base rate case and its subsequent base rate case to the extent there are any electric ES Program investments, up to \$600 million or any gas ES Program investments, up to \$400 million, not included within the test year of the pending base rate case.

Additionally, the prudence review will ensure that actual costs incurred in completing the projects exclude transmission investments.

The annual bill impact of the proposed rates on a typical residential electric customer using 750 kilowatt-hours in a summer month and 7,200 kilowatt-hours annually is an increase of \$0.16 (0.01%). The annual bill impact of the proposed rates on a typical residential gas heating customer using 165 therms in a winter month and 1,010 therms annually is an increase of \$0.06 (0.01%).

DISCUSSION AND FINDING

After review of the March 2018 Petition and the Stipulation, the Board **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Therefore, the Board **HEREBY ADOPTS** the Stipulation in its entirety, and **HEREBY INCORPORATES** its terms and conditions as though fully set forth herein.

The Board **HEREBY APPROVES** the rate adjustments calculated in Attachments 1 and 2 of the Stipulation on a provisional basis, subject to refund and review for prudence in the base rate case that the Company has filed January 12, 2018 in Docket Nos. ER18010029 and GR18010030.

Based on the Stipulation, the annual bill impact of the proposed rates on a typical residential electric customer using 750 kilowatt-hours in a summer month and 7,200 kilowatt-hours annually is an increase of \$0.16, or approximately 0.01% and the annual bill impact of the proposed rates on a typical residential gas customer using 165 therms in a winter month and 1,010 therms annually is an increase of \$0.06 or approximately 0.01%.

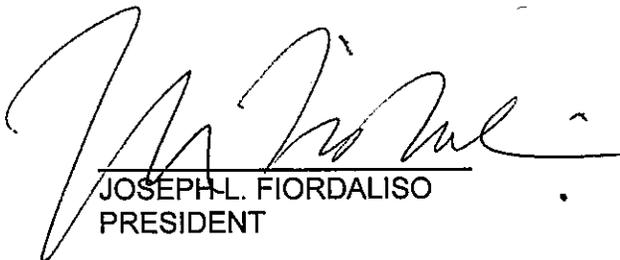
The Company is **HEREBY DIRECTED** to file the appropriate tariff sheets conforming to the terms and conditions of this Order prior to September 1, 2018.

The Company's costs remain subject to audit by the Board. This Decision and Order shall not preclude or prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

The effective date of this Order is August 29, 2018.

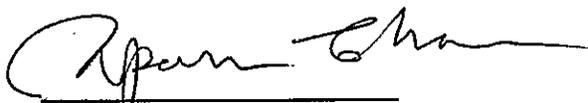
DATED: 8/29/18

BOARD OF PUBLIC UTILITIES
BY:


JOSEPH L. FIORDALISO
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
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 ELECTRIC AND GAS BASE RATE ADJUSTMENTS PURSUANT TO
THE ENERGY STRONG PROGRAM (MARCH 2018 ES ELECTRIC AND GAS RATES FILING)
DOCKET NOS. ER18040358 and GR18040359

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August 7, 2018

In The Matter of the Petition of
Public Service Electric and Gas Company
for Approval of Electric and Gas Base Rate
Adjustments Pursuant to the Energy Strong Program
(March 2018 ES Electric and Gas Rates Filing)
BPU Docket Nos. ER18040358 & GR18040359

VIA ELECTRONIC & OVERNIGHT MAIL

Aida Camacho-Welch, Secretary
Board of Public Utilities
44 South Clinton Avenue, 3rd Flr.
P.O. Box 350
Trenton, New Jersey 08625-0350

Dear Secretary Camacho-Welch:

Attached please find an executed Settlement by all parties that resolves the issues in the above-referenced matter.

Thank you for your consideration in this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Danielle Lopez", with a long, sweeping flourish extending upwards and to the right.

C Attached Service List (E-mail only)

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**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF ELECTRIC AND GAS BASE RATE ADJUSTMENTS PURSUANT TO THE ENERGY STRONG PROGRAM (March 2018 ES Electric and Gas Rates Filing)	BPU DOCKET NOS. ER18040358 AND GR18040359
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STIPULATION

APPEARANCES:

Matthew M. Weissman, Esq., General Regulatory Counsel-Rates, PSEG Services Corp., **Danielle Lopez, Esq.**, Assistant General Regulatory Counsel, and **Martin C. Rothfelder, Esq.**, Rothfelder Stern, L.L.C., for the Petitioner, Public Service Electric and Gas Company

Ami Morita, Esq., Managing Attorney - Electric, **Brian Lipman, Esq.**, Litigation Manager, **Felicia Thomas-Friel, Esq.**, Managing Attorney – Gas, **Diane Schulze, Sarah Steindel**, and **Kurt Lewandowski, Esq.**, Assistant Deputy Rate Counsel, New Jersey Division of Rate Counsel (Stefanie A. Brand, Director)

Alex Moreau, Patricia A. Krogman, and Emma Xiao, Deputy Attorneys General, for the Staff of the New Jersey Board of Public Utilities (Gurbir S. Grewal, Attorney General of New Jersey)

On March 30, 2018, Public Service Electric and Gas Company (PSE&G or Company) filed a petition (March 2018 Petition) with the New Jersey Board of Public Utilities (Board or BPU) seeking BPU approval to recover the revenue requirements associated with certain capitalized electric and gas investment costs of the Energy Strong Program through May 31, 2018. Upon review of the March 2018 Petition, conducting and reviewing responses to discovery, and discussing the facts and issues in settlement meetings, telephone calls, and e-mails, the Staff of the Board (Board Staff), the New Jersey Division of Rate Counsel (Rate Counsel), and PSE&G, the only parties to this proceeding (collectively, Parties), stipulate and agree as follows:

1. PSE&G's March 2018 Petition in this matter sought Board approval for electric and gas base rate changes to provide for cost recovery associated with the Company's Energy Strong Program. The Energy Strong Program was addressed in a Board Order dated May 21, 2014 in BPU Docket Nos. EO13020155 and GO13020156 (Energy Strong Order) that adopted a stipulation explicitly authorizing the request for the rate increases in the March 2018 Petition.¹
2. PSE&G's March 2018 Petition sought authority to establish rates to recover an annualized increase in electric revenue requirement of \$594 thousand and to establish rates to recover an annualized increase in gas revenue requirement of \$120 thousand. The proposed revenue requirement increases are associated with Energy Strong investment costs. The annualized increase in electric revenue requirement was supported by Attachment 2, Schedule SS-ESAM8-2E attached to the March 2018 Petition, which was based upon actual expenditures from December 1, 2017 through February 28, 2018 and projected expenditures through May 31, 2018 and was also the basis for the proposed increased electric base rates. The annualized increase in gas revenue requirement was supported by Attachment 2, Schedule SS-ESAM8-2G attached to the March 2018 Petition, which was based upon actual expenditures from June 1, 2017 through February 28, 2018 and projected expenditures through May 31, 2018, and was also the basis for the proposed increased base gas rates.
3. Notice of the Company's March 2018 Petition, including the date, time and place of public hearings, was placed in newspapers having a circulation within the Company's electric and gas service territory, and was served on the Clerks of the municipalities, the

¹ Paragraphs 41 and 42 of the stipulation approved by the Energy Strong Order.

Clerks of the Board of Chosen Freeholders, and the County Executives within the Company's electric and gas service territories. In accordance with that notice, public hearings on the Company's requests were held on the following dates at three locations in PSE&G's service territory: two hearings on June 11, 2018 in New Brunswick, New Jersey; two hearings on June 13, 2018 in Mt. Holly, New Jersey; and two hearings on June 19, 2018 in Hackensack, New Jersey. No members of the public provided comments addressing this matter.

4. On June 15, 2018, the Company provided updated schedules in this matter, which replaced the projected data in the original schedules with actual data through May 31, 2018. Updated Schedules SS-ESAM8-2E and SS-ESAM8-2G reflect the updated annualized increase to electric and gas revenue requirements associated with Energy Strong investment costs. The updated annual increase in revenue requirements reflected in Schedule SS-ESAM8-2E reflects the same level as the increase in annual electric revenue requirements proposed in the filing. The updated annual increase in revenue requirements reflected in Schedule SS-ESAM8-2G reflects a slight increase in the gas revenue requirement compared to what was proposed in this matter. The Company shall receive rates, as described below, designed to recover the revenue requirement increases from Schedule SS-ESAM8-2E and Schedule SS-ESAM8-2G of \$594 thousand and \$120 thousand for electric and gas, respectively. The Company has based its original and updated electric and gas revenue requirements to reflect a cost of equity of 9.75% in its Allowance for Funds Used During Construction calculation.
5. The Company shall implement the rates associated with the above stated, proposed annualized increase in the electric revenue requirement and the rate design in the Energy

Strong Order, as provided in Schedule SS-ESAM8-5 (as filed March 30, 2018), at pages 22-23. Those pages are attached hereto as Attachment 1. The Company shall implement the rates associated with the annualized increase in the gas revenue requirement and the rate design in the Energy Strong Order, which were provided in Schedule SS-ESAM8-6 (as filed March 30, 2018), pages 10-11. Those pages are attached hereto as Attachment 2. The Company shall implement the electric and gas rates discussed in this paragraph effective September 1, 2018.

6. The annual impact of the proposed rates to the typical residential electric customer that uses 750 kilowatt-hours in a summer month and 7,200 kilowatt-hours annually is an increase of \$0.16 or approximately 0.01% based upon current Delivery and Basic Generation Service – Residential Small Commercial Pricing (BGS-RSCP) Supply rates in effect on June 1, 2018 and the assumption that the customer receives BGS-RSCP service from Public Service. The annual impact of the increased rates to the typical residential gas heating customer using 165 therms in a winter month and 1,010 therms annually is \$0.06 or approximately 0.01% based upon current Delivery and Basic Gas Supply Service (BGSS-RSG) Supply rates in effect on June 1, 2018 and the assumption that the customer receives BGSS-RSG service from PSE&G.
7. The Parties agree that pursuant to the terms of the Energy Strong Order, PSE&G may implement the rates in Attachments 1 and 2 effective September 1, 2018. The rate adjustments established herein shall be provisional and subject to refund solely based upon a Board finding that PSE&G imprudently incurred capital expenditures under the Energy Strong Program. Such prudence review shall take place in the Company's pending base

rate case² and its base rate case subsequent to the pending base rate case to the extent there are any Energy Strong Program investments up to \$1 billion not included within the test year of the pending base rate case. The Parties further agree that the review of Energy Strong Program investment costs in the pending base rate case or a subsequent base rate case is not only to ensure that the actual costs incurred in completing the projects were spent prudently, but includes review to ensure that they are distribution, not transmission, investments. Nothing herein will preclude any party from raising in the pending base rate case any objection that could have been raised in the annual or semi-annual filings.

8. 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, any Party aggrieved thereby shall not be bound to proceed with this Stipulation and shall have the right to litigate all issues addressed herein to a conclusion. More particularly, in the event that this Stipulation is not adopted in its entirety by the Board in any applicable Order(s), 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.
9. The Parties agree that they consider the Stipulation to be binding on them for all purposes herein.
10. 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

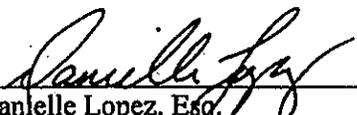
² In re the Petition of Public Service Electric and Gas Company for Approval of An Increase in Electric and Gas Rates and for Changes in the Tariffs for Electric and Gas Service, B.P.U.N.J. No.16 Electric and B.P.U.N.J. No. 16 Gas, and for Changes in Depreciation Rates, Pursuant to N.J.S.A. 48:2-18, N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1 and for Other Appropriate Relief, BPU Docket Nos. ER18010029 and GR18010030.

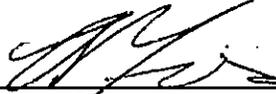
expressly provided herein, PSE&G, Board Staff, and Rate Counsel shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein, in total or by specific item. The Parties further agree that this Stipulation is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.

11. 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.

PUBLIC SERVICE ELECTRIC AND GAS
COMPANY

GURBIR S. GREWAL
ATTORNEY GENERAL OF
NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

BY: 
Daniele Lopez, Esq.
Assistant General Regulatory Counsel

BY: 
Alex Moreau
Deputy Attorney General

DATED: 8/7/18

DATED: 8/7/18

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

BY: _____
Ami Morita, Esq.
Managing Attorney - Electric

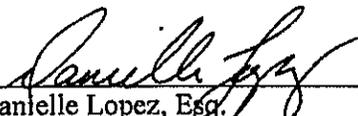
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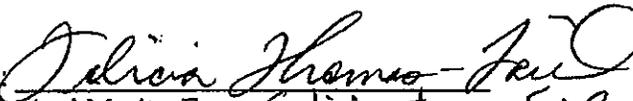
BY: 
Danielle Lopez, Esq.
Assistant General Regulatory Counsel

BY: _____
Alex Moreau
Deputy Attorney General

DATED: 8/7/18

DATED: _____

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

BY: 
~~Anni Merita, Esq.~~ Felicia Thomas-Friel
Managing Attorney - Electric GAS

DATED: 8/7/18

ESAM Roll-in
Electric Tariff Rates

<u>Rate Schedules</u>		<u>Present</u>		<u>Proposed</u>		<u>Difference</u> <u>w/out SUT</u>
		<u>Charge</u> <u>w/out SUT</u>	<u>Charge</u> <u>including</u> <u>SUT</u>	<u>Charge</u> <u>w/out SUT</u>	<u>Charge</u> <u>including</u> <u>SUT</u>	
RS	Service Charge	\$2.27	\$2.42	\$2.27	\$2.42	\$0.00
	Distribution 0-600 Sum	\$0.034775	\$0.037079	\$0.034823	\$0.037130	\$0.000048
	Distribution 0-600 Win	\$0.033344	\$0.035553	\$0.033344	\$0.035553	\$0.000000
	Distribution over 600 Sum	\$0.038596	\$0.041153	\$0.038644	\$0.041204	\$0.000048
	Distribution over 600 Win	\$0.033344	\$0.035553	\$0.033344	\$0.035553	\$0.000000
RHS	Service Charge	\$2.27	\$2.42	\$2.27	\$2.42	\$0.00
	Distribution 0-600 Sum	\$0.048045	\$0.051228	\$0.048076	\$0.051261	\$0.000031
	Distribution 0-600 Win	\$0.030985	\$0.033038	\$0.031005	\$0.033059	\$0.000020
	Distribution over 600 Sum	\$0.053503	\$0.057048	\$0.053538	\$0.057085	\$0.000035
	Distribution over 600 Win	\$0.011382	\$0.012136	\$0.011389	\$0.012144	\$0.000007
	Common Use	\$0.053503	\$0.057048	\$0.053538	\$0.057085	\$0.000035
RLM	Service Charge	\$13.07	\$13.94	\$13.07	\$13.94	\$0.00
	Distrib. kWhr Summer On	\$0.057593	\$0.061409	\$0.057635	\$0.061453	\$0.000042
	Distrib. kWhr Summer Off	\$0.013382	\$0.014269	\$0.013392	\$0.014279	\$0.000010
	Distrib. kWhr Winter On	\$0.013382	\$0.014269	\$0.013392	\$0.014279	\$0.000010
	Distrib. kWhr Winter Off	\$0.013382	\$0.014269	\$0.013392	\$0.014279	\$0.000010
WH	Distribution	\$0.044336	\$0.047273	\$0.044359	\$0.047298	\$0.000023
WHS	Service Charge	\$0.52	\$0.55	\$0.52	\$0.55	\$0.00
	Distribution	\$0.000054	\$0.000058	\$0.000054	\$0.000058	\$0.000000
HS	Service Charge	\$3.11	\$3.32	\$3.11	\$3.32	\$0.00
	Distribution June-September	\$0.082837	\$0.088325	\$0.082837	\$0.088325	\$0.000000
	Distribution October-May	\$0.030413	\$0.032428	\$0.030413	\$0.032428	\$0.000000
GLP	Service Charge	\$3.96	\$4.22	\$3.96	\$4.22	\$0.00
	Service Charge-unmetered	\$1.83	\$1.95	\$1.83	\$1.95	\$0.00
	Service Charge-Night Use	\$347.77	\$370.81	\$347.77	\$370.81	\$0.00
	Distrib. KW Annual	\$4.0591	\$4.3280	\$4.0613	\$4.3304	\$0.0022
	Distrib. KW Summer	\$7.5335	\$8.0326	\$7.5376	\$8.0370	\$0.0041
	Distribution kWhr, June-September	\$0.009532	\$0.010163	\$0.009537	\$0.010169	\$0.000005
	Distribution kWhr, October-May	\$0.003349	\$0.003571	\$0.003351	\$0.003573	\$0.000002
	Distribution kWhr, Night use, June-September	\$0.003349	\$0.003571	\$0.003351	\$0.003573	\$0.000002
	Distribution kWhr, Night use, October-May	\$0.003349	\$0.003571	\$0.003351	\$0.003573	\$0.000002

**ESAM Roll-in
Electric Tariff Rates**

**Schedule SS-ESAM8-5
Page 23 of 23**

Rate Schedules		Present		Proposed		Difference w/out SUT
		Charge w/out SUT	Charge including SUT	Charge w/out SUT	Charge including SUT	
LPL-Secondary	Service Charge	\$347.77	\$370.81	\$347.77	\$370.81	\$0.00
	Distrib. KW Annual	\$3.3530	\$3.5751	\$3.3551	\$3.5774	\$0.0021
	Distrib. KW Summer	\$7.9769	\$8.5054	\$7.9819	\$8.5107	\$0.0050
	Distribution kWhr	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000
LPL-Primary	Service Charge	\$347.77	\$370.81	\$347.77	\$370.81	\$0.00
	Service Charge-Alternate	\$17.88	\$19.06	\$17.88	\$19.06	\$0.00
	Distrib. KW Annual	\$1.5684	\$1.6723	\$1.5693	\$1.6733	\$0.0009
	Distrib. KW Summer	\$8.7064	\$9.2832	\$8.7114	\$9.2885	\$0.0050
	Distribution kWhr	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000
HTS-Subtransmission	Service Charge	\$1,911.39	\$2,038.02	\$1,911.39	\$2,038.02	\$0.00
	Distrib. KW Annual	\$0.9701	\$1.0344	\$0.9707	\$1.0350	\$0.0006
	Distrib. KW Summer	\$3.5067	\$3.7390	\$3.5089	\$3.7414	\$0.0022
	Distribution kWhr	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000
HTS-HV	Service Charge	\$1,720.25	\$1,834.22	\$1,720.25	\$1,834.22	\$0.00
	Distrib. KW Annual	\$0.5876	\$0.6265	\$0.5880	\$0.6270	\$0.0004
	Distribution kWhr	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000
BPL	Distribution Sum	\$0.015837	\$0.016886	\$0.015938	\$0.016994	\$0.000101
	Distribution Winter	\$0.015837	\$0.016886	\$0.015938	\$0.016994	\$0.000101
BPL-POF	Distribution Sum	\$0.006524	\$0.006956	\$0.006535	\$0.006968	\$0.000011
	Distribution Winter	\$0.006524	\$0.006956	\$0.006535	\$0.006968	\$0.000011
PSAL	Distribution Sum	\$0.015201	\$0.016208	\$0.015289	\$0.016302	\$0.000088
	Distribution Winter	\$0.015201	\$0.016208	\$0.015289	\$0.016302	\$0.000088

ESAM Roll In

Gas Tariff Rates

Schedule SS-ESAM8-6
Page 10 of 11

Rate Schedule		Present		Proposed	
		<u>Charge without/SUT</u>	<u>Charge Including SUT</u>	<u>Charge without/SUT</u>	<u>Charge Including SUT</u>
RSG	Service Charge	\$5.46	\$5.82	\$5.46	\$5.82
	Distribution Charges	\$0.300343	\$0.320241	\$0.300406	\$0.320308
	Balancing Charge	\$0.084457	\$0.090052	\$0.084457	\$0.090052
	Off-Peak Use	\$0.150172	\$0.160120	\$0.150203	\$0.160154
GSG	Service Charge	\$11.28	\$12.03	\$11.28	\$12.03
	Distribution Charge - Pre July 14, 1997	\$0.247071	\$0.263439	\$0.247120	\$0.263492
	Distribution Charge - All Others	\$0.247071	\$0.263439	\$0.247120	\$0.263492
	Balancing Charge	\$0.084457	\$0.090052	\$0.084457	\$0.090052
	Off-Peak Use Dist Charge - Pre July 14, 1997	\$0.123536	\$0.131720	\$0.123560	\$0.131746
	Off-Peak Use Dist Charge - All Others	\$0.123536	\$0.131720	\$0.123560	\$0.131746
LVG	Service Charge	\$100.12	\$106.75	\$100.12	\$106.75
	Demand Charge	\$3.7352	\$3.9827	\$3.7361	\$3.9836
	Distribution Charge 0-1,000 pre July 14, 1997	\$0.041215	\$0.043945	\$0.041247	\$0.043980
	Distribution Charge over 1,000 pre July 14, 1997	\$0.039335	\$0.041941	\$0.039333	\$0.041939
	Distribution Charge 0-1,000 post July 14, 1997	\$0.041215	\$0.043945	\$0.041247	\$0.043980
	Distribution Charge over 1,000 post July 14, 1997	\$0.039335	\$0.041941	\$0.039333	\$0.041939
	Balancing Charge	\$0.084457	0.090052	\$0.084457	\$0.090052
SLG	Single-Mantle Lamp	\$9.6316	\$10.2697	\$9.6316	\$10.2697
	Double-Mantle Lamp, inverted	\$9.4856	\$10.1140	\$9.4856	\$10.1140
	Double Mantle Lamp, upright	\$8.3906	\$8.9465	\$8.3906	\$8.9465
	Triple-Mantle Lamp, prior to January 1, 1993	\$9.4856	\$10.1140	\$9.4856	\$10.1140
	Triple-Mantle Lamp, on and after January 1, 1993	\$61.9958	\$66.1030	\$61.9958	\$66.1030
	Distribution Therm Charge	\$0.083452	\$0.088981	\$0.083544	\$0.089079

Gas Tariff Rates

**Schedule SS-ESAM8-6
Page 11 of 11**

		<u>Present</u>		<u>Proposed</u>	
		<u>Charge</u>	<u>Charge including SUT</u>	<u>Charge</u>	<u>Charge including SUT</u>
TSG-F	Service Charge	\$536.08	\$571.60	\$536.21	\$571.73
	Demand Charge	\$1.8550	\$1.9779	\$1.8556	\$1.9785
	Distribution Charges	\$0.070907	\$0.075605	\$0.070929	\$0.075628
TSG-NF	Service Charge	\$536.08	\$571.60	\$536.21	\$571.73
	Distribution Charge 0-50,000	\$0.070731	\$0.075417	\$0.070744	\$0.075431
	Distribution Charge over 50,000	\$0.070731	\$0.075417	\$0.070744	\$0.075431
	Special Provision (d)	\$1.89	\$2.02	\$1.89	\$2.02
CIG	Service Charge	\$139.85	\$149.12	\$139.87	\$149.14
	Distribution Charge 0-600,000	\$0.063389	\$0.067589	\$0.063406	\$0.067607
	Distribution Charge over 600,000	\$0.052013	\$0.055459	0.052027	\$0.055474
	Special Provision (c) 1st para	\$1.89	\$2.02	\$1.89	\$2.02
BGSS RSG	Commodity Charge including Losses	\$0.346015	\$0.368938	\$0.346014	\$0.368937
CSG	Service Charge	\$536.08	\$571.60	\$536.21	\$571.73