



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
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)

DECISION AND ORDER
APPROVING STIPULATION
DOCKET NO. ER19070850

Parties of Record:

Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel
Justin Incardone, Esq., on behalf of Public Service Electric and Gas Company

BY THE BOARD:

On July 26, 2019, Public Service Electric and Gas Company ("PSE&G" or "Company") filed a petition ("2019 SBC Petition") with the New Jersey Board of Public Utilities ("Board") seeking review and approval of changes to certain components of the Company's electric and gas Societal Benefits Charges ("SBC"). By this Decision and Order, the Board considers a stipulation of settlement ("Stipulation") executed by PSE&G, the New Jersey Division of Rate Counsel ("Rate Counsel") and Board Staff (collectively, "Parties") intended to resolve the 2019 SBC Petition.

BACKGROUND

Pursuant to the Electric Discount and Energy Competition Act, specifically, N.J.S.A. 48:3-60, in 1999 the Board established PSE&G's electric SBC and the associated cost recovery mechanism. The Company's gas SBC was established in August 2000. The Board requires each utility to file a request for recovery of deferred expenses pertaining to unrecovered balances in the SBC on an annual basis.

The SBC components addressed in this proceeding relate to the recovery of electric and gas Energy Efficiency and Renewable Energy ("EE&RE") program costs, administered through the Office of Clean Energy, and Social Programs costs.¹

¹ The Social Programs component of the SBC recovers the value of electric and customer receivables expected to be written off as uncollectible (i.e. "bad debts"). The electric and gas SBC components reviewed in this proceeding exclude the Remediation Adjustment Clause, and Universal Service Fund and Lifeline, because the Board reviews those components in separate proceedings.

July 2019 SBC Petition

In the 2019 SBC Petition, PSE&G requested approval of a proposed increase in its electric SBC revenue requirements of approximately \$26.5 million related to the EE&RE Programs and Social Programs, and an increase its gas SBC revenue requirements of approximately \$6.8 million related to the EE&RE Programs.

The proposed changes in the 2019 SBC Petition were based on the Company's actual collections and expenses through May 31, 2019, and its projected collections and expenses through October 31, 2020. The Company proposed to collect a total of \$218.8 million for the electric SBC over a 12 month period, representing the October 31, 2019 under collection of \$24.9 million, along with the estimated expenses of \$193.9 million to be incurred through October 31, 2020. Additionally, PSE&G proposed to collect a total of approximately \$69.2 million for the gas SBC over a 12 month period, representing the May 31, 2019 under collected balance of \$4.9 million along with the estimated expenses of \$64.2 million to be incurred through October 31, 2020.

After publication of notice in newspapers of general circulation in the Company's service territory, public hearings were held at 4:30 and 5:30 p.m. in New Brunswick, Mt. Holly, and Hackensack on October 2, 7, and 17, 2019, respectively. No members of the public provided comments addressing this matter at any of the hearings or filed written comments.

On November 27, 2019, PSE&G, in response to Discovery Request RCR-0015, updated the information in the 2019 SBC Petition to reflect actual data through October 31, 2019 ("November Update"). As a result, the proposed annual revenue requirement for SBC increased to approximately \$27.05 million for electric, and approximately \$10.45 million for gas. However, as the updated amounts were higher than what was publicly noticed, the Company did not update its July 2019 request.

STIPULATION

Following a review of the 2019 SBC Petition, subsequent updates, as well as discovery, the Parties executed the Stipulation, which provides for the following:²

1. The Company's actual electric and gas costs and expenditures through October 31, 2019 are reasonable and prudent. The over / (under) balances including interest through October 31, 2019, which were provided in Response to RCR-0015 (Revised), are shown in Table 2 below. The Parties agree that the forecasts of costs and revenues for the SBC and the actual results for these items from November 1, 2019 forward will be reviewed in the Company's next SBC filing.

Over (Under) Including Interest as of October 31, 2019			
(Thousands)			
	ELECTRIC		GAS
EE&RE	(18,493)		(5,190)
SOCIAL	(10,154)		

² Although described at some length in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusions in this Order. Each paragraph is numbered to coincide with the paragraphs in the Stipulation.

2. The updated electric and gas SBC rates are set forth above in Table 1, and in Schedule SS-2A-Settlement (Attachment A of the Stipulation) and Schedule SS-2B-Settlement (Attachment B of the Stipulation), and shall be reflected in rates on the first of the month after Board approval. Because the update for actual results through October 31, 2019, resulted in an increase above what was included in the public notice for the Social and EE&RE-gas components, the Company is proposing to implement the rates associated with its initial filing and not the update. These rates are expected to generate an increase in SBC revenues of approximately \$26.5 million for electric and an increase in SBC revenues of approximately \$6.8 million for gas.
3. The Company's electric SBC rates will be changed, which corresponds to an annual bill increase of \$4.76, or approximately 0.39%, for a typical residential customer using 6,920 kWh per year and 740 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, 2019, and assuming the customer receives BGS-RSCP service from PSE&G).
4. The Company's gas SBC rate will be changed, which corresponds to an annual bill increase of \$2.68, or 0.30%, for a typical residential heating customer using 1,040 therms annually and 172 therms in a winter month (based on current Delivery Rates and Basic Gas Supply Service ("BGSS-RSG") charges in effect December 1, 2019, and assuming the customer receives BGSS-RSG service from PSE&G).
5. The residential customer bill impacts comparing the current and proposed electric and gas delivery charges are set forth in Attachment C of the Stipulation for the aforementioned typical customers, as well as for other typical residential customer usage patterns.
6. Attached to the Stipulation as Attachment D are current tariff pages, as well as draft redline and clean tariff pages, setting forth the proposed electric and gas SBC rates.

DISCUSSION AND FINDINGS

The Board carefully reviewed the record in this proceeding, including the 2019 SBC Petition and the attached Stipulation. The Board **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law striking an appropriate balance between the needs of customers and the Company. The Board **HEREBY FINDS** that the actual SBC costs and expenses incurred through October 31, 2019 were reviewed by the Parties and determined to be reasonable and prudent. Accordingly, the Board **HEREBY ADOPTS** the Stipulation in its entirety, and **HEREBY INCORPORATES** its terms and conditions as though fully set forth herein, subject to any terms and conditions set forth in this Order.

The Board **HEREBY AUTHORIZES** PSE&G to implement the updated electric and gas SBC rates as set forth in Attachments A and B of the Stipulation. As a result of the Stipulation, a typical residential customer using 740 kWh in a summer month will experience an increase in their annual bill of \$4.76. A typical residential customer using 172 therms in a winter month will experience an increase in their annual bill of \$2.68.

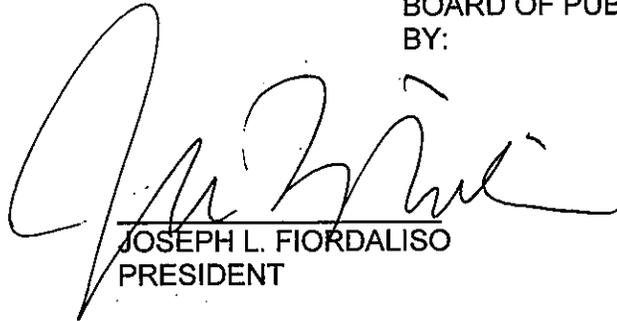
The Board **HEREBY DIRECTS** the Company to file tariff sheets consistent with the Board's Order by February 1, 2020.

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 deemed to be appropriate because of any such audit.

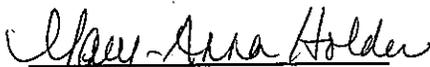
This Order shall be effective on January 18, 2020.

DATED: 1/8/20

BOARD OF PUBLIC UTILITIES
BY:



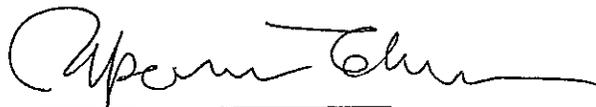
JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



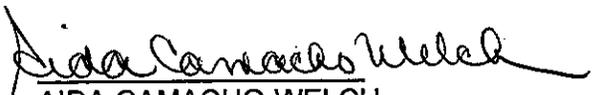
DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
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 CHANGES IN ITS ELECTRIC AND GAS SOCIETAL BENEFITS
CHARGE RATES - DOCKET NO. ER19070850

SERVICE LIST

Board of Public Utilities:

44 South Clinton Avenue, 9th Floor
Trenton, NJ 08625-0350

Aida Camacho-Welch
Secretary of the Board
board.secretary@bpu.nj.gov

Counsel's Office

Heather Weisband, Esq., Senior Counsel
heather.weisband@bpu.nj.gov

Division of Energy

Stacy Peterson, Director
stacy.peterson@bpu.nj.gov

Kevin Moss
kevin.moss@bpu.nj.gov

Ryan Moran
ryan.moran@bpu.nj.gov

Public Service Electric and Gas Company

80 Park Plaza,
Newark, New Jersey 07102

Justin Incardone, Esq.
justin.incardone@pseg.com

Michele Falcao
michele.falcao@pseg.com

Caitlyn White
catilyn.white@pseg.com

Division of Rate Counsel:

140 East Front Street, 4th Floor
Trenton, NJ 08625

Stefanie A. Brand, Esq., Director
sbrand@rpa.nj.gov

Brian Lipman, Esq., Litigation Manager
blipman@rpa.nj.gov

Ami Morita, Esq.
amorita@rpa.nj.gov

James Glassen, Esq.
jglassen@rpa.nj.gov

David Wand, Esq.
dwand@rpa.nj.gov

Henkes Consulting

7 Sunset Road
Old Greenwich, CT 06879

Robert Henkes
rhenkes@optonline.net

Division of Law

25 Market Street,
Trenton, New Jersey 08625

Pamela Owen, ASC
pamela.owen@law.njoag.gov

Michael Beck, DAG
michael.beck@law.njoag.gov

Matko Ilic, DAG
matko.ilic@law.njoag.gov

Justin B. Incardone
Associate General Regulatory Counsel

Law Department
80 Park Plaza, T-5G, Newark, New Jersey 07102-4194
Tel: 973.430.6163 fax: 973.430.5983
Email: Justin.Incardone@pseg.com



December 17, 2019

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

BPU Docket No. ER19070850

VIA E-MAIL & OVERNIGHT DELIVERY

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

Dear Secretary Camacho-Welch:

Attached please find the fully executed Stipulation and attachments (of which 10 copies are enclosed) in the above-referenced matter. The following parties have signed the Stipulation: Public Service Electric and Gas Company, the Staff of the New Jersey Board of Public Utilities, and the New Jersey Division of Rate Counsel.

If you have any questions, please do not hesitate to contact me. Thank you for your consideration in this matter.

Respectfully submitted,

A handwritten signature in black ink, consisting of a large, stylized 'J' followed by a horizontal line extending to the right.

Justin B. Incardone

C Attached Service List (E-Mail)

BPU

Paul Flanagan
Board of Public Utilities
44 South Clinton Avenue
3rd Floor, Suite 314
P.O. Box 350
Trenton NJ 08625-2836
paul.flanagan@bpu.nj.gov

BPU

Scott Sumliner
Board of Public Utilities
44 South Clinton Avenue
3rd Floor, Suite 314
P.O. Box 350
Trenton NJ 08625-0350
(609) 292-4519
scott.sumliner@bpu.nj.gov

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

Justin Incardone Esq.
PSEG Services Corporation
80 Park Plaza, T5
P.O. Box 570
Newark NJ 07102
(973) 430-6163
justin.incardone@pseg.com

PSE&G

Caitlyn White
PSEG Services Corporation
80 Park Plaza, T-5
P.O. Box 570
Newark NJ 07102
(973)-430-5659
caitlyn.white@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
blipman@rpa.nj.gov

BPU

Oneil Hamilton
Board of Public Utilities
44 South Clinton Avenue
3rd Floor, Suite 314
P.O. Box 350
Trenton NJ 08625-0350
Oneil.Hamilton@bpu.nj.gov

BPU

Thomas Walker
Board of Public Utilities
44 South Clinton Avenue
3rd Floor, Suite 314
P.O. Box 350
Trenton NJ 08625-0350
thomas.walker@bpu.nj.gov

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

Bernard Smalls
PSEG Services Corporation
80 Park Plaza-T5
Newark NJ 07102-4194
(973) 430-5930
bernard.smalls@pseg.com

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

Stacy Peterson
Board of Public Utilities
44 South Clinton Avenue
3rd Floor, Suite 314
P.O. Box 350
Trenton NJ 08625-0350
(609) 292-4517
stacy.peterson@bpu.nj.gov

DAG

Geoffrey Gersten
NJ Dept. of Law & Public Safety
Division of Law
124 Halsey Street, 5th Flr.
P.O. Box 45029
Newark NJ 07101
(973) 648-3510
geoffrey.gersten@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

PSE&G

Matthew M. Weissman Esq.
PSEG Services Corporation
80 Park Plaza, T5
P.O. Box 570
Newark NJ 07102
(973) 430-7052
matthew.weissman@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

STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF)
PUBLIC SERVICE ELECTRIC AND GAS)
COMPANY FOR APPROVAL OF CHANGES) BPU DOCKET NO. ER19070850
IN ITS ELECTRIC AND GAS SOCIETAL)
BENEFITS CHARGE RATES)

APPEARANCES:

Matthew M. Weissman, Esq., Managing Counsel - State Regulatory, **Justin B. Incardone, Esq.**, Associate General Regulatory Counsel, for Petitioner, Public Service Electric and Gas Company

Ami Morita, Esq., Deputy Rate Counsel, **James Glassen, Esq.** and **T. David Wand, Esq.**, Assistant Deputy Rate Counsel, for the New Jersey Division of Rate Counsel (**Stefanie A. Brand, Esq.**, Director)

Matko Ilic, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Gurbir S. Grewal**, Attorney General of New Jersey)

STIPULATION OF SETTLEMENT

On July 26, 2019, Public Service Electric and Gas Company (“PSE&G” or “Company”) filed a petition (“PSE&G 2019 SBC Petition”) with the New Jersey Board of Public Utilities (“BPU” or “Board”) requesting a resetting of the Company’s Electric and Gas Societal Benefits Charges (“SBC”). The requested changes were the result of adjustments in the various applicable components in the separate electric and gas SBCs; specifically, Social Programs (for electric only), Renewable Energy, and Energy Efficiency. The proposed rate changes as filed are shown in Table 1:

Table 1

Electric	Current Rate Per kWh Excluding Losses and SUT	Proposed/Settlement Rate per kWh Excluding Losses and SUT
SBC - Social	0.001266	0.001418
SBC - EE&RE	0.003142	0.003597
Gas	Current Rate Per Therm Excluding SUT	Proposed/Settlement Rate Per Therm Excluding SUT
SBC - EE&RE	0.022332	0.024763

Per PSE&G's 2019 SBC Petition, the filed-for rate changes proposed for the electric SBC components were designed to increase revenues by approximately \$26.5 million from electric customers on an annual basis beginning November 1, 2019. The rate proposed for the gas SBC component was designed to increase annual revenues from gas customers by approximately \$6.8 million on an annual basis beginning November 1, 2019.

Public hearings were held on the following dates and in the following locations: October 2, 2019 (New Brunswick); October 7, 2019 (Mt. Holly); and October 17, 2019 (Hackensack). No member of the public appeared and gave testimony at these public hearings or submitted written comments on this matter.

The Company responded to discovery requests propounded by Board Staff and the New Jersey Division of Rate Counsel ("Rate Counsel"). On November 27, 2019, the Company updated the filing with actual data through October 2019.

Board Staff, Rate Counsel, and PSE&G (collectively, "Parties") HEREBY STIPULATE AND AGREE to the following:

1. The Company's actual electric and gas costs and expenditures through October 31, 2019 are reasonable and prudent. The over / (under) balances including interest through October

31, 2019, which were provided in Response to RCR-0015 (Revised), are shown in Table 2 below. The Parties agree that the forecasts of costs and revenues for the SBC and the actual results for these items from November 1, 2019 forward will be reviewed in the Company's next SBC filing.

Table 2
Over (Under) Including Interest as of October 31, 2019

(Thousands)				
	ELECTRIC		GAS	
EE&RE	(18,493)		(5,190)	
SOCIAL	(10,154)			

2. The updated electric and gas SBC rates are set forth above in Table 1, and in Schedule SS-2A-Settlement (Attachment A) and Schedule SS-2B-Settlement (Attachment B), attached hereto, and shall be reflected in rates on the first of the month after Board approval. Because the update for actual results through October 31, 2019, resulted in an increase above what was included in the public notice for the Social and EE&RE-gas components, the Company is proposing to implement the rates associated with its initial filing and not the update. These rates are expected to generate an increase in SBC revenues of approximately \$26.5 million for electric and an increase in SBC revenues of approximately \$6.8 million for gas.

3. The Company's electric SBC rates will be changed, which corresponds to an annual bill increase of \$4.76, or approximately 0.39%, for a typical residential customer using 6,920 kWh per year and 740 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, 2019, and assuming the customer receives BGS-RSCP service from PSE&G).

4. The Company's gas SBC rate will be changed, which corresponds to an annual bill increase of \$2.68, or 0.30%, for a typical residential heating customer using 1,040 therms annually and 172 therms in a winter month (based on current Delivery Rates and Basic Gas Supply Service

(BGSS-RSG) charges in effect December 1, 2019, and assuming the customer receives BGSS service from PSE&G).

5. The residential customer bill impacts comparing the current and proposed electric and gas delivery charges are set forth in Attachment C for the aforementioned typical customers, as well as for other typical residential customer usage patterns.

6. Attached hereto as Attachment D are current tariff pages, as well as draft redline and clean tariff pages, setting forth the proposed electric and gas SBC rates.

7. 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.

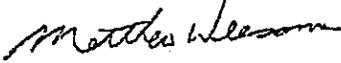
8. This Settlement is being entered into exclusively for the purpose of resolving the issues in these matters.

9. 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.

10. 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: 

Matthew M. Weissman
Managing Counsel – State Regulatory

By: 

T. David Wand
Assistant Deputy Rate Counsel

DATED: December 13, 2019

DATED: December 17, 2019

Gurbir S. Grewal
Attorney General of New Jersey
Attorney for the Staff of the
Board of Public Utilities

By: 

Matko Ilic
Deputy Attorney General

DATED: December 13, 2019

**PSE&G Societal Benefits Charge
Calculation of Cost Recovery - Electric
(\$000)**

**Attachment A
SS-2A-Settlement**

CALCULATION OF COST RECOVERY FACTOR

ELECTRIC	PERIOD	(\$000's)		TOTAL ELECTRIC SBC*
		SOCIAL	EE&RE	
BEGINNING BALANCE INCLUDING INTEREST	5/31/2017	(\$2,375)	(\$7,903)	(\$10,278)
ACTUAL REVENUES	6/1/17 - 10/31/19	\$130,435	\$327,885	\$458,320
ACTUAL EXPENSES	6/1/17 - 10/31/19	(\$137,965)	(\$341,123)	(\$479,088)
INTEREST	6/1/17 - 10/31/19	(\$249)	(\$655)	(\$905)
GROSS RECEIPTS AND FRANCHISE TAX REFUND INCLUDING INTEREST			\$3,302	\$3,302
BALANCE INCLUDING INTEREST	10/31/19	(\$10,154)	(\$18,493)	(\$28,648)
OVER/(UNDER) RECOVERY WITH INTEREST	10/31/19	(\$10,154)	(\$18,493)	(\$28,648)
ESTIMATED EXPENSES TO BE COLLECTED	11/1/19 - 10/31/20	\$55,273	\$135,367	\$190,640
TOTAL EXPENSES TO BE COLLECTED / (RETURNED) TO CUSTOMERS	11/1/19 - 10/31/20	\$65,427	\$153,861	\$219,288
TOTAL TO BE COLLECTED / (RETURNED) TO CUSTOMERS	11/1/19 - 10/31/20	\$65,427	\$153,861	\$219,288
KWH OUTPUT (000s) (11/1/19 - 10/31/20)	11/1/19 - 10/31/20	43,633,218	43,633,218	
AVERAGE COST PER KILOWATTHOUR (DOLLAR/KWH)		\$0.001499	\$0.003526	
PUBLIC NOTICE RATE PER KILOWATTHOUR (DOLLAR/KWH)		\$0.001418	\$0.003597	
CHARGE - Secondary (DOLLAR/KWH)		0.001506	0.003820	
LPL Primary (DOLLAR/KWH)		0.001467	0.003720	
HTS Subtransmission (DOLLAR/KWH)		0.001448	0.003672	
HTS High Voltage (DOLLAR/KWH)		0.001430	0.003628	
CALCULATION OF REVENUE IMPACT				
REVISED RATE PER KWH		0.001418	0.003597	
CURRENT RATE PER KWH		0.001266	0.003142	
DIFFERENCE		0.000152	0.000455	
KWH OUTPUT (000s) (11/1/19 - 10/31/20)		43,633,218	43,633,218	
REVENUE IMPACT (11/1/19 - 10/31/20)		\$6,632	\$19,853	\$26,485

* Excludes RAC, Lifeline and USF.

**PSE&G Societal Benefits Charge
Calculation of Cost Recovery - Gas
(\$000)**

**Attachment B
SS-2B-Settlement**

Gas

	<u>Period</u>	<u>EE&RE</u>
BEGINNING BALANCE INCLUDING INTEREST	5/31/2017 *	\$3
ACTUAL REVENUES	6/1/17 - 10/31/19	\$139,440
ACTUAL EXPENSES	6/1/17 - 10/31/19	(\$145,482)
INTEREST	6/1/17 - 10/31/19	\$51
GROSS RECEIPTS AND FRANCHISE TAX REFUND INCLUDING INTEREST		\$798
BALANCE INCLUDING INTEREST	10/31/19	(\$5,190)
OVER/(UNDER) RECOVERY WITH INTEREST	10/31/19	(\$5,190)
ESTIMATED EXPENSES TO BE COLLECTED	11/1/19 - 10/31/20	\$68,293
TOTAL EXPENSES TO BE COLLECTED / (RETURNED) TO CUSTOMERS	11/1/19 - 10/31/20	\$73,483
TOTAL TO BE COLLECTED / (RETURNED) TO CUSTOMERS	11/1/19 - 10/31/20	\$73,483
THERM SALES (000s) (11/1/19 - 10/31/20)		2,792,937
AVERAGE COST PER KILOWATTHOUR (DOLLAR/KWH)		\$0.026310
PUBLIC NOTICE RATE PER KILOWATTHOUR (DOLLAR/KWH)		\$0.024763

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

	<u>EE&RE</u>	<u>*TOTAL GAS SBC</u>
REVISED RATE PER THERM	0.024763	0.024763
CURRENT RATE PER THERM	0.022332	0.022332
DIFFERENCE	0.002431	0.002431
THERM SALES (000s) (11/1/19 - 10/31/20)	2,792,937	2,792,937
REVENUE IMPACT (11/1/19 - 10/31/20)	\$6,790	\$6,790

* Excludes RAC, Lifeline and USF.

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed changes in the Societal Benefits Charge (SBC) on typical residential electric bills, if approved by the Board, is illustrated below:

Residential Electric Service					
If Your Monthly Summer kWhr Use Is:	And Your Annual kWhr Use Is:	Then Your Present Annual Bill (1) Would Be:	And Your Proposed Annual Bill (2) Would Be:	Your Annual Bill Change Would Be:	And Your Percent Change Would Be:
185	1,732	\$350.32	\$351.56	\$1.24	0.35%
370	3,464	641.44	643.80	2.36	0.37
740	6,920	1,229.48	1,234.24	4.76	0.39
803	7,800	1,380.15	1,385.52	5.37	0.39
1,337	12,500	2,199.20	2,207.84	8.64	0.39

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial pricing (BGS-RSCP) charges in effect December 1, 2019 and assumes that the customer receives BGS-RSCP service from Public Service.
- (2) Same as (1) except includes changes in the Societal Benefits Charge (SBC).

Residential Electric Service					
If Your Annual kWhr Use Is:	And Your Monthly Summer kWhr Use Is:	Then Your Present Monthly Summer Bill (3) Would Be:	And Your Proposed Monthly Summer Bill (4) Would Be:	Your Monthly Summer Bill Change Would Be:	And Your Percent Change Would Be:
1,732	185	\$36.44	\$36.57	\$0.13	0.36%
3,464	370	67.96	68.21	0.25	0.37
6,920	740	132.87	133.38	0.51	0.38
7,800	803	144.45	145.00	0.55	0.38
12,500	1,337	242.66	243.58	0.92	0.38

- (3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect December 1, 2019 and assumes that the customer receives BGS-RSCP service from Public Service.
- (4) Same as (3) except includes changes in the Societal Benefits Charge (SBC).

TYPICAL RESIDENTIAL GAS BILL IMPACTS

The effect of the proposed change in the gas Societal Benefits Charge (SBC) on typical residential gas bills, if approved by the Board, is illustrated below:

Residential Gas Service					
If Your Monthly Winter Therm Use Is:	And Your Annual Therm Use Is:	Then Your Present Annual Bill (1) Would Be:	And Your Proposed Annual Bill (2) Would Be:	Your Annual Bill Change Would Be:	And Your Percent Change Would Be:
25	170	\$230.36	\$230.80	\$0.44	0.19%
50	340	357.16	358.06	0.90	0.25
100	610	567.94	569.56	1.62	0.29
159	1,000	870.17	872.79	2.62	0.30
172	1,040	895.22	897.90	2.68	0.30
200	1,210	1,024.42	1,027.52	3.10	0.30
300	1,816	1,485.80	1,490.50	4.70	0.32

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect December 1, 2019 and assumes that the customer receives commodity service from Public Service.
 (2) Same as (1) except includes changes in the Societal Benefits Charge (SBC).

Residential Gas Service					
If Your Annual Therm Use Is:	And Your Monthly Winter Therm Use Is:	Then Your Present Monthly Winter Bill (3) Would Be:	And Your Proposed Monthly Winter Bill (4) Would Be:	Your Monthly Winter Bill Change Would Be:	And Your Percent Change Would Be:
170	25	\$27.80	\$27.86	\$0.06	0.22%
340	50	46.94	47.07	0.13	0.28
610	100	86.30	86.56	0.26	0.30
1,040	172	142.24	142.69	0.45	0.32
1,210	200	163.97	164.49	0.52	0.32
1,816	300	241.66	242.44	0.78	0.32

- (3) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect December 1, 2019 and assumes that the customer receives commodity service from Public Service.
 (4) Same as (3) except includes changes in the Societal Benefits Charge (SBC).

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

Third Revised Sheet No. 57

B.P.U.N.J. No. 16 ELECTRIC

**Superseding
Second Revised Sheet No. 57**

SOCIETAL BENEFITS CHARGE

**Cost Recovery
(per kilowatt-hour)**

Component:

Social Programs.....	\$ 0.001266
Energy Efficiency and Renewable Energy Programs	0.003142
Manufactured Gas Plant Remediation	0.000598
Sub-total per kilowatt-hour	\$ 0.005006

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	5.8327%	\$ 0.005316	\$ 0.001249	\$ 0.000708	\$ 0.007273
LPL Primary	3.3153%	0.005178	0.001249	0.000708	0.007135
HTS Subtransmission	2.0472%	0.005111	0.001249	0.000708	0.007068
HTS High Voltage & HTS Transmission	0.8605%	0.005049	0.001249	0.000708	0.007006

Charges including New Jersey Sales and Use Tax (SUT)

Secondary Service.....	\$ 0.007755
LPL Primary	0.007608
HTS Subtransmission	0.007536
HTS High Voltage & HTS Transmission	0.007470

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. In appropriate circumstances, the Board of Public Utilities may approve a discount from the Societal Benefits Charge.

Date of Issue: September 27, 2019

Effective: October 1, 2019

Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility Finance - PSE&G
80 Park Plaza, Newark, New Jersey 07102

Filed pursuant to Order of Board of Public Utilities dated September 27, 2019
in Docket No. ER19060736

PUBLIC SERVICE ELECTRIC AND GAS COMPANY
B.P.U.N.J. No. 16 ELECTRIC

XXX Revised Sheet No. 57
Superseding
XXX Revised Sheet No. 57

SOCIETAL BENEFITS CHARGE

Cost Recovery
(per kilowatt-hour)

Component:

Social Programs.....	\$ 0.0014180-001266
Energy Efficiency and Renewable Energy Programs.....	0.0035970-003142
Manufactured Gas Plant Remediation.....	0.000598
Sub-total per kilowatt-hour.....	\$ 0.0056130-005006

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	5.8327%	\$ 0.005961 0.005346	\$ 0.001249	\$ 0.000708	\$ 0.007918 0.007273
LPL Primary	3.3153%	0.005805 0.005478	0.001249	0.000708	0.007762 0.007436
HTS Subtransmission	2.0472%	0.005730 0.005414	0.001249	0.000708	0.007687 0.007068
HTS High Voltage & HTS Transmission	0.8605%	0.005662 0.005049	0.001249	0.000708	0.007619 0.007006

Charges including New Jersey Sales and Use Tax (SUT)

Secondary Service.....	\$ 0.0084430-007755
LPL Primary.....	0.0082760-007608
HTS Subtransmission.....	0.0081960-007536
HTS High Voltage & HTS Transmission.....	0.0081240-007470

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. In appropriate circumstances, the Board of Public Utilities may approve a discount from the Societal Benefits Charge.

Date of Issue:

Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility 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. 16 ELECTRIC

XXX Revised Sheet No. 57
Superseding
XXX Revised Sheet No. 57

SOCIETAL BENEFITS CHARGE

Cost Recovery
(per kilowatt-hour)

Component:

Social Programs.....	\$ 0.001418
Energy Efficiency and Renewable Energy Programs.....	0.003597
Manufactured Gas Plant Remediation.....	0.000598
Sub-total per kilowatt-hour.....	\$ 0.005613

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	5.8327%	\$ 0.005961	\$ 0.001249	\$ 0.000708	\$ 0.007918
LPL Primary	3.3153%	0.005805	0.001249	0.000708	0.007762
HTS Subtransmission	2.0472%	0.005730	0.001249	0.000708	0.007687
HTS High Voltage & HTS Transmission	0.8605%	0.005662	0.001249	0.000708	0.007619

Charges including New Jersey Sales and Use Tax (SUT)

Secondary Service.....	\$ 0.008443
LPL Primary.....	0.008276
HTS Subtransmission.....	0.008196
HTS High Voltage & HTS Transmission.....	0.008124

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. In appropriate circumstances, the Board of Public Utilities may approve a discount from the Societal Benefits Charge.

Date of Issue:

Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility 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. 16 GAS

Second Revised Sheet No. 41
Superseding
First 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.....	0.022332
Manufactured Gas Plant Remediation.....	0.016065
Universal Service Fund - Permanent.....	0.006200
Universal Service Fund - Lifeline.....	<u>0.005200</u>
Societal Benefits Charge	\$ 0.049797
Societal Benefits Charge including New Jersey Sales and Use Tax (SUT) ...	<u>\$ 0.053096</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.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY
B.P.U.N.J. No. 16 GAS

XXX Revised Sheet No. 41
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.....	<u>0.0247630-022332</u>
Manufactured Gas Plant Remediation.....	0.016065
Universal Service Fund - Permanent.....	0.006200
Universal Service Fund - Lifeline.....	<u>0.005200</u>
Societal Benefits Charge	\$ <u>0.0522280-049797</u>
Societal Benefits Charge including New Jersey Sales and Use Tax (SUT)	\$ <u>0.0556880-053096</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.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY
B.P.U.N.J. No. 16 GAS

XXX Revised Sheet No. 41
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.....	0.024763
Manufactured Gas Plant Remediation.....	0.016065
Universal Service Fund - Permanent.....	0.006200
Universal Service Fund - Lifeline.....	<u>0.005200</u>
Societal Benefits Charge	\$ 0.052228
Societal Benefits Charge including New Jersey Sales and Use Tax (SUT)	<u>\$ 0.055688</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- 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.

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