

are passed onto the ratepayers. On March 2, 2018, the Company filed a petition pursuant to the Consideration Order that included a proposed plan as well as tariff sheets reducing its electric and gas distribution rates to reflect the impact of the 2017 Act.

By Order dated March 26, 2018, the Board directed that PSE&G's proposed plan be reviewed in the Company's 2018 Base Rate Case.^{2 3} The March 2018 Order also directed the Company to file tariffs reflecting its proposed rate reduction to be effective April 1, 2018, on an interim basis, subject to the outcome of its 2018 Base Rate Case.

Pursuant to the March 2018 Order, the Company reduced its base rates effective April 1, 2018 to eliminate any further over-collection. PSE&G deferred the over-collection for the period January 1, 2018 through March 31, 2018 ("Stub Period") on the books for return to customers.

By Order dated October 29, 2018, the Board approved a stipulation in PSE&G's 2018 Base Rate Case, where the initial TACs were implemented along with the revenue requirement increase, the excess income tax recovery for the Stub Period was refunded to customers over a two (2) month period, November and December 2018, with interest. The TACs were then reset in January 2019.

September 2019 TAC Petition

In the September 2019 TAC Petition, the Company proposed an ETAC refund from January 1, 2020 through December 31, 2020 of approximately \$87.7 million, which when added to the Company's estimated December 31, 2019 over-collected balance with interest of \$8.2 million, resulted in a total proposed refund to customers of approximately \$95.9 million. The proposed refund is based upon actual results through June 2019 and a forecast through December 31, 2020, and represents a decrease to electric customers of approximately \$15.5 million compared to the then current ETAC. The Company proposed to decrease the residential ETAC rate from a credit rate of \$0.004423 to a credit rate of \$0.005275 per kWh.⁴

For the GTAC, the Company proposed a refund from January 1, 2020 through December 31, 2020 of approximately \$145.6 million, which when added to the Company's estimated over-collected balance with interest at December 31, 2019 of \$10.4 million, resulted in a total proposed refund to customers of approximately \$156.0 million. The proposed refund is based upon actual results through June 2019 and a forecast through December 31, 2020, and represents a decrease to gas customers of approximately \$10.1 million compared to the current GTAC. The Company proposed to decrease the residential GTAC rate from a credit rate of \$0.069574 to a credit rate of \$0.073907 per therm.

While the Company proposed overall decreases for its electric and gas customers, PSE&G's Contract Service Gas ("CSG") rate class will see an increase in their rates from a credit rate of \$0.001285 to a credit rate of \$0.000956, due to the increase in the amount of therms utilized by this rate class during the recovery period.

² In re the Petition of Public Service Electric and Gas Company for Approval of Revised Rates (Effective on an Interim Basis April 1, 2018) to Reflect the Reduction Under the Tax Cut and Jobs Act of 2017, BPU Docket No. ER18030231, Order dated March 26, 2018 ("March 2018 Order").

³ 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, Order dated October 29, 2018 ("2018 Base Rate Case").

⁴ All rates quoted herein exclude Sales and Use Tax.

Public hearings for the September 2019 TAC Petition were held on November 14, 2019, in Mt. Holly, November 19, 2019 in New Brunswick, and November 21, 2019 in Hackensack, New Jersey. No members of the public attended or filed written comments with the Board.

By Order dated January 22, 2020, the Board approved the implementation of PSE&G's ETAC and GTAC rates on a provisional basis, subject to refund, with interest on any net over recovered balance.⁵ The ETAC and GTAC rates were effective on and after February 1, 2020, while the Parties continued a comprehensive review of this matter.

Through the course of the proceeding, PSE&G updated its schedules to reflect actual data through December 31, 2019. On March 26, 2020, PSE&G updated the schedules to reflect the impact of the Private Letter Ruling ("PLR Update") which provided guidance on the treatment of both the deficient deferred taxes related to Cost of Removal and the excess deferred taxes associated with accounting method changes related to repair deductions and capitalization of mixed service costs that are not subject to the tax normalization rules. As a result of actuals through June 30, 2019 and the PLR Update, the total impact of adjusting the TACs would result in an overall refund of approximately \$280.8 million.

STIPULATION

Following a review of the September 2019 TAC Petition, updates including the PLR Update, and discovery in this matter, the Parties executed the Stipulation, which provides the following:⁶

1. The Company's proposed tariff rate TAC-RS of (\$0.006198) per kilowatt hour (including SUT), and the TAC-RSG rate of (\$0.088458) per therm (including SUT) as reflected in Attachment 1 of the Stipulation, will be effective upon Board approval.
2. As compared to the provisionally approved ETAC rate that went into effect on February 1, 2020, a typical residential electric customer using 740 kilowatt-hours per summer month and 6,920 kilowatt-hours on an annual basis would see a decrease in the annual bill from \$1,312.16 to \$1,308.12, or \$4.04 or approximately 0.31%.⁷ As compared to the provisionally approved GTAC rate that went into effect on February 1, 2020, a typical residential gas heating customer using 172 therms per winter month and 1,040 therms on an annual basis would see a decrease in the annual bill from \$871.88 to \$861.84, or \$10.04, or approximately 1.15%.⁸
3. The actual ETAC and GTAC results through June 30, 2019 have been reviewed and deemed prudent and reasonable.

⁵ In re the Petition of Public Service Electric and Gas Company for Approval of Changes in its Electric and Gas Tax Adjustment Credit ("2019 TAC Filing"), BPU Docket No. ER19091302 and GR19091303, Order dated January 22, 2020 ("January 2020 Order").

⁶ Although summarized in this Order, the detailed terms of the Stipulation are controlling, subject to the findings and conclusions of this Order. Paragraphs are numbered to coincide with the Stipulation.

⁷ As a result of the changes in ETAC rates (provisional and final), a typical residential electric customer using 740 kilowatt-hours per summer month, and 6,920 kilowatt-hours on an annual basis, would see a decrease in the annual bill from \$1,318.44 to \$1,308.12, or \$10.32 or approximately 0.78%.

⁸ As a result of the changes in GTAC rates (provisional and final) a typical residential gas heating customer using 172 therms per month during the winter months, and 1,040 therms on an annual basis, would see a decrease in the annual bill from \$876.70 to \$861.84, or \$14.86 or approximately 1.69%.

4. The Company will submit its next TAC cost recovery filing by no later than October 31, 2020 based on actual results through June 30, 2020 and a forecast through December 31, 2021 in accordance with the terms of the 2018 Base Rate Case settlement. The change in the ETAC and GTAC balances from the update for actual results through December 31, 2019 will be incorporated into the 2020 TAC filing.

DISCUSSION AND FINDINGS

The Board reviewed the record to date in this proceeding, including the September 2019 TAC Petition, the January 2020 Order, updates including the PLR Update and the attached Stipulation, which authorizes the Company to implement its revised TACs on a final basis. The Board **HEREBY FINDS** that the Stipulation is reasonable, in the public interest, and in accordance with the law. The Board **HEREBY FINDS** that the actuals incurred through June 30, 2019 were reviewed by the Parties and determined to be reasonable and prudent. Accordingly, the Board **HEREBY ADOPTS** the attached Stipulation as its own, incorporating by reference its terms and conditions as if fully set forth herein.

The Board **HEREBY APPROVES** the ETAC and GTAC rates as set forth in Attachment 1 of the Stipulation as final. These changes shall become effective as of July 16, 2020.

As a result of the Stipulation, the annual impact on the typical residential electric customer using 740 kWh in a summer month and 6,920 kWh would be a decrease of \$4.04 or approximately 0.31%. The annual impact on the typical residential gas heating customer using 172 therms in a winter month and 1,040 therms annually would be a decrease of \$10.04 or approximately 1.15%.

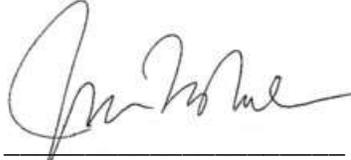
The Board **HEREBY ORDERS** PSE&G to file revised tariff sheets conforming to the terms of the Stipulation by July 16, 2020.

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

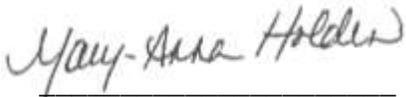
This Order shall be effective July 15, 2020.

DATED: July 15, 2020

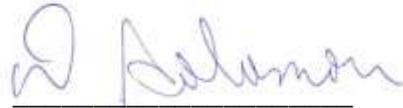
BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



DIANNE SOLOMON
COMMISSIONER

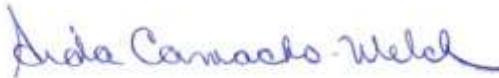


UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH
SECRETARY

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR
APPROVAL OF CHANGES IN ITS ELECTRIC TAX ADJUSTMENT CREDIT AND GAS TAX
ADJUSTMENT CREDIT ("2019 TAC FILING")

BPU DOCKET NOS. ER19091302 AND GR19091303

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July 1, 2020

In The Matter of the Petition of
Public Service Electric and Gas Company
for Approval of Changes in its Electric Tax Adjustment
Credit and Gas Tax Adjustment Credit
“2019 TAC Filing”

BPU Docket Nos.: ER19091302 and GR19091303

VIA E-MAIL

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 in the above-referenced case resolving all aspects of this matter. All the 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.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Danielle Lopez", written in a cursive style.

c: Attached Service List (E-Mail)

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

IN THE MATTER OF THE PETITION OF PUBLIC)	STIPULATION FOR
SERVICE ELECTRIC AND GAS COMPANY FOR)	FINAL TAC RATES
APPROVAL OF CHANGES IN ITS ELECTRIC TAX)	
ADJUSTMENT CREDIT AND GAS TAX)	BPU DOCKET NOS.
ADJUSTMENT CREDIT (“2019 TAC FILING”))	ER19091302 & GR19091303

STIPULATION AND AGREEMENT

APPEARANCES:

Matthew M. Weissman, Esq., Managing Counsel-State Regulatory, and **Danielle Lopez, Esq.**, Associate Counsel-Regulatory, for the Petitioner, Public Service Electric and Gas Company

Brian O. Lipman, Esq., Litigation Manager, **Felicia Thomas-Friel, Esq.**, Managing Attorney, **Maura Caroselli, 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).

BACKGROUND

On September 26, 2019, Public Service Electric and Gas Company (“Public Service,” “PSE&G” or the “Company”) filed a Petition and supporting documentation with the New Jersey Board of Public Utilities (“Board”) requesting a resetting of the Company’s Gas Tax Adjustment Credit (“GTAC”) and Electric Tax Adjustment Credit (“ETAC”) (collectively, “TACs”). (“September 2019 Petition”).

On December 22, 2017, the Tax Cuts and Jobs Act (“2017 Act”) was signed into law, with an effective date of January 1, 2018. The 2017 Act set forth changes to the Federal Internal Revenue Tax Code (“Tax Code”), including a reduction in the maximum corporate tax rate from thirty-five percent (35%) to twenty-one percent (21%). The 2017 Act was reviewed by the Board in January 2018, and based upon this review, the Board found that the reduction in the corporate tax rate resulted in savings to New Jersey public utilities, and thus, in an over-collection of tax revenue that would

not be paid in federal income taxes.¹ The Consideration Order directed several New Jersey public utilities, including PSE&G, to make filings detailing certain impacts of the 2017 Act with the intent of ensuring that tax savings are passed onto PSE&G's customers.

On March 2, 2018, PSE&G filed a petition pursuant to the Consideration Order that included a proposed plan as well as final issued tariff sheets, effective April 1, 2018, reducing its electric and gas distribution rates by approximately \$114 million annually to reflect the impact of the 2017 Act. By Order dated March 26, 2018,² the Board directed that PSE&G's proposed plan be reviewed in the Company's 2018 base rate case.³ The March 26, 2018 Order also directed the Company to file tariffs reflecting its proposed rate reduction to be effective April 1, 2018 on an interim basis subject to the outcome of its 2018 base rate case proceeding. Pursuant to the March 26, 2018 Order, the Company reduced its base rates effective April 1, 2018, three (3) months after the effective date of the 2017 Act, to eliminate any further over-collection. PSE&G deferred the over-collection for the period January 1, 2018 through March 31, 2018 on the books for return to customers (\$5.6 million for electric and \$21.8 million for gas, excluding interest).

On August 8, 2018, in the 2018 Base Rate Case, PSE&G updated its base rate request based upon 12 months of actual data and no estimated data for its test year ("12+0 update"). The Company's 12+0 update reflected a \$39 million refund as a result of excess tax recovery which was provided in the first three months of 2018, assuming rates effective October 1, 2018.⁴ After engaging in extensive

¹ *I/M/O the New Jersey Board of Public Utilities' Consideration of the Tax Cuts and Jobs Act of 2017*, Docket No. AX18010001, Order dated Jan. 31, 2018 ("Consideration Order").

² *I/M/O the New Jersey Board of Public Utilities' Consideration of the Tax Cuts and Jobs Act of 2017, et. al.* Docket Nos. AX18010001 and ER1803023, Order dated Mar. 26, 2018.

³ *I/M/O the Petition of Public Service Electric and Gas Company for the Approval of an Increase in Electric and Gas Rates and for Changes in 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. 48:2-21.1, and for Other Appropriate Relief*, Docket Nos. ER18010029 and GR18010030, Order dated Oct. 29, 2018.

⁴ On October 10, 2018, PSE&G filed an Errata to the stipulation and settlement to correct a mathematical error in this number. The actual refund of excess income tax recovery was \$27.8 million, which includes \$5.7 million for electric and \$22.1 million for gas.

discovery, testimony and participating in numerous settlement discussions, the parties came to a resolution of the 2018 Base Rate Case in early October 2018.

The stipulation of settlement in the 2018 Base Rate Case was approved by the Board on October 29, 2018, and, among other things, included the terms and operation of the tax adjustment credits applicable to electric and gas rates pursuant to the 2017 Act. The TAC amounts were allocated to each rate class and then refunded to customers through a dollar per kWh or therm basis for each rate schedule. Pursuant to the Board's Order in the 2018 Base Rate Case, the Company was directed to flow back the unprotected excess deferred tax savings over the course of five (5) years by way of the TACs. In addition, the Board's Order in the Base Rate Case directed the Company to refund the historic Safe Harbor Adjusted Repair Expense ("SHARE") balance as of October 31, 2018 over a 10-year period. Lastly, the Order required PSE&G to obtain a ruling from the IRS requesting guidance regarding how the deficient deferred taxes associated with cost of removal ("COR"), excess deferred taxes associated with accounting method changes for repair deductions and the capitalization of mixed service costs should be flowed back to customers without violating the tax normalization rules.

The initial TACs were implemented along with the revenue requirement increase upon approval of the stipulation in the 2018 Base Rate Case. The excess income tax recovery for the first quarter of 2018 was refunded to customers over the two-month period of November and December 2018, with interest. The TACs were reset in January 2019. On September 26, 2019, PSE&G filed the September 2019 Petition, seeking authority to reset the TACs for January 1, 2020. A recalculation of the TACs to be effective February 1, 2020 was supported by Attachment 2, Schedules SS-TAC-6E and SS-TAC-6G attached to the September 2019 Petition.

For the ETAC, the Company proposed a refund from January 1, 2020 through December 31, 2020 of approximately \$87.7 million, which when added to the Company's estimated over-collected ETAC balance with interest at December 31, 2019 of \$8.2 million, results in a total proposed refund to customers of approximately \$95.9 million. The proposed refund represents a decrease to electric customers of approximately \$15.5 million compared to the current ETAC. For the GTAC, the Company proposed a refund from January 1, 2020 through December 31, 2020 of approximately \$145.6 million, which when added to the Company's estimated over-collected GTAC balance with interest at December 31, 2019 of approximately \$10.4 million, results in a total proposed refund to customers of approximately \$156.0 million. The proposed refund represents a decrease to gas customers of approximately \$10.1 million compared to the current GTAC.

Notice of the Company's September 2019 Petition, including the date, time and place of public hearings was placed in newspapers having a circulation within the Company's gas service territory, and was served upon the Clerks of the municipalities, the Clerks of the Board of Chosen Freeholders, and the County Executives within the Company's gas service territory. In accordance with that notice, public hearings were held in the afternoon and evening on the following dates and locations in PSE&G's gas service territory: November 14, 2019 in Mt. Holly, New Jersey; November 19, 2019 in New Brunswick, New Jersey; and November 21, 2019 in Hackensack, New Jersey. No members of the public provided comments at any of the hearings or filed written comments with the Board.

PSE&G, Board Staff, and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") determined that additional time was needed to complete the review of the September 2019 Petition and the Company's proposed TACs. However, the Parties also

determined that action with respect to the Company's TACs, on a provisional basis, was reasonable, and therefore agreed to implement the TACs as of February 1, 2020 ("Provisional Stipulation"). On January 22, 2020, the Board approved the Provisional Stipulation to implement the proposed TAC rates subject to refund, effective February 1, 2020.

The proposed rate changes were implemented on a provisional basis, effective February 1, 2020. The residential customer impacts of this action were as follows: ELECTRIC—a typical residential electric customer using 740 kilowatt-hours per summer month and 6,920 kilowatt-hours on an annual basis would see a decrease in the annual bill from \$1,229.48 to \$1,223.20, or \$6.28 or approximately 0.51%. GAS—a typical residential gas heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis would see a decrease in the annual bill from \$895.22 to \$890.40, or \$4.82 or approximately 0.54%.

In response to the Company's request, the IRS issued a Private Letter Ruling ("PLR") on March 26, 2020 that held both the deficient deferred taxes related to COR, the excess deferred taxes associated with accounting method changes related to repair deductions and the capitalization of mixed service costs are not subject to the tax normalization rules. In accordance with this guidance, the Company proposes to flow back the unamortized portion of the COR deficit deferred taxes over the remainder of the TAC 5-year amortization period upon Board approval, and with respect to the flow back of the now unprotected excess deferred taxes from accounting method changes related to repair deductions and the capitalization of mixed service costs, the Company proposes to change its current provisional TAC rates to increase the credit and start flowing these unprotected amounts starting upon Board approval and continuing over a 5-year amortization period.

Subsequently, on June 5, 2020, pursuant to discovery request RCR-TAX-0013, the Company submitted a discovery response that provided the annual unprotected amortizations and an update to all revenue requirement schedules incorporating the impact of the PLR. The Company's updated ETAC balance from January 1, 2020 through December 31, 2020 is approximately \$105.7 million. The proposed final refund is a further decrease to electric customers of approximately \$9.8 million, as compared with the provisional ETAC refund to customers of approximately \$95.9 million.

The Company's updated GTAC balance from January 1, 2020 through December 31, 2020 is approximately \$175.1 million. The proposed final refund is a further decrease to gas customers of approximately \$19.1 million, as compared with the provisional GTAC refund to customers of approximately \$156.0 million.

The Parties completed their review of the September 2019 Petition and responses to discovery, and now HEREBY STIPULATE AND AGREE as follows:

1. The Company's proposed tariff rate TAC-RS of (\$0.006198) per kilowatt hour (including SUT), and the TAC-RSG rate of (\$0.088458) per therm (including SUT) as reflected in Attachment 1, will be effective upon Board approval.
2. As compared to the provisionally approved ETAC rate that went into effect on February 1, 2020, a typical residential electric customer using 740 kilowatt-hours per summer month and 6,920 kilowatt-hours on an annual basis would see a decrease in the annual bill from \$1,312.16 to \$1,308.12, or \$4.04 or approximately 0.31%⁵.

⁵ As a result of the changes in ETAC rates (provisional and final), a typical residential electric customer using 740 kilowatt-hours per summer month, and 6,920 kilowatt-hours on an annual basis, would see a decrease in the annual bill from \$1,318.44 to \$1,308.12, or \$10.32 or approximately 0.78%.

As compared to the provisionally approved GTAC rate that went into effect on February 1, 2020, a typical residential gas heating customer using 172 therms per winter month and 1,040 therms on an annual basis would see a decrease in the annual bill from \$871.88 to \$861.84, or \$10.04 or approximately 1.15%⁶.

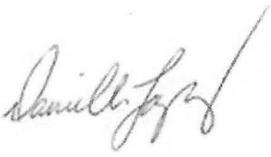
3. The actual ETAC and GTAC results through June 30, 2019 have been reviewed and deemed prudent and reasonable.
4. The Company will submit its next TAC cost recovery filing by no later than October 31, 2020 based on actual results through June 30, 2020 and a forecast through December 31, 2021 in accordance with the terms of the 2018 Base Rate Case settlement. The change in the ETAC and GTAC balances from the update for actual results through December 31, 2019 will be incorporated into the 2020 TAC filing.
5. 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.
6. 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.

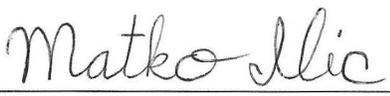
⁶ As a result of the changes in GTAC rates (provisional and final) a typical residential gas heating customer using 172 therms per month during the winter months, and 1,040 therms on an annual basis, would see a decrease in the annual bill from \$876.70 to \$861.84, or \$14.86 or approximately 1.69%.

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

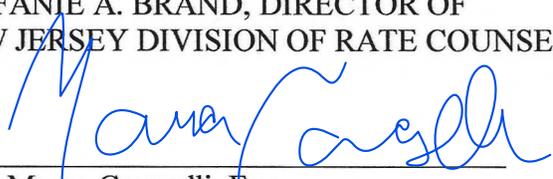

BY: _____
Danielle Lopez, Esq.
Associate Counsel - Regulatory


BY: _____
Matko Ilic
Deputy Attorney General

DATED: June 30, 2020

DATED: June 30, 2020

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

BY: 

Maura Caroselli, Esq.,
Assistant Deputy Rate Counsel

DATED: June 30, 2020

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 69

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

Superseding

XXX Revised Sheet No. 69

TAX ADJUSTMENT CREDIT

<u>Rate Schedule</u>	<u>Charge per kilowatt-hour</u>	<u>Charge per kilowatt-hour Including SUT</u>
RS.....	(\$0.005813)	(\$0.006198)
	(\$0.005275)	(\$0.005624)
	(\$0.005222)	(\$0.005568)
RHS.....	(\$0.004739)	(\$0.005053)
	(\$0.004492)	(\$0.004790)
RLM.....	(\$0.004076)	(\$0.004346)
WH.....	(\$0.000000)	(\$0.000000)
WHS.....	(\$0.000000)	(\$0.000000)
	(\$0.002279)	(\$0.002430)
HS.....	(\$0.002068)	(\$0.002205)
	(\$0.001669)	(\$0.001780)
GLP.....	(\$0.001514)	(\$0.001614)
	(\$0.000978)	(\$0.001043)
LPL - Secondary.....	(\$0.000888)	(\$0.000947)
	(\$0.000594)	(\$0.000633)
LPL - Primary.....	(\$0.000539)	(\$0.000575)
	(\$0.000611)	(\$0.000651)
HTS - Subtransmission.....	(\$0.000554)	(\$0.000594)
	(\$0.000277)	(\$0.000295)
HTS – High Voltage & HTS - Transmission.....	(\$0.000251)	(\$0.000268)
BPL.....	(\$0.000000)	(\$0.000000)
	(\$0.001455)	(\$0.001551)
BPL-POF.....	(\$0.001320)	(\$0.001407)
PSAL.....	(\$0.000000)	(\$0.000000)

Tax Adjustment Credit

This mechanism is designed to return net tax benefits from the Tax Cuts and Jobs Act of 2017, and other income tax related adjustments to customers. The charge will be reset on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under or over recovered balances. The interest rate shall be reset each month.

Date of Issue:

Effective:

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 Nos.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 69

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

Superseding

XXX Revised Sheet No. 69

TAX ADJUSTMENT CREDIT

<u>Rate Schedule</u>	<u>Charge per kilowatt-hour</u>	<u>Charge per kilowatt-hour Including SUT</u>
RS.....	(\$0.005813)	(\$0.006198)
RHS.....	(\$0.005222)	(\$0.005568)
RLM.....	(\$0.004492)	(\$0.004790)
WH.....	(\$0.000000)	(\$0.000000)
WHS.....	(\$0.000000)	(\$0.000000)
HS.....	(\$0.002279)	(\$0.002430)
GLP.....	(\$0.001669)	(\$0.001780)
LPL - Secondary.....	(\$0.000978)	(\$0.001043)
LPL - Primary.....	(\$0.000594)	(\$0.000633)
HTS - Subtransmission.....	(\$0.000611)	(\$0.000651)
HTS – High Voltage & HTS - Transmission.....	(\$0.000277)	(\$0.000295)
BPL.....	(\$0.000000)	(\$0.000000)
BPL-POF.....	(\$0.001455)	(\$0.001551)
PSAL.....	(\$0.000000)	(\$0.000000)

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

XXX Revised Sheet No. 51
Superseding
XXX Revised Sheet No. 51

TAX ADJUSTMENT CREDIT

<u>Rate Schedule</u>	<u>Charge per Therm</u>	<u>Charge per Therm Including SUT</u>
RSG.....	(\$0.082962)	(\$0.088458)
	(\$0.073907)	(\$0.078803)
	(\$0.068844)	(\$0.073405)
GSG.....	(\$0.061330)	(\$0.065393)
	(\$0.034494)	(\$0.036779)
LVG.....	(\$0.030730)	(\$0.032766)
	(\$0.129361)	(\$0.137931)
SLG.....	(\$0.115242)	(\$0.122877)
	(\$0.027273)	(\$0.029080)
TSG-F.....	(\$0.024296)	(\$0.025906)
	(\$0.010330)	(\$0.011014)
TSG-NF.....	(\$0.009203)	(\$0.009813)
	(\$0.014840)	(\$0.015823)
CIG.....	(\$0.013220)	(\$0.014096)
	(\$0.001073)	(\$0.001144)
CSG.....	(\$0.000956)	(\$0.001019)

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TAX ADJUSTMENT CREDIT

<u>Rate Schedule</u>	<u>Charge per Therm</u>	<u>Charge per Therm Including SUT</u>
RSG.....	(\$0.082962)	(\$0.088458)
GSG.....	(\$0.068844)	(\$0.073405)
LVG.....	(\$0.034494)	(\$0.036779)
SLG.....	(\$0.129361)	(\$0.137931)
TSG-F.....	(\$0.027273)	(\$0.029080)
TSG-NF.....	(\$0.010330)	(\$0.011014)
CIG.....	(\$0.014840)	(\$0.015823)
CSG.....	(\$0.001073)	(\$0.001144)

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This mechanism is designed to return net tax benefits from the Tax Cuts and Jobs Act of 2017, and other income tax related adjustments to customers. The charge will be reset on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under or over recovered balances. The interest rate shall be reset each month.

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