



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
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 THE NEXT PHASE OF THE GAS)
SYSTEM MODERNIZATION PROGRAM AND)
ASSOCIATED COST RECOVERY MECHANISM)
("GSMP II") (DECEMBER 2021 GSMP II RATE)
FILING)) BPU DOCKET NO. GR21121256

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Danielle Lopez, Esq., on behalf of Public Service Electric and Gas Company

BY THE BOARD:

On December 30, 2021, Public Service Electric and Gas Company ("PSE&G" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU") seeking review and approval of gas base rate changes to provide for cost recovery associated with the extension of the Company's Gas System Modernization Program ("GSMP II" or "Program") ("December 2021 Petition"). By this Order, the Board considers a Stipulation of Settlement ("Stipulation") executed by PSE&G, Board Staff ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") intended to resolve the Company's requests related to the above docketed matter.

BACKGROUND

By Order dated November 16, 2015, the Board authorized PSE&G to implement a three (3) year Gas System Modernization Program ("GSMP") through which the Company would invest approximately \$650 million [excluding Allowance for Funds Used During Construction ("AFUDC")] to replace the Company's utilization pressure cast iron ("UPCI") and unprotected steel mains and associated services, and the uprating of the UPCI segments to higher pressure.¹ The November 2015 Order also approved a cost recovery mechanism that allowed for annual rate adjustments

¹ In re the Petition of Public Service Electric and Gas Company for Approval of a Gas System Modernization Program and Associated Cost Recovery Mechanism, BPU Docket No. GR15030272, Order dated November 16, 2015 ("November 2015 Order").

("Alternative Rate Mechanism"), and required PSE&G to maintain a base level of capital spending of approximately \$85 million not recoverable through the Alternative Rate Mechanism.

By Order dated May 22, 2018, the Board authorized PSE&G to implement the GSMP II wherein PSE&G would: a) replace its UPCI mains and associated services and Unprotected Steel mains and associated services; b) uprate the UPCI systems (including the uprating of associated protected steel and plastic mains and associated services) to higher pressures; and c) install excess flow valves and eliminate district regulators, where applicable.² According to the GSMP II Order, costs would be eligible for recovery under the GSMP II Accelerated Rate Recovery Mechanism ("GSMP II Rate Mechanism").

Costs eligible for recovery under the GSMP II Rate Mechanism were not to exceed \$1.575 billion, representing replacement of 875 miles of main, which excludes the cost associated with the Stipulated Base and AFUDC.³ Costs recoverable under the GSMP II Rate Mechanism shall not exceed \$1.80 million per mile. Costs incurred by the Company in excess of the \$1.80 million per mile on its replacements would be credited toward the baseline capital expenditure requirement, as provided in the GSMP II Order, for the year in which the cost is incurred. For each of the five (5) years, 2019 through 2023, the Company agreed to maintain a baseline capital expenditure level of at least \$155 million. Recovery of costs in excess of \$1.80 million per mile may be sought through a base rate case. The base spend ("Stipulated Base") must be at least \$300 million during the five (5) year Program, with no less than \$20 million expended in each calendar year on certain projects.

DECEMBER 2021 PETITION

In compliance with the GSMP II Order, PSE&G filed the December 2021 Petition seeking recovery of the projected revenue requirement of approximately \$27.227 million associated with the capitalized investment costs of GSMP II through February 28, 2022, not yet recovered in rates.

According to the December 2021 Petition, through November 30, 2021, PSE&G replaced approximately 780 miles of main and 58,078 services. The Company anticipated having a total of 822 miles of main installed and in-service, and 64,571 services replaced and in-service, by February 28, 2022.

On March 15, 2022, the Company provided an update reflecting actual data through February 28, 2022 ("March 2022 Update"). Through February 28, 2022, PSE&G replaced approximately 839 miles of main and 64,067 services. The March 2022 Update supported a proposed revenue requirement of approximately \$24.556 million.

The GSMP II capital investment costs calculations for approximately \$24.556 million are as follows:

² In re the Petition of Public Service Electric and Gas Company for Approval of the Next Phase of the Gas System Modernization Program and Associated Cost Recovery Mechanism ("GSMP II"), BPU Docket No. GR17070776, Order dated May 22, 2018 ("GSMP II Order").

³ The Company will spend \$300 million on certain capital projects during the five (5) year Program with no less than \$20 million expended in each calendar year from 2019 through 2023. The \$300 million expenditure (i.e. Stipulated Base) shall be recoverable from base rates and not recoverable through the GSMP II Rate Mechanism. If the Company fails to spend at least \$20 million in any calendar year or \$300 million over the five (5) year period for Stipulated Base, the Company shall expend the amount of the shortfall without seeking cost recovery from ratepayers for such expenditures to make up the shortfall. See GSMP II Order at p.4.

PSE&G GSMP II Revenue Requirement (\$000)	
<u>Rate Base Calculation</u>	Total (in millions)
Gross Plant	\$228,661
Accumulated Depreciation	\$6,215
Net Plant	\$234,825
Accumulated Deferred Taxes	(\$5,216)
Rate Base	\$229,609
Rate of Return – After Tax (Schedule WACC)	6.48%
Return Requirement (After Tax)	\$14,883
Depreciation Exp, net	\$2,789
Expense Adjustment (After Tax)	(\$354)
Tax Adjustment	\$0
Revenue Factor	1.418
Roll-in Revenue Requirement	\$24,556

After publication of notice in newspapers of general circulation in the Company’s service territory, public hearings were held virtually at 4:30 pm and 5:30 pm on May 3, 2022.⁴ No member of the public attended the public hearings or filed comments with the Board related to the Petition.

STIPULATION

Following the review of the December 2021 Petition, the March 2022 Update, and discovery, the Parties executed the Stipulation, which provides for the following:⁵

1. The Parties agree that the Company will implement rates to recover approximately \$24.556 million.
2. The Company shall implement the rates provided in the Update to Schedule SS-GSMP II-5 (UPDATE), effective upon Board approval. Schedule SS-GSMP II-5 (UPDATE) is attached to the Stipulation as Attachment 1.
3. Under the Company’s proposal, 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 an initial increase in the annual bill from \$1,032.52 to \$1,045.92, or \$13.40, or approximately 1.30%, based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect as of April 1, 2022.
4. The Parties agree that pursuant to the terms of the GSMP II Order, PSE&G may implement the rates in Attachment 1 of the Stipulation effective upon Board approval. The rate adjustments established herein shall be provisional and subject to refund contingent upon the Board finding that PSE&G imprudently incurred capital expenditures under GSMP II. Such prudence review shall take place in the Company’s next base rate case.

⁴ The hearings were held virtually via Zoom due to the COVID-19 pandemic.

⁵ 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 conclusion in this Order. Paragraphs are numbered to coincide with the Stipulation.

The Company will file its next base rate case no later than January 1, 2024 ("2024 Base Rate Case"), in accordance with paragraph 40 of the GSMP II Order. Nothing herein will preclude any party from raising any objection in the 2024 Base Rate Case that could have been raised in the annual GSMP II cost recovery filings.

DISCUSSION AND FINDINGS

The Board reviewed the record in this proceeding, including the December 2021 Petition, the March 2022 Update, and the Stipulation, and **HEREBY FINDS** the Stipulation to be reasonable and in accordance with the law. 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 APPROVES** the rate adjustments calculated in Attachment 1 of the Stipulation, on a provisional basis, to be effective for services rendered on and after June 1, 2022.

The annual bill impact on the typical residential gas heating customer using 172 therms in a winter month, and 1,040 therms annually, is an increase of \$13.40, or approximately 1.3%.

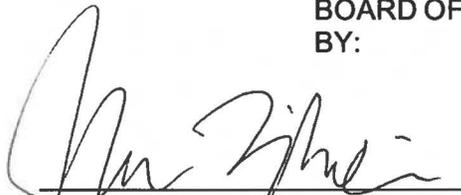
Accordingly, the Board **HEREBY ORDERS** PSE&G to file revised tariff sheets conforming to the terms of the Stipulation by May 31, 2022.

The Company's costs, including those related to GSMP II, 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.

The effective date of this Order is May 25, 2022.

DATED: May 18, 2022

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: 
CARMEN D. DIAZ
ACTING SECRETARY

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR
APPROVAL OF THE NEXT PHASE OF THE GAS SYSTEM MODERNIZATION PROGRAM AND
ASSOCIATED COST RECOVERY MECHANISM ("GSMP II") (DECEMBER 2021 GSMP II RATE FILING)

BPU DOCKET NO. GR21121256

SERVICE LIST

<p><u>Board of Public Utilities</u> 44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, NJ 08625-0350</p> <p>Carmen Diaz, Acting Board Secretary board.secretary@bpu.nj.gov</p> <p>Stacy Peterson, Deputy Executive Director stacy.peterson@bpu.nj.gov</p> <p><u>Office of General Counsel</u></p> <p>Abe Silverman, Esq., General Counsel abe.silverman@bpu.nj.gov</p> <p>Carol Artale, Esq., Deputy General Counsel carol.artale@bpu.nj.gov</p> <p>Heather Weisband, Esq., Senior Counsel heather.weisband@bpu.nj.gov</p> <p><u>Division of Energy</u></p> <p>Paul Lupo, Bureau Chief paul.lupo@bpu.nj.gov</p> <p>Ryan Moran ryan.moran@bpu.nj.gov</p> <p><u>New Jersey Division of Law</u> NJ Department of Law and Public Safety Richard J. Hughes Justice Complex Public Utilities Section 25 Market Street, P.O. Box 112 Trenton, NJ 08625</p> <p>Pamela Owen, ASC, DAG pamela.owen@law.njoag.gov</p> <p>Michael Beck, DAG michael.beck@law.njoag.gov</p> <p>Matko Ilic, DAG matko.ilic@law.njoag.gov</p> <p>Daren Eppley, DAG daren.eppley@law.njoag.gov</p>	<p><u>Public Service Electric and Gas Company</u> 80 Park Plaza, Newark, New Jersey 07102</p> <p>Danielle Lopez, Esq. danielle.lopez@pseg.com</p> <p>Matthew Weissman, Esq. matthew.weissman@pseg.com</p> <p><u>New Jersey Division of Rate Counsel</u> 140 East Front Street, 4th Floor Post Office Box 003 Trenton, NJ 08625</p> <p>Brian O. Lipman, Esq., Director blipman@rpa.nj.gov</p> <p>Maura Caroselli, Esq. mcaroselli@rpa.nj.gov</p> <p>Kurt Lewandowski, Esq. klewando@rpa.nj.gov</p> <p>Karen Forbes kforbes@rpa.nj.gov</p> <p>Robert Henkes Henkes Consulting 7 Sunset Road Old Greenwich, CT 06870 rhenkes@optonline.net</p>
---	---



May 6, 2022

In the Matter of the Petition of
Public Service Electric and Gas Company
for Approval of the Next Phase of the Gas System
Modernization Program and Associated Cost
Recovery Mechanism (“GSMP II”)
(December 2021 GSMP II Rate Filing)

Docket No. GR21121256

VIA ELECTRONIC MAIL

Carmen D. Diaz, Acting Board Secretary
Board of Public Utilities
44 South Clinton Avenue
P.O. Box 350
Trenton, New Jersey 08625-0350

Dear Secretary Diaz:

Attached is the fully executed Stipulation in the above-reference matter 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.

Consistent with the Order issued by the New Jersey Board of Public Utilities (“BPU or Board”) in connection with In the Matter of the New Jersey Board of Public Utilities’ Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this filing is being electronically filed with the Secretary of the Board and the New Jersey Division of Rate Counsel. No paper copies will follow.

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)

In the Matter of the Petition of Public Service
Electric and Gas Company for Approval of the
Next Phase of the Gas System Modernization
Program and Associated Cost Recovery
Mechanism (“GSMP II”)
(December 2021 GSMP II Rate Filing)
BPU Docket No. GR21121256

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

Brian O. Lipman, Director
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625

Maura Caroselli, Esq.
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625

Kurt S. Lewandowski, Esq.
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625

Karen Forbes, Legal Secretary
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625

Carol Artale
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

Joseph Costa
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

Son Lin Lai
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

Christine Lin
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

Paul Lupo
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

Jacqueline O'Grady
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

Stacy Peterson, Director
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

Ryan Moran
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

Matko Ilic, DAG
Division of Law
Public Utilities Section
Robert J. Hughes Justice Complex
25 Market Street, P.O. Box 112
Trenton, NJ 08625

Pamela Owen, DAG
Division of Law
Public Utilities Section
R.J. Hughes Justice Complex
25 Market Street, P.O. Box 112
Trenton, NJ 08625

Heather Weisband
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

Michele Falcao
PSE&G Services Corporation
80 Park Plaza – T5
P.O. Box 570
Newark, NJ 07102

Danielle Lopez
PSEG Services Corporation
80 Park Plaza, T5G
P. O. Box 570
Newark, NJ 07102

Joseph F. Accardo, Jr., Esq.
PSE&G Services Corporation
80 Park Plaza – T5
P.O. Box 570
Newark, NJ 07102

Matthew M. Weissman, Esq.
PSE&G Services Corporation
80 Park Plaza – T5
P.O. Box 570
Newark, NJ 07102

Caitlyn White
PSE&G Services Corporation
80 Park Plaza – T5
P.O. Box 570
Newark, NJ 07102

Bernard Smalls
PSE&G Services Corporation
80 Park Plaza – T5
P.O. Box 570
Newark, NJ 07102

Robert J. Henkes
Henkes Consulting
7 Sunset Road
Old Greenwich, CT 06870

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

IN THE MATTER OF THE PETITION OF :
PUBLIC SERVICE ELECTRIC AND GAS :
COMPANY FOR APPROVAL OF THE NEXT : BPU DOCKET NO. GR21121256
PHASE OF THE GAS SYSTEM MODERNIZATION :
PROGRAM AND ASSOCIATED COST :
RECOVERY MECHANISM (“GSMP II”) :
(DECEMBER 2021 GSMP II RATE FILING) :

STIPULATION AND AGREEMENT

APPEARANCES:

Matthew M. Weissman, Esq., Managing Counsel—State Regulatory, PSEG Services Corp., and **Danielle Lopez, Esq.**, Associate Counsel—Regulatory General, for the Petitioner, Public Service Electric and Gas Co.

Maura Caroselli, Esq., Managing Attorney—Gas and **Kurt S. Lewandowski, Esq.**, Assistant Deputy Rate Counsel (**Brian O. Lipman**, Director, Division of Rate Counsel)

Matko Ilic, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Matthew J. Platkin, Acting Attorney General of New Jersey**)

On December 30, 2021, Public Service Electric and Gas Company (“PSE&G” or “Company”) filed a petition and supporting documentation with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking BPU approval for gas base rate changes to provide for cost recovery associated with PSE&G’s Gas System Modernization Program II (“GSMP II” or “Program”) from September 1, 2021 through February 28, 2022 (“December 2021 Petition”). The December 2021 Petition was filed pursuant to the Order dated May 22, 2018 in BPU Docket No. GR17070776.¹ The Board’s GSMP II Order adopted a stipulation that authorized the requests for rate increases. Paragraph 36 of the stipulation provided, in pertinent part, that revenue

¹ In the Matter of the Petition of Public Service Electric and Gas Company for Approval of the Next Phase of the Gas System Modernization Program and Associated Cost Recovery Mechanism (“GSMP II”), Docket No. GR17070776, Order dated May 22, 2018 (“GSMP II Order”).

requirements associated with Program investments that are placed into service through and including February 28, 2022 shall go into base rates effective June 1, 2022. The stipulation further provided that PSE&G shall make its initial filing for such rates as of December 31, 2021, and update such filing for actual data through February 28, 2022, by March 15, 2022.

PSE&G's December 2021 Petition sought the authority to establish rates to recover an annualized increase in gas revenue requirement of approximately \$27.227 million associated with actual GSMP II investment costs. The annualized increase in the gas revenue requirement was supported by Attachment 2, Schedule SS-GSMPII-2 attached to the December 2021 Petition, which was based upon actual expenditures in-service through November 30, 2021 and a forecast through February 28, 2022.

On March 15, 2022, the Company provided updated schedules [SS-GSMPII-2 (Update)] in this matter that replaced the projected data in the original schedules with actual data through February 28, 2022 ("Update"). As a result of this Update for actual costs through February 28, 2022, the Company's revenue requirement decreased from approximately \$27.227 million to approximately \$24.556 million. The Company also provided an update to its Gas Proof of Revenue Schedule SS-GSMPII-5 (UPDATE), which included proposed rates reflecting changes from those in effect March 1, 2022. The Company provided an update to Schedule SS-GSMPII-7 (UPDATE), updating the Company's earnings test in this matter with actual data through December 31, 2021 by way of discovery response on April 29, 2022. The response reflects the latest quarter of financial data filed with the Board.

Notice of the Company's December 2021 Petition, and the date, time and details for the virtual public hearings, were placed in newspapers having a circulation within the Company's gas service territory, and served on the Clerks of the municipalities, the Clerks of the Board of County

Commissioners, and the County Executives within the Company’s gas service territory.² In accordance with the notice, virtual public hearings on the Company’s request were held at 4:30 p.m. and 5:30 p.m. on May 3, 2022. No members of the public appeared or provided comments at the public hearings, and no written comments were received by the Board.

Upon review of the December 2021 Petition, the Update, and discovery, Board Staff, the New Jersey Division of Rate Counsel (“Rate Counsel”), and PSE&G, the only parties to this proceeding (collectively, “Parties”), HEREBY STIPULATE AND AGREE AS FOLLOWS:

1. The Parties agree that the Company will implement rates to recover approximately \$24.556 million.
2. The Company shall implement the rates provided in the Update to Schedule SS-GSMPII-5 (UPDATE), effective upon Board approval. Schedule SS-GSMPII-5 (UPDATE) is attached hereto as Attachment 1.
3. Under the Company’s proposal, 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 an initial increase in the annual bill from \$1,032.52 to \$1,045.92, or \$13.40, or approximately 1.30%, based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect as of April 1, 2022.
4. The Parties agree that pursuant to the terms of the GSMP II Order, PSE&G may implement the rates in Attachment 1 effective upon Board approval. The rate adjustments established herein shall be provisional and subject to refund contingent upon the Board finding that PSE&G imprudently incurred capital expenditures under GSMP II. Such prudence review

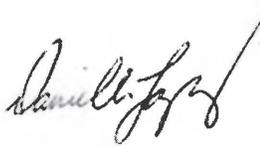
² The public hearings were conducted virtually due to the COVID-19 Pandemic.

shall take place in the Company's next base rate case. The Company will file its next base rate case no later than January 1, 2024 ("2024 Base Rate Case"), in accordance with paragraph 40 of the GSMP II Order. Nothing herein will preclude any party from raising any objection in the 2024 Base Rate Case that could have been raised in the annual GSMP II cost recovery filings.

5. This Stipulation of Settlement ("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.
6. The Parties agree that they consider the Stipulation to be binding on them for all purposes herein.
7. 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. 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.

8. 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.
9. **WHEREFORE**, the Parties hereto respectfully submit this Stipulation to the BPU and recommend that the Board issue a Final Decision and Order adopting and approving this Stipulation in its entirety in accordance with the terms hereof.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY


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

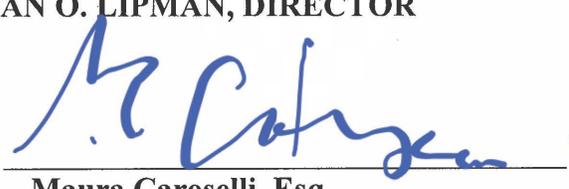
DATED: May 4, 2022

MATTHEW J. PLATKIN
ACTING ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the New Jersey Board of Public Utilities


BY: _____
Matko Ilic
Deputy Attorney General

DATED: May 5, 2022

NEW JERSEY DIVISION OF RATE COUNSEL
BRIAN O. LIPMAN, DIRECTOR


BY: _____
Maura Caroselli, Esq.
Deputy Rate Counsel

DATED: May 6, 2022

Gas Revenue Requirement Allocation Explanation of Format

Pages 2 through 5 presented in Schedule SS-GSMPII-5 (Update) are the 4 relevant pages from the complete cost of service and revenue requirement allocation methodology based on the 2018 Base Rate Case Settlement, approved by the Board on October 29, 2018. Page 2 Part 1 shows the “Final” revenue requirement allocation to the each rates class and its associated functions as defined in the 2018 PSE&G Base Rate Case (Rate Case). Part 2 allocates the GSMP II Revenue Increase in accordance with the Rate Case Board Order. Pages 3 and 4 provide the interclass revenue allocations based upon the rate rules approved in the Rate Case. Page 5 provides the service charges calculations for each rate class by which are calculated in accordance with the Rate Case Board Order.

Gas Rate Design (Proof of Revenue by Rate Class) Explanation of Format

The summary provides by rate schedule the Annualized Weather Normalized (all customers assumed to be on BGSS) revenue based on current tariff rates and the proposed initial rate change. Pages 6 through 16 presented in Schedule SS-GSMPII-5 (Update) are the 11 relevant pages from the complete rate change workpapers from the Company’s 2018 Gas Base Rate Case and have been appropriately modified per my testimony to reflect this GSMP II Program Roll-In.

Annualized Weather Normalized (all customers assumed to be on BGSS) and the Proposed Detailed Rate Design.

In the detailed rate design pages, all the components are separated into Delivery and Supply. In addition to the Distribution components of Delivery, also included in the schedule are lines for Balancing, Societal Benefits Charge, Margin Adjustment Charge, Weather Normalization Charge, Green Programs Recovery Charge, Tax Adjustment Credit, Miscellaneous items, and Unbilled Revenue.

Column (1) shows the annualized weather normalized billing units. Column (2) shows present Delivery rates (without Sales and Use Tax, SUT) effective March 1, 2022. The commodity rates in the Column (2) reflects April 2021 through March 2022’s class-weighted averages (BGSS-RSG uses the rate as of 2/1/2022). Column (3) presents annualized revenue assuming all customers are provided service under their applicable BGSS provision. Column (4) repeats the billing units of Column (1). Column (5) shows the proposed rates without SUT that result in the proposed revenues shown in Column (6). Columns (7) and (8) show the proposed base rate revenue increase, in thousands of dollars and percent increase, respectively, for each of the billing unit blocks. The proposed tariff charges (with and without SUT) are provided on pages 15 and 16 of this schedule.

Inter Class Revenue Allocations

Calculation of Increase Limits

<u>line #</u>	(in \$1,000)	Notes:
	Requested Revenue Increase to be	
1	recovered from rate schedule charges = \$ 24,556	Schedule SS-GSMPII-2 (Update)
2	Present Distribution Revenue = \$ 1,025,847	from RSG, GSG, LVG & SLG
3	Present Total Customer Bills (all on BGSS) = \$ 2,421,175	Page 4, col 3, line 11 Page 4, col 5, line 11
4	Average Distribution Increase = 2.394%	= Line 1 / Line 2
5	Average Total Bill Increase = 1.014%	= Line 1 / Line 3
6	Lower Distribution increase limit = 1.197%	in Distribution charges
7	Upper Distribution increase limit #1 = 3.591%	in Distribution charges
8	Upper Bill increase limit #2 = 2.028%	in Bill Increase
		= 0.5 * Line 4 = 1.5 * Line 4 = 2.0 * Line 5
	all rounded to 0.001%	

Inter Class Revenue Allocations

Calculation of Increases

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
line #	Rate Schedule	Proposed Distribution Revenue Requirement (from COS) (in \$1,000)	Present Distribution Revenue (in \$1,000)	Unlimited COS Distribution Charge \$ Increase (in \$1,000)	Present Total Bill Revenue (all on BGSS) (in \$1,000)	Unlimited Distribution Charge Increase (%)	Change in MAC & BGSS credits (in \$1,000)	Limited Final Distribution Charge Increase (%)	Proposed Total Bill Increase (%)	Proposed Distribution Revenue Increase (in \$1,000)
<u>Calculation of TSG-F Increase</u>										
1	TSG-F	\$ 3,304.030	\$ 3,553	\$ (249.157)	\$ 21,479.404	-7.012%	\$ (2.854)	1.197%	0.185%	\$ 42.532
<u>Calculation of TSG-NF & CIG Increase</u>										
2	TSG-NF	----	\$ 11,567	----	\$ 124,502	----		2.394%	0.222%	\$ 277
3	CIG	----	\$ 3,370	----	\$ 26,791	----	\$ -	2.394%	0.302%	\$ 81
4	CSG ¹	----	\$ 7,446	----	\$ 7,950	----		----	0.189%	\$ 15
<u>Calculation of Margin Rates (RSG, GSG, LVG & SLG) Increase</u>										
5	RSG	\$ 779,874	\$ 761,678	\$ 18,196	\$ 1,350,783	2.389%	\$ (267)	2.395%	1.330%	\$ 18,238
6	GSG	\$ 125,109	\$ 122,190	\$ 2,919	\$ 361,218	2.389%	\$ (42)	2.395%	0.798%	\$ 2,926
7	LVG	\$ 144,926	\$ 141,543	\$ 3,383	\$ 707,855	2.390%	\$ (104)	2.396%	0.464%	\$ 3,391
8	SLG	\$ 493.096	\$ 435.937		\$ 1,318.875					
9	Distribution Only	\$ 75.426	\$ 21.345	\$ 54.081		253.368%	\$ (0.106)	3.591%	0.050%	\$ 0.766
10	Fixtures	\$ 417.670	\$ 414.592	\$ 3.078		0.742%		0.000%	0.000%	\$ -
11	Total for Margin Rates	\$ 1,050,403	\$ 1,025,847	\$ 24,556	\$ 2,421,175	2.394%	\$ (413)	2.394%	0.997%	\$ 24,556

¹ CSG Credits all flow back through BGSS

Notes: for TSG-F - from 2018 Rate Case Schedule SS-G7 R-2, pg 1, col 6, line 6
 for RSG, GSG, LVG & SLG from page 1, line 21

SS-GSMP-1 workpapers = (2) - (3)
 Page 6 = (4) / (3)
 SS-GSMP-1 workpapers calculated on limits = (Col 10 + Col 7) / Col 5
 = (3) * (8)

Service Charge Calculations

line #	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	Notes:
	Rate Schedule	Distribution Access Rev Req (in \$1,000)	Customer Service Rev Req (in \$1,000)	Measurement Rev Req (in \$1,000)	COS Indicated Total Rev Req (in \$1,000)	# of Customers	Cost Based Monthly Service Charge (\$/month)	Current Monthly Service Charge (\$/month)	Proposed Limited Monthly Service Charge (\$/month)	
1		Average Distribution Increase =			2.394%					page 3, line 4
2	RSG	337,644	85,250	83,811	506,704.600	1,635,900	\$ 25.81	\$ 8.08	\$ 8.08	Fixed per 2018 Base Rate Case
3	GSG	48,298	7,465	18,972	74,736	140,771	\$ 44.24	\$ 17.35	\$ 17.97	move to costs, limited @ 1.5 times overall avg Distribution % increase
4	LVG	25,691	2,109	11,563	39,362	18,375	\$ 178.52	\$ 154.02	\$ 159.55	move to costs, limited @ 1.5 times overall avg Distribution % increase
5	TSG-F	530	400		930	37	\$ 2,095.57	\$ 824.91	\$ 854.53	move to costs, limited @ 1.5 times overall avg Distribution % increase
6	TSG-NF							\$ 824.91	\$ 854.53	set equal to new TSG-F Service Charge
7	CIG							\$ 187.48	\$ 191.97	increase current @ average Distribution % increase
8	CSG							\$ 824.91	\$ 854.53	set equal to new TSG-F Service Charge

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
Notes:	values for RSG, GSG & LVG for Cols 2, 3, & 4 from page 2, lines 16, 19 & 20				= (2) + (3) + (4)	RSG, GSG & LVG from 2018 Rate Case Schedule SS-G7 R-2, page 2, line 1	= Col 5 * 1000 / Col 6 / 12 rounded to \$0.01	From Tariff	based on methodology described	
	values for TSG-F for Cols 2, 3 & 4 from 2018 Rate Case Schedule SS-G7 R-2, page 1, lines 1, 4 & 5					TSG-F from COS workpapers				

RATE SCHEDULE GSG
GENERAL SERVICE
Schedule SS-GSMPII-5 (Update)
(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
Delivery								
1 Service Charge	1,689,246	17.35	\$29,308	1,689,246	17.97	\$30,356	\$1,048	3.58
2 Distribution Charge - Pre 7/14/97	2,183	0.312060	681	2,183	0.318343	695	14	2.06
3 Distribution Charge - All Others	295,256	0.312060	92,138	295,256	0.318343	93,993	1,855	2.01
4 Off-Peak Dist Charge - Pre 7/14/97	0	0.156030	0	0	0.159172	0	0	0.00
5 Off-Peak Dist Charge - All Others	45	0.156030	7	45	0.159172	7	0	0.00
6 Balancing Charge	173,170	0.087669	15,182	173,170	0.087669	15,182	0	0.00
7 SBC	297,484	0.049297	14,665	297,484	0.049297	14,665	0	0.00
8 Margin Adjustment	297,484	(0.005821)	(1,732)	297,484	(0.005821)	(1,732)	0	0.00
9 Weather Normalization	173,170	(0.001050)	(182)	173,170	(0.001050)	(182)	0	0.00
10 Green Programs Recovery Charge	297,484	0.006923	2,059	297,484	0.006923	2,059	0	0.00
11 Tax Adjustment Credit	297,484	(0.050734)	(15,093)	297,484	(0.050734)	(15,093)	0	0.00
12 Green Enabling Mechanism	297,484	0.000000	0	297,484	0.000000	0	0	0.00
13 Facilities Charges			0			0	0	0.00
14 Minimum			2			2	0	0.00
15 Miscellaneous			(313)			(313)	0	0.00
16 Delivery Subtotal	297,484		\$136,722	297,484		\$139,639	\$2,917	2.13
17 Unbilled Delivery			412			421	9	2.18
18 Delivery Subtotal w unbilled			\$137,134			\$140,060	\$2,926	2.13
19								
Supply								
21 BGSS	297,484	0.705393	\$209,843	297,484	0.705393	\$209,843	\$0	0.00
22 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
23 BGSS Contrib. from TSG-F, TSG-NF & CIG	0	0.000000	0	297,484	(0.000031)	(9)	(9)	0.00
24								
25 Miscellaneous			(51)			(51)	0	0.00
26 Supply subtotal	297,484		\$209,792	297,484		\$209,783	(9)	0.00
27 Unbilled Supply			14,292			14,291	(1)	(0.01)
28 Supply Subtotal w unbilled			\$224,084			\$224,074	(10)	0.00
29								
30 Total Delivery + Supply	297,484		\$361,218	297,484		\$364,134	\$2,916	0.81

31
32
33
34 Notes:
35 All customers assumed to be on BGSS.
36 Annualized Weather Normalized Revenue reflects Delivery rates as of 3/1/2022
37 plus applicable BGSS charges.
38

RATE SCHEDULE CIG
COGENERATION INTERRUPTIBLE SERVICE
Schedule SS-GSMPII-5 (Update)
(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
Delivery								
1 Service Charge	0.166	187.48	\$31	0.166	191.97	\$32	\$1	3.23
2 Margin 0-600,000	32,835	0.083871	2,754	32,835	0.085843	2,819	65	2.36
3 Margin over 600,000	8,232	0.073871	608	8,232	0.075843	624	16	2.63
4 Extended Gas Service	0	0.150000	0	0	0.150000	0	0	0.00
5 SBC	41,067	0.049297	2,024	41,067	0.049297	2,024	0	0.00
6 Green Programs Recovery Charge	41,067	0.006923	284	41,067	0.006923	284	0	0.00
7 Tax Adjustment Credit	41,067	(0.007753)	(318)	41,067	(0.007753)	(318)	0	0.00
8 Green Enabling Mechanism	41,067	0.000000	0	41,067	0.000000	0	0	0.00
9 Facilities Charges			0			0	0	0.00
10 Minimum			0			0	0	0.00
11 Miscellaneous			0			0	0	0.00
12 Delivery Subtotal	41,067		\$5,383	41,067		\$5,465	\$82	1.52
13 Unbilled Delivery			(37)			(38)	(1)	2.70
14 Delivery Subtotal w unbilled			\$5,346			\$5,427	\$81	1.52
15								
Supply								
17 Commodity Component	41,067	0.458665	\$18,836	41,067	0.458665	\$18,836	\$0	0.00
18 Pilot Use	1,249	1.89	2,361	1,249	1.89	2,361	0	0.00
19 Penalty Use	0		0	0		0	0	0.00
20 Extended Gas Service	5		338	5		338	0	0.00
21 Miscellaneous			0			0	0	0.00
22 Supply Subtotal	42,321		\$21,535	42,321		\$21,535	\$0	0.00
23 Unbilled Supply			(90)			(90)	0	0.00
24 Supply Subtotal w unbilled			\$21,445			\$21,445	\$0	0.00
25								
26 Total Delivery + Supply	41,067		\$26,791	41,067		\$26,872	\$81	0.30

30 Notes:

31 All customers assumed to be on BGSS.

32 Annualized Weather Normalized Revenue reflects Delivery rates as of 3/1/2022

33 plus applicable BGSS charges.

34

RATE SCHEDULE TSG-F
FIRM TRANSPORTATION GAS SERVICE
Schedule SS-GSMPII-5 (Update)
(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
Delivery								
1 Service Charge	0.494	824.91	\$407.506	0.494	854.53	\$422.138	\$14.632	3.59
2 Demand Charge	487	2.1423	1,043.300	487	2.1609	1,052.358	9.058	0.87
3 Demand Charge, Agreements	0	0.0000	0.000	0	0.0000	0.000	0.000	0.00
4 Distribution Charge	25,950	0.081888	2,124.994	25,950	0.082599	2,143.444	18.450	0.87
5 Distribution Charge, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
6 SBC	25,950	0.049297	1,279.257	25,950	0.049297	1,279.257	0.000	0.00
7 SBC, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
8 Margin Adjustment	25,950	(0.005821)	(151.055)	25,950	(0.005821)	(151.055)	0.000	0.00
9 Margin Adjustment, Agreements	0	(0.005821)	0.000	0	(0.005821)	0.000	0.000	0.00
10 Green Programs Recovery Charge	25,950	0.006923	179.652	25,950	0.006923	179.652	0.000	0.00
11 Green Programs Recovery Charge, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
12 Tax Adjustment Credit	25,950	(0.018498)	(480.023)	25,950	(0.018498)	(480.023)	0.000	0.00
13 Green Enabling Mechanism	25,950	0.000000	0.000	25,950	0.000000	0.000	0.000	0.00
14 Facilities Charges			0.000			0.000	0.000	0.00
15 Minimum			0.000			0.000	0.000	0.00
16 Miscellaneous			(54.034)			(54.018)	0.016	(0.03)
17 Delivery Subtotal	25,950		4,349.597	25,950		4,391.753	42.156	0.97
18 Unbilled Delivery			38.807			39.183	0.376	0.97
19 Delivery Subtotal w unbilled			4,388.404			4,430.936	42.532	0.97
20								
Supply								
22 Commodity Charge, BGSS-F	25,950	0.658613	\$17,091.000	25,950	0.658613	\$17,091.000	\$0.000	0.00
23 Emergency Sales Service	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
24 Miscellaneous			0.000			0.000	0.000	0.00
25 Supply Subtotal	25,950		\$17,091.000	25,950		\$17,091.000	\$0.000	0.00
26 Unbilled Supply			0.000			0.000	0.000	0.00
27 Supply Subtotal w unbilled			\$17,091.000			\$17,091.000	\$0.000	0.00
28								
29 Total Delivery + Supply	25,950		\$21,479.404	25,950		\$21,521.936	\$42.532	0.20

33 Notes:

34 All customers assumed to be on BGSS.

35 TSG-F revenues shown to 3 decimals.

36 Annualized Weather Normalized Revenue reflects Delivery rates as of 3/1/2022

37 plus applicable BGSS charges.

RATE SCHEDULE TSG-NF
NON-FIRM TRANSPORTATION GAS SERVICE
Schedule SS-GSMPII-5 (Update)
(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
Delivery								
1 Service Charge	2,218	824.91	\$1,830	2,218	854.53	\$1,895	\$65	3.55
2 Dist Charge 0-50,000	99,839	0.093241	9,309	99,839	0.095345	9,519	210	2.26
3 Dist Charge 0-50,000, Agreements	600	0.023333	14	600	0.023333	14	0	0.00
4 Dist Charge over 50,000	67,427	0.093241	6,287	67,427	0.095345	6,429	142	2.26
5 Dist Charge over 50,000, Agreements	11,318	0.023502	266	11,318	0.023502	266	0	0.00
6 SBC	167,266	0.049297	8,246	167,266	0.049297	8,246	0	0.00
7 SBC, Agreements	11,918	0.042876	511	11,918	0.042876	511	0	0.00
8 Green Programs Recovery Charge	167,266	0.006923	1,158	167,266	0.006923	1,158	0	0.00
9 Green Programs Recovery Charge, Agreements	11,918	0.005370	64	11,918	0.005370	64	0	0.00
10 Tax Adjustment Credit	167,266	(0.006487)	(1,085)	167,266	(0.006487)	(1,085)	0	0.00
11 Green Enabling Mechanism	167,266	0.000000	0	167,266	0.000000	0	0	0.00
12 Facilities Charges			5			5	0	0.00
13 Minimum			0			0	0	0.00
14 Miscellaneous			(277)			(277)	0	0.00
15 Delivery Subtotal	179,184		\$26,328	179,184		\$26,745	\$417	1.58
16 Unbilled Delivery			(8,859)			(8,998)	(139)	1.57
17 Delivery Subtotal w unbilled			\$17,469			\$17,747	\$278	1.59
18								
Supply								
20 Commodity Charge, BGSS-I	179,184	0.617840	\$110,707	179,184	0.617840	\$110,707	\$0	0.00
21 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
22 Pilot Use	26	1.890000	49	26	1.890000	49	0	0.00
23 Penalty Use	19	1.157895	22	19	1.157895	22	0	0.00
24 Miscellaneous			2			2	0	0.00
25 Supply Subtotal	179,229		\$110,780	179,229		\$110,780	\$0	0.00
26 Unbilled Supply			(3,747)			(3,747)	0	0.00
27 Supply Subtotal w unbilled			\$107,033			\$107,033	\$0	0.00
28								
29 Total Delivery + Supply	179,184		\$124,502	179,184		\$124,780	\$278	0.22
30								
31								
32								

33 Notes:

34 All customers assumed to be on BGSS.

35 Annualized Weather Normalized Revenue reflects Delivery rates as of 3/1/2022

36 plus applicable BGSS charges.

**RATE SCHEDULE CSG
 CONTRACT SERVICES
 Schedule SS-GSMPII-5 (Update)
 (Terms & Revenue - Thousands, Rate - \$/Therm)**

	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
Delivery								
1 Service Charge - Power	0.0800	824.91	\$66	0.0800	854.53	\$68	\$2	3.03
2 Service Charge - Power- Non Firm	0.0120	824.91	10	0.0120	854.53	10	0	0.00
3 Service Charge - Other	0.1090	824.91	90	0.1090	854.53	93	3	3.33
4 Distribution Charge - Power	599,445	0.006051	3,627	599,445	0.006051	3,627	0	0.00
5 Distribution Charge - Power- Non Firm	4,755	0.093241	443	4,755	0.095345	453	10	2.26
6 Distribution Charge - Other	185,648	0.011904	2,210	185,648	0.011904	2,210	0	0.00
7 Maintenance - Power	599,445	0.000142	85	599,445	0.000142	85	0	0.00
8 Maintenance - Power- Non Firm	4,755	0.000000	0	4,755	0.000000	0	0	0.00
9 Maintenance - Other	185,648	0.000113	21	185,648	0.000113	21	0	0.00
10 Pilot Use	0	0.000000	0	0	0.000000	0	0	0.00
11 Penalty Use	0	0.000000	0	0	0.000000	0	0	0.00
12 Balancing Charge (applicable only if customer uses BGSS-F)	0	0.000000	0	0	0.000000	0	0	0.00
13 SBC	789,848	0.049297	980	789,848	0.049297	980	0	0.00
14 Green Programs Recovery Charge	789,848	0.006923	149	789,848	0.006923	149	0	0.00
15 Tax Adjustment Credit	789,848	(0.000846)	(668)	789,848	(0.000846)	(668)	0	0.00
16 Green Enabling Mechanism	789,848	0.000000	0	789,848	0.000000	0	0	0.00
17 Facilities Chg.			840			840	0	0.00
18 Minimum			271			271	0	0.00
19 Sales Tax Discount - Delivery			(428)			(428)	0	0.00
20 Misc.			300			300	0	0.00
21 Delivery Subtotal	789,848		7,996	789,848		8,011	15	0.19
22 Unbilled Delivery			(95)			(95)	0	0.00
23 Delivery Subtotal w/ Unbilled	789,848		7,901	789,848		7,916	15	0.19
Supply								
26 BGSS-Firm - Power	0	0.000000	0	0	0.000000	0	0	0.00
27 BGSS-Firm - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
28 BGSS-Firm - Other	0	0.000000	0	0	0.000000	0	0	0.00
29								
30 BGSS-Interruptible - Power	0	0.000000	0	0	0.000000	0	0	0.00
31 BGSS-Interruptible - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
32 BGSS-Interruptible - Other	0	0.000000	0	0	0.000000	0	0	0.00
33								
34 Emergency Sales Svc. - Power	0	0.000000	0	0	0.000000	0	0	0.00
35 Emergency Sales Svc. - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
36 Emergency Sales Svc - Other	0	0.000000	0	0	0.000000	0	0	0.00
37								
38 Pilot Use	26	1.89	49	26	1.89	49	0	0.00
39 Penalty Use	0	0.000000	0	0	0.000000	0	0	0.00
40 Misc.	19		0	19		0	0	0.00
41 Supply Subtotal	45		49	45		49.140	0	0.00
42 Unbilled Supply	0		0	0		0	0	0.00
43 Supply Subtotal w/ Unbilled	45		49	45		49.140	0	0.00
44								
45 Total Delivery & Supply	789,893		7,950	789,893		7,965	15.00	0.19
46								

47 Notes:
 48 All customers assumed to be on BGSS.
 49 Annualized Weather Normalized Revenue reflects Delivery rates as of 3/1/2022
 50 plus applicable BGSS charges.

Gas Tariff Rates
Schedule SS-GSMPII-5 (Update)

Rate Schedule	Description	Present		Proposed	
		Charge without SUT	Charge Including SUT	Charge without SUT	Charge Including SUT
RSG	Service Charge	\$8.08	\$8.62	\$8.08	\$8.62
	Distribution Charges	\$0.405733	\$0.432613	\$0.417988	\$0.445680
	Balancing Charge	\$0.087669	\$0.093477	\$0.087669	\$0.093477
	Off-Peak Use	\$0.202867	\$0.216306	\$0.208994	\$0.222840
GSG	Service Charge	\$17.35	\$18.50	\$17.97	\$19.16
	Distribution Charge - Pre July 14, 1997	\$0.312060	\$0.332734	\$0.318343	\$0.339433
	Distribution Charge - All Others	\$0.312060	\$0.332734	\$0.318343	\$0.339433
	Balancing Charge	\$0.087669	\$0.093477	\$0.087669	\$0.093477
	Off-Peak Use Dist Charge - Pre July 14, 1997	\$0.156030	\$0.166367	\$0.159172	\$0.169717
	Off-Peak Use Dist Charge - All Others	\$0.156030	\$0.166367	\$0.159172	\$0.169717
LVG	Service Charge	\$154.02	\$164.22	\$159.55	\$170.12
	Demand Charge	\$4.1594	\$4.4350	\$4.2433	\$4.5244
	Distribution Charge 0-1,000 pre July 14, 1997	\$0.040665	\$0.043359	\$0.037826	\$0.040332
	Distribution Charge over 1,000 pre July 14, 1997	\$0.045179	\$0.048172	\$0.047059	\$0.050177
	Distribution Charge 0-1,000 post July 14, 1997	\$0.040665	\$0.043359	\$0.037826	\$0.040332
	Distribution Charge over 1,000 post July 14, 1997	\$0.045179	\$0.048172	\$0.047059	\$0.050177
	Balancing Charge	\$0.087669	\$0.093477	\$0.087669	\$0.093477
SLG	Single-Mantle Lamp	\$13.2351	\$14.1119	\$13.2351	\$14.1119
	Double-Mantle Lamp, inverted	\$13.2351	\$14.1119	\$13.2351	\$14.1119
	Double Mantle Lamp, upright	\$13.2351	\$14.1119	\$13.2351	\$14.1119
	Triple-Mantle Lamp, prior to January 1, 1993	\$13.2351	\$14.1119	\$13.2351	\$14.1119
	Triple-Mantle Lamp, on and after January 1, 1993	\$67.4762	\$71.9465	\$67.4762	\$71.9465
	Distribution Therm Charge	\$0.050613	\$0.053966	\$0.051742	\$0.055170

Gas Tariff Rates
Schedule SS-GSMPII-5 (Update)

Rate Schedule	Description	Present		Proposed	
		Charge without SUT	Charge Including SUT	Charge without SUT	Charge Including SUT
TSG-F	Service Charge	\$824.91	\$879.56	\$854.53	\$911.14
	Demand Charge	\$2.1423	\$2.2842	\$2.1609	\$2.3041
	Distribution Charges	\$0.081888	\$0.087313	\$0.082599	\$0.088071
TSG-NF	Service Charge	\$824.91	\$879.56	\$854.53	\$911.14
	Distribution Charge 0-50,000	\$0.093241	\$0.099418	\$0.095345	\$0.101662
	Distribution Charge over 50,000	\$0.093241	\$0.099418	\$0.095345	\$0.101662
	Special Provision (d)	\$1.89	\$2.02	\$1.89	\$2.02
CIG	Service Charge	\$187.48	\$199.90	\$191.97	\$204.69
	Distribution Charge 0-600,000	\$0.083871	\$0.089427	\$0.085843	\$0.091530
	Distribution Charge over 600,000	\$0.073871	\$0.078765	0.075843	\$0.080868
	Special Provision (c) 1st para	\$1.89	\$2.02	\$1.89	\$2.02
BGSS RSG	Commodity Charge including Losses	\$0.384724	\$0.410212	\$0.384652	\$0.410135
CSG	Service Charge	\$824.91	\$879.56	\$854.53	\$911.14
	Distribution Charge - Non-Firm	\$0.093241	\$0.099418	\$0.095345	\$0.101662