



PHIL MURPHY
GOVERNOR

TAHESHA L. WAY
LT. GOVERNOR

State of New Jersey
BOARD OF PUBLIC UTILITIES
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(609)777-3300

Christine Guhl-Sadovy
President

Dr. Zenon Christodoulou
Commissioner

Marian Abdou
Commissioner

Michael Bange
Commissioner

To the Service List:

Re: Docket No. ER23110784 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of Electric Rate Adjustments Pursuant to the Energy Strong II Program
Agenda Date: April 30, 2024 – Agenda Item: 2D

Please be advised that the New Jersey Board of Public Utilities ("Board") is re-issuing the Order for the above-referenced agenda item that was approved by the Board at the April 30, 2024 Board agenda meeting to correct a typographical error. Specifically, the bill impact on page 4 of the order incorrectly listed the average monthly bill as \$199.99 as a result of the stipulation. Consistent with the stipulation in this matter, it should be listed as \$119.99.

This is the only change to the Order, which will be re-distributed to the parties of record and the attached Service List.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sherril L. Golden".

SHERRIL L. GOLDEN
BOARD SECRETARY



Agenda Date: 4/30/24
Agenda Item: 2D

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 ELECTRIC RATE)
ADJUSTMENTS PURSUANT TO THE ENERGY)
STRONG II PROGRAM)
DECISION AND ORDER)
APPROVING STIPULATION)
DOCKET NO. ER23110784)

Parties of Record:

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

BY THE BOARD:

On November 1, 2023, 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 cost recovery of certain investments within its Energy Strong II Program (“Energy Strong II” or “Program”) (“November 2023 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 November 2023 Petition.

BACKGROUND

By Order dated September 11, 2019, the Board authorized PSE&G to implement Energy Strong II pursuant to N.J.A.C. 14:3-2A.1 et seq., wherein the Company would invest up to \$842 million within the Program through December 31, 2023.¹ As noted in the Energy Strong II Order, \$691.5 million of investment would be eligible for accelerated recovery, and \$150.5 million of investment would be considered Stipulated Base expenditure to be recoverable within the Company’s next base rate case.² The Energy Strong II projects were aimed at improving the reliability and resilience of the Company’s electric and gas systems, including raising and rebuilding substations, deploying advanced technology, and modernizing critical gas equipment.

¹ In re the Matter of the Petition of Public Service Electric and Gas Company for Approval of the Second Energy Strong Program (Energy Strong II), BPU Docket Nos. EO18060629 and GO18060630, Order dated September 11, 2019 (“Energy Strong II Order”).

² See Energy Strong II Order at Page 7, Paragraph 34.

The approved Energy Strong II subprograms and stipulated funding amounts subject to accelerated recovery are summarized below:³

ES II Subprogram	Total Spending
Electric Station Flood Mitigation	\$389 million
Contingency Reconfiguration	\$145 million
Grid Modernization – Communications System	\$72 million
Grid Modernization - ADMS	\$35 million
Gas M&R Station Upgrades	\$50.5 million
Total	\$691.5 million

Pursuant to the stipulation approved by the Energy Strong II Order, the rate adjustment schedule was to consist of two (2) annual filings followed by four (4) semi-annual filings.⁴

In February 2021, PSE&G notified the Parties that the Constable Hook substation project, a part of the Electric Station Flood Mitigation subprogram, would not be completed within the Program’s timeframe. As such, PSE&G requested to modify the Energy Strong II stipulation to remove the Constable Hook substation project from the Program and replace it with flood mitigation work on the Company’s Front Street substation.

On November 1, 2021, PSE&G filed its second petition requesting cost recovery of Energy Strong II investments (“November 2021 Petition”). By Order dated May 4, 2022, the Board authorized the Company to recover a revenue requirement of approximately \$17.0 million for electric system investments (associated with a total gross plant of approximately \$129.0 million), and a revenue requirement of approximately \$0.9 million for gas system investments (associated with a total gross plant of approximately \$8.1 million).⁵ The May 2022 Order also permitted PSE&G to modify the Energy Strong II stipulation to substitute the Front Street substation project for the Constable Hook substation project within the Electric Station Flood Mitigation subprogram.

³ By letter dated July 27, 2021, PSE&G provided notice that it had transferred \$7.7 million of funding from the Grid Modernization – Communications System subprogram to the Grid Modernization – ADMS subprogram, which is not reflected in the table above.

⁴ See Energy Strong II Order at Pages 8-9, Paragraph 40.

⁵ In re the Matter of the Petition of Public Service Electric and Gas Company for Approval of Electric and Gas Rate Adjustments Pursuant to the Second Energy Strong Program, BPU Docket Nos. ER21111209 and GR21111210; In re the Matter of the Petition of Public Service Electric and Gas Company for Approval of the Second Energy Strong Program (Energy Strong II), BPU Docket Nos. EO18060629 and GO18060630, Order dated May 4, 2022 (“May 2022 Order”).

NOVEMBER 2023 PETITION

The November 2023 Petition is PSE&G's fifth petition seeking cost recovery of Energy Strong II electric investments placed in-service through December 31, 2023. In the November 2023 Petition, PSE&G estimated the annualized increase in revenue requirement for electric system investments to be approximately \$25.581 million.

On February 21, 2024, the Company updated the November 2023 Petition to include actual Program expenditures through December 31, 2023 ("February 2024 Update"). In the February 2024 Update, the Company adjusted its proposed revenue requirement for electric system investments to approximately \$12.5 million, associated with a total gross plant of approximately \$113.7 million.

Following publication of notice, virtual public hearings were held on March 12, 2024 at 4:30 p.m. and 5:30 p.m. No members of the public attended the public hearings and no written comments were received by the Board.

STIPULATION

Upon review of the November 2023 Petition, the February 2024 Update, and discovery, the Parties executed the Stipulation, which provides for the following:⁶

1. The Company will implement rates to recover an electric revenue requirement of \$12.04 million as shown in Schedule SS-ESII-2E (Updated R1), as shown in Attachment 1 of the Stipulation. The rate adjustments established shall be provisional and subject to refund contingent upon the Board finding that PSE&G imprudently incurred capital expenditures under Energy Strong II. Such prudence review shall take place in a future base rate case. The Energy Strong II capital expenditures are included in the Company's current base rate case pending before the Board (filed December 29, 2023, in accordance with the Board's Order in the Next Phase of the Company's Gas System Modernization Program). Nothing in this matter will preclude any Party from raising any objection in the base rate case prudence review that could have been raised in a prior Energy Strong II rate filing. The Parties agree the provisional rates recovered through the Energy Strong II cost recovery mechanism are contingent upon the Company meeting its \$100 million electric base spend requirement by December 31, 2023.
2. PSE&G may implement the proposed rates, set forth in Attachment 2 of the Stipulation, which are associated with the revenue requirements referenced above pursuant to the rate design methodology reflected in Schedules SS-ESII-5 (Updated R1).
3. The impact of the proposed rates on a typical residential electric customer using 740 kilowatt-hours in a summer month, and 577 kilowatt-hours in an average month (6,920 kilowatt-hours annually), would see an increase in their average monthly bill from \$119.57 to \$119.99, or \$0.42, or approximately 0.35% [based upon Delivery Rates and Basic Generation Service- Residential and Small Commercial Pricing ("BGS-RSCP") charges in effect March 1, 2024 and assuming that the customer receives BGS-RSCP service from PSE&G].

⁶ Although summarized in this Order, should there be any conflict between this summary and the Stipulation, 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.

4. Pursuant to the terms of the Energy Strong II Order, PSE&G may implement the rates in Attachment 2 of the Stipulation effective no earlier than May 1, 2024.

DISCUSSION AND FINDINGS

After a review of the record in this matter, including the November 2023 Petition, the February 2024 Update, and the Stipulation, the Board **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Therefore, the Board **HEREBY ADOPTS** the Stipulation in its entirety, and **HEREBY INCORPORATES** its terms and conditions as though fully set forth herein.

The Board **HEREBY APPROVES** the rate adjustments reflected in the Stipulation on a provisional basis, subject to refund and review for prudence in a future base rate case, effective for service rendered on and after May 1, 2024. As a result of the Stipulation, a typical residential electric customer using approximately 740 kWh in a summer month and 6,920 kWh annually will see an increase in their average monthly bill from \$119.57 to \$119.99, or \$0.42, or approximately 0.35%.

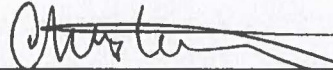
The Company is **HEREBY DIRECTED** to file the appropriate tariff sheets conforming to the terms and conditions of this Order prior to May 1, 2024.

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

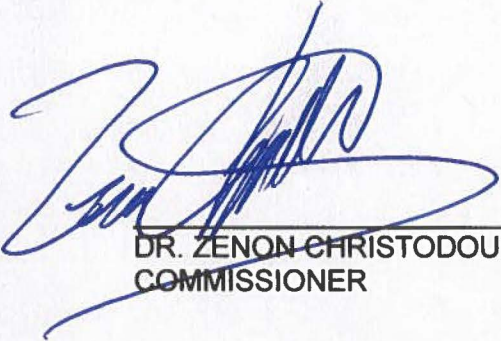
This Order shall be effective on April 30, 2024.

DATED: April 30, 2024

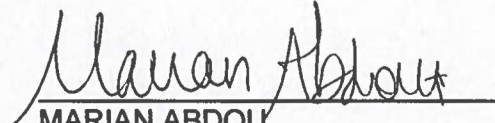
BOARD OF PUBLIC UTILITIES
BY:



CHRISTINE GUHL-SADOVY
PRESIDENT



DR. ZENON CHRISTODOULOU
COMMISSIONER

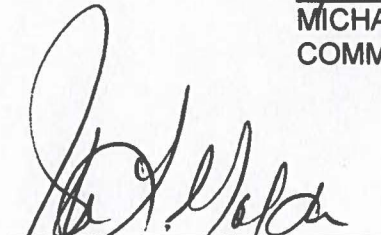


MARIAN ABDOU
COMMISSIONER



MICHAEL BANGE
COMMISSIONER

ATTEST:


SHERRI L. GOLDEN
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 COMPANY FOR APPROVAL OF
ELECTRIC AND GAS RATE ADJUSTMENTS PURSUANT TO THE ENERGY STRONG II PROGRAM

DOCKET NO ER23110784

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April 19, 2024

In the Matter of the Petition of
Public Service Electric and Gas Company
for Approval of Electric Rate
Adjustments Pursuant to the Energy Strong II Program

BPU Docket No. ER23110784

VIA ELECTRONIC MAIL

Sherri Golden, Secretary
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

Dear Secretary Golden:

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 over a light blue circular stamp.

cc: Attached service list

**I/M/O the Petition of PSE&G for
Approval of the Energy Strong II
Program
BPU Docket No. ER23110784**

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

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF ELECTRIC RATE ADJUSTMENTS PURSUANT TO THE ENERGY STRONG II PROGRAM	BPU DOCKET NO. ER23110784
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STIPULATION AND AGREEMENT

APPEARANCES:

Danielle Lopez, Esq., Associate Counsel-Regulatory, for Public Service Electric and Gas Company

T. David Wand, Esq., Managing Attorney - Electric, **Bethany Rocque-Romaine, Esq.**, Assistant Deputy Rate Counsel and **Robert M. Glover, Esq.**, Assistant Deputy Rate Counsel, on behalf of the New Jersey Division of Rate Counsel (**Brian O. Lipman, Esq., Director, Division of Rate Counsel**)

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

BACKGROUND

On June 8, 2018, Public Service Electric and Gas Company (“PSE&G” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”), pursuant to subchapter *N.J.A.C. 14:3-2A.1 et seq.* (“IIP Rules”), seeking approval of the next phase of its Energy Strong program, Energy Strong II (“ES II” or “Program”), which consisted of infrastructure investments to enhance safety, system reliability, and resiliency through both electric and gas subprograms.

Following discovery, the filing of testimony, evidentiary hearings, and settlement conferences, the parties executed a stipulation of settlement resolving the ES II matter on August 23, 2019. By Order dated September 11, 2019, the Board authorized PSE&G to implement a modified ES II Program which would include an investment level of up to \$691.5 million recovered

through the stipulated cost recovery mechanism.¹ The ES II Order also approved an additional investment of \$150.5 million on certain capital projects during the Program term that would not be recovered through the ES II cost recovery mechanism, but would be considered stipulated base expenditures to be recovered in the Company’s next base rate case. The Company’s costs related to the ES II Program remain subject to a prudence review and audit by the Board. In total, the Company was authorized to spend a maximum of \$842 million to complete the Program, with \$691.5 million recoverable through the ES II cost recovery mechanism, and \$150.5 million through stipulated base. The Company was also authorized to request cost recovery through six (6) rate adjustment filings consisting of two (2) annual filings followed by four (4) semi-annual filings. The ES II Order also outlined the Minimum Filing Requirements for the ES II cost recovery petitions and provided for the recovery of ES II approved costs through the ES II cost recovery mechanism.

As approved by the ES II Order, the maximum subprogram investment levels for specific ES II subprogram investment levels would include the following amounts:²

<u>Electric ES II Program</u>	<u>\$ million</u>
Electric Station Flood Mitigation	\$389
Contingency Reconfiguration	\$145
Grid Modernization, Communication System	\$72
Grid Modernization, ADMS	<u>\$35</u>
Electric ES II Total	\$641
<u>Gas ES II Program</u>	
M&R Station Upgrades	<u>\$50.5</u>
Gas ES II Total	\$50.5
TOTAL ES II Program	\$691.5

¹ In re the Petition of Public Service Electric and Gas Company for Approval of the Second Energy Strong Program (Energy Strong II), BPU Docket Nos. EO18060629 and GO18060630, Order dated September 11, 2019 (“ES II Order”).

² On July 27, 2021, PSE&G provided notice that it had transferred \$7.7 million of funding from the Grid Modernization – Communications System subprogram to the Grid Modernization – ADMS subprogram, which is not reflected in the table above.

In February 2021, PSE&G notified the Parties that the Constable Hook substation project within the Electric Station Flood Mitigation subprogram would not be completed within the timeframe of the Program. Subsequently, PSE&G requested to modify the Energy Strong II stipulation by removing the Constable Hook substation project and replacing it with flood mitigation work on the Company's Front Street substation. This change in the Flood Mitigation subprogram was agreed to by the parties and approved by the Board in its May 4, 2022 Order.³

ENERGY STRONG II NOVEMBER 2023 PETITION

On November 1, 2023, PSE&G filed a petition with the Board seeking approval to recover the revenue requirements associated with certain capitalized ES II electric investments through December 31, 2023 ("November 2023 Petition"). PSE&G's November 2023 Petition sought authority to recover an estimated annualized increase of \$25.58 million from its electric customers associated with ES II electric program investment costs. The annualized increase in the electric revenue requirements was based upon actual expenditures through September 30, 2023, and projected expenditures through December 31, 2023. PSE&G did not request recovery of costs incurred for gas infrastructure investments as the Program cap for accelerated recovery of these investments had been reached.

On February 21, 2024, the Company updated the November 2023 Petition to reflect actual data through December 31, 2023 ("February 2024 Update"). As a result of the February 2024 Update, the Company's electric revenue requirement decreased from \$25.58 million to \$12.50 million. Subsequent to the update, the parties came to the agreement that to the extent the parties have additional questions remaining on the State Street project, particularly with respect to the State Street Outside Plant, those

³ In re the Petition of Public Service Electric and Gas Company for Approval of Electric and Gas Rate Adjustments Pursuant to the Second Energy Strong Program, BPU Docket Nos. ER21111209 and GR21111210; In re the Petition of Public Service Electric and Gas Company for Approval of the Second Energy Strong Program (Energy Strong II), BPU Docket Nos. EO18060629 and GO18060630, Order dated May 4, 2022.

questions will be addressed in the Company's pending distribution base rate proceeding. The Company agreed to remove \$4.43 million of investment associated with the State Street Outside Plant in the current filing, bringing the final revenue requirement figure to \$12.04 million.

Notice of the Company's November 2023 Petition, including the date, time and telephonic dial-in details for the public hearings, were placed in newspapers having a circulation within the Company's service territory, and were also served on the Clerks of the municipalities, the Clerks of the Board of County Commissioners, and the County Executives within the Company's service territory. Two (2) virtual public hearings were held at 4:30 p.m. and 5:30 p.m. on March 12, 2024. No members of the public attended the public hearings, and no written comments were received by the Board.

Upon review of the November 2023 Petition, the February 2024 Update, and discovery responses, Board Staff ("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 Company will implement rates to recover an electric revenue requirement of \$12.04 million as shown in Schedule SS-ESII-2E (Update R1), attached hereto as Attachment 1. 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 ES II. Such prudence review shall take place in a future base rate case. The ES II capital expenditures are in the Company's current base rate case pending before the Board (filed December 29, 2023, in accordance with the Board's Order in the Next Phase of the Company's Gas System Modernization Program).⁴ Nothing herein will preclude any Party from raising any objection in the base rate case

⁴ 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"), Docket No. GR17070776, Order dated May 22, 2018, at ¶40.

prudency review that could have been raised in a prior ES II rate filing. The Parties agree the provisional rates recovered through the ES II cost recovery mechanism are contingent upon the Company meeting its \$100 million electric base spend requirement by December 31, 2023.

2. PSE&G may implement the proposed rates, attached hereto as Attachment 2, which are associated with the revenue requirements referenced above pursuant to the rate design methodology reflected in Schedules SS-ESII-5 (Update R1).

3. The impact of the proposed rates on a typical residential electric customer using 740 kilowatt-hours in a summer month, and 577 kilowatt-hours in an average month (6,920 kilowatt-hours annually), would see an increase in their average monthly bill from \$119.57 to \$119.99, or \$0.42, or approximately 0.35% [based upon Delivery Rates and Basic Generation Service-Residential and Small Commercial Pricing (“BGS-RSCP”) charges in effect March 1, 2024 and assuming that the customer receives BGS-RSCP service from PSE&G].

4. Pursuant to the terms of the ES II Order, PSE&G may implement the rates in Attachment 2 effective no earlier than May 1, 2024.

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. 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 this proceeding. Except as expressly provided herein, PSE&G, 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.

WHEREFORE, the Parties hereto respectfully submit this Stipulation to the Board and recommend that the Board issue an 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: April 19, 2024

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




BY: _____
Matko Ilic
Deputy Attorney General

DATED: April 19, 2024

Docket# ER23110784

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

BY: 
**Bethany Rocque-Romaine
Assistant Deputy Rate Counsel**

DATED: April 19, 2024

**PSE&G Energy Strong II
Electric Filing
Rate Adjustment #5**

Schedule SS-ESII-2E Update R1

in (\$000)

Rate Effective Date	5/1/2024
Plant In Service as of Date	12/31/2023
Rate Base Balance as of Date	4/30/2024

RATE BASE CALCULATION

	Total	Notes
1 Gross Plant	\$109,202	= In 16
2 Accumulated Depreciation	\$154	= In 19
3 Net Plant	\$109,356	= In 1 + In 2
4 Accumulated Deferred Taxes	-\$1,969	= See "Dep-" Wkps Row 774
5 Rate Base	\$107,388	= In 3 + In 4
6 Rate of Return - After Tax (Schedule WACC)	6.48%	See Schedule SS-ESII-3
7 Return Requirement (After Tax)	\$6,961	= In 5 * In 6
8 Depreciation Exp, net	\$1,679	= In 25
9 Tax Adjustment	-\$4	= See "Roll-ins Detail" Wkps In 35
10 Revenue Factor	1.3947	See Schedule SS-ESII-4
11 Roll-in Revenue Requirement	\$12,044	= (In 7 + In 8 + In 9) * In 10

SUPPORT**Gross Plant**

12 Plant in-service	\$12,078	= See "Dep-" Wkps Row 752
13 CWIP Transferred into Service	\$92,598	= See "Dep-" Wkps Row 753
14 AFUDC on CWIP Transferred Into Service - Debt	\$1,183	= See "Dep-" Wkps Row 754
15 AFUDC on CWIP Transferred Into Service - Equity	\$3,343	= See "Dep-" Wkps Row 755
16 Total Gross Plant	\$109,202	= In 12 + In 13 + In 14 + In 15

Accumulated Depreciation

17 Accumulated Depreciation	-\$965	= See "Dep-" Wkps Row 761
18 Cost of Removal	\$1,119	= See "Dep-" Wkps Row 756
19 Net Accumulated Depreciation	\$154	= In 17 + In 18

Depreciation Expense (Net of Tax)

20 Depreciable Plant (xAFUDC-E)	\$105,859	= In 12 + In 13 + In 14
21 AFUDC-E	\$3,343	= In 15
22 Depreciation Rate	2.14%	= In 23 / (In 20 + In 21)
23 Depreciation Expense	\$2,336	= See "Dep-" Wkps Row 756
24 Tax @ 28.11%	\$657	= In 20 * In 22 * Tax Rate
25 Depreciation Expense (Net of Tax)	\$1,679	= In 23 - In 24

Electric Tariff Rates

Proposed Revenue Requirement Increase \$ 12,044,341

Rate Schedules		Current Total Distribution Charges		Proposed Total Distribution Charges		ESII Rate Adjustment 5-Update IIP Charges		Total ESII IIP Charges	
		Charge w/out SUT	Charge w/ SUT	Charge w/out SUT	Charge w/ SUT	Charge w/out		Charge w/out SUT	Charge w/ SUT
						SUT	Charge w/ SUT		
RS	Service Charge	\$4.64	\$4.95	\$4.64	\$4.95	\$0.00	\$0.00	\$0.00	\$0.00
	Distribution 0-600 Sum	\$0.045704	\$0.048732	\$0.047308	\$0.050442	\$0.001604	\$0.001710	\$0.009088	\$0.009690
	Distribution 0-600 Win	\$0.033344	\$0.035553	\$0.033344	\$0.035553	\$0.000000	\$0.000000	\$0.000000	\$0.000000
	Distribution over 600 Sum	\$0.049525	\$0.052806	\$0.051129	\$0.054516	\$0.001604	\$0.001710	\$0.009088	\$0.009690
	Distribution over 600 Win	\$0.033344	\$0.035553	\$0.033344	\$0.035553	\$0.000000	\$0.000000	\$0.000000	\$0.000000
RHS	Service Charge	\$4.64	\$4.95	\$4.64	\$4.95	\$0.00	\$0.00	\$0.00	\$0.00
	Distribution 0-600 Sum	\$0.052835	\$0.056335	\$0.053782	\$0.057345	\$0.000947	\$0.001010	\$0.005169	\$0.005511
	Distribution 0-600 Win	\$0.034719	\$0.037019	\$0.035138	\$0.037466	\$0.000419	\$0.000447	\$0.002354	\$0.002510
	Distribution over 600 Sum	\$0.057735	\$0.061560	\$0.058682	\$0.062570	\$0.000947	\$0.001010	\$0.005169	\$0.005512
	Distribution over 600 Win	\$0.017119	\$0.018253	\$0.017538	\$0.018700	\$0.000419	\$0.000447	\$0.002354	\$0.002510
	Common Use	\$0.057735	\$0.061560	\$0.058682	\$0.062570	\$0.000947	\$0.001010	\$0.005169	\$0.005512
RLM	Service Charge	\$13.07	\$13.94	\$13.07	\$13.94	\$0.00	\$0.00	\$0.00	\$0.00
	Distrib. kWhr Summer On	\$0.076937	\$0.082034	\$0.078620	\$0.083829	\$0.001683	\$0.001795	\$0.008074	\$0.008609
	Distrib. kWhr Summer Off	\$0.016062	\$0.017126	\$0.016413	\$0.017500	\$0.000351	\$0.000374	\$0.001686	\$0.001797
	Distrib. kWhr Winter On	\$0.016062	\$0.017126	\$0.016413	\$0.017500	\$0.000351	\$0.000374	\$0.001686	\$0.001797
	Distrib. kWhr Winter Off	\$0.016062	\$0.017126	\$0.016413	\$0.017500	\$0.000351	\$0.000374	\$0.001686	\$0.001797
WH	Distribution	\$0.049482	\$0.052760	\$0.049949	\$0.053258	\$0.000467	\$0.000498	\$0.002551	\$0.002720
WHS	Service Charge	\$0.63	\$0.67	\$0.64	\$0.68	\$0.01	\$0.01	\$0.05	\$0.05
	Distribution	\$0.001925	\$0.002053	\$0.001925	\$0.002053	\$0.000000	\$0.000000	\$0.000310	\$0.000331
HS	Service Charge	\$3.75	\$4.00	\$3.80	\$4.05	\$0.05	\$0.05	\$0.29	\$0.31
	Distribution June-September	\$0.098011	\$0.104504	\$0.098299	\$0.104811	\$0.000288	\$0.000307	\$0.002018	\$0.002151
	Distribution October-May	\$0.029426	\$0.031375	\$0.029583	\$0.031543	\$0.000157	\$0.000168	\$0.000788	\$0.000840
GLP	Service Charge	\$4.78	\$5.10	\$4.85	\$5.17	\$0.07	\$0.07	\$0.38	\$0.40
	Service Charge-unmetered	\$2.20	\$2.35	\$2.23	\$2.38	\$0.03	\$0.03	\$0.16	\$0.17
	Service Charge-Night Use	\$347.77	\$370.81	\$347.77	\$370.81	\$0.00	\$0.00	\$0.00	\$0.00
	Distrib. KW Annual	\$3.7660	\$4.0155	\$3.7817	\$4.0322	\$0.0157	\$0.0167	\$0.0886	\$0.0944
	Distrib. KW Summer	\$9.4441	\$10.0698	\$9.4834	\$10.1117	\$0.0393	\$0.0419	\$0.2223	\$0.2371
	Distribution kWhr, June-September	\$0.003079	\$0.003283	\$0.003092	\$0.003297	\$0.000013	\$0.000014	\$0.000073	\$0.000078
	Distribution kWhr, October-May	\$0.007858	\$0.008379	\$0.007891	\$0.008414	\$0.000033	\$0.000035	\$0.000185	\$0.000197
	Distribution kWhr, Night use, June-Septembe	\$0.007858	\$0.008379	\$0.007891	\$0.008414	\$0.000033	\$0.000035	\$0.000185	\$0.000197
	Distribution kWhr, Night use, October-May	\$0.007858	\$0.008379	\$0.007891	\$0.008414	\$0.000033	\$0.000035	\$0.000185	\$0.000197

Electric Tariff Rates

Proposed Revenue Requirement Increase \$ 12,044,341

Rate Schedules		Current Total Distribution Charges		Proposed Total Distribution Charges		ESII Rate Adjustment 5-Update IIP Charges		Total ESII IIP Charges	
		Charge w/out SUT	Charge w/ SUT	Charge w/out SUT	Charge w/ SUT	Charge w/out SUT		Charge w/out SUT	Charge w/ SUT
						SUT	Charge w/ SUT		
LPL-Secondary	Service Charge	\$347.77	\$370.81	\$347.77	\$370.81	\$0.00	\$0.00	\$0.00	\$0.00
	Distrib. KW Annual	\$3.6224	\$3.8624	\$3.6429	\$3.8842	\$0.0205	\$0.0218	\$0.1149	\$0.1225
	Distrib. KW Summer	\$8.6179	\$9.1888	\$8.6667	\$9.2409	\$0.0488	\$0.0521	\$0.2733	\$0.2914
	Distribution kWhr	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000
LPL-Primary	Service Charge	\$347.77	\$370.81	\$347.77	\$370.81	\$0.00	\$0.00	\$0.00	\$0.00
	Service Charge-Alternate	\$21.58	\$23.01	\$21.89	\$23.34	\$0.31	\$0.33	\$1.69	\$1.80
	Distrib. KW Annual	\$1.6885	\$1.8004	\$1.7023	\$1.8151	\$0.0138	\$0.0147	\$0.0581	\$0.0620
	Distrib. KW Summer	\$9.3731	\$9.9941	\$9.4497	\$10.0757	\$0.0766	\$0.0816	\$0.3223	\$0.3436
	Distribution kWhr	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000
Subtransmission	Service Charge	\$1,911.39	\$2,038.02	\$1,911.39	\$2,038.02	\$0.00	\$0.00	\$0.00	\$0.00
	Distrib. KW Annual	\$1.1442	\$1.2200	\$1.1668	\$1.2441	\$0.0226	\$0.0241	\$0.0946	\$0.1009
	Distrib. KW Summer	\$4.1361	\$4.4101	\$4.2177	\$4.4971	\$0.0816	\$0.0870	\$0.3419	\$0.3645
	Distribution kWhr	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000
HTS-HV	Service Charge	\$1,720.25	\$1,834.22	\$1,720.25	\$1,834.22	\$0.00	\$0.00	\$0.00	\$0.00
	Distrib. KW Annual	\$0.6322	\$0.6741	\$0.6355	\$0.6776	\$0.0033	\$0.0035	\$0.0189	\$0.0202
	Distribution kWhr	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000
BPL	Distribution Sum	\$0.006894	\$0.007351	\$0.006929	\$0.007388	\$0.000035	\$0.000037	\$0.000194	\$0.000207
	Distribution Winter	\$0.006894	\$0.007351	\$0.006929	\$0.007388	\$0.000035	\$0.000037	\$0.000194	\$0.000207
BPL-POF	Distribution Sum	\$0.006931	\$0.007390	\$0.007036	\$0.007502	\$0.000105	\$0.000112	\$0.000308	\$0.000328
	Distribution Winter	\$0.006931	\$0.007390	\$0.007036	\$0.007502	\$0.000105	\$0.000112	\$0.000308	\$0.000328
PSAL	Distribution Sum	\$0.007355	\$0.007842	\$0.007395	\$0.007885	\$0.000040	\$0.000043	\$0.000211	\$0.000225
	Distribution Winter	\$0.007355	\$0.007842	\$0.007395	\$0.007885	\$0.000040	\$0.000043	\$0.000211	\$0.000225