

# NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY ELECTRIC AND GAS CUSTOMERS

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

**Notice of Filing and Notice of Public Hearings | Docket Nos. ER22110669 and GR22110670**

**PLEASE TAKE NOTICE** that, on November 1, 2022, Public Service Electric and Gas Company (“Public Service,” “PSE&G,” or “Company”) filed a petition (“Petition”) and supporting documentation with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking Board approval for cost recovery associated with the extension of the Company’s Energy Strong Program (“ES II” or “Program”).

On September 11, 2019, the Board issued an Order approving ES II in Docket Nos. EO18060629 and GO18060630 (“Order”). The Order provided approval to invest up to \$842 million, with \$691.5 million recovered through the Energy Strong II Rate Mechanism and \$150.5 million within Stipulated Base to harden its electric and gas infrastructure to make it less susceptible to damage from wind, flying debris and water damage in anticipation of future major storm events and to strengthen the resiliency of PSE&G’s delivery system. It was anticipated that these investments would be made over a four (4)-year period beginning on the effective date of the Board’s Order, with certain investments anticipated to be made over a five (5)-year period.

Under the Company’s proposal, PSE&G seeks Board approval to recover an estimated annual revenue increase of approximately \$16.0 million from the Company’s electric customers and approximately \$4.3 million from the Company’s gas customers through the Energy Strong II Rate Mechanism associated with capitalized ES II investment costs incurred through January 31, 2023.

For illustrative purposes, the estimated ES II component of Infrastructure Investment Program (“IIP”) charges effective May 1, 2023, including New Jersey Sales and Use Tax (“SUT”) for Residential Rate Schedule RS and RSG, respectively, are shown in Table #1.

Tables #2 and #3 provide customers with the approximate impact of the proposed increase in rates relating to ES II, if approved by the Board, effective May 1, 2023. The annual percentage increase applicable to specific customers will vary according to the applicable rate schedule and the level of the customer’s usage.

Under the Company’s proposal, a typical residential electric customer using 740 kilowatt-hours per month during the summer months, and 6,920 kilowatt-hours on an annual basis, would see an increase in the annual bill from \$1,308.20 to \$1,315.08, or \$6.88, or approximately 0.53%. The approximate effect of the proposed increase on typical electric residential monthly bills, if approved by the Board, is illustrated in Table #4 below.

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 \$1,202.02 to \$1,204.44, or \$2.42, or approximately 0.20%. The approximate effect of the proposed increase on typical gas residential monthly bills, if approved by the Board, is illustrated in Table #5.

Any rate adjustments with resulting changes in bill impacts found by the Board to be just and reasonable as a result of the Company’s Petition may be modified and/or allocated by the Board in accordance with the provisions of N.J.S.A. 48:2-21 and for other good and legally sufficient reasons to any class or classes of customers of the Company. Therefore, the described charges may increase or decrease based upon the Board’s decision. PSE&G’s electric and natural gas costs addressed in the Petition and Update will remain subject to audit by the Board, and Board approval shall not preclude or prohibit the Board from taking any such actions deemed appropriate as a result of any such audit.

Any assistance required by customers in ascertaining the impact of the proposed rate increase will be provided by the Company upon request.

The Petition is available for review at the PSEG website: <http://www.pseg.com/pseandgfilings>.

**PLEASE TAKE FURTHER NOTICE** that due to the COVID-19 pandemic, virtual public hearings are scheduled on the following date and times so that members of the public may present their views on the Petition.

**DATE: April 4, 2023**

**TIMES: 4:30 p.m. and 5:30 p.m.**

**Join:** Join Zoom Meeting <https://pseg.zoom.us/j/92846158128?pwd=czBtZHE5ZTh1Z1FveGlmSVg0R1NuQT09#success>

Go to [www.Zoom.com](http://www.Zoom.com) and choose “Join a Meeting” at the top of the web page. When prompted, use Meeting number 928 4615 8128 to access the meeting.

-or-

Join by phone (toll-free):

**Dial In:** (888) 475-4499

**Meeting ID:** 928 4615 8128

When prompted, enter the Meeting ID number to access the meeting.

Representatives from the Company, Board Staff and the New Jersey Division of Rate Counsel will participate in the virtual public hearings. Members of the public may participate by utilizing the link or dial-in number set forth above and may express their views on the Petition. To encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, 48 hours prior to the above hearings to the Acting Board Secretary at [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov).

Comments may be submitted directly to the specific docket listed above using the “Post Comments” button on the Board’s <https://publicaccess.bpu.state.nj.us>. Comments are considered public documents for purposes of the State’s Open Public Records Act. Only public documents should be submitted using the “Post Comments” button on the Board’s Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. Due to the COVID-19 pandemic, certain rules requiring paper submissions have been temporarily waived. In addition to hard copy submissions, confidential information may also be filed electronically via the Board’s e-filing system or by email to the Acting Secretary of the Board. Please include “Confidential Information” in the subject line of any email. Instructions for confidential e-filing are found on the Board’s webpage. <https://www.nj.gov/bpu/agenda/efiling/>.

Emailed and/or written comments may also be submitted to:

Acting Secretary of the Board  
44 South Clinton Ave., 1st Floor  
PO Box 350  
Trenton, NJ 08625-0350  
Phone: 609-913-6241  
Email: [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov)

**Table #1  
ES II COMPONENT OF IIP CHARGES for Residential RS and RSG Customers  
Rates if Effective May 1, 2023**

Rate Schedule		IIP Charges	
		Charges in Effect February 1, 2023 Including SUT	Proposed Charges in Effect May 1, 2023 Including SUT
Electric			
RS			
	Service Charge	per month	\$0.00
	Distribution 0-600, June-September	\$/kWh	0.004370
	Distribution 0-600, October-May	\$/kWh	0.000000
	Distribution Over 600, June-September	\$/kWh	0.004370
	Distribution Over 600, October-May	\$/kWh	0.000000
Gas			
RSG			
	Service Charge	per month	\$0.00
	Distribution Charge	\$/Therm	0.000470
	Off-Peak Use	\$/Therm	0.000235
	Basic Gas Supply Service-RSG (BGSS-RSG)	\$/Therm	(0.000003)

**Table #2  
Proposed Percentage Change in Revenue  
by Customer Class for Electric Service  
for Rates if Effective May 1, 2023**

	Rate Class	Percent Change (%)
Residential Service	RS	0.52
Residential Heating	RHS	0.52
Residential Load Management	RLM	0.44
Water Heating	WH	0.52
Water Heating Storage	WHS	0.31
Building Heating	HS	0.17
General Lighting & Power	GLP	0.14
Large Power & Lighting-Sec.	LPL-S	0.10
Large Power & Lighting-Pri.	LPL-P	0.06
High Tension-Subtr.	HTS-S	0.09
High Tension-HV	HTS-HV	0.03
Body Politic Lighting	BPL	0.02
Body Politic Lighting-POF	BPL-POF	0.06
Private Street & Area Lighting	PSAL	0.02
Overall		0.26

The percent increases noted above are based upon February 1, 2023, Delivery Rates and assumes that customers receive commodity service from Public Service Electric and Gas Company.

**Table #3  
Proposed Percentage Change in Revenue  
by Customer Class for Gas Service  
for Rates if Effective May 1, 2023**

	Rate Class	Percent Change (%)
Residential Service	RSG	0.21
General Service	GSG	0.12
Large Volume Service	LVG	0.07
Street Lighting Service	SLG	0.01
Firm Transportation Gas Service	TSG-F	0.03
Non-Firm Transportation Gas Service	TSG-NF	0.03
Cogeneration Interruptible Service	CIG	0.04
Contract Service	CSG	0.04
Overall		0.14

The percent increases noted above are based upon February 1, 2023, Delivery Rates, the applicable Basic Gas Supply Service (BGSS) charges, and assumes that customers receive commodity service from Public Service Electric and Gas Company.

**Table #4  
Residential Electric Service for Rates if Effective May 1, 2023**

If Your Annual kWh Use Is:	And Your Monthly Summer kWh Use Is:	Then Your Present Monthly Summer Bill (1) Would Be:	And Your Proposed Monthly Summer Bill (2) Would Be:	Your Monthly Summer Bill Increase Would Be:	And Your Monthly Summer Percent Increase Would Be:
1,732	185	\$38.79	\$39.22	\$0.43	1.11%
3,464	370	72.63	73.49	0.86	1.18
6,920	740	142.27	143.99	1.72	1.21
7,800	803	154.65	156.52	1.87	1.21
12,500	1,337	259.72	262.84	3.12	1.20

(1) Based upon Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect February 1, 2023, and assumes that the customer receives BGS-RSCP service from Public Service Electric and Gas Company.

(2) Same as (1) except includes the proposed change for the Energy Strong II Infrastructure Investment Program Charges.

**Table #5  
Residential Gas Service for Rates if Effective May 1, 2023**

If Your Annual Therm Use Is:	And Your Monthly Winter Therm Use Is:	Then Your Present Monthly Winter Bill (1) Would Be:	And Your Proposed Monthly Winter Bill (2) Would Be:	Your Monthly Winter Bill Change Would Be:	And Your Monthly Percent Change Would Be:
170	25	\$35.15	\$35.21	\$0.06	0.17%
340	50	61.71	61.82	0.11	0.18
610	100	115.92	116.15	0.23	0.20
1,040	172	193.18	193.58	0.40	0.21
1,210	200	223.20	223.66	0.46	0.21
1,816	300	330.48	331.17	0.69	0.21

(1) Based upon Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect February 1, 2023, and assumes that the customer receives commodity service from Public Service.

(2) Same as (1) except includes the proposed change for the Energy Strong II Infrastructure Investment Program Charges.