

NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY GAS CUSTOMERS

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 2022 GSMP II Rate Filing)

Notice of Filing and Notice of Public Hearings

Docket No. GR22120749

PLEASE TAKE NOTICE that on December 30, 2022, 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 Board approval for gas base rate changes to provide for cost recovery associated with the Company's Gas System Modernization Program II ("GSMP II" or "Program") ("Petition").

On May 22, 2018, the Board issued an Order approving the Program in Docket No. GR17070776 ("GSMP II Order"). By the GSMP II Order, the Board approved the Company's investment of up to \$1.575 billion to be recovered through the GSMP II rate recovery mechanism to replace PSE&G's utilization pressure cast iron mains and unprotected steel mains and associated services; upgrade utilization pressure portions of the system to elevated pressure; and install excess flow valves and eliminate district regulators, where applicable.

By the Petition, PSE&G seeks Board approval to recover in base rates an estimated annual revenue increase of approximately \$10.916 million associated with approximately \$106.240 million of actual Program investments through November 30, 2022 and forecasted Program investments through February 28, 2023.

For illustrative purposes, the estimated base rates effective June 1, 2023, including New Jersey Sales and Use Tax ("SUT") for Residential Rate Schedule RSG, are shown in Table #1.

Table #2 provides customers with the approximate impact of the proposed increase in rates related to the GSMP II, if approved by the Board. The annual percentage increase applicable to specific customers will vary according to the applicable rate schedule and the customer's usage.

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 annual bill increase from \$1,170.82 to \$1,176.84, or \$6.02 or approximately 0.51%. The approximate effect of the proposed gas base rate change on typical gas residential monthly bills, if approved by the Board, is illustrated in Table #3.

Any rate adjustments with resulting bill impacts as the result of the Petition found by the Board to be just and reasonable 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.

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

PLEASE TAKE FURTHER NOTICE that due to the COVID-19 Pandemic, virtual public hearings are scheduled for 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.
LOCATION: Join Zoom Meeting
<https://pseg.zoom.us/j/92846158128?pwd=czBtZHE5ZTh1Z1FveGlmSVg0R1NuQT09#success>

Go to 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 of 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 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 Secretary at 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

**Table #1
 BASE RATES
 For Residential RSG Customers Rates if Effective June 1, 2023**

Rate Schedule			Base Rates	
			Charges in Effect March 1, 2023, (1) Including SUT	Estimated Charges, Including SUT
RSG	Service Charge	per month	\$8.62	\$8.62
	Distribution Charge	\$/therm	0.458377	0.464186
	Off-Peak Use	\$/therm	0.229188	0.232093
	Basic Gas Supply Service-RSG (BGSS-RSG)	\$/therm	0.471764	0.471730

(1) Based upon Delivery Rates and Basic Gas Supply Service ("BGSS-RSG") charges in effect as of March 1, 2023, and assumes that the customer receives commodity service from PSE&G.

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

	Rate Class	Percent Increase
Residential Service	RSG	0.52
General Service	GSG	0.30
Large Volume Service	LVG	0.18
Street Lighting Service	SLG	0.02
Firm Transportation Gas Service	TSG-F	0.07
Non-Firm Transportation Gas Service	TSG-NF	0.08
Cogeneration Interruptible Service	CIG	0.10
Contract Services	CSG	0.09
Overall		0.36

The percent increases noted above are based upon March 1, 2023 Delivery Rates and assumes that customers receive commodity service from PSE&G.

**Table #3
 Residential Gas Service for Rates if Effective June 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 Increase Would Be:	And Your Monthly Percent Increase Would Be:
170	25	\$34.40	\$34.54	\$0.14	0.41%
340	50	60.21	60.50	0.29	0.48
610	100	112.92	113.49	0.57	0.50
1,040	172	188.02	189.02	1.00	0.53
1,210	200	217.20	218.36	1.16	0.53
1,816	300	321.48	323.22	1.74	0.54

(1) Based upon Delivery Rates and Basic Gas Supply Service ("BGSS-RSG") charges in effect as of March 1, 2023, and assumes that the customer receives commodity service from PSE&G.

(2) Same as (1) except includes change for GSMP II Base Rate Adjustments.