



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF PUBLIC SERVICE ELECTRIC)	DECISION AND ORDER
AND GAS COMPANY'S 2015/2016 ANNUAL BGSS)	APPROVING STIPULATION FOR
COMMODITY CHARGE FILING FOR ITS)	PROVISIONAL BGSS-RSG
RESIDENTIAL GAS CUSTOMERS UNDER ITS)	RATES
PERIODIC PRICING MECHANISM AND FOR)	
CHANGES IN ITS BALANCING CHARGE)	BPU DOCKET NO. GR15060647

Parties of Record:

Alexander C. Stern, Esq., for the Petitioner, Public Service Electric and Gas Company
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:¹

BACKGROUND

Per the generic Order of the Board of Public Utilities ("the Board") dated January 6, 2003, in Docket No. GX01050304 ("January BGSS Order"), each of New Jersey's four gas distribution companies ("GDCs") submits to the Board its annual Basic Gas Supply Service ("BGSS") gas cost filing by June 1, for the BGSS year beginning October 1. In addition, the January BGSS Order authorizes each GDC to self-implement up to a 5% BGSS increase effective December 1 and February 1, with one month's advance notice to the Board and the Division of Rate Counsel ("Rate Counsel"). Each GDC may implement a decrease in its BGSS rates at any time, without prior Board approval after 5 days' notice to the Board and Rate Counsel.

On June 1, 2015, Public Service Electric and Gas Company ("the Company") filed a motion and supporting testimony with the Board requesting that the Board permit the Company to decrease its BGSS and Balancing Charge rates effective October 1, 2015 or earlier. According to the filing, approval of the Company's request would result in a decrease in annual BGSS-RSG revenues of approximately \$65.0 million, excluding losses and New Jersey sales and use tax ("SUT"). The requested per therm decrease in the BGSS-RSG Commodity Charge rate is from \$0.451880 to \$0.401235.²

¹ Commissioner Upendra J. Chivukula recused himself due to a potential conflict of interest and as such took no part in the discussion or deliberation of this matter.

² All rates quoted herein include losses and SUT.

Also, in accordance with the directive in the Stipulation for Final BGSS Rates in GR14050512 approved by Board Order dated April 15, 2015, the Company submitted details in support of changes in its November through March assessed Balancing Charge,³ and its gas supply Administrative and General Charge, which is recovered through both balancing and commodity charges. The Company requested a decrease in the Balancing Charge rate of \$0.002130 per therm, from \$0.095957 to \$0.093827 per therm.

Under the Company's proposal, and based on BGSS rates in effect on June 1, 2015, residential heating customers using 100 therms per month during the winter months and 610 therms on an annual basis would see a decrease in their bills from \$583.63 to \$551.97, or \$31.66 (5.42%), while a typical residential heating customers using 165 therms per month during the winter and 1,010 therms on an annual basis would see a decrease in their bills from \$920.37 to \$867.85 or \$52.52 (5.71%).

After publication of notice in newspapers of general circulation in the Company's service territory, public hearings were scheduled and conducted in Hackensack, New Brunswick, and Westampton, on August 18, 19, and 20, 2015, respectively. While four (4) members of the public appeared and commented generally on high utility rates, no member of the public appeared and commented specifically on this filing.

STIPULATION⁴

On August 26, 2015 the Company, Rate Counsel and Board Staff (collectively, the "Parties") executed a Stipulation for Provisional BGSS Rates ("Stipulation"), having determined that additional time is needed to complete a review of the Company's filing. Until that review has been completed, the Parties agree that the Company's BGSS-RSG and Balancing Charge per-therm rates should be provisionally set at \$0.401235 and \$0.093827, respectively, reflecting the petitioned for \$65.0 million BGSS revenue reduction and the above-referenced bill impacts.

The Parties agree that the provisional rates are subject to refund with interest on any net over-recovered balance, and should be made effective October 1, 2015 or as soon as possible upon the issuance of the Board Order approving the Stipulation.

The Parties recommend to the Board that this matter be transmitted to the Office of Administrative Law ("OAL") for an opportunity for full review of all issues, including the rates approved by the Board.

The Company will submit tariff sheets in the form attached to the Stipulation as Exhibit C within five (5) business days of the effective date of the Board Order approving the Stipulation.

³ The Balancing Charge recovers the cost of providing gas storage and peaking services. The gas supply Administrative and General Charge is reflected in both Balancing and Commodity charges.

⁴ Although summarized in this Order, should there be any conflict between this summary and this Stipulation, the terms of the Stipulation control, subject to the findings and conclusion in this Order.

The Company further agrees to continue to provide electronically to the Parties in this proceeding, on a monthly basis, the following updated information: (i) the BGSS NYMEX Update Report (also known as SPSCHART-1) attached to the Stipulation as Exhibit A; and (ii) a monthly report of unitized credits to the BGSS (ISG, Cogeneration, TSG-F, Off System Sales, Capacity Releases, Gas to Electric and Supplier Refunds) and the associated dollar amounts, which is attached to the Stipulation as Exhibit B. The chart reflected on Exhibit A is to be completed using information from the first Friday of the month and submitted to the Parties the following Tuesday. The chart reflected on Exhibit B is to be submitted to the Parties on approximately the 15th of the following month.

DISCUSSION AND FINDINGS

Based on its review of the record to date in this proceeding, the Board **HEREBY FINDS** that, subject to the terms and conditions set forth below, the attached Stipulation is reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the Stipulation as its own, as though fully set forth herein.

The Board **HEREBY ORDERS** that the Company's BGSS-RSG and Balancing Charge per-therm rates should be provisionally set at \$0.401235 and \$0.093827, respectively, and be made effective for service rendered on and after October 1, 2015. Any net over-recovered BGSS-RSG balance at the end of the BGSS period shall be subject to refund with interest.

The Board **HEREBY DIRECTS** the Company to file tariff sheets substantially in the form of Exhibit C to the Stipulation within five (5) business days of the effective date of this Order.

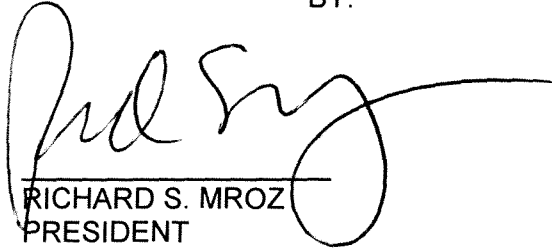
The Board **HEREBY DIRECTS** that this matter be transmitted to the OAL for a full review of the filing.

The Company's gas costs remain subject to audit by the Board. This Decision and Order shall not preclude the Board from taking any actions deemed to be appropriate as a result of any such audit.

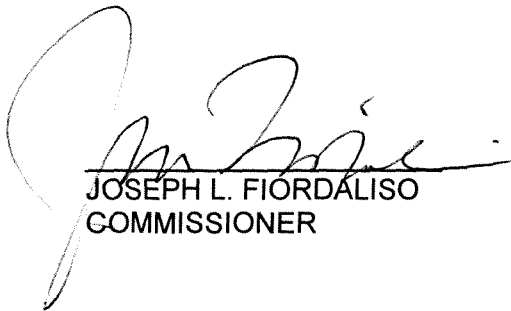
The effective date of this Order is September 21, 2015.

DATED: 9-11-15

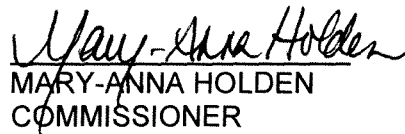
BOARD OF PUBLIC UTILITIES
BY:



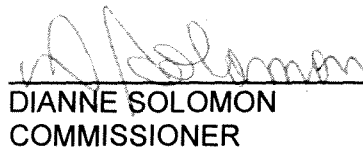
RICHARD S. MROZ
PRESIDENT



JOSEPH L. FIORDALISO
COMMISSIONER

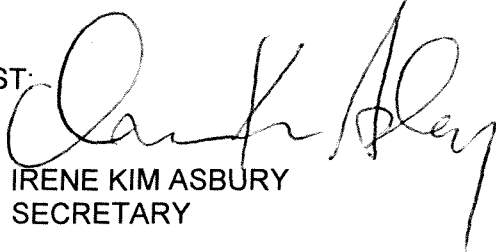


MARY-ANNA HOLDEN
COMMISSIONER



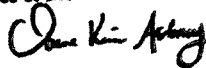
DIANNE SOLOMON
COMMISSIONER

ATTEST:



IRENE KIM ASBURY
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 PUBLIC SERVICE ELECTRIC AND GAS COMPANY'S
2015/2016 ANNUAL BGSS COMMODITY CHARGE FILING FOR ITS
RESIDENTIAL GAS CUSTOMERS UNDER ITS PERIODIC PRICING MECHANISM
DOCKET NO. GR15060647

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August 26, 2015

Via Overnight Mail

In the Matter of Public Service Electric and
Gas Company's 2015/2016 Annual BGSS Commodity
Charge Filing for its Residential Gas Customers
Under its Periodic Pricing Mechanism

BPU Docket No. GR15060647

Hon. Irene Kim Asbury, Secretary
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

Dear Secretary Asbury:

Enclosed for filing by Public Service Electric and Gas Company ("Company"), please find an original and ten copies of the Company's Stipulation for Provisional BGSS Rates in the captioned matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Alexander C. Stern", is written over a faint, circular embossed seal or watermark.

Attach.

C Service List (Electronic)

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08/17/2015

Public Service Electric and Gas Company
BGSS 2015-2016
GR15060647

Page 2 of 2

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STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF PUBLIC SERVICE)
ELECTRIC AND GAS COMPANY'S)
2015/2016 ANNUAL BGSS COMMODITY) STIPULATION FOR
CHARGE FILING FOR ITS RESIDENTIAL) PROVISIONAL BGSS RATES
GAS CUSTOMERS UNDER ITS PERIODIC)
PRICING MECHANISM AND FOR CHANGES)
IN ITS BALANCING CHARGE) BPU DOCKET NO. GR15060647

APPEARANCES:

Alexander C. Stern, Esq., for the Petitioner, Public Service Electric and Gas Company

Felicia Thomas-Friel, Esq., Deputy Rate Counsel, **Sarah H. Steindel, Esq.**, Assistant Deputy Rate Counsel, and **Maura Caroselli, Esq.**, Assistant Deputy Rate Counsel, for the New Jersey Division of Rate Counsel (**Stefanie A. Brand**, Director)

Alex Moreau and Patricia A. Krogman, Deputy Attorneys General, for the Staff of the New Jersey Board of Public Utilities (**John J. Hoffman**, Acting Attorney General of New Jersey)

On June 1, 2015, Public Service Electric and Gas Company (Public Service or the Company) made a filing in the above-referenced matter, requesting a decrease in Annual Basic Gas Supply Service ("BGSS") gas revenues of approximately \$65.0 million (excluding losses and New Jersey Sales and Use Tax, ("SUT")) to be implemented for service rendered on and after October 1, 2015 or earlier, should the Board deem it appropriate. Additionally, the Company also requested a slight decrease in its Balancing Charge. In the June 1st filing, the Company requested to decrease the BGSS Commodity Charge to Residential Service Customers ("BGSS-RSG") from \$0.451880 per therm (including losses and SUT) to \$0.401235 per therm (including losses and SUT).

Additionally, the Company is also requesting a decrease in its Balancing Charge, which recovers the cost of providing storage and peaking services, from the current charge of \$0.095957 per therm (including losses and SUT) to a charge of \$0.093827 per therm (including losses and SUT).

As filed, the proposed changes would decrease the annual bill for a typical residential heating customer using 165 therms per winter month and 1,010 therms annually from \$920.37 to \$867.85, an annual decrease of \$52.52, or approximately 5.71% (based upon rates in effect on June 1, 2015 and assuming that the customer receives BGSS service from PSE&G). The proposed change as filed would lower the annual bill for a residential heating customer using 100 therms per month during the winter months and 610 therms annually from \$583.63 to \$551.97, an annual decrease of \$31.66, or approximately 5.42% (based upon rates in effect on June 1, 2015 and assuming that the customer receives BGSS service from PSE&G). Notice setting forth the Company's June 1, 2015 request for the BGSS Commodity Charge and Balancing Charge decreases, including the date, time and place of the public hearing, was placed in newspapers having a circulation within the Company's gas service territory and was served on the county executives and clerks of all municipalities within the Company's gas service territory.

Public hearings were scheduled and conducted in Hackensack, New Brunswick and Westampton on August 18, 19, and 20, 2015, respectively. Four members of the public expressed general concerns about high utility rates and opposition

to shutting off service for lack of payment. No members of the public appeared and commented specifically on this filing.

Subsequent to the June 1, 2015 Filing, the Company made a Compliance Filing on or about August 26, 2015 in response to the Board's Order in the Company's Petition for Approval of Electric and Gas Base Rate Adjustments Pursuant to the Energy Strong Program ("Energy Strong Matter") in Docket Nos. ER15030389 and GR15030390. As a result of the settlement of the Energy Strong Matter, the Company's BGSS-RSG Commodity Charge was reduced from \$0.451880 per therm (including losses and SUT) to \$0.451788 per therm (including losses and SUT) effective September 1, 2015.¹

Public Service, Board Staff, and the Division of Rate Counsel ("Rate Counsel") (collectively, "the Parties") have determined that additional time is needed to complete the review of the Company's proposed BGSS-RSG Commodity Charge and Balancing Charge. However, the Parties also agree that action with respect to the Company's BGSS-RSG Commodity Charge for the 2015-2016 BGSS year and Balancing Charge, on a provisional basis, is reasonable at this time and HEREBY AGREE as follows:

¹ As a result of the BGSS-RSG commodity decrease approved in the Board's Order in the Energy Strong Matter, a typical residential gas heating customer using 100 therms per month during the winter months and 610 therms on an annual basis would see a decrease in the monthly winter commodity bill of \$0.01. Further, a typical residential gas heating customer using 165 therms per month during the winter months and 1,010 therms on an annual basis would see a decrease in their annual commodity bill of \$0.06.

1. The Company's BGSS Commodity Service, Tariff rate BGSS-RSG, shall provisionally be decreased from \$0.451788 per therm (including losses and SUT) to \$0.401235 per therm (including losses and SUT). This BGSS-RSG Commodity Charge is on a provisional basis, subject to refund with interest on any net over-recovered BGSS-RSG balance.

2. The Company's Balancing Charge, which recovers the cost of providing storage and peaking services and is assessed for the five winter months – November 1 to March 31, shall be decreased on a provisional basis subject to refund with interest on any net over or under-recovered balance, from the current charge of \$0.095957 per therm (including losses and SUT) to a charge of \$0.093827 per therm (including losses and SUT).

3. There will be an opportunity for full review of both changes at the Office of Administrative Law, if necessary, and final approval by the Board.

4. The residential customer impact of this action is as follows: MONTHLY – a residential customer using 100 therms per month during the winter months and 610 therms on an annual basis would see a decrease in the monthly winter bill of \$5.23. ANNUAL – a residential customer using 165 therms per month during the winter months and 1,010 therms on an annual basis would see a decrease in the annual bill of \$52.46. The agreed-upon provisional rate would result in a decrease in revenues during the 2015-2016 BGSS year of \$65 million (excluding losses and SUT). The Company requests that

the provisional rate become effective as of October 1, 2015, or as soon as possible upon the issuance of a Board Order approving this Stipulation.

5. The Board, in its generic Order in Docket No. GX01050304 dated January 6, 2003, granted approval to increase the BGSS-RSG Commodity Charge to be effective December 1 of this year and/or February 1 of next year, on a self-implementing basis, with each such increase being subject to a maximum rate increase of 5% of the average rate based on a typical 100 therms per month average (1,200 therms annual usage) residential customer's total bill. Such rate increases shall be preconditioned upon written notice by Public Service to the BPU Staff and to Rate Counsel no later than November 1, 2015 and/or January 1, 2016 of its intention to apply a December 1 or a February 1 self-implementing rate increase respectively, and of the approximate amount of the increases based upon then-current market data. Public Service is permitted to decrease its BGSS-RSG Commodity Charge at any time, upon five days notice to the Board and Rate Counsel.

6. The Company will provide updated tariff sheets within five (5) business days of the effective date of the Board's Order in this docket reflecting the provisional rate of \$0.401235 per therm (including losses and SUT) for the BGSS-RSG Commodity Charge and \$0.093827 per therm (including losses and SUT) for the Balancing Charge agreed to by the parties in this Stipulation. The proposed tariff sheets are attached hereto as Exhibit C to this Stipulation. The Company agrees to continue to provide electronically to the Parties in this proceeding, on a monthly basis, the following updated

information: 1) the BGSS NYMEX Update Report (also known as S-PSCHART-1) attached hereto as Exhibit A; and 2) a monthly report of unitized credits to the BGSS (ISG, Cogeneration, TSG-F, Off System Sales, Capacity Releases, Gas to Electric and Supplier Refunds) and the associated dollar amounts (attached hereto as Exhibit B). The chart reflected on Exhibit A is to be completed using information from the first Friday of the month and submitted to the Parties the following Tuesday. The chart reflected on Exhibit B is to be submitted to the Parties on approximately the 15th of the following month.

7. The undersigned Parties recommend to the Board that this matter be transmitted to the Office of Administrative Law for an opportunity for full review of all issues, including the provisional rate approved by the Board.


8. The undersigned agree that this Stipulation for a Provisional BGSS-RSG Commodity Charge and Balancing Charge contains mutually balancing and interdependent provisions and is intended to be accepted and approved in its entirety. In the event any particular aspect of this Stipulation is not accepted and approved by the Board, this Stipulation shall be null and void, and the parties shall be placed in the same position that they were in immediately prior to its execution.

9. The undersigned 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.

10. The undersigned parties further HEREBY AGREE that this Stipulation for a Provisional BGSS-RSG Commodity Charge and Balancing Charge has been made exclusively for the purpose of this proceeding and that this Stipulation, in total or specific item, is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation for a Provisional BGSS-RSG Commodity Charge and Balancing Charge.

PUBLIC SERVICE ELECTRIC AND
GAS COMPANY

STEFANIE A. BRAND DIRECTOR
DIVISION OF RATE COUNSEL

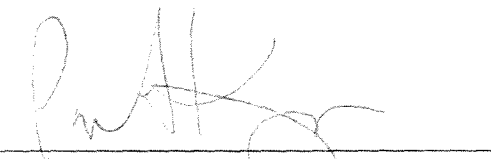
BY: 
Alexander C. Stern, Esq.
Associate General Regulatory Counsel

BY: _____
Sarah H. Steindel
Assistant Deputy Rate Counsel

DATED: August 26, 2015

DATED: August 26, 2015

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

BY: 
Patricia A. Krogman
Deputy Attorney General

DATED: August 26, 2015

10. The undersigned parties further HEREBY AGREE that this Stipulation for a Provisional BGSS-RSG Commodity Charge and Balancing Charge has been made exclusively for the purpose of this proceeding and that this Stipulation, in total or specific item, is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation for a Provisional BGSS-RSG Commodity Charge and Balancing Charge.

PUBLIC SERVICE ELECTRIC AND
GAS COMPANY

STEFANIE A. BRAND DIRECTOR
DIVISION OF RATE COUNSEL

BY: Alexander C. Stern
Alexander C. Stern, Esq.
Associate General Regulatory Counsel

BY: Sarah H. Steindel
Sarah H. Steindel
Assistant Deputy Rate Counsel

DATED: August 26, 2015

DATED: August 26, 2015

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

BY: Patricia A. Klogman
Patricia A. Klogman
Deputy Attorney General

DATED: August 26, 2015

3-PS CHART-1 - RESTATED FOR PURCHASES NOT SENDOUT

BGSS NYMEX Update Report
as of July 6, 2015

<u>Month</u>	<u>BGSS</u>	<u>NYMEX</u>	<u>Incr/ (Decr)</u>	<u>% Chg</u>	<u>Sales forecast (dths)</u>	<u>Receipts (dths)</u>	<u>Hedged volume (dths)</u>	<u>Unhedged volume (dths)</u>	<u>Change in value unhedged</u>
Oct-14	\$4.422	\$3.984	(\$0.438)		5,945	8,960	4,725	4,235	(\$1,855)
Nov-14	\$4.467	\$3.728	(\$0.739)		16,958	14,686	6,500	8,185	(\$6,049)
Dec-14	\$4.573	\$4.282	(\$0.291)		21,103	17,535	6,717	10,818	(\$3,148)
Jan-15	\$4.640	\$3.189	(\$1.451)		30,055	21,404	6,717	14,687	(\$21,311)
Feb-15	\$4.614	\$2.866	(\$1.748)		30,822	22,224	6,067	16,157	(\$28,243)
Mar-15	\$4.519	\$2.894	(\$1.625)		22,405	13,018	7,003	6,015	(\$9,774)
Apr-15	\$4.072	\$2.590	(\$1.482)		9,243	10,765	4,560	6,205	(\$9,196)
May-15	\$4.046	\$2.517	(\$1.529)		4,113	9,310	4,712	4,598	(\$7,030)
Jun-15	\$4.064	\$2.815	(\$1.249)		3,765	10,620	4,560	6,060	(\$7,569)
Jul-15	\$4.088	\$2.773	(\$1.315)		2,859	7,439	4,712	2,728	(\$3,587)
Aug-15	\$4.083	\$2.756	(\$1.327)		2,937	7,179	4,712	2,467	(\$3,274)
Sep-15	\$4.068	\$2.766	(\$1.302)		3,277	7,091	4,560	2,531	(\$3,296)
<u>Avg Total \$</u>	<u>\$4.305</u>	<u>\$3.097</u>	<u>(\$1.208)</u>	<u>-28.1%</u>	<u>153,484</u>	<u>150,230</u>	<u>65,544</u>	<u>84,687</u>	<u>(\$104,332)</u>
Oct-15	\$2.919	\$2.797	(\$0.122)		5,787	10,653	4,712	5,941	(\$725)
Nov-15	\$3.021	\$2.906	(\$0.115)		14,112	10,503	5,914	4,589	(\$528)
Dec-15	\$3.196	\$3.089	(\$0.107)		23,021	13,338	6,111	7,228	(\$773)
Jan-16	\$3.306	\$3.200	(\$0.106)		24,850	13,973	6,111	7,862	(\$833)
Feb-16	\$3.295	\$3.198	(\$0.097)		22,919	8,704	5,716	2,988	(\$290)
Mar-16	\$3.245	\$3.158	(\$0.087)		18,297	13,400	6,111	7,289	(\$634)
Apr-16	\$3.083	\$3.017	(\$0.066)		9,486	8,259	2,609	5,651	(\$373)
May-16	\$3.083	\$3.022	(\$0.061)		3,710	9,995	2,695	7,300	(\$445)
Jun-16	\$3.112	\$3.055	(\$0.057)		3,617	10,868	2,609	8,260	(\$471)
Jul-16	\$3.147	\$3.093	(\$0.054)		2,837	10,971	2,695	8,276	(\$447)
Aug-16	\$3.153	\$3.108	(\$0.045)		2,910	12,611	2,695	9,916	(\$446)
Sep-16	\$3.145	\$3.103	(\$0.042)		3,251	11,025	2,609	8,417	(\$354)
<u>Avg Total \$</u>	<u>\$3.142</u>	<u>\$3.062</u>	<u>(\$0.080)</u>	<u>-2.5%</u>	<u>134,797</u>	<u>134,302</u>	<u>50,586</u>	<u>83,716</u>	<u>(\$6,319)</u>

Footnotes:

- a : Nymex rate used for annual BGSS periodic rate filing
b : Nymex rate as of date of the report
c : Increase/Decrease in the Nymex rate compared to rate used for annual BGSS periodic rate filing
d : Sales forecast (includes fuel requirement)
e : Receipt volumes and projections
f : 'Hedged' volume consists of all fixed price contracts (financial or physical), purchased call option positions, and tentative storage withdrawal volumes (reduced by fuel required for delivery to citygate)
g : 'Unhedged' volume consists of receipts volume forecast less 'hedged' volume
h : Not necessarily representative of a change in under/over-recovery value

Public Service Electric and Gas Company**Unitized Credits to BGSS-RSG****June 2015**

<u>Contribution Category</u>	<u>Credits</u> <u>(\$ 000)</u>	<u>BGSS-RSG</u> <u>Share of the</u> <u>Volumes</u> <u>(MDth)</u>	<u>Unitized</u> <u>Credits</u> <u>(\$/Dth)</u>
Interruptible Service Gas (ISG)	\$180	24	\$7.390
Cogeneration	\$1,999	2,382	\$0.839
Transportation Service Gas-Firm (TSG)	\$66	99	\$0.669
Off-System Sales	\$5,498	4,058	\$1.355
Capacity Release	\$942	8,100	\$0.116
Gas to Electric	\$2,518	9,660	\$0.261
CSG Non Power	(\$32)	(29)	\$1.119
Supplier Refunds	\$77	n/a	n/a

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 54

B.P.U.N.J. No. 15 GAS

Superseding

XXX Revised Sheet No. 54

**BGSS-RSG
BASIC GAS SUPPLY SERVICE-RSG
COMMODITY CHARGES APPLICABLE TO RATE SCHEDULE RSG
(Per Therm)**

Estimated Non-Gulf Coast Cost of Gas	\$ 0.038080
Capital Adjustment Charge (See Tariff Sheet Nos. 48 to 49)	<u>0.000000</u>
Adjusted Non-Gulf Coast Cost of Gas	0.038080
Estimated Gulf Coast Cost of Gas	0.316390
Adjustment to Gulf Coast Cost of Gas	0.000000
Prior period (over) or under recovery	<u>0.018650</u>
Adjusted Cost of Gas	0.373120

Commodity Charge after application of losses: (Loss Factor = 0.5%)..... \$ 0.374986

Commodity Charge including New Jersey Sales and Use Tax (SUT)..... \$ 0.401235

The above Commodity Charge will be established on a level annualized basis immediately prior to the winter season of each year for the succeeding twelve-month period. The estimated average Non-Gulf and Gulf Coast Cost of Gas will be adjusted for any under- or over-recovery together with applicable interest thereon which may have occurred during the operation of the Company's previously approved Commodity Charge filing. Further, the Company will be permitted a limited self-implementing increase to the Commodity Charge on December 1 and February 1 of each year. These limited self-implementing increases, if applied, are to be in accordance with a Board of Public Utilities approved methodology. Commodity Charge decreases would be permitted at any time if applicable.

The difference between actual costs and Public Service's recovery of these costs shall be determined monthly. If actual costs exceed the recovery of these costs, an underrecovery or a negative balance will result. If the recovery of these costs exceeds actual costs, an overrecovery or a positive balance will result. Interest shall be applied monthly to the average monthly cumulative deferred balance, positive or negative, from the beginning to the end of the annual period. Monthly interest on negative deferred balances (underrecoveries) shall be netted against monthly interest on positive deferred balances (overrecoveries) for the annual period. A cumulative net positive interest balance at the end of the annual period is owed to customers and shall be returned to customers in the next annual period. A cumulative net negative interest balance shall be zeroed out at the end of the annual period. The sum of the calculated monthly interests shall be added to the overrecovery balance or subtracted from the underrecovery balance at the end of the annual period. The positive interest balance shall be rolled into the beginning under- or over-recovery balance of the subsequent annual period.

Pursuant to the Board's January 6, 2003 Order approving the BGSS price structure under Docket No. GX01050304 and the BGSS Pricing Proposal appended as Attachment A to and approved in that Order, Public Service Electric and Gas Company may issue a bill credit for its BGSS-RSG customers as detailed below.

Effective	BGSS-RSG Credit (per therm)	BGSS-RSG Credit including SUT (per therm)
November 1, 2014 through April 30, 2015	(\$0.261682)	(\$0.280000)
May 1, 2015	\$0.000000	\$0.000000

Date of Issue:

Issued by DANIEL J. CREGG, Vice President Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102
Filed pursuant to Order of Board of Public Utilities dated
in Docket No.

Effective:

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

**XXX Revised Sheet No. 65
Superseding
XXX Revised Sheet No. 65**

B.P.U.N.J. No. 15 GAS

**RATE SCHEDULE RSG
RESIDENTIAL SERVICE**

APPLICABLE TO USE OF SERVICE FOR:

Firm delivery service for residential purposes. Customers may either purchase gas supply from a Third Party Supplier (TPS) or from Public Service's Basic Gas Supply Service default service as detailed in this rate schedule.

DELIVERY CHARGES:

Service Charge:

\$5.46 in each month [\$5.84 including New Jersey Sales and Use Tax (SUT)].

Distribution Charges:

<u>Charge</u>	<u>Charge Including SUT</u>	
\$0.282087	\$0.301833	per therm

Balancing Charge:

<u>Charge</u>	<u>Charge Including SUT</u>	
\$0.087689	\$0.093827	per Balancing Use Therm

Societal Benefits Charge:

This charge shall recover costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Societal Benefits include: 1) Social Programs, 2) Demand Side Management Programs, 3) Manufactured Gas Plant Remediation, 4) Consumer Education, and 5) Universal Service Fund. Refer to the Societal Benefits Charge sheet of this Tariff for the current charge.

Margin Adjustment Charge:

This charge shall credit net revenue associated with Rate Schedule Non-Firm Transportation Gas Service (TSG-NF) to customers on Rate Schedules RSG, GSG, LVG, SLG and TSG-F. Refer to the Margin Adjustment Charge sheet of this Tariff for the current charge.

Green Programs Recovery Charge:

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs per the Board Order in Docket No. EO08030164. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge.

Weather Normalization Charge:

This charge is designed to adjust base rate recoveries to offset the effects of abnormal weather on sales. The weather normalization charge applied in each winter period shall be based on the differences between actual and normal weather during the preceding winter period. Refer to the Weather Normalization Charge sheet of this Tariff for the current charge.

The Weather Normalization Charge will be combined with the Balancing Charge for billing.

The Societal Benefits Charge, the Margin Adjustment Charge and the Green Programs Recovery Charge will be combined with the Distribution Charge for billing.

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80 Park Plaza, Newark, New Jersey 07102
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PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 72
Superseding

B.P.U.N.J. No. 15 GAS

XXX Revised Sheet No. 72

**RATE SCHEDULE GSG
GENERAL SERVICE**

APPLICABLE TO USE OF SERVICE FOR:

Firm delivery service for general purposes where: 1) customer does not qualify for RSG and 2) customer's usage does not exceed 3,000 therms in any month. Customers may either purchase gas supply from a Third Party Supplier (TPS) or from Public Service's Basic Gas Supply Service default service as detailed in this rate schedule.

DELIVERY CHARGES:

Service Charge:

\$10.44 in each month [\$11.17 including New Jersey Sales and Use Tax (SUT)].

Distribution Charges:

<u>Pre-July 14, 1997 *</u>		<u>All Others</u>		
<u>Charge</u>	<u>Charge Including SUT</u>	<u>Charge</u>	<u>Charge Including SUT</u>	
\$0.237618	\$0.254251	\$0.237618	\$0.254251	per therm

* Applicable to customers who have taken TPS supplied commodity service continuously since July 14, 1997.

Balancing Charge:

<u>Charge</u>	<u>Charge Including SUT</u>	
\$0.087689	\$0.093827	per Balancing Use Therm

Societal Benefits Charge:

This charge shall recover costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Societal Benefits include: 1) Social Programs, 2) Demand Side Management Programs, 3) Manufactured Gas Plant Remediation, 4) Consumer Education, and 5) Universal Service Fund. Refer to the Societal Benefits Charge sheet of this Tariff for the current charge.

Margin Adjustment Charge:

This charge shall credit net revenue associated with Rate Schedule Non-Firm Transportation Gas Service (TSG-NF) to customers on Rate Schedules RSG, GSG, LVG, SLG and TSG-F. Refer to the Margin Adjustment Charge sheet of this Tariff for the current charge.

Green Programs Recovery Charge:

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs per the Board Order in Docket No. EO08030164. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge.

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80 Park Plaza, Newark, New Jersey 07102
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PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 79

B.P.U.N.J. No. 15 GAS

Superseding

XXX Revised Sheet No. 79

**RATE SCHEDULE LVG
LARGE VOLUME SERVICE**

APPLICABLE TO USE OF SERVICE FOR:

Firm delivery service for general purposes. Customers may either purchase gas supply from a Third Party Supplier (TPS) or from Public Service's Basic Gas Supply Service default service as detailed in this rate schedule.

DELIVERY CHARGES:

Service Charge:

\$96.55 in each month [\$103.31 including New Jersey Sales and Use Tax (SUT)].

Demand Charge (Applicable in the months of November through March):

<u>Charge</u>	<u>Charge</u> <u>Including SUT</u>	
\$3.5388	\$3.7865	per Demand Therm

Distribution Charges:

	<u>Per therm for the first 1,000 therms used in each month</u>		<u>Per therm in excess of 1,000 therms used in each month</u>	
	<u>Charges</u>	<u>Charges</u> <u>Including SUT</u>	<u>Charges</u>	<u>Charges</u> <u>Including SUT</u>
Pre-July 14, 1997 *	\$0.044736	\$0.047868	\$0.035592	\$0.038083
Post July 14, 1997	\$0.044736	\$0.047868	\$0.035592	\$0.038083

*Applicable to customers who have taken TPS supplied commodity service continuously since July 14, 1997.

Balancing Charge:

<u>Charge</u>	<u>Charge</u> <u>Including SUT</u>	
\$0.087689	\$0.093827	per Balancing Use Therm

Societal Benefits Charge:

This charge shall recover costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Societal Benefits include: 1) Social Programs, 2) Demand Side Management Programs, 3) Manufactured Gas Plant Remediation, 4) Consumer Education, and 5) Universal Service Fund. Refer to the Societal Benefits Charge sheet of this Tariff for the current charge.

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PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 112A

B.P.U.N.J. No. 15 GAS

Superseding

XXX Revised Sheet No. 112A

RATE SCHEDULE CSG

CONTRACT SERVICE

(Continued)

ECONOMICALLY VIABLE BYPASS

DELIVERY CHARGES:

Service Charge:

\$495.76 in each month [\$530.46 including New Jersey Sales and Use Tax (SUT)]

Distribution Charge:

Net Alternative Delivery Cost multiplied by the applicable Net Alternative Delivery Cost Factor divided by the Contracted Monthly Therms rounded to the nearest \$0.000000 per therm.

Maintenance Charges:

Equals the Alternative Delivery Cost multiplied by the applicable Alternative Delivery Cost Factor divided by the Contract Monthly Therms rounded to the nearest \$0.000000 per therm.

Plus any customer site-specific ongoing or continuing cost not directly related to the operation, maintenance or inspection of the customer's planned by-pass pipeline. This shall include, but not be limited to, periodic payments for rights-of-way, easements, pipeline cost differentials, permits or other such costs. These charges shall be expressed on a monthly levelized basis over the term of service.

Public Service will also take into consideration any operational or deliverability differences that would be reasonably expected between the pipeline and/or service over Public Service's distribution system in determining Delivery Charges. In no event shall the Delivery Charges be lower than an amount sufficient to generate a return on the capital investments made by Public Service and recovery of marginal and embedded costs, including depreciation, to provide service to the customer over the term of each CSG agreement.

Balancing Charge:

Applicable only if the customer is provided Public Service's Basic Gas Supply Service – Firm (BGSS-F) default service.

<u>Charge</u>	<u>Charge</u>	
	<u>Including SUT</u>	
\$0.087689	\$0.093827	per Balancing Use Therm

Societal Benefits Charge:

This charge shall recover costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by government. In appropriate circumstances, the Board of Public Utilities may approve a discount from the Societal Benefits Charge. Refer to the Societal Benefits Charge sheet of this Tariff for the current charge and applicable exemptions.

Green Programs Recovery Charge:

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs per the Board Order in Docket No. EO08030164. In appropriate circumstances, the Board of Public Utilities may approve a discount from the Green Programs Recovery Charge. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge and applicable exceptions.

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