



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)	DECISION AND ORDER
SERVICE ELECTRIC AND GAS COMPANY’S 2021/2022)	APPROVING STIPULATION
ANNUAL BGSS COMMODITY CHARGE FILING FOR)	FOR PROVISIONAL RATES
ITS RESIDENTIAL GAS CUSTOMERS UNDER ITS)	
PERIODIC PRICING MECHANISM AND FOR CHANGES)	
IN ITS BALANCING CHARGE)	DOCKET NO. GR21060878

Parties of Record:

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

BY THE BOARD:

On June 1, 2021, Public Service Electric and Gas Company (“PSE&G” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board”) seeking approval to maintain its Basic Gas Supply Service (“BGSS”) Residential Gas Service (“BGSS-RSG”) rate as well as its Balancing Charge rate (“2021 BGSS Petition”). On June 22, 2021, NRG Energy, Inc., and its affiliates Reliant Energy Northeast, LLC, d/b/a NRG Home/NRG Business; Energy Plus Natural Gas LP; Xoom Energy New Jersey, LLC; Stream Energy New Jersey, LLC; Direct Energy Services, LLC; Direct Energy Business, LLC; Direct Energy Business Marketing, LLC; and Gateway Energy Services Corporation (collectively “NRG”), filed a motion to intervene in this matter (“NRG Motion”). By this Decision and Order, the Board considers 1) a Stipulation for Provisional Rates (“Stipulation”) executed by PSE&G, the New Jersey Division of Rate Counsel (“Rate Counsel”), and Board Staff (“Staff”) (collectively, “Parties”) requesting that the Board approve changes in the Balancing Charge rate on a provisional basis, subject to refund with interest; and 2) the NRG Motion.

BACKGROUND

By Order dated January 6, 2003 in Docket No. GX01050304, the Board directed each of New Jersey’s four (4) gas distribution companies (“GDCs”), to submit to the Board by June 1 its annual BGSS gas cost filing for the BGSS year beginning October 1.¹ In addition, the January 2003 BGSS Order authorized each GDC to self-implement up to a five (5) percent BGSS rate increase

¹ In re the Provision of Basic Gas Supply Service Pursuant to the Electric Discount and Energy Act N.J.S.A. 48:3-49 et seq. – BGSS Pricing, BPU Docket No. GX01050304, Order dated January 6, 2003 (“January 2003 BGSS Order”).

effective December 1 of the current year, and February 1 of the following year, with one (1) month's advance notice to the Board and Rate Counsel, and implement a decrease in its BGSS rate at any time during the year upon five (5) days' notice to the Board and Rate Counsel.

2021 BGSS PETITION

Pursuant to the January 2003 BGSS Order, on June 1, 2021, PSE&G filed the 2021 BGSS Petition requesting authority to maintain the Company's current BGSS-RSG rate of \$0.319937 per therm effective October 1, 2021.² According to PSE&G, an increase in BGSS revenue of approximately \$49 million, excluding losses and SUT, would be required for the period October 1, 2021 through September 30, 2022. However, due to the significant volatility in natural gas prices, the Company proposed to maintain its rate. The residential gas service ("RSG") customer class was expected to be over-recovered by approximately \$30.4 million by September 30, 2021.

In the 2021 BGSS Petition, the Company also sought authority to increase its per therm Balancing Charge rate from \$0.085723 to \$0.093477. The requested increase reflects a projected increase in the costs of interstate pipeline transportation services that make up PSE&G's gas supply portfolio. This projected increase is the result of two (2) factors: 1) the absence of sizable pipeline refunds included in last year's filing following the settlement of the Transco and Texas Eastern rate cases; and 2) a projected Texas Eastern rate case filing expected to be made before the end of this year.

In the 2021 BGSS Petition, PSE&G also proposed a change in its Storage Inventory Carrying Charge, which is recovered through the Balancing and Commodity Charges. The requested charge is \$0.002778 per balancing therm (excluding losses and SUT) for the balancing portion, and \$0.004610 per therm (excluding losses and SUT) for the commodity portion.

PSE&G also requested the following: 1) approval to potentially procure up to 4,000 dekatherms per day of renewable natural gas ("RNG") and include the supply and costs in the BGSS-RSG portfolio; and 2) approval to execute an amendment to the Requirements Contract with PSEG Energy Resources & Trade LLC ("ER&T") providing for a five (5) year extension, continuing on a year-to-year basis thereafter, subject to a two (2)-year termination notice requirement.

Based upon the 2021 BGSS Petition, the combined impact of the proposed changes on a typical residential heating customer using 172 therms per month during the winter months, and 1,040 therms on an annual basis, is an annual increase of \$5.38, or approximately 0.60%.

After publication of notices in newspapers of general circulation in the Company's service territory, telephonic public hearings were conducted on September 10, 2021.³ No members of the public attended or filed comments related to the Company's 2021 BGSS Petition.

MOTION TO INTERVENE

The NRG Motion to intervene, filed on June 22, 2021, alleged that NRG and its customers are directly affected by this proceeding, and have a substantial and direct interest in the proposed increase to the Balancing Charge, and increase to the commodity portion of the Storage Inventory Carrying Charge, which will impact the overall price of the gas service that NRG provides to its customers. See NRG Motion at 3. Additionally, NRG asserted that NRG and its customers have

² All rates quoted herein include losses and Sales and Use Tax ("SUT") unless otherwise stated.

³ Due to the COVID-19 pandemic, public hearings were held telephonically.

a substantial and direct interest in the provision in the 2021 BGSS Petition, which allows PSE&G to decrease its BGSS Commodity Charges at any time, upon five (5) days' notices to the Board and Rate Counsel. Id.

NRG also claimed that NRG and its customers have a substantial and direct interest in PSE&G's plans regarding RNG as NRG is considering offering similar products to its customers. Id. Finally, NRG stated that it will be directly affected by the outcome of this proceeding as the parent company of numerous licensed third party suppliers that are actively serving natural gas customers in PSE&G's service territory. Id. at 4.

On July 2, 2021, PSE&G filed opposition to NRG's Motion, arguing that the NRG does not meet any of the criteria for intervention, and intervention raises significant prospects for confusion and delay. See PSE&G Response at 3. The Company pointed to the PSE&G 2014/2015 BGSS proceeding where the Retail Energy Supply Association moved to intervene raising issues concerning the notice provisions preceding the self-implemented bill adjustments in the PSE&G's BGSS tariff. Ultimately, the Board agreed with PSE&G and Rate Counsel that the relief sought was beyond the scope of the proceeding and would delay the review of the filing.⁴ Id. PSE&G argued that the issues raised by NRG have nothing to do with PSE&G's recovery of pass-through BGSS costs, which are the subject of the 2021 BGSS Petition. Id. at 4. PSE&G further argued that NRG's policy concerns are related to the well-established Board mechanism created to ensure that all natural gas distribution companies recover the commodity costs associated with the BGSS supplier of last resort obligation. PSE&G asserted that NRG's intervention would confuse and delay the BGSS cost recovery proceeding with generic issues. Id. PSE&G further argued that these proceedings typically include discovery concerning natural gas pricing and procurement strategies to which it would be totally improper to grant NRG access. Id. at 6.

On July 6, 2021, NRG filed a response to PSE&G's opposition, arguing that although PSE&G accurately set forth the standard the Board must apply in considering NRG's Motion, the Company misapplied the standard because NRG and the gas products it offers are "substantially, specifically, and directly affected by the outcome" of this proceeding, and NRG's Motion meets all of the criteria for intervention. See NRG Reply at 1. NRG argued that, as a competitive supplier, NRG offers RNG products in other states and looks forward to offering these same services in New Jersey. NRG states that the Electric Discount and Energy Competition Act, ("EDECA") defines basic gas supply service as "not a competitive service," which raises significant concerns over PSE&G's inclusion of this new RNG supply option (and its costs) in its BGSS non-competitive service. NRG argues that the Company's proposal is inconsistent with the meaning of BGSS and would operate to defeat EDECA's pro-competitive intent. Id. at 2 to 3. With respect to PSE&G's concern regarding discovery, NRG argued that this concern can be handled by the use of non-disclosure agreements, as it is handled routinely in similar proceedings. Id. at 3. Lastly, NRG noted that it has no other option to raise its concerns regarding BGSS procedures and pricing and to ensure the Board will address them NRG should be granted intervention in the 2021 BGSS Petition. Id.

⁴ In re Public Service Electric and Gas Company's 2014/2015 Annual BGSS Commodity Charge Filing for Its Residential Gas Customers Under Its Periodic Pricing Mechanism, BPU Docket No. GR14050512, OAL Docket No. PUC16108-14, Order dated April 15, 2015.

STIPULATION

Following an initial review of the 2021 BGSS Petition, the Parties determined that additional time was needed to complete a comprehensive review of the 2021 BGSS Petition. Accordingly, the Parties executed the Stipulation, which provides for the following:⁵

1. The Company's BGSS Commodity Service, tariff rate BGSS-RSG, shall provisionally be maintained at \$0.319937 per therm (including losses and SUT) through September 30, 2022. 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 shall be increased on a provisional basis from the current charge of \$0.085723 per balancing use therm (including losses and SUT) to \$0.093477 per balancing therm (including losses and SUT), subject to refund with interest on any net over- or under-recovered balance.
3. There will be an opportunity for full review of all the changes requested by the Company at the Office of Administrative Law, if applicable and 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 an increase in their monthly winter bill of \$0.64 or 0.73%, and a residential customer using 172 therms per month during the winter months, and 1,040 therms on an annual basis would see an increase in their monthly winter bill of \$1.11 or 0.76%. ANNUAL – a residential customer using 100 therms per month during the winter months and 610 therms on an annual basis would see an increase in their annual bill of \$3.14 or 0.54%, and a residential customer using 172 therms per month during the winter months and 1,040 therms on an annual basis would see an increase in their annual bill of \$5.38 or 0.59%. These calculations are based upon rates in effect on October 1, 2021 and assuming the customer receives BGSS service from PSE&G. The Company requests that the provisional BGSS-RSG rate and Balancing Charge become effective as of December 1, 2021, or as soon as possible upon the issuance of a Board Order approving the Stipulation.
5. The Board, in the January 2003 BGSS Order, granted approval to increase the BGSS-RSG Commodity Charge to be effective December 1 of the year of the annual BGSS filing, and/or February 1 of the year following the annual BGSS filing, on a self-implementing basis, with each such increase being subject to a maximum rate increase of 5% of the average rate based upon 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 PSE&G to Staff and Rate Counsel no later than November 1 and/or January 1 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. The Company is permitted to decrease its BGSS-RSG Commodity Charge at any time, upon five (5) days' notice to the Board and Rate Counsel. Pursuant

⁵ Although described 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 conclusions in this Order. Paragraphs are numbered to coincide with the Stipulation.

to the Board's January 2003 BGSS Order, any self-implementing increases or decreases would be provisional, and subject to reconciliation during the Company's next annual BGSS filing.

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 increases described in the Stipulation. The proposed tariff sheets are attached as Exhibit A to the Stipulation.
7. The 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 rates if approved by the Board.

DISCUSSION AND FINDINGS

NRG Motion to Intervene

In ruling on a motion to intervene, N.J.A.C. 1:1-16.3(a) requires that the decision-maker consider the following factors:

1. The nature and extent of the moving party's interest in the outcome of the case;
2. Whether that interest is sufficiently different from that of any other party so as to add measurably and constructively to the scope of the case;
3. The prospect for confusion and delay arising from inclusion of the party; and
4. Other appropriate matters.

If the standard for intervention is not met, N.J.A.C. 1:1-16.5 provides for a more limited form of involvement in the proceeding as a "participant." N.J.A.C. 1:1-16.6(a) provides that "[a]ny person or entity with a significant interest in the outcome of a case may move for permission to participate."

In ruling on a motion to participate the trier of fact shall consider "whether the participant's interest is likely to add constructively to the case without causing undue delay or confusion." N.J.A.C. 1:1-16.6(b). Under N.J.A.C. 1:1- 16.6(c), such participation is limited to the right to argue orally, or file a statement or brief, or file exceptions, or all of these as determined by the trier of fact.

As the Board stated in previous proceedings, application of these standards involves an implicit balancing test. The need and desire for development of a full and complete record, which involves consideration of a diversity of interests, must be weighed against the requirements of the New Jersey Administrative Code, which recognizes the need for prompt and expeditious administrative proceedings by requiring that an intervener's interest be specific, direct and different from that of the other parties so as to add measurably and constructively to the scope of the case. See In re the Joint Petition of Public Service Electric and Gas Company and Exelon Corporation for Approval of a Change in Control, BPU Docket No. EM05020106 (June 8, 2005).

The Board reviewed the factors set forth by rule for intervention and carefully considered the positions of NRG and PSE&G. NRG raised concerns regarding the gas utilities', not specifically PSE&G's, ability to decrease their BGSS commodity charges at any time, and the resulting

potential impact on NRG and its customers. Similarly, NRG alleges PSE&G's proposed increase to the Balancing Charge and increase to the commodity portion of the Storage Inventory Carrying Charge will impact the price of gas supply services that NRG provides its customers. NRG contends that the Company's proposal to utilize RNG would operate to defeat EDECA's pro-competitive intent.

The competitive and structural concerns raised by NRG are separate and distinct from the issues pending before the Board in this proceeding, and when considering annual BGSS cost filings. As NRG's concerns involve potential overall changes to the BGSS structure, such issues should be vetted in a generic proceeding including all of the gas utilities as well as other interested parties. Under the process approved in the January 2003 BGSS Order, annual filings, like the one currently before the Board involving PSE&G, are used to review the specific gas company's costs of providing BGSS and setting the necessary rates. As such, the Board **HEREBY FINDS** that NRG's interests are beyond the scope of the instant proceeding and inclusion here could result in confusion and delay. See N.J.A.C. 1:1-16.3(a). The Board **FURTHER FINDS** that the nature and extent of NRG's interest in the outcome of this case, specifically in the BGSS costs that are under review in this proceeding, is limited and does not rise to a level warranting intervention. Id.

Based upon the foregoing, and after balancing the need to develop a complete record with the need for timely resolution of this matter, and taking into consideration the scope of this proceeding, the Board **HEREBY DENIES** NRG's Motion to Intervene.

Every motion for leave to intervene may be treated, in the alternative, as a motion for permission to participate. See N.J.A.C. 1:1-16.5. In ruling on a motion to participate the trier of fact shall consider "whether the participant's interest is likely to add constructively to the case without causing undue delay or confusion." N.J.A.C. 1:1-16.6(b). Therefore, having found that including NRG in this matter could cause undue delay or confusion, the Board **HEREBY DENIES** NRG's Motion to participate.

Stipulation and Provisional Rates

The Board, having carefully reviewed the record to date in this proceeding, including the 2021 BGSS Petition and the attached Stipulation, **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, 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**, on a provisional basis, subject to refund, the maintenance of PSE&G's per therm BGSS-RSG rate of \$0.319937, and an increase in the per therm Balancing Charge to \$0.093477. The above changes shall be made effective for services rendered on and after December 1, 2021. Any net over-recovered BGSS-RSG or Balancing Charge 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 consistent with the Board's Order by December 1, 2021.

Based upon the Stipulation, the combined impact of the proposed changes on a typical residential heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis is an annual increase of \$5.38, or approximately 0.59%.

The Company's costs, including those related to BGSS and Balancing Charge, remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions deemed to be appropriate as a result of any such audit.

The effective date of this Order is November 24, 2021.

DATED: November 17, 2021

BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT



MARV-ANNA HOLDEN
COMMISSIONER



DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH
SECRETARY

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS
COMPANY'S 2021/2022 ANNUAL BGSS COMMODITY CHARGE FILING FOR ITS
RESIDENTIAL GAS CUSTOMERS UNDER ITS PERIODIC PRICING MECHANISM AND FOR
CHANGES IN ITS BALANCING CHARGE

DOCKET NO. GR21060878

SERVICE LIST

New Jersey Division of Rate Counsel

140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Brian O. Lipman, Esq., Director
blipman@rpa.nj.gov

Sarah Steindel, Esq.
ssteinde@rpa.nj.gov

Rate Counsel Consultants

Dr. Karl Pavlovic
PCMG and Associates
22 Brooks Avenue
Gaithersburg, MD 20877
kpavlovic@pcmggregcon.com

Mr. Dante Mugrace, Senior Consultant
PCMG and Associates
90 Moonlight Court
Toms River, New Jersey 08753
dmugrace@pcmggregcon.com

Department of Law & Public Safety

25 Market Street
Post Office Box 112
Trenton, NJ 08625

Matko Ilic, DAG
matko.ilic@law.njoag.gov

Michael Beck, DAG
michael.beck@law.njoag.gov

Pamela Owen, DAG
Pamela.owen@law.njoag.gov

Daren Eppley, DAG
daren.eppley@law.njoag.gov

Board of Public Utilities

44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, NJ 08625-0350

Aida Camacho-Welch, Secretary
board.secretary@bpu.nj.gov

Stacy Peterson, Deputy Executive Director
stacy.peterson@bpu.nj.gov

Division of Energy

Paul Lupo, Acting Director
paul.lupo@bpu.nj.gov

Beverly Tyndell
beverly.tyndell@bpu.nj.gov

Counsel's Office

Carol Artale, Esq., Deputy General Counsel
carol.artale@bpu.nj.gov

Heather Weisband, Esq., Senior Counsel
heather.weisband@bpu.nj.gov

Public Service Electric & Gas Company

80 Park Plaza, T-5
P.O. Box 570
Newark, NJ 07102

Matthew M. Weissman Esq.
matthew.weissman@pseg.com

Katherine E. Smith, Esq.
katherine.smith@pseg.com

Terrance J. Moran
terrance.moran@pseg.com

Stephen Irons
stephen.irons@pseg.com

Deborah Marks
deborah.marks@pseg.com

NRG

804 Carnegie Center
Princeton, NJ 08540

Angela Schorr
angela.schorr@nrg.com

Bevan, Mosca & Giuditta P.C.
222 Mount Airy Road, Suite 200
Basking Ridge, NJ 07920

Murray E. Bevan, Esq.
mbevan@bmg.law

Jennifer McCave, Esq.
jmccave@bmg.law

Matthew M. Weissman
Managing Counsel - State Regulatory

Law Department
PSEG Services Corporation
80 Park Plaza – T5, Newark, New Jersey 07102-4194
tel : 973-430-7052 fax: 973-430-5983
email: matthew.weissman@pseg.com



VIA ELECTRONIC MAIL

October 27, 2021

In the Matter of Public Service Electric and Gas Company's 2021/2022
Annual BGSS Commodity Charge Filing for its Residential Gas Customers
Under its Periodic Pricing Mechanism and for Changes in its Balancing Charge

BPU Docket No. GR21060878

Aida Camacho-Welch, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Trenton, New Jersey 08625-0350

Dear Secretary Camacho-Welch:

Enclosed for filing by Public Service Electric and Gas Company ("Company"), please find an electronic copy of the Company's fully-executed Stipulation for Provisional BGSS Rates in the captioned matter.

Consistent with the Order issued by the 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 document is being electronically filed with the Secretary of the Board and the New Jersey Division of Rate Counsel. No paper copies will follow.

Very truly yours,

A handwritten signature in blue ink that reads "Matthew Weissman".

Matthew M. Weissman

Encl.

C Service List (Electronic)

BPU

Aida Camacho-Welch
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Trenton NJ 08625-0350
aida.camacho@bpu.nj.gov

BPU

Heather Weisband
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Trenton NJ 08625-0350
Heather.Weisband@bpu.nj.gov

PSE&G

Deborah Marks
Public Service Electric & Gas Co.
80 Park Plaza, T8
Newark NJ 07102
deborah.marks@pseg.com

PSE&G

Matthew M. Weissman Esq.
PSEG Services Corporation
80 Park Plaza, T5
Newark NJ 07102
matthew.weissman@pseg.com

Rate Counsel

Shelly Massey
Division of Rate Counsel
140 East Front Street, 4th Flr.
Trenton NJ 08625
smassey@rpa.nj.gov

Rate Counsel Consultant

Karl Pavlovic
PCMG and Associates, LLC
22 Brooks Avenue
Gaithersburg MD 20877
kpavlovic@pcmggregcon.com

BPU

Stacy Peterson
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Trenton NJ 08625-0350
stacy.peterson@bpu.nj.gov

DAG

Matko Ilic
NJ Dept. of Law and Public Safety
Richard J. Hughes Justice Complex
Public Utilities Section
25 Market Street
Trenton NJ 08625
matko.ilic@law.njoag.gov

PSE&G

Terrence J. Moran
Public Service Electric & Gas Co.
80 Park Plaza, T-8
Newark NJ 07101
terrence.moran@pseg.com

Rate Counsel

Stefanie A. Brand
Division of Rate Counsel
140 East Front Street, 4th Flr.
Trenton NJ 08625
sbrand@rpa.state.nj.us

Rate Counsel

Sarah Steindel
Division of Rate Counsel
140 East Front Street, 4th Flr.
Trenton NJ 08625
ssteinde@rpa.state.nj.us

BPU

Beverly Tyndell-Broomfield
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Trenton NJ 08265-0350
beverly.tyndell@bpu.nj.gov

PSE&G

Stephen Irons
Public Service Electric & Gas Co.
80 Park Plaza, T-8
Newark NJ 07101
stephen.iron@pseg.com

PSE&G

Katherine E. Smith
PSEG Services Corporation
80 Park Plaza, T5
Newark NJ 07102
katherine.smith@pseg.com

Rate Counsel

Brian O. Lipman
Division of Rate Counsel
140 East Front Street, 4th Flr.
Trenton NJ 08625
blipman@rpa.nj.gov

Rate Counsel Consultant

Dante Mugrace
PCMG and Associates
90 Moonlight Court
Toms River NJ 08753
dmugrace@pcmggregcon.com

STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF PUBLIC SERVICE)	
ELECTRIC AND GAS COMPANY'S)	
2021/2022 ANNUAL BGSS COMMODITY)	STIPULATION FOR
CHARGE FILING FOR ITS RESIDENTIAL)	PROVISIONAL BGSS RATES
GAS CUSTOMERS UNDER ITS PERIODIC)	
PRICING MECHANISM AND FOR CHANGES IN)	BPU DOCKET NO. GR21060878
ITS BALANCING CHARGE)	

APPEARANCES:

Matthew M. Weissman, Esq., Managing Counsel, State Regulatory, for the Petitioner, Public Service Electric and Gas Company

Maura Caroselli, Esq., Managing Attorney – Gas, **Sarah H. Steindel**, Esq., Assistant Deputy Rate Counsel, for the New Jersey Division of Rate Counsel (**Brian O. Lipman**, Acting Director)

Matko Ilic, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Andrew Bruck**, Acting Attorney General of New Jersey)

On June 1, 2021, Public Service Electric and Gas Company (“PSE&G” or “Company”) made a filing with the New Jersey Board of Public Utilities (“Board” or “BPU”) in the above-referenced matter requesting approval to maintain the current Board-approved Basic Gas Supply Service (“BGSS”) rate through September 30, 2022, and to increase its Balancing Charge (“2021 Petition”). Specifically, the Company requested authority to: 1) maintain the per therm BGSS Commodity Charge to Residential Service Customers (“BGSS-RSG”) of \$0.319937 [including losses and Sales and Use Tax (“SUT”)]; 2) increase its Balancing Charge, which recovers the cost of providing storage and peaking services, from the current charge of \$0.085723 per balancing use therm (including losses and SUT) to \$0.093477 per balancing use therm (including losses and SUT); 3) potentially acquire up to 4,000 dth/d (1% of total supply) of renewable natural gas for inclusion in the Company’s BGSS-RSG gas supply, with costs included in the Company’s BGSS-RSG weighted average cost of supply in future BGSS filings; 4) execute an amendment to the Requirements Contract providing for a five-year extension, continuing on a year-to-year basis thereafter, subject to a two-year

termination notice; and (5) modify its Tariff for Gas Service, B.P.U.N.J. No. 16 Gas, pursuant to N.J.S.A. 48:2-21 and 48:2-21.1, as set forth in Attachment B of the Company's filing.

As filed, the annual bill impact of the proposed Balancing Charge change is an increase of approximately \$3.14 or 0.55% on a typical residential gas heating customer using 100 therms per month during the winter months, and 610 therms on an annual basis, and an increase of approximately \$5.38 or 0.60% on a typical residential gas heating customer using 172 therms per month during the winter months, and 1,040 therms annually, based upon rates effective June 1, 2021.

Notice of a public hearing setting forth the Company's June 1, 2021 request to maintain the current BGSS Commodity Charge and request for a Balancing Charge increase, including the date, time, and telephonic access numbers of public hearings, 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 PSE&G's gas service territory.¹

Public hearings were conducted telephonically on September 10, 2021 at 4:30 p.m. and 5:30 p.m. No member of the public appeared and spoke at the public hearings.

PSE&G, Board Staff, and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") determined that additional time is needed to complete the review of the Company's proposed BGSS-RSG Commodity Charge and Balancing Charge and other requests for relief. However, the Parties also agree that action with respect to the Company's BGSS-RSG Commodity Charge for the 2021-2022 BGSS year and Balancing Charge, on a provisional basis, is reasonable at this time.

¹ Due to the COVID-19 pandemic, public hearings were held telephonically.

As such, the Parties HEREBY AGREE as follows:

1. The Company's BGSS Commodity Service, tariff rate BGSS-RSG, shall provisionally be maintained at \$0.319937 per therm (including losses and SUT) through September 30, 2022. 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 shall be increased on a provisional basis from the current charge of \$0.085723 per balancing use therm (including losses and SUT) to \$0.093477 per balancing therm (including losses and SUT), subject to refund with interest on any net over- or under-recovered balance.

3. There will be an opportunity for full review of all the changes requested by the Company at the Office of Administrative Law, if applicable and 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 an increase in their monthly winter bill of \$0.64 or 0.73%, and a residential customer using 172 therms per month during the winter months, and 1,040 therms on an annual basis would see an increase in their monthly winter bill of \$1.11 or 0.76%. ANNUAL – a residential customer using 100 therms per month during the winter months and 610 therms on an annual basis would see an increase in their annual bill of \$3.14 or 0.54%, and a residential customer using 172 therms per month during the winter months and 1,040 therms on an annual basis would see an increase in their annual bill of \$5.38 or 0.59%. These calculations are based upon rates in effect on October 1, 2021 and assuming the customer receives BGSS service from PSE&G. The Company requests that the provisional BGSS-RSG rate and Balancing Charge become effective as of December 1, 2021, 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 the year of the annual BGSS filing, and/or February 1 of the year following the annual BGSS filing, on a self-implementing basis, with each such increase being subject to a maximum rate increase of 5% of the average rate based upon 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 PSE&G to BPU Staff and Rate Counsel no later than November 1 and/or January 1 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. The Company is permitted to decrease its BGSS-RSG Commodity Charge at any time, upon five (5) days' notice to the Board and Rate Counsel. Pursuant to the Board's January 2003 Order, any self-implementing increases or decreases would be provisional, and subject to reconciliation during the Company's next annual BGSS filing.

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 decreases described above. The proposed tariff sheets are attached hereto as Exhibit A to this Stipulation.

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 rates if 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. If 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 immediately prior to 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 by 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

BRIAN O. LIPMAN
ACTING DIRECTOR,
DIVISION OF RATE COUNSEL

BY: 

Matthew M. Weissman
Managing Counsel, State Regulatory

BY: *Sarah H. Steindel*

Sarah H. Steindel
Assistant Deputy Rate Counsel

DATED: October 26, 2021

DATED: October 27, 2021

ANDREW BRUCK
ACTING ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

BY: 

Matko Ilic
Deputy Attorney General

DATED: October 27, 2021

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 54

B.P.U.N.J. No. 16 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	\$ 0.060276
Estimated Gulf Coast Cost of Gas	0.235911
Adjustment to Gulf Coast Cost of Gas	0.000000
Prior period (over) or under recovery	<u>(0.002130)</u>
Adjusted Cost of Gas	0.294057
Commodity Charge after application of losses: (Loss Factor = 2.0%).....	\$ 0.300058
Commodity Charge including New Jersey Sales and Use Tax (SUT)	<u>\$ 0.319937</u>

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)
February 1, 2020 through March 31, 2020	(\$0.070340)	(\$0.075000)
April 1, 2020	\$0.000000	\$0.000000

Date of Issue: Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility 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

B.P.U.N.J. No. 16 GAS

Superseding

XXX Revised Sheet No. 65

**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:

\$8.08 in each month [\$8.62 including New Jersey Sales and Use Tax (SUT)].

Distribution Charges:

<u>Charge</u>	<u>Charge Including SUT</u>	
\$0.391767	\$0.417722	per therm

Balancing Charge:

<u>Charge</u>	<u>Charge Including SUT</u>	
\$0.087669	\$0.093477	per Balancing Use Therm
\$0.080397	\$0.085723	

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 as approved by the Board. 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.

Date of Issue:

Effective:

Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102

Filed pursuant to Order of Board of Public Utilities dated
in Docket No.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 72

B.P.U.N.J. No. 16 GAS

Superseding

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:

\$16.65 in each month [\$17.75 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>	
\$0.304859	\$0.325056	\$0.304859	\$0.325056	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>	
\$0.087669	\$0.093477	per Balancing Use Therm
\$0.080397	\$0.085723	

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 as approved by the Board. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge.

Date of Issue:

Effective:

Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102

Filed pursuant to Order of Board of Public Utilities dated
in Docket No.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 79

B.P.U.N.J. No. 16 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:

\$147.80 in each month [\$157.59 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>	
\$ 4.0632	\$ 4.3324	per Demand Therm

Distribution Charges:

Per therm for the first 1,000 therms <u>used in each month</u> Charges <u>Charges</u> \$ 0.043725	Per therm in excess of 1,000 therms <u>used in each month</u> Charges <u>Charges</u> \$ 0.043078	Per therm for the first 1,000 therms <u>used in each month</u> Charges <u>Including SUT</u> \$ 0.046622	Per therm in excess of 1,000 therms <u>used in each month</u> Charges <u>Including SUT</u> \$ 0.045932
---	--	---	--

Balancing Charge:

<u>Charge</u>	<u>Charge</u> <u>Including SUT</u>	
\$0.087669	\$0.093477	
\$0.080397	\$0.085723	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.

Date of Issue:

Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102

Effective:

Filed pursuant to Order of Board of Public Utilities dated
in Docket No.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 112A

B.P.U.N.J. No. 16 GAS

Superseding

XXX Revised Sheet No. 112A

**RATE SCHEDULE CSG
CONTRACT SERVICE
(Continued)**

ECONOMICALLY VIABLE BYPASS

DELIVERY CHARGES:

Service Charge:

\$ 791.61 in each month [\$844.05 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>	
\$0.087669	\$0.093477	
\$0.080397	\$0.085723	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 as approved by the Board. 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.

Date of Issue:

Effective:

Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102

Filed pursuant to Order of Board of Public Utilities dated
in Docket No.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 54

B.P.U.N.J. No. 16 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	\$ 0.060276
Estimated Gulf Coast Cost of Gas	0.235911
Adjustment to Gulf Coast Cost of Gas	0.000000
Prior period (over) or under recovery	<u>(0.002130)</u>
Adjusted Cost of Gas	0.294057
Commodity Charge after application of losses: (Loss Factor = 2.0%).....	\$ 0.300058
Commodity Charge including New Jersey Sales and Use Tax (SUT)	<u>\$ 0.319937</u>

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)
February 1, 2020 through March 31, 2020	(\$0.070340)	(\$0.075000)
April 1, 2020	\$0.000000	\$0.000000

Date of Issue: Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility 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

B.P.U.N.J. No. 16 GAS

Superseding

XXX Revised Sheet No. 65

**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:

\$8.08 in each month [\$8.62 including New Jersey Sales and Use Tax (SUT)].

Distribution Charges:

<u>Charge</u>	<u>Charge Including SUT</u>	
\$0.391767	\$0.417722	per therm

Balancing Charge:

<u>Charge</u>	<u>Charge Including SUT</u>	
\$0.087669	\$0.093477	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 as approved by the Board. 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.

Date of Issue:

Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102

Effective:

Filed pursuant to Order of Board of Public Utilities dated
in Docket No.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 72

B.P.U.N.J. No. 16 GAS

Superseding

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:

\$16.65 in each month [\$17.75 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>	
\$0.304859	\$0.325056	\$0.304859	\$0.325056	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>	
\$0.087669	\$0.093477	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 as approved by the Board. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge.

Date of Issue:

Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility 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. 79

B.P.U.N.J. No. 16 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:

\$147.80 in each month [\$157.59 including New Jersey Sales and Use Tax (SUT)].

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

<u>Charge</u>	<u>Charge</u>	
\$ 4.0632	<u>Including SUT</u>	per Demand Therm
	\$ 4.3324	

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>Charges</u>	<u>Including SUT</u>	<u>Charges</u>	<u>Including SUT</u>
\$ 0.043725	\$ 0.046622	\$ 0.043078	\$ 0.045932

Balancing Charge:

<u>Charge</u>	<u>Charge</u>	
\$0.087669	<u>Including SUT</u>	per Balancing Use Therm
	\$0.093477	

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.

Date of Issue:

Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility 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. 112A

B.P.U.N.J. No. 16 GAS

Superseding

XXX Revised Sheet No. 112A

**RATE SCHEDULE CSG
CONTRACT SERVICE
(Continued)**

ECONOMICALLY VIABLE BYPASS

DELIVERY CHARGES:

Service Charge:

\$ 791.61 in each month [\$844.05 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>Charge</u>	
\$0.087669	\$0.093477	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 as approved by the Board. 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.

Date of Issue:

Effective:

Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102

Filed pursuant to Order of Board of Public Utilities dated
in Docket No.