



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF PUBLIC)
SERVICE ELECTRIC AND GAS COMPANY'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)

DECISION AND ORDER
APPROVING INITIAL DECISION AND
STIPULATION FOR FINAL RATES

BPU DOCKET NO. GR21060878
OAL DOCKET NO. PUC 09885-2021N

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"). By this Order, the Board considers an Initial Decision executed by Administrative Law Judge ("ALJ") Gail Cookson, and a stipulation of settlement ("Stipulation") executed by PSE&G, Board Staff ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") intended to resolve the Company's requests related to the above docketed matter.

BACKGROUND/PROCEDURAL HISTORY

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 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.

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").

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 per therm BGSS-RSG rate of \$0.319937 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 reflected a projected increase in the costs of interstate pipeline transportation services that make up PSE&G's gas supply portfolio. This projected increase was 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 the 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.

In addition, PSE&G sought the following: 1) an increase in the revenue requirement on Production Plant from \$0.001683 cents per balancing use therm (excluding losses and SUT) to \$0.002945 cents per balancing use therm (excluding SUT); and 2) an increase in the A&G charge from \$0.03592 per dth to \$0.03969 per dth.

PSE&G also requested the following: 1) approval to potentially procure up to 4,000 dekatherms ("dth/d") 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.

On November 1, 2021, all four (4) GDCs filed an Emergent Motion of New Jersey's Gas Distribution Companies for Waivers Necessary to Permit Self-Implementing BGSS Increases Effective December 1, 2021 ("Motion"). The Motion sought a waiver of the Board's previous orders and authorizations in order to permit the GDCs to self-implement BGSS increases based on a 5% increase of the monthly bill of a typical residential customer using 100 therms to be

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.

effective December 1, 2021, on less than the required 30 days advanced notice, and to implement such increases on the basis of rates in effect as of December 1, 2021.

By Order dated November 17, 2021, the Board approved a stipulation for provisional rates executed by the Parties.⁴ The Board also denied NRG's Motion to Intervene and Motion to Participate. The November 2021 Provisional Order authorized PSE&G to implement a per therm BGSS-RSG rate of \$0.319937. All rates approved in the November 2021 Provisional Order became effective for service rendered on and after December 1, 2021 on a provisional basis, subject to refund. As a result of the November 2021 Provisional Order, a typical 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%.

Also by Order dated November 17, 2021, the Board granted the GDCs' Motion and ordered the GDCs to file any notice of a December 1, 2021 self-implementing rate increase by November 19, 2021.⁵ On November 19, 2021, PSE&G filed a notice of its intent to self-implement a BGSS-RSG rate adjustment based on a 5% increase of the monthly bill of a typical residential customer using 100 therms to be effective December 1, 2021 consistent with the January 2003 BGSS Order and the Board's ruling of the Motion ("Notice"). The self-implementing rate increase, effective December 1, 2021, resulted in an increase of the per therm BGSS-P rate from \$0.319937 to \$0.363545 on a provisional basis, subject to refund. As a result, a typical residential customer using 100 therms per month would see an increase in their monthly bill of \$4.36 in addition to the impact of the November 2021 Provisional Order.

This matter was subsequently transmitted by the Board to the Office of Administrative Law as a contested case where it was assigned to ALJ Cookson.

On December 29, 2021, PSE&G filed a second notice of its intent to self-implement a BGSS-RSG rate adjustment effective February 1, 2022 consistent with the January 2003 BGSS Order. The self-implementing rate increase resulted in an increase of the per therm BGSS-RSG rate from \$0.363545 to \$0.410212 on a provisional basis, subject to refund. As a result, a typical residential customer using 100 therms per month would see an additional increase in their monthly bill of \$4.67.

STIPULATION

Following a review of the 2021 BGSS Petition, the Notices and discovery, the Parties executed the Stipulation, which provides, in part, as follows:⁶

1. The Company's BGSS Commodity Service, tariff rate BGSS-RSG of \$0.410212 per therm (including losses and SUT), which has been in effect since February 1, 2022, will remain in effect at this time and shall be deemed final.

⁴ In re 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, BPU Docket No. GR21060878, Order dated November 17, 2021 ("November 2021 Provisional Order").

⁵ 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 November 17, 2021.

⁶ Although described at some length 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 conclusion in this Order. Paragraphs are numbered to coincide with the Stipulation.

2. The Company's Balancing Charge of \$0.093477 per balancing use therm (including losses and SUT), which has been in effect since December 1, 2021, will remain in effect at this time and shall be deemed final.
3. As a result of the Stipulation, there is no further bill impact on residential customers.
4. Attached as Exhibit A to the Stipulation are the Company's tariff sheets that reflect the current BGSS-RSG Commodity Charge and Balancing Charge effective upon Board approval of the Stipulation.
5. PSE&G's proposal to potentially acquire up to 4,000 dth/d (1% of total supply) of RNG supply 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, is withdrawn without prejudice.
6. The Company is authorized to execute an amendment to the Requirements Contract providing for a five (5)-year extension, continuing on a year-to-year basis thereafter, subject to a two (2)-year termination notice requirement. The amendment will make no other changes to the terms and conditions of the Requirements Contract. The Company will file a copy of the executed amendment with the Board no more than thirty (30) days after the date of a written Board Order approving the Stipulation.
7. 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 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.
8. The Company agrees to continue to provide electronically to the Parties, on a monthly basis, the following updated information: 1) the BGSS NYMEX Update Report (also known as SPSCHART-1), a sample of which is attached to the Stipulation as Exhibit B; 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 (a sample of which is attached to the Stipulation as Exhibit C). The chart reflected on Exhibit B 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 C is to be submitted to the Parties on approximately the 15th of the following month.
9. The Company's future annual BGSS gas cost filings shall continue to comply with the "Annual BGSS Minimum Filing Requirements" ("MFR") adopted by the Board by Order dated June 20, 2003, in Docket No. GR02090702, as modified by the Stipulation and

Board Order dated April 25, 2018, in Docket No. GR17060589. The future filings shall include an index of the MFRs and shall include the MFRs as attachments. Attached to the Stipulation as Exhibit D is a list of the MFRs, as modified in Docket No. GR17060589.

ALJ Cookson issued an Initial Decision approving the Stipulation, finding that the Parties voluntarily agreed to the terms of the Stipulation and that the Stipulation fully disposed of all matters and is consistent with the law.

DISCUSSION AND FINDINGS

The Board carefully reviewed the record in this proceeding, including ALJ Cookson's Initial Decision and the attached Stipulation, and **HEREBY FINDS** that the Parties voluntarily agreed to the Stipulation, and that the Stipulation fully disposes of all issues in this proceeding and is consistent with the law. Accordingly, the Board **HEREBY FINDS** that the Initial Decision, which adopts the Stipulation, to be reasonable, in the public interest and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the Initial Decision and Stipulation, attached hereto, as its own, as though fully set forth herein, subject to any terms and conditions set forth in this Order.

The Board **HEREBY APPROVES** on a final basis a per therm BGSS-RSG rate of \$0.410212 and a per balancing use therm Balancing Charge of \$0.093477.

Any net over-recovered BGSS balance at the end of the BGSS period shall be subject to refund with interest.

The Board **HEREBY DIRECTS** PSE&G to file revised tariff sheets conforming to the terms of the Stipulation prior to May 1, 2022. The Board further **DIRECTS** PSE&G to file a copy of the executed amendment to the Requirements Contract no more than 30 days after the date of this Order.

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

The effective date of this Order is April 13, 2022.

DATED: April 6, 2022

BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



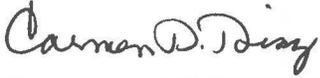
DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST: 

CARMEN D. DIAZ
ACTING 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

BPU DOCKET NO. GR21060878
OAL DOCKET NO. PUC 09885-2021N

SERVICE LIST

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State of New Jersey

OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION SETTLEMENT

OAL DOCKET NO. PUC 09885-21

BPU DOCKET NO. GR21060878

**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.**

Matthew M. Weissman, Esq., for petitioner Public Service Electric & Gas Company (PSE&G Services Corp., attorneys)

Matko Ilic, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (Matthew J. Platkin, Acting Attorney General of New Jersey, attorney)

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

Record Closed: March 16, 2022

Decided: March 17, 2022

BEFORE **GAIL M. COOKSON**, ALJ:

This matter was filed by Public Service Electric and Gas Company (PSE&G) on June 1, 2021, with the New Jersey Board of Public Utilities (BPU) seeking approval to modify its Basic Gas Supply Service (BGSS) Residential Gas Service (RGS) rate as well as its Balancing Charge (2021 BGSS Petition), consistent with procedures set forth in prior Order of the Board of Public Utilities (Board) dated January 6, 2003, in Docket No. GX01050304.

The file was transmitted to the Office of Administrative Law (OAL), on or about December 6, 2021, for hearing as a contested case pursuant to N.J.S.A. 52:14B-1 to-15 and N.J.S.A. 52:14F-1 to -13. The case was assigned to the undersigned on December 16, 2021. I convened a telephonic case management conference on January 6, 2022, at which time discovery and pre-filed testimony schedules were discussed.

On March 16, 2022, prior to further scheduled proceedings, I received electronically a Stipulation for Final BGSS Rates fully executed by all parties to this matter with a request that I enter an Initial Decision Settlement and transmit same to the Board. That agreement more completely sets forth the terms and conditions of the settlement of all issues raised by the filing of the Company.

I have reviewed the record and terms of the Stipulations and **FIND**:

1. The parties have voluntarily agreed to the settlement as evidenced by the signatures of the parties or their representatives.
2. The settlement fully disposes of all issues in controversy and is consistent with law.

I **CONCLUDE** that the Stipulation meets the requirements of N.J.A.C. 1:1-19.1 and therefore, it is **ORDERED** that the matter be deemed dismissed with prejudice and that these proceedings be and are hereby concluded.

I hereby **FILE** my initial decision with the **BOARD OF PUBLIC UTILITIES** for consideration.

This recommended decision may be adopted, modified or rejected by the **BOARD OF PUBLIC UTILITIES**, which by law is authorized to make a final decision in this matter. If the Board of Public Utilities does not adopt, modify or reject this decision within forty-five (45) days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with N.J.S.A. 52:14B-10.



March 17, 2022

DATE

GAIL M. COOKSON, ALJ

Date Received at Agency: _____

Date Mailed to Parties: _____

id

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

March 16, 2022

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
OAL DOCKET NO. PUC 09885-21 N

Honorable Gail M. Cookson, A.L.J.
State of New Jersey
Office of Administrative Law
33 Washington Street
Newark, New Jersey 07102

Dear Judge Cookson:

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

Thank you for your courtesies in this matter.

Very truly yours,

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

Matthew M. Weissman

C Service List (electronic)

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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)	FINAL 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**, Director)

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

On June 1, 2021, PSE&G 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 \$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 contract between PSE&G and PSEG Energy Resources & Trade LLC (“ER&T”) (“Requirements Contract”) providing for a five (5)-year extension, continuing on a year-to-year basis thereafter, subject to a two (2)-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 was 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 members of the public appeared or spoke at the public hearings, and no comments were filed with the Board.

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, in a Stipulation for Provisional BGSS Rates dated October 27, 2021 ("October 2021 Stipulation"), the Parties agreed 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, was reasonable at that time, and agreed that, 1) the Company's BGSS Commodity Service, tariff rate BGSS-RSG, shall

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

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; and 2) the Company's Balancing Charge shall be increased on a provisional basis from \$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.² In the November 2021 Provisional Order, the Board approved the October 2021 Stipulation for provisional BGSS rates.³

In a separate November 2021 Order,⁴ the Board granted a request made by the four (4) New Jersey Gas Distribution Utilities ("GDCs") seeking waiver of a timing requirement, and authorizing the GDCs to provide notice of self-implementing 5% rate increases, effective December 1, 2021, as permitted under the Board's January 2003 BGSS Order.⁵ On November 19, 2021, PSE&G filed notice of that 5% rate increase, which would change the Company's BGSS Commodity Charges from \$0.319937 per therm, including losses and SUT, to \$0.363636 per therm, including losses and SUT, effective December 1, 2021 ("November 2021 Notice").

Finally, in the November 2021 GSMP II Order, the Board approved a slight decrease to the Company's BGSS-RSG rate associated with approval of new rates from a cost recovery filing for the next phase of the Company's Gas System Modernization Program and Associated Cost Recovery

² On November 10, 2021, PSE&G filed a Corrected Stipulation for Provisional BGSS Rates in this matter, noting that Paragraph 6 of the October 2021 Stipulation had incorrectly referenced "provisional decreases" rather than "provisional increases."

³ In re 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, BPU Docket No. GR21060878, Order dated November 17, 2021 ("November 2021 Provisional Order").

⁴ 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 November 17, 2021 ("November 2021 Order").

⁵ 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") at p. 3; see also Attachment A to the January 2003 BGSS Order at ¶ 11.

Mechanism (“GSMP II”).⁶ Pursuant to that approval, the BGSS-RSG Commodity Charge was decreased, from \$0.363636 per therm, including losses and SUT to \$0.363545 per therm (including losses and SUT), effective December 1, 2021.

The tariff sheets included in PSE&G’s November 2021 Notice reflected the rates in effect on December 1, 2021, inclusive of both the 5% self-implementing increase to the BGSS Commodity Charge and the GSMP II rate adjustment noted above. The bill impact of the November 2021 Notice and the November 2021 Order for a typical residential heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis was an annual increase from \$922.30 to \$967.64, or \$45.34, or approximately 4.92% (based on rates in effect on November 1, 2021, and assuming the customer received BGSS service from PSE&G), effective December 1, 2021.

On December 29, 2021, pursuant to the Board’s January 2003 BGSS Order, and pursuant to the November 2021 Provisional Order in this docket, PSE&G filed notice of a 5% rate increase effective February 1, 2022 (“December 2021 Notice”). The self-implementing rate increase would change the Company’s BGSS Commodity Charges from \$0.363545 per therm, including losses and SUT, to \$0.410212 per therm, including losses and SUT, effective February 1, 2022. The bill impact of the December 2021 Notice for a typical residential heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis was an additional annual increase from \$983.94 to \$1,032.52, or \$48.58, or approximately 4.94% (based on rates in effect on December, 1, 2021, and assuming the customer received BGSS service from PSE&G), effective February 1, 2022.

After review of the Petition, responses to discovery, and settlement discussions, the Parties **HEREBY AGREE** as follows:

⁶ In re the Petition of Public Service Electric and Gas Company for Approval of the Next Phase of the Gas System Modernization Program and Associated Cost Recovery Mechanism (“GSMP II”) (June 2021 GSMP II Rate Filing), BPU Docket No. GR21060949, Order dated November 17, 2021 (“November 2021 GSMP II Order”).

1. The Company's BGSS Commodity Service, tariff rate BGSS-RSG of \$0.410212 per therm (including losses and SUT), which has been in effect since February 1, 2022, will remain in effect at this time and shall be deemed final.

2. The Company's Balancing Charge of \$0.093477 per balancing use therm (including losses and SUT), which has been in effect since December 1, 2021, will remain in effect at this time and shall be deemed final.

3. As a result of this stipulation, there is no further bill impact on residential customers.

4. Attached as Exhibit A to this Stipulation are the Company's tariff sheets that reflect the current BGSS-RSG Commodity Charge and Balancing Charge effective upon Board approval of this Stipulation.

5. PSE&G's proposal to potentially acquire up to 4,000 dth/d (1% of total supply) of renewable natural gas supply 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, is hereby withdrawn without prejudice.

6. The Company is authorized to execute an amendment to the Requirements Contract providing for a five (5)-year extension, continuing on a year-to-year basis thereafter, subject to a two (2)-year termination notice requirement. The amendment will make no other changes to the terms and conditions of the Requirements Contract. The Company will file a copy of the executed amendment with the Board no more than thirty (30) days after the date of a written Board Order approving this Stipulation.

7. 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 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.

8. The Company agrees to continue to provide electronically to the Parties, on a monthly basis, the following updated information: 1) the BGSS NYMEX Update Report (also known as SPSCHART-1), a sample of which is attached hereto as Exhibit B; 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 (a sample of which is attached hereto as Exhibit C). The chart reflected on Exhibit B 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 C is to be submitted to the Parties on approximately the 15th of the following month.

9. The Company's future annual BGSS gas cost filings shall continue to comply with the "Annual BGSS Minimum Filing Requirements" ("MFR") adopted by the Board by Order dated June 20, 2003, in Docket No. GR02090702, as modified by the Stipulation and Board Order dated April 25, 2018, in Docket No. GR17060589. The future filings shall include an index of the MFRs and shall include the MFRs as attachments. Attached hereto as Exhibit D is a list of the MFRs, as modified in Docket No. GR17060589.

10. The undersigned agree that this Stipulation for a Final 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

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.

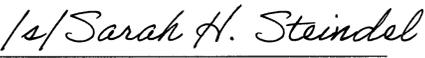
11. The undersigned further acknowledge that a Board Order approving this Stipulation will become effective upon the service of said Board Order, or upon such date after the service thereof as the Board may specify, in accordance with N.J.S.A. 48:2-40.

12. The undersigned Parties further HEREBY AGREE that this Stipulation for a Final 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.

PUBLIC SERVICE ELECTRIC AND
GAS COMPANY

BRIAN O. LIPMAN
DIRECTOR,
DIVISION OF RATE COUNSEL

BY: 
Matthew M. Weissman
Managing Counsel, State Regulatory

BY: 
Sarah H. Steindel
Assistant Deputy Rate Counsel

DATED: March 16, 2022

DATED: March 16, 2022

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

BY: 
Matko Ilic
Deputy Attorney General

DATED: March 16, 2022

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

Fourteenth Revised Sheet No. 54

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

**Superseding
Thirteenth 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	\$ 0.060193
Estimated Gulf Coast Cost of Gas	0.235911
Adjustment to Gulf Coast Cost of Gas	0.083056
Prior period (over) or under recovery	<u>(0.002130)</u>
Adjusted Cost of Gas	0.377030
Commodity Charge after application of losses: (Loss Factor = 2.0%).....	\$ 0.384724
Commodity Charge including New Jersey Sales and Use Tax (SUT)	<u>\$ 0.410212</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

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

Eleventh Revised Sheet No. 65

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

Superseding

Tenth 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>	
\$0.405733	\$0.432613	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: November 29, 2021

Effective: December 1, 2021

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 November 17, 2021
in Docket Nos. GR21060878 and GR21060949

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

Eleventh Revised Sheet No. 72

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

Superseding

Tenth 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:

\$17.35 in each month [\$18.50 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>	
\$0.312060	\$0.332734	\$0.312060	\$0.332734	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: November 29, 2021

Effective: December 1, 2021

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 November 17, 2021
in Docket Nos. GR21060878 and GR21060949

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

Eleventh Revised Sheet No. 79

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

Superseding

Tenth 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:

\$154.02 in each month [\$164.22 including New Jersey Sales and Use Tax (SUT)].

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

<u>Charge</u>	<u>Charge</u>	
\$4.1594	<u>Including SUT</u>	per Demand Therm
	\$4.4350	

Distribution Charges:

<u>Per therm for the first 1,000 therms</u>		<u>Per therm in excess of 1,000 therms</u>	
<u>used in each month</u>		<u>used in each month</u>	
Charges		Charges	
<u>Charges</u>	<u>Including SUT</u>	<u>Charges</u>	<u>Including SUT</u>
\$0.040665	\$0.043359	\$0.045179	\$0.048172

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: November 29, 2021

Effective: December 1, 2021

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 November 17, 2021
in Docket Nos. GR21060878 and GR21060949

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

Eleventh Revised Sheet No. 112A

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

**Superseding
Tenth Revised Sheet No. 112A**

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

ECONOMICALLY VIABLE BYPASS

DELIVERY CHARGES:

Service Charge:

\$824.91 in each month [\$879.56 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: November 29, 2021

Effective: December 1, 2021

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 November 17, 2021
in Docket Nos. GR21060878 and GR21060949

S-PSCHART-1 -- RESTATED FOR PURCHASES NOT SENDOUT
BGSS NYMEX Update Report
as of Mar 7, 2022

<u>Month</u>	<u>a</u>	<u>b</u>	<u>c = b - a</u>		<u>d</u>	<u>e</u>	<u>f</u>	<u>g = e - f</u>	<u>h = c x g</u>
	<u>BGSS</u>	<u>NYMEX</u>	<u>Incr/</u>	<u>% Chg</u>	<u>Sales</u>	<u>Receipts</u>	<u>Hedged</u>	<u>Unhedged</u>	<u>Change in</u>
			<u>(Decr)</u>		<u>forecast (dths)</u>	<u>(dths)</u>	<u>volume (dths)</u>	<u>volume (dths)</u>	<u>value unhedged</u>
Oct-20	\$2.342	\$2.101	(\$0.241)		7,047	12,219	4,692	7,527	(\$1,814)
Nov-20	\$2.572	\$2.996	\$0.424		13,292	13,298	6,432	6,865	\$2,911
Dec-20	\$2.893	\$2.896	\$0.003		24,803	14,482	6,647	7,836	\$24
Jan-21	\$3.031	\$2.467	(\$0.564)		28,183	14,836	6,647	8,189	(\$4,619)
Feb-21	\$2.991	\$2.760	(\$0.231)		26,029	14,507	6,004	8,504	(\$1,964)
Mar-21	\$2.854	\$2.854	\$0.000		17,499	11,465	6,647	4,818	\$0
Apr-21	\$2.559	\$2.586	\$0.027		10,675	13,071	4,439	8,632	\$233
May-21	\$2.526	\$2.925	\$0.399		5,708	11,023	4,587	6,437	\$2,568
Jun-21	\$2.564	\$2.984	\$0.420		3,425	10,904	4,439	6,466	\$2,716
Jul-21	\$2.974	\$3.617	\$0.643		2,981	9,986	4,587	5,400	\$3,472
Aug-21	\$2.984	\$4.044	\$1.060		2,941	9,186	4,587	4,600	\$4,876
Sep-21	\$2.971	\$4.370	\$1.399		3,403	10,021	4,439	5,582	\$7,810
Avg Total \$	\$2.772	\$3.050	\$0.278	10.0%	145,986	144,999	64,144	80,855	\$16,212
Oct-21	\$2.990	\$5.841	\$2.851		4,903	11,731	4,587	7,144	\$20,368
Nov-21	\$3.052	\$6.202	\$3.150		16,861	15,346	5,974	9,371	\$29,520
Dec-21	\$3.180	\$5.447	\$2.267		20,103	13,257	5,921	7,336	\$16,630
Jan-22	\$3.263	\$4.024	\$0.761		31,558	17,616	5,921	11,694	\$8,900
Feb-22	\$3.192	\$6.265	\$3.073		23,118	11,402	5,348	6,054	\$18,603
Mar-22	\$2.993	\$4.568	\$1.575		20,912	11,841	5,921	5,920	\$9,324
Apr-22	\$2.604	\$5.016	\$2.412		11,719	12,278	3,773	8,505	\$20,513
May-22	\$2.548	\$5.036	\$2.488		5,501	9,419	3,899	5,520	\$13,734
Jun-22	\$2.577	\$5.071	\$2.494		4,373	11,781	3,773	8,008	\$19,971
Jul-22	\$2.612	\$5.113	\$2.501		3,042	11,413	3,899	7,514	\$18,792
Aug-22	\$2.618	\$5.119	\$2.501		2,628	8,258	3,899	4,360	\$10,903
Sep-22	\$2.602	\$5.099	\$2.497		3,143	11,848	3,773	8,075	\$20,163
Avg Total \$	\$2.853	\$5.233	\$2.381	83.5%	147,860	146,189	56,689	89,500	\$207,422

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****February 2022**

<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)	(\$189)	160	(\$1.178)
Cogeneration	\$2,361	343	\$6.882
Transportation Service Gas-Firm (TSG-F)	\$861	268	\$3.217
Off-System Sales	\$5,762	4,134	\$1.394
Capacity Release	\$9,534	3,197	\$2.982
Gas to Electric	\$729	4,421	\$0.165
CSG Non Power	\$153	267	\$0.573
Supplier Refunds	\$0	n/a	n/a

Exhibit D: Annual BGSS Minimum Filing Requirements

1. Motion, Supporting Testimony & Tariff Modifications

In support of its filing, a GDC should provide supporting testimony which addresses any material events or major factors affecting either the prior period's deferred gas balance or its forecasted BGSS rate. In addition to the associated motion, redlined tariff sheets should be provided for all proposed tariff changes.

2. Computation of Proposed BGSS Rates

A summary schedule should show all of the forecasted BGSS cost components and applicable credits which comprise the basis for the proposed BGSS rates that are to become effective October 1. The cost components and applicable credits should be provided with all material amounts broken out separately. A plain English explanation in narrative form regarding this summary schedule should be provided.

3. Public Notice with Proposed Impact on Bills

A copy of the Company's Public Notice should be provided with details concerning the impact of the proposed BGSS rates on typical gas bills at various winter therm utilization levels.

4. Actual and Forecasted Refund Amounts

Schedules should be provided which show actual and estimated supplier refund amounts for the reconciliation period as well as the estimated supplier refunds for the projected period beginning October 1. The schedule should identify the supplier refunds by month and should provide associated information on the applicable FERC docket involved. A plain English explanation in narrative form regarding these schedules should be provided.

5. Cost of Gas Sendout by Component

Monthly data showing the derivation of all cost components shown on the BGSS Computation Schedule should be provided for the reconciliation and projected periods. The monthly data should also provide detail on applicable volumes by customer classification.

6. BGSS Contribution and Credit Offsets

Monthly data showing the derivation of all BGSS cost offsets, including interruptible margins, capacity transactions, pipeline refunds and other credits should be provided for the reconciliation and projected periods. Any applicable FERC Orders will be included. Please include all calculations showing how such offsets were determined. A plain English explanation in narrative form should be provided regarding the above categories.

7. Over/Under Recovery Comparisons

Schedules should be provided which show the derivation of the monthly over or under recoveries plus cumulative balances for the reconciliation and projected period. For the reconciliation period, a schedule should also show the calculation of the monthly actual or estimated accrued interest. These schedules should include prospective data shown for the projected period based on the prevailing BGSS rate and, alternatively, based on the requested BGSS rate.

8. Wholesale Gas Pricing Assumptions

The GDC should provide schedules which detail the monthly gas prices for the reconciliation and projected periods. The schedules should show the prices utilized in developing the existing BGSS rate and those utilized for projecting the proposed BGSS rate. To the degree third party price indexes or forecasts are the basis for such gas prices, associated documentation should also be provided. A plain English explanation in narrative form regarding these schedules should be provided.

9. GCUA Recoveries and Balances

Schedules should be provided that show monthly data for the GCUA since its inception. The data should provide the unamortized balances, recoveries, and accrued interest by month with any associated workpapers.

10. Historical Service Interruptions

A schedule should be provided which details any service interruptions during the past 12 months. The schedule should show the dates of the interruptions, the service categories

affected, the number of customers affected and whether each interruption was operational or economic in nature.

11. Gas Price Hedging Activities

The GDC should provide copies of its last four quarterly hedging reports as filed with the Board. It should also provide a schedule covering both the reconciliation and projected period which shows monthly gas purchase volume requirements and price hedged volumes broken down into discretionary and non-discretionary components which allow evaluation of compliance with the GDC's established hedging objectives. A plain English explanation in narrative form regarding these hedging activities should be provided.

12. Storage Gas Volumes, Prices and Utilization

Schedules should be provided which show the GDC's monthly data for LNG, LPG, and pipeline storage volumes. The schedules should show volumes and dollars for balances, injections, and withdrawals with all data shown on a Dth basis.

13. Affiliate Gas Supply Transactions

The GDC's filing should have disclosure of all gas supply and capacity transactions with any affiliates during the reconciliation or forecasted periods. The disclosure should provide the nature, terms, and conditions of any such transactions, the date of the transactions, and evidence that the gas supply or capacity resources transactions were at market rates. PSE&G's filing shall also include a description of the principal terms of the Requirements Contract between PSE&G and PSEG Energy Resources and Trade.

14. Supply and Demand Data

Schedules should be provided that show the GDC's firm requirements and gas supplies by component on an annual, heating season and non-heating season basis. The data should be provided for the reconciliation period and the two prior and two prospective annual periods.

15. Actual Peak Day Supply and Demand

The GDC should provide data for the five highest demand days, for each of the last three years, showing date, temperature or HDD, firm and interruptible volumes and the sources of supply used to meet the associated volume requirement.

16. Capacity Contract Changes

The GDC filing should provide details concerning any changes to its interstate pipeline contracts (entitlements, storage capacities, daily deliverability, transportation, or associated costs) which have been made or occurred during the past 24 months or are planned for the next 12 months. To the degree any significant changes have been made or are planned, a narrative should discuss operational and cost consequences as well as the rationale for the changes.

17. FERC Pipeline Activities

The GDC's filing should provide details on any pending FERC dockets which would affect the cost or services received from the GDC's supplying pipelines. The GDC should also provide details concerning its participation in such dockets and a listing of any filings or testimony made by the GDC or on its behalf.

18. Gas Supply Plan

PSE&G will prepare and include a Gas Supply Plan with details concerning the Company's objectives, approach, and plans for supplying gas to its residential customers.

The Gas Supply Plan will include the following elements:

- *Gas Procurement Objectives* – The Company will provide a general outlook of pricing, supply, availability, pipeline activity in areas that affect deliveries to the PSE&G city gate and the reliability of supply from the major producing areas available to the Company for the upcoming period.
- *Current and forecasted gas service requirements* – The Company will identify its forecasted supply requirements, including information on the Company's current forecasting method utilized in determining its current and future load requirements (i.e. Company's Natural Gas Sales Forecast report). Sources used to develop these forecasts should be cited and available upon request.

- *Projected sources of capacity* – The Company will provide details regarding any changes in pipeline capacity, including entering into new capacity contracts or the termination of any existing pipeline or storage capacity contracts as well as applicable pricing information subject to execution of an appropriate confidentiality agreement if determined necessary by the Company.
- *Affiliate Relationships/Asset Management* – The Company will include detailed information concerning interactions and arrangements between Company and affiliates in its supply, transportation, and storage of gas as well as procurement and management of Company assets. The Company will provide details on how the arm-length relationship is maintained.
- *Hedging Plan and Strategy* – The Company will provide details of its prior and current hedged gas positions and a discussion of the results of its hedged gas positions for the prior and forecasted future periods. In addition, the Company will identify how it utilized storage and flowing gas in its plan and any other relevant factors that influenced the Company's purchase plan.
- *Capacity Releases/Off-System Sales* – The Company will provide a summary of prior-period capacity release and off-system sales and an estimate of these activities for the future period. The Company will include its assessment of the value of its capacity and sales potential, as well as an assessment of market conditions for the prior period.

The filing shall also include a listing of all existing pipeline and storage capacity contracts for which the Company has given notice to extend or terminate during the previous 12 months, and all contracts that were extended under evergreen provisions during the same period.