

NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY ELECTRIC CUSTOMERS

In the Matter of the Petition of Public Service Electric and Gas Company for Approval of the Next Phase of the Gas System Modernization Program and Associated Cost Recovery Mechanism (“GSMP II Extension”) (February 2025 GSMP II Extension Rate Filing)

Notice of Filing and Notice of Public Hearings  
Docket No. GR25020033

**PLEASE TAKE NOTICE** that, on February 3, 2025, Public Service Electric and Gas Company (“Public Service,” “PSE&G,” or “Company”) filed a petition (“Petition”) and supporting documentation with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking Board approval for cost recovery associated with its Gas System Modernization Program (“GSMP II Extension” or “Program”).

On March 1, 2023, PSE&G filed a petition with the Board seeking approval to implement and administer the next phase of its Gas System Modernization Program and associated cost recovery for a three (3)-year period as an extension of GSMP II (“GSMP III Petition”). On February 15, 2023, New Jersey Governor Philip J. Murphy issued Executive Order 317 (“EO317”) . EO317 ordered the BPU to initiate a formal stakeholder process regarding the development of natural gas utility plans that reduce emissions from the natural gas sector to levels that are consistent with achieving the State’s fifty (50) percent reduction in greenhouse gas emissions below 2006 levels by 2030, as directed in Executive Order No. 274 (2021). In light of the current stakeholder process, the Board approved a Stipulation of Settlement seeking to hold the GSMP III matter in abeyance while approving a two (2)-year extension of GSMP II—commencing on January 1, 2024—for the replacement of a minimum of 400 miles of PSE&G’s Utilization Pressure Cast Iron mains (and associated services) and/or Unprotected Steel mains (and associated services), with a maximum accelerated investment of \$752 million (“GSMP II Extension Stipulation”). By the Petition, PSE&G seeks Board approval to recover an estimated annual revenue increase of approximately \$53.4 million from the Company’s gas customers associated with actual GSMP II Extension investment costs incurred through December 31, 2024, and forecasted costs through April 30, 2025.

For illustrative purposes, the estimated base rates effective August 1, 2025, including New Jersey Sales and Use Tax (“SUT”) for Residential Rate Schedule RSG, are shown in Table #1.

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

Under the Company’s proposal, a typical residential gas heating customer using 172 therms per month during the winter months and 87 therms in an average month (1,040 therms annually) would see an increase in the average monthly bill from \$98.82 to \$100.91, or \$2.09, or approximately 2.11%.

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

A copy of this Notice of Filing and Public Hearings on the Petition is being served upon the clerk, executive or administrator of each municipality and county within the Company’s service territory. The Petition is available for review online at the PSEG website at <http://www.pseg.com/pseandgfilings> and has also been sent to the New Jersey Division of Rate Counsel (“Rate Counsel”), who will represent the interests of all PSE&G customers in this proceeding. The Petition is also available to review online through the Board’s website, <https://publicaccess.bpu.state.nj.us>, where it can search by the above-captioned docket number. The Petition and Board file may also be reviewed at the Board located at 44 South Clinton Avenue, 1st Floor, Trenton, NJ, with an appointment. To make an appointment, please call (609) 913-6298.

**PLEASE TAKE FURTHER NOTICE** that virtual public hearings are scheduled on the following date and times so that members of the public may present their views on the Petition:

**DATE: June 10, 2025**

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

**There are two options for joining.**

**Either go to this website:**

<https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting>

and enter the following information:

Meeting ID: 992 979 119 781

Passcode: 3X59PZ

-or-

**Join by Phone**

**Dial In:** (973) 536-2286

**Phone conference ID:** 537 811 425#

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

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

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

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

All emailed or mailed comments should include reference to “BPU Docket No. GR25020033”

**Table # 1**  
**GAS SYSTEM MODERNIZATION PROGRAM II EXTENSION CHARGES for Residential RSG Customers Rates if Effective August 1, 2025**

Rate Schedule		GSMP II Extension Charges		
		Charges in Effect February 1, 2025 Including SUT		Proposed Charges in Effect August 1, 2025 Including SUT
RSG	Service Charge	per month	\$0.00	\$0.00
	Distribution Charge	\$/Therm	\$0.000000	\$0.024366
	Off-Peak Use	\$/Therm	\$0.000000	\$0.012183
	Basic Gas Supply Service-RSG (BGSS-RSG)	\$/Therm	\$0.000000	\$(0.000200)

**Table # 2**  
**Proposed Percentage Change in Revenue by Customer Class for Gas Service for Rates if Effective August 1, 2025**

	Rate Class	Percent Change (%)
Residential Service	RSG	2.02
General Service	GSG	2.72
Large Volume Service	LVG	1.05
Street Lighting Service	SLG	0.22
Firm Transportation Gas Service	TSG-F	1.69
Non-Firm Transportation Gas Service	TSG-NF	0.75
Cogeneration Interruptible Service	CIG	0.89
Contract Service	CSG	0.01
Overall		1.84

**Table # 3**  
**Residential Gas Service for Rates if Effective August 1, 2025**

If Your Average Monthly Therm Use Is:	And Your Monthly Winter Therm Use Is:	Then Your Present Monthly Bill (1) Would Be:	And Your Proposed Monthly Bill (2) Would Be:	Your Monthly Bill Change Would Be:	And Your Monthly Percent Change Would Be:
16	25	\$26.15	\$26.54	\$0.39	1.49%
33	50	\$42.30	\$43.09	\$0.79	1.87%
51	100	\$61.93	\$63.15	\$1.22	1.97%
87	172	\$98.82	\$100.91	\$2.09	2.11%
100	198	\$112.54	\$114.96	\$2.42	2.15%
152	300	\$165.41	\$169.07	\$3.66	2.21%

- (1) Based upon Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect March 1, 2025, and assumes that the customer receives commodity service from Public Service.  
(2) Same as (1) except includes the proposed change for the Gas Systems Modernization Program II Charges.



PUBLIC SERVICE ELECTRIC AND GAS COMPANY

Danielle Lopez, Esq.  
Associate Counsel—Regulatory