

**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”)
(August 2025 GSMP II Extension Rate Filing)**

Docket No. GR25080463

On March 1, 2023, PSE&G filed a petition with the Board seeking approval to implement and administer the third 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 percent (50%) reduction in greenhouse gas emissions below 2006 levels by 2030, as directed in Executive Order No. 274 (2021). In light of the stakeholder process, the Board approved a stipulation of settlement seeking to hold the GSMP III Petition 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”).

For illustrative purposes, the estimated base rates effective February 1, 2026, including New Jersey Sales and Use Tax ("SUT") for Residential Rate Schedule RSG, are shown in Table #1.

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 \$102.49 to \$103.57, or \$1.08, or approximately 1.1% (based upon Delivery Rates and BGSS RSG charges in effect as of October 1, 2025, and assuming that the customer receives BGSS service from PSE&G).

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

Representatives from the Company, Board Staff, and 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.

Email: board.secretary@bpu.nj.gov