



Agenda Date: 3/24/17
Agenda Item: 2C

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
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 FOR)
APPROVAL OF CHANGES IN ITS ELECTRIC SOLAR)
PILOT RECOVERY CHARGE ("SPRC") FOR ITS)
SOLAR LOAN I PROGRAM) ORDER APPROVING)
STIPULATION FOR FINAL)
RATES)
DOCKET NO. ER16070616)

Parties of Record:

Samuel A. Wolfe, Esq., Public Service Electric and Gas Company
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On July 1, 2016, Public Service Electric and Gas Company ("PSE&G" or the "Company") filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU") requesting approval of changes in its electric Solar Pilot Recovery Charge ("SPRC"). By this Decision and Order, the Board considers a stipulation of settlement ("Stipulation") for a final Solar Pilot Recovery Charge entered into by PSE&G, the New Jersey Division of Rate Counsel ("Rate Counsel"), and Board Staff ("Staff") (collectively, the "Parties").

BACKGROUND AND PROCEDURAL HISTORY

By Order dated April 16, 2008, the Board approved a settlement that authorized PSE&G to implement a 30 MW solar-photovoltaic ("PV") loan pilot program ("Program") for a period of two years within its service territory, including participation across all customer classes ("SPRC Settlement").¹ The Program consisted of three segments: Municipal/Non-Profit; Residential and Multi-Family/Affordable Housing; and Commercial and Industrial. Based on reported demand within the commercial and industrial sectors, by Order dated November 10, 2009, 7.83 MW of Program capacity was transferred to Solar Loan II, leaving the Program capacity at 22.17 MW.² Under the terms of the SPRC Settlement as approved, PSE&G is entitled to recover the net monthly revenue requirements associated with the Program through the SPRC, provided that

¹ In re the Petition of Public Service Electric and Gas Company for Approval of a Solar Energy Program and an Associated Cost Recovery Mechanism, BPU Docket No. EO07040278, Order dated April 16, 2008 ("SPRC Order").

² In re the Petition of Public Service Electric and Gas Company for Approval of a Solar Loan II Program and Associated Cost Recovery Mechanism, BPU Docket No. EO09030249, Order dated November 10, 2009.

the Board finds the expenses were reasonable and prudent. SPRC rates were not implemented at the time the Program was approved as all costs were deferred for future recovery. By Order dated July 18, 2012, the Board approved an SPRC rate of \$0.000062 per kWh, including Sales and Use Tax ("SUT").³ Subsequently, by Order dated May 29, 2013, the Board approved an SPRC rate of \$0.000486 per kWh, including SUT.⁴ By Order dated December 31, 2013, the Board approved a stipulation maintaining the SPRC rate of \$0.000486 per kWh, including SUT.⁵ By Order dated May 19, 2015, the Board approved an SPRC rate of \$0.000161 per kWh, including SUT.⁶ By Order dated January 28, 2016, the Board approved an SPRC rate of \$0.000046 per kWh, including SUT.⁷ By Order dated September 23, 2016, the Board approved the current SPRC rate of \$0.000073 per kWh, including SUT, on a provisional basis.⁸

COMPANY FILING

As noted above, on July 1, 2016, PSE&G filed the instant petition and accompanying exhibits, including the pre-filed direct testimony of M. Courtney McCormick and Stephen Swetz. According to the filing, the rates proposed for PSE&G's SPRC for the period October 1, 2016 through September 30, 2017 were designed to recover approximately \$2.8 million in revenue. The Company's filing was based on actual collections through March 31, 2016 and projected collections through September 30, 2017. The resultant net annual revenue impact on the Company's electric customers, if approved, was a \$1.2 million increase. The increase reflects an estimated revenue requirement of \$5,432,894 for the period October 1, 2016 through September 30, 2017 as adjusted by a projected over-recovery of \$2,654,129 through September 2016, including interest. The Company proposed that a new SPRC rate of \$0.000073 per kWh, including SUT, be implemented on October 1, 2016, and be left in place through September 30, 2017, or until the Board approves new SPRC rates.

After appropriate notice, public hearings in this matter were held on August 22, 23, and 24, 2016 in Hackensack, Mount Holly, and New Brunswick, respectively. Two members of the public expressed general concerns about high utility rates and opposition to shutting off service for lack of payment. No members of the public appeared and commented specifically on this filing.

³ In re the Petition of Public Service Electric and Gas Company for Approval of Changes in its Electric Solar Pilot Recovery Charge (SPRC) for its Solar Loan 1 Program; and for Changes in the Tariff for Electric Service, B.P.U.N.J. No 14 Electric, Pursuant to N.J.S.A. 48:2-21 and 2-21.1, BPU Docket No. ER10030220, Order dated July 18, 2012.

⁴ In re the the Petition of Public Service Electric and Gas Company for Approval of Changes in its Electric Solar Pilot Recovery Charge (SPRC) for its Solar Loan 1 Program; and For Changes in the Tariff for Electric Service, B.P.U.N.J. No 15 Electric, Pursuant to N.J.S.A. 48:2-21 and 2-21.1, BPU Docket No. ER12070599, Order dated May 29, 2013.

⁵ In The Matter Of The Petition Of Public Service Electric And Gas Company For Approval Of Changes In Its Electric Solar Pilot Recovery Charge ("SPRC") For Its Solar Loan 1 Program, BPU Docket No. ER13070605, Order dated December 18, 2013.

⁶ In The Matter Of The Petition Of Public Service Electric And Gas Company For Approval Of Changes In Its Electric Solar Pilot Recovery Charge ("SPRC") For Its Solar Loan 1 Program, BPU Docket No. ER14070650, Order dated May 19, 2015.

⁷ In re the Petition of Public Service Electric and Gas Company for Approval of Changes in its Electric Solar Pilot Recovery Charge (SPRC) for its Solar Loan 1 Program, BPU Docket No. ER15060754, Order dated January 28, 2016.

⁸ In re the Petition of Public Service Electric and Gas Company for Approval of Changes in its Electric Solar Pilot Recovery Charge ("SPRC") for Its Solar Loan I Program, BPU Docket No. ER16070616, Order dated September 23, 2016.

By Order dated September 23, 2016, the Board approved a stipulation ("September 2016 Stipulation") executed by the Parties to implement the proposed SPRC rate of \$0.000073 per kWh, including SUT, on a provisional basis, subject to refund with interest, to provide the Parties additional time to complete the review of the proposed rates and underlying costs. Subsequently, PSE&G updated the revenue requirement to include actual data through September 2016. Based on the update, the total revenue to be recovered from ratepayers was approximately \$2 million.

STIPULATION

Following discovery, the Parties met to discuss the issues in this matter. As a result, on February 16, 2017, the Parties executed a Stipulation in this matter. The Stipulation provides for the following:⁹

8. The Parties request that the BPU issue an Order confirming the current SPRC rate of \$0.000068/kWh without SUT (\$0.000073 per kWh including SUT) as final. This rate will continue to be reflected in Tariff Sheet No. 64 of the Company's Tariff for Electric Service, a copy of which is attached as Attachment A to the Stipulation.
9. The Parties agree that the actual SPRC costs incurred prior to October 1, 2016 as shown in Attachment B to the Stipulation have been reviewed and deemed prudent and reasonable by the Parties. Actual costs incurred after that date are subject to review for reasonableness and prudence in future SPRC adjustment proceedings.
10. PSE&G hereby agrees that it shall make its next SPRC filing with actual data from October 1, 2016 to March 31, 2017 and forecasted data through September 30, 2018 no later than July 1, 2017.
11. As a result of the final SPRC rate set forth in Attachment B to the Stipulation, PSE&G's typical residential electric customers using 750 kWh in a summer month and 7,200 kWh annually will experience no change to their current annual bill of \$1,282.96. This is based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect January 1, 2017, and assumes that the customer receives BGS-RSCP service from PSE&G.

DISCUSSION AND FINDING

The Board has carefully reviewed the record to date in this proceeding, including the petition and the attached Stipulation. The Board is persuaded that the actual costs incurred through September 2016 have been reviewed and deemed to be reasonable and prudent and that the actual costs incurred after that date are subject to review for reasonableness and prudence in future SPRC adjustment proceedings, and therefore **FINDS** that the Stipulation is reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the Stipulation as its own, as if fully set forth herein.

⁹ 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 contained in this Order.

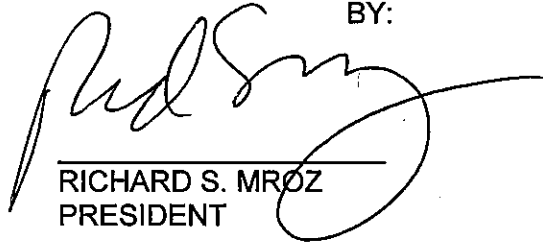
The Board **HEREBY ORDERS** that the Company's existing provisional SPRC as approved in the September 2016 Order of \$0.000068 per kWh without SUT (\$0.000073 per kWh including SUT) be deemed final. The Board **HEREBY ORDERS** PSE&G to file revised tariff sheets conforming to the terms of the Stipulation within five (5) days of service of this Order.

The Company's costs 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 3, 2017.

DATED: 3/24/17

BOARD OF PUBLIC UTILITIES
BY:




RICHARD S. MROZ
PRESIDENT




JOSEPH L. FIORDALISO
COMMISSIONER



MARY-ANNA HOLDEN
COMMISSIONER

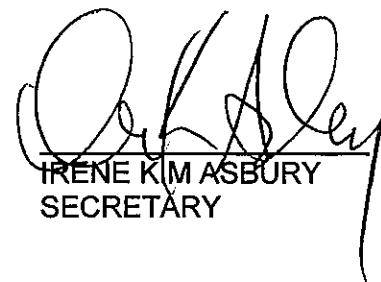


DIANNE SOLOMON
COMMISSIONER



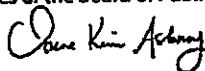
UPENDRA CHIVUKULA
COMMISSIONER

ATTEST:



IRENE KIM ASBURY
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities



IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY
FOR APPROVAL OF CHANGES IN ITS ELECTRIC SOLAR PILOT RECOVERY CHARGE
("SPRC") FOR ITS SOLAR LOAN I PROGRAM
DOCKET NO. ER16070616

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February 16, 2017

In The Matter of the Petition of
Public Service Electric and Gas Company
for Approval of Changes in its
Electric Solar Pilot Recovery
Charge (SPRC) for its Solar Loan I Program

BPU Docket No.: ER16070616

VIA OVERNIGHT MAIL

Irene K. Asbury, Secretary
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350

Dear Secretary Asbury:

Attached is the fully executed Stipulation in the above-reference matter. If you have any questions regarding this filing, do not hesitate to contact me.

Respectfully,

A handwritten signature in black ink, appearing to be the name of the sender, written in a cursive style.

C Attached Service List (Email only)

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STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF)	STIPULATION FOR
PUBLIC SERVICE ELECTRIC AND GAS)	FINAL
COMPANY FOR APPROVAL OF CHANGES)	SOLAR PILOT
IN ITS ELECTRIC SOLAR PILOT RECOVERY)	RECOVERY CHARGE
CHARGE (SPRC) FOR ITS SOLAR LOAN I)	
PROGRAM)	BPU DKT NO. ER16070616

APPEARANCES:

Matthew M. Weissman, Esq., General Regulatory Counsel - Rates, and **Samuel A. Wolfe, Esq.**, Senior Counsel, for the Petitioner Public Service Electric and Gas Company

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

Patricia Krogman, Alex Moreau, and Emma Yao Xiao, Deputy Attorneys General, for the Staff of the New Jersey Board of Public Utilities (**Christopher S. Porrino**, Attorney General of New Jersey)

TO: THE NEW JERSEY BOARD OF PUBLIC UTILITIES

BACKGROUND

1. As authorized by the New Jersey Board of Public Utilities (Board or BPU) in an Order dated April 16, 2008 in BPU Docket No. EO07040278, Public Service Electric and Gas Company (PSE&G or Company) implemented the Solar Loan I (SL I) Program and associated cost recovery mechanism (SPRC Order). On July 1, 2016, PSE&G made a filing in BPU Docket No. ER16070616 requesting an increase in the cost recovery charge for the SL I Program, which is referred to as the Solar Pilot Recovery Charge, or SPRC. The Company proposed that the current SPRC of \$0.000040/kWh without New Jersey Sales and Use Tax (SUT) (\$0.000043 per

kWh including SUT) be increased to \$0.000068/kWh without SUT (\$0.000073 per kWh including SUT). As part of the July 1, 2016 filing, PSE&G included an annual update on the status of the Program.

2. As proposed in the Company's filing, the resultant revenue increase on the Company's electric customers is \$1.2 million on an annual basis. This increase reflected an estimated revenue requirement of \$5,432,894 for the period October 1, 2016 through September 30, 2017, a projected over-recovery of \$2,654,129 through September 2016, including interest, for a total rate revenue to be recovered of \$2,778,765.

3. Notice setting forth the Company's July 1, 2016 request to reset the SPRC rates, including the date, time and place of the public hearing, was placed in newspapers of broad circulation within the Company's electric service territory and was served on the county executives and clerks of all municipalities within the Company's electric service territory.

4. Public hearings were scheduled and conducted in Hackensack, Mount Holly and New Brunswick on August 22, 23, and 24, 2016, respectively. No members of the public appeared and commented specifically on this filing.

5. PSE&G, Board Staff, and the New Jersey Division of Rate Counsel (Rate Counsel) (collectively, the Parties) determined that additional time was needed to complete the final review of the Company's proposed SPRC. However, the Parties also agreed that action with respect to the Company's SPRC for the 2016-2017 SPRC year, on a provisional basis, was reasonable and entered into a Provisional Settlement which was approved by Board Order dated September 23, 2016. The Provisional Settlement increased the SPRC rate to \$0.000068/kWh without SUT (\$0.000073 per kWh including SUT).

6. Discovery questions were propounded by Board Staff and Rate Counsel, and the Company responded thereto. Additionally, the revenue requirement was updated for actual results through September 30, 2016.

7. Following execution of the Provisional Settlement and review of discovery, the Parties discussed the issues and reached a comprehensive final settlement. Specifically, the Parties hereby **STIPULATE AND AGREE** to the following:

STIPULATED MATTERS

8. The Parties request that the BPU issue an Order confirming the current SPRC rate of \$0.000068/kWh without SUT (\$0.000073 per kWh including SUT) as final. This rate will continue to be reflected in Tariff Sheet No. 64 of the Company's Tariff for Electric Service, a copy of which is attached as Attachment A.

9. The Parties agree that the actual SPRC costs incurred prior to October 1, 2016, as shown in Attachment B, have been reviewed and deemed prudent and reasonable by the Parties. Actual costs incurred after that date are subject to review for reasonableness and prudence in future SPRC adjustment proceedings.

10. PSE&G hereby agrees that it shall make its next SPRC filing with actual data from October 1, 2016 to March 31, 2017 and forecasted data through September 30, 2018 no later than July 1, 2017.

11. As a result of the final SPRC rate set forth in Attachment B, PSE&G's typical residential electric customers using 750 kWh in a summer month and 7,200 kWh annually will experience no change to their current annual bill of \$1,282.96. This is based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-

RSCP) charges in effect January 1, 2017, and assumes that the customer receives BGS-RSCP service from PSE&G.

12. The Parties hereby agree that the rates are just and reasonable and PSE&G as set forth herein on a final basis in accordance with a written BPU Order of approval.

13. This Stipulation represents a mutual balancing of interests, contains interdependent provisions and, therefore, is intended to be accepted and approved in its entirety. In the event any particular aspect of this Stipulation is not accepted and approved in its entirety by the Board, or is modified by the Board, any Party that is adversely affected by the modification can either accept the modification or declare this Settlement to be null and void, and the Parties shall be placed in the same position that they were in immediately prior to its execution. More particularly, in the event this Stipulation is not adopted in its entirety by the Board, then any Party hereto is free to pursue its then available legal remedies with respect to all issues addressed in this Stipulation as though this Stipulation had not been signed.

14. It is the intent of the Parties that the provisions hereof be approved by the Board as being in the public interest. The Parties further agree that they consider the Stipulation to be binding on them for all purposes herein.

15. The Parties also agree that a Board Order approving this Settlement 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.


16. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of these proceedings. Except as expressly provided herein, PSE&G, Board Staff, and Rate Counsel shall not be deemed to have

approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein, in total or by specific item. The Parties further agree that this Stipulation is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.


WHEREFORE, the Parties hereto do respectfully submit this Stipulation and request that the Board issue a Decision and Order approving it in its entirety, in accordance with the terms hereof, as soon as reasonably possible.

PUBLIC SERVICE ELECTRIC AND GAS
COMPANY

NEW JERSEY DIVISION OF RATE
COUNSEL
STEFANIE A. BRAND, DIRECTOR

BY: 

Samuel A. Wolfe, Esq.
Senior Counsel

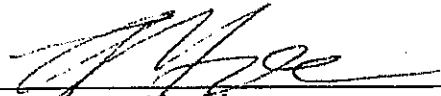
BY: 

Kurt S. Lewandowski, Esq.
Assistant Deputy Rate Counsel

DATED: February 16, 2017

DATED: 2/16/17

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

BY: 

Alex Moreau
Deputy Attorney General

DATED: 2-16-17

PUBLIC SERVICE ELECTRIC AND GAS COMPANY
B.P.U.N.J. No. 15 ELECTRIC

Seventh Revised Sheet No. 64
Superseding
Sixth Revised Sheet No. 64

SOLAR PILOT RECOVERY CHARGE

Charge
(per kilowatthour)

SOLAR PILOT RECOVERY CHARGE:

Charge..... \$ 0.000068

Charge including New Jersey Sales and Use Tax (SUT)..... \$ 0.000073

SOLAR PILOT RECOVERY CHARGE

This charge is designed to recover the revenue requirements associated with the Public Service Solar Pilot Program per the Board Order in Docket No. EO07040278 less the net proceeds from the sale of associated Solar Renewable Energy Certificates (SRECs) or cash received in lieu of SRECs. The net recovery by the Company is subject to deferred accounting. Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances. This interest rate shall change each August 1.

Date of Issue: November 29, 2016

Effective: January 1, 2017

Issued by SCOTT S. JENNINGS, Vice President Finance – PSE&G

80 Park Plaza, Newark, New Jersey 07102

Filed pursuant to Order of Board of Public Utilities dated November 14, 2016

in Docket No. ER16111054

PSE&G Solar Loan I Program Proposed Rate Calculations

(\$'s Unless Specified)

Schedule SS-SLI-2

Actual results through September 2016
SUT Rate 7%

<u>Line</u>	<u>Date(s)</u>	<u>Electric</u>	<u>Source/Description</u>
1	Oct 2016 - Sep 2017	4,299,782	SUM (Schedule SS-SLI-3, Col 20)
2	Sep-16	(2,296,212)	Schedule SS-SLI-3, Line 4, Col 105
3	Sep-16	<u>(33,173)</u>	Schedule SS-SLI-3, Line 7, Col 105
4	Oct 2016 - Sep 2017	1,970,398	Line 1 + Line 2 + Line 3
5	Oct 2016 - Sep 2017	41,104,726	
6		0.000048	(Line 4 / (Line 5*1,000)) [Rnd 6]
7		0.000068	
8		0.000040	
9		0.000068	Line 7
10		0.000073	(Line 9 * (1 + SUT Rate)) [Rnd 6]
11		0.000028	(Line 9 - Line 8)
12		1,150,932	(Line 5 * Line 11 * 1,000)

	Revenue Requirements	
	(Over) / Under Recovered Balance	
	Cumulative Interest Exp / (Credit)	
	Total Target Rate Revenue	
	Forecasted kWh (000)	
	Calculated Rate w/o SUT (\$/kWh)	
	Public Notice Rate w/o SUT (\$/kWh)	
	Previous Rate (Before Provisional Rate) w/o SUT (\$/kWh)	
	Proposed Rate w/o SUT (\$/kWh)	
	Proposed Rate w/ SUT (\$/kWh)	
	Difference in Proposed and Previous Rate	
	Resultant SPRC Revenue Increase / (Decrease)	

PSE&G Solar Loan I Program
Electric Revenue Requirements Calculation - Summary

Actual data through September 2016

Annual Pre-Tax WACC 11.1100%
 Monthly Pre-Tax WACC 0.92583%

Monthly Calculation	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(17a)	(18)	(19)	(20)
	Total Loan Outstanding Balance	SREC Interest	Total Net Loan Interest	Requirement on Net Loan Interest	Net Principal Paid / Amortized	Return on Investment	Loan Accrued Interest	Loan Interest Paid	Net Loan Interest	Loan Principal Paid / Amortized	From Depreciation / Amortization	From Depreciation / Amortization	From Expenses	SREC Value Credited to Loans	Gain (Loss) on SREC Sale	SREC Depreciation Expense	SREC Call Option Net Benefit	SREC Floor Price Cost	Net Proceeds from the Sale of SRECs	Cash Payments to Loans	Revenue Requirements
2009	62,055,057	1,483,481	48,539,538	1,322,954	-	-	1,267,817	1,268,191	56,626	937,413	56,554	937,413	56,554	2,146,954	271,256	135,091	-	3,489	2,270,270	-	438,024
2010	62,397,945	2,636,299	55,024,244	5,825,922	-	-	5,588,552	5,717,128	(94,665)	3,677,413	3,677,413	3,677,413	3,677,413	6,411,255	1,469,435	203,461	-	10,707,344	10,707,344	26,680	(770,159)
2011	73,099,428	1,795,218	74,894,646	7,945,123	-	-	7,474,726	7,738,212	(263,486)	4,927,232	4,927,232	4,927,232	4,927,232	12,200,258	(3,344,877)	265,220	-	559,489	8,000,672	76,574	4,708,563
2012	66,251,190	1,281,922	69,339,642	6,916,115	-	-	6,654,193	7,078,212	102,878	4,968,032	4,968,032	4,968,032	4,968,032	12,500,100	(5,730,783)	109,511	-	3,967,845	2,692,550	146,204	10,443,663
2013	58,858,912	1,052,553	60,528,702	6,252,446	-	-	6,000,245	7,163,110	(146,840)	4,722,287	4,722,287	4,722,287	4,722,287	11,836,750	(2,101,031)	37,127	-	7,028,218	2,770,374	78,492	9,445,803
2014	53,350,128	250,247	53,610,378	6,368,311	-	-	6,282,712	6,269,853	(7,091)	4,722,287	4,722,287	4,722,287	4,722,287	11,098,375	128,850	33,975	-	6,900,655	4,292,295	417,226	7,013,500
2015	48,179,284	1,914,390	48,080,654	5,234,332	-	-	5,606,913	6,118,859	(11,846)	5,459,702	5,459,702	5,459,702	5,459,702	11,223,962	1,268,416	32,739	-	6,715,559	5,744,080	505,593	5,681,769
2016	39,449,012	1,865,560	41,334,592	5,005,670	-	-	4,851,862	4,852,250	(288)	6,726,964	6,726,964	6,726,964	6,726,964	11,582,214	1,179,065	28,438	-	5,843,851	7,541,813	552,963	4,890,802
2017	39,449,012	1,865,560	41,334,592	5,005,670	-	-	4,851,862	4,852,250	(288)	6,726,964	6,726,964	6,726,964	6,726,964	11,582,214	1,179,065	28,438	-	5,843,851	7,541,813	552,963	4,890,802
Oct 2016 - Sep 2017				5,186,034	-	-	5,032,486	5,045,078	(12,593)	6,580,398	6,580,398	6,580,398	6,580,398	11,625,477	525,099	28,384	-	4,528,533	7,595,649	-	4,398,782

	From Sched SS- SLI-3a Col 11	From Sched SS- SLI-3a Col 15	From Sched SS- SLI-3a Col 2	From Sched SS- SLI-3a Col 3 + Col 15	From Sched SS- SLI-3a Col 25	From Sched SS- SLI-3a Col 4	From Sched SS- SLI-3a Col 7	From Sched SS- SLI-3a Col 8	From Sched SS- SLI-3a Col 20	From Sched SS- SLI-3a Col 9 + Col 10	From Sched SS- SLI-3a Col 28	From Sched SS- SLI-3a Col 5	From Sched SS- SLI-3a Col 14	From Sched SS- SLI-3a Col 17	From Sched SS- SLI-3a Col 18	From Sched SS- SLI-3a Col 18a	From Sched SS- SLI-3a Col 15 + Col 16 + Col 17 + Col 17a	From Sched SS- SLI-3a Col 13 - Col 18	From Sched SS- SLI-3a Col 19	
2009	62,055,057	1,483,481	48,539,538	1,322,954	-	1,267,817	1,268,191	937,413	56,554	937,413	56,554	2,146,954	271,256	135,091	-	3,489	2,270,270	10,707,344	-	438,024
2010	62,397,945	2,636,299	55,024,244	5,825,922	-	5,588,552	5,717,128	3,677,413	3,677,413	3,677,413	3,677,413	6,411,255	1,469,435	203,461	-	10,707,344	10,707,344	26,680	(770,159)	
2011	73,099,428	1,795,218	74,894,646	7,945,123	-	7,474,726	7,738,212	4,927,232	4,927,232	4,927,232	4,927,232	12,200,258	(3,344,877)	265,220	-	559,489	8,000,672	76,574	4,708,563	
2012	66,251,190	1,281,922	69,339,642	6,916,115	-	6,654,193	7,078,212	4,968,032	4,968,032	4,968,032	4,968,032	12,500,100	(5,730,783)	109,511	-	3,967,845	2,692,550	146,204	10,443,663	
2013	58,858,912	1,052,553	60,528,702	6,252,446	-	6,000,245	7,163,110	4,722,287	4,722,287	4,722,287	4,722,287	11,836,750	(2,101,031)	37,127	-	7,028,218	2,770,374	78,492	9,445,803	
2014	53,350,128	250,247	53,610,378	6,368,311	-	6,282,712	6,269,853	4,722,287	4,722,287	4,722,287	4,722,287	11,098,375	128,850	33,975	-	6,900,655	4,292,295	417,226	7,013,500	
2015	48,179,284	1,914,390	48,080,654	5,234,332	-	5,606,913	6,118,859	5,459,702	5,459,702	5,459,702	5,459,702	11,223,962	1,268,416	32,739	-	6,715,559	5,744,080	505,593	5,681,769	
2016	39,449,012	1,865,560	41,334,592	5,005,670	-	4,851,862	4,852,250	6,726,964	6,726,964	6,726,964	6,726,964	11,582,214	1,179,065	28,438	-	5,843,851	7,541,813	552,963	4,890,802	
2017	39,449,012	1,865,560	41,334,592	5,005,670	-	4,851,862	4,852,250	6,726,964	6,726,964	6,726,964	6,726,964	11,582,214	1,179,065	28,438	-	5,843,851	7,541,813	552,963	4,890,802	

PSE&G Solar Loan | Program
Electric Revenue Requirements Calculation - Detail

Actual data through September 2016

Annual Pre-Tax WACC	11.1100%
Monthly Pre-Tax WACC	0.92583%

Monthly Calculations	(15)	(16)	(17)	(18)	(18a)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)
	SREC Inventory	Return on SREC Inventory	SREC Disposition Expenses	SREC Call Custom Benefit	SREC Floor Price Cost	Gross Plant	Plant Depreciation	Accumulated Depreciation	Net Plant Investment	Tax Depreciation	Deferred Income Tax	Accumulated Deferred Income Tax	Net Plant Investment	Return on Plant Investment	O&M Expenses	Revenue Requirements
																Alternative Revenue Requirements Calculation
Sep-15	1,603,108	9,440	-	-	857,930	-	-	-	-	-	-	-	-	-	8,537	860,318
Oct-15	452,620	6,965	6,649	-	672,284	-	-	-	-	-	-	-	-	-	6,241	264,227
Nov-15	830,143	4,243	205	-	515,750	-	-	-	-	-	-	-	-	-	5,327	528,590
Dec-15	250,247	1,840	6,190	-	332,578	-	-	-	-	-	-	-	-	-	7,743	38,835
Jan-16	417,420	2,407	582	-	207,602	-	-	-	-	-	-	-	-	-	4,759	219,390
Feb-16	647,673	3,750	-	-	265,972	-	-	-	-	-	-	-	-	-	4,213	280,613
Mar-16	269,824	1,852	3,433	-	306,326	-	-	-	-	-	-	-	-	-	5,675	68,716
Apr-16	926,653	2,659	629	-	436,620	-	-	-	-	-	-	-	-	-	5,676	449,236
May-16	1,536,887	8,925	-	-	671,123	-	-	-	-	-	-	-	-	-	6,069	689,747
Jun-16	552,825	1,64	5,528	-	600,636	-	-	-	-	-	-	-	-	-	7,684	310,248
Jul-16	692,459	2,363	8,280	-	737,988	-	-	-	-	-	-	-	-	-	4,519	642,555
Aug-16	1,344,106	5,784	-	-	695,728	-	-	-	-	-	-	-	-	-	5,312	713,937
Sep-16	1,992,971	11,563	9,985	-	695,251	-	-	-	-	-	-	-	-	-	5,039	714,673
Oct-16	753,420	19,428	9,985	-	480,427	-	-	-	-	-	-	-	-	-	10,481	(3,057)
Nov-16	1,393,160	7,075	-	-	408,110	-	-	-	-	-	-	-	-	-	10,491	428,235
Dec-16	1,911,390	13,303	-	-	330,368	-	-	-	-	-	-	-	-	-	10,491	356,609
Jan-17	326,250	17,563	7,580	-	208,125	-	-	-	-	-	-	-	-	-	9,437	245,031
Feb-17	613,930	2,868	-	-	183,335	-	-	-	-	-	-	-	-	-	9,437	197,912
Mar-17	971,500	5,902	-	-	228,105	-	-	-	-	-	-	-	-	-	9,437	245,668
Apr-17	439,060	8,709	3,853	-	279,905	-	-	-	-	-	-	-	-	-	9,437	304,045
May-17	1,060,530	4,332	-	-	396,395	-	-	-	-	-	-	-	-	-	9,437	412,220
Jun-17	1,759,140	9,897	-	-	445,285	-	-	-	-	-	-	-	-	-	9,437	468,577
Jul-17	834,910	16,318	6,976	-	532,081	-	-	-	-	-	-	-	-	-	9,437	566,598
Aug-17	1,681,260	8,127	-	-	520,038	-	-	-	-	-	-	-	-	-	9,437	539,274
Sep-17	2,456,330	15,524	-	-	514,377	-	-	-	-	-	-	-	-	-	9,437	540,670
Annual Summary	2009	1,483,481	50,579	135,091	-	3,499	-	-	-	-	-	-	-	-	505,554	428,024
	2010	2,636,299	182,841	203,401	-	559,489	-	-	-	-	-	-	-	-	236,525	(770,198)
	2011	1,795,218	350,277	285,220	-	3,567,845	-	-	-	-	-	-	-	-	127,415	4,768,503
	2012	1,287,922	156,293	108,511	-	3,026,218	-	-	-	-	-	-	-	-	60,189	10,143,665
	2013	268,769	89,770	37,127	-	6,900,955	-	-	-	-	-	-	-	-	95,021	9,445,803
	2014	199,853	48,141	33,975	-	6,715,559	-	-	-	-	-	-	-	-	82,769	7,013,900
	2015	250,247	45,151	32,739	-	5,843,651	-	-	-	-	-	-	-	-	96,388	5,681,789
	2016	1,911,390	78,264	28,438	-	4,509,363	-	-	-	-	-	-	-	-	80,459	4,890,902
	2017	1,885,560	131,607	28,157	-	4,526,533	-	-	-	-	-	-	-	-	110,579	4,801,807
Oct 2016 - Sep 2017		127,936	28,394												116,407	4,289,762

Col 3 - Col 4 - Col 5 -
Col 6 + Col 7 + Col 8 - 3a + 3b - 14 +
Col 14 + Col 16 + Col 18 + 17 - 18 +
17 - Col 18 + Col 18a 18a + 20 + 27 +
+ Col 20 + Col 27 +
Col 28

**PSE&G Solar Loan I Program
(Over/Under Calculation)**

Existing / Proposed SL I Rate w/o SUT \$/kWh

0.000150	(93)	0.000050	(94)	0.000050	(95)	0.000050	(96)	0.000050	(97)	0.000040	(98)	0.000040	(99)
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SLI (Over)/Under Calculation

	<u>Sep-15</u>	<u>Oct-15</u>	<u>Nov-15</u>	<u>Dec-15</u>	<u>Jan-16</u>	<u>Feb-16</u>	<u>Mar-16</u>
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(1)	Solar Loan I SPRC Revenue	567,295	152,979	148,598	154,965	169,431	127,987	125,638
(2)	Revenue Requirements	<u>880,318</u>	<u>264,227</u>	<u>529,590</u>	<u>38,835</u>	<u>219,390</u>	<u>280,613</u>	<u>88,716</u>
(3)	Monthly (Over)/Under Recovery	313,023.4	111,248.1	380,992.8	(116,129.9)	49,959.2	152,625.6	(36,921.4)
(4)	Deferred Balance	(5,447,033.2)	(5,349,193.9)	(4,968,201.1)	(5,084,331.0)	(5,034,371.7)	(4,881,746.2)	(4,918,667.5)
(5)	Monthly Interest Rate	0.10667%	0.10667%	0.10667%	0.10667%	0.10667%	0.10667%	0.10667%
(6)	After Tax Monthly Interest Expense/(Credit)	(3,521.5)	(3,392.4)	(3,241.9)	(3,158.7)	(3,179.5)	(3,115.8)	(3,079.5)
(7)	Cumulative Interest Balance Added to Subsequent Year's Revenue Requirements	(13,408.9)	(3,392.4)	(6,634.3)	(9,793.0)	(12,972.5)	(16,088.3)	(19,167.8)
(8)	Net Sales - kWh (000)	(5,460,442.0)	(5,352,586.3)	(4,974,835.4)	(5,094,124.0)	(5,047,344.2)	(4,897,834.5)	(4,937,835.3)

(9) SPRC Settlement: Application Fee Credit

(10) SPRC Settlement: Prior to Filing Expenses Credit

