

**REMARKS OF SEEMA M. SINGH, ESQ.
RATEPAYER ADVOCATE**

**PRESENTED BY CHRISTINE JUAREZ
ASSISTANT DEPUTY RATEPAYER ADVOCATE
NEW JERSEY DIVISION OF THE RATEPAYER ADVOCATE**

**I/M/O the Provision of Basic Generation Service
For the Period Beginning June 1, 2006
BPU Docket No. EO05040317**

**PUBLIC HEARING
Middlesex County Administration Building
New Brunswick, New Jersey**

Tuesday, September 13, 2005 – 1:00 PM

Good afternoon. My name is Christine Juarez and I am an attorney representing the New Jersey Division of the Ratepayer Advocate. Our office was created by the New Jersey Legislature to represent ratepayers in cases such as this involving public utility service.

Public Service Electric & Gas Company,¹ filed a proposal on July 1, 2005 with the New Jersey Board of Public Utilities² concerning its Basic Generation Service or BGS. The Company provides BGS to all its customers who do not obtain electric supply from a third party supplier. The filing was a joint proposal (“Joint Proposal”) with the other three investor-owned electric utilities serving New Jersey. Public Service also filed a Company-specific addendum. In its Company-specific addendum Public Service requested that the Board approve the procurement of electric supply for BGS through a statewide auction process that is scheduled to be held in early February 2006.

¹ "Public Service" or the "Company".

² "Board" or "BPU".

The joint proposal provides for two simultaneous statewide auctions – one auction for BGS-FP service for residential and smaller commercial customers and another auction for BGS-CIEP service for larger commercial and industrial customers. The new rates for BGS resulting from the auction would be effective June 1, 2006 and could be higher or lower than current BGS rates depending on the auction results.

Initial comments on all BGS proposals were filed by the parties, including the Ratepayer Advocate on August 15, 2006. A legislative-type hearing on all BGS procurement proposals was held on September 7, 2005 at the Board of Public Utilities in Newark. The BPU is expected to render a decision on the BGS joint proposals at its agenda meeting being held on October 22, 2005. The BPU approved similar statewide auctions in the last four years.

Our office is continuing a complete review of the Company's request and the auction process based on the information that is being supplied and updated by the Company and the other electric utilities. We have retained the services of an expert consultant to assist us in our review. The Ratepayer Advocate's inquiry is focused on the critical issues of whether the joint proposal allows ratepayers to pay the lowest rates possible consistent with receiving safe, reliable and proper service. The BPU will make the final decision regarding the joint proposal and the proposed BGS rates that will come out of the auctions.

The purpose of this hearing is for you, the customer, to voice your opinion, relate your experiences and offer comments about this matter. It is important that you express your views so they may become part of the record on which the Board makes its decision. The Ratepayer Advocate also needs to hear your views. Your active participation is strongly encouraged to help in our evaluation of the Company's proposals.

This hearing is being transcribed and your comments will become part of the record. I would like to reiterate the importance of your participation so that the Ratepayer Advocate can have a clear

record of your concerns and interests.

On behalf of the Ratepayer Advocate, thank you for attending today's hearing.