



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

ENERGY

IN THE MATTER OF THE PETITION OF PUBLIC )  
SERVICE ELECTRIC AND GAS COMPANY'S )  
2019/2020 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. GR19060699  
) OAL DOCKET NO. PUC 13596-2019

**Parties of Record:**

**Stefanie A. Brand, Esq., Director**, New Jersey Division of Rate Counsel  
**Matthew M. Weismann, Esq.**, on behalf of Public Service Electric and Gas Company

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities ("Board" or "BPU") considers an Initial Decision executed by Administrative Law Judge ("ALJ") Irene Jones, and a Stipulation for Final BGSS Rates ("Stipulation") executed by Public Service Electric and Gas Company ("PSE&G" or "Company"), Board Staff, and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties"), intended to resolve the Company's requests related to the above matter.

**BACKGROUND**

By Order dated January 6, 2003 in Docket No. GX01050304, the Board directed each of New Jersey's four (4) gas distribution companies ("GDC's") to submit to the Board by June 1 an annual BGSS gas cost filing for the BGSS year beginning October 1.<sup>1</sup> In addition, the January 2003 BGSS Order authorized each GDC to self-implement up to a five percent (5%) 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.

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<sup>1</sup> 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").

## **2019 BGSS Filing**

Pursuant to the January 2003 BGSS Order, on May 31, 2019, PSE&G filed a petition with the Board seeking approval to decrease its current BGSS-RSG rate per therm from \$0.349059<sup>2</sup> to \$0.340221 effective October 1, 2019 ("2019 BGSS Petition"). As a result of the proposed rates, the Company's annual BGSS revenues would be reduced by approximately \$12 million.

PSE&G also sought authority to change the Balancing Charge period from five (5) billing months, November through March, to eight (8) billing months, October through May. The Company stated that the proposed change would improve the matching of balancing revenues and balancing costs. As a result of the Balancing Charge being applied to more therms with the billing months extension, the Company proposed to reduce the Balancing Charge from \$0.102825 per therm to \$0.098620 per therm. However, PSE&G asserted that if the Company remained on the five (5) month billing period, the Balancing Charge would need to be increased from \$0.102825 to \$0.113187 per therm to recover its costs.

PSE&G also requested a change in its Storage Inventory Carrying Charge, which is recovered through the Balancing and Commodity Charges, to \$0.003871 per balancing use therm for the balancing portion (inclusive of the proposed eight (8) month balancing period), and \$0.006486 per therm for the commodity portion using the applicable send out for each.

After publication of notices in newspapers of general circulation in the Company's service territory, public hearings were conducted on August 22, August 27, and August 29, 2019 in Mt. Holly, Hackensack, and New Brunswick, New Jersey, respectively. No members of the public provided comments addressing this matter at any of the hearings or filed written comments with the Board.

On September 11, 2019, the Board issued an Order in this docket, which approved a stipulation executed by the Parties.<sup>3</sup> The September 2019 Provisional Order authorized PSE&G to implement a BGSS-RSG rate of \$0.340221 per therm on a provisional basis and a Balancing Charge of \$0.098620 for services rendered on and after October 1, 2019. The Balancing Charge period was also modified from a five (5) month billing period of November to March, to an eight (8) month billing period of October to May. As a result of the September 2019 Provisional Order, a typical residential customer using 1,040 therms on an annual basis would experience a decrease in their annual bill of \$5.89 (based on rates in effect as of August 1, 2019 and assuming the customer receives BGSS service from PSE&G).

On September 26, 2019, the Board transmitted this matter to the Office of Administrative Law as a contested case where it was subsequently assigned to ALJ Jones.

Subsequent to the Board's issuance of the September 2019 Provisional Order, PSE&G made compliance filings in response to the Board's Orders in two (2) matters. First, on September 27, 2019, PSE&G made a compliance filing as a result of a Board Order in the Company's Petition for Approval of Gas Base Rate Adjustments Pursuant to its Gas System Modernization Program.

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<sup>2</sup> All rates quoted herein include losses and Sales and Use Tax ("SUT") unless otherwise stated.

<sup>3</sup> In re the Petition of Public Service Electric and Gas Company's 2019/2020 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. GR19060699, Order dated September 11, 2019, ("September 2019 Provisional Order").

<sup>4</sup>As a result of the GSMP Roll In Order, PSE&G's BGSS-RSG rate was decreased from \$0.340221 per therm to \$0.340185 per therm. Second, on November 22, 2019, PSE&G made a compliance filing in response to the Board's Order in the Company's Petition for Approval of Gas Base Rate Adjustments Pursuant to its Next Phase of its Gas System Modernization Program.<sup>5</sup> As a result of the GSMP II Roll In Order, PSE&G's BGSS-RSG rate was further decreased from \$0.340185 per therm to \$0.340127 per therm.

On December 20, 2019, PSE&G filed a notice of a self-implementing BGSS-RSG rate reduction of two (2) cents per therm to be effective January 1, 2020. This rate reduction further decreased the BGSS-RSG Commodity Charge from the rate of \$0.340127 per therm to \$0.320127 per therm. As a result of this rate reduction, a typical residential gas heating customer using 1,040 therms on an annual basis, would experience a decrease in their annual bill of \$20.80, or approximately 2.32%.

On January 24, 2020, PSE&G filed a notice of a self-implementing BGSS-RSG two (2)-month bill credit of 7.5 cents per therm (including SUT) effective February 1, 2020 through March 31, 2020. As a result of this two (2)-month bill credit, a typical residential gas heating customer using a total of 344 therms during this period (172 therms in February and 172 therms in March), would experience a credit of \$25.80, or approximately 9.29%, on their bill over the two (2)-month period.

## **STIPULATION**

Following a complete review of the 2019 BGSS Petition and discovery, on January 23, 2020, the Parties executed the Stipulation, which provides for the following<sup>6</sup>:

1. The Company's BGSS Commodity Service, tariff rate BGSS-RSG of \$0.320127 per therm (including losses and SUT), which has been in effect since January 1, 2020, will remain in effect at this time and shall be deemed final.
2. The period over which the Company's Balancing Charge is calculated and charged shall be modified on a final basis from the current five (5) billing months of November to March, to the eight (8) billing months of October to May.
3. The Company's Balancing Charge of \$0.098620 (including losses and SUT), based on an eight (8)-month balancing period effective with the billing month of October 2019, will remain in effect at this time and shall be deemed final.
4. As a result of the final settlement, there is no further bill impact on residential customers.

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<sup>4</sup> In re the Petition of Public Service Electric and Gas Company for Approval of Gas Base Rate Adjustments Pursuant to Its Gas System Modernization Program, BPU Docket No. GR19040522, Order dated September 27, 2019, ("GSMP Roll In Order").

<sup>5</sup> 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"), BPU Docket No. GR19060766, Order dated November 13, 2019, ("GSMP II Roll In Order").

<sup>6</sup> 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. Each paragraph is numbered to coincide with the paragraphs in the Stipulation.

5. 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 January 1, 2020.
6. 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 S-PSCHART-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 15<sup>th</sup> of the following month.
7. 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.

On January 28, 2020 ALJ Jones 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 law.

### **DISCUSSION AND FINDINGS**

The Board carefully reviewed the record in this proceeding, including ALJ Jones' Initial Decision and the Stipulation. The Board **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 **FINDS** 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 ORDERS** that PSE&G's existing BGSS-RSG per therm rate of \$0.320127 per therm and the Balancing Charge of \$0.098620 per therm are final and shall remain in effect until further Order of the Board. Any net over-recovered BGSS-RSG or Balancing Charge balance at the end of the BGSS period shall be subject to refund with interest.

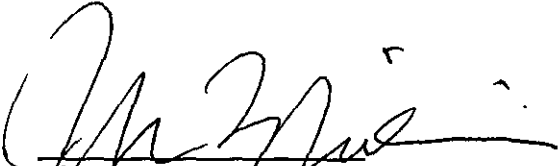
The Board **HEREBY DIRECTS** the Company to file tariff sheets consistent with the Board's Order by March 15, 2020.

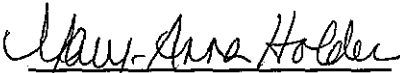
The Company's costs, including those related to BGSS, remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions deemed to be appropriate as a result of any such audit.


The effective date of this Order is February 29, 2020.

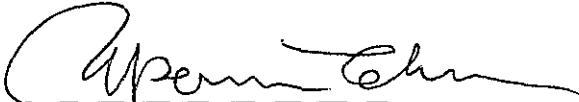
DATED: 2/19/20

BOARD OF PUBLIC UTILITIES  
BY:

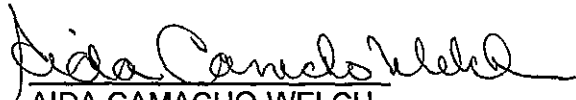
  
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ROBERT M. GORDON  
COMMISSIONER

ATTEST:   
AIDA CAMACHO-WELCH  
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'S 2019/2020 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. GR19060699  
OAL DOCKET NO. PUC 13596-2019

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**VIA FAX (973) 648-6124 & OVERNIGHT MAIL**

January 23, 2020

In the Matter of Public Service Electric and  
Gas Company's 2019/2020 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. GR19060699  
OAL DOCKET NO. PUC13596-2019

Honorable Irene Jones, A.L.J.  
State of New Jersey  
Office of Administrative Law  
33 Washington Street  
Newark, New Jersey 07102

Dear Judge Jones:

Enclosed for filing by Public Service Electric and Gas Company, please find an original and two copies of the fully-executed Stipulation for Final BGSS Rates in the captioned matter.

Thank you for your courtesies in this matter.

Respectfully submitted,

A handwritten signature in blue ink, consisting of a large, stylized 'J' followed by a horizontal line and a small flourish.

Justin B. Incardone

Attach.

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	)	
2019/2020 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. GR19060699
ITS BALANCING CHARGE	)	OAL DKT. NO. PUC 13596-2019N

**APPEARANCES:**

**Matthew M. Weissman, Esq.**, Managing Counsel - State Regulatory, for the Petitioner, Public Service Electric and Gas Company

**Felicia Thomas-Friel, Esq.**, Deputy Rate Counsel and **Sarah H. Steindel, Esq.**, Assistant Deputy Rate Counsel, for the New Jersey Division of Rate Counsel (**Stefanie A. Brand**, Director)

**Matko Ilic**, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Gurbir S. Grewal**, Attorney General of New Jersey)

On May 31, 2019, Public Service Electric and Gas Company (“PSE&G” or “Company”) made a filing in the above-referenced matter requesting a decrease in annual Basic Gas Supply Service (“BGSS”) gas revenues of approximately \$12.0 million [excluding losses and New Jersey Sales and Use Tax (“SUT”)] to be implemented for service rendered on and after October 1, 2019 or earlier, should the New Jersey Board of Public Utilities (“BPU” or “Board”) deem it appropriate. Additionally, the Company requested a decrease in its Balancing Charge. More specifically, in its May 31, 2019 filing, the Company requested to: (1) decrease the BGSS Commodity Charge to Residential Service Customers (“BGSS-RSG”) from \$0.349059 per therm (including losses and SUT) to \$0.340221 per therm (including losses and SUT); and (2) make two changes to its Balancing Charge, which recovers the cost of providing storage and peaking services. Regarding the Balancing Charge, the Company requested to change the period when the Balancing Charge is calculated and charged from the then-current five (5) billing months of November through March to the eight (8) billing months of October through May, and decrease the then-current charge of \$0.102825 per balancing use therm (including losses and SUT) based on a five (5) month balancing

period to \$0.098620 per balancing use therm (including losses and SUT) based on an eight (8)-month balancing period.

The proposed changes were implemented on a provisional basis as further described below, and the residential customer impact of this action were as follows: MONTHLY – a residential customer using 100 therms per month during the winter months and 610 therms on an annual basis would see a decrease in their monthly winter bill of \$1.23. ANNUAL – a residential customer using 172 therms per month during the winter months and 1,040 therms on an annual basis would see a decrease in their annual bill of \$5.89 (both calculations based upon rates in effect on August 1, 2019, and assuming the customer receives BGSS from PSE&G).

Notice setting forth the Company's May 31, 2019 request for the BGSS Commodity Charge decrease, Balancing Charge decrease, and Balancing Charge period modification, including the date, time, and place 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.

Public hearings were conducted in Mt. Holly, Hackensack, and New Brunswick on August 22, 27, and 29, 2019, respectively. No member of the public appeared and/or spoke at the public hearings, and no members of the public submitted written comments to the Board on this matter.

PSE&G, Board Staff, and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") determined that additional time was needed to complete the review of the Company's proposed BGSS-RSG Commodity Charge and Balancing Charge. However, as referenced above, the Parties also agreed that action with respect to the Company's BGSS-RSG Commodity Charge for the 2019-2020 BGSS year and Balancing Charge, on a provisional basis, was reasonable and therefore agreed to implement the BGSS-RSG Commodity Charge and Balancing Charge as of October 1, 2019, or as soon as possible upon the issuance of a Board Order approving the Stipulation for Provisional BGSS Rates ("Provisional Stipulation"). On September 11, 2019, the Board approved

the Provisional Stipulation (“September Order”). As a result: (1) the BGSS Commodity Charge was provisionally decreased from \$0.349059 per therm (including losses and SUT) to \$0.340221 per therm (including losses and SUT) for service rendered on and after October 1, 2019; (2) the period over which the Company’s Balancing Charge is calculated and charged was modified on a provisional basis from the five (5) billing months of November to March, to the eight (8) billing months of October to May; and (3) the Company’s Balancing Charge was provisionally decreased from \$0.102825 per balancing use therm based on a five (5)-month balancing period, to \$0.098620 per balancing use therm based on an eight (8) month balancing period effective with the billing month of October 2019. As a result of the September Order, a typical residential heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis would see an annual decrease of \$5.89, or approximately 0.66% (based on rates in effect on June 1, 2019, and assuming the customer receives BGSS service from PSE&G).

On September 26, 2019, the Board transmitted this matter to the Office of Administrative Law as a contested case, where it was subsequently assigned to the Honorable Irene Jones, Administrative Law Judge (“ALJ”).

ALJ Jones held a telephonic prehearing conference on November 13, 2019, during which the Parties discussed a procedural schedule. ALJ Jones entered a Prehearing Order in this matter on November 15, 2019.

Subsequent to the Board’s approval of the Provisional Stipulation, PSE&G made compliance filings in response to the Board’s Orders in the Company’s petitions in two (2) matters. First, on September 27, 2019, PSE&G made a compliance filing *In the Matter of the Petition of Public Service Electric and Gas Company for Approval of Gas Base Rate Adjustments Pursuant to its Gas System Modernization Program (April 2019 GSMP Rate Filing)* in BPU Docket No. GR19040522. In

this matter, the BGSS-RSG Commodity Charge was decreased to \$0.340185 per therm (including losses and SUT) effective October 1, 2019.<sup>1</sup>

Second, on November 22, 2019, PSE&G made a compliance filing *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”) (June 2019 GSMP Rate Filing)* in BPU Docket No. GR19060766. In this matter, the BGSS-RSG Commodity Charge was further decreased from the rate of \$0.340185 per therm (including losses and SUT) to \$0.340127 per therm (including losses and SUT) effective December 1, 2019.<sup>2</sup>

On December 20, 2019, the Company filed a notice of a BGSS-RSG rate reduction of two (2) cents per therm (including losses and SUT) effective January 1, 2020, consistent with the Board’s January 6, 2003 Order Approving BGSS Price Structure (“Price Structure Order”) on page 4, Docket No. GX01050304, and paragraph 9 of the BGSS Pricing Proposal appended as Attachment A to, and approved in, the Price Structure Order (“December Notice”). This rate reduction further decreased the BGSS-RSG Commodity Charge from the rate of \$0.340127 per therm (including losses and SUT) to \$0.320127 per therm (including losses and SUT). As a result of the December Notice, a typical residential heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis would see an additional annual decrease of \$20.80, or approximately 2.32% (based on rates in effect on January 1, 2020, and assuming the customer receives BGSS service from PSE&G).

The Parties completed their review of the Petition, responses to discovery, settlement discussions, and now HEREBY AGREE as follows:

---

<sup>1</sup> As a result of this change, a typical residential heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis would see a decrease in their annual bill of \$0.04 or 0.00%.

<sup>2</sup> As a result of this change, a typical residential heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis would see a decrease in their annual bill of \$0.12, or 0.01%.

1. The Company's BGSS Commodity Service, tariff rate BGSS-RSG of \$0.320127 per therm (including losses and SUT), which has been in effect since January 1, 2020, will remain in effect at this time and shall be deemed final.

2. The period over which the Company's Balancing Charge is calculated and charged shall be modified on a final basis from the current five (5) billing months of November to March, to the eight (8) billing months of October to May.

3. The Company's Balancing Charge of \$0.098620 (including losses and SUT), based on an eight (8)-month balancing period effective with the billing month of October 2019, will remain in effect at this time and shall be deemed final.

4. As a result of this final settlement, there is no further bill impact on residential customers.

5. 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 January 1, 2020.

6. 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 S-PSCHART-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 15<sup>th</sup> of the following month.

7. 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.

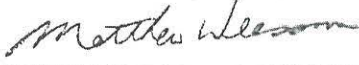
8. The undersigned agree that this Stipulation for Final BGSS Rates contains mutually balancing and interdependent provisions and is intended to be accepted and approved in its entirety. In the event any particular aspect of this Stipulation is not accepted and approved by the Board, this Stipulation shall be null and void, and the Parties shall be placed in the same position that they were in immediately prior to its execution.

9. 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.

10. The undersigned Parties further agree that this Stipulation for Final BGSS Rates has been made exclusively for the purpose of this proceeding and that this Stipulation, in total or 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

STEFANIE A. BRAND  
DIRECTOR,  
DIVISION OF RATE COUNSEL


BY:   
Matthew M. Weissman  
Managing Counsel – State Regulatory

BY:   
Sarah H. Steindel  
Assistant Deputy Rate Counsel

DATED: January 22, 2020

DATED: January 23, 2020

GURBIR S. GREWAL  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for the Staff of the Board of Public Utilities

BY:   
Matko Ilic  
Deputy Attorney General

DATED: January 22, 2020

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**Fifth Revised Sheet No. 54**

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

**Superseding**

**Fourth 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 .....	\$ 0.060450
Estimated Gulf Coast Cost of Gas .....	0.235911
Adjustment to Gulf Coast Cost of Gas .....	0.000000
Prior period (over) or under recovery .....	<u>(0.002130)</u>
Adjusted Cost of Gas .....	0.294231
Commodity Charge after application of losses: (Loss Factor = 2.0%).....	\$ 0.300236
Commodity Charge including New Jersey Sales and Use Tax (SUT) .....	<u>\$ 0.320127</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)
April 1, 2018 through April 30, 2018	(\$0.140680)	(\$0.150000)
May 1, 2018	\$0.000000	\$0.000000



**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**Fourth Revised Sheet No. 65  
Superseding  
Third Revised Sheet No. 65**

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

**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>	
\$0.360706	\$0.384603	per therm

**Balancing Charge:**

<u>Charge</u>	<u>Charge Including SUT</u>	
\$0.092492	\$0.098620	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.

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**First Revised Sheet No. 67  
Superseding  
Original Sheet No. 67**

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

**RATE SCHEDULE RSG  
RESIDENTIAL SERVICE  
(Continued)**

**Basic Gas Supply Service:**

Customers that do not receive gas supply from a TPS will be supplied under the Basic Gas Supply Service-RSG (BGSS-RSG) default service.

The BGSS-RSG Commodity Charge will be applied to all therms billed each month, except customers that receive Delivery Service under Special Provision (c) of this Rate Schedule where the therms used for all purposes in excess of 50 therms in any month during the Off-Peak Period shall be charged at the BGSS-RSGOP Commodity Charge.

Refer to the Basic Gas Supply Service – RSG sheets of this Tariff for the current charge for the BGSS-RSG commodity charge and the BGSS-RSGOP commodity charge.

**OTHER CHARGES:**

See Special Provisions (c) and (g) below.

**BILLING DETERMINANTS:**

**Therms:**

The number of therms used shall be determined by multiplying the number of hundred cubic feet used by the conversion factors which appear on every bill.

**Balancing Use Therms:**

During each of the billing months of October through May, if the average daily usage of gas in any month exceeds the average daily usage during the preceding billing months of June through September, the therms used in such month in excess of the product of the average daily usage in the preceding months of June through September times the number of days in the billing month shall be the Balancing Use Therms and subject to the Balancing Charge. For new customers and for customers who install additional gas burning equipment, the average daily usage in the preceding June through September time period to be used in the above calculation shall be estimated by Public Service.

**Daily Contract Quantity:**

The Customer's Daily Contract Quantity (DCQ) for each month shall be calculated by Public Service for twelve (12) months by dividing customer's weather-normalized usage, adjusted for losses, for each of the most recent twelve (12) billing months by the total number of days in each billing month. Public Service may adjust customer's DCQ during the year, due to changes in customer's gas equipment or pattern of usage, or projected usage. For new customers, customer's initial DCQ will be estimated by Public Service, based upon the rating of the customer's gas equipment and expected utilization of the equipment. At the end of each billing period Public Service will calculate the difference between customer's actual usage, adjusted for losses, and actual TPS supply for the billing period, taking into consideration any adjustments from prior months, and will adjust the DCQ for the second succeeding month by that difference divided by the total number of days in the month, provided that such adjustment will not decrease that month's adjusted DCQ to a level less than zero. Any such adjustment that would result in a particular month's DCQ being less than zero will be carried to a future month.

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**Fourth Revised Sheet No. 72**

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

**Superseding**

**Third 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:**

\$15.19 in each month [\$16.20 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>	
\$0.288299	\$0.307399	\$0.288299	\$0.307399	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>	
\$0.092492	\$0.098620	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.

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**First Revised Sheet No. 74  
Superseding  
Original Sheet No. 74**

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

**RATE SCHEDULE GSG  
GENERAL SERVICE  
(Continued)**

If a customer is receiving Emergency Sales Service and does not wish to designate a TPS for future deliveries or customer, for any reason, no longer desires to receive gas supply from a TPS, the customer may receive gas supply pursuant to Public Service's Basic Gas Supply Service-Firm.

The conditions under which Emergency Sales Service will apply are detailed in Section 14 - Third Party Supply Service Provisions of the Standard Terms and Conditions of this Tariff, and the charges for this service are defined on the Emergency Sales Service sheet of this Tariff.

**Basic Gas Supply Service:**

Customers that do not receive gas supply from a TPS will be supplied under the Basic Gas Supply Service Firm (BGSS-F) default service, which will be applied to all therms billed each month. Refer to the Basic Gas Supply Service – Firm sheet of this Tariff for the current charge for BGSS-F commodity charge.

**OTHER CHARGES:**

See Special Provisions (b), (e) and (i) below.

**BILLING DETERMINANTS:**

**Therms:**

The number of therms used shall be determined by multiplying the number of hundred cubic feet used by the conversion factors which appear on every bill.

**Balancing Use Therms:**

During each of the billing months of October through May, if the average daily usage of gas in any month exceeds the average daily usage during the preceding billing months of June through September, the therms used in such month in excess of the product of the average daily usage in the preceding months of June through September times the number of days in the billing month shall be the Balancing Use Therms and subject to the Balancing Charge. For new customers and for customers who install additional gas burning equipment, the average daily usage in the preceding June through September time period to be used in the above calculation shall be estimated by Public Service.

**Daily Contract Quantity:**

The Customer's Daily Contract Quantity (DCQ) for each month shall be calculated by Public Service for twelve (12) months by dividing customer's weather-normalized usage, adjusted for losses, for each of the most recent twelve (12) billing months by the total number of days in each billing month. Public Service may adjust customer's DCQ during the year, due to changes in customer's gas equipment or pattern of usage, or projected usage. For new customers, customer's initial DCQ will be estimated by Public Service, based upon the rating of the customer's gas equipment and expected utilization of the equipment. At the end of each billing period, Public Service will calculate the difference between customer's actual usage, adjusted for losses, and actual TPS supply for the billing period, taking into consideration any adjustments from prior months, and will adjust the DCQ for the second succeeding month by that difference divided by the total number of days in the month, provided that such adjustment will not decrease that month's adjusted DCQ to a level less than zero. Any such adjustment that would result in a particular month's DCQ being less than zero will be carried to a future month.

Date of Issue: September 27, 2019

Effective: October 1, 2019

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 September 11, 2019

in Docket No. GR19060699

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**Fourth Revised Sheet No. 79**

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

**Superseding**

**Third 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:**

\$134.85 in each month [\$143.78 including New Jersey Sales and Use Tax (SUT)].

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

<u>Charge</u>	<u>Charge</u>	
\$ 3.9473	<u>Including SUT</u>	per Demand Therm
	\$ 4.2088	

**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>	
	<u>Charges</u>		<u>Charges</u>
<u>Charges</u>	<u>Including SUT</u>	<u>Charges</u>	<u>Including SUT</u>
\$ 0.042298	\$ 0.045100	\$0.041894	\$ 0.044669

**Balancing Charge:**

<u>Charge</u>	<u>Charge</u>	
\$0.092492	<u>Including SUT</u>	per Balancing Use Therm
	\$0.098620	

**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.

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**First Revised Sheet No. 82**

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

**Superseding  
Original Sheet No. 82**

**RATE SCHEDULE LVG  
LARGE VOLUME SERVICE  
(Continued)**

**Balancing Use Therms:**

During each of the billing months of October through May, if the average daily usage of gas in any month exceeds the average daily usage during the preceding billing months of June through September, the therms used in such month in excess of the product of the average daily usage in the preceding months of June through September times the number of days in the billing month shall be the Balancing Use Therms and subject to the Balancing Charge. For new customers and for customers who install additional gas burning equipment, the average daily usage in the preceding June through September time period to be used in the above calculation shall be estimated by Public Service.

**Daily Contract Quantity:**

The Customer's Daily Contract Quantity (DCQ) for each month shall be calculated by Public Service for twelve (12) months by dividing customer's weather-normalized usage, adjusted for losses, for each of the most recent twelve (12) billing months by the total number of days in each billing month. Public Service may adjust customer's DCQ during the year, due to changes in customer's gas equipment or pattern of usage, or projected usage. For new customers, customer's initial DCQ will be estimated by Public Service, based upon the rating of the customer's gas equipment and expected utilization of the equipment. At the end of each billing period, Public Service will calculate the difference between customer's actual usage, adjusted for losses, and actual TPS supply for the billing period, taking into consideration any adjustments from prior months, and will adjust the DCQ for the second succeeding month by that difference divided by the total number of days in the month, provided that such adjustment will not decrease that month's adjusted DCQ to a level less than zero. Any such adjustment that would result in a particular month's DCQ being less than zero will be carried to a future month.

**TERMS OF PAYMENT:**

Payment is due within 15 days after the postmark date, or email date for customers who have opted for paperless billing, of the outstanding bill and subject to a late payment charge at the rate of 1.416% per monthly billing period in accordance with Section 8.13 of the Standard Terms and Conditions. Service to a body politic will not be subject to a late payment charge.

**TERM:**

One year and thereafter until terminated by five days' notice.

Customers who transfer from third party supply to Basic Gas Supply Service may be subject to renewable one year terms. Refer to Section 14 of the Standard Terms and Conditions of this Tariff for additional limitations regarding the term of Basic Gas Supply Service.

**SPECIAL PROVISIONS APPLICABLE TO ALL CUSTOMERS:**

- (a) Service under this rate schedule is not available for resale, except where service is for motor vehicle fuel supplied through compression equipment.
- (b) Service supplied under this rate schedule shall be separately metered and shall not be combined with use under any other rate schedule for billing purposes. Customer shall not be eligible to receive service under this rate schedule and any other rate schedule for the same equipment or for equipment supplying a common steam header during the term of the Service Agreement.

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**Fourth Revised Sheet No. 112A  
Superseding  
Third Revised Sheet No. 112A**

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

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

**ECONOMICALLY VIABLE BYPASS**

**DELIVERY CHARGES:**

**Service Charge:**

\$722.23 in each month [\$770.08 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>	
\$0.092492	\$0.098620	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 22, 2019

Effective: December 1, 2019

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 13, 2019  
in Docket No. GR19060766

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**First Revised Sheet No. 112C  
Superseding  
Original Sheet No. 112C**

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

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

**OTHER CHARGES:**

See Special Provision (f).

**MINIMUM ANNUAL DISTRIBUTION CHARGE:**

If customer's annual usage is less than 50% of the customer's Contract Monthly Therms multiplied by 12, then the customer will be billed for the difference between the actual annual therms and 50% of the customer's Contract Monthly Therms multiplied by 12 and then multiplied by the Distribution Charge. The Minimum Annual Distribution Charge, if applicable, will be billed at the end of the customer's annualized period.

**BILLING DETERMINANTS:**

**Therms:**

The number of therms used shall be determined by multiplying the number of hundred cubic feet used by the conversion factor which appears on every bill. The conversion factor used for the "therm multiplier" shall be on the basis of the actual heating value of the gas used.

**Balancing Use Therms:**

Applicable only if the customer is provided Public Service's Basic Gas Supply Service – Firm (BGSS-F) default service.

During each of the billing months of October through May, if the average daily usage of gas in any month exceeds the average daily usage during the preceding billing months of June through September, the therms used in such month in excess of the product of the average daily usage in the preceding months of June through September times the number of days in the billing month shall be the Balancing Use Therms and subject to the Balancing Charge. For new customers and for customers who install additional gas burning equipment, the average daily usage in the preceding June through September time period to be used in the above calculation shall be estimated by Public Service.

**Contract Monthly Therms:**

Estimated annual therm usage (see Item 3, Tariff Sheet 112) determined as reasonable by Public Service divided by 12 and rounded to the nearest therm.

**Alternative Delivery Cost:**

- a) For Firm Delivery Service: The estimated total up-front cost of the customer's bypass plan, based on a detailed cost estimate provided by the applicable interstate pipeline.
- b) For Interruptible Delivery Service: The sum of 90% of the estimated total up-front cost of the customer's bypass plan, based on a detailed cost estimate provided by the applicable interstate pipeline, plus 10% of the incremental installed cost for Public Service to provide interruptible delivery service as estimated by Public Service.

**Net Alternative Delivery Cost:**

The Net Alternative Delivery Cost is equal to the Alternative Delivery Cost net of any customer contribution made to Public Service to provide service under this Rate Schedule without Public Service tax gross-up effects.



**S-PSCHART-1 -- RESTATED FOR PURCHASES NOT SENDOUT****BGSS NYMEX Update Report**

as of Feb 4, 2019

Month	a	b	c = b - a		d	e	f	g = e - f	h = c x g
	BGSS	NYMEX	Incr/ (Decr)	% Chg	Sales forecast (dths)	Receipts (dths)	Hedged volume (dths)	Unhedged volume (dths)	Change in value unhedged
Oct-17	\$3.414	\$2.974	(\$0.440)		5,052	10,261	4,903	5,358	(\$2,358)
Nov-17	\$3.461	\$2.752	(\$0.709)		16,003	12,738	6,771	5,967	(\$4,231)
Dec-17	\$3.580	\$3.074	(\$0.506)		26,698	18,660	6,997	11,664	(\$5,902)
Jan-18	\$3.655	\$2.738	(\$0.917)		29,547	20,801	6,997	13,804	(\$12,658)
Feb-18	\$3.618	\$3.631	\$0.013		19,097	11,763	6,319	5,443	\$71
Mar-18	\$3.520	\$2.639	(\$0.881)		21,727	10,719	6,997	3,723	(\$3,280)
Apr-18	\$2.955	\$2.691	(\$0.264)		12,861	11,782	4,745	7,037	(\$1,858)
May-18	\$2.821	\$2.821	\$0.000		4,296	10,835	4,903	5,932	\$0
Jun-18	\$2.814	\$2.875	\$0.061		3,320	8,887	4,745	4,142	\$253
Jul-18	\$2.828	\$2.996	\$0.168		2,808	9,308	4,903	4,405	\$740
Aug-18	\$2.836	\$2.822	(\$0.014)		2,662	8,831	4,903	3,928	(\$55)
Sep-18	\$2.822	\$2.895	\$0.073		2,962	9,140	4,745	4,395	\$321
<b>Avg Total \$</b>	<b>\$3.194</b>	<b>\$2.909</b>	<b>(\$0.285)</b>	<b>-8.9%</b>	<b>147,032</b>	<b>143,725</b>	<b>67,929</b>	<b>75,797</b>	<b>(\$28,957)</b>
Oct-18	\$2.829	\$3.021	\$0.192		7,944	13,764	4,903	8,861	\$1,701
Nov-18	\$2.865	\$3.185	\$0.320		19,024	16,850	6,337	10,513	\$3,364
Dec-18	\$2.965	\$4.715	\$1.750		23,409	17,927	6,548	11,380	\$19,914
Jan-19	\$3.047	\$3.642	\$0.595		29,454	16,827	6,548	10,280	\$6,116
Feb-19	\$3.009	\$2.950	(\$0.059)		24,254	11,461	5,914	5,547	(\$327)
Mar-19	\$2.898	\$2.734	(\$0.164)		19,658	10,988	6,548	4,440	(\$728)
Apr-19	\$2.568	\$2.699	\$0.131		10,931	13,752	4,016	9,736	\$1,275
May-19	\$2.536	\$2.709	\$0.173		5,440	11,526	4,150	7,376	\$1,276
Jun-19	\$2.567	\$2.754	\$0.187		3,200	9,412	4,016	5,396	\$1,009
Jul-19	\$2.600	\$2.799	\$0.199		3,355	10,532	4,150	6,382	\$1,270
Aug-19	\$2.604	\$2.801	\$0.197		2,933	9,642	4,150	5,493	\$1,082
Sep-19	\$2.588	\$2.778	\$0.190		3,275	10,267	4,016	6,251	\$1,188
<b>Avg Total \$</b>	<b>\$2.756</b>	<b>\$3.066</b>	<b>\$0.309</b>	<b>11.2%</b>	<b>152,878</b>	<b>152,948</b>	<b>61,293</b>	<b>91,655</b>	<b>\$37,141</b>

**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**

**January 2019**

<b><u>Contribution Category</u></b>	<b><u>Credits</u></b> <b><u>(\$ 000)</u></b>	<b><u>BGSS-RSG</u></b> <b><u>Share of the</u></b> <b><u>Volumes</u></b> <b><u>(MDth)</u></b>	<b><u>Unitized</u></b> <b><u>Credits</u></b> <b><u>(\$/Dth)</u></b>
Interruptible Service Gas (ISG)	(\$408)	73	(\$5.564)
Cogeneration	\$462	246	\$1.878
Transportation Service Gas-Firm (TSG-F)	\$234	206	\$1.135
Off-System Sales	\$5,455	4,549	\$1.199
Capacity Release	\$1,225	5,445	\$0.225
Gas to Electric	\$1,164	7,437	\$0.157
CSG Non Power	\$167	139	\$1.196
Supplier Refunds	\$39	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.



*State of New Jersey*  
**OFFICE OF ADMINISTRATIVE LAW**

**INITIAL DECISION**

**SETTLEMENT**

OAL DKT. NO. PUC 13596-19

AGENCY DKT. NO. GR19060699

**I/M/O PUBLIC SERVICE ELECTRIC AND GAS  
COMPANY'S 2019-2020 ANNUAL BGSS  
COMMODITY CHARGES FILING FOR ITS  
RESIDENTIAL GAS CUSTOMERS UNDER ITS  
PERIODIC PRICING MECHANISM AND FOR  
CHANGES IN ITS GAS TARIFF**

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**Justin B. Incardone, Esq.** and **Matthew Weissman, Esq.**, Managing  
Counsels for petitioner, Public Service Electric and Gas Company

**Felicia Thomas-Friel, Esq.** Deputy Rate Counsel and **Sarah H. Steindel,**  
Esq., Assistant Deputy Ratepayer Counsel, for the New Jersey Division of  
Rate Counsel (Stephanie A. Brand, Director)

**Matko Ilic**, Deputy Attorney General, for the Staff of the New Jersey Board  
of Public Utilities (Gurbir S. Grewal, Attorney General of New Jersey)

Record Closed: January 23, 2020

Decided: January 28, 2020

BEFORE **IRENE JONES, ALJ:**

On May 31, 2019, petitioner, Public Service Electric and Gas Company ("PSE&G" or "Company") filed a motion with the Board of Public Utilities ("BPU") requesting a decrease of approximately 12.0 million (excluding losses and New Jersey Sales and Use Tax ("SUT")) in its annual gas revenues from its Basic Gas Supply Service ("BGSS")



Commodity Charge and from its Balancing Charge for services rendered on and after October 1, 2019 or earlier.

On August 22, 27 and 29, 2019 public hearings were held in the petitioner's service territory in Mount Holly, Hackensack and New Brunswick, respectively.

Subsequently, the parties met and agreed to a provisional settlement that would decrease rate on October 1, 2019. On September 11, 2019, a Board Order issued that approved the decrease in the Company's BGSS Tariff rate, BGSS-RSG and its Balancing Charge on a provisional basis as set forth in the attached Stipulation of Settlement.

On September 26, 2019, the matter was transmitted to the Office of Administrative Law for determination as a contested case pursuant to N.J.S.A. 52:14F-1 to 13. A telephone prehearing conference was held on November 13, 2019 and a prehearing Order issued on November 15, 2019.

On September 27 and November 22, 2019, the petitioner filed an additional petition with the BPU that further reduced its BGSS-RSG Commodity Charge. The details and associated rate associated with the petitions are set forth in the Stipulation of Settlement which is attached hereto.

On January 24, 2020 the petitioner filed a Stipulation of Settlement with the undersigned.

I have reviewed the record and terms of the Stipulation of Settlement and **FIND**:

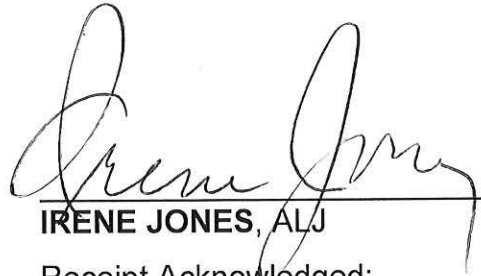
1. The parties have voluntarily agreed to the settlement as evidenced by the signatures of the parties or their representatives.
2. The settlement fully disposes of all issues in controversy and is consistent with law.

Therefore, it is **ORDERED** that the parties comply with the settlement terms 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*.

January 28, 2020  
DATE

  
IRENE JONES, ALJ  
Receipt Acknowledged:

January 28, 2020  
DATE

BOARD OF PUBLIC UTILITIES

Mailed to Parties:

DATE  
mm

OFFICE OF ADMINISTRATIVE LAW