



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF PUBLIC SERVICE ELECTRIC)	DECISION AND ORDER
AND GAS COMPANY'S 2022/2023 ANNUAL BGSS)	APPROVING INITIAL DECISION AND
COMMODITY CHARGE FILING FOR ITS)	STIPULATION FOR FINAL RATES
RESIDENTIAL GAS CUSTOMERS UNDER ITS)	
PERIODIC PRICING MECHANISM AND FOR)	BPU DOCKET NO. GR22060363
CHANGES IN ITS BALANCING CHARGE)	OAL DOCKET NO. PUC 08468-22

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Matthew M. Weismann, Esq., on behalf of Public Service Electric and Gas Company

BY THE BOARD:

On June 1, 2022, Public Service Electric and Gas Company ("PSE&G" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking approval to increase its Basic Gas Supply Service Residential Gas Service ("BGSS-RSG") rate and its Balancing Charge rate ("Petition"). By this Order, the Board considers an Initial Decision executed by Administrative Law Judge ("ALJ") Irene Jones and a stipulation of settlement ("Stipulation") executed by PSE&G, Board Staff ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") requesting that the Board approve changes to the BGSS-RSG and Balancing Charge rates on a final basis.

BACKGROUND/PROCEDURAL HISTORY

By Order dated January 6, 2003, the Board directed each of New Jersey's four (4) gas distribution companies ("GDCs") to file annually with the Board, by June 1, their Basic Gas Supply Service ("BGSS") gas cost filing for the BGSS year beginning October 1 of that year.¹ The January 2003 BGSS Order additionally authorized each GDC to self-implement, with one (1) month advance notice to the Board and Rate Counsel, up to a five percent (5%) BGSS rate increase effective December 1 of the year of filing. The January 2003 BGSS Order further authorized each GDC to implement a second five percent (5%) increase, effective February 1 of the following year, with

¹ 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").

one (1) month of advance notice to the Board and Rate Counsel. Finally, the 2003 BGSS Order authorized each GDC to decrease its BGSS rate at any time upon five (5) days' notice to the Board and Rate Counsel.

PETITION

On June 1, 2022, pursuant to the January 2003 BGSS Order, PSE&G filed the Petition requesting Board authority to increase the Company's current per therm BGSS-RSG rate from \$0.410132 to \$0.651838 effective October 1, 2022.² According to PSE&G, an increase in BGSS revenue of approximately \$339 million, excluding losses and SUT, for the period October 1, 2022 through September 30, 2023 was required because, with the rates currently in effect, the Company expected the residential gas service ("RSG") customer class to be under-recovered by approximately \$42.6 million by September 30, 2022.

PSE&G requested authority to increase its BGSS-RSG rate because the natural gas market underwent significant changes that resulted in substantially higher commodity gas costs related to market pricing compared to the previous year. Additionally, the Company noted that it required the proposed rate increase due, in part, to rate increases at PSE&G's two (2) largest pipeline suppliers: Texas Eastern Transmission ("TETCo") and Eastern Gas Transmission and Storage ("EGTS"). TETCo's most recent rate case increased PSE&G's TETCo rates by approximately 53%, or \$56 million, effective February 1, 2022; EGTS's most recent rate case increased PSE&G's EGTS rates by approximately 66%, or \$26 million, effective April 1, 2022. PSE&G noted that it sought reductions to these cost impacts through litigation and settlement proceedings, and built an estimated \$38 million in resulting settlement refunds anticipated in late 2022 or early 2023, into the Petition.

In the Petition, the Company also requested authority to increase its per therm Balancing Charge rate from \$0.093477 to \$0.100691. The requested Balancing Charge rate reflected a projected increase in the costs of interstate pipeline transportation services that make up PSE&G's gas supply portfolio. Three (3) factors contribute to the projected increase: 1) the TETCo and EGTS rate cases; 2) anticipated peaking cost increases; and 3) a projected increase to the carrying charge component of the Company's Balancing Charge due to the Company's storage costs increasing from significant increases in gas prices.

Following publication of notices in newspapers of general circulation in the Company's service territory, public hearings were conducted on August 31, 2022 at 4:30 pm and 5:30 pm.³ Multiple members of the public attended the public hearings and provided statements expressing opposition to any rate increases proposed by PSE&G. Additionally, commenters raised concerns regarding utility shutoffs and the recently lifted moratorium on shutoffs. No members of the public filed written comments with the Board.

By Order dated September 7, 2022, the Board approved a stipulation for provisional rates executed by the Parties.⁴ The Board authorized PSE&G to implement a per therm BGSS-RSG rate of \$0.651838 and a per therm Balancing Charge of \$0.100691 effective for services rendered

² All rates quoted herein include losses, and Sales and Use Tax ("SUT"), unless otherwise indicated.

³ Due to the COVID-19 pandemic, public hearings were held virtually.

⁴ In re Public Service Electric and Gas Company's 2022/2023 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. GR22060363, Order Dated September 7, 2022 ("September 2022 Order").

on and after October 1, 2022 on a provisional basis, subject to refund. As a result of the September 2022 Order, a typical residential customer using 172 therms per month during the winter months and 1,040 therms on an annual basis would see an increase in their annual bill of \$256.38, or approximately 24.48%.

The Board subsequently transferred this matter to the Office of Administrative Law as a contested case on September 21, 2022. The case was assigned to ALJ Irene Jones.

By Order dated November 9, 2022, the Board approved a decrease in the Company's BGSS-RSG rate associated with approval of new rates from the next phase of the Company's Gas System Modernization Program cost recovery filing.⁵ Pursuant to that approval, the Company reduced its BGSS-RSG rate from \$0.651838 per therm to \$0.651764 per therm, effective December 1, 2022.⁶

On January 24, 2023, PSE&G filed a notice with the Board indicating it would lower its BGSS-RSG rate by \$0.15 per therm, from \$0.651764 to \$0.501764, effective February 1, 2023. As a result, a typical residential gas heating customer using a total of 1,040 therms annually would see a reduction of \$156.00 or 11.49% on an annual basis.

On February 22, 2023, PSE&G filed a second notice with the Board indicating it would lower its BGSS-RSG rate from \$0.501764 per therm to \$0.471764 per therm effective March 1, 2023. As a result, a typical residential gas heating customer using a total of 1,040 therms annually would see a reduction of \$31.20 or 2.60% on an annual basis.

STIPULATION

Following a review of the Petition, discovery, and both notices of rate reduction, the Parties executed the Stipulation, which provides, in part, the following:⁷

1. The Company's BGSS Commodity Service, tariff rate BGSS-RSG of \$0.651838 per therm, which was in effect on a provisional basis from October 1, 2022 through November 30, 2022, shall be deemed final for that period.
2. The Company's BGSS Commodity Service, tariff rate BGSS-RSG of 0.651764 per therm, which was in effect on a provisional basis from December 1, 2022 through January 31, 2023, shall be deemed final for that period.
3. The Company's BGSS Commodity Service, tariff rate BGSS-RSG of \$0.501764 per therm, which was in effect on a provisional basis from February 1, 2023 through February 28, 2023, shall be deemed final for that period.

⁵ 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") (June 2022 GSMP II Rate Filing), BPU Docket No. GR22060409, Order dated November 9, 2022.

⁶ Id. at Attachment 1.

⁷ 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. Paragraphs are numbered to coincide with the Stipulation.

4. The Company's BGSS Commodity Service, tariff rate BGSS-RSG of \$0.471764 per therm, which has been in effect on a provisional basis since March 1, 2023, will remain in effect at this time and shall be deemed final.
5. The Stipulation reflects actual costs and balances as of September 30, 2022, and actual costs from October 1, 2022 forward will be subject to review in the Company's next BGSS proceeding.
6. The Company's Balancing Charge of \$0.100691 per balancing use therm, which has been in effect since October 1, 2022, will remain in effect at this time and shall be deemed final.
7. As a result of the Stipulation, there is no further bill impact on residential customers.
8. Attached as Exhibit A of the Stipulation are the Company's tariff sheets that reflect the current BGSS-RSG Commodity Charge and Balancing Charge effective upon Board approval of the Stipulation.
9. The January 2003 BGSS Order granted approval to increase the BGSS-RSG Commodity Charge to be effective December 1 of the year of the annual BGSS filing, and/or February 1 of the year following the annual BGSS filing, on a self-implementing basis, with each such increase being subject to a maximum rate increase of five percent (5%) of the average rate based upon a typical 100 therms per month average (1,200 therms annual usage) residential customer's total bill. Such rate increases shall be preconditioned upon written notice by PSE&G to Staff and Rate Counsel no later than November 1 and/or January 1 of its intention to apply a December 1 or a February 1 self-implementing rate increase, respectively, and of the approximate amount of the increases based upon then-current market data. The Company may decrease its BGSS-RSG Commodity Charge at any time, upon five (5) days' notice to the Board and Rate Counsel. Pursuant to the January 2003 Order, any self-implementing increases or decreases would be provisional, and subject to reconciliation during the Company's next annual BGSS filing.
10. 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 SPS CHART-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 in Exhibit B of the Stipulation is to be completed using information from the first Friday of the month and submitted to the Parties the following Tuesday. The Company shall submit the chart reflected in Exhibit C of the Stipulation to the Parties on or before the 15th of the following month.
11. 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, as modified by the Stipulation and Board Order dated April 25, 2018. The future filings shall include an index of the MFRs and shall include the MFRs as

attachments.^{8 9} Attached to the Stipulation as Exhibit D is a list of the MFRs, as modified by the April 2018 Order.

On March 16, 2023, 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 the law.

DISCUSSION AND FINDINGS

The Board carefully reviewed the record in this proceeding, including the Petition, ALJ Jones' Initial Decision, both rate reduction notices, and the attached Stipulation. As such, 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. The Board **FURTHER 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 APPROVES**, on a final basis, a balancing charge rate of \$0.100691 and a per therm BGSS-RSG rate of \$0.471764. Any net over-recovered BGSS-RSG or Balancing Charge balance at the end of the BGSS period shall be subject to refund with interest.

Based upon the Stipulation, a typical residential heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis would see no further impact on their monthly bill.

The Board **HEREBY DIRECTS** PSE&G to file revised tariff sheets consistent with the Board's Order by April 30, 2023.

The Company's costs, including those related to the BGSS-RSG and Balancing Charges, will 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.

⁸ In re Public Service Electric and Gas Company's Proposal for an Increase in its Residential BGSS Commodity Charges (Formerly LGAC) and for Changes in the Gas Tariff Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1, BPU Docket No. GR02090702, Order dated June 20, 2003.

⁹ In re Public Service Electric and Gas Company's 2017/2018 Annual BGSS Commodity Charge Filing for its Residential Gas Customers Under its Periodic Pricing Mechanism, BPU Docket No. GR17060589, Order dated April 25, 2018 ("April 2018 Order").

The effective date of this Order is April 19, 2023.

DATED: April 12, 2023

BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER

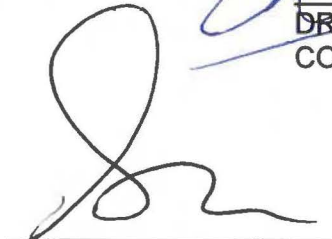


DIANNE SOLOMON
COMMISSIONER



DR. ZENON CHRISTODOULOU
COMMISSIONER

ATTEST:



SHERRI L. GOLDEN
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 PUBLIC SERVICE ELECTRIC AND GAS COMPANY'S 2022/2023 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. GR22060363
 OAL DOCKET NO. PUC 08468-22

SERVICE LIST

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State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

SETTLEMENT

OAL DKT. NO. PUC 08468-22

AGENCY DKT. NO. GR22060363

**I/M/O PUBLIC SERVICE ELECTRIC AND GAS
COMPANY'S 2022-2023 ANNUAL BGSS
COMMODITY CHARGE FILING FOR ITS
RESIDENTIAL GAS CUSTOMERS UNDER ITS
PERIODIC PRICING MECHANISM AND FOR
CHANGES IN ITS BALANCING CHARGE.**

Matthew Weissman, Esq., Managing Counsel, State Regulatory, for petitioner, Public Service Electric and Gas Company

Maura Caroselli, Esq. Managing Attorney -Gas and **Sarah H. Steindel**, Esq., and **Megan Lupo**, Assistant Deputy Ratepayer Counsels, for the New Jersey Division of Rate Counsel (**Brian O. Lipman**, Director)

Matko Ilic, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (Matthew J. Platkin, Attorney General of New Jersey, attorney)

Record Closed: March 14, 2023

Decided: March 16, 2023

BEFORE **IRENE JONES**, ALJ (ret. on recall):

:

On June 1, 2022, petitioner, Public Service Electric and Gas Company (“PSE&G” or “Company”) filed a petition with the Board of Public Utilities (“BPU”) seeking an approval to increase its annual gas revenues from its Basic Gas Supply Service (“BGSS”) Commodity Charge and to increase its Balancing Charge. Petitioner proposed to 1) increase the per therm BGSS Commodity Charge to residential customers from \$0.410132 to \$0.651838; 2) increase its Balancing Charge, which recovers the cost of providing storage and peaking services, from \$0.093477 per balancing use therm to \$0.100691 per balancing use therm; and 3) modification of its tariff for Gas Services, pursuant to N.J.S.A. 48:2-21 and 48:2-21.1, as set forth in the Company's filing.

The proposed changes, if approved, would increase a customer's annual bill by \$150.38, or 22.89% to a typical residential gas heating customer using 100 therms per month during the winter season, and 610 therms on an annual basis. A residential customer using 172 therms per month during the winter months would see an annual increase of approximately \$256.38, or 24.48%, and 1,040 therms annually, effective 1, 2022.

On August 31, 2022, virtual public hearings were held at 4:30 p.m. and 5:30 p.m. wherein members of the public were given an opportunity to speak. Subsequently, the parties met and agreed to an interim provisional increase. Specifically, the parties agreed to a provisional increase, subject to refund, the BGSS-RSG Commodity Charge for the 2022-2023 BGSS year and the Balancing Charge, as set forth in the Stipulation of Settlement. By order dated September 7, 2022, the Board approved the Stipulation of Settlement for the provisional BGSS rate increase. (See Stipulation of Settlement at page 2).

On September 21, 2022, 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. Telephone prehearing conferences were held on October 26, 2022, and December 15, 2022.

On November 9, 2022, January 24 and February 22, 2023, petitioner filed additional notices with the BPU that further reduced its BGSS-RSG Commodity Charge. The details

OAL DKT. NO. PUC 08468-22

and associated rate impact are set forth in the Stipulation of Settlement which is attached hereto.

On March 14, 2023, 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.



March 16, 2023
DATE

IRENE JONES, ALJ (ret. on recall):

Date Received at Agency:

Date Mailed to Parties:

id

Matthew M. Weissman
Managing Counsel - State Regulatory

Law Department
PSEG Services Corporation
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VIA ELECTRONIC MAIL

March 14, 2023

In the Matter of Public Service Electric and Gas Company's 2022/2023
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. GR22060363
OAL DOCKET NO. PUC 08468-22

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 ("Company"), please find an electronic copy of the Company's fully-executed Stipulation for Final BGSS Rates in the captioned matter.

Consistent with the Order issued by the Board in connection with *In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations*, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being electronically filed with the Secretary of the Board and the New Jersey Division of Rate Counsel. No paper copies will follow.

Very truly yours,

A handwritten signature in blue ink that reads "Matthew Weissman".

Matthew M. Weissman

Encl.

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)	
2022/2023 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. GR22060363
ITS BALANCING CHARGE)	OAL DOCKET NO. PUC 08468-22

APPEARANCES:

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

Maura Caroselli, Esq., Managing Attorney – Gas, **Sarah H. Steindel**, Esq., Assistant Deputy Rate Counsel and **Megan Lupo**, Esq, Assistant Deputy Rate Counsel, for the New Jersey Division of Rate Counsel (**Brian O. Lipman**, Director)

Matko Ilic, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Matthew J. Platkin**, Attorney General of New Jersey)

On June 1, 2022, PSE&G filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) in the above-referenced matter requesting approval to increase the current Board-approved Basic Gas Supply Service (“BGSS”) rate through September 30, 2023, and to increase its Balancing Charge (“2022 Petition”). Specifically, the Company requested authority to: 1) increase the per-therm BGSS Commodity Charge to Residential Service Customers (“BGSS-RSG”) from \$0.410132 to \$0.651838; 2) increase its Balancing Charge, which recovers the cost of providing storage and peaking services, from \$0.093477 per balancing use therm to \$0.100691 per balancing use therm; and 3) modify its Tariff for Gas Service, B.P.U.N.J. No. 16 Gas, pursuant to N.J.S.A. 48:2-21 and 48:2-21.1, as set forth in Attachment B to the Company’s filing.¹

The Company noted, in the 2022 Petition, that the proposed changes’ annual bill impact is an approximately \$150.38, or 22.89%, increase to a typical residential gas heating customer using

¹ All rates quoted herein include losses and sales and use tax (“SUT”) unless otherwise stated.

100 therms per month during the winter months, and 610 therms on an annual basis. Additionally, the Company predicts an annual bill impact of an approximately \$256.38, or 24.48%, increase to a typical residential gas heating customer using 172 therms per month during the winter months, and 1,040 therms annually, based upon rates effective June 1, 2022.

Notice of public hearings regarding the Company's request to increase the current BGSS Commodity Charge and Balancing Charge, including the date, times, and telephonic/virtual access numbers, was placed in newspapers having a circulation within the Company's gas service territory and served on the county executives and clerks of all municipalities within PSE&G's gas service territory.²

Public hearings were conducted virtually on August 31, 2022, at 4:30 p.m. and 5:30 p.m. No members of the public appeared or spoke at the 4:30 p.m. public hearing. Four (4) members of the public attended the 5:30 p.m. public hearing and spoke in opposition to the proposed rate increase. The Board did not receive any written comments related to the 2022 Petition.

PSE&G, Board Staff, and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") determined that additional time was needed to complete review of the Company's proposed BGSS-RSG Commodity Charge and Balancing Charge. However, in a Stipulation for Provisional BGSS Rates dated September 2, 2022 ("September 2022 Stipulation"), the Parties agreed that action with respect to the Company's BGSS-RSG Commodity Charge for the 2022-2023 BGSS year and Balancing Charge, on a provisional basis, was reasonable at that time, and agreed that, 1) the Company's BGSS Commodity Service, tariff rate BGSS-RSG, shall provisionally be increased to \$0.651838 per therm through September 30, 2023, subject to refund, with interest on any net over-recovered BGSS-RSG balance; and 2) the Company's Balancing Charge shall be increased on a

² Due to the COVID-19 pandemic, public hearings were held virtually.

provisional basis to \$0.100691 per balancing therm, subject to refund with interest on any net over- or under-recovered balance. By Order dated September 7, 2022, the Board approved the September 2022 Stipulation for provisional BGSS rates.³

On September 21, 2022, 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 telephonic prehearing conferences on October 26, 2022 and December 15, 2022.

By Order dated November 9, 2022, the Board approved a decrease to the Company’s BGSS-RSG rate associated with approval of new rates from a cost recovery filing for the next phase of the Company’s Gas System Modernization Program and Associated Cost Recovery Mechanism.⁴ Pursuant to that approval, the BGSS-RSG Commodity Charge was decreased, from \$0.651838 per therm to \$0.651764 per therm effective December 1, 2022.

On January 24, 2023, the Company filed a notice (“January 2023 Notice”) of a BGSS-RSG rate reduction of 15 cents per therm effective February 1, 2023, consistent with the Board’s January 6, 2003 Order Approving BGSS Price Structure and the BGSS Pricing Proposal appended as Attachment A to, and approved in, the Price Structure Order.⁵ This rate reduction decreased the BGSS-RSG Commodity Charge from the rate of \$0.651764 per therm to \$0.501764 per therm. As a result of the January 2023 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 a decrease of \$156.00 or 11.49% on an annual basis.

³ In re the Petition of Public Service Electric and Gas Company’s 2022/2023 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. GR22060363, Order dated September 7, 2022.

⁴ 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”) (June 2022 GSMP II Rate Filing), BPU Docket No. GR22060409, Order dated November 9, 2022.

⁵ In re the Provision of Basic Gas Supply Service Pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49 et seq., BPU Docket No. GX01050304, Order dated January 6, 2003 (“Price Structure Order”).

On February 22, 2023, the Company filed a notice (“February 2023 Notice”) of a BGSS-RSG rate reduction of three (3) cents per therm effective March 1, 2023, consistent with the Price Structure Order. This rate reduction decreased the BGSS-RSG Commodity Charge from the rate of \$0.501764 per therm to \$0.471764 per therm. As a result of the February 2023 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 a decrease of \$31.20 or 2.60% on an annual basis.

STIPULATION

After review of the Petition, responses to discovery, and settlement discussions, the Parties **HEREBY STIPULATE AND AGREE** as follows:

1. The Company’s BGSS Commodity Service, tariff rate BGSS-RSG of \$0.651838 per therm, which was in effect on a provisional basis from October 1, 2022 through November 30, 2022, shall be deemed final for that period.
2. The Company’s BGSS Commodity Service, tariff rate BGSS-RSG of 0.651764 per therm, which was in effect on a provisional basis from December 1, 2022 through January 31, 2023, shall be deemed final for that period.
3. The Company’s BGSS Commodity Service, tariff rate BGSS-RSG of \$0.501764 per therm, which was in effect on a provisional basis from February 1, 2023 through February 28, 2023, shall be deemed final for that period.
4. The Company’s BGSS Commodity Service, tariff rate BGSS-RSG of \$0.471764 per therm, which has been in effect on a provisional basis since March 1, 2023, will remain in effect at this time and shall be deemed final.
5. This stipulation of settlement (“Stipulation”) reflects actual costs and balances as of September 30, 2022, and actual costs from October 1, 2022 forward will be subject to review in the Company’s next BGSS proceeding.

6. The Company's Balancing Charge of \$0.100691 per balancing use therm, which has been in effect since October 1, 2022, will remain in effect at this time and shall be deemed final.

7. As a result of this Stipulation, there is no further bill impact on residential customers.

8. 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 upon Board approval of this Stipulation.

9. The January 2003 BGSS Order granted approval to increase the BGSS-RSG Commodity Charge to be effective December 1 of the year of the annual BGSS filing, and/or February 1 of the year following the annual BGSS filing, on a self-implementing basis, with each such increase being subject to a maximum rate increase of five percent (5%) of the average rate based upon a typical 100 therms per month average (1,200 therms annual usage) residential customer's total bill. Such rate increases shall be preconditioned upon written notice by PSE&G to BPU Staff and Rate Counsel no later than November 1 and/or January 1 of its intention to apply a December 1 or a February 1 self-implementing rate increase, respectively, and of the approximate amount of the increases based upon then-current market data. The Company may decrease its BGSS-RSG Commodity Charge at any time, upon five (5) days' notice to the Board and Rate Counsel. Pursuant to the January 2003 Order, any self-implementing increases or decreases would be provisional, and subject to reconciliation during the Company's next annual BGSS filing.

10. 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 SPS CHART-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 in Exhibit B is to be completed using information from the first Friday

of the month and submitted to the Parties the following Tuesday. The Company shall submit the chart reflected in Exhibit C to the Parties on or before the 15th of the following month.

11. 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, as modified by the Stipulation and Board Order dated April 25, 2018.^{6 7} 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 by the April 2018 Order.

12. The undersigned agree that this Stipulation for a Final BGSS-RSG Commodity Charge and Balancing Charge contains mutually balancing and interdependent provisions and is intended to be accepted and approved in its entirety. If 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 immediately prior to execution.

13. 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.

14. The undersigned Parties further HEREBY AGREE that this Stipulation for a Final BGSS-RSG Commodity Charge and Balancing Charge has been made exclusively for the purpose of this proceeding and that this Stipulation, in total or by specific item, is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.

⁶ In re Public Service Electric and Gas Company's Proposal for an Increase in its Residential BGSS Commodity Charges (Formerly LGAC) and for Changes in the Gas Tariff Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1, BPU Docket No. GR02090702, Order dated June 20, 2003.

⁷ In re Public Service Electric and Gas Company's 2017/2018 Annual BGSS Commodity Charge Filing for its Residential Gas Customers Under its Periodic Pricing Mechanism, BPU Docket No. GR17060589, Order dated April 25, 2018 ("April 2018 Order").

PUBLIC SERVICE ELECTRIC AND
GAS COMPANY

BRIAN O. LIPMAN
DIRECTOR,
DIVISION OF RATE COUNSEL

BY: *Matthew Weissman*
Matthew M. Weissman
Managing Counsel, State Regulatory

BY */s/ Sarah H. Steindel*
Sarah H. Steindel
Assistant Deputy Rate Counsel

DATED: March 10, 2023

DATED: March 10, 2023

MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

BY: *Matko Ilic*
Matko Ilic
Deputy Attorney General

DATED: March 10, 2023

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

Twentieth Revised Sheet No. 54

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

**Superseding
Nineteenth 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	\$ 0.066353
Estimated Gulf Coast Cost of Gas	0.339720
Adjustment to Gulf Coast Cost of Gas	0.000000
Prior period (over) or under recovery	<u>0.027530</u>
Adjusted Cost of Gas	0.433603
Commodity Charge after application of losses: (Loss Factor = 2.0%).....	\$ 0.442452
Commodity Charge including New Jersey Sales and Use Tax (SUT)	<u>\$ 0.471764</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)
February 1, 2020 through March 31, 2020	(\$0.070340)	(\$0.075000)
April 1, 2020	\$0.000000	\$0.000000

Date of Issue: February 22, 2023

Effective: March 1, 2023

Issued by SCOTT S. JENNINGS, SVP – Finance, Planning & Strategy – PSE&G

80 Park Plaza, Newark, New Jersey 07102

Filed pursuant to Orders of Board of Public Utilities dated January 6, 2003 and September 7, 2022
in Docket Nos. GX01050304 and GR22060363

INFRASTRUCTURE IMPROVEMENT PROGRAM CHARGES

<u>Rate Schedule</u>		<u>Base Distribution Charges Including SUT*</u>	<u>Energy Strong II Charges</u>	<u>Energy Strong II Charges Including SUT</u>	<u>Total Charges Including SUT</u>
<u>RSG</u>					
Service Charge	per Month	\$8.62	\$0.00	\$0.00	\$8.62
Distribution Charges	per therm	0.457906	0.000441	0.000470	0.458377
Balancing Charge	per Balancing therm	0.100691	0.000000	0.000000	0.100691
Off-Peak Use	per therm	0.228953	0.000220	0.000235	0.229188
<u>GSG</u>					
Service Charge	per Month	19.79	0.02	0.02	19.81
Distribution Charge - Pre July 14, 1997	per therm	0.345645	0.000242	0.000258	0.345903
Distribution Charge - All Others	per therm	0.345645	0.000242	0.000258	0.345903
Balancing Charge	per Balancing therm	0.100691	0.000000	0.000000	0.100691
Off-Peak Use Dist Charge - Pre July 14, 1997	per therm	0.172823	0.000121	0.000129	0.172952
Off-Peak Use Dist Charge - All Others	per therm	0.172823	0.000121	0.000129	0.172952
<u>LVG</u>					
Service Charge	per Month	175.71	0.20	0.21	175.92
Demand Charge	per Demand therm	4.6073	0.0031	0.0033	4.6106
Distribution Charge 0-1,000 pre July 14, 1997	per therm	0.037371	(0.000099)	(0.000106)	0.037265
Distribution Charge over 1,000 pre July 14, 1997	per therm	0.052077	0.000068	0.000073	0.052149
Distribution Charge 0-1,000 post July 14, 1997	per therm	0.037371	(0.000099)	(0.000106)	0.037265
Distribution Charge over 1,000 post July 14, 1997	per therm	0.052077	0.000068	0.000073	0.052149
Balancing Charge	per Balancing therm	0.100691	0.000000	0.000000	0.100691
<u>SLG</u>					
Single-Mantle Lamp	per Unit per Month	14.1119	0.0000	0.0000	14.1119
Double-Mantle Lamp, inverted	per Unit per Month	14.1119	0.0000	0.0000	14.1119
Double Mantle Lamp, upright	per Unit per Month	14.1119	0.0000	0.0000	14.1119
Triple-Mantle Lamp, prior to January 1, 1993	per Unit per Month	14.1119	0.0000	0.0000	14.1119
Triple-Mantle Lamp, on and after January 1, 1993	per Unit per Month	71.9465	0.0000	0.0000	71.9465
Distribution Therm Charge	per therm	0.056309	0.000007	0.000007	0.056316

*Base Distribution Charges include GSMP II changes pursuant to Docket Nos. GR21121256 & GR22060409.

Date of Issue: November 29, 2022

Effective: December 1, 2022

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 9, 2022
in Docket No. GR22060409

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

Fourth Revised Sheet No. 61

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

Superseding
Third Revised Sheet No. 61

**INFRASTRUCTURE IMPROVEMENT PROGRAM CHARGES
(Continued)**

<u>Rate Schedule</u>		<u>Base Distribution Charges Including SUT*</u>	<u>Energy Strong II Charges</u>	<u>Energy Strong II Charges Including SUT</u>	<u>Total Charges Including SUT</u>
TSG-F					
Service Charge	per Month	\$941.05	\$1.06	\$1.13	\$942.18
Demand Charge	per Demand therm	2.3222	0.0007	0.0007	2.3229
Distribution Charges	per therm	0.088763	0.000027	0.000029	0.088792
TSG-NF					
Service Charge	per Month	941.05	1.06	1.13	942.18
Distribution Charge 0-50,000	per therm	0.103754	0.000077	0.000082	0.103836
Distribution Charge over 50,000	per therm	0.103754	0.000077	0.000082	0.103836
CIG					
Service Charge	per Month	209.17	0.16	0.17	209.34
Distribution Charge 0-600,000	per therm	0.093477	0.000073	0.000078	0.093555
Distribution Charge over 600,000	per therm	0.082815	0.000073	0.000078	0.082892
BGSS-RSG					
Commodity Charge including Losses	per therm	0.471767	(0.000003)	(0.000003)	0.471764
CSG					
Service Charge	per Month	941.05	1.06	1.13	942.18
Distribution Charge - Non-Firm	per therm	0.103754	0.000077	0.000082	0.103836

*Base Distribution Charges include GSMPII changes pursuant to Docket Nos. GR21121256 & GR22060409.

INFRASTRUCTURE IMPROVEMENT PROGRAM CHARGE

These charges are designed to recover the revenue requirements associated with the Company's Infrastructure Improvement Programs (IIPs) in accordance with the New Jersey Board of Public Utilities' rules on IIPs, N.J.A.C. 14:3-2A.

For detail concerning individual rate class base distribution charges, see individual rate class tariff sheets.

Date of Issue: February 22, 2023

Effective: March 1, 2023

Issued by SCOTT S. JENNINGS, SVP – Finance, Planning & Strategy – PSE&G

80 Park Plaza, Newark, New Jersey 07102

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in Docket Nos. GR22060363 and GR22060409

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

Sixteenth Revised Sheet No. 65

Superseding

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

Fifteenth Revised Sheet No. 65

**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:

	Charge	
<u>Charge</u>	<u>Including SUT</u>	
\$0.429896	\$0.458377	per therm

Balancing Charge:

	Charge	
<u>Charge</u>	<u>Including SUT</u>	
\$0.094435	\$0.100691	per Balancing Use Therm

Distribution charges include Infrastructure Improvement Program Charges (IIP). Refer to Tariff Sheet 60 for details of these charges.

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.

Date of Issue: November 29, 2022

Effective: December 1, 2022

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 9, 2022
in Docket No. GR22060409

**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:

\$18.58 in each month [\$19.81 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>	
\$0.324411	\$0.345903	\$0.324411	\$0.345903	per therm

* Applicable to customers who have taken TPS supplied commodity service continuously since July 14, 1997.

Distribution charges include Infrastructure Improvement Program Charges (IIP). Refer to Tariff Sheet 60 for details of these charges.

Balancing Charge:

<u>Charge</u>	<u>Charge Including SUT</u>	
\$0.094435	\$0.100691	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

Fifteenth Revised Sheet No. 79

Superseding

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

Fourteenth 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:

\$164.99 in each month [\$175.92 including New Jersey Sales and Use Tax (SUT)].

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

<u>Charge</u>	<u>Charge</u> <u>Including SUT</u>	
\$4.3241	\$4.6106	per Demand Therm

Distribution Charges:

Per therm for the first 1,000 therms <u>used in each month</u>		Per therm in excess of 1,000 therms <u>used in each month</u>	
<u>Charges</u>	<u>Charges</u> <u>Including SUT</u>	<u>Charges</u>	<u>Charges</u> <u>Including SUT</u>
\$0.034950	\$0.037265	\$0.048909	\$0.052149

Distribution charges include Infrastructure Improvement Program Charges (IIP). Refer to Tariff Sheet 60 for details of these charges.

Balancing Charge:

<u>Charge</u>	<u>Charge</u> <u>Including SUT</u>	
\$0.094435	\$0.100691	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.

Date of Issue: November 29, 2022

Effective: December 1, 2022

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 9, 2022
in Docket No. GR22060409

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

Fifteenth Revised Sheet No. 112A

Superseding

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

Fourteenth Revised Sheet No. 112A

RATE SCHEDULE CSG

CONTRACT SERVICE

(Continued)

ECONOMICALLY VIABLE BYPASS

DELIVERY CHARGES:

Service Charge:

\$883.64 in each month [\$942.18 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.

Distribution charges include Infrastructure Improvement Program Charges (IIP). Refer to Tariff Sheet 61 for details of these charges.

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>	
\$0.094435	Including SUT	
	\$0.100691	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 29, 2022

Effective: December 1, 2022

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 9, 2022
in Docket No. GR22060409

S-PSCHART-1 – RESTATED FOR PURCHASES NOT SENDOUT
BGSS NYMEX Update Report
as of February 6, 2023

<u>Month</u>	<u>a</u> <u>BGSS</u>	<u>b</u> <u>NYMEX</u>	<u>c = b - a</u> <u>Incr/</u> <u>(Decr)</u>	<u>% Chg</u>	<u>d</u> <u>Sales</u> <u>forecast (dths)</u>	<u>e</u> <u>Receipts</u> <u>(dths)</u>	<u>f</u> <u>Hedged</u> <u>volume (dths)</u>	<u>g = e-f</u> <u>Unhedged</u> <u>volume (dths)</u>	<u>h = c x g</u> <u>Change in</u> <u>value unhedged</u>
Oct-21	\$2.990	\$5.841	\$2.851		4,903	11,731	4,587	7,144	\$20,368
Nov-21	\$3.052	\$6.202	\$3.150		16,861	15,346	5,974	9,371	\$29,520
Dec-21	\$3.180	\$5.447	\$2.267		20,103	13,257	5,921	7,336	\$16,630
Jan-22	\$3.263	\$4.024	\$0.761		31,558	17,616	5,921	11,694	\$8,900
Feb-22	\$3.192	\$6.265	\$3.073		23,368	11,658	5,348	6,310	\$19,390
Mar-22	\$2.993	\$4.568	\$1.575		17,538	8,145	5,921	2,224	\$3,502
Apr-22	\$2.604	\$5.336	\$2.732		11,285	11,787	3,959	7,828	\$21,386
May-22	\$2.548	\$7.267	\$4.719		5,287	13,252	4,091	9,161	\$43,230
Jun-22	\$2.577	\$8.908	\$6.331		3,547	10,815	3,959	6,856	\$43,403
Jul-22	\$7.467	\$6.551	(\$0.916)		2,619	9,894	4,091	5,803	(\$5,315)
Aug-22	\$7.446	\$8.687	\$1.241		2,724	8,285	4,091	4,194	\$5,205
Sep-22	\$7.400	\$9.353	\$1.953		3,417	11,060	3,959	7,100	\$13,867
Avg Total \$	\$4.059	\$6.537	\$2.478	61.0%	143,210	142,846	57,824	85,021	\$220,086
Oct-22	\$7.391	\$6.868	(\$0.523)		8,167	16,090	4,091	11,998	(\$6,275)
Nov-22	\$7.457	\$5.186	(\$2.271)		14,804	13,364	5,033	8,330	(\$18,918)
Dec-22	\$7.571	\$6.712	(\$0.859)		25,423	18,128	5,201	12,927	(\$11,104)
Jan-23	\$7.663	\$4.709	(\$2.954)		21,943	11,171	5,201	5,970	(\$17,635)
Feb-23	\$7.342	\$3.109	(\$4.233)		25,102	12,793	4,698	8,095	(\$34,266)
Mar-23	\$6.302	\$2.410	(\$3.892)		20,526	13,059	5,201	7,858	(\$30,581)
Apr-23	\$4.659	\$2.480	(\$2.179)		11,179	11,130	3,143	7,987	(\$17,404)
May-23	\$4.496	\$2.625	(\$1.871)		6,400	10,037	3,248	6,789	(\$12,702)
Jun-23	\$4.539	\$2.829	(\$1.710)		3,591	11,536	3,143	8,393	(\$14,352)
Jul-23	\$4.581	\$3.041	(\$1.540)		2,966	9,717	3,248	6,469	(\$9,962)
Aug-23	\$4.574	\$3.093	(\$1.481)		2,661	8,136	3,248	4,888	(\$7,239)
Sep-23	\$4.550	\$3.056	(\$1.494)		3,089	9,984	3,143	6,842	(\$10,221)
Avg Total \$	\$5.927	\$3.843	(\$2.084)	-35.2%	145,851	145,143	48,597	96,546	(\$190,661)

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

December 2022

<u>Contribution Category</u>	<u>Credits</u> <u>(\$ 000)</u>	<u>BGSS-RSG</u> <u>Share of the</u> <u>Volumes</u> <u>(MDth)</u>	<u>Unitized</u> <u>Credits</u> <u>(\$/Dth)</u>
Interruptible Service Gas (ISG)	\$334	106	\$3.160
Cogeneration	\$2,244	380	\$5.910
Transportation Service Gas-Firm (TSG-F)	\$340	181	\$1.875
Off-System Sales	\$32,419	5,102	\$6.354
Capacity Release	\$17,838	8,685	\$2.054
Gas to Electric	\$273	3,663	\$0.074
CSG Non Power	\$651	387	\$1.681
Supplier Refunds	\$8	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.