

Agenda Date: 9/23/20 Agenda Item: 2F

STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY'S 2020/2021 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 STIPULATION FOR PROVISIONAL RATES

DOCKET NO. GR20060379

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:

On June 1, 2020, 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 modify its Basic Gas Supply Service ("BGSS") Residential Gas Service ("BGSS-RSG") rate as well as its Balancing Charge ("2020 BGSS Petition"). By this Decision and Order, the Board considers a Stipulation for Provisional Rates ("Stipulation") executed by PSE&G, the New Jersey Division of Rate Counsel ("Rate Counsel") and Board Staff ("Staff") (collectively, the "Parties") requesting that the Board approve changes in the BGSS-RSG Balancing Charge rates on a provisional basis, subject to refund with interest.

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 its annual BGSS gas cost filing for the BGSS year beginning October 1.¹ In addition, the January 2003 BGSS Order authorized each GDC to self-implement up to a five (5) percent 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.

¹ In re the Provision of Basic Gas Supply Service Pursuant to the Electric Discount and Energy Act N.J.S.A. <u>48:3-49 et seq. – BGSS Pricing</u>, BPU Docket No. GX01050304, Order dated January 6, 2003 ("January 2003 BGSS Order").

2020 BGSS PETITION

On June 1, 2020, the Company filed the 2020 BGSS Petition seeking approval to maintain its current BGSS-RSG rate per therm of \$0.320127 effective October 1, 2020.² According to PSE&G, an increase in BGSS revenue of approximately \$31 million, excluding losses and SUT, would be required for the period October 1, 2020 through September 30, 2021. However, due to the significant volatility in natural gas prices the Company proposed to maintain its rate.

In the 2020 BGSS Petition, PSE&G also sought authority to decrease its Balancing Charge, which recovers the cost of providing storage and peaking services. The Company requested a decrease in the Balancing Charge from \$0.098620 per therm to \$0.085723 per therm.

PSE&G also requested a change in its Storage Inventory Carrying Charge, which is recovered through the Balancing and Commodity Charges, to \$0.003201 per balancing use therm for the balancing portion and \$0.005397 per therm for the commodity portion using the applicable send out for each.

Based upon the 2020 BGSS Petition, the combined impact of the proposed changes on a typical residential heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis is an annual decrease of \$8.92, or approximately 1.02%.

Subsequent to the 2020 BGSS Petition, on July 15, 2020 the Company made a compliance filing in response to the Board's Order in Docket No. GR19120002.³ Accordingly, in the 2020 BGSS Petition, the BGSS-RSG Commodity Charge was decreased from \$0.320127 per them to \$0.320069 per therm effective July 16, 2020.

After publication of notices in newspapers of general circulation in the Company's service territory, telephonic public hearings were conducted on August 31, 2020.⁴ No members of the public attended or filed comments related to the Company's filing.

STIPULATION

Following an initial review of the 2020 BGSS Petition, the Parties determined that additional time was needed to complete a comprehensive review of the June 2020 BGSS Petition. Accordingly, the Parties executed the Stipulation, which provides for the following:⁵

1. The Company's BGSS Commodity Service, tariff rate BGSS-RSG, shall provisionally be maintained at \$0.320069 per therm (including losses and SUT) through September 30, 2021. This BGSS-RSG Commodity Charge is on a provisional basis, subject to refund with interest on any net over-recovered BGSS-RSG balance.

² All rates quoted herein include losses and Sales and Use Tax, unless otherwise stated.

³ In re the Petition of Public Service Electric and Gas Company for Approval the Next Phase of the Gas System Modernization Program and Associated Cost Recovery, BPU Docket No. GR19120002, Order dated July 15, 2020.

⁴ Due to the COVID-19 pandemic, public hearings were held telephonically.

⁵ Although described in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusions in this Order. Paragraphs are numbered to coincide with the Stipulation.

- 2. The Company's Balancing Charge shall be decreased on a provisional basis from the current charge of \$0.098620 per therm (including losses and SUT) to \$0.085723 (including losses and SUT), subject to refund with interest on any net over or under-recovered balance.
- 3. There will be an opportunity for full review of all the changes requested by the Company at the Office of Administrative Law, if applicable and necessary, and final approval by the Board.
- 4. The residential customer impact of this action is 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 \$1.07 or 1.27%, and 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 monthly winter bill of \$1.84 or 1.33%. ANNUAL 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 \$1.84 or 1.33%. ANNUAL 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 annual bill of \$5.24 or 0.94%, and 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 \$8.92 or 1.02%. These calculations are based upon rates in effect on September 1, 2020 and assuming the customer receives BGSS service from PSE&G. The Company requests that the provisional BGSS-RSG rate and Balancing Charge become effective as of October 1, 2020, or as soon as possible upon the issuance of a Board Order approving this Stipulation.
- 5. The Board, in its 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 selfimplementing basis, with each such increase being subject to a maximum rate increase of 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 is permitted to decrease its BGSS-RSG Commodity Charge at any time, upon five (5) days' notice to the Board and Rate Counsel. Pursuant to the Board's January 2003 BGSS Order, any self-implementing increases or decreases would be provisional, and subject to reconciliation during the Company's next annual BGSS filing.
- 6. The Company will provide updated tariff sheets within five (5) business days of the effective date of the Board's Order in this docket reflecting the provisional decreases described above. The proposed tariff sheets are attached as Exhibit A to the Stipulation.

7. The Parties recommend to the Board that this matter be transmitted to the Office of Administrative Law for an opportunity for full review of all issues, including the provisional rates if approved by the Board.

DISCUSSION AND FINDINGS

The Board, having carefully reviewed the record to date in this proceeding, including the 2020 BGSS Petition and the attached Stipulation, <u>HEREBY FINDS</u> the Stipulation to be reasonable, in the public interest, and in accordance with the law. Accordingly, the Board <u>HEREBY ADOPTS</u> the Stipulation, in its entirety, and <u>HEREBY INCORPORATES</u> its terms and conditions as though fully set forth herein, subject to any terms and conditions set forth in this Order.

The Board <u>HEREBY</u> <u>APPROVES</u>, on a provisional basis, subject to refund, the maintenance of PSE&G's per therm BGSS-RSG rate of \$0.320069 and a decrease in the per therm Balancing Charge to \$0.085723. The above changes shall be made effective for services rendered on and after October 1, 2020. 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 <u>HEREBY</u> <u>DIRECTS</u> the Company to file tariff sheets consistent with the Board's Order by October 1, 2020.

Based upon the Stipulation, the combined impact of the proposed changes on a typical residential heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis is an annual decrease of \$8.92, or approximately 1.02%.

The Company's costs, including those related to BGSS and Balancing Charge, 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.

Agenda Date: 9/23/20 Agenda Item: 2F

The effective date of this Order is September 30, 2020.

DATED: September 23, 2020

JØSEPH L. FIORDALISO PRESIDENT

your-Anna Holden

MARY-ANNA HOLDEN COMMISSIONER

UPENDRA J. CHIVUKULA COMMISSIONER

BOARD OF PUBLIC UTILITIES BY:

DIANNE SOLOMON COMMISSIONER

ROBERT M. GORDON COMMISSIONER

ATTEST:

Camacho-Weld 101

AIDA CAMACHO-WELCH SECRETARY

Agenda Date: 9/23/20 Agenda Item: 2F

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY'S 2020/2021 ANNUAL BGSS COMMODITY CHARGE FILING FOR ITS RESIDENTIAL GAS CUSTOMERS UNDER ITS PERIODIC PRICING MECHANISM AND FOR CHANGES IN ITS BALANCING CHARGE DOCKET NO. GR20060379

SERVICE LIST

New Jersey Division of Rate Counsel

140 East Front Street, 4th Floor Post Office Box 003 Trenton, NJ 08625-0003

Stefanie A. Brand, Esq., Director <u>sbrand@rpa.nj.gov</u>

Brian Lipman, Esq., Litigation Manager blipman@rpa.nj.gov

Felicia Thomas-Friel, Esq. <u>fthomas@rpa.nj.gov</u>

Sarah Steindel, Esq. ssteinde@rpa.nj.gov

Department of Law & Public Safety

25 Market Street Post Office Box 112 Trenton, NJ 08625

Matko Ilic, DAG matko.Ilic@law.njoag.gov

Michael Beck, DAG michael.beck@law.njoag.gov

Pamela Owen, DAG Pamela.owen@law.njoag.gov

Daren Eppley, DAG daren.eppley@law.njoag.gov

Board of Public Utilities

44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350

Aida Camacho-Welch, Board Secretary board.secretary@bpu.nj.gov

Division of Energy

Stacy Peterson, Director stacy.peterson@bpu.nj.gov

Oneil Hamilton oneil.hamilton@bpu.nj.gov

<u>Counsel's Office</u> Heather Weisband, Senior Counsel heather.weisband@bpu.nj.gov

Public Service Electric & Gas Company

PSE&G Services Corporation 80 Park Plaza, T-5 P.O Box 570 Newark, NJ 07102

Matthew M. Weissman Esq. matthew.weissman@pseg.com

Bernard Smalls bernard.smalls@pseg.com

Caitlyn White <u>caitlyn.White@pseg.com</u>

Michele Falcao michele.falcao@pseg.com Law Department 80 Park Plaza, T5, Newark, New Jersey 07102-4194 Tel: 973.430.6996 fax: 973.645.5983 Email: Katherine.Smith@pseg.com



Via Electronic Mail

September 4, 2020

In the Matter of Public Service Electric and Gas Company's 2020/2021 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. GR20060379

Aida Camacho-Welch, Secretary New Jersey Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, New Jersey 08625-0350

Dear Secretary Camacho-Welch:

Yesterday, September 3, 2020, Public Service Electric and Gas Company ("Company") filed a Stipulation for Provisional BGSS Rates in the above-captioned matter that included errors in describing the current BGSS-RSG Commodity Charge and in describing the manner of service to municipalities. Enclosed for filing, please find an electronic copy of the Company's fully-executed Corrected Stipulation for Provisional BGSS Rates supersedes and replaces in its entirety the stipulation that was filed on September 3, 2020.

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,

Hatterine E Ca

Katherine Smith

Attach.

C Service List (Electronic)

BPU

Aida Camacho-Welch Board of Public Utilities 44 South Clinton Avenue, 3rd Floor, Suite 314 Post Office Box 350 Trenton NJ 08625-0350 <u>aida.camacho@bpu.nj.gov</u>

BPU

Heather Weisband Board of Public Utilities 44 South Clinton Avenue P.O. Box 350 Trenton NJ 08625 heather.weisband@bpu.nj.gov

PSE&G

Katherine E. Smith PSEG Services Corporation 80 Park Plaza, T5 P.O. Box 570 Newark NJ 07102 (973) 430-6996 katherine.smith@pseg.com

Rate Counsel

Brian O. Lipman Division of Rate Counsel 140 East Front Street, 4th Flr. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 blipman@rpa.nj.gov

Rate Counsel

Felicia Thomas-Friel Division of Rate Counsel 140 East Front Street, 4th Flr. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 <u>fthomas@rpa.nj.gov</u>

Public Service Electric and Gas Company BGSS 2020-2021 GR20060379

BPU

Oneil Hamilton Board of Public Utilities 44 South Clinton Avenue 9th Floor P.O. Box 350 Trenton NJ 08625-0350 Oneil.Hamilton@bpu.nj.gov

DAG

Matko Ilic NJ Dept. of Law and Public Safety Richard J. Hughes Justice Complex Public Utilities Section 25 Market Street, P.O. Box 112 Trenton NJ 08625 matko.ilic@law.njoag.gov

PSE&G

Matthew M. Weissman Esq. PSEG Services Corporation 80 Park Plaza, T5 P.O. Box 570 Newark NJ 07102 (973) 430-7052 matthew.weissman@pseg.com

Rate Counsel

Shelly Massey Division of Rate Counsel 140 East Front Street, 4th Flr. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 <u>smassey@rpa.nj.gov</u>

Rate Counsel Consultant

Dante Mugrace PCMG and Associates 90 Moonlight Court Toms River NJ 08753 dmugrace@pcmgregcon.com

BPU

Stacy Peterson Board of Public Utilities 44 South Clinton Avenue 9th Floor P.O. Box 350 Trenton NJ 08625-0350 (609) 292-4517 stacy.peterson@bpu.nj.gov

DAG

Pamela Owen NJ Dept of Law & Public Safety Division of Law, Public Utilities Section R.J. Hughes Justice Complex 25 Market Street, P.O. Box 112 Trenton NJ 08625 Pamela.Owen@law.njoag.gov

Rate Counsel

Stefanie A. Brand Division of Rate Counsel 140 East Front Street, 4th Flr. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 <u>sbrand@rpa.state.nj.us</u>

Rate Counsel

Sarah Steindel Division of Rate Counsel 140 East Front Street, 4th Flr. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 <u>ssteinde@rpa.state.nj.us</u>

Rate Counsel Consultant

Karl Pavlovic PCMG and Associates, LLC 22 Brooks Avenue Gaithersburg MD 20877 kpavlovic@pcgmgregcon.com

STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

IN THE MATTER OF PUBLIC SERVICE)
ELECTRIC AND GAS COMPANY'S)
2020/2021 ANNUAL BGSS COMMODITY)
CHARGE FILING FOR ITS RESIDENTIAL)
GAS CUSTOMERS UNDER ITS PERIODIC)
PRICING MECHANISM AND FOR CHANGES IN)
ITS BALANCING CHARGE)

CORRECTED STIPULATION FOR PROVISIONAL BGSS RATES

BPU DOCKET NO. GR20060379

APPEARANCES:

Matthew M. Weissman, Esq., Managing Counsel, State Regulatory, and Katherine E. Smith, Esq., Associate General Regulatory Counsel, 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 September 3, 2020, Public Service Electric and Gas Company ("PSE&G" or

"Company") filed a Stipulation for Provisional BGSS Rates in this matter that included errors in describing the current BGSS-RSG Commodity Charge and in describing the manner of service to municipalities. This Corrected Stipulation for Provisional BGSS Rates supersedes and replaces in its entirety the stipulation that was filed on September 3, 2020.

On June 1, 2020, PSE&G made a filing with the New Jersey Board of Public Utilities

("Board" or "BPU") in the above-referenced matter requesting to maintain the current Board-approved Basic Gas Supply Service ("BGSS") rate through September 30, 2021, and a decrease in its Balancing Charge. Specifically, the Company requested authority to: (1) maintain the BGSS Commodity Charge to Residential Service Customers ("BGSS-RSG") of \$0.320127 per therm [including losses and Sales and Use Tax ("SUT")]; and (2) decrease its Balancing Charge, which recovers the cost of providing storage and peaking services, from the current charge of \$0.098620 per balancing use therm (including losses and SUT) to \$0.085723 per balancing use therm (including losses and SUT). As filed, the annual bill impact of the proposed Balancing Charge change is a decrease of approximately \$5.24 or 0.95 % on a typical residential gas heating customer using 100 therms per month during the winter months and 610 therms on an annual basis, and a decrease of approximately \$8.92 or 1.02% on a typical residential gas heating customer using 172 therms per month during the winter and 1,040 therms annually.

Subsequent to the PSE&G's June 1, 2020 filing, on July 15, 2020 the Company made a compliance filing in response to the Board's Orders *In the Matter of the Petition of Public Service Electric and Gas Company for Approval the Next Phase of the Gas System Modernization Program and Associated Cost Recovery (December 2019 GSMP II Rate Filing)* in BPU Docket No. GR19120002. In this matter, the BGSS-RSG Commodity Charge was decreased from \$0.320127 per them (including losses and SUT) to \$0.320069 per therm (including losses and SUT) effective July 16, 2020.

Notice setting forth the Company's June 1, 2020 request to maintain the current BGSS Commodity Charge and request for a Balancing Charge decrease, including the date, time, and telephonic access numbers 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 telephonically on August 31, 2020 at 4:30 p.m. and 5:30 p.m.¹ No member of the public appeared and spoke at the public hearings.

PSE&G, Board Staff, and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") determined that additional time is needed to complete the review of the Company's proposed BGSS-RSG Commodity Charge and Balancing Charge. However, the Parties also agree that action with respect to the Company's BGSS-RSG Commodity Charge for the 2020-2021

¹ Due to the COVID-19 pandemic, public hearings were held telephonically.

BGSS year and Balancing Charge, on a provisional basis, is reasonable at this time, and HEREBY AGREE as follows:

1. The Company's BGSS Commodity Service, tariff rate BGSS-RSG, shall provisionally be maintained at \$0.320069 per therm (including losses and SUT) through September 30, 2021. This BGSS-RSG Commodity Charge is on a provisional basis, subject to refund with interest on any net over-recovered BGSS-RSG balance.

2. The Company's Balancing Charge shall be decreased on a provisional basis from the current charge of \$0.098620 per therm (including losses and SUT) to \$0.085723 (including losses and SUT), subject to refund with interest on any net over- or under-recovered balance.

3. There will be an opportunity for full review of all the changes requested by the Company at the Office of Administrative Law, if applicable and necessary, and final approval by the Board.

4. The residential customer impact of this action is 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 \$1.07 or 1.27%, and 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 monthly winter bill of \$1.84 or 1.33%. ANNUAL – 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 \$1.84 or 1.33%. ANNUAL – 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 annual bill of \$5.24 or 0.94 %, and a residential customer using 172 therms per month during the winter months and 610 therms on an annual basis would see a decrease in their annual bill of \$5.24 or 0.94 %, and 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 \$8.92 or 1.02%. These calculations are based upon rates in effect on September 1, 2020 and assuming the customer receives BGSS service from PSE&G. The Company requests that the provisional BGSS-RSG rate and Balancing Charge become effective as of October 1, 2020, or as soon as possible upon the issuance of a Board Order approving this Stipulation.

5. The Board, in its generic Order in Docket No. GX01050304 dated January 6, 2003, 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 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 is permitted to decrease its BGSS-RSG Commodity Charge at any time, upon five (5) days' notice to the Board and Rate Counsel. Pursuant to the Board's January 2003 Order, any self-implementing increases or decreases would be provisional, and subject to reconciliation during the Company's next annual BGSS filing.

6. The Company will provide updated tariff sheets within five (5) business days of the effective date of the Board's Order in this docket reflecting the provisional decreases described above. The proposed tariff sheets are attached hereto as Exhibit A to this Stipulation.

7. The undersigned Parties recommend to the Board that this matter be transmitted to the Office of Administrative Law for an opportunity for full review of all issues, including the provisional rates if approved by the Board.

8. The undersigned agree that this Stipulation for a Provisional 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.

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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 HEREBY AGREE that this Stipulation for a Provisional 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 for a Provisional BGSS-RSG Commodity Charge and Balancing Charge.

Satteria BY:

Katherine E. Smith Associate Regulatory Counsel

DATED: September 4, 2020

STEFANIE A. BRAND DIRECTOR, DIVISION OF RATE COUNSEL

10.

BY

Sarah H. Steindel Assistant Deputy Rate Counsel

DATED: September 4, 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: September <u>4</u>, 2020

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

XXX Revised Sheet No. 54 Superseding XXX 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) \$ 0.320127

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

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

XXX Revised Sheet No. 65 Superseding XXX 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	
Charge	Including SUT	
\$0.360706	\$0.384603	per therm

Balancing Charge:

	Charge	
<u>Charge</u>	Including SUT	
\$0.080397	\$0.085723	
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.

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

XXX Revised Sheet No. 72 Superseding XXX 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-Ju</u>	<u>ıly 14, 1997 *</u>	<u>All C</u>	<u>ethers</u>	
	Charge		Charge	
<u>Charge</u>	Including SUT	<u>Charge</u>	Including SUT	
\$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:

	Charge	
<u>Charge</u>	Including SUT	
\$0.080397	\$0.085723	
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.

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

XXX Revised Sheet No. 79 Superseding XXX 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):

	Charge	
Charge	Including SUT	
<u>\$ 3.947</u> 3	\$ 4.2088	per Demand Therm

Distribution Charges:

Per therm for the	first 1,000 therms	Per therm in exces	s of 1,000 <u>therms</u>
<u>used in e</u>	ach month	<u>used in ea</u>	<u>ch month</u>
	Charges		Charges
Charges	Including SUT	Charges	Including SUT
\$ 0.042298	\$ 0.045100	\$0.041894	\$ 0.044669

Balancing Charge:

	Charge
<u>Charge</u>	Including SUT
\$0.080397	\$0.085723
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.

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

XXX Revised Sheet No. 112A Superseding XXX Revised Sheet No. 112A

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>	Including SUT	
\$ <u>0.080397</u>	\$ <u>0.085723</u>	per Balancing Use Therm
0.092492	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. 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: 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 in Docket No.

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

XXX Revised Sheet No. 54 Superseding XXX 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 Adjustment to Gulf Coast Cost of Gas Prior period (over) or under recovery Adjusted Cost of Gas	0.000000
Commodity Charge after application of losses: (Loss Factor = 2.0%)	\$ 0.300236

Commodity Charge including New Jersey Sales and Use Tax (SUT) \$ 0.320127

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	\$0.00000

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

XXX Revised Sheet No. 65 Superseding XXX 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	
Charge	Including SUT	
\$0.360706	\$0.384603	per therm

Balancing Charge:

	Charge	
<u>Charge</u>	Including SUT	
\$0.080397	\$0.085723	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.

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

XXX Revised Sheet No. 72 Superseding XXX 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-Ju</u>	<u>ıly 14, 1997 *</u>	<u>All C</u>	<u>ethers</u>	
	Charge		Charge	
<u>Charge</u>	Including SUT	Charge	Including SUT	
\$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:

	Charge	
<u>Charge</u>	Including SUT	
\$0.080397	\$0.085723	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.

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

XXX Revised Sheet No. 79 Superseding XXX 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):

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

Distribution Charges:

Per therm for the	first 1,000 therms	Per therm in exces	s of 1,000 <u>therms</u>
<u>used in e</u>	ach month	<u>used in ea</u>	<u>ch month</u>
	Charges		Charges
<u>Charges</u>	Including SUT	Charges	Including SUT
\$ 0.042298	\$ 0.045100	\$0.041894	\$ 0.044669

Balancing Charge:

	Charge	
<u>Charge</u>	Including SUT	
\$0.080397	\$0.085723	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.

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

XXX Revised Sheet No. 112A Superseding XXX Revised Sheet No. 112A

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>	
Charge	Including SUT	
\$0.080397	\$0.085723	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: 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 in Docket No.