



Agenda Date: 10/14/20
Agenda Item: 2A

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 ROCKLAND)
ELECTRIC COMPANY'S ANNUAL SOCIETAL)
BENEFITS CHARGE FILING (2020) FILING)
ORDER APPROVING)
STIPULATION)
DOCKET NO. ER20040282)

Parties of Record:

Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel
Margaret Comes, Esq., Counsel for Petitioner Rockland Electric Company

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities ("Board" or "BPU") considers a Stipulation of Settlement ("2020 Stipulation") executed by Rockland Electric Company ("RECO" or "Company"), Board Staff ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") intended to resolve the Company's 2020 Societal Benefits Charge ("SBC") filing in Docket No. ER20040282.

BACKGROUND AND PROCEDURAL HISTORY

Pursuant to N.J.S.A. 48:3-60, the SBC was established to recover the costs incurred by the electric and gas public utilities for expenditures related to social programs including Board approved energy efficiency and renewable energy programs, and the funding of two (2) statewide low income energy bill payment assistance programs, the Universal Service Fund ("USF") and Lifeline programs. RECO's SBC also includes a component to refund or recover over or under-collections based on the prior year's SBC recoveries against program costs.

In accordance with the July 22, 2002 Final Decision and Order of the Board in Docket Nos. EO97070464, EO97070465 and EO97070466, on April 1, 2020 RECO filed a petition with the Board which constituted its annual cost recovery filing of over-recovered or under-recovered cost balances collected through its SBC for the reconciliation period from August 1, 2019 through July 31, 2020, and of projected spending during the period through July 31, 2021 ("2020 Petition").

The Company filed revisions to the Demand Side Management (“DSM”) and Clean Energy Program, (“CEP”) components (collectively, “SBC Component Programs”) of the SBC rate.¹

In the 2020 Filing, which reflected actual data through February 2020, RECO proposed a decrease in the SBC Component Programs rate component from the currently effective rate of 0.3582¢/kWh to a rate of 0.3031¢/kWh, including Sales and Use Tax, (“SUT”). The 2020 Filing explained that the decrease in the SBC Component Programs rate is the result of an anticipated over-collection of \$805,447 for the period August 1, 2019 through July 31, 2020.

Through discovery, the Company updated its proposed revenue requirements related to the SBC Component Programs to reflect actual data for the period August 1, 2019 through July 31, 2020, and projected DSM and Clean Energy Components of the SBC for the period August 2020 through July 2021. As a result of the update, the Company’s proposed SBC Component Programs rate is 0.3132 ¢/kWh. The updated information resulted in an anticipated over-collection of \$668,236 for the period of August 1, 2020 through July 31, 2021.

As a result of the Board’s Order in Docket No. ER20060392 dated September 23, 2020, the combined USF/Lifeline electric rate increased to 0.2252 ¢/kWh including SUT.² As a result of these factors, the Company’s proposed total SBC rate is 0.5384 ¢/kWh, including SUT.

STIPULATION

Following a review of the 2020 Filing and conducting discovery, the Parties executed the Stipulation, which provides as follows:³

1. **SBC Rate.** The Company shall be allowed to implement a total SBC rate of 0.5384 ¢/kWh, including SUT, which includes the change in the USF and Lifeline rates addressed in BPU Docket No. ER20060392. As set forth in Exhibit A attached to the Stipulation, this rate includes: (1) a 0.3620 ¢/kWh rate component, including SUT, reflecting \$4,963,955 in projected DSM Programs and Clean Energy Program spending for the 12 month period ending July 31, 2021; (2) a 0.0487 ¢/kWh credit rate component, including SUT, reflecting an over-collection for the period August 1, 2019 through July 31, 2020; (3) a 0.1493 ¢/kWh rate component, including SUT, relating to the Universal Service Fund; and (4) a 0.0759 ¢/kWh rate component, including SUT, relating to Lifeline. All SBC component rates are subject to audit by the Board.
2. **Customer Impact.** As a result of the decrease in the total SBC to 0.5384 ¢/kWh, including SUT, a typical residential customer using 808 kWh per summer month, and 7,800 kWh on an annual basis, will see a decrease in their annualized monthly

¹ The SBC rate also includes components for USF and Lifeline. These components are not the subject of the 2020 Filing as they are handled in a separate annual proceeding before the Board.

² In re the 2020/2021 Annual Compliance Filings for a Change in the Statewide Electric and Gas Permanent Universal Service fund Program Factors within the Electric and Gas Societal Benefits Charges Rates Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1, BPU Docket No. ER20060392, Order dated September 23, 2020.

³ Although summarized in this Order, the detailed terms of the Stipulation are controlling, subject to the findings and conclusions of this Order.

bill from \$127.36 to \$127.07, or (0.23)%, based upon rates in effect on October 1, 2020.

3. SBC Interest Rate. Interest shall continue to be calculated at a rate based upon U.S. Treasury securities at two (2) year constant maturity as published in the Federal Reserve Statistical Release on the first day of each month (or closest day thereafter on which rates are published), plus 60 basis points, in accordance with the Board's October 21, 2008 Order in Docket No. ER08060455, but not to exceed RECO's BPU authorized overall rate of return effective at the time the interest is calculated.

DISCUSSION AND FINDING

The Board reviewed the record in this proceeding, including the 2020 Filing and the attached Stipulation, and **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the attached Stipulation in its entirety, and **HEREBY INCORPORATES** its terms and conditions as fully set forth here in subject to any terms and conditions set forth in this Order.

The Board **HEREBY APPROVES** the rate adjustments calculated in Exhibit A of the 2020 Stipulation, to be effective for services rendered on and after November 1, 2020. The Company is **HEREBY DIRECTED** to file the revised tariff sheets conforming to the terms and conditions of this Order by to November 1, 2020.


Based upon the Stipulation, a typical residential customer using 808 kWh per summer month and 7,800 kWh on an annual basis will see a decrease in their annualized monthly bill of \$0.29.

The Company's costs remain subject to audit by the Board. This Decision and Order shall not preclude or prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

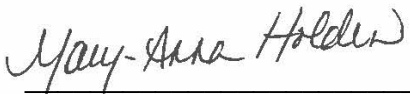
The effective date of this Order is October 24, 2020.

DATED: October 14, 2020

BOARD OF PUBLIC UTILITIES
BY:



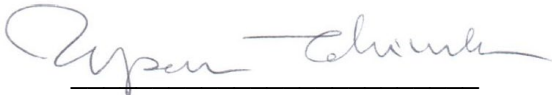
JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH
SECRETARY

IN THE MATTER OF THE PETITION OF ROCKLAND ELECTRIC COMPANY'S ANNUAL SOCIETAL
BENEFITS CHARGE FILING (2020) FILING
DOCKET NO. ER20040282

SERVICE LIST

<p><u>New Jersey Division of Rate Counsel:</u> 140 East Front Street, 4th Floor Post Office Box 003 Trenton, NJ 08625</p> <p>Stefanie A. Brand, Esq., Director sbrand@rpa.nj.gov</p> <p>Ami Morita, Esq., amorita@rpa.nj.gov</p> <p>Brian Lipman, Esq., Litigation Manager blipman@rpa.nj.gov</p> <p>Brian Weeks, Esq. bweeks@rpa.nj.gov</p> <p>David Wand, Esq. dwand@rpa.nj.gov</p> <p>Tylise Hyman thymanl@rpa.nj.gov</p> <p>Debora Layugan dlayugan@rpa.nj.gov</p> <p><u>Henkes Consulting</u> Robert J. Henkes 7 Sunset Road Old Greenwich, CT 06870 rhenkes@optonline.net</p> <p><u>Rockland Electric Company</u> 4 Irving Place Room 1815-S New York, NY 10003-0987</p> <p>Margaret Comes, Esq. comesm@coned.com</p> <p>Kurt D. Coutain coutaink@coned.com</p> <p>Cheryl Ruggiero ruggieroc@coned.com</p> <p>William A. Atzl, Jr. atzlw@coned.com</p>	<p><u>Board of Public Utilities</u> 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350</p> <p>Aida Camacho-Welch, Board Secretary Board.secretary@bpu.nj.gov</p> <p>Paul Flanagan, Esq., Executive Director paul.flanagan@bpu.nj.gov</p> <p><u>Office of General Counsel</u> Abe Silverman, Esq., General Counsel abe.silverman@bpu.nj.gov</p> <p>Stacy Richardson, Esq., stacy.richardson@bpu.nj.gov</p> <p>Heather Weisband, Esq. heather.weisband@bpu.nj.gov</p> <p><u>Division of Energy</u> Stacy Peterson, Director stacy.peterson@bpu.nj.gov</p> <p>Beverly Tyndell beverly.tyndell@bpu.nj.gov</p> <p><u>Division of Law</u> 25 Market Street Post Office Box 112 Trenton, NJ 08625</p> <p>Pamela Owen, ASC, DAG pamela.owen@law.njoag.gov</p> <p>Michael Beck, DAG michael.beck@law.njoag.gov</p> <p>Daren Eppley, DAG daren.eppley@law.njoag.gov</p> <p>Matko Ilic, DAG Matko.ilic@law.njoag.gov</p>
--	---



Rockland Electric Company

Margaret Comes
Associate Counsel
Law Department

October 1, 2020

REVISED FILING

VIA EMAIL

Aida Camacho, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue
3rd Floor, Suite 314
P.O. Box 350
Trenton, NJ 08625-0350

Re: I/M/O Rockland Electric Company Annual
Societal Benefits Charge Filing: 2020
BPU Docket No. ER20040282

Dear Secretary Camacho:

Enclosed for filing in the above matter on behalf of Rockland Electric Company (“RECO”) is Stipulation of Settlement signed by all parties.

Please note that a Stipulation of Settlement was sent to you in this matter yesterday, September 30. However, the Stipulation was missing the exhibits. By this letter I am sending you this revised filing, which includes the exhibits.

Respectfully submitted,

Margaret Comes
Margaret Comes

Enc.
Email Service List

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

**I/M/O Rockland Electric Company Annual
Societal Benefits Charge Filing: 2020**

:
:
:
:

**STIPULATION OF SETTLEMENT

BPU Docket No. ER20040282**

APPEARANCES:

Margaret Comes, Esq., Associate Counsel, for Petitioner Rockland Electric Company

Ami Morita, Esq., Deputy Rate Counsel, Managing Attorney, Electric, Brian Weeks, Esq. Deputy Rate Counsel and David Wand, Assistant Deputy Rate Counsel, for the Division of Rate Counsel (Stefanie A. Brand, Esq., 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)

TO: THE HONORABLE NEW JERSEY BOARD OF PUBLIC UTILITIES

THIS STIPULATION OF SETTLEMENT (“Stipulation”) is made as of September 29, 2020 by and among Rockland Electric Company (“RECO” or “Company”), Staff of the New Jersey Board of Public Utilities (“Staff”), and the New Jersey Division of Rate Counsel (“Rate Counsel”) (collectively referred to herein as the “Signatory Parties”).

PROCEDURAL HISTORY

In accordance with the New Jersey Board of Public Utilities’ (“Board” or “BPU”) Final Decision and Order dated July 22, 2002, in Docket Nos. EO97070464 *et al.*, Leaf No. 57 of the Company’s Schedule for Electric Service B.P.U. No. 3 – Electricity (“Electric Tariff”) requires the Company to submit to the Board an annual filing to reconcile any over- or under-recovered

balances recovered through the Societal Benefits Charge (“SBC”) and to provide for current program cost recovery. Accordingly, on April 1, 2020 as described below, the Company filed revisions to the Demand Side Management (“DSM”) and Clean Energy Program (“CEP”) components (together, “SBC Component Programs”) of the SBC rate (“2020 Filing”). The 2020 Filing reflected actual data through February 2020.

In the 2020 Filing, RECO proposed a decrease in the SBC Component Programs rate from the currently effective rate of 0.3582 ¢/kWh to a rate of 0.3031 ¢/kWh, including Sales and Use Tax (“SUT”). As explained in the 2020 Filing, the decrease in the SBC Component Programs rate is the result of an anticipated over-collection of \$805,447 for the period August 1, 2019 through July 31, 2020.

Since the 2020 Filing, the Company updated its DSM and Clean Energy Components of the SBC based upon actual data for the period August 1, 2019 through July 31, 2020, and projected DSM and Clean Energy Components of the SBC for the period August 2020 through July 2021. As a result of the update, the Company proposed to decrease the SBC Component Programs rate as a result of an anticipated over-collection of \$668,236 for the period August 1, 2020 through July 31, 2021.

As explained in the 2020 Filing, the SBC also provides for the recovery of costs relating to the Universal Service Fund and Lifeline. In the 2020 Filing, the Universal Service Fund (“USF”) and Lifeline rate components of the SBC, 0.1332 ¢/kWh and 0.0755 ¢/kWh including SUT, respectively, were unchanged. A change in the electric USF and Lifeline rates has been approved by the Board in Docket No. ER20060392.¹

¹ *In the Matter of the 2020/2021 Annual Compliance Filing for a Change in the Statewide Electric and Gas Permanent Universal Service Fund Program Factors within the Electric and Gas Societal Benefits Charge Rates Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1*, BPU Docket No. ER20060392.

STIPULATION

Since RECO's submission of the 2020 Filing, Rate Counsel and Staff propounded, and the Company responded, to detailed discovery requests. Given the completeness of the record and the intention of the Signatory Parties to reasonably, fully and finally resolve all open issues relating to the 2020 Filing, and in consideration of the recitals and mutual promises and covenants set forth herein, the Signatory Parties, having given due consideration to the existing record and the various issues addressed therein, DO HEREBY STIPULATE AND AGREE AS FOLLOWS:

1. SBC Rate. The Company shall be allowed to implement a total SBC rate of 0.5384 ¢/kWh, including SUT, which includes the change in the USF and Lifeline rates addressed in BPU Docket No. ER20060392.² As set forth in Exhibit A attached hereto, this rate includes: (1) a 0.3620 ¢/kWh rate component, including SUT, reflecting \$4,963,955 in projected DSM Programs and Clean Energy Program spending for the 12 month period ending July 31, 2021; (2) a 0.0487 ¢/kWh credit rate component, including SUT, reflecting an over-collection for the period August 1, 2019 through July 31, 2020; (3) a 0.1493 ¢/kWh rate component, including SUT, relating to the Universal Service Fund; and (4) a 0.0759 ¢/kWh rate component, including SUT, relating to Lifeline. All SBC component rates are subject to audit by the Board.

2. Customer Impact. As a result of the decrease in the total SBC to 0.5384 ¢/kWh, including SUT, a typical residential customer using 808 kWh per summer month, and 7,800 kWh on an annual basis, will see a decrease in their annualized monthly bill from \$127.36 to \$127.07, or (0.23)%, based upon rates in effect on October 1, 2020.

(filed June 24, 2020). The Company has amended the proposed total SBC rate to include the new USF and Lifeline rates approved by the Board that will become effective October 1, 2020.

² See footnote number one above. The parties agree to amend the SBC rate to include the new USF and Lifeline rates that were approved by the Board that will become effective October 1, 2020.

3. SBC Interest Rate. Interest shall continue to be calculated at a rate based upon U.S. Treasury securities at two (2) year constant maturity as published in the Federal Reserve Statistical Release on the first day of each month (or closest day thereafter on which rates are published), plus 60 basis points, in accordance with the Board's October 21, 2008 Order in Docket No. ER08060455, but not to exceed RECO's BPU authorized overall rate of return effective at the time the interest is calculated.

4. Effective Date. The revised tariff leaf relating to the revised SBC shall become effective upon Board approval ("Effective Date").

5. Tariff. RECO shall file the revised tariff leaf relating to the revised SBC rate, in the form set forth in Exhibit B hereto, approved by the Signatory Parties in this Stipulation, as soon as possible, but no later than 10 business days from the Effective Date.

6. Voluntariness. The Signatory Parties agree that this Stipulation is voluntary, consistent with law, and fully dispositive of the issues addressed herein.

7. Expeditious Board Approval. Each Signatory Party agrees to use its best efforts to ensure that this Stipulation is submitted in a timely fashion to the Board for its approval without modification or condition.

8. Rights Upon Disapproval or Modification. This Stipulation contains mutually balancing and interdependent provisions, and is intended to be accepted and approved in its entirety to fully resolve all issues relating to the 2020 Filing. This Stipulation is an integral settlement and the various parts hereof are not severable without upsetting the balance of agreements and compromises achieved among the Signatory Parties. In the event the Board disapproves this Stipulation as a whole, it shall be null and void. In the event that any particular aspect of this Stipulation is not accepted and approved by the Board in its entirety, without modification, or is modified by a court of competent jurisdiction: (i) the Signatory Parties are not waiving any legal

or procedural rights, arguments or claims they may have before the Board or in any forum, and (ii) this Stipulation shall, at the option and discretion of any Signatory Party aggrieved thereby, exercised by written notice to the other Parties within ten days after receipt of any such adverse decision, be null and void in which case the Signatory Parties shall be placed in the same position that they were in immediately prior to its execution.

9. Party Reservations. This Stipulation represents a negotiated compromise resolution that has been made exclusively for the purpose of the above-referenced proceedings. Although binding on the Signatory Parties with respect to the issues resolved herein in this proceeding, this Stipulation, in total or by specific item, is in no way binding upon the Signatory Parties (or non-signatories) and is not to be considered or cited as precedent in favor of or against their respective positions on any issue in any other proceeding, except to enforce the terms of this Stipulation. The Signatory Parties agree that the resolution of the issues relating to the 2020 Filing shall apply only to this proceeding, and that any similar future cases shall be reviewed by the Board on an individual basis. This Stipulation is without prejudice to the positions of the respective Signatory Parties with respect to any future rate cases or other proceedings involving the Company, except as specifically set forth herein.

10. Captions. The subject headings of the sections of this Stipulation are inserted solely for the purpose of convenient reference and are not intended to, nor shall they, affect the meaning of any provision of this Stipulation.

11. Governing Law. This Stipulation shall be governed and construed in accordance with the laws of the State of New Jersey.

12. Execution. This Stipulation may be executed in one or more counterparts. Each Signatory Party has caused its duly authorized representative to execute below and deliver this Stipulation.

CONCLUSION

WHEREFORE, the Signatory Parties hereto have duly executed and do respectfully submit this Stipulation to the Board, and recommend that the Board issue a Final Decision and Order adopting and approving this Stipulation in its entirety in accordance with the terms hereof. The Signatory Parties 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.

ROCKLAND ELECTRIC COMPANY

By Margaret Comes
Margaret Comes, Esq.

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

By: Matko Ilic
Matko Ilic
Deputy Attorney General

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

By: Brian Weeks 9/29/2020
Brian Weeks, Esq.
Deputy Rate Counsel

ROCKLAND ELECTRIC COMPANY

**Determination of Demand Side Management and Clean Energy Program Components
of the Societal Benefits Charge ("SBC")**

<u>SBC Rate Components</u>	Rate Incl. RA; Excl. SUT <u>(¢/kWh)</u>	Rate Incl. RA & SUT <u>(¢/kWh)</u>
DSM/Clean Energy Programs	0.2937	0.3132
Universal Service Fund	0.1400	0.1493
Lifeline	<u>0.0712</u>	<u>0.0759</u>
Total	0.5049	0.5384

ROCKLAND ELECTRIC COMPANY

**Determination of Demand Side Management and Clean Energy Program Components
of the Societal Benefits Charge ("SBC")¹**

Reconciliation of SBC for the Period August 1, 2019 - July 31, 2020

SBC Recoveries: (08/01/19 - 07/31/20) - See Page 3	\$5,232,046
SBC Costs, Excluding Universal Service Fund/Lifeline Costs, for the period (08/01/19 - 07/31/20) - See Page 3	5,020,298
Prior Period Reconciliation (Over)/Under Recovery - See Page 3	(450,038)
Total SBC Costs to be Recovered (08/01/19 - 07/31/20)	4,570,260
SBC (Over)/Under Recovery Balance	(661,786)
Interest (Over)/Under Recovery Balance - See Page 3	(6,450)
Total SBC (Over)/Under Recovery Balance for 12 months ended July 31, 2020	(\$668,236)

Determination of SBC

Projected Sales (kWh) 12 months ending July 31, 2021	1,462,667,000
\$ per kWh Reconciliation to be (Refunded)/Surcharged	(\$0.000457)
Projected Spending - 12 months ending July 31, 2021 - See Page 4	\$4,963,955
\$ per kWh Projected Spending to be Surcharged	\$0.003394
Proposed SBC Excluding SUT (\$ per kWh)	\$0.002937
Sales and Use Tax ("SUT")	1.06625
<u>Proposed SBC Including SUT (\$ per kWh)</u>	\$0.003132

Notes: ¹ Rate component of SBC relating to recovery of demand-side management ("DSM") and the Clean Energy Program as described in paragraphs (1) and (2) on Leaf No. 56 of the RECO Schedule for Electric Service, B.P.U. No. 3 - Electricity. Does not include the costs and the associated rate components of the SBC relating to the Universal Service Fund and Lifeline.

ROCKLAND ELECTRIC COMPANY

**Determination of Demand Side Management and Clean Energy Program Components of the Societal Benefits Charge ("SBC")
August 2019 through July 2020 Cost Recovery Period**

RECO	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
SBC Recoveries	\$643,881	\$525,897	\$435,832	\$407,761	\$401,403	\$450,382	\$384,813	\$357,517	\$335,518	\$340,076	\$413,686	\$535,279	\$5,232,046
Prior Period Reconciliation Adj. ¹	(\$450,038)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$450,038)
Legacy Program Costs	\$1,000	\$4,738	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,738
CEP Program Costs	\$461,226	\$521,318	\$516,235	\$479,734	\$374,388	\$380,032	\$395,729	\$422,675	\$393,972	\$375,660	\$339,569	\$354,024	\$5,014,560
Total Program Costs	\$12,188	\$526,055	\$516,235	\$479,734	\$374,388	\$380,032	\$395,729	\$422,675	\$393,972	\$375,660	\$339,569	\$354,024	\$4,570,260
Interest - (Over)/Under Recovery	(\$882)	(\$783)	(\$713)	(\$620)	(\$670)	(\$753)	(\$664)	(\$432)	(\$220)	(\$195)	(\$213)	(\$305)	(\$6,450)
Total Program Costs Incl. Adjs. & Interest	\$11,306	\$525,272	\$515,522	\$479,114	\$373,718	\$379,279	\$395,065	\$422,243	\$393,752	\$375,465	\$339,356	\$353,719	\$4,563,810
	\$631,693												
(Over)/Under Recovery	(\$632,575)	(\$624)	\$79,690	\$71,352	(\$27,685)	(\$71,104)	\$10,252	\$64,726	\$58,234	\$35,389	(\$74,330)	(\$181,561)	(\$668,236)
Interest Rate (%) ²	2.33%	2.07%	2.16%	2.16%	2.21%	2.18%	1.96%	1.44%	0.83%	0.80%	0.74%	0.77%	

Notes: ¹ Under recovery for the period August 1, 2018 through July 31, 2019 as per Page 2 of 18 of the Order Approving Stipulation of Settlement dated October 1, 2019, in Docket Number ER19040430 (adopted by the Board in its Order dated October 25, 2019).

² Federal Reserve Board US Treasury Securities at two year constant maturity plus 60 basis points.

DRAFT

Revised Leaf No. 56
Superseding Revised Leaf No. 56

GENERAL INFORMATION

No. 33 SOCIETAL BENEFITS CHARGE ("SBC")

The SBC shall be applied to the kWh usage on the bills of all customers served under this Schedule. The SBC shall include costs, including current costs and any refund or recovery of prior period over- or under-collection balances, related to:

- (1) demand-side management ("DSM"), including the costs associated with DSM programs and DSM bidding programs;
- (2) Clean Energy Program, ("CEP"); and
- (3) Universal Service Fund and Lifeline.

The SBC to be effective on and after the date indicated below shall be set at ~~0.5669~~5384 cents per kWh, including sales and use tax ("SUT"). The SBC includes the following rate components:

	SBC Rate Components (¢ per kWh)	
	Excluding SUT	Including SUT
DSM & CEP	0.3359 <u>2937</u>	0.3582 <u>3132</u>
Universal Service Fund	0.1249 <u>1400</u>	0.1332 <u>1493</u>
Lifeline	0.0708 <u>0712</u>	0.0755 <u>0759</u>
Total SBC	0.5316 <u>5049</u>	0.5669 <u>5384</u>

The difference between actual costs incurred by the Company for the SBC components described above and SBC recoveries will be deferred, with interest, for future recovery in accordance with the Company's Plan for Resolution of Proceedings approved by the Board in its Summary Order dated July 28, 1999 and Final Order dated July 22, 2002 in Docket Nos. EO97070464, EO97070465 and EO97070466.

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President
Mahwah, New Jersey 07430

DRAFT

Revised Leaf No. 56
Superseding Revised Leaf No. 56

GENERAL INFORMATION

No. 33 SOCIETAL BENEFITS CHARGE ("SBC")

The SBC shall be applied to the kWh usage on the bills of all customers served under this Schedule. The SBC shall include costs, including current costs and any refund or recovery of prior period over- or under-collection balances, related to:

- (1) demand-side management ("DSM"), including the costs associated with DSM programs and DSM bidding programs;
- (2) Clean Energy Program, ("CEP"); and
- (3) Universal Service Fund and Lifeline.

The SBC to be effective on and after the date indicated below shall be set at 0.5384 cents per kWh, including sales and use tax ("SUT"). The SBC includes the following rate components:

	SBC Rate Components (¢ per kWh)	
	Excluding SUT	Including SUT
DSM & CEP	0.2937	0.3132
Universal Service Fund	0.1400	0.1493
Lifeline	0.0712	0.0759
Total SBC	0.5049	0.5384

The difference between actual costs incurred by the Company for the SBC components described above and SBC recoveries will be deferred, with interest, for future recovery in accordance with the Company's Plan for Resolution of Proceedings approved by the Board in its Summary Order dated July 28, 1999 and Final Order dated July 22, 2002 in Docket Nos. EO97070464, EO97070465 and EO97070466.

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President
Mahwah, New Jersey 07430