

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY
NOTICE OF FILING AND PUBLIC HEARING**

**IN THE MATTER OF THE ESTABLISHMENT OF A UNIVERSAL SERVICE FUND
PURSUANT TO SECTION 12 OF THE ELECTRIC DISCOUNT AND ENERGY
COMPETITION ACT OF 1999
BPU DOCKET NO. EX00020091**

**In the Matter of the 2023/2024 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. ER23060409

PLEASE TAKE NOTICE that, the Universal Service Fund (“USF”) Program established by the Board of Public Utilities (“Board”), pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49, *et seq*, serves to provide funds to assist qualifying low-income individuals in paying their energy bills. Pursuant to Board Orders, the costs of the USF Program are recovered through uniform statewide rates that are included in the Societal Benefit Charge (“SBC”) for each of the State’s electric and gas public utilities. The SBC also includes funding for the Lifeline program, which provides assistance with heating costs to qualifying elderly and disabled persons. The State of New Jersey’s Department of Community Affairs is the Administrator of the USF Program. The New Jersey Department of Human Services is the Administrator of the Lifeline programs and authorizes the disbursement of benefits to eligible customers in the respective programs.

Public Service Electric and Gas Company (“PSE&G” or “Company”) on June 28, 2023, made an Annual Compliance Filing with the Board and provided supporting documentation for changes in the USF and Lifeline components of the electric and gas SBC to become effective on October 1, 2023 (“Filing”). Based upon the results and available estimates known to date for the 2022/2023 USF program year, and the available estimates for the 2023/2024 USF Program year, it is anticipated that the USF rates will be set to collect \$132.3 million, of which approximately \$82.7 million would be recovered through electric rates with the remaining \$49.5 million recovered through gas rates on a statewide basis. The Lifeline rates are anticipated to collect \$74.6 million, of which, \$47.7 million would be recovered through electric rates with the remaining \$26.8 million recovered through gas rates on a statewide basis.

The current combined rate, after sales and use tax (“SUT”), for the USF and Lifeline programs for electric customers is \$0.004201 per kilowatt-hour (“kWh”). As proposed, the after SUT USF/Lifeline program charge for electric customers would decrease by \$0.002166 per kWh, consisting of a decrease of \$0.002126 per kWh in the USF component and a decrease of \$0.000040 per kWh in the Lifeline component, to a total rate of \$0.002035 per kWh.

Based upon the Company’s Filing, a typical residential electric customer using 740 kWh in a summer month and 577 kWh in an average month (6,920 kWh annually), would see a decrease in their average monthly bill from \$117.78 to \$116.53, or \$1.25 or approximately 1.06%. The percentage change applicable to specific customers will vary according to the applicable rate schedule and the level of the customer’s usage.

The current combined rate, after SUT, for the USF and Lifeline programs for gas customers is \$0.016600 per therm. As proposed, the after SUT USF/Lifeline program charge for gas customers would increase by \$0.001100 per therm, consisting of an increase of \$0.000400 per therm in the USF component and an increase of \$0.000700 per therm in the Lifeline component, to a total rate of \$0.017700 per therm.

Based upon the Company’s Filing, a residential gas heating customer using 100 therms per month in a winter month and 51 therms in an average month (610 therms annually), would see an increase in the average monthly bill from \$61.31 to \$61.35, or \$0.04 or approximately 0.07%. Moreover, under the Company’s proposal, a typical residential gas heating customer using 172 therms per month during the winter months, and 87 therms in an average month (1,040 therms annually), would see an increase in the average monthly bill from \$98.45 to \$98.54 or \$0.09 or approximately 0.09%.

The proposed statewide electric and gas charges for customers, if approved by the Board, are shown in Table #1. The requests will not result in any profit to PSE&G. The revenues received under the proposed USF and Lifeline program factors are designed to permit PSE&G to recover its costs associated with these programs. Actual program costs will be reconciled with the revenues received through the USF and Lifeline program charges in the next scheduled annual USF and Lifeline filing to be made no later than July 1, 2024.

The approximate effect of the proposed changes on typical electric and gas residential monthly bills, if approved by the Board, is provided in Tables #2 and #3.

Any rate adjustments with resulting changes in bill impacts found by the Board to be just and reasonable as the result of the Company’s Petition may be modified and/or allocated by the Board in accordance with the provisions of N.J.S.A. 48:2-21 and for other good and legally sufficient reasons to any class or classes of customers of the Company. Therefore, the described charges may increase or decrease based upon the Board’s decision.

A copy of this Notice of Filing and Public Hearings on the Petition is being served upon the clerk, executive or administrator of each municipality and county within the Company’s service territory. The Petition is available for review online at the PSEG website at <http://www.pseg.com/pseandgfilings> and has also been sent to the New Jersey Division of Rate Counsel (“Rate Counsel”), who will represent the interests of all PSE&G customers in this proceeding. The Filing is also available to review online through the Board’s website, <https://publicaccess.bpu.state.nj.us>, where you can search by the above-captioned docket number- EO23060409.

PLEASE TAKE FURTHER NOTICE that virtual public hearings will be held on the following date and times so that members of the public may present their views on the Filing:

VIRTUAL PUBLIC HEARING
DATE: September 5, 2023
HEARING TIMES: 4:30 PM and 5:30 PM
LOCATION: Zoom Virtual Meeting
Join: <https://pseg.zoom.us/j/92846158128?pwd=czBtZHE5ZTh1Z1FveGlmSVg0R1NuQT09#success>
Go to www.zoom.com and choose “Join a Meeting” at the top of the web page. When prompted, use Meeting ID number to access the meeting.
-or-
Dial-In: (888) 475-4499
Meeting ID: 928 4615 8128
Passcode: 819208

Representatives of the Company, Board Staff and the New Jersey Division of Rate Counsel will participate in the virtual public hearings. Members of the public may use the Zoom link or the Dial-In Number and Conference ID to express their views on this matter. All comments will be part of the final record of the proceeding and will be considered by the Board. To encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters or listening assistance, 48 hours prior to the above hearings to the Board Secretary at board.secretary@bpu.nj.gov.

The Board is also accepting written and electronic comments. Comments may be submitted directly to the specific docket listed above using the “Post Comments” button on the Board’s Public Document Search tool. Comments are considered public documents for purposes of the State’s Open Public Records Act. Only public documents should be submitted using the “Post Comments” button on the Board’s Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. In addition to hard copy submissions, confidential information may also be filed electronically via the Board’s e-filing system or by email to the Secretary of the Board. Please include “Confidential Information” in the subject line of any email. Instructions for confidential e-filing are found on the Board’s webpage. <https://www.nj.gov/bpu/agenda/efiling/>.

Email and/or written comments may also be submitted to:
Secretary of the Board
44 South Clinton Ave., 1st Floor
PO Box 350
Trenton, NJ 08625-0350
Phone: 609-913-6241
Email: board.secretary@bpu.nj.gov

**Table # 1
Universal Service and Lifeline Fund Components of Societal Benefits Charge**

	Present	Present (Incl. SUT)	Proposed	Proposed (Incl. SUT)
USF-Electric per kWhr	\$0.003205	\$0.003417	\$0.001211	\$0.001291
USF-Gas per therm	\$0.010400	\$0.011100	\$0.010800	\$0.011500
Lifeline-Electric per kWhr	\$0.000735	\$0.000784	\$0.000698	\$0.000744
Lifeline-Gas per therm	\$0.005200	\$0.005500	\$0.005800	\$0.006200

**Table #2
Residential Electric Service**

If Your Monthly Summer kWhr Use Is:	Then Your Present Monthly Summer Bill Would Be:	And Your Proposed Monthly Summer Bill Would Be:	Your Monthly Summer Bill Change Would Be:	And Your Percent Change Would Be:
185	\$41.83	\$41.43	(\$0.40)	-0.96%
370	78.72	77.92	(0.80)	-1.02
740	154.41	152.80	(1.61)	-1.04
803	167.83	166.09	(1.74)	-1.04
1,337	281.67	278.78	(2.89)	-1.03

(1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2023 and assumes that the customer receives BGS-RSCP service from PSE&G.

(2) Same as (1) except includes the changes in USF and Lifeline components of the SBC.

**Table #3
Residential Gas Service**

If Your Monthly Winter Therm Use Is:	Then Your Present Monthly Winter Bill Would Be:	And Your Proposed Monthly Winter Bill Would Be:	Your Monthly Winter Bill Change Would Be:	And Your Percent Change Would Be:
25	\$34.65	\$34.68	\$0.03	0.09%
50	60.71	60.76	0.05	0.08
100	113.92	114.02	0.10	0.09
159	175.91	176.08	0.17	0.10
172	189.76	189.94	0.18	0.09
201	220.38	220.60	0.22	0.10
300	324.50	324.82	0.32	0.10

(1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2023 and assumes that the customer receives BGSS-RSG service from PSE&G.

(2) Same as (1) except includes the changes in USF and Lifeline components of the SBC.