

NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY GAS CUSTOMERS

IN THE MATTER OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY’S 2021/2022 ANNUAL BGSS COMMODITY CHARGE FILING FOR ITS RESIDENTIAL GAS CUSTOMERS UNDER ITS PERIODIC PRICING MECHANISM AND FOR CHANGES IN ITS BALANCING CHARGE

Notice of Filing and Notice of Public Hearings | Docket No. GR21060878

**TAKE NOTICE** that, on June 1, 2021, Public Service Electric and Gas Company (“Public Service” or “Company”) filed a Petition and supporting testimony with the New Jersey Board of Public Utilities (“Board” or “BPU”) requesting that the Board permit Public Service to maintain the current Basic Gas Supply Service (“BGSS-RSG”) Commodity Charge of \$0.319937 per therm applicable to its Residential Service (“RSG”) customers and to increase its Balancing Charge, which is based on winter gas usage, to customers receiving service under RSG, General Service (“GSG”), Large Volume Service (“LVG”) and Contract Service (“CSG”) where applicable effective October 1, 2021, or earlier should the Board deem it appropriate. The requested increase in the Balancing Charge is from \$0.085723 per balancing use therm (including Sales and Use Tax [“SUT”]) to \$0.093477 per balancing use therm (including SUT).

The Company also is requesting approval from the Board to potentially procure up to 1 percent of its annual gas supply in the form of renewable natural gas (“RNG”). The Petition states that the RNG supplies would come from sources such as landfill sources, wastewater treatment plant and from anaerobic digestion of food and farm waste. The Petition states that the Company does not currently purchase RNG at this time, but is in discussions with potential suppliers. The Petition states that the Company understands RNG can cost several times as much as natural gas. The proposed BGSS and Balancing Charge rates do not include any RNG supplies or costs, which the Company would seek to recover in future filings.

In addition, the Company is seeking the Board’s approval to amend its gas supply Requirements Contract with its affiliate PSEG Energy Resources and Trade LLC to provide a five-year extension of the term through March 31, 2027, continuing on a year-to-year basis thereafter with a two-year termination notice.

Based upon rates effective June 1, 2021, the effect of the requested increase in the Balancing Charge on typical residential gas bills, if approved by the Board, is shown in Table #1.

Under the Company’s proposal, a residential heating customer using 100 therms per month during the winter months and 610 therms on an annual basis would see an increase in their annual bill from \$568.00 to \$571.14, or \$3.14 or approximately 0.55%. Moreover, under the Company’s proposal, a typical residential heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis would see an increase in their annual bill from \$895.42 to \$900.80, or \$5.38 or approximately 0.60%.

In addition, the Board, in its Order in Docket No. GX01050304 dated January 6, 2003, granted Public Service approval to increase its Commodity Charge rates to be effective December 1 of this year, 2021, and/or February 1 of next year, 2022, on a self-implementing basis; each increase is subject to a maximum rate increase of 5% of the average rate based on a typical residential customer’s monthly bill of 100 therms on average (or 1,200 therms annually). Such rate increases shall be preconditioned upon written notice by Public Service to BPU Staff and to the New Jersey Division of Rate Counsel no later than November 1, 2021 and/or January 1, 2022 of its intention to apply a December 1 or a February 1 self-implementing rate increase, respectively, and the approximate amount of the increases based upon then-current market data. These increases, if implemented, would be in accordance with the Board-approved methodology.

Should it become necessary to apply the December 1, 2021 self-implementing 5% increase, the bill impact would be an increase as illustrated in Table #2. Further, if a February 1, 2022 self-implementing 5% increase becomes necessary, then there would be an additional increase as also shown in Table #2.

The above requests will not result in any profit to the Company.

Any final rate adjustments with resulting changes in bill impacts found by the Board to be just and reasonable as the result of the Company’s filing 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.

The Company’s filing is available for review online at the PSEG website at <http://www.pseg.com/pseandgfilings>.

**PLEASE TAKE FURTHER NOTICE** that due to the COVID-19 pandemic, telephonic public hearings have been scheduled on the following date and times so that members of the public may present their views on the Company’s filing.

Date: Friday, September 10, 2021Time: 4:30 pm and 5:30 pm

Dial In: (888) 475-4499Access Code: 701103

Meeting ID: 933 8660 5125

Representatives from the Company, Board Staff, and Rate Counsel will participate in the telephonic public hearings. Members of the public are invited to participate by utilizing the Dial-In number and passcode set forth above and may express their views on the filing. All comments will be made a part of the final record of the proceeding and will be considered by the Board. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters and listening assistance, 48 hours prior to the above hearings to the Board Secretary at [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov).

The Board will also accept written and/or electronic comments. While all comments will be given equal consideration and will be made part of the final record of this proceeding, the preferred method of transmittal is via the Board’s External Access Portal after obtaining a MyNewJersey Portal ID. Detailed instructions for e-Filing can be found on the Board’s home page at <https://www.nj.gov/bpu/agenda/efiling>. Emailed comments may be filed with the Secretary of the Board, in pdf or Word format, to [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov).

Written comments may also be submitted to the Board Secretary, Aida Camacho-Welch, at the Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, New Jersey 08625-0350. All comments should include the name of the Petition and the docket number.

All comments are considered “public documents” for purposes of the State’s Open Public Records Act. Commenters may identify information that they seek to keep confidential by submitting them in accordance with the confidentiality procedures set forth in N.J.A.C. 14:1-12.3.

Table #1 – Residential Gas Service

If Your Annual Therm Use Is:	And Your Monthly Winter Therm Use Is:	Then Your Present Monthly Winter Bill (1) Would Be:	And Your Proposed Monthly Winter Bill (2) Would Be:	Your Monthly Winter Bill Change Would Be:	And Your Monthly Percent Change Would Be:
170	25	\$27.77	\$27.91	\$0.14	0.50%
340	50	46.95	47.23	0.28	0.60
610	100	86.18	86.82	0.64	0.74
1,040	172	142.06	143.17	1.11	0.78
1,200	201	164.63	165.93	1.30	0.79
1,816	300	241.32	243.25	1.93	0.80

- (1) Based upon Delivery Rates and Basic Gas Supply Service (BGSS-RSG) in effect June 1, 2021, and assumes that the customer receives commodity service from Public Service.
- (2) Same as (1) except includes the proposed change in BGSS-RSG and Balancing Charge.

Table #2 – Residential Gas Service

If Your Annual Therm Use Is:	And Your Monthly Winter Therm Use Is:	Self-Implementing 5% Increases		
		December 1, 2021 Monthly Winter Change Would Be:	February 1, 2022 Monthly Winter Change Would Be:	Total If BOTH 5% Self-Implementing Increases Are Put Into Effect
170	25	\$1.07	\$1.06	\$2.13
340	50	2.13	2.13	4.26
610	100	4.27	4.27	8.54
1,040	172	7.34	7.34	14.68
1,200	201	8.57	8.58	17.15
1,816	300	12.80	12.80	25.60

- (1) Self-implementing monthly changes would be in addition to any monthly winter bill change amounts.