

ANNUAL REPORT

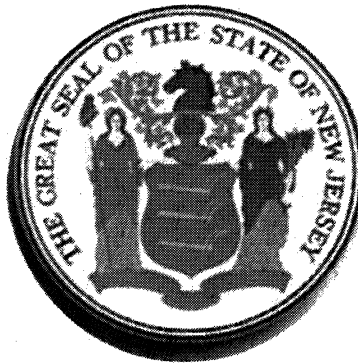
OF

Public Service Electric and Gas Company
(NAME OF RESPONDENT)

80 Park Plaza, Newark, New Jersey 07101-0570
(ADDRESS OF RESPONDENT)

TO THE

**PUBLIC VERSION:
CERTAIN INFORMATION
HAS BEEN REMOVED FOR
CONFIDENTIAL TREATMENT**



**State of New Jersey
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625**

FOR THE YEAR ENDED DECEMBER 31, 2011

**Name of Officer in charge of correspondence
with the Board regarding this report Tamara L. Linde**

**Official Title Vice President - Regulatory Office Address 80 Park Plaza - T5G,
Newark, New Jersey 07101**

Name and Address of Registered Agent _____

Amount of Reported Intrastate Operating Revenues \$ 6,939,570,199

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY
ANNUAL REPORT
CALENDAR YEAR 2011**

**THE FOLLOWING CONFIDENTIAL INFORMATION
HAS BEEN REMOVED**

<u>Page</u>		<u>Lines</u>
104	Officers	Salary for Year
G327	Gas Purchases	All
422-423	Transmission Line Statistics	All
424-425	Transmission Lines Added During Year	All
426-427	Substations	All
522	Gas System Map	

GENERAL INSTRUCTIONS

- 1 An original of this report form properly filled out and verified shall be filed with the Secretary of the New Jersey Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, Post Office Box 350, Trenton, New Jersey 08625 on or before the last day of the third month following the close of the calendar year.

One of the report should be retained by the respondent in its files. **NOTE:** If the following schedules: VIZ., Important Changes During the Year, Comparative Balance Sheet, Notes to Financial Statements, Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion, Statement of Income for the Year, Statement of Retained Earnings, and Electric/Gas Operating Revenues are filed on or before the foregoing established filing date, the filing of the complete report, which shall include the above expected schedules originally filed, should not be postponed beyond the above established filing date without the formal request in writing in a timely manner and, authorization from the Board.

- 2 This form of annual report is prepared in conformity with the Uniform System of Accounts for Electric/Gas Utilities prescribed by Federal Energy Regulatory commission and adopted by the New Jersey Board of Public Utilities, and all accounting words and phrases are to be interpreted in accordance with the said classifications.
- 3 Instructions should be carefully observed and each question should be answered fully and accurately, whether it has been answered in a previous annual report or not. Where the word "none" truly and completely states the fact, it should be giving in response to any particular inquiry. Where dates are called for, the month and day should be stated as well as the year. Customary abbreviations maybe used in stating dates.
- 4 In any schedule does not apply to the respondent, such fact should be shown on the schedule by the words 'not applicable'. A notation indicating same should also be made in the "Remarks" column on the list of schedules. All schedules deemed to be not applicable should be included in the annual report filing.
- 5 The spaces provided in this report are designed to be filled in on a typewriter having elite-size type, and such a typewriter should be used if practicable.
- 6 Reports should be completed by means which result in a permanent record. The original copy shall be made out in permanent black in or with permanent black typewriter ribbon. Entries of a contrary or opposite character (such as decreases reported in a column providing for both increases and decreases) should be enclosed in parentheses.
- 7 Commission authorization (abbreviated, Comm. Auth.) used in the report means the authorization of the New Jersey Board of Public Utilities or any other regulatory body. Where a commission authorization is shown, the identity of the commissio should also be giving.

GENERAL INSTRUCTIONS (Continued)

- 8 This form should be filled out so as to provide an annual report complete in itself. References to report of previous years or to other reports, except as herein otherwise specifically directed or authorized, should not be made in lieu of required entries.
- 9 Figures of a previous year reported for comparative purposes shall agree with those shown in the annual report of that previous year, or be accompanied by an explanation of the reason why they do not agree.
- 10 Additional statements inserted for the purpose of further explanation of accounts or schedules should be made on durable paper conforming to this form in size and width of margin. The inserts should be securely bound in the report. Inserts should bear the titles of the schedules and report form page numbers to which they pertain.
- 11 If respondent so desires, cents may be omitted in the balance sheet, income statement, and supporting schedules. All supporting schedules on an even-dollar basis, however, shall agree with even-dollar amounts in the main schedules. Averages and extracted figures, where cents are important, must show cents for reasons which are apparent.
- 12 The "Date of Report" on the top of each page is the Annual Report due date.
- 13 The word "Respondent" wherever used in this report, means the person, corporation, agency, authority, or legal entity or instrumentality on whose behalf the report is made.
- 14 In addition to filing this form, the respondent shall also file with the Board, immediately upon publication, four copies of its latest annual report prepared for distribution (by respondent or its parent) to stockholders, bondholders, or other security holders. If such report is not prepared, that fact should be noted on the last page of this list of schedules.

State of New Jersey
Board of Public Utilities
44 South Clinton Avenue 9th Floor
Post Office Box 350
Trenton, New Jersey 08625

IDENTIFICATION

01 Exact Legal Name of Respondent:

Public Service Electric and Gas Company

02 Year of Report:

December 31, 2011

03 Previous Name and Date of Change (if name changed during year):

NA

04 Address of Principal Office at End of Year (Street, City, State, Zip Code)

80 Park Plaza, Newark, New Jersey 07101-0570

05 Web Address of the Company:

www.pseg.com

06 Federal ID# of Respondent:

FEIN-22-1212800

07 Name of Contact Person:

Tamara L. Linde

08 Title of Contact Person:

Vice President - Regulatory

09 Address of Contact Person (Street, City, State, Zip Code):

80 Park Plaza, Newark, New Jersey 07101-0570

10 Telephone Number of Contact Person:

(973) 430-8058

11 FAX Number of Contact Person:

(973) 430-5983

12 E-Mail Address of Contact Person:

Tamara.Linde@pseg.com

13 This Original Report is due on March 31, 2012;

It is filed on March 30, 2012.

14 This is a Resubmission Report. Date Filed on (Month, Date, Year)

NA

Corporate Officer Certification

The undersigned officer certifies that:

I have read this New Jersey Board of Public Utilities ("Board") Annual Financial Report which is prescribed by the Federal Energy Regulatory Commission ("FERC") and adopted by the Board. Based on my knowledge this report does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances such statements were made, not misleading with respect to the period covered by this report.

Based on my knowledge the financial statements, and other financial information (Comparative Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, Statement of Cash Flows, Statement of Accumulated Comprehensive Income and Hedging Activities, and Notes to the Financial Statements) included in this report conform in all material respects with the FERC's Uniform System of Accounts, as of, and for, the periods presented in this report.

I am responsible for establishing and maintaining internal accounting controls as defined by the FERC. I have designed such internal accounting controls to ensure that material information relating to the respondent and its subsidiaries, to the extent that the respondent has subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared. I have evaluated the effectiveness of internal accounting controls as of a date within 90 days prior to the period in which this report (evaluation date). I have presented in this report my conclusions about the effectiveness of the internal accounting controls based on my evaluation as of the evaluation date.

I have disclosed, based on my most recent evaluation, to the respondent's auditors and the audit committee or persons performing similar functions, to the extent that respondent has an audit committee or persons performing similar functions, that all significant deficiencies in the design or operation of internal accounting control which could adversely affect the respondent's ability to record, process, summarize and report financial data and have identified for the respondent's auditors any material weaknesses in disclosure controls and procedures and any fraud, whether or not material, that involves management or other employees who have a significant role in the respondent's internal accounting controls.

I have indicated in this report whether or not there were significant changes in internal accounting control and procedures or in other factors that could significantly affect internal accounting controls and procedures subsequent to the date of my most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

In addition, I have examined the remaining schedules contained in this report; to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

15 Name:

Derek M. DiRisio

16 Title:

VP & Controller

17 Signature:



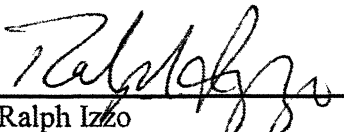
18 Date Signed:

03/30/12

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

1. This certification is made by the undersigned, Ralph Izzo, Chief Executive Officer of Public Service Electric and Gas Company (the "Company") and filed in the annual report of this Company with the New Jersey Board of Public Utilities, pursuant to 14:4-4A.3(c) of the New Jersey Administrative Code ("NJAC").
2. The undersigned has presented to the Board of Directors of the Company a calculation of the assets of all non-utility associates as a percentage of total assets of all public utilities and utility associates in the public utility holding company system, as such terms are defined in Subchapter 4A of Title 14 of the NJAC as of December 31, 2011.
3. The undersigned has described to the Board of Directors of the Company the methodology for making the calculation referenced above.
4. The undersigned has prepared and presented to the Board of Directors of the Company, subject to the authorization of said Board of Directors, this certification.
5. The undersigned hereby certifies, pursuant to 14:4-4A.3(c)(3) of the NJAC, that, as of December 31, 2011, the percentage of assets in non-utility associates does not exceed twenty-five percent of the aggregate assets of all public utilities and utility associates in the public utility holding company system, as such terms are defined in Subchapter 4A of Title 14 of the NJAC, and thus does not contravene the applicable provisions of Subchapter 4A of Title 14 of the NJAC.
6. This certification by the undersigned has been authorized by the Board of Directors of the Company by action taken on February 21, 2012, pursuant to 14:4-4A.3(c)(3) of the NJAC.


Ralph Izzo
Chief Executive Officer

Dated: March 30, 2012

Company	Classification	Assets as of December 31, 2011* (millions)	
Public Service Enterprise Group Incorporated	Utility Associate	\$ 967	
PSEG Services Corporation	Utility Associate	314	
Public Service Electric and Gas Company	Public Utility	16,476	
PSE&G Transition Funding LLC	Utility Associate	909	
PSE&G Transition Funding II LLC	Utility Associate	42	
Public Service Electric and Gas Company - other subsidiaries	Utility Associate	26	
PSEG Power LLC	Utility Associate	134	
PSEG Fossil LLC and subsidiaries	Utility Associate	5,170	
PSEG Nuclear LLC and subsidiary	Utility Associate	3,196	
PSEG Energy Resources and Trade LLC	Utility Associate	1,251	
PSEG Power LLC - other subsidiaries	Utility Associate	31	
PSEG Energy Holdings L.L.C.	Utility Associate	5	
PSEG Global L.L.C. and subsidiaries	Utility Associate	205	
Aggregate Assets of Public Utility and Utility Associates		28,726	
PSEG Resources L.L.C. and subsidiaries	Nonutility Associate	1,076	
Enterprise Group Development Corporation	Nonutility Associate	19	
Aggregate Assets of Nonutility Associates		1,095	
Aggregate Consolidated Assets		\$ 29,821	
<u>Investments in Nonutility Associates as of December 31, 2011</u>			
		(millions)	
PSEG Resources L.L.C. and subsidiaries		\$ 212	
Enterprise Group Development Corporation		144	
Aggregate Investments in Nonutility Associates		\$ 356	
Aggregate Investments in Nonutility Associates		\$ 356	1.2%
Aggregate Assets of Public Utility and Utility Associates		\$ 28,726	
* amounts shown represent assets of the company named and its direct and indirect subsidiaries, where noted. Such amounts do not include investments in consolidated subsidiaries, intercompany receivables or other amounts which are eliminated when preparing financial statements in conformity with accounting principles generally accepted in the United States.			

Name of Respondent: Public Service Electric and Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Day, Yr.) 03/30/2012	Year of Report: As of December 31, 2011
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LIST OF SCHEDULES (Electric and Gas Utility)

Enter in Remarks column the terms "none", "not applicable", or "NA", as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none", "not applicable", or "NA".

Line #	Title of Schedule	Form	Ref. Page #	Date Revised	Remarks
	GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS:				
1	General Information	FERC Form 1	101	Dec-87	
2	Control Over Respondent	FERC Form 1	102	Dec-96	
3	Corporations Controlled by Respondent	FERC Form 1	103	Dec-96	
4	Officers	FERC Form 1	104	Dec-96	
5	Directors	FERC Form 1	105	Dec-95	
	Information of Formula Rates:				
6	-FERC Rate Schedule/Tariff Num. FERC Proceeding	FERC Form 1	106-106a	Dec-08	
7	-Formula Rate Variances	FERC Form 1	106b	Dec-08	NONE
8	Security Holders and Voting Powers	FERC Form 2	107	Dec-96	
9	Important Changes During the Year	FERC Form 1	108-109.1	Dec-96	
	BASIC FINANCIAL STATEMENTS:				
10	-Assets And Other Debits	FERC Form 1	110-111	Dec-08	
11	-Liabilities and Other Credits	FERC Form 1	112-113	Dec-08	
12	Statement of Income For The Year	FERC Form 2	114-116	Jun-04	
13	Statement Of Retained Earnings For The Year	FERC Form 1	118-119	Feb-04	
14	Statement Of Cash Flows	FERC Form 1	120-121	Dec-06	
15	Statement of Accumulated Comprehensive Income and Hedging Activities	FERC Form 1	122a-122b	Jun-02	
16	Notes To Financial Statements	FERC Form 1	122-123.xx	Dec-96	
	BALANCE SHEET SUPPORTING SCHEDULES				
	- ASSETS & OTHER DEBITS:				
17	Summary of Utility Plant And Accumulated Provisions For Depreciation, Amortization, And Depletion	FERC Form 1	200-201	Dec-08	
18	Nuclear Fuel Materials	FERC Form 1	202-203	Dec-89	NOT APPLICABLE
19	Electric Plant in Service	FERC Form 1	204-207	Dec-05	
20	Gas Plant in Service	FERC Form 2	204-209	Dec-96	
21	Gas Property & Capacity Leased From/To Others	FERC Form 2	212-213	Dec-96	NONE
22	Electric Plant Leased To Others	FERC Form 1	213	Dec-95	NONE
23	Electric Plant Held For Future Use	FERC Form 1	214	Dec-96	
24	Gas Plant Held for Future Use	FERC Form 2	214	Dec-96	NONE
25	Construction Work in Progress - Electric	FERC Form 1	216	Dec-08	
26	Construction Work in Progress - Gas	FERC Form 2	216	Dec-96	
27	Non-Traditional Rate Treatment Afforded New Projects	FERC Form 2	217-217a	Dec-07	NONE
28	Construction Overheads - Electric	FERC Form 1	217	Dec-89	
29	Construction Overheads - Gas	FERC Form 2	217	Dec-89	
30	General Description of Construction Overhead Procedures	FERC Form 2	218.1-218a	Dec-07	
31	Accumulated Provision for Depreciation of Utility Plant - Electric	FERC Form 1	219	Dec-05	
32	Accumulated Provision for Depreciation of Utility Plant - Gas	FERC Form 2	219	Dec-06	
33	Gas Stored	FERC Form 2	220	Apr-04	NONE
34	Nonutility Property - Electric	FERC Form 1	221	Dec-95	
35	Nonutility Property - Gas	FERC Form 2	221	Dec-89	
36	Accumulated Provision for Depreciation and Amortization of Nonutility Property-Acct. 122	FERC Form 2	221	Dec-89	
37	Investments (Accts. 123, 124, and 136)	FERC Form 2	222-223	Dec-96	
38	Investments in Subsidiary Companies	FERC Form 1	224-225	Dec-89	
39	Gas Prepayments Under Purchase Agreements	FERC Form 2	226	Dec-88	NONE
40	Materials and Supplies	FERC Form 1	227	Dec-05	
41	Allowances (Accts. 158.1 and 158.2)	FERC Form 1	228-229	Dec-95	NOT APPLICABLE

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Line #	Title of Schedule	Form	Ref. Page #	Date Revised	Remarks
	BALANCE SHEET SUPPORTING SCHEDULES				
	ASSETS & OTHER DEBITS (continued):				
42	Advances For Gas Prior to Initial Deliveries Or Commission Certifications	FERC Form 2	229	Dec-87	NONE
43	Prepayments	FERC Form 2	230a	Dec-96	
44	Extraordinary Property Losses	FERC Form 1	230a	Dec-88	NONE
45	Unrecovered Plant And Regulatory Study Costs	FERC Form 1	230b	Dec-88	
46	Transmission Service and Generation Interconnection Study Costs	FERC Form 1	231	Mar-07	
47	Preliminary Survey & Investigation Charges-Gas	FERC Form 2	231	Dec-88	
	BALANCE SHEET AND SUPPORTING SCHEDULE				
	LIABILITIES AND OTHER CREDITS:				
48	Other Regulatory Assets (Acct. 182.3)	FERC Form 1	232	Dec-08	
49	Miscellaneous Deferred Debits (Acct. 186)	FERC Form 1	233	Dec-08	
50	Accumulated Deferred Income Taxes	FERC Form 1	234	Dec-88	
51	Capital Stock (Acct. 201 and 204)	FERC Form 1	250-251	Dec-91	
52	Capital Stock: subscribed, Liability for Conversion, Premium on, and Installments Received on (Acct.s 202, 203, 205, 206, 207 and 212)	FERC Form 2	252	Dec-96	NONE
53	Other Paid-in Capital (Accts. 208-211, inc.)	FERC Form 1	253	Dec-87	
54	Discount on Capital Stock (Acct. 213)	FERC Form 2	254	Dec-96	NONE
55	Capital Stock Expense (Acct. 214)	FERC Form 2	254	Dec-96	NONE
56	Securities Issued Or Assumed And Securities Refunded Or Retired During The Year	FERC Form 2	255.1	Dec-96	
57	Long-Term Debt (Accts. 221, 222, 223, and 224)	FERC Form 1	256-257	Dec-96	
58	Unamortized Debt Expense Premium & Discount On Long-Term Debt (Accts. 181, 225, 226)	FERC Form 2	258-259	Dec-96	
59	Unamortized Loss & Gain on Reacquired Debt	FERC Form 2	260	Dec-96	
60	Reconciliation Of Reported Net Income With Taxable Income For Federal Income Tax	FERC Form 1	261	Dec-96	
61	Taxes Accrued, Prepaid, and Charged During The Year	FERC Form 1	262-263	Dec-96	
62	Investment Tax Credits Generated and Utilized - Gas	FERC Form 2	264	Dec-88	
63	Accumulated Deferred Investment Tax Credits (Account 255)	FERC Form 1	266-267	Dec-89	
64	Miscellaneous Current and Accrued Liabilities (Account 242)	FERC Form 2	268	Dec-96	
65	Other Deferred Credits (Acct. 253)	FERC Form 1	269	Dec-08	
66	Undelivered Gas Obligations Under Sales Agreements	FERC Form 2	270-271	Dec-86	NONE
	ACCUMULATED DEFERRED INCOME TAXES:				
67	- Accelerated Amortization Property	FERC Form 1	272-273	Dec-96	NONE
68	- Other Property (Acct. 282)	FERC Form 1	274-275	Dec-96	
69	- Other (Acct. 283)	FERC Form 1	276-277	Dec-96	
70	Other Regulatory Liabilities (Acct. 254)	FERC Form 1	278	Dec-08	
	INCOME ACCOUNT SUPPORTING SCHEDULE:				
71	Quarterly Quantity and Revenue By Rate Schedule	FERC Form 2	299	Dec-08	
72	Electric Operating Revenues (Acct. 400)	FERC Form 1	300-301	Dec-08	
73	Electric Operating Revenues (Cont'd - By Tax Class)	FERC Form 1	301a	Dec-96	
74	Gas Operating Revenues (by FERC Account)	FERC Form 2	300-301	Dec-07	
75	Gas Operating Revenues (Cont'd - by Customer Class, Tax Class, & Reconciliation)	FERC Form 2	G301a-G301c	Mar-98 & Feb-92	
76	Regional Transmission Service Revenues	FERC Form 1	302	Dec-05	NONE
77	Revenue From Transportation of Gas Of Others Through Gathering Facilities (Acct. 489.1)	FERC Form 2	302-303	Dec-96	NONE
78	Sales of Electricity By Rate Schedules	FERC Form 1	304	Dec-95	
79	Revenues From Transportation of Gas Of Others Through Transmission Facilities	FERC Form 2	304-305	Dec-96	
80	Revenues From Storing Gas Of Other	FERC Form 2	306-307	Dec-96	NONE

Name of Respondent: Public Service Electric and Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Day, Yr.) 03/30/2012	Year of Report: As of December 31, 2011
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LIST OF SCHEDULES (Electric and Gas Utility)

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Line #	Title of Schedule	Form	Ref. Page #	Date Revised	Remarks
	INCOME ACCOUNT SUPPORTING SCHEDULE:				
	<u>(Continued)</u>				
81	Other Gas Revenues (Acct. 495)	FERC Form 2	308	Dec-96	
82	Sales for Resale-Electric (Acct. 447)	FERC Form 1	310-311	Dec-90	
83	Discounted Rate Services and Negotiated Rate Services	FERC Form 2	313	Dec-07	
84	Sales of Products Extracted From Natural Gas	FERC Form 2	315	Dec-86	NONE
85	Revenues From Natural Gas Processed By Others	FERC Form 2	315	Dec-86	NONE
86	Gas Operation and Maintenance Expenses	FERC Form 2	317-325	Dec-96	
87	Electric Operation and Maintenance Expenses	FERC Form 1	320-323	Dec-93	
88	Number of Electric Department Employees	FERC Form 1	323	Dec-95	
89	Purchase Power (Account 555)	FERC Form 1	326-327	Dec-90	
90	Exploration And Development Expenses	FERC Form 2	326	Dec-88	NONE
91	Abandoned Lease (Acct. 797)	FERC Form 2	326	Dec-88	NONE
92	Gas Purchases By Account	FERC Form 2	G327	Dec-89	
93	Gas Purchases by Vendor	FERC Form 2	327-327A	Dec-96	
94	Transmission Of Electricity For Others	FERC Form 1	328-330	Dec-90	
95	Exchange And Imbalance Transactions	FERC Form 2	328	Dec-96	NONE
96	Exchange Gas Transactions (Acct. 806)	FERC Form 2	329-329B	Dec-88	NONE
97	Summary Of Gas Account	FERC Form 2	329C	Dec-88	
98	Transmission of Electricity By ISO/RTOs	FERC Form 1	331	Mar-07	NOT APPLICABLE
99	Gas Used In Utility Operation	FERC Form 2	331	Dec-96	NONE
100	Transmission Of Electricity By Others	FERC Form 1	332	Feb-04	NONE
101	Transmission & Compression Of Gas By Others	FERC Form 2	332	Dec-96	NONE
102	Other Gas Supplies (Acct. 813)	FERC Form 2	334	Dec-96	
103	Miscellaneous General Expenses - Electric and Gas (Account 930.2)	FERC Form 2	335	Dec-96	
104	Depreciation And Amortization Of Electric Plant	FERC Form 1	336-337	Dec-03	
105	Depreciation, Depletion, And Amortization Of Gas Plant	FERC Form 2	336-338	Dec-96	
106	Income From Utility Plant Leased To Others	FERC Form 2	339	Dec-86	NONE
107	Particulars Concerning Certain Income Deduction And Interest Charge Accounts - Electric and Gas	FERC Form 2	340	Dec-96	
108	Residential And Commercial Space Heating Customers	FERC Form 2	343	Dec-88	
109	Interruptible Off Peak, And Firm Sales To Distribution System Industrial Customers	FERC Form 2	343	Dec-88	
110	Field And Main Line Industrial Sales of Natural Gas	FERC Form 2	344-347	Dec-89	NONE
111	Number of Gas Department Employees	FERC Form 2	348	Dec-89	
112	COMMON SECTION:				
113	Regulatory Commission Expenses - Electric	FERC Form 1	350-351	Dec-96	
114	Regulatory Commission Expenses - Gas	FERC Form 2	350-351	Dec-96	
115	Research, Development, And Demonstration Activities	FERC Form 1	352-353	Dec-08	
116	Research, Development, And Demonstration Activities	FERC Form 2	352-353	Dec-93	
117	Employee Pensions and Benefits	FERC Form 2	352	Dec-07	
118	Distribution Of Salaries And Wages	FERC Form 1	354-355	Dec-88	
119	Common Utility Plant and Expenses	FERC Form 1	356	Dec-87	
120	Charges For Outside Professional And Other Consultative Services (Acct. 923) - Electric & Gas	FERC Form 2	357	Dec-96	
121	Amounts Included in ISO/RTO Settlement Statements	FERC Form 1	397	Dec-05	
122	Purchase & Sales of Ancillary Services	FERC Form 1	398	Feb-04	

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Line #	Title of Schedule	Form	Ref. Page #	Date Revised	Remarks
	ELECTRIC PLANT STATISTICAL DATA				
123	Monthly Transmission System Peak Load	FERC Form 1	400	Jul-04	
124	Monthly ISO/RTO Transmission System Peak Load	FERC Form 1	400a	Jul-04	NOT APPLICABLE
125	Electric Energy Account	FERC Form 1	401a	Dec-90	
126	Monthly Peaks And Output	FERC Form 1	401b	Dec-08	
127	Steam-Electric Generating Plant Statistics (Large Plants)	FERC Form 1	402-403	Dec-03	NOT APPLICABLE
128	Hydroelectric Generating Plant Statistics (Large Plants)	FERC Form 1	406-407	Dec-03	NOT APPLICABLE
129	Pumped Storage Generating Plant Statistics (Large Plants)	FERC Form 1	408-409	Dec-03	NOT APPLICABLE
130	Generating Plant Statistics (Small Plants)	FERC Form 1	410	Dec-03	
131	Transmission Line Statistics	FERC Form 1	422-423	Dec-87	
132	Transmission Lines Added During Year	FERC Form 1	424-425	Dec-03	
133	Substations	FERC Form 1	426-427	Dec-96	
134	Transactions with Associated (Affiliated) Companies	FERC Form 1	428	Dec-07	
135	Electric Distribution Meters And Line Transformers	FERC Form 1	429	Dec-88	
136	Environmental Protection Facilities	FERC Form 1	430	Dec-88	NONE
137	Environmental Protection Expenses	FERC Form 1	431	Dec-88	NONE
	UNDERGROUND TRANSMISSION & DISTRIBUTION SYSTEMS:				
138	-Conduit, Underground Cable, And Submarine Cable (Distribution System)	FERC Form 1	440	-	NOT AVAILABLE
	OVERHEAD DISTRIBUTION SYSTEM:				
139	-Overhead Transmission System & Overhead Distribution System	FERC Form 1	441	-	NOT AVAILABLE
140	Street Lighting And Signal Systems	FERC Form 1	442	-	
	GAS PLANT STATISTICAL DATA				
141	Natural Gas Reserves And Acreage	FERC Form 2	500-501	Dec-09	NONE
142	Changes In Estimated Natural Gas Reserves	FERC Form 2	503	Dec-09	NONE
143	Changes In Estimated Hydrocarbon Reserves and Costs, And Net Realizable Value	FERC Form 2	504-505	Dec-88	NONE
144	Natural Gas Production & Gathering Statistics	FERC Form 2	506	Dec-88	NONE
145	Products Extraction Operations - Natural Gas	FERC Form 2	507	Dec-88	NONE
146	Compressor Stations	FERC Form 2	508-509	Dec-07	NONE
147	Gas And Oil Wells	FERC Form 2	510	Dec-07	NONE
148	Field And Storage Lines	FERC Form 2	511	Dec-07	NONE
149	Gas Storage Projects	FERC Form 2	512-513	Dec-96	NONE
150	Transmission Mains/Lines (Acct. 367)	FERC Form 2	514	Dec-96	
151	Liquefied Petroleum Gas Operations	FERC Form 2	516-517	Dec-89	
152	Transmission System Peak Deliveries	FERC Form 2	518	Dec-96	NOT APPLICABLE
153	Auxiliary Peaking Facilities	FERC Form 2	519	Dec-96	
154	Gas Account - Natural Gas	FERC Form 2	520	Dec-07	
155	Shipper Supplied Gas by Quarter	FERC Form 2	521	Dec-07	NOT APPLICABLE
156	System Maps	FERC Form 2	522.1	Dec-96	
157	System Load Statistics	FERC Form 2	523	Dec-97	
158	Distribution Mains	FERC Form 2	524	Dec-96	
159	Gas Services and Meters	FERC Form 2	525	Dec-96	
	Stockholders' Reports Check Appropriate Box:				
	<input checked="" type="checkbox"/> Four Copies will be submitted.				
	<input type="checkbox"/> No Annual Report to Stockholder is prepared.				

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Derek M. DiRisio, Vice President and Controller
Public Service Electric and Gas Company
80 Park Plaza, T9B
Newark, New Jersey 07102

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

New Jersey, July 15, 1924, under "An Act Concerning Corporations" (Revision of 1896)

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

N/A

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

PSE&G is a New Jersey corporation, incorporated in 1924, and has its principal executive offices at 80 Park Plaza, Newark, New Jersey 07102. PSE&G is an operating public utility company engaged principally in the transmission and distribution of electric energy and the distribution of gas in New Jersey to residential, commercial and industrial customers. PSE&G also earns revenue but no margins from commodity sales in its role as provider of last resort for electric and gas.

PSE&G also offers appliance services and repairs to customers throughout its service territory.

In addition to our current utility products and services, PSE&G has implemented several programs to improve efficiencies in customer energy use and increase the level of renewable generation within New Jersey.

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) Yes...Enter the date when such independent accountant was initially engaged:

(2) No

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.

All of the issued and outstanding Common Stock of the Respondent is held by Public Service Enterprise Group Incorporated, a New Jersey Corporation, with its principal executive offices at 80 Park Plaza, P.O. Box 1171, Newark, New Jersey 07101.

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CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	New Jersey Properties, Inc.	Real Estate	100	
2	PSE&G Transition Funding I LLC	Securitization/Financing	100	
3	PSE&G Transition Funding II LLC	Securitization/Financing	100	
4	Public Service Corporation of New Jersey	Research and Development	100	(1)
5	Public Service New Millennium Econ. Dev. Fund	Economic Development	99	(2)
6	PSEG Area Development L.L.C.	Economic Development	100	
7	PSEG Site Finders L.L.C.	Economic Development		(3)
8	PSEG Economic Development L.L.C.	Economic Development		(3)
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18	Note:			
19	(1) Presently inactive			
20	(2) Public Service Corporation of NJ owns 1%			
21	(3) Subsidiary of PSEG Area Development LLC			
22				
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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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DIRECTORS

- Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.
- Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1	Ralph Izzo, Chairman of the Bd and Chief Exec Offcr	80 Park Plaza, Newark, NJ 07102
2		
3	Albert R. Gamper, Jr.	Retired from the CIT Group, Livingston, NJ
4		
5	Conrad K. Harper	Of Counsel Simpson Thacher & Bartlett, 425 Lexington Ave., NY,
6		
7	Richard J. Swift	Retired from Foster Wheeler, Ltd., Clinton, NJ
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INFORMATION ON FORMULA RATES
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent have formula rates? Yes No

1. Please list the Commission accepted formula rates including FERC Rate Schedule or Tariff Number and FERC proceeding (i.e. Docket No) accepting the rate(s) or changes in the accepted rate.

Line No.	FERC Rate Schedule or Tariff Number	FERC Proceeding
1	PJM Interconnection, L.L.C.	Docket No. ER08-1233-000
2	FERC Electric Tariff	
3	Sixth Revised Volume No. 1	
4		
5		
6		
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INFORMATION ON FORMULA RATES
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent file with the Commission annual (or more frequent) filings containing the inputs to the formula rate(s)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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2. If yes, provide a listing of such filings as contained on the Commission's eLibrary website

Line No.	Accession No.	Document Date Filed	Docket No.	Description	Formula Rate FERC Rate Schedule Number or Tariff Number
1	20111017-5128	10/17/2011	ER09-1257-000	PSE&G 2012 Annual	PJM Interconnection
2		10/17/2011		Update filed in	FERC Electric Tariff
3				accordance with 124	Sixth Revised Volume
4				FERC ¶ 61,303 (2008)	
5					
6	20110526-5100	05/26/2011	ER09-1257-000	PSE&G Annual True	PJM Interconnection
7		05/26/2011		Up adjustment for its	FERC Electric Tariff
8				transmission formula	Sixth Revised Volume
9				rate in accordance with	
10				its Formula Rate Imp	
11				lementation Protocols	
12				set forth in Attachmen	
13				H-108 of the PJM OAT	
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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Security Holders and Voting Powers

1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes that each could cast on that date if a meeting were held. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the company did not close the stock book or did not compile a list of stockholders within one year prior to the end of the year, or if since it compiled the previous list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement how such security became vested with voting rights and give other important details concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish details concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets any officer, director, associated company, or any of the 10 largest security holders is entitled to purchase. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were

1. Give date of the latest closing of the stock book prior to end of year, and, in a footnote, state the purpose of such closing:	2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy. Total: By Proxy:	3. Give the date and place of such meeting: NA
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Line No.	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES			
		4. Number of votes as of (date): 02/17/2012			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
5	TOTAL votes of all voting securities	506,050,478	506,050,478		
6	TOTAL number of security holders				
7	TOTAL votes of security holders listed below				
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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION.

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

Inquiry 1:
NONE

Inquiry 2:
NONE

Inquiry 3:
NONE

Inquiry 4:
NONE

Inquiry 5:
NONE

Inquiry 6:
The New Jersey Board of Public Utilities (BPU) has authorized PSE&G to issue long-term debt (i) of not more than \$1.3 billion and (ii) as necessary to refinance outstanding amounts at a cost savings or more efficient management of its capital structure, through December 31, 2011. (See IMO Petition of Public Service Electric and Gas Company for Authority through December 31, 2011, Docket No. EF09030223).

In 2011, PSE&G issued \$250 million of long-term debt (excluding securitized debt).

As of December 31, 2011, PSE&G had no commercial paper or short term debt outstanding.

Inquiry 7:
NONE

Inquiry 8:
The non-union average wage increase for 2011 was 2.08%, resulting in a cost of \$2,476,800. The general union increase was 3.25%, applied beginning in May 2011, resulting in a cost of \$11,240,302

Inquiry 9:

REGULATORY ISSUES

Federal Regulation

FERC

FERC is an independent federal agency that regulates the transmission of electric energy and gas in interstate commerce and the sale of electric energy and gas at wholesale pursuant to the Federal Power Act (FPA) and the Natural Gas Act. PSE&G is a public utility as defined by the FPA. FERC has extensive oversight over "public utilities" as defined by the FPA. FERC approval is usually required when a public utility seeks to: sell or acquire an asset that is regulated by FERC (such as a transmission line or a generating station); collect costs from customers associated with a new transmission facility; charge a rate for wholesale sales under a contract or tariff; or engage in certain mergers and internal corporate reorganizations.

For us, the major effects of FERC regulation fall into four general categories:

- Regulation of Wholesale Sales—Generation/Market Issues
- Capacity Market Issues
- Transmission Regulation
- Compliance

Regulation of Wholesale Sales—Generation/Market Issues

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Public Service Electric and Gas Company			
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

Market Power—Under FERC regulations, public utilities must receive FERC authorization to sell power in interstate commerce. They can sell power at cost-based rates or apply to FERC for authority to make market based rate (MBR) sales. For a requesting company to receive MBR authority, FERC must first make a determination that the requesting company lacks market power in the relevant markets. FERC requires that holders of MBR tariffs file an update every three years demonstrating that they continue to lack market power. PSE&G was granted continued MBR authority from FERC in June 2011.

Capacity Market Issues

LCAPP—In 2011, the State of New Jersey concluded that new natural-gas fired generation was needed and enacted the Long-Term Capacity Agreement Pilot Program Act (LCAPP Act) to subsidize 2,000 MW of new generation. The LCAPP Act provided that subsidies would be offered through long-term standard offer capacity agreements (SOCAs) between selected generators and the New Jersey Electric Distribution Companies (EDCs). The SOCA requires that the generator bid in and clear in the PJM RPM base residual auction in each year of the SOCA term in order to receive the subsidized payment. The SOCA requires each New Jersey EDC to provide the generators with guaranteed capacity payments funded by ratepayers, calculated as the difference between the RPM clearing price for each year of the term and the guaranteed price for each generator as set forth in its respective SOCA. The EDCs, including PSE&G, were directed to enter into fifteen-year SOCAs with three generators selected by the BPU: CPV Shore, LLC (CPV), a subsidiary of Competitive Power Ventures, Inc., Hess Newark, LLC (Hess), a subsidiary of Hess Corporation, and New Jersey Power Development LLC, a subsidiary of NRG Energy, Inc. Each of the New Jersey EDCs entered into the SOCAs as directed by the State, but did so under protest reserving their rights.

The NRG subsidiary filed a petition at the BPU claiming that there has been a material modification in PJM's RPM that will adversely affect its performance under the SOCA and asked the BPU for relief through modifications to its SOCA. In January 2012, PSE&G received a similar notice of dispute from another of the three selected generators. In February 2012, the BPU announced that it would consider the NRG dispute in a proceeding, which will be presided over by the BPU's president. The BPU indicated that it would encourage the CPV and Hess subsidiaries to also participate in the proceeding.

In 2011, the BPU also initiated a second proceeding, not authorized by the LCAPP Act, to consider whether there is a need for additional generation capacity in the state and whether there are rules or practices that inhibit the development of that generation in the competitive market. The BPU Staff issued written recommendations on these issues in December 2011 and recommended several options for the BPU to consider in the event that sufficient levels of new generation do not clear in the 2012 and 2013 RPM auctions. At this time, the BPU has not acted on the staff recommendations.

Legal challenges to the BPU's implementation of the LCAPP Act, as well as to the constitutionality of the LCAPP Act were filed and are pending.

Maryland is also considering similar subsidies to above-market new generation. In September 2011, the Maryland Public Utility Commission (PUC) issued an order requiring its EDCs to issue a Request for Proposals (RFP) to procure up to 1,500 MW of new natural gas-fired generation located in the Southwest MAAC electrical region. The RFP would require up to a 20-year contract, with ratepayers paying the generator a fixed capacity amount and would require the generator to bid into and clear the RPM auctions (similar to the LCAPP SOCA). Developments in Maryland may influence developments in New Jersey regarding the construction of subsidized generation and impact energy and capacity prices in PJM.

The impacts of the subsidized above-market contracts on RPM auction prices were mitigated, but not eliminated, when FERC ordered certain changes to the PJM Tariff, including a Minimum Offer Price Ruling (MOPR) that would restrict new generation from bidding in RPM at less than an established minimum level established by Tariff, or a cost-based bid to the extent that the generator can demonstrate that its costs are lower than the MOPR. The BPU, the Maryland PUC and other parties have challenged the FERC's MOPR order, and those challenges are pending.

Transmission Regulation

FERC has exclusive jurisdiction to establish the rates and terms and conditions of service for interstate transmission. We currently have FERC-approved formula rates in effect to recover the costs of our transmission facilities. Under this formula, rates are put into effect in January of each year based upon our internal forecast of annual expenses and capital expenditures. Rates are then trued up the following year to reflect actual annual expenses/capital expenditures. Our allowed ROE is 11.68% for both existing and new transmission investments and we have received incentive rates, affording a higher ROE, for certain large scale transmission investments.

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Public Service Electric and Gas Company			
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

Transmission Policy Developments— In 2010, FERC initiated a Notice of Proposed Rulemaking (NOPR) proceeding to evaluate whether reforms were necessary to current transmission planning and cost allocation rules to stimulate additional transmission development. The rulemaking also addressed the issue of whether the “right of first refusal” (ROFR) contained in FERC-approved tariffs and contracts, under which incumbent transmission companies have a ROFR to build transmission located within their respective service territories, should be eliminated. On July 21, 2011, FERC issued a Final Rule (Order 1000) in this proceeding. The Final Rule, among other things (i) directs regional planners, such as PJM, to modify their planning processes to “consider transmission needs driven by public policy requirements established by state or federal laws or regulations” (ii) directs regional planners to remove the ROFR from its tariffs and agreements, subject to exceptions for certain types of projects and subject to a back-stop mechanism that may permit incumbent transmission owners to step in and build transmission if third party developers’ projects are delayed (iii) requires regional planners to develop regional cost allocation methodologies consistent with certain articulated principles, including that costs be “roughly commensurate” with project benefits and (iv) requires regional planners in neighboring regions to have a common interregional cost allocation method for new interregional facilities. We and many other parties to the proceeding have sought rehearing of the Final Rule, which remains pending. Ultimate judicial appeals are likely. PJM has commenced a stakeholder process that will develop implementing details regarding Order 1000. An expected outcome of this Final Rule is the construction of more transmission through “public policy” planning and the opening up of transmission construction and ownership to third-party developers and to incumbents seeking to build outside of their service territories. We cannot predict the final outcome or impact on us; however, specific implementation of the Order 1000 in the various regions, including within our service territory, may expose us to competition for construction of transmission, additional regulatory considerations and potential delay with respect to future transmission projects.

Transmission Expansion— In June 2007, PJM identified the need for the construction of the Susquehanna-Roseland line, a new 500 kV transmission line intended to maintain the reliability of the electrical grid serving New Jersey customers. PJM assigned construction responsibility for the new line to us and PPL Corporation (PPL) for the New Jersey and Pennsylvania portions of the project, respectively. The estimated cost of our portion of this construction project is \$750 million, and PJM had originally directed that the line be placed into service by June 2012. Construction of the Susquehanna-Roseland line is contingent upon obtaining all necessary federal, state, municipal and landowner permits and approvals. The construction of the line has encountered significant local opposition. Although the BPU has memorialized its approval in a written order and the New Jersey Department of Environmental Protection has approved construction of the portion of the project crossing the Highlands region, we have not received certain environmental approvals that are required for each of the Eastern and Western segments of the Susquehanna-Roseland line, including from the National Park Service (NPS). In November 2011, the NPS issued a draft Environmental Impact Statement (EIS) recommending a “no action” alternative that would require re-routing of the project around the affected federal park areas. However, on March 29, 2012, the NPS identified a “preferred alternative” for the final EIS, under which the project would follow the route of the existing transmission line. This route was the one approved by state regulators including the BPU. The final EIS is expected to be issued in October 2012. Currently, the expected in-service date for the Eastern segment of the project is June 2014 and for the Western segment is June 2015, although further delays are possible. Delays in the construction schedule could impact the timing of expected transmission revenues.

On February 3, 2011, certain environmental groups that were parties to the BPU proceeding approving the Susquehanna-Roseland line and that appealed the BPU’s approval order filed a motion to reopen the agency record on the grounds of “changed circumstances,” including the delay in construction of the project and PJM’s issuance of a new load forecast report. On January 12, 2012, the Appellate Division denied the motion. The underlying substantive appeal of the BPU approval order remains pending, though oral argument has been scheduled.

In October 2010, PJM approved the North East Grid project, a 230 kV project running from Roseland to Hudson. This project has an expected in-service date of June 2015 with an estimated cost of construction of \$895 million. The North East Grid project was approved in place of a previously approved 500 kV Branchburg-Roseland-Hudson (B-R-H) project. On October 31, 2011, we filed a petition with FERC seeking Construction Work in Progress (CWIP) in rate base, 100% abandonment cost recovery and a 100 basis point ROE adder with respect to the project. Notwithstanding protests filed by the BPU and a group of state ratepayer advocates, including the New Jersey Division of Rate Counsel (Rate Counsel), FERC granted our request for CWIP in rate base and 100% abandonment cost recovery, along with a 25 basis point ROE adder, on December 31, 2011, effective January 1, 2012.

In its Regional Transmission Expansion Plan, PJM has approved our construction of several other 230 kV transmission

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projects. In April 2011, we filed a petition with FERC seeking incentive rates for five of these projects (Burlington-Camden project, North Central Reliability project, the Mickleton-Gloucester-Camden project, Middlesex Switch Rack project and Bayonne-Marion project). For each of these projects, we requested inclusion of 100% of CWIP in rate base and recovery of 100% of prudently incurred abandonment costs with an effective date of June 14, 2011. In June 2011, FERC granted the requested incentives for three of the projects (Burlington-Camden, North Central Reliability and Mickleton-Gloucester-Camden) with a total estimated capital investment of \$1.0 billion, representing approximately 80% of our request.

In May 2011, we filed a petition with the BPU to site the North Central Reliability project. This project, which will involve upgrading certain circuits and switching stations from 138 kV to 230 kV, is currently estimated to cost \$390 million and has an in-service date of June 2014. We expect the BPU to issue a decision in the second quarter of 2012.

In February 2011, the United States Court of Appeals for the 9th Circuit issued a decision vacating the U.S. Department of Energy's (DOE) 2006 Congestion Study and the two national transmission corridor designations resulting from the study, including the Mid-Atlantic Corridor which encompasses all of the State of New Jersey. FERC back-stop siting authority permits an entity building transmission to site the project at FERC under certain circumstances, including a State's failure to act within one year. However, since this authority only attaches to transmission located within a DOE-designated corridor, FERC back-stop siting authority may not be available to companies building transmission in New Jersey, including us. The DOE is expected to issue a new Congestion Study in 2012.

- **PJM Transmission Rate Design**— In 2007, FERC addressed the issue of how transmission rates, paid by PJM transmission customers and ultimately paid by retail customers, should be designed in PJM. FERC ruled that the cost of new high voltage (500 kV and above) transmission facilities in PJM would be regionalized and paid for by all transmission customers on a pro-rata basis. Each share is calculated annually based upon a zone's load ratio share within PJM. For all existing facilities, costs would be allocated using the pre-existing zonal rate design. For new lower voltage transmission facilities, costs would be allocated using a "beneficiary pays" approach. This FERC decision was subsequently upheld on rehearing but was then appealed by other parties to the United States Court of Appeals for the Seventh Circuit.

In August 2009, the Court ruled that, with respect to new 500 kV and higher centrally-planned facilities, FERC had not adequately justified its decision to regionalize these costs. Certain parties sought rehearing of the Court's decision, which requests were denied. The case was then remanded to FERC for further proceedings. FERC has not yet issued a decision. The current allocation for new 500 kV and higher centrally-planned projects may remain in place or could be modified by FERC. PJM's Order 1000 stakeholder proceedings may also establish cost allocation rules regarding costs for transmission facilities in PJM.

Compliance

- **Reliability Standards**— Congress has required FERC to put in place, through the North American Electric Reliability Council (NERC), national and regional reliability standards to ensure the reliability of the U.S. electric transmission and generation system and to prevent major system blackouts. Many reliability standards have been developed and approved. These standards apply both to reliability of physical assets interconnected to the bulk power system and to the protection of critical cyber assets. Our generation assets were audited in 2011 and our utility assets will be audited in 2012. In addition, many of our operating companies have been subject to spot audits. NERC compliance represents a significant and challenging area of compliance responsibility for us. As new standards are developed and approved, existing standards are revised and registration requirements are modified which could increase our compliance responsibilities.

State Regulation

Since our operations are primarily located within New Jersey, our principal state regulator is the BPU, which oversees electric and natural gas distribution companies in New Jersey. Our utility operations are subject to comprehensive regulation by the BPU including, among other matters, regulation of retail electric and gas distribution rates and service, the issuance and sale of certain types of securities and compliance matters.

We are also subject to various other states' regulations due to our operations in those states.

Rates

Retail Gas Transportation Rates—In July 2010, as part of our gas base rate proceeding, the BPU ordered a supplemental and expedited review of certain issues related to the gas transportation rate that PSE&G charges to PSEG Power (Power).

On December 16, 2010, the BPU approved a settlement that resolved all remaining issues in our base rate case.

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The BPU also commenced a generic proceeding to evaluate the process and standards for all utilities to provide discounts to their gas delivery customers, culminating in the issuance of an order in 2011. We, along with the other New Jersey gas utilities, filed to implement tariffs with the BPU setting forth their individual processes by which customers can obtain discounts. Our tariff remains pending at the BPU although we expect the BPU to issue an order in the second quarter of 2012.

Rate Adjustment Clauses—In addition to base rates, we recover certain costs from customers pursuant to mechanisms, known as adjustment clauses. These clauses permit, at set intervals, the flow-through of costs to customers related to specific programs, outside the context of base rate case proceedings. Recovery of these costs is subject to BPU approval. Costs associated with these clauses are deferred when incurred and amortized to expense when recovered in revenues. Delays in the pass-through of costs under these clauses can result in significant changes in cash flow. Our Societal Benefits Charge (SBC) and Non-utility Generation Charges (NGC) clauses are detailed in the following table:

<u>Rate Clause</u>	<u>2011 Revenue</u>	<u>(Over) Under Recovered Balance as of December 31, 2011</u>
		Millions
Energy Efficiency and Renewable Energy	\$ 200	\$ 8
Universal Service Fund (USF)	164	21
Social Programs	70	58
Remediation Adjustment Clause (RAC)	50	92
Total SBC	484	179
NGC	256	(5)
Gas Weather Normalization	0	2
RGGI Recovery Charge (RRC)	37	144
Total	\$ 777	\$ 320

- **SBC**—The SBC is a mechanism designed to ensure recovery of costs associated with activities required to be accomplished to achieve specific government-mandated public policy determinations. The programs that are covered by the SBC (gas and electric) are energy efficiency and renewable energy programs, the RAC, which covers the costs to clean up manufactured gas plants and the USF. In addition, the electric SBC includes a Social Programs component. All components include interest on both over and under recoveries.

NGC—The NGC recovers the above market costs associated with the long-term power purchase contracts with non-utility generators approved by the BPU.

- **Gas Weather Normalization Clause**—The purpose of this clause is to remove the gas earnings volatility caused by variations in the weather over the winter period. To the extent that the cumulative winter period is colder than normal, we refund to customers the excess margin collected as a result of the weather. To the extent that the cumulative winter period is warmer than normal, we have the opportunity to collect from customers the resulting margin shortfall.

- **RRC**—On October 1, 2010, we filed a petition for an increase in the RRC, seeking a revenue increase of approximately \$18.7 million in electric revenue and \$1.4 million in gas revenue on an annual basis. The filing sought to reset the RRC rate components for five programs including: Carbon Abatement, the Energy Efficiency Economic Stimulus Program, the Demand Response Program, Solar 4 All, and the Solar Loan II Program. These initiatives are intended to help New Jersey meet its New Jersey Energy Master Plan (EMP) goal of reducing energy consumption by 20% by 2020 and to help improve New Jersey's economy through the creation of new jobs through the promotion of energy efficiency. In implementing these initiatives, we are allowed to recover the costs of these programs on an annual basis through a true-up mechanism.

A Decision and Order was issued by the BPU in December 2011 finalizing the 2009 Carbon Abatement Stipulated provisional rates of approximately \$3.9 million on an annual basis. This Order also approved a stipulation regarding the October 2010 RRC filing which resulted in a net annual revenue increase of \$18.7 million in the electric RRC rates while maintaining the gas RRC rates at the current level.

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Recent Rate Adjustments

- **USF/Lifeline** — The USF is an energy assistance program mandated by the BPU to provide payment assistance to low income customers. The Lifeline program is a separately mandated energy assistance program to provide payment assistance to elderly and disabled customers. On June 30, 2011, the State's electric and gas utilities filed to reset the statewide rates for the USF and Lifeline programs. The filed rates were subsequently updated and approved in a written order effective November 1, 2011. The approved USF rates are set to recover \$242 million on a statewide basis. Of this amount, the electric rates are set to recover \$185 million and the gas rates \$57 million. The rates for the Lifeline program are set to recover \$49 million and \$22 million for electric and gas, respectively. We earn no margin on collection of the USF and Lifeline programs, resulting in no impact on Net Income.
- **SBC/NGC** — In August 2010, we made our 2010 annual SBC/NGC filing requesting an \$85.4 million electric increase and a \$17.2 million gas decrease. On February 11, 2011, we filed a stipulation of settlement with the Administrative Law Judge (ALJ). The stipulation was executed by all parties and allows us to increase electric SBC/NGC rates by \$85.4 million and decrease gas SBC rates by \$17.2 million, both on an annual basis. The stipulation was approved by the ALJ and adopted by the BPU by written order dated March 9, 2011, with rates effective April 1, 2011. On March 12, 2012, we made our annual SBC/NGC filing requesting a \$4.9 million electric increase and a \$28.7 million gas increase. The matter is pending.
- **RAC** — In November 2010, we filed a RAC 18 petition with the BPU requesting an increase in electric and gas RAC rates of approximately \$3 million and \$1 million, respectively. In May 2011, a settlement was signed by the parties and filed with the ALJ for the requested amounts. Also in May 2011, the ALJ issued an Initial Decision adopting the executed stipulation of the parties to the proceeding. The ALJ's Initial Decision was approved by the BPU in June 2011.

In November 2011, we filed a RAC 19 petition with the BPU requesting a decrease in electric and gas RAC revenues on an annual basis of \$8.9 million and \$10.1 million, respectively. We are seeking an Order by second quarter of 2012 and are currently in the discovery phase of the proceeding.

Energy Supply

BGS—New Jersey's EDCs provide two types of BGS, the default electric supply service for customers who do not have a third party supplier. The first type, which represents about 82% of PSE&G's load requirements, provides default supply service for smaller industrial and commercial customers and residential customers at seasonally-adjusted fixed prices for a three-year term (BGS-Fixed Price). These rates change annually on June 1 and are based on the average price obtained at auctions in the current year and two prior years. The second type provides default supply for larger customers, with energy priced at hourly PJM real-time market prices for a contract term of 12 months (BGS-CIEP).

All of New Jersey's EDCs jointly procure the supply to meet their BGS obligations through two concurrent auctions authorized each year by the BPU for New Jersey's total BGS requirement. These auctions take place annually in February. Results of these auctions determine which energy suppliers provide BGS to New Jersey's EDCs.

PSE&G's total BGS-Fixed Price eligible load is expected to be approximately 8,500 MW. Approximately one-third of this load is auctioned each year for a three-year term. Current pricing is as follows:

	2009	2010	2011	2012
36 Month Terms Ending	May 2012	May 2013	May 2014	May 2015 (A)
Eligible Load (MW)	2,900	2,800	2,800	2,900
\$ per kWh	0.10372	0.09577	0.09430	0.08388

- (A) Prices set in the February 2012 BGS auction will become effective on June 1, 2012 when the 2009 BGS auction agreements expire.

The BPU once again approved the auction process for 2012 with no significant changes to the process. However, as part of the BPU Order, the BPU Staff was directed to initiate a proceeding to review aspects of the BGS procurement process at the conclusion of the 2012 procurement, with an expected resolution by the end of May 2012.

For additional information, see Note 5. Regulatory Assets and Liabilities and Note 11. Commitments and Contingent Liabilities.

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BGSS—BGSS is the mechanism approved by the BPU designed to recover all gas costs related to the supply for residential customers. BGSS filings are made annually by June 1 of each year, with an effective date of October 1. PSE&G's revenues are matched with its costs using deferral accounting, with the goal of achieving a zero cumulative balance by September 30 of each year. In addition, we have the ability to put in place two self-implementing BGSS increases on December 1 and February 1 of up to 5% and also may reduce the BGSS rate at any time.

PSE&G has a full requirements contract through March 2012 with Power to meet the supply requirements of default service gas customers. Power charges PSE&G for gas commodity costs which PSE&G recovers from customers. Any difference between rates charged by Power under the BGSS contract and rates charged to PSE&G's residential customers are deferred and collected or refunded through adjustments in future rates. PSE&G earns no margin on the provision of BGSS.

On June 1, 2011, PSE&G made its annual BGSS filing with the BPU. The filing requested a decrease in annual BGSS revenue of \$16.1 million, excluding sales and use tax, to be effective October 1, 2011. This represented a reduction of approximately 1.1% for a typical residential gas heating customer. On September 22, 2011, the BPU approved the Stipulation of the parties, which implemented the filed BGSS rate, on a provisional basis, effective October 1, 2011.

On November 21, 2011, PSE&G provided notice to the BPU of a decrease in its BGSS-Residential Gas (RSG) Commodity Charge to be effective December 1, 2011. The self-implementing rate decrease was designed to bring a projected over collected balance of \$56 million to zero by the end of September 2012. The annual impact of the decrease for the average residential heating customer is approximately 4.6%. On January 18, 2012, PSE&G provided notice to the BPU of another self-implementing one-month bill credit of 15 cents per therm (including sales and use tax) for its BGSS-Residential Gas customers to be effective February 1 through February 29, 2012.

PSE&G had executed a Stipulation between the parties which would make the current provisional BGSS rate final and resolve all issues of the proceeding. The Stipulation was approved by the BPU on March 12, 2012.

Energy Policy

New Jersey Energy Master Plan (EMP)—New Jersey law requires that an EMP be developed every three years, the purpose of which is to ensure safe, secure and reasonably-priced energy supply, foster economic growth and development and protect the environment. The most recent EMP was finalized in December 2011.

The 2011 EMP places an emphasis on expanding in-state electricity resources and reducing energy costs. The plan also recognizes the impact of climate change and accepts the previously set goal of a 22.5% target for the renewable portfolio standard (RPS) in 2021. It also references a goal that 70% of New Jersey's energy supplies should be from clean energy sources by 2050. To meet this goal, the plan redefines clean energy to include nuclear, natural gas and hydro power along with defined renewable sources and proposes a number of changes aimed at reducing the cost of achieving the 22.5% goal.

Specific program initiatives in the EMP include:

- construction of new combined cycle natural gas plants through the implementation of LCAPP, with the continued State challenge to FERC and PJM policies on market pricing rules in the capacity market;
- support for construction of new nuclear generation;
- changes to the solar program to reduce cost, expand opportunities, expand transparency and ensure economic and environmental benefits;
- expanded natural gas use to meet energy needs;
- development of decentralized combined heat and power;
- redesign of the delivery of state energy efficiency programs, and
- continued support for implementation of off-shore wind, without setting a specific capacity goal.

Solar Initiatives—In order to spur investment in solar power in New Jersey and meet renewable energy goals, we have undertaken two major initiatives at PSE&G.

- **Solar Loans:** The first program helps finance the installation of 81 MW of solar systems throughout our electric service area by providing loans to customers. The borrowers can repay the loans over a period of either 10 years (for residential customer loans) or 15 years (for non-residential customers), by providing us with solar renewable energy certificates (SRECs) or cash. The value of the SRECs towards the repayment of the loan is guaranteed to be not less than a floor price. SRECs received by us in repayment of the loan are sold through a periodic auction. Proceeds will be used to offset program costs.

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The total investment of both phases of the Solar Loan Program is expected to be between \$200 million and \$250 million once the program is fully subscribed, projects are built and loans are closed. As of December 31, 2011, we have provided a total of \$127 million in loans for 518 projects representing 38 MW.

- **Solar 4 All:** The second solar initiative is the Solar 4 All Program under which we are investing approximately \$451 million to develop 80 MW of utility-owned solar photovoltaic (PV) systems over four years. The program consists of centralized solar systems 500kW or greater installed on PSE&G-owned property and third-party sites in our electric service territory (40 MW) and solar panels installed on distribution system poles (40 MW). We sell the energy and capacity from the systems in the PJM wholesale electricity market. In addition we sell any SRECs received from the projects through the same auction used in the loan program. Proceeds from these sales are used to offset program costs.

As of December 31, 2011, 26 MW of solar panels had been installed on approximately 120,000 distribution poles with an investment of approximately \$185 million. In addition during 2011, 33 MW of centralized solar systems representing 19 projects were placed in service with an investment of approximately \$160 million. An additional 6 MW is expected to be placed into service in the first quarter of 2012 and additional projects are in various stages of negotiation and development.

On January 18, 2012, the BPU issued an order indicating that it will conduct a proceeding to address the proposed placement of solar panels on the poles. A negative determination by the BPU could impact our ability to complete the Solar 4 All pole mounted installations.

Solar Generic Proceeding—The BPU is conducting a generic proceeding to examine whether existing utility rate-based solar programs, including ours, should be expanded, modified or discontinued once the current programs expire or the authorized level of solar installations has been achieved. Although the current programs are not expected to be affected, the proceeding will examine the costs and benefits of all of these programs. The proceeding is expected to conclude in the second quarter of 2012 with BPU Staff recommendations to the BPU, which may then be reflected in an order. We have advocated for expansion of our solar investment programs as part of this proceeding.

Capital Infrastructure Programs (CIP I and CIP II)—We have received approval from the BPU for programs that provide for accelerated investment in utility infrastructure. The goal of these accelerated capital investments is to improve the State's economy through the creation of new jobs. The original CIP I program, approved in 2009, included 38 qualifying projects totaling \$694 million of investment. In July 2011, the BPU approved CIP II which included an additional 30 qualifying projects totaling approximately \$78 million and \$195 million in expenditures for gas and electric, respectively. The CIP II program investments are to be completed and placed in service by December 2012.

In conjunction with the approval of CIP II, we agreed to additional base spending of approximately \$96 million, excluding new business for the period 2011 through 2013.

The CIP programs require periodic filings to implement the rates to recover investment costs at which times the BPU reviews the prudence of the implementation of the programs. CIP I was completed in June 2011 and in September 2011, we filed a final CIP I petition for \$60 million in revenue requirements to roll the remaining projects into base rates. An Order is expected in 2012. In November 2011, we filed our first annual recovery petition for CIP II for the period ending December 31, 2011.

LCAPP—See Federal Regulation—Capacity Market Issues above.

Storm Damage Recovery—On August 26, 2011, we filed a petition with the BPU requesting permission to defer incremental storm related costs and the opportunity to seek recovery in our next base rate proceeding. This proceeding remains pending. We have deferred approximately \$31 million in incremental Operation and Maintenance (O&M) storm costs associated with Hurricane Irene. In addition, we deferred approximately \$26 million in incremental O&M related to a severe October 2011 snow storm.

BPU Audits

Management/Affiliate Audit—The BPU engaged a contractor to perform a comprehensive audit with respect to the effectiveness of management and transactions among affiliates, which began in October 2009. In 2011, we received a full draft audit report, which included recommendations for changes in practices at PSE&G and its affiliates. We have provided comments back to the auditors on all chapters of the report. The BPU may enforce the recommendations in whole or in part by Order.

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BPU Investigations

RRC/CIP—In January 2012, the Rate Counsel filed a letter with the BPU requesting the BPU to take prompt action to investigate certain allegations of wrong doing in PSE&G's Solar 4 All, Energy Efficiency Economic Stimulus, and CIP I programs that were raised by three ex-employees in a lawsuit filed on December 20, 2011. At a public meeting on January 18, 2012, the BPU indicated that it would seek to obtain certain pertinent information from PSE&G prior to determining whether an investigation was warranted.

ENVIRONMENTAL MATTERS

Changing environmental laws and regulations significantly impact the manner in which our operations are currently conducted and impose costs on us to reduce the health and environmental impacts of our operations. To the extent that environmental requirements are more stringent and compliance more costly in certain states where we operate compared to other states that are part of the same market, such rules may impact our ability to compete within that market. Due to evolving environmental regulations, it is difficult to project future costs of compliance and their impact on competition. Capital costs of complying with known pollution control requirements are included in our estimate of construction expenditures. The costs of compliance associated with any new requirements that may be imposed by future regulations are not known, but may be material.

Areas of environmental regulation may include, but are not limited to:

- climate change, and
- hazardous substance liability.

For additional information related to environmental matters, including hazardous substance liabilities, see Legal Proceedings and Note 11. Commitments and Contingent Liabilities.

Climate Change

- **Climate Related Legislation**—The federal government may consider legislative proposals to define a national energy policy and address climate change. Proposals under consideration include, but are not limited to, provisions to establish a national clean energy portfolio standard and to establish an energy efficiency resource standard. Provisions of any new proposal may present material risks and opportunities to our businesses. The final design of any legislation will determine the impact on us, which we are not now able to reasonably estimate.

Hazardous Substance Liability

The production and delivery of electricity, the distribution of gas and, formerly, the manufacture of gas, results in various by-products and substances classified by federal and state regulations as hazardous. These regulations may impose liability for damages to the environment from hazardous substances, including obligations to conduct environmental remediation of discharged hazardous substances as well as monetary payments, regardless of the absence of fault and the absence of any prohibitions against the activity when it occurred, as compensation for injuries to natural resources. Our historic operations and the operations of hundreds of other companies along the Passaic and Hackensack Rivers are alleged by federal and state agencies to have discharged substantial contamination into the Passaic River/Newark Bay Complex. For additional information, see Note 11. Commitments and Contingent Liabilities.

Site Remediation—The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) and the New Jersey Spill Compensation and Control Act (Spill Act) require the remediation of discharged hazardous substances and authorize the EPA, the NJDEP and private parties to commence lawsuits to compel clean-ups or reimbursement for such remediation. The clean-ups can be more complicated and costly when the hazardous substances are in a body of water.

Natural Resource Damages—CERCLA and the Spill Act authorize the assessment of damages against persons who have discharged a hazardous substance, causing an injury to natural resources. Pursuant to the Spill Act, the NJDEP requires persons conducting remediation to characterize injuries to natural resources and to address those injuries through restoration or damages. The NJDEP adopted regulations concerning site investigation and remediation that require an ecological evaluation of potential damages to natural resources in connection with an environmental investigation of contaminated sites. The NJDEP also issued guidance to assist parties in calculating their natural resource damage liability for settlement purposes, but has stated that those calculations are applicable only for those parties that volunteer to settle a claim for natural resource damages before a claim is asserted by the NJDEP. We are currently unable to assess the magnitude of the

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potential financial impact of this regulatory change, although such impacts could be material.

LEGAL PROCEEDINGS

We are party to various lawsuits and regulatory matters in the ordinary course of business. For information regarding material legal proceedings, other than those discussed below, see Note 11. Commitments and Contingent Liabilities.

Con Edison (Con Ed)

In 2001, Con Ed filed a complaint with FERC against PSE&G, PJM and NYISO asserting a failure to comply with agreements between PSE&G and Con Ed covering 1,000 MW of transmission. On September 16, 2010, FERC approved a settlement agreement entered into by PSE&G, Con Ed, PJM, NYISO and others. This settlement provides the basis for moving forward with Con Ed after the current contracts expire in 2012 and settles all issues associated with the existing contracts, including cases pending in the D.C. Circuit Court of Appeals. However, dismissal of these court cases is contingent upon receipt of a final, non-appealable order from the FERC. One party to the proceeding sought rehearing of the FERC approval order, which FERC denied in an order issued on April 8, 2011. The party then appealed this decision to the D.C. Circuit Court of Appeals. This appeal is pending.

Environmental Matters

The following items are environmental matters involving governmental authorities not discussed elsewhere in this Annual Report. We do not expect expenditures for any such site relating to the items listed below, individually or for all such current sites in the aggregate, to have a material effect on our financial condition, results of operations and net cash flows.

- (1) Claim made in 1985 by the U.S. Department of the Interior under CERCLA with respect to the Pennsylvania Avenue and Fountain Avenue municipal landfills in Brooklyn, New York, for damages to natural resources. The U.S. Government alleges damages of approximately \$200 million. To PSE&G's knowledge there has been no action on this matter since 1988.
- (2) Various Spill Act directives were issued by the NJDEP to PRPs, including PSE&G with respect to the PJP Landfill in Jersey City, Hudson County, New Jersey, ordering payment of costs associated with operation and maintenance, interim remedial measures and a Remedial Investigation and Feasibility Study (RI/FS) in excess of \$25 million. The directives also sought reimbursement of the NJDEP's past and future oversight costs and the costs of any future remedial action.
- (3) Claim by the EPA, Region III, under CERCLA with respect to a Cottman Avenue Superfund Site, a former non-ferrous scrap reclamation facility located in Philadelphia, Pennsylvania, owned and formerly operated by Metal Bank of America, Inc. PSE&G, other utilities and other companies are alleged to be liable for contamination at the site and PSE&G has been named as a PRP. A Final Remedial Design Report was submitted to the EPA in September of 2002. This document presented the design details of the EPA's selected remediation remedy. PSE&G and other utility companies as members of a PRP group entered into a Consent Decree and agreed to implement a negotiated EPA selected remediation remedy. The PRP group implementation of the remedy was completed in 2010. Although subject to EPA approval and oversight, long term monitoring activities designed to demonstrate the effectiveness of the implemented remedy are planned through 2018 at an estimated cost of \$2.8 million.
- (4) The Klockner Road site is located in Hamilton Township, Mercer County, New Jersey, and occupies approximately two acres on PSE&G's Trenton Switching Station property. In 1996, PSE&G entered into a memorandum of agreement with the NJDEP for the Klockner Road site pursuant to which PSE&G conducted an RI/FS and remedial action at the site to address the presence of soil and groundwater contamination. Anticipated future activities at the site include the filing of certification(s) with NJDEP once every two years regarding the effectiveness of engineering and institutional controls, quarterly groundwater monitoring for several years and the installation of additional off-site groundwater monitoring wells as directed by NJDEP.

Inquiry 10:

NONE

Inquiry 11:

NONE

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Inquiry 12:

See the discussion of important regulatory and legal issues provided above.

Inquiry 13:

See the changes in Officers and Directors provided on pages 104 and 105.

Inquiry 14:

NOT APPLICABLE

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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	14,843,988,032	13,883,389,151
3	Construction Work in Progress (107)	200-201	564,937,264	240,165,584
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		15,408,925,296	14,123,554,735
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	4,759,899,328	4,569,631,547
6	Net Utility Plant (Enter Total of line 4 less 5)		10,649,025,968	9,553,923,188
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		10,649,025,968	9,553,923,188
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		2,856,941	2,856,941
19	(Less) Accum. Prov. for Depr. and Amort. (122)		463,733	436,810
20	Investments in Associated Companies (123)		33,364,573	33,364,573
21	Investment in Subsidiary Companies (123.1)	224-225	21,778,286	21,672,686
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		273,299,709	223,874,010
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		57,136,106	54,049,703
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		4,350,181	16,762,059
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		392,322,063	352,143,162
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		27,802,543	20,618,871
36	Special Deposits (132-134)		9,488,259	9,597,699
37	Working Fund (135)		0	0
38	Temporary Cash Investments (136)		114,700,000	224,200,000
39	Notes Receivable (141)		4,706,263	2,559,810
40	Customer Accounts Receivable (142)		700,003,933	835,024,923
41	Other Accounts Receivable (143)		57,714,168	60,401,804
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		56,470,347	67,314,283
43	Notes Receivable from Associated Companies (145)		42,095,820	51,034,352
44	Accounts Receivable from Assoc. Companies (146)		191,656,094	401,272,190
45	Fuel Stock (151)	227	0	0
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	93,993,248	89,359,160
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	0	0
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		116,844,733	116,450,762
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		40,302,249	39,455,579
60	Rents Receivable (172)		714,856	1,403,809
61	Accrued Utility Revenues (173)		289,389,129	400,195,284
62	Miscellaneous Current and Accrued Assets (174)		6,786,030	4,057,753
63	Derivative Instrument Assets (175)		4,350,181	17,094,838
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		4,350,181	16,762,059
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		1,639,726,978	2,188,650,492
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		18,053,691	20,832,481
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	6,884,406	8,734,240
72	Other Regulatory Assets (182.3)	232	4,112,337,465	4,028,856,471
73	Prelim. Survey and Investigation Charges (Electric) (183)		2,231,591	970,798
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		400,798	325,075
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	16,067,910	12,950,027
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		95,914,963	102,136,583
82	Accumulated Deferred Income Taxes (190)	234	340,446,373	342,728,309
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		4,592,337,197	4,517,533,984
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		17,273,412,206	16,612,250,826

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 03/30/2012	Year/Period of Report end of 2011/Q4
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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	892,260,275	892,260,275
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		0	0
7	Other Paid-In Capital (208-211)	253	1,405,937,329	1,405,937,329
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254b	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	2,343,453,231	2,122,983,462
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	3,316,443	3,210,847
13	(Less) Required Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	1,653,949	395,904
16	Total Proprietary Capital (lines 2 through 15)		4,646,621,227	4,424,787,817
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	4,277,625,700	4,291,625,700
19	(Less) Required Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	0	0
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		7,165,561	7,849,301
24	Total Long-Term Debt (lines 18 through 23)		4,270,460,139	4,283,776,399
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		0	0
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		16,055,769	14,271,435
29	Accumulated Provision for Pensions and Benefits (228.3)		354,894,342	382,305,611
30	Accumulated Miscellaneous Operating Provisions (228.4)		901,767,371	771,061,679
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		225,865,865	216,107,749
35	Total Other Noncurrent Liabilities (lines 26 through 34)		1,498,583,347	1,383,746,474
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		498,157,206	404,925,668
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		483,717,185	499,007,173
41	Customer Deposits (235)		96,294,913	94,119,616
42	Taxes Accrued (236)	262-263	4,110,564	29,532,306
43	Interest Accrued (237)		81,481,392	81,930,741
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 03/30/2012	Year/Period of Report end of 2011/Q4
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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		955,174	3,871,008
48	Miscellaneous Current and Accrued Liabilities (242)		386,591,351	365,098,532
49	Obligations Under Capital Leases-Current (243)		0	0
50	Derivative Instrument Liabilities (244)		6,722,465	11,978,963
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		1,558,030,250	1,490,464,007
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		17,284,246	16,682,189
57	Accumulated Deferred Investment Tax Credits (255)	266-267	126,773,740	84,603,876
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	767,425,931	981,622,639
60	Other Regulatory Liabilities (254)	278	354,820,899	465,253,619
61	Unamortized Gain on Reacquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		2,738,806,345	2,082,682,005
64	Accum. Deferred Income Taxes-Other (283)		1,294,606,082	1,398,631,801
65	Total Deferred Credits (lines 56 through 64)		5,299,717,243	5,029,476,129
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		17,273,412,206	16,612,250,826

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Statement of Income

- Quarterly
- Enter in column (d) the balance for the reporting quarter and in column (e) the balance for the same three month period for the prior year.
 - Report in column (f) the quarter to date amounts for electric utility function; in column (h) the quarter to date amounts for gas utility, and in (j) the quarter to date amounts for other utility function for the current year quarter.
 - Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the prior year quarter.
 - If additional columns are needed place them in a footnote.
- Annual or Quarterly, if applicable
- Do not report fourth quarter data in columns (e) and (f)
 - Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
 - Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
 - Report data for lines 8, 10 and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
 - Use page 122 for important notes regarding the statement of income for any account thereof.
 - Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
 - Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.
 - If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.
 - Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
 - Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
 - If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)
1	UTILITY OPERATING INCOME					
2	Gas Operating Revenues (400)	300-301	6,939,570,199	7,438,763,733	0	0
3	Operating Expenses					
4	Operation Expenses (401)	317-325	4,998,851,849	5,771,607,409	0	0
5	Maintenance Expenses (402)	317-325	158,013,491	152,175,857	0	0
6	Depreciation Expense (403)	336-338	339,796,679	306,179,333	0	0
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-338	0	0	0	0
8	Amortization and Depletion of Utility Plant (404-405)	336-338	9,669,475	8,462,338	0	0
9	Amortization of Utility Plant Acu. Adjustment (406)	336-338	0	0	0	0
10	Amort. of Prop. Losses, Unrecovered Plant and Reg. Study Costs (407.1)		181,213,675	208,604,355	0	0
11	Amortization of Conversion Expenses (407.2)		0	0	0	0
12	Regulatory Debits (407.3)		0	0	0	0
13	(Less) Regulatory Credits (407.4)		0	0	0	0
14	Taxes Other than Income Taxes (408.1)	262-263	181,816,562	184,924,849	0	0
15	Income Taxes-Federal (409.1)	262-263	(293,223,316)	(284,753,156)	0	0
16	Income Taxes-Other (409.1)	262-263	0	0	0	0
17	Provision of Deferred Income Taxes (410.1)	234-235	926,628,245	681,279,283	0	0
18	(Less) Provision for Deferred Income Taxes-Credit (411.1)	234-235	345,426,839	218,711,823	0	0
19	Investment Tax Credit Adjustment-Net (411.4)		42,187,118	48,431,428	0	0
20	(Less) Gains from Disposition of Utility Plant (411.6)		0	0	0	0
21	Losses from Disposition of Utility Plant (411.7)		0	0	0	0
22	(Less) Gains from Disposition of Allowances (411.8)		0	0	0	0
23	Losses from Disposition of Allowances (411.9)		0	0	0	0
24	Accretion Expense (411.10)		17,800	16,876	0	0
25	TOTAL Utility Operating Expenses (Total of lines 4 thru 24)		6,199,544,739	6,858,216,749	0	0
26	Net Utility Operating Income (Total of lines 2 less 25) (Carry forward to page 116, line 27)		740,025,460	580,546,984	0	0

Statement of Income

Line No.	Elec. Utility Current Year to Date (in dollars) (g)	Elec. Utility Previous Year to Date (in dollars) (h)	Gas Utility Current Year to Date (in dollars) (i)	Gas Utility Previous Year to Date (in dollars) (j)	Other Utility Current Year to Date (in dollars) (k)	Other Utility Previous Year to Date (in dollars) (l)
1						
2	4,731,963,234	4,974,789,692	2,207,606,965	2,463,974,041	0	0
3						
4	3,316,066,577	3,757,341,715	1,682,785,272	2,014,265,694	0	0
5	124,861,683	123,761,665	33,151,808	28,414,192	0	0
6	238,927,338	211,837,542	100,869,341	94,341,791	0	0
7	0	0	0	0	0	0
8	5,561,161	4,781,521	4,108,314	3,680,817	0	0
9	0	0	0	0	0	0
10	162,214,086	199,275,573	18,999,589	9,328,782	0	0
11	0	0	0	0	0	0
12	0	0	0	0	0	0
13	0	0	0	0	0	0
14	122,564,774	125,447,890	59,251,788	59,476,959	0	0
15	(180,888,816)	(129,262,994)	(112,334,500)	(155,490,162)	0	0
16	0	0	0	0	0	0
17	643,119,187	437,990,872	283,509,058	243,288,411	0	0
18	265,311,213	195,008,802	80,115,626	23,703,021	0	0
19	45,325,134	45,810,946	(3,138,016)	2,620,482	0	0
20	0	0	0	0	0	0
21	0	0	0	0	0	0
22	0	0	0	0	0	0
23	0	0	0	0	0	0
24	17,800	16,876	0	0	0	0
25	4,212,457,711	4,581,992,804	1,987,087,028	2,276,223,945	0	0
26	519,505,523	392,796,888	220,519,937	187,750,096	0	0

Statement of Income(continued)

Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)
27	Net Utility Operating Income (Carried forward from page 114)		740,025,460	580,546,984	0	0
28	OTHER INCOME AND DEDUCTIONS					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues form Merchandising, Jobbing and Contract Work (415)		0	0	0	0
32	(Less) Costs and Expense of Merchandising, Job & Contract Work (416)		0	0	0	0
33	Revenues from Nonutility Operations (417)		0	0	0	0
34	(Less) Expenses of Nonutility Operations (417.1)		0	0	0	0
35	Nonoperating Rental Income (418)		(27,095)	(27,099)	0	0
36	Equity in Earnings of Subsidiary Companies (418.1)	119	105,600	(376,610)	0	0
37	Interest and Dividend Income (419)		18,011,194	11,561,042	0	0
38	Allowance for Other Funds Used During Construction (419.1)		9,215,657	4,828,748	0	0
39	Miscellaneous Nonoperating Income (421)		6,799,153	18,245,280	0	0
40	Gain on Disposition of Property (421.1)		173,145	142,785	0	0
41	TOTAL Other Income (Total of lines 31 thru 40)		34,277,654	34,374,146	0	0
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		6,634	2,711	0	0
44	Miscellaneous Amortization (425)		0	0	0	0
45	Donations (426.1)	340	2,629,011	2,572,697	0	0
46	Life Insurance (426.2)		0	0	0	0
47	Penalties (426.3)		479,064	138,045	0	0
48	Expenditures for Certain Civic, Political and Related Activities (426.4)		4,332,090	5,538,473	0	0
49	Other Deductions (426.5)		2,843,947	15,279,241	0	0
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)	340	10,290,746	23,531,167	0	0
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other than Income Taxes (408.2)	262-263	389,873	307,584	0	0
53	Income Taxes-Federal (409.2)	262-263	14,362,318	19,701,838	0	0
54	Income Taxes-Other (409.2)	262-263	0	0	0	0
55	Provision for Deferred Income Taxes (410.2)	234-235	2,922,044	4,225,643	0	0
56	(Less) Provision for Deferred Income Taxes-Credit (411.2)	234-235	10,113,984	20,712,832	0	0
57	Investment Tax Credit Adjustments-Net (411.5)		0	0	0	0
58	(Less) Investment Tax Credits (420)		0	0	0	0
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		7,560,251	3,522,233	0	0
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		16,426,657	7,320,746	0	0
61	INTEREST CHARGES					
62	Interest on Long-Term Debt (427)		217,282,919	209,187,300	0	0
63	Amortization of Debt Disc. and Expense (428)	258-259	3,361,974	2,898,078	0	0
64	Amortization of Loss on Reacquired Debt (428.1)		7,686,819	7,672,430	0	0
65	(Less) Amortization of Premium on Debt-Credit (429)	258-259	0	0	0	0
66	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)		0	0	0	0
67	Interest on Debt to Associated Companies (430)	340	0	0	0	0
68	Other Interest Expense (431)	340	11,856,832	12,027,928	0	0
69	(Less) Allowance for Borrowed Funds Used During Construction-Credit (432)		4,311,792	1,843,709	0	0
70	Net Interest Charges (Total of lines 62 thru 69)		235,876,752	229,942,027	0	0
71	Income Before Extraordinary Items (Total of lines 27,60 and 70)		520,575,365	357,925,703	0	0
72	EXTRAORDINARY ITEMS					
73	Extraordinary Income (434)		0	0	0	0
74	(Less) Extraordinary Deductions (435)		0	0	0	0
75	Net Extraordinary Items (Total of line 73 less line 74)		0	0	0	0
76	Income Taxes-Federal and Other (409.3)	262-263	0	0	0	0
77	Extraordinary Items after Taxes (Total of line 75 less line 76)		0	0	0	0
78	Net Income (Total of lines 71 and 77)		520,575,365	357,925,703	0	0

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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		2,122,983,462	1,915,566,119
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10				
11				
12				
13				
14	Miscellaneous Adjustment			(1)
15	TOTAL Debits to Retained Earnings (Acct. 439)			(1)
16	Balance Transferred from Income (Account 433 less Account 418.1)		520,469,765	358,302,313
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				(884,969)
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			(884,969)
30	Dividends Declared-Common Stock (Account 438)			
31			-300,000,000	(150,000,000)
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-300,000,000	(150,000,000)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		2,343,453,227	2,122,983,462
	APPROPRIATED RETAINED EARNINGS (Account 215)			

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
39				
40				
41	Miscellaneous Adjustment		4	
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)		4	
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)		4	
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		2,343,453,231	2,122,983,462
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)		3,210,847	3,587,293
50	Equity in Earnings for Year (Credit) (Account 418.1)		105,600	(376,611)
51	(Less) Dividends Received (Debit)			
52	Miscellaneous Adjustment		-4	165
53	Balance-End of Year (Total lines 49 thru 52)		3,316,443	3,210,847

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	520,575,365	357,925,702
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	349,466,154	314,641,671
5	Amortization of Property Losses, Unrecovered Plant & Reg. Study Costs	178,271,173	204,557,021
6	Market Transition Charge Refund, net	-60,610,657	84,105,352
7	Realized (Gains)/Losses and Impairment of Rabbi Trust	1,022,555	-10,963,944
8	Deferred Income Taxes (Net)	523,721,045	446,080,271
9	Investment Tax Credit Adjustment (Net)	42,169,864	44,865,179
10	Net (Increase) Decrease in Receivables	342,084,949	-305,376,592
11	Net (Increase) Decrease in Inventory	-4,634,088	-18,761,023
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	-81,406,255	-4,283,443
14	Net (Increase) Decrease in Other Regulatory Assets	-64,842,007	-127,875,599
15	Net Increase (Decrease) in Other Regulatory Liabilities	-49,822,063	69,370
16	(Less) Allowance for Other Funds Used During Construction	9,215,657	4,828,748
17	(Less) Undistributed Earnings from Subsidiary Companies	105,600	-376,444
18	Other (provide details in footnote):		
19	Other Current Assets and Liabilities	106,615,783	-44,009,625
20	Miscellaneous	-231,926,174	-131,375,893
21	Gain on Sale of Property, Plant and Equipment	-173,145	-142,785
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	1,561,191,242	805,003,358
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-1,302,767,515	-1,257,148,738
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	-9,215,657	-4,828,748
31	Other (provide details in footnote):		
32	Increase in Solar Loan Investment	-57,061,262	-26,967,697
33	Proceeds from the Sale of Property, Plant and Equipment	175,684	145,650
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-1,350,437,436	-1,279,142,037
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies	-105,600	376,444
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		-53,564,393
45	Proceeds from Sales of Investment Securities (a)		53,564,393

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48	Cash from SREC Auction	5,778,170	8,263,871
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):		
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-1,344,764,866	-1,270,501,722
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)	250,000,000	1,114,000,000
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote):		
65			
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	250,000,000	1,114,000,000
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)	-264,000,000	-400,000,000
74	Preferred Stock		-79,655,091
75	Common Stock		
76	Other (provide details in footnote):		
77	Premium on Redemption of Preferred Stock		-2,089,588
78	Net Decrease in Short-Term Debt (c)		
79	Deferred Issuance Costs (Debt and Credit Facilities)	-4,742,704	-10,436,376
80	Dividends on Preferred Stock		-884,971
81	Dividends on Common Stock	-300,000,000	-150,000,000
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	-318,742,704	470,933,974
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	-102,316,328	5,435,610
87			
88	Cash and Cash Equivalents at Beginning of Period	244,818,871	239,383,261
89			
90	Cash and Cash Equivalents at End of period	142,502,543	244,818,871

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="checked" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.
4. Report data on a year-to-date basis.

Line No.	Item (a)	Unrealized Gains and Losses on Available-for-Sale Securities (b)	Minimum Pension Liability adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Year	5,106,040			
2	Preceding Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				
3	Preceding Quarter/Year to Date Changes in Fair Value	(4,710,136)			
4	Total (lines 2 and 3)	(4,710,136)			
5	Balance of Account 219 at End of Preceding Quarter/Year	395,904			
6	Balance of Account 219 at Beginning of Current Year	395,904			
7	Current Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				
8	Current Quarter/Year to Date Changes in Fair Value	1,258,045			
9	Total (lines 7 and 8)	1,258,045			
10	Balance of Account 219 at End of Current Quarter/Year	1,653,949			

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges [Specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 117, Line 78) (i)	Total Comprehensive Income (j)
1			5,106,040		
2					
3			(4,710,136)		
4			(4,710,136)	357,925,702	353,215,566
5			395,904		
6			395,904		
7					
8			1,258,045		
9			1,258,045	520,575,365	521,833,410
10			1,653,949		

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION.

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

I Item 1. Statements presented herein are reported in accordance with the Uniform System of Accounts as prescribed by the Federal Energy Regulatory Commission (FERC). Other published financial statements of Public Service Electric and Gas Company (PSE&G) are presented on a consolidated basis as part of Public Service Enterprise Group (PSEG) in accordance with Generally Accepted Accounting Principles (GAAP).

PSE&G's GAAP Financial Statements are presented on a consolidated basis. However, FERC requires the Financial Statements on a corporate basis, resulting in the reporting of the Company's subsidiaries as investments rather than specific assets and liabilities.

On the GAAP balance sheet, certain accounts are presented on a net basis, whereas FERC limits the extent of netting permissible:

- For GAAP purposes, PSE&G nets all intercompany receivables and payables; for FERC purposes PSE&G nets only the intercompany receivables and payables related to the Tax Allocation Agreement with our parent company.
- GAAP nets deferred income tax assets and liabilities and reports a current portion; FERC requires a separate deferred tax asset account (Account 190) and classifies all deferred taxes as non-current.
- GAAP classifies certain items as regulatory assets and liabilities that FERC does not. Major differences are the non-legal portion Cost of Removal (Account 108) and the Unamortized Loss on Reacquired Debt (Account 189).
- GAAP nets the regulatory assets associated with FAS109. FERC requires these items be reported as regulatory assets (Account 182.3) and regulatory liabilities (Account 254).

For GAAP purposes the investment tax credit on our solar investments is treated as a reduction of the book value under grant accounting. FERC accounting requires the deferred ITC to be recorded in Account 255 and amortized over the life of the assets.

For GAAP purposes interest associated with income tax assets/liabilities is recorded as a tax item. FERC requires the interest to be recorded as interest receivable or payable. FIN48 requires the company to record all uncertain tax positions. FERC prohibits the recording of uncertain tax positions for temporary differences.

The following is a general summary of the adjustments needed to convert the December 2011 GAAP balance sheet to the FERC basis:

	<u>Debit</u>	<u>Credit</u>
Long-Term Debt	722,654,568	
Current Liabilities	227,206,642	
Non-Current Liabilities	5,645,459	
Non-Current Asset		950,970,037
Current Assets		4,536,632
To deconsolidate subsidiary companies. Subsidiary balance sheets consist primarily of a regulatory asset offset by a securitized debt.		
Current Liabilities	100,312,254	
Non-Current Assets	408,581,873	
Accumulated Provision for Depreciation		214,377,094
Non-Current Liabilities		127,177,784
Current Assets		167,339,249
To separately state intercompany regulatory assets and liabilities.		
Property, Plant and Equipment	97,671,054	
Accumulated Deferred Investment Tax Credits		97,671,054
To properly classify deferred investment tax credits related to the Company's solar investment.		

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Public Service Electric and Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/30/2012	2011/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Current Assets	65,082,387	
Current Liabilities		18,994,814
Deferred Income Taxes and Other Non-Current Liabilities		46,087,574
To record FIN 48 Tax Adjustments.		

Current Assets	208,858,116	
Current Liabilities		208,858,116
To adjust intercompany receivables and payables.		

Non-Current Assets	340,446,373	
Current Liabilities	32,061,376	
Accumulated Deferred Income Taxes		372,507,749
To segregate deferred income taxes for FERC.		

Regulatory Assets	2,340,783	
Property, Plant and Equipment	687,599	
Retained Earnings		1,928,361
Accumulated Deferred Income Taxes		1,100,021
To record regulatory assets and property, plant and equipment that are recognized for regulatory purposes only.		

Current Liabilities	300,000,000	
Long-Term Debit		300,000,000
To reclassify the current portion of Long-Term Debt in accordance with FERC.		

Current Liabilities	21,473,618	
Non-Current Liabilities		21,473,618
To record all other adjustments needed to convert the balance sheet from a GAAP to FERC basis.		

Item 2. See Item 6, Note 10: Commitments and Contingent Liabilities and Note 17: Income Taxes

Item 3. No activity.

Item 4. Not applicable, PSE&G uses the accounts as prescribed

Item 5. None.

Item 6. Included herein are Notes to PSE&G's Financial Statements, derived from PSE&G's Consolidated Notes to the Financial Statements prepared in conjunction with the annual Form 10-K Securities and Exchange Commission (SEC) Report.

Item 7. See Notes to Financial Statements below.

Item 8. See Notes to Financial Statements below.

Item 9. See Notes to Financial Statements below.

Note 1. Organization, Basis of Presentation and Summary of Significant Accounting Policies

Organization

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Public Service Enterprise and Gas Company (PSE&G) is a an operating public utility engaged principally in the transmission of electricity and distribution of electricity and natural gas in certain areas of New Jersey. PSE&G is subject to regulation by the New Jersey Board of Public Utilities (BPU) and FERC. Pursuant to applicable BPU orders, PSE&G is also investing in the development of solar generation projects and energy efficiency programs, which are regulated by the BPU.

Basis of Presentation

The statements included herein have been prepared pursuant to the rules and regulations of the Federal Energy Regulatory Commission (FERC) applicable to Annual Reports on Form No. 1 and in accordance with accounting guidance generally accepted in the United States (GAAP).

Significant Accounting Policies

Principles of Consolidation

PSE&G consolidates those entities in which it has a controlling interest or is the primary beneficiary. See Note 3. Variable Interest Entities. Entities over which PSE&G exhibits significant influence, but does not have a controlling interest and/or is not the primary beneficiary, are accounted for under the equity method of accounting. For investments in which significant influence does not exist and PSE&G is not the primary beneficiary, the cost method of accounting is applied. All significant intercompany accounts and transactions are eliminated in consolidation, except as discussed in Note 18. Related-Party Transactions.

PSE&G has undivided interests in certain jointly-owned facilities, and is responsible for paying its respective ownership share of construction costs, fuel purchases and operating expenses. PSE&G's revenues and expenses related to these facilities are consolidated in the appropriate revenue and expense categories.

Accounting for the Effects of Regulation

In accordance with accounting guidance for rate-regulated entities, PSE&G's financial statements must reflect the economic effects of regulation. PSE&G is required to defer the recognition of costs (a Regulatory Asset) or record the recognition of obligations (a Regulatory Liability) if it is probable that, through the rate-making process, there will be a corresponding increase or decrease in future rates. Accordingly, PSE&G has deferred certain costs and recoveries, which are being amortized over various future periods. To the extent that collection of any such costs or payment of liabilities is no longer probable as a result of changes in regulation and/or competitive position, the associated Regulatory Asset or Liability is charged or credited to income. Management believes that PSE&G's transmission and distribution businesses continue to meet the accounting requirements for rate-regulated entities. For additional information, see Note 5. Regulatory Assets and Liabilities.

Derivative Financial Instruments

PSE&G uses derivative financial instruments to manage risk from changes in interest rates, pursuant to its business plans and prudent practices.

Derivative instruments, not designated as normal purchases or sales, are recognized on the balance sheet at their fair value. Changes in the fair value of a derivative that is highly effective as, and that is designated and qualifies as, a fair value hedge, along with changes of the fair value of the hedged asset or liability that are attributable to the hedged risk, are recorded in current period earnings. Changes in the fair value of a derivative that is highly effective as, and that is designated and qualifies as, a cash flow hedge are recorded as a Regulatory Asset (Liability), as applicable, until earnings are affected by the variability of cash flows of the hedged transaction. Any hedge ineffectiveness is included in current period earnings. For derivative contracts that do not qualify as cash flow or fair value hedges or are not designated as normal purchases or sales, changes in fair value are recorded in current period earnings.

For additional information regarding derivative financial instruments, see Note 14. Financial Risk Management Activities.

Revenue Recognition

PSE&G's revenues are recorded based on services rendered to customers. PSE&G records unbilled revenues for the estimated amount customers will be billed for services rendered from the time meters were last read to the end of the respective accounting period. The unbilled revenue is estimated each month based on usage per day, the number of unbilled days in the period, estimated seasonal loads based upon the time of year and the variance of actual degree-days and temperature-humidity-index hours of the unbilled period from expected norms.

Depreciation and Amortization

PSE&G calculates depreciation under the straight-line method based on estimated average remaining lives of the several classes of

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NOTES TO FINANCIAL STATEMENTS (Continued)			

depreciable property. These estimates are reviewed on a periodic basis and necessary adjustments are made as approved by the BPU or FERC. The depreciation rate stated as a percentage of original cost of depreciable property was as follows:

	2011 Avg Rate	2010 Avg Rate	2009 Avg Rate
PSE&G Depreciation Rate	2.46%	2.46%	2.44%

Taxes Other Than Income Taxes

Excise taxes, transitional energy facilities assessment (TEFA) and gross receipts tax (GRT) collected from PSE&G's customers are presented in the financial statements on a gross basis. For the years ended December 31, 2011, 2010 and 2009, combined TEFA and GRT are included in the following captions in the Statement of Income:

	Years Ended December 31,		
	2011	2010	2009
	Millions		
TEFA and GRT included in:			
Operating Revenues	\$ 146	\$ 149	\$ 146
Taxes Other Than Income Taxes	\$ 133	\$ 136	\$ 133

Allowance for Funds Used During Construction (AFUDC)

AFUDC represents the cost of debt and equity funds used to finance the construction of new utility assets at PSE&G. The amount of AFUDC capitalized as Property, Plant and Equipment is included as a reduction of interest charges or other income for the equity portion. The amounts and average rates used to calculate AFUDC for the years ended December 31, 2011, 2010 and 2009 are as follows:

	2011		AFUDC Capitalized 2010		2009	
	Millions	Avg Rate	Millions	Avg Rate	Millions	Avg Rate
AFUDC	\$ 13	6.56%	\$ 7	6.22%	\$ 1	0.88%

Income Taxes

PSE&G files a consolidated federal income tax return with its parent company, Public Service Enterprise Group Incorporated (PSEG). Income taxes are allocated to PSEG's subsidiaries based on the taxable income or loss of each subsidiary. Investment tax credits deferred in prior years are being amortized over the useful lives of the related property.

We account for uncertain income tax positions using a benefit recognition model with a two-step approach, a more-likely-than-not recognition criterion and a measurement attribute that measures the position as the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement. If it is not more-likely-than-not that the benefit will be sustained on its technical merits, no benefit will be recorded. Uncertain tax positions that relate only to timing of when an item is included on a tax return are considered to have met the recognition threshold. See Note 17. Income Taxes for further discussion.

Impairment of Long-Lived Assets

In accordance with accounting guidance, management evaluates long-lived assets for impairment whenever events or changes in circumstances, such as significant adverse changes in regulation, business climate or market conditions, could potentially indicate an

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asset's carrying amount may not be recoverable. In such an event, an undiscounted cash flow analysis would be performed to determine if an impairment exists. An impairment would result in a reduction of the long-lived asset value through a non-cash charge to earnings.

Cash and Cash Equivalents

Cash equivalents consist of short-term, highly liquid investments with original maturities of three months or less.

Accounts Receivable – Allowance for Doubtful Accounts

PSE&G's accounts receivable are reported in the balance sheet as gross outstanding amounts adjusted for doubtful accounts. The allowance for doubtful accounts reflects PSE&G's best estimates of losses on the accounts receivable balances. The allowance is based on accounts receivable aging, historical experience, write-off forecasts and other currently available evidence.

Accounts receivable are charged off in the period in which the receivable is deemed uncollectible. Recoveries of accounts receivable are recorded when it is known they will be received.

Materials and Supplies and Fuel

PSE&G's materials and supplies are carried at average cost consistent with the rate-making process.

Restricted Funds

PSE&G's restricted funds represent revenues collected from its retail electric customers that must be used to pay the principal, interest and other expenses associated with the securitization bonds of PSE&G Transition Funding LLC (Transition Funding) and PSE&G Transition Funding II LLC (Transition Funding II).

Property, Plant and Equipment

PSE&G's additions to and replacements of existing property, plant and equipment are capitalized at original cost. The cost of maintenance, repair and replacement of minor items of property is charged to expense as incurred. At the time units of depreciable property are retired or otherwise disposed of, the original cost, adjusted for net salvage value, is charged to accumulated depreciation.

Available-for-Sale Securities

These securities are comprised of Other Special Funds that are deposited to fund a Rabbi Trust which was established to meet the obligations related to non-qualified pension plans and deferred compensation plans.

Securities with unrealized losses that are deemed to be other-than-temporarily impaired are recorded in earnings. See Note 8.

Available-for-Sale Securities for further discussion.

Pension and Other Postretirement Benefits (OPEB) Plan Assets

The market-related value of plan assets held for the qualified pension and OPEB plans is equal to the fair value of those assets as of year-end. Fair value is determined using quoted market prices and independent pricing services based upon the security type as reported by the trustee at the measurement dates (December 31) for all plan assets. See Note 10. Pension, OPEB and Savings Plans for further discussion.

Basis Adjustment

PSE&G has recorded a Basis Adjustment in its Balance Sheets related to the generation assets that were transferred to PSEG Power (Power) in August 2000 at the price specified by the BPU. Because the transfer was between affiliates, the transaction was recorded at the net book value of the assets and liabilities rather than the transfer price. The difference between the total transfer price and the net book value of the generation-related assets and liabilities, \$986 million, net of tax, was recorded as a Basis Adjustment on PSE&G's Balance Sheets. The \$986 million is an addition to PSE&G's Common Stockholder's Equity.

Use of Estimates

The process of preparing financial statements in conformity with GAAP requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements.

Note 2. Recent Accounting Standards

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New Standards Adopted during 2011

Revenue Arrangements with Multiple Deliverables

- amends existing guidance for identifying separate deliverables in a revenue-generating transaction where multiple deliverables exist,
- establishes a selling price hierarchy, such as, "vendor-specific objective evidence," "third-party evidence" and "estimated selling price" for determining the selling price of a deliverable, and
- provides guidance for allocating and recognizing revenue based on separate deliverables.

We adopted this standard, prospectively, effective January 1, 2011, for new and significantly modified revenue arrangements. Upon adoption, there was no material impact on our financial statements and we do not anticipate any changes to the pattern or general timing of revenue recognition for our significant units of account in future periods.

New Accounting Standards Issued But Not Yet Adopted

Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in GAAP and International Financial Reporting Standards (IFRS)

This accounting standard was issued to update guidance related to fair value measurements and disclosures as a step towards achieving convergence between GAAP and IFRS. The updated guidance

- clarifies intent about application of existing fair value measurements and disclosures,
- changes some requirements for fair value measurements, and
- requires expanded disclosures.

This guidance is effective for interim and annual periods beginning after December 15, 2011. We believe our adoption of the new guidance on January 1, 2012 will not have an impact on our consolidated financial position, results of operations or cash flows; however, it will result in expanded disclosures.

Presentation of Comprehensive Income

This accounting standard addressed the presentation of comprehensive income as a step towards achieving convergence between GAAP and IFRS. The updated guidance

- allows an entity to present components of net income and other comprehensive income in one continuous statement, referred to as the statement of comprehensive income, or in two separate, but consecutive statements, and
- eliminates the current option to report other comprehensive income and its components in the statement of changes in equity.

This guidance is effective for fiscal years and interim periods beginning after December 15, 2011.

In December 2011, the FASB issued an amendment to this standard to indefinitely defer the effective date for some of the specific disclosure requirements that relate to the presentation of reclassification adjustments out of accumulated other comprehensive income by component in both the statement in which net income is presented and the statement in which other comprehensive income is presented. During the deferral period, the existing requirements in GAAP for the presentation of reclassification adjustments must continue to be followed.

We believe that the adoption of the new amended guidance on January 1, 2012 will not have an impact on our financial position, results of operations or cash flows, but will change the presentation of the components of other comprehensive income.

Disclosures about Offsetting Assets and Liabilities

This accounting standard was issued on balance sheet offsetting disclosures to facilitate comparability between financial statements prepared on the basis of GAAP and financial statements prepared on the basis of IFRS. This standard requires entities:

- to disclose information about offsetting and related arrangements to enable users of financial statements to understand the effect of those arrangements on an entity's financial position, and
- to present both net (offset amounts) and gross information in the notes to the financial statements for relevant assets and liabilities that are offset.

The guidance is effective for fiscal years and interim periods beginning on or after January 1, 2013. As this standard requires

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disclosures only, it will not have any impact on our financial position, results of operations or cash flows upon adoption.

Note 3. Variable Interest Entities (VIEs)

PSE&G is the primary beneficiary of and consolidates two marginally capitalized VIEs, Transition Funding and Transition Funding II, which were created for the purpose of issuing transition bonds and purchasing bond transitional property of PSE&G, which is pledged as collateral to the trustee. PSE&G acts as the servicer for these entities to collect securitization transition charges authorized by the BPU. These funds are remitted to Transition Funding and Transition Funding II and are used for interest and principal payments on the transition bonds and related costs.

The assets and liabilities of these VIEs are presented separately on the face of the Consolidated Balance Sheets of PSEG and PSE&G because the Transition Funding and Transition Funding II assets are restricted and can only be used to settle their respective obligations. The Transition Funding and Transition Funding II creditors do not have any recourse to the general credit of PSE&G in the event the transition charges are not sufficient to cover the bond principal and interest payments of Transition Funding and Transition Funding II, respectively.

PSE&G's maximum exposure to loss is equal to its equity investment in these VIEs which was \$16 million as of December 31, 2011 and 2010. PSE&G considers the risk of actual loss to be remote. PSE&G did not provide any financial support to Transition Funding or Transition Funding II in 2011 or 2010. Further, PSE&G does not have any contractual commitments or obligations to provide financial support to Transition Funding and Transition Funding II.

Note 4. Property, Plant and Equipment and Jointly-Owned Facilities

Information related to Property, Plant and Equipment as of December 31, 2011 and 2010 is detailed below:

	<u>PSE&G</u>
2011	
Generation:	Millions
Production-Solar	\$ 345
Construction Work in Progress	19
Total Generation	364
Transmission and Distribution:	
Electric Transmission	2,441
Electric Distribution	6,522
Gas Transmission	91
Gas Distribution	4,858
Construction Work in Progress	546
Plant Held for Future Use	9
Other	386
Total Transmission and Distribution	14,853
Other	89
Total	\$ 15,306

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<u>PSE&G</u>	
2010	
Generation:	Millions
Production-Solar	\$ 204
Total Generation	204
Transmission and Distribution:	
Electric Transmission	2,148
Electric Distribution	6,208
Gas Transmission	91
Gas Distribution	4,684
Construction Work in Progress	211
Plant Held for Future Use	5
Other	389
Total Transmission and Distribution	13,736
Other	128
Total	\$ 14,068

As of December 31, 2011, we had accrued capital expenditures of \$204 million. As of December 31, 2010, we had accrued capital expenditures of \$124 million.

PSE&G has ownership interests in and is responsible for providing its respective shares of the necessary financing for the following jointly-owned facilities. All amounts reflect the share of PSE&G's jointly-owned projects and the corresponding direct expenses are included in the Statement of Income as operating expenses.

December 31, 2011	<u>Ownership Interest</u>	<u>Plant</u>	<u>Accumulated Depreciation</u>
		Millions	
Transmission Facilities	Various	\$ 152	\$ 61
Linden SNG Plant	90%	\$ 5	\$ 5

December 31, 2010	<u>Ownership Interest</u>	<u>Plant</u>	<u>Accumulated Depreciation</u>
		Millions	
Transmission Facilities	Various	\$ 148	\$ 61
Linden SNG Plant	90%	\$ 5	\$ 5

Note 5. Regulatory Assets and Liabilities

As discussed in Note 1. Organization, Basis of Presentation and Summary of Significant Accounting Policies, PSE&G prepares its financial statements in accordance with GAAP accounting for regulated utilities. A regulated utility is required to defer the recognition of costs (a Regulatory Asset) or the recognition of obligations (a Regulatory Liability) if it is probable that, through the rate-making process, there will be a corresponding increase or decrease in future rates. Accordingly, PSE&G has deferred certain costs, which will be amortized over various future periods. These costs are deferred based on rate orders issued by the BPU or FERC or PSE&G's experience with prior rate cases. With the exception of the Storm Damage and Cape May Street Regulatory Assets, all of PSE&G's

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Regulatory Assets and Liabilities at December 31, 2011 and 2010 are supported by written rate orders, either explicitly or implicitly through the BPU's treatment of various cost items.

Regulatory Assets are subject to prudence reviews and can be disallowed in the future by regulatory authorities. PSE&G believes that all of its Regulatory Assets are probable of recovery. To the extent that collection of any Regulatory Assets or payments of Regulatory Liabilities is no longer probable, the amounts would be charged or credited to income.

PSE&G had the following Regulatory Assets and Liabilities:

	As of December 31,		Recovery/Refund Period
	2011	2010	
	Millions		
Regulatory Assets			
Current:			
Non-Utility Generation Charge (NGC)	\$ 0	\$ 66	Annual filing for recovery (1) (2)
Underrecovered Electric Costs - BGS	28	12	Various (1) (2)
Societal Benefits Charges (SBC)	87	74	Annual filing for recovery (1) (2)
Renewables & Energy Efficiency	10	0	Annual filing for recovery (1) (2)
Capital Stimulus Undercollection	21	0	Annual filing for recovery (1) (2)
Gas Weather Normalization Deferral	2	0	Annual filing for recovery (2)
OPEB Costs	19	0	Through December 2012 (2)
FERC Formula Rate True-up	0	3	Annual filing for recovery (1) (2)
Total Current Regulatory Assets	\$ 167	\$ 155	
Noncurrent			
Stranded Costs To Be Recovered	\$ 1,460	\$ 1,776	Through December 2016 (1) (2)
Manufactured Gas Plant (MGP) Remediation Costs	635	661	Various (2)
Pension and Other Postretirement	1,280	953	Various
Deferred Income Taxes	393	402	Various
Remediation Adjustment Clause (Other SBC)	92	119	Through 2019 (1) (2)
New Jersey Clean Energy Program	253	430	Through February 2013 (1) (2)
Gas Contract Mark-to-Market	110	50	Various (1)
OPEB Costs	0	39	Through December 2012 (2)
Unamortized Loss on Reacquired Debt and Debt Expense	96	102	Over remaining debt life (1)
Conditional Asset Retirement Obligation	84	72	Various
Repair Allowance Taxes	17	27	Through August 2013 (1) (2)
Regulatory Restructuring Costs	8	13	Through August 2013 (1) (2)
Gas Margin Adjustment Clause	29	44	Through July 2015 (2)
Customer Care System	15	20	Through July 2014
Plant and Regulatory Study Costs	7	9	Through December 2021 (2)
Incurred But Not Reported Claim Reserve	15	14	Various
Asbestos Abatement	6	7	Through 2020 (2)
Cape May Street Cleanup	9	8	To be determined
Renewables & Energy Efficiency	140	96	Various (2)
Storm Damage	68	8	To be determined
Other	13	14	Various
Total Noncurrent Regulatory Assets	\$ 4,730	\$ 4,864	
Total Regulatory Assets	\$ 4,897	\$ 5,019	

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	As of December 31,		Recovery/Refund Period
	2011	2010	
	Millions		
Regulatory Liabilities			
Current:			
Market Transition Charge Refund, net	\$ 23	\$ 58	Through June 2012 (2)
Deferred Income Taxes	39	46	Various
Overrecovered Gas Costs - BGSS	30	40	Annual filing for recovery (1) (2)
Renewables & Energy Efficiency	2	7	Annual filing for recovery (1) (2)
Excess Cost of Removal	0	11	Recovery ends November 2011
Capital Stimulus Overcollection	0	5	Annual filing for recovery (1) (2)
FERC Formula Rate True-up	1	5	Annual filing for recovery (1) (2)
NGC	5	0	Annual filing for recovery (1) (2)
BGS Retail Adder	0	2	Charge ends June 2011
Current Regulatory Liabilities	\$ 100	\$ 174	
Non-Current:			
Electric Cost of Removal	\$ 222	244	Reduced as cost is incurred
Market Transition Charge Refund, net	0	26	January - June 2012
Gas Weather Normalization Deferral	0	9	Annual filing for recovery (1) (2)
Other	15	14	Various (1)
Total Regulatory Liabilities	\$ 237	\$ 293	
Total Regulatory Liabilities	\$ 337	\$ 467	

- (1) Recovered/Refunded with interest
(2) Recoverable/Refundable per specific rate order

All Regulatory Assets and Liabilities are excluded from PSE&G's rate base unless otherwise noted. The Regulatory Assets and Liabilities in the table above are defined as follows:

- **NGC:** Represents the difference between the cost of non-utility generation and the amounts realized from selling that energy at market rates through PJM and ratepayer collections. The BPU instructed PSE&G to transfer the remaining \$150 million debit balance for the Market Transition Charge (MTC) from the SBC to the NGC in March 2007.
- **Underrecovered Electric Energy Costs:** These costs represent the underrecovered amounts associated with Basic Generation Service (BGS), as approved by the BPU.
- **SBC:** The SBC, as authorized by the BPU and the New Jersey Electric Discount and Energy Competition Act (Competition Act), includes costs related to PSE&G's electric and gas business as follows: 1) the Universal Service Fund; 2) Energy Efficiency and Renewable Energy Programs; 3) Social Programs (electric only) which include electric bad debt expense; and 4) the Remediation Adjustment Clause (RAC) for incurred MGP remediation expenditures. All components accrue interest on both over and underrecoveries.
- **Renewables & Energy Efficiency:** These costs are the overrecovered or underrecovered amounts associated with various renewable energy and energy efficiency programs.
- **Capital Stimulus Undercollection/Overcollection:** BPU approved collection of costs related to distribution projects.
- **Gas Weather Normalization Deferral:** This represents the over or under collection of gas margin refundable or recoverable under the BPU's weather normalization clause.
- **FERC Formula Rate True-up:** Over or under collection of transmission earnings calculated using a FERC approved formula.
- **Stranded Costs To Be Recovered:** This reflects deferred costs, which are being recovered through the securitization

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transition charges authorized by the BPU in irrevocable financing orders and being collected by PSE&G, as servicer on behalf of Transition Funding and Transition Funding II, respectively. Funds collected are remitted to Transition Funding and Transition Funding II and are used for interest and principal payments on the transition bonds and related costs and taxes.

Transition Funding and Transition Funding II are wholly owned, bankruptcy-remote subsidiaries of PSE&G that purchased certain transition property from PSE&G and issued transition bonds secured by such property. The transition property consists principally of the rights to receive electricity consumption-based per kilowatt-hour (kWh) charges from PSE&G electric distribution customers, which represent irrevocable rights to receive amounts sufficient to recover certain of PSE&G's transition costs related to deregulation, as approved by the BPU.

- **MGP Remediation Costs:** Represents the low end of the range for the remaining environmental investigation and remediation program costs that are probable of recovery in future rates. Once these costs are incurred, they are recovered through the RAC clause in the SBC.
- **Pension and Other Postretirement:** Pursuant to the adoption of accounting guidance for employers' defined benefit pension and OPEB plans, PSE&G recorded the unrecognized costs for defined benefit pension and other OPEB plans on the balance sheet as a Regulatory Asset. These costs represent actuarial gains or losses, prior service costs and transition obligations as a result of adoption, which have not been expensed. These costs will be amortized and recovered in future rates.
- **Deferred Income Taxes:** These amounts represent the portion of deferred income taxes that will be recovered or refunded through future rates, based upon established regulatory practices. The Regulatory Asset is expected to be recovered, without interest, over the period the underlying book-tax timing differences reverse and become current taxes. The Regulatory Liability is expected to be refunded, without interest, within the next twelve months.
- **Remediation Adjustment Clause (Other SBC):** Costs incurred to clean up manufactured gas plants which are recovered over seven years.
- **New Jersey Clean Energy Program:** The BPU approved future funding requirements for Energy Efficiency and Renewable Energy Programs through 2012. Once the rates are measured, they are recovered through the SBC.
- **Gas Contract Mark-to-Market (MTM):** The fair value of gas hedge contracts and gas cogeneration supply contracts. This asset is offset by a derivative liability and an intercompany payable on the Balance Sheets.
- **OPEB Costs:** Include costs associated with the adoption of accounting guidance for employers' benefits other than pensions, which were deferred and amortized over fifteen years.
- **Unamortized Loss on Reacquired Debt and Debt Expense:** Represents losses on reacquired long-term debt, which are recovered through rates over the remaining life of the debt.
- **Conditional Asset Retirement Obligation:** These costs represent the differences between rate regulated cost of removal accounting and asset retirement accounting under GAAP. These costs will be recovered in future rates.
- **Repair Allowance Taxes:** This represents tax, interest and carrying charges relating to disallowed tax deductions for repair allowance as authorized by the BPU with recovery over 10 years effective August 1, 2003.
- **Regulatory Restructuring Costs:** These are costs related to the restructuring of the energy industry in New Jersey through the Competition Act and include such items as the system design work necessary to transition PSE&G to a transmission and distribution only company, as well as costs incurred to transfer and establish the generation function as a separate corporate entity with recovery over 10 years beginning August 1, 2003.
- **Gas Margin Adjustment Clause:** PSE&G defers the margin differential received from Transportation Gas Service Non-Firm Customers versus bill credits provided to Basic Gas Supply Service (BGSS)-Firm customers.
- **Customer Care System:** These are deferred costs associated with the replacement of PSE&G's legacy customer accounting system in March 2009.
- **Plant and Regulatory Study Costs:** These are costs incurred by PSE&G and required by the BPU which are related to current and future operations, including safety, planning, management and construction.
- **Incurred But Not Reported Claim Reserve:** Represents reserves for worker's compensation and injuries and damages that exceed the amounts recognized in rates on a settlement accounting basis.
- **Asbestos Abatement:** Represents costs incurred to remove and dispose of asbestos insulation at PSE&G's then-owned fossil generating stations. Per a December 1992 BPU order, these costs are treated as Cost of Removal for ratemaking purposes.

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- **Cape May Street Cleanup:** Estimated cost for environmental remediation of a company owned site. Recovery will be sought from the BPU.
- **Storm Damage:** Costs incurred in the cleanup of 2010 and 2011 storms for which recovery will be sought from the BPU.
- **Other Regulatory Assets:** This includes: 1) Undercollected gas cost of removal; 2) an offset to a liability for future demand side management standard offer spending; and 3) costs related to LCAPP.
- **Market Transition Charge Refund (MTC), net:** These costs represent the overrecovered amounts associated with MTC.
- **Overrecovered Gas Costs:** These costs represent the overrecovered amounts associated with BGSS, as approved by the BPU. Interest is accrued on overrecovered balances.
- **Excess Cost of Removal:** The BPU directed PSE&G to refund \$66 million of excess gas cost of removal accruals over a five-year period ending November 2011.
- **BGS Retail Adder:** Charge included in the BGS tariff rate to induce customer shopping.
- **Electric Cost of Removal:** PSE&G accrues and collects for cost of removal in rates. The liability for non-legally required cost of removal is classified as a Regulatory Liability. This liability is reduced as removal costs are incurred. Accumulated cost of removal is a reduction to the rate base.
- **Other Regulatory Liabilities:** This includes: 1) amounts collected from customers in order for Transition Funding to obtain a AAA rating on its transition bonds; 2) third party billing discounts related to the Competition Act; and 3) uncertain tax positions.

Note 6. Long-Term Investments

Long-Term Investments as of December 31, 2011 and 2010 included the following:

	As of December 31,	
	2011	2010
	Millions	
Life Insurance and Supplemental Benefits	162	161
Solar Loan Investment	111	62
Other Investments	7	7
Total Long-Term Investments	\$ 280	\$ 230

Note 7. Financing Receivables

PSE&G sponsors a solar loan program designed to help finance the installation of solar power systems throughout its electric service area. The loans are generally paid back with Solar Renewable Energy Certificates (SRECS) generated from the installed solar electric system. The following table reflects the outstanding short and long-term loans by class of customer, none of which would be considered "nonperforming."

Credit Risk Profile Based on Payment Activity		
	As of December 31,	
	2011	2010
	Millions	
Consumer Loans		
Commercial/Industrial	\$ 106	\$ 62
Residential	10	4
	\$ 116	\$ 66

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Note 8. Available-for-Sale Securities

Rabbi Trusts

PSE&G maintains certain unfunded nonqualified benefit plans to provide supplemental retirement and deferred compensation benefits to certain key employees. Certain assets related to these plans have been set aside in a grantor trust commonly known as a "Rabbi Trust." In August 2010, PSE&G revised the asset structure of the Rabbi Trust and realized gains of approximately \$11 million as the investments were transitioned to a new asset allocation and investment manager. The new structure resulted in lower investment management fees.

PSE&G classifies investments in the Rabbi Trusts as available-for-sale. The following tables show the fair values, gross unrealized gains and losses and amortized cost bases for the securities held in the Rabbi Trusts.

	As of December 31, 2011			Estimated Fair Value
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	
	Millions			
Equity Securities	\$ 5	\$ 1	\$ 0	\$ 6
Debt Securities	49	2	0	51
Total PSE&G Available-for-Sale Securities	\$ 54	\$ 3	\$ 0	\$ 57

	As of December 31, 2010			Estimated Fair Value
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	
	Millions			
Equity Securities	\$ 5	\$ 0	\$ 0	\$ 5
Debt Securities	49	0	0	49
Total PSE&G Available-for-Sale Securities	\$ 54	\$ 0	\$ 0	\$ 54

The Rabbi Trusts are invested in commingled indexed mutual funds, in which the shares have the characteristics of equity securities. Due to the commingled nature of these funds, PSE&G does not have the ability to hold these securities until expected recovery. As a result, any declines in fair market value below cost are recorded as a charge to earnings.

	Years Ended December 31,		
	2011	2010	2009
	Millions		
Proceeds from Sales	\$ 0	\$ 54	\$ 1
Net Realized Gains (Losses):			
Gross Realized Gains	\$ 0	\$ 11	\$ 0
Net Realized Gains (Losses)	\$ 0	\$ 11	\$ 0

The cost of these securities was determined on the basis of specific identification.

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Note 9. Asset Retirement Obligations (AROs)

PSE&G has recorded various Asset Retirement Obligations (AROs) which represent legal obligations to remove or dispose of an asset or some component of an asset at retirement.

PSE&G has a conditional ARO for legal obligations related to the removal of asbestos and underground storage tanks at certain industrial establishments, removal of wood poles, leases and licenses, removal of solar panels from leased property and the requirement to seal natural gas pipelines at all sources of gas when the pipelines are no longer in service. PSE&G did not record an ARO for its protected steel and poly-based natural gas transmission lines, as management believes that these categories of transmission lines have an indeterminable life.

The changes to the ARO liabilities for PSE&G during 2010 are presented in the following table:

	PSE&G Millions
ARO Liability as of January 1, 2011	\$ 216
Liabilities Settled	(5)
Liabilities Incurred	2
Accretion Expense Deferred and Recovered in Base Rates (A)	13
ARO Liability as of December 31, 2010	<u>\$ 226</u>

(A) Not reflected as expense in Income Statement

Note 10. Pension, Other Postretirement Benefits (OPEB) and Savings Plans

PSEG sponsors several qualified and nonqualified pension plans and OPEB plans covering PSEG's and its participating affiliates' current and former employees who meet certain eligibility criteria. Eligible employees of PSE&G participate in non-contributory pension and OPEB plans sponsored by PSEG and administered by PSEG Services Corporation (Services). In addition, represented and nonrepresented employees are eligible for participation in PSEG's two defined contribution plans described below.

PSE&G is required to record the under or over funded positions of its defined benefit pension and OPEB plans on its balance sheets. Such funding positions of PSE&G are required to be measured as of the date of its year-end Balance Sheets. For under funded plans, the liability is equal to the difference between the plan's benefit obligation and the fair value of plan assets. For defined benefit pension plans, the benefit obligation is the projected benefit obligation. For OPEB plans, the benefit obligation is the accumulated postretirement benefit obligation. In addition, accounting guidance requires that the total unrecognized costs for defined benefit pension and OPEB plans be recorded as an after-tax charge to Accumulated Other Comprehensive Income (Loss), a separate component of Stockholders' Equity. However, for PSE&G, because the amortization of the unrecognized costs is being collected from customers, the accumulated unrecognized costs are recorded as a Regulatory Asset. The unrecognized costs represent actuarial gains or losses, prior service costs and transition obligations arising from the adoption of the revised accounting guidance for pensions and OPEB, which had not been expensed.

Regulatory Asset is amortized and recorded as net periodic pension cost in the Statement of Income.

In early June 2011, PSEG amended certain provisions of its pension and OPEB plans, including revisions to the benefit formulas for certain participants of PSEG's qualified and nonqualified pension and OPEB plans. The weighted average discount rate for the pension plans decreased from 5.51% to 5.31% while the discount rate for the OPEB plans decreased from 5.50% to 5.30%. The expected long-term rate of return on plan assets remained at 8.50%. The pension benefit and OPEB obligations, as well as the asset values, were re-measured as of May 31, 2011 (the closest month-end date to the time the revisions were made). As a result, the annual net periodic pension benefit cost for 2011 decreased by \$32 million and the 2011 annual net OPEB cost decreased by \$6 million compared to costs that would have been expensed in 2011 if PSEG did not re-measure.

Pension costs and OPEB costs for PSE&G are detailed as follows:

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NOTES TO FINANCIAL STATEMENTS (Continued)

	Pension Benefits			Other Benefits		
	Years Ended December 31,			Years Ended December 31,		
	2011	2010	2009	2011	2010	2009
	Millions					
PSE&G	\$ 51	\$ 97	\$ 120	\$ 67	\$ 120	\$ 116
Total Benefit Costs	\$ 51	\$ 97	\$ 120	\$ 67	\$ 120	\$ 116

401(k) Plans

PSEG sponsors two 401(k) plans, which are Employee Retirement Income Security Act defined contribution retirement plans. Eligible represented employees of PSE&G participate in the PSEG Employee Savings Plan (Savings Plan), while eligible non-represented employees of PSE&G participate in the PSEG Thrift and Tax-Deferred Savings Plan (Thrift Plan). Eligible employees may contribute up to 50% of their compensation to these plans. PSE&G matches certain employee contributions up to 7% for Savings Plan participants and up to 8% for Thrift Plan participants equal to 50% of such employee contributions.

Effective in February 2010, company matching contributions were suspended for non-represented employees of PSE&G who participate in the Thrift Plan and are eligible for retirement benefits under the qualified final average pay pension plan and reduced for certain represented employees of PSE&G who participate in the Savings Plan and qualify for benefits under the qualified final average pay pension plan from 50% to 25% on the first 7% of pay contributions. Effective January 1, 2011, the company matching contributions were reinstated to 50% on the first 7% of pay contributions for represented employees and effective January 1, 2012, the company matching was reinstated for non-represented employees.

The amount paid for employer matching contributions to the plans for PSE&G are detailed as follows:

	Thrift Plan and Savings Plan		
	Years Ended December 31,		
	2011	2010	2009
	Millions		
Total Employer Matching Contributions	\$ 14	\$ 9	\$ 17

Note 11. Commitments and Contingent Liabilities

Environmental Matters

Passaic River

Historic operations of PSE&G and the operations of hundreds of other companies along the Passaic and Hackensack Rivers are alleged by Federal and State agencies to have discharged substantial contamination into the Passaic River/Newark Bay Complex.

Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA)

The United States Environmental Protection Agency (EPA) has determined that an eight-mile stretch of the Passaic River in the area of Newark, New Jersey is a "facility" within the meaning of that term under CERCLA. The EPA has determined the need to perform a study of the entire 17-mile tidal reach of the lower Passaic River.

PSE&G and certain of its predecessors conducted operations at properties in this area on or adjacent to the Passaic River. The properties included one operating electric generating station (Essex Site), which was transferred to Power, one former generating station and four former Manufactured Gas Plant (MGP) sites. When the Essex Site was transferred from PSE&G to Power, PSE&G obtained releases and indemnities for liabilities arising out of the former Essex generating station and Power assumed any environmental liabilities.

The EPA believes that hazardous substances were released from the Essex Site and one of PSE&G's former MGP locations (Harrison Site). In 2006, the EPA notified the potentially responsible parties (PRPs) that the cost of its study would greatly exceed the original

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estimated cost of \$20 million. The total cost of the study is now estimated at approximately \$99 million. 73 PRPs, including PSE&G, agreed to assume responsibility for the study and to divide the associated costs according to a mutually agreed upon formula. The PRP group, currently 71 members, is presently executing the study. Approximately five percent of the study costs are attributable to PSE&G's former MGP sites.

In 2007, the EPA released a draft "Focused Feasibility Study" (FFS) that proposed six options to address the contamination cleanup of the lower eight miles of the Passaic River. The estimated costs for the proposed remedy range from \$1.3 billion to \$3.7 billion. The work contemplated by the study is not subject to the cost sharing agreement discussed above. The EPA is conducting a revised focused feasibility study which may be released as early as the third quarter of 2012.

In June 2008, an agreement was announced between the EPA and two PRPs for removal of a portion of the contaminated sediment in the Passaic River at an estimated cost of \$80 million. The two PRPs have reserved their rights to seek contribution for the removal costs from the other PRPs, including PSE&G.

The EPA has advised that the levels of contaminants at Passaic River mile 10.9 may require a pilot study and removal in advance of the completion of the Remedial Investigation and Feasibility Study or the issuance of a revised draft FFS. Preliminary cost estimates range from \$20 million to \$150 million.

PSE&G is unable to estimate its portion of the possible loss or range of loss related to these matters.

New Jersey Spill Compensation and Control Act (Spill Act)

In 2005, the New Jersey Department of Environmental Protection (NJDEP) filed suit against a PRP and its related companies in the New Jersey Superior Court seeking damages and reimbursement for costs expended by the State of New Jersey to address the effects of the PRP's discharge of hazardous substances into both the Passaic River and the balance of the Newark Bay Complex. PSE&G is alleged to have owned, operated or contributed hazardous substances to a total of 11 sites or facilities that impacted these water bodies. In February 2009, third party complaints were filed against some 320 third party defendants, including PSE&G, claiming that each of the third party defendants is responsible for its proportionate share of the clean-up costs for the hazardous substances they allegedly discharged into the Passaic River and the Newark Bay Complex. The third party complaints seek statutory contribution and contribution under the Spill Act to recover past and future removal costs and damages. PSE&G filed answers to the complaint in June 2010. A special master for discovery has been appointed by the court and document production has commenced. PSE&G believes it has good and valid defenses to the allegations contained in the third party complaints and will vigorously assert those defenses. PSE&G is unable to estimate its portion of the possible loss or range of loss related to this matter.

Natural Resource Damage Claims

In 2003, the NJDEP directed PSE&G and 56 other PRPs to arrange for a natural resource damage assessment and interim compensatory restoration of natural resource injuries along the lower Passaic River and its tributaries pursuant to the Spill Act. The NJDEP alleged that hazardous substances had been discharged from the Essex Site and the Harrison Site. The NJDEP estimated the cost of interim natural resource injury restoration activities along the lower Passaic River at approximately \$950 million. In 2007, agencies of the United States Department of Commerce and the United States Department of the Interior sent letters to PSE&G and other PRPs inviting participation in an assessment of injuries to natural resources that the agencies intended to perform. In 2008, PSE&G and a number of other PRPs agreed to share certain immaterial costs the trustees have incurred and will incur going forward, and to work with the trustees to explore whether some or all of the trustees' claims can be resolved in a cooperative fashion. That effort is continuing. PSE&G is unable to estimate its portion of the possible loss or range of loss related to this matter.

Newark Bay Study Area

The EPA has established the Newark Bay Study Area, which it defines as Newark Bay and portions of the Hackensack River, the Arthur Kill and the Kill Van Kull. In August 2006, the EPA sent PSE&G and 11 other entities notices that it considered each of the entities to be a PRP with respect to contamination in the Study Area. The notice letter requested that the PRPs fund an EPA-approved study in the Newark Bay Study Area and encouraged the PRPs to contact Occidental Chemical Corporation (OCC) to discuss participating in the Remedial Investigation/Feasibility Study that OCC was conducting. The notice stated the EPA's belief that hazardous substances were released from sites owned by PSEG companies and located on the Hackensack River, including two operating electric generating stations (Hudson and Kearny sites) and one former MGP site. PSE&G has participated in and partially funded the second phase of this study. Notices to fund the next phase of the study have been received but it is uncertain at this time whether the PSE&G will consent to fund the third phase. PSE&G is unable to estimate its portion of the possible loss or range of loss related to this matter.

MGP Remediation Program

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PSE&G is working with the NJDEP to assess, investigate and remediate environmental conditions at its former MGP sites. To date, 38 sites requiring some level of remedial action have been identified. Based on its current studies, PSE&G has determined that the estimated cost to remediate all MGP sites to completion could range between \$635 million and \$733 million through 2021. Since no amount within the range is considered to be most likely, PSE&G has recorded a liability of \$635 million as of December 31, 2011. Of this amount, \$53 million was recorded in Other Current Liabilities and \$582 million was reflected as Environmental Costs in Noncurrent Liabilities. PSE&G has recorded a \$635 million Regulatory Asset with respect to these costs. PSE&G periodically updates its studies taking into account any new regulations or new information which could impact future remediation costs and adjusts its recorded liability accordingly.

New Generation and Development

As part of the BPU-approved Solar 4 All Program, PSE&G is installing up to 40 MW of solar generation on existing utility poles within its service territory. PSE&G has entered into an agreement to purchase solar units for this program. PSE&G's commitments under this agreement are contingent upon, among other things, the availability of suitable utility poles for installation of the units. PSE&G estimates the total cost of this project to be \$265 million. Approximately 25 MW have been installed as of December 31, 2011. PSE&G's cumulative investments for these solar units were approximately \$185 million, with additional purchases to be made on a quarterly basis during the remaining two-year term of the purchase agreement, to the extent adequate space on poles is available.

Another aspect of the Solar 4 All program is the installation of 40 MW of solar systems on land and buildings owned by PSE&G and third parties. PSE&G estimates the total cost of this phase of the program to be \$186 million. Through December 31, 2011, 33 MW representing 19 projects had been placed into service with an investment of approximately \$160 million.

Our Solar 4 All program is comprised, in part, of the installation of up to 200,000 pole mounted solar units within our service territory. On January 18, 2012, the BPU issued an order indicating that it will conduct a proceeding to address the proposed placement of solar panels on the poles. A negative determination by the BPU could impact on our ability to complete the Solar 4 All pole mounted installations.

Basic Generation Service (BGS) and Basic Gas Supply Service (BGSS)

PSE&G obtains its electric supply requirements for customers who do not purchase electric supply from third party suppliers through the annual New Jersey BGS auctions. Pursuant to applicable BPU rules, PSE&G enters into the Supplier Master Agreement with the winners of these BGS auctions following the BPU's approval of the auction results. PSE&G has entered into contracts with Power, as well as with other winning BGS suppliers, to purchase BGS for PSE&G's load requirements. The winners of the auction (including Power) are responsible for fulfilling all the requirements of a PJM Load Serving Entity including the provision of capacity, energy, ancillary services, transmission and any other services required by PJM. BGS suppliers assume all volume risk and customer migration risk and must satisfy New Jersey's renewable portfolio standards.

PSE&G has contracted for its anticipated BGS-Fixed Price eligible load, as follows:

	Auction Year			
	2009	2010	2011	2012
36-Month Terms Ending	May 2012	May 2013	May 2014	May 2015 (A)
Load (MW)	2,900	2,800	2,800	2,900
\$ per kWh	0.10372	0.09577	0.09430	0.08388

(A) Prices set in the February 2012 BGS auction will become effective on June 1, 2012 when the 2009 BGS auction agreements expire.

PSE&G has a full requirements contract with Power to meet the gas supply requirements of PSE&G's gas customers. The contract extends through March 31, 2012, and year-to-year thereafter. The BPU permits PSE&G to recover the cost of gas hedging up to 115 billion cubic feet or 80% of its residential gas supply annual requirements through the BGSS tariff. For additional information, see Note 18. Related-Party Transactions. Current plans call for Power to hedge on behalf of PSE&G approximately 70 billion cubic feet or 50% of its residential gas supply annual requirements.

Regulatory Proceedings

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Electric Discount and Energy Competition Act (Competition Act)

In 2007, PSE&G and Transition Funding were served with a purported class action complaint (Complaint) in New Jersey Superior Court challenging the constitutional validity of certain stranded cost recovery provisions of the Competition Act, seeking injunctive relief against continued collection from PSE&G's electric customers of the Transition Bond Charge (TBC) of Transition Funding, as well as recovery of TBC amounts previously collected. Under New Jersey law, the Competition Act, enacted in 1999, is presumed constitutional.

Also in 2007, the plaintiff filed an amended Complaint to also seek injunctive relief from continued collection of related taxes as well as recovery of such taxes previously collected. In October 2007, the Court granted PSE&G's motion to dismiss the amended Complaint and in November 2007, the plaintiff filed a notice of appeal with the Appellate Division of the New Jersey Superior Court (Appellate Division). In February 2009, the Appellate Division affirmed the decision of the lower court dismissing the case. In May 2009, the New Jersey Supreme Court denied a request from the plaintiff to review the Appellate Division's decision.

In July 2007, the same plaintiff also filed a petition with the BPU requesting review and adjustment to PSE&G's recovery of the same stranded cost charges. In September 2007, PSE&G filed a motion with the BPU to dismiss the petition. In June 2010, the BPU granted PSE&G's motion to dismiss. In April 2011, the BPU issued a written order memorializing this decision. In June 2011, the plaintiff/petitioner filed a notice of appeal of the BPU action with the Appellate Division. This appellate proceeding remains pending.

New Jersey Clean Energy Program

In 2008, the BPU approved funding requirements for each New Jersey EDC applicable to its Renewable Energy and Energy Efficiency programs for the years 2009 to 2012. The aggregate funding amount is \$1.2 billion for all years. PSE&G's share is \$705 million. PSE&G has recorded a discounted liability of \$253 million as of December 31, 2011. Of this amount, \$214 million was recorded as a current liability and \$39 million as a noncurrent liability. The liability is reduced as normal payments are made. The liability has been recorded with an offsetting Regulatory Asset, since the costs associated with this program are expected to be recovered from PSE&G ratepayers through the Societal Benefits Charge (SBC).

The BPU has started a new Comprehensive Resource Analysis proceeding to determine SBC funding for the years 2013-2016. The proceeding has no impact on current SBC assessments.

Long-Term Capacity Agreement Pilot Program (LCAPP)

In January 2011, New Jersey enacted the LCAPP Act directing the BPU to conduct a process to procure and subsidize up to 2,000 megawatts of base load or mid-merit electric power generation. In March 2011, the BPU issued a written order approving a form of agreement and selecting three generators to build a total of approximately 1,949 MW of new combined-cycle generating facilities located in New Jersey. Each of the New Jersey EDCs, including PSE&G, executed standard offer capacity agreements (SOCA) with each of the three selected generators in compliance with the BPU's directive, but did so under protest preserving its respective legal rights. The SOCA provides for the EDCs to make capacity payments to, or receive capacity payments from, the generators as calculated based on the difference between the RPM clearing price for each year of the term and the price bid set forth in the SOCA. The LCAPP Act and the BPU order provide that, once the SOCAs are executed and approved by the BPU, they will be irrevocable and the EDCs will be entitled to full rate recovery of the prudently incurred costs. PSE&G will not make or receive payments under the three contracts unless (1) the plant successfully bids into and clears the capacity auction in accordance with the terms of the SOCA and (2) the proposed plant is constructed. In March 2012, the New Jersey Appellate Division remanded the case back to the BPU on procedural grounds concerning the scope of the record on appeal.

Minimum Lease Payments

PSE&G has entered into various operating leases. The total future minimum payments of these operating leases as of December 31, 2011 are:

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	<u>Minimum Lease Payments</u>
2012	\$ 6
2013	5
2014	4
2015	3
2016	2
Thereafter	30
Total Minimum Lease Payments	\$ 50

Note 12. Schedule of Consolidated Debt

Long-Term Debt

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	Maturity	As of December 31,	
		2011	2010
Millions			
PSE&G			
First and Refunding Mortgage Bonds (A):			
6.75%	2016	\$ 171	\$ 171
9.25%	2021	134	134
8.00%	2037	7	7
5.00%	2037	8	8
Total First and Refunding Mortgage Bonds		320	320
Pollution Control Bonds (A):			
5.20%	2025	23	23
0.95%	2028 - 2033	0	164
1.20%	2031	0	100
5.45%	2032	50	50
Total Pollution Control Bonds		73	337
Medium-Term Notes (MTNs) (A):			
5.13%	2012	300	300
5.00%	2013	150	150
5.38%	2013	300	300
6.33%	2013	275	275
0.85%	2014	250	0
5.00%	2014	250	250
2.70%	2015	300	300
5.30%	2018	400	400
7.04%	2020	9	9
3.50%	2020	250	250
5.25%	2035	250	250
5.70%	2036	250	250
5.80%	2037	350	350
5.38%	2039	250	250
5.50%	2040	300	300
Total MTNs		3,884	3,634
Principal Amount Outstanding		4,277	4,291
Amounts Due Within One Year		(300)	(264)
Net Unamortized Discount		(7)	(8)
Total Long-Term Debt of PSE&G (excluding Transition Funding and Transition Funding II)		\$ 3,970	\$ 4,019

(A) Secured by essentially all property of PSE&G pursuant to its First and Refunding Mortgage.

Long-Term Debt Maturities

The aggregate principal amounts of maturities for each of the five years following December 31, 2011 are as follows:

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Year	PSE&G Millions
2012	\$ 300
2013	725
2014	500
2015	300
2016	171
Thereafter	2,281
	<u>\$ 4,277</u>

Long-Term Debt Financing Transactions

During 2011, PSE&G had the following Long-Term Debt issuances, maturities and redemptions:

- bought in \$100 million of the New Jersey Economic Development Authority Bonds, which were serviced and secured by PSE&G's first mortgage bonds of like tenor, on their mandatory put date in December,
- bought in \$164 million of Pollution Control Financing Authority of Salem County Authority Bonds, which were serviced and secured by PSE&G's First and Refunding Mortgage Bonds of like tenor, on their mandatory put date in November, and
- issued \$250 million of 0.85% Medium Term Notes due August 2014 in August.

Short-Term Liquidity

PSE&G meets its short-term liquidity requirements primarily through the issuance of commercial paper. PSE&G maintains its own separate commercial paper program to meet its short-term liquidity requirements. PSE&G's commercial paper programs are fully back-stopped by its own separate credit facilities.

The commitments under PSE&G's credit facilities are provided by a diverse bank group. As of December 31, 2011, no single institution represented more than 8% of the total commitments in our credit facilities.

Each of our credit facilities is restricted as to availability and use as listed below; however, if necessary, the PSE&G facilities can also be used to support our subsidiaries' liquidity needs. Our total credit facilities and available liquidity as of December 31, 2011 were as follows:

<u>Company/Facility</u>	<u>As of December 31, 2011</u>			<u>Expiration Date</u>	<u>Primary Purpose</u>
	<u>Total Facility</u>	<u>Usage</u>	<u>Available Liquidity</u>		
	Millions				
5-year Credit Facility	\$600	\$ 0	\$600	Apr 2016	CP Support/Funding/Letters of Credit
Total PSE&G	<u>\$600</u>	<u>\$ 0</u>	<u>\$600</u>		

The estimated fair values were determined using the market quotations or values of instruments with similar terms, credit ratings, remaining maturities and redemptions as of December 31, 2011 and 2010.

	<u>December 31, 2011</u>		<u>December 31, 2010</u>	
	<u>Carrying Amount</u>	<u>Fair Value (A)</u>	<u>Carrying Amount</u>	<u>Fair Value (A)</u>
	Millions			
Long-Term Debt	<u>\$ 4,270</u>	<u>\$ 4,905</u>	<u>\$ 4,283</u>	<u>\$ 4,615</u>

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(A) Excludes unamortized discount.

Note 13. Schedule of Other Securities

In March 2010, PSE&G redeemed all of its outstanding preferred stock. As a result, all of the outstanding equity in PSE&G is owned by PSEG. As of December 31, 2011, there was an aggregate of 7.5 million shares of \$100 par value and 10 million shares of \$25 par value Cumulative Preferred Stock, which were authorized and unissued and which, upon issuance, may or may not provide for mandatory sinking fund redemption.

Note 14. Financial Risk Management Activities

The operations of PSE&G are exposed to market risks from changes in interest rates and equity prices that could affect our results of operations and financial condition. Exposure to these risks is managed through normal operating and financing activities and, when appropriate, through hedging transactions. Hedging transactions use derivative instruments to create a relationship in which changes to the value of the assets, liabilities or anticipated transactions exposed to market risks are expected to be offset by changes in the value of these derivative instruments.

Interest Rates

PSE&G is subject to the risk of fluctuating interest rates in the normal course of business. Exposure to this risk is managed by targeting a balanced debt maturity profile which limits refinancing in any given period or interest rate environment. In addition, we use a mix of fixed and floating rate debt, interest rate swaps and interest rate lock agreements.

Fair Values of Derivative Instruments

The following are the fair values of derivative instruments on the Balance Sheets:

As of December 31, 2011	
Balance Sheet Location	Non Hedges Energy-Related Contracts Millions
Derivative Contracts	
Current Assets	\$ 0
Noncurrent Assets	4
Total Mark-to-Market Derivative Assets	\$ 4
Derivative Contracts	
Current Liabilities	\$ (7)
Noncurrent Liabilities	0
Total Mark-to-Market Derivative (Liabilities)	\$ (7)
Total Net Mark-to-Market Derivative Assets (Liabilities)	\$ (3)

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As of December 31, 2010	
Balance Sheet Location	Non Hedges Energy-Related Contracts Millions
Derivative Contracts	
Current Assets	\$ 0
Noncurrent Assets	17
Total Mark-to-Market Derivative Assets	\$ 17
Derivative Contracts	
Current Liabilities	\$ (12)
Noncurrent Liabilities	0
Total Mark-to-Market Derivative (Liabilities)	\$ (12)
Total Net Mark-to-Market Derivative Assets (Liabilities)	\$ 5

The following shows the effect on the Income Statement and on Accumulated Other Comprehensive Income (AOCI) of derivative instruments designated as cash flow hedges for the years ended December 31, 2011, 2010 and 2009:

Derivatives in Cash Flow Hedging Relationships	Amount of Pre-Tax Gain (Loss) Recognized in AOCI on Derivatives (Effective Portion)			Location of Pre-Tax Gain (Loss) Reclassified from AOCI into Income	Amount of Pre-Tax Gain (Loss) Reclassified from AOCI into Income (Effective Portion)			Amount of Pre-Tax Gain (Loss) Recognized in Income on Derivatives (Ineffective Portion)		
	Twelve Months Ended December 31,				Twelve Months Ended December 31,			Twelve Months Ended December 31,		
	2011	2010	2009		2011	2010	2009	2011	2010	2009
Millions										
Interest Rate Swaps	\$ 0	\$ 0	\$ (1)	Interest Expense	\$ 0	\$ 0	\$ (2)	\$ 0	\$ 0	\$ 0
Total PSE&G	\$ 0	\$ 0	\$ (1)		\$ 0	\$ 0	\$ (2)	\$ 0	\$ 0	\$ 0

The following reflects the gross volume, on an absolute value basis, of derivatives as of December 31, 2011 and 2010:

Type	PSE&G
As of December 31, 2011	
Natural Gas	235
As of December 31, 2010	
Natural Gas	280

Note 15. Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market

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participants at the measurement date. Accounting guidance for fair value measurement emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and establishes a fair value hierarchy that distinguishes between assumptions based on market data obtained from independent sources and those based on an entity's own assumptions. The hierarchy prioritizes the inputs to fair value measurement into three levels:

Level 1—measurements utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that PSE&G has the ability to access. These consist primarily of listed equity securities.

Level 2—measurements include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and other observable inputs such as interest rates and yield curves that are observable at commonly quoted intervals. These consist primarily of non-exchange traded derivatives such as forward contracts or options and most fixed income securities.

Level 3—measurements use unobservable inputs for assets or liabilities, based on the best information available and might include an entity's own data and assumptions. In some valuations, the inputs used may fall into different levels of the hierarchy. In these cases, the financial instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. As of December 31, 2011, these consist primarily of power swaps whose basis is deemed significant to the fair value measurement and certain long-dated capacity positions.

The following tables present information about PSE&G's assets and (liabilities) measured at fair value on a recurring basis as of December 31, 2011 and December 31, 2010, including the fair value measurements and the levels of inputs used in determining those fair values.

Recurring Fair Value Measurements as of December 31, 2011

Description	Total	Cash Collateral Netting (C)	Quoted Market	Significant	Significant
			Prices of Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Millions					
Assets:					
Derivative Contracts:					
Energy-Related Contracts (A)	\$ 4	\$ 0	\$ 0	\$ 0	\$ 4
Rabbi Trusts - Mutual Funds (B)	\$ 57	\$ 0	\$ 6	\$ 51	\$ 0
Liabilities:					
Energy-Related Contracts (A)	\$ (7)	\$ 0	\$ 0	\$ 0	\$ (7)

Recurring Fair Value Measurements as of December 31, 2010

Description	Total	Cash Collateral Netting (C)	Quoted Market	Significant	Significant
			Prices of Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Millions					
Assets:					
Derivative Contracts:					
Energy-Related Contracts (A)	\$ 17	\$ 0	\$ 0	\$ 0	\$ 17
Rabbi Trusts - Mutual Funds (B)	\$ 54	\$ 0	\$ 6	\$ 48	\$ 0
Liabilities:					
Energy-Related Contracts (A)	\$ (12)	\$ 0	\$ 0	\$ 0	\$ (12)

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NOTES TO FINANCIAL STATEMENTS (Continued)

- (A) Level 3—For energy-related contracts, which include more complex agreements where limited observable inputs or pricing information are available, modeling techniques are employed using assumptions reflective of contractual terms, current market rates, forward price curves, discount rates and risk factors, as applicable. For certain energy-related option contracts where daily settled option prices are not observable, a traditional Black-Scholes valuation methodology is used which incorporates an internally developed volatility curve that is considered a significant unobservable input. Fair values of other energy contracts may be based on broker quotes that we cannot corroborate with actual market transaction data. We considered the creditworthiness of our counterparties in the valuation of our energy-related contracts and the impacts are immaterial.
- (B) The Rabbi Trust mutual funds are mainly invested in a U.S. bond index fund, an S&P 500 index fund and a commingled temporary investment fund. The equity index fund is valued based on quoted prices in an active market (Level 1) while the bond index fund is valued using recent exchange prices or a quoted bid (Level 2).
- (C) Cash collateral netting represents collateral amounts netted against derivative assets and liabilities as permitted under the accounting guidance for Offsetting of Amounts Related to Certain Contracts.

A reconciliation of the beginning and ending balances of Level 3 derivative contracts and securities for twelve months ended December 31, 2011 and 2010 follows:

**Changes in Level 3 Assets and (Liabilities) Measured at Fair Value on a Recurring Basis
for the Year Ended December 31, 2011**

Description	Balance as of January 1, 2011	Total Gains or (Losses) Realized/Unrealized		Purchases, (Sales)	Balance as of December 31, 2011
		Included in Income	Included in Regulatory Assets/ Liabilities (A)		
Millions					
Net Derivative Assets	\$ 5	\$ 0	\$ (8)	\$ 0	\$ (3)

**Changes in Level 3 Assets and (Liabilities) Measured at Fair Value on a Recurring Basis
for the Year Ended December 31, 2010**

Description	Balance as of January 1, 2010	Total Gains or (Losses) Realized/Unrealized		Purchases, (Sales) and Settlements	Balance as of December 31, 2010
		Included in Income	Included in Regulatory Assets/ Liabilities (A)		
Millions					
Net Derivative Assets	\$ 6	\$ 0	\$ (1)	\$ 0	\$ 5
Rabbi Trust Funds	\$ 5	\$ 0	\$ 0	\$ (5)	\$ 0

- (A) Mainly losses on PSE&G's derivative contracts that are not included in either earnings or OCI, as they are deferred as a Regulatory Asset/ Liability and are expected to be recovered from/returned to PSE&G's customers.

Note 16. Other Income and Deductions

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NOTES TO FINANCIAL STATEMENTS (Continued)			

	For the year Ended December 31,		
	2011	2010	2009
	Millions		Millions
Other Income			
Realized Gains from Rabbi Trust	\$ 0	\$ 11	\$ 0
Solar Loan Interest	10	6	1
Interest and Dividend Income	2	1	1
Other	13	8	6
Total Other Income	\$ 25	\$ 26	\$ 8
Other Deductions			
Donations	\$ 2	\$ 3	\$ 3
Other	2	0	0
Total Other Deductions	\$ 4	\$ 3	\$ 3

Note 17. Income Taxes

A reconciliation of reported income tax expense for PSE&G with the amount computed by multiplying pre-tax income by the statutory federal income tax rate of 35% is as follows:

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NOTES TO FINANCIAL STATEMENTS (Continued)

	For the Years Ended December 31,		
	2011	2010	2009
	Millions		
Net Income	\$ 521	\$ 358	\$ 321
Preferred Dividends	0	(1)	(4)
Income from Continuing Operations, excluding Preferred Dividends	\$ 521	\$ 359	\$ 325
Income Taxes:			
Operating Income:			
Current Expense:			
Federal	\$ (225)	\$ (211)	\$ 7
State	(6)	(1)	22
Total Current	(231)	(212)	29
Deferred Expense:			
Federal	483	384	158
State	92	63	38
Total Deferred	575	447	196
Investment Tax Credit	(4)	(3)	1
Total Income Taxes	\$ 340	\$ 232	\$ 226
Pre-Tax Income	\$ 861	\$ 591	\$ 551
Tax Computed at Statutory Rate @ 35%	\$ 301	\$ 207	\$ 193
Increase (Decrease) Attributable to Flow-Through of Certain Tax Adjustments:			
State Income Taxes (net of federal income tax)	56	40	39
Uncertain Tax Positions	(1)	(1)	(3)
Plant-Related Items	(6)	(3)	3
Tax Credits	(4)	(2)	(3)
Other	(6)	(9)	(3)
Sub-Total	39	25	33
Total Income Tax Provision	\$ 340	\$ 232	\$ 226
Effective Income Tax Rate	39.5%	39.2%	41.0%

The following is an analysis of deferred income taxes for PSE&G:

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NOTES TO FINANCIAL STATEMENTS (Continued)

	As of	
	December 31,	
	2011	2010
	Millions	
Deferred Income Taxes		
Assets:		
Noncurrent:		
Unrecovered ITC	\$ 10	\$ 12
OPEB	197	189
MTC	26	47
Related to Uncertain Tax Positions	30	24
Other	13	5
Total Noncurrent	276	277
Total Assets	\$ 276	\$ 277
Liabilities:		
Current (net)	\$ 32	\$ 19
Noncurrent:		
Plant-Related Items	2,875	2,216
New Jersey Corporate Business Tax	146	0
Securitization	495	686
Conservation Costs	97	62
Energy Clause Recoveries	0	76
Pension Costs	151	172
Taxes Recoverable Through Future Rate (net)	158	158
Total Noncurrent Liabilities	\$ 3,922	3,370
Total Liabilities	\$ 3,954	\$ 3,389
Summary of Accumulated Deferred Income Taxes:		
Net Current Deferred Income Tax Liability	\$ 32	\$ 19
Net Noncurrent Deferred Income Tax Liability	\$ 3,646	\$ 3,093
Investment Tax Credit (ITC)	29	34
Net Total Noncurrent Deferred Income Taxes and ITC	\$ 3,675	\$ 3,127

As of December 31, 2011, PSE&G has New Jersey State income tax net operating loss (NOL) carryforwards of \$127 million, which will expire in 2030. We believe that it is more likely than not that the benefit from the state NOL carryforwards will be realized.

PSE&G provides deferred taxes at the enacted statutory tax rate for all temporary differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities irrespective of the treatment for rate-making purposes. Management believes that it is probable that the accumulated tax benefits that previously have been treated as a flow-through item to PSE&G customers will be recovered from or refunded to PSE&G's customers in the future. These amounts were determined using the enacted federal income tax rate of 35% and state income tax rate of 9%. For additional information, see Note 5. Regulatory Assets and Liabilities.

The Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 include various health care-related provisions which will go into effect over the next several years. One of the provisions eliminates the tax deductibility of retiree health care costs, to the extent of federal subsidies received by plan sponsors that provide retiree prescription drug benefits equivalent to Medicare Part D coverage. Although this change does not take effect immediately, the accounting impact was required to be recognized when the legislation was signed. However, there was no immediate impact on PSE&G's income tax expense or effective tax rate since the related amount of \$78 million was deferred as a Regulatory Asset to be collected and amortized over future periods.

Two other tax provisions were enacted during 2010 that will have a significant impact on PSE&G's cash position. The Small Business Jobs Act of 2010, enacted September 27, 2010, extended the tax deduction for 50% bonus depreciation through 2010 for qualified property. The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, enacted December 17, 2010,

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NOTES TO FINANCIAL STATEMENTS (Continued)			

included a provision making qualified property placed into service after September 8, 2010 and before January 1, 2012, eligible for 100% bonus depreciation for tax purposes. In addition, qualified property placed into service in 2012 will be eligible for 50% bonus depreciation for tax purposes. These provisions will generate cash for PSE&G through tax benefits related to the accelerated depreciation most of which was realized in 2011. These tax benefits would have otherwise been received over an estimated average 20 year period.

During 2011, PSE&G accrued \$51 million of Investment Tax Credits (ITC) associated with alternative energy projects. Because the law provides an option to claim either a grant or the ITC, the ITC has been accounted for as a reduction of the book basis of the related assets as opposed to being recorded in tax expense.

PSE&G recorded the following amounts related to its unrecognized tax benefits:

	2011
	Millions
Total Amount of Unrecognized Tax Benefits at January 1, 2011	\$ 82
Increases as a Result of Positions Taken in a Prior Period	14
Decreases as a Result of Positions Taken in a Prior Period	0
Increases as a Result of Positions Taken during the Current Period	18
Decreases as a Result of Positions Taken during the Current Period	(1)
Decreases as a Result of Settlements with Taxing Authorities	0
Decreases due to Lapses of Applicable Statute of Limitations	0
Total Amount of Unrecognized Tax Benefits at December 31, 2011	\$ 113
Accumulated Deferred Income Taxes Associated with Unrecognized Tax Benefits	(65)
Regulatory Asset - Unrecognized Tax Benefits	(20)
Total Amount of Unrecognized Tax Benefits that if Recognized, would Impact the Effective Tax Rate (including Interest and Penalties)	\$ 28

	2010
	Millions
Total Amount of Unrecognized Tax Benefits at January 1, 2010	\$ 35
Increases as a Result of Positions Taken in a Prior Period	79
Decreases as a Result of Positions Taken in a Prior Period	(38)
Increases as a Result of Positions Taken during the Current Period	6
Decreases as a Result of Positions Taken during the Current Period	0
Decreases as a Result of Settlements with Taxing Authorities	0
Decreases due to Lapses of Applicable Statute of Limitations	0
Total Amount of Unrecognized Tax Benefits at December 31, 2010	\$ 82
Accumulated Deferred Income Taxes Associated with Unrecognized Tax Benefits	(38)
Regulatory Asset - Unrecognized Tax Benefits	(16)
Total Amount of Unrecognized Tax Benefits that if Recognized, would Impact the Effective Tax Rate (including Interest and Penalties)	\$ 28

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NOTES TO FINANCIAL STATEMENTS (Continued)			

	<u>2009</u>
	Millions
Total Amount of Unrecognized Tax Benefits at January 1, 2009	\$ 27
Increases as a Result of Positions Taken in a Prior Period	8
Decreases as a Result of Positions Taken in a Prior Period	(9)
Increases as a Result of Positions Taken during the Current Period	10
Decreases as a Result of Positions Taken during the Current Period	(1)
Decreases as a Result of Settlements with Taxing Authorities	0
Decreases due to Lapses of Applicable Statute of Limitations	0
Total Amount of Unrecognized Tax Benefits at December 31, 2009	\$ 35
Accumulated Deferred Income Taxes Associated with Unrecognized Tax Benefits	22
Regulatory Asset - Unrecognized Tax Benefits	(55)
Total Amount of Unrecognized Tax Benefits that if Recognized, would Impact the Effective Tax Rate (including Interest and Penalties)	\$ 2

PSE&G includes all accrued interest and penalties related to uncertain tax positions required to be recorded, as income tax expense. Interest and penalties on uncertain tax positions were as follows:

	Years Ended December 31,		
	2011	2010	2009
	Millions		
Interest and Penalties on Unrecognized Tax Benefits	\$ (24)	\$ (20)	\$ (22)

It is reasonably possible that total unrecognized tax benefits will decrease within the next twelve months due to either agreements with various taxing authorities upon audit or the expiration of the Statute of Limitations. These potential decreases are as follows:

	<u>Over the next 12 Months</u>
	Millions
Possible Decrease in Total Unrecognized Tax Benefits Including Interest	\$ 27

As a result of a change in accounting method for the capitalization of indirect costs, PSE&G reduced the net amount of its uncertain tax positions (including interest) by \$43 million. It is reasonably possible that PSE&G's claim related to this matter will be settled with the IRS in the next 12 months, resulting in an increase in the uncertain tax positions. These amounts are not included in the table above.

Description of income tax years that remain subject to examination by material jurisdictions, where an examination has not already concluded are:

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NOTES TO FINANCIAL STATEMENTS (Continued)

	PSE&G
United States	
Federal	2007-2010
New Jersey	2006-2010
Pennsylvania	2008-2010

Note 18. Related-Party Transactions

PSE&G

The financials statements for PSE&G include transactions with related parties presented as follows:

<u>Related Party Transactions</u>	Years Ended December 31,		
	2011	2010	2009
	Millions		
Expense Billings from Affiliates:			
Billings from Power through BGSS (A)	\$ (1,294)	\$ (1,591)	\$ (1,838)
Billings from Power through BGS (A)	(921)	(1,139)	(1,322)
Administrative Billings from Services (B)	(210)	(206)	(240)
Total Expense Billings from Affiliates	\$ (2,425)	\$ (2,936)	\$ (3,400)

<u>Related Party Transactions</u>	Years Ended December 31,	
	2011	2010
	Millions	
Payable to Power through BGS and BGSS Contracts (A)	\$ (247)	\$ (372)
Payable to Power Related to Gas Supply Hedges for BGSS (A)	(109)	(58)
Payable to Power from SREC Liability (E)	(7)	(7)
Receivable from (Payable to) Services (B)	(56)	(48)
Tax Receivable from (Payable to) PSEG (C)	131	394
Receivable from (Payable to) PSEG	8	6
Accounts Receivable (Payable) – Affiliated Companies, net	\$ (280)	\$ (85)
Working Capital Advances to Services (D)	\$ 33	\$ 33
Long-Term Accrued Taxes Receivable (Payable) (C)	\$ (83)	\$ (74)

- (A) PSE&G has entered into a requirements contract with Power under which Power provides the gas supply services needed to meet PSE&G's BGSS and other contractual requirements through March 31, 2012 and year-to-year thereafter. Power has also entered into contracts to supply energy, capacity and ancillary services to PSE&G through the BGS auction process.
- (B) Services provides and bills administrative services to PSE&G at cost. In addition, PSE&G has other payables to Services, including amounts related to certain common costs, such as pension and OPEB costs, which Services pays on behalf of PSE&G.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

- (C) PSE&G files a consolidated Federal income tax return with its parent company, PSEG. A tax allocation agreement exists between PSEG and each of its affiliated companies. The general operation of these agreements is that the subsidiary company will compute its taxable income on a stand-alone basis. If the result is a net tax liability, such amount shall be paid to PSEG. If there are net operating losses and/or tax credits, the subsidiary shall receive payment for the tax savings from PSEG to the extent that PSEG is able to utilize those benefits.
- PSE&G adopted the accounting guidance for "Accounting for Uncertainty in Income Taxes" effective January 1, 2007, which prescribes a model for how a company should recognize, measure, present and disclose in its financial statements uncertain tax positions that it has taken or expects to take on a tax return.
- (D) PSE&G has advanced working capital to Services. The amounts are included in Other Noncurrent Assets on PSE&G's Balance Sheets.
- (E) In 2008, the BPU issued a decision that certain BGS suppliers will be reimbursed for the cost they incurred above \$300 per Solar Renewable Energy Certificate (SREC) during the period June 1, 2008 through May 31, 2010. The BPU order further provided that the excess cost may be passed on to ratepayers. Following an appeal, on March 10, 2011, the New Jersey Supreme Court reversed and remanded the BPU's 2008 order. The Court did not rule on the substantive issue of whether the pass-through of SREC costs was appropriate. The BPU subsequently held a legislative hearing process to comply with the Court's ruling. PSE&G, along with other New Jersey utilities participated at the hearing and filed comments. The BPU has not yet issued a decision. PSE&G has estimated and accrued a total liability for the excess SREC cost of \$17 million as of December 31, 2011 and 2010, including approximately \$7 million for Power's share which is included in PSE&G's Accounts Payable—Affiliated Companies as of December 31, 2011 and 2010.

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.					
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)		
1	Utility Plant				
2	In Service				
3	Plant in Service (Classified)	14,835,407,807	9,525,196,644		
4	Property Under Capital Leases				
5	Plant Purchased or Sold				
6	Completed Construction not Classified				
7	Experimental Plant Unclassified				
8	Total (3 thru 7)	14,835,407,807	9,525,196,644		
9	Leased to Others				
10	Held for Future Use	8,580,225	8,579,791		
11	Construction Work in Progress	564,937,264	554,111,799		
12	Acquisition Adjustments				
13	Total Utility Plant (8 thru 12)	15,408,925,296	10,087,888,234		
14	Accum Prov for Depr, Amort, & Depl	4,759,899,328	2,736,353,849		
15	Net Utility Plant (13 less 14)	10,649,025,968	7,351,534,385		
16	Detail of Accum Prov for Depr, Amort & Depl				
17	In Service:				
18	Depreciation	4,734,908,252	2,735,581,714		
19	Amort & Depl of Producing Nat Gas Land/Land Right				
20	Amort of Underground Storage Land/Land Rights				
21	Amort of Other Utility Plant	24,991,076	772,135		
22	Total In Service (18 thru 21)	4,759,899,328	2,736,353,849		
23	Leased to Others				
24	Depreciation				
25	Amortization and Depletion				
26	Total Leased to Others (24 & 25)				
27	Held for Future Use				
28	Depreciation				
29	Amortization				
30	Total Held for Future Use (28 & 29)				
31	Abandonment of Leases (Natural Gas)				
32	Amort of Plant Acquisition Adj				
33	Total Accum Prov (equals 14) (22,26,30,31,32)	4,759,899,328	2,736,353,849		

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**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
FOR DEPRECIATION, AMORTIZATION AND DEPLETION**

Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
5,119,131,851				191,079,312	3
					4
					5
					6
					7
5,119,131,851				191,079,312	8
					9
434					10
657,280				10,168,185	11
					12
5,119,789,565				201,247,497	13
1,961,990,837				61,554,642	14
3,157,798,728				139,692,855	15
					16
					17
1,961,990,837				37,335,701	18
					19
					20
				24,218,941	21
1,961,990,837				61,554,642	22
					23
					24
					25
					26
					27
					28
					29
					30
					31
					32
1,961,990,837				61,554,642	33

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

- Report below the original cost of electric plant in service according to the prescribed accounts.
- In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization		
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant	1,401,050	34,482
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	1,401,050	34,482
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights		
9	(311) Structures and Improvements		
10	(312) Boiler Plant Equipment		
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units		
13	(315) Accessory Electric Equipment		
14	(316) Misc. Power Plant Equipment		
15	(317) Asset Retirement Costs for Steam Production		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)		
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights		
28	(331) Structures and Improvements		
29	(332) Reservoirs, Dams, and Waterways		
30	(333) Water Wheels, Turbines, and Generators		
31	(334) Accessory Electric Equipment		
32	(335) Misc. Power PLant Equipment		
33	(336) Roads, Railroads, and Bridges		
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)		
36	D. Other Production Plant		
37	(340) Land and Land Rights		
38	(341) Structures and Improvements		
39	(342) Fuel Holders, Products, and Accessories		
40	(343) Prime Movers		
41	(344) Generators		
42	(345) Accessory Electric Equipment		
43	(346) Misc. Power Plant Equipment	174,185,839	171,489,549
44	(347) Asset Retirement Costs for Other Production		514,291
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	174,185,839	172,003,840
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	174,185,839	172,003,840

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
				2
				3
9	11,987		1,447,510	4
9	11,987		1,447,510	5
				6
				7
				8
				9
				10
				11
				12
				13
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				32
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				37
				38
				39
				40
				41
				42
	-950,094		344,725,294	43
			514,291	44
	-950,094		345,239,585	45
	-950,094		345,239,585	46

Name of Respondent		This Report Is:	Date of Report	Year/Period of Report
Public Service Electric and Gas Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/30/2012	End of 2011/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)				
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	
47	3. TRANSMISSION PLANT			
48	(350) Land and Land Rights	84,076,646	651,167	
49	(352) Structures and Improvements	97,823,159	2,457,078	
50	(353) Station Equipment	1,180,298,983	219,864,261	
51	(354) Towers and Fixtures	194,799,529	1,989,272	
52	(355) Poles and Fixtures	31,002,762	17,079,236	
53	(356) Overhead Conductors and Devices	185,809,386	17,933,642	
54	(357) Underground Conduit	136,466,981	3,278,348	
55	(358) Underground Conductors and Devices	231,033,403	65,842,774	
56	(359) Roads and Trails	6,866,355	1,723	
57	(359.1) Asset Retirement Costs for Transmission Plant	195,202		
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	2,148,372,406	329,097,501	
59	4. DISTRIBUTION PLANT			
60	(360) Land and Land Rights	46,046,491	481,654	
61	(361) Structures and Improvements	179,434,276	983,063	
62	(362) Station Equipment	828,606,568	30,563,942	
63	(363) Storage Battery Equipment			
64	(364) Poles, Towers, and Fixtures	599,943,493	18,977,417	
65	(365) Overhead Conductors and Devices	1,055,549,268	81,174,871	
66	(366) Underground Conduit	447,610,623	17,519,006	
67	(367) Underground Conductors and Devices	1,084,435,020	81,598,273	
68	(368) Line Transformers	904,919,964	63,236,548	
69	(369) Services	451,098,929	15,405,013	
70	(370) Meters	204,123,416	10,052,661	
71	(371) Installations on Customer Premises	4,762,829	10,573,865	
72	(372) Leased Property on Customer Premises			
73	(373) Street Lighting and Signal Systems	307,444,091	8,178,832	
74	(374) Asset Retirement Costs for Distribution Plant	94,031,834	269,115	
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	6,208,006,802	339,014,260	
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT			
77	(380) Land and Land Rights			
78	(381) Structures and Improvements			
79	(382) Computer Hardware			
80	(383) Computer Software			
81	(384) Communication Equipment			
82	(385) Miscellaneous Regional Transmission and Market Operation Plant			
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper			
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)			
85	6. GENERAL PLANT			
86	(389) Land and Land Rights	246,310		
87	(390) Structures and Improvements	16,849,684	647,131	
88	(391) Office Furniture and Equipment	28,678,092	1,370,614	
89	(392) Transportation Equipment	104,121,152	7,042,154	
90	(393) Stores Equipment	636,348	1,752	
91	(394) Tools, Shop and Garage Equipment	21,725,423	2,141,380	
92	(395) Laboratory Equipment	1,936,989	409,430	
93	(396) Power Operated Equipment	7,640,494	1,036,682	
94	(397) Communication Equipment	30,784,895	786,623	
95	(398) Miscellaneous Equipment	1,992,240		
96	SUBTOTAL (Enter Total of lines 86 thru 95)	214,611,627	13,435,766	
97	(399) Other Tangible Property			
98	(399.1) Asset Retirement Costs for General Plant	347,322	387,274	
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	214,958,949	13,823,040	
100	TOTAL (Accounts 101 and 106)	8,746,925,046	853,973,123	
101	(102) Electric Plant Purchased (See Instr. 8)			
102	(Less) (102) Electric Plant Sold (See Instr. 8)			
103	(103) Experimental Plant Unclassified			
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	8,746,925,046	853,973,123	

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				47
2,372	-2,490	5,850	84,728,801	48
	56,207	443,796	100,780,240	49
13,407,510	-906,396	-449,146	1,385,400,192	50
	267		196,789,068	51
	195,598	-500	48,277,096	52
12,671,783	220,191		191,291,436	53
	18,371		139,763,700	54
9,643,915	70,515		287,302,777	55
			6,868,078	56
			195,202	57
35,725,580	-347,737		2,441,396,590	58
				59
9,301	5,133		46,523,977	60
			180,417,339	61
1,306,995	80,832		857,944,347	62
				63
1,108,043	3,253,556		621,066,423	64
4,588,963	669,688		1,132,804,864	65
1,374	73,382		465,201,637	66
6,387,571	548,393		1,160,194,115	67
10,038,733	805,386		958,923,165	68
1,450,668	906		465,054,180	69
3,813,298			210,362,779	70
			15,336,694	71
				72
1,334,241	985,847		315,274,529	73
752,272			93,548,677	74
30,791,459	6,423,123		6,522,652,726	75
				76
				77
				78
				79
				80
				81
				82
				83
				84
				85
			246,310	86
	12		17,496,827	87
6,636,210			23,412,496	88
3,392,561	29		107,770,774	89
30,216			607,884	90
3,205,247			20,661,556	91
194,804			2,151,615	92
2			8,677,174	93
862,757			30,708,761	94
			1,992,240	95
14,321,797	41		213,725,637	96
				97
			734,596	98
14,321,797	41		214,460,233	99
80,838,845	5,137,320		9,525,196,644	100
				101
				102
				103
80,838,845	5,137,320		9,525,196,644	104

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 3/30/2012	Year of Report 2011
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GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)

1. Report below the original cost of electric plant in service according to the prescribed accounts. arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.
2. In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold, Account 103, Experimental Gas Plant Unclassified, and and Account 106, Completed Construction Not Classified - Gas.
3. Include in column (c) and (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. Enclose in parenthesis credit adjustments of plant accounts to indicate the negative effect of such accounts.
5. Show in Column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classification

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization	0	
3	(302) Franchises and Consents	0	
4	(303) Miscellaneous Intangible Plant	0	0
5	TOTAL Intangible Plant (Total of lines 2, 3, and 4)	0	0
6	2. PRODUCTION PLANT		
7	Manufactured Gas Production Plant		
8	(304) Land and Land Rights	1,261,610	0
9	(305) Structures and Improvements	6,891,434	0
10	(306) Boiler Plant Equipment	154,637	0
11	(307) Other Power Equipment	2,626,600	0
12	(308) Coke Ovens	0	0
13	(309) Producer Gas Equipment	0	0
14	(310) Water Gas Generating Equipment	0	0
15	(311) Liquified Petroleum Gas Equipment	37,573,349	1,706,027
16	(312) Oil Gas Generating Equipment	0	0
17	(313) Generating Equipment - Other Processes	0	0
18	(314) Coal, Coke, and Ash Handling Equipment	0	0
19	(315) Catalytic Cracking Equipment	0	0
20	(316) Other Reforming Equipment	0	0
21	(317) Purification Equipment	0	0
22	(318) Residual Refining Equipment	0	0
23	(319) Gas Mixing Equipment	0	0
24	(320) Other Equipment	1,190,897	0
25	(321) Asset retirement costs for manufactured gas plant production	0	
26	Total Manufactured Gas Production Plant	49,698,528	1,706,027
27	Natural Gas Production and Gathering Plant		
28	(325.1) Producing Lands	0	
29	(325.2) Producing Leaseholds	0	
30	(325.3) Gas Rights	0	
31	(325.4) Rights-of-Way	0	
32	(325.5) Other Land and Land Rights	0	
33	(326) Gas Well Structures	0	
34	(327) Field Compressor Station Structures	0	
35	(328) Field Meas. And Reg. Station Structures	0	
36	(329) Other Structures	0	
37	(330) Producing Gas Wells-well Construction	0	
38	(331) Producing Gas Wells-Well Equipment	0	
39	(332) Field Lines	0	
40	(333) Field Compressor Station Equipment	0	
41	(334) Field Meas. And Reg. Station Equipment	0	
42	(335) Drilling and Cleaning Equipment	0	
43	(336) Purification Equipment	0	
44	(337) Other Equipment	0	
45	(338) Unsuccessful Exploration & Devel. Costs	0	
46	(339) Asset retirement costs for natural gas production and gathering plant	0	
47	TOTAL Nat. Gas Production and Gathering Plant	0	0

Name of Respondent Public Service Electric & Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 3/30/2012	Year of Report 2011
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GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct.	Line No.
					1
			0	(301)	2
			0	(302)	3
0		0	0	(303)	4
0	0	0	0		5
					6
					7
0		0	1,261,610	(304)	8
0	0	0	6,891,434	(305)	9
0	0	0	154,637	(306)	10
0	0	0	2,626,600	(307)	11
0	0	0	0	(308)	12
0	0	0	0	(309)	13
0	0	0	0	(310)	14
0	0	0	39,279,376	(311)	15
0	0	0	0	(312)	16
0	0	0	0	(313)	17
0	0	0	0	(314)	18
0	0	0	0	(315)	19
0	0	0	0	(316)	20
0	0	0	0	(317)	21
0	0	0	0	(318)	22
0	0	0	0	(319)	23
0	0	0	1,190,897	(320)	24
			0	(321)	25
0	0	0	51,404,555		26
					27
			0	(325)	28
			0	(325)	29
			0	(325)	30
			0	(325)	31
			0	(325)	32
			0	(326)	33
			0	(327)	34
			0	(328)	35
			0	(329)	36
			0	(330)	37
			0	(331)	38
			0	(332)	39
			0	(333)	40
			0	(334)	41
			0	(335)	42
			0	(336)	43
			0	(337)	44
			0	(338)	45
			0	(339)	46
0	0	0	0		47

Name of Respondent		This Report is:	Date of Report	Year of Report
Public Service Electric and Gas Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 3/30/2012	2011
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
48	Products Extraction Plant			
49	(340) Land and Land Rights	0		
50	(341) Structures and Improvements	0		
51	(342) Extraction and Refining Equipment	0		
52	(343) Pipe Lines	0		
53	(344) Extracted Products Storage Equipment	0		
54	(345) Compressor Equipment	0		
55	(346) Gas Meas. And Reg. Equipment	0		
56	(347) Other Equipment	0		
57	(348) Asset retirement costs for products extraction plant	0		
58	Total Products Extraction Plant	0		0
59	Total Natural Gas Production Plant	0		0
60	Manufactured Gas Production Plant (Submit Supplementary Statement)	0		0
61	Total Production Plant	49,698,528		1,706,027
62	3. NATURAL GAS STORAGE AND PROCESSING PLANT			
63	Underground Storage Plant			
64	(350.1) Land			
65	(350.2) Rights-of-Way	0		
66	(351) Structures and Improvements	0		
67	(352) Wells	0		
68	(352.1) Storage Leaseholds and Rights	0		
69	(352.2) Reservoirs	0		
70	(352.3) Non-recoverable Natural Gas	0		
71	(353) Lines	0		
72	(354) Compressor Station Equipment	0		
73	(355) Measuring and Reg. Equipment	0		
74	(356) Purification Equipment	0		
75	(357) Other Equipment	0		
76	(358) Asset retirement costs for underground storage plant	0		
77	Total Underground Storage Plant	0		0
78	Other Storage Plant			
79	(360) Land and Land Rights	23,497		0
80	(361) Structures and Improvements	1,457,900		0
81	(362) Gas Holders	5,066,482		0
82	(363) Purification Equipment	0		0
83	(363.1) Liquefaction Equipment	0		0
84	(363.2) Vaporizing Equipment	1,186,363		1,484
85	(363.3) Compressor Equipment	205,117		0
86	(363.4) Meas. And Reg. Equipment	2,445,240		198,036
87	(363.5) Other Equipment	0		0
88	(363.6) Asset retirement costs for other storage plant	148,672		0
89	Total Other Storage Plant	10,533,271		199,520
90	Total Storage Plant	10,533,271		199,520
91	4. TRANSMISSION PLANT			
92	(365.1) Land and Land Rights	1,299,560		
93	(365.2) Right-of-Ways	4,121,568		0
94	(366) Structures and Improvements	394,649		0
95	(367) Mains	79,020,303		67,069
96	(368) Compressor Station Equipment	0		0
97	(369) Measuring and Reg. Sta. Equipment	6,299,196		0
98	(370) Communication Equipment	0		0
99	(371) Other Equipment	0		0
100	(372) Asset retirement costs for transmission plant	0		0
101	Total Transmission Plant	91,135,276		67,069

Name of Respondent Public Service Electric and Gas Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 3/30/2012	Year of Report 2011	
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)						
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct.	Line No.	
			0	(340)	48	
			0	(341)	49	
			0	(342)	50	
			0	(343)	51	
			0	(344)	52	
			0	(345)	53	
			0	(346)	54	
			0	(347)	55	
			0	(348)	56	
0	0	0	0		57	
0			0		58	
0			0		59	
0			0		60	
0			51,404,555		61	
					62	
					63	
			0	(350.1)	64	
			0	(350.2)	65	
			0	(351)	66	
			0	(352)	67	
			0	(352.1)	68	
			0	(352.2)	69	
			0	(352.3)	70	
			0	(353)	71	
			0	(354)	72	
			0	(355)	73	
			0	(356)	74	
			0	(357)	75	
			0	(358)	76	
0	0	0	0		77	
					78	
0			23,497	(360)	79	
0			1,457,900	(361)	80	
0			5,066,482	(362)	81	
0			0	(363)	82	
0			0	(363.1)	83	
0			1,187,847	(363.2)	84	
0			205,117	(363.3)	85	
0			2,643,276	(363.4)	86	
0			0	(363.5)	87	
-90,464			58,208	(363.6)	88	
-90,464	0	0	10,642,326		89	
-90,464	0	0	10,642,326		90	
					91	
		0	1,299,560	(365.1)	92	
0	0	0	4,121,568	(365.2)	93	
0	0	0	394,649	(366)	94	
0	98	0	79,087,470	(367)	95	
0	0	0	0	(368)	96	
0	0	0	6,299,196	(369)	97	
0	0	0	0	(370)	98	
0	0	0	0	(371)	99	
0	0	0	0	(372)	100	
0	98	0	91,202,443		101	

Name of Respondent		This Report is:	Date of Report	Year of Report
Public Service Electric and Gas Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 3/30/2012	2011
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
102	5. DISTRIBUTION PLANT			
103	(374) Land and Land Rights	5,136,280		0
104	(375) Structures and Improvements	46,319,632		0
105	(376) Mains	2,217,355,307		84,828,612
106	(377) Compressor Station Equipment	8,036,493		0
107	(378) Meas. And Reg. Sta. Equipment - General	72,286,309		5,379,300
108	(379) Meas and Reg. Sta. Equipment - City Gate	69,352,345		51,993
109	(380) Services	1,704,615,147		73,245,653
110	(381) Meters	164,196,206		11,756,664
111	(382) Meter Installations	164,500,937		7,743,703
112	(383) House Regulators	36,102,682		1,567,795
113	(384) House Regulators Installation	92,087,245		4,136,872
114	(385) Industrial Meas. And Reg. Sta. Equipment	54,667,906		401,312
115	(386) Other Prop. On Customers' Premises	0		0
116	(387) Other Equipment	1,521,717		0
117	(388) Asset retirement costs for distribution plant	48,081,198		50,874
118	TOTAL Distribution Plant	4,684,259,405		189,162,778
119	6. GENERAL PLANT			
120	(389) Land and Land Rights	0		
121	(390) Structures and Improvements	8,099,238		3,170,112
122	(391) Office Furniture and Equipment	15,649,725		1,443,576
123	(392) Transportation Equipment	39,817,212		2,328,665
124	(393) Stores Equipment	32,319		4,805
125	(394) Tools, Shop, and Garage Equipment	12,409,944		1,605,870
126	(395) Laboratory Equipment	96,850		4,057
127	(396) Power Operated Equipment	13,758,138		22,900
128	(397) Communication Equipment	22,198,188		326,689
129	(398) Miscellaneous Equipment	353,804		1,600
130	SUBTOTAL	112,415,418		8,908,274
131	(399) Other Tangible Property (1)	0		0
132	(399.1) Asset retirement costs for general plant	435,170		0
133	TOTAL General Plant	112,850,588		8,908,274
134	TOTAL (Accounts 101 and 106)	4,948,477,068		200,043,667
135	102 Gas Plant Purchased	0		
136	102 (Less) Gas Plant Sold	0		
137	103 Gas Plant in Process of Reclassification	0		
138	TOTAL Gas Plant in Service	4,948,477,068		200,043,667
139				
140				
141				
142				
143				
144				
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Name of Respondent Public Service Electric and Gas Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 3/30/2012	Year of Report 2011	
GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)						
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct.	Line No.	
						102
0		0	5,136,280	(374)		103
0		0	46,319,632	(375)		104
-2,813,944	751,360	0	2,300,121,335	(376)		105
0		0	8,036,493	(377)		106
0	2,981	0	77,668,589	(378)		107
0		0	69,404,338	(379)		108
-2,555,949	47,646	0	1,775,352,497	(380)		109
-3,907,099		0	172,045,771	(381)		110
-5,495,763		0	166,748,877	(382)		111
0		0	37,670,478	(383)		112
0		0	96,224,116	(384)		113
0		0	55,069,217	(385)		114
0		0	0	(386)		115
0		0	1,521,717	(387)		116
-1,638,745		0	46,493,327	(388)		117
-16,411,501	801,987	0	4,857,812,669			118
						119
			0	(389)		120
-5			11,269,345	(390)		121
-939,806	3,429		16,156,925	(391)		122
-7,115,880	42,193		35,072,190	(392)		123
			37,125	(393)		124
-1,846,524	-84,946		12,084,343	(394)		125
			100,907	(395)		126
-168,747	81,521		13,693,812	(396)		127
-3,355,682			19,169,195	(397)		128
			355,404	(398)		129
-13,426,644	42,197	0	107,939,245			130
0		0	0	(399)		131
-312,593	8,037	0	130,613	(399.1)		132
-13,739,237	50,233	0	108,069,859			133
-30,241,202	852,318	0	5,119,131,851			134
			0			135
			0			136
			0			137
-30,241,202	852,318	0	5,119,131,851			138
						139
						140
						141
						142
						143
						144
						145
						146
						147
						148
						149
						150

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2				
3	Land, Bergenfield and Teaneck, NJ	1984	2012	346,140
4				
5	Land, Pemberton, NJ	1990	2019-2020	489,291
6				
7	Right of Way, Gloucester, NJ - Matula Creek NJ, and			
8	Blenheim NJ	1970	2020	559,616
9				
10	Land, So. Brunswick, NJ	1991	2013	789,150
11				
12	Land, Union, NJ	1973	2014	449,875
13				
14	Minor Items	Various	Various	600,370
15				
16				
17				
18				
19				
20				
21	Other Property:			
22				
23	Essex Kearny Project	2007	2013	273,789
24				
25	Structures & Equipment, Montgomery, NJ	2003	2013	1,186,289
26				
27	Equipment, Saddle Brook ,NJ	2011	2012	2,721,898
28				
29	MAINS - STEEL, East Rutherford	2011	2012	889,451
30				
31	Minor Items	Various	Various	273,922
32				
33				
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44				
45				
46				
47	Total			8,579,791

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	T-Jefferson-RsInd-Lckwnna-Susqna(b0489)	164,449,988
2	RTEP Branchburg 500kV Capacitor Bank	64,219,388
3	Bayonne 3rd Source	29,239,178
4	Bergen Switching Station 230KV, 80kA	26,705,915
5	Bergen-RRoad-ERuth 69kV - Install (Trans	25,889,272
6	b1136 Burlington Camden 230KV conversion	22,089,378
7	b1154- North Central Reliability 230kV	19,588,656
8	Linden 230kV PAR Transformer	15,958,874
9	b0565 Coxs Corner 230kV Cap Bank- T	15,770,534
10	Kearny-Essex 138kV circuit	14,293,243
11	b0664,b0665,b0668, Branchburg Bridgewater	13,589,917
12	Solar 4 All 3rd Party Sites Segment 1B	11,420,012
13	Trans Life Cycle Prog- IP-no XFMr/relays	9,789,340
14	Solar 4 All-Owned Segment 1A	7,404,143
15	Locust Street 69kV Unit Substation	6,506,908
16	b0829- b0836 Branchburg to Hudson 500kV	6,355,711
17	Bergenfield Class H	5,923,343
18	Sewaren 220-1 230-138kV Transformer Repl	5,771,518
19	Greenbrook T2 230-13kV Transformer Repl	5,382,895
20	Trans Life Cycle Prog- IP-no XFMr/relays	4,592,516
21	Bayway 132-1-138-26kV Xfmr Life Cycle	4,449,474
22	BennettsLane-Lawrence 69kV Network	4,420,261
23	New Freedom 500-4 Xfmr Bank Repl	3,928,717
24	Newark SW 4th Network Circuit Interlace	3,776,589
25	5023 & 5024 OPGW Installation	3,293,628
26	Deans 500-2 Transoferer Replacement	3,293,105
27	DVP-NJ EMP 26/4kV XFMR Replacements	3,041,374
28	Minue St. T1 230-13kV Transformer Repl	2,978,662
29	Bergenfield Class H - Distrubution	2,850,189
30	Metuchen 230kV Station Upgrade	2,723,893
31	ED2-015- Pal JerseyCity 26kV Ntwk Mntrng	2,384,629
32	b1304- Northeast Grid	2,316,430
33	Doremus T1-T4 138-13kV Transformer Repl	2,106,548
34	New Freedom LDV Bkr Repl Prog	2,016,000
35	ED2-016A- Pal Jersey City 13kV Ntwk Opt.	1,937,929
36	Montgomery 69 kV	1,772,346
37	Mick.--Gloucester-Camden Network Reinf.	1,648,851
38	b-1099 Newark Load Relief Ph 1 K-1311	1,415,676
39	ED2-024- Cen South River Upgrade	1,351,935
40	Pal-New Service to Peninsula at Bayonne	1,277,765
41	Deptford Substation Reinforcement	1,258,535
42	ED2-002- Met Fire Protection Sys Upgrade	1,108,751
43	TOTAL	554,111,799

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	Belleville - Branchbrook 69KV Phase I	1,099,763
2	b1198 Bayway Switch Station Reinf 132-3	1,093,062
3	Mountain Ave 69kV Class H	1,081,408
4	Runnemedede 69kV Converstion	1,011,764
5	Minor Items	19,533,786
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42		
43	TOTAL	554,111,799

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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Construction Work in Progress-Gas (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (Account 107).
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
3. Minor projects (less than \$1,000,000) may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1	SAP CCS Functional Release- Gas OEI	657,280	
2			
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45	Total	657,280	

Name of Respondent Public Service Electric & Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 03/30/2012	Year of Report 2011
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CONSTRUCTION OVERHEADS-ELECTRIC

- | | |
|--|---|
| <p>1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.</p> <p>2. On Page 218, furnish information concerning construction overheads.</p> | <p>3. A respondent should not report "None" to this page if no overhead apportionments are made, but rather should explain on page 218 the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc. which are directly charged to construction.</p> <p>4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc. which are first assigned to a blanket work order and then prorated to construction jobs.</p> |
|--|---|

Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)	Total Cost of Construction to Which Overheads Were Charged (Exclusive Of Overhead Charges) (c)
1	Salaries and Other Expenses:		
2	Distribution	286,734,848	873,025,947
3	Pension	6,705,780	
4	Payroll Taxes	388,604	
5	Other Employee Benefits	9,540,321	
6	Injuries to Employees	377,375	
7	Allowance for Funds Used During Construction	10,106,822	
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43	TOTAL	313,853,750	873,025,947

Name of Respondent Public Service Electric & Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 03/30/2012	Year of Report 2011
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CONSTRUCTION OVERHEADS-GAS

- | | |
|--|---|
| <p>1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.</p> <p>2. On Page 218, furnish information concerning construction overheads.</p> | <p>3. A respondent should not report "None" to this page if no overhead apportionments are made, but rather should explain on page 218 the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc. which are directly charged to construction.</p> <p>4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc. which are first assigned to a blanket work order and then prorated to construction jobs.</p> |
|--|---|

Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)	Total Cost of Construction to Which Overheads Were Charged (Exclusive Of Overhead Charges) (c)
1	Salaries and Other Expenses:		
2	Distribution	48,212,036	156,472,565
3	Pension	640,928	
4	Payroll Taxes	51,710	
5	Other Employee Benefits	913,232	
6	Injuries to Employees	41,624	
7	Allowance for Funds Used During Construction	639,332	
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43	TOTAL	50,498,862	156,472,565

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
General Description of Construction Overhead Procedure			

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.
2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the Uniform System of Accounts.
3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

FERC FORM 2

Page 218.1 "General Description of Construction Overhead Procedure"

1. For each construction overhead explain: (a) the nature and extent of work etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.
2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the Uniform System of Accounts.
3. Where a net -of -tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

Respondent charged to construction certain indirect engineering, supervision and administrative costs of the following departments:

- 1) Gas Distribution
- 2) Electric Distribution
- 3) Electric Transmission
- 4) Asset Management & Centralized Services

The Basis for allocation of these overhead costs to construction was 2011 labor charged directly to construction, storeroom materials charged directly to construction, and contracted labor charged directly to construction. The overhead costs were charged to unallocated construction costs and distributed monthly to construction work orders on the basis of direct labor dollars, storeroom materials, and contracted labor actually charged. Separate rates were established for each major construction area based on budgeted overheads contributed and estimated labor, material, and contracted labor costs applied directly to construction. Undistributed balances for overhead are cleared out and charged to either capital or expense, whichever is appropriate. Portions of Pensions, Payroll Taxes, other Employee Benefits and Injuries to Employees were charged to unallocated construction costs distributed monthly to construction work orders and accounts on the basis of direct labor charged.

Respondent includes in the Allowance for Funds Used During Construction (AFUDC) base all costs on construction projects costing more than \$5,000 and under construction 2 months or more, and certain other items consistent with PSE&G policy. The monthly rate of AFUDC is applied to the eligible allowance base at the end of the current month to determine monthly allowance. AFUDC, for 2011 was calculated at the average rate of 6.56% as computed in accordance with FERC order No. 561 on the AFUDC base, including accumulated AFUDC.

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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General Description of Construction Overhead Procedure (continued)

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

1. For line (5), column (d) below, enter the rate granted in the last rate proceeding. If not available, use the average rate earned during the preceding 3 years.
2. Identify, in a footnote, the specific entity used as the source for the capital structure figures.
3. Indicate, in a footnote, if the reported rate of return is one that has been approved in a rate case, black-box settlement rate, or an actual three-year average rate.

1. Components of Formula (Derived from actual book balances and actual cost rates):

Line No.	Title (a)	Amount (b)	Capitalization Ration (percent) (c)	Cost Rate Percentage (d)
(1)	Average Short-Term Debt	S		
(2)	Short-Term Interest			s 0.30
(3)	Long-Term Debt	D 4,270,000,000		d 5.05
(4)	Preferred Stock	P		p
(5)	Common Equity	C 4,647,000,000		c 10.30
(6)	Total Capitalization			
(7)	Average Construction Work In Progress Balance	W		

2. Gross Rate for Borrowed Funds $s(S/W) + d[(D/(D+P+C)) (1-(S/W))]$

3. Rate for Other Funds $[1-(S/W)] [p(P/(D+P+C)) + c(C/(D+P+C))]$

4. Weighted Average Rate Actually Used for the Year:

a. Rate for Borrowed Funds -	2.01
b. Rate for Other Funds -	4.09

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	2,620,847,219	2,620,847,219		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	242,837,175	242,837,175		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):				
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	242,837,175	242,837,175		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	80,074,890	80,074,890		
13	Cost of Removal	64,533,681	64,533,681		
14	Salvage (Credit)	16,251,641	16,251,641		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	128,356,930	128,356,930		
16	Other Debit or Cr. Items (Describe, details in footnote):	254,250	254,250		
17					
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	2,735,581,714	2,735,581,714		

Section B. Balances at End of Year According to Functional Classification

20	Steam Production				
21	Nuclear Production				
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production	18,636,498	18,636,498		
25	Transmission	748,093,928	748,093,928		
26	Distribution	1,866,467,223	1,866,467,223		
27	Regional Transmission and Market Operation				
28	General	102,384,065	102,384,065		
29	TOTAL (Enter Total of lines 20 thru 28)	2,735,581,714	2,735,581,714		

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 219 Line No.: 3 Column: b

Electric

	Page 219	Page 336	Variance
Depreciation Expense	242,837,175	238,927,338	3,909,837
Less: capitalized Depr	(6,998,028)		(6,998,028)
Add: Depr Common Plant	3,088,191		3,088,191
	238,927,338	238,927,338	-

Schedule Page: 219 Line No.: 16 Column: b

Other Debits or Credit:

Transfers	(29)
Other Adjustments	(254,221)
Total	(254,250)

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Accumulated Provision for Depreciation of Gas Utility Plant (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, line 10, column (c), and that reported for gas plant in service, page 204-209, column (d), excluding retirements of nondepreciable property.
3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.
5. At lines 7 and 14, add rows as necessary to report all data. Additional rows should be numbered in sequence, e.g., 7.01, 7.02, etc.

Line No.	Item (a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others (e)
Section A. BALANCES AND CHANGES DURING YEAR					
1	Balance Beginning of Year	1,900,781,201	1,900,781,201		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	103,171,827	103,171,827		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Expense of Gas Plant Leased to Others				
6	Transportation Expenses - Clearing				
7	Other Clearing Accounts				
8	Other Clearing (Specify) (footnote details):				
9					
10	TOTAL Deprec. Prov. for Year (Total of lines 3 thru 8)	103,171,827	103,171,827		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	(28,199,400)	(28,199,400)		
13	Cost of Removal	(14,078,126)	(14,078,126)		
14	Salvage (Credit)	(294,268)	(294,268)		
15	TOTAL Net Chrgs for Plant Ret. (Total of lines 12 thru 14)	(41,983,258)	(41,983,258)		
16	Other Debit or Credit Items (Describe) (footnote details):	21,067	21,067		
17					
18	Book Cost of Asset Retirement Costs				
19	Balance End of Year (Total of lines 1,10,15,16 and 18)	1,961,990,837	1,961,990,837		
Section B. BALANCES AT END OF YEAR ACCORDING TO FUNCTIONAL CLASSIFICATIONS					
21	Productions-Manufactured Gas	48,656,091	48,656,091		
22	Production and Gathering-Natural Gas				
23	Products Extraction-Natural Gas				
24	Underground Gas Storage				
25	Other Storage Plant	10,180,833	10,180,833		
26	Base Load LNG Terminaling and Processing Plant				
27	Transmission	36,106,068	36,106,068		
28	Distribution	1,815,936,093	1,815,936,093		
29	General	51,111,752	51,111,752		
30	TOTAL (Total of lines 21 thru 29)	1,961,990,837	1,961,990,837		

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 219 Line No.: 3 Column: b

Gas	Page 219	Page 336	Variance
Depreciation Expense	103,171,827	100,869,341	2,302,486
Less: capitalized Depr	(4,437,861)		(4,437,861)
Add: Depr Common Plant	2,135,375		2,135,375
	<u>100,869,341</u>	<u>100,869,341</u>	<u>0</u>

Schedule Page: 219 Line No.: 16 Column: b

All Other Debits or Credits:

Transfers	(18,029,064)
Other Debit or Credit	<u>18,007,997</u>
Total	<u>(21,067)</u>

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report	Year of Report
Public Service Electric & Gas Company		3/30/2012	2011

NONUTILITY PROPERTY (Account 121)

1. Report Separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date of the original cost was transferred to Account 105.
3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.
4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property.
5. Minor items (5% of the Balance at the End of the Year), for Account 121 or \$100,000, whichever is Less) may be re-grouped by (1) previously devoted public service (Line 4), or (2) other Nonutility property (line 45).

Line No	Description and Location (a)	Balance of Beginning of Year (b)	Purchases, Sales, Transfers, etc. (c)	Balance at End or Year (d)
1				
2	Land:			
3	Paterson (1988)	617,502	-	617,502
4	Trenton (1978)	121,605	-	121,605
5	Bordentown Township (1993)	205,125	-	205,125
6	Mansfield Township (1993)	473,746	-	473,746
7				
8				
9				
10				
11	Land, Structure and Improvements:			
12	Woodbridge (1974, 1980)	-	-	-
13				
14				
15				
16				
17				
18				
19				
20	Other Nonutility			
21				
22				
23	Land:			
24				
25				
26				
27				
28				
29	Easements and Gas Transmission Mains:			
30	Woodbridge Central System (1985, 1993)	746,758	-	746,758
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44	Minor Item Previously Devoted to Public Service	618,543		618,543
45	Minor Items-Other Nonutility Property	73,662	-	73,662
47	Total	2,856,941	-	2,856,941

Name of Respondent	This Report is:	Date of Report	Year of Report
Public Service Electric & Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	3/30/2012	2011

NONUTILITY PROPERTY (Account 121)

- | | |
|---|--|
| <p>1. Give a brief description and state the location of non-utility property included in Account 121.</p> <p>2. Designate with an asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.</p> <p>3. Furnish particulars (details) concerning sales, purchases, or transfers of Non-utility Property during the year.</p> <p>4. List separately all property previously devoted to public service and give date of transfer to Account 121. Non-utility Property. These items are separate and distinct from those allowed to be grouped under instruction No. 5.</p> | <p>5. Minor items (5% of the Balance at the End of the Year for Account 121) may be grouped.</p> <p>6. Natural gas companies which have oil property should report such property by State, classified as to (a) oil lands and land rights, (b) oil wells, and (c) other oil property. Gasoline plants and other plants for the recovery of products from natural gas are classifiable as gas plant and should be reported as such and not shown as Non-utility Property.</p> |
|---|--|

Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales, Transfers, Etc. (c)	Balance at End of Year (d)
1	Easements and Gas Transmission Mains: Woodbridge Central System	518,056		518,056
2	Woodbridge Central System (leased to Gatx Terminal)	228,702		228,702
3				
4	Land:			
5	Woodbridge City Gate Check Station - (Port Reading)			
6	Trenton Gas Plant	121,605		121,605
7	Bordentown Regulating Station	410		410
8	Paterson Gas Plant	617,502	0	617,502
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24*				
25	Total	1,486,275	0	1,486,275

**ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF
NON-UTILITY PROPERTY (Account 122)**

Report below the information called for concerning depreciation and amortization of non-utility property

Line No.	Items (a)	Amount (b)
1	Balance, Beginning of Year	234,230
2	Accruals for Year, Charged to	
3	(417) Income from Non-utility Operations	
4	(418) Nonoperating Rental Income	11,841
5	Other Accounts (Specify):	
6		
7	TOTAL Accruals for Year (Enter Total of Lines 3 thru 6)	11,841
8	Net Charges for Plant Retired	
9	Book Cost of Plant Retired	
10	Cost of Removal	
11	Salvage (Credit)	
12	TOTAL Net Charges (Enter Total of lines 9 thru 11)	
13	Other Debit or Credit Items (Describe):	
14		
15	Balance, End of Year (Enter Total of lines 1, 7, 12, and 14)	246,071

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Investments (Account 123, 124, and 136)

- Report below investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments.
- Provide a subheading for each account and list thereunder the information called for:
 - Investment in Securities-List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, Other Investments) state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes.
 - Investment Advances-Report separately for each person or company the amounts of loans or investment advances that are properly includable in Account 123. Include advances subject to current repayment in Account 145 and 146. With respect to each advance, show whether the advance is a note or open account.

Line No.	Description of Investment (a)	*	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (c)	Purchases or Additions During the Year (d)
1	Accounts123:			
2	Working Capital Advance to Affiliate		33,364,573	
3				
4	Total Accounts 123		33,364,573	
5				
6	Account 124:			
7				
8	Hanford Life Insurance:			
9	Company-Owned Life Insurance		154,430,182	309,833
10	Limited Supplemental Death Benefits		6,838,677	483,771
11				
12	Long-Term nvestments in Solar Program		62,605,151	48,632,095
13				
14	Total Other Investments (Account 124)		223,874,010	49,425,699
15				
16	Account 136:			
17	Money Markets	*	224,200,000	(109,500,000)
18	Short-Term Investment Securities			
19				
20	Total Account 136		224,200,000	(109,500,000)
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
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36				
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40				

Investments (Account 123, 124, and 136) (continued)

List each note, giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.

3. Designate with an asterisk in column (b) any securities, notes or accounts that were pledged, and in a footnote state the name of pledges and purpose of the pledge.

4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and cite Commission, date of authorization, and case or docket number.

5. Report in column (h) interest and dividend revenues from investments including such revenues from securities disposed of during the year.

6. In column (i) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (h).

Line No.	Sales or Other Dispositions During Year (e)	Principal Amount or No. of Shares at End of Year (f)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (g)	Revenues for Year (h)	Gain or Loss from Investment Disposed of (i)
1					
2			33,364,573		
3					
4			33,364,573		
5					
6					
7					
8					
9			154,740,015	*	
10			7,322,448		
11					
12			111,237,246		
13					
14			273,299,709		
15					
16					
17			114,700,000		
18					
19					
20			114,700,000		
21					
22					
23					
24					
25					
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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)

- Report below investments in Accounts 123.1, investments in Subsidiary Companies.
- Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)
 - Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
 - Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
- Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	NJ Properties	10/19/90		
2	Common Stock			1,000
3	Contributed Capital			270,216
4				
5	Public Service Corporation of NJ	05/20/91		
6	Common Stock			1,000
7				
8	Public Service New Millennium Development Fund LLC	10/22/96		
9	Common Stock			10,000
10	Contributed Capital			6,309,233
11	Retained Earnings			680,739
12				
13	PSE&G Transitional Funding LLC	07/21/99		
14	Contributed Capital			12,625,000
15	Retained Earnings			2,376,570
16				
17	PSE&G Transitional Funding II LLC	07/08/05		
18	Contributed Capital			513,500
19	Retained Earnings			70,137
20				
21	PSE&G Area Development LLC	05/03/2000		-1,184,709
22	Retained Earnings			
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42	Total Cost of Account 123.1 \$	0	TOTAL	21,672,686

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues form investments, including such revenues form securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
		1,000		2
		270,216		3
				4
				5
		1,000		6
				7
				8
		10,000		9
		6,309,233		10
99,516		780,255		11
				12
				13
		12,625,000		14
11,858		2,388,428		15
				16
				17
		513,500		18
293		70,430		19
				20
				21
-6,067		-1,190,776		22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
				35
				36
				37
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				40
				41
105,600		21,778,286		42

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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MATERIALS AND SUPPLIES

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.
2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)
1	Fuel Stock (Account 151)			
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)			
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)	3,980,441	4,622,019	
9	Distribution Plant (Estimated)	85,378,719	89,371,229	
10	Regional Transmission and Market Operation Plant (Estimated)			
11	Assigned to - Other (provide details in footnote)			
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	89,359,160	93,993,248	
13	Merchandise (Account 155)			
14	Other Materials and Supplies (Account 156)			
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)			
16	Stores Expense Undistributed (Account 163)			
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	89,359,160	93,993,248	

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2)

PREPAYMENTS (ACCOUNT 165)

1. Report below the particulars (details) on each prepayment.

Line No.	Nature of Payment (a)	Balance at End of Year (in dollars) (b)
1	Prepaid Insurance	4,460,687
2	Prepaid Rents	
3	Prepaid Taxes	110,150,987
4	Prepaid Interest	
5	Miscellaneous Prepayments	2,233,059
6	TOTAL	116,844,733

Name of Respondent Public Service Electric and Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4	
UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)						
Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)] (a)	Total Amount of Charges (b)	Costs Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
21						
22	PEACH BOTTOM Units NO. 2&3 DBD	6,243,948		407	386,913	741,574
23	PEACH BOTTOM NO. 2 HWC	3,559,056		407	180,421	300,686
24	PEACH BOTTOM NO. 03 HWC	2,469,388		407	117,989	304,409
25	SALEM UNIT NO. 01 CBD PROJECT	9,805,065		407	409,142	
26	SALEM UNIT NO. 02 CBD PROJECT	9,456,548		407	404,375	2,027,435
27	HOPE CREEK CBD PROJECT	10,053,320		407	350,995	3,510,302
28						
29						
30	***See details on Pg 450***					
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						
49	TOTAL	41,587,325			1,849,835	6,884,406

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
Public Service Electric and Gas Company			
FOOTNOTE DATA			

Schedule Page: 230 Line No.: 30 Column: a

Salem Unit No. 1 Configuration Baseline Documentation (CBD) Project
Respondent's use of Account 182.2 and amortization over the remaining 19 year life of the unit was approved by FERC in a letter dated June 23, 1992 (reference OCA-DAS Docket No. AC92-118-000).

Salem Unit No. 2 Configuration Baseline Documentation (CBD) Project
Respondent's use of Account 182.2 and amortization over the remaining 22 year life of the unit as approved by FERC in a letter dated June 23, 1992 (reference OCA-DAS Docket No. AC92-118-000).

Hope Creek Configuration Baseline Documentation (CBD) Project
Respondent's use of Account 182.2 and amortization over the remaining 29 year life of the unit as approved by FERC in a letter dated June 23, 1992 (reference OCA-DAS Docket No. AC93-118-000).

Peach Bottom Unit No. 2 & 3 Design Baseline Documentation (DBD) Project
Respondent's use of Account 182.2 and amortization over the remaining 20 year life of the unit was approved by FERC in a letter dated March 18, 1993 (reference OCA-DAS Docket No. AC93-51-000).

Peach Bottom Unit No. 2 Hydrogen Water Chemistry System (HWC)
Respondent's use of Account 182.2 and amortization over the remaining 20 year life of the unit was approved by FERC in a letter dated July 13, 1993 (reference OCA-DAS Docket No. AC92-144-000).

Peach Bottom Unit No. 3 Hydrogen Water Chemistry System (HWC)
Respondent's use of Account 182.2 and amortization over the remaining 20 year life of the unit was approved by FERC in a letter dated July 13, 1993 (reference OCA-DAS Docket No. AC92-144-000).

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Transmission Service and Generation Interconnection Study Costs

1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.
2. List each study separately.
3. In column (a) provide the name of the study.
4. In column (b) report the cost incurred to perform the study at the end of period.
5. In column (c) report the account charged with the cost of the study.
6. In column (d) report the amounts received for reimbursement of the study costs at end of period.
7. In column (e) report the account credited with the reimbursement received for performing the study.

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
2	O66 Bergen 230kV Facilities	9,990	186		
3	U2-100 Bergen Mer Trans Impact			482	456.1
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20	Total Transmission Studies	9,990		482	
21	Generation Studies				
22	W2-056 Lumberton Feasibility	12,511	561.7	15,313	456.1
23	W2-060 Burlington Feasibility	677	561.7	1,050	456.1
24	W2-021 Deptford Feasibility			175	456.1
25	W2-020 Deptford Feasibility			88	456.1
26	W1-121 Crosswicks Feasibility	3,946	561.7	4,777	456.1
27	W1-099 Levittown Feasibility			88	456.1
28	W1-098 Levittown Feasibility			88	456.1
29	W1-083 Deptford Feasibility			175	456.1
30	T107 Essex Impact	326	561.7	2,169	456.1
31	W3-174 Churchtown Feasibility	977	561.7	2,304	456.1
32	W3-175 Churchtown Feasibility	977	561.7	2,304	456.1
33	W2-071 Mount Laurel Feasibility	947	561.7	525	456.1
34	T107 Essex Hess Facility	100,176	186		
35	X3-052 Essex County Feasibility	814	561.7		
36	V3-026 Larrabee Feasibility	326	561.7	768	456.1
37	X2-050 Essex Feasibility	2,472	561.7	3,268	456.1
38	W4-024 Hudson Feasibility	1,193	561.7		
39	W4-023 Kearny Feasibility	1,193	561.7		
40					

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Transmission Service and Generation Interconnection Study Costs (continued)

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	Generation Studies				
22					
23					
24	Total Generation Studies	126,534		33,092	
25					
26	Grand Total	136,524		33,574	
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
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39					
40					

Name of Respondent Public Service Electric and Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year of Report 2011
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PRELIMINARY SURVEY AND INVESTIGATION CHARGES (ACCOUNT 183)

- Report below particulars (details) concerning the cost of plans, surveys, and investigations, made for the purpose of determining the feasibility of projects under construction.
- For gas companies report separately amounts included in Account 183.1. *Preliminary Natural Gas Survey and Investigation Charges* and Account 183.2. *Other Preliminary Survey and Investigation charges.*
- Minor Items (less than \$ 250, 000) may be grouped by classes.

Line No.	Description and Purpose of Project (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Electric - Minor Items	970,798	5,122,258	107	(3,903,693)	2,189,363
2	Gas - Minor Items	0	54,044		(11,816)	42,228
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
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36						
37						
38						
39						
40	TOTAL	970,798	5,176,302		(3,915,509)	2,231,591

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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OTHER REGULATORY ASSETS (Account 182.3)

- Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
- Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
- For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	ACCOUNTING FOR INCOME TAXES	553,383,773	23,959,446	Various	12,212,654	565,130,565
2	MANUFACTURED GAS PLANT (MGP) REMEDIATION COSTS	780,281,610	23,461,349	407	76,366,481	727,376,478
3	PENSION AND OTHER POST -RETIREMENT	952,941,750	382,292,377	228.3	55,493,804	1,279,740,323
4	SOCIETAL BENEFITS CHARGES (SBC)	509,652,486	233,134,624	Various	398,377,366	344,409,744
5	MARKET TRANSITION CHARGE - TAX	747,044,268	9,936,580	407.4	145,754,567	611,226,281
6	OPEB COSTS	38,582,027	19,291,031	926	38,582,027	19,291,031
7	REGULATORY RESTRUCTURING COSTS	13,454,388		407.3	5,147,417	8,306,971
8	GAS MARGIN ADJUSTMENT CLAUSE	44,268,112		905	14,886,653	29,381,459
9	NON-UTILITY GENERATION CHARGE (NGC)	65,818,648	9,629,144	Various	75,447,792	
10	UNDERRECOVERED ELECTRIC COSTS (BGS)	11,907,699	28,689,281	253	12,312,582	28,284,398
11	REPAIR ALLOWANCE TAXES	31,462,610		407.5	11,611,419	19,851,191
12	ASBESTOS ABATEMENT	7,032,642		407.0	660,053	6,372,589
13	CONDITIONAL ASSET RETIREMENT OBLIGATION	72,468,997	13,579,490	242	2,274,690	83,773,797
14	GAS CONTRACT MARK TO MARKET	50,450,086	59,534,336	Various		109,984,422
15	CUSTOMER CARE SYSTEM	20,420,758		426.5	5,877,072	14,543,686
16	INCURRED BUT NOT REPORTED CLAIN RESERVE	13,794,828	11,048,434	926	10,085,562	14,757,700
17	SOLAR LOANS	100,804	5,003,298			5,104,102
18	CARBON ABATEMENT	16,939,321	17,301,548	Various	42,111	34,198,758
19	CAPITAL ECONOMIC STIMULUS PROGRAM	311,499	22,088,210	Various	1,778,845	20,620,864
20	ENERGY EFFICIENCY ECONOMIC STIMULUS	78,691,527	28,682,478	Various	1,205,173	106,168,832
21	SOLAR-4-ALL		10,456,937	Various	5,666,531	4,790,406
22	STORM DAMAGE	8,063,145	59,824,323			67,887,468
23	TRANSMISSION FORMULA RATE ADJUSTMENT	3,710,055		456.0	3,710,055	
24	ENVIRONMENTAL CLEAN UP	8,075,360	324,640			8,400,000
25	LONG TERM CAPACITY AGREEMENT PILOT PROGRAM		530,246			530,246
26	UNCERTAIN TAX POSITIONS		6,518,537		6,555,508	-36,971
27	EICN PILOT PROGRAM	78		509.2	78	
28	CONTACT VOLTAGE PILOT PROGRAM		23,275			23,275
29	GAS WEATHER NORMALIZATION DEFERRAL		2,219,850	489.0		2,219,850
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43						
44	TOTAL	4,028,856,471	967,529,434		884,048,440	4,112,337,465

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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MISCELLANEOUS DEFFERED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	REPAIR & EXPENSE WORK DONE					
2	FOR OTHERS	12,812,393	44,414,706	Various	43,648,870	13,578,229
3						
4	COMMITMENT FEES	137,634	2,752,432	165.0	400,385	2,489,681
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45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	12,950,027				16,067,910

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Public Service Electric and Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/30/2012	2011/Q4
FOOTNOTE DATA			

Schedule Page: 234 Line No.: 3 Column: b

Electric:	
Capitalized Interest/AFDC Debt	2,186,165
Interest Deferrals	(5,188,950)
PURTA	1,617,015
Additional Maintenance Expense	1,348,125
Newark Center Renovations	10,804
NJCBT	(71,510,516)
NJCBT - Step Up Basis	150,801,919
Real Estate Taxes	2,669,658
GRAFT	756,443
Market Transition Charge Revenue	46,921,893
Mine Closing Costs	1,357,594
Min.FIN 47 Pens. Liab.	137,435
Vacation Pay	3,625,103
OPEB	154,953,273
Deferred Dividend Equivalents	3,761,808
FIN 48 Services Allocation	(728,100)
Deferred Compensation	473,527
ADIT - Unallowable PIP Accrual	(1,213,324)
ADIT - Legal Fees	637,144
ADIT - SETI Dissolution	60,619
Bankruptcies & Acfc Prov-Rent Receivable	(55,303)
Repair Allowance Deferred Carrying Charge	(9,514,503)
Fin Def. Energy competition Act CT.	(4,062,698)
Def Tax Meter Equipment	201,647
Unrealized L/G Rabbi Trust	559,820
FIN 47 Conditional Asset Retirement	12,863
SECA Income Reversal Due to Refunds	(1,111,579)
Estimated Severance Pay Accruals	1,528,493
Federal Taxes Deferred	25,184,953
Federal Taxes Current	34,278,918
Fed Taxes Reg Requirement	30,320,435
Total Electric Account 190	<u>370,020,681</u>

Schedule Page: 234 Line No.: 3 Column: c

Electric:	
Capitalized Interest/AFDC Debt	3,163,642
Interest Deferrals	(5,249,305)
PURTA	1,617,015
Additional Maintenance Expense	1,348,125
Newark Center Renovations	10,804
NJCBT	-
NJCBT - Step Up Basis	-
Real Estate Taxes	2,509,478
GRAFT	756,443
Market Transition Charge Revenue	25,708,163
Mine Closing Costs	1,357,594
Min.FIN 47 Pens. Liab.	137,435
Vacation Pay	3,423,114
OPEB	160,982,925
Deferred Dividend Equivalents	3,255,188
FIN 48 Services Allocation	(981,910)
Deferred Compensation	509,166

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Public Service Electric and Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	03/30/2012	2011/Q4
FOOTNOTE DATA			

ADIT - Unallowable PIP Accrual	(450,789)
ADIT - Legal Fees	637,144
ADIT - SETI Dissolution	60,619
Bankruptcies & Acfc Prov-Rent Receivable	50,777
Repair Allowance Deferred Carrying Charge	(6,001,403)
Fin Def. Energy competition Act CT.	(2,261,098)
Def Tax Meter Equipment	201,647
Unrealized L/G Rabbi Trust	373,519
FIN 47 Conditional Asset Retirement	19,094
SECA Income Reversal Due to Refunds	(1,111,579)
Estimated Severance Pay Accruals	917,153
Federal Taxes Deferred	34,665,721
Federal Taxes Current	33,159,590
Fed Taxes Reg Requirement	36,094,988
Total Electric Account 190	<u>294,903,258</u>

Schedule Page: 234 Line No.: 11 Column: b

Gas:	
Newark Center Renovations	3,962
NJCBT	(86,516,839)
ADIT - Real Estate Taxes	(3,720,024)
GRAFT	507,882
Vacation Pay	596,104
OPEB	34,514,862
Deferred Dividend Equivalents	348,291
Deferred Compensation	184,710
Interest	742,780
ADIT - Unallowable PIP Accrual	(728,114)
Bankruptcies & Acfc Prov-Rent Receivable	336,595
Fin Def. Energy competition Act CT.	894,011
Unrealized L/G Rabbi Trust	280,728
Estimated Severance Pay Accruals	199,387
Federal Taxes Deferred	9,842,114
Federal Taxes Current	11,644,457
Fed Taxes Reg Requirement	3,576,722
Total Gas Account 190	<u>(27,292,372)</u>

Schedule Page: 234 Line No.: 11 Column: c

Gas:	
Newark Center Renovations	3,962
NJCBT	-
ADIT - Real Estate Taxes	(3,804,695)
GRAFT	507,882
Vacation Pay	568,082
OPEB	28,153,775
Deferred Dividend Equivalents	348,291
Deferred Compensation	178,425
Interest	786,220
ADIT - Unallowable PIP Accrual	(194,341)
Bankruptcies & Acfc Prov-Rent Receivable	336,595
Fin Def. Energy competition Act CT.	894,011
Unrealized L/G Rabbi Trust	280,728
Estimated Severance Pay Accruals	213,629
Federal Taxes Deferred	10,639,428

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Federal Taxes Current	6,237,737
Fed Taxes Reg Requirement	393,387
Total Gas Account 190	45,543,115

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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CAPITAL STOCKS (Account 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1	Common Stock (Account 201)	150,000,000		
2				
3	Preferred Stock (Account 204)			
4	Registered on NYSE			
5	Cumulative, \$100 par value			
6	Authorized and Unissued	7,500,000	100.00	
7				
8	With Mandatory Redemption			
9	Cumulative, \$25 par value			
10	Authorized and Unissued	10,000,000	25.00	
11				
12	PREFERRED STOCK			
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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.

5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.

Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
Shares (e)	Amount (f)	AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
		Shares (g)	Cost (h)	Shares (i)	Amount (j)	
132,450,344	892,260,275					1
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Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Public Service Electric and Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	03/30/2012	2011/Q4
FOOTNOTE DATA			

Schedule Page: 250 Line No.: 1 Column: a

(1) All outstanding Common Stock is held by Public Service Enterprise Group Incorporated and is not traded on any stock exchange.

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

- (a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.
- (b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.
- (c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.
- (d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	Donations received from Stockholders (Account 208)	420,000,000
2	Contributed Capital from Public Service Enterprise Group, Inc.	
3		
4	Basis Adjustment (Account 208.1)	985,937,329
5		
6		
7	Reduction of par or stated value of capital stock (Account 209)	
8	None	
9		
10	Gain on resale/cancellation of reacquired capital stock (Account 210)	
11	None	
12		
13	Miscellaneous Paid-In Capital (Account 211)	
14	None	
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40	TOTAL	1,405,937,329

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Public Service Electric and Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/30/2012	2011/Q4
Securities Issued or Assumed and Securities Refunded or Retired During the Year			

1. Furnish a supplemental statement briefly describing security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.
2. Provide details showing the full accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gain or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.
3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.
4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, cite the Commission authorization for the different accounting and state the accounting method.
5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as details of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

Principal Amount

Securities Issued

Medium Term Note due 8/15/2014 -0.85%	\$	250,000,000
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Securities Retired

PC Series A* due 5/1/2028 - 0.95% (See Note A)	\$	64,000,000
PC Series B-1* due 11/1/2033 - 0.95% (See Note A)	\$	50,000,000
PC Series B-2* due 11/1/2033 - 0.95% (See Note A)	\$	50,000,000
NJEDA Bond due 12/1/2031 - 1.20% (See Note B)	\$	100,000,000

(A) In November 2011, The Pollution Control Financing Authority of Salem County called its Pollution Control Revenue Refunding Bonds (Public Service Electric and Gas Company Project) totaling \$164 million; \$64 million 2003 Series A due May 2028, \$50 million 2003 Series B-1 due November 2033 and \$50 million 2003 Series B-2 due November 2033.

(B) In December 2011, the New Jersey Economic Development Authority called \$100 million of its 1.20% Exempt Facility Revenue Refunding Bonds, 2010 Series A (Public Service Electric and Gas Company Project) (AMT), due December 2031.

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	Bonds (Account 221)		
2	Public Service Electric and Gas Company		
3	First and Refunding Mortgage Bonds		
4	9-1/4% CC 2021	150,000,000	17,280
5	Discount		386,636
6	6-3/4% VV2016	200,000,000	33,600
7	Discount		2,661,526
8	8% 2037	10,000,000	
9	5% 2037	8,500,000	
10	5.20% M 2025	23,000,000	333,396
11	Discount		373,638
12	5.45% O 2032	50,000,000	258,552
13	Discount		949,861
14	1.20% NJEDA Bond 2031 (A)	100,000,000	822,252
15	Variable Rate A - 2028 (B)	64,000,000	266,400
16	Variable Rate B-1 - 2033 (B)	50,000,000	229,612
17	Variable Rate B-2 - 2033 (B)	50,000,000	229,612
18	Medium Term Notes		
19	5.125% 2012	300,000,000	2,189,522
20	Discount		1,170,000
21	7.04% 2020	9,000,000	73,899
22	Discount		67,500
23	5.00% 2013	150,000,000	1,016,421
24	5.38% 2013	300,000,000	1,949,408
25	Discount		318,000
26	5.00% 2014	250,000,000	1,715,089
27	Discount		990,000
28	5.25% 2036	250,000,000	2,145,750
29	Discount		787,500
30	5.70% 2036	250,000,000	2,175,000
31	Discount		1,060,000
32			
33	TOTAL	4,589,500,000	43,985,479

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
						3
06/01/1991	06/01/2021	06/01/1991	06/01/2021	134,380,000	12,430,150	4
						5
01/01/1996	01/01/2016	01/01/1996	01/01/2016	171,245,000	11,559,038	6
						7
06/01/1937	06/01/2037	06/01/1937	06/01/2037	7,462,900	597,032	8
06/01/1937	06/01/2037	06/01/1937	06/01/2037	7,537,800	376,890	9
09/01/1993	03/01/2025	09/01/1993	03/01/2025	23,000,000	1,196,000	10
						11
02/01/1994	02/01/2032	02/01/1994	02/01/2032	50,000,000	2,725,000	12
						13
10/18/2010	12/01/2031	10/18/2010	12/01/2031		1,100,000	14
09/01/2010	05/01/2028	09/01/2010	05/01/2028		506,654	15
09/01/2010	11/01/2033	09/01/2010	11/01/2033		395,840	16
09/01/2010	11/01/2033	09/01/2010	11/01/2033		395,840	17
						18
09/17/2002	09/01/2012	09/17/2002	09/01/2012	300,000,000	15,375,000	19
						20
11/06/1997	11/06/2020	11/06/1997	11/06/2020	9,000,000	633,600	21
						22
01/17/2003	01/01/2013	07/17/2003	01/01/2013	150,000,000	7,500,000	23
09/08/2003	09/01/2013	09/08/2003	09/01/2013	300,000,000	16,125,000	24
						25
08/19/2004	08/15/2014	08/19/2004	08/15/2014	250,000,000	12,500,000	26
						27
07/01/2005	07/01/2035	07/01/2005	07/01/2035	250,000,000	13,125,000	28
						29
12/18/2006	12/01/2036	12/18/2006	12/01/2036	250,000,000	14,250,000	30
						31
						32
				4,277,625,700	217,282,919	33

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	5.80% 2037	350,000,000	2,975,000
2	Discount		682,500
3	5.30% 2018	400,000,000	2,750,000
4	Discount		320,000
5	6.33% 2013	275,000,000	1,750,000
6	Discount		85,250
7	5.375% 2039	250,000,000	2,175,000
8	Discount		802,500
9	5.50% 2040	300,000,000	2,580,000
10	Discount		1,437,000
11	2.70% 2015	300,000,000	1,830,000
12	Discount		534,000
13	3.50% 2020	250,000,000	1,877,500
14	Discount		630,000
15	0.85% 2014	250,000,000	1,188,775
16	Discount		147,500
17			
18			
19			
20			
21			
22			
23			
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27			
28			
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30			
31			
32			
33	TOTAL	4,589,500,000	43,985,479

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
05/14/2007	05/01/2037	05/14/2007	05/01/2037	350,000,000	20,300,000	1
						2
04/17/2008	05/01/2018	04/17/2008	05/01/2018	400,000,000	21,200,000	3
						4
12/02/2008	11/01/2013	12/02/2008	11/01/2013	275,000,000	17,407,500	5
						6
11/24/2009	11/01/2039	11/24/2009	11/01/2039	250,000,000	13,437,500	7
						8
03/08/2010	03/01/2040	03/08/2010	03/01/2040	300,000,000	16,500,000	9
						10
05/20/2010	05/01/2015	05/20/2010	05/01/2015	300,000,000	8,100,000	11
						12
08/06/2010	08/15/2020	08/06/2010	08/15/2020	250,000,000	8,750,000	13
						14
08/16/2011	08/15/2014	08/16/2011	08/15/2014	250,000,000	796,875	15
						16
						17
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						32
				4,277,625,700	217,282,919	33

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Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 256 Line No.: 14 Column: a

(A) In December 2011, the New Jersey Economic Development Authority called \$100 million of its 1.20% Exempt Facility Revenue Refunding Bonds, 2010 Series A (Public Service Electric and Gas Company Project) (AMT), due December 2031.

Schedule Page: 256 Line No.: 15 Column: a

(B) In November 2011, The Pollution Control Financing Authority of Salem County called its Pollution Control Revenue Refunding Bonds (Public Service Electric and Gas Company Project) totaling \$164 million; \$64 million 2003 Series A due May 2028, \$50 million 2003 Series B-1 due November 2033 and \$50 million 2003 Series B-2 due Novemebr 2033.

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Unamortized Debt Expense, Premium and Discount on Long-Term Debt (Accounts 181, 225, 226)

- Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, details of expense, premium or discount applicable to each class and series of long-term debt.
- Show premium amounts by enclosing the figures in parentheses.
- In column (b) show the principal amount of bonds or other long-term debt originally issued.
- In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

Line No.	Designation of Long-Term Debt	Principal Amount of Debt Issued	Total Expense Premium or Discount	Amortization Period	Amortization Period
	(a)	(b)	(c)	Date From (d)	Date To (e)
1	5.70% 2036	250,000,000	3,235,000	12/18/2006	12/01/2036
2	9-1/4% CC 2021	150,000,000	403,916	06/01/1991	06/01/2021
3	6-3/4% VV 2016	200,000,000	2,695,126	01/01/1996	01/01/2016
4	5.20% M 2025	23,000,000	707,034	09/01/1993	03/01/2025
5	5.45% O 2032	50,000,000	1,208,413	02/01/1994	02/01/2032
6	5.125% 2012	300,000,000	3,359,522	09/17/2002	09/01/2012
7	7.04% 2020	9,000,000	141,399	11/06/1997	11/06/2020
8	5.00% 2013	150,000,000	1,016,421	01/17/2003	01/01/2013
9	5.38% 2013	300,000,000	2,267,408	09/08/2003	09/01/2013
10	5.00% 2014	250,000,000	2,705,089	08/19/2004	08/15/2014
11	5.25% 2035	250,000,000	2,933,250	07/01/2005	07/01/2035
12	5.80% 2037	350,000,000	3,657,500	05/14/2007	05/01/2037
13	5.30% 2018	400,000,000	3,070,000	04/17/2008	05/01/2018
14	6.33% 2013	275,000,000	1,835,250	12/02/2008	11/01/2013
15	5.375% 2039	250,000,000	2,977,500	11/24/2009	11/01/2039
16	Variable Rate A - 2028 (A)	64,000,000	266,400	09/01/2010	05/01/2028
17	Variable Rate B-1 - 2033 (A)	50,000,000	229,612	09/01/2010	11/01/2033
18	Variable Rate B-2 - 2033 (A)	50,000,000	229,612	09/01/2010	11/01/2033
19	1.20% NJEDA 2031 (B)	100,000,000	822,252	10/18/2010	12/01/2031
20	5.50% 2040	300,000,000	4,017,000	03/08/2010	03/01/2040
21	2.70% 2015	300,000,000	2,364,000	05/20/2010	05/01/2015
22	3.50% 2020	250,000,000	2,507,500	08/06/2010	08/15/2020
23	0.85% 2014	250,000,000	1,336,275	08/16/2011	08/15/2014
24					
25					
26					
27					
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32					
33					
34	Total				
35					
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37					
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40					

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Unamortized Debt Expense, Premium and Discount on Long-Term Debt (Accounts 181, 225, 226)

5. Furnish in a footnote details regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Identify separately undisposed amounts applicable to issues which were redeemed in prior years.
7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt-Credit.

Line No.	Balance at Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance at End of Year (i)
1	2,799,087		108,003	2,691,084
2	140,249		13,464	126,785
3	673,784		134,756	539,028
4	317,982		22,446	295,536
5	670,460		31,800	638,660
6	542,127		325,276	216,851
7	62,133		6,318	55,815
8	203,284		101,642	101,642
9	604,822		226,808	378,014
10	973,997		270,509	703,488
11	2,395,486		97,775	2,297,711
12	3,214,340		122,064	3,092,276
13	2,242,612		305,811	1,936,801
14	1,058,199		373,482	684,717
15	2,867,816		99,462	2,768,354
16	262,149		262,149	
17	226,770		226,770	
18	226,770		226,770	
19	814,358		814,358	
20	3,907,950		133,987	3,773,963
21	2,070,657		477,844	1,592,813
22	2,406,750		250,125	2,156,625
23		1,336,275	167,186	1,169,089
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34	28,681,782	1,336,275	4,798,805	25,219,252
35				
36				
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Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 258 Line No.: 16 Column: a

(A) In November 2011, The Pollution Control Financing Authority of Salem County called its Pollution Control Revenue Refunding Bonds (Public Service Electric and Gas Company Project) totaling \$164 million; \$64 million 2003 Series A due May 2028, \$50 million 2003 Series B-1 due November 2033 and \$50 million 2003 Series B-2 due November 2033.

Schedule Page: 258 Line No.: 19 Column: a

(B) In December 2011, the New Jersey Economic Development Authority called \$100 million of its 1.20% Exempt Facility Revenue Refunding Bonds, 2010 Series A (Public Service Electric and Gas Company Project) (AMT), due December 2031.

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Unamortized Loss and Gain on Reacquired Debt (Accounts 189, 257)

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.
2. In column (c) show the principal amount of bonds or other long-term debt reacquired.
3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts.
4. Show loss amounts by enclosing the figures in parentheses.
5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal of Debt Reacquired (c)	Net Gain or Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	Unamortized Loss on					
2	Reacquired Debt					
3						
4	Call on 8.75% Extendable Bonds	07/01/1991			446,818	403,924
5	due 7/01/2015					
6						
7	Call on 6.30% Series A	11/01/1995			61,337	54,992
8	First & refunding mortgage bonds					
9	due 10/01/2006					
10						
11	Call on 8.375% Series A	05/01/1993			636,306	584,006
12	First & refunding mortgage bonds					
13	due 05/05/2001					
14						
15	Call on 7.75% Debenture Bonds	04/01/1993			194,835	178,821
16	due 08/15/1996					
17						
18	Call on 9.125% Series T	05/01/1993			2,894,067	2,656,198
19	First & refunding mortgage bonds					
20	due 03/01/2016					
21						
22	Call on 9.875% (PC) Bonds	06/01/1993			1,355,541	1,277,337
23	due 09/01/2006					
24						
25	Call on 6.25%	11/01/1993			243,266	225,466
26	First & refunding mortgage bonds					
27	due 06/01/1997					
28						
29	Call on 7.00%	11/01/1993			344,377	319,179
30	First & refunding mortgage bonds					
31	due 06/01/1998					
32						
33	Partial Call 10.50%(PC) Series F	11/01/1993			2,995,624	2,864,429
34	First & refunding mortgage bonds					
35	due 07/01/2014					
36						
37	Partial call 10.375% (PC) Series G	11/01/1993			4,417,991	4,224,502
38	First & refunding mortgage bonds					
39	due 11/01/2014					
40						

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Unamortized Loss and Gain on Reacquired Debt (Accounts 189, 257) (continued)

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.
2. In column (c) show the principal amount of bonds or other long-term debt reacquired.
3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts.
4. Show loss amounts by enclosing the figures in parentheses.
5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal of Debt Reacquired (c)	Net Gain or Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	Partial call 10.50% (PC) Series H	11/01/1993			2,724,101	2,604,798
2	First & refunding mortgage bonds					
3	due 11/01/2014					
4						
5	Call on remaining 10.50%(PC) Series H	11/01/1994			2,005,755	1,898,782
6	First & refunding mortgage bonds					
7	due 11/01/2014					
8						
9	Call on remaining 10.375%(PC) Series G	09/01/1994			1,850,288	1,755,805
10	First & refunding mortgage bonds					
11	due 09/01/2014					
12						
13	Call on remaining 10.50%(PC) Series F	07/01/1994			2,253,764	2,143,375
14	First & refunding mortgage bonds					
15	due 07/01/2014					
16						
17	Call on 10.375% (PC) Series I	10/01/1994			75,267	66,665
18	First & refunding mortgage bonds					
19	due 11/01/2012					
20						
21	Call on 9.75%(PC) Series AA	05/01/1994			5,763,754	5,493,578
22	First & refunding mortgage bonds					
23	due 07/01/2020					
24						
25	Call on 6.905%(PC) Series B	11/01/1995			42,341	16,939
26	First & refunding mortgage bonds					
27	due 09/01/2009					
28						
29	Call on 8.75%(PC) Series EE	02/01/1996			77,916	62,069
30	First & refunding mortgage bonds					
31	due 11/01/2021					
32						
33	Call on 8.75%(PC) Series EE	02/01/1996			4,996,289	3,997,031
34	First & refunding mortgage bonds					
35	due 11/01/2021					
36						
37	Call on 6.80% Series J	01/31/1997			58,990	8,427
38	First & refunding mortgage bonds					
39	due 03/01/2012					
40						

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Unamortized Loss and Gain on Recaptured Debt (Accounts 189, 257) (continued)

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Recaptured Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.
2. In column (c) show the principal amount of bonds or other long-term debt reacquired.
3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts.
4. Show loss amounts by enclosing the figures in parentheses.
5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Recaptured Debt, or credited to Account 429.1, Amortization of Gain on Recaptured Debt-Credit.

Line No.	Designation of Long-Term Debt (a)	Date Recaptured (b)	Principal of Debt Recaptured (c)	Net Gain or Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	Call on 9.25%(PC) Series CC	10/31/1997			1,028,944	924,305
2	First & refunding mortgage bonds					
3	due 06/01/2021					
4						
5	Call on 7.50% Series OO	08/01/1998			7,917,803	7,275,819
6	First & refunding mortgage bonds					
7	due 03/01/2023					
8						
9	Call on 8.10% Series K	06/27/1997			592,758	563,486
10	First & refunding mortgage bonds					
11	due 07/01/2017					
12						
13	Call on 5.70% Series L	12/31/2003			1,599,317	1,512,476
14	First & refunding mortgage bonds					
15	due 05/01/2028					
16						
17	Call on 5.55% Series N	12/31/2003			3,964,401	3,791,409
18	First & refunding mortgage bonds					
19	due 11/01/2033					
20						
21	Call on 7.375% Series TT	06/23/2004			1,501,398	1,027,272
22	First & refunding mortgage bonds					
23	due 03/01/2014					
24						
25	Call on 6.20%(PC) Series R	08/23/2004			2,442,248	2,317,908
26	First & refunding mortgage bonds					
27	due 08/01/2030					
28						
29	Call on 6.20%(PC) Series Q	08/23/2004			3,261,561	3,102,266
30	First & refunding mortgage bonds					
31	due 06/01/2031					
32						
33	Call on 7.00% Series SS	09/01/2004			6,392,905	5,925,131
34	First & refunding mortgage bonds					
35	due 09/01/2004					
36						
37	Call on 6.20% (PC) Series S	10/01/2004			2,550,693	2,414,656
38	First & refunding mortgage bonds					
39	due 10/01/2029					
40						

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Unamortized Loss and Gain on Recquired Debt (Accounts 189, 257) (continued)

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Recquired Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.
2. In column (c) show the principal amount of bonds or other long-term debt reacquired.
3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts.
4. Show loss amounts by enclosing the figures in parentheses.
5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Recquired Debt, or credited to Account 429.1, Amortization of Gain on Recquired Debt-Credit.

Line No.	Designation of Long-Term Debt (a)	Date Recquired (b)	Principal of Debt Recquired (c)	Net Gain or Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	Call on Series 2003 A	03/06/2008			1,176,036	1,355,211
2	Pollution Control Bond					
3	due 5/1/2028					
4						
5	Call on Series 2003 B-1	03/06/2008			1,370,475	1,527,292
6	Pollution Control Bond					
7	due 11/1/2033					
8						
9	Call on Series 2003 B-2	03/06/2008			1,370,694	1,527,501
10	Pollution Control Bond					
11	due 11/1/2033					
12						
13	Call on Series 2003 B-3	03/06/2008			970,628	928,118
14	Pollution Control Bond					
15	due 11/1/2033					
16						
17	Call on Series 2004 AC	03/20/2008			1,559,901	1,483,497
18	Pollution Control Bond					
19	due 6/1/2031					
20						
21	Call on Series 2004 AD	03/06/2008			1,262,076	1,197,630
22	Pollution Control Bond					
23	due 8/1/2030					
24						
25	Call on Series 2004 AE	04/03/2008			1,304,758	1,235,171
26	Pollution Control Bond					
27	due 10/1/2029					
28						
29	Call on 3.375% Series YY	05/01/2008			24,224,843	22,260,667
30	First & refunding mortgage bonds					
31	due 5/1/2023					
32						
33	Call on 7.18%	12/28/2009			112,580	103,633
34	Medium Term Note					
35	due 8/1/2023					
36						
37	Call on 7.15%	12/28/2009			748,762	689,649
38	Medium Term Note					
39	due 8/30/2023					
40						

Unamortized Loss and Gain on Reacquired Debt (Accounts 189, 257) (continued)

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.
2. In column (c) show the principal amount of bonds or other long-term debt reacquired.
3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts.
4. Show loss amounts by enclosing the figures in parentheses.
5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal of Debt Reacquired (c)	Net Gain or Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	Call on 6.45%	12/28/2009			59,864	53,022
2	First & refunding mortgage bonds					
3	due 10/1/2019					
4						
5	4.08% Preferred Stock	02/17/2010			378,547	351,747
6						
7	4.18% Preferred Stock	02/17/2010			301,348	280,014
8						
9	4.30% Preferred Stock	02/17/2010			387,870	360,411
10						
11	5.05% Preferred Stock	02/17/2010			271,049	251,859
12						
13	5.28% Preferred Stock	02/17/2010			298,438	277,310
14						
15	6.92% Preferred Stock	02/17/2010			211,142	196,194
16						
17	Remarketing of 6.40% P	10/18/2010			1,436,914	2,144,983
18	First & Refunding Mortgage Bonds					
19	due 5/1/2032					
20						
21						
22	Total				102,136,580	95,914,960
23						
24						
25						
26						
27						
28						
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39						
40						

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	520,575,365
2		
3		
4	Taxable Income Not Reported on Books	
5	See footnote	49,480,726
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10	See footnote	561,040,492
11		
12		
13		
14	Income Recorded on Books Not Included in Return	
15	see footnote	-12,328,121
16		
17		
18		-111,494,604
19	Deductions on Return Not Charged Against Book Income	
20		
21		
22		
23		
24		
25		
26		
27	Federal Tax Net Income	7,273,859
28	Show Computation of Tax:	
29	See footnote	-48,433,734
30		
31		
32		
33		
34		
35		
36		
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41		
42		
43		
44		

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 261 Line No.: 5 Column: b

Taxable Income Not Reported on Books

Customer Connection Fees	27,139,772
Amort Def Gain - Sale of Services Assets	374,991
Amort Def Gain - Sale of Gen Assets	21,965,963
	49,480,726

Schedule Page: 261 Line No.: 10 Column: b

Book Deductions Not Deducted for Return

Federal Income Taxes	251,074,840
Accrued Vacation Pay Adjustment	(472,789)
Solar 4 All	(4,502,927)
Non-deductible Meals and Entertainment	1,439,336
Penalty Adjustment	479,844
Amortization of Book Loss on Reacquired Debt	7,686,820
Securitization Regulatory Asset Amortization	297,107,976
Unallowable OPEB Amortization	(29,120,451)
Market Transition Charge Revenue	(60,610,657)
Capitalized Interest	3,186,227
Unallowable Civic & Pol Contributions	2,060,000
Rabbi Trust	0
State Tax Adjustment	74,733,264
Repair Allowance Deferral Carrying Charge	11,611,418
Restricted Stock - Temporary	384,081
3rd Party Claims	721,200
Fin Def-Energy Competition Act Ct.	5,147,416
R & D Expenditures	34,427
Deferred Compensation	80,467
Preferred Stock Amortization	0
New Network Meter Equipment	0
	561,040,492

Schedule Page: 261 Line No.: 15 Column: b

Income Recorded on Books Not Included in Return

AFUDC	(12,328,121)
Medicare Subsidy	0
	(12,328,121)

Schedule Page: 261 Line No.: 18 Column: b

Deductions on Return Not Charged on Books

Repair Allowance	(55,882,223)
Uncollectible Accounts	(11,164,883)
Injuries and Damages	1,574,862
COLI	(9,640,430)
Excess of Allowable Depreciation	(350,189,839)
Amortization of Computer Software	(29,851,064)
Cost of Removal	(77,953,528)
Repair Deduction	(297,071,189)
IDD	(124,160,993)
Fuel Expense	73,511,540

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Public Service Electric and Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/30/2012	2011/Q4
FOOTNOTE DATA			

Casualty Loss	(172,100,000)
Pension Accrual Adjustment	23,886,941
Environmental Cleanup Costs	30,594,547
Societal Benefits Clause	(112,777,687)
ESOP/401(k)	(5,363,170)
Bankruptcies & Acc Prov-Rent Receivable	300,948
Gain/Loss on Bond Reacquired	(1,465,200)
FIN 48 Services Allocation	(725,171)
ICSP (iPower) Project Deferred Cos	5,877,069
Miscellaneous	1,102,522
	<u>(1,111,494,604)</u>

Schedule Page: 261 Line No.: 29 Column: b

Federal Taxable Income	7,273,859
Computation of Federal Income Tax:	
Federal Tax-Ordinary Income	7,273,859
Federal Tax-Capital Gain Income	
Total Federal Tax Net Income	<u>7,273,859</u>
Federal Income Tax before Overaccrual and Audit Adjs.	2,545,851
Tax Credits	<u>(50,979,585)</u>
	<u>(48,433,734)</u>
Increase in Federal Income Tax Liability per Return over Accrual and Audit Adjustments	(228,699,672)
Total Federal Income Tax	<u>(277,133,406)</u>

Item 2

Respondent is a member of an affiliated group of corporation filing a consolidated return. Allocation of the group's consolidated Federal Income Tax liability applicable to the current year is as follows:

Electric Delivery	(34,609,088)
Gas Delivery	4,082,654
Sub-total	<u>(30,526,434)</u>
Adjustment per Extension Payment	(17,907,300)
PSE&G Total (Respondent)	<u>(48,433,734)</u>
Enterprise Holdings	420,905,410
Resources	(94,380)
Global	25,734,800
EGDC	(2,825,274)
	118,206

Total Consolidated Federal Income Tax Liability 395,405,028

The consolidated tax return liability or (savings) is allocated to each member of the group on a stand alone basis solely by reference to its respective items of income, gain, deduction and credits. However, in the case of a net

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Public Service Electric and Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	03/30/2012	2011/Q4
FOOTNOTE DATA			

operating loss and/or tax credits, each member shall receive the tax savings to the extent such savings can be utilized by the group.

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/01/2012	Year/Period of Report End of 2011/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	Federal:					
2	Income Tax			-273,325,431	540,075,207	
3	Beginning & Ending Balance					
4	Not included in Account 236					
5	Federal Insurance					
6	Contributions Tax Act					
7	2010	642,199			642,199	
8	2011			47,114,160	42,037,137	-4,444,056
9	Federal Unemployment Tax					
10	2010	106,044			106,044	
11	2011			367,743	258,272	-29,620
12	Use Tax-Highway Motor			26,703	26,703	
13	Total Federal	748,243		-225,816,825	583,145,562	-4,473,676
14						
15	State:					
16						
17	New Jersey Unemployment					
18	Insurance Tax					
19	2010	133,083			133,083	
20	2011			1,627,172	1,534,984	61,002
21	New Jersey Workforce					
22	Development and Health					
23	Insurance Taxes and					
24	Payroll Tax					
25	2010	354,044			354,044	
26	2011			892,406	404,899	-154,367
27	Corporation Business Tax					
28	2006		96,893			
29	2008		1,317,943			
30	2009					4,117,179
31	2010		49,854,021		-45,736,842	-4,117,179
32	2011			-5,541,386	74,932,862	-15,750,000
33	Franchise Taxes					
34	Local Franchise Taxes				550,869	
35	2010 TEFA Unit Tax	23,810,299	21,104,246	-507,052	2,208,972	
36	2011 TEFA Unit Tax			132,947,020	135,475,203	
37	Real Estate Taxes			23,374,973	23,374,973	
38	Use Taxes					
39	2002			-844,783		
40	2003			-303,801		
41	TOTAL	29,532,306	109,764,109	-63,674,020	1,099,353,085	-332,951,931

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 06/01/2012	Year/Period of Report End of 2011/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
		-145,830,614			-127,494,817	2
						3
						4
						5
						6
						7
632,967		12,189,754			34,924,406	8
						9
						10
79,851		90,647			277,096	11
					26,703	12
712,818		-133,550,213			-92,266,612	13
						14
						15
						16
						17
						18
						19
153,190		451,695			1,175,477	20
						21
						22
						23
						24
						25
333,139		-568,477			1,460,883	26
						27
	96,893					28
	1,317,943					29
	4,117,179					30
						31
	64,724,248	-33,860,959			28,319,573	32
						33
						34
		-3,378			-503,674	35
-581,784	2,507,239	91,463,696			41,483,324	36
		18,940,837			4,434,136	37
						38
					-844,783	39
					-303,801	40
4,110,564	110,150,987	-57,122,034			-6,551,986	41

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	2004			-439,764		
2	2005			-484,974		
3	2010	3,704,075			959,475	
4	2011			11,400,768	9,402,044	
5	Pennsylvania Franchise Tax					
6	2007				-35,873	
7	2010	332,681				
8	2011					
9	PA Corporate Income Tax	449,881		4,765		
10	Motor Fuels Tax			17,461	17,461	
11	Energy Sales Tax					
12	2009					
13	2010		37,391,006			
14	2011				312,631,369	-312,634,890
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	29,532,306	109,764,109	-66,898,620	1,099,353,085	-329,727,332

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
					-439,764	1
					-484,974	2
						3
2,670,002					11,400,768	4
						5
						6
						7
368,554						8
454,645		4,765				9
					17,461	10
						11
						12
						13
	37,387,485					14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
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						29
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						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
4,110,564	110,150,987	-57,948,393			-8,950,227	41

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 262 Line No.: 2 Column: l

G409.1	(139,645,477)
G409.2	(301,812)
E409.2	12,452,472
Total	(127,494,817)

Schedule Page: 262 Line No.: 11 Column: l

Various operating accounts

Schedule Page: 262 Line No.: 12 Column: l

Various operating accounts

Schedule Page: 262 Line No.: 30 Column: f

Electric Balance Sheet

Schedule Page: 262 Line No.: 31 Column: f

Electric Balance Sheet

Schedule Page: 262 Line No.: 32 Column: f

Electric Balance Sheet

Schedule Page: 262 Line No.: 32 Column: l

G409.1	27,309,923
E409.2	1,094,714
G409.2	(85,064)
	28,319,573

Schedule Page: 262 Line No.: 35 Column: l

G409.1 (503,674)

Schedule Page: 262 Line No.: 36 Column: l

G409.1 41,483,324

Schedule Page: 262 Line No.: 39 Column: l

Various operating accounts

Schedule Page: 262 Line No.: 40 Column: l

Various operating accounts

Schedule Page: 262.1 Line No.: 1 Column: l

Various operating accounts

Schedule Page: 262.1 Line No.: 2 Column: l

Various operating accounts

Schedule Page: 262.1 Line No.: 4 Column: l

Various operating and capital accounts

Schedule Page: 262.1 Line No.: 10 Column: l

Various operating accounts

Schedule Page: 262.1 Line No.: 14 Column: f

Electric balance sheet

Schedule Page: 262.1 Line No.: 39 Column: c

Reconciliation of Total Prepaid Taxes on Line 41 to Balance Sheet:

Total Prepaid Taxes, Line 41	\$109,764,109
Add: Prepaid Insurance	4,703,671
Add: Miscellaneous Prepayments	1,982,982
Total Prepaid per Balance Sheet	\$116,450,762

Schedule Page: 262.1 Line No.: 40 Column: h

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Reconciliation of Total Prepaid Taxes on Line 41 to Balance Sheet:

Total Prepaid Taxes, Line 41	\$110,150,987
Add: Prepaid Insurance	4,460,687
Add: Miscellaneous Prepayments	2,233,059
Total Prepaid per Balance Sheet	\$116,844,733

Name of Respondent		This Report is:		Date of Report	Year of Report	
Public Service Electric & Gas Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		03/30/2012	2011	
INVESTMENT TAX CREDITS GENERATED AND UTILIZED						
<p>1. Prepare this page regardless of the method of accounting adopted for the investment tax credits. By footnote state the method of accounting adopted, and whether the company has consented or is required by another Commission to pass the tax credits on to customers.</p> <p>2. As indicated in column (a), show each year's activities from 1962 through the year covered by this report, identifying the data by the indicated percentages.</p> <p>3. Report in columns (b) and (e) the amount of investment tax credits generated from properties acquired for use in utility operations. Report in columns (c) and (f) the amount of such generated credits utilized in computing the annual income taxes. Also, explain by footnote any adjustments to columns (b) through (f) such as corrections, etc., or carryback of unused credits. Such adjustments should be carried back or forward to the applicable years.</p> <p>4. Report in column (d), the weighted-average useful life of all properties used in computing the investment tax credits in column (b). Also, show in this column for the year 1971 and thereafter, the option exercised (1) rate base treatment, (2) ratable flow through, or (3) flow through for rate purposes in accordance with section 46(f) of the Internal Revenue Code.</p> <p>5. Show by footnote (Page 551, Footnotes) any unused credits available at end of each year for carrying forward as a reduction of taxes in subsequent years.</p>						
Gas					Other Departments or Operations	
Line No.	Year and Percent (a)	Generated (b)	Utilized (c)	Weighted Average Life Property (d)	Generated (e)	Utilized (f)
1	1962-78					
2	3%					
3	4%	Investment Tax Credit (ITC's) were phased out commencing in 1986. All available credits were utilized by 12/31/90 in accordance with the Tax Reform Act of 1986				
4	7%					
5	10%					
6	11%	See Pages 266-267 for a summary of ITC's showing beginning and ending balances, deferrals and amortizations for the current year and prior years adjustments. Solar tax credits are classified as Electric.				
7						
8	1979					
9	3%					
10	4%					
11	7%					
12	10%					
13	11%					
14						
15	1980					
16	3%					
17	4%					
18	7%					
19	10%					
20	11%					
21						
22						
23	1981					
24	3%					
25	4%					
26	6%					
27	7%					
28	10%					
29	11%					
30						
31						
32	1982					
33	3%					
34	4%					
35	6%					
36	7%					
37	10%					
38	11%					
39						
40						

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%	5,588,461			411.1	424,224	
4	7%						
5	10%	11,103,486			411.1	842,872	
6	Other	50,908,381		51,095,158	411.1	4,502,928	-17,254
7							
8	TOTAL	67,600,328		51,095,158		5,770,024	-17,254
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12	4%	560,811			411.1	103,498	
13	7%	673,162			411.1	124,232	
14	10%	15,769,574			411.1	2,910,285	
15							
16	Total	17,003,547				3,138,015	
17							
18							
19		84,603,876		51,095,158		8,908,040	-17,254
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
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34							
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41							
42							
43							
44							
45							
46							
47							
48							

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
			2
5,164,237			3
			4
10,260,614			5
97,483,357			6
			7
112,908,208			8
			9
			10
			11
457,313			12
548,930			13
12,859,289			14
			15
13,865,532			16
			17
			18
126,773,740			19
			20
			21
			22
			23
			24
			25
			26
			27
			28
			30
			31
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			47
			48

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 266 Line No.: 6 Column: d
Solar tax credits 51,095,158

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Miscellaneous Current and Accrued Liabilities (Account 242)

- Describe and report the amount of other current and accrued liabilities at the end of year.
- Minor items (less than \$250,000) may be grouped under appropriate title.

Line No.	Item (a)	Balance at End of Year (b)
1	Accrued Liability for Litigation costs	500,000
2	Amtrak Maintenance Reimbursement	732,875
3	BGS Suppliers - SREC Cost	9,439,294
4	Cape May Environmental	(24,960)
5	Current Liability for Clean Energy Program	214,353,823
6	Customer Advances	22,767,863
7	DSM Liability	4,422,284
8	Gas Cogen Cashout I Power automotive entries	136,685
9	MGP (manufactured gas plant) remediation estimated liability- current portion	53,000,000
10	O&M Non- MGP Current	(398,277)
11	Other	2,427,938
12	Other/I Power	(4,771,046)
13	Purchase of Tax Benefits	254,417
14	Purchased vacation Liability	3,653
15	Solar -4- All Retainages	2,313,694
16	Solar loan funds with held	255,903
17	TPS Liability	36,464,388
18	TSG Cashout Invoices Outstanding	(483,568)
19	Universal Service Fund Lifeline	22,394,944
20	Vacation Pay Accrual	16,801,441
21	Workers Compensation	6,000,000
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		
45	Total	386,591,351

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$100,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Gas Plant Remediation	617,309,250	182.3	32,228,460	7,018,000	592,098,790
2						
3						
4	Clean Energy Program	234,972,033	182.3	196,014,945		38,957,088
5						
6						
7	Non-Current Taxes Accrued	74,528,851	Various	70,656,007	79,902,706	83,775,550
8						
9						
10	Workers Compensation	18,979,632	Various	7,905,113	8,658,514	19,733,033
11						
12						
13	Cash Overages	-456,877	Various	9,085,211	9,140,961	-401,127
14						
15						
16	Other Items	3,141,245	Various	7,102,904	5,360,433	1,398,774
17						
18	FIN 48 Adjustments	33,148,505	234/171/283	2,733,879	1,449,197	31,863,823
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
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41						
42						
43						
44						
45						
46						
47	TOTAL	981,622,639		325,726,519	111,529,811	767,425,931

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)

- Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization
- For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	1,381,978,166	416,441,676	15,323,833
3	Gas	700,703,839	184,827,649	
4				
5	TOTAL (Enter Total of lines 2 thru 4)	2,082,682,005	601,269,325	15,323,833
6				
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	2,082,682,005	601,269,325	15,323,833
10	Classification of TOTAL			
11	Federal Income Tax	2,082,682,005	601,269,325	15,323,833
12	State Income Tax			
13	Local Income Tax			

NOTES

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
			349,138		70,587,051	1,853,333,922	2
			285,670		226,605	885,472,423	3
							4
			634,808		70,813,656	2,738,806,345	5
							6
							7
							8
			634,808		70,813,656	2,738,806,345	9
							10
			634,808		70,813,656	2,738,806,345	11
							12
							13

NOTES (Continued)

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 274 Line No.: 2 Column: b

Liberalized Depreciation	1,015,693,569
Deferred InterCo Gain	87,419,325
Cost of Removal	31,097,406
FERC Normalization	2,910,723
Deferred Taxes on Rabbi Trust	273,418
Accounting for Income Taxes	244,583,725
Total Electric	1,381,978,166

Schedule Page: 274 Line No.: 2 Column: c

Liberalized Depreciation and Other Plant Deductions	414,243,206
Deferred Taxes on Rabbi Trust	868,827
Accounting for Income Taxes	1,329,643
Total Electric	416,441,676

Schedule Page: 274 Line No.: 2 Column: d

Deferred InterCo Gain	9,191,000
Cost of Removal	6,132,833
Total Electric	15,323,833

Schedule Page: 274 Line No.: 2 Column: h

Reclass to Liberalized Depreciation	349,138
Total Electric	349,138

Schedule Page: 274 Line No.: 2 Column: j

Reclass to Liberalized Depreciation	70,587,051
Total Electric	70,587,051

Schedule Page: 274 Line No.: 2 Column: k

Liberalized Depreciation and Other Plant Deductions	1,500,174,687
Deferred InterCo Gain	78,228,325
Cost of Removal	24,964,573
FERC Normalization	2,910,723
Deferred Taxes on Rabbi Trust	1,142,245
Accounting for Income Taxes	245,913,368
Total Electric	1,853,333,922

Schedule Page: 274 Line No.: 3 Column: b

Liberalized Depreciation	703,415,129
Cost of Removal	28,634,326
Accounting for Income Taxes	(31,345,616)
Total Gas	700,703,839

Schedule Page: 274 Line No.: 3 Column: c

Liberalized Depreciation and Other Plant Deductions	179,394,840
Cost of Removal	4,285,381
Accounting for Income Taxes	1,147,428
Total Gas	184,827,649

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 274 Line No.: 3 Column: h

Reclass to Liberalized Depreciation	285,670
Total Gas	285,670

Schedule Page: 274 Line No.: 3 Column: j

Reclass to Liberalized Depreciation	226,605
Total Gas	226,605

Schedule Page: 274 Line No.: 3 Column: k

Liberalized Depreciation and Other Plant Deductions	882,750,904
Cost of Removal	32,919,707
Accounting for Income Taxes	<u>(30,198,188)</u>
Total Gas	885,472,423

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.

2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3		1,269,839,483	95,035,111	262,185,905
4				
5				
6				
7				
8				
9	TOTAL Electric (Total of lines 3 thru 8)	1,269,839,483	95,035,111	262,185,905
10	Gas			
11		128,792,318	34,563,960	15,321,907
12				
13				
14				
15				
16				
17	TOTAL Gas (Total of lines 11 thru 16)	128,792,318	34,563,960	15,321,907
18				
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	1,398,631,801	129,599,071	277,507,812
20	Classification of TOTAL			
21	Federal Income Tax	1,385,293,532	101,744,579	253,996,104
22	State Income Tax	13,338,269	27,854,493	23,511,709
23	Local Income Tax			

NOTES

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
			237,932,216		199,277,107	1,064,033,580	3
							4
							5
							6
							7
							8
			237,932,216		199,277,107	1,064,033,580	9
							10
					82,538,131	230,572,502	11
							12
							13
							14
							15
							16
					82,538,131	230,572,502	17
							18
			237,932,216		281,815,238	1,294,606,082	19
							20
			96,001,378		15,323,594	1,152,364,223	21
			141,930,838		266,491,644	142,241,859	22
							23

NOTES (Continued)

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Public Service Electric and Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/30/2012	2011/Q4
FOOTNOTE DATA			

Schedule Page: 276 Line No.: 3 Column: b

FIN 48	20,972,340
Securitization	685,533,310
Amortization of Hope Creek License Costs	649,571
Environmental Cleanup Costs	(21,998,597)
Company-Owned Life Insurance	15,710
Company-Owned Life Insurance	3,730,610
New Jersey Corporation Business Tax	27,491,302
Obsolete Material Write Off	(5,751,926)
Fuel Cost Adjustment	64,359,230
Accelerated Activity Plan	58,462,633
Take-or-Pay Costs	(913,793)
Other Contract Cancellations	7,904,692
Other Computer Software	13,532,974
Loss on Recquired Debt	34,557,105
Additional Pension Deduction	112,963,065
Amortization of Peach Bottom HWC	689,765
Radioactive Waste Storage Costs	1,092,677
Deferred ICSP Costs (iPower)	3,770,807
Severance Pay Costs	11,393,684
Repair Allowance-Reverse Amortization	1,743,001
Public Utility Realty Tax Assessment	1,781,312
Federal Excise Tax Fuel Refunds	137,133
Decommissioning and Decontamination Costs	(12,603,383)
Emission Allowance Sales	(2,868,153)
Capitalization of Study Costs	2,009,586
Various Audit Items	(848,012)
Mescalero Radioactive Waste Storage Costs	(158,378)
Sale of Call Option	70
Vacation Pay Adjustment	3,663
Crude Oil Refunds	(1,570,058)
Amortization of Property Loss - Union County	(15)
Peach Bottom Interim Fuel Storage	11,037,372
New Network Metering Equipment	201,674
Adj. Holding Account	1,923,000
Accounting for Income Taxes (FAS109) - Federal	33,621,101
Accounting for Income Taxes (FAS109) - State	16,672,959
Accounting for Income Taxes (FAS109) - Reg Requirement	200,301,452
Total Electric Account 283	<u>1,269,839,483</u>

Schedule Page: 276 Line No.: 3 Column: c

FIN 48 Services Assessment	2,182,070
Fuel Cost Adjustment	51,238,454
Accelerated Activity Plan	31,863,968
New Jersey Corporation Business Tax	3,753,348
Peach Bottom Interim Fuel Storage	(10,185,000)
Other Computer Software	5,238,619
Accounting for Income Taxes (FAS109) - Federal	9,807,034
Accounting for Income Taxes (FAS109) - Reg Requirement	1,136,618
Total Electric Account 283	<u>95,035,111</u>

Schedule Page: 276 Line No.: 3 Column: d

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Public Service Electric and Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/30/2012	2011/Q4

FOOTNOTE DATA

FIN 48 Services Assessment	5,522,822
Securitization Regulatory Asset	120,609,848
Environmental Cleanup Costs	5,162,450
New Jersey Corporation Business Tax	23,511,709
Fuel Cost Adjustment	80,311,739
Loss on Reacquired Debt	1,191,218
Additional Pension Deduction	18,608,474
Deferred ICSP Costs (iPower)	1,131,332
Severance Pay Costs	2,870,924
Accounting for Income Taxes (FAS109) - Regulatory Requirement	3,265,389
Total Electric Account 283	<u>262,185,905</u>

Schedule Page: 276 Line No.: 3 Column: h

FIN 48 Services Assessment	23,948,285
NJCBT - Step Up Basis	141,930,838
Securitization - Federal	70,310,092
Repair Allowance-Reverse Amortization	1,743,001
Total Electric Account 283	<u>237,932,216</u>

Schedule Page: 276 Line No.: 3 Column: j

FIN 48	14,223,573
New Jersey Corporation Business Tax	183,953,513
Repair Allowance	1,100,021
Total Electric Account 283	<u>199,277,107</u>

Schedule Page: 276 Line No.: 3 Column: k

FIN 48 Services Assessment	7,906,876
Securitization Regulatory Asset	(1,092,557,518)
Amortization of Hope Creek License Costs	649,571
Environmental Cleanup Costs	(27,161,047)
Company-Owned Life Insurance	15,710
Company-Owned Life Insurance	3,730,610
New Jersey Corporation Business Tax	191,686,454
NJCBT - Step Up Basis	(141,930,838)
Obsolete Material Write Off	(5,751,926)
Securitization - Federal	1,221,997,600
Securitization - State	365,173,288
Fuel Cost Adjustment	35,285,945
Accelerated Activity Plan	90,326,601
Take-or-Pay Costs	(913,793)
Other Contract Cancellations	7,904,692
Other Computer Software	18,771,593
Loss on Reacquired Debt	33,365,887
Additional Pension Deduction	94,354,591
Amortization of Peach Bottom HWC	689,765
Radioactive Waste Storage Costs	1,092,677
Deferred ICSP Costs (iPower)	2,639,475
Severance Pay Costs	8,522,760
Repair Allowance-Reverse Amortization	1,100,021
Public Utility Realty Tax Assessment	1,781,312
Federal Excise Tax Fuel Refunds	137,133
Decommissioning and Decontamination Costs	(12,603,383)
Emission Allowance Sales	(2,868,153)
Interest Expense Adjustment	-

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Public Service Electric and Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/30/2012	2011/Q4

FOOTNOTE DATA

Capitalization of Study Costs	2,009,586
Budget Billing - Audit Settlement	(6)
Lightnet Agreement - Audit Settlement	(123,968)
Mescalero Radioactive Waste Storage Costs	(158,378)
Sale of Call Option	70
Vacation Pay Adjustment	3,663
Purchase Power - Audit Settlement	(724,038)
Crude Oil Refunds	(1,570,058)
Amortization of Property Loss - Union County	(15)
Peach Bottom Interim Fuel Storage	852,372
New Network Metering Equipment	201,674
Adj. Holding Account	1,923,000
Accounting for Income Taxes (FAS109) - Federal	43,428,135
Accounting for Income Taxes (FAS109) - State	16,672,959
Accounting for Income Taxes (FAS109) - Reg Requirement	198,172,681
Total Electric Account 283	<u>1,064,033,580</u>

Schedule Page: 276 Line No.: 11 Column: b

Environmental Cleanup Costs	56,996,283
Company-Owned Life Insurance	15,967
Company-Owned Life Insurance	1,535,927
New Jersey Corporation Business Tax	(621,208)
New Jersey Corporation Business Tax-Other	(30,204,784)
Fuel Cost Adjustment	11,772,471
Accelerated Activity Plan	3,253,186
Take-or-Pay Costs	3,777,084
Other Contract Cancellations	(222,649)
Other Computer Software	9,086,705
Loss on Reacquired Debt	5,611,132
Additional Pension Deduction	58,701,923
Deferred ICSP Costs (iPower)	3,085,203
Severance Pay Costs	(362,145)
EDC Revaluation Loss	1,000,143
New Adj. Holding Account	280,000
Lightnet Agreement - Audit Settlement	(53,129)
Gas Inventory Adjustment - Audit Settlement	146,504
Obsolete Material Write Off	(92,589)
Sale of Call Option	(13)
Vacation Pay Adjustment	(6,587)
Real Estate Taxes	(1,235,644)
Accounting for Income Taxes (FAS109) - Federal	14,975,319
Accounting for Income Taxes (FAS109) - Reg Requirement	(8,646,781)
Total Electric Account 283	<u>128,792,318</u>

Schedule Page: 276 Line No.: 11 Column: c

New Jersey Corporation Business Tax-Other	24,101,145
Accelerated Activity Plan	3,694,248
Other Computer Software	4,358,854
New Adj. Holding Account	(280,000)
Accounting for Income Taxes (FAS109) - Federal	2,060,230
Accounting for Income Taxes (FAS109) - Reg Requirement	629,483
Total GAS Account 283	<u>34,563,960</u>

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 276 Line No.: 11 Column: d

Environmental Cleanup Costs	5,545,642
Fuel Cost Adjustment	5,210,329
Loss on Reacquired Debt	495,749
Additional Pension Deduction	2,190,187
Deferred ICSP Costs (iPower)	925,643
Severance Pay Costs	313,075
Accounting for Income Taxes (FAS109) - Regulatory Requirement	641,282
Total Gas Account 283	15,321,907

Schedule Page: 276 Line No.: 11 Column: j

New Jersey Corporation Business Tax	82,538,131
Total Gas Account 283	82,538,131

Schedule Page: 276 Line No.: 11 Column: k

Environmental Cleanup Costs	51,450,641
Company-Owned Life Insurance	15,967
Company-Owned Life Insurance	1,535,927
New Jersey Corporation Business Tax	81,916,923
New Jersey Corporation Business Tax-Other	(6,103,639)
Fuel Cost Adjustment	6,562,142
Accelerated Activity Plan	6,947,434
Take-or-Pay Costs	3,777,084
Other Contract Cancellations	(222,649)
Other Computer Software	13,445,559
Loss on Reacquired Debt	5,115,383
Additional Pension Deduction	56,511,736
Deferred ICSP Costs (iPower)	2,159,560
Severance Pay Costs	(675,220)
EDC Revaluation Loss	1,000,143
New Adj. Holding Account	-
Lightnet Agreement - Audit Settlement	(53,129)
Gas Inventory Adjustment - Audit Settlement	146,504
Obsolete Material Write Off	(92,589)
Sale of Call Option	(13)
Vacation Pay Adjustment	(6,587)
Real Estate Taxes	(1,235,644)
Accounting for Income Taxes (FAS109) - Federal	17,035,549
Accounting for Income Taxes (FAS109) - Reg Requirement	(8,658,580)
Total Electric Account 283	230,572,502

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	ACCOUNTING FOR INCOME TAXES	197,813,157	Various	16,556,165	30,322,832	211,579,824
2	MARKET TRANSITION CHARGE REFUND	84,105,352	440	60,610,658	1	23,494,695
3	MARKET TRANSITION CHARGE - TAX	98,804,952	407.4	22,858,436	1,039,706	76,986,222
4	BASIC GENERATION SERVICE RETAIL ADDER	2,057,457	Various	2,057,457		
5	OVERRECOVERED GAS COSTS - BGSS	40,220,275	Various	10,492,168		29,728,107
6	TPS BILLING DISCOUNT	2,900,000				2,900,000
7	EXCESS COST OF REMOVAL	11,293,333	407.4	11,293,333		
8	BASIC GENERATION SERVICE (BGS)	2	Various	19,191,448	24,338,456	5,147,010
9	TRANSMISSION FORMULA RATE ADJUSTMENT	4,500,000	456.1	3,650,807		849,193
10	CAPITAL ECONOMIC STIMULUS PROGRAM	4,599,436	Various	4,599,436		
11	CARBON ABATEMENT		Various	42,111	42,937	826
12	ENERGY EFFICIENCY ECONOMIC STIMULUS	90,111	Various	1,205,173	1,340,949	225,887
13	SOLAR 4-ALL	2,151,109	Various	22,785,470	20,634,361	
14	DEMAND RESPONSE	4,153,480	Various	2,719,351		1,434,129
15	SOLAR LOANS	852,900	Various	1,060,743	207,843	
16	UNCERTAIN TAX POSITIONS	2,571,032	Various	96,026		2,475,006
17	GAS WEATHER NORMALIZATION	9,141,023	489.0	9,141,023		
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	465,253,619		188,359,805	77,927,085	354,820,899

Name of Respondent Public Service Electric & Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 3/30/2012	Year/Period of Report End of: 2011
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Quarterly Quantity & Revenue by Rate Schedule

- Reference to account numbers in the USofA is provided in parentheses beside applicable data. Quantities must not be adjusted for discounts.
- Total Quantities and Revenues in whole numbers.
- Report revenues & quantities of gas by rate schedule. Where transportation services are bundled with storage services, reflect only transportation Dth. When reporting storage, report Dth of gas withdrawn from storage & revenues by rate schedule.
- Revenues in Column (c) include transition costs from upstream pipelines. Revenue (Other) in Column (e) includes reservation charges less revenues reflected in Columns (c) and (d). Include in Column (e) revenue for Accounts 490-495.
- Enter footnotes as appropriate.

Line No.	Item (a)	First Quarter Quantity (b)	First Quarter Revenue Costs & Take-or-Pay (c)	First Quarter Revenue (GRI & ACA) (d)	First Quarter Revenue (Other) (e)	First Quarter Revenue (Total) (f)
1	Total Sales (480-488)	95169561			606564278	606,564,278
2	Transportation of Gas for Others (489.2 & 489.3)					-
3						-
4	TSG-FIRM	989287			1,962,854	1,962,854
5	TSG-NON FIRM	16469917			11,388,277	11,388,277
6	Firm Transportation Delivery-General Service	2114268			56,567,148	56,567,148
7	Firm Transportation Delivery-Large Volume	17410458			94,915,248	94,915,248
8	Contract Co-generation	6421336			4,721,134	4,721,134
9	Transportation Delivery-Residential	3381789			316,856,154	316,856,154
10	Firm Transportation Delivery-Street Lighting	7			97,138	97,138
11						-
12						-
13						-
14						-
15						-
16						-
17						-
18	Total Transportation (Other Than Gathering)	46787061	-	-	486,507,952	486,507,952
19	Storage (489.4)					-
20						-
21						-
22						-
23						-
24						-
25						-
26						-
27						-
28						-
29						-
30	Total Storage					-
31	Gathering (489.1)					-
32	Gathering-Firm					-
33	Gathering-Interruptible					-
34	Total Gathering (489.1)					-
35	Additional Revenues					-
36	Products Sales and Extraction (490-492)					-
37	Rents (493-494)				1,400	1,400
38	Other Gas Revenues (495)				1,596,645	1,596,645
39	(Less) Provision for Rate Refunds					-
40	Total Additional Revenues	0	-	-	1,598,045	1,598,045
41	Total Operating Revenues (Total of Lines 1, 18, 30, & 40)	141956621	-	-	1,094,670,275	1,094,670,275

Name of Respondent Public Service Electric & Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 3/30/2012	Year/Period of Report End of: 2011
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Quarterly Quantity & Revenue by Rate Schedule

1. Reference to account numbers in the USofA is provided in parentheses beside applicable data. Quantities must not be adjusted for discounts.
2. Total Quantities and Revenues in whole numbers.
3. Report revenues & quantities of gas by rate schedule. Where transportation services are bundled with storage services, reflect only transportation Dth. When reporting storage, report Dth of gas withdrawn from storage & revenues by rate schedule.
4. Revenues in Column (c) include transition costs from upstream pipelines. Revenue (Other) in Column (e) includes reservation charges less revenues reflected in Columns (c) and (d). Include in Column (e) revenue for Accounts 490-495.
5. Enter footnotes as appropriate.

Line No.	Item (a)	Second Quarter	Second Quarter	Second Quarter	Second Quarter	Second Quarter
		Quantity (b)	Revenue Costs & Take-or-Pay (c)	Revenue (GRI & ACA) (d)	Revenue (Other) (e)	Revenue (Total) (f)
1	Total Sales (480-488)	28500411			184,600,113	184,600,113
2	Transportation of Gas for Others (489.2 & 489.3)					
3						
4	TSG-FIRM	689736			1,116,352	1,116,352
5	TSG-NON FIRM	13618940			8,515,724	8,515,724
6	Firm Transportation Delivery-General Service	685456			14,405,930	14,405,930
7	Firm Transportation Delivery-Large Volume	6606101			16,825,467	16,825,467
8	Contract Co-generation	6433049			1,305,366	1,305,366
9	Transportation Delivery-Residential	931618			97,250,021	97,250,021
10	Firm Transportation Delivery-Street Lighting	7			99,492	99,492
11						
12						
13						
14						
15						
16						
17						
18	Total Transportation (Other Than Gathering)	28964907	-	-	139,518,354	139,518,354
19	Storage (489.4)					
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30	Total Storage					
31	Gathering (489.1)					
32	Gathering-Firm					
33	Gathering-Interruptible					
34	Total Gathering (489.1)					
35	Additional Revenues					
36	Products Sales and Extraction (490-492)					
37	Rents (493-494)				1,400	1,400
38	Other Gas Revenues (495)				1,255,289	1,255,289
39	(Less) Provision for Rate Refunds					
40	Total Additional Revenues	0	-	-	1,256,689	1,256,689
41	Total Operating Revenues (Total of Lines 1, 18, 30, & 40)	57465318	-	-	325,475,175	325,475,175

Name of Respondent Public Service Electric & Gas Company	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report End of:
	<input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	3/30/2012	2011

Quarterly Quantity & Revenue by Rate Schedule

- Reference to account numbers in the USofA is provided in parentheses beside applicable data. Quantities must not be adjusted for discounts.
- Total Quantities and Revenues in whole numbers.
- Report revenues & quantities of gas by rate schedule. Where transportation services are bundled with storage services, reflect only transportation Dth. When reporting storage, report Dth of gas withdrawn from storage & revenues by rate schedule.
- Revenues in Column (c) include transition costs from upstream pipelines. Revenue (Other) in Column (e) includes reservation charges less revenues reflected in Columns (c) and (d). Include in Column (e) revenue for Accounts 490-495.
- Enter footnotes as appropriate.

Line No.	Item (a)	Third Quarter Quantity (b)	Third Quarter Revenue Costs & Take-or-Pay (c)	Third Quarter Revenue (GRI & ACA) (d)	Third Quarter Revenue (Other) (e)	Third Quarter Revenue (Total) (f)
1	Total Sales (480-488)	17624679			114,465,052	114,465,052
2	Transportation of Gas for Others (489.2 & 489.3)					
3						
4	TSG-FIRM	597610			810,132	810,132
5	TSG-NON FIRM	21444004			10,871,720	10,871,720
6	Firm Transportation Delivery-General Service	428292			10,012,368	10,012,368
7	Firm Transportation Delivery-Large Volume	4888550			12,508,189	12,508,189
8	Contract Co-generation	6906470			1,211,578	1,211,578
9	Transportation Delivery-Residential	461794			60,261,142	60,261,142
10	Firm Transportation Delivery-Street Lighting	7			99,757	99,757
11						
12						
13						
14						
15						
16						
17						
18	Total Transportation (Other Than Gathering)	34726727	-	-	95,774,886	95,774,886
19	Storage (489.4)					
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30	Total Storage					
31	Gathering (489.1)					
32	Gathering-Firm					
33	Gathering-Interruptible					
34	Total Gathering (489.1)					
35	Additional Revenues					
36	Products Sales and Extraction (490-492)					
37	Rents (493-494)					
38	Other Gas Revenues (495)				1,256,255	1,256,255
39	(Less) Provision for Rate Refunds					
40	Total Additional Revenues	0	-	-	1,256,255	1,256,255
41	Total Operating Revenues (Total of Lines 1, 18, 30, & 40)	52351406	-	-	211,496,192	211,496,192

Name of Respondent Public Service Electric & Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 3/30/2012	Year/Period of Report End of: 2011
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Quarterly Quantity & Revenue by Rate Schedule

- Reference to account numbers in the USofA is provided in parentheses beside applicable data. Quantities must not be adjusted for discounts.
- Total Quantities and Revenues in whole numbers.
- Report revenues & quantities of gas by rate schedule. Where transportation services are bundled with storage services, reflect only transportation Dth. When reporting storage, report Dth of gas withdrawn from storage & revenues by rate schedule.
- Revenues in Column (c) include transition costs from upstream pipelines. Revenue (Other) in Column (e) includes reservation charges less revenues reflected in Columns (c) and (d). Include in Column (e) revenue for Accounts 490-495.
- Enter footnotes as appropriate.

Line No.	Item (a)	Fourth Quarter Quantity (b)	Fourth Quarter Revenue Costs & Take-or-Pay (c)	Fourth Quarter Revenue (GRI & ACA) (d)	Fourth Quarter Revenue (Other) (e)	Fourth Quarter Revenue (Total) (f)
1	Total Sales (480-488)	48860326			291,728,548	291,728,548
2	Transportation of Gas for Others (489.2 & 489.3)					
3						-
4	TSG-FIRM	737020			1,451,852	1,451,852
5	TSG-NON FIRM	30206124			10,487,888	10,487,888
6	Firm Transportation Delivery-General Service	1237138			26,747,816	26,747,816
7	Firm Transportation Delivery-Large Volume	10271256			61,101,290	61,101,290
8	Contract Co-generation	7928405			(415,602)	(415,602)
9	Transportation Delivery-Residential	1743041			183,837,298	183,837,298
10	Firm Transportation Delivery-Street Lighting	7			104,070	104,070
11						-
12						-
13						-
14						-
15						-
16						-
17						-
18	Total Transportation (Other Than Gathering)	52122992	-	-	283,314,611	283,314,611
19	Storage (489.4)					-
20						-
21						-
22						-
23						-
24						-
25						-
26						-
27						-
28						-
29						-
30	Total Storage					-
31	Gathering (489.1)					-
32	Gathering-Firm					-
33	Gathering-Interruptible					-
34	Total Gathering (489.1)					-
35	Additional Revenues					-
36	Products Sales and Extraction (490-492)					-
37	Rents (493-494)					-
38	Other Gas Revenues (495)				922,392	922,392
39	(Less) Provision for Rate Refunds					-
40	Total Additional Revenues	0	-	-	922,392	922,392
41	Total Operating Revenues (Total of Lines 1, 18, 30, & 40)	100983318	-	-	575,965,551	575,965,551

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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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ELECTRIC OPERATING REVENUES (Account 400)

- The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
- Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	2,189,394,874	2,274,974,260
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	1,867,632,556	2,032,573,126
5	Large (or Ind.) (See Instr. 4)	215,646,266	230,052,046
6	(444) Public Street and Highway Lighting	71,675,238	74,590,150
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales	1,451,800	3,912,103
10	TOTAL Sales to Ultimate Consumers	4,345,800,734	4,616,101,685
11	(447) Sales for Resale	211,643,477	219,911,215
12	TOTAL Sales of Electricity	4,557,444,211	4,836,012,900
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	4,557,444,211	4,836,012,900
15	Other Operating Revenues		
16	(450) Forfeited Discounts	3,585,286	4,579,448
17	(451) Miscellaneous Service Revenues	6,646,842	4,617,871
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	10,303,233	9,156,753
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	36,351,119	35,132,815
22	(456.1) Revenues from Transmission of Electricity of Others	117,632,543	85,289,905
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	174,519,023	138,776,792
27	TOTAL Electric Operating Revenues	4,731,963,234	4,974,789,692

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.
8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
13,803,065	14,197,410	1,872,393	1,871,893	2
				3
24,059,271	24,528,204	265,394	264,010	4
4,342,695	4,542,813	9,160	9,366	5
301,179	377,094	10,127	9,556	6
				7
				8
9,813	9,894	1	1	9
42,516,023	43,655,415	2,157,075	2,154,826	10
4,176,172	4,065,908			11
46,692,195	47,721,323	2,157,075	2,154,826	12
				13
46,692,195	47,721,323	2,157,075	2,154,826	14

Line 12, column (b) includes \$ 40,493,048 of unbilled revenues.
Line 12, column (d) includes -201,347 MWH relating to unbilled revenues

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Public Service Electric and Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 03/30/2012	2011/Q4
FOOTNOTE DATA			

Schedule Page: 300 Line No.: 10 Column: d

Includes sales to PSE&G customers and other customers.

Schedule Page: 300 Line No.: 10 Column: e

Includes sales to PSE&G customers and other customers.

Schedule Page: 300 Line No.: 17 Column: b

FERC 451 - Miscellaneous Service Revenues of \$6.6M are Sundry Sales, Service Reconnects.

Schedule Page: 300 Line No.: 17 Column: c

FERC (451) - Misc Service Revenues of \$4.6M are Sundry Sales, Service Reconnects.

Schedule Page: 300 Line No.: 21 Column: b

(456) Other Electric Revenues - Amounts greater than \$250,000

PJM Interruptible Load for Reliability Revenues \$3,291,495
 Securitization Servicing Fees \$1,313,844
 Securitization Administration Fees \$250,000
 PJM Schedule System Control & Dispatch Charges \$2,100,531
 Transmission Interconnection Agreement \$21,932,479
 Transmission Ancillary Services \$4,800,818
 Transitional PJM Revenue Credits \$590,502
 Sundry Sales \$1,804,314

Schedule Page: 300 Line No.: 21 Column: c

(456) Other Electric Revenues - Amounts greater than \$250,000

PJM Interruptible Load for Reliability Revenues \$4,371,743
 Securitization Servicing Fees \$1,313,844
 PJM Schedule System Control & Dispatch Charges \$1,739,531
 Transmission Interconnection Agreement \$21,961,050
 Transmission Ancillary Services \$4,884,511
 Sundry Sales \$1,018,925

Schedule Page: 300 Line No.: 22 Column: b

(456.1) Revenues from Transmission of Electricity of Others - Amounts greater than \$250,000.

Network Transmission Service for Third Party Suppliers \$112,215,271
 Wheeling Revenues \$431,037
 Point-to-Point Service Credits \$4,986,235

Schedule Page: 300 Line No.: 22 Column: c

(456.1) Revenues from Transmission of Electricity of Others - Amounts greater than \$250,000.

Network Transmission Service for Third Party Suppliers \$80,192,635
 Wheeling Revenues \$652,636
 Point-to-Point Service Credits \$4,444,634

Name of Respondent Public Service Electric & Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year of Report 2011
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ELECTRIC OPERATING REVENUES (Account 400) (Continued)

1. Report by New Jersey Gross Receipts and Franchise Tax Class, the taxable megawatts of electricity and the corresponding operating revenues.
2. Where there is more than one tariff schedule designated in a tax class, identify the names of the individual tariff schedule above the tax class name and provide the taxable megawatts of electricity and the corresponding operating revenues for each tariff schedule.
3. Provide a reconciliation of the total amounts on line 14 and the amounts shown on line 12 of page 301 in the area provided for notes.

Line No.	Tax Class (a)	Megawatts of Electricity Sold		Operating Revenues (1)	
		Quantity For Year (b)	Quantity For Previous Year (c)	Amount For Year (d) (2)	Amount For Previous Year (e) (2)
1	ER-1 Standard Residential Service	13,538,688	13,919,353		
2	ER-2 Time-of-Day Service	262,102	275,465		
3	ER-3 Water Heating Service	2,339	2,610		
4	ENR-1 Transmission Service	4,747,945	4,879,269		
5	ENR-2 Primary Service	3,669,779	3,732,490		
6	ENR-3 Secondary Time-of- Day Service	11,435,135	11,668,413		
7	ENR-4 Secondary Non-Time-of-Day Service	7,952,893	8,185,689		
8	ENR-5 Primary/Secondary Service Combination Service				
9	ENR-6 Hotel Casino Service				
10	ENR-7 Street & Private Lighting Service	426,819	503,727		
11	ENR-8 Experimental Transmission Service				
12	IRGC (Indigenous Refinery Gas Conversion)				
13	EHEP (Experimental Hourly Energy Pricing Service)				
14	TOTAL	42,035,070	43,167,016		

NOTES

1. This information by Tax Class is not required for New Jersey Gross Receipts Tax Reports and therefore is not available
2. Gross receipts and exclusions for the periods in which PSE&G did not own and operate nuclear electric generating facilities located in New Jersey are not required and therefore the information is not reported or available.
3. Reconciliation:

	<u>MGW Current Yr.</u>	<u>MGW Previous Yr.</u>
Total- Line 14, above	42,035,070	43,167,016
Add: Interdepartmental Sales	9,813	9,894
Sales for Resale	4,176,172	4,065,908
Sales to Utilities	470,510	478,505
Misc – Rounding/ other diffs.	630	0
Total- Page, 301, Line 12	46,692,195	47,721,323

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Gas Operating Revenues

1. Report below natural gas operating revenues for each prescribed account total. The amounts must be consistent with the detailed data on succeeding pages.
2. Revenues in columns (b) and (c) include transition costs from upstream pipelines.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e). Include in columns (f) and (g) revenues for Accounts 480-495.

Line No.	Title of Account (a)	Revenues for Transition Costs and Take-or-Pay	Revenues for Transition Costs and Take-or-Pay	Revenues for GRI and ACA	Revenues for GRI and ACA
		Amount for Current Year (b)	Amount for Previous Year (c)	Amount for Current Year (d)	Amount for Previous Year (e)
1	480 Residential Sales				
2	481 Commercial and Industrial Sales				
3	482 Other Sales to Public Authorities				
4	483 Sales for Resale				
5	484 Interdepartmental Sales				
6	485 Intracompany Transfers				
7	487 Forfeited Discounts				
8	488 Miscellaneous Service Revenues				
9	489.1 Revenues from Transportation of Gas of Others Through Gathering Facilities				
10	489.2 Revenues from Transportation of Gas of Others Through Transmission Facilities				
11	489.3 Revenues from Transportation of Gas of Others Through Distribution Facilities				
12	489.4 Revenues from Storing Gas of Others				
13	490 Sales of Prod. Ext. from Natural Gas				
14	491 Revenues from Natural Gas Proc. by Others				
15	492 Incidental Gasoline and Oil Sales				
16	493 Rent from Gas Property				
17	494 Interdepartmental Rents				
18	495 Other Gas Revenues				
19	Subtotal:				
20	496 (Less) Provision for Rate Refunds				
21	TOTAL:				

Gas Operating Revenues

4. If increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. On Page 108, include information on major changes during the year, new service, and important rate increases or decreases.
6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.

Line No.	Other Revenues	Other Revenues	Total Operating Revenues	Total Operating Revenues	Dekatherm of Natural Gas	Dekatherm of Natural Gas
	Amount for Current Year (f)	Amount for Previous Year (g)	Amount for Current Year (h)	Amount for Previous Year (i)	Amount for Current Year (j)	Amount for Previous Year (k)
1	784,565,459	1,006,985,266	784,565,459	1,006,985,266	128,057,510	131,890,537
2	368,554,077	431,145,575	368,554,077	431,145,575	62,032,334	67,136,632
3						
4						
5	607,816	1,477,043	607,816	1,477,043	65,132	59,208
6						
7	1,005,634	1,266,490	1,005,634	1,266,490		
8	42,625,005	39,061,691	42,625,005	39,061,691		
9	1,005,215,594	979,246,494	1,005,215,594	979,246,494	162,601,686	147,434,069
10						
11						
12						
13						
14						
15						
16	2,800	4,900	2,800	4,900		
17						
18	5,030,580	4,786,583	5,030,580	4,786,583		
19	2,207,606,965	2,463,974,042	2,207,606,965	2,463,974,042		
20						
21	2,207,606,965	2,463,974,042	2,207,606,965	2,463,974,042		

Name of Respondent Public Service Electric & Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report 03/30/2012	Year of Report 2011
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GAS OPERATING REVENUES BY CUSTOMER CLASS

1. Number of Customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means the average twelve figures at the close of each month.
2. If increases or decreases from previous year (columns ©, (e) and (g) are not derived from previously reported figures, explain any inconsistencies in a footnote.
3. Commercial and Industrial Sales, Account 481, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 200,000 Mcf per year or approximately 800 Mcf per day of normal requirements. (See Account 481 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
4. Provide a reconciliation of the total amounts on line 20 and the amounts on lines 1,5,6,7 and 8 of page 301 in the area provided for notes.

Line No.	Customer Class (a)	Operating Revenues		Therms Sold		Average No. of Customers Per Month	
		Amount for Year (b)	Amount for Previous Year (c)	Quantity for Year (d)	Quantity for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)
1	Residential						
2	Residential Service	784,511,557	1,006,985,266	1,280,575,101	1,318,905,375	1,542,215	1,572,573
3	Transportation Delivery	658,304,615	631,540,457	65,182,411	37,954,693	74,565	43,589
4	Cooling & Air Conditioning						
5	Commercial						
6	Firm	265,969,014	305,905,447	431,028,657	450,908,840	133,007	136,189
7	Interruptible	29,406,215	31,093,682	49,722,722	50,214,868	46	51
8	Transportation Delivery	303,532,264	289,905,507	1,121,669,055	976,596,323	22,215	19,028
9	Cooling & Air Conditioning						
10	Industrial						
11	Firm	18,646,665	21,630,576	30,039,651	31,743,551	5,652	5,889
12	Interruptible	14,628,643	16,204,674	24,461,345	25,355,441	14	15
13	Transportation Delivery	36,155,991	33,928,671	162,272,514	153,696,290	1,136	1,002
14	Cooling & Air Conditioning						
15	Street & Yard Light Service	816,935	828,310	680,199	688,419	20	20
16	Cogeneration	46,363,331	79,354,740	361,283,650	418,548,580	5	7
17	Off-System Sales & Storage						
18	Other Sales to Public Authorities						
19							
20	Total Natural Gas Service Revenues	2,158,335,230	2,417,377,330	3,526,915,306	3,464,612,380	1,778,854	1,778,362

NOTES

Total Revenues excludes the following Other Gas Revenues:

	<u>2011</u>	<u>2010</u>
Interdepartmental Revenues –	607,816	1,477,043
Forfeited Discounts -	1,005,534	1,266,490
Misc. Service Revenues -	42,625,005	39,061,695
Rent from Gas Property -	2,800	4,900
Other Gas Revenues -	<u>5,030,580</u>	<u>4,786,583</u>
Total (A)	2,207,606,965	2,463,974,041

(A) Ties to Total Gas Operating Revenues on Income Statement) pp. 114-115, Line 2.

Name of Respondent PUBLIC SERVICE ELECTRIC and GAS COMPANY		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/30/2012	Year of Report 2011
GAS OPERATING REVENUES BY TAX CLASS					
1. Report by New Jersey Gross Receipts and Franchise Tax Class, the taxable terms of gas and the corresponding operating revenues.		3. Provide a reconciliation of the total amounts on line 15 with natural gas sales (Accounts 400-484).			
2. Where there is more than one tariff schedule designated in a tax class, identify the names of the individual tariff schedule above the tax class name and provide the taxable megawatts of electricity and the corresponding operating revenues for each tariff schedule.					
Line No.	Tax Class (a)	Terms of Gas Sold		Operating Revenues	
		Quantity For Year (b)	Quantity For Previous Year (c)	Amount For Year (d)	Amount For Previous Year (e)
1	GR-1 Residential	1,345,692,516	1,356,795,716	1,431,471,594	1,647,598,205
2	GR-2 Cooling & Air Conditioning	64,996	64,352	57,552	68,537
3	GNR-1 General Service	248,831,468	255,604,223	233,654,270	253,747,020
4	GNR-2 Large Volume Demand	644,905,055	631,943,046	342,958,778	352,808,132
5	GNR-3 Firm Cooling & Air Conditioning	20,105	18,002	11,389	14,439
6	GNR-4 Interruptive Service				
7	GNR-5 Firm Transportation	30,136,529	31,249,768	5,342,895	4,719,576
8	GNR-6 Non-Firm Transportation	818,420,264	693,349,549	49,110,163	48,106,010
9	GNR-7 Street Light Service	680,199	688,419	816,935	828,311
10	GNR-8 Contract Service				
11	GNR-9 Limited Term Contract Service				
12	GNR-10 Uncompressed Vehicular NG				
13	GNR-11 General Service – Firm Transportation Service				
14	GNR-12 Large Volume – Firm Transportation Service				
15	TOTAL	3,088,751,132	2,969,713,075	2,063,426,433	2,307,890,230
NOTES					
For reconciliation of natural gas sales with Line 15, see page G301c.					

Name of Respondent PUBLIC SERVICE ELECTRIC and GAS COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year of Report 2011
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GAS OPERATING REVENUES RECONCILIATION

Public Service Electric and Gas Company
Attachment to Page G301b
Reconciliation of Natural Gas Sales (Accounts 400-484) to G301b, Line 15

Line No.	Tax Class (a)	Therms of Gas Sold		Operating Revenues	
		Quantity For Year (b)	Quantity For Previous Year (c)	Amount For Year (d)	Amount For Previous Year (e)
1					
2	Accounts 400-484 (see pages 300-301)	1,901,549,760	1,990,863,773	1,153,727,353	1,439,607,881
3					
4					
5	LESS: Uncollectible Accounts				
6					
7	Sales to Co-Generators	434,437,305	491,811,579	82,551,663	117,592,340
8					
9	Sales to Other Utilities	3,726,868	3,087,725	996,816	1,035,779
10					
11					
12	Interdepartmental Sales	651,315	592,079	607,816	1,477,043
13					
14	PLUS: Transportation	1,626,016,860	1,474,340,685	993,854,720	988,387,511
15					
16	AMOUNT - Page G301b, line 15	3,088,751,132	2,969,713,075	2,063,426,433	2,307,890,230
17					

NOTES

Reconciliation to Pages 300-301, Accounts 400-484:

	Therms Current Yr.	Therms Previous Yr.	Revenues Current Yr.	Revenues Previous Yr.
Line, 2 above	1,901,549,760	1,990,863,773	1,153,727,353	1,439,607,881
Misc.-Rounding/ other diffs.	0	(3)	0	3
Pages 300-301, Accounts 400-484*	1,901,549,760	1,990,863,770	1,153,727,353	1,439,607,884

* Decatherms converted to therms

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Residential Sales-Account 440					
2	Residential Service RS					
3	Billed	13,450,689	2,123,955,327	1,846,941	7,283	0.1579
4	Unbilled	-79,086	-16,202,954			0.2049
5	Total RS	13,371,603	2,107,752,373	1,846,941	7,240	0.1576
6	Residential Heating Service RHS					
7	Billed	170,012	23,669,752	12,259	13,868	0.1392
8	Unbilled	-2,929	-398,320			0.1360
9	Total RHS	167,083	23,271,432	12,259	13,629	0.1393
10	Water Heating Service WH					
11	Billed	2,260	338,148	2,170	1,041	0.1496
12	Unbilled	-21	-3,301			0.1572
13	Total WH	2,239	334,847	2,170	1,032	0.1496
14	Water Heating Storage Service WHS					
15	Billed	38	3,552	27	1,407	0.0935
16	Unbilled		-19			
17	Total WHS	38	3,533	27	1,407	0.0930
18	Residential Load Management RLM					
19	Billed	264,285	38,567,561	13,197	20,026	0.1459
20	Unbilled	-2,182	-369,877			0.1695
21	Total RLM	262,103	38,197,684	13,197	19,861	0.1457
22	Total Residential					
23						
24	Commercial and Industrial Sales					
25	Water Heating Service WH					
26	Billed	61	9,293	15	4,067	0.1523
27	Unbilled	1	140			0.1400
28	Total WH	62	9,433	15	4,133	0.1521
29	General Ltg and Power Service					
30	Billed	7,978,009	987,218,504	263,483	30,279	0.1237
31	Unbilled	-37,351	-8,254,764			0.2210
32	Total GLP	7,940,658	978,963,740	263,483	30,137	0.1233
33	Large Power and Ltg Service					
34	Billed	15,513,838	905,366,444	9,207	1,685,005	0.0584
35	Unbilled	-87,959	-15,453,583			0.1757
36	Total LPL	15,425,879	889,912,861	9,207	1,675,451	0.0577
37	High Tension Service HTS					
38	Billed	4,841,778	129,973,724	207	23,390,232	0.0268
39	Unbilled	9,090	397,607			0.0437
40	Total HTS	4,850,868	130,371,331	207	23,434,145	0.0269
41	TOTAL Billed	42,707,556	4,324,231,326	0	0	0.1013
42	Total Unbilled Rev.(See Instr. 6)	-201,347	-40,493,048	0	0	0.2011
43	TOTAL	42,506,209	4,283,738,278	0	0	0.1008

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Street Lighting Service-Private					
2	Billed	163,852	40,853,031	21,671	7,561	0.2493
3	Unbilled	-169	-80,291			0.4751
4	Total Street Lighting Service-Pri	163,683	40,772,740	21,671	7,553	0.2491
5	Building Heating Service HS					
6	Billed	21,555	3,033,546	1,652	13,048	0.1407
7	Unbilled	-739	-127,684			0.1728
8	Total HS	20,816	2,905,862	1,652	12,600	0.1396
9	Hourly Energy Price HEP					
10	Billed					
11	Unbilled					
12	Total HEP					
13	Total Comm'l and Ind'l Sales					
14						
15	Public Street and Highway Lightin					
16	Street Lighting Service-Public					
17	Billed	264,050	67,034,439	4,015	65,766	0.2539
18	Unbilled					
19	Total SL	264,050	67,034,439	4,015	65,766	0.2539
20	General Ltg and Power Service					
21	Traffic and Signal - GLP T&S					
22	Billed	37,129	4,208,004	6,112	6,075	0.1133
23	Unbilled					
24	Total GLP T&S	37,129	4,208,004	6,112	6,075	0.1133
25	Total Street Lighting Public					
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	42,707,556	4,324,231,326	0	0	0.1013
42	Total Unbilled Rev.(See Instr. 6)	-201,347	-40,493,048	0	0	0.2011
43	TOTAL	42,506,209	4,283,738,278	0	0	0.1008

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 304 Line No.: 41 Column: c

Page 304, Column C, Row 43 Total Revenue of \$4,283,738,278 does not tie to Page 300, Column B, Row 10 (Total Sales) less Row 9 (Interdepartmental Sales) net \$4,344,348,935 due to MTC Refund of \$60,610,657. Revenues on Page 300 are adjusted per BPU Order Approved June 7, 2010 - Docket # EX02060363 & EA02060266.

Revenues from Transportation of Gas of Others Through Transmission Facilities (Account 489.2)

1. Report revenues and Dth of gas delivered by Zone of Delivery by Rate Schedule. Total by Zone of Delivery and for all zones. If respondent does not have separate zones, provide totals by rate schedule.
2. Revenues for penalties including penalties for unauthorized overruns must be reported on page 308.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges for transportation and hub services, less revenues reflected in columns (b) through (e).

Line No.	Zone of Delivery, Rate Schedule (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transition Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)
1	TSG-Firm				
2	TSG-Non Firm				
3	Firm Transportation Delivery- General Service				
4	Firm Transportation Delivery - Large Volume				
5	Contract Co-generation				
6	Transportation Delivery - Residential				
7	Total				
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					

Revenues from Transportation of Gas of Others Through Transmission Facilities (Account 489.2)

4. Delivered Dth of gas must not be adjusted for discounting.
 5. Each incremental rate schedule and each individually certificated rate schedule must be separately reported.
 6. Where transportation services are bundled with storage services, report total revenues but only transportation Dth.

Line No.	Other Revenues	Other Revenues	Total Operating Revenues	Total Operating Revenues	Dekatherm of Natural Gas	Dekatherm of Natural Gas
	Amount for Current Year (f)	Amount for Previous Year (g)	Amount for Current Year (h)	Amount for Previous Year (i)	Amount for Current Year (j)	Amount for Previous Year (k)
1	5,341,190	4,714,257	5,341,190	4,714,257	3,013,653	3,124,977
2	41,263,609	39,045,140	41,263,609	39,045,140	81,738,985	69,104,224
3	108,133,719	107,845,017	108,133,719	107,845,017	4,465,154	3,993,978
4	185,350,194	172,646,487	185,350,194	172,646,487	39,176,365	36,806,083
5	6,822,496	23,455,136	6,822,496	23,455,136	27,689,260	30,609,312
6	658,304,615	631,540,457	658,304,615	631,540,457	6,518,241	3,795,469
7	1,005,215,823	979,246,494	1,005,215,823	979,246,494	162,601,658	147,434,043
8						
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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Other Gas Revenues (Account 495)

Report below transactions of \$250,000 or more included in Account 495, Other Gas Revenues. Group all transactions below \$250,000 in one amount and provide the number of items.

Line No.	Description of Transaction (a)	Amount (in dollars) (b)
1	Commissions on Sale or Distribution of Gas of Others	
2	Compensation for Minor or Incidental Services Provided for Others	
3	Profit or Loss on Sale of Material and Supplies not Ordinarily Purchased for Resale	
4	Sales of Stream, Water, or Electricity, including Sales or Transfers to Other Departments	
5	Miscellaneous Royalties	
6	Revenues from Dehydration and Other Processing of Gas of Others except as provided for in the Instructions to Account 495	
7	Revenues for Right and/or Benefits Received from Others which are Realized Through Research, Development, and Demonstration Ventures	
8	Gains on Settlements of Imbalance Receivables and Payables	
9	Revenues from Penalties earned Pursuant to Tariff Provisions, including Penalties Associated with Cash-out Settlements	
10	Revenues from Shipper Supplied Gas	
11	Other revenues (Specify):	
12	Revenues from Peak Shaving facilities usage charge to PSEG Power	2,804,311
13	Pipeline Lease	400,221
14	Other	1,826,047
15		
16		
17		
18		
19		
20		
21		
22		
23		
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25		
26		
27		
28		
29		
30		
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34		
35		
36		
37		
38		
39		
	Total	5,030,579

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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SALES FOR RESALE (Account 447)

- Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
- Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	PJM	SF	1st Rev. Vol 6			
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
4,176,172	25,527,521	186,115,956		211,643,477	1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
0	0	0	0	0	
4,176,172	25,527,521	186,115,956	0	211,643,477	
4,176,172	25,527,521	186,115,956	0	211,643,477	

Discounted Rate Services and Negotiated Rate Services

1. In column b, report the revenues from discounted rate services.
2. In column c, report the volumes of discounted rate services.
3. In column d, report the revenues from negotiated rate services.
4. In column e, report the volumes of negotiated rate services.

Line No.	Account (a)	Discounted Rate Services	Discounted Rate Services	Negotiated Rate Services	Negotiated Rate Services
		Revenue (b)	Volumes (c)	Revenue (d)	Volumes (e)
1	Account 489.1, Revenues from transportation of gas of others through gathering facilities.				
2	Account 489.2, Revenues from transportation of gas of others through transmission facilities.	16,180	606,246	13,913	351,685
3	Account 489.4, Revenues from storing gas of others.				
4	Account 495, Other gas revenues.				
5					
6					
7					
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36					
37					
38					
39					
	Total	16,180	606,246	13,913	351,685

Name of Respondent Public Service Electric and Gas Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
Gas Operation and Maintenance Expenses				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
1	1. PRODUCTION EXPENSES			
2	A. Manufactured Gas Production			
3	Manufactured Gas Production (Submit Supplemental Statement)	(10,979,164)	(8,198,195)	
4	B. Natural Gas Production			
5	B1. Natural Gas Production and Gathering			
6	Operation			
7	750 Operation Supervision and Engineering	0	0	
8	751 Production Maps and Records	0	0	
9	752 Gas Well Expenses	0	0	
10	753 Field Lines Expenses	0	0	
11	754 Field Compressor Station Expenses	0	0	
12	755 Field Compressor Station Fuel and Power	0	0	
13	756 Field Measuring and Regulating Station Expenses	0	0	
14	757 Purification Expenses	0	0	
15	758 Gas Well Royalties	0	0	
16	759 Other Expenses	0	0	
17	760 Rents	0	0	
18	TOTAL Operation (Total of lines 7 thru 17)	0	0	
19	Maintenance			
20	761 Maintenance Supervision and Engineering	0	0	
21	762 Maintenance of Structures and Improvements	0	0	
22	763 Maintenance of Producing Gas Wells	0	0	
23	764 Maintenance of Field Lines	0	0	
24	765 Maintenance of Field Compressor Station Equipment	0	0	
25	766 Maintenance of Field Measuring and Regulating Station Equipment	0	0	
26	767 Maintenance of Purification Equipment	0	0	
27	768 Maintenance of Drilling and Cleaning Equipment	0	0	
28	769 Maintenance of Other Equipment	0	0	
29	TOTAL Maintenance (Total of lines 20 thru 28)	0	0	
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)	0	0	

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Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
59	C. Exploration and Development		
60	Operation		
61	795 Delay Rentals	0	0
62	796 Nonproductive Well Drilling	0	0
63	797 Abandoned Leases	0	0
64	798 Other Exploration	0	0
65	TOTAL Exploration and Development (Total of lines 61 thru 64)	0	0
66	D. Other Gas Supply Expenses		
67	Operation		
68	800 Natural Gas Well Head Purchases	0	0
69	800.1 Natural Gas Well Head Purchases, Intracompany Transfers	0	0
70	801 Natural Gas Field Line Purchases	0	0
71	802 Natural Gas Gasoline Plant Outlet Purchases	0	0
72	803 Natural Gas Transmission Line Purchases	0	0
73	804 Natural Gas City Gate Purchases	1,291,061,046	1,593,482,535
74	804.1 Liquefied Natural Gas Purchases	0	0
75	805 Other Gas Purchases	(2,276,211)	(914,557)
76	(Less) 805.1 Purchases Gas Cost Adjustments	0	0
77	TOTAL Purchased Gas (Total of lines 68 thru 76)	1,288,784,835	1,592,567,978
78	806 Exchange Gas	0	0
79	Purchased Gas Expenses		
80	807.1 Well Expense-Purchased Gas	0	0
81	807.2 Operation of Purchased Gas Measuring Stations	0	0
82	807.3 Maintenance of Purchased Gas Measuring Stations	0	0
83	807.4 Purchased Gas Calculations Expenses	0	0
84	807.5 Other Purchased Gas Expenses	0	0
85	TOTAL Purchased Gas Expenses (Total of lines 80 thru 84)	0	0

Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
86	808.1 Gas Withdrawn from Storage-Debit	0	0
87	(Less) 808.2 Gas Delivered to Storage-Credit	0	0
88	809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit	0	0
89	(Less) 809.2 Deliveries of Natural Gas for Processing-Credit	0	0
90	Gas used in Utility Operation-Credit		
91	810 Gas Used for Compressor Station Fuel-Credit	0	0
92	811 Gas Used for Products Extraction-Credit	0	0
93	812 Gas Used for Other Utility Operations-Credit	0	0
94	TOTAL Gas Used in Utility Operations-Credit (Total of lines 91 thru 93)	0	0
95	813 Other Gas Supply Expenses	4,312,446	4,596,231
96	TOTAL Other Gas Supply Exp. (Total of lines 77,78,85,86 thru 89,94,95)	1,293,097,281	1,597,164,209
97	TOTAL Production Expenses (Total of lines 3, 30, 58, 65, and 96)	1,282,118,117	1,588,966,014
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES		
99	A. Underground Storage Expenses		
100	Operation		
101	814 Operation Supervision and Engineering	0	0
102	815 Maps and Records	0	0
103	816 Wells Expenses	0	0
104	817 Lines Expense	0	0
105	818 Compressor Station Expenses	0	0
106	819 Compressor Station Fuel and Power	0	0
107	820 Measuring and Regulating Station Expenses	0	0
108	821 Purification Expenses	0	0
109	822 Exploration and Development	0	0
110	823 Gas Losses	0	0
111	824 Other Expenses	0	0
112	825 Storage Well Royalties	0	0
113	826 Rents	0	0
114	TOTAL Operation (Total of lines of 101 thru 113)	0	0

Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
178	3. TRANSMISSION EXPENSES		
179	Operation		
180	850 Operation Supervision and Engineering	0	0
181	851 System Control and Load Dispatching	0	0
182	852 Communication System Expenses	0	0
183	853 Compressor Station Labor and Expenses	0	0
184	854 Gas for Compressor Station Fuel	0	0
185	855 Other Fuel and Power for Compressor Stations	0	0
186	856 Mains Expenses	45,995	60,641
187	857 Measuring and Regulating Station Expenses	0	0
188	858 Transmission and Compression of Gas by Others	0	0
189	859 Other Expenses	0	0
190	860 Rents	0	0
191	TOTAL Operation (Total of lines 180 thru 190)	45,995	60,641
192	Maintenance		
193	861 Maintenance Supervision and Engineering	0	0
194	862 Maintenance of Structures and Improvements	0	0
195	863 Maintenance of Mains	1,638,941	765,179
196	864 Maintenance of Compressor Station Equipment	0	0
197	865 Maintenance of Measuring and Regulating Station Equipment	0	0
198	866 Maintenance of Communication Equipment	0	0
199	867 Maintenance of Other Equipment	0	0
200	TOTAL Maintenance (Total of lines 193 thru 199)	1,638,941	765,179
201	TOTAL Transmission Expenses (Total of lines 191 and 200)	1,684,936	825,820
202	4. DISTRIBUTION EXPENSES		
203	Operation		
204	870 Operation Supervision and Engineering	0	0
205	871 Distribution Load Dispatching	0	0
206	872 Compressor Station Labor and Expenses	0	0
207	873 Compressor Station Fuel and Power	0	0

Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
208	874 Mains and Services Expenses	14,752,359	14,208,597
209	875 Measuring and Regulating Station Expenses-General	2,051,477	1,329,087
210	876 Measuring and Regulating Station Expenses-Industrial	7,617	8,721
211	877 Measuring and Regulating Station Expenses-City Gas Check Station	211,434	302,723
212	878 Meter and House Regulator Expenses	9,725,514	9,538,282
213	879 Customer Installations Expenses	12,157,036	19,587,567
214	880 Other Expenses	14,040,938	10,548,612
215	881 Rents	0	0
216	TOTAL Operation (Total of lines 204 thru 215)	52,946,375	55,523,589
217	Maintenance		
218	885 Maintenance Supervision and Engineering	0	0
219	886 Maintenance of Structures and Improvements	5,046,001	4,046,605
220	887 Maintenance of Mains	9,012,171	7,238,982
221	888 Maintenance of Compressor Station Equipment	25,000	0
222	889 Maintenance of Measuring and Regulating Station Equipment-General	1,357,239	1,502,780
223	890 Maintenance of Meas. and Reg. Station Equipment-Industrial	32,433	26,609
224	891 Maintenance of Meas. and Reg. Station Equip-City Gate Check Station	1,202,741	1,092,129
225	892 Maintenance of Services	3,228,064	2,545,589
226	893 Maintenance of Meters and House Regulators	9,690,424	9,378,995
227	894 Maintenance of Other Equipment	522,825	528,339
228	TOTAL Maintenance (Total of lines 218 thru 227)	30,116,898	26,360,028
229	TOTAL Distribution Expenses (Total of lines 216 and 228)	83,063,273	81,883,617
230	5. CUSTOMER ACCOUNTS EXPENSES		
231	Operation		
232	901 Supervision	0	0
233	902 Meter Reading Expenses	12,749,549	12,478,336
234	903 Customer Records and Collection Expenses	55,121,237	56,753,285

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Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
235	904 Uncollectible Accounts	36,947,999	34,341,008
236	905 Miscellaneous Customer Accounts Expenses	16,137,259	1,799,376
237	TOTAL Customer Accounts Expenses (Total of lines 232 thru 236)	120,956,044	105,372,005
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
239	Operation		
240	907 Supervision	0	0
241	908 Customer Assistance Expenses	115,223,945	130,403,989
242	909 Informational and Instructional Expenses	0	0
243	910 Miscellaneous Customer Service and Informational Expenses	433,755	515,313
244	TOTAL Customer Service and Information Expenses (Total of lines 240 thru 243)	115,657,700	130,919,302
245	7. SALES EXPENSES		
246	Operation		
247	911 Supervision	0	0
248	912 Demonstrating and Selling Expenses	175,290	534,090
249	913 Advertising Expenses	0	0
250	916 Miscellaneous Sales Expenses	81,238	29,498
251	TOTAL Sales Expenses (Total of lines 247 thru 250)	256,528	563,588
252	8. ADMINISTRATIVE AND GENERAL EXPENSES		
253	Operation		
254	920 Administrative and General Salaries	4,466,351	4,445,773
255	921 Office Supplies and Expenses	703,441	2,789,699
256	(Less) 922 Administrative Expenses Transferred-Credit	0	0
257	923 Outside Services Employed	31,073,942	32,886,382
258	924 Property Insurance	142,117	140,644
259	925 Injuries and Damages	8,068,998	9,232,315
260	926 Employee Pensions and Benefits	51,708,289	67,629,316
261	927 Franchise Requirements	0	0
262	928 Regulatory Commission Expenses	4,983,049	6,050,959
263	(Less) 929 Duplicate Charges-Credit	735,694	773,280
264	930.1 General Advertising Expenses	1,328,184	1,503,787
265	930.2 Miscellaneous General Expenses	2,628,523	2,302,173
266	931 Rents	7,522,357	7,595,647
267	TOTAL Operation (Total of lines 254 thru 266)	111,889,557	133,803,415
268	Maintenance		
269	932 Maintenance of General Plant	0	0
270	TOTAL Administrative and General Expenses (Total of lines 267 and 269)	111,889,557	133,803,415
271	TOTAL Gas O&M Expenses (Total of lines 97,177,201,229,237,244,251, and 270)	1,715,937,080	2,042,679,884

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering		
5	(501) Fuel		
6	(502) Steam Expenses		
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred-Cr.		
9	(505) Electric Expenses		
10	(506) Miscellaneous Steam Power Expenses		
11	(507) Rents		
12	(509) Allowances		
13	TOTAL Operation (Enter Total of Lines 4 thru 12)		
14	Maintenance		
15	(510) Maintenance Supervision and Engineering		
16	(511) Maintenance of Structures		
17	(512) Maintenance of Boiler Plant		
18	(513) Maintenance of Electric Plant		
19	(514) Maintenance of Miscellaneous Steam Plant		
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)		
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)		
22	B. Nuclear Power Generation		
23	Operation		
24	(517) Operation Supervision and Engineering		
25	(518) Fuel		
26	(519) Coolants and Water		
27	(520) Steam Expenses		
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred-Cr.		
30	(523) Electric Expenses		
31	(524) Miscellaneous Nuclear Power Expenses		
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)		
34	Maintenance		
35	(528) Maintenance Supervision and Engineering		
36	(529) Maintenance of Structures		
37	(530) Maintenance of Reactor Plant Equipment		
38	(531) Maintenance of Electric Plant		
39	(532) Maintenance of Miscellaneous Nuclear Plant		
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)		
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)		
42	C. Hydraulic Power Generation		
43	Operation		
44	(535) Operation Supervision and Engineering		
45	(536) Water for Power		
46	(537) Hydraulic Expenses		
47	(538) Electric Expenses		
48	(539) Miscellaneous Hydraulic Power Generation Expenses		
49	(540) Rents		
50	TOTAL Operation (Enter Total of Lines 44 thru 49)		
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Maintenance Supervision and Engineering		
54	(542) Maintenance of Structures		
55	(543) Maintenance of Reservoirs, Dams, and Waterways		
56	(544) Maintenance of Electric Plant		
57	(545) Maintenance of Miscellaneous Hydraulic Plant		
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)		
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)		

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
60	D. Other Power Generation		
61	Operation		
62	(546) Operation Supervision and Engineering		
63	(547) Fuel		
64	(548) Generation Expenses		
65	(549) Miscellaneous Other Power Generation Expenses		
66	(550) Rents		
67	TOTAL Operation (Enter Total of lines 62 thru 66)		
68	Maintenance		
69	(551) Maintenance Supervision and Engineering		
70	(552) Maintenance of Structures		
71	(553) Maintenance of Generating and Electric Plant		
72	(554) Maintenance of Miscellaneous Other Power Generation Plant		
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)		
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)		
75	E. Other Power Supply Expenses		
76	(555) Purchased Power	2,674,903,012	3,072,099,071
77	(556) System Control and Load Dispatching	745,550	523,278
78	(557) Other Expenses		
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	2,675,648,562	3,072,622,349
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	2,675,648,562	3,072,622,349
81	2. TRANSMISSION EXPENSES		
82	Operation		
83	(560) Operation Supervision and Engineering	5,527	
84	(561) Load Dispatching	1,141,266	2,094,730
85	(561.1) Load Dispatch-Reliability	3,418,301	3,074,759
86	(561.2) Load Dispatch-Monitor and Operate Transmission System	1,368,809	1,791,892
87	(561.3) Load Dispatch-Transmission Service and Scheduling		
88	(561.4) Scheduling, System Control and Dispatch Services		25,900
89	(561.5) Reliability, Planning and Standards Development	2,529,707	208,848
90	(561.6) Transmission Service Studies		3,689
91	(561.7) Generation Interconnection Studies	26,359	32,103
92	(561.8) Reliability, Planning and Standards Development Services		
93	(562) Station Expenses	538	672
94	(563) Overhead Lines Expenses	495,211	701,147
95	(564) Underground Lines Expenses	791,549	767,366
96	(565) Transmission of Electricity by Others		
97	(566) Miscellaneous Transmission Expenses	14,786,374	10,403,017
98	(567) Rents	2,097,701	2,030,663
99	TOTAL Operation (Enter Total of lines 83 thru 98)	26,661,342	21,134,786
100	Maintenance		
101	(568) Maintenance Supervision and Engineering		
102	(569) Maintenance of Structures	580,531	29,628
103	(569.1) Maintenance of Computer Hardware	2,082,270	3,097,413
104	(569.2) Maintenance of Computer Software	292,930	309,532
105	(569.3) Maintenance of Communication Equipment		
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant		
107	(570) Maintenance of Station Equipment	8,767,969	11,560,183
108	(571) Maintenance of Overhead Lines	15,021,018	13,564,889
109	(572) Maintenance of Underground Lines	1,975,383	1,897,423
110	(573) Maintenance of Miscellaneous Transmission Plant	577,168	1,170,354
111	TOTAL Maintenance (Total of lines 101 thru 110)	29,297,269	31,629,422
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	55,958,611	52,764,208

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
113	3. REGIONAL MARKET EXPENSES		
114	Operation		
115	(575.1) Operation Supervision		
116	(575.2) Day-Ahead and Real-Time Market Facilitation		
117	(575.3) Transmission Rights Market Facilitation		
118	(575.4) Capacity Market Facilitation		
119	(575.5) Ancillary Services Market Facilitation		
120	(575.6) Market Monitoring and Compliance		
121	(575.7) Market Facilitation, Monitoring and Compliance Services		
122	(575.8) Rents		
123	Total Operation (Lines 115 thru 122)		
124	Maintenance		
125	(576.1) Maintenance of Structures and Improvements		
126	(576.2) Maintenance of Computer Hardware		
127	(576.3) Maintenance of Computer Software		
128	(576.4) Maintenance of Communication Equipment		
129	(576.5) Maintenance of Miscellaneous Market Operation Plant		
130	Total Maintenance (Lines 125 thru 129)		
131	TOTAL Regional Transmission and Market Op Expns (Total 123 and 130)		
132	4. DISTRIBUTION EXPENSES		
133	Operation		
134	(580) Operation Supervision and Engineering		-1,275
135	(581) Load Dispatching		
136	(582) Station Expenses	137,842	-53,782
137	(583) Overhead Line Expenses	1,240,663	1,595,047
138	(584) Underground Line Expenses	6,659,354	7,420,426
139	(585) Street Lighting and Signal System Expenses		
140	(586) Meter Expenses	8,459,157	6,911,475
141	(587) Customer Installations Expenses	1,963,077	4,730,249
142	(588) Miscellaneous Expenses	32,895,861	33,115,449
143	(589) Rents	1,194,820	1,174,731
144	TOTAL Operation (Enter Total of lines 134 thru 143)	52,550,774	54,892,320
145	Maintenance		
146	(590) Maintenance Supervision and Engineering		
147	(591) Maintenance of Structures	12,399,962	10,689,141
148	(592) Maintenance of Station Equipment	13,237,299	11,494,375
149	(593) Maintenance of Overhead Lines	40,284,019	37,913,748
150	(594) Maintenance of Underground Lines	15,919,743	15,963,218
151	(595) Maintenance of Line Transformers	3,635,588	4,813,872
152	(596) Maintenance of Street Lighting and Signal Systems	7,986,559	8,469,170
153	(597) Maintenance of Meters	563,036	452,855
154	(598) Maintenance of Miscellaneous Distribution Plant	1,538,208	2,335,865
155	TOTAL Maintenance (Total of lines 146 thru 154)	95,564,414	92,132,244
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	148,115,188	147,024,564
157	5. CUSTOMER ACCOUNTS EXPENSES		
158	Operation		
159	(901) Supervision		
160	(902) Meter Reading Expenses	16,497,235	17,100,273
161	(903) Customer Records and Collection Expenses	68,250,315	68,135,796
162	(904) Uncollectible Accounts	71,694,807	48,283,946
163	(905) Miscellaneous Customer Accounts Expenses	85,066,762	107,541,888
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	241,509,119	241,061,903

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
166	Operation		
167	(907) Supervision		
168	(908) Customer Assistance Expenses	144,713,124	163,280,751
169	(909) Informational and Instructional Expenses		
170	(910) Miscellaneous Customer Service and Informational Expenses	590,058	675,929
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	145,303,182	163,956,680
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision		
175	(912) Demonstrating and Selling Expenses	1,074,670	1,976,792
176	(913) Advertising Expenses		
177	(916) Miscellaneous Sales Expenses		
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)	1,074,670	1,976,792
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	8,555,193	6,648,555
182	(921) Office Supplies and Expenses	1,990,657	2,136,032
183	(Less) (922) Administrative Expenses Transferred-Credit		
184	(923) Outside Services Employed	52,840,554	54,255,442
185	(924) Property Insurance	1,175,109	1,202,721
186	(925) Injuries and Damages	12,167,012	11,276,724
187	(926) Employee Pensions and Benefits	74,068,755	99,708,453
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	10,260,272	11,017,668
190	(929) (Less) Duplicate Charges-Cr.	3,300,528	3,321,554
191	(930.1) General Advertising Expenses	2,189,924	2,311,162
192	(930.2) Miscellaneous General Expenses	3,152,771	4,887,841
193	(931) Rents	10,219,209	11,573,840
194	TOTAL Operation (Enter Total of lines 181 thru 193)	173,318,928	201,696,884
195	Maintenance		
196	(935) Maintenance of General Plant		
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	173,318,928	201,696,884
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	3,440,928,260	3,881,103,380

Name of Respondent Public Service Electric & Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year of Report 2011
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NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES

1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.
2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.
3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.

1. Payroll Period Ended (Date)	12/31/2011
2. Total Regular Full – Time Employees	3,590
3. Total Part – Time and Temporary Employees	61
4. Total Employees	3,651

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	PSEG Energy Resources & Trade LLC	RQ	Orig Vol 1			
2	Bristol Meyers Squibb	OS	Orig Vol 1			
3	Cedar Brakes I	OS	Orig Vol 1			
4	Cedar Brakes II	OS	Orig Vol 1			
5	CCERA					
6	Cinnamon Bay					
7	College of NJ	OS	Orig Vol 1			
8	Utility Contract Funding	OS	Orig Vol 1			
9	E.F. Kenilworth	OS	Orig Vol 1			
10	Great Falls	LU	Orig Vol 1			
11	Kinsley Landfill	OS	Orig Vol 1			
12	Montclair State University					
13	NJR - 255 Blair Road					
14	NJR - 1250 South River Road (Solar)					
	Total					

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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PURCHASED POWER (Account 555) (Continued)
(including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
9,084,010				921,593,388		921,593,388	1
39				1,179		1,179	2
868,048				75,855,120		75,855,120	3
1,162,304				114,839,346		114,839,346	4
91,207				4,313,774		4,313,774	5
				30,296		30,296	6
683				27,676		27,676	7
1,666,000				178,955,048		178,955,048	8
23,962				1,078,393		1,078,393	9
24,408				1,279,104		1,279,104	10
6,760				337,558		337,558	11
740				22,240		22,240	12
772				53,955		53,955	13
187				8,503		8,503	14
28,120,274				2,614,906,381		2,614,906,381	

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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**PURCHASED POWER (Account 555)
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	NJR - 64 Brunswick Ave - 95114					
2	NJR - 160 Raritan Center - 95115	OS	Orig Vol 1			
3	NJR - 160 Raritan Center - 95116					
4	NRG Thermal LLC					
5	Princeton University	OS	Orig Vol 1			
6	Rutgers Ecomplex	LU	Orig Vol 1			
7	Schering-Union	OS	Orig Vol 1			
8	STC Woodbridge Solar					
9	University of Medicine and Dentistry					
10	Wheelabrator Falls	LU	Orig Vol 1			
11	Conoco Phillips					
12	Consolidated Edison Energy, Inc.	RQ	Orig Vol 1			
13	Constellation Power Source, Inc.	RQ	Tariff 11			
14	Dominion Retail, Inc.	RQ	Sch. No. 1			
	Total					

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
145				5,332		5,332	1
40				1,550		1,550	2
77				2,955		2,955	3
10							4
1,692				24,005		24,005	5
162				8,558		8,558	6
735				31,360		31,360	7
132				4,750		4,750	8
51				2,454		2,454	9
328,017				21,994,175		21,994,175	10
248,406				21,445,580		21,445,580	11
852,800				70,951,744		70,951,744	12
3,156,526				318,247,980		318,247,980	13
20,941				1,652,802		1,652,802	14
28,120,274				2,614,906,381		2,614,906,381	

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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**PURCHASED POWER (Account 555)
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	DTE Energy Trading, Inc.	RQ	Sch. No. 1			
2	Exelon Generation Co.	RQ	Sch. No. 1			
3	Hess Corp.	RQ	Sch. No. 1			
4	JP Morgan	RQ	Sch. No. 1			
5	NextEra Energy Power Marketing, Inc.	RQ	Sch. No. 1			
6	NRG New Jersey	RQ	Sch. No. 1			
7	Sempra Energy Trading Corp.	RQ	Sch. No. 1			
8	TransCanada Power Marketing Ltd.					
9	NTS BGS Adjustment					
10						
11						
12						
13						
14						
	Total					

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
2,053,159				191,697,251		191,697,251	1
963,117				100,711,618		100,711,618	2
534,355				54,466,194		54,466,194	3
2,936,658				300,485,708		300,485,708	4
3,339,909				346,218,308		346,218,308	5
428,763				41,467,846		41,467,846	6
2,287				236,619		236,619	7
323,172				30,872,510		30,872,510	8
				-184,018,498		-184,018,498	9
							10
							11
							12
							13
							14
28,120,274				2,614,906,381		2,614,906,381	

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 326 Line No.: 1 Column: a

PSEG Energy Resource & Trade, LLC is an affiliate of PSEG.

Schedule Page: 326 Line No.: 1 Column: m

Total Purchased Power differs from FERC account 555 by (\$59,996,631) due to:
 Deferred NUG & BGS Power Expense (\$57,185,833)
 BGS Retail Margin (\$2,810,798)

Schedule Page: 326.2 Line No.: 9 Column: m

The credit adjustment is for Network Transmission Service - charges built into the overall BGS rate; the offset is FERC account 456.

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	Jersey Central Power & Light Co.	Gloucester County Res Rec Facility	Jersey Central Power & Light Co.	
2	Jersey Central Power & Light Co.	Camden County Res Rec Facility	Jersey Central Power & Light Co.	
3	PJM Network Transmission Service			
4	PJM Firm PTP Transmission Service			
5				
6				
7				
8				
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11				
12				
13				
14				
15				
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29				
30				
31				
32				
33				
34				
	TOTAL			

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
89	Gloucester Switch	230kv@JCPL/PSEG li		90,583	90,583	1
81	Woodlynne Sub	230kv@JCPL/PSEG li		52,757	52,757	2
		PJM Network				3
		Various				4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
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						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
			0	143,340	143,340	

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	269,547		269,547	1
	161,490		161,490	2
112,215,271			112,215,271	3
		4,986,235	4,986,235	4
				5
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112,215,271	431,037	4,986,235	117,632,543	

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 328 Line No.: 3 Column: k
Network Transmission Service for Third Party Suppliers

Name of Respondent Public Service Electric & Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/12	Year of Report 2011
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SUMMARY OF GAS ACCOUNT

1. Report below the specified information called for on the schedule.

Line No.	Item (a)	Therms	
		(b)	(c)
1	Gas on hand, produced and purchased:		
2	On hand at beginning of year		
3	Local Storage		
4	Underground Storage (inventory)		
5	TOTAL on hand at beginning of year		-
6	Production (gross)		
7	Liquefied Petroleum Gas		
8	Synthetic Natural Gas		
9	Other		
10	TOTAL Production		-
11	Purchases:		
12	Natural Gas	1,921,246,590	
13	Refinery Gas		
14			
15			
16			
17	TOTAL Purchases (Page G327)	1,921,246,590	
18	Less:		
19	Pipeline Retentions		
20	Utility Operations		
21	Weighted Avg. Factor		
22			
23	TOTAL Purchases (net)		1,921,246,590
24	TOTAL Gas Available for Distribution		1,921,246,590
25			
26	Disposition of Total Gas Available for Distribution:		
27	Sales (Page G301)	1,901,549,760	
28	Gas Used by Respondent	813,403	
29	Gas Unaccounted For	18,883,427	
30	TOTAL Gas Disposition (page G523)		1,921,246,590
31			
32	On hand at end of year:		
33	Local Storage		
34	Underground Storage (inventory)		
35	TOTAL Gas on hand at end of year		-
36	TOTAL Gas Disposition and on hand at end of year		1,921,246,590

NOTES:

Line 17 Total purchases from page G327 has been converted from Mcf to Therms.
Line 27 Sales (Page G301) excludes transportation sales
Line 30 Total gas disposition from page G523 includes transportation

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Other Gas Supply Expenses (Account 813)

1. Report other gas supply expenses by descriptive titles that clearly indicate the nature of such expenses. Show maintenance expenses, revaluation of monthly encroachments recorded in Account 117.4, and losses on settlements of imbalances and gas losses not associated with storage separately. Indicate the functional classification and purpose of property to which any expenses relate. List separately items of \$250,000 or more.

Line No.	Description (a)	Amount (in dollars) (b)
1	GAS SYSTEM OPERATIONS CENTER	4,312,446
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3		
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22		
23		
24		
25	Total	4,312,446

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)

Line No.	Description (a)	Amount (b)
1	Industry Association Dues	494,844
2	Nuclear Power Research Expenses	
3	Other Experimental and General Research Expenses	
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000	12,819
6	Service Company Residual	117,203
7	Incentive Payment Awards	90,983
8	Intercompany Interest Expense-Service Company	8,259
9	Labor	572,391
10	Materials	8,928
11	Miscellaneous Business Expense	1,311,825
12	Other <\$5,000	14,345
13	Outside Services	103,163
14	Service Company Depreciation	14,175
15	Research and Development Expenses	356,371
16	Telephone Tariff	1,422
17	Travel Expense	28,867
18	Utilities Services	17,176
19		
20		
21		
22		
23		
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45		
46	TOTAL	3,152,771

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Miscellaneous General Expenses (Account 930.2)

1. Provide the information requested below on miscellaneous general expenses.
 2. For Other Expenses, show the (a) purpose, (b) recipient and (c) amount of such items. List separately amounts of \$250,000 or more however, amounts less than \$250,000 may be grouped if the number of items of so grouped is shown.

Line No.	Description (a)	Amount (in dollars) (b)
1	Industry association dues.	1,034,334
2	Experimental and general research expenses.	
	a. Gas Research Institute (GRI)	
	b. Other	356,371
3	Publishing and distributing information and reports to stockholders, trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the respondent	
4	Other expenses	170,806
5	Incentive & Payment Awards	159,221
6	Labor Base Wages	1,081,685
7	Materials	9,875
8	Membership Fees	
9	Miscellaneous Business Expenses	2,579,928
10	Outside Services	203,638
11	Service Co. Residual	185,436
12	Electric Research and Development Expenses	
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25	Total	5,781,294

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
(Except amortization of acquisition adjustments)

- Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).
- Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.
- Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.
In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.
For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
- If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			5,050,373		5,050,373
2	Steam Production Plant					
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	14,997,164				14,997,164
7	Transmission Plant	51,905,930				51,905,930
8	Distribution Plant	156,678,801				156,678,801
9	Regional Transmission and Market Operation					
10	General Plant	12,257,252		104,096		12,361,348
11	Common Plant-Electric	3,088,191		406,692		3,494,883
12	TOTAL	238,927,338		5,561,161		244,488,499

B. Basis for Amortization Charges

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23	E350.3-E359 (Trans)	2,357,040	42.00		2.40		28.78
24	E346 (Solar)	344,725					
25	E360.3-E373 (Distr)	6,342,557	40.00		2.49		28.19
26	E371 (Demand Response)	15,337	10.00		10.00		9.18
27							
28	Subtotal (350-373)	9,059,659					
29							
30	389-399 (General)	246,630					
31	303-Intangible	64,813					
32	Subtotal(303,389-399)	311,443					
33							
34	Total	9,371,102					
35							
36							
37							
38							
39							
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41							
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43							
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Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 336 Line No.: 12 Column: b
Electric

	Page 219	Page 336	Variance
Depreciation Expense	242,837,175	238,927,338	3,909,837
Less: capitalized Depr	(6,998,028)		(6,998,028)
Add: Depr Common Plant	3,088,191		3,088,191
	<u>238,927,338</u>	<u>238,927,338</u>	<u>-</u>

Schedule Page: 336 Line No.: 24 Column: c

Asset Class	Description	Amount	Est. Ser. Life	App. Dep Rates
E346	SolarPanels	305,697,237	20	5%
E346	Other Panels	27,574,338	15	6.67%
E346	Inventors & Comm			
E346	Equipmt	11,453,720	5	20%
	<u>Total</u>	<u>344,725,295</u>		

Schedule Page: 336 Line No.: 32 Column: c

Class	Description	TOTAL	Dep rates %
303	INTANGIBLE PLANT	64,813,171	Various
390	STRUCTURES AND IMPROVEMENTS	25,485,818	1.40
390.11	LEASEHOLD - IMPROVEMENTS	3,003,787	Various
390.3	IMPROVEMENTS OTHER THAN PARK PLAZA	1,146,644	1.40
391.1	OFFICE FURNITURE	18,907,819	5.00
391.2	OFFICE EQUIPMENT	558,839	25.00
391.3	OFFICE COMPUTER EQUIPMENT	15,450,930	14.29
391.33	OFFICE PERSONAL COMPUTERS	4,469,165	33.33
392.11	Transportation Equipment 13K lb and below	18,592,379	Various
392.2	Transportation Equipment over 13K lb	89,223,146	Various
392.3	HELICOPTERS	1,360,174	3.57
393	STORES EQUIPMENT	607,884	14.29
394	TOOLS, SHOP AND GARAGE EQUIPMENT	18,299,091	14.29
395	LABORATORY EQUIP	2,151,616	20.00
396	Power Operated Equipment	8,848,142	Various
397	COMMUNICATION EQUIPMENT	36,466,133	10.00
398	MISCELLANEOUS EQUIPMENT	2,058,031	14.29
		<u>311,442,770</u>	

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments)

- Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.
- Report in Section B, column (b) all depreciable or amortizable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate in a footnote the manner in which column (b) balances are

Section A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (d)	Amortization of Underground Storage Land and Land Rights (Account 404.2) (e)
1	Intangible plant				
2	Production plant, manufactured gas	1,411,580			
3	Production and gathering plant, natural gas				
4	Products extraction plant				
5	Underground gas storage plant				
6	Other storage plant	6,457			
7	Base load LNG terminaling and processing plant				
8	Transmission plant	2,026,305			
9	Distribution plant	87,257,340			
10	General plant	8,032,284			
11	Common plant-gas	2,135,375			
12	TOTAL	100,869,341			

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments) (continued)

obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show in a footnote any revisions made to estimated gas reserves.

3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in a footnote the amounts and nature of the provisions and the plant items to which related.

Section A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Amortization of Other Limited-term Gas Plant (Account 404.3) (f)	Amortization of Other Gas Plant (Account 405) (g)	Total (b to g) (h)	Functional Classification (a)
1	3,803,885		3,803,885	Intangible plant
2			1,411,580	Production plant, manufactured gas
3				Production and gathering plant, natural gas
4				Products extraction plant
5				Underground gas storage plant
6			6,457	Other storage plant
7				Base load LNG terminaling and processing plant
8			2,026,305	Transmission plant
9			87,257,340	Distribution plant
10			8,032,284	General plant
11	304,429		2,439,804	Common plant-gas
12	4,108,314		104,977,655	TOTAL

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments) (continued)

4. Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.01, 2.02, 3.01, 3.02, etc.

Section B. Factors Used in Estimating Depreciation Charges

Line No.	Functional Classification (a)	Plant Bases (in thousands) (b)	Applied Depreciation or Amortization Rates (percent) (c)
1	Production and Gathering Plant		
2	Offshore (footnote details)		
3	Onshore (footnote details)	50,184	2.87
4	Underground Gas Storage Plant (footnote details)		
5	Transmission Plant		
6	Offshore (footnote details)		
7	Onshore (footnote details)	85,781	0.00
8	General Plant (footnote details)	183,711	
9	Other Storage Plant	10,561	2.92
10	Distribution Plant	4,806,083	1.64
11			
12			
13			
14			
15			

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 336 Line No.: 8 Column: b

Class	Description	TOTAL	Dep rates %
303	INTANGIBLE PLANT	51,844,632.04	6.67
390	STRUCTURES AND IMPROVEMENTS	19,654,571.16	1.40
390.11	LEASEHOLD - IMPROVEMENTS	1,660,655.40	Various
390.3	IMPROVEMENTS OTHER THAN PARK PLAZA	900,871.14	1.40
391.1	OFFICE FURNITURE	10,199,750.63	5.00
391.2	OFFICE EQUIPMENT	377,541.14	25.00
391.3	OFFICE COMPUTER EQUIPMENT	9,288,978.81	14.29
391.33	OFFICE PERSONAL COMPUTERS	7,124,288.74	33.33
392.11	Transportation Equipment 13K lb and below	22,963,435.18	Various
392.2	Transportation Equipment over 13K lb	13,628,414.37	Various
393	STORES EQUIPMENT	37,124.69	14.29
394	TOOLS, SHOP AND GARAGE EQUIPMENT	11,431,056.35	14.29
395	LABORATORY EQUIP	100,906.53	20.00
396	Power Operated Equipment	13,894,566.12	Various
397	COMMUNICATION EQUIPMENT	20,209,427.29	10.00
398	MISCELLANEOUS EQUIPMENT	394,540.78	14.29
TOTAL		183,710,760.37	

Schedule Page: 336 Line No.: 7 Column: c

The depreciation rates for Gas Transmission plant, effective 11/9//2006 by order of the NJ BPU are:
Structures & Improvement -2.28%
Mains -2.16%

Schedule Page: 336 Line No.: 12 Column: b

Gas	Page 219	Page 336	Variance
Depreciation Expense	103,171,827	100,869,341	2,302,486
Less: capitalized Depr	(4,437,861)		(4,437,861)
Add: Depr Common Plant	2,135,375		2,135,375
	<u>100,869,341</u>	<u>100,869,341</u>	<u>0</u>

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Particulars Concerning Certain Income Deductions and Interest Charges Accounts

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts.

- (a) Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.
- (b) Miscellaneous Income Deductions-Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than \$250,000 may be grouped by classes within the above accounts.
- (c) Interest on Debt to Associated Companies (Account 430)-For each associated company that incurred interest on debt during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.
- (d) Other Interest Expense (Account 431) - Report details including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	COLI	9,940,590
2	Interest Expense Other	284,765
3	Interest Expense on Clauses	(324,088)
4	Short Term Debt	278,553
5	Credit Facility Fees	1,677,011
6	Letter of Credit Fees	
7	Total Account 431, Other Interest Expense	11,856,831
8		
9	Account 426.1, Donations	2,629,011
10		
11	Account 426.3, Penalties	479,064
12		
13	Account 426.4, Expenditures for Certain Civic, Political and Related Activities	4,332,090
14		
15	Account 426.5, Other Deductions	2,843,947
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Name of Respondent Public Service Electric & Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Day, Yr) 03/30/2012	Year of Report 2011

NUMBER OF GAS DEPARTMENT EMPLOYEES

1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.
2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.
3. The number of employees assignable to the gas department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the gas department from joint functions.

1. Payroll Period Ended (Date)	12/31/2011
2. Total Regular Full – Time Employees	2,495
3. Total Part – Time and Temporary Employees	43
4. Total Employees	2,538

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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
 2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	NJ Board of Public Utilities				
2	Annual Assessment of Public Law Chapter 173	9,232,601		9,232,601	
3	BPU Management Audit		153,655	153,655	
4					
5					
6	FERC				
7	Various FERC Transmission Matters		874,016	874,016	
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42					
43					
44					
45					
46	TOTAL	9,232,601	1,027,671	10,260,272	

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR				Line No.
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	
Department (f)	Account No. (g)	Amount (h)					
							1
	928	9,232,601					2
	928	153,655					3
							4
							5
							6
	928	874,016					7
							8
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		10,260,272					46

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Regulatory Commission Expenses (Account 928)

1. Report below details of regulatory commission expenses incurred during the current year (or in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.
 2. In column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.

Line No.	Description (Furnish name of regulatory commission or body, the docket number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	NJ Board of Public Utilities				
2	Annual Assessment of Public Law Chapter 173	4,863,716		4,863,716	
3	BPU Management Audit		119,333	119,333	
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23					
24					
25	Total	4,863,716	119,333	4,983,049	

Regulatory Commission Expenses (Account 928)

3. Show in column (k) any expenses incurred in prior years that are being amortized. List in column (a) the period of amortization.
4. Identify separately all annual charge adjustments (ACA).
5. List in column (f), (g), and (h) expenses incurred during year which were charges currently to income, plant, or other accounts.
6. Minor items (less than \$250,000) may be grouped.

Line No.	Expenses Incurred During Year Charged Currently To Department (f)	Expenses Incurred During Year Charged Currently To Account No. (g)	Expenses Incurred During Year Charged Currently To Amount (h)	Expenses Incurred During Year Deferred to Account 182.3 (i)	Amortized During Year Contra Account (j)	Amortized During Year Amount (k)	Deferred in Account 182.3 End of Year (l)
1							
2	PSE&G	928	4,863,716				
3	PSE&G	928	119,333				
4							
5							
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23							
24							
25			4,983,049				

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).
2. Indicate in column (a) the applicable classification, as shown below:

Classifications:

A. Electric R, D & D Performed Internally:

- a. Overhead
- b. Underground

(1) Generation

- a. hydroelectric
 - i. Recreation fish and wildlife
 - ii Other hydroelectric
- b. Fossil-fuel steam
- c. Internal combustion or gas turbine
- d. Nuclear
- e. Unconventional generation
- f. Siting and heat rejection

(3) Distribution

- (4) Regional Transmission and Market Operation
- (5) Environment (other than equipment)
- (6) Other (Classify and include items in excess of \$50,000.)
- (7) Total Cost Incurred

B. Electric, R, D & D Performed Externally:

- (1) Research Support to the electrical Research Council or the Electric Power Research Institute

(2) Transmission

Line No.	Classification (a)	Description (b)
1	Distribution O&M	EPRI - Electric Distribution
2	Distribution O&M	EPRI - Tailor Collaboration Project
3	Distribution O&M	CEATI International
4	Distribution O&M	Investigate Emerging Technologies
5	Distribution O&M	Managing Technology Transfers
6	Distribution O&M	Industrial Research Management
7		
8	Transmission O&M	EPRI - Tailor Collaboration Project
9	Transmission O&M	Investigate Emerging Technologies
10	Transmission O&M	Managing Technology Transfers
11	Transmission O&M	Industrial Research Management
12		
13	Total	
14		
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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

- (2) Research Support to Edison Electric Institute
 - (3) Research Support to Nuclear Power Groups
 - (4) Research Support to Others (Classify)
 - (5) Total Cost Incurred
3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$50,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.
4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)
5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.
6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."
7. Report separately research and related testing facilities operated by the respondent.

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
	128,005	930.2	128,005		1
	53,665	930.2	53,665		2
	8,200	930.2	8,200		3
	2,000	930.2	2,000		4
742		930.2	742		5
109,684		930.2	109,684		6
					7
	50,000	930.2	50,000		8
371		930.2	371		9
2,776		930.2	2,776		10
928		930.2	928		11
					12
114,501	241,870		356,371		13
					14
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Name of Respondent Public Service Electric & Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Day, Yr) 03/30/2012	Year of Report 2011
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RESEARCH DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R,D&D) project initiated, continued, or concluded during the year. Report also support given to others during the year for jointly sponsored projects. (Identify recipient regardless of affiliation.) For any R,D&D work carried on by the respondent in which there is a sharing of costs with others, show separately the respondent's cost for the year and cost chargeable to others. (See definition of research, development, and demonstration in Uniform System of Accounts.)

- (2) Compressor Station
 - a. Design
 - b. Efficiency
- (3) System Planning, Engineering and Operation
- (4) Transmission Control and Dispatching
- (5) LNG Storage and Transportation
- (6) Underground Storage
- (7) Other Storage
- (8) New Appliances and New Uses
- (9) Gas Exploration, Drilling, Production and Recovery
- (10) Coal Gasification
- (11) Synthetic Gas
- (12) Environmental Research
- (13) Other (Classify and Include items in Excess of \$5,000)
- (14) Total Cost Incurred

2. Indicate in column (a) the applicable classification, as shown below.

Classification:

A. Gas R,D&D Performed Internally

- (1) Pipeline
 - a. Design
 - b. Efficiency

Line No.	Classification (a)	Description (b)
1	Gas Pipeline	
2	Gas Pipeline	Internal R&D expenditures
3		
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Name of Respondent Public Service Electric & Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year of Report 2011
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RESEARCH DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Cont'd)

- B. Gas R,D&D Performed Externally
- (1) Research Support to American Gas Association
 - (2) Research Support to Other (Classify)
 - (3) Total Cost Incurred
3. Include in column (c) all R,D&D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R,D&D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.) Group items under \$5,000 by classifications and indicate the number of items grouped. Under other, (A.(13) and B (2)) classify items by type of R,D&D activity.
4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year,
5. listing account 107, (Construction Work in Progress), first. Show in column (f) the amounts related to the account charged in column(e)
5. Show in column (g) the total unamortized accumulation of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.
6. If costs have not been segregated for R,D&D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."
7. Report separately research and related testing facilities operated by the respondent.

Line No.	Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)
			Account (e)	Amount (f)	
1			930.2		
2	\$2,671	\$125,364	930.2	\$128,035	
3					
4					
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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Employee Pensions and Benefits (Account 926)

1. Report below the items contained in Account 926, Employee Pensions and Benefits.

Line No.	Expense (a)	Amount (b)
1	Pensions – defined benefit plans	16,999,902
2	Pensions – other	
3	Post-retirement benefits other than pensions (PBOP)	70,216,086
4	Post- employment benefit plans	
5	Other (Specify)	
6	Contributions to Employee Savings Plan	7,718,000
7	Medical & Dental Benefits	34,401,555
8	Fringe Benefits	435,132
9	Employee Support Costs	1,265,217
10	Long Term Disability	220,564
11	Life Insurance and Death Benefits	(16,260,019)
12	Workers Compensation	3,943,631
13	Stock Based Compensation	3,023,697
14	All Other	3,813,279
15		
16		
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	Total	125,777,044

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Distribution	20,023,153		
49	Administrative and General			
50	TOTAL Maint. (Enter Total of lines 43 thru 49)	20,761,854		
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)	783,684		
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)	3,195,165		
55	Storage, LNG Terminating and Processing (Total of lines 31 thru	203,353		
56	Transmission (Lines 35 and 47)	590,584		
57	Distribution (Lines 36 and 48)	113,838,573		
58	Customer Accounts (Line 37)	44,434,252		
59	Customer Service and Informational (Line 38)	1,849,642		
60	Sales (Line 39)	135,368		
61	Administrative and General (Lines 40 and 49)	4,341,620		
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)	169,372,241		169,372,241
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	337,305,669		337,305,669
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	163,831,524		163,831,524
69	Gas Plant	69,665,599		69,665,599
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	233,497,123		233,497,123
72	Plant Removal (By Utility Departments)			
73	Electric Plant	18,345,674		18,345,674
74	Gas Plant	6,289,379		6,289,379
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	24,635,053		24,635,053
77	Other Accounts (Specify, provide details in footnote):			
78	Electric Expenses for civic, political and related activities	-5,885		-5,885
79	Gas Expenses for civic, political and related activities	195		195
80	Electric work done at expense of others	12,782,886		12,782,886
81	Gas work done at expense of others	2,663,459		2,663,459
82	DSM/other Deferred	8,708,537		8,708,537
83	Co Owner	183,948		183,948
84	Work for affiliates	1,984,549		1,984,549
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	26,317,689		26,317,689
96	TOTAL SALARIES AND WAGES	621,755,534		621,755,534

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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COMMON UTILITY PLANT AND EXPENSES

1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

COMMON UTILITY PLANT AND ACCUMULATED PROVISIONS
FOR DEPRECIATION
ALLOCATED TO UTILITY OPERATIONS-2011

COMMON UTILITY PLANT
PLANT IN SERVICE (ACCT.101)

	ELECTRIC	GAS	TOTAL
C303 INTANGIBLE PLANT	63,365,661	51,844,632	115,210,293
C389 LAND & LAND RIGHTS	7,348	6,012	13,360
C390 STRUCTURE & IMPROVEMENTS	14,731,806	11,818,412	26,550,219
C391 OFFICE FURNITURE & EQUIPMENT	20,873,687	16,860,502	37,734,189
C392 TRANSPORT EQUIPMENT	1,834,975	1,536,108	3,371,083
C393 STORES EQUIPMENT	0	0	0
C394 TOOLS, SHOP AND GARAGE EQUIPT	241,399	197,508	438,907
C395 LABORATORY EQUIPMENT	0	0	0
C396 POWER OPERATED EQUIPMENT	332,146	271,755	603,901
C397 COMMUNICATION EQUIPMENT	5,967,589	1,084,842	7,052,432
C398 MISCELLANEOUS EQUIPMENT	65,791	39,138	104,929

TOTAL PLANT IN SERVICE (ACCT.101) 107,420,403 83,658,909 191,079,312

CONSTRUCTION WORK IN PROGRESS (ACCT.107) 5,592,502 4,575,683 10,168,185

GRAND TOTAL 113,012,905 88,234,592 201,247,497

ACCUMULATED PROVISIONS OF COMMON	ELECTRIC	GAS	TOTAL
UTILITY PLANT (ACCT. 108 &111)	35,215,509	26,339,133	61,554,642

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Charges for Outside Professional and Other Consultative Services

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$250,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities.

(a) Name of person or organization rendering services.

(b) Total charges for the year.

2. Sum under a description "Other", all of the aforementioned services amounting to \$250,000 or less.

3. Total under a description "Total", the total of all of the aforementioned services.

4. Charges for outside professional and other consultative services provided by associated (affiliated) companies should be excluded from this schedule and be reported on Page 358, according to the instructions for that schedule.

Line No.	Description (a)	Amount (in dollars) (b)
1	CPA FEES AND EXPENSES	
2	DELOITTE	501,432
3		
4	LEGAL FEES AND EXPENSES (various projects)	
5	MEYNER & LANDIS	340,974
6		
7	MISCELLANEOUS	
8	GRAFICA	512,284
9	SCHNEIDER ELECTRIC BUILDINGS AMERICA	580,906
10		
11	All Other Vendors <\$250K	3,205,619
12		
13	SERVICE COMPANY AND MISCELLANEOUS ADJUSTMENTS	78,773,280
14		
15	GRAND TOTAL (923)	83,914,495
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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS

1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.

Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)	368,252	555,365	518,344	(51,296)
3	Net Sales (Account 447)	34,892,605	45,927,139	51,134,909	38,761,243
4	Transmission Rights				
5	Ancillary Services	987,663	1,740,619	1,234,531	942,333
6	Other Items (list separately)				
7	Transmission Congestion	2,860,487	3,029,824	3,039,025	659,216
8	Transmission Losses	1,724,344	1,613,100	1,910,744	694,217
9	Ramapo PAR Facilities	(92,116)	(89,596)	(146,544)	(96,179)
10	Emergency Load Response Program			63,816	
11	Real-time Economic Load Response Program			(219)	(597)
12	Network Integration Transmission Service	73,082,585	73,894,614	74,706,643	74,706,642
13	Firm Point to Point Transmission Service	1,481,337	1,278,652	1,195,395	1,032,519
14	Seams Elimination Cost Assignment	(297,145)			
15	Other Supporting Facilities Credits	19,215	30,244	35,747	18,585
16	Interruptible Load for Reliability	1,032,240	918,268	670,493	670,493
17	PJM Customer Payment Defaults				
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46	TOTAL	116,059,467	128,898,229	134,362,884	117,337,176

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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PURCHASES AND SALES OF ANCILLARY SERVICES

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.

In columns for usage, report usage-related billing determinant and the unit of measure.

(1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.

(2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.

(3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.

(4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.

(5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.

(6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

Line No.	Type of Ancillary Service (a)	Amount Purchased for the Year			Amount Sold for the Year		
		Usage - Related Billing Determinant			Usage - Related Billing Determinant		
		Number of Units (b)	Unit of Measure (c)	Dollars (d)	Number of Units (e)	Unit of Measure (f)	Dollars (g)
1	Scheduling, System Control and Dispatch	4,055,587		13,506	45,307,247		4,765,474
2	Reactive Supply and Voltage						
3	Regulation and Frequency Response						
4	Energy Imbalance						
5	Operating Reserve - Spinning						
6	Operating Reserve - Supplement	4,055,587		694,053			
7	Other						
8	Total (Lines 1 thru 7)	8,111,174		707,559	45,307,247		4,765,474

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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MONTHLY TRANSMISSION SYSTEM PEAK LOAD

- (1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
- (2) Report on Column (b) by month the transmission system's peak load.
- (3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
- (4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM:

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	6,576	24	19	7,068	3,641				
2	February	6,365	1	19	6,990	3,718				
3	March	5,959	3	20	6,930	3,779				
4	Total for Quarter 1	18,900			20,988	11,138				
5	April	6,133	27	16	6,876	3,833				
6	May	8,757	31	17	6,819	3,890				
7	June	10,314	9	16	6,768	3,941				
8	Total for Quarter 2	25,204			20,463	11,664				
9	July	10,933	22	16	6,698	4,011				
10	August	9,465	1	16	6,622	4,087				
11	September	8,001	14	17	6,580	4,129				
12	Total for Quarter 3	28,399			19,900	12,227				
13	October	5,906	10	20	6,543	4,166				
14	November	5,754	30	18	6,506	4,203				
15	December	6,161	12	18	6,478	4,231				
16	Total for Quarter 4	17,821			19,527	12,600				
17	Total Year to Date/Year	90,324			80,878	47,629				

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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ELECTRIC ENERGY ACCOUNT

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	22,553,824
3	Steam		23	Requirements Sales for Resale (See instruction 4, page 311.)	
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	4,176,172
5	Hydro-Conventional		25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	22,753
7	Other		27	Total Energy Losses	1,367,525
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	28,120,274
9	Net Generation (Enter Total of lines 3 through 8)				
10	Purchases	28,120,274			
11	Power Exchanges:				
12	Received				
13	Delivered				
14	Net Exchanges (Line 12 minus line 13)				
15	Transmission For Other (Wheeling)				
16	Received	143,340			
17	Delivered	143,340			
18	Net Transmission for Other (Line 16 minus line 17)				
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	28,120,274			

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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MONTHLY PEAKS AND OUTPUT

1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non-integrated system.
2. Report in column (b) by month the system's output in Megawatt hours for each month.
3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).

NAME OF SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	2,284,382	196,218	6,576	24	19
30	February	1,802,989	280,343	6,365	1	19
31	March	1,807,719	327,363	5,959	3	20
32	April	1,709,298	357,811	6,133	27	16
33	May	1,887,525	344,274	8,757	31	17
34	June	2,313,710	386,818	10,314	9	16
35	July	2,943,184	371,960	10,933	22	16
36	August	2,299,058	380,243	9,465	1	16
37	September	1,892,057	397,796	8,001	14	17
38	October	1,598,791	434,276	5,906	10	20
39	November	1,571,639	433,143	5,754	30	18
40	December	1,833,750	265,928	6,161	12	18
41	TOTAL	23,944,102	4,176,173			

Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 401 Line No.: 10 Column: b

Purchases based on derated volumes per Supplier Purchased Power on pages 326-327

Schedule Page: 401 Line No.: 22 Column: b

Sales to Ultimate Customers differ from page 301, line 10, column D due to BGS (Basic Generation Service) & TPS (Third Party Suppliers) sales reported on page 301 vs. BGS only sales reported on page 401A.

Schedule Page: 401 Line No.: 29 Column: b

Total Monthly Energy (MWH) are BGS and NGC customers only; MWH for TPS customers are not included.

Schedule Page: 401 Line No.: 29 Column: d

Monthly Peak Megawatts reported for both BGS & TPS cusotmers.

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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GENERATING PLANT STATISTICS (Small Plants)

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (In MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
1	Segment 1a- PSE&G Owned Sites	2010	13.15		13,755	69,580,839
2	Segment 1b - 3rd-Party Owned Sites	2010	14.51		4,423	59,994,160
3	Segment 1c - UEZ	2010	5.43		5,760	30,397,549
4	Segment 2 - Pole Tops	2009	25.18		22,816	184,752,747
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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of <u>2011/Q4</u>
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GENERATING PLANT STATISTICS (Small Plants) (Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents (per Million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
				Solar		1
				Solar		2
				Solar		3
				Solar		4
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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES

- Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
- The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
- Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
1	Non-power Goods or Services Provided by Affiliated			
2	Accounting Services	PSEG Services	923	11,277,686
3	Business Assurance & Resilience	PSEG Services	923	7,659,620
4	Corporate Communications	PSEG Services	930.2	2,472,407
5	Corporate Secretary	PSEG Services	923	564,320
6	Corporate Strategy	PSEG Services	923	1,283,994
7	Enterprise Risk Management	PSEG Services	923	125,234
8	Holdings Dedicated Finance	PSEG Services	923	2,486
9	Human Resources	PSEG Services	923	12,331,012
10	Information Technology	PSEG Services	Functionalized	81,014,574
11	Internal Audit Services	PSEG Services	923	3,183,740
12	Investor Relations	PSEG Services	930.2	631,237
13	Law	PSEG Services	923	12,781,599
14	NERC Compliance	PSEG Services	566	919,013
15	Payroll Services & Accounts Payable	PSEG Services	923	2,451,629
16	Power Dedicated Finance	PSEG Services	923	35,272
17	Procurement	PSEG Services	923	3,821,818
18	PSE&G Dedicated Finance	PSEG Services	923	7,288,449
19	PSEG Executive Office	PSEG Services	923	12,122,888
20	Non-power Goods or Services Provided for Affiliate			
21	Fleet and Fleet Maintenance	PSEG Holdings	146/234	356
22	Phone Operator	PSEG Holdings	146/234	425
23	Other	PSEG Holdings	146/234	733
24	Fleet and Fleet Maintenance	PSEG Nuclear	146/234	85,928
25	Substation/Switchyard Maintenance	PSEG Nuclear	146/234	1,602,475
26	Other	PSEG Nuclear	146/234	566
27	Energy Management System	PSEG Power	146/234	653,602
28	Fleet and Fleet Maintenance	PSEG Power	146/234	423,184
29	Gas Analysis	PSEG Power	146/234	39,307
30	Electric Reliability Organization/NERC	PSEG Power	146/234	4,227
31	Phone Operator	PSEG Power	146/234	63,391
32	Substation/Switchyard Maintenance	PSEG Power	146/234	266,918
33	Other	PSEG Power	146/234	18,600
34	Audit Support	PSEG Services	146/234	4,353
35	Fleet and Fleet Maintenance	PSEG Services	146/234	154,006
36	Rent of Facilities	PSEG Services	146/234	416,784
37	Other	PSEG Services	146/234	43,807
38				
39				
40	Total Provided for Affiliates			3,778,662
41				
42				

Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES

- Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
- The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
- Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
1	Non-power Goods or Services Provided by Affiliated			
2	Records Management & Library Services	PSEG Services	923	1,023,345
3	Service Company Misc. Accounting	PSEG Services	923	7,848,371
4	Services Corporation Finance	PSEG Services	923	1,933,986
5	Treasury Management Services	PSEG Services	923	17,104,824
6	Valuation & Planning	PSEG Services	923	1,356,789
7	Electrical & Mechanical Maintenance - Maplewood	PSEG Power	Functionalized	10,361,946
8	Electrical & Mechanical - System Maintenance	PSEG Power	Functionalized	3,553,147
9	Electrical & Mechanical - Central Maintenance	PSEG Power	Functionalized	2,744,357
10	Other Maintenance and Support	PSEG Power	Functionalized	152,612
11	Public Affairs & Sustainability	PSEG Services	426	6,518,267
12				
13				
14				
15	Total Provided by Affiliates			212,564,623
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20	Non-power Goods or Services Provided for Affiliate			
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Name of Respondent Public Service Electric and Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 429 Line No.: 19 Column: d

Non Power Goods or Services Provided by Affiliated Companies

The cost of services performed by PSEG Services Corporation and PSEG Power (the affiliates) for Public Service Electric and Gas (PSE&G) are initially charged by the affiliates to "natural" financial accounts in the SAP accounting system. Indicators are established within regulatory work orders indicating the correct PSE&G regulatory account(s).

Primary costs are transferred directly to the indicated regulatory accounts in PSE&G's general ledger. Secondary costs are allocated, predicated upon these indicators, using standard cost allocations. In the end 100% of the appropriate costs are transferred to PSE&G's designated regulatory accounts.

Name of Respondent Public Service Electric and Gas Company	This Report Is: (X) An Original () A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year of Report 2011
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ELECTRIC

DISTRIBUTION METERS AND LINE TRANSFORMERS

1. Report below the information called for concerning distribution watt-hour meters and line transformers.
2. Include watt-hour demand distribution meters, but not external demand meters.
3. Show in a footnote the number of distribution watt-hour meters or line transformers held by the respondent under lease from others, jointly owned with others, or held otherwise than by reason of sole ownership by the respondent. If 500 or more meters or line transformers are held under a lease, give name of lessor, date and period of lease, and annual rent. If 500 or more meters or line transformers are held other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of accounting for expenses between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Line No.	Item (a)	Number of Watt-hour Meters (b)	LINE TRANSFORMERS	
			Number (c)	Total capacity (in (MVA) (d)
1	Number at Beginning of Year	2,203,313	353,636	27,783.06
2	Additions During Year	49,996		
3	Purchases	49,996	8,889	802.59
4	Associated with Utility Plant Acquired	0		
5	TOTAL Additions (Enter Total of lines 3 and 4)	49,996	8,889	802.59
6	Reductions During Year (Data Reconciliation)	0	5,223	715.11
7	Retirements	47,620	4,546	315.68
8	Associated with Utility Plant Sold	0	1,674	97.26
9	TOTAL Reductions (Enter Total of lines 6, 7 and 8)	47,620	11,443	1128.05
10	Number at End of Year (Lines 1 + 5 - 9)	2,205,689		
11	In Stock	38,091	3013	486.43
12	Locked Meters on Customers' Premises	38,441		
13	Inactive Transformers on System			
14	In Customers' Use	2,129,157		
15	In Company's Use		350,812	27,457.57
16	TOTAL End of Year (Total 11 to 15. This should equal line 10)	2,205,689	356,035	28,172.95

Name of Respondent	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report	Year of Report
Public Service Electric & Gas Company		3/30/2012	2011

STREET LIGHTING AND SIGNAL SYSTEMS

1. Report below the information called for concerning street lighting and signal systems owned or leased at end of year.
2. Designate any street lighting and signal system plant held under any title other than full ownership and, in a footnote, state the names of owner or co-owner of such plant, the nature of respondent's title, and percent ownership.

Line No.	Item (a)	Total (b)	STREET LIGHT SYSTEM			SIGNAL AND TRAFFIC SYSTEMS (f)&(g)
			FILAMENT (c)	MERCURY (d)	FLUORESCENT (e)	
1	Number of Lamps:					
2	Total first of year {1} {2}	47,633	14,443	33,172	18	NOT
3	Added during year					
4	Total	47,633	14,443	33,172	18	AVAILABLE
5	(Less) Retired during year {3}	13,753	2,399	11,354	-	
6	Total end of year {4} {5}	33,880	12,044	21,818	18	
7	Inactive end of year					
8						
9						
10						
11						
12						
13	Number of Poles:					
14	Total first of year	NOT				
15	Added during year					
16	Total	AVAILABLE				
17	(Less) Retired during year					
18	Total end of year					
19	Inactive end of year					
20						
21						
22	{1} Excludes:		high pressure sodium	metal halide	induction	led
23	Total first of year		185,951	17,867	102,755	23
24	Added during year		2,478	1,239	11,330	9
25	Total		188,429	19,106	114,085	32
26	(Less) Retired during year		-	-	-	-
27	Total end of year		188,429	19,106	114,085	32
28						
29						
30	{2} Of the	355,532	lamps in use in	2011	23	have been furnished and installed
31						by , and at the expense of public authorities.
32	{3} Amounts shown are net changes for the year.					
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Name of Respondent: PUBLIC SERVICE ELECTRIC & GAS CO.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report: (Mo, Day, Yr) 03/30/12	Year of Report: 2011
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Transmission Lines

Line No.	Loc Code	Identification	Size	Material	Total Miles of Pipe
1	5951	Crown Central System	8	ST	3.6
2			12	ST	2.4
3			16	ST	1.7
4			20	ST	5.5
5			24	ST	1.3
6			30	ST	12.3
7					
8				Total	26.8
9					
10	5953	Woodbridge-Central System	8	ST	0.6
11			12	ST	15.5
12				Total	16.1
13					
14	5954	Bergen Gen Line	20	ST	0.4
15					
16	5957	West Deptford System	20	ST	5.8
17					
18					
19	5958	Sayreville Cogen Line	12	ST	2.4
20					
21	5959	Burlington Gen Line	24	ST	6.2
22					
23	7666	Squibb Cogen Line	8	ST	0.7
24					
25	5955	Camden Cogen Line	16	ST	1.7
26					
27	None	Red Oak Line	16	ST	1.2
28					
29	None	Harrison	16	ST	0.2
30					
31				TOTAL	61.5
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Name of Respondent	This report is:	Date of Report	Year of Report
Public Service Electric & Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo. Da. Yr.) 03/30/2012	2011

LIQUEFIED PETROLEUM GAS OPERATIONS

1. Report the information called for below concerning plants which produce gas from liquefied petroleum gas (LPG).
2. For column (a), give city and state or such other designation necessary to locate plant on a map of the respondent's system.
3. For columns (b), and (c) the plant cost and operation and maintenance expenses of any liquefied petroleum gas installation which is only an adjunct of a manufactured gas plant, may include

or exclude (as appropriate) the plant and cost and Expenses of any plant. Used jointly with the manufactured gas facilities on the basis of predominant use. Indicate in a footnote how the plant cost and expenses for the liquefied petroleum plant described above are reported.

Line No.	Location of Plant and year Installed (City, State, etc.)	Cost of Plant (Land struct. Equip.)	Expenses	
			Oper. Maintenance. Rents, etc.	Cost of LPG Used
	(a)	(b)	(c)	(d)
1.	Harrison, NJ	23,571,531	\$588,933	None
2.	Edison, NJ	15,632,152	\$350,668	None
3.	Camden, NJ	5,076,655	\$171,327	None
4.	Linden, NJ	5,043,064	\$114,392	None
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Name of Respondent	This report is:	Date of Report	Year of Report
Public Service Electric & Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo. Da. Yr.) 03/30/2012	2011

LIQUEFIED PETROLEUM GAS OPERATIONS (Continued)

Designate any plant held under a title other than full ownership and in a footnote state name of owner or co-owner nature of respondent's title, and percent of ownership if jointly owned.
 4. For column (g) report the Mcf that is mixed with natural gas or which is substituted for deliveries normally made from natural gas. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas or mixture of natural gas and gasified LPG>

5. If any plant was not operated during the past year, give particulars (details) in a footnote, and state whether the book cost of such plant, or any portion thereof, has been retired in the books of account, or what disposition of the plant and its book cost is contemplated.
 6. Report pressure base of gas at 14.73 psia at 60 F. Indicate the Btu content in a footnote.

Gallons Of LPG Used	Gas Produced	Gas Produced	LPG Storage Cap. Gallons.	Function Of Plant (Base Load peaking, etc.)	Line No.
	Amount of Mcf	Amount of Mcf Mixed with Natural Gas			
(e)	(f)	(g)	(h)	(i)	
351,151	21,738	21,738	918,000	PEAKING	1
114,625	7,201	7,201	969,000	PEAKING	2
1,179	75	75	510,000	PEAKING	3
0	0	0	792,000	STORAGE	4
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Name of Respondent Public Service Electric & Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 3/30/2012	Year of Report 2011
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GAS AUXILIARY PEAKING FACILITIES

1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquified petroleum gas installations, gas liquefaction plants, oil gas sets, etc.
2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted. For other facilities, report the rated maximum daily delivery capacities.
3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.

Line No.	Location of Facility (a)	Type of Facility (b)	Maximim Daily Delivery Capacity of Facilitye (Dth) (c)	Cost of Facility (in dollars) (d)	Was Facility Operated on Day of Highest Transmission Peak Delivery? (e)
1	Harrison, NJ	LPG	108,000	21,976,299	No
2	Edison, NJ	LPG	108,000	15,632,152	No
3	Camden, NJ	LPG	38,400	4,759,191	No
4	Burlington, NJ	LNG	77,300	8,488,551	No
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Name of Respondent Public Service Electric and Gas Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/30/2012	Year/Period of Report End of 2011/Q4
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Gas Account - Natural Gas

1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Enter in column (c) the year to date Dth as reported in the schedules indicated for the items of receipts and deliveries.
4. Enter in column (d) the respective quarter's Dth as reported in the schedules indicated for the items of receipts and deliveries.
5. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.
6. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose.
7. Indicate by footnote the quantities of gas not subject to Commission regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline (2) the quantities that the reporting pipeline transported or sold through its local distribution facilities or intrastate facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through any of the interstate portion of the reporting pipeline, and (3) the gathering line quantities that were not destined for interstate market or that were not transported through any interstate portion of the reporting pipeline.
8. Indicate in a footnote the specific gas purchase expense account(s) and related to which the aggregate volumes reported on line No. 3 relate.
9. Indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline, during the reporting year and also reported as sales, transportation and compression volumes by the reporting pipeline during the same reporting year, (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities.
10. Also indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional information as necessary to the footnotes.

Line No.	Item (a)	Ref. Page No. of (FERC Form Nos. 2/2-A) (b)	Total Amount of Dth Year to Date (c)	Current Three Months Ended Amount of Dth Quarterly Only (d)
01 Name of System:				
2	GAS RECEIVED			
3	Gas Purchases (Accounts 800-805)		192,124,659	
4	Gas of Others Received for Gathering (Account 489.1)	303		
5	Gas of Others Received for Transmission (Account 489.2)	305	162,601,658	
6	Gas of Others Received for Distribution (Account 489.3)	301		
7	Gas of Others Received for Contract Storage (Account 489.4)	307		
8	Gas of Others Received for Production/Extraction/Processing (Account 490 and 491)			
9	Exchanged Gas Received from Others (Account 806)	328		
10	Gas Received as Imbalances (Account 806)	328		
11	Receipts of Respondent's Gas Transported by Others (Account 858)	332		
12	Other Gas Withdrawn from Storage (Explain)			
13	Gas Received from Shippers as Compressor Station Fuel			
14	Gas Received from Shippers as Lost and Unaccounted for			
15	Other Receipts (Specify) (footnote details)			
16	Total Receipts (Total of lines 3 thru 15)		354,726,317	
17	GAS DELIVERED			
18	Gas Sales (Accounts 480-484)		190,236,316	
19	Deliveries of Gas Gathered for Others (Account 489.1)	303		
20	Deliveries of Gas Transported for Others (Account 489.2)	305	162,601,658	
21	Deliveries of Gas Distributed for Others (Account 489.3)	301		
22	Deliveries of Contract Storage Gas (Account 489.4)	307		
23	Gas of Others Delivered for Production/Extraction/Processing (Account 490 and 491)			
24	Exchange Gas Delivered to Others (Account 806)	328		
25	Gas Delivered as Imbalances (Account 806)	328		
26	Deliveries of Gas to Others for Transportation (Account 858)	332		
27	Other Gas Delivered to Storage (Explain)			
28	Gas Used for Compressor Station Fuel	509		
29	Other Deliveries and Gas Used for Other Operations			
30	Total Deliveries (Total of lines 18 thru 29)		352,837,974	
31	GAS LOSSES AND GAS UNACCOUNTED FOR			
32	Gas Losses and Gas Unaccounted For		1,888,343	
33	TOTALS			
34	Total Deliveries, Gas Losses & Unaccounted For (Total of lines 30 and 32)		354,726,317	

Name of Respondent Public Service Electric & Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 03/30/2012	Year of Report 2011
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SYSTEM LOAD STATISTICS

1. Report below the information specified
2. Maximum daily production capacity means the maximum number of therms, which can be produced, purified, etc.

Line No.	Item (a)	Therms (b)
1	Maximum Send-out in Any One Day	22,272,000
2	Date of Such Maximum Send-out	January 23, 2011
3	Maximum Send-out in Any Consecutive 3-Days	64,467,000
4	Date of Such Maximum Send-out	Jan 22, 2011 – Jan 24, 2011
5	Maximum Daily Production Capacity:	
6		
7		
8		
9	LPG	
10	LNG	675,000
11	Total Manufactured Gas	2,120,000
12		
13	Maximum Daily Purchase Capacity	25,928,200
14	Total Maximum Daily Production and Purchase Capacity	28,173,200
15	Maximum Holder Capacity	
16	Monthly Send Out: January	577,091,000
17	February	456,269,000
18	March	401,446,000
19	April	264,007,000
20	May	186,862,000
21	June	169,885,000
22	July	186,079,000
23	August	177,115,000
24	September	165,713,000
25	October	232,084,000
26	November	313,999,000
27	December	411,527,000
28	Total	3,542,077,000

Name of Respondent:		This Report is:	Date of Report:	Year of Report:	
Public Service Electric & Gas Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Day, Yr) 3/30/2012	2011	
DISTRIBUTION MAINS					
Report below information called for with respect to Distribution Mains					
Line No.	Size (inches) (a)	Kind of Pipe (b)	Feet in Use Beginning of Year (c)	Net Change Inc. or (Dec.) (d)	Feet in Use End of Year (e)
1	3	Cast Iron	3,440	(1,768)	1,672
2	4	Cast Iron	9,848,222	(87,613)	9,760,609
3	6	Cast Iron	6,461,714	(38,927)	6,422,787
4	8	Cast Iron	1,959,665	(14,745)	1,944,920
5	10	Cast Iron	279,795	(1,731)	278,064
6	12	Cast Iron	1,718,769	(20,861)	1,697,908
7	14	Cast Iron	3,246	0	3,246
8	16	Cast Iron	878,449	(13,537)	864,912
9	20	Cast Iron	540,942	(59)	540,883
10	24	Cast Iron	410,387	(1,931)	408,456
11	30	Cast Iron	93,525	(129)	93,396
12	36	Cast Iron	147,460	845	148,305
13	42	Cast Iron	19,284	14	19,298
14					
15	TOTAL Cast Iron		22,364,898	(180,442)	22,184,456
16					
17					
18	1.25	Steel	297,790	671	298,461
19	2	Steel	10,571,051	(31,714)	10,539,337
20	3	Steel	3,274,971	(11,373)	3,263,598
21	4	Steel	4,764,235	(20,234)	4,744,001
22	5	Steel	6,504	(3,464)	3,040
23	6	Steel	3,711,915	(19,976)	3,691,939
24	8	Steel	3,511,993	15,389	3,527,382
25	10	Steel	30,886	362	31,248
26	12	Steel	3,809,763	9,642	3,819,405
27	16	Steel	730,579	20,995	751,574
28	17	Steel	25	0	25
29	18	Steel	1,987	0	1,987
30	20	Steel	234,172	3,314	237,486
31	22	Steel	12,392	0	12,392
32	24	Steel	153,026	6,348	159,374
33	26	Steel	36,751	37	36,788
34	30	Steel	20,996	884	21,880
35	36	Steel	47,856	(161)	47,695
36	42	Steel	5,981	0	5,981
37	TOTAL Steel		31,222,873	(29,280)	31,193,593
38					
39	0.75	Other	566	0	566
40	1	Other	24,390	2,398	26,788
41	1.25	Other	290,257	(322)	289,935
42	1.5	Other	2,620	0	2,620
43	2	Other	22,562,653	197,876	22,760,529
44	3	Other	1,701,375	(454)	1,700,921
45	4	Other	8,629,823	96,027	8,725,850
46	6	Other	4,824,243	54,470	4,878,713
47	8	Other	1,315,427	69,425	1,384,852
48	10	Other	437	0	437
49	12	Other	26,498	1,221	27,719
50	16	Other	4,879	620	5,499
51	24	Other	1,370	0	1,370
52	TOTAL Other		39,384,538	421,261	39,805,799
53					
54		Total Feet	92,972,309	211,539	93,183,848
55		Total Miles (to .1)	17,608	40	17,648

Name of Respondent: Public Service Electric & Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report: (Mo, Da, Yr) 3/30/2012	Year of Report: 2011
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SERVICES

1. Report below the information relating to complete services
2. Extensions of stub services to connect to customers' premises are to be treated as additions to active services and deductions from inactive services for future use.

Line No.	Item (a)	TOTAL (b)
1	Total Complete Services, first of year	1,248,134
2		
3	Installed during year	4,230
4		
5	Purchased during year	0
6		
7		
8		
9	Total Complete Services	1,252,364
10	Retired during year	2,646
11	Installed during year	0
12	Extensions of Incomplete Services during year	0
13		
14	Total Deductions during year	2,646
15	TOTAL COMPLETE SERVICES END OF YEAR	1,249,718

METERS

1. Report below the specified information:

Line No.	Item (a)	TOTAL (b)
21	Number Meters at beginning of year	1,832,341
22	Acquired during year	58,489
23	TOTAL METERS	1,890,830
24	Retired during year	61,976
25	Number Meters at end of year	1,828,854
26		
27	Meters in stock	12,199
28	Locked meters on customers' premises	23,417
29	Regular meters in customers' use	1,793,238
30	Meters in company's use	0
31	TOTAL Meters end of year (LINE 25)	1,828,854

NOTES: