TARIFF

FOR

GAS SERVICE

Applicable in

Territory served as shown on

Sheet Nos. 3 through 6 of this Tariff

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

GENERAL OFFICES

80 PARK PLAZA

NEWARK, NEW JERSEY 07102

Date of Issue: October 30, 2018 Effective: November 1, 2018
Issued by SCOTT S. JENNINGS, Vice President Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102
Filed pursuant to Order of Board of Public Utilities dated October 29, 2018
in Docket Nos. ER18010029, GR18010030, AX18010001 and ER18030231

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PUBLIC SERVICE ELECTRIC AND GAS COMPANY

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TERRITORY SERVED

BERGEN COUNTY

Allendale, Borough of
Alpine, Borough of
Bergenfield, Borough of
Bogota, Borough of
Carlstadt, Borough of
Cliffside Park, Borough of
Closter, Borough of
Cresskill, Borough of
Demarest, Borough of
Dumont, Borough of
East Rutherford, Borough of
Edgewater, Borough of
Elmwood Park, Borough of
Emerson, Borough of
Englewood, City of
Englewood Cliffs, Borough of
Fair Lawn, Borough of
Fairview, Borough of
Fort Lee, Borough of
Franklin Lakes, Borough of
Garfield, City of
Glen Rock, Borough of
Hackensack, City of
Harrington Park, Borough of
Hasbrouck Heights, Borough of
Haworth, Borough of
Hillsdale, Borough of
Ho-Ho-Kus, Borough of
Leonia, Borough of
Little Ferry, Borough of
Lodi, Borough of
Lyndhurst, Township of
Mahwah, Township of
Maywood, Borough of
Midland Park, Borough of
Montvale, Borough of
Moonachie, Borough of
New Milford, Borough of
North Arlington, Borough of
Northvale, Borough of
Norwood, Borough of
Oakland, Borough of
Old Tappan, Borough of
Oradell, Borough of
Palisades Park, Borough of
Paramus, Borough of
Park Ridge, Borough of
Ramsey, Borough of
Ridgefield, Borough of
Ridgefield Park, Village of
Ridgewood, Village of
River Edge, Borough of
River Vale, Township of
Rochelle Park, Township of
Rockleigh, Borough of
Rutherford, Borough of
Saddle Brook, Township of
Saddle River, Borough of
South Hackensack, Township of
Teaneck, Township of
Tenafly, Borough of
Teterboro, Borough of
Upper Saddle River, Borough of
Waldwick, Borough of
Wallington, Borough of
Washington, Township of
Westwood, Borough of
Woodcliff Lake, Borough of
Wood-Ridge, Borough of
Wyckoff, Township of

BURLINGTON COUNTY

Beverly, City of
Bordentown, City of
Bordentown, Township of
Burlington, City of
Burlington, Township of

TERRITORY SERVED
(Continued)

BURLINGTON COUNTY (continued)

Chesterfield, Township of
Cinnaminson, Township of
Delanco, Township of
Delran, Township of
Eastampton, Township of
Edgewater Park, Township of
Evesham, Township of
Fieldsboro, Borough of
Florence, Township of
Hainesport, Township of
Lumberton, Township of
Mansfield, Township of
Maple Shade, Township of
Medford, Township of
Moorestown, Township of
Mount Holly, Township of
Mount Laurel, Township of
New Hanover, Township of
North Hanover, Township of
Palmyra, Borough of
Pemberton, Borough of
Pemberton, Township of
Riverside, Township of
Riverton, Borough of
Southampton, Township of
Springfield, Township of
Westampton, Township of
Willingboro, Township of
Woodland, Township of
Wrightstown, Borough of

CAMDEN COUNTY

Audubon, Borough of
Audubon Park, Borough of
Barrington, Borough of
Bellmawr, Borough of
Brooklawn Borough of
Camden, City of
Cherry Hill, Township of
Collingswood, Borough of
Gloucester, City of
Haddon, Township of
Haddonfield, Borough of
Haddon Heights, Borough of
Lawnside, Borough of
Merchantville, Borough of
Mount Ephraim, Borough of
Oaklyn, Borough of
Pennsauken, Township of
Tavistock, Borough of
Woodlynne, Borough of

ESSEX COUNTY

Belleville, Town of
Bloomfield, Township of
Caldwell, Borough of
Cedar Grove, Township of
East Orange, City of
Essex Fells, Borough of
Fairfield, Township of
Glen Ridge, Borough of
Irvington, Township of
Livingston, Township of
Maplewood, Township of
Millburn, Township of
Montclair, Township of
Newark, City of
North Caldwell, Borough of
Nutley, Township of
Orange, City of
Roseland, Borough of
South Orange Village, Township of
Verona, Township of
West Caldwell, Township of
West Orange, Township of

TERRITORY SERVED
(Continued)

GLOUCESTER COUNTY

Deptford, Township of
National Park, Borough of
West Deptford, Township of
Westville, Borough of
Woodbury, City of

HUDSON COUNTY

Bayonne, City of
East Newark, Borough of
Guttenberg, Town of
Harrison, Town of
Hoboken, City of
Jersey City, City of
Kearny, Town of
North Bergen, Township of
Secaucus, Town of
Union City, City of
Weehawken, Township of
West New York, Town of

HUNTERDON COUNTY

East Amwell, Township of
Readington, Township of
Tewksbury, Township of

MERCER COUNTY

East Windsor, Township of
Ewing, Township of
Hamilton, Township of
Hightstown, Borough of
Lawrence, Township of
Princeton, Borough of
Princeton, Township of
Robbinsville, Township of
Trenton, City of
West Windsor, Township of

MIDDLESEX COUNTY

Cranbury, Township of
Dunellen, Borough of
East Brunswick, Township of
Edison, Township of
Helmetta, Borough of
Highland Park, Borough of
Jamesburg, Borough of
Middlesex, Borough of
Milltown, Borough of
Monroe, Township of
New Brunswick, City of
North Brunswick, Township of
Old Bridge, Township of
Piscataway, Township of
Plainsboro, Township of
Sayreville, Borough of
South Amboy, City of
South Brunswick, Township of
South Plainfield, Borough of
South River, Borough of
Spotswood, Borough of

MONMOUTH COUNTY

Allentown, Borough of
Millstone, Township of
Roosevelt, Borough of
Upper Freehold, Township of

MORRIS COUNTY

Butler, Borough of
Chatham, Borough of
Chatham, Township of
Chester, Borough of
Chester, Township of
Denville, Township of
East Hanover, Township of
Florham Park, Borough of

TERRITORY SERVED
(Continued)

MORRIS COUNTY (continued)

Hanover, Township of
Harding, Township of
Jefferson, Township of
Kinnelon, Borough of
Long Hill, Township of
Madison, Borough of
Mendham, Borough of
Mendham, Township of
Morris, Township of
Morris Plains, Borough of
Morristown, Town of
Parsippany-Troy Hills, Township of
Pequannock, Township of
Randolph, Township of
Riverdale, Borough of

OCEAN COUNTY

Plumsted, Township of

PASSAIC COUNTY

Bloomingdale, Borough of
Clifton, City of
Haledon, Borough of
Hawthorne, Borough of
Little Falls, Township of
North Haledon, Borough of
Passaic, City of
Paterson, City of
Pompton Lakes, Borough of
Prospect Park, Borough of
Ringwood, Borough of
Totowa, Borough of
Wanaque, Borough of
Wayne, Township of
West Milford, Township of
Woodland Park, Borough of

SOMERSET COUNTY

Bedminster, Township of
Bernards, Township of
Bernardsville, Borough of
Bound Brook, Borough of
Branchburg, Township of
Bridgewater, Township of
Far Hills, Borough of
Franklin, Township of
Green Brook, Township of
Hillsborough, Township of
Manville, Borough of
Millstone, Borough of
Montgomery, Township of
North Plainfield, Borough of
Peapack-Gladstone, Borough of
Raritan, Borough of
Rocky Hill, Borough of
Somerville, Borough of
South Bound Brook, Borough of
Warren, Township of
Watchung, Borough of

UNION COUNTY

Berkeley Heights, Township of
New Providence, Borough of
Plainfield, City of
Springfield, Township of
Summit, City of

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STANDARD TERMS AND CONDITIONS

1. GENERAL

These Standard Terms and Conditions, filed as part of the Gas Tariff of Public Service Electric and Gas Company, hereinafter referred to as "Public Service", set forth the terms and conditions under which gas service will be supplied and govern all classes of service to the extent applicable, and are made a part of all agreements for the supply of gas service unless specifically modified in a particular rate schedule.

No representative of Public Service has authority to modify any provision contained in this Tariff or to bind Public Service by any promise or representation contrary thereto.

Public Service will construct, own, and maintain distribution mains and services located on land, streets, highways, rights of way acquired by Public Service, and on private property, used or usable as part of the distribution system of Public Service. Payment of monthly charges, or a deposit or a contribution shall not give the customer, Applicant or depositor any interest in the facilities, the ownership being vested exclusively in Public Service.

Publications set forth by title in sections of these Standard Terms and Conditions are incorporated in this Tariff by reference.

This tariff is subject to the lawful orders of the Board of Public Utilities of the State of New Jersey. Complaints may be directed to: Board of Public Utilities, Division of Customer Assistance, 44 South Clinton Avenue, Third Floor, Suite 314, P.O. Box 350, Trenton, New Jersey, 08625-0350 or 1-800-624-0241; www.nj.gov/bpu.

2. OBTAINING SERVICE

2.1. **Application:** An application for service may be made at any of the Customer Service Centers of Public Service in person, by mail, telephone or by facsimile transmission or electronic mail, where available. Forms for application for service, when required, together with terms and conditions and rate schedules, will be furnished upon request. All customers shall be given a copy of the Customer Bill of Rights, effective at the time of service initiation. Customer shall state, at the time of making application for service, the conditions under which service will be required and customer may be required to sign an agreement or other form then in use by Public Service covering special circumstances for the supply of gas service. Data requested from customers may include proof of identification as well as copies of leases, deeds and corporate charters in accordance with N.J.A.C. 14:3-3.2 (e) and (f). Such information shall be considered confidential.

Public Service may reject applications for service where such service is not available or where such service might affect the supply of gas to other customers, or for failure of customer to agree to comply with any of these Standard Terms and Conditions.

See also Section 13 Service Limitations, of these Standard Terms and Conditions.

2.2. **Initial Selection of Rate Schedule:** Public Service will assist in the selection of the available rate schedule which is most favorable from the standpoint of the customer. Any advice given by Public Service will necessarily be based on customer's written statements detailing the customer's proposed operating conditions.

Customers may, upon written notice to Public Service within three months after service has begun, elect to change and to receive service under any other available rate schedule. Public Service will furnish service to and bill the customer under the rate schedule so selected from the date of last scheduled meter reading, but no further change will be allowed during the next twelve months.

STANDARD TERMS AND CONDITIONS
(Continued)

2.2.1. Change of Rate Schedule: Subsequent to initial selection of a rate schedule, customer shall notify Public Service in writing of any change in the customer's use of service which might affect the selection of a rate schedule or provision within a rate schedule. Any change in schedule or provision shall be applicable, if permitted, to the next regular billing subsequent to such notification.

2.3. Deposit and Guarantee: Public Service may require a reasonable deposit as a condition of supplying service, in accordance with the provisions as set forth in Board of Public Utility regulations.

A deposit may be required from a customer equal to the average monthly charge for a twelve-month period and one month's average bill. A customer taking service for a period of less than thirty days may be required to deposit an amount equal to the estimated bill for such temporary period.

Upon closing any account, the balance of any deposit remaining after the closing bill for service has been settled, shall be returned promptly to the customer with any interest due. The customer has the option of having the deposit refund applied to the account in the form of a credit or of having the deposit refunded by separate check in a period not to exceed one full billing cycle.

Public Service shall review a residential customer's account at least once every year and a non-residential customer's account at least once every 2 years. If such review indicates that the customer has established credit satisfactory to Public Service, then the outstanding deposit shall be refunded to the customer. The customer has the option of having the deposit refund applied to the account in the form of a credit or of having the deposit refunded by separate check in a period not to exceed one billing cycle.

In accordance with N.J.A.C. 14:3-3.5(d), simple interest at a rate equal to the average yields on new six-month Treasury Bills for the twelve month period ending each September 30 shall be paid by Public Service on all deposits held by it after notification by the BPU of the new effective rate. Said rate shall be determined by the Board of Public Utilities ("Board"), and shall become effective on January 1 of the following year.

For residential customers, interest payments shall be made at least once during each 12-month period in which a deposit is held. Residential customers shall have the option of a credit to the customer's account or a separate check.

A deposit is not a payment or part payment of any bill for service, except that on discontinuance of service Public Service may apply said deposit against unpaid bills for service, and only the remaining balance of the deposit will be refunded. Public Service shall promptly read the meters and ascertain that the obligations of the customer have been fully performed before being required to return any deposit. To have service resumed, a deposit may be required, but the deposit shall not be required prior to restoration of service. Public Service shall bill the customer for the deposit and allow at least 15 days after the billing for payment of deposit, or make other reasonable arrangements.

STANDARD TERMS AND CONDITIONS
(Continued)

2.4. **Permits**: Public Service, where necessary, will make application for any street opening permits for installing its gas facilities necessary to provide new or upgraded service to a customer and shall not be required to furnish service until after such permits are granted. The Applicant may be required to pay the municipal charge, if any, for permission to open the street. The Applicant shall obtain and present to Public Service, for recording or for registration, all instruments providing for easements or rights of way, and all permits (except street opening permits), consents, and certificates necessary for the introduction of service.

2.5. **Service Connections:** The customer may be required to make a contribution toward the cost of installing a service connection as set forth in Section 5 of these Standard Terms and Conditions.

2.6. **Temporary Service:** Where service is to be used at an installation for a limited period and such installation is not permanent in nature, the use of service shall be classified as temporary. In such cases, the customer may be required to pay to Public Service the cost of the facilities required to furnish service. The minimum period of temporary service for billing purposes shall be one month.

After two years of service a temporary service installation shall be eligible for refunds. Excluding the first two annual service periods, refunds equal to 10% of the revenue from Service Charges, Distribution Charges and Demand Charges received by Public Service during an annual service period shall be made at the end of such period. In no case shall the total amount refunded be in excess of the installation cost paid by the customer, nor shall refunds be made for more than eight consecutive annual service periods.

3. CHARGES FOR SERVICE

3.1. **General:** Charges for gas usage are set forth in the rate schedules included elsewhere in this Tariff. In addition to the charges for gas usage, Public Service may require additional monthly charges, up-front contributions or deposits (including the gross-up for income tax effects) from an Applicant for providing Temporary Services, for certain Standard and Atypical Conditions, or for an Extension.

3.2 **Definitions:** The following are defined terms as used in this Tariff:

a) Applicant is the individual or entity, who may or may not be the ultimate customer, requesting new, additional, temporary, or upgraded gas service from Public Service.

b) Applicant For An Extension is an Applicant where Public Service has determined that an Extension is necessary to provide service.

c) N.J.A.C. is the New Jersey Administrative Code.

STANDARD TERMS AND CONDITIONS
(Continued)

d) Distribution Revenue as used in this Section 3 means the total revenue, plus related New Jersey Sales and Use Tax (SUT), charged a customer by Public Service, minus Basic Gas Supply Service charges including SUT, assessed in accordance with this Tariff for Gas Service. For Rate CIG the Basic Gas Supply Service Charges is the Estimated Average Commodity Cost plus Losses and applicable SUT.

e) Temporary Service is where service is provided through an installation for a limited period and such installation is not permanent in nature.

f) An Extension means the construction or installation of plant and/or facilities by Public Service used to convey service from existing or new plant and/or facilities to one or more new customers, and also means the plant and/or facilities themselves. An Extension includes all Public Service plant and/or facilities used for gas transmission (non-FERC jurisdictional) and/or distribution, whether located on a public street or right of way, or on private property or private right of way, and includes the pipe, rights of way, land, valves, site restoration, regulators and metering equipment and other means of conveying service from existing plant and/or facilities to each unit or structure to be served. An Extension does not include equipment solely used for administrative purposes, such as office equipment used for administering a billing system.

An Extension begins at the existing Public Service infrastructure and ends at the meter and includes the meter. The new plant and/or facilities installed constituting an Extension must be nominally physically continuous from the beginning to the end of the Extension.

Plant and/or facilities installed to supply the increased load of existing non-residential customers are also considered an Extension where existing Public Service facilities are upgraded or replaced due to an Applicant's new or additional gas load being greater than 50% of the total design capacity of the pre-existing facilities.

g) Cost means, with respect to the cost of construction of an Extension, actual and/or site-specific unitized expenses incurred by Public Service for materials and labor, including both internal and external labor, employed in the actual design, purchase, construction, and/or installation of the Extension, including overhead directly attributable to the work, as well as overrides or loading factors such as those for mapping and design. This term does not include expenses for clerical, dispatching, supervision, or general office functions. Costs shall be determined by the Company and shall include all costs inclusive of upgrades to existing infrastructure as well as tax gross ups, inclusive of the applicable bonus depreciation credits. Costs related to plant and/or facilities installed to serve increased load from an existing customer are determined on a similar basis.

3.3. Removal of Public Service Facilities: There is normally no charge for the permanent removal of above ground Public Service facilities or the abandonment in place of underground Public Service facilities where an easement for such facilities does not exist. Where an easement exists, and when approved by Public Service, and unless preempted by statute, the requesting party shall be responsible for all costs related to the removal or abandonment of requested facilities and if necessary, the installation of all new facilities necessary to provide the same level of service to all other customers.

STANDARD TERMS AND CONDITIONS
(Continued)

3.4. **Temporary Service**: Where Public Service provides Temporary Service, the customer will be required to pay to Public Service the cost of the installation and removal of facilities required to furnish service. The minimum period of temporary service for billing purposes shall be one month.

After two years of service, a Temporary Service installation shall be eligible for refunds. Excluding the first two annual service periods, refunds equal to 10% of the Distribution Revenue received by Public Service during each annual service period shall be made at the end of such period. In no case shall the total amount refunded be in excess of the installation and removal cost paid by the customer, nor shall refunds be made for more than eight consecutive annual service periods.

Temporary service will not be supplied under Rate Schedule SLG.

3.5. **Provision of Service:** Gas service shall be supplied in accordance with these Standard Terms and Conditions and the applicable rate schedule and shall be based upon customer's anticipated load and upon plant facilities that are sufficient for safe, proper, and adequate service based upon Public Service's design standards and reliability criteria. Both the Applicant's anticipated load and sufficient plant facilities will be as determined by Public Service.

3.5.1. **Standard Conditions:** Underground construction is the standard for all gas mains and services. Metering and regulating facilities are normally located above ground outside of buildings, unless required by Public Service operating conditions in which case they will be located inside.

3.5.2. **Atypical Conditions:** When special facilities are required due to conditions beyond the control of Public Service, or are requested by the Applicant and approved by Public Service, or are required due to local ordinance, the added cost of such special facilities, grossed up for income tax effects, shall be paid by the Applicant as a non-refundable contribution.

Public Service may require agreements for a longer term than specified in the rate schedule, may require contributions toward the investment, and may establish such Minimum Charges and Facilities Charges as may be equitable under the circumstances involved where: (1) large or special investment is necessary for the supply of service; (2) capacity required to serve Rate Schedules GSG or LVG customer's weather-sensitive or dual-fueled equipment is out of proportion to the use of gas service for occasional, intermittent, or low load factor purposes, or is for short durations. The assessment of any Minimum Charges will be based upon a minimum use requirement of 850 therms per year for each therm of applicable connected load. To the extent that total annual therm usage is less than 850 therms per therm of connected load, any deficiency will be assessed a Minimum Charge of $0.25 ($0.27 including SUT) per therm.

Unless there is a material change in the provision of service, once charges are established for a premises pursuant to this Section 3.5.2, they shall be used for all subsequent customers at that premises requesting such similar service, regardless of any lapse in the provision of such similar service characteristics to that premises.

STANDARD TERMS AND CONDITIONS
(Continued)

3.6. Extensions – General Provisions: Where it is necessary for Public Service to construct an Extension to serve the requirements of an Applicant, Public Service may require a deposit or contribution from the customer to cover all or part of the cost of the Extension, which is required to be paid to Public Service prior to any work being performed. The costs will be estimated based upon normal conditions, and may be increased if severe conditions, such as excessive rock or other unknown conditions, are found during excavation.

3.7. Charges for Extensions: Applicants requesting service may be charged a deposit for service. Such deposit will be determined by Public Service by comparing the estimated Distribution Revenue to the applicable costs of the Extension. The detailed calculations of such deposits, if any, are contained in the remainder of Section 3.7 of these Standard Terms and Conditions.

3.7.1. Individual Residential Customer: Where application for service is made by an Applicant for individual residential use, and the service requested is not for a limited period of less than ten (10) years, the following shall apply:

a) Excess cost is defined as the total cost of the Extension less any contribution required for Atypical Conditions less ten times the estimated average annual Distribution Revenue, such result grossed up for income tax effects. The excess cost shall not be less than zero in any case.

Any excess cost shall be deposited and remain with Public Service with interest. Public Service will waive the deposit requirement where the excess cost is $3,000.00 or less.

b) In each annual period from the date of connection, if the actual Distribution Revenue from the customer exceeds the greater of either: (1) the estimated annual Distribution Revenue used as the basis for the initial deposit computation, or (2) the highest actual Distribution Revenue from any prior year, there shall be returned to the Applicant an additional amount, equal to ten times such excess multiplied by the tax gross up factor used when the deposit was taken.

c) As additional customers not originally anticipated are supplied from this Extension and Public Service still holds at least some part of the deposit from the original Applicant, a reduction may be made to such remaining deposit. The cost of the Extension or cost for Increased Load for any such additional customer will be first compared to the estimated additional Distribution Revenue as detailed in the appropriate paragraph of this Section 3. Once any deposit requirement has been satisfied, any remaining Distribution Revenue credit will be applied toward the original customer's remaining deposit in an amount equal to ten times such excess Distribution Revenue multiplied by the tax gross up factor used when the deposit was taken.

d) In no event shall more than the original deposit be returned to the Applicant nor shall any part of the deposit remaining after ten years from the date of the original deposit be returned.

STANDARD TERMS AND CONDITIONS
(Continued)

3.7.2. Multi-unit Developments: Where application for service is made for gas service to a multi-unit residential or multi-unit non-residential development, the following shall apply:

a) Excess cost for an Applicant is defined as the total cost of the Extension less any contribution required for Atypical Conditions, such result grossed up for income tax effects.

Any excess cost shall be deposited and remain with Public Service with interest. Public Service will waive the deposit, requirement where the excess cost is $3,000.00 or less, or where ten times the estimated annual Distribution Revenue is greater than the excess costs and the excess cost is less than $20,000.00.

b) As each unit is connected, as determined by the setting and activation of the Public Service gas meter, there shall be returned to the Applicant an amount equal to ten times the estimated annual Distribution Revenue from that unit multiplied by the tax gross up factor used when the deposit was taken.

c) In each annual period from the date of deposit, if for all customers receiving service for the entire prior one year period the actual annual Distribution Revenue exceeds the greater of either: (1) the estimated annual Distribution Revenue, or (2) the highest actual Distribution Revenue from any prior year, there shall be returned to the Applicant an additional amount equal to ten times such excess multiplied by the tax gross up factor used when the deposit was taken.

d) As additional customers not originally anticipated are supplied from this Extension and Public Service still holds at least some part of the deposit from the original Applicant, a reduction may be made to such remaining deposit. The cost of the Extension or cost for Increased Load for any such additional customer will be first compared to the estimated additional Distribution Revenue as detailed in the appropriate paragraph of this Section 3. Once any deposit requirement has been satisfied, any remaining Distribution Revenue credit will be applied toward the original customer's remaining deposit in an amount equal to ten times such excess Distribution Revenue multiplied by the tax gross up factor used when the deposit was taken.

e) In no event shall more than the original deposit be returned to the Applicant nor shall any part of the deposit remaining after ten years from the date of the original deposit be returned.

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3.7.3. Individual Commercial and Industrial Customers: Where application for service is made for individual non-residential use, and the service requested is not for a limited period of less than ten (10) years, the following shall apply:

a) Excess cost for an Applicant is defined as the total cost of the Extension less any contribution required for Atypical Conditions less ten times the estimated average annual Distribution Revenue, such result grossed up for income tax effects. The excess cost shall not be less than zero in any case.

Any excess cost shall be deposited and remain with Public Service with interest. Public Service will waive the deposit requirement where the excess cost is $3,000.00 or less, or where ten times the estimated annual Distribution Revenue is greater than the excess costs and the excess cost is less than $20,000.00.

b) As the Public Service gas meter is set, there shall be returned to the Applicant an amount equal to ten (10) times the estimated average annual Distribution revenue multiplied by the tax gross up factor used when the deposit was taken.

c) In each annual period from the date of deposit, if the actual Distribution Revenue from the customer exceeds the greater of: (1) the estimated annual Distribution Revenue used as the basis for the initial deposit, or (2) the highest actual Distribution Revenue from any prior year; there shall be returned to the Applicant an additional amount, equal to ten times such excess multiplied by the tax gross up factor used when the deposit was taken.

d) As additional customers not originally anticipated are supplied from this Extension and Public Service still holds at least some part of the deposit from the original Applicant, a reduction may be made to such remaining deposit. The cost of the Extension or cost for Increased Load for any such additional customer will be first compared to the estimated additional Distribution Revenue as detailed in the appropriate paragraph of this Section 3. Once any deposit requirement has been satisfied, any remaining Distribution Revenue credit will be applied toward the original customer's remaining deposit in an amount equal to ten times such excess Distribution Revenue multiplied by the tax gross up factor used when the deposit was taken.

e) In no event shall more than the original deposit be returned to the Applicant nor shall any part of the original deposit remaining after ten years from the date of the original deposit be returned.

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3.8 Charges for Increased Load: When it is necessary for Public Service to construct, upgrade, or install facilities necessary to service the additional requirements of existing customers and these facilities do not meet the definition of an Extension as defined in Section 3.2 (f) of these Standard Terms and Conditions, the following shall apply:

a) Public Service may require a deposit from the customer to cover all or part of the investment necessary to supply service. Any such deposit will be calculated by comparing the estimated annual increase in Distribution Revenue as determined by Public Service to the total cost of the applicable work to determine if excess costs exist.

b) Excess cost is defined as the total cost of the applicable work less any contribution required for Atypical Conditions less the ten times the estimated average annual increase in Distribution Revenue, such result grossed up for income tax effects. The excess cost shall not be less than zero in any case.

c) Any excess cost shall be deposited and remain with Public Service without interest. Public Service will waive the deposit requirement where the excess cost is $3,000.00 or less.

d) In each annual period from the date of connection of such additional load, if the actual increase in Distribution Revenue from the customer exceeds the greater of either: (1) the estimated annual increase in Distribution Revenue used as the basis for the initial deposit, or (2) the highest increase in actual Distribution Revenue from any prior year, there shall be returned to the Applicant an additional amount, equal to ten times such excess multiplied by the tax gross up factor used when the deposit was taken.

e) In no event shall more than the original deposit be returned to the Applicant nor shall any part of the deposit remaining after ten years from the date of the original deposit be returned.

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4. CHARACTERISTICS OF SERVICE

4.1. **Standard Service Supply:** Public Service may commingle gas supplies from several sources. All gas delivered to any customer may be a mixture of gas manufactured or derived from natural sources, altered to remove impurities and to add desirable constituents. The heat content of delivered gas may vary between 950 and 1,150 Btu per cubic foot. The character of the gas will be of a nature which will allow an atmospheric burner to operate without repeated adjustment.

4.2. **Heat Measurement and Billing Units:** For billing purposes, the customer's gas use in cubic feet will be converted to therms, using the actual weighted average heating value, on a dry basis, of the gas distributed in the second preceding calendar month, where a therm is a unit of heat energy equivalent to 100,000 British thermal units (Btu). Metered usage in cubic feet at standard pressure will be corrected to atmospheric pressure by application of a 1.012 multiplier. Metered usage at higher than standard pressure will be corrected to atmospheric pressure by application of appropriate multipliers.

4.3. **Standard Pressure:** The standard pressure supplied at the meter outlet will be within the range of 4 to 7 inches water column pressure.

5. SERVICE CONNECTIONS

5.1. **General:** The Applicant shall consult Public Service as to the exact point at which the meter set will be located and connection to customer piping will be made before installing interior gas piping or starting any other work dependent upon the location of the service pipe.

Public Service will determine the location of the service pipe depending upon existing facilities in the street and other practical considerations.

Gas service will be supplied to each building or premises through a single service pipe except where, in the judgment of Public Service, its economic considerations; conditions on its distribution system; improvement of service conditions; or volume of the customer's requirements, make it desirable to install more than one service pipe.

5.2. **Change in Location of Existing Service Pipe:** Any change requested by the customer in the location of the existing service pipe, if approved by Public Service, will be made at the expense of the customer. A request to install facilities for the same building within 12 months of the removal of similar facilities may be considered a relocation of the existing facilities if the load served is similar or lower and the building served is essentially the same.

6. METERS AND ASSOCIATED EQUIPMENT

6.1. **General**: A single meter will be furnished and installed by Public Service for each separately billed rate schedule under which a customer receives service. Public Service shall be consulted regarding meter locations. Meter installations shall be in conformance

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with the standards of the fuel gas subcode of the "Uniform Construction Code" and the "General Criteria for Installation of Gas Appliances and Gas Piping," issued by Public Service and available on request. Where permitted, the meter shall be located outside. If the meter is not located outside solely due to the request of the customer, Public Service reserves the right to install remote metering equipment at the customer's expense. See Section 8.5 of these Standard Terms and Conditions. The installation of meters and connections shall be in accordance with N.J.A.C. 14:3-4.2.

When requested by a customer, remote meter reading equipment may be installed, if feasible, at the expense of the customer. The payment shall not give the customer any interest in the equipment thus installed, the ownership being vested exclusively in Public Service.

Additional meters will be installed only where, in the judgment of Public Service, its economic considerations; conditions on its distribution system; improvement of service conditions; or the volume of the customer's requirements, make it desirable to install such additional meters.

6.2. **Seals:** Public Service may seal or lock any meters or enclosures containing meters and associated metering equipment. No person except a duly authorized employee of Public Service shall break or remove a Public Service seal or lock.

6.3. **Protection of Meter and Service Equipment:** Customer shall furnish and maintain a suitable space for the meter and associated equipment. Such space shall be as near as practicable to the point of entrance of the gas service pipe, adequately ventilated, dry (inside installation only) and free from corrosive vapors, not subject to extreme temperatures, readily accessible to duly authorized employees or agents of Public Service and shall otherwise conform to the standards of the fuel gas subcode of the "Uniform Construction Code" and to the "General Criteria for Installation of Gas Appliances and Gas Piping," issued by Public Service and available on request. Customer shall not tamper with or remove meters or other equipment, nor permit access thereto except by duly authorized employees or agents of Public Service. In case of loss or damage to the property of Public Service from the act or negligence of the customer or the customer's agents or servants, or of failure to return equipment supplied by Public Service, customer shall pay to Public Service the amount of such loss or damage to the property. All equipment furnished at the expense of Public Service shall remain its property and may be replaced whenever deemed necessary and may be removed by it at any reasonable time after the discontinuance of service. In the case of defective service, the customer shall not interfere or tamper with the apparatus belonging to Public Service but shall immediately notify Public Service to have the defects remedied.

6.4. **Public Service to Turn on Gas:** No person other than a duly authorized employee or agent of Public Service shall turn gas into any new system of piping or into any old system of piping from which the use of gas had been discontinued.

6.5. **Change in Location of Meters and Associated Equipment:** Any change requested by the customer in the existing location of meters and associated equipment, if approved by Public Service, will be made at the expense of the customer.

6.6. **Tampering:** In the event it is established that Public Service meters or other equipment on the customer's premises have been tampered with, and, such tampering results in incorrect measurement of the service supplied, the charges for such gas service under the applicable rate schedule including Basic Gas Supply Service default service, based

upon the Public Service estimate from available data and not registered by Public Service meters shall be paid by the beneficiary of such service. In the case of a residential customer, such unpaid service shall be limited to not more than one year prior to the date of correcting the tampered account and for no more than the unpaid service alleged to be used by such customer. The beneficiary shall be the customer or other party who benefits from such tampering. The actual cost of investigation, inspection, and determination of such tampering, and other costs, such as but not limited to, the installation of protective equipment, legal fees, and other costs related to the administrative, civil or criminal proceedings, shall be billed to the responsible party. The responsible party shall be the party who either tampered with or caused the tampering with a meter or other equipment or knowingly received the benefit of tampering by or caused by another. In the event a residential customer unknowingly received the benefit of meter or equipment tampering, Public Service shall only seek from the benefiting customer the cost of the service provided under the applicable rate schedule including Basic Gas Supply Service default service but not the cost of investigation.

These provisions are subject to the customer's right to pursue a bill dispute proceeding pursuant to N.J.A.C. 14:3-7.6.

Tampering with Public Service facilities may be punishable by fine and/or imprisonment under the New Jersey Code of Criminal Justice.

7. CUSTOMER'S INSTALLATION

7.1. General: No material change in the total input rating, or method of operation of customer's equipment shall be made without previous written notice to Public Service. For the purpose of this paragraph a material change in total input rating is defined as a change of 50,000 Btu per hour input or 10%, whichever is larger. A material change in method of operation is defined as a 50% change in the customer's total annual gas consumption.

7.2. Piping: Gas piping installed on the customer's premises must conform to all requirements of municipal or other properly constituted public authorities, the most current edition of the standards of the fuel gas subcode of the "Uniform Construction Code", and to the regulations set forth in "General Criteria for Installation of Gas Appliances and Gas Piping," issued by Public Service and available on request.

7.3. Gas Equipment and Appliances: All gas equipment and appliances shall be certified to applicable U.S. standards by a nationally recognized testing laboratory, and marked with the appropriate certification approval. The manner of installation of all gas equipment and appliances shall be in accordance with all local construction codes, the most current edition of the standards of the fuel gas subcode of the "Uniform Construction Code", and the regulations set forth in "General Criteria for Installation of Gas Appliances and Gas Piping," issued by Public Service and available on request.

7.4. Back Pressure and Suction: When the nature of customer's gas fired equipment, gas compressors or gas piping configuration is such that it may cause back pressure or suction in the piping system, meters or other associated equipment of Public Service, suitable protective devices as defined by the standards of the fuel gas subcode of the "Uniform Construction Code", fittings, valves or check valves shall be furnished, installed and maintained by the customer, subject to the inspection and approval by Public Service.

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7.5. Maintenance of Customer's Installation: Customer's entire installation shall be maintained in the condition required by the municipal or other public authorities having jurisdiction and by Public Service.

7.6. Appliance Adjustments: Public Service will make, without additional charge, safety related adjustments to gas burners and certain associated equipment as determined by the Board to be necessary to the functioning of gas appliances in use on customer's premises. Other adjustments or repairs to such appliances may be made, or other services connected with the rendering of gas service may be performed, by Public Service at the customer's expense. Service procedures are detailed in "Servicing Equipment and Facilities on Customers' Premises," issued by Public Service and available on request.

7.7. Adequacy and Safety of Installation: Public Service shall not be required to supply gas service until the customer's installation shall have been approved by the authorities having jurisdiction. Public Service may withhold or discontinue its service whenever such installation or part thereof is deemed by Public Service to be unsafe, inadequate, or unsuitable for receiving service, or to interfere with or impair the continuity or quality of service to the customer or to others.

Public Service will assume no responsibility for the condition of customer's gas installation or for accidents, fires, or failures which may occur as the result of the condition of such gas installation.

Neither by inspection or nonrejection, nor in any other way, does Public Service give any warranty, expressed or implied, as to the adequacy, safety, or other characteristics of any structure, equipment, wires, pipes, appliances, or devices used by the customer.

7.8. Liability for Customer's Installation: Public Service will not be liable for damages or for injuries sustained by customers or others or by the equipment of customers or others by reason of the condition or character of customers' facilities or the equipment of others on customers' premises or by reason of the characteristics of the service that are in accord with Section 4.1 of these Standard Terms and Conditions. Public Service will not be liable for the use, care or handling of the gas service delivered to the customer after same passes beyond the point at which the service facilities of Public Service connect to the customers' facilities.

8. METER READING AND BILLING

8.1. Measurement of Gas Used: Public Service will select the type and make of metering equipment and may, from time to time, change or alter such equipment; its sole obligation is to supply meters that will accurately and adequately furnish records for billing purposes.

Where service through more than one meter is permitted by Public Service as outlined under Section 6.1 of these Standard Terms and Conditions, the cubic-foot use registered by the individual meters will be combined for billing purposes. In all other instances, each meter shall be billed separately.

Bills will be based upon registration of Public Service meters except as otherwise provided for in this Tariff.

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8.2. Correction for Pressure: In any case where, pursuant to Section 4.3, Public Service measures the gas delivered to a customer under pressure greater than that exerted by a column of water seven inches in height, the cubic feet of gas registered by the meter or meters of Public Service shall be subject to correction for billing purposes by the application of a proper correction factor.

8.3. Metering on Customer's Premises:

8.3.1. General: The service and supply of gas by Public Service for the use of owners, landlords, tenants, or occupants of residential buildings or premises will be furnished to them as customers of Public Service through Public Service individual meters, except as noted below in Section 8.3.2.

The service and supply of gas by Public Service to owners, landlords, tenants, or occupants of industrial or commercial buildings or residential premises as noted below in section 8.3.2 may be further distributed to other users within such structures and such use and resultant charges, including reasonable administrative costs, apportioned to such users. However, such charges shall not exceed the amount that Public Service would charge if the tenant were served and billed directly by Public Service on the most appropriate rate schedule. In no event will a customer buying gas service from Public Service be permitted to resell it for a profit.

Where customer installs, or has installed a gas-fired pool heating device, service to such device must be limited to a separate line with a shutoff valve or a separate meter.

8.3.2. Sub-metering: The practice where a primary customer of Public Service or customer of record, through the use of direct metering devices, installed, operated and maintained at such customer's expense, monitors, evaluates, or measures their own gas consumption or the consumption of a tenant for accounting or conservations purposes.

Gas sub-meters are devices that measure the volume of gas being delivered to particular locations in a system after measurement by a Public Service owned meter. Gas sub-meters provide the customer-of-record the means to apportion among the end users the cost of gas service being supplied through the Public Service owned meter.

Sub-metering will be permitted in new or existing buildings or premises where the basic characteristic of use is industrial or commercial. Sub-metering will not be permitted in new or existing buildings or premises where the basic characteristic of use is residential, except where such buildings or premises are publicly financed or government owned; or are condominiums or cooperative housing; or are eleemosynary in nature. In the case of dwelling units, all gas consuming devices must be metered through a single sub-meter.

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Sub-metering for the aforementioned purposes and applications shall not adversely affect the ability of Public Service to render service to any customer within the affected building or premises or any other customer. The customer shall contact Public Service prior to the installation of any sub-metering device to ascertain that it will not cause operating problems. The ownership of all sub-metering devices is that of the customer, along with all incidents in connection with said ownership, including accuracy of the equipment, meter reading and billing, liability arising from the presence of the equipment and the maintenance and repair of the equipment. Any additional costs which may result from and are attributable to the installation of sub-metering devices shall be borne by the customer.

The customer shall be responsible for the accuracy of sub-metering equipment. In the event of a dispute involving such accuracy, the Public Service meter will be presumed correct, subject to test results.

8.4. **Testing of Meters:** At such times as Public Service may deem proper, or as the Board of Public Utilities may require, Public Service will test its meters in accordance with the standards and bases prescribed by the Board of Public Utilities.

Public Service shall, without charge, make a test of the accuracy of a meter(s) upon request of the customer, provided such customer does not make a request for test more frequently than once in 12 months. A report giving results of such tests shall be made to the customer, and a complete record of such tests shall be kept on file at the office of Public Service in conformance with the New Jersey Administrative Code.

8.5. **Metering Options:** The following optional metering services are available to customers and are subject to the following charges as indicated in the following subsections:

8.5.1. **Gas Data Pulses and Remotes:** Public Service will install and maintain the necessary equipment to supply data pulses for the customer's use, and remote metering equipment at the customer's request. Customers requesting these services are subject to a minimum term of one year:

Description	**Set-Up Charge – Data Pulses**		**Set-Up Charge - Remote**		**Monthly Charge**
	Charges	Charges including SUT	Charges	Charges including SUT	
Residential Meter	$100.00	$ 106.63	$140.00	$ 149.28	$1.00
Large Diaphragm – Retrofit	$ 40.00	$ 42.65	$140.00	$ 149.28	$1.00
Large Diaphragm – Change					
Model 53 It	$100.00	$ 106.63	$170.00	$ 181.26	$2.00
Model 10 It	$130.00	$ 138.61	$170.00	$ 181.26	$2.00
Model 20 It	$130.00	$ 138.61	$170.00	$ 181.26	$2.00
Model 30 It	$340.00	$ 362.53	$365.00	$ 389.18	$3.00
Model 60 It	$650.00	$ 693.06	$800.00	$ 853.00	$3.00
Rotary without Instrument	$450.00	$ 479.81	$300.00	$ 319.88	$2.00
Rotary with Instrument	$100.00	$ 106.63	$100.00	$ 106.63	$2.00
Turbine	$100.00	$ 106.63	$100.00	$ 106.63	$2.00

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8.5.2. Customer Usage Information: Where Public Service has an interval meter installed, twelve months of interval usage, where available, will be provided upon request of the customer. The historical interval data will be provided based upon the measurement interval of the installed meter, and will be sent to the customer in an electronic format. The cost per meter, per request is $40.00.

Where Public Service has an interval meter installed, Public Service will provide Internet access to customer historical usage data on a next-day basis for those customers who request such service. The charges for this service shall include a set up charge of $107.00 per meter, and a monthly charge of $17.00 per meter per month. Customer will be required to sign an Agreement for this service.

8.6. Billing Adjustments: Whenever a meter is found to be registering fast by 2% or more, an adjustment of charges shall be made. When a meter is found to be registering slow by more than 2%, an adjustment of charges may be made in the case of meter tampering, non-register meters, or in circumstances in which a customer, other than RSG, should reasonably have known that the bill did not accurately reflect the usage. Billing adjustments shall be made in accordance with N.J.A.C. 14:3-4.6.

8.7. Meter Reading and Billing Period: All charges are stated on a monthly basis. The term "month" for billing purposes shall mean the period between any two consecutive regularly scheduled meter readings. Meter reading schedules provide for reading meters, in accordance with their geographic location, as nearly as may be practicable every thirty days. Schedules are prepared in advance by Public Service and are available for inspection.

8.8. Proration of Monthly Charges: For all billings for service, including initial bills, final bills, and bills for periods other than twenty-five to thirty-six days inclusive, except for temporary service accounts and Rate Schedules CIG, TSG-F, TSG-NF, and CSG, the monthly charges will be prorated based on the number of days in the billing month. For temporary service accounts the minimum period for billing purposes shall be one month.

8.9. Averaged Bills: Where Public Service is unable to read the meter, Public Service may estimate the amount of gas supplied and submit an averaged bill, so marked, for customer's acceptance. Adjustments for averaged bills shall be made in Accordance with N.J.A.C. 14:3-7.2. Adjustment of such customer's averaged use to actual use will be made after an actual meter reading is obtained.

Public Service reserves the right to discontinue gas service when a meter reading is not obtained for eight (8) consecutive billing periods (monthly accounts), and after written notice is sent to a customer on the fifth and seventh months explaining that a meter reading must be obtained. Public Service will take all reasonable means to obtain a meter reading during normal working hours, evening hours or Saturdays before discontinuing service. After all reasonable means to obtain a meter reading have been exhausted, Public Service may discontinue service provided at least eight months have passed since the last meter reading was obtained, the Board of Public Utilities has been so notified and the customer has been properly notified by prior mailing.

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8.10. Budget Plan (Equal Payment Plan): Customers billed under Rate Schedules RSG and GSG (where GSG gas service is used for residential purposes in buildings of four or fewer units), shall have the option of paying for their Public Service charges in equal, estimated monthly installments. Budget plans for residential accounts shall be made in accordance with N.J.A.C. 14:3-7.5. The total Public Service charges for a twelve month period will be averaged over twelve months and may be paid in twelve equal monthly installments. Adjustments will be made in the twelfth month if actual charges are more or less than the budget amounts billed. A review between the actual cost of service and the monthly budget amount will be made at least once in the budget plan year. A final bill for a budget plan year shall be issued at the end of the budget plan year and shall contain that month's monthly budget amount plus any adjustments will be made if actual charges are more or less than the budget amount billed.

8.11. Billing of Charges in Tariff: Unless otherwise ordered by the Board of Public Utilities, the charges and the classification of service set forth in this Tariff or in amendments hereof shall apply to the first month's billing of service in the regular course on and after the effective date set forth in such Tariff covering the use of gas service subsequent to the scheduled meter reading date for the immediately preceding month.

8.12. Payment of Bills: At least 15 days' time for payment shall be allowed after sending a bill. Bills are payable at any Customer Service Center of Public Service, or by mail, or to any collector or collection agency duly authorized by Public Service. Whenever a residential customer advises Public Service that the customer wishes to discuss a deferred payment agreement because the customer is presently unable to pay a total outstanding bill and/or deposit, Public Service will make a good-faith effort to allow the customer the opportunity to enter into a fair and reasonable deferred payment agreement, which takes into consideration the customer's financial situation. A residential electric or gas customer is not required to pay, as a down payment, more than 25% of the total outstanding bill due at the time of the agreement. Such agreements which extend more than 2 months must be in writing and shall provide that a customer who is presently unable to pay an outstanding debt for Public Service services may make reasonable periodic payments until the debt is liquidated, while continuing payment of current bills. While a deferred payment agreement for each separate service need not be entered into more than once a year, Public Service may offer more than one such agreement in a year. If the customer defaults on any of the terms of the agreement, Public Service may discontinue service after providing the customer with a notice of discontinuance. If a customer's service has been terminated for non-payment of bills, and has met all requirements for restoration of service, Public Service may require a deposit, but not prior to service restoration. Instead, Public Service will bill payment of the deposit, or make other reasonable arrangements. The amount of the deposit required for restoration of service will be determined in accordance with N.J.A.C. 14:3-3.4.

In the case of a residential customer who receives more than one utility service from Public Service and has entered into a separate agreement for each separate service, default on one such agreement shall constitute grounds for discontinuance of only that service.

8.13. Late Payment Charge: A late payment charge at the rate of 1.416% per monthly billing period shall be applied to the accounts of customers taking service under all rate schedules contained herein except for Rate Schedule RSG. Service to a body politic will not be subject to a late payment charge. The charge will be applied to all amounts billed including accounts payable and unpaid finance charges applied to previous bills,

and will not be applied sooner than 25 days after a bill is rendered, in accordance with N.J.A.C. 14:3-7.1(e). The amount of the finance charge to be added to the unpaid balance shall be calculated by multiplying the unpaid balance by the late payment charge rate. When payment is received by Public Service from a customer who has an unpaid balance which includes charges for late payment, the payment shall be applied first to such charges and then to the remainder of the unpaid balance.

8.14. Returned Check Charge: A $15.00 charge shall be applied to the accounts of customers who have checks to Public Service returned unhonored by the bank.

8.15. Field Collection Charge: A charge may be applied to the accounts of customers when it becomes necessary for Public Service to make a collection visit to the customer or premises. A charge of $30.00 may be applied to commercial and industrial accounts which include Rate Schedules: GSG, LVG, SLG, CIG, TSG-F, TSG-NF and CSG.

9. LEAKAGE

Customer shall immediately give notice to Public Service at its office of any escape of gas in or about the customer's premises.

10. ACCESS TO CUSTOMER'S PREMISES

Public Service shall have the right of reasonable and safe access to customer's premises, and to all property furnished by Public Service, at all reasonable times for the purpose of inspection of customer's premises incident to the rendering of service, reading meters or inspecting, testing, or repairing its facilities used in connection with supplying the service, or for the removal of its property. The customer shall obtain, or cause to be obtained, all permits needed by Public Service for access to its facilities. Access to facilities of Public Service shall not be given except to authorized employees of Public Service or duly authorized governmental officials.

11. DISCONTINUANCE OF SERVICE

11.1. By Public Service: Public Service, upon reasonable notice, when it can be reasonably given, may suspend or curtail or discontinue service for the following reasons: (1) for the purpose of making permanent or temporary repairs, changes or improvements in any part of its system; (2) for compliance in good faith with any governmental order or directive notwithstanding such order or directive subsequently may be held to be invalid; (3) for any of the following acts or omissions on the part of the customer: (a) non-payment of a valid bill due for service furnished at a present or previous location. However, non-payment for business service shall not be a reason for discontinuance of residence service except in cases of diversion of service pursuant to N.J.A.C. 14:3-7.8; (b) tampering with any facility of Public Service; (c) fraudulent representation in relation to the use of service; (d) customer moving from the premises, unless the customer requests that service be continued; (e) providing service to others without approval of Public Service except as permitted under Section 8.3 Metering on Customer's Premises; (f) failure to make or increase an advance payment or deposit as provided for in these Standard Terms and Conditions; (g) refusal to contract for service where such contract is required; (h) connecting and operating equipment in such manner as to produce disturbing effects on the service of Public Service or other customers; (i) failure of the customer to comply with any of these Standard Terms and Conditions; (j) where the condition of the customer's installation presents a hazard to life or property; or (k) failure of customer to repair any faulty facility of the customer; (4) for refusal of reasonable and safe access to customer's premises for necessary purposes in connection with rendering of service, including meter installation, reading or testing, or the maintenance or removal of the property of Public Service.

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The Company shall apply the regulations set forth in N.J.A.C. 14:3.3A.2(a), and only discontinue service for non-payment of bills if one or both of the following criteria are met: 1) the customer's arrearage is more than $100.00; and/or 2) the customer's account is more than 3 months in arrears.

Public Service may not discontinue service for non-payment of bills unless it gives the customer at least 10 days written notice of its intentions to discontinue, 15 days if a landlord-tenant relationship is known to exist. The notice of discontinuance shall not be served until the expiration of the 15-day period indicated in Section 8.12 Payment of Bills. No additional notice will be required when, in a response to a notice of discontinuance, payment by check is subsequently dishonored. However, in case of fraud, illegal use, or when it is clearly indicated that the customer is preparing to leave, immediate payment of accounts may be required.

Public Service may not discontinue service because of non-payment of bills in cases where a charge is in dispute, provided that the undisputed charges are paid and a request is made to the Board for investigation of the disputed charge. In such cases, Public Service shall notify the customer that unless steps are taken to invoke formal or informal Board action within 5 days, service will be discontinued for non-payment.

Public Service may not discontinue residential service except between the hours of 8:00 A.M. to 4:00 P.M. Monday through Thursday, unless there is a safety related emergency. There shall be no involuntary termination of service on Friday, Saturday, and Sunday or on the day before a holiday or on a holiday, absent such emergency.

Discontinuance of residential service for non-payment is prohibited if a medical emergency exists within the premises which would be aggravated by discontinuance of service and the customer gives reasonable proof of inability to pay. Discontinuance shall be prohibited for a period of up to 2 months when a customer submits a physician's statement in writing to Public Service as to the existence of the emergency, its nature and probable duration, and that termination of service will aggravate the medical emergency. Recertification by the physician as to continuance of the medical emergency shall be submitted to Public Service after 30 days. However, at the end of such period of emergency, the customer shall still remain liable for payment of service(s) rendered, subject to the provision of N.J.A.C. 14:3-7.7.

1. The Board may extend the 60-day period for good cause upon the receipt of a written request from the customer. That written request shall be in accordance with the preceding terms. Pending the Board's consideration and decision regarding the request for extension, service shall not be discontinued.

2. Public Service may in its discretion, delay discontinuance of residential service for nonpayment prior to submission of the physician's statement required by this subsection when a medical emergency is known to exist.

If a residential customer offers payment of the full amount or a reasonable portion of the amount due at the time of discontinuance, a Public Service representative shall accept payment without discontinuance of service. Whenever such payment is made, the representative shall provide the customer with a receipt showing the date, account number, customer's name and address and amount received.

STANDARD TERMS AND CONDITIONS
(Continued)

Public Service shall make every reasonable effort to determine when a landlord-tenant relationship exists at residential premises being served. If such a relationship is known to exist, and if the tenants are not the customer of record but are end users, service will not be shut off unless Public Service has given a 15-day written notice to the owner of the premises or to the customer of record whom the last preceding bill was rendered. Public Service will use its best efforts to provide discontinuance notices to all tenants, including providing tenants with a 15-day written notice, which will be hand delivered, mailed or posted in a conspicuous area of the premises and in the common areas of multiple family premises.

In addition, if posting is the method of notification used, Public Service will use its best efforts to place a copy of the notice on each tenant's car windshield or under the door of each tenant's dwelling. In the case of tenants of single and two-family dwellings, each tenant will be provided with a 15-day individual notice.

When a landlord-tenant relationship is known to exist, at the landlord's request, Public Service will provide the landlord with notice and/or have the service placed in the landlord's name if the tenant's service is being discontinued.

Public Service shall not discontinue service during the period from November 15 through March 15, in accordance with N.J.A.C. 14:3-3A.5, unless otherwise ordered by the Board of Public Utilities, to those residential customers who demonstrate at the time of the intended termination that they are recipients of benefits of: (1) Lifeline Credit Program; (2) Federal Home Energy Assistance Program (HEAP); (3) Temporary Assistance to Needy Families (TANF); (4) Federal Supplemental Security Income (SSI); (5) Pharmaceutical Assistance to the Aged and Disabled (PAAD); (6) General Assistance (GA) benefits; (7) Universal Service Fund (USF); or (8) Persons unable to pay their utility bills because of circumstances beyond their control.

Public Service shall not discontinue service to any residential customer, for reasons of nonpayment, failure to pay a cash security deposit or guarantee, or failure to comply with the terms of a deferred payment plan, whenever the high temperature is forecast to be 32 degrees Fahrenheit or below during the next 24 hours, in accordance with N.J.A.C. 14:3-3A.2(e)1.

Public Service shall not discontinue service to any residential customer eligible for the Winter Termination Program, for reasons of nonpayment, failure to pay a cash security deposit or guarantee, or failure to comply with a deferred payment agreement, whenever the high temperature is forecast to be 95 degrees Fahrenheit or more at any time during the following 48 hours, in accordance with N.J.A.C. 14:3-3A.2(e)3.

11.2. At Customer's Request: A customer wishing to discontinue service must give notice as provided in the applicable rate schedule. Within 48 hours of said notice, Public Service will discontinue service or obtain a meter reading for the purpose of calculating a final bill. Where such notice is not received by Public Service, customer shall be liable for service until final reading of the meter is taken. Notice to discontinue service will not relieve a customer from any minimum or guaranteed payment under any contract or rate schedule.

STANDARD TERMS AND CONDITIONS
(Continued)

12. RECONNECTION CHARGE

A reconnection charge of $45.00 will be made for restoration of service when service has been suspended or discontinued for non-payment of any bill due.

13. SERVICE LIMITATIONS

13.1. Continuity of Service: Public Service will use reasonable diligence to provide a regular and uninterrupted supply of service; but, should the supply be suspended, curtailed, or discontinued by Public Service for any of the reasons set forth in Section 11 of these Standard Terms and Conditions, or should the supply of service be interrupted, curtailed, deficient, defective, or fail, by reason of any act of God, accident, strike, legal process, governmental interference, or by reason of compliance in good faith with any governmental order or directive, notwithstanding such order or directive subsequently may be held to be invalid, Public Service shall not be liable for any loss or damage, direct or consequential, resulting from any such suspension, discontinuance, interruption, curtailment, deficiency, defect, or failure.

13.2. Emergencies: Public Service may curtail or interrupt service to any customer or customers in the event of an emergency threatening the integrity of its system or the systems to which it is directly or indirectly connected if, in its sole judgment, such action will prevent or alleviate the emergency condition.

13.3. Unusual Conditions: Public Service may place limitations on the amount and character of gas service it will supply or transport and may refuse such service to new customers, to existing customers for additional load, or to customers whose service agreements have expired if Public Service is or will be unable to obtain or does not have assured the necessary production raw materials, equipment and facilities to supply such gas or transportation service. In the case of transportation service, if Public Service, at its sole discretion, determines that such service would not be consistent with the best interest of its customers served under all rate schedules contained herein such service may be denied to applicants for such service.

14. THIRD PARTY SUPPLIER SERVICE PROVISIONS

14.1. Third Party Supplier Gas Supply: Customers served on Rate Schedules RSG, GSG, LVG, SLG, TSG-NF, and CSG may choose to receive gas supply from either a Third Party Supplier (TPS) or from Public Service through its Basic Gas Supply Service. Customers on these rate schedules who are not enrolled with a TPS will receive their gas supply from Public Service. Customers served on Rate Schedule TSG-F may only receive gas supply from a TPS. The customer's supply of gas is limited to one TPS for the account(s) at a particular customer facility or complex.

A TPS is either a retail energy provider that has been licensed by the Board or is a customer served under Rate Schedules TSG-NF and CSG that has elected to self supply and act as a TPS on their own behalf. All TPSs must execute an Application for Service, be accepted by Public Service, and conform with the Third Party Supplier Requirements section of this Tariff.

14.2. Enrollment: Customers may request an enrollment package from Public Service which in addition to providing general information regarding gas supply describes the process necessary for a customer to obtain a TPS for gas supply. This enrollment package will be provided to the customer at no charge and may be obtained by calling or writing Public Service or visiting a Customer Service Center. Once the customer has chosen a TPS, the customer must provide appropriate authorization as required by their designated supplier.

STANDARD TERMS AND CONDITIONS
(Continued)

14.3. Selection or Change of Third Party Supplier: In order to be eligible to receive gas supply from a TPS, the customer must contract with a TPS to obtain gas supply for delivery to the customer by Public Service. The customer's designated TPS is required to notify Public Service of its selection as the customer's provider of gas supply on or before the 10th calendar day of the month to become effective on the first scheduled meter reading date beginning with the first calendar day of the following month for Rate Schedules RSG, GSG, LVG, and SLG. Notification for customers on Rate Schedules TSG-F, TSG-NF, and CSG is required prior to the last business day of the month. Such selection shall remain in effect for the entire billing period.

For customers on Rate Schedule RSG, GSG, LVG, SLG, TSG-F, TSG-NF and CSG, once Public Service has received the TPS notification for the initial, or subsequent, enrollment with a TPS, Public Service will confirm the customer's selection of its designated TPS by sending a letter of confirmation to the customer, which will be sent within one business day. In the event of a dispute, assignment of a customer will not occur unless and until the dispute is resolved. This confirmation letter will include notification of the RSG customer's right to rescind their contract with their designated TPS which must be exercised within seven (7) days of mailing of the letter of confirmation. Once assignment has occurred, the TPS will be required to supply all of the gas supply on the Public Service customer's account.

14.4. Return to Public Service Basic Gas Supply Service Default Service: Customers may return to Public Service Basic Gas Supply Service default service for commodity supply under the conditions and procedures as outlined below.

14.4.1. Customers on Rate Schedules RSG, GSG, LVG and SLG: Customers that subsequently choose to return to Basic Gas Supply Service default service must notify Public Service on or before the 10th calendar day of the month to become effective on the first scheduled meter reading date beginning with the first calendar day of the following month. Public Service will confirm the customer's selection of Basic Gas Supply Service default service gas supply by sending a letter of confirmation to the customer, which will be sent within one business day. This confirmation letter will include notification of the customer's right to rescind their selection which must be exercised within seven (7) days of mailing of the letter of confirmation. GSG, LVG, and SLG customers not exercising their right of rescission within the seven (7) day period may be subject to renewable one-year terms on Basic Gas Supply Service default service.

If a customer's TPS notifies Public Service on or before the 10th calendar day of the month that it has terminated its supply relationship with the customer, such termination will become effective on the first scheduled meter reading date beginning with the first calendar day of the following month. The customer will be advised by Public Service in writing of this change in supplier. The customer will be placed on the applicable Public Service Basic Gas Supply Service default service unless the customer has selected another TPS in accordance with Section 14.3. GSG, LVG, and SLG customers provided Basic Gas Supply Service default service for two or more consecutive months may be subject to renewable one-year terms on Basic Gas Supply Service default service.

STANDARD TERMS AND CONDITIONS
(Continued)

14.4.2. Customers on Rate Schedules TSG-NF and CSG (with maximum requirement of less than 2,000 therms per hour): For customers that subsequently choose to return to Basic Gas Supply Service default service, the return will become effective on the first of the month following the customer's written notification to Public Service, provided that such notice was given prior to the last business day of the preceding month. Public Service will confirm the customer's selection of Basic Gas Supply Service default service gas supply by sending a letter of confirmation to the customer, which will be sent within one business day.

If a customer's TPS notifies Public Service that it has terminated its supply relationship with the customer, such termination will become effective on the first of the month after such notification, provided such notification was received no later than the next to last business day of the month. In the event that notification is received after the next to last business day of the month, such termination shall become effective the first of the second month following such notification. The customer will be advised by Public Service in writing of this change in supplier. The customer will be placed on the applicable Public Service Basic Gas Supply Service default service unless the customer has selected another TPS in accordance with Section 14.3.

14.4.3. Customers on Rate Schedule TSG-F: Basic Gas Supply Service default service is not available for customers on Rate Schedule TSG-F.

14.5. Emergency Sales Service: Under certain conditions as specified below, Public Service may supply gas commodity on the Emergency Sales Service provision. Emergency Sales Service will be offered at the sole discretion of Public Service, after taking into consideration its other firm supply obligations. Public Service reserves the right to curtail service to any customer if deliveries from customer's TPS pursuant to Third Party Supplier Requirements are curtailed.

14.5.1. Customers on Rate Schedules RSG, GSG, LVG and SLG: During any month where Public Service cannot confirm that the customer has an eligible TPS, or if the TPS no longer satisfies the Third Party Supply Requirements section of this tariff, Public Service may supply gas commodity service to such customer as Emergency Sales Service unless and until customer selects another TPS in accordance with Section 14.3. The customer will be advised by Public Service in writing that, until the customer's next meter reading date the customer will be billed, in addition to all applicable delivery charges, the Emergency Sales Service Charge for all of its applicable Daily Contract Quantity (DCQ) therms. Thereafter, the customer will be placed on the applicable Public Service Basic Gas Supply Service default service. GSG, LVG, and SLG customers provided Basic Gas Supply Service default service for two or more consecutive months may be subject to renewable one-year terms on Basic Gas Supply Service default service.

14.5.2. Customers on Rate Schedules TSG-NF and CSG (with maximum requirement of less than 2,000 therms per hour): During any month where Public Service cannot confirm that the customer has an eligible TPS, or if the TPS no longer satisfies the Third Party Supply Requirements section of this tariff, Public Service may supply gas commodity service to such customer as Emergency Sales Service unless and until customer selects another TPS in accordance with Section 14.3. The customer will be advised by Public Service in writing that, for the balance of the current month the customer will be billed, in addition to all applicable delivery charges, the Emergency Sales Service Charge for all of its therm usage. Commencing on the first of the following month the customer will be placed on the applicable Public Service Basic Gas Supply Service default service.

STANDARD TERMS AND CONDITIONS
(Continued)

14.5.3. Customers on Rate Schedule TSG-F: During any month where Public Service cannot confirm that the customer has an eligible TPS, or if the TPS no longer satisfies the Third Party Supply Requirements section of this tariff, Public Service may supply gas commodity service to such customer as Emergency Sales Service unless and until customer selects another TPS in accordance with Section 14.3. The customer will be advised by Public Service in writing that the customer will be billed, in addition to all applicable delivery charges the Emergency Sales Service Charge for all of its therm usage.

14.6. Customer Billing Process: For TPS retail customers served under Rate Schedule RSG, GSG, LVG and SLG, Public Service will provide one combined bill containing both Public Service charges and TPS gas supply charges, providing the TPS executes and satisfies the terms of the Third Party Supplier Customer Account Services Master Service Agreement, and the retail customer(s) maintain a satisfactory bill payment history. Customer(s) may elect to receive a separate bill directly from its TPS for third party supplied services. If a customer requests and is permitted to receive a combined bill, but the customer's account subsequently becomes 120 days in arrears at any point in the future, such customer will thereafter be required to receive a separate bill directly from its TPS (including any subsequent TPS) for third party supplied services and will not be permitted to receive a combined bill from Public Service until such time the customer's arrearage is reduced to 60 days or less. Only Public Service owned, installed, and read meters will be used to determine customer usage for the purpose of calculating Public Service charges.

14.6.1. Payment of Bills: Where Public Service provides billing service, the payment of bills, including TPS's charges for gas supply if billed by Public Service, will be made to Public Service and will be in accordance with Section 8, Meter Reading and Billing, of these Standard Terms and Conditions. Any customer overpayment will be held in the customer's Public Service account to be applied against future customer bills or will be refunded to the customer at the customer's request.

14.6.2. Late Payment Charges: A late payment charge in accordance with Section 8.13, Late Payment Charge, of these Standard Terms and Conditions is to be applicable to Public Service customer charges and TPS's charges for gas supply if billed by Public Service. Customer shut-offs in cases where there is non-payment to Public Service for its customer charges and TPS's charges for gas supply if billed by Public Service, are only performed in accordance with Section 11, Discontinuance of Service, of these Standard Terms and Conditions.

14.6.3. Billing Disputes: In the event of a billing dispute between the customer and the TPS, Public Service's sole duty is to verify its customer charges and billing determinants. Customer continues to remain responsible for the timely payment of all Public Service charges and all undisputed TPS charges for gas supply if such charges are billed by Public Service in accordance with Section 8, Meter Reading and Billing, and Section 14.6.1, Payment of Bills, of these Standard Terms and Conditions. All questions regarding TPS's charges or other terms of the customer's agreement with a TPS are to be resolved between the customer and its TPS. Public Service will not be responsible for the enforcement, intervention, mediation, or arbitration of agreements entered into between TPS customer and TPS. Billing disputes that may arise regarding Public Service's charges shall be subject to Section 11, Discontinuance of Service, of these Standard Terms and Conditions.

STANDARD TERMS AND CONDITIONS
(Continued)

14.7. Third Party Supplier's Termination of Customer's Gas Supply: A TPS will not be permitted to physically connect or disconnect gas supply service to a customer.

14.8. Continuity of Service: Public Service shall have the right: (i) to require a TPS's gas supply sources to be disconnected from Public Service's gas system; (ii) to otherwise curtail, interrupt, or reduce a TPS's gas supply; or (iii) to disconnect a TPS's customer(s) in accordance with Section 11, Discontinuance of Service, and Section 13, Service Limitations, of these Standard Terms and Conditions.

14.9. Regulatory Requirements: Public Service will not be responsible for: making any arrangements necessary; obtaining from appropriate regulatory bodies any approvals necessary; any costs, charges and expenses including but not limited to the payment to appropriate governmental entities for any tax or assessment relative to the acquisition, transportation or use of customer's gas supply.

14.10. Delivery Liability: Public Service will not be liable in any way for any failure in whole or in part, temporary or permanent, to deliver gas under this Tariff for Gas Service to the extent such failure is due to customer's TPS's failure to deliver gas supplies to Public Service in accordance with the TPS Requirements. Public Service will not be liable in any way for errors in the calculation of the customer's DCQ and/or delivery requirement.

14.11. Delivery Control and Possession: After customer delivers gas or causes gas to be delivered to Public Service at Public Service's point of interconnection with the applicable interstate pipeline, Public Service will be deemed to be in control and possession of the gas until an equivalent amount of gas, less losses, is delivered to customer at customer's Public Service meter.

15. NEW JERSEY AUTHORIZED TAXES

The following taxes are authorized by the State of New Jersey and are applied in accordance with P.L. 1997, c. 162 (the "Energy Tax Reform Statute"), as amended by P.L. 2006, c. 44, as amended by P.L. 2009, c. 240 and P.L. 2016, c. 57, and are included in the appropriate charges contained within this Tariff for Gas Service.

15.1. New Jersey Sales and Use Tax: In accordance with P.L. 1997, c. 162, as amended by P.L. 2006, c. 44, as amended by P.L. 2016, c. 57, provision for the New Jersey Sales and Use Tax (SUT) has been included in all applicable charges by multiplying the charges that would apply before application of the SUT by the factor 1.06625.

15.1.1. Exemptions due to the Energy Tax Reform Statute: The Energy Tax Reform Statute exempts the following customers from the SUT provision, and when billed to such customers, the charges otherwise applicable shall be reduced by the provision for the SUT included therein:

a) Franchised providers of utility services (gas, electricity, water, wastewater and telecommunications services provided by local exchange carriers) within the State of New Jersey.

b-1) Cogenerators in operation, or which had filed an application for an operating permit or a construction permit and a certificate of operation in order to comply with air quality standards under P.L. 1954, c. 212 (C.26:2C-1 *et seq.*) with the New Jersey Department of Environmental Protection, on or before March 10, 1997.

STANDARD TERMS AND CONDITIONS
(Continued)

b-2) Cogeneration facilities that are constructed after January 1, 2010.

c) Special contract customers for which a customer-specific tax classification was approved by a written Order of the New Jersey Board of Public Utilities prior to January 1, 1998.

d) Agencies or instrumentalities of the federal government.

e) International organizations of which the United States of America is a member.

f) Additional customers as authorized by the State of New Jersey Department of Treasury in accordance with the provisions of P.L. 1997, c. 162, as amended by P.L. 2006, c. 44, as amended by P.L. 2016, c. 57.

15.1.2. Exemptions due to the Business Retention and Relocation Assistance Act: The Business Retention and Relocation Assistance Act (P.L. 2004, c. 65) and subsequent amendment (P.L. 2005, c. 374) exempts the following customers from the SUT provision, and when billed to such customers, the charges otherwise applicable shall be reduced by the provision for the SUT included therein:

a) A qualified business that employs at least 250 people within an enterprise zone, at least 50% of whom are directly employed in a manufacturing process, for the exclusive use or consumption of such business within an enterprise zone, and

b) A group of two or more persons:

(b-1) Each of which is a qualified business that are all located within a single redevelopment area adopted pursuant to the "Local Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 *et seq.*);
(b-2) That collectively employ at least 250 people within an enterprise zone, at least 50% of whom are directly employed in a manufacturing process;
(b-3) Are each engaged in a vertically integrated business, evidenced by the manufacture and distribution of a product or family of products that, when taken together, are primarily used, packaged and sold as a single product; and
(b-4) Collectively use the energy and utility service for the exclusive use or consumption of each of the persons that comprise a group within an enterprise zone.

c) A business facility located within a county that is designated for the 50% tax exemption under section 1 of P.L. 1993, c. 373 (C.54:32B-8.45) provided that the business certifies that it employs at least 50 people at that facility, at least 50% of whom are directly employed in a manufacturing process, and provided that the energy and utility services are consumed exclusively at that facility.

A business that meets the requirements in (a), (b) or (c) above shall not be provided the exemption described in this section until it has complied with such requirements for obtaining the exemption as may be provided pursuant to P.L.1983, c. 303 (C.52:27H-60 *et seq.*) and P.L.1966, c. 30 (C.54:32B-1 *et seq.*) and Public Service has received a sales tax exemption letter issued by the New Jersey Department of Treasury, Division of Taxation.

15.2. New Jersey Corporation Business Tax: In accordance with P.L. 1997, c. 162, provision for the New Jersey Corporation Business Tax (CBT) has been included in the Service Charge, Distribution Charge, and the Demand Charge.

STANDARD TERMS AND CONDITIONS

(Continued)

15.2.1. Exemptions due to the Energy Tax Reform Statute: The Energy Tax Reform Statute exempts the following customers from the CBT provision, and when billed to such customers, the above tariff charges otherwise applicable shall be reduced by the provision for the CBT (and related SUT) included therein.

a) Franchised providers of utility services (gas, electricity, water, wastewater and telecommunications services provided by local exchange carriers) within the State of New Jersey.

b) Cogenerators in operation, or which had filed an application for an operating permit or a construction permit and a certificate of operation in order to comply with air quality standards under P.L. 1954, c. 212 (C.26:2C-1 *et seq.*) with the New Jersey Department of Environmental Protection, on or before March 10, 1997.

c) Special contract customers for which a customer-specific tax classification was approved by a written Order of the New Jersey Board of Public Utilities prior to January 1, 1998.

d) Additional customers as authorized by the State of New Jersey Department of Treasury in accordance with the provisions of P.L. 1997, c. 162.

16. NEW JERSEY AUTHORIZED EXEMPTIONS

The following exemptions are authorized by the State of New Jersey and are applied in accordance with P.L. 2011, c.9 (the "Long Term Capacity Agreement Pilot Program", "LCAPP Legislation"). The exemptions take effect January 28, 2011.

16.1 Exemptions due to LCAPP Legislation: Electric generators who use natural gas to generate electricity that is sold for resale will be exempt from a societal benefits charge pursuant to N.J.S.A. 48:3-60.1 or any other charge designed to recover the costs for social, energy efficiency, conservation, environmental or renewable energy on natural gas delivery service or commodity that is used to generate electricity that is sold for resale. This exemption includes the Societal Benefits Charge (SBC) and the Green Programs Recovery Charge (GPRC). Each customer's exemption will be effective upon completion of an Annual Certification form.

a) The Annual Certification form shall be a prerequisite for the exemption and shall be furnished to customers of record in December and returned to Public Service by the customer no later than January 15th of each year. The Annual Certification form shall certify the percentage of gas used at their New Jersey generation facilities during the immediately preceding calendar year to generate electricity that was sold for resale. This Certification will serve as the percentage of the customers' throughput that will be exempt from the SBC and the GPRC. This Certification will then be used for the succeeding annual period commencing in February. If the customer fails to return the form, then the SBC and the GPRC will be assessed on all of the customer's usage until a completed Annual Certification form is received to be effective after the next subsequent meter reading. If the customer returns a completed Annual Certification Form on or before January 15, then adjustments to customer's bills to reflect changes in the percentage of gas used to generate electricity for resale will be made on a prospective basis beginning in February.

b) In those cases where prior calendar year usage is not available, the customer will submit an Annual Certification form with an estimated percentage of gas that will be used at their New Jersey generation facilities for the current calendar year to generate electricity to be sold for resale. Once agreement has been reached with PSE&G regarding the estimated percentage, the completed Certification will serve as the percentage of the customers' throughput that will be exempt from the SBC and the GPRC effective after the next subsequent meter reading on a prospective basis for the remainder of the current calendar year.

STANDARD TERMS AND CONDITIONS
(Continued)

17. TERMINATION, CHANGE OR MODIFICATION OF PROVISIONS OF TARIFF

This tariff is subject to the lawful orders of the Board of Public Utilities of the State of New Jersey.

Public Service may at any time and in any manner permitted by law, and the applicable rules and regulations of the Board of Public Utilities of the State of New Jersey, terminate, or change or modify by revision, amendment, supplement, or otherwise, this Tariff or any part thereof, or any revision or amendment hereof or supplement hereto.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

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

Original Sheet No. 37
Original Sheet No. 38
Original Sheet No. 39
Original Sheet No. 40

RESERVED FOR FUTURE USE

SOCIETAL BENEFITS CHARGE

CHARGE APPLICABLE TO
RATE SCHEDULES RSG, GSG, LVG, SLG,
TSG-F, TSG-NF, CIG, CSG
(Per Therm)

Social Programs	$ 0.000000
Energy Efficiency and Renewables Programs	0.019520
Manufactured Gas Plant Remediation	0.011977
Universal Service Fund - Permanent	0.012500
Universal Service Fund - Lifeline	0.005300
Societal Benefits Charge	$ 0.049297
Societal Benefits Charge including New Jersey Sales and Use Tax (SUT)	$ 0.052563

Societal Benefits Charge

This mechanism is designed to insure recovery of costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Actual costs incurred by the Company for each of these cost components will be subject to deferred accounting. Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under-over recovered balances for all components other than Manufactured Gas Plant Remediation. Interest at the seven-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances for the Manufactured Gas Plant Remediation. The interest rates for all components other than USF and Lifeline shall change each August 1. The interest rates for the USF and Lifeline components shall be reset each month.

See Section 16 of the Standard Terms and Conditions for exemptions from this charge.

SOCIETAL BENEFITS CHARGE
(Continued)

SOCIAL PROGRAMS

This factor shall recover costs associated with existing social programs.

ENERGY EFFICIENCY AND RENEWABLES (EE&R) PROGRAMS

This factor is a recovery mechanism which will operate in accordance with the Demand Side Management (DSM) conservation incentive regulations and successor regulations. The factor has been used to recover past Core and Performance Program Costs and Performance Program Payments, payments for Large-Scale Conservation Investments, and all recoverable costs associated with the Board's Comprehensive Resource Analysis Orders, including but not limited to the low income Comfort Partners Program.

MANUFACTURED GAS PLANT REMEDIATION

This factor shall recovery costs associated with addressing and resolving claims by and or requirements of governmental entities and private parties related to activities necessary to perform investigations and the remediation of environmental media.

UNIVERSAL SERVICE FUND

These factors shall recover costs associated with new or expanded social programs.

MARGIN ADJUSTMENT CHARGE

CHARGE APPLICABLE TO
RATE SCHEDULES RSG, GSG, LVG, SLG, TSG-F
(Per Therm)

Margin Adjustment Charge ..... ($0.005821)

Margin Adjustment Charge including New Jersey Sales and Use Tax (SUT)…….($0.006207)

Margin Adjustment Charge

This mechanism is designed to insure return of certain net revenues to the customer classes denoted above. Actual net revenues will be subject to deferred accounting. Interest at the seven-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances.

GREEN PROGRAMS RECOVERY CHARGE

CHARGE APPLICABLE TO
RATE SCHEDULES RSG, GSG, LVG, SLG,
TSG-F, TSG-NF, CIG, CSG
(Per Therm)

Component:

Carbon Abatement Program	$0.000120
Energy Efficiency Economic Stimulus Program	0.000126
Energy Efficiency Economic Extension Program	(0.000076)
Energy Efficiency Economic Extension Program II	0.001209
Energy Efficiency 2017 Program	0.005030
Clean Energy Act Studies	0.000017
Clean Energy Future – Energy Efficiency Program	0.000739
Green Programs Recovery Charge	$0.007165

Green Programs Recovery Charge including New Jersey Sales and Use Tax SUT $0.007640

Green Programs Recovery Charge

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs. The charge will be reset nominally on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under- or over- recovered balances. The interest rate shall be reset each month.

See Section 16 of the Standard Terms and Conditions for exemptions from this charge.

WEATHER NORMALIZATION CHARGE

CHARGE APPLICABLE TO RATE SCHEDULES RSG, GSG, LVG (Per Balancing Therm)

	Weather Normalization Charge	Weather Normalization Charge including SUT
October 1, 2021 through April 30, 2022	($0.001050)	($0.001120)
May 1, 2022	$0.000000	$0.000000

Weather Normalization Charge

The Weather Normalization Charge is suspended as a result of the implementation of the Gas Conservation Incentive Program Rate Schedule.

This charge shall be applicable to the rate schedules listed above. The weather normalization charge applied in each Winter Period shall be based on the differences between actual and normal weather during the preceding winter period. The weather normalization charge shall be determined as follows:

I. DEFINITION OF TERMS AS USED HEREIN

1. Degree Days (DD)
- the difference between 65^{O}F and the mean daily temperature for the day. The mean daily temperature is the simple average of the 24 hourly temperature observations for a day.

2. Actual Calendar Month Degree Days
- the accumulation of the actual Degree Days for each day of a calendar month.

3. Normal Calendar Month Degree Days
- the level of calendar month degree days to which this clause applies.

The normal calendar month Degree Days used in this clause will be the twenty-year average of the National Oceanic and Atmospheric Administration (NOAA) First Order Weather Observation Station at the Newark airport and will be updated annually in the Weather Normalization Clause (WNC) proceeding. The base level of normal degree days for the defined winter period months for the 2021- 2022 Winter Period are set forth in the table below:

	Normal Degree Days
Oct - 21	235.50
Nov - 21	516.42
Dec - 21	818.04
Jan - 22	992.26
Feb - 22	833.48
Mar - 22	693.11
Apr - 22	356.57
May - 22	128.06

4. Winter Period
- shall be the eight consecutive calendar months from October of one calendar year through May of the following calendar year.

WEATHER NORMALIZATION CHARGE
(Continued)

5. Degree Day Dead Band
- shall be one-half (1/2 %) percent of the sum of the cumulative Normal Calendar Month Degree Days for the Winter Period and shall be allocated to each winter month in the same proportion as the ratio of the normal degree days for that month to the total normal degree days.

6. Degree Day Consumption Factors
- the use per degree day component of the gas sales equations by month used in forecasting firm gas sales for the applicable rate schedules. These factors will be updated annually in the WNC proceeding. Degree day Consumption Factors for the 2021-2022 Winter Period are set forth below and presented as therms per degree day:

	RSG-Residential		Commercial			Industrial		
Month			GSG		LVG	GSG		LVG
	Heating	Non-Heating	Heating	Non-Heating		Heating	Non-Heating	
Oct.-21	133,337	(2,565)	-	878	90,689	440	-	7,116
Nov.-21	222,287	2,959	38,241	2,569	90,689	1,167	140	7,116
Dec.-21	246,925	4,020	50,426	3,654	90,689	2,186	202	7,116
Jan.-22	286,636	4,356	56,485	3,840	90,864	2,588	230	7,233
Feb.-22	282,495	3,981	51,991	3,968	90,864	1,758	235	7,233
Mar.-22	281,861	4,025	54,157	3,985	90,864	2,213	237	7,233
Apr.-22	272,046	4,430	57,958	4,044	90,864	1,741	235	7,233
May-22	196,181	3,402	-	4,003	90,864	967	143	7,233

The consumption factors established in advance of each Winter Period shall be based on the forecast number of customers by rate schedule. These factors shall be trued-up at the end of the Winter Period for which the factors apply in order to reflect the actual average number of customers by rate schedule.

7. Margin Revenue Factor
- the weighted average of the Distribution Charges as quoted in the individual rate schedules to which this clause applies net of applicable taxes. The weighted average shall be determined by multiplying the margin revenue component of the Distribution Charges of each rate schedule to which this clause applies by each rate schedule's percentage of total consumption of all the rate schedules to which this clause applies for the winter period and summing this result for all the rate schedules to which this clause applies. The Margin Revenue Factors shall be redetermined each time new base rates are put into effect.

Margin Revenue Factors:

Rate Schedule RSG	$0.405733
Rate Schedule GSG	$0.312060
Rate Schedule LVG	$0.044236

8. Annual Period
- shall be the 12 consecutive months from October 1 of one calendar year through September 30 of the following calendar year.

9. Average 13 Month Common Equity Balance
- shall be calculated by adding the Net Gas Utility Plant in Service (Gas Plant in Service, excluding plant held for future use and excluding plant for which the Company receives recovery from clause mechanisms that provide for a return on investment outside of base rates, less Accumulated Depreciation Reserve) less Accumulated Deferred Income Taxes plus working capital associated with Materials and Supplies Inventory and Prepayments at the beginning of the Annual Period (i.e., October 1) and the month ending balances for each of the twelve months in the Annual Period divided by thirteen (13), and multiplying by 54% (the equity percentage of the Company's capital structure).

WEATHER NORMALIZATION CHARGE
(Continued)

II. DETERMINATION OF THE WEATHER NORMALIZATION RATE

At the end of the Winter Period during the Annual Period, a calculation shall be made that determines for all months of the Winter Period the level by which margin revenues differed from what would have resulted if normal weather (as determined by reference to the Degree Day Dead Band) occurred. This calculation is made by multiplying the monthly Degree Day Consumption Factor by the difference between Normal Calendar Month Degree Days as adjusted for the Degree Day Dead Band, and Actual Calendar Month Degree Days and, in turn, multiplying the result by the Margin Revenue Factor. To the extent the Actual Calendar Month Degree Days exceeds Normal Calendar Month Degree Days as adjusted for the Degree Day Dead Band, an excess of margin revenues exist. To the extent Actual Calendar Month Degree Days were less than Normal Calendar Month Degree Days as adjusted for the Degree Day Dead Band, a deficiency of marginal revenue exists. The sum of the monthly calculations represents the total revenue excess or deficiency for the Winter Period. If, at the end of the Winter Period of the Annual Period, the degree day variation from normal weather is less than the Degree Day Dead Band, the weather normalization clause will not be in effect.

The WNC shall not operate to permit the Company to recover any portion of a margin revenue deficiency that will cause the Gas Utility to earn in excess of its allowed rate of return on common equity of 9.6% for the Annual Period; any portion which is not recovered shall not be deferred. For purposes of this section, the Gas Utility's rate of return on common equity shall be calculated by dividing the Gas Utility's regulated jurisdictional net income for the Annual Period by the Gas Utility's average 13 month common equity balance for such Annual Period. The Gas Utility's regulated jurisdictional net income shall be calculated by subtracting from total net income of the Gas Utility net income derived from clause mechanisms, currently the Green Programs Recovery Charge, that provide for a return on investment outside of base rates.

The total WNC balance at September 30 of the Annual Period shall be divided by the estimated applicable balancing therm sales from the rate schedules subject to this clause for the Annual Period over which this rate will be in effect, multiplied by a factor to adjust for increases in taxes and assessments. The product of this calculation shall be the Weather Normalization Charge. However, the Weather Normalization Charge will at no time exceed three (3%) percent of the then applicable RSG total per therm rate, including RSG-BGSS charges and 73.33% of the Balancing Charge. To the extent that the effect of this rate cap precludes the Company from fully recovering the WNC balance for the Annual Period, the unrecovered balance will be added to the WNC balance used to calculate the weather normalization rate for the next Winter Period. The Weather Normalization Charge, so calculated, will be in effect for the immediately following Annual Period.

III. TRACKING THE OPERATION OF THE WEATHER NORMALIZATION CLAUSE

The revenues billed, or credits applied, net of taxes and assessments, through the application of the Weather Normalization Charge shall be accumulated for each month of the Winter Period when this charge is in effect and applied against the margin revenue excess or deficiency from the immediately preceding Winter Period and any cumulative balances remaining from prior Winter Periods.

The Weather Normalization Charge is suspended as a result of the implementation of the Gas Conservation Incentive Program Rate Schedule.

RESERVED FOR FUTURE USE

TAX ADJUSTMENT CREDIT

Rate Schedule	Charge per Therm	Charge per Therm Including SUT
RSG	($0.045216)	($0.048212)
GSG	($0.039158)	($0.041752)
LVG	($0.018161)	($0.019364)
SLG	($0.075809)	($0.080831)
TSG-F	($0.015352)	($0.016369)
TSG-NF	($0.006883)	($0.007339)
CIG	($0.012602)	($0.013437)
CSG	($0.001000)	($0.001066)

Tax Adjustment Credit

This mechanism is designed to return net tax benefits from the Tax Cuts and Jobs Act of 2017, and other income tax related adjustments to customers. The charge will be reset on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under or over recovered balances. The interest rate shall be reset each month.

RESERVED FOR FUTURE USE

BGSS-RSG
BASIC GAS SUPPLY SERVICE-RSG
COMMODITY CHARGES APPLICABLE TO RATE SCHEDULE RSG
(Per Therm)

Estimated Non-Gulf Coast Cost of Gas	$ 0.060119
Estimated Gulf Coast Cost of Gas	0.235911
Adjustment to Gulf Coast Cost of Gas	0.083056
Prior period (over) or under recovery	(0.002130)
Adjusted Cost of Gas	0.376956
Commodity Charge after application of losses: (Loss Factor = 2.0%)	$ 0.384649
Commodity Charge including New Jersey Sales and Use Tax (SUT)	$ 0.410132

The above Commodity Charge will be established on a level annualized basis immediately prior to the winter season of each year for the succeeding twelve-month period. The estimated average Non-Gulf and Gulf Coast Cost of Gas will be adjusted for any under- or over-recovery together with applicable interest thereon which may have occurred during the operation of the Company's previously approved Commodity Charge filing. Further, the Company will be permitted a limited self-implementing increase to the Commodity Charge on December 1 and February 1 of each year. These limited self-implementing increases, if applied, are to be in accordance with a Board of Public Utilities approved methodology. Commodity Charge decreases would be permitted at any time if applicable.

The difference between actual costs and Public Service's recovery of these costs shall be determined monthly. If actual costs exceed the recovery of these costs, an underrecovery or a negative balance will result. If the recovery of these costs exceeds actual costs, an overrecovery or a positive balance will result. Interest shall be applied monthly to the average monthly cumulative deferred balance, positive or negative, from the beginning to the end of the annual period. Monthly interest on negative deferred balances (underrecoveries) shall be netted against monthly interest on positive deferred balances (overrecoveries) for the annual period. A cumulative net positive interest balance at the end of the annual period is owed to customers and shall be returned to customers in the next annual period. A cumulative net negative interest balance shall be zeroed out at the end of the annual period. The sum of the calculated monthly interests shall be added to the overrecovery balance or subtracted from the underrecovery balance at the end of the annual period. The positive interest balance shall be rolled into the beginning under- or over-recovery balance of the subsequent annual period.

Pursuant to the Board's January 6, 2003 Order approving the BGSS price structure under Docket No. GX01050304 and the BGSS Pricing Proposal appended as Attachment A to and approved in that Order, Public Service Electric and Gas Company may issue a bill credit for its BGSS-RSG customers as detailed below.

Effective	BGSS-RSG Credit (per therm)	BGSS-RSG Credit including SUT (per therm)
February 1, 2020 through March 31, 2020	($0.070340)	($0.075000)
April 1, 2020	$0.000000	$0.000000

BGSS-F

BASIC GAS SUPPLY SERVICE-FIRM

COMMODITY CHARGES APPLICABLE TO RATE SCHEDULES GSG, LVG, SLG, CSG

(Per Therm)

To view this tariff sheet, please refer to the section of the Company's website: Monthly Changing Gas Commodity Charges

BGSS-I
BASIC GAS SUPPLY SERVICE-INTERRUPTIBLE
COMMODITY CHARGE APPLICABLE TO RATE SCHEDULES TSG-NF, CSG
(Per Therm)

To view this tariff sheet, please refer to the section of the Company's website: Monthly Changing Gas Commodity Charges

BGSS-CIG
BASIC GAS SUPPLY SERVICE – COGENERATION INTERRUPTIBLE
COMMODITY CHARGES APPLICABLE TO RATE SCHEDULE CIG
(Per Therm)

To view this tariff sheet, please refer to the section of the Company's website:
Monthly Changing Gas Commodity Charges

EMERGENCY SALES SERVICE
CHARGE APPLICABLE TO RATE SCHEDULES RSG, GSG, LVG,
SLG, TSG-F, TSG-NF, CSG
(Per Therm)

To view this tariff sheet, please refer to the section of the Company's website:
Monthly Changing Gas Commodity Charges

BGSS-RSGOP
BASIC GAS SUPPLY SERVICE-RSG OFF-PEAK

COMMODITY CHARGE APPLICABLE TO RATE SCHEDULE RSG OFF-PEAK USE (Per Therm)

Cost of Off-Peak RSG Gas Acquired	$ 0.672897
20% of the Non-Gulf Coast Cost of Gas seasonal component	0.015356
Total Cost of Gas	$ 0.688253
Commodity Charge after application of losses: (Loss Factor = 2.0%)	$ 0.702299
Commodity Charge including New Jersey Sales and Use Tax (SUT)	$ 0.748826

The Commodity Charge will be established on a level basis for the billing months of May to October immediately prior to the Off-Peak season of each year. The Commodity Charge will equal the Cost of Off-Peak RSG Gas Acquired (plus the variable pipeline transportation cost including fuel) and 20% of the Non-Gulf Coast Cost of Gas seasonal component. The Commodity Charge will be adjusted for losses.

The Cost of Off-Peak RSG Gas Acquired will be established prior to the beginning of the Off-Peak period based on the average NYMEX closing price for the first 15 days of April for natural gas to be supplied in the months of May through October.

INFRASTRUCTURE IMPROVEMENT PROGRAM CHARGES

Rate Schedule		Base Distribution Charges Including SUT*	Energy Strong II Charges	Energy Strong II Charges Including SUT	Total Charges Including SUT
RSG					
Service Charge	per Month	$8.62	$0.00	$0.00	$8.62
Distribution Charges	per therm	0.445680	0.000441	0.000470	0.446150
Balancing Charge	per Balancing therm	0.093477	0.000000	0.000000	0.093477
Off-Peak Use	per therm	0.222840	0.000220	0.000235	0.223075
GSG					
Service Charge	per Month	19.16	0.02	0.02	19.18
Distribution Charge - Pre July 14, 1997	per therm	0.339433	0.000242	0.000258	0.339691
Distribution Charge - All Others	per therm	0.339433	0.000242	0.000258	0.339691
Balancing Charge	per Balancing therm	0.093477	0.000000	0.000000	0.093477
Off-Peak Use Dist Charge - Pre July 14, 1997	per therm	0.169717	0.000121	0.000129	0.169846
Off-Peak Use Dist Charge - All Others	per therm	0.169717	0.000121	0.000129	0.169846
LVG					
Service Charge	per Month	170.12	0.20	0.21	170.33
Demand Charge	per Demand therm	4.5244	0.0031	0.0033	4.5277
Distribution Charge 0-1,000 pre July 14, 1997	per therm	0.040332	(0.000099)	(0.000106)	0.040226
Distribution Charge over 1,000 pre July 14, 1997	per therm	0.050177	0.000068	0.000073	0.050249
Distribution Charge 0-1,000 post July 14, 1997	per therm	0.040332	(0.000099)	(0.000106)	0.040226
Distribution Charge over 1,000 post July 14, 1997	per therm	0.050177	0.000068	0.000073	0.050249
Balancing Charge	per Balancing therm	0.093477	0.000000	0.000000	0.093477
SLG					
Single-Mantle Lamp	per Unit per Month	14.1119	0.0000	0.0000	14.1119
Double-Mantle Lamp, inverted	per Unit per Month	14.1119	0.0000	0.0000	14.1119
Double Mantle Lamp, upright	per Unit per Month	14.1119	0.0000	0.0000	14.1119
Triple-Mantle Lamp, prior to January 1, 1993	per Unit per Month	14.1119	0.0000	0.0000	14.1119
Triple-Mantle Lamp, on and after January 1, 1993	per Unit per Month	71.9465	0.0000	0.0000	71.9465
Distribution Therm Charge	per therm	0.055170	0.000007	0.000007	0.055177

*Base Distribution Charges include GSMPII changes pursuant to Docket No. GR21121256.

INFRASTRUCTURE IMPROVEMENT PROGRAM CHARGES

Rate Schedule		Base Distribution Charges Including SUT*	Energy Strong II Charges	Energy Strong II Charges Including SUT	Total Charges Including SUT
TSG-F					
Service Charge	per Month	$911.14	$1.06	$1.13	$912.27
Demand Charge	per Demand therm	2.3041	0.0007	0.0007	2.3048
Distribution Charges	per therm	0.088071	0.000027	0.000029	0.088100
TSG-NF					
Service Charge	per Month	911.14	1.06	1.13	912.27
Distribution Charge 0-50,000	per therm	0.101662	0.000077	0.000082	0.101744
Distribution Charge over 50,000	per therm	0.101662	0.000077	0.000082	0.101744
CIG					
Service Charge	per Month	204.69	0.16	0.17	204.86
Distribution Charge 0-600,000	per therm	0.091530	0.000073	0.000078	0.091608
Distribution Charge over 600,000	per therm	0.080868	0.000073	0.000078	0.080945
BGSS-RSG					
Commodity Charge including Losses	per therm	0.410135	(0.000003)	(0.000003)	0.410132
CSG					
Service Charge	per Month	911.14	1.06	1.13	912.27
Distribution Charge - Non-Firm	per therm	0.101662	0.000077	0.000082	0.101744

*Base Distribution Charges include GSMPII changes pursuant to Docket No. GR21121256.

INFRASTRUCTURE IMPROVEMENT PROGRAM CHARGE

These charges are designed to recover the revenue requirements associated with the Company's Infrastructure Improvement Programs (IIPs) in accordance with the New Jersey Board of Public Utilities' rules on IIPs, N.J.A.C. 14:3-2A.

For detail concerning individual rate class base distribution charges, see individual rate class tariff sheets.

RESERVED FOR FUTURE USE

RATE SCHEDULE RSG
RESIDENTIAL SERVICE

APPLICABLE TO USE OF SERVICE FOR:

Firm delivery service for residential purposes. Customers may either purchase gas supply from a Third Party Supplier (TPS) or from Public Service's Basic Gas Supply Service default service as detailed in this rate schedule.

DELIVERY CHARGES:

Service Charge:

$8.08 in each month [$8.62 including New Jersey Sales and Use Tax (SUT)].

Distribution Charges:

Charge	Charge Including SUT	
$0.418429	$0.446150	per therm

Balancing Charge:

Charge	Charge Including SUT	
$0.087669	$0.093477	per Balancing Use Therm

Distribution charges include Infrastructure Improvement Program Charges (IIP). Refer to Tariff Sheet 60 for details of these charges.

Societal Benefits Charge:

This charge shall recover costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Societal Benefits include: 1) Social Programs, 2) Demand Side Management Programs, 3) Manufactured Gas Plant Remediation, 4) Consumer Education, and 5) Universal Service Fund. Refer to the Societal Benefits Charge sheet of this Tariff for the current charge.

Margin Adjustment Charge:

This charge shall credit net revenue associated with Rate Schedule Non-Firm Transportation Gas Service (TSG-NF) to customers on Rate Schedules RSG, GSG, LVG, SLG and TSG-F. Refer to the Margin Adjustment Charge sheet of this Tariff for the current charge.

Green Programs Recovery Charge:

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs as approved by the Board. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge.

Weather Normalization Charge:

This charge is designed to adjust base rate recoveries to offset the effects of abnormal weather on sales. The weather normalization charge applied in each winter period shall be based on the differences between actual and normal weather during the preceding winter period. Refer to the Weather Normalization Charge sheet of this Tariff for the current charge.

The Weather Normalization Charge will be combined with the Balancing Charge for billing.

RATE SCHEDULE RSG
RESIDENTIAL SERVICE
(Continued)

Tax Adjustment Credit

This mechanism is designed to return net tax benefits from the Tax Cuts and Jobs Act of 2017, and other income tax related adjustments to customers. The charge will be reset on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under or over recovered balances. The interest rate shall be reset each month. Refer to the Tax Adjustment Credit sheet of this Tariff for the current charge.

The Societal Benefits Charge, the Margin Adjustment Charge, the Green Programs Recovery Charge and the Tax Adjustment Credit will be combined with the Distribution Charge for billing.

COMMODITY CHARGES:

A customer may choose to receive gas supply from either:

a) A TPS who has agreed to the terms and conditions of the Third Party Supplier Requirements portion of this Tariff, or
b) Public Service through its Basic Gas Supply Service default service. Public Service may also supply Emergency Sales Service in certain instances where a customer selected TPS does not deliver sufficient quantities of gas.

Third Party Supply:

A customer that receives gas supply from a TPS will be charged for gas supply according to any agreement between the customer and the TPS. The customer will not be charged for commodity by Public Service, except as provided for in Emergency Sales Service below.

Emergency Sales Service:

In the event that, during any month, a customer's chosen TPS does not deliver the quantities of gas required, or if Public Service cannot confirm that the customer has an eligible TPS, Public Service may supply the deficiencies as Emergency Sales Service.

Emergency Sales Service will be offered at the sole discretion of Public Service, after taking into consideration its other firm supply obligations. Public Service reserves the right to curtail service to any customer if deliveries from customer's TPS pursuant to Third Party Supplier Requirements are curtailed.

If a customer is receiving Emergency Sales Service and does not wish to designate a TPS for future deliveries or customer, for any reason, no longer desires to receive gas supply from a TPS, the customer may receive gas supply pursuant to Public Service's Basic Gas Supply Service-RSG.

The conditions under which Emergency Sales Service will apply are detailed in Section 14 - Third Party Supplier Service Provisions of the Standard Terms and Conditions of this Tariff, and the charges for this service are defined on the Emergency Sales Service sheet of this Tariff.

RATE SCHEDULE RSG
RESIDENTIAL SERVICE
(Continued)

Basic Gas Supply Service:

Customers that do not receive gas supply from a TPS will be supplied under the Basic Gas Supply Service-RSG (BGSS-RSG) default service.

The BGSS-RSG Commodity Charge will be applied to all therms billed each month, except customers that receive Delivery Service under Special Provision (c) of this Rate Schedule where the therms used for all purposes in excess of 50 therms in any month during the Off-Peak Period shall be charged at the BGSS-RSGOP Commodity Charge.

Refer to the Basic Gas Supply Service – RSG sheets of this Tariff for the current charge for the BGSS-RSG commodity charge and the BGSS-RSGOP commodity charge.

OTHER CHARGES:

See Special Provisions (c) and (g) below.

BILLING DETERMINANTS:

Therms:

The number of therms used shall be determined by multiplying the number of hundred cubic feet used by the conversion factors which appear on every bill.

Balancing Use Therms:

During each of the billing months of October through May, if the average daily usage of gas in any month exceeds the average daily usage during the preceding billing months of June through September, the therms used in such month in excess of the product of the average daily usage in the preceding months of June through September times the number of days in the billing month shall be the Balancing Use Therms and subject to the Balancing Charge. For new customers and for customers who install additional gas burning equipment, the average daily usage in the preceding June through September time period to be used in the above calculation shall be estimated by Public Service.

Daily Contract Quantity:

The Customer's Daily Contract Quantity (DCQ) for each month shall be calculated by Public Service for twelve (12) months by dividing customer's weather-normalized usage, adjusted for losses, for each of the most recent twelve (12) billing months by the total number of days in each billing month. Public Service may adjust customer's DCQ during the year, due to changes in customer's gas equipment or pattern of usage, or projected usage. For new customers, customer's initial DCQ will be estimated by Public Service, based upon the rating of the customer's gas equipment and expected utilization of the equipment. At the end of each billing period Public Service will calculate the difference between customer's actual usage, adjusted for losses, and actual TPS supply for the billing period, taking into consideration any adjustments from prior months, and will adjust the DCQ for the second succeeding month by that difference divided by the total number of days in the month, provided that such adjustment will not decrease that month's adjusted DCQ to a level less than zero. Any such adjustment that would result in a particular month's DCQ being less than zero will be carried to a future month.

RATE SCHEDULE RSG
RESIDENTIAL SERVICE
(Continued)

TERMS OF PAYMENT:

Payment is due within 15 days after the postmark date, or email date for customers who have opted for paperless billing, of the outstanding bill.

TERM:

Customer may discontinue delivery service upon notice.

SPECIAL PROVISIONS APPLICABLE TO ALL CUSTOMERS:

(a) This rate schedule is available where all service is for residential purposes:

(a-1) In individual residences and appurtenant outbuildings;

(a-2) In residential premises where customer's use of gas service for purposes other than residential is incidental to the customer's residential use;

(a-3) For rooming or boarding houses where the number of rented rooms does not exceed twice the number of bedrooms occupied by the customer;

(a-4) In separately metered individual flats or apartments in multiple-family buildings;

(a-5) In multiple-family buildings of two or more individual flats or apartments where gas service is measured by one meter and is furnished to the tenants or occupants of the flats or apartments by the owner. Where Special Provision (c) is applicable, the applicable therms shall be multiplied by the number of individual flats or apartments, whether occupied or not;

(a-6) In multiple-family buildings of two to four individual flats or apartments where gas fired equipment serves multiple flats or apartments. Where Special Provision (c) is applicable, the applicable therms shall be multiplied by the number of individual flats or apartments, whether occupied or not.

(b) Service under this rate schedule is not available for resale.

RATE SCHEDULE RSG
RESIDENTIAL SERVICE
(Continued)

(c) **Off-Peak Use**: Limited to customers with gas central air-conditioning equipment having a rated capacity of not less than two tons of refrigeration. For all eligible customers the Distribution Charge for the therms used for all purposes in excess of 50 therms in any month during the Off-Peak period shall be set equal to one-half (1/2) the above Distribution Charge.

The Off-Peak period shall commence and end with the regularly scheduled meter readings in the months of April and October, respectively.

SPECIAL PROVISIONS APPLICABLE TO CUSTOMERS SELECTING THIRD PARTY SUPPLIERS FOR COMMODITY SERVICE:

(d) Customers who desire to purchase their gas supply from a TPS may request an enrollment package from Public Service that describes the process necessary for the customer to obtain a TPS for gas supply. This package will be provided to the customer at no charge by Public Service.

(e) The customer must contract with a TPS to arrange for deliveries to Public Service of the DCQ, and such TPS agrees to abide by the provisions of the Third Party Supplier Requirements. A customer is limited to one (1) TPS for gas for each account for which the customer receives delivery service.

(f) The customer's TPS is required to notify Public Service of the customer's selection on or before the 10th calendar day of the month to become effective on the first scheduled meter reading date beginning with the first calendar day of the following month, and such selection shall remain in effect for the billing period, subject to the conditions of Emergency Sales Service.

(g) Upon customer return to BGSS, change in TPS or the cessation of delivery service, Public Service shall review the status of customer's imbalance between actual usage and actual TPS's deliveries to the customer, less losses, and shall include such imbalances in that TPS's future delivery requirement.

STATE OF NEW JERSEY AUTHORIZED TAX:

The New Jersey Sales and Use Tax is applied in accordance with P.L. 1997, c. 162, as amended by P.L. 2006, c. 44, as amended by P.L. 2016, c. 57, and is included in the appropriate charges in this rate schedule. See Section 15 of the Standard Terms and Conditions for additional details and/or exceptions.

THIRD PARTY SUPPLIER REQUIREMENTS:

TPSs are subject to the Third Party Supplier Requirements of this Tariff.

STANDARD TERMS AND CONDITIONS:

This rate schedule is subject to the Standard Terms and Conditions of this Tariff.

RESERVED FOR FUTURE USE

RATE SCHEDULE GSG
GENERAL SERVICE

APPLICABLE TO USE OF SERVICE FOR:

Firm delivery service for general purposes where: 1) customer does not qualify for RSG and 2) customer's usage does not exceed 3,000 therms in any month. Customers may either purchase gas supply from a Third Party Supplier (TPS) or from Public Service's Basic Gas Supply Service default service as detailed in this rate schedule.

DELIVERY CHARGES:

Service Charge:

$17.99 in each month [$19.18 including New Jersey Sales and Use Tax (SUT)].

Distribution Charges:

Pre-July 14, 1997 *		All Others		
Charge	Charge Including SUT	Charge	Charge Including SUT	
$0.318585	$0.339691	$0.318585	$0.339691	per therm

* Applicable to customers who have taken TPS supplied commodity service continuously since July 14, 1997.

Distribution charges include Infrastructure Improvement Program Charges (IIP). Refer to Tariff Sheet 60 for details of these charges.

Balancing Charge:

Charge	Charge Including SUT	
$0.087669	$0.093477	per Balancing Use Therm

Societal Benefits Charge:

This charge shall recover costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Societal Benefits include: 1) Social Programs, 2) Demand Side Management Programs, 3) Manufactured Gas Plant Remediation, 4) Consumer Education, and 5) Universal Service Fund. Refer to the Societal Benefits Charge sheet of this Tariff for the current charge.

Margin Adjustment Charge:

This charge shall credit net revenue associated with Rate Schedule Non-Firm Transportation Gas Service (TSG-NF) to customers on Rate Schedules RSG, GSG, LVG, SLG and TSG-F. Refer to the Margin Adjustment Charge sheet of this Tariff for the current charge.

Green Programs Recovery Charge:

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs as approved by the Board. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge.

RATE SCHEDULE GSG
GENERAL SERVICE
(Continued)

Weather Normalization Charge:

This charge is designed to adjust base rate recoveries to offset the effects of abnormal weather on sales. The weather normalization charge applied in each winter period shall be based on the differences between actual and normal weather during the preceding winter period. Refer to the Weather Normalization Charge sheet of this Tariff for the current charge.

The Weather Normalization Charge will be combined with the Balancing Charge for billing.

Tax Adjustment Credit

This mechanism is designed to return net tax benefits from the Tax Cuts and Jobs Act of 2017, and other income tax related adjustments to customers. The charge will be reset on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under or over recovered balances. The interest rate shall be reset each month. Refer to the Tax Adjustment Credit sheet of this Tariff for the current charge.

The Tax Adjustment Credit will be combined with the distribution charge for billing.

The Societal Benefits Charge, the Margin Adjustment Charge and the Green Programs Recovery Charge will be combined for billing.

COMMODITY CHARGES:

A customer may choose to receive gas supply from either:

a) A TPS who has agreed to the terms and conditions of the Third Party Supplier Requirements portion of this Tariff, or
b) Public Service through its Basic Gas Supply Service default service. Public Service may also supply Emergency Sales Service in certain instances where a customer selected TPS does not deliver sufficient quantities of gas.

Third Party Supply:

A customer that receives gas supply from a TPS will be charged for gas supply according to any agreement between the customer and the TPS. The customer will not be charged for commodity by Public Service, except as provided for in Emergency Sales Service below.

Emergency Sales Service:

In the event that, during any month, a customer's chosen TPS does not deliver the quantities of gas required, or if Public Service cannot confirm that the customer has an eligible TPS, Public Service may supply the deficiencies as Emergency Sales Service.

Emergency Sales Service will be offered at the sole discretion of Public Service, after taking into consideration its other firm supply obligations. Public Service reserves the right to curtail service to any customer if deliveries from customer's TPS pursuant to Third Party Supplier Requirements are curtailed.

RATE SCHEDULE GSG
GENERAL SERVICE
(Continued)

If a customer is receiving Emergency Sales Service and does not wish to designate a TPS for future deliveries or customer, for any reason, no longer desires to receive gas supply from a TPS, the customer may receive gas supply pursuant to Public Service's Basic Gas Supply Service-Firm.

The conditions under which Emergency Sales Service will apply are detailed in Section 14 - Third Party Supply Service Provisions of the Standard Terms and Conditions of this Tariff, and the charges for this service are defined on the Emergency Sales Service sheet of this Tariff.

Basic Gas Supply Service:

Customers that do not receive gas supply from a TPS will be supplied under the Basic Gas Supply Service Firm (BGSS-F) default service, which will be applied to all therms billed each month. Refer to the Basic Gas Supply Service – Firm sheet of this Tariff for the current charge for BGSS-F commodity charge.

OTHER CHARGES:

See Special Provisions (b), (e) and (i) below.

BILLING DETERMINANTS:

Therms:

The number of therms used shall be determined by multiplying the number of hundred cubic feet used by the conversion factors which appear on every bill.

Balancing Use Therms:

During each of the billing months of October through May, if the average daily usage of gas in any month exceeds the average daily usage during the preceding billing months of June through September, the therms used in such month in excess of the product of the average daily usage in the preceding months of June through September times the number of days in the billing month shall be the Balancing Use Therms and subject to the Balancing Charge. For new customers and for customers who install additional gas burning equipment, the average daily usage in the preceding June through September time period to be used in the above calculation shall be estimated by Public Service.

Daily Contract Quantity:

The Customer's Daily Contract Quantity (DCQ) for each month shall be calculated by Public Service for twelve (12) months by dividing customer's weather-normalized usage, adjusted for losses, for each of the most recent twelve (12) billing months by the total number of days in each billing month. Public Service may adjust customer's DCQ during the year, due to changes in customer's gas equipment or pattern of usage, or projected usage. For new customers, customer's initial DCQ will be estimated by Public Service, based upon the rating of the customer's gas equipment and expected utilization of the equipment. At the end of each billing period, Public Service will calculate the difference between customer's actual usage, adjusted for losses, and actual TPS supply for the billing period, taking into consideration any adjustments from prior months, and will adjust the DCQ for the second succeeding month by that difference divided by the total number of days in the month, provided that such adjustment will not decrease that month's adjusted DCQ to a level less than zero. Any such adjustment that would result in a particular month's DCQ being less than zero will be carried to a future month.

RATE SCHEDULE GSG
GENERAL SERVICE
(Continued)

TERMS OF PAYMENT:

Payment is due within 15 days after the postmark date, or email date for customers who have opted for paperless billing, of the outstanding bill and subject to a late payment charge at the rate of 1.416% per monthly billing period in accordance with Section 8.13 of the Standard Terms and Conditions. Service to a body politic will not be subject to a late payment charge.

TERM:

One year and thereafter until terminated by five days' notice.

Customers who transfer from third party supply to Basic Gas Supply Service may be subject to renewable one year terms. Refer to Section 14 of the Standard Terms and Conditions of this Tariff for additional limitations regarding the term of Basic Gas Supply Service.

SPECIAL PROVISIONS APPLICABLE TO ALL CUSTOMERS:

(a) Service under this rate schedule is not available for resale, except where service is for motor vehicle fuel supplied through compression equipment.

(b) **Off-Peak Use:** This separately metered gas service is applicable for cooling or dehumidification when supplied through a separate meter. For all eligible customers the Distribution Charge for the therms used during the Off-Peak period shall be set equal to one-half (1/2) the above Distribution Charge.

The Off-Peak period shall commence and end with the regularly scheduled meter readings in the months of April and October, respectively.

(c) Service supplied under this rate schedule shall be separately metered and shall not be combined with use under any other rate schedule for billing purposes. Customer shall not be eligible to receive service under this rate schedule and any other rate schedule for the same equipment or for equipment supplying a common steam header.

(d) **Cogeneration Use:** Applicable to separately metered service for the sequential production of electrical energy and useful thermal energy from the same fuel source by a Qualifying Facility, as defined in Section 201 of the Public Utilities Regulatory Policies Act of 1978 whose cogeneration equipment meets the efficiency standards set forth in Chapter 18 of the Code of Federal Regulations, Sections 292.205 (a) and (b). Customer must document that qualifying status has been granted by the Federal Energy Regulatory Commission.

Service to a qualifying cogeneration facility as set forth above may be exempt from taxes as set forth in Section 15 of the Standard Terms and Conditions.

RATE SCHEDULE GSG
GENERAL SERVICE
(Continued)

(e) **Unmetered Service:** Unmetered service will be furnished, at the discretion of Public Service, for customer owned and installed gas lamps or other continuous burning devices. No other gas using devices shall be connected to this service. The customer shall provide, at the customer's expense, all necessary equipment and piping after the gas Service Connection. Further, the customer may be required to furnish and install, at the customer's own expense, a load-limiting device approved by Public Service, which shall be maintained by Public Service at customer's expense. Customer shall notify Public Service in writing as to changes in conditions or operation that may affect the gas consumption of the connected device(s). Public Service reserves the right to meter any and all such installations where customer does not comply with the requirements of this Special Provision.

(f) **Veterans' Organization Service:** Pursuant to N.J.S.A 48:2-21.41, when natural gas service is delivered to a customer that is a Veterans' Organization, serving the needs of veterans of the armed forces, the customer may apply and be eligible for billing under this Special Provision.

(f-1) Each customer shall be eligible for billing under this Special Provision upon submitting an Application for Veterans' Organization Service under this rate schedule and by qualifying as a Veterans' Organization as defined by N.J.S.A. 48:2-21.41 as "an organization dedicated to serving the needs of veterans of the armed forces that: is chartered under federal law, qualifies as a tax exempt organization under paragraph (19) of subsection (c) of section 501 of the federal Internal Revenue Code of 1986, 26 U.S.C. s.501 (c)(19), or that is organized as a corporation under the 'New Jersey Nonprofit Corporation Act,' N.J.S.15A:1-1 et seq." Under N.J.S.A. 48: 2-21.41, a qualified Veterans' Organization shall be charged the residential rate for service delivered to the property where the Veterans' Organization primarily operates, if the residential rate is lower than the commercial rate for service at that property.

The customer shall furnish satisfactory proof of eligibility of service under this Special Provision to the Company. Once proof of eligibility is determined by the Company, service under this Special Provision shall begin with the next billing cycle following receipt of the Application.

(f-2) The customer will continue to be billed on this rate schedule. At least once annually, the Company shall review eligible customers' delivery charges under this Special Provision for all relevant periods. If the comparable delivery charges under the Residential Service (RSG) rate schedule are lower than the delivery charges under its current rate schedule, a credit in the amount of the difference will be applied to the customer's next bill.

RATE SCHEDULE GSG
GENERAL SERVICE
(Continued)

SPECIAL PROVISIONS APPLICABLE TO CUSTOMERS SELECTING THIRD PARTY SUPPLIERS FOR COMMODITY SERVICE:

(g) Customers who desire to purchase their gas supply from a TPS may request an enrollment package from Public Service that describes the process necessary for the customer to obtain a TPS for gas supply. This package will be provided to the customer at no charge by Public Service.

(h) The customer must contract with a TPS to arrange for deliveries to Public Service of the DCQ, and such TPS agrees to abide by the provisions of the Third Party Supplier Requirements. A customer is limited to one (1) TPS for gas for each account for which the customer receives delivery service.

(i) The customer's TPS is required to notify Public Service of the customer's selection on or before the 10th calendar day of the month to become effective on the first scheduled meter reading date beginning with the first calendar day of the following month, and such selection shall remain in effect for the billing period, subject to the conditions of Emergency Sales Service.

(j) Upon customer return to BGSS, change in TPS or the cessation of delivery service, Public Service shall review the status of customer's imbalance between actual usage and actual TPS deliveries to the customer, less losses, and shall include such imbalances in that TPS's future delivery requirement.

STATE OF NEW JERSEY AUTHORIZED TAX:

The New Jersey Sales and Use Tax is applied in accordance with P.L. 1997, c. 162, as amended by P.L. 2006, c. 44, as amended by P.L. 2016, c. 57, and is included in the appropriate charges in this rate schedule. See Section 15 of the Standard Terms and Conditions for additional details and/or exceptions.

THIRD PARTY SUPPLIER REQUIREMENTS:

TPSs are subject to the Third Party Supplier Requirements of this Tariff.

STANDARD TERMS AND CONDITIONS:

This rate schedule is subject to the Standard Terms and Conditions of this Tariff.

RESERVED FOR FUTURE USE

RATE SCHEDULE LVG
LARGE VOLUME SERVICE

APPLICABLE TO USE OF SERVICE FOR:

Firm delivery service for general purposes. Customers may either purchase gas supply from a Third Party Supplier (TPS) or from Public Service's Basic Gas Supply Service default service as detailed in this rate schedule.

DELIVERY CHARGES:

Service Charge:

$159.75 in each month [$170.33 including New Jersey Sales and Use Tax (SUT)].

Demand Charge (Applicable in the months of November through March):

Charge	Charge Including SUT	
$4.2464	$4.5277	per Demand Therm

Distribution Charges:

Per therm for the first 1,000 therms used in each month		Per therm in excess of 1,000 therms used in each month	
Charges	Charges Including SUT	Charges	Charges Including SUT
$0.037727	$0.040226	$0.047127	$0.050249

Distribution charges include Infrastructure Improvement Program Charges (IIP). Refer to Tariff Sheet 60 for details of these charges.

Balancing Charge:

Charge	Charge Including SUT	
$0.087669	$0.093477	per Balancing Use Therm

Societal Benefits Charge:

This charge shall recover costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Societal Benefits include: 1) Social Programs, 2) Demand Side Management Programs, 3) Manufactured Gas Plant Remediation, 4) Consumer Education, and 5) Universal Service Fund. Refer to the Societal Benefits Charge sheet of this Tariff for the current charge.

RATE SCHEDULE LVG
LARGE VOLUME SERVICE
(Continued)

Margin Adjustment Charge:

This charge shall credit net revenue associated with Rate Schedule Non-Firm Transportation Gas Service (TSG-NF) to customers on Rate Schedules RSG, GSG, LVG, SLG and TSG-F. Refer to the Margin Adjustment Charge sheet of this Tariff for the current charge.

Green Programs Recovery Charge:

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs as approved by the Board. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge.

Weather Normalization Charge:

This charge is designed to adjust base rate recoveries to offset the effects of abnormal weather on sales. The weather normalization charge applied in each winter period shall be based on the differences between actual and normal weather during the preceding winter period. Refer to the Weather Normalization Charge sheet of this Tariff for the current charge.

The Weather Normalization Charge will be combined with the Balancing Charge for billing.

Tax Adjustment Credit

This mechanism is designed to return net tax benefits from the Tax Cuts and Jobs Act of 2017, and other income tax related adjustments to customers. The charge will be reset on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under or over recovered balances. The interest rate shall be reset each month. Refer to the Tax Adjustment Credit sheet of this Tariff for the current charge.

The Tax Adjustment Credit will be combined with the distribution charge for billing.

The Societal Benefits Charge, the Margin Adjustment Charge and the Green Programs Recovery Charge will be combined for billing.

COMMODITY CHARGES:

A customer may choose to receive gas supply from either:

a) A TPS who has agreed to the terms and conditions of the Third Party Supplier Requirements portion of this Tariff, or
b) Public Service through its Basic Gas Supply Service default service. Public Service may also supply Emergency Sales Service in certain instances where a customer selected TPS does not deliver sufficient quantities of gas.

Third Party Supply:

A customer that receives gas supply from a TPS will be charged for gas supply according to any agreement between the customer and the TPS. The customer will not be charged for commodity by Public Service, except as provided for in Emergency Sales Service below.

RATE SCHEDULE LVG
LARGE VOLUME SERVICE
(Continued)

Emergency Sales Service:

In the event that, during any month, a customer's chosen TPS does not deliver the quantities of gas required, or if Public Service cannot confirm that the customer has an eligible TPS, Public Service may supply the deficiencies as Emergency Sales Service.

Emergency Sales Service will be offered at the sole discretion of Public Service, after taking into consideration its other firm supply obligations. Public Service reserves the right to curtail service to any customer if deliveries from customer's TPS pursuant to Third Party Supplier Requirements are curtailed.

If a customer is receiving Emergency Sales Service and does not wish to designate a TPS for future deliveries or customer, for any reason, no longer desires to receive gas supply from a TPS, the customer may receive gas supply pursuant to Public Service's Basic Gas Supply Service-Firm.

The conditions under which Emergency Sales Service will apply are detailed in Section 14 - Third Party Supply Service Provisions of the Standard Terms and Conditions of this Tariff, and the charges for this service are defined on the Emergency Sales Service sheet of this Tariff.

Basic Gas Supply Service:

Customers that do not receive gas supply from a TPS will be supplied under the Basic Gas Supply Service Firm (BGSS-F) default service, which will be applied to all therms billed each month. Refer to the Basic Gas Supply Service – Firm sheet of this Tariff for the current charge for BGSS-F commodity charge.

OTHER CHARGES:

See Special Provisions (f) and (i) below.

BILLING DETERMINANTS:

Therms:

The number of therms used shall be determined by multiplying the number of hundred cubic feet used by the conversion factors which appear on every bill.

Demand Therms:

The Demand Therms shall be the highest winter month (November through March) average daily usage calculated for the current month and all winter months occurring during the preceding 11 months. The customer's winter month average daily usage shall be determined for each billing month during that period of November through March by dividing billed therms, used by the customer, by the actual number of days in the billing period.

RATE SCHEDULE LVG
LARGE VOLUME SERVICE
(Continued)

Balancing Use Therms:

During each of the billing months of October through May, if the average daily usage of gas in any month exceeds the average daily usage during the preceding billing months of June through September, the therms used in such month in excess of the product of the average daily usage in the preceding months of June through September times the number of days in the billing month shall be the Balancing Use Therms and subject to the Balancing Charge. For new customers and for customers who install additional gas burning equipment, the average daily usage in the preceding June through September time period to be used in the above calculation shall be estimated by Public Service.

Daily Contract Quantity:

The Customer's Daily Contract Quantity (DCQ) for each month shall be calculated by Public Service for twelve (12) months by dividing customer's weather-normalized usage, adjusted for losses, for each of the most recent twelve (12) billing months by the total number of days in each billing month. Public Service may adjust customer's DCQ during the year, due to changes in customer's gas equipment or pattern of usage, or projected usage. For new customers, customer's initial DCQ will be estimated by Public Service, based upon the rating of the customer's gas equipment and expected utilization of the equipment. At the end of each billing period, Public Service will calculate the difference between customer's actual usage, adjusted for losses, and actual TPS supply for the billing period, taking into consideration any adjustments from prior months, and will adjust the DCQ for the second succeeding month by that difference divided by the total number of days in the month, provided that such adjustment will not decrease that month's adjusted DCQ to a level less than zero. Any such adjustment that would result in a particular month's DCQ being less than zero will be carried to a future month.

TERMS OF PAYMENT:

Payment is due within 15 days after the postmark date, or email date for customers who have opted for paperless billing, of the outstanding bill and subject to a late payment charge at the rate of 1.416% per monthly billing period in accordance with Section 8.13 of the Standard Terms and Conditions. Service to a body politic will not be subject to a late payment charge.

TERM:

One year and thereafter until terminated by five days' notice.

Customers who transfer from third party supply to Basic Gas Supply Service may be subject to renewable one year terms. Refer to Section 14 of the Standard Terms and Conditions of this Tariff for additional limitations regarding the term of Basic Gas Supply Service.

SPECIAL PROVISIONS APPLICABLE TO ALL CUSTOMERS:

(a) Service under this rate schedule is not available for resale, except where service is for motor vehicle fuel supplied through compression equipment.

(b) Service supplied under this rate schedule shall be separately metered and shall not be combined with use under any other rate schedule for billing purposes. Customer shall not be eligible to receive service under this rate schedule and any other rate schedule for the same equipment or for equipment supplying a common steam header during the term of the Service Agreement.

RATE SCHEDULE LVG
LARGE VOLUME SERVICE
(Continued)

(c) Where Public Service is unable to read the meter on a regular basis, Public Service may require the installation of a remote meter reading device at the customer's expense.

(d) **Cogeneration Use:** Applicable to separately metered service for the sequential production of electrical energy and useful thermal energy from the same fuel source by a Qualifying Facility, as defined in Section 201 of the Public Utilities Regulatory Policies Act of 1978 whose cogeneration equipment meets the efficiency standards set forth in Chapter 18 of the Code of Federal Regulations, Sections 292.205 (a) and (b). Customer must document that qualifying status has been granted by the Federal Energy Regulatory Commission.

Service to a qualifying cogeneration facility as set forth above may be exempt from taxes as set forth in Section 15 of the Standard Terms and Conditions.

(e) **Veterans' Organization Service:** Pursuant to N.J.S.A 48:2-21.41, when natural gas service is delivered to a customer that is a Veterans' Organization, serving the needs of veterans of the armed forces, the customer may apply and be eligible for billing under this Special Provision.

(e-1) Each customer shall be eligible for billing under this Special Provision upon submitting an Application for Veterans' Organization Service under this rate schedule and by qualifying as a Veterans' Organization as defined by N.J.S.A. 48:2-21.41 as "an organization dedicated to serving the needs of veterans of the armed forces that: is chartered under federal law, qualifies as a tax exempt organization under paragraph (19) of subsection (c) of section 501 of the federal Internal Revenue Code of 1986, 26 U.S.C. s.501 (c)(19), or that is organized as a corporation under the 'New Jersey Nonprofit Corporation Act,' N.J.S.15A:1-1 et seq." Under N.J.S.A. 48: 2-21.41, a qualified Veterans' Organization shall be charged the residential rate for service delivered to the property where the Veterans' Organization primarily operates, if the residential rate is lower than the commercial rate for service at that property.

The customer shall furnish satisfactory proof of eligibility of service under this Special Provision to the Company. Once proof of eligibility is determined by the Company, service under this Special Provision shall begin with the next billing cycle following receipt of the Application.

(e-2) The customer will continue to be billed on this rate schedule. At least once annually, the Company shall review eligible customers' delivery charges under this Special Provision for all relevant periods. If the comparable delivery charges under the Residential Service (RSG) rate schedule are lower than the delivery charges under its current rate schedule, a credit in the amount of the difference will be applied to the customer's next bill.

RATE SCHEDULE LVG
LARGE VOLUME SERVICE
(Continued)

SPECIAL PROVISIONS APPLICABLE TO CUSTOMERS SELECTING THIRD PARTY SUPPLIERS FOR COMMODITY SERVICE:

(f) Customers who desire to purchase their gas supply from a TPS may request an enrollment package from Public Service that describes the process necessary for the customer to obtain a TPS for gas supply. This package will be provided to the customer at no charge by Public Service.

(g) The customer must contract with a TPS to arrange for deliveries to Public Service of the DCQ, and such TPS agrees to abide by the provisions of the Third Party Supplier Requirements. A customer is limited to one (1) TPS for gas for each account for which the customer receives delivery service.

(h) The customer's TPS is required to notify Public Service of the customer's selection on or before the 10th calendar day of the month to become effective on the first scheduled meter reading date beginning with the first calendar day of the following month, and such selection shall remain in effect for the billing period, subject to the conditions of Emergency Sales Service.

(i) Upon customer return to BGSS, change in TPS or the cessation of delivery service, Public Service shall review the status of customer's imbalance between actual usage and actual TPS deliveries to the customer, less losses, and shall include such imbalances in that TPS's future delivery requirement.

STATE OF NEW JERSEY AUTHORIZED TAX:

The New Jersey Sales and Use Tax is applied in accordance with P.L. 1997, c. 162, as amended by P.L. 2006, c. 44, as amended by P.L. 2016, c. 57, and is included in the appropriate charges in this rate schedule. See Section 15 of the Standard Terms and Conditions for additional details and/or exceptions.

THIRD PARTY SUPPLIER REQUIREMENTS:

TPSs are subject to the Third Party Supplier Requirements of this Tariff.

STANDARD TERMS AND CONDITIONS:

This rate schedule is subject to the Standard Terms and Conditions of this Tariff.

RESERVED FOR FUTURE USE

RATE SCHEDULE SLG
STREET LIGHTING SERVICE

APPLICABLE TO USE OF SERVICE FOR:

Lamps, posts, maintenance, and firm delivery service for street lighting purposes. Customers may either purchase gas supply from a Third Party Supplier (TPS) or from Public Service's Basic Gas Supply Service default service as detailed in this rate schedule.

DELIVERY CHARGES:

Monthly Charge Per Unit (Includes lamp, post, maintenance and firm delivery service):

Lamps Installed Prior to January 1, 1993:

	Charges	Charges Including SUT
Single–mantle lamp	$ 13.2351	$ 14.1119
Double–mantle lamp, inverted	13.2351	14.1119
Double-mantle lamp, upright	13.2351	14.1119
Triple–mantle lamp	13.2351	14.1119

Lamps Installed on or after January 1, 1993:

	Charges	Charges Including SUT
Triple–mantle lamp	$ 67.4762	$ 71.9465

Allowance for Lamp Outages:

The Monthly Charge per unit reflects an outage allowance based upon normal operating conditions. No further allowance will be made.

Distribution Charge per Therm:

Charge	Charge Including SUT
$0.051749	$0.055177

Distribution charges include Infrastructure Improvement Program Charges (IIP). Refer to Tariff Sheet 60 for details of these charges.

Societal Benefits Charge:

This charge shall recover costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Societal Benefits include: 1) Social Programs, 2) Demand Side Management Programs, 3) Manufactured Gas Plant Remediation, 4) Consumer Education, and 5) Universal Service Fund. Refer to the Societal Benefits Charge sheet of this Tariff for the current charge.

Margin Adjustment Charge:

This charge shall credit net revenue associated with Rate Schedule Non-Firm Transportation Gas Service (TSG-NF) to customers on Rate Schedules RSG, GSG, LVG, SLG and TSG-F. Refer to the Margin Adjustment Charge sheet of this Tariff for the current charge.

Green Programs Recovery Charge:

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs as approved by the Board. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge.

RATE SCHEDULE SLG
STREET LIGHTING SERVICE
(Continued)

Tax Adjustment Credit

This mechanism is designed to return net tax benefits from the Tax Cuts and Jobs Act of 2017, and other income tax related adjustments to customers. The charge will be reset on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under or over recovered balances. The interest rate shall be reset each month. Refer to the Tax Adjustment Credit sheet of this Tariff for the current charge.

The Tax Adjustment Credit will be combined with the distribution charge for billing.

The Societal Benefits Charge, the Margin Adjustment Charge and the Green Programs Recovery Charge will be combined for billing.

COMMODITY CHARGES:

A customer may choose to receive gas supply from either:

a) A TPS who has agreed to the terms and conditions of the Third Party Supplier Requirements portion of this Tariff, or
b) Public Service through its Basic Gas Supply Service default service. Public Service may also supply Emergency Sales Service in certain instances where a customer selected TPS does not deliver sufficient quantities of gas.

Third Party Supply:

A customer that receives gas supply from a TPS will be charged for gas supply according to any agreement between the customer and the TPS. The customer will not be charged for commodity by Public Service, except as provided for in Emergency Sales Service below.

Emergency Sales Service:

In the event that, during any month, a customer's chosen TPS does not deliver the quantities of gas required, or if Public Service cannot confirm that the customer has an eligible TPS, Public Service may supply the deficiencies as Emergency Sales Service.

Emergency Sales Service will be offered at the sole discretion of Public Service, after taking into consideration its other firm supply obligations. Public Service reserves the right to curtail service to any customer if deliveries from customer's TPS pursuant to Third Party Supplier Requirements are curtailed.

If a customer is receiving Emergency Sales Service and does not wish to designate a TPS for future deliveries or customer, for any reason, no longer desires to receive gas supply from a TPS, the customer may receive gas supply pursuant to Public Service's Basic Gas Supply Service-Firm.

The conditions under which Emergency Sales Service will apply are detailed in Section 14 - Third Party Supplier Service Provisions of the Standard Terms and Conditions of this Tariff, and the charges for this service are defined on the Emergency Sales Service sheet of this Tariff.

RATE SCHEDULE SLG
STREET LIGHTING SERVICE
(Continued)

Basic Gas Supply Service:

Customers that do not receive gas supply from a TPS will be supplied under the Basic Gas Supply Service-Firm (BGSS-F) default service, which will be applied to all therms billed each month. Refer to the Basic Gas Supply Service – Firm sheet of this Tariff for the current charge for the BGSS-F commodity charge.

OTHER CHARGES:

See Special Provision (e) below.

BILLING DETERMINANTS:

Therms:

The number of therms used are shown below for each lamps type.

Single-mantle	0.69 therms per day
Double-mantle, inverted	0.77 therms per day
Double-mantle, upright	1.37 therms per day
Triple-mantle	0.77 therms per day

Daily Contract Quantity:

The Customer's Daily Contract Quantity (DCQ) for each month shall be calculated by Public Service for twelve (12) months by multiplying the number of days in the billing month by the above listed daily usage values in therms, adjusted for losses, for each lamp type times the number of customer lamps. If the customer has multiple lamp types then the DCQ would be the sum from all lamp types calculated in the preceding manner. Public Service may adjust customer's DCQ during the year, due to changes in the number and types of customer's lamps.

TERMS OF PAYMENT:

Payment is due within 15 days after the postmark date, or email date for customers who have opted for paperless billing, of the outstanding bill and subject to a late payment charge at the rate of 1.416% per monthly billing period in accordance with Section 8.13 of the Standard Terms and Conditions. Service to a body politic will not be subject to a late payment charge.

TERM:

Five years; written contract required.

Customers who transfer from third party supply to Basic Gas Supply Service may be subject to renewable one year terms. Refer to Section 14 of the Standard Terms and Conditions of this Tariff for additional limitations regarding the term of Basic Gas Supply Service.

SPECIAL PROVISIONS APPLICABLE TO ALL CUSTOMERS:

(a) Service under this rate schedule is not available for resale.

RATE SCHEDULE SLG
STREET LIGHTING SERVICE
(Continued)

SPECIAL PROVISIONS APPLICABLE TO CUSTOMERS SELECTING THIRD PARTY SUPPLIERS FOR COMMODITY SERVICE:

(b) Customers who desire to purchase their gas supply from a TPS may request an enrollment package from Public Service that describes the process necessary for the customer to obtain a TPS for gas supply. This package will be provided to the customer at no charge by Public Service.

(c) The customer must contract with a TPS to arrange for deliveries to Public Service of the DCQ, and such TPS agrees to abide by the provisions of the Third Party Supplier Requirements. A customer is limited to one (1) TPS for gas for each account for which the customer receives delivery service.

(d) The customer's TPS is required to notify Public Service of the customer's selection on or before the 10th calendar day of the month to become effective on the first scheduled meter reading date beginning with the first calendar day of the following month, and such selection shall remain in effect for the billing period, subject to the conditions of Emergency Sales Service.

(e) Upon customer return to BGSS, change in TPS or the cessation of delivery service, Public Service shall review the status of customer's imbalance between actual usage and actual TPS deliveries to the customer, less losses, and shall include such imbalances in that TPS's future delivery requirement.

STATE OF NEW JERSEY AUTHORIZED TAX:

The New Jersey Sales and Use Tax is applied in accordance with P.L. 1997, c. 162, as amended by P.L. 2006, c. 44, as amended by P.L. 2016, c. 57, and is included in the appropriate charges in this rate schedule. See Section 15 of the Standard Terms and Conditions for additional details and/or exceptions.

THIRD PARTY SUPPLIER REQUIREMENTS:

TPSs are subject to the Third Party Supplier Requirements of this Tariff.

STANDARD TERMS AND CONDITIONS:

This rate schedule is subject to the Standard Terms and Conditions of this Tariff.

RESERVED FOR FUTURE USE

RATE SCHEDULE TSG-F
FIRM TRANSPORTATION GAS SERVICE

This rate schedule is limited to customers continuously taking service under this rate schedule since December 1, 1994, with the exception of any new customers for whom commitments by Public Service had been made prior to December 1, 1994.

APPLICABLE TO USE OF SERVICE FOR:

Firm delivery, subject to Public Service's available capacity to provide such service, where the maximum requirement for firm gas is not less than 150 therms per hour and where the customer's Third Party Supplier (TPS) and/or its agent has arranged for the delivery of gas supplies to interconnection points with Public Service's distribution system, from which Public Service may receive and physically transport and deliver the customer's purchased gas supply.

DELIVERY CHARGES:

Service Charge:

$855.59 in each month [$912.27 including New Jersey Sales and Use Tax (SUT)].

Demand Charge (Applicable in the months of November through March):

Charge	Charge Including SUT	
$2.1616	$2.3048	per Demand Therm

Distribution Charges:

Charge	Charge Including SUT	
$0.082626	$0.088100	per therm

Distribution charges include Infrastructure Improvement Program Charges (IIP). Refer to Tariff Sheet 61 for details of these charges.

Public Service may reduce the Distribution Charge at the beginning of the month and/or during the month to reflect market conditions.

Societal Benefits Charge:

This charge shall recover costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Societal Benefits include: 1) Social Programs, 2) Demand Side Management Programs, 3) Manufactured Gas Plant Remediation, 4) Consumer Education, and 5) Universal Service Fund. Refer to the Societal Benefits Charge sheet of this Tariff for the current charge.

Margin Adjustment Charge:

This charge shall credit net revenue associated with Rate Schedule Non-Firm Transportation Gas Service (TSG-NF) to customers on Rate Schedules RSG, GSG, LVG, SLG and TSG-F. Refer to the Margin Adjustment Charge sheet of this Tariff for the current charge.

Green Programs Recovery Charge:

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs as approved by the Board. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge.

RATE SCHEDULE TSG-F
FIRM TRANSPORTATION GAS SERVICE
(Continued)

Tax Adjustment Credit

This mechanism is designed to return net tax benefits from the Tax Cuts and Jobs Act of 2017, and other income tax related adjustments to customers. The charge will be reset on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under or over recovered balances. The interest rate shall be reset each month. Refer to the Tax Adjustment Credit sheet of this Tariff for the current charge.

The Tax Adjustment Credit will be combined with the distribution charge for billing.

The Societal Benefits Charge, the Margin Adjustment Charge and the Green Programs Recovery Charge will be combined for billing.

COMMODITY CHARGES:

A customer must choose to receive gas supply from a TPS who has agreed to the terms and conditions of the Third Party Supplier Requirements portion of this Tariff.

Third Party Supply:

A customer that receives gas supply from a TPS will be charged for gas supply according to any agreement between the customer and the TPS. The customer will not be charged for commodity by Public Service, except as provided for in Emergency Sales Service below.

Emergency Sales Service:

In the event that, during any month, Public Service cannot confirm that the customer has an eligible TPS, or if the TPS no longer satisfies the requirement of the Third Party Supplier Requirement portion of this Tariff, Public Service may supply the deficiencies as Emergency Sales Service. Public Service may supply gas commodity service to such customer as Emergency Sales Service unless and until customer selects another TPS.

Emergency Sales Service will be offered at the sole discretion of Public Service, after taking into consideration its other firm sales obligations. Public Service reserves the right to curtail service to any customer if deliveries from customer's TPS pursuant to Third Party Supplier Requirements are curtailed.

The conditions under which Emergency Sales Service will apply are detailed in Section 14 - Third Party Supply Service Provisions of the Standard Terms and Conditions of this Tariff, and the charges for this service are defined on the Emergency Sales Service sheet of this Tariff.

BILLING DETERMINANTS:

Therms:

The number of therms used shall be determined by multiplying the number of hundred cubic feet used by the conversion factors which appear on every bill. The conversion factor used for the "therm multiplier" shall be on the basis of the actual heating value of the gas used.

Demand Therms:

The Demand Therms shall be the highest winter month (November through March) average daily usage calculated for the current month and all winter months occurring during the preceding 11 months. The customer's winter month average daily usage shall be determined for each billing month during that period of November through March by dividing billed therms, used by the customer, by the actual number of days in the billing period.

RATE SCHEDULE TSG-F
FIRM TRANSPORTATION GAS SERVICE
(Continued)

TERMS OF PAYMENT:

Payment is due within 15 days after the postmark date, or email date for customers who have opted for paperless billing, of the outstanding bill and subject to a late payment charge at the rate of 1.416% per monthly billing period in accordance with Section 8.13 of the Standard Terms and Conditions. Service to a body politic will not be subject to a late payment charge.

TERM:

One year and thereafter until terminated by five days' notice.

SPECIAL PROVISIONS APPLICABLE TO ALL CUSTOMERS:

(a) Customer will be restricted to the maximum annual, daily and hourly requirements, and the location and equipment specified in the service agreement. Upon request by customer, Public Service may deliver available volumes of gas supply, adjusted for losses, in excess of the maximum requirements, for limited periods. Such deliveries shall not be deemed to constitute a change in the requirements specified in the service agreement.

(b) The customer must contract with a TPS to arrange for deliveries to Public Service of its daily usage, adjusted for losses, and such TPS agrees to abide by the provisions of the Third Party Supplier Requirements. A customer is limited to one (1) TPS for gas for each account for which the customer receives delivery service.

The customer's TPS is required to notify Public Service of the customer's selection prior to the last business day of the month for deliveries to commence on the first (1st) of the next month, and such selection shall remain in effect for the entire month, subject to the conditions of Emergency Sales Service. Customer can change TPSs effective only on the first day of the month.

Details for third party supply can be obtained by referring to Section 14 – Third Party Supplier Service Provisions of the Standard Terms and Conditions of this Tariff.

(c) Metering shall include a recording device, furnished by Public Service. Customer shall furnish an electrical supply for the operation of the recording device.

(d) Service supplied under this rate schedule shall be separately metered and shall not be combined with use under any other rate schedule for billing purposes. Customer shall not be eligible to receive service under this rate schedule and any other rate schedule for the same equipment or for equipment supplying a common steam header.

(e) Service under this rate schedule is not available for resale.

RATE SCHEDULE TSG-F
FIRM TRANSPORTATION GAS SERVICE
(Continued)

(f) Cogeneration Use: Applicable to separately metered service for the sequential production of electrical energy and useful thermal energy from the same fuel source by a Qualifying Facility, as defined in Section 201 of the Public Utilities Regulatory Policies Act of 1978 whose cogeneration equipment meets the efficiency standards set forth in Chapter 18 of the Code of Federal Regulations, Sections 292.205(a) and (b). Customer must document that qualifying status has been granted by the Federal Energy Regulatory Commission.

Service to qualifying cogeneration facility as set forth above may be exempt from taxes as set forth in Section 15 of the Standard Terms and Conditions.

STATE OF NEW JERSEY AUTHORIZED TAX:

The New Jersey Sales and Use Tax is applied in accordance with P.L. 1997, c. 162, as amended by P.L. 2006, c. 44, as amended by P.L. 2016, c. 57, and is included in the appropriate charges in this rate schedule. See Section 15 of the Standard Terms and Conditions for additional details and/or exceptions.

THIRD PARTY SUPPLIER REQUIREMENTS:

TPSs are subject to the Third Party Supplier Requirements of this Tariff.

STANDARD TERMS AND CONDITIONS:

This rate schedule is subject to the Standard Terms and Conditions of this Tariff except Section 7.6, Appliance Adjustments.

RESERVED FOR FUTURE USE

RATE SCHEDULE TSG-NF
NON-FIRM TRANSPORTATION GAS SERVICE

APPLICABLE TO USE OF SERVICE FOR:

Interruptible delivery for general purposes where the maximum requirement for interruptible gas is not less than 150 therms per hour and where the customer has the installed capability to utilize an alternate type of fuel, except as provided for in Special Provision (a). Customers may either purchase gas supply from a Third Party Supplier (TPS) or from Public Service's Basic Gas Supply Service default service as detailed in this rate schedule.

DELIVERY CHARGES:

Service Charge:

$855.59 in each month [$912.27 including New Jersey Sales and Use Tax (SUT)].

Distribution Charges:

Charge	Charge including SUT	
$0.095422	$0.101744	per therm

Distribution charges include Infrastructure Improvement Program Charges (IIP). Refer to Tariff Sheet 61 for details of these charges.

Public Service may reduce the Distribution Charge at the beginning of the month and/or during the month to reflect market conditions.

This charge does not apply to gas sold to customer by Public Service pursuant to Special Provision (d).

Societal Benefits Charge:

This charge shall recover costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Societal Benefits include: 1) Social Programs, 2) Demand Side Management Programs, 3) Manufactured Gas Plant Remediation, 4) Consumer Education, and 5) Universal Service Fund. Refer to the Societal Benefits Charge sheet of this Tariff for the current charge.

Green Programs Recovery Charge:

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs as approved by the Board. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge.

Tax Adjustment Credit

This mechanism is designed to return net tax benefits from the Tax Cuts and Jobs Act of 2017, and other income tax related adjustments to customers. The charge will be reset on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under or over recovered balances. The interest rate shall be reset each month. Refer to the Tax Adjustment Credit sheet of this Tariff for the current charge.

The Tax Adjustment Credit will be combined with the distribution charge for billing.

The Societal Benefits Charge and the Green Programs Recovery Charge will be combined for billing.

COMMODITY CHARGES:

A customer may choose to receive gas supply from either:

a) A TPS who has agreed to the terms and conditions of the Third Party Supplier Requirements portion of this Tariff, or

RATE SCHEDULE TSG-NF
NON-FIRM TRANSPORTATION GAS SERVICE
(Continued)

b) Public Service through its Basic Gas Supply Service default service. Public Service may also supply Emergency Sales Service in certain instances as indicated below.

Third Party Supply:

A customer that receives gas supply from a TPS will be charged for gas supply according to any agreement between the customer and the TPS. The customer will not be charged for commodity by Public Service, except as provided for in Emergency Sales Service below.

Emergency Sales Service:

In the event that, during any month, if Public Service cannot confirm that the customer has an eligible TPS, or if the TPS no longer satisfies the Third Party Supplier Requirements of this tariff, Public Service may supply the deficiencies as Emergency Sales Service.

Emergency Sales Service will be offered at the sole discretion of Public Service, after taking into consideration its other firm supply obligations. Public Service reserves the right to curtail service to any customer if deliveries from customer's TPS pursuant to Third Party Supplier Requirements are curtailed.

If a customer is receiving Emergency Sales Service and does not wish to designate a TPS for future deliveries or customer, for any reason, no longer desires to receive gas supply from a TPS, the customer may receive gas supply pursuant to Public Service's Basic Gas Supply Service.

The conditions under which Emergency Sales Service will apply are detailed in Section 14 - Third Party Supplier Service Provisions of the Standard Terms and Conditions of this Tariff, and the charges for this service are defined on the Emergency Sales Service sheet of this Tariff.

Basic Gas Supply Service:

Customers that do not receive gas supply from a TPS will be supplied under the Basic Gas Supply Service-Interruptible (BGSS-I) default service, which will be applied to all therms billed each month. Refer to the Basic Gas Supply Service – Interruptible sheet of this Tariff for the current charge for BGSS-I commodity charge.

OTHER CHARGES:

See Special Provisions (d) and (e).

BILLING DETERMINANTS:

Therms:

The number of therms used shall be determined by multiplying the number of hundred cubic feet used by the conversion factors which appears on every bill. The conversion factor used for the "therm multiplier" shall be on the basis of the actual heating value of the gas used.

TERMS OF PAYMENT:

Payment is due within 15 days after the postmark date, or email date for customers who have opted for paperless billing, of the outstanding bill and subject to a late payment charge at the rate of 1.416% per monthly billing period in accordance with Section 8.13 of the Standard Terms and Conditions. Service to a body politic will not be subject to a late payment charge.

RATE SCHEDULE TSG-NF
NON-FIRM TRANSPORTATION GAS SERVICE
(Continued)

TERM:

Unless otherwise agreed upon by customer and Public Service**,** one year from the commencement date specified in the service agreement required by Special Provision (a) and successive one-year periods thereafter. Service may be terminated by either customer or Public Service by providing no less than one month's notice prior to the expiration of the term.

SPECIAL PROVISIONS APPLICABLE TO ALL CUSTOMERS:

(a) Customer will be required to sign a service agreement and service will be restricted to the maximum annual, daily, and hourly requirements, and the location and equipment specified. Upon request by customer, Public Service may deliver available volumes of gas supply, adjusted for losses, in excess of the maximum requirements, for limited periods. Such deliveries shall not be deemed to constitute a change in the requirements specified in the service agreement. Attached to the service agreement will be a signed affidavit, certifying the specific grade of fuel oil (or oils), or other alternate fuel, that can physically and legally be utilized by the installation being served. This affidavit shall be a prerequisite for receiving service under this rate schedule and shall be furnished by the customer each fall no later than November 1st. The affidavit shall include the percentage of operation which can physically and legally be served by each alternate fuel. The customer will submit, within 30 days of change in operations, a new affidavit to Public Service when such change affects its alternate fuel capability. Additionally, the Affidavit shall require customers using No. 2 Fuel Oil, No. 4 Fuel Oil, jet fuel, or kerosene to provide certification that they have, and will maintain, either seven days of alternate fuel available through on-site storage capacity or additional firm contractual supply to make-up for any storage deficiencies so as to be equal to a seven day supply. Customers providing certification that they will suspend operations during an interruption are exempt from the alternate fuel requirement. Public Service reserves the right to inspect the customer's operation as to alternate fuel capability. Customers that fail to provide an affidavit by November 1st of each year shall continue to be subject to all of the terms of this rate schedule and in addition be subject to the Demand Charge as provided for in Rate Schedule LVG.

(b) Customers who were taking service under former Rate Schedule ISG Special Provision (b) on January 8, 2002 will be provided service under this rate schedule and are exempt from the minimum connected load requirement of 150 therms per hour.

(c) Upon advance notice of eight hours or more, from any hour of any day given to customer by Public Service, customer shall discontinue the use of gas until further notice; customer shall designate personnel who will accept such notification at any hour of any day.

(d) If customer does not discontinue the use of gas after notification pursuant to Special Provision (c) customer shall be charged $1.89 ($2.02 including SUT) per therm for an amount not to exceed one hour's maximum requirement per day of interruption.

The charge for all additional gas used shall be ten times the highest price of the "Absolute" daily ranges for delivery in Transco Zone 6, New York, or Texas Eastern Zone M-3 which are published in *Gas Daily* on the table "Final Daily Price Survey" for each therm of gas used by the customer. This rate shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of the interstate pipelines which deliver gas into New Jersey.

RATE SCHEDULE TSG-NF
NON-FIRM TRANSPORTATION GAS SERVICE
(Continued)

If a customer persistently does not discontinue the use of gas after notification pursuant to Special Provision (c), in addition to the aforementioned penalty charge, the customer will be notified that it no longer qualifies for service under an interruptible rate schedule. Applicable firm service will be available on a prospective basis subject to the availability of supply and delivery capacity.

Except for pilots, however, Public Service has no obligation to deliver gas at any time following notice pursuant to Special Provision (c) and may discontinue completely all other deliveries of gas to customer during the period of interruption.

(e) If a customer requests a change from this delivery rate schedule to firm service during the months of November through March, the customer will be switched to that firm rate schedule, subject to the availability of supply and delivery capacity, retroactive to November 1 of the current winter period. If the customer was assessed charges under Special Provision (d) and such switch to firm service is approved by PSE&G, the charge for any gas in excess of the one hour's maximum requirement shall be lowered from ten times to one times the highest price of the "Absolute" daily ranges for delivery in Transco Zone 6, New York, or Texas Eastern Zone M-3 which are published in Gas Daily on the table "Final Daily Price Survey" for each therm of gas used by the customer. If necessary, the customer will also be charged for system reinforcement, in accordance with Section 3, Charges for Service of the Standard Terms and Conditions of this Tariff.

(f) Customer may be required to make a deposit toward the total cost of facilities which Public Service installed to provide service if gas equipment or applications were, in the prior five-year period, previously served under Rate Schedules RSG, GSG, LVG or TSG-F for the same customer. Such deposit will be determined as if such gas equipment or applications had been served under Rate Schedule TSG-NF for the entire period served under the above firm rates, utilizing the deposit calculations in existence at the time the customer began service.

(g) Metering shall include a recording device, furnished by Public Service. Customer shall furnish an electrical supply for the operation of the recording device.

(h) Service supplied under this rate schedule shall be separately metered and shall not be combined with use under any other rate schedule for billing purposes. Customer shall not be eligible to receive service under this rate schedule and any other rate schedule for the same equipment or for equipment supplying a common steam header.

(i) Except as provided in Special Provision (a) customer has installed and maintains complete and adequate standby equipment and fuel supply for operation with another fuel when the gas supply is interrupted.

(j) Customers with a maximum requirement of 7,500 therms per hour or greater shall designate personnel physically located at the customer's facility having operational control of the gas usage at that facility who can be directly contacted by telephone or other electronic means at any hour of any day by Public Service. If the customer obtains gas supply from a TPS, these personnel shall be responsible for coordinating the balancing of customer's gas consumption and deliveries by the customer's TPS and shall be the only party that Public Service contacts for all operational coordination requirements including those during periods of suspension or limitation and critical periods as detailed in Sections 6.3.2 and 6.3.3 of the Third Party Supplier Requirements of this tariff. If the customer obtains gas supply from Public Service under BGSS-I default service, Public Service may establish similar operational coordination requirements.

RATE SCHEDULE TSG-NF
NON-FIRM TRANSPORTATION GAS SERVICE
(Continued)

(k) Service under this rate schedule is not available for resale.

(l) Cogeneration Use: Applicable to separately metered service for the sequential production of electrical energy and useful thermal energy from the same fuel source by a Qualifying Facility, as defined in Section 201 of the Public Utilities Regulatory Policies Act of 1978 whose cogeneration equipment meets the efficiency standards set forth in Chapter 18 of the Code of Federal Regulations, Sections 292.205 (a) and (b). Customer must document that qualifying status has been granted by the Federal Energy Regulatory Commission.

Service to a qualifying cogeneration facility as set forth above may be exempt from taxes as set forth in Section 15 of the Standard Terms and Conditions.

(m) Military Service: United States Department of Defense Military bases may apply for service under this special provision. Under this special provision: 1) a customer must choose to receive gas supply from a TPS who has agreed to the terms and conditions of the Third Party Supplier Requirements of this Tariff; 2) delivery service will not be interrupted with respect to the customer's gas that is delivered to Public Service by the customer's TPS on any day; 3) all service for each service location must be through a single meter; 4) the requirements for an alternate fuel shall not apply; and 5) in lieu of the annual alternate fuel certification required by each November 1st as described in Special Provision (a) above, the customer is required to submit a certification by each November 1st that it has a contract with a TPS to supply its gas requirements each day through the end of the following March.

SPECIAL PROVISIONS APPLICABLE TO CUSTOMERS SELECTING THIRD PARTY SUPPLIERS FOR COMMODITY SERVICE:

(n) The customer must contract with a TPS to arrange for deliveries to Public Service of their daily usage, adjusted for losses, and such TPS agrees to abide by the provisions of the Third Party Supplier Requirements. A customer is limited to one (1) TPS for gas for each account for which the customer receives delivery service.

(o) The customer's TPS is required to notify Public Service of the customer's selection prior to the last business day of the month for deliveries to commence on the first (1st) of the next month, and such selection shall remain in effect for the entire month, subject to the conditions of Emergency Sales Service. Customer can change TPSs effective only on the first day of the month.

STATE OF NEW JERSEY AUTHORIZED TAX:

The New Jersey Sales and Use Tax is applied in accordance with P.L. 1997, c. 162, as amended by P.L. 2006, c. 44, as amended by P.L. 2016, c. 57, and is included in the appropriate charges in this rate schedule. See Section 15 of the Standard Terms and Conditions for additional details and/or exceptions.

THIRD PARTY SUPPLIER REQUIREMENTS:

TPSs are subject to the Third Party Supplier Requirements of this Tariff.

STANDARD TERMS AND CONDITIONS:

This rate schedule is subject to the Standard Terms and Conditions of this Tariff except Section 7.6, Appliance Adjustments.

RESERVED FOR FUTURE USE

RATE SCHEDULE CIG
COGENERATION INTERRUPTIBLE SERVICE

This rate schedule is limited to customers continuously taking service under this rate schedule or former Rate Schedule CEG since January 8, 2002, with the exception of any new customers for whom commitments by Public Service had been made prior to January 9, 2002.

APPLICABLE TO USE OF SERVICE FOR:

Interruptible gas delivery and supply service for the sequential production of electrical energy and useful thermal energy from the same fuel source by a Qualifying Facility, as defined in Section 201 of the Public Utility Regulatory Policies Act of 1978, and regularly meeting the efficiency standards set forth in Chapter 18 of the Code of Federal Regulations, Sections 292.205 (a) and (b) and where the combined nameplate-rated capacity of the generation equipment is not less than 1.5 megawatts and not greater than 20 megawatts. This size limitation shall not apply to customer's Qualifying Facilities receiving service under this rate schedule prior to January 1, 1993.

DELIVERY CHARGES:

Service Charge:

$192.13 in each month [$204.86 including New Jersey Sales and Use Tax (SUT)].

Distribution Charges:

Charge	Charge including SUT	
$0.085916	$0.091608	per therm for the first 600,000 therms used in each month.
$0.075916	$0.080945	per therm in excess of 600,000 therms used in each month.

Distribution charges include Infrastructure Improvement Program Charges (IIP). Refer to Tariff Sheet 61 for details of these charges.

This charge does not apply to gas sold to customers by Public Service pursuant to Special Provision (c).

Societal Benefits Charge:

This charge shall recover costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Societal Benefits include: 1) Social Programs, 2) Demand Side Management Programs, 3) Manufactured Gas Plant Remediation, 4) Consumer Education, and 5) Universal Service Fund. Refer to the Societal Benefits Charge sheet of this Tariff for the current charge.

Green Programs Recovery Charge:

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs as approved by the Board. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge.

Tax Adjustment Credit

This mechanism is designed to return net tax benefits from the Tax Cuts and Jobs Act of 2017, and other income tax related adjustments to customers. The charge will be reset on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under or over recovered balances. The interest rate shall be reset each month. Refer to the Tax Adjustment Credit sheet of this Tariff for the current charge.

The Tax Adjustment Credit will be combined with the distribution charge for billing.

The Societal Benefits Charge and the Green Programs Recovery Charge will be combined for billing.

RATE SCHEDULE CIG
COGENERATION INTERRUPTIBLE SERVICE
(Continued)

COMMODITY CHARGES:

Customers taking service under this rate schedule are required to receive their commodity service from Public Service. Refer to the BGSS-CIG Commodity Charge sheet of this Tariff for the current charge.

Other Charges:

See Special Provisions (c) and (n).

BILLING DETERMINANTS:

Therms:

The number of therms used shall be determined by multiplying the number of hundred cubic feet used by the conversion factors which appear on every bill. The conversion factor used for the "therm multiplier" shall be on the basis of the actual heating value of the gas used.

TERMS OF PAYMENT:

Payment is due within 15 days after the postmark date, or email date for customers who have opted for paperless billing, of the outstanding bill and subject to a late payment charge at the rate of 1.416% per monthly billing period in accordance with Section 8.13 of the Standard Terms and Conditions. Service to a body politic will not be subject to a late payment charge.

TERM:

One year and thereafter until terminated by five days' notice.

SPECIAL PROVISIONS APPLICABLE TO ALL CUSTOMERS:

(a) Customer must certify that qualifying status has been granted by the Federal Energy Regulatory Commission and will be required to sign a service agreement. Service will be restricted to the maximum annual and hourly requirements, and the location and equipment specified in that service agreement. Upon request by customer, Public Service may deliver available volumes of gas in excess of the maximum hourly requirement for limited periods. Such deliveries shall not be deemed to constitute a change in the requirements specified in that service agreement.

(b) Upon advance notice of eight hours or more, from any hour of any day given to customer by Public Service, customer shall discontinue the use of gas until further notice; customer shall designate personnel who will accept such notification at any hour of any day.

RATE SCHEDULE CIG

COGENERATION INTERRUPTIBLE SERVICE

(Continued)

(c) If customer does not discontinue the use of gas after notification pursuant to Special Provision (b), the Commodity Charge shall be $1.89 ($2.02 including SUT) per therm for an amount not to exceed one hour's maximum requirement per day of interruption. Use of this amount shall be limited to a per therm quantity not to exceed one hour's maximum requirement per day of interruption.

The charge for all additional gas used shall be ten times the highest price of the "Absolute" daily ranges for delivery in Transco Zone 6, New York, or Texas Eastern Zone M-3 which are published in *Gas Daily* on the table "Final Daily Price Survey." This rate shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of the interstate pipelines which deliver gas into New Jersey.

If a customer persistently does not discontinue the use of gas after notification pursuant to Special Provision (b), in addition to the aforementioned penalty charge, the customer will be notified that it no longer qualifies for service under an interruptible rate schedule. Applicable firm service will be available on a prospective basis, subject to the availability of supply and delivery capacity.

Except for pilots, however, Public Service has no obligation to supply gas at any time following notice pursuant to Special Provision (b) and may discontinue completely all other deliveries of gas to customer during the period of interruption.

If a customer requests a change from this delivery rate schedule to firm service during the months of November through March, the customer will be switched to that firm rate schedule, subject to the availability of supply and delivery capacity, retroactive to November 1 of the current winter period. If the customer was assessed charges under this Special Provision and such switch to firm service is approved by PSE&G, the charge for any gas in excess of the one hour's maximum requirement shall be lowered from ten times to one times the highest price of the "Absolute" daily ranges for delivery in Transco Zone 6, New York, or Texas Eastern Zone M-3 which are published in *Gas Daily* on the table "Final Daily Price Survey" for each therm of gas used by the customer. If necessary, the customer will also be charged for system reinforcement, in accordance with Section 3, Charges for Service of the Standard Terms and Conditions of this Tariff.

(d) Metering shall include a recording device, furnished by Public Service. Customer shall furnish an electrical supply for the operation of the recording device.

(e) Service supplied under this rate schedule shall be separately metered and shall not be combined with use under any other rate schedule for billing purposes.

(f) Service will not be supplied under this rate schedule and any other gas rate schedule for the same process or operation at the same location except as specified under Special Provision (i).

(g) Public Service agrees that service under this rate schedule will not be interrupted unless service to the TSG-NF customers receiving BGSS-I default service has already been interrupted.

(h) Gas supplied under this rate schedule is limited to a quantity equal to the lesser of either 0.150 therms for each net kilowatt-hour of cogenerated electric generation fueled by gas or the quantity of gas actually consumed by the cogeneration facility when operated in a cogeneration mode as determined by Public Service. Net cogenerated electric generation is defined as generation output less energy used to run the cogeneration facility's auxiliary equipment. Auxiliary equipment includes, but it is not limited to, forced and induced draft fans, boiler feed pumps and lubricating oil systems.

RATE SCHEDULE CIG
COGENERATION INTERRUPTIBLE SERVICE
(Continued)

(l) Gas supplied in excess of the quantity described in Special Provision (h) will be billed under an applicable rate schedule as determined by Public Service except as specified under Special Provision (c).

(j) Net cogenerated electric generation fueled by natural gas will be determined each month as follows:

(j-1) For facilities which burn two or more fuels simultaneously for cogeneration, net cogenerated electric generation will be allocated between such fuels on the Btu input of each fuel.

(j-2) For facilities which change fuel usage between gas and an alternate fuel for cogeneration, net cogenerated electrical generation fueled by gas will be based on meter readings taken by the customer at the time the fuel change occurs or the portion of the allocated amount determined in Special Provision (h) prorated by the number of hours or days that the customer used gas.

(k) Public Service, at its sole discretion, may utilize readings from customer or Company-owned meters to determine the quantity of gas to which this rate schedule is applicable in lieu of the allocation specified in Special Provision (j-1). The customer shall make available, and Public Service shall have the right to read, inspect and/or test such customer-owned meters during normal working hours. Additional gas, electric and/or useful thermal output meters required to determine the amount of gas to which this rate schedule is applicable will be installed, owned and operated by Public Service. However, Public Service may, at its sole option, use calculated or estimated data to determine such gas usage.

(l) Customer is required to file a monthly report to Public Service containing the total amount of kilowatt-hours produced by the cogeneration facility.

(m) Service under this rate schedule is not available for resale.

(n) **Extended Gas Service:** Gas service under this Special Provision is limited to customers having an executed service agreement for this Special Provision. Customer's executed service agreement must be received by Public Service no later than November 15th for service to be provided for the upcoming winter season. Approval of the customer's request will be provided on a case by case basis so as not to adversely impact Public Service's distribution system. When service under this Rate Schedule is interrupted, service under this Special Provision will be supplied at Public Service's option. When Extended Gas Service is offered by Public Service, the following provisions shall apply:

(n-1) In lieu of the Therm Charge hereinbefore set forth, the following charges shall apply: 1) a Special Delivery Charge which, based upon the marketability of this gas, would fall between a floor price of $0.100 ($0.107 including SUT) per therm and a ceiling price of $0.180 ($0.192 including SUT) per therm for each therm of Extended Gas Service supplied to the customer; and 2) a Commodity Charge which shall be the actual delivered price of propane to Public Service's BGSS supplier(s) or the highest cost gas purchased or used by Public Service's BGSS supplier(s) when service under this Special Provision is offered, whichever is the incremental gas source.

RATE SCHEDULE CIG
COGENERATION INTERRUPTIBLE SERVICE
(Continued)

(n-2) A service agreement for this Extended Gas Service shall be executed for each winter season and shall include the customer's maximum daily requirements under this Special Provision and a prepayment equal to four days of the Special Delivery Charge at a rate of $0.150 ($0.160 including SUT) per therm at the customer's maximum daily requirement. Use of gas above the maximum daily requirement, on any day for which Public Service has offered and the customer has requested Extended Gas Service, will be subject to the penalty as stated in Special Provision (c). Such prepayment shall be non-refundable unless and to the extent that Public Service does not offer customer such Extended Gas Service for at least 96 hours, during the winter season. If Public Service, offers such service for less than 96 hours, the refund shall be made on a prorated basis. In addition to such prepayment, a non-refundable application charge of $800.00 ($853.00 including SUT) shall be paid by each customer.

(n-3) Customer will be notified of the Extended Gas Therm Charge at least eight hours prior to the availability of this service, or prior to a change in the Extended Gas Therm Charge, by facsimile machine. Following receipt of Public Service's notice, the customer will have two hours within which to facsimile to Public Service the customer's acceptance of the Extended Gas Therm Charge for the service. If customer does not accept this service, customer must discontinue the use of gas at the time designated by Public Service, which time shall not be less than eight hours after Public Service's notice to Customer of the availability and the Therm Charge of the Extended Gas Service. Any gas usage by customer following the time designated by Public Service shall be subject to the penalty as stated in Special Provision (c).

STATE OF NEW JERSEY AUTHORIZED TAX:

The New Jersey Sales and Use Tax is applied in accordance with P.L. 1997, c. 162, as amended by P.L. 2006, c. 44, as amended by P.L. 2016, c.57, and is included in the appropriate charges in this rate schedule. See Section 15 of the Standard Terms and Conditions for additional details and/or exceptions.

STANDARD TERMS AND CONDITIONS:

This rate schedule is subject to the Standard Terms and Conditions of this Tariff except section 7.6, Appliance Adjustments.

RATE SCHEDULE CSG
CONTRACT SERVICE

APPLICABLE TO USE OF SERVICE FOR:

Firm or interruptible delivery service for general purposes where the customer is requesting a discount rate from a Public Service Rate Schedule for delivery service based on an (a) Economically Viable Bypass alternative or (b) Other Considerations.

Public Service will review all applications to verify for completeness within 45 days of receipt. If any data is missing, Public Service will notify customer of the information needed to complete the application. Public Service reserves the right to request additional information as needed on a case by case basis. Once a request is deemed complete, Public Service will have 45 days to complete its analysis and respond to the customer. Once agreement has been reached, Public Service will forward the application to the Board of Public Utilities for review and approval. Once approved by the Board of Public Utilities, the customer agrees that the discounted rate set forth under this rate schedule will not be confidential.

Customers may purchase gas supply from a Third Party Supplier (TPS) or, for customers with a maximum requirement of less than 2,000 therms per hour, from Public Service's Basic Gas Supply Service default service as detailed in this rate schedule.

ECONOMICALLY VIABLE BYPASS

For all customers requesting this tariff service based on an economically viable bypass alternative, the customer must submit to Public Service the following minimum information but not limited to:

1. A bypass feasibility report issued by the interstate pipeline or an independent engineering consultant setting forth:
    i. Maps showing the route of the potential bypass;
    ii. Flow diagrams showing the major components of the bypass from the interstate pipeline interconnection to the customer;
    iii. Engineering studies related to the proposed cost to bypass including estimated costs for: right-of-way; regulatory approvals; material; equipment; structures; construction; overheads; contingencies and tax gross-up applicable to pipeline company facilities;
    iv. The location class, design pressure, size, length, pipe specification, yield strength and wall thickness of the bypass pipeline;
    v. Schedule of all permits from State or Federal agencies and railroads necessary for the bypass;
    vi. Project schedule;
    vii. The cost estimate classification level following AACE International Recommended Practice No.18R-97;
    viii. Statement from the interstate pipeline that the proposed interconnection is operationally viable and that the pipeline can effectuate service as requested.
2. Creditworthiness of customer.
3. Estimated annual therm usage along with all supporting assumptions and calculations.

OTHER CONSIDERATIONS

Service under this rate schedule where the customer is requesting this tariff service based on considerations other than an economically viable bypass alternative will be offered by the Company in circumstances in which it determines in its sole reasonable judgment that such rates are necessary to prevent (i) economic bypass of the Company's distribution system, or (ii) the loss of load that could otherwise be served at rates that exceed marginal costs.

Customer seeking negotiated rates under this provision must provide the Company: (i) such information as the customer deems relevant to its request; (ii) such information as the Company may require given the particular circumstances.

In determining whether to offer individually negotiated rates, terms or conditions under this provision to a particular customer, the Company will consider all relevant information provided by the customer and make a judgment as to whether or not the negotiated rates are necessary to prevent an economic bypass or the loss of load that could otherwise be served at rates that exceed marginal costs.

RATE SCHEDULE CSG
CONTRACT SERVICE
(Continued)

ECONOMICALLY VIABLE BYPASS

DELIVERY CHARGES:

Service Charge:

$855.59 in each month [$912.27 including New Jersey Sales and Use Tax (SUT)]

Distribution Charge:

Net Alternative Delivery Cost multiplied by the applicable Net Alternative Delivery Cost Factor divided by the Contracted Monthly Therms rounded to the nearest $0.000000 per therm.

Distribution charges include Infrastructure Improvement Program Charges (IIP). Refer to Tariff Sheet 61 for details of these charges.

Maintenance Charges:

Equals the Alternative Delivery Cost multiplied by the applicable Alternative Delivery Cost Factor divided by the Contract Monthly Therms rounded to the nearest $0.000000 per therm.

Plus any customer site-specific ongoing or continuing cost not directly related to the operation, maintenance or inspection of the customer's planned by-pass pipeline. This shall include, but not be limited to, periodic payments for rights-of-way, easements, pipeline cost differentials, permits or other such costs. These charges shall be expressed on a monthly levelized basis over the term of service.

Public Service will also take into consideration any operational or deliverability differences that would be reasonably expected between the pipeline and/or service over Public Service's distribution system in determining Delivery Charges. In no event shall the Delivery Charges be lower than an amount sufficient to generate a return on the capital investments made by Public Service and recovery of marginal and embedded costs, including depreciation, to provide service to the customer over the term of each CSG agreement.

Balancing Charge:

Applicable only if the customer is provided Public Service's Basic Gas Supply Service – Firm (BGSS-F) default service.

Charge	Charge Including SUT	
$0.087669	$0.093477	per Balancing Use Therm

Societal Benefits Charge:

This charge shall recover costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by government. In appropriate circumstances, the Board of Public Utilities may approve a discount from the Societal Benefits Charge. Refer to the Societal Benefits Charge sheet of this Tariff for the current charge and applicable exemptions.

Green Programs Recovery Charge:

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs as approved by the Board. In appropriate circumstances, the Board of Public Utilities may approve a discount from the Green Programs Recovery Charge. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge and applicable exceptions.

RATE SCHEDULE CSG
CONTRACT SERVICE
(Continued)

Tax Adjustment Credit

This mechanism is designed to return net tax benefits from the Tax Cuts and Jobs Act of 2017, and other income tax related adjustments to customers. The charge will be reset on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under or over recovered balances. The interest rate shall be reset each month. Refer to the Tax Adjustment Credit sheet of this Tariff for the current charge.

The Tax Adjustment Credit will be combined with the distribution charge for billing.

The Societal Benefits Charge and the Green Programs Recovery Charge will be combined for billing.

OTHER CONSIDERATIONS

DELIVERY CHARGES:

The Delivery Charges shall be set to be sufficient to recover revenues in excess of marginal costs for Public Service to provide service to the customer under this rate schedule. Delivery Charges will be based on agreement reached with Public Service and approved by the Board of Public Utilities.

COMMODITY CHARGES:

A customer may choose to receive gas supply from either:

a) A TPS who has agreed to the terms and conditions of the Third Party Supplier Requirements portion of this Tariff, or
b) For customers with a maximum requirement of less than 2,000 therms per hour, Public Service through its Basic Gas Supply Service default service. Such supply service may be either firm or interruptible. Public Service may also supply Emergency Sales Service in certain instances as indicated below.

Third Party Supply:

A customer that receives gas supply from a TPS will be charged for gas supply according to any agreement between the customer and the TPS. The customer will not be charged for commodity by Public Service, except as provided for in Emergency Sales Service below.

Emergency Sales Service:

Emergency Sales Service is only available for customers with a maximum requirement of less than 2,000 therms per hour.

In the event that, during any month, if Public Service cannot confirm that the customer has an eligible TPS, or if the TPS no longer satisfies the Third Party Supplier Requirements of this tariff, Public Service may supply the deficiencies as Emergency Sales Service.

Emergency Sales Service will be offered at the sole discretion of Public Service, after taking into consideration its other firm supply obligations. Public Service reserves the right to curtail service to any customer if deliveries from customer's TPS pursuant to Third Party Supplier Requirements are curtailed.

If a customer is receiving Emergency Sales Service and does not wish to designate a TPS for future deliveries or customer, for any reason, no longer desires to receive gas supply from a TPS, the customer may receive gas supply pursuant to Public Service's Basic Gas Supply Service.

The conditions under which Emergency Sales Service will apply are detailed in Section 14 - Third Party Supplier Service Provisions of the Standard Terms and Conditions of this Tariff, and the charges for this service are defined on the Emergency Sales Service sheet of this Tariff.

Basic Gas Supply Service:

A customer with a Maximum Requirement of less than 2,000 therms per hour that does not receive gas supply from a TPS will be supplied, at the customer's option, under either the Basic Gas Supply Service – Firm (BGSS-F) default service or the Basic Gas Supply Service-Interruptible (BGSS-I) default service as applicable based on whether Customer is being provided firm or interruptible service pursuant to this Rate Schedule. Refer to the Basic Gas Supply Service – Firm sheet of this Tariff for the current charge for BGSS-F commodity charge or to the Basic Gas Supply Service – Interruptible sheet of this Tariff for the current charge for BGSS-I commodity charge.

RATE SCHEDULE CSG
CONTRACT SERVICE
(Continued)

OTHER CHARGES:

See Special Provision (f).

MINIMUM ANNUAL DISTRIBUTION CHARGE:

If customer's annual usage is less than 50% of the customer's Contract Monthly Therms multiplied by 12, then the customer will be billed for the difference between the actual annual therms and 50% of the customer's Contract Monthly Therms multiplied by 12 and then multiplied by the Distribution Charge. The Minimum Annual Distribution Charge, if applicable, will be billed at the end of the customer's annualized period.

BILLING DETERMINANTS:

Therms:

The number of therms used shall be determined by multiplying the number of hundred cubic feet used by the conversion factor which appears on every bill. The conversion factor used for the "therm multiplier" shall be on the basis of the actual heating value of the gas used.

Balancing Use Therms:

Applicable only if the customer is provided Public Service's Basic Gas Supply Service – Firm (BGSS-F) default service.

During each of the billing months of October through May, if the average daily usage of gas in any month exceeds the average daily usage during the preceding billing months of June through September, the therms used in such month in excess of the product of the average daily usage in the preceding months of June through September times the number of days in the billing month shall be the Balancing Use Therms and subject to the Balancing Charge. For new customers and for customers who install additional gas burning equipment, the average daily usage in the preceding June through September time period to be used in the above calculation shall be estimated by Public Service.

Contract Monthly Therms:

Estimated annual therm usage (see Item 3, Tariff Sheet 112) determined as reasonable by Public Service divided by 12 and rounded to the nearest therm.

Alternative Delivery Cost:

a) For Firm Delivery Service: The estimated total up-front cost of the customer's bypass plan, based on a detailed cost estimate provided by the applicable interstate pipeline.
b) For Interruptible Delivery Service: The sum of 90% of the estimated total up-front cost of the customer's bypass plan, based on a detailed cost estimate provided by the applicable interstate pipeline, plus 10% of the incremental installed cost for Public Service to provide interruptible delivery service as estimated by Public Service.

Net Alternative Delivery Cost:

The Net Alternative Delivery Cost is equal to the Alternative Delivery Cost net of any customer contribution made to Public Service to provide service under this Rate Schedule without Public Service tax gross-up effects.

RATE SCHEDULE CSG
CONTRACT SERVICE
(Continued)

Distribution Charge Factor: per $ of Net Alternative Delivery Cost

Term	Monthly Factor	Monthly Factor Including SUT
5 Years	$0.025583	$0.027278
10 Years	0.015773	0.016818
20 Years	0.010716	0.011426

Maintenance Charge Factor: per $ of Alternative Delivery Cost

Term	Monthly Charge	Monthly Charge Including SUT
5 Years	$0.000262	$0.000279
10 Years	0.000276	0.000294
20 Years	0.000300	0.000320

TERMS OF PAYMENT:

Payment is due within 15 days after the postmark date, or email date for customers who have opted for paperless billing, of the outstanding bill and subject to a late payment charge at the rate of 1.416% per monthly billing period in accordance with Section 8.13 of the Standard Terms and Conditions. Service to a body politic will not be subject to a late payment charge.

TERM:

Up to twenty years from the commencement date specified in the service agreement required by Special Provision (a), which length to be determined by agreement of the parties or, in the case of an economically viable physical bypass, based on the length of financing offered by the interstate pipeline company. The Distribution Charge and the Maintenance Charges as of the commencement date will remain unchanged for the term of the service agreement. The customer may terminate service by providing no less than one month's notice. Customers shall be required to make a termination payment for all such service terminated prior to the end of the Term equal to 50% of the sum of the Distribution Charge multiplied by the Contract Monthly Therms multiplied by the number of months remaining for the term of the service agreement. The termination payment shall be due to Public Service upon the date the termination becomes effective pursuant to the customer's notice.

SPECIAL PROVISIONS APPLICABLE TO ALL CUSTOMERS:

(a) Customer will be required to sign a service agreement and service will be restricted to the maximum daily capacity of the alternative delivery option used to determine the Monthly Distribution Charge. Deliveries in excess of the maximum specified in such service agreement will require the establishment of an additional new service agreement and related monthly charges, where such charges for such excess capacity shall be based upon the then current costs for such alternative delivery option and the then current pricing factor.

(b) Upon advanced written notice to Public Service, such service agreement shall be transferable to a new customer or owner of the facility at the location specified in the service agreement.

(c) Requests for a change between interruptible delivery service under this rate schedule to or from firm delivery service under this rate schedule will require the establishment of a new service agreement and new term of service based on the then current costs and pricing factor. There shall be no termination payment required related to a change from interruptible delivery service to firm delivery service under this rate schedule. A change from firm delivery service to interruptible delivery service will require a termination payment as detailed above.

RATE SCHEDULE CSG
CONTRACT SERVICE
(Continued)

(d) For customers with a maximum requirement of 2,000 therms per hour or greater, Public Service reserves the right to discontinue delivery service at any time the total imbalance cash-out amounts unpaid, including amounts billed and amounts not yet billed, by the customer's TPS are greater than 90% of the current credit Security amount held by Public Service for the customer's TPS in accordance with Section 5 of the Third Party Supplier Requirements of this tariff.

(e) Customers with a maximum requirement of 7,500 therms per hour or greater shall designate personnel physically located at the customer's facility having operational control of the gas usage at that facility who can be directly contacted by telephone or other electronic means at any hour of any day by Public Service. These personnel shall be responsible for coordinating the balancing of customer's gas consumption and deliveries by the customer's TPS and shall be the only party that Public Service contacts for all operational coordination requirements including those during periods of suspension or limitation and critical periods as detailed in Sections 6.3.2 and 6.3.3 of the Third Party Supplier Requirements of this tariff.

(f) Where the customer has selected BGSS-I as their gas supply option or is supplied interruptible delivery service under this rate schedule, the following shall apply:

(f-1) The customer shall provide a signed affidavit, certifying the specific grade of fuel oil (or oils), or other alternate fuel, that can physically and legally be utilized by the installation being served. This affidavit shall be a prerequisite for receiving service under this rate schedule and shall be furnished by the customer each fall no later than November 1st. The affidavit shall include the percentage of operation which can physically and legally be served by each alternate fuel. The customer will submit, within 30 days of change in operations, a new affidavit to Public Service when such change affects its alternate fuel capability. Additionally, the Affidavit shall require customers using No. 2 Fuel Oil, No. 4 Fuel Oil, jet fuel, or kerosene to provide certification that they have, and will maintain, either seven days of alternate fuel available through on-site storage capacity or additional firm contractual supply to make-up for any storage deficiencies so as to be equal to a seven day supply. Customers providing certification that they will suspend operations during an interruption are exempt from the alternate fuel requirement. Public Service reserves the right to inspect the customer's operation as to alternate fuel capability. Customers that fail to provide an affidavit by November 1st of each year shall continue to be subject to all of the terms of this rate schedule and in addition be subject to the Demand Charge as provided for in Rate Schedule LVG.

(f-2) Upon advance notice of eight hours or more, from any hour of any day given to customer by Public Service by telephone, telegram or otherwise, customer shall discontinue the use of gas until further notice; customer shall designate personnel who will accept such notification at any hour of any day.

(f-3) If customer does not discontinue the use of gas after notification pursuant to Special Provision (f-2) customer shall be charged $1.89 ($2.02 including SUT) per therm for an amount not to exceed one hour's maximum requirement per day of interruption. Use of this amount shall be limited to a use rate per hour not greater than 5% of customer's maximum hourly requirement.

The charge for all additional gas used shall be ten times the highest price of the daily ranges for delivery in Transco Zone 6, New York, or Texas Eastern Zone M-3 which are published in *Gas Daily* on the table "Daily Price Survey" for each therm of gas used by the customer. This rate shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of the interstate pipelines which deliver gas into New Jersey.

RATE SCHEDULE CSG
CONTRACT SERVICE
(Continued)

If a customer supplied under Rate Schedule BGSS-I persistently does not discontinue the use of gas after notification pursuant to Special Provision (f-2), in addition to the aforementioned penalty charge, the customer will be notified that it no longer qualifies for service under interruptible supply service Rate Schedule BGSS-I. Applicable firm supply service will be available on a prospective basis under Rate Schedule BGSS-F subject to the availability of supply and delivery capacity.

Except for pilots, however, Public Service has no obligation to deliver gas at any time following notice pursuant to Special Provision (f-2) and may discontinue completely all other deliveries of gas to customer during the period of interruption.

(g) Unless otherwise agreed to by Public Service, metering shall include a recording device, furnished by Public Service. Customer shall furnish an electrical supply for the operation of the recording device.

(h) Service supplied under this rate schedule shall be separately metered and shall not be combined with use under any other rate schedule for billing purposes. Customer shall not be eligible to receive service under this rate schedule and any other rate schedule for the same equipment or for equipment supplying a common steam header.

(i) Service under this rate schedule is not available for resale.

SPECIAL PROVISIONS APPLICABLE TO CUSTOMERS SERVED BY THIRD PARTY SUPPLIERS FOR COMMODITY SERVICE:

(j) The customer must contract with a TPS to arrange for deliveries to Public Service of their daily usage, adjusted for losses, and such TPS agrees to abide by the provisions of the Third Party Supplier Requirements. A customer is limited to one (1) TPS for gas for each account for which the customer receives delivery service.

(k) The customer's TPS is required to notify Public Service of the customer's selection prior to the last business day of the month for deliveries to commence on the first (1st) of the next month, and such selection shall remain in effect for the entire month, subject to the conditions of Emergency Sales Service. Customers eligible to receive Emergency Sales Service can change TPSs effective only on the first day of the month. Customers not eligible to receive Emergency Sales Service can change TPSs at any time in the event that their TPS fails to deliver supply.

STATE OF NEW JERSEY AUTHORIZED TAX:

The New Jersey Sales and Use Tax is applied in accordance with P.L. 1997, c. 162, as amended by P.L. 2006, c. 44, as amended by P.L. 2016, c. 57, and is included in the appropriate charges in this rate schedule. See Section 15 of the Standard Terms and Conditions for additional details and/or exceptions.

THIRD PARTY SUPPLIER REQUIREMENTS:

TPSs are subject to the Third Party Supplier Requirements of this Tariff.

STANDARD TERMS AND CONDITIONS:

This rate schedule is subject to the Standard Terms and Conditions of this Tariff except Section 7.6, Appliance Adjustments.

RATE SCHEDULE CSG PERIODIC UPDATE:

Twenty-four months from the effective date of this rate schedule, Public Service will file an update to this rate schedule, as necessary.

RESERVED FOR FUTURE USE

THIRD PARTY SUPPLIER REQUIREMENTS

1. GENERAL

A Third Party Supplier (TPS) of natural gas is an entity that has contracted with customers of Public Service to deliver supplies of natural gas to interconnection points with Public Service's distribution system, or is a customer who is self-supplying and acting as a TPS on their own behalf in purchasing and transporting natural gas to interconnection points with Public Service's distribution system, from which Public Service may receive and physically transport and deliver on a firm basis these gas supplies to the customer pursuant to Rate Schedules RSG, SLG, GSG, LVG, TSG-F, or CSG and on an interruptible basis to customers pursuant to Rate Schedules TSG-NF or CSG. In order for an entity to qualify as a TPS it must execute an Application for Service and satisfy Public Service's credit requirements as noted herein. In order for a customer to qualify to self-supply, the Public Service customer of record for gas delivery service must be served on Rate Schedule TSG-NF or CSG and must be the same corporate entity that is purchasing and transporting the natural gas to interconnection points with Public Service's distribution system. A self-suppling customer must meet all of the TPS requirements herein, except the requirement for licensure by the Board of Public Utilities. TPSs, other than qualifying self-supplying customers, must be licensed by the Board of Public Utilities (Board).

A TPS must successfully complete all Electronic Data Interchange testing in order to enroll new customers that receive service under Rate Schedules RSG, GSG, LVG, SLG, TSG-F, TSG-NF, and CSG.

TPSs agree to abide by the Board's regulations and with N.J.A.C. 14:4 *et seq*., *Energy Competition,* including but not limited to Subchapter 7 *Retail Choice Consumer Protection.* Public Service is not responsible for the administration or the enforcement of either of the aforementioned regulations or Code.

2. CUSTOMER CONFIRMATION

By the twenty-second (22nd) of each month, for service to RSG, SLG, GSG, or LVG which is to commence on the first (1st) of the next calendar month, Public Service will provide to each TPS by electronic or other means, as specified by Public Service, a list which includes: (1) those customers who have requested to be served by that particular TPS and have represented that they have a contractual relationship with that TPS, including their required Daily Contract Quantity (DCQ), expressed in therms; (2) former customers' applicable imbalances, expressed in therms; and (3) the TPS's Aggregate Daily Contract Quantity (ADCQ), adjusted for losses, expressed in dekatherms, equal to the sum of the DCQ's of each of the customers of that TPS. TPS will be required to notify Public Service by electronic or other means, as specified by Public Service, by the twenty-second (22nd) of the month as to any corrections or changes to their list of customers, otherwise the list will be assumed to be accurate. Public Service will only amend the list of customers and their respective DCQ's in accordance with the above procedures prior to the next month if a good faith dispute arises concerning the respective TPS's list.

Public Service will provide to each TPS by electronic or other means, as specified by Public Service, a list which includes those TSG-F, TSG-NF, and CSG customers who have requested to be served by that particular TPS and have represented that they have a contractual relationship with that TPS.

3. DELIVERY

3.1 **General:** Subject to the Force Majeure provisions in Section 7, TPS must deliver to Public Service on each day of the month at points specified on Public Service's distribution system, which points are operationally acceptable to Public Service in its sole discretion, the ADCQ for its RSG, SLG, GSG, and LVG customers and the daily or, under certain circumstances, the hourly usage of its TSG-F, TSG-NF, and CSG customers, adjusted for losses (hereinafter collectively referred to as "usage"). Failure to comply with this provision shall subject TPS to the cash-out pursuant to Sections 6.1, 6.2, and/or 6.3.

THIRD PARTY SUPPLIER REQUIREMENTS
(Continued)

3.2. **Warranty of Title:** TPS warrants that, at the time of delivery of gas to Public Service, it will have good title to deliver all gas volumes made available.

3.3. **Delivery Control and Possession:** After TPS delivers gas or causes gas to be delivered to Public Service at Public Service's point of interconnection with the applicable interstate pipeline, Public Service will be deemed to be in control and possession of the gas until an equivalent amount of gas, less losses, is delivered to customer at customer's Public Service meter.

3.4. **Delivery Liability:** Public Service shall in no way be liable for any errors in the calculation of the DCQ or ADCQ, nor be responsible for any additional gas costs incurred by TPS due to any error in the calculation of the DCQ or ADCQ.

3.5. **Delivery Allocation:** On each day deliveries of gas by TPS to Public Service shall be first allocated to TPS's ADCQ on such day and any remaining volume shall be allocated to TPS's TSG-F, TSG-NF, and CSG customers.

4. NOMINATION PROCEDURES

4.1. **General:** Unless otherwise provided for under section 4.3, Public Service will provide TPS(s) notice by July 1 of each year of the allocation of receipt capacity by pipeline that it expects to have available for all deliveries by TPS(s) at its city gate interconnections, based on existing contractual commitments, for the twelve (12) month period beginning the following November 1. Each TPS(s) will be allocated the receipt capacity based on the total expected firm and interruptible load versus the amount of available receipt capacity.

TPS will be credited for deliveries to Public Service on each day in accordance with the final daily volume confirmations of the interstate pipelines designated by TPS pursuant to this Sub-section.

4.2. **TPS Nomination Requirements for Customers with a Maximum Requirement of Less Than 7,500 Therms Per Hour**: TPS will be required to nominate to Public Service by electronic or other means, as specified by Public Service, the total volume it intends to deliver to Public Service for subsequent delivery, along with the interstate pipelines it intends to utilize for this delivery and any additional information required by Public Service to fully identify such deliveries. TPS shall nominate to Public Service by 2:30 p.m. Eastern Time prior to the day gas is scheduled to flow. Public Service will not be obligated to accept gas which has not been nominated in accordance with this Section.

Public Service will accept deliveries of gas for customers on the interstate pipelines of Transco or Texas Eastern. However, due to delivery limitations, Public Service reserves the right to require a reasonable apportionment of deliveries between Transco and Texas Eastern.

4.3. **TPS Nomination Requirements for Customers with a Maximum Requirement of 7,500 Therms Per Hour and Greater:** TPS will be required to nominate to Public Service using Public Service's electronic bulletin board, at least 24 hours prior to the start of each day, the total volume it intends to deliver to Public Service for subsequent delivery the next day for each customer with a maximum requirement of 7,500 therms per hour and greater. Such daily nomination may be changed by the TPS at any time up to and during the day for which the daily nomination is applicable by notification to Public Service.

THIRD PARTY SUPPLIER REQUIREMENTS
(Continued)

Public Service reserves the right to limit any revision to such daily nomination and shall not be obligated to accept any changes greater than one twenty-fourth (1/24) of the customer's maximum daily usage requirements multiplied by the number of hours remaining for the day. In any event, Public Service may refuse any revision in the nomination made during the day of delivery if, in its sole opinion, such revision is not related to the customer balancing its supplies and usage for the day.

Public Service will, for each customer provided delivery service, specify the interstate pipeline delivery point(s) at which gas supplies from a TPS shall be delivered. Normally such point(s) will be on the interstate pipeline that is in the closest proximity to each customer.

5. CREDIT REQUIREMENTS

5.1. **General:** Public Service's acceptance of a request for service under these Third Party Supplier Requirements is contingent upon TPS satisfying a credit appraisal by Public Service. Based on consistent financial evaluation standards, each TPS may be granted, on a non-discriminatory basis, an Unsecured Credit Limit. Public Service shall perform such evaluations no less frequently than once every twelve (12) months.

If required, a TPS may provide one of the following additional credit assurances: (1) an advance cash deposit; (2) a standby irrevocable letter of credit; or (3) a guarantee, acceptable to Public Service, by a parent Guarantor which satisfies the credit requirements. The total of the amounts offered by these instruments and, if applicable, the Unsecured Credit Limit, is defined as Security.

5.2. **Credit Amount:** The total Security at all times must be of an amount not less than the product of the TPS's Daily Requirements, expressed in dekatherms, and $70.00, plus the amount of balancing cash-out obligations outstanding to Public Service, whether billed or not billed, such total amount rounded down to the next lower multiple of $15,000. Daily Requirements is defined as the sum of the TPS's maximum month ADCQs for RSG, SLG, GSG and LVG customers and the total of the maximum month average daily usage for TSG-F, TSG-NF, and CSG customers, as stated in their respective service agreements. At any time, the maximum month's value shall be the greatest total ADCQ or average daily usage, as applicable, in the prior 12 month period (otherwise known as a rolling 12 month period).

If, at any point in time, the TPS's Daily Requirements decreases, TPS has the option to reduce the level of the Security to the product of the new Daily Requirements and $70.00, after all the outstanding obligations payable to Public Service are satisfied.

In all cases, any required increase in the level of Security must be satisfied within two (2) business days after receipt of the Public Service notice for additional Security requirements to continue service. If such Security is not posted in accordance with the foregoing, then Public Service is not required to continue service.

5.3. **Interest:** Interest, on cash deposited with Public Service as Security, will be the lower of the average Federal Funds Effective Rate (as published daily on the Federal Reserve website) for the period of time the funds are on deposit or six (6) percent. Cash deposits shall cease to bear interest upon discontinuance of service by the TPS or, if earlier, when Public Service closes the account. When the executed service agreement is terminated or when a portion of the cash deposit is returned to the TPS, such cash deposits will be returned with accrued interest upon payment or deduction of all charges and other debts that the TPS might owe Public Service.

THIRD PARTY SUPPLIER REQUIREMENTS
(Continued)

5.4. Failure to Deliver for Customers on Rate Schedules RSG, SLG, GSG, and LVG: In the event that, for a particular TPS, at any time, the sum of the cumulative imbalances, for non Force Majeure reasons, which Public Service has not yet received payment are underdeliveries that exceed three (3) times the ADCQ, Public Service will immediately notify the TPS via telephone, facsimile, or similar means. If such underdeliveries reach five (5) times the ADCQ, the following will occur: (1) the TPS is no longer eligible for these Third Party Supplier Requirements unless and until the conditions below are satisfied, but not before the first (1st) day of the following month; and (2) for the balance of the current month, the affected TPS's customers will be supplied natural gas by Public Service and will be billed for Emergency Sales Service pursuant to their rate schedules for their DCQ times the number of days remaining in the current month. Such customers will continue to be charged the Emergency Sales Service rate until TPS service commences from an eligible TPS pursuant to Section 14.3 of the Standard Terms and Conditions or from BGSS default service pursuant to Section 14.5 of the Standard Terms and Conditions.

In order to be reinstated as an eligible TPS following an occurrence of an under-delivery event as described above, the former TPS, in addition to meeting all other applicable tariff requirements must post and maintain for a one (1) year period Security in an amount equal to two (2) times that otherwise required pursuant to Section 5.2 of these Third Party Supplier Requirements. At the conclusion of that year and assuming no additional occurrence of an under-delivery event as described above, TPS's requirement regarding maintenance of the Security will be returned to that described in Section 5.2. If an additional under-delivery event as described above occurs during that year period, the TPS will be ineligible for these Third Party Supplier Requirements for an additional one (1) year period.

5.5. Failure to Deliver for Customers on Rate Schedules TSG-F, TSG-NF, and CSG: In the event that, for a particular TPS, at any time, the amount of obligations outstanding to Public Service, whether billed or not billed, exceed 70% of the current level of Security, Public Service will immediately notify the TPS via telephone, facsimile, or similar means.

At this time the TPS will be given the option to increase the total amount of Security held by Public Service to the required amount as described in Section 5.2 of these TPS Requirements within two (2) business days or to provide immediate payment on outstanding amounts, whether billed or not billed, due to Public Service.

At such time the amount of obligations outstanding to Public Service, whether billed or not billed, exceed 100% of the current level of Security, the TPS is no longer eligible under these Third Party Supplier Requirements unless and until the conditions below are satisfied, but not before the first (1st) day of the following month. The affected TPS's customers eligible for Emergency Sales Service will be supplied natural gas by Public Service for their usage for the remainder of the month. Such customers will continue to be charged the Emergency Sales Service rate until TPS service commences from an eligible TPS or from BGSS default service. Delivery service to customers not eligible for Emergency Sales Service will be ceased until such customers arrange for gas supplies from an eligible TPS.

In order to be reinstated as an eligible TPS following an occurrence of event as described above, the former TPS, in addition to meeting all other applicable tariff requirements must post and maintain for a one (1) year period Security in an amount equal to two (2) times that otherwise required pursuant to Section 5.2 of these Third Party Supplier Requirements. At the conclusion of that year and assuming no additional occurrence of an event in which outstanding obligations, whether billed or not billed, exceed Security as described above, TPS's requirement regarding maintenance of the Security will be returned to that described in Section 5.2.

THIRD PARTY SUPPLIER REQUIREMENTS
(Continued)

If an additional event in which outstanding obligations, whether billed or not billed, exceed Security as described above occurs during that year period, the TPS will be ineligible under these Third Party Supplier Requirements for an additional one (1) year period.

6. IMBALANCE CASH-OUT PROCEDURES

6.1. TPS Imbalance Cash-out for Customers on Rate Schedules RSG, SLG, GSG, and LVG: On any day that TPS delivers a volume other than the aggregate of the ADCQs, of its RSG, SLG, GSG and LVG customers, the TPS will be subject to a daily cash-out as follows:

6.1.1. Over deliveries: On any day that TPS delivers a volume greater than the aggregate of the ADCQs, of its RSG, SLG, GSG and LVG customers, the TPS will be subject to a daily cash-out as follows:

The TPS will be cashed out each day for over delivered quantity of gas (in dekatherms) at cost based on an index. The index shall be the weighted average of the minimum of the "Common" range values stated in the Final Daily Price Survey section of Platt's Gas Daily for Texas Eastern M-3 and Transco Zone 6 New York for that day. The weights in the calculation shall be the required percentages of deliveries at the Texas Eastern M-3 and Transco Zone 6 New York delivery points.

For over deliveries of the ADCQ of less than 5% the PSE&G will cash out the TPS for the excess gas at 90% the index. For over deliveries of the ADCQ greater than or equal to 5% but less than 15% PSE&G will cash out the TPS for the excess gas at 75% of the index. For over deliveries of the ADCQ greater than or equal to 15% but less than 25%, PSE&G will cash out the TPS for the excess gas at 50% of the index. For over deliveries of the ADCQ greater than or equal to 25%, PSE&G will cash out the TPS for the excess gas at 40% of the index.

6.1.2. Under deliveries: The TPS will be cashed out each day for under delivered quantity of gas (in dekatherms) at cost based on an index. The index shall be the weighted average of the maximum of the "Common" range values stated in the Final Daily Price Survey section of Platt's Gas Daily for Texas Eastern M-3 and Transco Zone 6 New York for that day. The weights in the calculation shall be the required percentages of deliveries at the Texas Eastern M-3 and Transco Zone 6 New York delivery points.

For under deliveries of the ADCQ of less than 5% PSE&G will cash out the TPS for the deficiency at 110 % of the index cost times the under delivered quantity. For under deliveries of greater than or equal to 5%, PSE&G will cash out the TPS for the deficiency at 200% of the index.

6.1.3 Under deliveries during Critical Periods: Upon no less than eight (8) hours' notice, Public Service may on any days that it determines that its gas supply condition is critical, declare such days to be a "Critical Period." For any under deliveries by a TPS greater than two (2) percent of the ADCQ during a Critical Period, the TPS will pay a charge per dekatherm at a rate equal to ten times the daily price index calculated in paragraph 6.1.1. The resulting price index shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC- approved gas tariffs of the interstate pipelines which deliver gas into New Jersey. In addition, Public Service has the right to recover proportionately from undelivered TPSs any penalties or other charges or damages assessed on Public Service as a result of any under deliveries by eligible TPSs. For all over deliveries by an eligible TPS greater than two (2) percent of the ADCQ during a Critical Period, the TPS will be cashed out at the then current Commodity Charge applicable to Basic Gas Supply Service – Interruptible (BGSS-I).

THIRD PARTY SUPPLIER REQUIREMENTS
(Continued)

6.2. TPS Imbalance Cash-out for Customers with a Maximum Requirement of Less Than 7,500 Therms Per Hour on Rate Schedules TSG-F, TSG-NF, and CSG: TPS is responsible to deliver gas to Public Service for their applicable customers at the same daily rate that the aggregate of their applicable customers are utilizing gas. The Daily Cash-out Price for over- or under deliveries by a TPS for any day will be the weighted average of the higher of lower of the "Common" range values stated in the Final Daily Price Survey section of Platt's *Gas Daily* for Texas Eastern M-3 and Transco Zone 6 New York for that day. The weights for the weighted average shall be the required percentages of natural gas delivered on the Texas Eastern and Transco pipelines. Under any circumstance, Public Service has the right to recover proportionately from undelivered TPSs any penalties or other charges or damages assessed on Public Service as a result of any underdeliveries by eligible TPSs.

Public Service, in its sole discretion, may refuse to accept any deliveries of gas which it determines to be excess to a TPS's customers' daily usage.

6.2.1. Normal Daily Balancing for Under-deliveries: The TPS will be cashed out each day for the under delivered quantity of gas (in dekatherms) at cost based on an index. The index shall be the weighted average of the maximum of the "Common" range values stated in the Final Daily Price Survey section of Platt's Gas Daily for Texas Eastern M-3 and Transco Zone 6 New York for that day. The weights in the calculation shall be the required percentages of deliveries at the Texas Eastern M-3 and Transco Zone 6 New York delivery points.

PSE&G will cash out the TPS for under deliveries based upon the level of under delivery. For any imbalance level, the total cost will be the sum of costs for all prior levels of under-delivery.

Imbalance Level	Cost to TPS
0% to < 5%	Under delivered volume (dth) < 5% * 1.0 * index
≥ 5% to < 15%	5% ≤ under delivered volume < 15% * 1.25 * index
≥ 15 % to < 25%	15% ≤ under delivered volume < 25% * 1.5 * index
≥ 25%	25% ≤ under delivered volume * 2.0 * index

6.2.2. Normal Daily Balancing for Over-deliveries. The TPS will be cashed out each day for the over delivered quantity of gas (in dekatherms) at cost based on an index. The index shall be the weighted average of the minimum of the "Common" range values stated in the Final Daily Price Survey section of Platt's Gas Daily for Texas Eastern M-3 and Transco Zone 6 New York for that day. The weights in the calculation shall be the required percentages of deliveries at the Texas Eastern M-3 and Transco Zone 6 New York delivery points.

PSE&G will cash out the TPS for under deliveries based upon the level of over delivery. For any imbalance level, the purchase credit will be the sum of credits for all prior levels of over-delivery.

.Imbalance Level	Credit to TPS
0% to < 5%	Over delivered volume (dth) < 5% * 1.0 * index
≥ 5% to < 15%	5% ≤ over delivered volume < 15% * 0.75 * index
≥ 15 % to < 25%	15% ≤ over delivered volume < 25% * 0.5 * index
≥ 25%	25% ≤ over delivered volume * 0.4 * index

THIRD PARTY SUPPLIER REQUIREMENTS
(Continued)

6.2.3. Balancing During Critical Periods: Upon no less than eight (8) hours' notice to the TPS, Public Service may on any day that it determines that its gas supply condition is critical, declare such days to be a "Critical Period". During such a Critical Period all under deliveries by the TPS greater than two (2) percent will be cashed out at ten times the Daily Cash-out Price. The price for under deliveries shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of the interstate pipelines which deliver gas into New Jersey. All over deliveries of greater than two (2) percent will be cashed out at the then current Commodity Charge applicable to Basic Gas Supply Service – Interruptible (BGSS-I).

6.3. TPS Imbalance Cash-out for Customers with a Maximum Requirement of 7,500 Therms Per Hour and Greater on Rate Schedules TSG-F, TSG-NF, and CSG: TPS is responsible to deliver gas to Public Service for each of their applicable customers at the same daily rate each customer is utilizing gas. Except as provided for in Section 6.3.5 below, or as specified in the applicable TSG-NF or CSG agreement, all balancing and cash-out calculations shall be performed separately for each applicable customer. The basis for the Daily Cash-out Price for over- or under deliveries by a TPS will be the weighted average of the higher or lower of the "Common" range value(s) for Texas Eastern M-3 and/or Transco Zone 6 New York, as applicable. The weights for the weighted average shall be based upon the required delivery on the interstate pipeline(s) by the TPS, as published in Platt's *Gas Daily* on the table "Final Daily Price Survey". Under any circumstance, Public Service has the right to recover proportionately from undelivered TPSs any penalties or other charges or damages assessed on Public Service as a result of any under deliveries by eligible TPSs.

If at any time customer's TPS fails to deliver, or arrange for delivery of a quantity of gas, which is consistent with the quantity of gas being consumed by customer, Public Service, in its sole discretion, may suspend deliveries of gas to customer until such time as the delivery of gas to Public Service is equal to the quantity of gas being consumed by customer commences. Public Service, in its sole discretion, may refuse to accept any deliveries of gas which it determines to be excess to a TPS's customers' daily usage.

6.3.1. Normal Daily Balancing for Under-deliveries: The TPS will be cashed out each day for the under delivered quantity of gas (in dekatherms) at cost based on an index. The index shall be the weighted average of the maximum of the "Common" range values stated in the Final Daily Price Survey section of Platt's Gas Daily for Texas Eastern M-3 and Transco Zone 6 New York for that day. The weights in the calculation shall be the required percentages of deliveries at the Texas Eastern M-3 and Transco Zone 6 New York delivery points.

PSE&G will cash out the TPS for under deliveries based upon the level of under delivery. For any imbalance level, the total cost will be the sum of costs for all prior levels of under-delivery.

Imbalance Level	Cost to TPS
0% to < 5%	Under delivered volume (dth) < 5% * 1.0 * index
≥ 5% to < 15%	5% ≤ under delivered volume < 15% * 1.25 * index
≥ 15 % to < 25%	15% ≤ under delivered volume < 25% * 1.5 * index
≥ 25%	25% ≤ under delivered volume * 2.0 * index

THIRD PARTY SUPPLIER REQUIREMENTS
(Continued)

6.3.2. Normal Daily Balancing for Over-deliveries: The TPS will be cashed out each day for the over delivered quantity of gas (in dekatherms) at cost based on an index. The index shall be the weighted average of the minimum of the "Common" range values stated in the Final Daily Price Survey section of Platt's Gas Daily for Texas Eastern M-3 and Transco Zone 6 New York for that day. The weights in the calculation shall be the required percentages of deliveries at the Texas Eastern M-3 and Transco Zone 6 New York delivery points.

PSE&G will cash out the TPS for under deliveries based upon the level of over delivery. For any imbalance level, the purchase credit will be the sum of credits for all prior levels of over-delivery

. Imbalance Level	Credit to TPS
0% to < 5%	Over delivered volume (dth) < 5% * 1.0 * index
≥ 5% to < 15%	5% ≤ over delivered volume < 15% * 0.75 * index
≥ 15 % to < 25%	15% ≤ over delivered volume < 25% * 0.5 * index
≥ 25%	25% ≤ over delivered volume * 0.4 * index

6.3.3. Balancing During Periods of Suspension or Limitation: If at any time any customer is consuming gas at a rate other than a uniform hourly rate, and Public Service determines that in its sole judgment that the integrity of all or a portion of its gas distribution system is being jeopardized because of such action, or the interstate pipeline upon which such gas is being delivered to Public Service enforces uniform hourly take restrictions, Public Service may limit the total amount of gas delivered to a TPS's customer to the same hourly rate at which the TPS is delivering gas to the Public Service gas system.

Public Service will provide the TPS two hours' notice that it intends to suspend or limit deliveries of gas to one or more customers, except in the case of an emergency on the Public Service gas distribution system or when the interstate pipeline enforces uniform hourly take provisions, in which case the TPS shall be notified as soon as practicable. Such notice from Public Service shall indicate the action Public Service intends to take with respect to suspending or limiting deliveries to a customer, the estimated time period of such suspension or limitation, and the time when such suspension or limitation shall go into effect.

If, during such a period of suspension or limitation of service, the TPS delivers a quantity of gas that is inconsistent with such suspension or limitation, then all under deliveries by the TPS greater than two (2) percent will be cashed out at five times the Daily Cash-out Price. All over deliveries of greater than two (2) percent will be cashed out at the then current Commodity Charge applicable to Basic Gas Supply Service – Interruptible (BGSS-I).

6.3.4. Balancing During Critical Periods: Upon no less than eight (8) hours' notice to the TPS, Public Service may on any day that it determines that its gas supply condition is critical, declare such days to be a "Critical Period". During such a Critical Period all under deliveries by the TPS greater than two (2) percent will be cashed out at ten times the Daily Cash-out Price. The price for under deliveries shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the FERC-approved gas tariffs of the interstate pipelines which deliver gas into New Jersey. All over deliveries of greater than two (2) percent will be cashed out at the then current Commodity Charge applicable to Basic Gas Supply Service – Interruptible (BGSS-I).

THIRD PARTY SUPPLIER REQUIREMENTS
(Continued)

6.3.5. Designated Personnel: The customer's designated personnel having operational control of the gas usage at that facility shall be responsible for coordinating the balancing of customer's gas consumption and deliveries by the customer's TPS. Such personnel shall be the only party that Public Service contacts for all operational coordination requirements, including those during periods of Suspension or Limitation and Critical Periods as detailed in Sections 6.3.2 and 6.3.3.

6.3.6 Pooling: A TPS who is supplying more than one facility under separate CSG and/or TSG-NF accounts, with each facility having a Maximum Requirement of 7,500 therms per hour or greater and with each facility being required to have its gas supplies delivered to the same interstate pipeline delivery point as advised by Public Service pursuant to Section 4.3, may pool gas deliveries to serve the pooled load of all those facilities on the respective pipeline. The TPS shall nominate to Public Service in accordance with Section 4.3 the total gas volume to be delivered to serve the load of the pooled facilities on the respective pipeline. That nomination shall be subject to intraday nomination changes; provided, however, that such prospective changes may be limited to 1/24th of the cumulative maximum daily requirement of the pooled facilities for each remaining hour of the day. Daily imbalance cash-outs will be performed in accordance with Section 6.3, using the pooled gas deliveries versus the pooled gas usage for these facilities.

A TPS may designate a particular delivered gas supply or supplies to absorb any variation between the pooled gas deliveries and the actual pooled gas usage (swing service), provided that such supply or supplies are delivered under an interstate pipeline service agreement which is approved by the applicable interstate pipeline as being valid for use as a swing service, and that such supply or supplies have been scheduled with the pipeline's tariff provisions and operating procedures applicable to swing services. Prior to its initial utilization of a swing service, the TPS shall notify Public Service of its intention to do so. Such swing service shall not be effective until Public Service has confirmed with the applicable interstate pipeline that the swing service satisfies the pipeline's tariff provisions and operating procedures, and Public Service and the pipeline have established all necessary procedures and communications relating to daily scheduling, confirmations, and related activities.

6.4. Cash-out Billing and Payment: Public Service will bill TPS any cash-out costs and these charges are due within ten (10) days of the date of Public Service's invoice. Such bills will be subject to a late payment charge at the rate of 1.416% per monthly billing period in accordance with Section 8.13 of the Standard Terms and Conditions.

Notwithstanding the above, Public Service maintains the right to suspend transportation deliveries to any customer under Rate Schedules RSG, SLG, GSG, LVG, TSG-F, TSG-NF, and CSG from a particular TPS, and return such customers to BGSS, if in Public Service's sole opinion that TPS is not satisfying the TPS requirements as specified herein. Such TPS may also be disqualified from enrolling new customers.

7. FORCE MAJEURE

TPS will be excused from delivering the required ADCQ on any given day for Force Majeure events which directly and substantially affect TPS's natural gas deliveries to Public Service. For purposes of these Third Party Supplier Requirements, a Force Majeure event will be any failure of the final pipeline delivering gas to Public Service or an upstream pipeline feeding such pipeline, with failure having been classified as a Force Majeure event pursuant to the terms of that pipeline's FERC approved tariff.

THIRD PARTY SUPPLIER REQUIREMENTS
(Continued)

A legitimate Force Majeure event that curtails TPS's firm transportation service on an upstream pipeline that ultimately feeds a downstream pipeline, which directly and substantially affects a TPS's natural gas deliveries to Public Service, will excuse a TPS from performing pursuant to Sections 6.1, 6.2 and 6.3 of these Third Party Supplier Requirements to the extent of such curtailment. If at such time the TPS is delivering gas to customers on other systems, the volume excused from performance on Public Service's system will be no more than a proportionate amount of the affected deliveries curtailed by the Force Majeure event. The TPS is responsible for supplying complete information and verifiable proof of all the particulars requested by Public Service related to any such Force Majeure exclusion. The TPS must have a firm, non-interruptible service with the affected pipeline that is covered by the Force Majeure event and must be willing to present such agreements to Public Service.

8. STANDARD TERMS AND CONDITIONS

These Third Party Supplier Requirements are subject to the Standard Terms and Conditions of this Tariff, as applicable.