

NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY GAS CUSTOMERS

In the Matter of the Petition of Public Service Electric and Gas Company for Approval of an Infrastructure Advancement Program (IAP) Notice of Filing and Notice of Public Hearings | BPU Docket Nos.: EO21111211 & GO21111212

TAKE NOTICE that, on November 4, 2021, Public Service Electric and Gas Company (“Public Service,” “PSE&G,” or “Company”) filed a Petition and supporting documentation with the New Jersey Board of Public Utilities (“Board” or “BPU”). The Company is seeking Board approval of an Infrastructure Advancement Program (“IAP” or “Program”) and an associated cost recovery mechanism.

PSE&G seeks Board approval to invest up to \$708 million in IAP electric investments and up to \$140 million in gas infrastructure over four years across its service territory with cost recovery based upon the Board’s Infrastructure Investment Program (“IIP”) rules and consistent with the recovery of electric and gas investments that have previously been approved for the Company’s Energy Strong programs. The Program proposes infrastructure investments to enhance safety, reliability, and/or resiliency, and to modernize the Company’s electric and gas delivery systems through 12 electric projects and one (1) gas project.

In conjunction with the implementation of the Program, PSE&G will seek Board approval to recover the revenue increases associated with the capital investment costs of the IAP. While the Company is not seeking an increase at this time, PSE&G is seeking authority to recover a return on and return of its investments through semi-annual adjustments to its IIP Charges beginning on April 1, 2024. The Company estimates that the revenue requirements associated with the first rate adjustment would be approximately \$10.5 million for electric investments and approximately \$3.5 million for gas investments. These rate changes are only estimates at this time and are subject to change.

For illustrative purposes, the April 1, 2024 estimated IAP rate components of IIP Charges including New Jersey Sales and Use Tax (“SUT”) for residential Rate Schedules RS and RSG, respectively, are shown in Table #1. Tables #2 and #3 provide customers with the approximate effect of the proposed changes in the IAP component of IIP Charges relating to the Program, if approved by the Board, effective April 1, 2024 for both electric and gas, respectively. The annual percentage increase applicable to specific customers will vary according to the applicable rate schedule and the level of the customer’s usage.

Under the Company’s proposal, a residential electric customer using 740 kilowatt-hours per month during the summer months and 6,920 kilowatt-hours on an annual basis would see an initial increase in the annual bill from \$1,279.64 to \$1,284.16, or \$4.52, or approximately 0.35%. The approximate effect of the proposed electric IAP component of the IIP Charge on typical electric residential monthly bills, if approved by the Board, is illustrated in Table #4.

Under the Company’s proposal, a typical residential gas heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis would see an initial increase in the annual bill from \$1,032.52 to \$1,034.48, or \$1.96, or approximately 0.19%. The approximate effect of the proposed gas IAP Component of the IIP Charge on typical gas residential monthly bills, if approved by the Board, is illustrated in Table #5.

Based upon current projections and assuming full implementation of the complete Program as proposed, the anticipated incremental annual bill impact for the typical residential electric customer using 6,920 kilowatt-hours annually would be: \$4.52, or approximately 0.35%, effective 4/1/2024; \$2.84, or approximately 0.22%, effective 10/1/2024; \$2.92, or approximately 0.23%, effective 4/1/2025; \$15.32, or approximately 1.20%, effective 4/1/2026; and \$2.00, or approximately 0.16%, effective 10/1/2026.

Based upon current projections and assuming full implementation of the complete Program as proposed, the anticipated incremental annual bill impact for the typical residential gas heating customer using 1,040 therms annually would be: \$1.96, or approximately 0.19%, effective 4/1/2024; \$6.34, or approximately 0.61%, effective 4/1/2025; \$2.74, or approximately 0.27%, effective 4/1/2026; and \$0.40, or approximately 0.04%, effective 10/1/2026.

Tables #6, #7, #8, and #9 provide customers with the estimated incremental and cumulative rate impacts of the Program to typical and class average customers for Residential, Commercial, and Industrial classes, respectively. The annual percentage increase applicable to specific customers will vary according to the applicable rate schedule and the level of the customer’s usage.

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

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

PLEASE TAKE FURTHER NOTICE that due to the COVID-19 pandemic, virtual public hearings have been scheduled on the following date and times so that members of the public may present their views on the Company’s IAP filing at the virtual public hearing as noted below.

VIRTUAL PUBLIC HEARING
Date: Thursday, May 5, 2022
Times: 4:30 pm and 5:30 pm
Location: Zoom Virtual Webinar
Join: Join Zoom Meeting (<https://pseg.zoom.us/j/98403077004>)
Dial In: (888) 475-4499 **Meeting ID:** 984 0307 7004

Representatives from the Company, Board Staff, and the New Jersey Division of Rate Counsel will participate in the virtual public hearings. Members of the public are invited to participate by utilizing the link or the Dial-In number set forth above and may express their views on the Petition. All comments will be made a part of the final record of the proceeding and will be considered by the Board.

In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters, or listening assistance, 48 hours prior to the above hearings to the Board Secretary at board.secretary@bpu.nj.gov.

The Board will also accept written and/or electronic comments. While all comments will be given equal consideration and will be made part of the final record of this proceeding, the preferred method of transmittal is via the Board’s Public Document Search Tool (<https://publicaccess.bpu.state.nj.us/>) by searching for the specific docket listed above, and then posting the comment by utilizing the “Post Comments” button.

Emailed comments may be filed with the Secretary of the Board, in PDF or Word format, to board.secretary@bpu.nj.gov.

Written comments may be submitted to the Acting Board Secretary, Carmen Diaz, at the Board of Public Utilities, 44 South Clinton Avenue, 1st Floor, P.O. Box 350, Trenton, New Jersey 08625-0350. All mailed or emailed comments should include the name of the Petitioner and the docket number.

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

**Table # 1 – IAP RATE COMPONENTS OF IIP CHARGES
For Residential RS and RSG Customers Rates if Effective April 1, 2024**

Rate Schedule		IIP Charges	
		Charges in Effect March 1, 2022 Including SUT	Estimated Charges Including SUT
Electric			
RS			
	Service Charge	per month	\$0.00
	Distribution 0-600, June-September	\$/kWh	0.000000
	Distribution 0-600, October-May	\$/kWh	0.000000
	Distribution over 600, June-September	\$/kWh	0.000000
	Distribution over 600, October-May	\$/kWh	0.000000
Gas			
RSG			
	Service Charge	per month	\$0.00
	Distribution Charge	\$/Therm	0.000000
	Off -Peak Use	\$/Therm	0.000000
	Basic Gas Supply Service-RSG (BGSS-RSG)	\$/Therm	0.000000

Table # 2 – Proposed Percentage Change in Revenue By Customer Class for Electric Service For Rates if Effective April 1, 2024

	Rate Class	Percent Change
Residential	RS	0.34%
Residential Heating	RHS	0.35
Residential Load Management	RLM	0.23
Water Heating	WH	0.36
Water Heating Storage	WHS	0.17
Building Heating	HS	0.11
General Lighting & Power	GLP	0.09
Large Power & Lighting- Sec.	LPL-S	0.07
Large Power & Lighting- Pri.	LPL-P	0.05
High Tension-Subtr.	HTS-S	0.06
High Tension-HV	HTS-HV	0.03
Body Politic Lighting	BPL	0.01
Body Politic Lighting-POF	BPL-POF	0.04
Private Street & Area Lighting	PSAL	0.01
Overall		0.18

The percent increases noted above are based upon March 1, 2022 Delivery Rates, the applicable Basic Generation Service (“BGS”) charges, and assumes that customers receive commodity service from PSE&G.

Table # 3 – Proposed Percentage Change in Revenue by Customer Class for Gas Service For Rates if Effective April 1, 2024

	Rate Class	Percent Change
Residential Service	RSG	0.21%
General Service	GSG	0.14
Large Volume Service	LVG	0.08
Street Lighting Service	SLG	0.01
Firm Transportation Gas Service	TSG-F	0.03
Non-Firm Transportation Gas Service	TSG-NF	0.04
Cogeneration Interruptible Service	CIG	0.05
Contract Service	CSG	0.05
Overall		0.16

The percent increases noted above are based upon March 1, 2022 Delivery Rates, the applicable Basic Gas Supply Service (“BGSS”) charges, and assumes that customers receive commodity service from PSE&G.

Table # 4 – Residential Electric Service for Rates if Effective April 1, 2024

If Your Annual kWh Use Is:	And Your Monthly Summer kWh Use Is:	Then Your Present Monthly Summer Bill (1) Would Be:	And Your Proposed Monthly Summer Bill (2) Would Be:	Your Monthly Summer Bill Change Would Be:	And Your Monthly Summer Percent Change Would Be:
1,732	185	\$37.83	\$38.12	\$0.29	0.77%
3,464	370	70.73	71.30	0.57	0.81
6,920	740	138.43	139.56	1.13	0.82
7,800	803	150.49	151.72	1.23	0.82
12,500	1,337	252.77	254.83	2.06	0.81

- Based upon Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect March 1, 2022 and assumes that the customer receives BGS-RSCP service from PSE&G.
- Same as (1) except includes the proposed change for the IAP Program.

Table # 5 – Residential Gas Service for Rates if Effective April 1, 2024

If Your Annual Therm Use Is:	And Your Monthly Winter Therm Use Is:	Then Your Present Monthly Winter Bill (1) Would Be:	And Your Proposed Monthly Winter Bill (2) Would Be:	Your Monthly Winter Bill Change Would Be:	And Your Monthly Winter Percent Change Would Be:
170	25	\$31.07	\$31.12	\$0.05	0.16%
340	50	53.55	53.64	0.09	0.17
610	100	99.48	99.67	0.19	0.19
1,040	172	164.92	165.24	0.32	0.19
1,210	200	190.33	190.71	0.38	0.20
1,816	300	281.18	281.74	0.56	0.20

- Based upon Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect March 1, 2022 and assumes that the customer receives commodity service from PSE&G.
- Same as (1) except includes the proposed change for the IAP Program.

Table # 6 – Residential Electric Service Projected Incremental Percent Change From Annual Bills Effective March 1, 2022

Rate Class	Forecasted % Increase 4/1/2024	Forecasted % Increase 10/1/2024	Forecasted % Increase 4/1/2025	Forecasted % Increase 4/1/2026	Forecasted % Increase 10/1/2026
RS	0.35%	0.22%	0.23%	1.20%	0.16%
RHS	0.35%	0.22%	0.23%	1.18%	0.16%
RLM	0.24%	0.15%	0.16%	0.83%	0.11%
GLP	0.09%	0.06%	0.06%	0.31%	0.04%
LPL-S	0.07%	0.04%	0.04%	0.23%	0.03%
LPL-P	0.05%	0.03%	0.03%	0.15%	0.02%
HTS-S	0.06%	0.04%	0.04%	0.22%	0.03%

The percent increases noted above are based upon Delivery Rates in effect March 1, 2022 and the applicable BGS charges and assuming customers receive commodity service from PSE&G. It is anticipated that the Company will make semi-annual filings each year of the Program to request the Board’s approval to implement that Program Year’s revenue requests. The Board’s decisions may increase or decrease the percentages shown above.

Table # 7 – Electric Service Projected Cumulative Percent Change From Annual Bills Effective March 1, 2022

Rate Class	Forecasted % Increase 4/1/2024	Forecasted % Increase 10/1/2024	Forecasted % Increase 4/1/2025	Forecasted % Increase 4/1/2026	Forecasted % Increase 10/1/2026
RS	0.35%	0.58%	0.80%	2.00%	2.16%
RHS	0.35%	0.57%	0.80%	1.98%	2.15%
RLM	0.24%	0.39%	0.54%	1.38%	1.49%
GLP	0.09%	0.15%	0.21%	0.52%	0.56%
LPL-S	0.07%	0.11%	0.16%	0.39%	0.42%
LPL-P	0.05%	0.07%	0.10%	0.25%	0.27%
HTS-S	0.06%	0.10%	0.14%	0.36%	0.39%

The percent increases noted above are based upon Delivery Rates in effect March 1, 2022 and the applicable BGS charges and assuming customers receive commodity service from PSE&G. It is anticipated that the Company will make semi-annual filings each year of the Program to request the Board’s approval to implement that Program Year’s revenue requests. The Board’s decisions may increase or decrease the percentages shown above. The cumulative totals in Table #7 may not agree to Table #6 due to rounding.

Table # 8 – Gas Service Projected Incremental Percent Change From Annual Bills Effective March 1, 2022

Rate Class	Forecasted % Increase 4/1/2024	Forecasted % Increase 4/1/2025	Forecasted % Increase 4/1/2026	Forecasted % Increase 10/1/2026
RSG	0.19%	0.61%	0.27%	0.04%
GSG	0.12%	0.39%	0.17%	0.02%
LVG	0.07%	0.21%	0.09%	0.01%
TSG-F	0.03%	0.09%	0.04%	0.01%
TSG-NF	0.05%	0.15%	0.06%	0.01%
CIG	0.05%	0.15%	0.07%	0.01%

The percent increases noted above are based upon Delivery Rates in effect March 1, 2022 and the applicable BGSS charges and assuming customers receive commodity service from PSE&G. It is anticipated that the Company will make semi-annual filings each year of the Program to request the Board’s approval to implement that Program Year’s revenue requests. The Board’s decisions may increase or decrease the percentages shown above.

Table # 9 – Residential Gas Service Projected Cumulative Percent Change From Annual Bills Effective March 1, 2022

Rate Class	Forecasted % Increase 4/1/2024	Forecasted % Increase 4/1/2025	Forecasted % Increase 4/1/2026	Forecasted % Increase 10/1/2026
RSG	0.19%	0.80%	1.07%	1.11%
GSG	0.12%	0.51%	0.68%	0.71%
LVG	0.07%	0.28%	0.37%	0.38%
TSG-F	0.03%	0.12%	0.16%	0.16%
TSG-NF	0.05%	0.19%	0.26%	0.26%
CIG	0.05%	0.20%	0.27%	0.27%

The percent increases noted above are based upon Delivery Rates in effect March 1, 2022 and the applicable BGSS charges and assuming customers receive commodity service from PSE&G. It is anticipated that the Company will make semi-annual filings each year of the Program to request the Board’s approval to implement that Program Year’s revenue requests. The Board’s decisions may increase or decrease the percentages shown above. The cumulative totals in Table #9 may not agree to Table #8 due to rounding.