



February 27, 2026

In the Matter of the Petition of
Public Service Electric and Gas Company
for Approval of the Next Phase of the Gas System
Modernization Program and Associated Cost
Recovery Mechanism (“GSMP II Extension”)
(February 2026 GSMP II Extension Rate Filing)

BPU Docket No. _____

VIA BPU E-FILING SYSTEM & ELECTRONIC MAIL

Sherri L. Lewis, Board Secretary
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

Dear Secretary Lewis:

Enclosed for filing on behalf of petitioner Public Service Electric and Gas Company is the Petition, Testimony of Craig Bartley, Stephen Swetz, and Supporting Schedules in the above-referenced proceeding.

Please be advised that workpapers are being provided via electronic version only. Also, please be advised that Attachment 2 - Schedule 7 is confidential and will be provided to the parties upon receipt of the Non-Disclosure Agreement, which is enclosed here.

Consistent with the Order issued by the Board in connection with In the Matter of the New Jersey Board of Public Utilities’ Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being filed electronically with the Secretary of the Board and the New Jersey Division of Rate Counsel. No paper copies will follow.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Danielle Lopez", is written over a light blue rectangular background.

C Attached service list (via e-mail)

Public Service Electric and Gas
Company for Approval of the Next
Phase of the Gas System Modernization
Program and Associated Cost Recovery
Mechanism (“GSMP II Extension”)
(February 2026 GSMP II
Extension Rate Filing)
BPU Docket No.

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**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE PETITION OF :
PUBLIC SERVICE ELECTRIC AND GAS :
COMPANY FOR APPROVAL OF THE NEXT : BPU DOCKET NO. _____
PHASE OF THE GAS SYSTEM MODERNIZATION :
PROGRAM AND ASSOCIATED COST :
RECOVERY MECHANISM (“GSMP II EXTENSION”) :
(FEBRUARY 2026 GSMP II EXTENSION RATE FILING) :

VERIFIED PETITION

Public Service Electric and Gas Company (PSE&G, the Company, or Petitioner), a corporation of the State of New Jersey, having its principal offices at 80 Park Plaza, Newark, New Jersey, respectfully petitions the New Jersey Board of Public Utilities (Board or BPU) pursuant to *N.J.S.A.* 48:2-21 as follows:

INTRODUCTION AND OVERVIEW

1. Petitioner is a public utility engaged in the distribution of electricity and the provision of electric Basic Generation Service (“BGS”), and distribution of gas and the provision of Basic Gas Supply Service (“BGSS”), for residential, commercial, and industrial purposes within the State of New Jersey. PSE&G provides service to approximately 2.3 million electric and 1.9 million gas customers in an area having a population more than 6.2 million persons and that extends from the Hudson River opposite New York City, southwest to the Delaware River at Trenton and south to Camden, New Jersey.
2. Petitioner is subject to regulation by the Board for the purposes of setting its retail distribution rates and to assure the safe, adequate, and reliable electric distribution and natural gas distribution services pursuant to *N.J.S.A.* 48:2-13, *et seq.*

3. PSE&G is filing this Petition seeking Board approval for gas base rate changes to provide for cost recovery associated with the extension of the Company's second Gas System Modernization Program ("GSMP II Extension" or the "Program") as approved by Board Order dated October 11, 2023 in BPU Docket No. GR17070776 ("GSMP II Order"). The GSMP II Extension includes continued investment in the PSE&G gas distribution system, continued use of the accelerated rate recovery mechanism established in the GSMP II Stipulation ("GSMP II Rate Mechanism") including rate adjustments for investments included in the GSMP II Rate Mechanism. In the GSMP II Extension Order, the Board adopted a Stipulation (the "GSMP II Extension Stipulation") that authorizes three (3) rate adjustments; with the first two (2) rate adjustments to be made during the two (2)-year term of the GSMP II Extension in accordance with the parameters set forth in the Stipulation, and a third rate adjustment to capture GSMP II Extension close out work as referenced in Paragraph 35 of the Stipulation. This rate filing is the third and final rate adjustment related to the close out work for rates effective September 1, 2026.

4. Paragraph 34 of the Stipulation provides a schedule for the agreed upon timing for rate recovery petitions and other activities related to the recovery of GSMP II Extension investments, with an illustrative example of the timing of a cost recovery filing. To effectuate the cost recovery process for the GSMP II Rate Mechanism investments, the Company provided Staff and Rate Counsel with notice of its intent to file its GSMP II Extension rate adjustment on December 18, 2025—anticipating a filing request no earlier than February 27, 2026. The schedule below anticipates no less than 60-days advanced notice of filing, public

hearings, and rate adjustments to cover all rate changes for the GSMP II Extension investments.

5. In accordance with the timing set forth in Paragraph 34 the schedule for Notification of Filing, Initial Filing, Investment as of, and True-up Filing dates, and Rate Effective date for this current GSMP II Extension rate adjustment is reflected below.

Event	Timing	Date
Notification of Filing Date	Not less than 60 days prior to Filing Date	12/18/25
Filing Date	First day of calendar month	2/27/26
Net Investment in Service as of	Net investment in service as of the last day of the third month from "Filing Date"	5/31/26
Update Filing for Actual Data	No later than 21 days following "Net Investment in Service as of" date	No later than 6/21/26
Rates Effective	No earlier than the 1st day of the fourth month following the "Net Investment in Service as of" date. After the completion of discovery and upon Board approval.	As early as 9/1/26

BACKGROUND

6. On July 27, 2017, PSE&G filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU") seeking approval to implement and administer the next phase of its GSMP II and an associated cost recovery mechanism.¹ The Program was an extension of

¹*In re the Petition of Public Service Electric and Gas Company for Approval of the Next Phase of the Gas System Modernization Program and Associated Cost Recovery Mechanism*, BPU Docket No. GR17070776 (Petition filed July 27, 2017).

PSE&G's then-existing Gas System Modernization Program ("GSMP I"), which was approved by the Board in accordance with an Order dated November 16, 2015.²

7. On April 18, 2018, the parties in the GSMP II matter executed a stipulation resolving all the issues in the GSMP II proceeding ("GSMP II Stipulation"), and on May 22, 2018, the Board issued a decision and order approving the GSMP II Stipulation and adopting the GSMP II Stipulation in its entirety.³

8. Paragraph 13 of the GSMP II Stipulation provides, in relevant part, "The [GSMP II] Program will be implemented over a five (5) year term, commencing on January 1, 2019, and ending December 31, 2023, except as provided herein."⁴

9. Paragraph 14 of the GSMP II Stipulation provides, in relevant part, "The Company will have the option of seeking Board approval to extend the Program beyond the term provided above. Any such extension proposal shall be supported by the results of activities from the first three and one-half years under this Program."⁵

² *In re the Public Service Electric and Gas Company for Approval of a Gas System Modernization Program and Associated Cost Recovery Mechanism*, BPU Docket No. GR15030272 (Order dated November 16, 2015).

³ *In re the Petition of Public Service Electric and Gas Company for Approval of the Next Phase of the Gas System Modernization Program and Associated Cost Recovery Mechanism* ("GSMP II"), BPU Docket No. GR17070776 (Order dated May 22, 2018) ("GSMP II Order").

⁴ *Id.* at GSMP II Stipulation ¶ 13.

⁵ *Id.* at GSMP II Stipulation ¶ 14.

10. On February 15, 2023, New Jersey Governor, Philip J. Murphy, issued Executive Order 317 (“EO317”)⁶. EO317 ordered the BPU to initiate a formal stakeholder process regarding the development of natural gas utility plans that reduce emissions from the natural gas sector to levels that are consistent with achieving the State’s 50 percent reduction in greenhouse gas emissions below 2006 levels by 2030, as directed in Executive Order No. 274 (2021).⁷ EO317 further ordered the BPU to issue a report no later than 18 months from the date of EO317 summarizing the findings of the proceeding and will provide recommendations to address issues raised in the proceeding, while advancing the goal of reducing greenhouse gas emissions and keeping costs to ratepayers in check. EO317 states that the New Jersey 2019 Energy Master Plan “identified electrification as a significantly more cost-effective means of meeting emissions targets than switching to carbon-neutral fuels.”

11. On March 1, 2023, PSE&G filed a petition with the Board seeking approval to implement and administer the next phase of its Gas System Modernization Program and associated cost recovery for a three (3)-year period as an extension of GSMP II (“GSMP III Petition”).⁸ In the GSMP III Petition, PSE&G proposed to invest a total of \$2.54 billion, which included the replacement of 1,140 miles of leak-prone gas main, a hydrogen blending project, and a Renewable Natural Gas (“RNG”) project.

⁶ Governor Murphy, Executive Order 317 at p2 (Feb. 15, 2023), available at <https://nj.gov/infobank/eo/056murphy/pdf/EO-317.pdf>.

⁷ Governor Murphy, Executive Order 274 at p2 (Nov. 10, 2021), available at <https://nj.gov/infobank/eo/056murphy/pdf/EO-274.pdf>

⁸ *In re the Petition of Public Service Electric and Gas Company for Approval of the Next Phase of the Gas System Modernization Program and Associated Mechanism* (“GSMP III”), BPU Docket No. GR23030102 (March 1, 2023).

12. By Order dated April 12, 2023, the Board determined that the GSMP III Petition should be retained by the Board for hearing and, pursuant to N.J.S.A. 48:2-32, designated Commissioner Zenon Christodoulou as the presiding officer authorized to rule on all motions that arise during the pendency of the proceedings and modify any schedules.⁹ On June 27, 2023, Commissioner Christodoulou issued an Order ruling on the motions to intervene and/or participate.¹⁰

13. Following proper notice, two (2) virtual public hearings were held on July 31, 2023. The public hearings were well attended by the public, the parties, and municipal officials.

14. In light of the current stakeholder process to implement EO317 (BPU Docket No. GO23020099), the Board approved a Stipulation to hold the GSMP III matter in abeyance while approving a two-year extension of GSMP II—commencing on January 1, 2024—for the replacement of a minimum of 400 miles of PSE&G’s Utilization Pressure Cast Iron (“UPCI”) mains (and associated services) and/or Unprotected Steel mains (and associated services), with a maximum accelerated investment of \$752 million (“GSMP II Extension Stipulation”).

15. The GSMP II Extension Stipulation also requires that the Company make certain investments not eligible for accelerated recovery (Stipulated Base), as well as for investments to maintain baseline capital expenditures.

⁹ *GSMP III*, Order Designating Commissioner and Setting Manner of Service and Bar Date, BPU Docket No. GR23030102, Order dated April 12, 2023 (“April 2023 Order”).

¹⁰ In re the Implementation of Executive Order 317 Requiring the Development of Natural Gas Utility Plans, BPU Docket No. GO23020099, Order dated March 6, 2023.

16. The Company is required to spend at least \$150.4 million during the two-year Program, with no less than \$20 million expended in each calendar year on certain capital projects not eligible for accelerated rate recovery. These Stipulated Base expenditures can include all work approved for accelerated recovery in addition to: costs required to uprate the UPCI systems (including the uprating of associated protected steel and plastic mains and associated services) to higher pressures; costs associated with the installation of excess flow valves and, the elimination of district regulators, where applicable; costs incurred to replace elevated pressure cast iron ("EPCI") mains; reinforce EPCI joints; replace plastic and cathodically protected steel main; relocate inside meter sets associated with GSMP II Rate Mechanism work or Stipulated Base main replacements to outdoor location and install excess flow valves associated with the Stipulated Base expenditures.

17. Additionally, the GSMP II Extension Stipulation requires that the O&M savings from leak reductions, associated with the Program, must flow back to customers at the same rate per mile of the main replaced as provided in Paragraph 33(a) of the GSMP II Stipulation. To flow these savings to customers, an O&M expense reduction of \$3,771/mile has been incorporated into each of the first two rate adjustments, based upon the miles of main in service related to each rate roll-in.

18. The Company also agreed to conduct leak detection surveying as discussed in Paragraph 23 of the GSMP II Extension Stipulation. Because these leak detection surveying expenses were incurred in 2023-2024 upon Program approval, the Company deferred these expenses. The total deferred expense has been amortized over a two (2)-year period in accordance with Paragraph 24 of the GSMP II Stipulation.

19. The GSMP II Extension Order outlined the Minimum Filing Requirements (“MFRs”) for the GSMP II Extension rate recovery petitions such as this. A matrix setting forth the location of each MFR is provided in Appendix A to this Petition.

REQUEST FOR COST RECOVERY

20. Consistent with the GSMP II Extension Order, PSE&G is seeking BPU approval to recover the revenue requirements associated with certain capitalized investment costs of GSMP II Extension through May 31, 2026. The annualized increase in gas revenue requirement associated with those investment costs is approximately \$3.9 million in revenue and is supported by Attachment 2, Schedule SS-GSMP II Extension-2 attached hereto. The GSMP II Extension Investment Costs for this filing consist of actual plant placed into service from November 1, 2025 through January 31, 2026 and a forecast of capital expenditures expected to be placed in service by May 31, 2026. The projected amounts of plant expected to be placed in service through the forecast period, February 1, 2026 through May 31, 2026, will be updated for actual results by June 21, 2026.

21. As required by the GSMP II Extension Order and Stipulation, the proposed gas rate adjustments are structured consistent with the rate design methodology used to set rates in the Company’s most recent base rate case. The Company has utilized weather normalized annualized billing determinants from the latest approved base rate case. The detailed calculation supporting the gas rate design is shown in Attachment 2, Schedule SS-GSMPII Extension-5.

22. Attachment 1 is the testimony of Craig O. Bartley, Senior Director – Gas Transmission & Distribution Engineering addressing the progress of the GSMP II Extension and the anticipated plant in-service at the end of May 31, 2026. Attachment 2 is the testimony of Stephen Swetz supporting the revenue requirement and rate calculations.

23. The average bill impacts of the requested rate increase are set forth in Attachment 2, Schedule SS-GSMPII Extension-6. The impact of the proposed rates to the typical residential gas heating customer using 172 therms in a winter month and 87 therms in an average month (1,040 therms annually) is an increase in the average monthly bill from \$106.07 to \$106.24 or \$0.17 or approximately 0.2% (based upon Delivery Rates and BGSS-RSG charges in effect as of February 1, 2026, and assuming that the customer receives BGSS service from PSE&G).

24. Attachment 3 is a draft Form of Notice of Filing and of Public Hearings (Form of Notice). This Form of Notice will be placed in newspapers having a circulation within the Company's gas service territory upon scheduling of public hearings. A Notice will be served on the County Executives and Clerks of all municipalities within the Company's gas service territory upon scheduling of public hearings.

25. In accordance with the Board's Covid-19 order,^[1] notice of this filing, the Petition, testimony, and schedules will be served upon the Division of Law, Public Utilities Section, R.J. Hughes Justice Complex, 25 Market St. 7th Floor West, PO Box 112, Trenton,

^[1] See, In the Matter of the New Jersey Board of Public Utilities' Response to the Covid-19 Pandemic for a Temporary Waiver of the Requirements for Certain Non-Essential Obligations, Docket No. EO20030254, dated March 19, 2020.

NJ 08625 and upon the Director, Division of Rate Counsel, 140 East Front Street 4th Floor, Trenton, N.J. 08625 by electronic mail. Electronic copies of the Petition, testimony, and schedules will also be sent to the persons identified on the service list provided with this filing.

26. Attachments 4 and 5 are the income statement and balance sheet, respectively, required by the Minimum Filing Requirements in the GSMP II Extension Order.

27. PSE&G requests the Board find that the proposed rates, as calculated in the proof of revenue, Attachment 2, Schedule SS-GSMP II Extension-5, are just and reasonable, and that PSE&G should be authorized to implement the proposed rates as set forth herein, effective September 1, 2026 upon issuance of a written BPU order.

28. Any final rate relief found by the Board to be just and reasonable may be allocated by the Board for consistency 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 average percentage changes in final rates may increase or decrease compared to the proposed rates based upon the Board's decision.

COMMUNICATIONS

29. Communications and correspondence related to the Petition should be sent as follows:

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CONCLUSION AND REQUESTS FOR APPROVAL

For all the foregoing reasons, PSE&G respectfully requests that the Board retain jurisdiction of this matter and review and expeditiously issue an order approving this Petition specifically finding that:

30. PSE&G is authorized to recover all costs identified herein associated with GSMP II Extension Program costs incurred through May 31, 2026, as such costs are reflected in this Petition and accompanying materials, along with anticipated updates of data; and

31. The rates as calculated in the proof of revenue, Attachment 2, Schedule SS-GSMPII Extension-5, are just and reasonable and may be implemented for service rendered on and after September 1, 2026.

Respectfully submitted,

PUBLIC SERVICE ELECTRIC AND GAS COMPANY



By _____
Danielle Lopez
Associate Counsel - Regulatory
PSE&G
80 Park Plaza, T20
P. O. Box 570
Newark, New Jersey 07102

DATED: February 27, 2026

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE PETITION OF :
PUBLIC SERVICE ELECTRIC AND GAS :
COMPANY FOR APPROVAL OF THE NEXT : BPU DOCKET NO. _____
PHASE OF THE GAS SYSTEM MODERNIZATION :
PROGRAM AND ASSOCIATED COST :
RECOVERY MECHANISM (“GSMP II EXTENSION”) :
(FEBRUARY 2026 GSMP II EXTENSION :
RATE FILING) :

CERTIFICATION

I, David J. Zarra, of full age, certifies as follows:

1. I am Manager of Revenue Requirements of PSEG Services Corporation.
2. I have read the contents of the foregoing Petition, and the information contained therein are true and correct to the best of my knowledge, information, and belief.

Dated: February 27, 2026

BY 

David J. Zarra

PUBLIC SERVICE ELECTRIC AND GAS	
Minimum Filing Requirements – Gas System Modernization Program II Extension	
MINIMUM FILING REQUIREMENT(MFR)	LOCATION IN FILING
1. PSE&G's income statement for the most recent 12 month period, as filed with the BPU	Attachment 4
2. PSE&G's balance sheet for the most recent 12 month period, as filed with the BPU	Attachment 5
3. A calculation of the proposed rate adjustment based on details related to Program projects included in Plant in Service.	Attachment 2, Schedule SS-GSMPII Extension-5
3a. A calculation of the associated depreciation expense, based on those projects closed to Plant in Service during the period	Attachment 2, Schedule SS-GSMPII Extension-2
4. A revenue requirement calculation showing the actual capital expenditures for the period for which the filing is made, as well as supporting calculations.	Attachment 2, Schedule SS-GSMPII Extension-2
5. Copies of the current and all previously filed Monthly Reports.	Attachment 1, Schedule COB-GSMPII Extension-2

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

**In the Matter of the Petition of Public Service Electric and
Gas Company for Approval of the Next Phase of the Gas
System Modernization Program and Associated Cost
Recovery Mechanism (“GSMP II Extension”)
(February 2026 GSMP II Extension Rate Filing)**

BPU Docket No. _____

DIRECT TESTIMONY

OF

**Craig O. Bartley
SENIOR DIRECTOR – GAS TRANSMISSION &
DISTRIBUTION ENGINEERING**

February 27, 2026

ATTACHMENT 1

1 **PUBLIC SERVICE ELECTRIC AND GAS COMPANY**
2 **DIRECT TESTIMONY**
3 **OF**
4 **CRAIG O. BARTLEY**
5 **DIRECTOR – GAS TRANSMISSION & DISTRIBUTION ENGINEERING**

6 **Q. Please state your name and title.**

7 A. My name is Craig O. Bartley. I am the Senior Director – Gas Transmission &
8 Distribution Asset Strategy for Public Service Electric and Gas Company (“PSE&G”, “the
9 Company”, or “Petitioner”). I am responsible for gas system planning and reliability as well
10 as the safe and efficient engineering, design, and operating procedures of PSE&G’s gas
11 transmission and distribution assets. I am also responsible for the management of the gas
12 Transmission and Distribution Integrity Management Programs, operation and maintenance of
13 54 metering and regulating stations, four gas plants, and gas control to PSE&G’s gas
14 customers. My credentials are set forth in the attached Schedule COB-GSMPII Extension-1.

15 **Q. What is the purpose of your testimony?**

16 A. This testimony provides information on the status of certain projects and expenditures
17 related to PSE&G’s third and final rate filing pursuant to the extension of PSE&G’s Next Phase
18 of the Gas System Modernization Program and Associated Cost Recovery Mechanism (“GSMP
19 II Extension”), which was approved by way of New Jersey Board of Public Utilities (“BPU” or
20 “Board”) Order dated October 11, 2023, in BPU Docket No. GR17070776 (“GSMP II Extension
21 Order”).

1 **OVERVIEW OF GAS SYSTEM MODERNIZATION II EXTENSION PROGRAM**

2 **Q. Please describe the approved extension of the Company’s GSMP II Program.**

3 A. The GSMP II Extension Stipulation (“Stipulation”), approved by way of the GSMP II
4 Extension Order, allows for continued investment in PSE&G’s gas distribution system and the
5 continued use of the accelerated rate recovery mechanism established during the Program’s
6 approval. PSE&G has been authorized to seek accelerated recovery on certain investments up
7 to \$752 million, referred to as “Program Investment”. The Stipulation also requires that the
8 Company make certain investments not eligible for accelerated recovery (“Stipulated Base”),
9 as well maintain baseline capital expenditures.

10 The GSMP II Extension Program commenced on January 1, 2024, and ended on
11 December 31, 2025, with additional time allotted for associated close out work.

12 **Q. Please describe the GSMP II Extension Program Investments eligible for**
13 **accelerated recovery.**

14 A. The GSMP II Extension allows for investment up to \$752 million—representing
15 replacement of a minimum 400 miles of PSE&G’s Utilization Pressure Cast Iron (“UPCI”)
16 mains (and associated services) and/or Unprotected Steel mains (and associated services). The
17 Program also includes the costs required to uprate the UPCI systems (including the uprating
18 of associated protected steel and plastic mains and associated services) to higher pressures; and
19 costs associated with the installation of excess flow valves and, the elimination of district
20 regulators, where applicable. In addition, the GSMP II Extension Stipulation requires that the
21 O&M savings from leak reductions, associated with the Program, must flow back to customers
22 at the same rate per mile of the main replaced as provided in Paragraph 33(a) of the GSMP II

ATTACHMENT 1

1 Stipulation. To flow these savings to customers, an O&M expense reduction of \$3,771/mile
2 has been incorporated in the first two rate adjustments, based upon the miles of main placed
3 into service as noted in the testimony of Mr. Stephen Swetz (Attachment 2).

4 Lastly, the Company also agreed to conduct leak detection surveying. These leak
5 detection surveying expenses were incurred in 2023-2024 upon Program approval. As such,
6 the Company deferred these expenses.

7 **Q. Is there a cost per mile cap for accelerated recovery in GSMP II Extension?**

8 A. No. Per the GSMP II Extension Order, costs recoverable under the accelerated
9 mechanism are not subject to the \$1.80 million per mile limit for accelerated cost recovery,
10 which was a requirement in the preceding GSMP II Order.

11 **Q. Please describe the Stipulated Base requirement associated with the GSMP II**
12 **Extension.**

13 A. The GSMP II Extension Stipulation requires that the Company make certain
14 investments not eligible for accelerated recovery. The Company is required to spend at least
15 \$150.4 million during the two-year Program, with no less than \$20 million expended in each
16 calendar year on certain capital projects. Stipulated Base expenditures can include all work
17 approved for accelerated recovery in addition to: costs associated with the installation of excess
18 flow valves and, the elimination of district regulators, where applicable; costs incurred to
19 replace elevated pressure cast iron ("EPCI") main, reinforce EPCI joints, replace plastic and
20 cathodically protected steel main, relocate inside meter sets—associated with GSMP II Rate
21 Mechanism work or Stipulated Base main replacements—to outdoor location, and install

ATTACHMENT 1

1 excess flow valves associated with the Stipulated Base expenditures. The Stipulated Base
2 requirement excludes the costs of replacement meters or expenditures related to leak repairs.

3 **Q. Is there also a baseline capital expenditure requirement?**

4 A. Yes. During the term of GSMP II Extension, as pursuant to the GSMP II Extension
5 Order, the Company is required to maintain baseline capital expenditures levels of at least \$225
6 million per year.

7 **Q. Did the Company agree to reduce its leak inventory as part of the GSMP II**
8 **Extension Order?**

9 A. Yes. The Company agreed to continue to reduce its year-end open leak inventory each
10 year of the Program's Extension, except under extraordinary circumstances such as extreme
11 weather, acts of war or terrorism, or other force majeure extraordinary circumstances that
12 prevent the achievement of the annual reduction. The cap for the first year of the GSMP II
13 Extension has been set at the 5-year average number of year-end open leaks the Company has
14 experienced from 2019 through 2023. The cap would be reduced by one (1) percent for the
15 second year of the GSMP II Extension. The cap for open leaks in 2025 is discussed in
16 additional detail later in this testimony.

17 **Q. Was the Company required to conduct a methane leak survey?**

18 A. Yes. The Company agreed to continue to conduct a methane leak survey as described
19 in Paragraph 24 of the GSMP II Stipulation. Considering the two (2)-year term of this GSMP
20 II Extension, the methane leak survey will be conducted over all B grids [10-15 Hazard Index
21 per mile ("HI/mile")]. Any grid exceeding the threshold established based upon the survey
22 data, and in consultation with the Environmental Defense Fund, is anticipated to be replaced

1 in the first year of the GSMP II Extension, up to a maximum of 95 miles of UPCI replacement
2 and report the results in accordance with Attachment D of the GSMP II Order.

3 **GSMP II EXTENSION STATUS UPDATE**

4 **Q. Can you provide details on the implementation of the Program to date and**
5 **particularly the projects in-service that are a part of this rate filing?**

6 A. Yes. Through October 31, 2025, the Company replaced 404 miles of main, exceeding the
7 required program minimum of 400 miles. The rate adjustment in this filing is for the recovery of
8 close-out costs for work anticipated to be completed by May 31, 2026, associated with the
9 replacement of the aforementioned 404 miles. A breakdown of this work on investment proposed
10 to be in rates is provided in the monthly reports provided in Schedule COB-GSMPII Extension-
11 2.

12 The expenditures are listed in Schedule COB-GSMPII Extension-3 and include actual
13 expenditures from November 1, 2025, through January 31, 2026, and a four (4) month forecast
14 of gas capital expenditures from February 1, 2026, through May 31, 2026, for close-out work
15 anticipated to be completed by May 31, 2026.

16 **Q. Has the Company included contingency in its forecasted expenditures?**

17 A. No. While PSE&G's detailed calculations typically include risk and contingency
18 applied to the forecasted period, the current forecast is without risk and contingency and results
19 in the completion of the full \$752 million board-approved budget for this filing. Any forecasted
20 amounts, however, will be trued up with actual results, and the updated revenue requirements
21 will be submitted June 21, 2026.

ATTACHMENT 1

1 **Q. What are the projects expected to be in service by the end of the roll-in period?**

2 A. This rate adjustment represents the close out and restoration work associated with the 404
3 miles of main installed and in-service as of October 31, 2025. PSE&G estimates approximately
4 30,763 services will be replaced and in-service and 35 district regulators abandoned through May
5 31, 2026.

6 **Q. What is the status of the Company's Stipulated Base expenditures?**

7 A. The Company's Stipulated Base expenditures through December 31, 2025, was \$173.7
8 million, exceeding the the program's 2-year Stipulated Base requirement of \$150.4 million
9 through 2025.

10 **Q. Does the Company anticipate meeting the \$225 million annual baseline**
11 **expenditure requirement?**

12 A. Yes. The Company has invested approximately \$588 million in baseline expenditures
13 during 2024 and approximately \$323 million during 2025, exceeding the \$255 million annual
14 requirement.

15 **Q. What was the Company's 2024 open leak inventory and resulting 5-year average**
16 **leak inventory for 2019 – 2023?**

17 A. The Company's 2024 open leak inventory was 392. Based on the open leak inventory
18 from 2019 – 2023 as specified in paragraph 26 of the Stipulation approved in the GSMP II
19 Extension Order, the 5- year average leak inventory is 807 as set forth in the below chart.

Year	Year end Open leaks
2019	1,123
2020	965
2021	808
2022	637
2023	501
5- year Average	807

1 **Q. What was the Company’s cap on open leaks for 2024?**

2 A. For 2024, the Company’s cap was set at the average number of year-end leaks the
 3 Company has experienced over the prior five (5) calendar years (2019-2023), which is 807.
 4 The 2024 year-end open leak total was 392.

5 **Q. What is the Company’s cap on open leaks for 2025?**

6 A. For the second year of the GSMP II Extension, the Company’s cap for year-end open
 7 leaks is set at a 1 percent reduction from the 2024 cap for open leaks, which is 799. The 2025
 8 year-end open leak total was 218.

9 **Q. What was the result of the methane leak survey required in the GSMP II Order?**

10 A. The Company conducted the methane leak survey in 2023 and 2024 at a total cost of
 11 \$20,807, and submitted its report to the BPU on March 1, 2025, as required by Attachment D
 12 of the GSMP II Order.

13 **Q. Does this complete your testimony at this time?**

14 A. Yes, it does.

ATTACHMENT 1

SCHEDULE INDEX

Schedule COB-GSMPII Extension-1	Credentials
Schedule COB-GSMPII Extension-2	Monthly Reports
Schedule COB-GSMPII Extension-3	GSMP II Extension & Stipulated Base Forecast

1 planning, design, construction, operations and maintenance of gas distribution and
2 appliance service work. I also managed the budgets and work plans.

3 I became a District Manager responsible for safety, employees, customers,
4 regulatory compliance, financials, emergency response, operations and maintenance,
5 replacement and construction of gas facilities as well as appliance service work.

6 I transferred to Customer Operations as the Manager of Meter Reading and Field
7 Collections. I provided leadership for the safety and effectiveness of employees as well as
8 the budget in a field meter reading and collections department at PSE&G.

9 I transferred to PSE&G's call center as the Manager of Process Integration and
10 Work Planning where I oversaw the customer contact process integration and work
11 planning functions, including safety, customer satisfaction, financial forecasting and
12 management, capacity planning, and scheduling.

13 I held the position of Manager of Processes, Operations and Resources responsible
14 for supporting all functions work functions across Gas Operations. I provided guidance to
15 the management team in running the daily operations and ensured regulatory compliance
16 within Gas Operations. I was responsible for the development and management of Gas
17 Operation's work plans and approximately \$1B in financial plans for Capital, O&M and
18 Competitive Services revenue.

1 I was appointed the role of interim Senior Director of Gas Construction responsible
2 for safely executing the 4-year \$1.9 billion Gas System Modernization Program (GSMP)
3 II and Stipulated Base II Program. I provided leadership and guidance to project and
4 construction managers and a department of approximately 360 associates. I oversaw safety,
5 customer satisfaction, project management, field construction, financials, planning,
6 procurement, and controls for the department.

7 I led the implementation of residential, commercial and industrial energy efficiency
8 (EE) programs as the Director of Energy Services in our Renewables and Energy Solutions
9 (RES) department. I was directly responsible for a team management associates
10 implementation contractors, vendors/suppliers and hundreds of third-party contractors. I
11 ensured regulatory compliance as well as financial and business controls.

12 In October 2023, I assumed the role of the Senior Director of Gas Transmission and
13 Distribution Engineering responsible for gas asset management. I am responsible for gas
14 system planning and reliability as well as the safe and efficient engineering, design, and
15 operating procedures of PSE&G's gas transmission and distribution assets. I am also
16 responsible for the management of the gas Transmission and Distribution Integrity
17 Management Programs, operation and maintenance of 54 Metering and Regulating
18 ("M&R") stations, four gas plants, and gas control to PSE&G's gas customers. I am the
19 Committee sponsor for PSE&G's Gas Engineering Committee which is responsible for

1 approval of action items due to regulatory changes and changes to Company technical
2 manuals, the Operator Qualification program, Integrity Management programs, and new
3 technology and materials. I am a member of the Operations Safety Regulatory Action
4 committee and the Engineering committee of the American Gas Association.

Danielle Lopez
Associate Counsel-Regulatory

Public Service Electric and Gas Company
80 Park Plaza, T20, Newark, New Jersey 07102-4194
Email: danielle.lopez@pseg.com



August 25, 2025

VIA ELECTRONIC MAIL ONLY

Sherrí Lewis, Board Secretary
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

**Re: NEXT PHASE OF THE PSE&G GAS SYSTEM MODERNIZATION PROGRAM
("GSMP II EXTENSION") MONTHLY REPORT – JUNE 2025**

Dear Secretary Lewis:

Attached hereto is Public Service Electric and Gas Company's ("PSE&G") monthly report for June 2025 on its Next Phase of the Gas System Modernization Program ("GSMP II").

GSMP II was approved by the New Jersey Board of Public Utilities (the "Board") by Order dated May 22, 2018 in BPU Docket No. GR17070776. That Order adopted a Stipulation pursuant to which PSE&G executed GSMP II. Subsequently on October 11, 2023, the Board issued an Order adopting a Stipulation to extend GSMP II under the terms and conditions described in the Stipulation ("GSMP II Extension" or the "Program"). This report is being filed pursuant to paragraph 41 of this Stipulation and is designed to address the first four items contained in its Attachment C.

The first three items are addressed in the attached materials. With regard to item 4, there were no funds or credits received from the United States government, the State of New Jersey, a county or a municipality, for work related to any of the Program projects.

Consistent with the Order issued by the Board in connection with In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being filed electronically with the Secretary of the Board and the Division of Rate Counsel. No paper copies will follow.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Danielle Lopez", is written over a light blue circular stamp.

Danielle Lopez

cc - E-Mail Only:

Robert Brabston

Stacy Peterson

Ilene Lampitt

Brian Lipman

Karen Forbes

Matko Illic

Maura Caroselli

Loni Diaz

Carol Artale

Pamela Owen

**PSE&G - GAS SYSTEM MODERNIZATION PROGRAM
ATTACHMENT C - MONTHLY REPORT**

1) PSE&G's overall approved GSMP II Extension Rate Mechanism and Stipulated Base capital budget broken down by major categories, both budgeted and actual amounts.

GSMP II Extension Major Project Categories	Overall Approved Program
Replacement Main	\$ 599,808,000
Replacement Service	\$ 148,895,294
Regulator Elimination	\$ 3,296,705
Total	\$ 752,000,000

June PTD Budget	June PTD Actual
\$ 418,788,889	\$ 423,273,626
\$ 106,649,538	\$ 133,835,336
\$ 836,804	\$ 2,484,587
\$ 526,275,231	\$ 559,593,549

Stipulated Base II Major Project Categories	Overall Approved Program
Replacement Main	\$ 108,500,000
Replacement Service	\$ 24,933,000
Large Diameter HP Joints	\$ -
GSMP Meter Reconstruction	\$ 16,967,000
Total	\$ 150,400,000

June PTD Budget	June PTD Actual
\$ 60,621,831	\$ 37,862,402
\$ 18,505,655	\$ 8,782,271
\$ -	\$ -
\$ 1,006,805	\$ 16,347,545
\$ 80,134,291	\$ 62,992,217

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project. Expenditures broken down by internal labor, materials, and other costs. Internal labor hours broken down by regular hours and overtime hours.

Expenditures Incurred To Date GSMP II Ext. Projects	June PTD Actual Internal Labor \$	June PTD Actual Material \$	June PTD Actual Other \$	June PTD Actual Total \$
Replacement Main	\$ 73,615,442	\$ 30,610,863	\$ 319,047,321	\$ 423,273,626
Replacement Service	\$ 24,215,516	\$ 5,461,554	\$ 104,158,266	\$ 133,835,336
Regulator Elimination	\$ 455,279	\$ 126,533	\$ 1,902,775	\$ 2,484,587
Total	\$ 98,286,237	\$ 36,198,950	\$ 425,108,362	\$ 559,593,549
GSMP II Internal Labor Hours				
Internal Labor - Regular Hours	934,069			
Internal Labor - Overtime Hours	256,617			

Amount to Plant In-Service
\$ 407,545,975
\$ 133,813,941
\$ 1,756,787
\$ 543,116,703

Expenditures Incurred To Date Stipulated Base II Ext. Projects	June PTD Actual Internal Labor \$	June PTD Actual Material \$	June PTD Actual Other \$	June PTD Actual Total \$
Replacement Main	\$ 3,649,173	\$ 1,354,482	\$ 32,858,746	\$ 37,862,402
Replacement Service	\$ 1,003,337	\$ 41,107	\$ 7,737,827	\$ 8,782,271
Large Diameter HP Joints	\$ -	\$ -	\$ -	\$ -
GSMP Meter Reconstruction	\$ 7,701,807	\$ 23,144	\$ 8,622,594	\$ 16,347,545
Total	\$ 12,354,317	\$ 1,418,733	\$ 49,219,167	\$ 62,992,217
Stip Base II Internal Labor Hours				
Internal Labor - Regular Hours	83,988			
Internal Labor - Overtime Hours	34,672			

Amount to Plant In-Service
\$ 34,846,575
\$ 8,781,111
\$ -
\$ 16,347,545
\$ 59,975,230

Danielle Lopez
Associate Counsel-Regulatory

Public Service Electric and Gas Company
80 Park Plaza, T20, Newark, New Jersey 07102-4194
Email: danielle.lopez@pseg.com



September 26, 2025

VIA ELECTRONIC MAIL ONLY

Sherrí Lewis, Board Secretary
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

**Re: NEXT PHASE OF THE PSE&G GAS SYSTEM MODERNIZATION PROGRAM
("GSMP II EXTENSION") MONTHLY REPORT – JULY 2025**

Dear Secretary Lewis:

Attached hereto is Public Service Electric and Gas Company's ("PSE&G") monthly report for July 2025 on its Next Phase of the Gas System Modernization Program ("GSMP II").

GSMP II was approved by the New Jersey Board of Public Utilities (the "Board") by Order dated May 22, 2018 in BPU Docket No. GR17070776. That Order adopted a Stipulation pursuant to which PSE&G executed GSMP II. Subsequently on October 11, 2023, the Board issued an Order adopting a Stipulation to extend GSMP II under the terms and conditions described in the Stipulation ("GSMP II Extension" or the "Program"). This report is being filed pursuant to paragraph 41 of this Stipulation and is designed to address the first four items contained in its Attachment C.

The first three items are addressed in the attached materials. With regard to item 4, there were no funds or credits received from the United States government, the State of New Jersey, a county or a municipality, for work related to any of the Program projects.

Consistent with the Order issued by the Board in connection with In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being filed electronically with the Secretary of the Board and the Division of Rate Counsel. No paper copies will follow.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Danielle Lopez", is written over a light blue circular stamp.

Danielle Lopez

cc - E-Mail Only:
Robert Brabston
Stacy Peterson
Ilene Lampitt
Brian Lipman
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Maura Caroselli
Loni Diaz
Carol Artale
Pamela Owen

**PSE&G - GAS SYSTEM MODERNIZATION PROGRAM
ATTACHMENT C - MONTHLY REPORT**

1) PSE&G's overall approved GSMP II Extension Rate Mechanism and Stipulated Base capital budget broken down by major categories, both budgeted and actual amounts.

GSMP II Extension Major Project Categories	Overall Approved Program
Replacement Main	\$ 599,808,000
Replacement Service	\$ 148,895,294
Regulator Elimination	\$ 3,296,705
Total	\$ 752,000,000

July PTD Budget	July PTD Actual
\$ 448,943,891	\$ 453,548,847
\$ 114,695,137	\$ 146,838,131
\$ 866,326	\$ 2,690,627
\$ 564,505,354	\$ 603,077,605

Stipulated Base II Major Project Categories	Overall Approved Program
Replacement Main	\$ 108,500,000
Replacement Service	\$ 24,933,000
Large Diameter HP Joints	\$ -
GSMP Meter Reconstruction	\$ 16,967,000
Total	\$ 150,400,000

July PTD Budget	July PTD Actual
\$ 65,924,064	\$ 45,566,292
\$ 20,069,995	\$ 9,188,240
\$ -	\$ -
\$ 1,006,805	\$ 18,528,760
\$ 87,000,864	\$ 73,283,291

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project. Expenditures broken down by internal labor, materials, and other costs. Internal labor hours broken down by regular hours and overtime hours.

Expenditures Incurred To Date GSMP II Ext. Projects	July PTD Actual Internal Labor \$	July PTD Actual Material \$	July PTD Actual Other \$	July PTD Actual Total \$
Replacement Main	\$ 80,334,335	\$ 32,920,887	\$ 340,293,625	\$ 453,548,847
Replacement Service	\$ 26,632,298	\$ 5,904,691	\$ 114,301,142	\$ 146,838,131
Regulator Elimination	\$ 518,352	\$ 126,727	\$ 2,045,547	\$ 2,690,627
Total	\$ 107,484,986	\$ 38,952,306	\$ 456,640,313	\$ 603,077,605
GSMP II Internal Labor Hours				
Internal Labor - Regular Hours	1,018,786			
Internal Labor - Overtime Hours	279,127			

Amount to Plant In-Service
\$ 435,717,177
\$ 146,816,736
\$ 1,906,340
\$ 584,440,252

Expenditures Incurred To Date Stipulated Base II Ext. Projects	July PTD Actual Internal Labor \$	July PTD Actual Material \$	July PTD Actual Other \$	July PTD Actual Total \$
Replacement Main	\$ 3,903,108	\$ 1,766,349	\$ 39,896,835	\$ 45,566,292
Replacement Service	\$ 1,042,245	\$ 42,483	\$ 8,103,511	\$ 9,188,240
Large Diameter HP Joints	\$ -	\$ -	\$ -	\$ -
GSMP Meter Reconstruction	\$ 8,655,086	\$ 23,551	\$ 9,850,123	\$ 18,528,760
Total	\$ 13,600,439	\$ 1,832,383	\$ 57,850,470	\$ 73,283,291
Stip Base II Internal Labor Hours				
Internal Labor - Regular Hours	94,972			
Internal Labor - Overtime Hours	39,083			

Amount to Plant In-Service
\$ 42,338,579
\$ 9,187,080
\$ -
\$ 18,528,760
\$ 70,054,418

Danielle Lopez
Associate Counsel-Regulatory

Public Service Electric and Gas Company
80 Park Plaza, T20, Newark, New Jersey 07102-4194
Email: danielle.lopez@pseg.com



October 24, 2025

VIA ELECTRONIC MAIL ONLY

Sherrí Lewis, Board Secretary
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

**Re: NEXT PHASE OF THE PSE&G GAS SYSTEM MODERNIZATION PROGRAM
("GSMP II EXTENSION") MONTHLY REPORT – AUGUST 2025**

Dear Secretary Lewis:

Attached hereto is Public Service Electric and Gas Company's ("PSE&G") monthly report for July 2025 on its Next Phase of the Gas System Modernization Program ("GSMP II").

GSMP II was approved by the New Jersey Board of Public Utilities (the "Board") by Order dated May 22, 2018 in BPU Docket No. GR17070776. That Order adopted a Stipulation pursuant to which PSE&G executed GSMP II. Subsequently on October 11, 2023, the Board issued an Order adopting a Stipulation to extend GSMP II under the terms and conditions described in the Stipulation ("GSMP II Extension" or the "Program"). This report is being filed pursuant to paragraph 41 of this Stipulation and is designed to address the first four items contained in its Attachment C.

The first three items are addressed in the attached materials. With regard to item 4, there were no funds or credits received from the United States government, the State of New Jersey, a county or a municipality, for work related to any of the Program projects.

Consistent with the Order issued by the Board in connection with In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being filed electronically with the Secretary of the Board and the Division of Rate Counsel. No paper copies will follow.

Very truly yours,

A handwritten signature in blue ink that reads "Danielle Lopez".

Danielle Lopez

cc - E-Mail Only:
Robert Brabston
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**PSE&G - GAS SYSTEM MODERNIZATION PROGRAM
ATTACHMENT C - MONTHLY REPORT**

1) PSE&G's overall approved GSMP II Extension Rate Mechanism and Stipulated Base capital budget broken down by major categories, both budgeted and actual amounts.

GSMP II Extension Major Project Categories	Overall Approved Program
Replacement Main	\$ 599,808,000
Replacement Service	\$ 148,895,294
Regulator Elimination	\$ 3,296,705
Total	\$ 752,000,000

August PTD Budget	August PTD Actual
\$ 477,147,387	\$ 482,056,279
\$ 122,605,064	\$ 159,370,591
\$ 890,308	\$ 2,868,111
\$ 600,642,759	\$ 644,294,981

Stipulated Base II Major Project Categories	Overall Approved Program
Replacement Main	\$ 108,500,000
Replacement Service	\$ 24,933,000
Large Diameter HP Joints	\$ -
GSMP Meter Reconstruction	\$ 16,967,000
Total	\$ 150,400,000

August PTD Budget	August PTD Actual
\$ 71,602,203	\$ 59,111,455
\$ 21,770,373	\$ 9,812,890
\$ -	\$ -
\$ 1,006,805	\$ 20,753,507
\$ 94,379,381	\$ 89,677,851

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project. Expenditures broken down by internal labor, materials, and other costs. Internal labor hours broken down by regular hours and overtime hours.

Expenditures Incurred To Date GSMP II Ext. Projects	August PTD Actual Internal Labor \$	August PTD Actual Material \$	August PTD Actual Other \$	August PTD Actual Total \$
Replacement Main	\$ 87,050,337	\$ 34,902,407	\$ 360,103,536	\$ 482,056,279
Replacement Service	\$ 28,580,280	\$ 6,434,765	\$ 124,355,546	\$ 159,370,591
Regulator Elimination	\$ 546,109	\$ 128,303	\$ 2,193,698	\$ 2,868,111
Total	\$ 116,176,726	\$ 41,465,475	\$ 486,652,779	\$ 644,294,981
GSMP II Internal Labor Hours				
Internal Labor - Regular Hours	1,096,807			
Internal Labor - Overtime Hours	303,033			

Amount to Plant In-Service
\$ 462,392,770
\$ 159,349,196
\$ 1,954,999
\$ 623,696,965

Expenditures Incurred To Date Stipulated Base II Ext. Projects	August PTD Actual Internal Labor \$	August PTD Actual Material \$	August PTD Actual Other \$	August PTD Actual Total \$
Replacement Main	\$ 4,137,622	\$ 1,827,957	\$ 53,145,875	\$ 59,111,455
Replacement Service	\$ 1,100,260	\$ 42,483	\$ 8,670,147	\$ 9,812,890
Large Diameter HP Joints	\$ -	\$ -	\$ -	\$ -
GSMP Meter Reconstruction	\$ 9,719,723	\$ 25,437	\$ 11,008,347	\$ 20,753,507
Total	\$ 14,957,604	\$ 1,895,877	\$ 72,824,370	\$ 89,677,851
Stip Base II Internal Labor Hours				
Internal Labor - Regular Hours	107,149			
Internal Labor - Overtime Hours	43,590			

Amount to Plant In-Service
\$ 55,796,301
\$ 9,811,730
\$ -
\$ 20,753,507
\$ 86,361,538

Danielle Lopez
Associate Counsel-Regulatory

Public Service Electric and Gas Company
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Email: danielle.lopez@pseg.com



November 24, 2025

VIA ELECTRONIC MAIL ONLY

Sherrí Lewis, Board Secretary
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

**Re: NEXT PHASE OF THE PSE&G GAS SYSTEM MODERNIZATION PROGRAM
("GSMP II EXTENSION") MONTHLY REPORT – SEPTEMBER 2025**

Dear Secretary Lewis:

Attached hereto is Public Service Electric and Gas Company's ("PSE&G") monthly report for September 2025 on its Next Phase of the Gas System Modernization Program ("GSMP II").

GSMP II was approved by the New Jersey Board of Public Utilities (the "Board") by Order dated May 22, 2018 in BPU Docket No. GR17070776. That Order adopted a Stipulation pursuant to which PSE&G executed GSMP II. Subsequently on October 11, 2023, the Board issued an Order adopting a Stipulation to extend GSMP II under the terms and conditions described in the Stipulation ("GSMP II Extension" or the "Program"). This report is being filed pursuant to paragraph 41 of this Stipulation and is designed to address the first four items contained in its Attachment C.

The first three items are addressed in the attached materials. With regard to item 4, there were no funds or credits received from the United States government, the State of New Jersey, a county or a municipality, for work related to any of the Program projects.

Consistent with the Order issued by the Board in connection with In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being filed electronically with the Secretary of the Board and the Division of Rate Counsel. No paper copies will follow.

Very truly yours,

A handwritten signature in blue ink that reads "Danielle Lopez".

Danielle Lopez

cc - E-Mail Only:
Robert Brabston
Stacy Peterson
Ilene Lampitt
Brian Lipman
Karen Forbes
Matko Illic
Maura Caroselli
Loni Diaz
Carol Artale
Pamela Owen

**PSE&G - GAS SYSTEM MODERNIZATION PROGRAM
ATTACHMENT C - MONTHLY REPORT**

1) PSE&G's overall approved GSMP II Extension Rate Mechanism and Stipulated Base capital budget broken down by major categories, both budgeted and actual amounts.

GSMP II Extension Major Project Categories	Overall Approved Program
Replacement Main \$	\$ 599,808,000
Replacement Service \$	\$ 148,895,294
Regulator Elimination \$	\$ 3,296,705
Total	\$ 752,000,000

Sept. PTD Budget	Sept. PTD Actual
\$ 500,656,599	\$ 513,701,675
\$ 128,693,189	\$ 173,241,886
\$ 915,385	\$ 3,315,552
\$ 630,265,173	\$ 690,259,113

Stipulated Base II Major Project Categories	Overall Approved Program
Replacement Main \$	\$ 108,500,000
Replacement Service \$	\$ 24,933,000
Large Diameter HP Joints \$	-
GSMP Meter Reconstruction \$	\$ 16,967,000
Total	\$ 150,400,000

Sept. PTD Budget	Sept. PTD Actual
\$ 78,159,808	\$ 65,038,993
\$ 23,790,250	\$ 10,350,762
\$ -	\$ -
\$ 1,006,805	\$ 22,861,799
\$ 102,956,863	\$ 98,251,553

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project. Expenditures broken down by internal labor, materials, and other costs. Internal labor hours broken down by regular hours and overtime hours.

Expenditures Incurred To Date GSMP II Ext. Projects	Sept. PTD Actual Internal Labor \$	Sept. PTD Actual Material \$	Sept. PTD Actual Other \$	Sept. PTD Actual Total \$
Replacement Main	\$ 93,888,655	\$ 37,091,033	\$ 382,721,988	\$ 513,701,675
Replacement Service	\$ 30,713,610	\$ 7,028,376	\$ 135,499,899	\$ 173,241,886
Regulator Elimination	\$ 688,944	\$ 158,028	\$ 2,468,580	\$ 3,315,552
Total	\$ 125,291,209	\$ 44,277,437	\$ 520,690,467	\$ 690,259,113
GSMP II Internal Labor Hours				
Internal Labor - Regular Hours	1,180,138			
Internal Labor - Overtime Hours	334,060			

Amount to Plant In-Service
\$ 492,009,340
\$ 173,220,491
\$ 2,218,734
\$ 667,448,565

Expenditures Incurred To Date Stipulated Base II Ext. Projects	Sept. PTD Actual Internal Labor \$	Sept. PTD Actual Material \$	Sept. PTD Actual Other \$	Sept. PTD Actual Total \$
Replacement Main	\$ 4,540,580	\$ 2,401,877	\$ 58,096,535	\$ 65,038,993
Replacement Service	\$ 1,150,829	\$ 42,483	\$ 9,157,449	\$ 10,350,762
Large Diameter HP Joints	\$ -	\$ -	\$ -	\$ -
GSMP Meter Reconstruction	\$ 10,630,857	\$ 27,358	\$ 12,203,584	\$ 22,861,799
Total	\$ 16,322,266	\$ 2,471,718	\$ 79,457,569	\$ 98,251,553
Stip Base II Internal Labor Hours				
Internal Labor - Regular Hours	115,127			
Internal Labor - Overtime Hours	48,029			

Amount to Plant In-Service
\$ 61,508,365
\$ 10,349,602
\$ -
\$ 22,861,799
\$ 94,719,766

Danielle Lopez
Associate Counsel-Regulatory

Public Service Electric and Gas Company
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December 23, 2025

VIA ELECTRONIC MAIL ONLY

Sherrí Lewis, Board Secretary
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

**Re: NEXT PHASE OF THE PSE&G GAS SYSTEM MODERNIZATION PROGRAM
("GSMP II EXTENSION") MONTHLY REPORT – OCTOBER 2025**

Dear Secretary Lewis:

Attached hereto is Public Service Electric and Gas Company's ("PSE&G") monthly report for October 2025 on its Next Phase of the Gas System Modernization Program ("GSMP II").

GSMP II was approved by the New Jersey Board of Public Utilities (the "Board") by Order dated May 22, 2018 in BPU Docket No. GR17070776. That Order adopted a Stipulation pursuant to which PSE&G executed GSMP II. Subsequently on October 11, 2023, the Board issued an Order adopting a Stipulation to extend GSMP II under the terms and conditions described in the Stipulation ("GSMP II Extension" or the "Program"). This report is being filed pursuant to paragraph 41 of this Stipulation and is designed to address the first four items contained in its Attachment C.

The first three items are addressed in the attached materials. With regard to item 4, there were no funds or credits received from the United States government, the State of New Jersey, a county or a municipality, for work related to any of the Program projects.

Consistent with the Order issued by the Board in connection with In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being filed electronically with the Secretary of the Board and the Division of Rate Counsel. No paper copies will follow.

Very truly yours,

A handwritten signature in blue ink that reads "Danielle Lopez".

Danielle Lopez

cc - E-Mail Only:

Robert Brabston

Stacy Peterson

Ilene Lampitt

Brian Lipman

Karen Forbes

Matko Illic

Maura Caroselli

Loni Diaz

Carol Artale

Pamela Owen

**PSE&G - GAS SYSTEM MODERNIZATION PROGRAM
ATTACHMENT C - MONTHLY REPORT**

1) PSE&G's overall approved GSMP II Extension Rate Mechanism and Stipulated Base capital budget broken down by major categories, both budgeted and actual amounts.

GSMP II Extension Major Project Categories	Overall Approved Program
Replacement Main	\$ 599,808,000
Replacement Service	\$ 148,895,294
Regulator Elimination	\$ 3,296,705
Total	\$ 752,000,000

Oct. PTD Budget	Oct. PTD Actual
\$ 524,384,684	\$ 526,476,701
\$ 134,883,831	\$ 183,303,586
\$ 943,467	\$ 3,719,335
\$ 660,211,982	\$ 713,499,622

Stipulated Base II Major Project Categories	Overall Approved Program
Replacement Main	\$ 108,500,000
Replacement Service	\$ 24,933,000
Large Diameter HP Joints	\$ -
GSMP Meter Reconstruction	\$ 16,967,000
Total	\$ 150,400,000

Oct. PTD Budget	Oct. PTD Actual
\$ 84,753,726	\$ 89,568,364
\$ 25,556,328	\$ 14,234,484
\$ -	\$ -
\$ 1,006,805	\$ 25,117,228
\$ 111,316,859	\$ 128,920,076

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project. Expenditures broken down by internal labor, materials, and other costs. Internal labor hours broken down by regular hours and overtime hours.

Expenditures Incurred To Date GSMP II Ext. Projects	Oct. PTD Actual Internal Labor \$	Oct. PTD Actual Material \$	Oct. PTD Actual Other \$	Oct. PTD Actual Total \$
Replacement Main	\$ 99,284,566	\$ 38,256,437	\$ 388,935,699	\$ 526,476,701
Replacement Service	\$ 33,080,982	\$ 7,686,792	\$ 142,535,812	\$ 183,303,586
Regulator Elimination	\$ 810,088	\$ 191,254	\$ 2,717,993	\$ 3,719,335
Total	\$ 133,175,636	\$ 46,134,483	\$ 534,189,504	\$ 713,499,622
GSMP II Internal Labor Hours				
Internal Labor - Regular Hours	1,256,684			
Internal Labor - Overtime Hours	358,667			

Amount to Plant In-Service
\$ 502,877,151
\$ 183,282,191
\$ 2,557,464
\$ 688,716,807

Expenditures Incurred To Date Stipulated Base II Ext. Projects	Oct. PTD Actual Internal Labor \$	Oct. PTD Actual Material \$	Oct. PTD Actual Other \$	Oct. PTD Actual Total \$
Replacement Main	\$ 5,799,795	\$ 3,590,850	\$ 80,177,719	\$ 89,568,364
Replacement Service	\$ 1,345,934	\$ 51,521	\$ 12,837,029	\$ 14,234,484
Large Diameter HP Joints	\$ -	\$ -	\$ -	\$ -
GSMP Meter Reconstruction	\$ 11,605,604	\$ 32,995	\$ 13,478,629	\$ 25,117,228
Total	\$ 18,751,333	\$ 3,675,366	\$ 106,493,377	\$ 128,920,076
Stip Base II Internal Labor Hours				
Internal Labor - Regular Hours	132,314			
Internal Labor - Overtime Hours	56,102			

Amount to Plant In-Service
\$ 85,585,390
\$ 14,233,324
\$ -
\$ 25,117,228
\$ 124,935,942

Danielle Lopez
Associate Counsel-Regulatory

Public Service Electric and Gas Company
80 Park Plaza, T20, Newark, New Jersey 07102-4194
Email: danielle.lopez@pseg.com



February 27, 2026

VIA ELECTRONIC MAIL ONLY

Sherrí Lewis, Board Secretary
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

**Re: NEXT PHASE OF THE PSE&G GAS SYSTEM MODERNIZATION PROGRAM
("GSMP II EXTENSION") MONTHLY REPORT – REVISED NOVEMBER 2025**

Dear Secretary Lewis:

Attached hereto is Public Service Electric and Gas Company's ("PSE&G") monthly report for November 2025 on its Next Phase of the Gas System Modernization Program ("GSMP II").

GSMP II was approved by the New Jersey Board of Public Utilities (the "Board") by Order dated May 22, 2018 in BPU Docket No. GR17070776. That Order adopted a Stipulation pursuant to which PSE&G executed GSMP II. Subsequently on October 11, 2023, the Board issued an Order adopting a Stipulation to extend GSMP II under the terms and conditions described in the Stipulation ("GSMP II Extension" or the "Program"). This report is being filed pursuant to paragraph 41 of this Stipulation and is designed to address the first four items contained in its Attachment C.

The first three items are addressed in the attached materials. With regard to item 4, there were no funds or credits received from the United States government, the State of New Jersey, a county or a municipality, for work related to any of the Program projects.

Consistent with the Order issued by the Board in connection with In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being filed electronically with the Secretary of the Board and the Division of Rate Counsel. No paper copies will follow.

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**PSE&G - GAS SYSTEM MODERNIZATION PROGRAM
ATTACHMENT C - MONTHLY REPORT**

1) PSE&G's overall approved GSMP II Extension Rate Mechanism and Stipulated Base capital budget broken down by major categories, both budgeted and actual amounts.

GSMP II Extension Major Project Categories	Overall Approved Program
Replacement Main	\$ 599,808,000
Replacement Service	\$ 148,895,294
Regulator Elimination	\$ 3,296,705
Total	\$ 752,000,000

Nov. PTD Budget	Nov. PTD Actual
\$ 544,935,333	\$ 534,330,245
\$ 140,228,389	\$ 184,197,941
\$ 968,205	\$ 3,898,208
\$ 686,131,927	\$ 722,426,394

Stipulated Base II Major Project Categories	Overall Approved Program
Replacement Main	\$ 108,500,000
Replacement Service	\$ 24,933,000
Large Diameter HP Joints	\$ -
GSMP Meter Reconstruction	\$ 16,967,000
Total	\$ 150,400,000

Nov. PTD Budget	Nov. PTD Actual
\$ 91,618,614	\$ 104,977,944
\$ 27,257,842	\$ 26,864,174
\$ -	\$ -
\$ 1,006,805	\$ 28,044,346
\$ 119,883,261	\$ 159,886,464

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project. Expenditures broken down by internal labor, materials, and other costs. Internal labor hours broken down by regular hours and overtime hours.

Expenditures Incurred To Date GSMP II Ext. Projects	Nov. PTD Actual Internal Labor \$	Nov. PTD Actual Material \$	Nov. PTD Actual Other \$	Nov. PTD Actual Total \$
Replacement Main	\$ 101,390,339	\$ 38,534,310	\$ 394,405,596	\$ 534,330,245
Replacement Service	\$ 33,637,948	\$ 7,935,392	\$ 142,624,602	\$ 184,197,941
Regulator Elimination	\$ 857,753	\$ 223,814	\$ 2,816,640	\$ 3,898,208
Total	\$ 135,886,039	\$ 46,693,516	\$ 539,846,838	\$ 722,426,394
GSMP II Internal Labor Hours				
Internal Labor - Regular Hours	1,297,394			
Internal Labor - Overtime Hours	371,921			

Amount to Plant In-Service
\$ 509,045,809
\$ 184,158,577
\$ 2,737,060
\$ 695,941,446

Expenditures Incurred To Date Stipulated Base II Ext. Projects	Nov. PTD Actual Internal Labor \$	Nov. PTD Actual Material \$	Nov. PTD Actual Other \$	Nov. PTD Actual Total \$
Replacement Main	\$ 8,019,973	\$ 8,264,152	\$ 88,693,820	\$ 104,977,944
Replacement Service	\$ 3,260,589	\$ 1,030,619	\$ 22,572,966	\$ 26,864,174
Large Diameter HP Joints	\$ -	\$ -	\$ -	\$ -
GSMP Meter Reconstruction	\$ 12,929,123	\$ 34,714	\$ 15,080,508	\$ 28,044,346
Total	\$ 24,209,685	\$ 9,329,485	\$ 126,347,294	\$ 159,886,464
Stip Base II Internal Labor Hours				
Internal Labor - Regular Hours	162,235			
Internal Labor - Overtime Hours	66,675			

Amount to Plant In-Service
\$ 100,365,850
\$ 26,863,014
\$ -
\$ 28,044,346
\$ 155,273,210

Danielle Lopez
Associate Counsel-Regulatory

Public Service Electric and Gas Company
80 Park Plaza, T20, Newark, New Jersey 07102-4194
Email: danielle.lopez@pseg.com



February 27, 2026

VIA ELECTRONIC MAIL ONLY

Sherrí Lewis, Board Secretary
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

**Re: NEXT PHASE OF THE PSE&G GAS SYSTEM MODERNIZATION PROGRAM
("GSMP II EXTENSION") MONTHLY REPORT – DECEMBER 2025 - 2nd REVISED**

Dear Secretary Lewis:

Attached hereto is Public Service Electric and Gas Company's ("PSE&G") monthly report for December 2025 on its Next Phase of the Gas System Modernization Program ("GSMP II").

GSMP II was approved by the New Jersey Board of Public Utilities (the "Board") by Order dated May 22, 2018 in BPU Docket No. GR17070776. That Order adopted a Stipulation pursuant to which PSE&G executed GSMP II. Subsequently on October 11, 2023, the Board issued an Order adopting a Stipulation to extend GSMP II under the terms and conditions described in the Stipulation ("GSMP II Extension" or the "Program"). This report is being filed pursuant to paragraph 41 of this Stipulation and is designed to address the first four items contained in its Attachment C.

The first three items are addressed in the attached materials. With regard to item 4, there were no funds or credits received from the United States government, the State of New Jersey, a county or a municipality, for work related to any of the Program projects.

Consistent with the Order issued by the Board in connection with In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being filed electronically with the Secretary of the Board and the Division of Rate Counsel. No paper copies will follow.

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**PSE&G - GAS SYSTEM MODERNIZATION PROGRAM
ATTACHMENT C - MONTHLY REPORT**

1) PSE&G's overall approved GSMP II Extension Rate Mechanism and Stipulated Base capital budget broken down by major categories, both budgeted and actual amounts.

GSMP II Extension Major Project Categories	Overall Approved Program
Replacement Main	\$ 599,808,000
Replacement Service	\$ 148,895,294
Regulator Elimination	\$ 3,296,705
Total	\$ 752,000,000

Dec. PTD Budget	Dec. PTD Actual
\$ 563,223,284	\$ 547,486,925
\$ 144,656,441	\$ 186,866,498
\$ 991,274	\$ 3,971,646
\$ 708,870,999	\$ 738,325,069

Stipulated Base II Major Project Categories	Overall Approved Program
Replacement Main	\$ 108,500,000
Replacement Service	\$ 24,933,000
Large Diameter HP Joints	\$ -
GSMP Meter Reconstruction	\$ 16,967,000
Total	\$ 150,400,000

Dec. PTD Budget	Dec. PTD Actual
\$ 99,029,798	\$ 106,373,630
\$ 29,124,399	\$ 36,841,124
\$ -	\$ -
\$ 1,006,805	\$ 30,451,301
\$ 129,161,002	\$ 173,666,054

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project. Expenditures broken down by internal labor, materials, and other costs. Internal labor hours broken down by regular hours and overtime hours.

Expenditures Incurred To Date GSMP II Ext. Projects	Dec. PTD Actual Internal Labor \$	Dec. PTD Actual Material \$	Dec. PTD Actual Other \$	Dec. PTD Actual Total \$
Replacement Main	\$ 103,078,559	\$ 38,893,186	\$ 405,515,181	\$ 547,486,925
Replacement Service	\$ 34,473,139	\$ 8,175,989	\$ 144,217,370	\$ 186,866,498
Regulator Elimination	\$ 867,294	\$ 242,636	\$ 2,861,715	\$ 3,971,646
Total	\$ 138,418,992	\$ 47,311,811	\$ 552,594,266	\$ 738,325,069
GSMP II Internal Labor Hours				
Internal Labor - Regular Hours	1,322,465			
Internal Labor - Overtime Hours	377,204			

Amount to Plant In-Service
\$ 521,157,430
\$ 186,827,134
\$ 2,796,346
\$ 710,780,910

Expenditures Incurred To Date Stipulated Base II Ext. Projects	Dec. PTD Actual Internal Labor \$	Dec. PTD Actual Material \$	Dec. PTD Actual Other \$	Dec. PTD Actual Total \$
Replacement Main	\$ 10,034,157	\$ 9,325,545	\$ 87,013,928	\$ 106,373,630
Replacement Service	\$ 5,002,418	\$ 1,379,602	\$ 30,459,104	\$ 36,841,124
Large Diameter HP Joints	\$ -	\$ -	\$ -	\$ -
GSMP Meter Reconstruction	\$ 14,003,223	\$ 37,026	\$ 16,411,052	\$ 30,451,301
Total	\$ 29,039,799	\$ 10,742,172	\$ 133,884,083	\$ 173,666,054
Stip Base II Internal Labor Hours				
Internal Labor - Regular Hours	192,311			
Internal Labor - Overtime Hours	75,374			

Amount to Plant In-Service
\$ 101,228,469
\$ 36,839,964
\$ -
\$ 30,451,301
\$ 168,519,734

PSE&G Gas System Modernization II Extension Program (GSMP II Extension)
Capital Expenditures

Schedule COB-GSMP II Extension-3

Roll-In #	3		3		3		3		3		3		Program Total
	Actual	Actual	Actual	Forecast									
	2025 Nov-25	2025 Dec-25	2026 Jan-26	2026 Feb-26	2026 Mar-26	2026 Apr-26	2026 Apr-26	2026 Apr-26	2026 May-26	2026 May-26	2026 May-26		
Miles of Main Replaced	-	-	-	-	-	-	-	-	-	-	-	-	404
<u>GSMP II Extension - Total Program</u>													
Direct Install	\$ 7,586,556	\$ 14,839,465	\$ 7,257,319	\$ 98,634	\$ 102,829	\$ 2,410,070	\$ 2,410,070	\$ 2,410,070	\$ 2,408,052	\$ 2,408,052	\$ 2,408,052	\$ 2,408,052	\$723,057,814
COR (less Salvage)	\$ 1,379,789	\$ 1,059,210	\$ 1,197,650	\$ 1,840	\$ 2,163	\$ 100,598	\$ 100,598	\$ 100,598	\$ 95,777	\$ 95,777	\$ 95,777	\$ 95,777	\$28,942,186
Total	\$ 8,966,345	\$ 15,898,675	\$ 8,454,969	\$ 100,474	\$ 104,992	\$ 2,510,668	\$ 2,510,668	\$ 2,510,668	\$ 2,503,829	\$ 2,503,829	\$ 2,503,829	\$ 2,503,829	\$752,000,000
<u>GSMP II Extension - Mains</u>													
Direct Install	\$ 6,507,081	\$ 4,878,617	\$ 5,561,195	\$ 45,570	\$ 54,356	\$ 2,410,070	\$ 2,410,070	\$ 2,410,070	\$ 2,408,052	\$ 2,408,052	\$ 2,408,052	\$ 2,408,052	\$472,550,199
COR (less Salvage)	\$ 1,372,171	\$ 1,045,057	\$ 1,197,530	\$ 1,698	\$ 2,025	\$ 100,598	\$ 100,598	\$ 100,598	\$ 95,777	\$ 95,777	\$ 95,777	\$ 95,777	\$27,727,122
Total	\$ 7,879,251	\$ 5,923,674	\$ 6,758,725	\$ 47,268	\$ 56,381	\$ 2,510,668	\$ 2,510,668	\$ 2,510,668	\$ 2,503,829	\$ 2,503,829	\$ 2,503,829	\$ 2,503,829	\$500,277,322
<u>GSMP II Extension - Services</u>													
Direct Install	\$ 1,135,671	\$ 9,960,221	\$ 1,696,124	\$ 45,657	\$ 44,297	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$224,719,087
COR (less Salvage)	\$ (1,153,530)	\$ -	\$ -	\$ (17,531)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$21,833
Total	\$ (17,858)	\$ 9,960,221	\$ 1,696,124	\$ 28,126	\$ 44,297	\$ -	\$224,740,920						
<u>GSMP II Extension - Regulators</u>													
Direct Install	\$ (56,196)	\$ 627	\$ -	\$ 7,548	\$ 4,313	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$25,788,806
COR (less Salvage)	\$ 1,161,147	\$ 14,153	\$ 120	\$ 17,531	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,192,951
Total	\$ 1,104,951	\$ 14,780	\$ 120	\$ 25,079	\$ 4,313	\$ -	\$26,981,758						
<u>Stipulated Base Spend</u>													
Direct Install	\$ 30,395,231	\$ 13,246,524	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$168,539,169
COR (less Salvage)	\$ 571,191	\$ 533,066	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$5,126,921
Total	\$ 30,966,423	\$ 13,779,590	\$ -	\$173,666,090									
<u>Baseline Spend</u>													
Direct Install	\$ 22,479,376	\$ 35,014,878	\$ 33,447,893	\$ 15,590,342	\$ 17,093,147	\$ 28,285,408	\$ 28,285,408	\$ 28,285,408	\$ 33,035,166	\$ 33,035,166	\$ 33,035,166	\$ 33,035,166	\$971,321,906
COR (less Salvage)	\$ 2,029,215	\$ 2,471,898	\$ 2,105,034	\$ 1,730,824	\$ 1,984,018	\$ 2,772,678	\$ 2,772,678	\$ 2,772,678	\$ 2,617,647	\$ 2,617,647	\$ 2,617,647	\$ 2,617,647	\$78,539,666
Total	\$ 24,508,591	\$ 37,486,776	\$ 35,552,927	\$ 17,321,166	\$ 19,077,165	\$ 31,058,085	\$ 31,058,085	\$ 31,058,085	\$ 35,652,813	\$ 35,652,813	\$ 35,652,813	\$ 35,652,813	\$1,049,861,572

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

**In the Matter of the Petition of Public Service Electric and
Gas Company for Approval of the Next Phase of the Gas
System Modernization Program and Associated Cost
Recovery Mechanism (“GSMP II Extension”)
(February 2026 GSMP II Extension Rate Filing)**

BPU Docket No. _____

DIRECT TESTIMONY

OF

**STEPHEN SWETZ
SR. DIRECTOR – CORPORATE RATES AND
REVENUE REQUIREMENTS**

February 27, 2026

ATTACHMENT 2

1 **PUBLIC SERVICE ELECTRIC AND GAS COMPANY**
2 **DIRECT TESTIMONY**
3 **OF**
4 **STEPHEN SWETZ**
5 **SR. DIRECTOR – CORPORATE RATES AND REVENUE REQUIREMENTS**

6 **Q. Please state your name, affiliation and business address.**

7 A. My name is Stephen Swetz, and I am the Senior Director – Corporate Rates and
8 Revenue Requirements for PSEG Services Corporation. My credentials are set forth in the
9 attached Schedule SS-GSMPII Extension-1.

10 **Q. Please describe your responsibilities as the Sr. Director – Corporate Rates and**
11 **Revenue Requirements for PSEG Services Corporation.**

12 A. As the Senior Director of Corporate Rates and Revenue Requirements, I plan, develop,
13 and direct Public Service Electric and Gas Company’s (“PSE&G”, “the Company”) electric
14 and gas retail pricing strategies, retail rate design, embedded and marginal cost studies, and
15 tariff provisions. I also direct the calculation of revenue requirements for PSE&G’s base rates
16 as well as that for all the Company’s cost recovery clauses. Acting as a key regulatory resource
17 to PSE&G on regulatory matters, strategies and policies, I have testified in many cases and
18 negotiated settlements on rate design, cost of service, recovery clauses including renewable
19 and energy efficiency cost recovery, and base rates.

20 **Q. What is the purpose of your testimony in this proceeding?**

21 A. The purpose of my testimony is to support PSE&G’s proposed change in base rates to
22 recover the Gas System Modernization II Extension Program’s (“GSMP II Extension” or
23 “Program”) revenue requirement through the GSMP II Extension Rate Mechanism approved
24 by the Board of Public Utilities (“Board” or “BPU”), in Docket No. GR23030102 on October

ATTACHMENT 2

1 11, 2023, and as described in paragraphs 29 through 38 of GSMP II's Stipulation of Settlement
2 in Docket No. GR17070776, which was Board approved on May 22, 2018 ("GSMP II Order").
3 The GSMP II Extension includes continued investment in PSE&G's gas distribution system,
4 continued use of the accelerated rate recovery mechanism established in the GSMP II
5 Stipulation, including rate adjustments for investments included in the GSMP II Rate
6 Mechanism. In the GSMP II Extension Order, the Board adopted a Stipulation (the "GSMP II
7 Extension Stipulation") that authorizes three (3) rate adjustments with the first two (2) rate
8 adjustments to be made during the two (2)-year term of the GSMP II Extension in accordance
9 with the parameters set forth in the Stipulation and a third rate adjustment to capture GSMP II
10 Extension close out work as referenced in Paragraph 35 of the Stipulation. This filing is
11 PSE&G's third of the three (3) rate adjustments permitted under the Program.

12 The proposed GSMP II Extension revenue requirements are based upon the actual costs
13 of engineering, design and construction, cost of removal (net of salvage) and property
14 acquisition, including actual labor, materials, overhead, and any capitalized Allowance for
15 Funds Used During Construction ("AFUDC") on GSMP II Extension projects. As specified
16 in more detail below, the Board-approved revenue requirement formula for the GSMP II
17 Extension Rate Mechanism allows the Company to recover a return of and on its GSMP II
18 Extension investment costs, less an agreed upon expense reduction adjustment and any tax
19 adjustment for flow-through items or any tax law changes codified by the IRS, the State of
20 New Jersey, or any other taxing authority. This testimony provides an overview of the cost
21 recovery mechanism along with a description of the revenue requirement calculations and rate
22 design mechanism.

1 **COST RECOVERY MECHANISM**

2 **Q. Please briefly describe PSE&G's proposed cost recovery.**

3 A. PSE&G is proposing to recover the annual revenue requirement associated with the
4 Program consistent with the GSMP II Extension Rate Mechanism approved in paragraph 38
5 of the GSMP II Order. The proposed revenue requirement is based on expected plant in-
6 service and cost of removal expenditures that have not been included in a prior rate
7 adjustment. The expenditures are based on actual results from November 1, 2025 through
8 January 31, 2026 and a forecast thereafter through May 31, 2026. The forecast from
9 February 1, 2026 through May 31, 2026 will be trued-up with actual results and filed by June
10 21, 2026.

11 **Q. What is the forecasted annual revenue requirement increase being proposed for**
12 **this GSMP II Extension roll-in filing?**

13 A. The Company's forecasted annual revenue requirement increase of \$3.9 million is
14 based upon the previously discussed actual and forecasted capital expenditures and assuming
15 adjusted base rates go into effect September 1, 2026. The revenue requirement increase is
16 calculated in Schedule SS-GSMP II Extension-2.

17 **Q. How is the revenue requirement calculated?**

18 A. The GSMP II Extension revenue requirement is calculated using the following formula
19 approved by the Board in, paragraph 38, the GSMP II Order:

20 Revenue Requirements = ((GSMP II Extension Rate Mechanism Rate Base *
21 After Tax WACC) + Depreciation Expense (net of tax) + Expense Adjustment
22 + Tax Adjustments) * Revenue Factor

ATTACHMENT 2

1 **Q. How is the GSMP II Extension Rate Base calculated?**

2 A. Per the GSMP II Order, the GSMP II Extension Rate Base is calculated as the GSMP
3 II Extension Investment Costs less Accumulated Depreciation and less Accumulated Deferred
4 Income Taxes (“ADIT”). The GSMP II Extension Investment Costs for this filing consist of
5 actual plant placed into service from November 1, 2025 through January 31, 2026 and a
6 forecast of capital expenditures expected to be placed in service by May 31, 2026. For details
7 on the GSMP II Extension Investment Costs, see Schedule COB-GSMPII Extension-3.
8 Accumulated Depreciation is the sum of the depreciation expense incurred from the date the
9 GSMP II Extension projects are placed into service and through the effective date of the base
10 rate change. The GSMP II Extension Order anticipates the filing will result in rates effective
11 September 1, 2026, so the Accumulated Depreciation in the filing is through August 31, 2026.
12 Consistent with the calculation of Accumulated Depreciation, ADIT is also calculated through
13 August 31, 2026.

14 **Q. What is the Weighted Average Cost of Capital (“WACC”) utilized in the**
15 **calculation of the revenue requirement?**

16 A. Per the GSMP II Order, paragraph 38, the WACC for the GSMP II Rate Mechanism is
17 based upon the authorized return on equity (“ROE”) and capital structure including income tax
18 effects decided by the Board in the Company’s most recently approved base rate case
19 proceeding. In October 2024, the Board approved the Company’s 2023 base rate case¹, which
20 set the WACC at 7.07%, or 6.57% on an after-tax basis, based on a return on equity of 9.60%

¹ In The Matter of The Petition of Public Service Electric And Gas Company For Approval of An Increase In Electric And Gas Rates And For Changes In The Tariffs For Electric And Gas Service, B.P.U.N.J. No. 17 Electric And B.P.U.N.J. No. 17 Gas, And For Changes In Depreciation Rates, Pursuant To N.J.S.A. 48:2-18, N.J.S.A. 48:2-21 And N.J.S.A. 48:2- 21.1, And For Other Appropriate Relief.

ATTACHMENT 2

1 and a cost of long-term debt of 3.98%. This WACC is utilized in the GSMPII Extension Rate
2 Mechanism consistent with the GSMP II Order. For the calculation of the WACC and after-
3 tax WACC, see Schedule SS-GSMPII Extension-3.

4 **Q. How is the depreciation expense net of tax calculated?**

5 A. Depreciation expense is calculated as Gross Plant in-service multiplied by the
6 applicable annual depreciation rate for the assets being placed into service. The GSMP II Order
7 specified the depreciation rates would be based on the depreciation rates applied to the same
8 asset in current base rates. The Company's 2023 base rate case maintained the existing
9 depreciation rates by asset class as previously approved in the Company's 2018 base rate case
10 proceeding. The asset classes applicable to the GSMP II Extension investment are mains,
11 services and regulators. The depreciation rates for mains, services, and regulators are 1.39%,
12 1.81%, and 3.27% respectively, as re-established in the 2023 base rate case and are applicable
13 to the GSMP II Extension plant placed into service. Since the net revenue requirement for the
14 roll-in will be grossed up by the revenue factor in the revenue requirement formula approved
15 by the Board, the depreciation expense must also be calculated net of tax. The tax basis
16 associated with the depreciation expense is calculated as direct in-service expenditures plus
17 any CWIP capital expenditures transferred into service, plus the debt component of any
18 AFUDC transferred into service. The depreciation expense net of tax is calculated as the
19 annual depreciation expense less the tax associated with the depreciation expense as described
20 above. The equity portion of the AFUDC transferred into service is not recognized in the tax
21 basis of the plant transferred into service. As a result, there is no tax depreciation expense
22 associated with that portion of Plant In-Service. Therefore, the depreciation expense net of tax

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1 must be multiplied by the revenue factor to recover the tax gross-up related to the AFUDC-
2 equity. The Company currently does not anticipate any CWIP related capital expenditures
3 associated with GSMP II Extension and therefore no anticipated AFUDC is expected.

4 **Q. What is the Expense Adjustment?**

5 A. The Expense Adjustment captures the estimated O&M savings related to leak
6 reductions, partially offset by the expenses related to leak detection surveying. In accordance
7 with paragraph 37(a) of the Stipulation (approved in the GSMP II Extension Order) the
8 replacement of 400 miles of main resulted in an O&M saving of \$1.5 million for the entire
9 program, amounting to \$3,771 per mile, which was incorporated into the first two rate
10 adjustments based upon the miles of main placed into service related to each rate roll-in. Since
11 the required 400 miles of main were replaced and in service by October 31, 2025, and were
12 included in the Company's prior rate adjustment submissions, no additional O&M savings is
13 included herein.

14 In accordance with paragraph 37(b), the Company conducted leak detection surveying.
15 The total leak detection surveying cost for the GSMP II Extension program was \$20,087 and
16 has been amortized over two years that began in the first rate adjustment filing. There are no
17 future additional leak detection surveying costs to be recovered in this program and as such no
18 expense adjustment has been included in this filing. See Schedule SS-GSMPII Extension-2.

19 **Q. What is the Tax Adjustment?**

20 A. The Tax Adjustment captures the effects of any flow through items associated with the
21 GSMP II Extension investment that is not included in the Company's Tax Adjustment Credit

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1 and any tax law changes codified by the IRS, the State of New Jersey, or any other taxing
2 authority.

3 **Q. Does the Company anticipate a Tax Adjustment in this GSMP II Extension Rate**
4 **Mechanism?**

5 A. There are currently no flow-through items or tax law changes applicable to the GSMP
6 II Extension Program.

7 **Q. What is the Revenue Factor?**

8 A. The Revenue Factor adjusts the revenue requirement net of tax for federal and state
9 income taxes and the costs associated with the BPU and Division of Rate Counsel (RC) Annual
10 Assessments. The BPU/RC Assessment Expenses consist of payments, based upon a
11 percentage of revenues collected (updated annually), to the State based on the electric and gas
12 intrastate operating revenues for the utility. The Company has utilized the BPU assessment
13 rate based on the 2026 fiscal year of 0.22%. The Company has not yet received the 2026 fiscal
14 year RC assessment rate and as a result the rate is based on the 2025 fiscal year assessment
15 rates of 0.05%. The Company will update the RC assessment rate in its update for actual results
16 through May 31, 2026. See Schedule SS-GSMPII Extension-4 for the calculation of the
17 revenue factor.

18 **Q. Have you included any risk and contingency in the proposed revenue**
19 **requirements?**

20 A. No. While PSE&G's detailed calculations typically include risk and contingency
21 applied to the forecasted period, the current forecast is without risk and contingency and results
22 in the completion of the full \$752 million board-approved budget for this filing. Any forecasted

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1 amounts, however, will be trued up with actual results, and the updated revenue requirements
2 that will be submitted by June 21, 2026.

3 **Q. Have you provided the detailed calculations supporting the revenue**
4 **requirements?**

5 A. Yes. The detailed calculations supporting the revenue requirement calculation
6 described above are provided in electronic workpapers WP-SS-GSMPII Extension-1.xlsx.

7 **RATE DESIGN**

8 **Q. What rate design is the Company proposing to use for this base rate adjustment?**

9 A. The proposed gas base rate adjustments use the rate design methodology in the latest
10 Board approved electric and gas base rate case proceeding. In accordance with paragraph 38
11 of the Stipulation approved in the GSMP II Extension Order, the billing determinants utilize
12 the weather normalized annualized billing determinants from the latest Board approved gas
13 base rate case, which are based on June 2023 through May 2024 as described in Paragraph 39
14 of the GSMP II Stipulation.

15 The detailed calculations supporting the rate design are shown in Schedule SS-GSMPII
16 Extension-5. This schedule contains the proposed base rates as a result of the GSMP II
17 Extension proposed base rate adjustment effective for September 1, 2026.

18 **Q. What are the anticipated rate impacts to the typical residential customer?**

19 A. Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG)
20 charges in effect as of February 1, 2026, the annual average bill impacts of the rates requested
21 are set forth in Schedule SS-GSMPII Extension-6.

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1 The impact of the proposed rates to the typical residential gas heating customers using
2 172 therms in a winter month and 1,040 therms annually would be an increase in the average
3 monthly bill from \$106.07 to \$106.24 or \$0.17 or approximately 0.2% (based upon Delivery
4 Rates and BGSS-RSG charges in effect as of February 1, 2026, and assuming that the customer
5 receives BGSS service from PSE&G).

6 **Q. Are there additional criteria required for the Company to request a rate**
7 **adjustment?**

8 A. Yes. In paragraph 29 and associated footnote 13, of the GSMP II Extension Stipulation,
9 the Parties agreed that a rate adjustment must include a minimum investment level of 10% of
10 the total amount authorized to be recovered via the GSMP II Extension Rate Mechanism. The
11 Signatory Parties, however, acknowledge that the third-rate adjustment is not subject to the
12 10% minimum investment provision as the charges being sought are for GSMP II Extension
13 close out charges. In addition, while not part of the GSMP II Order, the Infrastructure
14 Investment Program (“IIP”) regulations require an earnings test with a cost recovery request.

15 **Q. Does the Company anticipate meeting the at least 10% of GSMP Rate Mechanism**
16 **investment threshold?**

17 A. No. The third-rate adjustment is not subject to the 10% minimum investment provision
18 as the charges being sought are for GSMP II Extension close out charges.

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1 **Q. What is the earnings test for IIP programs?**

2 A. The IIP states in paragraph 14:3-2A.6(i): “For any Infrastructure Investment Program
3 approved by the Board, if the calculated ROE exceeds the allowed ROE from the utility's last
4 base rate case by 50 basis points or more, accelerated recovery shall not be allowed for the
5 applicable filing period.”

6 **Q. Does the IIP specify how the earnings test should be calculated?**

7 A. Yes. In paragraph 14:3-2A.6(h), the IIP states: “An earnings test shall be required,
8 where Return on Equity (“ROE”) shall be determined based on the actual net income of the
9 utility for the most recent 12-month period divided by the average of the beginning and ending
10 common equity balances for the corresponding period.”

11 **Q. How was common equity calculated for the earnings test?**

12 A. The Company will use the common equity balance from its financial statements filed
13 with FERC and/or the BPU, on the same basis that it prepares its annual audited FERC Form
14 I. Since the Company’s common equity balance is for all of PSE&G, the Company will
15 calculate the Gas allocation of common equity as the percentage of Gas Net Plant compared to
16 total PSE&G Net Plant, excluding Construction Work in Progress, from the same financial
17 statements used to determine PSE&G common equity.

18 **Q. How is Net Income calculated for the earnings test?**

19 A. Net Income is calculated as the Company’s operating expenses less Interest Expense,
20 which is included in Operating Income. The Net Income calculation excludes earnings from
21 the Company’s Green Programs, which are also excluded from the Company’s rate base.

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1 **Q. What time period is utilized for the earnings test?**

2 A. The earnings test for this filing is based on the 12-month period of April 1, 2025 through
3 March 31, 2026. Given the Company will update its filing for actual results through May 31,
4 2026, any estimates contained in the earnings test will be replaced with actual results through
5 March 31, 2026 as soon as possible after the final financials are submitted to with FERC and/or
6 the BPU.

7 **Q. What are the results of your earnings test?**

8 A. The Company estimates its ROE for purposes of the earnings test is 8.50%. This is
9 below the ROE threshold in the IIP of 10.1%, and therefore the Company's earnings do not
10 preclude the rate roll-in in this case. The Company will update the earnings test for actual
11 results after the final financials are submitted to the FERC and/or the BPU. Please see Schedule
12 SS-GSMPII Extension-7 for the earnings test calculation.

13 **Q. Does this conclude your testimony?**

14 A. Yes, it does.

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SCHEDULE INDEX

Schedule SS-GSMPII Extension-1	Credentials
Schedule SS-GSMPII Extension-2	Gas Revenue Requirement Calculation
Schedule SS-GSMPII Extension-3	Weighted Average Cost of Capital (WACC)
Schedule SS-GSMPII Extension-4	Revenue Factor Calculation
Schedule SS-GSMPII Extension-5	Gas Proof of Revenue
Schedule SS-GSMPII Extension-6	Gas Typical Residential Bill Impacts
Schedule SS-GSMPII Extension-7	Earnings Test

ELECTRONIC WORKPAPER INDEX

WP-SS-GSMPII Extension-1.xlsx

1 other filings, including unbundling electric rates and Off-Tariff Rate Agreements. I have
2 had a leadership role in various economic analyses, asset valuations, rate design, pricing
3 efforts and cost of service studies.

4 I am an active member of the American Gas Association's Rate and Strategic
5 Issues Committee, the Edison Electric Institute's Rates and Regulatory Affairs Committee
6 and the New Jersey Utility Association (NJUA) Finance and Regulatory Committee.

7 **EDUCATIONAL BACKGROUND**

8 I hold a B.S. in Mechanical Engineering from Worcester Polytechnic
9 Institute and an MBA from Fairleigh Dickinson University.

LIST OF PRIOR TESTIMONIES

Company	Utility	Docket	Testimony	Date	Case / Topic
Public Service Electric & Gas Company	G	TBD	written	Feb-26	GSMP II Extension / Cost Recovery
Public Service Electric & Gas Company	E/G	ER25100577 & GR25100578	written	Oct-25	Tax Adjustment Clauses (TACs)
Public Service Electric & Gas Company	E	ER25100568	written	Oct-25	Clean Energy Future - Electric Vehicle (CEF-EV) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER25100554 & GR25100555	written	Oct-25	Infrastructure Advancement Program (IAP) - Second Gas Roll-In and Third Electric Roll-in
Public Service Electric & Gas Company	G	GR25080463	written	Aug-25	GSMP II Extension / Cost Recovery
Public Service Electric & Gas Company	E/G	ER25060369 & GR25060370	written	Jun-25	Green Programs Recovery Charge (GPRC)-Including CA, EEE, EEE Ext, S4A, SLII, S4AE, SLIII, EEE Ext 2, S4AEII, EE2017, CEF-EE, CEF-EII, CSEP, SuSI and TREC
Public Service Electric & Gas Company	E	ER25060366	written	Jun-25	SPRC 2025
Public Service Electric & Gas Company	G	GR25050312	written	May-25	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	G	GR25050311	written	May-25	Conservation Incentive Program (GCIPI)
Public Service Electric & Gas Company	E	ER25020032	written	Feb-25	Electric Conservation Incentive Program (ECIP)
Public Service Electric & Gas Company	G	GR25020033	written	Feb-25	GSMP II Extension / Cost Recovery
Public Service Electric & Gas Company	E/G	ER24120878	written	Dec-24	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E	ER24120878	written	Dec-24	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER24110838 and GR24110839	written	Nov-24	Infrastructure Advancement Program (IAP) - First Gas Roll-In and Second Electric Roll-in
Public Service Electric & Gas Company	E/G	ER24070484 and GR24070490	written	Jun-24	Green Programs Recovery Charge (GPRC)-Including CA, EEE, EEE Ext, S4A, SLII, S4AE, SLIII, EEE Ext 2, S4AEII, EE2017, CEF-EE, CSEP, SuSI and TREC
Public Service Electric & Gas Company	E	ER24060375	written	Jun-24	SPRC 2024
Public Service Electric & Gas Company	G	GR24060369	written	Jun-24	Conservation Incentive Program (GCIPI)
Public Service Electric & Gas Company	G	GR24060375	written	Jun-24	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E	ER24020073	written	Feb-24	Electric Conservation Incentive Program (ECIP)
Public Service Electric & Gas Company	E/G	ER23120924 & GR23120925	written	Dec-23	Base Rate Proceeding / Cost of Service & Rate Design
Public Service Electric & Gas Company	E/G	QO23120874	written	Dec-23	Clean Energy Future - Energy Efficiency II Program
Public Service Electric & Gas Company	E/G	G018101112 and E018101113	written	Nov-23	Clean Energy Future - Energy Efficiency Extension 2 Program
Public Service Electric & Gas Company	E	ER23110783	written	Nov-23	Infrastructure Advancement Program (IAP) - First Roll-In
Public Service Electric & Gas Company	E/G	ER23050273	written	Nov-23	Energy Strong II Program (Energy Strong II) - Fifth Roll-In
Public Service Electric & Gas Company	E/G	ER - 23090634 & GR - 23090635	written	Sep-23	Tax Adjustment Clauses (TACs)
Public Service Electric & Gas Company	E/G	GR23070448	written	Jul-23	COVID-19 Filing
Public Service Electric & Gas Company	E/G	ER23070423 & GR23070424	written	Jul-23	Green Programs Recovery Charge (GPRC)-Including CA, EEE, EEE Ext, S4A, SLII, S4AE, SLIII, EEE Ext 2, S4AEII, EE2017, and CEF-EE
Public Service Electric & Gas Company	E	ER - ER23060412	written	Jul-23	SPRC 2023
Public Service Electric & Gas Company	G	GR23060330	written	Jun-23	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	G	GR23060332	written	Jun-23	Conservation Incentive Program (GCIPI)
Public Service Electric & Gas Company	E	ER23050273	written	May-23	Energy Strong II Program (Energy Strong II) - Fourth Roll-In
Public Service Electric & Gas Company	G	GR23030102	written	Mar-23	Gas System Modernization Program III (GSMP III)
Public Service Electric & Gas Company	E	ER23020061	written	Feb-23	Electric Conservation Incentive Program (ECIP)
Public Service Electric & Gas Company	E/G	GR23010050	written	Jan-23	Remediation Adjustment Charge-RAC 30
Public Service Electric & Gas Company	E/G	GR23010009 and ER23010010	written	Jan-23	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	G	GR22120749	written	Dec-22	Gas System Modernization Program II (GSMP II) - Eighth Roll-In
Public Service Electric & Gas Company	E/G	ER22110669 & GR22110670	written	Nov-22	Energy Strong II Program (Energy Strong II) - Third Roll-In
Public Service Electric & Gas Company	E/G	ER22100667 & GR22100668	written	Oct-22	Tax Adjustment Clauses (TACs)
Public Service Electric & Gas Company	E/G	E018101113 & G018101112	written	Sep-22	Clean Energy Future - Energy Efficiency Extension Program
Public Service Electric & Gas Company	E/G	ER22070413 & GR22070414	written	Jul-22	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, EE17, S4AI, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	E	ER22060408	written	Jul-22	SPRC 2022
Public Service Electric & Gas Company	G	GR22060409	written	Jun-22	Gas System Modernization Program II (GSMP II) - Seventh Roll-In
Public Service Electric & Gas Company	G	GR22060367	written	Jun-22	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	G	GR22060362	written	Jun-22	Conservation Incentive Program (GCIPI)
Public Service Electric & Gas Company	E/G	GR22030152	written	Mar-22	Remediation Adjustment Charge-RAC 29
Public Service Electric & Gas Company	E	ER22020035	written	Feb-22	Electric Conservation Incentive Program (ECIP)
Public Service Electric & Gas Company	G	GR21121256	written	Dec-21	Gas System Modernization Program II (GSMP II) - Sixth Roll-In
Public Service Electric & Gas Company	E	ER21121242	written	Dec-21	Solar Successor Incentive Program (SuSI)
Public Service Electric & Gas Company	E/G	E021111211 & G021111212	written	Nov-21	Infrastructure Advancement Program (IAP)
Public Service Electric & Gas Company	E/G	ER21111209 & GR21111210	written	Nov-21	Energy Strong II Program (Energy Strong II) - Second Roll-In
Public Service Electric & Gas Company	E/G	ER21101201 & GR21101202	written	Oct-21	Tax Adjustment Clauses (TACs)
Public Service Electric & Gas Company	E/G	ER21070965 & GR21070966	written	Jul-21	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, EE17, S4AI, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	G	ER21060952	written	Jun-21	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	G	GR21060949	written	Jun-21	Gas System Modernization Program II (GSMP II) - Fifth Roll-In
Public Service Electric & Gas Company	E	ER21060948	written	Jun-21	SPRC 2021
PSEG New Haven LLC	PSEG New Haven LLC	21-06-40	written	Jun-21	PSEG 2022 AFRR
Public Service Electric & Gas Company	G	GR21060882	written	Jun-21	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E	ER21050859	written	May-21	Community Solar Cost Recovery
Public Service Electric & Gas Company	G	GR20120771	written	Dec-20	Gas System Modernization Program II (GSMP II) - Forth Roll-In
Public Service Electric & Gas Company	E/G	GR20120763	written	Dec-20	Remediation Adjustment Charge-RAC 28
Public Service Electric & Gas Company	E	ER20120736	written	Nov-20	Energy Strong II Program (Energy Strong II) - First Roll-In
Public Service Electric & Gas Company	E/G	ER20100685 & GR20100686	written	Oct-20	Tax Adjustment Clauses (TACs)
Public Service Electric & Gas Company	E	ER20100658	written	Oct-20	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER20060467 & GR20060468	written	Jun-20	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, EE17, S4AI, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	G	GR20060464	written	Jun-20	Gas System Modernization Program II (GSMP II) - Third Roll-In
Public Service Electric & Gas Company	E	ER20060454	written	Jun-20	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR20060470	written	Jun-20	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	G	GR20060384	written	Jun-20	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E	ER20040324	written	Apr-20	Transitional Renewable Energy Certificate Program (TREC)
Public Service Electric & Gas Company	E/G	GR20010073	written	Jan-20	Remediation Adjustment Charge-RAC 27
Public Service Electric & Gas Company	G	GR19120002	written	Dec-19	Gas System Modernization Program II (GSMP II) - Second Roll-In
Public Service Electric & Gas Company	E/G	ER19091302 & GR19091303	written	Aug-19	Tax Adjustment Clauses (TACs)
Public Service Electric & Gas Company	E/G	ER19070850	written	Jul-19	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER19060764 & GR19060765	written	Jun-19	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4AI, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	G	GR19060766	written	Jun-19	Gas System Modernization Program II (GSMP II) - First Roll-In
Public Service Electric & Gas Company	G	GR19060761	written	Jun-19	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E	ER19060741	written	Jun-19	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	E/G	E018060629 & G018060630	oral	Jun-19	Energy Strong II / Revenue Requirements & Rate Design
Public Service Electric & Gas Company	G	GR19060698	written	May-19	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E	ER19040523	written	May-19	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	E/G	E018101113 & G018101112	oral	May-19	Clean Energy Future - Energy Efficiency Program Approval
Public Service Electric & Gas Company	E	ER19040530	written	Apr-19	Madison 4KV Substation Project (Madison & Marshall)

LIST OF PRIOR TESTIMONIES

Company	Utility	Docket	Testimony	Date	Case / Topic
Public Service Electric & Gas Company	E/G	EO18101113 & GO18101112	written	Dec-18	Clean Energy Future - Energy Efficiency Program Approval
Public Service Electric & Gas Company	E/G	GR18121258	written	Nov-18	Remediation Adjustment Charge-RAC 26
Public Service Electric & Gas Company	E	EO18101115	written	Oct-18	Clean Energy Future - Energy Cloud Program (EC)
Public Service Electric & Gas Company	E	EO18101111	written	Oct-18	Clean Energy Future-Electric Vehicle And Energy Storage Programs (EVES)
Public Service Electric & Gas Company	G	GR18070831	written	Jul-18	Gas System Modernization Program (GSMP) - Third Roll-In
Public Service Electric & Gas Company	E/G	ER18070688 & GR18070689	written	Jun-18	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	E	ER18060681	written	Jun-18	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR18060675	written	Jun-18	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E/G	EO18060629 & GO18060630	written	Jun-18	Energy Strong II / Revenue Requirements & Rate Design
Public Service Electric & Gas Company	G	GR18060605	written	Jun-18	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER18040358 & GR18040359	written	Mar-18	Energy Strong / Revenue Requirements & Rate Design - Eighth Roll-in
Public Service Electric & Gas Company	E/G	ER18030231	written	Mar-18	Tax Cuts and Job Acts of 2017
Public Service Electric & Gas Company	E/G	GR18020093	written	Feb-18	Remediation Adjustment Charge-RAC 25
Public Service Electric & Gas Company	E/G	ER18010029 & GR18010030	written	Jan-18	Base Rate Proceeding / Cost of Service & Rate Design
Public Service Electric & Gas Company	E	ER17101027	written	Sep-17	Energy Strong / Revenue Requirements & Rate Design - Seventh Roll-in
Public Service Electric & Gas Company	G	GR17070776	written	Jul-17	Gas System Modernization Program II (GSMP II)
Public Service Electric & Gas Company	G	GR17070775	written	Jul-17	Gas System Modernization Program (GSMP) - Second Roll-In
Public Service Electric & Gas Company	G	GR17060720	written	Jul-17	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E/G	ER17070724 & GR17070725	written	Jul-17	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	E	ER17070723	written	Jul-17	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR17060593	written	Jun-17	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER17030324 & GR17030325	written	Mar-17	Energy Strong / Revenue Requirements & Rate Design - Sixth Roll-in
Public Service Electric & Gas Company	E/G	EO14080897	written	Mar-17	Energy Efficiency 2017 Program
Public Service Electric & Gas Company	E/G	ER17020136	written	Feb-17	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E/G	GR16111064	written	Nov-16	Remediation Adjustment Charge-RAC 24
Public Service Electric & Gas Company	E	ER16090918	written	Sep-16	Energy Strong / Revenue Requirements & Rate Design - Fifth Roll-in
Public Service Electric & Gas Company	E	EO16080788	written	Aug-16	Construction of Mason St Substation
Public Service Electric & Gas Company	E	ER16080785	written	Aug-16	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	G	GR16070711	written	Jul-16	Gas System Modernization Program (GSMP) - First Roll-In
Public Service Electric & Gas Company	G	GR16070617	written	Jul-16	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E/G	ER16070613 & GR16070614	written	Jul-16	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	E	ER16070616	written	Jul-16	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR16060484	written	Jun-16	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E	EO16050412	written	May-16	Solar 4 All Extension II (S4AllExt II) / Revenue Requirements & Rate Design
Public Service Electric & Gas Company	E/G	ER16030272 & GR16030273	written	Mar-16	Energy Strong / Revenue Requirements & Rate Design - Fourth Roll-in
Public Service Electric & Gas Company	E/G	GR15111294	written	Nov-15	Remediation Adjustment Charge-RAC 23
Public Service Electric & Gas Company	E	ER15101180	written	Sep-15	Energy Strong / Revenue Requirements & Rate Design - Third Roll-in
Public Service Electric & Gas Company	E/G	ER15070757 & GR15070758	written	Jul-15	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	E	ER15060754	written	Jul-15	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR15060748	written	Jul-15	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	G	GR15060646	written	Jun-15	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER15050558	written	May-15	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E	ER15050558	written	May-15	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER15030389 & GR15030390	written	Mar-15	Energy Strong / Revenue Requirements & Rate Design - Second Roll-in
Public Service Electric & Gas Company	G	GR15030272	written	Feb-15	Gas System Modernization Program (GSMP)
Public Service Electric & Gas Company	E/G	GR14121411	written	Dec-14	Remediation Adjustment Charge-RAC 22
Public Service Electric & Gas Company	E/G	ER14091074	written	Sep-14	Energy Strong / Revenue Requirements & Rate Design - First Roll-in
Public Service Electric & Gas Company	E/G	EO14080897	written	Aug-14	EEE Ext II
Public Service Electric & Gas Company	G	ER14070656	written	Jul-14	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E/G	ER14070651 & GR14070652	written	Jul-14	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	E	ER14070650	written	Jul-14	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR14050511	written	May-14	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E/G	GR14040375	written	Apr-14	Remediation Adjustment Charge-RAC 21
Public Service Electric & Gas Company	E/G	ER13070603 & GR13070604	written	Jun-13	Green Programs Recovery Charge (GPRC)-Including DR, EEE, EEE Ext, CA, S4All, SLII / Cost Recovery
Public Service Electric & Gas Company	E	ER13070605	written	Jul-13	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR13070615	written	Jun-13	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	G	GR13060445	written	May-13	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E/G	EO13020155 & GO13020156	written/oral	Mar-13	Energy Strong / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	G	GO12030188	written/oral	Mar-13	Appliance Service / Tariff Support
Public Service Electric & Gas Company	E	ER12070599	written	Jul-12	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER12070606 & GR12070605	written	Jul-12	RGGI Recovery Charges (RRC)-Including DR, EEE, EEE Ext, CA, S4All, SLII / Cost Recovery
Public Service Electric & Gas Company	E	EO12080721	written/oral	Jul-12	Solar Loan III (SLIII) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E	EO12080721	written/oral	Jul-12	Solar 4 All Extension(S4AllExt) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	G	GR12060489	written	Jun-12	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	G	GR12060583	written	Jun-12	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E/G	ER12030207	written	Mar-12	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E	ER12030207	written	Mar-12	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	G	GR11060338	written	Jun-11	Margin Adjustment Charge (MAC) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	G	GR11060395	written	Jun-11	Weather Normalization Charge / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E	EO11010030	written	Jan-11	Economic Energy Efficiency Extension (EEExt) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E/G	ER10100737	written	Oct-10	RGGI Recovery Charges (RRC)-Including DR, EEE, CA, S4All, SLII / Cost Recovery
Public Service Electric & Gas Company	E/G	ER10080550	written	Aug-10	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E	ER10080550	written	Aug-10	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	E/G	GR09050422	written/oral	Mar-10	Base Rate Proceeding / Cost of Service & Rate Design
Public Service Electric & Gas Company	E	ER10030220	written	Mar-10	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	E	EO09030249	written	Mar-09	Solar Loan II (SLII) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E/G	EO09010056	written	Feb-09	Economic Energy Efficiency(EE) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E	EO09020125	written	Feb-09	Solar 4 All (S4All) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E	EO08080544	written	Aug-08	Demand Response (DR) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E/G	ER10100737	written	Jun-08	Carbon Abatement (CA) / Revenue Requirements & Rate Design - Program Approval

**PSE&G Gas System Modernization Program II Extension
Gas Roll-in Calculation**

Attachment 2 - Schedule SS-GSMPII Ext-2

Roll-in 3

in (\$000)

Rate Effective Date	<u>9/1/2026</u>
Plant In Service as of Date	5/31/2026
Rate Base Balance as of Date	8/31/2026

RATE BASE CALCULATION

	<u>Total</u>	Notes
1 Gross Plant	\$34,703 = In 17	
2 Accumulated Depreciation	\$3,483 = In 20	
3 Net Plant	\$38,186 = In 1 + In 2	
4 Accumulated Deferred Taxes	(\$1,598) = See "Roll-In Detail" Wkps	
5 Rate Base	\$36,588 = In 3 + In 4	
6 Rate of Return - After Tax (Schedule WACC)	6.57% See Schedule SS-GSMPII Extension-3	
7 Return Requirement (After Tax)	\$2,404 = In 5 * In 6	
8 Depreciation Exp, net	\$385 = In 26	
9 Expense Adjustment (After Tax)	\$0 = In 35	
10 Tax Adjustment	\$0 N/A	
11 Revenue Factor	1.3945 See Schedule SS-GSMPII Extension-4	
12 Roll-in Revenue Requirement	\$3,889 = (In 7 + In 8 + In 9 + In 10) * In 11	

SUPPORT

Gross Plant

13 Plant in-service	\$34,703 = See "Roll-In Detail" Wkps
14 CWIP Transferred into Service	\$0 = See "Roll-In Detail" Wkps
15 AFUDC on CWIP Transferred Into Service - Debt	\$0 = See "Roll-In Detail" Wkps
16 AFUDC on CWIP Transferred Into Service - Equity	\$0 = See "Roll-In Detail" Wkps
17 Total Gross Plant	\$34,703 = In 13 + In 14 + In 15+ In 16

Accumulated Depreciation

18 Accumulated Depreciation	(\$354) = See "Roll-In Detail" Wkps
19 Cost of Removal	\$3,837 = See "Roll-In Detail" Wkps
20 Net Accumulated Depreciation	\$3,483 = In 18 + In 19

Depreciation Expense (Net of Tax)

21 Depreciable Plant (xAFUDC-E)	\$34,703 = In 13 + In 14 + In 15
22 AFUDC-E	\$0 = In 16
23 Depreciation Rate	1.54% = See "Roll-In Detail" Wkps
24 Depreciation Expense	\$535 = (In 21 + In 22) * In 23
25 Tax @28.11%	\$151 = In 21 * In 23 * Tax Rate
26 Depreciation Expense (Net of Tax)	\$385 = In 24 - In 25

Expense Adjustments

27 Miles of Main Replaced	0 = See "Roll-In Detail" Wkps
28 Agreed O&M Savings/ Mile	(\$3,771) = \$3,771 per mile (See Approved GSMPII Extension Stipulation)
29 O&M Savings	\$0 = In 27 * In 28
30 GSMPII related methane mapping expenses	\$0.000 = See "Roll-In Detail" Wkps
31 Amortization period (years)	2 program period
32 Annual methane mapping amortization expense	\$0 = In 30 / In 31
33 Expense Adjustment	\$0 = In 29 + In 32
34 Tax @28.11%	\$0 = In 33 * Tax Rate
35 Expense Adjustment (Net of Tax)	\$0 = In 33 - In 34

PSE&G Gas System Modernization Program II Extension
Weighted Average Cost of Capital (WACC)

Attachment 2 - Schedule SS-GSMPII Ext-3

	<u>Percent</u>	<u>Embedded Cost</u>	<u>Weighted Cost</u>	<u>Pre-Tax Weighted Cost</u>	<u>After-Tax Weighted Cost</u>
Common Equity	55.00%	9.60%	5.28%	7.34%	5.28%
Customer Deposits	0.22%	5.06%	0.01%	0.01%	0.01%
Long-Term Debt	44.78%	3.98%	1.78%	1.78%	1.28%
Total	<u>100.00%</u>		<u>7.07%</u>	<u>9.14%</u>	<u>6.57%</u>

Income Tax Rates

Federal Income Tax	21.00%
State NJ Business Incm Tax	9.00%
Fed Benefit of State Tax Deduction	<u>-1.89%</u>
Tax Rate	28.11%

PSE&G Gas System Modernization Program II Extension
Revenue Factor Calculation

Attachment 2 - Schedule SS-GSMPII Ext-4

	<u>ELECTRIC</u>	<u>GAS</u>	
Revenue Increase	100.0000	100.0000	
Uncollectible Rate		0.0000	2024 Base Rate Case
BPU Assessment Rate	0.1977	0.1977	2026 BPU Assessment
Rate Counsel Assessment Rate	0.0526	0.0526	2025 RC Assessment
Income before State of NJ Bus. Tax	99.7497	99.7497	
State of NJ Bus. Income Tax @ 9.00%	<u>8.9775</u>	<u>8.9775</u>	
Income Before Federal Income Taxes	90.7723	90.7723	
Federal Income Taxes @ 21%	<u>19.0622</u>	<u>19.0622</u>	
Return	<u>71.7101</u>	<u>71.7101</u>	
Revenue Factor	<u>1.3945</u>	<u>1.3945</u>	

Gas Revenue Requirement Allocation Explanation of Format

Pages 2 through 5 presented in Schedule SS-GSMPII Extension-5 are the four (4) relevant pages from the complete cost of service and revenue requirement allocation methodology based on the 2023 Base Rate Case Settlement, approved by the Board on October 9, 2024. Page 2 Part 1 shows the “Final” revenue requirement allocation to each rate class and its associated functions as defined in the 2023 PSE&G Base Rate Case (Rate Case). Part 2 allocates the GSMPII Extension-5 Revenue Increase in accordance with the Rate Case Board Order. Pages 3 and 4 provide the interclass revenue allocations based upon the rate rules approved in the Rate Case. Page 5 provides the service charges calculations for each rate class which are calculated in accordance with the Rate Case Board Order.

Gas Rate Design (Proof of Revenue by Rate Class) Explanation of Format

The summary provides by rate schedule the Annualized Weather Normalized (all customers assumed to be on BGSS) revenue based on current tariff rates and the proposed initial rate change.

Pages 6 through 15 presented in Schedule SS-GSMPII Extension-5 are the selected applicable columns of the relevant pages from the complete rate change workpapers from the Company’s 2023 Gas Base Rate Case and have been appropriately modified per my testimony to reflect this Gas Systems Modernization Program II Extension.

Annualized Weather Normalized (all customers assumed to be on BGSS) and the Proposed Detailed Rate Design

In the detailed rate design pages, all the components are separated into Delivery and Supply. In addition to the Distribution components of Delivery, also included in the schedule are lines for Balancing, Societal Benefits Charge, Margin Adjustment Charge, Gas Conservation Incentive Program, Green Programs Recovery Charge, Tax Adjustment Credit, COVID-19 Cost Recovery Charge, Facilities Charge, Minimum Charge, Miscellaneous items, and Unbilled Revenue.

Column (1) shows the annualized weather normalized billing units. Column (2) shows present Delivery rates (without Sales and Use Tax, SUT) effective February 1, 2026. The commodity rates in the Column (2) reflect March 2025 through February 2026, class-weighted averages (BGSS-RSG uses the rate as of 2/1/2026). Column (3) presents annualized revenue assuming all customers are provided with service under their applicable BGSS provision. Column (4) repeats the billing units of Column (1). Column (5) shows the proposed rates without SUT that result in the proposed revenues shown in Column (6). Columns (7) and (8) show the proposed base rate revenue increase, in thousands of dollars and percent increase, respectively, for each of the billing unit blocks. The proposed tariff charges (with and without SUT) are provided on page 15 of this schedule.

Cost of Service and Rate Design Sync

Part 1: 2023 Base Rate Case Final Revenue Allocation

16	Requested increase in Revenue Requirements	\$	270,770				=SS-G8, pg 1, line 1 * 1000
17	Total Target Distribution Revenue Requirements	\$	1,437,072,811				=SS-G8, pg 2, line 11 * 1000
18	Sum of Initial Sync Revenue Requirements	\$	1,356,319,161				Total, col 7, line 15
19	Final Sync Adjustment Factor		1.05954				= line 17 / line 18

		Total	RSG	GSG	LVG	SLG	
20	Distribution Access	\$ 737,441,298	\$ 602,431,351	\$ 83,307,098	\$ 51,625,176	\$ 77,673	= line 10 * line 19
21	Distribution Delivery	\$ 502,845,141	\$ 303,449,389	\$ 65,802,185	\$ 133,584,794	\$ 8,773	= line 11 * line 19
22	Streetlighting Fixtures	\$ 416,979	\$ -	\$ -	\$ -	\$ 416,979	= line 12 * line 19
23	Customer Service	\$ 81,137,252	\$ 70,510,722	\$ 6,420,941	\$ 4,201,766	\$ 3,824	= line 13 * line 19
24	Measurement	\$ 115,232,141	\$ 76,926,987	\$ 28,047,453	\$ 10,257,603	\$ 97	= line 14 * line 19
25	Total	\$ 1,437,072,811	\$ 1,053,318,450	\$ 183,577,677	\$ 199,669,339	\$ 507,346	

Part 2: RC Roll-In Revenue Allocation

11	Requested increase in Revenue Requirements		3,888,710				Schedule SS-GSMPII Extension-5
12	Total Target Distribution Revenue Requirements	\$	1,493,751,031				= line 11 + page 3, col 2
13	Rate Case Minus Streetlight Fixtures	\$	1,436,655,833				= line 10 - line 7
14	Target Minus Streetlight Fixtures	\$	1,493,334,052				= line 12 - line 7
15	Final Sync Adjustment Factor		1.03945				= line 14 / line 13

		Total	RSG	GSG	LVG	SLG	
16	Distribution Access	\$ 766,534,459	\$ 626,198,168	\$ 86,593,687	\$ 53,661,866	\$ 80,738	= line 5 * line 15
17	Distribution Delivery	\$ 522,683,134	\$ 315,420,921	\$ 68,398,180	\$ 138,854,914	\$ 9,119	= line 6 * line 15
18	Streetlighting Fixtures	\$ 416,979	\$ -	\$ -	\$ -	\$ 416,979	= line 7
19	Customer Service	\$ 84,338,238	\$ 73,292,475	\$ 6,674,256	\$ 4,367,532	\$ 3,975	= line 8 * line 15
20	Measurement	\$ 119,778,221	\$ 79,961,872	\$ 29,153,967	\$ 10,662,281	\$ 101	= line 9 * line 15
21	Total	\$ 1,493,751,031	\$ 1,094,873,437	\$ 190,820,091	\$ 207,546,592	\$ 510,911	

Inter Class Revenue Allocations

Calculation of Increase Limits

\$ 1,493,751

<u>line #</u>		(in \$1,000)		Notes:
	Requested Revenue Increase to be			
1	recovered from rate schedule charges =	\$ 3,889		-GSMPII Extension-5
2	Present Distribution Revenue =	\$ 1,489,862	from RSG, GSG, LVG & SLG	SS-G8, pg 2, col 3, line 11
3	Present Total Customer Bills (all on BGSS) =	\$ 3,132,795		SS-G8, pg 2, col 5, line 11
4	Average Distribution Increase =	0.261%		= Line 1 / Line 2
5	Average Total Bill Increase =	0.124%		= Line 1 / Line 3
6	Lower Distribution increase limit =	0.131%	in Distribution charges	= 0.5 * Line 4
7	Upper Distribution increase limit #1 =	0.392%	in Distribution charges	= 1.5 * Line 4
8	Upper Bill increase limit #2 =	0.248%	in Bill Increase	= 2.0 * Line 5
			all rounded to 0.001%	

Inter Class Revenue Allocations
Calculation of Increases

line #	(1) Rate Schedule	(2) Proposed Distribution Revenue Requirement (from COS) (in \$1,000)	(3) Present Distribution Revenue (in \$1,000)	(4) Unlimited COS Distribution Charge \$ Increase (in \$1,000)	(5) Present Total Bill Revenue (all on BGSS) (in \$1,000)	(6) Unlimited Distribution Charge Increase (%)	(7) Change in MAC & BGSS credits (in \$1,000)	(8) Limited Final Distribution Charge Increase (%)	(9) Proposed Total Bill Increase (%)	(10) Proposed Distribution Revenue Increase (in \$1,000)
<u>Calculation of TSG-F Increase</u>										
1	TSG-F	\$ 8,273.894	\$ 6,133	\$ 2,141.362	\$ 24,421	34.918%	\$ (0.369)	0.392%	0.097%	\$ 24
<u>Calculation of TSG-NF & CIG Increase</u>										
2	TSG-NF	----	\$ 17,227	----	\$ 106,000	----	\$ -	0.261%	0.042%	\$ 45
3	CIG	----	\$ 3,236	----	\$ 18,599	----	\$ -	0.261%	0.045%	\$ 8
4	CSG ¹	----	\$ 7,856	----	\$ 9,351	----	\$ -	----	0.000%	\$ -
<u>Calculation of Margin Rates (RSG, GSG, LVG & SLG) Increase</u>										
5	RSG	\$ 1,094,873	\$ 1,094,743	\$ 130	\$ 1,820,280	0.012%	\$ (49)	0.263%	0.156%	\$ 2,883
6	GSG	\$ 190,820	\$ 187,034	\$ 3,786	\$ 450,197	2.024%	\$ (7)	0.392%	0.161%	\$ 733
7	LVG	\$ 207,547	\$ 207,560	\$ (14)	\$ 860,936	-0.007%	\$ (18)	0.131%	0.029%	\$ 272
8	SLG	\$ 510,911	\$ 525,032	\$	\$ 1,381,313	\$	(0.02)			
9	Distribution Only*	\$ 93,932	\$ 52,727	\$ 41,205		78.147%		0.392%	0.015%	\$ 0.207
10	Fixtures*	\$ 416,979	\$ 472,305	\$ (55,326)		-11.714%		0.000%	0.000%	\$ -
11	Total for Margin Rates	\$ 1,493,751	\$ 1,489,862	\$ 3,889	\$ 3,132,795	0.261%	\$ (74)	0.261%	0.122%	\$ 3,889

¹ CSG Credits all flow back through BGSS

* SLG rows shaded grey (including Distribution & Fixtures) are shown to 3 decimal points

Notes: for TSG-F - from = (2) - (3) Page 6 = (4) / (3) calculated on limits = (Col 10 + Col 7) / Col 5 = (3) * (8)

2023 Rate Case Schedule
SS-G7 , pg 1, col 6, line 6

for RSG, GSG, LVG & SLG
from page 1, line 21

Service Charge Calculations

line #	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	Notes:
	Rate Schedule	Distribution Access Rev Req (in \$1,000)	Customer Service Rev Req (in \$1,000)	Measurement Rev Req (in \$1,000)	COS Indicated Total Rev Req (in \$1,000)	# of Customers	Cost Based Monthly Service Charge (\$/month)	Current Monthly Service Charge (\$/month)	Proposed Limited Monthly Service Charge (\$/month)	
1		Average Distribution Increase =			0.261%					
2	RSG	626,198	73,292	79,962	779,453	1,715,907	\$ 37.85	\$ 9.38	\$ 9.38	Fixed per 2024 Base Rate Case
3	GSG	86,594	6,674	29,154	122,422	140,104	\$ 72.82	\$ 26.99	\$ 27.10	move to costs, limited @ 1.5 times overall avg Distribution % increase
4	LVG	53,662	4,368	10,662	68,692	19,635	\$ 291.54	\$ 239.71	\$ 240.65	move to costs, limited @ 1.5 times overall avg Distribution % increase
5	TSG-F	443	142	192	776	64	\$ 1,010.93	\$ 1,010.45	\$ 1,010.93	move to costs, limited @ 1.5 times overall avg Distribution % increase
6	TSG-NF					0.222 2.224 142 10		\$ 1,010.45	\$ 1,010.93	set equal to new TSG-F Service Charge
7	CIG							\$ 254.35	\$ 255.01	increase current @ average Distribution % increase
8	CSG							\$ 1,010.45	\$ 1,010.93	set equal to new TSG-F Service Charge
Notes:	values for RSG, GSG & LVG for Cols 2, 3, & 4 from page 2, lines 16, 19 & 20				= (2) + (3) + (4)	RSG, GSG & LVG from 2023 Rate Case Schedule SS-G7 , page 2, line 1	= Col 5 * 1000 / Col 6 / 12 rounded to \$0.01	From Tariff	based on methodology described	
	values for TSG-F for Cols 2, 3 & 4 from 2023 Rate Case Schedule SS-G7 , page 1, lines 1, 4 & 5					TSG-F from COS workpapers				

GSMP II Extension-5

**RATE SCHEDULE LVG
LARGE VOLUME SERVICE
Schedule SS-GSMPII Extension-5**
(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
Delivery								
1 Service Charge	235,623	239.71	\$56,481	235,623	240.65	\$56,703	\$222	0.39
2 Demand Charge	21,934	4.6925	102,924	21,934	4.6933	102,941	17	0.02
3 Distribution Charge 0-1,000 pre 7/14/97	7,488	0.133024	996	7,488	0.134690	1,009	13	1.31
4 Distribution Charge over 1,000 pre 7/14/97	36,579	0.045098	1,650	36,579	0.044732	1,636	(14)	(0.85)
5 Distribution Charge 0-1,000 post 7/14/97	149,296	0.133024	19,860	149,296	0.134690	20,109	249	1.25
6 Distribution Charge over 1,000 post 7/14/97	585,238	0.045098	26,393	585,238	0.044732	26,179	(214)	(0.81)
7 Balancing Charge	473,445	0.094491	44,736	473,445	0.094491	44,736	0	0.00
8 SBC	778,601	0.065297	50,840	778,601	0.065297	50,840	0	0.00
9 Margin Adjustment	778,601	(0.007765)	(6,046)	778,601	(0.007765)	(6,046)	0	0.00
10 COVID-19 Cost Recovery	778,601	0.010355	8,062	778,601	0.010355	8,062	0	0.00
11 Green Programs Recovery Charge	778,601	0.024428	19,020	778,601	0.024428	19,020	0	0.00
12 Tax Adjustment Credit	778,601	(0.038165)	(29,715)	778,601	(0.038165)	(29,715)	0	0.00
13 Gas Conservation Incentive Program	778,601	0.003536	\$2,753	778,601	0.003536	\$2,753	0	0.00
14 Facilities Charges			0			0	0	0.00
15 Minimum			255			255	0	0.00
16 Miscellaneous			(424)			(425)	(0)	0.04
17 Delivery Subtotal	778,601		\$297,784	778,601		\$298,057	\$273	0.09
18 Unbilled Delivery			(818)			(819)	(1)	0.12
19 Delivery Subtotal w unbilled			\$296,966			\$297,238	\$272	0.09
20								
21								
Supply								
23 BGSS	778,601	0.724113	\$563,795	778,601	0.724113	\$563,795	\$0	0.00
24 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
25 BGSS Contrib. from TSG-F, TSG-NF & CIG	0	0.000000	0	778,601	(0.000008)	(6)	(6)	0.00
26								
27 Miscellaneous			0			0	0	0.00
28 Supply Subtotal	778,601		\$563,795	778,601		\$563,789	(\$6)	0.00
29 Unbilled Supply			175			175	0	0.00
30 Supply Subtotal w unbilled			\$563,970			\$563,964	(\$6)	0.00
31								
32 Total Delivery + Supply	778,601		\$860,936	778,601		\$861,202	\$266	0.03

36 Notes:

37 All customers assumed to be on BGSS.

38 Annualized Weather Normalized Revenue reflects Delivery rates as of 2/1/2026

39 plus applicable BGSS charges.

40

GSMP II Extension-5

RATE SCHEDULE TSG-F
FIRM TRANSPORTATION GAS SERVICE
Schedule SS-GSMPII Extension-5
(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	<u>Units</u> (1)	<u>Rate</u> (2)	<u>Revenue</u> (3=1*2)	<u>Units</u> (4)	<u>Rate</u> (5)	<u>Revenue</u> (6=4*5)	<u>Revenue</u> (7=6-3)	<u>Percent</u> (8=7/3)
Delivery								
1 Service Charge	0.361	1,010.45	\$364.382	0.361	1,010.93	\$364.555	\$0.173	0.05
2 Demand Charge	933	3.1683	2,956.503	933	3.1814	2,968.728	12.225	0.41
3 Demand Charge, Agreements	0	0.0000	0.000	0	0.0000	0.000	0.000	0.00
4 Distribution Charge	23,020	0.121108	2,787.853	23,020	0.121609	2,799.386	11.533	0.41
5 Distribution Charge, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
6 SBC	23,020	0.065297	1,503.108	23,020	0.065297	1,503.108	0.000	0.00
7 SBC, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
8 Margin Adjustment	23,020	(0.007765)	(178.747)	23,020	(0.007765)	(178.747)	0.000	0.00
9 Margin Adjustment, Agreements	0	(0.007765)	0.000	0	(0.007765)	0.000	0.000	0.00
10 Green Programs Recovery Charge	23,020	0.024428	562.322	23,020	0.024428	562.322	0.000	0.00
11 Green Programs Recovery Charge, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
12 Tax Adjustment Credit	23,020	0.000000	0.000	23,020	0.000000	0.000	0.000	0.00
13 Gas Conservation Incentive Program	23,020	0.000000	0.000	23,020	0.000000	0.000	0.000	0.00
14 COVID-19 Cost Recovery	23,020	0.010355	238.368	23,020	0.010355	238.368	0.000	0.00
15 Facilities Charges			0.000			0.000	0.000	0.00
16 Minimum			0.000			0.000	0.000	0.00
17 Miscellaneous			(4.098)			(4.098)	0.000	0.00
18 Delivery Subtotal	23,020		8,229.691	23,020		8,253.622	23.931	0.29
19 Unbilled Delivery			37.603			39.712	2.109	5.61
20 Delivery Subtotal w unbilled			8,267.294			8,293.334	26.040	0.31
21								
Supply								
23 Commodity Charge, BGSS-F	23,020	0.680812	\$15,672.000	23,020	0.680812	\$15,672.000	\$0.000	0.00
24 Emergency Sales Service	431	1.153678	497.000	431	1.153678	497.000	0.000	0.00
25 Miscellaneous			(14.797)			(14.797)	0.000	0.00
26 Supply Subtotal	23,450		\$16,154.203	23,450		\$16,154.203	\$0.000	0.00
27 Unbilled Supply			0.000			0.000	0.000	0.00
28 Supply Subtotal w unbilled			\$16,154.203			\$16,154.203	\$0.000	0.00
29								
30 Total Delivery + Supply	23,020		\$24,421.497	23,020		\$24,447.537	\$26.040	0.11

34 Notes:

35 All customers assumed to be on BGSS.

36 TSG-F revenues shown to 3 decimals.

37 Annualized Weather Normalized Revenue reflects Delivery rates as of 2/1/2026

38 plus applicable BGSS charges.

GSMP II Extension-5

RATE SCHEDULE CIG
COGENERATION INTERRUPTIBLE SERVICE
Schedule SS-GSMPII Extension-5
(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
Delivery								
1 Service Charge	0.108	254.35	\$27	0.108	255.01	\$28	\$1	3.70
2 Margin 0-600,000	27,336	0.113509	3,103	27,336	0.113758	3,110	7	0.23
3 Margin over 600,000	1,685	0.103509	174	1,685	0.103758	175	1	0.57
4 Extended Gas Service	0	0.150000	0	0	0.150000	0	0	0.00
5 SBC	29,020	0.065297	1,895	29,020	0.065297	1,895	0	0.00
6 Green Programs Recovery Charge	29,020	0.024428	709	29,020	0.024428	709	0	0.00
7 Tax Adjustment Credit	29,020	0.000000	0	29,020	0.000000	0	0	0.00
8 Gas Conservation Incentive Program	29,020	0.000000	0	29,020	0.000000	0	0	0.00
9 COVID-19 Cost Recovery	29,020	0.010355	301	29,020	0.010355	301	0	0.00
10 Facilities Charges			0			0	0	0.00
11 Minimum			0			0	0	0.00
12 Miscellaneous			0			(1)	(1)	0.00
13 Delivery Subtotal	29,020		\$6,209	29,020		\$6,217	\$8	0.14
14 Unbilled Delivery			(127)			(127)	0	0.00
15 Delivery Subtotal w unbilled			\$6,082			\$6,090	\$8	0.14
16								
Supply								
18 Commodity Component	29,020	0.431317	\$12,517	29,020	0.431317	\$12,517	\$0	0.00
19 Pilot Use	0	1.89	0	0	1.89	0	0	0.00
20 Penalty Use	0		0	0		0	0	0.00
21 Extended Gas Service	0		0	0		0	0	0.00
22 Miscellaneous			0			0	0	0.00
23 Supply Subtotal	29,020		\$12,517	29,020		\$12,517	\$0	0.00
24 Unbilled Supply			0			0	0	0.00
25 Supply Subtotal w unbilled			\$12,517			\$12,517	\$0	0.00
26								
27 Total Delivery + Supply	29,020		\$18,599	29,020		\$18,607	\$8	0.05

31 Notes:

32 All customers assumed to be on BGSS.

33 Annualized Weather Normalized Revenue reflects Delivery rates as of 2/1/2026

34 plus applicable BGSS charges.

35

GSMP II Extension-5

RATE SCHEDULE CSG
CONTRACT SERVICES
Schedule SS-GSMPII Extension-5
(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized			Proposed			Difference	
	Weather Normalized							
Delivery	<u>Units</u>	<u>Rate</u>	<u>Revenue</u>	<u>Units</u>	<u>Rate</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Percent</u>
	(1)	(2)	(3=1*2)	(4)	(5)	(6=4*5)	(7=6-3)	(8=7/3)
1 Service Charge - Power	0.0000	1,010.45	\$0	0.0000	1,010.93	\$0	\$0	0.00
2 Service Charge - Power- Non Firm	0.0000	1,010.45	0	0.0000	1,010.93	0	0	0.00
3 Service Charge - Other	0.2299	1,010.45	232	0.2299	1,010.93	232	0	0.00
4 Distribution Charge Change (previously Power)	0	0.000000	0	0	1.000000	0	0	0.00
5 Distribution Charge - Power- Non Firm	0	0.127620	0	0	0.127978	0	0	0.00
6 Distribution Charge - Other	714,082	0.008480	6,055	714,082	0.008480	6,055	0	0.00
7 Maintenance - Power	0	0.000000	0	0	0.000000	0	0	0.00
8 Maintenance - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
9 Maintenance - Other	714,082	0.000152	109	714,082	0.000152	109	0	0.00
10 Pilot Use	0	0.000000	0	0	0.000000	0	0	0.00
11 Penalty Use	0	0.000000	0	0	0.000000	0	0	0.00
12 Balancing Charge (applicable only if customer uses BGSS-F)	0	0.000000	0	0	0.000000	0	0	0.00
13 SBC	714,082	0.065297	1,213	714,082	0.065297	1,213	0	0.00
14 Green Programs Recovery Charge	714,082	0.024428	277	714,082	0.024428	277	0	0.00
15 Tax Adjustment Credit	714,082	0.000000	0	714,082	0.000000	0	0	0.00
16 Gas Conservation Incentive Program	714,082	0.000000	0	714,082	0.000000	0	0	0.00
17 COVID-19 Cost Recovery	714,082	0.010355	0	714,082	0.010355	0	0	0.00
18 Facilities Chg.			985			985	0	0.00
19 Minimum			629			629	0	0.00
20 Sales Tax Discount - Delivery			(179)			(179)	0	0.00
21 Misc.			(0)			(0)	0	0.00
22 Delivery Subtotal	714,082		9,320	714,082		9,320	0	0.00
23 Unbilled Delivery			31			31	0	0.00
24 Delivery Subtotal w/ Unbilled	714,082		9,351	714,082		9,351	0	0.00
25								
26 Supply								
27 BGSS-Firm - Power	0	0.000000	0	0	0.000000	0	0	0.00
28 BGSS-Firm - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
29 BGSS-Firm - Other	0	0.000000	0	0	0.000000	0	0	0.00
30								
31 BGSS-Interruptible - Power	0	0.000000	0	0	0.000000	0	0	0.00
32 BGSS-Interruptible - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
33 BGSS-Interruptible - Other	0	0.000000	0	0	0.000000	0	0	0.00
34								
35 Emergency Sales Svc. - Power	0	0.000000	0	0	0.000000	0	0	0.00
36 Emergency Sales Svc. - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
37 Emergency Sales Svc - Other	0	0.000000	0	0	0.000000	0	0	0.00
38								
39 Pilot Use	0	1.89	0	0	1.89	0	0	0.00
40 Penalty Use	0	0.000000	0	0	0.000000	0	0	0.00
41 Misc.	0		0	0		0	0	0.00
42 Supply Subtotal	0		0	0		0.000	0	0.00
43 Unbilled Supply	0		0	0		0	0	0.00
44 Supply Subtotal w/ Unbilled	0		0	0		0.000	0	0.00
45								
46 Total Delivery & Supply	714,082		9,351	714,082		9,351	0.00	0.00
47								

48 Notes:

49 All customers assumed to be on BGSS.

50 Annualized Weather Normalized Revenue reflects Delivery rates as of 2/1/2026

51 plus applicable BGSS charges.

52

Gas Tariff Rates
GSMP II Extension-5
Proposed Revenue Requirement Increase \$ 3,888,710

Rate Schedule	Description	Current Total Distribution Charges		Proposed Total Distribution Charges		Base Distribution Charges		GSMP II-Ext (Update) Rate Adjustment Charges	
		Charge without SUT	Charge Including SUT	Charge without SUT	Charge Including SUT	Charge without SUT	Charge Including SUT	Charge without SUT	Charge Including SUT
RSG	Service Charge	\$9.38	\$10.00	\$9.38	\$10.00	\$9.38	\$10.00	\$0.00	\$0.00
	Distribution Charges	\$0.566435	\$0.603961	\$0.568246	\$0.605892	\$0.543642	\$0.579658	\$0.001811	\$0.001931
	Balancing Charge	\$0.094491	\$0.100751	\$0.094491	\$0.100751	\$0.091830	\$0.097914	\$0.000000	\$0.000000
	Off-Peak Use	\$0.283218	\$0.301981	\$0.284123	\$0.302946	\$0.271821	\$0.289829	\$0.000905	\$0.000965
GSG	Service Charge	\$26.99	\$28.78	\$27.10	\$28.89	\$25.58	\$27.27	\$0.11	\$0.11
	Distribution Charge - Pre July 14, 1997	\$0.465426	\$0.496260	\$0.467252	\$0.498207	\$0.442482	\$0.471796	\$0.001826	\$0.001947
	Distribution Charge - All Others	\$0.465426	\$0.496260	\$0.467252	\$0.498207	\$0.442482	\$0.471796	\$0.001826	\$0.001947
	Balancing Charge	\$0.094491	\$0.100751	\$0.094491	\$0.100751	\$0.091830	\$0.097914	\$0.000000	\$0.000000
	Off-Peak Use Dist Charge - Pre July 14, 1997	\$0.232713	\$0.248130	\$0.233626	\$0.249104	\$0.221241	\$0.235898	\$0.000913	\$0.000973
	Off-Peak Use Dist Charge - All Others	\$0.232713	\$0.248130	\$0.233626	\$0.249104	\$0.221241	\$0.235898	\$0.000913	\$0.000973
LVG	Service Charge	\$239.71	\$255.59	\$240.65	\$256.59	\$227.18	\$242.23	\$0.94	\$1.00
	Demand Charge	\$4.6925	\$5.0034	\$4.6933	\$5.0042	\$4.6287	\$4.9354	\$0.0008	\$0.0009
	Distribution Charge 0-1,000 pre July 14, 1997	\$0.133024	\$0.141837	\$0.134690	\$0.143613	\$0.118587	\$0.126443	\$0.001666	\$0.001776
	Distribution Charge over 1,000 pre July 14, 1997	\$0.045098	\$0.048086	\$0.044732	\$0.047695	\$0.044239	\$0.047170	-\$0.000366	-\$0.000390
	Distribution Charge 0-1,000 post July 14, 1997	\$0.133024	\$0.141837	\$0.134690	\$0.143613	\$0.118587	\$0.126443	\$0.001666	\$0.001776
	Distribution Charge over 1,000 post July 14, 1997	\$0.045098	\$0.048086	\$0.044732	\$0.047695	\$0.044239	\$0.047170	-\$0.000366	-\$0.000390
	Balancing Charge	\$0.094491	\$0.100751	\$0.094491	\$0.100751	\$0.091830	\$0.097914	\$0.000000	\$0.000000
SLG	Single-Mantle Lamp	\$14.7714	\$15.7500	\$14.7714	\$15.7500	\$14.7714	\$15.7500	\$0.0000	\$0.0000
	Double-Mantle Lamp, inverted	\$14.7714	\$15.7500	\$14.7714	\$15.7500	\$14.7714	\$15.7500	\$0.0000	\$0.0000
	Double Mantle Lamp, upright	\$14.7714	\$15.7500	\$14.7714	\$15.7500	\$14.7714	\$15.7500	\$0.0000	\$0.0000
	Triple-Mantle Lamp, prior to January 1, 1993	\$14.7714	\$15.7500	\$14.7714	\$15.7500	\$14.7714	\$15.7500	\$0.0000	\$0.0000
	Triple-Mantle Lamp, on and after January 1, 1993	\$75.3088	\$80.2980	\$75.3088	\$80.2980	\$75.3088	\$80.2980	\$0.0000	\$0.0000
	Distribution Therm Charge	\$0.075974	\$0.081007	\$0.076272	\$0.081325	\$0.072173	\$0.076954	\$0.000298	\$0.000318
TSG-F	Service Charge	\$1,010.45	\$1,077.39	\$1,010.93	\$1,077.90	\$1,003.89	\$1,070.40	\$0.48	\$0.51
	Demand Charge	\$3.1683	\$3.3782	\$3.1814	\$3.3922	\$2.9936	\$3.1919	\$0.0131	\$0.0140
	Distribution Charges	\$0.121108	\$0.129131	\$0.121609	\$0.129666	\$0.114430	\$0.122011	\$0.000501	\$0.000534
TSG-NF	Service Charge	\$1,010.45	\$1,077.39	\$1,010.93	\$1,077.90	\$1,003.89	\$1,070.40	\$0.48	\$0.51
	Distribution Charge 0-50,000	\$0.127620	\$0.136075	\$0.127978	\$0.136457	\$0.122765	\$0.130898	\$0.000358	\$0.000382
	Distribution Charge over 50,000	\$0.127620	\$0.136075	\$0.127978	\$0.136457	\$0.122765	\$0.130898	\$0.000358	\$0.000382
	Special Provision (d)	\$1.89	\$2.02	\$1.89	\$2.02	\$1.89	\$2.02	\$0.00	\$0.00
CIG	Service Charge	\$254.35	\$271.20	\$255.01	\$271.91	\$245.34	\$261.59	\$0.66	\$0.71
	Distribution Charge 0-600,000	\$0.113509	\$0.121029	\$0.113758	\$0.121294	\$0.109479	\$0.116732	\$0.000249	\$0.000265
	Distribution Charge over 600,000	\$0.103509	\$0.110366	\$0.103758	\$0.110632	\$0.099479	\$0.106069	\$0.000249	\$0.000265
		Special Provision (c) 1st para	\$1.89	\$2.02	\$1.89	\$2.02	\$1.89	\$2.02	\$0.00
BGSS RSG	Commodity Charge including Losses	\$0.340951	\$0.363539	\$0.340936	\$0.363523	\$0.371769	\$0.396399	-\$0.000015	-\$0.000016
CSG	Service Charge	\$1,010.45	\$1,077.39	\$1,010.93	\$1,077.90	\$1,003.89	\$1,070.40	\$0.48	\$0.51

TYPICAL RESIDENTIAL GAS BILL IMPACTS

The effect of the proposed changes in the Gas System Modernization Program II (GSMPII) on typical residential gas bills, if approved by the Board, is illustrated below:

Residential Gas Service - Average Monthly Bill					
If Your Average Monthly Therm Use Is:	And Your Avg. Dec. to Mar. Monthly Therm Use Is:	Then Your Present Monthly Bill (1) Would Be:	And Your Proposed Monthly Bill (2) Would Be:	Your Monthly Bill Change Would Be:	And Your Percent Change Would Be:
16	25	\$27.51	\$27.54	\$0.03	0.1%
33	50	45.03	45.09	0.06	0.1
51	100	66.15	66.25	0.10	0.2
87	172	106.07	106.24	0.17	0.2
100	198	120.89	121.09	0.20	0.2
152	300	178.08	178.38	0.30	0.2

(1) Based upon Basic Gas Supply Service (BGSS-RSG) and Delivery Rates in effect February 1, 2026, and assumes that the customer receives commodity service from Public Service.

(2) Same as (1) except includes increase due to GSMPII.

Residential Gas Service - Monthly Winter Bill				
If Your Monthly Winter Therm Use Is:	Then Your Present Monthly Winter Bill (3) Would Be:	And Your Proposed Monthly Winter Bill (4) Would Be:	Your Monthly Winter Bill Change Would Be:	And Your Percent Change Would Be:
25	\$37.34	\$37.39	\$0.05	0.1%
50	64.69	64.78	0.09	0.1
100	122.09	122.28	0.19	0.2
172	202.85	203.18	0.33	0.2
198	232.04	232.43	0.39	0.2
300	346.31	346.89	0.58	0.2

(3) Based upon Basic Gas Supply Service (BGSS-RSG) and Delivery Rates in effect February 1, 2026, and assumes that the customer receives commodity service from Public Service.

(4) Same as (3) except includes increase due to GSMPII.

ATTACHMENT 2
Schedule SS-GSMPII Extension-7

CONFIDENTIAL

TO BE PROVIDED UPON EXECUTION OF THE NON-DISCLOSURE AGREEMENT

NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY ELECTRIC CUSTOMERS

In the Matter of the Petition of Public Service Electric and Gas Company for Approval of the Next Phase of the Gas System Modernization Program and Associated Cost Recovery Mechanism (“GSMP II Extension”) (February 2026 GSMP II Extension Rate Filing)

Notice of Filing and Notice of Public Hearings

Docket No.

PLEASE TAKE NOTICE that, on February 27, 2026, Public Service Electric and Gas Company (“PSE&G,” or “Company”) filed a petition and supporting documentation with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking approval of cost recovery associated with its Gas System Modernization Program (“GSMP II Extension” or “Program”) (“Petition”).

On March 1, 2023, PSE&G filed a petition with the Board seeking approval to implement and administer the third phase of its Gas System Modernization Program and associated cost recovery for a three (3)-year period as an extension of GSMP II (“GSMP III Petition”). On February 15, 2023, New Jersey Governor Philip J. Murphy issued Executive Order 317 (“EO317”). EO317 ordered the BPU to initiate a formal stakeholder process regarding the development of natural gas utility plans that reduce emissions from the natural gas sector to levels that are consistent with achieving the State’s fifty percent (50%) reduction in greenhouse gas emissions below 2006 levels by 2030, as directed in Executive Order No. 274 (2021). In light of the stakeholder process, the Board approved a stipulation of settlement seeking to hold the GSMP III Petition in abeyance while approving a two (2)-year extension of GSMP II—commencing on January 1, 2024—for the replacement of a minimum of 400 miles of PSE&G’s Utilization Pressure Cast Iron mains (and associated services) and/or Unprotected Steel mains (and associated services), with a maximum accelerated investment of \$752 million (“GSMP II Extension Stipulation”).

By the Petition, PSE&G seeks Board approval to recover an estimated revenue increase of approximately \$3.9 million from the Company’s gas customers associated with actual GSMP II Extension investment costs incurred through January 31, 2026, and forecasted costs through June 30, 2026.

For illustrative purposes, the estimated base rates effective September 1, 2026, including New Jersey Sales and Use Tax (“SUT”) for Residential Rate Schedule RSG, are shown in Table #1.

Table #2 provides customers with the approximate impact of the proposed increase in rates related to the GSMP II, if approved by the Board. The annual percentage increase applicable to specific customers will

vary according to the applicable rate schedule and the customer’s usage.

Under the Company’s proposal, a typical residential gas heating customer using 172 therms per month during the winter months and 87 therms in an average month (1,040 therms annually) would see an increase in the average monthly bill from \$106.07 to \$106.24, or \$0.17, or approximately 0.2% (based upon Delivery Rates and BGSS RSG charges in effect as of February 1, 2026, and assuming that the customer receives BGSS service from PSE&G).

Any rate adjustments with resulting changes in bill impacts found by the Board to be just and reasonable as a result of the Petition may be modified and/or allocated by the Board in accordance with the provisions of N.J.S.A. 48:2-21 and for other good and legally sufficient reasons to any class or classes of customers of the Company. Therefore, the described charges may increase or decrease based upon the Board’s decision. PSE&G’s gas costs addressed in the Petition and subsequent updates will remain subject to audit by the Board, and Board approval shall not preclude or prohibit the Board from taking any such actions deemed appropriate as a result of any such audit.

A copy of this Notice of Filing and Public Hearings on the Petition is being served upon the clerk, executive or administrator of each municipality and county within the Company’s service territory. The Petition is available for review online at the PSEG website at <http://www.pseg.com/pseandgfilings> and has also been sent to the New Jersey Division of Rate Counsel (“Rate Counsel”), who will represent the interests of all PSE&G customers in this proceeding. The Petition is also available to review online through the Board’s website, <https://publicaccess.bpu.state.nj.us>, where it can search by the above-captioned docket number. The Petition and Board file may also be reviewed at the Board located at 44 South Clinton Avenue, 1st Floor, Trenton, NJ, with an appointment. To make an appointment, please call (609) 913-6298.

PLEASE TAKE FURTHER NOTICE that virtual public hearings are scheduled on the following date and times so that members of the public may present their views on the Petition:

DATE:

TIMES: 4:30 and 5:30 pm

There are two options for joining.

Either go to this website:

<https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting>

and enter the following information:

Meeting ID: 992 979 119 781

Passcode: 3X59PZ

-or-

Join by Phone

Dial In: (973) 536-2286

Phone conference ID: 537 811 425#

Representatives from the Company, Board Staff, and Rate Counsel will participate in the virtual public hearings. Members of the public are invited to participate by utilizing the link or 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. To encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, 48 hours prior to the above hearings to the Board Secretary at board.secretary@bpu.nj.gov.

The Board is also accepting written and electronic comments. Comments may be submitted directly to the specific docket listed above using the "Post Comments" button on the Board's Public Document Search tool: (<https://publicaccess.bpu.state.nj.us>). Comments are considered public documents for purposes of the State's Open Public Records Act. Only public documents should be submitted using the "Post Comments" button on the Board's Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. In addition to hard copy submissions, confidential information may also be filed electronically via the Board's e-filing system or by email to the Secretary of the Board. Please include "Confidential Information" in the subject line of any email. Instructions for confidential e-filing are found on the Board's webpage at <https://www.nj.gov/bpu/agenda/efiling/>. BPU Docket No. GR25080463

Emailed and/or written comments may also be submitted to:

Sherri L. Lewis, Secretary of the Board
44 South Clinton Ave.
PO Box 350
Trenton, NJ 08625-0350
Phone: 609-913-6241
Email: board.secretary@bpu.nj.gov

**Table #1
GAS SYSTEM MODERNIZATION PROGRAM II EXTENSION CHARGES
for Residential RSG Customers
Rates if Effective September 1, 2026**

Rate Schedule			GSMP II Extension Charges	
			Current Charges in Effect February 1, 2026 Including SUT	Proposed Charges in Effect September 1, 2026 Including SUT
RSG	Service Charge	per month	\$10.00	\$10.00
	Distribution Charge	\$/Therm	\$0.603961	\$0.605892
	Off-Peak Use	\$/Therm	\$0.301981	\$0.302946
	Basic Gas Supply Service-RSG (BGSS-RSG)	\$/Therm	\$0.363539	\$0.363523

**Table #2
Proposed Percentage Change in Revenue
by Customer Class for Gas Service
for Rates if Effective September 1, 2026**

	Rate Class	Percent Change (%)
Residential Service	RSG	0.2
General Service	GSG	0.2
Large Volume Service	LVG	0.0
Street Lighting Service	SLG	0.0

Firm Transportation Gas Service	TSG-F	0.1
Non-Firm Transportation Gas Service	TSG-NF	0.0
Cogeneration Interruptible Service	CIG	0.1
Contract Service	CSG	0.0
Overall		0.1%

The percentage increases noted above are based upon February 1, 2026, Delivery Rates, the applicable Basic Gas Supply Service (BGSS) charges, and assumes that customers receive commodity service from Public Service Electric and Gas Company.

Table #3
Residential Gas Service for Rates if Effective September 1, 2026

If Your Average Monthly Therm Use Is:	And Your Monthly Winter Therm Use Is:	Then Your Present Monthly Bill (1) Would Be:	And Your Proposed Monthly Bill (2) Would Be:	Your Monthly Bill Change Would Be:	And Your Monthly Percent Change Would Be:
16	25	\$27.51	\$27.54	\$0.03	0.1%
33	50	45.03	45.09	0.06	0.1
51	100	66.15	66.25	0.10	0.2
87	172	106.07	106.24	0.17	0.2
100	198	120.89	121.09	0.20	0.2
152	300	178.08	178.38	0.30	0.2

- (1) Based upon Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect February 1, 2026, and assumes that the customer receives commodity service from Public Service.
(2) Same as (1) except includes the proposed change for the Gas Systems Modernization Program II Charges.

Danielle Lopez, Esq.
Associate Counsel—Regulatory

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

PUBLIC SERVICE ELECTRIC AND GAS COMPANY**INCOME ACCOUNT**

	<u>YTD 2024</u> '(\$000)
400 Electric Operating Revenues	\$ 4,106,404
Electric Operating Expenses:	
401 Operation Expense	2,959,696
402 Maintenance Expense	136,214
403 Depreciation Expense	339,330
404 Amortization of Limited Term Plant	32,228
407 Amortization of Property Losses	0
407.3 Regulatory Debts	23,168
407.4 Regulatory Credit	0
408.1 Taxes Other Than Income Taxes	26,745
409.1 Income Taxes - Federal	(101,247)
410.1 Provision for Deferred Income Taxes	884,534
411.1 Provision for Deferred Income Taxes - Cr.	(777,903)
411.103 Accretion Expense-Electric	0
411.4 Investment Tax Credit Adjustments (Net)	(10,727)
Total Electric Utility Operating Expenses	<u>3,512,040</u>
Electric Utility Operating Income	<u>\$ 594,364</u>
* Electric Distribution only	
	<u>YTD 2024</u>
400 Gas Operating Revenues	\$ 2,237,985
Gas Operating Expenses:	
401 Operation Expense	1,366,249
402 Maintenance Expense	48,167
403 Depreciation Expense	241,097
404 Amortization of Limited Term Plant	14,556
407 Amortization of Property Losses	0
407.3 Amortization of Excess cost of removal	0
407.3 Regulatory Debts	22,206
407.4 Regulatory Credit	0
408.1 Taxes Other Than Income Taxes	18,168
409.1 Income Taxes - Federal	(98,620)
410.1 Provision for Deferred Income Taxes	672,220
411.1 Provision for Deferred Income Taxes - Cr	(571,018)
411.4 Investment Tax Credit Adjustments (Net)	(720)
Total Gas Utility Operating Expenses	<u>1,712,304</u>
Gas Utility Operating Income	<u>\$ 525,681</u>
Net Utility Operating Income	<u>\$ 1,120,045</u>

PUBLIC SERVICE ELECTRIC AND GAS COMPANY
BALANCE SHEET
\$ (In Thousands)

September 30, 2025

Assets and Other Debits
Utility Plant

Electric Utility Plant

101	Electric Utility Plant in Service	\$ 28,370,754
103	Electric Experimental Plant Unclassified	-
105	Electric Utility Plant Held for Future Use	55,985
106	Electric Completed Construction not classified- Electric	4,474,721
107	Electric Construction Work in Progress	1,152,038
	Total Electric Utility Plant	34,053,498

Gas Utility Plant

101	Gas Utility Plant in Service	\$ 13,262,522
103	Gas Experimental Plant Unclassified	-
105	Gas Utility Plant Held for Future Use	96
106	Gas Completed Construction not classified	293,539
107	Gas Construction Work in Progress	91,393
	Total Gas Utility Plant	13,647,551

Common Utility Plant

101	Common Utility Plant in Service	\$ 348,052
106	Common Completed Construction not classified	878
107	Common Construction Work in Progress	58,210
	Total Common Utility Plant	407,140

Property under capital leases

101.1	Electric & Gas Property under capital leases	88,732
		88,732

Total Utility Plant 48,196,920

Accumulated Provisions for Depreciation and Amortization of
Electric Utility Plant

108 & 111	Electric Utility Plant in Service	(6,484,270)
108.5	Electric Utility Plant Held for Future Use	-
	Total Electric Utility Plant	(6,484,270)

Gas Utility Plant

108 & 111	Gas Utility Plant in Service	(2,759,763)
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Common Utility Plant

108 & 111	Common Utility Plant in Service	(196,837)
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Total Accumulated Provisions for
Depreciation and Amortization
of Utility Plant

(9,440,870)

Net Utility Plant Excluding Nuclear Fuel 38,756,050

Nuclear Fuel

120.1	120.1 In Process	-
120.2	120.2 Materials and Assemblies Stock	-
120.3	120.3 In Reactor	-
120.4	120.4 Spent	-
	Accumulated Provisions for Amortization	
120.5	120.5 Nuclear Fuel	-
	Net Nuclear Fuel	-
	Net Utility Plant	38,756,050

Other Property and Investments

121	Nonutility Property	2,870
122	Accumulated Provision for Depreciation & Amortization of Nonutility Property	(837)
123 & 123.1	Investments in Associated & Subsidiary Companies	44,642
124	Other Investments	76,597
125-8	Special Funds	29,701
175	Long-Term Portion of Derivative Assets	-
	Total Other Property and Investments	152,973

BALANCE SHEET

\$ (In Thousands)

September 30, 2025

Current and Accrued Assets			
131	Cash	\$	123,383
132-4	Special Deposits		30,087
135	Working Funds		-
136	Temporary Cash Investments		150,000
141-3	Notes and Accounts Receivable		1,565,618
144	Accumulated Provision for Uncollectible Accounts - Credit		(236,123)
145-6	Receivables from Associated Companies		16,388
151-5	Materials and Supplies (incl. 163)		618,382
158	Allowances		-
164	Gas Stored Underground - Current		-
165	Prepayments		148,416
171	Interest and Dividends Receivable		-
172	Rents Receivable		1,246
173	Accrued Utility Revenues		229,065
174	Miscellaneous Current and Accrued		14,480
175	Current Portion of Derivative Instrument Assets		-
	Total Current and Accrued Assets		2,660,944
Deferred Debits			
181	Unamortized Debt Expense		89,960
182	Unrec'd Plt and Reg Costs and Other Reg Assets		7,093,757
183	Preliminary Survey and Investigation Charges		51,251
183.2	Other Preliminary Survey and Investigations		2,648
184	Clearing Accounts		11
185	Temporary Facilities		-
186	Miscellaneous Deferred Debits		38,469
188	Research and Development Expenditures		-
189	Unamortized Loss on Reacquired Debt		14,966
190	Accumulated Deferred Income Taxes		883,734
	Total Deferred Debits		8,174,795
	Total Assets and Other Debits	\$	<u>49,744,762</u>

BALANCE SHEET**\$ (In Thousands)**

September 30, 2025

	Liabilities and Other Credits		
	Proprietary Capital		
201	Common Stock Issued	\$	892,260
204	Preferred Stock Issued		-
207	Premium on Capital Stock		-
208	Donations from Stockholders		2,155,436
210	Gain on Resale or Cancellation of Reacquired Capital Stock		-
211	Miscellaneous Paid-In Capital		-
215	Appropriated Retained Earnings		-
216	Unappropriated Retained Earnings		16,801,465
216.1	Unappropriated Undistributed Subsidiary Earnings		(441)
219	Other Comprehensive Income		(3,267)
	Total Proprietary Capital		<u>19,845,454</u>
	Long-Term Debt		
221	221 Bonds		16,115,001
223	223 Advances from Assoc. Co.		-
225	225 Unamortized Premium on Long-Term Debt		-
226	226 Unamortized Discount on Long-Term Debt		(35,056)
	Total Long-Term Debt		<u>16,079,944</u>
	Other Non-Current Liabilities		
227-9	Other Non-current Liabilities		565,490
244	Long-Term Portion of Derivative Instrument Liabilities		-
230	Asset Retirement Obligation		463,902
	Total Other Non-Current Liabilities		<u>1,029,392</u>
	Current and Accrued Liabilities		
231	Notes Payable		-
232	Accounts Payable		817,054
233-4	Payables to Associated Companies		342,069
235	Customer Deposits		70,591
236	Taxes Accrued		4,127
237	Interest Accrued		137,504
238	Dividends Declared		-
239	Matured Long-Term Debt		-
241	Tax Collections Payable		439
242	Miscellaneous Current and Accrued Liabilities		420,692
243	Obligations Under Capital leases		15,417
244	Current Portion of Derivative Instrument Liabilities		-
	Total Current and Accrued Liabilities		<u>1,807,894</u>
	Deferred Credits		
252	Customer Advances for Construction		96,655
253	Other Deferred Credits		249,966
254	Other Regulatory Liabilities		2,895,727
255	Accumulated Deferred Investment Tax Credits		77,478
281-3	Accumulated Deferred Income Taxes		7,662,252
	Total Deferred Credits		<u>10,982,078</u>
	Total Liabilities and Other Credits	\$	<u><u>49,744,762</u></u>