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November 9, 2023

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

Re: In the Matter of the Petition of Public Service Electric and Gas Company for Approval of its Clean Energy Future-Energy Efficiency (“CEF-EE”) Program on a Regulated Basis
BPU Docket Nos. GO18101112 and EO18101113

Dear Secretary Golden:

Please accept for filing this Letter Petition (“Letter Petition”)¹, on behalf of Public Service Electric and Gas (“PSE&G” or “Company”) for approval to continue the current Clean Energy Future-Energy Efficiency Program (“CEF-EE”) offerings for a period of six months, and recover costs associated with this request through the existing CEF-EE component of the Company’s electric and gas Green Programs Recovery Charge (“CEF-EE Ext 2”).

By Order dated October 25, 2023, the Board of Public Utilities’ (“BPU” or “Board”) directed the utilities to file a letter petition to extend the Triennium 1 energy efficiency programs for a period of six (6) months, from July 1, 2024 through December 31, 2024 (“October 25th Order”).² Additionally, the Board directed each utility to request a budget that is not to exceed 50%

¹ In accordance with the Order issued by the Board in connection with I/M/O 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. No paper copies will follow.

² I/M/O the Implementation of L. 2018, c. 17 The New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO23030150.

of the utility's Program Year 3 ("PY3") budget.

BACKGROUND:

1. By Order dated June 10, 2020 ("Framework Order"), the Board approved an EE transition framework for EE programs implemented pursuant to the New Jersey Clean Energy Act of 2018 ("Clean Energy Act" or "CEA"). In the Framework Order, the Board directed New Jersey's electric and gas companies to file three-year program petitions by September 25, 2020 for approval by the Board by May 2021 and implementation beginning July 1, 2021 and concluding on June 30, 2024.³
2. PSE&G's CEF-EE Petition, which had been previously filed with the Board at the time the Framework Order was issued, was approved by the Board on September 23, 2020 ("CEF-EE Order"), with implementation to commence on October 1, 2020, and concluding on September 30, 2023.
3. On May 24, 2023, the BPU issued an Order approving PSE&G's request to extend its CEF-EE program for a period of nine months, from October 1, 2023 through June 30, 2024, and authorized additional funding for the nine-month extension period ("CEF-EE Ext").⁴

CEF-EE EXT 2:

4. Consistent with the October 25th Order, all Triennium 1 rules, provisions and practices, except as described below, shall apply to the CEF-EE Ext 2 period. PSE&G will continue to operate and offer its existing 10 programs approved as part of its CEF-EE Order.⁵

³ Atlantic City Electric, Elizabethtown Gas Company, Jersey Central Power and Light, New Jersey Natural Gas, South Jersey Gas Company and Rockland Electric Company. Butler Power and Light was not required to file EE and PDR program petition at the same time as the other public utilities.

⁴ I/M/O the Petition of Public Service Electric and Gas Company for approval of its Clean Energy Future- Energy Efficiency ("CEF-EE") Program on a Regulated Basis, Order Approving Stipulation, BPU Docket Nos. GO18101112 and EO18101113.

⁵ Hereinafter, unless otherwise noted, all references to CEF-EE include the CEF-EE Extension.

5. As directed by the Board in the October 25th Order, PSE&G will submit PY3 annual progress reports no later than 150 days following the end of PY3.
6. Also consistent with the October 25th Order, PSE&G will have the ability to shift program budgets within and among sectors during this extension period up to and including 25% with notification to Staff and the New Jersey Division of Rate Counsel (“Rate Counsel”), greater than 25% and up to 50% with Staff approval, and greater than 50% with Board approval.
7. PSE&G is requesting an investment budget of up to \$306 million to continue to operate and enroll new customers for the current CEF-EE programs to fund the six-month period, plus 10% in administrative expenses. The proposed expenditures by program for the extension period are contained in the Direct Testimony of Karen Reif which is Attachment A to this Letter Petition.
8. As set forth in the October 25th Order, the Company’s energy savings goal for this six-month extension period will be 0.255% of gas retail sales and 0.485% of electric retail sales, which represent 50% of the PY3 goals. The goals for reduction in energy use during the six-month extension period are estimated to be 8.5 million therms for gas and 194.9 million kWh for electric.⁶
9. The requested investment includes all expenditures, rebates, and incentives, including financing costs and audit/installation labor, outside services for third party subprogram implementation and evaluation, measurement & verification, and \$30.6 million in administrative costs over the six-month term to continue the 10 CEF-EE programs. The requested investment also includes amounts that will be spent during the six-month period, as well as investment amounts reserved to fund projects for customers who enroll in programs during the six-month period.

⁶ These values will be updated based upon actual sales as reflected in PSE&G’s quarterly reports.

10. PSE&G requests that the Board issue an order approving the program extension on or before April 1, 2024 with an extension commencement date of July 1, 2024 to allow for efficient continuation of the CEF-EE Program.

11. Consistent with prior reviews of PSE&G program offerings as well as reviews of similar N.J.S.A. 48:3-98.1 offerings by other electric and gas utilities, PSE&G also requests that the Board retain jurisdiction of this matter and not transfer the filing to the Office of Administrative Law. A decision by the Board to retain jurisdiction has, in the past and should in this instance, assist the Board in expediting the administrative review period. The Company looks forward to the opportunity to work with all parties to arrive at a mutually acceptable resolution of any issues that may arise with this extension request. PSE&G is committed to making all efforts to resolve any potential issues through settlement.

CEF-EE EXT 2 PROGRAM DESCRIPTION:

12. PSE&G proposes to continue to operate and offer its existing 10 programs approved as part of the CEF-EE Order. A detailed description of each of the 10 programs as previously approved by the Board is set forth in Attachment 1 of the Stipulation attached to the CEF-EE Order in the instant docket.

13. PSE&G is requesting an additional investment budget of up to \$306 million fund the six-month CEF-EE Ext 2 to continue to operate and enroll new customers for the 10 current CEF-EE programs to fund the six-month CEF-EE Ext 2, plus 10% in administrative expenses, which is consistent with the CEF-EE Order. The CEF-EE Ext 2 proposed expenditures are contained in Ms. Reif's testimony.

14. The projected CEF-EE Ext 2 investment and expense budgets, by program where applicable, are reflected in Ms. Reif's testimony and electronic workpaper WP-KR-CEF-EE Ext 2-2.xlsx.

15. For purposes of reporting, PSE&G will combine the results from the CEF-EE Ext 2 with the results from the CEF-EE Program for PY3, thereby extending PY3 from a 12-month period to an 18-month period. PSE&G will report the totals in quarterly and annual reports submitted to the Board, with the same content and in the format previously agreed upon by Staff, Rate Counsel and the New Jersey utilities. The PY3 annual progress report will be filed no later than 150 days following the end of the 18-month PY3 period. Similarly, PSE&G will combine and consolidate results from the CEF-EE Ext 2 with the results from CEF-EE for purposes of program evaluation.

SUPPORTING TESTIMONY:

16. In support of this Letter Petition, the Company is presenting the Direct Testimony of Ms. Karen Reif, Vice President of Renewables and Energy Solutions at PSE&G, attached hereto as Attachment A. Ms. Reif's testimony and workpapers discuss and quantify the program budgets and administrative costs the Company seeks approval for as part of the CEF-EE Ext 2 request.

17. PSE&G is also presenting the Direct Testimony of Mr. Stephen Swetz, Senior Director-Corporate Rates and Revenue Requirements for PSE&G. Mr. Swetz's testimony and schedules, attached hereto as Attachment B, presents the revenue requirement for the proposed CEF-EE Ext 2 rates.

RATE IMPACTS:

18. The proposed incremental rates for both gas and electric for the period July 1, 2024 through December 31, 2024 are reflected in Attachment B. The initial period for determining rates will be from October 1, 2024 through September 30, 2025 consistent with the rate recovery period for

similar GPRC programs and will be included as part of the Company's CEF-EE Component of the GPRC. The proposed incremental changes to both the gas and electric CEF-EE components are described in Mr. Swetz's testimony and schedules and reflected in Attachment B.

19. The incremental residential customer bill impacts are contained within the Typical Residential Bill Impacts and draft Form of Notice of Filing and of Public Hearings set forth in Attachments C and D, respectively, for the aforementioned typical customers, as well as for other typical customer usage patterns.

20. The Form of Notice sets forth the requested additional investments in the CEF-EE Program and corresponding incremental electric and gas rates and will be placed in newspapers having a circulation within the Company's electric and gas service territories upon receipt, scheduling, and publication of public hearing dates.

21. PSE&G also requests that the Board issues an order approving the program extension on or before April 1, 2024.

22. It is understood that 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 based upon the Board's decision.

COMMUNICATIONS

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 expeditiously issue an Order approving this Letter Petition and specifically finding that:

1. PSE&G is authorized to extend its approved CEF-EE Program for a six-month period, beginning on July 1, 2024.
2. PSE&G may recover \$306 million as additional investment and 10% administrative costs for the six-month extension period.
3. The combined budget for CEF-EE, CEF-EE Ext, and CEF-EE Ext 2, is approved as outlined in Attachment A.
4. The requested additional investment in the CEF-EE Program are just and reasonable, and PSE&G is authorized to implement the incremental program investments proposed herein on or before July 1, 2024, as part of the CEF-EE component of the GPRC.

Respectfully submitted,

**PUBLIC SERVICE ELECTRIC
AND GAS COMPANY**



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DATED: November 9, 2023
Newark, New Jersey

STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF PUBLIC)
SERVICE ELECTRIC AND GAS COMPANY FOR) **PETITION**
APPROVAL OF ITS CLEAN ENERGY FUTURE-)
ENERGY EFFICIENCY (“CEF-EE”)) BPU Docket Nos.
PROGRAM ON A REGULATED BASIS) GO18101112 and EO18101113
)

VERIFICATION

1. I am the Vice President of Renewables and Energy Solutions at Public Service Electric and Gas Company, the Petitioner in the foregoing Petition.
2. I have read the annexed Petition, and the matters and things contained therein are true to the best of my knowledge and belief.



Karen Reif

In the Matter of the Petition of Public
Service Electric and Gas Company for
Approval of its Clean Energy Future-
Energy Efficiency (“CEF-EE Ext 2”)
Program on a Regulated Basis
BPU Docket Nos.
GO18101112/EO18101113

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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 ITS CLEAN ENERGY FUTURE-
ENERGY EFFICIENCY (“CEF-EE”)
PROGRAM ON A REGULATED BASIS**

BPU Docket Nos. GO18101112 and EO18101113

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY
DIRECT TESTIMONY
OF
KAREN REIF
VICE PRESIDENT RENEWABLES & ENERGY
SOLUTIONS**

November 9, 2023

1 **PUBLIC SERVICE ELECTRIC AND GAS COMPANY**
2 **DIRECT TESTIMONY**
3 **OF**
4 **KAREN REIF**
5 **VICE PRESIDENT OF RENEWABLES & ENERGY SOLUTIONS**
6

7 **Q. Please state your name and professional title.**

8 A. My name is Karen Reif. I am the Vice President of Renewables & Energy Solutions at
9 Public Service Electric and Gas Company (“PSE&G” or “the Company”). My professional
10 credentials are set forth in the attached Schedule KR-CEF-EE Ext 2-1.

11 **I. SCOPE OF TESTIMONY**

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

13 A. I am testifying in support of the proposed second extension of the Company’s current Clean
14 Energy Future Energy Efficiency Program (“CEF-EE”). The original CEF-EE Program was
15 approved by Order of the Board of Public Utilities (“BPU” or “Board”) on September 23, 2020
16 (“CEF-EE Order”) in this docket and a nine-month extension of the CEF-EE program (“CEF-EE
17 Ext”) was approved on May 24, 2023 (“CEF-EE Ext Order”).¹

18 PSE&G is proposing this second extension in response to the Board’s October 25, 2023
19 Order (“October 25th Order”)², which directed the utilities to file letter petitions to extend their
20 Triennium 1 programs, without program changes, by six (6) months.

21 The proposed second extension of the CEF-EE Program (“CEF-EE Ext 2”) consists of the
22 10 programs approved by the Board that are currently operational in PSE&G’s electric and natural

¹ I/M/O Public Service Electric and Gas Company for Approval of its Clean Energy Future- Energy Efficiency (“CEF-EE”) Program on a Regulated Basis, BPU docket numbers GO18101112 and EO18101113 (May 24, 2023).

² I/M/O the Implementation of L. 2018, c. 17 The New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO23030150.

1 gas service territories. The proposal also includes the continued delivery of PSE&G electric energy
2 efficiency subprograms to Butler Power and Light (“Butler”) customers who are also PSE&G gas
3 customers (“Butler EE Customers”).

4 PSE&G is requesting a six-month extension and additional funding to continue these
5 programs, as currently approved, through December 31, 2024, as outlined by the BPU’s October
6 25th Order.

7 **Q. Do you sponsor any schedules or workpapers as part of your direct testimony?**

8 A. Yes. I sponsor the following schedule and electronic workpapers that were prepared by me
9 and/or under my supervision and direction:

- 10 • Schedule KR-CEF-EE Ext-2-1: describes my professional credentials
- 11 • Workpaper WP-KR-CEF-EE Ext-2-1.xlsx: contains the monthly forecasted
12 investments and costs by subprogram
- 13 • Workpaper WP-KR-CEF-EE Ext-2-2.xlsx; contains the summary budget by program
14 and the calculation of total investment budget
15

16 **Q. Is PSE&G submitting any other testimony in support of the CEF-EE Ext 2?**

17 A. Yes, Mr. Stephen Swetz is filing testimony in this matter addressing revenue requirements,
18 cost recovery, and rate impacts for the CEF-EE Ext 2.

19 **II. CEF-EE EXT 2 PROGRAM**

20 **Q. Please describe the proposed CEF-EE Ext 2.**

21 A. The CEF-EE Ext 2 will include implementation, administration and investment in the
22 current 10 programs. All 10 of these programs are currently authorized under CEF-EE Ext and are
23 operational in PSE&G territory.

1 The CEF-EE Ext 2 investment and the total Triennium 1 investment, by subprogram, is
2 outlined below:

3 **Investment Summary**

| Program | Current Approved Triennium 1 Budget* (\$M) | Proposed Extension 2 Budget (\$M) | Total Extended Triennium 1 Budget (\$M) |
|---|---|--|--|
| Residential Efficient Products | \$248,000,000 | \$60,280,682 | \$308,280,682 |
| Residential Existing Homes | \$112,100,000 | \$24,286,989 | \$136,386,989 |
| Residential Behavior | \$25,200,000 | \$3,730,137 | \$28,930,137 |
| Residential Multifamily | \$11,000,000 | \$3,157,240 | \$14,157,240 |
| Income Eligible | \$61,000,000 | \$16,649,641 | \$77,649,641 |
| C&I Prescriptive | \$243,900,000 | \$86,754,434 | \$330,654,434 |
| C&I Custom | \$23,900,000 | \$4,123,231 | \$28,023,231 |
| C&I Small Non-Residential Efficiency (i.e. Direct Install) | \$191,000,091 | \$55,398,588 | \$246,398,679 |
| C&I Energy Management | \$4,000,000 | \$1,102,390 | \$5,102,390 |
| C&I Engineered Solutions | \$327,675,900 | \$50,516,667 | \$378,192,567 |
| IT | \$36,371,822 | \$0 | \$36,371,822 |
| Total Investment | \$1,284,147,813 | \$306,000,000 | \$1,590,147,813 |
| Admin | Cap at 10% of Investment | | |

4 *Budget reflects current approved Triennium 1 budget as of October 1, 2023, including budget
5 transfers that occurred within the Triennium.

6 **Q. How does the CEF-EE Ext 2 proposal differ from the currently approved CEF-EE
7 and CEF-EE Ext Programs?**

8 A. CEF-EE Ext 2 does not differ from the currently approved CEF-EE and CEF-EE Ext
9 Programs. CEF-EE Ext 2 only seeks additional funding to continue to operate the existing
10 programs and enroll new customers through December 31, 2024.

1 ***B. Budget Calculation***

2 **Q. Please describe how the proposed budget aligns with the Board's guidance for the**
3 **extension period, which the Board defined in the October 25th Order as not to exceed**
4 **50% of the utility's PY3 budget.**

5 A. Per discussions in the Utility Working Group, PSE&G calculated its budget for the
6 extension period as shown in the attached Workpaper WP-KR-CEF-EE Ext 2-2.xlsx. PSE&G
7 utilized the total investment approved for Triennium 1 and subtracted out actual investments for
8 PY0 (the nine-month period from October 2020 through June 2021), PY1, and PY2 as well as the
9 estimated commitments as of June 30, 2023. The resulting value was then divided in half to align
10 with the six-month period, and then rounded down to \$306 million.

11 **Q. Do the total investments, PY0, PY1, and PY2 figures include administrative expenses?**

12 A. Consistent with the methodology approved in PSE&G's CEF-EE and CEF-EE Ext Orders,
13 the level of administrative expenses are up to 10% of the approved investment budget. The figures
14 reflected in Workpaper WP-KR-CEF-EE Ext 2-2.xlsx do not contain administrative expenses.

15 ***C. Investment and Expense Budgets***

16 **Q. Please describe the budgetary needs associated with CEF-EE Ext 2.**

17 A. PSE&G proposes to commit up to \$306 million in CEF-EE Ext 2 investment and forecasts
18 program administration expenses of 10% (\$30.6 million), which is consistent with the
19 administration expenses approved in the CEF-EE and CEF-EE Ext Orders. This funding will allow
20 the existing 10 programs to continue to operate for the six-month period covered by the second
21 extension. The CEF-EE Ext 2 budget includes all identified costs necessary to deliver the CEF-EE
22 Ext 2 including customer incentives, on-bill repayment, capital costs, utility administration,
23 marketing, outside services, inspections and quality assurance/quality control efforts, evaluations
24 and program development and planning.

1 The projected investment of \$306 million plus program administration costs of \$30.6
2 million sum to a total budget requirement of \$336.6 million.

3 ***D. Program Term***

4 **Q. Please define the time period over which the CEF-EE Ext 2 expenditures will be made.**

5 A. CEF-EE Ext 2 enrollments will occur during the six-month extension period. Expenditures
6 from these CEF-EE Ext 2 enrollments will be made according to each program's sales lifecycle,
7 consistent with the approach approved in PSE&G's initial CEF-EE filing.

8 ***E. Program Evaluation and Reporting***

9 **Q. Please describe PSE&G's intended reporting process and schedule.**

10 A. Reporting for this CEF-EE Ext 2 will be integrated with reporting for the Company's
11 existing CEF-EE and CEF-EE Ext Programs and will follow all Board established procedures.
12 From a practical standpoint this means that, the Company will report all expenditures, savings, and
13 other reporting metrics together into combined quarterly reports and will submit a single annual
14 report covering the extended, 18-month extension period.

15 **Q. How will savings for CEF-EE Ext 2 be reported?**

16 A. CEF-EE Ext 2 reporting will be merged with CEF-EE reporting, including CEF-EE Ext,
17 and will not be separately tracked or reported.

18 **Q. Will the results from CEF-EE Ext 2 be similarly combined with CEF-EE and CEF-
19 EE Ext for purposes of evaluation, measurement and verification?**

20 A. Yes, PSE&G will combine and consolidate results from the CEF-EE Ext 2 with the results
21 from CEF-EE for purposes of program evaluation.

1 **III. COST RECOVERY**

2 **Q. Is PSE&G proposing any changes to the current cost recovery mechanisms?**

3 A. No. CEF-EE Ext 2 proposes to continue and maintain the current cost recovery
4 mechanisms and schedule currently in effect for CEF-EE. Please see the testimony of Mr. Stephen
5 Swetz for additional details relating to cost recovery.

6 **IV. BUTLER POWER AND LIGHT ENERGY EFFICIENCY AND PEAK DEMAND**
7 **REDUCTION PROGRAMS**

8 **Q. Is PSE&G proposing to continue to provide energy efficiency services to the**
9 **customers of Butler Power and Light?**

10 A. Yes, PSE&G is proposing to continue offering these programs to Butler EE Customers
11 during the second extension period, in the same manner as set forth in the CEF-EE Ext Order.

12 **Q. Is PSE&G requesting additional funding, in excess of the \$306 million, in order to**
13 **make the programs accessible to Butler EE Customers?**

14 A. No. The Company intends to make energy efficiency programs available to Butler EE
15 Customers through the budget detailed above and without any additional funding dedicated to
16 Butler EE Customers.

17 **Q. Does this conclude your testimony at this time?**

18 A. Yes.

KR-CEF-EE Ext-2-1

1
2 **CREDENTIALS**
3 **OF**
4 **KAREN REIF**
5 **VICE PRESIDENT RENEWABLES AND ENERGY SOLUTIONS**
6

7 My name is Karen Reif, and I am employed by Public Service Electric and Gas Company
8 (“PSE&G”, “the Company”) as the Vice President of Renewables and Energy Solutions. In this
9 role, I have primary management and oversight responsibility for the market strategy, development
10 and implementation of the Company’s solar, electric vehicle, energy storage, and energy efficiency
11 programs.

12
13 **EDUCATIONAL BACKGROUND**

14 I have a Bachelor of Arts degree in International Studies from Emory University, and a
15 Master of Business Administration in Finance and Strategy from Carnegie Melon University.

16
17 **WORK EXPERIENCE**

18 I have worked for PSE&G and its affiliate PSEG Services Corporation for 28 years in
19 various positions. I have also worked for ScottMadden Management Consultants as a consultant.
20 I joined PSEG in 1995. I have held multiple positions across the organization including various
21 roles in trading, deregulated subsidiaries, information technology and most recently, continuous
22 improvement. I spent 14 years in the Information Technology Department, holding several
23 leadership roles including system implementation, business relationship management and project
24 management/quality support. Prior to becoming Vice President of Renewables and Energy
25 Solutions, I served as the Senior Director of Continuous Improvement for PSEG Services
26 Corporation. I established this function for PSEG, which is responsible for developing sustainable

1 and quantifiable business improvements based on industry best practices. In July of 2018, I was
2 named Vice President of Renewables and Energy Solutions. My professional experience includes
3 finance, strategy, business relationships, application implementation, quality assurance, process
4 management and program management.

5 I have the following certifications: Project Management Professional, Lean Six Sigma, and
6 Information Technology Infrastructure Library Foundation. I was named a 2023 Return on
7 Information New Jersey (“ROI-NJ”) Woman in Business Influencer, a 2023 ROI-NJ Energy &
8 Utilities Influencer, a MOVES Power Woman 2022 (New York Moves Magazine), and won the
9 Tribute to Women in NJ (“TWIN”) Award in 2015. I am also a board member of the Boys & Girls
10 Club in New Jersey, the Children’s Specialized Hospital Foundation, and the Rutgers Business
11 School Advisory Board.

Investment Budget Calculation:

| | Tri 1 Program Budget* | PY1 Actuals** | PY2 Actuals | Commitments (as of 6/30/2023) | Remaining Budget | 50% / Half Year Value |
|-------|-----------------------|---------------|---------------|-------------------------------|------------------|-----------------------|
| PSE&G | \$1,284,147,813 | \$210,460,568 | \$353,380,185 | \$107,200,753 | \$613,106,307 | \$306,553,154 |

Note: Calculations based on investment dollars (Admin not included)

Proposed Extension Budget: \$306,000,000

*Includes the budget for both CEF-EE and CEF-EE Ext

**PY1 includes spending from PSE&G's PY0 (the nine-month period from October 2020 through June 2021)

Investment Budget:

| Program | Current Approved Triennium 1 Budget* | Proposed Extension Budget (\$M) | Total Extended Triennium 1 Budget (\$M) |
|--|--------------------------------------|---------------------------------|---|
| Residential Efficient Products | \$248,000,000 | \$60,280,682 | \$308,280,682 |
| Residential Existing Homes | \$112,100,000 | \$24,286,989 | \$136,386,989 |
| Residential Behavior | \$25,200,000 | \$3,730,137 | \$28,930,137 |
| Residential Multifamily | \$11,000,000 | \$3,157,240 | \$14,157,240 |
| Income Eligible | \$61,000,000 | \$16,649,641 | \$77,649,641 |
| C&I Prescriptive | \$243,900,000 | \$86,754,434 | \$330,654,434 |
| C&I Custom | \$23,900,000 | \$4,123,231 | \$28,023,231 |
| C&I Small Non-Residential Efficiency (i.e. Direct Install) | \$191,000,091 | \$55,398,588 | \$246,398,679 |
| C&I Energy Management | \$4,000,000 | \$1,102,390 | \$5,102,390 |
| C&I Engineered Solutions | \$327,675,900 | \$50,516,667 | \$378,192,567 |
| IT | \$36,371,822 | \$0 | \$36,371,822 |
| Total Investment | \$1,284,147,813 | \$306,000,000 | \$1,590,147,813 |
| Admin | Cap at 10% of Investment | | |

* Budget reflects current approved Triennium 1 budget as of October 1, 2023, including budget transfers that occurred within the Triennium.

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

**IN THE MATTER OF THE PETITION OF PUBLIC
SERVICE ELECTRIC AND GAS COMPANY
FOR APPROVAL OF ITS CLEAN ENERGY FUTURE-
ENERGY EFFICIENCY (“CEF-EE”)
PROGRAM ON A REGULATED BASIS**

BPU Docket Nos. GO18101112 and EO18101113

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

November 9, 2023

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

1 **I. INTRODUCTION AND PURPOSE**

2 **Q. Please state your name and professional title.**

3 A. My name is Stephen Swetz and I am the Sr. Director – Corporate Rates and Revenue
4 Requirements for PSEG Services Corporation. My credentials are set forth in the attached
5 Schedule SS-CEF-EE Ext 2-0.

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

7 A. The purpose of this testimony is to support Public Service Electric and Gas Company’s
8 (“PSE&G” or “the Company”) proposed methodology for recovery of the costs related to
9 PSE&G’s Clean Energy Future-Energy Efficiency Extension 2 Program (“CEF-EE Ext 2”)
10 Program”). I will also address projected bill impacts.

11 **II. CEF-EE Ext PROGRAM REVENUE REQUIREMENTS AND COST**
12 **RECOVERY**

13 **Q. Please briefly summarize PSE&G’s proposed cost recovery program.**

14 A. PSE&G is proposing to recover the revenue requirements associated with the direct
15 costs of the six-months of additional funding to continue the 10 New Jersey Board of Public
16 Utilities (“BPU” or “Board”) approved CEF-EE Program subprograms as incremental revenue
17 requirements to the existing CEF-EE Component of the Company’s Green Program Recovery
18 Charge (“GPRC”). Direct costs include all costs related to CEF-EE Ext 2 Program capital

1 expenditures, allowance for funds used during construction (“AFUDC”), information
2 technology (“IT”), Third Party Implementation costs and operations and maintenance costs
3 including the administrative costs of running the Program. These costs would be offset by any
4 repayments or other revenue offsets.

5 **A. Revenue Requirement Formula and Components**

6 **Q. How does PSE&G propose to calculate the revenue requirements on a monthly**
7 **basis?**

8 A. The CEF-EE Ext 2 Program investments proposed will be treated as regulatory assets
9 and depending on the type of investment, depreciated or amortized as described in the
10 corresponding section below. The revenue requirements associated with the direct costs of the
11 CEF-EE Ext 2 Program will be calculated the same as the current CEF-EE and CEF-EE Ext
12 revenue requirements and are expressed as:

$$\begin{aligned} & \text{Revenue Requirements} = (\text{Pre-tax Cost of Capital} * \text{Net Investment}) + \text{Amortization} \\ & \text{and/or Depreciation} + \text{Expenses} + \text{Program Investment Repayments} + \text{Revenue} \\ & \text{Offsets} + \text{Tax Flow-thru} + \text{Tax Adjustments} \end{aligned}$$

16 **Q. Please describe the components and defined terms in PSE&G’s proposed monthly**
17 **revenue requirement calculation.**

18 A. The following is a description of each term in PSE&G’s revenue requirement
19 calculation.

20 Cost of Capital – This is PSE&G’s overall weighted average cost of capital (“WACC”) that is
21 used for the Company’s existing CEF-EE Program. PSE&G shall earn a return on its net
22 investment in the CEF-EE Ext 2 Program based upon an authorized return on equity (“ROE”)

1 and capital structure including income tax effects. The Company is proposing to utilize the
2 latest cost of capital authorized by the Board in its most recent base rate case proceeding. See
3 Schedule SS-CEF-EE Ext 2-1 for the calculation of the current Pre-Tax WACC utilized in the
4 revenue requirement calculation. Any change in the WACC authorized by the Board of Public
5 Utilities (“BPU” or the “Board”) in any electric, gas, or combined base rate case would be
6 reflected in the subsequent monthly revenue requirement calculations. Any changes to current
7 tax rates would also be reflected in an adjustment to the After-Tax WACC.

8 Net Investment – This is the Gross Plant-in-Service less associated accumulated depreciation
9 and/or amortization less Accumulated Deferred Income Tax (“ADIT”).

10 1) Gross Plant, is comprised of:

11 a. Program Investment, which includes the regulatory asset associated with the
12 CEF-EE Ext 2 investments.

13 b. Capitalized IT Costs; and

14 2) ADIT, will be computed at all times utilizing a normalization method of accounting as
15 required by applicable IRS and Treasury Regulations for depreciable assets and a flow-
16 thru methodology for all intangible assets. Further, the ADIT balance for the CEF-EE
17 Ext 2 Program depreciable assets incorporate the federal tax proration methodology as
18 required by the IRS for depreciable assets recovered over a forecasted period. The
19 proration methodology and flow-thru methodology utilized in the calculation of ADIT
20 are described in more detail below. The expenditures related to the Program are
21 described in the direct testimony and workpapers of Karen Reif.

1 Depreciation/Amortization – The depreciation or amortization of the CEF-EE Ext 2 Program
 2 assets will vary depending on the type of asset. The table below summarizes the proposed
 3 book recovery and associated tax depreciation and tax treatment applied to the corresponding
 4 asset classes.

| Asset Class | Book Recovery | Tax Amortization / Depreciation | Tax Treatment |
|--------------------------------|-----------------|---------------------------------------|---------------|
| Residential and C&I Investment | 10 years amort. | 100% expense | Flow-Thru |

5 Investment Repayments – These repayments from participants will be credited back to
 6 customers as an offset to revenue requirements. The Investment Repayments consist of
 7 repayments of a portion of the grant/rebates provided as set forth in schedule KR-CEF-EE Ext
 8 2-1.

9 The Company has assumed approximately 1% of total repayments will not be
 10 recovered from participants consistent with the Company’s historical experience as reflected
 11 in electronic workpaper WP-KR-CEF-EE Ext 2-1.xlsx, included with the testimony of Ms.
 12 Reif.

13 Expenses - The O&M expenses are described in Ms. Reif’s testimony. An annual summary of
 14 the projected administrative costs can be found in electronic workpaper WP-KR-CEF-EE Ext
 15 2-1.xlsx from the testimony of Ms. Reif. The monthly detail and assumptions supporting the
 16 expenses can be found in electronic workpaper WP-KR-CEF-EE Ext 2-1.xlsx.

17 Revenue Offsets - Any net revenues received from any future source shall be credited to
 18 customers as a reduction to revenue requirements.

ATTACHMENT B

1 Tax Flow-Thru – Rather than normalizing the timing difference between book and tax
2 depreciation over the life of the assets, the Company will immediately credit/recover the timing
3 difference between certain book and tax depreciation to customers for eligible assets.

4 Gross-up of Amortization Tax Flow-Thru – As the amortization tax flow-thru impacts above
5 are after-tax, an income tax gross-up is required on the amortization of the flow-thru amount.

6 Tax Adjustments – According to current Internal Revenue Service regulations, the portion of
7 the investment that will be repaid by the participant must be treated as a loan for tax purposes.
8 The portions of the investments that are expected to be repaid by the participant are not tax
9 deductible. Therefore, when the loan portions of the investments are amortized, and added to
10 revenue requirements, taxable income increases and current taxes increase. The Company
11 must increase the revenue requirement to pay for the increase in current taxes. Conversely,
12 when the participant repayment is returned to the customer, it is non-taxable revenue, which
13 reduces taxable income and current taxes, which further reduces revenue requirements. While
14 the tax adjustments affect monthly revenue requirements, there is no net impact to customers
15 over the life of the investments and 100% of the participant repayments are returned to the
16 customers.

1 **B. *Monthly Revenue Requirement Calculation***

2 **Q. Please describe the monthly detailed revenue requirement calculations.**

3 A. The monthly detailed calculations of the electric and gas revenue requirements for the
4 initial period (July 1, 2024 through September 30, 2025) along with an annual summary for
5 the entire CEF-EE Ext 2 Program based upon the projected direct costs for electric and gas are
6 shown in Schedules SS-CEF-EE Ext 2-2E and SS-CEF-EE Ext 2-2G, respectively. These
7 revenue requirements represent the incremental amounts from the CEF-EE Ext 2 Program and
8 will be added to the existing CEF-EE revenue requirements. The remaining monthly
9 calculations that support the annual summary for the second recovery period and beyond are
10 available in the electronic workpapers (WP-SS-CEF-EE Ext 2-1.xlsx, worksheets “RevReqE”
11 & “RevReqG”). Below is a detailed description of the monthly revenue requirements
12 calculations set forth in Columns 1 – 23 of Schedules SS-CEF-EE Ext 2-2E and SS-CEF-EE-
13 Ext 2-2G.

14 CEF-EE Ext 2 Program Investment (Column 1) is an input into the revenue
15 requirements calculation. An annual summary of the projected CEF-EE Ext 2 Program
16 Investments can be found in the testimony of Ms. Karen Reif. Program Investment from/(to)
17 Partner Utility (Column 2), Capitalized IT Costs (Column 3) represent projects necessary for
18 the implementation of the CEF-EE Ext 2 Program. For detailed assumptions regarding the
19 CEF-EE Ext 2 Program expenses, see electronic workpaper WP-KR-CEF-EE Ext 2-1.xlsx.
20 Gross Plant (Column 4) is the cumulative sum of CEF-EE Ext 2 Program Investments (Column
21 1), Program Investment from/(to) Partner utility (Column (2), and Capitalized IT Costs
22 (Column 3). Accumulated Amortization (Column 7) is the cumulative sum of PSE&G and

ATTACHMENT B

1 Partner Utility Program investment Amortization (Column 5) and IT Cost Amortization
2 (Column 6). The Net Plant (Column 8) is calculated as the gross plant (Column 4) less
3 Accumulated Amortization (Column 7). The amortization/depreciation lives for each asset in
4 the CEF-EE Ext Program is described above. The details for the calculation of Tax
5 Amortization / Depreciation (Column 9), Book Amortization / Depreciation – Tax Basis
6 (Column 10), Deferred Income Tax (Column 11), Beginning ADIT Balance (Column 12) and
7 Ending ADIT Balance (Column 13), Program Investment from/(to) Partner utility and
8 Capitalized IT Costs related to the CEF-EE Ext 2 Program Investments are included in the
9 electronic workpapers WP-SS-CEF-EE Ext 2-1.xlsx, worksheets RevReqE and RevReqG.
10 The Average Net Investment (Column 14) is equal to the prior month Net Plant (Column 8)
11 less the Beginning ADIT Balance (Column 12) plus the current month Net Plant (Column 8)
12 less the Ending ADIT Balance (Column 13) divided by 2. The monthly Return Requirement
13 (Column 15) is the Average Net Investment (Column 14) multiplied by the Monthly Pre-Tax
14 WACC from Schedule SS-CEF-EE Ext 2-1. Program Investment Repayments (Column 16)
15 are an input from electronic workpaper WP-KR-CEF-EE Ext 2-1.xlsx and are an offset to
16 revenue requirements. The Expenses (Column 17) are an input from electronic workpaper
17 WP-KR-CEF-EE Ext 2-1.xlsx. As noted above, the Company is not assuming any revenue
18 offsets at this time but if PSE&G does realize any additional financial benefits the Revenue
19 Offsets (Column 18) will reduce the revenue requirement for the Program. The details of the
20 Tax Flow-Thru (Column 20), “IT-E”, and “IT-G”. The Monthly Revenue Requirement
21 (Column 23) is calculated as the Program Investment Amortization (Column 4) plus the IT
22 Cost Amortization (Column 5), plus, plus the Return Requirement (Column 15) less the

1 Program Investment Repayments (Column 16) plus the Expenses (Column 17) less Revenue
2 Offsets (Column 18), plus the Tax Flow-Thru (Column 20), Tax Flow-Thru Gross-up (Column
3 21), and Tax Adjustment on Loans (Column 22).

4 **C. *Initial Revenue Requirements***

5 **Q. What are the revenue requirements for the initial rate recovery period?**

6 A. The electric and gas revenue requirements for the initial rate period from July 1, 2024
7 to September 30, 2025 are \$7.6 million and \$11.9 million, respectively. See Schedule SS-
8 CEF-EE Ext 2-3.

9 **D. *Method for Cost Recovery***

10 **Q. Please describe the cost recovery mechanism.**

11 A. PSE&G proposes to recover the net revenue requirements associated with the CEF-EE
12 Ext 2 Program through the existing CEF-EE Program component (“CEF-EEC”) of the
13 Company’s Electric and Gas GPRC. The electric CEF-EEC is applicable to all electric rate
14 schedules on an equal dollar per kilowatt-hour basis for recovery of costs associated with the
15 electric allocation of the CEF-EE Program. The gas CEF-EEC is applicable to all gas rate
16 schedules on an equal dollar per therm basis for recovery of costs associated with the gas
17 allocation of the CEF-EE Program. CEF-EE Ext 2 Program initial revenue requirements will
18 be included as part of the CEF-EEC in the Company’s 2024 annual GPRC filing. While the
19 incremental revenue requirements for CEF-EE Ext 2 will start July 1, 2024, the initial rate
20 recovery period will be via the CEF-EEC from October 1, 2024 through September 30, 2025
21 and trued up in subsequent recovery periods. The recovery of the CEF-EE Ext 2 incremental

1 revenue requirements for the period from July 1, 2024 and September 30, 2024 will be captured
2 via the CEF-EEC Electric and Gas over/under balances.

3 **Q. When is the anticipated implementation of the CEF-EE Ext 2?**

4 A. PSE&G is proposing to include this six-month extension as part of the Company's
5 preexisting CEF-EE Program. Since Board approval is requested by April 1, 2024 for program
6 investments beginning July 1, 2024, the initial period for determining rates will be from
7 October 1, 2024 through September 30, 2025 consistent with the rate recovery period for
8 similar GPRC programs and will be included as part of the Company's CEF-EEC of the GPRC.

9 **Q. How is recovery anticipated for the subsequent rate periods?**

10 A. For subsequent rate periods, the CEF-EECs will be changed on an annual basis
11 incorporating a true-up for actuals and an estimate of the CEF-EE Ext 2 incremental revenue
12 requirements for the upcoming recovery period. The calculations of the proposed incremental
13 CEF-EECs are shown in Schedules SS-CEF-EE Ext 2-4E and SS-CEF-EE Ext 2-4G,
14 respectively. The Revenue Requirements (Column 1) for each period, initial and all
15 subsequent annual periods, are divided by the forecasted sales, kilowatt-hours for electric and
16 therms for gas, to determine the electric CEF-EEC and gas CEF-EEC (Column 2) without the
17 New Jersey Energy Sales and Use Tax ("SUT") applied.

18 **E. Projected CEF-EE Bill Impacts**

19 **Q. Please describe the calculation of the incremental bill impacts for the CEF-EE**
20 **Extension Program.**

21 A. An estimate of the incremental rate and bill impacts of the CEF-EE Ext 2 Program has
22 been prepared as Schedules SS-CEF-EE Ext 2-4E and SS-CEF-EE Ext 2-4G, respectively.

1 The calculations of incremental CEF-EECs without SUT were previously described in the
2 Method of Direct Cost Recovery section above. The incremental CEF-EECs with SUT
3 (Column 3) are determined by multiplying each incremental CEF-EEC without SUT (Column
4 2) by one plus the current SUT rate (6.625%). This Rate Impact Analysis uses current rates for
5 calculating the percentage change for all major rate classes. The November 1, 2023 current
6 average rates for all electric rate classes are shown on the first row of Schedule SS-CEF-EE
7 Ext 2-4E. The November 1, 2023 current average rates for all of the gas rate classes are shown
8 on Schedule SS-CEF-EE Ext 2-4G. In addition, the typical residential electric and gas annual
9 bill calculations are also shown in Schedule SS-CEF-EE Ext 2-4E and SS-CEF-EE Ext 2-4G,
10 respectively.

11 **Q. What are the initial and maximum rates and bill impacts?**

12 A. The expected increase from the electric CEF-EEC for the initial recovery period would
13 be \$0.000198 per kWh without SUT (\$0.000211 per kWh with SUT) with an expected
14 maximum increase occurring in the period from October 1, 2032 through September 30, 2033
15 with a rate of \$ 0.000578 per kWh without SUT (\$0.000616 per kWh with SUT).

16 PSE&G's typical residential electric customer using 740 kWh in a summer month and
17 577 kWh in an average month (6,920 kWh annually) would experience an increase in the
18 average monthly bill from \$117.48 to \$117.60 or \$0.12 or approximately 0.10% (based upon
19 Delivery Rates and BGS-RSCP charges in effect November 1, 2023 assuming that the
20 customer receives BGS-RSCP service from PSE&G). The expected maximum increase of
21 \$4.24 or approximately 0.30% is projected to occur in the period from October 1, 2032 to
22 September 30, 2033, based on rates in effect November 1, 2023.

1 The expected increase from the gas CEF-EEC for the initial recovery period would be
2 \$0.004288 per therm without SUT (\$0.004572 per therm with SUT) with an expected
3 maximum increase occurring in the period from October 1, 2032 through September 30, 2033
4 with a rate of \$ 0.007837 per therm without SUT (\$0.008356 per therm with SUT).

5 PSE&G's typical residential gas heating customers using 172 therms in a winter month
6 and 87 average monthly therms (1,040 therms annually) would experience an increase in the
7 average monthly bill from \$93.22 to \$93.61 or \$0.39, or approximately or 0.42% (based upon
8 current Delivery Rates and BGSS-RSG charges in effect November 1, 2023 assuming that the
9 customer receives BGSS service from PSE&G and not including any BGSS-RSG Bill Credits).
10 The expected maximum increase of \$8.64 or approximately 0.77% will occur in the period
11 from October 1, 2032 to September 30, 2033, based on gas rates in effect November 1, 2023.

12 ***F. Over / Under Calculation***

13 **Q. How will the Company account for any over- or under-recoveries?**

14 A. Under the Company's proposal, any over/under recovery of the actual revenue
15 requirements compared to revenues would be deferred. In calculating the monthly interest on
16 net over and under recoveries, the interest rate shall be based upon the Company's interest rate
17 obtained on its commercial paper and/or bank credit lines utilized in the preceding month. If
18 both commercial paper and bank credit lines have been utilized, the weighted average of both
19 sources of capital shall be used. In the event that neither commercial paper nor bank credit
20 lines were utilized in the preceding month, the last calculated rate will be used. The interest
21 rate shall not exceed PSE&G's overall rate of return as authorized by the Board as utilized in
22 calculating revenue requirements for the corresponding period. The incremental interest

1 amount charged due to the CEF-EE Ext 2 Program electric and gas deferred balances is
2 computed using the methodology and set forth in Schedule SS-CEF-EE Ext 2-5E and SS-CEF-
3 EE-Ext 2-5G, respectively. The calculation of monthly interest is based on the net of tax
4 average monthly balance, consistent with the methodology set forth in Schedules SS-CEF-EE
5 Ext 2-5E and SS-CEF-EE Ext 2-5G for the CEF-EE Program. Simple interest is accrued on
6 any under and over recovered balances and is included in the deferred balances at the end of
7 each reconciliation period. The interest calculations described above are identical to those in
8 the CEF-EE Program.

9 **Q. Does this conclude your testimony at this time?**

10 A. Yes, it does.

ATTACHMENT B

SCHEDULE INDEX

| | |
|-----------------------------|--|
| Schedule SS-CEF-EE Ext 2-0 | CEF EE Ext 2 – Steve Swetz Credentials |
| Schedule SS-CEF-EE Ext 2-1 | CEF-EE Ext 2 - Weighted Average Cost of Capital (WACC) |
| Schedule SS-CEF-EE Ext 2-2E | CEF-EE Ext 2 – Electric Revenue Requirements Calculation |
| Schedule SS-CEF-EE Ext 2-2G | CEF-EE Ext 2 - Gas Revenue Requirements Calculation |
| Schedule SS-CEF-EE Ext 2-3 | CEF-EE Ext 2 - Proposed Rate Calculation |
| Schedule SS-CEF-EE Ext 2-4E | CEF-EE Ext 2 - Electric - Rate Impact Analysis |
| Schedule SS-CEF-EE Ext 2-4G | CEF-EE Ext 2 - Gas - Rate Impact Analysis |
| Schedule SS-CEF-EE Ext 2-5E | CEF-EE Ext 2 - Electric Over / Under Balance Calculation |
| Schedule SS-CEF-EE Ext 2-5G | CEF-EE Ext 2 - Gas Over / Under Balance Calculation |

ELECTRONIC WORKPAPER INDEX

| | |
|---------------------------|--|
| WP-SS-CEF-EE Ext 2-1.xlsx | CEF-EE Ext 2 Revenue Requirements Summary and Rate Analysis Calculations |
|---------------------------|--|

1 contributed to other filings including unbundling electric rates and Off-Tariff Rate
2 Agreements. I have had a leadership role in various economic analyses, asset valuations,
3 rate design, pricing 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 | E/G | G018101112 and EO18101113 | 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 | | written | Jun-23 | Conservation Incentive Program (GCIP) |
| 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 (GSMPIII) |
| 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 (GSMPII) - 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 | EO18101113 & GO18101112 | 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, S4All, 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 (GSMPII) - 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 (GCIP) |
| 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 (GSMPII) - 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 | EO21111211 & GO21111212 | 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, S4All, 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 (GSMPII) - Fifth Roll-In |
| Public Service Electric & Gas Company | E | ER21060948 | written | Jun-21 | SPRC 2021 |
| PSEG New Haven LLC | 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 (GSMPII) - 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, S4All, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery |
| Public Service Electric & Gas Company | G | GR20060464 | written | Jun-20 | Gas System Modernization Program II (GSMPII) - 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 (GSMPII) - 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, S4All, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery |
| Public Service Electric & Gas Company | G | GR19060766 | written | Jun-19 | Gas System Modernization Program II (GSMPII) - 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 | EO18060629 & GO18060630 | 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 | EO18101113 & GO18101112 | 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) |
| 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 (GSMPI) - 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 |

LIST OF PRIOR TESTIMONIES

| Company | Utility | Docket | Testimony | Date | Case / Topic |
|---------------------------------------|---------|-------------------------|--------------|--------|---|
| 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 | Jul-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(EEE) / 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 |

Schedule SS-CEF-EE Ext 2-1

**PSE&G Clean Energy Future- Energy Efficiency Extension 2 Program
Weighted Average Cost of Capital (WACC)**

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Revenue Conversion Factor</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|-------------------|----------------|-------------|--------------------------|--|--------------------------------------|--------------------------|
| Long Term Debt | 45.53% | 3.9567% | 1.8017% | 1.0000 | 1.8017% | |
| Customer Deposits | <u>0.47%</u> | 0.8700% | <u>0.0041%</u> | 1.0000 | <u>0.0041%</u> | |
| Sub-total | 46.00% | | 1.8058% | | 1.8058% | 1.2982% |
| Common Equity | <u>54.00%</u> | 9.60% | <u>5.1836%</u> | 1.3910 | <u>7.2105%</u> | <u>5.1836%</u> |
| Total | 100.00% | | 6.99% | | 9.02% | 6.4818% |
| Monthly WACC | | | 0.5825% | | 0.7514% | |

Reflects a tax rate of 28.11%

**PSE&G Clean Energy Future- Energy Efficiency Extension 2 Program
Electric Revenue Requirements Calculation**

| | |
|-----------------------------------|---------|
| Monthly WACC effective 11/1/2018 | 0.7514% |
| Inc. tax rate effective 11/1/2018 | 28.11% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|----------------------------|--------------------------|--|---|--|---|--|-------------------------------|---------------|--|--|--|--|
| | PSE&G Program Investment | Program Investment from/(to) Partner utility | Capitalized IT Costs | Gross Plant | PSE&G + Partner Utility Program Investment Amortization | IT Cost Amortization | Accumulated Amortization | Net Plant | Tax Depreciation | Book Depreciation Tax Basis | Deferred Income Tax | Beginning Accumulated Deferred Income Tax |
| Monthly Calculation | | | | | | | | | | | | |
| Apr-24 | - | - | - | - | - | - | - | - | - | - | - | - |
| May-24 | - | - | - | - | - | - | - | - | - | - | - | - |
| Jun-24 | - | - | - | - | - | - | - | - | - | - | - | - |
| Jul-24 | 7,763,436 | - | - | 7,763,436 | 32,348 | - | 32,348 | 7,731,088 | 4,667,903 | 19,450 | 330,505 | - |
| Aug-24 | 7,493,000 | - | - | 15,256,436 | 95,916 | - | 128,264 | 15,128,172 | 4,523,362 | 57,747 | 317,505 | 330,505 |
| Sep-24 | 13,566,080 | - | - | 28,822,516 | 183,662 | - | 311,926 | 28,510,590 | 9,122,275 | 114,603 | 640,445 | 648,010 |
| Oct-24 | 15,837,989 | - | - | 44,660,504 | 306,179 | - | 618,105 | 44,042,399 | 10,438,702 | 196,107 | 728,248 | 1,288,456 |
| Nov-24 | 16,479,438 | - | - | 61,139,942 | 440,835 | - | 1,058,941 | 60,081,001 | 10,658,558 | 284,013 | 737,630 | 2,016,704 |
| Dec-24 | 16,400,130 | - | - | 77,540,072 | 577,833 | - | 1,636,774 | 75,903,298 | 10,653,717 | 372,814 | 730,972 | 2,754,334 |
| Jan-25 | 16,703,104 | - | - | 94,243,176 | 715,764 | - | 2,352,537 | 91,890,639 | 10,814,817 | 462,266 | 736,066 | 3,485,307 |
| Feb-25 | 12,790,013 | - | - | 107,033,189 | 838,652 | - | 3,191,189 | 103,842,000 | 8,965,918 | 544,686 | 598,750 | 4,221,373 |
| Mar-25 | 2,896,325 | - | - | 109,929,515 | 904,011 | - | 4,095,200 | 105,834,314 | 1,582,830 | 588,639 | 70,687 | 4,820,123 |
| Apr-25 | 2,896,325 | - | - | 112,825,840 | 928,147 | - | 5,023,348 | 107,802,492 | 1,582,830 | 601,829 | 69,749 | 4,890,810 |
| May-25 | 2,896,325 | - | - | 115,722,165 | 952,283 | - | 5,975,631 | 109,746,534 | 1,582,830 | 615,019 | 68,811 | 4,960,559 |
| Jun-25 | 2,896,325 | - | - | 118,618,490 | 976,419 | - | 6,952,050 | 111,666,440 | 1,582,830 | 628,210 | 67,874 | 5,029,370 |
| Jul-25 | 2,896,325 | - | - | 121,514,815 | 1,000,555 | - | 7,952,606 | 113,562,210 | 1,582,830 | 641,400 | 66,936 | 5,097,244 |
| Aug-25 | 2,896,325 | - | - | 124,411,141 | 1,024,691 | - | 8,977,297 | 115,433,843 | 1,582,830 | 654,590 | 65,998 | 5,164,179 |
| Sep-25 | 2,896,325 | - | - | 127,307,466 | 1,048,828 | - | 10,026,125 | 117,281,341 | 1,582,830 | 667,780 | 65,060 | 5,230,177 |
| | Program Assumption | Investment in Shared Service Territory shared with Partner Utility | See WP-SS-CEF-EE Ext 2-1.xlsx 'ITCap-E' wksht | Prior Month + (Col 1 + Col 1a + Col 2) | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht | Prior Month + (Col 4 + Col 5) | Col 3 - Col 6 | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht |
| Annual Summary | | | | | | | | | | | | |
| 2024 | 77,540,072 | - | - | 77,540,072 | 1,636,774 | - | 1,636,774 | 75,903,298 | 50,064,517 | 1,044,733 | 3,485,307 | 2,754,334 |
| 2025 | 58,456,370 | - | - | 135,996,441 | 11,680,650 | - | 13,317,424 | 122,679,018 | 35,609,037 | 7,486,902 | 1,999,484 | 5,422,544 |
| 2026 | 5,023,432 | - | - | 141,019,874 | 13,850,816 | - | 27,168,239 | 113,851,634 | 2,359,214 | 8,685,316 | (449,786) | 5,073,127 |
| 2027 | 6,604,829 | - | - | 147,624,703 | 14,432,229 | - | 41,600,468 | 106,024,234 | 3,127,228 | 8,959,638 | (414,684) | 4,655,726 |
| 2028 | 7,408,616 | - | - | 155,033,319 | 15,132,901 | - | 56,733,369 | 98,299,950 | 3,513,821 | 9,291,691 | (410,807) | 4,244,702 |
| 2029 | - | - | - | 155,033,319 | 15,503,332 | - | 72,236,701 | 82,796,618 | - | 9,467,382 | (673,131) | 3,592,477 |
| 2030 | - | - | - | 155,033,319 | 15,503,332 | - | 87,740,033 | 67,293,286 | - | 9,467,382 | (673,131) | 2,919,346 |
| 2031 | - | - | - | 155,033,319 | 15,503,332 | - | 103,243,365 | 51,789,954 | - | 9,467,382 | (673,131) | 2,246,215 |
| 2032 | - | - | - | 155,033,319 | 15,503,332 | - | 118,746,697 | 36,286,622 | - | 9,467,382 | (673,131) | 1,573,085 |
| 2033 | - | - | - | 155,033,319 | 15,503,332 | - | 134,250,029 | 20,783,290 | - | 9,467,382 | (673,131) | 899,954 |
| 2034 | - | - | - | 155,033,319 | 13,866,558 | - | 148,116,587 | 6,916,732 | - | 8,422,648 | (598,850) | 274,596 |
| 2035 | - | - | - | 155,033,319 | 3,822,682 | - | 151,939,269 | 3,094,050 | - | 1,980,480 | (140,812) | 109,999 |
| 2036 | - | - | - | 155,033,319 | 1,652,516 | - | 153,591,785 | 1,441,534 | - | 782,066 | (55,605) | 52,585 |
| 2037 | - | - | - | 155,033,319 | 1,071,103 | - | 154,662,888 | 370,431 | - | 507,744 | (36,101) | 14,651 |
| 2038 | - | - | - | 155,033,319 | 370,431 | - | 155,033,319 | 0 | - | 175,691 | (12,492) | 87 |
| Total | 155,033,319 | - | - | 155,033,319 | 155,033,319 | - | - | - | 94,673,817 | 94,673,817 | (0) | - |
| Jul 24 - Sep 25 | 127,307,466 | - | - | - | 10,026,125 | - | - | - | 80,925,063 | - | - | - |

**PSE&G Clean Energy Future- Energy Efficiency Extension 2 Program
Electric Revenue Requirements Calculation**

| | |
|-----------------------------------|---------|
| Monthly WACC effective 11/1/2018 | 0.7514% |
| Inc. tax rate effective 11/1/2018 | 28.11% |

| | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) |
|----------------------------|--|---|-------------------------------------|----------------------------------|-----------------------|--------------------------|-----------------------------|---|---|--|---|
| | Ending Acumulated Deferred Income Tax | Average Net Investment | Return Requirement | Program Investment Repayments | Expenses | Other Revenue Offsets | Net Marketplace Revenues | Tax Flow-through | Tax Flow-Through Gross-up | Tax Adjustment on Loan | Revenue Requirements |
| Monthly Calculation | | | | | | | | | | | |
| Apr-24 | - | - | - | - | - | - | - | - | - | - | - |
| May-24 | - | - | - | - | - | - | - | - | - | - | - |
| Jun-24 | - | - | - | - | - | - | - | - | - | - | - |
| Jul-24 | 330,505 | 3,700,292 | 27,802 | - | 2,558,017 | - | - | (976,175) | (381,698) | 5,043 | 1,265,337 |
| Aug-24 | 648,010 | 10,940,373 | 82,201 | - | 2,558,017 | - | - | (937,779) | (366,685) | 14,925 | 1,446,595 |
| Sep-24 | 1,288,456 | 20,851,148 | 156,667 | (49,509) | 2,558,017 | - | - | (1,891,611) | (739,646) | 7,644 | 225,223 |
| Oct-24 | 2,016,704 | 34,623,914 | 260,150 | (96,438) | 2,558,017 | - | - | (2,150,945) | (841,050) | 5,331 | 41,245 |
| Nov-24 | 2,754,334 | 49,676,181 | 373,246 | (144,203) | 2,558,017 | - | - | (2,178,654) | (851,885) | 4,934 | 202,290 |
| Dec-24 | 3,485,307 | 64,872,329 | 487,424 | (200,891) | 2,558,017 | - | - | (2,158,990) | (844,195) | 1,614 | 420,812 |
| Jan-25 | 4,221,373 | 80,043,629 | 601,414 | (266,800) | - | - | - | (2,174,036) | (850,078) | (5,201) | (1,978,938) |
| Feb-25 | 4,820,123 | 93,345,572 | 701,360 | (330,924) | - | - | - | (1,768,459) | (691,492) | (14,451) | (1,265,315) |
| Mar-25 | 4,890,810 | 99,982,691 | 751,228 | (392,290) | - | - | - | (208,780) | (81,636) | (30,076) | 942,458 |
| Apr-25 | 4,960,559 | 101,892,719 | 765,579 | (409,790) | - | - | - | (206,010) | (80,553) | (32,639) | 964,735 |
| May-25 | 5,029,370 | 103,779,549 | 779,756 | (419,449) | - | - | - | (203,240) | (79,470) | (32,136) | 997,745 |
| Jun-25 | 5,097,244 | 105,643,180 | 793,759 | (429,108) | - | - | - | (200,470) | (78,387) | (31,632) | 1,030,581 |
| Jul-25 | 5,164,179 | 107,483,613 | 807,587 | (438,767) | - | - | - | (197,700) | (77,304) | (31,129) | 1,063,242 |
| Aug-25 | 5,230,177 | 109,300,848 | 821,241 | (448,426) | - | - | - | (194,930) | (76,221) | (30,626) | 1,095,730 |
| Sep-25 | 5,295,237 | 111,094,885 | 834,721 | (458,085) | - | - | - | (192,160) | (75,137) | (30,123) | 1,128,043 |
| | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht | (Prev Col 7 - Col 11 + Col 7 - Col 12) / 2 | Col 15 * Monthly Pre Tax WACC | Program Assumption | Program Assumption | Program Assumption | Program Assumption | See WP-SS-CEF- EE Ext 2-1.xlsx 'BkTaxSum' wksht | See WP-SS-CEF- EE Ext 2-1.xlsx 'BkTaxSum' wksht | See WP-SS-CEF- EE Ext 2-1.xlsx 'BkTaxSum' wksht | Col 5 + Col 6 + Col 14 + Col 15 + Col 16 + Col 17 + Col 18 + Col 19 + Col 20 +21 +22 |
| Annual Summary | | | | | | | | | | | |
| 2024 | 3,485,307 | 64,872,329 | 1,387,490 | (491,041) | 15,348,100 | - | - | (10,294,155) | (4,025,159) | 39,492 | 3,601,502 |
| 2025 | 5,484,790 | 116,337,806 | 9,439,943 | (5,025,847) | - | - | - | (5,905,648) | (2,309,191) | (325,363) | 7,554,543 |
| 2026 | 5,035,005 | 109,174,970 | 10,192,531 | (6,349,984) | - | - | - | 1,328,481 | 519,455 | (463,150) | 19,078,149 |
| 2027 | 4,620,320 | 101,724,966 | 9,481,820 | (7,187,535) | - | - | - | 1,224,806 | 478,916 | (670,567) | 17,759,669 |
| 2028 | 4,209,514 | 94,408,836 | 8,818,520 | (8,213,836) | - | - | - | 1,213,353 | 474,438 | (927,730) | 16,497,645 |
| 2029 | 3,536,383 | 79,878,160 | 7,814,908 | (8,845,947) | - | - | - | 1,988,150 | 777,395 | (1,098,748) | 16,139,090 |
| 2030 | 2,863,252 | 65,047,959 | 6,477,773 | (7,522,174) | - | - | - | 1,988,150 | 777,395 | (581,134) | 16,643,341 |
| 2031 | 2,190,121 | 50,217,758 | 5,140,637 | (5,891,861) | - | - | - | 1,988,150 | 777,395 | 56,341 | 17,573,994 |
| 2032 | 1,516,990 | 35,387,557 | 3,803,502 | (1,850,936) | - | - | - | 1,988,150 | 777,395 | 1,636,399 | 21,857,842 |
| 2033 | 843,859 | 20,557,356 | 2,466,367 | (688,450) | - | - | - | 1,988,150 | 777,395 | 2,090,948 | 22,137,741 |
| 2034 | 245,009 | 7,013,985 | 1,150,532 | (7,659) | - | - | - | 1,768,756 | 691,609 | 2,125,650 | 19,595,446 |
| 2035 | 104,197 | 3,072,307 | 403,823 | - | - | - | - | 415,901 | 162,623 | 720,327 | 5,525,356 |
| 2036 | 48,592 | 1,450,207 | 193,960 | - | - | - | - | 164,234 | 64,218 | 340,358 | 2,415,286 |
| 2037 | 12,492 | 388,876 | 74,170 | - | - | - | - | 106,626 | 41,692 | 220,281 | 1,513,873 |
| 2038 | - | 1,243 | 10,795 | - | - | - | - | 36,895 | 14,427 | 76,146 | 508,693 |
| Total | | | 66,856,771 | (52,075,270) | 15,348,100 | - | - | 0 | 0 | 3,239,251 | 188,402,171 |
| Jul 24 - Sep 25 | | | 8,244,136 | (4,084,679) | 15,348,100 | - | - | (15,639,941) | | | 7,579,782 |

**PSE&G Clean Energy Future- Energy Efficiency Extension 2 Program
Gas Revenue Requirements Calculation**

| | |
|-----------------------------------|---------|
| Monthly WACC effective 11/1/2018 | 0.7514% |
| Inc. tax rate effective 11/1/2018 | 28.11% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|----------------------------|--------------------------|--|---|--|---|--|-------------------------------|---------------|---|--|--|--|
| | PSE&G Program Investment | Program Investment from/(to) Partner utility | Capitalized IT Costs | Gross Plant | PSE&G + Partner Utility Program Investment Amortization | IT Cost Amortization | Accumulated Amortization | Net Plant | Tax Depreciation | Book Depreciation Tax Basis | Deferred Income Tax | Beginning Accumulated Deferred Income Tax |
| Monthly Calculation | | | | | | | | | | | | |
| Apr-24 | - | - | - | - | - | - | - | - | - | - | - | - |
| May-24 | - | - | - | - | - | - | - | - | - | - | - | - |
| Jun-24 | - | - | - | - | - | - | - | - | - | - | - | - |
| Jul-24 | 12,733,849 | - | - | 12,733,849 | 53,058 | - | 53,058 | 12,680,792 | 7,034,897 | 29,312 | 498,097 | - |
| Aug-24 | 12,065,692 | - | - | 24,799,541 | 156,389 | - | 209,447 | 24,590,094 | 6,655,941 | 86,357 | 467,097 | 498,097 |
| Sep-24 | 13,688,756 | - | - | 38,488,297 | 263,699 | - | 473,146 | 38,015,151 | 8,141,910 | 148,015 | 568,366 | 965,194 |
| Oct-24 | 15,430,213 | - | - | 53,918,510 | 385,028 | - | 858,175 | 53,060,335 | 9,176,020 | 220,173 | 636,761 | 1,533,560 |
| Nov-24 | 16,774,229 | - | - | 70,692,739 | 519,214 | - | 1,377,388 | 69,315,351 | 9,586,618 | 298,351 | 660,396 | 2,170,321 |
| Dec-24 | 16,658,010 | - | - | 87,350,749 | 658,515 | - | 2,035,903 | 85,314,847 | 9,635,294 | 378,442 | 658,162 | 2,830,717 |
| Jan-25 | 15,613,432 | - | - | 102,964,181 | 792,979 | - | 2,828,881 | 100,135,300 | 8,985,614 | 456,029 | 606,454 | 3,488,879 |
| Feb-25 | 5,367,122 | - | - | 108,331,303 | 880,398 | - | 3,709,279 | 104,622,023 | 3,728,144 | 509,003 | 228,881 | 4,095,333 |
| Mar-25 | 1,450,032 | - | - | 109,781,335 | 908,803 | - | 4,618,082 | 105,163,253 | 805,046 | 527,891 | 19,706 | 4,324,214 |
| Apr-25 | 1,450,032 | - | - | 111,231,367 | 920,886 | - | 5,538,968 | 105,692,398 | 805,046 | 534,600 | 19,229 | 4,343,919 |
| May-25 | 1,450,032 | - | - | 112,681,399 | 932,970 | - | 6,471,938 | 106,209,460 | 805,046 | 541,309 | 18,752 | 4,363,148 |
| Jun-25 | 1,450,032 | - | - | 114,131,431 | 945,053 | - | 7,416,992 | 106,714,439 | 805,046 | 548,018 | 18,275 | 4,381,900 |
| Jul-25 | 1,450,032 | - | - | 115,581,462 | 957,137 | - | 8,374,129 | 107,207,334 | 805,046 | 554,726 | 17,798 | 4,400,175 |
| Aug-25 | 1,450,032 | - | - | 117,031,494 | 969,221 | - | 9,343,349 | 107,688,145 | 805,046 | 561,435 | 17,321 | 4,417,972 |
| Sep-25 | 1,450,032 | - | - | 118,481,526 | 981,304 | - | 10,324,653 | 108,156,873 | 805,046 | 568,144 | 16,844 | 4,435,293 |
| | Program Assumption | Investment in Shared Service Territory shared with Partner Utility | See WP-SS-CEF-EE Ext 2-1.xlsx 'ITCap-E' wksht | Prior Month + (Col 1 + Col 1a + Col 2) | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht | Prior Month + (Col 4 + Col 5) | Col 3 - Col 6 | See WP-SS-CEF-EE II-1.xlsx 'BkTaxSum' wksht | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht |
| Annual Summary | | | | | | | | | | | | |
| 2024 | 87,350,749 | - | - | 87,350,749 | 2,035,903 | - | 2,035,903 | 85,314,847 | 50,230,680 | 1,160,650 | 3,488,879 | 2,830,717 |
| 2025 | 35,480,873 | - | - | 122,831,622 | 11,305,165 | - | 13,341,068 | 109,490,554 | 20,764,222 | 6,545,838 | 1,010,927 | 4,484,393 |
| 2026 | 7,371,093 | - | - | 130,202,715 | 12,651,717 | - | 25,992,785 | 104,209,931 | 3,506,897 | 7,274,835 | (267,900) | 4,255,183 |
| 2027 | 9,776,925 | - | - | 139,979,640 | 13,509,118 | - | 39,501,902 | 100,477,738 | 4,665,747 | 7,683,467 | (214,560) | 4,036,493 |
| 2028 | 10,987,041 | - | - | 150,966,681 | 14,547,316 | - | 54,049,219 | 96,917,462 | 5,246,595 | 8,179,084 | (208,500) | 3,827,646 |
| 2029 | - | - | - | 150,966,681 | 15,096,668 | - | 69,145,887 | 81,820,794 | - | 8,441,414 | (600,185) | 3,258,677 |
| 2030 | - | - | - | 150,966,681 | 15,096,668 | - | 84,242,555 | 66,724,126 | - | 8,441,414 | (600,185) | 2,658,492 |
| 2031 | - | - | - | 150,966,681 | 15,096,668 | - | 99,339,223 | 51,627,458 | - | 8,441,414 | (600,185) | 2,058,308 |
| 2032 | - | - | - | 150,966,681 | 15,096,668 | - | 114,435,891 | 36,530,790 | - | 8,441,414 | (600,185) | 1,458,123 |
| 2033 | - | - | - | 150,966,681 | 15,096,668 | - | 129,532,559 | 21,434,122 | - | 8,441,414 | (600,185) | 857,939 |
| 2034 | - | - | - | 150,966,681 | 13,060,766 | - | 142,593,325 | 8,373,356 | - | 7,280,764 | (517,662) | 313,369 |
| 2035 | - | - | - | 150,966,681 | 3,791,503 | - | 146,384,827 | 4,581,854 | - | 1,895,576 | (134,775) | 163,675 |
| 2036 | - | - | - | 150,966,681 | 2,444,951 | - | 148,829,779 | 2,136,902 | - | 1,166,579 | (82,944) | 78,501 |
| 2037 | - | - | - | 150,966,681 | 1,587,550 | - | 150,417,329 | 549,352 | - | 757,947 | (53,890) | 21,875 |
| 2038 | - | - | - | 150,966,681 | 549,352 | - | 150,966,681 | 0 | - | 262,330 | (18,652) | 130 |
| Total | 150,966,681 | - | - | | 150,966,681 | - | | | 84,414,141 | 84,414,141 | (0) | |
| Jul 24 - Sep 25 | 118,481,526 | - | - | | 10,324,653 | - | | | 68,579,763 | | 4,452,137 | |

PSE&G Clean Energy Future- Energy Efficiency Extension 2 Program
Gas Revenue Requirements Calculation

| | |
|-----------------------------------|---------|
| Monthly WACC effective 11/1/2018 | 0.7514% |
| Inc. tax rate effective 11/1/2018 | 28.11% |

| | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) |
|--|---|-------------------------------------|---------------------------|---------------------------|--------------------|----------------------|------------------------|--|--|--|---|
| <u>Ending Acumulated</u> | <u>Deferred Income</u> | <u>Average Net</u> | <u>Return Requirement</u> | <u>Program Investment</u> | <u>Expenses</u> | <u>Other Revenue</u> | <u>Net Marketplace</u> | <u>Tax Flow-Through</u> | <u>Tax Flow-Through</u> | <u>Tax Adjustment</u> | <u>Revenue</u> |
| <u>Monthly</u> | <u>Tax</u> | <u>Investment</u> | | <u>Repayments</u> | | <u>Offsets</u> | <u>Revenues</u> | <u>Tax Flow-through</u> | <u>Gross-up</u> | <u>on Loan</u> | <u>Requirements</u> |
| <u>Calculation</u> | | | | | | | | | | | |
| Apr-24 | - | - | - | - | - | - | - | - | - | - | - |
| May-24 | - | - | - | - | - | - | - | - | - | - | - |
| Jun-24 | - | - | - | - | - | - | - | - | - | - | - |
| Jul-24 | 498,097 | 6,091,347 | 45,768 | - | 2,541,983 | - | - | (1,471,173) | (575,249) | 9,285 | 603,672 |
| Aug-24 | 965,194 | 17,903,797 | 134,522 | - | 2,541,983 | - | - | (1,379,612) | (539,448) | 27,383 | 941,217 |
| Sep-24 | 1,533,560 | 30,053,245 | 225,808 | (49,075) | 2,541,983 | - | - | (1,678,718) | (656,402) | 26,045 | 673,340 |
| Oct-24 | 2,170,321 | 43,685,802 | 328,237 | (95,592) | 2,541,983 | - | - | (1,880,728) | (735,391) | 27,083 | 570,621 |
| Nov-24 | 2,830,717 | 58,687,324 | 440,952 | (142,939) | 2,541,983 | - | - | (1,950,536) | (762,687) | 30,470 | 676,457 |
| Dec-24 | 3,488,879 | 74,155,301 | 557,172 | (199,129) | 2,541,983 | - | - | (1,943,939) | (760,107) | 31,650 | 886,145 |
| Jan-25 | 4,095,333 | 88,932,967 | 668,205 | (264,460) | - | - | - | (1,791,213) | (700,389) | 28,344 | (1,266,534) |
| Feb-25 | 4,324,214 | 98,168,888 | 737,600 | (328,022) | - | - | - | (676,020) | (264,333) | 16,959 | 366,583 |
| Mar-25 | 4,343,919 | 100,558,572 | 755,555 | (388,850) | - | - | - | (58,203) | (22,758) | (3,104) | 1,191,444 |
| Apr-25 | 4,363,148 | 101,074,292 | 759,430 | (406,196) | - | - | - | (56,794) | (22,207) | (7,785) | 1,187,334 |
| May-25 | 4,381,900 | 101,578,405 | 763,218 | (415,771) | - | - | - | (55,385) | (21,656) | (9,427) | 1,193,949 |
| Jun-25 | 4,400,175 | 102,070,913 | 766,918 | (425,345) | - | - | - | (53,976) | (21,105) | (11,069) | 1,200,476 |
| Jul-25 | 4,417,972 | 102,551,813 | 770,532 | (434,919) | - | - | - | (52,567) | (20,555) | (12,711) | 1,206,917 |
| Aug-25 | 4,435,293 | 103,021,107 | 774,058 | (444,493) | - | - | - | (51,158) | (20,004) | (14,353) | 1,213,270 |
| Sep-25 | 4,452,137 | 103,478,794 | 777,497 | (454,068) | - | - | - | (49,750) | (19,453) | (15,995) | 1,219,536 |
| See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht | (Prev Col 7 - Col 11 + Col 7 - Col 12) / 2 | Col 15 * Monthly Pre Tax WACC | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht | See WP-SS-CEF-EE Ext 2-1.xlsx 'BkTaxSum' wksht | Col 5 + Col 6 + Col 14 + Col 15 + Col 16 + Col 17 + Col 18 + Col 19 + Col 20 +21 +22 |
| Annual Summary | | | | | | | | | | | |
| 2024 | 3,488,879 | 74,155,301 | 1,732,458 | (486,734) | 15,251,900 | - | - | (10,304,706) | (4,029,285) | 151,916 | 4,351,452 |
| 2025 | 4,499,806 | 104,782,216 | 9,125,263 | (4,981,772) | - | - | - | (2,985,861) | (1,167,513) | (86,979) | 11,208,303 |
| 2026 | 4,231,906 | 100,200,489 | 9,245,614 | (6,294,297) | - | - | - | 791,267 | 309,396 | (358,722) | 16,344,974 |
| 2027 | 4,017,346 | 96,624,997 | 8,862,786 | (7,124,503) | - | - | - | 633,721 | 247,794 | (507,869) | 15,621,047 |
| 2028 | 3,808,846 | 93,268,544 | 8,553,975 | (8,141,804) | - | - | - | 615,823 | 240,795 | (693,492) | 15,122,613 |
| 2029 | 3,208,661 | 79,216,153 | 7,741,429 | (8,768,371) | - | - | - | 1,772,697 | 693,149 | (826,259) | 15,709,313 |
| 2030 | 2,608,477 | 64,719,670 | 6,434,383 | (7,456,208) | - | - | - | 1,772,697 | 693,149 | (313,184) | 16,227,505 |
| 2031 | 2,008,292 | 50,223,186 | 5,127,336 | (5,840,192) | - | - | - | 1,772,697 | 693,149 | 318,701 | 17,168,360 |
| 2032 | 1,408,108 | 35,726,702 | 3,820,290 | (1,834,704) | - | - | - | 1,772,697 | 693,149 | 1,884,903 | 21,433,003 |
| 2033 | 807,923 | 21,230,219 | 2,513,243 | (682,412) | - | - | - | 1,772,697 | 693,149 | 2,335,465 | 21,728,810 |
| 2034 | 290,261 | 8,371,312 | 1,234,965 | (7,592) | - | - | - | 1,528,961 | 597,845 | 2,257,093 | 18,672,038 |
| 2035 | 155,485 | 4,542,524 | 547,336 | - | - | - | - | 398,071 | 155,651 | 741,334 | 5,633,895 |
| 2036 | 72,542 | 2,149,177 | 287,298 | - | - | - | - | 244,982 | 95,791 | 499,861 | 3,572,884 |
| 2037 | 18,652 | 576,565 | 109,942 | - | - | - | - | 159,169 | 62,237 | 324,387 | 2,243,285 |
| 2038 | - | 1,843 | 16,005 | - | - | - | - | 55,089 | 21,541 | 112,230 | 754,217 |
| Total | | | 65,352,322 | (51,618,589) | 15,251,900 | - | - | 0 | 0 | 5,839,385 | 185,791,700 |
| Jul 24 - Sep 25 | | | 8,505,471 | (4,048,858) | 15,251,900 | - | - | (13,149,771) | (5,141,745) | | 11,864,425 |

Schedule SS-CEF-EE-Ext 2-3

PSE&G Clean Energy Future- Energy Efficiency Extension 2 Program Proposed Rate Calculations

(\$'s Unless Specified)

Current SUT Rate 6.625%

| <u>Line</u> | <u>Date(s)</u> | | <u>Electric</u> | <u>Gas</u> | <u>Source/Description</u> |
|-------------|--------------------|--|-----------------|------------|-----------------------------------|
| 1 | Jul 24 - Sep 25 | Revenue Requirements | 7,579,782 | 11,864,425 | SS-2E/G, Col 23 |
| 2 | Oct 24 - Sep 25 | Forecasted (\$/kWh or \$/Therm) | 38,263,575 | 2,767,162 | |
| 3 | | Calculated Rate w/o SUT (\$/kWh or \$/Therm) | 0.000198 | 0.004288 | (Line 4 / (Line 5*1,000)) [Rnd 6] |
| 4 | | Public Notice Rate w/o SUT (\$/kWh) | 0.000198 | 0.004288 | |
| 5 | | Existing Rate w/o SUT (\$/kWh or \$/Therm) | 0.000000 | 0.000000 | |
| 6 | | Proposed Rate w/o SUT (\$/kWh or \$/Therm) | 0.000198 | 0.004288 | Line 4 |
| 7 | | Proposed Rate w/ SUT (\$/kWh or \$/Therm) | 0.000211 | 0.004572 | (Line 6 * (1 + SUT Rate)) [Rnd 6] |
| 8 | | Difference in Proposed and Existing Rate | 0.000198 | 0.004288 | (Line 3 - Line 5) |
| 9 | | Resultant CEF-EE Program Revenue Increase / (Decrease) | 7,576,188 | 11,865,589 | (Line 8 * Line 2 * 1,000) |

**PSE&G Clean Energy Future- Energy Efficiency Extension 2 Program
Electric GPRC Recovery Charge (GPRC) - Rate Impact Analysis**

Schedule SS-CEF-EE-Ext II-4E

6.625% SUT Rate effective 1/1/2018
38,263,575 kWh Sales (000) - Oct 24 - Sep 25
38,263,575 kWh Sales (000) - Oct 25 - thereafter

6,920 Avg RS kWh / yr.
740 Avg RS kWh / Summer Month
495 Avg RS kWh / Winter Month
0.005246 Current electric GPRC (\$/kWh)

| (1) Current | (2) Electric CEF-EE Ext 2 Revenue Requirements | (3) Electric Impact of Ext 2 w/o SUT (\$/kWh) | (4) Electric Impact of CEF-EE Ext 2 w/ SUT (\$/kWh) | (6) Class Average Rate w/SUT - \$/kWh ¹ | | | | | | | (12) Typical RS GPRC (\$) | | | (14) Change in RS Typical Annual Bill (\$'s) | (15) RS Typical Annual Bill (\$'s) ³ | (16) % Change in RS Typical Annual Bill |
|-----------------|---|--|--|--|------------|------------|------------|---------------|---------------|---------------|--|--|-----------------------------|---|--|--|
| | | | | (5) RS | (7) RHS | (8) RLM | (9) GLP | (10) LPL-S | (11) LPL-P | (13) HTS-S | Summer Monthly Bill | Winter Monthly Bill | Annual Bill | | | |
| | | | | 0.203723 | 0.170171 | 0.194504 | 0.182325 | 0.147053 | 0.162497 | 0.144903 | 3.88 | 2.60 | 36.32 | | | |
| Jul 24 - Sep 25 | 7,579,782 | 0.000198 | 0.000211 | 0.203934 | 0.170382 | 0.194715 | 0.182536 | 0.147264 | 0.162708 | 0.145114 | 4.04 | 2.70 | 37.76 | \$1.44 | 1,411.20 | 0.10% |
| Oct 25 - Sep 26 | 17,990,933 | 0.000470 | 0.000501 | 0.204224 | 0.170672 | 0.195005 | 0.182826 | 0.147554 | 0.162998 | 0.145404 | 4.25 | 2.84 | 39.72 | \$3.40 | 1,413.16 | 0.24% |
| Oct 26 - Sep 27 | 18,090,545 | 0.000473 | 0.000504 | 0.204227 | 0.170675 | 0.195008 | 0.182829 | 0.147557 | 0.163001 | 0.145407 | 4.26 | 2.85 | 39.84 | \$3.52 | 1,413.28 | 0.25% |
| Oct 27 - Sep 28 | 16,818,334 | 0.000440 | 0.000469 | 0.204192 | 0.170640 | 0.194973 | 0.182794 | 0.147522 | 0.162966 | 0.145372 | 4.23 | 2.83 | 39.56 | \$3.24 | 1,413.00 | 0.23% |
| Oct 28 - Sep 29 | 16,196,777 | 0.000423 | 0.000451 | 0.204174 | 0.170622 | 0.194955 | 0.182776 | 0.147504 | 0.162948 | 0.145354 | 4.22 | 2.82 | 39.44 | \$3.12 | 1,412.88 | 0.22% |
| Oct 29 - Sep 30 | 16,364,981 | 0.000428 | 0.000456 | 0.204179 | 0.170627 | 0.194960 | 0.182781 | 0.147509 | 0.162953 | 0.145359 | 4.22 | 2.82 | 39.44 | \$3.12 | 1,412.88 | 0.22% |
| Oct 30 - Sep 31 | 17,044,273 | 0.000445 | 0.000474 | 0.204197 | 0.170645 | 0.194978 | 0.182799 | 0.147527 | 0.162971 | 0.145377 | 4.23 | 2.83 | 39.56 | \$3.24 | 1,413.00 | 0.23% |
| Oct 31 - Sep 32 | 21,106,248 | 0.000552 | 0.000589 | 0.204312 | 0.170760 | 0.195093 | 0.182914 | 0.147642 | 0.163086 | 0.145492 | 4.32 | 2.89 | 40.40 | \$4.08 | 1,413.84 | 0.29% |
| Oct 32 - Sep 33 | 22,099,035 | 0.000578 | 0.000616 | 0.204339 | 0.170787 | 0.195120 | 0.182941 | 0.147669 | 0.163113 | 0.145519 | 4.34 | 2.90 | 40.56 | \$4.24 | 1,414.00 | 0.30% |
| Oct 33 - Sep 34 | 21,573,350 | 0.000564 | 0.000601 | 0.204324 | 0.170772 | 0.195105 | 0.182926 | 0.147654 | 0.163098 | 0.145504 | 4.33 | 2.89 | 40.44 | \$4.12 | 1,413.88 | 0.29% |
| Oct 34 - Sep 35 | 8,241,684 | 0.000215 | 0.000229 | 0.203952 | 0.170400 | 0.194733 | 0.182554 | 0.147282 | 0.162726 | 0.145132 | 4.05 | 2.71 | 37.88 | \$1.56 | 1,411.32 | 0.11% |
| Oct 35 - Sep 36 | 2,746,319 | 0.000072 | 0.000077 | 0.203800 | 0.170248 | 0.194581 | 0.182402 | 0.147130 | 0.162574 | 0.144980 | 3.94 | 2.63 | 36.80 | \$0.48 | 1,410.24 | 0.03% |
| Oct 36 - Sep 37 | 1,754,280 | 0.000046 | 0.000049 | 0.203772 | 0.170220 | 0.194553 | 0.182374 | 0.147102 | 0.162546 | 0.144952 | 3.92 | 2.62 | 36.64 | \$0.32 | 1,410.08 | 0.02% |
| Oct 37 - Sep 38 | 764,334 | 0.000020 | 0.000021 | 0.203744 | 0.170192 | 0.194525 | 0.182346 | 0.147074 | 0.162518 | 0.144924 | 3.90 | 2.61 | 36.48 | \$0.16 | 1,409.92 | 0.01% |
| Oct 38 - Sep 39 | 31,296 | 0.000001 | 0.000001 | 0.203724 | 0.170172 | 0.194505 | 0.182326 | 0.147054 | 0.162498 | 0.144904 | 3.88 | 2.60 | 36.32 | \$0.00 | 1,409.76 | 0.00% |
| | From Schedule SS-CEF-EE Ext 2- 2E Col 23 | Col 1 / [kWh Sales] (Rnd to 6 dec.) | Col 2 * (1 + SUT Rate) Rnd 6 | Current Class Avg Rate + Col 3 for Each Rate Class (Col 4 thru Col 11) | | | | | | | (Cur. eGPRC + Col 3) * Avg RS kWh Sum Mo Rnd 2 | (Cur. eGPRC + Col 3) * Avg RS kWh Win Mo Rnd 2 | (4 * Col 11) + (8 * Col 12) | Col 13 - Current Col 13 | Current Col 15 + Col 14 | Col 14 / Current Col 15 Rnd 4 |

| | % Change from Current Class Average Rate w/SUT | | | | | | |
|-----------------|--|-------|-------|-------|-------|-------|-------|
| | RS | RHS | RLM | GLP | LPL-S | LPL-P | HTS-S |
| Oct 23 - Sep 24 | 0.10% | 0.12% | 0.11% | 0.12% | 0.14% | 0.13% | 0.15% |
| Oct 24 - Sep 25 | 0.25% | 0.29% | 0.26% | 0.27% | 0.34% | 0.31% | 0.35% |
| Oct 25 - Sep 26 | 0.25% | 0.30% | 0.26% | 0.28% | 0.34% | 0.31% | 0.35% |
| Oct 26 - Sep 27 | 0.23% | 0.28% | 0.24% | 0.26% | 0.32% | 0.29% | 0.32% |
| Oct 27 - Sep 28 | 0.22% | 0.27% | 0.23% | 0.25% | 0.31% | 0.28% | 0.31% |
| Oct 28 - Sep 29 | 0.22% | 0.27% | 0.23% | 0.25% | 0.31% | 0.28% | 0.31% |
| Oct 29 - Sep 30 | 0.23% | 0.28% | 0.24% | 0.26% | 0.32% | 0.29% | 0.33% |
| Oct 30 - Sep 31 | 0.29% | 0.35% | 0.30% | 0.32% | 0.40% | 0.36% | 0.41% |
| Oct 31 - Sep 32 | 0.30% | 0.36% | 0.32% | 0.34% | 0.42% | 0.38% | 0.43% |
| Oct 32 - Sep 33 | 0.30% | 0.35% | 0.31% | 0.33% | 0.41% | 0.37% | 0.41% |
| Oct 33 - Sep 34 | 0.11% | 0.13% | 0.12% | 0.13% | 0.16% | 0.14% | 0.16% |
| Oct 34 - Sep 35 | 0.04% | 0.05% | 0.04% | 0.04% | 0.05% | 0.05% | 0.05% |
| Oct 35 - Sep 36 | 0.02% | 0.03% | 0.03% | 0.03% | 0.03% | 0.03% | 0.03% |
| Oct 36 - Sep 37 | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% |
| Oct 33 - Sep 34 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Oct 34 - Sep 35 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Oct 35 - Sep 36 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Oct 36 - Sep 37 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Oct 37 - Sep 38 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Oct 38 - Sep 39 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

¹ All customers assumed to have BGS Supply

**PSE&G Clean Energy Future- Energy Efficiency Extension 2 Program
Gas GPRC Recovery Charge (GPRC) - Rate Impact Analysis**

Schedule SS-CEF-EE Ext 2-4G

6.625% SUT Rate effective 1/1/2018
 2,767,162 Therm Sales (000) Oct 24 - Sep 25
 2,767,162 Therm Sales (000) Oct 25 - thereafter

1,040 Typical RSG Therms / yr.
 0.009624 Current gas GPRC (\$/therm)
 172 89 29 Monthly Therms
 4 2 6 # of Months/year

| (1) | (2) | (3) | (4) - (9) Class Average Rate w/SUT - \$/therm | | | | | | (10) - (13) Typical RSG GPRC (\$) | | | | (14) | (15) | (16) | |
|-----------------|--|--|---|--|----------|----------|----------|----------|-----------------------------------|--|--|--|--|--|---|-------------------------------------|
| | Electric CEF-EE Ext 2 Revenue Requirements | Electric Impact of CEF EE Ext 2 w/o SUT (\$/kWh) | Electric Impact of CEF-EE Ext 2 w/ SUT (\$/kWh) | RSG | GSG | LVG | TSG-F | TSG-NF | CIG | Dec-Mar Monthly Bill | Nov & Apr Monthly Bill | May-Oct Monthly Bill | Annual Bill | Change in RSG Typical Annual Bill (\$'s) | RSG Typical Annual Bill (\$'s) ⁴ | % Change in RSG Typical Annual Bill |
| Current | | | | 1.075635 | 1.221300 | 0.950268 | 0.787293 | 0.727377 | 0.471232 | 1.66 | 0.86 | 0.28 | 10.04 | | 1,118.66 | |
| Jul 24 - Sep 25 | 11,864,425 | 0.004288 | 0.004572 | 1.080207 | 1.225872 | 0.954840 | 0.791865 | 0.731949 | 0.475520 | 2.44 | 1.26 | 0.41 | 14.74 | \$4.70 | 1,123.36 | 0.42% |
| Oct 25 - Sep 26 | 16,001,424 | 0.005783 | 0.006166 | 1.081801 | 1.227466 | 0.956434 | 0.793459 | 0.733543 | 0.477015 | 2.72 | 1.41 | 0.46 | 16.46 | \$6.42 | 1,125.08 | 0.57% |
| Oct 26 - Sep 27 | 15,788,214 | 0.005706 | 0.006084 | 1.081719 | 1.227384 | 0.956352 | 0.793377 | 0.733461 | 0.476938 | 2.70 | 1.40 | 0.46 | 16.36 | \$6.32 | 1,124.98 | 0.56% |
| Oct 27 - Sep 28 | 15,246,609 | 0.005510 | 0.005875 | 1.081510 | 1.227175 | 0.956143 | 0.793168 | 0.733252 | 0.476742 | 2.67 | 1.38 | 0.45 | 16.14 | \$6.10 | 1,124.76 | 0.55% |
| Oct 28 - Sep 29 | 15,607,821 | 0.005640 | 0.006014 | 1.081649 | 1.227314 | 0.956282 | 0.793307 | 0.733391 | 0.476872 | 2.69 | 1.39 | 0.45 | 16.24 | \$6.20 | 1,124.86 | 0.55% |
| Oct 29 - Sep 30 | 15,946,996 | 0.005763 | 0.006145 | 1.081780 | 1.227445 | 0.956413 | 0.793438 | 0.733522 | 0.476995 | 2.71 | 1.40 | 0.46 | 16.40 | \$6.36 | 1,125.02 | 0.57% |
| Oct 30 - Sep 31 | 16,638,693 | 0.006013 | 0.006411 | 1.082046 | 1.227711 | 0.956679 | 0.793704 | 0.733788 | 0.477245 | 2.76 | 1.43 | 0.47 | 16.72 | \$6.68 | 1,125.34 | 0.60% |
| Oct 31 - Sep 32 | 20,683,410 | 0.007475 | 0.007970 | 1.083605 | 1.229270 | 0.958238 | 0.795263 | 0.735347 | 0.478707 | 3.03 | 1.57 | 0.51 | 18.32 | \$8.28 | 1,126.94 | 0.74% |
| Oct 32 - Sep 33 | 21,685,852 | 0.007837 | 0.008356 | 1.083991 | 1.229656 | 0.958624 | 0.795649 | 0.735733 | 0.479069 | 3.09 | 1.60 | 0.52 | 18.68 | \$8.64 | 1,127.30 | 0.77% |
| Oct 33 - Sep 34 | 20,963,698 | 0.007576 | 0.008078 | 1.083713 | 1.229378 | 0.958346 | 0.795371 | 0.735455 | 0.478808 | 3.04 | 1.58 | 0.51 | 18.38 | \$8.34 | 1,127.00 | 0.75% |
| Oct 34 - Sep 35 | 7,668,447 | 0.002771 | 0.002955 | 1.078590 | 1.224255 | 0.953223 | 0.790248 | 0.730332 | 0.474003 | 2.16 | 1.12 | 0.36 | 13.04 | \$3.00 | 1,121.66 | 0.27% |
| Oct 35 - Sep 36 | 3,917,725 | 0.001416 | 0.001510 | 1.077145 | 1.222810 | 0.951778 | 0.788803 | 0.728887 | 0.472648 | 1.92 | 0.99 | 0.32 | 11.58 | \$1.54 | 1,120.20 | 0.14% |
| Oct 36 - Sep 37 | 2,598,818 | 0.000939 | 0.001001 | 1.076636 | 1.222301 | 0.951269 | 0.788294 | 0.728378 | 0.472171 | 1.83 | 0.95 | 0.31 | 11.08 | \$1.04 | 1,119.70 | 0.09% |
| Oct 37 - Sep 38 | 1,133,166 | 0.000410 | 0.000437 | 1.076072 | 1.221737 | 0.950705 | 0.787730 | 0.727814 | 0.471642 | 1.73 | 0.90 | 0.29 | 10.46 | \$0.42 | 1,119.08 | 0.04% |
| Oct 38 - Sep 39 | 46,401 | 0.000017 | 0.000018 | 1.075653 | 1.221318 | 0.950286 | 0.787311 | 0.727395 | 0.471249 | 1.66 | 0.86 | 0.28 | 10.04 | \$0.00 | 1,118.66 | 0.00% |
| | From Schedule SS-CEF-EE Ext 2-2G Col 23 | Col 1 / Therm Sales | Col 2 * (1 + SUT Rate) Rnd 6 | Current Class Avg Rate + Col 3 for Each Rate Class (Col 4 thru Col 10) | | | | | | (Cur. GPRC + Col 3) * Dec-Mar Monthly Therms Rnd 2 | (Cur. GPRC + Col 3) * Nov & Apr Monthly Therms Rnd 2 | (Cur. GPRC + Col 3) * May-Oct Monthly Therms Rnd 2 | (4 * Col 10) + (2 * Col 11) + (6 * Col 12) | Col 13 - Current Col 13 | Current Col 15 + Col 14 | Col 14 / Current Col 15 Rnd 4 |

| | % Change from Current Class Average Rate w/SUT | | | | | |
|-----------------|--|-------|-------|-------|--------|-------|
| | RSG | GSG | LVG | TSG-F | TSG-NF | CIG |
| Jul 24 - Sep 25 | 0.43% | 0.37% | 0.48% | 0.58% | 0.63% | 0.97% |
| Oct 25 - Sep 26 | 0.57% | 0.50% | 0.65% | 0.78% | 0.85% | 1.31% |
| Oct 26 - Sep 27 | 0.57% | 0.50% | 0.64% | 0.77% | 0.84% | 1.29% |
| Oct 27 - Sep 28 | 0.55% | 0.48% | 0.62% | 0.75% | 0.81% | 1.25% |
| Oct 28 - Sep 29 | 0.56% | 0.49% | 0.63% | 0.76% | 0.83% | 1.28% |
| Oct 29 - Sep 30 | 0.57% | 0.50% | 0.65% | 0.78% | 0.84% | 1.30% |
| Oct 30 - Sep 31 | 0.60% | 0.52% | 0.67% | 0.81% | 0.88% | 1.36% |
| Oct 31 - Sep 32 | 0.74% | 0.65% | 0.84% | 1.01% | 1.10% | 1.69% |
| Oct 32 - Sep 33 | 0.78% | 0.68% | 0.88% | 1.06% | 1.15% | 1.77% |
| Oct 33 - Sep 34 | 0.75% | 0.66% | 0.85% | 1.03% | 1.11% | 1.71% |
| Oct 34 - Sep 35 | 0.27% | 0.24% | 0.31% | 0.38% | 0.41% | 0.63% |
| Oct 35 - Sep 36 | 0.14% | 0.12% | 0.16% | 0.19% | 0.21% | 0.32% |
| Oct 36 - Sep 37 | 0.09% | 0.08% | 0.11% | 0.13% | 0.14% | 0.21% |
| Oct 37 - Sep 38 | 0.04% | 0.04% | 0.05% | 0.06% | 0.06% | 0.09% |
| Oct 38 - Sep 39 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

¹ All customers assumed to have BGSS Supply

**PSE&G Clean Energy Future- Energy Efficiency Extension 2 Program
Electric Over/(Under) Calculation**

Schedule SS-CEF-EE Ext 2-5E

| | |
|-------------------------------|----------|
| Reflects a tax rate of | 28.11% |
| Existing Rate / kWh (w/o SUT) | 0.000000 |
| Proposed Rate / kWh (w/o SUT) | 0.000198 |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|--------------------------------|--|--------------------------|---|------------------------------------|---|---|---------------------------------------|---|------------------------------|--------------------------------|
| | <u>Over / (Under) Recovery Beginning Balance</u> | <u>Electric Revenues</u> | <u>Revenue Requirement</u> | <u>Over / (Under) Recovery</u> | <u>Over / (Under) Recovery Ending Balance</u> | <u>Over / (Under) Average Monthly Balance</u> | <u>Interest Rate (Annualized)</u> | <u>Interest On Over / (Under) Average Monthly Balance</u> | <u>Interest Roll- In</u> | <u>Cumulative Interest</u> |
| Monthly Calculation | | | | | | | | | | |
| Apr-24 | - | - | - | - | - | - | 5.49% | - | - | - |
| May-24 | - | - | - | - | - | - | 5.49% | - | - | - |
| Jun-24 | - | - | - | - | - | - | 5.49% | - | - | - |
| Jul-24 | - | - | 1,265,337 | (1,265,337) | (1,265,337) | (632,668) | 5.49% | (2,079) | - | (2,079) |
| Aug-24 | (1,265,337) | - | 1,446,595 | (1,446,595) | (2,711,931) | (1,988,634) | 5.49% | (6,535) | - | (8,614) |
| Sep-24 | (2,711,931) | - | 225,223 | (225,223) | (2,937,155) | (2,824,543) | 5.49% | (9,281) | - | (17,895) |
| Oct-24 | (2,937,155) | 589,016 | 41,245 | (41,245) | (2,978,400) | (2,957,777) | 5.49% | (9,719) | - | (27,614) |
| Nov-24 | (2,978,400) | 562,588 | 202,290 | 386,726 | (2,591,674) | (2,785,037) | 5.49% | (9,152) | - | (36,766) |
| Dec-24 | (2,591,674) | 630,472 | 420,812 | 141,776 | (2,449,898) | (2,520,786) | 5.49% | (8,283) | - | (45,049) |
| Jan-25 | (2,449,898) | 655,174 | (1,978,938) | 2,609,409 | 159,512 | (1,145,193) | 5.49% | (3,763) | - | (48,812) |
| Feb-25 | 159,512 | 574,408 | (1,265,315) | 1,920,489 | 2,080,001 | 1,119,756 | 5.49% | 3,679 | - | (45,132) |
| Mar-25 | 2,080,001 | 613,044 | 942,458 | (368,050) | 1,711,951 | 1,895,976 | 5.49% | 6,230 | - | (38,902) |
| Apr-25 | 1,711,951 | 530,605 | 964,735 | (351,691) | 1,360,260 | 1,536,105 | 5.49% | 5,048 | - | (33,855) |
| May-25 | 1,360,260 | 547,267 | 997,745 | (467,140) | 893,119 | 1,126,689 | 5.49% | 3,702 | - | (30,152) |
| Jun-25 | 893,119 | 663,130 | 1,030,581 | (483,314) | 409,805 | 651,462 | 5.49% | 2,141 | - | (28,012) |
| Jul-25 | 409,805 | 804,637 | 1,063,242 | (400,112) | 9,693 | 209,749 | 5.49% | 689 | - | (27,323) |
| Aug-25 | 9,693 | 787,872 | 1,095,730 | (291,093) | (281,400) | (135,853) | 5.49% | (446) | - | (27,769) |
| Sep-25 | (281,400) | 617,976 | 1,128,043 | (340,170) | (621,570) | (451,485) | 5.49% | (1,484) | - | (29,253) |
| | (Prior Col 5) + (Col 9) | | See Revenue Requirements Schedule for Details | Col 2 - Col 3 | Col 1 + Col 4 | (Col 1 + Col 5) / 2 | | (Col 6 * (Col 7) / 12)*net of tax rate | | Prior Month + Col 8 - Col 9 |

**PSE&G Clean Energy Future- Energy Efficiency Extension 2 Program
Gas Over/(Under) Calculation**

Schedule SS-CEF-EE Ext 2-5G

| | |
|----------------------------------|----------|
| Reflects a tax rate of | 28.11% |
| Existing Rate / Therms (w/o SUT) | 0.000000 |
| Proposed Rate /Therms (w/o SUT) | 0.004288 |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|-----------------------------|--|---------------------|---|------------------------------------|---|---|--|---|-------------------------|--------------------------------|
| | <u>Over / (Under) Recovery Beginning Balance</u> | <u>Gas Revenues</u> | <u>Revenue Requirement</u> | <u>Over / (Under) Recovery</u> | <u>Over / (Under) Recovery Ending Balance</u> | <u>Over / (Under) Average Monthly Balance</u> | <u>Interest Rate (Annualized)</u> | <u>Interest On Over / (Under) Average Monthly Balance</u> | <u>Interest Roll-In</u> | <u>Cumulative Interest</u> |
| Monthly Calculations | | | | | | | | | | |
| Apr-24 | - | - | - | - | - | - | 5.49% | - | - | - |
| May-24 | - | - | - | - | - | - | 5.49% | - | - | - |
| Jun-24 | - | - | - | - | - | - | 5.49% | - | - | - |
| Jul-24 | - | - | 603,672 | (603,672) | (603,672) | (301,836) | 5.49% | (992) | - | (992) |
| Aug-24 | (603,672) | - | 941,217 | (941,217) | (1,544,889) | (1,074,280) | 5.49% | (3,530) | - | (4,522) |
| Sep-24 | (1,544,889) | - | 673,340 | (673,340) | (2,218,229) | (1,881,559) | 5.49% | (6,183) | - | (10,705) |
| Oct-24 | (2,218,229) | 610,223 | 570,621 | 39,602 | (2,178,627) | (2,198,428) | 5.49% | (7,224) | - | (17,929) |
| Nov-24 | (2,178,627) | 1,202,793 | 676,457 | 526,336 | (1,652,291) | (1,915,459) | 5.49% | (6,294) | - | (24,223) |
| Dec-24 | (1,652,291) | 1,780,935 | 886,145 | 894,790 | (757,501) | (1,204,896) | 5.49% | (3,959) | - | (28,182) |
| Jan-25 | (757,501) | 2,101,438 | (1,266,534) | 3,367,972 | 2,610,471 | 926,485 | 5.49% | 3,044 | - | (25,138) |
| Feb-25 | 2,610,471 | 1,861,453 | 366,583 | 1,494,870 | 4,105,341 | 3,357,906 | 5.49% | 11,034 | - | (14,104) |
| Mar-25 | 4,105,341 | 1,585,264 | 1,191,444 | 393,820 | 4,499,161 | 4,302,251 | 5.49% | 14,137 | - | 33 |
| Apr-25 | 4,499,161 | 915,587 | 1,187,334 | (271,747) | 4,227,414 | 4,363,287 | 5.49% | 14,338 | - | 14,371 |
| May-25 | 4,227,414 | 552,945 | 1,193,949 | (641,003) | 3,586,411 | 3,906,912 | 5.49% | 12,838 | - | 27,209 |
| Jun-25 | 3,586,411 | 346,549 | 1,200,476 | (853,928) | 2,732,483 | 3,159,447 | 5.49% | 10,382 | - | 37,591 |
| Jul-25 | 2,732,483 | 314,938 | 1,206,917 | (891,978) | 1,840,505 | 2,286,494 | 5.49% | 7,513 | - | 45,104 |
| Aug-25 | 1,840,505 | 283,481 | 1,213,270 | (929,788) | 910,716 | 1,375,611 | 5.49% | 4,520 | - | 49,625 |
| Sep-25 | 910,716 | 309,984 | 1,219,536 | (909,552) | 1,164 | 455,940 | 5.49% | 1,498 | - | 51,123 |
| | (Prior Col 5) + (Col 9) | | See Revenue Requirements Schedule for Details | Col 2 - Col 3 | Col 1 + Col 4 | (Col 1 + Col 5) / 2 | PSE&G CP/STD Wght Avg Rate from Previous Month | (Col 6 * (Col 7) / 12)*net of tax rate | | Prior Month + Col 8 - Col 9 |

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed changes in the electric Clean Energy Future - Energy Efficiency (CEF-EE) component of the Green Programs Recovery Charge (GPRC) on typical residential Electric bills, if approved by the Board, is illustrated below:

| Residential Electric Service - Average Monthly Bill | | | | |
|--|--|--|------------------------------------|-----------------------------------|
| If Your Average Monthly kWhr 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: |
| 144 | \$32.96 | \$32.99 | \$0.03 | 0.09 % |
| 289 | 60.96 | 61.02 | 0.06 | 0.10 |
| 577 | 117.48 | 117.60 | 0.12 | 0.10 |
| 650 | 131.90 | 132.03 | 0.13 | 0.10 |
| 1,042 | 210.46 | 210.68 | 0.22 | 0.10 |

(1) Based upon current Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) and Delivery Rates in effect November 1, 2023, and assumes that the customer receives BGS-RSCP service from Public Service.

(2) Same as (1) except includes increase in the CEF-EE.

| Residential Electric Service - Monthly Summer Bill | | | | |
|---|---|---|---|-----------------------------------|
| If Your Monthly Summer kWhr Use Is: | Then Your Present Monthly Summer Bill (3) Would Be: | And Your Proposed Monthly Summer Bill (4) Would Be: | Your Monthly Summer Bill Change Would Be: | And Your Percent Change Would Be: |
| 185 | \$41.86 | \$41.90 | \$0.04 | 0.10 % |
| 370 | 78.79 | 78.87 | 0.08 | 0.10 |
| 740 | 154.56 | 154.72 | 0.16 | 0.10 |
| 803 | 167.98 | 168.15 | 0.17 | 0.10 |
| 1,337 | 281.95 | 282.24 | 0.29 | 0.10 |

(3) Based upon current Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) and Delivery Rates in effect November 1, 2023, and assumes that the customer receives BGS-RSCP service from Public Service.

(4) Same as (3) except includes increase in the CEF-EE.

TYPICAL RESIDENTIAL GAS BILL IMPACTS

The effect of the proposed changes in the gas Clean Energy Future - Energy Efficiency (CEF-EE) component of the Green Programs Recovery Charge (GPRC) 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: | 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: |
| 14 | \$22.23 | \$22.29 | \$0.06 | 0.27 % |
| 28 | 35.82 | 35.96 | 0.14 | 0.39 |
| 51 | 58.24 | 58.47 | 0.23 | 0.39 |
| 87 | 93.22 | 93.61 | 0.39 | 0.42 |
| 100 | 106.28 | 106.74 | 0.46 | 0.43 |
| 151 | 156.30 | 156.99 | 0.69 | 0.44 |

- (1) Based upon Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect November 1, 2023, and assumes that the customer receives commodity service from Public Service.
- (2) Same as (1) except includes increase in the CEF-EE.

| 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 | \$33.15 | \$33.26 | \$0.11 | 0.33 % |
| 50 | 57.68 | 57.91 | 0.23 | 0.40 |
| 100 | 107.85 | 108.31 | 0.46 | 0.43 |
| 172 | 179.30 | 180.08 | 0.78 | 0.44 |
| 201 | 208.17 | 209.09 | 0.92 | 0.44 |
| 300 | 306.29 | 307.66 | 1.37 | 0.45 |

- (3) Based upon Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect November 1, 2023, and assumes that the customer receives commodity service from Public Service.
- (4) Same as (3) except includes increase in the CEF-EE.

NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY CUSTOMERS

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF ITS CLEAN ENERGY FUTURE – ENERGY EFFICIENCY (“CEF-EE”) PROGRAM ON A REGULATED BASIS

Notice of Filing and Notice of Public Hearing

BPU Docket Nos. GO18101112 and EO18101113

TAKE NOTICE that, on November 9, 2023, Public Service Electric and Gas Company (“Public Service”, “PSE&G”, or “Company”) filed a petition (“Petition”) with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking Board approval to extend the existing Clean Energy Future - Energy Efficiency Program (“CEF-EE Program” or “Program”) offering for a period of six (6) months and to recover the costs associated with extending the program through the existing CEF-EE component of the Company’s electric and gas Green Programs Recovery Charge (“GPRC”).

The CEF-EE Program includes 10 subprograms to increase energy efficiency in all sectors of the economy, and offer savings opportunities across PSE&G’s customer base.

PSE&G seeks BPU approval to commit an additional \$306 million of CEF-EE investment, and \$30.6 million in expense for its existing CEF-EE subprograms, over the period of the six (6) month term of the extension. PSE&G also proposes to continue to offer its electric CEF-EE subprograms to PSE&G gas customers who are also customers of Butler Power and Light. Approval of this filing would increase rates to be paid by the Company’s electric customers by \$7.6 million, and increase rates to be paid by the Company’s gas customers by \$11.9 million. The proposed GPRC rates, if approved by the Board, are shown in Table #1.

Tables #2 and #3 provide the approximate net effect of the proposed increase in rates relating to the extension of the CEF-EE Program, if approved by the Board. The annual percentage change applicable to specific customers will vary according to the applicable rate schedule and the level of the customer’s usage. The approximate effect of the proposed changes to typical electric and gas residential monthly bills, if approved by the Board, is illustrated in Tables #4 and #5.

Under the Company’s proposal, a typical residential electric customer using 740 kWh in a summer month and 577 kWh in an average month (6,920 kWh annually), would see an increase in the average monthly bill from \$117.48 to \$117.60, or \$0.12 or approximately 0.10%. In addition, PSE&G proposed to recover the Program costs over a period of

approximately 16 years, with total recoveries of an estimated \$188.4 million, and a peak increase to typical average monthly residential electric bills of \$0.35 occurring in 2033. The average monthly rate impact through the duration of the Program would amount to an increase in the average monthly bill of \$0.19, or 0.16%, during this period.

Under the Company’s proposal, a typical residential gas heating customer using 172 therms in a winter month and 87 average monthly therms (1,040 annually) would see an increase in the average monthly bill from \$93.22 to \$93.61, or \$0.39 or approximately 0.42%. In addition, PSE&G proposes to recover the Program costs over a period of approximately 16 years, with total recoveries of an estimated \$185.8 million and a peak increase to typical average monthly residential gas bills of \$0.72 occurring in 2033. The average monthly rate impact through the duration of the Program would amount to an increase in the average monthly bill of \$0.39, or 0.41%, during this period.

Any rate adjustments with resulting changes in bill impacts found by the Board to be just and reasonable as a result of the Company’s 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 electric 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 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 was provided 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 may also be viewed on the Board’s

website, <https://publicaccess.bpu.state.nj.us>, where you 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 p.m. and 5:30 p.m.

Join: Join Zoom Meeting

<https://pseg.zoom.us/j/92846158128?pwd=czBtZHE5ZTh1Z1FveGlmSVg0R1NuQT09#success>

Go To www.Zoom.com and choose "Join a Meeting" at the top of the web page. When prompted, use Meeting number 928 4615 8128 to access the meeting.

-or-

Join by phone (toll-free):

Dial In: (888) 475-4499

Meeting ID: 928 4615 8128

When prompted, enter the Meeting ID number to access the meeting.

Representatives from the Company, Board Staff, and the New Jersey Division of Rate Counsel will participate in the virtual public hearings. may participate by utilizing the link or Dial-In number set forth above and express their views on the Petition. To encourage full participation in this opportunity for public

comment, please submit any requests for needed accommodations, such as interpreters or listening assistance, 48 hours prior to the above hearings to the Acting Board Secretary at board.secretary@bpu.nj.gov.

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 submit public documents 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 be filed electronically via the Board's e-filing system or by email to the Secretary of the Board, Sherri L. Golden. Please include "Confidential Information" in the subject line of any email. Instructions for confidential e-filing are found on the Board's webpage, <https://www.nj.gov/bpu/agenda/efiling/>.

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

Sherri L. Golden, Secretary of the Board
44 South Clinton Ave., 1st Floor
PO Box 350
Trenton, NJ 08625-0350
Phone: 609-913-6241
Email: board.secretary@bpu.nj.gov

**Table # 1
Initial GPRC Charge Impact**

| | CEF-EE Program Component of the GPRC | | Total GPRC | |
|-----------------------------------|--------------------------------------|---------------------|--------------------|---------------------|
| | Present (Incl SUT) | Proposed (Incl SUT) | Present (Incl SUT) | Proposed (Incl SUT) |
| GPRC Electric - \$ per kWh | \$0.001340 | \$0.001551 | \$0.005246 | \$0.005457 |
| GPRC Gas - \$ per Therm | \$0.005894 | \$0.010466 | \$0.009624 | \$0.014196 |

**Table #2
Initial Rate Impact by Electric Customer Class**

| PROPOSED PERCENTAGE (%) INCREASES BY CUSTOMER CLASS FOR ELECTRIC SERVICE | | |
|--|------------|------------|
| | Rate Class | % Increase |
| Residential | RS | 0.10% |
| Residential Heating | RHS | 0.13 |
| Residential Load Management | RLM | 0.11 |
| General Lighting & Power | GLP | 0.12 |
| Large Power & Lighting - Secondary | LPL-S | 0.14 |
| Large Power & Lighting – Primary | LPL-P | 0.13 |
| High Tension – Subtransmission | HTS-S | 0.15 |

The percent increases noted above are based upon Delivery Rates and the applicable Basic Generation Service (BGS) charges in effect November 1, 2023 and assumes that customers receive commodity service from Public Service Electric and Gas Company.

Table #3
Initial Rate Impact by Gas Customer Class

| PROPOSED PERCENTAGE (%) INCREASES BY CUSTOMER CLASS FOR GAS SERVICE | | |
|---|------------|------------|
| | Rate Class | % Increase |
| Residential Service | RSG | 0.42% |
| General Service | GSG | 0.37 |
| Large Volume Service | LVG | 0.48 |
| Firm Transportation Gas Service | TSG-F | 0.58 |
| Non-Firm Transportation Gas Service | TSG-NF | 0.63 |
| Cogeneration Interruptible Service | CIG | 0.91 |

The percent increases noted above are based upon Delivery Rates and the Basic Gas Supply Service (BGSS) charges in effect November 1, 2023 and assumes that customers receive commodity service from Public Service Electric and Gas Company.

Table #4
Residential Electric Service

| If Your Monthly Summer kWh Use Is: | Then Your Present Monthly Summer Bill (1) Would Be: | And Your Proposed Monthly Summer Bill (2) Would Be: | Your Monthly Summer Bill Change Would Be: | And Your Monthly Percent Change Would Be: |
|------------------------------------|---|---|---|---|
| 185 | \$41.86 | \$41.90 | \$0.04 | 0.10% |
| 370 | 78.79 | 78.87 | 0.08 | 0.10 |
| 740 | 154.56 | 154.72 | 0.16 | 0.10 |
| 803 | 167.98 | 168.15 | 0.17 | 0.10 |
| 1,337 | 281.95 | 282.24 | 0.29 | 0.10 |

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect November 1, 2023 and assumes that the customer receives BGS-RSCP service from Public Service.
- (2) Same as (1) except includes the proposed change in the Clean Energy Future - Energy Efficiency Program component of the GPRC.

Table #5
Residential Gas Service

| If Your Monthly Winter Therm Use Is: | Then Your Present Monthly Winter Bill (1) Would Be: | And Your Proposed Monthly Winter Bill (2) Would Be: | Your Monthly Winter Bill Change Would Be: | And Your Monthly Percent Change Would Be: |
|--------------------------------------|---|---|---|---|
| 25 | \$33.15 | \$33.26 | \$0.11 | 0.33% |
| 50 | 57.68 | 57.91 | 0.23 | 0.40 |
| 100 | 107.85 | 108.31 | 0.46 | 0.43 |
| 172 | 179.30 | 180.08 | 0.78 | 0.44 |
| 201 | 208.17 | 209.09 | 0.92 | 0.44 |
| 300 | 306.29 | 307.66 | 1.37 | 0.45 |

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect November 1, 2023 and assumes that the customer receives BGSS-RSG commodity service from Public Service.
- (2) Same as (1) except includes the proposed change in the Clean Energy Future - Energy Efficiency Program component of the GPRC.

Stacey M. Mickles, Esq.
Associate Counsel – Regulatory

PUBLIC SERVICE ELECTRIC AND GAS COMPANY