

NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY ELECTRIC CUSTOMERS

In The Matter of the Petition of Public Service Electric and Gas Company for Approval of Changes in its Electric Conservation Incentive Program (2023 Electric CIP Rate Filing)

Notice of Filing and Notice of Public Hearings | BPU Docket No. ER23020061

TAKE NOTICE that, in February 2023, Public Service Electric and Gas Company ("PSE&G," or "Company") filed a Petition and supporting documentation with the New Jersey Board of Public Utilities ("Board" or "BPU") seeking Board approval for adjustments in the cost recovery associated with the Electric Conservation Incentive Program ("ECIP" or "Program").

On September 23, 2020, the Board issued an Order approving the Clean Energy Future – Energy Efficiency Program in Docket Nos. GO18101112 and EO18101113 ("Order"). In this Order, the Board approved a Conservation Incentive Program ("CIP") that allows the Company to recover for lost sales revenue from the potential decrease in customer usage resulting from the Company's energy efficiency programs. Recoveries under the ECIP are subject to limitations based on the Company's earnings, and based on offsetting savings achieved by the Company in the costs of Basic Generation Service.

The Company's initial filing sought Board approval to recover approximately \$95 million due to lower revenue per customer than the approved baseline. However, an updated filing was submitted to the Board on April 5, 2023, which took into account actual revenues through February 28, 2023. Under the Company's updated proposal, PSE&G seeks Board approval to recover approximately \$102 million as a result of lower revenue per customer than the approved baseline. The deferral consists of a carry-forward balance of \$29 million from the prior ECIP period, \$1 million of under-recovery margin recovery from the prior ECIP period, \$76 million of non-weather related lost revenue, and is offset by a refund of \$4 million that is due to customers because of warmer than normal 2022 Summer weather. Based on the Company's calculation of the CIP recovery limitations, only \$65 million of the \$76 million non-weather deferral and the \$29 million prior ECIP period carry-forward may be recovered in the current ECIP recovery period. Therefore, the Company is requesting an overall recovery of \$61 million for the upcoming recovery period, which is the recoverable deferral amount after subtracting the refund of \$4 million and adding the prior period under-collection of \$1 million. The Petition seeks to defer the remaining \$40 million for recovery in a subsequent CIP recovery period. The CIP deferral is calculated by applicable rate schedule and thus some rate schedules may receive a credit while others may incur a charge based upon the difference between actual revenue and the baseline by rate schedule.

The proposed Electric CIP charges, if approved by the Board, are shown in Table #1.

The approximate effect of the proposed impact on typical electric residential summer monthly bills, if approved by the Board, is illustrated in Table #2.

Based on Company's filing, a typical residential electric customer using 740 kilowatt-hours per summer month and 6,920 kilowatt-hours on an annual basis would see an increase in the annual bill from \$1,308.20 to \$1,318.28, or \$10.08 or approximately 0.77%.

Any rate adjustments with resulting changes in bill impacts found by the Board to be just and reasonable as the 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 costs addressed in the Petition and Update 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.

Any assistance required by customers in ascertaining the impact of the proposed rate increase will be provided by the Company upon request.

The Petition is available for review at the PSEG website: <http://www.pseg.com/pseandgfilings>.

PLEASE TAKE FURTHER NOTICE that due to the COVID-19 Pandemic, virtual public hearings are scheduled on the following date and times so that members of the public may present their views on the Petition. Information provided at the public hearings will become part of the record and considered by the Board.

DATE: Wednesday, May 10, 2023

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. Members of the public are invited to participate by utilizing the link or dial-in number set forth above and may express their views on the Petition. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, 48 hours prior to the above hearings to the Board Secretary at board.secretary@bpu.nj.gov.

Comments may be submitted directly to the specific docket listed above using the "Post Comments" button on the Board's <https://publicaccess.bpu.state.nj.us>.

Comments are considered public documents for purposes of the State's Open Public Records Act. Only public documents should be submitted using the "Post Comments" button on the Board's Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. Due to the COVID-19 pandemic, certain rules requiring paper submissions have been temporarily waived. In addition to hard copy submissions, confidential information may also be filed electronically via the Board's e-filing system or by email to the Secretary of the Board. Please include "Confidential Information" in the subject line of any email. Instructions for confidential e-filing are found on the Board's webpage. <https://www.nj.gov/bpu/agenda/efiling/>.

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

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
Present and Proposed Electric CIP Charges

Rate Schedule	ECIP Charges		
	Present Charge (Incl SUT)	Proposed Charge (Incl SUT)	
RS & RHS	(\$0.001181)	\$0.000289	Per kilowatt-hour
RLM	(0.000638)	0.001029	Per kilowatt-hour
GLP	0.6793	1.3001	Per kilowatt of monthly peak demand
LPL-S	0.6513	1.0972	Per kilowatt of monthly peak demand

Table #2
Proposed Impact for Residential Electric Service per Summer month

If Your Annual kWhr Use Is:	And Your Monthly Summer kWhr 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:
1,732	185	\$38.79	\$39.06	\$0.27	0.70%
3,464	370	72.63	73.18	0.55	0.76
6,920	740	142.27	143.35	1.08	0.76
7,800	803	154.65	155.83	1.18	0.76
12,500	1,337	259.72	261.69	1.97	0.76

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

(2) Same as (1) except includes the proposed ECIP.