



April 26, 2019

In the Matter of the Petition of  
Public Service Electric and Gas Company  
for Approval of Gas Base Rate Adjustments Pursuant to its  
Gas System Modernization Program  
(April 2019 GSMP Rate Filing)

BPU Docket No. \_\_\_\_\_

***VIA BPU E-FILING SYSTEM & OVERNIGHT MAIL***

Aida Camacho-Welch, Secretary  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Flr.  
P.O. Box 350  
Trenton, New Jersey 08625-0350

Dear Secretary Camacho-Welch:

Enclosed please find an original and two copies of Public Service Electric and Gas Company's (PSE&G, the Company) filing in the above-referenced matter.

Please be advised that workpapers are being provided via electronic version only.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Danielle Lopez", with a long, sweeping flourish extending from the end.

C Attached service list (via e-mail)

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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 GAS BASE        )     BPU DOCKET NO. \_\_\_\_\_  
RATE ADJUSTMENTS PURSUANT TO ITS        )  
GAS SYSTEM MODERNIZATION PROGRAM )  
(APRIL 2019 GSMP RATE FILING)            )

**VERIFIED PETITION**

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

**INTRODUCTION AND OVERVIEW**

1. Petitioner is a public utility engaged in the distribution of electricity and the provision of electric Basic Generation Service (BGS), and distribution of gas and the provision of Basic Gas Supply Service (BGSS), for residential, commercial and industrial purposes within the State of New Jersey. PSE&G provides service to approximately 2.2 million electric and 1.8 million gas customers in an area having a population in excess of six million persons and that extends from the Hudson River opposite New York City, southwest to the Delaware River at Trenton and south to Camden, New Jersey.

2. Petitioner is subject to regulation by the Board for the purposes of setting its retail distribution rates and to assure safe, adequate and reliable electric distribution and natural gas distribution service pursuant to N.J.S.A. 48:2-13, *et seq.*

3. PSE&G is filing this Petition seeking Board approval for gas base rate changes to provide for cost recovery associated with the Company's Gas System Modernization Program (GSMP or the Program) as approved by the Board Order dated November 16, 2015 in BPU Docket No. GR15030272 (GSMP Order). In that Order the Board adopted a Stipulation (the Stipulation) that explicitly authorizes this rate filing in April 2019 for rates to be effective October 1, 2019.<sup>1</sup>

### **BACKGROUND**

4. On February 27, 2015 Public Service petitioned the Board in BPU Docket No. GR15030272 for approval of the GSMP. The Program as filed proposed to focus on gas projects designed to replace cast iron mains, unprotected steel mains and services, elimination of district regulators associated with this cast iron and unprotected steel plant, and relocation of inside meter sets. PSE&G proposed to invest approximately \$1.594 billion over approximately five years, with cost recovery related to these investments to be through rate adjustments based upon the mechanism in the PSE&G Energy Strong program approved by the Board on May 21, 2014 in Docket Nos. EO13020155 and GO13020156.

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<sup>1</sup> Paragraph 19 of the Stipulation, through part d, provides:

To effectuate the cost recovery process for the Program investments, Public Service shall proceed on the following schedule following public notice and public hearing, recognizing that the prudence of the investments will be determined in the next appropriate base rate case proceeding. The schedule below anticipates annual notice, public hearings, and rate adjustments to cover all rate changes for the Program investments. The effective dates for the adjustments may be revised by agreement of the parties in the Company's next base rate case ("Next Base Case") as described in paragraph 20 below. . .

d. Revenue Requirements associated with Program investments that are placed into service through and including 6/30/19 shall go into base rates effective 10/1/19. PSE&G shall make its initial filing for such rates in April 2019, and provide updates for such filing for actual data through June 30, 2019 by July 15, 2019.

5. Public comment hearings on the petition were held in afternoons and evenings in New Brunswick, New Jersey on June 8, 2015; in Westampton, New Jersey on June 11, 2015; and in Hackensack, New Jersey on June 15, 2015. While the petition proposed no rate increases, the projected rate impacts of the program in the petition appeared in the public notice for those public comment hearings.

6. The Stipulation approved in the GSMP Order required PSE&G to make Stipulated Base investments (described in paragraph 7 below), and provided that the GSMP program investment shall include an investment level of up to \$650 million, which excludes the costs associated with the Stipulated Base and AFUDC. The Program investment is eligible for recovery through rate adjustments in accordance with the Alternative Rate Mechanism set forth in the Stipulation. Recovery of GSMP program type investments beyond \$650 million may be sought through a base rate case. GSMP program investments include: the costs to replace PSE&G's Utilization Pressure Cast Iron (UPCI) mains and associated services, Unprotected Steel mains and associated services, the costs required to uprate the UPCI systems (including the uprating of associated protected steel and plastic mains and associated services) to higher pressures, and costs associated with the installation of excess flow valves and the elimination of district regulators, where applicable. The program investment excludes: the costs to replace high pressure (HP) cast iron mains, meters, and the additional costs associated with the relocation of inside meter sets to outdoor locations.

7. During the three years 2016 through 2018, the Company will be required to maintain a base level of capital spending, known as the Stipulated Base that is not

recoverable through the Alternative Rate Mechanism set forth in the Stipulation. The Stipulated Base is to address planned replacement of cast iron and unprotected steel mains and services during the course of the Program and is required to be at least \$85 million per calendar year. Stipulated Base expenditures include: the replacement of cast iron (Utilization Pressure and Elevated or High Pressure) and unprotected steel mains and associated services; the costs required to uprate the UPCI system if applicable (including the uprating of associated protected steel and plastic mains and services) to higher pressures; the elimination, where applicable, of district regulators, the installation of excess flow valves associated with the Stipulated Base; and the additional costs related to the relocation of inside meter sets associated with Stipulated Base projects, as well as the Program main replacements. The Stipulated Base does not include GSMP expenditures or expenditures related to leak repairs.

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

### **REQUEST FOR COST RECOVERY**

9. Consistent with the GSMP Order, PSE&G is seeking BPU approval to recover the revenue requirements associated with certain capitalized investment costs of GSMP through June 30, 2019. The annualized increase in gas revenue requirement associated with those investment costs is approximately \$11.603 million in revenue and is supported by Attachment 2, Schedule SS-GSMP-2 attached hereto. The rate adjustments in this filing are for recovery of costs associated with GSMP Program investment that is anticipated to be in

service by June 30, 2019, less investment already recovered in rates in prior GSMP roll-in filings. The projected amounts of plant placed in service from April 1, 2019 through June 30, 2019, up to the \$650 million cap, will be updated for actual results by July 15, 2019.

10. As required by the GSMP Order and Stipulation, the proposed gas rate adjustments are structured to be similar to the rate design methodology used to set rates in the most recent base rate case. The Company has utilized weather normalized annualized billing determinants from the 2018 base rate case. The detailed calculation supporting the gas rate design is shown in Attachment 2, Schedule SS-GSMP-5.

11. Attachment 1 is the testimony of Wade E. Miller, Director – Gas Transmission & Distribution Engineering addressing the progress of the GSMP and anticipated plant in-service at the end of June 30, 2019. Attachment 2 is the testimony of Steven Swetz supporting the revenue requirement and rate calculations.

12. The annual average bill impacts of the requested rate increase are set forth in Attachment 2, Schedule SS-GSMP-6. The annual impact of the proposed rates to the typical residential gas heating customer using 172 therms in a winter month and 1,040 therms annually is an increase of \$6.86 or approximately 0.77% (based upon Delivery Rates and BGSS-RSG charges in effect April 1, 2019, and assuming that the customer receives BGSS service from PSE&G).

13. Attachment 3 is a draft Form of Notice of Filing and of Public Hearings (Form of Notice). This Form of Notice will be placed in newspapers having a circulation within the Company's gas service territory upon scheduling of public hearing dates. Public hearings will be held in each geographic area within the Company's service territory, i.e., Northern,



Central, and Southern. A Notice will be served on the County Executives and Clerks of all municipalities within the Company's electric and gas service territories upon scheduling of public hearing dates.

14. Notice of this filing and two copies of the Petition, testimony, and schedules will be served upon the Department of Law and Public Safety, 124 Halsey Street, P.O. Box 45029, Newark, New Jersey 07101 and upon the Director, Division of Rate Counsel, 140 East Front Street 4th Floor, Trenton, N.J. 08625. Electronic copies of the Petition, testimony, and schedules will also be sent to the persons identified on the service list provided with this filing.

15. Attachments 4 and 5 are the income statement and balance sheet required by the Minimum Filing Requirements in the GSMP Order.

16. PSE&G requests that the Board find that the proposed rates, as calculated in the proof of revenue, Attachment 2, Schedule SS-GSMP-5, are just and reasonable, and that PSE&G should be authorized to implement the proposed rates as set forth herein, effective October 1, 2019 upon issuance of a written BPU order.

17. Any final rate relief found by the Board to be just and reasonable may be allocated by the Board for consistency with the provisions of N.J.S.A. 48:2-21 and for other good and legally sufficient reasons, to any class or classes of customers of the Company. Therefore, the average percentage changes in final rates may increase or decrease compared to the proposed rates based upon the Board's decision.

## **COMMUNICATIONS**

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

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## **CONCLUSION AND REQUESTS FOR APPROVAL**

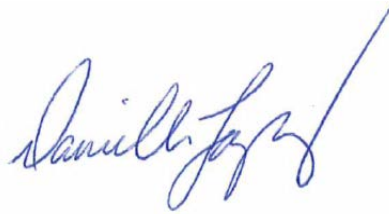
For all the foregoing reasons, PSE&G respectfully requests that the Board retain jurisdiction of this matter and review and expeditiously issue an order approving this Petition specifically finding that:

1. PSE&G is authorized to recover all costs identified herein associated with GSMP Program costs incurred through June 30, 2019, as such costs are reflected in this Petition and accompanying materials, along with anticipated updates of data; and

2. The rates as calculated in the proof of revenue, Attachment 2, Schedule SS-GSMP-5, are just and reasonable and may be implemented for service rendered on and after October 1, 2019.

Respectfully submitted,

PUBLIC SERVICE ELECTRIC AND GAS COMPANY



DATED: April 26, 2019


By \_\_\_\_\_

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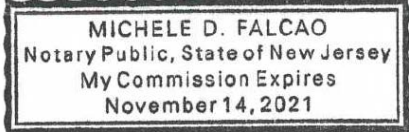
STATE OF NEW JERSEY     )  
COUNTY OF ESSEX         )

I, Michael P. McFadden, of full age, being duly sworn according to law, on his oath deposes and says:

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

BY   
Michael P. McFadden

Sworn to and Subscribed to  
Before me this 26<sup>th</sup> day of  
April 2019

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

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

**In The Matter of the Petition of  
Public Service Electric and Gas Company  
for Approval of Gas Base Rate  
Adjustments Pursuant to the Gas System Modernization  
Program (April 2019 GSMP Rate Filing)**

**BPU Docket No. \_\_\_\_\_**

**DIRECT TESTIMONY**

**OF**

**WADE E. MILLER  
DIRECTOR – GAS TRANSMISSION &  
DISTRIBUTION ENGINEERING**

**April 26, 2019**

## ATTACHMENT 1

1                   **PUBLIC SERVICE ELECTRIC AND GAS COMPANY**  
2                   **DIRECT TESTIMONY**  
3                   **OF**  
4                   **WADE E. MILLER**  
5                   **DIRECTOR – GAS TRANSMISSION & DISTRIBUTION ENGINEERING**

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

7   A.     My name is Wade E. Miller. I am the Director – Gas Transmission &  
8   Distribution Engineering for Public Service Electric and Gas Company (PSE&G, the  
9   Company, or Petitioner). I am responsible for gas system planning and reliability as  
10  well as the safe and efficient engineering, design, and operating procedures of  
11  PSE&G's gas transmission and distribution assets. I am also responsible for the  
12  management of the gas Transmission and Distribution Integrity Management  
13  Programs, operation and maintenance of 48 city gate stations, four gas plants, and gas  
14  control to PSE&G's gas customers. My credentials are set forth in the attached  
15  Schedule WEM-GSMP-1.

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

17 A.     This testimony provides information on the status of certain projects and  
18 expenditures related to PSE&G's Gas System Modernization Program (GSMP), which  
19 was approved in an Order of the New Jersey Board of Public Utilities (BPU or Board)  
20 dated November 16, 2015 in BPU Docket No. GR15030272 (GSMP Order).

**OVERVIEW OF GAS SYSTEM MODERNIZATION PROGRAM**

**Q. Please describe the Company's GSMP.**

A. The Stipulation approved in the GSMP Order required PSE&G to make Stipulated Base investments (described below), and provided that the GSMP investment shall include an investment level of up to \$650 million, which excludes the costs associated with the Stipulated Base and AFUDC. The Program investment is eligible for recovery through rate adjustments in accordance with the Alternative Rate Mechanism set forth in the Stipulation. Recovery of GSMP type investment beyond \$650 million may be sought through a base rate case. GSMP investments include the costs to replace PSE&G's Utilization Pressure Cast Iron (UPCI) mains and associated services and Unprotected Steel mains and associated services, the costs required to uprate the UPCI systems (including the uprating of associated protected steel and plastic mains and associated services) to higher pressures, and costs associated with the installation of excess flow valves and the elimination of district regulators, where applicable. The Program investment excludes: the costs to replace high pressure (HP) cast iron mains, meters, and the additional costs associated with the relocation of inside meter sets to outdoor locations.

**Q. Please describe the Stipulated Base part of this program.**

A. During the three years 2016 through 2018, the Company is required to maintain a base level of capital spending, known as the Stipulated Base that is not



## ATTACHMENT 1

1 recoverable through the Alternative Rate Mechanism set forth in the Stipulation. The  
2 Stipulated Base is to address planned replacement of cast iron and unprotected steel  
3 mains and services during the course of the Program and is required to be at least \$85  
4 million per calendar year. Stipulated Base expenditures include the replacement of  
5 cast iron (Utilization Pressure and Elevated or High Pressure) and unprotected steel  
6 mains and associated services, as well as the costs required to uprate the UPCI system  
7 if applicable (including the uprating of associated protected steel and plastic mains  
8 and services) to higher pressures and the elimination, where applicable, of district  
9 regulators, the installation of excess flow valves associated with the Stipulated Base,  
10 and the additional costs associated with the relocation of inside meter sets that is  
11 associated with the Stipulated Base as well as the Program main replacements. The  
12 Stipulated Base does not include GSMP expenditures or expenditures related to leak  
13 repairs.

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

16 A. Yes. Through March 2019 the Company has replaced more than 308 miles of main  
17 and approximately 28,300 services and abandoned 58 district regulators. The rate  
18 adjustments in this filing are for recovery of costs associated with gas plant that is  
19 anticipated to be in service by June 30, 2019 but has not been recovered in a prior GSMP  
20 roll-in filing. A breakdown of this work on investment proposed to be in rates is  
21 provided in the monthly reports provided in Schedule WEM-GSMP-2.

## ATTACHMENT 1

1       The expenditures are listed in Schedule WEM-GSMP-3 and include actual  
2 expenditures through March 31, 2019 and a forecast of gas capital expenditures from  
3 April 1, 2019 through June 30, 2019 associated with gas plant that is anticipated to be in  
4 service by June 30, 2019. Pursuant to the GSMP Order, PSE&G will update this filing  
5 with actual financial data through June 30, 2019 and adjust the rate impacts  
6 accordingly, by July 15, 2019. PSE&G's update of this filing for actual data through  
7 June 30, 2019 will assure that only plant in-service is included in rates implemented as a  
8 result of this filing.

9  
10       With regard to the Program expenditures, PSE&G anticipates having a total of  
11 308 miles of main installed and in-service, 29,000 services replaced and in-service, and  
12 70 district regulators abandoned on June 30, 2019. In addition, while not included in the  
13 rates addressed in this filing, PSE&G had 141 miles of main installed and in-service on  
14 December 31, 2018 in Stipulated Base miles, exceeding the three year requirement of  
15 110 miles as well as exceeding the required investment of \$85 million for 2018.

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

17 **A.** Yes, it does.

## ATTACHMENT 1

### **SCHEDULE INDEX**

Schedule WEM-GSMP-1	Credentials
Schedule WEM-GSMP-2	Monthly Reports
Schedule WEM-GSMP-3	GSMP & Stipulated Base Forecast

**CREDENTIALS  
OF  
WADE E. MILLER  
DIRECTOR – GAS TRANSMISSION &  
DISTRIBUTION ENGINEERING**

I received a Bachelor of Science Degree in Mechanical Engineering from The College of New Jersey in 2000. I also received my Engineer-In-Training certification in 2000. I became licensed as a Professional Engineer with the State of New Jersey in 2006. I also received my certification as a Project Management Professional with the Project Management Institute in 2006. In 2007, I earned the designation of Registered Gas Distribution Professional from the Gas Technology Institute.

I was employed by PSE&G in June 2000 as an Associate Engineer in the Trenton Gas Distribution District where I began my training program and was mentored under a senior engineer. In 2001, I was relocated from Trenton District to Burlington District where I acted as the sole engineer. In 2003, I was promoted to the position of Lead Engineer. During my first four years, I provided engineering and managerial support for all phases of planning, design, construction, and maintenance of the gas distribution system while adhering to the established capital and O&M budgets.

1           In 2004, I was promoted to the position of Supervising Engineer in the  
2   Asset Management department and given the responsibility for the approval of all  
3   engineering designs associated with new and replacement main requisitions, district  
4   and pound to pound regulator installations, large volume meter sets, higher than  
5   normal delivery pressure requests, gas load increase submittals, and written gas out  
6   procedures covering six of the twelve gas districts. In addition, I was also responsible  
7   for developing the replacement main plans for these same six districts including  
8   identification and prioritization.

9           In 2007, I was promoted to the position of Planning & Design Manager  
10   in the Asset Management department overseeing a team of engineers and given the  
11   responsibility for developing and maintaining Company design standards for the Gas  
12   system, maintaining system integrity, and providing technical support to gas field  
13   operations. I was also responsible for developing the annual replacement main,  
14   regulator, and system reinforcement programs for the Company.

15           In April 2014, I assumed my current position, which involves overall  
16   responsibility for system planning and reliability as well as the safe and efficient  
17   engineering, design, and operating procedures of PSE&G's gas transmission and  
18   distribution assets. I am also responsible for the management of the Transmission and  
19   Distribution Integrity Management Programs, operation and maintenance of 48 city  
20   gate stations, four gas plants, and gas control to over 1.8 million customers.

1                   I am the Committee sponsor for PSE&G's Gas Engineering Committee  
2   which is responsible for approval of action items due to regulatory changes and  
3   changes to Company technical manuals, the Operator Qualification program, Integrity  
4   Management programs, and new technology and materials.

5                   I am a member of the Operations Safety Regulatory Action committee  
6   and the Engineering committee of the American Gas Association. In addition, I am a  
7   member of the Executive Committee of the Society of Gas Operators.

**Danielle Lopez**  
Assistant General Regulatory Counsel

**Law Department**  
80 Park Plaza, T-5, Newark, New Jersey 07102-4194  
Tel: 973.430.6479 fax: 973.430.5983  
Email: danielle.lopez@pseg.com



September 28, 2018

***VIA ELECTRONIC and FIRST-CLASS MAIL***

Aida Camacho-Welch, Secretary  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Flr.  
P.O. Box 350  
Trenton, New Jersey 08625-0350

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)  
Monthly Report – July 2018**

Dear Secretary Camacho-Welch:

Enclosed for filing are ten copies of this letter and enclosures providing Public Service Electric & Gas Company's (PSE&G's) monthly report for July, 2018 on its Gas System Modernization Program (GSMP or the Program).

The GSMP was approved by a Board Order dated November 16, 2015 in BPU Docket No. GR15030272. That Order adopted a Stipulation pursuant to which PSE&G is operating the Program. This report is filed pursuant to paragraph 25 of that Stipulation and is designed to address the first four items contained in Attachment C to that Stipulation.

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

Very truly yours,

A handwritten signature in blue ink, appearing to read "Danielle Lopez", with a long, sweeping flourish extending from the end.

Danielle Lopez

cc: Stefanie Brand (two hard copies and e-mail)  
Paul Flanagan (e-mail only)

- 2 -

Lisa Gurkas (e-mail only)  
Brian Lipman (e-mail only)  
Alex Moreau (e-mail only)  
Stacy Peterson (e-mail only)  
Bethany Rocque-Romaine (e-mail only)  
Felicia Thomas-Friel (e-mail only)  
Caroline Vachier (e-mail only)  
Noreen Giblin (e-mail only)  
Grace Strom Power (e-mail only)



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

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

<b>GSMP Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 487,800,000
Replacement Service \$	\$ 159,300,000
Regulator Elimination \$	\$ 2,900,000
<b>Total</b>	<b>\$ 650,000,000</b>

<b>2018 July PTD Budget</b>	<b>2018 July PTD Actual</b>
\$ 343,914,970	\$ 371,710,465
\$ 128,928,734	\$ 125,168,584
\$ 2,029,452	\$ 935,823
<b>\$ 474,873,155</b>	<b>\$ 497,814,872</b>

<b>Stipulated Base Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 160,400,000
Replacement Service \$	\$ 35,000,000
Stipulated Meter Reconstruction \$	\$ 9,700,000
GSMP Meter Reconstruction \$	\$ 49,900,000
<b>Total</b>	<b>\$ 255,000,000</b>

<b>2018 July PTD Budget</b>	<b>2018 July PTD Actual</b>
\$ 164,283,076	\$ 175,639,628
\$ 30,768,965	\$ 34,444,685
\$ 3,119,000	\$ 5,632,382
\$ 13,806,677	\$ 7,084,979
<b>\$ 211,977,718</b>	<b>\$ 222,801,674</b>

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

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project.

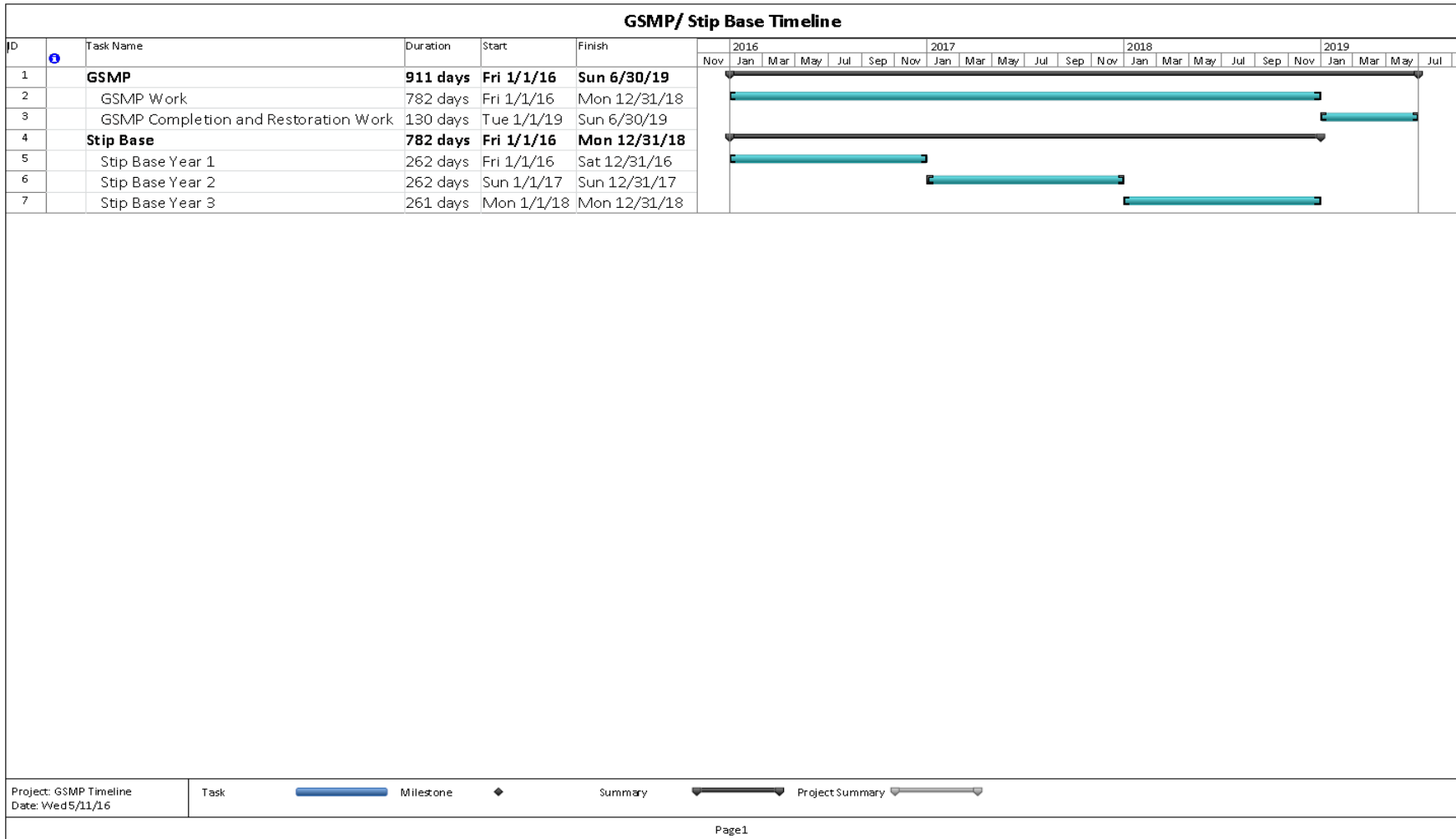
Expenditures Incurred To Date GSMP Projects	July PTD Actual Material \$	July PTD Actual Other \$	July PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 26,230,046	\$ 345,480,419	\$ 371,710,465	\$ 361,070,018
Replacement Service	\$ 4,804,383	\$ 120,364,201	\$ 125,168,584	\$ 125,117,441
Regulator Elimination	\$ 48,840	\$ 886,983	\$ 935,823	\$ 405,029
<b>Total</b>	<b>\$ 31,083,270</b>	<b>\$ 466,731,602</b>	<b>\$ 497,814,872</b>	<b>\$ 486,592,487</b>

Expenditures Incurred To Date Stipulated Base Projects	July PTD Actual Material \$	July PTD Actual Other \$	July PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 21,804,523	\$ 153,835,105	\$ 175,639,628	\$ 169,858,440
Replacement Service	\$ 1,566,799	\$ 32,877,886	\$ 34,444,685	\$ 34,419,041
Stipulated Meter Reconstruction	\$ 396,135	\$ 5,236,247	\$ 5,632,382	\$ 5,632,382
GSMP Meter Reconstruction	\$ 334,444	\$ 6,750,535	\$ 7,084,979	\$ 7,084,979
<b>Total</b>	<b>\$ 24,101,901</b>	<b>\$ 198,699,773</b>	<b>\$ 222,801,674</b>	<b>\$ 216,994,842</b>

ATTACHMENT 1  
SCHEDULE WEM-GSMP-2  
Page 5 of 56

2a - Description of projects  
2c - Projected and actual miles of main installed  
2d - Projected and actual number of services installed

	Project	Sub-Project	Project Completion Date	Units	Size Installed	Material Installed	2016 Quantity Completed	2017 Quantity Completed	Projected Quantity Jan 2018	Actual Quantity Jan 2018	Projected Quantity Feb 2018	Actual Quantity Feb 2018	Projected Quantity Mar 2018	Actual Quantity Mar 2018	Projected Quantity Apr 2018	Actual Quantity Apr 2018	Projected Quantity May 2018	Actual Quantity May 2018	Projected Quantity Jun 2018	Actual Quantity Jun 2018	Projected Quantity Jul 2018	Actual Quantity Jul 2018	2018 Estimated Quantity	Quantity Completed 2018 Year To Date	Total Program Quantity Completed To Date	
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	361,739	333,811	-	13,451	-	21,484	-	8,750	9,315	6,641	11,426	5,406	14,998	18,147	31,295	31,055	304,229	104,934	800,484	
					4"	Plastic	182,371	113,501	-	5,471	-	5,385	-	568	1,804	7,005	2,299	9,060	4,655	8,896	14,299	17,632	107,783	54,017	349,889	
					6"	Plastic	60,016	54,810	-	1,783	-	1,406	-	1,684	2,039	3,456	1,194	2,021	1,372	1,460	5,559	7,154	51,168	18,964	133,790	
					8"	Plastic	13,461	24,762	-	2	-	1,463	-	-	1,947	113	919	28	93	1,035	1,611	213	16,550	2,854	41,077	
					12"	Plastic	7,324	3,784	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,108	
					12"	Steel	-	16,451	-	45	-	-	-	-	-	-	-	-	-	-	-	315	403	750	448	16,899
					16"	Steel	-	36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36	
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	547,155	-	20,752	-	29,738	-	11,002	15,105	17,215	15,838	16,515	21,118	29,538	53,080	56,457	480,480	181,217	1,353,283	
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤2"	Plastic	6,804	9,850	500	770	500	850	500	624	750	777	750	571	750	599	750	599	8,250	4,790	21,444	
					>2"	Plastic	4	8	-	1	-	-	-	-	-	1	-	-	-	-	-	1	-	3	15	
Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	9,858	500	771	500	850	500	624	750	778	750	571	750	599	750	600	8,250	4,793	21,459		
Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	28		-		2		1		1		1		2		-		7	40		
Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	28		-		2		1		1		1		2		-		7	40		
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	38,376	-	1,005	-	709	-	1,544	1,243	2,985	2,369	4,237	5,800	1,808	7,000	11,704	29,799	23,992	217,779	
					4"	Plastic	95,033	31,522	-	274	-	259	-	954	757	-	1,304	848	3,700	3,543	2,414	3,270	25,191	9,148	135,703	
					6"	Plastic	34,296	11,052	-	714	-	490	-	668	1,450	68	2,750	1,126	2,750	409	631	1,807	12,097	5,282	50,630	
					8"	Plastic	16,633	2,342	-	1,600	-	75	-	10	4	-	10	-	-	444	-	181	3,971	2,310	21,285	
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
					12"	Plastic	7,099	-	-	-	-	-	-	100	-	-	-	-	-	-	-	-	-	-	100	7,199
					12"	Steel	56,113	16,392	-	4,100	-	-	-	-	361	-	2,164	-	2,229	39	5,000	2,701	27,043	6,840	79,345	
					16"	Steel	10,331	50,778	-	-	-	-	-	387	1,000	1,056	2,000	1,297	1,400	753	1,000	1,209	7,500	4,702	65,811	
					20"	Steel	111	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	111
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	150,462	-	7,693	-	1,533	-	3,663	4,815	4,109	10,598	7,508	15,879	6,996	16,045	20,872	105,600	52,374	577,863	
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤2"	Plastic	3,153	2,492	50	49	50	80	50	44	50	26	75	115	100	130	125	143	1,625	587	6,232	
					>2"	Plastic	3	2	-	-	-	-	-	2	-	-	-	-	-	2	-	-	-	4	9	
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	2,494	50	49	50	80	50	46	50	26	75	115	100	132	125	143	1,625	591	6,241	
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	-	-		-		-		-		-		-		-		-		-	-	
Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	-	-		-		-		-		-		-		-		-		-	-		



**Danielle Lopez**  
Assistant General Regulatory Counsel

**Law Department**  
80 Park Plaza, T-5, Newark, New Jersey 07102-4194  
Tel: 973.430.6479 fax: 973.430.5983  
Email: danielle.lopez@pseg.com



November 1, 2018

***VIA ELECTRONIC and FIRST-CLASS MAIL***

Aida Camacho-Welch, Secretary  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Flr.  
P.O. Box 350  
Trenton, New Jersey 08625-0350

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)  
Monthly Report – August 2018**

Dear Secretary Camacho-Welch:

Enclosed for filing are ten copies of this letter and enclosures providing Public Service Electric & Gas Company's (PSE&G's) monthly report for August, 2018 on its Gas System Modernization Program (GSMP or the Program).

The GSMP was approved by a Board Order dated November 16, 2015 in BPU Docket No. GR15030272. That Order adopted a Stipulation pursuant to which PSE&G is operating the Program. This report is filed pursuant to paragraph 25 of that Stipulation and is designed to address the first four items contained in Attachment C to that Stipulation.

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

Very truly yours,

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

Danielle Lopez

cc: Stefanie Brand (two hard Copies and e-mail)

- 2 -

Via E-Mail Only:

Paul Flanagan  
Lisa Gurkas  
Brian Lipman  
Alex Moreau  
Stacy Peterson  
Bethany Rocque-Romaine  
Felicia Thomas-Friel  
Caroline Vachier  
Noreen Giblin  
Grace Strom Power

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

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

<b>GSMP Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 487,800,000
Replacement Service \$	\$ 159,300,000
Regulator Elimination \$	\$ 2,900,000
<b>Total</b>	<b>\$ 650,000,000</b>

<b>2018 August PTD Budget</b>	<b>2018 August PTD Actual</b>
\$ 361,136,739	\$ 390,995,066
\$ 134,646,168	\$ 129,947,857
\$ 2,109,961	\$ 939,418
<b>\$ 497,892,868</b>	<b>\$ 521,882,341</b>

<b>Stipulated Base Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 160,400,000
Replacement Service \$	\$ 35,000,000
Stipulated Meter Reconstruction \$	\$ 9,700,000
GSMP Meter Reconstruction \$	\$ 49,900,000
<b>Total</b>	<b>\$ 255,000,000</b>

<b>2018 August PTD Budget</b>	<b>2018 August PTD Actual</b>
\$ 169,738,941	\$ 184,462,864
\$ 32,674,206	\$ 36,320,644
\$ 3,363,949	\$ 6,182,375
\$ 14,747,530	\$ 7,460,914
<b>\$ 220,524,626</b>	<b>\$ 234,426,797</b>

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

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project.

Expenditures Incurred To Date GSMP Projects	August PTD Actual Material \$	August PTD Actual Other \$	August PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 27,626,977	\$ 363,368,089	\$ 390,995,066	\$ 379,586,337
Replacement Service	\$ 4,985,908	\$ 124,961,949	\$ 129,947,857	\$ 129,895,914
Regulator Elimination	\$ 49,127	\$ 890,291	\$ 939,418	\$ 405,028
<b>Total</b>	<b>\$ 32,662,012</b>	<b>\$ 489,220,329</b>	<b>\$ 521,882,341</b>	<b>\$ 509,887,279</b>

Expenditures Incurred To Date Stipulated Base Projects	August PTD Actual Material \$	August PTD Actual Other \$	August PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 22,904,504	\$ 161,558,360	\$ 184,462,864	\$ 178,487,483
Replacement Service	\$ 1,716,547	\$ 34,604,097	\$ 36,320,644	\$ 36,295,000
Stipulated Meter Reconstruction	\$ 424,156	\$ 5,758,219	\$ 6,182,375	\$ 6,182,375
GSMP Meter Reconstruction	\$ 353,944	\$ 7,106,970	\$ 7,460,914	\$ 7,460,914
<b>Total</b>	<b>\$ 25,399,151</b>	<b>\$ 209,027,646</b>	<b>\$ 234,426,797</b>	<b>\$ 228,425,772</b>



ATTACHMENT 1  
SCHEDULE WEM-GSMP-2  
Page 11 of 56

2a - Description of projects  
2c - Projected and actual miles of main installed  
2d - Projected and actual number of services installed

	Project	Sub-Project	Project Completion Date	Units	Size Installed	Material Installed	2016 Quantity Completed	2017 Quantity Completed	Projected Quantity Jan 2018	Actual Quantity Jan 2018	Projected Quantity Feb 2018	Actual Quantity Feb 2018	Projected Quantity Mar 2018	Actual Quantity Mar 2018	Projected Quantity Apr 2018	Actual Quantity Apr 2018	Projected Quantity May 2018	Actual Quantity May 2018	Projected Quantity Jun 2018	Actual Quantity Jun 2018	Projected Quantity Jul 2018	Actual Quantity Jul 2018	Projected Quantity Aug 2018	Actual Quantity Aug 2018	Projected Quantity Sep 2018	Actual Quantity Sep 2018	2018 Estimated Quantity	
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	361,739	333,811	-	13,451	-	21,484	-	8,750	9,315	6,641	18,142	5,406	14,998	18,147	31,295	31,055	46,580	43,071	304,229			
					4"	Plastic	182,371	113,501	-	5,471	-	5,385	-	568	1,804	7,005	2,299	9,060	4,655	8,896	14,299	17,632	20,707	25,373	107,783			
					6"	Plastic	60,016	54,810	-	1,783	-	1,406	-	1,684	2,039	3,456	1,194	2,021	1,372	1,460	5,559	7,154	8,891	5,931	51,168			
					8"	Plastic	13,461	24,762	-	2	-	1,463	-	-	1,947	113	919	28	93	1,035	1,611	213	3,023	87	16,550			
					12"	Plastic	7,324	3,784	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
					12"	Steel	-	16,451	-	45	-	-	-	-	-	-	-	-	-	-	-	315	403	235	3,877	750		
	16"	Steel	-	36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	547,155	-	20,752	-	29,738	-	11,002	15,105	17,215	15,838	16,515	21,118	29,538	53,080	56,457	79,435	78,339	480,480			
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	9,850	500	770	500	850	500	624	750	777	750	571	750	599	750	599	750	1,012	8,250			
					>2"	Plastic	4	8	-	1	-	-	-	-	-	1	-	-	-	-	-	1	-	-	1	-		
Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	9,858	500	771	500	850	500	624	750	778	750	571	750	599	750	600	750	1,013	8,250				
Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	28		-		2		1		1		1		2		-		-					
Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	28		-		2		1		1		1		2		-		-					
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	38,376	-	1,005	-	709	-	1,544	1,243	2,985	2,369	4,237	5,800	1,808	7,000	11,704	9,587	17,102	29,799			
					4"	Plastic	95,033	31,522	-	274	-	259	-	954	757	-	1,304	848	3,700	3,543	2,414	3,270	3,476	9,512	25,191			
					6"	Plastic	34,296	11,052	-	714	-	490	-	668	1,450	68	2,750	1,126	2,750	409	631	1,807	3,400	2,355	12,097			
					8"	Plastic	16,633	2,342	-	1,600	-	75	-	10	4	-	10	-	-	444	-	181	259	283	3,971			
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
					12"	Plastic	7,099	-	-	-	-	-	-	-	100	-	-	-	-	-	-	-	-	-	-	-	-	-
					12"	Steel	56,113	16,392	-	4,100	-	-	-	-	-	361	-	361	-	2,164	-	2,229	39	5,000	2,701	7,759	3,877	27,043
					16"	Steel	10,331	50,778	-	-	-	-	-	-	387	1,000	1,056	2,000	1,297	1,400	753	1,000	1,209	2,100	3,590	7,500		
					20"	Steel	111	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	606	-	-
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	150,462	-	7,693	-	1,533	-	3,663	4,815	4,109	10,598	7,508	15,879	6,996	16,045	20,872	26,581	37,325	105,600			
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	2,492	50	49	50	80	50	44	50	26	75	115	100	130	125	143	150	541	1,625			
					>2"	Plastic	3	2	-	-	-	-	-	2	-	-	-	-	2	-	-	-	-	-	-			
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	2,494	50	49	50	80	50	46	50	26	75	115	100	132	125	143	150	541	1,625			
Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	-	-		-		-		-		-		-		-		-		-					
Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	-	-		-		-		-		-		-		-		-		-					

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

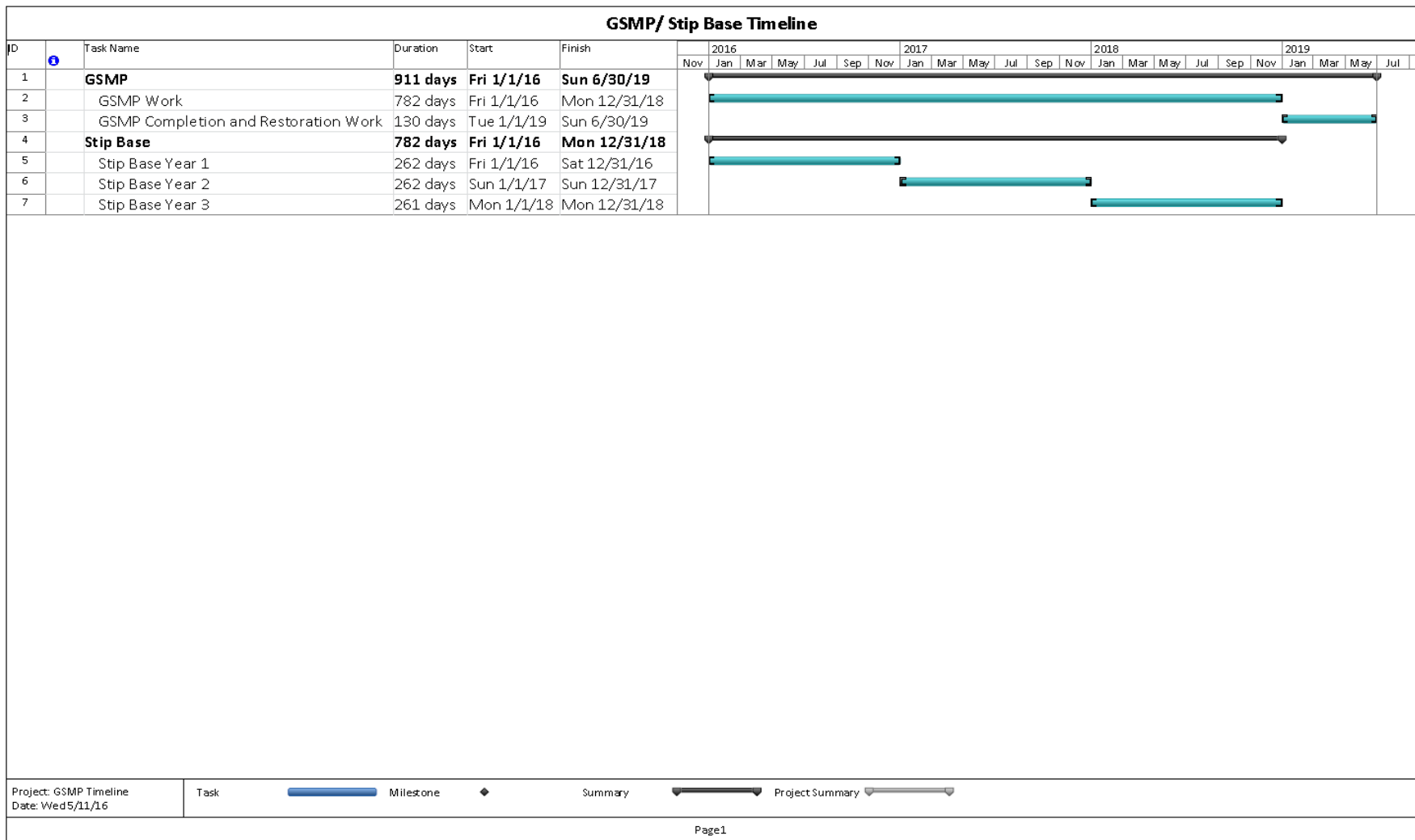
**REPORT DATE: JUNE 2018**

2a - Description of projects

2c - Projected and actual miles of main installed

2d - Projected and actual number of services installed

	Project	Sub-Project	Project Completion Date	Units	Size Installed	Material Installed	Quantity Completed 2018 Year To Date	Total Program Quantity Completed To Date
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	148,005	843,555
					4"	Plastic	79,390	375,262
					6"	Plastic	24,895	139,721
					8"	Plastic	2,941	41,164
					12"	Plastic	-	11,108
					12"	Steel	4,325	20,776
					16"	Steel	-	36
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	259,556	1,431,622
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	5,802	22,456
					>2"	Plastic	4	16
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	5,806	22,472
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	7	40
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	7	40
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	41,094	234,881
					4"	Plastic	18,660	145,215
					6"	Plastic	7,637	52,985
					8"	Plastic	2,593	21,568
					8"	Steel	-	-
					12"	Plastic	100	7,199
					12"	Steel	10,717	83,222
					16"	Steel	8,292	69,401
					20"	Steel	606	717
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	89,699	615,188
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	1,128	6,773
					>2"	Plastic	4	9
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	1,132	6,782
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	-	-
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	-	-





November 28, 2018

***VIA ELECTRONIC and FIRST-CLASS MAIL***

Aida Camacho-Welch, Secretary  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Flr.  
P.O. Box 350  
Trenton, New Jersey 08625-0350

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)  
Monthly Report – September 2018  
Quarterly Report on Activity Related to Department of Energy’s Quadrennial  
Energy Review (“QER”)**

Dear Secretary Camacho-Welch:

Enclosed for filing are ten copies of this letter and enclosures providing Public Service Electric & Gas Company’s (PSE&G’s) monthly report for September, 2018 on its Gas System Modernization Program (GSMP or the Program).

The GSMP was approved by a Board Order dated November 16, 2015 in BPU Docket No. GR15030272. That Order adopted a Stipulation pursuant to which PSE&G is operating the Program. This report is filed pursuant to paragraph 25 of that Stipulation and is designed to address the first four items contained in Attachment C to that Stipulation.

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

In addition, paragraph 26 of the Stipulation states that:

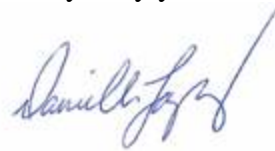
The Company will monitor progress of the Department of Energy’s Quadrennial Energy Review (“QER”) initiative, and engage in communications with relevant stakeholders regarding potential funding made available to New Jersey ratepayers for gas main replacement. The Company will interact with the relevant stakeholders to support a position that promotes funding for New Jersey ratepayers. The Company agrees to provide quarterly updates to Board Staff and Rate Counsel of any QER developments of which it becomes aware.

The PSE&G report on the QER for the second quarter of 2018 remains as follows. During 2016, both houses of Congress passed different version of a major energy bill (S. 2012), but no version of the bill passed both houses. That legislation died in early January 2017 at the end of the 114th Congress. During

- 2 -

the second quarter of 2018, to the extent possible, PSE&G continued to pursue discussions of the QER recommendation to provide federal funds toward replacement of gas infrastructure with stakeholders and staff on Capitol Hill but, at this time, there is no active consideration of this matter.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Danielle Lopez', with a long, sweeping flourish extending upwards and to the right.

Danielle Lopez

cc: Stefanie Brand (2 Hard Copies and e-mail)

Via E-Mail Only:

Paul Flanagan  
Lisa Gurkas  
Brian Lipman  
Alex Moreau  
Stacy Peterson  
Bethany Rocque-Romaine  
Felicia Thomas-Friel  
Caroline Vachier  
Noreen Giblin  
Grace Strom Power

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

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

<b>GSMP Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 487,800,000
Replacement Service \$	\$ 159,300,000
Regulator Elimination \$	\$ 2,900,000
<b>Total</b>	<b>\$ 650,000,000</b>

<b>2018 September PTD Budget</b>	<b>2018 September PTD Actual</b>
\$ 377,650,318	\$ 405,703,266
\$ 140,149,698	\$ 135,427,806
\$ 2,186,466	\$ 948,583
<b>\$ 519,986,482</b>	<b>\$ 542,079,655</b>

<b>Stipulated Base Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 160,400,000
Replacement Service \$	\$ 35,000,000
Stipulated Meter Reconstruction \$	\$ 9,700,000
GSMP Meter Reconstruction \$	\$ 49,900,000
<b>Total</b>	<b>\$ 255,000,000</b>

<b>2018 September PTD Budget</b>	<b>2018 September PTD Actual</b>
\$ 174,842,726	\$ 202,961,860
\$ 34,421,440	\$ 39,601,934
\$ 3,590,152	\$ 6,474,242
\$ 15,628,907	\$ 7,848,375
<b>\$ 228,483,225</b>	<b>\$ 256,886,411</b>

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

ATTACHMENT 1  
SCHEDULE WEM-GSMP-2  
Page 17 of 56

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project.

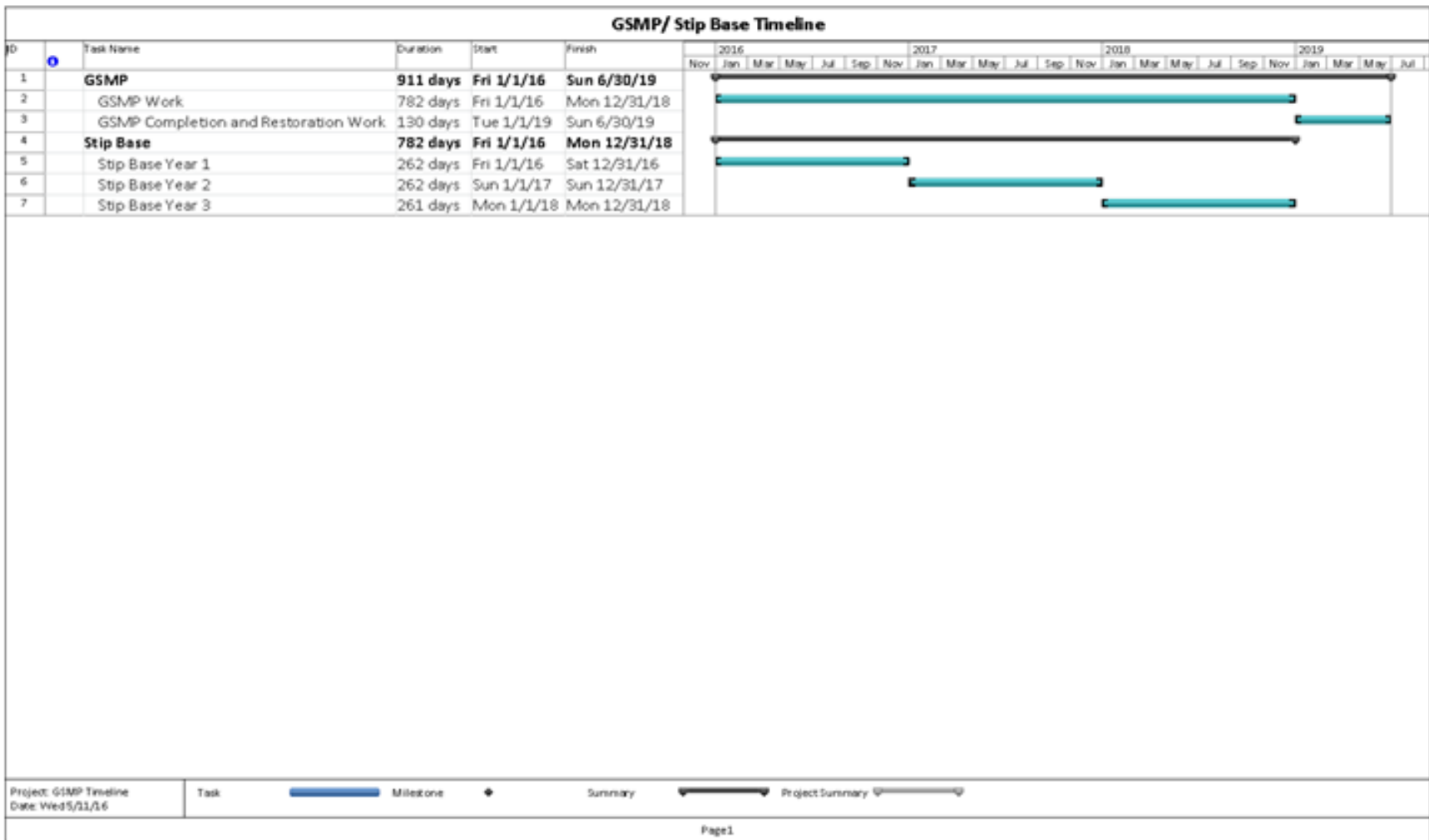
Expenditures Incurred To Date GSMP Projects	September PTD Actual Material \$	September PTD Actual Other \$	September PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 28,734,562	\$ 376,968,704	\$ 405,703,266	\$ 393,773,978
Replacement Service	\$ 5,188,409	\$ 130,239,398	\$ 135,427,806	\$ 135,356,452
Regulator Elimination	\$ 49,127	\$ 899,456	\$ 948,583	\$ 405,031
<b>Total</b>	<b>\$ 33,972,097</b>	<b>\$ 508,107,558</b>	<b>\$ 542,079,655</b>	<b>\$ 529,535,461</b>

Expenditures Incurred To Date Stipulated Base Projects	September PTD Actual Material \$	September PTD Actual Other \$	September PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 23,954,167	\$ 179,007,693	\$ 202,961,860	\$ 196,766,949
Replacement Service	\$ 1,792,374	\$ 37,809,561	\$ 39,601,934	\$ 39,576,291
Stipulated Meter Reconstruction	\$ 436,735	\$ 6,037,507	\$ 6,474,242	\$ 6,474,242
GSMP Meter Reconstruction	\$ 375,329	\$ 7,473,046	\$ 7,848,375	\$ 7,848,375
<b>Total</b>	<b>\$ 26,558,605</b>	<b>\$ 230,327,806</b>	<b>\$ 256,886,411</b>	<b>\$ 250,665,857</b>

ATTACHMENT 1  
SCHEDULE WEM-GSMP-2  
Page 18 of 56

2a - Description of projects  
2c - Projected and actual miles of main installed  
2d - Projected and actual number of services installed





**Danielle Lopez**  
Assistant General Regulatory Counsel

**Law Department**  
80 Park Plaza, T-5, Newark, New Jersey 07102-4194  
Tel: 973.430.6479 fax: 973.430.5983  
Email: danielle.lopez@pseg.com



December 31, 2018

***VIA ELECTRONIC and FIRST-CLASS MAIL***

Aida Camacho-Welch, Secretary  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Flr.  
P.O. Box 350  
Trenton, New Jersey 08625-0350

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)  
Monthly Report – October 2018**

Dear Secretary Camacho-Welch:

Enclosed for filing are ten copies of this letter and enclosures providing Public Service Electric & Gas Company's (PSE&G's) monthly report for October, 2018 on its Gas System Modernization Program (GSMP or the Program).

The GSMP was approved by a Board Order dated November 16, 2015 in BPU Docket No. GR15030272. That Order adopted a Stipulation pursuant to which PSE&G is operating the Program. This report is filed pursuant to paragraph 25 of that Stipulation and is designed to address the first four items contained in Attachment C to that Stipulation.

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

Very truly yours,

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

Danielle Lopez

cc: Stefanie Brand (2 Hard Copies and e-mail)

- 2 -

Via E-Mail Only:

Paul Flanagan  
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Stacy Peterson  
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**PSE&G - GAS SYSTEM MODERNIZATION PROGRAM**  
**ATTACHMENT C - MONTHLY REPORT**

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

<b>GSMP Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 487,800,000
Replacement Service \$	\$ 159,300,000
Regulator Elimination \$	\$ 2,900,000
<b>Total</b>	<b>\$ 650,000,000</b>

<b>2018 October PTD Budget</b>	<b>2018 October PTD Actual</b>
\$ 395,967,107	\$ 427,936,203
\$ 146,333,797	\$ 141,616,324
\$ 2,275,648	\$ 960,066
<b>\$ 544,576,551</b>	<b>\$ 570,512,593</b>

<b>Stipulated Base Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 160,400,000
Replacement Service \$	\$ 35,000,000
Stipulated Meter Reconstruction \$	\$ 9,700,000
GSMP Meter Reconstruction \$	\$ 49,900,000
<b>Total</b>	<b>\$ 255,000,000</b>

<b>2018 October PTD Budget</b>	<b>2018 October PTD Actual</b>
\$ 181,070,200	\$ 207,151,947
\$ 36,441,084	\$ 41,646,127
\$ 3,855,904	\$ 6,960,958
\$ 16,682,932	\$ 8,378,201
<b>\$ 238,050,120</b>	<b>\$ 264,137,233</b>

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

ATTACHMENT 1  
SCHEDULE WEM-GSMP-2  
Page 23 of 56

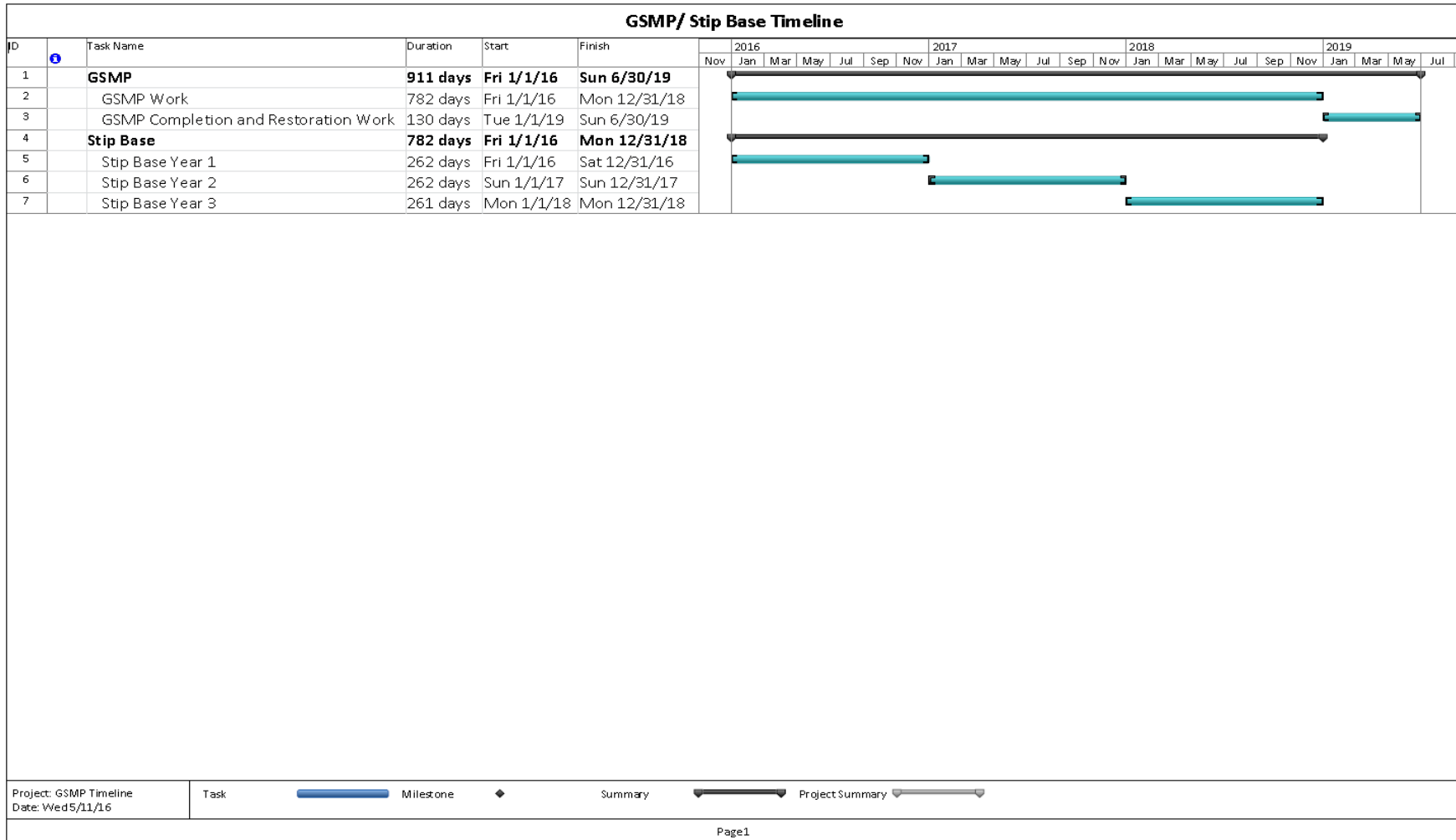
2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project.

Expenditures Incurred To Date GSMP Projects	October PTD Actual Material \$	October PTD Actual Other \$	October PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 30,053,353	\$ 397,882,850	\$ 427,936,203	\$ 414,750,742
Replacement Service	\$ 5,334,210	\$ 136,282,114	\$ 141,616,324	\$ 141,538,300
Regulator Elimination	\$ 50,041	\$ 910,025	\$ 960,066	\$ 405,030
<b>Total</b>	<b>\$ 35,437,604</b>	<b>\$ 535,074,989</b>	<b>\$ 570,512,593</b>	<b>\$ 556,694,072</b>

Expenditures Incurred To Date Stipulated Base Projects	October PTD Actual Material \$	October PTD Actual Other \$	October PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 24,657,387	\$ 182,494,560	\$ 207,151,947	\$ 200,473,291
Replacement Service	\$ 1,883,968	\$ 39,762,159	\$ 41,646,127	\$ 41,620,484
Stipulated Meter Reconstruction	\$ 468,252	\$ 6,492,706	\$ 6,960,958	\$ 6,960,958
GSMP Meter Reconstruction	\$ 449,984	\$ 7,928,217	\$ 8,378,201	\$ 8,378,201
<b>Total</b>	<b>\$ 27,459,590</b>	<b>\$ 236,677,643</b>	<b>\$ 264,137,233</b>	<b>\$ 257,432,934</b>

ATTACHMENT 1  
SCHEDULE WEM-GSMP-2  
Page 24 of 56

2a - Description of projects  
2c - Projected and actual miles of main installed  
2d - Projected and actual number of services installed



**Danielle Lopez**  
Assistant General Regulatory Counsel

**Law Department**  
80 Park Plaza, T-5, Newark, New Jersey 07102-4194  
Tel: 973.430.6479 fax: 973.430.5983  
Email: danielle.lopez@pseg.com



January 31, 2019

***VIA ELECTRONIC and FIRST-CLASS MAIL***

Aida Camacho-Welch, Secretary  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Flr.  
P.O. Box 350  
Trenton, New Jersey 08625-0350

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM  
Monthly Report – November 2018**

Dear Secretary Camacho-Welch:

Enclosed for filing are ten copies of this letter and enclosures providing Public Service Electric & Gas Company's (PSE&G's) monthly report for November, 2018 on its Gas System Modernization Program (GSMP or the Program).

The GSMP was approved by a Board Order dated November 16, 2015 in BPU Docket No. GR15030272. That Order adopted a Stipulation pursuant to which PSE&G is operating the Program. This report is filed pursuant to paragraph 25 of that Stipulation and is designed to address the first four items contained in Attachment C to that Stipulation.

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Very truly yours,

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Danielle Lopez

cc: Stefanie Brand (2 Hard Copies and e-mail)



- 2 -

Via E-Mail Only:

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

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

<b>GSMP Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 487,800,000
Replacement Service \$	\$ 159,300,000
Regulator Elimination \$	\$ 2,900,000
<b>Total</b>	<b>\$ 650,000,000</b>

<b>2018 November PTD Budget</b>	<b>2018 November PTD Actual</b>
\$ 411,948,029	\$ 441,352,322
\$ 151,657,540	\$ 145,294,388
\$ 2,352,447	\$ 964,214
<b>\$ 565,958,016</b>	<b>\$ 587,610,924</b>

<b>Stipulated Base Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 160,400,000
Replacement Service \$	\$ 35,000,000
Stipulated Meter Reconstruction \$	\$ 9,700,000
GSMP Meter Reconstruction \$	\$ 49,900,000
<b>Total</b>	<b>\$ 255,000,000</b>

<b>2018 November PTD Budget</b>	<b>2018 November PTD Actual</b>
\$ 186,379,500	\$ 221,121,223
\$ 38,213,507	\$ 42,873,698
\$ 4,092,868	\$ 7,123,476
\$ 17,583,206	\$ 8,838,760
<b>\$ 246,269,081</b>	<b>\$ 279,957,157</b>

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

ATTACHMENT 1  
SCHEDULE WEM-GSMP-2  
Page 29 of 56

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project.

Expenditures Incurred To Date GSMP Projects	November PTD Actual Material \$	November PTD Actual Other \$	November PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 30,914,896	\$ 410,437,426	\$ 441,352,322	\$ 427,417,259
Replacement Service	\$ 5,452,869	\$ 139,841,519	\$ 145,294,388	\$ 145,216,364
Regulator Elimination	\$ 50,358	\$ 913,856	\$ 964,214	\$ 405,030
<b>Total</b>	<b>\$ 36,418,123</b>	<b>\$ 551,192,801</b>	<b>\$ 587,610,924</b>	<b>\$ 573,038,653</b>

Expenditures Incurred To Date Stipulated Base Projects	November PTD Actual Material \$	November PTD Actual Other \$	November PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 25,138,351	\$ 195,982,872	\$ 221,121,223	\$ 213,833,604
Replacement Service	\$ 1,925,421	\$ 40,948,277	\$ 42,873,698	\$ 42,848,055
Stipulated Meter Reconstruction	\$ 477,556	\$ 6,645,920	\$ 7,123,476	\$ 7,123,476
GSMP Meter Reconstruction	\$ 464,505	\$ 8,374,255	\$ 8,838,760	\$ 8,838,760
<b>Total</b>	<b>\$ 28,005,833</b>	<b>\$ 251,951,324</b>	<b>\$ 279,957,157</b>	<b>\$ 272,643,895</b>

ATTACHMENT 1  
SCHEDULE WEM-GSMP-2  
Page 30 of 56

#### 2d - Projected and actual number of services installed

	Project	Sub-Project	Project Completion Date	Units	Size Installed	Material Installed	2016 Quantity Completed	2017 Quantity Completed	Projected Quantity Jan 2018	Actual Quantity Jan 2018	Projected Quantity Feb 2018	Actual Quantity Feb 2018	Projected Quantity Mar 2018	Actual Quantity Mar 2018	Projected Quantity Apr 2018	Actual Quantity Apr 2018	Projected Quantity May 2018	Actual Quantity May 2018	Projected Quantity Jun 2018	Actual Quantity Jun 2018	Projected Quantity Jul 2018	Actual Quantity Jul 2018	Projected Quantity Aug 2018	Actual Quantity Aug 2018	Projected Quantity Sep 2018	Actual Quantity Sep 2018
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	361,739	333,811	-	13,451	-	21,484	-	8,750	9,315	6,641	11,426	5,406	14,998	18,147	31,295	31,055	46,580	43,071	49,203	
					4"	Plastic	182,371	113,501	-	5,471	-	5,385	-	568	1,804	7,005	2,299	9,060	4,655	8,896	14,299	17,632	20,707	25,373	16,593	
					6"	Plastic	60,016	54,810	-	1,783	-	1,406	-	1,684	2,039	3,456	1,194	2,021	1,372	1,460	5,559	7,154	8,891	5,931	9,202	
					8"	Plastic	13,461	24,762	-	2	-	1,463	-	-	1,947	113	919	28	93	1,035	1,611	213	3,023	87	4,202	
					12"	Plastic	7,324	3,784	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
					12"	Steel	-	16,451	-	45	-	-	-	-	-	-	-	-	-	-	-	315	403	235	3,877	200
					16"	Steel	-	36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	547,155	-	20,752	-	29,738	-	11,002	15,105	17,215	15,838	16,515	21,118	29,538	53,080	56,457	79,435	78,339	79,400	
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤2"	Plastic	6,804	9,850	500	770	500	850	500	624	750	777	750	571	750	599	750	599	750	1,012	750	
					>2"	Plastic	4	8	-	1	-	-	-	1	-	-	-	-	-	-	-	1	-	1	-	
Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	9,858	500	771	500	850	N/A	500	624	750	778	750	571	750	599	750	600	750	1,013	750	
Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	28		-		2		1		1		1		2		-		-			
Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	28		-		2		1		1		1		2		-		-			
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	38,376	-	1,005	-	709	-	1,544	1,243	2,985	2,369	4,237	5,800	1,808	7,000	11,704	9,587	17,102	1,691	
					4"	Plastic	95,033	31,522	-	274	-	259	-	954	757	-	1,304	848	3,700	3,543	2,414	3,270	3,476	9,512	11,737	
					6"	Plastic	34,296	11,052	-	714	-	490	-	668	1,450	68	2,750	1,126	2,750	409	631	1,807	3,400	2,355	202	
					8"	Plastic	16,633	2,342	-	1,600	-	75	-	10	4	-	10	-	-	444	-	181	259	283	3,640	
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
					12"	Plastic	7,099	-	-	-	-	-	-	-	100	-	-	-	-	-	-	-	-	-	-	-
					12"	Steel	56,113	16,392	-	4,100	-	-	-	-	-	361	-	2,164	-	2,229	39	5,000	2,701	7,759	3,877	9,130
					16"	Steel	10,331	50,778	-	-	-	-	-	-	387	1,000	1,056	2,000	1,297	1,400	753	1,000	1,209	2,100	3,590	
	20"	Steel	111	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	606	-				
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	150,462	-	7,693	-	1,533	-	3,663	4,815	4,109	10,598	7,508	15,879	6,996	16,045	20,872	26,581	37,325	26,400	
Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤2"	Plastic	3,153	2,492	50	49	50	80	50	44	50	26	75	115	100	130	125	143	150	541	175		
				>2"	Plastic	3	2	-	-	-	-	2	-	-	-	-	-	2	-	-	-	-	-	-		
Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	2,494	50	49	50	80	N/A	50	46	50	26	75	115	100	132	125	143	150	541	175	
Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	-	-		-		-		-		-		-		-		-		-			
Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	-	-		-		-		-		-		-		-		-		-			

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

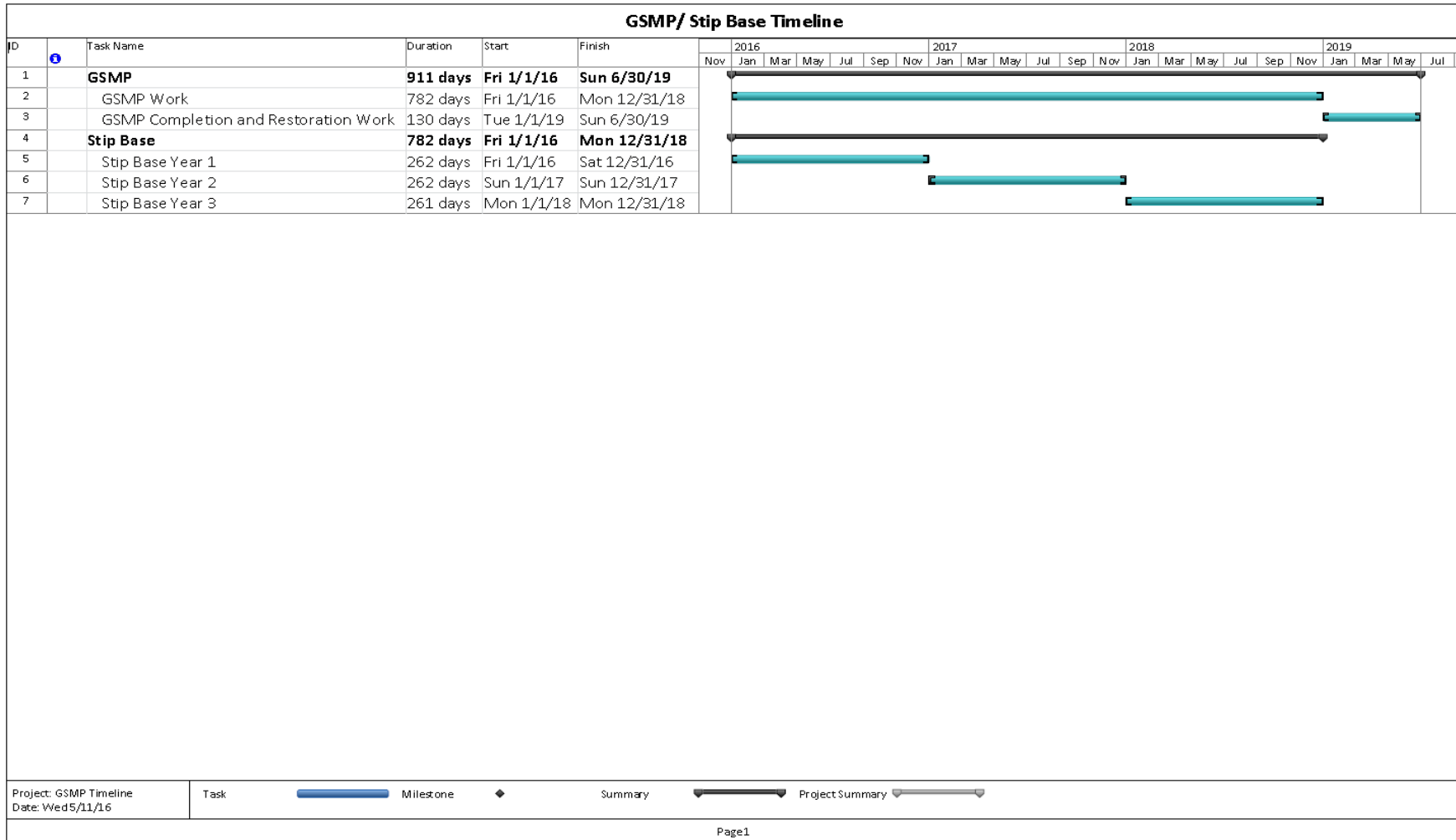
**REPORT DATE: NOVEMBER 2018**

2a - Description of projects

2c - Projected and actual miles of main installed

2d - Projected and actual number of services installed

	Project	Sub-Project	Project Completion Date	Units	Size Installed	Material Installed	Actual Quantity Sep 2018	Projected Quantity Oct 2018	Actual Quantity Oct 2018	Projected Quantity Nov 2018	Actual Quantity Nov 2018	2018 Estimated Quantity	Quantity Completed 2018 Year To Date	Total Program Quantity Completed To Date
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	25,157	40,010	32,149	57,787	25,585	304,229	230,896	926,446
					4"	Plastic	19,456	20,597	18,118	14,440	10,785	107,783	127,749	423,621
					6"	Plastic	5,623	14,399	10,850	6,998	6,385	51,168	47,753	162,579
					8"	Plastic	-	4,194	313	-	3,428	16,550	6,682	44,905
					12"	Plastic	-	-	-	-	-	-	-	11,108
					12"	Steel	2,149	-	493	-	-	750	6,967	23,418
					16"	Steel	700	-	-	-	(700)	-	-	36
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	53,085	79,200	61,923	79,224	45,483	480,480	420,047	1,592,113
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	1,233	750	1,230	750	887	8,250	9,152	25,806
					>2"	Plastic	-	-	-	-	-	-	4	16
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	1,233	750	1,230	750	887	8,250	9,156	25,822
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	3		3		2		15	48
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	3		3		2		15	48
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	35,044	2,108	8,825	-	2,980	29,799	87,943	281,730
					4"	Plastic	27,835	1,802	2,766	-	4,185	25,191	53,446	180,001
					6"	Plastic	5,719	914	(2,650)	-	135	12,097	10,841	56,189
					8"	Plastic	9,684	58	4,694	-	(1,330)	3,971	15,641	34,616
					8"	Steel	-	-	-	-	-	-	-	-
					12"	Plastic	-	-	-	-	-	-	100	7,199
					12"	Steel	10,225	400	3,726	-	1,989	27,043	26,657	99,162
					16"	Steel	3,519		365	-	60	7,500	12,236	73,345
					20"	Steel	344	-	-	-	-	-	950	1,061
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	92,370	5,282	17,726	-	8,019	105,600	207,814	733,303
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	1,139	250	584	250	234	1,625	3,085	8,730
					>2"	Plastic	-	-	-	-	-	-	4	9
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	1,139	250	584	250	234	1,625	3,089	8,739
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	-		-		-		-	-
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	-		-		-		-	-





February 28, 2019

***VIA ELECTRONIC and FIRST-CLASS MAIL***

Aida Camacho-Welch, Secretary  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Flr.  
P.O. Box 350  
Trenton, New Jersey 08625-0350

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)  
Monthly Report – December 2018  
Quarterly Report on Activity Related to Department of Energy’s Quadrennial  
Energy Review (“QER”)**

Dear Secretary Camacho-Welch:

Enclosed for filing are ten copies of this letter and enclosures providing Public Service Electric & Gas Company’s (PSE&G’s) monthly report for December, 2018 on its Gas System Modernization Program (GSMP or the Program).

The GSMP was approved by a Board Order dated November 16, 2015 in BPU Docket No. GR15030272. That Order adopted a Stipulation pursuant to which PSE&G is operating the Program. This report is filed pursuant to paragraph 25 of that Stipulation and is designed to address the first four items contained in Attachment C to that Stipulation.

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

In addition, paragraph 26 of the Stipulation states that:

The Company will monitor progress of the Department of Energy’s Quadrennial Energy Review (“QER”) initiative, and engage in communications with relevant stakeholders regarding potential funding made available to New Jersey ratepayers for gas main replacement. The Company will interact with the relevant stakeholders to support a position that promotes funding for New Jersey ratepayers. The Company agrees to provide quarterly updates to Board Staff and Rate Counsel of any QER developments of which it becomes aware.

The PSE&G report on the QER for the fourth quarter of 2018 is as follows. Chairman of the House Energy and Commerce Committee, Rep. Frank Pallone has authored a provision creating a federal grant

- 2 -

program for distribution gas pipeline replacement as part of the LIFT Act introduced last Congress. The new Congress may provide a new opportunity to make progress on this issue under his leadership.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Danielle Lopez', with a long, sweeping flourish extending from the end.

Danielle Lopez

cc: Stefanie Brand (2 Hard Copies and e-mail)

Via E-Mail Only:

Paul Flanagan

Lisa Gurkas

Brian Lipman

Alex Moreau

Stacy Peterson

Bethany Rocque-Romaine

Felicia Thomas-Friel

Caroline Vachier

Noreen Giblin

Grace Strom Power



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

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

<b>GSMP Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 487,800,000
Replacement Service \$	\$ 159,300,000
Regulator Elimination \$	\$ 2,900,000
<b>Total</b>	<b>\$ 650,000,000</b>

<b>2018 December PTD Budget</b>	<b>2018 December PTD Actual</b>
\$ 428,402,465	\$ 453,086,270
\$ 157,202,447	\$ 150,282,010
\$ 2,437,022	\$ 1,033,874
<b>\$ 588,041,934</b>	<b>\$ 604,402,154</b>

<b>Stipulated Base Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 160,400,000
Replacement Service \$	\$ 35,000,000
Stipulated Meter Reconstruction \$	\$ 9,700,000
GSMP Meter Reconstruction \$	\$ 49,900,000
<b>Total</b>	<b>\$ 255,000,000</b>

<b>2018 December PTD Budget</b>	<b>2018 December PTD Actual</b>
\$ 192,020,057	\$ 227,625,431
\$ 40,083,029	\$ 44,325,825
\$ 4,334,372	\$ 7,324,936
\$ 18,562,649	\$ 9,278,449
<b>\$ 255,000,107</b>	<b>\$ 288,554,641</b>

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

ATTACHMENT 1  
SCHEDULE WEM-GSMP-2  
Page 36 of 56

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project.

Expenditures Incurred To Date GSMP Projects	December PTD Actual Material \$	December PTD Actual Other \$	December PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 31,493,316	\$ 421,592,954	\$ 453,086,270	\$ 438,517,740
Replacement Service	\$ 5,536,647	\$ 144,745,364	\$ 150,282,010	\$ 150,195,756
Regulator Elimination	\$ 52,351	\$ 981,523	\$ 1,033,874	\$ 405,029
<b>Total</b>	<b>\$ 37,082,313</b>	<b>\$ 567,319,841</b>	<b>\$ 604,402,154</b>	<b>\$ 589,118,525</b>

Expenditures Incurred To Date Stipulated Base Projects	December PTD Actual Material \$	December PTD Actual Other \$	December PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 25,285,875	\$ 202,339,556	\$ 227,625,431	\$ 219,977,756
Replacement Service	\$ 1,945,771	\$ 42,380,054	\$ 44,325,825	\$ 44,300,181
Stipulated Meter Reconstruction	\$ 489,195	\$ 6,835,741	\$ 7,324,936	\$ 7,324,936
GSMP Meter Reconstruction	\$ 473,965	\$ 8,804,484	\$ 9,278,449	\$ 9,278,449
<b>Total</b>	<b>\$ 28,194,806</b>	<b>\$ 260,359,835</b>	<b>\$ 288,554,641</b>	<b>\$ 280,881,322</b>

ATTACHMENT 1  
SCHEDULE WEM-GSMP-2  
Page 37 of 56

		Project Completion Date	Units	Size Installed	Material Installed	2016 Quantity Completed	2017 Quantity Completed	Projected Quantity Jan 2018	Actual Quantity Jan 2018	Projected Quantity Feb 2018	Actual Quantity Feb 2018	Projected Quantity Mar 2018	Actual Quantity Mar 2018	Projected Quantity Apr 2018	Actual Quantity Apr 2018	Projected Quantity May 2018	Actual Quantity May 2018	Projected Quantity Jun 2018	Actual Quantity Jun 2018	Projected Quantity Jul 2018	Actual Quantity Jul 2018	Projected Quantity Aug 2018	Actual Quantity Aug 2018	Projected Quantity Sep 2018	Actual Quantity Sep 2018	Projected Quantity Oct 2018	Actual Quantity Oct 2018	Projected Quantity Nov 2018	Actual Quantity Nov 2018	Projected Quantity Dec 2018	Actual Quantity Dec 2018	2018 Estimated Quantity	Quantity Completed 2018 Year To Date	Total Program Quantity Completed To Date		
C&S SYSTEMS MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2" Plastic	361,739	333,811	-	13,451	-	21,484	-	8,750	9,315	6,641	11,426	5,406	14,998	18,147	31,295	31,055	46,580	43,071	49,203	25,157	40,010	32,149	57,787	25,585	43,614	24,366	304,229	255,262	950,812		
					4" Plastic	182,371	113,571	-	5,471	-	5,385	-	568	1,804	7,005	2,299	9,060	4,655	8,896	14,299	17,632	20,707	25,373	16,593	19,456	20,597	18,118	14,440	10,785	12,389	5,254	107,783	133,003	428,875		
					6" Plastic	60,016	54,810	-	1,783	-	1,406	-	1,684	2,039	3,456	1,194	2,021	1,372	1,460	5,559	7,154	8,891	5,931	9,202	5,623	14,399	10,850	6,998	6,385	1,515	3,868	51,168	51,821	166,447		
					8" Plastic	13,461	24,762	-	2	-	1,463	-	-	1,947	113	919	-	28	93	1,035	1,611	213	3,023	87	4,202	-	4,194	313	-	3,428	562	1,442	16,550	14,424	48,347	
					12" Plastic	7,324	3,784	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,108	
					12" Steel	-	16,451	-	45	-	-	-	-	-	-	-	-	-	-	-	315	403	235	3,877	200	2,149	-	493	-	-	405	750	7,372	23,823	23,823	
					16" Steel	-	36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	700	-	-	-	-	-	-	-	-	36		
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	547,155	-	20,752	-	29,738	-	11,002	15,105	17,215	15,838	16,515	21,118	29,538	53,080	56,457	79,435	78,339	79,400	53,085	79,200	61,923	79,224	45,483	58,080	35,335	480,480	455,382	1,627,448	
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≥2" Plastic	6,804	9,850	500	770	500	850	500	624	750	777	750	571	750	599	750	599	750	1,012	750	1,233	750	1,230	750	887	750	807	8,250	9,959	26,613		
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	9,858	500	771	500	850	500	624	750	778	750	571	750	599	750	600	750	1,013	750	1,233	750	1,230	750	887	750	807	8,250	9,963	26,629	
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	5	28	-	-	-	2	1	-	1	-	1	-	2	-	-	-	-	3	-	3	-	2	-	3	-	-	18	51	18
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	5	28	-	-	-	2	1	-	1	-	1	-	2	-	-	-	-	3	-	3	-	2	-	3	-	-	18	51	
SUPPLY YARD BASE	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2" Plastic	155,411	38,376	-	1,005	-	709	-	1,544	1,243	2,985	2,369	4,237	5,800	1,808	7,000	11,704	9,587	17,102	1,691	35,044	2,108	8,825	-	2,980	-	4,801	28,799	92,744	286,531		
					4" Plastic	95,033	31,522	-	274	-	259	-	954																							



**Danielle Lopez**  
Assistant General Regulatory Counsel

**Law Department**  
80 Park Plaza, T-5, Newark, New Jersey 07102-4194  
Tel: 973.430.6479 fax: 973.430.5983  
Email: danielle.lopez@pseg.com



March 29, 2019

***VIA ELECTRONIC and FIRST-CLASS MAIL***

Aida Camacho-Welch, Secretary  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Flr.  
P.O. Box 350  
Trenton, New Jersey 08625-0350

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM  
Monthly Report – January 2019**

Dear Secretary Camacho-Welch:

Enclosed for filing are ten copies of this letter and enclosures providing Public Service Electric & Gas Company's (PSE&G's) monthly report for January, 2019 on its Gas System Modernization Program (GSMP or the Program).

The GSMP was approved by a Board Order dated November 16, 2015 in BPU Docket No. GR15030272. That Order adopted a Stipulation pursuant to which PSE&G is operating the Program. This report is filed pursuant to paragraph 25 of that Stipulation and is designed to address the first four items contained in Attachment C to that Stipulation.

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

Very truly yours,

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

Danielle Lopez

cc: Stefanie Brand (2 Hard Copies and e-mail)

- 2 -

Via E-Mail Only:

Paul Flanagan  
Lisa Gurkas  
Brian Lipman  
Alex Moreau  
Stacy Peterson  
Ilene Lampitt  
Felicia Thomas-Friel  
Caroline Vachier  
Noreen Giblin  
Grace Strom Power

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

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

<b>GSMP Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 487,800,000
Replacement Service \$	\$ 159,300,000
Regulator Elimination \$	\$ 2,900,000
<b>Total</b>	<b>\$ 650,000,000</b>

<b>2019 January PTD Budget</b>	<b>2019 January PTD Actual</b>
\$ 429,347,523	\$ 458,060,662
\$ 161,622,050	\$ 152,545,832
\$ 2,701,775	\$ 1,068,940
<b>\$ 593,671,348</b>	<b>\$ 611,675,434</b>

<b>Stipulated Base Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 160,400,000
Replacement Service \$	\$ 35,000,000
Stipulated Meter Reconstruction \$	\$ 9,700,000
GSMP Meter Reconstruction \$	\$ 49,900,000
<b>Total</b>	<b>\$ 255,000,000</b>

<b>2016-2018 Program Budget</b>	<b>2016-2018 Program Actual</b>
\$ 192,122,708	\$ 227,625,431
\$ 40,020,055	\$ 44,325,825
\$ 4,325,303	\$ 7,324,936
\$ 18,531,935	\$ 9,278,449
<b>\$ 255,000,000</b>	<b>\$ 288,554,641</b>

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

ATTACHMENT 1  
SCHEDULE WEM-GSMP-2  
Page 42 of 56

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project.

Expenditures Incurred To Date GSMP Projects	Program Actual Material \$	Program Actual Other \$	Program Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 31,823,751	\$ 426,236,911	\$ 458,060,662	\$ 442,935,394
Replacement Service	\$ 5,740,490	\$ 146,805,342	\$ 152,545,832	\$ 152,459,577
Regulator Elimination	\$ 56,691	\$ 1,012,249	\$ 1,068,940	\$ 440,095
<b>Total</b>	<b>\$ 37,620,932</b>	<b>\$ 574,054,502</b>	<b>\$ 611,675,434</b>	<b>\$ 595,835,066</b>

Expenditures Incurred To Date Stipulated Base Projects	Program Actual Material \$	Program Actual Other \$	Program Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 25,285,875	\$ 202,339,556	\$ 227,625,431	\$ 219,977,756
Replacement Service	\$ 1,945,771	\$ 42,380,054	\$ 44,325,825	\$ 44,300,181
Stipulated Meter Reconstruction	\$ 489,195	\$ 6,835,741	\$ 7,324,936	\$ 7,324,936
GSMP Meter Reconstruction	\$ 473,965	\$ 8,804,484	\$ 9,278,449	\$ 9,278,449
<b>Total</b>	<b>\$ 28,194,806</b>	<b>\$ 260,359,835</b>	<b>\$ 288,554,641</b>	<b>\$ 280,881,322</b>



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

**REPORT DATE: JAN 2019**

2a - Description of projects

2c - Projected and actual miles of main installed

2d - Projected and actual number of services installed

	Project	Sub-Project	Project Completion Date	Units	Size Installed	Material Installed	2016 Quantity Completed	2017 Quantity Completed	2018 Quantity Completed	Projected Quantity Jan 2019	Actual Quantity Jan 2019	Quantity Completed 2019 Year To Date	Total Program Quantity Completed To Date
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	361,739	333,811	255,262		373	373	951,185
					4"	Plastic	182,371	113,501	133,003		167	167	429,042
					6"	Plastic	60,016	54,810	51,621		1,386	1,386	167,833
					8"	Plastic	13,461	24,762	8,124		2	2	46,349
					12"	Plastic	7,324	3,784	-			-	11,108
					12"	Steel	-	16,451	7,372			-	23,823
					16"	Steel	-	36	-			-	36
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	547,155	455,382	-	1,928	1,928	1,629,376
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	9,850	9,959	788	812	812	27,425
					>2"	Plastic	4	8	4		-	-	16
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	9,858	9,963	788	812	812	27,441
STIPULATED BASE	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	28	18		1	1	52
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	28	18		1	1	52
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	38,376	92,744				286,531
					4"	Plastic	95,033	31,522	57,759				184,314
					6"	Plastic	34,296	11,052	10,862				56,210
					8"	Plastic	16,633	2,342	16,764				35,739
					8"	Steel	-	-	-				-
					12"	Plastic	7,099	-	100				7,199
					12"	Steel	56,113	16,392	28,101				100,606
					16"	Steel	10,331	50,778	12,246				73,355
					20"	Steel	111	-	1,294				1,405
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	150,462	219,870	-	-	-	745,359
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	2,492	3,237				8,882
					>2"	Plastic	3	2	4				9
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	2,494	3,241	-	-	-	8,891
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	-	-	-			-	-
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	-	-	-		-	-	-



**Danielle Lopez**  
Assistant General Regulatory Counsel

**Law Department**  
80 Park Plaza, T-5, Newark, New Jersey 07102-4194  
Tel: 973.430.6479 fax: 973.430.5983  
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April 23, 2019

***VIA ELECTRONIC and FIRST-CLASS MAIL***

Aida Camacho-Welch, Secretary  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Flr.  
P.O. Box 350  
Trenton, New Jersey 08625-0350

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM  
Monthly Report – February 2019**

Dear Secretary Camacho-Welch:

Enclosed for filing are ten copies of this letter and enclosures providing Public Service Electric & Gas Company's (PSE&G's) monthly report for February, 2019 on its Gas System Modernization Program (GSMP or the Program).

The GSMP was approved by a Board Order dated November 16, 2015 in BPU Docket No. GR15030272. That Order adopted a Stipulation pursuant to which PSE&G is operating the Program. This report is filed pursuant to paragraph 25 of that Stipulation and is designed to address the first four items contained in Attachment C to that Stipulation.

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

Very truly yours,

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

Danielle Lopez

cc: Stefanie Brand (2 Hard Copies and e-mail)

- 2 -

Via E-Mail Only:

Paul Flanagan  
Lisa Gurkas  
Brian Lipman  
Alex Moreau  
Stacy Peterson  
Ilene Lampitt  
Felicia Thomas-Friel  
Caroline Vachier  
Noreen Giblin  
Grace Strom Power

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

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

<b>GSMP Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 487,800,000
Replacement Service \$	\$ 159,300,000
Regulator Elimination \$	\$ 2,900,000
<b>Total</b>	<b>\$ 650,000,000</b>

<b>2019 February PTD Budget</b>	<b>2019 February PTD Actual</b>
\$ 432,594,168	\$ 461,335,493
\$ 169,095,765	\$ 154,366,575
\$ 2,947,441	\$ 1,113,923
<b>\$ 604,637,374</b>	<b>\$ 616,815,991</b>

<b>Stipulated Base Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 160,400,000
Replacement Service \$	\$ 35,000,000
Stipulated Meter Reconstruction \$	\$ 9,700,000
GSMP Meter Reconstruction \$	\$ 49,900,000
<b>Total</b>	<b>\$ 255,000,000</b>

<b>2016-2018 Program Budget</b>	<b>2016-2018 Program Actual</b>
\$ 192,122,708	\$ 227,625,431
\$ 40,020,055	\$ 44,325,825
\$ 4,325,303	\$ 7,324,936
\$ 18,531,935	\$ 9,278,449
<b>\$ 255,000,000</b>	<b>\$ 288,554,641</b>

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

ATTACHMENT 1  
SCHEDULE WEM-GSMP-2  
Page 48 of 56

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project.

Expenditures Incurred To Date GSMP Projects	Program Actual Material \$	Program Actual Other \$	Program Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 32,069,285	\$ 429,266,208	\$ 461,335,493	\$ 445,846,429
Replacement Service	\$ 5,864,993	\$ 148,501,583	\$ 154,366,575	\$ 154,280,321
Regulator Elimination	\$ 59,845	\$ 1,054,078	\$ 1,113,923	\$ 473,308
<b>Total</b>	<b>\$ 37,994,123</b>	<b>\$ 578,821,868</b>	<b>\$ 616,815,991</b>	<b>\$ 600,600,057</b>

Expenditures Incurred To Date Stipulated Base Projects	Program Actual Material \$	Program Actual Other \$	Program Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 25,285,875	\$ 202,339,556	\$ 227,625,431	\$ 219,977,756
Replacement Service	\$ 1,945,771	\$ 42,380,054	\$ 44,325,825	\$ 44,300,181
Stipulated Meter Reconstruction	\$ 489,195	\$ 6,835,741	\$ 7,324,936	\$ 7,324,936
GSMP Meter Reconstruction	\$ 473,965	\$ 8,804,484	\$ 9,278,449	\$ 9,278,449
<b>Total</b>	<b>\$ 28,194,806</b>	<b>\$ 260,359,835</b>	<b>\$ 288,554,641</b>	<b>\$ 280,881,322</b>

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

**REPORT DATE: FEB 2019**

2a - Description of projects

2c - Projected and actual miles of main installed

2d - Projected and actual number of services installed

	Project	Sub-Project	Project Completion Date	Units	Size Installed	Material Installed	2016 Quantity Completed	2017 Quantity Completed	2018 Quantity Completed	Projected Quantity Jan 2019	Actual Quantity Jan 2019	Projected Quantity Feb 2019	Actual Quantity Feb 2019	Quantity Completed 2019 Year To Date	Total Program Quantity Completed To Date
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	361,739	333,811	255,262		373		(369)	4	950,816
					4"	Plastic	182,371	113,501	133,003		167		(131)	36	428,911
					6"	Plastic	60,016	54,810	51,621		1,386		(1,356)	30	166,477
					8"	Plastic	13,461	24,762	8,124		2		46	48	46,395
					12"	Plastic	7,324	3,784	-					-	11,108
					12"	Steel	-	16,451	7,372					-	23,823
					16"	Steel	-	36	-					-	36
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	547,155	455,382	-	1,928	-	(1,810)	118	1,627,566
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	9,850	9,959	788	812	527	437	1,249	27,862
					>2"	Plastic	4	8	4		-		2	2	18
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	9,858	9,963	788	812	527	439	1,251	27,880
STIPULATED BASE	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	28	18		1		3	4	55
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	28	18		1		3	4	55
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	38,376	92,744						286,531
					4"	Plastic	95,033	31,522	57,759						184,314
					6"	Plastic	34,296	11,052	10,862						56,210
					8"	Plastic	16,633	2,342	16,764						35,739
					8"	Steel	-	-	-						-
					12"	Plastic	7,099	-	100						7,199
					12"	Steel	56,113	16,392	28,101						100,606
					16"	Steel	10,331	50,778	12,246						73,355
					20"	Steel	111	-	1,294						1,405
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	150,462	219,870	-	-	-	-	-	745,359
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	2,492	3,237						8,882
					>2"	Plastic	3	2	4						9
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	2,494	3,241	-	-	-	-	-	8,891
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	-	-	-					-	-
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	-	-	-					-	-







April 23, 2019

***VIA ELECTRONIC and FIRST-CLASS MAIL***

Aida Camacho-Welch, Secretary  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Flr.  
P.O. Box 350  
Trenton, New Jersey 08625-0350

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)  
Monthly Report – March 2019  
Quarterly Report on Activity Related to Department of Energy’s Quadrennial  
Energy Review (“QER”)**

Dear Secretary Camacho-Welch:

Enclosed for filing are ten copies of this letter and enclosures providing Public Service Electric & Gas Company’s (PSE&G’s) monthly report for March, 2019 on its Gas System Modernization Program (GSMP or the Program).

The GSMP was approved by a Board Order dated November 16, 2015 in BPU Docket No. GR15030272. That Order adopted a Stipulation pursuant to which PSE&G is operating the Program. This report is filed pursuant to paragraph 25 of that Stipulation and is designed to address the first four items contained in Attachment C to that Stipulation.

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

In addition, paragraph 26 of the Stipulation states that:

The Company will monitor progress of the Department of Energy’s Quadrennial Energy Review (“QER”) initiative, and engage in communications with relevant stakeholders regarding potential funding made available to New Jersey ratepayers for gas main replacement. The Company will interact with the relevant stakeholders to support a position that promotes funding for New Jersey ratepayers. The Company agrees to provide quarterly updates to Board Staff and Rate Counsel of any QER developments of which it becomes aware.

The PSE&G report on the QER for the first quarter of 2019 is as follows. Chairman of the House Energy and Commerce Committee, Rep. Frank Pallone has authored a provision creating a federal grant program

- 2 -

for distribution gas pipeline replacement as part of the LIFT Act introduced last Congress. The new Congress may provide a new opportunity to make progress on this issue under his leadership.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Danielle Lopez", with a long, sweeping flourish extending from the end.

Danielle Lopez

cc: Stefanie Brand (2 Hard Copies and e-mail)

Via E-Mail Only:

Paul Flanagan

Lisa Gurkas

Brian Lipman

Alex Moreau

Stacy Peterson

Ilene Lampitt

Felicia Thomas-Friel

Caroline Vachier

Noreen Giblin

Grace Strom Power

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

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

<b>GSMP Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 487,800,000
Replacement Service \$	\$ 159,300,000
Regulator Elimination \$	\$ 2,900,000
<b>Total</b>	<b>\$ 650,000,000</b>

<b>2019 March PTD Budget</b>	<b>2019 March PTD Actual</b>
\$ 434,590,324	\$ 465,806,208
\$ 175,737,979	\$ 156,499,800
\$ 3,195,424	\$ 1,161,105
<b>\$ 613,523,727</b>	<b>\$ 623,467,113</b>

<b>Stipulated Base Major Project Categories</b>	<b>Overall Approved Program</b>
Replacement Main \$	\$ 160,400,000
Replacement Service \$	\$ 35,000,000
Stipulated Meter Reconstruction \$	\$ 9,700,000
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<b>\$ 255,000,000</b>	<b>\$ 288,554,641</b>

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

2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project.

Expenditures Incurred To Date GSMP Projects	Program Actual Material \$	Program Actual Other \$	Program Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 32,303,906	\$ 433,502,302	\$ 465,806,208	\$ 449,897,771
Replacement Service	\$ 5,940,593	\$ 150,559,207	\$ 156,499,800	\$ 156,413,545
Regulator Elimination	\$ 61,503	\$ 1,099,602	\$ 1,161,105	\$ 501,455
<b>Total</b>	<b>\$ 38,306,001</b>	<b>\$ 585,161,112</b>	<b>\$ 623,467,113</b>	<b>\$ 606,812,772</b>

Expenditures Incurred To Date Stipulated Base Projects	Program Actual Material \$	Program Actual Other \$	Program Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 25,285,875	\$ 202,339,556	\$ 227,625,431	\$ 219,977,756
Replacement Service	\$ 1,945,771	\$ 42,380,054	\$ 44,325,825	\$ 44,300,181
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<b>Total</b>	<b>\$ 28,194,806</b>	<b>\$ 260,359,835</b>	<b>\$ 288,554,641</b>	<b>\$ 280,881,322</b>

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

**REPORT DATE: March 2019**

2a - Description of projects

2c - Projected and actual miles of main installed

2d - Projected and actual number of services installed

	Project	Sub-Project	Project Completion Date	Units	Size Installed	Material Installed	2016 Quantity Completed	2017 Quantity Completed	2018 Quantity Completed	Projected Quantity Jan 2019	Actual Quantity Jan 2019	Projected Quantity Feb 2019	Actual Quantity Feb 2019	Projected Quantity Mar 2019	Actual Quantity Mar 2019	Quantity Completed 2019 Year To Date	Total Program Quantity Completed To Date
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	361,739	333,811	255,262		373		(369)		-	4	950,816
					4"	Plastic	182,371	113,501	133,003		167		(131)		-	36	428,911
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					8"	Plastic	13,461	24,762	8,124		2		46		-	48	46,395
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					12"	Steel	-	16,451	7,372						-	-	23,823
					16"	Steel	-	36	-						-	-	36
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	547,155	455,382	-	1,928	-	(1,810)	-	-	118	1,627,566
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	9,850	9,959	788	812	527	437	500	380	1,629	28,242
					>2"	Plastic	4	8	4		-		2		4	6	22
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	9,858	9,963	788	812	527	439	500	384	1,635	28,264
STIPULATED BASE	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	28	18		1		3		3	7	58
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	28	18		1		3		3	7	58
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	38,376	92,744								286,531
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					6"	Plastic	34,296	11,052	10,862								56,210
					8"	Plastic	16,633	2,342	16,764								35,739
					8"	Steel	-	-	-								-
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					12"	Steel	56,113	16,392	28,101								100,606
					16"	Steel	10,331	50,778	12,246								73,355
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	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	2,494	3,241	-	-	-	-	-	-	-	8,891
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	-	-	-							-	-
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	-	-	-							-	-



## PSE&G Gas System Modernization Program Capital Expenditures

Schedule WEM-GSMP-3

[illegible]

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

**In The Matter of the Petition of  
Public Service Electric and Gas Company  
for Approval of Gas Base Rate  
Adjustments Pursuant to the Gas System Modernization  
Program (April 2019 GSMP Rate Filing)**

**BPU Docket No. \_\_\_\_\_**

**DIRECT TESTIMONY**

**OF**

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

**April 26, 2019**



## ATTACHMENT 2

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

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

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

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

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

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

21      A.     The purpose of my testimony is to support PSE&G's proposed change in base  
22      rates to recover the revenue requirement associated with its Gas System

## ATTACHMENT 2

1 Modernization Program (GSMP or Program) through the Alternative Recovery  
2 Mechanism (ARM) approved by the Board of Public Utilities (Board, BPU) as  
3 described in paragraphs 19 and 21 of the Stipulation of Settlement approved by the  
4 Board in Docket No. GR15030272 on November 16, 2015 (GSMP Order). The  
5 proposed GSMP revenue requirements are based upon the actual costs of engineering,  
6 design and construction, cost of removal (net of salvage) and property acquisition,  
7 including actual labor, materials, overhead, and any capitalized Allowance for Funds  
8 Used During Construction (AFUDC) on GSMP projects. As specified in more detail  
9 below, the Board-approved revenue requirement formula for the ARM allows the  
10 Company to recover a return of and on its GSMP Investment Costs, less any tax  
11 adjustment for flow-through items and any tax law changes codified by the IRS, the  
12 State of New Jersey or any other taxing authority. This testimony provides an  
13 overview of the cost recovery mechanism along with a description of the revenue  
14 requirement calculations and rate design mechanism.

### 15 **COST RECOVERY MECHANISM**

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

17 A. PSE&G is proposing to recover the annual revenue requirement associated  
18 with the Program consistent with the ARM approved in the GSMP Order. The  
19 revenue requirement is based on expected plant in-service and cost of removal  
20 expenditures based on actual results through March 31, 2019 and a forecast through

## ATTACHMENT 2

1 June 30, 2019. The forecast for April 1, 2019 through June 30, 2019 will be trued-up  
2 with actual results and filed by July 15, 2019.

3 **Q. What is the forecasted annual revenue requirement increase being**  
4 **proposed for this GSMP roll-in filing?**

5 A. The Company is proposing a forecasted annual revenue requirement increase  
6 of \$11.603 million based upon the actual and forecasted expenditures discussed above  
7 and assuming adjusted base rates go into effect October 1, 2019. The revenue  
8 requirement increase is calculated in Schedule SS-GSMP-2.

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

10 A. The GSMP revenue requirement is calculated using the following formula  
11 approved by the Board in the GSMP Order:

12 Revenue Requirements = ((GSMP Rate Base \* After Tax WACC) +  
13 Depreciation Expense (net of tax) + Tax Adjustments) \* Revenue  
14 Factor

15 **Q. How is the GSMP Rate Base calculated?**

16 A. Per the GSMP Order, the GSMP Rate Base is calculated as the GSMP  
17 Investment Costs less Accumulated Depreciation and less Accumulated Deferred  
18 Income Taxes (ADIT). The GSMP Investment Costs consist of actual plant placed  
19 into service from Program inception through March 31, 2019 (less the amounts  
20 already recovered in rates from prior rate adjustments) and a forecast of capital

## ATTACHMENT 2

1 expenditures through June 30, 2019 for projects expected to be in service by June 30,  
2 2019. For details on the GSMP Investment Costs, see Schedule WEM-GSMP-3.  
3 Accumulated Depreciation is the sum of the depreciation expense incurred from the  
4 date the GSMP projects are placed into service and the effective date of the base rate  
5 change. The GSMP Order anticipates the fourth roll in filing to result in rates  
6 effective October 1, 2019, so the Accumulated Depreciation in the filing is through  
7 September 30, 2019. Consistent with the calculation of Accumulated Depreciation,  
8 ADIT is calculated through September 30, 2019.

9       The investment that can be recovered through the GSMP ARM is limited to  
10 \$650 million as stated in paragraph 12 of the GSMP Order. Since the total investment  
11 through June 30, 2019 will exceed the \$650 million eligible for program recovery, the  
12 investment included in the ARM is adjusted to only include expenditures up to the  
13 \$650 million cap. In addition, to ensure the actual rate impact does not exceed the  
14 noticed rate impact, all non-COR expenditures for the forecast period of April 1, 2019  
15 through June 30, 2019 were assumed to be incurred for regulators, which have the  
16 highest depreciation rate. This is for notice purposes only. The actual investment  
17 used to set the final rates will correspond to the actual investments by asset class up  
18 the \$650 million allowed for accelerated recovery.

## ATTACHMENT 2

1 **Q. What is the Weighted Average Cost of Capital (WACC) utilized in the**  
2 **calculation of the revenue requirement?**

3 A. Per the GSMP Order and prior to the Company's recent rate case, the WACC  
4 for the ARM was 7.12%, or 6.52% on an after-tax basis, which is based on a Return  
5 on Equity of 9.75% and a cost of debt of 4.36% was utilized. As a result of the  
6 approval of the Company's 2018 base rate case, the WACC for this fourth and final  
7 GSMP roll-in has been updated to 6.99%, or 6.48% on an after-tax basis, which is  
8 based on a Return on Equity of 9.60% and a cost of debt of 3.96%. For the  
9 calculation of the WACC and after-tax WACC, see Schedule SS-GSMP-3.

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

11 A. Depreciation expense is calculated as Gross Plant in-Service multiplied by the  
12 applicable annual depreciation rate for the assets being placed into service. The  
13 GSMP Order specified the depreciation rate for Gas Distribution Plant of 1.61% be  
14 applicable to the GSMP plant placed into service. Since the net revenue requirement  
15 for the roll-in will be grossed up by the revenue factor as shown in the revenue  
16 requirement formula approved by the Board, the depreciation expense must be  
17 calculated net of tax. The tax basis associated with the depreciation expense is  
18 calculated as direct in-service expenditures plus any CWIP capital expenditures  
19 transferred into service plus the debt component of any AFUDC transferred into  
20 service. The depreciation expense net of tax is calculated as the annual depreciation  
21 expense less the tax associated with the depreciation expense as described above. The

## ATTACHMENT 2

1 equity portion of the AFUDC transferred into service is not recognized in the tax basis  
2 of the plant transferred into service. As a result, there is no tax depreciation expense  
3 associated with that portion of Plant in-Service. Therefore, the depreciation expense  
4 net of tax must be multiplied by the revenue factor to recover the tax gross-up related  
5 to the AFUDC-equity. The Company currently does not anticipate any CWIP  
6 associated with the GSMP.

7 As a result of the approval of the Company's 2018 base rate case, the  
8 composite depreciation rate of 1.61% used in prior rate adjustments has been  
9 separated into three (3) asset classes: mains, services, and regulators. The "mains"  
10 asset class has a depreciation rate of 1.39%, "services" have a depreciation rate of  
11 1.81%, and "regulators" have a depreciation rate of 3.27%.

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

13 A. The Tax Adjustment is an adjustment to capture the effects of any flow through  
14 items and any tax law changes codified by the IRS, the State of New Jersey, or any  
15 other taxing authority.

16 **Q. Does the Company anticipate a Tax Adjustment in this ARM?**

17 A. There are currently no flow-through items or tax law changes applicable to the  
18 GSMP.

## ATTACHMENT 2

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

2 A. The Revenue Factor adjusts the revenue requirement net of tax for federal and  
3 state income taxes and the costs associated with the BPU and Division of Rate  
4 Counsel (RC) Annual Assessments and Gas Revenue Uncollectibles. The BPU/RC  
5 Assessment Expenses consist of payments, based upon a percentage of revenues  
6 collected (updated annually), to the State based on the electric and gas intrastate  
7 operating revenues for the utility. The Company has utilized the respective BPU/RC  
8 assessment rates based on the 2019 fiscal year assessment, which are 0.23% and  
9 0.06%, respectively, and the Gas Revenue Uncollectible rate of 1.60%, which was set  
10 in the Company's 2018 base rate case. See Schedule SS-GSMP-4 for the calculation  
11 of the revenue factor.

12 **Q. Have you provided the detailed calculations supporting the revenue**  
13 **requirements?**

14 A. Yes. The detailed calculations supporting the revenue requirement calculation  
15 described above are provided in electronic workpapers WP-SS-GSMP-1.xlsx.

### 16 **RATE DESIGN**

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

19 A. The proposed gas base rate adjustments use the rate design methodology  
20 corresponding to the latest Board approved electric and gas base rate case approved.  
21 In accordance with paragraph 16 of the Stipulation approved in the GSMP Order, the

## ATTACHMENT 2

1 billing determinants utilize the weather normalized annualized billing determinants  
2 from the latest Board approved gas base rate case, which are based on July 2017  
3 through June 2018.

4 The detailed calculations supporting the rate design are shown in Schedule SS-  
5 GSMP-5. This schedule contains the proposed base rates as a result of the GSMP  
6 base rate adjustment effective for October 1, 2019.

7 **Q. What are the annual rate impacts to the typical residential customer?**

8 A. Based upon rates effective April 1, 2019, the annual average bill impacts of the  
9 rates requested are set forth in Schedule SS-GSMP-6.

10 The annual impact of the proposed rates to the typical residential gas heating  
11 customers using 172 therms in a winter month and 1,040 therms annually would be an  
12 increase in the annual bill from \$893.03 to \$899.89 or \$6.86 or approximately 0.77%  
13 (based upon Delivery Rates and BGSS-RSG charges in effect April 1, 2019, and  
14 assuming that the customer receives BGSS service from PSE&G).

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

16 A. Yes, it does.



## **ATTACHMENT 2**

### **SCHEDULE INDEX**

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

### **ELECTRONIC WORKPAPER INDEX**

WP-SS-GSMP-1.xlsx

**CREDENTIALS  
OF  
STEPHEN SWETZ  
SR. DIRECTOR-CORPORATE RATES AND REVENUE REQUIREMENTS**

My name is Stephen Swetz and I am employed by PSEG Services Corporation. I am the Sr. Director - Corporate Rates and Revenue Requirements where my main responsibility is to contribute to the development and implementation of electric and gas rates for Public Service Electric and Gas Company (PSE&G, the Company).

## WORK EXPERIENCE

I have over 30 years of experience in Rates, Financial Analysis and Operations for three Fortune 500 companies. Since 1991, I have worked in various positions within PSEG. I have spent most of my career contributing to the development and implementation of PSE&G electric and gas rates, revenue requirements, pricing and corporate planning with over 20 years of direct experience in Northeastern retail and wholesale electric and gas markets.

As Sr. Director of the Corporate Rates and Revenue Requirements department, I have submitted pre-filed direct cost recovery testimony as well as oral testimony to the New Jersey Board of Public Utilities and the New Jersey Office of Administrative Law for base rate cases, as well as a number of clauses including infrastructure investments, renewable energy, and energy efficiency programs. A list of my prior testimonies can be found on pages 3 and 4 of this document. I have also

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  
5 Strategic Issues Committee, the Edison Electric Institute's Rates and Regulatory Affairs  
6 Committee and the New Jersey Utility Association (NJUA) Finance and Regulatory  
7 Committee.

8 **EDUCATIONAL BACKGROUND**

9 I hold a B.S. in Mechanical Engineering from Worcester Polytechnic  
10 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	TBD	written	Apr-19	Non-Utility Generation Charge (NGC) / Cost Recovery
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	G	GR18070831	written	Jul-18	Gas System Modernization Program (GSMP) - Third Roll-in
Public Service Electric & Gas Company	E/G	ER18070688 - GR18070689	written	Jun-18	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	E	ER18060681	written	Jun-18	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR18060675	written	Jun-18	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E/G	EO18060629 - GO18060630	written	Jun-18	Energy Strong II / Revenue Requirements & Rate Design
Public Service Electric & Gas Company	G	GR18060605	written	Jun-18	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER18040358 - GR18040359	written	Mar-18	Energy Strong / Revenue Requirements & Rate Design - Eighth Roll-in
Public Service Electric & Gas Company	E/G	ER18030231	written	Mar-18	Tax Cuts and Job Acts of 2017
Public Service Electric & Gas Company	E/G	GR18020093	written	Feb-18	Remediation Adjustment Charge-RAC 25
Public Service Electric & Gas Company	E/G	ER18010029 and 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	ER17020136	written	Feb-17	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E/G	GR16111064	written	Nov-16	Remediation Adjustment Charge-RAC 24
Public Service Electric & Gas Company	E	ER16090918	written	Sep-16	Energy Strong / Revenue Requirements & Rate Design - Fifth Roll-in
Public Service Electric & Gas Company	E	EO16080788	written	Aug-16	Construction of Mason St Substation
Public Service Electric & Gas Company	E	ER16080785	written	Aug-16	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	G	GR16070711	written	Jul-16	Gas System Modernization Program (GSMP) - First Roll-in
Public Service Electric & Gas Company	G	GR16070617	written	Jul-16	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E/G	ER16070613 - GR16070614	written	Jul-16	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	E	ER16070616	written	Jul-16	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR16060484	written	Jun-16	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E	EO16050412	written	May-16	Solar 4 All Extension II (S4AllExt II) / Revenue Requirements & Rate Design
Public Service Electric & Gas Company	E/G	ER16030272 - GR16030273	written	Mar-16	Energy Strong / Revenue Requirements & Rate Design - Fourth Roll-in
Public Service Electric & Gas Company	E/G	GR15111294	written	Nov-15	Remediation Adjustment Charge-RAC 23
Public Service Electric & Gas Company	E	ER15101180	written	Sep-15	Energy Strong / Revenue Requirements & Rate Design - Third Roll-in
Public Service Electric & Gas Company	E/G	ER15070757-GR15070758	written	Jul-15	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	E	ER15060754	written	Jul-15	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR15060748	written	Jul-15	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	G	GR15060646	written	Jun-15	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER15050558	written	May-15	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E	ER15050558	written	May-15	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER15030389-GR15030390	written	Mar-15	Energy Strong / Revenue Requirements & Rate Design - Second Roll-in
Public Service Electric & Gas Company	G	GR15030272	written	Feb-15	Gas System Modernization Program (GSMP)
Public Service Electric & Gas Company	E/G	GR14121411	written	Dec-14	Remediation Adjustment Charge-RAC 22
Public Service Electric & Gas Company	E/G	ER14091074	written	Sep-14	Energy Strong / Revenue Requirements & Rate Design - First Roll-in
Public Service Electric & Gas Company	E/G	EO14080897	written	Aug-14	EEE Ext II
Public Service Electric & Gas Company	G	ER14070656	written	Jul-14	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E/G	ER14070651-GR14070652	written	Jul-14	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	E	ER14070650	written	Jul-14	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR14050511	written	May-14	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E/G	GR14040375	written	Apr-14	Remediation Adjustment Charge-RAC 21
Public Service Electric & Gas Company	E/G	ER13070603-GR13070604	written	Jun-13	Green Programs Recovery Charge (GPRC)-Including DR, EEE, EEE Ext, CA, S4All, SLII / Cost Recovery
Public Service Electric & Gas Company	E	ER13070605	written	Jul-13	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR13070615	written	Jun-13	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	G	GR13060445	written	May-13	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E/G	EO13020155-GO13020156	written/oral	Mar-13	Energy Strong / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	G	GO12030188	written/oral	Mar-13	Appliance Service / Tariff Support
Public Service Electric & Gas Company	E	ER12070599	written	Jul-12	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER12070606-GR12070605	written	Jul-12	RGGI Recovery Charges (RRC)-Including DR, EEE, EEE Ext, CA, S4All, SLII / Cost Recovery
Public Service Electric & Gas Company	E	EO12080721	written/oral	Jul-12	Solar Loan III (SLIII) / Revenue Requirements & Rate Design - Program Approval

LIST OF PRIOR TESTIMONIES

Company	Utility	Docket	Testimony	Date	Case / Topic
Public Service Electric & Gas Company	E	EO12080721	written/oral	Jul-12	Solar 4 All Extension(\$4AllExt) / 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 (EEEExt) / 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, \$4All, 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 (\$4All) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E	EO08080544	written	Aug-08	Demand Response (DR) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E/G	ER10100737	written	Jun-08	Carbon Abatement (CA) / Revenue Requirements & Rate Design - Program Approval

**PSE&G Gas System Modernization Program**  
**Gas Roll-in Calculation**  
**Roll-in Filing**  
in (\$000)

ATTACHMENT 2  
Schedule SS-GSMP-2

**Rate Effective Date** **10/1/2019**  
Plant In Service as of Date 6/30/2019  
Rate Base Balance as of Date 9/30/2019

**RATE BASE CALCULATION**

	<b>Total</b>	Notes
1 Gross Plant	\$101,307	= ln 16
2 Accumulated Depreciation	\$5,208	= ln 19
3 Net Plant	\$106,515	= ln 1 + ln 2
4 Accumulated Deferred Taxes	-\$3,294	= See "Dep-UPCI" Wkps
5 Rate Base	\$103,222	= ln 3 + ln 4
6 Rate of Return - After Tax (Schedule WACC)	6.48%	See Schedule SS-GSMP-3
7 Return Requirement (After Tax)	\$6,691	= ln 5 * ln 6
8 Depreciation Exp, net	\$1,517	= ln 25
9 Tax Adjustment	\$0	N/A
10 Revenue Factor	1.4137	See Schedule SS-GSMP-4
11 <b>Roll-in Revenue Requirement</b>	<b>\$11,603</b>	= (ln 7 + ln 8 + ln 9) * ln 10

**SUPPORT**

**Gross Plant**

12 Plant in-service	\$101,307	= See "Dep-UPCI" Wkp
13 CWIP Transferred into Service	\$0	= See "Dep-UPCI" Wkp
14 AFUDC on CWIP Transferred Into Service - Debt	\$0	= See "Dep-UPCI" Wkp
15 AFUDC on CWIP Transferred Into Service - Equity	\$0	= See "Dep-UPCI" Wkp
16 <b>Total Gross Plant</b>	<b>\$101,307</b>	= ln 12 + ln 13 + ln 14 + ln 15

**Accumulated Depreciation**

17 Accumulated Depreciation	-\$1,405	= See "Dep-UPCI" Wkp
18 Cost of Removal	\$6,613	= See "Dep-UPCI" Wkp
19 <b>Net Accumulated Depreciation</b>	<b>\$5,208</b>	= ln 17 + ln 18

**Depreciation Expense (Net of Tax)**

20 Depreciable Plant (xAFUDC-E)	\$101,307	= ln 12 + ln 13 + ln 14
21 AFUDC-E	\$0	= ln 15
22 Depreciation Rate	2.08%	= See "Dep-" Wkps
23 Depreciation Expense	\$2,111	= (ln 20 + ln 21) * ln 22
24 Tax @28.11%	\$593	= ln 20 * ln 22 * Tax Rate
25 <b>Depreciation Expense (Net of Tax)</b>	<b>\$1,517</b>	= ln 23 - ln 24

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

ATTACHMENT 2  
Schedule SS-GSMP-3

**November 2018 Forward**

	<b><u>Percent</u></b>	<b><u>Embedded Cost</u></b>	<b><u>Pre-Tax Weighted Cost</u></b>	<b><u>After-Tax Weighted Cost</u></b>	<b><u>Weighted Cost</u></b>
Common Equity	54.00%	9.60%	5.18%	7.21%	5.18%
Customer Deposits	0.47%	0.87%	0.00%	0.00%	0.00%
Long-Term Debt	45.53%	3.96%	1.80%	1.80%	1.30%
Total	100.00%		6.99%	9.02%	6.48%

**Pre-2018 Rate Case**

	<b><u>Percent</u></b>	<b><u>Embedded Cost</u></b>	<b><u>Weighted Cost</u></b>	<b><u>Pre-Tax Weighted Cost</u></b>	<b><u>After Tax Weighted Cost</u></b>
Common Equity	51.20%	9.75%	4.99%	6.94%	4.99%
Other Capital	48.80%	4.36%	2.13%	2.13%	1.53%
Total	100.00%		7.12%	9.07%	6.52%

**Income Tax Rates**

Federal Income Tax	21.00%
State NJ Business Incm Tax	9.00%
Tax Rate	28.11%

**PSE&G Gas System Modernization Program**  
**Revenue Factor Calculation**

ATTACHMENT 2  
Schedule SS-GSMP-4

	<b><u>ELECTRIC</u></b>	<b><u>GAS</u></b>	
Revenue Increase	100.0000	100.0000	
Uncollectible Rate	1.6000	1.6000	2018 Base Rate Case
BPU Assessment Rate	0.0019	0.0019	2019 BPU Assessment
Rate Counsel Assessment Rate	<u>0.0005</u>	<u>0.0005</u>	2019 RC Assessment
Income before State of NJ Bus. Tax	99.9975	98.3975	
State of NJ Bus. Income Tax @ 9.00%	<u>8.9998</u>	<u>8.8558</u>	
Income Before Federal Income Taxes	90.9978	89.5418	
Federal Income Taxes @ 21%	<u>19.1095</u>	<u>18.8038</u>	
Return	<u>71.8882</u>	<u>70.7380</u>	
Revenue Factor	<u><b>1.3910</b></u>	<u><b>1.4137</b></u>	



**Gas Revenue Requirement Allocation Explanation of Format**

Pages 2 through 5 presented in Schedule SS-GSMP-5 are the 4 relevant pages from the complete cost of service and revenue requirement allocation methodology based on the 2018 Base Rate Case Settlement, approved by the Board on October 29, 2018. Page 2 Part 1 shows the "Final" revenue requirement allocation to the each rates class and its associated functions as defined in the 2018 PSE&G Base Rate Case (Rate Case). Part 2 allocates the GSMP Revenue Increase in accordance with the Rate Case Board Order. Pages 3 and 4 provide the interclass revenue allocations based upon the rate rules approved in the Rate Case. Page 5 provides the service charges calculations for each rate class by which are calculated in accordance with the Rate Case Board Order.

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

The summary provides by rate schedule the Annualized Weather Normalized (all customers assumed to be on BGSS) revenue based on current tariff rates and the proposed initial rate change. Pages 6 through 16 presented in Schedule SS-GSMP-5 are the 11 relevant pages from the complete rate change workpapers from the Company's 2018 Gas Base Rate Case and have been appropriately modified per my testimony to reflect this GSMP Program Roll-In.

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

In the detailed rate design pages, all the components are separated into Delivery and Supply. In addition to the Distribution components of Delivery, also included in the schedule are lines for Balancing, Societal Benefits Charge, Margin Adjustment Charge, Weather Normalization Charge, Green Programs Recovery Charge, Tax Adjustment Credit, Miscellaneous items, and Unbilled Revenue.

Column (1) shows the annualized weather normalized billing units. Column (2) shows present Delivery rates (without Sales and Use Tax, SUT) effective April 1, 2019. The commodity rates in the Column (2) reflect the 2019 class-weighted averages (BGSS-RSG uses the rate as of 1/1/2019). Column (3) presents annualized revenue assuming all customers are provided service under their applicable BGSS provision. Column (4) repeats the billing units of Column (1). Column (5) shows the proposed rates without SUT that result in the proposed revenues shown in Column (6). Columns (7) and (8) show the proposed base rate revenue increase, in thousands of dollars and percent increase, respectively, for each of the billing unit blocks. The proposed tariff charges (with and without SUT) are provided on pages 10 and 11 of this schedule.

**Cost of Service and Rate Design Sync**

Notes:

**Part 1: 2018 Base Rate Case Final Revenue Allocation**

1	Requested increase in Revenue Requirements						2018 Rate Case Schedule SS-G7 R-2, pg 2, line 16
2	Total Target Distribution Revenue Requirements						2018 Rate Case Schedule SS-G7 R-2, pg 2, line 17
3	Sum of Initial Sync Revenue Requirements						2018 Rate Case Schedule SS-G7 R-2, pg 2, line 18
4	Final Sync Adjustment Factor						2018 Rate Case Schedule SS-G7 R-2, pg 2, line 19

		Total	RSG	GSG	LVG	SLG	
5	Distribution Access	\$ 348,181,228	\$ 285,567,880	\$ 40,848,700	\$ 21,728,392	\$ 36,257	2018 Rate Case Schedule SS-G7 R-2, pg 2, line 20
6	Distribution Delivery	\$ 362,951,052	\$ 231,037,735	\$ 42,604,570	\$ 89,282,536	\$ 26,211	2018 Rate Case Schedule SS-G7 R-2, pg 2, line 21
7	Streetlighting Fixtures	\$ 417,670	\$ 0	\$ 0	\$ 0	\$ 417,670	2018 Rate Case Schedule SS-G7 R-2, pg 2, line 22
8	Customer Service	\$ 80,199,946	\$ 72,101,419	\$ 6,313,852	\$ 1,783,392	\$ 1,284	2018 Rate Case Schedule SS-G7 R-2, pg 2, line 23
9	Measurement	\$ 96,710,544	\$ 70,884,585	\$ 16,046,249	\$ 9,779,669	\$ 41	2018 Rate Case Schedule SS-G7 R-2, pg 2, line 24
10	Total	\$ 888,460,440	\$ 659,591,618	\$ 105,813,371	\$ 122,573,988	\$ 481,463	

**Part 2: GSMP Roll-In Revenue Allocation**

11	Requested increase in Revenue Requirements						Schedule SS-GSMP-1
12	Total Target Distribution Revenue Requirements						= line 11 + page 3, col 2
13	Rate Case Minus Streetlight Fixtures						= line 10 - line 7
14	Target Minus Streetlight Fixtures						= line 12 - line 7
15	Final Sync Adjustment Factor						= line 14 / line 13

		Total	RSG	GSG	LVG	SLG	
16	Distribution Access	\$ 361,099,920	\$ 296,163,406	\$ 42,364,323	\$ 22,534,588	\$ 37,602	= line 5 * line 15
17	Distribution Delivery	\$ 376,417,754	\$ 239,610,010	\$ 44,185,343	\$ 92,595,217	\$ 27,183	= line 6 * line 15
18	Streetlighting Fixtures	\$ 417,670	\$ 0	\$ 0	\$ 0	\$ 417,670	= line 7
19	Customer Service	\$ 83,175,633	\$ 74,776,623	\$ 6,548,117	\$ 1,849,561	\$ 1,332	= line 8 * line 15
20	Measurement	\$ 100,298,830	\$ 73,514,641	\$ 16,641,619	\$ 10,142,527	\$ 43	= line 9 * line 15
21	Total	\$ 921,409,807	\$ 684,064,681	\$ 109,739,402	\$ 127,121,894	\$ 483,830	

## Inter Class Revenue Allocations

### Calculation of Increase Limits

<u>line #</u>		(in \$1,000)	Notes:
	Requested Revenue Increase to be		
1	recovered from rate schedule charges =	\$ 11,603	Schedule SS-GSMP-1
2	Present Distribution Revenue =	\$ 909,806	from RSG, GSG, LVG & SLG
3	Present Total Customer Bills (all on BGSS) =	\$ 2,099,650	Page 4, col 3, line 11 Page 4, col 5, line 11
4	Average Distribution Increase =	1.275%	= Line 1 / Line 2
5	Average Total Bill Increase =	0.553%	= Line 1 / Line 3
6	Lower Distribution increase limit =	0.638% in Distribution charges	= 0.5 * Line 4
7	Upper Distribution increase limit #1 =	1.913% in Distribution charges	= 1.5 * Line 4
8	Upper Bill increase limit #2 =	1.106% in Bill Increase	= 2.0 * Line 5
	all rounded to 0.001%		

# Inter Class Revenue Allocations

## Calculation of Increases

line #	(1) Rate Schedule	(2) Proposed Distribution Revenue Requirement (from COS)  (in \$1,000)	(3) Present Distribution Revenue  (in \$1,000)	(4) Unlimited COS Distribution Charge \$ Increase (in \$1,000)	(5) Present Total Bill Revenue (all on BGSS) (in \$1,000)	(6) Unlimited Distribution Charge Increase (%)	(7) Change in MAC & BGSS credits (in \$1,000)	(8) Limited Final Distribution Charge Increase (%)	(9) Proposed Total Bill Increase (%)	(10) Proposed Distribution Revenue Increase (in \$1,000)
<u>Calculation of TSG-F Increase</u>										
1	TSG-F	\$ 3,304	\$ 3,344	\$ (40)	\$ 17,658	-1.209%	\$ (2)	0.638%	0.108%	\$ 21
<u>Calculation of TSG-NF &amp; CIG Increase</u>										
2	TSG-NF	----	\$ 10,129	----	\$ 101,234	----		1.275%	0.127%	\$ 129
3	CIG	----	\$ 2,990	----	\$ 21,192	----		1.275%	0.179%	\$ 38
4	CSG <sup>1</sup>	----	\$ 7,371	----	\$ 7,533	----		----	0.106%	\$ 8
<u>Calculation of Margin Rates (RSG, GSG, LVG &amp; SLG) Increase</u>										
5	RSG	\$ 684,065	\$ 671,778	\$ 12,287	\$ 1,220,749	1.829%	\$ (126)	1.385%	0.752%	\$ 9,305
6	GSG	\$ 109,739	\$ 107,798	\$ 1,941	\$ 295,888	1.801%	\$ (19)	1.364%	0.490%	\$ 1,470
7	LVG	\$ 127,122	\$ 129,798	\$ (2,676)	\$ 581,882	-2.062%	\$ (48)	0.638%	0.134%	\$ 828
8	SLG	\$ 484	\$ 432		\$ 1,131		\$ (0)			
9	Distribution Only	\$ 66	\$ 17,844	\$ 48,316		270.769%		1.913%	0.026%	\$ 0.341
10	Fixtures	\$ 418	\$ 415	\$ 3		0.742%		0.000%	0.000%	\$ -
11	Total for Margin Rates	\$ 921,410	\$ 909,806	\$ 11,603	\$ 2,099,650	1.275%	\$ (193)	1.275%	0.543%	\$ 11,603

<sup>1</sup> CSG Credits all flow back through BGSS

Notes: for TSG-F - from 2018 Rate Case Schedule SS-G7 R-2, pg 1, col 6, line 6 SS-GSMP-1 workpapers = (2) - (3) Page 6 = (4) / (3) SS-GSMP-1 workpapers calculated on limits = (Col 10 + Col 7) / Col 5 = (3) \* (8)

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

Service Charge Calculations

line #	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	Notes:
1				Average Distribution Increase =	1.275%					page 3, line 4
	Rate Schedule	Distribution Access Rev Req (in \$1,000)	Customer Service Rev Req (in \$1,000)	Measurement Rev Req (in \$1,000)	COS Indicated Total Rev Req (in \$1,000)	# of Customers	Cost Based Monthly Service Charge (\$/month)	Current Monthly Service Charge (\$/month)	Proposed Limited Monthly Service Charge (\$/month)	
2	RSG	296,163	74,777	73,515	444,455	1,635,900	\$ 22.64	\$ 8.08	\$ 8.08	Fixed per 2018 Base Rate Case
3	GSG	42,364	6,548	16,642	65,554	140,771	\$ 38.81	\$ 14.50	\$ 14.78	move to costs, limited @ 1.5 times overall avg Distribution % increase
4	LVG	22,535	1,850	10,143	34,527	18,375	\$ 156.59	\$ 128.76	\$ 131.22	move to costs, limited @ 1.5 times overall avg Distribution % increase
5	TSG-F	530	400	20	951	37	\$ 2,141.15	\$ 689.62	\$ 702.81	move to costs, limited @ 1.5 times overall avg Distribution % increase
6	TSG-NF							\$ 689.62	\$ 702.81	set equal to new TSG-F Service Charge
7	CIG							\$ 166.28	\$ 168.40	increase current @ average Distribution % increase
8	CSG							\$ 689.62	\$ 702.81	set equal to new TSG-F Service Charge
Notes:	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
		values for RSG, GSG & LVG for Cols 2, 3, & 4 from page 2, lines 16, 19 & 20			= (2) + (3) + (4)	RSG, GSG & LVG from 2018 Rate Case Schedule SS-G7 R-2, page 2, line 1	= Col 5 * 1000 / Col 6 / 12 rounded to \$0.01	From Tariff	based on methodology described	
		values for TSG-F for Cols 2, 3 & 4 from 2018 Rate Case Schedule SS-G7 R-2, page 1, lines 1, 4 & 5				TSG-F from COS workpapers				

Schedule SS-GSMP-5

**GAS PROOF OF REVENUE  
SUMMARY  
GAS RATE INCREASE  
GSMP I  
(Therms & Revenue - Thousands, Rate - \$/Therm)**

	Rate Schedule	Annualized		Proposed		Difference	
		Weather Normalized		Therms	Revenue	Revenue	Percent
		Therms	Revenue				
		(1)	(2)	(3)	(4)	(5)	(6)
1	RSG	1,494,928	\$1,220,749	1,494,928	\$1,230,003	\$9,254	0.76
2	GSG	297,484	295,888	297,484	297,354	1,466	0.50
3	LVG	740,103	581,882	740,103	582,698	816	0.14
6	SLG	679	1,131	679	1,131	0	0.03
7	Subtotal	2,533,194	2,099,650	2,533,194	2,111,186	11,536	0.55
8							
9	TSG-F	25,950	17,658	25,950	17,679	21	0.12
10	TSG-NF	179,184	101,234	179,184	101,363	129	0.13
11	CIG	41,067	21,192	41,067	21,230	38	0.18
12	CSG	789,848	7,533	789,848	7,541	8	0.11
13	Subtotal	1,036,049	147,618	1,036,049	147,814	196	0.13
14							
15	Totals	3,569,243	2,247,268	3,569,243	2,259,000	\$11,732	0.52

Less change in MAC included above \$129

Gas Revenue Requirement \$11,603

	<u>Increase Before Mac Adjustment</u>	<u>Increase Above</u>	<u>MAC Adjustment</u>
RSG	\$9,179	\$9,254	75
GSG	1,451	1,466	15
LVG	779	816	37
SLG	0	0	0
Subtotal	11,409	11,536	127
TSG-F	20	21	1
TSG-NF	129	129	0
CIG	38	38	0
CSG	8	8	0
Subtotal	195	196	1
Totals	\$11,604	\$11,732	128

Notes: All customers assumed to be on BGSS.  
SLG units and revenues shown to 3 decimals.  
TSG-F revenues shown to 3 decimals.  
Annualized Weather Normalized Revenue reflects Delivery rates in effect 4/1/2019 plus applicable BGSS charges.

Schedule SS-GSMP-5

**RATE SCHEDULE RSG  
RESIDENTIAL SERVICE  
GSMP I**  
(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	<u>Units</u> (1)	<u>Rate</u> (2)	<u>Revenue</u> (3=1*2)	<u>Units</u> (4)	<u>Rate</u> (5)	<u>Revenue</u> (6=4*5)	<u>Revenue</u> (7=6-3)	<u>Percent</u> (8=7/3)
<b>Delivery</b>								
1 Service Charge	19,630.803	8.08	\$158,617	19,630.803	8.08	\$158,617	0	0.00
2 Distribution Charge	1,494,872	0.345322	516,212	1,494,872	0.351575	525,560	9,348	1.81
3 Off-Peak Dist	56	0.172661	10	56	0.175788	10	0	0.00
4 Balancing Charge	917,326	0.096436	88,463	917,326	0.096436	88,463	0	0.00
5 SBC	1,494,928	0.045724	68,354	1,494,928	0.045724	68,354	0	0.00
6 Margin Adjustment	1,494,928	(0.006338)	(9,475)	1,494,928	(0.006338)	(9,475)	0	0.00
7 Weather Normalization	917,326	0.009676	8,876	917,326	0.009676	8,876	0	0.00
8 Green Programs Recovery Charge	1,494,928	0.005014	7,496	1,494,928	0.005014	7,496	0	0.00
9 Tax Adjustment Credit	1,494,928	(0.069574)	(104,008)	1,494,928	(0.069574)	(104,008)	0	0.00
10 Green Enabling Mechanism	1,494,928	0.000000	0	1,494,928	0.000000	0	0	0.00
11 Facilities Charges			0			0	0	0.00
12 Minimum			0			0	0	0.00
13 Miscellaneous			(15)			(16)	(1)	6.67
14 Delivery Subtotal	1,494,928		\$734,530	1,494,928		\$743,877	\$9,347	1.27
15 Unbilled Delivery			(3,315)			(3,357)	(42)	1.27
16 Delivery Subtotal w unbilled			\$731,215			\$740,520	\$9,305	1.27
<b>Supply</b>								
19 BGSS-RSG	1,494,872	0.329977	\$493,274	1,494,872	0.329977	\$493,274	\$0	0.00
20 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
21 BGSS Contrib. from TSG-F, TSG-NF & CIG	0	0.000000	0	1,494,928	(0.000034)	(51)	(51)	0.00
22 Off-Peak Comm. Charge	46	0.301379	14	46	0.301379	14	0	0.00
23								
24 Miscellaneous			(1)			(1)	0.00	0.00
25 Supply subtotal	1,494,918		\$493,287	1,494,918		\$493,236	(51.00)	(0.01)
26 Unbilled Supply			(3,753)			(3,753)	0.00	0.00
27 Supply Subtotal w unbilled			\$489,534			\$489,483	(51.00)	(0.01)
28								
29 Total Delivery + Supply	1,494,928		\$1,220,749	1,494,928		\$1,230,003	9,254.00	0.76

30  
31  
32  
33 Notes:  
34 All customers assumed to be on BGSS.  
35 Annualized Weather Normalized Revenue reflects Delivery rates in effect 4/1/2019  
36 plus applicable BGSS charges.  
37

Schedule SS-GSMP-5

**RATE SCHEDULE GSG  
GENERAL SERVICE  
GSMP I**

(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	<u>Units</u> (1)	<u>Rate</u> (2)	<u>Revenue</u> (3=1*2)	<u>Units</u> (4)	<u>Rate</u> (5)	<u>Revenue</u> (6=4*5)	<u>Revenue</u> (7=6-3)	<u>Percent</u> (8=7/3)
<b><u>Delivery</u></b>								
1 Service Charge	1,689,246	14.50	\$24,494	1,689,246	14.78	\$24,967	\$473	1.93
2 Distribution Charge - Pre 7/14/97	2,183	0.280009	611	2,183	0.283344	619	8	1.31
3 Distribution Charge - All Others	295,256	0.280009	82,674	295,256	0.283344	83,659	985	1.19
4 Off-Peak Dist Charge - Pre 7/14/97	0	0.140005	0	0	0.141672	0	0	0.00
5 Off-Peak Dist Charge - All Others	45	0.140005	6	45	0.141672	6	0	0.00
6 Balancing Charge	173,170	0.096436	16,700	173,170	0.096436	16,700	0	0.00
7 SBC	297,484	0.045724	13,602	297,484	0.045724	13,602	0	0.00
8 Margin Adjustment	297,484	(0.006338)	(1,885)	297,484	(0.006338)	(1,885)	0	0.00
9 Weather Normalization	173,170	0.009676	1,676	173,170	0.009676	1,676	0	0.00
10 Green Programs Recovery Charge	297,484	0.005014	1,492	297,484	0.005014	1,492	0	0.00
11 Tax Adjustment Credit	297,484	(0.056346)	(16,762)	297,484	(0.056346)	(16,762)	0	0.00
12 Green Enabling Mechanism	297,484	0.000000	0	297,484	0.000000	0	0	0.00
13 Facilities Charges			0			0	0	0.00
14 Minimum			2			2	0	0.00
15 Miscellaneous			(313)			(313)	0	0.00
16 Delivery Subtotal	297,484		\$122,297	297,484		\$123,763	\$1,466	1.20
17 Unbilled Delivery			369			373	4	1.08
18 Delivery Subtotal w unbilled			\$122,666			\$124,136	\$1,470	1.20
19								
<b><u>Supply</u></b>								
21 BGSS	297,484	0.545323	\$162,225	297,484	0.545323	\$162,225	\$0	0.00
22 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
23 BGSS Contrib. from TSG-F, TSG-NF & CIG	0	0.000000	0	297,484	(0.000015)	(4)	(4)	0.00
24								
25 Miscellaneous			(51)			(51)	0	0.00
26 Supply subtotal	297,484		\$162,174	297,484		\$162,170	(4)	0.00
27 Unbilled Supply			11,048			11,048	0	0.00
28 Supply Subtotal w unbilled			\$173,222			\$173,218	(4)	0.00
29								
30 Total Delivery + Supply	297,484		<u>\$295,888</u>	297,484		<u>\$297,354</u>	<u>\$1,466</u>	0.50

31  
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34 Notes:  
35 All customers assumed to be on BGSS.  
36 Annualized Weather Normalized Revenue reflects Delivery rates in effect 4/1/2019  
37 plus applicable BGSS charges.  
38



Schedule SS-GSMP-5

**RATE SCHEDULE LVG  
LARGE VOLUME SERVICE  
GSMP I**

(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
<b>Delivery</b>								
1 Service Charge	220.495	128.76	\$28,391	220.495	131.22	\$28,933	\$542	1.91
2 Demand Charge	18,017	3.9207	70,639	18,017	3.9317	70,837	198	0.28
3 Distribution Charge 0-1,000 pre 7/14/97	8,974	0.039047	350	8,974	0.040325	362	12	3.43
4 Distribution Charge over 1,000 pre 7/14/97	45,378	0.042397	1,924	45,378	0.042209	1,915	(9)	(0.47)
5 Distribution Charge 0-1,000 post 7/14/97	145,700	0.039047	5,689	145,700	0.040325	5,875	186	3.27
6 Distribution Charge over 1,000 post 7/14/97	540,051	0.042397	22,897	540,051	0.042209	22,795	(102)	(0.45)
7 Balancing Charge	361,999	0.096436	34,910	361,999	0.096436	34,910	0	0.00
8 SBC	740,103	0.045724	33,840	740,103	0.045724	33,840	0	0.00
9 Margin Adjustment	740,103	(0.006338)	(4,691)	740,103	(0.006338)	(4,691)	0	0.00
10 Weather Normalization	361,999	0.009676	3,503	361,999	0.009676	3,503	0	0.00
11 Green Programs Recovery Charge	740,103	0.005014	3,711	740,103	0.005014	3,711	0	0.00
12 Tax Adjustment Credit	740,103	(0.027547)	(20,388)	740,103	(0.027547)	(20,388)	0	0.00
13 Green Enabling Mechanism	740,103	0.000000	\$0	740,103	0.000000	\$0	0	0.00
14 Facilities Charges			1			1	0	0.00
15 Minimum			218			218	0	0.00
16 Miscellaneous			(279)			(279)	(0)	0.02
17 Delivery Subtotal	740,103		\$180,715	740,103		\$181,542	\$827	0.46
18 Unbilled Delivery			(46)			(46)	0	0.00
19 Delivery Subtotal w unbilled			\$180,669			\$181,496	\$827	0.46
20								
21								
<b>Supply</b>								
22 BGSS	740,103	0.540676	\$400,156	740,103	0.540676	\$400,156	\$0	0.00
24 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
25 BGSS Contrib. from TSG-F, TSG-NF & CIG	0	0.000000	0	740,103	(0.000015)	(11)	(11)	0.00
26								
27 Miscellaneous			(143)			(143)	0	0.00
28 Supply Subtotal	740,103		\$400,013	740,103		\$400,002	(\$11)	0.00
29 Unbilled Supply			1,200			1,200	0	0.00
30 Supply Subtotal w unbilled			\$401,213			\$401,202	(\$11)	0.00
31								
32 Total Delivery + Supply	740,103		\$581,882	740,103		\$582,698	\$816	0.14

Notes:

37 All customers assumed to be on BGSS.  
38 Annualized Weather Normalized Revenue reflects Delivery rates in effect 4/1/2019  
39 plus applicable BGSS charges.

Schedule SS-GSMP-5

**RATE SCHEDULE SLG  
STREET LIGHTING SERVICE  
GSMP I**

(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
<b>Delivery</b>								
1 Single	10.392	13.2351	\$137.539	10.392	13.2351	\$137.539	\$0.000	0.00
2 Double Inverted	0.108	13.2351	1.429	0.108	13.2351	1.429	0.000	0.00
3 Double Upright	0.588	13.2351	7.782	0.588	13.2351	7.782	0.000	0.00
4 Triple prior to 1/1/93	18.096	13.2351	239.502	18.096	13.2351	239.502	0.000	0.00
5 Triple on and after 1/1/93	0.420	67.4762	28.340	0.420	67.4762	28.340	0.000	0.00
6 Distribution Therm Charge	678.777	0.045455	30.854	678.777	0.045957	31.195	0.341	1.11
7 SBC	678.777	0.045724	31.036	678.777	0.045724	31.036	0.000	0.00
8 Margin Adjustment	678.777	(0.006338)	(4.302)	678.777	(0.006338)	(4.302)	0.000	0.00
9 Green Programs Recovery Charge	678.777	0.005014	3.403	678.777	0.005014	3.403	0.000	0.00
10 Tax Adjustment Credit	678.777	(0.104035)	(70.617)	678.777	(0.104035)	(70.617)	0.000	0.00
11 Green Enabling Mechanism	678.777	0.000000	0.000	678.777	0.000000	0.000	0.000	0.00
12 Facilities Charges			0.000			0.000	0.000	0.00
13 Minimum			0.000			0.000	0.000	0.00
14 Miscellaneous			(13.010)			(13.010)	0.000	0.00
15 Delivery Subtotal	678.777		\$391.956	678.777		\$392.297	\$0.341	0.09
16 Unbilled Delivery			0.000			0.000	0.000	0.00
17 Delivery Subtotal w unbilled			\$391.956			\$392.297	\$0.341	0.09
18								
<b>Supply</b>								
20 BGSS	678.777	0.532237	\$361.270	678.777	0.532237	\$361.270	\$0.000	0.00
21 Emergency Sales Service	0.000	0.000000	0.000	0.000	0.000000	0.000	0.000	0.00
22 BGSS Contrib. from TSG-F, TSG-NF & CIG	0.000	0.000000	0.000	678.777	(0.000015)	(0.010)	(0.010)	0.00
23 Miscellaneous			131.390			131.390	0.000	0.00
24 Supply Subtotal	678.777		\$492.660	678.777		\$492.650	(\$0.010)	0.00
25 Unbilled Supply			246.330			246.325	(0.005)	0.00
26 Supply Subtotal w unbilled			\$738.990			\$738.975	(\$0.015)	0.00
27								
28 Total Delivery + Supply	678.777		\$1,130.946	678.777		\$1,131.272	\$0.326	0.03
29								
30								
31								
32 Notes:								
33 All customers assumed to be on BGSS.								
34 SLG units and revenues shown to 3 decimals.								
35 Annualized Weather Normalized Revenue reflects Delivery rates in effect 4/1/2019								
36 plus applicable BGSS charges.								

Schedule SS-GSMP-5

**RATE SCHEDULE CIG**  
**COGENERATION INTERRUPTIBLE SERVICE**  
**GSMP I**  
(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	<u>Units</u> (1)	<u>Rate</u> (2)	<u>Revenue</u> (3=1*2)	<u>Units</u> (4)	<u>Rate</u> (5)	<u>Revenue</u> (6=4*5)	<u>Revenue</u> (7=6-3)	<u>Percent</u> (8=7/3)
<b><u>Delivery</u></b>								
1 Service Charge	0.166	166.28	\$28	0.166	168.40	\$28	\$0	0.00
2 Margin 0-600,000	32,835	0.074642	2,451	32,835	0.075567	2,481	30	1.22
3 Margin over 600,000	8,232	0.064642	532	8,232	0.065567	540	8	1.50
4 Extended Gas Service	0	0.150000	0	0	0.150000	0	0	0.00
5 SBC	41,067	0.045724	1,878	41,067	0.045724	1,878	0	0.00
6 Green Programs Recovery Charge	41,067	0.005014	206	41,067	0.005014	206	0	0.00
7 Tax Adjustment Credit	41,067	(0.010966)	(450)	41,067	(0.010966)	(450)	0	0.00
8 Green Enabling Mechanism	41,067	0.000000	0	41,067	0.000000	0	0	0.00
9 Facilities Charges			0			0	0	0.00
10 Minimum			0			0	0	0.00
11 Miscellaneous			0			0	0	0.00
12 Delivery Subtotal	41,067		\$4,645	41,067		\$4,683	\$38	0.82
13 Unbilled Delivery			(32)			(32)	0	0.00
14 Delivery Subtotal w unbilled			\$4,613			\$4,651	\$38	0.82
15								
<b><u>Supply</u></b>								
17 Commodity Component	41,067	0.339689	\$13,950	41,067	0.339689	\$13,950	\$0	0.00
18 Pilot Use	1,249	1.89	2,361	1,249	1.89	2,361	0	0.00
19 Penalty Use	0		0	0		0	0	0.00
20 Extended Gas Service	5		338	5		338	0	0.00
21 Miscellaneous			0			0	0	0.00
22 Supply Subtotal	42,321		\$16,649	42,321		\$16,649	\$0	0.00
23 Unbilled Supply			(70)			(70)	0	0.00
24 Supply Subtotal w unbilled			\$16,579			\$16,579	\$0	0.00
25								
26 Total Delivery + Supply	41,067		\$21,192	41,067		\$21,230	\$38	0.18
27								
28								
29								
30 Notes:								
31 All customers assumed to be on BGSS.								
32 Annualized Weather Normalized Revenue reflects Delivery rates in effect 4/1/2019								
33 plus applicable BGSS charges.								
34								

Schedule SS-GSMP-5

**RATE SCHEDULE TSG-F**  
**FIRM TRANSPORTATION GAS SERVICE**  
**GSMP I**

(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
<b>Delivery</b>								
1 Service Charge	0.494	689.62	\$340.672	0.494	702.81	\$347.188	\$6.516	1.91
2 Demand Charge	487	2.0476	997.181	487	2.0573	1,001.905	4.724	0.47
3 Demand Charge, Agreements	0	0.0000	0.000	0	0.0000	0.000	0.000	0.00
4 Distribution Charge	25,950	0.078269	2,031.081	25,950	0.078638	2,040.656	9.575	0.47
5 Distribution Charge, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
6 SBC	25,950	0.045724	1,186.538	25,950	0.045724	1,186.538	0.000	0.00
7 SBC, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
8 Margin Adjustment	25,950	(0.006338)	(164.471)	25,950	(0.006338)	(164.471)	0.000	0.00
9 Margin Adjustment, Agreements	0	(0.006338)	0.000	0	(0.006338)	0.000	0.000	0.00
10 Green Programs Recovery Charge	25,950	0.005014	130.113	25,950	0.005014	130.113	0.000	0.00
11 Green Programs Recovery Charge, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
12 Tax Adjustment Credit	25,950	(0.020566)	(533.688)	25,950	(0.020566)	(533.688)	0.000	0.00
13 Green Enabling Mechanism	25,950	0.000000	0.000	25,950	0.000000	0.000	0.000	0.00
14 Facilities Charges			0.000			0.000	0.000	0.00
15 Minimum			0.000			0.000	0.000	0.00
16 Miscellaneous			(54.034)			(54.035)	(0.001)	0.00
17 Delivery Subtotal	25,950		3,933.392	25,950		3,954.206	20.814	0.53
18 Unbilled Delivery			35.093			35.279	0.186	0.53
19 Delivery Subtotal w unbilled			3,968.485			3,989.485	21.000	0.53
20								
<b>Supply</b>								
22 Commodity Charge, BGSS-F	25,950	0.527553	\$13,690.000	25,950	0.527553	\$13,690.000	\$0.000	0.00
23 Emergency Sales Service	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
24 Miscellaneous			0.000			0.000	0.000	0.00
25 Supply Subtotal	25,950		\$13,690.000	25,950		\$13,690.000	\$0.000	0.00
26 Unbilled Supply			0.000			0.000	0.000	0.00
27 Supply Subtotal w unbilled			\$13,690.000			\$13,690.000	\$0.000	0.00
28								
29 Total Delivery + Supply	25,950		\$17,658.485	25,950		\$17,679.485	\$21.000	0.12
30								
31								
32								

Notes:

All customers assumed to be on BGSS.

TSG-F revenues shown to 3 decimals.

Annualized Weather Normalized Revenue reflects Delivery rates in effect 4/1/2019

plus applicable BGSS charges.

Schedule SS-GSMP-5

**RATE SCHEDULE TSG-NF**  
**NON-FIRM TRANSPORTATION GAS SERVICE**  
**GSMP I**  
(Terms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	<u>Units</u> (1)	<u>Rate</u> (2)	<u>Revenue</u> (3=1*2)	<u>Units</u> (4)	<u>Rate</u> (5)	<u>Revenue</u> (6=4*5)	<u>Revenue</u> (7=6-3)	<u>Percent</u> (8=7/3)
<b><u>Delivery</u></b>								
1 Service Charge	2.218	689.62	\$1,530	2.218	702.81	\$1,559	\$29	1.90
2 Dist Charge 0-50,000	99,839	0.083251	8,312	99,839	0.084237	8,410	98	1.18
3 Dist Charge 0-50,000, Agreements	600	0.023333	14	600	0.023333	14	0	0.00
4 Dist Charge over 50,000	67,427	0.083251	5,613	67,427	0.084237	5,680	67	1.19
5 Dist Charge over 50,000, Agreements	11,318	0.023502	266	11,318	0.023502	266	0	0.00
6 SBC	167,266	0.045724	7,648	167,266	0.045724	7,648	0	0.00
7 SBC, Agreements	11,918	0.042876	511	11,918	0.042876	511	0	0.00
8 Green Programs Recovery Charge	167,266	0.005014	839	167,266	0.005014	839	0	0.00
9 Green Programs Recovery Charge, Agreements	11,918	0.005370	64	11,918	0.005370	64	0	0.00
10 Tax Adjustment Credit	167,266	(0.009043)	(1,513)	167,266	(0.009043)	(1,513)	0	0.00
11 Green Enabling Mechanism	167,266	0.000000	0	167,266	0.000000	0	0	0.00
12 Facilities Charges			5			5	0	0.00
13 Minimum			0			0	0	0.00
14 Miscellaneous			(277)			(277)	0	0.00
15 Delivery Subtotal	179,184		\$23,012	179,184		\$23,206	\$194	0.84
16 Unbilled Delivery			(7,743)			(7,808)	(65)	0.84
17 Delivery Subtotal w unbilled			\$15,269			\$15,398	\$129	0.84
18								
<b><u>Supply</u></b>								
20 Commodity Charge, BGSS-I	179,184	0.496216	\$88,914	179,184	0.496216	\$88,914	\$0	0.00
21 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
22 Pilot Use	26	1.890000	49	26	1.890000	49	0	0.00
23 Penalty Use	19	0.526316	10	19	0.526316	10	0	0.00
24 Miscellaneous			2			2	0	0.00
25 Supply Subtotal	179,229		\$88,975	179,229		\$88,975	\$0	0.00
26 Unbilled Supply			(3,010)			(3,010)	0	0.00
27 Supply Subtotal w unbilled			\$85,965			\$85,965	\$0	0.00
28								
29 Total Delivery + Supply	179,184		\$101,234	179,184		\$101,363	\$129	0.13
30								
31								
32								
33 Notes:								
34 All customers assumed to be on BGSS.								
35 Annualized Weather Normalized Revenue reflects Delivery rates in effect 4/1/2019								
36 plus applicable BGSS charges.								

Schedule SS-GSMP-5

**RATE SCHEDULE CSG  
CONTRACT SERVICES  
GSMP I**

(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
<b>Delivery</b>								
1 Service Charge - Power	0.0800	689.62	\$55	0.0800	702.81	\$56	\$1	1.82
2 Service Charge - Power- Non Firm	0.0120	689.62	8	0.0120	702.81	8	0	0.00
3 Service Charge - Other	0.1090	689.62	75	0.1090	702.81	77	2	2.67
4 Distribution Charge - Power	599,445	0.006051	3,627	599,445	0.006051	3,627	0	0.00
5 Distribution Charge - Power- Non Firm	4,755	0.083251	396	4,755	0.084237	401	5	1.26
6 Distribution Charge - Other	185,648	0.011904	2,210	185,648	0.011904	2,210	0	0.00
7 Maintenance - Power	599,445	0.000142	85	599,445	0.000142	85	0	0.00
8 Maintenance - Power- Non Firm	4,755	0.000000	0	4,755	0.000000	0	0	0.00
9 Maintenance - Other	185,648	0.000113	21	185,648	0.000113	21	0	0.00
10 Pilot Use	0	0.000000	0	0	0.000000	0	0	0.00
11 Penalty Use	0	0.000000	0	0	0.000000	0	0	0.00
Balancing Charge (applicable only if customer uses BGSS-F)	0	0.000000	0	0	0.000000	0	0	0.00
13 SBC	789,848	0.045724	980	789,848	0.045724	980	0	0.00
14 Green Programs Recovery Charge	789,848	0.005014	149	789,848	0.005014	149	0	0.00
15 Tax Adjustment Credit	789,848	(0.001285)	(1,015)	789,848	(0.001285)	(1,015)	0	0.00
16 Green Enabling Mechanism	789,848	0.000000	0	789,848	0.000000	0	0	0.00
17 Facilities Chg.			840			840	0	0.00
18 Minimum			271			271	0	0.00
19 Sales Tax Discount - Delivery			(428)			(428)	0	0.00
20 Misc.			300			300	0	0.00
21 Delivery Subtotal	789,848		7,574	789,848		7,582	8	0.11
22 Unbilled Delivery			(90)			(90)	0	0.00
23 Delivery Subtotal w/ Unbilled	789,848		7,484	789,848		7,492	8	0.11
<b>Supply</b>								
26 BGSS-Firm - Power	0	0.000000	0	0	0.000000	0	0	0.00
27 BGSS-Firm - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
28 BGSS-Firm - Other	0	0.000000	0	0	0.000000	0	0	0.00
29								
30 BGSS-Interruptible - Power	0	0.000000	0	0	0.000000	0	0	0.00
31 BGSS-Interruptible - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
32 BGSS-Interruptible - Other	0	0.000000	0	0	0.000000	0	0	0.00
33								
34 Emergency Sales Svc. - Power	0	0.000000	0	0	0.000000	0	0	0.00
35 Emergency Sales Svc. - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
36 Emergency Sales Svc - Other	0	0.000000	0	0	0.000000	0	0	0.00
37								
38 Pilot Use	26	1.89	49	26	1.89	49	0	0.00
39 Penalty Use	0	0.000000	0	0	0.000000	0	0	0.00
40 Misc.	19		0	19		0	0	0.00
41 Supply Subtotal	45		49	45		49.140	0	0.00
42 Unbilled Supply	0		0	0		0	0	0.00
43 Supply Subtotal w/ Unbilled	45		49	45		49.140	0	0.00
44								
45 <b>Total Delivery &amp; Supply</b>	789,893		7,533	789,893		7,541	8.00	0.11

Schedule SS-GSMP-5

Gas Tariff Rates

		<u>Present</u>		<u>Proposed</u>	
<u>Rate Schedule</u>		<u>Charge</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>
		<u>without/SUT</u>	<u>Including SUT</u>	<u>without/SUT</u>	<u>Including SUT</u>
<b>RSG</b>	Service Charge	\$8.08	\$8.62	\$8.08	\$8.62
	Distribution Charges	\$0.345322	\$0.368200	\$0.351575	\$0.374867
	Balancing Charge	\$0.096436	\$0.102825	\$0.096436	\$0.102825
	Off-Peak Use	\$0.172661	\$0.184100	\$0.175788	\$0.187434
<b>GSG</b>	Service Charge	\$14.50	\$15.46	\$14.78	\$15.76
	Distribution Charge - Pre July 14, 1997	\$0.280009	\$0.298560	\$0.283344	\$0.302116
	Distribution Charge - All Others	\$0.280009	\$0.298560	\$0.283344	\$0.302116
	Balancing Charge	\$0.096436	\$0.102825	\$0.096436	\$0.102825
	Off-Peak Use Dist Charge - Pre July 14, 1997	\$0.140005	\$0.149280	\$0.141672	\$0.151058
	Off-Peak Use Dist Charge - All Others	\$0.140005	\$0.149280	\$0.141672	\$0.151058
<b>LVG</b>	Service Charge	\$128.76	\$137.29	\$131.22	\$139.91
	Demand Charge	\$3.9207	\$4.1804	\$3.9317	\$4.1922
	Distribution Charge 0-1,000 pre July 14, 1997	\$0.039047	\$0.041634	\$0.040325	\$0.042997
	Distribution Charge over 1,000 pre July 14, 1997	\$0.042397	\$0.045206	\$0.042209	\$0.045005
	Distribution Charge 0-1,000 post July 14, 1997	\$0.039047	\$0.041634	\$0.040325	\$0.042997
	Distribution Charge over 1,000 post July 14, 1997	\$0.042397	\$0.045206	\$0.042209	\$0.045005
<b>SLG</b>	Balancing Charge	\$0.096436	\$0.102825	\$0.096436	\$0.102825
	Single-Mantle Lamp	\$13.2351	\$14.1119	\$13.2351	\$14.1119
	Double-Mantle Lamp, inverted	\$13.2351	\$14.1119	\$13.2351	\$14.1119
	Double Mantle Lamp, upright	\$13.2351	\$14.1119	\$13.2351	\$14.1119
	Triple-Mantle Lamp, prior to January 1, 1993	\$13.2351	\$14.1119	\$13.2351	\$14.1119
	Triple-Mantle Lamp, on and after January 1, 1993	\$67.4762	\$71.9465	\$67.4762	\$71.9465
	Distribution Therm Charge	\$0.045455	\$0.048466	\$0.045957	\$0.049002

**Gas Tariff Rates**

		<b><u>Present</u></b>	<b><u>Charge Including SUT</u></b>	<b><u>Proposed</u></b>	<b><u>Charge Including SUT</u></b>
<b>TSG-F</b>	Service Charge	\$689.62	\$735.31	\$702.81	\$749.37
	Demand Charge	\$2.0476	\$2.1833	\$2.0573	\$2.1936
	Distribution Charges	\$0.078269	\$0.083454	\$0.078638	\$0.083848
<b>TSG-NF</b>	Service Charge	\$689.62	\$735.31	\$702.81	\$749.37
	Distribution Charge 0-50,000	\$0.083251	\$0.088766	\$0.084237	\$0.089818
	Distribution Charge over 50,000	\$0.083251	\$0.088766	\$0.084237	\$0.089818
	Special Provision (d)	\$1.89	\$2.02	\$1.89	\$2.02
<b>CIG</b>	Service Charge	\$166.28	\$177.30	\$168.40	\$179.56
	Distribution Charge 0-600,000	\$0.074642	\$0.079587	\$0.075567	\$0.080573
	Distribution Charge over 600,000	\$0.064642	\$0.068925	0.065567	\$0.069911
	Special Provision (c) 1st para	\$1.89	\$2.02	\$1.89	\$2.02
<b>BGSS RSG</b>	Commodity Charge including Losses	\$0.327371	\$0.349059	\$0.327337	\$0.349023
<b>CSG</b>	Service Charge	\$689.62	\$735.31	\$702.81	\$749.37
	Distribution Charge - Non-Firm	\$0.083251	\$0.088766	\$0.084237	\$0.089818



## TYPICAL RESIDENTIAL GAS BILL IMPACTS

The effect of the proposed change in the gas base rate on typical residential gas bills, if approved by the Board, is illustrated below:

<b>Residential Gas Service</b>					
If Your Monthly Winter Therm Use Is:	And Your Annual Therm Use Is:	Then Your Present Annual Bill (1) Would Be:	And Your Proposed Annual Bill (2) Would Be:	Your Annual Bill Change Would Be:	And Your Percent Change Would Be:
25	170	\$229.77	\$230.85	\$1.08	0.47%
50	340	356.00	358.30	2.30	0.65
100	610	566.34	570.36	4.02	0.71
159	1,000	861.59	868.23	6.64	0.77
172	1,040	893.03	899.89	6.86	0.77
200	1,210	1,021.76	1,029.80	8.04	0.79
300	1,816	1,481.74	1,493.80	12.06	0.81

(1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect April 1, 2019 and assumes that the customer receives commodity service from Public Service.

(2) Same as (1) except includes change for Gas System Modernization Program Base Rate Adjustments.

<b>Residential Gas Service</b>					
If Your Annual Therm Use Is:	And 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:
170	25	\$27.93	\$28.09	\$0.16	0.57%
340	50	47.21	47.54	0.33	0.70
610	100	87.05	87.71	0.66	0.76
1,040	172	143.56	144.70	1.14	0.79
1,210	200	165.48	166.80	1.32	0.80
1,816	300	243.92	245.91	1.99	0.82

(3) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect April 1, 2019 and assumes that the customer receives commodity service from Public Service.

(4) Same as (3) except includes change for Gas System Modernization Program Base Rate Adjustments.

# NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY GAS CUSTOMERS

## In The Matter of the Petition of Public Service Electric and Gas Company for Approval of Gas Base Rate Adjustments Pursuant to its Gas System Modernization Program (April 2019 GSMP Rate Filing)

### Notice of Filing and Notice of Public Hearings

#### Docket No. XXXXXXXXXX

**TAKE NOTICE** that, on April 30, 2019, Public Service Electric and Gas Company (Public Service, PSE&G, the Company) filed a Petition and supporting documentation with the New Jersey Board of Public Utilities (Board, BPU) seeking Board approval for gas base rate changes to provide for cost recovery associated with the Company's Gas System Modernization Program (GSMP or the Program).

On November 16, 2015 the Board issued an Order (November 2015 Order) approving the Program in Docket No. GR15030272. The November 2015 Order provided approval to invest up to \$650 million to be recovered through base rate adjustments in order to replace PSE&G's utilization pressure cast iron (UPCI) mains, unprotected steel mains and associated services. The Program also includes uprating of the UPCI segments to higher pressure including the installation of excess flow valves and the elimination of district regulators. These infrastructure investments will address high risk areas and accelerate repairs and replacement efforts. The Company now seeks recovery of costs incurred as part of this Program.

These investments are anticipated to be made over a three-year period beginning on January 1, 2016 with investments beyond those approved to be considered for recovery through a future base rate case.

Under the Company's proposal, PSE&G seeks Board approval to recover in base rates an estimated annual revenue increase. The requested increase is associated with approximately \$11.6 million in Program investments through June 30, 2018.

For illustrative purposes the estimated base rates effective October 1, 2019 including New Jersey Sales and Use Tax (SUT) for Residential Rate Schedules RSG is shown in Table #1.

Table #2 provides customers with the approximate impact of the proposed increase in rates relating to the Gas System Modernization Program, if approved by the Board. The annual percentage increase applicable to specific customers will vary according to

the applicable rate schedule and the level of the customer's usage.

Under the Company's proposal, a residential gas heating customer using 100 therms per month during the winter months and 610 therms on an annual basis would see an initial increase in the annual bill from \$566.34 to \$570.36, or \$4.02 or approximately 0.71%. Also, a typical residential gas heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis would see an initial increase in the annual bill from \$893.03 to \$899.89, or \$6.86 or approximately 0.77%. The approximate effect of the proposed gas base rate change on typical gas residential monthly bills, if approved by the Board, is illustrated in Table # 3.

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 filing may be modified and/or allocated by the Board in accordance with the provisions of N.J.S.A 48:2-21 and for other good and legally sufficient reasons to any class or classes of customers of the Company. Therefore, the described charges may increase or decrease based upon the Board's decision.

Copies of the Company's filing are available for review at the Company's Customer Service Centers (addresses located here: <https://nj.pseg.com/customerservicelocations>), online at the PSEG website at <http://www.pseg.com/pseandgfilings>, and at the Board of Public Utilities at 44 South Clinton Avenue, 2<sup>nd</sup> Floor, Trenton, New Jersey 08625-0350. Any member of the public who wants to inspect the petition at the Board may contact the Board's Division of Case Management at (609) 292-0806 to schedule an appointment.

The following dates, times and locations for public hearings have been scheduled on the Company's filing so that members of the public may present their views. Information provided at the public hearings will become part of the record of this case and will be considered by the Board in making its decision.

**Date 1, 2019****Time 1**

Location 1

Room 1

Address 1

Overflow Address 1

City 1, N.J. Zip Code 1

**Date 2, 2019****Time 2**

Location 2

Room 2

Address 2

Overflow Address 2

City 2, N.J. Zip Code 2

**Date 3, 2019****Time 3**

Location 3

Room 3

Address 3

Overflow Address 3

City 3, N.J. Zip Code 3

In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, including interpreters, listening devices or mobility assistance, 48 hours prior to the above hearings.

Customers may also file written comments with the Secretary of the Board of Public Utilities at 44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314, P.O. Box 350, Trenton, New Jersey, 08625-0350 ATTN: Secretary Aida Camacho-Welch whether or not they attend the public hearings.

**Table # 1**  
**BASE RATES**  
**For Residential RSG Customers**  
**Rates if Effective October 1, 2019**

Rate Schedule			Base Rates	
			Charges in Effect April 1, 2019 Including SUT	Estimated Charges Including SUT
RSG	Service Charge	per month	\$8.62	\$8.62
	Distribution Charge	\$/Therm	0.368200	0.374867
	Off-Peak Use	\$/Therm	0.184100	0.187434
	Basic Gas Supply Service-RSG (BGSS-RSG) (Rate shown excludes BGSS-RSG Bill Credit for Nov-Mar usage)	\$/Therm	0.349059	0.349023

**Table # 2**  
**Proposed Percentage Change in Revenue**  
**by Customer Class For Gas Service**  
**For Rates if Effective October 1, 2019**

	Rate Class	Percent Change
Residential Service	RSG	0.76
General Service	GSG	0.50
Large Volume Service	LVG	0.14
Street Lighting Service	SLG	0.03
Firm Transportation Gas Service	TSG-F	0.12
Non-Firm Transportation Gas Service	TSG-NF	0.13
Cogeneration Interruptible Service	CIG	0.18
Contract Services	CSG	0.11
Overall		0.52

The percent increases noted above are based upon April 1, 2019 Delivery Rates, the applicable Basic Gas Supply Service (BGSS) charges, and assumes that customers receive commodity service from Public Service Electric and Gas Company.

**Table # 3**  
**Residential Gas Service For Rates if Effective October 1, 2019**

<b>If Your Annual Therm Use Is:</b>	<b>And Your Monthly Winter Therm Use Is:</b>	<b>Then Your Present Monthly Winter Bill (1) Would Be:</b>	<b>And Your Proposed Monthly Winter Bill (2) Would Be:</b>	<b>Your Monthly Winter Bill Change Would Be:</b>	<b>And Your Monthly Percent Change Would Be:</b>
170	25	\$27.93	\$28.09	\$0.16	0.57%
340	50	47.21	47.54	0.33	0.70
610	100	87.05	87.71	0.66	0.76
1,040	172	143.56	144.70	1.14	0.79
1,210	200	165.48	166.80	1.32	0.80
1,816	300	243.92	245.91	1.99	0.82

- (1) Based upon Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect April 1, 2019 and assumes that the customer receives commodity service from Public Service.
- (2) Same as (1) except includes change for GSMP Base Rate Adjustments.

**Danielle Lopez, Esq.**  
**Assistant General Regulatory Counsel**

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**ATTACHMENT 4****PUBLIC SERVICE ELECTRIC AND GAS COMPANY****INCOME ACCOUNT**

	<u>YTD 2018 *</u> <u>'(\$000)</u>
400 Electric Operating Revenues	3,149,850
Electric Operating Expenses:	
401 Operation Expense	2,195,136
402 Maintenance Expense	125,949
403 Depreciation Expense	271,664
404 Amortization of Limited Term Plant	12,105
407 Amortization of Property Losses	24,866
408.1 Taxes Other Than Income Taxes	23,558
409.1 Income Taxes - Federal	(18,262)
410.1 Provision for Deferred Income Taxes	918,677
411.1 Provision for Deferred Income Taxes - Credit	(793,364)
411.103 Accretion Expense-Electric	0
411.4 Investment Tax Credit Adjustments (Net)	(8,528)
Total Electric Utility Operating Expenses	<u>2,751,800</u>
Electric Utility Operating Income	<u>\$ 398,050</u>

\* Electric Distribution only

	<u>YTD 2018</u>
400 Gas Operating Revenues	1,790,946
Gas Operating Expenses:	
401 Operation Expense	1,197,349
402 Maintenance Expense	37,620
403 Depreciation Expense	151,969
404 Amortization of Limited Term Plant	9,446
407 Amortization of Property Losses	35,044
407.3 Amortization of Excess cost of removal	19,621
407.4 Amortization of Excess cost of removal	0
408.1 Taxes Other Than Income Taxes	19,175
409.1 Income Taxes - Federal	(37,249)
410.1 Provision for Deferred Income Taxes	1,369,818
411.1 Provision for Deferred Income Taxes - Cr	(1,284,180)
411.4 Investment Tax Credit Adjustments (Net)	(832)
Total Gas Utility Operating Expenses	<u>1,517,781</u>
Gas Utility Operating Income	<u>\$ 273,165</u>
Net Utility Operating Income	<u>\$ 671,215</u>

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY****BALANCE SHEET****\$ (In Thousands)****Dec 31, 2018**

## Assets and Other Debits

## Utility Plant

## Electric Utility Plant

101	Electric Utility Plant in Service	\$	18,387,991
103	Electric Experimental Plant Unclassified		-
105	Electric Utility Plant Held for Future Use		19,409
106	Electric Completed Construction not classified- Electric		3,555,623
107	Electric Construction Work in Progress		1,155,960
	Total Electric Utility Plant		23,118,984

## Gas Utility Plant

101	Gas Utility Plant in Service	\$	8,040,321
103	Gas Experimental Plant Unclassified		-
105	Gas Utility Plant Held for Future Use		96
106	Gas Completed Construction not classified		86,011
107	Gas Construction Work in Progress		13,317
	Total Gas Utility Plant		8,139,745

## Common Utility Plant

101	Common Utility Plant in Service	\$	435,766
106	Common Completed Construction not classified		8,527
107	Common Construction Work in Progress		17,345
	Total Common Utility Plant		461,638

## Total Utility Plant

31,720,368

## Accumulated Provisions for Depreciation and Amortization of

## Electric Utility Plant

108 & 111	Electric Utility Plant in Service	(3,636,440)
108.5	Electric Utility Plant Held for Future Use	-
	Total Electric Utility Plant	(3,636,440)

## Gas Utility Plant

108 & 111	Gas Utility Plant in Service	(2,292,658)
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## Common Utility Plant

108 & 111	Common Utility Plant in Service	(175,530)
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Total Accumulated Provisions for  
Depreciation and Amortization  
of Utility Plant

(6,104,628)

## Net Utility Plant Excluding Nuclear Fuel

25,615,739

## Nuclear Fuel

120.1	120.1	In Process	-
120.2	120.2	Materials and Assemblies Stock	-
120.3	120.3	In Reactor	-
120.4	120.4	Spent	-

## Accumulated Provisions for Amortization

120.5	120.5	Nuclear Fuel	-
		Net Nuclear Fuel	-
		Net Utility Plant	25,615,739

## Other Property and Investments

121	Nonutility Property	3,249
122	Accumulated Provision for Depreciation & Amortization of Nonutility Property	(787)
123 & 123.1	Investments in Associated & Subsidiary Companies	45,354
124	Other Investments	269,679
125-8	Special Funds	44,647
175	Long-Term Portion of Derivative Assets	-
	Total Other Property and Investments	362,142

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY****BALANCE SHEET**Dec 31, 2018

## Current and Accrued Assets

131	Cash	\$	39,059
132-4	Special Deposits		21,115
135	Working Funds		-
136	Temporary Cash Investments		0
141-3	Notes and Accounts Receivable		953,611
144	Accumulated Provision for Uncollectible Accounts - Credit		(63,130)
145-6	Receivables from Associated Companies		141,675
151-5	Materials and Supplies (incl. 163)		195,921
158	Allowances		-
164	Gas Stored Underground - Current		-
165	Prepayments		10,177
171	Interest and Dividends Receivable		-
172	Rents Receivable		8,213
173	Accrued Utility Revenues		239,531
174	Miscellaneous Current and Accrued		2,689
175	Current Portion of Derivative Instrument Assets		-

Total Current and Accrued Assets	1,548,862
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## Deferred Debits

181	Unamortized Debt Expense	51,253
182	Unrec'd Plt and Reg Costs and Other Reg Assets	3,761,208
183	Preliminary Survey and Investigation Charges	24,463
184	Clearing Accounts	422
185	Temporary Facilities	-
186	Miscellaneous Deferred Debits	41,392
188	Research and Development Expenditures	-
189	Unamortized Loss on Reacquired Debt	48,561
190	Accumulated Deferred Income Taxes	995,947
	Total Deferred Debits	4,923,246

Total Assets and Other Debits	\$ 32,449,989
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**PUBLIC SERVICE ELECTRIC AND GAS COMPANY****BALANCE SHEET**Dec 31, 2018

## Liabilities and Other Credits

## Proprietary Capital

201	Common Stock Issued	\$	892,260
204	Preferred Stock Issued		-
207	Premium on Capital Stock		-
208	Donations from Stockholders		2,080,903
210	Gain on Resale or Cancellation of Required Capital Stock		-
211	Miscellaneous Paid-In Capital		-
215	Appropriated Retained Earnings		-
216	Unappropriated Retained Earnings		7,975,916
216.1	Unappropriated Undistributed Subsidiary Earnings		272
219	Other Comprehensive Income		(749)
	Total Proprietary Capital		<u>10,948,603</u>

## Long-Term Debt

221	221 Bonds		9,258,381
223	223 Advances from Assoc. Co.		-
225	225 Unamortized Premium on Long-Term Debt		-
226	226 Unamortized Discount on Long-Term Debt		(22,833)
	Total Long-Term Debt		<u>9,235,548</u>

## Other Non-Current Liabilities

227-9	Other Non-current Liabilities		914,471
244	Long-Term Portion of Derivative Instrument Liabilities		-
230	Asset Retirement Obligation		302,071
	Total Other Non-Current Liabilities		<u>1,216,542</u>

## Current and Accrued Liabilities

231	Notes Payable		271,560
232	Accounts Payable		713,326
233-4	Payables to Associated Companies		317,876
235	Customer Deposits		92,268
236	Taxes Accrued		3,095
237	Interest Accrued		95,752
238	Dividends Declared		-
239	Matured Long-Term Debt		-
241	Tax Collections Payable		365
242	Miscellaneous Current and Accrued Liabilities		491,748
243	Obligations Under Capital leases		-
244	Current Portion of Derivative Instrument Liabilities		-
	Total Current and Accrued Liabilities		<u>1,985,989</u>

## Deferred Credits

252	Customer Advances for Construction		44,890
253	Other Deferred Credits		369,566
254	Other Regulatory Liabilities		3,697,658
255	Accumulated Deferred Investment Tax Credits		131,884
281-3	Accumulated Deferred Income Taxes		4,819,309
	Total Deferred Credits		<u>9,063,307</u>

Total Liabilities and Other Credits	\$	<u><u>32,449,989</u></u>
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