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July 30, 2018

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
(July 2018 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 upwards and to the right.

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)
(JULY 2018 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 July 2018 for rates to be effective January 1, 2019.¹

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.

¹ Paragraph 19 of the Stipulation, through part c, 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.

...

c. Revenue Requirements associated with Program investments that are placed into service through and including 9/30/18 shall go into base rates effective 1/1/19. PSE&G shall make its initial filing for such rates in July 2018, and update such filing for actual data through September 30, 2018 by October 15, 2018. PSE&G shall by October 15, 2018 provide actual data on the "Stipulated Base" expenditures, showing actual expenditures through September 30, 2018, and projections through year end. PSE&G represents that, due to the uneven and seasonal nature of the gas distribution system investment process, the expenditures at September 30, 2018 may be less than nine twelfths of the required \$85 million annual Stipulated Base. PSE&G shall file data on actual 2018 Stipulated Base Expenditures no later than January 30, 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 September 30, 2018. The annualized increase in gas revenue requirement associated with those investment costs is approximately \$26.4 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 September 30, 2018, less investment already recovered in rates in prior GSMP ARM filings. The projected

amounts of plant placed in service from July 1, 2018 through September 30, 2018 will be updated for actual results by October 15, 2018.

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 latest approved gas Energy Strong Program rate adjustment. 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 September 30, 2018. 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 165 therms in a winter month and 1010 therms annually is an increase of \$14.66 or approximately 1.67%.

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 January 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

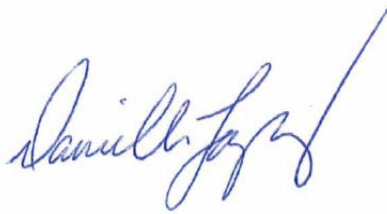
For all the foregoing reasons, PSE&G respectfully requests that the Board retain jurisdiction of this matter and review and expeditiously issue an order approving this Petition specifically finding that:

1. PSE&G is authorized to recover all costs identified herein associated with GSMP Program costs incurred through September 30, 2018, 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 January 1, 2019.

Respectfully submitted,

PUBLIC SERVICE ELECTRIC AND GAS COMPANY



DATED: July 30, 2018


By

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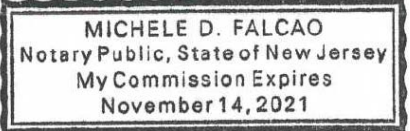
STATE OF NEW JERSEY)
COUNTY OF ESSEX)

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 30th day of
July 2018

PUBLIC SERVICE ELECTRIC AND GAS Minimum Filing Requirements – Gas System Modernization Program	
MINIMUM FILING REQUIREMENT(MFR)	LOCATION IN FILING
1. PSE&G's income statement for the most recent 12 month period, as filed with the BPU	Attachment 4
2. PSE&G's balance sheet for the most recent 12 month period, as filed with the BPU	Attachment 5
3. A calculation of the proposed rate adjustment based on details related to Program projects included in Plant in Service.	Attachment 2, Schedule SS-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 (July 2018 GSMP Rate Filing)**

BPU Docket No. _____

DIRECT TESTIMONY

OF

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

July 30, 2018

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

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 June 2018 the Company has replaced more than 245 miles of main and
17 approximately 21,000 services and abandoned 40 district regulators. The rate adjustments
18 in this filing are for recovery of costs associated with gas plant that is anticipated to be in
19 service by September 30, 2018 but has not been recovered in a prior GSMP ARM filing.
20 A breakdown of this work on investment proposed to be in rates is provided in the
21 monthly reports provided in Schedule WEM-GSMP-2.

1 The expenditures are listed in Schedule WEM-GSMP-3 and include actual
2 expenditures through June 30, 2018 and a forecast of gas capital expenditures from July
3 1, 2018 through September 30, 2018 associated with gas plant that is anticipated to be in
4 service by September 30, 2018.

5 To address the possibility that PSE&G may experience higher plant in service
6 amounts and/or higher expenditures than currently anticipated by September 30, 2018,
7 this forecast is inclusive of contingency for this rate filing. Pursuant to the GSMP
8 Order, PSE&G will update this filing with actual financial data through September 30,
9 2018 and adjust the rate impacts accordingly, by October 15, 2018. PSE&G's update
10 of this filing for actual data through September 30, 2018 will assure that only plant in-
11 service is included in rates implemented as a result of this filing.

12 With regard to the Program expenditures, PSE&G anticipates having a total of
13 288 miles of main installed and in-service on September 30, 2018. Some trailing work
14 associated with the main installed, such as service replacements, district regulator
15 abandonments and pavement restoration, may not be completed by that date. In
16 addition, while not included in the rates addressed in this filing, PSE&G anticipates
17 having 126 miles of main installed and in-service on December 31, 2018 in Stipulated
18 Base miles, exceeding the three year requirement of 110 miles as well as meeting or
19 exceeding the required investment of \$85 million for 2018.

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

2 **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.

Martin C. Rothfelder
Associate General Regulatory Counsel

Law Department
PSEG Services Corporation
80 Park Plaza – T5, Newark, New Jersey 07102-4194
tel : 973-430-6479 fax: 973-430-5983
email: martin.rothfelder@pseg.com



December 27, 2016

VIA E-MAIL AND FIRST CLASS MAIL

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
P.O. Box 350
Trenton, New Jersey 08625

**RE: GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
MONTHLY REPORT – OCTOBER 2016**

Dear Secretary Asbury:

Enclosed for filing are ten copies of this letter and its enclosures of Public Service Electric & Gas Company (PSE&G) to provide the monthly report for October, 2016 on the Gas System Modernization Program (GSMP).

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 on 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

Sincerely,

A handwritten signature in blue ink that reads "Martin C. Rothfelder".

C Via E-Mail Only:

Stefanie Brand
Paul Flanagan
Lisa Gurkas
Brian Lipman
Jerome May
Alex Moreau
Stacy Peterson
Bethany Rocque-Romaine
Robert Schultheis
Felicia Thomas-Friel
Caroline Vachier

**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.

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

2016 Oct YTD Budget	2016 Oct YTD Actual
\$ 75,646,979	\$ 94,131,185
\$ 39,225,857	\$ 22,185,985
\$ -	\$ 172,762
\$ 114,872,836	\$ 116,489,932

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

2016 Oct YTD Budget	2016 Oct YTD Actual
\$ 55,536,815	\$ 54,662,373
\$ 8,380,709	\$ 8,378,143
\$ -	\$ 680,431
\$ -	\$ 930,499
\$ 63,917,524	\$ 64,651,445

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	Oct YTD Actual Material \$	Oct YTD Actual Other \$	Oct YTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 7,010,499	\$ 87,120,686	\$ 94,131,185	\$ 94,131,185
Replacement Service	\$ 622,130	\$ 21,563,855	\$ 22,185,985	\$ 22,185,985
Regulator Elimination	\$ 6,423	\$ 166,339	\$ 172,762	\$ 172,762
Total	\$ 7,639,052	\$ 108,850,880	\$ 116,489,932	\$ 116,489,932

Expenditures Incurred To Date Stipulated Base Projects	Oct YTD Actual Material \$	Oct YTD Actual Other \$	Oct YTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 7,070,997	\$ 47,591,376	\$ 54,662,373	\$ 54,662,373
Replacement Service	\$ 202,427	\$ 8,175,716	\$ 8,378,143	\$ 8,378,143
Stipulated Meter Reconstruction	\$ 23,318	\$ 657,113	\$ 680,431	\$ 680,431
GSMP Meter Reconstruction	\$ 21,986	\$ 908,513	\$ 930,499	\$ 930,499
Total	\$ 7,318,728	\$ 57,332,717	\$ 64,651,445	\$ 64,651,445

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

REPORT DATE: OCTOBER 2016

2a - Description of projects

2c - Projected and actual miles of main installed

2d - Projected and actual number of services installed

	Project	Sub-Project	Units	Size Installed	Material Installed	Projected Quantity Jan 2016	Actual Quantity Jan 2016	Projected Quantity Feb 2016	Actual Quantity Feb 2016	Projected Quantity Mar 2016	Actual Quantity Mar 2016	Projected Quantity Apr 2016	Actual Quantity Apr 2016	Projected Quantity May 2016	Actual Quantity May 2016	Projected Quantity Jun 2016	Actual Quantity Jun 2016	SUBTOTAL Projected Quantity Jan-Jun 2016	SUBTOTAL Actual Quantity Jan-Jun 2016		
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	-	-	-	-	-	-	16,641	4,389	33,282	57,923	36,611	91,201	86,534	153,513		
				4"	Plastic	-	-	-	-	-	-	9,225	1,831	18,450	24,614	20,295	37,892	47,970	64,337		
				6"	Plastic	-	-	-	-	-	-	3,614	-	7,229	5,287	7,951	4,397	18,794	9,684		
				8"	Plastic	-	-	-	-	-	-	-	-	1,666	-	325	-	1,991	-		
				12"	Plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
				12"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
				16"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Replace Facilities Blanket	Replacement Main	Feet of Main	N/A	N/A	-	-	-	-	-	-	29,480	6,220	58,961	89,490	64,857	133,815	153,298	229,525		
	Replace Facilities Blanket	Replacement Service	Services Replaced	≤ 2"	Plastic	-	-	-	-	-	-	1	-	44	50	82	1,336	441	1,386	568	
				>2"	Plastic	-	-	-	-	-	-	-	-	-	-	-	1	-	1		
Replace Facilities Blanket	Replacement Service	Services Replaced	N/A	N/A	-	-	-	-	-	-	1	-	44	50	82	1,336	442	1,386	569		
Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-			-		-		-	-	-		
Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-			-		-		-	-	-		
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	-	-	-	200	-	-	2,650	7,911	5,300	8,860	5,829	7,584	13,779	24,555		
				4"	Plastic	-	-	-	-	-	-	1,065	3,549	4,013	7,097	8,150	7,807	7,626	18,453	20,854	
				6"	Plastic	-	-	-	-	-	-	745	908	968	1,816	572	1,998	-	4,722	2,285	
				8"	Plastic	-	-	-	-	-	-	1,130	-	540	-	700	-	4,751	-	7,121	
				8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
				12"	Plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
				12"	Steel	-	-	-	-	-	-	1,280	1,695	543	3,389	1,711	3,728	6,875	8,812	10,409	
				16"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	20"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	111	-	111			
	Replace Facilities Blanket	Replacement Main	Feet of Main	N/A	N/A	-	-	-	200	-	4,220	8,802	13,975	17,602	19,993	19,362	26,947	45,766	65,335		
	Replace Facilities Blanket	Replacement Service	Services Replaced	≤2"	Plastic	-	-	-	11	-	2	-	65	50	54	246	210	296	342		
				>2"	Plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Replace Facilities Blanket	Replacement Service	Services Replaced	N/A	N/A	-	-	-	11	-	2	-	65	50	54	246	210	296	342		
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-			-		-		-	-		
Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-			-		-		-	-			

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

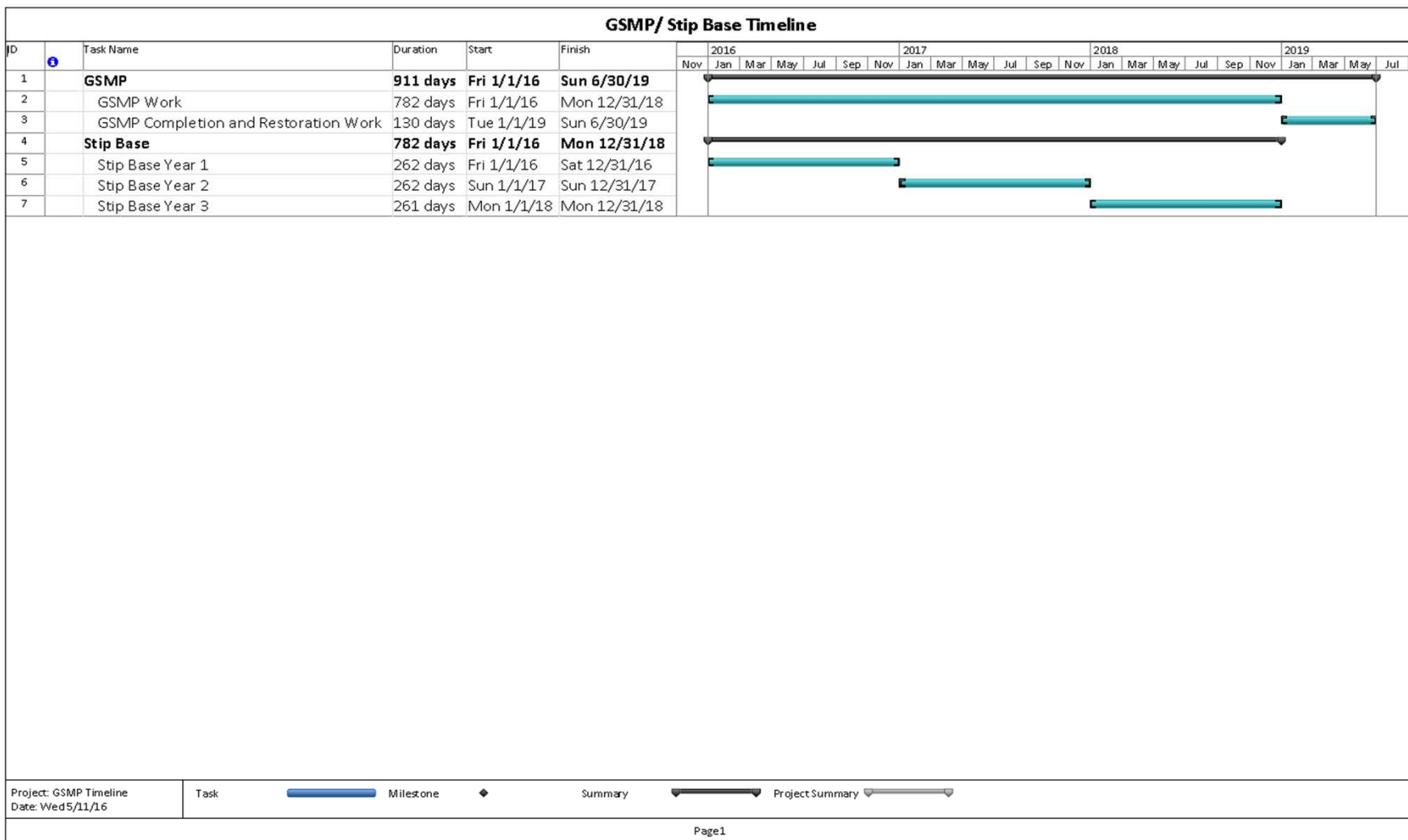
REPORT DATE: OCTOBER 2016

2a - Description of projects

2c - Projected and actual miles of main installed

2d - Projected and actual number of services installed

	Project	Sub-Project	Units	Size Installed	Material Installed	SUBTOTAL Projected Quantity Jan-Jun 2016	SUBTOTAL Actual Quantity Jan-Jun 2016	Projected Quantity Jul 2016	Actual Quantity Jul 2016	Projected Quantity Aug 2016	Actual Quantity Aug 2016	Projected Quantity Sep 2016	Actual Quantity Sep 2016	Projected Quantity Oct 2016	Actual Quantity Oct 2016	2016 Estimated Quantity	Quantity Completed 2016 Year To Date	Total Program Quantity Completed To Date
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	86,534	153,513	39,939	55,598	39,939	48,306	39,939	30,525	39,939	30,820	332,823	318,762	318,762
				4"	Plastic	47,970	64,337	22,140	22,535	22,140	29,037	22,140	16,941	22,140	18,196	184,496	151,046	151,046
				6"	Plastic	18,794	9,684	8,674	6,445	8,674	13,502	8,674	11,039	8,674	4,720	72,286	45,390	45,390
				8"	Plastic	-	1,991	4,000	-	8,000	2,385	8,000	51	4,185	2,212	24,185	6,639	6,639
				12"	Plastic	-	-	-	-	1,000	-	1,000	-	1,120	-	3,120	-	-
				12"	Steel	-	-	-	1,477	-	2,284	-	2,168	520	1,395	520	7,324	7,324
				16"	Steel	-	-	-	-	-	-	-	-	-	-	0	-	-
	Replace Facilities Blanket	Replacement Main	Feet of Main	N/A	N/A	153,298	229,525	74,753	86,055	79,753	95,514	79,753	60,724	76,578	57,343	617,430	529,161	529,161
	Replace Facilities Blanket	Replacement Service	Services Replaced	≤ 2"	Plastic	1,386	568	1,663	594	1,940	1,080	2,217	1,215	2,217	1,226	13,856	4,683	4,683
				>2"	Plastic	-	1	-	6	-	-	-	-	-	-	-	7	7
STIPULATED BASE	Replace Facilities Blanket	Replacement Service	Services Replaced	N/A	N/A	1,386	569	1,663	600	1,940	1,080	2,217	1,215	2,217	1,226	13,856	4,690	4,690
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	13,779	24,555	6,359	9,271	6,359	29,540	6,359	36,292	6,359	30,880	52,995	130,538	130,538
				4"	Plastic	18,453	20,854	8,517	6,928	8,517	14,529	8,517	24,363	8,517	15,710	70,971	82,384	82,384
				6"	Plastic	4,722	2,285	2,179	1,237	2,179	8,088	2,179	5,366	2,179	7,175	18,160	24,151	24,151
				8"	Plastic	-	7,121	3,000	1,232	3,000	5,382	3,020	1,158	-	1,188	9,020	16,081	16,081
				8"	Steel	-	-	-	-	-	-	50	-	-	-	50	-	-
				12"	Plastic	-	-	-	-	3,000	-	3,975	-	3,000	-	9,975	-	-
				12"	Steel	8,812	10,409	4,067	15,828	4,067	5,997	4,067	4,289	4,067	12,036	33,890	48,559	48,559
STIPULATED BASE				16"	Steel	-	-	-	435	-	30	-	1,390	4,000	4,670	13,325	6,525	6,525
				20"	Steel	-	111	-	-	-	-	-	-	-	-	60	111	111
	Replace Facilities Blanket	Replacement Main	Feet of Main	N/A	N/A	45,766	65,335	24,122	34,931	27,122	63,566	28,167	72,858	28,122	71,659	208,446	308,349	308,349
	Replace Facilities Blanket	Replacement Service	Services Replaced	≤ 2"	Plastic	296	342	356	93	415	501	474	397	474	712	2,964	2,045	2,045
				>2"	Plastic	-	-	-	10	-	-	-	-	83	-	283	10	10
	Replace Facilities Blanket	Replacement Service	Services Replaced	N/A	N/A	296	342	356	103	415	501	474	397	557	712	3,247	2,055	2,055
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	13,779	24,555	6,359	9,271	6,359	29,540	6,359	36,292	6,359	30,880	52,995	130,538	130,538
				4"	Plastic	18,453	20,854	8,517	6,928	8,517	14,529	8,517	24,363	8,517	15,710	70,971	82,384	82,384



Martin C. Rothfelder
Associate General Regulatory Counsel

Law Department
PSEG Services Corporation
80 Park Plaza – T5, Newark, New Jersey 07102-4194
tel : 973-430-6479 fax: 973-430-5983
email: martin.rothfelder@pseg.com



January 30, 2017

VIA E-MAIL AND OVERNIGHT MAIL

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
P.O. Box 350
Trenton, New Jersey 08625

**Re: GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
MONTHLY REPORT – NOVEMBER 2016**

Dear Secretary Asbury:

Enclosed for filing are ten copies of this letter and its enclosures of Public Service Electric & Gas Company (PSE&G) to provide the monthly report for November, 2016 on the Gas System Modernization Program (GSMP).

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 on 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 that reads "Martin C. Rothfelder".

C Via E-Mail Only:

Stefanie Brand
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Jerome May
Alex Moreau
Stacy Peterson
Bethany Rocque-Romaine
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Caroline Vachier

**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.

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

2016 Nov YTD Budget	2016 Nov YTD Actual
\$ 87,683,578	\$ 107,209,982
\$ 45,623,024	\$ 27,374,837
\$ -	\$ 234,322
\$ 133,306,602	\$ 134,819,141

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

2016 Nov YTD Budget	2016 Nov YTD Actual
\$ 64,470,637	\$ 68,632,992
\$ 9,721,215	\$ 10,816,739
\$ -	\$ 1,044,275
\$ -	\$ 1,102,049
\$ 74,191,852	\$ 81,596,054

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	Nov YTD Actual Material \$	Nov YTD Actual Other \$	Nov YTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 7,799,240	\$ 99,410,742	\$ 107,209,982	\$ 107,209,982
Replacement Service	\$ 747,036	\$ 26,627,801	\$ 27,374,837	\$ 27,374,837
Regulator Elimination	\$ 21,172	\$ 213,150	\$ 234,322	\$ 234,322
Total	\$ 8,567,448	\$ 126,251,693	\$ 134,819,141	\$ 134,819,141

Expenditures Incurred To Date Stipulated Base Projects	Nov YTD Actual Material \$	Nov YTD Actual Other \$	Nov YTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 8,522,920	\$ 60,110,072	\$ 68,632,992	\$ 68,632,992
Replacement Service	\$ 263,190	\$ 10,553,549	\$ 10,816,739	\$ 10,816,739
Stipulated Meter Reconstruction	\$ 38,712	\$ 1,005,563	\$ 1,044,275	\$ 1,044,275
GSMP Meter Reconstruction	\$ 25,759	\$ 1,076,290	\$ 1,102,049	\$ 1,102,049
Total	\$ 8,850,581	\$ 72,745,473	\$ 81,596,054	\$ 81,596,054

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

REPORT DATE: NOVEMBER 2016

2a - Description of projects

2c - Projected and actual miles of main installed

2d - Projected and actual number of services installed

	Project	Sub-Project	Units	Size Installed	Material Installed	Projected Quantity Jan 2016	Actual Quantity Jan 2016	Projected Quantity Feb 2016	Actual Quantity Feb 2016	Projected Quantity Mar 2016	Actual Quantity Mar 2016	Projected Quantity Apr 2016	Actual Quantity Apr 2016	Projected Quantity May 2016	Actual Quantity May 2016	Projected Quantity Jun 2016	Actual Quantity Jun 2016	SUBTOTAL Projected Quantity Jan-Jun 2016	SUBTOTAL Actual Quantity Jan-Jun 2016
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	-	-	-	-	-	-	16,641	4,389	33,282	57,923	36,611	91,201	86,534	153,513
				4"	Plastic	-	-	-	-	-	-	9,225	1,831	18,450	24,614	20,295	37,892	47,970	64,337
				6"	Plastic	-	-	-	-	-	-	3,614	-	7,229	5,287	7,951	4,397	18,794	9,684
				8"	Plastic	-	-	-	-	-	-	-	-	-	1,666	-	325	-	1,991
				12"	Plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				12"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				16"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Main	Feet of Main	N/A	N/A	-	-	-	-	-	-	29,480	6,220	58,961	89,490	64,857	133,815	153,298	229,525
	Replace Facilities Blanket	Replacement Service	Services Replaced	≤ 2"	Plastic	-	-	-	-	-	1	-	44	50	82	1,336	441	1,386	568
				>2"	Plastic	-	-	-	-	-	-	-	-	-	-	-	1	-	1
STIPULATED BASE	Replace Facilities Blanket	Replacement Service	Services Replaced	N/A	N/A	-	-	-	-	-	1	-	44	50	82	1,336	442	1,386	569
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-		-		-		-	-	-
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-		-		-		-	-	-
	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	-	-	-	200	-	-	2,650	7,911	5,300	8,860	5,829	7,584	13,779	24,555
				4"	Plastic	-	-	-	-	-	1,065	3,549	4,013	7,097	8,150	7,807	7,626	18,453	20,854
				6"	Plastic	-	-	-	-	-	745	908	968	1,816	572	1,998	-	4,722	2,285
				8"	Plastic	-	-	-	-	-	1,130	-	540	-	700	-	4,751	-	7,121
				8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				12"	Plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				12"	Steel	-	-	-	-	-	1,280	1,695	543	3,389	1,711	3,728	6,875	8,812	10,409
				16"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				20"	Steel	-	-	-	-	-	-	-	-	-	-	-	111	-	111
	Replace Facilities Blanket	Replacement Main	Feet of Main	N/A	N/A	-	-	-	200	-	4,220	8,802	13,975	17,602	19,993	19,362	26,947	45,766	65,335
STIPULATED BASE	Replace Facilities Blanket	Replacement Service	Services Replaced	≤ 2"	Plastic	-	-	-	11	-	2	-	65	50	54	246	210	296	342
				>2"	Plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Service	Services Replaced	N/A	N/A	-	-	-	11	-	2	-	65	50	54	246	210	296	342
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-		-		-		-	-	-
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-		-		-		-	-	-
	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	-	-	-	200	-	-	2,650	7,911	5,300	8,860	5,829	7,584	13,779	24,555
				4"	Plastic	-	-	-	-	-	1,065	3,549	4,013	7,097	8,150	7,807	7,626	18,453	20,854
				6"	Plastic	-	-	-	-	-	745	908	968	1,816	572	1,998	-	4,722	2,285
				8"	Plastic	-	-	-	-	-	1,130	-	540	-	700	-	4,751	-	7,121
				8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				12"	Plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				12"	Steel	-	-	-	-	-	1,280	1,695	543	3,389	1,711	3,728	6,875	8,812	10,409
				16"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				20"	Steel	-	-	-	-	-	-	-	-	-	-	-	111	-	111
	Replace Facilities Blanket	Replacement Main	Feet of Main	N/A	N/A	-	-	-	200	-	4,220	8,802	13,975	17,602	19,993	19,362	26,947	45,766	65,335
STIPULATED BASE	Replace Facilities Blanket	Replacement Service	Services Replaced	≤ 2"	Plastic	-	-	-	11	-	2	-	65	50	54	246	210	296	342
				>2"	Plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Service	Services Replaced	N/A	N/A	-	-	-	11	-	2	-	65	50	54	246	210	296	342
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-		-		-		-	-	-
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-		-		-		-	-	-
	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	-	-	-	200	-	-	2,650	7,911	5,300	8,860	5,829	7,584	13,779	24,555
				4"	Plastic	-	-	-	-	-	1,065	3,549	4,013	7,097	8,150	7,807	7,626	18,453	20,854
				6"	Plastic	-	-	-	-	-	745	908	968	1,816	572	1,998	-	4,722	2,285
				8"	Plastic	-	-	-	-	-	1,130	-	540	-	700	-	4,751	-	7,121
				8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				12"	Plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				12"	Steel	-	-	-	-	-	1,280	1,695	543	3,389	1,711	3,728	6,875	8,812	10,409
				16"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				20"	Steel	-	-	-	-	-	-	-	-	-	-	-	111	-	111
	Replace Facilities Blanket	Replacement Main	Feet of Main	N/A	N/A	-	-	-	200	-	4,220	8,802	13,975	17,602	19,993	19,362	26,947	45,766	65,335

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

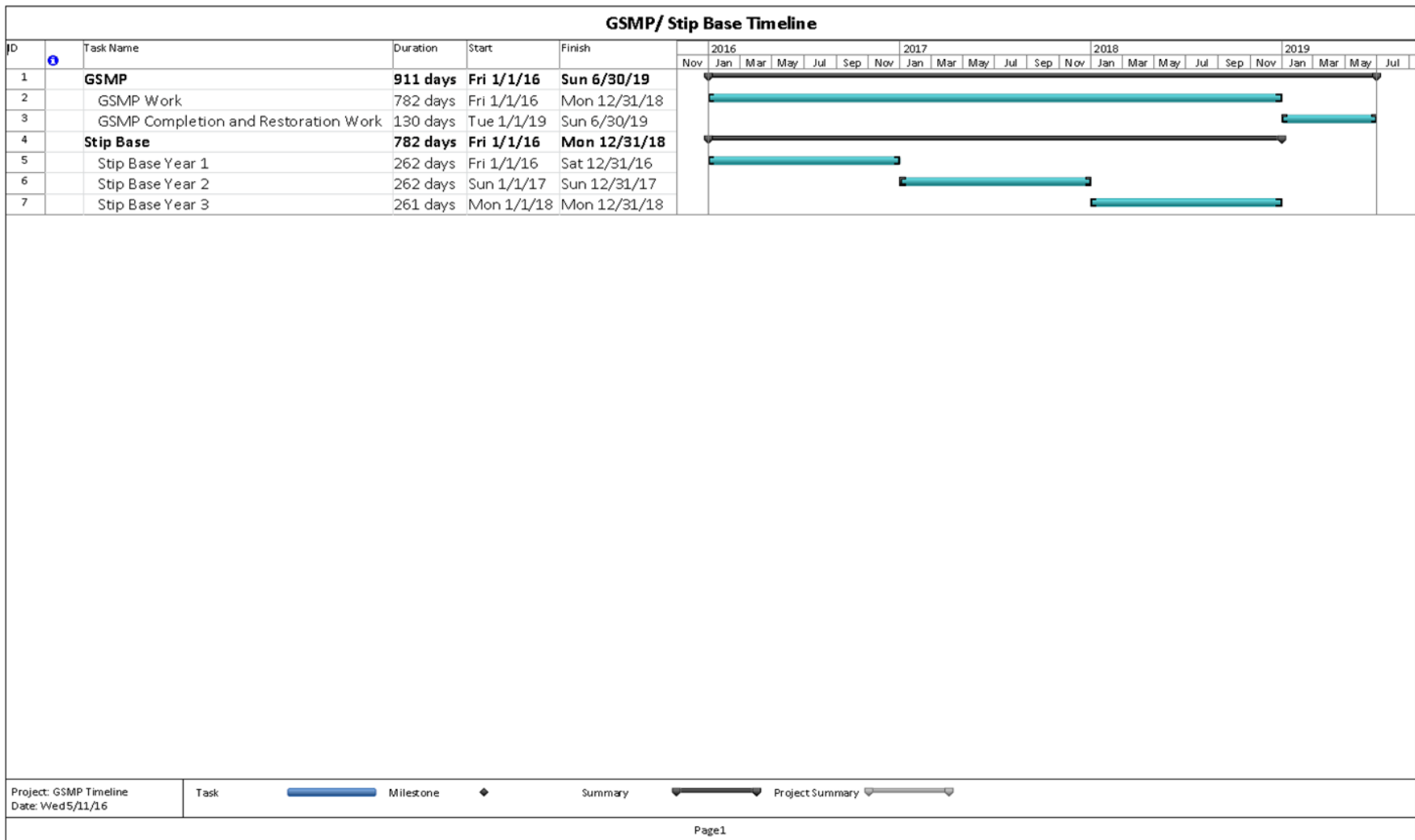
REPORT DATE: NOVEMBER 2016

2a - Description of projects

2c - Projected and actual miles of main installed

2d - Projected and actual number of services installed

	Project	Sub-Project	Units	Size Installed	Material Installed	Projected Quantity Jul 2016	Actual Quantity Jul 2016	Projected Quantity Aug 2016	Actual Quantity Aug 2016	Projected Quantity Sep 2016	Actual Quantity Sep 2016	Projected Quantity Oct 2016	Actual Quantity Oct 2016	Projected Quantity Nov 2016	Actual Quantity Nov 2016	2016 Estimated Quantity	Quantity Completed 2016 Year To Date	Total Program Quantity Completed To Date
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	39,939	55,598	39,939	48,306	39,939	30,525	39,939	30,820	43,267	26,765	332,823	345,527	345,527
				4"	Plastic	22,140	22,535	22,140	29,037	22,140	16,941	22,140	18,196	23,984	15,766	184,496	166,812	166,812
				6"	Plastic	8,674	6,445	8,674	13,502	8,674	11,039	8,674	4,720	9,397	10,214	72,286	55,604	55,604
				8"	Plastic	4,000	-	8,000	2,385	8,000	51	4,185	2,212	-	3,100	24,185	9,739	9,739
				12"	Plastic	-	-	1,000	-	1,000	-	1,120	-	-	-	3,120	-	-
				12"	Steel	-	1,477	-	2,284	-	2,168	-	520	1,395	-	520	7,324	7,324
	16"	Steel	-	-	-	-	-	-	-	-	-	-	0	-	-			
	Replace Facilities Blanket	Replacement Main	Feet of Main	N/A	N/A	74,753	86,055	79,753	95,514	79,753	60,724	76,578	57,343	76,648	55,845	617,430	585,006	585,006
	Replace Facilities Blanket	Replacement Service	Services Replaced	≤ 2"	Plastic	1,663	594	1,940	1,080	2,217	1,215	2,217	1,226	2,217	959	13,856	5,642	5,642
				>2"	Plastic	-	6	-	-	-	-	-	-	-	-	-	7	7
Replace Facilities Blanket	Replacement Service	Services Replaced	N/A	N/A	1,663	600	1,940	1,080	2,217	1,215	2,217	1,226	2,217	959	13,856	5,649	5,649	
Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-	-		-				-	-
Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-	-		-				-	-
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	6,359	9,271	6,359	29,540	6,359	36,292	6,359	30,880	6,889	7,955	52,995	138,493	138,493
				4"	Plastic	8,517	6,928	8,517	14,529	8,517	24,363	8,517	15,710	9,226	7,908	70,971	90,292	90,292
				6"	Plastic	2,179	1,237	2,179	8,088	2,179	5,366	2,179	7,175	2,361	6,788	18,160	30,939	30,939
				8"	Plastic	3,000	1,232	3,000	5,382	3,020	1,158	-	1,188	-	545	9,020	16,626	16,626
				8"	Steel	-	-	-	-	50	-	-	-	-	-	50	-	-
				12"	Plastic	-	-	3,000	-	3,975	-	3,000	-	-	-	9,975	-	-
				12"	Steel	4,067	15,828	4,067	5,997	4,067	4,289	4,067	12,036	4,406	7,248	33,890	55,807	55,807
				16"	Steel	-	435	-	30	-	1,390	4,000	4,670	4,000	2,653	13,325	9,178	9,178
	20"	Steel	-	-	-	-	-	-	-	-	-	60	60	111	111			
	Replace Facilities Blanket	Replacement Main	Feet of Main	N/A	N/A	24,122	34,931	27,122	63,566	28,167	72,858	28,122	71,659	26,942	33,097	208,446	341,446	341,446
	Replace Facilities Blanket	Replacement Service	Services Replaced	≤ 2"	Plastic	356	93	415	501	474	397	474	712	474	525	2,964	2,570	2,570
				>2"	Plastic	-	10	-	-	-	-	83	-	100	-	283	10	10
	Replace Facilities Blanket	Replacement Service	Services Replaced	N/A	N/A	356	103	415	501	474	397	557	712	574	525	3,247	2,580	2,580
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-	-		-				-
Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-	-		-				-	-





February 28, 2017

VIA E-MAIL AND FIRST CLASS MAIL

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625

**Re: GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
Monthly Report – December 2016
Quarterly Report on Activity Related to Department of Energy’s Quadrennial
Energy Review (“QER”)**

Dear Secretary Asbury:

Enclosed for filing are ten copies of this letter and its enclosures of Public Service Electric & Gas Company (PSE&G) to provide the monthly report for December, 2016 on the Gas System Modernization Program (GSMP).

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 on 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. Item 5, required in the calendar year end monthly report only, is also addressed in the attached materials.

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.

PSE&G hereby provides its report on the QER for the third and fourth quarters of 2016.

Irene Kim Asbury

- 2 -

February 28, 2016

During the third and fourth quarter 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 as part of the discussions of energy legislation. Both houses of Congress passed different version of a major energy bill (S. 2012), but no version of the bill passed both houses.

Very truly yours,



Martin C. Rothfelder

E-MAIL ONLY

Stefanie Brand
Paul Flanagan
Lisa Gurkas
Brian Lipman
Thomas Walker
Alex Moreau
Stacy Peterson
Bethany Rocque-Romaine
Robert Schultheis
Felicia Thomas-Friel
Caroline Vachier

**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.

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

2016 Dec YTD Budget	2016 Dec YTD Actual
\$ 100,296,796	\$ 123,509,287
\$ 52,403,204	\$ 35,114,813
\$ -	\$ 399,221
\$ 152,700,000	\$ 159,023,321

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

2016 Dec YTD Budget	2016 Dec YTD Actual
\$ 73,894,047	\$ 78,726,939
\$ 11,105,953	\$ 13,611,124
\$ -	\$ 1,127,257
\$ -	\$ 1,293,166
\$ 85,000,000	\$ 94,758,485

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	Dec YTD Actual Material \$	Dec YTD Actual Other \$	Dec YTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 8,464,602	\$ 115,044,685	\$ 123,509,287	\$ 123,509,287
Replacement Service	\$ 852,556	\$ 34,262,257	\$ 35,114,813	\$ 35,114,813
Regulator Elimination	\$ 29,787	\$ 369,434	\$ 399,221	\$ 399,221
Total	\$ 9,346,945	\$ 149,676,376	\$ 159,023,321	\$ 159,023,321

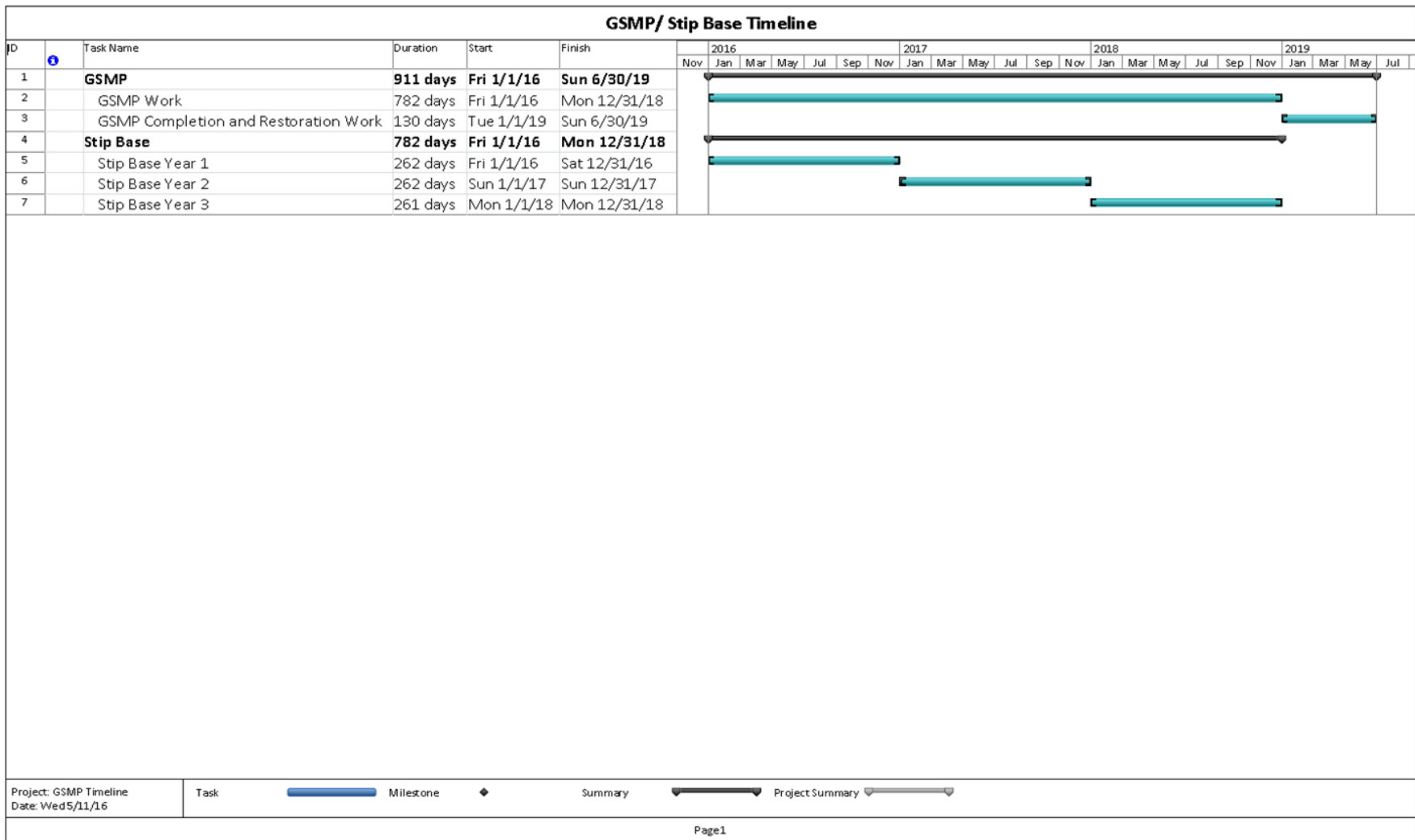
Expenditures Incurred To Date Stipulated Base Projects	Dec YTD Actual Material \$	Dec YTD Actual Other \$	Dec YTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 9,478,781	\$ 69,248,158	\$ 78,726,939	\$ 78,726,939
Replacement Service	\$ 312,508	\$ 13,298,616	\$ 13,611,124	\$ 13,611,124
Stipulated Meter Reconstruction	\$ 39,950	\$ 1,087,307	\$ 1,127,257	\$ 1,127,257
GSMP Meter Reconstruction	\$ 28,905	\$ 1,264,261	\$ 1,293,166	\$ 1,293,166
Total	\$ 9,860,144	\$ 84,898,341	\$ 94,758,485	\$ 94,758,485

2d - Projected and actual number of services installed

	Project	Sub-Project	Units	Size Installed	Material Installed	Projected Quantity Jan 2016	Actual Quantity Jan 2016	Projected Quantity Feb 2016	Actual Quantity Feb 2016	Projected Quantity Mar 2016	Actual Quantity Mar 2016	Projected Quantity Apr 2016	Actual Quantity Apr 2016	Projected Quantity May 2016	Actual Quantity May 2016	Projected Quantity Jun 2016	Actual Quantity Jun 2016	SUBTOTAL Projected Quantity Jan-Jun 2016	SUBTOTAL Actual Quantity Jan-Jun 2016
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	-	-	-	-	-	-	16,641	4,389	33,282	57,923	36,611	91,201	86,534	153,513
				4"	Plastic	-	-	-	-	-	9,225	1,831	18,450	24,614	20,295	37,892	47,970	64,337	
				6"	Plastic	-	-	-	-	-	3,614	-	7,229	5,287	7,951	4,397	18,794	9,684	
				8"	Plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	
				12"	Plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	
				12"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	
				16"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Replace Facilities Blanket	Replacement Main	Feet of Main	N/A	N/A	-	-	-	-	-	-	29,480	6,220	58,961	89,490	64,857	133,815	153,298	229,525
	Replace Facilities Blanket	Replacement Service	Services Replaced	≤ 2"	Plastic	-	-	-	-	-	1	-	44	50	82	1,336	441	1,386	568
				>2"	Plastic	-	-	-	-	-	-	-	-	-	-	-	1	-	1
Replace Facilities Blanket	Replacement Service	Services Replaced	N/A	N/A	-	-	-	-	-	1	-	44	50	82	1,336	442	1,386	569	
Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-		-		-		-	-	-	
Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-		-		-		-	-	-	
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	-	-	-	200	-	-	2,650	7,911	5,300	8,860	5,829	7,584	13,779	24,555
				4"	Plastic	-	-	-	-	-	1,065	3,549	4,013	7,097	8,150	7,807	7,626	18,453	20,854
				6"	Plastic	-	-	-	-	-	745	908	968	1,816	572	1,998	-	4,722	2,285
				8"	Plastic	-	-	-	-	-	1,130	-	540	-	700	-	4,751	-	7,121
				8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				12"	Plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				12"	Steel	-	-	-	-	-	1,280	1,695	543	3,389	1,711	3,728	6,875	8,812	10,409
				16"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	20"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	111	-	111		
	Replace Facilities Blanket	Replacement Main	Feet of Main	N/A	N/A	-	-	-	200	-	4,220	8,802	13,975	17,602	19,993	19,362	26,947	45,766	65,335
	Replace Facilities Blanket	Replacement Service	Services Replaced	≤ 2"	Plastic	-	-	-	11	-	2	-	65	50	54	246	210	296	342
				>2"	Plastic	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Service	Services Replaced	N/A	N/A	-	-	-	11	-	2	-	65	50	54	246	210	296	342
Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-				-		-	-	-	
Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A		-		-		-				-		-	-	-	

2d - Projected and actual number of services installed

	Project	Sub-Project	Units	Size Installed	Material Installed	Projected Quantity Jul 2016	Actual Quantity Jul 2016	Projected Quantity Aug 2016	Actual Quantity Aug 2016	Projected Quantity Sep 2016	Actual Quantity Sep 2016	Projected Quantity Oct 2016	Actual Quantity Oct 2016	Projected Quantity Nov 2016	Actual Quantity Nov 2016	Projected Quantity Dec 2016	Actual Quantity Dec 2016	2016 Estimated Quantity	Quantity Completed 2016 Year To Date	Total Program Quantity Completed To Date	
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	39,939	55,598	39,939	48,306	39,939	30,525	39,939	30,820	43,267	26,765	43,266	16,212	332,823	361,739	361,739	
				4"	Plastic	22,140	22,535	22,140	29,037	22,140	16,941	22,140	18,196	23,984	15,766	23,982	15,559	184,496	182,371	182,371	
				6"	Plastic	8,674	6,445	8,674	13,502	8,674	11,039	8,674	4,720	9,397	10,214	9,399	4,412	72,286	60,016	60,016	
				8"	Plastic	4,000	-	8,000	2,385	8,000	51	4,185	2,212	-	3,100	-	3,722	24,185	13,461	13,461	
				12"	Plastic	-	-	1,000	-	1,000	-	1,120	-	-	-	-	-	3,120	-	-	
				12"	Steel	-	1,477	-	2,284	-	2,168	520	1,395	-	-	-	-	520	7,324	7,324	
				16"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	
	Replace Facilities Blanket	Replacement Main	Feet of Main	N/A	N/A	74,753	86,055	79,753	95,514	79,753	60,724	76,578	57,343	76,648	55,845	76,647	39,905	617,430	624,911	624,911	
	Replace Facilities Blanket	Replacement Service	Services Replaced	≤ 2"	Plastic	1,663	594	1,940	1,080	2,217	1,215	2,217	1,226	2,217	959	2,216	1,162	13,856	6,804	6,804	
				>2"	Plastic	-	6	-	-	-	-	-	-	-	-	-	(3)	-	4	4	
	Replace Facilities Blanket	Replacement Service	Services Replaced	N/A	N/A	1,663	600	1,940	1,080	2,217	1,215	2,217	1,226	2,217	959	2,216	1,159	13,856	6,808	6,808	
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Feet of Main	2"	Plastic	6,359	9,271	6,359	29,540	6,359	36,292	6,359	30,880	6,889	7,955	6,891	16,918	52,995	155,411	155,411	
				4"	Plastic	8,517	6,928	8,517	14,529	8,517	24,363	8,517	15,710	9,226	7,908	9,224	4,741	70,971	95,033	95,033	
				6"	Plastic	2,179	1,237	2,179	8,088	2,179	5,366	2,179	7,175	2,361	6,788	2,361	3,357	18,160	34,296	34,296	
				8"	Plastic	3,000	1,232	3,000	5,382	3,020	1,158	-	1,188	-	545	-	7	9,020	16,633	16,633	
				8"	Steel	-	-	-	-	50	-	-	-	-	-	-	-	50	-	-	
				12"	Plastic	-	-	3,000	-	3,975	-	3,000	-	-	-	-	-	9,975	-	-	
				12"	Steel	4,067	15,828	4,067	5,997	4,067	4,289	4,067	12,036	4,406	7,248	4,404	7,405	33,890	63,212	63,212	
				16"	Steel	-	435	-	30	-	1,390	4,000	4,670	4,000	2,653	5,325	1,153	13,325	10,331	10,331	
				20"	Steel	-	-	-	-	-	-	-	-	60	-	-	-	60	111	111	
	Replace Facilities Blanket	Replacement Main	Feet of Main	N/A	N/A	24,122	34,931	27,122	63,566	28,167	72,858	28,122	71,659	26,942	33,097	28,205	33,581	208,446	375,027	375,027	
	Replace Facilities Blanket	Replacement Service	Services Replaced	≤ 2"	Plastic	356	93	415	501	474	397	474	712	474	525	475	583	2,964	3,153	3,153	
				>2"	Plastic	-	10	-	-	-	-	83	-	100	-	100	(7)	283	3	3	
	Replace Facilities Blanket	Replacement Service	Services Replaced	N/A	N/A	356	103	415	501	474	397	557	712	574	525	575	576	3,247	3,156	3,156	
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Abandon Facilities Blanket	Abandon Regulator	Regulators Abandoned	N/A	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



PSE&G – GAS SYSTEM MODERNIZATION PROGRAM

ATTACHMENT C – MONTHLY REPORT

5) Explanations of differences of over 5% between budgeted and actual amounts in Program Costs as reflected in data provided in item 1 of this attachment (calendar year end monthly report only), including a detailed explanation of each cause and a breakdown of the amount of the deviation by cause.

GSMP Major Project Categories	2016 Dec YTD Budget	2016 Dec YTD Actual	Variance (Budget – Actual)	Variance % (Variance / Budget)	Explanation & Breakdown By Cause
Replacement Main \$	\$100,296,796	\$123,509,287	\$(23,212,491)	-23.1%	PSE&G originally budgeted \$162 per foot for main replacement work performed in 2016, but the actual unit cost was \$198 per foot. This is a result of: <ul style="list-style-type: none"> i. PSE&G completing more work associated with the 624,911 feet of main replaced (such as service transfers and uprates) than was originally forecasted in 2016. ii. The main replacement cost per unit budget was low considering the amount of work that was planned to be completed in 2016. While a significant amount of service and restoration work associated with the 624,911 feet of main remains, PSE&G still anticipates a final program cost per unit of approximately \$257 per foot.
Replacement Service \$	\$ 52,403,204	\$35,114,813	\$17,288,391	33.0%	Balancing the replacement main and service work within the annual program plan resulted in less service replacements than originally planned. PSE&G still anticipates replacing approximately 31,000 services in the program.
Regulator Elimination \$	\$-	\$399,221	\$(399,221)	N/A	There was no plan to abandon regulators in 2016. However, 5 regulators were abandoned ahead of schedule.
Total	\$152,700,000	\$159,023,321	\$(6,323,321)	-4.1%	Although there were variances in the above categories, the overall actual cost for 2016 was within 5% of the budgeted amount.

Martin C. Rothfelder
Associate General Regulatory Counsel

Law Department
PSEG Services Corporation
80 Park Plaza – T5, Newark, New Jersey 07102-4194
tel : 973-430-6479 fax: 973-430-5983
email: martin.rothfelder@pseg.com



March 29, 2017

VIA E-MAIL AND FIRST CLASS MAIL

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
P.O. Box 350
Trenton, New Jersey 08625

**RE: GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
MONTHLY REPORT – JANUARY 2017**

Dear Secretary Asbury:

Enclosed for filing are ten copies of this letter and its enclosures of Public Service Electric & Gas Company (PSE&G) to provide the monthly report for January 2017 on the Gas System Modernization Program (GSMP).

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 on 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.

Sincerely,

A handwritten signature in blue ink that reads "Martin C. Rothfelder".

C Via E-Mail Only:

Stefanie Brand
Paul Flanagan
Lisa Gurkas
Brian Lipman
Thomas Walker
Alex Moreau
Stacy Peterson
Bethany Rocque-Romaine
Robert Schultheis
Felicia Thomas-Friel
Caroline Vachier

**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.

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

2017 Jan PTD Budget	2017 Jan PTD Actual
\$ 106,562,229	\$ 133,276,902
\$ 53,881,896	\$ 41,109,418
\$ 29,137	\$ 464,560
\$ 160,473,262	\$ 174,850,880

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

2017 Jan PTD Budget	2017 Jan PTD Actual
\$ 76,130,490	\$ 84,810,388
\$ 11,488,666	\$ 16,160,715
\$ 59,133	\$ 1,193,132
\$ 295,670	\$ 1,469,955
\$ 87,973,959	\$ 103,634,190

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	Jan-17 PTD Actual Material \$	Jan-17 PTD Actual Other \$	Jan-17 PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 8,304,009	\$ 124,972,893	\$ 133,276,902	\$ 133,276,902
Replacement Service	\$ 1,009,058	\$ 40,100,360	\$ 41,109,418	\$ 41,109,418
Regulator Elimination	\$ 33,878	\$ 430,682	\$ 464,560	\$ 464,560
Total	\$ 9,346,945	\$ 165,503,935	\$ 174,850,880	\$ 174,850,880

Expenditures Incurred To Date Stipulated Base Projects	Jan-17 PTD Actual Material \$	Jan-17 PTD Actual Other \$	Jan-17 PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 9,315,940	\$ 75,494,448	\$ 84,810,388	\$ 84,810,388
Replacement Service	\$ 467,785	\$ 15,692,930	\$ 16,160,715	\$ 16,160,715
Stipulated Meter Reconstruction	\$ 43,986	\$ 1,149,146	\$ 1,193,132	\$ 1,193,132
GSMP Meter Reconstruction	\$ 32,433	\$ 1,437,522	\$ 1,469,955	\$ 1,469,955
Total	\$ 9,860,144	\$ 93,774,046	\$ 103,634,190	\$ 103,634,190

PSE&G - GAS SYSTEM MODERNIZATION PROGRAM

ATTACHMENT C - MONTHLY REPORT

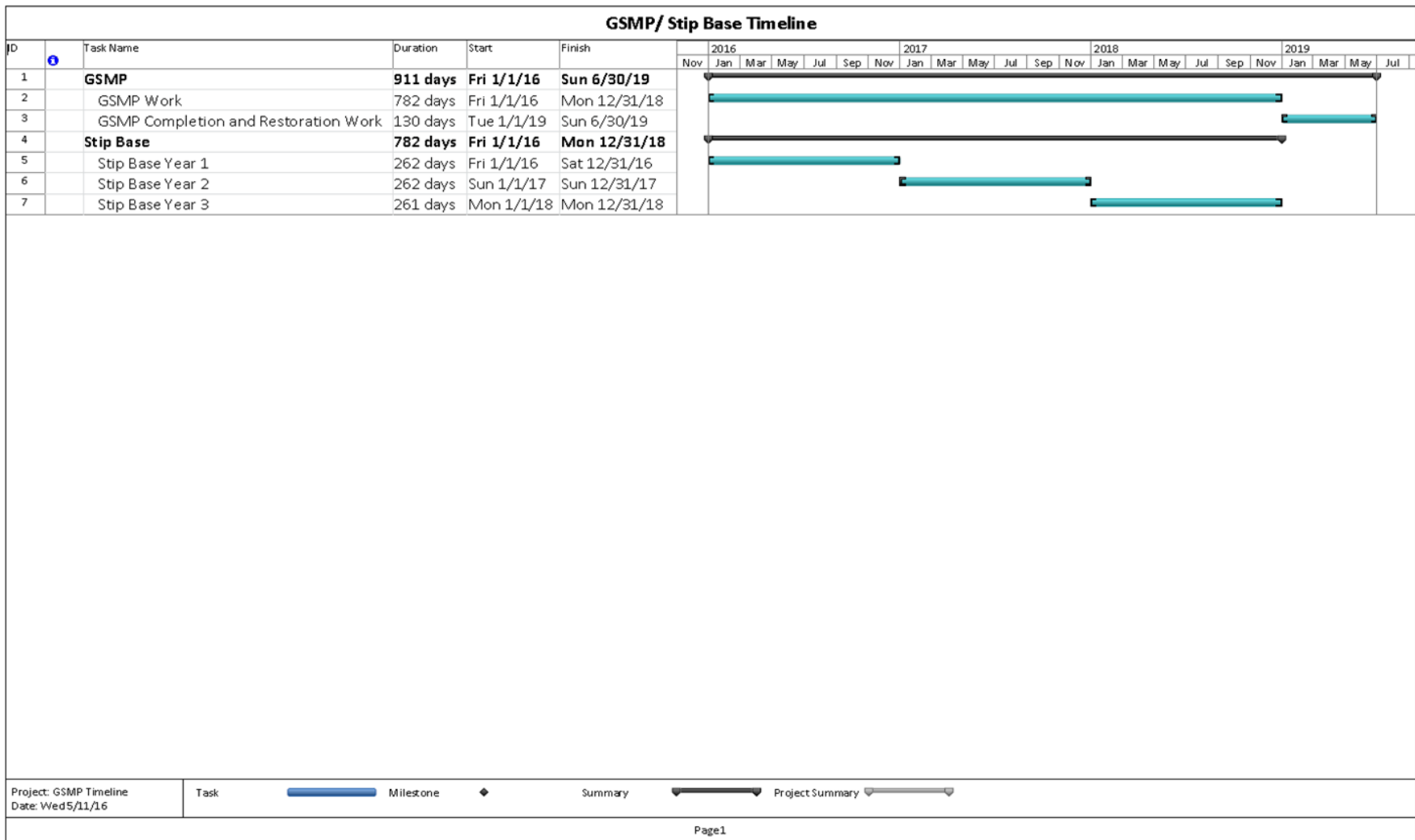
REPORT DATE: JANUARY 2017

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	Projected Quantity Jan 2017	Actual Quantity Jan 2017	2017 Estimated Quantity	Quantity Completed 2017 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	-	12,816	313,149	12,816	374,555
					4"	Plastic	182,371	-	2,044	119,957	2,044	184,415
					6"	Plastic	60,016	-	2,446	57,972	2,446	62,462
					8"	Plastic	13,461	-	835	15,862	835	14,296
					12"	Plastic	-	-	-	4,160	-	-
					12"	Steel	7,324	-	-	16,898	-	7,324
					16"	Steel	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	-	18,141	527,998	18,141	643,052
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	367	1,113	10,000	1,113	7,917
					> 2"	Plastic	4	-	2	-	2	6
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	367	1,115	10,000	1,115	7,923
STIPULATED BASE	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5		-		-	5
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5		-		-	5
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	-	3,739	41,249	3,739	159,150
					4"	Plastic	95,033	-	3,166	36,741	3,166	98,199
					6"	Plastic	34,296	-	2,320	16,881	2,320	36,616
					8"	Plastic	16,633	-	-	9,177	-	16,633
					8"	Steel	-	-	-	-	-	-
					12"	Plastic	-	-	-	2,892	-	-
					12"	Steel	63,212	-	4,937	30,348	4,937	68,149
					16"	Steel	10,331	-	3,147	21,112	3,147	13,478
					20"	Steel	111	-	-	-	-	111
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	-	17,309	158,399	17,309	392,336
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	81	530	2,000	530	3,683
					> 2"	Plastic	3	-	-	-	-	3
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	81	530	2,000	530	3,686
	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	-		-		-	-
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	-		-		-	-



Matthew M. Weissman
General Regulatory Counsel - Rates

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April 25, 2017

VIA E-MAIL AND FIRST CLASS MAIL

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625

**Re: GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
MONTHLY REPORT – FEBRUARY 2017**

Dear Secretary Asbury:

Enclosed for filing are ten copies of this letter and its enclosures of Public Service Electric & Gas Company (PSE&G) to provide the monthly report for February, 2017 on the Gas System Modernization Program (GSMP).

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 on 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 that reads "Matthew Weissman".

Matthew M. Weissman

Via E-Mail Only:

Stefanie Brand
Paul Flanagan
Lisa Gurkas
Brian Lipman
Jerome May
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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.

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

2017 Feb PTD Budget	2017 Feb PTD Actual
\$ 110,772,239	\$ 141,509,551
\$ 55,923,202	\$ 45,870,915
\$ 121,880	\$ 478,808
\$ 166,817,321	\$ 187,859,273

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

2017 Feb PTD Budget	2017 Feb PTD Actual
\$ 78,003,276	\$ 92,036,131
\$ 11,807,973	\$ 19,880,206
\$ 107,980	\$ 1,308,793
\$ 539,897	\$ 1,740,722
\$ 90,459,126	\$ 114,965,852

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	Feb-17 PTD Actual Material \$	Feb-17 PTD Actual Other \$	Feb-17 PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 8,216,859	\$ 133,292,692	\$ 141,509,551	\$ 141,509,551
Replacement Service	\$ 1,095,854	\$ 44,775,061	\$ 45,870,915	\$ 45,870,915
Regulator Elimination	\$ 34,232	\$ 444,576	\$ 478,808	\$ 478,808
Total	\$ 9,346,945	\$ 178,512,328	\$ 187,859,273	\$ 187,859,273

Expenditures Incurred To Date Stipulated Base Projects	Feb-17 PTD Actual Material \$	Feb-17 PTD Actual Other \$	Feb-17 PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 9,196,552	\$ 82,839,579	\$ 92,036,131	\$ 92,036,131
Replacement Service	\$ 569,784	\$ 19,310,422	\$ 19,880,206	\$ 19,880,206
Stipulated Meter Reconstruction	\$ 51,333	\$ 1,257,460	\$ 1,308,793	\$ 1,308,793
GSMP Meter Reconstruction	\$ 42,475	\$ 1,698,247	\$ 1,740,722	\$ 1,740,722
Total	\$ 9,860,144	\$ 105,105,708	\$ 114,965,852	\$ 114,965,852

PSE&G - GAS SYSTEM MODERNIZATION PROGRAM

ATTACHMENT C - MONTHLY REPORT

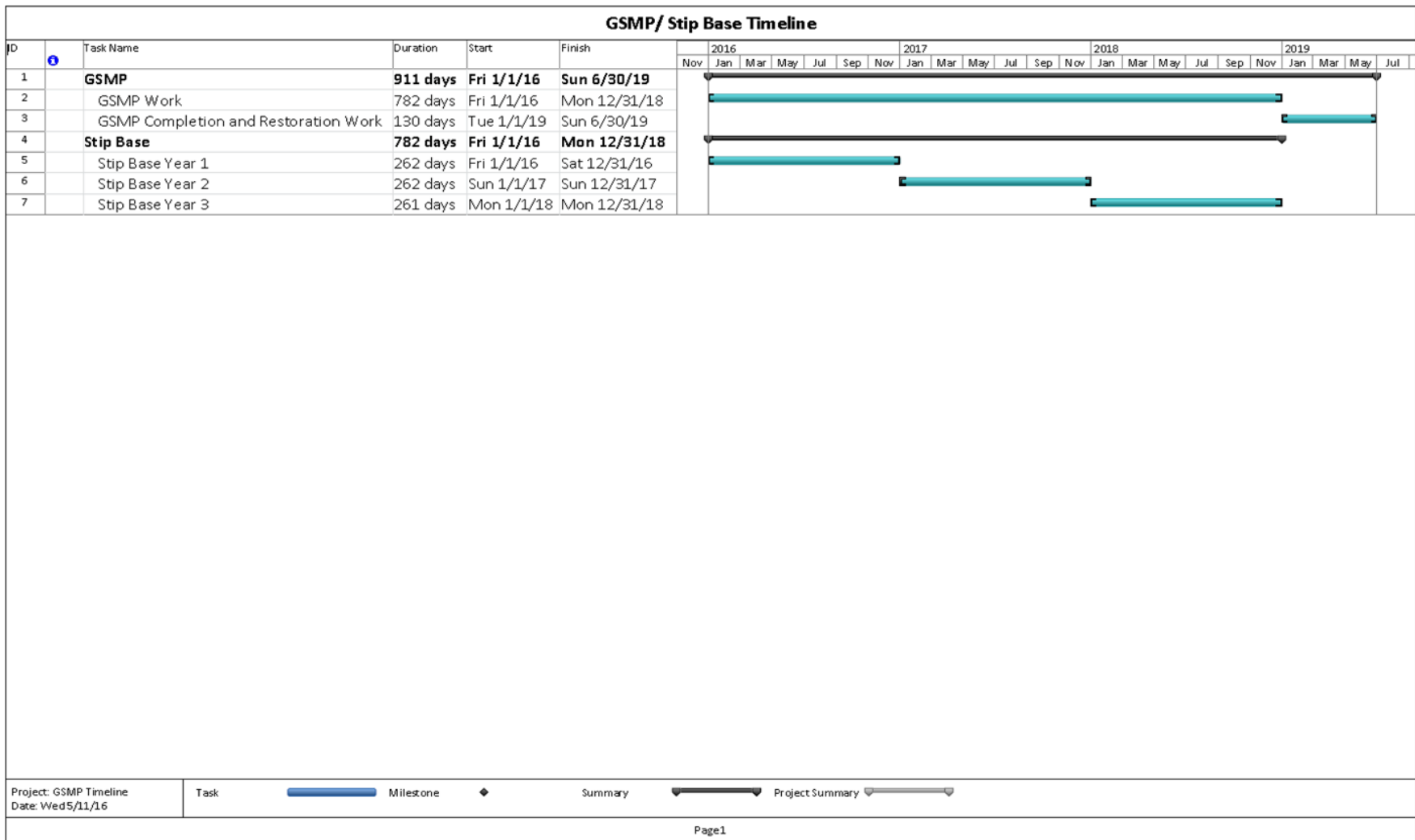
REPORT DATE: FEBRUARY 2017

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	Projected Quantity Jan 2017	Actual Quantity Jan 2017	Projected Quantity Feb 2017	Actual Quantity Feb 2017	2017 Estimated Quantity	Quantity Completed 2017 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	-	12,816	-	3,479	313,149	16,295	378,034
					4"	Plastic	182,371	-	2,044	-	2,249	119,957	4,293	186,664
					6"	Plastic	60,016	-	2,446	-	2,690	57,972	5,136	65,152
					8"	Plastic	13,461	-	835	-	466	15,862	1,301	14,762
					12"	Plastic	-	-	-	-	-	4,160	-	-
					12"	Steel	7,324	-	-	-	213	16,898	213	7,537
					16"	Steel	-	-	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	-	18,141	-	9,097	527,998	27,238	652,149
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	367	1,113	301	787	10,000	1,900	8,704
					>2"	Plastic	4	-	2	-	-	-	2	6
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	367	1,115	301	787	10,000	1,902	8,710
STIPULATED BASE	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5		-		1		1	6
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5		-		1		1	6
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	-	3,739	-	1,364	41,249	5,103	160,514
					4"	Plastic	95,033	-	3,166	-	1,807	36,741	4,973	100,006
					6"	Plastic	34,296	-	2,320	-	1,132	16,881	3,452	37,748
					8"	Plastic	16,633	-	-	-	38	9,177	38	16,671
					8"	Steel	-	-	-	-	-	-	-	-
					12"	Plastic	-	-	-	-	-	2,892	-	-
					12"	Steel	63,212	-	4,937	-	2,304	30,348	7,241	70,453
					16"	Steel	10,331	-	3,147	-	4,744	21,112	7,891	18,222
					20"	Steel	111	-	-	-	-	-	-	111
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	-	17,309	-	11,389	158,399	28,698	403,725
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	81	530	68	554	2,000	1,084	4,237
					>2"	Plastic	3	-	-	-	-	-	-	3
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	81	530	68	554	2,000	1,084	4,240
	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	-		-		-		-	-



ROTHFELDER STERN, L.L.C.

Attorneys at Law

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Please reply to Trenton

May 23, 2017

VIA E-MAIL AND FIRST CLASS MAIL

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
Monthly Report – March 2017
Quarterly Report on Activity Related to Department of Energy’s Quadrennial Energy
Review (“QER”)**

Dear Secretary Asbury:

Enclosed for filing are ten copies of this letter and its enclosures of Public Service Electric & Gas Company (PSE&G) to provide PSE&G’s monthly report for March, 2017 on the Gas System Modernization Program (GSMP).

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 on 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 2017 is 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 the first quarter of 2017, 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.

Sincerely,



Martin C. Rothfelder

Via E-Mail Only:

Stefanie Brand
Paul Flanagan
Lisa Gurkas
Brian Lipman
Jerome May
Alex Moreau
Stacy Peterson
Bethany Rocque-Romaine
Robert Schultheis
Felicia Thomas-Friel
Caroline Vachier

**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.

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

2017 March PTD Budget	2017 March PTD Actual
\$ 117,427,368	\$ 150,303,278
\$ 58,091,713	\$ 50,287,442
\$ 204,449	\$ 548,397
\$ 175,723,530	\$ 201,139,117

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

2017 March PTD Budget	2017 March PTD Actual
\$ 80,602,952	\$ 102,927,572
\$ 12,208,996	\$ 22,792,837
\$ 177,059	\$ 1,400,959
\$ 885,297	\$ 2,068,384
\$ 93,874,304	\$ 129,189,752

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	March PTD Actual Material \$	March PTD Actual Other \$	March PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 8,146,474	\$ 142,156,804	\$ 150,303,278	\$ 150,303,278
Replacement Service	\$ 1,163,124	\$ 49,124,318	\$ 50,287,442	\$ 50,287,442
Regulator Elimination	\$ 37,347	\$ 511,050	\$ 548,397	\$ 548,397
Total	\$ 9,346,945	\$ 191,792,172	\$ 201,139,117	\$ 201,139,117

Expenditures Incurred To Date Stipulated Base Projects	March PTD Actual Material \$	March PTD Actual Other \$	March PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 9,056,010	\$ 93,871,562	\$ 102,927,572	\$ 102,927,572
Replacement Service	\$ 689,277	\$ 22,103,560	\$ 22,792,837	\$ 22,792,837
Stipulated Meter Reconstruction	\$ 63,756	\$ 1,337,203	\$ 1,400,959	\$ 1,400,959
GSMP Meter Reconstruction	\$ 51,101	\$ 2,017,283	\$ 2,068,384	\$ 2,068,384
Total	\$ 9,860,144	\$ 119,329,608	\$ 129,189,752	\$ 129,189,752

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

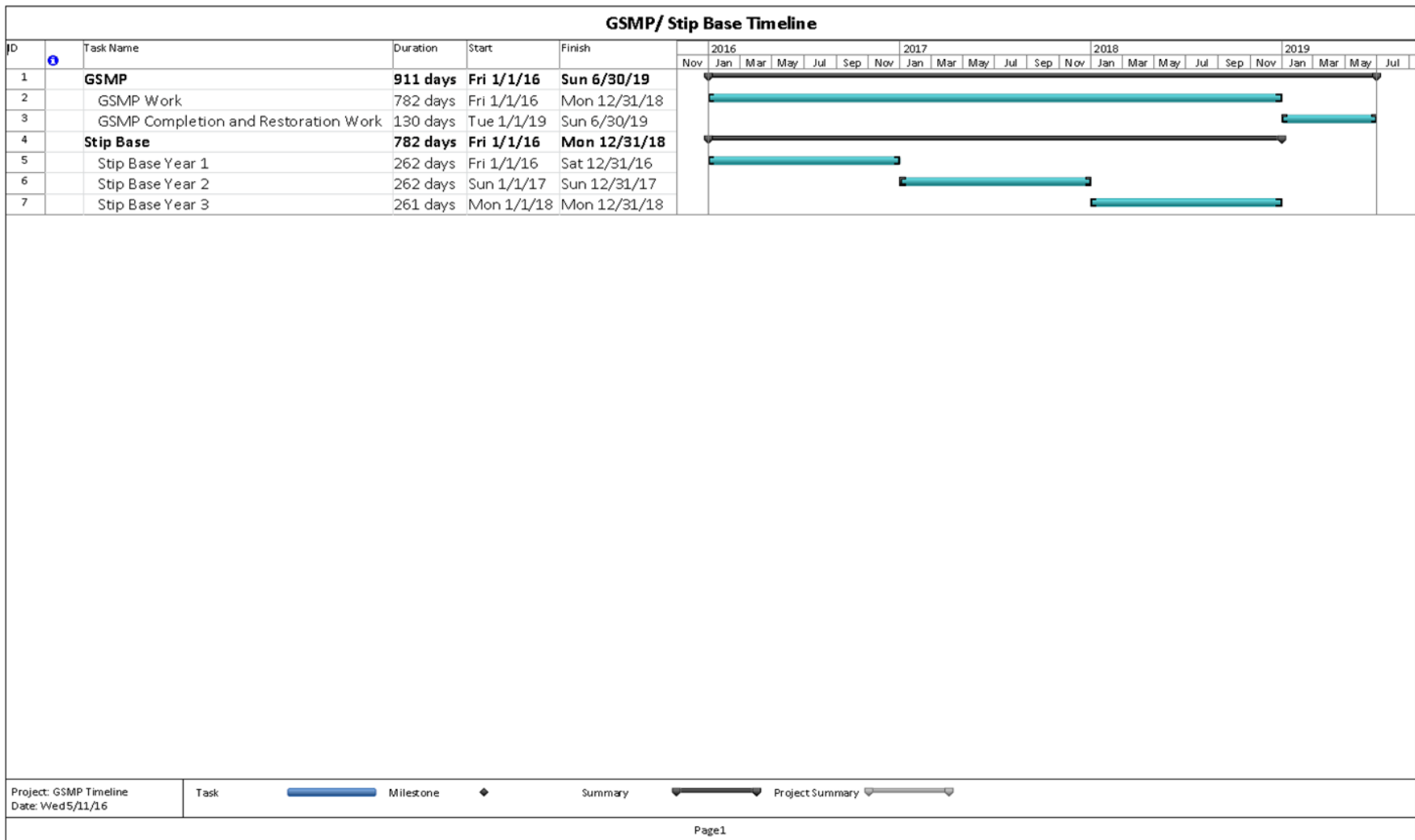
REPORT DATE: MARCH 2017

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	Projected Quantity Jan 2017	Actual Quantity Jan 2017	Projected Quantity Feb 2017	Actual Quantity Feb 2017	Projected Quantity Mar 2017	Actual Quantity Mar 2017	2017 Estimated Quantity	Quantity Completed 2017 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	-	12,816	-	3,479	4,000	3,196	313,149	19,491	381,230
					4"	Plastic	182,371	-	2,044	-	2,249	4,341	1,231	119,957	5,524	187,895
					6"	Plastic	60,016	-	2,446	-	2,690	4,088	1,027	57,972	6,163	66,179
					8"	Plastic	13,461	-	835	-	466	2,334	5,389	15,862	6,690	20,151
					12"	Plastic	-	-	-	-	-	1,077	-	4,160	-	-
					12"	Steel	7,324	-	-	-	213	-	5,428	16,898	5,641	12,965
					16"	Steel	-	-	-	-	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	-	18,141	-	9,097	15,840	16,271	527,998	43,509	668,420
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	367	1,113	301	787	411	576	10,000	2,476	9,280
					>2"	Plastic	4	-	2	-	-	-	1	-	3	7
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	367	1,115	301	787	411	577	10,000	2,479	9,287
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5		-		1		2		3	8
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5		-		1		2		3	8
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	-	3,739	-	1,364	2,500	3,830	41,249	8,933	164,344
					4"	Plastic	95,033	-	3,166	-	1,807	1,000	5,132	36,741	10,105	105,138
					6"	Plastic	34,296	-	2,320	-	1,132	252	1,492	16,881	4,944	39,240
					8"	Plastic	16,633	-	-	-	38	-	944	9,177	982	17,615
					8"	Steel	-	-	-	-	-	-	-	-	-	-
					12"	Plastic	-	-	-	-	-	-	-	2,892	-	-
					12"	Steel	63,212	-	4,937	-	2,304	-	3,444	30,348	10,685	73,897
					16"	Steel	10,331	-	3,147	-	4,744	1,000	8,420	21,112	16,311	26,642
					20"	Steel	111	-	-	-	-	-	-	-	-	111
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	-	17,309	-	11,389	4,752	23,262	158,399	51,960	426,987
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	81	530	68	554	85	407	2,000	1,491	4,644
					>2"	Plastic	3	-	-	-	-	-	-	-	-	3
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	81	530	68	554	85	407	2,000	1,491	4,647
	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	-		-		-		-		-	-



ROTHFELDER STERN, L.L.C.

Attorneys at Law

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Fax: 856-375-2151
bstern@rothfelderstern.com

June 19, 2017

VIA E-MAIL AND FIRST CLASS MAIL

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625

Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
Monthly Report – April 2017

Dear Secretary Asbury:

Enclosed for filing are ten copies of this letter and its enclosures of Public Service Electric & Gas Company (PSE&G) to provide the monthly report for April, 2017 on the Gas System Modernization Program (GSMP).

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 on 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.

Sincerely,



Martin C. Rothfelder

Via E-Mail Only:

Stefanie Brand
Paul Flanagan
Lisa Gurkas
Brian Lipman
Thomas Walker
Alex Moreau
Stacy Peterson
Bethany Rocque-Romaine
Robert Schultheis
Felicia Thomas-Friel
Caroline Vachier

**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.

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

2017 April PTD Budget	2017 April PTD Actual
\$127,529,686	\$162,577,735
\$ 61,343,753	\$ 54,800,758
\$ 331,488	\$ 552,886
\$189,204,927	\$217,931,379

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

2017 April PTD Budget	2017 April PTD Actual
\$ 84,620,058	\$113,094,455
\$ 12,799,735	\$ 23,820,310
\$ 284,153	\$ 1,456,567
\$ 1,420,786	\$ 2,270,380
\$ 99,124,732	\$140,641,711

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	April PTD Actual Material \$	April PTD Actual Other \$	April PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 7,989,323	\$154,588,412	\$162,577,735	\$162,577,735
Replacement Service	\$ 1,320,275	\$ 53,480,483	\$ 54,800,758	\$ 54,800,758
Regulator Elimination	\$ 37,347	\$ 515,539	\$ 552,886	\$ 552,886
Total	\$ 9,346,945	\$208,584,434	\$217,931,379	\$217,931,379

Expenditures Incurred To Date Stipulated Base Projects	April PTD Actual Material \$	April PTD Actual Other \$	April PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 8,999,270	\$104,095,185	\$113,094,455	\$113,094,455
Replacement Service	\$ 726,395	\$ 23,093,915	\$ 23,820,310	\$ 23,820,310
Stipulated Meter Reconstruction	\$ 73,967	\$ 1,382,600	\$ 1,456,567	\$ 1,456,567
GSMP Meter Reconstruction	\$ 60,512	\$ 2,209,868	\$ 2,270,380	\$ 2,270,380
Total	\$ 9,860,144	\$130,781,567	\$140,641,711	\$140,641,711

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

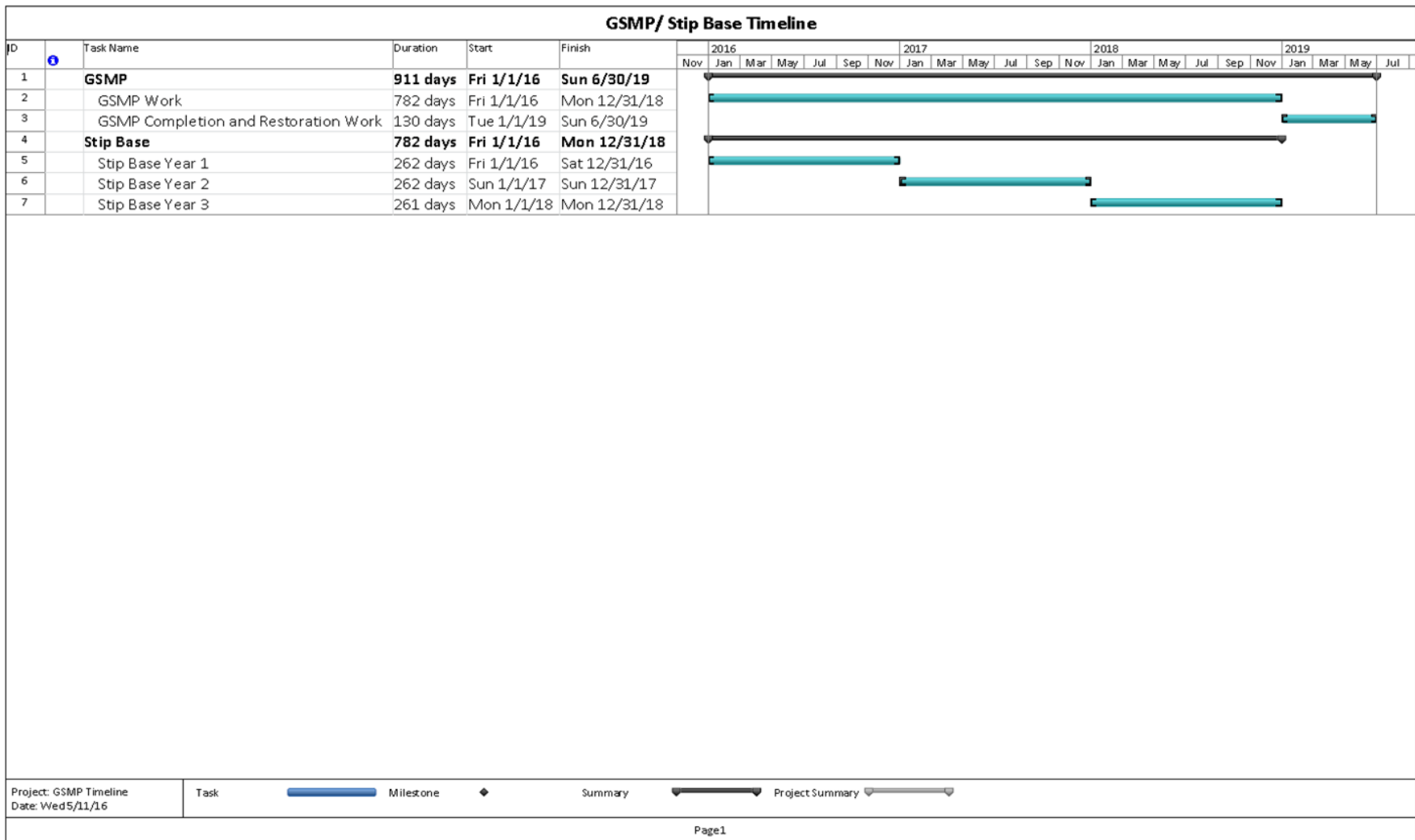
REPORT DATE: APRIL 2017

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	Projected Quantity Jan 2017	Actual Quantity Jan 2017	Projected Quantity Feb 2017	Actual Quantity Feb 2017	Projected Quantity Mar 2017	Actual Quantity Mar 2017	Projected Quantity Apr 2017	Actual Quantity Apr 2017	2017 Estimated Quantity	Quantity Completed 2017 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	-	12,816	-	3,479	4,000	3,196	4,000	13,083	313,149	32,574	394,313
					4"	Plastic	182,371	-	2,044	-	2,249	4,341	1,231	4,341	3,299	119,957	8,823	191,194
					6"	Plastic	60,016	-	2,446	-	2,690	4,088	1,027	4,088	3,729	57,972	9,892	69,908
					8"	Plastic	13,461	-	835	-	466	2,334	5,389	2,334	3,561	15,862	10,251	23,712
					12"	Plastic	-	-	-	-	-	1,077	-	1,077	-	4,160	-	-
					12"	Steel	7,324	-	-	-	213	-	5,428	-	5,293	16,898	10,934	18,258
					16"	Steel	-	-	-	-	-	-	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	-	18,141	-	9,097	15,840	16,271	15,840	28,965	527,998	72,474	697,385
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	367	1,113	301	787	411	576	617	757	10,000	3,233	10,037
					>2"	Plastic	4	-	2	-	-	-	1	-	-	-	3	7
STIPULATED BASE	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	367	1,115	301	787	411	577	617	757	10,000	3,236	10,044
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5		-		1		2		-		3	8
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5		-		1		2		-		3	8
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	-	3,739	-	1,364	2,500	3,830	5,000	6,867	41,249	15,800	171,211
					4"	Plastic	95,033	-	3,166	-	1,807	1,000	5,132	4,000	2,996	36,741	13,101	108,134
					6"	Plastic	34,296	-	2,320	-	1,132	252	1,492	2,672	76	16,881	5,020	39,316
					8"	Plastic	16,633	-	-	-	38	-	944	-	14	9,177	996	17,629
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-
					12"	Plastic	-	-	-	-	-	-	-	-	-	2,892	-	-
					12"	Steel	63,212	-	4,937	-	2,304	-	3,444	-	1,430	30,348	12,115	75,327
					16"	Steel	10,331	-	3,147	-	4,744	1,000	8,420	1,000	9,509	21,112	25,820	36,151
					20"	Steel	111	-	-	-	-	-	-	-	-	-	-	111
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	-	17,309	-	11,389	4,752	23,262	12,672	20,892	158,399	72,852	447,879
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	81	530	68	554	85	407	125	168	2,000	1,659	4,812
					>2"	Plastic	3	-	-	-	-	-	-	-	-	-	-	3
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	81	530	68	554	85	407	125	168	2,000	1,659	4,815
	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	-		-		-		-		-		-	-
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	-		-		-		-		-		-	-



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Please reply to Trenton

July 19, 2017

VIA E-MAIL AND FIRST CLASS MAIL

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
P.O. Box 350
Trenton, New Jersey 08625

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
Monthly Report – May 2017**

Dear Secretary Asbury:

Enclosed for filing are ten copies of this letter and its enclosures of Public Service Electric & Gas Company (PSE&G) to provide the monthly report for May, 2017 on the Gas System Modernization Program (GSMP).

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 on 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.

Sincerely,



Martin C. Rothfelder

cc: Stefanie Brand (2 hard copies and e-mail)
Paul Flanagan (e-mail only)
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Felicia Thomas-Friel (e-mail only)
Caroline Vachier (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.

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

2017 May PTD Budget	2017 May PTD Actual
\$144,322,749	\$184,356,186
\$ 66,581,913	\$ 59,237,883
\$ 502,020	\$ 576,275
\$211,406,682	\$244,170,343

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

2017 May PTD Budget	2017 May PTD Actual
\$ 91,111,694	\$122,067,441
\$ 13,726,676	\$ 25,421,211
\$ 469,828	\$ 1,661,066
\$ 2,349,148	\$ 2,497,381
\$107,657,346	\$151,647,099

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

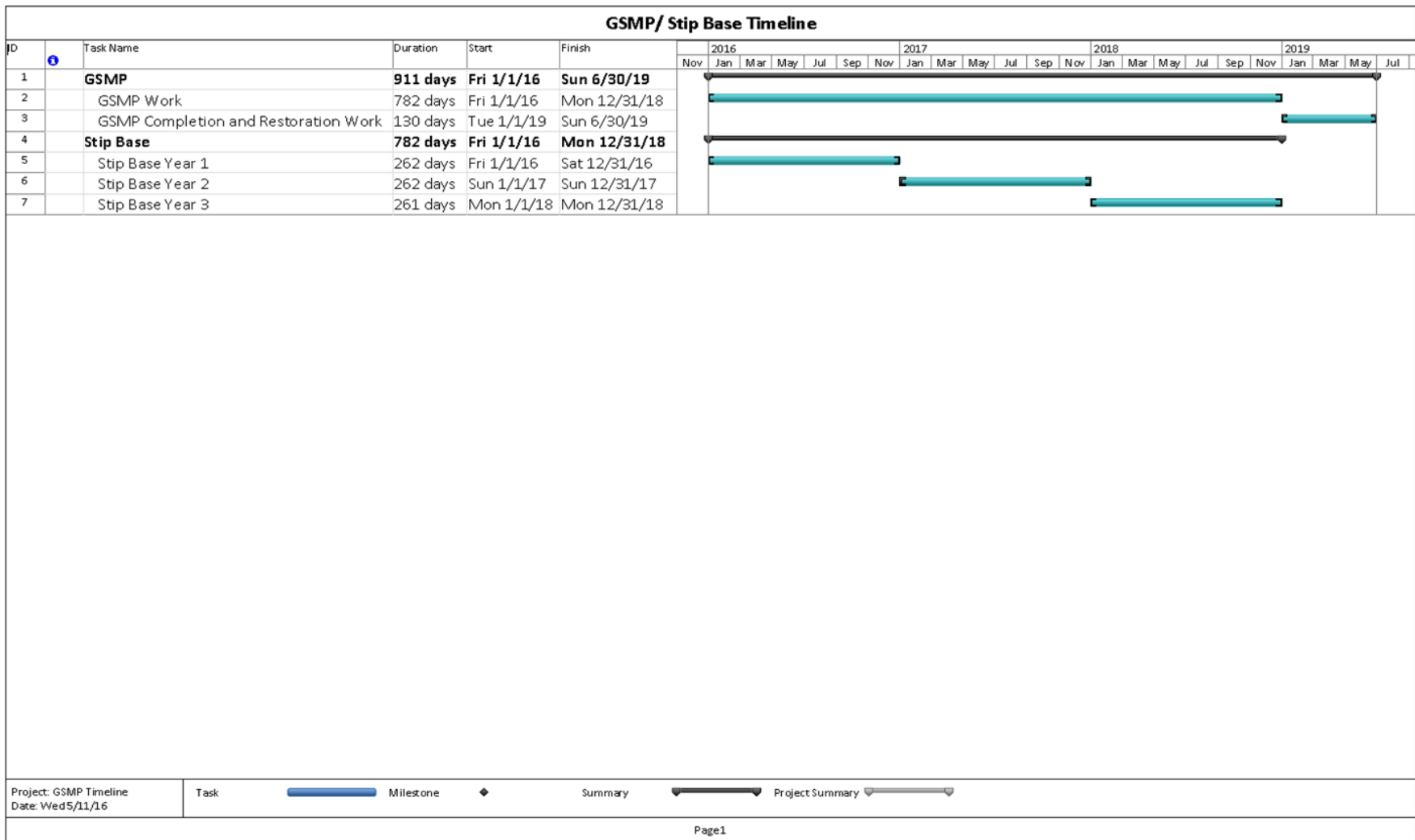
2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project.

Expenditures Incurred To Date GSMP Projects	May PTD Actual Material \$	May PTD Actual Other \$	May PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 12,897,824	\$ 171,458,361	\$ 184,356,186	\$ 180,305,712
Replacement Service	\$ 1,434,754	\$ 57,803,128	\$ 59,237,883	\$ 59,194,176
Regulator Elimination	\$ 37,883	\$ 538,392	\$ 576,275	\$ 480,142
Total	\$ 14,370,462	\$ 229,799,881	\$ 244,170,343	\$ 239,980,030

Expenditures Incurred To Date Stipulated Base Projects	May PTD Actual Material \$	May PTD Actual Other \$	May PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 15,364,687	\$ 106,702,754	\$ 122,067,441	\$ 118,168,457
Replacement Service	\$ 765,944	\$ 24,655,267	\$ 25,421,211	\$ 25,401,223
Stipulated Meter Reconstruction	\$ 83,447	\$ 1,577,619	\$ 1,661,066	\$ 1,661,066
GSMP Meter Reconstruction	\$ 71,504	\$ 2,425,877	\$ 2,497,381	\$ 2,497,381
Total	\$ 16,285,582	\$ 135,361,517	\$ 151,647,099	\$ 147,728,127

2d - Projected and actual number of services installed

	Project	Sub-Project	Project Completion Date	Units	Size Installed	Material Installed	2016 Quantity Completed	Projected Quantity Jan 2017	Actual Quantity Jan 2017	Projected Quantity Feb 2017	Actual Quantity Feb 2017	Projected Quantity Mar 2017	Actual Quantity Mar 2017	Projected Quantity Apr 2017	Actual Quantity Apr 2017	Projected Quantity May 2017	Actual Quantity May 2017	2017 Estimated Quantity	Quantity Completed 2017 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	-	12,816	-	3,479	4,000	3,196	4,000	13,083	28,119	42,238	313,149	74,812	436,551
					4"	Plastic	182,371	-	2,044	-	2,249	4,341	1,231	4,341	3,299	14,653	9,042	119,957	17,865	200,236
					6"	Plastic	60,016	-	2,446	-	2,690	4,088	1,027	4,088	3,729	5,023	4,695	57,972	14,587	74,603
					8"	Plastic	13,461	-	835	-	466	2,334	5,389	2,334	3,561	1,799	3,616	15,862	13,867	27,328
					12"	Plastic	-	-	-	-	1,077	-	1,077	-	1,006	-	4,160	-	-	
					12"	Steel	7,324	-	-	-	213	-	5,428	-	5,293	2,200	2,688	16,898	13,622	20,946
	16"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	-	18,141	-	9,097	15,840	16,271	15,840	28,965	52,800	62,279	527,998	134,753	759,664
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	367	1,113	301	787	411	576	617	757	993	803	10,000	4,036	10,840
					>2"	Plastic	4	-	2	-	-	-	1	-	-	-	1	-	4	8
Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	367	1,115	301	787	411	577	617	757	993	804	10,000	4,040	10,848	
Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5		-		1		2		-		2		5	10	
Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5		-		1		2		-		2		5	10	
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	-	3,739	-	1,364	2,500	3,830	5,000	6,867	6,277	4,603	41,249	20,403	175,814
					4"	Plastic	95,033	-	3,166	-	1,807	1,000	5,132	4,000	2,996	6,049	1,782	36,741	14,883	109,916
					6"	Plastic	34,296	-	2,320	-	1,132	252	1,492	2,672	76	2,719	232	16,881	5,252	39,548
					8"	Plastic	16,633	-	-	-	38	-	944	-	14	1,580	14	9,177	1,010	17,643
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
					12"	Plastic	-	-	-	-	-	-	-	-	-	414	-	2,892	-	-
					12"	Steel	63,212	-	4,937	-	2,304	-	3,444	-	1,430	2,500	1,591	30,348	13,706	76,918
					16"	Steel	10,331	-	3,147	-	4,744	-	4,744	1,000	9,509	4,223	6,206	21,112	32,026	42,357
	20"	Steel	111	-	-	-	-	-	-	-	-	-	-	-	-	-	-	111		
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	-	17,309	-	11,389	4,752	23,262	12,672	20,892	23,760	14,428	158,399	87,280	462,307
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	81	530	68	554	85	407	125	168	196	235	2,000	1,894	5,047
					>2"	Plastic	3	-	-	-	-	-	-	-	-	-	-	-	3	
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	81	530	68	554	85	407	125	168	196	235	2,000	1,894	5,050
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	-		-		-		-		-		-		-	-	



ROTHFELDER STERN, L.L.C.

Attorneys at Law

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bstern@rothfelderstern.com

Please reply to Trenton

July 19, 2017

VIA E-MAIL AND FIRST CLASS MAIL

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
P.O. Box 350
Trenton, New Jersey 08625

Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
Monthly Report – June 2017, and
Quarterly Report on Activity Related to Department of Energy’s Quadrennial
Energy Review (“QER”)

Dear Secretary Asbury:

Enclosed for filing are ten copies of this letter and its enclosures of Public Service Electric & Gas Company (PSE&G) to provide the monthly report for June, 2017 on the Gas System Modernization Program (GSMP).

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 on 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 2017 is 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 the second quarter of 2017, 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.

Sincerely,



Martin C. Rothfelder

cc: Stefanie Brand (2 hard copies and e-mail)
Paul Flanagan (e-mail only)
Lisa Gurkas (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.

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Replacement Main \$	\$ 487,800,000
Replacement Service \$	\$ 159,300,000
Regulator Elimination \$	\$ 2,900,000
Total	\$ 650,000,000

2017 June PTD Budget	2017 June PTD Actual
\$160,112,289	\$202,263,846
\$ 71,547,460	\$ 63,284,814
\$ 666,456	\$ 616,959
\$232,326,205	\$266,165,619

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

2017 June PTD Budget	2017 June PTD Actual
\$ 97,230,233	\$131,377,806
\$ 14,606,772	\$ 26,740,592
\$ 642,942	\$ 1,981,875
\$ 3,214,717	\$ 2,806,243
\$115,694,664	\$162,906,515

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

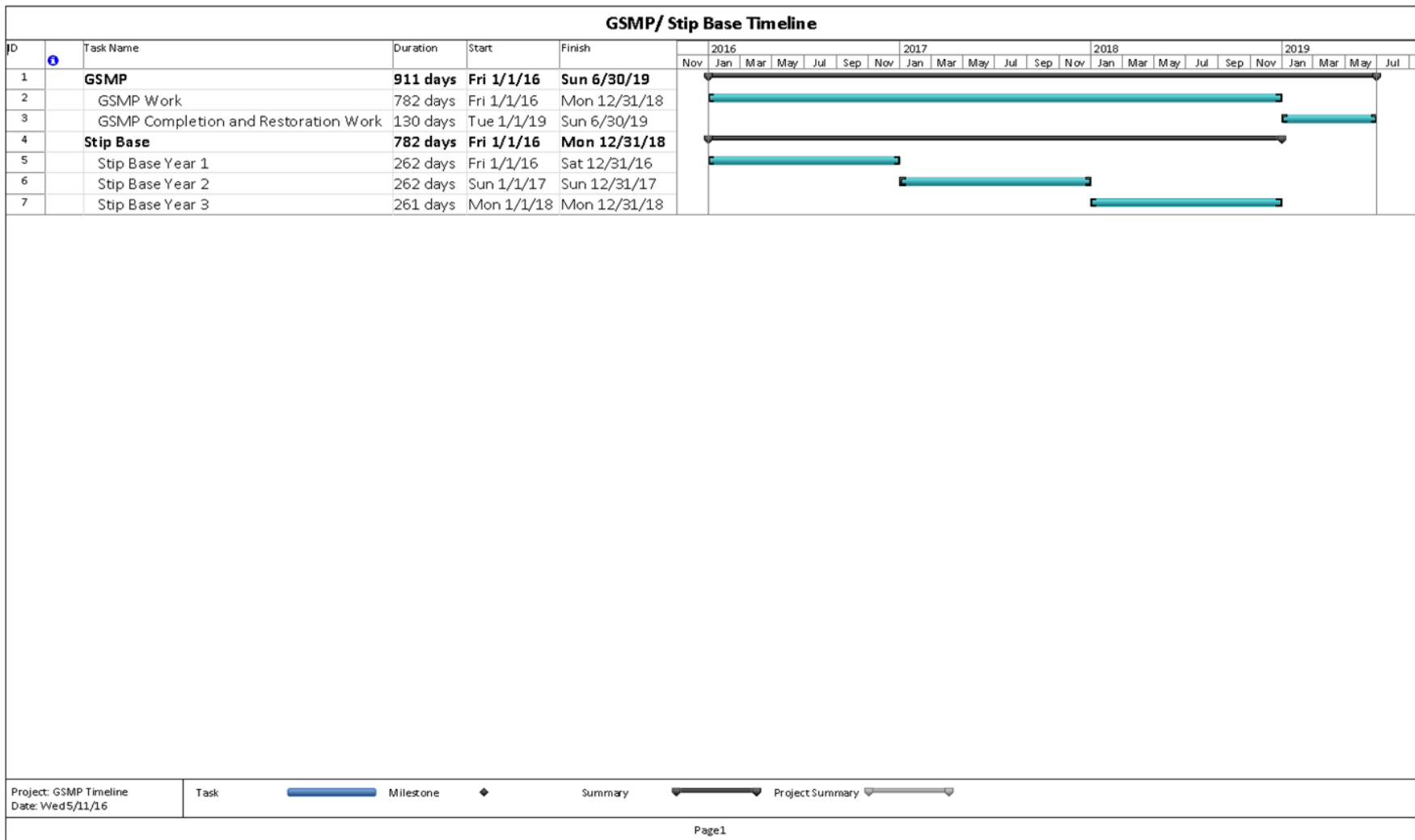
2) b. Expenditures incurred to date and amounts transferred to plant in-service, by project.

Expenditures Incurred To Date GSMP Projects	June PTD Actual Material \$	June PTD Actual Other \$	June PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 13,992,136	\$188,271,710	\$202,263,846	\$197,715,176
Replacement Service	\$ 1,567,298	\$ 61,717,516	\$ 63,284,814	\$ 63,237,890
Regulator Elimination	\$ 38,918	\$ 578,041	\$ 616,959	\$ 480,145
Total	\$ 15,598,352	\$250,567,267	\$266,165,619	\$261,433,210

Expenditures Incurred To Date Stipulated Base Projects	June PTD Actual Material \$	June PTD Actual Other \$	June PTD Actual Total \$	Amount to Plant In-Service
Replacement Main	\$ 16,921,605	\$114,456,201	\$131,377,806	\$126,941,478
Replacement Service	\$ 803,186	\$ 25,937,406	\$ 26,740,592	\$ 26,720,603
Stipulated Meter Reconstruction	\$ 95,799	\$ 1,886,076	\$ 1,981,875	\$ 1,981,875
GSMP Meter Reconstruction	\$ 84,516	\$ 2,721,727	\$ 2,806,243	\$ 2,806,243
Total	\$ 17,905,105	\$145,001,410	\$162,906,515	\$158,450,199

2d - Projected and actual number of services installed

	Project	Sub-Project	Project Completion Date	Units	Size Installed	Material Installed	2016 Quantity Completed	Projected Quantity Jan 2017	Actual Quantity Jan 2017	Projected Quantity Feb 2017	Actual Quantity Feb 2017	Projected Quantity Mar 2017	Actual Quantity Mar 2017	Projected Quantity Apr 2017	Actual Quantity Apr 2017	Projected Quantity May 2017	Actual Quantity May 2017	Projected Quantity Jun 2017	Actual Quantity Jun 2017	2017 Estimated Quantity	Quantity Completed 2017 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	-	12,816	-	3,479	4,000	3,196	4,000	13,083	28,119	42,238	37,115	49,573	313,149	124,385	486,124		
					4"	Plastic	182,371	-	2,044	-	2,249	4,341	1,231	4,341	3,299	14,653	9,042	14,653	15,389	119,957	33,254	215,625		
					6"	Plastic	60,016	-	2,446	-	2,690	4,088	1,027	4,088	3,729	5,023	4,695	6,494	4,538	57,972	19,125	79,141		
					8"	Plastic	13,461	-	835	-	466	2,334	5,389	2,334	3,561	1,799	3,616	1,799	308	15,862	14,175	27,636		
					12"	Plastic	-	-	-	-	-	1,077	-	1,077	-	1,006	-	1,000	-	4,160	-	-		
					12"	Steel	7,324	-	-	-	213	-	5,428	-	5,293	2,200	2,688	2,300	-	16,898	13,622	20,946		
					16"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	-	18,141	-	9,097	15,840	16,271	15,840	28,965	52,800	62,279	63,360	69,808	527,998	204,561	829,472		
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	367	1,113	301	787	411	576	617	757	993	803	942	972	10,000	5,008	11,812		
					>2"	Plastic	4	-	2	-	-	-	1	-	-	-	1	-	-	-	-	4	8	
Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	367	1,115	301	787	411	577	617	757	993	804	942	972	10,000	5,012	11,820			
Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	-	-	-	1	-	2	-	-	2	-	6	-	11	16				
Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	-	-	-	1	-	2	-	-	2	-	6	-	11	16				
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	-	3,739	-	1,364	2,500	3,830	5,000	6,867	6,277	4,603	4,628	2,475	41,249	22,878	178,289		
					4"	Plastic	95,033	-	3,166	-	1,807	1,000	5,132	4,000	2,996	6,049	1,782	4,671	2,682	36,741	17,565	112,598		
					6"	Plastic	34,296	-	2,320	-	1,132	252	1,492	2,672	76	2,719	232	1,719	97	16,881	5,349	39,645		
					8"	Plastic	16,633	-	-	-	38	-	944	-	14	1,580	14	1,580	-	9,177	1,010	17,643		
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
					12"	Plastic	-	-	-	-	-	-	-	-	-	414	-	413	-	2,892	-	-		
					12"	Steel	63,212	-	4,937	-	2,304	-	3,444	-	1,430	2,500	1,591	6,528	3,304	30,348	17,010	80,222		
					16"	Steel	10,331	-	3,147	-	4,744	1,000	8,420	1,000	9,509	4,223	6,206	4,222	7,765	21,112	39,791	50,122		
					20"	Steel	111	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	111
					Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	-	17,309	-	11,389	4,752	23,262	12,672	20,892	23,760	14,428	23,760	16,323	158,399
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	81	530	68	554	85	407	125	168	196	235	186	75	2,000	1,969	5,122		
					>2"	Plastic	3	-	-	-	-	-	-	-	-	-	2	-	2	-	5			
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	81	530	68	554	85	407	125	168	196	235	186	77	2,000	1,971	5,127		
	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		



Matthew M. Weissman
General Regulatory Counsel - Rates

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80 Park Plaza, T5G, Newark, NJ 07102-4194
tel: 973.430.7052 fax: 973.430.5983
email: Matthew.Weissman@pseg.com



September 15, 2017

VIA E-MAIL AND FIRST CLASS MAIL

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
Monthly Report – July 2017**

Dear Secretary Asbury:

Enclosed for filing on behalf of Public Service Electric & Gas Company (PSE&G) are ten copies of this letter and its enclosures to provide the monthly report for July, 2017 on the PSE&G Gas System Modernization Program (GSMP).

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 on 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 that reads "Matthew Weissman".

Matthew M. Weissman

Via E-Mail Only:

Stefanie Brand
Paul Flanagan
Lisa Gurkas
Brian Lipman
Jerome May
Alex Moreau
Stacy Peterson
Bethany Rocque-Romaine
Robert Schultheis
Felicia Thomas-Friel
Caroline Vachier

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.

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

2017 July PTD Budget	2017 July PTD Actual
\$ 176,959,989	\$ 218,882,147
\$ 76,849,389	\$ 67,717,788
\$ 839,268	\$ 659,180
\$ 254,648,646	\$ 287,259,114

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

2017 July PTD Budget	2017 July PTD Actual
\$ 103,748,090	\$ 134,904,155
\$ 15,550,059	\$ 27,378,810
\$ 828,406	\$ 2,187,436
\$ 4,142,037	\$ 3,179,960
\$ 124,268,592	\$ 167,650,361

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 \$
Replacement Main	\$ 14,975,423	\$ 203,906,724	\$ 218,882,147
Replacement Service	\$ 1,707,112	\$ 66,010,676	\$ 67,717,788
Regulator Elimination	\$ 39,922	\$ 619,258	\$ 659,180
Total	\$ 16,722,457	\$ 270,536,657	\$ 287,259,114

Amount to Plant In-Service
\$ 214,114,356
\$ 67,670,863
\$ 480,143
\$ 282,265,362

Expenditures Incurred To Date Stipulated Base Projects	July PTD Actual Material \$	July PTD Actual Other \$	July PTD Actual Total \$
Replacement Main	\$ 17,677,473	\$ 117,226,682	\$ 134,904,155
Replacement Service	\$ 817,019	\$ 26,561,791	\$ 27,378,810
Stipulated Meter Reconstruction	\$ 108,758	\$ 2,078,678	\$ 2,187,436
GSMP Meter Reconstruction	\$ 100,805	\$ 3,079,155	\$ 3,179,960
Total	\$ 18,704,055	\$ 148,946,306	\$ 167,650,361

Amount to Plant In-Service
\$ 130,316,879
\$ 27,358,822
\$ 2,187,436
\$ 3,179,960
\$ 163,043,096

PSE&G - GAS SYSTEM MODERNIZATION PROGRAM

ATTACHMENT C - MONTHLY REPORT

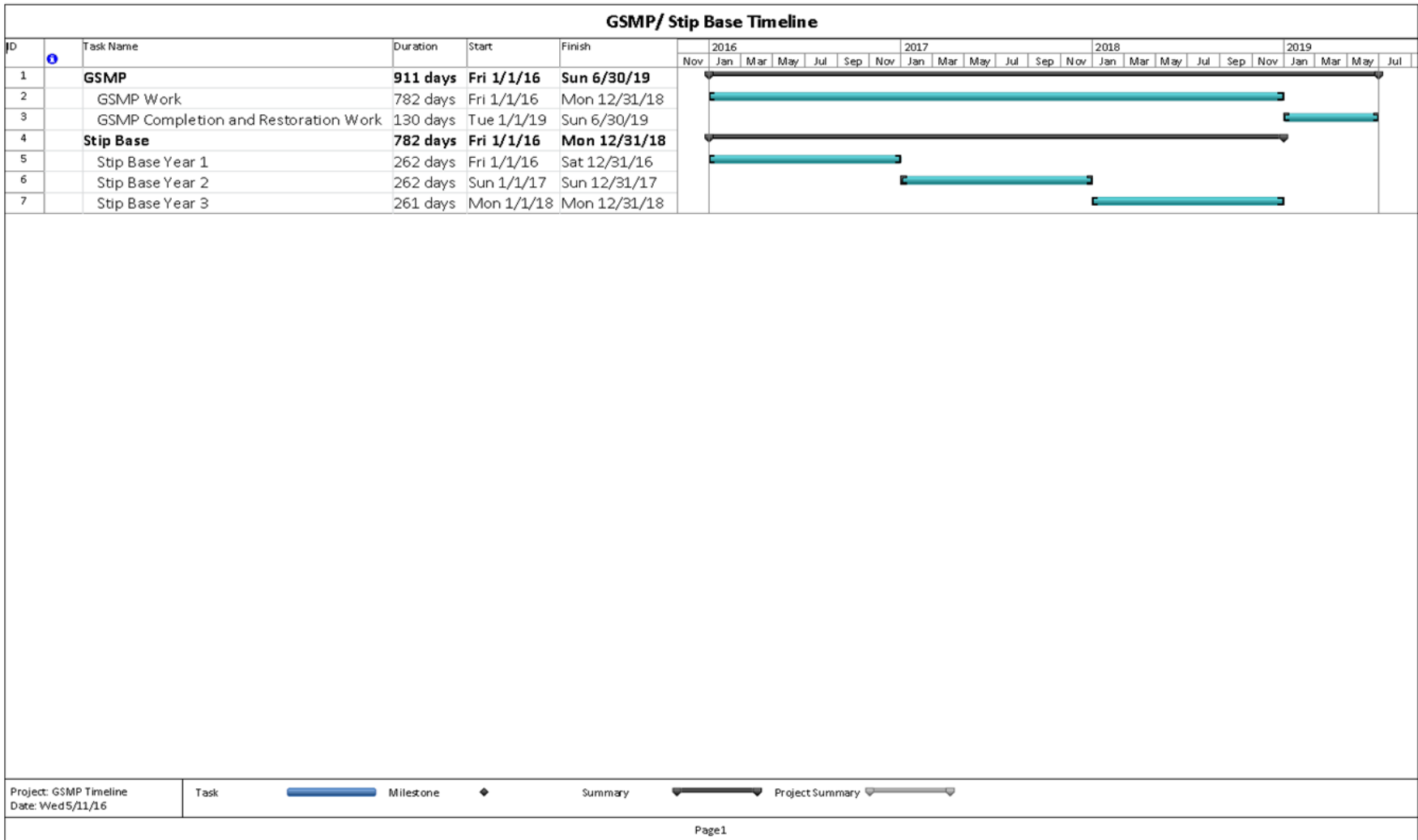
REPORT DATE: JULY 2017

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	SUBTOTAL Projected Quantity Jan-Jun 2017	SUBTOTAL Actual Quantity Jan-Jun 2017	Projected Quantity Jul 2017	Actual Quantity Jul 2017	2017 Estimated Quantity	Quantity Completed 2017 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	73,234	124,385	41,119	31,767	313,149	156,152	517,891
					4"	Plastic	182,371	37,988	33,254	16,928	14,515	119,957	47,769	230,140
					6"	Plastic	60,016	19,693	19,125	6,494	5,643	57,972	24,768	84,784
					8"	Plastic	13,461	8,265	14,175	1,799	1,635	15,862	15,810	29,271
					12"	Plastic	-	4,160	-	-	-	4,160	-	-
					12"	Steel	7,324	4,500	13,622	2,300	-	16,898	13,622	20,946
					16"	Steel	-	-	-	-	36	-	36	36
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	147,840	204,561	68,640	53,596	527,998	258,157	883,068
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	3,631	5,008	1,005	756	10,000	5,764	12,568
					>2"	Plastic	4	-	4	-	1	-	5	9
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	3,631	5,012	1,005	757	10,000	5,769	12,577
STIPULATED BASE	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	-	11		4		15	20
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	-	11		4		15	20
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	18,406	22,878	6,012	5,590	41,249	28,468	183,879
					4"	Plastic	95,033	15,719	17,565	5,171	(391)	36,741	17,174	112,207
					6"	Plastic	34,296	7,361	5,349	2,719	78	16,881	5,427	39,723
					8"	Plastic	16,633	3,159	1,010	1,280	-	9,177	1,010	17,643
					8"	Steel	-	-	-	-	-	-	-	-
					12"	Plastic	-	827	-	413	-	2,892	-	-
					12"	Steel	63,212	9,028	17,010	6,528	(157)	30,348	16,853	80,065
					16"	Steel	10,331	10,445	39,791	3,223	2,940	21,112	42,731	53,062
					20"	Steel	111	-	-	-	-	-	-	111
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	64,944	103,603	25,344	8,060	158,399	111,663	486,690
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	741	1,969	200	96	2,000	2,065	5,218
					>2"	Plastic	3	-	2	-	-	-	2	5
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	741	1,971	200	96	2,000	2,067	5,223
	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	-	-	-		-		-	-



ROTHFELDER STERN, L.L.C.

Attorneys at Law

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Please reply to Trenton

October 26, 2017

VIA E-MAIL AND FIRST CLASS MAIL

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
Monthly Report – August 2017**

Dear Secretary Asbury:

Enclosed for filing are ten copies of this letter and its enclosures of Public Service Electric & Gas Company (PSE&G) to provide the monthly report for August, 2017 on the Gas System Modernization Program (GSMP).

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 on 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.

Sincerely,



Martin C. Rothfelder

Via E-Mail Only:

Stefanie Brand

Paul Flanagan

Lisa Gurkas

Brian Lipman

Tom Walker

Alex Moreau

Stacy Peterson

Bethany Rocque-Romaine

Felicia Thomas-Friel

Caroline Vachier

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.

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

2017 August PTD Budget	2017 August PTD Actual
\$ 194,862,542	\$ 241,811,761
\$ 82,503,989	\$ 73,888,262
\$ 1,022,565	\$ 708,926
\$ 278,389,096	\$ 316,408,949

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

2017 August PTD Budget	2017 August PTD Actual
\$ 110,662,498	\$ 142,896,271
\$ 16,553,712	\$ 28,140,673
\$ 1,025,863	\$ 2,464,860
\$ 5,129,332	\$ 3,607,282
\$ 133,371,405	\$ 177,109,086

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 \$
Replacement Main	\$ 16,155,684	\$ 225,656,077	\$ 241,811,761
Replacement Service	\$ 1,849,837	\$ 72,038,425	\$ 73,888,262
Regulator Elimination	\$ 32,131	\$ 676,796	\$ 708,926
Total	\$ 18,037,652	\$ 298,371,297	\$ 316,408,949

Amount to Plant In-Service
\$ 236,729,316
\$ 73,840,732
\$ 480,144
\$ 311,050,192

Expenditures Incurred To Date Stipulated Base Projects	August PTD Actual Material \$	August PTD Actual Other \$	August PTD Actual Total \$
Replacement Main	\$ 18,361,683	\$ 124,534,588	\$ 142,896,271
Replacement Service	\$ 829,950	\$ 27,310,723	\$ 28,140,673
Stipulated Meter Reconstruction	\$ 115,419	\$ 2,349,441	\$ 2,464,860
GSMP Meter Reconstruction	\$ 113,281	\$ 3,494,001	\$ 3,607,282
Total	\$ 19,420,332	\$ 157,688,754	\$ 177,109,086

Amount to Plant In-Service
\$ 137,978,421
\$ 28,120,685
\$ 2,464,860
\$ 3,607,282
\$ 172,171,248

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

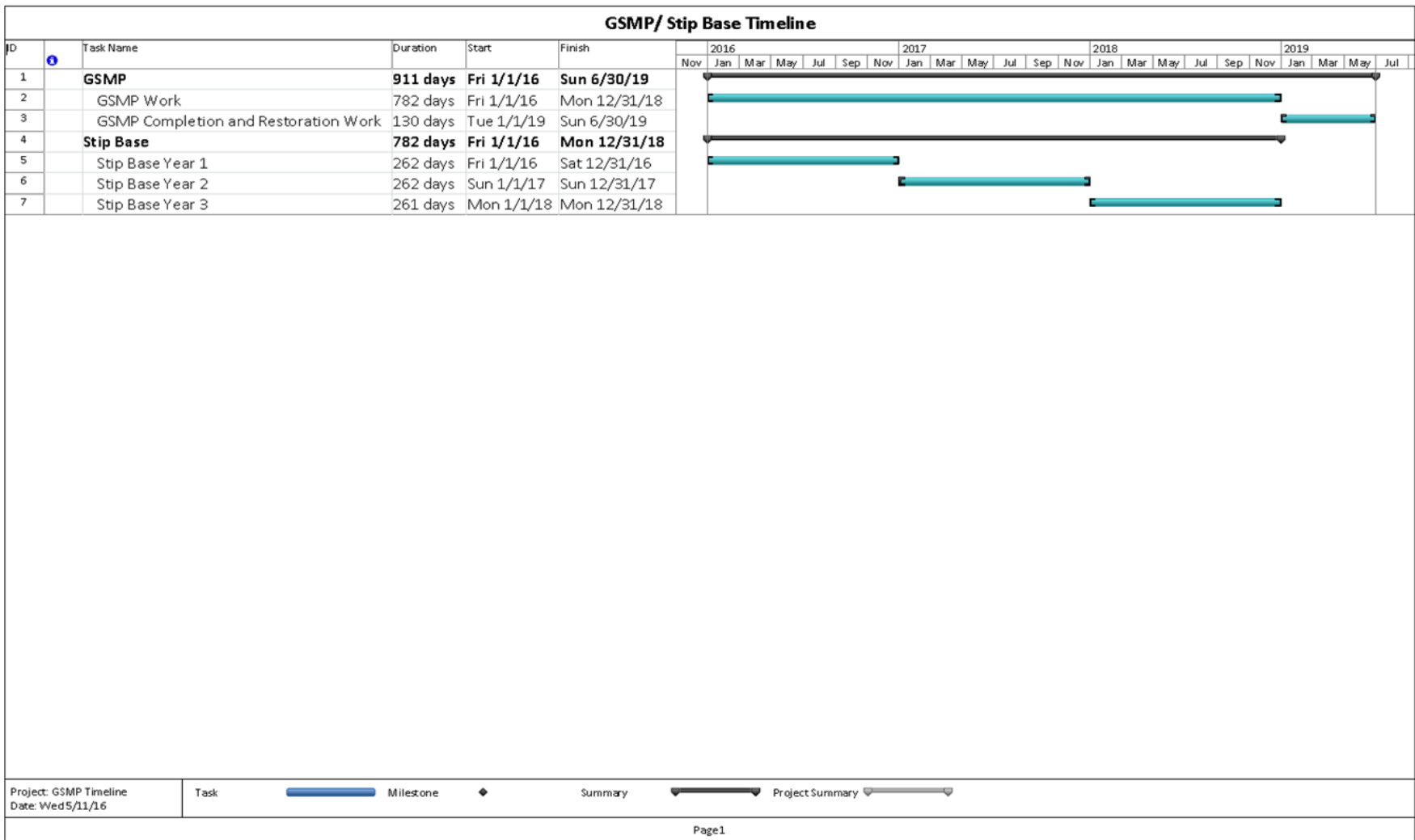
REPORT DATE: AUGUST 2017

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	SUBTOTAL Projected Quantity Jan-Jun 2017	SUBTOTAL Actual Quantity Jan-Jun 2017	Projected Quantity Jul 2017	Actual Quantity Jul 2017	Projected Quantity Aug 2017	Actual Quantity Aug 2017	2017 Estimated Quantity	Quantity Completed 2017 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	73,234	124,385	41,119	31,767	40,319	47,582	313,149	203,734	565,473
					4"	Plastic	182,371	37,988	33,254	16,928	14,515	16,028	21,378	119,957	69,147	251,518
					6"	Plastic	60,016	19,693	19,125	6,494	5,643	6,494	9,179	57,972	33,947	93,963
					8"	Plastic	13,461	8,265	14,175	1,799	1,635	1,799	3,121	15,862	18,931	32,392
					12"	Plastic	-	4,160	-	-	-	-	-	4,160	-	-
					12"	Steel	7,324	4,500	13,622	2,300	-	4,000	508	16,898	14,130	21,454
					16"	Steel	-	-	-	-	36	-	-	-	36	36
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	147,840	204,561	68,640	53,596	68,640	81,768	527,998	339,925	964,836
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	3,631	5,008	1,005	756	1,072	869	10,000	6,633	13,437
					> 2"	Plastic	4	-	4	-	1	-	2	-	7	11
STIPULATED BASE	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	3,631	5,012	1,005	757	1,072	871	10,000	6,640	13,448
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	-	11		4		3		18	23
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	-	11		4		3		18	23
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	18,406	22,878	6,012	5,590	5,000	1,386	41,249	29,854	185,265
					4"	Plastic	95,033	15,719	17,565	5,171	(391)	4,671	532	36,741	17,706	112,739
					6"	Plastic	34,296	7,361	5,349	2,719	78	2,346	(7)	16,881	5,420	39,716
					8"	Plastic	16,633	3,159	1,010	1,280	-	1,580	62	9,177	1,072	17,705
					8"	Steel	-	-	-	-	-	-	-	-	-	-
					12"	Plastic	-	827	-	413	-	413	-	2,892	-	-
					12"	Steel	63,212	9,028	17,010	6,528	(157)	6,528	1,618	30,348	18,471	81,683
					16"	Steel	10,331	10,445	39,791	3,223	2,940	3,223	2,722	21,112	45,453	55,784
					20"	Steel	111	-	-	-	-	-	-	-	-	111
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	64,944	103,603	25,344	8,060	23,760	6,313	158,399	117,976	493,003
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	741	1,969	200	96	213	91	2,000	2,156	5,309
					> 2"	Plastic	3	-	2	-	-	-	-	-	2	5
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	741	1,971	200	96	213	91	2,000	2,158	5,314
	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	-	-	-		-		-		-	-
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	-	-	-		-		-		-	-



ROTHFELDER STERN, L.L.C.

Attorneys at Law

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Tel: 856-520-6806
Fax: 856-375-2151
bstern@rothfelderstern.com

Please reply to Trenton

November 30, 2017

VIA E-MAIL AND FIRST CLASS MAIL

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
P.O. Box 350
Trenton, New Jersey 08625

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
Monthly Report – September 2017
Quarterly Report on Activity Related to Department of Energy’s Quadrennial Energy
Review (“QER”)**

Dear Secretary Asbury:

Enclosed for filing are ten copies of this letter and its enclosures of Public Service Electric & Gas Company (PSE&G) to provide the monthly report for September, 2017 on the Gas System Modernization Program (GSMP).

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 on 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 third quarter of 2017 is 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 the third quarter of 2017, there was no active consideration of this matter.

Sincerely,



Martin C. Rothfelder

Cc: Stefanie Brand (2 paper copies and e-mail)
Paul Flanagan (e-mail only)
Lisa Gurkas (e-mail only)
Brian Lipman (e-mail only)
Tom Walker (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)

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.

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

2017 September PTD Budget	2017 September PTD Actual
\$ 211,792,524	\$ 257,269,419
\$ 87,838,587	\$ 80,484,418
\$ 1,196,211	\$ 740,658
\$ 300,827,322	\$ 338,494,494

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

2017 September PTD Budget	2017 September PTD Actual
\$ 117,200,084	\$ 146,790,942
\$ 17,500,771	\$ 28,462,471
\$ 1,212,549	\$ 2,662,901
\$ 6,062,761	\$ 4,165,936
\$ 141,976,165	\$ 182,082,250

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	September PTD Actual Material \$	September PTD Actual Other \$	September PTD Actual Total \$
Replacement Main	\$ 17,168,327	\$ 240,101,091	\$ 257,269,419
Replacement Service	\$ 2,417,196	\$ 78,067,222	\$ 80,484,418
Regulator Elimination	\$ 41,406	\$ 699,252	\$ 740,658
Total	\$ 19,626,929	\$ 318,867,565	\$ 338,494,494

Amount to Plant In-Service
\$ 251,878,721
\$ 80,436,222
\$ 396,823
\$ 332,711,766

Expenditures Incurred To Date Stipulated Base Projects	September PTD Actual Material \$	September PTD Actual Other \$	September PTD Actual Total \$
Replacement Main	\$ 19,061,865	\$ 127,729,077	\$ 146,790,942
Replacement Service	\$ 854,765	\$ 27,607,706	\$ 28,462,471
Stipulated Meter Reconstruction	\$ 163,181	\$ 2,499,720	\$ 2,662,901
GSMP Meter Reconstruction	\$ 172,334	\$ 3,993,602	\$ 4,165,936
Total	\$ 20,252,145	\$ 161,830,105	\$ 182,082,250

Amount to Plant In-Service
\$ 141,800,416
\$ 28,439,378
\$ 2,662,901
\$ 4,165,936
\$ 177,068,631

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

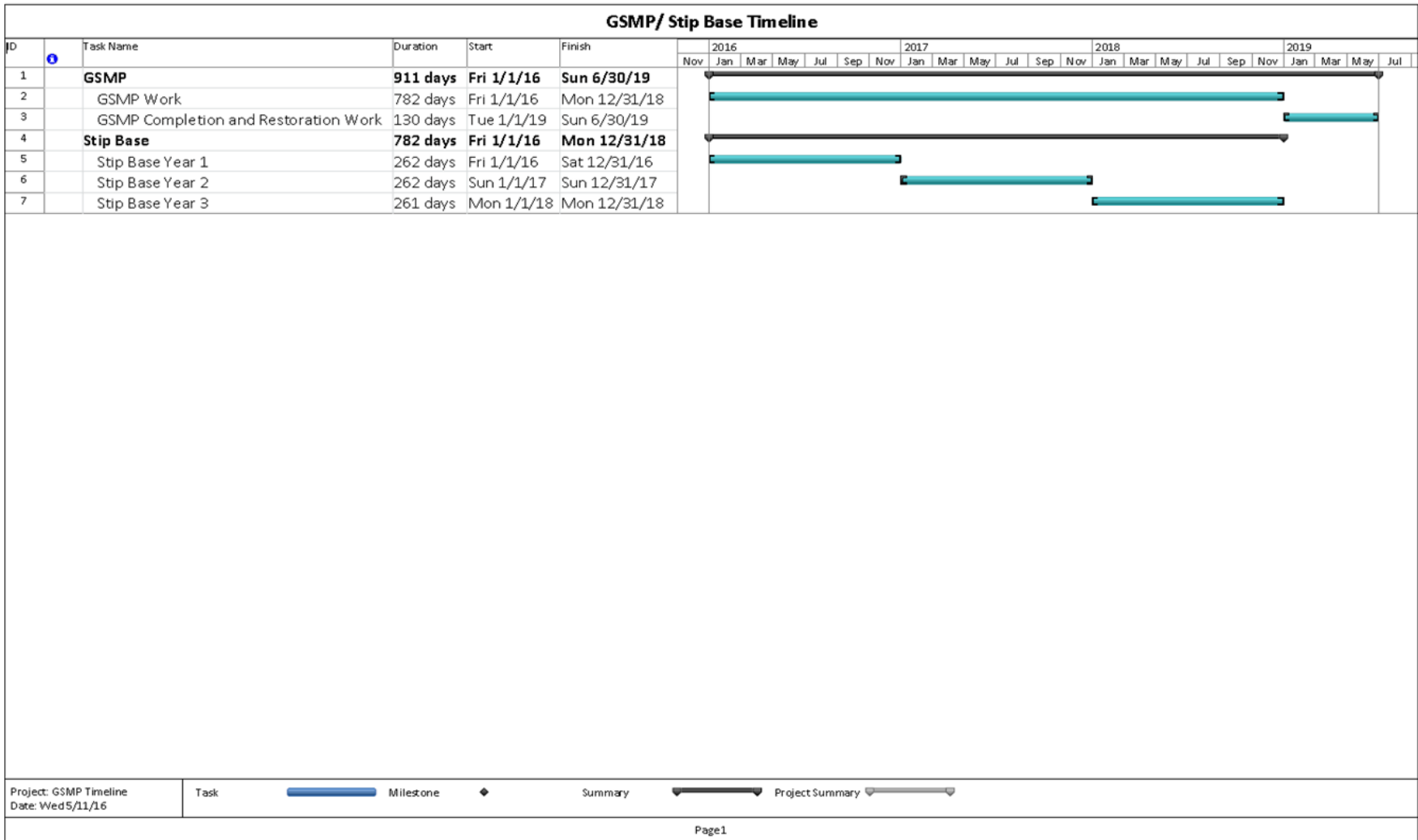
REPORT DATE: SEPTEMBER 2017

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	SUBTOTAL Projected Quantity Jan-Jun 2017	SUBTOTAL Actual Quantity Jan-Jun 2017	Projected Quantity Jul 2017	Actual Quantity Jul 2017	Projected Quantity Aug 2017	Actual Quantity Aug 2017	Projected Quantity Sep 2017	Actual Quantity Sep 2017	2017 Estimated Quantity	Quantity Completed 2017 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	73,234	124,385	41,119	31,767	40,319	47,582	51,119	30,686	313,149	234,420	596,159
					4"	Plastic	182,371	37,988	33,254	16,928	14,515	16,028	21,378	16,653	11,757	119,957	80,904	263,275
					6"	Plastic	60,016	19,693	19,125	6,494	5,643	6,494	9,179	7,395	6,520	57,972	40,467	100,483
					8"	Plastic	13,461	8,265	14,175	1,799	1,635	1,799	3,121	2,000	2,977	15,862	21,908	35,369
					12"	Plastic	-	4,160	-	-	-	-	-	-	-	4,160	-	-
					12"	Steel	7,324	4,500	13,622	2,300	-	4,000	508	2,033	4,177	16,898	18,307	25,631
					16"	Steel	-	-	-	-	36	-	-	-	-	-	36	36
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	147,840	204,561	68,640	53,596	68,640	81,768	79,200	56,117	527,998	396,042	1,020,953
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	3,631	5,008	1,005	756	1,072	869	1,012	869	10,000	7,502	14,306
					>2"	Plastic	4	-	4	-	1	-	2	-	-	-	7	11
STIPULATED BASE	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	3,631	5,012	1,005	757	1,072	871	1,012	869	10,000	7,509	14,317
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	-	11		4		3		3		21	26
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	-	11		4		3		3		21	26
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	18,406	22,878	6,012	5,590	5,000	1,386	3,277	552	41,249	30,406	185,817
					4"	Plastic	95,033	15,719	17,565	5,171	(391)	4,671	532	3,671	3,831	36,741	21,537	116,570
					6"	Plastic	34,296	7,361	5,349	2,719	78	2,346	(7)	1,719	66	16,881	5,486	39,782
					8"	Plastic	16,633	3,159	1,010	1,280	-	1,580	62	1,580	1,188	9,177	2,260	18,893
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-
					12"	Plastic	-	827	-	413	-	413	-	413	-	2,892	-	-
					12"	Steel	63,212	9,028	17,010	6,528	(157)	6,528	1,618	4,126	(2,085)	30,348	16,386	79,598
STIPULATED BASE					16"	Steel	10,331	10,445	39,791	3,223	2,940	3,223	2,722	4,223	2,980	21,112	48,433	58,764
					20"	Steel	111	-	-	-	-	-	-	-	-	-	-	111
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	64,944	103,603	25,344	8,060	23,760	6,313	19,008	6,532	158,399	124,508	499,535
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	741	1,969	200	96	213	91	201	83	2,000	2,239	5,392
					>2"	Plastic	3	-	2	-	-	-	-	-	1	-	3	6
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	741	1,971	200	96	213	91	201	84	2,000	2,242	5,398
	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	-	-	-		-		-		-		-	-
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	18,406	22,878	6,012	5,590	5,000	1,386	3,277	552	41,249	30,406	185,817
					4"	Plastic	95,033	15,719	17,565	5,171	(391)	4,671	532	3,671	3,831	36,741	21,537	116,570



ROTHFELDER STERN, L.L.C.

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Fax: 856-375-2151
bstern@rothfelderstern.com

Please reply to Trenton

January 2, 2018

VIA E-MAIL AND FIRST CLASS MAIL

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
Monthly Report – October 2017**

Dear Secretary Asbury:

Enclosed for filing are ten copies of this letter and its enclosures of Public Service Electric & Gas Company (PSE&G) to provide the monthly report for October, 2017 on the Gas System Modernization Program (GSMP).

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 on 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.

Sincerely,



Martin C. Rothfelder

CC Via E-Mail Only:

Stefanie Brand

Paul Flanagan

Lisa Gurkas

Brian Lipman

Alex Moreau

Stacy Peterson

Bethany Rocque-Romaine

Thomas Walker

Felicia Thomas-Friel

Caroline Vachier

CC: Two hard Copies

Division of Rate Counsel

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.

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

2017 October PTD Budget	2017 October PTD Actual
\$ 231,966,223	\$ 276,124,798
\$ 94,032,189	\$ 84,663,240
\$ 1,383,848	\$ 792,317
\$ 327,382,260	\$ 361,580,355

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

2017 October PTD Budget	2017 October PTD Actual
\$ 124,946,427	\$ 150,244,502
\$ 18,591,951	\$ 28,934,320
\$ 1,440,002	\$ 3,113,982
\$ 7,200,029	\$ 4,437,078
\$ 152,178,409	\$ 186,729,881

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	October PTD Actual Material \$	October PTD Actual Other \$	October PTD Actual Total \$
Replacement Main	\$ 18,473,881	\$ 257,650,918	\$ 276,124,798
Replacement Service	\$ 2,647,137	\$ 82,016,103	\$ 84,663,240
Regulator Elimination	\$ 43,276	\$ 749,041	\$ 792,317
Total	\$ 21,164,294	\$ 340,416,061	\$ 361,580,355

Amount to Plant In-Service
\$ 270,230,541
\$ 84,615,044
\$ 400,686
\$ 355,246,272

Expenditures Incurred To Date Stipulated Base Projects	October PTD Actual Material \$	October PTD Actual Other \$	October PTD Actual Total \$
Replacement Main	\$ 19,100,958	\$ 131,143,544	\$ 150,244,502
Replacement Service	\$ 911,875	\$ 28,022,445	\$ 28,934,320
Stipulated Meter Reconstruction	\$ 180,590	\$ 2,933,392	\$ 3,113,982
GSMP Meter Reconstruction	\$ 183,299	\$ 4,253,779	\$ 4,437,078
Total	\$ 20,376,722	\$ 166,353,159	\$ 186,729,881

Amount to Plant In-Service
\$ 145,160,787
\$ 28,908,676
\$ 3,113,982
\$ 4,437,078
\$ 181,620,523

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

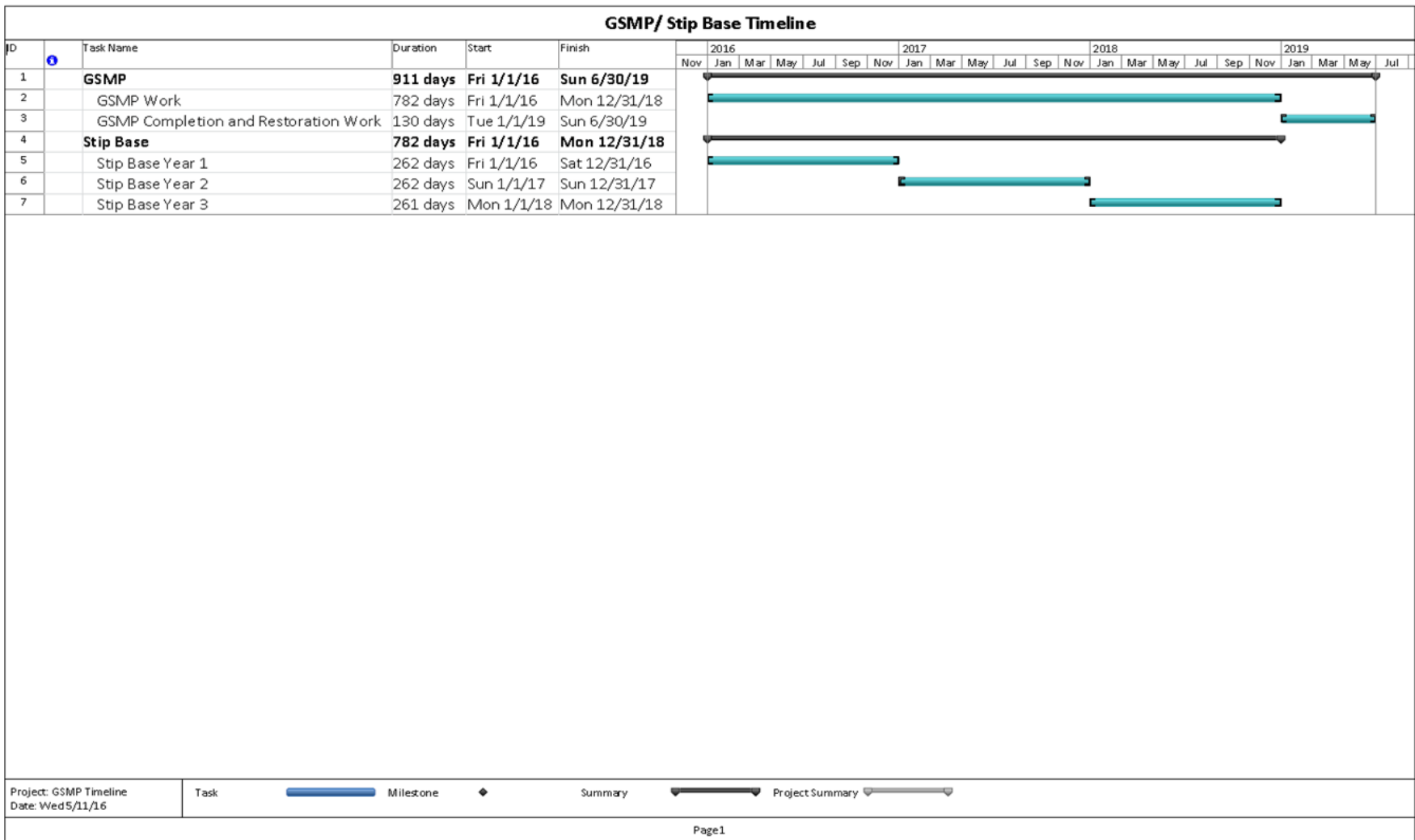
REPORT DATE: OCTOBER 2017

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	SUBTOTAL Projected Quantity Jan-Jun 2017	SUBTOTAL Actual Quantity Jan-Jun 2017	Projected Quantity Jul 2017	Actual Quantity Jul 2017	Projected Quantity Aug 2017	Actual Quantity Aug 2017	Projected Quantity Sep 2017	Actual Quantity Sep 2017	Projected Quantity Oct 2017	Actual Quantity Oct 2017	2017 Estimated Quantity	Quantity Completed 2017 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	73,234	124,385	41,119	31,767	40,319	47,582	51,119	30,686	53,119	20,687	313,149	255,107	616,846
					4"	Plastic	182,371	37,988	33,254	16,928	14,515	16,028	21,378	16,653	11,757	15,554	11,594	119,957	92,498	274,869
					6"	Plastic	60,016	19,693	19,125	6,494	5,643	6,494	9,179	7,395	6,520	6,494	8,105	57,972	48,572	108,588
					8"	Plastic	13,461	8,265	14,175	1,799	1,635	1,799	3,121	2,000	2,977	2,000	3,196	15,862	25,104	38,565
					12"	Plastic	-	4,160	-	-	-	-	-	-	-	-	-	4,160	-	-
					12"	Steel	7,324	4,500	13,622	2,300	-	4,000	508	2,033	4,177	2,033	1,835	16,898	20,142	27,466
					16"	Steel	-	-	-	-	36	-	-	-	-	-	-	-	36	36
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	147,840	204,561	68,640	53,596	68,640	81,768	79,200	56,117	79,200	45,417	527,998	441,459	1,066,370
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	3,631	5,008	1,005	756	1,072	869	1,012	869	1,175	887	10,000	8,389	15,193
					>2"	Plastic	4	-	4	-	1	-	2	-	-	-	-	-	7	11
STIPULATED BASE	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	3,631	5,012	1,005	757	1,072	871	1,012	869	1,175	887	10,000	8,396	15,204
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	-	11	-	4	-	3	-	3	-	4	-	25	30
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	-	11	-	4	-	3	-	3	-	4	-	25	30
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	18,406	22,878	6,012	5,590	5,000	1,386	3,277	552	4,277	2,977	41,249	33,383	188,794
					4"	Plastic	95,033	15,719	17,565	5,171	(391)	4,671	532	3,671	3,831	4,671	2,545	36,741	24,082	119,115
					6"	Plastic	34,296	7,361	5,349	2,719	78	2,346	(7)	1,719	66	2,019	1,290	16,881	6,776	41,072
					8"	Plastic	16,633	3,159	1,010	1,280	-	1,580	62	1,580	1,188	1,580	82	9,177	2,342	18,975
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
					12"	Plastic	-	827	-	413	-	413	-	413	-	413	-	2,892	-	-
					12"	Steel	63,212	9,028	17,010	6,528	(157)	6,528	1,618	4,126	(2,085)	2,881	-	30,348	16,386	79,598
					16"	Steel	10,331	10,445	39,791	3,223	2,940	3,223	2,722	4,223	2,980	-	562	21,112	48,995	59,326
					20"	Steel	111	-	-	-	-	-	-	-	-	-	-	-	-	111
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	64,944	103,603	25,344	8,060	23,760	6,313	19,008	6,532	15,840	7,456	158,399	131,964	506,991
STIPULATED BASE	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	741	1,969	200	96	213	91	201	83	231	37	2,000	2,276	5,429
					>2"	Plastic	3	-	2	-	-	-	-	-	1	-	(1)	-	2	5
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	741	1,971	200	96	213	91	201	84	231	36	2,000	2,278	5,434
	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	18,406	22,878	6,012	5,590	5,000	1,386	3,277	552	4,277	2,977	41,249	33,383	188,794
					4"	Plastic	95,033	15,719	17,565	5,171	(391)	4,671	532	3,671	3,831	4,671	2,545	36,741	24,082	119,115
					6"	Plastic	34,296	7,361	5,349	2,719	78	2,346	(7)	1,719	66	2,019	1,290	16,881	6,776	41,072
					8"	Plastic	16,633	3,159	1,010	1,280	-	1,580	62	1,580	1,188	1,580	82	9,177	2,342	18,975
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	12"	Plastic	-	827	-	413	-	413	-	413	-	413	-	2,892	-	-
					12"	Steel	63,212	9,028	17,010	6,528	(157)	6,528	1,618	4,126	(2,085)	2,881	-	30,348	16,386	79,598
					16"	Steel	10,331	10,445	39,791	3,223	2,940	3,223	2,722	4,223	2,980	-	562	21,112	48,995	59,326
					20"	Steel	111	-	-	-	-	-	-	-	-	-	-	-	-	111
					N/A	N/A	375,027	64,944	103,603	25,344	8,060	23,760	6,313	19,008	6,532	15,840	7,456	158,399	131,964	506,991



ROTHFELDER STERN, L.L.C.

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bstern@rothfelderstern.com

January 26, 2018

VIA E-MAIL AND FIRST CLASS MAIL

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625

Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
Monthly Report – November 2017

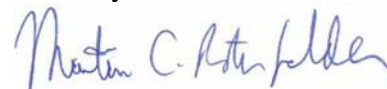
Dear Secretary Asbury:

Enclosed for filing are ten copies of this letter and its enclosures of Public Service Electric & Gas Company (PSE&G) to provide the monthly report for November, 2017 on the Gas System Modernization Program (GSMP).

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 on 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.

Sincerely,



Martin C. Rothfelder

Via E-Mail Only:

Stefanie Brand
Paul Flanagan
Lisa Gurkas
Brian Lipman
Jerome May
Alex Moreau
Stacy Peterson
Bethany Rocque-Romaine
Robert Schultheis
Felicia Thomas-Friel
Caroline Vachier

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.

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

2017 November PTD Budget	2017 November PTD Actual
\$ 248,784,077	\$ 292,720,502
\$ 99,348,023	\$ 89,096,351
\$ 1,556,240	\$ 876,883
\$ 349,688,340	\$ 382,693,736

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

2017 November PTD Budget	2017 November PTD Actual
\$ 131,410,245	\$ 153,549,057
\$ 19,528,281	\$ 29,307,792
\$ 1,624,363	\$ 3,487,476
\$ 8,121,838	\$ 4,803,476
\$ 160,684,727	\$ 191,147,801

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	November PTD Actual Material \$	November PTD Actual Other \$	November PTD Actual Total \$
Replacement Main	\$ 19,273,669	\$ 273,446,833	\$ 292,720,502
Replacement Service	\$ 3,096,856	\$ 85,999,495	\$ 89,096,351
Regulator Elimination	\$ 47,659	\$ 829,224	\$ 876,883
Total	\$ 22,418,184	\$ 360,275,552	\$ 382,693,736

Amount to Plant In-Service
\$ 286,322,639
\$ 89,047,616
\$ 402,851
\$ 375,773,105

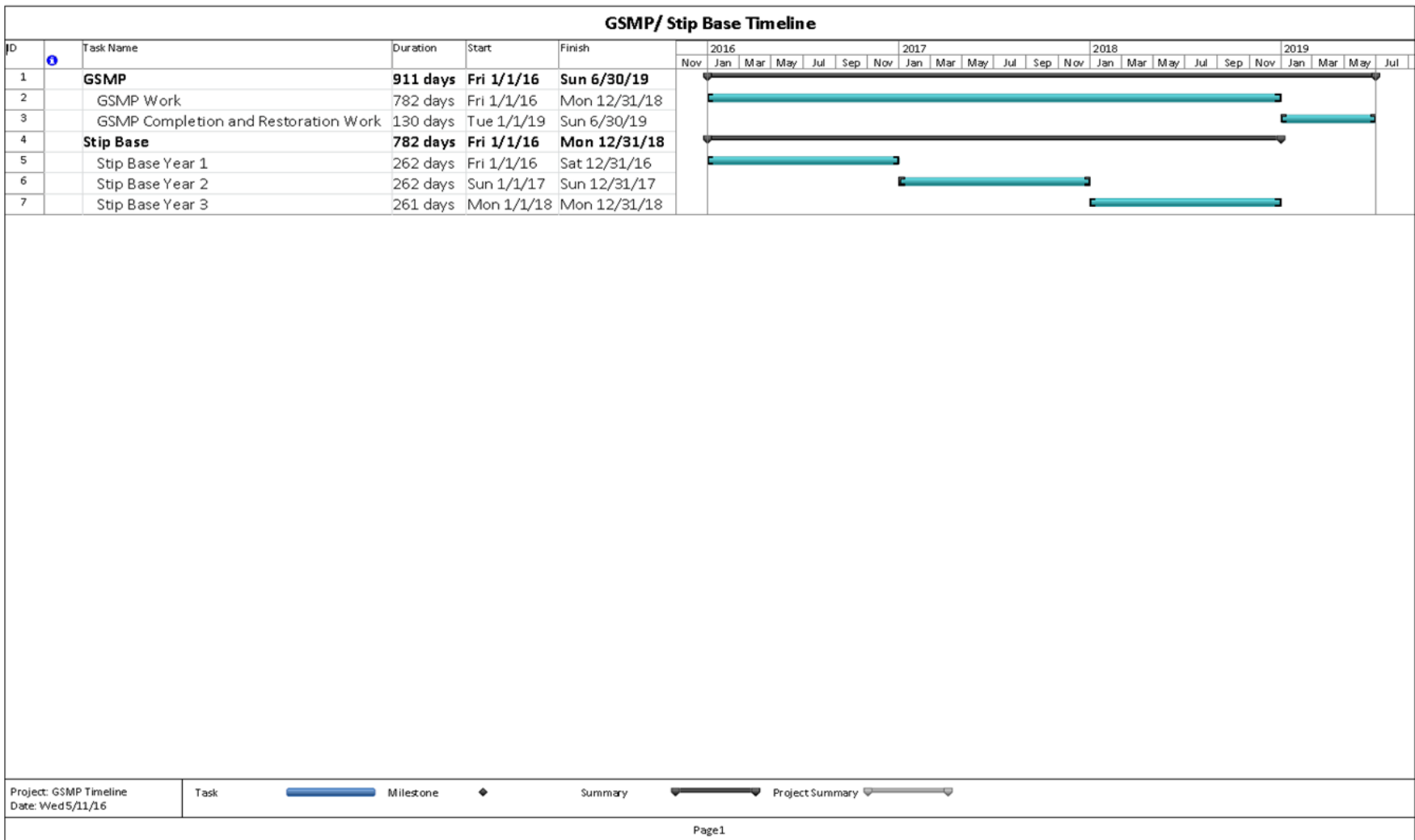
Expenditures Incurred To Date Stipulated Base Projects	November PTD Actual Material \$	November PTD Actual Other \$	November PTD Actual Total \$
Replacement Main	\$ 19,384,690	\$ 134,164,367	\$ 153,549,057
Replacement Service	\$ 929,180	\$ 28,378,612	\$ 29,307,792
Stipulated Meter Reconstruction	\$ 192,727	\$ 3,294,749	\$ 3,487,476
GSMP Meter Reconstruction	\$ 193,587	\$ 4,609,889	\$ 4,803,476
Total	\$ 20,700,184	\$ 170,447,617	\$ 191,147,801

Amount to Plant In-Service
\$ 148,368,052
\$ 29,282,148
\$ 3,487,476
\$ 4,803,476
\$ 185,941,153

ATTACHMENT C - MONTHLY REPORT

2d - Projected and actual number of services installed

	Project	Sub-Project	Project Completion Date	Units	Size Installed	Material Installed	2016 Quantity Completed	SUBTOTAL Projected Quantity Jan-Jun 2017	SUBTOTAL Actual Quantity Jan-Jun 2017	Projected Quantity Jul 2017	Actual Quantity Jul 2017	Projected Quantity Aug 2017	Actual Quantity Aug 2017	Projected Quantity Sep 2017	Actual Quantity Sep 2017	Projected Quantity Oct 2017	Actual Quantity Oct 2017	Projected Quantity Nov 2017	Actual Quantity Nov 2017	2017 Estimated Quantity	Quantity Completed 2017 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	73,234	124,385	41,119	31,767	40,319	47,582	51,119	30,686	53,119	20,687	32,119	40,421	313,149	295,528	657,267
					4"	Plastic	182,371	37,988	33,254	16,928	14,515	16,028	21,378	16,653	11,757	15,554	11,594	12,154	10,128	119,957	102,626	284,997
					6"	Plastic	60,016	19,693	19,125	6,494	5,643	6,494	9,179	7,395	6,520	6,494	8,105	6,494	4,908	57,972	53,480	113,496
					8"	Plastic	13,461	8,265	14,175	1,799	1,635	1,799	3,121	2,000	2,977	2,000	3,196	-	(835)	15,862	24,269	37,730
					12"	Plastic	-	4,160	-	-	-	-	-	-	-	-	-	-	-	4,160	-	-
					12"	Steel	7,324	4,500	13,622	2,300	-	4,000	508	2,033	4,177	2,033	1,835	2,033	93	16,898	20,235	27,559
					16"	Steel	-	-	-	-	36	-	-	-	-	-	-	-	-	-	36	36
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	147,840	204,561	68,640	53,596	68,640	81,768	79,200	56,117	79,200	45,417	52,800	54,715	527,998	496,174	1,121,085
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤2"	Plastic	6,804	3,631	5,008	1,005	756	1,072	869	1,012	869	1,175	887	1,008	700	10,000	9,089	15,893
					>2"	Plastic	4	-	4	-	1	-	2	-	-	-	-	-	1	-	8	12
Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	3,631	5,012	1,005	757	1,072	871	1,012	869	1,175	887	1,008	701	10,000	9,097	15,905	
Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	-	11		4		3		3		4		1		26	31	
Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	-	11		4		3		3		4		1		26	31	
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	18,406	22,878	6,012	5,590	5,000	1,386	3,277	552	4,277	2,977	2,277	3,242	41,249	36,625	192,036
					4"	Plastic	95,033	15,719	17,565	5,171	(391)	4,671	532	3,671	3,831	4,671	2,545	1,671	4,018	36,741	28,100	123,133
					6"	Plastic	34,296	7,361	5,349	2,719	78	2,346	(7)	1,719	66	2,019	1,290	719	2,630	16,881	9,406	43,702
					8"	Plastic	16,633	3,159	1,010	1,280	-	1,580	62	1,580	1,188	1,580	82	-	-	9,177	2,342	18,975
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
					12"	Plastic	-	827	-	413	-	413	-	413	-	413	-	413	-	2,892	-	-
					12"	Steel	63,212	9,028	17,010	6,528	(157)	6,528	1,618	4,126	(2,085)	2,881	-	1,257	6	30,348	16,392	79,604
					16"	Steel	10,331	10,445	39,791	3,223	2,940	3,223	2,722	4,223	2,980	-	562	-	1,539	21,112	50,534	60,865
					20"	Steel	111	-	-	-	-	-	-	-	-	-	-	-	-	-	-	111
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	64,944	103,603	25,344	8,060	23,760	6,313	19,008	6,532	15,840	7,456	6,336	11,435	158,399	143,399	518,426
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤2"	Plastic	3,153	741	1,969	200	96	213	91	201	83	231	37	198	114	2,000	2,390	5,543
					>2"	Plastic	3	-	-	2	-	-	-	-	1	-	(1)	-	-	-	2	5
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	741	1,971	200	96	213	91	201	84	231	36	198	114	2,000	2,392	5,548
	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	-	-	-		-		-		-		-		-		-	-



ROTHFELDER STERN, L.L.C.

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Please reply to Trenton

February 21, 2018

VIA E-MAIL AND FIRST CLASS MAIL

Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625

**Re: PSE&G GAS SYSTEM MODERNIZATION PROGRAM (GSMP)
Monthly Report – December 2017
Quarterly Report on Activity Related to Department of Energy’s Quadrennial Energy
Review (“QER”)**

Dear Secretary Asbury:

Enclosed for filing are ten copies of this letter and its enclosures of Public Service Electric & Gas Company (PSE&G) to provide the monthly report for December, 2017 on the Gas System Modernization Program (GSMP).

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 on 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 2017 is 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. During the 115th Congress, the Senate has reintroduced its version of an energy bill (S. 1460, Energy and Natural Resources Act of 2017) but no action has occurred in the House. During the fourth quarter of 2017, there was no active consideration of this matter.

Sincerely,



Martin C. Rothfelder

Via E-Mail Only:

Stefanie Brand
Paul Flanagan
Lisa Gurkas
Brian Lipman
Alex Moreau
Tom Walker
Stacy Peterson
Bethany Rocque-Romaine
Felicia Thomas-Friel
Caroline Vachier

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.

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

2017 December PTD Budget	2017 December PTD Actual
\$ 267,166,693	\$ 308,800,186
\$ 105,131,772	\$ 93,880,973
\$ 1,741,534	\$ 890,661
\$ 374,039,999	\$ 403,571,819

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

2017 December PTD Budget	2017 December PTD Actual
\$ 138,487,820	\$ 155,807,829
\$ 20,551,777	\$ 29,802,046
\$ 1,826,728	\$ 3,909,968
\$ 9,133,676	\$ 5,183,408
\$ 170,000,001	\$ 194,703,251

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	December PTD Actual Material \$	December PTD Actual Other \$	December PTD Actual Total \$
Replacement Main	\$ 20,315,221	\$ 288,484,964	\$ 308,800,186
Replacement Service	\$ 3,250,120	\$ 90,630,853	\$ 93,880,973
Regulator Elimination	\$ 47,659	\$ 843,002	\$ 890,661
Total	\$ 23,613,000	\$ 379,958,819	\$ 403,571,819

Amount to Plant In-Service
\$ 302,026,889
\$ 93,832,237
\$ 405,030
\$ 396,264,156

Expenditures Incurred To Date Stipulated Base Projects	December PTD Actual Material \$	December PTD Actual Other \$	December PTD Actual Total \$
Replacement Main	\$ 19,466,399	\$ 136,341,430	\$ 155,807,829
Replacement Service	\$ 947,577	\$ 28,854,469	\$ 29,802,046
Stipulated Meter Reconstruction	\$ 211,325	\$ 3,698,643	\$ 3,909,968
GSMP Meter Reconstruction	\$ 211,273	\$ 4,972,135	\$ 5,183,408
Total	\$ 20,836,574	\$ 173,866,677	\$ 194,703,251

Amount to Plant In-Service
\$ 150,523,457
\$ 29,776,403
\$ 3,909,968
\$ 5,183,408
\$ 189,393,236

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

REPORT DATE: DECEMBER 2017

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	SUBTOTAL Projected Quantity Jan-Jun 2017	SUBTOTAL Actual Quantity Jan-Jun 2017	Projected Quantity Jul 2017	Actual Quantity Jul 2017	Projected Quantity Aug 2017	Actual Quantity Aug 2017	Projected Quantity Sep 2017	Actual Quantity Sep 2017	Projected Quantity Oct 2017	Actual Quantity Oct 2017	Projected Quantity Nov 2017	Actual Quantity Nov 2017	Projected Quantity Dec 2017	Actual Quantity Dec 2017	2017 Estimated Quantity	Quantity Completed 2017 Year To Date
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	361,739	73,234	124,385	41,119	31,767	40,319	47,582	51,119	30,686	53,119	20,687	32,119	40,421	22,119	38,283	313,149	333,811
					4"	Plastic	182,371	37,988	33,254	16,928	14,515	16,028	21,378	16,653	11,757	15,554	11,594	12,154	10,128	4,653	10,875	119,957	113,501
					6"	Plastic	60,016	19,693	19,125	6,494	5,643	6,494	9,179	7,395	6,520	6,494	8,105	6,494	4,908	4,908	1,330	57,972	54,810
					8"	Plastic	13,461	8,265	14,175	1,799	1,635	1,799	3,121	2,000	2,977	2,000	3,196	-	(835)	-	493	15,862	24,762
					12"	Plastic	-	4,160	-	-	-	-	-	-	-	-	-	-	-	-	-	4,160	-
					12"	Steel	7,324	4,500	13,622	2,300	-	4,000	508	2,033	4,177	2,033	1,835	2,033	93	-	-	16,898	20,235
					16"	Steel	-	-	-	-	36	-	-	-	-	-	-	-	-	-	-	-	36
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	147,840	204,561	68,640	53,596	68,640	81,768	79,200	56,117	79,200	45,417	52,800	54,715	31,680	50,981	527,998	547,155
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	3,631	5,008	1,005	756	1,072	869	1,012	869	1,175	887	1,008	700	1,097	761	10,000	9,850
					>2"	Plastic	4	-	4	-	1	-	2	-	-	-	-	-	1	-	-	-	8
STIPULATED BASE	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	3,631	5,012	1,005	757	1,072	871	1,012	869	1,175	887	1,008	701	1,097	761	10,000	9,858
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	-	11	-	4	-	3	-	3	-	4	-	1	-	2	-	28
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	-	11	-	4	-	3	-	3	-	4	-	1	-	2	-	28
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	18,406	22,878	6,012	5,590	5,000	1,386	3,277	552	4,277	2,977	2,277	3,242	2,000	1,751	41,249	38,376
					4"	Plastic	95,033	15,719	17,565	5,171	(391)	4,671	532	3,671	3,831	4,671	2,545	1,671	4,018	1,169	3,422	36,741	31,522
					6"	Plastic	34,296	7,361	5,349	2,719	78	2,346	(7)	1,719	66	2,019	1,290	719	2,630	-	1,646	16,881	11,052
					8"	Plastic	16,633	3,159	1,010	1,280	-	1,580	62	1,580	1,188	1,580	82	-	-	-	-	9,177	2,342
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
					12"	Plastic	-	827	-	413	-	413	-	413	-	413	-	413	-	-	-	2,892	-
					12"	Steel	63,212	9,028	17,010	6,528	(157)	6,528	1,618	4,126	(2,085)	2,881	-	1,257	6	-	-	30,348	16,392
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	64,944	103,603	25,344	8,060	23,760	6,313	19,008	6,532	15,840	7,456	6,336	11,435	3,169	7,063	158,399	150,462
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	741	1,969	200	96	213	91	201	83	231	37	198	114	216	102	2,000	2,492
					>2"	Plastic	3	-	2	-	-	-	-	-	1	-	(1)	-	-	-	-	-	2
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	741	1,971	200	96	213	91	201	84	231	36	198	114	216	102	2,000	2,494
	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	18,406	22,878	6,012	5,590	5,000	1,386	3,277	552	4,277	2,977	2,277	3,242	2,000	1,751	41,249	38,376
					4"	Plastic	95,033	15,719	17,565	5,171	(391)	4,671	532	3,671	3,831	4,671	2,545	1,671	4,018	1,169	3,422	36,741	31,522
					6"	Plastic	34,296	7,361	5,349	2,719	78	2,346	(7)	1,719	66	2,019	1,290	719	2,630	-	1,646	16,881	11,052
					8"	Plastic	16,633	3,159	1,010	1,280	-	1,580	62	1,580	1,188	1,580	82	-	-	-	-	9,177	2,342

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

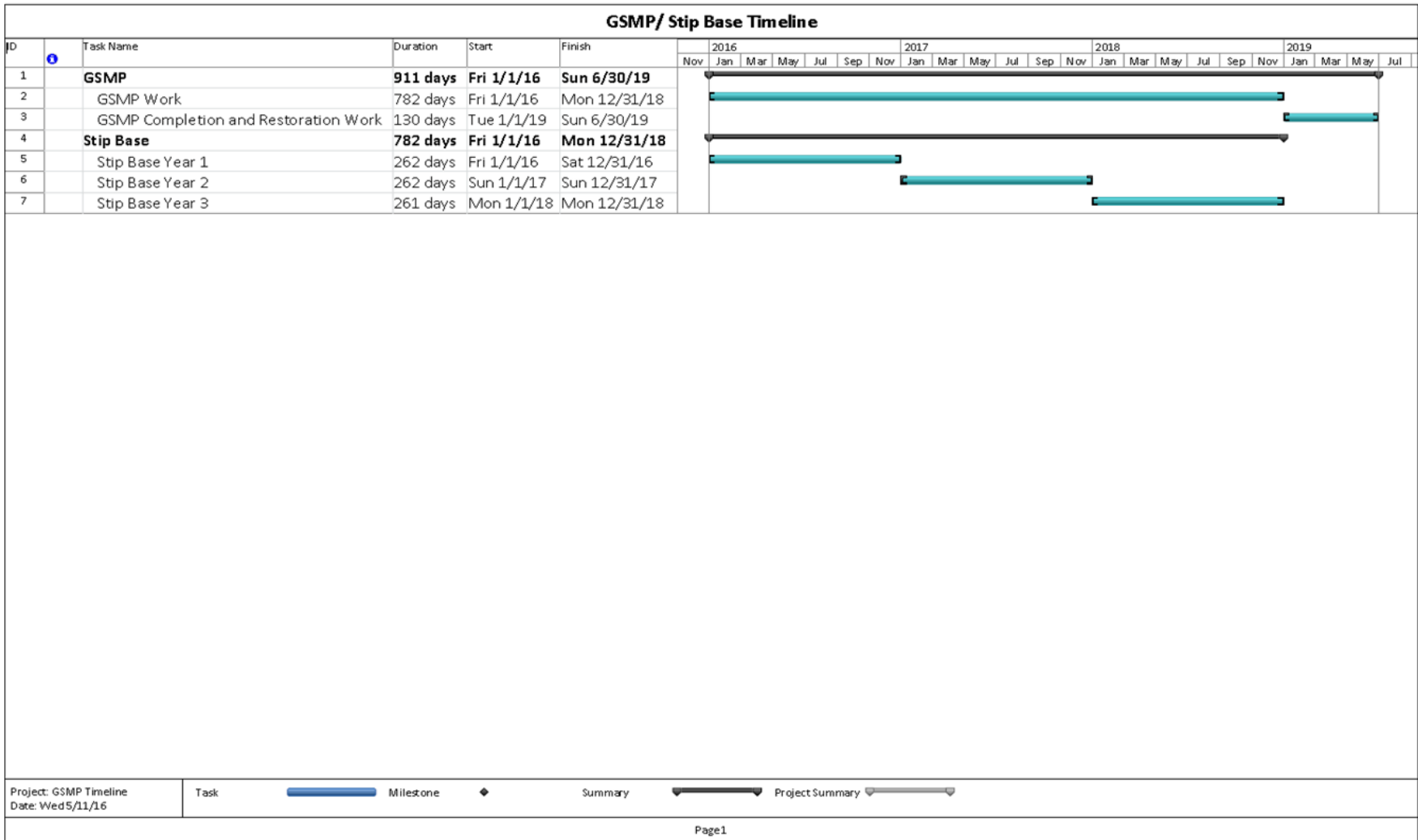
REPORT DATE: DECEMBER 2017

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	Total Program Quantity Completed To Date
GAS SYSTEM MODERNIZATION PROGRAM	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	695,550
					4"	Plastic	295,872
					6"	Plastic	114,826
					8"	Plastic	38,223
					12"	Plastic	-
					12"	Steel	27,559
					16"	Steel	36
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	1,172,066
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	16,654
					>2"	Plastic	12
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	16,666
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	33
STIPULATED BASE	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	33
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	193,787
					4"	Plastic	126,555
					6"	Plastic	45,348
					8"	Plastic	18,975
					8"	Steel	-
					12"	Plastic	-
					12"	Steel	79,604
					16"	Steel	61,109
					20"	Steel	111
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	525,489
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	5,645
					>2"	Plastic	5
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	5,650
	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	-



ROTHFELDER STERN, L.L.C.

Attorneys at Law

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(Admitted in NJ, NY, NH, PA, MO)

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22 Lakeview Hollow
Cherry Hill, NJ 08003
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Fax: 856-375-2151
bstern@rothfelderstern.com

Please reply to Trenton

April 2, 2018

VIA E-MAIL AND FIRST CLASS MAIL

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

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

Dear Secretary Camacho:

On behalf of Public Service Electric & Gas Company (PSE&G), enclosed for filing are ten copies of this letter and its enclosures of to provide the PSE&G monthly report for January, 2018 on the Gas System Modernization Program (GSMP).

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 on 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.

Sincerely,



Martin C. Rothfelder

cc: Stefanie Brand (two hard copies and e-mail)
Paul Flanagan (e-mail only)
Lisa Gurkas (e-mail only)
Brian Lipman (e-mail only)
Thomas Walker (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.

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

2018 January PTD Budget	2018 January PTD Actual
\$ 274,834,270	\$ 315,776,638
\$ 107,334,094	\$ 97,891,287
\$ 1,766,385	\$ 894,522
\$ 383,934,748	\$ 414,562,447

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

2018 January PTD Budget	2018 January PTD Actual
\$ 140,816,922	\$ 157,014,837
\$ 21,588,238	\$ 30,494,767
\$ 1,972,081	\$ 4,261,555
\$ 9,590,110	\$ 5,537,264
\$ 173,967,351	\$ 197,308,423

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	January PTD Actual Material \$	January PTD Actual Other \$	January PTD Actual Total \$
Replacement Main	\$ 21,015,474	\$ 294,761,164	\$ 315,776,638
Replacement Service	\$ 3,500,056	\$ 94,391,231	\$ 97,891,287
Regulator Elimination	\$ 47,659	\$ 846,863	\$ 894,522
Total	\$ 24,563,189	\$ 389,999,258	\$ 414,562,447

Amount to Plant In-Service
\$ 308,584,244
\$ 97,842,552
\$ 405,030
\$ 406,831,826

Expenditures Incurred To Date Stipulated Base Projects	January PTD Actual Material \$	January PTD Actual Other \$	January PTD Actual Total \$
Replacement Main	\$ 19,628,801	\$ 137,386,036	\$ 157,014,837
Replacement Service	\$ 1,161,091	\$ 29,333,676	\$ 30,494,767
Stipulated Meter Reconstruction	\$ 241,579	\$ 4,019,976	\$ 4,261,555
GSMP Meter Reconstruction	\$ 254,046	\$ 5,283,218	\$ 5,537,264
Total	\$ 21,285,517	\$ 176,022,906	\$ 197,308,423

Amount to Plant In-Service
\$ 151,691,656
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PSE&G - GAS SYSTEM MODERNIZATION PROGRAM
ATTACHMENT C - MONTHLY REPORT

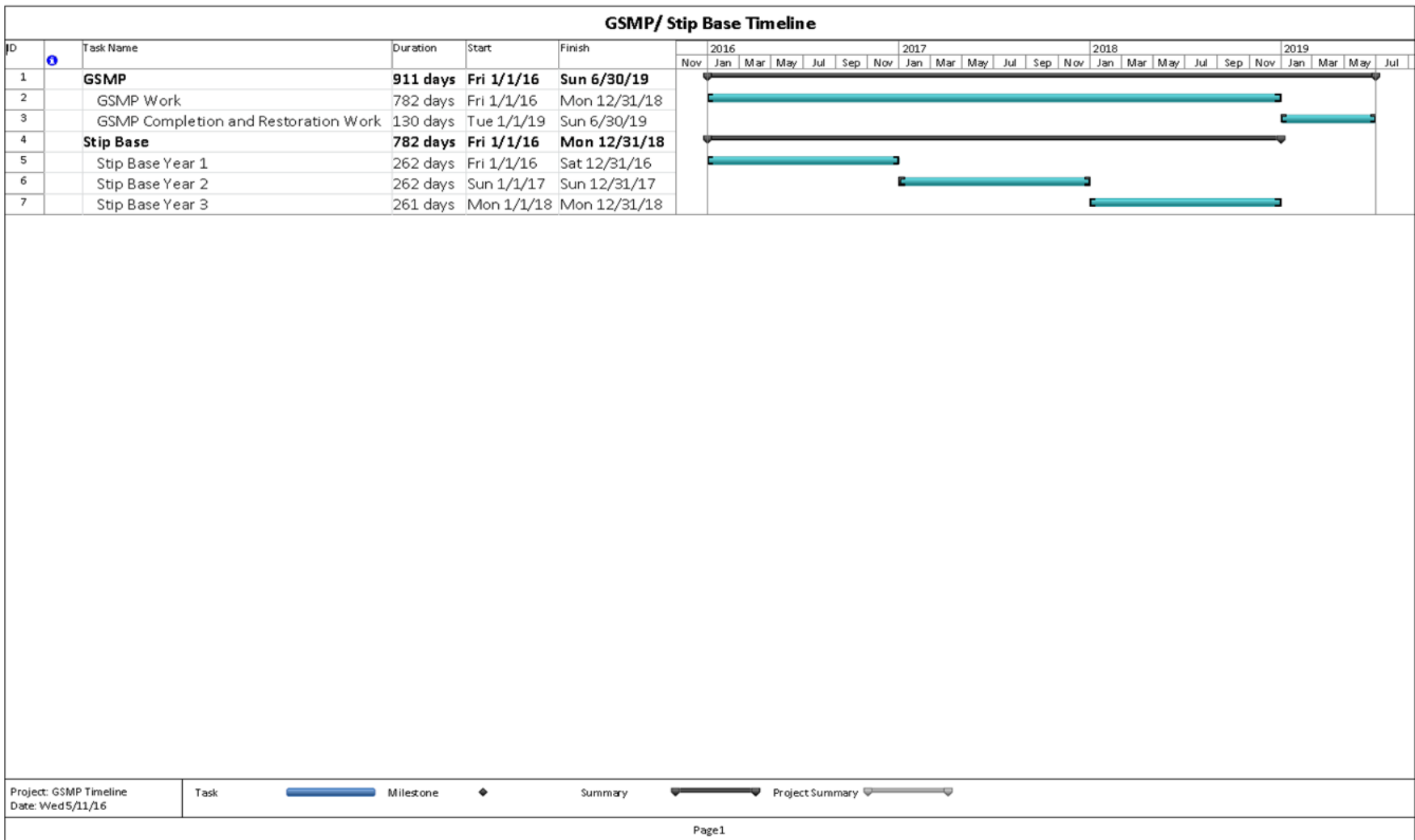
REPORT DATE: JANUARY 2018

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	2016 Quantity Completed	2017 Quantity Completed	Projected Quantity Jan 2018	Actual Quantity Jan 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	304,229	13,451	709,001
					4"	Plastic	182,371	113,501	-	5,471	107,783	5,471	301,343
					6"	Plastic	60,016	54,810	-	1,783	51,168	1,783	116,609
					8"	Plastic	13,461	24,762	-	2	16,550	2	38,225
					12"	Plastic	-	-	-	-	-	-	-
					12"	Steel	7,324	20,235	-	45	750	45	27,604
					16"	Steel	-	36	-	-	-	-	36
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	547,155	-	20,752	480,480	20,752	1,192,818
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	9,850	500	770	8,250	770	17,424
					>2"	Plastic	4	8	-	1	-	1	13
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	9,858	500	771	8,250	771	17,437
STIPULATED BASE	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	28		-		-	33
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	28		-		-	33
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	38,376	-	1,005	29,799	1,005	194,792
					4"	Plastic	95,033	31,522	-	274	25,191	274	126,829
					6"	Plastic	34,296	11,052	-	714	12,097	714	46,062
					8"	Plastic	16,633	2,342	-	1,600	3,971	1,600	20,575
					8"	Steel	-	-	-	-	-	-	-
					12"	Plastic	-	-	-	4,100	-	4,100	4,100
					12"	Steel	63,212	16,392	-	-	27,043	-	79,604
					16"	Steel	10,331	50,778	-	-	7,500	-	61,109
					20"	Steel	111	-	-	-	-	-	111
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	375,027	150,462	-	7,693	105,600	7,693	533,182
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	2,492	50	49	1,625	49	5,694
					>2"	Plastic	3	2	-	-	-	-	5
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	2,494	50	49	1,625	49	5,699
	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

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

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Expenditures Incurred To Date GSMP Projects	January PTD Actual Material \$	January PTD Actual Other \$	January PTD Actual Total \$
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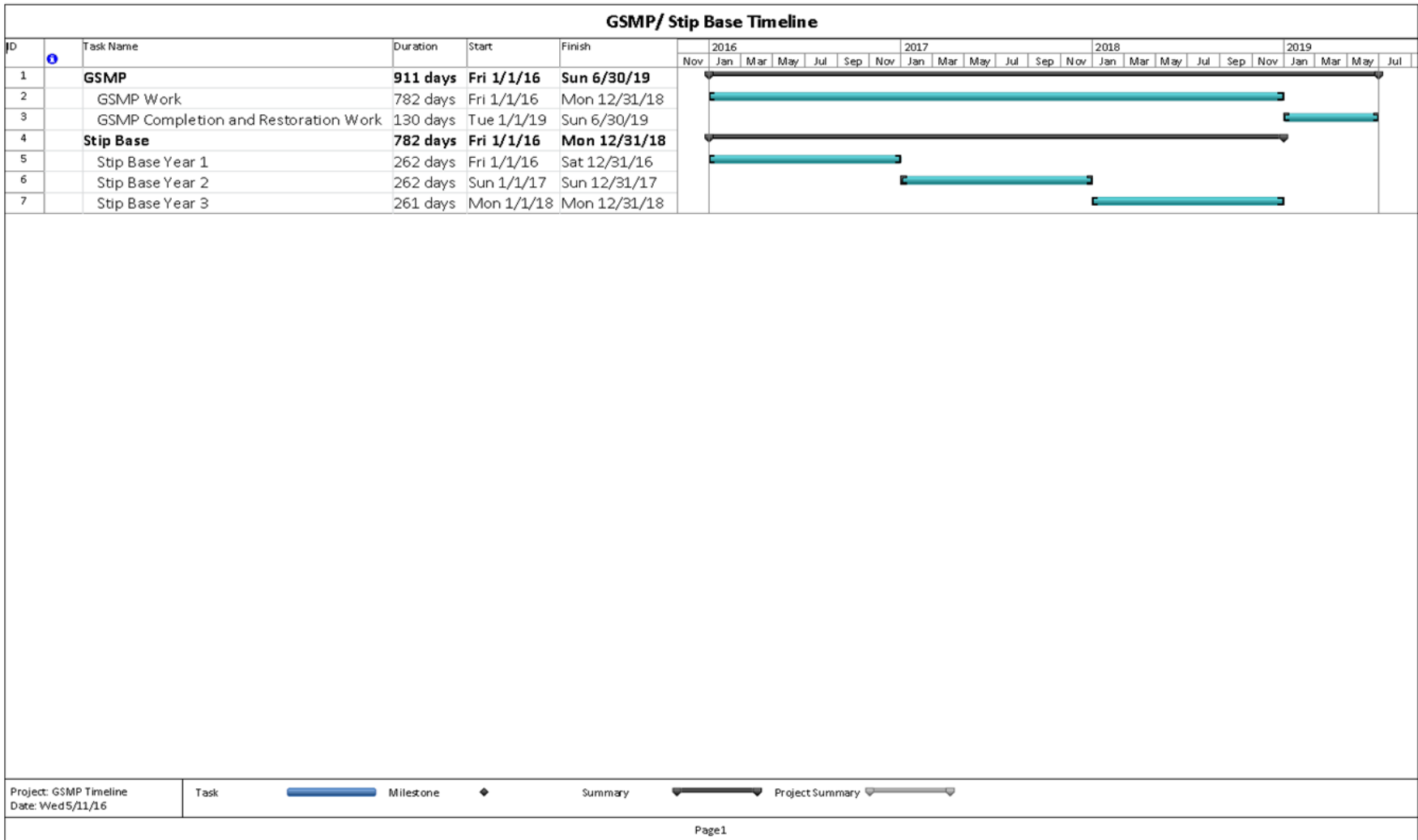
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Amount to Plant In-Service
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2d - Projected and actual number of services installed

	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	2018 Estimated Quantity	Quantity Completed 2018 Year To Date	Total Program Quantity Completed To Date
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					12"	Plastic	-	-	-	-	-	-	-
					12"	Steel	7,324	20,235	-	45	750	45	27,604
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					8"	Plastic	16,633	2,342	-	1,600	3,971	1,600	20,575
					8"	Steel	-	-	-	-	-	-	-
					12"	Plastic	-	-	-	4,100	-	4,100	4,100
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	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	-	-		-		-	-



Danielle Lopez
Assistant General Regulatory Counsel

Law Department
80 Park Plaza, T5, Newark, New Jersey 07102-4194
Tel: 973.430.6479 fax: 973.645.5983
Email: Danielle.Lopez@pseg.com



May 1, 2018

VIA E-MAIL AND FIRST CLASS MAIL

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

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

Dear Secretary Camacho-Welch:

On behalf of Public Service Electric & Gas Company (PSE&G), enclosed for filing are ten copies of this letter and its enclosures providing the PSE&G monthly report for February, 2018 on the Gas System Modernization Program (GSMP).

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 on 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.

Sincerely,

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 (two hard copies and e-mail)
Paul Flanagan (e-mail only)
Lisa Gurkas (e-mail only)
Brian Lipman (e-mail only)
Thomas Walker (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.

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Regulator Elimination \$	\$ 2,900,000
Total	\$ 650,000,000

2018 February PTD Budget	2018 February PTD Actual
\$ 281,504,362	\$ 324,525,860
\$ 109,221,219	\$ 102,478,755
\$ 1,787,455	\$ 894,820
\$ 392,513,035	\$ 427,899,435

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

2018 February PTD Budget	2018 February PTD Actual
\$ 142,725,928	\$ 159,085,632
\$ 22,512,952	\$ 31,032,584
\$ 2,098,107	\$ 4,573,689
\$ 9,994,073	\$ 5,894,851
\$ 177,331,060	\$ 200,586,756

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	February PTD Actual Material \$	February PTD Actual Other \$	February PTD Actual Total \$
Replacement Main	\$ 21,711,707	\$ 302,814,153	\$ 324,525,860
Replacement Service	\$ 3,696,781	\$ 98,781,974	\$ 102,478,755
Regulator Elimination	\$ 47,659	\$ 847,161	\$ 894,820
Total	\$ 25,456,147	\$ 402,443,288	\$ 427,899,435

Amount to Plant In-Service
\$ 316,783,051
\$ 102,430,020
\$ 405,029
\$ 419,618,100

Expenditures Incurred To Date Stipulated Base Projects	February PTD Actual Material \$	February PTD Actual Other \$	February PTD Actual Total \$
Replacement Main	\$ 19,883,450	\$ 139,202,181	\$ 159,085,632
Replacement Service	\$ 1,189,389	\$ 29,843,195	\$ 31,032,584
Stipulated Meter Reconstruction	\$ 259,520	\$ 4,314,169	\$ 4,573,689
GSMP Meter Reconstruction	\$ 273,769	\$ 5,621,082	\$ 5,894,851
Total	\$ 21,606,128	\$ 178,980,628	\$ 200,586,756

Amount to Plant In-Service
\$ 153,738,277
\$ 31,006,941
\$ 4,573,689
\$ 5,894,851
\$ 195,213,758

PSE&G - GAS SYSTEM MODERNIZATION PROGRAM

ATTACHMENT C - MONTHLY REPORT

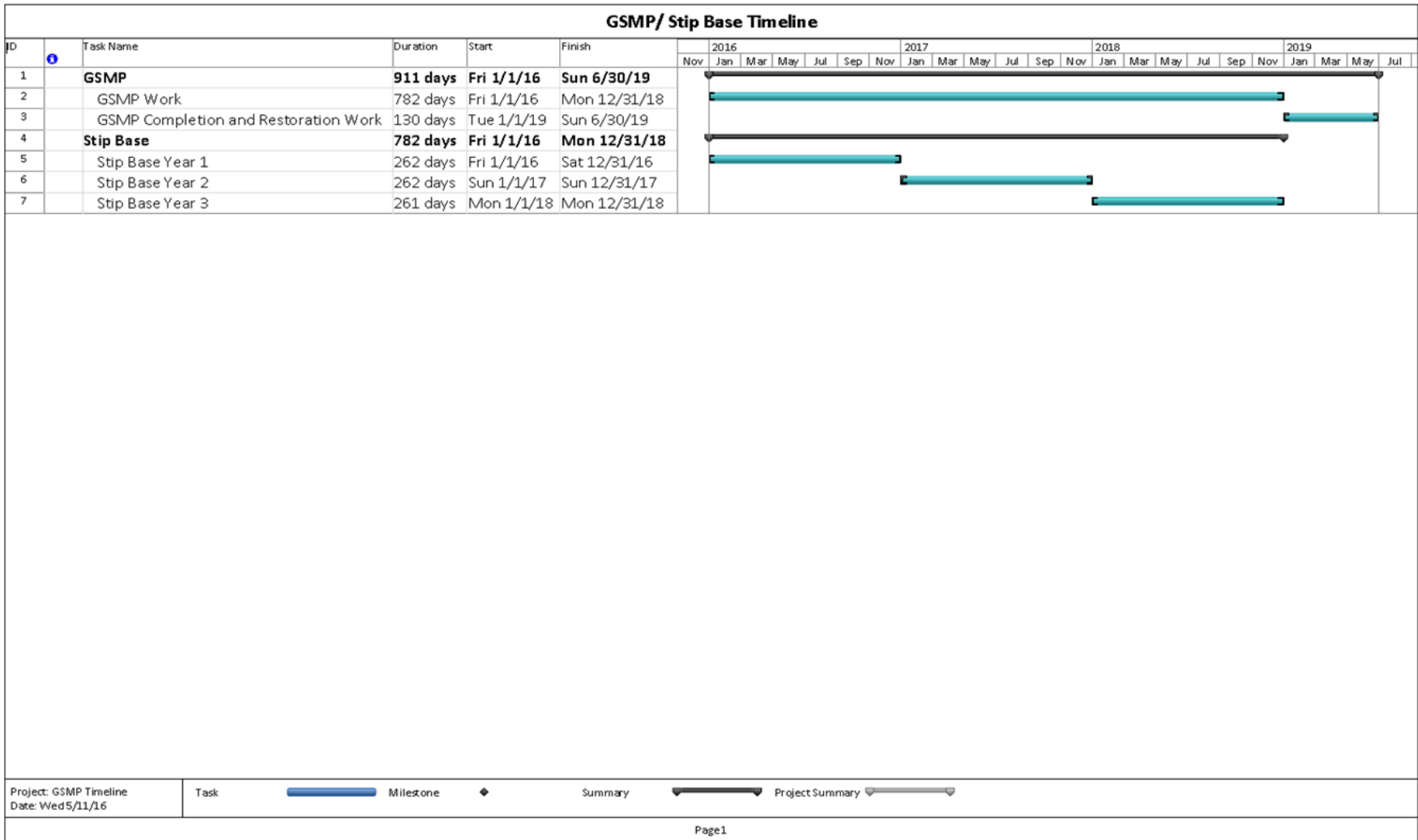
REPORT DATE: FEBRUARY 2018

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	2016 Quantity Completed	2017 Quantity Completed	Projected Quantity Jan 2018	Actual Quantity Jan 2018	Projected Quantity Feb 2018	Actual Quantity Feb 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	304,229	34,935	730,485
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					12"	Steel	-	16,451	-	45	-	-	750	45	16,496
					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	480,480	50,490	1,222,556
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	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	28		-		2		2	35
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					8"	Steel	-	-	-	-	-	-	-	-	-
					12"	Plastic	7,099	-	-	-	-	-	-	-	7,099
					12"	Steel	56,113	16,392	-	4,100	-	-	27,043	4,100	76,605
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Danielle Lopez
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80 Park Plaza, T-5, Newark, New Jersey 07102-4194
Tel: 973.430.6479 fax: 973.430.5983
Email: danielle.lopez@pseg.com



June 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 – March 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 March, 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:

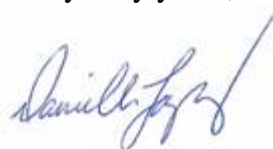
The Company will monitor progress of the Department of Energy’s Quadrennial Energy Review (“QER”) initiative, and engage in communications with relevant stakeholders regarding potential funding made available to New Jersey ratepayers for gas main replacement. The Company will interact with the relevant 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 2017 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 first 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.

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

2018 March PTD Budget	2018 March PTD Actual
\$ 290,060,630	\$ 330,822,199
\$ 111,737,840	\$ 106,549,774
\$ 1,813,517	\$ 897,158
\$ 403,611,987	\$ 438,269,131

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

2018 March PTD Budget	2018 March PTD Actual
\$ 145,233,436	\$ 162,090,360
\$ 23,597,866	\$ 31,588,460
\$ 2,248,479	\$ 5,193,690
\$ 10,483,302	\$ 6,119,560
\$ 181,563,083	\$ 204,992,070

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	March PTD Actual Material \$	March PTD Actual Other \$	March PTD Actual Total \$
Replacement Main	\$ 22,663,452	\$ 308,158,747	\$ 330,822,199
Replacement Service	\$ 3,897,886	\$ 102,651,888	\$ 106,549,774
Regulator Elimination	\$ 48,150	\$ 849,008	\$ 897,158
Total	\$ 26,609,488	\$ 411,659,643	\$ 438,269,131

Amount to Plant In-Service
\$ 322,625,021
\$ 106,501,038
\$ 405,029
\$ 429,531,088

Expenditures Incurred To Date Stipulated Base Projects	March PTD Actual Material \$	March PTD Actual Other \$	March PTD Actual Total \$
Replacement Main	\$ 20,345,843	\$ 141,744,518	\$ 162,090,360
Replacement Service	\$ 1,233,725	\$ 30,354,735	\$ 31,588,460
Stipulated Meter Reconstruction	\$ 294,145	\$ 4,899,545	\$ 5,193,690
GSMP Meter Reconstruction	\$ 288,200	\$ 5,831,360	\$ 6,119,560
Total	\$ 22,161,913	\$ 182,830,157	\$ 204,992,070

Amount to Plant In-Service
\$ 156,524,806
\$ 31,562,816
\$ 5,193,690
\$ 6,119,560
\$ 199,400,873

PSE&G - GAS SYSTEM MODERNIZATION PROGRAM

ATTACHMENT C - MONTHLY REPORT

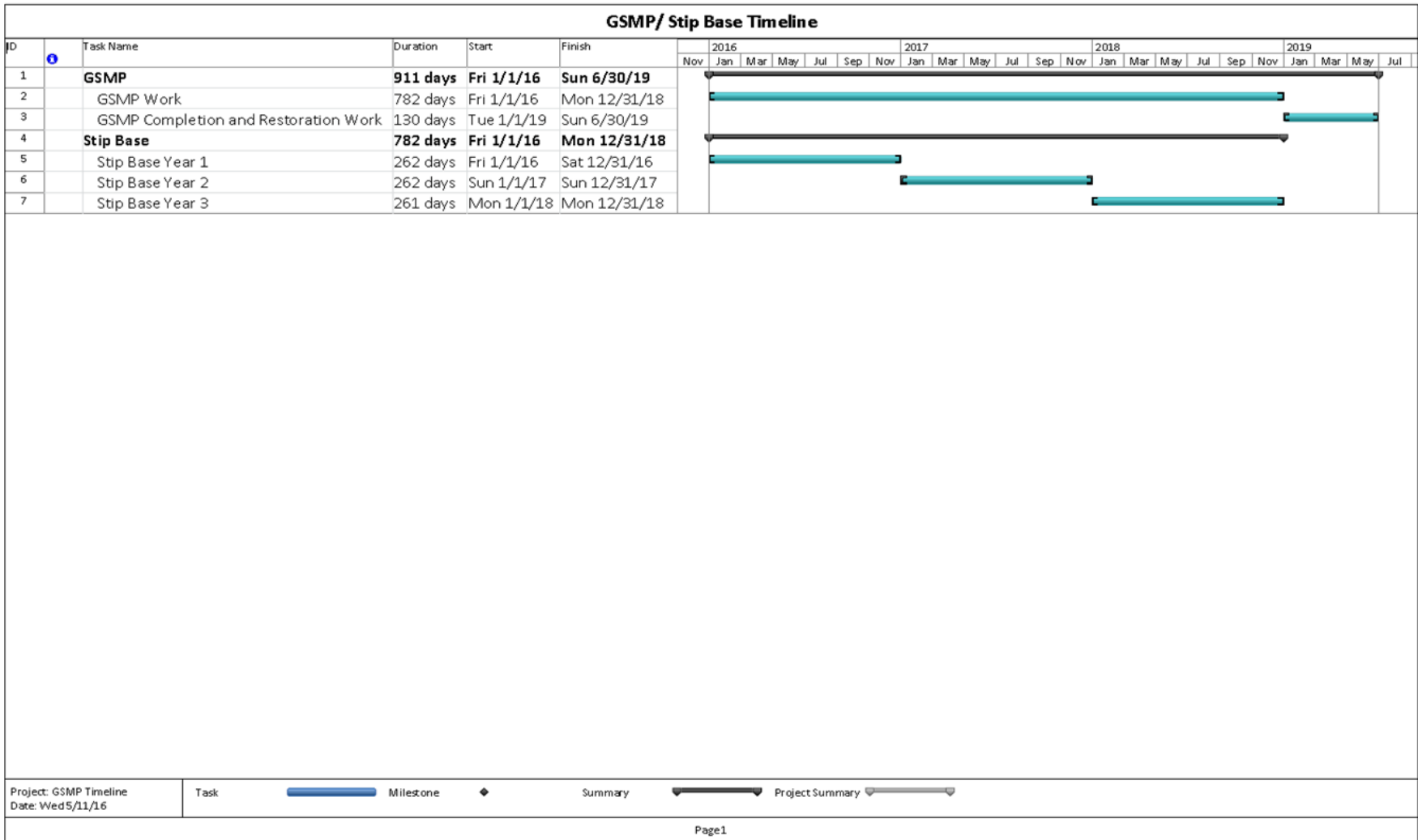
REPORT DATE: MARCH 2018

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	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	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	304,229	43,685	739,235
					4"	Plastic	182,371	113,501	-	5,471	-	5,385	-	568	107,783	11,424	307,296
					6"	Plastic	60,016	54,810	-	1,783	-	1,406	-	1,684	51,168	4,873	119,699
					8"	Plastic	13,461	24,762	-	2	-	1,463	-	-	16,550	1,465	39,688
					12"	Plastic	7,324	3,784	-	-	-	-	-	-	-	-	11,108
					12"	Steel	-	16,451	-	45	-	-	-	-	750	45	16,496
					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	480,480	61,492	1,233,558
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	9,850	500	770	500	850	500	624	8,250	2,244	18,898
					>2"	Plastic	4	8	-	1	-	-	-	-	-	1	13
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	6,808	9,858	500	771	500	850	500	624	8,250	2,245	18,911
STIPULATED BASE	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	28		-		2		1		3	36
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	28		-		2		1		3	36
	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	2"	Plastic	155,411	38,376	-	1,005	-	709	-	1,544	29,799	3,258	197,045
					4"	Plastic	95,033	31,522	-	274	-	259	-	954	25,191	1,487	128,042
					6"	Plastic	34,296	11,052	-	714	-	490	-	668	12,097	1,872	47,220
					8"	Plastic	16,633	2,342	-	1,600	-	75	-	10	3,971	1,685	20,660
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-
					12"	Plastic	7,099	-	-	-	-	-	-	100	-	100	7,199
					12"	Steel	56,113	16,392	-	4,100	-	-	-	-	27,043	4,100	76,605
					16"	Steel	10,331	50,778	-	-	-	-	-	387	7,500	387	61,496
					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	105,600	12,889	538,378
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	2,492	50	49	50	80	50	44	1,625	173	5,818
					>2"	Plastic	3	2	-	-	-	-	-	2	-	2	7
	Replace Facilities Blanket	Replacement Service	N/A	Services Replaced	N/A	N/A	3,156	2,494	50	49	50	80	50	46	1,625	175	5,825
	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



July 2, 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 – April 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 April, 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)
Paul Flanagan (e-mail only)
Lisa Gurkas (e-mail only)
Brian Lipman (e-mail only)
Alex Moreau (e-mail only)

- 2 -

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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.

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

2018 April PTD Budget	2018 April PTD Actual
\$ 300,826,229	\$ 339,216,838
\$ 115,025,181	\$ 110,940,872
\$ 1,848,455	\$ 897,416
\$ 417,699,865	\$ 451,055,125

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

2018 April PTD Budget	2018 April PTD Actual
\$ 148,717,828	\$ 163,985,178
\$ 25,000,494	\$ 32,287,749
\$ 2,428,151	\$ 5,871,355
\$ 11,115,756	\$ 6,379,547
\$ 187,262,229	\$ 208,523,829

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	April PTD Actual Material \$	April PTD Actual Other \$	April PTD Actual Total \$
Replacement Main	\$ 23,500,627	\$ 315,716,211	\$ 339,216,838
Replacement Service	\$ 4,048,828	\$ 106,892,044	\$ 110,940,872
Regulator Elimination	\$ 48,150	\$ 849,266	\$ 897,416
Total	\$ 27,597,605	\$ 423,457,520	\$ 451,055,125

Amount to Plant In-Service
\$ 330,304,651
\$ 110,892,136
\$ 405,029
\$ 441,601,816

Expenditures Incurred To Date Stipulated Base Projects	April PTD Actual Material \$	April PTD Actual Other \$	April PTD Actual Total \$
Replacement Main	\$ 20,522,468	\$ 143,462,710	\$ 163,985,178
Replacement Service	\$ 1,472,968	\$ 30,814,781	\$ 32,287,749
Stipulated Meter Reconstruction	\$ 327,706	\$ 5,543,649	\$ 5,871,355
GSMP Meter Reconstruction	\$ 301,125	\$ 6,078,422	\$ 6,379,547
Total	\$ 22,624,267	\$ 185,899,562	\$ 208,523,829

Amount to Plant In-Service
\$ 158,318,514
\$ 32,262,106
\$ 5,871,355
\$ 6,379,547
\$ 202,831,522

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

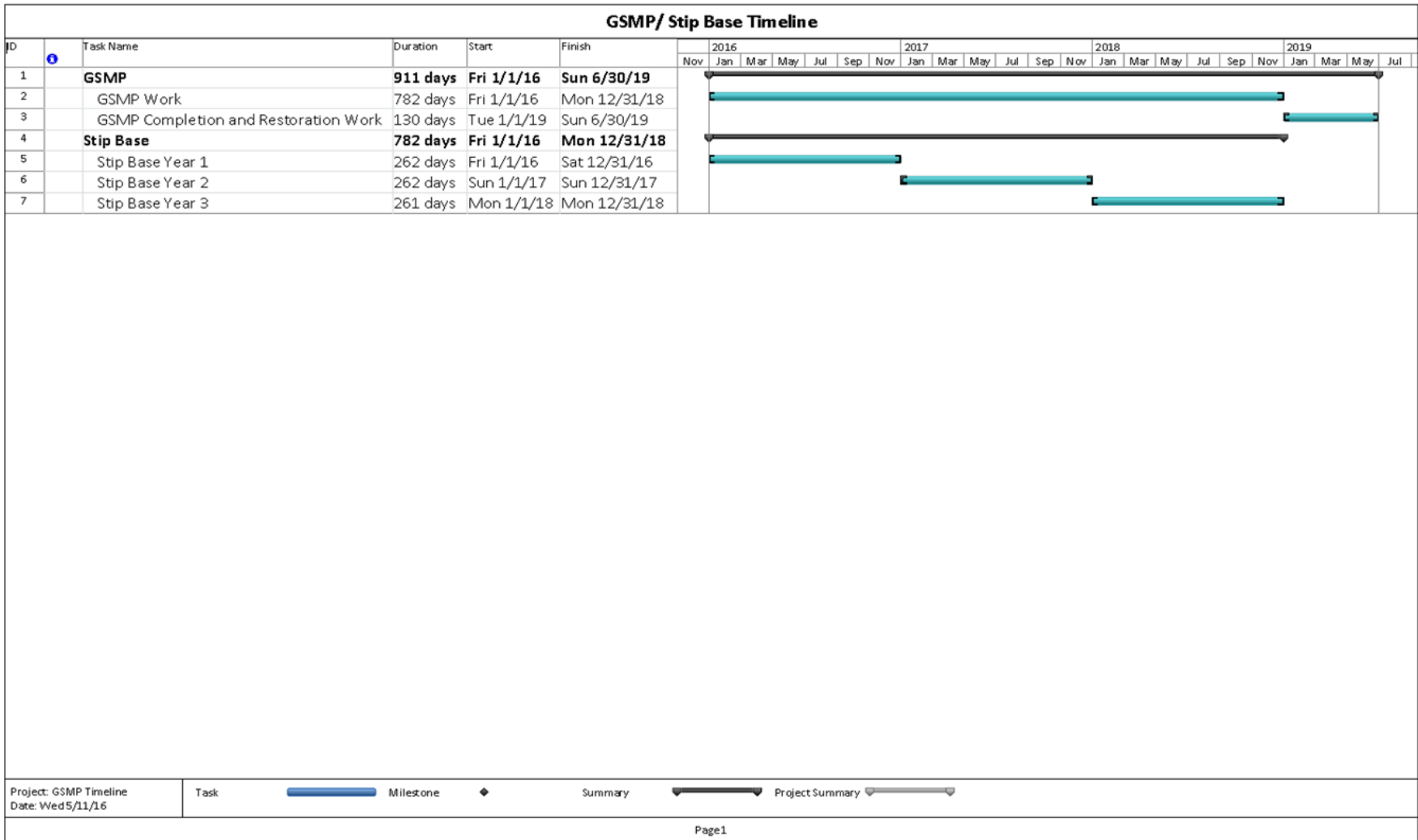
REPORT DATE: APRIL 2018

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	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	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	304,229	50,326	745,876
					4"	Plastic	182,371	113,501	-	5,471	-	5,385	-	568	1,804	7,005	107,783	18,429	314,301
					6"	Plastic	60,016	54,810	-	1,783	-	1,406	-	1,684	2,039	3,456	51,168	8,329	123,155
					8"	Plastic	13,461	24,762	-	2	-	1,463	-	-	1,947	113	16,550	1,578	39,801
					12"	Plastic	7,324	3,784	-	-	-	-	-	-	-	-	-	-	11,108
					12"	Steel	-	16,451	-	45	-	-	-	-	-	-	750	45	16,496
					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	480,480	78,707	1,250,773
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	6,804	9,850	500	770	500	850	500	624	750	777	8,250	3,021	19,675
					>2"	Plastic	4	8	-	1	-	-	-	-	-	1	-	2	14
STIPULATED BASE	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	8,250	3,023	19,689
	Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	28		-		2		1		1		4	37
	Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	28		-		2		1		1		4	37
	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	29,799	6,243	200,030
					4"	Plastic	95,033	31,522	-	274	-	259	-	954	757	-	25,191	1,487	128,042
					6"	Plastic	34,296	11,052	-	714	-	490	-	668	1,450	68	12,097	1,940	47,288
					8"	Plastic	16,633	2,342	-	1,600	-	75	-	10	4	-	3,971	1,685	20,660
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-
					12"	Plastic	7,099	-	-	-	-	-	-	100	-	-	-	100	7,199
					12"	Steel	56,113	16,392	-	4,100	-	-	-	-	361	-	27,043	4,100	76,605
STIPULATED BASE	Replace Facilities Blanket	Replacement Main	Dec-18	Feet of Main	16"	Steel	10,331	50,778	-	-	-	-	-	387	1,000	1,056	7,500	1,443	62,552
					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	105,600	16,998	542,487
	Replace Facilities Blanket	Replacement Service	Dec-18	Services Replaced	≤ 2"	Plastic	3,153	2,492	50	49	50	80	50	44	50	26	1,625	199	5,844
					>2"	Plastic	3	2	-	-	-	-	-	2	-	-	-	2	7
	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	1,625	201	5,851
	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	-	-		-		-		-		-		-	-
	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	29,799	6,243	200,030
					4"	Plastic	95,033	31,522	-	274	-	259	-	954	757	-	25,191	1,487	128,042



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



July 27, 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 – May 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 May, 2018 on its Gas System Modernization Program (GSMP or the Program).

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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)
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- 2 -

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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.

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

2018 May PTD Budget	2018 May PTD Actual
\$ 314,632,017	\$ 349,894,121
\$ 119,401,150	\$ 116,039,518
\$ 1,901,449	\$ 904,796
\$ 435,934,616	\$ 466,838,435

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

2018 May PTD Budget	2018 May PTD Actual
\$ 154,017,713	\$ 167,069,118
\$ 26,965,807	\$ 32,783,983
\$ 2,663,379	\$ 5,322,616
\$ 12,032,768	\$ 6,709,639
\$ 195,679,667	\$ 211,885,356

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	May PTD Actual Material \$	May PTD Actual Other \$	May PTD Actual Total \$
Replacement Main	\$ 24,392,429	\$ 325,501,692	\$ 349,894,121
Replacement Service	\$ 4,279,537	\$ 111,759,981	\$ 116,039,518
Regulator Elimination	\$ 48,150	\$ 856,646	\$ 904,796
Total	\$ 28,720,116	\$ 438,118,319	\$ 466,838,435

Amount to Plant In-Service
\$ 340,427,503
\$ 115,990,783
\$ 412,184
\$ 456,830,470

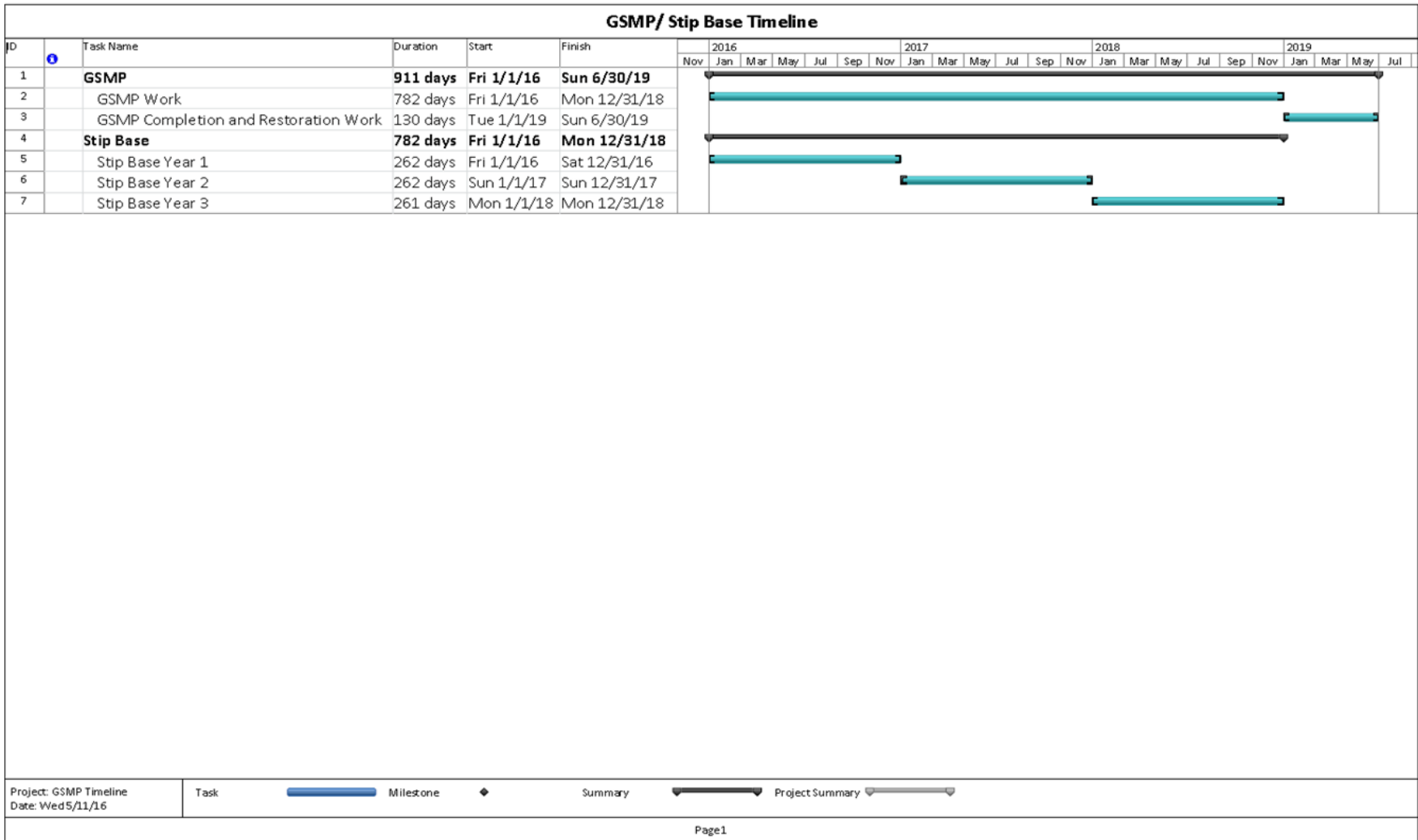
Expenditures Incurred To Date Stipulated Base Projects	May PTD Actual Material \$	May PTD Actual Other \$	May PTD Actual Total \$
Replacement Main	\$ 20,737,628	\$ 146,331,491	\$ 167,069,118
Replacement Service	\$ 1,489,796	\$ 31,294,187	\$ 32,783,983
Stipulated Meter Reconstruction	\$ 355,262	\$ 4,967,354	\$ 5,322,616
GSMP Meter Reconstruction	\$ 317,887	\$ 6,391,752	\$ 6,709,639
Total	\$ 22,900,573	\$ 188,984,783	\$ 211,885,356

Amount to Plant In-Service
\$ 161,367,746
\$ 32,758,339
\$ 5,322,616
\$ 6,709,639
\$ 206,158,340

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

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	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	304,229	55,732	751,282		
					4"	Plastic	182,371	113,501	-	5,471	-	5,385	-	568	1,804	7,005	2,299	9,060	107,783	27,489	323,361		
					6"	Plastic	60,016	54,810	-	1,783	-	1,406	-	1,684	2,039	3,456	1,194	2,021	51,168	10,350	125,176		
					8"	Plastic	13,461	24,762	-	2	-	1,463	-	-	1,947	113	919	28	16,550	1,606	39,829		
					12"	Plastic	7,324	3,784	-	-	-	-	-	-	-	-	-	-	-	-	11,108		
					12"	Steel	-	16,451	-	45	-	-	-	-	-	-	-	-	-	-	750	45	16,496
	16"	Steel	-	36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36			
	Replace Facilities Blanket	Replacement Main	N/A	Feet of Main	N/A	N/A	624,911	547,155	-	20,752	N/A	-	29,738	-	11,002	15,105	17,215	15,838	16,515	480,480	95,222	1,267,288	
	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	8,250	3,592	20,246		
					>2"	Plastic	4	8	-	1	-	-	-	-	1	-	-	-	-	-	-	2	14
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	8,250	3,594	20,260			
Abandon Facilities Blanket	Abandon Regulator	Dec-18	Regulators Abandoned	N/A	N/A	5	28		-		2			1		1		1		5	38		
Abandon Facilities Blanket	Abandon Regulator	N/A	Regulators Abandoned	N/A	N/A	5	28		-		2			1		1		1		5	38		
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	29,799	10,480	204,267		
					4"	Plastic	95,033	31,522	-	274	-	259	-	954	757	-	1,304	848	25,191	2,335	128,890		
					6"	Plastic	34,296	11,052	-	714	-	490	-	668	1,450	68	2,750	1,126	12,097	3,066	48,414		
					8"	Plastic	16,633	2,342	-	1,600	-	75	-	10	4	-	10	-	3,971	1,685	20,660		
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
					12"	Plastic	7,099	-	-	-	-	-	-	-	100	-	-	-	-	-	-	100	7,199
					12"	Steel	56,113	16,392	-	4,100	-	-	-	-	361	-	2,164	-	27,043	4,100	76,605		
					16"	Steel	10,331	50,778	-	-	-	-	-	387	1,000	1,056	2,000	1,297	7,500	2,740	63,849		
	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	105,600	24,506	549,995		
	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	1,625	314	5,959		
					>2"	Plastic	3	2	-	-	-	-	2	-	-	-	-	-	-	-	-	2	7
	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	1,625	316	5,966		
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

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July 27, 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 – June 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 June, 2018 on its Gas System Modernization Program (GSMP or the Program).

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:

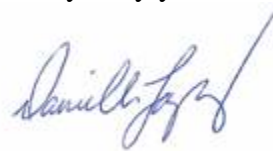
The Company will monitor progress of the Department of Energy’s Quadrennial Energy Review (“QER”) initiative, and engage in communications with relevant stakeholders regarding potential funding made available to New Jersey ratepayers for gas main replacement. The Company will interact with the relevant 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 versions of a major energy bill (S. 2012), but no version of the bill

- 2 -

passed both houses. That legislation died in early January 2017 at the end of the 114th Congress. During 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 stylized flourish at the end.

Danielle Lopez

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

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

2018 June PTD Budget	2018 June PTD Actual
\$ 327,495,218	\$ 359,544,846
\$ 123,496,222	\$ 121,084,660
\$ 1,951,072	\$ 914,043
\$ 452,942,511	\$ 481,543,549

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

2018 June PTD Budget	2018 June PTD Actual
\$ 158,936,257	\$ 170,197,874
\$ 28,796,498	\$ 33,605,667
\$ 2,879,806	\$ 5,568,748
\$ 12,895,206	\$ 6,875,685
\$ 203,507,767	\$ 216,247,974

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	June PTD Actual Material \$	June PTD Actual Other \$	June PTD Actual Total \$
Replacement Main	\$ 25,243,814	\$ 334,301,032	\$ 359,544,846
Replacement Service	\$ 4,635,930	\$ 116,448,730	\$ 121,084,660
Regulator Elimination	\$ 48,475	\$ 865,568	\$ 914,043
Total	\$ 29,928,219	\$ 451,615,330	\$ 481,543,549

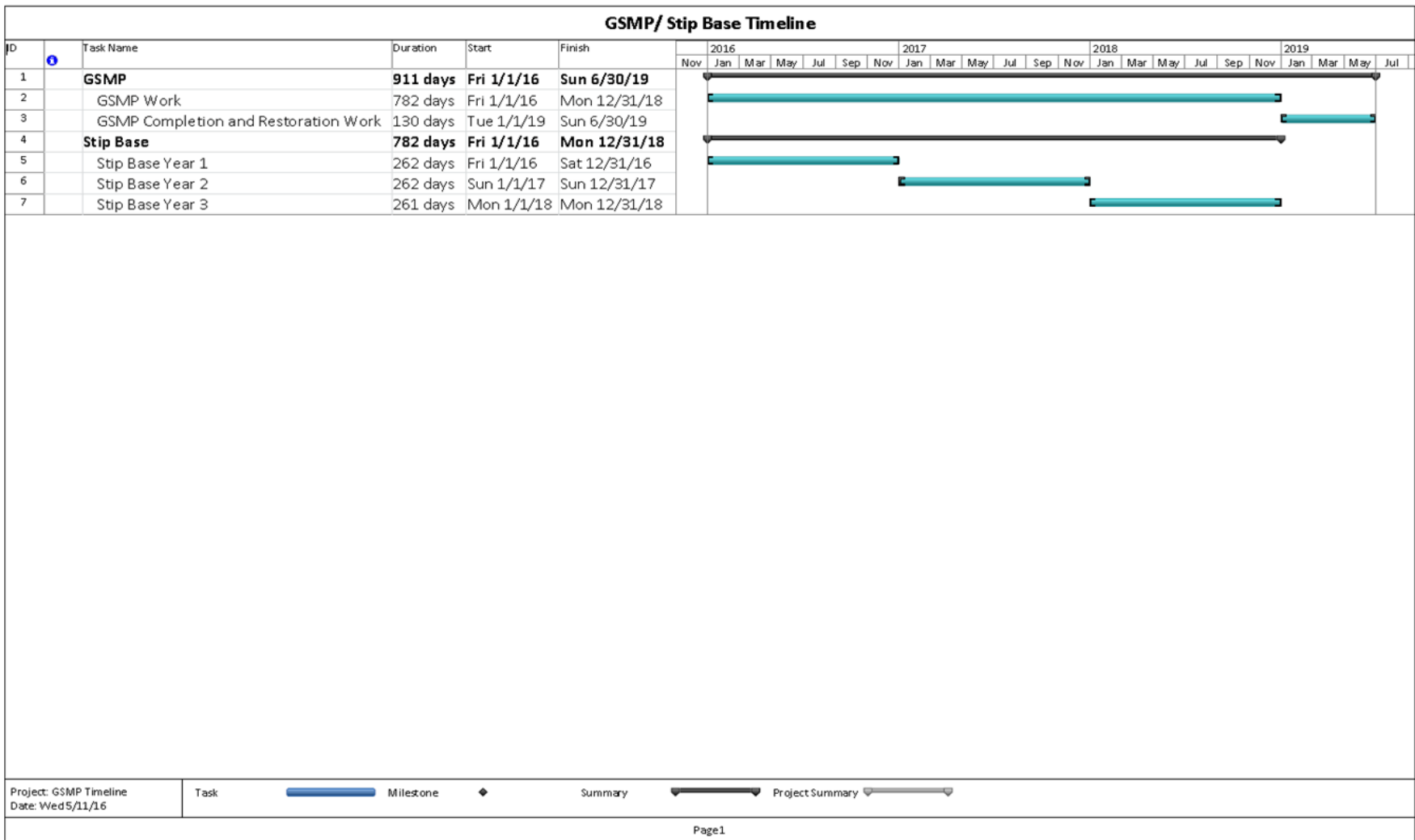
Amount to Plant In-Service
\$ 349,448,122
\$ 121,035,925
\$ 405,030
\$ 470,889,077

Expenditures Incurred To Date Stipulated Base Projects	June PTD Actual Material \$	June PTD Actual Other \$	June PTD Actual Total \$
Replacement Main	\$ 21,062,953	\$ 149,134,921	\$ 170,197,874
Replacement Service	\$ 1,519,396	\$ 32,086,271	\$ 33,605,667
Stipulated Meter Reconstruction	\$ 381,895	\$ 5,186,853	\$ 5,568,748
GSMP Meter Reconstruction	\$ 324,945	\$ 6,550,740	\$ 6,875,685
Total	\$ 23,289,189	\$ 192,958,785	\$ 216,247,974

Amount to Plant In-Service
\$ 164,459,422
\$ 33,580,023
\$ 5,568,748
\$ 6,875,685
\$ 210,483,878

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	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	304,229	73,879	769,429				
					4"	Plastic	182,371	113,501	-	5,471	-	5,385	-	568	1,804	7,005	2,299	9,060	4,655	8,896	107,783	36,385	332,257				
					6"	Plastic	60,016	54,810	-	1,783	-	1,406	-	1,684	2,039	3,456	1,194	2,021	1,372	1,460	51,168	11,810	126,636				
					8"	Plastic	13,461	24,762	-	2	-	1,463	-	-	1,947	113	919	28	93	1,035	16,550	2,641	40,864				
					12"	Plastic	7,324	3,784	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,108			
					12"	Steel	-	16,451	-	45	-	-	-	-	-	-	-	-	-	-	-	-	-	750	45	16,496	
	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	480,480	124,760	1,296,826				
	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	8,250	4,191	20,845				
					>2"	Plastic	4	8	-	1	-	-	-	1	-	-	-	-	-	-	-	-	-	-	2	14	
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	8,250	4,193	20,859					
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	29,799	12,288	206,075				
					4"	Plastic	95,033	31,522	-	274	-	259	-	954	757	-	1,304	848	3,700	3,543	25,191	5,878	132,433				
					6"	Plastic	34,296	11,052	-	714	-	490	-	668	1,450	68	2,750	1,126	2,750	409	12,097	3,475	48,823				
					8"	Plastic	16,633	2,342	-	1,600	-	75	-	10	4	-	10	-	-	444	3,971	2,129	21,104				
					8"	Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
					12"	Plastic	7,099	-	-	-	-	-	-	100	-	-	-	-	-	-	-	-	-	-	-	100	7,199
					12"	Steel	56,113	16,392	-	4,100	-	-	-	-	-	-	361	-	2,164	-	2,229	39	27,043	4,139	76,644		
					16"	Steel	10,331	50,778	-	-	-	-	-	-	387	1,000	1,056	2,000	1,297	1,400	753	7,500	3,493	64,602			
					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	105,600	31,502	556,991				
	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	1,625	444	6,089				
					>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	1,625	448	6,098				
	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	-	-		-		-		-		-		-		-		-	-	-			



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 (July 2018 GSMP Rate Filing)**

BPU Docket No. _____

DIRECT TESTIMONY

OF

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

July 30, 2018

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 requirements associated with its Gas System

1 Modernization Program (GSMP or Program) through the Alternative Recovery
2 Mechanism (ARMs) 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 GSMP Investment Costs that the revenue requirements of each ARM will be based
6 upon are the actual costs of engineering, design and construction, cost of removal (net
7 of salvage) and property acquisition, including actual labor, materials, overhead, and
8 any capitalized Allowance for Funds Used During Construction (AFUDC) on GSMP
9 projects. As specified in more detail below, the Board-approved revenue requirement
10 formula for the ARMs allows the Company to recover a return of and on its GSMP
11 Investment Costs, less any tax adjustment for flow-through items and any tax law
12 changes codified by the IRS, the State of New Jersey or any other taxing authority.
13 This testimony provides an overview of the cost recovery mechanism along with a
14 description of the revenue requirement calculations and rate design mechanisms.

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 requirements associated
18 with the Program consistent with the ARMs approved in the GSMP Order. The
19 revenue requirements are based on expected plant in-service and cost of removal
20 expenditures based on actual results through June 30, 2018 and a forecast through

1 September 30, 2018. The forecast for July 1, 2018 through September 30, 2018 will
2 be trued-up with actual results and filed by October 15, 2018.

3 **Q. What are the forecasted annual revenue requirements that are being**
4 **proposed for the GSMP roll-in filing?**

5 A. The Company is proposing a forecasted annual revenue requirement increase
6 of \$26.383 million based upon the actual and forecasted expenditures discussed above
7 and assuming adjusted base rates go into effect January 1, 2019. The revenue
8 requirement increases are calculated in Schedules SS-GSMP-2.

9 **Q. How are the revenue requirements calculated?**

10 A. The revenue requirements for the ARMs are calculated using the following
11 formula 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 June 30, 2018 (less the amounts already
20 recovered in rates from prior rate adjustments) and a forecast of capital expenditures

1 through September 30, 2018 for projects expected to be in service by September 30,
2 2018. 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 third roll-in filing to result in rates effective
6 January 1, 2019, so the Accumulated Depreciation in the filing is through December
7 31, 2018. Consistent with the calculation of Accumulated Depreciation, ADIT is
8 calculated through December 31, 2018.

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

11 A. Per the GSMP Order, the WACC for the ARMs is 7.12%, or 6.52% on an
12 after-tax basis, which is based on a Return on Equity of 9.75% and a cost of debt of
13 4.36%. For the calculation of the WACC and after-tax WACC, see Schedule SS-
14 GSMP-3.

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

16 A. Depreciation expense is calculated as Gross Plant in-Service multiplied by the
17 applicable annual depreciation rate for the assets being placed into service. The
18 GSMP Order specified the depreciation rate for Gas Distribution Plant of 1.61% be
19 applicable to the GSMP plant placed into service. Since the net revenue requirement
20 for the roll-in will be grossed up by the revenue factor as shown in the revenue

1 requirement formula approved by the Board, the depreciation expense must be
2 calculated net of tax. The tax basis associated with the depreciation expense is
3 calculated as direct in-service expenditures plus any CWIP capital expenditures
4 transferred into service plus the debt component of any AFUDC transferred into
5 service. The depreciation expense net of tax is calculated as the annual depreciation
6 expense less the tax associated with the depreciation expense as described above. The
7 equity portion of the AFUDC transferred into service is not recognized in the tax basis
8 of the plant transferred into service. As a result, there is no tax depreciation expense
9 associated with that portion of Plant in-Service. Therefore, the depreciation expense
10 net of tax must be multiplied by the revenue factor to recover the tax gross-up related
11 to the AFUDC-equity. The Company currently does not anticipate any CWIP
12 associated with the GSMP.

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

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

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

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

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 2018 fiscal year assessment, which are 0.19% and
9 0.05%, respectively, and the Gas Revenue Uncollectible rate of 1.2514%, which was
10 set in the Company's last base rate case. See Schedule SS-GSMP-4 for the
11 calculation 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 that
20 was approved in the GSMP Order. In accordance with paragraph 16 of the Stipulation
21 approved in the GSMP Order, the billing determinants utilize the weather normalized

1 annualized billing determinants from the latest approved gas Energy Strong Program
2 rate adjustment, which were based on calendar year 2012.

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

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

7 A. Based upon rates effective July 3, 2018, the annual average bill impacts of the
8 rates requested are set forth in Schedule SS-GSMP-6.

9 The annual impact of the proposed rates to the typical residential gas heating
10 customers using 165 therms in a winter month and 1,010 therms annually would be an
11 increase in the annual bill from \$879.16 to \$893.82 or \$14.66 or approximately 1.67%
12 (based upon Delivery Rates and BGSS-RSG charges in effect July 3, 2018, and
13 assuming that the customer receives BGSS service from PSE&G).

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

15 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 25 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 page 3 of this document. I have also contributed to

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

4 I am an active member of the American Gas Association's Rate and
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/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	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
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
Public Service Electric & Gas Company	E	EO12080721	written/oral	Jul-12	Solar 4 All Extension(S4AllExt) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	G	GR12060489	written	Jun-12	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	G	GR12060583	written	Jun-12	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E/G	ER12030207	written	Mar-12	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E	ER12030207	written	Mar-12	Non-Utility Generation Charge (NGC) / Cost Recovery

LIST OF PRIOR TESTIMONIES

Company	Utility	Docket	Testimony	Date	Case / Topic
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, S4All, SLII / Cost Recovery
Public Service Electric & Gas Company	E/G	ER10080550	written	Aug-10	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E	ER10080550	written	Aug-10	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	E/G	GR09050422	written/oral	Mar-10	Base Rate Proceeding / Cost of Service & Rate Design
Public Service Electric & Gas Company	E	ER10030220	written	Mar-10	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	E	EO09030249	written	Mar-09	Solar Loan II(SLII) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E/G	EO09010056	written	Feb-09	Economic Energy Efficiency(EEE) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E	EO09020125	written	Feb-09	Solar 4 All (S4All) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E	EO08080544	written	Aug-08	Demand Response (DR) / Revenue Requirements & Rate Design - Program Approval
Public Service Electric & Gas Company	E/G	ER10100737	written	Jun-08	Carbon Abatement (CA) / Revenue Requirements & Rate Design - Program Approval

PSE&G Gas System Modernization Program

Gas Roll-in Calculation

Roll-in Filing

in (\$000)

Rate Effective Date	<u>1/1/2019</u>
Plant In Service as of Date	9/30/2018
Rate Base Balance as of Date	12/31/2018

RATE BASE CALCULATION

	Total	Notes
1 Gross Plant	\$244,772	= ln 16
2 Accumulated Depreciation	\$4,608	= ln 19
3 Net Plant	\$249,379	= ln 1 + ln 2
4 Accumulated Deferred Taxes	-\$5,646	= See "Dep-UPCI" Wkps
5 Rate Base	\$243,733	= ln 3 + ln 4
6 Rate of Return - After Tax (Schedule WACC)	6.52%	See Schedule SS-GSMP-3
7 Return Requirement (After Tax)	\$15,895	= ln 5 * ln 6
8 Depreciation Exp, net	\$2,833	= ln 25
9 Tax Adjustment	\$0	N/A
10 Revenue Factor	1.4087	See Schedule SS-GSMP-4
11 Roll-in Revenue Requirement	\$26,383	= (ln 7 + ln 8 + ln 9) * ln 10

SUPPORT

Gross Plant

12 Plant in-service	\$244,772	= 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 Total Gross Plant	\$244,772	= ln 12 + ln 13 + ln 14 + ln 15

Accumulated Depreciation

17 Accumulated Depreciation	-\$2,670	= See "Dep-UPCI" Wkp
18 Cost of Removal	\$7,277	= See "Dep-UPCI" Wkp
19 Net Accumulated Depreciation	\$4,608	= ln 17 + ln 18

Depreciation Expense (Net of Tax)

20 Depreciable Plant (xAFUDC-E)	\$244,772	= ln 12 + ln 13 + ln 14
21 AFUDC-E	\$0	= ln 15
22 Depreciation Rate	1.61%	= See "Dep-UPCI" Wkp
23 Depreciation Expense	\$3,941	= (ln 20 + ln 21) * ln 22
24 Tax @40.85%	\$1,108	= ln 20 * ln 22 * Tax Rate
25 Depreciation Expense (Net of Tax)	\$2,833	= ln 23 - ln 24

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

	<u>Percent</u>	<u>Embedded Cost</u>	<u>Weighted Cost</u>	<u>Pre-Tax Weighted Cost</u>	<u>After Tax Weighted Cost</u>
Common Equity	51.20%	9.75%	4.99%	6.94%	4.99%
Other Capital	<u>48.80%</u>	4.36%	<u>2.13%</u>	<u>2.13%</u>	<u>1.53%</u>
Total	100.00%		<u><u>7.12%</u></u>	<u><u>9.07%</u></u>	<u><u>6.52%</u></u>
Federal Income Tax	21.00%				
State NJ Business Incm Tax	<u>9.00%</u>				
Tax Rate	28.11%				

PSE&G Gas System Modernization Program
Revenue Factor Calculation

Schedule SS-GSMP-4

	<u>ELECTRIC</u>	<u>GAS</u>	
Revenue Increase	100.0000	100.0000	
Uncollectible Rate	1.2514	1.2514	From 2009 Base Rate Case
BPU Assessment Rate	0.0019	0.0019	2018 BPU Assessment
Rate Counsel Assessment Rate	<u>0.0005</u>	<u>0.0005</u>	2018 RC Assessment
Income before State of NJ Bus. Tax	99.9975	98.7461	
State of NJ Bus. Income Tax @ 9.00%	<u>8.9998</u>	<u>8.8872</u>	
Income Before Federal Income Taxes	90.9978	89.8590	
Federal Income Taxes @ 35%	<u>19.1095</u>	<u>18.8704</u>	
Return	<u>71.8882</u>	<u>70.9886</u>	
Revenue Factor	<u>1.3910</u>	<u>1.4087</u>	

Schedule SS-GSMP-5
Page 1 of 11

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. The detailed rate design by rate schedule follows the summary page. The pages presented in Schedule SS-GSMP-5 are the 11 relevant pages from the complete rate change workpapers from the Company's 2009 Gas Base Rate Case and have been appropriately modified per my testimony to reflect this Gas System Modernization 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, Realignment Adjustment Charge, Margin Adjustment Charge, Weather Normalization Charge, Green Programs Recovery Charge, CIP 1 Capital Adjustment Charges (CAC), 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 July 3, 2018. The commodity rates in the Column (2) reflect the 2012 class-weighted averages (BGSS-RSG uses the rate as of 5/5/2018). 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.

GSMP Roll In

GAS PROOF OF REVENUE

Schedule SS-GSMP-5

SUMMARY

Page 2 of 11

GAS RATE INCREASE

12 Months Ended December 31, 2012

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

Annualized

Rate Schedule		Weather Normalized		Proposed with GSMP Roll-in		Increase	
		Therms	Revenue	Therms	Revenue	Revenue	Percent
		(1)	(2)	(3)	(4)	(5)	(6)
1	RSG	1,381,959	\$1,152,976	1,381,959	\$1,171,852	\$18,876	1.64
2	GSG	263,897	243,779	263,897	246,781	\$3,002	1.23
3	LVG	641,990	486,753	641,990	491,002	\$4,249	0.87
6	SLG	<u>682,345</u>	<u>671,169</u>	<u>682,345</u>	<u>684,703</u>	<u>\$13,534</u>	2.02
7	Subtotal	2,288,528	1,884,179	2,288,528	1,910,320	\$26,141	1.39
8							
9	TSG-F	28,062	15,867.321	28,062	15,989.321	\$122.000	0.77
10	TSG-NF	864,596	152,229	864,596	152,839	\$610	0.40
11	CIG	<u>58,147</u>	<u>25,096</u>	<u>58,147</u>	<u>25,225</u>	<u>\$129</u>	0.51
12	Subtotal	950,805	193,192	950,805	194,053	\$861	0.45
13							
14	Totals	<u>3,239,333</u>	<u>\$2,077,371</u>	<u>3,239,333</u>	<u>\$2,104,373</u>	<u>\$27,002</u>	1.30

Less change in MAC included above \$619Gas Revenue Requirement \$26,383 proposed roll-in

	<u>Increase</u>		<u>MAC</u>
	<u>Before Mac</u>		<u>Adjustment</u>
	<u>Adjustment</u>	<u>Increase Above</u>	<u>Adjustment</u>
RSG	\$18,508	\$18,876	\$368
GSG	2,933	3,002	69
LVG	4,078	4,249	171
SLG	<u>13,354</u>	<u>13,534</u>	<u>0.180</u>
Subtotal	\$25,532	\$26,141	\$608
TSG-F	\$114.735	\$122.000	\$7.265
TSG-NF	610	610	0
CIG	<u>129</u>	<u>129</u>	<u>0</u>
Subtotal	\$854	\$861	\$7
Totals	<u>\$26,386</u>	<u>\$27,002</u>	<u>\$615</u>

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 7/3/2018
 plus applicable BGSS charges.

GSMP Roll In

RATE SCHEDULE RSG
RESIDENTIAL SERVICESchedule SS-GSMP-5
Page 3 of 1112 Months Ended December 31, 2012

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

Annualized

	Weather Normalized			Proposed with GSMP Roll-in			Increase	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
Delivery								
1 Service Charge	19,018.784	5.46	\$103,843	19,018.784	5.46	\$103,843	\$0	0.00
2 Distribution Charge	1,381,894	0.300343	415,042	1,381,894	0.314020	433,942	18,900	4.55
3 Off-Peak Dist	65	0.150172	10	65	0.157010	10	0	0.00
4 Balancing Charge	840,052	0.084457	70,948	840,052	0.084457	70,948	0	0.00
5 SBC	1,381,959	0.041721	57,657	1,381,959	0.041721	57,657	0	0.00
6 Realignment Adjustment	1,381,959	0.000000	0	1,381,959	0.000000	0	0	0.00
7 Margin Adjustment	1,381,959	(0.006338)	(8,759)	1,381,959	(0.006338)	(8,759)	0	0.00
8 Weather Normalization	840,052	0.021647	18,185	840,052	0.021647	18,185	0	0.00
9 Green Programs Recovery Charge	1,381,959	0.005563	7,688	1,381,959	0.005563	7,688	0	0.00
10 <u>Capital Adjustment Charges (CIP I)</u>								
11 Service Charge	19,018.784	0.00	0	19,018.784	0.00	0	0	0.00
12 Distribution Charge	1,381,894	0.000000	0	1,381,894	0.000000	0	0	0.00
13 Off-Peak Use	65	0.000000	0.000	65	0.000000	0.000	0	0.00
14 Margin Adjustment Charge	1,381,959	0.000000	0	1,381,959	0.000000	0	0	0.00
15								
16 Facilities Charges			0			0	0	0.00
17 Minimum			0			0	0	0.00
18 Miscellaneous			<u>189</u>			<u>190</u>	<u>1</u>	0.53
19 Delivery Subtotal	1,381,959		664,803	1,381,959		683,704	\$18,901	2.84
20 Unbilled Delivery			<u>5,642</u>			<u>5,803</u>	<u>161</u>	2.85
21 Delivery Subtotal w unbilled			670,445			689,507	\$19,062	2.84
22								
Supply								
24 BGSS-RSG	1,381,959	0.344840	\$476,555	1,381,959	0.344840	\$476,555	\$0	0.00
25 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
26 BGSS Contrib. from TSG-F, TSG-NF & CIG	0	0.000000	0	1,381,959	(0.000133)	(184)	(184)	0.00
27 Off-Peak Comm. Charge	62	0.322526	20	62	0.322526	20	0	0.00
28 Capital Adjustment Charges	1,381,959	0.000000	0	1,381,959	0.000000	0	0	0.00
29 Miscellaneous			<u>(22)</u>			<u>(22)</u>	<u>0</u>	0.00
30 Supply subtotal	1,382,021		\$476,553	1,382,021		\$476,369	(\$184)	(0.04)
31 Unbilled Supply			<u>5,978</u>			<u>5,976</u>	<u>(2)</u>	(0.03)
32 Supply Subtotal w unbilled			\$482,531			\$482,345	(\$186)	(0.04)
33								
34 Total Delivery + Supply	1,381,959		<u>\$1,152,976</u>	1,381,959		<u>\$1,171,852</u>	<u>\$18,876</u>	1.64
35								
36								
37								

Notes:

All customers assumed to be on BGSS.

Annualized Weather Normalized Revenue reflects Delivery rates in effect 7/3/2018

plus applicable BGSS charges.

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GSMP Roll In

RATE SCHEDULE GSG
GENERAL SERVICE
12 Months Ended December 31, 2012
 (Therms & Revenue - Thousands, Rate - \$/Therm)

Schedule SS-GSMP-5
 Page 4 of 11

Annualized

	Weather Normalized			Proposed with GSMP Roll-in			Increase	
	Units	Rate	Revenue	Units	Rate	Revenue	Revenue	Percent
	(1)	(2)	(3=1*2)	(4)	(5)	(6=4*5)	(7=6-3)	(8=7/3)
Delivery								
1 Service Charge	1,683,715	11.28	\$18,992	1,683,715	11.90	\$20,036	\$1,044	5.50
2 Distribution Charge - Pre 7/14/97	2,367	0.247071	585	2,367	0.254559	603	18	3.08
3 Distribution Charge - All Others	261,497	0.247071	64,608	261,497	0.254559	66,566	1,958	3.03
4 Off-Peak Dist Charge - Pre 7/14/97	0	0.123536	0	0	0.127280	0	0	0.00
5 Off-Peak Dist Charge - All Others	33	0.123536	4	33	0.127280	4	0	0.00
6 Balancing Charge	160,049	0.084457	13,517	160,049	0.084457	13,517	0	0.00
7 SBC	263,897	0.041721	11,010	263,897	0.041721	11,010	0	0.00
8 Realignment Adjustment	263,897	0.000000	0	263,897	0.000000	0	0	0.00
9 Margin Adjustment	263,897	(0.006338)	(1,673)	263,897	(0.006338)	(1,673)	0	0.00
10 Weather Normalization	160,049	0.021647	3,465	160,049	0.021647	3,465	0	0.00
11 Green Programs Recovery Charge	263,897	0.005563	1,468	263,897	0.005563	1,468	0	0.00
12 <u>Capital Adjustment Charges (CIP I)</u>								
13 Service Charge	1,683,715	0.00	0	1,683,715	0.00	0	0	0.00
14 Distribution Charge - Pre July 14, 1997	2,367	0.000000	0	2,367	0.000000	0	0	0.00
15 Distribution Charge - All Others	261,497	0.000000	0	261,497	0.000000	0	0	0.00
16 Off-Peak Use Dist Charge - Pre July 14, 1997	0	0.000000	0	0	0.000000	0	0	0.00
17 Off-Peak Use Dist Charge - All Others	33	0.000000	0	33	0.000000	0	0	0.00
18 Margin Adjustment Charge	263,897	0.000000	0	263,897	0.000000	0	0	0.00
19								
20 Facilities Charges			0			0	0	0.00
21 Minimum			6			6	0	0.00
22 Miscellaneous			(1,275)			(1,275)	0	0.00
23 Delivery Subtotal	263,897		\$110,707	263,897		\$113,727	\$3,020	2.73
24 Unbilled Delivery			66			68	2	3.03
25 Delivery Subtotal w unbilled			\$110,773			\$113,795	\$3,022	2.73
26								
Supply								
28 BGSS	263,897	0.505879	\$133,500	263,897	0.505879	\$133,500	\$0	0.00
29 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
30 BGSS Contrib. from TSG-F, TSG-NF & CIG	0	0.000000	0	263,897	(0.000074)	(20)	(20)	0
31 Capital Adjustment Charges	263,897	0.000000	0	263,897	0.000000	0	0	0
32 Miscellaneous			(1,705)			(1,705)	0	0.00
33 Supply subtotal	263,897		\$131,795	263,897		\$131,775	(20)	(0.02)
34 Unbilled Supply			1,211			1,211	0	0.00
35 Supply Subtotal w unbilled			\$133,006			\$132,986	(20)	(0.02)
36								
37 Total Delivery + Supply	263,897		<u>\$243,779</u>	263,897		<u>\$246,781</u>	<u>\$3,002</u>	1.23
38								
39								
40								
41 Notes:								
42 All customers assumed to be on BGSS.								
43 Annualized Weather Normalized Revenue reflects Delivery rates in effect 7/3/2018								
44 plus applicable BGSS charges.								
45								

GSMP Roll In

RATE SCHEDULE LVG
LARGE VOLUME SERVICE
12 Months Ended December 31, 2012
 (Terms & Revenue - Thousands, Rate - \$/Therm)

Schedule SS-GSMP-5
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Annualized

	Weather Normalized			Proposed with GSMP Roll-in			Increase	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
Delivery								
1 Service Charge	221,074	100.12	\$22,134	221,074	100.12	\$22,134	\$0	0.00
2 Demand Charge	17,876	3.7352	66,770	17,876	3.9068	69,838	3,068	4.59
3 Distribution Charge 0-1,000 pre 7/14/97	10,437	0.041215	430	10,437	0.044609	466	36	8.37
4 Distribution Charge over 1,000 pre 7/14/97	57,522	0.039335	2,263	57,522	0.040683	2,340	77	3.40
5 Distribution Charge 0-1,000 post 7/14/97	138,521	0.041215	5,709	138,521	0.044609	6,179	470	8.23
6 Distribution Charge over 1,000 post 7/14/97	435,510	0.039335	17,131	435,510	0.040683	17,718	587	3.43
7 Balancing Charge	321,889	0.084457	27,186	321,889	0.084457	27,186	0	0.00
8 SBC	641,990	0.041721	26,784	641,990	0.041721	26,784	0	0.00
9 Realignment Adjustment	641,990	0.000000	0	641,990	0.000000	0	0	0.00
10 Margin Adjustment	641,990	(0.006338)	(4,069)	641,990	(0.006338)	(4,069)	0	0.00
11 Weather Normalization	321,889	0.021647	6,968	321,889	0.021647	6,968	0	0.00
12 Green Programs Recovery Charge	641,990	0.005563	3,571	641,990	0.005563	3,571	0	0.00
13 Capital Adjustment Charges (CIP I)								
14 Service Charge	221,074	0.00	0	221,074	0.00	0	0	0.00
15 Demand Charge	17,876	0.0000	0	17,876	0.0000	0	0	0.00
16 Distribution Charge 0-1,000 pre July 14, 1997	10,437	0.000000	0	10,437	0.000000	0	0	0.00
17 Distribution Charge over 1,000 pre July 14, 1997	57,522	0.000000	0	57,522	0.000000	0	0	0.00
18 Distribution Charge 0-1,000 post July 14, 1997	138,521	0.000000	0	138,521	0.000000	0	0	0.00
19 Distribution Charge over 1,000 post July 14, 1997	435,510	0.000000	0	435,510	0.000000	0	0	0.00
20 Margin Adjustment Charge	641,990	0.000000	0	641,990	0.000000	0	0	0.00
21								
22 Facilities Charges			0			0	0	0.00
23 Minimum			227			227	0	0.00
24 Miscellaneous			(764)			(763)	1	(0.13)
25 Delivery Subtotal	641,990		174,340	641,990		178,579	\$4,239	2.43
26 Unbilled Delivery			2,045			2,101	56	2.74
27 Delivery Subtotal w unbilled			\$176,385			\$180,680	\$4,295	2.44
28								
29								
30 Supply								
31 BGSS	641,990	0.504537	\$323,908	641,990	0.504537	\$323,908	\$0	0.00
32 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
33 BGSS Contrib. from TSG-F, TSG-NF & CIG	0	0.000000	0	641,990	(0.000074)	(48)	(48)	0.00
34 Capital Adjustment Charges	641,990	0.000000	0	641,990	0.000000	0	0	0.00
35 Miscellaneous			2,184			2,184	0	0.00
36 Supply Subtotal	641,990		\$326,092	641,990		\$326,044	(48)	(0.01)
37 Unbilled Supply			(15,724)			(15,722)	2	(0.01)
38 Supply Subtotal w unbilled			\$310,368			\$310,322	(46)	(0.01)
39								
40 Total Delivery + Supply	641,990		<u>\$486,753</u>	641,990		<u>\$491,002</u>	<u>\$4,249</u>	0.87

Notes:

45 All customers assumed to be on BGSS.

46 Annualized Weather Normalized Revenue reflects Delivery rates in effect 7/3/2018
 47 plus applicable BGSS charges.

48

GSMP Roll In

RATE SCHEDULE SLG
STREET LIGHTING SERVICE
12 Months Ended December 31, 2012
 (Therms & Revenue - Thousands, Rate - \$/Therm)

Schedule SS-GSMP-5
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Annualized

	Weather Normalized			Proposed with GSMP Roll-in			Increase	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
Delivery								
1 Single	10.392	9.6316	\$100.092	10.392	9.6316	\$100.092	\$0.000	0.00
2 Double Inverted	0.108	9.4856	1.024	0.108	9.4856	1.024	0.000	0.00
3 Double Upright	0.588	8.3906	4.934	0.588	8.3906	4.934	0.000	0.00
4 Triple prior to 1/1/93	18.156	9.4856	172.221	18.156	9.4856	172.221	0.000	0.00
5 Triple on and after 1/1/93	0.432	61.9958	26.782	0.432	61.9958	26.782	0.000	0.00
6 Distribution Therm Charge	682.345	0.083452	56.943	682.345	0.103360	70.527	13.584	23.86
7								
8 SBC	682.345	0.041721	28.468	682.345	0.041721	28.468	0.000	0.00
9 Realignment Adjustment	682.345	0.000000	0.000	682.345	0.000000	0.000	0.000	0.00
10 Margin Adjustment	682.345	(0.006338)	(4.325)	682.345	(0.006338)	(4.325)	0.000	0.00
11								
12 Green Programs Recovery Charge	682.345	0.005563	3.796	682.345	0.005563	3.796	0.000	0.00
13 <u>Capital Adjustment Charges (CIP I)</u>								
14 Single-Mantle Lamp	10.392	0.0000	0.000	10.392	0.0000	0.000	0.000	0.00
15 Double-Mantle Lamp, inverted	0.108	0.0000	0.000	0.108	0.0000	0.000	0.000	0.00
16 Double Mantle Lamp, upright	0.588	0.0000	0.000	0.588	0.0000	0.000	0.000	0.00
17 Triple-Mantle Lamp, prior to January 1, 1993	18.156	0.0000	0.000	18.156	0.000000	0	0	0.00
18 Triple-Mantle Lamp, on and after January 1, 1993	0.432	0.0000	0.000	0.432	0.0000	0.000	0.000	0.00
19 Distribution Therm Charge	682.345	0.000000	0.000	682.345	0.000000	0.000	0.000	0.00
20 Margin Adjustment Charge	682.345	0.000000	0.000	682.345	0.000000	0.000	0.000	0.00
21								
22 Facilities Charges			0.000			0.000	0.000	0.00
23 Minimum			0.000			0.000	0.000	0.00
24 Miscellaneous			15.746			15.746	0.000	0.00
25 Delivery Subtotal	682.345		\$405.681	682.345		\$419.265	\$13.584	3.35
26 Unbilled Delivery			0.000			0.000	0.000	0.00
27 Delivery Subtotal w unbilled			\$405.681			\$419.265	\$13.584	3.35
28								
Supply								
30 BGSS	682.063	0.500511	\$341.380	682.063	0.500511	\$341.380	\$0.000	0.00
31 Emergency Sales Service	0.000	0.000000	0.000	0.000	0.000000	0.000	0.000	0.00
32 BGSS Contrib. from TSG-F, TSG-NF & CIG	0.000	0.000000	0.000	682.345	(0.000074)	(0.050)	(0.050)	0.00
33 Capital Adjustment Charges	682.345	0.000000	0.000	682.345	0.000000	0.000	0.000	0.00
34 Miscellaneous			(75.892)			(75.892)	0.000	0.00
35 Supply Subtotal	682.063		\$265.488	682.063		\$265.438	(\$0.050)	(0.02)
36 Unbilled Supply			0.000			0.000	0.000	0.00
37 Supply Subtotal w unbilled			\$265.488			\$265.438	(\$0.050)	(0.02)
38								
39 Total Delivery + Supply	682.345		<u>\$671.169</u>	682.345		<u>\$684.703</u>	<u>\$13.534</u>	2.02
40								
41								
42								
43 Notes:								
44 All customers assumed to be on BGSS.								
45 SLG units and revenues shown to 3 decimals.								
46 Annualized Weather Normalized Revenue reflects Delivery rates in effect 7/3/2018								
47 plus applicable BGSS charges.								
48								

GSMP Roll In

RATE SCHEDULE TSG-F
FIRM TRANSPORTATION GAS SERVICE
12 Months Ended December 31, 2012
 (Terms & Revenue - Thousands, Rate - \$/Therm)

Schedule SS-GSMP-5
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Annualized

	Weather Normalized			Proposed with GSMP Roll-in			Increase	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
Delivery								
1 Service Charge	0.622	536.08	\$333.442	0.622	565.46	\$351.716	\$18.274	5.48
2 Demand Charge	575	1.8550	1,066.625	575	1.9209	1,104.518	37.893	3.55
3 Demand Charge, Agreements	16	1.6563	26.501	16	1.6563	26.501	0.000	0.00
4 Distribution Charge	27,094	0.070907	1,921.154	27,094	0.073426	1,989.404	68.250	3.55
5 Distribution Charge, Agreements	968	0.031380	30.376	968	0.031380	30.376	0.000	0.00
6 SBC	27,094	0.041721	1,130.389	27,094	0.041721	1,130.389	0.000	0.00
7 SBC, Agreements	968	0.050438	48.824	968	0.050438	48.824	0.000	0.00
8 Margin Adjustment	27,094	(0.006338)	(171.722)	27,094	(0.006338)	(171.722)	0.000	0.00
9 Margin Adjustment, Agreements	968	(0.006338)	(6.135)	968	(0.006338)	(6.135)	0.000	0.00
10								
11 Green Programs Recovery Charge	27,094	0.005563	150.724	27,094	0.005563	151	0	0.00
12 Green Programs Recovery Charge, Agreemer	968	0.003908	3.783	968	0.003908	3.783	0.000	0.00
13 <u>Capital Adjustment Charges (CIP I)</u>								
14 Service Charge	0.622	0.00	0.000	0.622	0.00	0.000	0.000	0.00
15 Demand Charge	575	0.0000	0.000	575	0.0000	0.000	0.000	0.00
16 Demand Charge, Agreements	16	0.0000	0.000	16	0.0000	0.000	0.000	0.00
17 Distribution Charge	27,094	0.000000	0.000	27,094	0.000000	0.000	0.000	0.00
18 Distribution Charge, Agreements	968	0.000000	0.000	968	0.000000	0.000	0.000	0.00
19 Margin Adjustment Charge	27,094	0.000000	0.000	27,094	0.000000	0.000	0.000	0.00
20 Margin Adjustment Charge, Agreements	968	0.000000	0.000	968	0.000000	0.000	0.000	0.00
21								
22 Facilities Charges			0.000			0.000	0.000	0.00
23 Minimum			0.000			0.000	0.000	0.00
24 Miscellaneous			<u>(20.523)</u>			<u>(20.522)</u>	<u>0.001</u>	0.00
25 Delivery Subtotal	28,062		4,513.438	28,062		4,637.856	\$124.418	2.76
26 Unbilled Delivery			<u>(87.722)</u>			<u>(90.140)</u>	<u>(2.418)</u>	2.76
27 Delivery Subtotal w unbilled			\$4,425.716			\$4,547.716	\$122.000	2.76
28								
29 Supply								
30 Commodity Charge, BGSS-F	27,094	0.502694	\$13,620.000	27,094	0.502694	\$13,620.000	\$0.000	0.00
31 Emergency Sales Service	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
32 Miscellaneous			<u>0.000</u>			<u>0.000</u>	<u>0.000</u>	0.00
33 Supply Subtotal	27,094		\$13,620.000	27,094		\$13,620.000	\$0.000	0.00
34 Unbilled Supply			<u>(2,178.395)</u>			<u>(2,178.395)</u>	<u>0.000</u>	0.00
35 Supply Subtotal w unbilled			\$11,441.605			\$11,441.605	\$0.000	0.00
36								
37 Total Delivery + Supply	28,062		<u>\$15,867.321</u>	28,062		<u>\$15,989.321</u>	<u>\$122.000</u>	0.77
38								
39								
40								
41 Notes:								
42 All customers assumed to be on BGSS.								
43 TSG-F revenues shown to 3 decimals.								
44 Annualized Weather Normalized Revenue reflects Delivery rates in effect 7/3/2018								
45 plus applicable BGSS charges.								
46								

GSMP Roll In

RATE SCHEDULE TSG-NF
NON-FIRM TRANSPORTATION GAS SERVICE
12 Months Ended December 31, 2012
 (Therms & Revenue - Thousands, Rate - \$/Therm)

Schedule SS-GSMP-5
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		Annualized							
		Weather Normalized			Proposed with GSMP Roll-in			Increase	
		Units	Rate	Revenue	Units	Rate	Revenue	Revenue	Percent
		(1)	(2)	(3=1*2)	(4)	(5)	(6=4*5)	(7=6-3)	(8=7/3)
Delivery									
1	Service Charge	2,703	536.08	\$1,449	2,703	565.46	\$1,528	\$79	5.45
2	Dist Charge 0-50,000	99,166	0.070731	7,014	99,166	0.073044	7,243	229	3.26
3	Dist Charge 0-50,000, Agreements	26,064	0.017035	444	26,064	0.017035	444	0	0.00
4	Dist Charge over 50,000	136,943	0.070731	9,686	136,943	0.073044	10,003	317	3.27
5	Dist Charge over 50,000, Agreements	602,423	0.017061	10,278	602,423	0.017061	10,278	0	0.00
6	SBC	236,109	0.041721	9,851	236,109	0.041721	9,851	0	0.00
7	SBC, Agreements	628,487	0.005338	3,355	628,487	0.005338	3,355	0	0.00
8									
9	Green Programs Recovery Charge	236,109	0.005563	1,313	236,109	0.005563	1,313	0	0.00
10	Green Programs Recovery Charge, Agreements	628,487	0.000430	270	628,487	0.000430	270	0	0.00
11	<u>Capital Adjustment Charges (CIP I)</u>								
12	Service Charge	2,703	0.00	0	2,703	0.00	0	0	0.00
13	Distribution Charge 0-50,000	99,166	0.000000	0	99,166	0.000000	0	0	0.00
14	Distribution Charge 0-50,000, Agreements	26,064	0.000000	0	26,064	0.000000	0	0	0.00
15	Distribution Charge over 50,000	136,943	0.000000	0	136,943	0.000000	0	0	0.00
16	Distribution Charge over 50,000, Agreements	602,423	0.000000	0	602,423	0.000000	0	0	0.00
17									
18	Facilities Charges			936			936	0	0.00
19	Minimum			0			0	0	0.00
20	Miscellaneous			<u>(970)</u>			<u>(970)</u>	<u>0</u>	0.00
21	Delivery Subtotal	864,596		\$43,626	864,596		\$44,251	\$625	1.43
22	Unbilled Delivery			<u>(1,063)</u>			<u>(1,078)</u>	<u>(15)</u>	1.41
23	Delivery Subtotal w unbilled			\$42,563			\$43,173	\$610	1.43
24									
25	Supply								
26	Commodity Charge, BGSS-I	236,109	0.476132	\$112,419	236,109	0.476132	\$112,419	\$0	0.00
27	Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
28	Pilot Use	0	1.89	0	0	1.89	0	0	0.00
29	Penalty Use	0	0.000000	0	0	0.000000	0	0	0.00
30	Miscellaneous			<u>160</u>			<u>160</u>	<u>0</u>	0.00
31	Supply Subtotal	236,109		\$112,579	236,109		\$112,579	\$0	0.00
32	Unbilled Supply			<u>(2,913)</u>			<u>(2,913)</u>	<u>0</u>	0.00
33	Supply Subtotal w unbilled			\$109,666			\$109,666	\$0	0.00
34									
35	Total Delivery + Supply	864,596		<u>\$152,229</u>	864,596		<u>\$152,839</u>	<u>\$610</u>	0.40

Notes:
 All customers assumed to be on BGSS.
 Annualized Weather Normalized Revenue reflects Delivery rates in effect 7/3/2018
 plus applicable BGSS charges.

GSMP Roll In

RATE SCHEDULE CIG
COGENERATION INTERRUPTIBLE SERVICE
12 Months Ended December 31, 2012
 (Therms & Revenue - Thousands, Rate - \$/Therm)

Schedule SS-GSMP-5
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Annualized

	Weather Normalized			Proposed with GSMP Roll-in			Increase	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
Delivery								
1 Service Charge	0.240	139.85	\$34	0.240	144.96	\$35	\$1	2.94
2 Margin 0-600,000	52,881	0.063389	3,352	52,881	0.065644	3,471	119	3.55
3 Margin over 600,000	5,266	0.052013	274	5,266	0.053863	284	10	3.65
4 Extended Gas Service	0	0.150000	0	0	0.150000	0	0	0.00
5 SBC	58,147	0.041721	2,426	58,147	0.041721	2,426	0	0.00
6								
7 Green Programs Recovery Charge	58,147	0.005563	323	58,147	0.005563	323	0	0.00
8 <u>Capital Adjustment Charges (CIP I)</u>								
9 Service Charge	0.240	0.00	0	0.240	0.00	0	0	0.00
10 Distribution Charge 0-600,000	52,881	0.000000	0	52,881	0.000000	0	0	0.00
11 Distribution Charge over 600,000	5,266	0.000000	0	5,266	0.000000	0	0	0.00
12 Extended Gas Service, Special Delivery Charge	0	0.000000	0	0	0.000000	0	0	0.00
13								
14 Facilities Charges			0			0	0	0.00
15 Minimum			0			0	0	0.00
16 Miscellaneous			0			0	0	0.00
17 Delivery Subtotal	58,147		\$6,409	58,147		\$6,539	\$130	2.03
18 Unbilled Delivery			(27)			(28)	-1	3.70
19 Delivery Subtotal w unbilled			\$6,382			\$6,511	\$129	2.02
20								
Supply								
22 Commodity Component	58,147	0.319518	\$18,579	58,147	0.319518	\$18,579	\$0	0.00
23 Pilot Use	0	1.89	0	0	1.89	0	0	0.00
24 Penalty Use	0		0	0		0	0	0.00
25 Extended Gas Service	0		0	0		0	0	0.00
26 Miscellaneous			0			0	0	0.00
27 Supply Subtotal	58,147		\$18,579	58,147		\$18,579	\$0	0.00
28 Unbilled Supply			135			135	0	0.00
29 Supply Subtotal w unbilled			\$18,714			\$18,714	\$0	0.00
30								
31 Total Delivery + Supply	58,147		<u>\$25,096</u>	58,147		<u>\$25,225</u>	<u>\$129</u>	0.51
32								
33								
34								

Notes:

36 All customers assumed to be on BGSS.
 37 Annualized Weather Normalized Revenue reflects Delivery rates in effect 7/3/2018
 38 plus applicable BGSS charges.
 39

GSMP Roll In

Gas Tariff Rates

Schedule SS-GSMP-5

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		<u>Present</u>		<u>Proposed</u>	
		<u>Charge</u> <u>without/SUT</u>	<u>Charge</u> <u>Including</u> <u>SUT</u>	<u>Charge</u> <u>without/SUT</u>	<u>Charge</u> <u>Including</u> <u>SUT</u>
<u>Rate Schedule</u>					
RSG	Service Charge	\$5.46	\$5.82	\$5.46	\$5.82
	Distribution Charges	\$0.300343	\$0.320241	\$0.314020	\$0.334824
	Balancing Charge	\$0.084457	\$0.090052	\$0.084457	\$0.090052
	Off-Peak Use	\$0.150172	\$0.160120	\$0.157010	\$0.167412
GSG	Service Charge	\$11.28	\$12.03	\$11.90	\$12.69
	Distribution Charge - Pre July 14, 1997	\$0.247071	\$0.263439	\$0.254559	\$0.271424
	Distribution Charge - All Others	\$0.247071	\$0.263439	\$0.254559	\$0.271424
	Balancing Charge	\$0.084457	\$0.090052	\$0.084457	\$0.090052
	Off-Peak Use Dist Charge - Pre July 14, 1997	\$0.123536	\$0.131720	\$0.127280	\$0.135712
	Off-Peak Use Dist Charge - All Others	\$0.123536	\$0.131720	\$0.127280	\$0.135712
LVG	Service Charge	\$100.12	\$106.75	\$100.12	\$106.75
	Demand Charge	\$3.7352	\$3.9827	\$3.9068	\$4.1656
	Distribution Charge 0-1,000 pre July 14, 1997	\$0.041215	\$0.043945	\$0.044609	\$0.047564
	Distribution Charge over 1,000 pre July 14, 1997	\$0.039335	\$0.041941	\$0.040683	\$0.043378
	Distribution Charge 0-1,000 post July 14, 1997	\$0.041215	\$0.043945	\$0.044609	\$0.047564
	Distribution Charge over 1,000 post July 14, 1997	\$0.039335	\$0.041941	\$0.040683	\$0.043378
	Balancing Charge	\$0.084457	0.090052	\$0.084457	\$0.090052
SLG	Single-Mantle Lamp	\$9.6316	\$10.2697	\$9.6316	\$10.2697
	Double-Mantle Lamp, inverted	\$9.4856	\$10.1140	\$9.4856	\$10.1140
	Double Mantle Lamp, upright	\$8.3906	\$8.9465	\$8.3906	\$8.9465
	Triple-Mantle Lamp, prior to January 1, 1993	\$9.4856	\$10.1140	\$9.4856	\$10.1140
	Triple-Mantle Lamp, on and after January 1, 1993	\$61.9958	\$66.1030	\$61.9958	\$66.1030
	Distribution Therm Charge	\$0.083452	\$0.088981	\$0.103360	\$0.110208

Gas Tariff RatesSchedule SS-GSMP-5
Page 11 of 11

		<u>Present</u>	<u>Charge Including SUT</u>	<u>Proposed</u>	<u>Charge Including SUT</u>
		<u>Charge</u>	<u>SUT</u>	<u>Charge</u>	<u>SUT</u>
TSG-F	Service Charge	\$536.08	\$571.60	\$565.46	\$602.92
	Demand Charge	\$1.8550	\$1.9779	\$1.9209	\$2.0482
	Distribution Charges	\$0.070907	\$0.075605	\$0.073426	\$0.078290
TSG-NF	Service Charge	\$536.08	\$571.60	\$565.46	\$602.92
	Distribution Charge 0-50,000	\$0.070731	\$0.075417	\$0.073044	\$0.077883
	Distribution Charge over 50,000	\$0.070731	\$0.075417	\$0.073044	\$0.077883
	Special Provision (d)	\$1.89	\$2.02	\$1.89	\$2.02
CIG	Service Charge	\$139.85	\$149.12	\$144.96	\$154.56
	Distribution Charge 0-600,000	\$0.063389	\$0.067589	\$0.065644	\$0.069993
	Distribution Charge over 600,000	\$0.052013	\$0.055459	0.053863	\$0.057431
	Special Provision (c) 1st para	\$1.89	\$2.02	\$1.89	\$2.02
BGSS RSG	Commodity Charge including Losses	\$0.346015	\$0.368938	\$0.345879	\$0.368793
CSG	Service Charge	\$536.08	\$571.60	\$565.46	\$602.92

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:

Residential Gas Service					
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	180	\$210.34	\$212.98	\$2.64	1.26%
50	360	350.73	355.95	5.22	1.49
100	610	558.56	567.42	8.86	1.59
159	1,000	870.44	884.87	14.43	1.66
165	1,010	879.16	893.82	14.66	1.67
200	1,224	1,050.55	1,068.19	17.64	1.68
300	1,836	1,540.92	1,567.50	26.58	1.72

(1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect July 3, 2018 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.

Residential Gas Service					
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:
180	25	\$26.06	\$26.42	\$0.36	1.38%
360	50	46.30	47.02	0.72	1.56
610	100	88.48	89.93	1.45	1.64
1,010	165	142.23	144.62	2.39	1.68
1,224	200	171.18	174.06	2.88	1.68
1,836	300	253.84	258.18	4.34	1.71

(3) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect July 3, 2018 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 (July 2018 GSMP Rate Filing)

Notice of Filing and Notice of Public Hearings

Docket No. XXXXXXXXXX

TAKE NOTICE that, on July 30, 2018, 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 approving the Program in Docket No. GR15030272. The 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 will also include costs related to the 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.

These investments are anticipated to be made over a three-year period beginning on January 1, 2016 with investments beyond those approved to be recovered 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 associated with the capitalized investments costs of GSMP of approximately \$26.4 million from the Company's gas customers.

For illustrative purposes the estimated Base Rates effective January 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 \$558.56 to \$567.42, or \$8.86 or approximately 1.59%. Also, a typical residential gas heating customer using 165 therms per month during the winter months and 1,010 therms on an annual basis would see an initial increase in the annual bill from \$879.16 to \$893.82, or \$14.66 or approximately 1.67%. 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, online at the PSEG website at <http://www.pseg.com/pseandgfilings>, and at the Board of Public Utilities at 44 South Clinton Avenue, Seventh Floor, Trenton, New Jersey 08625-0350.

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, 2018

Time 1

Location 1

Location 1 Overflow

Room 1

Room 1 Overflow

Address 1

City 1, New Jersey Zip 1

Date 2, 2018

Time 2

Location 2

Location 2 Overflow

Room 2

Room 2 Overflow

Address 2

City 2, New Jersey Zip 2

Date 3, 2018

Time 3

Location 3

Location 3 Overflow

Room 3

Room 3 Overflow

Address 3

City 3, New Jersey Zip 3

In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters, listening devices or mobility assistance, 48 hours prior to the above hearings to the Board's Secretary at 44 South Clinton Avenue, 3rd Floor, Suite 314, P.O. Box 350, Trenton, New Jersey, 08625-0350 ATTN: Secretary Aida Camacho-Welch.

Customers may also file written comments with the Secretary of the Board of Public Utilities at 44 South Clinton Avenue, 3rd 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. To review PSE&G's rate filing, visit <http://www.pseg.com/pseandgfilings>.

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

Rate Schedule			Base Rates	
			Charges in Effect July 3, 2018 Including SUT	Estimated Charges Including SUT
RSG	Service Charge	per month	\$5.82	\$5.82
	Distribution Charge	\$/Therm	0.320241	0.334824
	Off-Peak Use	\$/Therm	0.160120	0.167412
	Basic Gas Supply Service-RSG (BGSS-RSG) (Rate shown excludes BGSS-RSG Bill Credit for Nov-Mar usage)	\$/Therm	0.368938	0.368793

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

	Rate Class	Percent Change
Residential Service	RSG	1.64
General Service	GSG	1.23
Large Volume Service	LVG	0.87
Street Lighting Service	SLG	2.02
Firm Transportation Gas Service	TSG-F	0.77
Non-Firm Transportation Gas Service	TSG-NF	0.40
Cogeneration Interruptible Service	CIG	0.51
Overall		1.30

The percent increases noted above are based upon July 3, 2018 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 January 1, 2019

If Your Annual Therm Use Is:	And Your Monthly Winter Therm Use Is:	Then Your Present Monthly Winter Bill (1) Would Be:	And Your Proposed Monthly Winter Bill (2) Would Be:	Your Monthly Winter Bill Change Would Be:	And Your Monthly Percent Change Would Be:
180	25	\$26.06	\$26.42	\$0.36	1.38%
360	50	46.30	47.02	0.72	1.56
610	100	88.48	89.93	1.45	1.64
1,010	165	142.23	144.62	2.39	1.68
1,224	200	171.18	174.06	2.88	1.68
1,836	300	253.84	258.18	4.34	1.71

- (1) Based upon Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect July 3, 2018 and assumes that the customer receives commodity service from Public Service. Does not include any BGSS-RSG Bill Credits.
(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

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

	<u>YTD 2017 *</u> '(\$000)
400 Electric Operating Revenues	3,085,710
Electric Operating Expenses:	
401 Operation Expense	2,125,656
402 Maintenance Expense	118,804
403 Depreciation Expense	253,744
404 Amortization of Limited Term Plant	8,949
407 Amortization of Property Losses	24,343
408.1 Taxes Other Than Income Taxes	23,616
409.1 Income Taxes - Federal	40,451
410.1 Provision for Deferred Income Taxes	362,789
411.1 Provision for Deferred Income Taxes - Credit	(250,108)
411.103 Accretion Expense-Electric	0
411.4 Investment Tax Credit Adjustments (Net)	(14,243)
Total Electric Utility Operating Expenses	<u>2,694,000</u>
Electric Utility Operating Income	<u>\$ 391,710</u>

* Electric Distribution only

	<u>YTD 2017</u>
400 Gas Operating Revenues	1,747,800
Gas Operating Expenses:	
401 Operation Expense	1,161,006
402 Maintenance Expense	39,103
403 Depreciation Expense	134,631
404 Amortization of Limited Term Plant	7,176
407 Amortization of Property Losses	29,385
407.4 Amortization of Excess cost of removal	0
408.1 Taxes Other Than Income Taxes	18,038
409.1 Income Taxes - Federal	(81,297)
410.1 Provision for Deferred Income Taxes	323,891
411.1 Provision for Deferred Income Taxes - Cr	(137,358)
411.4 Investment Tax Credit Adjustments (Net)	3,869
Total Gas Utility Operating Expenses	<u>1,498,443</u>
Gas Utility Operating Income	<u>\$ 249,357</u>
Net Utility Operating Income	<u>\$ 641,067</u>

PUBLIC SERVICE ELECTRIC AND GAS COMPANY**BALANCE SHEET****\$ (In Thousands)****Dec 31, 2017**

Assets and Other Debits

Utility Plant

Electric Utility Plant

101	Electric Utility Plant in Service	\$	16,899,618
103	Electric Experimental Plant Unclassified		-
105	Electric Utility Plant Held for Future Use		19,907
106	Electric Completed Construction not classified- Electric		2,872,173
107	Electric Construction Work in Progress		1,588,835
	Total Electric Utility Plant		21,380,534

Gas Utility Plant

101	Gas Utility Plant in Service		7,307,650
103	Gas Experimental Plant Unclassified		-
105	Gas Utility Plant Held for Future Use		96
106	Gas Completed Construction not classified		42,626
107	Gas Construction Work in Progress		14,301
	Total Gas Utility Plant		7,364,673

Common Utility Plant

101	Common Utility Plant in Service		336,779
106	Common Completed Construction not classified		6,238
107	Common Construction Work in Progress		122,071
	Total Common Utility Plant		465,087

Total Utility Plant

29,210,294

Accumulated Provisions for Depreciation and Amortization of

Electric Utility Plant

108 & 111	Electric Utility Plant in Service		(3,576,611)
108.5	Electric Utility Plant Held for Future Use		-
	Total Electric Utility Plant		(3,576,611)

Gas Utility Plant

108 & 111	Gas Utility Plant in Service		(2,259,642)
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Common Utility Plant

108 & 111	Common Utility Plant in Service		(144,439)
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Total Accumulated Provisions for
Depreciation and Amortization
of Utility Plant

(5,980,693)

Net Utility Plant Excluding Nuclear Fuel

23,229,602

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	23,229,602

Other Property and Investments

121	Nonutility Property		3,242
122	Accumulated Provision for Depreciation & Amortization of Nonutility Property		(628)
123 & 123.1	Investments in Associated & Subsidiary Companies		50,883
124	Other Investments		279,872
125-8	Special Funds		45,971
175	Long-Term Portion of Derivative Assets		-
	Total Other Property and Investments		379,341

PUBLIC SERVICE ELECTRIC AND GAS COMPANY**BALANCE SHEET**Dec 31, 2017

Current and Accrued Assets

131	Cash	\$	13,231
132-4	Special Deposits		2,026
135	Working Funds		-
136	Temporary Cash Investments		223,000
141-3	Notes and Accounts Receivable		935,026
144	Accumulated Provision for Uncollectible Accounts - Credit		(59,315)
145-6	Receivables from Associated Companies		16,400
151-5	Materials and Supplies (incl. 163)		196,734
158	Allowances		-
164	Gas Stored Underground - Current		-
165	Prepayments		43,659
171	Interest and Dividends Receivable		-
172	Rents Receivable		7,305
173	Accrued Utility Revenues		296,463
174	Miscellaneous Current and Accrued		2,833
175	Current Portion of Derivative Instrument Assets		-

Total Current and Accrued Assets	1,677,360
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Deferred Debits

181	Unamortized Debt Expense	46,324
182	Unrec'd Plt and Reg Costs and Other Reg Assets	3,441,941
183	Preliminary Survey and Investigation Charges	12,434
184	Clearing Accounts	421
185	Temporary Facilities	-
186	Miscellaneous Deferred Debits	46,516
188	Research and Development Expenditures	-
189	Unamortized Loss on Reacquired Debt	54,827
190	Accumulated Deferred Income Taxes	969,270
	Total Deferred Debits	4,571,733

Total Assets and Other Debits	\$ 29,858,036
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PUBLIC SERVICE ELECTRIC AND GAS COMPANY**BALANCE SHEET**

Dec 31, 2017

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 Reacquired Capital Stock		-
211	Miscellaneous Paid-In Capital		-
215	Appropriated Retained Earnings		-
216	Unappropriated Retained Earnings		6,929,850
216.1	Unappropriated Undistributed Subsidiary Earnings		423
219	Other Comprehensive Income		499
	Total Proprietary Capital		<u>9,903,935</u>

Long-Term Debt

221	221 Bonds		8,658,381
223	223 Advances from Assoc. Co.		-
225	225 Unamortized Premium on Long-Term Debt		-
226	226 Unamortized Discount on Long-Term Debt		(20,576)
	Total Long-Term Debt		<u>8,637,805</u>

Other Non-Current Liabilities

227-9	Other Non-current Liabilities		1,360,896
244	Long-Term Portion of Derivative Instrument Liabilities		-
230	Asset Retirement Obligation		212,036
	Total Other Non-Current Liabilities		<u>1,572,931</u>

Current and Accrued Liabilities

231	Notes Payable		-
232	Accounts Payable		727,745
233-4	Payables to Associated Companies		331,219
235	Customer Deposits		91,606
236	Taxes Accrued		4,630
237	Interest Accrued		100,843
238	Dividends Declared		-
239	Matured Long-Term Debt		-
241	Tax Collections Payable		3,198
242	Miscellaneous Current and Accrued Liabilities		434,154
243	Obligations Under Capital leases		-
244	Current Portion of Derivative Instrument Liabilities		-
	Total Current and Accrued Liabilities		<u>1,693,395</u>

Deferred Credits

252	Customer Advances for Construction		45,882
253	Other Deferred Credits		366,496
254	Other Regulatory Liabilities		3,132,156
255	Accumulated Deferred Investment Tax Credits		141,244
281-3	Accumulated Deferred Income Taxes		4,364,192
	Total Deferred Credits		<u>8,049,970</u>

Total Liabilities and Other Credits \$ 29,858,036