

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

**In the Matter of the Petition of  
Public Service Electric and Gas Company  
for Approval of an Increase in Electric and Gas  
Rates and for Changes in the Tariffs for  
Electric and Gas Service, B.P.U.N.J.  
No. 16 Electric and B.P.U.N.J. No. 16  
Gas, and for Changes in Depreciation Rates,  
Pursuant to N.J.S.A. 48:2-18,  
N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1, and  
for Other Appropriate Relief**

**BPU Docket Nos. ER18010029 and GR18010030**

**DIRECT TESTIMONY  
OF**

**STEPHEN SWETZ  
12+0 UPDATE**

**SENIOR DIRECTOR – CORPORATE RATES AND  
REVENUE REQUIREMENTS  
ON  
GAS COST OF SERVICE AND RATE DESIGN**

**August 8, 2018  
P-9G R-2**

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

**GAS COST OF SERVICE AND RATE DESIGN - 12+0 UPDATE**

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

A. My name is Stephen Swetz and I am the Senior Director – Corporate Rates and Revenue Requirements for PSEG Services Corporation. My principal place of business is 80 Park Plaza, Newark, New Jersey 07102. My credentials are set forth in the attached Schedule SS-G1.

**Q. Please describe your responsibilities as Senior Director, Corporate Rates and Revenue Requirements.**

A. In this position I have, among other things, responsibility for the development of rates and tariffs for Public Service Electric and Gas Company (“PSE&G” or “Company”).

**Q. Have you previously testified in proceedings before the New Jersey Board of Public Utilities (“Board” or “BPU”)?**

A. Yes. I have both submitted testimony and testified before the BPU in a number of proceedings that are identified in Schedule SS-G1.

**SCOPE OF TESTIMONY**

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

A. The purpose of my direct testimony is to update my testimony and schedules that were submitted with the Company’s May 14, 2018 Update filing in these proceedings. This testimony supports the Company’s proposed changes to its rates for Gas Service which are

1 designed to recover the revenue requirements for the gas Distribution business as presented  
 2 in this filing. I also sponsor other changes to the Company's Tariff for Gas Service  
 3 ("Tariff"), including the establishment of a Gas Tax Adjustment Credit ("GTAC"), and a  
 4 Green Enabling Mechanism ("GEM"). My testimony provides the Company's embedded  
 5 cost of service study ("Company ECOSS") used as the basis for development of the new gas  
 6 rates. I also present an alternative embedded cost of service study (the "Staff ECOSS"), as  
 7 required by the BPU's order in the Company's previous base rate proceeding and explain  
 8 why that ECOSS should not be used to set rates in this case.

9 **Q. Do you sponsor any schedules as part of your direct testimony?**

10 A. Yes. I sponsor the following schedules that were prepared and/or compiled by me or  
 11 under my direction and supervision:

<u>SCHEDULE DESCRIPTION</u>	<u>NUMBER</u>
Qualifications of Stephen Swetz.....	SS-G1
Basis of Calculations Schedules	
Actual and Weather Normalized Billing Determinants .....	SS-G2 R-2
COS Adjustments.....	SS-G3
Cost of Service Schedules	
Details of Complete COS Study .....	SS-G4 R-2
COS Summary Report by Functional Segment .....	SS-G5 R-2
COS Revenue Requirements by Rate and Function .....	SS-G6 R-2
Sync with Rate Design.....	SS-G7 R-2
Rate and Rate Design Schedules	
Inter Class Revenue Increase Allocations.....	SS-G8 R-2

1	Service Charge Calculations .....	SS-G9 R-2
2	BGSS Calculations.....	SS-G10 R-2
3	Proof of Revenue by Rate Schedule .....	SS-G11 R-2
4	Typical Customer Bill Impacts by Rate Schedule .....	SS-G12 R-2
5	Staff's Cost Allocation Methodology Related Schedules	
6	Details of Complete COS Study – Staff's Method .....	SS-G13 R-2
7	Summary Report – by Functional Segment – Staff's Method.....	SS-G14 R-2
8	Functional Cost Summary – Staff's Method .....	SS-G15 R-2
9	Service Charge Calculations – Staff's Method .....	SS-G16 R-2
10	Gas Tax Adjustment Credit (GTAC) Schedules	
11	Net Revenue Requirement .....	SS-GTAC-1 R-2
12	Credit Calculation .....	SS-GTAC-2 R-2
13	Over/Under Calculation .....	SS-GTAC-3 R-2
14	Credit Impact Analysis .....	SS-GTAC-4 R-2
15	I also sponsor the Company's proposed Tariff which is attached to the Company's	
16	transmittal letter as Schedules 3, submitted with the Company's 9+3 Update.	

17 **OVERVIEW OF THE COMPANY'S RATE FILING AND BASIS OF**  
18 **CALCULATIONS AND ANALYSIS**

19 **Overview**

20 **Q. What terminology does your direct testimony use regarding revenue and rates?**

21 A. Throughout this testimony, the revenue or percentage increase for "Distribution" is  
22 based only on revenue from the Service Charge and Distribution Charge(s) for the particular  
23 rate schedule. The term "Delivery" refers to revenue from the Service Charge and  
24 Distribution Charges as indicated on the particular rate schedule, plus the revenue from the

1 Balancing Charge and all of the applicable adjustment clauses. The “Total Bill” equals the  
2 Delivery Charges plus gas supply, and is calculated as if all customers were supplied on  
3 Basic Gas Supply Service (“BGSS”).

4 **Q. Please describe the gas distribution services provided by the Company.**

5 A. The Company provides gas distribution services under the following Rate Schedules:

6 (i) Rate Schedule RSG sets forth the terms at which the Company provides firm delivery  
7 service for residential purposes;

8 (ii) Rate Schedule GSG sets forth the terms at which the Company provides firm delivery  
9 service to customers that do not qualify for Rate Schedule RSG and whose usage does  
10 not exceed 3,000 therms in any month;

11 (iii) Rate Schedule LVG sets forth the terms at which the Company provides firm delivery  
12 service for general purposes;

13 (iv) Rate Schedule SLG sets forth the terms at which the Company provides firm delivery  
14 service for gas street lighting purposes as well as lamp posts and maintenance;

15 (v) Rate Schedule TSG-F is a closed service that was available to customers who  
16 purchased or committed to purchase service prior to December 1, 1994 and whose  
17 maximum request for firm gas is not less than 150 therms per hour;

18 (vi) Rate Schedule TSG-NF sets forth the terms at which the Company provides  
19 interruptible delivery service to customers whose maximum request for gas is not less  
20 than a 150 therms per hour; and

21 (vii) Rate Schedule CIG is a closed interruptible service that was available to cogeneration  
22 customers who purchased or committed to purchase service prior to January 9, 2002.

1 (viii) Rate Schedule CSG is a firm or interruptible delivery service for general purposes  
2 where the customer is requesting a discount rate from a Public Service Rate Schedule  
3 for delivery service based on an (a) Economically Viable Bypass alternative or (b)  
4 Other Considerations.

5 **Q. Please provide an overview of the Company's filing in this proceeding.**

6 A. As described more fully by Company witness Mr. Scott Jennings, PSE&G is seeking  
7 to increase its base delivery rates effective October 1, 2018 by approximately \$246.8 million  
8 annually for its gas distribution business. As discussed further by Mr. Jennings and  
9 Company witness Mr. Robert Krueger, the Company further proposes to offset this increase  
10 with certain income tax benefits that will result in phased changes over the next five years  
11 averaging approximately 1.2% annually for the Company's gas distribution business. This  
12 amount is net of certain income tax benefits that the Company proposes to flow through to  
13 customers as discussed later in my testimony. My testimony provides support for both the  
14 phased rate changes that the Company proposes to implement and the establishment of the  
15 GTAC to effectuate the flow through of income tax savings.

16 **Q. Please provide a summary of the significant rate design changes that you are**  
17 **proposing.**

18 A. The Company is proposing some significant changes to rate design. As previously  
19 mentioned, the Company is proposing a GTAC, which will adjust rates for certain federal  
20 income tax changes. The Company is also proposing a GEM that will eliminate the current  
21 disincentive that PSE&G has to reduce customer usage. Finally, the Company is proposing  
22 to change the RSG Service Charge, increasing it over a three year period. In years two and



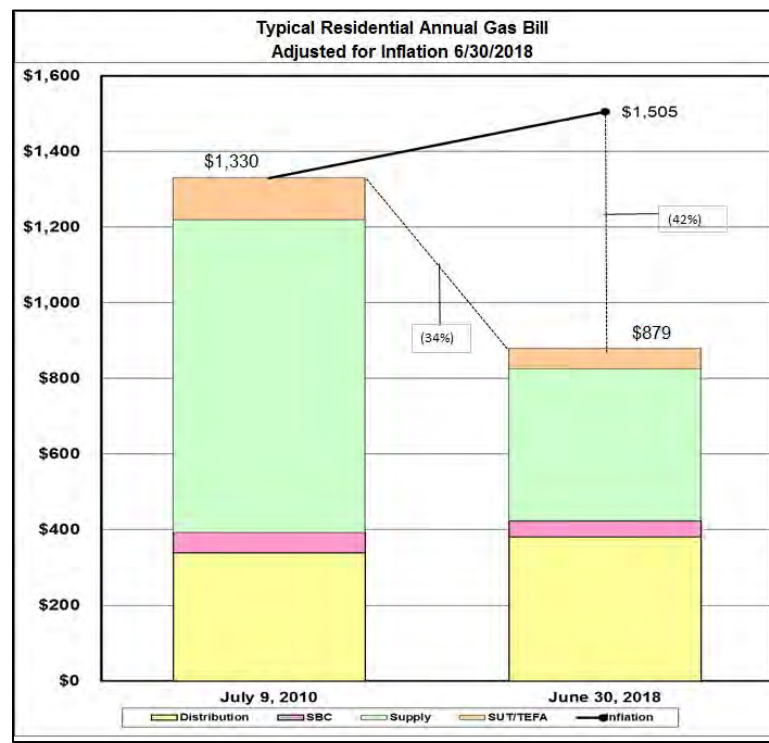
1 three of the proposed Service Charge increase, the Company will reduce per therm  
2 distribution charges to ensure revenue neutrality.

3 **Q. Can you show how customers' total bills have changed since the last base rate**  
4 **case?**

5 **A.** As set forth in Chart 1, the Company's annual bill for a typical residential gas  
6 customer is 34% lower than it was in 2010 on an absolute basis, and, adjusted for inflation, is  
7 down approximately 42%. In addition, PSE&G also provided bill credits totaling \$681 to its  
8 residential customers.

9

**CHART 1**

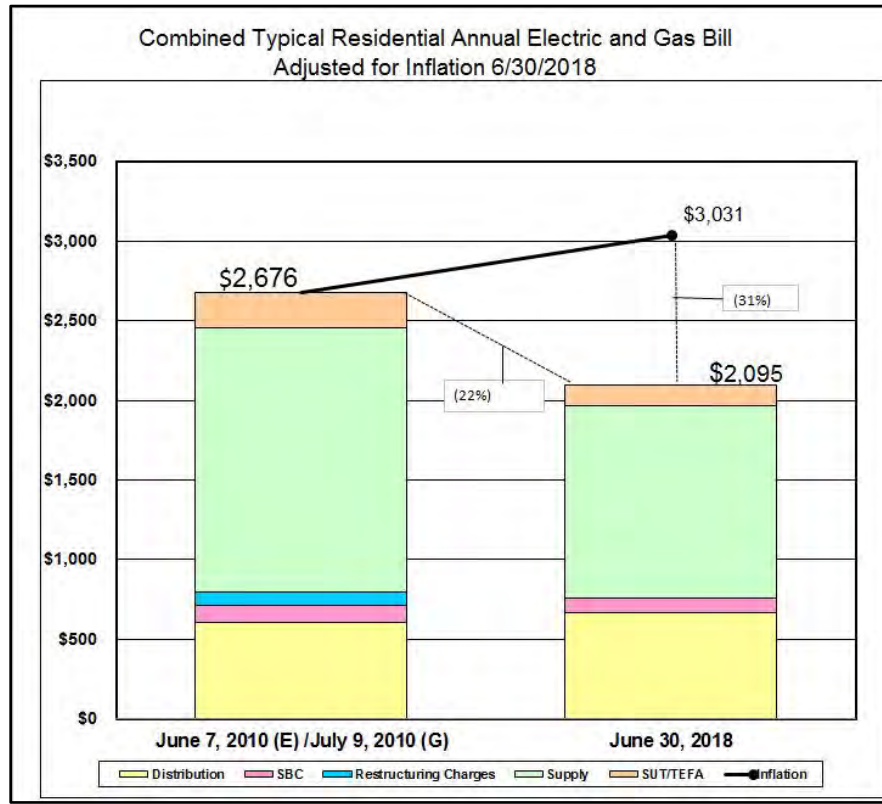


10

11 In addition, the Company's overall bills for a typical residential combined electric  
12 and gas customer have also declined by approximately 22% on an absolute basis and  
13 approximately 31% on an inflation adjusted basis, as said forth in Chart 2 below.

1

## CHART 2



2

3 **Q. Have you considered the impact of the proposed rates on lower-income**  
4 **customers?**

5 **A.** Yes. The Company is very focused on this vulnerable segment of our customer base.

6 In addition to serving these customers through certain energy efficiency programs, such as

7 our multi-family housing programs, the Company also advocates for various grants provided

8 to lower-income customers, including the Low Income Home Energy Assistance Program

9 (“LIHEAP”), Lifeline and Tenants Lifeline Program (“Lifeline”), and the Universal Service

10 Fund (“USF”). LIHEAP is a Federal Block Grant program that helps low-income individuals

11 and households pay for their winter heating bills, medically necessary cooling benefits, and

12 weatherization. Recipient households must be at or below 200% of the Federal Poverty

13 Level. The Lifeline Program helps customers pay their utility bills with a \$225 annual utility

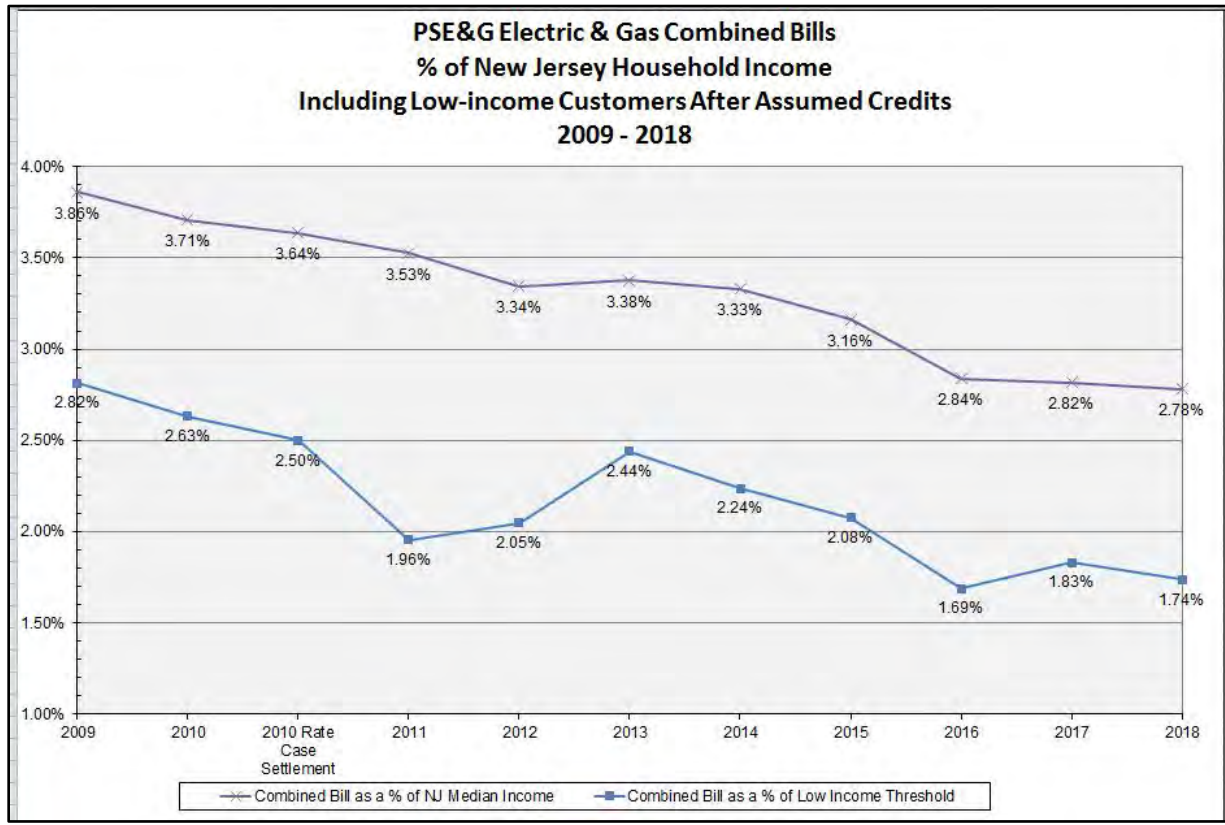
1 credit. To be eligible, a customer must be at or below about 225% of the Federal Poverty  
2 Level, at least age 65, or at least age 18 and collecting Social Security Disability. USF is a  
3 statewide program administered by the Department of Community Affairs that allows  
4 program recipients to pay no more than 3% of their income for electric and 3% for natural  
5 gas, or 6% for total electric including electric heating for customers at or below 175% of the  
6 Federal Poverty Level.

7 The Company promotes the use of these programs to our customers through bill  
8 inserts and community outreach, conducting this communication in multiple languages where  
9 possible and appropriate. PSE&G has more customers eligible for these low income  
10 programs on a proportionate basis compared with other utilities. Consequently, this customer  
11 segment receives special focus.

12 **Q. For these customers, how has the percentage of income used to pay electric and**  
13 **gas bills changed since the Company's last base rate case?**

14 A. As illustrated in Chart 3 below, the relative cost of PSE&G's services to a typical  
15 combined (that is, electric and gas) residential lower-income customer is almost half what it  
16 was at the time of our last base rate case. This is a result of the lower costs of gas supply as  
17 well as PSE&G's success keeping distribution rates low.

1

**CHART 3**

2

3

4 This chart compares the bill as a percentage of income for a typical combined  
 5 residential customer relative to New Jersey's median income and for low income customers.  
 6 As can be seen, for the average residential customer, the cost of our service has declined  
 7 from approximately 3.9% of median income at the time of our last rate case in 2009 to  
 8 approximately 2.8% today. For lower income customers, the cost of the bill after LIHEAP,  
 9 USF and Lifeline grants relative to an income threshold of 175% of the Federal poverty level  
 10 (the level at which a customer is eligible for these grants), declined from approximately 2.8%  
 11 of household income at the time of our last base rate case to approximately 1.7% today, a  
 12 relative decline of approximately 38%.

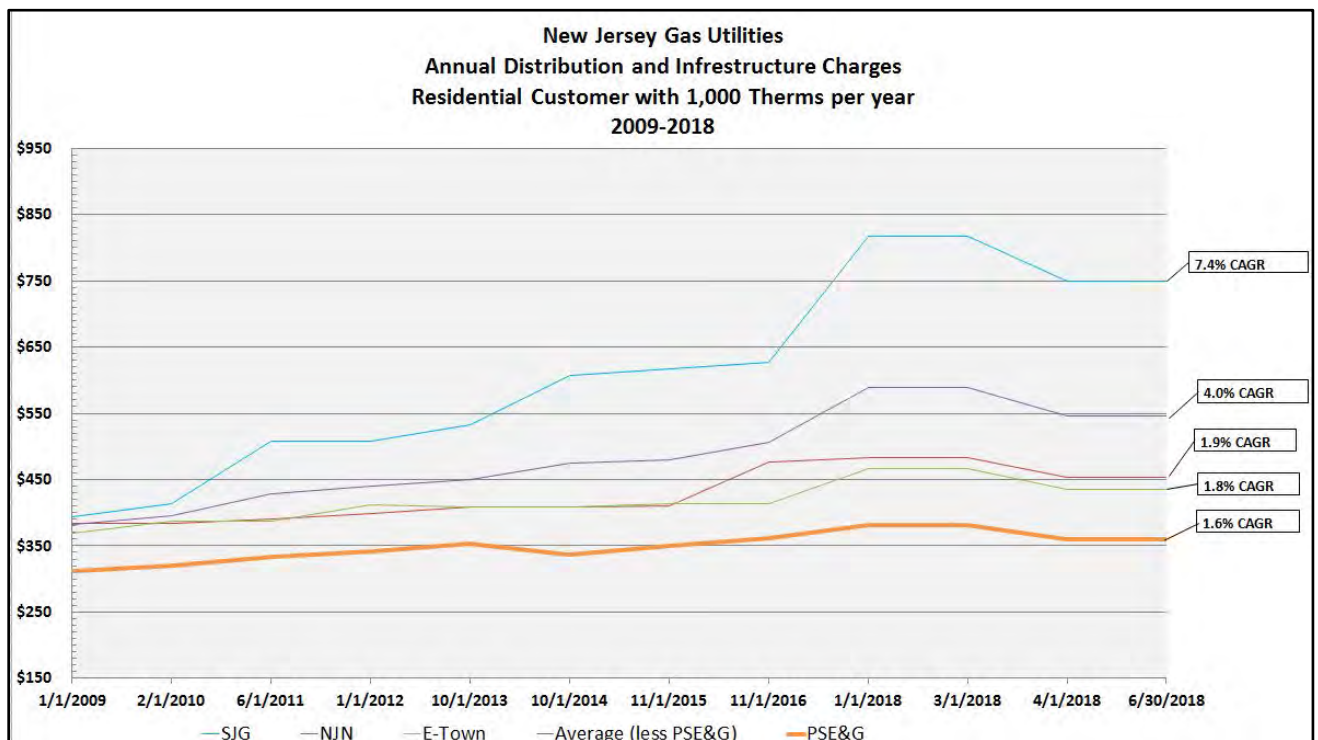
1 **Q. How will this proposed rate increase impact these customers?**

2 A. Even with this proposed rate increase, the cost of electricity and gas for all of our  
3 customers, including low income customers, will still be considerably less than it was at the  
4 time of the last base rate case.

5 **Q. Since the last base rate case, how have PSE&G's annual residential distribution  
6 and infrastructure charges compared to the rates of other New Jersey utilities?**

7 A. PSE&G's residential distribution rates are the lowest among gas utilities in the State.  
8 Additionally, since our last base rate case eight years ago, PSE&G's gas rates have grown  
9 more slowly than the rates of other gas utilities in the State. This is illustrated in Chart 4  
10 below. Even after the rate increase proposed in this case, PSE&G's rates will remain in this  
11 position relative to our peers.

12 **CHART 4**



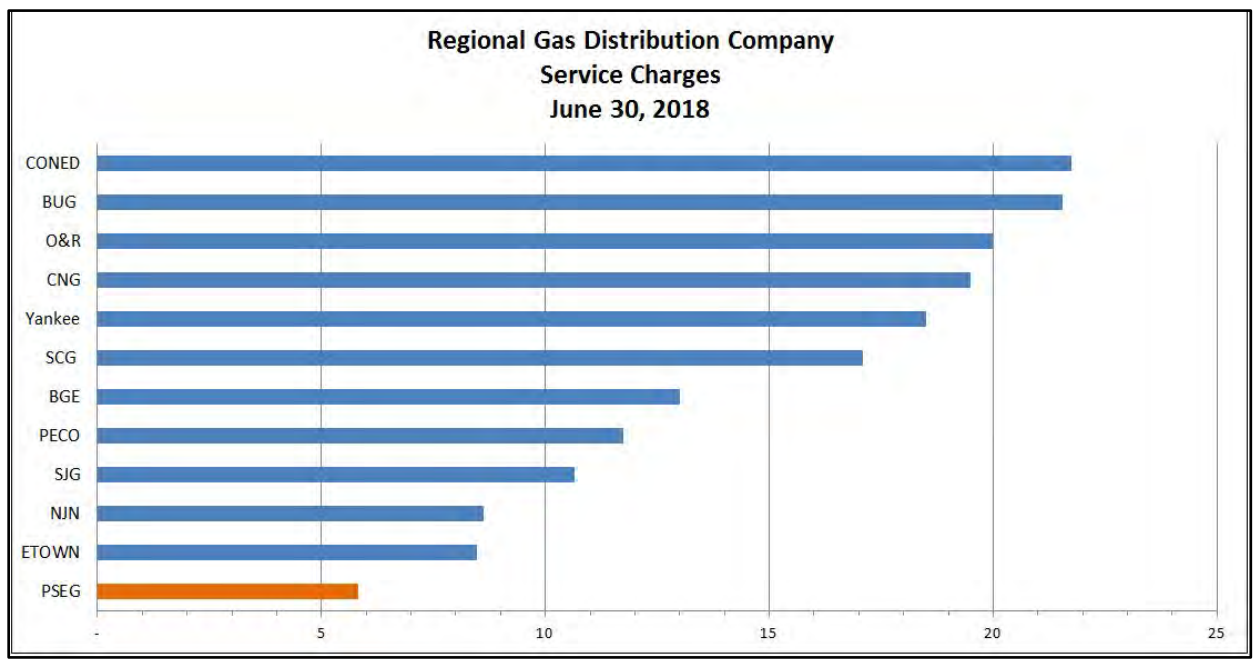
13  
14 With respect to our gas distribution rates, as can be seen in the chart above, using the

1 State-wide average gas usage for a typical residential customer of 1,000 therms per year,  
2 PSE&G's annual distribution bill of \$359.52 is the lowest in the State, far below the annual  
3 average of \$546 for the other New Jersey gas utilities. PSE&G also has the lowest  
4 compound annual growth rate ("CAGR") since our last rate case of 1.6%, less than half of  
5 the other utilities of approximately 4.0%.

6 **Q. How does the current RSG Service Charge compare to other utilities?**

7 A. As shown in the chart below, PSE&G has the lowest residential gas service charge in  
8 the region. Further, PSE&G's service charge is the 4<sup>th</sup> lowest out of 91 gas utilities  
9 throughout the country.

10 **CHART 5**



11

12 **Q. What are the periods used for the ECOSs and Rate Design that you are**  
13 **sponsoring in this proceeding?**

14 A. The ECOSs presented in this testimony are based upon the period of January 1 to  
15 December 31, 2016. The only variations from actual costs in the ECOS period were the

1 requested overall Rate of Return value, proposed rate base adjustments such as working  
2 capital requirements, and the proposed *pro forma* Adjustments. These adjustments, as well  
3 as the adjustments needed to synchronize the ECOSS results with the proposed rate design as  
4 discussed later in my testimony, and the rate design presented in this testimony are based upon  
5 the Test Year July 1, 2017 through June 30, 2018 (hereafter “Test Year”).

6 **Q. What billing determinants will be used to determine the revenue requirement**  
7 **and rates that are being established in this proceeding?**

8 A. The billing determinants used to establish rates and the revenue requirement in this  
9 proceeding will be the actual Test Year billing determinants for the Test Year ending June  
10 30, 2018 as adjusted for normal weather. For the initial filing and any updates (prior to the  
11 final filing) with all actual data, the billing determinants will be a mix of weather normalized  
12 actuals and forecast billing determinants. Weather normalized billing determinants are  
13 calculated by adjusting actual recorded monthly gas sales to account for the effects of  
14 abnormal weather. A summary of the actual billing determinants, the weather normalized  
15 billing determinants, and the variation of each determinant from normal for the Test Year is  
16 shown in Schedule SS-G2 R-2.

#### 17 **Weather Normalization of Billing Determinants**

18 **Q. What weather pattern is used to weather normalize actual billing determinants?**

19 A. The Company utilizes a twenty-year weather pattern as measured at Newark Liberty  
20 International Airport covering the period ended December 31, 2016.

1    **Scope of the ECOSS**

2    **Q.     Please describe the ECOSSs that the Company is presenting in this proceeding.**

3    A.     The Company is presenting two ECOSSs in this proceeding -- its recommended  
4    ECOSS is referred to as the Company ECOSS – and an additional ECOSS based on a  
5    methodology developed by BPU Staff. As discussed more fully below, the Company does  
6    not support the use of the Staff ECOSS to establish rates in this proceeding, but is submitting  
7    the study in compliance with the Board’s July 9, 2010 Order in BPU Docket No.  
8    GR09050422, the Company’s previous base rate proceeding. The ECOSSs discussed in this  
9    testimony are for the gas Distribution portion of the Company’s operations. Thus the  
10   ECOSSs are generally “pipes only” analyses for the Company’s regulated gas delivery  
11   business. They do not include the costs for the Company’s Balancing Services or Basis Gas  
12   Supply Service (“BGSS”) because rates for those services are set in another proceeding. The  
13   impact of changes in distribution margin revenues that flow to the BGSS provider, such as those  
14   associated with Rate Schedule TSG-F, will, however, be shown as a change in the BGSS  
15   charges to customers.

16   **Adjustments to Accounting Data**

17   **Q.     Did you make any adjustments to the accounting data used in the ECOSSs?**

18   A.     Several adjustments to the 2016 accounting data used in the ECOSSs were necessary  
19   prior to its use. These adjustments and FERC Account associated with each of these  
20   adjustments are shown on Page 1 of Schedule SS-G3.

21           In the rate design process, the unit charges associated with these adjustments will be  
22   added back as appropriate in each rate schedule to assure full recovery of these expenses.



1 The Company ECOSS and the Staff ECOSS each include these adjustments to costs and  
2 billing determinants.

### 3 **ECOSS OVERVIEW**

#### 4 **Introduction**

5 **Q. What is the first step in developing new gas rates?**

6 A. The first step in developing new gas rates is the preparation of an appropriate  
7 ECOSS. The Company ECOSS was used to both separate costs by functional segments and  
8 to allocate these segmented costs to the rate classes or sub-classes based upon each class's  
9 responsibility for that cost.

10 **Q. What is the objective of an ECOSS?**

11 A. The objective of an ECOSS is to measure the cost responsibility of each rate class and  
12 distribution function (functionalization).

#### 13 **Cost Allocation Concepts**

14 **Q. Please describe the cost allocation concepts used in the Company's ECOSS.**

15 A. Inherent in any ECOSS is the allocation to rate classes of many costs which by their  
16 nature are difficult to relate precisely to cost causation. Cost causation describes the cause  
17 and effect relationship between customer requirements, load profile and usage characteristics,  
18 and the costs incurred by the utility to serve those requirements. Experts will differ on the  
19 best way in which many costs should be allocated among customer classes. The key is to  
20 determine which approach makes the most sense in terms of best answering the question of  
21 what caused the cost, and then apply the result in a reasoned, balanced manner. At all times,  
22 it is important to recognize that the ECOSS is intended to be a guide to appropriate

1 ratemaking, and that one objective of ratemaking is that the end result should be a reasonable  
2 one.

3 As I will discuss later, I have used the results from the Company ECOSS as a direct  
4 guide in developing rates, but tempered the final rate design to provide a reasonable balance  
5 between the goal of moving each rate schedule towards costs and the goal of holding the  
6 increases to reasonable percentage increases based upon the resulting customer impacts.

### 7 **General Cost Allocation and Functionalization Methodology**

8 **Q. What is the basis for the cost allocation and functionalization methodologies**  
9 **used in the Company ECOSS?**

10 A. In the gas distribution business, the revenue requirements related to gas mains and  
11 services far exceed all other items. Together these facilities comprise the vast majority of  
12 rate base and are the basis for much of the operations and maintenance (“O&M”) expenses.  
13 As previously stated, it is important to ensure that the allocation methods used in the ECOSS  
14 reflect the underlying cost causation principles. Gas mains have been, and continue to be,  
15 installed to bring gas service to the proximity of each customer’s premise and are sized to  
16 handle the peak hourly gas flow at design conditions, without regard to the gas flow at any  
17 other time of day or season. These are the sole reasons and engineering basis for the design  
18 and cost of mains, and as such, the allocation of those costs should properly reflect each rate  
19 class’s responsibility for the peak gas flow. Mr. Cardenas discusses this in detail in the  
20 portion of his testimony entitled “Gas Capital Expenditures”. In contrast to the cost of gas  
21 mains, the cost of a gas service (the pipe from the gas main to an individual building) is  
22 related to both the peak design loads of each building and the distance from the gas main  
23 (usually located in the street) to the structure itself. Because often one gas service serves

1 more than one customer (or meter) in a building, the cost responsibility of a customer is a  
2 complex combination of site-specific conditions. The Company has relied on a study of  
3 actual installations of services and meters and employed that study to determine the  
4 allocation of gas service costs.

5 The methods of allocating the costs of mains and services used in the Company's  
6 ECOSS are based on sound cost causation principles and, as such, constitute a reasonable  
7 cost allocation methodology for the most significant categories of the Company's costs.

## 8 **Functionalization into Five Segments**

9 **Q. What is the first step in the process to start an ECOSS?**

10 A. As a first step in that process, the ECOSS unbundles total costs into five distinct  
11 functional segments – Distribution Access, Distribution Delivery, Street Lighting Fixtures,  
12 Customer Service, and Measurement.

13 **Q. Once these functional segments are developed, how are they used?**

14 A. These separate functions (or segments) assist in the development of individual rate  
15 schedule components, such as the Service Charge. Once the plant and expenses are  
16 functionalized to the proper segment, the allocation process spreads the cost responsibility to  
17 the rate classes.

18 **Q. What items are included in each of these segments?**

19 A. The Distribution Access (Access) segment includes the plant and O&M expenses  
20 related to gas services and regulators.

21 The Distribution Delivery (Delivery) segment includes all equipment (plant and  
22 related O&M) from the city gate interconnections with upstream pipeline suppliers up to the  
23 point of connection with gas services, including all metering and regulation stations (the

1 interface with the interstate gas pipelines), gas load dispatching operations and gas mains.  
2 This segment also includes Appliance Services, recovery of regulatory assets, and the plant  
3 and non-commodity expenses related to gas production and storage facilities owned by  
4 PSE&G. Although these storage and production facilities are included in the Delivery  
5 segment, these costs are offset by the customer non rate-related revenue received directly  
6 from the BGSS Supplier for whom these facilities are operated, as stipulated in the Gas  
7 Contracts Proceeding in Docket No. GM00080564, and thus do not affect the rates  
8 established in this proceeding.

9 The Street Lighting segment is limited to gas street lighting lamps, posts and services.

10 The Customer Service segment includes all costs related to billing, inquiry, sales,  
11 service and collection activity.

12 The Measurement segment includes the costs for meter reading, customer-related  
13 meter plant and meter O&M.

14 **Q. Are all costs included in these five segments?**

15 Yes, all costs are included in one or more of these of five functional segments.

## 16 **Access Segment**

17 **Q. Please discuss how the Access segment was allocated among the Company's**  
18 **customers classes.**

19 A. The Access segment is the initial link between the shared or common distribution  
20 system and the customer's own gas facilities, and is comprised of the gas service line from  
21 the main in the street to the meter and regulator at the customer's building. The embedded  
22 costs for this segment were allocated across the rate classes based on a study of actual  
23 installations of gas services.

1   **Delivery Segment**

2   **Q.     Please discuss how the Delivery segment was allocated among the Company's**  
3       **customer classes.**

4   A.     The Delivery segment consists of the portions of the distribution system that are used  
5   to serve multiple customers and are physically connected with individual customers' service  
6   lines. Basically, this segment includes all of the gas mains in the distribution system. The  
7   embedded costs of this segment were allocated across the rate classes through a variety of  
8   direct and indirect allocators which are discussed in greater detail in Appendix G-1.

9   **Street Lighting Fixtures Segment**

10  **Q.     Please discuss how the costs were allocated to the Street Lighting segment.**

11  A.     This segment is comprised of the investment for gas street lighting lamps and poles  
12  and all associated O&M expenses for this equipment. The gas service dedicated to supplying  
13  a gas streetlight is also segmented to this function. The costs of this segment are allocated  
14  solely to Gas Streetlighting.

15  **Customer Service Segment**

16  **Q.     Please discuss how the Customer Service costs were allocated to the Company's**  
17  **customer classes.**

18  A.     This segment encompasses all costs related to Customer Service type functions, such  
19  as costs related to billing, payment receipt and processing, collection activity, and other  
20  account maintenance type costs, with the exception of meter reading costs, which are  
21  included in the Measurement segment. These costs are allocated to the rate classes based  
22  upon a separate cost study of Customer Service functions.

1   **Measurement Segment**

2   **Q.     Please describe how the Measurement segment costs were allocated to the**  
3       **Company's customer classes.**

4   A.     This segment includes costs for meter reading and the investment and O&M expenses  
5   related to meters. Meter reading costs are allocated to the rate classes based upon a separate  
6   cost study of Customer Service functions, while the meter investment is allocated across the  
7   rate classes based upon the relative installed cost of new meters.

8   **Modeling Procedure**

9   **Q.     Please describe the Company ECOSS modeling procedure.**

10  A.     The Company ECOSS was developed based upon the weather normalized billing  
11  determinants and costs for each of the rate schedules. The revenues received by each rate  
12  class were calculated (or target balanced) such that the resulting rate of return ("ROR") for  
13  each rate class equals the Company's proposed overall ROR. Schedule SS-G4 R-2 contains  
14  the complete details of these final ECOSS results. Schedule SS-G5 R-2 presents a summary  
15  report of the revenue requirements by functional segment, while Schedule SS-G6 R-22  
16  shows the revenue requirements by function (or segment) for each rate class.

17         Although Rate Schedule TSG-F and its associated costs are modeled in the ECOSS,  
18  all distribution revenue from Rate Schedule TSG-F flows to the BGSS provider as an offset  
19  to the "Non-Gulf Coast Cost of Gas." The revenue requirements associated with Rate  
20  Schedule TSG-F must therefore be recovered from the remaining firm customers. The  
21  allocation of these revenue requirements will be discussed in detail later in the section titled  
22  "Syncing the Cost of Service Study to the Rate Design".

1 After expenses or plant investment-related costs have been entered to the model,  
2 usually by FERC account or groups of accounts, a modeling allocator is also entered which  
3 performs two functions. The allocator shows:

- 4 1. Which of the five segments, or functions, the particular plant or expense item has been  
5 attributed to, and
- 6 2. The basis on which the particular plant or expense item has been allocated across the  
7 rate classes.

8 The Cost of Service model starts the calculation procedure by allocating the  
9 respective plant and expense items to rate classes using an allocator that reflects the reason  
10 the cost was incurred. Rate revenues received by each rate class are then target balanced  
11 such that the resulting ROR for each rate class equals the Company's proposed overall ROR.  
12 The model continues by separating all plant and expense items into appropriate functional  
13 segments by rate class, according to the modeling allocator assigned to the particular plant or  
14 expense item. The revenue requirement by segment for each rate class is then calculated to  
15 maintain, by rate class, the Company's proposed overall ROR used in the initial calculation.

16 The Direct and Indirect allocators used in the ECOSS and a detailed review of how  
17 all ECOSS items are segmented and functionalized are discussed in the Appendix G-1 to my  
18 testimony. In that Appendix, a description of how each of the major plant categories (gross  
19 plant), is segmented or functionalized is provided. The procedures used on Common and  
20 General plant, depreciation reserve, adjustments to rate base, operating revenues, O&M  
21 expenses for utility plant, administrative and general (A&G) expenses, depreciation and  
22 amortization expenses, *pro forma* expense adjustments, and finally, taxes are also described.

1 **Q. Please describe how the results of the Company ECOSS are presented in your**  
2 **schedules.**

3 A. Schedule SS-G4 R-2 shows the details of how plant and expense items were  
4 separated into each of the five segments and allocated to each category of customers  
5 represented by the various rate classifications based upon the extent to which those groups of  
6 customers caused the costs. Schedule SS-G4 R-2 also shows the results of the allocation for  
7 each plant and expense item to each rate class. Schedule SS-G5 R-2 presents a high level  
8 summary of expenses, plant, and revenue requirements for each of the five functional  
9 segments. Schedule SS-G6 R-2 is a summary report of the rate related revenue requirement,  
10 by functional segment, for each rate class in total.

11 The revenue requirements presented in the Company ECOSS do not include the  
12 revenue requirements associated with the SBC or other adjustment clauses or the revenue  
13 requirements associated with peaking plant and gas storage facilities. The costs related to the  
14 Adjustment Clauses will be collected from customers directly through the appropriate  
15 charges, and the revenue requirement associated with the peaking plant or gas storage  
16 facilities will be collected directly from the BGSS supplier.

## 17 **Synchronizing the Cost of Service Study to the Rate Design**

18 **Q. Please explain how the results of the Company ECOSS were synchronized with**  
19 **the proposed rate design.**

20 A. Two adjustments are made to synchronize the results of the Company ECOSS to the  
21 proposed rate design. The first is an adjustment for the recovery of Rate Schedule TSG-F  
22 revenue requirements. The second is to synchronize costs because the ECOSS test period is  
23 different from the period used for the calculation of revenue requirements and rate design.  
24 With respect to the recovery of TSG-F revenue requirements, the Stipulation in BPU Docket



1 No. GM00080564, requires that all distribution revenues from Rate TSG-F must flow to the  
2 BGSS provider as an offset to BGSS gas costs, not to PSE&G. Thus, although the ECOSS  
3 can be used to determine the revenue requirements associated with Rate Schedule TSG-F,  
4 none of the revenue from these customers will flow to PSE&G. Instead, all of the  
5 distribution revenue requirements related to Rate Schedule TSG-F must be recovered from  
6 all other firm customers. The calculations to effectuate this requirement are set forth on Page  
7 1 of Schedule SS-G7 R-2 (Sync with Rate Design). As indicated, the TSG-F revenue  
8 requirement is re-distributed to Rate Schedules RSG, GSG, LVG and SLG on an equal per  
9 therm of BGSS-supplied gas basis. The results of this re-distribution by functional segment  
10 are set forth on lines 16 to 21 of Page 1 of Schedule SS-G7 R-2.

11 In addition, as previously noted, the Company ECOSS is based on the period of  
12 January to December of 2016 while the Rate Design is based on the test year of July 2017 to  
13 June 2018. Thus, it is not possible to use the ECOSS results directly in the rate design  
14 process because the number of customers, therms transported, as well as plant and expenses  
15 are slightly different between the two time periods. To properly design rates, the ECOSS  
16 results must be adjusted slightly to correspond to the rate design test year period. The  
17 methodology used to synchronize the Cost of Service results is set forth on Page 2 of  
18 Schedule SS-G7 R-2. Because the primary difference is in the number of customers and  
19 amount of gas delivered, each functional segment's revenue requirement from Schedule SS-  
20 G6 R-2 was multiplied by the ratio of either the number of customers or gas delivered for the  
21 rate design test year to the same value during the ECOSS test year. The revenue  
22 requirements associated with Segment #4 - Distribution Delivery were adjusted by the ratio of  
23 the gas delivered in these two periods. The revenue requirements associated with Segment #3 –

1 Access, Segment #6 - Customer Service and Segment #7 – Measurement were adjusted by the  
2 ratio of the number of customers in these two periods. The revenue requirements associated  
3 with Segment #5 – Street Lighting were adjusted by the ratio of the number of gas streetlights  
4 between these two periods. These steps are shown on lines 1 to 15 of page 2 of Schedule SS-G7  
5 R-2. The resulting adjusted Company ECOSS functionalized revenue requirements are each  
6 then adjusted on an equal percentage basis so that the total equals the proposed rate related  
7 revenue requirements as set forth on lines 16 to 29 of Page 2 of Schedule SS-G7 R-2. The final  
8 adjusted functionalized revenue requirements are used in the rate design process.

## 9 **RATE DESIGN**

### 10 **Introduction**

11 **Q. What are your objectives for developing the proposed gas rates?**

12 A. The proposed gas rates have been developed to meet several objectives. The primary  
13 purpose is to recover revenues equal to the revenue requirement from customers.  
14 Additionally, this recovery should be effectuated on an equitable basis that provides the  
15 correct price signals to individual customers based on the cost to serve those customers. The  
16 final objective is that rates should be simple and understandable for the customer.

17 **Q. Are the proposed rates based solely on the results of the Company ECOSS?**

18 A. No. The ECOSS is a guide to appropriate ratemaking; its results are not applied in  
19 strict mathematical manner to design the proposed rates. While our goal is to move rates  
20 toward a full cost basis, that goal must be balanced against the need to achieve reasonable  
21 results.

1 **Q. Do the rates included in your testimony include or exclude New Jersey Sales and**  
2 **Use Tax (SUT)?**

3 A. The proposed rates described in the next sections of my testimony and associated  
4 Schedules exclude SUT unless specifically indicated. However, the appropriate prices both  
5 without and with SUT are, included in the Proof of Revenue by Rate Schedule in Schedule  
6 SS-G12 R-2 as well as the proposed Tariff Sheets set forth Schedule 3 of the transmittal  
7 letter, submitted with the Company's 9+3 Update, and all other schedules that reference rates  
8 charged to customers.

9 **Limitations on Rate Changes**

10 **Q. Did you develop and apply limits in designing proposed rates in this proceeding?**

11 A. Yes. In order to achieve an overall goal of designing just and reasonable rates, I apply  
12 the principle of "gradualism" to temper the rate increases indicated by the Company ECOSS.  
13 To apply the principle of gradualism, I developed and employed a number of limits on the  
14 size of the rate increases that are proposed.

15 **Q. Please describe the rate increase limits used in developing the proposed gas**  
16 **rates.**

17 A. The first limit is that the proposed overall percentage revenue increase will be shared,  
18 within limits, among all customer classes. Although a primary goal is to move the delivery  
19 rates for each rate class toward costs as indicated by the Company ECOSS, no class will  
20 receive less than 50%, nor more than 150% of the overall average percentage Distribution  
21 increase. In addition, no class will receive more than 200% of the overall average percentage  
22 bill increase. These rate increases limits were selected to provide a reasonable balance  
23 between the goal of moving towards costs, and the need to achieve equity among customer  
24 classes. The calculation and percentage values of these limits are shown on page 1 of

1 Schedule SS-G8 R-2 (Inter Class Revenue Allocations). For Rates RSG, GSG and LVG, any  
2 shortfall in the revenue increase (or decrease) from these limitations was transferred to these  
3 other rates based upon the magnitude of the revenue increase (or decrease) received by those  
4 rates.

5 **Q. Are there any exceptions to the proposed limits?**

6 Yes. Because the prices charged for Rate Schedules TSG-NF and CIG are not cost-  
7 based but are based upon other considerations such as value of service, the distribution  
8 component for these rates was increased by the overall distribution percentage increase to  
9 maintain the current relationship in the level of distribution charges to the level of overall  
10 Company gas distribution revenue requirements, with the exception of TSG-NF  
11 (Agreements) and CSG, for which only the service charges were increased.

## 12 **Inter Class Revenue Increase Allocations**

13 **Q. Please describe the process for allocating the proposed distribution increase to**  
14 **each rate class.**

15 A. Page 1 of Schedule SS-G8 R-2 shows the calculation of the overall average  
16 percentage increase for Distribution and total bills, as well as the calculation of the upper and  
17 lower limits to be used in the inter class revenue increase allocation on Schedule SS-G8 R-2,  
18 page 2.

19 Page 2 of Schedule SS-G8 R-2 shows the development of the proposed inter-class  
20 allocation of the revenue increase. The Rate Schedules are indicated in Column 1, while  
21 Column 2 is the Proposed Distribution Revenue Requirement based upon the Company  
22 ECOSS results that were synchronized to the rate design test year. Column 3 is the Present  
23 Distribution Revenue, while Column 4 shows the increase that would occur if the

1   synchronized Company ECOSS results were used directly, hence the use of the word  
2   “Unlimited” in the column heading. Column 5 is the present total bill revenue calculated as  
3   if all customers were supplied at BGSS rates. Column 6 is the percentage increase in  
4   distribution if the unlimited increase in dollars (from Column 4) were applied to the rates;  
5   that is, the percentage increase to each rate schedule if the ECOSS based increases were  
6   applied without constraints. Column 7 is the cost offsets from changes in the Margin  
7   Adjustment Clause and the BGSS charges resulting from distribution increases to Rate  
8   Schedules TSG-F, TSG-NF, CIG and CSG. The result of the proposed allocation of the  
9   Company’s revenue requirement increase to the rate classes, consistent with the principles  
10   outlined in the previous section, Limitations on Rate Changes, is presented in Column 8 and  
11   Column 10. Specifically, Column 8 shows the percentage increase and Column 10 shows the  
12   proposed Distribution revenue increase by rate class. Column 9 shows the proposed total bill  
13   percentage increase if all customers were supplied at BGSS rates.

14       Application of these limits is somewhat complex due to the re-distribution of revenue  
15   from three sources. Rate Schedule TSG-NF distribution increases are flowed back to  
16   customers via the Margin Adjustment Charge (MAC), distribution increases applied to Rate  
17   Schedules TSG-F, CIG and CSG flow back to customers as a reduction in their BGSS rates,  
18   and increases in the rates for gas supplied for pilot use for Rate Schedules TSG-NF and CIG  
19   also flow back to firm customers as a reduction in their BGSS rates. All of these credits are  
20   as shown in Column 7 of page 2 of Schedule SS-G8 R-2. In order to capture these revenue  
21   re-distributions correctly, a strict order of which calculations of the inter-class revenue  
22   increase allocations was followed.

1           The first step was the determination of the cost based charges for Rate Schedule TSG-  
2 F (as indicated on line 1 of page 2 of Schedule SS-G8 R-2). Because the value in Column 7  
3 for Rate Schedule TSG-F, the “Change in MAC and BGSS Credits” is based upon both the  
4 final outcome of the Rate Schedule TSG-F increase, as well as that for Rate Schedules TSG-  
5 NF and CIG, a value of zero was first utilized for the calculation. Once the upper and lower  
6 percentage distribution increase limits were applied (as shown in Column 8), an initial result  
7 for the Proposed Total Bill Increase Percentage (Column 9) and Proposed Distribution  
8 Revenue Increase (Column 10) was calculated.

9           The next step was to determine the increases for Rate Schedules TSG-NF and CIG.  
10 Rate Schedule TSG-NF was separated into two categories, TSG-NF and TSG-NF  
11 (Agreements), as shown on Line 2a and Line 2b, respectively. The Limited Final  
12 Distribution Charge Increase Percentage for Rate Schedule TSG-NF (Line 2a, Column 8)  
13 was set equal to the overall average distribution charge percentage increase (Page 1, Line 8).  
14 For Rate Schedule TSG-NF (Agreements), only the service charge can be increased. As a  
15 result, the Proposed Distribution Revenue Increase (Line 2b, Column 10) comprises the Rate  
16 Schedule TSG-NF (Agreements) service charge revenue multiplied by 150% of the overall  
17 average distribution charge increase. For Rate Schedule CIG, the overall average distribution  
18 charge percentage increase was used as the Limited Final Distribution Charge Increase  
19 Percentage for Rate Schedule CIG (Line 3, Column 8).

20           Once the initial values for the increase to Rate Schedules TSG-NF, TSG-F and CIG  
21 were determined, the change in the MAC charge and BGSS credits could be calculated, and  
22 then applied to each of the rate schedules affected as indicated in Column 7. The change in  
23 the MAC charge used in this schedule relates only to the change in Rate Schedule TSG-NF

1 margins, and does not include a change in the MAC charge due to current over/under  
2 recoveries.

3 The final step was to calculate the proposed distribution revenue increases for Rate  
4 Schedules RSG, GSG and LVG. These calculations were done in the same manner as  
5 performed for Rate Schedule TSG-F discussed above, although at this stage, the MAC and  
6 BGSS credits (in Column 7) had been calculated. These calculations and the application of  
7 the limits were performed in an Excel spreadsheet utilizing the “Goal Seek” function in order  
8 to meet all of the requirements of the limits and to properly allocate any revenue shortfall  
9 between these four rates, while recovering the full requested increase in distribution revenue.

10 **Q. How should the rate design be affected if the Board approves an amount other**  
11 **than the Company’s overall revenue increase request?**

12 A. If the Board approves an amount other than the Company’s overall revenue increase  
13 request, the increase to each of the classes should be allocated in proportion to the proposed  
14 revenue increase shown in Column 10, Page 2 of Schedule SS-G8 R-2.

## 15 **General Rate Design Principles and Methodology**

16 **Q. Please describe the general rate design principles and methodology used in**  
17 **developing the proposed gas rates.**

18 A. The rate design methodology presented in this testimony follows the philosophy of  
19 the cost allocation methodology used in the Company ECOSS. The rate design aligns, as  
20 close as practical, the rates (prices charged to customers) with the customers’ underlying  
21 costs.

22 Changes in the distribution rates for Rate Schedules TSG-F, CIG, CSG and changes  
23 in the charges for pilot use for Rate Schedules TSG-NF, and CIG and CSG are cost offsets to  
24 the BGSS rates, and the resulting proposed BGSS tariff sheets have been modified

1 appropriately (as indicated in Schedule 5 of the transmittal letter and in Schedule SS-G12 R-  
2 2).

3 The Service Charges for Rate Schedules RSG, GSG, LVG and TSG-F were set to  
4 move towards the revenue requirements indicated in the Company ECOSS for the sum of the  
5 Access, Customer Service, and Measurement segments. Except for the Residential Service  
6 Gas (RSG) Rate Class, which is discussed in the rate class specific changes portion of my  
7 testimony, the change in the Service Charges was limited to the same general inter rate class  
8 limits of no more than 150% of the overall average Distribution percentage increase. The  
9 proposed Service Charges on Rate Schedules TSG-NF and CSG were set equal to the Service  
10 Charge on Rate Schedule TSG-F and the Service Charge for Rate Schedule CIG was  
11 increased in an amount equal to the overall average distribution percentage increase.

12 These limits were selected to provide a reasonable balance between the goal of  
13 moving each rate component towards costs, and the goal of achieving reasonable bill  
14 impacts. Any shortfall in Service Charge revenue resulting from these limitations was  
15 transferred to the remaining Distribution Charges of each rate schedule. In general, the  
16 Distribution Charges for each Rate Schedule were set to recover all the revenue requirements  
17 of the Distribution Delivery segment, plus any shortfall created from limitations in the  
18 proposed Service Charges. The calculations of the proposed Service Charges are found on  
19 Schedule SS-G10 R-2.

20 **GAS TAX ADJUSTMENT CREDIT ("GTAC")**

21 **Q. Please briefly describe PSE&G's proposed GTAC.**

22 A. As described in more detail in the testimony of Mr. Robert C. Krueger, the Company  
23 is proposing a GTAC to:



1 1. Return the excess income tax collected in gas rates from January 2018 through  
2 March 2018 with interest;

3 2. Return the unamortized gas portion of the Company's unprotected excess  
4 Accumulated Deferred Income Tax ("ADIT") balance related to the change of the  
5 Federal tax rate from 35% to 21% effective January 1, 2018, net of the offsets to  
6 permit recovery for deferred storm and other regulatory asset costs and related rate  
7 base impacts;

8 3. Return the Company's actual Gas Safe Harbor Adjusted Repair Expense  
9 ("GSHARE") deductions after the conclusion of the rate case;

10 4. Recover any IRS audit adjustments; and

11 5. Adjust for any major tax changes, such as tax reform.

12 **Q. Please describe the methodology used to calculate the GTAC Net Revenue**  
13 **Requirement.**

14 A. The Company is proposing to calculate the net revenue requirements associated with  
15 the GTAC through a new clause in its Tariff. The details of the GTAC and the recovery  
16 mechanism are described below.

17 **Q. How does the Company propose to calculate the net revenue requirement**  
18 **associated with the GTAC?**

19 A. The GTAC revenue requirement formula, which will be calculated on a monthly  
20 basis, is expressed as:

1            *GTAC Revenue Requirement = (Excess Income Tax Refund + Interest On Excess*  
2            *Income Tax Balance + Unprotected Excess ADIT Amortization + Protected Excess*  
3            *ADIT Amortization + After-Tax Return on Cumulative Change in Rate Base + Actual*  
4            *GSHARE Deduction Flow-Through + IRS Audit Gas Adjustments + Other Major Gas*  
5            *Tax Adjustments) \* Gas Revenue Factor*

6            See Schedule SS-GTAC-1 R-2 for the monthly net revenue requirement calculations.

## 7    **Net Revenue Requirement Components**

### 8    **Q.     What is the “Excess Income Tax Refund?”**

9    A.     The Excess Income Tax Refund is the return of Excess Income Tax that was collected  
10   in rates from January through March 2018. The Company is proposing to return the over-  
11   recovery to customers with interest, as described below, over a three month period from  
12   October 1, 2018 to December 31, 2018.

### 13   **Q.     What is the “Interest On Excess Income Tax Balance?”**

14   A.     The Interest On Excess Income Tax Balance is short term interest due customers on  
15   the average monthly outstanding balance ((Beginning + Ending Balance) / 2)) of the Excess  
16   Income Tax Balance. The short term interest rate will be based upon the Company’s interest  
17   rate obtained on its commercial paper and/or bank credit lines utilized in the preceding  
18   month. If both commercial paper and bank credit lines have been utilized, the weighted  
19   average of both sources of capital will be used. In the event that neither commercial paper  
20   nor bank credit lines were utilized in the preceding month, the last calculated rate will be  
21   used. The interest rate shall not exceed PSE&G’s most recently authorized base rate overall  
22   rate of return for the corresponding period.

1 **Q. What is the “Unprotected Excess ADIT Amortization?”**

2 A. The Unprotected Excess ADIT Amortization is return of the unprotected ADIT  
3 balance related to the change of the Federal tax rate from 35% to 21% effective January 1,  
4 2018. As described in the testimony of Company Witness Mr. Jennings, the timing of the  
5 monthly amortization was determined to provide rate stability, mitigate the impacts of future  
6 programs, and mitigate potentially adverse impacts on the Company’s credit statistics.

7 **Q. What is the “Protected Excess ADIT Amortization?”**

8 A. The Protected Excess ADIT Amortization is return of the Protected Excess ADIT  
9 balance related to the change of the Federal tax rate from 35% to 21% effective January 1,  
10 2018. Please see the testimony of Company Witness Mr. Krueger for a description of how  
11 monthly amounts of this amortization were determined.

12 **Q. Is the Company proposing to earn a return on the GTAC related change in rate**  
13 **base?**

14 A. The Company is proposing to earn a return on the increase in rate base that results  
15 from the return of the amortization of the rate base related Unprotected and Protected Excess  
16 ADIT Balances based upon the Company’s authorized return on equity (“ROE”) and capital  
17 structure including income tax effects. For the amortized Unprotected Excess ADIT  
18 Balance, only the rate base related portion is eligible to earn a return. The Company’s initial  
19 cost of capital for the Program will be based on the ROE, long-term debt rate and capital  
20 structure approved in this base rate case proceeding. Please see the testimony of Company  
21 Witness Mr. Jennings for the calculation of the Weighted Average Cost of Capital  
22 (“WACC”), which is proposed at a rate of 7.36%. Any change in the WACC authorized by

1 the Board in a subsequent base rate case will be reflected in the subsequent monthly GTAC  
2 revenue requirement calculations.

3 **Q. Will the return on the change in rate base from the amortization of the protected**  
4 **and unprotected ADIT Balances be adjusted in subsequent rate cases?**

5 A. Yes. For each subsequent base rate case, the cumulative amortization of the rate base  
6 related unprotected and protected excess ADIT Balances will be reset to zero in the GTAC as  
7 of the end of the test year (or the ending period for any post-test year additions) as the change  
8 in the ADIT balance will be reflected in base rates as a result of the case.

9 **Q. What is the “Actual GSHARE Deduction Flow-Through?”**

10 A. The Actual GSHARE Deduction Flow-Through is calculated as the actual monthly  
11 federal tax SHARE deduction for gas operations less the corresponding book depreciation on  
12 the assets multiplied by the maximum federal tax rate, currently 21%.

13 **Q. What is the IRS Audit Gas Adjustment?**

14 A. As described in the testimony of Mr. Krueger, there is the potential for the IRS to  
15 disallow a portion of the SHARE deduction claimed by the Company. Because the  
16 disallowance would occur after the deduction has already been flowed-back to customers, it  
17 is only appropriate to allow for recovery of the flow-through amount that the Company  
18 ultimately is unable to deduct along with any interest assessed by the IRS.

19 **Q. What are the Other Major Gas Tax Adjustments?**

20 A. As described in the testimony of Mr. Krueger, the GTAC can be a mechanism to  
21 adjust for any major tax changes, such as those associated with federal income tax reform.

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

2   A.     The Gas Revenue Factor adjusts the revenue requirement net of tax for federal and  
3   state income taxes and the costs associated with the gas share of BPU and Division of Rate  
4   Counsel (RC) Annual Assessments. The BPU/RC Assessment Expenses consist of  
5   payments, based upon a percentage of revenues collected (and updated annually) by the State  
6   based on the electric and gas intrastate operating revenues for the utility. Company Witness  
7   Mr. Jennings' discusses the calculation of the revenue factor, which is proposed at 1.4172 for  
8   gas. Any changes to current tax rates or the assessments would be reflected in an adjustment  
9   to the Gas Revenue Factor.

10   **Q.     What is the proposed GTAC amount for the initial period after base rates are**  
11   **projected to take effect in this proceeding?**

12   A.     The gas net revenue requirement for the initial period of October 1, 2018 through  
13   December 31, 2018 is a credit to gas customers of \$61.2 million and includes the Interest On  
14   Excess Income Tax Balance for all of 2018. See Schedule SS-GTAC-1 R-2.

15   **Q.     What is the proposed GTAC amount for the initial annual period from January**  
16   **1, 2019 to December 31, 2019?**

17   A.     The gas net revenue requirement for this initial annual period of January 1, 2019 through  
18   December 31, 2019 is a credit to gas customers of \$121.4 million. See Schedule SS-GTAC-1  
19   R-2.

20   **Q.     Is the Company proposing to change the GTAC automatically on January 1,**  
21   **2019?**

22   A.     Yes.

1    **GTAC Mechanism**

2    **Q.     How will the GTAC net revenue requirement be assessed or refunded to**  
3       **customers?**

4    A.     PSE&G proposes to assess or refund the GTAC net revenue requirement through the  
5       operation of a new provision in the Company's Tariff. From October 1, 2018, to December  
6       31, 2019, the net revenue requirement will be allocated 100% to the Rate Schedule RSG.  
7       Applying the principle of gradualism, in the second through fifth annual rate periods, the  
8       amount of the TAC revenue requirement allocated to all rate classes will be adjusted in four  
9       equal steps so as to achieve an amount equal to each rate class' percentage share of  
10      distribution revenues in effect at that time. The amount allocated to each of the remaining  
11      rate classes will be divided by the class' most recent forecast of net therm sales for each rate  
12      class for the recovery period. An example of the GTAC net revenue requirement allocation  
13      calculation is set forth in Schedule SS-GTAC-2 R-2.

14   **Q.     When is the initial implementation of the GTAC anticipated to occur?**

15   A.     The GTAC is proposed to be effective October 1, 2018 along with the change in base  
16      rates as a result of this proceeding. If the Board approves new base rates earlier or later than  
17      October 1, 2018, the initial rate period and corresponding rate will be adjusted accordingly  
18      from the effective date of the Board Order.

19   **Q.     How does the Company propose to implement the GTAC in subsequent annual**  
20       **periods?**

21   A.     The GTAC will be changed on an annual basis incorporating a true-up for actuals  
22      from the immediately preceding annual period and an estimate of the net revenue  
23      requirements for the upcoming annual recovery period. After the initial annual period, the  
24      recovery period will be based on the calculation of the proposed GTACs as shown in

1 Schedule SS-GTAC-2 R-2. The GTAC for each rate class will be calculated in the manner I  
2 described previously.

3 **Q. How will the Company account for any over- or under-recoveries of GTAC**  
4 **revenues?**

5 A. Under the Company's proposal, any over/under recovery of the actual GTAC revenue  
6 requirements would be deferred for recovery in subsequent annual periods. Such under/over  
7 recoveries would accrue interest at a rate as previously defined in the Interest On Excess  
8 Income Tax Balance section of my testimony. The interest amount credited to the GTAC  
9 deferred balance will be computed using the methodology set forth in Schedule SS-GTAC-3  
10 R-2. The calculation of monthly interest shall be based on the net average monthly balance,  
11 consistent with the methodology set forth in Schedule SS-GTAC-3 R-2. Simple interest  
12 would accrue on any under and over recovered balances, and would be included in the  
13 deferred balances at the end of each reconciliation period.

#### 14 **Projected GTAC Residential Bill Impacts**

15 **Q. Please describe the projected bill impacts of the GTAC for the typical residential**  
16 **gas customer.**

17 A. An estimate of rate and bill impacts of the GTAC for the typical residential customer  
18 is set forth in Schedule SS-GTAC-4 R-2. The GTAC without SUT in Column 1 is from  
19 Schedule SS-GTAC-2 R-2. The GTAC with SUT (Column 2) is determined by multiplying  
20 each GTAC without SUT (Column 1) by one plus the SUT rate. The projected annual  
21 amounts and percentage change in the typical gas residential customer bills are shown in  
22 Column 7 and Column 10 respectively for five annual periods.

1     **RATE SCHEDULE SPECIFIC CHANGES**

2     **Rate Schedule Residential Service Gas (“RSG”)**

3     **Q.     Please describe the rate design for Rate Schedule RSG.**

4     A.     Currently, Rate Schedule RSG is approximately 26% below its cost to serve. In  
5     addition, as indicated in Schedule SS-G9 R-2 Service Charge Calculations, (line 1), the  
6     Company ECOSS indicates that a significant increase in the monthly Service Charge is  
7     warranted, while the current Distribution Charge per Therm is significantly above cost. In  
8     addition, the RSG allocation of GTAC proposed in this case is a significant offset to the  
9     Company’s proposed RSG base rate increase. Therefore the Company proposes to move the  
10    service charge to 50% of the cost based monthly service charge equally over three years. This  
11    will ensure that the Distribution Charge per Therm rate, including GTAC, stays generally  
12    close to the cost to serve. Accordingly, the Company is proposing to increase the monthly  
13    service charge in equal increments over three years as well to meet the targeted revenue  
14    requirements in the initial rate change. In years two and three of the proposed Service  
15    Charge increase, the Company will reduce Distribution Charge per Therm distribution  
16    charges to ensure revenue neutrality to the results of the base rate case.

17           The Distribution Charge for the Special Provision for Off-Peak use has been set at  
18    one-half the normal Distribution Charge. This is a continuation of the practice to provide a  
19    reasonable balance between providing the correct price signals to customers with gas air  
20    conditioning, while providing some contribution to offset winter peak period costs (and thus  
21    rates). No changes are proposed for qualification for this Off-Peak provision.

22           The results of the Rate Schedule RSG rate design appear on page 4 of the Proof of  
23    Revenue in Schedule SS-G11 R-2. The general format of the calculations is described on the



1 first page of that Schedule. The calculation of the annual gas commodity cost utilized in the  
2 Proof of Revenues for this and all other rate schedules is based upon all customers  
3 purchasing gas on the appropriate BGSS service as presented in Schedule SS-G10 R-2. The  
4 magnitude of the BGSS values remain constant in both sides in the Proof of Revenue  
5 (Schedule SS-G11 R-2) and their inclusion allows the proposed rate changes to be viewed in  
6 the context of a customer's overall bill.

7 The calculation for the changes in the MAC clause resulting from the change  
8 in flow back from the TSG-NF rates is included in Schedule SS-G8 R-2. Typical residential  
9 customer bill impacts as a result of these changes are shown on page 1 of Schedule SS-G12  
10 R-2.

#### 11 **Rate Schedule General Service Gas ("GSG")**

12 **Q. Please describe the rate design for Rate Schedule GSG.**

13 A. The Service Charge was set to move towards the Company ECOSS results to recover  
14 the revenue requirements for the Access, Customer Service and Measurement segments  
15 utilizing the previously discussed limits as shown in Schedule SS-G9 R-2.

16 The Distribution Charge was set utilizing the balance of the Proposed GSG  
17 Distribution Revenue Increase from Schedule SS-G8 R-2.

18 As with Rate Schedule RSG, the Distribution Charge for the Special Provision for  
19 Off-Peak use has continued to be set at one-half of the normal Distribution Charge. This  
20 continues the practice of providing a reasonable balance between providing the correct price  
21 signals to customers with gas air conditioning, while providing some contribution to offset  
22 winter peak period costs (and thus rates). No changes are proposed for qualification for this  
23 Off-Peak provision.

1 The results of the Rate Schedule GSG rate design are shown on page 7 of Schedule  
2 SS-G11 R-2. The general format of the calculations is described on the first page of that  
3 Schedule. The typical customer bill impacts as a result of these changes are shown on page 2  
4 of Schedule SS-G12 R-2.

### 5 **Rate Schedule Large Volume Gas (“LVG”)**

6 **Q. Please describe the rate design for Rate Schedule LVG.**

7 A. Similar to what was done for Rate Schedule GSG, the LVG Service Charge was set to  
8 move towards the Company ECOSS results to recover the revenue requirements for the  
9 Access, Customer Service and Measurement segments utilizing the previously discussed  
10 limits as shown in Schedule SS-G9 R-2.

11 The Distribution Charges and Demand Charge were set to recover the balance of the  
12 revenue requirements. As I have previously discussed, the majority of gas distribution  
13 related costs are relatively fixed, and do not vary with the monthly volumes of gas  
14 transported.

15 In order to meet the rate design goals outlined at the start of this Section of my  
16 testimony, and to prevent unintended customer migration between Rate Schedules GSG and  
17 LVG, the Rate Schedule LVG rate maintains the existing rate design principle that a bill for a  
18 12,000 therm per year customer be approximately the same for Rate Schedules GSG and  
19 LVG. With this in mind, the demand charge was set to recover the same percentage of the  
20 distribution revenue as currently. The block one and block two charges were then calculated  
21 to uniquely recover the balance of the Rate Schedule LVG revenue requirements and  
22 maintain LVG/GSG bill neutrality at 12,000 therms per year, distributed on the monthly  
23 usage pattern of the average GSG customer.

1           The results of the Rate Schedule LVG rate design are shown on page 9 of Schedule  
2 SS-G11 R-2. The general format of the calculations is described on the first page of that  
3 Schedule. Information on the typical customer bill impacts as a result of these changes is  
4 indicated on page 3 of Schedule SS-G12 R-2.

5   **Rate Schedule Street Lighting Gas (“SLG”)**

6   **Q.     Please describe the rate design for Rate Schedule SLG.**

7   A.     The Company proposes to increase the Distribution Charge per Therm to its cost to  
8 serve as determined by the ECOSS.

9           The balance of the revenue requirements will be recovered from the luminaire  
10 charge, and the prices for individual gas streetlights will be updated but limited by the overall  
11 rate impact limitations I have previously discussed.

12          The results of the Rate Schedule SLG rate design are shown on page 13 of Schedule  
13 SS-G11 R-2. The general format of the calculations is described on the first page of that  
14 Schedule.

15   **Rate Schedule Transportation Service Gas – Firm (“TSG-F”)**

16   **Q.     Please describe the rate design for Rate Schedule TSG-F.**

17   A.     This rate remains closed except to existing customers. The Service Charge was set to  
18 move towards the Company ECOSS results to recover the revenue requirements for the  
19 Access, Customer Service and Measurement segments while applying the previously  
20 discussed limits as shown in Schedule SS-G9 R-2. The balance of the revenue increase is  
21 proposed to be recovered proportionally from the volumetric Distribution Charge and the  
22 Demand Charge.       The results of the Rate Schedule TSG-F rate design are shown on page

1 15 of Schedule SS-G11 R-2. The general format of the calculations is described on the first  
2 page of that Schedule.

3 **Rate Schedule Transportation Service Gas – Non Firm (“TSG-NF”)**

4 **Q. Please describe the rate design for Rate Schedule TSG-NF.**

5 A. The Service Charge for TSG-NF has been set equal to the new Service Charge  
6 proposed for Rate TSG-F, the calculation of which is shown on Schedule SS-G9 R-2.

7 The charge for gas used for pilots during an interruption is proposed to be increased,  
8 based on the highest monthly price for gas service on Rate Schedule GSG, including  
9 balancing charges and gas supply service on BGSS-F, that occurred in the prior 36 month  
10 period.

11 Special Provision (a) has been modified to add penalty language if a customer does  
12 not provide an alternative fuel capability affidavit by November 1st.

13 The results of the Rate Schedule TSG-NF rate design are shown on page 17 of  
14 Schedule SS-G11 R-2. The general format of the calculations is described on the first page  
15 of that Schedule.

16 **Rate Schedule Co-Generation Industrial Gas (“CIG”)**

17 **Q. Please describe the rate design for Rate Schedule CIG.**

18 A. This rate remains closed except to existing customers. Because the Service Charge  
19 was never based on cost, it was increased by the overall average Distribution percentage  
20 increase.

21 The Company proposes to modify the margin component of the rate so that the net of  
22 all of the adjustments to the Estimated Average Commodity Cost per therm that are used to  
23 determine the price paid by customers is increased by the overall average Distribution

1 percentage increase. The differential charge for the two usage blocks of Rate Schedule CIG,  
2 usage less than 600,000 therms per month and usage in excess of this amount, has been kept  
3 at the same one cent per therm differential that currently exists.

4 The results of the rate design are shown on page 11 of Schedule SS-G11 R-2. The  
5 general format of the calculations is described on the first page of that Schedule.

### 6 **Rate Schedule Contract Service Gas (“CSG”)**

7 **Q. Please describe the rate design for Rate Schedule CSG.**

8 A. The Service Charge for CSG has been set equal to the new Service Charge proposed  
9 for Rate TSG-F, the calculation of which is shown on Schedule SS-G9 R-2. Because the  
10 distribution charge for CSG customers is not based on cost the majority of customers on this  
11 rate class will receive no change in their per therm distribution rate with the exception of  
12 those that are contracted to be charged under the same per therm rate as TSG-NF customers.

### 13 **GREEN ENABLING MECHANISM (“GEM”)**

14 **Q. Have you proposed to include a Green Enabling Mechanism in PSE&G’s tariff**  
15 **for gas service?**

16 A. Yes. The GEM is described by Company witness Daniel Hansen of Christensen  
17 Associates Energy Consulting, LLC. The proposed tariff provision is consistent with the  
18 mechanism described by Mr. Hansen and can be found in the proposed Tariff For Gas  
19 Service B.P.U.NJ No. 16 attached to the Company’s transmittal letter as Exhibit P-1,  
20 Schedule 3, submitted with the Company’s 9+3 Update.

21 **Q. Is it reasonable for the Board to adopt both the proposed GEM and the rate**  
22 **design changes that you are recommending in this proceeding?**

23 A. Yes. It is reasonable for the Board to approve both rates that reflect proper rate  
24 design principles and the proposed GEM. Aligning rates with cost causation, as the

1 Company is proposing in this filing, sends the correct economic signals to customers,  
2 allowing them to make accurate economic decisions regarding their gas usage and, as result,  
3 helps reduce rates for all other customers. At the same time, as discussed by Mr. Hansen, the  
4 proposed GEM will eliminate the current disincentive that PSE&G has to reduce their usage.  
5 Adoption of both the rate design changes that I am recommending and the proposed GEM  
6 will serve as complementary ways to encourage the most efficient use of gas possible at a fair  
7 and equitable cost.

8 **TARIFF CHANGES**

9 **Q. Are you proposing any further changes to the proposed tariff?**

10 A. Yes. Please refer to the Guide to Gas Tariff Changes, Exhibit P-1 Schedule 4,  
11 submitted with the Company's 9+3 Update.

12 **STAFF ECOSS METHODOLOGY**

13 **Q. Please explain why you are submitting the Staff ECOSS.**

14 A. As part of the resolution of the Company's previous base rate case in BPU Docket  
15 No. GR09050422, the Company agreed to perform a COSS in the manner prescribed by Staff  
16 in the Company's next rate case. In accordance with this requirement, the Staff ECOSS and  
17 the summary of the resulting functional revenue requirements by rate class are being  
18 submitted with the Company's rate case filing.

19 Specifically, Schedule SS-G18 R-2 contains the Details of the complete Staff  
20 ECOSS, Schedule SS-G19 R-2 is the Summary Report by Functional Segment based on  
21 Staff's Method, and Schedule SS-G20 R-2 is the Functional Cost Summary of the Cost of  
22 Service Study results based on Staff's Method.

1 In the Company's previous base rate case, the Company and other signatories to the  
2 Stipulation made it clear that they were not agreeing that the Staff ECOSS was appropriate or  
3 consistent with cost causation or would be a useful guide in determining just and reasonable  
4 rates. Specifically, the Stipulation stated:

5  
6 *The Company and any signatory to this agreement will have the right to file and*  
7 *support any COSS method it considers appropriate. Each party reserves its right to*  
8 *request that adjustments be made to the Cost of Service Studies submitted in that*  
9 *proceeding.*  
10

11 **Q. Does the Company believe that the Staff ECOSS provides a reasonable**  
12 **foundation for establishing just and reasonable rates in this proceeding?**

13 A. No. The Staff ECOSS Methodology is not an appropriate methodology to use to  
14 establish just and reasonable rates because it does not achieve a result that is tied to cost  
15 causation. Instead, the Staff ECOSS goes to extraordinary and convoluted lengths to allocate  
16 and functionalize costs away from residential customers and onto the shoulders of  
17 commercial and industrial customers. While it may be reasonable to moderate the level of  
18 increase to be borne by residential customers, the vehicle for doing so should not be an  
19 ECOSS that arbitrarily transfers costs to businesses operating in the Company's service  
20 territory. The Company has taken reasonable steps to moderate the level of increase in rates  
21 for Rate Schedules RSG and GSG customers with its gradualism-based recommendations  
22 that limit the amount of increases for those classes.

23 The "Average and Excess" methodology underlying the Staff ECOSS has existed for  
24 many years. Historically this method was used to allocate costs of electric generation plant  
25 and gas production facilities where, arguably, there is an energy investment component  
26 beyond that necessary to provide capacity at the time of peak load. However, there is no

1 evidence that costs for Public Service's gas distribution service business are caused for such  
2 reasons. It is beyond dispute that the Company's existing design criteria is based solely on  
3 peak demand. Thus, the Staff ECOSS has no relationship to actual distribution plant costs or  
4 operations. As testified to by Mr. Cardenas in this case, the distribution planners and  
5 designers plan and install facilities to meet the peak demands of customers – not based on the  
6 amount of energy (in therms) they consume.

7         The fundamental error in the Staff ECOSS is that there is no relationship at all  
8 between the amount of gas a pipe can carry, its diameter, and any split between a demand  
9 and energy cost classification. Determining an energy/peak classification based on the  
10 physical nature of natural gas and the pipe it flows within is unrelated to determining the cost  
11 of providing gas distribution service. Just because equipment such as gas main delivers  
12 energy, such as a gas main, it should not be classified as energy-related unless the amount of  
13 energy, other than peak energy, had some basis in the design. Gas mains have been, and  
14 continue to be, installed to bring gas service to the proximity of each customer's premise and  
15 are sized to handle the peak hourly gas flow at design conditions, without regard to the gas  
16 flow at any other time of day or season. These are the sole reasons and engineering basis for  
17 their design and cost, and as such, the allocation of these costs should properly reflect each  
18 rate class's responsibility for the peak gas flow.

19         I have prepared Schedule SS-G21 R-2, "PSE&G Analysis of Gas Main Costs and  
20 Flow Characteristics" based on information provided by the planners in our Gas Distribution  
21 Department. This schedule shows the load carrying capacity of several different common  
22 gas pipe mains sizes currently installed by Public Service along with a typical unit per foot  
23 installed cost of the pipe. Column 1 is the diameter of the pipe, Column 2 indicates the



1 material type, Column 3 is the flow capacity at the conditions as indicated at the bottom of  
2 the table, Column 4 is a typical unit installed cost at the conditions as indicated at the bottom  
3 of the table, and Column 5 is the resulting calculation of the unit installed cost per thousand  
4 cubic feet per hour of flow capacity. As the last column of this Schedule indicates, the cost  
5 to deliver gas actually decreases as the diameter of the pipe increases. The information  
6 and calculations, presented in Schedule SS-G21 R-2, confirms that there is no relationship  
7 between the costs of a gas main and the annual amount of gas that flows through it. In the  
8 absence of such a relationship, Staff's Method is completely flawed and should be rejected.

9 **Q. Does this conclude your direct testimony?**

10 A. Yes. It does.

## **APPENDIX G-1 - DETAILED REVIEW OF COST OF SERVICE STUDY**

Schedule SS-G4 R-2 shows the details of the Cost of Service Study used to develop distribution revenue requirements by rate schedule. This study was used in the development of the proposed rates and the following discussion is limited to this analysis. These results are summarized by revenue requirements for each rate schedule and by segment in Schedule SS-G6 R-2.

The study, as previously mentioned, is based on weather normalized costs and billing determinants for the 12 month period ending December 31, 2016, and is limited to the gas delivery business.

## **ALLOCATOR NAMING CONVENTION**

For consistency and simplicity of bookkeeping, a naming convention has been developed for the modeling allocators.

### **Direct Allocators**

All modeling allocators that end in a dash and a number (such as “PEAKHOUR-04”) are direct allocators, meaning that:

1. The word portion of the direct allocator denotes the types of external constant or value used to allocate the plant or expense item as indicated by the name of the modeling allocator. For example, the “PEAKHOUR” denotes the Coincident Peak Hour demand of the entire system observed at the City Gate, and
2. The number portion of the direct allocator denotes the segment to which the plant or expense item is functionalized. For example, the “04” in “PEAKHOUR-04” denotes

1 segment number 4. The business segment numbering method used in our  
2 analysis is as follows:

3 Segment #3 - Distribution Access

4 Segment #4 - Distribution Delivery

5 Segment #5 – Street Lighting Fixtures

6 Segment #6 - Customer Service

7 Segment #7 - Measurement

8 Note that labels for Segments #1 and #2 are not used due to programming constraints  
9 and the order or numbers assigned the segments are irrelevant.

#### 10 **Indirect Allocators**

11 All modeling allocators that do not end in a dash and a number (such as A&GEXP)  
12 are indirect allocators, meaning that they will both segment and allocate costs in the same  
13 proportion as other individual or group of plant or expense items. The names of these  
14 modeling allocators are an indication of the basis upon which this allocation and  
15 functionalization process takes place.

#### 16 **ALLOCATION DETAILS**

##### 17 **Intangible Plant**

18 Accounting records indicate that there is no more gas intangible plant booked to  
19 Accounts G301 to G303.

##### 20 **Production Plant**

21 All production plant (Accounts G304 to G320 on Schedule SS-G4 R-2, page 4, line  
22 26) was determined to be related to wholesale balancing services and thus segmented to the  
23 Distribution Delivery segment and allocated on the basis of the total balancing therms for

1 each rate schedule. This allocator (BALANCE-04) is the same allocator used throughout the  
2 Cost of Service model for all production plant assets and expenses, as well as the revenue  
3 received from the BGSS Supplier for the operation of these facilities.

#### 4 **Storage Plant**

5 Storage plant (Schedule SS-G4 R-2, page 4, line 31) is treated in the same manner as  
6 production plant because it relates to balancing services. Therefore, Storage plant is  
7 segmented to Distribution Delivery and allocated on the basis of balancing therms.

#### 8 **Transmission Plant**

9 All of transmission plant (Accounts G365 to G369 on Schedule SS-G4 R-2, page 4,  
10 lines 35 to 40) was determined to be related to the Distribution Delivery segment. A  
11 majority of this plant is for large gas pipes (transmission mains), which are classified as  
12 transmission mains rather than distribution mains in accordance with federal and state  
13 regulations generally due to the high operating pressure and larger size. Since these facilities  
14 perform the same type of function as distribution mains, the plant has been treated in an  
15 identical manner to that of distribution mains and allocated to the rates based upon each  
16 class's share of the amount of gas transported at the system design peak hour.

#### 17 **Distribution Plant**

18 In the regulated gas distribution business determining cost causation for the revenue  
19 requirements related to gas mains and to gas services is one of the most important issues  
20 because together these facilities comprise the vast majority of rate base and are the basis for  
21 much of the operations and maintenance expenses. The majority of Distribution Plant  
22 (Accounts G374 to G388 as shown on Schedule SS-G4 R-2, page 5, line 49, to page 6, line 125)  
23 has been functionalized to four primary segments – Distribution Delivery, Distribution Access,

1 Street Lighting Fixtures and Measurement. The plant related to Land and Structures (Accounts  
2 G374 and G375) is related to local Distribution operations field offices, and was functionalized  
3 and allocated in the same proportion as Distribution plant in total. Gas mains have been  
4 functionalized to the Distribution Delivery segment, gas services and house regulators to the  
5 Distribution Access segment, meters to the Measurement segment, and all gas street lighting  
6 related equipment to the Street Lighting Fixtures segment.

7 After the functionalization was completed, each account was then examined to  
8 determine the proper allocation across rate classes. Investment for Gas Services (G380), Gas  
9 Meters (G381, G382, G385), and House Regulators (G383, G384) was then allocated to Rate  
10 Schedules RSG, GSG and LVG. This was based upon a study of actual customer  
11 installations and using the results as the basis for determining the relative investment for all  
12 customers. For the reasons that I have previously discussed, the investment for Gas Mains  
13 (Account G376) was allocated to all classes on the basis of each class's share of the amount  
14 of gas transported at the system design peak hour.

15 The investment in Compressor Station Equipment (Account G377) was determined to  
16 be related to the natural gas refueling stations located at several Public Service locations that  
17 are utilized to fuel the natural gas cars and trucks used by the Company. These costs were  
18 segmented to Distribution Delivery and allocated in the same manner as total Distribution  
19 Plant other than meters. All Street Lighting Facilities (G387) including the services, posts,  
20 and heads were directly assigned to Rate SLG.

1   **Other Distribution Plant**

2       The plant associated with Asset Retirement Obligations (booked in Account G388)  
3   relates almost exclusively to gas mains, and therefore was functionalized and allocated in the  
4   same proportion as gas mains.

5   **General, Common and Other Plant**

6       An accounting code, or Business Code, associated with the actual gross plant  
7   balances indicating the department to which the plant is assigned was used to segment both  
8   the general (Accounts G389 to G399) and common (Accounts C303, and C389 to C399)  
9   plant account items (Schedule SS-G4 R-2, page 4 for C303 and page 7 for general and  
10   common). Each Business Code was then grouped by function to be allocated based on cost  
11   causation. For example; a Description for office furniture and equipment was added to the  
12   Customer Service segment and allocated in the same proportion as all Customer Service  
13   activities. In other cases, where some of the facilities, such as vehicles, etc. used by the  
14   Customer Operations Department are shared between groups that are responsible for meter  
15   reading and those that provide general customer service (collections, phone inquiry, walk-in  
16   payment centers, etc.), these investments were further split in the Cost of Service Study  
17   between the Measurement segment and the Customer Service segment based on the  
18   proportion of work performed by each group. In general, all general and common  
19   investments were allocated to the rate schedules in the same proportion as the overall  
20   respective plant accounts for each segment. Items for which no reasonable functionalization  
21   could be determined were classified as “unassigned” and allocated in the same proportion as  
22   its associated plant account. In other words, unassigned general plant followed general plant

1 and unassigned common plant followed common plant (general plant is shown on Schedule  
2 SS-G4 R-2, page 7; while common plant is on Schedule SS-G4 R-2, page 7).

3 **Depreciation Reserve**

4 The depreciation reserve associated with Accounts G300 to G399 was segmented and  
5 allocated in the same proportion as its associated plant account (Schedule SS-G4 R-2, page 8,  
6 line 1 to page 10, line 122).

7 **Adjustments to Develop Rate Base**

8 Adjustments to net plant used to develop Rate Base consist primarily of working  
9 capital and deferred taxes for the distribution utility. The underlying components of working  
10 capital were analyzed and segmented according to their individual use. Working capital  
11 requirements associated with Material and Supplies were allocated and segmented in  
12 proportion to the total plant, other than General and Common. Working capital requirements  
13 associated with Cash and Prepayments & Working Funds were allocated and segmented in  
14 the same proportion as the total of O&M and capital additions (essentially cash outlays)  
15 through the use of the allocator termed "EXPENDITURES". Deferred taxes were segmented  
16 and allocated in proportion to the related plant values. These adjustments are indicated in  
17 Schedule SS-G4 R-2, page 11, lines 1 to 35.

18 **Operating Revenues**

19 The values indicated in Schedule SS-G4 R-2, page 2, line 55 entitled "Rate Revenues  
20 from Customers" are the portion of the total target balanced revenue requirements that are  
21 necessary to be recovered from rate-related revenues (from service charges, distribution  
22 charges, minimum charges, etc.) at the proposed overall ROR, plus the increases in non rate-  
23 related revenues.

1           The effects of other non-rate-related revenues are booked to Accounts G487 to G495  
2 and are shown in Schedule SS-G4 R-2, page 12, lines 9 to 19. The primary sources of these  
3 other revenues, booked in Account G488, are Competitive Services. These services have  
4 been segmented to the Distribution Delivery segment and allocated back to the customer  
5 rates from which the revenue was received, and Peaking Services (revenue from the BGSS  
6 Supplier for the operation of the peaking facilities), which constitutes the majority of the  
7 revenue booked in Account G495 and is segmented to Distribution Delivery and allocated  
8 based on balancing therms.

9           **Production Expenses**

10           Similar to the production plant items, all production expenses (Accounts G710 to  
11 G745 on Schedule SS-G4 R-2, page 13, lines 4 to 6) relate to wholesale balancing services  
12 and are segmented to Distribution Delivery and allocated on the basis of balancing therms,  
13 consistent with the methodology used for Production Plant.

14           **Gas Supply Expenses**

15           Although booked to Other Gas Supply Expenses - Account G813, an analysis of the  
16 actual bookings found that all of these costs relate to the operation of the Gas Systems  
17 Operations Center (GSOC) and thus are related to gas dispatching. These were segmented to  
18 the Delivery segment and allocated on the basis of total therms delivered. This is shown on  
19 Schedule SS-G4 R-2, page 13, line 18.

20           **Other Storage Expenses**

21           The costs associated with the operation and maintenance of Company owned storage  
22 facilities (Account G840-G843 on Schedule SS-G4 R-2, page 13, lines 22 to 25) are treated



1 in the same manner as production plant and segmented to Distribution Delivery and allocated  
2 on the basis of balancing therms.

### 3 **Transmission and Distribution O&M Expenses**

4 O&M expenses for transmission and distribution (Accounts G850 to G894 on  
5 Schedule SS-G4 R-2, page 13, line 28 to page 14, line 68) were generally segmented and  
6 allocated in the same proportion as their associated plant account(s) with the exception of  
7 Customer Installations expense (Account G879) which was allocated to the rates based upon  
8 an analysis of the customers for which that work was performed.

### 9 **Customer Accounts, Service and Sales Expense**

10 Expenses from a wide range of customer contact activities are booked to Accounts  
11 G901 to G916. A separate analysis was performed on the costs charged to each of these  
12 accounts to determine the best functionalization fit. The details of this account-by-account  
13 functionalization can be found on Schedule SS-G4 R-2, page 14, line 75 to page 15, line 114.  
14 The costs in each of these accounts related to meter reading were segmented to the  
15 Measurement segment and allocated on the basis of the costs to read meters for each rate  
16 class; the portion related to billing was segmented to the Customer Service segment and  
17 allocated on the relative costs of billing by rate class; the portion related to account  
18 maintenance activities (including answering general questions, setting up new accounts,  
19 remittance processing, and collection activities) was segmented to the Customer Service  
20 segment and allocated on the relative costs of performing these activities by rate class; and  
21 the portion of these expenses related to general regulated utility responsibilities was  
22 segmented to the Distribution Delivery segment and allocated on the relative costs of  
23 performing these activities by rate class. The portion of Customer Records and Collection

1 costs (Account G903 and G905) associated with costs to disconnect customers for non-  
2 payment of bills (and their eventual reconnection) were segmented to the Customer Service  
3 segment and allocated based upon the number of customers.

4 DSM expenses, a component of the SBC, normally recorded in Account G908 were  
5 not included in this analysis as discussed earlier in this testimony and as indicated on page 1  
6 of Schedule SS-G3.

7 **Administrative and General (A&G) Expenses**

8 Administrative and General Expenses (Accounts G920-935) include a mix of  
9 expenditures, which were analyzed separately to determine the best functionalization fit. The  
10 details of this item-by-item functionalization can be found on Schedule SS-G4 R-2, page 15,  
11 lines 121 to 139.

12 An adjustment was made to the A&G expenses for G923 and G926 to separate those  
13 costs associated with the Gas Peaking Plants and to segment them to the Distribution  
14 Delivery segment. These costs were then allocated on the basis of balancing therms, similar  
15 to the method applied to other gas production related investment and expenses.

16 **Depreciation and Amortization Expenses**

17 All depreciation and amortization expenses were segmented and allocated in the same  
18 proportion as their associated plant accounts (Schedule SS-G4 R-2, page 16, lines 1 to 27).

19 **Taxes Other Than Income Taxes**

20 Other non-income type taxes were allocated based on their relationship to other plant  
21 and expenses, as indicated on Schedule SS-G4 R-2, page 17, lines 3 to 11.

1   **Pro Forma Expense Adjustments**

2           The pro forma adjustments the Company is proposing are summarized in Schedule  
3   SSJ-26 R-1 and detailed as Adjustments #1 to #23 in Schedules SSJ-27 R-1 through SSJ-49  
4   R-1 of Mr. Jennings' direct testimony in this proceeding. Those adjustments are included in  
5   this section of the Cost of Service Study on Schedule SS-G4 R-2, page 17, lines 13 to 46,  
6   with the exception of the pro forma adjustments discussed below.

7           One specific adjustment, Pro Forma Adjustment #11 Schedule SSJ-37 R-1 adjusts  
8   revenue related to the switching between Rate Schedules TSG-NF and LVG. The Company  
9   currently retains a portion of the margins from gas service to new TSG-NF customers that  
10   commenced after the Company's base rate cases in 2001 and 2005, in accordance with the  
11   Settlements and Board Orders in Docket Nos. GR01050297 and GR05100845. Also, the  
12   Company retains the margins (total revenue less commodity revenue, SUT, SBC, and GPRC)  
13   from customers who switch from Rate Schedule LVG to TSG-NF. Conversely, the margins  
14   from customers who switch from TSG-NF to LVG are credited to the Margin Adjustment  
15   Charge (MAC) in lieu of being retained by the Company. The balance of the margin is  
16   credited to the MAC. These retained amounts are reset to zero in each succeeding base rate  
17   case. Therefore, this adjustment decreased operating income in the amount of \$403,279.

18          Each pro forma adjustment included in the Cost of Service Study was segmented and  
19   allocated in the same proportion as the associated plant or O&M account(s). The Cost of  
20   Service modeling of Pro Forma #3 associated with Interest Synchronization, Pro Forma #5  
21   associated with Gas COLI Interest Expense, and Pro Forma #7 associated with Gains and  
22   Losses on Sales of Property all include the added tax effects on revenue requirements as an

1 additional expense. Those pro forma adjustments excluded from the Cost of Service Study  
2 are as follows:

- 3 • Adjustment #6- Weather Normalization Adjustment (Schedule SSJ-32) is a weather  
4 normalization of operating revenues. The Cost of Service Study is already based on  
5 weather normalized costs and usage, and no further adjustment is required.
- 6 • Adjustment #11 – TSG-NF Margin Sharing (Schedule SSJ-37) is related to the  
7 elimination of margin sharing revenue associated with capital investment made for  
8 TSG-NF customers since the last base case. Because these investments are already  
9 included in the proposed Rate Base, the revenue requirements related to these  
10 investments are already included in the Cost of Service Study.

#### 11 **Taxes**

12 All Taxes and Tax Deductions were segmented and allocated in the same proportion  
13 as their associated plant or O&M account(s). Details of these allocations are indicated from  
14 pages 18-21 of Schedule SS-G4 R-2.

INDEX OF SCHEDULES

<u>SCHEDULE DESCRIPTION</u>	<u>NUMBER</u>
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Actual and Weather Normalized Billing Determinants .....	SS-G2 R-2
COS Adjustments.....	SS-G3
Cost of Service Schedules	
Details of Complete COS Study .....	SS-G4 R-2
COS Summary Report by Functional Segment .....	SS-G5 R-2
COS Revenue Requirements by Rate and Function .....	SS-G6 R-2
Sync with Rate Design.....	SS-G7 R-2
Rate and Rate Design Schedules	
Inter Class Revenue Increase Allocations.....	SS-G8 R-2
Service Charge Calculations .....	SS-G9 R-2
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Proof of Revenue by Rate Schedule .....	SS-G11 R-2
Typical Customer Bill Impacts by Rate Schedule .....	SS-G12 R-2
Staff's Cost Allocation Methodology Related Schedules	
Details of Complete COS Study – Staff's Method .....	SS-G13 R-2
Summary Report – by Functional Segment – Staff's Method.....	SS-G14 R-2
Functional Cost Summary – Staff's Method .....	SS-G15 R-2

1	Service Charge Calculations – Staff’s Method .....	SS-G16 R-2
2	Gas Tax Adjustment Credit (GTAC) Schedules	
3	Net Revenue Requirement .....	SS-GTAC-1 R-2
4	Credit Calculation .....	SS-GTAC-2 R-2
5	Over/Under Calculation .....	SS-GTAC-3 R-2
6	Credit Impact Analysis .....	SS-GTAC-4 R-2

**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 pages 3 and 4 of this document. I have also

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

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

8 **EDUCATIONAL BACKGROUND**

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



## LIST OF PRIOR TESTIMONIES

Company	Utility	Docket	Testimony	Date	Case / Topic
Public Service Electric & Gas Company	E/G	ER18070688 and GR18070689	written	Jul-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	Jul-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

**Actual & Weather Normalized  
Billing Determinants  
Filing "12 and 0"**

**Exhibit P-9G R-2  
Schedule SS-G2 R-2  
Page 1 of 4**

	<u>Rate</u>		<u>Actual Determinants</u>	<u>Weather Normalized (WN) Determinants</u>	<u>Variation from WN</u>
1	<b>RSG</b>	<b><u>Delivery</u></b>			
2		Service Charge	19,630.803	19,630.803	0.000
3		Distribution Therms	1,515,180	1,494,872	(20,308)
4		Off-Peak Dist. Therms	56	56	0
5		Balancing Therms	918,017	917,326	(691)
6					
7		<b><u>Supply</u></b>			
8		BGSS Therms	1,445,293	1,425,927	(19,366)
9		BGSS Off-Peak Therms	46	46	0
10		Emergency Sales Srv. Therms	0	0	0
11					
12					
13	<b>GSG</b>	<b><u>Delivery</u></b>			
14		Service Charge	1,689.246	1,689.246	0.000
15		Distribution Therms	301,879	297,439	(4,440)
16		Off-Peak Dist. Therms	45	45	0
17		Balancing Therms	174,601	173,170	(1,431)
18					
19		<b><u>Supply</u></b>			
20		BGSS Therms	229,971	226,488	(3,483)
21		Emergency Sales Srv. Therms	0	0	0

**Actual & Weather Normalized  
Billing Determinants  
Filing "12 and 0"**

**Schedule SS-G2 R-2**  
Page 2 of 4

	<u>Rate</u>		<u>Actual Determinants</u>	<u>Weather Normalized (WN) Determinants</u>	<u>Variation from WN</u>
1	<b>LVG</b>	<b><u>Delivery</u></b>			
2		Service Charge	220.495	220.495	0.000
3		Demand Therms	19,103	18,017	(1,086)
4		Distribution Therms 0 -1,000	154,674	154,674	0
5		Distribution Therms over 1,000	588,587	585,429	(3,158)
6		Balancing Therms	361,239	361,999	760
7					
8		<b><u>Supply</u></b>			
9		BGSS Therms	270,273	268,398	(1,875)
10		Emergency Sales Srv. Therms	0	0	0
11					
12					
13	<b>SLG</b>	<b><u>Delivery</u></b>			
14		Lamp Chgs:			
15		Single	10.392	10.392	0.000
16		Double	0.696	0.696	0.000
17		Triple Prior to 1/1/93	18.096	18.096	0.000
18		Triple on & after 1/1/93	0.420	0.420	0.000
19		Distribution Therms	678.777	678.777	0.000
20					
21		<b><u>Supply</u></b>			
22		BGSS Therms	247.453	247.453	0.000
23		Emergency Sales Srv. Therms	0.000	0.000	0

**Actual & Weather Normalized  
Billing Determinants  
Filing "12 and 0"**

**Schedule SS-G2 R-2**

Page 3 of 4

<u>Rate</u>		<u>Actual Determinants</u>	<u>Weather Normalized (WN) Determinants</u>	<u>Variation from WN</u>
1	<b>TSG-F</b>			
	<b><u>Delivery</u></b>			
2	Service Charge	0.494	0.494	0.000
3	Demand Therms	487	487	0
4	Demand Therms - Agreements	0	0	0
5	Distribution Therms	25,950	25,950	0
6	Distribution Therms - Agreements	0	0	0
7				
8	<b><u>Supply</u></b>			
9	Emergency Sales Svc. Therms	363	363	0
10				
11				
12	<b>TSG-NF</b>			
	<b><u>Delivery</u></b>			
13	Service Charge	2.218	2.218	0.000
14	Distribution Therms 0 - 50,000	99,839	99,839	0
15	Distribution Therms 0 - 50,000 - Agreements	600	600	0
16	Distribution Therms over 50,000	67,427	67,427	0
17	Distribution Therms over 50,000 - Agreements	11,318	11,318	0
18	Pilot & Penalty Therms	45	45	0
19				
20	<b><u>Supply</u></b>			
21	BGSS Therms	7,980	7,980	0
22	Emergency Sales Svc. Therms	0	0	0
23	Pilot & Penalty Therms	45	45	0

**Actual & Weather Normalized  
Billing Determinants  
Filing "12 and 0"**

**Schedule SS-G2 R-2**

Page 4 of 4

<u>Rate</u>		<u>Actual Determinants</u>	<u>Weather Normalized (WN) Determinants</u>	<u>Variation from WN</u>
1	<b>CIG</b>			
2	<b><u>Delivery</u></b>			
3	Service Charge	0.166	0.166	0.000
4	Distribution Therms 0 - 600,000	32,835	32,835	0
5	Distribution Therms over 600,000	8,232	8,232	0
6	Extended Sales Svc. Therms	0	0	0
7				
8	<b><u>Supply</u></b>			
9	BGSS Therms	41,067	41,067	0
10	Extended Sales Svc. Therms	0	0	0
11	Pilot & Penalty Therms	1,254	1,254	0
12				
13	<b>CSG</b>			
14	<b><u>Delivery</u></b>			
15	Service Charge - Power	0.080	0.080	0.000
16	Service Charge - Power- Non Firm	0.012	0.012	0.000
17	Service Charge - Other	0.109	0.109	0.000
18	Distribution Charge - Power	599,445	599,445	0
19	Distribution Charge - Power- Non Firm	4,755	4,755	0
20	Distribution Charge - Other	185,648	185,648	0
21				
22	<b><u>Supply:</u></b>			
23	BGSS-Firm - Power	0	0	0
24	BGSS-Firm - Power- Non Firm	0	0	0
25	BGSS-Firm - Other	0	0	0
26				
27	BGSS-Interruptible - Power	0	0	0
28	BGSS-Interruptible - Power- Non Firm	0	0	0
29	BGSS-Interruptible - Other	0	0	0
30				
31	Emergency Sales Svc. - Power	0	0	0
32	Emergency Sales Svc. - Power- Non Firm	0	0	0
33	Emergency Sales Svc - Other	0	0	0
34	Pilot & Penalty Therms	0	0	0

**COS Adjustments**

Listing of plant and expense items listed in the BPU Report but not included in the COS modeling for reasons as indicated

<u>line</u>	<u>FERC Account</u>	<u>Amount</u>	<u>Related to:</u>
Expenses			
1	G905 MAC Adjustment Clause	\$ (2,496,561)	MAC Adjustment Clause
2	G908 DSM Amortization	\$ 62,780,141	SBC
	G908 USF/Lifeline Amortization	\$ 29,334,869	SBC
Amortizations			
3	G407.1 - RAC Amortization	\$ 24,976,879	SBC
Interest Charges			
4	G427-G431 Interest Charges	\$ (1,383,871)	Interest Expense on Clauses
Manufactured Gas Production Expenses			
5	G729 BGSS Deferral	\$ 9,679,903	BGSS
Current Tax Adjustments & Deductions			
6	Clause - Deferred Fuel	\$ (19,956,740)	BGSS
7	RAC - Environmental Cleanup - Debit	\$ -	SBC
8	SBC - Societal Benefits Clause - Unallow Deductions	\$ (3,170,202)	SBC
9	Previously Ded Amort-Reacq Bonds	\$ 578,986	Incl'd in ROR calc.
10	Penalties	\$ 138,073	
11	Diesel Fuel Tax Credit	\$ 43,492	BGSS
12	Plant Related	\$ 228,492	Removal of Gas Storage & Production Assets
13	Fuel Credit	\$ (106,467)	BGSS
Deferred Taxes			
14	Clause - Deferred Fuel	\$ 19,956,740	BGSS
15	RAC - Environmental Cleanup - Debit	\$ -	SBC
16	SBC - Societal Benefits Clause - Unallow Deductions	\$ 3,170,202	SBC
17	Previously Ded Amort-Reacq Bonds	\$ (578,986)	Incl'd in ROR calc.
18	Plant Related	\$ (228,492)	Removal of Gas Storage & Production Assets

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
S	1	<b>SUMMARY OF RESULTS</b>	<b>Sub-Schedule Ref</b>						
S	2	<b>DEVELOPMENT OF RETURN</b>							
S	3								
S	4	<b>RATE BASE</b>							
S	5	Plant in Service							
S	6	Production Plant 304-320	SCH RBP, LN 28	54,051,153	34,404,858	6,551,287	13,095,009	0	0
S	7	Storage Plant 360-363	SCH RBP, LN 33	10,637,156	6,770,805	1,289,280	2,577,071	0	0
S	8	Transmission Plant 365-371	SCH RBP, LN 40	88,966,347	55,020,571	10,868,073	22,479,948	5,340	592,414
S	9	Distribution Plant							
S	10	Land & Structures 374-375	SCH RBP, LN 55	53,869,741	38,698,137	6,685,945	8,246,445	14,546	224,669
S	11	Mains 376	SCH RBP, LN 61	2,666,043,183	1,647,272,369	325,307,357	675,376,141	171,315	17,916,001
S	12	Compressor Station Equipment 377	SCH RBP, LN 63	0	0	0	0	0	0
S	13	Meas & Regulating Station Equip 378-379	SCH RBP, LN 68	170,186,128	105,250,337	20,789,831	43,002,500	10,215	1,133,245
S	14	Services 380	SCH RBP, LN 74	2,854,069,822	2,348,521,992	335,825,697	167,127,299	3,579	2,591,255
S	15	Meters 381	SCH RBP, LN 80	257,235,090	171,445,816	59,459,731	26,326,375	1	3,166
S	16	Meter Installations 382	SCH RBP, LN 86	145,989,543	133,096,274	11,675,079	1,217,853	0	337
S	17	House Regulators & Install 383-384	SCH RBP, LN 106	137,183,305	122,770,768	11,114,414	3,291,764	6	6,352
S	18	Industrial Meas & Reg Station Equip 385	SCH RBP, LN 114	83,488,964	9,721,823	19,714,375	49,389,685	750	4,662,331
S	19	Other Property on Cust Premises 386	SCH RBP, LN 116	0	0	0	0	0	0
S	20	Other Equipment (Street Lighting) 387	SCH RBP, LN 121	1,521,717	0	0	0	1,521,717	0
S	21	Asset Retirement Obligation 388	SCH RBP, LN 123	10,834,324	6,694,221	1,321,991	2,744,608	696	72,807
S	22	Total Distribution Plant	SCH RBP, LN 125	6,380,421,816	4,583,471,738	791,894,419	976,722,670	1,722,826	26,610,163
S	23	General Plant E389-E399	SCH RBP, LN 156	94,801,809	68,330,004	11,430,493	14,593,034	27,511	420,767
S	24	Common Plant C389-C399	SCH RBP, LN 167	78,873,337	62,130,797	8,342,515	8,062,881	14,042	323,102
S	25	Intangible Plant E301-E303, E399, C303-C399	SCH RBP, LN 23	5,857,613	5,302,920	461,595	72,574	(33)	20,557
S	26	Total Plant in Service	SCH RBP, LN 172	6,713,609,232	4,815,431,693	830,837,663	1,037,603,187	1,769,686	27,967,004
S	27								
S	28	Less: Reserve for Depreciation and Amorization	SCH RBD, LN 122	2,270,656,638	1,604,882,415	270,209,333	382,049,865	1,081,767	12,433,258
S	29								
S	30	Plus: Rate Base Additions							
S	31	Working Capital	SCH RBO, LN 11	292,311,129	224,740,046	33,930,465	32,506,677	141,055	992,886
S	32	Capital Stimulus Adjust (Pro Forma #13)	SCH RBO, LN 13	0	0	0	0	0	0
S	33	Capital Lease Plt & Reserve Deduct	SCH RBO, LN 14	96,280	69,058	11,915	14,880	25	401
S	34	Plus: Rate Base Deductions							
S	35	Customer Advances	SCH RBO, LN 21	(19,722,411)	(14,274,965)	(2,361,896)	(3,009,841)	(2,446)	(73,262)
S	36	Unbilled Revenue	SCH RBO, LN 22	(159,485,336)	(114,393,125)	(19,736,988)	(24,648,812)	(42,040)	(664,371)
S	37	Deferred Income Taxes and Credits	SCH RBO, LN 33	(1,842,391,857)	(1,321,676,756)	(228,004,645)	(284,534,670)	(486,706)	(7,689,079)
S	38								
S	39								
S	40	<b>TOTAL RATE BASE</b>		<b>2,713,760,398</b>	<b>1,985,013,536</b>	<b>344,467,180</b>	<b>375,881,555</b>	<b>297,808</b>	<b>8,100,320</b>
S	41								
S	42								
S	43								
S	44								
S	45								
S	46								
S	47								
S	48								



**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
S	49	<b>SUMMARY OF RESULTS</b>	<b>Sub-Schedule Ref</b>						
S	50	<b>DEVELOPMENT OF RETURN</b>							
S	51								
S	52	<b>RATE BASE</b>	SCH RBO, LN 38	3,990,551,989	2,903,496,586	503,557,593	569,667,784	607,865	13,222,161
S	53								
S	54	<b>OPERATING REVENUES</b>							
S	55	Rate Revenues from Customers	SCH REV, LN 7	887,227,203	659,648,509	106,211,863	117,575,612	487,189	3,304,030
S	56	Other Operating Revenues	SCH REV, LN 19	50,251,258	47,379,367	1,332,308	1,537,608	148	1,827
S	57	Revenues from Other Sources	SCH REV, LN 24	0	0	0	0	0	0
S	58	Less: Provisions for Rate Refunds	SCH REV, LN 26	0	0	0	0	0	0
S	59	<b>TOTAL OPERATING REVENUES</b>		<b>937,478,461</b>	<b>707,027,876</b>	<b>107,544,171</b>	<b>119,113,220</b>	<b>487,337</b>	<b>3,305,857</b>
S	60								
S	61	<b>OPERATING EXPENSES</b>							
S	62	Operation and Maintenance Expense							
S	63	Gas Production and Supply Expense	SCH E, LN 20	6,899,840	4,136,342	804,023	1,903,831	1,476	54,169
S	64	Storage Expense	SCH E, LN 25	474,404	301,970	57,500	114,934	0	0
S	65	Transmission Expense	SCH E, LN 29	2,558,168	1,582,080	312,504	646,396	154	17,034
S	66	Distribution Expense	SCH E, LN 69	100,930,816	79,043,948	10,294,514	11,063,620	289,519	239,217
S	67	Customer Accounts Expense	SCH E, LN 91	101,220,275	85,836,475	9,294,647	5,621,639	849	466,665
S	68	Customer Service & Information Expense	SCH E, LN 109	2,140,391	1,883,422	203,087	51,906	30	1,946
S	69	Sales Expense	SCH E, LN 115	924,164	802,266	95,341	26,434	16	107
S	70	Administrative and General Expense	SCH E, LN 139	105,459,010	88,793,921	8,113,182	8,139,392	89,738	322,777
S	71	Total Operation and Maintenance Expense	SCH E, LN 141	321,836,138	263,162,755	29,323,768	27,865,919	381,782	1,101,915
S	72	Depreciation Expense	SCH DE, LN 10	123,362,242	88,637,110	15,192,473	18,987,811	32,106	512,742
S	73	Amortization Expense	SCH DE, LN 25	(12,395,796)	(8,849,965)	(1,542,361)	(1,948,282)	(3,331)	(51,858)
S	74	Taxes Other Than Income Taxes	SCH EO, LN 11	18,555,601	15,530,653	1,478,539	1,489,634	9,228	47,547
S	75	Proforma Expense Adjustments	SCH EO, LN 46	(135,603,371)	(102,895,801)	(14,716,791)	(17,449,148)	(45,612)	(496,018)
S	76	State Income Taxes	SCH TI, LN 79	44,765,042	32,530,873	5,620,240	6,450,550	7,835	155,544
S	77	Federal Income Taxes	SCH TI, LN 85	122,855,470	89,604,993	15,493,174	17,336,541	18,380	402,383
S	78	Provision for Deferred Income Taxes	SCH TI, LN 137	158,802,288	114,448,510	19,431,868	24,224,779	41,968	655,163
S	79	Income Taxes Deferred in Prior Years	SCH TI, LN 141	0	0	0	0	0	0
S	80	Investment Tax Credit Adjustment (Net)	SCH TI, LN 142	0	0	0	0	0	0
S	81	<b>TOTAL OPERATING EXPENSES</b>		<b>642,177,614</b>	<b>492,169,129</b>	<b>70,280,909</b>	<b>76,957,804</b>	<b>442,355</b>	<b>2,327,417</b>
S	82								
S	83	<b>OPERATING INCOME (RETURN)</b>		<b>295,300,847</b>	<b>214,858,747</b>	<b>37,263,262</b>	<b>42,155,416</b>	<b>44,982</b>	<b>978,440</b>
S	84	Plus Operating Income Adjustment	SCH TI, LN 143	0	0	0	0	0	0
S	85	<b>TOTAL NET OPERATING INCOME</b>		<b>295,300,847</b>	<b>214,858,747</b>	<b>37,263,262</b>	<b>42,155,416</b>	<b>44,982</b>	<b>978,440</b>
S	86								
S	87	<b>RATE OF RETURN ON RATE BASE (PRESENT)</b>		<b>7.40%</b>	<b>7.40%</b>	<b>7.40%</b>	<b>7.40%</b>	<b>7.40%</b>	<b>7.40%</b>
S	88	<b>INDEX RATE OF RETURN (PRESENT)</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
S	89								
S	90								
S	91								
S	92								
S	93								
S	94								
S	95								
S	96								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
S	97	<b>EQUALIZED RETURN AT PROPOSED ROR</b>	<b>Sub-Schedule Ref</b>						
S	98								
S	99	<b>DEVELOPMENT OF RETURN (EQUALIZED RATE LEVELS)</b>							
S	100								
S	101	<b>RATE BASE</b>	SCH RBO, LN 38	3,990,551,989	2,903,496,586	503,557,593	569,667,784	607,865	13,222,161
S	102								
S	103	<b>RATE OF RETURN</b>		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
S	104								
S	105	<b>RETURN (RATE BASE * 7.40% ROR)</b>		295,300,847	214,858,747	37,263,262	42,155,416	44,982	978,440
S	106								
S	107	<b>PLUS:</b>							
S	108	<b>OPERATING EXPENSES</b>							
S	109	Total Operation and Maintenance Expense	SCH E, LN 141	321,836,138	263,162,755	29,323,768	27,865,919	381,782	1,101,915
S	110	Depreciation Expense	SCH DE, LN 10	123,362,242	88,637,110	15,192,473	18,987,811	32,106	512,742
S	111	Amortization Expense	SCH DE, LN 25	(12,395,796)	(8,849,965)	(1,542,361)	(1,948,282)	(3,331)	(51,858)
S	112	Taxes Other Than Income Taxes	SCH EO, LN 11	18,555,601	15,530,653	1,478,539	1,489,634	9,228	47,547
S	113	Proforma Expense Adjustments	SCH EO, LN 46	(135,603,371)	(102,895,801)	(14,716,791)	(17,449,148)	(45,612)	(496,018)
S	114	Income Taxes	CALCULATED	167,620,512	122,135,866	21,113,413	23,787,091	26,215	557,927
S	115	Provision for Deferred Income Taxes	SCH TI, LN 137	158,802,288	114,448,510	19,431,868	24,224,779	41,968	655,163
S	116	Income Taxes Deferred in Prior Years	SCH TI, LN 141	0	0	0	0	0	0
S	117	Investment Tax Credit Adjustment (Net)	SCH TI, LN 142	0	0	0	0	0	0
S	118	<b>TOTAL OPERATING EXPENSES</b>		642,177,614	492,169,129	70,280,909	76,957,804	442,355	2,327,417
S	119								
S	120	<b>EQUALS TOTAL COST OF SERVICE</b>		937,478,461	707,027,876	107,544,171	119,113,220	487,337	3,305,857
S	121								
S	122	<b>LESS:</b>							
S	123	Other Operating Revenues	SCH REV, LN 19	50,251,258	47,379,367	1,332,308	1,537,608	148	1,827
S	124	Revenues from Other Sources	SCH REV, LN 24	0	0	0	0	0	0
S	125	Plus: Provisions for Rate Refunds	SCH REV, LN 26	0	0	0	0	0	0
S	126	<b>EQUALS:</b>							
S	127	<b>BASE RATE SALES @ EQUALIZED ROR 7.40%</b>		887,227,203	659,648,509	106,211,863	117,575,612	487,189	3,304,030
S	128								
S	129	<b>TOTAL COST OF SERVICE INCREASE/DECREASE</b>		0	0	(0)	0	(0)	(0)
S	130	<b>REVENUE INCREASE TO RETAIL REVENUES (%)</b>		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
S	131								
S	132								
S	133								
S	134								
S	135								
S	136								
S	137								
S	138								
S	139								
S	140								
S	141								
S	142								
S	143								
S	144								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
RBP	1	DEVELOPMENT OF RATE BASE							
RBP	2								
RBP	3	GAS PLANT IN SERVICE							
RBP	4								
RBP	5	INTANGIBLE PLANT - G301-G303							
RBP	6	General - AWMS & Misc.	TOTPLT	0	0	0	0	0	0
RBP	7	Choice Project	not_used	0	0	0	0	0	0
RBP	8	GSMIS - meter related	not_used	0	0	0	0	0	0
RBP	9	- regulator related	not_used	0	0	0	0	0	0
RBP	10	- appliance safety related	not_used	0	0	0	0	0	0
RBP	11	- Comp Svs related	not_used	0	0	0	0	0	0
RBP	12	- Cust Svs related	not_used	0	0	0	0	0	0
RBP	13	TOTAL INTANGIBLE PLANT		0	0	0	0	0	0
RBP	14								
RBP	15	C303 - INTANGIBLE PLANT - CUST SERVICE							
RBP	16	Customer Service	CUSTSVSX	6,057,549	5,415,914	492,712	126,646	75	22,201
RBP	17	Measurement	MRCOST_07	170,522	154,019	13,550	2,953	0	0
RBP	18	Not Used	not_used	0	0	0	0	0	0
RBP	19	G399.1 Asset Retirement Costs of General Plt	GENPLT	(370,458)	(267,014)	(44,667)	(57,025)	(108)	(1,644)
RBP	20	Not Used	not_used	0	0	0	0	0	0
RBP	21	TOTAL ACCOUNTS C303-C390.4,G399		5,857,613	5,302,920	461,595	72,574	(33)	20,557
RBP	22								
RBP	23	TOTAL INTANGIBLE PLANT		5,857,613	5,302,920	461,595	72,574	(33)	20,557
RBP	24								
RBP	25	PRODUCTION PLANT							
RBP	26	G304-G320 - All Land & Equipment	BALANCE_04	54,051,153	34,404,858	6,551,287	13,095,009	0	0
RBP	27	Not Used	not_used	0	0	0	0	0	0
RBP	28	TOTAL PRODUCTION PLANT		54,051,153	34,404,858	6,551,287	13,095,009	0	0
RBP	29								
RBP	30	STORAGE PLANT							
RBP	31	G360-G363 - All Land & Equipment	BALANCE_04	10,637,156	6,770,805	1,289,280	2,577,071	0	0
RBP	32	Not Used	not_used	0	0	0	0	0	0
RBP	33	TOTAL STORAGE PLANT		10,637,156	6,770,805	1,289,280	2,577,071	0	0
RBP	34								
RBP	35	TRANSMISSION PLANT							
RBP	36	G365 Land & Land Rights	PEAKHOUR_04	5,421,128	3,352,656	662,242	1,369,806	325	36,099
RBP	37	G366 Structures & Improvements	PEAKHOUR_04	0	0	0	0	0	0
RBP	38	G367 Mains	PEAKHOUR_04	79,321,099	49,055,540	9,689,816	20,042,794	4,761	528,188
RBP	39	G369 Meas. & Reg. Station Equipment	PEAKHOUR_04	4,224,120	2,612,375	516,016	1,067,347	254	28,128
RBP	40	TOTAL TRANSMISSION PLANT		88,966,347	55,020,571	10,868,073	22,479,948	5,340	592,414
RBP	41								
RBP	42								
RBP	43								
RBP	44								
RBP	45								
RBP	46								
RBP	47								
RBP	48								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
RBP	49	<b>GAS PLANT IN SERVICE CONTINUED</b>							
RBP	50								
RBP	51	<b>DISTRIBUTION PLANT</b>							
RBP	52	G374-G375 Land & Structures							
RBP	53	General	DISTPLT	53,869,741	38,698,137	6,685,945	8,246,445	14,546	224,669
RBP	54	Not Used	not_used	0	0	0	0	0	0
RBP	55	Total Accounts G374-G375		53,869,741	38,698,137	6,685,945	8,246,445	14,546	224,669
RBP	56								
RBP	57	G376 Mains							
RBP	58	Firm Allocation	PEAKHOUR_04	2,609,642,309	1,613,913,752	318,792,271	659,402,407	156,638	17,377,241
RBP	59	CIG, TSG-NF & CSG Redistribution	TRANSPORT_04	56,400,874	33,358,618	6,515,086	15,973,734	14,677	538,760
RBP	60	Not Used	not_used	0	0	0	0	0	0
RBP	61	Total Account G376		2,666,043,183	1,647,272,369	325,307,357	675,376,141	171,315	17,916,001
RBP	62								
RBP	63	G377 Compressor Station Equip	DISTPLTXMTR	0	0	0	0	0	0
RBP	64								
RBP	65	G378-G379 Meas & Regulatory Equipment							
RBP	66	Firm Investment	PEAKHOUR_04	170,186,128	105,250,337	20,789,831	43,002,500	10,215	1,133,245
RBP	67	Not Used	not_used	0	0	0	0	0	0
RBP	68	Total Account G378-G379		170,186,128	105,250,337	20,789,831	43,002,500	10,215	1,133,245
RBP	69								
RBP	70	G380 Services							
RBP	71	Firm Allocation	SERVICES_03	2,840,316,509	2,340,387,517	334,236,998	163,232,115	0	2,459,878
RBP	72	CIG, TSG-NF & CSG Redistribution	TRANSPORT_03	13,753,313	8,134,475	1,588,699	3,895,184	3,579	131,376
RBP	73	Not Used	not_used	0	0	0	0	0	0
RBP	74	Total Account G380		2,854,069,822	2,348,521,992	335,825,697	167,127,299	3,579	2,591,255
RBP	75								
RBP	76	G381 Meters							
RBP	77	Firm Allocation	SMMETERS_07	257,229,506	171,442,513	59,459,085	26,324,794	0	3,113
RBP	78	CIG, TSG-NF & CSG Redistribution	TRANSPORT_07	5,584	3,303	645	1,581	1	53
RBP	79	Not Used	not_used	0	0	0	0	0	0
RBP	80	Total Account G381		257,235,090	171,445,816	59,459,731	26,326,375	1	3,166
RBP	81								
RBP	82	G382 Meter Installations							
RBP	83	Firm Allocation	MTRINSTAL_07	145,987,951	133,095,332	11,674,895	1,217,402	0	321
RBP	84	CIG, TSG-NF & CSG Redistribution	TRANSPORT_07	1,592	942	184	451	0	15
RBP	85	Not Used	not_used	0	0	0	0	0	0
RBP	86	Total Account E382		145,989,543	133,096,274	11,675,079	1,217,853	0	337
RBP	87								
RBP	88								
RBP	89								
RBP	90								
RBP	91								
RBP	92								
RBP	93								
RBP	94								
RBP	95								
RBP	96								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
RBP	97	<b>GAS PLANT IN SERVICE CONTINUED</b>							
RBP	98								
RBP	99	<b>DISTRIBUTION PLANT CONTINUED</b>							
RBP	100								
RBP	101	G383-384 House Regulators & Installation							
RBP	102	Firm Allocation - Regulators - G383	HOUSEREG_03	38,504,809	32,617,782	3,995,936	1,886,182	0	4,910
RBP	103	Firm Allocation - Installation - G384	HSEREGINST_03	98,655,591	90,139,439	7,115,833	1,399,095	0	1,224
RBP	104	CIG, TSG-NF & CSG Redistribution	TRANSPORT_03	22,904	13,547	2,646	6,487	6	219
RBP	105	Not Used	not_used	0	0	0	0	0	0
RBP	106	Total Account G383-384		137,183,305	122,770,768	11,114,414	3,291,764	6	6,352
RBP	107								
RBP	108	G385 Industrial Meas and Regul Station Equip							
RBP	109	Firm Allocation - Regulators	LRGREG_03	40,304,082	8,017,957	14,440,886	13,459,495	0	4,385,743
RBP	110	Firm Allocation - Meters	LRGMTR_07	40,304,082	0	4,940,716	35,114,296	0	249,070
RBP	111	CIG, TSG-NF & CSG Redistribution - Regulators	TRANSPORT_03	1,440,400	851,933	166,386	407,947	375	13,759
RBP	112	CIG, TSG-NF & CSG Redistribution - Meters	TRANSPORT_07	1,440,400	851,933	166,386	407,947	375	13,759
RBP	113	Not Used	not_used	0	0	0	0	0	0
RBP	114	Total Account G385		83,488,964	9,721,823	19,714,375	49,389,685	750	4,662,331
RBP	115								
RBP	116	G386 Other Prop on Cust Prem	TRANSPORT_04	0	0	0	0	0	0
RBP	117								
RBP	118	G387-Other Equipment							
RBP	119	G387.1 Other Eqmt - Street Ltg Posts	DIRSLG_05	1,011,930	0	0	0	1,011,930	0
RBP	120	G387.2 Other Eqmt - Street Ltg Services	DIRSLG_03	509,787	0	0	0	509,787	0
RBP	121	Total Accounts G387		1,521,717	0	0	0	1,521,717	0
RBP	122								
RBP	123	G388 - Asset Retirement Obligations	PLT_376	10,834,324	6,694,221	1,321,991	2,744,608	696	72,807
RBP	124								
RBP	125	TOTAL DISTRIBUTION PLANT		6,380,421,816	4,583,471,738	791,894,419	976,722,670	1,722,826	26,610,163
RBP	126								
RBP	127								
RBP	128								
RBP	129								
RBP	130								
RBP	131								
RBP	132								
RBP	133								
RBP	134								
RBP	135								
RBP	136								
RBP	137								
RBP	138								
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RBP	140								
RBP	141								
RBP	142								
RBP	143								
RBP	144								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
RBP	145	<b>GAS PLANT IN SERVICE CONTINUED</b>							
RBP	146								
RBP	147	GENERAL AND COMMON PLANT							
RBP	148	E390-E398 GENERAL PLANT							
RBP	149	Meter Related	METERPLT	0	0	0	0	0	0
RBP	150	Regulator Plant Related	PLT_3834	0	0	0	0	0	0
RBP	151	Appliance Safety Related	CINST_04	0	0	0	0	0	0
RBP	152	Distribution Delivery	DISTPLTXMTR	94,801,809.33	68,330,004	11,430,493	14,593,034	27,511	420,767
RBP	153	Competitive Service	COMPSVSWK_04	0	0	0	0	0	0
RBP	154	SONP/RNP Related	CUSTAVG_04	0	0	0	0	0	0
RBP	155	Gas Peaking Plant Related	BALANCE_04	0	0	0	0	0	0
RBP	156	Total Accounts E390-E398		94,801,809	68,330,004	11,430,493	14,593,034	27,511	420,767
RBP	157								
RBP	158	C389-C399 COMMON PLANT							
RBP	159	ASB Work Related	CINST_04	0	0	0	0	0	0
RBP	160	Meter Plant Related	METERPLT	0	0	0	0	0	0
RBP	161	Meter Reading Related	MRCOST_07	0	0	0	0	0	0
RBP	162	Not Used	not_used	0	0	0	0	0	0
RBP	163	Customer Service Related	CUSTSVSX	30,712,825.39	27,459,626	2,498,137	642,118	380	112,565
RBP	164	Distribution Delivery Related	DISTPLTXMTR	36,360,558.08	26,207,486	4,384,084	5,597,054	10,552	161,382
RBP	165	Service & Support Related	UTILWORK_04	0	0	0	0	0	0
RBP	166	Unassigned	TOTPLT	11,799,953.63	8,463,685	1,460,294	1,823,709	3,110	49,155
RBP	167	Total Accounts C389-C399		78,873,337	62,130,797	8,342,515	8,062,881	14,042	323,102
RBP	168								
RBP	169	TOTAL GENERAL AND COMMON PLANT		173,675,146	130,460,801	19,773,009	22,655,914	41,553	743,869
RBP	170								
RBP	171								
RBP	172	<b>TOTAL GAS PLANT IN SERVICE (101)</b>		<b>6,713,609,232</b>	<b>4,815,431,693</b>	<b>830,837,663</b>	<b>1,037,603,187</b>	<b>1,769,686</b>	<b>27,967,004</b>
RBP	173								
RBP	174								
RBP	175								
RBP	176								
RBP	177								
RBP	178								
RBP	179								
RBP	180								
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RBP	190								
RBP	191								
RBP	192								



**PUBLIC SERVICE ELECTRIC GAS COMPANY  
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SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
RBD	49	<b>DEPRECIATION RESERVE &amp; AMORT CONTINUED</b>							
RBD	50								
RBD	51	<b>DISTRIBUTION PLANT CONTINUED</b>							
RBD	52								
RBD	53	G380 Services Reserve							
RBD	54	Firm Allocation	SERVICESR_03	783,395,795	654,521,214	88,717,495	38,974,051	0	1,183,034
RBD	55	CIG, TSG-NF & CSG Redistribution	TRANSPORT_03	6,209,011	3,672,355	717,227	1,758,503	1,616	59,311
RBD	56	Not Used	not_used	0	0	0	0	0	0
RBD	57	Total Account G380		789,604,806	658,193,569	89,434,722	40,732,554	1,616	1,242,345
RBD	58								
RBD	59	G381 Meters Reserve							
RBD	60	Firm Allocation	SMMETERSR_07	19,192,159	12,967,609	4,290,983	1,933,236	0	330
RBD	61	CIG, TSG-NF & CSG Redistribution	TRANSPORT_07	3,301	1,952	381	935	1	32
RBD	62	Not Used	not_used	0	0	0	0	0	0
RBD	63	Total Account G381		19,195,460	12,969,561	4,291,364	1,934,171	1	362
RBD	64								
RBD	65	G382 Meter Installations Reserve							
RBD	66	Firm Allocation	MTRINSTALR_07	42,287,036	39,032,056	2,958,725	296,185	0	70
RBD	67	CIG, TSG-NF & CSG Redistribution	TRANSPORT_07	565	334	65	160	0	5
RBD	68	Not Used	not_used	0	0	0	0	0	0
RBD	69	Total Account E382		42,287,602	39,032,391	2,958,791	296,345	0	75
RBD	70								
RBD	71	G383-384 House Regulators & Installation Reserve							
RBD	72	Firm Allocation - Regulators - G383	HOUSEREGR_03	18,990,814	15,975,699	2,013,202	995,760	0	6,152
RBD	73	Firm Allocation - Installation - G384	HSEREGINSTR_03	42,071,980	38,507,476	2,971,813	591,287	0	1,403
RBD	74	CIG, TSG-NF & CSG Redistribution	TRANSPORT_03	10,012	5,922	1,157	2,836	3	96
RBD	75	Not Used	not_used	0	0	0	0	0	0
RBD	76	Total Account G383-384		61,072,806	54,489,097	4,986,172	1,589,883	3	7,651
RBD	77								
RBD	78	G385 Industrial Meas and Regul Sta Equip Reserve							
RBD	79	Firm Allocation - Regulators	LRGREGR_03	11,491,185	404,953	4,914,733	3,362,025	0	2,809,474
RBD	80	Firm Allocation - Meters	LRGMTRR_07	11,491,185	0	1,397,152	9,954,542	0	139,490
RBD	81	CIG, TSG-NF & CSG Redistribution - Regulators	TRANSPORT_03	472,616	279,532	54,594	133,853	123	4,515
RBD	82	CIG, TSG-NF & CSG Redistribution - Meters	TRANSPORT_07	472,616	279,532	54,594	133,853	123	4,515
RBD	83	Not Used	not_used	0	0	0	0	0	0
RBD	84	Total Account G385		23,927,602	964,016	6,421,072	13,584,274	246	2,957,994
RBD	85								
RBD	86	G386 Other Prop on Cust Prem	TRANSPORT_04	0	0	0	0	0	0
RBD	87	G387.1 Other Eqmt - Street Ltg Posts	DIRSLG_05	660,435	0	0	0	660,435	0
RBD	88	G387.2 Other Eqmt - Street Ltg Services	DIRSLG_03	318,986	0	0	0	318,986	0
RBD	89								
RBD	90	TOTAL DISTRIBUTION PLANT RESERVE		2,084,777,279	1,478,650,701	248,240,303	345,010,591	1,061,878	11,813,806
RBD	91								
RBD	92								
RBD	93								
RBD	94								
RBD	95								
RBD	96								



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SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
RBD	97	<b>DEPRECIATION RESERVE &amp; AMORT CONTINUED</b>							
RBD	98								
RBD	99	GENERAL AND COMMON PLANT RESERVE							
RBD	100								
RBD	101	E390-E398 GENERAL PLANT - RESERVE							
RBD	102	Meter Related	METERPLT	0	0	0	0	0	0
RBD	103	Regulator Plant Related	PLT_3834	0	0	0	0	0	0
RBD	104	Appliance Safety Related	CINST_04	0	0	0	0	0	0
RBD	105	Distribution Delivery	DISTPLTXMTR	48,514,558.42	34,967,687	5,849,523	7,467,944	14,079	215,326
RBD	106	Competitive Service	COMPSVSWK_04	0	0	0	0	0	0
RBD	107	SONP/RNP Related	CUSTAVG_04	0	0	0	0	0	0
RBD	108	Gas Peaking Plant Related	BALANCE_04	0	0	0	0	0	0
RBD	109	Total Accounts E390-E398		48,514,558	34,967,687	5,849,523	7,467,944	14,079	215,326
RBD	110								
RBD	111	C389-C399 COMMON PLANT							
RBD	112	ASB Work Related	CINST_04	0	0	0	0	0	0
RBD	113	Meter Plant Related	METERPLT	0	0	0	0	0	0
RBD	114	Meter Reading Related	MRCOST_07	0	0	0	0	0	0
RBD	115	Not Used	not_used	0	0	0	0	0	0
RBD	116	Customer Service Related	CUSTSVSX	12,935,151.77	11,565,020	1,052,127	270,437	160	47,408
RBD	117	Distribution Delivery Related	DISTPLTXMTR	4,030,076.32	2,904,746	485,916	620,358	1,170	17,887
RBD	118	Service & Support Related	UTILWORK_04	0	0	0	0	0	0
RBD	119	Unassigned	TOTPLT	6,469,392.13	4,640,264	800,615	999,859	1,705	26,950
RBD	120	Total Accounts C389-C399 Reserve		23,434,620	19,110,029	2,338,658	1,890,654	3,035	92,245
RBD	121								
RBD	122	<b>TOTAL DEPRECIATION RESERVE &amp; AMORT.</b>							
RBD	123			2,270,656,638	1,604,882,415	270,209,333	382,049,865	1,081,767	12,433,258
RBD	124								
RBD	125	<b>NET GAS PLANT IN SERVICE</b>							
RBD	126			4,442,952,594	3,210,549,278	560,628,329	655,553,322	687,919	15,533,746
RBD	127								
RBD	128								
RBD	129								
RBD	130								
RBD	131								
RBD	132								
RBD	133								
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RBD	142								
RBD	143								
RBD	144								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
RBO	1	<b>ADDITIONS AND DEDUCTIONS TO RATE BASE</b>							
RBO	2								
RBO	3	<b>PLUS: ADDITIONS TO RATE BASE</b>							
RBO	4								
RBO	5	Working Capital							
RBO	6	Materials and Supplies Excl Fuel Stock	PSTDPLT	39,734,287	28,457,468	4,929,348	6,171,541	10,509	165,421
RBO	7	Fuel Stock & Fuel Stock Expense	not_used	0	0	0	0	0	0
RBO	8	Gas Stored Underground	not_used	0	0	0	0	0	0
RBO	9	Cash (lead/lag)	EXPENDITURES	252,143,812	195,946,062	28,951,396	26,289,985	130,322	826,046
RBO	10	Prepayments/Working Funds	EXPENDITURES	433,030	336,516	49,721	45,150	224	1,419
RBO	11	Total Working Capital		292,311,129	224,740,046	33,930,465	32,506,677	141,055	992,886
RBO	12	Net Plant Adds - Distribution	DISTPLT	975,541,901	700,795,161	121,077,604	149,337,131	263,413	4,068,591
RBO	13	Capital Stimulus Adjust	DISTPLT	0	0	0	0	0	0
RBO	14	Plant Held for Future Use	TOTPLT	96,280	69,058	11,915	14,880	25	401
RBO	15	Net Plant Adds - General & Other	TOTPLTNET	301,249,689	217,687,889	38,012,809	44,449,098	46,644	1,053,249
RBO	16	TOTAL ADDITIONS TO RATE BASE		1,569,199,000	1,143,292,155	193,032,793	226,307,786	451,138	6,115,128
RBO	17								
RBO	18								
RBO	19	<b>PLUS: DEDUCTIONS TO RATE BASE</b>							
RBO	20								
RBO	21	Customer Advances for Construction	MAIN_SERV	(19,722,411)	(14,274,965)	(2,361,896)	(3,009,841)	(2,446)	(73,262)
RBO	22	GSMP Roll-in #3	TOTPLT	(159,485,336)	(114,393,125)	(19,736,988)	(24,648,812)	(42,040)	(664,371)
RBO	23	Deferred Income Taxes and Credits							
RBO	24	ADIT Test/Post year	TOTPLT	(216,703,102)	(155,433,381)	(26,817,929)	(33,491,945)	(57,122)	(902,724)
RBO	25	Liberalized Depreciation	TOTPLT	128,670,440	92,290,703	15,923,514	19,886,302	33,917	536,005
RBO	26	Liberalized Depreciation - Production	BALANCE_04	2,823,347	1,797,128	342,205	684,014	0	0
RBO	27	Cost of Removal	TOTPLT	8,400,204	6,025,166	1,039,561	1,298,270	2,214	34,993
RBO	28	3% Investment Tax Credit	DISTPLT	0	0	0	0	0	0
RBO	29	Computer Software	TOTPLT	0	0	0	0	0	0
RBO	30	Capitalized Interest	TOTPLTNET	70,915	51,244	8,948	10,463	11	248
RBO	31	NJ Corporate Business Tax	STATEINCTAX	3,451,998	2,508,576	433,397	497,426	604	11,995
RBO	32	Defrd Tax & Consolidated Tax Adjustment	TOTPLT	(1,769,105,659)	(1,268,916,192)	(218,934,341)	(273,419,201)	(466,331)	(7,369,596)
RBO	33	Total Deferred Income Taxes and Credits		(1,842,391,857)	(1,321,676,756)	(228,004,645)	(284,534,670)	(486,706)	(7,689,079)
RBO	34								
RBO	35	TOTAL DEDUCTIONS TO RATE BASE		(2,021,599,605)	(1,450,344,847)	(250,103,529)	(312,193,324)	(531,192)	(8,426,712)
RBO	36								
RBO	37								
RBO	38	<b>TOTAL RATE BASE</b>		<b>3,990,551,989</b>	<b>2,903,496,586</b>	<b>503,557,593</b>	<b>569,667,784</b>	<b>607,865</b>	<b>13,222,161</b>
RBO	39								
RBO	40								
RBO	41								
RBO	42								
RBO	43								
RBO	44								
RBO	45								
RBO	46								
RBO	47								
RBO	48								



**PUBLIC SERVICE ELECTRIC GAS COMPANY  
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12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
E	1	<b>OPERATION &amp; MAINTENANCE EXPENSE</b>							
E	2								
E	3	<b>MANUFACTURED GAS PRODUCTION EXPENSE</b>							
E	4	G710-G718 Production Expenses Incl Labor	BALANCE_04	251,901	160,341	30,532	61,028	0	0
E	5	G722-G736 Gas Raw Materials	BALANCE_04	0	0	0	0	0	0
E	6	G739-G745 Operation & Maintenance Exp	BALANCE_04	977,169	621,991	118,438	236,739	0	0
E	7	Not Used	not_used	0	0	0	0	0	0
E	8	<b>TOTAL MANUFACTURED GAS PRODUCTION EXP</b>		<b>1,229,069</b>	<b>782,332</b>	<b>148,970</b>	<b>297,767</b>	<b>0</b>	<b>0</b>
E	9								
E	10	<b>OTHER GAS SUPPLY EXPENSE</b>							
E	11	G801 Natural Gas Field Line Purchases	not_used	0	0	0	0	0	0
E	12	G804 Natural Gas City Gate Purchases	not_used	0	0	0	0	0	0
E	13	G805 Other Gas Purchases	not_used	0	0	0	0	0	0
E	14	G808.1,.2 GasInject & W/D from Storage	not_used	0	0	0	0	0	0
E	15	G812 Gas Used for Other Util Oper	not_used	0	0	0	0	0	0
E	16	G813 Other Gas Supply Expenses							
E	17	Supply Related	not_used	0	0	0	0	0	0
E	18	Distribution Related	TRANSPORT_04	5,670,771	3,354,010	655,053	1,606,063	1,476	54,169
E	19	<b>TOTAL OTHER GAS SUPPLY EXPENSE</b>		<b>5,670,771</b>	<b>3,354,010</b>	<b>655,053</b>	<b>1,606,063</b>	<b>1,476</b>	<b>54,169</b>
E	20	<b>TOTAL GAS PRODUCTION AND SUPPLY</b>		<b>6,899,840</b>	<b>4,136,342</b>	<b>804,023</b>	<b>1,903,831</b>	<b>1,476</b>	<b>54,169</b>
E	21								
E	22	<b>OTHER STORAGE EXPENSE</b>							
E	23	G840-G842 Operation	BALANCE_04	161,767	102,969	19,607	39,191	0	0
E	24	G843 Maintenance	BALANCE_04	312,637	199,001	37,893	75,743	0	0
E	25	<b>TOTAL OTHER STORAGE EXPENSE</b>		<b>474,404</b>	<b>301,970</b>	<b>57,500</b>	<b>114,934</b>	<b>0</b>	<b>0</b>
E	26								
E	27	<b>TRANSMISSION EXPENSES</b>							
E	28	G850-G867 Transmission Exp	TRANPLT	2,558,168	1,582,080	312,504	646,396	154	17,034
E	29	<b>TOTAL TRANSMISSION EXPENSE</b>		<b>2,558,168</b>	<b>1,582,080</b>	<b>312,504</b>	<b>646,396</b>	<b>154</b>	<b>17,034</b>
E	30								
E	31	<b>DISTRIBUTION EXPENSES</b>							
E	32	Operation							
E	33	G870 Operation Supervision & Engineering	TLABDO	0	0	0	0	0	0
E	34	G871 Load Dispatching	TRANSPORT_04	0	0	0	0	0	0
E	35	G872 Compressor Station Labor & Expenses	TRANSPORT_04	0	0	0	0	0	0
E	36	G874 Mains & Services	MAIN_SERV	20,145,891	14,581,478	2,412,611	3,074,469	2,499	74,835
E	37	G875 Meas & Reg Station - General	PLT_3789	2,184,897	1,351,233	266,906	552,078	131	14,549
E	38	G876 Meas & Reg Station - Industrial	PLT_3789	13,963	8,635	1,706	3,528	1	93
E	39	G877 Meas & Reg Station - City Gate	PLT_3789	410,080	253,611	50,095	103,619	25	2,731
E	40	G878 Meter & House Reg	PLT_3814	8,418,451	6,656,661	1,281,275	480,362	0	154
E	41	G879 Customer Installations							
E	42	- Customer Installations	CINST_04	24,548,330	24,470,266	78,064	0	0	0
E	43	- Competitive Services by ASB	COMPSSVSWK_04	0	0	0	0	0	0
E	44	G880.0,.1,.2 Other Expenses	DISTEXPO	9,359,608	7,947,812	687,256	708,552	447	15,541
E	45	G880.3 Operation of Street Lighting	DIRSLG_05	0	0	0	0	0	0
E	46	G881 Rents	TRANSPORT_04	20,476	12,111	2,365	5,799	5	196
E	47	<b>Total Distribution Operation</b>		<b>65,101,696</b>	<b>55,281,807</b>	<b>4,780,277</b>	<b>4,928,407</b>	<b>3,107</b>	<b>108,098</b>
E	48								

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SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
E	49	<b>OPERATION &amp; MAINTENANCE EXPENSE CONTINUED</b>							
E	50								
E	51	<b>DISTRIBUTION EXPENSES CONTINUED</b>							
E	52	Maintenance							
E	53	G885 Maint. Supervision & Engineering	TLABDM	0	0	0	0	0	0
E	54	G886 Structures & Improvements	PLT_3745	4,408,455	3,166,880	547,147	674,852	1,190	18,386
E	55	G887 Mains	PLT_376	12,392,584	7,657,026	1,512,128	3,139,355	796	83,279
E	56	G888 Compressor Station Equip	PLT_377	0	0	0	0	0	0
E	57	G889 Meas & Reg Station - General	PLT_3789	1,746,894	1,080,353	213,399	441,404	105	11,632
E	58	G890 Meas & Reg Station - Industrial	PLT_3789	74,171	45,870	9,061	18,741	4	494
E	59	G891 Meas & Reg Station - City Gate	PLT_3789	2,032,508	1,256,990	248,290	513,573	122	13,534
E	60	G892 Services	SERVICES	4,033,930	3,318,798	474,570	236,175	725	3,662
E	61	G893 Meters & House Reg							
E	62	G893.1 - Meters	SMMETERS_07	10,857,110	7,236,223	2,509,641	1,111,113	0	131
E	63	G893.4 - House Regulators	PLT_3834	0	0	0	0	0	0
E	64	Not Used	not_used	0	0	0	0	0	0
E	65	G894 Maint of Other Equipment							
E	66	G894.0 - Maint of Other Equip	DISTEXPM	0	0	0	0	0	0
E	67	G894.1 - Maint of Gas Streetlights	DIRSLG_05	283,468	0	0	0	283,468	0
E	68	Total Distribution Maintenance		35,829,120	23,762,141	5,514,237	6,135,213	286,411	131,119
E	69	TOTAL DISTRIBUTION PLANT O&M EXPENSES		100,930,816	79,043,948	10,294,514	11,063,620	289,519	239,217
E	70								
E	71	TOTAL OPER & MAINT EXP (PROD,STOR, TRAN,& DIST)		112,092,298	85,846,671	11,617,511	14,026,548	291,148	310,420
E	72								
E	73								
E	74	<b>CUSTOMER ACCOUNTS EXPENSES</b>							
E	75	G901 Supervision	CUSTACCTS	0	0	0	0	0	0
E	76	G902 Meter Reading							
E	77	- Meter Reading Related	MRCOST_07	12,640,464	11,417,158	1,004,417	218,890	0	0
E	78	- Billing Related	BILLING_06	0	0	0	0	0	0
E	79	- Remaining	MRCOST_07	0	0	0	0	0	0
E	80	G903 Customer Records and Collection							
E	81	- SONP/RNP	CUSTAVG_06	1,016,462	917,912	80,775	17,696	15	65
E	82	- Meter O&M Related	METERPLT	44,809	30,754	7,678	6,351	0	27
E	83	- Meter Reading Related	MRCOST_07	82,681	74,679	6,570	1,432	0	0
E	84	- Billing Related	BILLING_06	12,406,599	10,817,227	1,002,583	434,840	395	151,554
E	85	- Acct Maint Related	ACCTMAINT_06	33,695,241	30,525,174	2,693,512	452,335	185	24,035
E	86	- Utility Work Related	UTILWORK_04	2,295,820	1,992,999	236,848	65,668	39	267
E	87	- Remaining	BILLING_06	6,765,990	5,899,220	546,763	237,142	215	82,651
E	88	Not used	not_used	0	0	0	0	0	0
E	89	G904 Uncollectible Accounts	EXP_904	32,272,208	24,161,353	3,715,502	4,187,288	0	208,066
E	90	G905 Misc Customer Accounts	CUSTACCTS	0	0	0	0	0	0
E	91	TOTAL CUSTOMER ACCTS EXPENSE		101,220,275	85,836,475	9,294,647	5,621,639	849	466,665
E	92								
E	93								
E	94								
E	95								
E	96								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
E	97	<b>OPERATION &amp; MAINTENANCE EXPENSE CONTINUED</b>							
E	98								
E	99	<b>CUSTOMER SERVICE &amp; INFO EXPENSES</b>							
E	100	G907 & 908 - Customer Service & Information							
E	101	- Billing	BILLING_06	107,720	93,920	8,705	3,775	3	1,316
E	102	- Acct Maint Related	ACCTMAINT_06	237,202	214,886	18,961	3,184	1	169
E	103	- Utility Work Related	UTILWORK_04	1,289,604	1,119,504	133,042	36,887	22	150
E	104	- Remaining	ACCTMAINT_06	0	0	0	0	0	0
E	105	G909 Info & Instr Advertising	TRANSPORT_04	0	0	0	0	0	0
E	106	G910 - Misc Cust Service & Info							
E	107	- Utility Work Related	UTILWORK_04	83,593	72,567	8,624	2,391	1	10
E	108	- Remaining	ACCTMAINT_06	422,272	382,545	33,755	5,669	2	301
E	109	TOTAL CUSTOMER SERVICE & INFO EXPENSES		2,140,391	1,883,422	203,087	51,906	30	1,946
E	110								
E	111	<b>SALES EXPENSES</b>							
E	112	G912 - Demonstrating and Selling	UTILWORK_04	924,164	802,266	95,341	26,434	16	107
E	113	G913 - Advertising	UTILWORK_04	0	0	0	0	0	0
E	114	G916 - Miscellaneous	UTILWORK_04	0	0	0	0	0	0
E	115	SALES EXPENSES TOTAL (ACCT 916)		924,164	802,266	95,341	26,434	16	107
E	116								
E	117	TOTAL OPER & MAINT EXCL A&G		216,377,128	174,368,833	21,210,586	19,726,527	292,043	779,138
E	118								
E	119								
E	120	<b>ADMINISTRATIVE &amp; GENERAL EXPENSE</b>							
E	121	G920 A&G Salaries	LABOR	3,929,409	3,486,439	241,068	192,021	2,342	7,538
E	122	G921 Office Supplies & Exp	LABOR	1,584,556	1,405,926	97,212	77,434	945	3,040
E	123	G923 Outside Services Employed							
E	124	- Gas Peaking Plant Related	BALANCE_04	17	11	2	4	0	0
E	125	- Remaining	TOMXFUEL904	39,493,695	32,629,254	3,487,201	3,202,515	52,293	122,432
E	126	G924 Property Insurance	TOTPLT	290,662	208,481	35,971	44,922	77	1,211
E	127	G925 Injuries & Damages	LABOR	4,878,224	4,328,292	299,278	238,388	2,908	9,359
E	128	G926 Employee Pension & Benefits							
E	129	- Gas Peaking Plant Related	BALANCE_04	218,107	138,830	26,436	52,841	0	0
E	130	- Remaining	LABOR	42,964,638	38,121,147	2,635,871	2,099,585	25,610	82,425
E	131	G928 Regulatory Comm Exp	TRANSPORT_04	4,531,596	2,680,238	523,462	1,283,429	1,179	43,287
E	132	G929 Duplicate Charges - credit	INTRAREV	(615,275)	0	(31,407)	(583,868)	0	0
E	133	G930.1 General Advertising Expenses	TRANSPORT_04	1,729,189	1,022,739	199,745	489,737	450	16,518
E	134	G930.2 Misc General Expenses	TRANSPORT_04	2,647,808	1,566,061	305,859	749,906	689	25,293
E	135	G931 Rents	AGEXP	3,806,384	3,206,504	292,484	292,477	3,246	11,674
E	136	G932 Maint of General Plant	COMGENPLT	0	0	0	0	0	0
E	137	G935 Other A&G Maint	COMGENPLT	0	0	0	0	0	0
E	138	Not Used	not_used	0	0	0	0	0	0
E	139	TOTAL A&G EXPENSE		105,459,010	88,793,921	8,113,182	8,139,392	89,738	322,777
E	140								
E	141	<b>TOTAL OPERATION &amp; MAINTENANCE EXPENSES</b>		321,836,138	263,162,755	29,323,768	27,865,919	381,782	1,101,915
E	142								
E	143								
E	144								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)	
DE	1	DEPRECIATION AND AMORTIZATION EXPENSES								
DE	2									
DE	3	G403 DEPRECIATION EXPENSE								
DE	4	Production Plant	BALANCE_04	1,503,562	957,053	182,240	364,269	0	0	
DE	5	Storage Plant	BALANCE_04	304,695	193,946	36,931	73,819	0	0	
DE	6	Transmission Plant	TRANPLT	1,844,051	1,140,440	225,268	465,953	111	12,279	
DE	7	Distribution Plant	DISTPLT	109,035,692	78,327,425	13,532,766	16,691,315	29,442	454,744	
DE	8	General and Common Plant	COMGENPLT	10,674,242	8,018,247	1,215,268	1,392,454	2,554	45,719	
DE	9	Not Used	not_used	0	0	0	0	0	0	
DE	10	TOTAL DEPRECIATION EXPENSE			123,362,242	88,637,110	15,192,473	18,987,811	32,106	512,742
DE	11									
DE	12	G404.3 AMORT OF OTHER LIMITED TERM PLANT								
DE	13	Customer Service Related	CUSTSVSX	234,265	209,451	19,055	4,898	3	859	
DE	14	AWMS	DISTPLT	0	0	0	0	0	0	
DE	15	Distribution	DISTPLT	540,220	388,075	67,048	82,698	146	2,253	
DE	16	Metering	METERPLT	29,719	20,397	5,092	4,212	0	18	
DE	17	All Other	PSTDPLT	0	0	0	0	0	0	
DE	18	TOTAL AMORT OF OTHER LIMITED TERM PLT			804,204	617,923	91,195	91,807	149	3,129
DE	19									
DE	20	G407 AMORT OF PROPERTY LOSSES								
DE	21	Remediation Adjustment Clause	not_used	0	0	0	0	0	0	
DE	22	Excess Cost of Removal	TOTPLT	(13,200,000)	(9,467,888)	(1,633,556)	(2,040,089)	(3,479)	(54,987)	
DE	23	TOTAL AMORT OF PROPERTY LOSSES			(13,200,000)	(9,467,888)	(1,633,556)	(2,040,089)	(3,479)	(54,987)
DE	24									
DE	25	TOTAL AMORTIZATION EXPENSE			(12,395,796)	(8,849,965)	(1,542,361)	(1,948,282)	(3,331)	(51,858)
DE	26									
DE	27	TOTAL DEPRECIATION AND AMORTIZATION EXPENSES			110,966,446	79,787,146	13,650,112	17,039,529	28,775	460,884
DE	28									
DE	29									
DE	30									
DE	31									
DE	32									
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**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
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SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
EO	1	<b>OTHER OPERATING EXPENSES</b>							
EO	2								
EO	3	<b>G408 TAXES OTHER THAN INCOME TAXES</b>							
EO	4	TEFA	TEFA_04	0	0	0	0	0	0
EO	5	Real Estate Taxes	TOTPLT	4,565,378.00	3,274,582	564,985	705,589	1,203	19,018
EO	6	State Unemploy Insur (SUI) Tax	LABOR	566,300.00	502,460	34,742	27,674	338	1,086
EO	7	Fed Insur Contr & UnempTax	LABOR	12,535,434.00	11,122,289	769,046	612,578	7,472	24,048
EO	8	Fed Insur Contr & UnempTax - Gas Peaking Plt	BALANCE_04	73,813.00	46,984	8,947	17,883	0	0
EO	9	Miscellaneous State and Municipal Tax	TOTPLT	814,676.00	584,338	100,820	125,910	215	3,394
EO	10	Federal Environmental Tax	PSTDPLT	0.00	0	0	0	0	0
EO	11	<b>TOTAL TAXES OTHER THAN INCOME</b>		18,555,601	15,530,653	1,478,539	1,489,634	9,228	47,547
EO	12								
EO	13	<b>PROFORMA EXPENSE ADJUSTMENTS</b>							
EO	14	Adj #1 - Annualization of Wages	LABOR	(4,696,915)	(4,167,423)	(288,155)	(229,528)	(2,800)	(9,011)
EO	15	Adj #2 - Annualization of Payroll Taxes	LABOR	(331,530)	(294,156)	(20,339)	(16,201)	(198)	(636)
EO	16	Adj #3 - Interest Synchronization Tax Savings	TOTPLTNET	1,001,400	723,628	126,360	147,756	155	3,501
EO	17	add'l tax effects on rev req	TOTPLTNET	691,584	499,750	87,267	102,043	107	2,418
EO	18	Adj #4 - Pension and Fringe Benefits	LABOR	(21,991,680)	(19,512,513)	(1,349,185)	(1,074,684)	(13,109)	(42,190)
EO	19	Adj #5 - Gas COLI Interest Expense	LABOR	(1,009,736)	(895,906)	(61,947)	(49,344)	(602)	(1,937)
EO	20	add'l tax effects on rev req	LABOR	(697,341)	(618,728)	(42,782)	(34,077)	(416)	(1,338)
EO	21	Postage	CUSTACCTS	0	0	0	0	0	0
EO	22	Adj #22 - BPU/RPA Assessments	TRANSPORT_04	(278,435)	(164,682)	(32,163)	(78,858)	(72)	(2,660)
EO	23	Adj #6 - Weather Normalization	not_used	0	0	0	0	0	0
EO	24	Adj #7 - Gains/Losses on Sales of Property	TOTPLT	35,405	25,395	4,381	5,472	9	147
EO	25	add'l tax effects on rev req	TOTPLT	24,451	17,538	3,026	3,779	6	102
EO	26	Adj #23 - Test Year Corrections	TOTPLT	761,384	546,114	94,225	117,674	201	3,172
EO	27	Customer Information System Amort	CUSTSVSX	0	0	0	0	0	0
EO	28	Adj #8 - Real Estate Taxes	TOTPLT	(365,541)	(262,190)	(45,237)	(56,495)	(96)	(1,523)
EO	29	Capital Stimulus (Depreciation)	DISTPLT	0	0	0	0	0	0
EO	30	Adj #9 - Insurance	TOTPLT	(103,220)	(74,036)	(12,774)	(15,953)	(27)	(430)
EO	31	Adj #15 - Excess COR Refund Recovery	TOTPLT	(12,475,865)	(8,948,492)	(1,543,941)	(1,928,173)	(3,289)	(51,971)
EO	32	Adj #16 - Test Year Amortization Adjustments	TOTPLT	(8,805,615)	(6,315,953)	(1,089,732)	(1,360,927)	(2,321)	(36,682)
EO	33	Adj #11 - TSGNF Margin Sharing	not_used	0	0	0	0	0	0
EO	34	Adj #12 - Depreciation Rate Change/Annualization	DEPREXP	(77,502,480)	(55,686,373)	(9,544,690)	(11,929,115)	(20,171)	(322,131)
EO	35	Capital Stimulus Revenue	DISTPLT	0	0	0	0	0	0
EO	36	Adj #10 - ASB Margin	TOTPLT	(13,177,104)	(9,451,465)	(1,630,723)	(2,036,551)	(3,473)	(54,892)
EO	37	Adj #13 - Storm Cost Amortization	TOTPLTNET	0	0	0	0	0	0
EO	38	Adj #17 - Regulatory Assets	TOTPLT	0	0	0	0	0	0
EO	39	Adj #18 - Rate Case Expenses	TOTPLT	24,854	17,827	3,076	3,841	7	104
EO	40	Tax - Repair Allowance	DISTPLT	0	0	0	0	0	0
EO	41	Tax - Flow Through Items	DISTPLT	0	0	0	0	0	0
EO	42	Adj #14 Post Rate Case Storm Cost Normalization	TOTPLT	0	0	0	0	0	0
EO	43	Adj #19 - Credit Card Fees	CUSTSVSX	(1,623,248)	(1,451,309)	(132,033)	(33,938)	(20)	(5,949)
EO	44	Adj #20 - Vacation Accrual	LABOR	(2,406,329)	(2,135,058)	(147,628)	(117,592)	(1,434)	(4,616)
EO	45	Adj #21 - Energy Strong / GSMP Revenue Adjust	TOTPLT	7,322,590	5,252,232	906,202	1,131,723	1,930	30,504
EO	46	<b>TOTAL PROFORMA EXPENSE ADJUSTMENTS</b>		(135,603,371)	(102,895,801)	(14,716,791)	(17,449,148)	(45,612)	(496,018)
EO	47								
EO	48	<b>TOTAL OTHER OPERATING EXPENSES</b>		(117,047,770)	(87,365,148)	(13,238,252)	(15,959,514)	(36,385)	(448,471)



**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
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SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
TI	1	<b>DEVELOPMENT OF INCOME TAXES</b>							
TI	2								
TI	3	TOTAL OPERATING REVENUES	SCH REV, LN 28	937,478,461	707,027,876	107,544,171	119,113,220	487,337	3,305,857
TI	4	LESS:							
TI	5	OPERATION & MAINTAINENCE EXPENSE	SCH E, LN 141	321,836,138	263,162,755	29,323,768	27,865,919	381,782	1,101,915
TI	6	DEPRECIATION & AMORTIZATION EXPENSE	SCH DE, LN 27	110,966,446	79,787,146	13,650,112	17,039,529	28,775	460,884
TI	7	OTHER OPERATING EXPENSES	SCH EO, LN 48	(117,047,770)	(87,365,148)	(13,238,252)	(15,959,514)	(36,385)	(448,471)
TI	8	NET OPERATING INCOME BEFORE TAXES		621,723,647	451,443,124	77,808,543	90,167,287	113,164	2,191,530
TI	9	LESS:							
TI	10	G427 - G431 INTEREST CHARGES	TOTPLTNET	65,316,923	47,199,063	8,241,933	9,637,448	10,113	228,365
TI	11	<b>TOTAL OPERATING INCOME BEFORE TAXES</b>		556,406,724	404,244,060	69,566,610	80,529,839	103,051	1,963,164
TI	12								
TI	13	<b>TAX ADJUSTMENTS - FEDERAL</b>							
TI	14								
TI	15	Credits & Adjustments	TOTPLT	325,000	233,111	40,220	50,229	86	1,354
TI	16	Repair Allowance	TOTPLT	0	0	0	0	0	0
TI	17	Uncollectible Accounts - Writeoff	EXP_904	1,729,674	1,294,961	199,137	224,424	0	11,152
TI	18	Injuries and Damages	TOTPLT	606,244	434,837	75,025	93,696	160	2,525
TI	19	Meals & Entertainment	LABOR	172,075	152,676	10,557	8,409	103	330
TI	20	Company owned life insurance	LABOR	(367,196)	(325,801)	(22,527)	(17,944)	(219)	(704)
TI	21	ESOP/401(k) Cash Dividends	TOTPLTNET	(1,127,749)	(814,930)	(142,304)	(166,398)	(175)	(3,943)
TI	22	Medicare Subsidy	LABOR	316,199	280,553	19,399	15,452	188	607
TI	23	Allowable Depreciation	DEPREXP	(158,671,156)	(114,006,948)	(19,540,884)	(24,422,528)	(41,296)	(659,500)
TI	24	Book Depreciation	DEPREXP	0	0	0	0	0	0
TI	25	Previously Ded Amort-Reacq Bonds	not_used	0	0	0	0	0	0
TI	26	Amortization of Computer Software	INTANGPLT	0	0	0	0	0	0
TI	27	*Amort Def Gain - Sale of Gen Asset	not_used	0	0	0	0	0	0
TI	28	*Gain on Sale of Services Corp Asset	not_used	0	0	0	0	0	0
TI	29	AFUDC / IDC	TOTPLT	(124,561)	(89,343)	(15,415)	(19,251)	(33)	(519)
TI	30	Cost of removal	TOTPLT	0	0	0	0	0	0
TI	31	*Utility Commodity Costs-Non-Taxable Income	not_used	0	0	0	0	0	0
TI	32	*RAC-Environmental Cleanup Costs - Debit	not_used	0	0	0	0	0	0
TI	33	*SBC-Societal Benefits Clause - Unallow Deductio	not_used	0	0	0	0	0	0
TI	34	Deferred Comp - officers	LABOR	(5,518)	(4,896)	(339)	(270)	(3)	(11)
TI	35	*Deduction of Securitized	not_used	0	0	0	0	0	0
TI	36	Accrued vacation pay adjustment	LABOR	85,318	75,700	5,234	4,169	51	164
TI	37	3rd Party Claims	TOTPLT	(948)	(680)	(117)	(146)	(0)	(4)
TI	38	Gain/loss bond reacq	not_used	0	0	0	0	0	0
TI	39	Amortization of Call Option Sale	LABOR	0	0	0	0	0	0
TI	40	Contribution in Aid of Construct	TOTPLTNET	(573,555)	(414,460)	(72,373)	(84,627)	(89)	(2,005)
TI	41	Pension Accrual Adjustment	LABOR	3,900,029	3,460,371	239,266	190,586	2,325	7,482
TI	42	Unallowable OPEB Amortization	LABOR	(6,122,331)	(5,432,148)	(375,604)	(299,185)	(3,649)	(11,745)
TI	43	NJ BPU assessment	TOTPLTNET	115,925	83,769	14,628	17,105	18	405
TI	44	Unicap book/tax inventory	TOTPLTNET	30,217	21,835	3,813	4,458	5	106
TI	45	W-2 Earnings Exceeding \$1,000,000	LABOR	355,085	315,055	21,784	17,352	212	681
TI	46	Diesel Fuel Tax Credit	not_used	0	0	0	0	0	0
TI	47	Deferred Depreciation & Return on CIP II	TOTPLTNET	38,244	27,636	4,826	5,643	6	134
TI	48	Capitalized Interest - Section 263A	TOTPLT	254,491	182,537	31,494	39,332	67	1,060

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				(1)	(2)	(3)	(4)	(5)	(6)
TI	49	Clause - Deferred Fuel	not_used	0	0	0	0	0	0
TI	50	Restricted Stock - Permanent	LABOR	(313,507)	(278,165)	(19,234)	(15,320)	(187)	(601)
TI	51	Materials & Supplies Reserve	TOTPLT	(659,085)	(472,738)	(81,565)	(101,863)	(174)	(2,746)
TI	52	Amortization of Reacquisition of Pref Stock	TOTPLTNET	(5,087)	(3,676)	(642)	(751)	(1)	(18)
TI	53	Lobbying Expenses	LABOR	181,641	161,164	11,144	8,876	108	348
TI	54	Penalties	not_used	0	0	0	0	0	0
TI	55	Dividends Received Deduction	TOTPLTNET	(14,574)	(10,532)	(1,839)	(2,150)	(2)	(51)
TI	56	Real Estate Taxes	TOTPLTNET	(370,590)	-267794.2957	-46762.4246	-54680.18861	-57.37986724	-1295.68123
TI	57	Line Pack Adjustment	TOTPLTNET	(31,240)	-22574.85356	-3942.036498	-4609.497927	-4.837078763	-109.2249331
TI	58	Legal Reserves	TOTPLTNET	(53,487)	(38,651)	(6,749)	(7,892)	(8)	(187)
TI	59	PIP Adjustment	LABOR	(163,297)	(144,888)	(10,018)	(7,980)	(97)	(313)
TI	60	Casualty Insurance Proceeds	TOTPLT	(141,430)	(101,443)	(17,503)	(21,858)	(37)	(589)
TI	61	Miscellaneous (R&D Exp., Limit Term Util Plant, At	TOTPLT	9,119	6,541	1,129	1,409	2	38
TI	62	<b>TOTAL TAX ADJUSTMENTS - FEDERAL</b>		(160,626,053)	(115,698,922)	(19,680,160)	(24,546,313)	(42,702)	(657,956)
TI	63								
TI	64								
TI	65								
TI	66	<b>DEVELOPMENT OF INCOME TAXES CONTINUED</b>							
TI	67								
TI	68	<b>TAX ADJUSTMENTS - STATE</b>							
TI	69	Reverse TEFA	TEFA_04	0	0	0	0	0	0
TI	70	Federal Depreciation Reversal	TOTPLT	78,560,441	56,348,593	9,722,188	12,141,690	20,708	327,261
TI	71	State Tax Depreciation	DEPREXP	23,048,241	16,560,411	2,838,468	3,547,565	5,999	95,798
TI	72	Amortization of Service's Asset Sale	TOTPLTNET	0	0	0	0	0	0
TI	73	NOL Utilization	TOTPLTNET	0	0	0	0	0	0
TI	74	<b>TOTAL TAX ADJUSTMENTS - STATE</b>		101,608,681	72,909,004	12,560,656	15,689,256	26,707	423,058
TI	75								
TI	76	<b>TAXABLE NET INCOME - STATE</b>		497,389,352	361,454,143	62,447,106	71,672,781	87,056	1,728,267
TI	77	State Tax Liability at 9.000%		44,765,042	32,530,873	5,620,240	6,450,550	7,835	155,544
TI	78	Prior Year Adjustment & State Credit	TOTPLTNET	0	0	0	0	0	0
TI	79	<b>TOTAL STATE INCOME TAX LIABILITY</b>		44,765,042	32,530,873	5,620,240	6,450,550	7,835	155,544
TI	80								
TI	81	<b>TAXABLE NET INCOME - FEDERAL</b>		351,015,629	256,014,266	44,266,210	49,532,975	52,514	1,149,665
TI	82	Federal Tax Liability at 35.000%		122,855,470	89,604,993	15,493,174	17,336,541	18,380	402,383
TI	83	Prior Yr & Oth Adjustments	TOTPLTNET	0	0	0	0	0	0
TI	84	Not Used	not_used	0	0	0	0	0	0
TI	85	<b>TOTAL FEDERAL INCOME TAX LIABILITY</b>		122,855,470	89,604,993	15,493,174	17,336,541	18,380	402,383
TI	86								
TI	87	<b>TOTAL INCOME TAX EXPENSE</b>		167,620,512	122,135,866	21,113,413	23,787,091	26,215	557,927
TI	88								
TI	89	<b>TAX RATES</b>							
TI	90	FEDERAL TAX RATE - CURRENT	35.000%						
TI	91	NEW JERSEY CORP BUSINESS TAX RATE	9.000%						
TI	92	CUSTOMER ACCT UNCOLLECTIBLE RATE	0.000%						
TI	93	EFFECTIVE TAX RATE	40.850%						
TI	94	COMPOSITE RATE	40.850%						
TI	95	1 - EFFECTIVE TAX RATE	59.15000%						
TI	96								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
TI	97	<b>DEVELOPMENT OF OPERATING INCOME ADJUSTED</b>							
TI	98								
TI	99	<b>G410 + G411- PROVISION FOR DEFERRED INCOME TAX</b>							
TI	100	Depreciation	DEPREXP	156,532,670	112,470,423	19,277,522	24,093,375	40,739	650,611
TI	101	Previously Ded Amort-Reacq Bonds	not_used	0	0	0	0	0	0
TI	102	Amortization of Computer Software	INTANGPLT	0	0	0	0	0	0
TI	103	Clause - Deferred Fuel	not_used	0	0	0	0	0	0
TI	104	*Gain on Sale of Services Corp Asset	not_used	0	0	0	0	0	0
TI	105	AFUDC / IDC	TOTPLT	124,561	89,343	15,415	19,251	33	519
TI	106	Capitalized interest-Section 263A	TOTPLT	(254,491)	(182,537)	(31,494)	(39,332)	(67)	(1,060)
TI	107	Cost of removal	TOTPLT	0	0	0	0	0	0
TI	108	*Utility Commodity Costs-Non-Taxable Income	not_used	0	0	0	0	0	0
TI	109	*RAC-Environmental Cleanup Costs - Debit	not_used	0	0	0	0	0	0
TI	110	*SBC-Societal Benefits Clause - Unallow Deductio	not_used	0	0	0	0	0	0
TI	111	Deferred Comp - Officers	LABOR	5,518	4,896	339	270	3	11
TI	112	*Deduction of Securitization	not_used	0	0	0	0	0	0
TI	113	Accrued vacation pay adjustment	LABOR	(85,318)	(75,700)	(5,234)	(4,169)	(51)	(164)
TI	114	3rd Party Claims & Injuries & Damages	TOTPLT	(97)	(70)	(12)	(15)	(0)	(0)
TI	115	Gain/loss bond reacq	not_used	0	0	0	0	0	0
TI	116	Amortization of Call Option Sale	LABOR	0	0	0	0	0	0
TI	117	Defer Dividend Equivalents/Restricted Stock-Temp	LABOR	0	0	0	0	0	0
TI	118	Contribution in Aid of Construct	TOTPLTNET	573,555	414,460	72,373	84,627	89	2,005
TI	119	Pension Accrual Adjustment	LABOR	(3,900,029)	(3,460,371)	(239,266)	(190,586)	(2,325)	(7,482)
TI	120	Unallowable OPEB Amortization	LABOR	6,122,331	5,432,148	375,604	299,185	3,649	11,745
TI	121	Fin Def-Energy Competition Act Ct	TOTPLT	518	372	64	80	0	2
TI	122	Rabbi Trust Unrealized Losses	LABOR	2,291	2,033	141	112	1	4
TI	123	Additional Real Estate Taxes	TOTPLT	370,590	265,811	45,862	57,276	98	1,544
TI	124	PIP Adjustment	LABOR	163,297	144,888	10,018	7,980	97	313
TI	125	Deferred NJ Corp Bus Tax(Net of FIT)	TOTPLTNET	0	0	0	0	0	0
TI	126	Misc	TOTPLT	141,450	101,457	17,505	21,861	37	589
TI	127	Construction Period Interest	TOTPLTNET	0	0	0	0	0	0
TI	128	Cost of Removal-Flowthrough	TOTPLT	0	0	0	0	0	0
TI	129	Deferred Return on CIP II	TOTPLT	(26,238)	(18,820)	(3,247)	(4,055)	(7)	(109)
TI	130	Deferred Depreciation on CIP II	TOTPLT	(12,006)	(8,612)	(1,486)	(1,856)	(3)	(50)
TI	131	Investment Tax Credit	TOTPLT	(1,268,004)	(909,494)	(156,921)	(195,973)	(334)	(5,282)
TI	132	Assessment by Board of Public Utilities of the State	TOTPLTNET	(115,925)	(83,769)	(14,628)	(17,105)	(18)	(405)
TI	133	Legal Reserves	LABOR	53,487	47,458	3,281	2,614	32	103
TI	134	Line Pack Adjustment	TOTPLT	31,240	22,408	3,866	4,828	8	130
TI	135	Materials & Supply	TOTPLT	659,085	472,738	81,565	101,863	174	2,746
TI	136	Medicare Subsidy - Temp NC	LABOR	(316,199)	(280,553)	(19,399)	(15,452)	(188)	(607)
TI	137	<b>TOTAL DEFERRED INCOME TAX</b>		<b>158,802,288</b>	<b>114,448,510</b>	<b>19,431,868</b>	<b>24,224,779</b>	<b>41,968</b>	<b>655,163</b>
TI	138								
TI	139	<b>This Section is not used at this time</b>							
TI	140	<b>PROFORMA OPERATING INCOME ADJUSTMENTS</b>							
TI	141	Not Used	not_used	0	0	0	0	0	0
TI	142	Not Used	not_used	0	0	0	0	0	0
TI	143	Not Used	not_used	0	0	0	0	0	0
TI	144	<b>OPERATING INCOME ADJUSTED</b>		<b>295,300,847</b>	<b>214,858,747</b>	<b>37,263,262</b>	<b>42,155,416</b>	<b>44,982</b>	<b>978,440</b>

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
LR	1	<b>DEVELOPMENT OF LABOR ALLOCATION FACTOR</b>							
LR	2	Labor portion included in O&M Expense							
LR	3								
LR	4	<b>G700-G742 MANUFACTURED GAS LABOR EXP</b>	MFGO_M	792,921	504,713	96,106	192,102	0	0
LR	5	<b>G813 GAS SUPPLY LABOR EXPENSE</b>	EXP_813	4,135,706	2,446,087	477,732	1,171,306	1,076	39,506
LR	6	<b>G840-G843 STORAGE PLANT LABOR EXP</b>	STOREXP	246,879	157,144	29,923	59,812	0	0
LR	7	<b>G850-G867 TRANSMISSION LABOR EXP</b>	TRANEXP	461,212	285,233	56,341	116,539	28	3,071
LR	8								
LR	9	<b>DISTRIBUTION LABOR EXPENSE</b>							
LR	10	Operation							
LR	11	G870 Operation Supervision & Engineering	TLABDO	0	0	0	0	0	0
LR	12	G871 Load Dispatching	EXP_871	0	0	0	0	0	0
LR	13	G872 Compressor Station Labor & Expenses	EXP_872	0	0	0	0	0	0
LR	14	G874 Mains & Services	EXP_874	13,057,133	9,450,676	1,563,683	1,992,652	1,619	48,503
LR	15	G875-877 Meas & Reg Station	EXP_8757	1,194,470	738,711	145,916	301,818	72	7,954
LR	16	G878 Meter & House Reg	EXP_878	5,986,888	4,733,969	911,195	341,615	0	109
LR	17	G879 Customer Installations - Total	EXP_879	80,906,789	80,649,506	257,284	0	0	0
LR	18	G880.1 Miscellaneous Dist Exp	EXP_8801	2,537,720	2,154,932	186,339	192,114	121	4,214
LR	19	G880.3 Operation of Street Lighting	EXP_8803	0	0	0	0	0	0
LR	20	G881 Rents	EXP_881	0	0	0	0	0	0
LR	21	Total Operation		103,683,001	97,727,794	3,064,416	2,828,199	1,812	60,780
LR	22	Maintenance							
LR	23	G885 Maint. Supervision & Engineering	TLABDM	0	0	0	0	0	0
LR	24	G886 Structures & Improvements	EXP_886	1,646,174	1,182,554	204,312	251,998	444	6,866
LR	25	G887 Mains	EXP_887	5,402,667	3,338,154	659,227	1,368,632	347	36,306
LR	26	G888 Compressor Station Equip	EXP_888	0	0	0	0	0	0
LR	27	G889-891 Meas & Reg Station	EXP_8891	2,314,353	1,431,294	282,720	584,789	139	15,411
LR	28	G892 Services	EXP_892	2,074,639	1,706,848	244,070	121,464	373	1,883
LR	29	G893 Meters & House Reg	EXP_893	7,565,228	5,042,196	1,748,717	774,223	0	92
LR	30	G894 Maint of Other Equipment - Total	EXP_894	98,629	0	0	0	98,629	0
LR	31	Not Used	not_used	0	0	0	0	0	0
LR	32	Total Maintenance		19,101,689	12,701,047	3,139,045	3,101,106	99,933	60,558
LR	33	<b>TOTAL DISTRIBUTION LABOR EXPENSE</b>		<b>122,784,690</b>	<b>110,428,841</b>	<b>6,203,461</b>	<b>5,929,305</b>	<b>101,745</b>	<b>121,337</b>
LR	34								
LR	35	<b>G901-G903,G905 CUST ACCOUNTS EXPENSE</b>	CUSTACCTS	44,132,242	39,476,979	3,571,096	918,099	544	165,524
LR	36	<b>G907-G910, xDSM CUST SERV &amp; INFO EXP</b>	CUSTS_I	2,378,255	2,092,728	225,657	57,675	34	2,162
LR	37	<b>G911-G916 SALES EXPENSE</b>	SALESEXP	269,430	233,892	27,796	7,707	5	31
LR	38	<b>ADMIN &amp; GENERAL EXP ACCOUNTS xG926</b>	AGEXP	3,902,390	3,287,379	299,861	299,854	3,328	11,969
LR	39	<b>Employee Pension/Benefits Acct G926</b>	LABOR	0	0	0	0	0	0
LR	40								
LR	41	<b>TOTAL OPERATION &amp; MAINT LABOR EXPENSE</b>		<b>179,103,725</b>	<b>158,912,997</b>	<b>10,987,973</b>	<b>8,752,396</b>	<b>106,758</b>	<b>343,600</b>
LR	42								
LR	43								
LR	44								
LR	45								
LR	46								
LR	47								
LR	48								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
CA	1	<b>DEVELOPMENT OF CAPITAL ADDITIONS ALLOCATION FACTOR</b>							
CA	2								
CA	3	<b>INTANGIBLE PLANT - G301-G303</b>	INTANGPLT	0	0	0	0	0	0
CA	4	<b>PRODUCTION PLANT - G304-G347</b>	PRODPLT	727,439	463,032	88,169	176,237	0	0
CA	5	<b>STORAGE PLANT - G360-G363</b>	STORPLT	312,169	198,703	37,837	75,629	0	0
CA	6	<b>TRANSMISSION PLANT - G365-G371</b>	TRANPLT	0	0	0	0	0	0
CA	7								
CA	8	<b>DISTRIBUTION PLANT</b>							
CA	9	G374 Land and Land Rights & G375 Structure &	PLT_3745	826,172	593,493	102,539	126,471	223	3,446
CA	10	G376 Mains	PLT_376	116,314,171	71,867,223	14,192,514	29,465,320	7,474	781,640
CA	11	G377 Compressor Station Equipment	PLT_377	0	0	0	0	0	0
CA	12	G378-G379 Meas & Regul Eqmt	PLT_3789	4,127,895	2,552,866	504,261	1,043,033	248	27,487
CA	13	G380 Services	SERVICES	397,544,204	327,067,882	46,768,904	23,275,052	71,494	360,872
CA	14	G381 Meters	PLT_381	36,350,464	24,227,391	8,402,387	3,720,239	0	447
CA	15	G382 Meter Installations	PLT_382	202,082	184,234	16,161	1,686	0	0
CA	16	G383-384 House Regulators & Install	PLT_3834	149,016	133,360	12,073	3,576	0	7
CA	17	G385 Ind Reg & Meas Eqmt	PLT_385	11,305,357	1,316,446	2,669,551	6,687,926	102	631,333
CA	18	<b>TOTAL DISTRIBUTION PLANT</b>		566,819,360	427,942,895	72,668,390	64,323,303	79,541	1,805,232
CA	19								
CA	20	<b>COMMON PLANT</b>	COMPLT	0	0	0	0	0	0
CA	21	<b>GENERAL PLANT EXCL INTANGIBLE PLT</b>	GENPLT	6,517,814	4,697,825	785,869	1,003,300	1,891	28,929
CA	22								
CA	23								
CA	24	<b>TOTAL CAPITAL ADDITIONS</b>		574,376,783	433,302,455	73,580,265	65,578,470	81,432	1,834,160
CA	25								
CA	26								
CA	27								
CA	28								
CA	29								
CA	30								
CA	31								
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CA	47								
CA	48								

SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
AF	1	<b>ALLOCATION FACTOR TABLE</b>							
AF	2	<b><u>EXTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>							
AF	3								
AF	4	<b><u>CAPACITY RELATED</u></b>							
AF	5								
AF	6	Peak-Hour Sendout - delivery	PEAKHOUR_04	1,287	796	157	325	0	9
AF	7								
AF	8								
AF	9								
AF	10								
AF	11								
AF	12								
AF	13								
AF	14								
AF	15								
AF	16								
AF	17	<b><u>COMMODITY RELATED</u></b>							
AF	18	Annual transported gas @mtr - delivery	TRANSPORT_04	2,461,249,717	1,455,720,141	284,308,600	697,069,826	640,471	23,510,679
AF	19	Balancing therms - delivery	BALANCE_04	1,393,064,631	886,719,099	168,846,822	337,498,709	0	0
AF	20	Annual transported gas @mtr - access	TRANSPORT_03	2,461,249,717	1,455,720,141	284,308,600	697,069,826	640,471	23,510,679
AF	21	Annual transported gas @mtr - meters	TRANSPORT_07	2,461,249,717	1,455,720,141	284,308,600	697,069,826	640,471	23,510,679
AF	22								
AF	23	TEFA \$ responsibility W/N - delivery	TEFA_04	0	0	0	0	0	0
AF	24								
AF	25								
AF	26								
AF	27								
AF	28								
AF	29								
AF	30								
AF	31								
AF	32								
AF	33								
AF	34								
AF	35								
AF	36	<b><u>BILLING DETERMINANTS</u></b>							
AF	37								
AF	38	Number of Customers		1,816,880	1,652,784	145,403	18,640	16	37
AF	39	Transported Gas at Meter (calendar)		2,461,249,717	1,455,720,141	284,308,600	697,069,826	640,471	23,510,679
AF	40								
AF	41								
AF	42								
AF	43								
AF	44								
AF	45								
AF	46								
AF	47								
AF	48								



**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
AF	97	<b>ALLOCATION FACTOR TABLE CONTINUED</b>							
AF	98	<b>INTERNALLY DEVELOPED ALLOCATION FACTORS</b>							
AF	99								
AF	100	Dummy allocator for unused lines	not_used	0	0	0	0	0	0
AF	101								
AF	102	<b>Plant Related</b>							
AF	103	Acct G301-G303 Intangible Plt	INTANGPLT	0	0	0	0	0	0
AF	104	Acct G399.10-23 Oth Tangible Plt	TANGPLT	5,857,613	5,302,920	461,595	72,574	(33)	20,557
AF	105	Production Plant Total	PRODPLT	54,051,153	34,404,858	6,551,287	13,095,009	0	0
AF	106	Storage Plant Total	STORPLT	10,637,156	6,770,805	1,289,280	2,577,071	0	0
AF	107	Transmission Plant Total	TRANPLT	88,966,347	55,020,571	10,868,073	22,479,948	5,340	592,414
AF	108	Distribution Plant Total	DISTPLT	6,380,421,816	4,583,471,738	791,894,419	976,722,670	1,722,826	26,610,163
AF	109	G391-G398 General Plant	GENPLT	94,801,809	68,330,004	11,430,493	14,593,034	27,511	420,767
AF	110	Common Plant	COMPLT	78,873,337	62,130,797	8,342,515	8,062,881	14,042	323,102
AF	111	Accts C389-C399, G391-E398 Com & Gen Plt	COMGENPLT	173,675,146	130,460,801	19,773,009	22,655,914	41,553	743,869
AF	112	Total Prod, Storage, Transmission, & Dist Plant	PSTDPLT	6,534,076,472	4,679,667,972	810,603,059	1,014,874,699	1,728,166	27,202,577
AF	113	Total Plant	TOTPLT	6,713,609,232	4,815,431,693	830,837,663	1,037,603,187	1,769,686	27,967,004
AF	114								
AF	115	Distribution Plant x Meters & Installs	DISTPLTXMTR	5,935,452,701	4,278,077,715	715,652,508	913,656,199	1,722,449	26,343,831
AF	116	Acct G374-375 - Land & Structures	PLT_3745	53,869,741	38,698,137	6,685,945	8,246,445	14,546	224,669
AF	117	Acct G376 - Mains	PLT_376	2,666,043,183	1,647,272,369	325,307,357	675,376,141	171,315	17,916,001
AF	118	Acct G377 - Compressor Station Equip	PLT_377	0	0	0	0	0	0
AF	119	Acct G378-379 - Meas & Regul Station Equip	PLT_3789	170,186,128	105,250,337	20,789,831	43,002,500	10,215	1,133,245
AF	120	Acct G380 & 387.2 - Services	SERVICES	2,854,579,609	2,348,521,992	335,825,697	167,127,299	513,366	2,591,255
AF	121	Acct G376, G380 & 387.2 - Mains & Services	MAIN_SERV	5,520,622,792	3,995,794,361	661,133,054	842,503,440	684,681	20,507,255
AF	122	Acct G381 - House Meters	PLT_381	257,235,090	171,445,816	59,459,731	26,326,375	1	3,166
AF	123	Acct G382 - Meter Installations	PLT_382	145,989,543	133,096,274	11,675,079	1,217,853	0	337
AF	124	Acct G381,382, & 385 - Meters	METERPLT	444,969,115	305,394,023	76,241,912	63,066,471	377	266,332
AF	125	Acct G381-384 - Meters & House Regulators	PLT_3814	540,407,937	427,312,858	82,249,224	30,835,992	8	9,855
AF	126	Acct G382-384 - House Reg & Install & Meter Instal	PLT_3824	283,172,848	255,867,042	22,789,493	4,509,617	6	6,689
AF	127	Acct G383-384 - House Reg & Installation	PLT_3834	137,183,305	122,770,768	11,114,414	3,291,764	6	6,352
AF	128	Acct G385 - Ind & Com Meas & Regul Station Equip	PLT_385	83,488,964	9,721,823	19,714,375	49,389,685	750	4,662,331
AF	129	Acct G386 - Other Property on Cust Premises	PLT_386	0	0	0	0	0	0
AF	130	Acct G387.1 - Other Equipment (St Ltg Posts)	PLT_387_1	1,011,930	0	0	0	1,011,930	0
AF	131								
AF	132								
AF	133	Total Distribution Plant Reserve	TOTDRESERVE	2,270,656,638	1,604,882,415	270,209,333	382,049,865	1,081,767	12,433,258
AF	134	Total Net Plant	TOTPLTNET	4,442,952,594	3,210,549,278	560,628,329	655,553,322	687,919	15,533,746
AF	135								
AF	136								
AF	137								
AF	138								
AF	139								
AF	140	<b>Revenue Related</b>							
AF	141	Total Operating Revenue	TOTREV	937,478,461	707,027,876	107,544,171	119,113,220	487,337	3,305,857
AF	142	Intra Dept Rev Req - 5.62% GS / 94.38% LV	INTRAREV	116,936,969	0	5,969,107	110,967,863	0	0
AF	143								
AF	144								



**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
AF	145	<b>ALLOCATION FACTOR TABLE CONTINUED</b>							
AF	146	<b><u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>							
AF	147								
AF	148	<b><u>Expense Related</u></b>							
AF	149	Manufactured Gas O&M Excl Fuel Expense	MFGO_M	1,229,069	782,332	148,970	297,767	0	0
AF	150	Other Storage Plant O&M Expense	STOREXP	474,404	301,970	57,500	114,934	0	0
AF	151	Transmission Plant O&M Expense	TRANEXP	2,558,168	1,582,080	312,504	646,396	154	17,034
AF	152	Acct 813-Other Gas Supply Expense	EXP_813	5,670,771	3,354,010	655,053	1,606,063	1,476	54,169
AF	153	Acct 871 - Distribution Load Dispatching	EXP_871	0	0	0	0	0	0
AF	154	Acct 872 - Compressor Station Labor & Expenses	EXP_872	0	0	0	0	0	0
AF	155	Acct 874-Mains & Services Expenses	EXP_874	20,145,891	14,581,478	2,412,611	3,074,469	2,499	74,835
AF	156	Acct 875-877 - Meas & Regulating Station Exp	EXP_8757	2,608,940	1,613,479	318,706	659,225	157	17,373
AF	157	Acct 878 - Meter & House Regulator Expenses	EXP_878	8,418,451	6,656,661	1,281,275	480,362	0	154
AF	158	Acct 879 - Customer Installation Expenses	EXP_879	24,548,330	24,470,266	78,064	0	0	0
AF	159	Acct 880.0,.1,.2 - Other Expenses	EXP_8801	9,359,608	7,947,812	687,256	708,552	447	15,541
AF	160	Acct 880.3 - Operation of Street Lighting Exp	EXP_8803	0	0	0	0	0	0
AF	161	Acct 881 - Rents	EXP_881	20,476	12,111	2,365	5,799	5	196
AF	162	Acct 886-Maint of Structures & Improvements Exp	EXP_886	4,408,455	3,166,880	547,147	674,852	1,190	18,386
AF	163	Acct 887-Maint of Mains Exp	EXP_887	12,392,584	7,657,026	1,512,128	3,139,355	796	83,279
AF	164	Acct 888-Maint of Compressor Station Equip Exp	EXP_888	0	0	0	0	0	0
AF	165	Acct 889-891 - Main of Meas & Reg Station Equip	EXP_8891	3,853,573	2,383,213	470,750	973,718	231	25,660
AF	166	Acct 892-Main of Services Exp	EXP_892	4,033,930	3,318,798	474,570	236,175	725	3,662
AF	167	Acct 893-Maint of Meters & House Regulators Exp	EXP_893	10,857,110	7,236,223	2,509,641	1,111,113	0	131
AF	168	Acct 894-Maint of Other Equipment	EXP_894	283,468	0	0	0	283,468	0
AF	169								
AF	170	Distr Oper Exp	DISTEXPO	65,101,696	55,281,807	4,780,277	4,928,407	3,107	108,098
AF	171	Distr Maint Exp	DISTEXPM	35,829,120	23,762,141	5,514,237	6,135,213	286,411	131,119
AF	172	Cust Serv & Info Expense	CUSTS_I	2,140,391	1,883,422	203,087	51,906	30	1,946
AF	173	Acct 901-903,905 Cust Acct Exp Excl 904	CACCTEXP	68,948,067	61,675,123	5,579,145	1,434,351	849	258,598
AF	174	Accts 901-910 Excl 904 - Cust Accts,Serv & Info	CUSTSVSX	71,088,458	63,558,544	5,782,233	1,486,257	880	260,544
AF	175	Sales Expense	SALESEXP	924,164	802,266	95,341	26,434	16	107
AF	176	Total O&M Expense Excl A&G Expense	TOTOMXAG	216,377,128	174,368,833	21,210,586	19,726,527	292,043	779,138
AF	177	Total O&M Expense Excl 904 Expense	TOTOMX904	289,563,930	239,001,402	25,608,267	23,678,631	381,782	893,848
AF	178	Total O&M Expense Excl Fuel & 904 Expense	TOMXFUEL904	288,334,861	238,219,070	25,459,297	23,380,864	381,782	893,848
AF	179	Tot Admin & Genl Exp xPension/Ben	AGEXP	105,240,904	88,655,091	8,086,747	8,086,551	89,738	322,777
AF	180	Accts 901-905 Cust Accts Exp Excl 904-Uncol	CUSTACCTS	68,948,067	61,675,123	5,579,145	1,434,351	849	258,598
AF	181	O&M + Capital Additions	EXPENDITURES	896,212,920	696,465,209	102,904,034	93,444,388	463,214	2,936,075
AF	182								
AF	183	Depreciation Expense (Total)	DEPREXP	123,362,242	88,637,110	15,192,473	18,987,811	32,106	512,742
AF	184								
AF	185	NJ State Income Tax (CBT)	STATEINCTAX	44,765,042	32,530,873	5,620,240	6,450,550	7,835	155,544
AF	186	NJ State Deferred Income Tax	DFSTATEINCTAX	2,595,701	2,239,993	182,404	166,066	1,424	5,814
AF	187								
AF	188	<b><u>Labor Expense Related</u></b>							
AF	189	Total Distribution Exp (Oper) Labor	TLABDO	103,683,001	97,727,794	3,064,416	2,828,199	1,812	60,780
AF	190	Total Distribution Exp (Maint) Labor	TLABDM	19,101,689	12,701,047	3,139,045	3,101,106	99,933	60,558
AF	191	Total Labor	LABOR	179,103,725	158,912,997	10,987,973	8,752,396	106,758	343,600
AF	192								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
AF	193	<b><u>REVENUES AND BILLING DETERMINANTS</u></b>							
AF	194								
AF	195	Base Rate Sales Revenue	SALESREV	887,227,203	659,648,509	106,211,863	117,575,612	487,189	3,304,030
AF	196								
AF	197	Residential Service Gas	REVRSG	659,648,509	659,648,509	0	0	0	0
AF	198	General Service Gas	REVGSG	106,211,863	0	106,211,863	0	0	0
AF	199	Large Volume Service Gas	REVLVG	117,575,612	0	0	117,575,612	0	0
AF	200	Street Light Gas	REVSLG	487,189	0	0	0	487,189	0
AF	201	Firm Transportation Gas Service	REVTSGF	3,304,030	0	0	0	0	3,304,030
AF	202								
AF	203								
AF	204	Total Rev Req @ Desired ROR	REVREQ	887,227,203	659,648,509	106,211,863	117,575,612	487,189	3,304,030
AF	205								
AF	206								
AF	207								
AF	208								
AF	209								
AF	210								
AF	211								
AF	212								
AF	213								
AF	214								
AF	215								
AF	216								
AF	217								
AF	218								
AF	219								
AF	220								
AF	221								
AF	222								
AF	223	<b><u>PRESENT REVENUES FROM SALES INPUT</u></b>							
AF	224								
AF	225	Total Sales of Gas Revenue Requirement		788,246,384	589,363,974	90,631,629	102,139,830	1,035,628	5,075,324
AF	226	Sales of Gas Revenues - Rates		788,246,384	589,363,974	90,631,629	102,139,830	1,035,628	5,075,324
AF	227	Sales of Gas Revenues - Other		0	0	0	0	0	0
AF	228								
AF	229								
AF	230								
AF	231								
AF	232								
AF	233	<b><u>RATE OF RETURN</u></b>							
AF	234	Rate of Return (Equalized)	SCH AF, LN 234	7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
AF	235								
AF	236								
AF	237								
AF	238								
AF	239								
AF	240								

SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
AP	1	<b>ALLOCATION PROPORTIONS TABLE</b>							
AP	2	<b><u>EXTERNALLY DEVELOPED ALLOCATION FAC1</u></b>							
AP	3								
AP	4	<b><u>CAPACITY RELATED</u></b>							
AP	5								
AP	6	Peak-Hour Sendout - delivery	PEAKHOUR_04	1.000000	0.618443	0.122159	0.252679	0.000060	0.006659
AP	7								
AP	8								
AP	9								
AP	10								
AP	11								
AP	12								
AP	13								
AP	14								
AP	15								
AP	16								
AP	17	<b><u>COMMODITY RELATED</u></b>							
AP	18	Annual transported gas @mtr - delivery	TRANSPORT_04	1.000000	0.591456	0.115514	0.283218	0.000260	0.009552
AP	19	Balancing therms - delivery	BALANCE_04	1.000000	0.636524	0.121205	0.242271	0.000000	0.000000
AP	20	Annual transported gas @mtr - access	TRANSPORT_03	1.000000	0.591456	0.115514	0.283218	0.000260	0.009552
AP	21	Annual transported gas @mtr - meters	TRANSPORT_07	1.000000	0.591456	0.115514	0.283218	0.000260	0.009552
AP	22								
AP	23	TEFA \$ responsibility W/N - delivery	TEFA_04	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	24								
AP	25								
AP	26								
AP	27								
AP	28								
AP	29								
AP	30								
AP	31								
AP	32								
AP	33								
AP	34								
AP	35								
AP	36	<b><u>BILLING DETERMINANTS</u></b>							
AP	37								
AP	38	Number of Customers		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	39	Transported Gas at Meter (calendar)		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	40								
AP	41								
AP	42								
AP	43								
AP	44								
AP	45								
AP	46								
AP	47								
AP	48								





SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
AP	145	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP	146	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AP	147								
AP	148	Expense Related							
AP	149	Manufactured Gas O&M Excl Fuel Expense	MFGO_M	1.000000	0.636524	0.121205	0.242271	0.000000	0.000000
AP	150	Other Storage Plant O&M Expense	STOREXP	1.000000	0.636524	0.121205	0.242271	0.000000	0.000000
AP	151	Transmission Plant O&M Expense	TRANEXP	1.000000	0.618443	0.122159	0.252679	0.000060	0.006659
AP	152	Acct 813-Other Gas Supply Expense	EXP_813	1.000000	0.591456	0.115514	0.283218	0.000260	0.009552
AP	153	Acct 871 - Distribution Load Dispatching	EXP_871	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	154	Acct 872 - Compressor Station Labor & Expenses	EXP_872	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	155	Acct 874-Mains & Services Expenses	EXP_874	1.000000	0.723794	0.119757	0.152610	0.000124	0.003715
AP	156	Acct 875-877 - Meas & Regulating Station Exp	EXP_8757	1.000000	0.618443	0.122159	0.252679	0.000060	0.006659
AP	157	Acct 878 - Meter & House Regulator Expenses	EXP_878	1.000000	0.790723	0.152198	0.057061	0.000000	0.000018
AP	158	Acct 879 - Customer Installation Expenses	EXP_879	1.000000	0.996820	0.003180	0.000000	0.000000	0.000000
AP	159	Acct 880.0,.1,.2 - Other Expenses	EXP_8801	1.000000	0.849161	0.073428	0.075703	0.000048	0.001660
AP	160	Acct 880.3 - Operation of Street Lighting Exp	EXP_8803	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	161	Acct 881 - Rents	EXP_881	1.000000	0.591456	0.115514	0.283218	0.000260	0.009552
AP	162	Acct 886-Maint of Structures & Improvements Exp	EXP_886	1.000000	0.718365	0.124113	0.153081	0.000270	0.004171
AP	163	Acct 887-Maint of Mains Exp	EXP_887	1.000000	0.617872	0.122019	0.253325	0.000064	0.006720
AP	164	Acct 888-Maint of Compressor Station Equip Exp	EXP_888	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	165	Acct 889-891 - Main of Meas & Reg Station Equip	EXP_8891	1.000000	0.618443	0.122159	0.252679	0.000680	0.006659
AP	166	Acct 892-Main of Services Exp	EXP_892	1.000000	0.822721	0.117645	0.058547	0.000180	0.000908
AP	167	Acct 893-Maint of Meters & House Regulators Exp	EXP_893	1.000000	0.666496	0.231152	0.102340	0.000000	0.000012
AP	168	Acct 894-Maint of Other Equipment	EXP_894	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	169								
AP	170	Distr Oper Exp	DISTEXPO	1.000000	0.849161	0.073428	0.075703	0.000048	0.001660
AP	171	Distr Maint Exp	DISTEXPM	1.000000	0.663207	0.153904	0.171235	0.007994	0.003660
AP	172	Cust Serv & Info Expense	CUSTS_I	1.000000	0.879943	0.094883	0.024251	0.000909	0.000014
AP	173	Acct 901-903,905 Cust Acct Exp Excl 904	CACCTEXP	1.000000	0.894516	0.080918	0.020803	0.000012	0.003751
AP	174	Accts 901-910 Excl 904 - Cust Accts,Serv & Info	CUSTSVSX	1.000000	0.894077	0.081339	0.020907	0.000012	0.003665
AP	175	Sales Expense	SALESEXP	1.000000	0.868099	0.103165	0.028603	0.000017	0.000116
AP	176	Total O&M Expense Excl A&G Expense	TOTOMXAG	1.000000	0.805856	0.098026	0.091167	0.001350	0.003601
AP	177	Total O&M Expense Excl 904 Expense	TOTOMX904	1.000000	0.825384	0.088437	0.081773	0.001318	0.003087
AP	178	Total O&M Expense Excl Fuel & 904 Expense	TOMXFUEL904	1.000000	0.826189	0.088298	0.081089	0.001324	0.003100
AP	179	Tot Admin & Genl Exp xPension/Ben	AGEXP	1.000000	0.842401	0.076840	0.076838	0.000853	0.003067
AP	180	Accts 901-905 Cust Accts Exp Excl 904-Uncol	CUSTACCTS	1.000000	0.894516	0.080918	0.020803	0.000012	0.003751
AP	181	O&M + Capital Additions	EXPENDITURES	1.000000	0.777120	0.114821	0.104266	0.000517	0.003276
AP	182								
AP	183	Depreciation Expense (Total)	DEPREXP	1.000000	0.718511	0.123153	0.153919	0.000260	0.004156
AP	184								
AP	185	NJ State Income Tax (CBT)	STATEINCTAX	1.000000	0.726703	0.125550	0.144098	0.000175	0.003475
AP	186	NJ State Deferred Income Tax	DFSTATEINCTAX	1.000000	0.862962	0.070272	0.063977	0.000549	0.002240
AP	187								
AP	188	Labor Expense Related							
AP	189	Total Distribution Exp (Oper) Labor	TLABDO	1.000000	0.942563	0.029556	0.027277	0.000017	0.000586
AP	190	Total Distribution Exp (Maint) Labor	TLABDM	1.000000	0.664917	0.164333	0.162347	0.005232	0.003170
AP	191	Total Labor	LABOR	1.000000	0.887268	0.061350	0.048868	0.000596	0.001918
AP	192								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
AP	193	<b>REVENUES AND BILLING DETERMINANTS</b>							
AP	194								
AP	195	Base Rate Sales Revenue	SALESREV	1.000000	0.743494	0.119712	0.132520	0.000549	0.003724
AP	196								
AP	197	Residential Service Gas	REVRSG	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	198	General Service Gas	REVGSG	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	199	Large Volume Service Gas	REVLVG	1.000000	0.000000	0.000000	1.000000	0.000000	0.000000
AP	200	Street Light Gas	REVSLG	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	201	Firm Transportation Gas Service	REVTSGF	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	202								
AP	203								
AP	204	Total Rev Req @ Desired ROR	REVREQ	1.000000	0.743494	0.119712	0.132520	0.000549	0.003724
AP	205								
AP	206								
AP	207								
AP	208								
AP	209								
AP	210								
AP	211								
AP	212								
AP	213								
AP	214								
AP	215								
AP	216								
AP	217								
AP	218								
AP	219								
AP	220								
AP	221								
AP	222								
AP	223	<b><u>PRESENT REVENUES FROM SALES INPUT</u></b>							
AP	224								
AP	225	Total Sales of Gas Revenue Requirement		1.000000	0.747690	0.114979	0.129579	0.001314	0.006439
AP	226	Sales of Gas Revenues - Rates		1.000000	0.747690	0.114979	0.129579	0.001314	0.006439
AP	227	Sales of Gas Revenues - Other		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	228								
AP	229								
AP	230								
AP	231								
AP	232								
AP	233								
AP	234								
AP	235								
AP	236								
AP	237								
AP	238								
AP	239								
AP	240								







**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
RRW	1	<b>REVENUE REQUIREMENTS</b>							
RRW	2								
RRW	3	PRESENT RATES							
RRW	4	-----							
RRW	5	RATE BASE		3,990,551,989	2,903,496,586	503,557,593	569,667,784	607,865	13,222,161
RRW	6	NET OPER INC (PRESENT RATES)		295,300,847	214,858,747	37,263,262	42,155,416	44,982	978,440
RRW	7	RATE OF RETURN (PRES RATES)		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
RRW	8	RELATIVE RATE OF RETURN		1.00	1.00	1.00	1.00	1.00	1.00
RRW	9	SALES REVENUE (PRE RATES)		887,227,203	659,648,509	106,211,863	117,575,612	487,189	3,304,030
RRW	10	REVENUE PRES RATES \$/THERM		\$0.3605	\$0.4531	\$0.3736	\$0.1687	\$0.7607	\$0.1405
RRW	11	REVENUE REQUIRED - \$/MO/CUST		\$40,693.72	\$33,259.46	\$60,872.12	\$525,642.04	\$2,537,443.57	\$7,441,509.10
RRW	12								
RRW	13								
RRW	14	CLAIMED RATE OF RETURN							
RRW	15	-----							
RRW	16	CLAIMED RATE OF RETURN		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
RRW	17	RETURN REQ FOR CLAIMED ROR		295,300,847	214,858,747	37,263,262	42,155,416	44,982	978,440
RRW	18	SALES REVENUE REQ CLAIMED ROR		887,227,203	659,648,509	106,211,863	117,575,612	487,189	3,304,030
RRW	19	REVENUE DEFICIENCY SALES REV		0	0	(0)	0	(0)	(0)
RRW	20	PERCENT INCREASE REQUIRED		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RRW	21	ANNUAL BOOKED THERM SALES		2,461,249,717	1,455,720,141	284,308,600	697,069,826	640,471	23,510,679
RRW	22	SALES REV REQUIRED \$/THERM		\$0.3605	\$0.4531	\$0.3736	\$0.1687	\$0.7607	\$0.1405
RRW	23	REVENUE DEFICIENCY \$/THERM		\$0.0000	\$0.0000	(\$0.0000)	\$0.0000	(\$0.0000)	(\$0.0000)
RRW	24								
RRW	25								
RRW	26								
RRW	27								
RRW	28								
RRW	29								
RRW	30								
RRW	31								
RRW	32								
RRW	33								
RRW	34								
RRW	35								
RRW	36								
RRW	37								
RRW	38								
RRW	39								
RRW	40								
RRW	41								
RRW	42								
RRW	43								
RRW	44								
RRW	45								
RRW	46								
RRW	47								
RRW	48								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
S	1	<b>SUMMARY OF RESULTS</b>	<b>Sub-Schedule Ref</b>						
S	2	<b>DEVELOPMENT OF RETURN</b>							
S	3								
S	4	<b>RATE BASE</b>							
S	5	Plant in Service							
S	6	Production Plant 304-320	SCH RBP, LN 28	54,051,153	0	54,051,153	0	0	0
S	7	Storage Plant 360-363	SCH RBP, LN 33	10,637,156	0	10,637,156	0	0	0
S	8	Transmission Plant 365-371	SCH RBP, LN 40	88,966,347	0	88,966,347	0	0	0
S	9	Distribution Plant							
S	10	Land & Structures 374-375	SCH RBP, LN 55	53,869,741	25,829,908	24,242,365	8,616	0	3,788,852
S	11	Mains 376	SCH RBP, LN 61	2,666,043,183	0	2,666,043,183	0	0	0
S	12	Compressor Station Equipment 377	SCH RBP, LN 63	0	0	0	0	0	0
S	13	Meas & Regulating Station Equip 378-379	SCH RBP, LN 68	170,186,128	0	170,186,128	0	0	0
S	14	Services 380	SCH RBP, LN 74	2,854,069,822	2,854,069,822	0	0	0	0
S	15	Meters 381	SCH RBP, LN 80	257,235,090	0	0	0	0	257,235,090
S	16	Meter Installations 382	SCH RBP, LN 86	145,989,543	0	0	0	0	145,989,543
S	17	House Regulators & Install 383-384	SCH RBP, LN 106	137,183,305	137,183,305	0	0	0	0
S	18	Industrial Meas & Reg Station Equip 385	SCH RBP, LN 114	83,488,964	41,744,482	0	0	0	41,744,482
S	19	Other Property on Cust Premises 386	SCH RBP, LN 116	0	0	0	0	0	0
S	20	Other Equipment (Street Lighting) 387	SCH RBP, LN 121	1,521,717	509,787	0	1,011,930	0	0
S	21	Asset Retirement Obligation 388	SCH RBP, LN 123	10,834,324	0	10,834,324	0	0	0
S	22	Total Distribution Plant	SCH RBP, LN 125	6,380,421,816	3,059,337,304	2,871,305,999	1,020,546	0	448,757,967
S	23	General Plant E389-E399	SCH RBP, LN 156	94,801,809	48,864,127	45,860,866	16,300	0	60,516
S	24	Common Plant C389-C399	SCH RBP, LN 167	78,873,337	24,246,796	24,615,586	8,088	23,661,222	6,341,645
S	25	Intangible Plant E301-E303, E399, C303-C390	SCH RBP, LN 23	5,857,613	(190,947)	133,431	(64)	4,656,931	1,258,261
S	26	Total Plant in Service	SCH RBP, LN 172	6,713,609,232	3,132,257,280	3,095,570,539	1,044,871	28,318,154	456,418,389
S	27								
S	28	Less: Reserve for Depreciation and Amorization	SCH RBD, LN 122	2,270,656,638	910,963,032	1,268,466,679	676,448	11,323,870	79,226,609
S	29								
S	30	Plus: Rate Base Additions							
S	31	Working Capital	SCH RBO, LN 11	292,311,129	145,034,771	96,651,114	110,286	22,464,429	28,050,528
S	32	Capital Stimulus Adjust (Pro Forma #13)	SCH RBO, LN 13	0	0	0	0	0	0
S	33	Capital Lease Plt & Reserve Deduct	SCH RBO, LN 14	96,280	44,920	44,394	15	406	6,546
S	34	Plus: Rate Base Deductions							
S	35	Customer Advances	SCH RBO, LN 21	(19,722,411)	(10,197,978)	(9,524,433)	0	0	0
S	36	Unbilled Revenue	SCH RBO, LN 22	(159,485,336)	(74,408,427)	(73,536,915)	(24,821)	(672,713)	(10,842,460)
S	37	Deferred Income Taxes and Credits	SCH RBO, LN 33	(1,842,391,857)	(860,763,794)	(848,197,319)	(287,368)	(7,766,431)	(125,376,945)
S	38								
S	39								
S	40	<b>TOTAL RATE BASE</b>		<b>2,713,760,398</b>	<b>1,421,003,738</b>	<b>992,540,701</b>	<b>166,535</b>	<b>31,019,976</b>	<b>269,029,448</b>
S	41								
S	42								
S	43								
S	44								
S	45								
S	46								
S	47								
S	48								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
S	49	<b>SUMMARY OF RESULTS</b>	<b>Sub-Schedule Ref</b>						
S	50	<b>DEVELOPMENT OF RETURN</b>							
S	51								
S	52	<b>RATE BASE</b>	SCH RBO, LN 38	3,990,551,989	2,039,377,120	1,555,437,160	347,553	32,172,255	363,217,900
S	53								
S	54	<b>OPERATING REVENUES</b>							
S	55	Rate Revenues from Customers	SCH REV, LN 7	887,227,203	354,752,121	351,761,166	425,786	81,629,969	98,658,161
S	56	Other Operating Revenues	SCH REV, LN 19	50,251,258	469,112	49,592,112	103	44,828	145,103
S	57	Revenues from Other Sources	SCH REV, LN 24	0	0	0	0	0	0
S	58	Less: Provisions for Rate Refunds	SCH REV, LN 26	0	0	0	0	0	0
S	59	<b>TOTAL OPERATING REVENUES</b>		937,478,461	355,221,233	401,353,278	425,889	81,674,797	98,803,264
S	60								
S	61	<b>OPERATING EXPENSES</b>							
S	62	Operation and Maintenance Expense							
S	63	Gas Production and Supply Expense	SCH E, LN 20	6,899,840	0	6,899,840	0	0	0
S	64	Storage Expense	SCH E, LN 25	474,404	0	474,404	0	0	0
S	65	Transmission Expense	SCH E, LN 29	2,558,168	0	2,558,168	0	0	0
S	66	Distribution Expense	SCH E, LN 69	100,930,816	20,809,647	61,333,701	284,173	0	18,503,295
S	67	Customer Accounts Expense	SCH E, LN 91	101,220,275	12,914,335	15,089,113	0	56,872,261	16,344,566
S	68	Customer Service & Information Expense	SCH E, LN 109	2,140,391	0	1,373,197	0	767,194	0
S	69	Sales Expense	SCH E, LN 115	924,164	0	924,164	0	0	0
S	70	Administrative and General Expense	SCH E, LN 139	105,459,010	7,785,691	62,786,148	83,879	22,070,591	12,732,701
S	71	Total Operation and Maintenance Expense	SCH E, LN 141	321,836,138	41,509,673	152,667,804	368,053	79,710,046	47,580,562
S	72	Depreciation Expense	SCH DE, LN 10	123,362,242	56,774,801	57,051,906	18,939	1,454,242	8,062,355
S	73	Amortization Expense	SCH DE, LN 25	(12,395,796)	(5,899,476)	(5,831,173)	(1,968)	124,421	(787,600)
S	74	Taxes Other Than Income Taxes	SCH EO, LN 11	18,555,601	3,387,573	10,584,092	8,299	2,667,935	1,907,702
S	75	Proforma Expense Adjustments	SCH EO, LN 46	(135,603,371)	(49,391,933)	(66,927,703)	(33,654)	(8,553,810)	(10,696,271)
S	76	State Income Taxes	SCH TI, LN 79	44,765,042	22,509,926	17,931,348	4,587	406,112	3,913,069
S	77	Federal Income Taxes	SCH TI, LN 85	122,855,470	63,119,093	47,048,147	10,716	1,226,109	11,451,405
S	78	Provision for Deferred Income Taxes	SCH TI, LN 137	158,802,288	72,297,669	73,726,508	25,198	2,258,996	10,493,917
S	79	Income Taxes Deferred in Prior Years	SCH TI, LN 141	0	0	0	0	0	0
S	80	Investment Tax Credit Adjustment (Net)	SCH TI, LN 142	0	0	0	0	0	0
S	81	<b>TOTAL OPERATING EXPENSES</b>		642,177,614	204,307,326	286,250,928	400,170	79,294,051	71,925,140
S	82								
S	83	<b>OPERATING INCOME (RETURN)</b>		295,300,847	150,913,907	115,102,350	25,719	2,380,747	26,878,125
S	84	Plus Operating Income Adjustment	SCH TI, LN 143	0	0	0	0	0	0
S	85	<b>TOTAL NET OPERATING INCOME</b>		295,300,847	150,913,907	115,102,350	25,719	2,380,747	26,878,125
S	86								
S	87	<b>RATE OF RETURN ON RATE BASE (PRESENT)</b>		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
S	88	<b>INDEX RATE OF RETURN (PRESENT)</b>		1.00	1.00	1.00	1.00	1.00	1.00
S	89								
S	90								
S	91								
S	92								
S	93								
S	94								
S	95								
S	96								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
S	97	<b>EQUALIZED RETURN AT PROPOSED ROR</b>	Sub-Schedule Ref						
S	98								
S	99	<b>DEVELOPMENT OF RETURN (EQUALIZED RATE LEVELS)</b>							
S	100								
S	101	<b>RATE BASE</b>	SCH RBO, LN 38	3,990,551,989	2,039,377,120	1,555,437,160	347,553	32,172,255	363,217,900
S	102								
S	103	<b>RATE OF RETURN</b>		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
S	104								
S	105	<b>RETURN (RATE BASE * 7.40% ROR)</b>		295,300,847	150,913,907	115,102,350	25,719	2,380,747	26,878,125
S	106								
S	107	<b>PLUS:</b>							
S	108	<b>OPERATING EXPENSES</b>							
S	109	Total Operation and Maintenance Expense	SCH E, LN 141	321,836,138	41,509,673	152,667,804	368,053	79,710,046	47,580,562
S	110	Depreciation Expense	SCH DE, LN 10	123,362,242	56,774,801	57,051,906	18,939	1,454,242	8,062,355
S	111	Amortization Expense	SCH DE, LN 25	(12,395,796)	(5,899,476)	(5,831,173)	(1,968)	124,421	(787,600)
S	112	Taxes Other Than Income Taxes	SCH EO, LN 11	18,555,601	3,387,573	10,584,092	8,299	2,667,935	1,907,702
S	113	Proforma Expense Adjustments	SCH EO, LN 46	(135,603,371)	(49,391,933)	(66,927,703)	(33,654)	(8,553,810)	(10,696,271)
S	114	Income Taxes	CALCULATED	167,620,512	85,629,019	64,979,495	15,303	1,632,221	15,364,475
S	115	Provision for Deferred Income Taxes	SCH TI, LN 137	158,802,288	72,297,669	73,726,508	25,198	2,258,996	10,493,917
S	116	Income Taxes Deferred in Prior Years	SCH TI, LN 141	0	0	0	0	0	0
S	117	Investment Tax Credit Adjustment (Net)	SCH TI, LN 142	0	0	0	0	0	0
S	118	<b>TOTAL OPERATING EXPENSES</b>		642,177,614	204,307,326	286,250,928	400,170	79,294,051	71,925,140
S	119								
S	120	<b>EQUALS TOTAL COST OF SERVICE</b>		937,478,461	355,221,233	401,353,278	425,889	81,674,797	98,803,264
S	121								
S	122	<b>LESS:</b>							
S	123	Other Operating Revenues	SCH REV, LN 19	50,251,258	469,112	49,592,112	103	44,828	145,103
S	124	Revenues from Other Sources	SCH REV, LN 24	0	0	0	0	0	0
S	125	Plus: Provisions for Rate Refunds	SCH REV, LN 26	0	0	0	0	0	0
S	126	<b>EQUALS:</b>							
S	127	<b>BASE RATE SALES @ EQUALIZED ROR 7.40%</b>		887,227,203	354,752,121	351,761,166	425,786	81,629,969	98,658,161
S	128								
S	129	<b>TOTAL COST OF SERVICE INCREASE/DECREASE</b>		(0)	(0)	0	(0)	0	(0)
S	130	<b>REVENUE INCREASE TO RETAIL REVENUES (%)</b>		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
S	131								
S	132								
S	133								
S	134								
S	135								
S	136								
S	137								
S	138								
S	139								
S	140								
S	141								
S	142								
S	143								
S	144								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
RBP	1	DEVELOPMENT OF RATE BASE							
RBP	2								
RBP	3	GAS PLANT IN SERVICE							
RBP	4								
RBP	5	INTANGIBLE PLANT - G301-G303							
RBP	6	General - AWMS & Misc.	TOTPLT	0	0	0	0	0	0
RBP	7	Choice Progect	not_used	0	0	0	0	0	0
RBP	8	GSMIS - meter related	not_used	0	0	0	0	0	0
RBP	9	- regulator related	not_used	0	0	0	0	0	0
RBP	10	- appliance safety related	not_used	0	0	0	0	0	0
RBP	11	- Comp Svs related	not_used	0	0	0	0	0	0
RBP	12	- Cust Svs related	not_used	0	0	0	0	0	0
RBP	13	TOTAL INTANGIBLE PLANT		0	0	0	0	0	0
RBP	14								
RBP	15	C303 - INTANGIBLE PLANT - CUST SERVICE							
RBP	16	Customer Service	CUSTSVSX	6,057,549	0	312,642	0	4,656,931	1,087,976
RBP	17	Measurement	MRCOST_07	170,522	0	0	0	0	170,522
RBP	18	Not Used	not_used	0	0	0	0	0	0
RBP	19	G399.1 Asset Retirement Costs of General Plt	GENPLT	(370,458)	(190,947)	(179,211)	(64)	(0)	(236)
RBP	20	Not Used	not_used	0	0	0	0	0	0
RBP	21	TOTAL ACCOUNTS C303-C390.4,G399		5,857,613	(190,947)	133,431	(64)	4,656,931	1,258,261
RBP	22								
RBP	23	TOTAL INTANGIBLE PLANT		5,857,613	(190,947)	133,431	(64)	4,656,931	1,258,261
RBP	24								
RBP	25	PRODUCTION PLANT							
RBP	26	G304-G320 - All Land & Equipment	BALANCE_04	54,051,153	0	54,051,153	0	0	0
RBP	27	Not Used	not_used	0	0	0	0	0	0
RBP	28	TOTAL PRODUCTION PLANT		54,051,153	0	54,051,153	0	0	0
RBP	29								
RBP	30	STORAGE PLANT							
RBP	31	G360-G363 - All Land & Equipment	BALANCE_04	10,637,156	0	10,637,156	0	0	0
RBP	32	Not Used	not_used	0	0	0	0	0	0
RBP	33	TOTAL STORAGE PLANT		10,637,156	0	10,637,156	0	0	0
RBP	34								
RBP	35	TRANSMISSION PLANT							
RBP	36	G365 Land & Land Rights	PEAKHOUR_04	5,421,128	0	5,421,128	0	0	0
RBP	37	G366 Structures & Improvements	PEAKHOUR_04	0	0	0	0	0	0
RBP	38	G367 Mains	PEAKHOUR_04	79,321,099	0	79,321,099	0	0	0
RBP	39	G369 Meas. & Reg. Station Equipment	PEAKHOUR_04	4,224,120	0	4,224,120	0	0	0
RBP	40	TOTAL TRANSMISSION PLANT		88,966,347	0	88,966,347	0	0	0
RBP	41								
RBP	42								
RBP	43								
RBP	44								
RBP	45								
RBP	46								
RBP	47								
RBP	48								

PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
RBP	49	<b>GAS PLANT IN SERVICE CONTINUED</b>							
RBP	50								
RBP	51	<b>DISTRIBUTION PLANT</b>							
RBP	52	G374-G375 Land & Structures							
RBP	53	General	DISTPLT	53,869,741	25,829,908	24,242,365	8,616	0	3,788,852
RBP	54	Not Used	not_used	0	0	0	0	0	0
RBP	55	Total Accounts G374-G375		53,869,741	25,829,908	24,242,365	8,616	0	3,788,852
RBP	56								
RBP	57	G376 Mains							
RBP	58	Firm Allocation	PEAKHOUR_04	2,609,642,309	0	2,609,642,309	0	0	0
RBP	59	CIG, TSG-NF & CSG Redistribution	TRANSPORT_04	56,400,874	0	56,400,874	0	0	0
RBP	60	Not Used	not_used	0	0	0	0	0	0
RBP	61	Total Account G376		2,666,043,183	0	2,666,043,183	0	0	0
RBP	62								
RBP	63	G377 Compressor Station Equip	DISTPLTXMTR	0	0	0	0	0	0
RBP	64								
RBP	65	G378-G379 Meas & Regulatory Equipment							
RBP	66	Firm Investment	PEAKHOUR_04	170,186,128	0	170,186,128	0	0	0
RBP	67	Not Used	not_used	0	0	0	0	0	0
RBP	68	Total Account G378-G379		170,186,128	0	170,186,128	0	0	0
RBP	69								
RBP	70	G380 Services							
RBP	71	Firm Allocation	SERVICES_03	2,840,316,509	2,840,316,509	0	0	0	0
RBP	72	CIG, TSG-NF & CSG Redistribution	TRANSPORT_03	13,753,313	13,753,313	0	0	0	0
RBP	73	Not Used	not_used	0	0	0	0	0	0
RBP	74	Total Account G380		2,854,069,822	2,854,069,822	0	0	0	0
RBP	75								
RBP	76	G381 Meters							
RBP	77	Firm Allocation	SMMETERS_07	257,229,506	0	0	0	0	257,229,506
RBP	78	CIG, TSG-NF & CSG Redistribution	TRANSPORT_07	5,584	0	0	0	0	5,584
RBP	79	Not Used	not_used	0	0	0	0	0	0
RBP	80	Total Account G381		257,235,090	0	0	0	0	257,235,090
RBP	81								
RBP	82	G382 Meter Installations							
RBP	83	Firm Allocation	MTRINSTAL_07	145,987,951	0	0	0	0	145,987,951
RBP	84	CIG, TSG-NF & CSG Redistribution	TRANSPORT_07	1,592	0	0	0	0	1,592
RBP	85	Not Used	not_used	0	0	0	0	0	0
RBP	86	Total Account E382		145,989,543	0	0	0	0	145,989,543
RBP	87								
RBP	88								
RBP	89								
RBP	90								
RBP	91								
RBP	92								
RBP	93								
RBP	94								
RBP	95								
RBP	96								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
RBP	97	<b>GAS PLANT IN SERVICE CONTINUED</b>							
RBP	98								
RBP	99	<b>DISTRIBUTION PLANT CONTINUED</b>							
RBP	100								
RBP	101	G383-384 House Regulators & Installation							
RBP	102	Firm Allocation - Regulators - G383	HOUSEREG_03	38,504,809	38,504,809	0	0	0	0
RBP	103	Firm Allocation - Installation - G384	HSEREGINST_03	98,655,591	98,655,591	0	0	0	0
RBP	104	CIG, TSG-NF & CSG Redistribution	TRANSPORT_03	22,904	22,904	0	0	0	0
RBP	105	Not Used	not_used	0	0	0	0	0	0
RBP	106	Total Account G383-384		137,183,305	137,183,305	0	0	0	0
RBP	107								
RBP	108	G385 Industrial Meas and Regul Station Equip							
RBP	109	Firm Allocation - Regulators	LRGREG_03	40,304,082	40,304,082	0	0	0	0
RBP	110	Firm Allocation - Meters	LRGMTR_07	40,304,082	0	0	0	0	40,304,082
RBP	111	CIG, TSG-NF & CSG Redistribution - Regulators	TRANSPORT_03	1,440,400	1,440,400	0	0	0	0
RBP	112	CIG, TSG-NF & CSG Redistribution - Meters	TRANSPORT_07	1,440,400	0	0	0	0	1,440,400
RBP	113	Not Used	not_used	0	0	0	0	0	0
RBP	114	Total Account G385		83,488,964	41,744,482	0	0	0	41,744,482
RBP	115								
RBP	116	G386 Other Prop on Cust Prem	TRANSPORT_04	0	0	0	0	0	0
RBP	117								
RBP	118	G387-Other Equipment							
RBP	119	G387.1 Other Eqmt - Street Ltg Posts	DIRSLG_05	1,011,930	0	0	1,011,930	0	0
RBP	120	G387.2 Other Eqmt - Street Ltg Services	DIRSLG_03	509,787	509,787	0	0	0	0
RBP	121	Total Accounts G387		1,521,717	509,787	0	1,011,930	0	0
RBP	122								
RBP	123	G388 - Asset Retirement Obligations	PLT_376	10,834,324	0	10,834,324	0	0	0
RBP	124								
RBP	125	<b>TOTAL DISTRIBUTION PLANT</b>		<b>6,380,421,816</b>	<b>3,059,337,304</b>	<b>2,871,305,999</b>	<b>1,020,546</b>	<b>0</b>	<b>448,757,967</b>
RBP	126								
RBP	127								
RBP	128								
RBP	129								
RBP	130								
RBP	131								
RBP	132								
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RBP	142								
RBP	143								
RBP	144								



**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
RBP	145	<b>GAS PLANT IN SERVICE CONTINUED</b>							
RBP	146								
RBP	147	GENERAL AND COMMON PLANT							
RBP	148	E390-E398 GENERAL PLANT							
RBP	149	Meter Related	METERPLT	0	0	0	0	0	0
RBP	150	Regulator Plant Related	PLT_3834	0	0	0	0	0	0
RBP	151	Appliance Safety Related	CINST_04	0	0	0	0	0	0
RBP	152	Distribution Delivery	DISTPLTXMTR	94,801,809.33	48,864,126.52	45,860,866.48	16,300.30	0.00	60,516.03
RBP	153	Competitive Service	COMPSVSWK_04	0	0	0	0	0	0
RBP	154	SONP/RNP Related	CUSTAVG_04	0	0	0	0	0	0
RBP	155	Gas Peaking Plant Related	BALANCE_04	0	0	0	0	0	0
RBP	156	Total Accounts E390-E398		94,801,809	48,864,127	45,860,866	16,300	0	60,516
RBP	157								
RBP	158	C389-C399 COMMON PLANT							
RBP	159	ASB Work Related	CINST_04	0	0	0	0	0	0
RBP	160	Meter Plant Related	METERPLT	0	0	0	0	0	0
RBP	161	Meter Reading Related	MRCOST_07	0	0	0	0	0	0
RBP	162	Not Used	not_used	0	0	0	0	0	0
RBP	163	Customer Service Related	CUSTSVSX	30,712,825.39	0.00	1,585,150.19	0.00	23,611,449.90	5,516,225.30
RBP	164	Distribution Delivery Related	DISTPLTXMTR	36,360,558.08	18,741,487.35	17,589,608.37	6,251.86	0.00	23,210.49
RBP	165	Service & Support Related	UTILWORK_04	0	0	0	0	0	0
RBP	166	Unassigned	TOTPLT	11,799,953.63	5,505,308.60	5,440,827.36	1,836.48	49,772.47	802,208.71
RBP	167	Total Accounts C389-C399		78,873,337	24,246,796	24,615,586	8,088	23,661,222	6,341,645
RBP	168								
RBP	169	TOTAL GENERAL AND COMMON PLANT							
RBP	170			173,675,146	73,110,922	70,476,452	24,389	23,661,222	6,402,161
RBP	171								
RBP	172	<b>TOTAL GAS PLANT IN SERVICE (101)</b>							
RBP	173			6,713,609,232	3,132,257,280	3,095,570,539	1,044,871	28,318,154	456,418,389
RBP	174								
RBP	175								
RBP	176								
RBP	177								
RBP	178								
RBP	179								
RBP	180								
RBP	181								
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RBP	191								
RBP	192								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
RBD	1	<b>LESS: DEPRECIATION RESERVE &amp; AMORT</b>							
RBD	2								
RBD	3	G301-G303 - INTANGILE PLANT - RESERVE							
RBD	4	General - AWMS & Misc.	TOTPLT	0	0	0	0	0	0
RBD	5	Choice Project	not_used	0	0	0	0	0	0
RBD	6	GSMIS - meter related	not_used	0	0	0	0	0	0
RBD	7	- regulator related	not_used	0	0	0	0	0	0
RBD	8	- appliance safety related	not_used	0	0	0	0	0	0
RBD	9	- Comp Svs related	not_used	0	0	0	0	0	0
RBD	10	- Cust Svs related	not_used	0	0	0	0	0	0
RBD	11	Total Accounts E301-E303 Reserve		0	0	0	0	0	0
RBD	12								
RBD	13	C303 - INTANGIBLE PLANT - CUST SERVICE							
RBD	14	Customer Service	CUSTSVSX	1,758,988	0	90,785	0	1,352,277	315,926
RBD	15	Measurement	MRCOST_07	41,423	0	0	0	0	41,423
RBD	16	Not Used	not_used	0	0	0	0	0	0
RBD	17	G399.1 Asset Retirement Costs of General Plt	GENPLT	0	0	0	0	0	0
RBD	18	Not Used	not_used	0	0	0	0	0	0
RBD	19	TOTAL ACCOUNTS C303-C390.4,G399		1,800,411	0	90,785	0	1,352,277	357,349
RBD	20								
RBD	21	TOTAL INTANGIBLE PLANT		1,800,411	0	90,785	0	1,352,277	357,349
RBD	22								
RBD	23								
RBD	24	PRODUCTION PLANT G304-G320 RESERVE	BALANCE_04	56,481,321	0	56,481,321	0	0	0
RBD	25								
RBD	26	STORAGE PLANT G360-G363 RESERVE	BALANCE_04	9,779,585	0	9,779,585	0	0	0
RBD	27								
RBD	28	TRANSMISSION PLANT G365-G369 RESERVE	TRANPLT	45,868,864	0	45,868,864	0	0	0
RBD	29								
RBD	30								
RBD	31	DISTRIBUTION PLANT RESERVE							
RBD	32	G374-G375 Land & Structures Reserve	PLT_3745	37,333,548	17,900,998	16,800,777	5,971	0	2,625,802
RBD	33								
RBD	34	G376 Mains Reserve							
RBD	35	Firm Allocation	PEAKHOUR_04	1,014,058,840	0	1,014,058,840	0	0	0
RBD	36	CIG, TSG-NF & CSG Redistribution	TRANSPORT_04	19,298,130	0	19,298,130	0	0	0
RBD	37	Not Used	not_used	0	0	0	0	0	0
RBD	38	Total Account G376		1,033,356,970	0	1,033,356,970	0	0	0
RBD	39								
RBD	40	G377 Compressor Station Equip Reserve	DISTPLTXMTR	0	0	0	0	0	0
RBD	41								
RBD	42	G378-G379 Meas & Regulatory Equip Reserve							
RBD	43	Firm Investment	PEAKHOUR_04	77,019,065	0	77,019,065	0	0	0
RBD	44	Not Used	not_used	0	0	0	0	0	0
RBD	45	Total Account G378-G379		77,019,065	0	77,019,065	0	0	0
RBD	46								
RBD	47								
RBD	48								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
RBD	49	<b>DEPRECIATION RESERVE &amp; AMORT CONTINUED</b>							
RBD	50								
RBD	51	<b>DISTRIBUTION PLANT CONTINUED</b>							
RBD	52								
RBD	53	G380 Services Reserve							
RBD	54	Firm Allocation	SERVICSR_03	783,395,795	783,395,795	0	0	0	0
RBD	55	CIG, TSG-NF & CSG Redistribution	TRANSPORT_03	6,209,011	6,209,011	0	0	0	0
RBD	56	Not Used	not_used	0	0	0	0	0	0
RBD	57	Total Account G380		789,604,806	789,604,806	0	0	0	0
RBD	58								
RBD	59	G381 Meters Reserve							
RBD	60	Firm Allocation	SMMETERSR_07	19,192,159	0	0	0	0	19,192,159
RBD	61	CIG, TSG-NF & CSG Redistribution	TRANSPORT_07	3,301	0	0	0	0	3,301
RBD	62	Not Used	not_used	0	0	0	0	0	0
RBD	63	Total Account G381		19,195,460	0	0	0	0	19,195,460
RBD	64								
RBD	65	G382 Meter Installations Reserve							
RBD	66	Firm Allocation	MTRINSTALR_07	42,287,036	0	0	0	0	42,287,036
RBD	67	CIG, TSG-NF & CSG Redistribution	TRANSPORT_07	565	0	0	0	0	565
RBD	68	Not Used	not_used	0	0	0	0	0	0
RBD	69	Total Account E382		42,287,602	0	0	0	0	42,287,602
RBD	70								
RBD	71	G383-384 House Regulators & Installation Reserve							
RBD	72	Firm Allocation - Regulators - G383	HOUSEREGR_03	18,990,814	18,990,814	0	0	0	0
RBD	73	Firm Allocation - Installation - G384	HSEREGINSTR_03	42,071,980	42,071,980	0	0	0	0
RBD	74	CIG, TSG-NF & CSG Redistribution	TRANSPORT_03	10,012	10,012	0	0	0	0
RBD	75	Not Used	not_used	0	0	0	0	0	0
RBD	76	Total Account G383-384		61,072,806	61,072,806	0	0	0	0
RBD	77								
RBD	78	G385 Industrial Meas and Regul Sta Equip Reserve							
RBD	79	Firm Allocation - Regulators	LRGREGR_03	11,491,185	11,491,185	0	0	0	0
RBD	80	Firm Allocation - Meters	LRGMTRR_07	11,491,185	0	0	0	0	11,491,185
RBD	81	CIG, TSG-NF & CSG Redistribution - Regulators	TRANSPORT_03	472,616	472,616	0	0	0	0
RBD	82	CIG, TSG-NF & CSG Redistribution - Meters	TRANSPORT_07	472,616	0	0	0	0	472,616
RBD	83	Not Used	not_used	0	0	0	0	0	0
RBD	84	Total Account G385		23,927,602	11,963,801	0	0	0	11,963,801
RBD	85								
RBD	86	G386 Other Prop on Cust Prem	TRANSPORT_04	0	0	0	0	0	0
RBD	87	G387.1 Other Eqmt - Street Ltg Posts	DIRSLG_05	660,435	0	0	660,435	0	0
RBD	88	G387.2 Other Eqmt - Street Ltg Services	DIRSLG_03	318,986	318,986	0	0	0	0
RBD	89								
RBD	90	TOTAL DISTRIBUTION PLANT RESERVE		2,084,777,279	880,861,396	1,127,176,812	666,406	0	76,072,665
RBD	91								
RBD	92								
RBD	93								
RBD	94								
RBD	95								
RBD	96								



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RBO	1	<b>ADDITIONS AND DEDUCTIONS TO RATE BASE</b>							
RBO	2								
RBO	3	<b>PLUS: ADDITIONS TO RATE BASE</b>							
RBO	4								
RBO	5	Working Capital							
RBO	6	Materials and Supplies Excl Fuel Stock	PSTDPLT	39,734,287	18,604,096	18,395,049	6,206	0	2,728,936
RBO	7	Fuel Stock & Fuel Stock Expense	not_used	0	0	0	0	0	0
RBO	8	Gas Stored Underground	not_used	0	0	0	0	0	0
RBO	9	Cash (lead/lag)	EXPENDITURES	252,143,812	126,213,916	78,121,899	103,902	22,425,915	25,278,179
RBO	10	Prepayments/Working Funds	EXPENDITURES	433,030	216,759	134,166	178	38,514	43,413
RBO	11	Total Working Capital		292,311,129	145,034,771	96,651,114	110,286	22,464,429	28,050,528
RBO	12	Net Plant Adds - Distribution	DISTPLT	975,541,901	467,760,881	439,011,619	156,038	0	68,613,363
RBO	13	Capital Stimulus Adjust	DISTPLT	0	0	0	0	0	0
RBO	14	Plant Held for Future Use	TOTPLT	96,280	44,920	44,394	15	406	6,546
RBO	15	Net Plant Adds - General & Other	TOTPLTNET	301,249,689	150,612,501	123,884,840	24,981	1,152,279	25,575,089
RBO	16	TOTAL ADDITIONS TO RATE BASE		1,569,199,000	763,453,073	659,591,967	291,319	23,617,115	122,245,526
RBO	17								
RBO	18								
RBO	19	<b>PLUS: DEDUCTIONS TO RATE BASE</b>							
RBO	20								
RBO	21	Customer Advances for Construction	MAIN_SERV	(19,722,411)	(10,197,978)	(9,524,433)	0	0	0
RBO	22	GSMP Roll-in #3	TOTPLT	(159,485,336)	(74,408,427)	(73,536,915)	(24,821)	(672,713)	(10,842,460)
RBO	23	Deferred Income Taxes and Credits							
RBO	24	ADIT Test/Post year	TOTPLT	(216,703,102)	(101,103,571)	(99,919,390)	(33,727)	(914,059)	(14,732,356)
RBO	25	Liberalized Depreciation	TOTPLT	128,670,440	60,031,633	59,328,509	20,026	542,735	8,747,538
RBO	26	Liberalized Depreciation - Production	BALANCE_04	2,823,347	0	2,823,347	0	0	0
RBO	27	Cost of Removal	TOTPLT	8,400,204	3,919,144	3,873,241	1,307	35,432	571,080
RBO	28	3% Investment Tax Credit	DISTPLT	0	0	0	0	0	0
RBO	29	Computer Software	TOTPLT	0	0	0	0	0	0
RBO	30	Capitalized Interest	TOTPLTNET	70,915	35,455	29,163	6	271	6,020
RBO	31	NJ Corporate Business Tax	STATEINCTX	3,451,998	1,735,824	1,382,753	354	31,317	301,751
RBO	32	Defrd Tax & Consolidated Tax Adjustment	TOTPLT	(1,769,105,659)	(825,382,278)	(815,714,941)	(275,334)	(7,462,127)	(120,270,979)
RBO	33	Total Deferred Income Taxes and Credits		(1,842,391,857)	(860,763,794)	(848,197,319)	(287,368)	(7,766,431)	(125,376,945)
RBO	34								
RBO	35	TOTAL DEDUCTIONS TO RATE BASE		(2,021,599,605)	(945,370,200)	(931,258,666)	(312,190)	(8,439,143)	(136,219,405)
RBO	36								
RBO	37								
RBO	38	<b>TOTAL RATE BASE</b>		<b>3,990,551,989</b>	<b>2,039,377,120</b>	<b>1,555,437,160</b>	<b>347,553</b>	<b>32,172,255</b>	<b>363,217,900</b>
RBO	39								
RBO	40								
RBO	41								
RBO	42								
RBO	43								
RBO	44								
RBO	45								
RBO	46								
RBO	47								
RBO	48								

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REV	1	<b>OPERATING REVENUES</b>							
REV	2								
REV	3	<b>SALES REVENUES</b>							
REV	4	BASE RATE SALES @ EQUALIZED ROR 7.40%		887,227,203	354,752,121	351,761,166	425,786	81,629,969	98,658,161
REV	5	Revenue Requirement - Other #1	not_used	0	0	0	0	0	0
REV	6	Revenue Requirement - Other #2	not_used	0	0	0	0	0	0
REV	7	TOTAL SALES OF GAS		887,227,203	354,752,121	351,761,166	425,786	81,629,969	98,658,161
REV	8								
REV	9	<b>OTHER OPERATING REVENUES</b>							
REV	10	G487-Forfeited Discounts	REVLATEP	925,271	266,184	514,993	0	33,970	110,124
REV	11	G488-Miscellaneous Service Revenues	COMPSVSWK_04	44,808,832	0	44,808,832	0	0	0
REV	12	G489-Revenues from Transmission from Others	not_used	0	0	0	0	0	0
REV	13	G493-Rent from Gas Property	TOTPLT	347,393	162,077	160,179	54	1,465	23,617
REV	14	G495-Other Gas Revenues							
REV	15	Miscellaneous Gas Revenues	TOTREV	107,809	40,850	46,155	49	9,393	11,362
REV	16	Peak Shaving Revenues	BALANCE_04	4,061,953	0	4,061,953	0	0	0
REV	17	Not Used	not_used	0	0	0	0	0	0
REV	18	Not Used	not_used	0	0	0	0	0	0
REV	19	TOTAL OTHER OPERATING REV		50,251,258	469,112	49,592,112	103	44,828	145,103
REV	20								
REV	21	<b>OTHER REVENUE SOURCES</b>							
REV	22	Not Used	not_used	0	0	0	0	0	0
REV	23	Not Used	not_used	0	0	0	0	0	0
REV	24	TOTAL OTHER REVENUE SOURCES		0	0	0	0	0	0
REV	25								
REV	26	LESS: E496 Provision for Rate Refunds	TOTREV	0	0	0	0	0	0
REV	27								
REV	28	<b>TOTAL OPERATING REVENUES</b>		937,478,461	355,221,233	401,353,278	425,889	81,674,797	98,803,264
REV	29								
REV	30								
REV	31								
REV	32								
REV	33								
REV	34								
REV	35								
REV	36								
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E	1	<b>OPERATION &amp; MAINTENANCE EXPENSE</b>							
E	2								
E	3	<b>MANUFACTURED GAS PRODUCTION EXPENSE</b>							
E	4	G710-G718 Production Expenses Incl Labor	BALANCE_04	251,901	0	251,901	0	0	0
E	5	G722-G736 Gas Raw Materials	BALANCE_04	0	0	0	0	0	0
E	6	G739-G745 Operation & Maintenance Exp	BALANCE_04	977,169	0	977,169	0	0	0
E	7	Not Used	not_used	0	0	0	0	0	0
E	8	<b>TOTAL MANUFACTURED GAS PRODUCTION EXP</b>		<b>1,229,069</b>	<b>0</b>	<b>1,229,069</b>	<b>0</b>	<b>0</b>	<b>0</b>
E	9								
E	10	<b>OTHER GAS SUPPLY EXPENSE</b>							
E	11	G801 Natural Gas Field Line Purchases	not_used	0	0	0	0	0	0
E	12	G804 Natural Gas City Gate Purchases	not_used	0	0	0	0	0	0
E	13	G805 Other Gas Purchases	not_used	0	0	0	0	0	0
E	14	G808.1,.2 GasInject & W/D from Storage	not_used	0	0	0	0	0	0
E	15	G812 Gas Used for Other Util Oper	not_used	0	0	0	0	0	0
E	16	G813 Other Gas Supply Expenses							
E	17	Supply Related	not_used	0	0	0	0	0	0
E	18	Distribution Related	TRANSPORT_04	5,670,771	0	5,670,771	0	0	0
E	19	<b>TOTAL OTHER GAS SUPPLY EXPENSE</b>		<b>5,670,771</b>	<b>0</b>	<b>5,670,771</b>	<b>0</b>	<b>0</b>	<b>0</b>
E	20	<b>TOTAL GAS PRODUCTION AND SUPPLY</b>		<b>6,899,840</b>	<b>0</b>	<b>6,899,840</b>	<b>0</b>	<b>0</b>	<b>0</b>
E	21								
E	22	<b>OTHER STORAGE EXPENSE</b>							
E	23	G840-G842 Operation	BALANCE_04	161,767	0	161,767	0	0	0
E	24	G843 Maintenance	BALANCE_04	312,637	0	312,637	0	0	0
E	25	<b>TOTAL OTHER STORAGE EXPENSE</b>		<b>474,404</b>	<b>0</b>	<b>474,404</b>	<b>0</b>	<b>0</b>	<b>0</b>
E	26								
E	27	<b>TRANSMISSION EXPENSES</b>							
E	28	G850-G867 Transmission Exp	TRANPLT	2,558,168	0	2,558,168	0	0	0
E	29	<b>TOTAL TRANSMISSION EXPENSE</b>		<b>2,558,168</b>	<b>0</b>	<b>2,558,168</b>	<b>0</b>	<b>0</b>	<b>0</b>
E	30								
E	31	<b>DISTRIBUTION EXPENSES</b>							
E	32	Operation							
E	33	G870 Operation Supervision & Engineering	TLABDO	0	0	0	0	0	0
E	34	G871 Load Dispatching	TRANSPORT_04	0	0	0	0	0	0
E	35	G872 Compressor Station Labor & Expenses	TRANSPORT_04	0	0	0	0	0	0
E	36	G874 Mains & Services	MAIN_SERV	20,145,891	10,416,950	9,728,941	0	0	0
E	37	G875 Meas & Reg Station - General	PLT_3789	2,184,897	0	2,184,897	0	0	0
E	38	G876 Meas & Reg Station - Industrial	PLT_3789	13,963	0	13,963	0	0	0
E	39	G877 Meas & Reg Station - City Gate	PLT_3789	410,080	0	410,080	0	0	0
E	40	G878 Meter & House Reg	PLT_3814	8,418,451	2,137,035	0	0	0	6,281,415
E	41	G879 Customer Installations							
E	42	- Customer Installations	CINST_04	24,548,330	0	24,548,330	0	0	0
E	43	- Competitive Services by ASB	COMPSVSWK_04	0	0	0	0	0	0
E	44	G880.0,.1,.2 Other Expenses	DISTEXPO	9,359,608	2,107,929	6,196,971	0	0	1,054,707
E	45	G880.3 Operation of Street Lighting	DIRSLG_05	0	0	0	0	0	0
E	46	G881 Rents	TRANSPORT_04	20,476	0	20,476	0	0	0
E	47	<b>Total Distribution Operation</b>		<b>65,101,696</b>	<b>14,661,914</b>	<b>43,103,659</b>	<b>0</b>	<b>0</b>	<b>7,336,123</b>
E	48								





SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	GDistAccess	GDistDelivery	GStreetLighting	GCustomerService	GMeasurement
				(1)	(2)	(3)	(4)	(5)	(6)
E	97	OPERATION & MAINTENANCE EXPENSE CONTINUED							
E	98								
E	99	CUSTOMER SERVICE & INFO EXPENSES							
E	100	G907 & 908 - Customer Service & Information							
E	101	- Billing	BILLING_06	107,720	0	0	0	107,720	0
E	102	- Acct Maint Related	ACCTMAINT_06	237,202	0	0	0	237,202	0
E	103	- Utility Work Related	UTILWORK_04	1,289,604	0	1,289,604	0	0	0
E	104	- Remaining	ACCTMAINT_06	0	0	0	0	0	0
E	105	G909 Info & Instr Advertising	TRANSPORT_04	0	0	0	0	0	0
E	106	G910 - Misc Cust Service & Info							
E	107	- Utility Work Related	UTILWORK_04	83,593	0	83,593	0	0	0
E	108	- Remaining	ACCTMAINT_06	422,272	0	0	0	422,272	0
E	109	TOTAL CUSTOMER SERVICE & INFO EXPENSES		2,140,391	0	1,373,197	0	767,194	0
E	110								
E	111	SALES EXPENSES							
E	112	G912 - Demonstrating and Selling	UTILWORK_04	924,164	0	924,164	0	0	0
E	113	G913 - Advertising	UTILWORK_04	0	0	0	0	0	0
E	114	G916 - Miscellaneous	UTILWORK_04	0	0	0	0	0	0
E	115	SALES EXPENSES TOTAL (ACCT 916)		924,164	0	924,164	0	0	0
E	116								
E	117	TOTAL OPER & MAINT EXCL A&G		216,377,128	33,723,982	89,881,656	284,173	57,639,455	34,847,861
E	118								
E	119								
E	120	ADMINISTRATIVE & GENERAL EXPENSE							
E	121	G920 A&G Salaries	LABOR	3,929,409	263,173	2,408,198	2,238	793,348	462,452
E	122	G921 Office Supplies & Exp	LABOR	1,584,556	106,126	971,119	902	319,922	186,486
E	123	G923 Outside Services Employed							
E	124	- Gas Peaking Plant Related	BALANCE_04	17	0	17	0	0	0
E	125	- Remaining	TOMXFUEL904	39,493,695	3,916,750	18,990,492	50,413	10,508,748	6,027,293
E	126	G924 Property Insurance	TOTPLT	290,662	135,609	134,021	45	1,226	19,760
E	127	G925 Injuries & Damages	LABOR	4,878,224	326,720	2,989,694	2,778	984,914	574,118
E	128	G926 Employee Pension & Benefits							
E	129	- Gas Peaking Plant Related	BALANCE_04	218,107	0	218,107	0	0	0
E	130	- Remaining	LABOR	42,964,638	2,877,563	26,331,528	24,469	8,674,568	5,056,511
E	131	G928 Regulatory Comm Exp	TRANSPORT_04	4,531,596	0	4,531,596	0	0	0
E	132	G929 Duplicate Charges - credit	INTRAREV	(615,275)	(121,844)	(428,600)	(0)	(10,391)	(54,440)
E	133	G930.1 General Advertising Expenses	TRANSPORT_04	1,729,189	0	1,729,189	0	0	0
E	134	G930.2 Misc General Expenses	TRANSPORT_04	2,647,808	0	2,647,808	0	0	0
E	135	G931 Rents	AGEXP	3,806,384	281,595	2,262,980	3,034	798,256	460,520
E	136	G932 Maint of General Plant	COMGENPLT	0	0	0	0	0	0
E	137	G935 Other A&G Maint	COMGENPLT	0	0	0	0	0	0
E	138	Not Used	not_used	0	0	0	0	0	0
E	139	TOTAL A&G EXPENSE		105,459,010	7,785,691	62,786,148	83,879	22,070,591	12,732,701
E	140								
E	141	TOTAL OPERATION & MAINTENANCE EXPENSES		321,836,138	41,509,673	152,667,804	368,053	79,710,046	47,580,562
E	142								
E	143								
E	144								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
DE	1	<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>							
DE	2								
DE	3	G403 DEPRECIATION EXPENSE							
DE	4	Production Plant	BALANCE_04	1,503,562	0	1,503,562	0	0	0
DE	5	Storage Plant	BALANCE_04	304,695	0	304,695	0	0	0
DE	6	Transmission Plant	TRANPLT	1,844,051	0	1,844,051	0	0	0
DE	7	Distribution Plant	DISTPLT	109,035,692	52,281,333	49,068,047	17,440	0	7,668,872
DE	8	General and Common Plant	COMGENPLT	10,674,242	4,493,468	4,331,551	1,499	1,454,242	393,483
DE	9	Not Used	not_used	0	0	0	0	0	0
DE	10	TOTAL DEPRECIATION EXPENSE		123,362,242	56,774,801	57,051,906	18,939	1,454,242	8,062,355
DE	11								
DE	12	G404.3 AMORT OF OTHER LIMITED TERM PLANT							
DE	13	Customer Service Related	CUSTSVSX	234,265	0	12,091	0	180,099	42,076
DE	14	AWMS	DISTPLT	0	0	0	0	0	0
DE	15	Distribution	DISTPLT	540,220	259,029	243,109	86	0	37,996
DE	16	Metering	METERPLT	29,719	0	0	0	0	29,719
DE	17	All Other	PSTDPLT	0	0	0	0	0	0
DE	18	TOTAL AMORT OF OTHER LIMITED TERM PLT		804,204	259,029	255,200	86	180,099	109,790
DE	19								
DE	20	G407 AMORT OF PROPERTY LOSSES							
DE	21	Remediation Adjustment Clause	not_used	0	0	0	0	0	0
DE	22	Excess Cost of Removal	TOTPLT	(13,200,000)	(6,158,505)	(6,086,373)	(2,054)	(55,678)	(897,390)
DE	23	TOTAL AMORT OF PROPERTY LOSSES		(13,200,000)	(6,158,505)	(6,086,373)	(2,054)	(55,678)	(897,390)
DE	24								
DE	25	TOTAL AMORTIZATION EXPENSE		(12,395,796)	(5,899,476)	(5,831,173)	(1,968)	124,421	(787,600)
DE	26								
DE	27	<b>TOTAL DEPRECIATION AND AMORTIZATION EXPENSES</b>		<b>110,966,446</b>	<b>50,875,325</b>	<b>51,220,732</b>	<b>16,971</b>	<b>1,578,663</b>	<b>7,274,755</b>
DE	28								
DE	29								
DE	30								
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**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
EO	1	<b>OTHER OPERATING EXPENSES</b>							
EO	2								
EO	3	<b>G408 TAXES OTHER THAN INCOME TAXES</b>							
EO	4	TEFA	TEFA_04	0	0	0	0	0	0
EO	5	Real Estate Taxes	TOTPLT	4,565,378.00	2,129,992.67	2,105,045.01	710.53	19,256.87	310,372.92
EO	6	State Unemploy Insur (SUI) Tax	LABOR	566,300.00	37,928.02	347,065.52	322.52	114,336.06	66,647.88
EO	7	Fed Insur Contr & UnempTax	LABOR	12,535,434.00	839,562.44	7,682,530.33	7,139.14	2,530,906.20	1,475,295.89
EO	8	Fed Insur Contr & UnempTax - Gas Peaking Plts	BALANCE_04	73,813.00	0.00	73,813.00	0.00	0.00	0.00
EO	9	Miscellaneous State and Municipal Tax	TOTPLT	814,676.00	380,089.87	375,638.04	126.79	3,436.32	55,384.98
EO	10	Federal Environmental Tax	PSTDPLT	0.00	0.00	0.00	0.00	0.00	0.00
EO	11	<b>TOTAL TAXES OTHER THAN INCOME</b>		18,555,601	3,387,573	10,584,092	8,299	2,667,935	1,907,702
EO	12								
EO	13	<b>PROFORMA EXPENSE ADJUSTMENTS</b>							
EO	14	Adj #1 - Annualization of Wages	LABOR	(4,696,915)	(314,577)	(2,878,576)	(2,675)	(948,308)	(552,780)
EO	15	Adj #2 - Annualization of Payroll Taxes	LABOR	(331,530)	(22,204)	(203,183)	(189)	(66,936)	(39,018)
EO	16	Adj #3 - Interest Synchronization Tax Savings	TOTPLTNET	1,001,400	500,659	411,812	83	3,830	85,015
EO	17	add'l tax effects on rev req	TOTPLTNET	691,584	345,764	284,404	57	2,645	58,713
EO	18	Adj #4 - Pension and Fringe Benefits	LABOR	(21,991,680)	(1,472,896)	(13,477,934)	(12,525)	(4,440,124)	(2,588,202)
EO	19	Adj #5 - Gas COLI Interest Expense	LABOR	(1,009,736)	(67,627)	(618,832)	(575)	(203,866)	(118,836)
EO	20	add'l tax effects on rev req	LABOR	(697,341)	(46,705)	(427,376)	(397)	(140,793)	(82,070)
EO	21	Postage	CUSTACCTS	0	0	0	0	0	0
EO	22	Adj #22 - BPU/RPA Assessments	TRANSPORT_04	(278,435)	0	(278,435)	0	0	0
EO	23	Adj #6 - Weather Normalization	not_used	0	0	0	0	0	0
EO	24	Adj #7 - Gains/Losses on Sales of Property	TOTPLT	35,405	16,518	16,325	6	149	2,407
EO	25	add'l tax effects on rev req	TOTPLT	24,451	11,408	11,274	4	103	1,662
EO	26	Adj #23 - Test Year Corrections	TOTPLT	761,384	355,226	351,066	118	3,212	51,762
EO	27	Customer Information System Amort	CUSTSVSX	0	0	0	0	0	0
EO	28	Adj #8 - Real Estate Taxes	TOTPLT	(365,541)	(170,544)	(168,547)	(57)	(1,542)	(24,851)
EO	29	Capital Stimulus (Depreciation)	DISTPLT	0	0	0	0	0	0
EO	30	Adj #9 - Insurance	TOTPLT	(103,220)	(48,158)	(47,594)	(16)	(435)	(7,017)
EO	31	Adj #15 - Excess COR Refund Recovery	TOTPLT	(12,475,865)	(5,820,657)	(5,752,483)	(1,942)	(52,623)	(848,160)
EO	32	Adj #16 - Test Year Amortization Adjustments	TOTPLT	(8,805,615)	(4,108,290)	(4,060,171)	(1,370)	(37,142)	(598,641)
EO	33	Adj #11 - TSGNF Margin Sharing	not_used	0	0	0	0	0	0
EO	34	Adj #12 - Depreciation Rate Change/Annualization	DEPREXP	(77,502,480)	(35,668,838)	(35,842,930)	(11,899)	(913,629)	(5,065,184)
EO	35	Capital Stimulus Revenue	DISTPLT	0	0	0	0	0	0
EO	36	Adj #10 - ASB Margin	TOTPLT	(13,177,104)	(6,147,823)	(6,075,816)	(2,051)	(55,581)	(895,833)
EO	37	Adj #13 - Storm Cost Amortization	TOTPLTNET	0	0	0	0	0	0
EO	38	Adj #17 - Regulatory Assets	TOTPLT	0	0	0	0	0	0
EO	39	Adj #18 - Rate Case Expenses	TOTPLT	24,854	11,596	11,460	4	105	1,690
EO	40	Tax - Repair Allowance	DISTPLT	0	0	0	0	0	0
EO	41	Tax - Flow Through Items	DISTPLT	0	0	0	0	0	0
EO	42	Adj #14 Post Rate Case Storm Cost Normalization	TOTPLT	0	0	0	0	0	0
EO	43	Adj #19 - Credit Card Fees	CUSTSVSX	(1,623,248)	0	(83,779)	0	(1,247,923)	(291,546)
EO	44	Adj #20 - Vacation Accrual	LABOR	(2,406,329)	(161,164)	(1,474,755)	(1,370)	(485,838)	(283,201)
EO	45	Adj #21 - Energy Strong / GSMP Revenue Adjustment	TOTPLT	7,322,590	3,416,380	3,376,365	1,140	30,887	497,819
EO	46	<b>TOTAL PROFORMA EXPENSE ADJUSTMENTS</b>		(135,603,371)	(49,391,933)	(66,927,703)	(33,654)	(8,553,810)	(10,696,271)
EO	47								
EO	48	<b>TOTAL OTHER OPERATING EXPENSES</b>		(117,047,770)	(46,004,360)	(56,343,611)	(25,355)	(5,885,875)	(8,788,569)

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
TI	1	<b>DEVELOPMENT OF INCOME TAXES</b>							
TI	2								
TI	3	TOTAL OPERATING REVENUES	SCH REV, LN 28	937,478,461	355,221,233	401,353,278	425,889	81,674,797	98,803,264
TI	4	LESS:							
TI	5	OPERATION & MAINTAINENCE EXPENSE	SCH E, LN 141	321,836,138	41,509,673	152,667,804	368,053	79,710,046	47,580,562
TI	6	DEPRECIATION & AMORTIZATION EXPENSE	SCH DE, LN 27	110,966,446	50,875,325	51,220,732	16,971	1,578,663	7,274,755
TI	7	OTHER OPERATING EXPENSES	SCH EO, LN 48	(117,047,770)	(46,004,360)	(56,343,611)	(25,355)	(5,885,875)	(8,788,569)
TI	8	NET OPERATING INCOME BEFORE TAXES		621,723,647	308,840,594	253,808,353	66,220	6,271,964	52,736,517
TI	9	LESS:							
TI	10	G427 - G431 INTEREST CHARGES	TOTPLTNET	65,316,923	32,655,785	26,860,697	5,416	249,837	5,545,188
TI	11	<b>TOTAL OPERATING INCOME BEFORE TAXES</b>		556,406,724	276,184,809	226,947,656	60,804	6,022,127	47,191,329
TI	12								
TI	13	<b>TAX ADJUSTMENTS - FEDERAL</b>							
TI	14								
TI	15	Credits & Adjustments	TOTPLT	325,000	151,630	149,854	51	1,371	22,095
TI	16	Repair Allowance	TOTPLT	0	0	0	0	0	0
TI	17	Uncollectible Accounts - Writeoff	EXP_904	1,729,674	692,162	685,674	0	160,144	191,693
TI	18	Injuries and Damages	TOTPLT	606,244	282,845	279,532	94	2,557	41,215
TI	19	Meals & Entertainment	LABOR	172,075	11,525	105,458	98	34,742	20,251
TI	20	Company owned life insurance	LABOR	(367,196)	(24,593)	(225,042)	(209)	(74,137)	(43,215)
TI	21	ESOP/401(k) Cash Dividends	TOTPLTNET	(1,127,749)	(563,828)	(463,772)	(94)	(4,314)	(95,742)
TI	22	Medicare Subsidy	LABOR	316,199	21,177	193,787	180	63,841	37,213
TI	23	Allowable Depreciation	DEPREXP	(158,671,156)	(73,024,964)	(73,381,382)	(24,360)	(1,870,477)	(10,369,973)
TI	24	Book Depreciation	DEPREXP	0	0	0	0	0	0
TI	25	Previously Ded Amort-Reacq Bonds	not_used	0	0	0	0	0	0
TI	26	Amortization of Computer Software	INTANGPLT	0	0	0	0	0	0
TI	27	*Amort Def Gain - Sale of Gen Asset	not_used	0	0	0	0	0	0
TI	28	*Gain on Sale of Services Corp Asset	not_used	0	0	0	0	0	0
TI	29	AFUDC / IDC	TOTPLT	(124,561)	(58,114)	(57,433)	(19)	(525)	(8,468)
TI	30	Cost of removal	TOTPLT	0	0	0	0	0	0
TI	31	*Utility Commodity Costs-Non-Taxable Income	not_used	0	0	0	0	0	0
TI	32	*RAC-Environmental Cleanup Costs - Debit	not_used	0	0	0	0	0	0
TI	33	*SBC-Societal Benefits Clause - Unallow Deductions	not_used	0	0	0	0	0	0
TI	34	Deferred Comp - officers	LABOR	(5,518)	(370)	(3,382)	(3)	(1,114)	(649)
TI	35	*Deduction of Securitization	not_used	0	0	0	0	0	0
TI	36	Accrued vacation pay adjustment	LABOR	85,318	5,714	52,288	49	17,226	10,041
TI	37	3rd Party Claims	TOTPLT	(948)	(442)	(437)	(0)	(4)	(64)
TI	38	Gain/loss bond reacq	not_used	0	0	0	0	0	0
TI	39	Amortization of Call Option Sale	LABOR	0	0	0	0	0	0
TI	40	Contribution in Aid of Construct	TOTPLTNET	(573,555)	(286,754)	(235,867)	(48)	(2,194)	(48,693)
TI	41	Pension Accrual Adjustment	LABOR	3,900,029	261,205	2,390,192	2,221	787,416	458,995
TI	42	Unallowable OPEB Amortization	LABOR	(6,122,331)	(410,044)	(3,752,163)	(3,487)	(1,236,100)	(720,537)
TI	43	NJ BPU assessment	TOTPLTNET	115,925	57,958	47,672	10	443	9,842
TI	44	Unicap book/tax inventory	TOTPLTNET	30,217	15,107	12,426	3	116	2,565
TI	45	W-2 Earnings Exceeding \$1,000,000	LABOR	355,085	23,782	217,619	202	71,692	41,790
TI	46	Diesel Fuel Tax Credit	not_used	0	0	0	0	0	0
TI	47	Deferred Depreciation & Return on CIP II	TOTPLTNET	38,244	19,120	15,727	3	146	3,247
TI	48	Capitalized Interest - Section 263A	TOTPLT	254,491	118,734	117,343	40	1,073	17,301

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
TI	49	Clause - Deferred Fuel	not_used	0	0	0	0	0	0
TI	50	Restricted Stock - Permanent	LABOR	(313,507)	(20,997)	(192,137)	(179)	(63,297)	(36,897)
TI	51	Materials & Supplies Reserve	TOTPLT	(659,085)	(307,498)	(303,897)	(103)	(2,780)	(44,807)
TI	52	Amortization of Reacquisition of Pref Stock	TOTPLTNET	(5,087)	(2,544)	(2,092)	(0)	(19)	(432)
TI	53	Lobbying Expenses	LABOR	181,641	12,165	111,321	103	36,673	21,377
TI	54	Penalties	not_used	0	0	0	0	0	0
TI	55	Dividends Received Deduction	TOTPLTNET	(14,574)	(7,287)	(5,994)	(1)	(56)	(1,237)
TI	56	Real Estate Taxes	TOTPLTNET	(370,590)	(185,280)	(152,400)	(31)	(1,418)	(31,462)
TI	57	Line Pack Adjustment	TOTPLTNET	(31,240)	(15,619)	(12,847)	(3)	(119)	(2,652)
TI	58	Legal Reserves	TOTPLTNET	(53,487)	(26,741)	(21,996)	(4)	(205)	(4,541)
TI	59	PIP Adjustment	LABOR	(163,297)	(10,937)	(100,079)	(93)	(32,970)	(19,218)
TI	60	Casualty Insurance Proceeds	TOTPLT	(141,430)	(65,985)	(65,212)	(22)	(597)	(9,615)
TI	61	Miscellaneous (R&D Exp., Limit Term Util Plant, ARO Fin	TOTPLT	9,119	4,255	4,205	1	38	620
TI	62	<b>TOTAL TAX ADJUSTMENTS - FEDERAL</b>		(160,626,053)	(73,334,618)	(74,593,031)	(25,600)	(2,112,845)	(10,559,958)
TI	63								
TI	64								
TI	65								
TI	66	<b>DEVELOPMENT OF INCOME TAXES CONTINUED</b>							
TI	67								
TI	68	<b>TAX ADJUSTMENTS - STATE</b>							
TI	69	Reverse TEFA	TEFA_04	0	0	0	0	0	0
TI	70	Federal Depreciation Reversal	TOTPLT	78,560,441	36,652,642	36,223,345	12,227	331,370	5,340,857
TI	71	State Tax Depreciation	DEPREXP	23,048,241	10,607,454	10,659,226	3,538	271,702	1,506,321
TI	72	Amortization of Service's Asset Sale	TOTPLTNET	0	0	0	0	0	0
TI	73	NOL Utilization	TOTPLTNET	0	0	0	0	0	0
TI	74	<b>TOTAL TAX ADJUSTMENTS - STATE</b>		101,608,681	47,260,095	46,882,572	15,765	603,071	6,847,178
TI	75								
TI	76	<b>TAXABLE NET INCOME - STATE</b>		497,389,352	250,110,286	199,237,197	50,968	4,512,353	43,478,549
TI	77	State Tax Liability at 9.000%		44,765,042	22,509,926	17,931,348	4,587	406,112	3,913,069
TI	78	Prior Year Adjustment & State Credit	TOTPLTNET	0	0	0	0	0	0
TI	79	<b>TOTAL STATE INCOME TAX LIABILITY</b>		44,765,042	22,509,926	17,931,348	4,587	406,112	3,913,069
TI	80								
TI	81	<b>TAXABLE NET INCOME - FEDERAL</b>		351,015,629	180,340,265	134,423,277	30,616	3,503,170	32,718,301
TI	82	Federal Tax Liability at 35.000%		122,855,470	63,119,093	47,048,147	10,716	1,226,109	11,451,405
TI	83	Prior Yr & Oth Adjustments	TOTPLTNET	0	0	0	0	0	0
TI	84	Not Used	not_used	0	0	0	0	0	0
TI	85	<b>TOTAL FEDERAL INCOME TAX LIABILITY</b>		122,855,470	63,119,093	47,048,147	10,716	1,226,109	11,451,405
TI	86								
TI	87	<b>TOTAL INCOME TAX EXPENSE</b>		167,620,512	85,629,019	64,979,495	15,303	1,632,221	15,364,475
TI	88								
TI	89	<b><u>TAX RATES</u></b>							
TI	90	FEDERAL TAX RATE - CURRENT	35.000%						
TI	91	NEW JERSEY CORP BUSINESS TAX RATE	9.000%						
TI	92	CUSTOMER ACCT UNCOLLECTIBLE RATE	0.000%						
TI	93	EFFECTIVE TAX RATE	40.850%						
TI	94	COMPOSITE RATE	40.850%						
TI	95	1 - EFFECTIVE TAX RATE	59.15000%						
TI	96								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
TI	97	<b>DEVELOPMENT OF OPERATING INCOME ADJUSTED</b>							
TI	98								
TI	99	<b>G410 + G411- PROVISION FOR DEFERRED INCOME TAX</b>							
TI	100	Depreciation	DEPREXP	156,532,670	72,040,773	72,392,387	24,032	1,845,267	10,230,212
TI	101	Previously Ded Amort-Reacq Bonds	not_used	0	0	0	0	0	0
TI	102	Amortization of Computer Software	INTANGPLT	0	0	0	0	0	0
TI	103	Clause - Deferred Fuel	not_used	0	0	0	0	0	0
TI	104	*Gain on Sale of Services Corp Asset	not_used	0	0	0	0	0	0
TI	105	AFUDC / IDC	TOTPLT	124,561	58,114	57,433	19	525	8,468
TI	106	Capitalized interest-Section 263A	TOTPLT	(254,491)	(118,734)	(117,343)	(40)	(1,073)	(17,301)
TI	107	Cost of removal	TOTPLT	0	0	0	0	0	0
TI	108	*Utility Commodity Costs-Non-Taxable Income	not_used	0	0	0	0	0	0
TI	109	*RAC-Environmental Cleanup Costs - Debit	not_used	0	0	0	0	0	0
TI	110	*SBC-Societal Benefits Clause - Unallow Deductions	not_used	0	0	0	0	0	0
TI	111	Deferred Comp - Officers	LABOR	5,518	370	3,382	3	1,114	649
TI	112	*Deduction of Securitization	not_used	0	0	0	0	0	0
TI	113	Accrued vacation pay adjustment	LABOR	(85,318)	(5,714)	(52,288)	(49)	(17,226)	(10,041)
TI	114	3rd Party Claims & Injuries & Damages	TOTPLT	(97)	(45)	(45)	(0)	(0)	(7)
TI	115	Gain/loss bond reacq	not_used	0	0	0	0	0	0
TI	116	Amortization of Call Option Sale	LABOR	0	0	0	0	0	0
TI	117	Defer Dividend Equivalents/Restricted Stock-Temp.	LABOR	0	0	0	0	0	0
TI	118	Contribution in Aid of Construct	TOTPLTNET	573,555	286,754	235,867	48	2,194	48,693
TI	119	Pension Accrual Adjustment	LABOR	(3,900,029)	(261,205)	(2,390,192)	(2,221)	(787,416)	(458,995)
TI	120	Unallowable OPEB Amortization	LABOR	6,122,331	410,044	3,752,163	3,487	1,236,100	720,537
TI	121	Fin Def-Energy Competition Act Ct	TOTPLT	518	242	239	0	2	35
TI	122	Rabbi Trust Unrealized Losses	LABOR	2,291	153	1,404	1	463	270
TI	123	Additional Real Estate Taxes	TOTPLT	370,590	172,900	170,875	58	1,563	25,194
TI	124	PIP Adjustment	LABOR	163,297	10,937	100,079	93	32,970	19,218
TI	125	Deferred NJ Corp Bus Tax(Net of FIT)	TOTPLTNET	0	0	0	0	0	0
TI	126	Misc	TOTPLT	141,450	65,994	65,221	22	597	9,616
TI	127	Construction Period Interest	TOTPLTNET	0	0	0	0	0	0
TI	128	Cost of Removal-Flowthrough	TOTPLT	0	0	0	0	0	0
TI	129	Deferred Return on CIP II	TOTPLT	(26,238)	(12,241)	(12,098)	(4)	(111)	(1,784)
TI	130	Deferred Depreciation on CIP II	TOTPLT	(12,006)	(5,602)	(5,536)	(2)	(51)	(816)
TI	131	Investment Tax Credit	TOTPLT	(1,268,004)	(591,592)	(584,663)	(197)	(5,348)	(86,204)
TI	132	Assessment by Board of Public Utilities of the State of NJ	TOTPLTNET	(115,925)	(57,958)	(47,672)	(10)	(443)	(9,842)
TI	133	Legal Reserves	LABOR	53,487	3,582	32,781	30	10,799	6,295
TI	134	Line Pack Adjustment	TOTPLT	31,240	14,575	14,405	5	132	2,124
TI	135	Materials & Supply	TOTPLT	659,085	307,498	303,897	103	2,780	44,807
TI	136	Medicare Subsidy - Temp NC	LABOR	(316,199)	(21,177)	(193,787)	(180)	(63,841)	(37,213)
TI	137	<b>TOTAL DEFERRED INCOME TAX</b>		<b>158,802,288</b>	<b>72,297,669</b>	<b>73,726,508</b>	<b>25,198</b>	<b>2,258,996</b>	<b>10,493,917</b>
TI	138								
TI	139	<b>This Section is not used at this time</b>							
TI	140	<b>PROFORMA OPERATING INCOME ADJUSTMENTS</b>							
TI	141	Not Used	not_used	0	0	0	0	0	0
TI	142	Not Used	not_used	0	0	0	0	0	0
TI	143	Not Used	not_used	0	0	0	0	0	0
TI	144	<b>OPERATING INCOME ADJUSTED</b>		<b>295,300,847</b>	<b>150,913,907</b>	<b>115,102,350</b>	<b>25,719</b>	<b>2,380,747</b>	<b>26,878,125</b>

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	GDistAccess	GDistDelivery	GStreetLighting	GCustomerService	GMeasurement
				(1)	(2)	(3)	(4)	(5)	(6)
LR	1	DEVELOPMENT OF LABOR ALLOCATION FACTOR							
LR	2	Labor portion included in O&M Expense							
LR	3								
LR	4	G700-G742 MANUFACTURED GAS LABOR EXP	MFGO_M	792,921	0	792,921	0	0	0
LR	5	G813 GAS SUPPLY LABOR EXPENSE	EXP_813	4,135,706	0	4,135,706	0	0	0
LR	6	G840-G843 STORAGE PLANT LABOR EXP	STOREXP	246,879	0	246,879	0	0	0
LR	7	G850-G867 TRANSMISSION LABOR EXP	TRANEXP	461,212	0	461,212	0	0	0
LR	8								
LR	9	DISTRIBUTION LABOR EXPENSE							
LR	10	Operation							
LR	11	G870 Operation Supervision & Engineering	TLABDO	0	0	0	0	0	0
LR	12	G871 Load Dispatching	EXP_871	0	0	0	0	0	0
LR	13	G872 Compressor Station Labor & Expenses	EXP_872	0	0	0	0	0	0
LR	14	G874 Mains & Services	EXP_874	13,057,133	6,751,526	6,305,608	0	0	0
LR	15	G875-877 Meas & Reg Station	EXP_8757	1,194,470	0	1,194,470	0	0	0
LR	16	G878 Meter & House Reg	EXP_878	5,986,888	1,519,780	0	0	0	4,467,108
LR	17	G879 Customer Installations - Total	EXP_879	80,906,789	0	80,906,789	0	0	0
LR	18	G880.1 Miscellaneous Dist Exp	EXP_8801	2,537,720	571,534	1,680,217	0	0	285,968
LR	19	G880.3 Operation of Street Lighting	EXP_8803	0	0	0	0	0	0
LR	20	G881 Rents	EXP_881	0	0	0	0	0	0
LR	21	Total Operation		103,683,001	8,842,840	90,087,085	0	0	4,753,077
LR	22	Maintenance							
LR	23	G885 Maint. Supervision & Engineering	TLABDM	0	0	0	0	0	0
LR	24	G886 Structures & Improvements	EXP_886	1,646,174	789,321	740,808	263	0	115,781
LR	25	G887 Mains	EXP_887	5,402,667	0	5,402,667	0	0	0
LR	26	G888 Compressor Station Equip	EXP_888	0	0	0	0	0	0
LR	27	G889-891 Meas & Reg Station	EXP_8891	2,314,353	0	2,314,353	0	0	0
LR	28	G892 Services	EXP_892	2,074,639	2,074,639	0	0	0	0
LR	29	G893 Meters & House Reg	EXP_893	7,565,228	0	0	0	0	7,565,228
LR	30	G894 Maint of Other Equipment - Total	EXP_894	98,629	0	0	98,629	0	0
LR	31	Not Used	not_used	0	0	0	0	0	0
LR	32	Total Maintenance		19,101,689	2,863,960	8,457,828	98,892	0	7,681,009
LR	33	TOTAL DISTRIBUTION LABOR EXPENSE		122,784,690	11,706,799	98,544,912	98,892	0	12,434,086
LR	34								
LR	35	G901-G903,G905 CUST ACCOUNTS EXPENSE	CUSTACCTS	44,132,242	0	1,469,507	0	34,490,229	8,172,505
LR	36	G907-G910, xDSM CUST SERV & INFO EXP	CUSTS_I	2,378,255	0	1,525,802	0	852,453	0
LR	37	G911-G916 SALES EXPENSE	SALESEXP	269,430	0	269,430	0	0	0
LR	38	ADMIN & GENERAL EXP ACCOUNTS xG926	AGEXP	3,902,390	288,698	2,320,057	3,110	818,389	472,135
LR	39	Employee Pension/Benefits Acct G926	LABOR	0	0	0	0	0	0
LR	40								
LR	41	TOTAL OPERATION & MAINT LABOR EXPENSE		179,103,725	11,995,497	109,766,427	102,003	36,161,072	21,078,727
LR	42								
LR	43								
LR	44								
LR	45								
LR	46								
LR	47								
LR	48								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
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**12 MONTHS ENDING DECEMBER 31, 2016**

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
CA	1	<b>DEVELOPMENT OF CAPITAL ADDITIONS ALLOCATION FACTOR</b>							
CA	2								
CA	3	<b>INTANGIBLE PLANT - G301-G303</b>	INTANGPLT	0	0	0	0	0	0
CA	4	<b>PRODUCTION PLANT - G304-G347</b>	PRODPLT	727,439	0	727,439	0	0	0
CA	5	<b>STORAGE PLANT - G360-G363</b>	STORPLT	312,169	0	312,169	0	0	0
CA	6	<b>TRANSMISSION PLANT - G365-G371</b>	TRANPLT	0	0	0	0	0	0
CA	7								
CA	8	<b>DISTRIBUTION PLANT</b>							
CA	9	G374 Land and Land Rights & G375 Structure & Improv	PLT_3745	826,172	396,140	371,792	132	0	58,108
CA	10	G376 Mains	PLT_376	116,314,171	0	116,314,171	0	0	0
CA	11	G377 Compressor Station Equipment	PLT_377	0	0	0	0	0	0
CA	12	G378-G379 Meas & Regul Eqmt	PLT_3789	4,127,895	0	4,127,895	0	0	0
CA	13	G380 Services	SERVICES	397,544,204	397,544,204	0	0	0	0
CA	14	G381 Meters	PLT_381	36,350,464	0	0	0	0	36,350,464
CA	15	G382 Meter Installations	PLT_382	202,082	0	0	0	0	202,082
CA	16	G383-384 House Regulators & Install	PLT_3834	149,016	149,016	0	0	0	0
CA	17	G385 Ind Reg & Meas Eqmt	PLT_385	11,305,357	5,652,678	0	0	0	5,652,678
CA	18	TOTAL DISTRIBUTION PLANT		566,819,360	403,742,038	120,813,858	132	0	42,263,332
CA	19								
CA	20	<b>COMMON PLANT</b>	COMPLT	0	0	0	0	0	0
CA	21	<b>GENERAL PLANT EXCL INTANGIBLE PLT</b>	GENPLT	6,517,814	3,359,507	3,153,027	1,121	0	4,161
CA	22								
CA	23								
CA	24	<b>TOTAL CAPITAL ADDITIONS</b>		574,376,783	407,101,545	125,006,492	1,253	0	42,267,493
CA	25								
CA	26								
CA	27								
CA	28								
CA	29								
CA	30								
CA	31								
CA	32								
CA	33								
CA	34								
CA	35								
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**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
AF	193	<b><u>REVENUES AND BILLING DETERMINANTS</u></b>							
AF	194								
AF	195	Base Rate Sales Revenue	SALESREV	887,227,203					
AF	196								
AF	197	Residential Service Gas	REVRSG	659,648,509					
AF	198	General Service Gas	REVGSG	106,211,863					
AF	199	Large Volume Service Gas	REVLVG	117,575,612					
AF	200	Street Light Gas	REVSLG	487,189					
AF	201	Firm Transportation Gas Service	REVTSGF	3,304,030					
AF	202								
AF	203								
AF	204	Total Rev Req @ Desired ROR	REVREQ	887,227,203					
AF	205								
AF	206								
AF	207								
AF	208								
AF	209								
AF	210								
AF	211								
AF	212								
AF	213								
AF	214								
AF	215								
AF	216								
AF	217								
AF	218								
AF	219								
AF	220								
AF	221								
AF	222								
AF	223	<b><u>PRESENT REVENUES FROM SALES INPUT</u></b>							
AF	224								
AF	225	Total Sales of Gas Revenue Requirement		788,246,384					
AF	226	Sales of Gas Revenues - Rates		788,246,384					
AF	227	Sales of Gas Revenues - Other		0					
AF	228								
AF	229								
AF	230								
AF	231								
AF	232								
AF	233	<b><u>RATE OF RETURN</u></b>							
AF	234	Rate of Return (Equalized)	SCH AF, LN 234	7.40%					
AF	235								
AF	236								
AF	237								
AF	238								
AF	239								
AF	240								



SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
AP	49	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP	50	EXTERNALLY DEVELOPED ALLOCATION FACTORS							
AP	51								
AP	52	CUSTOMER RELATED							
AP	53								
AP	54	G380 services - access	SERVICES_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	55	Cust Installns LDC G879 - delivery	CINST_04	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	56	Avg Customer Bills - delivery	CUSTAVG_04	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	57	Avg Customer Bills - cust svcs	CUSTAVG_06	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	58	G381 meters - measurement	SMMETERS_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	59								
AP	60	Billing Function costs - cust svcs	BILLING_06	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	61	Competitive Service work - delivery	COMPSVSWK_04	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	62								
AP	63	Account Maint - cust svcs	ACCTMAINT_06	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	64	G382 meter install - measurement	MTRINSTAL_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	65	G383 house regulators - access	HOUSEREG_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	66	G384 house reg install - access	HSEREGINSTR_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	67	G385 lrg regulators - access	LRGREG_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	68	G385 lrg mtrs - measurement	LRGMTR_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	69	G380 services - reserve - access	SERVICESR_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	70	G381 meters - reserve - measurement	SMMETERSR_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	71	G382 meter install - reserve -measurement	MTRINSTALR_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	72	G383 house regulators - reserve - access	HOUSEREGR_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	73	G384 house reg install - reserve - access	HSEREGINSTR_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	74	G385 lrg regulators - reserve - access	LRGREGR_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	75	G385 lrg mtrs - reserve - measurement	LRGMTRR_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	76	Direct LVG - delivery	DIRLVG_04	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	77	Direct LVG - cust svcs	DIRLVG_06	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	78	Direct SLG - streetlights	DIRSLG_05	1.000000	0.000000	0.000000	1.000000	0.000000	0.000000
AP	79	Meter Reading Costs - measurement	MRCOST_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	80	Other Utility work by Cust Ops - delivery	UTILWORK_04	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	81								
AP	82	Direct SLG - access	DIRSLG_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	83	Direct Competitive Services - delivery	DIRCOMPSVS_04	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	84	Direct TSG-F - access	DIRTSGF_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	85	Direct TSG-F - delivery	DIRTSGF_04	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	86	Direct TSG-F - measurement	DIRTSGF_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	87								
AP	88	Direct - RSG - delivery	DIRRSG_04	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	89								
AP	90								
AP	91								
AP	92	Choice - delivery	CHOICE_04	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	93								
AP	94								
AP	95								
AP	96								

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
AP	97	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP	98	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AP	99								
AP	100	Dummy allocator for unused lines	not_used	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	101								
AP	102	Plant Related							
AP	103	Acct G301-G303 Intangible Plt	INTANGPLT	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	104	Acct G399.10-23 Oth Tangible Plt	TANGPLT	1.000000	(0.032598)	0.022779	(0.000011)	0.795022	0.214808
AP	105	Production Plant Total	PRODPLT	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	106	Storage Plant Total	STORPLT	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	107	Transmission Plant Total	TRANPLT	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	108	Distribution Plant Total	DISTPLT	1.000000	0.479488	0.450018	0.000160	0.000000	0.070334
AP	109	G391-G398 General Plant	GENPLT	1.000000	0.515435	0.483755	0.000172	0.000000	0.000638
AP	110	Common Plant	COMPLT	1.000000	0.307414	0.312090	0.000103	0.299990	0.080403
AP	111	Accts C389-C399, G391-E398 Com & Gen Plt	COMGENPLT	1.000000	0.420964	0.405795	0.000140	0.136238	0.036863
AP	112	Total Prod, Storage, Transmission, & Dist Plant	PSTDPLT	1.000000	0.468213	0.462952	0.000156	0.000000	0.068680
AP	113	Total Plant	TOTPLT	1.000000	0.466553	0.461089	0.000156	0.004218	0.067984
AP	114								
AP	115	Distribution Plant x Meters & Installs	DISTPLTXMTR	1.000000	0.515435	0.483755	0.000172	0.000000	0.000638
AP	116	Acct G374-375 - Land & Structures	PLT_3745	1.000000	0.479488	0.450018	0.000160	0.000000	0.070334
AP	117	Acct G376 - Mains	PLT_376	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	118	Acct G377 - Compressor Station Equip	PLT_377	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	119	Acct G378-379 - Meas & Regul Station Equip	PLT_3789	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	120	Acct G380 & 387.2 - Services	SERVICES	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	121	Acct G376, G380 & 387.2 - Mains & Services	MAIN_SERV	1.000000	0.517076	0.482924	0.000000	0.000000	0.000000
AP	122	Acct G381 - House Meters	PLT_381	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	123	Acct G382 - Meter Installations	PLT_382	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	124	Acct G381,382, & 385 - Meters	METERPLT	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	125	Acct G381-384 - Meters & House Regulators	PLT_3814	1.000000	0.253851	0.000000	0.000000	0.000000	0.746149
AP	126	Acct G382-384 - House Reg & Install & Meter Install	PLT_3824	1.000000	0.484451	0.000000	0.000000	0.000000	0.515549
AP	127	Acct G383-384 - House Reg & Installation	PLT_3834	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	128	Acct G385 - Ind & Com Meas & Regul Station Equip	PLT_385	1.000000	0.500000	0.000000	0.000000	0.000000	0.500000
AP	129	Acct G386 - Other Property on Cust Premises	PLT_386	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	130	Acct G387.1 - Other Equipment (St Ltg Posts)	PLT_387_1	1.000000	0.000000	0.000000	1.000000	0.000000	0.000000
AP	131								
AP	132								
AP	133	Total Distribution Plant Reserve	TOTDRESERVE	1.000000	0.401189	0.558634	0.000298	0.004987	0.034891
AP	134	Total Net Plant	TOTPLTNET	1.000000	0.499959	0.411236	0.000083	0.003825	0.084897
AP	135								
AP	136								
AP	137								
AP	138								
AP	139								
AP	140	Revenue Related							
AP	141	Total Operating Revenue	TOTREV	1.000000	0.378911	0.428120	0.000454	0.087122	0.105393
AP	142	Intra Dept Rev Req - 5.62% GS / 94.38% LV	INTRAREV	1.000000	0.198032	0.696599	0.000000	0.016889	0.088480
AP	143								
AP	144								



SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	GDistAccess	GDistDelivery	GStreetLighting	GCustomerService	GMeasurement
				(1)	(2)	(3)	(4)	(5)	(6)
AP	145	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP	146	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AP	147								
AP	148	Expense Related							
AP	149	Manufactured Gas O&M Excl Fuel Expense	MFGO_M	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	150	Other Storage Plant O&M Expense	STOREXP	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	151	Transmission Plant O&M Expense	TRANEXP	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	152	Acct 813-Other Gas Supply Expense	EXP_813	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	153	Acct 871 - Distribution Load Dispatching	EXP_871	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	154	Acct 872 - Compressor Station Labor & Expenses	EXP_872	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	155	Acct 874-Mains & Services Expenses	EXP_874	1.000000	0.517076	0.482924	0.000000	0.000000	0.000000
AP	156	Acct 875-877 - Meas & Regulating Station Exp	EXP_8757	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	157	Acct 878 - Meter & House Regulator Expenses	EXP_878	1.000000	0.253851	0.000000	0.000000	0.000000	0.746149
AP	158	Acct 879 - Customer Installation Expenses	EXP_879	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	159	Acct 880.0,.1,.2 - Other Expenses	EXP_8801	1.000000	0.225216	0.662097	0.000000	0.000000	0.112687
AP	160	Acct 880.3 - Operation of Street Lighting Exp	EXP_8803	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	161	Acct 881 - Rents	EXP_881	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	162	Acct 886-Maint of Structures & Improvements Exp	EXP_886	1.000000	0.479488	0.450018	0.000160	0.000000	0.070334
AP	163	Acct 887-Maint of Mains Exp	EXP_887	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	164	Acct 888-Maint of Compressor Station Equip Exp	EXP_888	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	165	Acct 889-891 - Main of Meas & Reg Station Equip	EXP_8891	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	166	Acct 892-Main of Services Exp	EXP_892	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	167	Acct 893-Maint of Meters & House Regulators Exp	EXP_893	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	168	Acct 894-Maint of Other Equipment	EXP_894	1.000000	0.000000	0.000000	1.000000	0.000000	0.000000
AP	169								
AP	170	Distr Oper Exp	DISTEXPO	1.000000	0.225216	0.662097	0.000000	0.000000	0.112687
AP	171	Distr Maint Exp	DISTEXPM	1.000000	0.171585	0.508805	0.007931	0.000000	0.311679
AP	172	Cust Serv & Info Expense	CUSTS_I	1.000000	0.000000	0.641564	0.000000	0.358436	0.000000
AP	173	Acct 901-903,905 Cust Acct Exp Excl 904	CACCTEXP	1.000000	0.000000	0.033298	0.000000	0.781520	0.185182
AP	174	Accts 901-910 Excl 904 - Cust Accts,Serv & Info	CUSTSVSX	1.000000	0.000000	0.051612	0.000000	0.768781	0.179607
AP	175	Sales Expense	SALESEXP	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	176	Total O&M Expense Excl A&G Expense	TOTOMXAG	1.000000	0.155857	0.415394	0.001313	0.266384	0.161051
AP	177	Total O&M Expense Excl 904 Expense	TOTOMX904	1.000000	0.098753	0.483052	0.001271	0.264957	0.151966
AP	178	Total O&M Expense Excl Fuel & 904 Expense	TOMXFUEL904	1.000000	0.099174	0.480849	0.001276	0.266087	0.152614
AP	179	Tot Admin & Genl Exp xPension/Ben	AGEXP	1.000000	0.073980	0.594522	0.000797	0.209715	0.120986
AP	180	Accts 901-905 Cust Accts Exp Excl 904-Uncol	CUSTACCTS	1.000000	0.000000	0.033298	0.000000	0.781520	0.185182
AP	181	O&M + Capital Additions	EXPENDITURES	1.000000	0.500563	0.309831	0.000412	0.088941	0.100253
AP	182								
AP	183	Depreciation Expense (Total)	DEPREXP	1.000000	0.460228	0.462475	0.000154	0.011788	0.065355
AP	184								
AP	185	NJ State Income Tax (CBT)	STATEINCTAX	1.000000	0.502846	0.400566	0.000102	0.009072	0.087414
AP	186	NJ State Deferred Income Tax	DFSTATEINCTAX	1.000000	0.124103	0.591166	0.000510	0.173637	0.110584
AP	187								
AP	188	Labor Expense Related							
AP	189	Total Distribution Exp (Oper) Labor	TLABDO	1.000000	0.085287	0.868870	0.000000	0.000000	0.045842
AP	190	Total Distribution Exp (Maint) Labor	TLABDM	1.000000	0.149932	0.442779	0.005177	0.000000	0.402112
AP	191	Total Labor	LABOR	1.000000	0.066975	0.612865	0.000570	0.201900	0.117690
AP	192								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
AP	193	<b>REVENUES AND BILLING DETERMINANTS</b>							
AP	194								
AP	195	Base Rate Sales Revenue	SALESREV	1.000000	0.399844	0.396472	0.000480	0.092006	0.111198
AP	196								
AP	197	Residential Service Gas	REVRSG	1.000000	0.439334	0.340828	0.000000	0.110684	0.109154
AP	198	General Service Gas	REVGSG	1.000000	0.398884	0.382914	0.000000	0.061305	0.156897
AP	199	Large Volume Service Gas	REVLVG	1.000000	0.187228	0.713472	0.000000	0.014499	0.084800
AP	200	Street Light Gas	REVSLG	1.000000	0.073779	0.049776	0.873964	0.002407	0.000074
AP	201	Firm Transportation Gas Service	REVTSGF	1.000000	0.160470	0.712269	0.000000	0.121135	0.006126
AP	202								
AP	203								
AP	204	Total Rev Req @ Desired ROR	REVREQ	1.000000	0.399844	0.396472	0.000480	0.092006	0.111198
AP	205								
AP	206								
AP	207								
AP	208								
AP	209								
AP	210								
AP	211								
AP	212								
AP	213								
AP	214								
AP	215								
AP	216								
AP	217								
AP	218								
AP	219								
AP	220								
AP	221								
AP	222								
AP	223	<b><u>PRESENT REVENUES FROM SALES INPUT</u></b>							
AP	224								
AP	225	Total Sales of Gas Revenue Requirement		1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
AP	226	Sales of Gas Revenues - Rates		1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
AP	227	Sales of Gas Revenues - Other		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	228								
AP	229								
AP	230								
AP	231								
AP	232								
AP	233								
AP	234								
AP	235								
AP	236								
AP	237								
AP	238								
AP	239								
AP	240								





**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 GAS COST OF SERVICE STUDY**  
**12 MONTHS ENDING DECEMBER 31, 2016**

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDistAccess (2)	GDistDelivery (3)	GStreetLighting (4)	GCustomerService (5)	GMeasurement (6)
RRW	1	<b>REVENUE REQUIREMENTS</b>							
RRW	2								
RRW	3	<b>PRESENT RATES</b>							
RRW	4	-----							
RRW	5	RATE BASE		3,990,551,989	2,039,377,120	1,555,437,160	347,553	32,172,255	363,217,900
RRW	6	NET OPER INC (PRESENT RATES)		295,300,847	150,913,907	115,102,350	25,719	2,380,747	26,878,125
RRW	7	RATE OF RETURN (PRES RATES)		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
RRW	8	RELATIVE RATE OF RETURN		1.00	1.00	1.00	1.00	1.00	1.00
RRW	9	SALES REVENUE (PRE RATES)		887,227,203	354,752,121	351,761,166	425,786	81,629,969	98,658,161
RRW	10	REVENUE PRES RATES \$/THERM		\$0.3605	\$0.1441	\$0.1429	\$0.0002	\$0.0332	\$0.0401
RRW	11	REVENUE REQUIRED - \$/MO/CUST		\$40,693.72	\$16,271.12	\$16,133.94	\$19.53	\$3,744.05	\$4,525.07
RRW	12								
RRW	13								
RRW	14	<b>CLAIMED RATE OF RETURN</b>							
RRW	15	-----							
RRW	16	CLAIMED RATE OF RETURN		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
RRW	17	RETURN REQ FOR CLAIMED ROR		295,300,847	150,913,907	115,102,350	25,719	2,380,747	26,878,125
RRW	18	SALES REVENUE REQ CLAIMED ROR		887,227,203	354,752,121	351,761,166	425,786	81,629,969	98,658,161
RRW	19	REVENUE DEFICIENCY SALES REV		(0)	(0)	0	(0)	0	(0)
RRW	20	PERCENT INCREASE REQUIRED		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RRW	21	ANNUAL BOOKED THERM SALES		2,461,249,717	2,461,249,717	2,461,249,717	2,461,249,717	2,461,249,717	2,461,249,717
RRW	22	SALES REV REQUIRED \$/THERM		\$0.3605	\$0.1441	\$0.1429	\$0.0002	\$0.0332	\$0.0401
RRW	23	REVENUE DEFICIENCY \$/THERM		(\$0.0000)	(\$0.0000)	\$0.0000	(\$0.0000)	\$0.0000	(\$0.0000)
RRW	24								
RRW	25								
RRW	26								
RRW	27								
RRW	28								
RRW	29								
RRW	30								
RRW	31								
RRW	32								
RRW	33								
RRW	34								
RRW	35								
RRW	36								
RRW	37								
RRW	38								
RRW	39								
RRW	40								
RRW	41								
RRW	42								
RRW	43								
RRW	44								
RRW	45								
RRW	46								
RRW	47								
RRW	48								

Functional Cost Summary  
2016 Gas COS Study  
Updated for 12&0

EXHIBIT P-9G R-2  
Schedule SS-G6 R-2  
Page 1 of 1

Based on 12 months actual

PUBLIC SERVICE ELECTRIC & GAS COMPANY  
2016 GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016

line	FUNCTIONAL SEGMENTS		Total Company	RSG	GSG	LVG	SLG	TSG-F
#	REV REQ	Units	(1)	(2)	(3)	(4)	(5)	(6)
1	Distribution Access	\$	354,752,121	289,806,276	42,366,232	22,013,471	35,944	530,198
2	Distribution Delivery	\$	351,761,166	224,826,591	40,670,042	83,886,925	24,250	2,353,358
3	Streetlighting Fixtures	\$	425,786	0	0	0	425,786	0
4	Customer Service	\$	81,629,969	73,012,484	6,511,292	1,704,787	1,173	400,233
5	Measurement	\$	<u>98,658,161</u>	<u>72,003,158</u>	<u>16,664,298</u>	<u>9,970,429</u>	<u>36</u>	<u>20,241</u>
6	TOTAL	\$	887,227,203	659,648,509	106,211,863	117,575,612	487,189	3,304,030

**Cost of Service and Rate Design Sync**

**EXHIBIT P-9G R-2**  
**Schedule SS-G7 R-2**  
**Page 1 of 2**

**Part 1: Cost of Service Study Results**

	(1)	(2)	(3)	(4)	(5)	(6)	
line #	Total	RSG	GSG	LVG	SLG	TSG-F	Note:
Functionalized Revenue Requirements							
1 Distribution Access	\$ 354,752,121	\$ 289,806,276	\$ 42,366,232	\$ 22,013,471	\$ 35,944	\$ 530,198	SS-G6 R-2, line 1
2 Distribution Delivery	\$ 351,761,166	\$ 224,826,591	\$ 40,670,042	\$ 83,886,925	\$ 24,250	\$ 2,353,358	SS-G6 R-2, line 2
3 Streetlighting Fixtures	\$ 425,786	\$ 0	\$ 0	\$ 0	\$ 425,786	\$ 0	SS-G6 R-2, line 3
4 Customer Service	\$ 81,629,969	\$ 73,012,484	\$ 6,511,292	\$ 1,704,787	\$ 1,173	\$ 400,233	SS-G6 R-2, line 4
5 Measurement	\$ 98,658,161	\$ 72,003,158	\$ 16,664,298	\$ 9,970,429	\$ 36	\$ 20,241	SS-G6 R-2, line 5
6 Total	\$ 887,227,203	\$ 659,648,509	\$ 106,211,863	\$ 117,575,612	\$ 487,189	\$ 3,304,030	

**Part 2: Redistribution of TSG-F Revenue Requirements**

7 BGSS Therms Supplied - COS period	2,437,739,038	1,455,720,141	284,308,600	697,069,826	640,471		COS workpapers
8 % of Total BGSS Therms Supplied	100.0000%	59.7160%	11.6628%	28.5949%	0.0263%		= line 7 / line 7 Col 1 rounded to .0001%

Redistribution of TSG-F Revenue Requirements

9 Distribution Access	\$ 530,198	\$ 316,613	\$ 61,836	\$ 151,610	\$ 139		= TSG-F line 1 * line 8
10 Distribution Delivery	\$ 2,353,357	\$ 1,405,331	\$ 274,467	\$ 672,940	\$ 619		= TSG-F line 2 * line 8
11 Streetlighting Fixtures	\$ -	\$ -	\$ -	\$ -	\$ -		= TSG-F line 3 * line 8
12 Customer Service	\$ 400,232	\$ 239,003	\$ 46,678	\$ 114,446	\$ 105		= TSG-F line 4 * line 8
13 Measurement	\$ 20,241	\$ 12,087	\$ 2,361	\$ 5,788	\$ 5		= TSG-F line 5 * line 8
14 Total	\$ 3,304,028	\$ 1,973,034	\$ 385,342	\$ 944,784	\$ 868		

Functionalized Revenue Requirements - Total

15 Distribution Access	\$ 354,752,121	\$ 290,122,889	\$ 42,428,068	\$ 22,165,081	\$ 36,083		= line 1 + line 9
16 Distribution Delivery	\$ 351,761,165	\$ 226,231,922	\$ 40,944,509	\$ 84,559,865	\$ 24,869		= line 2 + line 10
17 Streetlighting Fixtures	\$ 425,786	\$ 0	\$ 0	\$ 0	\$ 425,786		= line 3 + line 11
18 Customer Service	\$ 81,629,968	\$ 73,251,487	\$ 6,557,970	\$ 1,819,233	\$ 1,278		= line 4 + line 12
19 Measurement	\$ 98,658,161	\$ 72,015,245	\$ 16,666,659	\$ 9,976,217	\$ 41		= line 5 + line 13
20 Total	\$ 887,227,201	\$ 661,621,543	\$ 106,597,205	\$ 118,520,396	\$ 488,057		

Cost of Service and Rate Design Sync

EXHIBIT P-9G R-2  
Schedule SS-G7 R-2  
Page 2 of 2

Part 3: Calculation of Sync Factors

line #	(7)	(8)	(9)	(10)	(11)	Notes:
		RSG	GSG	LVG	SLG	
1 # of Customers - Rate Design period		1,635,900	140,771	18,375	16	SS-G11 R-2
2 # of Customers - Cost of Service period		1,652,784	145,403	18,640	16	COS workpapers
3 Customer Sync Adjustment Factor		0.98978	0.96814	0.98576	1.01042	= line 1 / line 2
4 Therms Delivered - Rate Design period		1,494,928,026	297,484,186	740,102,520	678,777	SS-G11 R-2
5 Therms Delivered - Cost of Service period		1,455,720,141	284,308,600	697,069,826	640,471	COS workpapers
6 Delivery Sync Adjustment Factor		1.02693	1.04634	1.06173	1.05981	= line 4 / line 5
7 # of Streetlights - Rate Design period					2,467	SS-G11 R-2
8 # of Streetlights - Cost of Service period					2,501	COS Workpapers - SLG Analysis
9 Streetlight Sync Adjustment Factor					0.98641	= line 7 / line 8

Part 4: Initial Sync

	Total	RSG	GSG	LVG	SLG	
10 Distribution Access	\$ 350,121,446	\$ 287,159,189	\$ 41,076,326	\$ 21,849,472	\$ 36,459	= Page 1, line 15 * line 3
11 Distribution Delivery	\$ 364,973,574	\$ 232,325,178	\$ 42,841,982	\$ 89,780,057	\$ 26,357	= Page 1, line 16 * line 6
12 Streetlighting Fixtures	\$ 419,997	\$ 0	\$ 0	\$ 0	\$ 419,997	= Page 1, line 17 * line 9
13 Customer Service	\$ 80,646,855	\$ 72,503,199	\$ 6,349,035	\$ 1,793,329	\$ 1,291	= Page 1, line 18 * line 3
14 Measurement	\$ 97,249,458	\$ 71,279,585	\$ 16,135,666	\$ 9,834,165	\$ 42	= Page 1, line 19 * line 3
15 Total	\$ 893,411,330	\$ 663,267,152	\$ 106,403,009	\$ 123,257,024	\$ 484,146	

Part 5: Final Sync

16 Requested increase in Revenue Requirements		\$ 246,765,950				Schedule SSJ-02 R-2
17 Total Target Distribution Revenue Requirements		\$ 1,011,955,320				= line 16 + Schedule SS-G8 R-2, page 2, Col 3, line 9
18 Sum of Initial Sync Revenue Requirements			\$ 893,411,330			= Col 7, line 15
19 Final Sync Adjustment Factor			1.13269			= line 17 / line 18
	Total	RSG	GSG	LVG	SLG	
20 Distribution Access	\$ 396,577,980	\$ 325,261,455	\$ 46,526,617	\$ 24,748,611	\$ 41,297	= line 10 * line 19
21 Distribution Delivery	\$ 413,400,790	\$ 263,151,689	\$ 48,526,552	\$ 101,692,696	\$ 29,854	= line 11 * line 19
22 Streetlighting Fixtures	\$ 475,725	\$ 0	\$ 0	\$ 0	\$ 475,725	= line 12 * line 19
23 Customer Service	\$ 91,347,637	\$ 82,123,425	\$ 7,191,469	\$ 2,031,281	\$ 1,462	= line 13 * line 19
24 Measurement	\$ 110,153,188	\$ 80,737,453	\$ 18,276,657	\$ 11,139,030	\$ 47	= line 14 * line 19
25 Total	\$ 1,011,955,320	\$ 751,274,021	\$ 120,521,296	\$ 139,611,618	\$ 548,386	



**Inter Class Revenue Allocations**  
Calculation of Increase Limits

**EXHIBIT P-9G R-2**  
**Schedule SS-G8 R-2**  
**Page 1 of 3**

<u>line #</u>	(in \$1,000)		Notes:
	Requested Revenue Increase to be		
1	recovered from rate schedule charges =	\$ 246,766	
2	Present Distribution Revenue = \$	765,189	from RSG, GSG, LVG & SLG
3	Present Total Customer Bills (all on BGSS) = \$	2,068,874	SS-G11 R-2 workpapers
4	Average Distribution Increase =	32.249%	SS-G11 R-2 workpapers
5	Average Total Bill Increase =	11.928%	
6	Lower Distribution increase limit =	16.125% in Distribution charges	= Line 1 / Line 2
7	Upper Distribution increase limit #1 =	48.374% in Distribution charges	= Line 1 / Line 3
8	Upper Bill increase limit #2 =	23.856% in Bill Increase	= 0.5 * Line 4
			= 1.5 * Line 4
			= 2.0 * Line 5
	all rounded to 0.001%		

# Inter Class Revenue Allocations

Calculation of Increases

EXHIBIT P-9G R-2

Schedule SS-G8 R-2

Page 2 of 3

line #	(1) Rate Schedule	(2) Proposed Distribution Revenue Requirement (from COS) (in \$1,000)	(3) Present Distribution Revenue (in \$1,000)	(4) Unlimited COS Distribution Charge \$ Increase (in \$1,000)	(5) Present Total Bill Revenue (all on BGSS) (in \$1,000)	(6) Unlimited Distribution Charge Increase (%)	(7) Change in MAC & BGSS credits (in \$1,000)	(8) Limited Final Distribution Charge Increase (%)	(9) Proposed Total Bill Increase (%)	(10) Proposed Distribution Revenue Increase (in \$1,000)
<u>Calculation of TSG-F Increase</u>										
1	TSG-F	\$ 3,304	\$ 2,981	\$ 323	\$ 17,021	10.852%	\$ (29)	16.125%	2.656%	\$ 481
<u>Calculation of TSG-NF &amp; CIG Increase</u>										
2	TSG-NF	----	\$ 8,550	----	\$ 94,722	----		32.249%	2.911%	\$ 2,757
3	CIG	----	\$ 2,515	----	\$ 19,987	----		32.249%	4.058%	\$ 811
4	CSG <sup>1</sup>	----	\$ 7,281	----	\$ 8,446	----		----	1.847%	\$ 156
<u>Calculation of Margin Rates (RSG, GSG, LVG &amp; SLG) Increase</u>										
5	RSG	\$ 751,274	\$ 553,640	\$ 197,634	\$ 1,222,204	35.697%	\$ (2,712)	35.702%	15.951%	\$ 197,661
6	GSG	\$ 120,521	\$ 92,516	\$ 28,005	\$ 283,880	30.271%	\$ (423)	30.275%	9.717%	\$ 28,009
7	LVG	\$ 139,612	\$ 118,686	\$ 20,926	\$ 561,692	17.631%	\$ (1,034)	17.633%	3.542%	\$ 20,928
8	SLG	\$ 548	\$ 347	\$ 201	\$ 1,098	57.868%	\$ (1)	48.374%	15.199%	\$ 168
9	Total for Margin Rates	\$ 1,011,955	\$ 765,189	\$ 246,766	\$ 2,068,874	32.249%	\$ (4,170)	32.249%	11.726%	\$ 246,766

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

Notes:	for TSG-F - SS-G7 R-2, pg 6, line 6	SS-G11 R-2 workpapers	= (2) - (3)	SS-G11 R-2 Workpapers	= (4) / (3)	SS-G11 R-2 Workpapers	calculated on limits	= (Col 10 + Col 7) / Col 5	= (3) * (8)
	for RSG to SLG - SS-G7 R-2, pg 2, cols 8-11, line 25								

# Inter Class Revenue Allocations

Calculation of Increases

EXHIBIT P-9G R-2

Schedule SS-G8 R-2

Page 3 of 3

	(1)	(2)	(3)	(4)	(5)
line #	Rate Schedule	Proposed Distribution Revenue Increase (in \$1,000)	Proposed Tax Adjustment Credit (in \$1,000)	Net Distribution Revenue Increase (in \$1,000)	Net Total Bill Increase (%)

## Calculation of TSG-F Increase

1	TSG-F	\$ 481	\$ -	\$ 481	2.83%
---	-------	--------	------	--------	-------

## Calculation of TSG-NF, CIG, & CSG Increase

2	TSG-NF	\$ 2,757	\$ -	\$ 2,757	2.91%
3	CIG	\$ 811	\$ -	\$ 811	4.06%
4	CSG	\$ 156	\$ -	\$ 156	1.85%

## Calculation of Margin Rates (RSG, GSG, LVG & SLG) Increase

5	RSG	\$ 197,661	\$ (121,387)	\$ 76,274	6.24%
6	GSG	\$ 28,009	\$ -	\$ 28,009	9.87%
7	LVG	\$ 20,928	\$ -	\$ 20,928	3.73%
8	SLG	\$ 168	\$ -	\$ 168	15.29%
9	Total for Margin Rates	\$ 246,766	\$ (121,387)	\$ 125,379	5.68%
10	Overall Total	\$ 250,971	\$ (121,387)	\$ 129,584	5.87%

Page 2, Col 10    SS-GTAC-1 R-2    = (2) + (3)    = (4) / Page 2, Col 5

Service Charge Calculations

line #	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	Notes:
1	Average Distribution Increase =				32.249%	Schedule SS-G8 R-2, page 1, line 4				
	Rate Schedule	Distribution Access Rev Req  (in \$1,000)	Customer Service Rev Req  (in \$1,000)	Measurement Rev Req  (in \$1,000)	COS Indicated Total Rev Req  (in \$1,000)	# of Customers	Cost Based Monthly Service Charge  (\$/month)	Current Monthly Service Charge  (\$/month)	Proposed Limited Monthly Service Charge  (\$/month)	
2	RSG	325,261	82,123	80,737	488,122	1,635,900	\$ 24.87	\$ 5.46	\$ 7.79	3 annual increases to move to 50% of cost year 2 & 3 revenue neutral via reductions in per therm charges.
3	GSG	46,527	7,191	18,277	71,995	140,771	\$ 42.62	\$ 11.28	\$ 16.74	move to costs, limited @ 1.5 times overall avg Distribution % increase
4	LVG	24,749	2,031	11,139	37,919	18,375	\$ 171.97	\$ 100.12	\$ 148.55	move to costs, limited @ 1.5 times overall avg Distribution % increase
5	TSG-F	530	400	20	951	37	\$ 2,141.15	\$ 536.08	\$ 795.40	move to costs, limited @ 1.5 times overall avg Distribution % increase
6	TSG-NF							\$ 536.08	\$ 795.40	set equal to new TSG-F Service Charge
7	CIG							\$ 139.85	\$ 184.95	increase current @ average Distribution % increase
8	CSG							\$ 536.08	\$ 795.40	set equal to new TSG-F Service Charge
Notes:	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
		values for RSG, GSG & LVG for Cols 2, 3, & 4 from SS-G7 R-2, pg 2, lines 20, 23 & 24			= (2) + (3) + (4)	RSG, GSG & LVG from SS-G7 R-2, page 2, line 1	= Col 5 * 1000 / Col 6 / 12 rounded to \$.01	SS-G11 R-2	based on methodology described	
		values for TSG-F for Cols 2, 3 & 4 from SS-G7 R-2, pg 1, lines 1, 4 & 5				TSG-F from COS workpapers				

Residential Service Three Year Service Charge Calculations

The Company is proposing to move the residential service charges to 50% of cost with equal increases over three years offset by a corresponding decrease to per therm charges to ensure revenue neutrality in years two and three.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
line #	<u>12 &amp; 0 Weather</u> <u>Normalized Units</u> <u>(000)</u>	<u>6/30/18 Annualized Weather</u> <u>Rate w/o SUT</u>	<u>Revenue</u> <u>(\$000)</u>	<u>Year 1 Proposed Increase</u> <u>Rate w/o SUT</u>	<u>Revenue</u> <u>(\$000)</u>	<u>Change</u> <u>(\$000)</u>	<u>Year 2 Proposed Increase</u> <u>Rate w/o SUT</u>	<u>Revenue</u> <u>(\$000)</u>	<u>Change</u> <u>(\$000)</u>	<u>Year 3 Proposed Increase</u> <u>Rate w/o SUT</u>	<u>Revenue</u> <u>(\$000)</u>	<u>Change</u> <u>(\$000)</u>
1 <u>Residential Service</u>												
2 Service Charge	19,631	5.46	107,184.18	7.79	152,923.96	45,739.78	10.12	198,663.73	45,739.77	12.45	244,403.50	45,739.77
3 Distribution Charge	1,494,872	0.300343	448,974.34	0.402568	601,787.63	152,813.29	0.371971	556,049.03	(45,738.60)	0.341374	510,310.43	(45,738.60)
4 Off-Peak Distribution Charge	56	0.150172	8.41	0.201284	11.27	2.86	0.185986	10.42	(0.85)	0.170687	9.56	(0.86)
5 Net Distribution Revenue Change						\$198,556			\$0.32			\$0.31
6	See SS-G11 R-2	See SS-G11 R-2	= (1) * (2)	See SS-G11 R-2	= (1) * (4)	= (5) - (3)	See SS-G11 R-2	= (1) * (7)	= (8) - (5)	See SS-G11 R-2	= (1) * (10)	= (11) - (8)





COMMODITY BGSS  
**WEATHER NORMALIZED ALL @ BGSS**  
 "12 and 0" Months Ended June 30, 2018  
 (Units, \$, 000)

	<u>Jul-17</u>	<u>Aug-17</u>	<u>Sep-17</u>	<u>Oct-17</u>	<u>Nov-17</u>	<u>Dec-17</u>	<u>Jan-18</u>	<u>Feb-18</u>	<u>Mar-18</u>	<u>Apr-18</u>	<u>May-18</u>	<u>Jun-18</u>	<u>Total</u>
<b>REVENUES</b>													
1 BGSS-RSG	10,028	9,242	10,394	15,179	39,405	69,531	99,331	93,594	76,883	51,852	26,027	13,171	514,637
2 BGSSF-GSG	4,057	3,512	3,721	5,543	9,904	19,705	26,227	31,745	20,513	13,850	7,501	4,240	150,518
3 BGSSF-LVG	12,497	12,193	12,284	16,534	25,778	45,149	56,494	67,717	48,666	37,742	22,455	15,533	373,042
4 BGSSF-SLG	30	11	4	27	22	60	(21)	92	20	33	29	44	351
5 TSGF @ BGSSF (LVG)	851	802	809	753	862	1,127	1,278	1,510	1,174	2,225	820	757	12,968
6 Emergency Sales - TSGF	0	0	0	0	0	0	0	0	0	0	0	0	0
7 TSGNF @ BGSSI	7,304	5,293	6,262	5,244	5,628	7,753	7,691	8,272	5,914	13,421	4,974	5,446	83,202
8 BGSSI-TSGNF - Pilot Use	0	0	0	0	0	0	0	16	0	(1)	0	0	15
9 BGSSI-TSGNF - Penalty Use	0	0	0	0	0	0	0	19	0	(7)	0	0	12
10 Emergency Sales - TSGNF	0	0	0	0	0	0	0	0	0	0	0	0	0
11 CIG - Supply Component	1,057	1,005	985	915	1,008	1,137	1,210	867	1,329	1,613	882	903	12,911
12 CSG - BGSS-F	0	0	0	0	0	0	0	0	0	0	0	0	0
13 CSG - BGSS-I	40,293	49,310	42,935	25,642	29,085	14,456	23,106	40,954	16,447	24,318	34,176	28,084	368,806
14 CSG - Emergency Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
15													
16													
<b>THERMS</b>													
17 BGSS-RSG	31,576	29,102	32,729	43,853	113,840	200,874	287,072	270,492	222,197	149,855	75,218	38,064	1,494,872
18 BGSSF-GSG	7,978	7,045	7,478	11,109	20,365	37,954	54,251	55,255	43,338	28,937	15,249	8,525	297,484
20 BGSSF-LVG	24,578	24,461	24,685	33,136	53,005	86,964	116,860	117,867	102,815	78,854	45,649	31,229	740,103
21 BGSSF-SLG	58,199	21,917	8,802	53,544	44,919	115,380	(43,173)	160,684	41,933	68,199	59,539	88,835	678,777
22 TSGF @ BGSSF (LVG)	1,674	1,608	1,625	1,509	1,773	2,170	2,644	2,629	2,480	4,648	1,668	1,522	25,950
23 Emergency Sales - TSGF	0	0	0	0	0	0	0	0	0	0	0	0	0
24 TSGNF @ BGSSI	15,450	11,439	13,556	11,321	12,490	16,038	17,151	15,396	13,490	30,234	10,887	11,777	179,229
25 BGSSI-TSGNF - Pilot Use	0	0	0	0	0	0	0	29	(1)	(2)	0	0	26
26 BGSSI-TSGNF - Penalty Use	0	0	0	0	0	0	0	35	(1)	(15)	0	0	19
27 BGSSI-TSGNF - Less Pilot & Penalty	15,450	11,439	13,556	11,321	12,490	16,038	17,151	15,332	13,492	30,251	10,887	11,777	179,184
28 Emergency Sales - TSGNF	0	0	0	0	0	0	0	0	0	0	0	0	0
29 CIG - Supply Component	3,176	3,126	3,062	2,830	3,358	3,409	4,044	2,221	4,604	5,483	2,867	2,867	41,067
30 CSG - BGSS-F	0	0	0	0	0	0	0	0	0	0	0	0	0
31 CSG - BGSS-I	85,235	106,561	92,949	55,352	64,547	29,902	51,526	75,908	37,520	54,815	74,799	60,734	789,848
32 CSG - Emergency Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
33													
34													
<b>AVG \$/THERM w/o SUT</b>													
35 BGSS-RSG	0.317575	0.317575	0.317564	0.346142	0.346142	0.346142	0.346015	0.346015	0.346015	0.346015	0.346015	0.346015	0.344268
37 BGSS RSG OFF Peak	0.354247	0.354247	0.354247	0.354247	-	-	-	-	-	-	0.301379	0.301379	0.336624
38 BGSSF-GSG (BGSS-F)	0.508463	0.498467	0.497645	0.498971	0.486327	0.519171	0.483431	0.574517	0.473333	0.478637	0.491897	0.497405	0.505970
39 BGSSF-LVG (BGSS-F)	0.508463	0.498467	0.497645	0.498971	0.486327	0.519171	0.483431	0.574517	0.473333	0.478637	0.491897	0.497405	0.504041
40 BGSSF-SLG (BGSS-F)	0.508463	0.498467	0.497645	0.498971	0.486327	0.519171	0.483431	0.574517	0.473333	0.478637	0.491897	0.497405	0.516768
41 TSGF @ BGSSF	0.508463	0.498467	0.497645	0.498971	0.486327	0.519171	0.483431	0.574517	0.473333	0.478637	0.491897	0.497405	0.499730
42 Emergency Sales - TSGF	0.556543	0.543507	0.544751	0.546190	0.522281	0.558287	0.522597	0.618334	0.511540	0.514937	0.528748	0.534460	0.000000
43 TSGNF @ BGSSI	0.472734	0.462738	0.461919	0.463245	0.450601	0.483445	0.448439	0.539525	0.438341	0.443645	0.456905	0.462413	0.464222
44 BGSSI-TSGNF - Pilot Use	0.472734	0.462738	0.461919	0.463245	0.450601	0.483445	0.448439	0.539525	0.438341	0.443645	0.456905	0.462413	0.576923
45 BGSSI-TSGNF - Penalty Use	0.472734	0.462738	0.461919	0.463245	0.450601	0.483445	0.448439	0.539525	0.438341	0.443645	0.456905	0.462413	0.631579
46 Emergency Sales - TSGNF	0.556543	0.543507	0.544751	0.546190	0.522281	0.558287	0.522597	0.618334	0.511540	0.514937	0.528748	0.534460	0.000000
47 CIG - Supply Component	0.332693	0.321559	0.321781	0.323200	0.300298	0.333431	0.299159	0.390222	0.288742	0.294255	0.307515	0.312911	0.314389
48 CSG - BGSS-F	0.508463	0.498467	0.497645	0.498971	0.486327	0.519171	0.483431	0.574517	0.473333	0.478637	0.491897	0.497405	0.000000
49 CSG - BGSS-I	0.472734	0.462738	0.461919	0.463245	0.450601	0.483445	0.448439	0.539525	0.438341	0.443645	0.456905	0.462413	0.466933
50 CSG - Emergency Sales	0.556543	0.543507	0.544751	0.546190	0.522281	0.558287	0.522597	0.618334	0.511540	0.514937	0.528748	0.534460	0.000000

53 BGSS-RSG "Weather Normalized All" - used tariff rates with out SUT (effective 5/1/2017 the rate was \$0.317575; effective as of 9/1/2017 the rate was \$0.317564; and effective as of 10/1/2017 the rate is \$0.346142).

54 BGSS-RSG excludes Off-Peak volume because it has its own specific BGSS-RSGOP rate (effective as of 5/1/2017 the rate is \$0.378601). Applicable May - October only.

55 BGSS-RSG does not include any BGSS-RSG Bill Credits.

56 GSG includes Off-Peak usage.

57 All BGSS rates (BGSS-Firm, BGSS-Interruptible, BGSS-CIG) are monthly changing rates and are based on the most current Tariff rates applicable for that month.

58 All BGSS rates exclude SUT.



**Gas Schedule SS-G11 R-2**  
**Page 1 of 22**

**Gas Proof of Revenue by Rate Schedule**

**Explanation of Format**

The summary and each rate schedule provide the details of 1) a) Actual and b) Weather Normalized and also 2) a) Annualized Weather Normalized (all customers assumed to be on BGSS and revenue based on current tariff rates), b) the proposed rate design.

**1) Actual and Weather Normalized**

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 Charge, Societal Benefits Charge, Margin Adjustment Charge, Green Programs Recovery Charge, Facilities Charge, Minimum items, Miscellaneous items, and Unbilled Revenue. The first column shows the actual billing units for the test year from Schedule SS-G2 R-2. The second column shows annual average rates (without Sales and Use Tax, SUT) occurring during the test period. The commodity rates in the second column reflect class-weighted averages for the test year from SS-G11 R-2. The third column presents annualized revenue for the test period. The fourth column shows the weather normalized billing units for the test year from SS-G2 R-2. The fifth column shows the applicable rates. Column 6 presents weather normalized revenue. Columns 7 and 8 show the differential revenue, in thousands of dollars and percent increase, respectively, for each of the billing unit blocks

**2) Annualized Weather Normalized (all customers assumed to be on BGSS) and the Proposed rate design.**

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 Charge, Societal Benefits Charge, Margin Adjustment Charge, Green Programs Recovery Charge, Facilities Charge, Minimum items, Miscellaneous items, and Unbilled Revenue. The first column shows the annualized weather normalized billing units for the test year from Schedule SS-G2 R-2. The second column shows present Delivery rates (without Sales and Use Tax, SUT) effective June 1, 2018. The commodity rates in the second column reflect class-weighted averages for the test year from SS-G11 R-2. The third column presents annualized revenue for the test period assuming all customers are provided service under their applicable BGSS provision. The fourth column repeats the billing units of the first column. The fifth column shows the proposed rates that result in the proposed revenues shown in column 6. Columns 7 and 8 show the proposed revenue increase, in thousands of dollars and percent increase, respectively, for each of the billing unit blocks.

**3) Annualized Weather Normalized (Proposed Years 2 & Years 3)**

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 Charge, Societal Benefits Charge, Margin Adjustment Charge, Green Programs Recovery Charge, Facilities Charge, Minimum items, Miscellaneous items, and Unbilled Revenue. The first column shows the annualized weather normalized billing units for the test year from Schedule SS-G2 R-2. The second column shows present Delivery rates (without Sales and Use Tax, SUT) effective June 1, 2018. The commodity rates in the second column reflect class-weighted averages for the test year from SS-G11 R-2. The third column presents annualized revenue for the test period assuming all customers are provided service under their applicable BGSS provision. The fourth column repeats the billing units of the first column. The fifth column shows the proposed rates that result in the proposed revenues shown in column 6 years 2 and 3 respectively based on an incremental increase as discussed in the Direct Testimony of Stephen Swetz. Columns 7 and 8 show the proposed revenue increase, in thousands of dollars and percent increase, respectively, for each of the billing unit blocks.

Filing "12 and 0"

## GAS PROOF OF REVENUE

Schedule SS-G11 R-2

## SUMMARY

Page 2 of 22

## GAS RATE INCREASE

"12 and 0" Months Ended June 30, 2018

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

Rate Schedule		Actual		Weather Normalized		Difference	
		Therms	Revenue	Therms	Revenue	Revenue	Percent
		(1)	(2)	(3)	(4)	(5)	(6)
1	RSG	1,515,236	\$1,121,374	1,494,928	\$1,102,843	(\$18,531)	(1.65)
2	GSG	301,924	242,338	297,484	247,742	5,404	2.23
3	LVG	743,261	332,650	740,103	327,950	(4,700)	(1.41)
6	SLG	679	780	679	780	0	0.00
7	Subtotal	2,561,100	1,697,142	2,533,194	1,679,315	(17,827)	(1.05)
8							
9	TSG-F	25,950	4,239	25,950	4,239	0	0.00
10	TSG-NF	179,184	18,972	179,229	19,665	693	3.65
11	CIG	42,321	20,942	42,321	20,942	0	0.00
12	CSG	789,848	8,452	599,445	8,452	0	0.00
15	Subtotal	1,037,303	52,605	846,945	53,298	693	3.65
16							
17	Totals	3,598,403	\$1,749,746	3,380,139	\$1,732,612	(\$17,134)	(0.98)

Notes: SLG units and revenues shown to 3 decimals.  
TSG-F revenues shown to 3 decimals.

Filing "12 and 0"

**GAS PROOF OF REVENUE  
SUMMARY  
GAS RATE INCREASE**  
"12 and 0" Months Ended June 30, 2018  
(Therms & Revenue - Thousands, Rate - \$/Therm)

Schedule SS-G11 R-2  
Page 3 of 22

Rate Schedule		Annualized		Proposed		Difference	
		Weather Normalized					
		Therms	Revenue	Therms	Revenue	Revenue	Percent
		(1)	(2)	(3)	(4)	(5)	(6)
1	RSG	1,494,928	\$1,222,204	1,494,928	\$1,418,756	\$196,552	16.08
2	GSG	297,484	283,880	297,484	311,788	27,908	9.83
3	LVG	740,103	561,692	740,103	582,383	20,691	3.68
6	SLG	679	1,098	679	1,266	168	15.27
7	Subtotal	2,533,194	2,068,874	2,533,194	2,314,193	245,319	11.86
8							
9	TSG-F	25,950	17,021	25,950	17,502	481	2.83
10	TSG-NF	179,184	94,722	179,184	97,479	2,757	2.91
11	CIG	41,067	19,987	41,067	20,798	811	4.06
12	CSG	789,848	8,446	789,848	8,600	154	1.82
13	Subtotal	1,036,049	140,176	1,036,049	144,379	4,203	3.00
14							
15	Totals	3,569,243	2,209,050	3,569,243	2,458,572	\$249,522	11.30

Less change in MAC included above \$2,756

Gas Revenue Requirement \$246,766

	<u>Increase Before Mac Adjustment</u>	<u>Increase Above</u>	<u>MAC Adjustment</u>
RSG	\$194,949	\$196,552	1,603
GSG	27,586	27,908	322
LVG	20,301	20,691	390
SLG	167	168	1
Subtotal	243,003	245,319	2,316
TSG-F	453	481	28
TSG-NF	2,757	2,757	0
CIG	811	811	0
CSG	154	154	0
Subtotal	4,175	4,203	28
Totals	<u>\$247,178</u>	<u>\$249,522</u>	<u>2,344</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 6/1/2018  
plus applicable BGSS charges.

Filing "12 and 0"

**RATE SCHEDULE RSG**  
**RESIDENTIAL SERVICE**  
**"12 and 0" Months Ended June 30, 2018**  
 (Therms & Revenue - Thousands, Rate - \$/Therm)

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	Actual			Weather Normalized			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
<b>Delivery</b>								
1 Service Charge	19,630.803	5.46	\$107,184	19,630.803	5.46	\$107,184	0	0.00
2 Distribution Charge	1,515,180	0.314233	476,119	1,494,872	0.314422	470,020	(6,099)	(1.28)
3 Off-Peak Dist Non Exempt	56	0.250000	14	56	0.250000	14	0	0.00
4 Balancing Charge	918,017	0.084457	77,533	917,326	0.084457	77,475	(58)	(0.07)
5 SBC	1,515,236	0.042168	63,894	1,494,928	0.042181	63,057	(837)	(1.31)
6 Margin Adjustment	1,515,236	(0.006369)	(9,651)	1,494,928	(0.006370)	(9,523)	128	(1.33)
7 Weather Normalization	918,017	0.021816	20,027	917,326	0.021819	20,015	(12)	(0.06)
8 Green Programs Recovery Charge	1,515,236	0.005518	8,361	1,494,928	0.005516	8,246	(115)	(1.38)
9 Tax Adjustment Credit	1,515,236	0.000000	0	1,494,928	0.000000	0	0	0.00
10 Green Enabling Mechanism	1,515,236	0.000000	0	1,494,928	0.000000	0	0	0.00
11 Facilities Charges			0			0	0	0.00
12 Minimum			0			0	0	0.00
13 Miscellaneous			(14)			(15)	(1)	7.14
14 Delivery Subtotal	1,515,236		\$743,467	1,494,928		\$736,473	(6,994)	(0.94)
15 Unbilled Delivery			(241)			(3,324)	(3,083)	1,279.25
16 Delivery Subtotal w unbilled			\$743,226			\$733,149	(10,077)	(1.36)
<b>Supply</b>								
19 BGSS-RSG	1,445,293	0.261389	\$377,783	1,425,927	0.261241	\$372,511	(5,272)	(1.40)
20 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
21 Off-Peak Comm. Charge	46	0.391304	18	46	0.391304	18	0	0.00
22 Miscellaneous			0			(1)	(1)	0.00
24 Supply subtotal	1,445,293		\$377,801	1,425,927		\$372,528	(5,273)	(1.40)
25 Unbilled Supply			347			(2,834)	(3,181)	(916.71)
26 Supply Subtotal w unbilled			\$378,148			\$369,694	(8,454)	(2.24)
27								
28 Total Delivery + Supply	1,515,236		\$1,121,374	1,494,928		\$1,102,843	(18,531)	(1.65)

Notes:

Rates are annual averages derived from actual, excluding SUT.

Filing "12 and 0"

**RATE SCHEDULE RSG  
RESIDENTIAL SERVICE  
"12 and 0" Months Ended June 30, 2018  
(Therms & Revenue - Thousands, Rate - \$/Therm)**

Schedule SS-G11 R-2  
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	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
<b>Delivery</b>								
1 Service Charge	19,630.803	5.46	\$107,184	19,630.803	7.79	\$152,924	45,740	42.67
2 Distribution Charge	1,494,872	0.300343	448,974	1,494,872	0.402568	601,788	152,814	34.04
3 Off-Peak Dist	56	0.150172	8	56	0.201284	11	3	37.50
4 Balancing Charge	917,326	0.084457	77,475	917,326	0.084457	77,475	0	0.00
5 SBC	1,494,928	0.041721	62,370	1,494,928	0.041721	62,370	0	0.00
6 Margin Adjustment	1,494,928	(0.006338)	(9,475)	1,494,928	(0.006338)	(9,475)	0	0.00
7 Weather Normalization	917,326	0.021647	19,857	917,326	0.021647	19,857	0	0.00
8 Green Programs Recovery Charge	1,494,928	0.005563	8,316	1,494,928	0.005563	8,316	0	0.00
9 Tax Adjustment Credit	1,494,928	0.000000	0	1,494,928	0.000000	0	0	0.00
10 Green Enabling Mechanism	1,494,928	0.000000	0	1,494,928	0.000000	0	0	0.00
11 Facilities Charges			0			0	0	0.00
12 Minimum			0			0	0	0.00
13 Miscellaneous			(15)			(15)	0	0.00
14 Delivery Subtotal	1,494,928		\$714,694	1,494,928		\$913,251	\$198,557	27.78
15 Unbilled Delivery			(3,226)			(4,122)	(896)	27.77
16 Delivery Subtotal w unbilled			\$711,468			\$909,129	\$197,661	27.78
<b>Supply</b>								
19 BGSS-RSG	1,494,872	0.344268	\$514,637	1,494,872	0.344268	\$514,637	\$0	0.00
20 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
21 BGSS Contrib. from TSG-F, TSG-NF & CIG	0	0.000000	0	1,494,928	(0.000748)	(1,118)	(1,118)	0.00
22 Off-Peak Comm. Charge	46	0.336624	15	46	0.336624	15	0	0.00
24 Miscellaneous			(1)			(1)	0.00	0.00
25 Supply subtotal	1,494,918		\$514,651	1,494,918		\$513,533	(1,118.00)	(0.22)
26 Unbilled Supply			(3,915)			(3,906)	9.00	(0.23)
27 Supply Subtotal w unbilled			\$510,736			\$509,627	(1,109.00)	(0.22)
29 Total Delivery + Supply	1,494,928		\$1,222,204	1,494,928		\$1,418,756	196,552.00	16.08

Notes:

All customers assumed to be on BGSS.

Annualized Weather Normalized Revenue reflects Delivery rates in effect 6/1/2018 plus applicable BGSS charges.

Year 2 Service Charge Increase						Year 3 Service Charge Increase					
Annualized						Annualized					
Weather Normalized			Difference			Weather Normalized			Difference		
	Units	Rate	Revenue	Revenue	Percent	Units	Rate	Revenue	Revenue	Percent	
	(4)	(5)	(6=4*5)	(7=6-3)	(8=7/3)	(4)	(5)	(6=4*5)	(7=6-3)	(8=7/3)	
1	Delivery										
1	Service Charge	19,630.803	10.12	\$198,664	\$45,740	29.91	19,630.803	12.45	\$244,403	\$45,740	23.02
2	Distribution Charge	1,494,872	0.371971	556,049	(45,739)	(7.60)	1,494,872	0.341374	510,310	(45,739)	(8.23)
3	Off-Peak Dist	56	0.185986	10	(1)	(5.32)	56	0.170687	10	(1)	(8.23)
4	Balancing Charge	917,326	0.084457	77,475	(0)	0.00	917,326	0.084457	77,475	0	0.00
5	SBC	1,494,928	0.041721	62,370	(0)	0.00	1,494,928	0.041721	62,370	0	0.00
6	Margin Adjustment	1,494,928	(0.006338)	(9,475)	0	0.00	1,494,928	(0.006338)	(9,475)	0	0.00
7	Weather Normalization	917,326	0.021647	19,857	0	0.00	917,326	0.021647	19,857	0	0.00
8	Green Programs Recovery Charge	1,494,928	0.005563	8,316	0	0.00	1,494,928	0.005563	8,316	0	0.00
9	Tax Adjustment Credit	1,494,928	0.000000	0	0	0.00	1,494,928	0.000000	0	0	0.00
10	Green Enabling Mechanism	1,494,928	0.000000	0	0	0.00	1,494,928	0.000000	0	0	0.00
11	Facilities Charges	0	0	0	0	0.00	0	0	0	0	0.00
12	Minimum	0	0	0	0	0.00	0	0	0	0	0.00
13	Miscellaneous	0	(15)	0	0	0.00	0	(15)	0	0	0.00
14	Delivery Subtotal	1,494,928		\$913,251	\$0	0.00	1,494,928		\$913,252	\$0	0.00
15	Unbilled Delivery			(4,122)	0	0.00			(4,122)	0	0.00
16	Delivery Subtotal w unbilled			\$909,129	\$0	0.00			\$909,130	\$0	0.00
17											
18	Supply										
19	BGSS-RSG	1,494,872	0.344268	\$514,637	0	0.00	1,494,872	0.344268	514,637	0	0.00
20	Emergency Sales Service	0	0.000000	0	0	0.00	0	0.000000	0	0	0.00
21	BGSS Contrib. from TSG-F, TSG-NF & CIG	1,494,928	(0.000748)	(1,118)	0	0.02	1,494,928	(0.000748)	(1,118)	0	0.00
22	Off-Peak Comm. Charge	46	0.336624	15	0	3.20	46	0.336624	15	0	0.00
23											
24	Miscellaneous			0	1	-100.00	0		0	0	0.00
25	Supply subtotal	2,989,846		\$513,534	1	0.00	2,989,846		\$513,534	0	0.00
26	Unbilled Supply			(3,907)	8	-0.20			(3,907)	0	0.00
27	Supply Subtotal w unbilled			\$509,627	0	0.00			\$509,627	0	0.00
28											
29	Total Delivery + Supply	\$0		\$1,418,756	\$0	0.00			\$1,418,757	0	0.00

All customers assumed to be on BGSS.  
Annualized Weather Normalized Revenue reflects Delivery rates in effect 6/1/2018 plus applicable BGSS charges.

**RATE SCHEDULE GSG**  
**GENERAL SERVICE**  
**"12 and 0" Months Ended June 30, 2018**  
(Therms & Revenue - Thousands, Rate - \$/Therm)

	<b>Actual</b>			<b>Weather Normalized</b>			<b>Difference</b>	
	<u>Units</u> (1)	<u>Rate</u> (2)	<u>Revenue</u> (3=1*2)	<u>Units</u> (4)	<u>Rate</u> (5)	<u>Revenue</u> (6=4*5)	<u>Revenue</u> (7=6-3)	<u>Percent</u> (8=7/3)
<b>Delivery</b>								
1 Service Charge	1,689,246	11.69	\$19,740	1,689,246	11.69	\$19,740	\$0	0.00
2 Distribution Charge Pre 7/14/97	2,211	0.254636	563	2,183	0.254695	556	(7)	(1.24)
3 Distribution Charge All others	299,668	0.255092	76,443	295,256	0.255195	75,348	(1,095)	(1.43)
4 Off-Peak Dist Charge - Pre 7/14/97	0	0.000000	0	0	0.000000	0	0	0.00
5 Off-Peak Dist Charge - All Others	45	0.133333	6	45	0.133333	6	0	0.00
6 Balancing Charge	174,601	0.084455	14,746	173,170	0.084460	14,626	(120)	(0.81)
7 SBC	301,924	0.042239	12,753	297,484	0.042261	12,572	(181)	(1.42)
8 Margin Adjustment	301,924	(0.006346)	(1,916)	297,484	(0.006347)	(1,888)	28	(1.46)
9 Weather Normalization	174,601	0.021781	3,803	173,170	0.021799	3,775	(28)	(0.74)
10 Green Programs Recovery Charge	301,924	0.005521	1,667	297,484	0.005520	1,642	(25)	(1.50)
11 Tax Adjustment Credit	301,924	0.000000	0	297,484	0.000000	0	0	0.00
12 Green Enabling Mechanism	301,924	0.000000	0	297,484	0.000000	0	0	0.00
13 Facilities Charges			0			0	0	0.00
14 Minimum			2			2	0	0.00
15 Miscellaneous			(313)			(313)	0	0.00
16 Delivery Subtotal	301,924		\$127,494	297,484		\$126,066	(\$1,428)	(1.12)
17 Unbilled Delivery			(62)			380	442	(712.90)
18 Delivery Subtotal w unbilled			\$127,432			\$126,446	(\$986)	(0.77)
19								
<b>Supply</b>								
21 BGSS	229,971	0.500272	\$115,048	226,488	0.501620	\$113,611	(1,437)	(1.25)
22 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
23								
24 Miscellaneous			(51)			(51)	0	0.00
25 Supply subtotal	229,971		\$114,997	226,488		\$113,560	(\$1,437)	(1.25)
26 Unbilled Supply			(91)			7,736	7,827	(8,601.10)
27 Supply Subtotal w unbilled			\$114,906			\$121,296	\$6,390	5.56
28								
29 Total Delivery + Supply	301,924		\$242,338	297,484		\$247,742	\$5,404	2.23
30								
31								
32								
33 Notes:								
34 Rates are annual averages derived from actual, excluding SUT.								
35								

**RATE SCHEDULE GSG  
GENERAL SERVICE  
"12 and 0" Months Ended June 30, 2018  
(Therms & Revenue - Thousands, Rate - \$/Therm)**

	Annualized Weather Normalized			Proposed			Difference	
	<u>Units</u> (1)	<u>Rate</u> (2)	<u>Revenue</u> (3=1*2)	<u>Units</u> (4)	<u>Rate</u> (5)	<u>Revenue</u> (6=4*5)	<u>Revenue</u> (7=6-3)	<u>Percent</u> (8=7/3)
<b><u>Delivery</u></b>								
1 Service Charge	1,689,246	11.28	\$19,055	1,689,246	16.74	\$28,278	\$9,223	48.40
2 Distribution Charge - Pre 7/14/97	2,183	0.247071	539	2,183	0.309942	677	138	25.60
3 Distribution Charge - All Others	295,256	0.247071	72,949	295,256	0.309942	91,512	18,563	25.45
4 Off-Peak Dist Charge - Pre 7/14/97	0	0.123536	0	0	0.154971	0	0	0.00
5 Off-Peak Dist Charge - All Others	45	0.123536	6	45	0.154971	7	1	16.67
6 Balancing Charge	173,170	0.084457	14,625	173,170	0.084457	14,625	0	0.00
7 SBC	297,484	0.041721	12,411	297,484	0.041721	12,411	0	0.00
8 Margin Adjustment	297,484	(0.006338)	(1,885)	297,484	(0.006338)	(1,885)	0	0.00
9 Weather Normalization	173,170	0.021647	3,749	173,170	0.021647	3,749	0	0.00
10 Green Programs Recovery Charge	297,484	0.005563	1,655	297,484	0.005563	1,655	0	0.00
11 Tax Adjustment Credit	297,484	0.000000	0	297,484	0.000000	0	0	0.00
12 Green Enabling Mechanism	297,484	0.000000	0	297,484	0.000000	0	0	0.00
13 Facilities Charges			0			0	0	0.00
14 Minimum			2			2	0	0.00
15 Miscellaneous			(313)			(313)	0	0.00
16 Delivery Subtotal	297,484		\$122,793	297,484		\$150,718	\$27,925	22.74
17 Unbilled Delivery			370			454	84	22.70
18 Delivery Subtotal w unbilled			\$123,163			\$151,172	\$28,009	22.74
19								
<b><u>Supply</u></b>								
21 BGSS	297,484	0.505970	\$150,518	297,484	0.505970	\$150,518	\$0	0.00
22 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
23 BGSS Contrib. from TSG-F, TSG-NF & CIG	0	0.000000	0	297,484	(0.000319)	(95)	(95)	0.00
24								
25 Miscellaneous			(51)			(51)	0	0.00
26 Supply subtotal	297,484		\$150,467	297,484		\$150,372	(95)	(0.06)
27 Unbilled Supply			10,250			10,244	(6)	(0.06)
28 Supply Subtotal w unbilled			\$160,717			\$160,616	(101)	(0.06)
29								
30 Total Delivery + Supply	297,484		<u>\$283,880</u>	297,484		<u>\$311,788</u>	<u>\$27,908</u>	9.83

31 Notes:

32 All customers assumed to be on BGSS.

33 Annualized Weather Normalized Revenue reflects Delivery rates in effect 6/1/2018

34 plus applicable BGSS charges.

35



**RATE SCHEDULE LVG  
LARGE VOLUME SERVICE  
"12 and 0" Months Ended June 30, 2018**  
(Therms & Revenue - Thousands, Rate - \$/Therm)

	Actual			Weather Normalized			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
<b>Delivery</b>								
1 Service Charge	220,495	100.12	\$22,076	220,495	100.12	\$22,076	\$0	0.00
2 Demand Charge	19,103	3.9484	75,426	18,017	3.9401	70,989	(4,437)	(5.88)
3 Distribution Charge 0-1,000 pre 7/14/97	8,974	0.044573	400	8,974	0.044573	400	0	0.00
4 Distribution Charge over 1,000 pre 7/14/97	45,479	0.040480	1,841	45,378	0.040482	1,837	(4)	(0.22)
5 Distribution Charge 0-1,000 post 7/14/97	145,700	0.044688	6,511	145,700	0.044688	6,511	0	0.00
6 Distribution Charge over 1,000 post 7/14/97	543,108	0.040574	22,036	540,051	0.040578	21,914	(122)	(0.55)
7 Balancing Charge	361,239	0.084457	30,509	361,999	0.084456	30,573	64	0.21
8 SBC	743,261	0.042418	31,528	740,103	0.042444	31,413	(115)	(0.36)
9 Margin Adjustment	743,261	(0.006348)	(4,718)	740,103	(0.006348)	(4,698)	20	(0.42)
10 Weather Normalization	361,239	0.021645	7,819	361,999	0.021760	7,877	58	0.74
11 Green Programs Recovery Charge	743,261	0.005456	4,055	740,103	0.005453	4,036	(19)	(0.47)
12 Tax Adjustment Credit	743,261	0.000000	0	740,103	0.000000	0	0	0.00
13 Green Enabling Mechanism	743,261	0.000000	0	740,103	0.000000	0	0	0.00
14 Facilities Charges			1			1	0	0.00
15 Minimum			218			218	0	0.00
16 Miscellaneous			(279)			(279)	0	0.00
17 Delivery Subtotal	743,261		\$197,423	740,103		\$192,868	(\$4,555)	(2.31)
18 Unbilled Delivery			(19)			(49)	(30)	157.89
19 Delivery Subtotal w unbilled			\$197,404			\$192,819	(\$4,585)	(2.32)
20								
21								
<b>Supply</b>								
23 BGSS	270,273	0.501497	\$135,541	268,398	0.502500	\$134,870	(\$671)	(0.50)
24 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
25								
26 Miscellaneous			(143)			(143)	0	0.00
27 Supply Subtotal	270,273		\$135,398	268,398		\$134,727	(\$671)	(0.50)
28 Unbilled Supply			(152)			404	556	(365.79)
29 Supply Subtotal w unbilled			\$135,246			\$135,131	(\$115)	(0.09)
30								
31 Total Delivery + Supply	743,261		\$332,650	740,103		\$327,950	(\$4,700)	(1.41)
32								
33								
34								
35 Notes:								
36 Rates are annual averages derived from actual, excluding SUT.								
37								

**RATE SCHEDULE LVG  
LARGE VOLUME SERVICE  
"12 and 0" Months Ended June 30, 2018**  
(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
<b>Delivery</b>								
1 Service Charge	220,495	100.12	\$22,076	220,495	148.55	\$32,755	\$10,679	48.37
2 Demand Charge	18,017	3.7352	67,297	18,017	4.1313	74,434	7,137	10.61
3 Distribution Charge 0-1,000 pre 7/14/97	8,974	0.041215	370	8,974	0.047013	422	52	14.05
4 Distribution Charge over 1,000 pre 7/14/97	45,378	0.039335	1,785	45,378	0.043130	1,957	172	9.64
5 Distribution Charge 0-1,000 post 7/14/97	145,700	0.041215	6,005	145,700	0.047013	6,850	845	14.07
6 Distribution Charge over 1,000 post 7/14/97	540,051	0.039335	21,243	540,051	0.043130	23,292	2,049	9.65
7 Balancing Charge	361,999	0.084457	30,573	361,999	0.084457	30,573	0	0.00
8 SBC	740,103	0.041721	30,878	740,103	0.041721	30,878	0	0.00
9 Margin Adjustment	361,999	(0.006338)	(2,294)	361,999	(0.006338)	(2,294)	0	0.00
10 Weather Normalization	361,999	0.021647	7,836	361,999	0.021647	7,836	0	0.00
11 Green Programs Recovery Charge	361,999	0.005563	2,014	361,999	0.005563	2,014	0	0.00
12 Tax Adjustment Credit	361,999	0.000000	0	361,999	0.000000	0	0	0.00
13 Green Enabling Mechanism	361,999	0.000000	\$0	361,999	0.000000	\$0	0	0.00
14 Facilities Charges			1			1	0	0.00
15 Minimum			218			218	0	0.00
16 Miscellaneous			(279)			(279)	(0)	0.05
17 Delivery Subtotal	740,103		\$187,723	740,103		\$208,657	\$20,934	11.15
18 Unbilled Delivery			(48)			(54)	(6)	12.50
19 Delivery Subtotal w unbilled			\$187,675			\$208,603	\$20,928	11.15
20								
21								
<b>Supply</b>								
22 BGSS	740,103	0.504041	\$373,042	740,103	0.504041	\$373,042	\$0	0.00
23 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
24 BGSS Contrib. from TSG-F, TSG-NF & CIG	0	0.000000	0	740,103	(0.000319)	(236)	(236)	0.00
25								
26 Miscellaneous			(143)			(143)	0	0.00
27 Supply Subtotal	740,103		\$372,899	740,103		\$372,663	(\$236)	(0.06)
28 Unbilled Supply			1,118			1,117	(1)	(0.09)
29 Supply Subtotal w unbilled			\$374,017			\$373,780	(\$237)	(0.06)
30								
31 Total Delivery + Supply	740,103		\$561,692	740,103		\$582,383	\$20,691	3.68
32								
33								
34								
35								

36 Notes:  
37 All customers assumed to be on BGSS.  
38 Annualized Weather Normalized Revenue reflects Delivery rates in effect 6/1/2018  
39 plus applicable BGSS charges.

40

**RATE SCHEDULE SLG  
STREET LIGHTING SERVICE  
"12 and 0" Months Ended June 30, 2018**  
(Therms & Revenue - Thousands, Rate - \$/Therm)

		<b>Actual</b>			<b>Weather Normalized</b>			<b>Difference</b>	
		<u>Units</u>	<u>Rate</u>	<u>Revenue</u>	<u>Units</u>	<u>Rate</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Percent</u>
		(1)	(2)	(3=1*2)	(4)	(5)	(6=4*5)	(7=6-3)	(8=7/3)
<b><u>Delivery</u></b>									
1	Single	10.392	9.6316	\$100.092	10.392	9.6316	\$100.092	\$0.000	0.00
2	Double Inverted	0.108	9.4815	1.024	0.108	9.4815	1.024	0.000	0.00
3	Double Upright	0.588	8.3912	4.934	0.588	8.3912	4.934	0.000	0.00
4	Triple prior to 1/1/93	18.096	9.4856	171.651	18.096	9.4856	171.651	0.000	0.00
5	Triple on and after 1/1/93	0.420	61.9952	26.038	0.420	61.9952	26.038	0.000	0.00
6	Distribution Therm Charge	678.777	0.097200	65.964	678.777	0.097200	65.964	0.000	0.00
7	SBC	678.777	0.043229	29.343	678.777	0.043229	29.343	0.000	0.00
8	Margin Adjustment	678.777	(0.006391)	(4.338)	678.777	(0.006391)	(4.338)	0.000	0.00
9	Green Programs Recovery Charge	0.000	0.000000	3.689	0.000	0.000000	3.689	0.000	0.00
10	Tax Adjustment Credit	0.000	0.000000	0.000	0.000	0.000000	0.000	0.000	0.00
11	Green Enabling Mechanism	0.000	0.000000	0.000	0.000	0.000000	0.000	0.000	0.00
12	Facilities Charges			0.000			0.000	0.000	0.00
13	Minimum			0.000			0.000	0.000	0.00
14	Miscellaneous			(13.010)			(13.010)	0.000	0.00
15	Delivery Subtotal	678.777		\$385.387	678.777		\$385.387	\$0.000	0.00
16	Unbilled Delivery			0.000			0.000	0.000	0.00
17	Delivery Subtotal w unbilled			\$385.387			\$385.387	\$0.000	0.00
18									
19	<b><u>Supply</u></b>								
20	BGSS	247.453	0.530970	\$131.390	247.453	0.530970	\$131.390	\$0.000	0.00
21	Emergency Sales Service	0.000	0.000000	0.000	0.000	0.000000	0.000	0.000	0.00
22	Miscellaneous			131.390			131.390	0.000	0.00
23	Supply Subtotal	247.453		\$262.780	247.453		\$262.780	\$0.000	0.00
24	Unbilled Supply			131.390			131.390	0.000	0.00
25	Supply Subtotal w unbilled			\$394.170			\$394.170	\$0.000	0.00
26									
27	Total Delivery + Supply	678.777		<u>\$779.557</u>	678.777		<u>\$779.557</u>	<u>\$0.000</u>	0.00

31 Notes:

32 SLG units and revenues shown to 3 decimals.

33 Rates are annual averages derived from actual, excluding SUT.

**RATE SCHEDULE SLG  
STREET LIGHTING SERVICE  
"12 and 0" Months Ended June 30, 2018**  
(Therms & Revenue - Thousands, Rate - \$/Therm)

		<b>Annualized Weather Normalized</b>			<b>Proposed</b>			<b>Difference</b>	
		<u>Units</u>	<u>Rate</u>	<u>Revenue</u>	<u>Units</u>	<u>Rate</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Percent</u>
		(1)	(2)	(3=1*2)	(4)	(5)	(6=4*5)	(7=6-3)	(8=7/3)
<b><u>Delivery</u></b>									
1	Single	10.392	9.6316	\$100.092	10.392	16.1114	\$167.430	\$67.338	67.28
2	Double Inverted	0.108	9.4856	1.024	0.108	16.1114	1.740	0.716	69.92
3	Double Upright	0.588	8.3906	4.934	0.588	16.1114	9.474	4.540	92.01
4	Triple prior to 1/1/93	18.096	9.4856	171.651	18.096	16.1114	291.552	119.901	69.85
5	Triple on and after 1/1/93	0.420	61.9958	26.038	0.420	67.4643	28.335	2.297	8.82
6	Distribution Therm Charge	678.777	0.083452	56.645	678.777	0.043982	29.854	(26.791)	(47.30)
7	SBC	678.777	0.041721	28.319	678.777	0.041721	28.319	0.000	0.00
8	Margin Adjustment	678.777	(0.006338)	(4.302)	678.777	(0.006338)	(4.302)	0.000	0.00
9	Green Programs Recovery Charge	678.777	0.005563	3.776	678.777	0.005563	3.776	0.000	0.00
10	Tax Adjustment Credit	678.777	0.000000	0.000	678.777	0.000000	0.000	0.000	0.00
11	Green Enabling Mechanism	678.777	0.000000	0.000	678.777	0.000000	0.000	0.000	0.00
12	Facilities Charges			0.000			0.000	0.000	0.00
13	Minimum			0.000			0.000	0.000	0.00
14	Miscellaneous			(13.010)			(13.011)	(0.001)	0.01
15	Delivery Subtotal	678.777		\$375.167	678.777		\$543.167	\$168.000	44.78
16	Unbilled Delivery			0.000			0.000	0.000	0.00
17	Delivery Subtotal w unbilled			\$375.167			\$543.167	\$168.000	44.78
18									
19	<b><u>Supply</u></b>								
20	BGSS	678.777	0.516768	\$350.770	678.777	0.516768	\$350.770	\$0.000	0.00
21	Emergency Sales Service	0.000	0.000000	0.000	0.000	0.000000	0.000	0.000	0.00
22	BGSS Contrib. from TSG-F, TSG-NF & CIG	0.000	0.000000	0.000	678.777	(0.000319)	(0.217)	(0.217)	0.00
23	Miscellaneous			131.390			131.390	0.000	0.00
24	Supply Subtotal	678.777		\$482.160	678.777		\$481.943	(\$0.217)	(0.05)
25	Unbilled Supply			241.080			240.972	(0.108)	(0.04)
26	Supply Subtotal w unbilled			\$723.240			\$722.915	(\$0.325)	(0.04)
27									
28	Total Delivery + Supply	678.777		\$1,098.407	678.777		\$1,266.082	\$167.675	15.27

## Notes:

33 All customers assumed to be on BGSS.  
34 SLG units and revenues shown to 3 decimals.  
35 Annualized Weather Normalized Revenue reflects Delivery rates in effect 6/1/2018  
36 plus applicable BGSS charges.

**RATE SCHEDULE CIG**  
**COGENERATION INTERRUPTIBLE SERVICE**  
**"12 and 0" Months Ended June 30, 2018**  
(Therms & Revenue - Thousands, Rate - \$/Therm)

		<b>Actual</b>			<b>Weather Normalized</b>			<b>Difference</b>	
		<u>Units</u>	<u>Rate</u>	<u>Revenue</u>	<u>Units</u>	<u>Rate</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Percent</u>
		(1)	(2)	(3=1*2)	(4)	(5)	(6=4*5)	(7=6-3)	(8=7/3)
<b><u>Delivery</u></b>									
1	Service Charge	0.166	144.58	\$24	0.166	144.58	\$24	\$0	0.00
2	Margin 0-600,000	32,835	0.064413	2,115	32,835	0.064413	2,115	0	0.00
3	Margin over 600,000	8,232	0.054786	451	8,232	0.054786	451	0	0.00
4	Extended Gas Service	0	0.000000	36	0	0.000000	36	0	0.00
5	SBC	42,321	0.039649	1,678	42,321	0.039649	1,678	0	0.00
6	Green Programs Recovery Charge	42,321	0.004938	209	42,321	0.004938	209	0	0.00
7	Tax Adjustment Credit	42,321	0.000000	0	42,321	0.000000	0	0	0.00
8	Green Enabling Mechanism	42,321	0.000000	0	42,321	0.000000	0	0	0.00
9	Facilities Charges			0			0	0	0.00
10	Minimum			0			0	0	0.00
11	Miscellaneous			0			0	0	0.00
12	Delivery Subtotal	42,321		\$4,513	42,321		\$4,513	\$0	0.00
13	Unbilled Delivery			(31)			(31)	0	0.00
14	Delivery Subtotal w unbilled			\$4,482			\$4,482	\$0	0.00
15									
<b><u>Supply</u></b>									
17	Commodity Component	41,067	0.336596	\$13,823	41,067	0.336596	\$13,823	\$0	0.00
18	Pilot Use	5	1.600000	8	1,249	0.006405	8	0	0.00
19	Penalty Use	1,249		2,360	0		2,360	0	0.00
20	Extended Gas Service	0	0.000000	338	5	67.600000	338	0	0.00
21	Miscellaneous			0			0	0	0.00
22	Supply Subtotal	42,321		\$16,529	42,321		\$16,529	\$0	0.00
23	Unbilled Supply			(69)			(69)	0	0.00
24	Supply Subtotal w unbilled			\$16,460			\$16,460	\$0	0.00
25									
26	Total Delivery + Supply	42,321		<u>\$20,942</u>	42,321		<u>\$20,942</u>	<u>\$0</u>	0.00

Notes:

Rates are annual averages derived from actual, excluding SUT.

**RATE SCHEDULE CIG**  
**COGENERATION INTERRUPTIBLE SERVICE**  
**"12 and 0" Months Ended June 30, 2018**  
(Therms & Revenue - Thousands, Rate - \$/Therm)

		<b>Annualized Weather Normalized</b>			<b>Proposed</b>			<b>Difference</b>	
		<u>Units</u>	<u>Rate</u>	<u>Revenue</u>	<u>Units</u>	<u>Rate</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Percent</u>
		(1)	(2)	(3=1*2)	(4)	(5)	(6=4*5)	(7=6-3)	(8=7/3)
<b><u>Delivery</u></b>									
1	Service Charge	0.166	139.85	\$23	0.166	184.95	\$31	\$8	34.78
2	Margin 0-600,000	32,835	0.063389	2,081	32,835	0.082799	2,719	638	30.66
3	Margin over 600,000	8,232	0.052013	428	8,232	0.072799	599	171	39.95
4	Extended Gas Service	0	0.150000	0	0	0.150000	0	0	0.00
5	SBC	41,067	0.041721	1,713	41,067	0.041721	1,713	0	0.00
6	Green Programs Recovery Charge	41,067	0.005563	228	41,067	0.005563	228	0	0.00
7	Tax Adjustment Credit	41,067	0.000000	0	41,067	0.000000	0	0	0.00
8	Green Enabling Mechanism	41,067	0.000000	0	41,067	0.000000	0	0	0.00
9	Facilities Charges			0			0	0	0.00
10	Minimum			0			0	0	0.00
11	Miscellaneous			0			0	0	0.00
12	Delivery Subtotal	41,067		\$4,473	41,067		\$5,290	\$817	18.27
13	Unbilled Delivery			(31)			(37)	(6)	19.35
14	Delivery Subtotal w unbilled			\$4,442			\$5,253	\$811	18.26
15									
16	<b><u>Supply</u></b>								
17	Commodity Component	41,067	0.314389	\$12,911	41,067	0.314389	\$12,911	\$0	0.00
18	Pilot Use	1,249	1.89	2,361	1,249	1.89	2,361	0	0.00
19	Penalty Use	0		0	0		0	0	0.00
20	Extended Gas Service	5		338	5		338	0	0.00
21	Miscellaneous			0			0	0	0.00
22	Supply Subtotal	42,321		\$15,610	42,321		\$15,610	\$0	0.00
23	Unbilled Supply			(65)			(65)	0	0.00
24	Supply Subtotal w unbilled			\$15,545			\$15,545	\$0	0.00
25									
26	Total Delivery + Supply	41,067		\$19,987	41,067		\$20,798	\$811	4.06

27  
28  
29  
30 Notes:

31 All customers assumed to be on BGSS.

32 Annualized Weather Normalized Revenue reflects Delivery rates in effect 6/1/2018  
33 plus applicable BGSS charges.

34

"12 and 0" Months Ended June 30, 2018

**RATE SCHEDULE TSG-F**  
**FIRM TRANSPORTATION GAS SERVICE**  
**"12 and 0" Months Ended June 30, 2018**  
(Therms & Revenue - Thousands, Rate - \$/Therm)

**EXHIBIT P-9G R-2**  
**Schedule SS-G11 R-2**  
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		<b>Actual</b>			<b>Weather Normalized</b>			<b>Difference</b>	
		<u>Units</u>	<u>Rate</u>	<u>Revenue</u>	<u>Units</u>	<u>Rate</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Percent</u>
		(1)	(2)	(3=1*2)	(4)	(5)	(6=4*5)	(7=6-3)	(8=7/3)
<b><u>Delivery</u></b>									
1	Service Charge	0.494	554.59	\$273.968	0.494	554.59	\$273.968	\$0.000	0.00
2	Demand Charge	487	1.9222	936.116	487	1.9222	936.116	0.000	0.00
3	Demand Charge, Agreements	0	0.0000	0.000	0	0.0000	0.000	0.000	0.00
4	Distribution Charge	25,950	0.067753	1,758.203	25,950	0.067753	1,758.203	0.000	0.00
5	Distribution Charge, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
6	SBC	25,950	0.042891	1,113.032	25,950	0.042891	1,113.032	0.000	0.00
7	SBC, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
8	Margin Adjustment	25,950	(0.006365)	(165.172)	25,950	(0.006365)	(165.172)	0.000	0.00
9	Margin Adjustment, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
10	Green Programs Recovery Charge	25,950	0.005415	140.525	25,950	0.005415	140.525	0.000	0.00
11	Green Programs Recovery Charge, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
12	Tax Adjustment Credit	25,950	0.000000	0.000	25,950	0.000000	0.000	0.000	0.00
13	Green Enabling Mechanism	25,950	0.000000	0.000	25,950	0.000000	0.000	0.000	0.00
14	Facilities Charges			0.000			0.000	0.000	0.00
15	Minimum			0.000			0.000	0.000	0.00
16	Miscellaneous			(54.034)			(54.034)	0.000	0.00
17	Delivery Subtotal	25,950		4,002.638	25,950		4,002.638	0.000	0.00
18	Unbilled Delivery			35.711			35.711	0.000	0.00
19	Delivery Subtotal w unbilled			4,038.35			4,038.35	0.000	0.00
20									
21	<b><u>Supply</u></b>								
22	Commodity Charge, BGSS	0	0.000000	\$0.000	0	0.000000	\$0.000	\$0.000	0.00
23	Emergency Sales Service	363	0.552232	200.243	363	0.552232	200.243	0.000	0.00
24	Miscellaneous			0.000			0.000	0.000	0.00
25	Supply Subtotal	363		\$200.243	363		\$200.243	\$0.000	0.00
26	Unbilled Supply			0.000			0.000	0.000	0.00
27	Supply Subtotal w unbilled			\$200.243			\$200.243	\$0.000	0.00
28									
29	Total Delivery + Supply	25,950		\$4,238.592	25,950		\$4,238.592	\$0.000	0.00

31 Notes:  
32 TSG-F revenues shown to 3 decimals.  
33 Rates are annual averages derived from actual, excluding SUT.

"12 and 0" Months Ended June 30, 2018

**RATE SCHEDULE TSG-F**  
**FIRM TRANSPORTATION GAS SERVICE**  
**"12 and 0" Months Ended June 30, 2018**  
(Therms & Revenue - Thousands, Rate - \$/Therm)

**EXHIBIT P-9G R-2**  
**Schedule SS-G11 R-2**  
Page 16 of 22

		<b>Annualized Weather Normalized</b>			<b>Proposed</b>			<b>Difference</b>	
		<u>Units</u>	<u>Rate</u>	<u>Revenue</u>	<u>Units</u>	<u>Rate</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Percent</u>
		(1)	(2)	(3=1*2)	(4)	(5)	(6=4*5)	(7=6-3)	(8=7/3)
<b><u>Delivery</u></b>									
1	Service Charge	0.494	536.08	\$264.824	0.494	795.40	\$392.928	\$128.104	48.37
2	Demand Charge	487	1.8550	903.385	487	2.0907	1,018.171	114.786	12.71
3	Demand Charge, Agreements	0	0.0000	0.000	0	0.0000	0.000	0.000	0.00
4	Distribution Charge	25,950	0.070907	1,840.037	25,950	0.079918	2,073.872	233.835	12.71
5	Distribution Charge, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
6	SBC	25,950	0.041721	1,082.660	25,950	0.041721	1,082.660	0.000	0.00
7	SBC, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
8	Margin Adjustment	25,950	(0.006338)	(164.471)	25,950	(0.006338)	(164.471)	0.000	0.00
9	Margin Adjustment, Agreements	0	(0.006338)	0.000	0	(0.006338)	0.000	0.000	0.00
10	Green Programs Recovery Charge	25,950	0.005563	144.360	25,950	0.005563	144.360	0.000	0.00
11	Green Programs Recovery Charge, Agreements	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
12	Tax Adjustment Credit	25,950	0.000000	0.000	25,950	0.000000	0.000	0.000	0.00
13	Green Enabling Mechanism	25,950	0.000000	0.000	25,950	0.000000	0.000	0.000	0.00
14	Facilities Charges			0.000			0.000	0.000	0.00
15	Minimum			0.000			0.000	0.000	0.00
16	Miscellaneous			(54.034)			(54.012)	0.022	(0.04)
17	Delivery Subtotal	25,950		4,016.761	25,950		4,493.508	476.747	11.87
18	Unbilled Delivery			35.837			40.090	4.253	11.87
19	Delivery Subtotal w unbilled			4,052.598			4,533.598	481.000	11.87
20									
21	<b><u>Supply</u></b>								
22	Commodity Charge, BGSS-F	25,950	0.499730	\$12,968.000	25,950	0.499730	\$12,968.000	\$0.000	0.00
23	Emergency Sales Service	0	0.000000	0.000	0	0.000000	0.000	0.000	0.00
24	Miscellaneous			0.000			0.000	0.000	0.00
25	Supply Subtotal	25,950		\$12,968.000	25,950		\$12,968.000	\$0.000	0.00
26	Unbilled Supply			0.000			0.000	0.000	0.00
27	Supply Subtotal w unbilled			\$12,968.000			\$12,968.000	\$0.000	0.00
28									
29	Total Delivery + Supply	25,950		\$17,020.598	25,950		\$17,501.598	\$481.000	2.83

Notes:

All customers assumed to be on BGSS.

TSG-F revenues shown to 3 decimals.

Annualized Weather Normalized Revenue reflects Delivery rates in effect 6/1/2018

plus applicable BGSS charges.



**RATE SCHEDULE TSG-NF**  
**NON-FIRM TRANSPORTATION GAS SERVICE**  
**"12 and 0" Months Ended June 30, 2018**  
(Therms & Revenue - Thousands, Rate - \$/Therm)

	Actual			Weather Normalized			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
<b>Delivery</b>								
1 Service Charge	2,218	553.65	\$1,228	2,218	553.65	\$1,228	\$0	0.00
2 Dist Charge 0-50,000	99,839	0.049790	4,971	99,839	0.049790	4,971	0	0.00
3 Dist Charge 0-50,000, Agreements	600	0.023333	14	600	0.023333	14	0	0.00
4 Dist Charge over 50,000	67,427	0.115770	7,806	67,427	0.115770	7,806	0	0.00
5 Dist Charge over 50,000, Agreements	11,318	0.023502	266	11,318	0.023502	266	0	0.00
6 SBC	167,266	0.042148	7,050	167,311	0.042137	7,050	0	0.00
7 SBC, Agreements	11,918	0.042876	511	11,918	0.042876	511	0	0.00
8 Green Programs Recovery Charge	167,311	0.004847	811	167,311	0.004847	811	0	0.00
9 Green Programs Recovery Charge, Agreements	11,918	0.005370	64	11,918	0.005370	64	0	0.00
10 Tax Adjustment Credit	167,311	0.000000	0	167,311	0.000000	0	0	0.00
11 Green Enabling Mechanism	167,311	0.000000	0	167,311	0.000000	0	0	0.00
12 Facilities Charges			5			5	0	0.00
13 Minimum			0			0	0	0.00
14 Miscellaneous			(970)			(277)	693	(71.44)
15 Delivery Subtotal	179,184		\$21,756	179,229		\$22,449	\$693	3.19
16 Unbilled Delivery			(7,554)			(7,554)	0	0.00
17 Delivery Subtotal w unbilled			\$14,202			\$14,895	\$693	4.88
<b>Supply</b>								
20 Commodity Charge, BGSS-I	7,980	0.496867	\$3,965	7,980	0.496867	\$3,965	\$0	0.00
21 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
22 Pilot Use	26	1.807692	47	26	1.807692	47	0	0.00
23 Penalty Use	19	48.578947	923	19	48.578947	923	0	0.00
24 Miscellaneous			2			2	0	0.00
25 Supply Subtotal	8,025		\$4,937	8,025		\$4,937	\$0	0.00
26 Unbilled Supply			(167)			(167)	0	0.00
27 Supply Subtotal w unbilled			\$4,770			\$4,770	\$0	0.00
28								
29 Total Delivery + Supply	179,184		\$18,972	179,229		\$19,665	\$693	3.65

33 Notes:

34 Rates are annual averages derived from actual, excluding SUT.

**RATE SCHEDULE TSG-NF**  
**NON-FIRM TRANSPORTATION GAS SERVICE**  
**"12 and 0" Months Ended June 30, 2018**  
(Therms & Revenue - Thousands, Rate - \$/Therm)

	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
<b>Delivery</b>								
1 Service Charge	2,218	536.08	\$1,189	2,218	795.40	\$1,764	\$575	48.36
2 Dist Charge 0-50,000	99,839	0.070731	7,062	99,839	0.092135	9,199	2,137	30.26
3 Dist Charge 0-50,000, Agreements	600	0.023333	14	600	0.023333	14	0	0.00
4 Dist Charge over 50,000	67,427	0.070731	4,769	67,427	0.092135	6,212	1,443	30.26
5 Dist Charge over 50,000, Agreements	11,318	0.023502	266	11,318	0.023502	266	0	0.00
6 SBC	167,266	0.041721	6,979	167,266	0.041721	6,979	0	0.00
7 SBC, Agreements	11,918	0.042876	511	11,918	0.042876	511	0	0.00
8 Green Programs Recovery Charge	167,266	0.005563	931	167,266	0.005563	931	0	0.00
9 Green Programs Recovery Charge, Agreements	11,918	0.005370	64	11,918	0.005370	64	0	0.00
10 Tax Adjustment Credit	167,266	0.000000	0	167,266	0.000000	0	0	0.00
11 Green Enabling Mechanism	167,266	0.000000	0	167,266	0.000000	0	0	0.00
12 Facilities Charges			5			5	0	0.00
13 Minimum			0			0	0	0.00
14 Miscellaneous			(277)			(277)	0	0.00
15 Delivery Subtotal	179,184		\$21,513	179,184		\$25,668	\$4,155	19.31
16 Unbilled Delivery			(7,239)			(8,637)	(1,398)	19.31
17 Delivery Subtotal w unbilled			\$14,274			\$17,031	\$2,757	19.31
<b>Supply</b>								
20 Commodity Charge, BGSS-I	179,184	0.464338	\$83,202	179,184	0.464338	\$83,202	\$0	0.00
21 Emergency Sales Service	0	0.000000	0	0	0.000000	0	0	0.00
22 Pilot Use	26	1.890000	49	26	1.890000	49	0	0.00
23 Penalty Use	19	0.631579	12	19	0.631579	12	0	0.00
24 Miscellaneous			2			2	0	0.00
25 Supply Subtotal	179,229		\$83,265	179,229		\$83,265	\$0	0.00
26 Unbilled Supply			(2,817)			(2,817)	0	0.00
27 Supply Subtotal w unbilled			\$80,448			\$80,448	\$0	0.00
28								
29 Total Delivery + Supply	179,184		\$94,722	179,184		\$97,479	\$2,757	2.91

## Notes:

34 All customers assumed to be on BGSS.  
35 Annualized Weather Normalized Revenue reflects Delivery rates in effect 6/1/2018  
36 plus applicable BGSS charges.

Filing "12 and 0"

**RATE SCHEDULE CSG  
CONTRACT SERVICES**  
**"12 and 0" Months Ended June 30, 2018**  
 (Therms & Revenue - Thousands, Rate - \$/Therm)

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	Actual			Weather Normalized			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
<b>Delivery</b>								
1 Service Charge - Power	0.0800	762.50	\$61	0.0800	762.50	\$61	\$0	0.00
2 Service Charge - Power- Non Firm	0.0120	583.33	7	0.0120	583.33	7	0	0.00
3 Service Charge - Other	0.1090	816.51	89	0.1090	816.51	89	0	0.00
4 Distribution Charge - Power	599,445	0.006051	3,627	599,445	0.006051	3,627	0	0.00
5 Distribution Charge - Power- Non Firm	4,755	0.071924	342	4,755	0.071924	342	0	0.00
6 Distribution Charge - Other	185,648	0.011904	2,210	185,648	0.011904	2,210	0	0.00
7 Maintenance - Power	599,445	0.000142	85	599,445	0.000142	85	0	0.00
8 Maintenance - Power- Non Firm	4,755	0.000000	0	4,755	0.000000	0	0	0.00
9 Maintenance - Other	185,648	0.000113	21	185,648	0.000113	21	0	0.00
10 Pilot Use	0	0.000000	0	0	0.000000	0	0	0.00
11 Penalty Use	0	0.000000	0	0	0.000000	0	0	0.00
Balancing Charge								
12 (applicable only if customer uses BGSS-F)	0	0.000000	0	0	0.000000	0	0	0.00
13 SBC	789,848	0.001241	980	789,848	0.001241	980	0	0.00
14 Green Programs Recovery Charge	789,848	0.000189	149	789,848	0.000189	149	0	0.00
15 Tax Adjustment Credit	789,848	0.000000	0	789,848	0.000000	0	0	0.00
16 Green Enabling Mechanism	789,848	0.000000	0	789,848	0.000000	0	0	0.00
17 Facilities Chg.			840			840	0	0.00
18 Minimum			271			271	0	0.00
19 Sales Tax Discount - Delivery			(428)			(428)	0	0.00
20 Misc.			300			300	0	0.00
21 Delivery Subtotal	789,848		8,554	789,848		8,554	0	0.00
22 Unbilled Delivery			(102)			(102)	0	0.00
23 Delivery Subtotal w/ Unbilled	789,848		8,452	789,848		8,452	0	0.00
24								
<b>Supply:</b>								
26 BGSS-Firm - Power	0	0.000000	0	0	0.000000	0	0	0.00
27 BGSS-Firm - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
28 BGSS-Firm - Other	0	0.000000	0	0	0.000000	0	0	0.00
29								
30 BGSS-Interruptible - Power	0	0.000000	0	0	0.000000	0	0	0.00
31 BGSS-Interruptible - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
32 BGSS-Interruptible - Other	0	0.000000	0	0	0.000000	0	0	0.00
33								
34 Emergency Sales Svc. - Power	0	0.000000	0	0	0.000000	0	0	0.00
35 Emergency Sales Svc. - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
36 Emergency Sales Svc - Other	0	0.000000	0	0	0.000000	0	0	0.00
37								
38 Pilot Use	0	0.00	0	0	0.000000	0	0	0.00
39 Penalty Use	0	0.000000	0	0	0.000000	0	0	0.00
40 Misc.			0			0	0	0.00
41 Supply Subtotal	0		0	0		0	0	0.00
42 Unbilled Supply			0			0	0	0.00
43 Supply Subtotal w/ Unbilled	0		0	0		0	0	0.00
44								
45 <b>Total Delivery &amp; Supply</b>			8,452			8,452	0	0.00
46								

47 Notes:

48 Rates are annual averages derived from actual, excluding SUT.

Filing "12 and 0"

**RATE SCHEDULE CSG  
CONTRACT SERVICES  
"12 and 0" Months Ended June 30, 2018**  
(Terms & Revenue - Thousands, Rate - \$/Therm)

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	Annualized Weather Normalized			Proposed			Difference	
	Units (1)	Rate (2)	Revenue (3=1*2)	Units (4)	Rate (5)	Revenue (6=4*5)	Revenue (7=6-3)	Percent (8=7/3)
<b>Delivery</b>								
1 Service Charge - Power	0.0800	536.08	\$43	0.0800	795.40	\$64	\$21	48.84
2 Service Charge - Power- Non Firm	0.0120	536.08	6	0.0120	795.40	10	4	66.67
3 Service Charge - Other	0.1090	536.08	58	0.1090	795.40	87	29	50.00
4 Distribution Charge - Power	599,445	0.006051	3,627	599,445	0.006051	3,627	0	0.00
5 Distribution Charge - Power- Non Firm	4,755	0.070731	336	4,755	0.092135	438	102	30.36
6 Distribution Charge - Other	185,648	0.011904	2,210	185,648	0.011904	2,210	0	0.00
7 Maintenance - Power	599,445	0.000142	85	599,445	0.000142	85	0	0.00
8 Maintenance - Power- Non Firm	4,755	0.000000	0	4,755	0.000000	0	0	0.00
9 Maintenance - Other	185,648	0.000113	21	185,648	0.000113	21	0	0.00
10 Pilot Use	0	0.000000	0	0	0.000000	0	0	0.00
11 Penalty Use	0	0.000000	0	0	0.000000	0	0	0.00
Balancing Charge (applicable only if customer uses BGSS-F)	0	0.000000	0	0	0.000000	0	0	0.00
13 SBC	789,848	0.041721	980	789,848	0.041721	980	0	0.00
14 Green Programs Recovery Charge	789,848	0.005563	149	789,848	0.005563	149	0	0.00
15 Tax Adjustment Credit	789,848	0.000000	0	789,848	0.000000	0	0	0.00
16 Green Enabling Mechanism	789,848	0.000000	0	789,848	0.000000	0	0	0.00
17 Facilities Chg.			840			840	0	0.00
18 Minimum			271			271	0	0.00
19 Sales Tax Discount - Delivery			(428)			(428)	0	0.00
20 Misc.			300			300	0	0.00
21 Delivery Subtotal	789,848		8,498	789,848		8,654	156	1.84
22 Unbilled Delivery			(101)			(103)	(2)	1.98
23 Delivery Subtotal w/ Unbilled	789,848		8,397	789,848		8,551	154	1.83
<b>Supply</b>								
26 BGSS-Firm - Power	0	0.000000	0	0	0.000000	0	0	0.00
27 BGSS-Firm - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
28 BGSS-Firm - Other	0	0.000000	0	0	0.000000	0	0	0.00
29								
30 BGSS-Interruptible - Power	0	0.000000	0	0	0.000000	0	0	0.00
31 BGSS-Interruptible - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
32 BGSS-Interruptible - Other	0	0.000000	0	0	0.000000	0	0	0.00
33								
34 Emergency Sales Svc. - Power	0	0.000000	0	0	0.000000	0	0	0.00
35 Emergency Sales Svc. - Power- Non Firm	0	0.000000	0	0	0.000000	0	0	0.00
36 Emergency Sales Svc - Other	0	0.000000	0	0	0.000000	0	0	0.00
37								
38 Pilot Use	26	1.89	49	26	1.89	49	0	0.00
39 Penalty Use	0	0.000000	0	0	0.000000	0	0	0.00
40 Misc.	19		0	19		0	0	0.00
41 Supply Subtotal	45		49	45		49,140	0	0.00
42 Unbilled Supply	0		0	0		0	0	0.00
43 Supply Subtotal w/ Unbilled	45		49	45		49,140	0	0.00
44								
45 <b>Total Delivery &amp; Supply</b>	789,893		8,446	789,893		8,600	154.00	1.82

Filing "12 and 0"

**Gas Tariff Rates  
for Petition Schedules 1 & 2**

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		<b>Present</b>		<b>Proposed</b>	
		<u>Charge</u>	<u>Charge</u>		<u>Charge Including</u>
<u>Rate Schedule</u>		<u>without/SUT</u>	<u>Including SUT</u>	<u>Charge without/SUT</u>	<u>SUT</u>
<b>RSG</b>	Service Charge	\$5.46	\$5.82	\$7.79	\$8.31
	Distribution Charges	\$0.300343	\$0.320241	\$0.402568	\$0.429238
	Balancing Charge	\$0.084457	\$0.090052	\$0.084457	\$0.090052
	Off-Peak Use	\$0.150172	\$0.160120	\$0.201284	\$0.214619
<b>GSG</b>	Service Charge	\$11.28	\$12.03	\$16.74	\$17.85
	Distribution Charge - Pre July 14, 1997	\$0.247071	\$0.263439	\$0.309942	\$0.330476
	Distribution Charge - All Others	\$0.247071	\$0.263439	\$0.309942	\$0.330476
	Balancing Charge	\$0.084457	\$0.090052	\$0.084457	\$0.090052
	Off-Peak Use Dist Charge - Pre July 14, 1997	\$0.123536	\$0.131720	\$0.154971	\$0.165238
	Off-Peak Use Dist Charge - All Others	\$0.123536	\$0.131720	\$0.154971	\$0.165238
<b>LVG</b>	Service Charge	\$100.12	\$106.75	\$148.55	\$158.39
	Demand Charge	\$3.7352	\$3.9827	\$4.1313	\$4.4050
	Distribution Charge 0-1,000 pre July 14, 1997	\$0.041215	\$0.043945	\$0.047013	\$0.050128
	Distribution Charge over 1,000 pre July 14, 1997	\$0.039335	\$0.041941	\$0.043130	\$0.045987
	Distribution Charge 0-1,000 post July 14, 1997	\$0.041215	\$0.043945	\$0.047013	\$0.050128
	Distribution Charge over 1,000 post July 14, 1997	\$0.039335	\$0.041941	\$0.043130	\$0.045987
	Balancing Charge	\$0.084457	\$0.090052	\$0.084457	\$0.090052
<b>SLG</b>	Single-Mantle Lamp	\$9.6316	\$10.2697	\$16.1114	\$17.1788
	Double-Mantle Lamp, inverted	\$9.4856	\$10.1140	\$16.1114	\$17.1788
	Double Mantle Lamp, upright	\$8.3906	\$8.9465	\$16.1114	\$17.1788
	Triple-Mantle Lamp, prior to January 1, 1993	\$9.4856	\$10.1140	\$16.1114	\$17.1788
	Triple-Mantle Lamp, on and after January 1, 1993	\$61.9958	\$66.1030	\$67.4643	\$71.9338
	Distribution Therm Charge	\$0.083452	\$0.088981	\$0.043982	\$0.046896

Gas Tariff RatesSchedule SS-G11 R-2  
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		<u>Present</u>	<u>Charge Including SUT</u>	<u>Proposed</u>	<u>Charge Including SUT</u>
		<u>Charge</u>		<u>Charge</u>	
<b>TSG-F</b>	Service Charge	\$536.08	\$571.60	\$795.40	\$848.10
	Demand Charge	\$1.8550	\$1.9779	\$2.0907	\$2.2292
	Distribution Charges	\$0.070907	\$0.075605	\$0.079918	\$0.085213
<b>TSG-NF</b>	Service Charge	\$536.08	\$571.60	\$795.40	\$848.10
	Distribution Charge 0-50,000	\$0.070731	\$0.075417	\$0.092135	\$0.098239
	Distribution Charge over 50,000	\$0.070731	\$0.075417	\$0.092135	\$0.098239
	Special Provision (d)	\$1.89	\$2.02	\$1.89	\$2.02
<b>CIG</b>	Service Charge	\$139.85	\$149.12	\$184.95	\$197.20
	Distribution Charge 0-600,000	\$0.063389	\$0.067589	\$0.082799	\$0.088284
	Distribution Charge over 600,000	\$0.052013	\$0.055459	0.072799	\$0.077622
	Special Provision (c) 1st para	\$1.89	\$2.02	\$1.89	\$2.02
<b>BGSS RSG</b>	Commodity Charge including Losses	\$0.346015	\$0.368938	\$0.345252	\$0.368125
<b>CSG</b>		\$536.08	\$571.60	\$795.40	\$848.10

Filing "12 and 0"

**COMPARISON OF TYPICAL BILLS**  
**Rate Schedule RSG**

Schedule SS-G12 R-2  
Page 1 of 3

Units	Annual Usages										
	Class Avg	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	Band 9	Band 10
Service Charge	12	12	12	12	12	12	12	12	12	12	12
Therm Usage	910	102	357	551	691	813	934	1,069	1,228	1,460	2,217
Balancing Therms	562	19	140	265	352	426	497	576	666	797	1,121
<b>Total</b>	<b>910</b>	<b>102</b>	<b>357</b>	<b>551</b>	<b>691</b>	<b>813</b>	<b>934</b>	<b>1,069</b>	<b>1,228</b>	<b>1,460</b>	<b>2,217</b>
Average Therm Use	76	9	30	46	58	68	78	89	102	122	185
<b>Present Bill</b>											
Total Delivery	\$464.59	\$109.26	\$215.62	\$300.34	\$361.21	\$414.04	\$466.04	\$524.13	\$592.22	\$691.34	\$1,003.50
Total Supply	335.73	37.72	131.75	203.22	254.98	300.13	344.70	394.47	453.15	538.67	818.00
	<u>\$800.32</u>	<u>\$146.98</u>	<u>\$347.37</u>	<u>\$503.56</u>	<u>\$616.19</u>	<u>\$714.17</u>	<u>\$810.74</u>	<u>\$918.60</u>	<u>\$1,045.37</u>	<u>\$1,230.01</u>	<u>\$1,821.50</u>
<b>Proposed Bill</b>											
Total Delivery	\$514.80	\$141.37	\$253.44	\$342.50	\$406.51	\$462.09	\$516.79	\$577.91	\$649.57	\$753.88	\$1,083.02
Total Supply	334.99	37.64	131.46	202.78	254.42	299.46	343.94	393.60	452.15	537.48	816.20
Totals	<u>\$849.79</u>	<u>\$179.01</u>	<u>\$384.90</u>	<u>\$545.28</u>	<u>\$660.93</u>	<u>\$761.55</u>	<u>\$860.73</u>	<u>\$971.51</u>	<u>\$1,101.72</u>	<u>\$1,291.36</u>	<u>\$1,899.22</u>
<b>Increase Amount</b>											
Delivery	\$50.21	\$32.11	\$37.82	\$42.16	\$45.30	\$48.05	\$50.75	\$53.78	\$57.35	\$62.54	\$79.52
Supply	(0.74)	(0.08)	(0.29)	(0.44)	(0.56)	(0.67)	(0.76)	(0.87)	(1.00)	(1.19)	(1.80)
Totals	<u>\$49.47</u>	<u>\$32.03</u>	<u>\$37.53</u>	<u>\$41.72</u>	<u>\$44.74</u>	<u>\$47.38</u>	<u>\$49.99</u>	<u>\$52.91</u>	<u>\$56.35</u>	<u>\$61.35</u>	<u>\$77.72</u>
<b>Increase Percent</b>											
Delivery	10.8	29.4	17.5	14.0	12.5	11.6	10.9	10.3	9.7	9.0	7.9
Supply	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Totals	6.2	21.8	10.8	8.3	7.3	6.6	6.2	5.8	5.4	5.0	4.3

Notes: Bills include SUT  
Each band represents a decile of customers segmented by annual therm usage.

Filing "12 and 0"

**COMPARISON OF TYPICAL BILLS****Rate Schedule RSG**

Excluding Tax Adjustment Credit

Schedule SS-G12 R-2A

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Units	Annual Usages										
	Class Avg	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	Band 9	Band 10
Service Charge	12	12	12	12	12	12	12	12	12	12	12
Therm Usage	910	102	357	551	691	813	934	1,069	1,228	1,460	2,217
Balancing Therms	562	19	140	265	352	426	497	576	666	797	1,121
<b>Total</b>	<b>910</b>	<b>102</b>	<b>357</b>	<b>551</b>	<b>691</b>	<b>813</b>	<b>934</b>	<b>1,069</b>	<b>1,228</b>	<b>1,460</b>	<b>2,217</b>
Average Therm Use	76	9	30	46	58	68	78	89	102	122	185
<b>Present Bill</b>											
Total Delivery	\$464.59	\$109.26	\$215.62	\$300.34	\$361.21	\$414.04	\$466.04	\$524.13	\$592.22	\$691.34	\$1,003.50
Total Supply	335.73	37.72	131.75	203.22	254.98	300.13	344.70	394.47	453.15	538.67	818.00
	<u>\$800.32</u>	<u>\$146.98</u>	<u>\$347.37</u>	<u>\$503.56</u>	<u>\$616.19</u>	<u>\$714.17</u>	<u>\$810.74</u>	<u>\$918.60</u>	<u>\$1,045.37</u>	<u>\$1,230.01</u>	<u>\$1,821.50</u>
<b>Proposed Bill</b>											
Total Delivery	\$593.59	\$150.22	\$284.36	\$390.19	\$466.35	\$532.52	\$597.68	\$670.48	\$755.91	\$880.29	\$1,274.98
Total Supply	334.99	37.64	131.46	202.78	254.42	299.46	343.94	393.60	452.15	537.48	816.20
Totals	<u>\$928.58</u>	<u>\$187.86</u>	<u>\$415.82</u>	<u>\$592.97</u>	<u>\$720.77</u>	<u>\$831.98</u>	<u>\$941.62</u>	<u>\$1,064.08</u>	<u>\$1,208.06</u>	<u>\$1,417.77</u>	<u>\$2,091.18</u>
<b>Increase Amount</b>											
Delivery	\$129.00	\$40.96	\$68.74	\$89.85	\$105.14	\$118.48	\$131.64	\$146.35	\$163.69	\$188.95	\$271.48
Supply	(0.74)	(0.08)	(0.29)	(0.44)	(0.56)	(0.67)	(0.76)	(0.87)	(1.00)	(1.19)	(1.80)
Totals	<u>\$128.26</u>	<u>\$40.88</u>	<u>\$68.45</u>	<u>\$89.41</u>	<u>\$104.58</u>	<u>\$117.81</u>	<u>\$130.88</u>	<u>\$145.48</u>	<u>\$162.69</u>	<u>\$187.76</u>	<u>\$269.68</u>
<b>Increase Percent</b>											
Delivery	27.8	37.5	31.9	29.9	29.1	28.6	28.2	27.9	27.6	27.3	27.1
Supply	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Totals	16.0	27.8	19.7	17.8	17.0	16.5	16.1	15.8	15.6	15.3	14.8

Notes: Bills include SUT  
Each band represents a decile of customers segmented by annual therm usage.



Filing "12 and 0"

**COMPARISON OF TYPICAL BILLS**  
**Rate Schedule GSG**

Schedule SS-G12 R-2  
Page 2 of 3

		Annual Usages										
Units		Class Avg	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	Band 9	Band 10
1	Service Charge	12	12	12	12	12	12	12	12	12	12	12
2	Therm Usage	2,110	130	357	598	886	1,233	1,697	2,355	3,422	5,280	9,816
3	Balancing Therms	1,228	27	140	279	457	662	911	1,225	1,659	2,227	3,424
4												
5												
6	Total	2,110	130	357	598	886	1,233	1,697	2,355	3,422	5,280	9,816
7												
8	Average Therm Use	176	11	30	50	74	103	141	196	285	440	818
9												
10												
11	Present Bill											
12	Total Delivery	\$931.23	\$187.31	\$269.92	\$359.60	\$468.07	\$597.83	\$768.50	\$1,006.14	\$1,382.99	\$2,017.77	\$3,546.30
13	Total Supply	1,138.32	70.14	192.80	322.69	477.90	665.13	915.47	1,270.45	1,846.24	2,848.60	5,295.81
14		\$2,069.55	\$257.45	\$462.72	\$682.29	\$945.97	\$1,262.96	\$1,683.97	\$2,276.59	\$3,229.23	\$4,866.37	\$8,842.11
15												
16												
17												
18	Proposed Bill											
19	Total Delivery	\$1,142.54	\$265.89	\$363.74	\$469.57	\$597.32	\$750.35	\$952.12	\$1,233.87	\$1,682.27	\$2,441.60	\$4,274.22
20	Total Supply	1,137.61	70.09	192.68	322.48	477.60	664.71	914.90	1,269.65	1,845.08	2,846.80	5,292.47
21	Totals	\$2,280.15	\$335.98	\$556.42	\$792.05	\$1,074.92	\$1,415.06	\$1,867.02	\$2,503.52	\$3,527.35	\$5,288.40	\$9,566.69
22												
23												
24												
25	Increase Amount											
26	Delivery	\$211.31	\$78.58	\$93.82	\$109.97	\$129.25	\$152.52	\$183.62	\$227.73	\$299.28	\$423.83	\$727.92
27	Supply	(0.71)	(0.05)	(0.12)	(0.21)	(0.30)	(0.42)	(0.57)	(0.80)	(1.16)	(1.80)	(3.34)
28	Totals	\$210.60	\$78.53	\$93.70	\$109.76	\$128.95	\$152.10	\$183.05	\$226.93	\$298.12	\$422.03	\$724.58
29												
30												
31												
32	Increase Percent											
33	Delivery	22.7	42.0	34.8	30.6	27.6	25.5	23.9	22.6	21.6	21.0	20.5
34	Supply	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
35	Totals	10.2	30.5	20.2	16.1	13.6	12.0	10.9	10.0	9.2	8.7	8.2

Notes: Bills include SUT  
Each band represents a decile of customers segmented by annual therm usage.

Filing "12 and 0"

**COMPARISON OF TYPICAL BILLS**

Schedule SS-G12 R-2A

**Rate Schedule GSG**

Page 2 of 3

Excluding Tax Adjustment Credit

		Annual Usages										
Units		Class Avg	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	Band 9	Band 10
1	Service Charge	12	12	12	12	12	12	12	12	12	12	12
2	Therm Usage	2,110	130	357	598	886	1,233	1,697	2,355	3,422	5,280	9,816
3	Balancing Therms	1,228	27	140	279	457	662	911	1,225	1,659	2,227	3,424
4												
5												
6	Total	2,110	130	357	598	886	1,233	1,697	2,355	3,422	5,280	9,816
7												
8	Average Therm Use	176	11	30	50	74	103	141	196	285	440	818
9												
10												
11	Present Bill											
12	Total Delivery	\$931.23	\$187.31	\$269.92	\$359.60	\$468.07	\$597.83	\$768.50	\$1,006.14	\$1,382.99	\$2,017.77	\$3,546.30
13	Total Supply	1,138.32	70.14	192.80	322.69	477.90	665.13	915.47	1,270.45	1,846.24	2,848.60	5,295.81
14		\$2,069.55	\$257.45	\$462.72	\$682.29	\$945.97	\$1,262.96	\$1,683.97	\$2,276.59	\$3,229.23	\$4,866.37	\$8,842.11
15												
16												
17												
18	Proposed Bill											
19	Total Delivery	\$1,142.54	\$265.89	\$363.74	\$469.57	\$597.32	\$750.35	\$952.12	\$1,233.87	\$1,682.27	\$2,441.60	\$4,274.22
20	Total Supply	1,137.61	70.09	192.68	322.48	477.60	664.71	914.90	1,269.65	1,845.08	2,846.80	5,292.47
21	Totals	\$2,280.15	\$335.98	\$556.42	\$792.05	\$1,074.92	\$1,415.06	\$1,867.02	\$2,503.52	\$3,527.35	\$5,288.40	\$9,566.69
22												
23												
24												
25	Increase Amount											
26	Delivery	\$211.31	\$78.58	\$93.82	\$109.97	\$129.25	\$152.52	\$183.62	\$227.73	\$299.28	\$423.83	\$727.92
27	Supply	(0.71)	(0.05)	(0.12)	(0.21)	(0.30)	(0.42)	(0.57)	(0.80)	(1.16)	(1.80)	(3.34)
28	Totals	\$210.60	\$78.53	\$93.70	\$109.76	\$128.95	\$152.10	\$183.05	\$226.93	\$298.12	\$422.03	\$724.58
29												
30												
31												
32	Increase Percent											
33	Delivery	22.7	42.0	34.8	30.6	27.6	25.5	23.9	22.6	21.6	21.0	20.5
34	Supply	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
35	Totals	10.2	30.5	20.2	16.1	13.6	12.0	10.9	10.0	9.2	8.7	8.2

Notes: Bills include SUT  
Each band represents a decile of customers segmented by annual therm usage.

Filing "12 and 0"

**COMPARISON OF TYPICAL BILLS**  
**Rate Schedule LVG**

Schedule SS-G12 R-2  
Page 3 of 3

		Annual Usages										
Units		Class Avg	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	Band 9	Band 10
1	Service Charge	12	12	12	12	12	12	12	12	12	12	12
2	Therm Usage (0-1,000)	8,418	5,707	7,873	8,344	8,761	9,276	9,604	10,107	10,571	11,020	11,575
3	Therm Usage (1,000+)	31,860	888	2,918	5,188	7,615	10,566	14,633	19,820	28,795	46,581	186,334
4	Demand Therms	981	210	315	396	484	560	694	839	1,077	1,580	4,409
5												
6	Balancing Therms	19,701	2,572	4,735	6,444	7,917	9,199	11,235	13,628	17,691	26,194	56,460
7												
8	Total	40,278	6,595	10,791	13,532	16,376	19,842	24,237	29,927	39,365	57,601	197,910
9												
10	Average Therm Use	3,357	550	899	1,128	1,365	1,654	2,020	2,494	3,280	4,800	16,492
11												
12												
13	Present Bill											
14	Total Delivery	\$10,881.53	\$2,983.86	\$4,011.34	\$4,761.00	\$5,523.38	\$6,269.04	\$7,409.10	\$8,745.44	\$10,961.53	\$15,490.14	\$42,194.11
15	Total Supply	21,646.76	3,544.60	5,799.51	7,272.82	8,801.05	10,663.82	13,026.03	16,084.01	21,156.23	30,956.51	106,363.27
16		\$32,528.29	\$6,528.46	\$9,810.85	\$12,033.82	\$14,324.43	\$16,932.86	\$20,435.13	\$24,829.45	\$32,117.76	\$46,446.65	\$148,557.38
17												
18												
19												
20	Proposed Bill											
21	Total Delivery	\$12,096.45	\$3,731.02	\$4,824.55	\$5,620.33	\$6,432.36	\$7,225.30	\$8,440.33	\$9,862.00	\$12,217.75	\$17,033.73	\$45,501.57
22	Total Supply	21,633.07	3,542.36	5,795.85	7,268.22	8,795.49	10,657.08	13,017.79	16,073.84	21,142.85	30,936.94	106,296.04
23	Totals	\$33,729.52	\$7,273.38	\$10,620.40	\$12,888.55	\$15,227.85	\$17,882.38	\$21,458.12	\$25,935.84	\$33,360.60	\$47,970.67	\$151,797.61
24												
25												
26												
27	Increase Amount											
28	Delivery	\$1,214.92	\$747.16	\$813.21	\$859.33	\$908.98	\$956.26	\$1,031.23	\$1,116.56	\$1,256.22	\$1,543.59	\$3,307.46
29	Supply	(13.69)	(2.24)	(3.66)	(4.60)	(5.56)	(6.74)	(8.24)	(10.17)	(13.38)	(19.57)	(67.23)
30	Totals	\$1,201.23	\$744.92	\$809.55	\$854.73	\$903.42	\$949.52	\$1,022.99	\$1,106.39	\$1,242.84	\$1,524.02	\$3,240.23
31												
32												
33												
34	Increase Percent											
35	Delivery	11.2	25.0	20.3	18.0	16.5	15.3	13.9	12.8	11.5	10.0	7.8
36	Supply	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
37	Totals	3.7	11.4	8.3	7.1	6.3	5.6	5.0	4.5	3.9	3.3	2.2

Notes: Bills include SUT  
Each band represents a decile of customers segmented by annual therm usage.

Filing "12 and 0"

**COMPARISON OF TYPICAL BILLS**  
**Rate Schedule LVC**  
**Excluding Tax Adjustment Credit**

Schedule SS-G12 R-2A  
Page 3 of 3

		Annual Usages									
<u>Units</u>	<u>Class Avg</u>	<u>Band 1</u>	<u>Band 2</u>	<u>Band 3</u>	<u>Band 4</u>	<u>Band 5</u>	<u>Band 6</u>	<u>Band 7</u>	<u>Band 8</u>	<u>Band 9</u>	<u>Band 10</u>
1 Service Charge	12	12	12	12	12	12	12	12	12	12	12
2 Therm Usage (0-1,000)	8,418	5,707	7,873	8,344	8,761	9,276	9,604	10,107	10,571	11,020	11,575
3 Therm Usage (1,000+)	31,860	888	2,918	5,188	7,615	10,566	14,633	19,820	28,795	46,581	186,334
4 Demand Therms	981	210	315	396	484	560	694	839	1,077	1,580	4,409
5											
6 Balancing Therms	19,701	2,572	4,735	6,444	7,917	9,199	11,235	13,628	17,691	26,194	56,460
7											
8 <b>Total</b>	<b>40,278</b>	<b>6,595</b>	<b>10,791</b>	<b>13,532</b>	<b>16,376</b>	<b>19,842</b>	<b>24,237</b>	<b>29,927</b>	<b>39,365</b>	<b>57,601</b>	<b>197,910</b>
9											
10 Average Therm Use	3,357	550	899	1,128	1,365	1,654	2,020	2,494	3,280	4,800	16,492
11											
12											
13 <b><u>Present Bill</u></b>											
14 Total Delivery	\$10,881.53	\$2,983.86	\$4,011.34	\$4,761.00	\$5,523.38	\$6,269.04	\$7,409.10	\$8,745.44	\$10,961.53	\$15,490.14	\$42,194.11
15 Total Supply	21,646.76	3,544.60	5,799.51	7,272.82	8,801.05	10,663.82	13,026.03	16,084.01	21,156.23	30,956.51	106,363.27
16	<u>\$32,528.29</u>	<u>\$6,528.46</u>	<u>\$9,810.85</u>	<u>\$12,033.82</u>	<u>\$14,324.43</u>	<u>\$16,932.86</u>	<u>\$20,435.13</u>	<u>\$24,829.45</u>	<u>\$32,117.76</u>	<u>\$46,446.65</u>	<u>\$148,557.38</u>
17											
18											
19											
20 <b><u>Proposed Bill</u></b>											
21 Total Delivery	\$12,096.45	\$3,731.02	\$4,824.55	\$5,620.33	\$6,432.36	\$7,225.30	\$8,440.33	\$9,862.00	\$12,217.75	\$17,033.73	\$45,501.57
22 Total Supply	21,633.07	3,542.36	5,795.85	7,268.22	8,795.49	10,657.08	13,017.79	16,073.84	21,142.85	30,936.94	106,296.04
23 Totals	<u>\$33,729.52</u>	<u>\$7,273.38</u>	<u>\$10,620.40</u>	<u>\$12,888.55</u>	<u>\$15,227.85</u>	<u>\$17,882.38</u>	<u>\$21,458.12</u>	<u>\$25,935.84</u>	<u>\$33,360.60</u>	<u>\$47,970.67</u>	<u>\$151,797.61</u>
24											
25											
26											
27 <b><u>Increase Amount</u></b>											
28 Delivery	\$1,214.92	\$747.16	\$813.21	\$859.33	\$908.98	\$956.26	\$1,031.23	\$1,116.56	\$1,256.22	\$1,543.59	\$3,307.46
29 Supply	(13.69)	(2.24)	(3.66)	(4.60)	(5.56)	(6.74)	(8.24)	(10.17)	(13.38)	(19.57)	(67.23)
30 Totals	<u>\$1,201.23</u>	<u>\$744.92</u>	<u>\$809.55</u>	<u>\$854.73</u>	<u>\$903.42</u>	<u>\$949.52</u>	<u>\$1,022.99</u>	<u>\$1,106.39</u>	<u>\$1,242.84</u>	<u>\$1,524.02</u>	<u>\$3,240.23</u>
31											
32											
33											
34 <b><u>Increase Percent</u></b>											
35 Delivery	11.2	25.0	20.3	18.0	16.5	15.3	13.9	12.8	11.5	10.0	7.8
36 Supply	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
37 Totals	3.7	11.4	8.3	7.1	6.3	5.6	5.0	4.5	3.9	3.3	2.2
38											
39											
40											
41											
42											

Notes: Bills include SUT  
Each band represents a decile of customers segmented by annual therm usage.

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
S	1	<b>SUMMARY OF RESULTS</b>	<b>Sub-Schedule Ref</b>						
S	2	<b>DEVELOPMENT OF RETURN</b>							
S	3								
S	4	<b>RATE BASE</b>							
S	5	Plant in Service							
S	6	Production Plant 304-320	SCH RBP, LN 28	54,051,153	34,404,858	6,551,287	13,095,009	0	0
S	7	Storage Plant 360-363	SCH RBP, LN 33	10,637,156	6,770,805	1,289,280	2,577,071	0	0
S	8	Transmission Plant 365-371	SCH RBP, LN 40	88,966,347	53,516,155	10,497,614	24,182,363	16,500	753,715
S	9	Distribution Plant							
S	10	Land & Structures 374-375	SCH RBP, LN 55	53,869,741	38,296,354	6,587,006	8,701,108	17,526	267,747
S	11	Mains 376	SCH RBP, LN 61	2,666,043,183	1,603,143,458	314,440,696	725,312,933	498,681	22,647,416
S	12	Compressor Station Equipment 377	SCH RBP, LN 63	0	0	0	0	0	0
S	13	Meas & Regulating Station Equip 378-379	SCH RBP, LN 68	170,186,128	102,372,499	20,081,169	46,259,095	31,564	1,441,802
S	14	Services 380	SCH RBP, LN 74	2,854,069,822	2,348,521,992	335,825,697	167,127,299	3,579	2,591,255
S	15	Meters 381	SCH RBP, LN 80	257,235,090	171,445,816	59,459,731	26,326,375	1	3,166
S	16	Meter Installations 382	SCH RBP, LN 86	145,989,543	133,096,274	11,675,079	1,217,853	0	337
S	17	House Regulators & Install 383-384	SCH RBP, LN 106	137,183,305	122,770,768	11,114,414	3,291,764	6	6,352
S	18	Industrial Meas & Reg Station Equip 385	SCH RBP, LN 114	83,488,964	9,721,823	19,714,375	49,389,685	750	4,662,331
S	19	Other Property on Cust Premises 386	SCH RBP, LN 116	0	0	0	0	0	0
S	20	Other Equipment (Street Lighting) 387	SCH RBP, LN 121	1,521,717	0	0	0	1,521,717	0
S	21	Asset Retirement Obligation 388	SCH RBP, LN 123	10,834,324	6,514,889	1,277,831	2,947,542	2,027	92,035
S	22	Total Distribution Plant	SCH RBP, LN 125	6,380,421,816	4,535,883,873	780,175,997	1,030,573,654	2,075,851	31,712,441
S	23	General Plant E389-E399	SCH RBP, LN 156	94,801,809	67,569,925	11,243,325	15,453,148	33,150	502,261
S	24	Common Plant C389-C399	SCH RBP, LN 167	78,873,337	61,744,769	8,249,148	8,496,628	16,865	365,927
S	25	Intangible Plant E301-E303, E399, C303-C390	SCH RBP, LN 23	5,857,613	5,304,666	462,358	69,991	(54)	20,653
S	26	Total Plant in Service	SCH RBP, LN 172	6,713,609,232	4,765,195,050	818,469,009	1,094,447,865	2,142,312	33,354,996
S	27								
S	28	Less: Reserve for Depreciation and Amorization	SCH RBD, LN 122	2,270,656,638	1,584,905,597	265,290,889	404,654,388	1,229,943	14,575,821
S	29								
S	30	Plus: Rate Base Additions							
S	31	Working Capital	SCH RBO, LN 11	292,311,129	223,410,586	33,745,542	33,908,763	150,654	1,095,583
S	32	Capital Stimulus Adjust (Pro Forma #13)	SCH RBO, LN 13	0	0	0	0	0	0
S	33	Capital Lease Plt & Reserve Deduct	SCH RBO, LN 14	96,280	75,372	10,070	10,372	21	447
S	34	Plus: Rate Base Deductions							
S	35	Customer Advances	SCH RBO, LN 21	(19,722,411)	(14,117,315)	(2,323,075)	(3,188,240)	(3,616)	(90,165)
S	36	Unbilled Revenue	SCH RBO, LN 22	(159,485,336)	(113,199,727)	(19,443,164)	(25,999,188)	(50,892)	(792,366)
S	37	Deferred Income Taxes and Credits	SCH RBO, LN 33	(1,842,391,857)	(1,307,866,346)	(224,604,163)	(300,161,834)	(589,134)	(9,170,381)
S	38								
S	39								
S	40	<b>TOTAL RATE BASE</b>		<b>2,713,760,398</b>	<b>1,968,592,022</b>	<b>340,563,330</b>	<b>394,363,349</b>	<b>419,403</b>	<b>9,822,294</b>
S	41								
S	42								
S	43								
S	44								
S	45								
S	46								
S	47								
S	48								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
S	49	<b>SUMMARY OF RESULTS</b>	<b>Sub-Schedule Ref</b>						
S	50	<b>DEVELOPMENT OF RETURN</b>							
S	51								
S	52	<b>RATE BASE</b>	SCH RBO, LN 38	3,990,551,989	2,877,747,336	497,356,888	598,704,804	798,655	15,944,306
S	53								
S	54	<b>OPERATING REVENUES</b>							
S	55	Rate Revenues from Customers	SCH REV, LN 7	887,227,203	653,904,345	105,324,714	123,693,766	529,816	3,774,561
S	56	Other Operating Revenues	SCH REV, LN 19	50,251,258	47,376,106	1,317,950	1,554,870	172	2,160
S	57	Revenues from Other Sources	SCH REV, LN 24	0	0	0	0	0	0
S	58	Less: Provisions for Rate Refunds	SCH REV, LN 26	0	0	0	0	0	0
S	59	<b>TOTAL OPERATING REVENUES</b>		<b>937,478,461</b>	<b>701,280,452</b>	<b>106,642,664</b>	<b>125,248,636</b>	<b>529,988</b>	<b>3,776,721</b>
S	60								
S	61	<b>OPERATING EXPENSES</b>							
S	62	Operation and Maintenance Expense							
S	63	Gas Production and Supply Expense	SCH E, LN 20	6,899,840	4,136,342	804,023	1,903,831	1,476	54,169
S	64	Storage Expense	SCH E, LN 25	474,404	301,970	57,500	114,934	0	0
S	65	Transmission Expense	SCH E, LN 29	2,558,168	1,538,822	301,852	695,348	474	21,673
S	66	Distribution Expense	SCH E, LN 69	100,930,816	78,501,179	10,160,858	11,677,822	293,545	297,411
S	67	Customer Accounts Expense	SCH E, LN 91	101,220,275	85,474,603	9,412,540	5,936,305	849	395,977
S	68	Customer Service & Information Expense	SCH E, LN 109	2,140,391	1,869,053	203,456	61,038	42	6,803
S	69	Sales Expense	SCH E, LN 115	924,164	802,266	95,341	26,434	16	107
S	70	Administrative and General Expense	SCH E, LN 139	105,459,010	88,151,654	8,249,584	8,604,995	96,349	356,429
S	71	Total Operation and Maintenance Expense	SCH E, LN 141	321,836,138	261,558,220	29,434,124	29,318,475	392,751	1,132,569
S	72	Depreciation Expense	SCH DE, LN 10	123,362,242	87,722,253	14,967,295	20,022,885	38,890	610,920
S	73	Amortization Expense	SCH DE, LN 25	(12,395,796)	(8,682,842)	(1,516,821)	(2,127,271)	(4,205)	(64,658)
S	74	Taxes Other Than Income Taxes	SCH EO, LN 11	18,555,601	15,466,816	1,463,938	1,560,582	9,698	54,567
S	75	Proforma Expense Adjustments	SCH EO, LN 37	(135,603,371)	(102,075,983)	(14,517,728)	(18,373,508)	(51,684)	(584,468)
S	76	State Income Taxes	SCH TI, LN 61	44,765,042	32,234,465	5,550,526	6,783,900	10,166	185,984
S	77	Federal Income Taxes	SCH TI, LN 67	122,855,470	88,821,611	15,311,848	18,215,732	24,658	481,621
S	78	Provision for Deferred Income Taxes	SCH TI, LN 132	158,802,288	113,282,609	19,145,073	25,543,686	50,613	780,308
S	79	Income Taxes Deferred in Prior Years	SCH TI, LN 137	0	0	0	0	0	0
S	80	Investment Tax Credit Adjustment (Net)	SCH TI, LN 138	0	0	0	0	0	0
S	81	<b>TOTAL OPERATING EXPENSES</b>		<b>642,177,614</b>	<b>488,327,149</b>	<b>69,838,255</b>	<b>80,944,481</b>	<b>470,888</b>	<b>2,596,842</b>
S	82								
S	83	<b>OPERATING INCOME (RETURN)</b>		<b>295,300,847</b>	<b>212,953,303</b>	<b>36,804,410</b>	<b>44,304,155</b>	<b>59,100</b>	<b>1,179,879</b>
S	84	Plus Operating Income Adjustment	SCH TI, LN 139	0	0	0	0	0	0
S	85	<b>TOTAL NET OPERATING INCOME</b>		<b>295,300,847</b>	<b>212,953,303</b>	<b>36,804,410</b>	<b>44,304,155</b>	<b>59,100</b>	<b>1,179,879</b>
S	86								
S	87	<b>RATE OF RETURN ON RATE BASE (PRESENT)</b>		<b>7.40%</b>	<b>7.40%</b>	<b>7.40%</b>	<b>7.40%</b>	<b>7.40%</b>	<b>7.40%</b>
S	88	<b>INDEX RATE OF RETURN (PRESENT)</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
S	89								
S	90								
S	91								
S	92								
S	93								
S	94								
S	95								
S	96								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
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SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
S	97	<b>EQUALIZED RETURN AT PROPOSED ROR</b>	<b>Sub-Schedule Ref</b>						
S	98								
S	99	<b>DEVELOPMENT OF RETURN (EQUALIZED RATE LEVELS)</b>							
S	100								
S	101	<b>RATE BASE</b>	SCH RBO, LN 38	3,990,551,989	2,877,747,336	497,356,888	598,704,804	798,655	15,944,306
S	102								
S	103	<b>RATE OF RETURN</b>		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
S	104								
S	105	<b>RETURN (RATE BASE * 7.40% ROR)</b>		295,300,847	212,953,303	36,804,410	44,304,155	59,100	1,179,879
S	106								
S	107	<b>PLUS:</b>							
S	108	<b>OPERATING EXPENSES</b>							
S	109	Total Operation and Maintenance Expense	SCH E, LN 141	321,836,138	261,558,220	29,434,124	29,318,475	392,751	1,132,569
S	110	Depreciation Expense	SCH DE, LN 10	123,362,242	87,722,253	14,967,295	20,022,885	38,890	610,920
S	111	Amortization Expense	SCH DE, LN 25	(12,395,796)	(8,682,842)	(1,516,821)	(2,127,271)	(4,205)	(64,658)
S	112	Taxes Other Than Income Taxes	SCH EO, LN 11	18,555,601	15,466,816	1,463,938	1,560,582	9,698	54,567
S	113	Proforma Expense Adjustments	SCH EO, LN 37	(135,603,371)	(102,075,983)	(14,517,728)	(18,373,508)	(51,684)	(584,468)
S	114	Income Taxes	CALCULATED	167,620,512	121,056,076	20,862,374	24,999,632	34,824	667,606
S	115	Provision for Deferred Income Taxes	SCH TI, LN 132	158,802,288	113,282,609	19,145,073	25,543,686	50,613	780,308
S	116	Income Taxes Deferred in Prior Years	SCH TI, LN 137	0	0	0	0	0	0
S	117	Investment Tax Credit Adjustment (Net)	SCH TI, LN 138	0	0	0	0	0	0
S	118	<b>TOTAL OPERATING EXPENSES</b>		642,177,614	488,327,149	69,838,255	80,944,481	470,888	2,596,842
S	119								
S	120	<b>EQUALS TOTAL COST OF SERVICE</b>		937,478,461	701,280,452	106,642,664	125,248,636	529,988	3,776,721
S	121								
S	122	<b>LESS:</b>							
S	123	Other Operating Revenues	SCH REV, LN 19	50,251,258	47,376,106	1,317,950	1,554,870	172	2,160
S	124	Revenues from Other Sources	SCH REV, LN 24	0	0	0	0	0	0
S	125	Plus: Provisions for Rate Refunds	SCH REV, LN 26	0	0	0	0	0	0
S	126	<b>EQUALS:</b>		887,227,203	653,904,345	105,324,714	123,693,766	529,816	3,774,561
S	127	<b>BASE RATE SALES @ EQUALIZED ROR 7.40%</b>							
S	128								
S	129	<b>TOTAL COST OF SERVICE INCREASE/DECREASE</b>		0	0	0	(0)	(0)	(0)
S	130	<b>REVENUE INCREASE TO RETAIL REVENUES (%)</b>		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
S	131								
S	132								
S	133								
S	134								
S	135								
S	136								
S	137								
S	138								
S	139								
S	140								
S	141								
S	142								
S	143								
S	144								

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SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
RBP	1	DEVELOPMENT OF RATE BASE							
RBP	2								
RBP	3	GAS PLANT IN SERVICE							
RBP	4								
RBP	5	INTANGIBLE PLANT - G301-G303							
RBP	6	General - AWMS & Misc.	TOTPLT	0	0	0	0	0	0
RBP	7	Choice Progect	not_used	0	0	0	0	0	0
RBP	8	GSMIS - meter related	not_used	0	0	0	0	0	0
RBP	9	- regulator related	not_used	0	0	0	0	0	0
RBP	10	- appliance safety related	not_used	0	0	0	0	0	0
RBP	11	- Comp Svs related	not_used	0	0	0	0	0	0
RBP	12	- Cust Svs related	not_used	0	0	0	0	0	0
RBP	13	TOTAL INTANGIBLE PLANT		0	0	0	0	0	0
RBP	14								
RBP	15	C303 - INTANGIBLE PLANT - CUST SERVICE							
RBP	16	Customer Service	CUSTSVSX	6,057,549	5,414,690.06	492,744	127,424	76	22,615
RBP	17	Measurement	MRCOST_07	170,522	154,019.39	13,550	2,953	0	0
RBP	18	Not Used	not_used	0	0.00	0	0	0	0
RBP	19	G399.1 Asset Retirement Costs of General Plt	GENPLT	(370,458)	(264,043.46)	(43,936)	(60,386)	(130)	(1,963)
RBP	20	Not Used	not_used	0	0.00	0	0	0	0
RBP	21	TOTAL ACCOUNTS C303-C390.4,G399		5,857,613	5,304,665.99	462,358	69,991	(54)	20,653
RBP	22								
RBP	23	TOTAL INTANGIBLE PLANT		5,857,613	5,304,666	462,358	69,991	(54)	20,653
RBP	24								
RBP	25	PRODUCTION PLANT							
RBP	26	G304-G320 - All Land & Equipment	BALANCE_04	54,051,153	34,404,858	6,551,287	13,095,009	0	0
RBP	27	Not Used	not_used	0	0	0	0	0	0
RBP	28	TOTAL PRODUCTION PLANT		54,051,153	34,404,858	6,551,287	13,095,009	0	0
RBP	29								
RBP	30	STORAGE PLANT							
RBP	31	G360-G363 - All Land & Equipment	BALANCE_04	10,637,156	6,770,805	1,289,280	2,577,071	0	0
RBP	32	Not Used	not_used	0	0	0	0	0	0
RBP	33	TOTAL STORAGE PLANT		10,637,156	6,770,805	1,289,280	2,577,071	0	0
RBP	34								
RBP	35	TRANSMISSION PLANT							
RBP	36	G365 Land & Land Rights	AVGPEAK_04	5,421,128	3,260,985	639,668	1,473,542	1,005	45,927
RBP	37	G366 Structures & Improvements	AVGPEAK_04	0	0	0	0	0	0
RBP	38	G367 Mains	AVGPEAK_04	79,321,099	47,714,225	9,359,519	21,560,643	14,711	672,001
RBP	39	G369 Meas. & Reg. Station Equipment	AVGPEAK_04	4,224,120	2,540,946	498,426	1,148,178	783	35,786
RBP	40	TOTAL TRANSMISSION PLANT		88,966,347	53,516,155	10,497,614	24,182,363	16,500	753,715
RBP	41								
RBP	42								
RBP	43								
RBP	44								
RBP	45								
RBP	46								
RBP	47								
RBP	48								



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12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
RBP	49	<b>GAS PLANT IN SERVICE CONTINUED</b>							
RBP	50								
RBP	51	DISTRIBUTION PLANT							
RBP	52	G374-G375 Land & Structures							
RBP	53	General	DISTPLT	53,869,741	38,296,354	6,587,006	8,701,108	17,526	267,747
RBP	54	Not Used	not_used	0	0	0	0	0	0
RBP	55	Total Accounts G374-G375		53,869,741	38,296,354	6,587,006	8,701,108	17,526	267,747
RBP	56								
RBP	57	G376 Mains							
RBP	58	Firm Allocation	AVGPEAK_04	2,609,642,309	1,569,784,840	307,925,610	709,339,199	484,004	22,108,656
RBP	59	CIG & TSG-NF Redistribution	TRANSPORT_04	56,400,874	33,358,618	6,515,086	15,973,734	14,677	538,760
RBP	60	Not Used	not_used	0	0	0	0	0	0
RBP	61	Total Account G376		2,666,043,183	1,603,143,458	314,440,696	725,312,933	498,681	22,647,416
RBP	62								
RBP	63	G377 Compressor Station Equip	DISTPLTXMTR	0	0	0	0	0	0
RBP	64								
RBP	65	G378-G379 Meas & Regulatory Equipment							
RBP	66	Firm Investment	AVGPEAK_04	170,186,128	102,372,499	20,081,169	46,259,095	31,564	1,441,802
RBP	67	Not Used	not_used	0	0	0	0	0	0
RBP	68	Total Account G378-G379		170,186,128	102,372,499	20,081,169	46,259,095	31,564	1,441,802
RBP	69								
RBP	70	G380 Services							
RBP	71	Firm Allocation	SERVICES_03	2,840,316,509	2,340,387,517	334,236,998	163,232,115	0	2,459,878
RBP	72	CIG & TSG-NF Redistribution	TRANSPORT_03	13,753,313	8,134,475	1,588,699	3,895,184	3,579	131,376
RBP	73	Not Used	not_used	0	0	0	0	0	0
RBP	74	Total Account G380		2,854,069,822	2,348,521,992	335,825,697	167,127,299	3,579	2,591,255
RBP	75								
RBP	76	G381 Meters							
RBP	77	Firm Allocation	SMMETERS_07	257,229,506	171,442,513	59,459,085	26,324,794	0	3,113
RBP	78	CIG & TSG-NF Redistribution	TRANSPORT_07	5,584	3,303	645	1,581	1	53
RBP	79	Not Used	not_used	0	0	0	0	0	0
RBP	80	Total Account G381		257,235,090	171,445,816	59,459,731	26,326,375	1	3,166
RBP	81								
RBP	82	G382 Meter Installations							
RBP	83	Firm Allocation	MTRINSTAL_07	145,987,951	133,095,332	11,674,895	1,217,402	0	321
RBP	84	CIG & TSG-NF Redistribution	TRANSPORT_07	1,592	942	184	451	0	15
RBP	85	Not Used	not_used	0	0	0	0	0	0
RBP	86	Total Account E382		145,989,543	133,096,274	11,675,079	1,217,853	0	337
RBP	87								
RBP	88								
RBP	89								
RBP	90								
RBP	91								
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RBP	96								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
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SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
RBP	97	<b>GAS PLANT IN SERVICE CONTINUED</b>							
RBP	98								
RBP	99	<b>DISTRIBUTION PLANT CONTINUED</b>							
RBP	100								
RBP	101	G383-384 House Regulators & Installation							
RBP	102	Firm Allocation - Regulators - G383	HOUSEREG_03	38,504,809	32,617,782	3,995,936	1,886,182	0	4,910
RBP	103	Firm Allocation - Installation - G384	HSEREGINST_03	98,655,591	90,139,439	7,115,833	1,399,095	0	1,224
RBP	104	CIG & TSG-NF Redistribution	TRANSPORT_03	22,904	13,547	2,646	6,487	6	219
RBP	105	Not Used	not_used	0	0	0	0	0	0
RBP	106	Total Account G383-384		137,183,305	122,770,768	11,114,414	3,291,764	6	6,352
RBP	107								
RBP	108	G385 Industrial Meas and Regul Station Equip							
RBP	109	Firm Allocation - Regulators	LRGREG_03	40,304,082	8,017,957	14,440,886	13,459,495	0	4,385,743
RBP	110	Firm Allocation - Meters	LRGMTR_07	40,304,082	0	4,940,716	35,114,296	0	249,070
RBP	111	CIG & TSG-NF Redistribution - Regulators	TRANSPORT_03	1,440,400	851,933	166,386	407,947	375	13,759
RBP	112	CIG & TSG-NF Redistribution - Meters	TRANSPORT_07	1,440,400	851,933	166,386	407,947	375	13,759
RBP	113	Not Used	not_used	0	0	0	0	0	0
RBP	114	Total Account G385		83,488,964	9,721,823	19,714,375	49,389,685	750	4,662,331
RBP	115								
RBP	116	G386 Other Prop on Cust Prem	TRANSPORT_04	0	0	0	0	0	0
RBP	117								
RBP	118	G387-Other Equipment							
RBP	119	G387.1 Other Eqmt - Street Ltg Posts	DIRSLG_05	1,011,930	0	0	0	1,011,930	0
RBP	120	G387.2 Other Eqmt - Street Ltg Services	DIRSLG_03	509,787	0	0	0	509,787	0
RBP	121	Total Accounts G387		1,521,717	0	0	0	1,521,717	0
RBP	122								
RBP	123	G388 - Asset Retirement Obligations	PLT_376	10,834,324	6,514,889	1,277,831	2,947,542	2,027	92,035
RBP	124								
RBP	125	<b>TOTAL DISTRIBUTION PLANT</b>		6,380,421,816	4,535,883,873	780,175,997	1,030,573,654	2,075,851	31,712,441
RBP	126								
RBP	127								
RBP	128								
RBP	129								
RBP	130								
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SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
RBP	145	<b>GAS PLANT IN SERVICE CONTINUED</b>							
RBP	146								
RBP	147	GENERAL AND COMMON PLANT							
RBP	148	E390-E398 GENERAL PLANT							
RBP	149	Meter Related	METERPLT	0	0	0	0	0	0
RBP	150	Regulator Plant Related	PLT_3834	0	0	0	0	0	0
RBP	151	Appliance Safety Related	CINST_04	0	0	0	0	0	0
RBP	152	Distribution Delivery	DISTPLTXMTR	94,801,809	67,569,925	11,243,325	15,453,148	33,150	502,261
RBP	153	Competitive Service	COMPSVSWK_04	0	0	0	0	0	0
RBP	154	SONP/RNP Related	CUSTAVG_04	0	0	0	0	0	0
RBP	155	Gas Peaking Plant Related	BALANCE_04	0	0	0	0	0	0
RBP	156	Total Accounts E390-E398		94,801,809	67,569,925	11,243,325	15,453,148	33,150	502,261
RBP	157								
RBP	158	C389-C399 COMMON PLANT							
RBP	159	ASB Work Related	CINST_04	0	0	0	0	0	0
RBP	160	Meter Plant Related	METERPLT	0	0	0	0	0	0
RBP	161	Meter Reading Related	MRCOST_07	0	0	0	0	0	0
RBP	162	Not Used	not_used	0	0	0	0	0	0
RBP	163	Customer Service Related	CUSTSVSX	30,712,825	27,453,418	2,498,296	646,063	385	114,663
RBP	164	Distribution Delivery Related	DISTPLTXMTR	36,360,558	25,915,963	4,312,297	5,926,945	12,714	192,639
RBP	165	Service & Support Related	UTILWORK_04	0	0	0	0	0	0
RBP	166	Unassigned	TOTPLT	11,799,954	8,375,388	1,438,555	1,923,620	3,765	58,625
RBP	167	Total Accounts C389-C399		78,873,337	61,744,769	8,249,148	8,496,628	16,865	365,927
RBP	168								
RBP	169	TOTAL GENERAL AND COMMON PLANT		173,675,146	129,314,694	19,492,474	23,949,776	50,014	868,188
RBP	170								
RBP	171								
RBP	172	<b>TOTAL GAS PLANT IN SERVICE (101)</b>		6,713,609,232	4,765,195,050	818,469,009	1,094,447,865	2,142,312	33,354,996
RBP	173								
RBP	174								
RBP	175								
RBP	176								
RBP	177								
RBP	178								
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RBP	187								
RBP	188								
RBP	189								
RBP	190								
RBP	191								
RBP	192								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
RBD	1	<b>LESS: DEPRECIATION RESERVE &amp; AMORT</b>							
RBD	2								
RBD	3	G301-G303 - INTANGIBLE PLANT - RESERVE							
RBD	4	General - AWMS & Misc.	TOTPLT	0	0	0	0	0	0
RBD	5	Choice Project	not_used	0	0	0	0	0	0
RBD	6	GSMIS - meter related	not_used	0	0	0	0	0	0
RBD	7	- regulator related	not_used	0	0	0	0	0	0
RBD	8	- appliance safety related	not_used	0	0	0	0	0	0
RBD	9	- Comp Svs related	not_used	0	0	0	0	0	0
RBD	10	- Cust Svs related	not_used	0	0	0	0	0	0
RBD	11	Total Accounts E301-E303 Reserve		0	0	0	0	0	0
RBD	12								
RBD	13	C303 - INTANGIBLE PLANT - CUST SERVICE							
RBD	14	Customer Service	CUSTSVSX	1,758,988	1,572,315	143,083	37,001	22	6,567
RBD	15	Measurement	MRCOST_07	41,423	37,414	3,292	717	0	0
RBD	16	Not Used	not_used	0	0	0	0	0	0
RBD	17	G399.1 Asset Retirement Costs of General Plt	GENPLT	0	0	0	0	0	0
RBD	18	Not Used	not_used	0	0	0	0	0	0
RBD	19	TOTAL ACCOUNTS C303-C390.4,G399		1,800,411	1,609,729	146,374	37,719	22	6,567
RBD	20								
RBD	21	TOTAL INTANGIBLE PLANT		1,800,411	1,609,729	146,374	37,719	22	6,567
RBD	22								
RBD	23								
RBD	24	PRODUCTION PLANT G304-G320 RESERVE	BALANCE_04	56,481,321	35,951,717	6,845,836	13,683,768	0	0
RBD	25								
RBD	26	STORAGE PLANT G360-G363 RESERVE	BALANCE_04	9,779,585	6,224,941	1,185,338	2,369,307	0	0
RBD	27								
RBD	28	TRANSMISSION PLANT G365-G369 RESERVE	TRANPLT	45,868,864	27,591,616	5,412,312	12,467,833	8,507	388,597
RBD	29								
RBD	30								
RBD	31	DISTRIBUTION PLANT RESERVE							
RBD	32	G374-G375 Land & Structures Reserve	PLT_3745	37,333,548	26,540,665	4,565,018	6,030,161	12,146	185,558
RBD	33								
RBD	34	G376 Mains Reserve							
RBD	35	Firm Allocation	AVGPEAK_04	1,014,058,840	609,989,418	119,654,209	275,636,122	188,075	8,591,016
RBD	36	CIG & TSG-NF Redistribution	TRANSPORT_04	19,298,130	11,413,989	2,229,203	5,465,575	5,022	184,342
RBD	37	Not Used	not_used	0	0	0	0	0	0
RBD	38	Total Account G376		1,033,356,970	621,403,407	121,883,412	281,101,697	193,097	8,775,358
RBD	39								
RBD	40	G377 Compressor Station Equip Reserve	DISTPLTXMTR	0	0	0	0	0	0
RBD	41								
RBD	42	G378-G379 Meas & Regulatory Equip Reserve							
RBD	43	Firm Investment	AVGPEAK_04	77,019,065	46,329,476	9,087,890	20,934,916	14,285	652,499
RBD	44	Not Used	not_used	0	0	0	0	0	0
RBD	45	Total Account G378-G379		77,019,065	46,329,476	9,087,890	20,934,916	14,285	652,499
RBD	46								
RBD	47								
RBD	48								

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SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
RBD	49	<b>DEPRECIATION RESERVE &amp; AMORT CONTINUED</b>							
RBD	50								
RBD	51	<b>DISTRIBUTION PLANT CONTINUED</b>							
RBD	52								
RBD	53	G380 Services Reserve							
RBD	54	Firm Allocation	SERVICSR_03	783,395,795	654,521,214	88,717,495	38,974,051	0	1,183,034
RBD	55	CIG & TSG-NF Redistribution	TRANSPORT_03	6,209,011	3,672,355	717,227	1,758,503	1,616	59,311
RBD	56	Not Used	not_used	0	0	0	0	0	0
RBD	57	Total Account G380		789,604,806	658,193,569	89,434,722	40,732,554	1,616	1,242,345
RBD	58								
RBD	59	G381 Meters Reserve							
RBD	60	Firm Allocation	SMMETERSR_07	19,192,159	12,967,609	4,290,983	1,933,236	0	330
RBD	61	CIG & TSG-NF Redistribution	TRANSPORT_07	3,301	1,952	381	935	1	32
RBD	62	Not Used	not_used	0	0	0	0	0	0
RBD	63	Total Account G381		19,195,460	12,969,561	4,291,364	1,934,171	1	362
RBD	64								
RBD	65	G382 Meter Installations Reserve							
RBD	66	Firm Allocation	MTRINSTALR_07	42,287,036	39,032,056	2,958,725	296,185	0	70
RBD	67	CIG & TSG-NF Redistribution	TRANSPORT_07	565	334	65	160	0	5
RBD	68	Not Used	not_used	0	0	0	0	0	0
RBD	69	Total Account E382		42,287,602	39,032,391	2,958,791	296,345	0	75
RBD	70								
RBD	71	G383-384 House Regulators & Installation Reserve							
RBD	72	Firm Allocation - Regulators - G383	HOUSEREGR_03	18,990,814	15,975,699	2,013,202	995,760	0	6,152
RBD	73	Firm Allocation - Installation - G384	HSEREGINSTR_03	42,071,980	38,507,476	2,971,813	591,287	0	1,403
RBD	74	CIG & TSG-NF Redistribution	TRANSPORT_03	10,012	5,922	1,157	2,836	3	96
RBD	75	Not Used	not_used	0	0	0	0	0	0
RBD	76	Total Account G383-384		61,072,806	54,489,097	4,986,172	1,589,883	3	7,651
RBD	77								
RBD	78	G385 Industrial Meas and Regul Sta Equip Reserve							
RBD	79	Firm Allocation - Regulators	LRGREGR_03	11,491,185	404,953	4,914,733	3,362,025	0	2,809,474
RBD	80	Firm Allocation - Meters	LRGMTRR_07	11,491,185	0	1,397,152	9,954,542	0	139,490
RBD	81	CIG & TSG-NF Redistribution - Regulators	TRANSPORT_03	472,616	279,532	54,594	133,853	123	4,515
RBD	82	CIG & TSG-NF Redistribution - Meters	TRANSPORT_07	472,616	279,532	54,594	133,853	123	4,515
RBD	83	Not Used	not_used	0	0	0	0	0	0
RBD	84	Total Account G385		23,927,602	964,016	6,421,072	13,584,274	246	2,957,994
RBD	85								
RBD	86	G386 Other Prop on Cust Prem	TRANSPORT_04	0	0	0	0	0	0
RBD	87	G387.1 Other Eqmt - Street Ltg Posts	DIRSLG_05	660,435	0	0	0	660,435	0
RBD	88	G387.2 Other Eqmt - Street Ltg Services	DIRSLG_03	318,986	0	0	0	318,986	0
RBD	89								
RBD	90	<b>TOTAL DISTRIBUTION PLANT RESERVE</b>		<b>2,084,777,279</b>	<b>1,459,922,183</b>	<b>243,628,441</b>	<b>366,204,001</b>	<b>1,200,814</b>	<b>13,821,841</b>
RBD	91								
RBD	92								
RBD	93								
RBD	94								
RBD	95								
RBD	96								

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SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
RBD	97	<b>DEPRECIATION RESERVE &amp; AMORT CONTINUED</b>							
RBD	98								
RBD	99	GENERAL AND COMMON PLANT RESERVE							
RBD	100								
RBD	101	E390-E398 GENERAL PLANT - RESERVE							
RBD	102	Meter Related	METERPLT	0	0	0	0	0	0
RBD	103	Regulator Plant Related	PLT_3834	0	0	0	0	0	0
RBD	104	Appliance Safety Related	CINST_04	0	0	0	0	0	0
RBD	105	Distribution Delivery	DISTPLTXMTR	48,514,558	34,578,718	5,753,740	7,908,105	16,964	257,031
RBD	106	Competitive Service	COMPSVSWK_04	0	0	0	0	0	0
RBD	107	SONP/RNP Related	CUSTAVG_04	0	0	0	0	0	0
RBD	108	Gas Peaking Plant Related	BALANCE_04	0	0	0	0	0	0
RBD	109	Total Accounts E390-E398		48,514,558	34,578,718	5,753,740	7,908,105	16,964	257,031
RBD	110								
RBD	111	C389-C399 COMMON PLANT							
RBD	112	ASB Work Related	CINST_04	0	0	0	0	0	0
RBD	113	Meter Plant Related	METERPLT	0	0	0	0	0	0
RBD	114	Meter Reading Related	MRCOST_07	0	0	0	0	0	0
RBD	115	Not Used	not_used	0	0	0	0	0	0
RBD	116	Customer Service Related	CUSTSVSX	12,935,152	11,562,405	1,052,194	272,099	162	48,292
RBD	117	Distribution Delivery Related	DISTPLTXMTR	4,030,076	2,872,434	477,960	656,922	1,409	21,351
RBD	118	Service & Support Related	UTILWORK_04	0	0	0	0	0	0
RBD	119	Unassigned	TOTPLT	6,469,392	4,591,854	788,696	1,054,636	2,064	32,142
RBD	120	Total Accounts C389-C399 Reserve		23,434,620	19,026,694	2,318,850	1,983,656	3,636	101,785
RBD	121								
RBD	122	<b>TOTAL DEPRECIATION RESERVE &amp; AMORT.</b>		2,270,656,638	1,584,905,597	265,290,889	404,654,388	1,229,943	14,575,821
RBD	123								
RBD	124								
RBD	125	<b>NET GAS PLANT IN SERVICE</b>		4,442,952,594	3,180,289,453	553,178,119	689,793,477	912,369	18,779,176
RBD	126								
RBD	127								
RBD	128								
RBD	129								
RBD	130								
RBD	131								
RBD	132								
RBD	133								
RBD	134								
RBD	135								
RBD	136								
RBD	137								
RBD	138								
RBD	139								
RBD	140								
RBD	141								
RBD	142								
RBD	143								
RBD	144								

**PUBLIC SERVICE ELECTRIC GAS COMPANY**  
**2016 STAFF GAS COST OF SERVICE STUDY**  
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SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
RBO	1	<b>ADDITIONS AND DEDUCTIONS TO RATE BASE</b>							
RBO	2								
RBO	3	<b>PLUS: ADDITIONS TO RATE BASE</b>							
RBO	4								
RBO	5	Working Capital							
RBO	6	Materials and Supplies Excl Fuel Stock	PSTDPLT	39,734,287	28,158,933	4,855,834	6,509,366	12,724	197,430
RBO	7	Fuel Stock & Fuel Stock Expense	not_used	0	0	0	0	0	0
RBO	8	Gas Stored Underground	not_used	0	0	0	0	0	0
RBO	9	Cash (lead/lag)	EXPENDITURES	252,143,812	194,916,903	28,840,178	27,352,422	137,694	896,614
RBO	10	Prepayments/Working Funds	EXPENDITURES	433,030	334,749	49,530	46,975	236	1,540
RBO	11	Total Working Capital		292,311,129	223,410,586	33,745,542	33,908,763	150,654	1,095,583
RBO	12	Net Plant Adds - Distribution	DISTPLT	975,541,901	693,519,160	119,285,903	157,570,739	317,390	4,848,710
RBO	13	Capital Stimulus Adjust (Pro Forma #13)	DISTPLT	0	0	0	0	0	0
RBO	14	Capital Lease Plant & Reserve Deduction	COMPLT	96,280	75,372	10,070	10,372	21	447
RBO	15	Net Plant Adds - General & Other	TOTPLTNET	301,249,689	215,636,154	37,507,656	46,770,715	61,862	1,273,302
RBO	16	<b>TOTAL ADDITIONS TO RATE BASE</b>		1,569,199,000	1,132,641,271	190,549,171	238,260,589	529,927	7,218,042
RBO	17								
RBO	18								
RBO	19	<b>PLUS: DEDUCTIONS TO RATE BASE</b>							
RBO	20								
RBO	21	Customer Advances for Construction	MAIN_SERV	(19,722,411)	(14,117,315)	(2,323,075)	(3,188,240)	(3,616)	(90,165)
RBO	22	GSMP Roll-in #3	TOTPLT	(159,485,336)	(113,199,727)	(19,443,164)	(25,999,188)	(50,892)	(792,366)
RBO	23	Deferred Income Taxes and Credits							
RBO	24	ADIT Test/Post year	TOTPLT	(216,703,102)	(153,811,834)	(26,418,692)	(35,326,788)	(69,150)	(1,076,639)
RBO	25	Liberalized Depreciation	TOTPLT	128,670,440	91,327,887	15,686,461	20,975,765	41,059	639,269
RBO	26	Liberalized Depreciation - Production	BALANCE_04	2,823,347	1,797,128	342,205	684,014	0	0
RBO	27	Cost of Removal	TOTPLT	8,400,204	5,962,309	1,024,085	1,369,395	2,681	41,734
RBO	28	3% Investment Tax Credit	DISTPLT	0	0	0	0	0	0
RBO	29	Computer Software	TOTPLT	0	0	0	0	0	0
RBO	30	Capitalized Interest	TOTPLTNET	70,915	50,761	8,829	11,010	15	300
RBO	31	NJ Corporate Business Tax	STATEINCTAX	3,451,998	2,485,719	428,022	523,132	784	14,342
RBO	32	Defrd Tax & Consolidated Tax Adjustment	TOTPLT	(1,769,105,659)	(1,255,678,316)	(215,675,072)	(288,398,363)	(564,521)	(8,789,387)
RBO	33	Total Deferred Income Taxes and Credits		(1,842,391,857)	(1,307,866,346)	(224,604,163)	(300,161,834)	(589,134)	(9,170,381)
RBO	34								
RBO	35	<b>TOTAL DEDUCTIONS TO RATE BASE</b>		(2,021,599,605)	(1,435,183,388)	(246,370,402)	(329,349,262)	(643,641)	(10,052,912)
RBO	36								
RBO	37								
RBO	38	<b>TOTAL RATE BASE</b>		3,990,551,989	2,877,747,336	497,356,888	598,704,804	798,655	15,944,306
RBO	39								
RBO	40								
RBO	41								
RBO	42								
RBO	43								
RBO	44								
RBO	45								
RBO	46								
RBO	47								
RBO	48								

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SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
REV	1	<b>OPERATING REVENUES</b>							
REV	2								
REV	3	<b>SALES REVENUES</b>							
REV	4	BASE RATE SALES @ EQUALIZED ROR 7.40%		887,227,203	653,904,345	105,324,714	123,693,766	529,816	3,774,561
REV	5	Revenue Requirement - Other #1	not_used	0	0	0	0	0	0
REV	6	Revenue Requirement - Other #2	not_used	0	0	0	0	0	0
REV	7	TOTAL SALES OF GAS		887,227,203	653,904,345	105,324,714	123,693,766	529,816	3,774,561
REV	8								
REV	9	<b>OTHER OPERATING REVENUES</b>							
REV	10	G487-Forfeited Discounts	REVLATEP	925,271	0	425,529	499,742	0	0
REV	11	G488-Miscellaneous Service Revenues	COMPSVSWK_04	44,808,832	44,463,356	345,476	0	0	0
REV	12	G489-Revenues from Transmission from Others	not_used	0	0	0	0	0	0
REV	13	G493-Rent from Gas Property	TOTPLT	347,393	246,573	42,351	56,632	111	1,726
REV	14	G495-Other Gas Revenues							
REV	15	Miscellaneous Gas Revenues	TOTREV	107,809	80,647	12,264	14,403	61	434
REV	16	Peak Shaving Revenues	BALANCE_04	4,061,953	2,585,531	492,330	984,092	0	0
REV	17	Not Used	not_used	0	0	0	0	0	0
REV	18	Not Used	not_used	0	0	0	0	0	0
REV	19	TOTAL OTHER OPERATING REV		50,251,258	47,376,106	1,317,950	1,554,870	172	2,160
REV	20								
REV	21	<b>OTHER REVENUE SOURCES</b>							
REV	22	Not Used	not_used	0	0	0	0	0	0
REV	23	Not Used	not_used	0	0	0	0	0	0
REV	24	TOTAL OTHER REVENUE SOURCES		0	0	0	0	0	0
REV	25								
REV	26	<b>LESS: E496 Provision for Rate Refunds</b>	TOTREV	0	0	0	0	0	0
REV	27								
REV	28	<b>TOTAL OPERATING REVENUES</b>		937,478,461	701,280,452	106,642,664	125,248,636	529,988	3,776,721
REV	29								
REV	30								
REV	31								
REV	32								
REV	33								
REV	34								
REV	35								
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				(1)	(2)	(3)	(4)	(5)	(6)
E	1	<b>OPERATION &amp; MAINTENANCE EXPENSE</b>							
E	2								
E	3	<b>MANUFACTURED GAS PRODUCTION EXPENSE</b>							
E	4	G710-G718 Production Expenses Incl Labor	BALANCE_04	251,901	160,341	30,532	61,028	0	0
E	5	G722-G736 Gas Raw Materials	BALANCE_04	0	0	0	0	0	0
E	6	G739-G745 Operation & Maintenance Exp	BALANCE_04	977,169	621,991	118,438	236,739	0	0
E	7	Not Used	not_used	0	0	0	0	0	0
E	8	<b>TOTAL MANUFACTURED GAS PRODUCTION EXP</b>		1,229,069	782,332	148,970	297,767	0	0
E	9								
E	10	<b>OTHER GAS SUPPLY EXPENSE</b>							
E	11	G801 Natural Gas Field Line Purchases	not_used	0	0	0	0	0	0
E	12	G804 Natural Gas City Gate Purchases	not_used	0	0	0	0	0	0
E	13	G805 Other Gas Purchases	not_used	0	0	0	0	0	0
E	14	G808.1,.2 GasInject & W/D from Storage	not_used	0	0	0	0	0	0
E	15	G812 Gas Used for Other Util Oper	not_used	0	0	0	0	0	0
E	16	G813 Other Gas Supply Expenses							
E	17	Supply Related	not_used	0	0	0	0	0	0
E	18	Distribution Related	TRANSPORT_04	5,670,771	3,354,010	655,053	1,606,063	1,476	54,169
E	19	<b>TOTAL OTHER GAS SUPPLY EXPENSE</b>		5,670,771	3,354,010	655,053	1,606,063	1,476	54,169
E	20	<b>TOTAL GAS PRODUCTION AND SUPPLY</b>		6,899,840	4,136,342	804,023	1,903,831	1,476	54,169
E	21								
E	22	<b>OTHER STORAGE EXPENSE</b>							
E	23	G840-G842 Operation	BALANCE_04	161,767	102,969	19,607	39,191	0	0
E	24	G843 Maintenance	BALANCE_04	312,637	199,001	37,893	75,743	0	0
E	25	<b>TOTAL OTHER STORAGE EXPENSE</b>		474,404	301,970	57,500	114,934	0	0
E	26								
E	27	<b>TRANSMISSION EXPENSES</b>							
E	28	G850-G867 Transmission Exp	TRANPLT	2,558,168	1,538,822	301,852	695,348	474	21,673
E	29	<b>TOTAL TRANSMISSION EXPENSE</b>		2,558,168	1,538,822	301,852	695,348	474	21,673
E	30								
E	31	<b>DISTRIBUTION EXPENSES</b>							
E	32	Operation							
E	33	G870 Operation Supervision & Engineering	TLABDO	0	0	0	0	0	0
E	34	G871 Load Dispatching	TRANSPORT_04	0	0	0	0	0	0
E	35	G872 Compressor Station Labor & Expenses	TRANSPORT_04	0	0	0	0	0	0
E	36	G874 Mains & Services	MAIN_SERV	20,145,891	14,420,442	2,372,956	3,256,698	3,693	92,101
E	37	G875 Meas & Reg Station - General	PLT_3789	2,184,897	1,314,287	257,808	593,887	405	18,510
E	38	G876 Meas & Reg Station - Industrial	PLT_3789	13,963	8,399	1,648	3,795	3	118
E	39	G877 Meas & Reg Station - City Gate	PLT_3789	410,080	246,677	48,388	111,466	76	3,474
E	40	G878 Meter & House Reg	PLT_3814	8,418,451	6,656,661	1,281,275	480,362	0	154
E	41	G879 Customer Installations							
E	42	- Customer Installations	CINST_04	24,548,330	24,470,266	78,064	0	0	0
E	43	- Competitive Services by ASB	COMPSVSWK_04	0	0	0	0	0	0
E	44	G880.0,.1,.2 Other Expenses	DISTEXPO	9,359,608	7,913,365	678,773	747,533	702	19,234
E	45	G880.3 Operation of Street Lighting	DIRSLG_05	0	0	0	0	0	0
E	46	G881 Rents	TRANSPORT_04	20,476	12,111	2,365	5,799	5	196
E	47	<b>Total Distribution Operation</b>		65,101,696	55,042,207	4,721,276	5,199,541	4,885	133,787
E	48								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
E	49	<b>OPERATION &amp; MAINTENANCE EXPENSE CONTINUED</b>							
E	50								
E	51	<b>DISTRIBUTION EXPENSES CONTINUED</b>							
E	52	Maintenance							
E	53	G885 Maint. Supervision & Engineering	TLABDM	0	0	0	0	0	0
E	54	G886 Structures & Improvements	PLT_3745	4,408,455	3,134,000	539,051	712,059	1,434	21,911
E	55	G887 Mains	PLT_376	12,392,584	7,451,901	1,461,617	3,371,476	2,318	105,272
E	56	G888 Compressor Station Equip	PLT_377	0	0	0	0	0	0
E	57	G889 Meas & Reg Station - General	PLT_3789	1,746,894	1,050,813	206,125	474,831	324	14,800
E	58	G890 Meas & Reg Station - Industrial	PLT_3789	74,171	44,616	8,752	20,161	14	628
E	59	G891 Meas & Reg Station - City Gate	PLT_3789	2,032,508	1,222,620	239,827	552,466	377	17,219
E	60	G892 Services	SERVICES	4,033,930	3,318,798	474,570	236,175	725	3,662
E	61	G893 Meters & House Reg							
E	62	G893.1 - Meters	SMMETERS_07	10,857,110	7,236,223	2,509,641	1,111,113	0	131
E	63	G893.4 - House Regulators	PLT_3834	0	0	0	0	0	0
E	64	Not Used	not_used	0	0	0	0	0	0
E	65	G894 Maint of Other Equipment							
E	66	G894.0 - Maint of Other Equip	DISTEXPM	0	0	0	0	0	0
E	67	G894.1 - Maint of Gas Streetlights	DIRSLG_05	283,468	0	0	0	283,468	0
E	68	Total Distribution Maintenance		35,829,120	23,458,972	5,439,582	6,478,282	288,660	163,624
E	69	<b>TOTAL DISTRIBUTION PLANT O&amp;M EXPENSES</b>		<b>100,930,816</b>	<b>78,501,179</b>	<b>10,160,858</b>	<b>11,677,822</b>	<b>293,545</b>	<b>297,411</b>
E	70								
E	71	<b>TOTAL OPER &amp; MAINT EXP (PROD,STOR, TRAN,&amp; DIST)</b>		<b>112,092,298</b>	<b>85,260,644</b>	<b>11,473,203</b>	<b>14,689,703</b>	<b>295,495</b>	<b>373,253</b>
E	72								
E	73								
E	74	<b>CUSTOMER ACCOUNTS EXPENSES</b>							
E	75	G901 Supervision	CUSTACCTS	0	0	0	0	0	0
E	76	G902 Meter Reading							
E	77	- Meter Reading Related	MRCOST_07	12,640,464	11,417,158	1,004,417	218,890	0	0
E	78	- Billing Related	BILLING_06	0	0	0	0	0	0
E	79	- Remaining	MRCOST_07	0	0	0	0	0	0
E	80	G903 Customer Records and Collection							
E	81	- SONP/RNP	CUSTAVG_06	1,016,462	917,912	80,775	17,696	15	65
E	82	- Meter O&M Related	METERPLT	44,809	30,754	7,678	6,351	0	27
E	83	- Meter Reading Related	MRCOST_07	82,681	74,679	6,570	1,432	0	0
E	84	- Billing Related	BILLING_06	12,406,599	10,817,227	1,002,583	434,840	395	151,554
E	85	- Acct Maint Related	ACCTMAINT_06	33,695,241	30,525,174	2,693,512	452,335	185	24,035
E	86	- Utility Work Related	UTILWORK_04	2,295,820	1,992,999	236,848	65,668	39	267
E	87	- Remaining	BILLING_06	6,765,990	5,899,220	546,763	237,142	215	82,651
E	88	Not used	not_used	0	0	0	0	0	0
E	89	G904 Uncollectible Accounts	EXP_904	32,272,208	23,799,480	3,833,395	4,501,954	0	137,379
E	90	G905 Misc Customer Accounts	CUSTACCTS	0	0	0	0	0	0
E	91	<b>TOTAL CUSTOMER ACCTS EXPENSE</b>		<b>101,220,275</b>	<b>85,474,603</b>	<b>9,412,540</b>	<b>5,936,305</b>	<b>849</b>	<b>395,977</b>
E	92								
E	93								
E	94								
E	95								
E	96								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
E	97	<b>OPERATION &amp; MAINTENANCE EXPENSE CONTINUED</b>							
E	98								
E	99	<b>CUSTOMER SERVICE &amp; INFO EXPENSES</b>							
E	100	G907 & 908 - Customer Service & Information							
E	101	- Billing	BILLING_06	107,720	93,920	8,705	3,775	3	1,316
E	102	- Acct Maint Related	ACCTMAINT_06	237,202	214,886	18,961	3,184	1	169
E	103	- Utility Work Related	UTILWORK_04	1,289,604	1,119,504	133,042	36,887	22	150
E	104	- Remaining	ACCTMAINT_06	0	0	0	0	0	0
E	105	G909 Info & Instr Advertising	TRANSPORT_04	0	0	0	0	0	0
E	106	G910 - Misc Cust Service & Info							
E	107	- Utility Work Related	UTILWORK_04	83,593	72,567	8,624	2,391	1	10
E	108	- Remaining	BILLING_06	422,272	368,176	34,124	14,800	13	5,158
E	109	<b>TOTAL CUSTOMER SERVICE &amp; INFO EXPENSES</b>		2,140,391	1,869,053	203,456	61,038	42	6,803
E	110								
E	111	<b>SALES EXPENSES</b>							
E	112	G912 - Demonstrating and Selling	UTILWORK_04	924,164	802,266	95,341	26,434	16	107
E	113	G913 - Advertising	UTILWORK_04	0	0	0	0	0	0
E	114	G916 - Miscellaneous	UTILWORK_04	0	0	0	0	0	0
E	115	<b>SALES EXPENSES TOTAL (ACCT 916)</b>		924,164	802,266	95,341	26,434	16	107
E	116								
E	117	<b>TOTAL OPER &amp; MAINT EXCL A&amp;G</b>		216,377,128	173,406,566	21,184,540	20,713,479	296,402	776,140
E	118								
E	119								
E	120	<b>ADMINISTRATIVE &amp; GENERAL EXPENSE</b>							
E	121	G920 A&G Salaries	TOMXFUEL904	3,929,409	3,229,500	346,855	334,140	5,352	13,562
E	122	G921 Office Supplies & Exp	TOMXFUEL904	1,584,556	1,302,313	139,871	134,744	2,158	5,469
E	123	G923 Outside Services Employed							
E	124	- Gas Peaking Plant Related	BALANCE_04	17	11	2	4	0	0
E	125	- Remaining	TOMXFUEL904	39,493,695	32,459,044	3,486,169	3,358,374	53,796	136,313
E	126	G924 Property Insurance	TOTPLT	290,662	206,306	35,435	47,384	93	1,444
E	127	G925 Injuries & Damages	LABOR	4,878,224	4,319,513	297,532	247,843	2,972	10,365
E	128	G926 Employee Pension & Benefits							
E	129	- Gas Peaking Plant Related	BALANCE_04	218,107	138,830	26,436	52,841	0	0
E	130	- Remaining	LABOR	42,964,638	38,043,824	2,620,492	2,182,861	26,175	91,286
E	131	G928 Regulatory Comm Exp	TRANSPORT_04	4,531,596	2,680,238	523,462	1,283,429	1,179	43,287
E	132	G929 Duplicate Charges - credit	INTRAREV	(615,275)	0	(29,691)	(585,584)	0	0
E	133	G930.1 General Advertising Expenses	TRANSPORT_04	1,729,189	1,022,739	199,745	489,737	450	16,518
E	134	G930.2 Misc General Expenses	TRANSPORT_04	2,647,808	1,566,061	305,859	749,906	689	25,293
E	135	G931 Rents	AGEXP	3,806,384	3,183,274	297,417	309,317	3,485	12,891
E	136	G932 Maint of General Plant	COMGENPLT	0	0	0	0	0	0
E	137	G935 Other A&G Maint	COMGENPLT	0	0	0	0	0	0
E	138	Not Used	not_used	0	0	0	0	0	0
E	139	<b>TOTAL A&amp;G EXPENSE</b>		105,459,010	88,151,654	8,249,584	8,604,995	96,349	356,429
E	140								
E	141	<b>TOTAL OPERATION &amp; MAINTENANCE EXPENSES</b>		321,836,138	261,558,220	29,434,124	29,318,475	392,751	1,132,569
E	142								
E	143								
E	144								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
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				(1)	(2)	(3)	(4)	(5)	(6)
DE	1	<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>							
DE	2								
DE	3	G403 DEPRECIATION EXPENSE							
DE	4	Production Plant	BALANCE_04	1,503,562	957,053	182,240	364,269	0	0
DE	5	Storage Plant	BALANCE_04	304,695	193,946	36,931	73,819	0	0
DE	6	Transmission Plant	TRANPLT	1,844,051	1,109,257	217,589	501,240	342	15,623
DE	7	Distribution Plant	DISTPLT	109,035,692	77,514,191	13,332,509	17,611,580	35,474	541,937
DE	8	General and Common Plant	COMGENPLT	10,674,242	7,947,806	1,198,026	1,471,976	3,074	53,360
DE	9	Not Used	not_used	0	0	0	0	0	0
DE	10	TOTAL DEPRECIATION EXPENSE		123,362,242	87,722,253	14,967,295	20,022,885	38,890	610,920
DE	11								
DE	12	G404.3 AMORT OF OTHER LIMITED TERM PLANT							
DE	13	Customer Service Related	CUSTSVSX	234,265	209,404	19,056	4,928	3	875
DE	14	AWMS	DISTPLT	0	0	0	0	0	0
DE	15	Choice	CHOICE_04	540,220	456,472	68,269	15,444	4	31
DE	16	Metering	METERPLT	29,719	20,397	5,092	4,212	0	18
DE	17	All Other	PSTDPLT	0	0	0	0	0	0
DE	18	TOTAL AMORT OF OTHER LIMITED TERM PLT		804,204	686,273	92,417	24,584	7	923
DE	19								
DE	20	G407 AMORT OF PROPERTY LOSSES							
DE	21	Remediation Adjustment Clause	not_used	0	0	0	0	0	0
DE	22	Excess Cost of Removal	TOTPLT	(13,200,000)	(9,369,115)	(1,609,237)	(2,151,855)	(4,212)	(65,581)
DE	23	TOTAL AMORT OF PROPERTY LOSSES		(13,200,000)	(9,369,115)	(1,609,237)	(2,151,855)	(4,212)	(65,581)
DE	24								
DE	25	TOTAL AMORTIZATION EXPENSE		(12,395,796)	(8,682,842)	(1,516,821)	(2,127,271)	(4,205)	(64,658)
DE	26								
DE	27	<b>TOTAL DEPRECIATION AND AMORTIZATION EXPENSES</b>		110,966,446	79,039,411	13,450,474	17,895,614	34,686	546,261
DE	28								
DE	29								
DE	30								
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**PUBLIC SERVICE ELECTRIC GAS COMPANY  
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12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
EO	1	<b>OTHER OPERATING EXPENSES</b>							
EO	2								
EO	3	<b>G408 TAXES OTHER THAN INCOME TAXES</b>							
EO	4	TEFA	TEFA_04	0	0	0	0	0	0
EO	5	Real Estate Taxes	TOTPLT	4,565,378	3,240,420	556,574	744,245	1,457	22,682
EO	6	State Unemploy Insur (SUI) Tax	LABOR	566,300	501,441	34,540	28,771	345	1,203
EO	7	Fed Insur Contr & UnempTax	LABOR	12,535,434	11,099,729	764,559	636,875	7,637	26,634
EO	8	Fed Insur Contr & UnempTax - Gas Peaking Plts	BALANCE_04	73,813	46,984	8,947	17,883	0	0
EO	9	Miscellaneous State and Municipal Tax	TOTPLT	814,676	578,242	99,319	132,808	260	4,048
EO	10	Federal Environmental Tax	PSTDPLT	0	0	0	0	0	0
EO	11	<b>TOTAL TAXES OTHER THAN INCOME</b>		18,555,601	15,466,816	1,463,938	1,560,582	9,698	54,567
EO	12								
EO	13								
EO	14	<b>PROFORMA EXPENSE ADJUSTMENTS</b>							
EO	15	Adj #1 - Annualization of Wages	LABOR	(4,696,915)	(4,158,970)	(286,473)	(238,631)	(2,861)	(9,979)
EO	16	Adj #2 - Annualization of Payroll Taxes	LABOR	(331,530)	(293,559)	(20,221)	(16,844)	(202)	(704)
EO	17	Adj #3 - Interest Synchronization Tax Savings	TOTPLTNET	1,001,400	716,807	124,681	155,473	206	4,233
EO	18	add'l tax effects on rev req	TOTPLTNET	691,584	495,039	86,107	107,372	142	2,923
EO	19	Adj #4 - Pension and Fringe Benefits	LABOR	(21,991,680)	(19,472,935)	(1,341,313)	(1,117,309)	(13,398)	(46,725)
EO	20	Adj #5 - Gas COLI Interest Expense	LABOR	(1,009,736)	(894,089)	(61,586)	(51,301)	(615)	(2,145)
EO	21	add'l tax effects on rev req	LABOR	(697,341)	(617,473)	(42,532)	(35,429)	(425)	(1,482)
EO	22	Adj #10 - ASB Margin	TOTPLT	(13,177,104)	(9,352,863)	(1,606,446)	(2,148,122)	(4,205)	(65,467)
EO	23	Adj #12 - Depreciation Rate Change/Annualization	DEPREXP	(77,502,480)	(55,111,613)	(9,403,221)	(12,579,402)	(24,433)	(383,811)
EO	24	Adj #6 & 11 - Weather Normalization & TSGNF Margin Sharing	not_used	0	0	0	0	0	0
EO	25	Adj #7 - Gains/Losses on Sales of Property	TOTPLT	35,405	25,130	4,316	5,772	11	176
EO	26	add'l tax effects on rev req	TOTPLT	24,451	17,355	2,981	3,986	8	121
EO	27	Adj #14 & 17 Post Rate Case Storm Cost Normalization & Regulatory Assests	TOTPLT	0	0	0	0	0	0
EO	28	Adj #15 & 16 - Excess COR Refund Recovery & Test Year Amortization Adjustments	TOTPLT	(21,281,480)	(15,105,199)	(2,594,466)	(3,469,292)	(6,791)	(105,732)
EO	29	Adj #8 - Real Estate Taxes	TOTPLT	(365,541)	(259,454)	(44,564)	(59,590)	(117)	(1,816)
EO	30	Adj #18 & 23 - Rate Case Expenses & Test Year Corrections	TOTPLT	786,238	558,057	95,852	128,172	251	3,906
EO	31	Adj #9 - Insurance	TOTPLT	(103,220)	(73,264)	(12,584)	(16,827)	(33)	(513)
EO	32	Adj #19 - Credit Card Fees	CUSTSVSX	(1,623,248)	(1,450,981)	(132,041)	(34,146)	(20)	(6,060)
EO	33	Adj #20 - Vacation Accrual	LABOR	(2,406,329)	(2,130,728)	(146,766)	(122,256)	(1,466)	(5,113)
EO	34	Adj #22 - BPU / Rate Counsel Assessment	TRANSPORT_04	(278,435)	(164,682)	(32,163)	(78,858)	(72)	(2,660)
EO	35	Adj #21 - Energy Strong / GSMP Revenue Adjustment	TOTPLT	7,322,590	5,197,439	892,711	1,193,724	2,337	36,381
EO	36	Adj #13 Storm Cost Amortization	TOTPLTNET	0	0	0	0	0	0
EO	37	<b>TOTAL PROFORMA EXPENSE ADJUSTMENTS</b>		(135,603,371)	(102,075,983)	(14,517,728)	(18,373,508)	(51,684)	(584,468)
EO	38								
EO	39	<b>TOTAL OTHER OPERATING EXPENSES</b>		(117,047,770)	(86,609,167)	(13,053,790)	(16,812,926)	(41,985)	(529,902)
EO	40								
EO	41								
EO	42								
EO	43								
EO	44								
EO	45								
EO	46								
EO	47								
EO	48								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
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				(1)	(2)	(3)	(4)	(5)	(6)
TI	1	<b>DEVELOPMENT OF INCOME TAXES</b>							
TI	2								
TI	3	TOTAL OPERATING REVENUES	SCH REV, LN 28	937,478,461	701,280,452	106,642,664	125,248,636	529,988	3,776,721
TI	4	LESS:							
TI	5	OPERATION & MAINTAINENCE EXPENSE	SCH E, LN 141	321,836,138	261,558,220	29,434,124	29,318,475	392,751	1,132,569
TI	6	DEPRECIATION & AMORTIZATION EXPENSE	SCH DE, LN 27	110,966,446	79,039,411	13,450,474	17,895,614	34,686	546,261
TI	7	OTHER OPERATING EXPENSES	SCH EO, LN 39	(117,047,770)	(86,609,167)	(13,053,790)	(16,812,926)	(41,985)	(529,902)
TI	8	NET OPERATING INCOME BEFORE TAXES		621,723,647	447,291,988	76,811,857	94,847,473	144,537	2,627,792
TI	9	LESS:							
TI	10	G427 - G431 INTEREST CHARGES	TOTPLTNET	65,316,923	46,754,206	8,132,406	10,140,821	13,413	276,077
TI	11	<b>TOTAL OPERATING INCOME BEFORE TAXES</b>		556,406,724	400,537,781	68,679,451	84,706,652	131,124	2,351,715
TI	12								
TI	13								
TI	14								
TI	15	<b>TAX ADJUSTMENTS - FEDERAL</b>							
TI	16	Credits & Adjustments	TOTPLT	325,000	230,679	39,621	52,981	104	1,615
TI	17	Uncollectible Accounts - Writeoff	REVREQ	1,729,674	1,274,805	205,333	241,144	1,033	7,359
TI	18	Injuries and Damages	TOTPLT	606,244	430,301	73,908	98,830	193	3,012
TI	19	Meals & Entertainment	LABOR	172,075	152,367	10,495	8,742	105	366
TI	20	Company owned life insurance	LABOR	(367,196)	(325,140)	(22,396)	(18,656)	(224)	(780)
TI	21	ESOP/401(k) Cash Dividends	TOTPLTNET	(1,127,749)	(807,249)	(140,413)	(175,089)	(232)	(4,767)
TI	22	Medicare Subsidy	LABOR	316,199	279,984	19,286	16,065	193	672
TI	23	Allowable Depreciation	DEPREXP	(158,671,156)	(112,830,239)	(19,251,255)	(25,753,863)	(50,022)	(785,778)
TI	24	Restricted Stock - Permanent	LABOR	(313,507)	(277,600)	(19,121)	(15,928)	(191)	(666)
TI	25	Previously Ded Amort-Reacq Bonds	not_used	0	0	0	0	0	0
TI	26	Amortization of Reacquisition of Pref Stock	TOTPLTNET	(5,087)	(3,642)	(633)	(790)	(1)	(22)
TI	27	Lobbying Expenses	LABOR	181,641	160,837	11,079	9,228	111	386
TI	28	Penalties	not_used	0	0	0	0	0	0
TI	29	AFUDC / IDC	TOTPLT	(124,561)	(88,411)	(15,185)	(20,306)	(40)	(619)
TI	30	Dividends Received Deduction	TOTPLTNET	(14,574)	(10,432)	(1,815)	(2,263)	(3)	(62)
TI	31	Real Estate Taxes	TOTPLTNET	(370,590)	(265,270)	(46,141)	(57,536)	(76)	(1,566)
TI	32	Line Pack Adjustment	TOTPLTNET	(31,240)	(22,362)	(3,890)	(4,850)	(6)	(132)
TI	33	Legal Reserves	TOTPLTNET	(53,487)	(38,287)	(6,660)	(8,304)	(11)	(226)
TI	34	Deferred Comp - officers	LABOR	(5,518)	(4,886)	(337)	(280)	(3)	(12)
TI	35	PIP Adjustment	LABOR	(163,297)	(144,594)	(9,960)	(8,296)	(99)	(347)
TI	36	Accrued vacation pay adjustment	LABOR	85,318	75,546	5,204	4,335	52	181
TI	37	3rd Party Claims	TOTPLT	(948)	(673)	(116)	(155)	(0)	(5)
TI	38	Casualty Insurance Proceeds	TOTPLT	(141,430)	(100,384)	(17,242)	(23,056)	(45)	(703)
TI	39	Miscellaneous (R&D Exp., Limit Term Util Plant, ARO Fin 47, Rabbi Trust)	TOTPLT	9,119	6,473	1,112	1,487	3	45
TI	40	Contribution in Aid of Construct	TOTPLTNET	(573,555)	(410,553)	(71,411)	(89,048)	(118)	(2,424)
TI	41	Pension Accrual Adjustment	LABOR	3,900,029	3,453,352	237,870	198,145	2,376	8,286
TI	42	Unallowable OPEB Amortization	LABOR	(6,122,331)	(5,421,130)	(373,412)	(311,051)	(3,730)	(13,008)
TI	43	NJ BPU assessment & Deferred Depreciation & Return on CIP II	TOTPLTNET	154,169	110,355	19,195	23,936	32	652
TI	44	Unicap book/tax inventory	TOTPLTNET	30,217	21,629	3,762	4,691	6	128
TI	45	W-2 Earnings Exceeding \$1,000,000	LABOR	355,085	314,416	21,657	18,040	216	754
TI	46	Miscellaneous NOT USED (Diesel Fuel Tax Credit, Clause -Deferal Fuel, SBC)	not_used	0	0	0	0	0	0
TI	47	Capitalized Interest - Section 263A	TOTPLT	254,491	180,633	31,025	41,487	81	1,264
TI	48	Materials & Supplies Reserve	TOTPLT	(659,085)	(467,806)	(80,350)	(107,444)	(210)	(3,275)

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
TI	49	<b>TOTAL TAX ADJUSTMENTS - FEDERAL</b>		(160,626,053)	(114,527,284)	(19,380,788)	(25,877,803)	(50,507)	(789,670)
TI	50	<b>DEVELOPMENT OF INCOME TAXES CONTINUED</b>							
TI	51	<b>TAX ADJUSTMENTS - STATE</b>							
TI	52	Reverse TEFA	TEFA_04	0	0	0	0	0	0
TI	53	Federal Depreication Reversal	TOTPLT	78,560,441	55,760,741	9,577,454	12,806,868	25,069	390,309
TI	54	State Tax Depreciation	DEPREXP	23,048,241	16,389,485	2,796,397	3,740,952	7,266	114,140
TI	55	Not Used	TOTPLTNET	0	0	0	0	0	0
TI	56	<b>TOTAL TAX ADJUSTMENTS - STATE</b>		101,608,681	72,150,226	12,373,851	16,547,820	32,335	504,450
TI	57								
TI	58	<b>TAXABLE NET INCOME - STATE</b>		497,389,352	358,160,723	61,672,514	75,376,669	112,952	2,066,494
TI	59	State Tax Liability at 9.000%		44,765,042	32,234,465	5,550,526	6,783,900	10,166	185,984
TI	60	Prior Year Adjustment	TOTPLTNET	0	0	0	0	0	0
TI	61	<b>TOTAL STATE INCOME TAX LIABILITY</b>		44,765,042	32,234,465	5,550,526	6,783,900	10,166	185,984
TI	62								
TI	63	<b>TAXABLE NET INCOME - FEDERAL</b>		351,015,629	253,776,032	43,748,136	52,044,949	70,452	1,376,060
TI	64	Federal Tax Liability at 35.000%		122,855,470	88,821,611	15,311,848	18,215,732	24,658	481,621
TI	65	Not Used	not_used	0	0	0	0	0	0
TI	66	Not Used	not_used	0	0	0	0	0	0
TI	67	<b>TOTAL FEDERAL INCOME TAX LIABILITY</b>		122,855,470	88,821,611	15,311,848	18,215,732	24,658	481,621
TI	68								
TI	69								
TI	70	<b>TOTAL INCOME TAX EXPENSE</b>		167,620,512	121,056,076	20,862,374	24,999,632	34,824	667,606
TI	71								
TI	72								
TI	73								
TI	74								
TI	75								
TI	76								
TI	77								
TI	78								
TI	79								
TI	80								
TI	81								
TI	82								
TI	83								
TI	84								
TI	85	<b>TAX RATES</b>							
TI	86	FEDERAL TAX RATE - CURRENT	35.000%						
TI	87	NEW JERSEY CORP BUSINESS TAX RATE	9.000%						
TI	88	CUSTOMER ACCT UNCOLLECTIBLE RATE	0.000%						
TI	89	EFFECTIVE TAX RATE	40.850%						
TI	90	COMPOSITE RATE	40.850%						
TI	91	1 - EFFECTIVE TAX RATE	59.15000%						
TI	92								
TI	93								
TI	94								
TI	95								
TI	96								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
TI	97	<b>DEVELOPMENT OF OPERATING INCOME ADJUSTED</b>							
TI	98								
TI	99	<b>G410 + G411- PROVISION FOR DEFERRED INCOME TAX</b>							
TI	100	Depreciation	DEPREXP	156,532,670	111,309,573	18,991,797	25,406,766	49,347	775,187
TI	101	Previously Ded Amort-Reacq Bonds	not_used	0	0	0	0	0	0
TI	102	Amortization of Computer Software	INTANGPLT	0	0	0	0	0	0
TI	103	Clause - Deferred Fuel	not_used	0	0	0	0	0	0
TI	104	*Gain on Sale of Services Corp Asset	not_used	0	0	0	0	0	0
TI	105	AFUDC / IDC	TOTPLT	124,561	88,411	15,185	20,306	40	619
TI	106	Capitalized interest-Section 263A	TOTPLT	(254,491)	(180,633)	(31,025)	(41,487)	(81)	(1,264)
TI	107	Cost of removal	TOTPLT	0	0	0	0	0	0
TI	108	*Utility Commodity Costs-Non-Taxable Income	not_used	0	0	0	0	0	0
TI	109	*RAC-Environmental Cleanup Costs - Debit	not_used	0	0	0	0	0	0
TI	110	*SBC-Societal Benefits Clause - Unallow Deductions	not_used	0	0	0	0	0	0
TI	111	Deferred Comp - Officers	LABOR	5,518	4,886	337	280	3	12
TI	112	*Deduction of Securitization	not_used	0	0	0	0	0	0
TI	113	Accrued vacation pay adjustment	LABOR	(85,318)	(75,546)	(5,204)	(4,335)	(52)	(181)
TI	114	3rd Party Claims	TOTPLT	(97)	(69)	(12)	(16)	(0)	(0)
TI	115	Deferred Return on CIP II	TOTPLT	(26,238)	(18,623)	(3,199)	(4,277)	(8)	(130)
TI	116	Deferred Depreciation on CIP II	TOTPLT	(12,006)	(8,522)	(1,464)	(1,957)	(4)	(60)
TI	117	Defer Dividend Equivalents/Restricted Stock-Temp.	LABOR	0	0	0	0	0	0
TI	118	Contribution in Aid of Construct	TOTPLTNET	573,555	410,553	71,411	89,048	118	2,424
TI	119	Pension Accrual Adjustment	LABOR	(3,900,029)	(3,453,352)	(237,870)	(198,145)	(2,376)	(8,286)
TI	120	Unallowable OPEB Amortization	LABOR	6,122,331	5,421,130	373,412	311,051	3,730	13,008
TI	121	Fin Def-Energy Competition Act Ct	TOTPLT	518	368	63	84	0	3
TI	122	Rabbi Trust Unrealized Losses	LABOR	2,291	2,028	140	116	1	5
TI	123	Additional Real Estate Taxes	TOTPLT	370,590	263,038	45,179	60,413	118	1,841
TI	124	PIP Adjustment	LABOR	163,297	144,594	9,960	8,296	99	347
TI	125	Medicare Subsidy - Temp NC	LABOR	(316,199)	(279,984)	(19,286)	(16,065)	(193)	(672)
TI	126	Misc	TOTPLT	141,450	100,399	17,244	23,059	45	703
TI	127	Assessment by Board of Public Utilities of the State of NJ	TOTPLTNET	(115,925)	(82,979)	(14,433)	(17,998)	(24)	(490)
TI	128	Legal Reserves	LABOR	53,487	47,361	3,262	2,717	33	114
TI	129	Line Pack Adjustment	TOTPLT	31,240	22,174	3,809	5,093	10	155
TI	130	Materials & Supply	TOTPLT	659,085	467,806	80,350	107,444	210	3,275
TI	131	Investment Tax Credit	TOTPLT	(1,268,004)	(900,006)	(154,585)	(206,709)	(405)	(6,300)
TI	132	<b>TOTAL DEFERRED INCOME TAX</b>		158,802,288	113,282,609	19,145,073	25,543,686	50,613	780,308
TI	133								
TI	134								
TI	135	<b>This Section is not used at this time</b>							
TI	136	<b>PROFORMA OPERATING INCOME ADJUSTMENTS</b>							
TI	137	Not Used	not_used	0	0	0	0	0	0
TI	138	Not Used	not_used	0	0	0	0	0	0
TI	139	Not Used	not_used	0	0	0	0	0	0
TI	140								
TI	141								
TI	142	<b>OPERATING INCOME ADJUSTED</b>		295,300,847	212,953,303	36,804,410	44,304,155	59,100	1,179,879
TI	143								
TI	144								



**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
LR	1	<b>DEVELOPMENT OF LABOR ALLOCATION FACTOR</b>							
LR	2	Labor portion included in O&M Expense							
LR	3								
LR	4	<b>G700-G742 MANUFACTURED GAS LABOR EXP</b>	MFGO_M	792,921	504,713	96,106	192,102	0	0
LR	5	<b>G813 GAS SUPPLY LABOR EXPENSE</b>	EXP_813	4,135,706	2,446,087	477,732	1,171,306	1,076	39,506
LR	6	<b>G840-G843 STORAGE PLANT LABOR EXP</b>	STOREXP	246,879	157,144	29,923	59,812	0	0
LR	7	<b>G850-G867 TRANSMISSION LABOR EXP</b>	TRANEXP	461,212	277,434	54,421	125,364	86	3,907
LR	8								
LR	9	<b>DISTRIBUTION LABOR EXPENSE</b>							
LR	10	Operation							
LR	11	G870 Operation Supervision & Engineering	TLABDO	0	0	0	0	0	0
LR	12	G871 Load Dispatching	EXP_871	0	0	0	0	0	0
LR	13	G872 Compressor Station Labor & Expenses	EXP_872	0	0	0	0	0	0
LR	14	G874 Mains & Services	EXP_874	13,057,133	9,346,305	1,537,981	2,110,760	2,394	59,693
LR	15	G875-877 Meas & Reg Station	EXP_8757	1,194,470	718,513	140,942	324,675	222	10,119
LR	16	G878 Meter & House Reg	EXP_878	5,986,888	4,733,969	911,195	341,615	0	109
LR	17	G879 Customer Installations - Total	EXP_879	80,906,789	80,649,506	257,284	0	0	0
LR	18	G880.1 Miscellaneous Dist Exp	EXP_8801	2,537,720	2,145,592	184,039	202,683	190	5,215
LR	19	G880.3 Operation of Street Lighting	EXP_8803	0	0	0	0	0	0
LR	20	G881 Rents	EXP_881	0	0	0	0	0	0
LR	21	Total Operation		103,683,001	97,593,884	3,031,441	2,979,733	2,806	75,137
LR	22	Maintenance							
LR	23	G885 Maint. Supervision & Engineering	TLABDM	0	0	0	0	0	0
LR	24	G886 Structures & Improvements	EXP_886	1,646,174	1,170,276	201,288	265,892	536	8,182
LR	25	G887 Mains	EXP_887	5,402,667	3,248,728	637,206	1,469,828	1,011	45,894
LR	26	G888 Compressor Station Equip	EXP_888	0	0	0	0	0	0
LR	27	G889-891 Meas & Reg Station	EXP_8891	2,314,353	1,392,159	273,083	629,075	429	19,607
LR	28	G892 Services	EXP_892	2,074,639	1,706,848	244,070	121,464	373	1,883
LR	29	G893 Meters & House Reg	EXP_893	7,565,228	5,042,196	1,748,717	774,223	0	92
LR	30	G894 Maint of Other Equipment - Total	EXP_894	98,629	0	0	0	98,629	0
LR	31	Not Used	not_used	0	0	0	0	0	0
LR	32	Total Maintenance		19,101,689	12,560,207	3,104,364	3,260,482	100,977	75,658
LR	33	<b>TOTAL DISTRIBUTION LABOR EXPENSE</b>		122,784,690	110,154,092	6,135,805	6,240,215	103,783	150,795
LR	34								
LR	35	<b>G901-G903,G905 CUST ACCOUNTS EXPENSE</b>	CUSTACCTS	44,132,242	39,476,979	3,571,096	918,099	544	165,524
LR	36	<b>G907-G910, xDSM CUST SERV &amp; INFO EXP</b>	CUSTS_I	2,378,255	2,076,763	226,066	67,821	46	7,559
LR	37	<b>G911-G916 SALES EXPENSE</b>	SALESEXP	269,430	233,892	27,796	7,707	5	31
LR	38	<b>ADMIN &amp; GENERAL EXP ACCOUNTS xG926</b>	AGEXP	3,902,390	3,263,563	304,919	317,119	3,573	13,217
LR	39	<b>Employee Pension/Benefits Acct G926</b>	LABOR	0	0	0	0	0	0
LR	40								
LR	41	<b>TOTAL OPERATION &amp; MAINT LABOR EXPENSE</b>		179,103,725	158,590,668	10,923,864	9,099,543	109,112	380,539
LR	42								
LR	43								
LR	44								
LR	45								
LR	46								
LR	47								
LR	48								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
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SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
CA	1	DEVELOPMENT OF CAPITAL ADDITIONS ALLOCATION FACTOR							
CA	2								
CA	3	INTANGIBLE PLANT - G301-G303	INTANGPLT	0	0	0	0	0	0
CA	4	PRODUCTION PLANT - G304-G347	PRODPLT	727,439	463,032	88,169	176,237	0	0
CA	5	STORAGE PLANT - G360-G363	STORPLT	312,169	198,703	37,837	75,629	0	0
CA	6	TRANSMISSION PLANT - G365-G371	TRANPLT	0	0	0	0	0	0
CA	7								
CA	8	DISTRIBUTION PLANT							
CA	9	G375 Structure & Improvements	PLT_3745	826,172	587,331	101,021	133,444	269	4,106
CA	10	G376 Mains	PLT_376	116,314,171	69,941,966	13,718,423	31,643,963	21,756	988,062
CA	11	G377 Compressor Station Equipment	PLT_377	0	0	0	0	0	0
CA	12	G378-G379 Meas & Regul Eqmt	PLT_3789	4,127,895	2,483,063	487,072	1,122,023	766	34,971
CA	13	G380 Services	SERVICES	397,544,204	327,067,882	46,768,904	23,275,052	71,494	360,872
CA	14	G381 Meters	PLT_381	36,350,464	24,227,391	8,402,387	3,720,239	0	447
CA	15	G382 Meter Installations	PLT_382	202,082	184,234	16,161	1,686	0	0
CA	16	G383-384 House Regulators & Install	PLT_3834	149,016	133,360	12,073	3,576	0	7
CA	17	G385 Ind Reg & Meas Eqmt	PLT_385	11,305,357	1,316,446	2,669,551	6,687,926	102	631,333
CA	18	TOTAL DISTRIBUTION PLANT		566,819,360	425,941,673	72,175,593	66,587,908	94,387	2,019,799
CA	19								
CA	20	COMMON PLANT	COMPLT	0	0	0	0	0	0
CA	21	GENERAL PLANT EXCL INTANGIBLE PLT	GENPLT	6,517,814	4,645,568	773,001	1,062,435	2,279	34,531
CA	22								
CA	23								
CA	24	TOTAL CAPITAL ADDITIONS		574,376,783	431,248,976	73,074,600	67,902,210	96,666	2,054,330
CA	25								
CA	26								
CA	27								
CA	28								
CA	29								
CA	30								
CA	31								
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**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
AF	1	<b>ALLOCATION FACTOR TABLE</b>							
AF	2	<b><u>EXTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>							
AF	3								
AF	4	<b><u>CAPACITY RELATED</u></b>							
AF	5								
AF	6	Peak-Hour Sendout - delivery	PEAKHOUR_04	1,287	796	157	325	0	9
AF	7	Staff Average and Peak Allocator - delivery	AVGPEAK_04	1	0.60153	0.11800	0.27181	0.00019	0.00847
AF	8								
AF	9								
AF	10								
AF	11								
AF	12								
AF	13								
AF	14								
AF	15								
AF	16								
AF	17	<b><u>COMMODITY RELATED</u></b>							
AF	18	Annual transported gas @mtr - delivery	TRANSPORT_04	2,461,249,717	1,455,720,141	284,308,600	697,069,826	640,471	23,510,679
AF	19	Balancing therms - delivery	BALANCE_04	1,393,064,631	886,719,099	168,846,822	337,498,709	0	0
AF	20	Annual transported gas @mtr - access	TRANSPORT_03	2,461,249,717	1,455,720,141	284,308,600	697,069,826	640,471	23,510,679
AF	21	Annual transported gas @mtr - meters	TRANSPORT_07	2,461,249,717	1,455,720,141	284,308,600	697,069,826	640,471	23,510,679
AF	22								
AF	23	TEFA \$ responsibility W/N - delivery	TEFA_04	0	0	0	0	0	0
AF	24								
AF	25								
AF	26								
AF	27								
AF	28								
AF	29								
AF	30								
AF	31								
AF	32								
AF	33								
AF	34								
AF	35								
AF	36	<b><u>BILLING DETERMINANTS</u></b>							
AF	37								
AF	38	Number of Customers		1,816,880	1,652,784	145,403	18,640	16	37
AF	39	Transported Gas at Meter (calendar)		2,461,249,717	1,455,720,141	284,308,600	697,069,826	640,471	23,510,679
AF	40								
AF	41								
AF	42								
AF	43								
AF	44								
AF	45								
AF	46								
AF	47								
AF	48								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
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SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
AF	49	<b>ALLOCATION FACTOR TABLE CONTINUED</b>							
AF	50	<b><u>EXTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>							
AF	51								
AF	52	<b><u>CUSTOMER RELATED</u></b>							
AF	53								
AF	54	G380 services - access	SERVICES_03	1,215,971,988	1,001,946,668	143,090,682	69,881,536	0	1,053,102
AF	55	Cust Installns LDC G879 - delivery	CINST_04	100	100	0	0	0	0
AF	56	Avg Customer Bills - delivery	CUSTAVG_04	1,103,707	996,698	87,708	19,214	17	70
AF	57	Avg Customer Bills - cust svcs	CUSTAVG_06	1,103,707	996,698	87,708	19,214	17	70
AF	58	G381 meters - measurement	SMMETERS_07	95,374,258	63,566,590	22,045,940	9,760,574	0	1,154
AF	59								
AF	60	Billing Function costs - cust svcs	BILLING_06	13,588,445	11,847,670	1,098,089	476,262	433	165,991
AF	61	Competitive Service work - delivery	COMPSVSWK_04	100	99	1	0	0	0
AF	62								
AF	63	Account Maint - cust svcs	ACCTMAINT_06	57,801,700	52,363,685	4,620,521	775,947	317	41,230
AF	64	G382 meter install - measurement	MTRINSTAL_07	149,490,508	136,288,569	11,955,000	1,246,610	0	329
AF	65	G383 house regulators - access	HOUSEREG_03	27,727,735	23,488,422	2,877,517	1,358,260	0	3,536
AF	66	G384 house reg install - access	HSEREGINSTR_03	49,550,720	45,273,401	3,573,995	702,709	0	615
AF	67	G385 lrg regulators - access	LRGREG_03	2,654,025	527,983	950,933	886,308	0	288,801
AF	68	G385 lrg mtrs - measurement	LRGMTR_07	46,733,414	0	5,728,862	40,715,751	0	288,801
AF	69	G380 services - reserve - access	SERVICESR_03	302,367,424	252,625,678	34,242,308	15,042,822	0	456,616
AF	70	G381 meters - reserve - measurement	SMMETERSR_07	39,638,103	26,782,366	8,862,287	3,992,767	0	682
AF	71	G382 meter install - reserve - measurement	MTRINSTALR_07	70,947,689	65,486,599	4,964,044	496,929	0	117
AF	72	G383 house regulators - reserve - access	HOUSEREGR_03	4,745,744	3,992,277	503,093	248,837	0	1,537
AF	73	G384 house reg install - reserve - access	HSEREGINSTR_03	9,880,635	9,043,509	697,932	138,864	0	330
AF	74	G385 lrg regulators - reserve - access	LRGREGR_03	384,163	13,538	164,305	112,396	0	93,924
AF	75	G385 lrg mtrs - reserve - measurement	LRGMTRR_07	7,737,443	0	940,755	6,702,764	0	93,924
AF	76	Direct LVG - delivery	DIRLVG_04	1	0	0	1	0	0
AF	77	Direct LVG - cust svcs	DIRLVG_06	1	0	0	1	0	0
AF	78	Direct SLG - streetlights	DIRSLG_05	1	0	0	0	1	0
AF	79	Meter Reading Costs - measurement	MRCOST_07	13,815,195	12,478,202	1,097,762	239,232	0	0
AF	80	Other Utility work by Cust Ops - delivery	UTILWORK_04	4,987,422	4,329,575	514,527	142,656	85	579
AF	81	Other Utility work by Cust Ops - delivery	UTILWORK_04	4,987,422	4,329,575	514,527	142,656	85	579
AF	82	Direct SLG - access	DIRSLG_03	1	0	0	0	1	0
AF	83	Direct Competitive Services - delivery	DIRCOMPSVS_04	0	0	0	0	0	0
AF	84	Direct TSG-F - access	DIRTSGF_03	1	0	0	0	0	1
AF	85	Direct TSG-F - delivery	DIRTSGF_04	1	0	0	0	0	1
AF	86	Direct TSG-F - measurement	DIRTSGF_07	1	0	0	0	0	1
AF	87								
AF	88	Direct - RSG - delivery	DIRRSG_04	1	1	0	0	0	0
AF	89								
AF	90								
AF	91								
AF	92	Choice - delivery	CHOICE_04	1,956,016	1,652,784	247,185	55,920	16	111
AF	93								
AF	94								
AF	95								
AF	96								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
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SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
AF	97	<b>ALLOCATION FACTOR TABLE CONTINUED</b>							
AF	98	<b><u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>							
AF	99								
AF	100	Dummy allocator for unused lines	not_used	0	0	0	0	0	0
AF	101								
AF	102	<b><u>Plant Related</u></b>							
AF	103	Acct G301-G303 Intangible Plt	INTANGPLT	0	0	0	0	0	0
AF	104	Acct G399.10-23 Oth Tangible Plt	TANGPLT	5,857,613	5,304,666	462,358	69,991	(54)	20,653
AF	105	Production Plant Total	PRODPLT	54,051,153	34,404,858	6,551,287	13,095,009	0	0
AF	106	Storage Plant Total	STORPLT	10,637,156	6,770,805	1,289,280	2,577,071	0	0
AF	107	Transmission Plant Total	TRANPLT	88,966,347	53,516,155	10,497,614	24,182,363	16,500	753,715
AF	108	Distribution Plant Total	DISTPLT	6,380,421,816	4,535,883,873	780,175,997	1,030,573,654	2,075,851	31,712,441
AF	109	G391-G398 General Plant	GENPLT	94,801,809	67,569,925	11,243,325	15,453,148	33,150	502,261
AF	110	Common Plant	COMPLT	78,873,337	61,744,769	8,249,148	8,496,628	16,865	365,927
AF	111	Accts C389-C399, G391-E398 Com & Gen Plt	COMGENPLT	173,675,146	129,314,694	19,492,474	23,949,776	50,014	868,188
AF	112	Total Prod, Storage, Transmission, & Dist Plant	PSTDPLT	6,534,076,472	4,630,575,690	798,514,177	1,070,428,098	2,092,351	32,466,155
AF	113	Total Plant	TOTPLT	6,713,609,232	4,765,195,050	818,469,009	1,094,447,865	2,142,312	33,354,996
AF	114								
AF	115	Distribution Plant x Meters & Installs	DISTPLTXMTR	5,935,452,701	4,230,489,850	703,934,086	967,507,183	2,075,474	31,446,109
AF	116	Acct G374-375 - Land & Structures	PLT_3745	53,869,741	38,296,354	6,587,006	8,701,108	17,526	267,747
AF	117	Acct G376 - Mains	PLT_376	2,666,043,183	1,603,143,458	314,440,696	725,312,933	498,681	22,647,416
AF	118	Acct G377 - Compressor Station Equip	PLT_377	0	0	0	0	0	0
AF	119	Acct G378-379 - Meas & Regul Station Equip	PLT_3789	170,186,128	102,372,499	20,081,169	46,259,095	31,564	1,441,802
AF	120	Acct G380 & 387.2 - Services	SERVICES	2,854,579,609	2,348,521,992	335,825,697	167,127,299	513,366	2,591,255
AF	121	Acct G376, G380 & 387.2 - Mains & Services	MAIN_SERV	5,520,622,792	3,951,665,450	650,266,393	892,440,232	1,012,047	25,238,670
AF	122	Acct G381 - House Meters	PLT_381	257,235,090	171,445,816	59,459,731	26,326,375	1	3,166
AF	123	Acct G382 - Meter Installations	PLT_382	145,989,543	133,096,274	11,675,079	1,217,853	0	337
AF	124	Acct G381,382, & 385 - Meters	METERPLT	444,969,115	305,394,023	76,241,912	63,066,471	377	266,332
AF	125	Acct G381-384 - Meters & House Regulators	PLT_3814	540,407,937	427,312,858	82,249,224	30,835,992	8	9,855
AF	126	Acct G382-384 - House Reg & Install & Meter Install	PLT_3824	283,172,848	255,867,042	22,789,493	4,509,617	6	6,689
AF	127	Acct G383-384 - House Reg & Installation	PLT_3834	137,183,305	122,770,768	11,114,414	3,291,764	6	6,352
AF	128	Acct G385 - Ind & Com Meas & Regul Station Equip	PLT_385	83,488,964	9,721,823	19,714,375	49,389,685	750	4,662,331
AF	129	Acct G386 - Other Property on Cust Premises	PLT_386	0	0	0	0	0	0
AF	130	Acct G387.1 - Other Equipment (St Ltg Posts)	PLT_387_1	1,011,930	0	0	0	1,011,930	0
AF	131								
AF	132								
AF	133	Total Distribution Plant Reserve	TOTDRESERVE	2,270,656,638	1,584,905,597	265,290,889	404,654,388	1,229,943	14,575,821
AF	134	<b>Total Net Plant</b>	<b>TOTPLTNET</b>	<b>4,442,952,594</b>	<b>3,180,289,453</b>	<b>553,178,119</b>	<b>689,793,477</b>	<b>912,369</b>	<b>18,779,176</b>
AF	135								
AF	136								
AF	137								
AF	138								
AF	139								
AF	140	<b><u>Revenue Related</u></b>							
AF	141	<b>Total Operating Revenue</b>	<b>TOTREV</b>	<b>937,478,461</b>	<b>701,280,452</b>	<b>106,642,664</b>	<b>125,248,636</b>	<b>529,988</b>	<b>3,776,721</b>
AF	142	Intra Dept Rev Req - 5.62% GS / 94.38% LV	INTRAREV	122,661,426	0	5,919,249	116,742,177	0	0
AF	143								
AF	144								

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SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
AF	145	<b>ALLOCATION FACTOR TABLE CONTINUED</b>							
AF	146	<b><u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>							
AF	147								
AF	148	<b><u>Expense Related</u></b>							
AF	149	Manufactured Gas O&M Excl Fuel Expense	MFGO_M	1,229,069	782,332	148,970	297,767	0	0
AF	150	<b>Other Storage Plant O&amp;M Expense</b>	STOREXP	474,404	301,970	57,500	114,934	0	0
AF	151	<b>Transmission Plant O&amp;M Expense</b>	TRANEXP	2,558,168	1,538,822	301,852	695,348	474	21,673
AF	152	<b>Acct 813-Other Gas Supply Expense</b>	EXP_813	5,670,771	3,354,010	655,053	1,606,063	1,476	54,169
AF	153	Acct 871 - Distribution Load Dispatching	EXP_871	0	0	0	0	0	0
AF	154	Acct 872 - Compressor Station Labor & Expenses	EXP_872	0	0	0	0	0	0
AF	155	<b>Acct 874-Mains &amp; Services Expenses</b>	EXP_874	20,145,891	14,420,442	2,372,956	3,256,698	3,693	92,101
AF	156	<b>Acct 875-877 - Meas &amp; Regulating Station Exp</b>	EXP_8757	2,608,940	1,569,362	307,843	709,148	484	22,103
AF	157	<b>Acct 878 - Meter &amp; House Regulator Expenses</b>	EXP_878	8,418,451	6,656,661	1,281,275	480,362	0	154
AF	158	<b>Acct 879 - Customer Installation Expenses</b>	EXP_879	24,548,330	24,470,266	78,064	0	0	0
AF	159	<b>Acct 880.0,1,2 - Other Expenses</b>	EXP_8801	9,359,608	7,913,365	678,773	747,533	702	19,234
AF	160	<b>Acct 880.3 - Operation of Street Lighting Exp</b>	EXP_8803	0	0	0	0	0	0
AF	161	<b>Acct 881 - Rents</b>	EXP_881	20,476	12,111	2,365	5,799	5	196
AF	162	<b>Acct 886-Maint of Structures &amp; Improvements Exp</b>	EXP_886	4,408,455	3,134,000	539,051	712,059	1,434	21,911
AF	163	<b>Acct 887-Maint of Mains Exp</b>	EXP_887	12,392,584	7,451,901	1,461,617	3,371,476	2,318	105,272
AF	164	<b>Acct 888-Maint of Compressor Station Equip Exp</b>	EXP_888	0	0	0	0	0	0
AF	165	<b>Acct 889-891 - Main of Meas &amp; Reg Station Equip</b>	EXP_8891	3,853,573	2,318,050	454,704	1,047,458	715	32,647
AF	166	<b>Acct 892-Main of Services Exp</b>	EXP_892	4,033,930	3,318,798	474,570	236,175	725	3,662
AF	167	<b>Acct 893-Maint of Meters &amp; House Regulators Exp</b>	EXP_893	10,857,110	7,236,223	2,509,641	1,111,113	0	131
AF	168	<b>Acct 894-Maint of Other Equipment</b>	EXP_894	283,468	0	0	0	283,468	0
AF	169								
AF	170	<b>Distr Oper Exp</b>	DISTEXPO	65,101,696	55,042,207	4,721,276	5,199,541	4,885	133,787
AF	171	<b>Distr Maint Exp</b>	DISTEXPM	35,829,120	23,458,972	5,439,582	6,478,282	288,660	163,624
AF	172	<b>Cust Serv &amp; Info Expense</b>	CUSTS_I	2,140,391	1,869,053	203,456	61,038	42	6,803
AF	173	<b>Acct 901-903,905 Cust Acct Exp Excl 904</b>	CACCTEXP	68,948,067	61,675,123	5,579,145	1,434,351	849	258,598
AF	174	<b>Accts 901-910 Excl 904 - Cust Accts,Serv &amp; Info</b>	CUSTSVSX	71,088,458	63,544,176	5,782,601	1,495,389	891	265,401
AF	175	<b>Sales Expense</b>	SALESEXP	924,164	802,266	95,341	26,434	16	107
AF	176	<b>Total O&amp;M Expense Excl A&amp;G Expense</b>	TOTOMXAG	216,377,128	173,406,566	21,184,540	20,713,479	296,402	776,140
AF	177	<b>Total O&amp;M Expense Excl 904 Expense</b>	TOTOMX904	289,563,930	237,758,739	25,600,729	24,816,521	392,751	995,190
AF	178	<b>Total O&amp;M Expense Excl Fuel &amp; 904 Expense</b>	TOMXFUEL904	288,334,861	236,976,407	25,451,759	24,518,753	392,751	995,190
AF	179	<b>Tot Admin &amp; Genl Exp xPension/Ben</b>	AGEXP	105,240,904	88,012,824	8,223,148	8,552,154	96,349	356,429
AF	180	<b>Accts 901-905 Cust Accts Exp Excl 904-Uncol</b>	CUSTACCTS	68,948,067	61,675,123	5,579,145	1,434,351	849	258,598
AF	181	<b>O&amp;M + Capital Additions</b>	EXPENDITURES	896,212,920	692,807,196	102,508,724	97,220,685	489,416	3,186,899
AF	182								
AF	183	<b>Depreciation Expense (Total)</b>	DEPREXP	123,362,242	87,722,253	14,967,295	20,022,885	38,890	610,920
AF	184								
AF	185	<b>NJ State Income Tax (CBT)</b>	STATEINCTAX	44,765,042	32,234,465	5,550,526	6,783,900	10,166	185,984
AF	186	<b>NJ State Deferred Income Tax</b>	DFSTATEINCTAX	2,595,701	2,233,212	180,925	173,520	1,474	6,570
AF	187								
AF	188	<b><u>Labor Expense Related</u></b>							
AF	189	<b>Total Distribution Exp (Oper) Labor</b>	TLABDO	103,683,001	97,593,884	3,031,441	2,979,733	2,806	75,137
AF	190	<b>Total Distribution Exp (Maint) Labor</b>	TLABDM	19,101,689	12,560,207	3,104,364	3,260,482	100,977	75,658
AF	191	<b>Total Labor</b>	LABOR	179,103,725	158,590,668	10,923,864	9,099,543	109,112	380,539
AF	192								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
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SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
AF	193	<b><u>REVENUES AND BILLING DETERMINANTS</u></b>							
AF	194								
AF	195	Base Rate Sales Revenue	SALESREV	887,227,203	653,904,345	105,324,714	123,693,766	529,816	3,774,561
AF	196								
AF	197	Residential Service	REVRSG	653,904,345	653,904,345	0	0	0	0
AF	198	Residential Heating Service	REVGSG	105,324,714	0	105,324,714	0	0	0
AF	199	Residential Load Management Service	REVLVG	123,693,766	0	0	123,693,766	0	0
AF	200	Water Heating Service	REVSLG	529,816	0	0	0	529,816	0
AF	201	Water Heating Storage Service	REVTSGF	3,774,561	0	0	0	0	3,774,561
AF	202								
AF	203								
AF	204	Total Rev Req @ Desired ROR	REVREQ	887,227,203	653,904,345	105,324,714	123,693,766	529,816	3,774,561
AF	205								
AF	206								
AF	207								
AF	208								
AF	209								
AF	210								
AF	211								
AF	212								
AF	213								
AF	214								
AF	215								
AF	216								
AF	217								
AF	218								
AF	219								
AF	220								
AF	221								
AF	222								
AF	223	<b><u>PRESENT REVENUES FROM SALES INPUT</u></b>							
AF	224								
AF	225	Total Sales of Gas Revenue Requirement		788,246,384	589,363,974	90,631,629	102,139,830	1,035,628	5,075,324
AF	226	Sales of Gas Revenues - Rates		788,246,384	589,363,974	90,631,629	102,139,830	1,035,628	5,075,324
AF	227	Sales of Gas Revenues - Other		0	0	0	0	0	0
AF	228								
AF	229								
AF	230								
AF	231								
AF	232								
AF	233	<b><u>RATE OF RETURN</u></b>							
AF	234	Rate of Return (Equalized)	SCH AF, LN 234	7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
AF	235								
AF	236								
AF	237								
AF	238								
AF	239								
AF	240								

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				(1)	(2)	(3)	(4)	(5)	(6)
AP	1	<b>ALLOCATION PROPORTIONS TABLE</b>							
AP	2	<b><u>EXTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>							
AP	3								
AP	4	<b><u>CAPACITY RELATED</u></b>							
AP	5								
AP	6	Peak-Hour Sendout - delivery	PEAKHOUR_04	1.000000	0.618443	0.122159	0.252679	0.000060	0.006659
AP	7	Staff Average and Peak Allocator - delivery	AVGPEAK_04	1.000000	0.601533	0.117995	0.271815	0.000185	0.008472
AP	8								
AP	9								
AP	10								
AP	11								
AP	12								
AP	13								
AP	14								
AP	15								
AP	16								
AP	17	<b><u>COMMODITY RELATED</u></b>							
AP	18	Annual transported gas @mtr - delivery	TRANSPORT_04	1.000000	0.591456	0.115514	0.283218	0.000260	0.009552
AP	19	Balancing therms - delivery	BALANCE_04	1.000000	0.636524	0.121205	0.242271	0.000000	0.000000
AP	20	Annual transported gas @mtr - access	TRANSPORT_03	1.000000	0.591456	0.115514	0.283218	0.000260	0.009552
AP	21	Annual transported gas @mtr - meters	TRANSPORT_07	1.000000	0.591456	0.115514	0.283218	0.000260	0.009552
AP	22								
AP	23	TEFA \$ responsibility W/N - delivery	TEFA_04	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	24								
AP	25								
AP	26								
AP	27								
AP	28								
AP	29								
AP	30								
AP	31								
AP	32								
AP	33								
AP	34								
AP	35								
AP	36	<b><u>BILLING DETERMINANTS</u></b>							
AP	37								
AP	38	Number of Customers		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	39	Transported Gas at Meter (calendar)		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	40								
AP	41								
AP	42								
AP	43								
AP	44								
AP	45								
AP	46								
AP	47								
AP	48								



SB-	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
AP	49	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP	50	EXTERNALLY DEVELOPED ALLOCATION FACTORS							
AP	51								
AP	52	CUSTOMER RELATED							
AP	53								
AP	54	G380 services - access	SERVICES_03	1.000000	0.823988	0.117676	0.057470	0.000000	0.000866
AP	55	Cust Installns LDC G879 - delivery	CINST_04	1.000000	0.996820	0.003180	0.000000	0.000000	0.000000
AP	56	Avg Customer Bills - delivery	CUSTAVG_04	1.000000	0.903046	0.079466	0.017409	0.000015	0.000064
AP	57	Avg Customer Bills - cust svcs	CUSTAVG_06	1.000000	0.903046	0.079466	0.017409	0.000015	0.000064
AP	58	G381 meters - measurement	SMETERS_07	1.000000	0.666496	0.231152	0.102340	0.000000	0.000012
AP	59								
AP	60	Billing Function costs - cust svcs	BILLING_06	1.000000	0.871893	0.080810	0.035049	0.000032	0.012216
AP	61	Competitive Service work - delivery	COMPSVSWK_04	1.000000	0.992290	0.007710	0.000000	0.000000	0.000000
AP	62								
AP	63	Account Maint - cust svcs	ACCTMAINT_06	1.000000	0.905919	0.079937	0.013424	0.000005	0.000713
AP	64	G382 meter install - measurement	MTRINSTAL_07	1.000000	0.911687	0.079972	0.008339	0.000000	0.000002
AP	65	G383 house regulators - access	HOUSEREG_03	1.000000	0.847109	0.103778	0.048986	0.000000	0.000128
AP	66	G384 house reg install - access	HSEREGINST_03	1.000000	0.913678	0.072128	0.014182	0.000000	0.000012
AP	67	G385 lrg regulators - access	LRGREG_03	1.000000	0.198937	0.358298	0.333949	0.000000	0.108816
AP	68	G385 lrg mtrs - measurement	LRGMTR_07	1.000000	0.000000	0.122586	0.871234	0.000000	0.006180
AP	69	G380 services - reserve - access	SERVICESR_03	1.000000	0.835492	0.113247	0.049750	0.000000	0.001510
AP	70	G381 meters - reserve - measurement	SMETERSR_07	1.000000	0.675672	0.223580	0.100731	0.000000	0.000017
AP	71	G382 meter install - reserve -measurement	MTRINSTALR_07	1.000000	0.923027	0.069968	0.007004	0.000000	0.000002
AP	72	G383 house regulators - reserve - access	HOUSEREGR_03	1.000000	0.841233	0.106009	0.052434	0.000000	0.000324
AP	73	G384 house reg install - reserve - access	HSEREGINSTR_03	1.000000	0.915276	0.070636	0.014054	0.000000	0.000033
AP	74	G385 lrg regulators - reserve - access	LRGREGR_03	1.000000	0.035240	0.427696	0.292574	0.000000	0.244490
AP	75	G385 lrg mtrs - reserve - measurement	LRGMTRR_07	1.000000	0.000000	0.121585	0.866276	0.000000	0.012139
AP	76	Direct LVG - delivery	DIRLVG_04	1.000000	0.000000	0.000000	1.000000	0.000000	0.000000
AP	77	Direct LVG - cust svcs	DIRLVG_06	1.000000	0.000000	0.000000	1.000000	0.000000	0.000000
AP	78	Direct SLG - streetlights	DIRSLG_05	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	79	Meter Reading Costs - measurement	MRCOST_07	1.000000	0.903223	0.079460	0.017317	0.000000	0.000000
AP	80	Other Utility work by Cust Ops - delivery	UTILWORK_04	1.000000	0.868099	0.103165	0.028603	0.000017	0.000116
AP	81								
AP	82	Direct SLG - access	DIRSLG_03	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	83	Direct Competitive Services - delivery	DIRCOMPSVS_04	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	84	Direct TSG-F - access	DIRTSGF_03	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	85	Direct TSG-F - delivery	DIRTSGF_04	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	86	Direct TSG-F - measurement	DIRTSGF_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	87								
AP	88	Direct - RSG - delivery	DIRRSG_04	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	89								
AP	90								
AP	91								
AP	92	Choice - delivery	CHOICE_04	1.000000	0.844975	0.126372	0.028589	0.000008	0.000057
AP	93								
AP	94								
AP	95								
AP	96								

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SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
AP	97	<b>ALLOCATION PROPORTIONS TABLE CONTINUED</b>							
AP	98	<b><u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>							
AP	99								
AP	100	Dummy allocator for unused lines	Dummy allocator for unused lines	not_used	0.000000	0.000000	0.000000	0.000000	0.000000
AP	101								
AP	102	<b><u>Plant Related</u></b>							
AP	103	Acct G301-G303 Intangible Plt	INTANGPLT	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	104	Acct G399.10-23 Oth Tangible Plt	TANGPLT	1.000000	0.905602	0.078933	0.011949	(0.000009)	0.003526
AP	105	Production Plant Total	PRODPLT	1.000000	0.636524	0.121205	0.242271	0.000000	0.000000
AP	106	Storage Plant Total	STORPLT	1.000000	0.636524	0.121205	0.242271	0.000000	0.000000
AP	107	Transmission Plant Total	TRANPLT	1.000000	0.601533	0.117995	0.271815	0.000185	0.008472
AP	108	Distribution Plant Total	DISTPLT	1.000000	0.710907	0.122277	0.161521	0.000325	0.004970
AP	109	G391-G398 General Plant	GENPLT	1.000000	0.712749	0.118598	0.163005	0.000350	0.005298
AP	110	Common Plant	COMPLT	1.000000	0.782834	0.104587	0.107725	0.000214	0.004639
AP	111	Accts C389-C399, G391-E398 Com & Gen Plt	COMGENPLT	1.000000	0.744578	0.112235	0.137900	0.000288	0.004999
AP	112	Total Prod, Storage, Transmission, & Dist Plant	PSTDPLT	1.000000	0.708681	0.122208	0.163822	0.000320	0.004969
AP	113	Total Plant	TOTPLT	1.000000	0.709781	0.121912	0.163019	0.000319	0.004968
AP	114								
AP	115	Distribution Plant x Meters & Installs	DISTPLTXMTR	1.000000	0.7127493	0.118598	0.163005	0.000350	0.005298
AP	116	Acct G374-375 - Land & Structures	PLT_3745	1.000000	0.710907	0.122277	0.161521	0.000325	0.004970
AP	117	Acct G376 - Mains	PLT_376	1.000000	0.601319	0.117943	0.272056	0.000187	0.008495
AP	118	Acct G377 - Compressor Station Equip	PLT_377	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	119	Acct G378-379 - Meas & Regul Station Equip	PLT_3789	1.000000	0.601533	0.117995	0.271815	0.000185	0.008472
AP	120	Acct G380 & 387.2 - Services	SERVICES	1.000000	0.822721	0.117645	0.058547	0.000180	0.000908
AP	121	Acct G376, G380 & 387.2 - Mains & Services	MAIN_SERV	1.000000	0.715801	0.117789	0.161656	0.000183	0.004572
AP	122	Acct G381 - House Meters	PLT_381	1.000000	0.666495	0.231149	0.102344	0.000000	0.000012
AP	123	Acct G382 - Meter Installations	PLT_382	1.000000	0.911684	0.079972	0.008342	0.000000	0.000002
AP	124	Acct G381,382, & 385 - Meters	METERPLT	1.000000	0.686326	0.171342	0.141732	0.000001	0.000599
AP	125	Acct G381-384 - Meters & House Regulators	PLT_3814	1.000000	0.790723	0.152198	0.057061	0.000000	0.000018
AP	126	Acct G382-384 - House Reg & Install & Meter Install	PLT_3824	1.000000	0.903572	0.080479	0.015925	0.000000	0.000024
AP	127	Acct G383-384 - House Reg & Installation	PLT_3834	1.000000	0.894940	0.081019	0.023995	0.000000	0.000046
AP	128	Acct G385 - Ind & Com Meas & Regul Station Equip	PLT_385	1.000000	0.116444	0.236132	0.591571	0.000009	0.055844
AP	129	Acct G386 - Other Property on Cust Premises	PLT_386	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	130	Acct G387.1 - Other Equipment (St Ltg Posts)	PLT_387_1	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	131								
AP	132								
AP	133	Total Distribution Plant Reserve	TOTDRESERVE	1.000000	0.697994	0.116834	0.178210	0.000542	0.006419
AP	134	<b>Total Net Plant</b>	<b>TOTPLTNET</b>	1.000000	0.715805	0.124507	0.155256	0.000205	0.004227
AP	135								
AP	136								
AP	137								
AP	138								
AP	139								
AP	140	<b><u>Revenue Related</u></b>							
AP	141	<b>Total Operating Revenue</b>	<b>TOTREV</b>	1.000000	0.748050	0.113755	0.133602	0.000565	0.004029
AP	142	Intra Dept Rev Req - 5.62% GS / 94.38% LV	INTRAREV	1.000000	0.000000	0.048257	0.951743	0.000000	0.000000
AP	143								
AP	144								

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SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG Firm (6)
AP	145	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP	146	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>							
AP	147								
AP	148	<u>Expense Related</u>							
AP	149	Manufactured Gas O&M Excl Fuel Expense	MFGO_M	1.000000	0.636524	0.121205	0.242271	0.000000	0.000000
AP	150	Other Storage Plant O&M Expense	STOREXP	1.000000	0.636524	0.121205	0.242271	0.000000	0.000000
AP	151	Transmission Plant O&M Expense	TRANEXP	1.000000	0.601533	0.117995	0.271815	0.000185	0.008472
AP	152	Acct 813-Other Gas Supply Expense	EXP_813	1.000000	0.591456	0.115514	0.283218	0.000260	0.009552
AP	153	Acct 871 - Distribution Load Dispatching	EXP_871	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	154	Acct 872 - Compressor Station Labor & Expenses	EXP_872	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	155	Acct 874-Mains & Services Expenses	EXP_874	1.000000	0.715801	0.117789	0.161656	0.000183	0.004572
AP	156	Acct 875-877 - Meas & Regulating Station Exp	EXP_8757	1.000000	0.601533	0.117995	0.271815	0.000185	0.008472
AP	157	Acct 878 - Meter & House Regulator Expenses	EXP_878	1.000000	0.790723	0.152198	0.057061	0.000000	0.000018
AP	158	Acct 879 - Customer Installation Expenses	EXP_879	1.000000	0.996820	0.003180	0.000000	0.000000	0.000000
AP	159	Acct 880.0,.1,.2 - Other Expenses	EXP_8801	1.000000	0.845480	0.072522	0.079868	0.000075	0.002055
AP	160	Acct 880.3 - Operation of Street Lighting Exp	EXP_8803	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	161	Acct 881 - Rents	EXP_881	1.000000	0.591456	0.115514	0.283218	0.000260	0.009552
AP	162	Acct 886-Maint of Structures & Improvements Exp	EXP_886	1.000000	0.710907	0.122277	0.161521	0.000325	0.004970
AP	163	Acct 887-Maint of Mains Exp	EXP_887	1.000000	0.601319	0.117943	0.272056	0.000187	0.008495
AP	164	Acct 888-Maint of Compressor Station Equip Exp	EXP_888	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	165	Acct 889-891 - Main of Meas & Reg Station Equip	EXP_8891	1.000000	0.601533	0.117995	0.271815	0.000185	0.008472
AP	166	Acct 892-Main of Services Exp	EXP_892	1.000000	0.822721	0.117645	0.058547	0.000180	0.000908
AP	167	Acct 893-Maint of Meters & House Regulators Exp	EXP_893	1.000000	0.666496	0.231152	0.102340	0.000000	0.000012
AP	168	Acct 894-Maint of Other Equipment	EXP_894	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	169								
AP	170	Distr Oper Exp	DISTEXPO	1.000000	0.845480	0.072522	0.079868	0.000075	0.002055
AP	171	Distr Maint Exp	DISTEXPM	1.000000	0.654746	0.151820	0.180811	0.008057	0.004567
AP	172	Cust Serv & Info Expense	CUSTS_I	1.000000	0.873230	0.095055	0.028517	0.000019	0.003178
AP	173	Acct 901-903,905 Cust Acct Exp Excl 904	CACCTEXP	1.000000	0.894516	0.080918	0.020803	0.000012	0.003751
AP	174	Accts 901-910 Excl 904 - Cust Accts,Serv & Info	CUSTSVSX	1.000000	0.893875	0.081344	0.021036	0.000013	0.003733
AP	175	Sales Expense	SALESEXP	1.000000	0.868099	0.103165	0.028603	0.000017	0.000116
AP	176	Total O&M Expense Excl A&G Expense	TOTOMXAG	1.000000	0.801409	0.097906	0.095729	0.001370	0.003587
AP	177	Total O&M Expense Excl 904 Expense	TOTOMX904	1.000000	0.821092	0.088411	0.085703	0.001356	0.003437
AP	178	Total O&M Expense Excl Fuel & 904 Expense	TOMXFUEL904	1.000000	0.821879	0.088272	0.085036	0.001362	0.003452
AP	179	Tot Admin & Genl Exp xPension/Ben	AGEXP	1.000000	0.836299	0.078136	0.081263	0.000916	0.003387
AP	180	Accts 901-905 Cust Accts Exp Excl 904-Uncol	CUSTACCTS	1.000000	0.894516	0.080918	0.020803	0.000012	0.003751
AP	181	O&M + Capital Additions	EXPENDITURES	1.000000	0.773039	0.114380	0.108479	0.000546	0.003556
AP	182								
AP	183	Depreciation Expense (Total)	DEPREXP	1.000000	0.711095	0.121328	0.162310	0.000315	0.004952
AP	184								
AP	185	NJ State Income Tax (CBT)	STATEINCTAX	1.000000	0.720081	0.123992	0.151545	0.000227	0.004155
AP	186	NJ State Deferred Income Tax	DFSTATEINCTAX	1.000000	0.860350	0.069702	0.066849	0.000568	0.002531
AP	187								
AP	188	<u>Labor Expense Related</u>							
AP	189	Total Distribution Exp (Oper) Labor	TLABDO	1.000000	0.941272	0.029238	0.028739	0.000027	0.000725
AP	190	Total Distribution Exp (Maint) Labor	TLABDM	1.000000	0.657544	0.162518	0.170691	0.005286	0.003961
AP	191	Total Labor	LABOR	1.000000	0.885468	0.060992	0.050806	0.000609	0.002125
AP	192								

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SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
AP	193	REVENUES AND BILLING DETERMINANTS							
AP	194								
AP	195	Base Rate Sales Revenue	SALESREV	1.000000	0.737020	0.118712	0.139416	0.000597	0.004254
AP	196								
AP	197	Residential Service	REVRSG	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	198	Residential Heating Service	REVGSG	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	199	Residential Load Management Service	REVLVG	1.000000	0.000000	0.000000	1.000000	0.000000	0.000000
AP	200	Water Heating Service	REVSLG	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	201	Water Heating Storage Service	REVTSGF	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	202								
AP	203								
AP	204	Total Rev Req @ Desired ROR	REVREQ	1.000000	0.737020	0.118712	0.139416	0.000597	0.004254
AP	205								
AP	206								
AP	207								
AP	208								
AP	209								
AP	210								
AP	211								
AP	212								
AP	213								
AP	214								
AP	215								
AP	216								
AP	217								
AP	218								
AP	219								
AP	220								
AP	221								
AP	222								
AP	223	<u>PRESENT REVENUES FROM SALES INPUT</u>							
AP	224								
AP	225	Total Sales of Gas Revenue Requirement		1.000000	0.747690	0.114979	0.129579	0.001314	0.006439
AP	226	Sales of Gas Revenues - Rates		1.000000	0.747690	0.114979	0.129579	0.001314	0.006439
AP	227	Sales of Gas Revenues - Other		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	228								
AP	229								
AP	230								
AP	231								
AP	232								
AP	233								
AP	234								
AP	235								
AP	236								
AP	237								
AP	238								
AP	239								
AP	240								

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SUB-SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
ADA	1	<b>ALLOCATED DIRECT ASSIGNMENTS</b>							
ADA	2	<b>DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS</b>							
ADA	3								
ADA	4	<b>Account 904 - Uncollectible Accounts</b>							
ADA	5	Residential Service	REVRSG	653,904,345	653,904,345	0	0	0	0
ADA	6	Residential Heating Service	REVGSG	105,324,714	0	105,324,714	0	0	0
ADA	7	Residential Load Management Service	REVLVG	123,693,766	0	0	123,693,766	0	0
ADA	8	Water Heating Service	REVSLG	0	0	0	0	0	0
ADA	9	Water Heating Storage Service	REVTSGF	3,774,561	0	0	0	0	3,774,561
ADA	10								
ADA	11	Total 904-Uncollectible	EXP_904	886,697,387	653,904,345	105,324,714	123,693,766	0	3,774,561
ADA	12								
ADA	13	Total 904-Uncollectible	EXP_904	1.000000	0.737461	0.118783	0.139499	0.000000	0.004257
ADA	14								
ADA	15	Additional Net Write-Offs at Claimed Rate	EXP_904	0	0	0	0	0	0
ADA	16								
ADA	17								
ADA	18								
ADA	19								
ADA	20								
ADA	21								
ADA	22								
ADA	23								
ADA	24								
ADA	25								
ADA	26								
ADA	27								
ADA	28								
ADA	29	<b>Rev Req (cal) to Customers Late Payment fees</b>							
ADA	30	Residential Service	REVRSG	0	0	0	0	0	0
ADA	31	Residential Heating Service	REVGSG	105,324,714	0	105,324,714	0	0	0
ADA	32	Residential Load Management Service	REVLVG	123,693,766	0	0	123,693,766	0	0
ADA	33	Water Heating Service	REVSLG	0	0	0	0	0	0
ADA	34	Water Heating Storage Service	REVTSGF	0	0	0	0	0	0
ADA	35								
ADA	36	Total Late Payment Fees	REVLATEP	229,018,481	0	105,324,714	123,693,766	0	0
ADA	37								
ADA	38	Total Late Payment Fees	REVLATEP	1.000000	0.000000	0.459896	0.540104	0.000000	0.000000
ADA	39								
ADA	40								
ADA	41								
ADA	42								
ADA	43								
ADA	44								
ADA	45								
ADA	46								
ADA	47								
ADA	48								



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SUB- SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	RSG	GSG	LVG	SLG	TSG Firm
				(1)	(2)	(3)	(4)	(5)	(6)
RRW	1	<b>REVENUE REQUIREMENTS</b>							
RRW	2								
RRW	3	PRESENT RATES							
RRW	4	-----							
RRW	5	RATE BASE		3,990,551,989	2,877,747,336	497,356,888	598,704,804	798,655	15,944,306
RRW	6	NET OPER INC (PRESENT RATES)		295,300,847	212,953,303	36,804,410	44,304,155	59,100	1,179,879
RRW	7	RATE OF RETURN (PRES RATES)		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
RRW	8	RELATIVE RATE OF RETURN		1.00	1.00	1.00	1.00	1.00	1.00
RRW	9	SALES REVENUE (PRE RATES)		887,227,203	653,904,345	105,324,714	123,693,766	529,816	3,774,561
RRW	10	REVENUE PRES RATES \$/THERM		\$0.3605	\$0.4492	\$0.3705	\$0.1774	\$0.8272	\$0.1605
RRW	11	REVENUE REQUIRED - \$/MO/CUST		\$40,693.72	\$32,969.84	\$60,363.68	\$552,994.31	\$2,759,460.74	\$8,501,262.81
RRW	12								
RRW	13								
RRW	14	CLAIMED RATE OF RETURN							
RRW	15	-----							
RRW	16	CLAIMED RATE OF RETURN		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
RRW	17	RETURN REQ FOR CLAIMED ROR		295,300,847	212,953,303	36,804,410	44,304,155	59,100	1,179,879
RRW	18	SALES REVENUE REQ CLAIMED ROR		887,227,203	653,904,345	105,324,714	123,693,766	529,816	3,774,561
RRW	19	REVENUE DEFICIENCY SALES REV		0	0	0	(0)	(0)	(0)
RRW	20	PERCENT INCREASE REQUIRED		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RRW	21	ANNUAL BOOKED THERM SALES		2,461,249,717	1,455,720,141	284,308,600	697,069,826	640,471	23,510,679
RRW	22	SALES REV REQUIRED \$/THERM		\$0.3605	\$0.4492	\$0.3705	\$0.1774	\$0.8272	\$0.1605
RRW	23	REVENUE DEFICIENCY \$/THERM		\$0.0000	\$0.0000	\$0.0000	(\$0.0000)	(\$0.0000)	(\$0.0000)
RRW	24								
RRW	25								
RRW	26								
RRW	27								
RRW	28								
RRW	29								
RRW	30								
RRW	31								
RRW	32								
RRW	33								
RRW	34								
RRW	35								
RRW	36								
RRW	37								
RRW	38								
RRW	39								
RRW	40								
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RRW	45								
RRW	46								
RRW	47								
RRW	48								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
S	1	<b>SUMMARY OF RESULTS</b>	Sub-Schedule Ref						
S	2	<b>DEVELOPMENT OF RETURN</b>							
S	3								
S	4	<b>RATE BASE</b>							
S	5	Plant in Service							
S	6	Production Plant 304-320	SCH RBP, LN 28	54,051,153	0	54,051,153	0	0	0
S	7	Storage Plant 360-363	SCH RBP, LN 33	10,637,156	0	10,637,156	0	0	0
S	8	Transmission Plant 365-371	SCH RBP, LN 40	88,966,347	0	88,966,347	0	0	0
S	9	Distribution Plant							
S	10	Land & Structures 374-375	SCH RBP, LN 55	53,869,741	25,829,908	24,242,365	8,616	0	3,788,852
S	11	Mains 376	SCH RBP, LN 61	2,666,043,183	0	2,666,043,183	0	0	0
S	12	Compressor Station Equipment 377	SCH RBP, LN 63	0	0	0	0	0	0
S	13	Meas & Regulating Station Equip 378-379	SCH RBP, LN 68	170,186,128	0	170,186,128	0	0	0
S	14	Services 380	SCH RBP, LN 74	2,854,069,822	2,854,069,822	0	0	0	0
S	15	Meters 381	SCH RBP, LN 80	257,235,090	0	0	0	0	257,235,090
S	16	Meter Installations 382	SCH RBP, LN 86	145,989,543	0	0	0	0	145,989,543
S	17	House Regulators & Install 383-384	SCH RBP, LN 106	137,183,305	137,183,305	0	0	0	0
S	18	Industrial Meas & Reg Station Equip 385	SCH RBP, LN 114	83,488,964	41,744,482	0	0	0	41,744,482
S	19	Other Property on Cust Premises 386	SCH RBP, LN 116	0	0	0	0	0	0
S	20	Other Equipment (Street Lighting) 387	SCH RBP, LN 121	1,521,717	509,787	0	1,011,930	0	0
S	21	Asset Retirement Obligation 388	SCH RBP, LN 123	10,834,324	0	10,834,324	0	0	0
S	22	Total Distribution Plant	SCH RBP, LN 125	6,380,421,816	3,059,337,304	2,871,305,999	1,020,546	0	448,757,967
S	23	General Plant E389-E399	SCH RBP, LN 156	94,801,809	48,864,127	45,860,866	16,300	0	60,516
S	24	Common Plant C389-C399	SCH RBP, LN 167	78,873,337	24,246,796	24,615,586	8,088	23,661,222	6,341,645
S	25	Intangible Plant E301-E303, E399, C303-C390	SCH RBP, LN 23	5,857,613	(190,947)	133,431	(64)	4,656,931	1,258,261
S	26	Total Plant in Service	SCH RBP, LN 172	6,713,609,232	3,132,257,280	3,095,570,539	1,044,871	28,318,154	456,418,389
S	27								
S	28	Less: Reserve for Depreciation and Amorization	SCH RBD, LN 122	2,270,656,638	910,963,032	1,268,466,679	676,448	11,323,870	79,226,609
S	29								
S	30	Plus: Rate Base Additions							
S	31	Working Capital	SCH RBO, LN 11	292,311,129	145,098,052	96,386,031	111,663	22,589,515	28,125,868
S	32	Capital Stimulus Adjust (Pro Forma #13)	SCH RBO, LN 13	0	0	0	0	0	0
S	33	Capital Lease Plt & Reserve Deduct	SCH RBO, LN 14	96,280	29,598	30,048	10	28,883	7,741
S	34	Plus: Rate Base Deductions							
S	35	Customer Advances	SCH RBO, LN 21	(19,722,411)	(10,197,978)	(9,524,433)	0	0	0
S	36	Unbilled Revenue	SCH RBO, LN 22	(159,485,336)	(74,408,427)	(73,536,915)	(24,821)	(672,713)	(10,842,460)
S	37	Deferred Income Taxes and Credits	SCH RBO, LN 33	(1,842,391,857)	(860,763,760)	(848,197,577)	(287,357)	(7,766,298)	(125,376,865)
S	38								
S	39								
S	40	<b>TOTAL RATE BASE</b>		<b>2,713,760,398</b>	<b>1,421,051,731</b>	<b>992,261,015</b>	<b>167,918</b>	<b>31,173,671</b>	<b>269,106,064</b>
S	41								
S	42								
S	43								
S	44								
S	45								
S	46								
S	47								
S	48								



**PUBLIC SERVICE ELECTRIC GAS COMPANY  
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
S	49	<b>SUMMARY OF RESULTS</b>	Sub-Schedule Ref						
S	50	<b>DEVELOPMENT OF RETURN</b>							
S	51								
S	52	<b>RATE BASE</b>	SCH RBO, LN 38	3,990,551,989	2,039,425,113	1,555,157,474	348,936	32,325,950	363,294,516
S	53								
S	54	<b>OPERATING REVENUES</b>							
S	55	Rate Revenues from Customers	SCH REV, LN 7	887,227,203	354,728,183	351,076,582	431,322	82,091,914	98,899,202
S	56	Other Operating Revenues	SCH REV, LN 19	50,251,258	463,385	49,600,413	104	44,415	142,941
S	57	Revenues from Other Sources	SCH REV, LN 24	0	0	0	0	0	0
S	58	Less: Provisions for Rate Refunds	SCH REV, LN 26	0	0	0	0	0	0
S	59	<b>TOTAL OPERATING REVENUES</b>		937,478,461	355,191,568	400,676,995	431,426	82,136,329	99,042,144
S	60								
S	61	<b>OPERATING EXPENSES</b>							
S	62	Operation and Maintenance Expense							
S	63	Gas Production and Supply Expense	SCH E, LN 20	6,899,840	0	6,899,840	0	0	0
S	64	Storage Expense	SCH E, LN 25	474,404	0	474,404	0	0	0
S	65	Transmission Expense	SCH E, LN 29	2,558,168	0	2,558,168	0	0	0
S	66	Distribution Expense	SCH E, LN 69	100,930,816	20,809,647	61,333,701	284,173	0	18,503,295
S	67	Customer Accounts Expense	SCH E, LN 91	101,220,275	12,909,365	15,071,361	0	56,872,063	16,367,485
S	68	Customer Service & Information Expense	SCH E, LN 109	2,140,391	0	1,373,197	0	767,194	0
S	69	Sales Expense	SCH E, LN 115	924,164	0	924,164	0	0	0
S	70	Administrative and General Expense	SCH E, LN 139	105,459,010	8,015,198	61,863,310	88,765	22,514,628	12,977,109
S	71	Total Operation and Maintenance Expense	SCH E, LN 141	321,836,138	41,734,210	151,727,215	372,938	80,153,885	47,847,889
S	72	Depreciation Expense	SCH DE, LN 10	123,362,242	56,774,801	57,051,906	18,939	1,454,242	8,062,355
S	73	Amortization Expense	SCH DE, LN 25	(12,395,796)	(6,158,505)	(5,534,062)	(2,054)	124,421	(825,595)
S	74	Taxes Other Than Income Taxes	SCH EO, LN 11	18,555,601	3,388,196	10,581,589	8,312	2,669,140	1,908,365
S	75	Proforma Expense Adjustments	SCH EO, LN 37	(135,603,371)	(49,393,412)	(66,921,755)	(33,685)	(8,556,672)	(10,697,846)
S	76	State Income Taxes	SCH TI, LN 61	44,765,042	22,510,374	17,928,007	4,731	407,828	3,914,102
S	77	Federal Income Taxes	SCH TI, LN 67	122,855,470	63,120,679	47,036,326	11,224	1,232,182	11,455,060
S	78	Provision for Deferred Income Taxes	SCH TI, LN 132	158,802,288	72,297,766	73,726,118	25,200	2,259,184	10,494,021
S	79	Income Taxes Deferred in Prior Years	SCH TI, LN 137	0	0	0	0	0	0
S	80	Investment Tax Credit Adjustment (Net)	SCH TI, LN 138	0	0	0	0	0	0
S	81	<b>TOTAL OPERATING EXPENSES</b>		642,177,614	204,274,109	285,595,342	405,605	79,744,208	72,158,350
S	82								
S	83	<b>OPERATING INCOME (RETURN)</b>		295,300,847	150,917,458	115,081,653	25,821	2,392,120	26,883,794
S	84	Plus Operating Income Adjustment	SCH TI, LN 139	0	0	0	0	0	0
S	85	<b>TOTAL NET OPERATING INCOME</b>		295,300,847	150,917,458	115,081,653	25,821	2,392,120	26,883,794
S	86								
S	87	<b>RATE OF RETURN ON RATE BASE (PRESENT)</b>		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
S	88	<b>INDEX RATE OF RETURN (PRESENT)</b>		1.00	1.00	1.00	1.00	1.00	1.00
S	89								
S	90								
S	91								
S	92								
S	93								
S	94								
S	95								
S	96								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
S	97	EQUALIZED RETURN AT PROPOSED ROR	Sub-Schedule Ref						
S	98								
S	99	DEVELOPMENT OF RETURN (EQUALIZED RATE LEVELS)							
S	100								
S	101	RATE BASE	SCH RBO, LN 38	3,990,551,989	2,039,425,113	1,555,157,474	348,936	32,325,950	363,294,516
S	102								
S	103	RATE OF RETURN		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
S	104								
S	105	RETURN (RATE BASE * 7.40% ROR)		295,300,847	150,917,458	115,081,653	25,821	2,392,120	26,883,794
S	106								
S	107	PLUS:							
S	108	OPERATING EXPENSES							
S	109	Total Operation and Maintenance Expense	SCH E, LN 141	321,836,138	41,734,210	151,727,215	372,938	80,153,885	47,847,889
S	110	Depreciation Expense	SCH DE, LN 10	123,362,242	56,774,801	57,051,906	18,939	1,454,242	8,062,355
S	111	Amortization Expense	SCH DE, LN 25	(12,395,796)	(6,158,505)	(5,534,062)	(2,054)	124,421	(825,595)
S	112	Taxes Other Than Income Taxes	SCH EO, LN 11	18,555,601	3,388,196	10,581,589	8,312	2,669,140	1,908,365
S	113	Proforma Expense Adjustments	SCH EO, LN 37	(135,603,371)	(49,393,412)	(66,921,755)	(33,685)	(8,556,672)	(10,697,846)
S	114	Income Taxes	CALCULATED	167,620,512	85,631,053	64,964,333	15,954	1,640,009	15,369,162
S	115	Provision for Deferred Income Taxes	SCH TI, LN 132	158,802,288	72,297,766	73,726,118	25,200	2,259,184	10,494,021
S	116	Income Taxes Deferred in Prior Years	SCH TI, LN 137	0	0	0	0	0	0
S	117	Investment Tax Credit Adjustment (Net)	SCH TI, LN 138	0	0	0	0	0	0
S	118	TOTAL OPERATING EXPENSES		642,177,614	204,274,109	285,595,342	405,605	79,744,208	72,158,350
S	119								
S	120	EQUALS TOTAL COST OF SERVICE		937,478,461	355,191,568	400,676,995	431,426	82,136,329	99,042,144
S	121								
S	122	LESS:							
S	123	Other Operating Revenues	SCH REV, LN 19	50,251,258	463,385	49,600,413	104	44,415	142,941
S	124	Revenues from Other Sources	SCH REV, LN 24	0	0	0	0	0	0
S	125	Plus: Provisions for Rate Refunds	SCH REV, LN 26	0	0	0	0	0	0
S	126	EQUALS:							
S	127	BASE RATE SALES @ EQUALIZED ROR 7.40%		887,227,203	354,728,183	351,076,582	431,322	82,091,914	98,899,202
S	128								
S	129	TOTAL COST OF SERVICE INCREASE/DECREASE		0	0	(0)	(0)	0	0
S	130	REVENUE INCREASE TO RETAIL REVENUES (%)		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
S	131								
S	132								
S	133								
S	134								
S	135								
S	136								
S	137								
S	138								
S	139								
S	140								
S	141								
S	142								
S	143								
S	144								

PUBLIC SERVICE ELECTRIC GAS COMPANY  
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12 MONTHS ENDING DECEMBER 31, 2016

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
RBP	1	DEVELOPMENT OF RATE BASE							
RBP	2								
RBP	3	GAS PLANT IN SERVICE							
RBP	4								
RBP	5	INTANGIBLE PLANT - G301-G303							
RBP	6	General - AWMs & Misc.	TOTPLT	0	0	0	0	0	0
RBP	7	Choice Project	not_used	0	0	0	0	0	0
RBP	8	GSMIS - meter related	not_used	0	0	0	0	0	0
RBP	9	- regulator related	not_used	0	0	0	0	0	0
RBP	10	- appliance safety related	not_used	0	0	0	0	0	0
RBP	11	- Comp Svs related	not_used	0	0	0	0	0	0
RBP	12	- Cust Svs related	not_used	0	0	0	0	0	0
RBP	13	TOTAL INTANGIBLE PLANT		0	0	0	0	0	0
RBP	14								
RBP	15	C303 - INTANGIBLE PLANT - CUST SERVICE							
RBP	16	Customer Service	CUSTSVSX	6,057,549	0	312,642	0	4,656,931	1,087,976
RBP	17	Measurement	MRCOST_07	170,522	0	0	0	0	170,522
RBP	18	Not Used	not_used	0	0	0	0	0	0
RBP	19	G399.1 Asset Retirement Costs of General Plt	GENPLT	(370,458)	(190,947)	(179,211)	(64)	(0)	(236)
RBP	20	Not Used	not_used	0	0	0	0	0	0
RBP	21	TOTAL ACCOUNTS C303-C390.4,G399		5,857,613	(190,947)	133,431	(64)	4,656,931	1,258,261
RBP	22								
RBP	23	TOTAL INTANGIBLE PLANT		5,857,613	(190,947)	133,431	(64)	4,656,931	1,258,261
RBP	24								
RBP	25	PRODUCTION PLANT							
RBP	26	G304-G320 - All Land & Equipment	BALANCE_04	54,051,153	0	54,051,153	0	0	0
RBP	27	Not Used	not_used	0	0	0	0	0	0
RBP	28	TOTAL PRODUCTION PLANT		54,051,153	0	54,051,153	0	0	0
RBP	29								
RBP	30	STORAGE PLANT							
RBP	31	G360-G363 - All Land & Equipment	BALANCE_04	10,637,156	0	10,637,156	0	0	0
RBP	32	Not Used	not_used	0	0	0	0	0	0
RBP	33	TOTAL STORAGE PLANT		10,637,156	0	10,637,156	0	0	0
RBP	34								
RBP	35	TRANSMISSION PLANT							
RBP	36	G365 Land & Land Rights	AVGPEAK_04	5,421,128	0	5,421,128	0	0	0
RBP	37	G366 Structures & Improvements	AVGPEAK_04	0	0	0	0	0	0
RBP	38	G367 Mains	AVGPEAK_04	79,321,099	0	79,321,099	0	0	0
RBP	39	G369 Meas. & Reg. Station Equipment	AVGPEAK_04	4,224,120	0	4,224,120	0	0	0
RBP	40	TOTAL TRANSMISSION PLANT		88,966,347	0	88,966,347	0	0	0
RBP	41								
RBP	42								
RBP	43								
RBP	44								
RBP	45								
RBP	46								
RBP	47								
RBP	48								

PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
RBP	49	<b>GAS PLANT IN SERVICE CONTINUED</b>							
RBP	50								
RBP	51	DISTRIBUTION PLANT							
RBP	52	G374-G375 Land & Structures							
RBP	53	General	DISTPLT	53,869,741	25,829,908	24,242,365	8,616	0	3,788,852
RBP	54	Not Used	not_used	0	0	0	0	0	0
RBP	55	Total Accounts G374-G375		53,869,741	25,829,908	24,242,365	8,616	0	3,788,852
RBP	56								
RBP	57	G376 Mains							
RBP	58	Firm Allocation	AVGPEAK_04	2,609,642,309	0	2,609,642,309	0	0	0
RBP	59	CIG & TSG-NF Redistribution	TRANSPORT_04	56,400,874	0	56,400,874	0	0	0
RBP	60	Not Used	not_used	0	0	0	0	0	0
RBP	61	Total Account G376		2,666,043,183	0	2,666,043,183	0	0	0
RBP	62								
RBP	63	G377 Compressor Station Equip	DISTPLTXMTR	0	0	0	0	0	0
RBP	64								
RBP	65	G378-G379 Meas & Regulatory Equipment							
RBP	66	Firm Investment	AVGPEAK_04	170,186,128	0	170,186,128	0	0	0
RBP	67	Not Used	not_used	0	0	0	0	0	0
RBP	68	Total Account G378-G379		170,186,128	0	170,186,128	0	0	0
RBP	69								
RBP	70	G380 Services							
RBP	71	Firm Allocation	SERVICES_03	2,840,316,509	2,840,316,509	0	0	0	0
RBP	72	CIG & TSG-NF Redistribution	TRANSPORT_03	13,753,313	13,753,313	0	0	0	0
RBP	73	Not Used	not_used	0	0	0	0	0	0
RBP	74	Total Account G380		2,854,069,822	2,854,069,822	0	0	0	0
RBP	75								
RBP	76	G381 Meters							
RBP	77	Firm Allocation	SMMETERS_07	257,229,506	0	0	0	0	257,229,506
RBP	78	CIG & TSG-NF Redistribution	TRANSPORT_07	5,584	0	0	0	0	5,584
RBP	79	Not Used	not_used	0	0	0	0	0	0
RBP	80	Total Account G381		257,235,090	0	0	0	0	257,235,090
RBP	81								
RBP	82	G382 Meter Installations							
RBP	83	Firm Allocation	MTRINSTAL_07	145,987,951	0	0	0	0	145,987,951
RBP	84	CIG & TSG-NF Redistribution	TRANSPORT_07	1,592	0	0	0	0	1,592
RBP	85	Not Used	not_used	0	0	0	0	0	0
RBP	86	Total Account E382		145,989,543	0	0	0	0	145,989,543
RBP	87								
RBP	88								
RBP	89								
RBP	90								
RBP	91								
RBP	92								
RBP	93								
RBP	94								
RBP	95								
RBP	96								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	GDist Access	GDist Delivery	GStreet Lighting	GCustomer Service	GMeasurement
				(1)	(2)	(3)	(4)	(5)	(6)
RBP	97	<b>GAS PLANT IN SERVICE CONTINUED</b>							
RBP	98								
RBP	99	<b>DISTRIBUTION PLANT CONTINUED</b>							
RBP	100								
RBP	101	G383-384 House Regulators & Installation							
RBP	102	Firm Allocation - Regulators - G383	HOUSEREG_03	38,504,809	38,504,809	0	0	0	0
RBP	103	Firm Allocation - Installation - G384	HSEREGINST_03	98,655,591	98,655,591	0	0	0	0
RBP	104	CIG & TSG-NF Redistribution	TRANSPORT_03	22,904	22,904	0	0	0	0
RBP	105	Not Used	not_used	0	0	0	0	0	0
RBP	106	Total Account G383-384		137,183,305	137,183,305	0	0	0	0
RBP	107								
RBP	108	G385 Industrial Meas and Regul Station Equip							
RBP	109	Firm Allocation - Regulators	LRGREG_03	40,304,082	40,304,082	0	0	0	0
RBP	110	Firm Allocation - Meters	LRGMTR_07	40,304,082	0	0	0	0	40,304,082
RBP	111	CIG & TSG-NF Redistribution - Regulators	TRANSPORT_03	1,440,400	1,440,400	0	0	0	0
RBP	112	CIG & TSG-NF Redistribution - Meters	TRANSPORT_07	1,440,400	0	0	0	0	1,440,400
RBP	113	Not Used	not_used	0	0	0	0	0	0
RBP	114	Total Account G385		83,488,964	41,744,482	0	0	0	41,744,482
RBP	115								
RBP	116	G386 Other Prop on Cust Prem	TRANSPORT_04	0	0	0	0	0	0
RBP	117								
RBP	118	G387-Other Equipment							
RBP	119	G387.1 Other Eqmt - Street Ltg Posts	DIRSLG_05	1,011,930	0	0	1,011,930	0	0
RBP	120	G387.2 Other Eqmt - Street Ltg Services	DIRSLG_03	509,787	509,787	0	0	0	0
RBP	121	Total Accounts G387		1,521,717	509,787	0	1,011,930	0	0
RBP	122								
RBP	123	G388 - Asset Retirement Obligations	PLT_376	10,834,324	0	10,834,324	0	0	0
RBP	124								
RBP	125	<b>TOTAL DISTRIBUTION PLANT</b>		6,380,421,816	3,059,337,304	2,871,305,999	1,020,546	0	448,757,967
RBP	126								
RBP	127								
RBP	128								
RBP	129								
RBP	130								
RBP	131								
RBP	132								
RBP	133								
RBP	134								
RBP	135								
RBP	136								
RBP	137								
RBP	138								
RBP	139								
RBP	140								
RBP	141								
RBP	142								
RBP	143								
RBP	144								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	GDist Access	GDist Delivery	GStreet Lighting	GCustomer Service	GMeasurement
				(1)	(2)	(3)	(4)	(5)	(6)
RBP	145	<b>GAS PLANT IN SERVICE CONTINUED</b>							
RBP	146								
RBP	147	GENERAL AND COMMON PLANT							
RBP	148	E390-E398 GENERAL PLANT							
RBP	149	Meter Related	METERPLT	0	0	0	0	0	0
RBP	150	Regulator Plant Related	PLT_3834	0	0	0	0	0	0
RBP	151	Appliance Safety Related	CINST_04	0	0	0	0	0	0
RBP	152	Distribution Delivery	DISTPLTXMTR	94,801,809	48,864,127	45,860,866	16,300	0	60,516
RBP	153	Competitive Service	COMPSVSWK_04	0	0	0	0	0	0
RBP	154	SONP/RNP Related	CUSTAVG_04	0	0	0	0	0	0
RBP	155	Gas Peaking Plant Related	BALANCE_04	0	0	0	0	0	0
RBP	156	Total Accounts E390-E398		94,801,809	48,864,127	45,860,866	16,300	0	60,516
RBP	157								
RBP	158	C389-C399 COMMON PLANT							
RBP	159	ASB Work Related	CINST_04	0	0	0	0	0	0
RBP	160	Meter Plant Related	METERPLT	0	0	0	0	0	0
RBP	161	Meter Reading Related	MRCOST_07	0	0	0	0	0	0
RBP	162	Not Used	not_used	0	0	0	0	0	0
RBP	163	Customer Service Related	CUSTSVSX	30,712,825	0	1,585,150	0	23,611,450	5,516,225
RBP	164	Distribution Delivery Related	DISTPLTXMTR	36,360,558	18,741,487	17,589,608	6,252	0	23,210
RBP	165	Service & Support Related	UTILWORK_04	0	0	0	0	0	0
RBP	166	Unassigned	TOTPLT	11,799,954	5,505,309	5,440,827	1,836	49,772	802,209
RBP	167	Total Accounts C389-C399		78,873,337	24,246,796	24,615,586	8,088	23,661,222	6,341,645
RBP	168								
RBP	169	TOTAL GENERAL AND COMMON PLANT		173,675,146	73,110,922	70,476,452	24,389	23,661,222	6,402,161
RBP	170								
RBP	171								
RBP	172	<b>TOTAL GAS PLANT IN SERVICE (101)</b>		6,713,609,232	3,132,257,280	3,095,570,539	1,044,871	28,318,154	456,418,389
RBP	173								
RBP	174								
RBP	175								
RBP	176								
RBP	177								
RBP	178								
RBP	179								
RBP	180								
RBP	181								
RBP	182								
RBP	183								
RBP	184								
RBP	185								
RBP	186								
RBP	187								
RBP	188								
RBP	189								
RBP	190								
RBP	191								
RBP	192								

PUBLIC SERVICE ELECTRIC GAS COMPANY  
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
RBD	1	<b>LESS: DEPRECIATION RESERVE &amp; AMORT</b>							
RBD	2								
RBD	3	G301-G303 - INTANGILE PLANT - RESERVE							
RBD	4	General - AWMS & Misc.	TOTPLT	0	0	0	0	0	0
RBD	5	Choice Project	not_used	0	0	0	0	0	0
RBD	6	GSMIS - meter related	not_used	0	0	0	0	0	0
RBD	7	- regulator related	not_used	0	0	0	0	0	0
RBD	8	- appliance safety related	not_used	0	0	0	0	0	0
RBD	9	- Comp Svs related	not_used	0	0	0	0	0	0
RBD	10	- Cust Svs related	not_used	0	0	0	0	0	0
RBD	11	Total Accounts E301-E303 Reserve		0	0	0	0	0	0
RBD	12								
RBD	13	C303 - INTANGIBLE PLANT - CUST SERVICE							
RBD	14	Customer Service	CUSTSVSX	1,758,988	0	90,785	0	1,352,277	315,926
RBD	15	Measurement	MRCOST_07	41,423	0	0	0	0	41,423
RBD	16	Not Used	not_used	0	0	0	0	0	0
RBD	17	G399.1 Asset Retirement Costs of General Plt	GENPLT	0	0	0	0	0	0
RBD	18	Not Used	not_used	0	0	0	0	0	0
RBD	19	TOTAL ACCOUNTS C303-C390.4,G399		1,800,411	0	90,785	0	1,352,277	357,349
RBD	20								
RBD	21	TOTAL INTANGIBLE PLANT		1,800,411	0	90,785	0	1,352,277	357,349
RBD	22								
RBD	23								
RBD	24	PRODUCTION PLANT G304-G320 RESERVE	BALANCE_04	56,481,321	0	56,481,321	0	0	0
RBD	25								
RBD	26	STORAGE PLANT G360-G363 RESERVE	BALANCE_04	9,779,585	0	9,779,585	0	0	0
RBD	27								
RBD	28	TRANSMISSION PLANT G365-G369 RESERVE	TRANPLT	45,868,864	0	45,868,864	0	0	0
RBD	29								
RBD	30								
RBD	31	DISTRIBUTION PLANT RESERVE							
RBD	32	G374-G375 Land & Structures Reserve	PLT_3745	37,333,548	17,900,998	16,800,777	5,971	0	2,625,802
RBD	33								
RBD	34	G376 Mains Reserve							
RBD	35	Firm Allocation	AVGPEAK_04	1,014,058,840	0	1,014,058,840	0	0	0
RBD	36	CIG & TSG-NF Redistribution	TRANSPORT_04	19,298,130	0	19,298,130	0	0	0
RBD	37	Not Used	not_used	0	0	0	0	0	0
RBD	38	Total Account G376		1,033,356,970	0	1,033,356,970	0	0	0
RBD	39								
RBD	40	G377 Compressor Station Equip Reserve	DISTPLTXMTR	0	0	0	0	0	0
RBD	41								
RBD	42	G378-G379 Meas & Regulatory Equip Reserve							
RBD	43	Firm Investment	AVGPEAK_04	77,019,065	0	77,019,065	0	0	0
RBD	44	Not Used	not_used	0	0	0	0	0	0
RBD	45	Total Account G378-G379		77,019,065	0	77,019,065	0	0	0
RBD	46								
RBD	47								
RBD	48								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
RBD	49	DEPRECIATION RESERVE & AMORT CONTINUED							
RBD	50								
RBD	51	DISTRIBUTION PLANT CONTINUED							
RBD	52								
RBD	53	G380 Services Reserve							
RBD	54	Firm Allocation	SERVICESR_03	783,395,795	783,395,795	0	0	0	0
RBD	55	CIG & TSG-NF Redistribution	TRANSPORT_03	6,209,011	6,209,011	0	0	0	0
RBD	56	Not Used	not_used	0	0	0	0	0	0
RBD	57	Total Account G380		789,604,806	789,604,806	0	0	0	0
RBD	58								
RBD	59	G381 Meters Reserve							
RBD	60	Firm Allocation	SMMETERSR_07	19,192,159	0	0	0	0	19,192,159
RBD	61	CIG & TSG-NF Redistribution	TRANSPORT_07	3,301	0	0	0	0	3,301
RBD	62	Not Used	not_used	0	0	0	0	0	0
RBD	63	Total Account G381		19,195,460	0	0	0	0	19,195,460
RBD	64								
RBD	65	G382 Meter Installations Reserve							
RBD	66	Firm Allocation	MTRINSTALR_07	42,287,036	0	0	0	0	42,287,036
RBD	67	CIG & TSG-NF Redistribution	TRANSPORT_07	565	0	0	0	0	565
RBD	68	Not Used	not_used	0	0	0	0	0	0
RBD	69	Total Account E382		42,287,602	0	0	0	0	42,287,602
RBD	70								
RBD	71	G383-384 House Regulators & Installation Reserve							
RBD	72	Firm Allocation - Regulators - G383	HOUSEREGR_03	18,990,814	18,990,814	0	0	0	0
RBD	73	Firm Allocation - Installation - G384	HSEREGINSTR_03	42,071,980	42,071,980	0	0	0	0
RBD	74	CIG & TSG-NF Redistribution	TRANSPORT_03	10,012	10,012	0	0	0	0
RBD	75	Not Used	not_used	0	0	0	0	0	0
RBD	76	Total Account G383-384		61,072,806	61,072,806	0	0	0	0
RBD	77								
RBD	78	G385 Industrial Meas and Regul Sta Equip Reserve							
RBD	79	Firm Allocation - Regulators	LRGREGR_03	11,491,185	11,491,185	0	0	0	0
RBD	80	Firm Allocation - Meters	LRGMTRR_07	11,491,185	0	0	0	0	11,491,185
RBD	81	CIG & TSG-NF Redistribution - Regulators	TRANSPORT_03	472,616	472,616	0	0	0	0
RBD	82	CIG & TSG-NF Redistribution - Meters	TRANSPORT_07	472,616	0	0	0	0	472,616
RBD	83	Not Used	not_used	0	0	0	0	0	0
RBD	84	Total Account G385		23,927,602	11,963,801	0	0	0	11,963,801
RBD	85								
RBD	86	G386 Other Prop on Cust Prem	TRANSPORT_04	0	0	0	0	0	0
RBD	87	G387.1 Other Eqmt - Street Ltg Posts	DIRSLG_05	660,435	0	0	660,435	0	0
RBD	88	G387.2 Other Eqmt - Street Ltg Services	DIRSLG_03	318,986	318,986	0	0	0	0
RBD	89								
RBD	90	TOTAL DISTRIBUTION PLANT RESERVE		2,084,777,279	880,861,396	1,127,176,812	666,406	0	76,072,665
RBD	91								
RBD	92								
RBD	93								
RBD	94								
RBD	95								
RBD	96								



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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
RBD	97	DEPRECIATION RESERVE & AMORT CONTINUED							
RBD	98								
RBD	99	GENERAL AND COMMON PLANT RESERVE							
RBD	100								
RBD	101	E390-E398 GENERAL PLANT - RESERVE							
RBD	102	Meter Related	METERPLT	0	0	0	0	0	0
RBD	103	Regulator Plant Related	PLT_3834	0	0	0	0	0	0
RBD	104	Appliance Safety Related	CINST_04	0	0	0	0	0	0
RBD	105	Distribution Delivery	DISTPLTXMTR	48,514,558	25,006,079	23,469,169	8,342	0	30,969
RBD	106	Competitive Service	COMPSVSWK_04	0	0	0	0	0	0
RBD	107	SONP/RNP Related	CUSTAVG_04	0	0	0	0	0	0
RBD	108	Gas Peaking Plant Related	BALANCE_04	0	0	0	0	0	0
RBD	109	Total Accounts E390-E398		48,514,558	25,006,079	23,469,169	8,342	0	30,969
RBD	110								
RBD	111	C389-C399 COMMON PLANT							
RBD	112	ASB Work Related	CINST_04	0	0	0	0	0	0
RBD	113	Meter Plant Related	METERPLT	0	0	0	0	0	0
RBD	114	Meter Reading Related	MRCOST_07	0	0	0	0	0	0
RBD	115	Not Used	not_used	0	0	0	0	0	0
RBD	116	Customer Service Related	CUSTSVSX	12,935,152	0	667,609	0	9,944,305	2,323,238
RBD	117	Distribution Delivery Related	DISTPLTXMTR	4,030,076	2,077,241	1,949,570	693	0	2,573
RBD	118	Service & Support Related	UTILWORK_04	0	0	0	0	0	0
RBD	119	Unassigned	TOTPLT	6,469,392	3,018,317	2,982,965	1,007	27,288	439,816
RBD	120	Total Accounts C389-C399 Reserve		23,434,620	5,095,557	5,600,144	1,700	9,971,593	2,765,626
RBD	121								
RBD	122	TOTAL DEPRECIATION RESERVE & AMORT.		2,270,656,638	910,963,032	1,268,466,679	676,448	11,323,870	79,226,609
RBD	123								
RBD	124								
RBD	125	NET GAS PLANT IN SERVICE		4,442,952,594	2,221,294,247	1,827,103,860	368,423	16,994,284	377,191,780
RBD	126								
RBD	127								
RBD	128								
RBD	129								
RBD	130								
RBD	131								
RBD	132								
RBD	133								
RBD	134								
RBD	135								
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RBD	138								
RBD	139								
RBD	140								
RBD	141								
RBD	142								
RBD	143								
RBD	144								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
RBO	1	<b>ADDITIONS AND DEDUCTIONS TO RATE BASE</b>							
RBO	2								
RBO	3	<b>PLUS: ADDITIONS TO RATE BASE</b>							
RBO	4								
RBO	5	Working Capital							
RBO	6	Materials and Supplies Excl Fuel Stock	PSTDPLT	39,734,287	18,604,096	18,395,049	6,206	0	2,728,936
RBO	7	Fuel Stock & Fuel Stock Expense	not_used	0	0	0	0	0	0
RBO	8	Gas Stored Underground	not_used	0	0	0	0	0	0
RBO	9	Cash (lead/lag)	EXPENDITURES	252,143,812	126,277,088	77,857,270	105,276	22,550,786	25,353,390
RBO	10	Prepayments/Working Funds	EXPENDITURES	433,030	216,867	133,712	181	38,729	43,542
RBO	11	Total Working Capital		292,311,129	145,098,052	96,386,031	111,663	22,589,515	28,125,868
RBO	12	Net Plant Adds - Distribution	DISTPLT	975,541,901	467,760,881	439,011,619	156,038	0	68,613,363
RBO	13	Capital Stimulus Adjust (Pro Forma #13)	DISTPLT	0	0	0	0	0	0
RBO	14	Capital Lease Plant & Reserve Deduction	COMPLT	96,280	29,598	30,048	10	28,883	7,741
RBO	15	Net Plant Adds - General & Other	TOTPLTNET	301,249,689	150,612,501	123,884,840	24,981	1,152,279	25,575,089
RBO	16	TOTAL ADDITIONS TO RATE BASE		1,569,199,000	763,501,032	659,312,538	292,691	23,770,678	122,322,061
RBO	17								
RBO	18								
RBO	19	<b>PLUS: DEDUCTIONS TO RATE BASE</b>							
RBO	20								
RBO	21	Customer Advances for Construction	MAIN_SERV	(19,722,411)	(10,197,978)	(9,524,433)	0	0	0
RBO	22	GSMP Roll-in #3	TOTPLT	(159,485,336)	(74,408,427)	(73,536,915)	(24,821)	(672,713)	(10,842,460)
RBO	23	Deferred Income Taxes and Credits							
RBO	24	ADIT Test/Post year	TOTPLT	(216,703,102)	(101,103,571)	(99,919,390)	(33,727)	(914,059)	(14,732,356)
RBO	25	Liberalized Depreciation	TOTPLT	128,670,440	60,031,633	59,328,509	20,026	542,735	8,747,538
RBO	26	Liberalized Depreciation - Production	BALANCE_04	2,823,347	0	2,823,347	0	0	0
RBO	27	Cost of Removal	TOTPLT	8,400,204	3,919,144	3,873,241	1,307	35,432	571,080
RBO	28	3% Investment Tax Credit	DISTPLT	0	0	0	0	0	0
RBO	29	Computer Software	TOTPLT	0	0	0	0	0	0
RBO	30	Capitalized Interest	TOTPLTNET	70,915	35,455	29,163	6	271	6,020
RBO	31	NJ Corporate Business Tax	STATEINCTAX	3,451,998	1,735,858	1,382,495	365	31,449	301,831
RBO	32	Defrd Tax & Consolidated Tax Adjustment	TOTPLT	(1,769,105,659)	(825,382,278)	(815,714,941)	(275,334)	(7,462,127)	(120,270,979)
RBO	33	Total Deferred Income Taxes and Credits		(1,842,391,857)	(860,763,760)	(848,197,577)	(287,357)	(7,766,298)	(125,376,865)
RBO	34								
RBO	35	TOTAL DEDUCTIONS TO RATE BASE		(2,021,599,605)	(945,370,166)	(931,258,924)	(312,179)	(8,439,011)	(136,219,325)
RBO	36								
RBO	37								
RBO	38	<b>TOTAL RATE BASE</b>		3,990,551,989	2,039,425,113	1,555,157,474	348,936	32,325,950	363,294,516
RBO	39								
RBO	40								
RBO	41								
RBO	42								
RBO	43								
RBO	44								
RBO	45								
RBO	46								
RBO	47								
RBO	48								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
REV	1	<b>OPERATING REVENUES</b>							
REV	2								
REV	3	<b>SALES REVENUES</b>							
REV	4	BASE RATE SALES @ EQUALIZED ROR 7.40%		887,227,203	354,728,183	351,076,582	431,322	82,091,914	98,899,202
REV	5	Revenue Requirement - Other #1	not_used	0	0	0	0	0	0
REV	6	Revenue Requirement - Other #2	not_used	0	0	0	0	0	0
REV	7	TOTAL SALES OF GAS		887,227,203	354,728,183	351,076,582	431,322	82,091,914	98,899,202
REV	8								
REV	9	<b>OTHER OPERATING REVENUES</b>							
REV	10	G487-Forfeited Discounts	REVLATEP	925,271	260,461	523,372	0	33,504	107,934
REV	11	G488-Miscellaneous Service Revenues	COMPSVSWK_04	44,808,832	0	44,808,832	0	0	0
REV	12	G489-Revenues from Transmission from Others	not_used	0	0	0	0	0	0
REV	13	G493-Rent from Gas Property	TOTPLT	347,393	162,077	160,179	54	1,465	23,617
REV	14	G495-Other Gas Revenues							
REV	15	Miscellaneous Gas Revenues	TOTREV	107,809	40,847	46,077	50	9,446	11,390
REV	16	Peak Shaving Revenues	BALANCE_04	4,061,953	0	4,061,953	0	0	0
REV	17	Not Used	not_used	0	0	0	0	0	0
REV	18	Not Used	not_used	0	0	0	0	0	0
REV	19	TOTAL OTHER OPERATING REV		50,251,258	463,385	49,600,413	104	44,415	142,941
REV	20								
REV	21	<b>OTHER REVENUE SOURCES</b>							
REV	22	Not Used	not_used	0	0	0	0	0	0
REV	23	Not Used	not_used	0	0	0	0	0	0
REV	24	TOTAL OTHER REVENUE SOURCES		0	0	0	0	0	0
REV	25								
REV	26	LESS: E496 Provision for Rate Refunds	TOTREV	0	0	0	0	0	0
REV	27								
REV	28	<b>TOTAL OPERATING REVENUES</b>		937,478,461	355,191,568	400,676,995	431,426	82,136,329	99,042,144
REV	29								
REV	30								
REV	31								
REV	32								
REV	33								
REV	34								
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
E	1	<b>OPERATION &amp; MAINTENANCE EXPENSE</b>							
E	2								
E	3	<b>MANUFACTURED GAS PRODUCTION EXPENSE</b>							
E	4	G710-G718 Production Expenses Incl Labor	BALANCE_04	251,901	0	251,901	0	0	0
E	5	G722-G736 Gas Raw Materials	BALANCE_04	0	0	0	0	0	0
E	6	G739-G745 Operation & Maintenance Exp	BALANCE_04	977,169	0	977,169	0	0	0
E	7	Not Used	not_used	0	0	0	0	0	0
E	8	<b>TOTAL MANUFACTURED GAS PRODUCTION EXP</b>		1,229,069	0	1,229,069	0	0	0
E	9								
E	10	<b>OTHER GAS SUPPLY EXPENSE</b>							
E	11	G801 Natural Gas Field Line Purchases	not_used	0	0	0	0	0	0
E	12	G804 Natural Gas City Gate Purchases	not_used	0	0	0	0	0	0
E	13	G805 Other Gas Purchases	not_used	0	0	0	0	0	0
E	14	G808.1,.2 GasInject & W/D from Storage	not_used	0	0	0	0	0	0
E	15	G812 Gas Used for Other Util Oper	not_used	0	0	0	0	0	0
E	16	G813 Other Gas Supply Expenses							
E	17	Supply Related	not_used	0	0	0	0	0	0
E	18	Distribution Related	TRANSPORT_04	5,670,771	0	5,670,771	0	0	0
E	19	<b>TOTAL OTHER GAS SUPPLY EXPENSE</b>		5,670,771	0	5,670,771	0	0	0
E	20	<b>TOTAL GAS PRODUCTION AND SUPPLY</b>		6,899,840	0	6,899,840	0	0	0
E	21								
E	22	<b>OTHER STORAGE EXPENSE</b>							
E	23	G840-G842 Operation	BALANCE_04	161,767	0	161,767	0	0	0
E	24	G843 Maintenance	BALANCE_04	312,637	0	312,637	0	0	0
E	25	<b>TOTAL OTHER STORAGE EXPENSE</b>		474,404	0	474,404	0	0	0
E	26								
E	27	<b>TRANSMISSION EXPENSES</b>							
E	28	G850-G867 Transmission Exp	TRANPLT	2,558,168	0	2,558,168	0	0	0
E	29	<b>TOTAL TRANSMISSION EXPENSE</b>		2,558,168	0	2,558,168	0	0	0
E	30								
E	31	<b>DISTRIBUTION EXPENSES</b>							
E	32	Operation							
E	33	G870 Operation Supervision & Engineering	TLABDO	0	0	0	0	0	0
E	34	G871 Load Dispatching	TRANSPORT_04	0	0	0	0	0	0
E	35	G872 Compressor Station Labor & Expenses	TRANSPORT_04	0	0	0	0	0	0
E	36	G874 Mains & Services	MAIN_SERV	20,145,891	10,416,950	9,728,941	0	0	0
E	37	G875 Meas & Reg Station - General	PLT_3789	2,184,897	0	2,184,897	0	0	0
E	38	G876 Meas & Reg Station - Industrial	PLT_3789	13,963	0	13,963	0	0	0
E	39	G877 Meas & Reg Station - City Gate	PLT_3789	410,080	0	410,080	0	0	0
E	40	G878 Meter & House Reg	PLT_3814	8,418,451	2,137,035	0	0	0	6,281,415
E	41	G879 Customer Installations							
E	42	- Customer Installations	CINST_04	24,548,330	0	24,548,330	0	0	0
E	43	- Competitive Services by ASB	COMPSVSWK_04	0	0	0	0	0	0
E	44	G880.0,.1,.2 Other Expenses	DISTEXPO	9,359,608	2,107,929	6,196,971	0	0	1,054,707
E	45	G880.3 Operation of Street Lighting	DIRSLG_05	0	0	0	0	0	0
E	46	G881 Rents	TRANSPORT_04	20,476	0	20,476	0	0	0
E	47	<b>Total Distribution Operation</b>		65,101,696	14,661,914	43,103,659	0	0	7,336,123
E	48								

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	GDist Access	GDist Delivery	GStreet Lighting	GCustomer Service	GMeasurement
				(1)	(2)	(3)	(4)	(5)	(6)
E	49	OPERATION & MAINTENANCE EXPENSE CONTINUED							
E	50								
E	51	DISTRIBUTION EXPENSES CONTINUED							
E	52	Maintenance							
E	53	G885 Maint. Supervision & Engineering	TLABDM	0	0	0	0	0	0
E	54	G886 Structures & Improvements	PLT_3745	4,408,455	2,113,803	1,983,885	705	0	310,062
E	55	G887 Mains	PLT_376	12,392,584	0	12,392,584	0	0	0
E	56	G888 Compressor Station Equip	PLT_377	0	0	0	0	0	0
E	57	G889 Meas & Reg Station - General	PLT_3789	1,746,894	0	1,746,894	0	0	0
E	58	G890 Meas & Reg Station - Industrial	PLT_3789	74,171	0	74,171	0	0	0
E	59	G891 Meas & Reg Station - City Gate	PLT_3789	2,032,508	0	2,032,508	0	0	0
E	60	G892 Services	SERVICES	4,033,930	4,033,930	0	0	0	0
E	61	G893 Meters & House Reg							
E	62	G893.1 - Meters	SMMETERS_07	10,857,110	0	0	0	0	10,857,110
E	63	G893.4 - House Regulators	PLT_3834	0	0	0	0	0	0
E	64	Not Used	not_used	0	0	0	0	0	0
E	65	G894 Maint of Other Equipment							
E	66	G894.0 - Maint of Other Equip	DISTEXPM	0	0	0	0	0	0
E	67	G894.1 - Maint of Gas Streetlights	DIRSLG_05	283,468	0	0	283,468	0	0
E	68	Total Distribution Maintenance		35,829,120	6,147,733	18,230,042	284,173	0	11,167,172
E	69	TOTAL DISTRIBUTION PLANT O&M EXPENSES		100,930,816	20,809,647	61,333,701	284,173	0	18,503,295
E	70								
E	71	TOTAL OPER & MAINT EXP (PROD,STOR, TRAN,& DIST)		112,092,298	20,809,647	72,495,182	284,173	0	18,503,295
E	72								
E	73								
E	74	CUSTOMER ACCOUNTS EXPENSES							
E	75	G901 Supervision	CUSTACCTS	0	0	0	0	0	0
E	76	G902 Meter Reading							
E	77	- Meter Reading Related	MRCOST_07	12,640,464	0	0	0	0	12,640,464
E	78	- Billing Related	BILLING_06	0	0	0	0	0	0
E	79	- Remaining	MRCOST_07	0	0	0	0	0	0
E	80	G903 Customer Records and Collection							
E	81	- SONP/RNP	CUSTAVG_06	1,016,462	0	0	0	1,016,462	0
E	82	- Meter O&M Related	METERPLT	44,809	0	0	0	0	44,809
E	83	- Meter Reading Related	MRCOST_07	82,681	0	0	0	0	82,681
E	84	- Billing Related	BILLING_06	12,406,599	0	0	0	12,406,599	0
E	85	- Acct Maint Related	ACCTMAINT_06	33,695,241	0	0	0	33,695,241	0
E	86	- Utility Work Related	UTILWORK_04	2,295,820	0	2,295,820	0	0	0
E	87	- Remaining	BILLING_06	6,765,990	0	0	0	6,765,990	0
E	88	Not used	not_used	0	0	0	0	0	0
E	89	G904 Uncollectible Accounts	EXP_904	32,272,208	12,909,365	12,775,541	0	2,987,771	3,599,531
E	90	G905 Misc Customer Accounts	CUSTACCTS	0	0	0	0	0	0
E	91	TOTAL CUSTOMER ACCTS EXPENSE		101,220,275	12,909,365	15,071,361	0	56,872,063	16,367,485
E	92								
E	93								
E	94								
E	95								
E	96								

**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
E	97	<b>OPERATION &amp; MAINTENANCE EXPENSE CONTINUED</b>							
E	98								
E	99	<b>CUSTOMER SERVICE &amp; INFO EXPENSES</b>							
E	100	G907 & 908 - Customer Service & Information							
E	101	- Billing	BILLING_06	107,720	0	0	0	107,720	0
E	102	- Acct Maint Related	ACCTMAINT_06	237,202	0	0	0	237,202	0
E	103	- Utility Work Related	UTILWORK_04	1,289,604	0	1,289,604	0	0	0
E	104	- Remaining	ACCTMAINT_06	0	0	0	0	0	0
E	105	G909 Info & Instr Advertising	TRANSPORT_04	0	0	0	0	0	0
E	106	G910 - Misc Cust Service & Info							
E	107	- Utility Work Related	UTILWORK_04	83,593	0	83,593	0	0	0
E	108	- Remaining	BILLING_06	422,272	0	0	0	422,272	0
E	109	TOTAL CUSTOMER SERVICE & INFO EXPENSES		2,140,391	0	1,373,197	0	767,194	0
E	110								
E	111	<b>SALES EXPENSES</b>							
E	112	G912 - Demonstrating and Selling	UTILWORK_04	924,164	0	924,164	0	0	0
E	113	G913 - Advertising	UTILWORK_04	0	0	0	0	0	0
E	114	G916 - Miscellaneous	UTILWORK_04	0	0	0	0	0	0
E	115	SALES EXPENSES TOTAL (ACCT 916)		924,164	0	924,164	0	0	0
E	116								
E	117	TOTAL OPER & MAINT EXCL A&G		216,377,128	33,719,012	89,863,905	284,173	57,639,258	34,870,780
E	118								
E	119								
E	120	<b>ADMINISTRATIVE &amp; GENERAL EXPENSE</b>							
E	121	G920 A&G Salaries	TOMXFUEL904	3,929,409	392,823	1,876,875	5,082	1,051,615	603,014
E	122	G921 Office Supplies & Exp	TOMXFUEL904	1,584,556	158,408	756,860	2,049	424,069	243,169
E	123	G923 Outside Services Employed							
E	124	- Gas Peaking Plant Related	BALANCE_04	17	0	17	0	0	0
E	125	- Remaining	TOMXFUEL904	39,493,695	3,948,186	18,864,089	51,082	10,569,568	6,060,770
E	126	G924 Property Insurance	TOTPLT	290,662	135,609	134,021	45	1,226	19,760
E	127	G925 Injuries & Damages	LABOR	4,878,224	326,952	2,988,762	2,783	985,363	574,365
E	128	G926 Employee Pension & Benefits							
E	129	- Gas Peaking Plant Related	BALANCE_04	218,107	0	218,107	0	0	0
E	130	- Remaining	LABOR	42,964,638	2,879,604	26,323,319	24,513	8,678,517	5,058,685
E	131	G928 Regulatory Comm Exp	TRANSPORT_04	4,531,596	0	4,531,596	0	0	0
E	132	G929 Duplicate Charges - credit	INTRAREV	(615,275)	(116,280)	(436,935)	(0)	(10,047)	(52,013)
E	133	G930.1 General Advertising Expenses	TRANSPORT_04	1,729,189	0	1,729,189	0	0	0
E	134	G930.2 Misc General Expenses	TRANSPORT_04	2,647,808	0	2,647,808	0	0	0
E	135	G931 Rents	AGEXP	3,806,384	289,896	2,229,602	3,210	814,316	469,360
E	136	G932 Maint of General Plant	COMGENPLT	0	0	0	0	0	0
E	137	G935 Other A&G Maint	COMGENPLT	0	0	0	0	0	0
E	138	Not Used	not_used	0	0	0	0	0	0
E	139	TOTAL A&G EXPENSE		105,459,010	8,015,198	61,863,310	88,765	22,514,628	12,977,109
E	140								
E	141	<b>TOTAL OPERATION &amp; MAINTENANCE EXPENSES</b>		321,836,138	41,734,210	151,727,215	372,938	80,153,885	47,847,889
E	142								
E	143								
E	144								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
DE	1	DEPRECIATION AND AMORTIZATION EXPENSES							
DE	2								
DE	3	G403 DEPRECIATION EXPENSE							
DE	4	Production Plant	BALANCE_04	1,503,562	0	1,503,562	0	0	0
DE	5	Storage Plant	BALANCE_04	304,695	0	304,695	0	0	0
DE	6	Transmission Plant	TRANPLT	1,844,051	0	1,844,051	0	0	0
DE	7	Distribution Plant	DISTPLT	109,035,692	52,281,333	49,068,047	17,440	0	7,668,872
DE	8	General and Common Plant	COMGENPLT	10,674,242	4,493,468	4,331,551	1,499	1,454,242	393,483
DE	9	Not Used	not_used	0	0	0	0	0	0
DE	10	TOTAL DEPRECIATION EXPENSE		123,362,242	56,774,801	57,051,906	18,939	1,454,242	8,062,355
DE	11								
DE	12	G404.3 AMORT OF OTHER LIMITED TERM PLANT							
DE	13	Customer Service Related	CUSTSVSX	234,265	0	12,091	0	180,099	42,076
DE	14	AWMS	DISTPLT	0	0	0	0	0	0
DE	15	Choice	CHOICE_04	540,220	0	540,220	0	0	0
DE	16	Metering	METERPLT	29,719	0	0	0	0	29,719
DE	17	All Other	PSTDPLT	0	0	0	0	0	0
DE	18	TOTAL AMORT OF OTHER LIMITED TERM PLT		804,204	0	552,311	0	180,099	71,794
DE	19								
DE	20	G407 AMORT OF PROPERTY LOSSES							
DE	21	Remediation Adjustment Clause	not_used	0	0	0	0	0	0
DE	22	Excess Cost of Removal	TOTPLT	(13,200,000)	(6,158,505)	(6,086,373)	(2,054)	(55,678)	(897,390)
DE	23	TOTAL AMORT OF PROPERTY LOSSES		(13,200,000)	(6,158,505)	(6,086,373)	(2,054)	(55,678)	(897,390)
DE	24								
DE	25	TOTAL AMORTIZATION EXPENSE		(12,395,796)	(6,158,505)	(5,534,062)	(2,054)	124,421	(825,595)
DE	26								
DE	27	TOTAL DEPRECIATION AND AMORTIZATION EXPENSES		110,966,446	50,616,296	51,517,843	16,885	1,578,663	7,236,759
DE	28								
DE	29								
DE	30								
DE	31								
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**PUBLIC SERVICE ELECTRIC GAS COMPANY  
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
EO	1	<b>OTHER OPERATING EXPENSES</b>							
EO	2								
EO	3	<b>G408 TAXES OTHER THAN INCOME TAXES</b>							
EO	4	TEFA	TEFA_04	0	0	0	0	0	0
EO	5	Real Estate Taxes	TOTPLT	4,565,378	2,129,993	2,105,045	711	19,257	310,373
EO	6	State Unemploy Insur (SUI) Tax	LABOR	566,300	37,955	346,957	323	114,388	66,677
EO	7	Fed Insur Contr & UnempTax	LABOR	12,535,434	840,158	7,680,135	7,152	2,532,059	1,475,930
EO	8	Fed Insur Contr & UnempTax - Gas Peaking Plts	BALANCE_04	73,813	0	73,813	0	0	0
EO	9	Miscellaneous State and Municipal Tax	TOTPLT	814,676	380,090	375,638	127	3,436	55,385
EO	10	Federal Environmental Tax	PSTDPLT	0	0	0	0	0	0
EO	11	<b>TOTAL TAXES OTHER THAN INCOME</b>		18,555,601	3,388,196	10,581,589	8,312	2,669,140	1,908,365
EO	12								
EO	13								
EO	14	<b>PROFORMA EXPENSE ADJUSTMENTS</b>							
EO	15	Adj #1 - Annualization of Wages	LABOR	(4,696,915)	(314,800)	(2,877,678)	(2,680)	(948,740)	(553,018)
EO	16	Adj #2 - Annualization of Payroll Taxes	LABOR	(331,530)	(22,220)	(203,120)	(189)	(66,966)	(39,035)
EO	17	Adj #3 - Interest Synchronization Tax Savings	TOTPLTNET	1,001,400	500,659	411,812	83	3,830	85,015
EO	18	add'l tax effects on rev req	TOTPLTNET	691,584	345,764	284,404	57	2,645	58,713
EO	19	Adj #4 - Pension and Fringe Benefits	LABOR	(21,991,680)	(1,473,941)	(13,473,732)	(12,547)	(4,442,145)	(2,589,315)
EO	20	Adj #5 - Gas COLI Interest Expense	LABOR	(1,009,736)	(67,675)	(618,639)	(576)	(203,959)	(118,887)
EO	21	add'l tax effects on rev req	LABOR	(697,341)	(46,738)	(427,243)	(398)	(140,857)	(82,105)
EO	22	Adj #10 - ASB Margin	TOTPLT	(13,177,104)	(6,147,823)	(6,075,816)	(2,051)	(55,581)	(895,833)
EO	23	Adj #12 - Depreciation Rate Change/Annualization	DEPREXP	(77,502,480)	(35,668,838)	(35,842,930)	(11,899)	(913,629)	(5,065,184)
EO	24	Adj #6 & 11 - Weather Normalization & TSGNF Margin Sharing	not_used	0	0	0	0	0	0
EO	25	Adj #7 - Gains/Losses on Sales of Property	TOTPLT	35,405	16,518	16,325	6	149	2,407
EO	26	add'l tax effects on rev req	TOTPLT	24,451	11,408	11,274	4	103	1,662
EO	27	Adj #14 & 17 Post Rate Case Storm Cost Normalization & Regulatory Assests	TOTPLT	0	0	0	0	0	0
EO	28	Adj #15 & 16 - Excess COR Refund Recovery & Test Year Amortization Adjustments	TOTPLT	(21,281,480)	(9,928,947)	(9,812,654)	(3,312)	(89,766)	(1,446,801)
EO	29	Adj #8 - Real Estate Taxes	TOTPLT	(365,541)	(170,544)	(168,547)	(57)	(1,542)	(24,851)
EO	30	Adj #18 & 23 - Rate Case Expenses & Test Year Corrections	TOTPLT	786,238	366,822	362,526	122	3,316	53,452
EO	31	Adj #9 - Insurance	TOTPLT	(103,220)	(48,158)	(47,594)	(16)	(435)	(7,017)
EO	32	Adj #19 - Credit Card Fees	CUSTSVSX	(1,623,248)	0	(83,779)	0	(1,247,923)	(291,546)
EO	33	Adj #20 - Vacation Accrual	LABOR	(2,406,329)	(161,279)	(1,474,295)	(1,373)	(486,059)	(283,323)
EO	34	Adj #22 - BPU / Rate Counsel Assessment	TRANSPORT_04	(278,435)	0	(278,435)	0	0	0
EO	35	Adj #21 - Energy Strong / GSMP Revenue Adjustment	TOTPLT	7,322,590	3,416,380	3,376,365	1,140	30,887	497,819
EO	36	Adj #13 Storm Cost Amortization	TOTPLTNET	0	0	0	0	0	0
EO	37	<b>TOTAL PROFORMA EXPENSE ADJUSTMENTS</b>		(135,603,371)	(49,393,412)	(66,921,755)	(33,685)	(8,556,672)	(10,697,846)
EO	38								
EO	39	<b>TOTAL OTHER OPERATING EXPENSES</b>		(117,047,770)	(46,005,217)	(56,340,166)	(25,373)	(5,887,533)	(8,789,482)
EO	40								
EO	41								
EO	42								
EO	43								
EO	44								
EO	45								
EO	46								
EO	47								
EO	48								



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TI	1	<b>DEVELOPMENT OF INCOME TAXES</b>							
TI	2								
TI	3	TOTAL OPERATING REVENUES	SCH REV, LN 28	937,478,461	355,191,568	400,676,995	431,426	82,136,329	99,042,144
TI	4	LESS:							
TI	5	OPERATION & MAINTAINENCE EXPENSE	SCH E, LN 141	321,836,138	41,734,210	151,727,215	372,938	80,153,885	47,847,889
TI	6	DEPRECIATION & AMORTIZATION EXPENSE	SCH DE, LN 27	110,966,446	50,616,296	51,517,843	16,885	1,578,663	7,236,759
TI	7	OTHER OPERATING EXPENSES	SCH EO, LN 39	(117,047,770)	(46,005,217)	(56,340,166)	(25,373)	(5,887,533)	(8,789,482)
TI	8	NET OPERATING INCOME BEFORE TAXES		621,723,647	308,846,278	253,772,104	66,976	6,291,313	52,746,977
TI	9	LESS:							
TI	10	G427 - G431 INTEREST CHARGES	TOTPLTNET	65,316,923	32,655,785	26,860,697	5,416	249,837	5,545,188
TI	11	<b>TOTAL OPERATING INCOME BEFORE TAXES</b>		556,406,724	276,190,492	226,911,407	61,559	6,041,476	47,201,789
TI	12								
TI	13								
TI	14								
TI	15	<b>TAX ADJUSTMENTS - FEDERAL</b>							
TI	16	Credits & Adjustments	TOTPLT	325,000	151,630	149,854	51	1,371	22,095
TI	17	Uncollectible Accounts - Writeoff	REVREQ	1,729,674	691,552	684,434	841	160,040	192,807
TI	18	Injuries and Damages	TOTPLT	606,244	282,845	279,532	94	2,557	41,215
TI	19	Meals & Entertainment	LABOR	172,075	11,533	105,426	98	34,758	20,260
TI	20	Company owned life insurance	LABOR	(367,196)	(24,610)	(224,971)	(209)	(74,171)	(43,234)
TI	21	ESOP/401(k) Cash Dividends	TOTPLTNET	(1,127,749)	(563,828)	(463,772)	(94)	(4,314)	(95,742)
TI	22	Medicare Subsidy	LABOR	316,199	21,192	193,727	180	63,870	37,229
TI	23	Allowable Depreciation	DEPREXP	(158,671,156)	(73,024,964)	(73,381,382)	(24,360)	(1,870,477)	(10,369,973)
TI	24	Restricted Stock - Permanent	LABOR	(313,507)	(21,012)	(192,077)	(179)	(63,326)	(36,912)
TI	25	Previously Ded Amort-Reacq Bonds	not_used	0	0	0	0	0	0
TI	26	Amortization of Reacquisition of Pref Stock	TOTPLTNET	(5,087)	(2,544)	(2,092)	(0)	(19)	(432)
TI	27	Lobbying Expenses	LABOR	181,641	12,174	111,287	104	36,690	21,387
TI	28	Penalties	not_used	0	0	0	0	0	0
TI	29	AFUDC / IDC	TOTPLT	(124,561)	(58,114)	(57,433)	(19)	(525)	(8,468)
TI	30	Dividends Received Deduction	TOTPLTNET	(14,574)	(7,287)	(5,994)	(1)	(56)	(1,237)
TI	31	Real Estate Taxes	TOTPLTNET	(370,590)	(185,280)	(152,400)	(31)	(1,418)	(31,462)
TI	32	Line Pack Adjustment	TOTPLTNET	(31,240)	(15,619)	(12,847)	(3)	(119)	(2,652)
TI	33	Legal Reserves	TOTPLTNET	(53,487)	(26,741)	(21,996)	(4)	(205)	(4,541)
TI	34	Deferred Comp - officers	LABOR	(5,518)	(370)	(3,381)	(3)	(1,115)	(650)
TI	35	PIP Adjustment	LABOR	(163,297)	(10,945)	(100,048)	(93)	(32,985)	(19,227)
TI	36	Accrued vacation pay adjustment	LABOR	85,318	5,718	52,272	49	17,234	10,045
TI	37	3rd Party Claims	TOTPLT	(948)	(442)	(437)	(0)	(4)	(64)
TI	38	Casualty Insurance Proceeds	TOTPLT	(141,430)	(65,985)	(65,212)	(22)	(597)	(9,615)
TI	39	Miscellaneous (R&D Exp., Limit Term Util Plant, ARO Fin 47, Rabbi Trust)	TOTPLT	9,119	4,255	4,205	1	38	620
TI	40	Contribution in Aid of Construct	TOTPLTNET	(573,555)	(286,754)	(235,867)	(48)	(2,194)	(48,693)
TI	41	Pension Accrual Adjustment	LABOR	3,900,029	261,390	2,389,446	2,225	787,775	459,192
TI	42	Unallowable OPEB Amortization	LABOR	(6,122,331)	(410,335)	(3,750,994)	(3,493)	(1,236,663)	(720,847)
TI	43	NJ BPU assessment & Deferred Depreciation & Return on CIP II	TOTPLTNET	154,169	77,078	63,400	13	590	13,088
TI	44	Unicap book/tax inventory	TOTPLTNET	30,217	15,107	12,426	3	116	2,565
TI	45	W-2 Earnings Exceeding \$1,000,000	LABOR	355,085	23,799	217,551	203	71,724	41,808
TI	46	Miscellaneous NOT USED (Diesel Fuel Tax Credit, Clause -Deferal Fuel, SBC)	not_used	0	0	0	0	0	0
TI	47	Capitalized Interest - Section 263A	TOTPLT	254,491	118,734	117,343	40	1,073	17,301
TI	48	Materials & Supplies Reserve	TOTPLT	(659,085)	(307,498)	(303,897)	(103)	(2,780)	(44,807)

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
TI	49	<b>TOTAL TAX ADJUSTMENTS - FEDERAL</b>		(160,626,053)	(73,335,321)	(74,593,897)	(24,762)	(2,113,130)	(10,558,944)
TI	50	<b>DEVELOPMENT OF INCOME TAXES CONTINUED</b>							
TI	51	<b>TAX ADJUSTMENTS - STATE</b>							
TI	52	Reverse TEFA	TEFA_04	0	0	0	0	0	0
TI	53	Federal Depreication Reversal	TOTPLT	78,560,441	36,652,642	36,223,345	12,227	331,370	5,340,857
TI	54	State Tax Depreciation	DEPREXP	23,048,241	10,607,454	10,659,226	3,538	271,702	1,506,321
TI	55	Not Used	TOTPLTNET	0	0	0	0	0	0
TI	56	<b>TOTAL TAX ADJUSTMENTS - STATE</b>		101,608,681	47,260,095	46,882,572	15,765	603,071	6,847,178
TI	57								
TI	58	<b>TAXABLE NET INCOME - STATE</b>		497,389,352	250,115,267	199,200,081	52,563	4,531,418	43,490,023
TI	59	State Tax Liability at 9.000%		44,765,042	22,510,374	17,928,007	4,731	407,828	3,914,102
TI	60	Prior Year Adjustment	TOTPLTNET	0	0	0	0	0	0
TI	61	<b>TOTAL STATE INCOME TAX LIABILITY</b>		44,765,042	22,510,374	17,928,007	4,731	407,828	3,914,102
TI	62								
TI	63	<b>TAXABLE NET INCOME - FEDERAL</b>		351,015,629	180,344,798	134,389,502	32,067	3,520,519	32,728,743
TI	64	Federal Tax Liability at 35.000%		122,855,470	63,120,679	47,036,326	11,224	1,232,182	11,455,060
TI	65	Not Used	not_used	0	0	0	0	0	0
TI	66	Not Used	not_used	0	0	0	0	0	0
TI	67	<b>TOTAL FEDERAL INCOME TAX LIABILITY</b>		122,855,470	63,120,679	47,036,326	11,224	1,232,182	11,455,060
TI	68								
TI	69								
TI	70	<b>TOTAL INCOME TAX EXPENSE</b>		167,620,512	85,631,053	64,964,333	15,954	1,640,009	15,369,162
TI	71								
TI	72								
TI	73								
TI	74								
TI	75								
TI	76								
TI	77								
TI	78								
TI	79								
TI	80								
TI	81								
TI	82								
TI	83								
TI	84								
TI	85	<b>TAX RATES</b>							
TI	86	FEDERAL TAX RATE - CURRENT	35.000%						
TI	87	NEW JERSEY CORP BUSINESS TAX RATE	9.000%						
TI	88	CUSTOMER ACCT UNCOLLECTIBLE RATE	0.000%						
TI	89	EFFECTIVE TAX RATE	40.850%						
TI	90	COMPOSITE RATE	40.850%						
TI	91	1 - EFFECTIVE TAX RATE	59.15000%						
TI	92								
TI	93								
TI	94								
TI	95								
TI	96								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
TI	97	DEVELOPMENT OF OPERATING INCOME ADJUSTED							
TI	98								
TI	99	<b>G410 + G411- PROVISION FOR DEFERRED INCOME TAX</b>							
TI	100	Depreciation	DEPREXP	156,532,670	72,040,773	72,392,387	24,032	1,845,267	10,230,212
TI	101	Previously Ded Amort-Reacq Bonds	not_used	0	0	0	0	0	0
TI	102	Amortization of Computer Software	INTANGPLT	0	0	0	0	0	0
TI	103	Clause - Deferred Fuel	not_used	0	0	0	0	0	0
TI	104	*Gain on Sale of Services Corp Asset	not_used	0	0	0	0	0	0
TI	105	AFUDC / IDC	TOTPLT	124,561	58,114	57,433	19	525	8,468
TI	106	Capitalized interest-Section 263A	TOTPLT	(254,491)	(118,734)	(117,343)	(40)	(1,073)	(17,301)
TI	107	Cost of removal	TOTPLT	0	0	0	0	0	0
TI	108	*Utility Commodity Costs-Non-Taxable Income	not_used	0	0	0	0	0	0
TI	109	*RAC-Environmental Cleanup Costs - Debit	not_used	0	0	0	0	0	0
TI	110	*SBC-Societal Benefits Clause - Unallow Deductions	not_used	0	0	0	0	0	0
TI	111	Deferred Comp - Officers	LABOR	5,518	370	3,381	3	1,115	650
TI	112	*Deduction of Securitization	not_used	0	0	0	0	0	0
TI	113	Accrued vacation pay adjustment	LABOR	(85,318)	(5,718)	(52,272)	(49)	(17,234)	(10,045)
TI	114	3rd Party Claims	TOTPLT	(97)	(45)	(45)	(0)	(0)	(7)
TI	115	Deferred Return on CIP II	TOTPLT	(26,238)	(12,241)	(12,098)	(4)	(111)	(1,784)
TI	116	Deferred Depreciation on CIP II	TOTPLT	(12,006)	(5,602)	(5,536)	(2)	(51)	(816)
TI	117	Defer Dividend Equivalents/Restricted Stock-Temp.	LABOR	0	0	0	0	0	0
TI	118	Contribution in Aid of Construct	TOTPLTNET	573,555	286,754	235,867	48	2,194	48,693
TI	119	Pension Accrual Adjustment	LABOR	(3,900,029)	(261,390)	(2,389,446)	(2,225)	(787,775)	(459,192)
TI	120	Unallowable OPEB Amortization	LABOR	6,122,331	410,335	3,750,994	3,493	1,236,663	720,847
TI	121	Fin Def-Energy Competition Act Ct	TOTPLT	518	242	239	0	2	35
TI	122	Rabbi Trust Unrealized Losses	LABOR	2,291	154	1,404	1	463	270
TI	123	Additional Real Estate Taxes	TOTPLT	370,590	172,900	170,875	58	1,563	25,194
TI	124	PIP Adjustment	LABOR	163,297	10,945	100,048	93	32,985	19,227
TI	125	Medicare Subsidy - Temp NC	LABOR	(316,199)	(21,192)	(193,727)	(180)	(63,870)	(37,229)
TI	126	Misc	TOTPLT	141,450	65,994	65,221	22	597	9,616
TI	127	Assessment by Board of Public Utilities of the State of NJ	TOTPLTNET	(115,925)	(57,958)	(47,672)	(10)	(443)	(9,842)
TI	128	Legal Reserves	LABOR	53,487	3,585	32,770	31	10,804	6,298
TI	129	Line Pack Adjustment	TOTPLT	31,240	14,575	14,405	5	132	2,124
TI	130	Materials & Supply	TOTPLT	659,085	307,498	303,897	103	2,780	44,807
TI	131	Investment Tax Credit	TOTPLT	(1,268,004)	(591,592)	(584,663)	(197)	(5,348)	(86,204)
TI	132	<b>TOTAL DEFERRED INCOME TAX</b>		158,802,288	72,297,766	73,726,118	25,200	2,259,184	10,494,021
TI	133								
TI	134								
TI	135	<b>This Section is not used at this time</b>							
TI	136	<b>PROFORMA OPERATING INCOME ADJUSTMENTS</b>							
TI	137	Not Used	not_used	0	0	0	0	0	0
TI	138	Not Used	not_used	0	0	0	0	0	0
TI	139	Not Used	not_used	0	0	0	0	0	0
TI	140								
TI	141								
TI	142	<b>OPERATING INCOME ADJUSTED</b>		295,300,847	150,917,458	115,081,653	25,821	2,392,120	26,883,794
TI	143								
TI	144								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
LR	1	<b>DEVELOPMENT OF LABOR ALLOCATION FACTOR</b>							
LR	2	Labor portion included in O&M Expense							
LR	3								
LR	4	<b>G700-G742 MANUFACTURED GAS LABOR EXP</b>	MFGO_M	792,921	0	792,921	0	0	0
LR	5	<b>G813 GAS SUPPLY LABOR EXPENSE</b>	EXP_813	4,135,706	0	4,135,706	0	0	0
LR	6	<b>G840-G843 STORAGE PLANT LABOR EXP</b>	STOREXP	246,879	0	246,879	0	0	0
LR	7	<b>G850-G867 TRANSMISSION LABOR EXP</b>	TRANEXP	461,212	0	461,212	0	0	0
LR	8								
LR	9	<b>DISTRIBUTION LABOR EXPENSE</b>							
LR	10	Operation							
LR	11	G870 Operation Supervision & Engineering	TLABDO	0	0	0	0	0	0
LR	12	G871 Load Dispatching	EXP_871	0	0	0	0	0	0
LR	13	G872 Compressor Station Labor & Expenses	EXP_872	0	0	0	0	0	0
LR	14	G874 Mains & Services	EXP_874	13,057,133	6,751,526	6,305,608	0	0	0
LR	15	G875-877 Meas & Reg Station	EXP_8757	1,194,470	0	1,194,470	0	0	0
LR	16	G878 Meter & House Reg	EXP_878	5,986,888	1,519,780	0	0	0	4,467,108
LR	17	G879 Customer Installations - Total	EXP_879	80,906,789	0	80,906,789	0	0	0
LR	18	G880.1 Miscellaneous Dist Exp	EXP_8801	2,537,720	571,534	1,680,217	0	0	285,968
LR	19	G880.3 Operation of Street Lighting	EXP_8803	0	0	0	0	0	0
LR	20	G881 Rents	EXP_881	0	0	0	0	0	0
LR	21	Total Operation		103,683,001	8,842,840	90,087,085	0	0	4,753,077
LR	22	Maintenance							
LR	23	G885 Maint. Supervision & Engineering	TLABDM	0	0	0	0	0	0
LR	24	G886 Structures & Improvements	EXP_886	1,646,174	789,321	740,808	263	0	115,781
LR	25	G887 Mains	EXP_887	5,402,667	0	5,402,667	0	0	0
LR	26	G888 Compressor Station Equip	EXP_888	0	0	0	0	0	0
LR	27	G889-891 Meas & Reg Station	EXP_8891	2,314,353	0	2,314,353	0	0	0
LR	28	G892 Services	EXP_892	2,074,639	2,074,639	0	0	0	0
LR	29	G893 Meters & House Reg	EXP_893	7,565,228	0	0	0	0	7,565,228
LR	30	G894 Maint of Other Equipment - Total	EXP_894	98,629	0	0	98,629	0	0
LR	31	Not Used	not_used	0	0	0	0	0	0
LR	32	Total Maintenance		19,101,689	2,863,960	8,457,828	98,892	0	7,681,009
LR	33	<b>TOTAL DISTRIBUTION LABOR EXPENSE</b>		122,784,690	11,706,799	98,544,912	98,892	0	12,434,086
LR	34								
LR	35	<b>G901-G903,G905 CUST ACCOUNTS EXPENSE</b>	CUSTACCTS	44,132,242	0	1,469,507	0	34,490,229	8,172,505
LR	36	<b>G907-G910, xDSM CUST SERV &amp; INFO EXP</b>	CUSTS_I	2,378,255	0	1,525,802	0	852,453	0
LR	37	<b>G911-G916 SALES EXPENSE</b>	SALESEXP	269,430	0	269,430	0	0	0
LR	38	<b>ADMIN &amp; GENERAL EXP ACCOUNTS xG926</b>	AGEXP	3,902,390	297,208	2,285,838	3,291	834,855	481,198
LR	39	<b>Employee Pension/Benefits Acct G926</b>	LABOR	0	0	0	0	0	0
LR	40								
LR	41	<b>TOTAL OPERATION &amp; MAINT LABOR EXPENSE</b>		179,103,725	12,004,007	109,732,207	102,184	36,177,537	21,087,790
LR	42								
LR	43								
LR	44								
LR	45								
LR	46								
LR	47								
LR	48								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
CA	1	DEVELOPMENT OF CAPITAL ADDITIONS ALLOCATION FACTOR							
CA	2								
CA	3	INTANGIBLE PLANT - G301-G303	INTANGPLT	0	0	0	0	0	0
CA	4	PRODUCTION PLANT - G304-G347	PRODPLT	727,439	0	727,439	0	0	0
CA	5	STORAGE PLANT - G360-G363	STORPLT	312,169	0	312,169	0	0	0
CA	6	TRANSMISSION PLANT - G365-G371	TRANPLT	0	0	0	0	0	0
CA	7								
CA	8	DISTRIBUTION PLANT							
CA	9	G375 Structure & Improvements	PLT_3745	826,172	396,140	371,792	132	0	58,108
CA	10	G376 Mains	PLT_376	116,314,171	0	116,314,171	0	0	0
CA	11	G377 Compressor Station Equipment	PLT_377	0	0	0	0	0	0
CA	12	G378-G379 Meas & Regul Eqmt	PLT_3789	4,127,895	0	4,127,895	0	0	0
CA	13	G380 Services	SERVICES	397,544,204	397,544,204	0	0	0	0
CA	14	G381 Meters	PLT_381	36,350,464	0	0	0	0	36,350,464
CA	15	G382 Meter Installations	PLT_382	202,082	0	0	0	0	202,082
CA	16	G383-384 House Regulators & Install	PLT_3834	149,016	149,016	0	0	0	0
CA	17	G385 Ind Reg & Meas Eqmt	PLT_385	11,305,357	5,652,678	0	0	0	5,652,678
CA	18	TOTAL DISTRIBUTION PLANT		566,819,360	403,742,038	120,813,858	132	0	42,263,332
CA	19								
CA	20	COMMON PLANT	COMPLT	0	0	0	0	0	0
CA	21	GENERAL PLANT EXCL INTANGIBLE PLT	GENPLT	6,517,814	3,359,507	3,153,027	1,121	0	4,161
CA	22								
CA	23								
CA	24	TOTAL CAPITAL ADDITIONS		574,376,783	407,101,545	125,006,492	1,253	0	42,267,493
CA	25								
CA	26								
CA	27								
CA	28								
CA	29								
CA	30								
CA	31								
CA	32								
CA	33								
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
AF	1	ALLOCATION FACTOR TABLE							
AF	2	<u>EXTERNALLY DEVELOPED ALLOCATION FACTORS</u>							
AF	3								
AF	4	<u>CAPACITY RELATED</u>							
AF	5								
AF	6	Peak-Hour Sendout - delivery	PEAKHOUR_04	1,287					
AF	7	Staff Average and Peak Allocator - delivery	AVGPEAK_04	1					
AF	8								
AF	9								
AF	10								
AF	11								
AF	12								
AF	13								
AF	14								
AF	15								
AF	16								
AF	17	<u>COMMODITY RELATED</u>							
AF	18	Annual transported gas @mtr - delivery	TRANSPORT_04	2,461,249,717					
AF	19	Balancing therms - delivery	BALANCE_04	1,393,064,631					
AF	20	Annual transported gas @mtr - access	TRANSPORT_03	2,461,249,717					
AF	21	Annual transported gas @mtr - meters	TRANSPORT_07	2,461,249,717					
AF	22								
AF	23	TEFA \$ responsibility W/N - delivery	TEFA_04	0					
AF	24								
AF	25								
AF	26								
AF	27								
AF	28								
AF	29								
AF	30								
AF	31								
AF	32								
AF	33								
AF	34								
AF	35								
AF	36	<u>BILLING DETERMINANTS</u>							
AF	37								
AF	38	Number of Customers		1,816,880					
AF	39	Transported Gas at Meter (calendar)		2,461,249,717					
AF	40								
AF	41								
AF	42								
AF	43								
AF	44								
AF	45								
AF	46								
AF	47								
AF	48								
AF	49	ALLOCATION FACTOR TABLE CONTINUED							
AF	50	<u>EXTERNALLY DEVELOPED ALLOCATION FACTORS</u>							
AF	51								
AF	52	<u>CUSTOMER RELATED</u>							

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AF	53								
AF	54	G380 services - access	SERVICES_03	1,215,971,988					
AF	55	Cust Installns LDC G879 - delivery	CINST_04	100					
AF	56	Avg Customer Bills - delivery	CUSTAVG_04	1,103,707					
AF	57	Avg Customer Bills - cust svcs	CUSTAVG_06	1,103,707					
AF	58	G381 meters - measurement	SMMETERS_07	95,374,258					
AF	59								
AF	60	Billing Function costs - cust svcs	BILLING_06	13,588,445					
AF	61	Competitive Service work - delivery	COMPSVSWK_04	100					
AF	62								
AF	63	Account Maint - cust svcs	ACCTMAINT_06	57,801,700					
AF	64	G382 meter install - measurement	MTRINSTAL_07	149,490,508					
AF	65	G383 house regulators - access	HOUSEREG_03	27,727,735					
AF	66	G384 house reg install - access	HSEREGINST_03	49,550,720					
AF	67	G385 lrg regulators - access	LRGREG_03	2,654,025					
AF	68	G385 lrg mtrs - measurement	LRGMTR_07	46,733,414					
AF	69	G380 services - reserve - access	SERVICESR_03	302,367,424					
AF	70	G381 meters - reserve - measurement	SMMETERSR_07	39,638,103					
AF	71	G382 meter install - reserve - measurement	MTRINSTALR_07	70,947,689					
AF	72	G383 house regulators - reserve - access	HOUSEREGR_03	4,745,744					
AF	73	G384 house reg install - reserve - access	HSEREGINSTR_03	9,880,635					
AF	74	G385 lrg regulators - reserve - access	LRGREGR_03	384,163					
AF	75	G385 lrg mtrs - reserve - measurement	LRGMTRR_07	7,737,443					
AF	76	Direct LVG - delivery	DIRLVG_04	1					
AF	77	Direct LVG - cust svcs	DIRLVG_06	1					
AF	78	Direct SLG - streetlights	DIRSLG_05	1					
AF	79	Meter Reading Costs - measurement	MRCOST_07	13,815,195					
AF	80	Other Utility work by Cust Ops - delivery	UTILWORK_04	4,987,422					
AF	81	Other Utility work by Cust Ops - delivery	UTILWORK_04	4,987,422					
AF	82	Direct SLG - access	DIRSLG_03	1					
AF	83	Direct Competitive Services - delivery	DIRCOMPSVS_04	0					
AF	84	Direct TSG-F - access	DIRTSGF_03	1					
AF	85	Direct TSG-F - delivery	DIRTSGF_04	1					
AF	86	Direct TSG-F - measurement	DIRTSGF_07	1					
AF	87								
AF	88	Direct - RSG - delivery	DIRRSG_04	1					
AF	89								
AF	90								
AF	91								
AF	92	Choice - delivery	CHOICE_04	1,956,016					
AF	93								
AF	94								
AF	95								
AF	96								

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AF	97	ALLOCATION FACTOR TABLE CONTINUED							
AF	98	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>							
AF	99								
AF	100	Dummy allocator for unused lines	not_used	0					
AF	101								
AF	102	<u>Plant Related</u>							
AF	103	Acct G301-G303 Intangible Plt	INTANGPLT	0					
AF	104	Acct G399.10-23 Oth Tangible Plt	TANGPLT	5,857,613					
AF	105	Production Plant Total	PRODPLT	54,051,153					
AF	106	Storage Plant Total	STORPLT	10,637,156					
AF	107	Transmission Plant Total	TRANPLT	88,966,347					
AF	108	Distribution Plant Total	DISTPLT	6,380,421,816					
AF	109	G391-G398 General Plant	GENPLT	94,801,809					
AF	110	Common Plant	COMPLT	78,873,337					
AF	111	Accts C389-C399, G391-E398 Com & Gen Plt	COMGENPLT	173,675,146					
AF	112	Total Prod, Storage, Transmission, & Dist Plant	PSTDPLT	6,534,076,472					
AF	113	Total Plant	TOTPLT	6,713,609,232					
AF	114								
AF	115	Distribution Plant x Meters & Installs	DISTPLTXMTR	5,935,452,701					
AF	116	Acct G374-375 - Land & Structures	PLT_3745	53,869,741					
AF	117	Acct G376 - Mains	PLT_376	2,666,043,183					
AF	118	Acct G377 - Compressor Station Equip	PLT_377	0					
AF	119	Acct G378-379 - Meas & Regul Station Equip	PLT_3789	170,186,128					
AF	120	Acct G380 & 387.2 - Services	SERVICES	2,854,579,609					
AF	121	Acct G376, G380 & 387.2 - Mains & Services	MAIN_SERV	5,520,622,792					
AF	122	Acct G381 - House Meters	PLT_381	257,235,090					
AF	123	Acct G382 - Meter Installations	PLT_382	145,989,543					
AF	124	Acct G381,382, & 385 - Meters	METERPLT	444,969,115					
AF	125	Acct G381-384 - Meters & House Regulators	PLT_3814	540,407,937					
AF	126	Acct G382-384 - House Reg & Install & Meter Install	PLT_3824	283,172,848					
AF	127	Acct G383-384 - House Reg & Installation	PLT_3834	137,183,305					
AF	128	Acct G385 - Ind & Com Meas & Regul Station Equip	PLT_385	83,488,964					
AF	129	Acct G386 - Other Property on Cust Premises	PLT_386	0					
AF	130	Acct G387.1 - Other Equipment (St Ltg Posts)	PLT_387_1	1,011,930					
AF	131								
AF	132								
AF	133	Total Distribution Plant Reserve	TOTDRESERVE	2,270,656,638					
AF	134	Total Net Plant	TOTPLTNET	4,442,952,594					
AF	135								
AF	136								
AF	137								
AF	138								
AF	139								
AF	140	<u>Revenue Related</u>							
AF	141	Total Operating Revenue	TOTREV	937,478,461					
AF	142	Intra Dept Rev Req - 5.62% GS / 94.38% LV	INTRAREV	122,661,426					
AF	143								
AF	144								



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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
AF	145	ALLOCATION FACTOR TABLE CONTINUED							
AF	146	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>							
AF	147								
AF	148	<u>Expense Related</u>							
AF	149	Manufactured Gas O&M Excl Fuel Expense	MFGO_M	1,229,069					
AF	150	Other Storage Plant O&M Expense	STOREXP	474,404					
AF	151	Transmission Plant O&M Expense	TRANEXP	2,558,168					
AF	152	Acct 813-Other Gas Supply Expense	EXP_813	5,670,771					
AF	153	Acct 871 - Distribution Load Dispatching	EXP_871	0					
AF	154	Acct 872 - Compressor Station Labor & Expenses	EXP_872	0					
AF	155	Acct 874-Mains & Services Expenses	EXP_874	20,145,891					
AF	156	Acct 875-877 - Meas & Regulating Station Exp	EXP_8757	2,608,940					
AF	157	Acct 878 - Meter & House Regulator Expenses	EXP_878	8,418,451					
AF	158	Acct 879 - Customer Installation Expenses	EXP_879	24,548,330					
AF	159	Acct 880.0,.1,.2 - Other Expenses	EXP_8801	9,359,608					
AF	160	Acct 880.3 - Operation of Street Lighting Exp	EXP_8803	0					
AF	161	Acct 881 - Rents	EXP_881	20,476					
AF	162	Acct 886-Maint of Structures & Improvements Exp	EXP_886	4,408,455					
AF	163	Acct 887-Maint of Mains Exp	EXP_887	12,392,584					
AF	164	Acct 888-Maint of Compressor Station Equip Exp	EXP_888	0					
AF	165	Acct 889-891 - Main of Meas & Reg Station Equip	EXP_8891	3,853,573					
AF	166	Acct 892-Main of Services Exp	EXP_892	4,033,930					
AF	167	Acct 893-Maint of Meters & House Regulators Exp	EXP_893	10,857,110					
AF	168	Acct 894-Maint of Other Equipment	EXP_894	283,468					
AF	169								
AF	170	Distr Oper Exp	DISTEXPO	65,101,696					
AF	171	Distr Maint Exp	DISTEXPM	35,829,120					
AF	172	Cust Serv & Info Expense	CUSTS_I	2,140,391					
AF	173	Acct 901-903,905 Cust Acct Exp Excl 904	CACCTEXP	68,948,067					
AF	174	Accts 901-910 Excl 904 - Cust Accts,Serv & Info	CUSTSVSX	71,088,458					
AF	175	Sales Expense	SALESEXP	924,164					
AF	176	Total O&M Expense Excl A&G Expense	TOTOMXAG	216,377,128					
AF	177	Total O&M Expense Excl 904 Expense	TOTOMX904	289,563,930					
AF	178	Total O&M Expense Excl Fuel & 904 Expense	TOMXFUEL904	288,334,861					
AF	179	Tot Admin & Genl Exp xPension/Ben	AGEXP	105,240,904					
AF	180	Accts 901-905 Cust Accts Exp Excl 904-Uncol	CUSTACCTS	68,948,067					
AF	181	O&M + Capital Additions	EXPENDITURES	896,212,920					
AF	182								
AF	183	Depreciation Expense (Total)	DEPREXP	123,362,242					
AF	184								
AF	185	NJ State Income Tax (CBT)	STATEINCTAX	44,765,042					
AF	186	NJ State Deferred Income Tax	DFSTATEINCTAX	2,595,701					
AF	187								
AF	188	<u>Labor Expense Related</u>							
AF	189	Total Distribution Exp (Oper) Labor	TLABDO	103,683,001					
AF	190	Total Distribution Exp (Maint) Labor	TLABDM	19,101,689					
AF	191	Total Labor	LABOR	179,103,725					
AF	192								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
AF	193	<b><u>REVENUES AND BILLING DETERMINANTS</u></b>							
AF	194								
AF	195	Base Rate Sales Revenue	SALESREV	887,227,203					
AF	196								
AF	197	Residential Service	REVRSG	653,904,345					
AF	198	Residential Heating Service	REVGSG	105,324,714					
AF	199	Residential Load Management Service	REVLVG	123,693,766					
AF	200	Water Heating Service	REVSLG	529,816					
AF	201	Water Heating Storage Service	REVTSGF	3,774,561					
AF	202								
AF	203								
AF	204	Total Rev Req @ Desired ROR	REVREQ	887,227,203					
AF	205								
AF	206								
AF	207								
AF	208								
AF	209								
AF	210								
AF	211								
AF	212								
AF	213								
AF	214								
AF	215								
AF	216								
AF	217								
AF	218								
AF	219								
AF	220								
AF	221								
AF	222								
AF	223	<b><u>PRESENT REVENUES FROM SALES INPUT</u></b>							
AF	224								
AF	225	Total Sales of Gas Revenue Requirement		788,246,384					
AF	226	Sales of Gas Revenues - Rates		788,246,384					
AF	227	Sales of Gas Revenues - Other		0					
AF	228								
AF	229								
AF	230								
AF	231								
AF	232								
AF	233	<b><u>RATE OF RETURN</u></b>							
AF	234	Rate of Return (Equalized)	SCH AF, LN 234	7.40%					
AF	235								
AF	236								
AF	237								
AF	238								
AF	239								
AF	240								



SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	GDist Access	GDist Delivery	GStreet Lighting	GCustomer Service	GMeasurement
				(1)	(2)	(3)	(4)	(5)	(6)
AP	49	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP	50	EXTERNALLY DEVELOPED ALLOCATION FACTORS							
AP	51								
AP	52	CUSTOMER RELATED							
AP	53								
AP	54	G380 services - access	SERVICES_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	55	Cust Installns LDC G879 - delivery	CINST_04	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	56	Avg Customer Bills - delivery	CUSTAVG_04	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	57	Avg Customer Bills - cust svcs	CUSTAVG_06	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	58	G381 meters - measurement	SMMETERS_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	59								
AP	60	Billing Function costs - cust svcs	BILLING_06	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	61	Competitive Service work - delivery	COMPSSVSWK_04	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	62								
AP	63	Account Maint - cust svcs	ACCTMAINT_06	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	64	G382 meter install - measurement	MTRINSTAL_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	65	G383 house regulators - access	HOUSEREG_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	66	G384 house reg install - access	HSEREGINST_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	67	G385 lrg regulators - access	LRGREG_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	68	G385 lrg mtrs - measurement	LRGMTR_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	69	G380 services - reserve - access	SERVICESR_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	70	G381 meters - reserve - measurement	SMMETERSR_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	71	G382 meter install - reserve - measurement	MTRINSTALR_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	72	G383 house regulators - reserve - access	HOUSEREGR_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	73	G384 house reg install - reserve - access	HSEREGINSTR_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	74	G385 lrg regulators - reserve - access	LRGREGR_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	75	G385 lrg mtrs - reserve - measurement	LRGMTRR_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	76	Direct LVG - delivery	DIRLVG_04	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	77	Direct LVG - cust svcs	DIRLVG_06	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000
AP	78	Direct SLG - streetlights	DIRSLG_05	1.000000	0.000000	0.000000	1.000000	0.000000	0.000000
AP	79	Meter Reading Costs - measurement	MRCOST_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	80	Other Utility work by Cust Ops - delivery	UTILWORK_04	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	81								
AP	82	Direct SLG - access	DIRSLG_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	83	Direct Competitive Services - delivery	DIRCOMPSVS_04	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	84	Direct TSG-F - access	DIRTSGF_03	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	85	Direct TSG-F - delivery	DIRTSGF_04	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	86	Direct TSG-F - measurement	DIRTSGF_07	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	87								
AP	88	Direct - RSG - delivery	DIRRSG_04	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	89								
AP	90								
AP	91								
AP	92	Choice - delivery	CHOICE_04	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	93								
AP	94								
AP	95								
AP	96								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
AP	97	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP	98	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>							
AP	99								
AP	100	Dummy allocator for unused linesDummy allocator for unused lines	not_used	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	101								
AP	102	<u>Plant Related</u>							
AP	103	Acct G301-G303 Intangible Plt	INTANGPLT	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	104	Acct G399.10-23 Oth Tangible Plt	TANGPLT	1.000000	(0.032598)	0.022779	(0.000011)	0.795022	0.214808
AP	105	Production Plant Total	PRODPLT	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	106	Storage Plant Total	STORPLT	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	107	Transmission Plant Total	TRANPLT	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	108	Distribution Plant Total	DISTPLT	1.000000	0.479488	0.450018	0.000160	0.000000	0.070334
AP	109	G391-G398 General Plant	GENPLT	1.000000	0.515435	0.483755	0.000172	0.000000	0.000638
AP	110	Common Plant	COMPLT	1.000000	0.307414	0.312090	0.000103	0.299990	0.080403
AP	111	Accts C389-C399, G391-E398 Com & Gen Plt	COMGENPLT	1.000000	0.420964	0.405795	0.000140	0.136238	0.036863
AP	112	Total Prod, Storage, Transmission, & Dist Plant	PSTDPLT	1.000000	0.468213	0.462952	0.000156	0.000000	0.068680
AP	113	Total Plant	TOTPLT	1.000000	0.466553	0.461089	0.000156	0.004218	0.067984
AP	114								
AP	115	Distribution Plant x Meters & Installs	DISTPLTXMTR	1.000000	0.515435	0.483755	0.000172	0.000000	0.000638
AP	116	Acct G374-375 - Land & Structures	PLT_3745	1.000000	0.479488	0.450018	0.000160	0.000000	0.070334
AP	117	Acct G376 - Mains	PLT_376	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	118	Acct G377 - Compressor Station Equip	PLT_377	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	119	Acct G378-379 - Meas & Regul Station Equip	PLT_3789	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	120	Acct G380 & 387.2 - Services	SERVICES	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	121	Acct G376, G380 & 387.2 - Mains & Services	MAIN_SERV	1.000000	0.517076	0.482924	0.000000	0.000000	0.000000
AP	122	Acct G381 - House Meters	PLT_381	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	123	Acct G382 - Meter Installations	PLT_382	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	124	Acct G381,382, & 385 - Meters	METERPLT	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	125	Acct G381-384 - Meters & House Regulators	PLT_3814	1.000000	0.253851	0.000000	0.000000	0.000000	0.746149
AP	126	Acct G382-384 - House Reg & Install & Meter Install	PLT_3824	1.000000	0.484451	0.000000	0.000000	0.000000	0.515549
AP	127	Acct G383-384 - House Reg & Installation	PLT_3834	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	128	Acct G385 - Ind & Com Meas & Regul Station Equip	PLT_385	1.000000	0.500000	0.000000	0.000000	0.000000	0.500000
AP	129	Acct G386 - Other Property on Cust Premises	PLT_386	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	130	Acct G387.1 - Other Equipment (St Ltg Posts)	PLT_387_1	1.000000	0.000000	0.000000	1.000000	0.000000	0.000000
AP	131								
AP	132								
AP	133	Total Distribution Plant Reserve	TOTDRESERVE	1.000000	0.401189	0.558634	0.000298	0.004987	0.034891
AP	134	Total Net Plant	TOTPLTNET	1.000000	0.499959	0.411236	0.000083	0.003825	0.084897
AP	135								
AP	136								
AP	137								
AP	138								
AP	139								
AP	140	<u>Revenue Related</u>							
AP	141	Total Operating Revenue	TOTREV	1.000000	0.378880	0.427399	0.000460	0.087614	0.105647
AP	142	Intra Dept Rev Req - 5.62% GS / 94.38% LV	INTRAREV	1.000000	0.188989	0.710146	0.000000	0.016329	0.084537
AP	143								
AP	144								

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AP	145	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP	146	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>							
AP	147								
AP	148	<u>Expense Related</u>							
AP	149	Manufactured Gas O&M Excl Fuel Expense	MFGO_M	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	150	Other Storage Plant O&M Expense	STOREXP	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	151	Transmission Plant O&M Expense	TRANEXP	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	152	Acct 813-Other Gas Supply Expense	EXP_813	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	153	Acct 871 - Distribution Load Dispatching	EXP_871	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	154	Acct 872 - Compressor Station Labor & Expenses	EXP_872	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	155	Acct 874-Mains & Services Expenses	EXP_874	1.000000	0.517076	0.482924	0.000000	0.000000	0.000000
AP	156	Acct 875-877 - Meas & Regulating Station Exp	EXP_8757	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	157	Acct 878 - Meter & House Regulator Expenses	EXP_878	1.000000	0.253851	0.000000	0.000000	0.000000	0.746149
AP	158	Acct 879 - Customer Installation Expenses	EXP_879	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	159	Acct 880.0,.1,.2 - Other Expenses	EXP_8801	1.000000	0.225216	0.662097	0.000000	0.000000	0.112687
AP	160	Acct 880.3 - Operation of Street Lighting Exp	EXP_8803	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	161	Acct 881 - Rents	EXP_881	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	162	Acct 886-Maint of Structures & Improvements Exp	EXP_886	1.000000	0.479488	0.450018	0.000160	0.000000	0.070334
AP	163	Acct 887-Maint of Mains Exp	EXP_887	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	164	Acct 888-Maint of Compressor Station Equip Exp	EXP_888	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	165	Acct 889-891 - Main of Meas & Reg Station Equip	EXP_8891	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	166	Acct 892-Main of Services Exp	EXP_892	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000
AP	167	Acct 893-Maint of Meters & House Regulators Exp	EXP_893	1.000000	0.000000	0.000000	0.000000	0.000000	1.000000
AP	168	Acct 894-Maint of Other Equipment	EXP_894	1.000000	0.000000	0.000000	1.000000	0.000000	0.000000
AP	169								
AP	170	Distr Oper Exp	DISTEXPO	1.000000	0.225216	0.662097	0.000000	0.000000	0.112687
AP	171	Distr Maint Exp	DISTEXPM	1.000000	0.171585	0.508805	0.007931	0.000000	0.311679
AP	172	Cust Serv & Info Expense	CUSTS_I	1.000000	0.000000	0.641564	0.000000	0.358436	0.000000
AP	173	Acct 901-903,905 Cust Acct Exp Excl 904	CACCTEXP	1.000000	0.000000	0.033298	0.000000	0.781520	0.185182
AP	174	Accts 901-910 Excl 904 - Cust Accts,Serv & Info	CUSTSVSX	1.000000	0.000000	0.051612	0.000000	0.768781	0.179607
AP	175	Sales Expense	SALEEXP	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000
AP	176	Total O&M Expense Excl A&G Expense	TOTOMXAG	1.000000	0.155834	0.415311	0.001313	0.266383	0.161157
AP	177	Total O&M Expense Excl 904 Expense	TOTOMX904	1.000000	0.099546	0.479865	0.001288	0.266491	0.152810
AP	178	Total O&M Expense Excl Fuel & 904 Expense	TOMXFUEL904	1.000000	0.099970	0.477648	0.001293	0.267627	0.153462
AP	179	Tot Admin & Genl Exp xPension/Ben	AGEXP	1.000000	0.076160	0.585753	0.000843	0.213934	0.123309
AP	180	Accts 901-905 Cust Accts Exp Excl 904-Uncol	CUSTACCTS	1.000000	0.000000	0.033298	0.000000	0.781520	0.185182
AP	181	O&M + Capital Additions	EXPENDITURES	1.000000	0.500814	0.308781	0.000418	0.089436	0.100551
AP	182								
AP	183	Depreciation Expense (Total)	DEPREXP	1.000000	0.460228	0.462475	0.000154	0.011788	0.065355
AP	184								
AP	185	NJ State Income Tax (CBT)	STATEINCTAX	1.000000	0.502856	0.400491	0.000106	0.009110	0.087437
AP	186	NJ State Deferred Income Tax	DFSTATEINCTAX	1.000000	0.124144	0.591002	0.000511	0.173716	0.110627
AP	187								
AP	188	<u>Labor Expense Related</u>							
AP	189	Total Distribution Exp (Oper) Labor	TLABDO	1.000000	0.085287	0.868870	0.000000	0.000000	0.045842
AP	190	Total Distribution Exp (Maint) Labor	TLABDM	1.000000	0.149932	0.442779	0.005177	0.000000	0.402112
AP	191	Total Labor	LABOR	1.000000	0.067023	0.612674	0.000571	0.201992	0.117741
AP	192								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
AP	193	REVENUES AND BILLING DETERMINANTS							
AP	194								
AP	195	Base Rate Sales Revenue	SALESREV	1.000000	0.399817	0.395701	0.000486	0.092526	0.111470
AP	196								
AP	197	Residential Service	REVRSG	1.000000	0.443047	0.334347	0.000000	0.112248	0.110359
AP	198	Residential Heating Service	REVGSG	1.000000	0.402876	0.376040	0.000000	0.062295	0.158789
AP	199	Residential Load Management Service	REVLVG	1.000000	0.178144	0.727086	0.000000	0.013998	0.080772
AP	200	Water Heating Service	REVSLG	1.000000	0.067922	0.115649	0.814097	0.002263	0.000069
AP	201	Water Heating Storage Service	REVTSGF	1.000000	0.136203	0.753002	0.000000	0.105597	0.005198
AP	202								
AP	203								
AP	204	Total Rev Req @ Desired ROR	REVREQ	1.000000	0.399817	0.395701	0.000486	0.092526	0.111470
AP	205								
AP	206								
AP	207								
AP	208								
AP	209								
AP	210								
AP	211								
AP	212								
AP	213								
AP	214								
AP	215								
AP	216								
AP	217								
AP	218								
AP	219								
AP	220								
AP	221								
AP	222								
AP	223	<u>PRESENT REVENUES FROM SALES INPUT</u>							
AP	224								
AP	225	Total Sales of Gas Revenue Requirement		1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
AP	226	Sales of Gas Revenues - Rates		1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
AP	227	Sales of Gas Revenues - Other		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AP	228								
AP	229								
AP	230								
AP	231								
AP	232								
AP	233								
AP	234								
AP	235								
AP	236								
AP	237								
AP	238								
AP	239								
AP	240								

PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company (1)	GDist Access (2)	GDist Delivery (3)	GStreet Lighting (4)	GCustomer Service (5)	GMeasurement (6)
ADA	1	<b>ALLOCATED DIRECT ASSIGNMENTS</b>							
ADA	2	<b>DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS</b>							
ADA	3								
ADA	4	<b>Account 904 - Uncollectible Accounts</b>							
ADA	5	Residential Service	REVRSG	653,904,345	653,904,345	653,904,345	653,904,345	653,904,345	653,904,345
ADA	6	Residential Heating Service	REVGSG	105,324,714	105,324,714	105,324,714	105,324,714	105,324,714	105,324,714
ADA	7	Residential Load Management Service	REVLVG	123,693,766	123,693,766	123,693,766	123,693,766	123,693,766	123,693,766
ADA	8	Water Heating Service	REVSLG	0	0	0	0	0	0
ADA	9	Water Heating Storage Service	REVTSGF	3,774,561	3,774,561	3,774,561	3,774,561	3,774,561	3,774,561
ADA	10								
ADA	11	Total 904-Uncollectible	EXP_904	886,697,387	886,697,387	886,697,387	886,697,387	886,697,387	886,697,387
ADA	12								
ADA	13	Total 904-Uncollectible	EXP_904	1.000000	0.400015	0.395868	0.000000	0.092580	0.111537
ADA	14								
ADA	15	Additional Net Write-Offs at Claimed Rate	EXP_904	0	0	0	0	0	0
ADA	16								
ADA	17								
ADA	18								
ADA	19								
ADA	20								
ADA	21								
ADA	22								
ADA	23								
ADA	24								
ADA	25								
ADA	26								
ADA	27								
ADA	28								
ADA	29	<b>Rev Req (cal) to Customers Late Payment fees</b>							
ADA	30	Residential Service	REVRSG	0	0	0	0	0	0
ADA	31	Residential Heating Service	REVGSG	105,324,714	105,324,714	105,324,714	105,324,714	105,324,714	105,324,714
ADA	32	Residential Load Management Service	REVLVG	123,693,766	123,693,766	123,693,766	123,693,766	123,693,766	123,693,766
ADA	33	Water Heating Service	REVSLG	0	0	0	0	0	0
ADA	34	Water Heating Storage Service	REVTSGF	0	0	0	0	0	0
ADA	35								
ADA	36	Total Late Payment Fees	REVLATEP	229,018,481	229,018,481	229,018,481	229,018,481	229,018,481	229,018,481
ADA	37								
ADA	38	Total Late Payment Fees	REVLATEP	1.000000	0.281497	0.565642	0.000000	0.036210	0.116652
ADA	39								
ADA	40								
ADA	41								
ADA	42								
ADA	43								
ADA	44								
ADA	45								
ADA	46								
ADA	47								
ADA	48								





**PUBLIC SERVICE ELECTRIC GAS COMPANY  
2016 STAFF GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016**

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	Total Company	GDist Access	GDist Delivery	GStreet Lighting	GCustomer Service	GMeasurement
				(1)	(2)	(3)	(4)	(5)	(6)
RRW	1	REVENUE REQUIREMENTS							
RRW	2								
RRW	3	PRESENT RATES							
RRW	4	-----							
RRW	5	RATE BASE		3,990,551,989	2,039,425,113	1,555,157,474	348,936	32,325,950	363,294,516
RRW	6	NET OPER INC (PRESENT RATES)		295,300,847	150,917,458	115,081,653	25,821	2,392,120	26,883,794
RRW	7	RATE OF RETURN (PRES RATES)		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
RRW	8	RELATIVE RATE OF RETURN		1.00	1.00	1.00	1.00	1.00	1.00
RRW	9	SALES REVENUE (PRE RATES)		887,227,203	354,728,183	351,076,582	431,322	82,091,914	98,899,202
RRW	10	REVENUE PRES RATES \$/THERM		\$0.3605	\$0.1441	\$0.1426	\$0.0002	\$0.0334	\$0.0402
RRW	11	REVENUE REQUIRED - \$/MO/CUST		\$40,693.72	\$16,270.02	\$16,102.54	\$19.78	\$3,765.24	\$4,536.13
RRW	12								
RRW	13								
RRW	14	CLAIMED RATE OF RETURN							
RRW	15	-----							
RRW	16	CLAIMED RATE OF RETURN		7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
RRW	17	RETURN REQ FOR CLAIMED ROR		295,300,847	150,917,458	115,081,653	25,821	2,392,120	26,883,794
RRW	18	SALES REVENUE REQ CLAIMED ROR		887,227,203	354,728,183	351,076,582	431,322	82,091,914	98,899,202
RRW	19	REVENUE DEFICIENCY SALES REV		0	0	(0)	(0)	0	0
RRW	20	PERCENT INCREASE REQUIRED		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RRW	21	ANNUAL BOOKED THERM SALES		2,461,249,717	2,461,249,717	2,461,249,717	2,461,249,717	2,461,249,717	2,461,249,717
RRW	22	SALES REV REQUIRED \$/THERM		\$0.3605	\$0.1441	\$0.1426	\$0.0002	\$0.0334	\$0.0402
RRW	23	REVENUE DEFICIENCY \$/THERM		\$0.0000	\$0.0000	(\$0.0000)	(\$0.0000)	\$0.0000	\$0.0000
RRW	24								
RRW	25								
RRW	26								
RRW	27								
RRW	28								
RRW	29								
RRW	30								
RRW	31								
RRW	32								
RRW	33								
RRW	34								
RRW	35								
RRW	36								
RRW	37								
RRW	38								
RRW	39								
RRW	40								
RRW	41								
RRW	42								
RRW	43								
RRW	44								
RRW	45								
RRW	46								
RRW	47								
RRW	48								

Functional Cost Summary  
2016 Staff Gas COS Study  
Updated for 12&0

EXHIBIT P-9G R-2  
Schedule SS-G15 R-2  
Page 1 of 1

Based on 12 months actual

PUBLIC SERVICE ELECTRIC & GAS COMPANY  
2016 GAS COST OF SERVICE STUDY  
12 MONTHS ENDING DECEMBER 31, 2016

<u>line</u> #	FUNCTIONAL SEGMENTS REV REQ	Units	Total Company (1)	RSG (2)	GSG (3)	LVG (4)	SLG (5)	TSG-F (6)
1	Distribution Access	\$	354,728,183	289,710,055	42,432,758	22,035,276	35,986	514,107
2	Distribution Delivery	\$	351,076,582	218,630,674	39,606,342	89,936,043	61,273	2,842,250
3	Streetlighting Fixtures	\$	431,322	0	0	0	431,322	0
4	Customer Service	\$	82,091,914	73,399,456	6,561,178	1,731,500	1,199	398,581
5	Measurement	\$	<u>98,899,202</u>	<u>72,164,161</u>	<u>16,724,436</u>	<u>9,990,948</u>	<u>36</u>	<u>19,622</u>
6	TOTAL	\$	887,227,203	653,904,345	105,324,714	123,693,766	529,816	3,774,561

Service Charge Calculations

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	Notes:
					Average Distribution Increase =	32.249%				
line #	Rate	Distribution Access Rev Req  (in \$1,000)	Customer Service Rev Req  (in \$1,000)	Measurement Rev Req  (in \$1,000)	COS Indicated Total Rev Req  (in \$1,000)	# of Customers	Cost Based Monthly Service Charge  (\$/month)	Current Monthly Service Charge  (\$/month)	Proposed Limited Monthly Service Charge  (\$/month)	
1	RSG	\$ 325,082	\$ 82,541	\$ 80,902	\$ 488,525	1,635,900	\$ 24.89	\$ 5.46	\$ 7.79	3 annual increases to move to 50% of cost year 2 & 3 revenue neutral via reductions in per therm charges
2	GSG	\$ 46,589	\$ 7,245	\$ 18,339	\$ 72,172	140,771	\$ 42.72	\$ 11.28	\$ 16.74	move to costs, limited @ 1.5 times overall avg Distribution % increase
3	LVG	\$ 24,763	\$ 2,060	\$ 11,160	\$ 37,983	18,375	\$ 172.26	\$ 100.12	\$ 148.55	move to costs, limited @ 1.5 times overall avg Distribution % increase
4	TSG-F	\$ 514	\$ 399	\$ 20	\$ 932	37	\$ 2,099.80	\$ 536.08	\$ 795.40	move to costs, limited @ 1.5 times overall avg Distribution % increase
5	TSG-NF							\$ 536.08	\$ 795.40	set equal to new TSG-F Service Charge
6	CIG							\$ 139.85	\$ 184.95	increase current @ average Distribution % increase
7	CSG							\$ 536.08	\$ 795.40	set equal to new TSG-F Service Charge

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Notes:					=(2) + (3) + (4)	RSG, GSG & LVG from SS-G7 R-2, pg 2 line 1	=(5)*1000 / (6) / 12 rounded to \$.01	SS-G11 R-2	based on methodology described
						TSG-F from COS workpapers			

**PSE&G GAS TAX ADJUSTMENT CREDIT (GTAC)**

Net Revenue Requirement

\$000

EXHIBIT P-9G R-2

Schedule SS-GTAC-1 R-2

Page 1 of 2

Current Excess Unprotected ADIT Balance	270,623
Deduction Storm/Other Regulatory Asset Offset	(13,070)
Net Historic Unprotected ADIT to Return to Customers	257,552

	1	2	3	4	5	6	7	8	9	10	11	
	1. Return Excess Income Tax Expense					2. Return Historic ADIT						
						Unprotected Excess ADIT			Protected Excess ADIT			
	Beginning Excess Income Tax Balance	Excess Income Tax	Excess Income Tax Refund	Ending Excess Income Tax Balance	Short-Term Interest Rate	Interest On Excess Income Tax Balance	Beginning Balance	Amortization to Customers	Ending Balance	Beginning Balance	Amortization to Customers	Ending Balance
Jan-18		8,832	-	8,832	1.42%	(5)						
Feb-18	8,832	6,323	-	15,155	1.42%	(14)						
Mar-18	15,155	6,634	-	21,789	1.75%	(27)						
Apr-18	21,789	-	-	21,789	2.20%	(40)						
May-18	21,789	-	-	21,789	2.08%	(38)						
Jun-18	21,789	-	-	21,789	2.16%	(39)						
Jul-18	21,789	-	-	21,789	2.16%	(39)						
Aug-18	21,789	-	-	21,789	2.16%	(39)						
Sep-18	21,789	-	-	21,789	2.16%	(39)			257,552			326,618
Oct-18	21,789	-	(7,263)	14,526	2.16%	(33)	257,552	(3,361)	254,191	326,618	(575)	326,044
Nov-18	14,526	-	(7,263)	7,263	2.16%	(20)	254,191	(3,361)	250,830	326,044	(575)	325,469
Dec-18	7,263	-	(7,263)	-	2.16%	(7)	250,830	(3,361)	247,469	325,469	(575)	324,894
Jan-19	-	-	-	-	2.16%	-	247,469	(3,618)	243,850	324,894	(575)	324,319
Feb-19	-	-	-	-	2.16%	-	243,850	(3,618)	240,232	324,319	(575)	323,744
Mar-19	-	-	-	-	2.16%	-	240,232	(3,618)	236,614	323,744	(575)	323,169
Apr-19	-	-	-	-	2.16%	-	236,614	(3,618)	232,995	323,169	(575)	322,594
May-19	-	-	-	-	2.16%	-	232,995	(3,618)	229,377	322,594	(575)	322,019
Jun-19	-	-	-	-	2.16%	-	229,377	(3,618)	225,758	322,019	(575)	321,444
Jul-19	-	-	-	-	2.16%	-	225,758	(3,618)	222,140	321,444	(575)	320,869
Aug-19	-	-	-	-	2.16%	-	222,140	(3,618)	218,521	320,869	(575)	320,294
Sep-19	-	-	-	-	2.16%	-	218,521	(3,618)	214,903	320,294	(575)	319,719
Oct-19	-	-	-	-	2.16%	-	214,903	(3,618)	211,284	319,719	(575)	319,144
Nov-19	-	-	-	-	2.16%	-	211,284	(3,618)	207,666	319,144	(575)	318,569
Dec-19	-	-	-	-	2.16%	-	207,666	(3,618)	204,047	318,569	(575)	317,994
	= Prev Col 4	From RCK-4	Total Col 2 / 12	= Col 1 + Col 2 + Col 3	Input	= (Prev Col 4 + Col 4)/2 * CP Interest Rate / 12	= Prev Col 8	Input	= Col 6 + Col 7	= Prev Col 11	Input	= Col 10 + Col 11
Annual												
2018		21,789	(21,789)			(340)	250,830	(10,084)	207,666		(1,725)	-
2019		-	-			-	207,666	(43,422)	-		(6,899)	-
2020		-	-			-	-	(46,295)	157,752		(6,899)	-
2021		-	-			-	157,752	(49,326)	108,425		(6,899)	-
2022		-	-			-	108,425	(52,523)	55,902		(6,899)	-
2023		-	-			-	55,902	(55,902)	-		(6,899)	-
Total					(257,552)							

Net Revenue Requirement  
\$000

Schedule SS-GTAC-1 R-2  
Page 2 of 2

			Monthly WACC =	0.571%	Federal Tax Rate =	21.00%			Revenue Factor =	1.4172
12	13	14	15	16	17	18	19	20	21	22
2. Return Historic ADIT (cont.)				3. Current GSHARE Deducton			4. Other			
Return on Rate Base										
Unprotected Excess ADIT Rate Base Related %	Rate Base Related Portion of Unprotected Excess ADIT Amortizaition to Customers	Cumulative Change in Rate Base	After-Tax Return on Cumulative Change in Rate Base	Federal Tax SHARE Deduction	Book Depreciation Associated with SHARE Deduction	Actual SHARE Deduction Flow-Through	IRS ESHARE Deduction Audit Adjustments	Other Major Tax Adjustments	Net Tax Adjustment	Net Revenue Requirement
									(5)	(7)
									(14)	(20)
									(27)	(38)
									(40)	(57)
									(38)	(54)
									(39)	(56)
									(39)	(56)
									(39)	(56)
		-							(39)	(56)
78%	(2,623)	3,198	9	15,195	359	(3,116)	-	-	(14,338)	(20,320)
78%	(2,623)	6,395	27	15,195	359	(3,116)	-	-	(14,307)	(20,276)
78%	(2,623)	9,593	46	15,195	359	(3,116)	-	-	(14,276)	(20,231)
78%	(2,823)	12,991	64	15,195	359	(3,116)	-	-	(7,244)	(10,267)
78%	(2,823)	16,390	84	15,195	359	(3,116)	-	-	(7,225)	(10,239)
78%	(2,823)	19,788	103	15,195	359	(3,116)	-	-	(7,206)	(10,212)
78%	(2,823)	23,187	123	15,195	359	(3,116)	-	-	(7,186)	(10,184)
78%	(2,823)	26,585	142	15,195	359	(3,116)	-	-	(7,167)	(10,157)
78%	(2,823)	29,983	162	15,195	359	(3,116)	-	-	(7,147)	(10,129)
78%	(2,823)	33,382	181	15,195	359	(3,116)	-	-	(7,128)	(10,102)
78%	(2,823)	36,780	200	15,195	359	(3,116)	-	-	(7,109)	(10,074)
78%	(2,823)	40,179	220	15,195	359	(3,116)	-	-	(7,089)	(10,047)
78%	(2,823)	43,577	239	15,195	359	(3,116)	-	-	(7,070)	(10,019)
78%	(2,823)	46,975	259	15,195	359	(3,116)	-	-	(7,050)	(9,992)
78%	(2,823)	50,374	278	15,195	359	(3,116)	-	-	(7,031)	(9,964)
Input	= Col 8 * Col 13	= Prev Col 15 - Col 11 - Col 14	= (Prev Col 14 + Col 14) / 2 * Monthly WACC	Input	Input	= - (Col 17 - Col 18) * Fed Tax Rate	Input	Input	= Col 3 + Col 6 + Col 8 + Col 11 + Col 16 + Col 18 + Col 19 + Col 20	= Col 22 * Rev Fct
		9,593	82	45,585	1,078	(9,347)	-	-	(21,073)	(61,226)
		50,374	2,055	182,342	4,311	(37,386)	-	-	(85,652)	(121,387)
		-	4,927	182,342	4,311	(37,386)	-	-	(85,654)	(121,389)
		97,179	7,957	182,342	4,311	(37,386)	-	-	(85,655)	(121,390)
		142,775	11,153	182,342	4,311	(37,386)	-	-	(85,656)	(121,391)
		190,878	14,526	182,342	4,311	(37,386)	-	-	(85,662)	(121,401)
			40,700	957,294	22,633	(196,279)	-	-	(449,352)	(668,183)

**PSE&G GAS TAX ADJUSTMENT CREDIT (GTAC)**  
**Proposed GTAC Calculation**

(\$'s Unless Specified)

**EXHIBIT P-9G R-2**  
**Schedule SS-GTAC-2 R-2**

Current SUT Rate 6.625%

Line	Date(s)		Gas								Proration Factor	Source/Description	
			RSG	GSG	LVG	SLG	TSG-F	TSG-NF	CIG	CSG			Total
1		RC 12&0 WN Billing Determinants (Therms-000)	1,494,928	297,484	740,103	679	25,950.000	179,229	42,321	789,848	3,570,542		Schedule SS-G2
2	2019	Rate Class Allocation	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%		Input
3		Revenue Requirements	(121,386,576)	0	0	0	0	0	0	0	(121,386,576)		(SS-GTAC-1, Col 22) * Line 2
4		Proposed Rate w/o SUT (\$/Therms)	(0.081199)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000			(Line 3 / (Line 2 * 1,000)) [Rnd 6]
5		Public Notice Rate w/o SUT (\$/Therms)	(0.081199)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000			Line 4
6		Proposed Rate w/ SUT (\$/Therms)	(0.086578)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000			(Line 4 * (1 + SUT Rate)) [Rnd 6]
7	2020	Rate Class Allocation	93.11%	2.91%	3.37%	0.01%	0.08%	0.28%	0.08%	0.16%	100.00%	25.00%	ABS( Line 2 - ( ABS( Line19 - Line2 ) * Proration Factor ))
8		Revenue Requirements	(113,023,324)	(3,535,393)	(4,086,517)	(15,459)	(102,871)	(338,831)	(97,311)	(189,150)	(121,388,856)		(SS-GTAC-1, Col 22) * Line 7
9		Proposed Rate w/o SUT (\$/Therms)	(0.075605)	(0.011884)	(0.005522)	(0.022775)	(0.003964)	(0.001890)	(0.002299)	(0.000239)			(Line 8 / (Line 1 * 1,000)) [Rnd 6]
10		Proposed Rate w/ SUT (\$/Therms)	(0.080614)	(0.012671)	(0.005888)	(0.024284)	(0.004227)	(0.002015)	(0.002451)	(0.000255)			(Line 9 * (1 + SUT Rate)) [Rnd 6]
11	2021	Rate Class Allocation	86.22%	5.82%	6.73%	0.03%	0.17%	0.56%	0.16%	0.31%	100.00%	50.00%	ABS( Line 2 - ( ABS( Line19 - Line2 ) * Proration Factor ))
12		Revenue Requirements	(104,659,102)	(7,070,874)	(8,173,136)	(30,919)	(205,745)	(677,671)	(194,624)	(378,305)	(121,390,375)		(SS-GTAC-1, Col 22) * Line 11
13		Proposed Rate w/o SUT (\$/Therms)	(0.070009)	(0.023769)	(0.011043)	(0.045551)	(0.007929)	(0.003781)	(0.004599)	(0.000479)			(Line 12 / (Line 1 * 1,000)) [Rnd 6]
14		Proposed Rate w/ SUT (\$/Therms)	(0.074647)	(0.025344)	(0.011775)	(0.048569)	(0.008454)	(0.004031)	(0.004904)	(0.000511)			(Line 13 * (1 + SUT Rate)) [Rnd 6]
15	2022	Rate Class Allocation	79.33%	8.74%	10.10%	0.04%	0.25%	0.84%	0.24%	0.47%	100.00%	75.00%	ABS( Line 2 - ( ABS( Line19 - Line2 ) * Proration Factor ))
16		Revenue Requirements	(96,294,080)	(10,606,378)	(12,259,782)	(46,379)	(308,620)	(1,016,514)	(291,937)	(567,461)	(121,391,150)		(SS-GTAC-1, Col 22) * Line 15
17		Proposed Rate w/o SUT (\$/Therms)	(0.064414)	(0.035654)	(0.016565)	(0.068327)	(0.011893)	(0.005672)	(0.006898)	(0.000718)			(Line 16 / (Line 1 * 1,000)) [Rnd 6]
18		Proposed Rate w/ SUT (\$/Therms)	(0.068681)	(0.038016)	(0.017662)	(0.072854)	(0.012681)	(0.006048)	(0.007355)	(0.000766)			(Line 17 * (1 + SUT Rate)) [Rnd 6]
19	2023	% of Proposed WN 12+0 Distribution Revenue	72.43%	11.65%	13.47%	0.05%	0.34%	1.12%	0.32%	0.62%	100.00%		Schedule SS-G11 (Interrev Alloc)
20		Revenue Requirements	(87,935,315)	(14,142,951)	(16,347,663)	(61,843)	(411,526)	(1,355,458)	(389,280)	(756,674)	(121,400,710)		(SS-GTAC-1, Col 22) * Line 19
21		Proposed Rate w/o SUT (\$/Therms)	(0.058822)	(0.047542)	(0.022088)	(0.091109)	(0.015858)	(0.007563)	(0.009198)	(0.000958)			(Line 20 / (Line 1 * 1,000)) [Rnd 6]
22		Proposed Rate w/ SUT (\$/Therms)	(0.062719)	(0.050692)	(0.023551)	(0.097145)	(0.016909)	(0.008064)	(0.009807)	(0.001021)			(Line 21 * (1 + SUT Rate)) [Rnd 6]
1		Oct - Dec 2018 Billing Determinants (Therms-000)	463,198	80,634	197,843	140	5,598.896	81,235	10,731	114,699	954,080		Forecast
2	2018	Rate Class Allocation	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%		Input
3		Revenue Requirements	(61,225,778)	0	0	0	0	0	0	0	(61,225,778)		(SS-GTAC-1, Col 22) * Line 2
4		Proposed Rate w/o SUT (\$/Therms)	(0.132181)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000			(Line 3 / (Line 2 * 1,000)) [Rnd 6]
5		Public Notice Rate w/o SUT (\$/Therms)	(0.132181)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000			Line 4
6		Proposed Rate w/ SUT (\$/Therms)	(0.140938)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000			(Line 4 * (1 + SUT Rate)) [Rnd 6]

# PSE&G GAS TAX ADJUSTMENT CREDIT (GTAC)

## Over/(Under) Calculation

\$000

EXHIBIT P-9G R-2

Schedule SS-GTAC-3 R-2

Reflects a tax rate of 28.11%

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	<u>Over / (Under)</u> <u>Recovery Beginning</u> <u>Balance</u>	<u>Electric Revenues</u>	<u>Revenue</u> <u>Requirement</u> <u>Excluding WACC</u> <u>Cost</u>	<u>Over / (Under)</u> <u>Recovery</u>	<u>Over / (Under)</u> <u>Recovery Ending</u> <u>Balance</u>	<u>Over / (Under)</u> <u>Average Monthly</u> <u>Balance</u>	<u>Interest Rate</u> <u>(Annualized)</u>	<u>Interest On Over /</u> <u>(Under) Average</u> <u>Monthly Balance</u>	<u>Interest Roll-In</u>	<u>Cumulative</u> <u>Interest</u>
<b>Monthly</b>										
<b>Calculations</b>										
Sep-18										
Oct-18	-	(11,612,491)	(20,718,451)	9,105,960	9,105,960	4,552,980	2.16%	5,892	-	5,892
Nov-18	9,105,960	(19,924,595)	(20,275,869)	351,275	9,457,234	9,281,597	2.16%	12,011	-	17,902
Dec-18	9,457,234	(29,688,692)	(20,231,458)	(9,457,234)	-	4,728,617	2.16%	6,119	-	24,021
Jan-19	-	(20,043,993)	(10,266,846)	(9,777,147)	(9,777,147)	(4,888,573)	2.16%	(6,326)	-	17,695
Feb-19	(9,777,147)	(17,479,477)	(10,239,337)	(7,240,140)	(17,017,286)	(13,397,217)	2.16%	(17,336)	-	359
Mar-19	(17,017,286)	(16,431,366)	(10,211,829)	(6,219,538)	(23,236,824)	(20,127,055)	2.16%	(26,045)	-	(25,686)
Apr-19	(23,236,824)	(9,912,592)	(10,184,320)	271,728	(22,965,096)	(23,100,960)	2.16%	(29,893)	-	(55,579)
May-19	(22,965,096)	(5,769,272)	(10,156,811)	4,387,539	(18,577,556)	(20,771,326)	2.16%	(26,879)	-	(82,457)
Jun-19	(18,577,556)	(4,341,553)	(10,129,302)	5,787,750	(12,789,807)	(15,683,682)	2.16%	(20,295)	-	(102,752)
Jul-19	(12,789,807)	(4,477,847)	(10,101,794)	5,623,947	(7,165,860)	(9,977,833)	2.16%	(12,912)	-	(115,664)
Aug-19	(7,165,860)	(3,801,187)	(10,074,285)	6,273,098	(892,762)	(4,029,311)	2.16%	(5,214)	-	(120,878)
Sep-19	(892,762)	(4,009,752)	(10,046,776)	6,037,024	5,144,262	2,125,750	2.16%	2,751	-	(118,127)
Oct-19	5,144,262	(6,661,007)	(10,019,267)	3,358,261	8,502,522	6,823,392	2.16%	8,830	-	(109,298)
Nov-19	8,502,522	(11,428,888)	(9,991,759)	(1,437,129)	7,065,393	7,783,958	2.16%	10,073	-	(99,225)
Dec-19	7,065,393	(17,029,643)	(9,964,250)	(7,065,393)	(0)	3,532,697	2.16%	4,571	-	(94,654)
	(Prior Col 5) + (Col 9)	Forecasted kWh * Proposed Rate	See Revenue Requirements Schedule for Details	Col 2 - Col 3	Col 1 + Col 4	(Col 1 + Col 5) / 2	Input	(Col 6 * (Col 7) / 12)*net of tax rate		Prior Month + Col 8 - Col 9



# PSE&G GAS TAX ADJUSTMENT CREDIT (GTAC)

## Credit Impact Analysis

EXHIBIT P-9G R-2

Schedule SS-GTAC-4 R-2

6.625% SUT Rate effective 1/1/2018

1,040 Typical RSG Therms / yr.

172  
4

89  
2

29 Monthly Therms  
6 # of Months/year

(1)		(2)		(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<div>Gas TAC w/o SUT (\$/therm)</div> <div>Gas TAC w/ SUT (\$/therm)<sup>3</sup></div> <div>Current</div>			Class Average Rate w/SUT - \$/therm <sup>1</sup>		Typical RSG TAC (\$)				<div>Change in RSG Typical Annual Bill (\$'s)</div> <div>RSG Typical Annual Bill (\$'s)<sup>4</sup></div> <div>% Change in RSG Typical Annual Bill</div>		
			RSG		Dec-Mar Monthly Bill	Nov & Apr Monthly Bill	May-Oct Monthly Bill	Annual Bill			
			0.868750	-	-	-	-		903.50		
2019	(0.081199)	(0.086578)	0.782172	(14.89)	(7.71)	(2.51)	(90.04)	-\$90.04	813.46	-9.97%	
2020	(0.075605)	(0.080614)	0.788136	(13.87)	(7.17)	(2.34)	(83.86)	-\$83.86	819.64	-9.28%	
2021	(0.070009)	(0.074647)	0.794103	(12.84)	(6.64)	(2.16)	(77.60)	-\$77.60	825.90	-8.59%	
2022	(0.064414)	(0.068681)	0.800069	(11.81)	(6.11)	(1.99)	(71.40)	-\$71.40	832.10	-7.90%	
2023	(0.058822)	(0.062719)	0.806031	(10.79)	(5.58)	(1.82)	-\$65.24	-\$65.24	838.26	-7.22%	
2018 (3 Months)	(0.132181)	(0.140938)	0.727812	(24.24)	(12.54)	(4.09)	(40.87)	-\$40.87	862.63		
Total											
from Sched SS-TAC-2G      Col 1 * (1 + SUT Rate) Rnd 6			Current Class Avg Rate + Col 2 for Each Rate Class (Col 4 thru Col 10)	(Col 2) * Dec-Mar Monthly Therms Rnd 2	(Col 2) * Nov & Apr Monthly Therms Rnd 2	(Col 2) * May-Oct Monthly Therms Rnd 2	(4 * Col 4) + (2 * Col 5) + (6 * Col 6)	Col 9 - Current Col 8	Current Col 8 + Col 9	Col 8 / Current Col 9 Rnd 4	

% Change from Current Class Average Rate w/SUT

	RSG
2019	-9.97%
2020	-9.28%
2021	-8.59%
2022	-7.91%
2023	-7.22%

<sup>1</sup> All customers assumed to have BGSS Supply

<sup>2</sup> Initial Rate period is October 2018 to December 2019

<sup>3</sup> SUT is assumed at the current SUT rate effective January 1, 2018 through the life of the Program

<sup>4</sup> The rates are based on a typical residential bill as proposed for October 1, 2018