

NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY CUSTOMERS
IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF ELECTRIC AND GAS
BASE RATE ADJUSTMENTS PURSUANT TO THE ENERGY STRONG PROGRAM

Notice of a Filing And Notice of Public Hearings Docket Nos. ER18040358 and GR18040359

TAKE NOTICE that, on March 30, 2018, Public Service Electric and Gas Company (Public Service, PSE&G, the Company) filed a Petition and supporting documentation with the New Jersey Board of Public Utilities (Board, BPU) seeking Board approval for electric and gas base rate changes to provide for cost recovery associated with the Company's Energy Strong Program (Energy Strong).

On May 21, 2014, the Board issued an Order approving Energy Strong in Docket Nos. EO13020155 and GO13020156. The Order provided approval to invest up to \$1.0 billion, recovered through future base rate adjustments, to harden its electric and gas infrastructure to make them less susceptible to damage from wind, flying debris and water damage in anticipation of future major storm events and to strengthen the resiliency of PSE&G's delivery system. These investments were anticipated to be made over a three-year period beginning on the effective date of the Board's Order, with certain investments anticipated to be made over a five-year period.

Under the Company's proposal, PSE&G seeks Board approval to recover in base rates an estimated annual revenue increase associated with the capitalized investment costs of Energy Strong incurred through May 31, 2018, of approximately \$594 thousand from the Company's electric customers and \$120 thousand from the Company's gas customers.

For illustrative purposes the estimated Base Rates effective September 1, 2018, including New Jersey Sales and Use Tax (SUT) for Residential Rate Schedules RS and RSG are shown in Table #1 below.

Tables #2 and #3 below provide customers with the approximate impact of the proposed increase in rates relating to Energy Strong, if approved by the Board. The annual percentage increase applicable to specific customers will vary according to the applicable rate schedule and the level of the customer's usage.

Under the Company's proposal, a typical residential electric customer using 750 kilowatt-hours per summer month and 7,200 kilowatt-hours on an annual basis would see an increase in the annual bill from \$1,239.12 to \$1,239.28, or \$0.16 or approximately 0.01%. The approximate effect of the proposed increase on typical electric residential monthly bills, if approved by the Board, is illustrated in Table #4 below.

Under the Company's proposal, a residential gas heating customer using 100 therms per month during the winter months and 610 therms on an annual basis would see an increase in the annual bill from \$558.56 to \$558.68, or \$0.12 or approximately 0.02%. Also, a typical residential gas heating customer using 165 therms per month during the winter months and 1,010 therms on an annual basis would see an increase in the annual bill from \$879.16 to \$879.22, or \$0.06 or approximately 0.01%. The approximate effect of the proposed gas base rate change on typical gas residential monthly bills, if approved by the Board, is illustrated in Table #5 below.

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

Copies of the Company's filing are available for review at the Company's Customer Service Centers, online at the PSEG website at <http://www.pseg.com/pseandgfilings>, and at the Board of Public Utilities at 44 South Clinton Avenue, Seventh Floor, Trenton, NJ 08625-0350.

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

June 11, 2018 4:30 and 5:30 PM Middlesex County Administration Building Freeholders Meeting Room 1st Floor Meeting Room 75 Bayard Street New Brunswick, NJ 08901	June 13, 2018 4:30 and 5:30 PM Burlington County Administration Building Board of Chosen Freeholders Board Room 1st Floor 49 Rancocas Road Mt. Holly, NJ 08060	June 19, 2018 4:30 and 5:30 PM Bergen County Administration Building Freeholders Public Meeting Room Room 540 1 Bergen County Plaza Hackensack, NJ 07601
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In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters, listening devices or mobility assistance, 48 hours prior to the above hearings to the Board's Secretary at the following address.

Customers may also file written comments with the Secretary of the Board of Public Utilities at 44 South Clinton Avenue, 3rd Floor, Suite 314, P.O. Box 350, Trenton, NJ, 08625-0350 ATTN: Secretary Aida Camacho-Welch whether or not they attend the public hearings. To review PSE&G's rate filing, visit <http://www.pseg.com/pseandgfilings>.

Table #1 - ELECTRIC BASE RATES For Residential RS & RSG Customers Rates
if Effective September 1, 2018

			Base Rates	
Rate Schedule			Charges in Effect April 1, 2018 Including SUT	Proposed Charges in Effect September 1, 2018 Including SUT
RS	Service Charge	per month	\$2.42	\$2.42
	Distribution 0-600, June-September	\$/kWh	0.037079	0.037130
	Distribution 0-600, October-May	\$/kWh	0.035553	0.035553
	Distribution over 600, June-September	\$/kWh	0.041153	0.041204
	Distribution over 600, October-May	\$/kWh	0.035553	0.035553
			Charges in Effect April 1, 2018 Including SUT	Proposed Charges in Effect September 1, 2018 Including SUT
Gas				
RSG	Service Charge	per month	\$5.82	\$5.82
	Distribution Charge	\$/Therm	0.320241	0.320308
	Off-Peak Use	\$/Therm	0.160120	0.160154
	Basic Gas Supply Service-RSG (BGSS-RSG) (Rate shown excludes bill credit for April 2018 usage)	\$/Therm	0.368938	0.368937

Table #2 - Proposed Percentage Change by Customer Class for Electric Service for Rates
if Effective September 1, 2018

Electric		
	Rate Class	Percent Change
Residential	RS	0.01%
Residential Heating	RHS	0.01
Residential Load Management	RLM	0.01
Water Heating	WH	0.02
Water Heating Storage	WHS	0.00
Building Heating	HS	0.00
General Lighting & Power	GLP	0.01
Large Power & Lighting-Sec.	LPL-S	0.01
Large Power & Lighting-Pri.	LPL-P	0.01
High Tension-Subtr.	HTS-S	0.00
High Tension-HV	HTS-HV	0.00
Body Politic Lighting	BPL	0.04
Body Politic Lighting-POF	BPL-POF	0.01
Private Street & Area Lighting	PSAL	0.04
Overall		0.01

The percent increases noted above are based upon April 1, 2018 Delivery Rates, the applicable Basic Generation Service (BGS) charges, and assumes that customers receive commodity service from Public Service Electric and Gas Company.

Table #3 - Proposed Percentage Change by Customer Class for Gas Service for Rates
if Effective September 1, 2018

Gas		
	Rate Class	Percent Change
Residential Service	RSG	0.01%
General Service	GSG	0.01
Large Volume Service	LVG	0.00
Street Lighting Service	SLG	0.01
Firm Transportation Gas Service	TSG-F	0.01
Non-Firm Transportation Gas Service	TSG-NF	0.00
Cogeneration Interruptible Service	CIG	0.00
Overall		0.01

The percent increases noted above are based upon April 1, 2018 Delivery Rates, the applicable Basic Gas Supply Service (BGSS) charges, and assumes that customers receive commodity service from Public Service Electric and Gas Company.

Table #4 - Residential Electric Service for Rates
if Effective September 1, 2018

If Your Annual kWh Use Is:	And Your Monthly Summer kWh Use Is:	Then Your Present Monthly Summer Bill (1) Would Be:	And Your Proposed Monthly Summer Bill (2) Would Be:	Your Monthly Summer Bill Change Would Be:	And Your Monthly Summer Percent Change Would Be:
1,920	200	\$35.98	\$35.99	\$0.01	0.03%
4,320	450	77.95	77.97	0.02	0.03
7,200	750	130.36	130.40	0.04	0.03
7,800	803	140.00	140.04	0.04	0.03
13,160	1,360	241.18	241.25	0.07	0.03

- (1) Based upon Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect April 1, 2018, and assumes that the customer receives BGS-RSCP service from Public Service Electric and Gas Company.

- (2) Same as (1) except includes the change for the Energy Strong Program.

Table #5 - Residential Gas Service for Rates
if Effective September 1, 2018

If Your Annual Therm Use Is:	And Your Monthly Winter Therm Use Is:	Then Your Present Monthly Winter Bill (1) Would Be:	And Your Proposed Monthly Winter Bill (2) Would Be:	Your Monthly Winter Bill Change Would Be:	And Your Monthly Winter Percent Change Would Be:
180	25	\$26.06	\$26.06	\$0.00	0.00%
360	50	46.30	46.31	0.01	0.02
610	100	88.48	88.49	0.01	0.01
1,010	165	142.23	142.24	0.01	0.01
1,224	200	171.18	171.19	0.01	0.01
1,836	300	253.84	253.86	0.02	0.01

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

- (2) Same as (1) except includes change for the Energy Strong Program.



PUBLIC SERVICE ELECTRIC AND GAS COMPANY

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