



December 23, 2020

In The Matter Of The Petition Of
Public Service Electric And Gas Company
To Modify Its Manufactured Gas Plant (MGP) Remediation Component
Within Its Electric Societal Benefits Charge (SBC)
And Its Gas SBC; During The Remediation
Adjustment Charge (RAC) 28 Period, August 1, 2019, to July 31, 2020
BPU Docket No. _____

VIA E-FILING & ELECTRONIC MAIL

Aida Camacho-Welch, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

Dear Secretary Camacho-Welch:

Enclosed for filing please find the original and two copies of Public Service Electric and Gas Company's Petition and attachments in the above-referenced RAC 28 matter.

Please be advised that workpapers will be provided via imanager or USB drive once the Non-Disclosure Agreement is signed.

Please also be advised we will be filing 19 GRAC pre-filing discovery responses.

Consistent with the Order issued by the Board in connection with In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being filed electronically with the Secretary of the Board and the New Jersey Division of Rate Counsel. No paper copies will follow.

Very truly yours,

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

C Attached Service List (via e-mail)

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STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF)	
PUBLIC SERVICE ELECTRIC AND GAS)	PETITION
COMPANY TO MODIFY ITS MANUFACTURED)	
GAS PLANT (MGP) REMEDIATION)	DOCKET NO. _____
COMPONENT WITHIN ITS ELECTRIC)	
SOCIETAL BENEFITS CHARGE (SBC) AND ITS)	
GAS SBC; DURING THE REMEDIATION)	
ADJUSTMENT CHARGE (RAC) 28)	
PERIOD, AUGUST 1, 2019 TO JULY 31, 2020)	

Public Service Electric and Gas Company (Public Service, the Company), a Corporation of the State of New Jersey, having its principal offices at 80 Park Plaza, Newark, New Jersey, respectfully requests that the New Jersey Board of Public Utilities (Board), approve recovery of its Manufactured Gas Plant (MGP) Remediation Program Costs (Program Costs) incurred during the Remediation Adjustment Charge (RAC) period August 1, 2019 through July 31, 2020 (RAC 28), as described below:

1. Public Service is engaged in the transmission, distribution and sale of electric energy for residential, commercial and industrial purposes and is engaged in the purchase, transmission, distribution and sale of natural gas for residential, commercial and industrial purposes within the State of New Jersey.

2. On September 15, 1993, the Board issued an Order, BPU Docket No. ER91111698J, OAL Docket No. PUC-11058-91, pertaining to the recovery of Program Costs. This Order addressed the actual costs incurred after September 30, 1992 and established the RAC. The RAC as approved by the Board provides for an amortization over a rolling seven-year period of actual, reasonably incurred costs. The Board also approved a carrying cost, reflecting the interest rate at that time on medium-term bonds, at 6.25 percent on the unamortized balance, excluding deferred taxes. The

Board, in addition to approving the recovery mechanism, established an allocation method for recovery of these costs from customers, namely 60 percent to gas customers and 40 percent to electric customers.

3. The Company subsequently filed with the Board requests for the recovery of RAC Program Costs through the RAC 27 period. The recovery of RAC Program Costs and carrying costs on unamortized balances for all prior RAC periods through RAC 27 have been approved by the Board in previous Decisions and Orders.

4. In this filing, the Company seeks an Order by April 1, 2021 finding that its RAC activities conducted and Program Costs incurred during the RAC 28 period, August 1, 2019 through July 31, 2020, are reasonable and are appropriate for recovery. The Company further requests that such Order find that it is reasonable to decrease the existing gas and electric Manufactured Gas Plant Remediation components of the Societal Benefits Charge, herein after referred to as the RAC rates. The gas RAC factor as shown on Attachment A-2, page 2 calculates a new rate of \$0.011977/therm (excluding New Jersey Sales and Use Tax, SUT), a decrease from the current RAC rate of \$0.015933/therm (excluding SUT), or by \$10.23 million. The electric RAC factor as shown on Attachment A-2, page 2 calculates a new rate of \$0.000640/kilowatt-hour (excluding line losses and SUT), a decrease from the current RAC rate of \$0.000675/ kilowatt-hour (excluding line losses and SUT), or by \$3.66 million. Attachment A-2, page 2 also calculates the decrease for the RAC factors inclusive of line losses for Secondary service as well as for LPL Primary, HTS Sub-transmission, and HTS High Voltage. Typical residential bill impacts resulting from this filing are attached to this Petition as Attachment E.

5. Appended to this Petition as Attachment A are the testimony and exhibits of Donna M. Powell, quantifying the Program Costs incurred by Public Service in the furtherance of its Remediation Program during the RAC 28 period at \$41,432,973. Ms. Powell credited insurance proceeds of \$6,000,000 against the RAC 28 annual program costs as well as other miscellaneous recoveries received of \$146,932. In accordance with the Board Order approving the Settlement Agreement for the Company's RAC 15 filing,¹ PSE&G will defer, for future recovery, \$11,107 of adjusted NRD-related interest costs incurred during the RAC 28 period. The Company will continue to defer the NRD-related MGP until the Board has addressed the rate recoverability of such costs through the RAC mechanism. Therefore, the net annual RAC 28 costs proposed for recovery in this filing, less the deferred NRD-related MGP costs, is \$34,504,421. (*See* Attachments A-3, page 1 of Ms. Powell's testimony).

6. Ms. Powell's testimony describes the method for quantifying the Program Costs (i.e., the Board-approved 1/7 methodology). In addition, Ms. Powell explains that the Company is requesting recovery of carrying costs on its unamortized remediation program balance, and the true-up and recovery of RAC 27 costs. As described in Ms. Powell's testimony, the above Program Costs were allocated to gas and electric customers on a 60/40 percent basis pursuant to the Board Order in Docket No. ER91111698J dated September 15, 1993, and, pursuant to that Order, are to be recovered over a rolling seven-year period.

7. Appended to this Petition as Attachment B is the testimony of Richard A. Blackman that provides a history of the clean-up for each MGP site and an on-going report on the status of the clean-up, remedial investigative work and any resolution before the New Jersey Department

¹ BPU RAC 15 Order, Docket Number ER07120970 (October 3, 2008).

of Environmental Protection (NJDEP). Mr. Blackman's testimony supports the reasonableness of the Company's clean-up activities in the furtherance of its RAC 28 period MGP Remediation Program.

8. Appended to this Petition as Attachment C is the testimony of Mr. Stephen Swetz. The purpose of this testimony is to discuss PSE&G's derivation of its proposed rates associated with the RAC 28.

9. Proposed tariff sheets are attached to this Petition as Attachment D.

10. Typical residential bill impacts resulting from this filing are attached to this Petition as Attachment E.

11. In accordance with the Board's Covid-19 order,² notice of this filing, the Petition, testimony, and schedules will be served upon the Department of Law and Public Safety, 124 Halsey Street, P.O. Box 45029, Newark, New Jersey 07101 and upon the Director, Division of Rate Counsel, 140 East Front Street 4th Floor, Trenton, N.J. 08625 by electronic mail. Electronic copies of the Petition, testimony, and schedules will also be sent to the persons identified on the service list provided with this filing.

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

² See, In the matter of the New Jersey Board of Public Utilities' Response to the Covid-19 Pandemic for a Temporary Waiver of the Requirements for Certain Non-Essential Obligations, Docket No. EO20030254, dated March 19, 2020.

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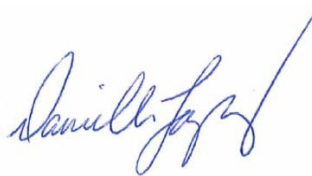
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WHEREFORE, Public Service respectfully requests an Order by April 1, 2021:

- a) Determining that its Program Activities completed during the RAC 28 period were prudent;
- b) Determining that the program costs incurred for the RAC 28 period are reasonable and appropriate for recovery; and
- c) Determining that it is reasonable for the Company to update its existing electric and gas RAC rates to \$0.000640/kilowatt-hour (excluding losses and SUT) and \$0.011977/therm (excluding SUT), respectively.

Respectfully submitted,

PUBLIC SERVICE ELECTRIC AND GAS COMPANY



DATED: December 23, 2020

By _____

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STATE OF NEW JERSEY)
)
COUNTY OF ESSEX)

Steven Swetz, of full age, being duly sworn according to law, on his oath
deposes and says:

1. I am the Sr. Director – Corporate Rates and Revenue Requirements of PSEG
Services Corporation.

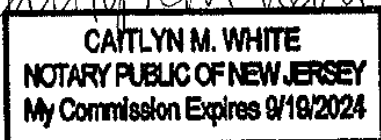
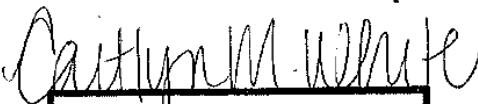
2. I have read the forgoing Petition, and the factual matters stated therein are true
and correct to the best of my knowledge and belief.

BY



STEPHEN SWETZ

Sworn to and Subscribed to
Before me this 23rd day of
December, 2020



PUBLIC SERVICE ELECTRIC AND GAS COMPANY

**DIRECT TESTIMONY
OF
DONNA M. POWELL**

My name is Donna M. Powell and I am employed by PSEG Services Corporation (PSEG Services), a subsidiary of Public Service Enterprise Group Incorporated (PSEG or Enterprise), as Assistant Controller, Public Service Electric and Gas Company (PSE&G or the Company). I am responsible for all accounting matters for PSE&G. My business address is 80 Park Plaza, Newark, New Jersey. My professional background and qualifications as a witness in this proceeding are included in Attachment A-1 of this testimony.

PURPOSE OF TESTIMONY

My testimony presents PSE&G's proposed changes to its Manufactured Gas Plant Remediation component of the Societal Benefits Charge (SBC), herein after referred to as the Remediation Adjustment Charge (RAC) for the RAC 28 period, including recording of the remediation program costs through the SBC, the calculation of carrying costs on the unamortized remediation program balance and the true-up and recovery of RAC 27 costs. The RAC is a separate component of the SBC, as created by the Electric Discount and Energy Competition Act (EDECA).

1 **OVERVIEW AND BACKGROUND OF PSE&G'S REMEDIATION**
2 **PROGRAM**

3 PSE&G has implemented a program to address environmental remediation
4 regarding the Company's former Manufactured Gas Plant (MGP) properties in
5 cooperation with and under the direction of the New Jersey Department of
6 Environmental Protection (NJDEP). To date, PSE&G has entered into 11
7 Administrative Consent Orders (ACO) plus 26 Memorandums of Agreement (MOA)
8 with the NJDEP, as fully discussed in the testimony of Richard A. Blackman
9 (Attachment B to the Petition).

10 Effective August 1, 1999, the Company implemented its Electric SBC and on
11 August 1, 2000 implemented its Gas SBC, as created by EDECA. Section 12(a) (4) of
12 EDECA authorizes the recovery of MGP remediation costs. The Final Decision and
13 Order in the Company's electric restructuring case and its Gas Unbundling Order set
14 forth the components within the SBC and afforded deferred accounting treatment on
15 the over/under recovery of gas remediation costs, including an interest component.
16 The Stipulation in the electric restructuring case states with respect to the SBC costs
17 that "Actual costs incurred by the Company for each of these components will be
18 subject to deferred accounting." Actual remediation costs incurred are deferred,
19 subject to recovery in future SBC proceedings. The remediation costs, less the
20 recovery of insurance proceeds, are being recovered from ratepayers over a 7-year
21 period. All of the PSE&G remediation costs are net of miscellaneous recoveries and

1 insurance proceeds, and have been filed and recovered in that manner since the
2 implementation of the RAC.

3 Subsequently, the Board has approved the recovery of the Company's MGP costs
4 through its RAC rates in all RAC periods through RAC 27, including the most recent
5 Board Order on September 23, 2020.

6 The term "RAC period" as used in testimony is the twelve (12) month period
7 from August 1 to July 31. The current gas and electric SBC tariffs include a provision
8 for the recovery of RAC costs through the SBC, equal to the recovery of 1/7 of RAC 21
9 through RAC 27 costs for the period ending July 31, 2019. PSE&G has summarized
10 the RAC 28 remediation program costs for the twelve-month period ended July 31,
11 2020 (Attachment A2, page 1) and included the detailed remediation program costs
12 and credits by month, for that same period in Attachment A-3, page 1. The costs
13 include those incurred by the Company that are associated with the investigation and
14 clean-up of former MGP facilities, in accordance with clean-up and the associated
15 work programs directed and approved by the NJDEP as more fully described and
16 addressed in the testimony of Richard A. Blackman, and costs of investigations and
17 related litigation regarding alleged contamination of waterways adjacent to such
18 former MGP facilities.

19 **THE PROPOSED REMEDIATION ADJUSTMENT CHARGE (RAC 28)**
20 **EXPENDITURES ARE FAIRLY STATED**

1 Attachment A-2, page 1 of 2 details the required RAC collection of \$59.984
2 million after applying the Board-approved seven-year amortization, carrying charges
3 and RAC 27 true-up. Attachment A-2, page 2 details the allocation of the required RAC
4 collection between gas and electric customers in the amounts of \$34.386 million and
5 \$25.598 million, respectively.

6 The Company is requesting recovery of the program costs for the RAC 28 period,
7 net of insurance and Natural Resource Damage (NRD)-related MGP costs, and
8 proposes to include 1/7 of these costs in the RAC consistent with current Board policy.
9 The RAC 28 filing also includes the request for recovery of carrying costs on its
10 unamortized remediation program balance and the true-up and recovery of RAC 27
11 costs. RAC 28 would continue to include the previously approved amortizations of
12 costs for the RAC 22 through RAC 27 periods (Attachment A-2, page 1). Attachment
13 A-2, page 2 details the allocation between gas and electric customers, including the
14 related customer classes. The gas RAC factor as shown on Attachment A-2, page 2
15 calculates a new rate of \$0.012770/therm including current New Jersey Sales and Use
16 Tax (SUT) of 6.625%, a decrease from the current rate of \$0.016989/therm including
17 SUT of 6.625%. The electric RAC factors as shown on Attachment A-2, page 2
18 calculates a decrease for electric Secondary service customers from \$0.000765 /kilowatt-
19 hour including line losses and SUT to \$0.000725/kilowatt-hour including line losses and
20 current SUT of 6.625%, as well an increase in the proposed RAC factors for LPL

1 Primary, HTS Sub-transmission, and HTS High Voltage. As detailed on Attachment
2 A-3, page 1, the RAC 28 gross program costs incurred during the twelve-month
3 period ending July 31, 2020, aggregated \$41,432,973. The gross program costs
4 incurred have been reduced by a total of \$6,146,932 representing insurance proceeds
5 (net) received of \$6,000,000, other miscellaneous recoveries received of \$146,932 and
6 deferred NRD (Interest only) of \$11,107.

7 **NRD RELATED MGP COSTS**

8 In accordance with the BPU-approved Settlement Agreement for the
9 Company's previous RAC 15 filing, PSE&G has deferred NRD costs identified in the
10 RAC 15 through 28 periods pending BPU review and approval of recoverability of
11 such costs through the RAC mechanism. A total of \$775,567 inclusive of applicable
12 interest has been deferred to date.

13 Therefore, the net annual RAC 28 costs proposed for recovery in this filing,
14 less miscellaneous recoveries, insurance recovery and the deferred NRD-related
15 interest, is \$34,504,421 (See Attachment A-3, page 1).

16 **THE TRUE UP OF UNRECOVERED RAC 26 COSTS**

17 The RAC 28 Petition includes a true-up and recovery of the RAC 27 costs in
18 the amount of \$2.230 million for gas and \$4.143 million for electric, based upon a
19 comparison of the approved RAC 27 costs with the actual recoveries during the

1 period from October 1, 2019 through September 30, 2020. The supporting detail for
2 the RAC 27 true-up is set forth in Attachment A-3, page 2.

3 **CARRYING COSTS ON UNRECOVERED REMEDIATION PROGRAM**
4 **BALANCE**

5 The carrying costs for the RAC 28 filing of \$1.200 million for gas and \$0.817
6 million for electric, for the period August 2020 through June 2022 are based on the
7 unamortized deferred ending balance for the RAC 28 period. The supporting detail
8 for the carrying costs is included in Attachment A-5, page 2 (Gas) and page 4
9 (Electric).

10 The interest rate for the RAC is based on seven-year constant maturity
11 treasuries, as shown in the Federal Reserve Statistical Release on or closest to August
12 1, of each year, plus 60 basis points. As of August 1, 2019, the rate was 1.77%, plus
13 60 basis points, which equates to a total interest rate of 2.37%. Effective August 1,
14 2019, the rate was 0.40%, plus 60 basis points, which equates to a total interest rate of
15 1.00%.

16 **OTHER - SALES OF PROPERTY**

17 PSE&G is required to notify the Board of any sale of remediation property 60
18 days prior to sale. Remediation property is defined as (a) property whose purchase
19 price was included in RAC expenditures in part or in full or (b) property whose RAC
20 expenditures were recovered in part or in full from PSE&G customers. There have
21 been no sales of property or intercompany transfers during the RAC 28 period.

1 **SUMMARY and CONCLUSION**

2 Based on the above detail, PSE&G is requesting rates that are anticipated to
3 provide for annual recovery of \$34.386 million through the gas SBC and \$25.598
4 million through the electric SBC. This testimony and the attached schedules fully
5 support the Company's request in this matter and comply with all Board Orders
6 pertaining to MGP cost recovery.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

**PROFESSIONAL QUALIFICATIONS
OF
DONNA M. POWELL
ASSISTANT CONTROLLER**

I hold a B.S in Accounting from Villanova University and I am a Certified Public Accountant. I have been employed at PSEG Services since February 2012, serving as Assistant Controller-PSE&G. I have previously testified on behalf of PSE&G to the BPU. In my role as Assistant Controller – PSE&G, I am responsible for all regulatory accounting matters for PSE&G and I direct the utility accounting functions including regulatory compliance thereon.

Prior to joining PSEG, I had been employed by New Jersey American Water Company from 2007 to 2012 as Vice-President of Finance where I was responsible for all of the financial aspects of that Company, including business planning, regulatory strategy and rate support, and all financial, statutory and management reporting. From 1998 to 2007, I worked in various financial capacities at Pepco Holdings, Inc. (formerly Conectiv, Inc. and Atlantic City Electric Company), including testifying before the New Jersey Board of Public Utilities in 1998 in support of Atlantic City Electric Company's request for stranded cost recovery as a result of deregulation. I also worked for nine years

with Deloitte & Touche in various capacities from entry-level auditor through Senior Manager, where, in that role, I worked primarily in the utility sector and was designated a utility industry accounting and auditing expert.

RAC 28 SUMMARY SCHEDULE
FOR THE ANNUAL RAC PERIOD ENDED JULY 31, 2020
\$000

<u>Workpaper Reference</u>	<u>TOTAL</u>	<u>RAC #28</u>	<u>RAC #27</u>	<u>RAC #26</u>	<u>RAC #25</u>	<u>RAC #24</u>	<u>RAC #23</u>	<u>RAC #22</u>
COSTS ELIGIBLE FOR AMORTIZATION & RECOVERY OVER 7 YEARS:								
Prior RAC Periods #22 - #27 - Actual Approved Expenditures , Net*	From Prior yr. Approved RAC filings (A)	\$326,660	\$53,061	\$35,890	\$57,695	\$40,903	\$54,113	\$84,998
RAC 28 Period - Actual Expenditures, Net*	From Attachment A-3, pg. 1 (B)	\$34,504	\$34,504					
ANNUAL RECOVERY SUMMARY:								
Annual Amortization of Prior RAC Period Costs (seven years)	From Prior yr. Approved RAC filings = (A) / 7	\$46,665	\$7,580	\$5,127	\$8,242	\$5,843	\$7,730	\$12,143
Annual Amortization (seven years)	(B) / 7	<u>\$4,929</u>	\$4,929					
RAC 22 through 28 Expenditures for Allocation between Gas & Electric		\$51,594	<i>To Attachment A-2 pg. 2</i>					
True up of RAC 27 Expenditures with RAC Recoveries - GAS	From Attachment A-3, pg. 2	\$2,230						
True up of RAC 27 Expenditures with RAC Recoveries - ELEC	From Attachment A-3, pg. 2	\$4,143						
Cumulative Interest (Carrying Charges) on Gas Deferred Balances Aug-20 to Jun-22 per Dkt. No. ER02080604	From Attachment A-5, pg. 2	\$1,200						
Cumulative Interest (Carrying Charges) on Electric Deferred Balances Aug-20 to Jun-22 per DKT No. ER02080604	From Attachment A-5, pg. 4	\$817						
TOTAL - RAC 28 ANNUAL RECOVERY, PERIOD TO DATE		<u>\$59,984</u>						

* NET represents "Net of Insurance Recoveries, Miscellaneous Recoveries and NRD"
Numbers may not add due to rounding

REMEDATION PROGRAM COSTS - RAC 28
ELECTRIC AND GAS ALLOCATION DETAILS

\$000

I. OVERALL ALLOCATION BETWEEN GAS & ELECTRIC CUSTOMERS:

	<u>Workpaper Reference</u>	<u>Gas</u>	<u>Electric</u>	<u>Total</u>
RAC 22 through 28 Expenditures for Allocation between Gas & Electric	From Attachment A-2, pg 1			\$51,594 (A)
Allocation % between Gas & Electric Customers	See Note 1, below	60%	40%	100%
Allocation to Gas Customers	(A) X 60%	\$30,956		
Allocation to Electric Customers	(A) X 40%		\$20,638	
ADD:				
True up of RAC 27 Expenditures with RAC Recoveries - GAS	From Attachment A-3, pg 2	\$2,230		
True up of RAC 27 Expenditures with RAC Recoveries - ELEC	From Attachment A-3, pg 2		\$4,143	
Cumulative Interest (Carrying Charges) on Gas Deferred Balances Aug-20 to Jun-22 per Dkt. No. ER02080604	From Attachment A-5, pg 2 of 4	\$1,200		
Cumulative Interest (Carrying Charges) on Electric Deferred Balances Aug-20 to Jun-22 per DKT No. ER020080604	From Attachment A-5, pg 4 of 4		\$817	
Total Gas and Electric Revenue Requirement (\$000)		\$34,386	\$25,598	\$59,984
<i>Agrees to Attachment A-2, pg 1</i>				
Projected Gas Sales (000 therms) and Purchased Electric Energy (000 kWh)		2,871,020	39,995,189	
Gas Rate (\$/therm) and Electric Rate (\$/kWh)		0.011977	0.000640	

Note 1: Allocation of 60% of costs to Gas customers and 40% to Electric customers was determined per BPU Order dated November 4, 1994, Dkt. ER91111698J

II. ALLOCATION TO GAS CUSTOMER CLASSES:

		7/21-6/22			
		<u>\$/ Therm</u>		\$000	
		<u>Therm Sales (000)</u>	<u>(Excl. SUT)</u>	<u>(Incl. SUT)</u>	<u>Recovery</u>
Customer Classes:	RSG	1,521,012	0.011977	0.012770	\$18,217
	GSG	290,439	0.011977	0.012770	\$3,478
	LVG	760,793	0.011977	0.012770	\$9,112
	CIG	52,751	0.011977	0.012770	\$632
	TSG-F, NF	245,368	0.011977	0.012770	\$2,939
	SLG	656	0.011977	0.012770	\$8
		2,871,020			\$34,386

III. ALLOCATION TO ELECTRIC CUSTOMER CLASSES:

Rate		\$/kWh		0.000640
		<u>\$/ kWh</u>		
		<u>Loss Factor</u>	(Excl. SUT)	(Incl. SUT)
Customer Classes:	Secondary Service	5.8327%	0.000680	0.000725
	LPL Primary	3.3153%	0.000662	0.000706
	HTS Subtransmission	2.0472%	0.000653	0.000696
	HTS High Voltage	0.8605%	0.000646	0.000689
Numbers may not add due to rounding				
		Gas	Electric	Total
RAC 27 Approved Revenue Requirement		\$44,619	\$29,255	\$73,873
RAC 28 Proposed Revenue Requirement		\$34,386	\$25,598	\$59,984
Increase/(Decrease)		(\$10,232)	(\$3,657)	(\$13,889)

RAC 28 EXPENDITURES

						Net Expenditures allocated to Gas & Electric and included in Attachment A-4, pages 1 and 2	
	Gross Expenditures	Miscellaneous Recoveries*	Expenditures Eligible for Insurance	Insurance Recoveries & NRD Exp.**	Net Expenditures***	Gas allocation @ 60%	Electric Allocation @ 40%
Aug-19	\$4,230,594	\$2,329	\$4,228,265	\$0	\$4,228,265	\$2,536,959	\$1,691,306
Sep-19	\$4,485,886	\$3,929	\$4,481,957	\$0	\$4,481,957	\$2,689,174	\$1,792,783
Oct-19	\$5,113,877	\$2,329	\$5,111,548	\$0	\$5,111,548	\$3,066,929	\$2,044,619
Nov-19	\$3,735,887	\$2,779	\$3,733,108	\$0	\$3,733,108	\$2,239,865	\$1,493,243
Dec-19	\$4,227,035	\$3,272	\$4,223,763	\$0	\$4,223,763	\$2,534,258	\$1,689,505
Jan-20	\$2,306,004	\$327,522	\$1,978,482	\$6,000,000	(\$4,021,518)	(\$2,412,911)	(\$1,608,607)
Feb-20	\$3,253,128	\$3,849	\$3,249,279	\$0	\$3,249,279	\$1,949,567	\$1,299,712
Mar-20	\$2,124,269	\$2,329	\$2,121,940	\$0	\$2,121,940	\$1,273,164	\$848,776
Apr-20	\$1,643,682	\$2,329	\$1,641,353	\$0	\$1,641,353	\$984,812	\$656,541
May-20	\$1,487,876	\$2,329	\$1,485,547	\$0	\$1,485,547	\$891,328	\$594,219
Jun-20	\$5,052,589	\$562,120	\$4,490,469	\$0	\$4,490,469	\$2,694,281	\$1,796,188
Jul-20	\$3,772,147	\$2,329	\$3,769,818	\$0	\$3,769,818	\$2,261,891	\$1,507,927
Deferred NRD Expense				\$11,107	(\$11,107)	N/A	N/A
TOTAL	\$41,432,973	\$917,445	\$40,515,529	\$6,011,107	\$34,504,421	\$20,709,317	\$13,806,211
						Agrees to Attachment A-4, pg 1 "Total" column	Agrees to Attachment A-4, pg 2 "Total" column

* - Miscellaneous Recoveries

Property Tax Credits	\$0
Invoice Discount	\$0
Leases/Rents	\$109,920
Third Party Settlements	\$0
Misc. (e.g., scrap credit)	\$37,012
Trust Fund Release	\$0
Transfer of Property	\$0
Total Miscellaneous Recoveries	\$146,932 (A)

** - NRD Exp./Insurance

NRD from RAC Period (Interest Only)	\$11,107
Insurance Recovery	\$6,000,000
Total NRD Expense/Insurance	\$6,011,107 (B)

Total Reductions Applied to RAC Expenditures **\$6,158,039 (A) + (B)**

*** The total of this column is net expenditures less deferred RAC period NRD-related MGP costs
Numbers may not add due to rounding

TRUE-UP OF RAC 27
AUGUST 2018 THROUGH JULY 2019
\$ 000

			<u>GAS</u>	<u>ELECTRIC</u>
Expenditures Eligible for Recovery			\$44,619	\$29,255
Less:	Gas Recoveries*	Details below	\$42,388	
Less:	Electric Recoveries**	Details below		\$25,112
Total (Over)/under-recovered			<u>\$2,230</u>	<u>\$4,143</u>

To Attachment A-2, pg 1 & pg 2

RAC RECOVERIES			
	<u>GAS*</u>	<u>ELECTRIC**</u>	<u>TOTAL</u>
Oct-19	\$2,016,538	\$1,912,011	\$2,016,538
Nov-19	\$4,972,443	\$1,858,467	\$4,972,443
Dec-19	\$6,752,536	\$2,108,256	\$6,752,536
Jan-20	\$6,684,669	\$2,110,314	\$6,684,669
Feb-20	\$6,208,402	\$1,905,028	\$6,208,402
Mar-20	\$4,609,846	\$1,935,794	\$4,609,846
Apr-20	\$3,759,367	\$1,592,997	\$3,759,367
May-20	\$2,212,164	\$1,733,631	\$2,212,164
Jun-20	\$1,473,221	\$2,271,275	\$1,473,221
Jul-20	\$1,196,968	\$2,874,088	\$1,196,968
Aug-20	\$1,262,912	\$2,652,149	\$1,262,912
Sep-20	\$1,239,409	\$2,157,751	\$1,239,409
TOTAL	<u>\$42,388,475</u>	<u>\$25,111,760</u>	<u>\$67,500,235</u>

GAS ties to RAC 27 Ending Bal	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	TOTAL
BEGINNING BALANCE	(\$106,798,422)	(\$108,159,274)	(\$109,533,180)	(\$110,583,570)	(\$107,850,992)	(\$103,632,714)	(\$94,535,133)	(\$90,276,298)	(\$86,939,616)	(\$84,165,062)	(\$82,844,226)	(\$84,065,286)	
REVENUE RECOVERIES	\$1,176,106	\$1,315,269	\$2,016,538	\$4,972,443	\$6,752,536	\$6,684,669	\$6,208,402	\$4,609,846	\$3,759,367	\$2,212,164	\$1,473,221	\$1,196,968	\$42,377,529
PROGRAM COST EXPENDITURES	(\$2,536,959)	(\$2,689,174)	(\$3,066,929)	(\$2,239,865)	(\$2,534,258)	\$2,412,911	(\$1,949,567)	(\$1,273,164)	(\$984,812)	(\$891,328)	(\$2,694,281)	(\$2,261,891)	(\$20,709,317)
OVER/(UNDER) COLLECTED	(\$1,360,853)	(\$1,373,905)	(\$1,050,391)	\$2,732,579	\$4,218,278	\$9,097,580	\$4,258,835	\$3,336,682	\$2,774,555	\$1,320,836	(\$1,221,061)	(\$1,064,923)	Agrees to Attachment A- 3, pg 1
CUMULATIVE BALANCE	(\$108,159,274)	(\$109,533,180)	(\$110,583,570)	(\$107,850,992)	(\$103,632,714)	(\$94,535,133)	(\$90,276,298)	(\$86,939,616)	(\$84,165,062)	(\$82,844,226)	(\$84,065,286)	(\$85,130,209)	
INTEREST CALCULATION: PRIOR BALANCE	(\$106,798,422)	(\$108,159,274)	(\$109,533,180)	(\$110,583,570)	(\$107,850,992)	(\$103,632,714)	(\$94,535,133)	(\$90,276,298)	(\$86,939,616)	(\$84,165,062)	(\$82,844,226)	(\$84,065,286)	
CURRENT BALANCE	(\$108,159,274)	(\$109,533,180)	(\$110,583,570)	(\$107,850,992)	(\$103,632,714)	(\$94,535,133)	(\$90,276,298)	(\$86,939,616)	(\$84,165,062)	(\$82,844,226)	(\$84,065,286)	(\$85,130,209)	
(PRIOR BAL + CURRENT BAL)/2	(\$107,478,848)	(\$108,846,227)	(\$110,058,375)	(\$109,217,281)	(\$105,741,853)	(\$99,083,923)	(\$92,405,716)	(\$88,607,957)	(\$85,552,339)	(\$83,504,644)	(\$83,454,756)	(\$84,597,748)	
EXPENSE/(REVENUE) MONTHLY INTEREST INTEREST RATE	(\$152,601) 2.37%	(\$154,543) 2.37%	(\$156,264) 2.37%	(\$155,070) 2.37%	(\$150,135) 2.37%	(\$140,682) 2.37%	(\$131,200) 2.37%	(\$125,808) 2.37%	(\$121,470) 2.37%	(\$118,562) 2.37%	(\$118,491) 2.37%	(\$120,114) 2.37%	
CUMULATIVE INTEREST	(\$152,601)	(\$307,144)	(\$463,408)	(\$618,478)	(\$768,613)	(\$909,295)	(\$1,040,495)	(\$1,166,303)	(\$1,287,773)	(\$1,406,335)	(\$1,524,826)	(\$1,644,941)	(\$86,775,150)

ELECTRIC ties to RAC 27 Ending Bal	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	TOTAL
BEGINNING BALANCE	(\$68,827,017)	(\$68,354,275)	(\$67,991,067)	(\$68,123,675)	(\$67,758,452)	(\$67,339,701)	(\$63,620,780)	(\$63,015,463)	(\$61,928,445)	(\$60,991,989)	(\$59,852,577)	(\$59,377,490)	
REVENUE RECOVERIES	2,164,048.20	2,155,990.63	1,912,010.80	1,858,466.68	2,108,255.64	2,110,313.96	1,905,028.33	1,935,794.12	1,592,996.61	1,733,631.15	2,271,274.63	2,874,088.23	\$ 24,621,899
PROGRAM COST EXPENDITURES	(\$1,691,306)	(\$1,792,783)	(\$2,044,619)	(\$1,493,243)	(\$1,689,505)	\$1,608,607	(\$1,299,712)	(\$848,776)	(\$656,541)	(\$594,219)	(\$1,796,188)	(\$1,507,927)	\$ (13,806,211)
OVER/(UNDER) COLLECTED	\$472,742	\$363,208	(\$132,608)	\$365,223	\$418,751	\$3,718,921	\$605,317	\$1,087,018	\$936,455	\$1,139,413	\$475,087	\$1,366,161	Agrees to Attachment A-3, pg 1
CUMULATIVE BALANCE	(\$68,354,275)	(\$67,991,067)	(\$68,123,675)	(\$67,758,452)	(\$67,339,701)	(\$63,620,780)	(\$63,015,463)	(\$61,928,445)	(\$60,991,989)	(\$59,852,577)	(\$59,377,490)	(\$58,011,329)	
INTEREST CALCULATION: PRIOR BALANCE	(\$68,827,017)	(\$68,354,275)	(\$67,991,067)	(\$68,123,675)	(\$67,758,452)	(\$67,339,701)	(\$63,620,780)	(\$63,015,463)	(\$61,928,445)	(\$60,991,989)	(\$59,852,577)	(\$59,377,490)	
CURRENT BALANCE	(\$68,354,275)	(\$67,991,067)	(\$68,123,675)	(\$67,758,452)	(\$67,339,701)	(\$63,620,780)	(\$63,015,463)	(\$61,928,445)	(\$60,991,989)	(\$59,852,577)	(\$59,377,490)	(\$58,011,329)	
(PRIOR BAL + CURRENT BAL)/2	(\$68,590,646)	(\$68,172,671)	(\$68,057,371)	(\$67,941,063)	(\$67,549,076)	(\$65,480,240)	(\$63,318,121)	(\$62,471,954)	(\$61,460,217)	(\$60,422,283)	(\$59,615,033)	(\$58,694,409)	
EXPENSE/(REVENUE) MONTHLY INTEREST INTEREST RATE	(\$97,387) 2.37%	(\$96,793) 2.37%	(\$96,630) 2.37%	(\$96,465) 2.37%	(\$95,908) 2.37%	(\$92,971) 2.37%	(\$89,901) 2.37%	(\$88,699) 2.37%	(\$87,263) 2.37%	(\$85,789) 2.37%	(\$84,643) 2.37%	(\$83,336) 2.37%	
CUMULATIVE INTEREST	(\$97,387)	(\$194,180)	(\$290,810)	(\$387,275)	(\$483,183)	(\$576,153)	(\$666,054)	(\$754,754)	(\$842,016)	(\$927,806)	(\$1,012,449)	(\$1,095,785)	
												(\$59,107,114)	

MANUFACTURED GAS PLANT REMEDIATION (RAC 28) CARRYING CHARGES

GAS RAC INTEREST CALCULATION	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21
BEGINNING BALANCE	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)
REVENUE RECOVERIES												
PROGRAM COST EXPENDITURES												
OVER/(UNDER) COLLECTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE BALANCE	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)
INTEREST CALCULATION:												
PRIOR BALANCE	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)
CURRENT BALANCE	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)
(PRIOR BAL + CURRENT BAL)/2	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)	(\$86,775,150)
EXPENSE/(REVENUE)												
MONTHLY INTEREST	(\$51,986)	(\$51,986)	(\$51,986)	(\$51,986)	(\$51,986)	(\$51,986)	(\$51,986)	(\$51,986)	(\$51,986)	(\$51,986)	(\$51,986)	(\$51,986)
INTEREST RATE	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
CUMULATIVE INTEREST	(\$51,986)	(\$103,971)	(\$155,957)	(\$207,942)	(\$259,928)	(\$311,913)	(\$363,899)	(\$415,884)	(\$467,870)	(\$519,855)	(\$571,841)	(\$623,827)

MANUFACTURED GAS PLANT REMEDIATION (RAC 28) CARRYING CHARGES

GAS RAC INTEREST CALCULATION	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	TOTAL
BEGINNING BALANCE	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	
REVENUE RECOVERIES												
PROGRAM COST EXPENDITURES												
OVER/(UNDER) COLLECTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
CUMULATIVE BALANCE	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	
INTEREST CALCULATION:												
PRIOR BALANCE	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	
CURRENT BALANCE	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	
(PRIOR BAL + CURRENT BAL)/2	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	(\$87,398,976)	
EXPENSE/(REVENUE)												
MONTHLY INTEREST	(\$52,359)	(\$52,359)	(\$52,359)	(\$52,359)	(\$52,359)	(\$52,359)	(\$52,359)	(\$52,359)	(\$52,359)	(\$52,359)	(\$52,359)	(\$52,359) (\$1,199,779)
INTEREST RATE	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	Agrees to Attachment A-2, pg 1
CUMULATIVE INTEREST	(\$52,359)	(\$104,719)	(\$157,078)	(\$209,437)	(\$261,796)	(\$314,156)	(\$366,515)	(\$418,874)	(\$471,233)	(\$523,593)	(\$575,952)	

MANUFACTURED GAS PLANT REMEDIATION (RAC 28) CARRYING CHARGES

ELECTRIC RAC INTEREST CALCULATION	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21
BEGINNING BALANCE	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)
REVENUE RECOVERIES												
PROGRAM COST EXPENDITURES												
OVER/(UNDER) COLLECTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE BALANCE	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)
INTEREST CALCULATION:												
PRIOR BALANCE	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)
CURRENT BALANCE	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)
(PRIOR BAL + CURRENT BAL)/2	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)	(\$59,107,114)
EXPENSE/(REVENUE)												
MONTHLY INTEREST	(\$35,410)	(\$35,410)	(\$35,410)	(\$35,410)	(\$35,410)	(\$35,410)	(\$35,410)	(\$35,410)	(\$35,410)	(\$35,410)	(\$35,410)	(\$35,410)
INTEREST RATE	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
CUMULATIVE INTEREST	(\$35,410)	(\$70,820)	(\$106,230)	(\$141,640)	(\$177,050)	(\$212,461)	(\$247,871)	(\$283,281)	(\$318,691)	(\$354,101)	(\$389,511)	(\$424,921)

MANUFACTURED GAS PLANT REMEDIATION (RAC 28) CARRYING CHARGES

ELECTRIC RAC INTEREST CALCULATION	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	
BEGINNING BALANCE	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	
REVENUE RECOVERIES												
PROGRAM COST EXPENDITURES												
OVER/(UNDER) COLLECTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
CUMULATIVE BALANCE	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	
INTEREST CALCULATION:												
PRIOR BALANCE	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	
CURRENT BALANCE	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	
(PRIOR BAL + CURRENT BAL)/2	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	(\$59,532,035)	
EXPENSE/(REVENUE)												
MONTHLY INTEREST	(\$35,665)	(\$35,665)	(\$35,665)	(\$35,665)	(\$35,665)	(\$35,665)	(\$35,665)	(\$35,665)	(\$35,665)	(\$35,665)	(\$35,665)	(\$35,665) (\$817,232)
INTEREST RATE	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	Agrees to Attachment A-2, pg 1
CUMULATIVE INTEREST	(\$35,665)	(\$71,329)	(\$106,994)	(\$142,659)	(\$178,323)	(\$213,988)	(\$249,653)	(\$285,317)	(\$320,982)	(\$356,646)	(\$392,311)	

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

**DIRECT TESTIMONY
OF
Richard A. Blackman**

My name is Richard A. Blackman, Director – Environmental Projects, in the Projects and Construction Department of Public Service Electric and Gas Company (PSE&G or Public Service). My professional credentials are provided as Attachment B-1. The purpose of my testimony in this proceeding is to provide relevant facts and support the reasonableness of the PSE&G Manufactured Gas Plant (MGP) Remediation Program.

NJDEP CLAIM

Compliance Program

Public Service is currently implementing a program to address potential environmental concerns regarding the Company's former MGP properties under the direction and oversight of the New Jersey Department of Environmental Protection (NJDEP). To date, Public Service has entered into 11 Administrative Consent Orders (ACO) with the NJDEP covering the former Bordentown, Gloucester, Hackensack, Hobart Avenue (Bayonne), Mount Holly, Morristown (Parcels 3 and 4), Paterson, Ridgewood, Riverton, South Amboy and Woodbury sites. Additionally, PSE&G has entered into 26 Memoranda of Agreement (MOA) with the NJDEP covering the former Harrison Gas Plant, Brunswick Avenue Gas Plant (Trenton), Front Street Gas Works (Newark), Medford Gas Works, Central Gas Plant (Edison), Market Street Gas Works (Newark), West End Gas Plant (Jersey City), East Newark Gas Works, Morristown Gas Works (Parcel 1 and 2), Camden Gas Plant, Burlington Gas Works, Plainfield Gas Works, Princeton Gas Works, Hoboken Gas Works, East Rutherford Gas Works, Bloomfield Gas Works, Chauncey Street Gas Works (Trenton), Englewood Gas Works, Fulton Street Gas Works (Paterson), Paulsboro Gas Works, Somerville Gas Works, New

Brunswick Gas Works and South Warren Street Gas Works (Trenton), Jersey Street Gas Works (Paterson), Passaic Gas Works, and Halladay Street Gas Works (Jersey City).

In addition, the Company is engaged in third-party claims with respect to the former Hackensack Gas Works, Provost Street Gas Works, and the Lower Passaic Study Area (within which are located the former Market Street Gas Works, East Newark Gas Works, Front Street Gas Works and Harrison Gas Works).

In accordance with the New Jersey Site Remediation Reform Act that became effective on May 7, 2009, PSE&G has retained Licensed Site Remediation Professionals (LSRP) for each of the aforementioned sites. After a discussion of Natural Resources Damages, the status of each site is described below.

Natural Resource Damages from MGP Sites

The Company has been notified by the NJDEP and United States Environmental Protection Agency (USEPA) that coal tar contamination at certain of its MGP sites may have resulted in Natural Resource Damages (NRD). As Public Service has explained in discovery responses in prior Remediation Adjustment Charge (RAC) proceedings before the New Jersey Board of Public Utilities (Board or BPU), and in prior Petitions to the BPU, the restoration of damaged resources is an integral part of the remediation of a contaminated MGP site and these costs and any amounts assessed by NJDEP or USEPA are part of the overall cost of site remediation for former MGP sites. During the RAC 28 period, Public Service did not incur any costs for NRD claims or assessments, other than interest on past NRD assessments, in conjunction with its MGP remediation program.

The following sections describe the activities that are either ongoing or were completed during the period August 1, 2019 through July 31, 2020 (the RAC 28 period).

1 **SITE UPDATES**

2
3 **Bloomfield Gas Works**

4 aThe Bloomfield Gas Works site is composed of two parcels referred to as the “Former
5 Substation” property that is owned by PSE&G (through New Jersey Properties) and the “50 West
6 Street” property that is owned by Hartz Mountain. A third parcel located adjacent to the
7 Bloomfield Gas Works site that was impacted by the former gas works operations is located at
8 55/57 West Street. A Remedial Action Work Plan (RAWP) for the three parcels was submitted to
9 NJDEP during March 2008 and was approved by letter dated July 31, 2008.

10 The remediation of soil on the Former Substation property was completed in 2010. The
11 Remedial Action Report (RAR) for this work was submitted in September 2010 and approved by
12 NJDEP on January 13, 2011. The NJDEP issued a Soil Remedial Action Permit (RAP) and the
13 LSRP issued a Response Action Outcome (RAO) for the Former Substation property in June 2012.
14 An agreement for access and a Deed Notice for the 50 West Street property was executed between
15 Hartz Mountain and PSE&G in June 2014. During August and September 2016 groundwater and
16 soil sampling was conducted in the 50 West Street parcel. A site-wide final Remedial Investigation
17 Report (RIR) was submitted to the NJDEP on May 4, 2017. A RAWP was submitted to the NJDEP
18 on November 8, 2018 for the 50 West Street and 55/57 West Street properties. The Classification
19 Exception Area/Well Restriction Area (CEA) for groundwater was approved by the NJDEP on
20 August 16, 2019. On February 17, 2020 PSE&G provided notice to the owner of 55/57 West Street
21 (C.O. Realty) for access pursuant to N.J.S.A. 58:10B-1 et. seq., and NJAC 7:26C-1.

22 **Bordentown Gas Works**

23 The remediation of soils at the Bordentown Gas Works site has been completed and a No
24 Further Action (NFA) letter for soils was issued by the NJDEP on December 24, 2002. A
25 Groundwater Classification Exception Area (CEA) was approved on August 20, 2004. The NRD

Settlement effective January 24, 2006 required transfer of property ownership from PSE&G and New Jersey Properties to the City of Bordentown which accepted ownership on August 1, 2007. The NJDEP removed the CEA in June 2013. The NJDEP issued Soil RAPs in February 2014.

Brunswick Avenue Gas Works

The remediation of soils at the Brunswick Avenue Gas Works site was completed in 2004 and an NFA letter for soil was issued by the NJDEP on February 13, 2004. A Soil RAP was issued by the NJDEP in February 2015. A Groundwater CEA was issued by the NJDEP on December 4, 2001. A Groundwater RIR was approved by the LSRP in December 2013. A revised Groundwater CEA application was submitted to the NJDEP in October 2014. A Groundwater CEA with an indeterminate duration was issued by the NJDEP in July 2016. A Groundwater RAR and RAP application was submitted to the NJDEP on April 20, 2018. The ground water RAP was issued on August 15, 2018. A Groundwater RAO was issued by the LSRP on January 7, 2019.

Burlington Gas Works

The remediation of soil at the Burlington Gas Works site was completed in 2005 and an NFA letter for soil was issued by the NJDEP on July 13, 2006. On June 19, 2009 the NJDEP issued a second, "site-wide" NFA letter that includes the NJDOT portion of the site (i.e., Route 130) and groundwater. The NJDEP issued RAPs for soils in August 2014 and October 2017.

Camden Coke

The Camden Coke site is composed of a land portion and sediment portion. Remediation of the land portion has been conducted in four phases (i.e., Phase I through IV). The Phase I remediation was conducted between February and September 2001 and reported to the NJDEP in an Interim Remedial Measures Report (IRMR) dated December 2001. The Phase II remediation was conducted between January and October 2004 and reported to the NJDEP in an IRMR dated

December 2004. Phase III and IV remediation was conducted in two mobilizations. The first mobilization was between June 2013 and April 2014. The second mobilization was in March 2015 and was completed in September 2015.

With regard to the sediment portion of the site, the NJDEP approved the Tier I Ecological Assessment Work Plan (EAWP) in May 2009 and a Tier II EAWP in November 2010. A Tier II Ecological Assessment Report was submitted to the NJDEP in September 2011. A RAWP for the excavation of contaminated sediment was submitted to the NJDEP in June 2014.

The remediation of sediments in the Delaware River adjacent to the site began in June 2016 and was completed as of December 2017. A RAO was issued by the LSRP for the sediment remediation project on April 16, 2018.

A RAWP for soil remediation at the South Jersey Port property was submitted to the NJDEP on November 4, 2019. The investigation of soil on this property is ongoing.

Camden Gas

The former Camden Gas Works was located on five properties identified as Parcel 1 through Parcel 5. The remediation of Parcel 2 was conducted between August 2011 and March 2012. The LSRP-approved RAR for Parcel 2 was submitted to the NJDEP in May 2012 and a Soil RAO was issued in February 2013.

Remediation of Parcel 5 required only engineering and institutional controls. The LSRP-approved RAR for Parcel 5 was submitted to the NJDEP in December 2013 and a RAP for Soils was issued in March 2015. A Soils RAO was issued for Parcel 5 in October 2015. An LSRP-approved Remedial Investigation Report (RIR) for the entire site was submitted to the NJDEP in February 2015. The NJDEP established a CEA for groundwater in September 2015.

Remediation of a portion of Parcels 1 and 4 was completed in May 2016. A Deed Notice for Parcel 4 in October 2016 and a portion of Parcel 1 referred to as 1B, was recorded in November 2016. Soil RAP applications for Parcels 4 and 1B were submitted to the NJDEP on December 23, 2016 and were approved on May 25, 2017. The LSRP issued RAOs for Parcels 4 and 1B in July, 2017. Addenda to the Parcel 4 and 1B RAOs were issued in February 2019 to address administrative matters. The RAWP for Parcel 1A – North was submitted to the NJDEP in January 2019. A contract for the remediation of Parcel 1A North was awarded in April 2020 and the project was mobilized in April 2020. The project is scheduled to be completed in December 2020.

Central Gas Works

The Central Gas Works site is divided into six zones (Zones 1 thru 6) for the purpose of phasing remedial activities. The remedial investigation of all 6 Zones is complete and a RIR was submitted to the NJDEP in July 2004. A RAWP for all 6 Zones was submitted to the NJDEP in July 2008 and was approved in March 2010.

The remediation of Zone 5 was completed in 2006. A RAR for Zone 5 soil was issued to the NJDEP in May 2006. A portion of Zone 3 was remediated during 2012. A RAR for that portion of Zone 3 was submitted to the NJDEP in May 2014 and a RAO for soil in that portion of Zone 3 was issued by the LSRP.

During 2015 remediation of Zones 1, 2, the remaining portions of Zones 3 and 4 was initiated. This work was completed during October 2016. A site-wide Deed Notice was recorded on December 14, 2017. The RAR for Zone 1, 2, the remaining portions of Zones 3 and 4 was submitted to NJDEP in March 2018. A RAP for Zones 1, 2, and the remaining portions of Zones 3 and 4 was issued by NJDEP on January 15, 2019. The Soil RAO was issued in April 2019.

1 PSE&G completed installing groundwater monitoring wells to support the evaluation of
2 groundwater in March 2017. PSE&G completed eight rounds of quarterly groundwater gauging
3 and sampling in May 2019.

4 The remediation of sediments in Zone 6, which is Silver Lake, was conducted between
5 March and August 2018. A RAR and RAO for Zone 6 were submitted to NJDEP in December
6 2018. The NJDEP established a CEA for groundwater in March 2020. A Groundwater Remedial
7 Action Report and Remedial Action Permit – Groundwater Application were submitted to NJDEP
8 in May 2020.

9 **Chauncey Street**

10 The remediation of the site was completed in September 2012. A RAR was submitted to
11 the NJDEP in December 2012. The NJDEP issued a Soil RAP in December 2014. The LSRP
12 issued a RAO for soils on December 23, 2014. A Groundwater CEA application was submitted to
13 the NJDEP in January 2015 and NJDEP issued two CEAs. One CEA was issued on November
14 16, 2015 for MGP contaminants and the other was issued on December 10, 2015 for Historic Fill
15 contaminants. A Groundwater RAR was submitted to the NJDEP in April 2017 along with a
16 Groundwater RAP Application. A Groundwater RAP was issued by the NJDEP on November 1,
17 2017 and the LSRP issued a RAO for groundwater on January 15, 2018.

East Newark Gas Works

The East Newark Gas Works site is divided into two parcels (i.e., Parcels 1 and 2) for the purpose of phasing remedial activities. The remediation of soil on Parcel 2 is complete. The NJDEP issued a Soil RAP and the LSRP issued a RAO for Parcel 2 in June 2013.

A RIR for Groundwater that included two Groundwater CEA applications for the site was submitted to NJDEP in November 2013. The two Groundwater CEAs were established by the NJDEP in September 2014. A request to lift one of the CEAs was submitted to NJDEP in October 2016 and approved by NJDEP in May 2017.

A RAR for Parcel 1 Soils was submitted to NJDEP and the LSRP issued a RAO for Parcel 1 in June 2015. RAOs for Parcels 1 Parcel 2 were revised to address administrative matters and were submitted to the NJDEP on December 19, 2017.

East Rutherford Gas Works

The remediation of soils at the East Rutherford Gas Works site was completed in April 2003 and a NFA letter for soil was issued by the NJDEP in November 2004. A Groundwater CEA was established by the NJDEP in May 2009. Soil and Groundwater RAPs were issued by the NJDEP on December 5, 2014.

Englewood Gas Works

The remedial investigation of the Englewood Gas Works site is complete and a RIR was submitted to the NJDEP in July 2013. Groundwater contamination at this site has been determined to be a result of historic fill material that was brought into the property after the MGP operations ceased. A remediation of approximately 200 tons of contaminated soil was completed in June 2016. A RAR was submitted to the NJDEP in January 2017. An Unrestricted RAO was issued on February 17, 2017 and updated on August 22, 2017.

Front Street Gas Works

The Front Street Gas Works site is composed of three Parcels for the purpose of phasing remedial activities. Parcel 1, was owned by the NJDOT and includes the Passaic River waterfront property and the Lombardy Street jug-handle (which is located east of McCarter Highway in Newark). The remediation of soil on portions of Parcel 1 was completed between August 2001 and October 2003.

A Deed Notice for Parcel 1 was recorded in December 2014. The RAR for Parcel 1 was submitted to the NJDEP in April 2004 and approved by the NJDEP on February 23, 2010. The RAP for Parcel 1 application was submitted to the NJDEP on December 17, 2014. A RAP was issued by the NJDEP on December 22, 2016 for Parcel 1. A RAO was issued by the LSRP for Parcel 1 on January 30, 2017.

Parcel 2, which is composed of the NJ Transit light rail and NJDOT properties, is located west of McCarter Highway in Newark. A RAWP for Parcel 2 was submitted in November 2007 and approved by the NJDEP on February 23, 2010. No active remediation was required on this Parcel. A Deed Notice for Parcel 2 was recorded in May 2013. The Soil RAP for Parcel 2 was issued by the NJDEP in October 2014. A RAO was issued for Parcel 2 Soil on December 17, 2014.

The third Parcel is the location of a restaurant that is privately owned. The RAR for this parcel was submitted to NJDEP on November 17, 2016. This parcel was remediated between August 2015 and June 2016. A Deed Notice was recorded on this property September 2016. A RAP for his parcel was issued by the NJDEP on December 27, 2016 and a RAO was issued by the LSRP on December 29, 2016.

1 A Groundwater RIR with a CEA application was submitted to the NJDEP on May 7, 2014.
2 The NJDEP established the Groundwater CEA on August 24, 2015. Two rounds of groundwater
3 sampling were conducted at the site in April 2019 and July 2019.

4 In July 2019, PSE&G agreed to conduct sampling in the Passaic River to delineate coal tar
5 from the Site. PSE&G is undertaking this work at the direction of the NJDEP to meet the
6 requirements of the New Jersey Technical Requirements for Site Remediation, N.J.A.C. 7:26E. A
7 draft Field Sampling Plan (FSP) was submitted in October 2019 to EPA, which included proposed
8 boring locations within the Passaic River adjacent to the Front Street Gas Works site. EPA
9 approved the FSP in April 2020. Bathymetric and Utility Surveys were completed during April
10 2020. Sediment sampling began in July 2020.

11 **Fulton Street Gas Works**

12 A RAWP was submitted to NJDEP in July 2009. The first phase of remediation for the
13 on-site soils using *In-Situ* Chemical Oxidation was conducted between June and September 2010.
14 A RAR documenting this work was submitted to NJDEP in December 2010. A second phase of
15 the *In-Situ* Chemical Oxidation was conducted between September and November 2012. A RAWP
16 Addendum for off-site areas was submitted to NJDEP in December 2016.

17 Shallow excavations and surface cover improvements to address the remaining areas of on-
18 site soil were completed in September and October 2014 and a RAR Addendum was submitted to
19 NJDEP in March 2015. NJDEP issued a Soil RAP in May 2015. The LSRP issued a RAO for on-
20 site soils in September 2015.

21 A comprehensive site wide RIR that included a Groundwater CEA application was
22 submitted in October 2016. In November 2017, PSE&G was notified by the NJDEP that they had

1 comments on the Preliminary Assessment Report (PAR) that was submitted in 2002. In June 2018,
2 PSE&G submitted an updated PAR, with a revised RIR and RAWP Addendum for off-site soil.
3 A RAR Addenda with RAP application for groundwater was submitted to NJDEP in June 2018.
4 On November 29, 2018 PSE&G received a Notice of Deficiency (NOD) letter from NJDEP
5 regarding PSE&G's Ground Water RAP Application dated June 2018. PSE&G responded to the
6 NOD on December 20, 2018 and subsequently installed an additional groundwater monitoring
7 well for vertical delineation.

8 In August 2019, PSE&G submitted a RAWP Addendum to the NJDEP for an off-site area.
9 During August and September 2019 PSE&G installed wells for chemical oxidation treatment of
10 contaminated ground water in this off-site area. The first two rounds of ISCO injections were
11 completed between April and July 2020.

12 **Gloucester Gas Works**

13 The remediation of soils at the Gloucester Gas Works site was completed in 2000 and an
14 NFA letter for soils was issued in December 2003. An NRD Settlement was effective as of January
15 24, 2006. A CEA was issued by the NJDEP in July 2001. The NJDEP issued RAPs for soil and
16 groundwater in January 2013. The NJDEP issued a revised Groundwater RAP in May 2014
17 reducing the frequency of groundwater sampling. The NJDEP issued a revised groundwater RAP
18 in August 2018 reducing the number of wells and parameters being monitored under the
19 groundwater RAP.

20 **Hackensack Gas Works**

21 The Hackensack Gas Works site is composed of six areas for the purpose of phasing
22 remedial activities. These land areas were investigated and remediated in four phases between
23 2003 and 2013. The RAPs for Soils have been issued by the NJDEP and RAOs have been issued

1 for the land areas that have been remediated with the exception of a property owned by the Kaplan
2 Companies. The RAP will be issued for the property owned by the Kaplan Companies following
3 the execution of a Deed Notice by the owner.

4 The two remaining areas associated with the site are soil at the off-site property located at
5 249 River Street (also known as “Cubby’s Restaurant”) and the sediments in the Hackensack River
6 that abuts the site. The sediment remediation was initiated in third quarter of 2018.

7 A RIR for the off-site property located at 249 River Street was submitted to NJDEP on
8 May 4, 2016 and a RAWP for this property was submitted to NJDEP on March 24, 2017. The
9 access agreement with this Owner was executed on April 23, 2018.

10 Sediment sampling in the Hackensack River, including its tributary, Bosses Creek, was
11 conducted between August and October 2010 and between August 2012 and November 2013. An
12 area of product was identified in the Hackensack River sediments. A RIR for sediment was
13 submitted to the NJDEP in January 2011. Sediment sampling for an Ecological Risk Assessment
14 was completed in the Hackensack River on July 7, 2016. A RAWP/Ecological Assessment (EA)
15 for the Hackensack River sediments was submitted to NJDEP on December 15, 2016. Additional
16 information requested by the NJDEP pertaining to the RAWP, sediment management and water
17 management were provided to the NJDEP on March 20, 2018. PSE&G completed sediment
18 remediation in February 2019.

19 Quarterly groundwater sampling in support of the final groundwater remediation started in
20 March 2019. Seven rounds of groundwater sampling were completed.

21 On April 12, 2018, the Kaplan Companies filed a Complaint alleging that the remediation
22 conducted by PSE&G on their property in 2007 resulted in their inability to develop the property

1 as they planned. PSE&G has refuted this claim and filed a counter claim. The matter is pending
2 litigation.

3 On March 11, 2020 a Technical Consultation meeting was held with the NJDEP to discuss
4 the remediation status of Brosses Creek. On March 12, 2020 the NJDEP confirmed that no
5 additional investigation or remediation of the Brosses Creek was necessary.

6 The remediation of the off-site property at 249 River Street (also known as “Cubby’s
7 Restaurant”) was completed in June 2020.

8 **Halladay Street Gas Works**

9 The Halladay Street Gas Works site is co-located on property that was subsequently owned
10 and operated by the Pittsburgh Plate Glass Company (PPG) who used the property to refine
11 chromium ore. During 2011, meetings were held with PPG, the responsible party for the
12 Chromium remediation, to discuss coordination of the remedial actions and to achieve alignment
13 on the remedial goals for the site. It was agreed that PSE&G would remediate the gas Holder Area,
14 also known as “Area A”, that was predominately contaminated with MGP wastes and PPG would
15 remediate the remainder of the site that was predominately contaminated with chromium wastes,
16 also known as “Area B.” The RAWP was submitted to the NJDEP in December 2011. A
17 remediation agreement between PSE&G and PPG for the remediation of the site was executed in
18 February 2013.

19 PSE&G completed the remediation of “Area A” in November 2013. PPG completed the
20 remediation of “Area B” in November 2014. The restoration of “Area A” and “Area B” was
21 completed by PPG in January 2018. PSE&G submitted the RIR to the NJDEP on May 5, 2014.
22 The NJDEP established the Groundwater CEA on July 25, 2014.

1 The remedial investigation and remediation of off-site areas by PPG is ongoing. The soil
2 remediation of Carteret Avenue and Halladay Street including MGP impacts was completed
3 between December 2019 and March 2020.

4 Groundwater samples were collected adjacent to four off-site properties during August
5 2015 as part of a vapor intrusion investigation. PSE&G completed the vapor intrusion
6 investigation at an off-site property during March 2016 and March 2017. Two rounds of
7 groundwater sampling were conducted at the site in August and December 2019.

8 **Harrison Gas Works**

9 The former Harrison Gas Works site is located entirely within one contiguous parcel of
10 property. Due to its size the remediation of this site has been completed in phases.

11 A RAWP was submitted to NJDEP in September 2000 and conditionally approved in
12 October 2003. Remediation of the waterfront along the Passaic River was conducted between
13 January 2003 and May 2004. A RAR for this work was submitted to the NJDEP in March 2008
14 and approved in April 2009.

15 A Remedial Action Selection Report (RASR)/RAWP for the Red Bull Substation area at
16 the northern portion of the site was submitted to the NJDEP in November 2007. Remediation of
17 this area was completed between July and December 2008 and an Interim RAR was submitted in
18 March 2009. NJDEP approved the Interim RAR and a RAO was issued in January 2013.

19 A RAWP for the PATH Substation area at a western portion of the site was submitted to
20 NJDEP in May 2010. Remediation of this area was completed between December 2010 and May
21 2011. The PATH Substation IRMR was submitted to the NJDEP in October 2011. A Soil RAP
22 application for the PATH Substation was submitted to NJDEP in September 2012 and the Soil
23 RAP permit was issued in December 2012.

1 NJDEP issued a Soil RAP Modification for the Red Bull Substation and PATH IRM in February
2 2014. NJDEP issued a Soil RAP Modification permit for the PATH and Red Bull IRM Parcels in
3 September 2018. The LSRP issued RAOs for the PATH and Red Bull IRM Parcels in November
4 2018 and October 2018, respectively. A site-wide RIR was submitted to the NJDEP on March 31,
5 2016.

6 A RAWP Addendum for a proposed study to determine the viability of *In Situ* Soil
7 Stabilization was submitted to the NJDEP in June 2017. This study was completed in November
8 2018 and a RAR documenting the results of this study was submitted to the NJDEP in March 2019.
9 Also in March 2019, the RAWP for using *In Situ* Soil Stabilization on the balance of the site was
10 submitted to NJDEP.

11 A RAWP for the remediation of a small area of tar from the Harrison Gas Works site found
12 at a nearby property along Cape May Street was submitted to the NJDEP in May 2019. The
13 remediation of this area began in May 2020.

14 A Construction Bid Specification for the remediation of the balance of the Harrison Gas
15 Works site using *In Situ* Soil Stabilization was finalized and issued to bidders in May 2019. The
16 contract was awarded and remediation is currently ongoing.

17 In July 2019, PSE&G agreed to conduct sampling in the Passaic River to delineate coal tar
18 from the Site. PSE&G is undertaking this work at the direction of the NJDEP to meet the New
19 Jersey Technical Requirements for Site Remediation, N.J.A.C. 7:26E. A draft Field Sampling Plan
20 (FSP) was submitted in October 2019 to EPA, which included proposed boring locations within
21 the Passaic River adjacent to the Former Harrison Gas Plant site. EPA approved the FSP in April
22 2020. Bathymetric and Utility Surveys were completed during April 2020. Sediment sampling
23 began in July 2020.

Hobart Avenue Gas Works

The remediation of soils at the Hobart Avenue Gas Works site has been completed and an NFA letter for soils was issued on February 21, 2008. A Groundwater CEA was established by the NJDEP in 2002 for an indeterminate period. The NJDEP issued soil and groundwater RAPs in January 2015. The LSRP issued a RAO for groundwater on January 15, 2018.

A portion of the Site (Block 471, Lots 1-7) was sold to the City of Bayonne Housing Authority on February 1, 2018. Revised groundwater and soil RAPs were issued by NJDEP on April 2, 2018.

Hoboken Gas Works

The former Hoboken Gas Works site was located on two city blocks identified on the tax maps of the City of Hoboken as Blocks 110 and 116. On October 6, 2011, PSE&G executed a “Consent to Deed Notice Release and Settlement Agreement” and a “Deed of Easement” with the owner of Block 110. An LSRP-approved RAWP for Block 110 was submitted to the NJDEP in July 2012 and the remediation of this portion of the former Hoboken Gas Works was conducted between September 2013 and February 2015. The Deed Notice for Block 110 was submitted to the Hudson County Register for recording on July 15, 2015. The RAR for Block 110 was submitted to NJDEP on August 19, 2015. NJDEP issued a RAP for Soil on Block 110 on December 23, 2015. The LSRP issued a RAO for Soil on Block 110 on February 8, 2016.

The portion of Block 116 where the gas holders for the former Hoboken Gas Works were located was remediated by Advance Realty per a Remediation Agreement that was executed during March 2009. The agreement requires PSE&G to remunerate Advance Realty for a portion of the remediation cost. During 2009, Advance Realty submitted a RAWP to the NJDEP that was approved on October 6, 2009. Advance Realty conducted the remediation of this portion of Block

116 between October 2011 and May 2014. The RIR for the site and groundwater was submitted to the NJDEP in May 2014. A Groundwater CEA application was submitted to NJDEP on September 30, 2015. Advance Realty issued a RAR for Block 116 in October 2015. NJDEP issued a Soil RAP for Block 116 on December 3, 2015. The LSRP issued a RAO for Soil on Block 116 on December 11, 2015. In December 2016 and November 2017, additional soil investigation was conducted on the portion of Block 116 where a Rite-Aid pharmacy is located. A RAWP for this portion of Block 116 was submitted to NJDEP in December 2018. A Remediation Agreement is being negotiated with the property owner in order to conduct remediation of this property.

PSE&G installed ten (10) groundwater monitoring wells to support the post-soil remedial action evaluation of groundwater during August and September 2018. Seven rounds of groundwater sampling were completed through June 2020.

Jersey Street Gas Works

The remediation of soils at the Jersey Street Gas Works site has been completed and an NFA letter for soils was issued by NJDEP in December 2005. The NJDEP issued a Groundwater CEA on March 10, 2006. Monitoring wells associated with the CEA for this site were decommissioned in April 2012 and no further monitoring of groundwater is required. The NJDEP issued the Soil RAP on December 11, 2013.

Market Street Gas Works

The former Market Street Gas Works site was located on several properties and is divided into six areas for purpose of phasing remedial activities. Areas A, B and C are located between the Passaic River and Raymond Boulevard / Market Street. Areas D, E and F are located to the south of Raymond Boulevard. A RIR that included three Groundwater CEA applications was submitted to NJDEP in December 2015. A revised site wide CEA application was submitted in

1 February 2017. The three Groundwater CEAs were established by the NJDEP in September 2019.
2 PSE&G installed a network of groundwater monitoring wells to evaluate the groundwater in Areas
3 A through F and within roadways and sidewalks in the surrounding area. The current monitoring
4 well sampling plan includes forty-six (46) wells across the Site. Quarterly groundwater sampling
5 is ongoing.

6 Remediation of the waterfront portion of Area A was conducted between April 2004 and
7 June 2005. A RAR for this remediation was submitted to NJDEP in December 2005. Remediation
8 of the portion of Area A where the Gas Main is located was conducted between April and
9 November 2007. A RAR for this remediation was submitted to NJDEP in January 2008. NJDEP
10 approved both RARs in May 2011.

11 The remediation of the remainder of Areas A and B (including Jersey Street) was
12 conducted between April 2012 and July 2014. A RAR for these portions of Areas A and B,
13 including Jersey Street, was submitted to NJDEP in October 2015. Soil RAPs were issued by the
14 NJDEP for Areas A and B including a portion of Jersey Street on June 27, 2016. The LSRP issued
15 RAOs these areas on June 27, 2016. A RAR for Area B USTs was submitted to NJDEP in May
16 2020. The LSRP issued a RAO for Area B USTs on June 1, 2020.

17 The remediation of Area C, which was a public parking facility, was completed between
18 January and June 2014. A RAR for Area C was submitted to NJDEP in December 2014. NJDEP
19 issued a Soil RAP for Area C in June 2015. The LSRP issued a RAO for Area C in October 2015.
20 The remediation of Area D, which was a former restaurant, was completed between August 2014
21 and April 2015. A RAR was submitted to NJDEP in July 2015. NJDEP issued a Soil RAP and
22 the LSRP issued a RAO for Area D in October 2015. A RAWP Addendum for off-site portion of
23 Area D was submitted to the NJDEP on October 29, 2018.

1 Area E was a privately owned car wash known as “Master Car Wash”. On April 17, 2015
2 PSE&G executed a “Property Appraisal and Purchase Agreement” with the owner of the Master
3 Car Wash to secure access in order to conduct the remediation. A contract for remediation of the
4 Master Car Wash property was awarded in November 2017 and work began in January 2018. The
5 remedial action for Area E was completed in January 2019. A Deed Notice for Area E was recorded
6 on June 5, 2019. A RAR and Soil RAP application for Area E were submitted to the NJDEP on
7 June 11, 2019. The Soil RAP for Area E was approved by NJDEP on April 29, 2020.

8 Area F is a restaurant with associated parking. An Interim Remedial Measures Work Plan
9 was submitted to NJDEP in December 2007 and approved in April 2008. Remediation of Area F
10 was conducted between June 2008 and June 2009. An Interim RAR was submitted to the NJDEP
11 in October 2009. Deed Notices for Area F offsite of the restaurant properties were recorded on
12 June 14, 2018. A RAWP/RAR for Area F offsite of the restaurant properties was submitted to the
13 NJDEP on November 30, 2018. Three soil RAP applications for Area F off-site were revised and
14 re-submitted to the NJDEP on July 2, 2019. The Soil RAP for Area F off-site was approved by
15 NJDEP on May 6, 2020.

16 Soil sampling to delineate MGP by-products in the public right-of-ways (i.e., streets and
17 sidewalks) began in October 2019 and is on-going.

18 In July 2019, PSE&G agreed to conduct sampling in the Passaic River to delineate coal tar
19 from the Site. PSE&G is undertaking this work at the direction of the NJDEP to meet the New
20 Jersey Technical Requirements for Site Remediation, N.J.A.C. 7:26E. A draft Field Sampling Plan
21 (FSP) was submitted in October 2019 to EPA, which included proposed boring locations within
22 the Passaic River adjacent to the Former Market Street Gas Works site. EPA approved the FSP

in April 2020. Bathymetric and Utility Surveys were completed during April 2020. Sediment sampling began in July 2020.

Medford Gas Works

The remediation of soils at the Medford Gas Works site was completed in October 1998 and an NFA letter for soils was issued by the NJDEP in November 1999. The NRD settlement was effective as of January 24, 2006. An Unrestricted Use NFA letter for groundwater was issued by NJDEP on March 14, 2012.

Morristown Gas Works

The former Morristown Gas Works Site was located on four properties, identified as Parcel 1 through Parcel 4, and an offsite property referred to as “Spring Hill.”

Parcel 1 – is now part of a hotel and office complex known as “Headquarters Plaza”. Remediation of Parcel 1 consisted of only engineering and institutional controls. NJDEP issued a NFA letter in November 2008 and a RAP for Soils in August 2013. A Groundwater CEA for Historic Fill constituents was established in January 2017.

Parcel 2 – Remediation was conducted between February and September 2001 and an Interim RAR was submitted to NJDEP in December 2001. Additional remediation was conducted in early 2004 and a RAR for Parcels 2 and 3 was submitted to NJDEP in August 2004. NJDEP issued a NFA letter for Parcel 2, Coal Avenue, a portion of Center Street, and a portion of Martin Luther King Avenue in May 2005 and RAP for Parcel 2 Soils in August 2013. A Groundwater RAP was issued in November 2016. A Groundwater CEA for Historic Fill constituents was established in January 2017. The LSRP issued a Limited Restricted Use Groundwater RAO in January 2017 for Parcel 2.

Parcels 3 and 4 – Remediation was completed in three phases:

1 (1) The first phase of the remediation was conducted between August and December 1995 and a
2 RAR for Parcels 3 and 4 was submitted to NJDEP in December 1996.

3 (2) Remediation was conducted between February and September 2001 and a RAR for Parcels 3
4 and 4 was submitted to NJDEP in December 2001.

5 (3) Remediation was conducted between October 2003 and April 2004 and a RAR for Parcels 2
6 and 3 was submitted to NJDEP in August 2004.

7 The NJDEP issued a RAP for Soils on Parcel 3 in August 2013. NJDEP issued a NFA
8 letter for soils on Parcel 4 in December 2003. A Groundwater RAP was issued in January 2017
9 for Parcel 3 and 4. A Groundwater CEA for Historic Fill constituents was established in January
10 2017. The LSRP issued a Limited Restricted Use Groundwater RAO in January 2017 for Parcels
11 3 and 4.

12 Spring Hill Property – Remediation of off-site shallow soil in an area known as “Spring
13 Hill” that is situated along the riverbank of the Whippany River was completed in December 2006.
14 A RAR was submitted to the NJDEP in December 2006 and approved in July 2007. The
15 Morristown Planning Board approved the required subdivision of the Spring Hill Property in May
16 2015. A Deed Notice was filed and recorded with Morristown County in July 2015. A Soils RAP
17 application was submitted to the NJDEP in August 2015. The NJDEP issued a RAP for soils on
18 the Spring Hill parcel in January 2016. The LSRP issued a restricted use RAO for soil in March
19 2016. Revised CEA applications for the entire site were submitted to the NJDEP in June and
20 October 2016 and the CEA was established by the NJDEP in January 2017.

21 **Mount Holly Gas Works**

22 The remediation of soils at the Mount Holly Gas Works site was completed in May 2001
23 and an NFA letter for soils was issued in December 2002. Post-remedial groundwater monitoring

demonstrated compliance with New Jersey Groundwater Quality standards, and the NJDEP removed the CEA in August 2014. An Unrestricted RAO for groundwater was issued by the LSRP in February 2016.

New Brunswick Gas Works

The New Brunswick Gas Works site is composed of two areas for the purpose of phasing remedial activities. One area is located west of Johnson Drive and is within the Johnson & Johnson (“J&J Property”) corporate headquarters property. The other area east of Johnson Drive is composed of the NJDOT Route 18 right-of-way.

An LSRP- approved Soil RIR was submitted to the NJDEP in June 2013. An LSRP- approved Ecological Risk Assessment Report was submitted to the NJDEP in November 2013. An LSRP approved Groundwater RIR and CEA application was submitted to the NJDEP on April 30, 2014. Notices in Lieu of Deed Notices were filed for portions of Route 18 and Johnson Drive in December 2014. Establishment of the CEA by the NJDEP is pending.

PSE&G and NJDOT executed a Temporary Access Agreement for a hydrogeologic study in the NJDOT Right of Way (ROW) in March 2019. PSE&G installed monitoring wells on NJDOT property in May 2019. The hydrogeologic study is complete and a Draft RAWP for remediation of soil and shallow groundwater was submitted to J&J on December 20, 2019. J&J requested a re-evaluation of the current remedial plans and further evaluation of other remedial options for the MGP product and shallow groundwater. In June 2020, J&J concurred with the concept of using ISS to address the MGP product areas on their property. Permit applications, and ISS treatability study and preparation of the remedial design documents to complete the ISS remediation are ongoing.

Passaic Gas Works

This site is located on two parcels of property. One parcel is owned by PSE&G and is occupied by an electric substation. The other parcel is a former auto body repair business. A RIR and RASR for the Passaic Gas Works site were submitted to the NJDEP in July 2006. A RAWP was submitted to the NJDEP in May 2011. A comprehensive, site-wide RIR that included a Groundwater CEA application was submitted to the NJDEP in December 2013. The CEA was established by the NJDEP in January 2014. An updated RAWP was submitted to NJDEP in December 2017. PSE&G purchased the auto body repair property in December 2016. The auto body repair building was demolished in October 2017 and remediation of this property was completed in November 2018. A second addendum to the RAWP for remediation of off-site impacts was submitted to NJDEP on May 28, 2019. This RAWP included a variance request to leave residual product in place beneath the Route 21 Highway. This variance was approved by NJDEP on February 6, 2020. Soil contamination identified along the northern property line of the Site necessitated delineation investigation on six adjoining properties. Right-of-Entry Agreements were executed with two of the six property owners. Soil investigation initiated in January 2020 identified soil impacts on these two properties that the LSRP has attributed to operations of the Passaic Gas Works Site. A Fact Sheet was prepared and distributed to the property owners within 200 feet of the Site in accordance with NJDEP Public Notification requirements. Access requests to the remaining four additional properties bordering the Site for soil sampling is ongoing.

Paterson Gas Works

The former Paterson Gas works is located on PSE&G property adjacent to the Passaic River. A groundwater extraction and treatment facility was constructed at this site and

1 commenced operations in July 2001 in order to control the migration of MGP tars and oils into the
2 Passaic River.

3 The remediation of soils at the Paterson Gas Works site was completed in 2004. A
4 Groundwater CEA was issued by the NJDEP in November 2004. The Groundwater CEA was
5 revised in November 2014. A Soils RAP was issued on June 16, 2014 and the RAO for soil was
6 issued on April 23, 2020.

7 The NJDEP issued a Groundwater RAP on January 12, 2015. The Restricted Use RAO for
8 groundwater was issued by the LSRP on March 25, 2019.

9 A RASR for the impacted sediments of the Upper Passaic River adjacent to the Paterson
10 Gas Works site was submitted to the NJDEP in June 2001. Sediment sampling was completed in
11 June 2008. The easements required for access and the recording of Deed Notices in the portions
12 of the Passaic River not owned by PSE&G were acquired in June 2008. The NJDEP issued a
13 conditional approval of the RASR on August 10, 2009, requiring additional sediment delineation
14 sampling. Additional sediment samples collected during April and November 2010, achieved
15 delineation and the results were submitted to the NJDEP on November 22, 2010. The RAWP for
16 the Passaic River Sediments was submitted to the NJDEP in April 2012. An addendum to this
17 RAWP was submitted to the NJDEP on October 23, 2012, which incorporated recommendations
18 made by the NJDEP based on its technical review of the RAWP. Sediment waste classification
19 sampling was conducted during August 2016 and April 2018. The Sediment Remediation Project
20 began during April 2018 and was completed in July 2020.

21 **Paulsboro Gas Works**

22 A RAWP for the Paulsboro Gas Works site was submitted to the NJDEP in August 2012.
23 The remediation of a portion of the Site was completed in February 2014 and a RAR was submitted

1 to the NJDEP in May 2014. This excluded Non-Aqueous Phase Liquid (NAPL) beneath the on-
2 site office building/warehouse and off-site soil contamination, which is currently inaccessible. The
3 remedial investigation has been conducted in phases resulting in the submission of a
4 comprehensive site-wide RIR, including a CEA application to the NJDEP in September 2014. The
5 CEA was issued by the NJDEP on October 10, 2014 and the NJDEP issued a Soils RAP on May
6 5, 2015. A Restricted Soils RAO was issued by the LSRP in July 2015 for seven on site AOCs.
7 The July 2015 RAO was amended on January 27, 2017 at the request of the NJDEP.

8 A soil investigation of the off-site Conrail ROW was performed in August 2017. This
9 investigation confirmed the presence of MGP by-products beneath the Conrail ROW. The RAWP
10 for the remediation of the off- site properties (i.e., the Conrail ROW and the ExxonMobil property)
11 was submitted to NJDEP on June 25, 2019. PSE&G met with ExxonMobil on March 5, 2020 to
12 discuss the planned remediation on the Exxon Mobil Property. Discussions with ExxonMobil are
13 ongoing.

14 **Plainfield Gas Works**

15 The Plainfield Gas Works site is located on property now owned by the City of Plainfield
16 and utilized as parking for their police headquarters and NJ Transit commuters. The NJDEP
17 approved the RAWP for the Plainfield Gas Works site in September 2009. PSE&G submitted a
18 RIR to the NJDEP in June 2014. The NJDEP established the CEA in December 2014. A RAWP
19 Addendum was submitted to NJDEP in September 2015. A treatability study for using *In-Situ*
20 Solidification and Stabilization to remediate the site was completed in October 2016. A contract
21 for the soil remediation was issued and mobilization for the remedial action work occurred in
22 January 2019. Remedial activities are substantially complete and the remaining restoration tasks
23 are expected to be completed by the end of 2020.

1 PSE&G installed eight (8) groundwater monitoring wells to support the post-soil remedial
2 action evaluation of groundwater during April and May 2020. PSE&G completed one round of
3 groundwater sampling in June 2020.

4 **Princeton Gas Works**

5 Remedial Action was completed in 2003 and the NJDEP issued a NFA letter for Soils in
6 October 2009. A Groundwater RAWP was submitted to the NJDEP in July 2013. A Groundwater
7 CEA application was submitted to the NJDEP in September 2014. A Technical Impracticability
8 (TI) Report was submitted to the NJDEP in December 2014. The TI requests a waiver to leave in
9 place contamination located in the bedrock below the Princeton library. In October 2015, the
10 NJDEP approved this waiver and issued a Groundwater RAP. A Restricted Use RAO for
11 groundwater was issued by the LSRP in February 2016.

12 **Provost Street Gas Works**

13 The Provost Street Gas Works site is located on property in Jersey City that is owned by
14 Newport Associates. Newport Associates has entered into an Administrative Consent Order with
15 the NJDEP for the investigation and remediation of this site. On December 8, 1989, PSE&G
16 entered into a Release and Settlement Agreement with Newport Associates whereby PSE&G
17 agreed to reimburse Newport Associates for the costs they incurred for the investigation and
18 remediation of this site. The December 8, 1989 Release and Settlement Agreement only addressed
19 on-site contamination from the Provost Street Gas Works site. Therefore, in September 2009,
20 PSE&G entered into a Release and Settlement Agreement with Newport Associates whereby
21 PSE&G agreed to reimburse Newport Associates for the costs they incurred for the off-site
22 investigation of contaminants that emanated from this site. The consultant for Newport Associates,

1 TRC Environmental Corporation prepared a RIR in May 2014 for the off-site areas of the Provost
2 Street Gas Works site.

3 **Ridgewood Gas Works**

4 The remediation of the Ridgewood Gas Works site was completed in 1989. The NJDEP
5 issued an NFA letter on September 29, 1997. The NJDEP approved the RAWP for the off-site
6 Bellair Park property, jointly prepared by the Village of Ridgewood (Village) and PSE&G, to be
7 implemented by the Village's contractor. As a result of neighboring residents' concerns, the
8 Village re-evaluated its position and notified PSEG in a June 30, 2004 meeting that it did not
9 consider moving forward with this remediation project to be in its best interests. The NJDEP was
10 apprised of the Village's position in a meeting and in writing in August 2004. PSE&G submitted
11 a revised RAWP to the NJDEP in June 2007 (with Village consent to only address a portion of the
12 site).

13 The Village approved the revised RAWP and Deed Notice Agreement by resolution No.
14 07-132 dated May 9, 2007. Remedial action was conducted in October and November 2007, and
15 the RAR was submitted to the NJDEP in January 2008. On June 29, 2009, NJDEP approved the
16 revised RAWP as well as the RAR for MGP contamination at the Bellair Park property. A Deed
17 Notice for the Bellair Park off-site remediated area was recorded in July 2011. A Soil RAP was
18 issued by NJDEP in October 2013. The LSRP issued a RAO for the remediation of the Bellair
19 Park off-site area on February 17, 2015.

20 **Riverton Gas Works**

21 The remediation of the Riverton Gas Works site was completed in 1996. The NJDEP issued
22 an NFA letter on June 11, 1998. The NRD settlement was effective as of January 24, 2006. A Soils
23 RAP was issued by the NJDEP in August 2014.

Somerville

The Somerville Gas Works site is composed of two parcels for the purpose of phasing remedial activities. Parcel 1 comprises the southern portion of the property previously occupied by an auto body repair shop at 55 Hamilton Street. Parcel 1 soil was remediated between December 2010 and March 2011. A Deed Notice for Parcel 1 soil was recorded in July 2014. A RAR for the Parcel 1 soil remediation was submitted to the NJDEP in August 2011. A Soil RAP was issued by the NJDEP in December 2014. The LSRP issued a RAO for Parcel 1 Soils on December 30, 2014.

Parcel 2 is located on the west side of Hamilton Street, immediately south of the overpass of the New Jersey Transit Raritan Valley Line and the northwest corner of the intersection of Hamilton Street and Second Street. The Parcel 2 RAWP was submitted to the NJDEP during April 2002. RAWP Addenda were submitted to the NJDEP in September 2006 and July 2007. A site-wide remedial investigation was completed in December 2016 and a RIR was submitted to NJDEP on December 29, 2016. The NJDEP established a CEA for the site in September 2018. Eight rounds of ground water sampling have been completed and a Groundwater RAWP including a Technical Impracticability Report addressing MGP product in bedrock was submitted to the NJDEP in June 2019. Comments were received from NJDEP in December 2019. PSE&G began groundwater investigation activities at the site in support of treatability testing for in-situ groundwater remediation technologies during June 2020.

South Amboy Gas Works

The remediation of the South Amboy Gas Works site was completed between April and June 1995. A RAR was submitted to the NJDEP in September 1996 and NFA letters were issued

1 by the NJDEP on March 5, 1999 and May 26, 2000. The NRD settlement was effective January
2 24, 2006. The sale of the property closed in April 2016.

3 **South Warren Street Gas Works**

4 The South Warren Gas Works site is located on property owned by the New Jersey
5 Department of Treasury and used for state employee parking. A site-wide RIR and Groundwater
6 CEA application were submitted to the NJDEP in April 2014. A RASR was submitted to the
7 NJDEP in March 2009 and was approved in July 2009. PSE&G submitted a RAWP to the NJDEP
8 on March 24, 2010. A RAWP Addendum was submitted in September 2014. The NJDEP issued
9 a CEA for the MGP-related groundwater contaminants in February 2016. A proposed remediation
10 agreement was provided to the property owner (the NJ Department of Treasury) in September
11 2017. Comments received in September 2018 were addressed by PSE&G. A revised Remediation
12 Agreement was submitted to the Department of Treasury in March 2019. Discussions with the
13 Department of Treasury are ongoing.

14 **West End**

15 The former West End Gas Plant was located on four properties in Jersey City adjacent to
16 the Hackensack River. These properties are identified as Parcel 1 through Parcel 4. A site-wide
17 RIR was submitted to NJDEP in December 2015. Two Groundwater CEAs (historic fill and site-
18 related contaminants) were established by the NJDEP on October 5, 2016 for an indeterminate
19 period. PSE&G has installed a network of groundwater monitoring wells to evaluate the site-wide
20 groundwater. The current monitoring well sampling plan includes forty-two (42) wells across the
21 Site. Four rounds of groundwater sampling have been completed through June 2020.

22 Parcel 1 – PSE&G completed remediation of Parcel 1 soil and Near-Shore sediments in December
23 2014. The RAR was submitted to NJDEP in March 2015. NJDEP issued a Soil RAP in September

2015. A RAWP for Block 7402 Lots 12 &13 was submitted to NJDEP in September 2018. A RAR for Block 7402 Lots 12 &13 was submitted to NJDEP in August 2019. A RAWP for the M&R Parcel 1 was submitted to NJDEP in December 2019.

Parcel 2 – A RAWP for Parcel 2 Soil was submitted to NJDEP in March 2015. The remediation was done in two phases. The first phase was completed in September 2017. The second phase was completed in June 2018.

Parcels 3 and 4 – Remediation of Parcel 3 was completed between June 2004 and April 2006 and a RAR was submitted to NJDEP in December 2006. In December 2008, PSE&G completed the sale of Parcel 3 and a portion of Parcel 4 (NJDOT Parcels 29A and 29B) to the NJDOT. NJDEP issued a Soils NFA letter for Parcel 3 on June 25, 2010. The remediation of adjacent streets was completed between October 2006 and September 2007 and a RARA was submitted to NJDEP in November 2007. NJDEP approved the RARA in March 2008. NJDEP issued a Soil RAP for the adjacent streets in January 2015. The LSRP issued a RAO for the adjacent streets in December 2015.

The Parcel 4 RAR and Draft Deed Notice were sent to the NJDOT for review and signature on March 28, 2016. Technical consultation meetings have been held with PSE&G, NJDOT, and NJDEP.

Off-Site Soil Impacts – Off-Site soil impacts have been identified on Meadow Street (Owned by City of Jersey City) the NJ Transit rail ROW, and on Block 7404, Lot 6 (5 Roses Property/120 Duffield Ave). A Technical consultation with NJDEP will be scheduled to finalize a Remedial Action Workplan (RAWP) for Meadow Street and the NJ Transit property. Evaluation of remedial options on Block 7404, Lot 6 (5 Roses Property/120 Duffield Ave) is ongoing. Soil borings along the the property line between Parcel 1 and Block 7402, Lot 14 (35 Duffield Ave

1 LLC/152 Howell Street) identified MGP impacts at the property line. The extent of this impact
2 onto Lot 14 is unknown and pending further investigation. Access to Lot 14 to perform an
3 investigation has been requested from the owner.

4 Hackensack River – Investigation of the Hackensack River sediments (adjacent to Parcel
5 1) has been completed and the results were filed with the NJDEP in multiple reports. A RAWP
6 for impacted sediments was submitted to the NJDEP in March 2014. Remediation was conducted
7 between September and November 2014. The RAR for this remediation was submitted to NJDEP
8 in March 2015. The LSRP issued a RAO and submitted a Notice in lieu of Deed Notice to NJDEP
9 for the sediments in December 2015.

10 **Woodbury Gas Works**

11 The NJDEP issued an NFA letter for the Woodbury Gas Works site on September 29, 2000.
12 The NRD settlement was effective as of January 24, 2006. A Soils Remedial Action Permit was
13 issued by the NJDEP in January 2014.

14 **Memorial Drive/West Paterson Site**

15 The Memorial Drive site did not contain a manufactured gas plant; however, available
16 information indicates that the site was utilized by a waste hauler, retained by Public Service, to
17 dispose of waste material from the former Paterson Gas Plant site. Kearfott Guidance and
18 Navigation Corporation, the current property owner, asserted a claim against Public Service for
19 the reimbursement of costs associated with the investigation and clean-up of the Site pursuant to
20 the requirements of its ACO. A settlement with Kearfott was concluded and the project is
21 considered closed.

Passaic River (Lower) and Newark Bay Proceedings

The PSEG Companies are also involved in certain proceedings and activity related to contaminants in the Passaic River and Newark Bay because of the MGP facilities and former PSE&G generating stations along these waterways. A portion of the costs of these activities, which include not only attorney fees but the costs for studies of contaminants and remediation studies, are included in this RAC filing due to their association with the MGP facilities.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

PROFESSIONAL QUALIFICATIONS
OF
RICHARD A. BLACKMAN, P.E.
DIRECTOR – ENVIRONMENTAL PROJECTS

My name is Richard A. Blackman and my business address is 4000 Hadley Road, South Plainfield, New Jersey 07080.

I am the Director of Environmental Projects in Public Service Electric and Gas Company's ("PSE&G") Delivery, Projects and Construction Department. I have held this position since January 2018. In this position I have overall responsibility for PSE&G's environmental remediation program.

From January 2010 to January 2018 I was a Senior Project Manager in the Environment, Health and Safety Group within PSE&G's Delivery, Projects and Construction Department. My responsibilities included the management of various remediation projects, including former Manufactured Gas Plant (MGP) sites, and other hazardous substance discharge sites to ensure: 1) compliance with applicable regulations; 2) protection of human health and the environment; and, that all work is done in a cost efficient, safe and high-quality manner. These responsibilities included the procurement of contractor and consultant services associated with the remediation process, monitoring of contractor and consultant performance from a safety, quality, cost and schedule perspective, and supporting cost recovery efforts.

From November 2003 to January 2010 I was a Project Manager in the Environment, Health and Safety Group within the PSEG Services Corporation. My responsibilities included

the management of various remediation projects, including former Manufactured Gas Plant (MGP) sites, and other hazardous substance discharge sites to ensure: 1) compliance with applicable regulations; 2) protection of human health and the environment; and, that all work is done in a cost efficient, safe and high-quality manner. These responsibilities included the procurement of contractor and consultant services associated with the remediation process, monitoring of contractor and consultant performance from a safety, quality, cost and schedule perspective, and supporting cost recovery efforts.

From June 1992 through November of 2003 I was a Principal Environmental Analyst in the Environmental Projects and Technical Services Group responsible for providing technical and engineering input to the investigation and remediation of former Manufactured Gas Plant sites and other hazardous substance discharge sites.

Between 1987 and 1992 I worked for the Consolidated Edison Corporation in New York, New York as an Environmental Engineer responsible for environmental compliance matters and emergency spill response. From 1982 through 1987 I worked for the New York Power Authority in White Plains, New York as a Civil Engineer where I provided input and support on the design and construction of transmission line and power plant construction projects.

I graduated from Rutgers University – College of Engineering in 1980 with a Bachelor of Science Degree in Civil Engineering and from the New Jersey Institute of Technology in 1986 with a Master of Science Degree in Environmental Engineering. I joined Public Service Electric and Gas Company in 1992. I am currently a Project Management

Professional certified by the Project Management Institute, a Construction Health and Safety Technician certified by the Board of Safety Professionals, and a licensed Professional Engineer in the State of New Jersey.

1 **PUBLIC SERVICE ELECTRIC AND GAS COMPANY**
2 **DIRECT TESTIMONY**
3 **OF**
4 **STEPHEN SWETZ**
5 **SR. DIRECTOR - CORPORATE RATES AND REVENUE REQUIREMENTS**
6

7 **Q. Please state your name and business address.**

8 A. My name is Stephen Swetz and my business address is 80 Park Plaza, T-8,
9 Newark, New Jersey 07102.

10
11 **Q. By whom are you employed and in what capacity?**

12 A. I am the Sr. Director - Corporate Rates and Revenue Requirements for PSEG
13 Services Corporation. My credentials are set forth in the attached Schedule SS–
14 RAC-1.

15
16 **Q. Please describe the Remediation Adjustment Charge (RAC).**

17 A. Public Service Electric and Gas Company (PSE&G, the Company) has
18 implemented a program to address environmental concerns regarding the
19 Company's former Manufactured Gas Plant (MGP) properties under the direction
20 and oversight of the New Jersey Department of Environmental Protection
21 (NJDEP). The details of this program are set forth in the Testimony of PSE&G
22 Witness Richard A. Blackman.

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

2 A. The purpose of this testimony is to discuss PSE&G's derivation of the rates and
3 tariffs associated with the Manufactured Gas Plant Remediation component of
4 the Societal Benefits Charge, herein after referred to as the RAC.

5
6 **Q. Does your testimony include any schedules?**

7 A. Yes. My testimony includes Schedule SS-RAC-1, which is my credentials. In
8 addition, I am sponsoring Section II (Allocation to Gas Customer Classes) and
9 Section III (Allocation to Electric Customer Classes) of Attachment A-2 page 2
10 of 2 that is encompassed in the schedules sponsored by Donna M. Powell. This
11 schedule details the allocation of the RAC annual recovery amount (revenue
12 requirement) between gas and electric customer classes. This allocation is based
13 upon a prior Board order recovering 60% from gas customers and 40% from
14 electric customers and on a volumetric basis. For gas, the rate is derived by
15 dividing the recovery amount by the total projected sales for the recovery period.
16 For electric these rates are derived on a volumetric basis, by dividing the
17 recovery amount by the projected kWh generated for the recovery period and
18 grossing up each class of service by its respective line loss. The table below
19 shows the rates currently in effect and those calculated for the RAC 28 period as
20 shown on Attachment A-2 page 2 of 2.

1

2

GAS ALLOCATION

	<u>RAC 28 Rates</u>	<u>Current Rates</u>	
	<u>\$/THERM</u>	<u>\$/THERM</u>	
	<u>(Excl. SUT)</u>	<u>(Excl. SUT)</u>	<u>Change</u>
RSG	0.011977	0.015933	(0.003956)
GSG	0.011977	0.015933	(0.003956)
LVG	0.011977	0.015933	(0.003956)
CIG	0.011977	0.015933	(0.003956)
TSG -F, NF	0.011977	0.015933	(0.003956)
SLG	0.011977	0.015933	(0.003956)

**ELECTRIC
ALLOCATION**

	<u>RAC 28 Rates</u>	<u>Current Rates</u>	
	<u>\$/KWH</u>	<u>\$/KWH</u>	
	<u>Including Line Losses</u>	<u>Including Line Losses</u>	
	<u>(Excl. SUT)</u>	<u>(Excl. SUT)</u>	<u>Change</u>
Secondary Service	0.000680	0.000717	(0.000037)
LPL Primary	0.000662	0.000698	(0.000036)
HTS Subtransmission	0.000653	0.000689	(0.000036)
HTS High Voltage	0.000646	0.000681	(0.000035)
Rate \$/KWH	0.000640	0.000675	(0.000035)

Q. Does this conclude your testimony?

A. Yes.

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

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

WORK EXPERIENCE

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

As Sr. Director of Corporate Rates and Revenue Requirements, 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 contributed to other filings including

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

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

7 **EDUCATIONAL BACKGROUND**

8 I hold a B.S. in Mechanical Engineering from Worcester Polytechnic
9 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	ER20110734 & GR20110735	written	Nov-30	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E	ER20120736	written	Nov-20	The Second Energy Strong Program (Energy Strong II)
Public Service Electric & Gas Company	E/G	ER20100685 & GR20100686	written	Oct-20	Tax Adjustment Clauses (TACs)
Public Service Electric & Gas Company	E	ER20100658	written	Oct-20	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER20060467 & GR20060468	written	Jun-20	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, EE17, S4All, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	G	GR20060470	written	Jun-20	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	G	GR20060384	written	Jun-20	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E	ER20040324	written	Apr-20	Transitional Renewable Energy Certificate Program (TREC)
Public Service Electric & Gas Company	E/G	GR20010073	written	Jan-20	Remediation Adjustment Charge-RAC 27
Public Service Electric & Gas Company	G	GR19120002	written	Dec-19	Gas System Modernization Program II (GSMPII) - Second Roll-In
Public Service Electric & Gas Company	E/G	ER19091302 & GR19091303	written	Aug-19	Tax Adjustment Clauses (TACs)
Public Service Electric & Gas Company	E/G	ER19070850	written	Jul-19	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER19060764 & GR19060765	written	Jun-19	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	G	GR19060766	written	Jun-19	Gas System Modernization Program II (GSMPII) - First Roll-In
Public Service Electric & Gas Company	G	GR19060761	written	Jun-19	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E	ER19060741	written	Jun-19	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	E/G	EO18060629 - GO18060630	oral	Jun-19	Energy Strong II / Revenue Requirements & Rate Design
Public Service Electric & Gas Company	G	GR19060698	written	May-19	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E	ER19040523	written	May-19	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	E/G	EO18101113 - GO18101112	oral	May-19	Clean Energy Future - Energy Efficiency Program Approval
Public Service Electric & Gas Company	E	ER19040530	written	Apr-19	Madison 4kV Substation Project (Madison & Marshall)
Public Service Electric & Gas Company	E/G	EO18101113 - GO18101112	written	Dec-18	Clean Energy Future - Energy Efficiency Program Approval
Public Service Electric & Gas Company	E/G	GR18121258	written	Nov-18	Remediation Adjustment Charge-RAC 26
Public Service Electric & Gas Company	G	GR18070831	written	Jul-18	Gas System Modernization Program (GSMP) - Third Roll-In
Public Service Electric & Gas Company	E/G	ER18070688 - GR18070689	written	Jun-18	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	E	ER18060681	written	Jun-18	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR18060675	written	Jun-18	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E/G	EO18060629 - GO18060630	written	Jun-18	Energy Strong II / Revenue Requirements & Rate Design
Public Service Electric & Gas Company	G	GR18060605	written	Jun-18	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER18040358 - GR18040359	written	Mar-18	Energy Strong / Revenue Requirements & Rate Design - Eighth Roll-in
Public Service Electric & Gas Company	E/G	ER18030231	written	Mar-18	Tax Cuts and Job Acts of 2017
Public Service Electric & Gas Company	E/G	GR18020093	written	Feb-18	Remediation Adjustment Charge-RAC 25
Public Service Electric & Gas Company	E/G	ER18010029 and GR18010030	written	Jan-18	Base Rate Proceeding / Cost of Service & Rate Design
Public Service Electric & Gas Company	E	ER17101027	written	Sep-17	Energy Strong / Revenue Requirements & Rate Design - Seventh Roll-in
Public Service Electric & Gas Company	G	GR17070776	written	Jul-17	Gas System Modernization Program II (GSMP II)
Public Service Electric & Gas Company	G	GR17070775	written	Jul-17	Gas System Modernization Program (GSMP) - Second Roll-In
Public Service Electric & Gas Company	G	GR17060720	written	Jul-17	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E/G	ER17070724 - GR17070725	written	Jul-17	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	E	ER17070723	written	Jul-17	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	G	GR17060593	written	Jun-17	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER17030324 - GR17030325	written	Mar-17	Energy Strong / Revenue Requirements & Rate Design - Sixth Roll-in
Public Service Electric & Gas Company	E/G	EO14080897	written	Mar-17	Energy Efficiency 2017 Program
Public Service Electric & Gas Company	E/G	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

LIST OF PRIOR TESTIMONIES

Company	Utility	Docket	Testimony	Date	Case / Topic
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 AND GAS COMPANY

B.P.U.N.J. No. 16 ELECTRIC

XXX Revised Sheet No. 57

Superseding

XXX Revised Sheet No. 57

SOCIETAL BENEFITS CHARGE

**Cost Recovery
(per kilowatt-hour)**

Component:

Social Programs	\$ 0.001418
Energy Efficiency and Renewable Energy Programs	0.003597
Manufactured Gas Plant Remediation	0.0006400 0.000675
Sub-total per kilowatt-hour	\$ 0.0056550 0.005690

Charge including losses, USF and Lifeline:

	<u>Loss Factor</u>	<u>Sub-total Including Losses</u>	<u>USF</u>	<u>Lifeline</u>	<u>Total Charge</u>
Secondary Service	5.8327%	\$ 0.006005 0.006042	\$ 0.001400	\$ 0.000712	\$ 0.008117 0.008154
LPL Primary	3.3153%	0.005849 0.005885	0.001400	0.000712	0.007961 0.007997
HTS Subtransmission	2.0472%	0.005773 0.005809	0.001400	0.000712	0.007885 0.007924
HTS High Voltage &	0.8605%	0.005704 0.005739	0.001400	0.000712	0.007816 0.007854
HTS Transmission					

Charges including New Jersey Sales and Use Tax (SUT)

Secondary Service	\$ 0.008655 0.008694
LPL Primary	0.008488 0.008527
HTS Subtransmission	0.008407 0.008446
HTS High Voltage & HTS Transmission	0.008334 0.008374

SOCIETAL BENEFITS CHARGE

This mechanism is designed to insure recovery of costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Actual costs incurred by the Company for each of these cost components will be subject to deferred accounting. Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances for all components other than Manufactured Gas Plant Remediation. Interest at the seven-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances for the Manufactured Gas Plant Remediation. The interest rates for all components other than USF and Lifeline shall change each August 1. The interest rates for the USF and Lifeline components shall be reset each month. In appropriate circumstances, the Board of Public Utilities may approve a discount from the Societal Benefits Charge.

Date of Issue:

Effective:

Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102

Filed pursuant to Order of Board of Public Utilities dated
in Docket No.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

B.P.U.N.J. No. 16 ELECTRIC

XXX Revised Sheet No. 57
Superseding
XXX Revised Sheet No. 57

SOCIETAL BENEFITS CHARGE

Cost Recovery
(per kilowatt-hour)

Component:

Social Programs	\$ 0.001418
Energy Efficiency and Renewable Energy Programs	0.003597
Manufactured Gas Plant Remediation	0.000640
Sub-total per kilowatt-hour	\$ 0.005655

Charge including losses, USF and Lifeline:

	<u>Loss Factor</u>	<u>Sub-total Including Losses</u>	<u>USF</u>	<u>Lifeline</u>	<u>Total Charge</u>
Secondary Service	5.8327%	\$ 0.006005	\$ 0.001400	\$ 0.000712	\$ 0.008117
LPL Primary	3.3153%	0.005849	0.001400	0.000712	0.007961
HTS Subtransmission	2.0472%	0.005773	0.001400	0.000712	0.007885
HTS High Voltage & HTS Transmission	0.8605%	0.005704	0.001400	0.000712	0.007816

Charges including New Jersey Sales and Use Tax (SUT)

Secondary Service	\$0.008655
LPL Primary	0.008488
HTS Subtransmission	0.008407
HTS High Voltage & HTS Transmission	0.008334

SOCIETAL BENEFITS CHARGE

This mechanism is designed to insure recovery of costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Actual costs incurred by the Company for each of these cost components will be subject to deferred accounting. Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances for all components other than Manufactured Gas Plant Remediation. Interest at the seven-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances for the Manufactured Gas Plant Remediation. The interest rates for all components other than USF and Lifeline shall change each August 1. The interest rates for the USF and Lifeline components shall be reset each month. In appropriate circumstances, the Board of Public Utilities may approve a discount from the Societal Benefits Charge.

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PUBLIC SERVICE ELECTRIC AND GAS COMPANY

B.P.U.N.J. No. 16 GAS

XXX Revised Sheet No. 41

Superseding

XXX Revised Sheet No. 41

SOCIETAL BENEFITS CHARGE

**CHARGE APPLICABLE TO
RATE SCHEDULES RSG, GSG, LVG, SLG,
TSG-F, TSG-NF, CIG, CSG
(Per Therm)**

Social Programs	\$ 0.000000
Energy Efficiency and Renewables Programs	0.024763
Manufactured Gas Plant Remediation	0.0119770 <u>0.015933</u>
Universal Service Fund - Permanent	0.005500
Universal Service Fund - Lifeline	<u>0.005300</u>
 Societal Benefits Charge.....	 \$0.047540 <u>0.051496</u>
 Societal Benefits Charge including New Jersey Sales and Use Tax (SUT).....	 \$0.050690 <u>0.054908</u>

Societal Benefits Charge

This mechanism is designed to insure recovery of costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Actual costs incurred by the Company for each of these cost components will be subject to deferred accounting. Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under-over recovered balances for all components other than Manufactured Gas Plant Remediation. Interest at the seven-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances for the Manufactured Gas Plant Remediation. The interest rates for all components other than USF and Lifeline shall change each August 1. The interest rates for the USF and Lifeline components shall be reset each month.

See Section 16 of the Standard Terms and Conditions for exemptions from this charge.

Date of Issue:

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80 Park Plaza, Newark, New Jersey 07102

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PUBLIC SERVICE ELECTRIC AND GAS COMPANY

B.P.U.N.J. No. 16 GAS

**XXX Revised Sheet No. 41
Superseding
XXX Revised Sheet No. 41**

SOCIETAL BENEFITS CHARGE

**CHARGE APPLICABLE TO
RATE SCHEDULES RSG, GSG, LVG, SLG,
TSG-F, TSG-NF, CIG, CSG
(Per Therm)**

Social Programs	\$ 0.000000
Energy Efficiency and Renewables Programs.....	0.024763
Manufactured Gas Plant Remediation	0.011977
Universal Service Fund - Permanent	0.005500
Universal Service Fund - Lifeline	<u>0.005300</u>
 Societal Benefits Charge.....	 \$0.047540
 Societal Benefits Charge including New Jersey Sales and Use Tax (SUT).....	 <u>\$0.050690</u>

Societal Benefits Charge

This mechanism is designed to insure recovery of costs associated with activities that are required to be accomplished to achieve specific public policy determinations mandated by Government. Actual costs incurred by the Company for each of these cost components will be subject to deferred accounting. Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under-over recovered balances for all components other than Manufactured Gas Plant Remediation. Interest at the seven-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances for the Manufactured Gas Plant Remediation. The interest rates for all components other than USF and Lifeline shall change each August 1. The interest rates for the USF and Lifeline components shall be reset each month.

See Section 16 of the Standard Terms and Conditions for exemptions from this charge.

Date of Issue:

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80 Park Plaza, Newark, New Jersey 07102
Filed pursuant to Order of Board of Public Utilities dated
in Docket No.

Effective:

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed change in the electric SBC (Manufactured Gas Plant Remediation component) charges on typical residential electric bills, if approved by the Board, is illustrated below:

Residential Electric Service					
If Your Monthly Summer kWhr Use Is:	And Your Annual kWhr Use Is:	Then Your Present Annual Bill (1) Would Be:	And Your Proposed Annual Bill (2) Would Be:	Your Annual Change Would Be:	And Your Percent Change Would Be:
185	1,732	\$365.64	\$365.52	(\$0.12)	(0.03)%
370	3,464	671.68	671.52	(0.16)	(0.02)
740	6,920	1,290.00	1,289.72	(0.28)	(0.02)
803	7,800	1,448.52	1,448.22	(0.30)	(0.02)
1,337	12,500	2,308.64	2,308.20	(0.44)	(0.02)

(1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect December 15, 2020, and assumes that the customer receives BGS-RSCP service from Public Service.

(2) Same as (1) except includes change in the Manufactured Gas Plant Remediation component of the SBC.

Residential Electric Service					
If Your Annual kWhr Use Is:	And Your Monthly Summer kWhr Use Is:	Then Your Present Monthly Summer Bill (3) Would Be:	And Your Proposed Monthly Summer Bill (4) Would Be:	Your Monthly Summer Bill Change Would Be:	And Your Percent Change Would Be:
1,732	185	\$37.99	\$37.98	(\$0.01)	(0.03)%
3,464	370	71.04	71.02	(0.02)	(0.03)
6,920	740	139.02	138.99	(0.03)	(0.02)
7,800	803	151.12	151.09	(0.03)	(0.02)
12,500	1,337	253.76	253.71	(0.05)	(0.02)

(3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect December 15, 2020, and assumes that the customer receives BGS-RSCP service from Public Service.

(4) Same as (3) except includes change in the Manufactured Gas Plant Remediation component of the SBC.

TYPICAL RESIDENTIAL GAS BILL IMPACTS

The effect of the proposed changes in the gas SBC (Manufactured Gas Plant Remediation component) charge on typical residential gas bills, if approved by the Board, is illustrated below:

Residential Gas Service					
If Your Monthly Winter Therm Use Is:	And Your Annual Therm Use Is:	Then Your Present Annual Bill (1) Would Be:	And Your Proposed Annual Bill (2) Would Be:	Your Annual Bill Change Would Be:	And Your Percent Change Would Be:
25	170	\$227.72	\$227.02	(\$0.70)	(0.31)%
50	340	352.14	350.66	(1.48)	(0.42)
100	610	557.90	555.34	(2.56)	(0.46)
159	1,000	853.37	849.15	(4.22)	(0.49)
172	1,040	878.20	873.84	(4.36)	(0.50)
200	1,210	1,004.64	999.50	(5.14)	(0.51)
300	1,816	1,445.96	1,448.36	(7.60)	(0.52)

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect December 15, 2020 and assumes that the customer receives commodity service from Public Service.
- (2) Same as (1) except includes change in the Manufactured Gas Plant Remediation component of the SBC.

Residential Gas Service					
If Your Annual Therm Use Is:	And Your Monthly Winter Therm Use Is:	Then Your Present Monthly Winter Bill (3) Would Be:	And Your Proposed Monthly Winter Bill (4) Would Be:	Your Winter Bill Change Would Be:	And Your Percent Change Would Be:
170	25	\$27.36	\$27.26	(\$0.10)	(0.37)%
340	50	46.12	45.90	(0.22)	(0.48)
610	100	84.54	84.12	(0.42)	(0.50)
1,040	172	139.21	138.49	(0.72)	(0.52)
1,210	200	160.43	159.59	(0.84)	(0.52)
1,816	300	236.35	235.09	(1.26)	(0.53)

- (3) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect December 15, 2020 and assumes that the customer receives commodity service from Public Service.
- (4) Same as (3) except includes change in the Manufactured Gas Plant Remediation component of the SBC.