



September 20, 2018

I/M/O The Implementation of L. 2018, c. 16 Regarding the Establishment of  
a Zero Emission Certificate Program for Eligible Nuclear Power Plants  
BPU Docket No. EO18080899

-and-

I/M/O Public Service Electric and Gas Company's Request for Approval of  
a Zero Emission Certificate Recovery Charge  
BPU Docket No. EO18091004

***VIA E-FILING AND OVERNIGHT MAIL***

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

Dear Secretary Camacho-Welch:

On behalf of Public Service Electric and Gas Company -- and in accordance with N.J.S.A. 48:3-87.5(j)(1) and the Board of Public Utilities' ("BPU") August 29, 2018 Order in the first-listed matter above -- enclosed for filing are three copies of a proposed tariff sheet establishing a Zero Emission Certificate Recovery Charge. This charge is designed to recover the costs related to the State-mandated purchase of Zero Emissions Certificates associated with the continued operation of selected nuclear power plants. Also enclosed are three copies of the public notice of this filing that PSE&G has provided to newspapers after review by BPU Staff and the Division of Rate Counsel.

Respectfully submitted,

A handwritten signature in blue ink that reads "Matthew Weissman".

Enclosures  
C Attached Service List (E-Mail Only)

**BPU**

Aida Camacho-Welch  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Floor, Suite 314  
Post Office Box 350  
Trenton NJ 08625-0350  
aida.camacho@bpu.nj.gov

**BPU**

Kevin Nedza  
Board of Public Utilities  
44 South Clinton Avenue  
3rd Floor, Suite 314  
P.O. Box 350  
Trenton NJ 08625-0350  
kevin.nedza@bpu.nj.gov

**BPU**

Bethany Rocque-Romaine Esq.  
Board of Public Utilities  
44 South Clinton Avenue  
3rd Floor, Suite 314  
P.O. Box 350  
Trenton NJ 08625-0350  
(609) 292-1496  
bethany.romaine@bpu.nj.gov

**DAG**

Geoffrey Gersten  
NJ Dept. of Law & Public Safety  
Division of Law  
124 Halsey Street, 5th Flr.  
P.O. Box 45029  
Newark NJ 07101  
(973) 648-3510  
geoffrey.gersten@dol.lps.state.nj.us

**DAG**

Joseph Snow  
NJ Dept. of Law & Public Safety  
Division of Law  
124 Halsey Street  
P.O. Box 45029  
Newark NJ 07101  
joseph.snow@law.njoag.gov

**PSE&G**

Michele Falcao  
PSEG Services Corporation  
80 Park Plaza, T5  
P.O. Box 570  
Newark NJ 07102  
(973) 430-6119  
michele.falcao@pseg.com

**BPU**

Paul Flanagan  
Board of Public Utilities  
44 South Clinton Avenue  
3rd Floor, Suite 314  
P.O. Box 350  
Trenton NJ 08625-2836  
paul.flanagan@bpu.nj.gov

**BPU**

Stacy Peterson  
Board of Public Utilities  
44 South Clinton Avenue  
3rd Floor, Suite 314  
P.O. Box 350  
Trenton NJ 08625-0350  
(609) 292-4517  
stacy.peterson@bpu.nj.gov

**BPU**

Thomas Walker  
Board of Public Utilities  
44 South Clinton Avenue  
3rd Floor, Suite 314  
P.O. Box 350  
Trenton NJ 08625-0350  
thomas.walker@bpu.nj.gov

**DAG**

Carolyn McIntosh  
NJ Dept. of Law & Public Safety  
Division of Law  
124 Halsey Street, 5th Flr.  
P.O. Box 45029  
Newark NJ 07101  
(973) 648-3762  
carolyn.mcintosh@dol.lps.state.nj.us

**DAG**

Caroline Vachier DAG  
NJ Dept. of Law & Public Safety  
Division of Law  
124 Halsey Street, 5th Flr.  
P.O. Box 45029  
Newark NJ 07101  
(973) 648-3709  
caroline.vachier@dol.lps.state.nj.us

**PSE&G**

Justin Incardone Esq.  
PSEG Services Corporation  
80 Park Plaza, T5  
P.O. Box 570  
Newark NJ 07102  
(973) 430-6163  
justin.incardone@pseg.com

**BPU**

Noreen M. Giblin Esq.  
Board of Public Utilities  
44 South Clinton Avenue, Suite 314  
P.O. Box 350  
Trenton NJ 08625-0350  
noreen.giblin@bpu.nj.gov

**BPU**

Stacy Richardson  
Board of Public Utilities  
44 South Clinton Avenue  
3rd Floor, Suite 314  
Trenton NJ 08625-0350  
stacy.richardson@bpu.nj.gov

**BPU**

Benjamin Witherell  
Board of Public Utilities  
44 South Clinton Avenue  
3rd Floor, Suite 314  
P.O. Box 350  
Trenton NJ 08625-0350  
benjamin.witherell@bpu.nj.gov

**DAG**

Alex Moreau DAG  
NJ Dept. of Law & Public Safety  
Division of Law  
124 Halsey Street, 5th Flr.  
P.O. Box 45029  
Newark NJ 07101  
(973) 648-3762  
Alex.Moreau@dol.lps.state.nj.us

**PSE&G**

Joseph F. Accardo, Jr.  
PSEG Services Corporation  
80 Park Plaza, T5G  
P.O. Box 570  
Newark NJ 07102  
(973) 430-5811  
joseph.accardojr@pseg.com

**PSE&G**

Hesser G. McBride, Jr. Esq.  
PSEG Service Corporation  
80 Park Plaza, T5G  
P.O. Box 570  
Newark NJ 07102  
(973) 430-5333  
hesser.mcbride@pseg.com

**PSE&G**

Martin C. Rothfelder Esq.  
Rothfelder Stern, L.L.C.  
407 Greenwood Avenue  
Suite 301  
Trenton NJ 08609-2158  
(609) 394-1000  
mrothfelder@rothfelderstern.com

**PSE&G**

Caitlyn White  
PSEG Services Corporation  
80 Park Plaza, T-5  
P.O. Box 570  
Newark NJ 07102  
(973)-430-5659  
caitlyn.white@pseg.com

**Rate Counsel**

Ami Morita  
Division of Rate Counsel  
140 East Front Street, 4th Flr.  
P.O. Box 003  
Trenton NJ 08625  
(609) 984-1460  
amorita@rpa.state.nj.us

**PSE&G**

Bernard Smalls  
PSEG Services Corporation  
80 Park Plaza-T5  
Newark NJ 07102-4194  
(973) 430-5930  
bernard.smalls@pseg.com

**Rate Counsel**

Stefanie A. Brand  
Division of Rate Counsel  
140 East Front Street, 4th Flr.  
P.O. Box 003  
Trenton NJ 08625  
(609) 984-1460  
sbrand@rpa.state.nj.us

**Rate Counsel**

Felicia Thomas-Friel  
Division of Rate Counsel  
140 East Front Street, 4th Flr.  
P.O. Box 003  
Trenton NJ 08625  
(609) 984-1460  
fthomas@rpa.nj.gov

**PSE&G**

Matthew M. Weissman Esq.  
PSEG Services Corporation  
80 Park Plaza, T5  
P.O. Box 570  
Newark NJ 07102  
(973) 430-7052  
matthew.weissman@pseg.com

**Rate Counsel**

Brian O. Lipman  
Division of Rate Counsel  
140 East Front Street, 4th Flr.  
P.O. Box 003  
Trenton NJ 08625  
(609) 984-1460  
blipman@rpa.nj.gov

PUBLIC SERVICE ELECTRIC AND GAS COMPANY  
B.P.U.N.J. No. 15 ELECTRIC

XXX Revised Sheet No. 61  
Superseding  
XXX Revised Sheet No. 61

**ZERO EMISSION CERTIFICATE RECOVERY CHARGE**

**Charge  
(per kilowatt-hour)**

**ZERO EMISSION CERTIFICATE RECOVERY CHARGE:**

Charge.....	\$ 0.004000
Return of Excess Collections .....	<u>\$ 0.000000</u>
Total Charge .....	\$ 0.004000

Charge including New Jersey Sales and Use Tax (SUT) ..... \$ 0.004265

**ZERO EMISSION CERTIFICATE RECOVERY CHARGE**

This charge is designed to recover the costs related to the State mandated purchase of Zero Emissions Certificates (ZECs) associated with the continued operation of selected nuclear power plants. Interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances

Date of Issue:

Issued by SCOTT S. JENNINGS, Vice President Finance – PSE&G  
80 Park Plaza, Newark, New Jersey 07102  
Filed pursuant to Order of Board of Public Utilities dated  
in Docket No.

Effective:

**NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY ELECTRIC CUSTOMERS  
IN THE MATTER OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY'S REQUEST FOR APPROVAL OF  
A ZERO EMISSION CERTIFICATE RECOVERY CHARGE**

**Notice of a Filing and Notice of Public Hearings**

**TAKE NOTICE** that, in September 2018, Public Service Electric and Gas Company ("PSE&G" or the "Company") filed a Tariff with the New Jersey Board of Public Utilities (the "Board") seeking the Board's approval to recover from its retail distribution customers a Zero Emission Certificate ("ZEC") charge in the amount of \$0.004 per kilowatt-hour, before the application of Sales and Use Tax ("SUT"), in accordance with legislation that was recently passed creating a ZEC program. On May 23, 2018, L. 2018, c. 16 (C. 48:3-87.3 to 48:3-87.7) was signed into law, which established a ZEC program to provide funds for New Jersey's nuclear energy supply, in order to preserve the fuel diversity, air quality, and other environmental attributes of nuclear energy. An eligible nuclear plant seeking to participate in the ZEC program must submit an application to the Board demonstrating that it meets certain qualifications. If the Board approves the application and a nuclear plant is selected to participate in the ZEC program, then each New Jersey electric distribution company is mandated by the State to purchase ZECs and must recover its procurement of ZECs through a non-bypassable charge (ZEC charge) in the amount of \$0.004 per kilowatt-hour.

Under the Company's proposal, a residential electric customer using 750 kilowatt-hours per month during the summer months and 7,200 kilowatt-hours on an annual basis would see an increase in the annual bill from \$1,233.72 to \$1,264.44 or \$30.72 or approximately 2.49%. The approximate effect of this proposed change on typical electric residential monthly bills, if approved, is illustrated in Table #2.

Table #1 shows the estimated bill impact of the proposed annual increases in charges for each rate class, although the actual effect on specific customers will vary according to the applicable rate schedule and level of the individual customer's usage. Any assistance required by customers in this regard will be furnished by the Company upon request.

Copies of the Tariffs are available for review at the Company's Customer Service Centers, and at the Board of Public Utilities, 44 South Clinton Avenue, 7th Floor, Box 350, Trenton, New Jersey 08625, during normal business hours: 9:00 a.m.–4:30 p.m. Monday through Friday. A copy of the filing is also available on the Company's website at <http://www.pseg.com/pseandgfilings>.

**PLEASE TAKE NOTICE** that public hearings on this matter have been scheduled at the following dates, times and places

<b>October 17, 2018</b>	<b>October 18, 2018</b>	<b>October 23, 2018</b>
<b>3:30 and 5:30 PM</b>	<b>3:30 and 5:30 PM</b>	<b>3:30 and 5:30 PM</b>
Middlesex County	Burlington County	Bergen County
Administration Building	Administration Building	Administration Building
Freeholders	Board of Chosen	Freeholders Public
Meeting Room	Freeholders Board Room	Meeting Room
1 <sup>st</sup> Floor Meeting Room	1 <sup>st</sup> Floor	Room 540
75 Bayard Street	49 Rancocas Road	1 Bergen County Plaza
New Brunswick, NJ 08901	Mt. Holly, NJ 08060	Hackensack, NJ 07601

Members of the public are invited to attend and present their views. Information provided at the public hearings will become part of the record of the case and will be considered by the Board in making its decision. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations for disabled citizens to the Office of the Secretary of the Board at (609) 777-3300 at least 48 hours prior to the scheduled hearing so that appropriate arrangements can be made.

Customers may file written comments with the Secretary of the Board of Public Utilities at 44 South Clinton Avenue, 3rd Floor, Suite 314, PO Box 350, Trenton, New Jersey 08625-0350, Attn.: Aida Camacho-Welch, regardless of whether they attend the public hearings. Written comments can also be submitted to [zec.comments@bpu.nj.gov](mailto:zec.comments@bpu.nj.gov). All written comments are requested to be submitted to the Board of Public Utilities by midnight on October 30, 2018.

**Table #1 – Projected Percent Change From Annual Bills Effective April 1, 2019**

<b>Rate Class</b>	<b>% Increase</b>
RS	2.49%
RHS	3.14%
RLM	2.51%
GLP	2.63%
LPL-S	3.24%
LPL-P	3.91%
HTS-S	4.46%

The percent increases noted above are based upon Delivery Rates in effect September 8, 2018, and the applicable Basic Generation Service (BGS) charges and assumes customers receive commodity service from Public Service Electric and Gas Company. It is anticipated that the Company will make semi-annual filings each year of the Program to request the Board's approval to implement that Program Year's revenue requests. The Board's decisions may increase or decrease the percentages shown above.

**Table #2 – Residential Electric Service for Rates Effective April 1, 2019**

<b>If Your Annual kWh Use Is:</b>	<b>And Your Monthly Summer kWh Use Is:</b>	<b>Then Your Present Monthly Summer Bill (1) Would Be:</b>	<b>And Your Proposed Monthly Summer Bill (2) Would Be:</b>	<b>Your Monthly Summer Bill Increase Would Be:</b>	<b>And Your Monthly Summer Percent Increase Would Be:</b>
1,920	200	\$35.83	\$36.68	\$0.85	2.37%
4,320	450	77.60	79.52	1.92	2.47
7,200	750	129.79	132.99	3.20	2.47
7,800	803	139.37	142.79	3.42	2.45
13,160	1,360	240.12	245.92	5.80	2.42

- (1) Based upon Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect September 8, 2018, and assumes that the customer receives BGS-RSCP service from Public Service Electric and Gas Company.
- (2) Same as (1) except includes the proposed change for the ZEC Charge.