

# NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY ELECTRIC AND GAS CUSTOMERS

## 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) 27 PERIOD, AUGUST 1, 2018, TO JULY 31, 2019

### Notice of Filing and Notice of Public Hearings | Docket No. GR20010073

**TAKE NOTICE** that in January 2020, Public Service Electric and Gas Company (Public Service, PSE&G, the Company) filed a petition and supporting documentation with the New Jersey Board of Public Utilities (Board, BPU) in Docket Number GR20010073 requesting changes in its Manufactured Gas Plant (MGP) Remediation charges, in its Remediation Adjustment Clause (RAC) component of its Societal Benefits Charge (SBC), pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1. The Company's RAC has been implemented in accordance with prior BPU Orders, which allow the Company to recover, through successive 7-year amortizations, reasonable costs incurred in the Company's MGP Program. This Program has been and continues to be carried out under the direction and supervision of the New Jersey Department of Environmental Protection (NJDEP) and involves the investigation and clean-up of former manufactured gas plant facilities. In the filing, the Company seeks an Order finding that its Program costs incurred during the RAC 27 period, August 1, 2018, through July 31, 2019, are reasonable for recovery, and the rates were proposed to be effective on or about April 1, 2020. Included in this filing is one seventh (1/7) of each of RAC 21 through RAC 27 Program costs. The Company requests that the Board decrease its current gas RAC rates by \$2.357 million and increase the current electric RAC rates by \$2.934 million, for a total increase of \$0.577 million on an annual basis for customers receiving service under tariff rates.

The new proposed RAC charges for electric and gas customers, if approved by the Board, are shown in Table #1. The allocation to gas contract customers has been incorporated on the basis of the terms of the particular contracts and/or applicable Board Orders, rather than on a volumetric basis.

The approximate effect of the proposed impact on typical electric and gas residential monthly bills, if approved by the Board, is illustrated in Tables #2 and #3.

Based upon the filing, a typical residential electric customer using 740 kilowatt-hours per summer month and 6,920 kilowatt-hours on an annual basis would see an increase in their annual bill from \$1,312.16 to \$1,312.72, or \$0.56 or approximately 0.04%.

A residential gas heating customer using 100 therms per month during the winter months and 610 therms on an annual basis would see a decrease in their annual bill from \$554.26 to \$554.10, or \$0.16 or approximately 0.03%. Under the Company's proposal, a typical residential gas heating customer using 172 therms per month during the winter months and 1,040 therms on an annual basis would see a decrease in their annual bill from \$871.88 to \$871.72 or \$0.16 or approximately 0.02%.

The Board has the statutory authority pursuant to N.J.S.A. 48:2-21, to establish the RAC charges to levels it finds just and reasonable. Therefore, the Board may establish the RAC charges at a level other than that proposed by Public Service. Therefore, the described charges may increase or decrease based upon the Board's decision.

A copy of the Company's filing is available for review at the PSEG website at <http://www.pseg.com/pseandgfilings>.

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

**Date:** July 21, 2020

**Time 1:** 4:30 p.m. **Time 2:** 5:30 p.m.

**Dial In:** 844-721-7239 **Access Code:** 6604076

In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters, listening devices or mobility assistance, 48 hours prior to the above hearings to the Board's Secretary at [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov).

Members of the public may also submit written and/or emailed comments. Although both will be given equal consideration, the preferred method of transmittal is via email to ensure timely receipt while we continue to work remotely due to the COVID-19 pandemic. Written comments may be submitted to the Board Secretary, Aida Camacho, at the Board of Public Utilities,

44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, NJ 08625-0350. Email comments should be submitted to [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov). Written and/or emailed comments should reference the name of the petition and the above docket number in the subject line. Written and/or emailed comments will be provided the same weight as statements made at the hearings. Hearings will continue, if necessary, on such additional dates and at such locations as the Board may designate, to ensure that all interested persons are heard.

**Table #1**

Electric Tariff Rates	Manufactured Gas Plant Remediation Component of the SBC		Total Societal Benefits Charge	
	Present \$/kWhr (Incl. SUT)	Proposed \$/kWhr (Incl. SUT)	Present \$/kWhr (Incl. SUT)	Proposed \$/kWhr (Incl. SUT)
<b>Voltage (Rate Schedule)</b>				
<b>Secondary</b> (RS, RHS, RLM, WH, WHS, HS, GLP, LPL-S, BPL, BPL-POF, PSAL)	\$0.000677	\$0.000765	\$0.008443	\$0.008529
<b>Primary</b> (LPL-P)	\$0.000660	\$0.000744	\$0.008276	\$0.008362
<b>Subtransmission</b> (HTS-S)	\$0.000650	\$0.000735	\$0.008196	\$0.008280
<b>High Voltage</b> (HTS-HV)	\$0.000643	\$0.000726	\$0.008124	\$0.008206
<b>Gas Tariff Rates</b>	<b>Present \$/Therm (Incl. SUT)</b>	<b>Proposed \$/Therm (Incl. SUT)</b>	<b>Present \$/Therm (Incl. SUT)</b>	<b>Proposed \$/Therm (Incl. SUT)</b>
<b>Rate Schedule</b> (RSG, GSG, LVG, SLG, TSG-F, TSG-NF, CIG)	\$0.017129	\$0.016990	\$0.055688	\$0.055548

**Table #2 Residential Electric Service**

If Your Annual kWhr Use Is:	And Your Monthly Summer kWhr Use Is:	Then Your Present Monthly Summer Bill (1) Would Be:	And Your Proposed Monthly Summer Bill (2) Would Be:	Your Monthly Summer Bill Change Would Be:	And Your Monthly Summer Percent Change Would Be:
1,732	185	\$38.58	\$38.60	\$0.02	0.05%
3,464	370	72.21	72.25	0.04	0.06
6,920	740	141.38	141.44	0.06	0.04
7,800	803	153.67	153.74	0.07	0.05
12,500	1,337	258.03	258.14	0.11	0.04

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 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 SBC.

**Table #3 Residential Gas Service**

If Your Annual Therm Use Is:	And Your Monthly Winter Therm Use Is:	Then Your Present Monthly Winter Bill (3) Would Be:	And Your Proposed Monthly Winter Bill (4) Would Be:	Your Monthly Winter Bill Change Would Be:	And Your Monthly Winter Percent Change Would Be:
170	25	\$27.23	\$27.23	\$0.00	0.00%
340	50	45.83	45.83	0.00	0.00
610	100	84.07	84.05	(0.02)	(0.02)
1,040	172	138.39	138.36	(0.03)	(0.02)
1,210	200	159.49	159.46	(0.03)	(0.02)
1,816	300	234.94	234.89	(0.05)	(0.02)

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

