

NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY GAS CUSTOMERS

IN THE MATTER OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY’S 2020/2021 ANNUAL BGSS COMMODITY CHARGE FILING FOR ITS RESIDENTIAL GAS CUSTOMERS UNDER ITS PERIODIC PRICING MECHANISM AND FOR CHANGES IN ITS BALANCING CHARGE

Notice of Filing and Notice of Public Hearings | Docket No. GR20060379

PLEASE TAKE NOTICE that on June 1, 2020, Public Service Electric and Gas Company (“Public Service” or “Company”) filed a Petition and supporting testimony with the New Jersey Board of Public Utilities (“Board” or “BPU”) requesting the Board permit Public Service to maintain the current default Basic Gas Supply Service (“BGSS-RSG”) Commodity Charge applicable to its Residential Service (“RSG”) customers, and to decrease its Balancing Charge to customers receiving service under RSG, General Service (“GSG”), Large Volume Service (“LVG”) and Contract Service (“CSG”) where applicable effective October 1, 2020, or earlier should the Board deem it appropriate. The requested decrease in the Balancing Charge is from \$0.098620 per therm (including Sales and Use Tax [“SUT”]) to \$0.085723 per therm (including SUT).

Based upon rates effective June 1, 2020, the effect of the requested decrease in the Balancing Charge on typical residential gas bills, if approved by the Board, is shown in Table #1.

Under the Company's proposal, a residential 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 \$549.02, or \$5.24 or approximately 0.95%. Moreover, under the Company's proposal, a typical residential 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 \$862.96, or \$8.92 or approximately 1.02%.

In addition, the Board, in its Order in Docket No. GX01050304 dated January 6, 2003, granted Public Service approval to increase its commodity charge rates to be effective December 1, 2020, and/or February 1, 2021, on a self-implementing basis; each increase is subject to a maximum rate increase of 5% of the average rate based upon a typical residential customer's monthly bill of 100 therms on average (or 1,200 therms annually). Such rate increases shall be preconditioned upon written notice by Public Service to BPU Staff, and to the New Jersey Division of Rate Counsel no later than November 1, 2020 and/or January 1, 2021 of its intention to apply a December 1st or a February 1st self-implementing rate increase, respectively, and the approximate amount of the increases based upon then current market data. These increases, if implemented, would be in accordance with the Board-approved methodology.

Should it become necessary to apply the December 1, 2020 self-implementing 5% increase, the bill impact would be an increase as illustrated in Table #2. Further,

if a February 1, 2021 self-implementing 5% increase becomes necessary, then there would be an additional increase as also shown in Table #2.

The above requests will not result in any profit to the Company.

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

A copy of the Company's filing is available for review at the PSE&G website at <http://www.pseg.com/pseandgfiling>.

Due to the COVID-19 pandemic, a telephonic public hearing will be conducted on the following date and times so that members of the public may present their views on the Company's filing.

Date: August 31, 2020 **Dial In:** 877-692-8955
Time 1: 4:30 pm **Time 2:** 5:30 pm
Access Code: 6857936 **Access Code:** 3899827

Representatives from the Company, Board Staff, and the Division of Rate Counsel will participate in the telephonic public hearing. Members of the public are invited to participate by utilizing the Meeting Number and Access Code information set forth above, and may express their views on this filing. Such comments will be made part of the final record of the proceeding to be considered by the Board. The Board is also accepting written and emailed comments. Although both will be given equal consideration, the preferred method of transmittal is via email to ensure timely receipt while the Board continues 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.

Please include the name of the petition and the docket number when submitting comments. Written and 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 – Residential Gas Service

| If Your Annual Therm Use Is: | And Your Monthly Winter Therm Use Is: | Then Your Present Monthly Winter Bill (1) Would Be: | And Your Proposed Monthly Winter Bill (2) Would Be: | Your Monthly Winter Bill Change Would Be: | And Your Monthly Percent Change Would Be: |
|------------------------------|---------------------------------------|---|---|---|---|
| 170 | 25 | \$27.23 | \$26.99 | (\$0.24) | (0.88%) |
| 340 | 50 | 45.83 | 45.37 | (0.46) | (1.00) |
| 610 | 100 | 84.07 | 83.00 | (1.07) | (1.27) |
| 1,040 | 172 | 138.39 | 136.55 | (1.84) | (1.33) |
| 1,200 | 201 | 159.49 | 157.35 | (2.14) | (1.34) |
| 1,816 | 300 | 234.94 | 231.73 | (3.21) | (1.37) |

- (1) Based upon Delivery Rates and Basic Gas Supply Service (BGSS-RSG) in effect June 1, 2020, and assumes that the customer receives commodity service from Public Service.
- (2) Same as (1) except includes the proposed change in BGSS-RSG and Balancing Charge.

Table # 2 – Residential Gas Service

| If Your Annual Therm Use Is: | And Your Monthly Winter Therm Use Is: | Self-Implementing 5% Increases | | |
|------------------------------|---------------------------------------|--|--|--|
| | | December 1, 2020 Monthly Winter Change Would Be: | February 1, 2021 Monthly Winter Change Would Be: | Total If Both 5% Self-Implementing Increases Are Put Into Effect |
| 170 | 25 | \$1.02 | \$1.03 | \$2.05 |
| 340 | 50 | 2.04 | 2.04 | 4.08 |
| 610 | 100 | 4.09 | 4.08 | 8.17 |
| 1,040 | 172 | 7.03 | 7.02 | 14.05 |
| 1,200 | 201 | 8.21 | 8.21 | 16.42 |
| 1,816 | 300 | 12.25 | 12.26 | 24.51 |

- (1) Self-implementing monthly changes would be in addition to any monthly winter bill change amounts.