

**NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY ELECTRIC AND GAS CUSTOMERS**  
**IN THE MATTER OF THE 2019/2020 ANNUAL COMPLIANCE FILINGS FOR A CHANGE IN THE STATEWIDE ELECTRIC AND GAS PERMANENT**  
**UNIVERSAL SERVICE FUND PROGRAM FACTORS WITHIN THE ELECTRIC AND GAS SOCIETAL BENEFITS CHARGES RATES PURSUANT TO**  
**N.J.S.A. 48:2-21 AND N.J.S.A. 48:2-21.1**

**Notice of a Filing And Notice of Public Hearings | Docket No. ER19060736**

**TAKE NOTICE** that, on June 24, 2019, Public Service Electric and Gas Company (“Public Service” or “Company”) made an Annual Compliance Filing and provided supporting documentation for changes in the Universal Service Fund (“USF”) and Lifeline components of the electric and gas Societal Benefits Charges (“SBC”). The requested changes result in a decrease to the electric USF component, an increase to the electric Lifeline component and increases to the gas USF and Lifeline components. The requested change in the USF and Lifeline components is made pursuant to New Jersey Board of Public Utilities’ (“Board” or “BPU”) Orders and includes the recovery of funding for the USF Program through uniform statewide rates. The USF Program was established by the Board, pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49, et seq, to provide funds to assist qualifying low-income individuals in paying their energy bills. The State of New Jersey’s Department of Community Affairs (“DCA”) is the administrator of the USF Program and the New Jersey Department of Human Services (“DHS”) is the administrator of the Lifeline programs. The DCA and DHS authorize the disbursement of benefits to eligible customers in the respective programs.

Based upon the results and available estimates known to date for the 2018/2019 USF program year and the available estimates for the 2019/2020 USF Program year, it is anticipated that the USF rates will be set to collect \$111.4 million, of which, \$83.0 million would be recovered through electric rates with the remaining \$28.4 million recovered through gas rates on a statewide basis. The Lifeline rates are anticipated to collect \$74.6 million, of which \$50.7 million would be recovered through electric rates with the remaining \$23.9 million recovered through gas rates on a statewide basis.

In its June 22, 2005 USF Order, the Board directed that filing requirements for rate setting, including notice, public hearings and tariffs should be made by July 1, 2006, and each year thereafter. In accordance with the USF Order, the Company made a filing with the Board in June 2019 requesting to change its current USF and Lifeline program charges, as described, to become effective on October 1, 2019.

The proposed statewide electric and gas charges for customers, if approved by the Board, are shown in Table #1. The requests will not result in any profit to Public Service. The revenues received under the proposed USF and Lifeline program factors are designed to permit Public Service to recover its costs associated with these programs. Actual program costs will be reconciled with the revenues received through the USF and Lifeline program charges in the next scheduled annual USF and Lifeline filing to be made on or before July 1, 2020.

Tables #2 and #3 illustrate the effect of the proposed changes in the electric and gas USF and Lifeline program charges on typical electric and gas residential monthly bills, if approved by the Board.

Based on 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 a decrease in the annual bill from \$1,262.72 to \$1,262.00 or \$0.72 or approximately 0.06%. The Statewide average residential electric customers using 7,800 kilowatt-hours on an annual basis would see a decrease in the annual bill from \$1,417.73 to \$1,416.94 or \$0.79 or approximately 0.06%. The percentage change applicable to specific customers will vary according to the applicable rate schedule and the level of the customer’s usage.

Under the Company’s proposal, a residential gas heating customer using 100 therms per month during the winter months and 610 therms on an annual basis would see an increase in the annual bill from \$566.34 to \$567.44, or \$1.10 or approximately 0.19%. Moreover, 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 an increase in the annual bill from \$893.03 to \$894.95 or \$1.92 or approximately 0.21%. The Statewide average residential gas customer using 1,000 therms on an annual basis would see an increase in the annual bill from \$861.59 to \$863.42 or \$1.83 or approximately 0.21%.

The Board has the statutory authority to establish the USF and Lifeline charges at levels it finds just and reasonable. Therefore, the Board may establish the USF and Lifeline charges at levels other than those proposed by Public Service. Therefore, the described charges may increase or decrease based upon the Board’s decision.

Copies of the Company’s filing are available for review at the Company’s Customer Service Centers (addresses located here: <https://nj.pseg.com/customerservicelocations>), online at the PSEG website at <http://www.pseg.com/pseandgfilings>, and at the Board of Public Utilities at 44 South Clinton Avenue, 2nd Floor, Trenton, New Jersey 08625-0350. Any member of the public who wants to inspect the petition at the Board may contact the Board’s Division of Case Management at (609) 292-0806 to schedule an appointment.

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

**August 22, 2019**  
**4:30 and 5:30 PM**  
Burlington County  
Administration Building  
Board of Chosen Freeholders  
Board Room  
1st Floor  
49 Rancocas Road  
Mt. Holly, NJ 08060

**August 27, 2019**  
**4:30 and 5:30 PM**  
Bergen County  
Administration Building  
Freeholders Public Meeting Room  
Room 540  
1 Bergen County Plaza  
Hackensack, NJ 07601

**August 29, 2019**  
**4:30 and 5:30 PM**  
Middlesex County  
Administration Building  
Freeholders Meeting Room  
1st Floor Meeting Room  
75 Bayard Street  
New Brunswick, NJ 08901

In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, including interpreters, listening devices or mobility assistance, 48 hours prior to the above hearings.

Customers may also file written comments with the Secretary of the Board of Public Utilities at 44 South Clinton Avenue, 3rd Floor, Suite 314, P.O. Box 350, Trenton, New Jersey, 08625-0350 ATTN: Secretary Aida Camacho-Welch or by email to [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov), whether or not they attend the public hearings.

**Table # 1 – Universal Service and Lifeline Fund Components of Societal Benefits Charge**

	Present	Present (Incl. SUT)	Proposed	Proposed (Incl. SUT)
<b>USF-Electric per kWhr</b>	\$0.001255	\$0.001338	\$0.001159	\$0.001236
<b>USF-Gas per therm</b>	0.004600	0.004900	0.006200	0.006600
<b>Lifeline-Electric per kWhr</b>	0.000706	0.000753	0.000708	0.000755
<b>Lifeline-Gas per therm</b>	0.005100	0.005400	0.005200	0.005500

**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 Percent Change Would Be:
1,732	185	\$37.23	\$37.22	(\$0.01)	(0.03%)
3,464	370	69.52	69.48	(0.04)	(0.06)
6,920	740	135.98	135.90	(0.08)	(0.06)
7,800	803	147.82	147.74	(0.08)	(0.05)
12,500	1,337	248.28	248.15	(0.13)	(0.05)

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2019 and assumes that the customer receives BGS-RSCP service from Public Service.
- (2) Same as (1) except includes the changes in USF and Lifeline components of the 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 (1) Would Be:	And Your Proposed Monthly Winter Bill (2) Would Be:	Your Monthly Winter Bill Change Would Be:	And Your Percent Change Would Be:
170	25	\$27.93	\$27.97	\$0.04	0.14%
340	50	47.21	47.30	0.09	0.19
610	100	87.05	87.23	0.18	0.21
1,040	172	143.56	143.87	0.31	0.22
1,210	200	165.48	165.84	0.36	0.22
1,816	300	243.92	244.46	0.54	0.22

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2019 and assumes that the customer receives BGSS-RSG service from Public Service.
- (2) Same as (1) except includes the changes in USF and Lifeline components of the SBC.