Matthew M. Weissman Managing Counsel - State Regulatory Law Department PSEG Services Corporation

80 Park Plaza – T5, Newark, New Jersey 07102-4194

tel: 973-430-7052 fax: 973-430-5983 email: matthew.weissman@pseg.com



VIA ELECTRONIC & OVERNIGHT MAIL

January 24, 2020

In the Matter of Public Service Electric and Gas Company's 2019/2020 Annual BGSS Commodity Charge Filing for its Residential Gas Customers Under its Periodic Pricing Mechanism and for Changes in its Balancing Charge

> BPU Docket No. GR19060699 OAL Docket No. PUC 13596-19

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

Dear Secretary Camacho-Welch:

Pursuant to the Board's January 6, 2003 Order Approving BGSS Price Structure (Price Structure Order) on page 4 under Docket No. GX01050304 and paragraph 9 of the BGSS Pricing Proposal appended as Attachment A to and approved in that Order, Public Service Electric and Gas Company ("Public Service" or "the Company") hereby files an original and ten copies of this notice of a Two-Month Bill Credit of 7.5 cents per therm (including New Jersey Sales and Use Tax, SUT) for its BGSS-RSG customers to be effective February 1, 2020 through March 31, 2020. This self-implementing Two-Month Bill Credit will appear as a separate line item on the BGSS-RSG customer's gas bill and is indicated on the enclosed BGSS-RSG tariff sheet (Attachment 1) for service rendered during the period of February 1, 2020 through March 31, 2020.

As a result of this Two-Month Bill Credit, a typical residential gas heating customer using a total of 344 therms during this period (172 therms in February and 172 therms in March) and receiving supply from Public Service would see a credit of \$25.80 or 9.29% on their bill over the two-month period.

Enclosed is the following document in support of this notice:

• The Company's revised tariff sheet, Sixth Revised Sheet No. 54, Basic Gas Supply Service-RSG (Attachment 1)

Thank you for your attention and consideration in this matter. If you have any questions regarding this self-implementing Two-Month Bill Credit for BGSS-RSG customers, do not hesitate to contact me.

Very truly yours,

Matthew M. Weissman

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Encl.

C Attached Service List

Public Service Electric and Gas Company BGSS 2019-2020

Docket No. GR19060699 / OAL PUC13596-2019

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 Moss Board of Public Utilities 44 South Clinton Avenue Trenton NJ 08625 kevin.moss@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

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

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

Rate Counsel Consultant

Dante Mugrace, Senior Consultant PCMG and Associates 90 Moonlight Court Toms River, NJ 08753 (201) 320-7781 dmugrace@pcmgregcon.com

BPU

Ilene Lampitt Esq. Board of Public Utilities 44 South Clinton Avenue Trenton NJ 08625-0350 (609) 292-0843 ilene.lampitt@bpu.nj.gov

\mathbf{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

DAG

Matko Ilic DAG NJ Dept of Law & Public Safety Division of Law 124 Halsey Street, 2nd Floor Newark NJ 07101 matko.ilic@law.njoag.gov

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

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

BPU

Ryan Moran Board of Public Utilities 44 South Clinton Avenue 3rd Floor, Suite 314 P.O. Box 350 Trenton NJ 08625-0350 ryan.moran@bpu.nj.gov

BPU

Heather Weisband Board of Public Utilities 44 South Clinton Avenue P.O. Box 350 Trenton NJ 08625 heather.weisband@bpu.nj.gov

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

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

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

PUBLIC SERVICE ELECTRIC AND GAS COMPANY B.P.U.N.J. No. 16 GAS

Sixth Revised Sheet No. 54 Superseding Fifth Revised Sheet No. 54

BGSS-RSG BASIC GAS SUPPLY SERVICE-RSG COMMODITY CHARGES APPLICABLE TO RATE SCHEDULE RSG (Per Therm)

Estimated Non-Gulf Coast Cost of Gas	\$ 0.060450
Estimated Gulf Coast Cost of Gas Adjustment to Gulf Coast Cost of Gas Prior period (over) or under recovery Adjusted Cost of Gas	0.000000
Commodity Charge after application of losses: (Loss Factor = 2.0%)	\$ 0.300236
Commodity Charge including New Jersey Sales and Use Tax (SUT)	\$ 0.320127

The above Commodity Charge will be established on a level annualized basis immediately prior to the winter season of each year for the succeeding twelve-month period. The estimated average Non-Gulf and Gulf Coast Cost of Gas will be adjusted for any under- or over-recovery together with applicable interest thereon which may have occurred during the operation of the Company's previously approved Commodity Charge filing. Further, the Company will be permitted a limited self-implementing increase to the Commodity Charge on December 1 and February 1 of each year. These limited self-implementing increases, if applied, are to be in accordance with a Board of Public Utilities approved methodology. Commodity Charge decreases would be permitted at any time if applicable.

The difference between actual costs and Public Service's recovery of these costs shall be determined monthly. If actual costs exceed the recovery of these costs, an underrecovery or a negative balance will result. If the recovery of these costs exceeds actual costs, an overrecovery or a positive balance will result. Interest shall be applied monthly to the average monthly cumulative deferred balance, positive or negative, from the beginning to the end of the annual period. Monthly interest on negative deferred balances (underrecoveries) shall be netted against monthly interest on positive deferred balances (overrecoveries) for the annual period. A cumulative net positive interest balance at the end of the annual period is owed to customers and shall be returned to customers in the next annual period. A cumulative net negative interest balance shall be zeroed out at the end of the annual period. The sum of the calculated monthly interests shall be added to the overrecovery balance or subtracted from the underrecovery balance at the end of the annual period. The positive interest balance shall be rolled into the beginning under- or over-recovery balance of the subsequent annual period.

Pursuant to the Board's January 6, 2003 Order approving the BGSS price structure under Docket No. GX01050304 and the BGSS Pricing Proposal appended as Attachment A to and approved in that Order, Public Service Electric and Gas Company may issue a bill credit for its BGSS-RSG customers as detailed below.

Effective	BGSS-RSG Credit (per therm)	BGSS-RSG Credit including SUT (per therm)
February 1, 2020 through March 31, 2020	(\$0.070340)	(\$0.075000)
April 1, 2020	\$0.00000	\$0.00000