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RECEIVED

AUG 04 2014

BOARD OF PUBLIC UTILITIES
MAIL ROOM

August 1, 2014

fund
8/7/14

In the Matter of the 2014/2015 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. 48:21.1 – Public Service Electric and Gas Company

BPU Docket No. ER14060613

VIA ELECTRONIC MAIL & REGULAR MAIL

Kristi Izzo, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625

REC'D
AUG 4 PM 1 57
NJ BPU
CASE MANAGEMENT

Dear Secretary Izzo:

Attached and filed herewith are four copies of affidavits as proof of publication of the Notice of Filing and Public Hearings in the above-referenced matter. This notice appeared in the following newspapers on July 11, 2014.

Burlington County Times
Courier News
Courier-Post
Daily Record
Herald News
Home News Tribune

The Jersey Journal
The Record
South Jersey Times
Star-Ledger
The Times (Trenton)
The Trentonian

I also represent to you that the municipal clerks and county executives who are within the Company's gas service territory received copies of this notice by first class mail on July 11, 2014.

Very truly yours,

Matthew Weissman

Attach.

C Service List (Letter Only - Electronic)

CCMS - full
M LUPC
ENERGY

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

IN THE MATTER OF THE 2014/2015 ANNUAL COMPLIANCE FILING 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. ER14060813

TAKE NOTICE that, in June 2014, Public Service Electric and Gas Company ("Public Service", "the 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 decreases to the electric USF, electric Lifeline and gas Lifeline components and an increase to the gas USF component. The requested change in the USF and Lifeline components is made pursuant to New Jersey Board of Public Utilities' ("Board", "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 Health and Senior Services ("DHSS") is the administrator of the Lifeline programs. DCA and DHSS authorize the disbursement of benefits to eligible customers in the respective programs. The requested change in the Lifeline component also includes funding for WorkFirst NJ.

Based upon the results and available estimates known to date for the 2013/2014 USF program year and the available estimates for the 2014/2015 USF Program year, it is anticipated that the USF rates should be set to collect \$178.8 million, on a statewide basis and that the Lifeline rates should be set to collect \$75.5 million on a statewide basis. Of the total estimated statewide USF cost of \$178.8 million, \$131.8 million would be recovered through electric rates with the remaining \$47.0 million recovered through gas rates. An anticipated \$75.5 million of the statewide Lifeline program \$50.6 million would be recovered through electric rates with the remaining \$24.9 million recovered through gas rates.

In its June 22, 2005 Universal Service Fund 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 that Order, the Company made a filing with the Board in June 2014 requesting to change its current USF and Lifeline program charges, as described, to become effective on October 1, 2014.

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, 2015.

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, is illustrated in Tables #2 and #3.

Based on the filing, a typical residential electric customer using 780 kilowatthours per summer month and 7,360 kilowatthours on an annual basis would see a decrease in the annual bill from \$1,366.88 to \$1,363.16 or \$3.72 or approximately 0.27%. The Statewide average residential electric customers using 7,800 kilowatthours on an annual basis would see a decrease in the annual bill from \$1,447.55 to \$1,443.57 or \$3.98 or approximately 0.27%. 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 660 therms on an annual basis would see an increase in the annual bill from \$702.65 to \$705.61, or \$2.96 or approximately 0.42%. Moreover, under the Company's proposal, a typical residential gas heating customer using 180 therms per month during the winter months and 1,050 therms on an annual basis would see an increase in the annual bill from \$1,077.06 to \$1,081.62 or \$4.56 or approximately 0.42%. The Statewide average residential gas customers using 1,000 therms on an annual basis would see an increase in the annual bill from \$1,034.37 to \$1,038.79 or \$4.42 or approximately 0.43%.

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 that 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, online at the PSEG Web site at <http://www.pseg.com/pseandgfilings> and at the Board of Public Utilities at 44 South Clinton Avenue, Seventh Floor, Trenton, New Jersey 08625-0350.

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.

Date	Time	Location
August 11, 2014	3:30 and 5:30 PM	Bergen County Administration Building Learning Center Room #460 1 Bergen County Plaza Hackensack, New Jersey 07601
August 12, 2014	3:30 and 5:30 PM	Middlesex County Administration Building Freeholders Meeting Room 1st Floor Meeting Room J.F. Kennedy Square New Brunswick, New Jersey 08901
August 14, 2014	3:30 and 5:30 PM	Burlington County Administration Building Board of Chosen Freeholders Boardroom, 1st Floor 49 Rancocas Road Mt. Holly, New Jersey 08060

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, no less than 48 hours prior to the above hearings. Customers may file written comments with the Secretary of the Board of Public Utilities at 44 South Clinton Avenue, Ninth Floor, P.O. Box 350, Trenton, New Jersey, 08625-0350 ATTN: Secretary Kristi Izzo whether or not they attend the public hearings or they may send comments by e-mail to the BPU at usf.rates@bpu.state.nj.us. To review PSE&G's rate filing, visit <http://www.pseg.com/pseandgfilings>.

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

	Present	Present (Incl. SUT)	Proposed	Proposed (Incl. SUT)
USF-Electric per kWhr	\$0.002133	\$0.002282	\$0.001796	\$0.001922
USF-Gas per therm	0.0061	0.0065	0.0104	0.0111
Lifeline-Electric per kWhr	0.000928	0.000866	0.000690	0.000738
Lifeline-Gas per therm	0.0057	0.0061	0.0055	0.0059

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 Decrease Would Be:	And Your Monthly Percent Decrease Would Be:
1,600	170	\$33.08	\$33.00	(\$0.08)	(0.24)%
3,900	415	77.27	77.06	(0.21)	(0.27)
7,360	780	145.48	145.09	(0.39)	(0.27)
7,800	803	149.94	149.59	(0.41)	(0.27)
12,400	1,320	260.01	249.34	(106.67)	(0.27)

(1) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2014 and assumes that the customer receives BGS-FP 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 Increase Would Be:	And Your Monthly Percent Increase Would Be:
212	25	\$29.72	\$29.83	\$0.11	0.37%
424	50	53.59	53.81	0.22	0.41
660	100	104.49	104.93	0.44	0.42
1,050	160	163.75	164.45	0.70	0.43
1,312	200	203.25	204.12	0.87	0.43
1,972	300	301.69	303.21	1.52	0.44

(1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2014 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.



PUBLIC SERVICE ELECTRIC AND GAS COMPANY

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