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June 29, 2018

In The Matter of the Petition of
Public Service Electric and Gas Company
for Approval of Changes in its
Electric Green Programs Recovery Charge
and its Gas Green Programs Recovery Charge
“2018 PSE&G Green Programs Cost Recovery Filing”

BPU Docket No. _____

VIA BPU E-FILING SYSTEM & OVERNIGHT MAIL

Aida Camacho-Welch, Secretary
Board of Public Utilities
44 South Clinton Avenue, 3rd Flr.
P.O. Box 350
Trenton, New Jersey 08625-0350

Dear Secretary Camacho-Welch:

Enclosed please find an original and two copies of Public Service Electric and Gas Company’s (PSE&G, the Company) filing in the above-referenced matter.

A CD containing electronic workpapers is being provided to your office and those shown below.

Very truly yours,

A handwritten signature in blue ink, appearing to be the initials "JW" or similar, written in a cursive style.

Attachment
C Attached Service List (E-Mail Only)

CD – Electronic Workpapers

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Alex Moreau
Stefanie Brand (2)

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STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF)
PUBLIC SERVICE ELECTRIC AND GAS) **P E T I T I O N**
COMPANY FOR APPROVAL OF CHANGES)
IN ITS ELECTRIC GREEN PROGRAMS)
RECOVERY CHARGE AND ITS GAS GREEN) BPU Docket No. _____
PROGRAMS RECOVERY CHARGE)
("2018 PSE&G Green Programs Cost Recovery Filing"))

Public Service Electric and Gas Company ("PSE&G" or the "Company"), a corporation of the State of New Jersey, having its principal offices at 80 Park Plaza, Newark, New Jersey, respectfully petitions the New Jersey Board of Public Utilities ("Board" or "BPU") pursuant to N.J.S.A. 48:2-21, 48:2-21.1, and N.J.S.A. 48:3-98.1, as follows:

INTRODUCTION

1. PSE&G is a public utility engaged in the distribution of electricity and the provision of Basic Generation Service ("BGS") and distribution of gas and the provision of Basic Gas Supply Service ("BGSS"), for residential, commercial and industrial purposes within the State of New Jersey. PSE&G provides service to approximately 2.2 million electric and 1.8 million gas customers in an area having a population in excess of six million persons, and which extends from the Hudson River opposite New York City, southwest to the Delaware River at Trenton, and south to Camden, New Jersey.

2. PSE&G is subject to regulation by the Board for the purposes of setting its retail distribution rates and to assure safe, adequate, and reliable electric distribution and natural gas distribution service pursuant to N.J.S.A. 48:2-21 *et seq.*

3. Pursuant to N.J.S.A. 48:3-98.1 *et seq.*,¹ PSE&G has implemented 11 Board-approved energy efficiency, demand response, and solar energy programs (collectively, “PSE&G Green Programs”).² The programs are: (1) the Carbon Abatement Program (“CA”); (2) the Energy Efficiency Economic Stimulus Program (“EEE”); (3) the EEE Extension Program (“EEE Extension”); (4) the Demand Response Program (“DR”); (5) the Solar 4 All Program (“S4A”); (6) the Solar Loan II Program (“SLII”); (7) the Solar 4 All Extension Program (“S4AE”); (8) the Solar Loan III Program (“SLIII”); (9) the EEE Extension II Program (EEE Extension II); (10) the Solar 4 All Extension II Program (“S4AEII”); and (11) the Energy Efficiency 2017 Program (“EE 2017”).³

4. The Board has approved each of the PSE&G Green Programs and their associated cost recovery mechanisms. PSE&G recovers the revenue requirements for these

¹ N.J.S.A. 48:3-98.1 permits electric and gas public utilities to provide and invest in energy efficiency, conservation and renewable energy resources and/or programs.

² Prior to enactment of N.J.S.A. 48:3-98.1, PSE&G filed for approval of its first Solar Loan offering (“SL I”) with cost recovery addressed through a separate Solar Pilot Recovery Charge (“SPRC”). The Board approved the SL I Program in April 2008 and PSE&G annually files a separate SL I Program cost recovery petition as a companion filing to the within filing. The Board has established it to be appropriate to case manage the cost recovery filings for PSE&G’s Green Programs and the SL I Program together.

³ Paragraph 33 of the Board-approved stipulation of settlement in the EE 2017 matter states the following, in relevant part: “The initial EE 2017 components of the GPRC will be based on estimated EE 2017 revenue requirements from the date of the written BPU order [August 23, 2017] to September 2019. Thereafter, the EE 2017 electric and gas components of the GPRC will be changed as part of the BPU’s annual review of the GPRC, incorporating a true-up for actuals and an estimate of the revenue requirements for the upcoming year.” *I/M/O the Petition of Public Service Electric and Gas Company for Approval of its Energy Efficiency 2017 Program and Recovery of Associated Costs* (“EE 2017 Program”), Order Adopting Stipulation, BPU Docket No. EO17030196 (August 23, 2017), p. 8. In accordance with this paragraph of the Board-approved stipulation, costs associated with the EE 2017 Program are not included in this filing.

Programs through its electric and gas Green Program Recovery Charges (“GPRC”). There is a separate component of the GPRC for each of the 11 Programs.

5. On June 30, 2017, PSE&G made its Green Programs Annual Cost Recovery Proceeding (hereinafter “the 2017 Green Programs Filing”).⁴ The 2017 Green Programs Filing included proposed rates for the combined components of the electric and gas GPRCs for the period October 1, 2017 through September 30, 2018 designed to recover approximately \$57.9 million (electric) and \$12.5 million (gas) in revenue on an annual basis. The resulting net combined annual revenue impacts on the Company’s electric customers would be an increase of \$20.1 million, and the resulting net combined annual revenue impacts on the Company’s gas customers would be a decrease of \$1.2 million. The cumulative proposed rate impacts for the then-ten components⁵ of the electric GPRC would be an increase from \$0.000980 per kWh (including the New Jersey Sales and Use Tax (“SUT”)) to \$0.001501 per kWh (including SUT). The cumulative proposed changes for the then-four components of the gas GPRC, which includes only the CA, EEE, EEE Extension, and EEE Extension II components, would be a decrease from \$0.004981 per therm (including SUT) to \$0.004535 per therm (including SUT).

⁴ *I/M/O the petition of Public Service Electric and Gas Company for Approval of Changes in its Electric Green Program Recovery Charge and its Gas Green Programs Recovery Charge (“2017 PSE&G Green Programs Cost Recovery Charge Filing”), BPU Docket No. ER17070724 and GR17070725.*

⁵ The Company had not yet received BPU approval of its EE 2017 Program at the time it made the 2017 Green Programs Filing.

6. The 2017 Green Programs Filing also included a request to discontinue the DR Program after the summer of 2017, with the Company proposing to recover the regulatory asset over the remaining life of the DR equipment.

7. By Order dated May 22, 2017, the Board approved a stipulation signed by BPU Staff, the New Jersey Division of Rate Counsel (“Rate Counsel”),⁶ and PSE&G discontinuing the DR Program after the 2017/2018 energy year. The BPU-approved stipulation stated further that:

The Company will defer the remaining net investment in the DR Program as of May 31, 2018 as a regulatory asset, the recovery of which will be addressed in the pending 2017 GPRC Petition matter. In the interim the Company will continue to recover the regulatory asset and associated return on the corresponding net investment balance as if the DR assets were still in service. The Company may recover incremental, prudently incurred administrative costs required to discontinue the program, and, in addition, for expensing any remaining inventory held to maintain any defective devices, net of any proceeds realized from disposing of such inventory. These aforementioned costs shall be recoverable via the DR component of the GPRC. Such cost shall be documented in the Company’s annual GPRC filings until fully recovered.⁷

⁶ *I/M/O the petition of Public Service Electric and Gas Company for Approval of Changes in its Electric Green Program Recovery Charge and its Gas Green Programs Recovery Charge (“2017 PSE&G Green Programs Cost Recovery Charge Filing”)*, BPU Docket No. ER17070724 and GR17070725, Order Approving Stipulation for Discontinuance of Demand Response Program (May 22, 2017), p. 3.

⁷ *Id.* (citing the Stipulation, ¶8).

8. Other than the discontinuance of the DR Program and interim recovery of the DR regulatory asset, all other aspects of the 2017 Green Programs Filing remain pending before the BPU as of the date of this instant filing. For purposes of this instant filing, the Company has utilized the rates currently in effect for the PSE&G Green Programs that the BPU approved in its August 23, 2017 Order approving the EE 2017 Program, as opposed to the rates set forth in the Company's 2017 Green Programs filing.⁸ More specifically, \$0.001006 per kWh without SUT (\$0.001073 per kWh with SUT) for the electric GPRC rate, and \$0.005563 per therm without SUT (\$0.005932 per therm with SUT) for the gas GPRC rate.⁹

I. CARBON ABATEMENT PROGRAM

9. On June 23, 2008, PSE&G filed a Petition with the Board seeking approval of the CA Program.¹⁰ The CA Program involves a series of small-scale energy efficiency sub-programs offered to both residential and commercial customers. The Company also proposed a comprehensive cost recovery mechanism.

10. On November 20, 2008, PSE&G and Board Staff executed a Joint Position modifying certain elements of the Company's original proposal.

⁸ *I/M/O the Petition of Public Service Electric and Gas Company for Approval of its Energy Efficiency 2017 Program and Recovery of Associated Costs* ("EE 2017 Program"), Order Adopting Stipulation, BPU Docket No. EO17030196 (August 23, 2017), p. 7.

⁹ The gas and electric GPRC rates the BPU approved in its August 23, 2017 Order that include SUT were subsequently reduced effective January 1, 2018 due to a Board-approved reduction in SUT.

¹⁰ *I/M/O the Petition of Public Service Electric and Gas Company for Approval of a Carbon Abatement Program in its Service Territory on a Regulated Basis and Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1*, BPU Docket No. EO08060426 (N.J. BPU 2008).

11. By Order dated December 16, 2008, the Board approved the Joint Position and authorized the Company to implement the CA Program and the associated cost recovery mechanism (“CA Order”).

12. The Board-approved Joint Position authorized PSE&G to implement the following CA sub-programs:

- a. Residential Home Energy Tune-Up Sub-Program
- b. Residential Programmable Thermostat Installation Sub-Program
- c. Small Business Direct Install Sub-Program
- d. Large Business Best Practices and Technology Demonstration Sub-Program
- e. Hospital Efficiency – Retrofit Sub-Program and New Construction Sub-Program

13. In regard to cost recovery, the Board-approved Joint Position provides:

The Parties agree that PSE&G will utilize the revenue requirements methodology as set forth in the original filing, specifically as described in the Direct Testimony of Stephen Swetz. Attachment 2 contains Schedule SS-2, which shows the calculation of the Weighted Average Cost of Capital (WACC) of 11.3092% based upon a combined State/federal tax rate of 41.084% is attached to this Settlement.¹¹

* * *

The Parties agree that PSE&G is entitled to recovery of all reasonable and prudent Program costs. Cost recovery shall be made via two separate recovery charge mechanisms, one for electric and one for gas that shall be filed each year as set forth in the Company’s filing. These annual filings will be made by October 1st of each year to set forth a calculation of the electric and gas recovery charges for estimated revenue requirements for the subsequent year plus the over/under deferred balance for the current year. The charges proposed

¹¹ Joint Position, ¶12.

in the annual filings made by October 1st of each year will go into effect provisionally or as final rates, on January 1st of the subsequent year, upon issuance of a Board Order authorizing these provisional or final rates.¹²

The Order approved the cost recovery mechanism set forth in the Joint Petition. *See CA Order*, pp. 13-14.

14. The Company is successfully implementing the CA Program. In compliance with the Board's prior orders, the Company is filing this Petition to reset the CA component of the GPRC. Details about the proposed rates and bill impacts are discussed below under the heading "Supporting Testimony."

II. ENERGY EFFICIENCY ECONOMIC STIMULUS PROGRAM

15. On January 21, 2009, the Company filed a Petition with the Board seeking approval of the EEE Program, which comprises eight energy efficiency sub-programs.¹³

16. On June 30, 2009, the signatory parties executed a Stipulation that called for some modifications to the Company's proposal. By Order dated July 16, 2009, the Board approved the Stipulation and authorized the Company to implement the EEE Program and begin cost recovery through the EEE component of the GPRC, with rates effective as of August 1, 2009.

¹² CA Joint Position, ¶14. The Joint Position also specifies the methodology for calculating interest on net over- and under-recoveries. *See* Joint Position, ¶15.

¹³ *In The Matter Of The Petition Of Public Service Electric And Gas Company Offering An Energy Efficiency Economic Stimulus Program In Its Service Territory On A Regulated Basis And Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1*, BPU Docket No. EO09010058.

17. The Board-approved Stipulation authorized the Company to implement the following EEE sub-programs:

- a. Residential Whole House Efficiency Sub-Program
- b. Residential Multifamily Housing Sub-Program
- c. Small Business Direct Install Sub-Program
- d. Municipal/Local/State Government Direct Install Sub-Program
- e. Hospital Efficiency Sub-Program
- f. Data Center Efficiency Sub-Program
- g. Building Commissioning/O&M Sub-Program
- h. Technology Demonstration Sub-Program

18. In regard to cost recovery, the Board-approved Stipulation provides:

PSE&G will recover the net revenue requirements associated with this EEE Program via two new EEE Stimulus Components (“EEESC”) of the Company’s electric and gas RGGI Recovery Charges (“GPRC”). The electric EEESC will be applicable to all electric rate schedules on an equal cents per kilowatt-hour basis for recovery of costs associated with the electric EEE Program. The gas EEESC will be applicable to all gas rate schedules on an equal cents per therm basis for recovery of costs associated with the gas EEE Program. The initial EEESCs will be based on estimated EEE Program revenue requirements from July 1, 2009 or the date of the written BPU Order to December 31, 2010. Thereafter, the electric and gas EEESCs will be changed nominally on an annual basis incorporating a true-up for actuals and an estimate of the revenue requirements for the upcoming year.¹⁴

* * *

The Signatory Parties stipulate that the revenue requirements recovered through the electric and gas EEESCs will be calculated to include a return on investment and a return of investment through amortization of the associated regulatory asset over 60 months. Although the five-year amortization does not match the life of the measures installed and the

¹⁴ EEE Stipulation, ¶20.

associated benefits, the parties agreed to this shorter recovery period to accelerate recovery of the Company's investment. The revenue requirements include reasonable and prudent associated costs regarding administrative, sales, training, evaluation and IT capital. They further stipulate that this initial calculation will use the overall cost of capital utilized to set rates in the Company's most recent gas base rate case, BPU Docket No. GR05100845, which was 7.9591%, (11.3092% on a pre-tax basis) based on a return on equity of 10. The Signatory Parties agree that any change in the WACC authorized by the Board in a subsequent base rate case will be reflected in the subsequent monthly revenue requirement calculation. The Signatory Parties agree that any change in the revenue requirement resulting from the change in the WACC will not be included in the monthly interest calculation for over and under recoveries until the date of the next scheduled annual true-up but in any event, no later than January 1st of the subsequent year. The Signatory Parties stipulate that after the initial revenue requirements period, the electric and gas EEESCs will be calculated utilizing projected cost data subject to annual adjustments. The calculation of the revenue requirement for the purpose of setting the initial EEESCs for the period ending December 31, 2010 is set forth in Attachment 2 attached to the Stipulation and made a part of the Stipulation.

In calculating the monthly interest on net over and under recoveries, the interest rate shall be based upon the Company's interest rate obtained on its commercial paper and/or bank credit lines utilized in the preceding month. If both commercial paper and bank credit lines have been utilized the weighted average of both sources of capital shall be used. In the event that neither commercial paper nor bank credit lines were utilized in the preceding month, the last calculated rate will be used. The interest rate shall not exceed PSE&G's overall rate of return as authorized by the Board in PSE&G's pre-tax WACC as identified in Paragraph 22 above. The interest amount charged to the EEESC balances will be computed using the following methodology set forth in Attachment 3 to the Stipulation and made a part of the Stipulation. The calculation of monthly interest shall be

based on the net of tax average monthly balance, consistent with the methodology set forth in Attachment 3 to the Stipulation. Simple interest shall accrue on any under and over recovered balance, and shall be included in the deferred electric and gas EEESC balance at the end of each reconciliation period. The true-up calculation of over- and under-recoveries shall be included in the Company's Annual Filing. The interest calculation in this paragraph is subject to the condition set forth in paragraph number 22.¹⁵

19. The Company is successfully implementing the EEE Program and is filing this Petition in compliance with prior Board orders to reset the EEE component of the GPRC. Details about the proposed rates and bill impacts are discussed below under the heading "Supporting Testimony."

III. EEE EXTENSION PROGRAM

20. On January 25, 2011, the Company filed a Petition with the Board seeking approval of the EEE Extension Program to extend three central EEE sub-programs (Multifamily Housing, Municipal Direct Install, and Hospital Efficiency) that were fully subscribed with a backlog of customer applications. The objective of the filing was simply to add funding and extend the time frame for three sub-programs already in the marketplace in order to address more customers.¹⁶

¹⁵ EEE Stipulation, ¶¶22-23.

¹⁶ *I/M/O the Petition of Public Service Electric and Gas Company for an Extension of Three Subprogram Components of its Energy Efficiency Economic Stimulus Program in its Service Territory on a Regulated Basis and Associated Cost Recovery and for Changes in the Tariff for Electric Service, B.P.U.N.J. NO.15 ELECTRIC, and the Tariff for Gas Service, B.P.U.N.J. NO.15, GAS Pursuant to N.J.S.A. 48:2-21, 48:2-21.1, and N.J.S.A. 48:3-98.1(Multifamily, Hospitals and Municipal/Non-Profit Direct Install), BPU Docket No. EO11010030.*

21. PSE&G filed the EEE Extension Petition in an effort to continue to stimulate the economy by lowering consumers' energy bills, fostering job creation opportunities, continuing to look for ways to address climate change, and to continue assisting the State in achieving its energy reduction goals. The Hospital Efficiency, Residential Multifamily Housing, and Municipal/Local/Government Direct Install Sub-Programs of PSE&G's EEE Program had proven highly successful and there remained significant customer interest in taking advantage of the offerings.

22. On July 1, 2011, the Company, Board Staff, Rate Counsel and the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") executed a Stipulation approving the EEE Extension. By Order dated July 14, 2011, the Board approved the Stipulation and authorized the Company to implement the EEE Extension Program and begin cost recovery through the electric and gas EEE Extension Components ("EEEextC") of the GPRC, with rates effective as of July 24, 2011 (hereinafter, "EEE Extension Order").

23. The Board-approved Stipulation authorized the additional funding for the following EEE Extension sub-programs as follows:

| | <u>\$Millions</u> |
|-------------------------------------------------------------|-------------------|
| A. Residential Segment | |
| Residential Multifamily Housing Sub-Program | \$20.0 |
| B. Industrial and Commercial Segment | |
| Municipal/Local/State Government Direct Install Sub-Program | \$25.0 |
| Hospital Efficiency Sub-Program | \$50.0 |

| | |
|--------------------------------------------------------------------------------------------------|---------|
| C. Administration, Program Management, Quality Assurance/ Quality Control, Evaluation | \$8.0 |
| Total Energy Efficiency Expenditures | \$103.0 |

24. In regard to cost recovery, the Board Order provides:

PSE&G will recover the net revenue requirements associated with the E3 Extension via two new EEEextC of the Company's electric and gas GPRC. The electric EEEextC will be applicable to all electric rate schedules on an equal cents per kilowatt-hour basis for recovery of costs associated with the electric E3 Extension. The gas EEEextC will be applicable to all gas rate schedules on an equal cents per therm basis for recovery of costs associated with the gas E3 Extension. The initial EEEextCs will be based on estimated E3 Extension revenue requirements from August 1, 2011 to December 31, 2012. Thereafter, the electric and gas EEEextCs will be changed nominally on an annual basis incorporating a true-up for actuals and an estimate of the revenue requirements for the upcoming year. The annual EEEextCs true-up filings will be made as part of the GPRC annual true up petition ("Annual Filing").¹⁷

* * *

The Signatory Parties stipulate that the revenue requirements recovered through the electric and gas EEEextCs will be calculated to include a return on investment and a return of investment through amortization of the associated regulatory asset over 60 months. Although the five-year amortization does not match the life of the measures installed and the associated benefits, the Signatory Parties agreed to this shorter recovery period to accelerate recovery of the Company's investment. The revenue requirements include reasonable estimated associated costs regarding administrative, marketing and sales, training, processing, inspections, and other quality control, and evaluation. The Signatory Parties further stipulate that this initial calculation

¹⁷ EEE Extension Order at ¶22.

will use the overall cost of capital utilized to set rates in the Company's most recent base rate case, BPU Docket No. GR09050422, which was 8.21%, based on a return on equity ("ROE") of 10.3%. The Signatory Parties agree that any change in the Weighted Average Cost of Capital ("WACC") authorized by the Board in a subsequent base rate case will be reflected in the subsequent monthly revenue requirement calculations. The Signatory Parties further agree that any change in the revenue requirement resulting from the change in the WACC will not be included in the monthly interest calculation for over and under recoveries until the date of the next scheduled annual true-up but in any event, no later than January 1st of the subsequent year. The Signatory Parties stipulate that after the initial revenue requirements period, the electric and gas EEEextCs will be calculated utilizing projected cost data subject to annual adjustments. The calculation of the revenue requirement as well as the rate calculation for the purpose of setting the initial EEEextCs for the period ending December 31, 2012 is set forth in Attachment 2 to the Stipulation.

In calculating the monthly interest on net over and under recoveries, the interest rate shall be based upon the Company's interest rate obtained on its commercial paper and/or bank credit lines utilized in the preceding month. If both commercial paper and bank credit lines have been utilized the weighted average of both sources of capital shall be used. In the event that neither commercial paper nor bank credit lines were utilized in the preceding month, the last calculated rate will be used. The interest rate shall not exceed PSE&G's overall rate of return as authorized by the Board in PSE&G's pre-tax WACC as identified in Paragraph 23 of the Stipulation. The interest amount charged to the EEEextC balances will be computed using the following methodology set forth in Attachment 3 of the Stipulation. The calculation of monthly interest shall be based on the net of tax average monthly balance, consistent with the methodology set forth in Attachment 3. Simple interest shall accrue on any under and over recovered balance, and shall be included in the deferred electric and gas EEEextC balance at the end of each reconciliation period. The true-up calculation of over- and

under- recoveries shall be included in the Company's Annual Filing. This interest calculation in this paragraph is subject to the condition set forth in paragraph 23.¹⁸

25. The Company is successfully implementing the EEE Extension Program and is filing this Petition in compliance with prior Board orders to reset the EEE Extension components of the GPRC along with the other GPRC Programs. Details about the proposed rates and bill impacts are discussed below under the heading "Supporting Testimony."

IV. DEMAND RESPONSE PROGRAM

26. In response to a Board Order dated July 1, 2008, on August 5, 2008 PSE&G filed a Petition for approval of a DR Program.¹⁹ On August 21, 2008, PSE&G filed supplemental testimony and schedules.

27. The Petition proposed five sub-programs: (1) Residential Central Air Conditioner Cycling Sub-Program; (2) Residential Pool Pump Load Control Sub-Program; (3) Small Commercial Customer AC Cycling Sub-Program; (4) Commercial and Industrial ("C&I") Curtailment Services Sub-Program; and (5) Load Shifting Demonstration Sub-Program.

28. On July 23, 2009, the parties executed a Settlement Agreement. The Settlement Agreement called for the Company to implement the Residential Central Air

¹⁸ EEE Extension Order at ¶¶23-24.

¹⁹ *I/M/O the Petition of Public Service Electric and Gas Company for Approval of a Demand Response Program and An Associated Cost Recovery Mechanism, et al.*, BPU Docket No. EO08080544.

Conditioner Cycling Sub-Program and the Small Commercial Customer AC Cycling Sub-Program. Consideration of the other proposed sub-programs was deferred.

29. In regard to cost recovery, the Board-approved Settlement Agreement provides:

The Parties agree that PSE&G shall recover all reasonable, prudently incurred Program costs via a separate component of the electric RGGI Recovery Charge (GPRC) mechanism to be filed annually by the Company.²⁰

* * *

The Parties agree that the overall cost of capital utilized to set rates for the initial rate period of the Program will be that approved in the Company's most recent gas base rate case, BPU Docket No. GR05100845, which was 7.9591% (11.3092% on a pre-tax basis), based on a return on equity ("ROE") of 10.0%. The Parties agree that any change in the WACC authorized by the Board in a subsequent base rate case will be reflected in the subsequent monthly revenue requirement calculations, effective as of the date of the Board's base rate case order authorizing a change in the WACC. The parties further agree that any change in the revenue requirement resulting from the change in the WACC will not be included in the monthly interest calculation for over and under recoveries until the date of the next scheduled annual true-up, but in any event, no later than January 1 of the subsequent year.²¹

* * *

[T]he Demand Response component of the GPRC will be reviewed, trued-up, and modified in an annual filing that PSE&G will make with the Board. Each annual filing will contain a reconciliation of PSE&G's actual recoveries (which were based on projected Program costs) and actual revenue

²⁰ DR Settlement Agreement, ¶8.

²¹ DR Settlement Agreement, ¶9.

requirements for the prior period. Each annual filing will also contain a forecast of revenue requirements for the upcoming 12-month period that shall be based upon the Company's then-current gas and/or electric authorized overall rate of return and capital structure, including income tax effects. Attachment 1 is the GPRC tariff sheet, including the initial Demand Response component based on this Settlement, to be approved by the Board. Attachment 2 is the revised SCC tariff sheet showing a zero charge.

The Parties also agree that the Company's carrying charges on its over- or under-recovered deferred balances for this Program will be set at the Company's interest rate obtained on its commercial paper and/or bank credit lines utilized in the preceding month. If both commercial paper and bank credit lines have been utilized the weighted average of both sources of capital shall be used. In the event that neither commercial paper nor bank credit lines were utilized in the preceding month, the last calculated rate will be used. The interest rate shall not exceed PSE&G's overall rate of return as authorized by the Board in PSE&G's most recent base rate case as identified in Paragraphs 9 and 10 above. The interest amount charged to the DR component of the electric GPRC balance will be computed using the following methodology set forth in Attachment 3 attached hereto and made a part of this Settlement Agreement. The calculation of monthly interest shall be based on the net of tax average monthly balance, consistent with the methodology set forth in Attachment 3. Simple interest shall accrue on any under and over recovered balance, and shall be included in the deferred electric and gas DR GPRC balance at the end of each reconciliation period. The true-up calculation of over- and under- recoveries shall be included in the Company's annual filing.²²

30. In an Order dated July 31, 2009, the Board approved the Settlement Agreement and authorized PSE&G to implement the Residential AC Cycling and Small Commercial AC Cycling Sub-Programs. The Board also approved the cost recovery

²² DR Settlement Agreement, ¶¶10 and 11.

mechanism and PSE&G implemented the rates for the DR component of the GPRC on August 3, 2009.

31. As noted above, the Board by Order dated May 22, 2018 approved the discontinuance of the DR Program after the 2017/2018 Energy Year. The Board-approved stipulation discontinuing the DR Program states further that:

- the Company will defer the remaining net investment in the DR Program as of May 31, 2018 as a regulatory asset, the recovery of which will be addressed in the pending 2017 Green Programs Recovery filing;
- the Company in the interim will continue to recover the regulatory asset and associated return on the corresponding net investment balance as if the DR assets were still in service;
- the Company may recover incremental, prudently incurred administrative costs required to discontinue the DR Program, and, in addition, for expensing any remaining inventory held to maintain any defective devices, net of any proceeds realized from disposing of such inventory; and
- the aforementioned costs shall be recoverable via the DR component of the GPRC, and be documented in the Company's annual GPRC filings until fully recovered.²³

32. The Company is discontinuing the DR Program, and is filing this Petition in compliance with prior Board orders to reset the DR components of the GPRC along

²³ *I/M/O the petition of Public Service Electric and Gas Company for Approval of Changes in its Electric Green Program Recovery Charge and its Gas Green Programs Recovery Charge ("2017 PSE&G Green Programs Cost Recovery Charge Filing")*, BPU Docket No. ER17070724 and GR17070725, Order Approving Stipulation for Discontinuance of Demand Response Program (May 22, 2017), p. 3.

with the other GPRC Programs. Details about the proposed rates and bill impacts are discussed below under the heading “Supporting Testimony.”

V. SOLAR 4 ALL PROGRAM

33. On February 10, 2009, PSE&G filed its Petition with the Board requesting approval of a solar generation investment program, known as the Solar 4 All or S4A Program, and an associated rate recovery mechanism.²⁴ The Petition proposed several different segments of a utility-owned solar photovoltaic generation program.

34. On July 27, 2009, the parties executed a Settlement Agreement. The Settlement Agreement calls for the Solar 4 All Program to consist of two segments: Segment 1 – Centralized Solar (40 MW), and Segment 2 – Pole-Attached Solar (40 MW), for a total of 80 MW, with an estimated capital investment of approximately \$514 million.

35. In regard to cost recovery, the Board-approved Settlement Agreement provides:

PSE&G will recover the net revenue requirements associated with the Solar 4 All Program via a new Solar Generation Investment Program component of the Company’s electric GPRC (“SGIP”). The SGIP will be applicable to all electric rate schedules on an equal cents per kilowatt-hour basis for recovery of costs associated with the Solar 4 All Program. The initial SGIP will be based on estimated Program revenue requirements from August 1, 2009 or date of the written BPU Order to December 31, 2010. Thereafter, the SGIP will be changed nominally on an annual basis, incorporating a true-

²⁴ *I/M/O the Petition of Public Service Electric and Gas Company for Approval of a Solar Generation Investment Program and An Associated Cost Recovery Mechanism, BPU Docket No. EO09020125.*

up for actuals and an estimate of the revenue requirements for the upcoming year.²⁵

* * *

The revenue requirements include reasonable and prudent associated costs regarding administrative, sales, training, evaluation and IT capital. The Parties further stipulate that this initial calculation will use a WACC of 7.9591%, (11.3092% on a pre-tax basis) based on a return on equity of 10.0%. The Parties agree that any change in the WACC authorized by the Board in a subsequent base rate case will be reflected in the subsequent monthly revenue requirement calculations, effective as of the date of the Board's base rate case order authorizing a change in the WACC. The Parties further agree that any change in the revenue requirement resulting from the change in the WACC will not be included in the monthly interest calculation for over and under recoveries until the date of the next scheduled annual true-up but in any event, no later than January 1 of the subsequent year. The Parties stipulate that after the initial revenue requirements period, the SGIP will be calculated utilizing projected cost data subject to annual adjustments. The calculation of the revenue requirement for the purpose of setting the initial SGIP for the period ending December 31, 2010 is set forth in Exhibit C attached hereto and made a part of this Stipulation.

In calculating the monthly interest on net over and under recoveries, the interest rate shall be based upon the Company's interest rate obtained on its commercial paper and/or bank credit lines utilized in the preceding month. If both commercial paper and bank credit lines have been utilized the weighted average of both sources of capital shall be used. In the event that neither commercial paper nor bank credit lines were utilized in the preceding month, the last calculated rate will be used. The interest rate shall not exceed PSE&G's overall rate of return as authorized by the Board as identified in Paragraph 36 above. The interest amount charged to the SGIP balance will be computed using the

²⁵ S4A Settlement Agreement, ¶34.

following methodology set forth in Exhibit D attached hereto and made a part of this Stipulation. The calculation of monthly interest shall be based on the net of tax average monthly balance, consistent with the methodology set forth in Exhibit D. Simple interest shall accrue on any under and over recovered balance, and shall be included in the deferred SGIP balance at the end of each reconciliation period. The true-up calculation of over- and under- recoveries shall be included in the Company's Annual Filing.²⁶

36. In an Order dated August 3, 2009, the Board approved the Settlement Agreement and authorized PSE&G to implement the S4A Program. The Board also approved the cost recovery mechanism and PSE&G implemented the rates for the S4A component of the GPRC (known as the "SGIP") on August 3, 2009.

37. The Company is successfully implementing the S4A Program and is filing this Petition in compliance with prior Board orders to reset the SGIP component of the GPRC. Details about the proposed rates and bill impacts are discussed below under the heading "Supporting Testimony."

VI. SOLAR LOAN II PROGRAM

38. On March 31, 2009, Public Service filed a Petition with the Board requesting approval of the Solar Loan II Program and associated rate recovery mechanism.²⁷ Building on its successful Solar Loan I Program, PSE&G proposed a new

²⁶ S4A Settlement Agreement, ¶¶36 and 37.

²⁷ *I/M/O the Petition of Public Service Electric and Gas Company for Approval of a Solar Loan II Program and an Associated Cost Recovery Mechanism*, BPU Docket No. EO09030249.

program for 40 MW of additional loans for the installation of solar photovoltaic systems, along with any unused capacity from Solar Loan I.

39. On November 4, 2009, the parties executed a Settlement Agreement. The Settlement Agreement provides that the SLII Program shall be 51 MW (DC) in total size (plus capacity transferred from the Solar Loan I Program, if any), and shall be open to net-metered solar systems that are 500 kW and smaller. It also provides that the SLII Program will have the following segments and capacities:

| | |
|----------------------------------------------------|--------------------|
| Greater than 150 kW up to 500 kW (non-residential) | 25 MW |
| Up to 150 kW (non-residential) | 17 MW |
| Residential | 9 MW ²⁸ |

40. In regard to cost recovery, the Board-approved Settlement Agreement provides:

PSE&G will recover the net revenue requirements associated with the Solar Loan II Program via a new Solar Loan II Program component of the Company's electric GPRC ("SLP"). The SLP will be applicable to all electric rate schedules on an equal cents per kilowatt-hour basis for recovery of costs associated with the Program. The initial SLP will be based on estimated Program revenue requirements from the date of the written BPU Order, to December 31, 2010. Thereafter, the SLP will be changed nominally on an annual basis, incorporating a true-up for actuals and an estimate of the revenue requirements for the upcoming year.²⁹

²⁸ By Order dated June 22, 2010, the Board approved the modification of the SLII Program to include solar facilities greater than 500 kW up to 2 MW, along with some other changes to the Program. *I/M/O the Petition of Public Service Electric and Gas Company for Approval of a Solar Loan II Program and an Associated Cost Recovery Mechanism*, BPU Docket No. EO09030249, Decision and Order Approving Program Changes.

²⁹ SLII Settlement Agreement, ¶36.

* * *

The revenue requirements include costs regarding administration, sales, training, evaluation, and IT capital. The Signatory Parties further stipulate that this initial calculation will use a WACC of 7.9591%, (11.3092% on a pre-tax basis) based on a return on equity of 10.0%. The Signatory Parties agree that any change in the WACC authorized by the Board in a subsequent base rate case will be reflected in the subsequent monthly revenue requirement calculations, effective as of the date of the Board's base rate case order authorizing a change in the WACC. The Signatory Parties further agree that any change in the revenue requirement resulting from the change in the WACC will not be included in the monthly revenue requirement calculation for over and under recoveries until the date of the next scheduled annual true-up but in any event, no later than January 1 of the subsequent year. The Signatory Parties stipulate that after the initial revenue requirements period, the SLP will be calculated utilizing projected cost data subject to annual adjustments. The calculation of the revenue requirement for the purpose of setting the initial SLP for the period ending December 31, 2010 is set forth in Exhibits E1 and E2 attached hereto and made a part of this Settlement.

In calculating the monthly interest on net over and under recoveries, the interest rate shall be based upon the Company's interest rate obtained on its commercial paper and/or bank credit lines utilized in the preceding month. If both commercial paper and bank credit lines have been utilized the weighted average of both sources of capital shall be used. In the event that neither commercial paper nor bank credit lines were utilized in the preceding month, the last calculated rate will be used. The interest rate shall not exceed PSE&G's overall rate of return as authorized by the Board as identified in Paragraph 38 above. The interest amount charged to the SLP balance will be computed using the methodology set forth in Exhibit F attached hereto and made a part of this Settlement Agreement. The calculation of monthly interest shall be based on the net of tax average monthly balance, consistent with the methodology set forth in

Exhibit F. Simple interest shall accrue on any under and over recovered balance, and shall be included in the deferred SLP balance at the end of each reconciliation period. The true-up calculation of over- and under- recoveries shall be included in the Company's Annual Filing.³⁰

41. In an Order dated November 10, 2009, the Board approved the Settlement Agreement and authorized PSE&G to implement the SLII Program. The Board also approved the cost recovery mechanism and PSE&G implemented the rates for the SLII component of the GPRC on November 10, 2009.

42. The Company is successfully implementing the SLII Program and is filing this Petition in compliance with prior Board orders to reset the SLII Program component of the GPRC. Details about the proposed rates and bill impacts are discussed below under the heading "Supporting Testimony."

VII. SOLAR 4 ALL PROGRAM EXTENSION

43. On August 1, 2012, PSE&G filed a Petition with the Board seeking approval to extend the Solar 4 All Program through the addition of new utility-owned solar program segments.³¹

44. On May 29, 2013, the Board issued an Order approving a modified version of the Solar 4 All Program Extension initially proposed by Public Service. The Board Order approved Public Service to implement a Solar 4 All Program Extension consisting

³⁰ SLII Settlement Agreement, ¶¶38 and 39.

³¹ *I/M/O the Petition of Public Service Electric and Gas Company for Approval of an Extension of a Solar Generation Investment Program and Associated Cost Recovery Mechanism*, BPU Docket No. EO12080721.

of four segments: (1) Segment A – Landfills/Brownfields (42 MW); (2) Segment B – Underutilized Government Facilities (1MW); (3) Segment C – Grid Security/Storm Preparedness Pilot (1MW); and (4) Segment D – Parking Lot Solar Pilot (1MW), for a total of 45 MWs, with an estimated capital investment over the initial build-out period of approximately \$247.2 million (excluding Allowance for Funds Used During Construction).

45. In regard to cost recovery, the Board-approved Settlement Agreement provides:

PSE&G will recover the net revenue requirements for the Solar4All Extension Program via a new Solar Generation Investment Extension Program (“SGIEP”) component of the Company’s electric RGGI Recovery Charge (“RRC”). The SGIEP will be applicable to all electric rate schedules on an equal cents per kilowatt-hour basis for recovery of the costs associated with the Solar 4 All Extension Program. The initial SGIEP will be based on revenue requirements from June 1, 2013, or the date of the written Board Order, through September 30, 2014. Thereafter, the SGIEP will be changed nominally on an annual basis in conjunction with the annual filing for all other existing [GPRC] components, incorporating a true-up for actual results and a forecast of revenue requirements for the twelve months succeeding the anticipated Board approval date.³²

* * *

The Signatory Parties stipulate that the revenue requirements recovered through the SGIEP will be calculated to include a return on investment and a return of investment over the lives of the capital assets. The Program investments are proposed to be treated as separate utility assets, and depending on the type of investment, either depreciated or amortized as

³² S4AE Board Order at ¶29.

described in the corresponding section below. The revenue requirements associated with the direct costs of the Program would be expressed as:

$$\text{Revenue Requirements} = (\text{Pre-Tax Cost of Capital} * \text{Net Investment}) + \text{Amortization and/or Depreciation} + \text{Operation and Maintenance Costs} - \text{Revenues from Solar Output} - \text{ITC Amortization w/ Tax Gross Up} + \text{Tax Associated from ITC Basis Reduction}$$

The details of each of the above terms are described as follows:

Cost of Capital – This is PSE&G’s overall weighted average cost of capital (“WACC”). The overall cost of capital utilized to set rates for the initial rate period of the Program will be 7.6431% (11.1790% on a pre-tax basis) based on an equity percentage of 51.2%, a return on equity of 10.0% and the Company’s embedded long-term cost of debt as of March 31, 2013 of 5.1702%.

Net Investment – This is the Gross Plant-in-Service less associated accumulated depreciation and/or amortization less Accumulated Deferred Income Tax (“ADIT”).

Depreciation/Amortization – The depreciation or amortization of the Program assets will vary depending on its asset class. The table below summarizes the book recovery and associated base tax depreciation applied to the corresponding asset classes. The base tax depreciation is calculated on the total amount of the asset less any bonus depreciation and any applicable tax credits.

| Asset Class | Book Recovery | Base Tax Depreciation |
|--------------------------------------------------|---------------|-----------------------|
| Solar Panels, acquisition and installation costs | 20 year dep. | 5 year MACRS |
| Inverters Communications Equipment | 5 year dep. | |
| Meters | 20 year dep. | 20 year MACRS |

The amortization/depreciation would be based on a monthly vintaging methodology instead of the mass property accounting typically used for utility property.

Operations and Maintenance Costs – Operations and Maintenance Costs will include:

- PSE&G labor and other related on-going costs required to manage the physical assets.
- Administrative costs related to the management of the Program.
- Rent/lease or other payments or bill credits made to non-PSE&G host sites/facilities and the fair values of rents for use of electric transmission sites/facilities.
- Insurance Expense.

Revenues from Solar Output – PSE&G will pursue generating revenues from solar output from the following sources:

- Sales of energy in the applicable PJM wholesale markets.
- Capacity payments from the PJM capacity market.
- Sales of SRECs through an auction process.

PSE&G will apply all net revenues it receives from the energy and capacity sales in the PJM markets and the sale of SRECs to customers to offset the Extension Program revenue requirements.

Investment Tax Credit (“ITC”) – The ITC benefit is partially offset by the tax impact associated with the tax basis reduction equal to fifty percent of the ITC. This tax basis reduction is prescribed by Federal income tax law governing the ITC. The impact on revenue requirements is generated by applying the book depreciation method to the difference between the book basis and the tax basis multiplied by the tax rate, and then multiplied by the revenue conversion factor.

* * *

The Signatory Parties further stipulate that the initial revenue requirement calculation will use a WACC of 7.6431% (11.1790% on a pre-tax basis) based on an equity percentage of 51.2%, a return on equity of 10.0%, and the Company’s embedded long-term cost of debt as of March 31, 2013 of 5.1702% The Signatory Parties agree that any change in the WACC authorized by the Board in a subsequent base rate

case will be reflected in the subsequent monthly revenue requirement calculations, effective as of the date of the Board's base rate case order authorizing a change in the WACC. The Parties further agree that any change in the revenue requirement resulting from the change in the WACC will not be included in the monthly interest calculation for over and under recoveries until the date of the next scheduled annual true-up but in any event, no later than January 1 of the subsequent year. The Parties stipulate that after the initial revenue requirements period, the SGIEP will be calculated utilizing projected cost data subject to annual adjustments.³³

46. The May 29, 2013 Board Order authorized PSE&G to implement the S4AE Program. The Board also approved the cost recovery mechanism and PSE&G implemented the rates for the S4AE component of the GPRC (known as the "SGIEP") on June 1, 2013.

47. The Company is successfully implementing the S4AE Program and is filing this Petition in compliance with prior Board orders to reset the SGIEP component of the GPRC. Details about the proposed rates and bill impacts are discussed below under the heading "Supporting Testimony."

VIII. SOLAR LOAN III PROGRAM

48. On August 1, 2012, Public Service filed a Petition with the Board requesting approval of the Solar Loan III Program and associated rate recovery mechanism.³⁴ The Solar Loan III Program was developed in accordance with the Board's

³³ S4AE Settlement Agreement, ¶¶30 through 32.

³⁴ *I/M/O the Petition of Public Service Electric and Gas Company for Approval of a Solar Loan III Program and Associated Cost Recovery Mechanism*, BPU Docket No. EO12080726.

Order dated May 23, 2012 in Docket No. EO11050311V concerning future public utility investment in renewable energy programs. The May 23, 2012 Order adopted the recommendation of the Board's Office of Clean Energy ("OCE") to extend the existing Electric Distribution Company ("EDC") SREC financing programs by 180 MW over a three-year period. PSE&G's share of that additional capacity was 97.5 MW. Building on its successful Solar Loan I and II Programs, PSE&G proposed a new program for 97.5 MW of additional loans for the installation of solar photovoltaic systems by PSE&G customers.

49. On May 29, 2013, the Board issued an Order approving the SLIII Program totaling 97.5MW (DC) in total size. The Order also provided that the SLIII Program will be open to the following customer segments:

- Residential Individual Customer (net metered)
- Residential-Aggregated by a 3rd party (net metered)
- Non-residential \leq 150kW (net metered) ("Small Non-Res")
- Non-residential $>$ 150kW (up to 2MW per project) (net metered) ("Large Non-Res")
- Landfills/Brownfields (up to 5MW per project) (either net metered or grid connected)

50. In regard to cost recovery, the Board-approved Settlement Agreement provides:³⁵

PSE&G will recover the net revenue requirements for the Solar Loan III Program via a new Solar Loan III Program component ("SLIIIc") of the Company's electric RGGI Recovery Charge (RRC). The SLIIIc will be applicable to all

³⁵ SLIII Settlement Agreement, ¶¶73 and 74.

electric rate schedules on an equal cents per kilowatt-hour basis for recovery of the costs associated with the Solar Loan III Program. The initial SLIIIc will be based on revenue requirements from June 1, 2013, or the date of the written Board Order, through September 30, 2014. Thereafter, the SLIIIc will be changed nominally on an annual basis in conjunction with the annual filing for all other existing RRC components, incorporating a true-up for actual results and a forecast of revenue requirements for the twelve months succeeding the anticipated Board approval date.

The SLIII Signatory Parties stipulate that the revenue requirements recovered through the SLIIIc will be calculated to include a return on investment and a return of investment over the lives of the capital assets. The Program investments are proposed to be treated as separate utility assets, and depending on the type of investment, either depreciated or amortized as described in the corresponding section below. The revenue requirements associated with the direct costs of the Program would be expressed as:

*Revenue Requirements = (Cost of Capital * Net Investment) – Net Loan Accrued Interest + Amortization and/or Depreciation + Net Operation and Maintenance Costs – Net Proceeds from the sale of SRECs – Cash Payments in lieu of SRECs*

The details of each of the above terms are described as follows:

Cost of Capital – This is PSE&G’s overall weighted average cost of capital (“WACC”). The overall cost of capital utilized to set rates for the initial rate period of the Program will be 7.6431% (11.1790% on a pre-tax basis) based on an equity percentage of 51.2%, a return on equity of 10.0% and the Company’s embedded long-term cost of debt as of March 31, 2013 of 5.1702%.

Net Investment – The net investment for the Program would be comprised of the following:

- Total Loan Outstanding Balances. The Total Loan Outstanding Balances are defined as: *Loan Accrued Interest Balances + Loan Principal Balances.*

- SREC inventory.

Total Loan Outstanding Balances – The detailed monthly return calculation on the total loan outstanding balances would be as follows:

Loan Accrued Interest + Loan Interest Rate to WACC Differential Cost

Where

*Loan Accrued Interest = Average Daily Outstanding Loan Balance * (Annual Loan Interest Rate / 365) * (# of Days in Month)*

And

*Loan Interest Rate to WACC Differential Cost = Loan Accrued Interest * ((Pre Tax WACC/Loan Interest Rate) – 1)*

SREC Inventory – The detailed monthly return calculation on the SREC Inventory would be as follows:

*Average Daily Outstanding SREC Inventory Balance * (Pre Tax WACC / 365) * (# of Days in Month)*

Net Loan Accrued Interest – This amount is subtracted from revenue requirements. It is defined as (Loan Accrued Interest – Loan Interest Paid). It accounts for timing differences from when loan interest is accrued and loan interest is paid. Over the life of loan, the Loan Accrued Interest is equal to the Loan Interest Paid.

Depreciation/Amortization – This is composed of Loan Principal Paid / Amortized.

Net Operations and Maintenance Costs – is calculated as Gross Operation and Maintenance Costs less any revenues received from the borrowers. Gross Operations and Maintenance Costs would include PSE&G labor and other related on-going costs required to manage and administer the Program including related information technology expenses, the cost of the SM, and SREC disposition expenses.

Revenues received from the borrowers would include any revenue received from the following sources as described in the Program Rules:

- Applications fees
- Administrative Fees
- SREC Processing Fees
- Any other applicable Fees

The SLIII Signatory Parties stipulate that the Net Operation and Maintenance Costs must equal zero over the life of the Solar Loan III Program

The SLIII Signatory Parties further stipulate that common costs shared by all three of PSE&G's solar loan programs be allocated based on forecasted MW capacity installed for the upcoming year. Therefore, every December a forecast will be conducted of the cumulative total capacity installed by the end of the following year for the Solar Loan III Program. For Solar Loan I and Solar Loan II, the current methodology of allocating costs based on the total forecasted capacity installed for the program will be maintained. The ratio of the forecasted installed capacity for each program to total forecasted installed capacity for all of the solar loan programs will be applied to all common costs for the following year starting on January 1.

Net Proceeds from the sale of SRECs – The net SREC proceeds reduce revenue requirements and is defined as:

SREC Value Credited to Loans + Gain/(Loss) on Sale of SRECs - SREC Floor Price Costs

SREC Value Credited to Loans – The SREC Value Credited to Loans is defined as the number of SRECs generated and credited to the loans times the higher of the “market value” of SRECs as defined in the Loan Agreements or the Floor Price.

Gain/(Loss) on Sale of SRECs – The proceeds from the Sale of SRECs less their corresponding inventory cost. Inventory cost is the value the SREC received when they were credited to loans as defined above.

SREC Disposition Expenses – All costs related to the disposition of SRECs for the Program.

SREC Floor Price Costs – When the market value of the SRECs credited to loans, as defined in the Loan Agreements, is less than the value of the SRECs priced at the Floor Price,

the differential value reduces the Net Proceeds from the sale of SRECs.

Cash Payments in lieu of SRECs – This includes when the borrower chooses to repay loan with cash and any required true up cash payments.

51. The May 29, 2013 Board Order authorized PSE&G to implement the SLIII Program. The Board also approved the cost recovery mechanism and PSE&G implemented the rates for the SLIII component of the GPRC (known as the “SLIIIc”) on June 1, 2013.

52. The Company is successfully implementing the SLIII Program and is filing this Petition in compliance with prior Board orders to reset the SLIIIc component of the GPRC. Details about the proposed rates and bill impacts are discussed below under the heading “Supporting Testimony.”

IX. EEE EXTENSION II PROGRAM

53. On August 7, 2014, the Company filed a Petition with the Board seeking approval of the EEE Extension II Program to extend the three EEE Extension sub-programs (Multifamily Housing, Municipal Direct Install, and Hospital Efficiency). The objective of the filing was to add funding and extend the time-frame for the aforementioned three EEE Extension Program offerings already in the marketplace in

order to address more customers while also factoring in lessons learned and balancing policy issues of concern associated with continuing to promote energy efficiency.³⁶

54. On April 8, 2015, the Company, Board Staff, and Rate Counsel executed a Stipulation approving EEE Extension II. By Order dated April 16, 2015, the Board approved the Stipulation and authorized the Company to implement the EEE Extension II Program and begin cost recovery through the electric and gas EEE Extension II Components (“EEEXIIC”) of the GPRC, with rates effective as of May 1, 2015 (hereinafter, “EEE Extension II Order”).

55. The Board-approved Stipulation authorized the additional funding for the following EEE Extension II sub-programs as follows:

| | <u>\$Millions</u> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| A. Residential Segment | |
| Residential Multifamily Housing Sub-Program | \$35.0 |
| B. Industrial and Commercial Segment | |
| Direct Install Sub-Program | \$15.0 |
| Hospital Efficiency Sub-Program | \$45.0 |
| C. Administration, Marketing, Training, Program Management, Inspections, Evaluations (including Measurement and Verification), Quality Assurance/Quality Control | \$12.0 |
| D. IT System Enhancement Costs | \$0.4 |
| Total EEE Extension II Expenditures | \$107.4 |

³⁶ I/M/O the petition of Public Service Electric and Gas Company to continue its Energy Efficiency Economic Extension Program on a regulated basis (“EEE Extension II”), BPU Docket No. EO14080897.

56. In regard to cost recovery, the Board Order provides:

The Parties agree that with respect to the Administration, Marketing, Training, Program Management, Inspections, Evaluations and Quality Assurance/Quality Control line item established in the chart in Paragraph 15 above (collectively “Fixed Administrative Allowance”), the Company shall recover \$12 million fixed for ratemaking and revenue requirement purposes in accordance with the monthly schedule attached to the Stipulation as Attachment 5.³⁷

* * *

PSE&G will recover the net revenue requirements associated with this EEE Extension II Program via two new EEE Extension II Components (EEEXIICs) of the Company’s Green Program Recovery Charges (GPRC). The electric EEEXIIC will be applicable to all electric rate schedules on an equal dollar per kilowatt-hour basis for recovery of costs associated with the electric EEE Extension II Program. The gas EEEXIIC will be applicable to all gas rate schedules on an equal dollar per therm basis for recovery of costs associated with the gas EEE Extension II Program. The initial EEEXIICs will be based on estimated EEE Extension II Program revenue requirements from May 1, 2015 to September 30, 2016. The purpose of the 17-month initial cost recovery period is to align future cost recovery periods with the other components of the GPRC. The EEEXIICs are intended to be effective May 1, 2015 or earlier upon issuance of a Board Order. Thereafter, the electric and gas EEEXIICs will be changed on an annual basis incorporating a true-up for actual revenue requirements as calculated in Attachment I, Schedules SS-EEEXII-2E and SS-EEEXII-2G for electric and gas respectively and estimated electric and gas revenue requirements calculated using the same schedules for the upcoming recovery period. The annual EEEXIICs true-up

³⁷ EEE Extension II Order at ¶16.

filings will be made as part of the GPRC annual true up filing.³⁸

* * *

The Parties agree that Public Service may amortize its investments in the EEE Extension II Program over a 7-year period, with the exception of the IT capital enhancements, which will be amortized over a 5-year period. Accordingly, the Parties stipulate that the revenue requirements, as calculated in Attachment 1, are recovered through the electric and gas EEEXIICs and will include a return on investment and a return of investment through amortization of the associated regulatory asset over 84 months. The Parties further stipulate that the return on the incremental investments undertaken in the EEE Extension II Program at issue in this proceeding shall be at a weighted average cost of capital including a 9.75% return on common equity and a 4.60% cost of debt. The portion of debt and equity in the capital structure shall be as determined from the Company's 2009 Base Rate Case (Equity: 51.2%, Debt: 48.8%). This results in a WACC of 7.24%, or a pre-tax WACC of 10.68% at current tax rates as shown in Attachment I. The parties agree that any change in the WACC authorized by the Board in a subsequent base rate case will be reflected in the subsequent monthly revenue requirement calculations. The parties further agree that any change in the revenue requirement resulting from the change in the WACC will not be included in the monthly interest calculation for over and under recoveries until the date of the next scheduled annual true-up but in any event, no later than January 1 of the subsequent year. The Parties stipulate that after the initial revenue requirements period, the electric and gas EEEXIICs will be calculated utilizing projected cost data subject to annual adjustments. The calculation of the revenue requirement as well as the rate calculation for the purpose of setting the initial EEEXIICs for the period ending September 30, 2016 and for each future annual period for the entire length of the EEE Extension II Program is set forth in

³⁸ EEE Extension II Order at ¶32.

Attachment 1 attached hereto and made a part of this Stipulation.

In calculating the monthly interest on net over- and under-recoveries, the interest rate shall be based upon the Company's interest rate obtained on its commercial paper and/or bank credit lines utilized in the preceding month. If both commercial paper and bank credit lines have been utilized the weighted average of both sources of capital shall be used. In the event that neither commercial paper nor bank credit lines were utilized in the preceding month, the last calculated rate will be used. The interest rate shall not exceed PSE&G's overall rate of return as authorized by the Board in PSE&G's pre-tax WACC as identified in the preceding Paragraph. The interest amount charged to the EEEXIIC balances will be computed using the methodology set forth in Attachment 1 attached hereto and made a part of this Stipulation. The calculation of monthly interest shall be based on the net of tax average monthly balance, consistent with the methodology set forth in Attachment I. Simple interest shall accrue on any under and over recovered balance, and shall be included in the deferred electric and gas EEEXIIC balance at the end of each reconciliation period. The true-up calculation of over- and under- recoveries shall be included in the Company's Annual Filing. This interest calculation in this paragraph is subject to the condition set forth in the preceding Paragraph.³⁹

57. The Company is successfully implementing the EEE Extension II Program and is filing this Petition in compliance with the Board Order approving the Program to reset the EEE Extension II components of the GPRC along with the other GPRC Programs. Details about the proposed rates and bill impacts are discussed below under the heading "Supporting Testimony."

³⁹ EEE Extension II Order at ¶¶33 and 34.

X. SOLAR 4 ALL PROGRAM EXTENSION II

58. On May 10, 2016, PSE&G filed a Petition with the Board requesting approval of the Solar 4 All Extension II Program (“S4AEII”) through the addition of new utility-owned solar program segments.⁴⁰

59. On November 30, 2016, the Board issued an Order approving the S4AEII Program proposed by Public Service. The Board Order approved PSE&G to implement a S4AEII consisting of a single segment for landfills and brownfields. The total size of the Program is 33 MW, with an annual cap of 15 MW per Energy Year of grid-connected solar projects. The expected capital investment over the initial build-out was estimated to be \$79.2 million (excluding Allowance for Funds Used During Construction).

60. PSE&G did not place any solar capacity in service in Energy Year 2018 because Board approval of the S4AEII Program occurred in November 30, 2016, and the Company spent the next year developing sites. PSE&G is currently developing two projects with a total capacity of approximately 28 MW, and continues to evaluate other sites to satisfy the Program’s capacity of 33 MW.

61. The first project in development is a 13 MW solar facility on a landfill located in the Township of Cinnaminson. Pursuant to the Solar Act of 2012, the Company submitted a Subsection (t) application to the BPU for this facility in December 2017. The Board by Order dated June 22, 2018 granted conditional certification of the application

⁴⁰ *I/M/O the Petition of Public Service Electric and Gas Company for Approval of an Extension of a Solar Generation Investment Program and Associated Cost Recovery Mechanism*, BPU Docket No. EO16050412.

pending the satisfaction of all New Jersey Department of Environmental Protection requirements for the location.⁴¹ Construction of the Cinnaminson landfill solar facility is scheduled to start in July 2018, and it is scheduled to be placed into service in December 2018.

62. The second project in development is a 15.16 MW solar facility on a brownfield located in the Township of Pennsauken. PSE&G submitted a Subsection (t) application for this facility to the BPU in April 2018; construction is scheduled to start in the summer of 2018; and this solar facility is projected to be placed in service in April 2019.

63. Because of the time needed to fully develop projects, PSE&G requests in this Petition to exceed the annual Energy Year cap of 15 MW set forth in the Board-approved stipulation of settlement of the S4AEII Program, and install 28.16 MW in Energy Year 2019. If approved, the average per year MW installed in Energy Years 2018 and 2019 would be less than the 15 MW Energy Year cap (0 MW in 2018 and 28.16 MW in 2019).

64. In regard to cost recovery, the Board-approved Settlement Agreement provides:

PSE&G will recover the net revenue requirements for the Solar4All Extension II Program via a new Solar Generation Investment Extension II Program (“SGIEIIP”) component of the Company’s electric Green Program Recovery Charge

⁴¹ *Public Service Electric and Gas Cinnaminson Landfill*, BPU Docket No. QO17121311 (June 22, 2018), p. 5).

(“GPRC”). The SGIEIP component will be applicable to all electric rate schedules on an equal cents per kilowatt-hour basis for recovery of the costs associated with the Solar4All Extension II Program. The initial SGIEIP component will be based on revenue requirements from October 1, 2016, or the date of the written Board Order through September 30, 2017. Thereafter, the SGIEIP component will be changed nominally on an annual basis in conjunction with the annual filing for all other existing GPRC components, incorporating a true-up for actual results and a forecast of revenue requirements for the twelve months succeeding the anticipated Board approval date.⁴²

The Signatory Parties stipulate that the revenue requirements recovered through the SGIEIP component will be calculated to include a return on investment and a return of investment over the lives of the capital assets. The Program investments are proposed to be treated as separate utility assets, and depending on the type of investment, either depreciated or amortized as described in the corresponding section below. The revenue requirements associated with the direct costs of the Program would be expressed as:

*Revenue Requirements = (Pre-Tax Cost of Capital * Net Investment) + Amortization and/or Depreciation + Operation and Maintenance Costs – Revenues from Solar Output – ITC Amortization w/ Tax Gross Up + Tax Associated with ITC Basis Reduction*

The details of each of the above terms are described as follows:

Cost of Capital – This is PSE&G’s overall weighted average cost of capital (“WACC”). The overall cost of capital utilized to set rates for the initial rate period of the Program will be 6.9894% (10.4370% on a pre-tax basis) based on an equity percentage of 51.2%, a return on equity of 9.75%, the Company’s embedded long-term cost of debt of 4.1439%, and

⁴² S4AEII Board Order at ¶19.

the Customer Deposit rate of 0.11%. See Attachment A to the Stipulation.

Net Investment – This is the Gross Plant-in-Service less associated accumulated depreciation and/or amortization less Accumulated Deferred Income Tax (“ADIT”).

Depreciation/Amortization – The depreciation or amortization of the Program assets will vary depending on its asset class. The table below summarizes the book recovery and associated base tax depreciation applied to the corresponding asset classes. The base tax depreciation is calculated on the total amount of the asset less any bonus depreciation and any applicable tax credits.

| Asset Class | Book Recovery | Base Tax Depreciation |
|--------------------------------------------------|----------------------|------------------------------|
| Solar Panels, acquisition and installation costs | 20 year dep. | 5 year MACRS |
| Inverters | 5 year dep. | |
| Communications Equipment | | |
| Meters | 20 year dep. | 20 year MACRS |

The amortization/depreciation would be based on a monthly vintaging methodology instead of the mass property accounting typically used for utility property.

Operations and Maintenance Costs – Operations and Maintenance Costs will include:

- PSE&G labor and other related on-going costs required to manage the physical assets
- Administrative costs related to the management of the Program
- Rent/lease or other payments or bill credits made to non-PSE&G host sites/facilities and the fair values of rents for use of electric transmission sites/facilities
- Insurance Expense

Revenues from Solar Output – PSE&G will pursue generating revenues from solar output from the following sources:

- Sales of energy in the applicable PJM wholesale markets
- Capacity payments from the PJM capacity market, if solar once again becomes a viable capacity resource
- Sales of SRECs through an auction process

PSE&G will apply all net revenues it receives from the energy and capacity sales in the PJM markets and the sale of SRECs to customers to offset the Extension II Program revenue requirements.

Investment Tax Credit (“ITC”) –The Company will return all of the ITC it utilizes to ratepayers in accordance with Federal income tax law. The return of the ITC to ratepayers must be amortized over the book life of the assets. The ITC benefit is partially offset by the tax impact associated with the tax basis reduction equal to fifty percent of the ITC. This tax basis reduction is prescribed by federal income tax law governing the ITC. The impact on revenue requirements is generated by applying the book depreciation method to the difference between the book basis and the tax basis multiplied by the tax rate, and then multiplied by the revenue conversion factor.

The Signatory Parties further stipulate that the initial revenue requirement calculation will use a WACC of 6.9894% (10.4370% on a pre-tax basis) as defined above. In addition, the AFUDC rate will reflect the ROE agreed upon by the parties as reflected in the weighted average cost of capital for investment in the Extension II Program. The Signatory Parties agree that any change in the WACC authorized by the Board in a subsequent base rate case will be reflected in the subsequent monthly revenue requirement calculations, effective as of the date of the Board’s base rate case order authorizing a change in the WACC. The Parties further agree that any change in the revenue requirement resulting from the change in the WACC will not be included in the monthly interest calculation for over and under recoveries until the

date of the next scheduled annual true-up but in any event, no later than January 1 of the subsequent year. The Parties stipulate that after the initial revenue requirements period, the SGIEIP component will be calculated utilizing projected cost data subject to annual adjustments. . . .⁴³

65. The November 30, 2016 Board Order authorized PSE&G to implement the S4AEII Program. The Board also approved the cost recovery mechanism and PSE&G implemented the rates for the S4AEII component of the GPRC (known as the “SGIEIP”) on January 1, 2017.

66. The Company is successfully implementing the S4AEII Program and is filing this Petition in compliance with the Board Order approving the Program to reset the S4AEII components of the GPRC along with the other GPRC Programs. Details about the proposed rates and bill impacts are discussed below under the heading “Supporting Testimony.”

XI. THE ENERGY EFFICIENCY 2017 PROGRAM

67. On March 3, 2017, the Company filed a Petition with the Board seeking approval of its EE 2017 Program. The EE 2017 filing sought approval to extend the three EEE Extension II sub-programs (Multifamily Housing, Municipal Direct Install, and Hospital Efficiency) and two new sub-programs: (1) a Smart Thermostat Sub-Program; and (2) a Residential Data Analytics Pilot Sub-Program. The objective of the filing was to add funding and extend the time-frame for the aforementioned three EEE Extension II

⁴³ S4AEII Board Order at ¶¶21 through 23.

Program offerings already in the marketplace in order to address more customers, while factoring in lessons learned and balancing policy issues of concern associated with continuing to promote energy efficiency.⁴⁴ In addition, the two new sub-programs were proposed to address energy savings opportunities in the residential sector that PSE&G is uniquely positioned to offer.

68. On July 31, 2017, the Company, Board Staff, and Rate Counsel executed a Stipulation approving the EE 2017 Program. By Order dated August 23, 2017, the Board approved the Stipulation and authorized the Company to implement the EE 2017 Program and begin cost recovery through the electric and gas EE 2017 Components (“EE17C”) of the GPRC, with rates effective as of September 1, 2017 (hereinafter, “EE 2017 Order”).

69. The Board-approved Stipulation authorized the additional funding for the following EE 2017 sub-programs as follows:

⁴⁴ *I/M/O the petition of Public Service Electric and Gas Company for approval of its Energy Efficiency 2017 Program and Recovery of Associated Costs (“EE 17 Program”), BPU Docket No. EO17030196.*

| Sub-Program Component (\$Millions) | |
|--------------------------------------------------|---------------|
| Multifamily Housing Sub-Program | \$20 |
| Direct Install Sub-Program | \$15 |
| Hospital Efficiency Sub-Program | \$25 |
| Smart Thermostat Sub-Program | \$6.5 |
| Residential Data Analytics Pilot Sub-Program | \$2.5 |
| Program Investment | \$69.0 |
| Fixed Administrative Allowance | \$13.8 |
| Evaluation (Outside Contractor) | \$0.7 |
| IT System Enhancement Costs for Smart Thermostat | \$1.3 |
| IT Residential Data Analytics | \$0.3 |
| Total EE 2017 Expenditures | \$85.1 |

70. In regard to cost recovery, the Board Order provides:

The Signatory Parties agree that with respect to the “Fixed Administrative Allowance” established in the chart in Paragraph 11 above, the Company shall recover \$13.8 million fixed for ratemaking and revenue requirement purposes in accordance with the monthly schedule attached hereto as Attachment 2. The Fixed Administrative Allowance includes recovery of program costs to support the delivery of the sub-programs. The Signatory Parties further agree that the evaluation (outside contractor), IT System Enhancement Costs for Smart Thermostat sub-program, and IT costs associated with Residential Data Analytics are outside the Fixed Administrative Allowance and will be subject to annual true-up and review, subject to the budget caps provided herein.⁴⁵

* * *

PSE&G will recover the net revenue requirements associated with the EE 2017 Program cost recovery via new EE17Cs of

⁴⁵ EE 2017 Order at p. 4 (citing the Stipulation, ¶12).

the Company's electric and gas GPRC, which would be filed annually after the two-year initial period in accordance with the revenue requirement methodology, cost recovery mechanism and bill impact analysis set forth in Attachment 1 of this Stipulation. Although IT System Enhancement Costs for Smart Thermostat and Residential Data Analytics will be trued-up as part of the GPRC process, the Company agrees to cap these costs at \$1.6 million. Additionally, the Company agrees that the \$300,000 in IT costs associated with Data Analytics will be expensed. The issues of capitalization or expensing of all other IT costs shall take into account PSE&G's accounting policy and generally accepted accounting principles and shall be reviewed as part of annual cost recovery proceedings. All IT costs shall be subject to prudence review in annual cost recovery filings.⁴⁶

* * *

The EE 2017 Program shall earn a return on its net investment based upon an authorized return on equity (ROE) and capital structure including income tax effects. The Company's initial cost of capital for the Program will be based on the weighted average cost of capital (WACC) approved in the Solar 4 All Extension II filing in Docket No. EO16050412, updated for the long-term debt rate and customer deposit rates as of March 31, 2017 and including a 9.75% return on common equity with a common equity percentage of 51.2%. The Company shall use a WACC of 6.9673% (pre-tax 10.4149%) in the revenue requirement determination of the EE 2017 Program investment costs. Any change in the WACC authorized by the Board in a subsequent base rate case will be reflected in the subsequent monthly revenue requirement calculations. The Signatory Parties further agree that any change in the revenue requirement resulting from the change in the WACC will not be included in the monthly interest calculation for over and under recoveries until the date of the next scheduled annual true-up but in any event, no later than January 1 of the subsequent year. Any changes to current tax rates would be reflected in

⁴⁶ EE 2017 Order at pp. 5-6 (citing the Stipulation, ¶22).

an adjustment to the Pre-Tax WACC or in any impacts to the revenue requirement calculation. See Attachment 1, Schedule SS-EE17-1 to this Stipulation for the calculation of the current Pre-Tax WACC. Any change in the WACC authorized by the Board in a subsequent electric, gas, or combined base rate case will be reflected in the appropriate corresponding subsequent monthly revenue requirement calculations. Any change in the revenue requirement resulting from the change in the WACC will not be included in the monthly interest calculation for over and under recoveries until the date of the next scheduled annual true-up but in any event, no later than January 1 of the subsequent year.⁴⁷

* * *

To be consistent with the amortization period approved in the EEE Extension II Program for the Direct Install, Hospital and Multifamily Sub-Programs, the Company agrees to amortize its investments in the EE 2017 Program over a seven-year period.⁴⁸

* * *

In calculating the monthly interest on net over- and under-recoveries, the interest rate shall be based upon the Company's interest rate obtained on its commercial paper and/or bank credit lines utilized in the preceding month. If both commercial paper and bank credit lines have been utilized, the weighted average of both sources of capital shall be used. In the event that neither commercial paper nor bank credit lines were utilized in the preceding month, the last calculated rate will be used. The interest rate shall not exceed PSE&G's overall rate of return as authorized by the Board in PSE&G's pre-tax WACC. The interest amount charged to the EE 2017 Program balances will be computed using the methodology described in Attachment 1 to this Stipulation of

⁴⁷ EE 2017 Order, p. 7 (citing the Stipulation, ¶27).

⁴⁸ EE 2017 Order, p. 7 (citing the Stipulation, ¶28).

Settlement and is the same as the Board-approved methodology that was specified in the EEE Extension II Program Order.⁴⁹

71. The August 23, 2017 Board Order authorized PSE&G to implement the EE 2017 Program. The Board also approved the cost recovery mechanism and PSE&G implemented the rates for the EE 2017 component of the GPRC (known as the “EE17C”) on September 1, 2017.

72. The Company is successfully implementing the EE 2017 Program; however, as noted above, the costs associated with this Program are not included in this filing in accordance with the August 23, 2017 Board Order approving the EE 2017 Program.⁵⁰

SUPPORTING TESTIMONY

73. In support of this Petition, the Company is presenting the Direct Testimony of M. Courtney McCormick, Vice President of Renewables and Energy Solutions in the Renewables and Energy Solutions Group at PSE&G. Ms. McCormick’s Direct Testimony is attached hereto as Attachment A. Ms. McCormick’s testimony describes the status of the PSE&G Green Programs. Ms. McCormick’s testimony and schedules also discuss and

⁴⁹ EE 2017 Order, pp. 7-8 (citing the Stipulation, ¶31).

⁵⁰ More specifically, paragraph 33 of the Board-approved stipulation of settlement in the EE 2017 matter states the following, in relevant part: “The initial EE 2017 components of the GPRC will be based on estimated EE 2017 revenue requirements from the date of the written BPU order [August 23, 2017] to September 2019. Thereafter, the EE 2017 electric and gas components of the GPRC will be changed as part of the BPU’s annual review of the GPRC, incorporating a true-up for actuals and an estimate of the revenue requirements for the upcoming year.” *I/M/O the Petition of Public Service Electric and Gas Company for Approval of its Energy Efficiency 2017 Program and Recovery of Associated Costs* (“EE 2017 Program”), Order Adopting Stipulation, BPU Docket No. EO17030196 (August 23, 2017), p. 8.

quantify the administrative costs the Company seeks to recover through the GPRC for these Programs pursuant to their respective Orders and Settlements.

74. PSE&G is also presenting the Direct Testimony of Stephen Swetz, Senior Director - Corporate Rates and Revenue Requirements for PSE&G. Mr. Swetz's testimony and schedules, attached hereto as Attachment B, develop the revenue requirements for each of the PSE&G Green Programs, and the proposed GPRC rates. Mr. Swetz's testimony also addresses the impact the federal Tax Cuts and Jobs Act of 2017 has on this filing.

75. The proposed rates for the combined components of the electric and gas GPRCs for the period October 1, 2018 through September 30, 2019 are designed to recover approximately \$65.210 million (electric) and \$6.182 million (gas) in revenue on an annual basis. The resulting net combined annual revenue impacts on the Company's electric customers are an increase of \$23.6 million, and the resulting net combined annual revenue impacts on the Company's gas customers are a decrease of \$10.0 million. The cumulative proposed rate impacts for all 11 components of the electric GPRC would be an increase from \$0.001073 per kWh (including SUT) to \$0.001679 per kWh (including SUT). The cumulative proposed changes for the five components of the gas GPRC, which includes only the CA, EEE, EEE Extension, EEE Extension II, and EE 2017 components, would be a decrease from \$0.005932 per therm (including SUT) to \$0.002267 per therm

(including SUT). The proposed changes to each of the GPRC components are described in Mr. Swetz's testimony and schedules (see Attachment B).

76. As a result of the proposed rates set forth in Attachment C, PSE&G's typical residential electric customers using 750 kWh in a summer month and 7,200 kWh annually would experience an increase in their annual bill from \$1,215.76 to \$1,220.16, or \$4.40, or approximately 0.36% (based on Delivery Rates and Basic Generation Service Residential Small Commercial Pricing [BGS-RSCP] charges in effect June 1, 2018 and assuming the customer receives BGS-RSCP service from PSE&G). PSE&G's typical residential gas heating customers using 165 therms in a winter month and 1,010 therms annually would experience a decrease in their annual bill from \$879.16 to \$875.40, or \$3.76, or approximately 0.43% (based on current Delivery Rates and Basic Gas Supply Service [BGSS-RSG] charges in effect June 1, 2018 and assuming the customer receives BGSS service from PSE&G). The residential customer bill impacts comparing the current and proposed delivery charges are contained within the Typical Residential Bill Impacts and draft Form of Notice of Filing and of Public Hearings set forth in Attachments D and E, respectively, for the aforementioned typical customers, as well as for other typical customer usage patterns.

77. The proposed rates, as set forth in the tariff sheets in Attachment C, are just and reasonable and PSE&G should be authorized to implement the proposed rates as set forth herein, on or before October 1, 2018, upon issuance of a written Board Order.

78. Contained herein in Attachment E is a draft Form of Notice of Filing and of Public Hearings. This Form of Notice sets forth the requested changes to the electric and gas rates and will be placed in newspapers having a circulation within the Company's electric and gas service territories upon receipt, scheduling, and publication of public hearing dates. Public hearings will be held in each geographic area within the Company's service territory, i.e. Northern, Central, and Southern. A Notice will be served on the County Executives and Clerks of all municipalities within the Company's electric and gas service territories upon receipt, scheduling, and publication of public hearing dates.

79. Notice of this filing and two copies of the Petition will be served upon the Department of Law and Public Safety, 124 Halsey Street, P.O. Box 45029, Newark, New Jersey 07101 and upon the Director, Division of Rate Counsel, 140 East Front Street, 4th Floor, Trenton, New Jersey 08625. Copies of the Petition and supporting testimony and attachments will also be sent to the persons identified on the service list provided with this filing.

80. Also filed herewith are appendices providing details of where in the filing the Company has addressed the minimum filing requirements or reporting requirements for each of the PSE&G Green Programs. These documents are designated as Appendices A-CA/EEE/EEE Ext/EEE Ext II, A-DR-Request, A-DR-Notice, A-S4A, A-SLII, A-S4AE, A-SLIII and A-S4AEII.

81. PSE&G requests that the Board issue an order finding that the actual Program costs through March 31, 2018 for each of the PSE&G Green Programs specified, are reasonable and appropriate for recovery through the GPRC.

82. PSE&G also requests that on or before October 1, 2018, the Board issue an order: (a) approving the proposed rates; and (b) authorizing PSE&G to exceed the annual Energy Year cap of 15 MW set forth in the Board-approved stipulation of settlement of the S4AEII Program, and install 28.16 MW in Energy Year 2019. In the alternative, if the Board is not able to approve the proposed rates as final by this time, PSE&G requests that the Board approve the rates on a provisional basis, subject to refund, effective for service rendered on and after October 1, 2018.

83. It is understood that any final rate relief found by the Board to be just and reasonable may be allocated by the Board for consistency 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 average percentage changes in final rates may increase or decrease based upon the Board's decision.

COMMUNICATIONS

Communications and correspondence related to the Petition should be sent as follows:

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CONCLUSION AND REQUESTS FOR APPROVAL

For all the foregoing reasons, PSE&G respectfully requests that the Board expeditiously issue an order approving this Petition and specifically finding that:

1. The actual Program costs through March 31, 2018 for each of the PSE&G Green Programs specified are reasonable and appropriate for recovery through the GPRC.
2. PSE&G is authorized to recover all costs requested herein associated with the PSE&G Green Programs.
3. The proposed rates and charges set forth in the proposed Tariff for Electric Service, Public Service Electric and Gas Company, B.P.U.N.J. No. 15, Electric, and the

proposed Tariff for Gas Service, Public Service Electric and Gas Company, B.P.U.N.J. No. 15, Gas, referred to herein as Attachment C, are just and reasonable and PSE&G is authorized to implement the rates proposed herein on or before October 1, 2018.

4. PSE&G may exceed the annual Energy Year cap of 15 MW set forth in the Board-approved stipulation of settlement of the S4AEII Program, and install the first 28.16 MW in Energy Year 2019.

Respectfully submitted,

**PUBLIC SERVICE ELECTRIC
AND GAS COMPANY**



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DATED: June 29, 2018
Newark, New Jersey

**PSE&G Carbon Abatement Program
Gas Accounting Entries**

| Entry | Acct. | Description | Oct-17 | | Nov-17 | | Dec-17 | | Jan-18 | | Feb-18 | | Mar-18 | |
|-------|-------|-----------------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | | | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit |
| R1 | | To record capitalized IT per PSE&G capitalization policy. | | | | | | | | | | | | |
| | 303 | Capitalized IT | | | | | | | | | | | | |
| | 131 | Cash | | | | | | | | | | | | |
| R2 | | To amortize IT costs over appropriate book life. | | | | | | | | | | | | |
| | 404 | Amortization Expense | 10,593 | | 10,593 | | 10,593 | | 10,593 | | 10,593 | | 7,556 | |
| | 111 | Accumulated Amortization | | 10,593 | | 10,593 | | 10,593 | | 10,593 | | 10,593 | | 7,556 |
| R3 | | To defer direct program expenditures. | | | | | | | | | | | | |
| | 182 | Program Investment Regulatory Asset | - | | - | | - | | - | | - | | - | |
| | 131 | Cash | | - | | - | | - | | - | | - | | - |
| R4 | | To amortize direct program expenditures over 10 years. | | | | | | | | | | | | |
| | 908 | Customer Assistance Expenses | 248,546 | | 248,546 | | 248,546 | | 248,546 | | 248,546 | | 248,546 | |
| | 182 | Program Investment Regulatory Asset | | 248,546 | | 248,546 | | 248,546 | | 248,546 | | 248,546 | | 248,546 |
| R5 | | To record incremental admin. costs. | | | | | | | | | | | | |
| | 908 | Customer Assistance Expenses | 3 | | - | | - | | - | | - | | - | |
| | 131 | Cash | | 3 | | - | | - | | - | | - | | - |
| R6 | | To record expenditure reimbursements or repayments | | | | | | | | | | | | |
| | 131 | Cash | 3,760 | | 1,235 | | 1,561 | | 812 | | 710 | | 568 | |
| | 908 | Customer Assistance Expenses | | 3,760 | | 1,235 | | 1,561 | | 812 | | 710 | | 568 |
| R7 | | To record the monthly Carbon Abatement Component revenues. | | | | | | | | | | | | |
| | 142 | Customer Accounts Receivable | 130,560 | | 320,353 | | 673,147 | | 733,349 | | 543,469 | | 558,473 | |
| | 400 | Operating Revenues | | 130,560 | | 320,353 | | 673,147 | | 733,349 | | 543,469 | | 558,473 |
| R8 | | To record any over/ under recovery. | | | | | | | | | | | | |
| | 182 | Regulatory Asset - Carbon Abatement | 210,545 | | 23,416 | | | | | | | | | |
| | 908 | Customer Assistance Expenses | | 210,545 | | 23,416 | | 331,550 | | | | | | |
| | 495 | Other Gas Revenues | | | | | | | 410,654 | | 222,255 | | 241,715 | |
| | 254 | Regulatory Liabilities | | | | | | 331,550 | | 410,654 | | 222,255 | | 241,715 |
| R9 | | To record cost of capital on any over/ under recovered balance. | | | | | | | | | | | | |
| | 182 | Regulatory Asset - Carbon Abatement | 288 | | 353 | | 336 | | 95 | | | | | |
| | 419 | Other Income | | 288 | | 353 | | 336 | | 95 | | | | |
| | 431 | Interest Expense | | | | | | | | | 175 | | 458 | |
| | 254 | Regulatory Liabilities | | | | | | | | | | 175 | | 458 |

**PSE&G EEE Program
Electric Accounting Entries**

| Entry | Acct. Description | Oct-17 | | Nov-17 | | Dec-17 | | Jan-18 | | Feb-18 | | Mar-18 | |
|-----------|----------------------------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit |
| R1 | <u>To record capitalized IT per PSE&G capitalization policy.</u> | | | | | | | | | | | | |
| | 303 Capitalized IT | - | | - | | - | | - | | - | | - | |
| | 131 Cash | | - | | - | | - | | - | | - | | - |
| R2 | <u>To amortize IT costs over appropriate book life.</u> | | | | | | | | | | | | |
| | 404 Amortization Expense | 11,876 | | 11,876 | | 11,876 | | 11,876 | | 11,876 | | 8,350 | |
| | 111 Accumulated Amortization | | 11,876 | | 11,876 | | 11,876 | | 11,876 | | 11,876 | | 8,350 |
| R3 | <u>To defer direct program expenditures.</u> | | | | | | | | | | | | |
| | 182 Program Investment Regulatory Asset | - | | - | | - | | - | | - | | - | |
| | 131 Cash | | - | | - | | - | | - | | - | | - |
| R4 | <u>To amortize direct program expenditures over 10 years.</u> | | | | | | | | | | | | |
| | 908 Customer Assistance Expenses | 99,164 | | 91,556 | | 64,028 | | 61,840 | | 60,125 | | 59,908 | |
| | 182 Program Investment Regulatory Asset | | 99,164 | | 91,556 | | 64,028 | | 61,840 | | 60,125 | | 59,908 |
| R5 | <u>To record incremental admin. costs.</u> | | | | | | | | | | | | |
| | 908 Customer Assistance Expenses | 1,542 | | - | | - | | - | | - | | - | |
| | 131 Cash | | 1,542 | | - | | - | | - | | - | | - |
| R6 | <u>To record expenditure reimbursements or repayments</u> | | | | | | | | | | | | |
| | 131 Cash | 23,851 | | 38,972 | | 30,676 | | 29,871 | | 78,509 | | 251,630 | |
| | 908 Customer Assistance Expenses | | 23,851 | | 38,972 | | 30,676 | | 29,871 | | 78,509 | | 251,630 |
| | <u>To record the monthly Economic Energy Efficiency Stimulus</u> | | | | | | | | | | | | |
| R7 | <u>Component (EEESC) revenues.</u> | | | | | | | | | | | | |
| | 142 Customer Accounts Receivable | 199,435 | | 187,257 | | 223,840 | | 231,359 | | 196,528 | | 205,784 | |
| | 400 Operating Revenues | | 199,435 | | 187,257 | | 223,840 | | 231,359 | | 196,528 | | 205,784 |
| R8 | <u>To record any over/ under recovery- excluding incremental WACC cost</u> | | | | | | | | | | | | |
| | 182 Regulatory Asset - EEESC | | | | | | | | | | | | |
| | 908 Customer Assistance Expenses | 100,782 | | 125,513 | | 182,342 | | 187,880 | | 223,042 | | 477,367 | |
| | 456 Other Electric Revenues | | | | | | | | | | | | |
| | 254 Regulatory Liabilities | | 100,782 | | 125,513 | | 182,342 | | 187,880 | | 223,042 | | 477,367 |
| R9 | <u>To record cost of capital on any over/ under recovered balance- excluding incremental WACC cost.</u> | | | | | | | | | | | | |
| | 182 Regulatory Asset - EEESC | | | | | | | | | | | | |
| | 419 Other Income | | | | | | | | | | | | |
| | 431 Interest Expense | 47 | | 110 | | 246 | | 457 | | 632 | | 1,146 | |
| | 254 Regulatory Liabilities | | 47 | | 110 | | 246 | | 457 | | 632 | | 1,146 |

**PSE&G EEE Program
Gas Accounting Entries**

| Entry | Acct. | Description | Oct-17 | | Nov-17 | | Dec-17 | | Jan-18 | | Feb-18 | | Mar-18 | |
|-------|-------|-----------------------------------------------------------------------------------------------------|--------|--------|--------|--------|---------|---------|---------|---------|---------|---------|---------|---------|
| | | | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit |
| R1 | | <u>To record capitalized IT per PSE&G capitalization policy.</u> | | | | | | | | | | | | |
| | 303 | Capitalized IT | | | | | | | | | | | | |
| | 131 | Cash | | | | | | | | | | | | |
| R2 | | <u>To amortize IT costs over appropriate book life.</u> | | | | | | | | | | | | |
| | 404 | Amortization Expense | 4,914 | | 4,914 | | 4,914 | | 4,914 | | 4,914 | | 3,475 | |
| | 111 | Accumulated Amortization | | 4,914 | | 4,914 | | 4,914 | | 4,914 | | 4,914 | | 3,475 |
| R3 | | <u>To defer direct program expenditures.</u> | | | | | | | | | | | | |
| | 182 | Program Investment Regulatory Asset | - | | - | | - | | - | | - | | - | |
| | 131 | Cash | | - | | - | | - | | - | | - | | - |
| R4 | | <u>To amortize direct program expenditures over 10 years.</u> | | | | | | | | | | | | |
| | 908 | Customer Assistance Expenses | 59,983 | | 54,911 | | 39,111 | | 37,652 | | 36,509 | | 36,396 | |
| | 182 | Program Investment Regulatory Asset | | 59,983 | | 54,911 | | 39,111 | | 37,652 | | 36,509 | | 36,396 |
| R5 | | <u>To record incremental admin. costs.</u> | | | | | | | | | | | | |
| | 908 | Customer Assistance Expenses | 175 | | - | | - | | - | | - | | - | |
| | 131 | Cash | | 175 | | - | | - | | - | | - | | - |
| R6 | | <u>To record expenditure reimbursements or repayments</u> | | | | | | | | | | | | |
| | 131 | Cash | 15,900 | | 25,981 | | 20,451 | | 19,914 | | 52,339 | | 167,753 | |
| | 908 | Customer Assistance Expenses | | 15,900 | | 25,981 | | 20,451 | | 19,914 | | 52,339 | | 167,753 |
| | | <u>To record the monthly Economic Energy Efficiency Stimulus Component (EEESC) revenues.</u> | | | | | | | | | | | | |
| R7 | | | | | | | | | | | | | | |
| | 142 | Customer Accounts Receivable | 40,631 | | 99,695 | | 209,485 | | 228,221 | | 169,129 | | 173,799 | |
| | 400 | Operating Revenues | | 40,631 | | 99,695 | | 209,485 | | 228,221 | | 169,129 | | 173,799 |
| R8 | | <u>To record any over/ under recovery.</u> | | | | | | | | | | | | |
| | 182 | Regulatory Asset - EEESC | 15,405 | | | | | | | | | | | |
| | 908 | Customer Assistance Expenses | | 15,405 | 67,348 | | 187,202 | | | | | | | |
| | 495 | Other Gas Revenues | | | | | | 205,140 | | 192,590 | | | 359,652 | |
| | 254 | Regulatory Liabilities | | | | 67,348 | | 187,202 | | 205,140 | | 192,590 | | 359,652 |
| R9 | | <u>To record cost of capital on any over/ under recovered balance.</u> | | | | | | | | | | | | |
| | 182 | Regulatory Asset - EEESC | 48 | | 33 | | | | | | | | | |
| | 419 | Other Income | | 48 | | 33 | | | | | | | | |
| | 431 | Interest Expense | | | | | | 47 | | 224 | | 394 | | 775 |
| | 254 | Regulatory Liabilities | | | | | | | 47 | | 224 | | 394 | 775 |

**PSE&G EEE EXTENSION II Program
Electric Accounting Entries**

| Entry | Acct. Description | Oct-17 | | Nov-17 | | Dec-17 | | Jan-18 | | Feb-18 | | Mar-18 | |
|-------|----------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|---------|--------|---------|--------|---------|---------|
| | | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit |
| R1 | <u>To record capitalized IT per PSE&G capitalization policy.</u> | | | | | | | | | | | | |
| | 303 Capitalized IT | | | | | | | | | | | | |
| | 131 Cash | | | | | | | | | | | | |
| R2 | <u>To amortize IT costs over appropriate book life.</u> | | | | | | | | | | | | |
| | 404 Amortization Expense | | | | | | | | | | | | |
| | 111 Accumulated Amortization | | | | | | | | | | | | |
| R3 | <u>To defer direct program expenditures.</u> | | | | | | | | | | | | |
| | 182 Program Investment Regulatory Asset | 3,087,092 | | 3,042,434 | | 5,983,551 | | 91,395 | | 59,231 | | 102,916 | |
| | 131 Cash | | 3,087,092 | | 3,042,434 | | 5,983,551 | 91,395 | | 59,231 | | 102,916 | 102,916 |
| R4 | <u>To amortize direct program expenditures over 10 years.</u> | | | | | | | | | | | | |
| | 908 Customer Assistance Expenses | 433,726 | | 469,946 | | 541,179 | | 542,267 | | 542,972 | | 544,197 | |
| | 182 Program Investment Regulatory Asset | | 433,726 | | 469,946 | | 541,179 | 542,267 | | 542,972 | | 544,197 | 544,197 |
| R5 | <u>To record incremental admin. costs.</u> | | | | | | | | | | | | |
| | 908 Customer Assistance Expenses | 162,226 | | 162,226 | | 162,226 | | 162,226 | | 162,226 | | 162,226 | |
| | 131 Cash | | 162,226 | | 162,226 | | 162,226 | 162,226 | | 162,226 | | 162,226 | 162,226 |
| R6 | <u>To record expenditure reimbursements or repayments</u> | | | | | | | | | | | | |
| | 131 Cash | 114,677 | | 75,002 | | 207,048 | | 166,700 | | 171,654 | | 211,270 | |
| | 908 Customer Assistance Expenses | | 114,677 | | 75,002 | | 207,048 | 166,700 | | 171,654 | | 211,270 | 211,270 |
| R7 | <u>To record the monthly Economic Energy Efficiency Stimulus Component (EEESC) revenues.</u> | | | | | | | | | | | | |
| | 142 Customer Accounts Receivable | 442,496 | | 415,477 | | 496,646 | | 513,327 | | 436,046 | | 456,583 | |
| | 400 Operating Revenues | | 442,496 | | 415,477 | | 496,646 | 513,327 | | 436,046 | | 456,583 | 456,583 |
| R8 | <u>To record any over/ under recovery- excluding incremental WACC cost</u> | | | | | | | | | | | | |
| | 182 Regulatory Asset - EEESC | 146,947 | | 347,934 | | 175,534 | | 229,024 | | 302,188 | | 221,814 | |
| | 908 Customer Assistance Expenses | | 146,947 | | 347,934 | | 175,534 | | | | | | |
| | 456 Other Electric Revenues | | | | | | | 229,024 | | 302,188 | | 221,814 | 221,814 |
| | 254 Regulatory Liabilities | | | | | | | | | | | | |
| R9 | <u>To record cost of capital on any over/ under recovered balance- excluding incremental WACC cost.</u> | | | | | | | | | | | | |
| | 182 Regulatory Asset - EEESC | | | | | | | | | 204 | | 527 | |
| | 419 Other Income | | | | | | | | | | 204 | | 527 |
| | 431 Interest Expense | 410 | | 273 | | 159 | | 22 | | | | | |
| | 254 Regulatory Liabilities | | 410 | | 273 | | 159 | | 22 | | | | |

**PSE&G EEE EXTENSION II Program
Gas Accounting Entries**

| Entry | Acct. Description | Oct-17 | | Nov-17 | | Dec-17 | | Jan-18 | | Feb-18 | | Mar-18 | |
|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|---------|---------|---------|---------|---------|---------|
| | | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit |
| R1 | <u>To record capitalized IT per PSE&G capitalization policy.</u> 303 Capitalized IT 131 Cash | | | | | | | | | | | | |
| R2 | <u>To amortize IT costs over appropriate book life.</u> 404 Amortization Expense 111 Accumulated Amortization | | | | | | | | | | | | |
| R3 | <u>To defer direct program expenditures.</u> 182 Program Investment Regulatory Asset 131 Cash | 1,685,573 | 1,685,573 | 2,018,260 | 2,018,260 | 3,998,708 | 3,998,708 | 34,311 | 34,311 | 44,678 | 44,678 | 82,073 | 82,073 |
| R4 | <u>To amortize direct program expenditures over 10 years.</u> 908 Customer Assistance Expenses 182 Program Investment Regulatory Asset | 208,935 | 208,935 | 232,962 | 232,962 | 280,566 | 280,566 | 280,974 | 280,974 | 281,506 | 281,506 | 282,483 | 282,483 |
| R5 | <u>To record incremental admin. costs.</u> 908 Customer Assistance Expenses 131 Cash | 92,446 | 92,446 | 92,446 | 92,446 | 92,446 | 92,446 | 92,446 | 92,446 | 92,446 | 92,446 | 92,446 | 92,446 |
| R6 | <u>To record expenditure reimbursements or repayments</u> 131 Cash 908 Customer Assistance Expenses | 30,981 | 30,981 | 28,893 | 28,893 | 37,039 | 37,039 | 43,267 | 43,267 | 72,454 | 72,454 | 98,239 | 98,239 |
| R7 | <u>To record the monthly Economic Energy Efficiency Stimulus Component (EEESC) revenues.</u> 142 Customer Accounts Receivable 400 Operating Revenues | 103,563 | 103,563 | 254,112 | 254,112 | 533,955 | 533,955 | 581,709 | 581,709 | 431,092 | 431,092 | 442,994 | 442,994 |
| R8 | <u>To record any over/ under recovery- excluding incremental WACC cost</u> 182 Regulatory Asset - EEESC 908 Customer Assistance Expenses 495 Other Gas Revenues 254 Regulatory Liabilities | 248,576 | 248,576 | 141,408 | 141,408 | 59,623 | 59,623 | 127,214 | 127,214 | 17,887 | 17,887 | 66,050 | 66,050 |
| R9 | <u>To record cost of capital on any over/ under recovered balance- excluding incremental WACC cost.</u> 182 Regulatory Asset - EEESC 419 Other Income 431 Interest Expense 254 Regulatory Liabilities | 172 | 172 | 281 | 281 | 381 | 381 | 384 | 384 | 322 | 322 | 353 | 353 |

**PSE&G Demand Response Program
Electric Accounting Entries**

| Entry | Acct. Description | Oct-17 | | Nov-17 | | Dec-17 | | Jan-18 | | Feb-18 | | Mar-18 | |
|-------|----------------------------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit |
| R1 | <u>To record capitalized IT per PSE&G capitalization policy.</u> | | | | | | | | | | | | |
| | 303 Capitalized IT | | | | | | | | | | | | |
| | 131 Cash | | | | | | | | | | | | |
| R2 | <u>To amortize IT costs over appropriate book life.</u> | | | | | | | | | | | | |
| | 404 Amortization Expense | | | | | | | | | | | | |
| | 111 Accumulated Amortization | | | | | | | | | | | | |
| R3 | <u>To defer direct program expenditures.</u> | | | | | | | | | | | | |
| | 182 Program Investment | | | | | | | | | | | | |
| | 131 Cash | | | | | | | | | | | | |
| R4 | <u>To amortize direct program expenditures over 10 years.</u> | | | | | | | | | | | | |
| | 908 Customer Assistance Expenses | 280,897 | | 280,897 | | 280,888 | | 280,889 | | 280,889 | | 280,889 | |
| | 182 Program Investment | | 280,897 | | 280,897 | | 280,888 | | 280,889 | | 280,889 | | 280,889 |
| R5 | <u>To record incremental admin. costs.</u> | | | | | | | | | | | | |
| | 908 Customer Assistance Expenses | 49,853 | | 64,974 | | 47,696 | | 32,570 | | 62,148 | | 56,235 | |
| | 131 Cash | | 49,853 | | 64,974 | | 47,696 | | 32,570 | | 62,148 | | 56,235 |
| R6 | <u>To record customer incentives</u> | | | | | | | | | | | | |
| | 908 Customer Assistance Expenses | 55,381 | | - | | - | | - | | - | | - | |
| | 131 Cash | | 55,381 | | - | | - | | - | | - | | - |
| R7 | <u>To record DR revenues credited customer incentives</u> | | | | | | | | | | | | |
| | 182 Program Investment | 367,476 | | 355,637 | | 367,502 | | 367,497 | | 331,889 | | 367,488 | |
| | 908 Customer Assistance Expenses | | 367,476 | | 355,637 | | 367,502 | | 367,497 | | 331,889 | | 367,488 |
| R8 | <u>To record return requirement</u> | | | | | | | | | | | | |
| | 908 Customer Assistance Expenses | 102,741 | | 100,645 | | 98,490 | | 83,372 | | 81,274 | | 79,145 | |
| | 182 Program Investment | | 102,741 | | 100,645 | | 98,490 | | 83,372 | | 81,274 | | 79,145 |
| R9 | <u>To record the monthly Demand Response (DR) revenues.</u> | | | | | | | | | | | | |
| | 142 Customer Accounts Receivable | | 264,874 | | 248,701 | | 297,288 | | 307,273 | | 261,014 | | 273,307 |
| | 400 Operating Revenues | 264,874 | | 248,701 | | 297,288 | | 307,273 | | 261,014 | | 273,307 | |
| R10 | <u>To record any over/ under recovery- excluding incremental WACC cost</u> | | | | | | | | | | | | |
| | 182 Regulatory Asset - Demand Response | 393,713 | | 346,918 | | 371,506 | | 330,863 | | 350,313 | | 321,915 | |
| | 456 Other Electric Revenues | | | | | | | 330,863 | | 350,313 | | 321,915 | |
| | 908 Customer Assistance Expenses | | 393,713 | | 346,918 | | 371,506 | | | | | | |
| R11 | <u>To record cost of capital on any over/ under recovered balance- excluding incremental WACC cost.</u> | | | | | | | | | | | | |
| | 182 Regulatory Asset - Demand Response | | 1,909 | | 1,702 | | 1,888 | | 1,996 | | 1,706 | | 1,750 |
| | 419 Other Income | | | | | | | | 1,996 | | 1,706 | | 1,750 |
| | 431 Interest Expense | 1,909 | | 1,702 | | 1,888 | | 1,996 | | 1,706 | | 1,750 | |

**PSE&G Solar-4-All Program
Accounting Entries**

| Entry | Acct. | Description | Oct-17 | | Nov-17 | | Dec-17 | | Jan-18 | | Feb-18 | | Mar-18 | |
|-------|-------|----------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--------|-----------|--------|-----------|--------|
| | | | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit |
| 1 | | Capitalize the solar equipment owned by PSE&G. | | | | | | | | | | | | |
| | 346 | Miscellaneous Power Plant Equipment | 119,876 | | 92,754 | | 1,046 | | 51,172 | | 3,992 | | 977 | |
| | 131 | Cash (payroll, outside services, materials and supplies) | | 119,876 | | 92,754 | | 1,046 | 51,172 | | 3,992 | | 977 | |
| 2 | | Depreciate the solar equipment over the book life. | | | | | | | | | | | | |
| | 403 | Depreciation Expense | 2,111,166 | | 2,102,323 | | 2,091,934 | | 2,078,830 | | 2,067,801 | | 2,058,916 | |
| | 108 | Accumulated Depreciation | | 2,111,166 | | 2,102,323 | | 2,091,934 | 2,078,830 | | 2,067,801 | | 2,058,916 | |
| 3 | | Record deferred income taxes on the book tax timing difference. | | | | | | | | | | | | |
| | 410.1 | Deferred Income Taxes, Utility Operating Income | 223,270 | | 220,726 | | 217,352 | | 122,292 | | 121,638 | | 121,110 | |
| | 282 | Accumulated Deferred Income Taxes | | 223,270 | | 220,726 | | 217,352 | 122,292 | | 121,638 | | 121,110 | |
| | | or | | | | | | | | | | | | |
| | 411.1 | Deferred Income Taxes - Credit, Utility Operating Income | | | | | | | | | | | | |
| | 282 | Accumulated Deferred Income Taxes | | | | | | | | | | | | |
| 4.1 | | Record solar administrative expense. | | | | | | | | | | | | |
| | 549 | Miscellaneous Other Power Generation Expense | 67,904 | | 81,928 | | 72,086 | | 92,277 | | 79,698 | | 137,576 | |
| | 554 | Maintenance of Miscellaneous Other Power Generation Plant | | 67,904 | | 81,928 | | 72,086 | 92,277 | | 79,698 | | 137,576 | |
| | 131 | Cash | | | | | | | | | | | | |
| 4.2 | | Record solar equipment operation & maintenance expense. | | | | | | | | | | | | |
| | 549 | Miscellaneous Other Power Generation Expense | 610,259 | | 345,332 | | 131,992 | | 246,290 | | 493,103 | | 393,539 | |
| | 554 | Maintenance of Miscellaneous Other Power Generation Plant | | 610,259 | | 345,332 | | 131,992 | 246,290 | | 493,103 | | 393,539 | |
| | 131 | Cash | | | | | | | | | | | | |
| 4.3 | | Record solar rent expense (third party cites). | | | | | | | | | | | | |
| | 550 | Miscellaneous Other Power Generation Expense | 109,241 | | 109,900 | | 203,327 | | 143,611 | | 89,694 | | 198,377 | |
| | 554 | Maintenance of Miscellaneous Other Power Generation Plant | | 109,241 | | 109,900 | | 203,327 | 143,611 | | 89,694 | | 198,377 | |
| | 131 | Cash | | | | | | | | | | | | |
| 4.4 | | Record solar insurance expense. | | | | | | | | | | | | |
| | 549 | Miscellaneous Other Power Generation Expense | 20,825 | | 18,673 | | 19,220 | | 20,492 | | 20,177 | | 20,177 | |
| | 554 | Maintenance of Miscellaneous Other Power Generation Plant | | 20,825 | | 18,673 | | 19,220 | 20,492 | | 20,177 | | 20,177 | |
| | 131 | Cash | | | | | | | | | | | | |
| 6 | | Amortize the solar investment tax credit over the book life of the equipment. | | | | | | | | | | | | |
| | 255 | Accumulated Deferred Investment Tax Credits | 632,716 | | 630,822 | | 626,472 | | 622,956 | | 619,864 | | 617,638 | |
| | 403 | Depreciation Expenses | | 431,282 | | 431,282 | | 431,282 | 434,881 | | 434,881 | | 434,881 | |
| | 411.4 | Investment Tax Credit Adjustments | | 201,434 | | 199,540 | | 195,190 | 188,075 | | 184,983 | | 182,757 | |
| 9 | | Record the receipt of the SRECs at current market value. | | | | | | | | | | | | |
| | 174 | Misc Current and Accrued Assets -SREC | 1,698,599 | | 1,360,184 | | 1,100,141 | | 750,160 | | 1,058,931 | | 918,094 | |
| | 182 | Regulatory Asset - Solar 4 All | | 1,698,599 | | 1,360,184 | | 1,100,141 | 750,160 | | 1,058,931 | | 918,094 | |
| 10 | | Record the sale of the SRECs at auction (net of transaction cost). | | | | | | | | | | | | |
| | 131 | Cash | 5,210,605 | | 19,474.8 | | 3,019,316 | | 21,675 | | - | | 3,259,670 | |
| | 232 | Accounts Payable | | | | | 19,475 | | 21,675 | | | | | |
| | 182 | Regulatory Asset - Solar 4 All - gain or loss on sale | 717,990 | | | | 39,467 | | | | | | 350,226 | |
| | 174 | Misc Current and Accrued Assets -SREC | | 5,928,595 | | | 3,058,783 | | | | | | 2,909,444 | |
| | 456 | Other Electric Revenues - Solar 4 All | | | | | | | | | | | | |
| 11.1 | | Record grid connected sales to PJM at LMP (energy). | | | | | | | | | | | | |
| | 131 | Cash | 224,181 | | 131,566 | | 130,046 | | 176,872 | | 446,628 | | 168,304 | |
| | 447 | Sales For Resale - Solar Infrastructure | | 224,181 | | 131,566 | | 130,046 | 176,872 | | 446,628 | | 168,304 | |
| 11.2 | | Record grid connected sales to PJM at LMP (capacity). | | | | | | | | | | | | |
| | 131 | Cash | 152,069 | | 146,711 | | 151,784 | | 151,682 | | 137,154 | | 151,925 | |
| | 447 | Sales For Resale - Solar Infrastructure | | 152,069 | | 146,711 | | 151,784 | 151,682 | | 137,154 | | 151,925 | |
| 13 | | Record the monthly Solar 4 All revenues. | | | | | | | | | | | | |
| | 142 | Customer Accounts Receivable | 1,134,286 | | 1,065,025 | | 1,273,092 | | 1,315,852 | | 1,117,752 | | 1,170,396 | |
| | 400 | Operating Revenues | | 1,134,286 | | 1,065,025 | | 1,273,092 | 1,315,852 | | 1,117,752 | | 1,170,396 | |
| 14 | | Record any over/ under recovery-excluding incremental WACC cost. | | | | | | | | | | | | |
| | 182 | Regulatory Asset - Solar 4 All | | | 2,334,625 | | | | 1,916,612 | | 1,993,954 | | 1,005,537 | |
| | 407.3 | Regulatory Debits | 2,896,106 | | | | 917,795 | | | | | | | |
| | 407.4 | Regulatory Credits | | | 2,334,625 | | | | | | | | | |
| | 456 | Other Electric Revenues | | 2,896,106 | | | 917,795 | | | | | | | |
| | 254 | Regulatory Liability - Solar 4 All | | | | | | | 1,916,612 | | 1,993,954 | | 1,005,537 | |
| 15 | | Record cost of capital on any over/ under recovered balance-excluding incremental WACC cost | | | | | | | | | | | | |
| | 182 | Regulatory Asset - Solar 4 All | | | | | | | | 1,285 | | 2,102 | | |
| | 419 | Other Income | | | | | | | | | 1,285 | | 2,102 | |
| | 431 | Interest Expense | 764 | | 920 | | 661 | | 378 | | | | | |
| | 254 | Regulatory Liability - Solar 4 All | | 764 | | 920 | | 661 | 378 | | | | | |

**PSE&G Solar-4-All Extension Program
Accounting Entries**

| Entry | Acct. | Description | Oct-17 | | Nov-17 | | Dec-17 | | Jan-18 | | Feb-18 | | Mar-18 | |
|-------------|-----------------------------------------------------------------------------------------------------|-----------------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | | | | Credit | | Credit | | Credit | | Credit | | Credit | | Credit |
| 1 | Capitalize the solar equipment owned by PSE&G. | | | | | | | | | | | | | |
| | 346 | Miscellaneous Power Plant Equipment | - | | - | | - | | - | | - | | - | |
| | 131 | Cash (payroll, outside services, materials and supplies) | | - | | - | | - | | - | | - | | - |
| 2 | Depreciate the solar equipment over the book life. | | | | | | | | | | | | | |
| | 403 | Depreciation Expense | - | | - | | - | | - | | - | | - | |
| | 108 | Accumulated Depreciation | | - | | - | | - | | - | | - | | - |
| 3 | Record deferred income taxes on the book tax timing difference . | | | | | | | | | | | | | |
| | 410.1 | Deferred Income Taxes, Utility Operating Income | - | | - | | - | | - | | - | | - | |
| | 282 | Accumulated Deferred Income Taxes | | - | | - | | - | | - | | - | | - |
| | | or | | | | | | | | | | | | |
| | 411.1 | Deferred Income Taxes - Credit, Utility Operating Income | - | | - | | - | | - | | - | | - | |
| | 282 | Accumulated Deferred Income Taxes | | - | | - | | - | | - | | - | | - |
| 4.1 | Record solar administrative expense. | | | | | | | | | | | | | |
| | 549 | Miscellaneous Other Power Generation Expense | 20,736 | | 3,511 | | 3,234 | | 6,528 | | 36,659 | | 6,451 | |
| | 554 | Maintenance of Miscellaneous Other Power Generation Plant | | 20,736 | | 3,511 | | 3,234 | | 6,528 | | 36,659 | | 6,451 |
| | 131 | Cash | | | | | | | | | | | | |
| 4.2 | Record solar equipment operation & maintenance expense. | | | | | | | | | | | | | |
| | 549 | Miscellaneous Other Power Generation Expense | - | | - | | - | | - | | - | | - | |
| | 554 | Maintenance of Miscellaneous Other Power Generation Plant | | - | | - | | - | | - | | - | | - |
| | 131 | Cash | | | | | | | | | | | | |
| 4.3 | Record solar rent expense (third party cites). | | | | | | | | | | | | | |
| | 550 | Miscellaneous Other Power Generation Expense | - | | - | | - | | - | | - | | - | |
| | 554 | Maintenance of Miscellaneous Other Power Generation Plant | | - | | - | | - | | - | | - | | - |
| | 131 | Cash | | | | | | | | | | | | |
| 4.4 | Record solar insurance expense. | | | | | | | | | | | | | |
| | 549 | Miscellaneous Other Power Generation Expense | - | | - | | - | | - | | - | | - | |
| | 554 | Maintenance of Miscellaneous Other Power Generation Plant | | - | | - | | - | | - | | - | | - |
| | 131 | Cash | | | | | | | | | | | | |
| 9 | Record the receipt of the SRECs at current market value. | | | | | | | | | | | | | |
| | 174 | Misc Current and Accrued Assets -SREC | - | | - | | - | | - | | - | | - | |
| | 182 | Regulatory Asset - Solar 4 All | | - | | - | | - | | - | | - | | - |
| 10 | Record the sale of the SRECs at auction (net of transaction cost). | | | | | | | | | | | | | |
| | 131 | Cash | | | | | | | | | | | | |
| | 232 | Accounts Payable | | | | | | | | | | | | |
| | 182 | Regulatory Asset - Solar 4 All - gain or loss on sale | | | | | | | | | | | | |
| | 174 | Misc Current and Accrued Assets -SREC | | | | | | | | | | | | |
| | 456 | Other Electric Revenues - Solar 4 All | | | | | | | | | | | | |
| 11.1 | Record grid connected sales to PJM at LMP (energy). | | | | | | | | | | | | | |
| | 131 | Cash | - | | - | | - | | - | | - | | - | |
| | 447 | Sales For Resale - Solar Infrastructure | | - | | - | | - | | - | | - | | - |
| 11.2 | Record grid connected sales to PJM at LMP (capacity). | | | | | | | | | | | | | |
| | 131 | Cash | - | | - | | - | | - | | - | | - | |
| | 447 | Sales For Resale - Solar Infrastructure | | - | | - | | - | | - | | - | | - |
| 13 | Record the monthly Solar 4 All Ext revenues. | | | | | | | | | | | | | |
| | 142 | Customer Accounts Receivable | 34,278 | | 32,185 | | 38,473 | | 39,765 | | 33,778 | | 35,369 | |
| | 400 | Operating Revenues | | 34,278 | | 32,185 | | 38,473 | | 39,765 | | 33,778 | | 35,369 |
| 14 | Record any over/ under recovery-excluding incremental WACC cost. | | | | | | | | | | | | | |
| | 182 | Regulatory Asset - Solar 4 All | | | | | | | | | | | | |
| | 407.3 | Regulatory Debits | 13,542 | | 28,674 | | 35,239 | | 33,237 | | 2,881 | | 28,918 | |
| | 407.4 | Regulatory Credits | | 13,542 | | 28,674 | | 35,239 | | 33,237 | | 2,881 | | 28,918 |
| | 456 | Other Electric Revenues | | | | | | | | | | | | |
| | 254 | Regulatory Liability - Solar 4 All | | | | | | | | | | | | |
| 15 | Record cost of capital on any over/ under recovered balance- excluding incremental WACC cost | | | | | | | | | | | | | |
| | 182 | Regulatory Asset - Solar 4 All | | | | | | | | | | | | |
| | 419 | Other Income | | | | | | | | | | | | |
| | 431 | Interest Expense | 765 | | 940 | | 1,182 | | 1,505 | | 1,842 | | 2,270 | |
| | 254 | Regulatory Liability - Solar 4 All | | 765 | | 940 | | 1,182 | | 1,505 | | 1,842 | | 2,270 |

**PSE&G Solar Loan II Program
Accounting Entries**

| Entry | Acct. | Description | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
|-----------|-------|---------------------------------------------------------------------------------------------------------|------------|------------|------------|------------|------------|------------|
| 1 | | To record the issuance of the loan. | | | | | | |
| | 124 | Other Investments - Solar Loan II | | | | | | |
| | 131 | Cash | | | | | | |
| 2 | | Monthly accrual of interest income on the loan at contract rate. | | | | | | |
| | 171 | Interest Receivable - Solar Loans | 1,017,577 | 974,553 | 1,000,750 | 998,883 | 904,277 | 999,352 |
| | 419 | Interest and Dividend Income | 1,017,577 | 974,553 | 1,000,750 | 998,883 | 904,277 | 999,352 |
| 3 | | Monthly accrual of interest differential on Residential Loans. | | | | | | |
| | 182.3 | Solar Loan II Regulatory Asset - Loan Costs | 34,569 | 34,569 | 34,569 | 34,569 | 34,569 | 34,569 |
| | 419 | Interest and Dividend Income | 34,569 | 34,569 | 34,569 | 34,569 | 34,569 | 34,569 |
| 4 | | Monthly accrual of interest differential on Commercial Loans. | | | | | | |
| | 182.3 | Solar Loan II Regulatory Asset - Loan Costs | 45,109 | 43,234 | 44,432 | 88,843 | 80,470 | 88,983 |
| | 419 | Interest and Dividend Income | 45,109 | 43,234 | 44,432 | 88,843 | 80,470 | 88,983 |
| 5 | | To record the receipt of the SRECs at higher of the floor value or the current market value. | | | | | | |
| | 174 | Solar Renewable Energy Certificates Asset | 1,313,640 | 991,771 | 728,452 | 449,555 | 665,870 | 620,945 |
| | 124 | Other Investments - Solar Loan II | 1,313,640 | 991,771 | 728,452 | 449,555 | 665,870 | 620,945 |
| | 171 | Interest Receivable - Solar Loans | | | | | | |
| 6 | | To defer the loss if SREC is worth less than the floor value in 5 above. | | | | | | |
| | 182.3 | Solar Loan II Regulatory Asset - Loan Costs | 895,895 | 713,354 | 521,388 | 320,900 | 472,760 | 426,650 |
| | 174 | Solar Renewable Energy Certificates Asset | 895,895 | 713,354 | 521,388 | 320,900 | 472,760 | 426,650 |
| 7 | | To record the receipt of cash in lieu of SRECs. | | | | | | |
| | 131 | Cash | 3,595 | 22,494 | 4,526 | 3,389 | 15,991 | 9,180 |
| | 171 | Interest Receivable - Solar Loans | | | | | | |
| | 124 | Other Investments - Solar Loan II | 3,595 | 22,494 | 4,526 | 3,389 | 15,991 | 9,180 |
| 10 | | To defer the gain or loss when the SRECs are sold. | | | | | | |
| | | If sold at a gain: | | | | | | |
| | 131 | Cash | | | | | | 2,066,011 |
| | 182.3 | Solar Loan II Regulatory Asset - Loan Costs | | | | | | |
| | 174 | Solar Renewable Energy Certificates Asset | | | | | | 1,843,877 |
| | | If sold at a loss: | | | | | | |
| | 131 | Cash | 4,488,534 | | 2,275,195 | | | |
| | 182.3 | Solar Loan II Regulatory Asset - Loan Costs | 622,005 | | 30,215 | | | |
| | 174 | Solar Renewable Energy Certificates Asset | 5,110,539 | | 2,305,410 | | | |
| 11 | | To record deferral of SREC disposition expenses | | | | | | |
| | 182.3 | Solar Loan II Regulatory Asset - Loan Costs | | 16,776 | | 16,333 | | |
| | 232 | Accounts Payable | | | | 16,333 | | |
| | 131 | Cash (payroll, outside services, M&S) | | 16,776 | | | | |
| 12 | | To record current portion of Notes Receivable (for reporting purposes only). | | | | | | |
| | 141 | Current Note Receivable For Solar Program | 11,645,230 | 11,645,230 | 10,299,011 | 10,299,011 | 10,299,011 | 11,620,114 |
| | 124 | Other Investments - Solar Loan II | 11,645,230 | 11,645,230 | 10,299,011 | 10,299,011 | 10,299,011 | 11,620,114 |
| 15 | | To record the administrative costs of the Solar program net of application fees. | | | | | | |
| | 908 | Customer Assistance Expenses | 54,730 | 40,397 | 45,870 | 50,373 | 45,764 | 55,870 |
| | 131 | Cash (payroll, outside services, M&S) | 54,730 | 40,397 | 45,870 | 50,373 | 45,764 | 55,870 |
| 16 | | To accrue the carrying cost on SREC inventory. | | | | | | |
| | 182.3 | Solar Loan II Regulatory Asset - Loan Costs | 34,888 | 19,168 | 11,727 | 11,899 | 14,363 | 19,603 |
| | 431 | Interest Expense | 34,888 | 19,168 | 11,727 | 11,899 | 14,363 | 19,603 |
| | 419 | Interest and Dividend Income | | | | | | |
| 17 | | To record the monthly RRC revenues. | | | | | | |
| | 142 | Customer Accounts Receivable | 118,414 | 111,184 | 132,905 | 137,369 | 116,688 | 122,184 |
| | 400 | Electric Operating Revenues | 118,414 | 111,184 | 132,905 | 137,369 | 116,688 | 122,184 |
| 18 | | To record monthly over-under collection through the RRC- excluding incremental WACC cost | | | | | | |
| | | If under collected: | | | | | | |
| | 182.3 | Solar Loan II Regulatory Asset - Loan Costs | 1,561,187 | 747,012 | 546,028 | 190,807 | 351,319 | 85,716 |
| | 908 | Customer Assistance Expenses | 1,561,187 | 747,012 | 546,028 | 190,807 | 351,319 | 85,716 |
| | 456 | Other Electric Revenues | | | | | | |
| | | If over collected: | | | | | | |
| | 182.3 | Solar Loan II Regulatory Asset - Loan Costs | | | | | | |
| | 908 | Customer Assistance Expenses | | | | | | |
| 19 | | To record deferral of the incremental WACC cost | | | | | | |
| | 182.3 | Solar Loan II Regulatory Asset - Loan Costs | | | | | | |
| | 908 | Customer Assistance Expenses | | | | | | |
| 20 | | To record the monthly carrying cost on over-under collected balance - excluding incremental WACC | | | | | | |
| | | If under collected: | | | | | | |
| | 182.3 | Solar Loan II Regulatory Asset - Loan Costs | 1,438 | 2,081 | 3,068 | 4,042 | 4,273 | 5,495 |
| | 431 | Interest Expense | 1,438 | 2,081 | 3,068 | 4,042 | 4,273 | 5,495 |
| | 419 | Interest and Dividend Income | | | | | | |
| | | If over collected: | | | | | | |
| | 426.5 | Other Deductions | | | | | | |
| | 431 | Interest Expense | | | | | | |
| | 182.3 | Solar Loan II Regulatory Asset - Loan Costs | | | | | | |

**PSE&G Solar Loan III Program
Accounting Entries**

| Entr | Acct. | Description | Oct-17 | | Nov-17 | | Dec-17 | | Jan-18 | | Feb-18 | | Mar-18 | |
|-----------|-------|---------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit | Debit | Credit |
| 1 | | To record the issuance of the loan. | 548,334 | | 99,544 | | 1,537,277 | | 57,491 | | 7,623,922 | | 2,183,896 | |
| | 124 | Other Investments - Solar Loan II | | 548,334 | | 99,544 | | 1,537,277 | | 57,491 | | 7,623,922 | | 2,183,896 |
| | 131 | Cash | | | | | | | | | | | | |
| 2 | | Monthly accrual of interest income on the loan at contract rate. | | | | | | | | | | | | |
| | 171 | Interest Receivable - Solar Loans | 183,405 | | 180,555 | | 190,615 | | 172,304 | | 168,775 | | 239,863 | |
| | 419 | Interest and Dividend Income | | 183,405 | | 180,555 | | 190,615 | | 172,304 | | 168,775 | | 239,863 |
| 3 | | To record the receipt of the SRECs at higher of the floor value or the current market value. | | | | | | | | | | | | |
| | 174 | Solar Renewable Energy Certificates As | 333,353 | | 311,442 | | 201,136 | | 173,614 | | 218,518 | | 423,335 | |
| | 124 | Other Investments - Solar Loan II | | 333,353 | | 311,442 | | 201,136 | | 173,614 | | 218,518 | | 423,335 |
| | 171 | Interest Receivable - Solar Loans | | | | | | | | | | | | |
| 4 | | To defer the loss if SREC is worth less than the floor value in 5 above. | | | | | | | | | | | | |
| | 182.3 | Solar Loan III Regulatory Asset - Loan C | 49,943 | | 51,296 | | 22,487 | | 17,622 | | 25,397 | | 9,829 | |
| | 174 | Solar Renewable Energy Certificates Asset | | 49,943 | | 51,296 | | 22,487 | | 17,622 | | 25,397 | | 9,829 |
| 5 | | To record the receipt of cash in lieu of SRECs. | | | | | | | | | | | | |
| | 131 | Cash | | | | | | | | | | | | |
| | 171 | Interest Receivable - Solar Loans | | | | | | | | | | | | |
| | 124 | Other Investments - Solar Loan II | | | | | | | | | | | | |
| 8 | | To defer the gain or loss when the SRECs are sold. | | | | | | | | | | | | |
| | | If sold at a gain: | | | | | | | | | | | | |
| | 131 | Cash | 1,390,511 | | - | | 674,799 | | - | | - | | 676,046 | |
| | 182.3 | Solar Loan III Regulatory Asset - Loan C | 276,315 | | - | | - | 36,849 | | - | | | - | 75,932 |
| | 174 | Solar Renewable Energy Certificates Asset | | 1,114,196 | | - | 637,949 | | - | | | | - | 600,114 |
| | | If sold at a loss: | | | | | | | | | | | | |
| | 131 | Cash | | | | | | | | | | | | |
| | 182.3 | Solar Loan III Regulatory Asset - Loan Costs | | | | | | | | | | | | |
| | 174 | Solar Renewable Energy Certificates Asset | | | | | | | | | | | | |
| 9 | | To record deferral of SREC disposition expenses (included in adm costs) | | | | | | | | | | | | |
| | 182.3 | Solar Loan III Regulatory Asset - Loan Costs | | | | | | | | | | | | |
| | 232 | Accounts Payable | | | | | | | | | | | | |
| | 131 | Cash (payroll, outside services, M&S) | | | | | | | | | | | | |
| 10 | | To record current portion of Notes Receivable (for reporting purposes only). | | | | | | | | | | | | |
| | 141 | Current Note Receivable For Solar Proc | 1,872,662 | | 1,872,662 | | 2,453,399 | | 2,453,399 | | 2,453,399 | | 3,183,953 | |
| | 124 | Other Investments - Solar Loan II | | 1,872,662 | | 1,872,662 | | 2,453,399 | | 2,453,399 | | 2,453,399 | | 3,183,953 |
| 13 | | To record the administrative costs of the Solar program net of application fees. | | | | | | | | | | | | |
| | 908 | Customer Assistance Expenses | 103,959 | | 140,308 | | 34,881 | | 118,178 | | 259,531 | | 1,393 | |
| | 131 | Cash (payroll, outside services, M&S) | | 103,959 | | 140,308 | | 34,881 | | 118,178 | | 259,531 | | 1,393 |
| 14 | | To accrue the carrying cost on SREC inventory. | | | | | | | | | | | | |
| | 182.3 | Solar Loan III Regulatory Asset - Loan C | 3,083 | | (2,356) | | (4,399) | | (3,166) | | (1,559) | | (345) | |
| | 431 | Interest Expense | | 3,083 | | (2,356) | | (4,399) | | (3,166) | | (1,559) | | (345) |
| | 419 | Interest and Dividend Income | | | | | | | | | | | | |
| 15 | | To record the monthly RRC revenues. | | | | | | | | | | | | |
| | 142 | Customer Accounts Receivable | 149,576 | | 140,443 | | 167,880 | | 173,519 | | 147,396 | | 154,338 | |
| | 400 | Electric Operating Revenues | | 149,576 | | 140,443 | | 167,880 | | 173,519 | | 147,396 | | 154,338 |
| 16 | | To record monthly over-under collection through the RRC- excluding incremental WACC cost | | | | | | | | | | | | |
| | | If under collected: | | | | | | | | | | | | |
| | 182.3 | Solar Loan III Regulatory Asset - Loan C | 283,723 | | 48,806 | | | | | | | | | |
| | 908 | Customer Assistance Expenses | | 283,723 | | 48,806 | | | | | | | | |
| | | If over collected: | | | | | | | | | | | | |
| | 182.3 | Solar Loan II Regulatory Asset - Loan Costs | | | | | 151,761 | | 68,288 | | 409,931 | | 302,142 | |
| | 908 | Customer Assistance Expenses | | | | | 151,761 | | 68,288 | | 409,931 | | 302,142 | |
| | 456 | Other Electric Revenues | | | | | | | 68,288 | | 409,931 | | 302,142 | |
| 17 | | To record the monthly carrying cost on over-under collected balance - excluding incremental WACC | | | | | | | | | | | | |
| | | If under collected: | | | | | | | | | | | | |
| | 182.3 | Solar Loan II Regulatory Asset - Loan C | 15 | | 108 | | 123 | | 27 | | | | | |
| | 431 | Interest Expense | | 15 | | 108 | | 123 | | 27 | | | | |
| | 419 | Interest and Dividend Income | | | | | | | | | | | | |
| | | If over collected: | | | | | | | | | | | | |
| | 426.5 | Other Deductions | | | | | | | | | | | | |
| | 431 | Interest Expense | | | | | | | | 176 | | 567 | | 567 |
| | 182.3 | Solar Loan II Regulatory Asset - Loan Costs | | | | | | | | | 176 | | | 567 |

APPENDIX A-CA/EEE/EEE Ext/EEEXII

PAGE 1 OF 2

| PUBLIC SERVICE ELECTRIC AND GAS | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Minimum Filing Requirements – Carbon Abatement, Energy Efficiency Economic Stimulus, Extension and Extension II Programs | |
| MINIMUM FILING REQUIREMENTS | LOCATION IN FILING |
| I. General Filing Requirements | |
| 1. Direct employment impacts, including a breakdown by sub-program | Not Applicable |
| 2. A monthly revenue requirement calculation based on program expenditures, showing the actual monthly revenue requirement for each of the past twelve months or clause-review period, as well as supporting calculations, including the information related to the tax rate and revenue multiplier used in the revenue requirement calculation. | Schedule SS-CA-2E, Schedule SS-CA-2G , Schedule SS-EEE-2E, Schedule SS-2G, Schedule SS-EEE Ext.-2E, Schedule SS-EEE Ext-2G, Schedule SS-EEEXII-2E, Schedule SS-EEEXII-2G |
| 3. For the review period, actual revenues, by month and by rate class recorded under the programs. | Schedule SS-CA-4E, Schedule SS-CA-4G, Schedule SS-EEE-4E, Schedule SS-EEE-4G, Schedule SS-EEE Ext.-4E, Schedule SS-EEE Ext-4G, Schedule SS-EEEXII-4E, Schedule SS-EEEXII-4G |
| 4. Monthly beginning and ending clause balances, as well as the average balance net of tax for the actual and forecast period. | Schedule SS-CA-3E, Schedule SS-CA-3G, Schedule SS-EEE-3E, Schedule SS-EEE-3G, Schedule SS-EEE Ext.-3E, Schedule SS-EEE Ext-3G, Schedule SS-EEEXII-3E, Schedule SS-EEEXII-3G |
| 5. The interest rate used each month for over/under recoveries, and all supporting documentation and calculations for the interest rate. | WP-SS-GPRC-3.xlsx |
| 6. The interest expense to be charged or credited to ratepayers each month. | Schedule SS-CA-3E, Schedule SS-CA-3G, Schedule SS-EEE-3E, Schedule SS-EEE-3G, Schedule SS-EEE Ext.-3E, Schedule SS-EEE Ext.-3G, Schedule SS-EEEXII-3E, Schedule SS-EEEXII-3G |
| 7. A schedule showing budgeted versus actual program costs by the following categories: administrative (all utility costs), marketing/sales, training, rebates/incentives, including inspections and quality control, program implementation (all contract costs), evaluation, and any other costs. | Schedule MCM-CA-2, Schedule MCM-EEE-2 Schedule MCM-EEE Ext.-2, Schedule MCM-EEEXII-2, |
| 8. The monthly journal entries relating to regulatory asset and O&M expenses for the actual review period. | Schedule P-1 |
| 9. Supporting details for all administrative costs included in the revenue requirement. | WP-MCM-CA-1.xlsx; W WP-MCM-EEE 1-xlsx WP-MCM-EEE Ext-1.xlsx; WP-MCM-EEEXII-1.xlsx |
| 10. Information supporting the carrying cost used for the unamortized costs. | WP-SS-GPRC-3.xlsx |
| 11. Number of program participants, including a breakdown by sub-program. | Schedule MCM-CA-3, Schedule MCM-EEE-3 |

APPENDIX A-CA/EEE/EEE Ext/EEEXII

PAGE 2 OF 2

| PUBLIC SERVICE ELECTRIC AND GAS | |
|---------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Minimum Filing Requirements – Carbon Abatement, Energy Efficiency Economic Stimulus, Extension and Extension II Programs | |
| MINIMUM FILING REQUIREMENTS | LOCATION IN FILING |
| I. General Filing Requirements | |
| | Schedule MCM-EEE Ext-3, Schedule MCM-EEEXII-3 |
| 12. Estimated demand and energy savings, including a breakdown by sub-program. | Schedule MCM-CA-4E, Schedule MCM-CA-4G Schedule MCM-EEE-4E, Schedule MCM-EEE-4G, Schedule MCM-EEE Ext-4E, Schedule MCM-EEE Ext-4G; Schedule MCM-CA-5E, Schedule MCM- CA-5G; Schedule MCM-EEE-5E, Schedule MCM- EEE-5G, Schedule MCM-EEE Ext-5E, Schedule MCM-EEE Ext-5G, Schedule MCM-EEEXII-5E, Schedule MCM-EEEXII-5G; |
| 13. Emissions reductions from the Program, including a breakdown by sub-program. | Schedule MCM-CA-6, Schedule MCM-EEE-6, Schedule MCM-EEE Ext-6, Schedule MCM-EEEXII- 6, Schedule MCM-CA-7, Schedule MCM-EEE-7, Schedule MCM-EEE Ext-7, Schedule MCM-EEEXII- 7 |
| 14. Estimated free ridership and spillover. | N/A |
| 15. Participant costs (net of utility incentives), including a breakdown by sub-program. | Schedule MCM-CA-8, Schedule MCM-EEE-8, Schedule MCM-EEE Ext-8, Schedule MCM- EEEXII-8.xlsx |
| 16. Results of program evaluations, including a breakdown by sub-program. | None to Date |

APPENDIX A-DR

**PUBLIC SERVICE ELECTRIC AND GAS
Annual Reporting Requirements – Demand Response Program (Request)**

| | LOCATION IN FILING | Actual Thru 3/2018 | Forecast 4/2018 – 9/2019 | Total |
|----------------------------------------------------------------------------------------------------------------|------------------------------------------------|-------------------------------|-----------------------------------------|--------------|
| a. Number of legacy switches replaced with thermostats | WP-MCM-DR-1.xlsx, "Master" Tab | 7,218 | 0 | 7,218 |
| b. Number of legacy switches replaced with switches | WP- MCM-DR-1.xlsx, "Master" Tab | 69,231 | 0 | 69,231 |
| c. Number of new customers enrolled | WP-MCM-DR-1.xlsx, "Master" Tab | 61,088 | 0 | 61,088 |
| d. Number of customers who drop out | WP-MCM-DR-1.xlsx, "Master" Tab | 99,664 | 1,103 | 100,767 |
| e. Number of new devices installed | WP-MCM-DR-1.xlsx, "Master" Tab | 137,537 | 0 | 137,537 |
| f. Nominations to PJM (MW) | WP-MCM-DR-1.xlsx, "Master" Tab Attachment B | | | |
| g. Program costs by category | SS-DR-2, 2a and 2b for summary | \$71,556,778 | \$874,534 | \$72,431,312 |
| h. Capitalized costs | SS-DR-2, 2a and 2b for summary | \$33,707,693 | \$0 | \$33,707,693 |
| i. Administrative costs | SS-DR-2, 2a and 2b for summary | \$23,096,322 | \$874,534 | \$23,970,856 |
| j. Participant incentives | SS-DR-2, 2a and 2b for summary | \$14,752,763 | \$0 | \$14,752,763 |
| k. Results of any program evaluations | WP-MCM-DR-1.xlsx, "Master" Tab Attachment B | | | |
| l. Results of market research | MCM-DR-1 | | | |
| m. Type of equipment installed | WP-MCM-DR-1.xlsx, "Master" Tab | | | |
| n. Curtailment information such as date, duration, criteria used for economic dispatch, duty-cycled used, etc. | Attachment B | | | |
| o. PJM Payments received | Schedule SS-DR-2 | \$40,004,309 | N/A | \$40,004,309 |
| p. Projected PJM payments due for future periods | Schedule SS-DR-2 | N/A | \$723,471 | \$723,471 |
| q. Monthly revenue requirement calculation | Schedule SS-DR-2 | \$30,686,450 | \$5,463,671 | \$36,150,121 |
| r. Monthly revenues received | Schedule SS-DR-3 | \$24,683,979 | \$3,942,874 | \$28,626,853 |
| s. Calculation of interest on over/under recoveries | Schedule SS-DR-3 | (\$63,001) | \$18,663 | (\$44,338) |
| t. Supporting documentation for monthly rate used for over/under recoveries | WP-SS-GPRC-3.xlsx | | | |

APPENDIX A-DR

**PUBLIC SERVICE ELECTRIC AND GAS
Annual Reporting Requirements – Demand Response Program (Notice)**

| | LOCATION IN FILING | Actual Thru 3/2018 | Forecast 4/2018 – 9/2019 | Total |
|----------------------------------------------------------------------------------------------------------------|------------------------------------------------|-------------------------------|-----------------------------------------|--------------|
| a. Number of legacy switches replaced with thermostats | WP-MCM-DR-1.xlsx, "Master" Tab | 7,218 | 0 | 7,218 |
| b. Number of legacy switches replaced with switches | WP- MCM-DR-1.xlsx, "Master" Tab | 69,231 | 0 | 69,231 |
| c. Number of new customers enrolled | WP-MCM-DR-1.xlsx, "Master" Tab | 61,088 | 0 | 61,088 |
| d. Number of customers who drop out | WP-MCM-DR-1.xlsx, "Master" Tab | 99,664 | 1,103 | 100,767 |
| e. Number of new devices installed | WP-MCM-DR-1.xlsx, "Master" Tab | 137,537 | 0 | 137,537 |
| f. Nominations to PJM (MW) | WP-MCM-DR-1.xlsx, "Master" Tab Attachment B | | | |
| g. Program costs by category | SS-DR-2, 2a and 2b for summary | \$71,556,778 | \$874,534 | \$72,431,312 |
| h. Capitalized costs | SS-DR-2, 2a and 2b for summary | \$33,707,693 | \$0 | \$33,707,693 |
| i. Administrative costs | SS-DR-2, 2a and 2b for summary | \$23,096,322 | \$874,534 | \$23,970,856 |
| j. Participant incentives | SS-DR-2, 2a and 2b for summary | \$14,752,763 | \$0 | \$14,752,763 |
| k. Results of any program evaluations | WP-MCM-DR-1.xlsx, "Master" Tab Attachment B | | | |
| l. Results of market research | MCM-DR-1 | | | |
| m. Type of equipment installed | WP-MCM-DR-1.xlsx, "Master" Tab | | | |
| n. Curtailment information such as date, duration, criteria used for economic dispatch, duty-cycled used, etc. | Attachment B | | | |
| o. PJM Payments received | Schedule SS-DR-2 | \$40,004,309 | N/A | \$40,004,309 |
| p. Projected PJM payments due for future periods | Schedule SS-DR-2 | N/A | \$723,471 | \$723,471 |
| q. Monthly revenue requirement calculation | Schedule SS-DR-2 | \$30,686,450 | \$12,014,308 | \$42,700,758 |
| r. Monthly revenues received | Schedule SS-DR-3 | \$24,683,979 | \$10,484,537 | \$35,168,516 |
| s. Calculation of interest on over/under recoveries | Schedule SS-DR-3 | (\$63,001) | \$23,478 | (\$39,523) |
| t. Supporting documentation for monthly rate used for over/under recoveries | WP-SS-GPRC-3.xlsx | | | |

APPENDIX A - S4A – S4AE – S4AEII

| PUBLIC SERVICE ELECTRIC AND GAS | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| Minimum Filing Requirements – Solar 4 All, Solar 4 All Extension, Solar 4 All Extension II Programs | |
| MINIMUM FILING REQUIREMENTS | LOCATION IN FILING |
| I. General Filing Requirements | |
| 1. A monthly revenue requirement calculation based on program expenditures, showing the actual monthly revenue requirement for each of the past twelve months or clause-review period, as well as supporting calculations, including the information related to the tax rate and revenue multiplier used in the revenue requirement calculation. | Schedule SS-S4A-2, Schedule SS-S4AE-2, Schedule SS-S4AEII-2 |
| 2. For the review period, actual revenues, by month and by rate class recorded under the programs. | Schedule SS-S4A-4; Schedule SS-S4AE-4; Schedule SS-S4AEII-4 |
| 3. Monthly beginning and ending clause balances, as well as the average balance net of tax for the 12-month period. | Schedule SS-S4A-3 Schedule SS-S4AE-3 Schedule SS-S4AEII-3 |
| 4. The interest rate used each month for over/under recoveries, and all supporting documentation and calculations for the interest rate. | Schedule SS-S4A-3, Schedule SS-S4AE-3, Schedule SS-S4AEII-3, WP-SS-GPRC-3.xlsx |
| 5. The interest expense to be charged or credited to ratepayers each month. | Schedule SS-S4A-3, Schedule SS-S4AE-3, Schedule SS-S4AEII-3, |
| 6. A schedule showing budgeted versus actual program costs and revenues. | Schedule MCM-S4A-7, Schedule MCM-S4AE-7, Schedule MCM-S4AEII-7 |
| 7. The monthly journal entries relating to regulatory assets and O&M expenses for the 12 month review period. | Schedule P-1 |
| 8. Supporting details for all administrative costs included in the revenue requirement. | WP-MCM-S4A-1.xlsx, WP-MCM-S4AE-1.xlsx, WP-MCM-S4AEII-1.xlsx |
| 9. Information supporting the carrying cost used for the unamortized costs. | Schedule SS-S4A-3, Schedule SS-S4AE-3, Schedule SS-S4AEII-3, WP-SS-GPRC-3.xlsx |
| 10. Number of solar systems install, including a breakdown by Segment. | Schedule MCM-S4A-1, Schedule MCM-S4AE-1, Schedule MCM-S4AEII-1, |
| 11. Total capacity of solar systems install, including a breakdown by Segment. | Schedule MCM-S4A-2, Schedule MCM-S4AE-2, Schedule MCM-S4AEII-2 |
| 12. Estimated kWhs generated by the solar systems, including a breakdown by Segment. | Schedule MCM-S4A-4, Schedule MCM-S4AE-4, Schedule MCM-S4AEII-4 |
| 13. Scheduled installations by quarter. | Schedule MCM-S4A-3, Schedule MCM-S4AE-3, Schedule MCM-S4AEII-3 |
| 14. Emissions reductions from the Program, including a breakdown by Segment. | Schedule MCM-S4A-6, Schedule MCM-S4AE-6, Schedule MCM-S4AEII-6 |

APPENDIX A - S4A – S4AE – S4AEII

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|
| 15. Number of SRECs received under the Program, including a breakdown by Segment. | Schedule MCM-S4A-5, Schedule MCM-S4AE-5, Schedule MCM-S4AEII-5 |
| 16. Net revenues received from sales of SRECs for the 12-month review period. | Schedule SS-S4A-2, Schedule SS-S4AE-2, Schedule SS-S4AEII-2 |
| 17. Net revenues received from sales of energy or capacity from the Solar Systems in the PJM markets for the 12-month review period. | Schedule SS-S4A-2 Schedule SS-S4AE-2 Schedule SS-S4AEII-2 |
| 18. A narrative description of issues and problems that have arisen regarding the Program, if any, along with an action plan to address them. | Attachment A |

APPENDIX A - SLII - SLIII

| PUBLIC SERVICE ELECTRIC AND GAS | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| Minimum Filing Requirements – Solar Loan II - Solar Loan III Programs | |
| MINIMUM FILING REQUIREMENTS | LOCATION IN FILING |
| I. General Filing Requirements | |
| 1. A monthly revenue requirement calculation based on program expenditures, showing the actual monthly revenue requirement for each of the past twelve months or clause-review period, as well as supporting calculations, including the information related to the tax rate and revenue multiplier used in the revenue requirement calculation. | Schedules SS-SLII-2, Schedules SS-SLIII-2 and SS-SLIII-2a |
| 2. For the review period, actual revenues, by month and by rate class recorded under the programs. | Schedule SS-SLII-4, Schedule SS-SLIII-4 |
| 3. Monthly beginning and ending clause balances, as well as the average balance net of tax for the 12-month period. | Schedule SS-SLII-3, Schedule SS-SLIII-3 |
| 4. The interest rate used each month for over/under recoveries, and all supporting documentation and calculations for the interest rate. | WP-SS-GPRC-3.xlsx |
| 5. The interest expense to be charged or credited to ratepayers each month. | Schedule SS-SLII-3, Schedule SS-SLIII-3 |
| 6. A schedule showing budgeted versus actual program costs and revenues. | N/A |
| 7. The monthly journal entries relating to capital and regulatory assets and O&M expenses for the 12 month review period. | Schedule P-1 |
| 8. Supporting details for all administrative costs included in the revenue requirement. | Schedule MCM-SLII-3, Schedule MCM-SLIII-3 |
| 9. Information supporting the carrying cost used for the unamortized costs. | Schedule SS-SLII-3, Schedule SS-SLIII-3 |
| 10. Number of loans closed, including a breakdown by Segment. | Schedule MCM-SLIII-4, Schedule MCM-SLIII-4 |
| 11. Total capacity of solar systems for which loans have been closed, including a breakdown by Segment. | Schedule MCM-SLII-5, Schedule MCM-SLIII-5 |
| 12. Estimated kwhs generated by the solar systems for which loans have been closed, including a breakdown by Segment. | Schedule MCM-SLII-6, Schedule MCM-SLIII-6 |
| 13. Number of loans closed by quarter. | Schedule MCM-SLII-7, Schedule MCM-SLIII-7 |
| 14. Emissions reductions from the Program, including a breakdown by Segment. | Schedule MCM-SLII-8, Schedule MCM-SLIII-8 |
| 15. Number of SRECs received under the Program, including a breakdown by Segment | Schedule MCM-SLII-9, Schedule MCM-SLIII-9 |
| 16. Net revenues received from sales of SRECs for the actual and forecast period. | Schedule SS-SLIII-3 |
| 17. A narrative description of issues and problems that have arisen regarding the Program, if any, along with the action plan to address them. | Attachment B |

1 **PUBLIC SERVICE ELECTRIC AND GAS COMPANY**
2 **DIRECT TESTIMONY**
3 **OF**
4 **M. COURTNEY MCCORMICK**
5 **VICE PRESIDENT RENEWABLES AND ENERGY SOLUTIONS**

6 My name is M. Courtney McCormick and I am the Vice President
7 Renewables and Energy Solutions for Public Service Electric and Gas Company (“PSE&G”
8 the “Company”). I have primary management and oversight responsibility for the design,
9 planning and operations of renewable energy, energy efficiency, and demand response
10 programs. My credentials are included as Schedule MCM-1. The purpose of this testimony
11 is to support the Company’s request for recovery of costs incurred implementing the
12 following programs: PSE&G’s Solar 4 All (“S4A”) Program; Solar 4 All Extension
13 (“S4AE”) Program; Solar 4 All Extension II (“S4AEII”); Solar Loan II (“SLII”) Program;
14 Solar Loan III (“SLIII”) Program; Carbon Abatement (“CA”) Program; Energy Efficiency
15 Economic Stimulus (“EEE”) Program; Energy Efficiency Economic Extension (“EEE Ext”)
16 Program; Energy Efficiency Economic Extension II (“EEEXII”) Program; and Demand
17 Response Programs (“DR”). The Programs are described in greater detail below.

18 **SOLAR 4 ALL (S4A) PROGRAM**

19 **A. Solar 4 All Program Description**

20 As approved by Board Order dated August 3, 2009 in Docket No.
21 EO09020125, the total size of the Program is 80 MW-dc¹ and the Company’s investment
22 was estimated to be approximately \$514.6 million. The S4A Program consists of two

¹ MW- direct current (dc). All solar capacity values are in MW-dc, unless otherwise noted

1 segments: Segment 1, which is comprised of three sub-segments: (i) Segment 1a (25 MW)
2 for solar systems installed on PSE&G-owned sites; (ii) Segment 1b (10 MW) for solar
3 systems installed on third-party sites; and (iii) Segment 1c (5 MW) for solar systems installed
4 on sites in municipalities that host Urban Enterprise Zones (“UEZs”), including publicly-
5 owned sites; and Segment 2 (40 MW), where PSE&G has installed small distributed solar
6 systems on utility and street light poles in PSE&G’s service territory.

7 Program features established at the outset of the S4A Program included:
8 PSE&G will own the solar systems; PSE&G will sell the energy generated by the systems
9 and the capacity of the systems into the appropriate PJM market, and the proceeds of those
10 sales will be used to reduce the revenue requirements of the program; PSE&G will sell the
11 Solar Renewable Energy Certificates (SRECs) generated by each project and use the net
12 proceeds to reduce the program revenue requirement; and PSE&G will return Investment Tax
13 Credit (“ITC”) benefits it receives to ratepayers in accordance with Federal income tax law.

14 On April 27, 2011, PSE&G received approval from the BPU to transfer 10
15 MW from Segment 1a to Segment 1b.

16 On April 12, 2012, the BPU issued an Order granting PSE&G a limited
17 conditional waiver of N.J.A.C. 14:5-2.1(a)3, allowing PSE&G to install solar units in the
18 neutral space on utility poles and permitting the Company to continue its efforts to complete
19 Segment 2 of the S4A Program.

1 **B. Solar 4 All Program Status**

2 As of March 31, 2018, 24 solar facilities with a capacity of 40 MW are in-
3 service for Segment 1, and 172,775 solar units with a capacity of 38.25 MW are in-service
4 for Segment 2. The status of each segment and sub-segment is described in more detail
5 below.

6 As referenced above, the estimated investment for the initial build out of the
7 Program was \$514.6 million. Through PSE&G’s competitive procurement processes and the
8 Company’s prudent cost management efforts, the total initial investment for the S4A
9 Program was \$466 million, representing a savings of over 9%.

10 Segment 1a Results - A total of 10 projects with a cumulative capacity of 16
11 MW were built and are in-service in this segment. The following table shows the size of
12 each project and the name of the Engineering Procurement and Construction (“EPC”)
13 contractor utilized.

| Site | Municipality | EPC Contractor | System Size MW |
|--------------------------------------|---------------|--------------------------|----------------|
| Linden | Linden | Advanced Solar Products | 3.197 |
| Yardville | Hamilton | American Capital Energy | 4.302 |
| Silver Lake | Edison | JF Creamer | 2.018 |
| Trenton | Trenton | SunEdison | 1.264 |
| Central Division HQ | Somerset | Solis | 0.916 |
| Edison Training & Development Center | Edison | Henkles & McCoy | 0.712 |
| Thorofare | West Deptford | SunEdison | 0.720 |
| Hackensack | Hackensack | JF Creamer | 1.051 |
| Metro HQ | Clifton | Adema Technologies | 0.733 |
| Southern Div HQ | Moorestown | Vanguard Energy Partners | 1.072 |

1 Segment 1b Results - A total of eight (8) projects with a cumulative capacity
2 of 18.6 MW were built and are in service in this segment. The following table shows each of
3 the Segment 1b projects and the name of the EPC contractor utilized for these projects.

| Site | Municipality | EPC Contractor | System Size MW |
|----------------------|---------------------|-------------------------|-----------------------|
| CPP Bayonne | Bayonne | Advanced Solar Products | 1.746 |
| Matrix – Stults Rd | South Brunswick | Pro-Tech | 2.981 |
| Rider | Lawrenceville | Alteris | 0.739 |
| Mill Creek | Burlington | Juwi | 3.822 |
| NJMC/Kearny Landfill | Kearny | SunDurance | 3.001 |
| Summit Associates | Edison | Advanced Solar Products | 2.224 |
| BlackRock-Matrix | South Brunswick | Pro-Tech | 2.970 |
| Food Bank | Hillside | Mercury | 1.073 |

4 On May 16, 2011, the BPU issued an Order waiving the Program requirement
5 that PSE&G sell the energy generated into the PJM markets, and allowed PSE&G to enter
6 into a bilateral supply contract with a Third Party Supplier (“TPS”) of electricity to sell part
7 of the energy to be generated by the Kearny Landfill Solar Farm. The contract price under
8 the bilateral supply contract with the TPS will equal the price that PSE&G would receive if
9 the energy had been sold in the applicable PJM market. PSE&G will sell the remaining
10 energy from the Project in the PJM markets as required by the Program Stipulation. On
11 January 25, 2012, PSE&G entered into a Power Purchase and Sale agreement with South
12 Jersey Energy Company to sell part of the energy from the Kearny Landfill Solar Farm as
13 provided for in the Board Order and energy sales initiated on and after February 8, 2012.

14 Segment 1c Results - PSE&G sought interest from various potential host sites
15 in municipalities that host UEZs. PSE&G qualified the potential sites, and selected five
16 schools in Newark and two warehouses in Perth Amboy. A cumulative solar capacity of 5.4

1 MW was built and is in service in this segment. The following table shows each of the
 2 Segment 1c projects and the name of the EPC contractor utilized for these projects.

| Site | Municipality | EPC Contractor | System Size MW |
|---------------------------------|--------------|----------------|----------------|
| Barringer High School | Newark | Mercury | 0.647 |
| New Central High School | Newark | LB Electric | 0.501 |
| Camden Street Elementary School | Newark | ALM Electric | 0.914 |
| Camden Street Middle School | | | |
| Park Elementary School | Newark | Mercury | 0.510 |
| Matrix Buildings A and B | Perth Amboy | enXco | 2.859 |

3 A summary of all Segment 1 projects installed is contained in Schedule
 4 MCM-S4A-1. A summary of the capacity of Solar Systems installed in Segment 1 is
 5 contained in Schedule MCM-S4A-2, and the Actual Installations by Quarter is shown in
 6 Schedule MCM-S4A-3.

7 Segment 2 Results - Subsequent to a competitive solicitation, PSE&G entered
 8 into a contract with Petra Systems of South Plainfield on July 29, 2009 to provide up to 40
 9 MW of solar panels to be installed on PSE&G-owned poles. Concurrently, PSE&G
 10 contracted with two firms to perform inspection work to assess the PSE&G poles for
 11 feasibility of installing solar panels. On October 15, 2009, PSE&G entered into a contract
 12 with Riggs-Distler for installation.

13 The initial installation and build-out phase for Segment 2 was completed on
 14 December 31, 2013. At that point, PSE&G began commissioning the entire system and
 15 transitioned to operations activities for operating and maintaining the pole attached solar
 16 system. For the month of March 2018, the average number of units reporting daily and
 17 recording revenue was 160,673, and the maximum number on any given day for the month
 18 was 162,403.

1 A summary of all Segment 2 activity is contained in Schedule MCM-S4A-1.
2 A summary of the capacity of Solar Systems installed in Segment 2 is contained in Schedule
3 MCM-S4A-2, and the Actual Installations by Quarter are shown in Schedule MCM-S4A-3.

4 **Operations & Maintenance – Segment 1**

5 PSE&G competitively bid the centralized solar facilities’ host monitoring
6 system in the summer of 2017. On January 1, 2018, PSE&G awarded and entered into a five
7 year contract with AlsoEnergy. The AlsoEnergy platform enables PSE&G to monitor the
8 operation of all solar facilities through the use of in-field sensors, cameras, and
9 communication equipment that transmits data to a web-based platform. The monitoring
10 platform allows alerts to be issued to assist with troubleshooting efforts. This platform also
11 allows for plant diagnostics and analysis to assess performance of the solar generators. The
12 AlsoEnergy monitoring platform covers all the centralized solar facilities associated with
13 Solar 4 All Segment 1, Solar 4 All Extension, and Solar 4 All Extension II programs (the
14 “Centralized Solar Facilities”).

15 On August 1, 2016, following a competitive bid, PSE&G awarded a five year
16 contract to QE Solar to provide O&M services that include performing scheduled
17 maintenance on solar equipment, responding to monitoring system alerts related to operation
18 and performance of equipment, coordinating repairs of equipment, and completing other
19 maintenance related tasks as needed. O&M services cover all the Centralized Solar
20 Facilities.

21 PSE&G awarded a five year contract with Spooky Brook Landscaping that
22 commenced on April 1, 2017, after services were competitively bid. Landscaping services

1 primarily include cutting grass, maintaining shrubs, fence maintenance / repairs, picking up
2 debris on the site, and snow removal as required for safe operations. Landscaping services
3 cover all Centralized Solar Facilities.

4 PSE&G insures the Programs' Centralized Solar Facilities to provide
5 property, business interruption, and liability coverage.

6 **Operations & Maintenance – Segment 2**

7 Petra Systems provides host monitoring and network operations center
8 services for Segment 2. PSE&G renewed the contract with Petra Systems for those services
9 in November 2016, with a three year agreement with extension options.

10 On July 1, 2017, Riggs Distler (“Riggs”) was awarded a five year operations
11 and maintenance agreement after services were competitively bid. Services include
12 warehousing, and electrical overhead line crews to troubleshoot and repair the pole attached
13 solar units and the aggregator communication units. In addition, the Riggs Distler crews
14 perform equipment removals, replacements, and relocations as directed by PSE&G to
15 address requests by third party stakeholders (e.g., Verizon and construction workers). Data
16 records for all field activities are transmitted to PSE&G for validation and the data is relayed
17 to Petra Systems to be incorporated in the host monitoring database.

18 Through a combination of data collected via revenue-grade meters on units
19 located throughout the PSE&G electric service territory and the data collected through Petra
20 Systems's communication system, the Segment 2 program receives credits from energy,
21 capacity, and SREC sales as further described in this testimony.

1 The Segment 2 Pole Attached Solar Program is the first and largest of its kind
2 in the United States spanning 2,600 square miles, and the only pole attached system existing
3 at this scale (~40 MW-dc). The system is dynamic and continues to change as a result of
4 aging equipment, as well as the removal, relocation, and installation of utility poles for
5 various reasons.

6 The S4A team conducts daily analysis of the pole attached solar system to
7 detect significant anomalies, track performance, and identify trends. The Company has
8 dedicated internal resources to analyze and manage the operation of the system utilizing
9 information captured and contained in multiple databases. Weekly meetings are held with
10 key stakeholders² to discuss any irregularities detected, the systems performance, and trends
11 to collaborate on solutions and develop action plans going forward.

12 Working with these stakeholders to develop a better understanding of the
13 dynamic nature of the electric distribution system and the pole attach solar fleet, the S4A
14 team has developed cost effective business processes to identify and address non-functioning
15 solar units and communication equipment. As an example, due to intermittent solar unit
16 communications, the S4A team learned to delay repair crews and perform greater system
17 analytics rather than quickly dispatching our field O&M vendor on unnecessary pole
18 troubleshooting visits. Additionally, based upon identified trends and experience, S4A
19 resources perform quality control analyses to reconcile databases, maximize the number of
20 solar units communicating, and capture and monetize energy generation.

² Key stakeholders include Petra Systems, PSE&G Geographical Information Systems (“GIS”) group, Riggs Distler (electrical contractor performing field O&M work), and the PSE&G S4A team.

1 S4A continuously looks for methods to improve the performance of the pole
2 attached solar fleet. Working with the key stakeholders, S4A will evaluate the ability to cost
3 effectively automate database updates to avoid human errors, and will evaluate cost effective
4 process improvements to reduce the cycle time between identifying and resolving
5 communication problems to increase the percentage of solar units communicating.

6 **Site Leases**

7 PSE&G has entered into 16 site lease agreements for all sites under Segments
8 1b and 1c of the program for the use of land and roof space, as applicable, for the installation
9 and operation of solar electric generating facilities. These site leases provide a rental
10 payment to host sites during the construction period and for a twenty-year period starting
11 from the commercial operation date.

12 PSE&G entered into a five year warehouse lease commencing on January 1,
13 2017 associated with the Segment 2 program. The leased space will be used by the O&M
14 contractor to dispatch crews to perform field work and house solar units and components.
15 Riggs Distler subleases this space as part of the O&M service agreement.

16 **Energy and Capacity Sales**

17 A total of \$2,877,684 in energy sales revenue has been generated by the
18 program for the twelve month review period. The table below provides energy sales received
19 during that period.

1 In Energy Year 2017-2018, PSE&G bid and cleared 23.2 MW AC UCAP³ of
 2 solar capacity into the PJM capacity market. PSE&G has received a total of \$1,811,539 in
 3 capacity revenue for Solar 4 All solar generators for the twelve month review period. The
 4 table below provides a summary of the total energy and capacity revenues received during
 5 that period.

| Month | Energy Revenue | Capacity Revenue |
|----------------|-----------------------|-------------------------|
| April 2017 | \$174,086 | \$157,372 |
| May 2017 | \$260,536 | \$162,579 |
| June 2017 | \$262,390 | \$149,264 |
| July 2017 | \$301,486 | \$151,776 |
| August 2017 | \$350,731 | \$152,491 |
| September 2017 | \$250,858 | \$146,732 |
| October 2017 | \$224,181 | \$152,069 |
| November 2017 | \$131,566 | \$146,711 |
| December 2017 | \$130,046 | \$151,784 |
| January 2018 | \$176,872 | \$151,682 |
| February 2018 | \$446,628 | \$ 137,154 |
| March 2018 | \$168,304 | \$151,925 |
| Total | \$2,877,684 | \$ 1,811,539 |

6 **Energy Generated**

7 A total of 82,925 MWh have been generated for the period April 1, 2017
 8 through March 31, 2018. Schedule MCM-S4A-4 shows the actual generation through March
 9 31, 2018 and estimated kWh generation for future periods by segment.

³ AC UCAP – Alternating Current unforced capacity.

1 **SRECs Received Under the Program**

2 A total of 82,980 SRECs have been issued for generation for the period April
3 1, 2017 through March 31, 2018. Schedule MCM-S4A-5 shows the SRECs received under
4 the Program by Energy Year.

5 **SRECs Auctioned Under the Program**

6 During the twelve month review period, five SREC auctions were held. A
7 total of 84,407 Solar 4 All SRECs were auctioned for total net revenue from sales of
8 \$18,632,873. The net proceeds of these auctions are credited to ratepayers. The table below
9 provides a summary of the Solar 4 All SREC auction activity from April 1, 2017 through
10 March 31, 2018.

| Month | Total SRECs Sold | Gross Revenue | SREC Auction Costs | Net Revenue |
|--------|------------------|---------------|--------------------|--------------|
| Apr-17 | 0 | \$0 | \$1,286 | (\$1,286) |
| May-17 | 0 | \$0 | \$0 | \$0 |
| Jun-17 | 21,044 | \$5,317,608 | \$20,107 | \$5,297,501 |
| Jul-17 | 8,147 | \$1,910,472 | \$27,627 | \$1,882,844 |
| Aug-17 | 0 | \$0 | (\$5,374) | \$5,374 |
| Sep-17 | 0 | \$0 | \$0 | \$0 |
| Oct-17 | 26,635 | \$5,210,605 | \$0 | \$5,210,605 |
| Nov-17 | 0 | \$0 | \$19,475 | (\$19,475) |
| Dec-17 | 14,591 | \$3,019,316 | \$0 | \$3,019,316 |
| Jan-18 | 0 | \$0 | \$21,675 | (\$21,675) |
| Feb-18 | 0 | \$0 | \$0 | \$0 |
| Mar-18 | 13,990 | \$3,259,670 | \$0 | \$3,259,670 |
| Total | 84,407 | \$18,717,671 | \$84,797 | \$18,632,873 |

1 **Emission Reductions**

2 Schedule MCM-S4A-6 shows the estimated emissions reductions by segment
3 under the Program.

4 **Reporting**

5 PSE&G began filing monthly capacity reports in December 2009. At the
6 request of BPU Staff, an enhanced monthly report has been developed. The first filing of this
7 enhanced report (“Solar 4 All Monthly Program Activity Report”) was on June 1, 2012, for
8 the period ending April 2012, and PSE&G has continued to submit these reports on a
9 monthly basis.

10 **C. Solar 4 All Expenses**

11 The total Solar 4 All expenses in this filing are based upon actual costs for the
12 period October 1, 2017 through March 31, 2018, and forecasted costs through September 30,
13 2019. The total operating expenses for the period October 1, 2017 through March 31, 2018
14 for Segment 1 and Segment 2 are contained in Schedule MCM-S4A-7. Additional detail,
15 including forecasted costs through September 2019, is contained in Schedule MCM-S4A-7.

16 **D. Issues & Discussion**

17 **Thermal Events**

18 Two Segment 1 roof mounted solar facilities have experienced thermal events,
19 CPP Bayonne and Raritan Center – 110 Newfield Avenue. The CPP Bayonne event
20 occurred on July 16, 2016 and the Raritan Center event occurred on November 4, 2016.
21 Both events damaged small sections of the roof and the solar array, resulting in a shutdown

1 of the systems. The thermal events are believed to have been caused by ground/arc faults in
2 the DC wire connectors within the solar array. Both sites were restored to full capacity in
3 2017.

4 The CPP Bayonne solar facility has been fully operational as of July 1, 2017.
5 PSE&G filed an insurance claim for the thermal event and received funds to address business
6 interruption. The contractor assumed responsibility for the event and restored the solar
7 facility at its expense. The reimbursement value of the claim was \$263,378.

8 PSE&G performed thorough inspections and tests of all roof mounted solar
9 arrays in the fall of 2016 to minimize the risk of further ground/arc faults. In addition,
10 current O&M practices were reviewed, and determined to be sufficient for ground mounted
11 and parking lot solar facilities.

12 **Code Upgrades**

13 Segment 1 solar facilities were designed and built to National Electrical Code
14 (“NEC”) 2008 codes. In September 2015, New Jersey adopted updated equipment and
15 industry standards (NEC 2014) to address arc and ground fault detection and protection.
16 PSE&G identified thirteen (13) roof mounted solar facilities, to be updated to improve safety
17 and meet the new NEC 2014 code for roof mounted solar facilities.

18 Following a competitive bid, PSE&G awarded a contract to Whitman
19 Engineering in June 2017 to evaluate each of the thirteen roof mounted solar facilities and
20 provide design/engineering services to retrofit each facility to improve safety and meet the
21 new NEC 2014 code for arc and ground fault detection and protection.

1 From July through September 2017, Whitman performed site visits at each of
2 the thirteen rooftop solar facilities to gather information about the existing solar equipment,
3 site conditions, and available technologies in the solar market. Whitman then provided
4 multiple options for incorporating arc fault protection at each facility based on site specific
5 information and compatible inverter equipment. Site specific information that influenced
6 decisions were: solar panel voltage compatibility, existing DC wire-string configuration,
7 equipment condition, and availability of replacement parts. Other aspects that affected
8 PSE&G's decisions were constructability, degree of rework, increasing system efficiency,
9 maintainability, satisfying the safety and code requirements, and longevity of the solution.
10 PSE&G considered cost and the factors listed before proceeding to retrofit each site.

11 As of March 2018, design documents have been completed for seven (7) of
12 the rooftop solar facilities, with one additional site under design development. In addition,
13 permit packages have been submitted to New Jersey's Department of Community Affairs
14 ("NJDCA"), and competitive bids have been launched to procure inverter equipment and
15 electrical construction services. PSE&G plans to complete retrofit projects at eight (8) solar
16 facilities in 2018. The solar facilities to be retrofitted per Program Segment are: Segment 1a,
17 Edison Training & Development Center; Segment 1b, Community FoodBank of New Jersey,
18 Raritan Center, Matrix Stults Road, and Black Rock; Segment 1c, Barringer High School,
19 Park Elementary School, and Camden Street Schools.

20 **CPP-Bayonne Litigation**

21 Center Point Properties, the owner of the warehouse where the CPP Bayonne
22 solar facility is located, filed a lawsuit on November 29, 2017 claiming the solar facility

1 creates an unsafe structural condition for the building and should be removed. PSE&G
2 defended the installation and presented structural engineering testimony to keep the solar
3 facility intact. A settlement agreement was reached with Center Point Properties to allow the
4 facility to remain on the roof. In the settlement agreement, out of an abundance of caution
5 PSE&G agreed to modify the layout of the solar array and method to structurally secure the
6 solar facility to the roof. The solar facility is scheduled to be modified by October 1, 2018.

7 **Segment 2 Communication Network**

8 For Segment 2, a cellular wireless network is used to enable the solar units to
9 communicate and report energy generated. In August 2015, PSE&G entered into an
10 agreement with Petra Systems to supply communication devices compatible with AT&T's
11 3G/4G network. The new communication devices were installed starting in April 2016 and
12 ending in July 2016. The network communication system was commissioned and is
13 operational following the installation.

14 During 2017, software anomalies were discovered with the new
15 communication devices that resulted in communication devices failing to report the daily
16 energy information. The software anomalies did not become apparent until the
17 communication devices had been operating for several months. Software updates and
18 remedial activities have been implemented to minimize the impact of these software
19 anomalies.

20 **Segment 2 Warranty Inverter Replacements**

21 Petra Systems informed PSE&G that they would no longer be able to provide
22 first generation replacement micro-inverters due to end of life componentry within the

1 device. Petra Systems informed PSE&G it was developing a replacement micro-inverter for
2 the pole attached solar system. Petra continues to develop and test a new replacement micro-
3 inverter that is backward compatible with the first generation micro-inverter and the 3G/4G
4 communication system. Petra has delivered a small quantity of invertors for field testing and
5 is expected to deliver the remainder in Q3 of 2018. As of March 31, 2018, the Company has
6 approximately 2,049 non-functioning panels due to inverter failures that await replacement
7 inverters. While the inverter replacements are under warranty at no cost to the program, the
8 program does incur costs to remove the panels.

9 A matrix of Minimum Filing Requirements is included in Appendix A-S4A.

10 **SOLAR 4 ALL EXTENSION PROGRAM**

11 **A. Solar 4 All Extension Program Description**

12 As approved by Board Order dated May 31, 2013 in Docket No.
13 EO12080721, the total size of the S4AE Program is 45 MW, and the Company's investment
14 was estimated to be approximately \$247.2 million. The S4AE Program consists of four
15 segments: Segment A, which is 42 MW and consists of solar systems with a minimum size of
16 1 MW built on landfills or brownfields, Segment B is for Underutilized Governmental
17 Facilities, Segment C is for Grid Security or Storm Preparedness ("Grid Security") projects,
18 and Segment D is for Innovative Parking Lot applications. Segments B, C and D are
19 collectively referred to as the "Pilots". Each pilot segment is sized at 1 MW and each project
20 has a minimum project size of 100 kW.

21 PSE&G has the flexibility to move capacity between the Pilots only. PSE&G
22 may increase the landfills/brownfields Segment by up to 3 MW, but may not reduce solar on

1 landfills/brownfields to increase the size of another Pilot Segment. For solar on
2 landfills/brownfields, PSE&G has sought Board certification of project location pursuant to
3 the Board’s Order implementing the Solar Act of 2012, N.J.S.A. 48:3-87 (t), by submitting
4 an application to the Board for New Jersey Department of Environmental Protection
5 (“NJDEP”) review and approval by the Board.

6 Project developers were hired through a competitive bid process to provide
7 the engineering, permitting, procurement and construction services required to develop the
8 projects. Prevailing wages are required, and preference is given to New Jersey providers.

9 For the Pilots, PSE&G conducted a solicitation requesting proposals that meet
10 the objectives and criteria of each pilot/demo segment. PSE&G reserved the right to reject
11 any or all proposals that, in its view, do not meet the segment’s objectives and criteria.

12 Upon the final acceptance of a proposal, PSE&G negotiated a contract with
13 the developers to build the solar systems. PSE&G then submitted a Project Award Selection
14 assessment and evaluation to Board Staff and Rate Counsel for review.

15 PSE&G and a host site owner then enter into a suitable agreement (“Lease”)
16 containing typical terms and conditions including rent payments, insurance, indemnifications,
17 owner responsibility for pre-existing site conditions, and access. All Leases between PSE&G
18 and the site owner have a 20 year term, unless applicable law requires a shorter term, and
19 may contain options to extend the term as negotiated by the parties.

20 Other program features established at the outset of the S4AE Program
21 included: PSE&G will own the solar systems; PSE&G will sell the energy generated and the
22 capacity of the systems into the appropriate PJM market, and the proceeds of those sales will

1 be used to reduce the revenue requirements of the program; PSE&G will sell the SRECs
2 generated by each project and use the net proceeds to reduce the program revenue
3 requirement; and PSE&G will return ITC benefits it receives to ratepayers in accordance
4 with Federal income tax law.

5 **B. Solar 4 All Extension Program Status**

6 Segment A Status – Four landfill solar projects have been placed into service
7 fulfilling the 42 MW Segment A capacity. The four projects are Kinsley, Parklands, L&D,
8 and ILR.

9 Kinsley Landfill – The Kinsley Landfill solar facility is sized at 11.18 MW. It
10 was placed into service in December 2014, and operated at 9.2 MW until the end of Energy
11 Year 2015 to maintain compliance with the Board Order not to place in service greater than
12 20 MW in a single Energy Year. As of June 1, 2015, the site has been operating at full
13 capacity.

14 Parklands Landfill - The Parklands Landfill solar facility is sized at 10.14
15 MW. It was placed into service in December 2014 and has been operating at full capacity.

16 L&D Landfill – The L&D Landfill solar facility is sized at 12.93 MW. The
17 solar facility was placed into service in December 2015 and has been operating at full
18 capacity. Although the solar facility is fully operational and generating energy for sale, the
19 EPC contractor has not completed work in accordance with the NJDEP’s Post Closure
20 Amendment Plan for the solar facility.

1 ILR Landfill – The ILR Landfill solar facility is sized at 7.75 MW. The solar
2 facility was placed into service in December 2016 and has been operating at full capacity.

3 Pilot Status - In November 2013, PSE&G issued requests for information for
4 the three pilot segments.

5 For the Underutilized Governmental Facilities segment, PSE&G requested
6 municipalities and other governmental entities to submit proposed sites for qualifying pilots.
7 PSE&G received two applications and they were both rejected. The Underutilized
8 Governmental Facility segment’s capacity was reallocated between the other two segments.

9 In April 2014, PSE&G issued RFPs for both the Innovative Parking Lot and
10 Grid Security segments. PSE&G received 10 bids for the Innovative Parking Lot segment
11 and 10 bids for the Grid Security segment. All of the Innovative Parking Lot bids were
12 rejected primarily due to cost, uncertainty about the host site, or poor site conditions. This
13 segment’s capacity was reallocated to the Grid Security / Storm Preparedness segment.

14 PSE&G developed three Grid Security / Storm Preparedness projects,
15 described below, with a total solar capacity of 2 MW.

16 Hopewell Central Valley High School - The Hopewell Central Valley High
17 School Grid Security / Storm Preparedness facility located in Hopewell Township, NJ has a
18 solar capacity of 876 kW combined with a battery storage capacity of 444 kWh. The solar
19 and battery system will disconnect from the grid during a prolonged power outage and
20 function as a micro-grid to energize a portion of the high school. The high school will be
21 utilized as a community warming/cooling station during prolonged power outages. The site

1 was interconnected to the electric grid in December 2015 and is fully operational, including
2 its batteries.

3 Cooper Hospital – The Cooper Hospital Grid Security / Storm Preparedness
4 project located in Camden, NJ has a solar capacity of 218 kW combined with a battery
5 storage capacity of 200 kWh. The solar and battery system will provide backup power
6 during prolonged power outages to refrigerators that store medicines. The site was
7 interconnected to the electric grid in September 2016, and is fully operational including its
8 batteries.

9 Caldwell Wastewater Treatment Facility – The Caldwell Wastewater
10 Treatment Facility Grid Security / Storm Preparedness project located in West Caldwell, NJ
11 has a solar capacity of 896 kW combined with a battery storage capacity of 1,000 kWh. The
12 solar and battery system will work in conjunction with on-site generators to provide backup
13 power to the wastewater treatment facility during prolonged outages. The solar and battery
14 system will extend the generators’ operating duration on a single tank of fuel by off-setting
15 the load placed on the generator. The solar facility was placed into service in December
16 2016 and is fully operational.

17 PSE&G released a second Grid Security / Storm Preparedness solicitation in
18 June 2015 to complete the 1 MW of remaining available program capacity. After review of
19 the 14 projects submitted, two projects were selected to fulfill the 1 MW of remaining
20 available program capacity.

21 Pennington DPW - The Pennington DPW Grid Security / Storm Preparedness
22 project located in the Borough of Pennington provides a solar capacity of 403 kW combined

1 with a battery storage capacity of 570 kWh. The solar facility was placed into service in
2 December 2017, and the battery system was placed into service in February 2018. The solar
3 and battery systems are fully operational and provide backup power to Pennington's
4 Department of Public Works facility in the event of a prolonged outage supporting building
5 operations and gas refueling pumps for vehicles.

6 Highland Park – The Highland Park Grid Security / Storm Preparedness
7 project located in Highland Park provides a solar capacity of 607 kW and is located on a
8 landfill site adjacent to a 4 kV circuit making it an ideal candidate to study and develop
9 methods to reduce the impact of solar power on the distribution grid. Since the circuit
10 capacity of a 4 kV line is small, a relatively small solar facility can be utilized to study the
11 impact solar has on a circuit, and how the integration of a battery system with advanced
12 inverter technologies can be used to reduce these impacts. A lease has been executed with
13 Highland Park and an EPC contract is in process. NJDEP permit and Subsection (t)
14 applications have been submitted for the project. The project has been delayed in order to
15 allow Highland Park to properly close the pre-circa 1982 municipal landfill, which Highland
16 Park has agreed to satisfy. Highland Park is scheduled to satisfy the requirements to properly
17 close the landfill by the summer of 2018, allowing the project to commence in the fall of
18 2018.

19 A summary of all projects installed is contained in Schedule MCM-S4AE-1.
20 A summary of the capacity of all Solar Systems installed is contained in Schedule MCM-
21 S4AE-2, and the Actual and Scheduled Installations by Quarter is shown in Schedule MCM-
22 S4AE-3.

1 **Operations & Maintenance**

2 Kinsley, Parklands, L&D, ILR, Hopewell, Cooper, Caldwell, and Pennington
3 are in service and operating. The facilities are monitored through the AlsoEnergy portal in a
4 similar manner as the Solar 4 All Segment 1 centralized solar facilities. In addition, they are
5 being maintained by the third party O&M provider under the same terms and conditions as
6 Solar 4 All Segment 1 centralized solar facilities. These sites, as well as the Highland Park
7 facility under development, were included in the centralized O&M and landscaping services
8 bid mentioned above. The sites are insured along with the portfolio of solar facilities
9 mentioned above in Solar 4 All Segment 1.

10 For the solar plus energy storage systems, PSE&G competitively bid services
11 for a market integrator / storage system operator. A.F. Mensah was awarded the contract in
12 June 2015 to provide services to i) enable storage assets to be operated and used in the PJM
13 frequency regulation market, ii) operate the storage assets in conformance with
14 manufacturer's warranties, iii) develop and implement storm preparedness operating
15 procedures, and iv) monitor the performance and lifecycle of the storage media.

16 **Site Leases**

17 PSE&G has entered into 9 site lease agreements under the
18 Landfill/Brownfield and Pilot segments for the use of land and roof space, as applicable, for
19 the installation of all solar electric generating facilities. These site leases provide a rental
20 payment to host sites during the construction period and for a twenty-year period starting
21 from the commercial operation date. The table below lists the sites with lease agreements.

| Site | Property Owner | System Size MW | Status |
|-------------------------------|---------------------------------------------|---------------------------|---------------|
| Kinsley Landfill | Kinsley Landfill, Inc. | 11.18 | In-Service |
| Parklands Landfill | Waste Management of NJ | 10.14 | In-Service |
| L&D Landfill | Waste Management of NJ | 12.93 | In-Service |
| ILR Landfill | Industrial Land Reclaiming, Inc. | 7.75 | In-Service |
| Hopewell Valley High School | Hopewell Valley Regional Board of Education | .876 | In-Service |
| Cooper Hospital | Cooper Medical Services, Inc. | .218 | In-Service |
| Caldwell Wastewater Treatment | Borough of Caldwell | .896 | In-Service |
| Pennington DPW | Borough of Pennington | .403 | In-Service |
| Highland Park | Borough of Highland Park | .607 | Development |

1 **Energy Generated for Sales**

2 A total of 53,272 MWh have been generated by the S4AE projects for the
3 period April 1, 2017 through March 31, 2018. Schedule MCM-S4AE-4 shows the actual
4 generation through March 31, 2018 and estimated generation for future periods by segment.

5 **Energy and Capacity Sales**

6 In Energy Year 2017-2018, PSE&G bid and cleared 9.7 MW AC UCAP of
7 solar capacity into the PJM capacity market. PSE&G has received a total of \$570,234 in
8 capacity payments for the period April 1, 2017 through March 31, 2018. The table below
9 provides a summary of the total capacity payments received during that period.

10 A total of \$1,836,925 in energy sales revenue has been generated by the
11 program for the period April, 2017 through March 31, 2018. The table below provides
12 energy and capacity revenue received during that period.

| Month | Energy Revenue | Capacity Revenue |
|----------------|----------------|------------------|
| April 2017 | \$110,316 | \$23,492 |
| May 2017 | \$163,661 | \$24,317 |
| June 2017 | \$167,814 | \$42,719 |
| July 2017 | \$217,037 | \$53,032 |
| August 2017 | \$231,157 | \$61,952 |
| September 2017 | \$161,523 | \$51,579 |
| October 2017 | \$148,355 | \$53,405 |
| November 2017 | \$ 81,191 | \$51,572 |
| December 2017 | \$79,890 | \$53,305 |
| January 2018 | \$105,960 | \$53,294 |
| February 2018 | \$266,430 | \$48,263 |
| March 2018 | \$103,591 | \$53,305 |
| Total | \$1,836,925 | \$570,234 |

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SRECs Received Under the Program

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A total of 27,636 SRECs have been issued for generation for the period October 1, 2017 through March 31, 2018. Schedule MCM-S4AE-5 shows the SRECs received under the Program by Energy Year.

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SRECs Auctioned Under the Program

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During the period April 1, 2017 through March 31, 2018, five SREC auctions were held. A total of 36,840 Solar 4 All Extension SRECs were auctioned for total net revenue from sales of \$8,211,421. The net proceeds of these auctions are credited to ratepayers. The table below provides a summary of the Solar 4 All Extension SREC auction activity over the reporting period.

Solar 4 All Extension – SREC Auctions Payments April 2017 – March 2018

| Month | Total SRECs Sold | Gross Revenue | SREC Auction Costs | Net Revenue |
|----------------|------------------|--------------------|--------------------|--------------------|
| April 2017 | 0 | \$0 | \$403 | (\$403) |
| May 2017 | 0 | \$0 | \$0 | \$0 |
| June 2017 | 6,390 | \$1,614,688 | \$6,179 | \$1,608,509 |
| July 2017 | 2,465 | \$578,043 | \$8,368 | \$569,674 |
| August 2017 | 0 | \$0 | (\$1,626) | \$1,626 |
| September 2017 | 0 | \$0 | \$0 | \$0 |
| October 2017 | 9,111 | \$1,782,385 | \$0 | \$1,782,385 |
| November 2017 | 0 | \$0 | \$6,662 | (\$6,662) |
| December 2017 | 4,745 | \$981,883 | \$0 | \$981,883 |
| January 2018 | 0 | \$0 | \$7,049 | (\$7,049) |
| February 2018 | 0 | \$0 | \$0 | \$0 |
| March 2018 | 14,129 | \$3,281,458 | \$0 | \$3,281,458 |
| Total | 36,840 | \$8,238,457 | \$27,036 | \$8,211,421 |

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Emission Reductions

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Please refer to Schedule MCM-S4AE-6.

4

Reporting

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The S4AE Board Order requires PSE&G to submit a Monthly Activity Report (“MAR”) containing the information outlined in Appendix A – Solar 4 All Extension Monthly Activity Report of the Order. The MAR is to be electronically transmitted to the Board’s Office of Clean Energy and Energy Division, and the NJ Division of Rate Counsel on or before the 20th day of the month following the reporting period. PSE&G has complied

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with this requirement on a monthly basis.

1 **C. Solar 4 All Extension Expenses**

2 The total S4AE expenses in this filing are based upon actual costs for the
3 period October 1, 2017 through March 31, 2018 and forecasted costs through September 30,
4 2019. For the Landfills and Pilots, the total actual operating expenses for the period October
5 1, 2017 through March 31, 2018 are contained in Schedule MCM -S4AE-7. Additional
6 detail, including forecasted costs through 2019, is contained in Schedule MCM-S4AE-7.

7 **D. Issues & Discussion**

8 **L&D Permit**

9 The EPC contractor associated with the L&D Landfill solar project failed to
10 complete the work in accordance with the approved NJDEP Post Closure Amendment Plan
11 (the "Permit(s)"). PSE&G and Waste Management recognized site conditions did not satisfy
12 the requirements of the Permit. The EPC contractor's work includes bringing in fill material
13 and grading the landfill to prevent ponding and allow for positive water drainage on the
14 landfill within the footprint of the solar facility. PSE&G, working in collaboration with
15 Waste Management, NJDEP, and the EPC contractor, identified the deficiencies and
16 communicated the requirements of the Permits to the contractor. The EPC contractor is
17 scheduled to commence the filling and grading work in the summer of 2018, with final
18 NJDEP approvals to be received in late 2018. Upon receiving final approvals, NJDEP will
19 notify the BPU for SREC certification purposes. Once the certification process is
20 completed, all SRECs held in inventory will be available for sale.

1 **Participation in the PJM Frequency Regulation Market**

2 Batteries directly connected to the distribution grid are typically eligible to
3 participate in PJM frequency regulation market (Reg D). As PSE&G’s pilot projects all have
4 batteries connected to the distribution grid under normal operating conditions, it sought to
5 participate in PJM’s Reg D market. Initially, PJM defined the solar and battery systems
6 providing backup power for the pilot projects as an “energy storage resource”. Under this
7 definition, the incoming energy to these sites was metered as a retail load, while exports were
8 metered as wholesale load, making participation in the Reg D market uneconomic, as well as
9 charging parasitic loads at a higher rate.

10 PSE&G worked with PJM to reconsider the initial definition of the sites based
11 on the facilities’ configurations and application. In April 2017, PJM determined that the pilot
12 projects will be accounted for under “station power” rules, which meant that these sites
13 would have been metered in both directions at a wholesale rate so long as the net export of
14 energy was positive.

15 In late 2017, PJM revisited the “station power” rules and rescinded their
16 interpretation to allow the PSE&G pilot site’s battery to be categorized at “station power”
17 and reverted to the original definition of the battery charging as a retail load described above.

18 Additionally, the Federal Energy Regulatory Commission (FERC) recently
19 released a final order regarding the market rules for energy storage systems, Rule 841. PJM
20 must submit a compliance filing in adherence of this rule by the end of 2018. PSE&G
21 believes this rule will be beneficial to its solar/storage projects, but must wait for the outcome
22 of PJM’s compliance filing to determine the actual impact. In the meantime, PSE&G is

1 continuing to work with PJM and its Distributed Energy Resources subcommittee for an
2 improved metering interpretation. All future revenue from the Reg D market will be credited
3 to ratepayers.

4 **Caldwell Facility Batteries**

5 At the Caldwell Wastewater Treatment Facility, the installed batteries are
6 manufactured by EOS Energy Storage of Edison NJ and are a zinc hybrid cathode battery
7 technology. Because of the startup nature of EOS and its battery technology, the delivered
8 batteries did not meet the original storage specification of 2,000 kWh. EOS continues to
9 develop their battery technology, and in late 2018 it is anticipated they will upgrade the
10 batteries to meet the original storage specification at no cost to PSE&G.

11 **SOLAR 4 ALL EXTENSION II PROGRAM**

12 **A. Solar 4 All Extension II Program Description**

13 As approved by Board Order dated November 30, 2016 in Docket No.
14 EO16050412, the total size of the S4AEII Program is 33 MW with an annual cap of 15 MW
15 per Energy Year of grid-connected solar projects. The expected capital investment over the
16 initial build-out was estimated to be \$79.2 million.

17 The S4AEII Program consists of a single segment consisting of landfills and
18 brownfields. PSE&G will seek Board certification of project locations pursuant to the
19 Board's Order implementing the Solar Act of 2012, and in particular N.J.S.A. 48:3-87 (t), by
20 submitting an application to the Board for NJDEP review and approval by the Board.

1 PSE&G will be responsible for identifying and selecting suitable sites for the
2 solar systems. PSE&G may retain the services of an engineering firm for site assessment,
3 development, scope of work, permitting, proposal review, and other services.

4 PSE&G and a host site owner will negotiate a mutually suitable agreement
5 containing typical terms and conditions including rent payments, insurance, indemnifications,
6 owner responsibility for pre-existing site conditions, and access, all to be negotiated with the
7 site owner. All leases between PSE&G and the site owners will have a 20 year term, unless
8 applicable law requires a shorter term, and may contain options to extend the term as
9 negotiated by the parties. The determination of the lease payments will follow the
10 methodology established in the S4AE Program. There will be no annual escalation of lease
11 payments.

12 Other program features established at the outset of the S4AEII Program
13 included PSE&G will own the solar systems; PSE&G will sell the energy generated by the
14 systems into the appropriate PJM market, and the proceeds of those sales will be used to
15 reduce the revenue requirements of the program; PSE&G will sell the SRECs generated by
16 each project and use the net proceeds to reduce the program revenue requirement; and
17 PSE&G will return ITC benefits it receives to ratepayers in accordance with Federal income
18 tax law.

19 A summary of all projects scheduled to be installed is contained in Schedule
20 MCM-S4AEII-1. A summary of the capacity of solar systems to be installed is contained in
21 Schedule MCM-S4AEII-2, and the Scheduled Installations by quarter is shown in Schedule
22 MCM-S4AEII-3.

1 **B. S4AEII Program Status**

2 PSE&G competitively bid engineering services in support of the program to
3 perform site due diligence, development of the scope of work, permitting, proposal review,
4 and other services. Weston Solutions was awarded the contract and commenced services in
5 March 2017. PSE&G evaluated project sites previously identified and new sites.

6 PSE&G is developing two projects listed below with a total capacity of 28
7 MW, and continues to evaluate other sites to satisfy the program's capacity of 33 MW.

8 Cinnaminson Landfill – PSE&G entered into a 20-year lease (with two 5-year
9 extension options) with Waste Management and an EPC contract with Conti Solar to build a
10 13 MW solar facility on a landfill located in the Township of Cinnaminson. PSE&G
11 submitted the Cinnaminson Landfill Solar Project to Board Staff and the Division of Rate
12 Counsel for review in accordance with the Project Award Selection Policy and Procedure
13 Manual, following the guidelines established in the Solar 4 All Extension Board Order. A
14 Subsection (t) application was submitted in December 2017 to the BPU as well as other
15 applicable local, county, and state permit applications. Construction of the solar facility is
16 scheduled to start in July 2018 upon receipt of all permits. The solar facility is scheduled to
17 be placed into service in December 2018.

18 Pennsauken Brownfield – PSE&G entered into a 20-year lease (with two 5-
19 year extension options) with Vineland Construction Company to build a 15.16 MW solar
20 facility on a brownfield located in the Township of Pennsauken. PSE&G released a
21 competitive bid to solar developers and plans to award an EPC contract in July 2018.

1 PSE&G will submit the Pennsauken Brownfield Solar Project to Board Staff and the
2 Division of Rate Counsel in the same manner as outlined in the previous paragraph. A
3 Subsection (t) application was submitted in April 2018. Most of the Local, County, and State
4 permits have been filed and are approved. Construction is scheduled to start in the summer
5 of 2018 with the solar facility projected to be placed in service in April 2019.

6 The remaining minimum filing requirements are contained in Schedules
7 MCM-S4AEII-4, -5, -6 and -7.

8 **C. Issues & Discussion**

9 PSE&G did not place any solar capacity in service in Energy Year 2018. Upon
10 approval of the program on November 30, 2016, PSE&G spent a year developing sites. Site
11 development included hiring an environmental engineering firm, performing site due
12 diligence, negotiating landfill/brownfield leases, competitively bidding projects, awarding
13 EPC contracts to have solar facilities constructed, and submitting Subsection (t) and NJDEP
14 permit applications. Because of the time needed to fully develop projects, PSE&G requests
15 to exceed the annual Energy Year cap of 15 MW and install 28 MW in Energy Year 2019.
16 The remaining 5 MW of solar capacity is planned be installed in Energy Year 2020. PSE&G
17 has pursued developing larger solar facilities in order to reduce project costs such as project
18 management costs, transactional costs, site due diligence costs, and interconnection costs. In
19 addition, contractors bidding on these larger projects realize economies of scale through
20 higher material purchase volumes, which in turn is passed on to the program. As a result of
21 this strategy, and improved pricing of solar equipment, PSE&G expects that the overall

1 investment cost per Watt of solar capacity installed to be approximately \$1.64/W instead of
2 \$2.40/W (as filed). This represents a cost reduction of 32% and a savings of \$24.9 million
3 over the installation phase of the program.

4 **SOLAR LOAN II PROGRAM**

5 **A. Solar Loan II Program Description**

6 As approved by Board Orders dated November 10, 2009 and June 22, 2010 in
7 Docket No. EO09030249, the Solar Loan II Program is an approximately 58.83 MW
8 distributed photovoltaic solar initiative in which customers or developers install solar
9 photovoltaic systems on customers' premises "behind the meter", using PSE&G as a source
10 of capital. This Program includes 7.83 MW of unused Solar Loan I Program capacity that
11 was transferred to the Solar Loan II Program in July 2010. The Program is intended to
12 reduce the overall upfront cost of project development and installation to customers, while
13 providing the best solar energy value for all stakeholders.

14 PSE&G provides loans to solar photovoltaic developers or customers for a
15 portion of a project's cost. Non-residential borrowers will repay the loan over a 15-year
16 period by providing SRECs (or an equivalent amount of cash) to PSE&G. For loans to
17 residential customers, the repayment period is 10 years.

18 The SRECs, for purposes of this Program, have an established floor price for
19 the loan repayment period that varies according to system size and date of application as
20 described in Schedule MCM-SLII-1. The higher of the relevant floor price or the SREC
21 Market Price at the time the SREC is transferred to PSE&G is applied toward loan

1 repayment. For purposes of loan repayment, the SREC Market Price means the average
2 monthly cumulative weighted price of SRECs as published on the New Jersey Clean Energy
3 Program (“NJCEP”) website or the successor posting location during the calendar month
4 preceding the month the payment is credited to the loan. The interest rate for loans in the
5 non-residential segment is 11.3092%, and the interest rate for loans in the residential segment
6 is 6.5%.

7 SRECs received as loan repayments will be auctioned by PSE&G as part of
8 the periodic auctions conducted for all EDC SRECs, and the net proceeds will be used to
9 reduce the overall ratepayer impact of the Solar Loan II Program.

10 The Non-Residential Segment is divided into three sub-segments: Small Non-
11 Residential for projects up to 150 kW; Large Non-Residential for projects larger than 150
12 kW up to 500 kW; and Very Large Non-Residential for projects larger than 500 kW to 2,000
13 kW. The initial capacity allocations by segment were 9 MW for residential, 17 MW for
14 Small Non-Residential, and 25 MW for Large Non-Residential.

15 On June 22, 2010, the Board approved PSE&G’s request to establish the Very
16 Large Non-Residential Segment for projects larger than 500 kW up to 2 MW, and to begin
17 accepting applications for this segment on July 1, 2010. The initial allocation for this
18 Segment was 8.5 MW, obtained by reducing the capacity available in the Large Non-
19 Residential Segment.

1 **B. Solar Loan II Program Status**

2 The Program website was activated on December 1, 2009 and the first
3 application was received on December 18, 2009. Applications for the Program were
4 accepted through December 31, 2011, after which no new applications were accepted.

5 Through March 31, 2018, 885 loans have been closed at a value of \$162
6 million representing 57.6 MW.

7 Through March 31, 2018, 379,078 SRECs have been received under the Solar
8 Loan II Program.

9 **C. Solar Loan II Administrative Costs**

10 The Solar Loan II Program monthly administrative costs for the period
11 October 1, 2017 through March 31, 2018, along with projections through September 30,
12 2019, are shown on Schedule MCM-SLII-2. This Schedule details Solar Loan I Program,
13 Solar Loan II Program, and Solar Loan III Program Total Common Costs (column 1), the
14 Solar Loan II Program's share of Common Costs (column 2), Solar Loan II Volume Costs
15 (column 3), Solar Loan II Fees from Borrowers (column 4), and Solar Loan II Net
16 Recoverable Administrative Costs (column 5).

17 Certain administrative costs are common to Solar Loan I, Solar Loan II, and
18 Solar Loan III. Such costs are allocated to the three Programs in accordance with the
19 formula established in the Solar Loan III Program settlement. As specified in paragraph 74
20 of the Solar Loan III Program stipulation, Common Costs shared by all three of PSE&G's
21 solar loan programs are allocated based on the ratio of the forecasted installed capacity for

1 each program to total forecasted installed capacity for all of the solar loan programs for the
2 upcoming year and is applied to all common costs for the following year starting on January
3 1. Currently, the Solar Loan II Program receives 48.7% (58.6 MW/120.3 MW) of the total
4 Common Costs. The total allocated Solar Loan II Common Costs for the period October 1,
5 2017 through March 31, 2018 were \$236,673, and the total Volume Costs were \$56,940.
6 Fees collected from borrowers for this period were \$610, resulting in a Net Recoverable
7 Administrative cost of \$293,003 for the period.

8 Schedule MCM-SLII-3 shows the Program administrative cost details
9 allocated to the categories used by the Board for the NJCEP. Administration and Program
10 Development includes the costs to develop and manage the Program before the loans are
11 closed, along with Program solicitation tracking and reporting. Rebate Processing,
12 Inspections, and Other QC Expenditures include the cost of PSE&G employees and
13 contractors engaged in the administration of the loan program, including SREC processing
14 and other costs associated with program administration. In addition to the standard NJCEP
15 categories, Schedule MCM-SLII-3 also shows the administrative fees received from
16 borrowers as a credit in a separate column. For the period October 1, 2017 through March
17 31, 2018, there were no Administration and Program Development costs; Rebate Processing,
18 Inspections and Other QC Expenditures were \$293,613, and Application and Administrative
19 Fees received were \$610. As stated above, the Net Total Administrative costs for the period
20 were \$293,003.

21 The Board Order approving the Program provides for both an annual and total
22 program cap on Solar Loan II administrative costs. The annual administrative cost caps,

1 along with a process for rolling over unspent volume related costs, are contained in Exhibit C
2 of the Board's November 10, 2009 Order. Schedule MCM-SLII-4 provides a summary of
3 the annual program cap, as adjusted for volume cost rollover, along with the administrative
4 expenses incurred for program years 2009 through 2018. As noted in the Schedule, the Total
5 Recoverable Expenses (column 4) are below the Adjusted Annual Program Cap (column 3).
6 Accordingly, the administrative costs shown in Schedule MCM-SLII-2 have been
7 incorporated into the revenue requirements contained in the testimony and supporting
8 schedules of Stephen Swetz.

9 **D. Additional Program Information**

10 **Loans Closed by Segment**

11 Schedule MCM-SLII-5 shows the number of Solar Loan II loans closed by
12 segment.

13 **Capacity of Solar Systems by Segment**

14 Schedule MCM-SLII-6 shows the capacity of solar systems supported by
15 Solar Loan II loans by segment.

16 **Energy Generated**

17 Schedule MCM-SLII-7 shows the actual kWh generated by solar systems
18 supported by Solar Loan II by segment.

19 **Loans Closed by Quarter**

20 Schedule MCM-SLII-8 shows the number of loans closed by quarter.

1 **Emission Reductions**

2 Schedule MCM-SLII-9 shows the estimated emissions reductions attributed to
3 solar systems supported by Solar Loan II loans by segment.

4 **SREC's Received through the Program**

5 Schedule MCM-SLII-10 shows the actual SRECs received by segment
6 through March 31, 2018 for the Solar Loan II Program.

7 **Loan Defaults**

8 As of March 31, 2018 there have been no defaults by any borrower in the
9 Solar Loan II Program.

10 **Reporting**

11 The Solar Loan II Board Order requires PSE&G to submit a Quarterly
12 Activity Report containing the information outlined in Appendix A – Solar Loan II Quarterly
13 Activity Report of the Order. The report is to be electronically transmitted to the Board's
14 Office of Clean Energy and Energy Division as well as the NJ Division of Rate Counsel, on
15 or before the 20th day of the month following the reporting period. PSE&G has complied
16 with this requirement and the most recent report was provided for Q1 2018.

17 Appendix A-SLII contains the Minimum Filing Requirements along with a
18 mapping to the appropriate Schedules and testimony.

1 **Segments**

2 The Solar Loan III Program contains five segments. The Residential-
3 Individual (“Res-Individual”) segment contains net metered projects that are individually bid
4 by a residential customer or the customer’s developer. The segment size is 9.75 MW. The
5 Residential-Aggregated segment (“Res-Aggregated”) consists of third parties that aggregate
6 residential net-metered projects but are treated as non-residential applicants under the Solar
7 Loan III Program. For the solicitations, developers will be required to bid individual
8 residential projects including individual SREC Floor Prices. After review by the Solicitation
9 Manager described below, the final group of selected residential projects submitted by a
10 third party aggregator will be combined, and the third party aggregator will be assigned the
11 capacity of the combined residential projects selected. The third party aggregator
12 thereafter will be treated as a non-residential applicant for credit review and loan
13 management. The Small Non-Residential (“Small Non-Res”) segment is for non-residential
14 net-metered projects less than or equal to 150 kW in size and the segment size is 13.14 MW.
15 The Large Non-Residential (“Large Non-Res”) segment is for non-residential net-metered
16 projects greater than 150 kW but less than or equal to 2 MW in size, and the segment size is
17 59.86 MW.

18 On September 30, 2015, PSE&G submitted notice of its intent to amend the
19 Solar Loan III Program Rules for commercial reasons and to align the Program Rules with
20 the Board’s December 18, 2013 Orders approving stipulations of settlement establishing the
21 SREC II Financing Programs for Atlantic City Electric Company (“ACE”) (BPU Docket No.
22 EO12090799) and Jersey Central Power & Light Company (“JCP&L”) (BPU Docket No.

1 EO12080750) (“SREC II Orders”) with regards to exceptions for awarding capacity to solar
 2 photovoltaic projects sized over 2MW. The change regarding the Large Non-Res segment is
 3 as follows: If, after any solicitation, the Large Non-Res segment is undersubscribed, the
 4 project size limitation for this segment shall be removed for the following and all subsequent
 5 solicitations. If, in a subsequent solicitation, approved projects under 2 MW overfill the
 6 Large Non-Res segment capacity block, the 2 MW limit shall be reinstated for the next
 7 subsequent solicitation.

8 The last segment is the Landfill / Brownfield (“Landfills”) segment, which
 9 consists of either net-metered or grid connected projects that meet the requirements of
 10 subsection (t) of the Solar Act of 2012. The segment size is 5 MW.

11 Under the May 2013 Board Order approving Solar Loan III, capacity will be
 12 made available for each solicitation as follows:

| Class | % of Total | Total MW | Solicitation | | | | |
|----------------|------------|----------|--------------|-------|-------|----------|-----------|
| | | | #1 | #2 | #3 | #4 - #12 | #13 - #18 |
| Residential | 10.00% | 9.75 | 0.300 | 0.500 | 0.850 | 0.900 | TBD |
| Res-Aggregated | 10.00% | 9.75 | 0.300 | 0.500 | 0.850 | 0.900 | TBD |
| Small Non-Res | 13.48% | 13.14 | 2.628 | 1.314 | 1.314 | 0.876 | TBD |
| Large Non-Res | 61.39% | 59.86 | 11.972 | 5.986 | 5.986 | 3.991 | TBD |
| Landfills | 5.13% | 5.00 | 5.000 | 0.000 | 0.000 | 0.000 | TBD |
| Total | | 97.50 | 20.200 | 8.300 | 9.000 | 6.667 | TBD |

13 The allocations to the Res-Individual and Small Non-Res segments are
 14 deemed set-asides for those market segments. No capacity shall be allocated away from
 15 those segments unless and until unused capacity remains in either or both of these segments
 16 at the time of the final solicitation under the Solar Loan III Program.

1 **Solicitation Manager**

2 In accordance with the Solar Loan III Stipulation and Board Order approving
3 the Stipulation, PSE&G has hired an independent Solicitation Manager, selected through a
4 competitive bid process, who independently reviews and ranks the bids received and
5 provides guidance to the Company regarding competitive SREC floor prices and the
6 competitiveness of individual segments based on such factors as the number of bidders, a
7 statistical analysis of bids to identify and reject outliers, kW bid size, and range of pricing.
8 The Solicitation Manager also provides its guidance to Board Staff and Rate Counsel for
9 review and comment.

10 **Fees**

11 An Application Fee of \$20 per kW, with a maximum fee of \$7,500, is
12 required at the time of application. Once an applicant has been notified that the application
13 has been conditionally accepted into the Program, the Application Fee becomes non-
14 refundable. If an applicant is not accepted, the Application Fee will be returned. Res-
15 Aggregators may receive a partial refund if the full capacity bid is not accepted.

16 There is an Administration Fee of \$85 per kW. The Administration Fee is
17 deducted from the loan proceeds at the time the loan is issued to the borrower.

18 There is an SREC Processing Fee charged for the processing and management
19 of the SRECs generated by the borrower's solar generation facility. For the Residential
20 Segment, the SREC Processing Fee is \$120 per kW and is deducted from the loan proceeds
21 at the time the loan is issued to the borrower. For all other segments, the SREC Processing
22 Fee, initially set at \$10.18 per SREC, is reset annually to ensure that, over the life of the

1 Solar Loan III Program, all PSE&G administrative costs will be paid by borrowers. The fee
2 was reset to \$15.55 in January 2018. The SREC Processing Fee will be billed annually as set
3 forth in the borrower's loan agreement, and will be determined by multiplying the SREC
4 Processing Fee in affect at the time by the number of SRECs generated by the borrower's
5 project for the previous year.

6 **Solar Loan III Program Status**

7 PSE&G conducted a competitive solicitation to select the Solicitation
8 Manager for the Solar Loan III Program, and NERA was awarded the contract in October
9 2016.

10 As of March 31, 2018, PSE&G has held 22 solicitations for which it has
11 received a total of 988 loan applications for 217.7 MW of solar capacity. As of March 31,
12 2018, PSE&G has 87 loans under review representing 33.6 MW of solar capacity, 142
13 outstanding commitment letters representing 22.4 MW of solar capacity, and closed 350
14 loans representing 25.7 MW of constructed solar projects.

15 For Solicitation 7, in order to accommodate additional capacity in the Landfill
16 segment, PSE&G reallocated 4,000 kW from the Large Non-Residential segment and
17 2,833.28 kW from the Res-Aggregated segment to the Landfill and Brownfield segment
18 consistent with the Board's May 31, 2013 Order permitting underutilized capacity to be
19 reallocated to oversubscribed segments. For Solicitation 11, PSE&G reallocated 3,896 kW
20 from the Landfills segment to the Large Non-Res segment following the withdrawal of one
21 of the landfill projects previously submitted. For Solicitation 12, PSE&G reallocated 6,197
22 kW from the Landfill segment to the Large Non-Res segment following the withdrawal of

1 three landfill projects previously submitted. This reallocation left zero available capacity in
2 the Landfill segment, and 12,115 kW in the Large Non-Residential segment for future
3 solicitations. For Solicitation 13, PSE&G reallocated 3,239 kW from the Res-Aggregated
4 segment to the Large Non-Residential segment. For Solicitation 19, PSE&G reallocated the
5 capacity remaining in the Res-Aggregated segment (approximately 2,909 kW) to the Large
6 Non-Residential segment, due to a lack of interest in the Res-Aggregated Segment.

7 The details of each solicitation result can be found at PSE&G's website at
8 [https://nj.pseg.com/saveenergyandmoney/solarandrenewableenergy/financingyoursolarinstall
9 ation/solicitationresultsavailablecapacity](https://nj.pseg.com/saveenergyandmoney/solarandrenewableenergy/financingyoursolarinstallation/solicitationresultsavailablecapacity).

10 Through March 31, 2018, 20,380 SRECs have been received under the Solar
11 Loan III Program.

12 **B. Solar Loan III Administrative Costs**

13 The Solar Loan III Program monthly administrative costs for the period
14 October 1, 2017 through March 31, 2018, along with projections through September 30,
15 2019, are shown on Schedule MCM-SLIII-2. This Schedule details Solar Loan I Program,
16 Solar Loan II Program, and Solar Loan III Program Total Common Costs (column 1), the
17 Solar Loan III Program's share of Common Costs (column 2), Solar Loan III Program
18 Volume costs (column 3), Solar Loan III SREC Auction costs (column 4), Solar Loan III
19 Application and Administration Fees from Borrowers (column 5), Total Solar Loan III
20 Program Administrative Costs (column 6), Solar Loan III SREC Processing Fees from
21 Borrowers (column 7), and Solar Loan III Net Recoverable Administrative Costs (column 8).

1 Certain administrative costs are common to Solar Loan I, Solar Loan II, and
2 Solar Loan III. Such costs are allocated to the Programs in accordance with the formula
3 established in the Solar Loan III Program Settlement. As specified in paragraph 74 of the
4 Solar Loan III Program stipulation, Common Costs shared by all three of PSE&G's solar
5 loan programs will be allocated based on the ratio of the forecasted installed capacity for
6 each program to total forecasted installed capacity for all of the solar loan programs in the
7 upcoming year and will be applied to all common costs for the following year starting on
8 January 1. Currently the Solar Loan III Program receives 32.9% (39.5 MW/120.3 MW) of
9 the total Common Costs. The total allocated Solar Loan III Common Costs for the period
10 October 1, 2017 through March 31, 2018 were \$133,581, the total Volume Costs were
11 1,004,815, and SREC auction costs were \$10,042. Fees collected from borrowers for this
12 period were \$1,004,404, resulting in a Net Recoverable Administrative cost of \$144,033 for
13 the period.

14 Schedule MCM-SLIII-3 shows the Program administrative cost details
15 allocated to the categories used by the Board for the NJCEP. Administration and Program
16 Development includes the costs to develop and manage the Program before the loans are
17 closed, along with program solicitation tracking and reporting. Evaluation and Related
18 Research Expenditures represent the cost of the Solicitation Manager. Rebate Processing,
19 Inspections and Other QC Expenditures include the cost of PSE&G employees and
20 contractors engaged in the administration of the loan program, including program application
21 processing, SREC processing, and the cost of credit information acquired through Experian,
22 along with other costs associated with program administration. In addition to the standard

1 NJCEP categories, the schedule also shows the application and administrative fees received
2 from borrowers as a credit in a separate column. For the period October 1, 2017 through
3 March 31, 2018, Administration and Program Developments costs were \$968,627;
4 Evaluation and Related Research Expenditures were \$31,150; Rebate Processing, Inspections
5 and Other QC Expenditures were \$143,623; Marketing and Sales costs were \$5,037;
6 Application and Administrative Fees received were \$869,140; and SREC Processing Fees
7 were \$135,264. As stated above, the Net Total Administrative costs for the period were
8 \$144,033.

9 The Board Order approving the Program provides that, over the term of the
10 Solar Loan III Program, borrowers pay all Solar Loan III administrative costs. Schedule
11 MCM-SLIII-4 provides a forecast of PSE&G administrative costs along with all forecasted
12 fees indicating that, by the end of the Program, the net difference between PSE&G
13 administrative costs and Program fees is zero.

14 **C. Additional Program Information**

15 **Loans Closed by Segment**

16 Schedule MCM-SLIII-5 shows the number of Solar Loan III loans closed by
17 segment.

18 **Capacity of Solar Systems by Segment**

19 Schedule MCM-SLIII-6 shows the capacity of solar systems supported by
20 Solar Loan III loans by segment.

1 **Energy Generated**

2 Schedule MCM-SLIII-7 shows the actual kWh generated by solar systems
3 supported by Solar Loan III by segment.

4 **Loans Closed by Quarter**

5 Schedule MCM-SLIII-8 shows the number of loans closed by quarter.

6 **Emission Reductions**

7 Schedule MCM-SLIII-9 shows the estimated emissions reductions attributed
8 to solar systems supported by Solar Loan III loans by segment.

9 **SRECs Received through the Program**

10 Schedule MCM-SLIII-10 shows the actual SRECs received by segment
11 through March 31, 2018 for the Solar Loan III Program.

12 **Loan Defaults**

13 As of March 31, 2018, there have been no Defaults by any borrower in the
14 Solar Loan III Program.

15 **Reporting**

16 The Solar Loan III Board Order requires PSE&G to submit a Monthly
17 Activity Report (“MAR”) containing the information outlined in Appendix A – Solar Loan
18 III Monthly Activity Report of the Order. The MAR is to be electronically transmitted to the
19 Board’s Office of Clean Energy and Energy Division, as well as the NJ Division of Rate
20 Counsel, on or before the 20th day of the month following the reporting period. PSE&G
21 complies with this requirement, and submits reports on a monthly basis.

1 **D. Issues and Discussions**

2 Number of Solicitations

3 Due to market conditions and issues with the credit worthiness of applicants,
4 PSE&G will continue solicitations in order to fulfill the 97.5 MW of solar capacity directed
5 by the Board. Additional solicitations will be conducted in the same manner as the prior
6 ones until the capacity in each segment is utilized or reallocated.

7 Appendix A-SLIII contains the Minimum Filing Requirements along with a
8 mapping to the appropriate Schedules and testimony.

9 **CURRENT EE PROGRAMS**

10 **CA, EEE, EEE EXTENSION, EEE EXTENSION II PROGRAMS**

11 **A. Program Coordination**

12 PSE&G's energy efficiency programs consist of five CA sub-programs; eight
13 EEE sub-programs; three EEE Ext sub-programs, and three EEEXII sub-programs, many of
14 which have concluded the delivery of program services.

15 There is overlap in the work done under sub-programs that have been
16 approved in multiple filings. Three EEE sub-programs are identical to, and provide
17 additional funding for, three CA sub-programs (Residential Whole House Efficiency, Small
18 Business Direct Install, and Hospital Efficiency). These three CA and EEE sub-programs
19 provide nearly identical customer benefits, and were operated as single sub-programs
20 utilizing the same sub-program management, marketing, and operational resources. In
21 addition, the three EEE Ext sub-programs (Hospital Efficiency, Multifamily Housing, and

1 Municipal Direct Install) are similar to and provide additional funding for, three of the EEE
2 sub-programs, with some program modifications incorporated to improve program delivery.
3 These three EEE and EEE Ext sub-programs have also been operated as single sub-programs
4 utilizing the same sub-program management, marketing, and operational resources. The
5 three EEEXII sub-programs (Hospital Efficiency, Multifamily Housing, and Direct Install)
6 are similar to and provide additional funding for the EEE Ext sub-programs, with some
7 program modifications incorporated to improve program delivery. These three EEE Ext and
8 EEEXII sub-programs have also been operated as single sub-programs utilizing the same
9 sub-program management, marketing, and operational resources. Projects may begin the
10 process with an energy audit funded under the EEE or EEE Ext Program, and complete
11 construction under the EEEXII Program.

12 Recognizing the coordinated implementation of the CA, EEE, EEE Ext, and
13 EEEXII Programs, there is a combined section within this testimony for the CA and EEE
14 Residential Whole House Efficiency, Small Business Direct Install, and Hospital Efficiency
15 Sub-Programs. There also is a combined section for the EEE, EEE Ext, and EEEXII
16 Hospital Efficiency, Multifamily Housing and Direct Install Sub-Programs. Sub-program
17 results have been tracked separately and those results are provided in separate Schedules
18 attached to this testimony. All of these sub-programs are described in greater detail below.

19 Additionally, sub-programs that are currently active are discussed in the main
20 body of the testimony. Sub-programs that have concluded are detailed later in this testimony.

1 **B. Issues and Discussions**

2 **Interim Impact and Process Evaluation Reports**

3 The Board Order for EEEXII requires that evaluations for projects completed
4 on or before August 31, 2017 be provided no later than August 31, 2018. Based on the
5 current progress of Hospital, Multifamily, and Direct Install sub-programs, the Interim
6 Report, due by August 2018 in compliance with the Board Order, will contain the following
7 information:

- 8 • Direct Install Sub-Program - Final results for both impact and process evaluation
9 will be provided. There were a small number of projects completed after August
10 2017 and PSE&G will include all projects in this report in order to fully complete
11 the evaluation for this sub-program by August 2018.
- 12 • Hospital Sub-Program - Due to the low number of projects that were fully
13 completed by August 2017, the interim report shall contain, where applicable,
14 representative interim qualitative evaluation results along with a status update on
15 implementation of project completion and evaluation activities.
- 16 • Multifamily Sub-Program - Due to the low number of projects that were fully
17 completed by August 2017, the interim report shall contain, where applicable,
18 representative interim qualitative evaluation results along with a status update on
19 implementation of project completion and evaluation activities.

20 PSE&G believes this schedule represents the most cost efficient approach for
21 the interim report, providing the Board with the most representative information on the status

1 of the sub-programs and avoiding confusion with preliminary results that are not
2 representative of the entire population of projects that are expected to be completed under the
3 sub-programs. A full evaluation report, including final impact and process evaluations for
4 Hospital and Multifamily Sub-Programs, will be issued 12 months after the last project is
5 completed, in accordance with the Board Order.

6 **C. Active Sub-Programs**

7 **1). Residential Multifamily Housing Sub-Program**

8 **Multifamily Sub-Program Description**

9 The objective of the EEE, EEE Ext, and EEEXII Residential Multifamily
10 Housing Sub-Programs (“Multifamily Sub-Program”) is to increase energy efficiency of
11 existing residential multifamily housing developments by providing cost-effective retrofit
12 energy efficiency opportunities. Customers receive an energy audit of their building(s), and
13 all measures identified by the audit are screened for retrofit or replacement opportunities.
14 PSE&G utilizes a flexible audit structure for its Multifamily Housing Sub-Program to allow
15 the use of more cost effective Level I walk-through audits, as defined by the American
16 Society of Heating, Refrigerating and Air-Conditioning Engineers (“ASHRAE”), for smaller,
17 simpler projects with limited measures. Based on PSE&G’s experience with this sub-
18 program, a Level I audit may adequately provide building owners with information required
19 to invest in cost-saving energy efficiency measures and maintain sub-program eligibility.
20 More complex projects undergo a Level II or III ASHRAE audit. For the EEE and EEE Ext
21 Programs, the sub-program buys-down project costs such that the simple payback of the

1 project is reduced by seven years but not to less than two years, and remaining customer
2 costs are provided by PSE&G and repaid interest free on the PSE&G bill, or in one payment
3 if the customer chooses. For the EEEXII Program, the sub-program buys-down project costs
4 such that the simple payback of the project is reduced by six years but not to less than three
5 years, and remaining customer costs are provided by PSE&G and repaid interest free on the
6 PSE&G bill, or in one payment if the customer chooses. For New Jersey Housing and
7 Mortgage Finance Agency (NJHMFA) financed projects, the energy efficiency upgrade plan
8 is reviewed and approved by PSE&G and might also be reviewed and approved by
9 NJHMFA. All projects must have a Program Administrator Cost (PAC) score of 1.0 or
10 higher to be funded.

11 For the EEEXII Program, non-NJHMFA participants will have five years to
12 repay their contribution, and NJ HMFA participants will have ten years to repay their
13 contribution.

14 **Multifamily Sub-Program Status**

15 In total, through March 31, 2018, 240 project applications have been received.
16 Of those, 141 have had an energy audit. For those 141 applications, 60 projects have been
17 completed representing about 15,000 units and over 650 buildings. Eight projects are in
18 construction, five are in the design and or bid phase and eight are in the audit phase. The rest
19 of the applications received are either on hold or have closed.

20 The EEE Ext Sub-Program is closed. Currently, the EEEXII Sub-Program is
21 fully subscribed. Customers with signed master customer agreements prior to April 15, 2018

1 have fully allocated the \$35 million investment limit. To date through March 31, 2018, 15
2 EEEXII Sub-Program projects have been completed, with eight currently under construction.

3 **Multifamily Sub-Program Participants**

4 The number of EEE, EEE Ext, and EEEXII Multifamily Sub-Program
5 participants for the twelve months ending March 31, 2018 are detailed in Schedule MCM-
6 EEE-3, MCM-EEE Ext-3, and MCM-EEEXII-3.

7 **Multifamily Sub-Program Energy Savings**

8 The Multifamily Sub-Program energy savings are detailed in Schedules
9 MCM-EEE-4E, 4G, 5E, and 5G, MCM-EEE Ext-4E, 4G, 5E, and 5G and MCM-EEEXII-4E,
10 4G, 5E, and 5G.

11 **Multifamily Sub-Program Emission Reductions**

12 The Multifamily Sub-Program emissions impacts are detailed in Schedules
13 MCM-EEE-6 and 7, MCM-EEE Ext-6 and 7, and MCM-EEEXII-6 and 7.

14 **Multifamily Sub-Program Project PAC and Buy-down results, Multifamily Sub-
15 Program Project Measures PAC results**

16 The Multifamily Sub-Program Project PAC and Buy-down results and the
17 Multifamily Project Measures PAC results are detailed in workpaper WP-MCM-EEEXII-
18 2.xlsx.

1 **2). Direct Install Sub-Program for Government and Non-Profit Facilities**

2 **Direct Install Sub-Program Description**

3 The EEE, EEE Ext, and EEEXII Direct Install Sub-Programs for Government
4 and Non-Profit customers in PSE&G's electric and/or gas territory are designed to increase
5 energy efficiency by lowering the energy consumption of municipal and other government
6 entities and non-profit customers. The EEEXII Direct Install Sub-Program also targets small
7 businesses located in Urban Enterprise Zones (UEZs). The sub-program provides seamless
8 service to its participants from opportunity identification to direct installation of measures,
9 through financing of the customer's share of the project cost as a part of its PSE&G bill. The
10 Direct Install Sub-Program identifies cost-effective energy efficiency retrofit opportunities,
11 and provides direct installation and financial incentives to encourage the replacement of
12 existing equipment with high efficiency alternatives. PSE&G offers a walk-through energy
13 evaluation to eligible customers, and provides a report of any recommended energy savings
14 improvements. For the EEE and EEE Ext Programs, the sub-program provides 100% of the
15 cost to install the recommended energy savings improvements and, upon completion of the
16 work, the customer must repay 20% of the total cost to PSE&G over two years, interest free,
17 on their PSE&G bill or in one payment designated on the bill, if they choose. The EEEXII
18 Program also provides 100% of the cost to install the recommended energy savings
19 improvements; however, upon completion of the work, the customer must repay 30% of the
20 total cost to PSE&G over three years, interest free, on their PSE&G bill or in one payment
21 designated on their bill, if they choose. All projects must have a PAC score of 1.0 or higher
22 to receive funding.

1 The EEE Direct Install Sub-Program was originally open to eligible customers
2 with annual peak demands of less than 200 kW. Customers with annual peak demands in
3 excess of 200 kW may have been eligible for an investment grade audit if the complexity of
4 the facility required that level of analysis. In its EEE Ext filing, PSE&G requested and was
5 granted a modification to sub-program participation criteria. The EEE Ext Direct Install Sub-
6 Program targeted facilities with annual peak demands of 150 kW or less. Facilities with
7 annual peak demands in excess of 150 kW were considered for sub-program participation on
8 a case-by-case basis. For PSE&G's EEEXII Direct Install Program, facilities with annual
9 peak demands of 200 kW or less are eligible and there is no longer a case-by-case exception
10 for larger customers. Customers participating in the Direct Install Sub-Program must not
11 have received or applied for incentives under the NJCEP Program for the same measures.

12 **Direct Install Sub-Program Status**

13 The EEE Direct Install Sub-Program began operation throughout PSE&G's
14 electric and gas service territory in July 2009. PSE&G subsequently filed the EEE Ext Direct
15 Install Sub-Program to address the customer backlog, as well as any potential new sub-
16 program applicants. The EEEXII Sub-Program closed in January 2018, having fully funded
17 its \$15 million investment limit. Additional interested customers are being served by the EE
18 2017 Direct Install Sub-Program. To date through March 31, 2018, 436 EEE Extension II
19 Sub-Program projects have been completed.

1 **Direct Install Sub-Program Participants**

2 The Direct Install Sub-Program participants for the twelve months ending
3 March 31, 2018 are detailed in MCM-EEE-3, MCM-EEE Ext-3, and MCM-EEEXII-3.

4 **Direct Install Sub-Program Energy Savings**

5 The Direct Install Sub-Program energy savings are detailed in Schedules
6 MCM-EEE-4E, 4G, 5E, and 5G, MCM-EEE Ext-4E, 4G, 5E, and 5G and MCM-EEEXII-4E,
7 4G, 5E, and 5G.

8 **Direct Install Sub-Program Emission Reductions**

9 The Direct Install Sub-Program emissions impacts are detailed in Schedules
10 MCM-EEE-6 and 7, MCM-EEE Ext-6 and 7, and MCM-EEEXII-6 and 7.

11 **3). Hospital Efficiency Sub-Program**

12 **Hospital Sub-Program Description**

13 The CA, EEE, EEE Ext, and EEEXII Hospital Efficiency Sub-Programs
14 (“Hospital Sub-Program”) are designed to increase energy efficiency and reduce carbon
15 emissions by lowering the energy consumption of hospitals and healthcare facilities.

16 The Hospital Sub-Program is targeted to existing hospitals and new hospitals
17 under construction in PSE&G’s electric and/or gas service territory and is targeted
18 specifically to in-patient hospitals and other in-patient medical facilities that operate 24 hours
19 a day, 7 days a week. Hospitals receive an ASHRAE Level II or III Energy Audit (“Audit”)
20 of their hospital campus at no cost. Audit results identify all energy conservation measures
21 appropriate to the hospital facility based on its operating parameters. The audit results

1 determine the potential savings derived through a variety of recommended measures and
2 technologies. For customers participating in the CA, EEE, and EEE Ext Programs, energy
3 efficiency measures with a payback of 15 years or less were considered for incentives, and
4 the Hospital Sub-Program provided an incentive by buying down the project payback by
5 seven years, down to a level not less than two years. For customers participating in the
6 EEXII Program, energy efficiency measures with a payback of 15 years or less are
7 considered for incentives, and the Hospital Sub-Program provides an incentive by buying
8 down the project payback by six years, down to a level not less than three years. PSE&G
9 reviews the hospital facility Audit results with the customer to establish baseline performance
10 information and projected savings, and assists the customer in preparing bid-ready
11 documents to facilitate the preparation of a project scope of work to be used to obtain
12 contractor cost estimates for installation of energy conservation measure measures (ECMs).
13 Hospitals are responsible to contract for the installation of the approved measures from
14 qualified trade contractors. Based on the Audit results, overall project cost-effectiveness, and
15 approved project pricing, PSE&G enters into contracts with hospitals to provide funding of
16 eligible measures. All projects must have a PAC score of 1.0 or higher to be funded.

17 **Hospital Sub-Program Status**

18 As of March 31, 2018, 69 applications, 57 for hospital efficiency projects and
19 12 for CHP projects have been submitted. With respect to hospital efficiency projects, 43
20 have been completed and six are in the construction phase. The remainder are in the audit
21 phase.

1 With respect to CHP projects at hospitals, seven have executed funding
2 agreements, and five are inactive due to lack of funding from the Energy Resiliency Bank. Of
3 the seven active projects, six are in engineering and one is under construction. No CHP
4 projects have been completed.

5 The EEE Ext Hospital Sub-Program is closed. Currently, the EEEXII Sub-
6 Program is fully subscribed. Customers with signed master customer agreements prior to
7 April 15, 2018 have fully allocated the \$45 million investment limit, inclusive of the \$10
8 million limit on CHP projects. To date through March 31, 2018, five EEEXII Hospital Sub-
9 Program projects have been completed, two are under construction, and the remainder are in
10 the audit/engineering design phase.

11 The Hospital Sub-Program was designed to overcome barriers to energy
12 efficiency retrofits in a critical customer and market sector. As projects have been
13 completed, knowledge of the advantages of the sub-program has spread throughout the
14 healthcare sector. Hospital operators that initially thought they could not afford the energy
15 efficiency improvements are now applying to the sub-program and starting their projects;
16 other eligible sectors such as nursing homes and specialty rehabilitation facilities have also
17 participated in the sub-program.

18 **Hospital Sub-Program Participants**

19 The CA, EEE, EEE Ext, and EEEXII Hospital Sub-Program participants for
20 the twelve months ending March 31, 2018 are detailed in Schedules MCM-CA-3, EEE-3,
21 EEE Ext-3, and EEEXII-3.

1 **Hospital Sub-Program Energy Savings**

2 The Hospital Sub-Program energy savings are detailed in Schedules MCM-
3 CA-4E, 4G, 5E, and 5G, MCM-EEE-4E, 4G, 5E, and 5G, MCM-EEE Ext-4E, 4G, 5E, and
4 5G, and MCM-EEEXII-4E, 4G, 5E, and 5G.

5 **Hospital Sub-Program Emission Reductions**

6 The Hospital Sub-Program emissions impacts are detailed in Schedules
7 MCM-CA-6 and 7, EEE-6 and 7, EEE Ext-6 and 7, and EEEXII-6 and 7.

8 **Hospital Sub-Program Project PAC and Buy-down results, Hospital Sub-**
9 **Program Project Measures PAC results**

10 The Hospital Sub-Program Project PAC and Buy-down results and the
11 Hospital Project Measures PAC results are detailed in workpaper WP-MCM-EEEXII-2.xlsx.

12 **D. General Comments Applying to Energy Efficiency Programs**

13 **Green Jobs**

14 PSE&G advised the Board in its Q2 2017 quarterly report that it would
15 discontinue its updates of the green jobs report as the CA, EEE, and EEE Extension
16 programs are all now closed. Therefore, the Company will no longer provide Schedule
17 MCM-CA, EEE, and EEE Ext-1.

18 **PJM Capacity Market**

19 Board Orders allow PSE&G to offer energy efficiency attributes, derived as a
20 result of implementing PSE&G's energy efficiency sub-programs, into the PJM capacity
21 auctions. PSE&G has established a process to determine the applicability of efficiency

1 measures as cost effective capacity resources, and regularly offers that capacity into the
2 market. For the 2017/2018 delivery year, PSE&G cleared 5.6 MW UCAP⁴ of resources. For
3 the 2018/2019 delivery year, PSE&G has commitments of 4.9 MW of resources. For the
4 2019/2020 Delivery Year, PSE&G has commitments of 1.4 MW of resources. PSE&G will
5 continue to participate in the capacity auctions as its EE projects are completed and become
6 available to bid into the market, so long as eligibility and performance rules allow PSE&G to
7 participate in a cost effective manner with the ability to effectively manage performance risk.
8 Bid prices will reflect the costs to perform the required Measurement and Verification
9 (“M&V”) and participate in the market.

10 M&V Plans are required to be submitted and are subject to approval by PJM
11 before EE Resources can be offered into capacity auctions. The M&V Plans for resources
12 are followed in each respective delivery year in order to validate the installations and values
13 of demand reduction. The results of the M&V activities are required to be submitted via the
14 Post-Installation M&V Report to PJM and are subject to approval by PJM.

15 For the period October 1, 2017 through March 31, 2018, PSE&G received
16 capacity payments from PJM of \$175,710 from all EE resources committed in the capacity
17 market. M&V and associated administrative costs were \$54,818, resulting in a net benefit to
18 ratepayers of \$120,892.

19 **Program Reporting**

20 PSE&G submits quarterly reports on the Carbon Abatement, EEE, EEE
21 Extension, and EEE Extension II Programs. These quarterly reports contain investment,

⁴ PJM capacity market measures capacity in terms of unforced capacity, or UCAP.

1 expenditures, energy savings, and participation, along with other Program specific
2 requirements.

3 PSE&G provided detailed project level data for Carbon Abatement, EEE, and
4 EEE Ext., to the OCE's Information Management System (IMS) tracking system, through
5 March 2016. In July 2017, PSE&G was advised via email that going forward, OCE Staff
6 would require program level data only, and that the utilities would no longer be required to
7 submit application level data to IMS. In September 2017, the OCE distributed a new Utility
8 Reporting Template for utility quarterly reports, with instructions for its completion. OCE
9 also requested that all data be reported on a BPU fiscal year (FY) basis, rather than on the
10 calendar year basis previously reported by PSE&G. In December 2017, at the request of the
11 OCE, PSE&G provided program level data in the new format for all of FY2017. The first
12 quarterly report for FY2018, encompassing July – December 2017, was submitted in
13 February 2018. All future reports will follow the new format.

14 **DEMAND RESPONSE SUB-PROGRAMS**

15 **A. Residential Central Air Conditioner Cycling Sub-Program Description**

16 The Residential Central Air Conditioner Cycling Sub-Program (“Residential
17 A/C Cycling Sub-Program”) was targeted to residential customers with central air
18 conditioning in PSE&G's electric service territory. Participants with a cycling switch
19 received incentive payments of \$4 for each summer month, June through September, plus a
20 \$1 per cycling event incentive. Other customers had been provided with a cycling thermostat
21 as an incentive, along with an upfront incentive of \$50 per thermostat for participation. In

1 return, customers agreed to allow PSE&G to cycle their air conditioning equipment to reduce
2 load during times that were needed to support electric system reliability. PSE&G could have
3 called events to support local electric system reliability.

4 **B. Small Commercial Air Conditioner Cycling Sub-Program Description**

5 The Small Commercial Air Conditioner Cycling Sub-Program (“SC A/C
6 Cycling Sub-Program”) was targeted to small commercial customers with central air
7 conditioning that were on the PSE&G electric rate schedule GLP. Enrolled customers
8 received load control thermostats that are owned by the Company. Participants received an
9 incentive payment of \$7.50 per month for the months of June through September. In return,
10 customers agreed to allow PSE&G to cycle their air conditioning equipment to reduce load
11 during times that were needed to support electric system reliability. PSE&G could have
12 called events to support local electric system reliability.

13 **Demand Response Sub-Program Status**

14 Once the two sub-programs closed to new customers, the number of
15 participants has steadily declined due to the turnover of home ownership and customers’
16 requests to leave the program. Table DR-1 below summarizes the number of participants
17 since the sub-programs closed in 2014. PSE&G expects this trend to continue over time.

1

TABLE DR-1

2

DR Program Participants (devices in service)

| Year End | Residential Participants | Small Business Participants | Total Participants |
|----------|--------------------------|-----------------------------|--------------------|
| 2014 | 114,776 | 1,283 | 116,059 |
| 2015 | 106,825 | 1,195 | 108,020 |
| 2016 | 99,305 | 1,124 | 100,429 |
| 2017 | 92,190 | 1,036 | 93,226 |

3

C. DR Participation in the PJM Market

4

In accordance with the Board Orders establishing the current Demand Response Program, PSE&G had been offering DR resources into the PJM capacity market, consistent with PJM protocols and requirements, for the purpose of providing ratepayer benefits while ensuring minimum risk of non-performance. During this cost recovery period of October 2017 through March 2018, PSE&G had 59 MW UCAP of committed capacity as a Limited Demand Response resource type and received revenue of \$2,157,489. WP-MCM-DR-1.xlsx provides further details on PSE&G's DR participation in the PJM market. The revenue flowing from these sales are reflected in the revenue requirements calculation in the Testimony and Schedules of Mr. Swetz.

13

DR Program Curtailment Operations

14

No emergency events were declared by PJM in the PSEG zone in energy year 2017/2018. Therefore, a successful cycling test was performed in September 2017 in accordance with PJM protocols. No emergency events were called by PSE&G for local system reliability.

17

1 **DR Program Budgets**

2 Total Demand Response Sub-Program budgets can be found in the electronic
3 work paper WP-MCM-DR-1.xlsx.

4 **D. Issues and Discussions**

5 **DR Program Shutdown**

6
7 In compliance with the Board approved stipulation signed on May 7, 2018, the
8 Company began to implement actions to shut down the DR program effective May 31, 2018.
9 The Company has mailed letters to all current customers indicating that the program has
10 ended. No incentive payments will be made to customers for the summer of 2018 and
11 beyond. The Company has also terminated all contracts related to the operation and
12 maintenance of the paging system used to communicate with the DR devices.

13 This cost recovery filing contains a forecast of the costs to shut down the DR
14 program. All actual expenses related to the operation of the program between April 1, 2018
15 and May 31, 2019, and all expenses related to the shutdown of the program, shall be included
16 in the 2019 cost recovery request to be filed on or before July 1, 2019. All financial
17 information will continue to be included in Work Paper WP-MCM-DR-1.xlsx, to be
18 submitted on an annual basis, until the remaining regulatory asset has been fully amortized.

1

CONCLUSION

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PSE&G is seeking cost recovery for the various initiatives described above and contained in Attachment B that were undertaken pursuant to appropriate approvals from the Board. The Company's initiatives were undertaken to support the State's renewable energy portfolio standard of 35% of energy from renewable sources by 2025, its energy conservation goals, and to benefit New Jersey's economy through both sustaining and creating employment opportunities.

This concludes my testimony at this time.

CONCLUDED EE PROGRAMS

1 PSE&G’s energy efficiency programs consist of five Carbon Abatement sub-
2 programs, eight EEE sub-programs, three EEE Extension sub-programs, three EEE
3 Extension II sub-programs, and five EE 2017 sub-programs, many of which have concluded
4 the delivery of program services. The following seven sub-programs have concluded.

5 **A. Carbon Abatement and EEE Stimulus Residential Whole House Efficiency Sub-**
6 **Program**

7 **Whole House Efficiency Sub-Program Description**

8 The Carbon Abatement and EEE Residential Whole House Efficiency Sub-
9 Programs (“Whole House Sub-Program”), originally filed as the “Residential Home Energy
10 Tune-Up Sub-Program” as part of the Carbon Abatement Program, is now closed. The sub-
11 program provided free energy audits and direct installation of energy savings measures to
12 residential customers residing in 25 municipalities containing UEZs. The free in-home
13 energy audit identified all cost-effective energy efficiency retrofit opportunities, and
14 provided direct installation of measures along with financial incentives for customers to
15 encourage the replacement of existing equipment with higher efficiency alternatives. The
16 Whole House Sub-Program also provided comprehensive, personalized customer energy
17 education and counseling. The sub-program services were provided in three stages or “tiers.”
18 Participants would repay their share of the sub-program installation costs as determined by
19 their gross annual household income, on their PSE&G monthly utility bill.

1 **Whole House Sub-Program Status**

2 In the third quarter of 2011, PSE&G stopped accepting applications for the
3 sub-program and the last Tier Three installation was completed in January 2013. The Whole
4 House Sub-Program had 12,696 participants.

5 **Whole House Sub-Program Participants**

6 The CA and EEE Whole House Sub-Program participants are detailed in
7 Schedules MCM-CA-3 and MCM-EEE-3.

8 **Whole House Sub-Program Budget**

9 The investment budget for the EEE Stimulus Whole House Sub-Program was
10 fully committed by the end of 2010; all subsequent projects were funded through the CA
11 Whole House Sub-Program budget.

12 **Whole House Sub-Program Energy Savings**

13 The CA and EEE Whole House Sub-Program energy savings are detailed in
14 Schedules MCM-CA-4E, 4G, 5E, and 5G and MCM-EEE-4E, 4G, 5E, and 5G.

15 **Whole House Sub-Program Emission Reductions**

16 The CA and EEE Whole House Sub-Program emissions impacts are detailed
17 in Schedules MCM-CA-6 and 7 and MCM-EEE-6 and 7.

1 **B. Carbon Abatement Residential Programmable Thermostat Installation Sub-**
2 **Program**

3 **Thermostat Sub-Program Description**

4 The Carbon Abatement Residential Programmable Thermostat Installation
5 Sub-Program (“Thermostat Sub-Program”) is now closed. The sub-program had been
6 designed to reduce carbon emissions by lowering the energy consumption of residential
7 customers, capture lost opportunities for energy efficiency savings, and educate consumers
8 about the benefits of energy efficient equipment.

9 During routine utility-related gas service calls, PSE&G service technicians
10 replaced existing standard thermostats with programmable thermostats. The service
11 technicians also provided each customer with five compact fluorescent light bulbs (“CFLs”)
12 if needed. The Thermostat Sub-Program targeted all residential customers residing in 25
13 UEZ municipalities in PSE&G’s service territory.

14 **Thermostat Sub-Program Status**

15 Under this sub-program, 19,642 programmable thermostats were installed and
16 approximately 495,000 CFLs were provided to customers.

17 **Thermostat Sub-Program Participants**

18 The CA Thermostat Sub-Program participants are detailed in Schedule MCM-
19 CA-3.

1 **Thermostat Sub-Program Energy Savings**

2 The CA Thermostat Sub-Program energy savings are detailed in Schedules
3 MCM-CA-4E, 4G, 5E and 5G.

4 **Thermostat Sub-Program Emission Reductions**

5 The CA Thermostat Sub-Program emissions impacts are detailed in Schedules
6 MCM-CA-6 and 7.

7 **C. Carbon Abatement and EEE Small Business Direct Install Sub-Program**

8 **Small Business Sub-Program Description**

9 The Carbon Abatement and EEE Small Business Direct Install Sub-Program
10 (“Small Business Sub-Program”) is now closed. The sub-program was designed to reduce
11 energy use and costs for small businesses as well as reduce carbon emissions and other non-
12 carbon pollutants. The Small Business Sub-Program was targeted at small businesses located
13 in 25 UEZ municipalities in PSE&G’s service territory, including both owner occupied and
14 leased facilities (landlord approval was required for leased facilities). The Small Business
15 Sub-Program provided seamless service to small business customers, including opportunity
16 identification, direct installation of measures, are repayment of the customer’s share of the
17 project cost as a part of their PSE&G bill. PSE&G offered a walk-through energy evaluation
18 to eligible businesses and provided a report of recommended energy savings improvements.
19 The Small Business Sub-Program provided 100% of the cost to install the recommended
20 energy savings improvements, and upon completion of the work, the customer repaid 20% of
21 the total cost to PSE&G over two years, interest free, on their PSE&G bill (or in one payment

1 if they chose). Customers participating in the Small Business Sub-Program must not have
2 received or applied for incentives under the NJCEP Program for the same measures.

3 **Small Business Sub-Program Status**

4 The CA and EEE Small Business Sub-Program completed EEE funding in
5 2010 and CA funding in 2012. In total, the sub-program completed 642 projects.

6 **Small Business Sub-Program Participants**

7 The CA and EEE Small Business Sub-Program participants are detailed in
8 Schedules MCM-CA-3 and MCM-EEE-3.

9 **Small Business Sub-Program Energy Savings**

10 The Small Business Sub-Program energy savings are detailed in Schedules
11 MCM-CA-4E, 4G, 5E, and 5G and MCM-EEE-4E, 4G, 5E, and 5G.

12 **Small Business Sub-Program Emission Reductions**

13 The Small Business Sub-Program emissions impacts are detailed in Schedules
14 MCM-CA-6 and 7 and MCM-EEE Ext- 6 and 7.

15 **D. Carbon Abatement Large Business Best Practices and Technology**
16 **Demonstration Warehouse Pilot Sub-Program**

17 **Warehouse Pilot Sub-Program Description**

18 The Carbon Abatement Large Business Best Practices and Technology
19 Demonstration Warehouse Pilot Sub-Program (“Warehouse Pilot Sub-Program”) is now
20 closed. The sub-program was designed to reduce carbon emissions by lowering the energy
21 consumption of warehouse facilities in PSE&G’s electric service territory through the

1 installation of integrated lighting systems. PSE&G, working with General Electric (“GE”)
2 and Orion Energy Services, provided a holistic warehouse lighting system for high-bay
3 applications that included advanced fixtures with high-intensity fluorescent lighting, day
4 lighting “light pipes” with automated controls, fixture level lighting controls, and real-time
5 measurement and verification of performance.

6 All audit and installation work was performed by Orion Energy Services, and
7 PSE&G paid a lighting system incentive to the customer that effectively reduced the simple
8 payback period for the system to two years for projects with a pay back of seven years or
9 less. A performance baseline for each project was established during the audit phase.
10 Customers who participated in the Warehouse Pilot Sub-Program must not have received, or
11 applied for, incentives under the NJCEP for the same measures.

12 **Warehouse Pilot Sub-Program Status**

13 The Warehouse Pilot Sub-Program concluded with a total of five warehouse
14 projects participating. The lighting installations were completed in 2010, and the completed
15 projects received their first of three annual sub-program incentive payments in 2011, a
16 second payment in 2012, and final annual payment in 2013.

17 **Warehouse Pilot Sub-Program Participants**

18 The Warehouse Pilot Sub-Program participants are detailed in Schedule
19 MCM-CA-3.

1 **Warehouse Pilot Sub-Program Energy Savings**

2 The Warehouse Pilot Sub-Program energy savings are detailed in Schedules
3 MCM-CA-4E, 4G, 5E, and 5G.

4 **Warehouse Pilot Sub-Program Emission Reductions**

5 The Warehouse Pilot Sub-Program emissions impacts are detailed in
6 Schedules MCM-CA-6 and 7.

7 **E. EEE Data Center Efficiency Sub-Program**

8 **Data Center Sub-Program Description**

9 The EEE Data Center Efficiency Sub-Program (“Data Center Sub-Program”)
10 is now closed. The sub-program was designed to reduce carbon emissions by lowering the
11 energy consumption of data center facilities where natural gas and/or electricity are provided
12 by PSE&G. The sub-program provided facility audits for existing data centers and
13 performed a design review for proposed new data center sites. Audits consisted of meeting
14 the data center management team, reviewing the overall operation of the data center, and
15 collecting information regarding the energy consuming devices. PSE&G paid for the cost of
16 the audit for existing data centers and the design review for proposed new data centers.
17 Based on the audit results, PSE&G entered into contracts with data centers to provide
18 funding of eligible measures based on reduction in total natural gas and electricity usage
19 and/or demand. Data centers obtained services for the installation of the approved measures
20 from qualified service providers subject to approval by PSE&G. Energy efficiency measures

1 that had received incentives from other ratepayer funded programs such as the NJCEP were
2 not eligible for incentives under the Data Center Sub-Program.

3 **Data Center Sub-Program Status**

4 PSE&G received 16 applications for the Data Center Sub-Program, and
5 ultimately a total of eight customers received an audit. Two of the eight projects cancelled
6 before project construction began, and the remaining six projects were completed by the end
7 of July 2013.

8 **Data Center Sub-Program Participants**

9 The Data Center Sub-Program participants are detailed in Schedule MCM-
10 EEE-3.

11 **Data Center Sub-Program Energy Savings**

12 The Data Center Sub-Program energy savings are detailed in Schedule MCM-
13 EEE-4E, 4G, 5E, and 5G.

14 **Data Center Sub-Program Emission Reductions**

15 The Data Center Sub-Program emissions impacts are detailed in Schedule
16 MCM-EEE-6 and 7.

17 **F. EEE Building Commissioning O&M Sub-Program**

18 **Building Commissioning O&M Sub-Program Description**

19 The EEE Building Commissioning O&M Sub-Program (“RCx Sub-Program”)
20 is now closed. The sub-program was a pilot that offered technical and financial assistance to

1 identify and implement low cost tune-ups and adjustments that improve the efficiency of a
2 building's operating systems by bringing them to the intended operation or design
3 specifications and/or maximizing current operating conditions, with a focus on building
4 controls and HVAC systems. Energy conservation measures identified by commissioning
5 activities typically represented no-cost to low-cost measures that may have been
6 accomplished with minimal capital investment.

7 In order to develop a significant amount of data that could be analyzed, the
8 RCx Sub-Program was concentrated on one high energy use business sector; grocery stores
9 and supermarkets in excess of 30,000 square feet. Eligible customers had to be PSE&G
10 electric and/or gas customers and their primary systems could not have exceeded their
11 anticipated design service life; i.e. for HVAC – 20 years, refrigeration – 15 years, and
12 lighting systems - 15 years.

13 **Retro-Commissioning Sub-Program Status**

14 The RCx Sub-Program completed in the first quarter of 2013 with 35
15 supermarkets participating. All participants completed the RCx implementation phase,
16 including an ASHRAE Tier I energy audit, EnergyStar benchmarking, completion of on-site
17 RCx upgrades, and one year of measurement and verification. NJIT's Center for
18 Architecture and Building Science Research submitted a report of the sub-program that
19 reviewed the merits and challenges, potential models for wider implementation, and the
20 potential savings attributable to further sub-program expansion.

1 **Retro-Commissioning Sub-Program Participants**

2 The EEE Retro-Commissioning Sub-Program participants are detailed in
3 Schedule MCM-EEE-3.

4 **Retro-Commissioning Sub-Program Energy Savings**

5 The Retro-Commissioning Sub-Program energy savings are detailed in
6 Schedules MCM-EEE-4E, 4G, 5E, and 5G.

7 **Retro-Commissioning Sub-Program Emission Reductions**

8 The Retro-Commissioning Sub-Program emissions impacts are detailed in
9 Schedules MCM-EEE-6 and 7.

10 **G. EEE Stimulus Technology Demonstration Sub-Program**

11 The EEE Technology Demonstration (“Tech Demo Sub-Program”) is now
12 closed. The sub-program provided grant funding for demonstration and proof of concept
13 projects for innovative technologies that may enhance and improve the efficiency and
14 sustainability of New Jersey energy generation and consumption. New Jersey based
15 companies and organizations that were funded under the sub-program must have a product,
16 service, or process that is based on a qualifying technology, that could be commercially
17 available within two years, and that addressed a New Jersey market need. Incentives were
18 structured as grants, with a minimum grant of \$50,000 and subject to funding availability.
19 Grants were approved for up to 100% of the project cost with no repayment requirements.
20 PSE&G engaged the Rutgers Center for Energy, Environment and Economic Policy to assist
21 in developing and managing the sub-program project selection process.

1 **Technology Demonstration Sub-Program Status**

2 The Tech Demo Sub-Program awarded grants to 18 projects. One project
3 withdrew and one project was removed from the sub-program. All funded projects have
4 been completed. The Camden County Municipal Utilities Association sewage heat pump
5 project received its final payment of \$420,000 in June 2017.

6 **Technology Demonstration Sub-Program Participants**

7 The EEE Tech Demo Sub-Program participants are detailed in Schedule
8 MCM-EEE-3.

9 **Technology Demonstration Sub-Program Energy Savings**

10 The Technology Demonstration Sub-Program energy savings are detailed in
11 Schedules MCM-EEE-4E, 4G, 5E, and 5G.

12 **Technology Demonstration Sub-Program Emission Reductions**

13 The Technology Demonstration Sub-Program emissions impacts are detailed
14 in Schedules MCM-EEE-6 and 7.

1

SCHEDULE INDEX

| | | |
|----|-----------------------|------------------------------------------------------|
| 2 | Schedule MCM-1 | Credentials of M. Courtney McCormick |
| 3 | Schedule MCM-S4A-1 | Solar Systems Installed by Segment |
| 4 | Schedule MCM-S4A-2 | Capacity Solar Systems Installed by Segment |
| 5 | Schedule MCM-S4A-3 | Actual and Scheduled Installations by Quarter |
| 6 | Schedule MCM-S4A-4 | Estimated kWh Generated |
| 7 | Schedule MCM-S4A-5 | SRECs Received Under Program by Energy Year |
| 8 | Schedule MCM-S4A-6 | Emissions Reductions |
| 9 | Schedule MCM-S4A-7 | Recoverable Administrative Costs by Segment |
| 10 | Schedule MCM-S4AE-1 | Solar Systems Installed by Segment |
| 11 | Schedule MCM-S4AE-2 | Capacity Solar Systems Installed by Segment |
| 12 | Schedule MCM-S4AE-3 | Actual and Scheduled Installations by Quarter |
| 13 | Schedule MCM-S4AE-4 | Estimated kWh Generated |
| 14 | Schedule MCM-S4AE-5 | SRECs Received Under Program by Energy Year |
| 15 | Schedule MCM-S4AE-6 | Emissions Reductions |
| 16 | Schedule MCM-S4AE-7 | Recoverable Administrative Costs by Segment |
| 17 | Schedule MCM-S4AEII-1 | Solar Systems Installed by Segment |
| 18 | Schedule MCM-S4AEII-2 | Capacity Solar Systems Installed by Segment |
| 19 | Schedule MCM-S4AEII-3 | Actual and Scheduled Installations by Quarter |
| 20 | Schedule MCM-S4AEII-4 | Estimated kWh Generated |
| 21 | Schedule MCM-S4AEII-5 | SRECs Received Under Program by Energy Year |
| 22 | Schedule MCM-S4AEII-6 | Emissions Reductions |
| 23 | Schedule MCM-S4AEII-7 | Recoverable Administrative Costs by Segment |
| 24 | Schedule MCM-SLII-1 | Revised Floor Price Schedule (\$/SREC) |
| 25 | Schedule MCM-SLII-2 | Administrative Cost |
| 26 | Schedule MCM-SLII-3 | Administrative Cost Detail by BPU Category |
| 27 | Schedule MCM-SLII-4 | Program Administrative Cost Cap |
| 28 | Schedule MCM-SLII-5 | Number of Loans Closed by Segment |
| 29 | Schedule MCM-SLII-6 | Capacity of Solar System for Loans Closed by Segment |
| 30 | Schedule MCM-SLII-7 | Actual kWh Generated by Segment for Closed Loans |

| | | |
|----|-----------------------|------------------------------------------------------|
| 1 | Schedule MCM-SLII-8 | Number of Loans Closed by Quarter |
| 2 | Schedule MCM-SLII-9 | Emission Reduction by Segment |
| 3 | Schedule MCM-SLII-10 | SRECs by Segment |
| 4 | Schedule MCM-SLIII-2 | Administrative Cost |
| 5 | Schedule MCM-SLIII-3 | Administrative Cost by BPU Category |
| 6 | Schedule MCM-SLIII-4 | Program Administrative Cost vs. Borrowers Fees |
| 7 | Schedule MCM-SLIII-5 | Number of Loans Closed by Segment |
| 8 | Schedule MCM-SLIII-6 | Capacity of Solar System for Loans Closed by Segment |
| 9 | Schedule MCM-SLIII-7 | Actual kWh Generated by Segment for Closed Loans |
| 10 | Schedule MCM-SLIII-8 | Number of Loans Closed by Quarter |
| 11 | Schedule MCM-SLIII-9 | Emission Reduction by Segment |
| 12 | Schedule MCM-SLIII-10 | SRECs by Segment |
| 13 | Schedule MCM-CA-2 | Budgeted versus Actual Program Costs |
| 14 | Schedule MCM-CA-3 | Participants for Reporting Period |
| 15 | Schedule MCM-CA-4E | Annual Electric Demand and Energy Savings |
| 16 | Schedule MCM-CA-4G | Annual Gas Demand and Energy Savings |
| 17 | Schedule MCM-CA-5E | Lifetime Electric Demand and Energy Savings |
| 18 | Schedule MCM-CA-5G | Lifetime Gas Demand and Energy Savings |
| 19 | Schedule MCM-CA-6 | Annual Emissions Reductions |
| 20 | Schedule MCM-CA-7 | Lifetime Emissions Reductions |
| 21 | Schedule MCM-CA-8 | Participant Costs |
| 22 | Schedule MCM-EEE-2 | Budgeted versus Actual Program Costs |
| 23 | Schedule MCM-EEE-3 | Participants for Reporting Period |
| 24 | Schedule MCM-EEE-4E | Annual Electric Demand and Energy Savings |
| 25 | Schedule MCM-EEE-4G | Annual Gas Demand and Energy Savings |
| 26 | Schedule MCM-EEE-5E | Lifetime Electric Demand and Energy Savings |
| 27 | Schedule MCM-EEE-5G | Lifetime Gas Demand and Energy Savings |
| 28 | Schedule MCM-EEE-6 | Annual Emissions Reductions |
| 29 | Schedule MCM-EEE-7 | Lifetime Emissions Reductions |
| 30 | Schedule MCM-EEE-8 | Participant Costs |

| | | |
|----|-------------------------|---------------------------------------------|
| 1 | Schedule MCM-EEE Ext-2 | Budgeted versus Actual Program Costs |
| 2 | Schedule MCM-EEE Ext-3 | Participants for Reporting Period |
| 3 | Schedule MCM-EEE Ext-4E | Annual Electric Demand and Energy Savings |
| 4 | Schedule MCM-EEE Ext-4G | Annual Gas Demand and Energy Savings |
| 5 | Schedule MCM-EEE Ext-5E | Lifetime Electric Demand and Energy Savings |
| 6 | Schedule MCM-EEE Ext-5G | Lifetime Gas Demand and Energy Savings |
| 7 | Schedule MCM-EEE Ext-6 | Annual Emissions Reductions |
| 8 | Schedule MCM-EEE Ext-7 | Lifetime Emissions Reductions |
| 9 | Schedule MCM-EEE Ext-8 | Participant Costs |
| 10 | Schedule MCM-EEEXII-2 | Budgeted versus Actual Program Costs |
| 11 | Schedule MCM-EEEXII-3 | Participants for Reporting Period |
| 12 | Schedule MCM-EEEXII-4E | Annual Electric Demand and Energy Savings |
| 13 | Schedule MCM-EEEXII-4G | Annual Gas Demand and Energy Savings |
| 14 | Schedule MCM-EEEXII-5E | Lifetime Electric Demand and Energy Savings |
| 15 | Schedule MCM-EEEXII-5G | Lifetime Gas Demand and Energy Savings |
| 16 | Schedule MCM-EEEXII-6 | Annual Emissions Reductions |
| 17 | Schedule MCM-EEEXII-7 | Lifetime Emissions Reductions |
| 18 | Schedule MCM-EEEXII-8 | Participant Costs |

ELECTRONIC WORKPAPER INDEX

| | | |
|----|-----------------------|----------------------------------------------------|
| 19 | WP-MCM-S4A.xlsx | Support for S4A Revenue Requirement |
| 20 | WP-MCM-S4AE.xlsx | Support for S4AExt Revenue Requirement |
| 21 | WP-MCM-SLII.xlsx | Support for SLII Revenue Requirement |
| 22 | WP-MCM-SLIII.xlsx | Support for SLIII Revenue Requirement |
| 23 | WP-MCM-CA-1.xlsx | Support for CA Revenue Requirement |
| 24 | WP-MCM-EEE-1.xlsx | Support for EEE Revenue Requirement |
| 25 | WP-MCM-EEE Ext-1.xlsx | Support for EEE Ext Revenue Requirement |
| 26 | WP-MCM-EEEXII-1.xlsx | Support for EEE Ext Revenue Requirement |
| 27 | WP-MCM-EEEXII-2.xlsx | Project PAC and Buy-down Results; Project Measures |
| 28 | | PAC Results |
| 29 | WP-MCM-DR-1.xlsx | Support for DR Revenue Requirement |

1 corporate governance and corporate transactions, including financings, mergers and
2 acquisitions, public and private securities offerings, as well as records management,
3 shareholder services and securities and stock exchange matters and reporting
4 compliance. I was named Vice President – Deputy General Counsel and Corporate
5 Secretary in April 2014, at which time I also assumed oversight responsibility for the
6 company’s claims and corporate security function, including business continuity and
7 crisis management planning. In December of 2015, I was named Vice President –
8 Renewables and Energy Solutions. My professional experience includes a broad
9 background in federal securities law, corporate transactions and corporate
10 governance, with a specialization in the energy and utilities industry. Further areas of
11 expertise include federal and state policy relating to renewables and energy efficiency
12 and utility regulation.

13 I am a member of the Board of Directors of the Smart Electric Power
14 Alliance as well as a member of the Edison Electric Institute Retail Executive
15 Advisory Committee.

ATTACHMENT A
SCHEDULE MCM-S4A-1

SOLAR 4 ALL
Solar Systems Installed by Segment

| | Projects 2009 <u>Actual</u> | Projects 2010 <u>Actual</u> | Projects 2011 <u>Actual</u> | Projects 2012 <u>Actuals</u> | Projects 2013 <u>Actuals</u> | Projects 2014 <u>Actuals</u> | Projects <u>Total</u> |
|--------------|-----------------------------------|-----------------------------------|-----------------------------------|------------------------------------|------------------------------------|------------------------------------|--------------------------|
| Segment 1A | | 5 | 2 | 2 | 1 | | 10 |
| Segment 1B | | 1 | 5 | 2 | | | 8 |
| Segment 1C | | 3 | 3 | 0 | | | 6 |
| Total | | 9 | 10 | 4 | 1 | | 24 |

| | Solar Units 2009 <u>Actual</u> | Solar Units 2010 <u>Actual</u> | Solar Units 2011 <u>Actual</u> | Solar Units 2012 <u>Actuals</u> | Solar Units 2013 <u>Actuals</u> | Solar Units 2014 <u>Actuals</u> | Solar Units <u>Total</u> |
|--------------|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|-----------------------------|
| Segment 2* | 5,153 | 67,038 | 50,754 | 42,933 | 16,064 | - | 181,942 |
| Total | 5,153 | 67,038 | 50,754 | 42,933 | 16,064 | - | 181,942 |

* Gross Installs does not include removals.
All projects were completed by 2013

ATTACHMENT A
SCHEDULE MCM-S4A-2

SOLAR 4 ALL
Solar System Capacity Installed by Segment

| | MW 2009 <u>Actual</u> | MW 2010 <u>Actual</u> | MW 2011 <u>Actual</u> | MW 2012 <u>Actuals</u> | MW 2013 <u>Actuals</u> | MW 2014 <u>Actuals</u> | MW Total |
|-------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|-------------|
| SEGMENT 1A | - | 9.2 | 3.9 | 1.8 | 1.1 | - | 16.0 |
| SEGMENT 1B | - | 1.7 | 12.8 | 4.0 | - | - | 18.6 |
| SEGMENT 1C | - | 2.4 | 3.1 | - | - | - | 5.4 |
| Total | - | 13.3 | 19.8 | 5.8 | 1.1 | - | 40.0 |
| SEGMENT 2* | 1.0 | 13.7 | 11.4 | 10.2 | 3.8 | - | 40.0 |
| Total | 1.0 | 13.7 | 11.4 | 10.2 | 3.8 | - | 40.0 |
| Total Solar 4 All | 1.0 | 27.0 | 31.1 | 16.0 | 4.9 | - | 80.0 |

* Gross Installs does not include removals.
All projects were completed by 2013

ATTACHMENT A
SCHEDULE MCM-S4A-3

SOLAR 4 ALL
Scheduled Installations by Quarter

| | Actuals MW 4th QTR 2009 | Actuals MW 1st Qtr 2010 | Actuals MW 2nd Qtr 2010 | Actuals MW 3rd QTR 2010 | Actuals MW 4th QTR 2010 | Actuals MW 1st Qtr 2011 | Actuals MW 2nd Qtr 2011 | Actuals MW 3rd Qtr 2011 | Actuals MW 4th Qtr 2011 | Actuals MW 1st Qtr 2012 | Actuals MW 2nd Qtr 2012 | Actuals MW 3rd Qtr 2012 | Actuals MW 4th Qtr 2012 | Actuals MW 1st Qtr 2013 | Actuals MW 2nd Qtr 2013 | Actuals MW 3rd Qtr 2013 | Actuals MW 4th Qtr 2013 | MW Total |
|--------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|-------------|
| SEGMENT 1A | | - | - | - | 9.2 | 3.2 | - | - | 0.7 | - | - | 0.7 | 1.1 | - | - | - | 1.1 | 16.0 |
| SEGMENT 1B | | - | - | - | 1.7 | - | 3.0 | - | 9.8 | 3.0 | - | 1.1 | - | - | - | - | - | 18.6 |
| SEGMENT 1C | | - | - | 0.6 | 1.7 | 2.9 | 0.2 | - | - | - | - | - | - | - | - | - | - | 5.4 |
| Total | - | - | - | 0.6 | 12.7 | 6.1 | 3.2 | - | 10.5 | 3.0 | - | 1.8 | 1.1 | - | - | - | 1.1 | 40.0 |
| SEGMENT 2 | 1.0 | 1.8 | 4.4 | 3.6 | 4.0 | 3.6 | 2.8 | 2.4 | 2.6 | 2.9 | 2.7 | 2.8 | 1.9 | 2.3 | 1.1 | 0.3 | 0.1 | 40.0 |
| Total | 1.0 | 1.8 | 4.4 | 3.6 | 4.0 | 3.6 | 2.8 | 2.4 | 2.6 | 2.9 | 2.7 | 2.8 | 1.9 | 2.3 | 1.1 | 0.3 | 0.1 | 40.0 |
| Total Solar 4 All | 1.0 | 1.8 | 4.4 | 4.2 | 16.6 | 9.6 | 6.0 | 2.4 | 13.2 | 5.8 | 2.7 | 4.6 | 2.9 | 2.3 | 1.1 | 0.3 | 1.2 | 80.0 |

ATTACHMENT A
SCHEDULE MCM-S4A-4

SOLAR 4 ALL
Estimated kWh Generated

| | Actual 2009 | Actual 2010 | Actual 2011 | Actual 2012 | Actual 2013 | Actual 2014 | Actual 2015 | Actual 2016 | Actual 2017 | Jan-March Actual 2018 | Apr-Dec Forecast 2018 | Jan-Sept Forecast 2019 |
|--------------|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------------|
| SEGMENT 1A | 0 | 413,198 | 14,688,693 | 17,037,010 | 17,467,681 | 19,294,966 | 20,021,708 | 20,511,660 | 19,117,757 | 3,460,606 | 14,718,151 | 15,572,952 |
| SEGMENT 1B | 0 | 4,933 | 5,138,300 | 22,493,115 | 23,672,489 | 23,278,374 | 24,140,249 | 23,606,909 | 21,843,845 | 4,234,523 | 16,470,240 | 18,196,772 |
| SEGMENT 1C | 0 | 304,731 | 5,819,309 | 6,493,724 | 6,432,510 | 6,194,432 | 6,318,495 | 6,366,568 | 5,629,650 | 1,046,446 | 4,345,196 | 4,845,650 |
| SEGMENT 2 | 102,356 | 9,735,154 | 22,711,314 | 35,339,231 | 42,959,032 | 43,165,820 | 43,934,632 | 42,649,750 | 39,350,662 | 8,185,228 | 29,501,988 | 32,738,719 |
| Total | 102,356 | 10,458,017 | 48,357,616 | 81,363,081 | 90,531,712 | 91,933,592 | 94,415,085 | 93,134,887 | 85,941,914 | 16,926,803 | 65,035,575 | 71,354,093 |

ATTACHMENT A
SCHEDULE MCM-S4A-5

SOLAR 4 ALL
SREC's Received under Program by Energy Year through 3/31/2018

| SREC Energy Year | Seg 1A | Seg 1B | Seg 1C | Seg2 | Total SRECs Earned |
|-------------------------|----------------|----------------|---------------|----------------|---------------------------|
| Energy Year 2010 | 0 | 0 | 0 | 1,506 | 1,506 |
| Energy Year 2011 | 5,418 | 820 | 2,267 | 14,004 | 22,509 |
| Energy Year 2012 | 16,543 | 12,684 | 6,515 | 29,299 | 65,041 |
| Energy Year 2013 | 16,052 | 22,440 | 6,304 | 32,383 | 77,179 |
| Energy Year 2014 | 18,119 | 23,221 | 6,025 | 39,705 | 87,070 |
| Energy Year 2015 | 19,494 | 23,618 | 6,210 | 40,095 | 89,417 |
| Energy Year 2016 | 13,086 | 15,352 | 4,029 | 26,418 | 58,885 |
| Energy Year 2017 | 20,783 | 23,669 | 6,261 | 37,995 | 88,708 |
| Energy Year 2018 | 19,528 | 22,467 | 5,844 | 37,162 | 85,001 |
| Total | 129,023 | 144,271 | 43,455 | 258,567 | 575,316 |

ATTACHMENT A
SCHEDULE MCM-S4A-6

SOLAR 4 ALL
Program to Date Actual Emissions Reductions*

| | SEGMENT 1A | SEGMENT 1B | SEGMENT 1C | SEGMENT 2 | TOTAL |
|----------------------------------|-------------------|-------------------|-------------------|------------------|--------------|
| Displaced CO2 (metric tons/year) | 66,575 | 74,845 | 22,495 | 145,307 | 309,222 |
| Displaced NOx (metric tons/year) | 57 | 64 | 19 | 124 | 264 |
| Displaced SO2 (metric tons/year) | 132 | 149 | 45 | 289 | 615 |

* Emission factors per NJBPU Clean Energy Program protocols

| SOLAR 4 ALL | | | | | | | |
|---------------------------------------------|------|-----------|----------------|-----------|-----------|-----------|-----------|
| Recoverable Administrative Costs by Segment | | | | | | | |
| Segment 1 | | | | | | | |
| Month | Year | O&M | Administrative | Rent | Insurance | Other | Total |
| October | 2017 | 119,679 | 47,645 | 93,491 | 20,348 | (260,404) | 20,759 |
| November | 2017 | 89,796 | 56,402 | 78,303 | 18,196 | (148,246) | 94,451 |
| December | 2017 | 5,272 | 53,430 | 187,577 | 18,743 | 1,303 | 266,326 |
| January | 2018 | 89,400 | 65,949 | 94,111 | 20,022 | 1,830 | 271,313 |
| February | 2018 | 199,735 | 57,195 | 89,694 | 19,707 | - | 366,332 |
| March | 2018 | 97,785 | 96,375 | 198,474 | 19,707 | 3,600 | 415,941 |
| Total Actual | | 601,668 | 376,997 | 741,650 | 116,723 | (401,918) | 1,435,121 |
| April | 2018 | 127,386 | 42,762 | 95,852 | 20,682 | - | 286,683 |
| May | 2018 | 112,757 | 42,762 | 80,312 | 20,682 | 342,000 | 598,513 |
| June | 2018 | 68,807 | 42,762 | 187,850 | 20,682 | 270,000 | 590,101 |
| July | 2018 | 62,942 | 42,762 | 95,852 | 20,682 | 290,000 | 512,238 |
| August | 2018 | 85,983 | 42,762 | 80,312 | 20,682 | 145,000 | 374,739 |
| September | 2018 | 92,338 | 42,762 | 189,194 | 20,682 | 77,000 | 421,976 |
| October | 2018 | 94,571 | 42,762 | 96,157 | 20,682 | 835,000 | 1,089,172 |
| November | 2018 | 60,452 | 42,762 | 80,312 | 20,682 | 860,000 | 1,064,207 |
| December | 2018 | 22,847 | 42,762 | 192,288 | 20,682 | - | 278,578 |
| January | 2019 | 21,497 | 44,045 | 96,488 | 21,302 | - | 183,333 |
| February | 2019 | 21,497 | 44,045 | 80,821 | 21,302 | - | 167,665 |
| March | 2019 | 71,091 | 44,045 | 192,288 | 21,302 | 150,000 | 478,726 |
| April | 2019 | 129,861 | 44,045 | 98,273 | 21,302 | 170,000 | 463,481 |
| May | 2019 | 115,083 | 44,045 | 82,373 | 21,302 | 90,000 | 352,803 |
| June | 2019 | 70,484 | 44,045 | 192,567 | 21,302 | 75,000 | 403,398 |
| July | 2019 | 64,426 | 44,045 | 98,273 | 21,302 | - | 228,046 |
| August | 2019 | 87,873 | 44,045 | 82,373 | 21,302 | - | 235,593 |
| September | 2019 | 94,423 | 44,045 | 193,945 | 21,302 | - | 353,715 |
| Total Forecast Recovery Period | | 1,404,318 | 781,266 | 2,215,529 | 377,856 | 3,304,000 | 8,082,969 |
| Segment 2 | | | | | | | |
| Month | Year | O&M | Administrative | Rent | Insurance | Other | Total |
| October | 2017 | 490,580 | 20,259 | 15,750 | 477 | 3,105 | 530,171 |
| November | 2017 | 255,536 | 25,526 | 31,597 | 477 | - | 313,136 |
| December | 2017 | 126,720 | 18,655 | 15,750 | 477 | - | 161,602 |
| January | 2018 | 156,889 | 26,328 | 49,500 | 470 | - | 233,187 |
| February | 2018 | 293,368 | 22,503 | - | 470 | - | 316,341 |
| March | 2018 | 295,632 | 41,323 | (97) | 470 | - | 337,327 |
| Total Actual | | 1,618,724 | 154,594 | 112,500 | 2,841 | 3,105 | 1,891,764 |
| April | 2018 | 236,614 | 29,879 | 16,261 | 470 | - | 283,224 |
| May | 2018 | 236,614 | 29,879 | 16,261 | 470 | - | 283,224 |
| June | 2018 | 236,614 | 29,879 | 16,261 | 470 | - | 283,224 |
| July | 2018 | 236,614 | 29,879 | 16,261 | 470 | - | 283,224 |
| August | 2018 | 236,614 | 29,879 | 16,261 | 470 | - | 283,224 |
| September | 2018 | 236,614 | 29,879 | 16,261 | 470 | - | 283,224 |
| October | 2018 | 236,614 | 29,879 | 16,261 | 470 | - | 283,224 |
| November | 2018 | 236,614 | 29,879 | 16,261 | 470 | - | 283,224 |
| December | 2018 | 236,614 | 29,879 | 16,261 | 470 | - | 283,224 |
| January | 2019 | 255,254 | 30,775 | 16,875 | - | - | 302,904 |
| February | 2019 | 255,254 | 30,775 | 16,875 | - | - | 302,904 |
| March | 2019 | 255,254 | 30,775 | 16,875 | - | - | 302,904 |
| April | 2019 | 255,254 | 30,775 | 16,875 | - | - | 302,904 |
| May | 2019 | 255,254 | 30,775 | 16,875 | - | - | 302,904 |
| June | 2019 | 255,254 | 30,775 | 16,875 | - | - | 302,904 |
| July | 2019 | 255,254 | 30,775 | 16,875 | - | - | 302,904 |
| August | 2019 | 257,754 | 30,775 | 16,875 | - | - | 305,404 |
| September | 2019 | 255,254 | 30,775 | 16,875 | - | - | 302,904 |
| Total Forecast Recovery Period | | 4,429,312 | 545,888 | 298,228 | 4,230 | - | 5,277,659 |

| Total Solar 4 All | | | | | | | |
|---------------------------------------|-------------|----------------|-----------------------|-------------|------------------|--------------|--------------|
| Month | Year | O&M | Administrative | Rent | Insurance | Other | Total |
| October | 2017 | 610,259 | 67,904 | 109,241 | 20,825 | (257,299) | 550,930 |
| November | 2017 | 345,332 | 81,928 | 109,900 | 18,673 | (148,246) | 407,587 |
| December | 2017 | 131,992 | 72,086 | 203,327 | 19,220 | 1,303 | 427,929 |
| January | 2018 | 246,290 | 92,277 | 143,611 | 20,492 | 1,830 | 504,500 |
| February | 2018 | 493,103 | 79,698 | 89,694 | 20,177 | - | 682,672 |
| March | 2018 | 393,416 | 137,698 | 198,377 | 20,177 | 3,600 | 753,268 |
| Total Actual | | 2,220,392 | 531,591 | 854,150 | 119,564 | (398,813) | 3,326,885 |
| April | 2018 | 364,000 | 72,641 | 112,114 | 21,152 | - | 569,907 |
| May | 2018 | 349,371 | 72,641 | 96,573 | 21,152 | 342,000 | 881,738 |
| June | 2018 | 305,421 | 72,641 | 204,111 | 21,152 | 270,000 | 873,325 |
| July | 2018 | 299,556 | 72,641 | 112,114 | 21,152 | 290,000 | 795,463 |
| August | 2018 | 322,597 | 72,641 | 96,573 | 21,152 | 145,000 | 657,964 |
| September | 2018 | 328,952 | 72,641 | 205,455 | 21,152 | 77,000 | 705,200 |
| October | 2018 | 331,185 | 72,641 | 112,418 | 21,152 | 835,000 | 1,372,396 |
| November | 2018 | 297,066 | 72,641 | 96,573 | 21,152 | 860,000 | 1,347,432 |
| December | 2018 | 259,461 | 72,641 | 208,549 | 21,152 | - | 561,803 |
| January | 2019 | 276,751 | 74,820 | 113,363 | 21,302 | - | 486,237 |
| February | 2019 | 276,751 | 74,820 | 97,696 | 21,302 | - | 470,570 |
| March | 2019 | 326,345 | 74,820 | 209,163 | 21,302 | 150,000 | 781,631 |
| April | 2019 | 385,115 | 74,820 | 115,148 | 21,302 | 170,000 | 766,385 |
| May | 2019 | 370,337 | 74,820 | 99,248 | 21,302 | 90,000 | 655,707 |
| June | 2019 | 325,738 | 74,820 | 209,442 | 21,302 | 75,000 | 706,302 |
| July | 2019 | 319,680 | 74,820 | 115,148 | 21,302 | - | 530,950 |
| August | 2019 | 345,627 | 74,820 | 99,248 | 21,302 | - | 540,997 |
| September | 2019 | 349,677 | 74,820 | 210,820 | 21,302 | - | 656,620 |
| Total Forecast Recovery Period | | 5,833,630 | 1,327,155 | 2,513,757 | 382,086 | 3,304,000 | 13,360,628 |

ATTACHMENT A
SCHEDULE MCM-S4AE-1

SOLAR 4 ALL Extension

Solar Systems Installed by Segment

| | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Actual | 2018 Actual Jan-Mar | 2018 Forecast Apr-Dec | 2019 Forecast Jan-Sept | Total |
|-------------------------------|----------------|----------------|----------------|----------------|---------------------------|-----------------------------|------------------------------|----------|
| Pilot Segment | 0 | 1 | 2 | 1 | 0 | 1 | 0 | 5 |
| Landfill/Brownfield Segment | 2 | 1 | 1 | 0 | 0 | 0 | 0 | 4 |
| Total Solar 4 All Ext. | 2 | 2 | 3 | 1 | 0 | 1 | 0 | 9 |

SOLAR 4 ALL Extension
Capacity Solar Systems Installed by Segment

| | MW 2014 Actual | MW 2015 Actual | MW 2016 Actual | MW 2017 Actual | MW 2018 Actual Jan-Mar | MW 2018 Forecast Apr-Dec | MW 2019 Forecast Jan-Sept | MW Total |
|-------------------------------|----------------------|----------------------|----------------------|----------------------|---------------------------------|-----------------------------------|------------------------------------|-------------|
| Pilot Segment | 0 | 1 | 1 | 0.4 | 0 | 1 | 0 | 3 |
| Landfill/Brownfield Segment | 21 | 13 | 8 | 0 | 0 | 0 | 0 | 42 |
| Total Solar 4 All Ext. | 21 | 14 | 9 | 0 | 0 | 1 | 0 | 45 |

SOLAR 4 ALL Extension
Scheduled Installations by Quarter

| | Actual MW | Actual MW | Actual MW | Actual MW | Actual MW | Actual MW | Actual MW | Actual MW | Actual MW | Actual MW | Actual MW | Actual MW | Actual MW | Actual MW | Actual MW | Forecast MW | Forecast MW | Forecast MW | Forecast MW | Forecast MW | Forecast MW | Forecast MW | Total MW |
|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|-------------|
| | 3rd QTR 2014 | 4th QTR 2014 | 1st Qtr 2015 | 2nd Qtr 2015 | 3rd Qtr 2015 | 4th Qtr 2015 | 1st Qtr 2016 | 2nd Qtr 2016 | 3rd Qtr 2016 | 4th Qtr 2016 | 1st Qtr 2017 | 2nd Qtr 2017 | 3rd Qtr 2017 | 4th Qtr 2017 | 1st Qtr 2018 | 2nd Qtr 2018 | 3rd Qtr 2018 | 4th Qtr 2018 | 1st Qtr 2019 | 2nd Qtr 2019 | 3rd Qtr 2019 | Total | |
| Pilot Segment | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.9 | 0.0 | 0.0 | 0.2 | 0.9 | 0.0 | 0.0 | 0.0 | 0.4 | 0.0 | 0.0 | 0.0 | 0.7 | 0.0 | 0.0 | 0.0 | 3.1 | |
| Landfill/Brownfield Segment | 0.0 | 21.3 | 0.0 | 0.0 | 0.0 | 12.9 | 0.0 | 0.0 | 0.0 | 7.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 42.0 | |
| Total Solar 4 All Ext. | 0.0 | 21.3 | 0.0 | 0.0 | 0.0 | 13.8 | 0.0 | 0.0 | 0.2 | 8.7 | 0.0 | 0.0 | 0.0 | 0.4 | 0.0 | 0.0 | 0.0 | 0.7 | 0.0 | 0.0 | 0.0 | 45.1 | |

ATTACHMENT A
SCHEDULE MCM-S4AE-4

**SOLAR 4 ALL Extension
Estimated kWh Generated**

| | 2014 | 2015 Actual | 2016 Actual | 2017 Actual | 2018 Actual Jan-March | 2018 Forecast April-Dec | 2019 Forecast Jan-Sept |
|-------------------------------|------|-------------------|-------------------|-------------------|-----------------------------|-------------------------------|------------------------------|
| Pilot Segment | - | - | 811,375 | 1,930,111 | 395,067 | 2,098,443 | 2,946,453 |
| Landfill/Brownfield Segment | - | 24,333,964 | 42,678,027 | 51,363,423 | 9,544,015 | 39,538,072 | 41,115,336 |
| Total Solar 4 All Ext. | - | 24,333,964 | 43,489,402 | 53,293,534 | 9,939,082 | 41,636,514 | 44,061,788 |

SOLAR 4 ALL Extension
SREC's Received by Energy Year through 3/31/2018

| | Landfill/Brownfield Segment | Pilot Segment | Total SRECS |
|--------------------|------------------------------------|----------------------|--------------------|
| Energy Year 2014 | - | - | - |
| Energy Year 2015 | - | - | - |
| Energy Year 2016 | 12,082 | 337 | 12,419 |
| Energy Year 2017 | 29,629 | 1,015 | 30,644 |
| Energy Year 2018 | 28,291 | 863 | 29,154 |
| Total SRECS | 70,002 | 2,215 | 72,217 |

SOLAR 4 ALL Extension
Program to Date Actual Emissions Reductions*

| | Landfill/Brownfield Segment | Pilot Segment | TOTAL |
|----------------------------------|------------------------------------|----------------------|--------------|
| Displaced CO2 (metric tons/year) | 64,510 | 1,582 | 66,092 |
| Displaced NOx (metric tons/year) | 55 | 1 | 56 |
| Displaced SO2 (metric tons/year) | 128 | 3 | 131 |

* Emission factors taken from NJBPU Clean Energy Program protocols

| SOLAR 4 ALL EXTENSION | | | | | | | |
|---------------------------------------------|------|-----------|----------------|-----------|-----------|-------|-----------|
| Recoverable Administrative Costs by Segment | | | | | | | |
| Landfills/Brownfields | | | | | | | |
| Month | Yr | O&M | Administrative | Rent | Insurance | Other | Total |
| October | 2017 | 57,051 | 78,179 | 557,349 | 19,122 | - | 711,701 |
| November | 2017 | 44,205 | 10,955 | - | 19,122 | - | 74,282 |
| December | 2017 | 16,392 | 17,972 | - | 19,122 | - | 53,486 |
| January | 2018 | 30,392 | 27,854 | 556,939 | 20,716 | - | 635,902 |
| February | 2018 | 34,270 | 23,361 | - | 20,716 | - | 78,346 |
| March | 2018 | 12,715 | 42,635 | - | 20,716 | - | 76,066 |
| Total Actual | | 195,025 | 200,956 | 1,114,289 | 119,514 | - | 1,629,784 |
| April | 2018 | 62,239 | 26,294 | 570,863 | 20,716 | - | 680,111 |
| May | 2018 | 62,239 | 26,294 | - | 20,716 | - | 109,248 |
| June | 2018 | 62,239 | 26,294 | - | 20,716 | - | 109,248 |
| July | 2018 | 62,239 | 26,294 | 570,863 | 20,716 | - | 680,111 |
| August | 2018 | 62,239 | 26,294 | - | 20,716 | - | 109,248 |
| September | 2018 | 62,239 | 26,294 | - | 20,716 | - | 109,248 |
| October | 2018 | 62,239 | 26,294 | 570,863 | 20,716 | - | 680,111 |
| November | 2018 | 62,239 | 26,294 | - | 20,716 | - | 109,248 |
| December | 2018 | 62,239 | 26,294 | - | 20,716 | - | 109,248 |
| January | 2019 | 14,330 | 27,082 | 570,863 | 21,337 | - | 633,612 |
| February | 2019 | 14,330 | 27,082 | - | 21,337 | - | 62,749 |
| March | 2019 | 49,036 | 27,082 | - | 21,337 | - | 97,456 |
| April | 2019 | 62,430 | 27,082 | 585,135 | 21,337 | - | 695,984 |
| May | 2019 | 76,932 | 27,082 | - | 21,337 | - | 125,352 |
| June | 2019 | 41,030 | 27,082 | - | 21,337 | - | 89,450 |
| July | 2019 | 16,055 | 27,082 | 585,135 | 21,337 | - | 649,609 |
| August | 2019 | 67,473 | 27,082 | - | 21,337 | - | 115,893 |
| September | 2019 | 62,693 | 27,082 | - | 21,337 | - | 111,113 |
| Total Forecast Recovery Period | | 964,458 | 480,382 | 3,453,721 | 378,481 | - | 5,277,042 |
| Pilot Programs | | | | | | | |
| Month | Year | O&M | Administrative | Rent | Insurance | Other | Total |
| October | 2017 | 4,980 | 8,973 | 26,532 | 910 | - | 41,395 |
| November | 2017 | 2,732 | 62,226 | - | 910 | - | 65,868 |
| December | 2017 | 12,587 | 7,461 | - | 910 | - | 20,958 |
| January | 2018 | (8,149) | 10,549 | 26,994 | 1,479 | - | 30,872 |
| February | 2018 | 7,739 | 11,124 | - | 1,479 | - | 20,342 |
| March | 2018 | 7,849 | 13,961 | - | 1,479 | - | 23,289 |
| Total Actual | | 27,738 | 114,294 | 53,526 | 7,167 | - | 202,724 |
| April | 2018 | 14,404 | 22,167 | 36,030 | 1,479 | - | 74,080 |
| May | 2018 | 14,404 | 22,167 | - | 1,479 | - | 38,050 |
| June | 2018 | 14,404 | 22,167 | - | 1,479 | - | 38,050 |
| July | 2018 | 14,404 | 22,167 | 32,532 | 1,479 | - | 70,582 |
| August | 2018 | 14,404 | 22,167 | 9,099 | 1,479 | - | 47,149 |
| September | 2018 | 14,404 | 22,167 | - | 1,479 | - | 38,050 |
| October | 2018 | 14,404 | 22,167 | 32,532 | 1,479 | - | 70,582 |
| November | 2018 | 14,404 | 22,167 | 9,099 | 1,479 | - | 47,149 |
| December | 2018 | 14,404 | 22,167 | - | 1,479 | - | 38,050 |
| January | 2019 | 8,677 | 22,832 | 32,608 | 1,523 | - | 65,641 |
| February | 2019 | 8,677 | 22,832 | 9,099 | 1,523 | - | 42,132 |
| March | 2019 | 14,294 | 22,832 | - | 1,523 | - | 38,650 |
| April | 2019 | 10,708 | 22,832 | 33,345 | 1,523 | - | 68,409 |
| May | 2019 | 18,487 | 22,832 | 9,099 | 1,523 | - | 51,942 |
| June | 2019 | 11,458 | 22,832 | - | 1,523 | - | 35,814 |
| July | 2019 | 11,458 | 22,832 | 33,345 | 1,523 | - | 69,159 |
| August | 2019 | 14,584 | 22,832 | 9,326 | 1,523 | - | 48,266 |
| September | 2019 | 11,470 | 22,832 | - | 1,523 | - | 35,825 |
| Total Forecast Recovery Period | | 239,446 | 404,996 | 246,114 | 27,021 | - | 917,578 |
| Total Solar 4 All EXTENSION | | | | | | | |
| Month | Year | O&M | Administrative | Rent | Insurance | Other | Total |
| October | 2017 | 62,031 | 87,152 | 583,881 | 20,032 | - | 753,096 |
| November | 2017 | 46,937 | 73,181 | - | 20,032 | - | 140,150 |
| December | 2017 | 28,979 | 25,433 | - | 20,032 | - | 74,445 |
| January | 2018 | 22,244 | 38,403 | 583,933 | 22,195 | - | 666,775 |
| February | 2018 | 42,009 | 34,484 | - | 22,195 | - | 98,688 |
| March | 2018 | 20,563 | 56,596 | - | 22,195 | - | 99,355 |
| Total Actual | | 222,763 | 315,250 | 1,167,814 | 126,681 | - | 1,832,508 |
| April | 2018 | 76,642 | 48,461 | 606,893 | 22,195 | - | 754,191 |
| May | 2018 | 76,642 | 48,461 | - | 22,195 | - | 147,298 |
| June | 2018 | 76,642 | 48,461 | - | 22,195 | - | 147,298 |
| July | 2018 | 76,642 | 48,461 | 603,395 | 22,195 | - | 750,693 |
| August | 2018 | 76,642 | 48,461 | 9,099 | 22,195 | - | 156,397 |
| September | 2018 | 76,642 | 48,461 | - | 22,195 | - | 147,298 |
| October | 2018 | 76,642 | 48,461 | 603,395 | 22,195 | - | 750,693 |
| November | 2018 | 76,642 | 48,461 | 9,099 | 22,195 | - | 156,397 |
| December | 2018 | 76,642 | 48,461 | - | 22,195 | - | 147,298 |
| January | 2019 | 23,007 | 49,915 | 603,471 | 22,861 | - | 699,253 |
| February | 2019 | 23,007 | 49,915 | 9,099 | 22,861 | - | 104,881 |
| March | 2019 | 63,330 | 49,915 | - | 22,861 | - | 136,106 |
| April | 2019 | 73,138 | 49,915 | 618,480 | 22,861 | - | 764,393 |
| May | 2019 | 95,419 | 49,915 | 9,099 | 22,861 | - | 177,294 |
| June | 2019 | 52,489 | 49,915 | - | 22,861 | - | 125,264 |
| July | 2019 | 27,513 | 49,915 | 618,480 | 22,861 | - | 718,768 |
| August | 2019 | 82,057 | 49,915 | 9,326 | 22,861 | - | 164,159 |
| September | 2019 | 74,163 | 49,915 | - | 22,861 | - | 146,938 |
| Total Forecast Recovery Period | | 1,203,904 | 885,378 | 3,699,835 | 405,503 | - | 6,194,620 |

ATTACHMENT A
SCHEDULE MCM-SLII-1

SLP II Revised Floor Price Schedule (\$/SREC)

| Segment | Q1-Q2 | Q3-Q4 | Q5-Q6 | Q7-Q8 |
|----------------------------|--------------|--------------|--------------|--------------|
| Residential | \$ 450 | \$ 435 | \$ 420 | \$ 400 |
| Non-Residential Small | \$ 410 | \$ 395 | \$ 380 | \$ 360 |
| Non-Residential Large | \$ 380 | \$ 365 | \$ 350 | \$ 330 |
| Non-Residential Very Large | N/A | \$ 350 | \$ 340 | \$ 325 |

**ATTACHMENT A
SCHEDULE MCM-SLII-2**

| SOLAR LOAN II: ADMINISTRATIVE COST | | | | | | |
|-------------------------------------------|------|--------------------------------------------------------------------|------------------------------------------|----------------------------|------------------------------------|------------------------------------------|
| | | (1) | (2) | (3) | (4) | (5) = (2+3+4) |
| Month | Yr | Solar Loan I, Solar Loan II, and Solar Loan III Total Common Costs | Solar Loan II Allocation of Common Costs | Solar Loan II Volume Costs | Application and Administrative Fee | Total Solar Loan II Administrative Costs |
| October | 2017 | 88,636 | 48,129 | 7,101 | (500) | 54,730 |
| November | 2017 | 63,205 | 34,320 | 6,076 | - | 40,397 |
| December | 2017 | 73,510 | 39,916 | 5,954 | - | 45,870 |
| January | 2018 | 77,252 | 37,653 | 12,720 | - | 50,373 |
| February | 2018 | 69,218 | 33,737 | 12,027 | - | 45,764 |
| March | 2018 | 88,055 | 42,918 | 13,062 | (110) | 55,870 |
| April | 2018 | 77,655 | 37,849 | - | - | 37,849 |
| May | 2018 | 77,655 | 37,849 | - | - | 37,849 |
| June | 2018 | 77,655 | 37,849 | - | - | 37,849 |
| July | 2018 | 77,655 | 37,849 | - | - | 37,849 |
| August | 2018 | 77,655 | 37,849 | - | - | 37,849 |
| September | 2018 | 77,655 | 37,849 | - | - | 37,849 |
| October | 2018 | 77,655 | 37,849 | - | - | 37,849 |
| November | 2018 | 77,655 | 37,849 | - | - | 37,849 |
| December | 2018 | 76,095 | 37,089 | - | - | 37,089 |
| January | 2019 | 89,926 | 38,830 | - | - | 38,830 |
| February | 2019 | 89,926 | 38,830 | - | - | 38,830 |
| March | 2019 | 89,926 | 38,830 | - | - | 38,830 |
| April | 2019 | 89,926 | 38,830 | - | - | 38,830 |
| May | 2019 | 89,926 | 38,830 | - | - | 38,830 |
| June | 2019 | 89,926 | 38,830 | - | - | 38,830 |
| July | 2019 | 89,926 | 38,830 | - | - | 38,830 |
| August | 2019 | 89,926 | 38,830 | - | - | 38,830 |
| September | 2019 | 89,926 | 38,830 | - | - | 38,830 |
| Total | | 1,966,542 | 926,023 | 56,940 | (610) | 982,353 |

Actual

Forecast

**ATTACHMENT A
SCHEDULE MCM-SLII-3**

SOLAR LOAN II: ADMINISTRATIVE COST DETAIL BY BPU CATEGORY

| Month | Yr | Administration and Program Development Expenditures | Rebate Processing, Inspections and Other QC Expenditures | Evaluation and Related Research Expenditures | Marketing & Sales | Training Expenditures | Application and Administrative Fees | Total | |
|--------------|------|-----------------------------------------------------|----------------------------------------------------------|----------------------------------------------|-------------------|-----------------------|-------------------------------------|----------------|----------|
| October | 2017 | - | 55,230 | - | - | - | (500) | 54,730 | Actual |
| November | 2017 | - | 40,397 | - | - | - | - | 40,397 | |
| December | 2017 | - | 45,870 | - | - | - | - | 45,870 | |
| January | 2018 | - | 50,373 | - | - | - | - | 50,373 | |
| February | 2018 | - | 45,764 | - | - | - | - | 45,764 | |
| March | 2018 | - | 55,980 | - | - | - | (110) | 55,870 | |
| April | 2018 | - | 37,849 | - | - | - | - | 37,849 | Forecast |
| May | 2018 | - | 37,849 | - | - | - | - | 37,849 | |
| June | 2018 | - | 37,849 | - | - | - | - | 37,849 | |
| July | 2018 | - | 37,849 | - | - | - | - | 37,849 | |
| August | 2018 | - | 37,849 | - | - | - | - | 37,849 | |
| September | 2018 | - | 37,849 | - | - | - | - | 37,849 | |
| October | 2018 | - | 37,849 | - | - | - | - | 37,849 | |
| November | 2018 | - | 37,849 | - | - | - | - | 37,849 | |
| December | 2018 | - | 37,089 | - | - | - | - | 37,089 | |
| January | 2019 | - | 38,830 | - | - | - | - | 38,830 | |
| February | 2019 | - | 38,830 | - | - | - | - | 38,830 | |
| March | 2019 | - | 38,830 | - | - | - | - | 38,830 | |
| April | 2019 | - | 38,830 | - | - | - | - | 38,830 | |
| May | 2019 | - | 38,830 | - | - | - | - | 38,830 | |
| June | 2019 | - | 38,830 | - | - | - | - | 38,830 | |
| July | 2019 | - | 38,830 | - | - | - | - | 38,830 | |
| August | 2019 | - | 38,830 | - | - | - | - | 38,830 | |
| September | 2019 | - | 38,830 | - | - | - | - | 38,830 | |
| Total | | - | 982,963 | - | - | - | (610) | 982,353 | |

ATTACHMENT A
SCHEDULE MCM-SLII-4

Solar Loan II
Program Administrative Costs Cap

| Year | (1) Annual Program Cap | (2) Volume Rollover Amount (From Column 8) | (3) Adjusted Annual Program Cap | (4) Total Recoverable Expenses | (5) Over / (Under) | (6) Expenses Eligible for Rollover | (7) Volume Related Expenses (Labor & Other) | (8) Rollover Amount |
|-------------------------|------------------------------|--------------------------------------------------|---------------------------------------|--------------------------------------|-----------------------|------------------------------------------|---------------------------------------------------|---------------------------|
| 2009 | 211,956 | - | 211,956 | 53,479 | (158,477) | 120,221 | 48,379 | 71,842 |
| 2010 | 1,700,261 | 71,842 | 1,772,103 | 1,006,890 | (765,213) | 2,403,233 | 946,097 | 1,528,977 |
| 2011 | 2,402,524 | 1,528,977 | 3,931,501 | 1,486,592 | (2,444,909) | 3,929,076 | 2,247,895 | 3,210,159 |
| 2012 | 2,139,372 | 3,210,159 | 5,349,531 | 1,111,986 | (4,237,544) | 2,345,652 | 2,459,719 | 3,096,091 |
| 2013 | 920,760 | - | 920,760 | 1,482,594 | 561,834 | - | - | - |
| 2014 | 948,082 | - | 948,082 | 612,789 | (335,293) | - | - | - |
| 2015 | 966,225 | - | 966,225 | 494,614 | (471,611) | - | - | - |
| 2016 | 995,212 | - | 995,212 | 370,992 | (624,220) | - | - | - |
| 2017 | 1,025,068 | - | 1,025,068 | 482,927 | (542,141) | - | - | - |
| 2018 | 1,055,820 | - | 1,055,820 | 491,887 | (563,933) | - | - | - |
| 2019 | 1,087,495 | - | 1,087,495 | 465,960 | (621,535) | - | - | - |
| 2020 | 1,120,119 | - | 1,120,119 | 416,242 | (703,877) | - | - | - |
| 2021 | 1,153,723 | - | 1,153,723 | 370,696 | (783,027) | - | - | - |
| 2022 | 1,188,335 | - | 1,188,335 | 322,932 | (865,403) | - | - | - |
| 2023 | 1,223,985 | - | 1,223,985 | 323,964 | (900,021) | - | - | - |
| 2024 | 1,260,704 | - | 1,260,704 | 329,969 | (930,735) | - | - | - |
| 2025 | 1,298,525 | - | 1,298,525 | 367,962 | (930,563) | - | - | - |
| 2026 | 1,337,481 | - | 1,337,481 | 402,984 | (934,497) | - | - | - |
| 2027 | 1,377,606 | - | 1,377,606 | 364,393 | (1,013,213) | - | - | - |
| 2028 | - | - | - | 163,891 | 163,891 | - | - | - |
| 2029 | - | - | - | 30,021 | 30,021 | - | - | - |
| 2030 | - | - | - | - | - | - | - | - |
| Total Program Expenses: | | | | 11,153,763 | | | | |
| Total Program Cap: | | | | 28,224,230 | | | | |

Column Definitions:

- (1) Total administrative cost cap from the Board Order, Exhibit C
- (2) Allowed volume rollover costs from prior year (from column 8)
- (3) Column 1 plus 2
- (4) Annual program expenses (actual through March 31, 2018, forecast thereafter)
- (5) Column 3 minus 4
- (6) Program expense eligible to rollover to future years from Board Order, Exhibit C
- (7) Volume related expenses eligible for rollover credit
- (8) Rollover credit to be applied to the following year's program cap

ATTACHMENT A
SCHEDULE MCM-SLII-5

Solar Loan II
Number of Loans Closed by Segment
(Through March 31, 2018)

| Segment | Loans |
|----------------------------|--------------|
| Residential | 692 |
| Small Non-Residential | 110 |
| Large Non-Residential | 54 |
| Very Large Non-Residential | 29 |
| Total | 885 |

ATTACHMENT A
SCHEDULE MCM-SLII-6

Solar Loan II
Capacity of Solar System for Loans Closed by Segment
(Through March 31, 2018)

| Segment | kW Closed |
|----------------------------|------------------|
| Residential | 27,470 |
| Small Non-Residential | 11,660 |
| Large Non-Residential | 11,930 |
| Very Large Non-Residential | 6,550 |
| Total | 57,610 |

ATTACHMENT A
SCHEDULE MCM-SLII-7

Solar Loan II
Actual kWh Generated by Segment for Closed Loans
(Through March 31, 2018)

| Segment | kWh |
|----------------------------|--------------------|
| Residential | 32,880,849 |
| Small Non-Residential | 48,897,877 |
| Large Non-Residential | 97,647,538 |
| Very Large Non-Residential | 154,010,945 |
| Total | 333,437,209 |

**ATTACHMENT A
SCHEDULE MCM-SLII-8**

**Solar Loan II
Number of Loans Closed by Quarter
(Through March 31, 2018)**

| 2010 | Loans |
|-------------------|-----------|
| Quarter 1 | - |
| Quarter 2 | 1 |
| Quarter 3 | 13 |
| Quarter 4 | 35 |
| 2010 Total | 49 |

| 2011 | Loans |
|-------------------|------------|
| Quarter 1 | 39 |
| Quarter 2 | 67 |
| Quarter 3 | 76 |
| Quarter 4 | 118 |
| 2011 Total | 300 |

| 2012 | Loans |
|-------------------|------------|
| Quarter 1 | 99 |
| Quarter 2 | 104 |
| Quarter 3 | 91 |
| Quarter 4 | 66 |
| 2012 Total | 360 |

| 2013 | Loans |
|-------------------|------------|
| Quarter 1 | 68 |
| Quarter 2 | 62 |
| Quarter 3 | 13 |
| Quarter 4 | 19 |
| 2013 Total | 162 |

| 2014 | Loans |
|-------------------|-----------|
| Quarter 1 | 8 |
| Quarter 2 | 3 |
| Quarter 3 | 3 |
| Quarter 4 | - |
| 2014 Total | 14 |

| 2015 | Loans |
|-------------------|-------|
| Quarter 1 | |
| Quarter 2 | |
| Quarter 3 | |
| Quarter 4 | |
| 2015 Total | - |

| | |
|----------------------|------------|
| Program Total | 885 |
|----------------------|------------|

ATTACHMENT A
SCHEDULE MCM-SLII-9

Solar Loan II
Emission Reduction by Segment
(Through March 31, 2018)

(Metric Tons)

| Segment | CO2 | NOx | S02 |
|----------------------------|----------------|--------------|--------------|
| Residential | 17,909 | 15.3 | 35.6 |
| Small Non-Residential | 26,633 | 22.8 | 52.9 |
| Large Non-Residential | 53,185 | 45.4 | 105.7 |
| Very Large Non-Residential | 83,884 | 71.7 | 166.7 |
| Total | 181,611 | 155.2 | 361.0 |

(From April 1, 2017 Through March 31, 2018)

(Metric Tons)

| Segment | CO2 | NOx | S02 |
|----------------------------|--------------|------------|-------------|
| Residential | 521 | 0.4 | 1.0 |
| Small Non-Residential | 848 | 0.7 | 1.7 |
| Large Non-Residential | 1,622 | 1.4 | 3.2 |
| Very Large Non-Residential | 2,749 | 2.3 | 5.5 |
| Total | 5,740 | 4.9 | 11.4 |

(Through March 31, 2017)

(Metric Tons)

| Segment | CO2 | NOx | S02 |
|----------------------------|----------------|--------------|--------------|
| Residential | 17,388 | 14.9 | 34.6 |
| Small Non-Residential | 25,785 | 22.0 | 51.3 |
| Large Non-Residential | 51,563 | 44.1 | 102.5 |
| Very Large Non-Residential | 81,135 | 69.3 | 161.3 |
| Total | 175,871 | 150.3 | 349.6 |

ATTACHMENT A
SCHEDULE MCM-SLII-10

Solar Loan II
SRECs by Segment
(Through March 31, 2018)

| Segment | # of SRECs |
|----------------------------|-------------------|
| Residential | 36,552 |
| Small Non-Residential | 57,155 |
| Large Non-Residential | 107,451 |
| Very Large Non-Residential | 177,920 |
| Total | 379,078 |

| SOLAR LOAN III: ADMINISTRATIVE COST | | | | | | | | | | | |
|--------------------------------------------|------|--------------------------------------------------|-------------------------------------------------|--------------------------------|--------------------|-------------------------------------------------|-------------------------------------------------------------------------------------|------------------------|------------------------------------------------------------|--------|----------|
| | | (1) | (2) | (3) | (4) | (5) | (6) = (2+3+4+5) | (7) | (8) = (6+7) | | |
| Month | Yr | Solar Loan I, II, & III Total Common Costs | Solar Loan III Allocation of Common Costs | Solar Loan III Volume Costs | SREC Auction Costs | Solar Loan III Application and Admin Fees | Total Solar Loan III Administrative Costs Excluding SREC Processing Fee | SREC Processing Fee | Net Solar Loan III Administrative Costs ¹ | | |
| October | 2017 | 88,636 | 22,248 | 143,411 | | (45,284) | 120,375 | (16,416) | 103,959 | Actual | |
| November | 2017 | 63,205 | 15,864 | 141,625 | 5,197 | (8,489) | 154,197 | (13,888) | 140,309 | | |
| December | 2017 | 73,510 | 18,451 | 200,025 | | (148,678) | 69,798 | (34,917) | 34,881 | | |
| January | 2018 | 77,252 | 25,369 | 145,586 | 4,844 | (3,377) | 172,423 | (49,401) | 123,022 | | |
| February | 2018 | 69,218 | 22,731 | 199,991 | | (467,120) | (244,398) | (15,133) | (259,531) | | |
| March | 2018 | 88,055 | 28,917 | 174,177 | | (196,193) | 6,902 | (5,508) | 1,393 | | |
| April | 2018 | 77,655 | 25,502 | 190,745 | 3,655 | (141,995) | 77,907 | (17,760) | 60,147 | | Forecast |
| May | 2018 | 77,655 | 25,502 | 190,745 | - | (141,995) | 74,252 | (17,760) | 56,492 | | |
| June | 2018 | 77,655 | 25,502 | 190,745 | - | (141,995) | 74,252 | (17,760) | 56,492 | | |
| July | 2018 | 77,655 | 25,502 | 190,745 | 8,445 | (141,995) | 82,696 | (17,760) | 64,936 | | |
| August | 2018 | 77,655 | 25,502 | 190,745 | - | (141,995) | 74,252 | (17,760) | 56,492 | | |
| September | 2018 | 77,655 | 25,502 | 190,745 | - | (141,995) | 74,252 | (17,760) | 56,492 | | |
| October | 2018 | 77,655 | 25,502 | 190,745 | 8,445 | (141,995) | 82,696 | (17,760) | 64,936 | | |
| November | 2018 | 77,655 | 25,502 | 190,745 | - | (141,995) | 74,252 | (17,760) | 56,492 | | |
| December | 2018 | 76,095 | 24,990 | 190,745 | - | (141,995) | 73,739 | (17,760) | 55,979 | | |
| January | 2019 | 89,926 | 36,420 | 215,348 | 8,445 | (164,541) | 95,671 | (73,777) | 21,894 | | |
| February | 2019 | 89,926 | 36,420 | 215,348 | - | (164,541) | 87,227 | (73,777) | 13,450 | | |
| March | 2019 | 89,926 | 36,420 | 215,348 | - | (164,541) | 87,227 | (73,777) | 13,450 | | |
| April | 2019 | 89,926 | 36,420 | 215,348 | 11,365 | (164,541) | 98,591 | (73,777) | 24,814 | | |
| May | 2019 | 89,926 | 36,420 | 215,348 | - | (164,541) | 87,227 | (73,777) | 13,450 | | |
| June | 2019 | 89,926 | 36,420 | 215,348 | - | (164,541) | 87,227 | (73,777) | 13,450 | | |
| July | 2019 | 89,926 | 36,420 | 215,348 | 11,365 | (164,541) | 98,591 | (73,777) | 24,814 | | |
| August | 2019 | 89,926 | 36,420 | 215,348 | - | (164,541) | 87,227 | (73,777) | 13,450 | | |
| September | 2019 | 89,926 | 36,420 | 215,348 | - | (164,541) | 87,227 | (73,777) | 13,450 | | |
| Total | | 1,966,542 | 690,365 | 4,659,650 | 61,760 | (3,627,967) | 1,783,808 | (959,098) | 824,710 | | |

| SOLAR LOAN III: ADMINISTRATIVE COST DETAIL BY BPU CATEGORY | | | | | | | | | | |
|-------------------------------------------------------------------|------|-----------------------------------------------------|----------------------------------------------|----------------------------------------------------------|-------------------|-----------------------|----------------------------------|---------------------|-----------------------------------------|----------|
| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | |
| Month | Yr | Administration and Program Development Expenditures | Evaluation and Related Research Expenditures | Rebate Processing, Inspections and Other QC Expenditures | Marketing & Sales | Training Expenditures | Application & Administrative Fee | SREC Processing Fee | Net Solar Loan III Administrative Costs | |
| October | 2017 | 128,864 | 13,350 | 22,248 | 1,197 | - | (45,284) | (16,416) | 103,959 | Actual |
| November | 2017 | 141,006 | - | 21,062 | 619 | - | (8,489) | (13,888) | 140,309 | |
| December | 2017 | 181,627 | 17,800 | 18,451 | 598 | - | (148,678) | (34,917) | 34,881 | |
| January | 2018 | 144,567 | - | 30,214 | 1,019 | - | (3,377) | (49,401) | 123,022 | |
| February | 2018 | 199,313 | - | 22,731 | 678 | - | (467,120) | (15,133) | (259,531) | |
| March | 2018 | 173,250 | - | 28,917 | 927 | - | (196,193) | (5,508) | 1,393 | |
| April | 2018 | 170,245 | 19,000 | 29,157 | 1,500 | - | (141,995) | (17,760) | 60,147 | |
| May | 2018 | 189,245 | - | 25,502 | 1,500 | - | (141,995) | (17,760) | 56,492 | |
| June | 2018 | 170,245 | 19,000 | 25,502 | 1,500 | - | (141,995) | (17,760) | 56,492 | |
| July | 2018 | 189,245 | - | 33,947 | 1,500 | - | (141,995) | (17,760) | 64,936 | |
| August | 2018 | 170,245 | 19,000 | 25,502 | 1,500 | - | (141,995) | (17,760) | 56,492 | |
| September | 2018 | 189,245 | - | 25,502 | 1,500 | - | (141,995) | (17,760) | 56,492 | |
| October | 2018 | 170,245 | 19,000 | 33,947 | 1,500 | - | (141,995) | (17,760) | 64,936 | |
| November | 2018 | 189,245 | - | 25,502 | 1,500 | - | (141,995) | (17,760) | 56,492 | |
| December | 2018 | 170,245 | 19,000 | 24,990 | 1,500 | - | (141,995) | (17,760) | 55,979 | |
| January | 2019 | 213,848 | - | 44,865 | 1,500 | - | (164,541) | (73,777) | 21,894 | |
| February | 2019 | 194,278 | 19,570 | 36,420 | 1,500 | - | (164,541) | (73,777) | 13,450 | |
| March | 2019 | 213,848 | - | 36,420 | 1,500 | - | (164,541) | (73,777) | 13,450 | |
| April | 2019 | 194,278 | 19,570 | 47,785 | 1,500 | - | (164,541) | (73,777) | 24,814 | |
| May | 2019 | 213,848 | - | 36,420 | 1,500 | - | (164,541) | (73,777) | 13,450 | |
| June | 2019 | 194,278 | 19,570 | 36,420 | 1,500 | - | (164,541) | (73,777) | 13,450 | |
| July | 2019 | 213,848 | - | 47,785 | 1,500 | - | (164,541) | (73,777) | 24,814 | |
| August | 2019 | 194,278 | 19,570 | 36,420 | 1,500 | - | (164,541) | (73,777) | 13,450 | |
| September | 2019 | 213,848 | - | 36,420 | 1,500 | - | (164,541) | (73,777) | 13,450 | |
| Total | | 4,423,183 | 204,430 | 752,125 | 32,037 | - | (3,627,967) | (959,098) | 824,710 | Forecast |

ATTACHMENT A
SCHEDULE MCM-SLIII-4

SOLAR LOAN III: PROGRAM ADMINISTRATIVE COST VS. BORROWERS FEES

| | (1) | (2) | (3) | (4) | (5) = (1+2+3+4) | (6) | (7) = (5 + 6) | (8) |
|----------------------|----------------------------|--------------------|--------------------|----------------------------|-----------------------------------------------------------|----------------------------|--------------------------|----------------------------------|
| Period | Allocation of Common Costs | Total Volume Costs | SREC Auction Costs | Application and Admin Fees | Total Administrative Costs Excluding SREC Processing Fees | Total SREC Processing Fees | Net Administrative Costs | Cummulative Administrative Costs |
| 2013 | 0 | 498,718 | 0 | (122,949) | 375,769 | 0 | 375,769 | 375,769 |
| 2014 | 46,817 | 1,589,826 | 0 | (283,175) | 1,353,468 | (24,472) | 1,328,996 | 1,704,765 |
| 2015 | 110,997 | 1,951,373 | 5,998 | (546,038) | 1,522,330 | (88,187) | 1,434,143 | 3,138,908 |
| 2016 | 123,722 | 1,984,096 | 3,466 | (788,451) | 1,322,833 | (170,793) | 1,152,040 | 4,290,948 |
| 2017 | 176,051 | 1,747,915 | 42,970 | (935,418) | 1,031,518 | (261,128) | 770,390 | 5,061,338 |
| 2018 | 306,022 | 2,236,461 | 25,389 | (1,944,648) | 623,224 | (229,884) | 393,340 | 5,454,678 |
| 2019 | 437,040 | 2,584,171 | 45,459 | (1,974,492) | 1,092,178 | (885,324) | 206,854 | 5,661,532 |
| 2020 | 539,536 | 2,661,697 | 69,809 | (1,955,000) | 1,316,042 | (1,285,638) | 30,404 | 5,691,935 |
| 2021 | 616,703 | 1,642,001 | 93,915 | (1,785,000) | 567,619 | (1,748,073) | (1,180,454) | 4,511,482 |
| 2022 | 555,827 | 0 | 109,547 | 0 | 665,374 | (1,864,163) | (1,198,789) | 3,312,693 |
| 2023 | 579,612 | 0 | 108,999 | 0 | 688,610 | (1,854,825) | (1,166,215) | 2,146,478 |
| 2024 | 600,078 | 0 | 108,356 | 0 | 708,434 | (1,843,888) | (1,135,455) | 1,011,023 |
| 2025 | 657,216 | 0 | 104,099 | 0 | 761,315 | (1,771,450) | (1,010,135) | 888 |
| 2026 | 704,519 | 0 | 101,461 | 0 | 805,979 | (1,726,551) | (920,572) | (919,684) |
| 2027 | 795,355 | 0 | 93,388 | 0 | 888,743 | (1,589,172) | (700,430) | (1,620,114) |
| 2028 | 1,030,649 | 0 | 82,963 | 0 | 1,113,612 | (1,411,774) | (298,162) | (1,918,276) |
| 2029 | 1,200,355 | 0 | 62,533 | 0 | 1,262,888 | (1,064,116) | 198,772 | (1,719,504) |
| 2030 | 1,267,288 | 0 | 38,844 | 0 | 1,306,132 | (661,015) | 645,117 | (1,074,387) |
| 2031 | 1,305,306 | 0 | 15,391 | 0 | 1,320,697 | (246,311) | 1,074,386 | (0) |
| Program Total | 11,053,093 | 16,896,258 | 1,112,586 | (10,335,171) | 18,726,765 | (18,726,765) | (0) | |

ATTACHMENT A
SCHEDULE MCM-SLIII-5

Solar Loan III

Number of Loans Closed by Segment

(Through March 31, 2018)

| Segment | Loans |
|------------------------|--------------|
| Residential | 294 |
| Residential Aggregated | 1 |
| Small Non-Residential | 26 |
| Large Non-Residential | 28 |
| Landfills/Brownfields | 1 |
| Total | 350 |

ATTACHMENT A
SCHEDULE MCM-SLIII-6

Solar Loan III

Capacity of Solar System for Loans Closed by
Segment

(Through March 31, 2018)

| Segment | kW Closed |
|------------------------|------------------|
| Residential | 2,941 |
| Residential Aggregated | 15 |
| Small Non-Residential | 1,450 |
| Large Non-Residential | 19,519 |
| Landfills/Brownfields | 1,740 |
| Total | 25,665 |

ATTACHMENT A
SCHEDULE MCM-SLIII-7

Solar Loan III

Actual kWh Generated by Segment for Closed Loans
(Through March 31, 2018)

| Segment | kWh |
|------------------------|-------------------|
| Residential | 3,685,994 |
| Residential Aggregated | 24,281 |
| Small Non-Residential | 1,501,667 |
| Large Non-Residential | 16,114,272 |
| Landfills/Brownfields | 499,677 |
| Total | 21,825,891 |

**ATTACHMENT A
SCHEDULE MCM-SLIII-8**

Solar Loan III

Number of Loans Closed by Quarter

(Through March 31, 2018)

| 2013 | Loans |
|-------------------|--------------|
| Quarter 1 | - |
| Quarter 2 | - |
| Quarter 3 | - |
| Quarter 4 | - |
| 2013 Total | - |

| 2014 | Loans |
|-------------------|--------------|
| Quarter 1 | - |
| Quarter 2 | 4 |
| Quarter 3 | 7 |
| Quarter 4 | 19 |
| 2014 Total | 30 |

| 2015 | Loans |
|-------------------|--------------|
| Quarter 1 | 11 |
| Quarter 2 | 29 |
| Quarter 3 | 27 |
| Quarter 4 | 15 |
| 2015 Total | 82 |

| 2016 | Loans |
|-------------------|--------------|
| Quarter 1 | 18 |
| Quarter 2 | 12 |
| Quarter 3 | 24 |
| Quarter 4 | 35 |
| 2016 Total | 89 |

| 2017 | Loans |
|-------------------|--------------|
| Quarter 1 | 23 |
| Quarter 2 | 48 |
| Quarter 3 | 33 |
| Quarter 4 | 17 |
| 2017 Total | 121 |

| 2018 | Loans |
|-------------------|--------------|
| Quarter 1 | 28 |
| Quarter 2 | |
| Quarter 3 | |
| Quarter 4 | |
| 2018 Total | 28 |

| | |
|----------------------|------------|
| Program Total | 350 |
|----------------------|------------|

ATTACHMENT A
SCHEDULE MCM-SLIII-9

Solar Loan III
Emission Reduction by Segment
(Through March 31, 2018)

(Metric Tons)

| Segment | CO2 | NOx | SO2 |
|------------------------|---------------|-------------|-------------|
| Residential | 2,008 | 1.7 | 4.0 |
| Residential Aggregated | 13 | 0.0 | 0.0 |
| Small Non-Residential | 818 | 0.7 | 1.6 |
| Large Non-Residential | 8,777 | 7.5 | 17.4 |
| Landfills/Brownfields | 272 | 0.2 | 0.5 |
| Total | 11,888 | 10.2 | 23.6 |

ATTACHMENT A
SCHEDULE MCM-SLIII-10

Solar Loan III
SRECs by Segment
(Through March 31, 2018)

| Segment | # of SRECs |
|------------------------|-------------------|
| Residential | 3,570 |
| Residential Aggregated | 25 |
| Small Non-Residential | 1,351 |
| Large Non-Residential | 14,935 |
| Landfills/Brownfields | 500 |
| Total | 20,380 |

**ATTACHMENT A
SCHEDULE MCM-CA-3**

**Participants for Reporting Period: April 2017 - March 2018
PSE&G Energy Efficiency Programs
For the Period April 2017 - March 2018**

| Carbon Abatement Program | # of Participants | | |
|---------------------------------------------|--------------------------|--------------------|-----------------------------|
| | Actual | Commitments | Actual + Commitments |
| Residential Whole House | - | - | - |
| Residential Programmable Thermostat | - | - | - |
| Small Business Direct Install | - | - | - |
| Hospital Efficiency | - | - | - |
| Large Business Technology Demo - Warehouses | - | - | - |

Notes:

1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE

2- All Programs were completed by 2014.

**ATTACHMENT A
SCHEDULE MCM-CA-4E**

**Participants for Reporting Period: April 2017 - March 2018
PSE&G Energy Efficiency Programs
For the Period April 2017 - March 2018**

| Carbon Abatement Program | Annual Savings | | | | | |
|---------------------------------------------|-----------------------|------------|------------------|------------|--------------------------------|------------|
| | Installed | | Committed | | Installed and Committed | |
| | kW | MWh | kW | MWh | kW | MWh |
| Residential Whole House | - | - | - | - | - | - |
| Residential Programmable Thermostat | - | - | - | - | - | - |
| Small Business Direct Install | - | - | - | - | - | - |
| Hospital Efficiency | - | - | - | - | - | - |
| Large Business Technology Demo - Warehouses | - | - | - | - | - | - |
| Total | 0 | 0 | 0 | 0 | 0 | 0 |

- Notes:
- 1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE
 - 2- All Programs were completed by 2014.

**ATTACHMENT A
SCHEDULE MCM CA-4G**

**Participants for Reporting Period: April 2017 - March 2018
PSE&G Energy Efficiency Programs
For the Period April 2017 - March 2018**

| Carbon Abatement Program | Annual Savings | | |
|---------------------------------------------|-----------------------|------------------|--------------------------------|
| | Installed | Committed | Installed and Committed |
| | DTh | DTh | DTh |
| Residential Whole House | - | - | - |
| Residential Programmable Thermostat | - | - | - |
| Small Business Direct Install | - | - | - |
| Hospital Efficiency | - | - | - |
| Large Business Technology Demo - Warehouses | - | - | - |
| Total | 0 | 0 | 0 |

Notes:

- 1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- All Programs were completed by 2014.

**ATTACHMENT A
SCHEDULE MCM-CA-5E**

**Participants for Reporting Period: April 2017 - March 2018
PSE&G Energy Efficiency Programs
For the Period April 2017 - March 2018**

| Carbon Abatement Program | Lifetime Savings | | | | | |
|---------------------------------------------|------------------|----------|-----------|----------|-------------------------|----------|
| | Installed | | Committed | | Installed and Committed | |
| | kW | MWh | kW | MWh | kW | MWh |
| Residential Whole House | - | - | - | - | - | - |
| Residential Programmable Thermostat | - | - | - | - | - | - |
| Small Business Direct Install | - | - | - | - | - | - |
| Hospital Efficiency | - | - | - | - | - | - |
| Large Business Technology Demo - Warehouses | - | - | - | - | - | - |
| Total | 0 | 0 | 0 | 0 | 0 | 0 |

Notes:

1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE

2- All Programs were completed by 2014.

ATTACHMENT A
SCHEDULE MCM-CA-5G

Participants for Reporting Period: April 2017 - March 2018
PSE&G Energy Efficiency Programs
For the Period April 2017 - March 2018

| Carbon Abatement Program | Lifetime Savings | | |
|---------------------------------------------|-------------------------|------------------|--------------------------------|
| | Installed | Committed | Installed and Committed |
| | DTh | DTh | DTh |
| Residential Whole House | - | - | - |
| Residential Programmable Thermostat | - | - | - |
| Small Business Direct Install | - | - | - |
| Hospital Efficiency | - | - | - |
| Large Business Technology Demo - Warehouses | - | - | - |
| <i>Total</i> | - | - | - |

Notes:

1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE

2- All Programs were completed by 2014.

**ATTACHMENT A
SCHEDULE MCM-CA-6**

**Participants for Reporting Period: April 2017 - March 2018
PSE&G Energy Efficiency Programs
For the Period April 2017 - March 2018
(Metric Tons)**

| Carbon Abatement Program | CO2 | NOX | SO2 | Hg |
|------------------------------------------------|------------|------------|------------|-----------|
| Residential Whole House | - | - | - | - |
| Residential Programmable Thermostat | - | - | - | - |
| Small Business Direct Install | - | - | - | - |
| Hospital Efficiency | - | - | - | - |
| Large Business Technology Demo - Warehouses | - | - | - | - |
| <i>Total</i> | - | - | - | - |

ATTACHMENT A
SCHEDULE MCM-CA-7

Participants for Reporting Period: April 2017 - March 2018
PSE&G Energy Efficiency Programs
For the Period April 2017 - March 2018
(Metric Tons)

| Carbon Abatement Program | CO2 | NOX | SO2 | Hg |
|------------------------------------------------|------------|------------|------------|-----------|
| Residential Whole House | - | - | - | - |
| Residential Programmable Thermostat | - | - | - | - |
| Small Business Direct Install | - | - | - | - |
| Hospital Efficiency | - | - | - | - |
| Large Business Technology Demo - Warehouses | - | - | - | - |
| Total | - | - | - | - |

ATTACHMENT A
SCHEDULE MCM-CA-8

Participants for Reporting Period: April 2017 - March 2018
PSE&G Energy Efficiency Programs

For the Period April 2017 - March 2018

| Carbon Abatement Program | Electric | Gas | Total |
|---------------------------------------------|-------------------|--------------------|--------------------|
| Residential Whole House | (7,206) | (48,225) | (55,431) |
| Residential Programmable Thermostat | - | - | - |
| Small Business Direct Install | - | - | - |
| Hospital Efficiency | - | - | - |
| Large Business Technology Demo - Warehouses | - | - | - |
| Total | \$ (7,206) | \$ (48,225) | \$ (55,431) |

Notes: Customer repayments are shown as negative values, and are offset by any write-off.

ATTACHMENT A
SCHEDULE MCM-EEE-2

EEE Stimulus Program
Budgeted Versus Actual Program Costs
For the Period April 2017 - March 2018

| | Admin/Program Dev | Marketing & Sales | Training | Incentives, Direct Cost | Processing & QC | Evaluation | Total |
|---------------------|--------------------------|------------------------------|-----------------|--------------------------------|----------------------------|-------------------|--------------|
| Actual | \$ 6,918 | \$ - | \$ - | \$ 420,000 | \$ 1,700 | \$ - | \$ 428,619 |
| Budget | \$ 40,739 | \$ - | \$ - | \$ 100,000 | \$ - | \$ - | \$ 140,739 |
| Over/(Under) | \$ (33,821) | \$ - | \$ - | \$ 320,000 | \$ 1,700 | \$ - | \$ 287,880 |

**ATTACHMENT A
SCHEDULE MCM-EEE-3**

**Participants for Reporting Period: April 2017 - March 2018
PSE&G Energy Efficiency Programs**

| EEE Stimulus Program | # of Participants | | |
|----------------------------------|-------------------|-------------|----------------------|
| | Actual | Commitments | Actual & Commitments |
| Residential Whole House | - | - | - |
| Residential Multi-Family Housing | - | - | - |
| Small Business Direct Install | - | - | - |
| Government Direct Install | - | - | - |
| Hospital Efficiency | - | - | - |
| Data Center Efficiency | - | - | - |
| Building Retro-Commissioning | - | - | - |
| Technology Demonstration | 1 | - | 1 |
| Total | 1 | 0 | 1 |

Notes:

-1- All programs were completed by 2017.

**ATTACHMENT A
SCHEDULE MCM-EEE-4E**

**Annual Electric Demand and Energy Savings for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018**

| EEE Stimulus Program | Annual Savings | | | | | |
|----------------------------------|----------------|----------|-----------|----------|-------------------------|----------|
| | Installed | | Committed | | Installed and Committed | |
| | kW | MWh | kW | MWh | kW | MWh |
| Residential Whole House | - | - | - | - | - | - |
| Residential Multi-Family Housing | - | - | - | - | - | - |
| Small Business Direct Install | - | - | - | - | - | - |
| Government Direct Install | - | - | - | - | - | - |
| Hospital Efficiency | - | - | - | - | - | - |
| Data Center Efficiency | - | - | - | - | - | - |
| Building Retro-Commissioning | - | - | - | - | - | - |
| Technology Demonstration | - | - | - | - | - | - |
| Total | 0 | 0 | 0 | 0 | 0 | 0 |

Notes:

- 1- Carbon Abatement Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- The above table only contains data for sub-programs that were active during the Reporting Period. All sub-programs, excluding Hospital Efficiency and Technology Demonstration, are closed.
- 3- kW in all instances refer to Annual Peak Summer Demand Reduction

**ATTACHMENT A
SCHEDULE MCM-EEE-4G**

**Annual Gas Demand and Energy Savings for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018**

| EEE Stimulus Program | Annual Savings | | |
|----------------------------------|----------------|-----------|-------------------------|
| | Installed | Committed | Installed and Committed |
| | DTh | DTh | DTh |
| Residential Whole House | - | - | - |
| Residential Multi-Family Housing | - | - | - |
| Small Business Direct Install | - | - | - |
| Government Direct Install | - | - | - |
| Hospital Efficiency | - | - | - |
| Data Center Efficiency | - | - | - |
| Building Retro-Commissioning | - | - | - |
| Technology Demonstration | - | - | - |
| Total | 0 | 0 | 0 |

Notes:

- 1- Carbon Abatement Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- The above table only contains data for sub-programs that were active during the Reporting Period. All sub-programs, excluding Hospital Efficiency and Technology Demonstration, are closed.

**ATTACHMENT A
SCHEDULE MCM-EEE-5E**

**Lifetime Electric Demand and Energy Savings for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018**

| EEE Stimulus Program | Lifetime Savings | | | | | |
|----------------------------------|------------------|----------|-----------|----------|-------------------------|----------|
| | Installed | | Committed | | Installed and Committed | |
| | kW | MWh | kW | MWh | kW | MWh |
| Residential Whole House | - | - | - | - | - | - |
| Residential Multi-Family Housing | - | - | - | - | - | - |
| Small Business Direct Install | - | - | - | - | - | - |
| Government Direct Install | - | - | - | - | - | - |
| Hospital Efficiency | - | - | - | - | - | - |
| Data Center Efficiency | - | - | - | - | - | - |
| Building Retro-Commissioning | - | - | - | - | - | - |
| Technology Demonstration | - | - | - | - | - | - |
| Total | 0 | 0 | 0 | 0 | 0 | 0 |

Notes:

- 1- Carbon Abatement Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- The above table only contains data for sub-programs that were active during the Reporting Period. All sub-programs, excluding Hospital Efficiency and Technology Demonstration, are closed.
- 3- kW in all instances refer to Annual Peak Summer Demand Reduction

ATTACHMENT A
SCHEDULE MCM-EEE-5G

**Lifetime Gas Demand and Energy Savings for Reductions for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018**

| EEE Stimulus Program | Lifetime Savings | | |
|----------------------------------|------------------|-----------|-------------------------|
| | Installed | Committed | Installed and Committed |
| | DTh | DTh | DTh |
| Residential Whole House | - | - | - |
| Residential Multi-Family Housing | - | - | - |
| Small Business Direct Install | - | - | - |
| Government Direct Install | - | - | - |
| Hospital Efficiency | - | - | - |
| Data Center Efficiency | - | - | - |
| Building Retro-Commissioning | - | - | - |
| Technology Demonstration | - | - | - |
| Total | - | - | - |

Notes:

- 1- Carbon Abatement Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- The above table only contains data for sub-programs that were active during the Reporting Period. All sub-programs, excluding Hospital Efficiency and Technology Demonstration, are closed.

**ATTACHMENT A
SCHEDULE MCM-EEE-6**

**Annual Emissions Reductions for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018
(Metric Tons)**

| EEE Stimulus Program | CO2 | NOX | SO2 | Hg |
|----------------------------------|-----|-----|-----|----|
| Residential Whole House | - | - | - | - |
| Residential Multi-Family Housing | - | - | - | - |
| Small Business Direct Install | - | - | - | - |
| Government Direct Install | - | - | - | - |
| Hospital Efficiency | - | - | - | - |
| Data Center Efficiency | - | - | - | - |
| Building Retro-Commissioning | - | - | - | - |
| Technology Demonstration | - | - | - | - |
| Total | - | - | - | - |

**ATTACHMENT A
SCHEDULE MCM-EEE-7**

**Lifetime Emissions Reductions for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018
(Metric Tons)**

| EEE Stimulus Program | CO2 | NOX | SO2 | Hg |
|----------------------------------|-----|-----|-----|----|
| Residential Whole House | - | - | - | - |
| Residential Multi-Family Housing | - | - | - | - |
| Small Business Direct Install | - | - | - | - |
| Government Direct Install | - | - | - | - |
| Hospital Efficiency | - | - | - | - |
| Data Center Efficiency | - | - | - | - |
| Building Retro-Commissioning | - | - | - | - |
| Technology Demonstration | - | - | - | - |
| Total | - | - | - | - |

ATTACHMENT A
SCHEDULE MCM-EEE-8

Participant Costs
Reporting Period: April 2017 - March 2018
PSE&G Energy Efficiency Programs

| EEE Stimulus Program | Electric | Gas | Total |
|----------------------------------|------------------|------------------|--------------------|
| Residential Whole House | \$ (117) | \$ (78) | \$ (195) |
| Residential Multi-Family Housing | \$ (606,769) | \$ (404,513) | \$ (1,011,282) |
| Small Business Direct Install | \$ - | \$ - | \$ - |
| Government Direct Install | \$ - | \$ - | \$ - |
| Hospital Efficiency | \$ (21,305) | \$ (14,203) | \$ (35,508) |
| Data Center Efficiency | \$ - | \$ - | \$ - |
| Building Retro-Commissioning | \$ - | \$ - | \$ - |
| Technology Demonstration | \$ - | \$ - | \$ - |
| Total | (628,191) | (418,794) | (1,046,986) |

ATTACHMENT A
SCHEDULE MCM-EEE Ext-3

Participants for Reporting Period: April 2017 - March 2018
PSE&G Energy Efficiency Programs

| EEE Ext Program | # of Participants | | |
|----------------------------------|-------------------|-------------|----------------------|
| | Actual | Commitments | Actual & Commitments |
| Residential Multi-Family Housing | - | - | - |
| Municipal Direct Install | - | - | - |
| Hospital Efficiency | - | - | - |
| Total | - | - | - |

Notes:

-1- All projects under this program are completed.

ATTACHMENT A
SCHEDULE MCM-EEE Ext-4E

**Annual Electric Demand and Energy Savings for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018**

| EEE Ext Program | Annual Savings | | | | | |
|----------------------------------|----------------|----------|-----------|----------|-------------------------|----------|
| | Installed | | Committed | | Installed and Committed | |
| | KW | MWh | KW | MWh | KW | MWh |
| Residential Multi-Family Housing | - | - | - | - | - | - |
| Municipal Direct Install | - | - | - | - | - | - |
| Hospital Efficiency | - | - | - | - | - | - |
| Total | 0 | 0 | 0 | 0 | 0 | 0 |

Notes:

-1- All projects under this program are completed.

ATTACHMENT A
SCHEDULE MCM-EEE Ext-4G

**Annual Gas Demand and Energy Savings for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018**

| EEE Ext Program | Annual Savings | | |
|----------------------------------|----------------|-----------|-------------------------|
| | Installed | Committed | Installed and Committed |
| | DTh | DTh | DTh |
| Residential Multi-Family Housing | - | - | - |
| Municipal Direct Install | - | - | - |
| Hospital Efficiency | - | - | - |
| Total | <i>0</i> | <i>0</i> | <i>0</i> |

Notes:
-1- All projects under this program are completed.

ATTACHMENT A
SCHEDULE MCM-EEE Ext-5E

**Lifetime Electric Demand and Energy Savings for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018**

| EEE Ext Program | Lifetime Savings | | | | | |
|----------------------------------|------------------|----------|-----------|----------|-------------------------|----------|
| | Installed | | Committed | | Installed and Committed | |
| | KW | MWh | KW | MWh | KW | MWh |
| Residential Multi-Family Housing | - | - | - | - | - | - |
| Municipal Direct Install | - | - | - | - | - | - |
| Hospital Efficiency | - | - | - | - | - | - |
| Total | 0 | 0 | 0 | 0 | 0 | 0 |

Notes:

-1- All projects under this program are completed.

ATTACHMENT A
SCHEDULE MCM-EEE Ext-5G

**Lifetime Gas Demand and Energy Savings for Reductions for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018**

| EEE Ext Program | Lifetime Savings | | |
|----------------------------------|------------------|-----------|-------------------------|
| | Installed | Committed | Installed and Committed |
| | DTh | DTh | DTh |
| Residential Multi-Family Housing | - | - | - |
| Municipal Direct Install | - | - | - |
| Hospital Efficiency | - | - | - |
| Total | - | - | - |

Notes:
-1- All projects under this program are completed.

**ATTACHMENT A
SCHEDULE MCM-EEE Ext-6**

**Annual Emissions Reductions for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018
(Metric Tons)**

| EEE Ext Program | CO2 | NOX | SO2 | Hg |
|----------------------------------|-----|-----|-----|----|
| Residential Multi-Family Housing | - | - | - | - |
| Municipal Direct Install | - | - | - | - |
| Hospital Efficiency | - | - | - | - |
| Total | - | - | - | - |

ATTACHMENT A
SCHEDULE MCM-EEE Ext-7

**Lifetime Emissions Reductions for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018
(Metric Tons)**

| EEE Ext Program | CO2 | NOX | SO2 | Hg |
|----------------------------------|-----|-----|-----|----|
| Residential Multi-Family Housing | - | - | - | - |
| Municipal Direct Install | - | - | - | - |
| Hospital Efficiency | - | - | - | - |
| <i>Total</i> | - | - | - | - |

ATTACHMENT A
SCHEDULE MCM-EEE-Ext-8

Participant Costs
Reporting Period: April 2017 - March 2018
PSE&G Energy Efficiency Programs

| EEE Ext Program | Electric | Gas | Total |
|----------------------------------|--------------------|--------------------|--------------------|
| Residential Multi-Family Housing | (549,858) | (699,819) | (1,249,676) |
| Municipal Direct Install | 927 | 103 | 1,030 |
| Hospital Efficiency | (2,056,527) | (1,059,423) | (3,115,949) |
| Total | (2,605,458) | (1,759,139) | (4,364,596) |

Notes: Customer repayments are shown as negative values, and are offset by any write-off.

**ATTACHMENT A
SCHEDULE MCM-EEEXII-2**

**EEEXII
Budgeted Versus Actual Program Costs
For the Period April 2017 - March 2018**

| | Incentives, Direct Cost | Fixed Admin Allowance | Total |
|---------------------|--------------------------------|------------------------------|----------------------|
| Actual | \$ 36,573,420 | \$ 3,056,062 | \$ 39,629,482 |
| Hospitals | \$ 19,164,882 | | \$ 19,164,882 |
| Multi-Family | \$ 12,224,756 | | \$ 12,224,756 |
| Muni/NonProfit | \$ 5,183,781 | | \$ 5,183,781 |
| Budget | \$ 36,781,592 | \$ 3,056,062 | \$ 39,837,654 |
| Hospitals | \$ 18,489,666 | | \$ 18,489,666 |
| Multi-Family | \$ 14,126,109 | | \$ 14,126,109 |
| Muni/NonProfit | \$ 4,165,817 | | \$ 4,165,817 |
| Over/(Under) | \$ (208,172) | \$ - | \$ (208,172) |

ATTACHMENT A
SCHEDULE MCM-EEEXII-3

Participants for Reporting Period: April 2017 - March 2018
PSE&G Energy Efficiency Programs

| EEEXII Program | # of Participants | | |
|----------------------------------|-------------------|-------------|----------------------|
| | Actual | Commitments | Actual & Commitments |
| Residential Multi-Family Housing | 8 | 8 | 16 |
| Municipal Direct Install | 134 | - | 134 |
| Hospital Efficiency | 4 | 6 | 10 |
| Total | 146 | 14 | 160 |

Notes:

- 1 - Residential Multi-Family Housing and Hospital Efficiency commitments are based upon a participant completing a Customer Repayment Agreement.
- 2 - Municipal Direct Install projects have a short completion cycle time and therefore commitments are not forecasted.

ATTACHMENT A
SCHEDULE MCM-EEEXII-4E

**Annual Electric Demand and Energy Savings for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018**

| EEEXII Program | Annual Savings | | | | | |
|----------------------------------|----------------|---------------|--------------|---------------|-------------------------|---------------|
| | Installed | | Committed | | Installed and Committed | |
| | KW | MWh | KW | MWh | KW | MWh |
| Residential Multi-Family Housing | 91 | 1,242 | 930 | 8,725 | 1,022 | 9,968 |
| Municipal Direct Install | 1,141 | 5,916 | - | - | 1,141 | 5,916 |
| Hospital Efficiency | 1,701 | 12,800 | 1,271 | 13,703 | 2,971 | 26,502 |
| Total | 2,933 | 19,959 | 2,201 | 22,428 | 5,134 | 42,386 |

Notes:

- 1 - kW in all instances refer to Annual Peak Summer Demand Reduction
- 2 - Commitments are based upon a participant completing a Customer Repayment Agreement.
- 3 - Municipal Direct Install projects have a short completion cycle time and therefore commitments are not forecasted.

ATTACHMENT A
SCHEDULE MCM-EEEXII-4G

**Annual Gas Demand and Energy Savings for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018**

| EEEXII Program | Annual Savings | | |
|----------------------------------|----------------|---------------|-------------------------|
| | Installed | Committed | Installed and Committed |
| | DTh | DTh | DTh |
| Residential Multi-Family Housing | 52,286 | 24,141 | 76,427 |
| Municipal Direct Install | 3,891 | - | 3,891 |
| Hospital Efficiency | 26,817 | 43,315 | 70,133 |
| Total | 82,995 | 67,456 | 150,451 |

Notes:

1 - Commitments are based upon a participant completing a Customer Repayment Agreement.

2 - Municipal Direct Install projects have a short completion cycle time and therefore commitments are not forecasted.

ATTACHMENT A
SCHEDULE MCM-EEEXII-5E

**Lifetime Electric Demand and Energy Savings for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018**

| EEEXII Program | Lifetime Savings | | | | | |
|----------------------------------|------------------|----------------|--------------|----------------|-------------------------|----------------|
| | Installed | | Committed | | Installed and Committed | |
| | KW | MWh | KW | MWh | KW | MWh |
| Residential Multi-Family Housing | 91 | 20,290 | 930 | 146,410 | 1,022 | 166,700 |
| Municipal Direct Install | 1,141 | 89,061 | - | - | 1,141 | 89,061 |
| Hospital Efficiency | 1,701 | 211,065 | 1,271 | 219,921 | 2,971 | 430,986 |
| Total | 2,933 | 320,416 | 2,201 | 366,332 | 5,134 | 686,748 |

Notes:

1 - kW in all instances refer to Annual Peak Summer Demand Reduction

2 - Commitments are based upon a participant completing a Customer Repayment Agreement.

3 - Municipal Direct Install projects have a short completion cycle time and therefore commitments are not forecasted.

ATTACHMENT A
SCHEDULE MCM-EEEXII-5G

**Lifetime Gas Demand and Energy Savings for Reductions for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018**

| EEEXII Program | Lifetime Savings | | |
|----------------------------------|------------------|-----------|----------------------------|
| | Installed | Committed | Installed and Committed |
| | DTh | DTh | DTh |
| Residential Multi-Family Housing | 1,036,378 | 541,532 | 1,577,910 |
| Municipal Direct Install | 72,651 | - | 72,651 |
| Hospital Efficiency | 246,097 | 856,030 | 1,102,127 |
| Total | 1,355,126 | 1,397,562 | 2,752,688 |

Notes:

- 1 - Commitments are based upon a participant completing a Customer Repayment Agreement.
- 2 - Municipal Direct Install projects have a short completion cycle time and therefore commitments are not forecasted.

ATTACHMENT A
SCHEDULE MCM-EEEXII-6

**Annual Emissions Reductions for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018
(Metric Tons)**

| EEEXII Program | CO2 | NOX | SO2 | Hg |
|----------------------------------|---------------|-------------|-------------|-----------------|
| Residential Multi-Family Housing | 9,488 | 7.8 | 10.8 | 0.000023 |
| Municipal Direct Install | 3,430 | 2.9 | 6.4 | 0.000013 |
| Hospital Efficiency | 18,162 | 15.3 | 28.7 | 0.000060 |
| Total | 31,079 | 26.0 | 45.9 | 0.000097 |

Note:

1 - Emissions reductions is calculated on the total of installed and commitment energy savings.

ATTACHMENT A
SCHEDULE MCM-EEEXII-7

**Lifetime Emissions Reductions for
PSE&G Energy Efficiency Programs
Reporting Period: April 2017 - March 2018
(Metric Tons)**

| EEEXII Program | CO2 | NOX | SO2 | Hg |
|----------------------------------|----------------|------------|------------|----------------|
| Residential Multi-Family Housing | 174,584 | 143 | 181 | 0.00038 |
| Municipal Direct Install | 52,378 | 44 | 96 | 0.00020 |
| Hospital Efficiency | 293,314 | 247 | 467 | 0.00098 |
| Total | 520,276 | 435 | 744 | 0.00157 |

Note:

1 - Emissions reductions is calculated on the total of installed and commitment energy savings.

ATTACHMENT A
SCHEDULE MCM-EEEXII-8

Participant Costs
Reporting Period: April 2017 - March 2018
PSE&G Energy Efficiency Programs

| EEEXII Program | Electric | Gas | Total |
|----------------------------------|--------------------|------------------|--------------------|
| Residential Multi-Family Housing | (344,463) | (281,833) | (626,296) |
| Municipal Direct Install | (1,191,891) | (62,731) | (1,254,622) |
| Hospital Efficiency | (212,113) | (141,408) | (353,521) |
| Total | (1,748,466) | (485,973) | (2,234,439) |

Note:

1 - Customer repayments are shown as negative values, and are offset by any write-off.

1 **PUBLIC SERVICE ELECTRIC AND GAS COMPANY**
2 **DIRECT TESTIMONY**
3 **OF**
4 **STEPHEN SWETZ**
5 **SENIOR DIRECTOR – CORPORATE RATES AND REVENUE**
6 **REQUIREMENTS**
7

8 My name is Stephen Swetz, and I am the Senior Director – Corporate
9 Rates and Revenue Requirements for PSEG Services Corporation. My credentials are
10 set forth in detail in Schedule SS-GPRC-0.

11 **SCOPE OF TESTIMONY**

12 The purpose of my testimony is to support the Company’s filing for
13 recovery of the costs related to ten of the Company’s eleven components of PSE&G’s
14 Green Programs through the Green Programs Recovery Charges (Green Programs or
15 GPRC)¹. These ten components are:

- 16 1. Carbon Abatement Program (CA)
- 17 2. Energy Efficiency Economic Stimulus Program (EEE)
- 18 3. Demand Response Program (DR)
- 19 4. Solar Generation Investment Program or “Solar 4 All” (S4A)
- 20 5. Solar Generation Investment Extension Program or “Solar 4 All Extension”
21 (S4AE)
- 22 6. Solar Loan II Program (SLII)
- 23 7. Solar Loan III Program (SLIII)
- 24 8. EEE Extension (EEEext)
- 25 9. EEE Extension II (EEEXII)
- 26 10. Solar Generation Investment Extension II Program or “Solar 4 All Extension II”
27 (S4AEII)

¹ The Energy Efficiency 2017 Program approved in Docket No. E017030196 on August 23, 2017 is not part of this proceeding.

1 My testimony provides the detailed calculations and cost recovery
2 mechanisms, including projected rate and bill impacts for these programs. The first
3 section will contain general cost recovery topics that apply to more than one of the
4 Green Programs. Sections 2 through 12 will contain specific cost recovery, rate and
5 bill impact testimony for each of the Green Programs that comprise each
6 corresponding component of the GPRC. Section 13 will contain the proposed
7 cumulative revenue requirements, rate and bill impacts for the Green Programs and
8 discuss rate implementation.

9 **COST RECOVERY, RATE AND BILL IMPACTS**

10 *Section 1 - General*

11 The recovery period includes actual costs and revenues incurred from
12 October 1, 2017 through March 31, 2018, and forecasted costs and revenues from
13 April 1, 2018 through September 30, 2019 for each of the programs.

14 The assumptions for all Program expenditures are contained in
15 supporting electronic workpapers, which are being provided on a CD with this filing.

16 The weighted average cost of capital (WACC) utilized to determine the
17 return requirement for all ten programs is described below. For the CA Program, the
18 return requirement is based on the WACC at the time the program was approved, as
19 shown on Schedule SS-GPRC-1. For the EEE, EEEext, DR, S4A, and SLII
20 programs, the return requirement is based on the WACC authorized by the Board in
21 the most recent base rate case on June 7, 2010 and July 9, 2010 for electric and gas,

1 respectively. Schedule SS-GPRC-1a reflects the WACC approved by the Board for
2 these specific Programs. For the S4AExt and SLIII programs, the return requirement
3 is based on the WACC approved for those programs, as shown on Schedule SS-
4 GPRC-1b. Schedule SS-GPRC-1c reflects the WACC approved by the Board in BPU
5 Docket No. EO14080897, which approved the EEE Extension II Program on April 16,
6 2015. Schedule SS-GPRC-1d reflects the WACC approved by the Board in BPU
7 Docket No. E016050412, which approved the S4AEII Program on November 30,
8 2016.

9 In addition, the programs have minimum filing requirements (MFRs) to
10 provide supporting documentation for the interest rate used to calculate monthly
11 interest on the (over)/under recovered balance. The monthly interest rates are shown
12 for these programs in each programs' corresponding (over)/under balance schedules
13 attached herein. The supporting calculations for each month's interest on the
14 (over)/under recovered balance are included in electronic workpaper WP-SS-GPRC-
15 3.xlsx.

16 Also, a listing of the electronic workpapers supporting all calculations
17 and schedules provided can be found in the "Electronic Workpaper Index" at the end
18 of this testimony.

1 *Section 2 – Tax Act*

2 Changes to recovery assumptions and methodology are included in this
3 filing to account for the impacts of the federal Tax Cuts and Jobs Act of 2017 (the
4 “Act”). More specifically, the revenue requirements reflect the reduction in the
5 federal corporate tax rate from 35% to 21% effective January 1, 2018. The Act
6 impacts revenue requirements in two ways. First, revenue requirements are lower due
7 to a lower tax rate applied to pre-tax income. Secondly, the lower tax rate created
8 excess deferred taxes that need to be returned to customers. Deferred taxes reflect the
9 tax impact of timing differences between tax and book accounting. When current tax
10 obligations are lower than they would otherwise be (and future taxes are higher than
11 they would otherwise be) due to, for example, accelerated depreciation, common
12 ratemaking practice is to collect this deferred tax from customers through the utility’s
13 cost of service. The accumulated amount of these collected deferred taxes represent
14 cost free capital and generally are treated as a rate base reduction. The net effect is to
15 spread the tax benefit of accelerated depreciation to customers over the life of the
16 depreciated asset (rather than reducing rates currently, and then raising them in the
17 future as the tax benefit of accelerated depreciation reverses). A change to the
18 statutory tax rate creates excess deferred taxes, since a portion of taxes previously
19 collected through the programs assuming a future tax rate of 35%, which has yet to be
20 paid to the Internal Revenue Service, will ultimately be paid at the new 21% statutory

1 rate. The differential between what was collected under a 35% tax rate assumption
2 and what will be paid at a 21% tax rate is the excess deferred income tax. Stated
3 differently, a portion of PSE&G's existing Accumulated Deferred Income Tax
4 ("ADIT") balance is now in excess of what is needed to offset future tax liabilities.

5 These excess deferred taxes fall into two categories – those restricted by
6 the normalization provisions of the Internal Revenue Code (sometimes referred to as
7 "protected" ADIT), and those that are not (sometimes referred to as "unprotected"
8 ADIT). The Act has a provision that controls the pace at which excess deferred taxes
9 related to accelerated depreciation resulting from the federal corporate tax rate change
10 may be returned to utility customers. Specifically, excess deferred taxes may be
11 returned no more rapidly than under the Average Rate Assumption Method
12 ("ARAM"). The ARAM provision provides for the reversal of excess ADIT on a
13 vintage and class basis as the related timing differences reverse, using the weighted
14 average tax rate at which deferred taxes were established. By way of contrast, the
15 return of the unprotected excess deferred taxes to customers is unconstrained by the
16 tax law. Note that any refund of excess deferred taxes previously used to reduce rate
17 base would result in a corresponding increase in rate base and revenue requirement.

18 Following these rules, as part of this revenue recovery filing, PSE&G
19 reduced the federal tax rate from 35% to 21% starting January 2018 and is returning
20 the excess deferred taxes, including a gross-up of the tax expense benefit to an

1 equivalent pre-tax amount. The excess deferred taxes for CA, EEE, and EEEext are
2 unprotected, so PSE&G is proposing to return the excess over a twelve month period
3 from October 2018 to September 2019. For DR, S4A and S4AExt, the excess
4 deferred taxes are returned using the ARAM starting October 2018. SLII and SL III
5 programs have no tax basis, so there are no excess deferred taxes associated with
6 those programs. S4AEII has no projects in-service prior to 2018, so there also are no
7 excess deferred taxes associated with that program.

8 These impacts are reflected in the corresponding revenue requirement
9 schedules and workpapers for each program. The total excess deferred taxes equate to
10 approximately \$51 million, which is being returned to customers over the periods
11 specified above.

12 ***Section 3 - Carbon Abatement***

13 Based on the Company's projected revenue requirements from October
14 1, 2018 through September 30, 2019 of \$1,062,673 and \$2,098,591 for electric and
15 gas, respectively, plus the projected (over)/under collected balance with interest at
16 September 30, 2018 of (\$121,074) and \$179,403, the CA GPRC's Total Target Rate
17 Revenue are \$941,599 and \$2,277,994 for electric and gas, respectively, including
18 interest. The rates proposed for the CA components of the GPRC's for the period
19 October 1, 2018 through September 30, 2019 are designed to recover these amounts
20 on an annual basis. The resultant net annual revenue impacts on the Company's

1 electric and gas customers are a decrease of (\$1.118) million for electric and a
2 decrease of (\$1.928) million for gas.

3 In support of my testimony, I relied upon the Board-approved cost
4 recovery mechanism as described in my direct testimony submitted in the original
5 Program filing and associated revenue requirements, see Decision and Order
6 Approving Joint Position, BPU Docket No. EO08060426 dated December 16, 2008,
7 modified for the inclusion of capacity revenues generated from offering CA project
8 capacity into the PJM Reliability Pricing Model (RPM) auctions, net of the costs for
9 market participation, as an offset to revenue requirements. Attached are the following
10 schedules that have been prepared in support of the Company's request:

- 11 1. Schedule SS-CA-1 is a summary setting forth the proposed rate calculations
12 for October 1, 2018 through September 30, 2019.
- 13 2. Schedule SS-CA-2E sets forth the electric revenue requirements.
- 14 3. Schedule SS-CA-3E sets forth the electric (over)/under recovered balance and
15 associated interest rate calculations.
- 16 4. Schedule SS-CA-4E shows the actual monthly electric revenue by rate class.
- 17 5. Schedule SS-CA-2G sets forth the gas revenue requirements.
- 18 6. Schedule SS-CA-3G sets forth the gas (over)/under recovered balance and
19 associated interest rate calculations.
- 20 7. Schedule SS-CA-4G shows the actual monthly gas revenue by rate class.

21 The proposed rate impacts for the CA component of the electric GPRC
22 rate would decrease the component from \$0.000050 per kWh (without New Jersey

1 Sales and Use Tax (SUT)) to \$0.000023 per kWh (without SUT). The proposed
2 changes for the CA component of the gas GPRC would decrease the component from
3 \$0.001446 per therm (without SUT) to \$0.000783 per therm (without SUT). See
4 Schedule SS-CA-1. As a result of the proposed decrease to the CA component of the
5 electric GPRC set forth in Schedule SS-CA-1, PSE&G's typical residential electric
6 customers using 750 kWh in a summer month and 7,200 kWh annually would
7 experience a decrease in their annual bill from \$1,215.76 to \$1,215.60, or \$0.16 or
8 approximately 0.01% (based upon Delivery Rates and Basic Generation Service
9 Residential Small Commercial Pricing [BGS-RSCP] charges in effect June 1, 2018
10 and assuming the customer receives BGS-RSCP service from PSE&G).

11 As a result of the proposed decrease to the CA component of gas GPRC
12 set forth in Schedule SS-CA-1, PSE&G's typical residential gas heating customers
13 using 165 therms in a winter month and 1,010 therms annually would experience a
14 decrease in their annual bill from \$879.16 to \$878.44, or \$0.72, or approximately
15 0.08% (based upon Delivery Rates and Basic Gas Supply Service [BGSS-RSG]
16 charges in effect June 1, 2018 and assuming the customer receives BGSS service from
17 PSE&G). The residential customer bill impacts comparing the current and proposed
18 delivery charges are included in Attachment D, pages 3-4 for the aforementioned
19 typical customers, as well as other typical customer usage patterns.

1 ***Section 4 – Economic Energy Efficiency Stimulus***

2 Based on the Company’s projected revenue requirements from October
3 1, 2018 through September 30, 2019 of (\$412,068) and (\$214,293) for electric and
4 gas, respectively, plus the (over)/under collected balance with interest at September
5 30, 2018 of (\$2,627,521) and (\$1,196,445), the EEE components GPRC’s Total
6 Target Rate Revenue are (\$3,039,589) and (\$1,410,737) for electric and gas,
7 respectively, including interest. The rates for the proposed EEE components of the
8 electric and gas GPRC’s for the period October 1, 2018 through September 30, 2019
9 are designed to recover these amounts on an annual basis. The resultant net annual
10 revenue impacts on the Company’s electric and gas customers are a decrease of
11 (\$5.672) million and a decrease of (\$2.719) million to electric customers and gas
12 customers, respectively.

13 In support of my testimony, I relied upon the written Board Decision
14 and Order Approving Stipulation, BPU Docket No. EO09010056 dated July 16, 2009
15 for the cost recovery mechanism of the EEE Program, modified for the inclusion of
16 capacity revenues generated from offering EEE project capacity into the PJM RPM
17 auctions, net of the costs for market participation, as an offset to revenue requirements
18 per the Board Order approving the 2010 RGGI cost recovery filing in Docket Nos.
19 ER10100737 and ER09100824. Attached are the following schedules that have been
20 prepared in support of the Company’s request:

- 1 1. Schedule SS-EEE-1 is a summary setting forth the proposed rate calculations
- 2 for October 1, 2018 through September 30, 2019.
- 3 2. Schedule SS-EEE-2E sets forth the electric revenue requirements.
- 4 3. Schedule SS-EEE-3E sets forth the electric (over)/under recovered balance and
- 5 associated interest rate calculations.
- 6 4. Schedule SS-EEE-4E shows the actual monthly electric revenue by rate class.
- 7 5. Schedule SS-EEE-2G sets forth the gas revenue requirements.
- 8 6. Schedule SS-EEE-3G sets forth the gas (over)/under recovered balance and
- 9 associated interest rate calculations.
- 10 7. Schedule SS-EEE-4G shows the actual monthly gas revenue by rate class.

11 The proposed rate impacts for the EEE component of the electric GPRC
12 rate would decrease that component from \$0.000064 per kWh (without SUT) to
13 \$(0.000073) per kWh (without SUT). The proposed changes for the EEE component
14 of the gas GPRC would decrease it from \$0.000450 per therm (without SUT) to
15 \$(0.000485) per therm (without SUT). See Schedule SS-EEE-1. As a result of the
16 proposed decrease to the EEE component of the electric GPRC set forth in Schedule
17 SS-EEE-1, PSE&G's typical residential electric customers using 750 kWh in a
18 summer month and 7,200 kWh annually would experience a decrease in their annual
19 bill from \$1,215.76 to \$1,214.80, or \$0.96, or approximately 0.08% (based upon
20 Delivery Rates and BGS-RSCP charges in effect June 1, 2018 and assuming the
21 customer receives BGS-RSCP service from PSE&G).

1 As a result of the proposed decrease to the EEE component of the gas
2 GPRC set forth in Schedule SS-EEE-1, PSE&G's typical residential gas heating
3 customers using 165 therms in a winter month and 1,010 therms annually would
4 experience a decrease in their annual bill from \$879.16 to \$878.12, or \$1.04, or
5 approximately 0.12% (based upon Delivery Rates and BGSS-RSG charges in effect
6 June 1, 2018 and assuming the customer receives BGSS service from PSE&G). The
7 residential customer bill impacts comparing the current and proposed delivery charges
8 are included in Attachment D, pages 5-6 for the aforementioned typical customers, as
9 well as other typical customer usage patterns.

10 ***Section 5 – Demand Response***

11 Per the Board Order in Docket Nos. ER17070724 and GR17070725
12 approved on May 22, 2018, the Company has discontinued the DR Program effective
13 May 31, 2018. The Board approved stipulation allows the Company to defer the
14 remaining net investment in the DR Program as of May 31, 2018 as a regulatory asset,
15 the recovery of which will be addressed in the pending 2017 Green Programs
16 Recovery filing. As the 2017 Green Program Recovery filing is still pending, the
17 Company is proposing in this filing to recover the regulatory asset over the remaining
18 life of the DR equipment, but is amenable to an alternative amortization period. To
19 determine the maximum rate impact of ending the DR program under any
20 amortization scenario and for public notice purposes, the Company calculated the

1 impact of amortizing the entire regulatory asset in this annual recovery period. If a
2 different amortization period is approved at the conclusion of the 2017 Green
3 Programs Recovery filing, the Company update the DR revenue requirements in this
4 proceeding accordingly.

5 As discussed in the testimony of Ms. McCormick, with the termination
6 of the DR Program, the Company is not participating in the PJM capacity market and
7 has ceased all customer incentive payments. For more details on the expenses for the
8 Program, please see the testimony of Ms. McCormick.

9 If the Company's proposal to amortize the DR regulatory asset over the
10 remaining life of the devices is approved, the revenue requirement from October 1,
11 2018 through September 30, 2019 is forecasted to be \$3,198,828. This revenue
12 requirement plus the (over)/under collected balance with interest as of September 30,
13 2018 of \$2,581,769, results in the electric DR component GPRC's Total Target Rate
14 Revenue of \$5,780,596. The resultant net annual revenue impact on the Company's
15 electric customers from amortizing the regulatory asset over the life of the devices
16 would represent an increase to the Company's electric customers of \$9.316 million.

17 If the Company were to amortize the DR regulatory asset over one-year
18 as it assumes in the Public Notice, the projected revenue requirement from October 1,
19 2018 through September 30, 2019 increases to \$9,749,464, which adjusted for the
20 (over)/under collected balance with interest as of September 30, 2018 of \$2,581,769,

1 results in the electric DR component GPRC's Total Target Rate Revenue of
2 \$12,331,233, including interest. The resultant net annual revenue impact on the
3 Company's electric customers from this scenario is a \$15.857 million increase.

4 In support of my testimony, I relied upon the Board Decision and Order
5 Approving Stipulation, BPU Docket No. EO08080544 dated July 31, 2009 for the
6 cost recovery mechanism of the DR Program. Attached are the following schedules
7 that have been prepared in support of the Company's request based on the proposed
8 scenario of recovering the proposed DR regulatory asset over the remaining life of the
9 DR devices:

- 10 1. Schedule SS-DR-1 (Request) is a summary setting forth the proposed rate
11 calculations for October 1, 2018 through September 30, 2019.
- 12 2. Schedule SS-DR-2 (Request) sets forth the revenue requirements.
- 13 3. Schedule SS-DR-2a (Request) sets forth the revenue requirements for the
14 Residential A/C Cycling Sub-Program.
- 15 4. Schedule SS-DR-2b (Request) sets forth the revenue requirements for the
16 Small Commercial A/C Cycling Sub-Program.
- 17 5. Schedule SS-DR-3 (Request) sets forth the (over)/under recovered balance and
18 associated interest rate calculations.

19 The proposed rate impacts for the DR component of the electric GPRC
20 rate under the proposed scenario of amortizing the regulatory asset over the remaining
21 life of the devices would increase it from a credit of (\$0.000085) per kWh (without
22 SUT) to \$0.000140 per kWh (without SUT). As a result of the proposed increase to

1 the DR component of the electric GPRC set forth in Schedule SS-DR-1, PSE&G's
2 typical residential electric customers using 750 kWh in a summer month and 7,200
3 kWh annually would experience an increase in their annual bill from \$1,215.76 to
4 \$1,217.52, or \$1.76, or approximately 0.14% (based upon Delivery Rates and BGS-
5 RSCP charges in effect June 1, 2018 and assuming the customer receives BGS-RSCP
6 service from PSE&G).

7 In addition, the Company is attaching the following schedules that
8 support the Company's proposal to amortize the DR regulatory asset over one year,
9 which is what is included in the Public Notice:

- 10 1. Schedule SS-DR-1 (Notice) is a summary setting forth the proposed rate
11 calculations for October 1, 2018 through September 30, 2019.
- 12 2. Schedule SS-DR-2 (Notice) sets forth the revenue requirements.
- 13 3. Schedule SS-DR-2a (Notice) sets forth the revenue requirements for the
14 Residential A/C Cycling Sub-Program.
- 15 4. Schedule SS-DR-2b (Notice) sets forth the revenue requirements for the Small
16 Commercial A/C Cycling Sub-Program.
- 17 5. Schedule SS-DR-3 (Notice) sets forth the (over)/under recovered balance and
18 associated interest rate calculations.
- 19 6. Schedule SS-DR-4 shows the actual monthly electric revenue by rate class.

20 The proposed rate impacts for the DR component of the electric GPRC
21 rate under the scenario of amortizing the regulatory asset over one year would
22 increase it from a credit of (\$0.000085) per kWh (without SUT) to a charge of
23 \$0.000298 per kWh (without SUT). As a result of the proposed increase to the DR

1 component of the electric GPRC set forth in Schedule SS-DR-1, PSE&G's typical
2 residential electric customers using 750 kWh in a summer month and 7,200 kWh
3 annually would experience an increase in their annual bill from \$1,215.76 to
4 \$1,218.76, or \$3.00, or approximately 0.25% (based upon Delivery Rates and BGS-
5 RSCP charges in effect June 1, 2018 and assuming the customer receives BGS-RSCP
6 service from PSE&G). The residential customer bill impacts comparing the current
7 and proposed delivery charges are included in Attachment D, page 7 for the
8 aforementioned typical customers as well as other typical customer usage patterns.

9 ***Section 6 – Solar 4 All***

10 Based on the Company's projected revenue requirements from October
11 1, 2018 through September 30, 2019 of \$16,567,238 plus the (over)/under collected
12 balance with interest at September 30, 2018 of \$3,522,428, the S4A component
13 GPRC's Total Target Rate Revenue is \$20,089,665 including interest. The rate
14 proposed for the S4A component of the electric GPRC for the period October 1, 2018
15 through September 30, 2019 is designed to recover this amount on an annual basis.
16 The resultant net annual revenue impact on the Company's electric customers is a
17 \$5.010 million increase.

18 In support of my testimony, I relied upon the Board Decision and Order
19 Approving Stipulation, BPU Docket No. EO09020125 dated August 3, 2009 for the

1 cost recovery mechanism of the S4A Program. Attached are the following schedules
2 that have been prepared in support of the Company's request:

- 3 1. Schedule SS-S4A-1 is a summary setting forth the proposed rate calculations
4 for October 1, 2018 through September 30, 2019.
- 5 2. Schedule SS-S4A-2 sets forth the revenue requirements.
- 6 3. Schedule SS-S4A-2a sets forth the revenue requirements for the Centralized
7 Segments (1a & 1b).
- 8 4. Schedule SS-S4A-2b sets forth the revenue requirements for the Neighborhood
9 Segment (2).
- 10 5. Schedule SS-S4A-2c sets forth the revenue requirements for the UEZ Segment
11 (1c).
- 12 6. Schedule SS-S4A-3 sets forth the (over)/under recovered balance and
13 associated interest rate calculations.
- 14 7. Schedule SS-S4A-4 shows the actual monthly electric revenue by rate class.

15 The proposed rate impacts for the S4A component of the electric GPRC
16 rate would increase it from \$0.000364 per kWh (without SUT) to \$0.000485 per kWh
17 (without SUT). As a result of the proposed increase to the S4A component of electric
18 GPRC set forth in Schedule SS-S4A-1, PSE&G's typical residential electric
19 customers using 750 kWh in a summer month and 7,200 kWh annually would
20 experience a increase in their annual bill from \$1,215.76 to \$1,216.72, or \$0.96, or
21 approximately 0.08% (based upon Delivery Rates and BGS-RSCP charges in effect
22 June 1, 2018 and assuming the customer receives BGS-RSCP service from PSE&G).
23 The residential customer bill impacts comparing the current and proposed delivery

1 charges are included in Attachment D, page 8 for the aforementioned typical
2 customers as well as other typical customer usage patterns.

3 ***Section 7 – Solar 4 All Extension***

4 Based on the Company’s projected revenue requirements from October
5 1, 2018 through September 30, 2019 of \$3,347,729 plus the (over)/under collected
6 balance with interest at September 30, 2018 of \$5,706,819, the S4AE component
7 GPRC’s Total Target Rate Revenue is \$9,054,547 including interest. The rate
8 proposed for the S4AE component of the electric GPRC for the period October 1,
9 2018 through September 30, 2019 is designed to recover this amount on an annual
10 basis. The resultant net annual revenue impact on the Company’s electric customers
11 is an \$8.860 million increase.

12 In support of my testimony, I relied upon the Board Decision and Order
13 Approving Stipulation, BPU Docket No. EO12080721 dated May 31, 2013 for the
14 cost recovery mechanism of the S4AE Program. Attached are the following
15 schedules that have been prepared in support of the Company’s request:

- 16 1. Schedule SS-S4AE-1 is a summary setting forth the proposed rate calculations
17 for October 1, 2018 through September 30, 2019.
- 18 2. Schedule SS-S4AE-2 sets forth the revenue requirements.
- 19 3. Schedule SS-S4AE-2a sets forth the revenue requirements for the
20 Landfills/Brownfields Segment (a).
- 21 4. Schedule SS-S4AE-2b sets forth the revenue requirements for the Grid
22 Security/Storm Preparedness Segment (b).

- 1 5. Schedule SS-S4AE-2c sets forth the revenue requirements for the Innovative
- 2 Parking Lot Application Segment (c).
- 3 6. Schedule SS-S4AE-2d sets forth the revenue requirements for the
- 4 Underutilized Government Buildings Segment (d).
- 5 7. Schedule SS-S4AE-3 sets forth the (over)/under recovered balance and
- 6 associated interest rate calculations.
- 7 8. Schedule SS-S4AE-4 shows the actual monthly electric revenue by rate class.

8 The proposed rate impacts for the S4AE component of the electric
9 GPRC rate would increase it from \$0.000005 per kWh (without SUT) to \$0.000219
10 per kWh (without SUT). As a result of the proposed increase to the S4AE component
11 of the electric GPRC set forth in Schedule SS-S4AE-1, PSE&G's typical residential
12 electric customers using 750 kWh in a summer month and 7,200 kWh annually would
13 experience an increase in their annual bill from \$1,215.76 to \$1,217.44, or \$1.68, or
14 approximately 0.14% (based upon Delivery Rates and BGS-RSCP charges in effect
15 June 1, 2018 and assuming the customer receives BGS-RSCP service from PSE&G).
16 The residential customer bill impacts comparing the current and proposed delivery
17 charges are included in Attachment D, page 9 for the aforementioned typical
18 customers as well as other typical customer usage patterns.

19 ***Section 8 - Solar Loan II***

20 Based on the Company's projected revenue requirements from October
21 1, 2018 through September 30, 2019 of \$9,351,214 plus the (over)/under collected
22 balance with interest at September 30, 2018 of \$10,168,912, the SLII component of

1 GPRC's Total Target Rate Revenue is \$19,520,126 including interest. The rate
2 proposed for the SLII component of the electric GPRC for the period October 1, 2018
3 through September 30, 2019 is designed to recover this amount on an annual basis.
4 The resultant net annual revenue impact on the Company's electric customers is a
5 \$17.927 million increase.

6 In support of my testimony, I relied upon the Board Decision and Order
7 Approving Stipulation, BPU Docket No. EO09030249 dated November 10, 2009 for
8 the cost recovery mechanism of the SLII Program. For the forecasted period, SREC
9 prices for the months of April 2018 through September 2019 are assumed to be
10 \$209/SREC. Attached are the following schedules that have been prepared in support
11 of the Company's request:

- 12 1. Schedule SS-SLII-1 is a summary setting forth the proposed rate calculations
13 for October 1, 2018 through September 30, 2019.
- 14 2. Schedule SS-SLII-2 sets forth the summary revenue requirements.
- 15 3. Schedule SS-SLII-2a sets forth the detailed revenue requirements.
- 16 4. Schedule SS-SLII-3 sets forth the (over)/under recovered balance and
17 associated interest rate calculations.
- 18 5. Schedule SS-SLII-4 shows the actual monthly revenue by rate class.

19 The proposed rate impacts for the SLII component of the electric GPRC
20 rate would increase it from \$0.000038 per kWh (without SUT) to \$0.000471 per kWh
21 (without SUT). As a result of the proposed increase to the SLII component of the
22 electric GPRC set forth in Schedule SS-SLII-1, PSE&G's typical residential electric

1 customers using 750 kWh in a summer month and 7,200 kWh annually would
2 experience an increase in their annual bill from \$1,215.76 to \$1,219.16, or \$3.40, or
3 approximately 0.28% (based upon current Delivery Rates and BGS-RSCP charges in
4 effect June 1, 2018 and assuming the customer receives BGS-RSCP service from
5 PSE&G). The residential customer bill impacts comparing the current and proposed
6 delivery charges are included in Attachment D, page 10 for the aforementioned
7 typical customers as well as other typical customer usage patterns.

8 ***Section 9 - Solar Loan III***

9 Based on the Company's projected revenue requirements from October
10 1, 2018 through September 30, 2019 of \$321,994 plus the (\$1,221,729) (over)/under
11 collected balance with interest at September 30 2018, the SLIII component of
12 GPRC's Total Target Rate Revenue is (\$899,735). The rate proposed for the SLIII
13 component of the electric GPRC for the period October 1, 2018 through September
14 30, 2019 is designed to return this amount on an annual basis. The resultant net
15 annual revenue impact on the Company's electric customers is a \$2.898 million
16 decrease.

17 In support of my testimony, I relied upon the Board Decision and Order
18 Approving Stipulation, BPU Docket No. EO12080726 dated May 31, 2013 for the
19 cost recovery mechanism of the SLIII Program. For the forecasted period, SREC
20 prices for the months of April 2018 through September 2019 are assumed to be

1 \$209/SREC. Attached are the following schedules that have been prepared in support
2 of the Company's request:

- 3 1. Schedule SS-SLIII-1 is a summary setting forth the proposed rate calculations
4 for October 1, 2018 through September 30, 2019.
- 5 2. Schedule SS-SLIII-2 sets forth the summary revenue requirements.
- 6 3. Schedule SS-SLIII-2a sets forth the detailed revenue requirements.
- 7 4. Schedule SS-SLIII-3 sets forth the (over)/under recovered balance and
8 associated interest rate calculations.
- 9 5. Schedule SS-SL3-4 shows the actual monthly revenue by rate class.

10 The proposed rate impacts for the SLIII component of the electric
11 GPRC rate would decrease it from \$0.000048 per kWh (without SUT) to (\$0.000022)
12 per kWh (without SUT). As a result of the proposed decrease to the SLIII component
13 of the electric GPRC set forth in Schedule SS-SLIII-1, PSE&G's typical residential
14 electric customers using 750 kWh in a summer month and 7,200 kWh annually would
15 experience a decrease in their annual bill from \$1,215.76 to \$1,215.24, or \$0.52, or
16 approximately 0.04% (based upon current Delivery Rates and BGS-RSCP charges in
17 effect June 1, 2018 and assuming the customer receives BGS-RSCP service from
18 PSE&G). The residential customer bill impacts comparing the current and proposed
19 delivery charges are included in Attachment D, page 11 for the aforementioned
20 typical customers as well as other typical customer usage patterns.

1 ***Section 10 – EEE Extension***

2 Based on the Company’s projected revenue requirements from October
3 1, 2018 through September 30, 2019 of \$3,727,234 and \$1,990,457 for electric and
4 gas, respectively, plus the (over)/under collected balance with interest at September
5 30, 2018 of (\$1,734,740) and \$116,092, respectively, the EEEext GPRC’s Total
6 Target Rate Revenues are \$1,992,494 and \$2,106,549 for electric and gas,
7 respectively, including interest. The rates for the proposed EEEext components of the
8 electric and gas GPRC’s for the period October 1, 2018 through September 30, 2019
9 are designed to recover these amounts on an annual basis. The resultant net annual
10 revenue impacts on the Company’s electric and gas customers are a decrease of
11 (\$9.605) million to electric customers and a decrease of (\$2.599) million to gas
12 customers.

13 In support of my testimony, I relied upon the written Board Decision
14 and Order Approving Stipulation, BPU Docket No. EO11010030 dated July 14, 2011
15 for the cost recovery mechanism of the EEEext Program. Attached are the following
16 schedules that have been prepared in support of the Company’s request:

- 17 1. Schedule SS-EEEext-1 is a summary setting forth the proposed rate
18 calculations for October 1, 2018 through September 30, 2019.
- 19 2. Schedule SS-EEEext-2E sets forth the electric revenue requirements.
- 20 3. Schedule SS-EEEext-3E sets forth the electric over/under recovered balance
21 and associated interest rate calculations.

- 1 4. Schedule SS-EEEext-4E shows the actual monthly electric revenue by rate
- 2 class.
- 3 5. Schedule SS-EEEext-2G sets forth the gas revenue requirements.
- 4 6. Schedule SS-EEEext-3G sets forth the gas (over)/under recovered balance and
- 5 associated interest rate calculations.
- 6 7. Schedule SS-EEEext-4G shows the actual monthly gas revenue by rate class.

7 The proposed rate impacts for the EEEext component of the electric
8 GPRC rate would decrease it from \$0.000280 per kWh (without SUT) to \$0.000048
9 per kWh (without SUT). The proposed changes for the EEEext component of the gas
10 GPRC would decrease it from \$0.001618 per therm (without SUT) to \$0.000724 per
11 therm (without SUT). See Schedule SS-EEEext-1. As a result of the proposed
12 decrease to the EEEext component of electric GPRC set forth in Schedule SS-
13 EEEext-1, PSE&G's typical residential electric customers using 750 kWh in a
14 summer month and 7,200 kWh annually would experience a decrease in their annual
15 bill from \$1,215.76 to \$1,214.00, or \$1.76 or approximately 0.14% (based upon
16 Delivery Rates and BGS-RSCP charges in effect June 1, 2018 and assuming the
17 customer receives BGS-RSCP service from PSE&G).

18 As a result of the proposed increase to the EEEext component of the gas
19 GPRC set forth in Schedule SS-EEEext-1, PSE&G's typical residential gas heating
20 customers using 165 therms in a winter month and 1,010 therms annually would
21 experience a decrease in their annual bill from \$879.16 to \$878.16, or \$1.00, or

1 approximately 0.11% (based upon Delivery Rates and BGSS-RSG charges in effect
2 June 1, 2018 and assuming the customer receives BGSS service from PSE&G). The
3 residential customer bill impacts comparing the current and proposed delivery charges
4 are included in Attachment D, pages 12-13 for the aforementioned typical customers,
5 as well as other typical customer usage patterns.

6 *Section 11 – EEE Extension II*

7 Based on the Company’s projected revenue requirements from October
8 1, 2018 through September 30, 2019 of \$3,548,507 and \$2,483,551 for electric and
9 gas, respectively, plus the (over)/under collected balance with interest at September
10 30, 2018 of (\$1,633,288) and (1,895,555), the EEEXII GPRC’s Total Target Rate
11 Revenues are \$1,915,220 and \$587,996 for electric and gas, respectively, including
12 interest. The rates for the proposed EEEXII components of the electric and gas
13 GPRC’s for the period October 1, 2018 through September 30, 2019 are designed to
14 recover these amounts on an annual basis. The resultant net annual revenue impacts
15 on the Company’s electric and gas customers are a decrease of (\$3.975) million to
16 electric customers and a decrease of (\$2.748) million to gas customers.

17 In support of my testimony, I relied upon the written Board Decision
18 and Order Approving Stipulation, BPU Docket No. EO14080897 dated April 15, 2015
19 for the cost recovery mechanism of the EEEXIII Program. Attached are the following
20 schedules that have been prepared in support of the Company’s request:

- 1 1. Schedule SS-EEEXII-1 is a summary setting forth the proposed rate
- 2 calculations for October 1, 2018 through September 30, 2019.
- 3 2. Schedule SS-EEEXII-2E sets forth the electric revenue requirements.
- 4 3. Schedule SS-EEEXII-3E sets forth the electric over/under recovered balance
- 5 and associated interest rate calculations.
- 6 4. Schedule SS-EEEXII-4E shows the actual monthly electric revenue by rate
- 7 class.
- 8 5. Schedule SS-EEEXII-2G sets forth the gas revenue requirements.
- 9 6. Schedule SS-EEEXII-3G sets forth the gas (over)/under recovered balance and
- 10 associated interest rate calculations.
- 11 7. Schedule SS-EEEXII-4G shows the actual monthly gas revenue by rate class.

12 The proposed rate impacts for the EEEXII component of the electric

13 GPRC rate would decrease it from \$0.000142 per kWh (without SUT) to \$0.000046

14 per kWh (without SUT). The proposed changes for the EEEXII component of the gas

15 GPRC would decrease it from \$0.001147 per therm (without SUT) to \$0.000202 per

16 therm (without SUT). See Schedule SS-EEEXII-1. As a result of the proposed

17 decrease to the EEEXII component of electric GPRC set forth in Schedule SS-

18 EEEXII-1, PSE&G's typical residential electric customers using 750 kWh in a

19 summer month and 7,200 kWh annually would experience a decrease in their annual

20 bill from \$1,215.76 to \$1,215.08, or \$0.68 or approximately 0.06% (based upon

21 Delivery Rates and BGS-RSCP charges in effect June 1, 2018 and assuming the

22 customer receives BGS-RSCP service from PSE&G).

1 As a result of the proposed decrease to the EEEXII component of the
2 gas GPRC set forth in Schedule SS-EEEXII-1, PSE&G's typical residential gas
3 heating customers using 165 therms in a winter month and 1,010 therms annually
4 would experience a decrease in their annual bill from \$879.16 to \$878.12, or \$1.04, or
5 approximately 0.12% (based upon Delivery Rates and BGSS-RSG charges in effect
6 June 1, 2018 and assuming the customer receives BGSS service from PSE&G). The
7 residential customer bill impacts comparing the current and proposed delivery charges
8 are included in Attachment D, pages 14-15 for the aforementioned typical customers,
9 as well as other typical customer usage patterns.

10 ***Section 12 – Solar 4 All Extension II***

11 Based on the Company's projected revenue requirements from October
12 1, 2018 through September 30, 2019 of \$28,685 plus the (over)/under collected
13 balance with interest at September 30, 2018 of (\$392,346), the S4AEII component of
14 GPRC's Total Target Rate Revenue is (\$363,660) including interest. The rate
15 proposed for the S4AEII component of the electric GPRC for the period October 1,
16 2018 through September 30, 2019 is designed to return this amount on an annual
17 basis. The resultant net annual revenue impact on the Company's electric customers
18 is a (\$0.828) million decrease.

19 In support of my testimony, I relied upon the Board Decision and Order
20 Approving Stipulation, BPU Docket No. E016050412 dated November 30, 2017 for

1 the cost recovery mechanism of the S4AEII Program. Attached are the following
2 schedules that have been prepared in support of the Company's request:

3 1. Schedule SS-S4AEII-1 is a summary setting forth the proposed rate
4 calculations for October 1, 2018 through September 30, 2019.

5 2. Schedule SS-S4AEII-2 sets forth the revenue requirements.

6 3. Schedule SS-S4AEII-3 sets forth the (over)/under recovered balance and
7 associated interest rate calculations.

8 4. Schedule SS-S4AEII-4 shows the actual monthly electric revenue by rate class.

9 The proposed rate impacts for the S4AEII component of the electric
10 GPRC rate would decrease it from \$0.000011 per kWh (without SUT) to (\$0.000009)
11 per kWh (without SUT). As a result of the proposed decrease to the S4AEII
12 component of the electric GPRC set forth in Schedule SS-S4AEII-1, PSE&G's typical
13 residential electric customers using 750 kWh in a summer month and 7,200 kWh
14 annually would experience a decrease in their annual bill from \$1,215.76 to
15 \$1,215.64, or \$0.12, or approximately 0.01% (based upon Delivery Rates and BGS-
16 RSCP charges in effect June 1, 2018 and assuming the customer receives BGS-RSCP
17 service from PSE&G). The residential customer bill impacts comparing the current
18 and proposed delivery charges are included in Attachment D, page 16 for the
19 aforementioned typical customers as well as other typical customer usage patterns.

1 *Section 13 – Cumulative Revenue Requirements, Rate Impacts and Implementation*

2 A summary of the proposed revenue requirements and corresponding
3 rates for each component of the GPRC along with the proposed cumulative revenue
4 requirements and rates for the combined components of the electric and gas GPRCs
5 for the period October 1, 2018 through September 30, 2019 are shown on Schedule
6 SS-GPRC-2. Page 1 of Schedule SS-GPRC-2 reflects the proposed change to the
7 GPRC rates if the Company’s proposal to amortize the DR regulatory asset over the
8 remaining life of the devices is accepted. Under this proposal, the proposed GPRC
9 rate would be designed to recover \$58.668 million and \$6.182 million for electric and
10 gas, respectively, on an annual basis. The resultant net combined annual revenue
11 impact is an increase of \$17.017 million for the Company’s electric customers, and a
12 decrease of \$9.994 million for its gas customers. As a result of the proposed increase
13 to the electric GPRC as shown on page 1 of Schedule SS-GPRC-2, PSE&G’s typical
14 residential electric customers using 750 kWh in a summer month and 7,200 kWh
15 annually would experience an increase in their annual bill from \$1,215.76 to
16 \$1,218.92, or \$3.16, or approximately 0.26% (based upon Delivery Rates and BGS-
17 RSCP charges in effect June 1, 2018 and assuming the customer receives BGS-RSCP
18 service from PSE&G).

19 Page 2 of Schedule SS-GPRC-2 is based on recovering the entire DR
20 regulatory asset in one-year, which is what is reflected in the Public Notice and

1 proposed tariff pages. The proposed rates are designed to recover approximately
2 \$65.210 million for electric in revenue on an annual basis. The resultant net annual
3 revenue impact is an increase of \$23.558 million for the Company's electric
4 customers. The gas revenue requirement reflected in the Public Notice is the same as
5 requested on Page 1 of SS-GPRC-2.

6 The cumulative proposed rate impacts for the change in these
7 components of the electric GPRC rate would be an increase from \$0.001006 per kWh
8 without SUT (\$0.001073 per kWh including SUT) to \$0.001575 per kWh without
9 SUT (\$0.001679 per kWh including SUT). The cumulative proposed changes for the
10 gas GPRC (which includes only the CA, EEE, EEEext and EEEXII components)
11 would be a decrease from \$0.005563 per therm without SUT (\$0.005932 per therm
12 including SUT) to \$0.002126 per therm without SUT (\$0.002267 per therm including
13 SUT). See Attachment C (electric and gas Tariff Sheets), which are incorporated
14 herein by reference. As a result of the proposed increase to the electric GPRC as
15 shown in Attachment C, page 1, PSE&G's typical residential electric customers using
16 750 kWh in a summer month and 7,200 kWh annually would experience an increase
17 in their annual bill from \$1,215.76 to \$1,220.16, or \$4.40, or approximately 0.36%
18 (based upon Delivery Rates and BGS-RSCP charges in effect June 1, 2018 and
19 assuming the customer receives BGS-RSCP service from PSE&G).

1 As a result of the proposed decrease to the gas GPRC set forth in
2 Attachment C, page 3, PSE&G's typical residential gas heating customers using 165
3 therms in a winter month and 1,010 therms annually would experience a decrease in
4 their annual bill from \$879.16 to \$875.40, or \$3.76, or approximately 0.43% (based
5 upon current Delivery Rates and BGSS-RSG charges in effect June 1, 2018 and
6 assuming the customer receives BGSS service from PSE&G). The residential
7 customer bill impacts comparing the current and proposed delivery charges are
8 included in Attachment D, pages 1-2 for the aforementioned typical customers as well
9 as other typical customer usage patterns.

10 According to Board Orders, the proposed rates, as set forth in the tariff
11 sheets in Attachment C, are just and reasonable and PSE&G respectfully requests
12 authorization to implement the proposed rates as set forth herein on October 1, 2018,
13 upon issuance of a written Board Order.

14 This concludes my testimony at this time.

Schedule Index

- Schedule SS-GPRC-0 Credentials of Stephen Swetz
- Schedule SS-GPRC-1 WACC - Initial GPRC
- Schedule SS-GPRC-1a WACC - 2010 Base Rate Case Result
- Schedule SS-GPRC-1b WACC – SLIII and S4AE WACC
- Schedule SS-GPRC-1c WACC – EEEXII
- Schedule SS-GPRC-1d WACC – S4AEII
- Schedule SS-GPRC-2 Cumulative Revenue Requirements and Rate Impacts
- Schedule SS-CA-1 Proposed Rate Calculations - CA
- Schedule SS-CA-2E Revenue Requirements Calculations - CA Electric
- Schedule SS-CA-2G Revenue Requirements Calculations - CA Gas
- Schedule SS-CA-3E Over / Under Recovered Balance Calculation - CA Electric
- Schedule SS-CA-3G Over / Under Recovered Balance Calculation - CA Gas
- Schedule SS-CA-4E Component Revenue by Rate Class - CA Electric
- Schedule SS-CA-4G Component Revenue by Rate Class - CA Gas
- Schedule SS-EEE-1 Proposed Rate Calculations - EEE
- Schedule SS-EEE-2E Revenue Requirements Calculations - EEE Electric
- Schedule SS-EEE-2G Revenue Requirements Calculations - EEE Gas
- Schedule SS-EEE-3E Over / Under Recovered Balance Calculation - EEE Electric
- Schedule SS-EEE-3G Over / Under Recovered Balance Calculation - EEE Gas
- Schedule SS-EEE-4E Component Revenue by Rate Class – EEE Electric
- Schedule SS-EEE-4G Component Revenue by Rate Class – EEE Gas
- Schedule SS-EEEext-1 Proposed Rate Calculations - EEEext
- Schedule SS-EEEext-2E Revenue Requirements Calculations - EEEext Electric
- Schedule SS-EEEext-2G Revenue Requirements Calculations - EEEext Gas

- Schedule SS-EEEext-3E Over / Under Recovered Balance Calculation - EEEext Electric
- Schedule SS-EEEext-3G Over / Under Recovered Balance Calculation - EEEext Gas
- Schedule SS-EEEext-4E Component Revenue by Rate Class – EEEext Electric
- Schedule SS-EEEext-4G Component Revenue by Rate Class – EEEext Gas
- Schedule SS-DR-1 (Request) Proposed Rate Calculations - DR
- Schedule SS-DR-2 (Request) Revenue Requirements Calculations - DR
- Schedule SS-DR-2a (Request) Revenue Requirements Calculations – DR – Residential
- Schedule SS-DR-2b (Request) Revenue Requirements Calculations – DR - Small Comm.
- Schedule SS-DR-3 (Request) Over / Under Recovered Balance Calculation - DR
- Schedule SS-DR-1 (Notice) Proposed Rate Calculations - DR
- Schedule SS-DR-2 (Notice) Revenue Requirements Calculations - DR
- Schedule SS-DR-2a(Notice) Revenue Requirements Calculations – DR – Residential
- Schedule SS-DR-2b (Notice) Revenue Requirements Calculations – DR - Small Comm.
- Schedule SS-DR-3 (Notice) Over / Under Recovered Balance Calculation - DR
- Schedule SS-DR-4 Component Revenue by Rate Class – DR
- Schedule SS-S4A-1 Proposed Rate Calculations - S4A
- Schedule SS-S4A-2 Revenue Requirements Calculations - S4A
- Schedule SS-S4A-2a Revenue Requirements Calculations – S4A - Cent. Seg 1a & 1b
- Schedule SS-S4A-2b Revenue Requirements Calculations – S4A – Neighborhood Seg. 2
- Schedule SS-S4A-2c Revenue Requirements Calculations – S4A - UEZ Seg. 1c.
- Schedule SS-S4A-3 Over / Under Recovered Balance Calculation - S4A
- Schedule SS-S4A-4 Component Revenue by Rate Class – S4A

- Schedule SS-S4AE-1 Proposed Rate Calculations - S4AE
- Schedule SS-S4AE-2 Revenue Requirements Calculations - S4AE
- Schedule SS-S4AE-2a Revenue Requirements Calculations – S4AE – Landfills/Brownfields Seg a
- Schedule SS-S4AE-2b Revenue Requirements Calculations – S4AE – Grid Security/Storm Preparedness Seg. b
- Schedule SS-S4AE-2c Revenue Requirements Calculations – S4AE – Innovative Parking Lot Seg. c
- Schedule SS-S4AE-2d Revenue Requirements Calculations – S4AE – Underutilized Government Buildings Seg. d
- Schedule SS-S4AE-3 Over / Under Recovered Balance Calculation - S4AE
- Schedule SS-S4AE-4 Component Revenue by Rate Class – S4AE
- Schedule SS-SLII-1 Proposed Rate Calculations – SLII
- Schedule SS-SLII-2 Revenue Requirements Calculations – SLII - Summary
- Schedule SS-SLII-2a Revenue Requirements Calculations – SLII – Detail
- Schedule SS-SLII-3 Over / Under Recovered Balance Calculation - SLII
- Schedule SS-SLII-4 Component Revenue by Rate Class – SLII
- Schedule SS-SLIII-1 Proposed Rate Calculations – SLIII
- Schedule SS-SLIII-2 Revenue Requirements Calculations – SLIII - Summary
- Schedule SS-SLIII-2a Revenue Requirements Calculations – SLIII – Detail
- Schedule SS-SLIII-3 Over / Under Recovered Balance Calculation - SLIII
- Schedule SS-SLIII-4 Component Revenue by Rate Class – SLIII
- Schedule SS-EEEXII-1 Proposed Rate Calculations - EEEXII
- Schedule SS-EEEXII-2E Revenue Requirements Calculations - EEEXII Electric
- Schedule SS-EEEXII-2G Revenue Requirements Calculations - EEEXII Gas
- Schedule SS-EEEXII-3E Over / Under Recovered Balance Calculation – EEEXII Electric
- Schedule SS-EEEXII-3G Over / Under Recovered Balance Calculation – EEEXII Gas
- Schedule SS-EEEXII-4E Component Revenue by Rate Class – EEEXII Electric

- Schedule SS-EEEXII-4G Component Revenue by Rate Class – EEEXII Gas
- Schedule SS-S4AEII-1 Proposed Rate Calculations - S4AEII
- Schedule SS-S4AEII-2 Revenue Requirements Calculations - S4AEII
- Schedule SS-S4AEII-3 Over / Under Recovered Balance Calculation - S4AEII
- Schedule SS-S4AEII-4 Component Revenue by Rate Class – S4AEII

Electronic Work Paper Index

- WP-SS-GPRC-1.xlsx WACC Calculations – GPRC
- WP-SS-GPRC-2.xlsx GPRC Component Revenues by Rate Class
- WP-SS-GPRC-3.xlsx Over / Under Balance Monthly Interest Rate Calculation Detail
- WP-SS-GPRC-4.xlsx GPRC Proposed Rate Calculations
- WP-SS-CA-1.xlsx Actual and Forecasted Revenue Requirements, Over / Under Balance and Rate Calculations – CA
- WP-SS-EEE-1.xlsx Actual and Forecasted Revenue Requirements, Over / Under Balance and Rate Calculations – EEE
- WP-SS-EEEext-1.xlsx Actual and Forecasted Revenue Requirements, Over / Under Balance and Rate Calculations – EEEext
- WP-SS-DR-1(Request).xlsx Actual and Forecasted Revenue Requirements, Over / Under Balance and Rate Calculations – DR – Amortize over Remaining Life
- WP-SS-DR-1(Notice).xlsx Actual and Forecasted Revenue Requirements, Over / Under Balance and Rate Calculations – DR – Amortize over One Year
- WP-SS-S4A-1.xlsx Actual and Forecasted Revenue Requirements, Over / Under Balance and Rate Calculations – S4A
- WP-SS-S4AE-1.xlsx Actual and Forecasted Revenue Requirements, Over / Under Balance and Rate Calculations – S4A
- WP-SS-SLII-1.xlsx Actual and Forecasted Revenue Requirements, Over / Under Balance and Rate Calculations – SLII
- WP-SS-SLII-2.xlsx Forecasted Revenue Requirement Inputs

- WP-SS-SLIII-1.xlsx Actual and Forecasted Revenue Requirements, Over / Under Balance and Rate Calculations – SLIII
- WP-SS-SLIII-2.xlsx Forecasted Revenue Requirement Inputs
- WP-SS-EEEXII-1.xlsx Actual and Forecasted Revenue Requirements, Over / Under Balance and Rate Calculations – EEEXII
- WP-SS-S4AEII-1.xlsx Actual and Forecasted Revenue Requirements, Over / Under Balance and Rate Calculations – S4AEII

1 **CREDENTIALS**
2 **OF**
3 **STEPHEN SWETZ**
4 **SR. DIRECTOR-CORPORATE RATES AND REVENUE REQUIREMENTS**
5

6 My name is Stephen Swetz and I am employed by PSEG Services
7 Corporation. I am the Sr. Director - Corporate Rates and Revenue Requirements where
8 my main responsibility is to contribute to the development and implementation of electric
9 and gas rates for Public Service Electric and Gas Company (PSE&G, the Company).

10 **WORK EXPERIENCE**

11 I have over 25 years of experience in Rates, Financial Analysis and
12 Operations for three Fortune 500 companies. Since 1991, I have worked in various
13 positions within PSEG. I have spent most of my career contributing to the development
14 and implementation of PSE&G electric and gas rates, revenue requirements, pricing and
15 corporate planning with over 20 years of direct experience in Northeastern retail and
16 wholesale electric and gas markets.

17 As Sr. Director of the Corporate Rates and Revenue Requirements
18 department, I have submitted pre-filed direct cost recovery testimony as well as oral
19 testimony to the New Jersey Board of Public Utilities and the New Jersey Office of
20 Administrative Law for base rate cases, as well as a number of clauses including
21 infrastructure investments, renewable energy, and energy efficiency programs. A list of
22 my prior testimonies can be found on page 3 of this document. I have also contributed to

1 other filings including unbundling electric rates and Off-Tariff Rate Agreements. I have
2 had a leadership role in various economic analyses, asset valuations, rate design, pricing
3 efforts and cost of service studies.

4 I am an active member of the American Gas Association's Rate and
5 Strategic Issues Committee, the Edison Electric Institute's Rates and Regulatory Affairs
6 Committee and the New Jersey Utility Association (NJUA) Finance and Regulatory
7 Committee.

8 **EDUCATIONAL BACKGROUND**

9 I hold a B.S. in Mechanical Engineering from Worcester Polytechnic
10 Institute and an MBA from Fairleigh Dickinson University.

LIST OF PRIOR TESTIMONIES

| Company | Utility | Docket | Testimony | Date | Case / Topic |
|---------------------------------------|---------|---------------------------|--------------|--------|-----------------------------------------------------------------------------------------------------------------------------|
| Public Service Electric & Gas Company | G | GR18060675 | written | Jun-18 | Weather Normalization Charge / Cost Recovery |
| Public Service Electric & Gas Company | E/G | EO18060629 - GO18060630 | written | Jun-18 | Energy Strong II / Revenue Requirements & Rate Design |
| Public Service Electric & Gas Company | G | GR18060605 | written | Jun-18 | Margin Adjustment Charge (MAC) / Cost Recovery |
| Public Service Electric & Gas Company | E/G | ER18030231 | written | Mar-18 | Tax Cuts and Job Acts of 2017 |
| Public Service Electric & Gas Company | E/G | GR18020093 | written | Feb-18 | Remediation Adjustment Charge-RAC 25 |
| Public Service Electric & Gas Company | E/G | ER18010029 and GR18010030 | written | Jan-18 | Base Rate Proceeding / Cost of Service & Rate Design |
| Public Service Electric & Gas Company | E | ER17101027 | written | Sep-17 | Energy Strong / Revenue Requirements & Rate Design |
| Public Service Electric & Gas Company | G | GR17070776 | written | Jul-17 | Gas System Modernization Program II (GSMP II) |
| Public Service Electric & Gas Company | G | GR17070775 | written | Jul-17 | Gas System Modernization Program (GSMP) - Second Roll-In |
| Public Service Electric & Gas Company | G | GR17060720 | written | Jul-17 | Weather Normalization Charge / Cost Recovery |
| Public Service Electric & Gas Company | E/G | ER17070724 - GR17070725 | written | Jul-17 | Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery |
| Public Service Electric & Gas Company | E | ER17070723 | written | Jul-17 | Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery |
| Public Service Electric & Gas Company | G | GR17060593 | written | Jun-17 | Margin Adjustment Charge (MAC) / Cost Recovery |
| Public Service Electric & Gas Company | E/G | ER17030324 - GR17030325 | written | Mar-17 | Energy Strong / Revenue Requirements & Rate Design - Sixth Roll-in |
| Public Service Electric & Gas Company | E/G | EO14080897 | written | Mar-17 | Energy Efficiency 2017 Program |
| Public Service Electric & Gas Company | E | ER17020136 | written | Feb-17 | Societal Benefits Charge (SBC) / Cost Recovery |
| Public Service Electric & Gas Company | E/G | GR16111064 | written | Nov-16 | Remediation Adjustment Charge-RAC 24 |
| Public Service Electric & Gas Company | E | ER16090918 | written | Sep-16 | Energy Strong / Revenue Requirements & Rate Design - Fifth Roll-in |
| Public Service Electric & Gas Company | E | EO16080788 | written | Aug-16 | Construction of Mason St Substation |
| Public Service Electric & Gas Company | E | ER16080785 | written | Aug-16 | Non-Utility Generation Charge (NGC) / Cost Recovery |
| Public Service Electric & Gas Company | G | GR16070711 | written | Jul-16 | Gas System Modernization Program (GSMP) - First Roll-In |
| Public Service Electric & Gas Company | G | GR16070617 | written | Jul-16 | Weather Normalization Charge / Cost Recovery |
| Public Service Electric & Gas Company | E/G | ER16070613 - GR16070614 | written | Jul-16 | Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, SLII, SLIII / Cost Recovery |
| Public Service Electric & Gas Company | E | ER16070616 | written | Jul-16 | Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery |
| Public Service Electric & Gas Company | G | GR16060484 | written | Jun-16 | Margin Adjustment Charge (MAC) / Cost Recovery |
| Public Service Electric & Gas Company | E | EO16050412 | written | May-16 | Solar 4 All Extension II (S4AllExt II) / Revenue Requirements & Rate Design |
| Public Service Electric & Gas Company | E/G | ER16030272 - GR16030273 | written | Mar-16 | Energy Strong / Revenue Requirements & Rate Design - Fourth Roll-in |
| Public Service Electric & Gas Company | E/G | GR15111294 | written | Nov-15 | Remediation Adjustment Charge-RAC 23 |
| Public Service Electric & Gas Company | E | ER15101180 | written | Sep-15 | Energy Strong / Revenue Requirements & Rate Design - Third Roll-in |
| Public Service Electric & Gas Company | E/G | ER15070757-GR15070758 | written | Jul-15 | Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, SLII, SLIII / Cost Recovery |
| Public Service Electric & Gas Company | E | ER15060754 | written | Jul-15 | Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery |
| Public Service Electric & Gas Company | G | GR15060748 | written | Jul-15 | Weather Normalization Charge / Cost Recovery |
| Public Service Electric & Gas Company | G | GR15060646 | written | Jun-15 | Margin Adjustment Charge (MAC) / Cost Recovery |
| Public Service Electric & Gas Company | E/G | ER15050558 | written | May-15 | Societal Benefits Charge (SBC) / Cost Recovery |
| Public Service Electric & Gas Company | E | ER15050558 | written | May-15 | Non-Utility Generation Charge (NGC) / Cost Recovery |
| Public Service Electric & Gas Company | E/G | ER15030389-GR15030390 | written | Mar-15 | Energy Strong / Revenue Requirements & Rate Design - Second Roll-in |
| Public Service Electric & Gas Company | G | GR15030272 | written | Feb-15 | Gas System Modernization Program (GSMP) |
| Public Service Electric & Gas Company | E/G | GR14121411 | written | Dec-14 | Remediation Adjustment Charge-RAC 22 |
| Public Service Electric & Gas Company | E/G | ER14091074 | written | Sep-14 | Energy Strong / Revenue Requirements & Rate Design - First Roll-in |
| Public Service Electric & Gas Company | E/G | EO14080897 | written | Aug-14 | EEE Ext II |
| Public Service Electric & Gas Company | G | ER14070656 | written | Jul-14 | Weather Normalization Charge / Cost Recovery |
| Public Service Electric & Gas Company | E/G | ER14070651-GR14070652 | written | Jul-14 | Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, SLII, SLIII / Cost Recovery |
| Public Service Electric & Gas Company | E | ER14070650 | written | Jul-14 | Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery |
| Public Service Electric & Gas Company | G | GR14050511 | written | May-14 | Margin Adjustment Charge (MAC) / Cost Recovery |
| Public Service Electric & Gas Company | E/G | GR14040375 | written | Apr-14 | Remediation Adjustment Charge-RAC 21 |
| Public Service Electric & Gas Company | E/G | ER13070603-GR13070604 | written | Jun-13 | Green Programs Recovery Charge (GPRC)-Including DR, EEE, EEE Ext, CA, S4All, SLII / Cost Recovery |
| Public Service Electric & Gas Company | E | ER13070605 | written | Jul-13 | Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery |
| Public Service Electric & Gas Company | G | GR13070615 | written | Jun-13 | Weather Normalization Charge / Cost Recovery |
| Public Service Electric & Gas Company | G | GR13060445 | written | May-13 | Margin Adjustment Charge (MAC) / Cost Recovery |
| Public Service Electric & Gas Company | E/G | EO13020155-GO13020156 | written/oral | Mar-13 | Energy Strong / Revenue Requirements & Rate Design - Program Approval |
| Public Service Electric & Gas Company | G | GO12030188 | written/oral | Mar-13 | Appliance Service / Tariff Support |
| Public Service Electric & Gas Company | E | ER12070599 | written | Jul-12 | Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery |
| Public Service Electric & Gas Company | E/G | ER12070606-GR12070605 | written | Jul-12 | RGGI Recovery Charges (RRC)-Including DR, EEE, EEE Ext, CA, S4All, SLII / Cost Recovery |
| Public Service Electric & Gas Company | E | EO12080721 | written/oral | Jul-12 | Solar Loan III (SLIII) / Revenue Requirements & Rate Design - Program Approval |
| Public Service Electric & Gas Company | E | EO12080721 | written/oral | Jul-12 | Solar 4 All Extension(S4AllExt) / Revenue Requirements & Rate Design - Program Approval |
| Public Service Electric & Gas Company | G | GR12060489 | written | Jun-12 | Margin Adjustment Charge (MAC) / Cost Recovery |
| Public Service Electric & Gas Company | G | GR12060583 | written | Jun-12 | Weather Normalization Charge / Cost Recovery |
| Public Service Electric & Gas Company | E/G | ER12030207 | written | Mar-12 | Societal Benefits Charge (SBC) / Cost Recovery |
| Public Service Electric & Gas Company | E | ER12030207 | written | Mar-12 | Non-Utility Generation Charge (NGC) / Cost Recovery |

LIST OF PRIOR TESTIMONIES

| Company | Utility | Docket | Testimony | Date | Case / Topic |
|---------------------------------------|---------|------------|--------------|--------|-------------------------------------------------------------------------------------------------------|
| Public Service Electric & Gas Company | G | GR11060338 | written | Jun-11 | Margin Adjustment Charge (MAC) / Revenue Requirements & Rate Design - Program Approval |
| Public Service Electric & Gas Company | G | GR11060395 | written | Jun-11 | Weather Normalization Charge / Revenue Requirements & Rate Design - Program Approval |
| Public Service Electric & Gas Company | E | EO11010030 | written | Jan-11 | Economic Energy Efficiency Extension (EEEext) / Revenue Requirements & Rate Design - Program Approval |
| Public Service Electric & Gas Company | E/G | ER10100737 | written | Oct-10 | RGGI Recovery Charges (RRC)-Including DR, EEE, CA, S4All, SLII / Cost Recovery |
| Public Service Electric & Gas Company | E/G | ER10080550 | written | Aug-10 | Societal Benefits Charge (SBC) / Cost Recovery |
| Public Service Electric & Gas Company | E | ER10080550 | written | Aug-10 | Non-Utility Generation Charge (NGC) / Cost Recovery |
| Public Service Electric & Gas Company | E/G | GR09050422 | written/oral | Mar-10 | Base Rate Proceeding / Cost of Service & Rate Design |
| Public Service Electric & Gas Company | E | ER10030220 | written | Mar-10 | Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery |
| Public Service Electric & Gas Company | E | EO09030249 | written | Mar-09 | Solar Loan II(SLII) / Revenue Requirements & Rate Design - Program Approval |
| Public Service Electric & Gas Company | E/G | EO09010056 | written | Feb-09 | Economic Energy Efficiency(EEE) / Revenue Requirements & Rate Design - Program Approval |
| Public Service Electric & Gas Company | E | EO09020125 | written | Feb-09 | Solar 4 All (S4All) / Revenue Requirements & Rate Design - Program Approval |
| Public Service Electric & Gas Company | E | EO08080544 | written | Aug-08 | Demand Response (DR) / Revenue Requirements & Rate Design - Program Approval |
| Public Service Electric & Gas Company | E/G | ER10100737 | written | Jun-08 | Carbon Abatement (CA) / Revenue Requirements & Rate Design - Program Approval |

**PSE&G Green Programs Recovery Charge
Weighted Average Cost of Capital (WACC)
Approved for CA Program**

Schedule SS-GPRC-1

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Revenue Conversion Factor</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|-------------------|----------------|-------------|--------------------------|------------------------------------------|--------------------------------------|--------------------------|
| Long-term Debt | 50.64% | 6.19% | 3.13% | 1.0000 | 3.1348% | |
| Customer Deposits | <u>0.68%</u> | 2.94% | <u>0.02%</u> | 1.0000 | <u>0.0201%</u> | |
| Sub-total | 51.33% | | 3.15% | | 3.1549% | 1.8587% |
| Preferred Stock | 1.27% | 5.03% | 0.06% | 1.6973 | 0.1085% | 0.0639% |
| Common Equity | 47.40% | 10.00% | <u>4.74%</u> | 1.6973 | <u>8.0458%</u> | <u>4.7403%</u> |
| Total | 100.00% | | 7.96% | | 11.3092% | 6.6629% |
| Monthly WACC | | | 0.66326% | | 0.9424% | |

Reflects a tax rate of 41.08%

Effective Tax Rate January 1, 2018

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Revenue Conversion Factor</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|-------------------|----------------|-------------|--------------------------|------------------------------------------|--------------------------------------|--------------------------|
| Long-term Debt | 50.64% | 6.19% | 3.13% | 1.0000 | 3.1348% | |
| Customer Deposits | <u>0.68%</u> | 2.94% | <u>0.02%</u> | 1.0000 | <u>0.0201%</u> | |
| Sub-total | 51.33% | | 3.15% | | 3.1549% | 2.2681% |
| Preferred Stock | 1.27% | 5.03% | 0.06% | 1.3910 | 0.0889% | 0.0639% |
| Common Equity | 47.40% | 10.00% | <u>4.74%</u> | 1.3910 | <u>6.5938%</u> | <u>4.7403%</u> |
| Total | 100.00% | | 7.96% | | 9.8376% | 7.0723% |
| Monthly WACC | | | 0.66326% | | 0.8198% | |

Reflects a tax rate of 28.11%

**PSE&G Green Programs Recovery Charge
 Weighted Average Cost of Capital (WACC)
 Approved for EEE, EEEext, DR, S4A, and SLII Programs**

Schedule SS-GPRC-1a

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|-------------------------------|----------------|-------------|--------------------------|--------------------------------------|--------------------------|
| Common Equity | 51.20% | 10.30% | 5.27% | 8.9156% | 5.2736% |
| Debt | | | 2.94% | 2.9364% | 1.7369% |
| | | | <u>8.21%</u> | <u>11.8520%</u> | <u>7.0105%</u> |
| Monthly WACC | | | 0.68417% | 0.98767% | |
| Reflects a tax rate of 40.85% | | | | | |

Effective Tax Rate January 1, 2018

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|-------------------------------|----------------|-------------|--------------------------|--------------------------------------|--------------------------|
| Common Equity | 51.20% | 10.30% | 5.27% | 7.3357% | 5.2736% |
| Debt | | | 2.94% | 2.9364% | 2.1110% |
| | | | <u>8.21%</u> | <u>10.2721%</u> | <u>7.3846%</u> |
| Monthly WACC | | | 0.68417% | 0.8560% | |
| Reflects a tax rate of 28.11% | | | | | |

**PSE&G Green Programs Recovery Charge
Weighted Average Cost of Capital (WACC)
Approved for S4AExt and SLIII Programs**

Schedule SS-GPRC-1b

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|------------------------|----------------|-------------|--------------------------|--------------------------------------|--------------------------|
| Common Equity | 51.20% | 10.00% | 5.1200% | 8.6560% | 5.1200% |
| Debt | 48.80% | 5.17% | 2.5231% | 2.5231% | 1.4924% |
| | | | <u>7.6431%</u> | <u>11.1790%</u> | <u>6.6124%</u> |
| Monthly WACC | | | 0.63692% | 0.9316% | |
| Reflects a tax rate of | 40.850% | | | | |

Effective Tax Rate January 1, 2018

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|------------------------|----------------|-------------|--------------------------|--------------------------------------|--------------------------|
| Common Equity | 51.20% | 10.00% | 5.1200% | 7.1220% | 5.1200% |
| Debt | 48.80% | 5.17% | 2.5231% | 2.5231% | 1.8138% |
| | | | <u>7.6431%</u> | <u>9.6450%</u> | <u>6.9338%</u> |
| Monthly WACC | | | 0.63692% | 0.8038% | |
| Reflects a tax rate of | 28.11% | | | | |

PSE&G Green Programs Recovery Charge
Weighted Average Cost of Capital (WACC)
Approved for EEEXII Program

Schedule SS-GPRC-1c

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Revenue Conversion Factor</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|---------------|----------------|-------------|----------------------|----------------------------------|------------------------------|---------------------------|
| Other Capital | 48.8000% | 4.60% | 2.2448% | 1.0000 | 2.2448% | |
| Sub-total | 48.8000% | | 2.2448% | | 2.2448% | 1.3278% |
| Common Equity | 51.20% | 9.75% | <u>4.9920%</u> | 1.6906 | <u>8.4396%</u> | |
| Total | 100.0000% | | 7.2368% | | 10.6844% | <u>4.9920%</u> 6.3198% |
| Monthly WACC | | | 0.60307% | | 0.890370% | |

Reflects a tax rate of 40.850%

Effective Tax Rate January 1, 2018

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Revenue Conversion Factor</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|---------------|----------------|-------------|----------------------|----------------------------------|------------------------------|----------------------|
| Other Capital | 48.8000% | 4.60% | 2.2448% | 1.0000 | 2.2448% | |
| Sub-total | 48.8000% | | 2.2448% | | 2.2448% | 1.6138% |
| Common Equity | 51.20% | 9.75% | <u>4.9920%</u> | 1.3910 | <u>6.9439%</u> | <u>4.9920%</u> |
| Total | 100.0000% | | 7.2368% | | 9.1887% | 6.6058% |
| Monthly WACC | | | 0.60307% | | 0.765730% | |

Reflects a tax rate of 28.11%

PSE&G Solar 4 All Extension II
Weighted Average Cost of Capital (WACC)
 Approved for S4AEII Program

Schedule SS-GPRC-1d

| | <u>Debt Amount</u> | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Revenue Conversion Factor</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|---------------------|---------------------|----------------|-------------|----------------------|----------------------------------|------------------------------|----------------------|
| Other Capital | \$7,558,380,700 | 48.18% | 4.14% | 1.9967% | 1.0000 | 1.9967% | |
| Customer Deposits | <u>\$96,494,281</u> | <u>0.62%</u> | 0.11% | <u>0.0007%</u> | 1.0000 | <u>0.0007%</u> | |
| Sub-total | \$7,654,874,981 | 48.80% | | 1.9974% | | 1.9974% | 1.1815% |
| Preferred Stock | | 0.00% | 0.00% | 0.0000% | 1.6906 | 0.0000% | 0.0000% |
| Common Equity | | 51.20% | 9.75% | <u>4.9920%</u> | 1.6906 | <u>8.4396%</u> | <u>4.9920%</u> |
| Total | | 100.00% | | 6.9894% | | 10.4370% | 6.1735% |
| Monthly WACC | | | | 0.58245% | | 0.8698% | |

Reflects a tax rate of 40.85%

Effective Tax Rate January 1, 2018

| | <u>Debt Amount</u> | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Revenue Conversion Factor</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|---------------------|---------------------|----------------|-------------|----------------------|----------------------------------|------------------------------|----------------------|
| Other Capital | \$7,558,380,700 | 48.18% | 4.14% | 1.9967% | 1.0000 | 1.9967% | |
| Customer Deposits | <u>\$96,494,281</u> | <u>0.62%</u> | 0.11% | <u>0.0007%</u> | 1.0000 | <u>0.0007%</u> | |
| Sub-total | \$7,654,874,981 | 48.80% | | 1.9974% | | 1.9974% | 1.4359% |
| Preferred Stock | | 0.00% | 0.00% | 0.0000% | 1.3910 | 0.0000% | 0.0000% |
| Common Equity | | 51.20% | 9.75% | <u>4.9920%</u> | 1.3910 | <u>6.9439%</u> | <u>4.9920%</u> |
| Total | | 100.00% | | 6.9894% | | 8.9413% | 6.4279% |
| Monthly WACC | | | | 0.58245% | | 0.7451% | |

Reflects a tax rate of 28.11%

**PSE&G Green Programs Recovery Charge
Weighted Average Cost of Capital (WACC)
Approved for CA Program**

Schedule SS-GPRC-1

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Revenue Conversion Factor</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|-------------------|----------------|-------------|--------------------------|------------------------------------------|--------------------------------------|--------------------------|
| Long-term Debt | 50.64% | 6.19% | 3.13% | 1.0000 | 3.1348% | |
| Customer Deposits | <u>0.68%</u> | 2.94% | <u>0.02%</u> | 1.0000 | <u>0.0201%</u> | |
| Sub-total | 51.33% | | 3.15% | | 3.1549% | 1.8587% |
| Preferred Stock | 1.27% | 5.03% | 0.06% | 1.6973 | 0.1085% | 0.0639% |
| Common Equity | 47.40% | 10.00% | <u>4.74%</u> | 1.6973 | <u>8.0458%</u> | <u>4.7403%</u> |
| Total | 100.00% | | 7.96% | | 11.3092% | 6.6629% |
| Monthly WACC | | | 0.66326% | | 0.9424% | |

Reflects a tax rate of 41.08%

Effective Tax Rate January 1, 2018

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Revenue Conversion Factor</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|-------------------|----------------|-------------|--------------------------|------------------------------------------|--------------------------------------|--------------------------|
| Long-term Debt | 50.64% | 6.19% | 3.13% | 1.0000 | 3.1348% | |
| Customer Deposits | <u>0.68%</u> | 2.94% | <u>0.02%</u> | 1.0000 | <u>0.0201%</u> | |
| Sub-total | 51.33% | | 3.15% | | 3.1549% | 2.2681% |
| Preferred Stock | 1.27% | 5.03% | 0.06% | 1.3910 | 0.0889% | 0.0639% |
| Common Equity | 47.40% | 10.00% | <u>4.74%</u> | 1.3910 | <u>6.5938%</u> | <u>4.7403%</u> |
| Total | 100.00% | | 7.96% | | 9.8376% | 7.0723% |
| Monthly WACC | | | 0.66326% | | 0.8198% | |

Reflects a tax rate of 28.11%

**PSE&G Green Programs Recovery Charge
 Weighted Average Cost of Capital (WACC)
 Approved for EEE, EEEext, DR, S4A, and SLII Programs**

Schedule SS-GPRC-1a

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|---------------|----------------|-------------|--------------------------|--------------------------------------|--------------------------|
| Common Equity | 51.20% | 10.30% | 5.27% | 8.9156% | 5.2736% |
| Debt | | | 2.94% | 2.9364% | 1.7369% |
| | | | <u>8.21%</u> | <u>11.8520%</u> | <u>7.0105%</u> |
| Monthly WACC | | | 0.68417% | 0.98767% | |

Reflects a tax rate of 40.85%

Effective Tax Rate January 1, 2018

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|---------------|----------------|-------------|--------------------------|--------------------------------------|--------------------------|
| Common Equity | 51.20% | 10.30% | 5.27% | 7.3357% | 5.2736% |
| Debt | | | 2.94% | 2.9364% | 2.1110% |
| | | | <u>8.21%</u> | <u>10.2721%</u> | <u>7.3846%</u> |
| Monthly WACC | | | 0.68417% | 0.8560% | |

Reflects a tax rate of 28.11%

**PSE&G Green Programs Recovery Charge
Weighted Average Cost of Capital (WACC)
Approved for S4AExt and SLIII Programs**

Schedule SS-GPRC-1b

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|------------------------|----------------|-------------|--------------------------|--------------------------------------|--------------------------|
| Common Equity | 51.20% | 10.00% | 5.1200% | 8.6560% | 5.1200% |
| Debt | 48.80% | 5.17% | 2.5231% | 2.5231% | 1.4924% |
| | | | <u>7.6431%</u> | <u>11.1790%</u> | <u>6.6124%</u> |
| Monthly WACC | | | 0.63692% | 0.9316% | |
| Reflects a tax rate of | 40.850% | | | | |

Effective Tax Rate January 1, 2018

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|------------------------|----------------|-------------|--------------------------|--------------------------------------|--------------------------|
| Common Equity | 51.20% | 10.00% | 5.1200% | 7.1220% | 5.1200% |
| Debt | 48.80% | 5.17% | 2.5231% | 2.5231% | 1.8138% |
| | | | <u>7.6431%</u> | <u>9.6450%</u> | <u>6.9338%</u> |
| Monthly WACC | | | 0.63692% | 0.8038% | |
| Reflects a tax rate of | 28.11% | | | | |

PSE&G Green Programs Recovery Charge
Weighted Average Cost of Capital (WACC)
Approved for EEXII Program

Schedule SS-GPRC-1c

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Revenue Conversion Factor</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|---------------|----------------|-------------|----------------------|----------------------------------|------------------------------|---------------------------|
| Other Capital | 48.8000% | 4.60% | 2.2448% | 1.0000 | 2.2448% | |
| Sub-total | 48.8000% | | 2.2448% | | 2.2448% | 1.3278% |
| Common Equity | 51.20% | 9.75% | <u>4.9920%</u> | 1.6906 | <u>8.4396%</u> | |
| Total | 100.0000% | | 7.2368% | | 10.6844% | <u>4.9920%</u> 6.3198% |
| Monthly WACC | | | 0.60307% | | 0.890370% | |

Reflects a tax rate of 40.850%

Effective Tax Rate January 1, 2018

| | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Revenue Conversion Factor</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|---------------|----------------|-------------|----------------------|----------------------------------|------------------------------|----------------------|
| Other Capital | 48.8000% | 4.60% | 2.2448% | 1.0000 | 2.2448% | |
| Sub-total | 48.8000% | | 2.2448% | | 2.2448% | 1.6138% |
| Common Equity | 51.20% | 9.75% | <u>4.9920%</u> | 1.3910 | <u>6.9439%</u> | <u>4.9920%</u> |
| Total | 100.0000% | | 7.2368% | | 9.1887% | 6.6058% |
| Monthly WACC | | | 0.60307% | | 0.765730% | |

Reflects a tax rate of 28.11%

PSE&G Solar 4 All Extension II
Weighted Average Cost of Capital (WACC)
Approved for S4AEII Program

Schedule SS-GPRC-1d

| | <u>Debt Amount</u> | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Revenue Conversion Factor</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|-------------------|---------------------|----------------|-------------|----------------------|----------------------------------|------------------------------|----------------------|
| Other Capital | \$7,558,380,700 | 48.18% | 4.14% | 1.9967% | 1.0000 | 1.9967% | |
| Customer Deposits | <u>\$96,494,281</u> | <u>0.62%</u> | 0.11% | <u>0.0007%</u> | 1.0000 | <u>0.0007%</u> | |
| Sub-total | \$7,654,874,981 | 48.80% | | 1.9974% | | 1.9974% | 1.1815% |
| Preferred Stock | | 0.00% | 0.00% | 0.0000% | 1.6906 | 0.0000% | 0.0000% |
| Common Equity | | 51.20% | 9.75% | <u>4.9920%</u> | 1.6906 | <u>8.4396%</u> | <u>4.9920%</u> |
| Total | | 100.00% | | 6.9894% | | 10.4370% | 6.1735% |
| | | | | | | | |
| Monthly WACC | | | | 0.58245% | | 0.8698% | |

Reflects a tax rate of 40.85%

Effective Tax Rate January 1, 2018

| | <u>Debt Amount</u> | <u>Percent</u> | <u>Cost</u> | <u>Weighted Cost</u> | <u>Revenue Conversion Factor</u> | <u>Pre-Tax Weighted Cost</u> | <u>Discount Rate</u> |
|-------------------|---------------------|----------------|-------------|----------------------|----------------------------------|------------------------------|----------------------|
| Other Capital | \$7,558,380,700 | 48.18% | 4.14% | 1.9967% | 1.0000 | 1.9967% | |
| Customer Deposits | <u>\$96,494,281</u> | <u>0.62%</u> | 0.11% | <u>0.0007%</u> | 1.0000 | <u>0.0007%</u> | |
| Sub-total | \$7,654,874,981 | 48.80% | | 1.9974% | | 1.9974% | 1.4359% |
| Preferred Stock | | 0.00% | 0.00% | 0.0000% | 1.3910 | 0.0000% | 0.0000% |
| Common Equity | | 51.20% | 9.75% | <u>4.9920%</u> | 1.3910 | <u>6.9439%</u> | <u>4.9920%</u> |
| Total | | 100.00% | | 6.9894% | | 8.9413% | 6.4279% |
| | | | | | | | |
| Monthly WACC | | | | 0.58245% | | 0.7451% | |

Reflects a tax rate of 28.11%

**PSE&G Green Program Recovery Charge
Revenue Requirement / Rate Impact Summary - DR Request**

Schedule SS-GPRC-2

Page 1 of 2

(\$'s unless noted)

ELECTRIC

| | Updated Target Rate Revenue | Forecast (MWh) | Proposed Rate (\$/kWh) | Existing Rate (\$/kWh) | Rate Increase / (Decrease) (\$/kWh) | Revenue Increase / (Decrease) |
|-------------------|--------------------------------|-------------------|---------------------------|---------------------------|-------------------------------------------|----------------------------------|
| CA | 941,599 | 41,402,930 | 0.000023 | 0.000050 | (0.000027) | (1,117,879) |
| EEE | (3,039,589) | 41,402,930 | (0.000073) | 0.000064 | (0.000137) | (5,672,201) |
| DR -Request* | 5,780,596 | 41,402,930 | 0.000140 | (0.000085) | 0.000225 | 9,315,659 |
| S4A | 20,089,665 | 41,402,930 | 0.000485 | 0.000364 | 0.000121 | 5,009,755 |
| S4AE | 9,054,547 | 41,402,930 | 0.000219 | 0.000005 | 0.000214 | 8,860,227 |
| S4AEII | (363,660) | 41,402,930 | (0.000009) | 0.000011 | (0.000020) | (828,059) |
| SLII | 19,520,126 | 41,402,930 | 0.000471 | 0.000038 | 0.000433 | 17,927,469 |
| SLIII | (899,735) | 41,402,930 | (0.000022) | 0.000048 | (0.000070) | (2,898,205) |
| EEExt | 1,992,494 | 41,402,930 | 0.000048 | 0.000280 | (0.000232) | (9,605,480) |
| EEEXII | 1,915,220 | 41,402,930 | 0.000046 | 0.000142 | (0.000096) | (3,974,681) |
| EE17 | | 41,402,930 | 0.000089 | 0.000089 | 0.000411 | 17,016,604 |
| GPRC (w/o SUT) | 54,991,264 | | 0.001417 | 0.001006 | 0.000822 | 34,033,208 |
| GPRC (w/ SUT) | | | 0.001511 | 0.001073 | 0.000876 | |

GAS

| | Updated Revenue Requirement | Forecast Therms (000) | Proposed Rate (\$/therm) | Existing Rate (\$/therm) | Revenue Increase / (Decrease) | Revenue Increase / (Decrease) |
|-------------------|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|----------------------------------|----------------------------------|
| CA | 2,277,994 | 2,907,666 | 0.000783 | 0.001446 | (0.000663) | (1,927,783) |
| EEE | (1,410,737) | 2,907,666 | (0.000485) | 0.000450 | (0.000935) | (2,718,668) |
| DR -Request* | | | | | | |
| S4A | | | | | | |
| S4AE | | | | | | |
| S4AEII | | | | | | |
| SLII | | | | | | |
| SLIII | | | | | | |
| EEExt | 2,106,549 | 2,907,666 | 0.000724 | 0.001618 | (0.000894) | (2,599,454) |
| EEEXII | 587,996 | 2,907,666 | 0.000202 | 0.001147 | (0.000945) | (2,747,745) |
| EE17 | | | 0.000902 | 0.000902 | 0.000000 | 0 |
| GPRC (w/o SUT) | 3,561,802 | | 0.002126 | 0.005563 | (0.003437) | (9,993,649) |
| GPRC (w/ SUT) | | | 0.002267 | 0.005932 | (0.003665) | |

* Based on closeout of DR Program but amortizing regulatory asset over the life of the devices

**PSE&G Green Program Recovery Charge
Revenue Requirement / Rate Impact Summary - DR Noticed**

Schedule SS-GPRC-2

Page 2 of 2

(\$'s unless noted)

ELECTRIC

| | Updated Target Rate Revenue | Forecast (MWh) | Proposed Rate (\$/kWh) | Existing Rate (\$/kWh) | Rate Increase / (Decrease) (\$/kWh) | Revenue Increase / (Decrease) |
|-------------------|--------------------------------|-------------------|---------------------------|---------------------------|-------------------------------------------|----------------------------------|
| CA | 941,599 | 41,402,930 | 0.000023 | 0.000050 | (0.000027) | (1,117,879) |
| EEE | (3,039,589) | 41,402,930 | (0.000073) | 0.000064 | (0.000137) | (5,672,201) |
| DR - Noticed* | 12,331,233 | 41,402,930 | 0.000298 | (0.000085) | 0.000383 | 15,857,322 |
| S4A | 20,089,665 | 41,402,930 | 0.000485 | 0.000364 | 0.000121 | 5,009,755 |
| S4AE | 9,054,547 | 41,402,930 | 0.000219 | 0.000005 | 0.000214 | 8,860,227 |
| S4AEII | (363,660) | 41,402,930 | (0.000009) | 0.000011 | (0.000020) | (828,059) |
| SLII | 19,520,126 | 41,402,930 | 0.000471 | 0.000038 | 0.000433 | 17,927,469 |
| SLIII | (899,735) | 41,402,930 | (0.000022) | 0.000048 | (0.000070) | (2,898,205) |
| EEExt | 1,992,494 | 41,402,930 | 0.000048 | 0.000280 | (0.000232) | (9,605,480) |
| EEEXII | 1,915,220 | 41,402,930 | 0.000046 | 0.000142 | (0.000096) | (3,974,681) |
| EE17 | | 41,402,930 | 0.000089 | 0.000089 | 0.000000 | |
| GPRC (w/o SUT) | 61,541,900 | | 0.001575 | 0.001006 | 0.000569 | 23,558,267 |
| GPRC (w/ SUT) | | | 0.001679 | 0.001073 | 0.000607 | |

GAS

| | Updated Revenue Requirement | Forecast Therms (000) | Proposed Rate (\$/therm) | Existing Rate (\$/therm) | Revenue Increase / (Decrease) | Revenue Increase / (Decrease) |
|-------------------|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|----------------------------------|----------------------------------|
| CA | 2,277,994 | 2,907,666 | 0.000783 | 0.001446 | (0.000663) | (1,927,783) |
| EEE | (1,410,737) | 2,907,666 | (0.000485) | 0.000450 | (0.000935) | (2,718,668) |
| DR - Noticed* | | | | | | |
| S4A | | | | | | |
| S4AE | | | | | | |
| S4AEII | | | | | | |
| SLII | | | | | | |
| SLIII | | | | | | |
| EEExt | 2,106,549 | 2,907,666 | 0.000724 | 0.001618 | (0.000894) | (2,599,454) |
| EEEXII | 587,996 | 2,907,666 | 0.000202 | 0.001147 | (0.000945) | (2,747,745) |
| EE17 | | | 0.000902 | 0.000902 | 0.000000 | 0 |
| GPRC (w/o SUT) | 3,561,802 | | 0.002126 | 0.005563 | (0.003437) | (9,993,649) |
| GPRC (w/ SUT) | | | 0.002267 | 0.005932 | (0.003665) | |

* Based on closeout of DR Program over one year

PSE&G Carbon Abatement Program Proposed Rate Calculations

Schedule SS-CA-1

Actual results through 3/31/2018

(\$'s Unless Specified)

SUT Rate 6.625%

| <u>Line</u> | <u>Date(s)</u> | | <u>Electric</u> | <u>Gas</u> | <u>Source/Description</u> |
|-------------|--------------------|------------------------------------------------------|-----------------|----------------|-----------------------------------|
| 1 | Oct 18 - Sep 19 | Revenue Requirements | 1,062,673 | 2,098,591 | SS-2E/G, Col 19 |
| 2 | Sep-18 | (Over) / Under Recovered Balance | (121,589) | 180,493 | - SS-3E/G, Col 5 |
| 3 | Sep-18 | Cumulative Interest Exp / (Credit) | <u>515</u> | <u>(1,090)</u> | - SS-3E/G, Col 10 |
| 4 | Oct 18 - Sep 19 | Total Target Rate Revenue | 941,599 | 2,277,994 | Line 1 + Line 2 + Line 3 |
| 5 | Oct 18 - Sep 19 | Forecasted kWh / Therms (000) | 41,402,930 | 2,907,666 | |
| 6 | | Updated Calculated Rate w/o SUT (\$/kWh or \$/Therm) | 0.000023 | 0.000783 | (Line 4 / (Line 5*1,000)) [Rnd 6] |
| 7 | | Public Notice Rate w/o SUT (\$/kWh) | 0.000023 | 0.000783 | Line 6 |
| 8 | | Existing Rate w/o SUT (\$/kWh) | 0.000050 | 0.001446 | |
| 9 | | Proposed Rate w/o SUT (\$/kWh) | 0.000023 | 0.000783 | Line 7 |
| 10 | | Proposed Rate w/ SUT (\$/kWh) | 0.000025 | 0.000835 | (Line 9 * (1 + SUT Rate)) [Rnd 6] |
| 11 | | Difference in Proposed and Previous Rate | (0.000027) | (0.000663) | (Line 9 - Line 8) |
| 12 | | Resultant CA Revenue Increase / (Decrease) | (1,117,879) | (1,927,783) | (Line 5 * Line 11 * 1,000) |

**PSE&G Carbon Abatement Program
Electric Revenue Requirements Calculation**

Actual results through 3/31/2018

| | | | |
|------------------------------------|--------|--------------------|--------|
| Monthly WACC effective 07/01/2010 | 0.94% | Effective 1/1/2018 | 0.82% |
| Inc. tax rate effective 07/01/2010 | 41.08% | Effective 1/1/2018 | 28.11% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|----------------------------|---------------------------|----------------------------------------------|-------------------------------|------------------------------------------------------------------|-----------------------------------------------------------------|---------------------------------|------------------|-----------------------------------------------|------------------------------------|-----------------------------------|
| | <u>Program Investment</u> | <u>Capitalized IT Costs</u> | <u>Gross Plant</u> | <u>Program Investment Amortization</u> | <u>IT Cost Amortization</u> | <u>Accumulated Amortization</u> | <u>Net Plant</u> | <u>Tax Depreciation</u> | <u>Book Depreciation Tax Basis</u> | <u>Deferred Income Tax</u> |
| Monthly Calculation | | | | | | | | | | |
| Oct-17 | - | - | 15,823,110 | 128,799 | 6,168 | 11,294,326 | 4,528,784 | 5,585 | 122,917 | (48,205) |
| Nov-17 | - | - | 15,823,110 | 128,799 | 6,168 | 11,429,293 | 4,393,817 | 5,585 | 122,917 | (48,205) |
| Dec-17 | - | - | 15,823,110 | 128,799 | 6,168 | 11,564,260 | 4,258,850 | 5,585 | 122,917 | (48,205) |
| Jan-18 | - | - | 15,823,110 | 128,799 | 6,168 | 11,699,228 | 4,123,882 | 3,125 | 122,917 | (33,674) |
| Feb-18 | - | - | 15,823,110 | 128,799 | 6,168 | 11,834,195 | 3,988,915 | 3,125 | 122,917 | (33,674) |
| Mar-18 | - | - | 15,823,110 | 128,799 | 4,298 | 11,967,293 | 3,855,818 | 3,125 | 121,047 | (33,148) |
| Apr-18 | - | - | 15,823,110 | 128,799 | 2,015 | 12,098,107 | 3,725,003 | 3,125 | 118,765 | (32,506) |
| May-18 | - | - | 15,823,110 | 128,799 | 2,015 | 12,228,922 | 3,594,188 | 3,125 | 118,765 | (32,506) |
| Jun-18 | - | - | 15,823,110 | 128,799 | 2,015 | 12,359,737 | 3,463,373 | 8,200 | 123,840 | (32,506) |
| Jul-18 | - | - | 15,823,110 | 128,799 | 2,015 | 12,490,552 | 3,332,558 | 3,125 | 118,765 | (32,506) |
| Aug-18 | - | - | 15,823,110 | 128,799 | 2,015 | 12,621,367 | 3,201,743 | 3,125 | 118,765 | (32,506) |
| Sep-18 | - | - | 15,823,110 | 128,799 | 2,015 | 12,752,181 | 3,070,929 | 3,125 | 118,765 | (32,506) |
| Oct-18 | - | - | 15,823,110 | 128,799 | 2,015 | 12,882,996 | 2,940,114 | 3,125 | 118,765 | (32,506) |
| Nov-18 | - | - | 15,823,110 | 128,799 | 2,015 | 13,013,811 | 2,809,299 | 3,125 | 118,765 | (32,506) |
| Dec-18 | - | - | 15,823,110 | 128,799 | 2,015 | 13,144,626 | 2,678,484 | 3,125 | 118,765 | (32,506) |
| Jan-19 | - | - | 15,823,110 | 128,674 | 2,015 | 13,275,316 | 2,547,794 | 1,159 | 118,640 | (33,024) |
| Feb-19 | - | - | 15,823,110 | 128,452 | 2,015 | 13,405,783 | 2,417,327 | 1,159 | 118,427 | (32,964) |
| Mar-19 | - | - | 15,823,110 | 128,216 | 2,015 | 13,536,015 | 2,287,095 | 1,159 | 118,200 | (32,900) |
| Apr-19 | - | - | 15,823,110 | 128,007 | 2,015 | 13,666,037 | 2,157,073 | 1,159 | 118,017 | (32,849) |
| May-19 | - | - | 15,823,110 | 127,809 | 2,015 | 13,795,862 | 2,027,248 | 1,159 | 117,845 | (32,801) |
| Jun-19 | - | - | 15,823,110 | 126,193 | 2,015 | 13,924,071 | 1,899,039 | 1,159 | 116,261 | (32,355) |
| Jul-19 | - | - | 15,823,110 | 123,508 | 2,015 | 14,049,594 | 1,773,516 | 1,159 | 113,617 | (31,612) |
| Aug-19 | - | - | 15,823,110 | 122,611 | 2,015 | 14,174,221 | 1,648,889 | 1,159 | 112,737 | (31,365) |
| Sep-19 | - | - | 15,823,110 | 103,407 | 2,015 | 14,279,643 | 1,543,467 | 1,159 | 93,512 | (25,960) |
| | Program Assumption | See WP-SS-CA-1.xlsx 'ITCap-E' wksht (Col 12) | Prior Month + (Col 1 + Col 2) | 1/120 of each Prior 120 Months from Col 1 (10 year amortization) | See WP-SS-CA-1.xlsx 'AmortE' wksht (5 & 10 yr Amort) (Row 1562) | Prior Month + (Col 4 + Col 5) | Col 3 - Col 6 | See WP-SS-CA-1.xlsx 'AmortE' wksht (Row 1573) | See WP-SS-CA-1.xlsx 'AmortE' wksht | (Col 8 - Col 9) * Income Tax Rate |
| Annual Summary | | | | | | | | | | |
| 2009 | 7,801,331 | - | 7,801,331 | 175,259 | - | 175,259 | 7,626,071 | 7,624,915 | 172,154 | 3,061,892 |
| 2010 | 718,111 | - | 8,519,442 | 800,256 | - | 975,515 | 7,543,926 | 622,531 | 781,175 | (65,177) |
| 2011 | 5,400,371 | - | 13,919,813 | 1,134,555 | - | 2,110,070 | 11,809,743 | 4,403,841 | 1,054,945 | 1,375,861 |
| 2012 | 1,242,084 | - | 15,161,897 | 1,471,723 | - | 3,581,793 | 11,580,104 | 1,070,395 | 1,332,884 | (107,841) |
| 2013 | 293,346 | 246,261 | 15,701,504 | 1,531,179 | 36,352 | 5,149,324 | 10,552,180 | 334,977 | 1,422,832 | (446,934) |
| 2014 | 677 | - | 15,702,180 | 1,545,584 | 49,830 | 6,744,738 | 8,957,442 | 79,480 | 1,450,631 | (563,324) |
| 2015 | - | - | 15,702,180 | 1,545,592 | 49,830 | 8,340,160 | 7,362,020 | 49,050 | 1,450,771 | (575,883) |
| 2016 | - | 120,930 | 15,823,110 | 1,545,592 | 58,900 | 9,944,652 | 5,878,458 | 73,856 | 1,481,178 | (578,184) |
| 2017 | - | - | 15,823,110 | 1,545,592 | 74,016 | 11,564,260 | 4,258,850 | 67,018 | 1,475,007 | (578,459) |
| 2018 | - | - | 15,823,110 | 1,545,592 | 34,774 | 13,144,626 | 2,678,484 | 42,577 | 1,440,840 | (393,052) |
| 2019 | - | - | 15,823,110 | 1,370,333 | 24,186 | 14,539,144 | 1,283,966 | 13,907 | 1,253,023 | (348,315) |
| Oct 18 - Sep 19 | - | - | - | 1,503,275 | 24,186 | - | - | 19,806 | 1,383,551 | (383,349) |

**PSE&G Carbon Abatement Program
Electric Revenue Requirements Calculation**

Actual results through 3/31/2018

| | | | |
|------------------------------------|--------|--------------------|--------|
| Monthly WACC effective 07/01/2010 | 0.94% | Effective 1/1/2018 | 0.82% |
| Inc. tax rate effective 07/01/2010 | 41.08% | Effective 1/1/2018 | 28.11% |

| | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) |
|--------------------------------|------------------------------------|------------------------------------------|--------------------------------------|-----------------------------------|----------------------------|-------------------------------------------------------------|-------------------------------------|-------------------------|----------------------|-------------------------------------------|---------------------------------------------|------------------------------------------------------------------------------------------|
| | Accumulated Deferred Income Tax | Excess Deferred Req Liab Transfer | Excess Deferred Flow Thru | Excess Deferred Ending Balance | Net Investment | Return Requirement | Program Investment Repayments | Administrative costs | Net Capacity Revenue | Tax Adjustment | Tax Adjustment Excess Deferred Flow Thru | Revenue Requirements |
| Monthly Calculation | | | | | | | | | | | | |
| Oct-17 | 1,618,360 | - | - | - | 2,910,424 | 27,838 | (562) | 2 | - | 8,011 | - | 170,256 |
| Nov-17 | 1,570,155 | - | - | - | 2,823,662 | 27,020 | (185) | - | - | 8,274 | - | 170,077 |
| Dec-17 | 1,521,951 | - | - | - | 2,736,899 | 26,202 | (233) | - | - | 8,240 | - | 169,176 |
| Jan-18 | 1,007,657 | 480,620 | - | 480,620 | 2,635,605 | 22,022 | (121) | - | - | 4,664 | - | 161,532 |
| Feb-18 | 973,984 | - | - | 480,620 | 2,534,312 | 21,192 | (106) | - | - | 4,670 | - | 160,723 |
| Mar-18 | 940,836 | - | - | 480,620 | 2,434,362 | 20,367 | (85) | - | - | 4,679 | - | 158,058 |
| Apr-18 | 908,329 | - | - | 480,620 | 2,336,054 | 19,554 | (77) | - | - | 4,682 | - | 154,974 |
| May-18 | 875,823 | - | - | 480,620 | 2,237,745 | 18,748 | (56) | - | - | 4,690 | - | 154,196 |
| Jun-18 | 843,317 | - | - | 480,620 | 2,139,437 | 17,942 | (54) | - | - | 2,706 | - | 151,409 |
| Jul-18 | 810,810 | - | - | 480,620 | 2,041,128 | 17,136 | (39) | - | - | 4,697 | - | 152,609 |
| Aug-18 | 778,304 | - | - | 480,620 | 1,942,819 | 16,330 | (39) | - | - | 4,697 | - | 151,803 |
| Sep-18 | 745,798 | - | - | 480,620 | 1,844,511 | 15,524 | (36) | - | - | 4,698 | - | 151,001 |
| Oct-18 | 713,291 | - | (40,052) | 440,568 | 1,786,254 | 14,883 | (32) | - | - | 4,699 | (15,661) | 94,652 |
| Nov-18 | 680,785 | - | (40,052) | 400,517 | 1,727,997 | 14,405 | (32) | - | - | 4,699 | (15,661) | 94,175 |
| Dec-18 | 648,279 | - | (40,052) | 360,465 | 1,669,740 | 13,927 | (5) | - | - | 4,710 | (15,661) | 93,734 |
| Jan-19 | 615,255 | - | (40,052) | 320,413 | 1,612,126 | 13,452 | (5) | - | - | 4,709 | (15,661) | 93,134 |
| Feb-19 | 582,291 | - | (40,052) | 280,362 | 1,554,674 | 12,981 | (5) | - | - | 4,706 | (15,661) | 92,437 |
| Mar-19 | 549,391 | - | (40,052) | 240,310 | 1,497,394 | 12,510 | (5) | - | - | 4,702 | (15,661) | 91,727 |
| Apr-19 | 516,542 | - | (40,052) | 200,258 | 1,440,273 | 12,042 | (5) | - | - | 4,692 | (15,661) | 91,038 |
| May-19 | 483,741 | - | (40,052) | 160,207 | 1,383,300 | 11,574 | - | - | - | 4,684 | (15,661) | 90,370 |
| Jun-19 | 451,386 | - | (40,052) | 120,155 | 1,327,498 | 11,112 | - | - | - | 4,672 | (15,661) | 88,280 |
| Jul-19 | 419,774 | - | (40,052) | 80,103 | 1,273,639 | 10,662 | - | - | - | 4,655 | (15,661) | 85,128 |
| Aug-19 | 388,409 | - | (40,052) | 40,052 | 1,220,428 | 10,223 | - | - | - | 4,649 | (15,661) | 83,787 |
| Sep-19 | 362,449 | - | (40,052) | - | 1,181,018 | 9,844 | - | - | - | 4,657 | (15,661) | 84,210 |
| | Prior Month + Col 10 | See WP-SS-CA- 1.xls 'AmortE' wksht | Col 12 / 12 Months starting Oct18 | Prior Col 14 + Col 12 + Col 13 | Col 7 - Col 11 - Col 14 | (Prior Col 15 + Col 15) / 2 * Monthly Pre Tax WACC | Program Assumption | Program Assumption | Net Capacity Revenue | See WP-SS-CA- 1.xlsx 'AmortE' wksht | Col 13 * (1/(1-Tax Rate) - 1) | Col 4 + Col 5 + Col 13 + Col 16 + Col 17 + Col 18 + Col 19 + Col 20 + Col 21 |
| Annual Summary | | | | | | | | | | | | |
| 2009 | 3,061,892 | - | - | - | - | 94,250 | - | 588,677 | - | 2,165 | - | 860,352 |
| 2010 | 2,996,715 | - | - | - | - | 501,311 | (47,739) | 62,199 | - | (19,984) | - | 1,296,043 |
| 2011 | 4,372,575 | - | - | - | - | 673,863 | (178,501) | 496,905 | - | (68,960) | - | 2,057,861 |
| 2012 | 4,264,734 | - | - | - | - | 844,428 | (447,942) | 218,113 | - | (215,548) | - | 1,870,774 |
| 2013 | 3,817,800 | - | - | - | - | 801,131 | (376,037) | 104,496 | (29,766) | (161,319) | - | 1,906,037 |
| 2014 | 3,254,476 | - | - | - | - | 703,295 | (156,696) | 29,292 | (127,011) | (8,307) | - | 2,035,989 |
| 2015 | 2,678,593 | - | - | - | - | 587,289 | (130,172) | 33,634 | (81,746) | 10,097 | - | 2,014,525 |
| 2016 | 2,100,409 | - | - | - | - | 477,266 | (62,654) | 9,572 | (13,659) | 42,300 | - | 2,057,318 |
| 2017 | 1,521,951 | - | - | - | - | 368,393 | (19,201) | 522 | - | 87,445 | - | 2,056,768 |
| 2018 | 648,279 | - | - | - | - | 212,029 | (682) | - | - | 54,290 | (46,982) | 1,678,866 |
| 2019 | 299,963 | - | - | - | - | 130,801 | (20) | - | - | 55,319 | (140,947) | 1,079,206 |
| Oct 18 - Sep 19 | 6,411,593 | - | (480,620) | 2,643,409 | 17,674,343 | 147,614 | (89) | - | - | 56,236 | (187,929) | 1,062,673 |

**PSE&G Carbon Abatement Program
Gas Revenue Requirements Calculation**

Actual results through 3/31/2018

| | | | |
|------------------------------------|--------|--------------------|--------|
| Monthly WACC effective 07/01/2010 | 0.94% | Effective 1/1/2018 | 0.82% |
| Inc. Tax rate effective 07/01/2010 | 41.08% | Effective 1/1/2018 | 28.11% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|----------------------------|---------------------------|-----------------------------|-------------------------------|------------------------------------------------------------------|-----------------------------------------------------------------|---------------------------------|------------------|-----------------------------------------------|-----------------------------------------------|-----------------------------------|
| | <u>Program Investment</u> | <u>Capitalized IT Costs</u> | <u>Gross Plant</u> | <u>Program Investment Amortization</u> | <u>IT Cost Amortization</u> | <u>Accumulated Amortization</u> | <u>Net Plant</u> | <u>Tax Depreciation</u> | <u>Book Depreciation Tax Basis</u> | <u>Deferred Income Tax</u> |
| Monthly Calculation | | | | | | | | | | |
| Oct-17 | - | - | 30,456,505 | 248,546 | 10,593 | 20,461,329 | 9,995,176 | 9,992 | 222,811 | (87,434) |
| Nov-17 | - | - | 30,456,505 | 248,546 | 10,593 | 20,720,469 | 9,736,036 | 9,992 | 222,811 | (87,434) |
| Dec-17 | - | - | 30,456,505 | 248,546 | 10,593 | 20,979,609 | 9,476,896 | 9,992 | 222,811 | (87,434) |
| Jan-18 | - | - | 30,456,505 | 248,546 | 10,593 | 21,238,749 | 9,217,756 | 5,629 | 222,811 | (61,050) |
| Feb-18 | - | - | 30,456,505 | 248,546 | 10,593 | 21,497,889 | 8,958,616 | 5,629 | 222,811 | (61,050) |
| Mar-18 | - | - | 30,456,505 | 248,546 | 7,556 | 21,753,991 | 8,702,514 | 5,629 | 219,773 | (60,196) |
| Apr-18 | - | - | 30,456,505 | 248,546 | 3,850 | 22,006,387 | 8,450,118 | 5,629 | 216,067 | (59,154) |
| May-18 | - | - | 30,456,505 | 248,546 | 3,850 | 22,258,783 | 8,197,722 | 5,629 | 216,067 | (59,154) |
| Jun-18 | - | - | 30,456,505 | 248,546 | 3,850 | 22,511,179 | 7,945,326 | 39,591 | 250,029 | (59,154) |
| Jul-18 | - | - | 30,456,505 | 248,546 | 3,850 | 22,763,575 | 7,692,930 | 5,629 | 216,067 | (59,154) |
| Aug-18 | - | - | 30,456,505 | 248,546 | 3,850 | 23,015,971 | 7,440,534 | 5,629 | 216,067 | (59,154) |
| Sep-18 | - | - | 30,456,505 | 248,546 | 3,850 | 23,268,367 | 7,188,138 | 5,629 | 216,067 | (59,154) |
| Oct-18 | - | - | 30,456,505 | 248,546 | 3,850 | 23,520,763 | 6,935,742 | 5,629 | 216,067 | (59,154) |
| Nov-18 | - | - | 30,456,505 | 248,546 | 3,850 | 23,773,159 | 6,683,346 | 5,629 | 216,067 | (59,154) |
| Dec-18 | - | - | 30,456,505 | 248,546 | 3,850 | 24,025,555 | 6,430,950 | 5,629 | 216,067 | (59,154) |
| Jan-19 | - | - | 30,456,505 | 248,036 | 3,850 | 24,277,441 | 6,179,064 | 2,214 | 215,561 | (59,972) |
| Feb-19 | - | - | 30,456,505 | 247,038 | 3,850 | 24,528,328 | 5,928,177 | 2,214 | 214,618 | (59,707) |
| Mar-19 | - | - | 30,456,505 | 245,961 | 3,850 | 24,778,139 | 5,678,366 | 2,214 | 213,606 | (59,422) |
| Apr-19 | - | - | 30,456,505 | 245,232 | 3,850 | 25,027,221 | 5,429,284 | 2,214 | 212,963 | (59,242) |
| May-19 | - | - | 30,456,505 | 244,463 | 3,850 | 25,275,533 | 5,180,972 | 2,214 | 212,292 | (59,053) |
| Jun-19 | - | - | 30,456,505 | 242,418 | 3,850 | 25,521,801 | 4,934,704 | 2,214 | 210,388 | (58,518) |
| Jul-19 | - | - | 30,456,505 | 239,544 | 3,850 | 25,765,195 | 4,691,310 | 2,214 | 207,652 | (57,749) |
| Aug-19 | - | - | 30,456,505 | 237,203 | 3,850 | 26,006,247 | 4,450,258 | 2,214 | 205,527 | (57,151) |
| Sep-19 | - | - | 30,456,505 | 222,826 | 3,850 | 26,232,923 | 4,223,582 | 2,214 | 191,280 | (53,147) |
| | Program Assumption | | Prior Month + (Col 1 + Col 2) | 1/120 of each Prior 120 Months from Col 1 (10 year amortization) | See WP-SS-CA-1.xlsx 'AmortG' wksht (5 & 10 yr Amort) (Row 1562) | Prior Month + (Col 4 + Col 5) | Col 3 - Col 6 | See WP-SS-CA-1.xlsx 'AmortG' wksht (Row 1573) | See WP-SS-CA-1.xlsx 'AmortG' wksht (Row 1569) | (Col 8 - Col 9) * Income Tax Rate |
| Annual Summary | | | | | | | | | | |
| 2009 | 6,989,201 | - | 6,989,201 | 192,206 | - | 192,206 | 6,796,995 | 6,725,154 | 183,566 | 2,687,546 |
| 2010 | 4,215,111 | - | 11,204,312 | 803,315 | - | 995,521 | 10,208,791 | 3,575,457 | 767,274 | 1,153,714 |
| 2011 | 13,091,067 | - | 24,295,379 | 1,862,333 | - | 2,857,854 | 21,437,525 | 10,617,304 | 1,631,578 | 3,691,696 |
| 2012 | 5,234,789 | - | 29,530,167 | 2,767,547 | - | 5,625,401 | 23,904,766 | 4,298,695 | 2,368,435 | 793,028 |
| 2013 | 290,879 | 399,955 | 30,221,002 | 2,977,750 | 59,054 | 8,662,205 | 21,558,797 | 319,872 | 2,600,915 | (937,144) |
| 2014 | 4,528 | - | 30,225,530 | 2,982,506 | 80,927 | 11,725,638 | 18,499,893 | 132,514 | 2,626,977 | (1,024,825) |
| 2015 | - | - | 30,225,530 | 2,982,557 | 80,927 | 14,789,122 | 15,436,408 | 81,421 | 2,627,376 | (1,045,980) |
| 2016 | - | 230,975 | 30,456,505 | 2,982,557 | 98,250 | 17,869,930 | 12,586,575 | 217,399 | 2,769,641 | (1,048,563) |
| 2017 | - | - | 30,456,505 | 2,982,557 | 127,122 | 20,979,609 | 9,476,896 | 119,907 | 2,673,728 | (1,049,212) |
| 2018 | - | - | 30,456,505 | 2,982,557 | 63,389 | 24,025,555 | 6,430,950 | 101,507 | 2,643,957 | (714,683) |
| Oct 18 - Sep 19 | - | - | | 2,918,361 | 46,195 | | | 36,808 | 2,532,086 | (701,423) |

**PSE&G Carbon Abatement Program
Gas Revenue Requirements Calculation**

Actual results through 3/31/2018

| | | | |
|------------------------------------|--------|--------------------|--------|
| Monthly WACC effective 07/01/2010 | 0.94% | Effective 1/1/2018 | 0.82% |
| Inc. Tax rate effective 07/01/2010 | 41.08% | Effective 1/1/2018 | 28.11% |

| | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) |
|----------------------------|-----------------------------|--------------------------------------|--------------------------------------|-----------------------------------|-----------------------|-------------------------------------------------------------|-------------------------------|-----------------------|-------------------------|-------------------------------------------|----------------------------------|------------------------------------------------------------------------------------------|
| | <u>Accumulated Deferred</u> | <u>Excess Deferred Reg</u> | <u>Excess Deferred Flow</u> | <u>Excess Deferred</u> | <u>Net Investment</u> | <u>Return</u> | <u>Investment</u> | <u>Administrative</u> | <u>Capacity</u> | <u>Tax Adjustment</u> | <u>Excess</u> | <u>Revenue</u> |
| | <u>Income Tax</u> | <u>Liab Transfer</u> | <u>Thru</u> | <u>Ending Balance</u> | | <u>Requirement</u> | <u>Repayments¹</u> | <u>costs</u> | <u>Revenue</u> | | <u>Deferred Flow</u> | <u>Requirements</u> |
| | | | | | | | | | | | <u>Thru</u> | |
| Monthly Calculation | | | | | | | | | | | | |
| Oct-17 | 3,395,128 | - | - | - | 6,600,048 | 63,010 | (3,760) | 3 | - | 22,712 | - | 341,105 |
| Nov-17 | 3,307,694 | - | - | - | 6,428,342 | 61,392 | (1,235) | - | - | 24,472 | - | 343,769 |
| Dec-17 | 3,220,260 | - | - | - | 6,256,636 | 59,774 | (1,561) | - | - | 24,245 | - | 341,597 |
| Jan-18 | 2,142,277 | 1,016,932 | - | 1,016,932 | 6,058,546 | 50,480 | (812) | - | - | 13,888 | - | 322,695 |
| Feb-18 | 2,081,228 | - | - | 1,016,932 | 5,860,456 | 48,856 | (710) | - | - | 13,928 | - | 321,214 |
| Mar-18 | 2,021,032 | - | - | 1,016,932 | 5,664,550 | 47,241 | (568) | - | - | 13,983 | - | 316,759 |
| Apr-18 | 1,961,878 | - | - | 1,016,932 | 5,471,308 | 45,646 | (514) | - | - | 14,004 | - | 311,532 |
| May-18 | 1,902,723 | - | - | 1,016,932 | 5,278,066 | 44,062 | (376) | - | - | 14,058 | - | 310,140 |
| Jun-18 | 1,843,569 | - | - | 1,016,932 | 5,084,824 | 42,478 | (364) | - | - | 783 | - | 295,293 |
| Jul-18 | 1,784,415 | - | - | 1,016,932 | 4,891,582 | 40,893 | (259) | - | - | 14,104 | - | 307,135 |
| Aug-18 | 1,725,261 | - | - | 1,016,932 | 4,698,340 | 39,309 | (259) | - | - | 14,104 | - | 305,550 |
| Sep-18 | 1,666,107 | - | - | 1,016,932 | 4,505,098 | 37,725 | (241) | - | - | 14,111 | - | 303,991 |
| Oct-18 | 1,606,953 | - | (84,744) | 932,188 | 4,396,601 | 36,488 | (214) | - | - | 14,122 | (33,136) | 184,911 |
| Nov-18 | 1,547,799 | - | (84,744) | 847,444 | 4,288,103 | 35,599 | (214) | - | - | 14,122 | (33,136) | 184,022 |
| Dec-18 | 1,488,645 | - | (84,744) | 762,699 | 4,179,606 | 34,709 | (35) | - | - | 14,192 | (33,136) | 183,382 |
| Jan-19 | 1,428,673 | - | (84,744) | 677,955 | 4,072,437 | 33,825 | (34) | - | - | 14,190 | (33,136) | 181,986 |
| Feb-19 | 1,368,966 | - | (84,744) | 593,211 | 3,966,001 | 32,950 | (34) | - | - | 14,169 | (33,136) | 180,091 |
| Mar-19 | 1,309,544 | - | (84,744) | 508,466 | 3,860,357 | 32,080 | (34) | - | - | 14,143 | (33,136) | 178,120 |
| Apr-19 | 1,250,302 | - | (84,744) | 423,722 | 3,755,261 | 31,216 | (34) | - | - | 14,110 | (33,136) | 176,493 |
| May-19 | 1,191,249 | - | (84,744) | 338,977 | 3,650,745 | 30,357 | - | - | - | 14,085 | (33,136) | 174,874 |
| Jun-19 | 1,132,731 | - | (84,744) | 254,233 | 3,547,740 | 29,507 | - | - | - | 14,029 | (33,136) | 171,923 |
| Jul-19 | 1,074,983 | - | (84,744) | 169,489 | 3,446,839 | 28,671 | - | - | - | 13,976 | (33,136) | 168,160 |
| Aug-19 | 1,017,831 | - | (84,744) | 84,744 | 3,347,682 | 27,851 | - | - | - | 13,891 | (33,136) | 164,914 |
| Sep-19 | 964,684 | - | (84,744) | 0 | 3,258,898 | 27,080 | - | - | - | 13,840 | (33,136) | 149,716 |
| | Prior Month + Col 10 | See WP-SS-CA-1.xls 'AmortE' wksht | Col 12 / 12 Months starting Oct18 | Prior Col 14 + Col 12 + Col 13 | Col 7 - Col 11 | (Prior Col 15 + Col 15) / 2 * Monthly Pre Tax WACC | Program Assumption | Program Assumption | Net Capacity Revenue | See WP-SS-CA- 1.xlsx 'AmortG' wksht | Col 13 * (1/(1- Tax Rate) -1) | Col 4 + Col 5 + Col 13 + Col 16 + Col 17 + Col 18 + Col 19 + Col 20 + Col 21 |
| Annual Summary | | | | | | | | | | | | |
| 2009 | 2,687,546 | | | | 4,109,449 | 109,292 | - | 1,214,132 | - | 6,025 | - | 1,521,655 |
| 2010 | 3,841,260 | | | | 6,367,531 | 500,211 | - | 23,270 | - | 25,132 | - | 1,351,927 |
| 2011 | 7,532,956 | | | | 13,904,569 | 1,178,749 | (237,900) | 725,001 | - | (4,982) | - | 3,523,202 |
| 2012 | 8,325,984 | | | | 15,578,782 | 1,711,470 | (787,204) | 308,568 | - | (270,629) | - | 3,729,752 |
| 2013 | 7,388,840 | | | | 14,169,957 | 1,700,459 | (923,007) | 200,750 | - | (339,683) | - | 3,675,322 |
| 2014 | 6,364,015 | | | | 12,135,878 | 1,487,590 | (863,284) | 61,295 | - | (297,641) | - | 3,451,392 |
| 2015 | 5,318,034 | | | | 10,118,374 | 1,258,338 | (819,189) | 193,972 | - | (267,135) | - | 3,429,470 |
| 2016 | 4,269,471 | | | | 8,317,104 | 1,040,167 | (436,971) | 34,308 | - | (87,727) | - | 3,630,585 |
| 2017 | 3,220,260 | | | | 6,256,636 | 824,084 | (128,498) | 974 | - | 214,397 | - | 4,020,636 |
| 2018 | 1,488,645 | | | | 4,179,606 | 503,485 | (4,565) | - | - | 155,399 | (99,409) | 3,346,624 |
| Oct 18 - Sep 19 | | | (1,016,932) | | | 380,333 | (599) | - | - | 168,868 | (397,635) | 2,098,591 |

**PSE&G Carbon Abatement Program
Electric Over/(Under) Calculation**

| | | | |
|-------------------------------|------------|--------------------|--------|
| Tax Rate effective 07/01/10 | 41.08% | Effective 1/1/2018 | 28.11% |
| Existing Rate / kWh (w/o SUT) | \$0.000050 | | |
| Proposed Rate / kWh (w/o SUT) | \$0.000023 | | |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|-----------------------------|----------------------------------------------------------|-----------------------------------|------------------------------------------------------------|------------------------------------|-------------------------------------------------------|---------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------|------------------|--------------------------------|
| | <u>Over / (Under) Recovery Beginning Balance</u> | Electric Revenues | <u>Revenue Requirement Excluding WACC Cost</u> | <u>Over / (Under) Recovery</u> | <u>Over / (Under) Recovery Ending Balance</u> | <u>Over / (Under) Average Monthly Balance</u> | <u>Interest Rate (Annualized)</u> | <u>Interest On Over / (Under) Average Monthly Balance</u> | Interest Roll-In | Cumulative Interest |
| Monthly Calculations | | | | | | | | | | |
| Oct-17 | (34,947) | 155,808 | 170,256 | (14,447) | (49,394) | (42,170) | 1.13% | (23) | | (297) |
| Nov-17 | (49,394) | 146,295 | 170,077 | (23,782) | (73,176) | (61,285) | 1.13% | (34) | | (331) |
| Dec-17 | (73,176) | 174,875 | 169,176 | 5,699 | (67,477) | (70,327) | 1.42% | (49) | | (380) |
| Jan-18 | (67,477) | 180,749 | 161,532 | 19,217 | (48,261) | (57,869) | 1.42% | (49) | | (429) |
| Feb-18 | (48,261) | 153,537 | 160,723 | (7,186) | (55,446) | (51,854) | 1.42% | (44) | | (473) |
| Mar-18 | (55,446) | 160,769 | 158,058 | 2,711 | (52,736) | (54,091) | 1.75% | (57) | | (530) |
| Apr-18 | (52,736) | 139,964 | 154,974 | (15,010) | (67,745) | (60,240) | 1.75% | (63) | | (593) |
| May-18 | (67,745) | 156,821 | 154,196 | 2,625 | (65,121) | (66,433) | 1.75% | (70) | | (663) |
| Jun-18 | (65,121) | 187,099 | 151,409 | 35,690 | (29,431) | (47,276) | 1.75% | (50) | | (712) |
| Jul-18 | (29,431) | 220,999 | 152,609 | 68,390 | 38,959 | 4,764 | 1.75% | 5 | | (707) |
| Aug-18 | 38,959 | 216,108 | 151,803 | 64,305 | 103,264 | 71,112 | 1.75% | 75 | | (633) |
| Sep-18 | 103,264 | 169,325 | 151,001 | 18,325 | 121,589 | 112,426 | 1.75% | 118 | | (515) |
| Oct-18 | 121,074 | 73,874 | 94,652 | (20,778) | 100,295 | 110,685 | 1.75% | 116 | (515) | 116 |
| Nov-18 | 100,295 | 66,448 | 94,175 | (27,727) | 72,568 | 86,432 | 1.75% | 91 | | 207 |
| Dec-18 | 72,568 | 77,543 | 93,734 | (16,191) | 56,377 | 64,473 | 1.75% | 68 | | 274 |
| Jan-19 | 56,377 | 80,654 | 93,134 | (12,480) | 43,897 | 50,137 | 1.75% | 53 | | 327 |
| Feb-19 | 43,897 | 72,487 | 92,437 | (19,951) | 23,947 | 33,922 | 1.75% | 36 | | 362 |
| Mar-19 | 23,947 | 75,966 | 91,727 | (15,761) | 8,186 | 16,066 | 1.75% | 17 | | 379 |
| Apr-19 | 8,186 | 65,823 | 91,038 | (25,215) | (17,029) | (4,422) | 1.75% | (5) | | 375 |
| May-19 | (17,029) | 69,929 | 90,370 | (20,441) | (37,470) | (27,250) | 1.75% | (29) | | 346 |
| Jun-19 | (37,470) | 87,818 | 88,280 | (462) | (37,932) | (37,701) | 1.75% | (40) | | 306 |
| Jul-19 | (37,932) | 102,687 | 85,128 | 17,559 | (20,373) | (29,153) | 1.75% | (31) | | 276 |
| Aug-19 | (20,373) | 99,936 | 83,787 | 16,150 | (4,223) | (12,298) | 1.75% | (13) | | 263 |
| Sep-19 | (4,223) | 79,102 | 64,210 | 14,891 | 10,668 | 3,222 | 1.75% | 3 | | 266 |
| | (Prior Col 5) + (Col 9) | Forecasted kWh * Proposed Rate | See Revenue Requirements Schedule for Details | Col 2 - Col 3 | Col 1 + Col 4 | (Col 1 + Col 5) / 2 | PSE&G CP/STD Wght Avg Rate from Previous Month | (Col 6 * (Col 7) / 12)*net of tax rate | | Prior Month + Col 8 - Col 9 |

**PSE&G Carbon Abatement Program
Gas Over/(Under) Calculation**

| | | | |
|-------------------------------|------------|--------------------|--------|
| Tax Rate effective 07/01/10 | 41.08% | Effective 1/1/2018 | 28.11% |
| Existing Rate / kWh (w/o SUT) | \$0.001446 | | |
| Proposed Rate / kWh (w/o SUT) | \$0.000783 | | |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|--------------------------------|----------------------------------------------------------|---------------------|------------------------------------------------------------|------------------------------------|-------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------|-------------------------|--------------------------------|
| | <u>Over / (Under) Recovery Beginning Balance</u> | <u>Gas Revenues</u> | <u>Revenue Requirement Excluding WACC Cost</u> | <u>Over / (Under) Recovery</u> | <u>Over / (Under) Recovery Ending Balance</u> | <u>Over / (Under) Average Monthly Balance</u> | <u>Interest Rate (Annualized)</u> | <u>Interest On Over / (Under) Average Monthly Balance</u> | <u>Interest Roll-In</u> | <u>Cumulative Interest</u> |
| Monthly Calculation | | | | | | | | | | |
| Oct-17 | (414,234) | 130,560 | 341,105 | (210,545) | (624,779) | (519,506) | 1.13% | (288) | | (483) |
| Nov-17 | (624,779) | 320,353 | 343,769 | (23,416) | (648,195) | (636,487) | 1.13% | (353) | | (836) |
| Dec-17 | (648,195) | 673,147 | 341,597 | 331,550 | (316,645) | (482,420) | 1.42% | (336) | | (1,173) |
| Jan-18 | (316,645) | 733,349 | 322,695 | 410,654 | 94,009 | (111,318) | 1.42% | (95) | | (1,267) |
| Feb-18 | 94,009 | 543,469 | 321,214 | 222,255 | 316,264 | 205,137 | 1.42% | 175 | | (1,093) |
| Mar-18 | 316,264 | 558,473 | 316,759 | 241,715 | 557,979 | 437,121 | 1.75% | 458 | | (635) |
| Apr-18 | 557,979 | 320,436 | 311,532 | 8,905 | 566,883 | 562,431 | 1.75% | 590 | | (45) |
| May-18 | 566,883 | 185,007 | 310,140 | (125,133) | 441,751 | 504,317 | 1.75% | 529 | | 484 |
| Jun-18 | 441,751 | 166,468 | 295,293 | (128,825) | 312,926 | 377,338 | 1.75% | 396 | | 879 |
| Jul-18 | 312,926 | 139,922 | 307,135 | (167,213) | 145,713 | 229,319 | 1.75% | 240 | | 1,120 |
| Aug-18 | 145,713 | 148,359 | 305,550 | (157,191) | (11,479) | 67,117 | 1.75% | 70 | | 1,190 |
| Sep-18 | (11,479) | 134,977 | 303,991 | (169,014) | (180,493) | (95,986) | 1.75% | (101) | | 1,090 |
| Oct-18 | (179,403) | 119,506 | 184,911 | (65,406) | (244,809) | (212,106) | 1.75% | (222) | 1,090 | (222) |
| Nov-18 | (244,809) | 215,920 | 184,022 | 31,898 | (212,911) | (228,860) | 1.75% | (240) | | (462) |
| Dec-18 | (212,911) | 321,809 | 183,382 | 138,427 | (74,483) | (143,697) | 1.75% | (151) | | (613) |
| Jan-19 | (74,483) | 379,879 | 181,986 | 197,893 | 123,410 | 24,463 | 1.75% | 26 | | (587) |
| Feb-19 | 123,410 | 346,922 | 180,091 | 166,831 | 290,241 | 206,825 | 1.75% | 217 | | (370) |
| Mar-19 | 290,241 | 299,076 | 178,120 | 120,957 | 411,198 | 350,719 | 1.75% | 368 | | (3) |
| Apr-19 | 411,198 | 174,345 | 176,493 | (2,148) | 409,049 | 410,123 | 1.75% | 430 | | 427 |
| May-19 | 409,049 | 97,860 | 174,874 | (77,013) | 332,036 | 370,543 | 1.75% | 388 | | 816 |
| Jun-19 | 332,036 | 91,484 | 171,923 | (80,439) | 251,597 | 291,816 | 1.75% | 306 | | 1,122 |
| Jul-19 | 251,597 | 75,986 | 168,160 | (92,174) | 159,423 | 205,510 | 1.75% | 215 | | 1,337 |
| Aug-19 | 159,423 | 80,220 | 164,914 | (84,693) | 74,730 | 117,076 | 1.75% | 123 | | 1,460 |
| Sep-19 | 74,730 | 73,695 | 149,716 | (76,021) | (1,291) | 36,719 | 1.75% | 38 | | 1,498 |
| | (Prior Col 5) + (Col 9) | | See Revenue Requirements Schedule for Details | Col 2 - Col 3 | Col 1 + Col 4 | (Col 1 + Col 5) / 2 | PSE&G CP/STD Wght Avg Rate from Previous Month | (Col 6 * (Col 7) / 12)*net of tax rate | | Prior Month + Col 8 - Col 9 |

**ELECTRIC CARBON ABATEMENT
ACTUAL REVENUES BY RATE CLASS**

Schedule SS-CA-4E

| | Electric Carbon Abt Rate | 0.000050 | 0.000050 | 0.000050 | 0.000050 | 0.000050 | 0.000050 |
|------------------------------------------|--------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
| RESIDENTIAL SALES | | | | | | | |
| RS (4400110) | | \$42,248 | \$42,573 | \$54,108 | \$58,193 | \$44,166 | \$47,529 |
| RS-HTG (4400210) | | \$301 | \$554 | \$828 | \$999 | \$653 | \$735 |
| WH (4400310) | | \$4 | \$4 | \$5 | \$5 | \$5 | \$5 |
| RLM (4400410) | | \$673 | \$650 | \$853 | \$895 | \$705 | \$768 |
| WHS (4400510) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL RESIDENTIAL | | \$43,226 | \$43,781 | \$55,794 | \$60,091 | \$45,530 | \$49,037 |
| COMMERCIAL SALES | | | | | | | |
| WH & WHS (4420110) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| GLP (4420310) | | \$29,454 | \$27,012 | \$30,764 | \$32,514 | \$29,334 | \$29,997 |
| GLP-MDO (4420310) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SL-PRI (4440110) | | \$707 | \$732 | \$828 | \$701 | \$790 | \$645 |
| LPLP (4420510) | | \$11,087 | \$9,637 | \$11,572 | \$10,937 | \$10,122 | \$10,782 |
| LPLS (4420510) | | \$26,603 | \$23,851 | \$28,397 | \$28,749 | \$25,962 | \$26,882 |
| LPLSH (4420510) | | \$14,406 | \$13,295 | \$14,638 | \$14,892 | \$13,460 | \$13,767 |
| LPLSO (4420510) | | \$53 | \$56 | \$67 | \$58 | \$58 | \$58 |
| LPLSR (4420510) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420710) | | \$12,481 | \$10,449 | \$12,638 | \$12,834 | \$10,593 | \$11,965 |
| HTS-HV (4420710) | | \$1,014 | \$1,375 | \$1,468 | \$1,647 | \$1,269 | \$1,688 |
| HS (4421210) | | \$32 | \$59 | \$102 | \$129 | \$98 | \$93 |
| TOTAL COMMERCIAL | | \$95,838 | \$86,465 | \$100,474 | \$102,460 | \$91,684 | \$95,877 |
| INDUSTRIAL SALES | | | | | | | |
| GLP (4420410) | | \$1,231 | \$1,112 | \$1,295 | \$1,353 | \$1,253 | \$1,278 |
| GLP-MDO (4420410) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| LPLP (4420610) | | \$2,562 | \$2,186 | \$2,940 | \$2,580 | \$2,246 | \$2,568 |
| LPLS (4420610) | | \$2,608 | \$2,499 | \$2,658 | \$2,711 | \$2,776 | \$2,536 |
| LPLSH (4420610) | | \$1,993 | \$2,277 | \$1,946 | \$2,160 | \$2,143 | \$2,242 |
| LPLSO (4420610) | | \$7 | \$7 | \$1 | \$12 | \$2 | \$9 |
| LPLSR (4420610) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420810) | | \$7,104 | \$6,451 | \$7,219 | \$6,890 | \$6,220 | \$5,812 |
| HTS-HV (4420810) | | \$46 | \$160 | \$287 | \$588 | \$108 | (\$48) |
| HS (4421110) | | \$2 | \$2 | \$2 | \$4 | \$3 | \$3 |
| HEP (4421010) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| EHEP (4421010) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL INDUSTRIAL | | \$15,552 | \$14,695 | \$16,348 | \$16,298 | \$14,751 | \$14,399 |
| PUB STREET AND HWY LIGHTING SALES | | | | | | | |
| SL-PUB (4440310) | | \$990 | \$1,173 | \$2,049 | \$1,667 | \$1,346 | \$1,254 |
| BPL-POF (4440310) | | \$83 | \$47 | \$53 | \$86 | \$68 | \$67 |
| GLP-T&S (4440410) | | \$120 | \$134 | \$158 | \$147 | \$158 | \$135 |
| TOTAL ST. LIGHT. | | \$1,193 | \$1,353 | \$2,260 | \$1,900 | \$1,572 | \$1,456 |
| TOTAL REVENUES | | \$155,808 | \$146,295 | \$174,875 | \$180,749 | \$153,537 | \$160,769 |

**GAS CARBON ABATEMENT
ACTUAL REVENUES BY RATE CLASS**

Schedule SS-CA-4G

Gas Carbon Abt Rate 0.001446 0.001446 0.001446 0.001446 0.001446 0.001446

| | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| CSRSRGH | \$60,131 | \$195,124 | \$342,264 | \$387,169 | \$259,660 | \$291,379 |
| CSRSG | \$4,775 | \$10,718 | \$18,739 | \$20,997 | \$15,071 | \$16,667 |
| RSGHM | \$910 | \$3,149 | \$5,859 | \$7,383 | \$5,037 | \$5,317 |
| RSGM | \$346 | \$836 | \$1,427 | \$1,385 | \$990 | \$1,241 |
| TOTAL RESIDENTIAL | \$66,162 | \$209,827 | \$368,289 | \$416,935 | \$280,758 | \$314,605 |
| CSGS-HTG | \$8,257 | \$24,069 | \$49,579 | \$59,631 | \$35,864 | \$43,567 |
| CSGS | \$2,400 | \$3,754 | \$6,015 | \$6,590 | \$4,973 | \$5,667 |
| CSLV | \$12,143 | \$31,970 | \$55,616 | \$68,979 | \$50,888 | \$56,848 |
| CSUVNG | \$1 | \$1 | \$1 | \$1 | \$1 | \$1 |
| CFG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| ISG | \$1,307 | \$207 | \$1,241 | \$1,927 | \$643 | \$2,163 |
| CIG | \$4,493 | \$4,410 | \$4,835 | \$3,881 | \$3,775 | \$4,861 |
| CEG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGS | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGSH | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPLV | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL COMMERCIAL | \$28,601 | \$64,411 | \$117,288 | \$141,010 | \$96,143 | \$113,107 |
| CSGS-HTG | \$201 | \$938 | \$1,967 | \$2,786 | \$1,665 | \$1,768 |
| CSGS | \$56 | \$153 | \$310 | \$330 | \$227 | \$256 |
| CSLV | \$357 | \$2,116 | \$3,784 | \$5,681 | \$4,560 | \$4,193 |
| ISG | -\$781 | \$727 | -\$145 | \$76 | \$1,480 | -\$488 |
| CIG | \$378 | \$334 | \$1,218 | \$1,181 | \$1,253 | \$733 |
| CO-GEN | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| UVNG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| CFG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGS | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGSH | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPLV | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL INDUSTRIAL | \$211 | \$4,268 | \$7,134 | \$10,053 | \$9,185 | \$6,463 |
| CSSLG | \$29 | -\$31 | \$116 | \$12 | \$52 | \$31 |
| TOTAL REVENUE COMM./TRANS | \$95,003 | \$278,476 | \$492,827 | \$568,011 | \$386,139 | \$434,205 |
| FTRSGH | \$2,428 | \$6,718 | \$13,861 | \$20,500 | \$14,572 | \$11,734 |
| FTRSG | \$285 | \$459 | \$869 | \$1,219 | \$949 | \$760 |
| FTRSGHM | \$42 | \$127 | \$279 | \$423 | \$288 | \$241 |
| FTRSGM | \$21 | \$39 | \$70 | \$95 | \$71 | \$62 |
| TOTAL RESIDENTIAL | \$2,775 | \$7,343 | \$15,080 | \$22,237 | \$15,880 | \$12,797 |
| FTGSH (G489.110) | \$2,558 | \$6,365 | \$12,957 | \$17,053 | \$11,367 | \$11,237 |
| FTGS | \$811 | \$1,281 | \$2,052 | \$2,614 | \$1,962 | \$1,840 |
| FTGFG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FTUVNG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FTLV (G489.120) | \$27,023 | \$55,780 | \$84,534 | \$94,141 | \$70,419 | \$87,771 |
| TSG-F (G489.100) | \$1,026 | \$614 | \$1,312 | \$2,774 | \$680 | \$2,447 |
| TSG-NF (G489.200) | -\$14,157 | -\$46,432 | \$45,072 | \$9,499 | \$39,419 | -\$11,127 |
| CSG - Non Power | | | | | | |
| TOTAL COMMERCIAL | \$17,261 | \$17,607 | \$145,928 | \$126,080 | \$123,846 | \$92,168 |
| FTGSH (G489.110) | \$63 | \$219 | \$459 | \$701 | \$481 | \$455 |
| FTGS | \$19 | \$37 | \$76 | \$113 | \$93 | \$80 |
| FTLV (G489.120) | \$4,991 | \$7,521 | \$9,391 | \$9,113 | \$9,382 | \$9,101 |
| TSG-F (G489.100) | \$2,289 | \$1,085 | \$1,378 | \$1,982 | \$2,290 | \$1,661 |
| TSG-NF (G489.200) | \$8,111 | \$7,969 | \$7,958 | \$5,187 | \$5,178 | \$7,977 |
| CSG - Non Power | | | | | | |
| CONTRACT COGEN | | | | | | |
| TOTAL INDUSTRIAL | \$15,472 | \$16,832 | \$19,261 | \$17,095 | \$17,424 | \$19,274 |
| FTSLG | \$48 | \$96 | \$51 | -\$74 | \$180 | \$30 |
| TOTAL TRANS. REVENUE | \$35,557 | \$41,878 | \$180,320 | \$165,339 | \$157,331 | \$124,268 |
| TOTAL REVENUES | \$130,560 | \$320,353 | \$673,147 | \$733,349 | \$543,469 | \$558,473 |

PSE&G Energy Efficiency Economic Program Proposed Rate Calculations

Schedule SS-EEE-1

Actual results through 3/31/2018

(\$'s Unless Specified)

SUT Rate 6.625%

| <u>Line</u> | <u>Date(s)</u> | | <u>Electric</u> | <u>Gas</u> | <u>Source/Description</u> |
|-------------|--------------------|-----------------------------------------------------|-----------------|----------------|-----------------------------------|
| 1 | Oct 18 - Sep 19 | Revenue Requirements | (412,068) | (214,293) | SS-2E/G, Col 22 |
| 2 | Sep-18 | (Over) / Under Recovered Balance | (2,614,025) | (1,188,361) | - SS-3E/G, Col 5 |
| 3 | Sep-18 | Cumulative Interest Exp / (Credit) | <u>(13,496)</u> | <u>(8,084)</u> | - SS-3E/G, Col 10 |
| 4 | Oct 18 - Sep 19 | Total Target Rate Revenue | (3,039,589) | (1,410,737) | Line 1 + Line 2 + Line 3 |
| 5 | Oct 18 - Sep 19 | Forecasted kWh / Therms (000) | 41,402,930 | 2,907,666 | |
| 6 | | Updated Calculated Rate w/o SUT (\$kWh or \$/Therm) | (0.000073) | (0.000485) | (Line 4 / (Line 5*1,000)) [Rnd 6] |
| 7 | | Public Notice Rate w/o SUT (\$kWh or \$/Therm) | (0.000073) | (0.000485) | Line 6 |
| 8 | | Existing Rate w/o SUT (\$kWh or \$/Therm) | 0.000064 | 0.000450 | |
| 9 | | Proposed Rate w/o SUT (\$kWh or \$/Therm) | (0.000073) | (0.000485) | Line 7 |
| 10 | | Proposed Rate w/ SUT (\$kWh or \$/Therm) | (0.000078) | (0.000517) | (Line 9 * (1 + SUT Rate)) [Rnd 6] |
| 11 | | Difference in Proposed and Previous Rate | (0.000137) | (0.000935) | (Line 9 - Line 7) |
| 12 | | Resultant EEE Revenue Increase / (Decrease) | (5,672,201) | (2,718,668) | (Line 5 * Line 11 * 1,000) |

**PSE&G Energy Efficiency Economic Program
Electric Revenue Requirements Calculation**

Schedule SS-EEE-2E

Page 1 of 2

| | | | | | | |
|----------------------------------|--------------------------------|--------|----------------------|--------|--------------------|--------|
| Actual results through 3/31/2018 | Monthly WACC Pre 07/01/2010 | 0.94% | Effective 07/01/2011 | 0.99% | Effective 1/1/2018 | 0.86% |
| | Income Tax Rate Pre 07/01/2010 | 41.08% | Effective 07/01/2011 | 40.85% | Effective 1/1/2018 | 28.11% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|----------------------------|---------------------------|-----------------------------------------------|-------------------------------|---------------------------------------------------------------|------------------------------------------------------------------|---------------------------------|------------------|------------------------------------------------|-------------------------------------|-----------------------------------|
| | <u>Program Investment</u> | <u>Capitalized IT Costs</u> | <u>Gross Plant</u> | <u>Program Investment Amortization</u> | <u>IT Cost Amortization</u> | <u>Accumulated Amortization</u> | <u>Net Plant</u> | <u>Tax Depreciation</u> | <u>Book Depreciation Tax Basis</u> | <u>Deferred Income Tax</u> |
| Monthly Calculation | | | | | | | | | | |
| Oct-17 | - | - | 113,184,861 | 99,164 | 11,876 | 111,658,151 | 1,526,710 | 10,920 | 84,736 | (30,154) |
| Nov-17 | - | - | 113,184,861 | 91,556 | 11,876 | 111,761,583 | 1,423,278 | 10,920 | 79,186 | (27,886) |
| Dec-17 | - | - | 113,184,861 | 64,028 | 11,876 | 111,837,487 | 1,347,374 | 10,920 | 60,483 | (20,246) |
| Jan-18 | - | - | 113,184,861 | 61,840 | 11,876 | 111,911,203 | 1,273,658 | 6,126 | 58,918 | (14,840) |
| Feb-18 | - | - | 113,184,861 | 60,125 | 11,876 | 111,983,204 | 1,201,657 | 6,126 | 57,215 | (14,361) |
| Mar-18 | - | - | 113,184,861 | 59,908 | 8,350 | 112,051,462 | 1,133,399 | 6,126 | 53,547 | (13,330) |
| Apr-18 | - | - | 113,184,861 | 60,362 | 4,043 | 112,115,866 | 1,068,994 | 6,126 | 49,633 | (12,230) |
| May-18 | - | - | 113,184,861 | 55,552 | 4,043 | 112,175,461 | 1,009,399 | 6,126 | 47,750 | (11,700) |
| Jun-18 | - | - | 113,184,861 | 55,507 | 4,043 | 112,235,011 | 949,849 | 10,473 | 52,052 | (11,688) |
| Jul-18 | - | - | 113,184,861 | 42,453 | 4,043 | 112,281,508 | 903,353 | 6,126 | 50,900 | (12,586) |
| Aug-18 | - | - | 113,184,861 | 42,463 | 4,043 | 112,328,013 | 856,847 | 6,126 | 50,910 | (12,589) |
| Sep-18 | - | - | 113,184,861 | 40,666 | 4,043 | 112,372,722 | 812,138 | 6,126 | 60,188 | (15,197) |
| Oct-18 | - | - | 113,184,861 | 37,454 | 4,043 | 112,414,219 | 770,641 | 6,126 | 56,977 | (14,294) |
| Nov-18 | - | - | 113,184,861 | 37,335 | 4,043 | 112,455,597 | 729,264 | 6,126 | 56,857 | (14,260) |
| Dec-18 | - | - | 113,184,861 | 32,761 | 4,043 | 112,492,401 | 692,459 | 6,126 | 56,846 | (14,257) |
| Jan-19 | - | - | 113,184,861 | 31,167 | 4,043 | 112,527,611 | 657,250 | 2,325 | 58,125 | (15,685) |
| Feb-19 | - | - | 113,184,861 | 31,140 | 4,043 | 112,562,793 | 622,068 | 2,325 | 65,547 | (17,772) |
| Mar-19 | - | - | 113,184,861 | 31,081 | 4,043 | 112,597,917 | 586,944 | 2,325 | 65,489 | (17,755) |
| Apr-19 | - | - | 113,184,861 | 31,026 | 4,043 | 112,632,985 | 551,875 | 2,325 | 65,434 | (17,740) |
| May-19 | - | - | 113,184,861 | 31,009 | 4,043 | 112,668,037 | 516,824 | 2,325 | 65,416 | (17,735) |
| Jun-19 | - | - | 113,184,861 | 30,332 | 4,043 | 112,702,412 | 482,449 | 2,325 | 64,740 | (17,545) |
| Jul-19 | - | - | 113,184,861 | 23,771 | 4,043 | 112,730,225 | 454,636 | 2,325 | 62,570 | (16,935) |
| Aug-19 | - | - | 113,184,861 | 21,770 | 4,043 | 112,756,038 | 428,822 | 2,325 | 62,457 | (16,903) |
| Sep-19 | - | - | 113,184,861 | 20,772 | 4,043 | 112,780,853 | 404,007 | 2,325 | 61,459 | (16,623) |
| | Program Assumption | See WP-SS-EEE-1.xlsx 'ITCap-E' wksht (Col 12) | Prior Month + (Col 1 + Col 2) | 1/60 of each Prior 60 Months from Col 1 (5 year amortization) | See WP-SS-EEE-1.xlsx 'AmortE' wksht (5 & 10 yr Amort) (Row 1562) | Prior Month + (Col 4 + Col 5) | Col 3 - Col 6 | See WP-SS-EEE-1.xlsx 'AmortE' wksht (Row 1573) | See WP-SS-EEE-1.xlsx 'AmortE' wksht | (Col 8 - Col 9) * Income Tax Rate |
| Annual Summary | | | | | | | | | | |
| 2009 | 3,361,515 | - | 3,361,515 | 69,420 | - | 69,420 | 3,292,095 | 1,285,998 | (8,953) | 532,018 |
| 2010 | 61,406,856 | - | 64,768,370 | 6,096,681 | - | 6,166,101 | 58,602,269 | 47,870,887 | 4,518,545 | 17,755,121 |
| 2011 | 34,155,399 | - | 98,923,769 | 15,975,307 | - | 22,141,408 | 76,782,361 | 27,195,774 | 12,304,771 | 6,034,256 |
| 2012 | 9,712,328 | - | 108,636,097 | 20,753,829 | - | 42,895,237 | 65,740,860 | 6,857,095 | 15,954,332 | (3,716,221) |
| 2013 | 1,875,973 | 464,542 | 110,976,612 | 21,909,123 | 68,564 | 64,872,924 | 46,103,688 | (124,131) | 16,749,623 | (6,892,928) |
| 2014 | 902,193 | - | 111,878,805 | 22,120,734 | 94,001 | 87,087,659 | 24,791,146 | (115,121) | 16,621,574 | (6,836,940) |
| 2015 | 426,101 | - | 112,304,906 | 16,224,887 | 94,001 | 103,406,547 | 8,898,359 | 2,963,789 | 12,536,728 | (3,910,545) |
| 2016 | 383,472 | 242,568 | 112,930,946 | 6,455,574 | 112,194 | 109,974,314 | 2,956,631 | 551,051 | 5,121,625 | (1,867,079) |
| 2017 | 253,915 | - | 113,184,861 | 1,720,658 | 142,515 | 111,837,487 | 1,347,374 | 384,959 | 1,392,345 | (411,517) |
| 2018 | - | - | 113,184,861 | 586,427 | 68,487 | 112,492,401 | 692,459 | 77,863 | 651,793 | (161,332) |
| 2019 | - | - | 113,184,861 | 305,396 | 48,514 | 112,846,311 | 338,549 | 27,895 | 755,120 | (204,423) |
| Oct 18 - Sep 19 | - | - | | 359,617 | 48,514 | | | 39,301 | 741,918 | (197,506) |

**PSE&G Energy Efficiency Economic Program
Electric Revenue Requirements Calculation**

Actual results through 3/31/2018

| | | | | | |
|--------------------------------|--------|----------------------|--------|--------------------|--------|
| Monthly WACC Pre 07/01/2010 | 0.94% | Effective 07/01/2011 | 0.99% | Effective 1/1/2018 | 0.86% |
| Income Tax Rate Pre 07/01/2010 | 41.08% | Effective 07/01/2011 | 40.85% | Effective 1/1/2018 | 28.11% |

| | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) |
|-------------------------------|------------------------------------|---------------------------------------|--------------------------------------|-----------------------------------|----------------------------|-------------------------------------------------------------|-------------------------------------|-------------------------|-------------------------|----------------------------------------|------------------------------------------------|------------------------------------------------------------------------------------------|
| | Accumulated Deferred Income Tax | Excess Deferred Req Liab Transfer | Excess Deferred Flow Thru | Excess Deferred Ending Balance | Net Investment | Return Requirement | Program Investment Repayments | Administrative costs | Net Capacity Revenue | Tax Adjustment | Tax Adjustment Excess Deferred Flow Thru | Revenue Requirements |
| Monthly Calculatio | | | | | | | | | | | | |
| Oct-17 | 734,295 | - | - | - | 792,415 | 8,226 | (23,851) | 1,542 | - | 1,695 | - | 98,652 |
| Nov-17 | 706,409 | - | - | - | 716,869 | 7,453 | (38,972) | - | - | (10,169) | - | 61,744 |
| Dec-17 | 686,163 | - | - | - | 661,211 | 6,805 | (30,676) | - | - | (10,535) | - | 41,498 |
| Jan-18 | 457,328 | 213,995 | - | 213,995 | 602,335 | 5,408 | (29,871) | - | 120 | (5,894) | - | 43,478 |
| Feb-18 | 442,966 | - | - | 213,995 | 544,695 | 4,909 | (78,509) | - | - | (24,916) | - | (26,515) |
| Mar-18 | 429,636 | - | - | 213,995 | 489,767 | 4,427 | (251,630) | - | - | (92,639) | - | (271,583) |
| Apr-18 | 417,407 | - | - | 213,995 | 437,592 | 3,969 | (27,593) | - | - | (5,013) | - | 35,767 |
| May-18 | 405,706 | - | - | 213,995 | 389,698 | 3,541 | (27,593) | - | - | (6,158) | - | 29,385 |
| Jun-18 | 394,019 | - | - | 213,995 | 341,835 | 3,131 | (27,593) | - | - | (7,857) | - | 27,231 |
| Jul-18 | 381,433 | - | - | 213,995 | 307,925 | 2,781 | (27,593) | - | - | (12,511) | - | 9,173 |
| Aug-18 | 368,844 | - | - | 213,995 | 274,008 | 2,491 | (27,590) | - | - | (12,510) | - | 8,896 |
| Sep-18 | 353,647 | - | - | 213,995 | 244,496 | 2,219 | (27,590) | - | - | (16,841) | - | 2,497 |
| Oct-18 | 339,353 | - | (17,833) | 196,162 | 235,125 | 2,053 | (27,590) | - | - | (16,841) | (6,973) | (25,687) |
| Nov-18 | 325,093 | - | (17,833) | 178,329 | 225,841 | 1,973 | (27,590) | - | - | (16,841) | (6,973) | (25,886) |
| Dec-18 | 310,836 | - | (17,833) | 160,497 | 221,127 | 1,913 | (27,590) | - | - | (18,625) | (6,973) | (32,304) |
| Jan-19 | 295,150 | - | (17,833) | 142,664 | 219,436 | 1,886 | (24,717) | - | - | (18,625) | (6,973) | (31,053) |
| Feb-19 | 277,378 | - | (17,833) | 124,831 | 219,859 | 1,880 | (24,717) | - | - | (21,538) | (6,973) | (33,998) |
| Mar-19 | 259,623 | - | (17,833) | 106,998 | 220,323 | 1,884 | (24,717) | - | - | (21,538) | (6,973) | (34,053) |
| Apr-19 | 241,883 | - | (17,833) | 89,165 | 220,828 | 1,888 | (24,717) | - | - | (21,538) | (6,973) | (34,104) |
| May-19 | 224,148 | - | (17,833) | 71,332 | 221,344 | 1,892 | (24,717) | - | - | (21,538) | (6,973) | (34,117) |
| Jun-19 | 206,603 | - | (17,833) | 53,499 | 222,347 | 1,899 | (24,717) | - | - | (21,538) | (6,973) | (34,787) |
| Jul-19 | 189,668 | - | (17,833) | 35,666 | 229,302 | 1,933 | (22,495) | - | - | (22,386) | (6,973) | (39,940) |
| Aug-19 | 172,764 | - | (17,833) | 17,833 | 238,225 | 2,001 | (22,495) | - | - | (23,124) | (6,973) | (42,610) |
| Sep-19 | 156,142 | - | (17,833) | (0) | 247,866 | 2,080 | (22,495) | - | - | (23,124) | (6,973) | (43,529) |
| | Prior Month + Col 10 | See WP-SS-EEE-1.xls 'AmortE' wksht | Col 12 / 12 Months starting Oct18 | Prior Col 14 + Col 12 + Col 13 | Col 7 - Col 11 - Col 14 | (Prior Col 15 + Col 15) / 2 * Monthly Pre Tax WACC | Program Assumption | Program Assumption | See WP-MCM-EEE-1.xlsx | See WP-SS-EEE-1.xlsx 'AmortE' wksht | Col 13 * (1/(1-Tax Rate) -1) | Col 4 + Col 5 + Col 13 + Col 16 + Col 17 + Col 18 + Col 19 + Col 20 + Col 21 |
| Annual Summary | | | | | | | | | | | | |
| 2009 | 532,018 | - | - | - | 2,760,077 | 27,205 | - | 826,424 | - | 54,126 | - | 977,174 |
| 2010 | 18,287,138 | - | - | - | 40,315,131 | 2,109,100 | (214,069) | 4,047,353 | - | 942,049 | - | 12,981,115 |
| 2011 | 24,321,394 | - | - | - | 52,460,966 | 5,249,180 | (3,402,377) | 2,608,969 | - | 185,196 | - | 20,616,276 |
| 2012 | 20,605,173 | - | - | - | 45,135,687 | 5,761,935 | (6,132,078) | 1,501,359 | (4,703) | (920,303) | - | 20,960,040 |
| 2013 | 13,712,245 | - | - | - | 32,391,444 | 4,592,432 | (6,315,277) | 805,424 | (242,164) | (750,848) | - | 20,067,253 |
| 2014 | 6,875,305 | - | - | - | 17,915,841 | 2,984,600 | (5,957,638) | 389,784 | (776,773) | (251,714) | - | 18,602,994 |
| 2015 | 2,964,759 | - | - | - | 5,933,600 | 1,294,834 | (1,582,208) | 37,014 | (514,861) | 1,519,324 | - | 17,072,992 |
| 2016 | 1,097,680 | - | - | - | 1,858,952 | 425,932 | (445,087) | 71,726 | (80,256) | 691,346 | - | 7,231,429 |
| 2017 | 686,163 | - | - | - | 661,211 | 137,267 | (356,763) | 17,070 | (13,697) | 78,775 | - | 1,725,825 |
| 2018 | 310,836 | - | (53,499) | - | 221,127 | 38,815 | (608,334) | - | 120 | (236,647) | (20,919) | (225,549) |
| 2019 | 106,413 | - | (160,497) | - | 232,137 | 23,507 | (283,269) | - | - | (267,641) | (62,756) | (396,747) |
| Oct 18 - Sep 19 | | | (213,995) | | | 23,283 | (298,556) | - | - | (247,255) | (83,675) | (412,068) |

**PSE&G Energy Efficiency Economic Program
Gas Revenue Requirements Calculation**

Actual results through 3/31/2018

| | | | | | |
|--------------------------------|--------|----------------------|--------|--------------------|--------|
| Monthly WACC Pre 07/01/2010 | 0.94% | Effective 07/01/2011 | 0.99% | Effective 1/1/2018 | 0.86% |
| Income Tax Rate Pre 07/01/2010 | 41.08% | Effective 07/01/2011 | 40.85% | Effective 1/1/2018 | 28.11% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|-----------------------------|---------------------------|-----------------------------|-------------------------------|---------------------------------------------------------------|------------------------------------------------------------------|---------------------------------|------------------|------------------------------------------------|------------------------------------------------|-----------------------------------|
| | <u>Program Investment</u> | <u>Capitalized IT Costs</u> | <u>Gross Plant</u> | <u>Program Investment Amortization</u> | <u>IT Cost Amortization</u> | <u>Accumulated Amortization</u> | <u>Net Plant</u> | <u>Tax Depreciation</u> | <u>Book Depreciation Tax Basis</u> | <u>Deferred Income Tax</u> |
| Monthly Calculations | | | | | | | | | | |
| Oct-17 | - | - | 49,755,033 | 59,983 | 4,914 | 48,819,713 | 935,320 | 4,565 | 47,012 | (17,340) |
| Nov-17 | - | - | 49,755,033 | 54,911 | 4,914 | 48,879,539 | 875,494 | 4,565 | 43,312 | (15,828) |
| Dec-17 | - | - | 49,755,033 | 39,111 | 4,914 | 48,923,563 | 831,470 | 4,565 | 32,194 | (11,286) |
| Jan-18 | - | - | 49,755,033 | 37,652 | 4,914 | 48,966,129 | 788,904 | 2,565 | 31,151 | (8,035) |
| Feb-18 | - | - | 49,755,033 | 36,509 | 4,914 | 49,007,552 | 747,481 | 2,565 | 30,015 | (7,716) |
| Mar-18 | - | - | 49,755,033 | 36,396 | 3,475 | 49,047,423 | 707,610 | 2,565 | 28,499 | (7,290) |
| Apr-18 | - | - | 49,755,033 | 36,652 | 1,718 | 49,085,792 | 669,241 | 2,565 | 26,979 | (6,863) |
| May-18 | - | - | 49,755,033 | 34,623 | 1,718 | 49,122,133 | 632,900 | 2,565 | 25,682 | (6,498) |
| Jun-18 | - | - | 49,755,033 | 34,616 | 1,718 | 49,158,467 | 596,566 | 5,463 | 28,572 | (6,496) |
| Jul-18 | - | - | 49,755,033 | 28,293 | 1,718 | 49,188,478 | 566,555 | 2,565 | 28,256 | (7,222) |
| Aug-18 | - | - | 49,755,033 | 28,309 | 1,718 | 49,218,504 | 536,529 | 2,565 | 28,272 | (7,226) |
| Sep-18 | - | - | 49,755,033 | 27,111 | 1,718 | 49,247,332 | 507,701 | 2,565 | 34,457 | (8,965) |
| Oct-18 | - | - | 49,755,033 | 24,970 | 1,718 | 49,274,020 | 481,013 | 2,565 | 32,316 | (8,363) |
| Nov-18 | - | - | 49,755,033 | 24,890 | 1,718 | 49,300,627 | 454,406 | 2,565 | 32,237 | (8,341) |
| Dec-18 | - | - | 49,755,033 | 21,841 | 1,718 | 49,324,186 | 430,847 | 2,565 | 32,229 | (8,339) |
| Jan-19 | - | - | 49,755,033 | 20,778 | 1,718 | 49,346,681 | 408,352 | 988 | 33,082 | (9,022) |
| Feb-19 | - | - | 49,755,033 | 20,760 | 1,718 | 49,369,159 | 385,874 | 988 | 33,891 | (9,249) |
| Mar-19 | - | - | 49,755,033 | 20,721 | 1,718 | 49,391,597 | 363,436 | 988 | 33,852 | (9,238) |
| Apr-19 | - | - | 49,755,033 | 20,684 | 1,718 | 49,413,998 | 341,035 | 988 | 33,816 | (9,228) |
| May-19 | - | - | 49,755,033 | 20,672 | 1,718 | 49,436,388 | 318,645 | 988 | 33,804 | (9,225) |
| Jun-19 | - | - | 49,755,033 | 20,221 | 1,718 | 49,458,327 | 296,706 | 988 | 33,353 | (9,098) |
| Jul-19 | - | - | 49,755,033 | 15,847 | 1,718 | 49,475,892 | 279,141 | 988 | 31,907 | (8,691) |
| Aug-19 | - | - | 49,755,033 | 14,514 | 1,718 | 49,492,123 | 262,910 | 988 | 31,831 | (8,670) |
| Sep-19 | - | - | 49,755,033 | 13,848 | 1,718 | 49,507,689 | 247,344 | 988 | 31,166 | (8,483) |
| | Program Assumption | | Prior Month + (Col 1 + Col 2) | 1/60 of each Prior 60 Months from Col 1 (5 year amortization) | See WP-SS-EEE-1.xlsx 'AmortG' wksht (5 & 10 yr Amort) (Row 1562) | Prior Month + (Col 4 + Col 5) | Col 3 - Col 6 | See WP-SS-EEE-1.xlsx 'AmortG' wksht (Row 1573) | See WP-SS-EEE-1.xlsx 'AmortG' wksht (Row 1569) | (Col 8 - Col 9) * Income Tax Rate |
| Annual Summary | | | | | | | | | | |
| 2009 | 1,914,901 | - | 1,914,901 | 38,917 | - | 38,917 | 1,875,984 | 596,444 | (11,859) | 249,915 |
| 2010 | 22,355,697 | - | 24,270,597 | 2,360,726 | - | 2,399,643 | 21,870,954 | 17,303,534 | 1,658,786 | 6,407,669 |
| 2011 | 16,919,927 | - | 41,190,524 | 6,166,303 | - | 8,565,946 | 32,624,578 | 13,819,611 | 4,680,584 | 3,715,080 |
| 2012 | 5,925,259 | - | 47,115,783 | 8,834,972 | - | 17,400,918 | 29,714,864 | 4,270,553 | 6,773,187 | (1,022,326) |
| 2013 | 1,036,197 | 189,539 | 48,341,519 | 9,520,626 | 27,976 | 26,949,520 | 21,392,000 | (132,796) | 7,249,553 | (3,015,689) |
| 2014 | 601,462 | - | 48,942,981 | 9,649,972 | 38,354 | 36,637,845 | 12,305,136 | 133,119 | 7,206,343 | (2,889,412) |
| 2015 | 284,068 | - | 49,227,049 | 7,415,772 | 38,354 | 44,091,971 | 5,135,077 | 1,423,031 | 5,755,473 | (1,769,803) |
| 2016 | 255,648 | 103,060 | 49,585,757 | 3,683,071 | 46,083 | 47,821,126 | 1,764,631 | 276,929 | 2,885,314 | (1,065,525) |
| 2017 | 169,276 | - | 49,755,033 | 1,043,472 | 58,966 | 48,923,563 | 831,470 | 224,053 | 797,124 | (234,099) |
| 2018 | - | - | 49,755,033 | 371,861 | 28,761 | 49,324,186 | 430,847 | 33,679 | 358,665 | (91,354) |
| 2019 | - | - | 49,755,033 | 203,598 | 20,612 | 49,548,395 | 206,638 | 11,852 | 389,870 | (106,261) |
| Oct 18 - Sep 19 | - | - | - | 239,745 | 20,612 | - | - | 16,584 | 393,484 | (105,947) |

**PSE&G Energy Efficiency Economic Program
Gas Revenue Requirements Calculation**

Actual results through 3/31/2018

| | | | | | |
|--------------------------------|--------|----------------------|--------|--------------------|--------|
| Monthly WACC Pre 07/01/2010 | 0.94% | Effective 07/01/2011 | 0.99% | Effective 1/1/2018 | 0.86% |
| Income Tax Rate Pre 07/01/2010 | 41.08% | Effective 07/01/2011 | 40.85% | Effective 1/1/2018 | 28.11% |

| | (11) <u>Accumulated</u> <u>Deferred Income</u> <u>Tax</u> | (12) <u>Excess Deferred</u> <u>Reg Liab Transfer</u> | (13) <u>Excess Deferred</u> <u>Flow Thru</u> | (14) <u>Excess Deferred</u> <u>Ending Balance</u> | (15) <u>Net Investment</u> | (16) <u>Return</u> <u>Requirement</u> | (17) <u>Program</u> <u>Investment</u> <u>Repayments</u> | (18) <u>Administrative</u> <u>costs</u> | (19) <u>Net Capacity</u> <u>Revenue</u> | (20) <u>Tax Adjustment</u> | (21) <u>Tax Adjustment</u> <u>Excess Deferred</u> <u>Flow Thru</u> | (22) <u>Revenue</u> <u>Requirements</u> |
|-----------------------------|--------------------------------------------------------------------|------------------------------------------------------------|----------------------------------------------------|---------------------------------------------------------|-------------------------------|----------------------------------------------------|------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|------------------------------------------------|-----------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Monthly Calculations | | | | | | | | | | | | |
| Oct-17 | 402,924 | - | - | - | 532,396 | 5,493 | (15,900) | 175 | - | 1,371 | - | 56,036 |
| Nov-17 | 387,095 | - | - | - | 488,399 | 5,041 | (25,981) | - | - | (6,539) | - | 32,347 |
| Dec-17 | 375,809 | - | - | - | 455,661 | 4,662 | (20,451) | - | - | (5,953) | - | 22,283 |
| Jan-18 | 250,569 | 117,205 | - | 117,205 | 421,130 | 3,753 | (19,914) | - | - | (3,323) | - | 23,081 |
| Feb-18 | 242,853 | - | - | 117,205 | 387,424 | 3,461 | (52,339) | - | - | (16,005) | - | (23,460) |
| Mar-18 | 235,563 | - | - | 117,205 | 354,843 | 3,177 | (167,753) | - | - | (61,147) | - | (185,853) |
| Apr-18 | 228,700 | - | - | 117,205 | 323,336 | 2,903 | (18,396) | - | - | (2,739) | - | 20,138 |
| May-18 | 222,202 | - | - | 117,205 | 293,493 | 2,640 | (18,396) | - | - | (3,025) | - | 17,560 |
| Jun-18 | 215,706 | - | - | 117,205 | 263,656 | 2,385 | (18,396) | - | - | (4,158) | - | 16,164 |
| Jul-18 | 208,484 | - | - | 117,205 | 240,867 | 2,159 | (18,396) | - | - | (6,507) | - | 7,268 |
| Aug-18 | 201,258 | - | - | 117,205 | 218,066 | 1,964 | (18,394) | - | - | (6,506) | - | 7,091 |
| Sep-18 | 192,293 | - | - | 117,205 | 198,203 | 1,782 | (18,394) | - | - | (9,393) | - | 2,823 |
| Oct-18 | 183,930 | - | (9,767) | 107,438 | 189,646 | 1,660 | (18,394) | - | - | (9,393) | (3,819) | (13,026) |
| Nov-18 | 175,589 | - | (9,767) | 97,670 | 181,146 | 1,587 | (18,394) | - | - | (9,393) | (3,819) | (13,178) |
| Dec-18 | 167,251 | - | (9,767) | 87,903 | 175,693 | 1,527 | (18,394) | - | - | (10,582) | (3,819) | (17,476) |
| Jan-19 | 158,229 | - | (9,767) | 78,136 | 171,986 | 1,488 | (16,478) | - | - | (10,582) | (3,819) | (16,663) |
| Feb-19 | 148,980 | - | (9,767) | 68,369 | 168,525 | 1,457 | (16,478) | - | - | (10,906) | (3,819) | (17,035) |
| Mar-19 | 139,742 | - | (9,767) | 58,602 | 165,092 | 1,428 | (16,478) | - | - | (10,906) | (3,819) | (17,104) |
| Apr-19 | 130,514 | - | (9,767) | 48,835 | 161,686 | 1,399 | (16,478) | - | - | (10,906) | (3,819) | (17,170) |
| May-19 | 121,289 | - | (9,767) | 39,068 | 158,287 | 1,369 | (16,478) | - | - | (10,906) | (3,819) | (17,211) |
| Jun-19 | 112,191 | - | (9,767) | 29,301 | 155,213 | 1,342 | (16,478) | - | - | (10,906) | (3,819) | (17,689) |
| Jul-19 | 103,500 | - | (9,767) | 19,534 | 156,107 | 1,332 | (14,996) | - | - | (11,472) | (3,819) | (21,157) |
| Aug-19 | 94,830 | - | (9,767) | 9,767 | 158,313 | 1,346 | (14,996) | - | - | (11,964) | (3,819) | (22,969) |
| Sep-19 | 86,347 | - | (9,767) | (0) | 160,997 | 1,367 | (14,996) | - | - | (11,964) | (3,819) | (23,614) |
| | Prior Month + Col 10 | See WP-SS-EEE-1.xls 'AmortE' wksht | Col 12 / 12 Months starting Oct18 | Prior Col 14 + Col 12 + Col 13 | Col 7 - Col 11 - Col 14 | (Prior Col 12 + Col 12) / 2 * Monthly Pre Tax WACC | Program Assumption | Program Assumption | See WP-MCM-EEE-1.xlsx | See WP-SS-EEE-1.xlsx 'AmortG' wksht (Row 1589) | Col 13 * (1/(1-Tax Rate) -1) | Col 4 + Col 5 + Col 13 + Col 16 + Col 17 + Col 18 + Col 19 + Col 20 + Col 21 |
| Annual Summary | | | | | | | | | | | | |
| 2009 | 249,915 | - | - | - | 1,626,068 | 16,409 | - | 277,488 | - | 35,067 | - | 367,881 |
| 2010 | 6,657,584 | - | - | - | 15,213,370 | 834,461 | (30,715) | 2,028,283 | - | 463,560 | - | 5,656,316 |
| 2011 | 10,372,664 | - | - | - | 22,251,914 | 2,027,141 | (491,873) | 1,081,395 | - | 686,367 | - | 9,469,333 |
| 2012 | 9,350,338 | - | - | - | 20,364,526 | 2,515,216 | (2,485,545) | 662,648 | - | (292,656) | - | 9,234,635 |
| 2013 | 6,334,649 | - | - | - | 15,057,351 | 2,093,316 | (2,978,540) | 371,022 | - | (469,268) | - | 8,565,132 |
| 2014 | 3,445,237 | - | - | - | 8,859,899 | 1,415,251 | (3,286,023) | 180,352 | - | (555,284) | - | 7,442,621 |
| 2015 | 1,675,434 | - | - | - | 3,459,643 | 683,975 | (762,242) | 9,374 | - | 646,701 | - | 8,031,934 |
| 2016 | 609,908 | - | - | - | 1,154,722 | 257,134 | (332,579) | 38,487 | - | 353,086 | - | 4,045,281 |
| 2017 | 375,809 | - | - | - | 455,661 | 87,870 | (237,842) | 6,854 | - | 46,597 | - | 1,005,917 |
| 2018 | 167,251 | - | (29,301) | - | 175,693 | 28,997 | (405,556) | - | - | (142,172) | (11,457) | (158,867) |
| 2019 | 60,990 | - | (87,903) | - | 145,648 | 16,465 | (188,846) | - | - | (138,617) | (34,371) | (209,064) |
| Oct 18 - Sep 19 | | | (117,205) | | | 17,302 | (199,038) | - | - | (129,881) | (45,829) | (214,293) |

**PSE&G Energy Efficiency Economic Program
Electric Over/(Under) Calculation**

| | |
|-----------------------------------|-------------|
| Tax Rate effective prior 07/01/10 | 41.08% |
| Tax Rate effective 07/01/10 | 40.85% |
| Tax Rate effective 01/01/18 | 28.11% |
| Existing Rate / kWh (w/o SUT) | \$0.000064 |
| Proposed Rate / kWh (w/o SUT) | -\$0.000073 |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|-----------------------------|----------------------------------------------------------|--------------------------------------|------------------------------------------------------------|------------------------------------|-------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------|-------------------------|--------------------------------|
| | <u>Over / (Under) Recovery Beginning Balance</u> | <u>Electric Revenues</u> | <u>Revenue Requirement Excluding WACC Cost</u> | <u>Over / (Under) Recovery</u> | <u>Over / (Under) Recovery Ending Balance</u> | <u>Over / (Under) Average Monthly Balance</u> | <u>Interest Rate (Annualized)</u> | <u>Interest On Over / (Under) Average Monthly Balance</u> | <u>Interest Roll-In</u> | <u>Cumulative Interest</u> |
| Monthly Calculations | | | | | | | | | | |
| Oct-17 | 34,442 | 199,435 | 98,652 | 100,782 | 135,224 | 84,833 | 1.13% | 47 | - | (1,135) |
| Nov-17 | 135,224 | 187,257 | 61,744 | 125,513 | 260,737 | 197,981 | 1.13% | 110 | - | (1,024) |
| Dec-17 | 260,737 | 223,840 | 41,498 | 182,342 | 443,079 | 351,908 | 1.42% | 246 | - | (778) |
| Jan-18 | 443,079 | 231,359 | 43,478 | 187,880 | 630,959 | 537,019 | 1.42% | 457 | - | (321) |
| Feb-18 | 630,959 | 196,528 | (26,515) | 223,042 | 854,002 | 742,480 | 1.42% | 632 | - | 311 |
| Mar-18 | 854,002 | 205,784 | (271,583) | 477,367 | 1,331,369 | 1,092,685 | 1.75% | 1,146 | - | 1,456 |
| Apr-18 | 1,331,369 | 179,154 | 35,767 | 143,387 | 1,474,756 | 1,403,062 | 1.75% | 1,471 | - | 2,927 |
| May-18 | 1,474,756 | 200,731 | 29,385 | 171,346 | 1,646,102 | 1,560,429 | 1.75% | 1,636 | - | 4,563 |
| Jun-18 | 1,646,102 | 239,486 | 27,231 | 212,256 | 1,858,357 | 1,752,229 | 1.75% | 1,837 | - | 6,400 |
| Jul-18 | 1,858,357 | 282,879 | 9,173 | 273,706 | 2,132,063 | 1,995,210 | 1.75% | 2,092 | - | 8,492 |
| Aug-18 | 2,132,063 | 276,618 | 8,896 | 267,722 | 2,399,785 | 2,265,924 | 1.75% | 2,376 | - | 10,867 |
| Sep-18 | 2,399,785 | 216,736 | 2,497 | 214,240 | 2,614,025 | 2,506,905 | 1.75% | 2,628 | - | 13,496 |
| Oct-18 | 2,627,521 | (234,469) | (25,687) | (208,782) | 2,418,739 | 2,523,130 | 1.75% | 2,645 | 13,496 | 2,645 |
| Nov-18 | 2,418,739 | (210,899) | (25,886) | (185,013) | 2,233,726 | 2,326,232 | 1.75% | 2,439 | - | 5,084 |
| Dec-18 | 2,233,726 | (246,115) | (32,304) | (213,811) | 2,019,915 | 2,126,820 | 1.75% | 2,230 | - | 7,314 |
| Jan-19 | 2,019,915 | (255,989) | (31,053) | (224,936) | 1,794,979 | 1,907,447 | 1.75% | 2,000 | - | 9,314 |
| Feb-19 | 1,794,979 | (230,067) | (33,998) | (196,069) | 1,598,910 | 1,696,944 | 1.75% | 1,779 | - | 11,093 |
| Mar-19 | 1,598,910 | (241,110) | (34,053) | (207,057) | 1,391,852 | 1,495,381 | 1.75% | 1,568 | - | 12,660 |
| Apr-19 | 1,391,852 | (208,916) | (34,104) | (174,812) | 1,217,040 | 1,304,446 | 1.75% | 1,368 | - | 14,028 |
| May-19 | 1,217,040 | (221,949) | (34,117) | (187,832) | 1,029,208 | 1,123,124 | 1.75% | 1,177 | - | 15,205 |
| Jun-19 | 1,029,208 | (278,727) | (34,787) | (243,940) | 785,267 | 907,237 | 1.75% | 951 | - | 16,157 |
| Jul-19 | 785,267 | (325,920) | (39,940) | (285,980) | 499,287 | 642,277 | 1.75% | 673 | - | 16,830 |
| Aug-19 | 499,287 | (317,190) | (42,610) | (274,579) | 224,708 | 361,998 | 1.75% | 380 | - | 17,209 |
| Sep-19 | 224,708 | (251,062) | (43,529) | (207,533) | 17,175 | 120,942 | 1.75% | 127 | - | 17,336 |
| | (Prior Col 5) + (Col 9) | Forecasted kWh * Proposed Rate | See Revenue Requirements Schedule for Details | Col 2 - Col 3 | Col 1 + Col 4 | (Col 1 + Col 5) / 2 | PSE&G CP/STD Wght Avg Rate from Previous Month | (Col 6 * (Col 7) / 12)*net of tax rate | | Prior Month + Col 8 - Col 9 |

**PSE&G Energy Efficiency Economic Program
Gas Over/(Under) Calculation**

| | |
|-----------------------------------|-------------|
| Tax Rate effective prior 07/01/10 | 41.08% |
| Tax Rate effective 07/01/10 | 40.85% |
| Tax Rate effective 01/01/18 | 28.11% |
| Existing Rate / kWh (w/o SUT) | \$0.000450 |
| Proposed Rate / kWh (w/o SUT) | -\$0.000485 |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|--------------------------------|----------------------------------------------------------|---------------------|------------------------------------------------------------|------------------------------------|-------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------|-------------------------|--------------------------------|
| | <u>Over / (Under) Recovery Beginning Balance</u> | <u>Gas Revenues</u> | <u>Revenue Requirement Excluding WACC Cost</u> | <u>Over / (Under) Recovery</u> | <u>Over / (Under) Recovery Ending Balance</u> | <u>Over / (Under) Average Monthly Balance</u> | <u>Interest Rate (Annualized)</u> | <u>Interest On Over / (Under) Average Monthly Balance</u> | <u>Interest Roll-In</u> | <u>Cumulative Interest</u> |
| Monthly Calculation | | | | | | | | | | |
| Oct-17 | (77,941) | 40,631 | 56,036 | (15,405) | (93,346) | (85,644) | 1.13% | (48) | - | (57) |
| Nov-17 | (93,346) | 99,695 | 32,347 | 67,348 | (25,998) | (59,672) | 1.13% | (33) | - | (90) |
| Dec-17 | (25,998) | 209,485 | 22,283 | 187,202 | 161,204 | 67,603 | 1.42% | 47 | - | (42) |
| Jan-18 | 161,204 | 228,221 | 23,081 | 205,140 | 366,344 | 263,774 | 1.42% | 224 | - | 182 |
| Feb-18 | 366,344 | 169,129 | (23,460) | 192,590 | 558,934 | 462,639 | 1.42% | 394 | - | 575 |
| Mar-18 | 558,934 | 173,799 | (185,853) | 359,652 | 918,586 | 738,760 | 1.75% | 775 | - | 1,350 |
| Apr-18 | 918,586 | 99,721 | 20,138 | 79,583 | 998,169 | 958,377 | 1.75% | 1,005 | - | 2,355 |
| May-18 | 998,169 | 57,575 | 17,560 | 40,014 | 1,038,183 | 1,018,176 | 1.75% | 1,067 | - | 3,422 |
| Jun-18 | 1,038,183 | 51,805 | 16,164 | 35,641 | 1,073,824 | 1,056,003 | 1.75% | 1,107 | - | 4,529 |
| Jul-18 | 1,073,824 | 43,544 | 7,268 | 36,276 | 1,110,100 | 1,091,962 | 1.75% | 1,145 | - | 5,674 |
| Aug-18 | 1,110,100 | 46,170 | 7,091 | 39,079 | 1,149,179 | 1,129,639 | 1.75% | 1,184 | - | 6,858 |
| Sep-18 | 1,149,179 | 42,005 | 2,823 | 39,182 | 1,188,361 | 1,168,770 | 1.75% | 1,225 | - | 8,084 |
| Oct-18 | 1,196,445 | (74,023) | (13,026) | (60,998) | 1,135,447 | 1,165,946 | 1.75% | 1,222 | 8,084 | 1,222 |
| Nov-18 | 1,135,447 | (133,744) | (13,178) | (120,565) | 1,014,881 | 1,075,164 | 1.75% | 1,127 | - | 2,350 |
| Dec-18 | 1,014,881 | (199,333) | (17,476) | (181,856) | 833,025 | 923,953 | 1.75% | 969 | - | 3,318 |
| Jan-19 | 833,025 | (235,302) | (16,663) | (218,639) | 614,386 | 723,706 | 1.75% | 759 | - | 4,077 |
| Feb-19 | 614,386 | (214,888) | (17,035) | (197,852) | 416,534 | 515,460 | 1.75% | 540 | - | 4,617 |
| Mar-19 | 416,534 | (185,252) | (17,104) | (168,148) | 248,386 | 332,460 | 1.75% | 349 | - | 4,966 |
| Apr-19 | 248,386 | (107,991) | (17,170) | (90,821) | 157,565 | 202,976 | 1.75% | 213 | - | 5,179 |
| May-19 | 157,565 | (60,616) | (17,211) | (43,405) | 114,160 | 135,862 | 1.75% | 142 | - | 5,321 |
| Jun-19 | 114,160 | (56,666) | (17,689) | (38,977) | 75,183 | 94,671 | 1.75% | 99 | - | 5,420 |
| Jul-19 | 75,183 | (47,067) | (21,157) | (25,910) | 49,273 | 62,228 | 1.75% | 65 | - | 5,486 |
| Aug-19 | 49,273 | (49,690) | (22,969) | (26,720) | 22,553 | 35,913 | 1.75% | 38 | - | 5,523 |
| Sep-19 | 22,553 | (45,647) | (23,614) | (22,034) | 519 | 11,536 | 1.75% | 12 | - | 5,535 |
| | (Prior Col 5) + (Col 9) | | See Revenue Requirements Schedule for Details | Col 2 - Col 3 | Col 1 + Col 4 | (Col 1 + Col 5) / 2 | PSE&G CP/STD Wght Avg Rate from Previous Month | (Col 6 * (Col 7) / 12)*net of tax rate | | Prior Month + Col 8 - Col 9 |

ELECTRIC EEE ACTUAL REVENUES BY RATE CLASS

Schedule SS-EEE-4E

| | Electric EEE Rate | 0.000064 | 0.000064 | 0.000064 | 0.000064 | 0.000064 | 0.000064 |
|------------------------------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
| RESIDENTIAL SALES | | | | | | | |
| RS (4400110) | | \$54,077 | \$54,493 | \$69,259 | \$74,487 | \$56,533 | \$60,837 |
| RS-HTG (4400210) | | \$385 | \$709 | \$1,059 | \$1,279 | \$836 | \$941 |
| WH (4400310) | | \$5 | \$6 | \$6 | \$6 | \$7 | \$6 |
| RLM (4400410) | | \$861 | \$832 | \$1,091 | \$1,145 | \$902 | \$983 |
| WHS (4400510) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL RESIDENTIAL | | \$55,329 | \$56,040 | \$71,416 | \$76,916 | \$58,278 | \$62,767 |
| COMMERCIAL SALES | | | | | | | |
| WH & WHS (4420110) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| GLP (4420310) | | \$37,702 | \$34,575 | \$39,378 | \$41,617 | \$37,547 | \$38,396 |
| GLP-MDO (4420310) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SL-PRI (4440110) | | \$905 | \$937 | \$1,060 | \$898 | \$1,011 | \$826 |
| LPLP (4420510) | | \$14,192 | \$12,335 | \$14,812 | \$13,999 | \$12,956 | \$13,801 |
| LPLS (4420510) | | \$34,051 | \$30,529 | \$36,349 | \$36,798 | \$33,231 | \$34,409 |
| LPLSH (4420510) | | \$18,440 | \$17,018 | \$18,736 | \$19,062 | \$17,228 | \$17,621 |
| LPLSO (4420510) | | \$68 | \$72 | \$86 | \$74 | \$75 | \$74 |
| LPLSR (4420510) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420710) | | \$15,975 | \$13,374 | \$16,177 | \$16,427 | \$13,559 | \$15,315 |
| HTS-HV (4420710) | | \$1,298 | \$1,761 | \$1,879 | \$2,108 | \$1,624 | \$2,160 |
| HS (4421210) | | \$41 | \$75 | \$131 | \$165 | \$125 | \$119 |
| TOTAL COMMERCIAL | | \$122,672 | \$110,675 | \$128,606 | \$131,149 | \$117,356 | \$122,722 |
| INDUSTRIAL SALES | | | | | | | |
| GLP (4420410) | | \$1,575 | \$1,424 | \$1,658 | \$1,732 | \$1,604 | \$1,635 |
| GLP-MDO (4420410) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| LPLP (4420610) | | \$3,279 | \$2,798 | \$3,763 | \$3,302 | \$2,874 | \$3,286 |
| LPLS (4420610) | | \$3,338 | \$3,199 | \$3,402 | \$3,470 | \$3,554 | \$3,246 |
| LPLSH (4420610) | | \$2,551 | \$2,915 | \$2,491 | \$2,765 | \$2,743 | \$2,869 |
| LPLSO (4420610) | | \$10 | \$10 | \$1 | \$15 | \$3 | \$12 |
| LPLSR (4420610) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420810) | | \$9,093 | \$8,258 | \$9,241 | \$8,820 | \$7,961 | \$7,439 |
| HTS-HV (4420810) | | \$58 | \$205 | \$367 | \$753 | \$139 | (\$61) |
| HS (4421110) | | \$2 | \$3 | \$3 | \$4 | \$3 | \$3 |
| HEP (4421010) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| EHEP (4421010) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL INDUSTRIAL | | \$19,906 | \$18,810 | \$20,926 | \$20,861 | \$18,881 | \$18,431 |
| PUB STREET AND HWY LIGHTING SALES | | | | | | | |
| SL-PUB (4440310) | | \$1,267 | \$1,501 | \$2,622 | \$2,133 | \$1,723 | \$1,605 |
| BPL-POF (4440310) | | \$107 | \$60 | \$68 | \$110 | \$87 | \$86 |
| GLP-T&S (4440410) | | \$154 | \$171 | \$202 | \$188 | \$203 | \$173 |
| TOTAL ST. LIGHT. | | \$1,527 | \$1,732 | \$2,892 | \$2,432 | \$2,013 | \$1,864 |
| TOTAL REVENUES | | \$199,435 | \$187,257 | \$223,840 | \$231,359 | \$196,528 | \$205,784 |

**GAS EEE
ACTUAL REVENUES BY RATE CLASS**

Schedule SS-EEE-4G

| | Gas EEE Rate | 0.000450 | 0.000450 | 0.000450 | 0.000450 | 0.000450 | 0.000450 |
|----------------------------------|--------------|-----------------|-----------------|------------------|------------------|------------------|------------------|
| | | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
| CSRSGH | | \$18,713 | \$60,723 | \$106,514 | \$120,488 | \$80,807 | \$90,678 |
| CSRSG | | \$1,486 | \$3,335 | \$5,832 | \$6,534 | \$4,690 | \$5,187 |
| RSGHM | | \$283 | \$980 | \$1,823 | \$2,298 | \$1,568 | \$1,655 |
| RSGM | | \$108 | \$260 | \$444 | \$431 | \$308 | \$386 |
| TOTAL RESIDENTIAL | | \$20,590 | \$65,299 | \$114,613 | \$129,752 | \$87,373 | \$97,906 |
| CSGS-HTG | | \$2,570 | \$7,490 | \$15,429 | \$18,557 | \$11,161 | \$13,558 |
| CSGS | | \$747 | \$1,168 | \$1,872 | \$2,051 | \$1,548 | \$1,764 |
| CSLV | | \$3,779 | \$9,949 | \$17,308 | \$21,467 | \$15,836 | \$17,691 |
| CSUVNG | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| CFG | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| ISG | | \$407 | \$64 | \$386 | \$600 | \$200 | \$673 |
| CIG | | \$1,398 | \$1,372 | \$1,505 | \$1,208 | \$1,175 | \$1,513 |
| CEG | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGS | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGSH | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPLV | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL COMMERCIAL | | \$8,901 | \$20,045 | \$36,500 | \$43,883 | \$29,920 | \$35,199 |
| CSGS-HTG | | \$63 | \$292 | \$612 | \$867 | \$518 | \$550 |
| CSGS | | \$17 | \$47 | \$97 | \$103 | \$71 | \$80 |
| CSLV | | \$111 | \$658 | \$1,178 | \$1,768 | \$1,419 | \$1,305 |
| ISG | | -\$243 | \$226 | -\$45 | \$24 | \$460 | -\$152 |
| CIG | | \$118 | \$104 | \$379 | \$367 | \$390 | \$228 |
| CO-GEN | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| UVNG | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| CFG | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGS | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGSH | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPLV | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL INDUSTRIAL | | \$66 | \$1,328 | \$2,220 | \$3,129 | \$2,858 | \$2,011 |
| CSSLG | | \$9 | -\$10 | \$36 | \$4 | \$16 | \$10 |
| TOTAL REVENUE COMM./TRANS | | \$29,565 | \$86,663 | \$153,369 | \$176,767 | \$120,168 | \$135,126 |
| FTRSGH | | \$756 | \$2,091 | \$4,314 | \$6,380 | \$4,535 | \$3,652 |
| FTRSG | | \$89 | \$143 | \$271 | \$379 | \$295 | \$236 |
| FTRSGHM | | \$13 | \$39 | \$87 | \$132 | \$90 | \$75 |
| FTRSGM | | \$6 | \$12 | \$22 | \$30 | \$22 | \$19 |
| TOTAL RESIDENTIAL | | \$864 | \$2,285 | \$4,693 | \$6,920 | \$4,942 | \$3,982 |
| FTGSH (G489.110) | | \$796 | \$1,981 | \$4,032 | \$5,307 | \$3,537 | \$3,497 |
| FTGS | | \$252 | \$399 | \$639 | \$814 | \$611 | \$573 |
| FTGFG | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FTUVNG | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FTLV (G489.120) | | \$8,410 | \$17,359 | \$26,307 | \$29,297 | \$21,915 | \$27,315 |
| TSG-F (G489.100) | | \$319 | \$191 | \$408 | \$863 | \$212 | \$761 |
| TSG-NF (G489.200) | | -\$4,406 | -\$14,450 | \$14,027 | \$2,956 | \$12,267 | -\$3,463 |
| CSG - Non Power | | | | | | | |
| TOTAL COMMERCIAL | | \$5,372 | \$5,479 | \$45,413 | \$39,237 | \$38,541 | \$28,683 |
| FTGSH (G489.110) | | \$19 | \$68 | \$143 | \$218 | \$150 | \$141 |
| FTGS | | \$6 | \$12 | \$24 | \$35 | \$29 | \$25 |
| FTLV (G489.120) | | \$1,553 | \$2,341 | \$2,922 | \$2,836 | \$2,920 | \$2,832 |
| TSG-F (G489.100) | | \$712 | \$338 | \$429 | \$617 | \$713 | \$517 |
| TSG-NF (G489.200) | | \$2,524 | \$2,480 | \$2,476 | \$1,614 | \$1,611 | \$2,482 |
| CSG - Non Power | | | | | | | |
| CSG | | | | | | | |
| CONTRACT COGEN | | | | | | | |
| TOTAL INDUSTRIAL | | \$4,815 | \$5,238 | \$5,994 | \$5,320 | \$5,422 | \$5,998 |
| FTSLG | | \$15 | \$30 | \$16 | -\$23 | \$56 | \$9 |
| TOTAL TRANS. REVENUE | | \$11,065 | \$13,032 | \$56,116 | \$51,454 | \$48,962 | \$38,673 |
| TOTAL REVENUES | | \$40,631 | \$99,695 | \$209,485 | \$228,221 | \$169,129 | \$173,799 |

PSE&G Demand Response Program

Proposed Rate Calculations

(\$'s Unless Specified)

Schedule SS-DR-1(Request)

Actual results through March 2018

SUT Rate 6.625%

| <u>Line</u> | <u>Date(s)</u> | | <u>Electric</u> | <u>Source/Description</u> |
|-------------|------------------------|--------------------------------------------|-----------------|-----------------------------------|
| 1 | Oct 2018 - Sep 2019 | Revenue Requirements | 3,198,828 | SS-DR-2, Col 22 |
| 2 | Sep-18 | (Over) / Under Recovered Balance | 2,610,275 | SS-DR-3, Line 4, Col 110 |
| 3 | Sep-18 | Cumulative Interest Exp / (Credit) | <u>(28,506)</u> | SS-DR-3, Line 7, Col 110 |
| 4 | Oct 2018 - Sep 2019 | Total Target Rate Revenue | 5,780,596 | Line 1 + Line 2 + Line 3 |
| 5 | Oct 2018 - Sep 2019 | Forecasted kWh (000) | 41,402,930 | |
| 6 | | Calculated Rate w/o SUT (\$/kWh) | 0.000140 | (Line 4 / (Line 5*1,000)) [Rnd 6] |
| 7 | | Public Notice Rate w/o SUT (\$/kWh) | 0.000140 | Line 6 |
| 8 | | Existing Rate w/o SUT (\$/kWh) | (0.000085) | |
| 9 | | Proposed Rate w/o SUT (\$/kWh) | 0.000140 | Line 6 |
| 10 | | Proposed Rate w/ SUT (\$/kWh) | 0.000149 | (Line 9 * (1 + SUT Rate)) [Rnd 6] |
| 11 | | Difference in Proposed and Previous Rate | 0.000225 | (Line 9 - Line 8) |
| 12 | | Resultant DR Revenue Increase / (Decrease) | 9,315,659 | (Line 5 * Line 11 * 1,000) |

PSE&G Demand Response Program (Res AC & Small Comm. Cycling Only)
Revenue Requirements Summary

Schedule SS-DR-2(Request)

Page 1 of 2

(\$'s unless otherwise noted)

Actual data through March 2018

| | |
|----------------------|----------|
| Annual Pre-Tax WACC | 10.2721% |
| Monthly Pre-Tax WACC | 0.8560% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (10a) | (11) | (12) | (13) | (14) |
|-----------------------------|---------------------------|-----------------------------|---------------------|-------------------------------------------------------|-----------------------------|---------------------------------|---------------------|-------------------------|----------------------------|--------------------------------------------------|-----------------------------------------------|-------------------------------------------------------|-----------------------------------------|----------------------------------------------------|-------------------------------|
| | <u>Program Investment</u> | <u>Capitalized IT Costs</u> | <u>Gross Plant</u> | <u>Program Investment Amortization / Depreciation</u> | <u>IT Cost Amortization</u> | <u>Accumulated Amortization</u> | <u>Net Plant</u> | <u>Tax Depreciation</u> | <u>Deferred Income Tax</u> | <u>Beginning Accumulated Deferred Income Tax</u> | <u>Ending Accumulated Deferred Income Tax</u> | <u>Prorated Excess Deferred Tax Beginning Balance</u> | <u>Excess Deferred Tax Flow Through</u> | <u>Prorated Excess Deferred Tax Ending Balance</u> | <u>Average Net Investment</u> |
| Monthly Calculations | | | | | | | | | | | | | | | |
| Oct-17 | - | - | 33,707,693 | 280,897 | - | 19,248,892 | 14,458,801 | 91,315 | (71,592) | 4,232,678 | 4,161,086 | - | - | - | 10,402,367 |
| Nov-17 | - | - | 33,707,693 | 280,897 | - | 19,529,790 | 14,177,903 | 91,315 | (65,739) | 4,161,086 | 4,095,348 | - | - | - | 10,190,135 |
| Dec-17 | - | - | 33,707,693 | 280,888 | - | 19,810,677 | 13,897,016 | 91,315 | (59,688) | 4,095,348 | 4,035,660 | - | - | - | 9,971,956 |
| Jan-18 | - | - | 33,707,693 | 280,889 | - | 20,091,567 | 13,616,126 | 94,605 | (37,531) | 2,603,166 | 2,565,636 | 1,432,493 | - | 1,432,493 | 9,739,676 |
| Feb-18 | - | - | 33,707,693 | 280,889 | - | 20,372,456 | 13,335,237 | 94,605 | (34,126) | 2,565,636 | 2,531,510 | 1,432,493 | - | 1,432,493 | 9,494,615 |
| Mar-18 | - | - | 33,707,693 | 280,889 | - | 20,653,345 | 13,054,348 | 94,605 | (30,357) | 2,531,510 | 2,501,153 | 1,432,493 | - | 1,432,493 | 9,245,968 |
| Apr-18 | - | - | 33,707,693 | 280,897 | - | 20,934,243 | 12,773,450 | 94,605 | (26,711) | 2,501,153 | 2,474,442 | 1,432,493 | - | 1,432,493 | 8,993,608 |
| May-18 | - | - | 33,707,693 | 280,897 | - | 21,215,140 | 12,492,553 | 94,605 | (22,941) | 2,474,442 | 2,451,501 | 1,432,493 | - | 1,432,493 | 8,737,536 |
| Jun-18 | - | - | 33,707,693 | 280,897 | - | 21,496,038 | 12,211,655 | 94,605 | (19,293) | 2,451,501 | 2,432,208 | 1,432,493 | - | 1,432,493 | 8,477,756 |
| Jul-18 | - | - | 33,707,693 | 280,897 | - | 21,776,935 | 11,930,758 | 94,605 | (15,524) | 2,432,208 | 2,416,684 | 1,432,493 | - | 1,432,493 | 8,214,267 |
| Aug-18 | - | - | 33,707,693 | 280,897 | - | 22,057,832 | 11,649,861 | 94,605 | (11,755) | 2,416,684 | 2,404,929 | 1,432,493 | - | 1,432,493 | 7,947,009 |
| Sep-18 | - | - | 33,707,693 | 280,897 | - | 22,338,730 | 11,368,963 | 94,605 | (8,107) | 2,404,929 | 2,396,822 | 1,432,493 | - | 1,432,493 | 7,676,043 |
| Oct-18 | - | - | 33,707,693 | 280,897 | - | 22,619,627 | 11,088,066 | 94,605 | (48,719) | 2,096,562 | 2,047,844 | 1,432,493 | (295,876) | 1,136,617 | 7,871,756 |
| Nov-18 | - | - | 33,707,693 | 280,897 | - | 22,900,525 | 10,807,168 | 94,605 | (45,071) | 2,047,844 | 2,002,772 | 1,136,617 | (29,588) | 1,107,030 | 7,800,485 |
| Dec-18 | - | - | 33,707,693 | 280,897 | - | 23,181,422 | 10,526,271 | 94,605 | (41,302) | 2,002,772 | 1,961,471 | 1,107,030 | (30,090) | 1,076,940 | 7,592,613 |
| Jan-19 | - | - | 33,707,693 | 280,897 | - | 23,462,320 | 10,245,373 | 88,780 | (38,918) | 1,961,471 | 1,922,553 | 1,076,940 | (30,090) | 1,046,850 | 7,381,915 |
| Feb-19 | - | - | 33,707,693 | 280,897 | - | 23,743,217 | 9,964,476 | 88,780 | (35,456) | 1,922,553 | 1,887,097 | 1,046,850 | (30,090) | 1,016,760 | 7,168,295 |
| Mar-19 | - | - | 33,707,693 | 280,897 | - | 24,024,115 | 9,683,578 | 88,780 | (31,622) | 1,887,097 | 1,855,475 | 1,016,760 | (30,090) | 986,670 | 6,951,026 |
| Apr-19 | - | - | 33,707,693 | 280,897 | - | 24,305,012 | 9,402,681 | 88,780 | (27,913) | 1,855,475 | 1,827,562 | 986,670 | (30,090) | 956,581 | 6,729,986 |
| May-19 | - | - | 33,707,693 | 280,897 | - | 24,585,909 | 9,121,784 | 88,780 | (24,079) | 1,827,562 | 1,803,483 | 956,581 | (30,090) | 926,491 | 6,505,174 |
| Jun-19 | - | - | 33,707,693 | 280,897 | - | 24,866,807 | 8,840,886 | 88,780 | (20,370) | 1,803,483 | 1,783,113 | 926,491 | (30,090) | 896,401 | 6,276,591 |
| Jul-19 | - | - | 33,707,693 | 280,897 | - | 25,147,704 | 8,559,989 | 88,780 | (16,536) | 1,783,113 | 1,766,577 | 896,401 | (30,090) | 866,311 | 6,044,236 |
| Aug-19 | - | - | 33,707,693 | 280,897 | - | 25,428,602 | 8,279,091 | 88,780 | (12,703) | 1,766,577 | 1,753,874 | 866,311 | (30,090) | 836,221 | 5,808,048 |
| Sep-19 | - | - | 33,707,693 | 280,897 | - | 25,709,499 | 7,998,194 | 88,780 | (8,993) | 1,753,874 | 1,744,881 | 836,221 | (30,090) | 806,131 | 5,568,088 |
| | | | | | | | | | | | | | | | |
| | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs |
| Annual Summary | | | | | | | | | | | | | | | |
| 2009 | 1,028,693 | - | 1,028,693 | 8,572 | - | 8,572 | 1,020,120 | 102,869 | 200,760 | - | 200,760 | - | - | - | 409,680 |
| 2010 | 3,734,136 | - | 4,762,829 | 243,690 | - | 252,263 | 4,510,566 | 3,089,439 | 1,002,072 | 870,300 | 1,202,680 | - | - | - | 3,375,159 |
| 2011 | 10,573,865 | - | 15,336,695 | 1,001,411 | - | 1,253,674 | 14,083,020 | 9,525,145 | 3,530,473 | 3,721,394 | 4,723,510 | - | - | - | 9,395,716 |
| 2012 | 11,337,590 | - | 26,674,285 | 2,253,144 | - | 3,506,818 | 23,167,467 | 6,028,776 | 1,472,196 | 5,835,537 | 6,146,419 | - | - | - | 17,133,941 |
| 2013 | 6,154,171 | - | 32,828,456 | 2,961,282 | - | 6,468,099 | 26,360,356 | 4,573,439 | 658,426 | 6,557,247 | 6,799,063 | - | - | - | 19,639,521 |
| 2014 | 1,736,545 | - | 34,565,000 | 3,319,868 | - | 9,787,968 | 24,777,033 | 2,674,587 | (332,406) | 6,482,980 | 6,468,712 | - | - | - | 18,441,755 |
| 2015 | (857,308) | - | 33,707,693 | 3,281,183 | - | 13,069,151 | 20,638,542 | 1,189,459 | (711,335) | 5,818,189 | 5,763,873 | - | - | - | 14,987,960 |
| 2016 | - | - | 33,707,693 | 3,370,768 | - | 16,439,919 | 17,267,774 | 1,323,957 | (809,151) | 5,015,852 | 4,962,857 | - | - | - | 12,418,868 |
| 2017 | - | - | 33,707,693 | 3,370,759 | - | 19,810,677 | 13,897,016 | 1,095,782 | (468,911) | 4,095,348 | 4,035,660 | - | - | - | 9,971,956 |
| 2018 | - | - | 33,707,693 | 3,370,745 | - | 23,181,422 | 10,526,271 | 1,135,266 | (341,436) | 2,002,772 | 1,961,471 | 1,107,030 | (355,553) | 1,076,940 | 7,592,613 |
| 2019 | - | - | 33,707,693 | 3,362,197 | - | 26,543,619 | 7,164,074 | 1,065,361 | (354,279) | 1,356,515 | 1,315,735 | 747,044 | (359,360) | 717,580 | 5,231,799 |
| Oct 2018 - Sep 2019 | - | - | - | 3,370,769 | - | - | - | 1,082,837 | - | - | - | - | (626,362) | - | - |

PSE&G Demand Response Program (Res AC & Small Comm. Cycling Only)
Revenue Requirements Summary

Schedule SS-DR-2(Request)

Page 2 of 2

(\$'s unless otherwise noted)

Actual data through March 2018

| | |
|----------------------|----------|
| Annual Pre-Tax WACC | 10.2721% |
| Monthly Pre-Tax WACC | 0.8560% |

| | (15) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) |
|-----------------------------|-------------------------------------------|-----------------------------------------|----------------------------|-----------------------------|--------------------------------------------------|-----------------------------|----------------------------------------------------|---------------------------------------------|------------------------------------------------|-----------------------------------------------------------|
| | <u>Return Requirement on Current WACC</u> | <u>DR Revenue Credited to Customers</u> | <u>Customer Incentives</u> | <u>Administrative costs</u> | <u>Excess Deferred Tax Flow Through Gross-up</u> | <u>Revenue Requirements</u> | <u>Legacy Res. A/C Cycling Customer Incentives</u> | <u>Legacy Res. A/C Cycling Admin. Costs</u> | <u>Legacy DR Revenue Credited to Customers</u> | <u>Revenue Requirements w/ Incremental Return on WACC</u> |
| Monthly Calculations | | | | | | | | | | |
| Oct-17 | 102,741 | 367,476 | 55,381 | 49,853 | - | 121,397 | - | - | - | 121,397 |
| Nov-17 | 100,645 | 355,637 | - | 64,974 | - | 90,879 | - | - | - | 90,879 |
| Dec-17 | 98,490 | 367,502 | - | 47,696 | - | 59,572 | - | - | - | 59,572 |
| Jan-18 | 83,372 | 367,497 | - | 32,570 | - | 29,334 | - | - | - | 29,334 |
| Feb-18 | 81,274 | 331,889 | - | 62,148 | - | 92,422 | - | - | - | 92,422 |
| Mar-18 | 79,145 | 367,488 | - | 56,235 | - | 48,782 | - | - | - | 48,782 |
| Apr-18 | 76,985 | 355,805 | - | 218,634 | - | 220,711 | - | - | - | 220,711 |
| May-18 | 74,793 | 367,666 | - | 218,634 | - | 206,659 | - | - | - | 206,659 |
| Jun-18 | 72,570 | - | - | 218,634 | - | 572,101 | - | - | - | 572,101 |
| Jul-18 | 70,314 | - | - | 218,634 | - | 569,845 | - | - | - | 569,845 |
| Aug-18 | 68,026 | - | - | - | - | 348,924 | - | - | - | 348,924 |
| Sep-18 | 65,707 | - | - | - | - | 346,604 | - | - | - | 346,604 |
| Oct-18 | 67,382 | - | - | - | (115,692) | (63,288) | - | - | - | (63,288) |
| Nov-18 | 66,772 | - | - | - | (11,569) | 306,513 | - | - | - | 306,513 |
| Dec-18 | 64,993 | - | - | - | (11,766) | 304,035 | - | - | - | 304,035 |
| Jan-19 | 63,189 | - | - | - | (11,766) | 302,231 | - | - | - | 302,231 |
| Feb-19 | 61,361 | - | - | - | (11,766) | 300,403 | - | - | - | 300,403 |
| Mar-19 | 59,501 | - | - | - | (11,766) | 298,543 | - | - | - | 298,543 |
| Apr-19 | 57,609 | - | - | - | (11,766) | 296,651 | - | - | - | 296,651 |
| May-19 | 55,684 | - | - | - | (11,766) | 294,726 | - | - | - | 294,726 |
| Jun-19 | 53,728 | - | - | - | (11,766) | 292,770 | - | - | - | 292,770 |
| Jul-19 | 51,739 | - | - | - | (11,766) | 290,781 | - | - | - | 290,781 |
| Aug-19 | 49,717 | - | - | - | (11,766) | 288,759 | - | - | - | 288,759 |
| Sep-19 | 47,663 | - | - | - | (11,766) | 286,705 | - | - | - | 286,705 |
| | - | - | - | - | - | - | - | - | - | - |
| | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Program Assumption | | | | Program Assumption |
| Annual Summary | | | | | | | | | | |
| 2009 | 4,624 | - | - | 38,700 | - | 51,897 | | | | 256,996 |
| 2010 | 228,273 | 302,448 | 272,264 | 1,193,353 | - | 1,635,133 | | | | 2,173,699 |
| 2011 | 816,038 | 911,584 | 1,430,374 | 4,100,610 | - | 6,436,849 | | | | 5,575,059 |
| 2012 | 1,758,186 | 2,468,187 | 2,305,090 | 4,541,864 | - | 8,390,097 | | | | 7,937,004 |
| 2013 | 2,180,436 | 7,183,754 | 2,268,607 | 4,837,006 | - | 5,063,577 | | | | 5,063,577 |
| 2014 | 2,209,910 | 7,697,723 | 1,522,214 | 3,218,572 | - | 2,572,841 | | | | 2,572,841 |
| 2015 | 1,835,580 | 5,187,344 | 1,094,564 | 2,303,296 | - | 3,327,278 | | | | 3,327,278 |
| 2016 | 1,612,586 | 5,053,747 | 1,045,277 | 989,311 | - | 1,964,195 | | | | 1,964,195 |
| 2017 | 1,298,904 | 4,758,085 | 976,402 | 757,283 | - | 1,645,262 | | | | 1,645,262 |
| 2018 | 871,334 | 1,790,345 | - | 1,025,488 | (139,026) | 2,982,641 | | | | 2,982,641 |
| 2019 | 639,766 | - | - | - | (140,515) | 3,502,089 | | | | 3,502,089 |
| Oct 2018 - Sep 2019 | 699,337 | - | - | - | (244,916) | 3,198,828 | | | | 3,198,828 |

**Demand Response Program
Residential A/C Cycling Revenue Requirements Calculation**

Schedule SS-DR-2a(Request)

(\$'s unless otherwise noted)

Actual data through March 2018

| | |
|----------------------|----------|
| Annual Pre-Tax WACC | 10.2721% |
| Monthly Pre-Tax WACC | 0.8560% |

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (10a) | (11) | (12) | (13) | (14) | (15) | (18) | (19) | (20) | (21) | (22) | |
|-----------------------------|----------------------|-------------|------------------------------------------------|----------------------|--------------------------|------------|------------------|---------------------|-------------------------------------------|----------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|------------------------|------------------------------------|----------------------------------|---------------------|----------------------|----------------------------------|----------------------|-----------|
| Program Investment | Capitalized IT Costs | Gross Plant | Program Investment Amortization / Depreciation | IT Cost Amortization | Accumulated Amortization | Net Plant | Tax Depreciation | Deferred Income Tax | Beginning Accumulated Deferred Income Tax | Ending Accumulated Deferred Income Tax | Prorated Excess Deferred Tax Balance | Excess Deferred Tax Flow Through | Prorated Excess Deferred Tax Balance | Average Net Investment | Return Requirement on Current WACC | DR Revenue Credited to Customers | Customer Incentives | Administrative costs | Excess Deferred Tax Flow Through | Revenue Requirements | |
| Monthly Calculations | | | | | | | | | | | | | | | | | | | | | |
| Oct-17 | - | - | 33,376,073 | 278,134 | - | 19,063,177 | 14,312,896 | 90,496 | (70,857) | 4,188,666 | 4,117,808 | - | - | - | 10,298,726 | 101,717 | 362,196 | 55,373 | 47,698 | - | 120,726 |
| Nov-17 | - | - | 33,376,073 | 278,134 | - | 19,341,311 | 14,034,762 | 90,496 | (65,065) | 4,117,808 | 4,052,744 | - | - | - | 10,088,553 | 99,642 | 350,527 | - | 41,771 | - | 69,020 |
| Dec-17 | - | - | 33,376,073 | 278,125 | - | 19,619,436 | 13,756,638 | 90,496 | (59,076) | 4,052,744 | 3,993,668 | - | - | - | 9,872,494 | 97,508 | 362,222 | - | 41,875 | - | 55,285 |
| Jan-18 | - | - | 33,376,073 | 278,125 | - | 19,897,560 | 13,478,513 | 93,736 | (37,149) | 2,576,114 | 2,538,964 | 1,417,555 | - | 1,417,555 | 9,642,482 | 82,540 | 362,217 | - | 29,994 | - | 28,442 |
| Feb-18 | - | - | 33,376,073 | 278,125 | - | 20,175,685 | 13,200,389 | 93,736 | (33,780) | 2,538,964 | 2,505,185 | 1,417,555 | - | 1,417,555 | 9,399,822 | 80,462 | 327,121 | - | 52,525 | - | 83,991 |
| Mar-18 | - | - | 33,376,073 | 278,125 | - | 20,453,809 | 12,922,264 | 93,736 | (30,049) | 2,505,185 | 2,475,136 | 1,417,555 | - | 1,417,555 | 9,153,611 | 78,355 | 362,209 | - | 52,803 | - | 47,074 |
| Apr-18 | - | - | 33,376,073 | 278,134 | - | 20,731,943 | 12,644,130 | 93,736 | (26,440) | 2,475,136 | 2,448,696 | 1,417,555 | - | 1,417,555 | 8,903,726 | 76,216 | 349,879 | - | 216,447 | - | 220,918 |
| May-18 | - | - | 33,376,073 | 278,134 | - | 21,010,077 | 12,365,996 | 93,736 | (22,709) | 2,448,696 | 2,425,987 | 1,417,555 | - | 1,417,555 | 8,650,167 | 74,045 | 361,542 | - | 216,447 | - | 207,085 |
| Jun-18 | - | - | 33,376,073 | 278,134 | - | 21,288,211 | 12,087,862 | 93,736 | (19,098) | 2,425,987 | 2,406,889 | 1,417,555 | - | 1,417,555 | 8,392,937 | 71,844 | - | - | 216,447 | - | 566,425 |
| Jul-18 | - | - | 33,376,073 | 278,134 | - | 21,566,345 | 11,809,728 | 93,736 | (15,368) | 2,406,889 | 2,391,521 | 1,417,555 | - | 1,417,555 | 8,132,036 | 69,610 | - | - | 216,447 | - | 564,191 |
| Aug-18 | - | - | 33,376,073 | 278,134 | - | 21,844,479 | 11,531,594 | 93,736 | (11,637) | 2,391,521 | 2,379,884 | 1,417,555 | - | 1,417,555 | 7,867,404 | 67,345 | - | - | - | - | 345,479 |
| Sep-18 | - | - | 33,376,073 | 278,134 | - | 22,122,613 | 11,253,460 | 93,736 | (8,026) | 2,379,884 | 2,371,858 | 1,417,555 | - | 1,417,555 | 7,599,101 | 65,048 | - | - | - | - | 343,182 |
| Oct-18 | - | - | 33,376,073 | 278,134 | - | 22,400,747 | 10,975,326 | 93,736 | (48,224) | 2,074,664 | 2,026,440 | 1,417,555 | (292,858) | 1,124,697 | 7,292,716 | 66,706 | - | - | - | (114,511) | (62,529) |
| Nov-18 | - | - | 33,376,073 | 278,134 | - | 22,678,881 | 10,697,193 | 93,736 | (44,613) | 2,026,440 | 1,981,827 | 1,417,555 | (29,286) | 1,095,411 | 7,027,072 | 66,101 | - | - | - | (11,451) | 303,498 |
| Dec-18 | - | - | 33,376,073 | 278,134 | - | 22,957,015 | 10,419,059 | 93,736 | (40,882) | 1,981,827 | 1,940,945 | 1,095,411 | (29,785) | 1,065,626 | 6,756,221 | 64,339 | - | - | - | (11,647) | 301,041 |
| Jan-19 | - | - | 33,376,073 | 278,134 | - | 23,235,149 | 10,140,925 | 87,943 | (38,529) | 1,940,945 | 1,902,416 | 1,065,626 | (29,785) | 1,035,840 | 6,507,578 | 62,553 | - | - | - | (11,647) | 299,255 |
| Feb-19 | - | - | 33,376,073 | 278,134 | - | 23,513,283 | 9,862,791 | 87,943 | (35,102) | 1,902,416 | 1,867,314 | 1,035,840 | (29,785) | 1,006,055 | 6,256,045 | 60,742 | - | - | - | (11,647) | 297,444 |
| Mar-19 | - | - | 33,376,073 | 278,134 | - | 23,791,417 | 9,584,657 | 87,943 | (31,307) | 1,867,314 | 1,836,006 | 1,006,055 | (29,785) | 976,269 | 6,000,902 | 58,901 | - | - | - | (11,647) | 295,602 |
| Apr-19 | - | - | 33,376,073 | 278,134 | - | 24,069,550 | 9,306,523 | 87,943 | (27,635) | 1,836,006 | 1,808,371 | 976,269 | (29,785) | 946,484 | 5,752,027 | 57,027 | - | - | - | (11,647) | 293,729 |
| May-19 | - | - | 33,376,073 | 278,134 | - | 24,347,684 | 9,028,389 | 87,943 | (23,841) | 1,808,371 | 1,784,531 | 946,484 | (29,785) | 916,699 | 5,499,414 | 55,121 | - | - | - | (11,647) | 291,823 |
| Jun-19 | - | - | 33,376,073 | 278,134 | - | 24,625,818 | 8,750,255 | 87,943 | (20,168) | 1,784,531 | 1,764,362 | 916,699 | (29,785) | 886,913 | 5,243,070 | 53,184 | - | - | - | (11,647) | 289,886 |
| Jul-19 | - | - | 33,376,073 | 278,134 | - | 24,903,952 | 8,472,121 | 87,943 | (16,374) | 1,764,362 | 1,747,989 | 886,913 | (29,785) | 857,128 | 5,000,992 | 51,214 | - | - | - | (11,647) | 287,916 |
| Aug-19 | - | - | 33,376,073 | 278,134 | - | 25,182,086 | 8,193,987 | 87,943 | (12,579) | 1,747,989 | 1,735,409 | 857,128 | (29,785) | 827,342 | 4,759,120 | 49,212 | - | - | - | (11,647) | 285,914 |
| Sep-19 | - | - | 33,376,073 | 278,134 | - | 25,460,220 | 7,915,853 | 87,943 | (8,907) | 1,735,409 | 1,726,502 | 827,342 | (29,785) | 797,557 | 4,511,515 | 47,179 | - | - | - | (11,647) | 283,881 |
| Annual Summary | | | | | | | | | | | | | | | | | | | | | |
| 2009 | 1,028,693 | - | 1,028,693 | 8,572 | - | 8,572 | 1,020,120 | 102,869 | 200,760 | - | 200,760 | - | - | - | 409,680 | 4,624 | - | - | 32,446 | - | 45,643 |
| 2010 | 3,729,624 | - | 4,758,317 | 243,550 | - | 252,122 | 4,506,195 | 3,085,561 | 999,047 | 868,331 | 1,199,807 | - | - | - | 3,373,182 | 228,160 | 302,448 | 272,264 | 1,047,888 | - | 1,489,414 |
| 2011 | 10,428,442 | - | 15,186,759 | 996,496 | - | 1,248,618 | 13,938,141 | 9,398,337 | 3,431,827 | 3,672,784 | 4,631,634 | - | - | - | 9,336,330 | 812,155 | 911,584 | 1,423,794 | 3,626,333 | - | 5,947,193 |
| 2012 | 11,208,576 | - | 26,395,336 | 2,229,151 | - | 3,477,769 | 22,917,567 | 5,962,283 | 1,438,889 | 5,764,082 | 6,070,523 | - | - | - | 16,954,569 | 1,738,837 | 2,439,227 | 2,271,655 | 4,111,636 | - | 7,912,052 |
| 2013 | 6,115,220 | - | 32,510,556 | 2,931,223 | - | 6,408,992 | 26,101,563 | 4,538,172 | 655,837 | 6,486,879 | 6,726,361 | - | - | - | 19,452,400 | 2,158,093 | 7,080,544 | 2,240,955 | 4,587,438 | - | 4,837,165 |
| 2014 | 1,722,825 | - | 34,233,381 | 3,287,216 | - | 9,696,209 | 24,537,172 | 2,650,838 | (324,102) | 6,416,288 | 6,402,259 | - | - | - | 18,267,311 | 2,188,265 | 7,587,129 | 1,483,579 | 3,139,164 | - | 2,511,095 |
| 2015 | (857,308) | - | 33,376,073 | 3,248,022 | - | 12,944,231 | 20,431,843 | 1,174,393 | (696,240) | 5,759,077 | 5,706,019 | - | - | - | 14,838,362 | 1,816,611 | 5,112,817 | 1,056,359 | 2,137,395 | - | 3,145,570 |
| 2016 | - | - | 33,376,073 | 3,337,607 | - | 16,281,838 | 17,094,236 | 1,311,895 | (794,665) | 4,963,803 | 4,911,354 | - | - | - | 12,295,724 | 1,596,184 | 4,981,139 | 1,009,052 | 929,803 | - | 1,891,508 |
| 2017 | - | - | 33,376,073 | 3,337,598 | - | 19,619,436 | 13,756,638 | 1,085,954 | (464,100) | 4,052,744 | 3,993,668 | - | - | - | 9,872,494 | 1,285,992 | 4,689,724 | 943,409 | 682,222 | - | 1,559,497 |
| 2018 | - | - | 33,376,073 | 3,337,579 | - | 22,957,015 | 10,419,059 | 1,124,830 | (337,974) | 1,981,827 | 1,940,945 | 1,095,411 | (351,929) | 1,065,626 | 7,516,221 | 862,611 | 1,762,967 | - | 1,001,112 | (137,609) | 2,948,797 |
| 2019 | - | - | 33,376,073 | 3,329,035 | - | 26,286,050 | 7,090,024 | 1,055,312 | (350,733) | 1,342,057 | 1,301,705 | 739,078 | (355,706) | 709,920 | 5,178,425 | 633,288 | - | - | - | (139,086) | 3,467,530 |
| Oct 2018 - Sep 2019 | - | - | - | 3,337,607 | - | - | - | 1,072,691 | - | - | - | - | (619,998) | - | 692,279 | - | - | - | - | (242,428) | 3,167,460 |

(Prev Col 7 - Col 10) / 2

Col 11 Monthly Pre Tax WACC

Program Assumption

Program Assumption

Program Assumption

Col 4 + Col 5 + Col 12 - Col 13 + Col 14 + Col 15

**Demand Response Program
Small Commercial A/C Cycling Revenue Requirements Calculation**

Schedule SS-DR-2b(Request)

(\$'s unless otherwise noted)

Actual data through March 2018

| | |
|----------------------|----------|
| Annual Pre-Tax WACC | 10.2721% |
| Monthly Pre-Tax WACC | 0.8560% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (10a) | (11) | (12) | (13) | (14) | (15) | (18) | (19) | (20) | (21) | (22) |
|-----------------------------|--------------------|----------------------|-------------|------------------------------------------------|----------------------|--------------------------|-----------|------------------|---------------------|-------------------------------------------|----------------------------------------|------------------------------------------------|----------------------------------|---------------------------------------------|------------------------|--------------------|----------------------------------|---------------------|----------------------|-------------------------------------------|----------------------|
| | Program Investment | Capitalized IT Costs | Gross Plant | Program Investment Amortization / Depreciation | IT Cost Amortization | Accumulated Amortization | Net Plant | Tax Depreciation | Deferred Income Tax | Beginning Accumulated Deferred Income Tax | Ending Accumulated Deferred Income Tax | Prorated Excess Deferred Tax Beginning Balance | Excess Deferred Tax Flow Through | Prorated Excess Deferred Tax Ending Balance | Average Net Investment | Return Requirement | DR Revenue Credited to Customers | Customer Incentives | Administrative costs | Excess Deferred Tax Flow Through Gross-up | Revenue Requirements |
| Monthly Calculations | | | | | | | | | | | | | | | | | | | | | |
| Oct-17 | - | - | 331,620 | 2,763 | - | 185,715 | 145,905 | 819 | (734) | 44,012 | 43,278 | - | - | - | 103,641 | 1,024 | 5,280 | 8 | 2,156 | - | 671 |
| Nov-17 | - | - | 331,620 | 2,763 | - | 188,478 | 143,141 | 819 | (674) | 43,278 | 42,604 | - | - | - | 101,582 | 1,003 | 5,109 | - | 23,202 | - | 21,859 |
| Dec-17 | - | - | 331,620 | 2,763 | - | 191,242 | 140,378 | 819 | (612) | 42,604 | 41,992 | - | - | - | 99,462 | 982 | 5,280 | - | 5,821 | - | 4,286 |
| Jan-18 | - | - | 331,620 | 2,765 | - | 194,007 | 137,613 | 870 | (381) | 27,053 | 26,672 | 14,939 | - | 14,939 | 97,195 | 832 | 5,280 | - | 2,576 | - | 893 |
| Feb-18 | - | - | 331,620 | 2,765 | - | 196,771 | 134,848 | 870 | (347) | 26,672 | 26,325 | 14,939 | - | 14,939 | 94,794 | 811 | 4,768 | - | 9,623 | - | 8,431 |
| Mar-18 | - | - | 331,620 | 2,765 | - | 199,536 | 132,084 | 870 | (308) | 26,325 | 26,017 | 14,939 | - | 14,939 | 92,356 | 791 | 5,280 | - | 3,432 | - | 1,707 |
| Apr-18 | - | - | 331,620 | 2,763 | - | 202,299 | 129,320 | 870 | (271) | 26,017 | 25,746 | 14,939 | - | 14,939 | 89,881 | 769 | 5,926 | - | 2,186 | - | (207) |
| May-18 | - | - | 331,620 | 2,763 | - | 205,063 | 126,557 | 870 | (232) | 25,746 | 25,514 | 14,939 | - | 14,939 | 87,369 | 748 | 6,124 | - | 2,186 | - | (426) |
| Jun-18 | - | - | 331,620 | 2,763 | - | 207,826 | 123,793 | 870 | (195) | 25,514 | 25,319 | 14,939 | - | 14,939 | 84,819 | 726 | - | - | 2,186 | - | 5,676 |
| Jul-18 | - | - | 331,620 | 2,763 | - | 210,590 | 121,030 | 870 | (156) | 25,319 | 25,163 | 14,939 | - | 14,939 | 82,232 | 704 | - | - | 2,186 | - | 5,654 |
| Aug-18 | - | - | 331,620 | 2,763 | - | 213,353 | 118,266 | 870 | (118) | 25,163 | 25,045 | 14,939 | - | 14,939 | 79,605 | 681 | - | - | - | - | 3,445 |
| Sep-18 | - | - | 331,620 | 2,763 | - | 216,117 | 115,503 | 870 | (81) | 25,045 | 24,964 | 14,939 | - | 14,939 | 76,941 | 659 | - | - | - | - | 3,422 |
| Oct-18 | - | - | 331,620 | 2,763 | - | 218,880 | 112,739 | 870 | (495) | 21,898 | 21,403 | 14,939 | (3,018) | 11,920 | 79,040 | 677 | - | - | - | (1,180) | (759) |
| Nov-18 | - | - | 331,620 | 2,763 | - | 221,644 | 109,976 | 870 | (458) | 21,403 | 20,945 | 11,920 | (302) | 11,618 | 78,414 | 671 | - | - | - | (118) | 3,015 |
| Dec-18 | - | - | 331,620 | 2,763 | - | 224,407 | 107,212 | 870 | (419) | 20,945 | 20,526 | 11,618 | (304) | 11,314 | 76,392 | 654 | - | - | - | (119) | 2,994 |
| Jan-19 | - | - | 331,620 | 2,763 | - | 227,171 | 104,449 | 837 | (389) | 20,526 | 20,137 | 11,314 | (304) | 11,010 | 74,337 | 636 | - | - | - | (119) | 2,976 |
| Feb-19 | - | - | 331,620 | 2,763 | - | 229,934 | 101,685 | 837 | (354) | 20,137 | 19,783 | 11,010 | (304) | 10,705 | 72,249 | 618 | - | - | - | (119) | 2,959 |
| Mar-19 | - | - | 331,620 | 2,763 | - | 232,698 | 98,922 | 837 | (315) | 19,783 | 19,468 | 10,705 | (304) | 10,401 | 70,124 | 600 | - | - | - | (119) | 2,940 |
| Apr-19 | - | - | 331,620 | 2,763 | - | 235,461 | 96,158 | 837 | (277) | 19,468 | 19,191 | 10,401 | (304) | 10,097 | 67,962 | 582 | - | - | - | (119) | 2,922 |
| May-19 | - | - | 331,620 | 2,763 | - | 238,225 | 93,395 | 837 | (239) | 19,191 | 18,952 | 10,097 | (304) | 9,792 | 65,761 | 563 | - | - | - | (119) | 2,903 |
| Jun-19 | - | - | 331,620 | 2,763 | - | 240,988 | 90,631 | 837 | (201) | 18,952 | 18,751 | 9,792 | (304) | 9,488 | 63,521 | 544 | - | - | - | (119) | 2,884 |
| Jul-19 | - | - | 331,620 | 2,763 | - | 243,752 | 87,868 | 837 | (162) | 18,751 | 18,589 | 9,488 | (304) | 9,184 | 61,244 | 524 | - | - | - | (119) | 2,864 |
| Aug-19 | - | - | 331,620 | 2,763 | - | 246,515 | 85,104 | 837 | (124) | 18,589 | 18,465 | 9,184 | (304) | 8,879 | 58,928 | 504 | - | - | - | (119) | 2,845 |
| Sep-19 | - | - | 331,620 | 2,763 | - | 249,279 | 82,341 | 837 | (86) | 18,465 | 18,379 | 8,879 | (304) | 8,575 | 56,574 | 484 | - | - | - | (119) | 2,824 |

| | Program Assumption | Program Assumption | Prior Month + (Col 1 + Col 2) | 1/120 of each Prior 120 Months from Col 1 (10 year depreciation) | 1/60 of Each Prior 60 Months of Col 2 (5 year amortization) | Prior Month + (Col 4 + Col 5) | Col 3 - Col 6 | See WP-SS-DR-1.xls 'AmortSmCAC' wksht | See WP-SS-DR-1.xls 'Taxes-C' wksht | See WP-SS-DR-1.xls 'Taxes-C' wksht | See WP-SS-DR-1.xls 'Taxes-C' wksht | (Prev Col 7 - Col 10 + Col 7 - Col 10a) / 2 | Col 11 Monthly Pre Tax WACC | Program Assumption | Program Assumption | Program Assumption | Col 4 + Col 5 + Col 12 - Col 13 + Col 14 + Col 15 | | | | |
|----------------------------|--------------------|--------------------|-------------------------------|------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------|---------------|---------------------------------------|------------------------------------|------------------------------------|------------------------------------|---------------------------------------------|-----------------------------|--------------------|--------------------|--------------------|---------------------------------------------------|---|---------|---------|--------|
| Annual Summary | | | | | | | | | | | | | | | | | | | | | |
| 2009 | - | - | - | 141 | - | - | - | - | - | - | - | - | - | - | - | - | 6,254 | - | 6,254 | | |
| 2010 | 4,513 | - | 4,513 | 141 | - | 141 | 4,372 | 3,878 | 3,025 | 1,969 | - | - | 1,977 | 113 | - | - | 145,466 | - | 145,719 | | |
| 2011 | 145,424 | - | 149,936 | 4,916 | - | 5,056 | 144,880 | 126,807 | 98,646 | 48,610 | - | - | 59,385 | 3,883 | - | 6,580 | 474,277 | - | 489,656 | | |
| 2012 | 129,012 | - | 278,948 | 23,992 | - | 29,049 | 249,900 | 66,493 | 33,307 | 71,455 | - | - | 179,371 | 19,350 | 28,960 | 33,435 | 430,229 | - | 478,046 | | |
| 2013 | 38,962 | - | 317,900 | 30,058 | - | 59,107 | 258,793 | 35,267 | 2,589 | 70,368 | - | - | 187,121 | 22,343 | 103,210 | 27,653 | 249,568 | - | 226,412 | | |
| 2014 | 13,719 | - | 331,620 | 32,652 | - | 91,759 | 239,860 | 23,748 | (8,305) | 66,692 | - | - | 174,444 | 21,645 | 110,594 | 38,635 | 79,408 | - | 61,746 | | |
| 2015 | - | - | 331,620 | 33,161 | - | 124,920 | 206,699 | 15,066 | (15,095) | 59,112 | - | - | 149,598 | 18,969 | 74,527 | 38,205 | 165,901 | - | 181,708 | | |
| 2016 | - | - | 331,620 | 33,161 | - | 158,081 | 173,539 | 12,062 | (14,486) | 52,049 | - | - | 123,144 | 16,402 | 72,608 | 36,225 | 59,508 | - | 72,688 | | |
| 2017 | - | - | 331,620 | 33,161 | - | 191,242 | 140,378 | 9,828 | (4,810) | 42,604 | - | - | 99,462 | 12,912 | 68,360 | 32,993 | 75,061 | - | 85,766 | | |
| 2018 | - | - | 331,620 | 33,166 | - | 224,407 | 107,212 | 10,436 | (3,462) | 20,945 | 11,618 | (3,625) | 11,314 | 76,392 | 8,723 | 27,378 | 24,376 | - | (1,417) | 33,845 | |
| 2019 | - | - | 331,620 | 33,162 | - | 257,569 | 74,050 | 10,049 | (3,546) | 14,458 | 7,966 | (3,653) | 7,661 | 53,374 | 6,478 | - | - | - | (1,429) | 34,558 | |
| Oct 2018 - Sep 2019 | - | - | - | 33,162 | - | - | - | 10,146 | - | - | - | (6,364) | - | - | - | 7,058 | - | - | - | (2,488) | 31,368 |

PSE&G DR Program
Electric (Over)/Under Calculation

| Existing / Proposed DR Rate (w/o SUT) | -0.000085 (98) | -0.000085 (99) | -0.000085 (100) | -0.000085 (101) | -0.000085 (102) | -0.000085 (103) | -0.000085 (104) |
|-------------------------------------------------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <u>GPRC DR (Over)/Under Calculation (\$000)</u> | <u>Sep-17</u> | <u>Oct-17</u> | <u>Nov-17</u> | <u>Dec-17</u> | <u>Jan-18</u> | <u>Feb-18</u> | <u>Mar-18</u> |
| (1) DR GPRC Revenue | (293.5) | (264.9) | (248.7) | (297.3) | (307.3) | (261.0) | (273.3) |
| (2) Revenue Requirements | <u>304.0</u> | <u>121.4</u> | <u>90.9</u> | <u>59.6</u> | <u>29.3</u> | <u>92.4</u> | <u>48.8</u> |
| (3) Monthly (Over)/Under Recovery | 611.2 | 393.7 | 346.9 | 371.5 | 330.9 | 350.3 | 321.9 |
| (4) Deferred Balance | (3,623.3) | (3,229.6) | (2,882.7) | (2,511.2) | (2,180.3) | (1,830.0) | (1,508.1) |
| (5) Monthly Interest Rate | 0.09417% | 0.09417% | 0.09417% | 0.11833% | 0.11833% | 0.11833% | 0.14583% |
| (6) After Tax Monthly Interest Expense/(Credit) | (2.188) | (1.909) | (1.702) | (1.888) | (1.996) | (1.706) | (1.750) |
| (7) Cumulative Interest | (20.2) | (22.1) | (23.8) | (25.6) | (27.6) | (29.4) | (31.1) |
| (8) Balance Added to Subsequent Year's Revenue Requirements | (3,643.5) | (3,251.7) | (2,906.5) | (2,536.8) | (2,208.0) | (1,859.4) | (1,539.2) |
| (9) Net Sales - kWh (000) | | | | | | | |
| (10) Average Net of Tax Deferred Balance | (2,324.0) | (2,026.8) | (1,807.7) | (1,595.2) | (1,686.4) | (1,441.5) | (1,199.9) |
| (11) Securitization (Over) / Under Collection | | | | | | | |

PSE&G DR Program
Electric (Over)/Under Calculation

| Existing / Proposed DR Rate (w/o SUT) | -0.000085 (105) | -0.000085 (106) | -0.000085 (107) | -0.000085 (108) | -0.000085 (109) | -0.000085 (110) | 0.000140 (111) |
|-----------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| <u>GPRC DR (Over)/Under Calculation (\$000)</u> | <u>Apr-18</u> | <u>May-18</u> | <u>Jun-18</u> | <u>Jul-18</u> | <u>Aug-18</u> | <u>Sep-18</u> | <u>Oct-18</u> |
| (1) DR GPRC Revenue | (237.9) | (266.6) | (318.1) | (375.7) | (367.4) | (287.9) | 449.7 |
| (2) Revenue Requirements | <u>220.7</u> | <u>206.7</u> | <u>572.1</u> | <u>569.8</u> | <u>348.9</u> | <u>346.6</u> | <u>(63.3)</u> |
| (3) Monthly (Over)/Under Recovery | 458.6 | 473.3 | 890.2 | 945.5 | 716.3 | 634.5 | (513.0) |
| (4) Deferred Balance | (1,049.5) | (576.2) | 314.0 | 1,259.5 | 1,975.8 | 2,610.3 | 2,068.8 |
| (5) Monthly Interest Rate | 0.14583% | 0.14583% | 0.14583% | 0.14583% | 0.14583% | 0.14583% | 0.14583% |
| (6) After Tax Monthly Interest Expense/(Credit) | (1.341) | (0.852) | (0.137) | 0.825 | 1.696 | 2.404 | 2.453 |
| (7) Cumulative Interest Balance Added to Subsequent Year's Revenue | (32.4) | (33.3) | (33.4) | (32.6) | (30.9) | (28.5) | 2.5 |
| (8) Requirements | (1,081.9) | (609.5) | 280.5 | 1,226.9 | 1,944.9 | 2,581.8 | 2,071.3 |
| (9) Net Sales - kWh (000) | 2,799,280 | 3,136,419 | 3,741,971 | 4,419,978 | 4,322,158 | 3,386,507 | 3,211,905 |
| (10) Average Net of Tax Deferred Balance | (919.3) | (584.3) | (94.3) | 565.6 | 1,162.9 | 1,648.5 | 1,681.9 |
| (11) Securitization (Over) / Under Collection | | | | | | | |

PSE&G DR Program
Electric (Over)/Under Calculation

| Existing / Proposed DR Rate (w/o SUT) | 0.000140 (112) | 0.000140 (113) | 0.000140 (114) | 0.000140 (115) | 0.000140 (116) | 0.000140 (117) | 0.000140 (118) |
|-------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <u>GPRC DR (Over)/Under Calculation (\$000)</u> | <u>Nov-18</u> | <u>Dec-18</u> | <u>Jan-19</u> | <u>Feb-19</u> | <u>Mar-19</u> | <u>Apr-19</u> | <u>May-19</u> |
| (1) DR GPRC Revenue | 404.5 | 472.0 | 490.9 | 441.2 | 462.4 | 400.7 | 425.7 |
| (2) Revenue Requirements | <u>306.5</u> | <u>304.0</u> | <u>302.2</u> | <u>300.4</u> | <u>298.5</u> | <u>296.7</u> | <u>294.7</u> |
| (3) Monthly (Over)/Under Recovery | (98.0) | (168.0) | (188.7) | (140.8) | (163.9) | (104.0) | (130.9) |
| (4) Deferred Balance | 1,970.9 | 1,802.9 | 1,614.2 | 1,473.4 | 1,309.5 | 1,205.5 | 1,074.6 |
| (5) Monthly Interest Rate | 0.14583% | 0.14583% | 0.14583% | 0.14583% | 0.14583% | 0.14583% | 0.14583% |
| (6) After Tax Monthly Interest Expense/(Credit) | 2.118 | 1.978 | 1.791 | 1.618 | 1.459 | 1.318 | 1.195 |
| (7) Cumulative Interest | 4.6 | 6.5 | 8.3 | 10.0 | 11.4 | 12.7 | 13.9 |
| (8) Balance Added to Subsequent Year's Revenue Requirements | 1,975.4 | 1,809.4 | 1,622.5 | 1,483.3 | 1,320.9 | 1,218.2 | 1,088.5 |
| (9) Net Sales - kWh (000) | 2,889,032 | 3,371,442 | 3,506,694 | 3,151,603 | 3,302,882 | 2,861,867 | 3,040,395 |
| (10) Average Net of Tax Deferred Balance | 1,452.1 | 1,356.5 | 1,228.3 | 1,109.8 | 1,000.3 | 904.0 | 819.6 |
| (11) Securitization (Over) / Under Collection | | | | | | | |

PSE&G DR Program
Electric (Over)/Under Calculation

| Existing / Proposed DR Rate (w/o SUT) | | 0.000140 (119) | 0.000140 (120) | 0.000140 (121) | 0.000140 (122) | |
|--------------------------------------------------------|---------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|----------------------------------------------------|
| <u>GPRC DR (Over)/Under Calculation (\$000)</u> | | <u>Jun-19</u> | <u>Jul-19</u> | <u>Aug-19</u> | <u>Sep-19</u> | |
| (1) | DR GPRC Revenue | 534.5 | 625.1 | 608.3 | 481.5 | DR Rate * Row 9 |
| (2) | Revenue Requirements | <u>292.8</u> | <u>290.8</u> | <u>288.8</u> | <u>286.7</u> | From SS-2, Col 20 |
| (3) | Monthly (Over)/Under Recovery | (241.8) | (334.3) | (319.5) | (194.8) | Row 2 - Row 1 |
| (4) | Deferred Balance | 832.8 | 498.5 | 179.0 | (15.8) | Prev Row 4 + Row 3 |
| (5) | Monthly Interest Rate | 0.14583% | 0.14583% | 0.14583% | 0.14583% | Annual Interest Rate / 12 |
| (6) | After Tax Monthly Interest Expense/(Credit) | 1.000 | 0.698 | 0.355 | 0.086 | (Prev Row 4 + Row 4) / 2 (1 - Tax Rate) * Row 5 |
| (7) | Cumulative Interest | 14.9 | 15.6 | 16.0 | 16.1 | Prev Row 7 + Row 6 |
| (8) | Balance Added to Subsequent Year's Revenue Requirements | 847.7 | 514.1 | 195.0 | 0.3 | Row 4 + Row 7 + 11 |
| (9) | Net Sales - kWh (000) | 3,818,180 | 4,464,658 | 4,345,063 | 3,439,210 | |
| (10) | Average Net of Tax Deferred Balance | 685.6 | 478.5 | 243.5 | 58.6 | (Prev Row 4 + Row 4) / 2 * (1 - Tax Rate) |
| (11) | Securitization (Over) / Under Collection | | | | | |

PSE&G Demand Response Program

Proposed Rate Calculations

(\$'s Unless Specified)

Schedule SS-DR-1(Notice)

Actual results through March 2018

SUT Rate 6.625%

| <u>Line</u> | <u>Date(s)</u> | | <u>Electric</u> | <u>Source/Description</u> |
|-------------|------------------------|--------------------------------------------|-----------------|-----------------------------------|
| 1 | Oct 2018 - Sep 2019 | Revenue Requirements | 9,749,464 | SS-DR-2, Col 22 |
| 2 | Sep-18 | (Over) / Under Recovered Balance | 2,610,275 | SS-DR-3, Line 4, Col 110 |
| 3 | Sep-18 | Cumulative Interest Exp / (Credit) | <u>(28,506)</u> | SS-DR-3, Line 7, Col 110 |
| 4 | Oct 2018 - Sep 2019 | Total Target Rate Revenue | 12,331,233 | Line 1 + Line 2 + Line 3 |
| 5 | Oct 2018 - Sep 2019 | Forecasted kWh (000) | 41,402,930 | |
| 6 | | Calculated Rate w/o SUT (\$/kWh) | 0.000298 | (Line 4 / (Line 5*1,000)) [Rnd 6] |
| 7 | | Public Notice Rate w/o SUT (\$/kWh) | 0.000298 | Line 6 |
| 8 | | Existing Rate w/o SUT (\$/kWh) | (0.000085) | |
| 9 | | Proposed Rate w/o SUT (\$/kWh) | 0.000298 | Line 6 |
| 10 | | Proposed Rate w/ SUT (\$/kWh) | 0.000318 | (Line 9 * (1 + SUT Rate)) [Rnd 6] |
| 11 | | Difference in Proposed and Previous Rate | 0.000383 | (Line 9 - Line 8) |
| 12 | | Resultant DR Revenue Increase / (Decrease) | 15,857,322 | (Line 5 * Line 11 * 1,000) |

PSE&G Demand Response Program (Res AC & Small Comm. Cycling Only)

Revenue Requirements Summary

(\$'s unless otherwise noted)

Actual data through March 2018

| | |
|----------------------|----------|
| Annual Pre-Tax WACC | 10.2721% |
| Monthly Pre-Tax WACC | 0.8560% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (10a) | (11) | (12) | (13) | (14) |
|-----------------------------|---------------------|----------------------|---------------------|------------------------------------------------|----------------------|--------------------------|---------------------|---------------------|---------------------|-------------------------------------------|----------------------------------------|------------------------------------------------|----------------------------------|---------------------------------------------|------------------------|
| | Program Investment | Capitalized IT Costs | Gross Plant | Program Investment Amortization / Depreciation | IT Cost Amortization | Accumulated Amortization | Net Plant | Tax Depreciation | Deferred Income Tax | Beginning Accumulated Deferred Income Tax | Ending Accumulated Deferred Income Tax | Prorated Excess Deferred Tax Beginning Balance | Excess Deferred Tax Flow Through | Prorated Excess Deferred Tax Ending Balance | Average Net Investment |
| Monthly Calculations | | | | | | | | | | | | | | | |
| Oct-17 | - | - | 33,707,693 | 280,897 | - | 19,248,892 | 14,458,801 | 91,315 | (71,592) | 4,232,678 | 4,161,086 | - | - | - | 10,402,367 |
| Nov-17 | - | - | 33,707,693 | 280,897 | - | 19,529,790 | 14,177,903 | 91,315 | (65,739) | 4,161,086 | 4,095,348 | - | - | - | 10,190,135 |
| Dec-17 | - | - | 33,707,693 | 280,888 | - | 19,810,677 | 13,897,016 | 91,315 | (59,688) | 4,095,348 | 4,035,660 | - | - | - | 9,971,956 |
| Jan-18 | - | - | 33,707,693 | 280,889 | - | 20,091,567 | 13,616,126 | 94,605 | (37,531) | 2,603,166 | 2,565,636 | 1,432,493 | - | 1,432,493 | 9,739,676 |
| Feb-18 | - | - | 33,707,693 | 280,889 | - | 20,372,456 | 13,335,237 | 94,605 | (34,126) | 2,565,636 | 2,531,510 | 1,432,493 | - | 1,432,493 | 9,484,615 |
| Mar-18 | - | - | 33,707,693 | 280,889 | - | 20,653,345 | 13,054,348 | 94,605 | (30,357) | 2,531,510 | 2,501,153 | 1,432,493 | - | 1,432,493 | 9,245,968 |
| Apr-18 | - | - | 33,707,693 | 280,897 | - | 20,934,243 | 12,773,450 | 94,605 | (26,711) | 2,501,153 | 2,474,442 | 1,432,493 | - | 1,432,493 | 8,993,608 |
| May-18 | - | - | 33,707,693 | 280,897 | - | 21,215,140 | 12,492,553 | 94,605 | (22,941) | 2,474,442 | 2,451,501 | 1,432,493 | - | 1,432,493 | 8,737,536 |
| Jun-18 | - | - | 33,707,693 | 280,897 | - | 21,496,038 | 12,211,655 | 94,605 | (19,293) | 2,451,501 | 2,432,208 | 1,432,493 | - | 1,432,493 | 8,477,756 |
| Jul-18 | - | - | 33,707,693 | 280,897 | - | 21,776,935 | 11,930,758 | 94,605 | (15,524) | 2,432,208 | 2,416,684 | 1,432,493 | - | 1,432,493 | 8,214,267 |
| Aug-18 | - | - | 33,707,693 | 280,897 | - | 22,057,832 | 11,649,861 | 94,605 | (11,755) | 2,416,684 | 2,404,929 | 1,432,493 | - | 1,432,493 | 7,947,009 |
| Sep-18 | - | - | 33,707,693 | 280,897 | - | 22,338,730 | 11,368,963 | 94,605 | (8,107) | 2,404,929 | 2,396,822 | 1,432,493 | - | 1,432,493 | 7,676,043 |
| Oct-18 | - | - | 33,707,693 | 947,414 | - | 23,286,143 | 10,421,549 | 325,878 | (162,732) | 2,096,562 | 1,933,830 | 1,432,493 | (119,374) | 1,313,119 | 7,507,254 |
| Nov-18 | - | - | 33,707,693 | 947,414 | - | 24,233,557 | 9,474,136 | 325,878 | (150,750) | 1,933,830 | 1,783,080 | 1,313,119 | (119,374) | 1,193,745 | 6,835,956 |
| Dec-18 | - | - | 33,707,693 | 947,414 | - | 25,180,971 | 8,526,722 | 325,878 | (138,369) | 1,783,080 | 1,644,711 | 1,193,745 | (119,374) | 1,074,370 | 6,152,476 |
| Jan-19 | - | - | 33,707,693 | 947,414 | - | 26,128,384 | 7,579,309 | 325,878 | (125,988) | 1,644,711 | 1,518,722 | 1,074,370 | (119,374) | 954,996 | 5,456,616 |
| Feb-19 | - | - | 33,707,693 | 947,414 | - | 27,075,798 | 6,631,895 | 325,878 | (114,806) | 1,518,722 | 1,403,917 | 954,996 | (119,374) | 835,621 | 4,748,974 |
| Mar-19 | - | - | 33,707,693 | 947,414 | - | 28,023,211 | 5,684,482 | 325,878 | (102,425) | 1,403,917 | 1,301,492 | 835,621 | (119,374) | 716,247 | 4,029,550 |
| Apr-19 | - | - | 33,707,693 | 947,414 | - | 28,970,625 | 4,737,068 | 325,878 | (90,443) | 1,301,492 | 1,211,049 | 716,247 | (119,374) | 596,872 | 3,297,945 |
| May-19 | - | - | 33,707,693 | 947,414 | - | 29,918,039 | 3,789,654 | 325,878 | (78,062) | 1,211,049 | 1,132,987 | 596,872 | (119,374) | 477,498 | 2,554,158 |
| Jun-19 | - | - | 33,707,693 | 947,414 | - | 30,865,452 | 2,842,241 | 325,878 | (66,080) | 1,132,987 | 1,066,907 | 477,498 | (119,374) | 358,123 | 1,798,190 |
| Jul-19 | - | - | 33,707,693 | 947,414 | - | 31,812,866 | 1,894,827 | 325,878 | (53,699) | 1,066,907 | 1,013,207 | 358,123 | (119,374) | 238,749 | 1,030,041 |
| Aug-19 | - | - | 33,707,693 | 947,414 | - | 32,760,279 | 947,414 | 325,878 | (41,318) | 1,013,207 | 971,889 | 238,749 | (119,374) | 119,374 | 249,511 |
| Sep-19 | - | - | 33,707,693 | 947,414 | - | 33,707,693 | - | 325,878 | (29,337) | 971,889 | - | 119,374 | (119,374) | 0 | (71,925) |
| | | | | | | | | | | | | | | | |
| | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs |
| Annual Summary | | | | | | | | | | | | | | | |
| 2009 | 1,028,693 | - | 1,028,693 | 8,572 | - | 8,572 | 1,020,120 | 102,869 | 200,760 | - | 200,760 | - | - | - | 409,680 |
| 2010 | 3,734,136 | - | 4,762,829 | 243,690 | - | 252,263 | 4,510,566 | 3,089,439 | 1,002,072 | 870,300 | 1,202,680 | - | - | - | 3,375,159 |
| 2011 | 10,573,865 | - | 15,336,695 | 1,001,411 | - | 1,253,674 | 14,083,020 | 9,525,145 | 3,530,473 | 3,721,394 | 4,723,510 | - | - | - | 9,395,716 |
| 2012 | 11,337,590 | - | 26,674,285 | 2,253,144 | - | 3,506,818 | 23,167,467 | 6,028,776 | 1,472,196 | 5,835,537 | 6,146,419 | - | - | - | 17,133,941 |
| 2013 | 6,154,171 | - | 32,828,456 | 2,961,282 | - | 6,468,099 | 26,360,356 | 4,573,439 | 658,426 | 6,557,247 | 6,799,063 | - | - | - | 19,639,521 |
| 2014 | 1,736,545 | - | 34,565,000 | 3,319,868 | - | 9,787,968 | 24,777,033 | 2,674,587 | (332,406) | 6,482,980 | 6,468,712 | - | - | - | 18,441,755 |
| 2015 | (857,308) | - | 33,707,693 | 3,281,183 | - | 13,069,151 | 20,638,542 | 1,189,459 | (711,335) | 5,818,189 | 5,763,873 | - | - | - | 14,987,960 |
| 2016 | - | - | 33,707,693 | 3,370,768 | - | 16,439,919 | 17,267,774 | 1,323,957 | (809,151) | 5,015,852 | 4,962,857 | - | - | - | 12,418,868 |
| 2017 | - | - | 33,707,693 | 3,370,759 | - | 19,810,677 | 13,897,016 | 1,095,782 | (468,911) | 4,095,348 | 4,035,660 | - | - | - | 9,971,956 |
| 2018 | - | - | 33,707,693 | 5,370,293 | - | 25,180,971 | 8,526,722 | 1,829,085 | (658,196) | 1,783,080 | 1,644,711 | 1,193,745 | (358,123) | 1,074,370 | 6,152,476 |
| 2019 | - | - | 33,707,693 | 8,526,722 | - | 33,707,693 | - | 2,932,906 | (702,159) | - | - | 0 | (1,074,370) | 0 | (0) |
| Oct 2018 - Sep 2019 | - | - | - | 11,368,963 | - | - | - | 3,910,541 | - | - | - | - | (1,432,493) | - | - |

PSE&G Demand Response Program (Res AC & Small Comm. Cycling Only)

Schedule SS-DR-2(Notice)

Revenue Requirements Summary

Page 2 of 2

(\$'s unless otherwise noted)

Actual data through March 2018

| | |
|----------------------|----------|
| Annual Pre-Tax WACC | 10.2721% |
| Monthly Pre-Tax WACC | 0.8560% |

| | (15) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) |
|-----------------------------|------------------------------------|----------------------------------|---------------------|----------------------|-------------------------------------------|----------------------|------------------------------------|--------------------------------------|-----------------------------------------|----------------------------------------------------|
| | Return Requirement on Current WACC | DR Revenue Credited to Customers | Customer Incentives | Administrative costs | Excess Deferred Tax Flow Through Gross-up | Revenue Requirements | Legacy Res. A/C Cycling Incentives | Legacy Res. A/C Cycling Admin. Costs | Legacy DR Revenue Credited to Customers | Revenue Requirements w/ Incremental Return on WACC |
| Monthly Calculations | | | | | | | | | | |
| Oct-17 | 102,741 | 367,476 | 55,381 | 49,853 | - | 121,397 | - | - | - | 121,397 |
| Nov-17 | 100,645 | 355,637 | - | 64,974 | - | 90,879 | - | - | - | 90,879 |
| Dec-17 | 98,490 | 367,502 | - | 47,696 | - | 59,572 | - | - | - | 59,572 |
| Jan-18 | 83,372 | 367,497 | - | 32,570 | - | 29,334 | - | - | - | 29,334 |
| Feb-18 | 81,274 | 331,889 | - | 62,148 | - | 92,422 | - | - | - | 92,422 |
| Mar-18 | 79,145 | 367,488 | - | 56,235 | - | 48,782 | - | - | - | 48,782 |
| Apr-18 | 76,985 | 355,805 | - | 218,634 | - | 220,711 | - | - | - | 220,711 |
| May-18 | 74,793 | 367,666 | - | 218,634 | - | 206,659 | - | - | - | 206,659 |
| Jun-18 | 72,570 | - | - | 218,634 | - | 572,101 | - | - | - | 572,101 |
| Jul-18 | 70,314 | - | - | 218,634 | - | 569,845 | - | - | - | 569,845 |
| Aug-18 | 68,026 | - | - | - | - | 348,924 | - | - | - | 348,924 |
| Sep-18 | 65,707 | - | - | - | - | 346,604 | - | - | - | 346,604 |
| Oct-18 | 64,262 | - | - | - | (46,677) | 845,624 | - | - | - | 845,624 |
| Nov-18 | 58,516 | - | - | - | (46,677) | 839,878 | - | - | - | 839,878 |
| Dec-18 | 52,665 | - | - | - | (46,677) | 834,027 | - | - | - | 834,027 |
| Jan-19 | 46,709 | - | - | - | (46,677) | 828,071 | - | - | - | 828,071 |
| Feb-19 | 40,651 | - | - | - | (46,677) | 822,013 | - | - | - | 822,013 |
| Mar-19 | 34,493 | - | - | - | (46,677) | 815,855 | - | - | - | 815,855 |
| Apr-19 | 28,230 | - | - | - | (46,677) | 809,592 | - | - | - | 809,592 |
| May-19 | 21,864 | - | - | - | (46,677) | 803,226 | - | - | - | 803,226 |
| Jun-19 | 15,393 | - | - | - | (46,677) | 796,755 | - | - | - | 796,755 |
| Jul-19 | 8,817 | - | - | - | (46,677) | 790,179 | - | - | - | 790,179 |
| Aug-19 | 2,136 | - | - | - | (46,677) | 783,498 | - | - | - | 783,498 |
| Sep-19 | (616) | - | - | - | (46,677) | 780,746 | - | - | - | 780,746 |
| | - | - | - | - | - | - | - | - | - | - |
| | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Cumulative Programs | Program Assumption | | | | Program Assumption |
| Annual Summary | | | | | | | | | | |
| 2009 | 4,624 | - | - | 38,700 | - | 51,897 | - | - | - | 256,996 |
| 2010 | 228,273 | 302,448 | 272,264 | 1,193,353 | - | 1,635,133 | - | - | - | 2,173,699 |
| 2011 | 816,038 | 911,584 | 1,430,374 | 4,100,610 | - | 6,436,849 | - | - | - | 5,575,059 |
| 2012 | 1,758,186 | 2,468,187 | 2,305,090 | 4,541,864 | - | 8,390,097 | - | - | - | 7,937,004 |
| 2013 | 2,180,436 | 7,183,754 | 2,268,607 | 4,837,006 | - | 5,063,577 | - | - | - | 5,063,577 |
| 2014 | 2,209,910 | 7,697,723 | 1,522,214 | 3,218,572 | - | 2,572,841 | - | - | - | 2,572,841 |
| 2015 | 1,835,580 | 5,187,344 | 1,094,564 | 2,303,296 | - | 3,327,278 | - | - | - | 3,327,278 |
| 2016 | 1,612,586 | 5,053,747 | 1,045,277 | 989,311 | - | 1,964,195 | - | - | - | 1,964,195 |
| 2017 | 1,298,904 | 4,758,085 | 976,402 | 757,283 | - | 1,645,262 | - | - | - | 1,645,262 |
| 2018 | 847,630 | 1,790,345 | - | 1,025,488 | (140,031) | 4,954,911 | - | - | - | 4,954,911 |
| 2019 | 197,677 | - | - | - | (420,094) | 7,229,935 | - | - | - | 7,229,935 |
| Oct 2018 - Sep 2019 | 373,120 | - | - | - | (560,125) | 9,749,464 | - | - | - | 9,749,464 |

**Demand Response Program
Residential A/C Cycling Revenue Requirements Calculation**

Schedule SS-DR-2a(Notice)

(\$'s unless otherwise noted)

Actual data through March 2018

| | |
|----------------------|----------|
| Annual Pre-Tax WACC | 10.2721% |
| Monthly Pre-Tax WACC | 0.8560% |

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (10a) | (11) | (12) | (13) | (14) | (15) | (18) | (19) | (20) | (21) | (22) | |
|-----------------------------|----------------------|-------------|------------------------------------------------|----------------------|--------------------------|------------|------------------|---------------------|-------------------------------------------|----------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|------------------------|------------------------------------|----------------------------------|---------------------|----------------------|----------------------------------|----------------------|---------|
| Program Investment | Capitalized IT Costs | Gross Plant | Program Investment Amortization / Depreciation | IT Cost Amortization | Accumulated Amortization | Net Plant | Tax Depreciation | Deferred Income Tax | Beginning Accumulated Deferred Income Tax | Ending Accumulated Deferred Income Tax | Prorated Excess Deferred Tax Balance | Excess Deferred Tax Flow Through | Prorated Excess Deferred Tax Balance | Average Net Investment | Return Requirement on Current WACC | DR Revenue Credited to Customers | Customer Incentives | Administrative costs | Excess Deferred Tax Flow Through | Revenue Requirements | |
| Monthly Calculations | | | | | | | | | | | | | | | | | | | | | |
| Oct-17 | - | - | 33,376,073 | 278,134 | - | 19,063,177 | 14,312,896 | 90,496 | (70,857) | 4,188,666 | 4,117,808 | - | - | 10,298,726 | 101,717 | 362,196 | 55,373 | 47,698 | - | 120,726 | |
| Nov-17 | - | - | 33,376,073 | 278,134 | - | 19,341,311 | 14,034,762 | 90,496 | (65,065) | 4,117,808 | 4,052,744 | - | - | 10,088,553 | 99,642 | 350,527 | - | 41,771 | - | 69,020 | |
| Dec-17 | - | - | 33,376,073 | 278,125 | - | 19,619,436 | 13,756,638 | 90,496 | (59,076) | 4,052,744 | 3,993,668 | - | - | 9,872,494 | 97,508 | 362,222 | - | 41,875 | - | 55,285 | |
| Jan-18 | - | - | 33,376,073 | 278,125 | - | 19,897,560 | 13,478,513 | 93,736 | (37,149) | 2,576,114 | 2,538,964 | 1,417,555 | - | 9,642,482 | 82,540 | 362,217 | - | 29,994 | - | 28,442 | |
| Feb-18 | - | - | 33,376,073 | 278,125 | - | 20,175,685 | 13,200,389 | 93,736 | (33,780) | 2,538,964 | 2,505,185 | 1,417,555 | - | 9,399,822 | 80,462 | 327,121 | - | 52,525 | - | 83,991 | |
| Mar-18 | - | - | 33,376,073 | 278,125 | - | 20,453,809 | 12,922,264 | 93,736 | (30,049) | 2,505,185 | 2,475,136 | 1,417,555 | - | 9,153,611 | 78,355 | 362,209 | - | 52,803 | - | 47,074 | |
| Apr-18 | - | - | 33,376,073 | 278,134 | - | 20,731,943 | 12,644,130 | 93,736 | (26,440) | 2,475,136 | 2,448,696 | 1,417,555 | - | 8,903,726 | 76,216 | 349,879 | - | 216,447 | - | 220,918 | |
| May-18 | - | - | 33,376,073 | 278,134 | - | 21,010,077 | 12,365,996 | 93,736 | (22,709) | 2,448,696 | 2,425,987 | 1,417,555 | - | 8,650,167 | 74,045 | 361,542 | - | 216,447 | - | 207,085 | |
| Jun-18 | - | - | 33,376,073 | 278,134 | - | 21,288,211 | 12,087,862 | 93,736 | (19,098) | 2,425,987 | 2,406,889 | 1,417,555 | - | 8,392,937 | 71,844 | - | - | 216,447 | - | 566,425 | |
| Jul-18 | - | - | 33,376,073 | 278,134 | - | 21,566,345 | 11,809,728 | 93,736 | (15,368) | 2,406,889 | 2,391,521 | 1,417,555 | - | 8,132,036 | 69,610 | - | - | 216,447 | - | 564,191 | |
| Aug-18 | - | - | 33,376,073 | 278,134 | - | 21,844,479 | 11,531,594 | 93,736 | (11,637) | 2,391,521 | 2,379,884 | 1,417,555 | - | 7,867,404 | 67,345 | - | - | - | - | 345,479 | |
| Sep-18 | - | - | 33,376,073 | 278,134 | - | 22,122,613 | 11,253,460 | 93,736 | (8,026) | 2,379,884 | 2,371,858 | 1,417,555 | - | 7,599,101 | 65,048 | - | - | - | - | 343,182 | |
| Oct-18 | - | - | 33,376,073 | 937,788 | - | 23,060,401 | 10,315,672 | 322,745 | (161,033) | 2,074,664 | 1,913,631 | 1,417,555 | (118,130) | 1,299,425 | 7,431,929 | 63,617 | - | - | - | (46,190) | 837,086 |
| Nov-18 | - | - | 33,376,073 | 937,788 | - | 23,998,190 | 9,377,884 | 322,745 | (149,177) | 1,913,631 | 1,764,455 | 1,299,425 | (118,130) | 1,181,295 | 6,767,375 | 57,929 | - | - | - | (46,190) | 831,397 |
| Dec-18 | - | - | 33,376,073 | 937,788 | - | 24,935,978 | 8,440,095 | 322,745 | (136,925) | 1,764,455 | 1,627,529 | 1,181,295 | (118,130) | 1,063,166 | 6,090,767 | 52,137 | - | - | - | (46,190) | 825,605 |
| Jan-19 | - | - | 33,376,073 | 937,788 | - | 25,873,766 | 7,502,307 | 322,745 | (124,674) | 1,627,529 | 1,502,855 | 1,063,166 | (118,130) | 945,036 | 5,401,908 | 46,240 | - | - | - | (46,190) | 819,709 |
| Feb-19 | - | - | 33,376,073 | 937,788 | - | 26,811,555 | 6,564,519 | 322,745 | (113,609) | 1,502,855 | 1,389,247 | 945,036 | (118,130) | 826,907 | 4,701,390 | 40,244 | - | - | - | (46,190) | 813,712 |
| Mar-19 | - | - | 33,376,073 | 937,788 | - | 27,749,343 | 5,626,730 | 322,745 | (101,357) | 1,389,247 | 1,287,889 | 826,907 | (118,130) | 708,777 | 3,989,214 | 34,148 | - | - | - | (46,190) | 807,616 |
| Apr-19 | - | - | 33,376,073 | 937,788 | - | 28,687,131 | 4,688,942 | 322,745 | (89,501) | 1,287,889 | 1,198,388 | 708,777 | (118,130) | 590,648 | 3,264,985 | 27,948 | - | - | - | (46,190) | 801,417 |
| May-19 | - | - | 33,376,073 | 937,788 | - | 29,624,920 | 3,751,153 | 322,745 | (77,250) | 1,198,388 | 1,121,138 | 590,648 | (118,130) | 472,518 | 2,528,702 | 21,646 | - | - | - | (46,190) | 795,114 |
| Jun-19 | - | - | 33,376,073 | 937,788 | - | 30,562,708 | 2,813,365 | 322,745 | (65,394) | 1,121,138 | 1,055,744 | 472,518 | (118,130) | 354,389 | 1,780,365 | 15,240 | - | - | - | (46,190) | 788,708 |
| Jul-19 | - | - | 33,376,073 | 937,788 | - | 31,500,497 | 1,875,577 | 322,745 | (53,143) | 1,055,744 | 1,002,601 | 354,389 | (118,130) | 236,259 | 1,019,975 | 8,731 | - | - | - | (46,190) | 782,199 |
| Aug-19 | - | - | 33,376,073 | 937,788 | - | 32,438,285 | 937,788 | 322,745 | (40,892) | 1,002,601 | 961,710 | 236,259 | (118,130) | 118,130 | 247,333 | 2,117 | - | - | - | (46,190) | 775,586 |
| Sep-19 | - | - | 33,376,073 | 937,788 | - | 33,376,073 | - | 322,745 | (29,036) | 961,710 | - | 118,130 | (118,130) | 0 | (71,025) | (608) | - | - | - | (46,190) | 772,861 |
| Annual Summary | | | | | | | | | | | | | | | | | | | | | |
| 2009 | 1,028,693 | - | 1,028,693 | 8,572 | - | 8,572 | 1,020,120 | 102,869 | 200,760 | - | 200,760 | - | - | 409,680 | 4,624 | - | - | 32,446 | - | 45,643 | |
| 2010 | 3,729,624 | - | 4,758,317 | 243,550 | - | 252,122 | 4,506,195 | 3,085,561 | 999,047 | 868,331 | 1,199,807 | - | - | 3,373,182 | 228,160 | 302,448 | 272,264 | 1,047,888 | - | 1,489,414 | |
| 2011 | 10,428,442 | - | 15,186,759 | 996,496 | - | 1,248,618 | 13,938,141 | 9,398,337 | 3,431,827 | 3,672,784 | 4,631,634 | - | - | 9,336,330 | 812,155 | 911,584 | 1,423,794 | 3,626,333 | - | 5,947,193 | |
| 2012 | 11,208,578 | - | 26,395,336 | 2,229,151 | - | 3,477,769 | 22,917,567 | 5,962,283 | 1,438,889 | 5,764,082 | 6,070,523 | - | - | 16,954,569 | 1,738,837 | 2,439,227 | 2,271,655 | 4,111,636 | - | 7,912,052 | |
| 2013 | 6,115,220 | - | 32,510,556 | 2,931,223 | - | 6,408,992 | 26,101,563 | 6,558,172 | 655,837 | 6,486,879 | 6,726,361 | - | - | 19,452,400 | 2,158,093 | 7,080,544 | 2,240,955 | 4,587,438 | - | 4,837,165 | |
| 2014 | 1,722,825 | - | 34,233,381 | 3,287,216 | - | 9,696,209 | 24,537,172 | 2,650,838 | (324,102) | 6,416,288 | 6,402,259 | - | - | 18,267,311 | 2,188,265 | 7,587,129 | 1,483,579 | 3,139,164 | - | 2,511,095 | |
| 2015 | (857,308) | - | 33,376,073 | 3,248,022 | - | 12,944,231 | 20,431,843 | 1,174,393 | (696,240) | 5,759,077 | 5,706,019 | - | - | 14,838,362 | 1,816,611 | 5,112,817 | 1,056,359 | 2,137,395 | - | 3,145,570 | |
| 2016 | - | - | 33,376,073 | 3,337,607 | - | 16,281,838 | 17,094,236 | 1,311,895 | (794,665) | 4,963,803 | 4,911,354 | - | - | 12,295,724 | 1,596,184 | 4,981,139 | 1,009,052 | 929,803 | - | 1,891,508 | |
| 2017 | - | - | 33,376,073 | 3,337,598 | - | 19,619,436 | 13,756,638 | 1,085,954 | (464,100) | 4,052,744 | 3,993,668 | - | - | 9,872,494 | 1,285,992 | 4,689,724 | 943,409 | 682,222 | - | 1,559,497 | |
| 2018 | - | - | 33,376,073 | 5,316,542 | - | 24,935,978 | 8,440,095 | 1,811,858 | (651,390) | 1,764,455 | 1,627,529 | 1,181,295 | (354,389) | 1,063,166 | 6,090,767 | 839,148 | 1,762,967 | 1,001,112 | (138,571) | 4,900,876 | |
| 2019 | - | - | 33,376,073 | 8,440,095 | - | 33,376,073 | - | 2,904,706 | (694,855) | - | - | 0 | (1,063,166) | 0 | (0) | 195,706 | - | - | (415,713) | 7,156,922 | |
| Oct 2018 - Sep 2019 | - | - | - | 11,253,460 | - | - | - | 3,872,941 | - | - | - | (1,417,555) | - | - | 369,389 | - | - | - | (554,284) | 9,651,011 | |

(Prev Col 7 - Col 10 + Col 7 - Col 10a) / 2 Col 11 Monthly Pre Tax WACC Program Assumption Program Assumption Program Assumption Col 4 + Col 5 + Col 12 - Col 13 + Col 14 + Col 15

**Demand Response Program
Small Commercial A/C Cycling Revenue Requirements Calculation**

Schedule SS-DR-2b(Notice)

(\$'s unless otherwise noted)

Actual data through March 2018

| | |
|----------------------|----------|
| Annual Pre-Tax WACC | 10.2721% |
| Monthly Pre-Tax WACC | 0.8560% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (10a) | (11) | (12) | (13) | (14) | (15) | (18) | (19) | (20) | (21) | (22) | |
|----------------------|--------------------|----------------------|-------------------------------|------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------|---------------|---------------------------------------|------------------------------------|-------------------------------------------|----------------------------------------|------------------------------------------------|----------------------------------|---------------------------------------------|------------------------|--------------------|---------------------------------------------------|---------------------|----------------------|-------------------------------------------|----------------------|--------|
| | Program Investment | Capitalized IT Costs | Gross Plant | Program Investment Amortization / Depreciation | IT Cost Amortization | Accumulated Amortization | Net Plant | Tax Depreciation | Deferred Income Tax | Beginning Accumulated Deferred Income Tax | Ending Accumulated Deferred Income Tax | Prorated Excess Deferred Tax Beginning Balance | Excess Deferred Tax Flow Through | Prorated Excess Deferred Tax Ending Balance | Average Net Investment | Return Requirement | DR Revenue Credited to Customers | Customer Incentives | Administrative costs | Excess Deferred Tax Flow Through Gross-up | Revenue Requirements | |
| Monthly Calculations | | | | | | | | | | | | | | | | | | | | | | |
| Oct-17 | - | - | 331,620 | 2,763 | - | 185,715 | 145,905 | 819 | (734) | 44,012 | 43,278 | - | - | - | 103,641 | 1,024 | 5,280 | 8 | 2,156 | - | 671 | |
| Nov-17 | - | - | 331,620 | 2,763 | - | 188,478 | 143,141 | 819 | (674) | 43,278 | 42,604 | - | - | - | 101,582 | 1,003 | 5,109 | - | 23,202 | - | 21,859 | |
| Dec-17 | - | - | 331,620 | 2,763 | - | 191,242 | 140,378 | 819 | (612) | 42,604 | 41,992 | - | - | - | 99,462 | 982 | 5,280 | - | 5,821 | - | 4,286 | |
| Jan-18 | - | - | 331,620 | 2,765 | - | 194,007 | 137,613 | 870 | (381) | 27,053 | 26,672 | 14,939 | - | 14,939 | 97,195 | 832 | 5,280 | - | 2,576 | - | 893 | |
| Feb-18 | - | - | 331,620 | 2,765 | - | 196,771 | 134,848 | 870 | (347) | 26,672 | 26,325 | 14,939 | - | 14,939 | 94,794 | 811 | 4,768 | - | 9,623 | - | 8,431 | |
| Mar-18 | - | - | 331,620 | 2,765 | - | 199,536 | 132,084 | 870 | (308) | 26,325 | 26,017 | 14,939 | - | 14,939 | 92,356 | 791 | 5,280 | - | 3,432 | - | 1,707 | |
| Apr-18 | - | - | 331,620 | 2,763 | - | 202,299 | 129,320 | 870 | (271) | 26,017 | 25,746 | 14,939 | - | 14,939 | 89,881 | 769 | 5,926 | - | 2,186 | - | (207) | |
| May-18 | - | - | 331,620 | 2,763 | - | 205,063 | 126,557 | 870 | (232) | 25,746 | 25,514 | 14,939 | - | 14,939 | 87,369 | 748 | 6,124 | - | 2,186 | - | (426) | |
| Jun-18 | - | - | 331,620 | 2,763 | - | 207,826 | 123,793 | 870 | (195) | 25,514 | 25,319 | 14,939 | - | 14,939 | 84,819 | 726 | - | - | 2,186 | - | 5,676 | |
| Jul-18 | - | - | 331,620 | 2,763 | - | 210,590 | 121,030 | 870 | (156) | 25,319 | 25,163 | 14,939 | - | 14,939 | 82,232 | 704 | - | - | 2,186 | - | 5,654 | |
| Aug-18 | - | - | 331,620 | 2,763 | - | 213,353 | 118,266 | 870 | (118) | 25,163 | 25,045 | 14,939 | - | 14,939 | 79,605 | 681 | - | - | - | - | 3,445 | |
| Sep-18 | - | - | 331,620 | 2,763 | - | 216,117 | 115,503 | 870 | (81) | 25,045 | 24,964 | 14,939 | - | 14,939 | 76,941 | 659 | - | - | - | - | 3,422 | |
| Oct-18 | - | - | 331,620 | 9,625 | - | 225,742 | 105,877 | 3,133 | (1,699) | 21,898 | 20,199 | 14,939 | (1,245) | 13,694 | 75,325 | 645 | - | - | - | - | (487) | 8,538 |
| Nov-18 | - | - | 331,620 | 9,625 | - | 235,367 | 96,252 | 3,133 | (1,574) | 20,199 | 18,625 | 13,694 | (1,245) | 12,449 | 68,581 | 587 | - | - | - | - | (487) | 8,481 |
| Dec-18 | - | - | 331,620 | 9,625 | - | 244,993 | 86,627 | 3,133 | (1,444) | 18,625 | 17,181 | 12,449 | (1,245) | 11,204 | 61,710 | 528 | - | - | - | - | (487) | 8,422 |
| Jan-19 | - | - | 331,620 | 9,625 | - | 254,618 | 77,002 | 3,133 | (1,314) | 17,181 | 15,867 | 11,204 | (1,245) | 9,959 | 54,708 | 468 | - | - | - | - | (487) | 8,362 |
| Feb-19 | - | - | 331,620 | 9,625 | - | 264,243 | 67,377 | 3,133 | (1,197) | 15,867 | 14,670 | 9,959 | (1,245) | 8,714 | 47,584 | 407 | - | - | - | - | (487) | 8,301 |
| Mar-19 | - | - | 331,620 | 9,625 | - | 273,868 | 57,751 | 3,133 | (1,067) | 14,670 | 13,603 | 8,714 | (1,245) | 7,469 | 40,336 | 345 | - | - | - | - | (487) | 8,239 |
| Apr-19 | - | - | 331,620 | 9,625 | - | 283,494 | 48,126 | 3,133 | (942) | 13,603 | 12,661 | 7,469 | (1,245) | 6,225 | 32,960 | 282 | - | - | - | - | (487) | 8,176 |
| May-19 | - | - | 331,620 | 9,625 | - | 293,119 | 38,501 | 3,133 | (812) | 12,661 | 11,849 | 6,225 | (1,245) | 4,980 | 25,456 | 218 | - | - | - | - | (487) | 8,111 |
| Jun-19 | - | - | 331,620 | 9,625 | - | 302,744 | 28,876 | 3,133 | (686) | 11,849 | 11,163 | 4,980 | (1,245) | 3,735 | 17,825 | 153 | - | - | - | - | (487) | 8,046 |
| Jul-19 | - | - | 331,620 | 9,625 | - | 312,369 | 19,250 | 3,133 | (557) | 11,163 | 10,606 | 3,735 | (1,245) | 2,490 | 10,066 | 86 | - | - | - | - | (487) | 7,980 |
| Aug-19 | - | - | 331,620 | 9,625 | - | 321,994 | 9,625 | 3,133 | (427) | 10,606 | 10,179 | 2,490 | (1,245) | 1,245 | 2,178 | 19 | - | - | - | - | (487) | 7,912 |
| Sep-19 | - | - | 331,620 | 9,625 | - | 331,620 | - | 3,133 | (301) | 10,179 | - | 1,245 | (1,245) | - | (899) | (8) | - | - | - | - | (487) | 7,886 |
| | Program Assumption | Program Assumption | Prior Month + (Col 1 + Col 2) | 1/120 of each Prior 120 Months from Col 1 (10 year depreciation) | 1/60 of Each Prior 60 Months of Col 2 (5 year amortization) | Prior Month + (Col 4 + Col 5) | Col 3 - Col 6 | See WP-SS-DR-1.xls 'AmortSmCAC' wksht | See WP-SS-DR-1.xls 'Taxes-C' wksht | See WP-SS-DR-1.xls 'Taxes-C' wksht | See WP-SS-DR-1.xls 'Taxes-C' wksht | (Prev Col 7 - Col 10 + Col 7 - Col 10a) / 2 | Col 11 Monthly Pre Tax WACC | Program Assumption | Program Assumption | Program Assumption | Col 4 + Col 5 + Col 12 - Col 13 + Col 14 + Col 15 | | | | | |
| Annual Summary | | | | | | | | | | | | | | | | | | | | | | |
| 2009 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 6,254 | - | 6,254 |
| 2010 | 4,513 | - | 4,513 | 141 | - | 141 | 4,372 | 3,878 | 3,025 | 1,969 | - | - | - | 1,977 | 113 | - | - | - | 145,466 | - | 145,719 | |
| 2011 | 145,424 | - | 149,936 | 4,916 | - | 5,056 | 144,880 | 126,807 | 98,646 | 48,610 | - | - | - | 59,385 | 3,883 | - | 6,580 | - | 474,277 | - | 489,656 | |
| 2012 | 129,012 | - | 278,948 | 23,992 | - | 29,049 | 249,900 | 66,493 | 33,307 | 71,455 | - | - | - | 179,371 | 19,350 | 28,960 | 33,435 | - | 430,229 | - | 478,046 | |
| 2013 | 38,952 | - | 317,900 | 30,058 | - | 59,107 | 258,793 | 35,267 | 2,589 | 70,368 | - | - | - | 187,121 | 22,343 | 103,210 | 27,653 | - | 249,568 | - | 226,412 | |
| 2014 | 13,719 | - | 331,620 | 32,652 | - | 91,759 | 239,860 | 23,748 | (8,305) | 66,692 | - | - | - | 174,444 | 21,645 | 110,594 | 38,635 | - | 79,408 | - | 61,746 | |
| 2015 | - | - | 331,620 | 33,161 | - | 124,920 | 206,699 | 15,066 | (15,095) | 59,112 | - | - | - | 149,598 | 18,969 | 74,527 | 38,205 | - | 165,901 | - | 181,708 | |
| 2016 | - | - | 331,620 | 33,161 | - | 158,081 | 173,539 | 12,062 | (14,486) | 52,049 | - | - | - | 123,144 | 16,402 | 72,608 | 36,225 | - | 59,508 | - | 72,688 | |
| 2017 | - | - | 331,620 | 33,161 | - | 191,242 | 140,378 | 9,828 | (4,810) | 42,604 | - | - | - | 99,462 | 12,912 | 68,360 | 32,993 | - | 75,061 | - | 85,766 | |
| 2018 | - | - | 331,620 | 53,751 | - | 244,993 | 86,627 | 17,227 | (6,806) | 18,625 | - | 12,449 | (3,735) | 11,204 | 61,710 | 8,481 | 27,378 | - | 24,376 | (1,460) | 54,035 | |
| 2019 | - | - | 331,620 | 86,627 | - | 331,620 | - | 28,200 | (7,304) | - | - | - | (11,204) | - | - | 1,971 | - | - | - | - | (4,381) | 73,013 |
| Oct 2018 - Sep 2019 | - | - | - | 115,503 | - | - | - | 37,600 | - | - | - | - | (14,939) | - | - | 3,731 | - | - | - | - | (5,841) | 98,453 |

PSE&G DR Program

Electric (Over)/Under Calculation

| Existing / Proposed DR Rate (w/o SUT) | -0.000085 (98) | -0.000085 (99) | -0.000085 (100) | -0.000085 (101) | -0.000085 (102) | -0.000085 (103) | -0.000085 (104) |
|-------------------------------------------------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <u>GPRC DR (Over)/Under Calculation (\$000)</u> | <u>Sep-17</u> | <u>Oct-17</u> | <u>Nov-17</u> | <u>Dec-17</u> | <u>Jan-18</u> | <u>Feb-18</u> | <u>Mar-18</u> |
| (1) DR GPRC Revenue | (293.5) | (264.9) | (248.7) | (297.3) | (307.3) | (261.0) | (273.3) |
| (2) Revenue Requirements | <u>304.0</u> | <u>121.4</u> | <u>90.9</u> | <u>59.6</u> | <u>29.3</u> | <u>92.4</u> | <u>48.8</u> |
| (3) Monthly (Over)/Under Recovery | 611.2 | 393.7 | 346.9 | 371.5 | 330.9 | 350.3 | 321.9 |
| (4) Deferred Balance | (3,623.3) | (3,229.6) | (2,882.7) | (2,511.2) | (2,180.3) | (1,830.0) | (1,508.1) |
| (5) Monthly Interest Rate | 0.09417% | 0.09417% | 0.09417% | 0.11833% | 0.11833% | 0.11833% | 0.14583% |
| (6) After Tax Monthly Interest Expense/(Credit) | (2.188) | (1.909) | (1.702) | (1.888) | (1.996) | (1.706) | (1.750) |
| (7) Cumulative Interest | (20.2) | (22.1) | (23.8) | (25.6) | (27.6) | (29.4) | (31.1) |
| (8) Balance Added to Subsequent Year's Revenue Requirements | (3,643.5) | (3,251.7) | (2,906.5) | (2,536.8) | (2,208.0) | (1,859.4) | (1,539.2) |
| (9) Net Sales - kWh (000) | | | | | | | |
| (10) Average Net of Tax Deferred Balance | (2,324.0) | (2,026.8) | (1,807.7) | (1,595.2) | (1,686.4) | (1,441.5) | (1,199.9) |
| (11) Securitization (Over) / Under Collection | | | | | | | |

PSE&G DR Program
Electric (Over)/Under Calculation

| Existing / Proposed DR Rate (w/o SUT) | -0.000085 (105) | -0.000085 (106) | -0.000085 (107) | -0.000085 (108) | -0.000085 (109) | -0.000085 (110) | 0.000298 (111) |
|-----------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| <u>GPRC DR (Over)/Under Calculation (\$000)</u> | <u>Apr-18</u> | <u>May-18</u> | <u>Jun-18</u> | <u>Jul-18</u> | <u>Aug-18</u> | <u>Sep-18</u> | <u>Oct-18</u> |
| (1) DR GPRC Revenue | (237.9) | (266.6) | (318.1) | (375.7) | (367.4) | (287.9) | 957.1 |
| (2) Revenue Requirements | <u>220.7</u> | <u>206.7</u> | <u>572.1</u> | <u>569.8</u> | <u>348.9</u> | <u>346.6</u> | <u>845.6</u> |
| (3) Monthly (Over)/Under Recovery | 458.6 | 473.3 | 890.2 | 945.5 | 716.3 | 634.5 | (111.5) |
| (4) Deferred Balance | (1,049.5) | (576.2) | 314.0 | 1,259.5 | 1,975.8 | 2,610.3 | 2,470.2 |
| (5) Monthly Interest Rate | 0.14583% | 0.14583% | 0.14583% | 0.14583% | 0.14583% | 0.14583% | 0.14583% |
| (6) After Tax Monthly Interest Expense/(Credit) | (1.341) | (0.852) | (0.137) | 0.825 | 1.696 | 2.404 | 2.663 |
| (7) Cumulative Interest Balance Added to Subsequent Year's Revenue | (32.4) | (33.3) | (33.4) | (32.6) | (30.9) | (28.5) | 2.7 |
| (8) Requirements | (1,081.9) | (609.5) | 280.5 | 1,226.9 | 1,944.9 | 2,581.8 | 2,472.9 |
| (9) Net Sales - kWh (000) | 2,799,280 | 3,136,419 | 3,741,971 | 4,419,978 | 4,322,158 | 3,386,507 | 3,211,905 |
| (10) Average Net of Tax Deferred Balance | (919.3) | (584.3) | (94.3) | 565.6 | 1,162.9 | 1,648.5 | 1,826.2 |
| (11) Securitization (Over) / Under Collection | | | | | | | |

PSE&G DR Program
Electric (Over)/Under Calculation

| Existing / Proposed DR Rate (w/o SUT) | 0.000298 (112) | 0.000298 (113) | 0.000298 (114) | 0.000298 (115) | 0.000298 (116) | 0.000298 (117) | 0.000298 (118) |
|-------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <u>GPRC DR (Over)/Under Calculation (\$000)</u> | <u>Nov-18</u> | <u>Dec-18</u> | <u>Jan-19</u> | <u>Feb-19</u> | <u>Mar-19</u> | <u>Apr-19</u> | <u>May-19</u> |
| (1) DR GPRC Revenue | 860.9 | 1,004.7 | 1,045.0 | 939.2 | 984.3 | 852.8 | 906.0 |
| (2) Revenue Requirements | <u>839.9</u> | <u>834.0</u> | <u>828.1</u> | <u>822.0</u> | <u>815.9</u> | <u>809.6</u> | <u>803.2</u> |
| (3) Monthly (Over)/Under Recovery | (21.1) | (170.7) | (216.9) | (117.2) | (168.4) | (43.2) | (102.8) |
| (4) Deferred Balance | 2,449.2 | 2,278.5 | 2,061.6 | 1,944.4 | 1,776.0 | 1,732.8 | 1,630.0 |
| (5) Monthly Interest Rate | 0.14583% | 0.14583% | 0.14583% | 0.14583% | 0.14583% | 0.14583% | 0.14583% |
| (6) After Tax Monthly Interest Expense/(Credit) | 2.579 | 2.478 | 2.275 | 2.100 | 1.950 | 1.839 | 1.763 |
| (7) Cumulative Interest | 5.2 | 7.7 | 10.0 | 12.1 | 14.0 | 15.9 | 17.6 |
| (8) Balance Added to Subsequent Year's Revenue Requirements | 2,454.4 | 2,286.2 | 2,071.6 | 1,956.5 | 1,790.1 | 1,748.7 | 1,647.6 |
| (9) Net Sales - kWh (000) | 2,889,032 | 3,371,442 | 3,506,694 | 3,151,603 | 3,302,882 | 2,861,867 | 3,040,395 |
| (10) Average Net of Tax Deferred Balance | 1,768.3 | 1,699.4 | 1,560.1 | 1,440.0 | 1,337.3 | 1,261.2 | 1,208.7 |
| (11) Securitization (Over) / Under Collection | | | | | | | |

PSE&G DR Program
Electric (Over)/Under Calculation

| Existing / Proposed DR Rate (w/o SUT) | | 0.000298 (119) | 0.000298 (120) | 0.000298 (121) | 0.000298 (122) | |
|--------------------------------------------------------|---------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|----------------------------------------------------|
| <u>GPRC DR (Over)/Under Calculation (\$000)</u> | | <u>Jun-19</u> | <u>Jul-19</u> | <u>Aug-19</u> | <u>Sep-19</u> | |
| (1) | DR GPRC Revenue | 1,137.8 | 1,330.5 | 1,294.8 | 1,024.9 | DR Rate * Row 9 |
| (2) | Revenue Requirements | <u>796.8</u> | <u>790.2</u> | <u>783.5</u> | <u>780.7</u> | From SS-2, Col 20 |
| (3) | Monthly (Over)/Under Recovery | (341.1) | (540.3) | (511.3) | (244.1) | Row 2 - Row 1 |
| (4) | Deferred Balance | 1,288.9 | 748.6 | 237.3 | (6.8) | Prev Row 4 + Row 3 |
| (5) | Monthly Interest Rate | 0.14583% | 0.14583% | 0.14583% | 0.14583% | Annual Interest Rate / 12 |
| (6) | After Tax Monthly Interest Expense/(Credit) | 1.530 | 1.068 | 0.517 | 0.121 | (Prev Row 4 + Row 4) / 2 (1 - Tax Rate) * Row 5 |
| (7) | Cumulative Interest | 19.2 | 20.2 | 20.8 | 20.9 | Prev Row 7 + Row 6 |
| (8) | Balance Added to Subsequent Year's Revenue Requirements | 1,308.1 | 768.9 | 258.1 | 14.0 | Row 4 + Row 7 + 11 |
| (9) | Net Sales - kWh (000) | 3,818,180 | 4,464,658 | 4,345,063 | 3,439,210 | |
| (10) | Average Net of Tax Deferred Balance | 1,049.2 | 732.4 | 354.4 | 82.8 | (Prev Row 4 + Row 4) / 2 * (1 - Tax Rate) |
| (11) | Securitization (Over) / Under Collection | | | | | |

**DEMAND RESPONSE
ACTUAL REVENUES BY RATE CLASS**

Schedule SS-DR-4E

| | Demand Resp Rate | (0.000085) | (0.000085) | (0.000085) | (0.000085) | (0.000085) | (0.000085) |
|------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------|
| | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 | |
| RESIDENTIAL SALES | | | | | | | |
| RS (4400110) | (\$71,821) | (\$72,373) | (\$91,984) | (\$98,928) | (\$75,083) | (\$80,800) | |
| RS-HTG (4400210) | (\$512) | (\$942) | (\$1,407) | (\$1,698) | (\$1,110) | (\$1,250) | |
| WH (4400310) | (\$7) | (\$8) | (\$8) | (\$8) | (\$9) | (\$8) | |
| RLM (4400410) | (\$1,144) | (\$1,105) | (\$1,450) | (\$1,521) | (\$1,198) | (\$1,305) | |
| WHS (4400510) | (\$0) | (\$0) | (\$0) | (\$0) | (\$0) | (\$0) | |
| TOTAL RESIDENTIAL | (\$73,484) | (\$74,428) | (\$94,849) | (\$102,154) | (\$77,400) | (\$83,363) | |
| COMMERCIAL SALES | | | | | | | |
| WH & WHS (4420110) | (\$0) | \$0 | \$0 | (\$0) | (\$0) | (\$0) | |
| GLP (4420310) | (\$50,072) | (\$45,920) | (\$52,299) | (\$55,273) | (\$49,867) | (\$50,994) | |
| GLP-MDO (4420310) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| SL-PRI (4440110) | (\$1,203) | (\$1,244) | (\$1,407) | (\$1,192) | (\$1,343) | (\$1,096) | |
| LPLP (4420510) | (\$18,849) | (\$16,382) | (\$19,672) | (\$18,593) | (\$17,208) | (\$18,329) | |
| LPLS (4420510) | (\$45,224) | (\$40,546) | (\$48,275) | (\$48,873) | (\$44,135) | (\$45,700) | |
| LPLSH (4420510) | (\$24,490) | (\$22,601) | (\$24,884) | (\$25,317) | (\$22,881) | (\$23,403) | |
| LPLSO (4420510) | (\$91) | (\$95) | (\$115) | (\$98) | (\$99) | (\$99) | |
| LPLSR (4420510) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| HTS-SUB (4420710) | (\$21,217) | (\$17,763) | (\$21,484) | (\$21,817) | (\$18,008) | (\$20,341) | |
| HTS-HV (4420710) | (\$1,723) | (\$2,338) | (\$2,495) | (\$2,800) | (\$2,157) | (\$2,869) | |
| HS (4421210) | (\$54) | (\$100) | (\$173) | (\$218) | (\$166) | (\$159) | |
| TOTAL COMMERCIAL | (\$162,924) | (\$146,990) | (\$170,805) | (\$174,182) | (\$155,863) | (\$162,990) | |
| INDUSTRIAL SALES | | | | | | | |
| GLP (4420410) | (\$2,092) | (\$1,891) | (\$2,201) | (\$2,300) | (\$2,130) | (\$2,172) | |
| GLP-MDO (4420410) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| LPLP (4420610) | (\$4,355) | (\$3,716) | (\$4,998) | (\$4,385) | (\$3,818) | (\$4,365) | |
| LPLS (4420610) | (\$4,434) | (\$4,248) | (\$4,518) | (\$4,609) | (\$4,720) | (\$4,312) | |
| LPLSH (4420610) | (\$3,388) | (\$3,871) | (\$3,308) | (\$3,672) | (\$3,644) | (\$3,811) | |
| LPLSO (4420610) | (\$13) | (\$13) | (\$2) | (\$20) | (\$4) | (\$15) | |
| LPLSR (4420610) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| HTS-SUB (4420810) | (\$12,077) | (\$10,968) | (\$12,273) | (\$11,714) | (\$10,573) | (\$9,880) | |
| HTS-HV (4420810) | (\$78) | (\$272) | (\$488) | (\$1,000) | (\$184) | \$81 | |
| HS (4421110) | (\$3) | (\$3) | (\$4) | (\$6) | (\$4) | (\$4) | |
| HEP (4421010) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| EHEP (4421010) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| TOTAL INDUSTRIAL | (\$26,438) | (\$24,982) | (\$27,792) | (\$27,706) | (\$25,077) | (\$24,478) | |
| PUB STREET AND HWY LIGHTING SALES | | | | | | | |
| SL-PUB (4440310) | (\$1,683) | (\$1,994) | (\$3,483) | (\$2,833) | (\$2,289) | (\$2,131) | |
| BPL-POF (4440310) | (\$142) | (\$79) | (\$90) | (\$147) | (\$115) | (\$115) | |
| GLP-T&S (4440410) | (\$204) | (\$227) | (\$268) | (\$250) | (\$269) | (\$230) | |
| TOTAL ST. LIGHT. | (\$2,029) | (\$2,301) | (\$3,841) | (\$3,230) | (\$2,673) | (\$2,475) | |
| TOTAL REVENUES | (\$264,874) | (\$248,701) | (\$297,288) | (\$307,273) | (\$261,014) | (\$273,307) | |

PSE&G Solar4All Program Proposed Rate Calculations

(\$'s Unless Specified)

Schedule SS - S4A -1

Actual results through March 2018

SUT Rate 6.625%

| <u>Line</u> | <u>Date(s)</u> | | <u>Electric</u> | <u>Source/Description</u> |
|-------------|--------------------|------------------------------------------------|-----------------|-----------------------------------|
| 1 | Oct 18 - Sep 19 | Revenue Requirements | 16,567,238 | SS-3, Col 25 |
| 2 | Sep-18 | (Over) / Under Recovered Balance | 3,513,772 | SS-7, Line 4, Col 1 |
| 3 | Sep-18 | Cumulative Interest Exp / (Credit) | <u>8,655</u> | SS-7, Line 7, Col 1 |
| 4 | | Total Target Rate Revenue | 20,089,665 | Line 1 + Line 2 + Line 3 |
| 5 | Oct 18 - Sep 19 | Forecasted kWh (000) | 41,402,930 | |
| 6 | | Calculated Rate w/o SUT (\$/kWh) | 0.000485 | (Line 4 / (Line 5*1,000)) [Rnd 6] |
| 7 | | Public Notice Rate w/o SUT (\$/kWh) | 0.000485 | Line 6 |
| 8 | | Existing Rate w/o SUT (\$/kWh) | 0.000364 | |
| 9 | | Proposed Rate w/o SUT (\$/kWh) | 0.000485 | Line 7 |
| 10 | | Proposed Rate w/ SUT (\$/kWh) | 0.000517 | (Line 9 * (1 + SUT Rate)) [Rnd6] |
| 11 | | Difference in Proposed and Previous Rate | 0.000121 | (Line 9 - Line 8) |
| 12 | | Resultant S4AEII Revenue Increase / (Decrease) | 5,009,755 | (Line 5 * Line 11 * 1,000) |

PSEG - Solar 4 All

Revenue Requirements Calculation

(\$000's)

Actuals through March 2018

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) |
|---------------------|------|---------------------------|---------------------------|--------------------------------------------------------|---------------------------------|------------------|----------------------------------------------------------------------|----------------------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|
| | | <u>Program Investment</u> | <u>Gross Plant</u> | <u>Depreciation Expense</u> | <u>Accumulated Depreciation</u> | <u>Net Plant</u> | <u>Tax Depreciation</u> | <u>Book Deprec Tax Basis</u> | <u>Prorated Deferred Tax Exp</u> | <u>Beginning Accumulated Deferred Income Tax</u> | <u>Ending Accumulated Deferred Income Tax</u> | <u>Prorated Excess Deferred Tax Balance</u> | <u>Excess Deferred Tax Flow Through</u> | <u>Prorated Excess Deferred Tax Ending Balance</u> | <u>Average Net Investment</u> |
| Oct | 2017 | 119,876 | 477,695,725 | 2,111,166 | 169,675,255 | 308,020,470 | 483,335 | 1,787,875 | (496,576) | 105,820,811 | 105,324,235 | - | - | - | 203,443,591 |
| Nov | 2017 | 92,754 | 477,788,479 | 2,102,323 | 171,777,578 | 306,010,901 | 491,233 | 1,782,715 | (455,597) | 105,324,235 | 104,868,639 | - | - | - | 201,919,248 |
| Dec | 2017 | 1,046 | 477,789,525 | 2,091,934 | 173,869,511 | 303,920,013 | 491,411 | 1,777,212 | (416,540) | 104,868,639 | 104,452,098 | - | - | - | 200,305,089 |
| Jan | 2018 | 51,172 | 477,840,697 | 2,078,830 | 175,948,341 | 301,892,356 | 152,819 | 1,766,074 | (347,752) | 71,856,077 | 71,508,325 | 32,596,021 | - | 32,596,021 | 198,627,962 |
| Feb | 2018 | 3,992 | 477,844,689 | 2,067,801 | 178,016,142 | 299,828,547 | 152,881 | 1,756,717 | (321,577) | 71,508,325 | 71,186,749 | 32,596,021 | - | 32,596,021 | 196,916,893 |
| Mar | 2018 | 4,124 | 477,848,812 | 2,058,943 | 180,075,084 | 297,773,728 | 152,951 | 1,749,205 | (293,450) | 71,186,749 | 70,893,299 | 32,596,021 | - | 32,596,021 | 195,165,092 |
| Apr | 2018 | 135,000 | 477,983,812 | 2,056,104 | 182,131,189 | 295,852,624 | 155,506 | 1,745,379 | (266,628) | 70,893,299 | 70,626,671 | 32,596,021 | - | 32,596,021 | 193,457,170 |
| May | 2018 | 332,500 | 478,316,312 | 2,056,400 | 184,187,589 | 294,128,723 | 162,584 | 1,745,123 | (239,008) | 70,626,671 | 70,387,663 | 32,596,021 | - | 32,596,021 | 191,887,485 |
| Jun | 2018 | 838,000 | 479,154,312 | 2,067,920 | 186,255,509 | 292,898,803 | 182,971 | 1,752,140 | (211,636) | 70,387,663 | 70,176,027 | 32,596,021 | - | 32,596,021 | 190,635,897 |
| Jul | 2018 | 858,500 | 480,012,812 | 2,079,130 | 188,334,639 | 291,678,173 | 207,338 | 1,764,475 | (184,011) | 70,176,027 | 69,992,016 | 32,596,021 | - | 32,596,021 | 189,608,445 |
| Aug | 2018 | 1,032,000 | 481,044,812 | 2,096,011 | 190,430,650 | 290,614,162 | 242,488 | 1,777,240 | (155,677) | 69,992,016 | 69,836,339 | 32,596,021 | - | 32,596,021 | 188,635,969 |
| Sept | 2018 | 1,097,000 | 482,141,812 | 2,117,322 | 192,547,972 | 289,593,841 | 289,193 | 1,792,088 | (128,026) | 69,836,339 | 69,708,313 | 32,596,021 | - | 32,596,021 | 187,735,654 |
| Oct | 2018 | 903,592 | 483,045,404 | 2,132,163 | 194,680,134 | 288,365,270 | 340,487 | 1,805,366 | (388,108) | 67,661,582 | 67,273,474 | 32,596,021 | (2,082,245) | 30,684,920 | 189,871,557 |
| Nov | 2018 | 135,000 | 483,180,404 | 2,130,421 | 196,810,556 | 286,369,849 | 351,982 | 1,808,679 | (362,395) | 67,273,474 | 66,911,079 | 30,684,920 | (206,776) | 30,512,135 | 189,676,755 |
| Dec | 2018 | - | 483,180,404 | 2,120,352 | 198,930,907 | 284,249,497 | 351,982 | 1,802,267 | (336,572) | 66,911,079 | 66,574,507 | 30,512,135 | (205,837) | 30,357,616 | 188,132,004 |
| Jan | 2019 | - | 483,180,404 | 2,116,969 | 201,047,876 | 282,132,528 | 168,027 | 1,798,230 | (353,309) | 66,574,507 | 66,221,198 | 30,357,616 | (215,158) | 30,214,374 | 186,507,165 |
| Feb | 2019 | - | 483,180,404 | 2,116,952 | 203,164,828 | 280,015,576 | 168,027 | 1,798,219 | (329,221) | 66,221,198 | 65,891,977 | 30,214,374 | (215,156) | 30,087,638 | 184,866,458 |
| Mar | 2019 | 25,000 | 483,205,404 | 2,116,675 | 205,281,503 | 277,923,901 | 168,452 | 1,798,007 | (302,437) | 65,891,977 | 65,589,539 | 30,087,638 | (215,107) | 29,979,201 | 183,195,561 |
| Apr | 2019 | 550,000 | 483,755,404 | 2,121,422 | 207,402,925 | 276,352,479 | 178,860 | 1,801,822 | (275,518) | 65,589,539 | 65,314,022 | 29,979,201 | (215,073) | 29,888,458 | 181,752,580 |
| May | 2019 | 1,185,000 | 484,940,404 | 2,136,873 | 209,539,798 | 275,400,606 | 204,085 | 1,813,881 | (246,937) | 65,314,022 | 65,067,085 | 29,888,458 | (215,041) | 29,815,992 | 180,833,764 |
| Jun | 2019 | 710,000 | 485,650,404 | 2,152,622 | 211,692,420 | 273,957,984 | 221,359 | 1,827,107 | (220,891) | 65,067,085 | 64,846,195 | 29,815,992 | (215,013) | 29,761,208 | 179,934,055 |
| Jul | 2019 | 410,000 | 486,060,404 | 2,163,253 | 213,855,674 | 272,204,731 | 232,996 | 1,834,717 | (194,129) | 64,846,195 | 64,652,066 | 29,761,208 | (214,970) | 29,724,693 | 178,589,277 |
| Aug | 2019 | 232,000 | 486,292,404 | 2,166,535 | 216,022,209 | 270,270,196 | 240,898 | 1,838,777 | (167,518) | 64,652,066 | 64,484,548 | 29,724,693 | (214,907) | 29,706,440 | 176,953,590 |
| Sept | 2019 | - | 486,292,404 | 2,165,924 | 218,188,132 | 268,104,272 | 240,898 | 1,839,906 | (142,322) | 64,484,548 | 64,342,226 | 29,706,440 | (214,841) | 29,705,852 | 175,067,701 |
| | | <u>Program Assumption</u> | <u>Program Assumption</u> | Refer to WP_SS 2a through 2d.xlsx "Bk Depr" Worksheets | Prior Month + Col 3 | Col 2 - Col 4 | Refer to WP_SS 2a through 2d.xls "Sched-IS and BS" Worksheet Row 119 | Refer to WP_SS 2a through 2d.xls "Sched-IS and BS" Worksheet Row 127 | Refer to WP_SS 2a through 2d.xls "Taxes" Worksheet Row 71 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 75 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 77 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 92 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 86 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 94 | (Prior Col 5 - Col 9 - Col 11 + Col 5 - Col 13 - Col 10)/2 |
| | 2017 | 1,002,046 | 116,477,430 | 25,732,298 | 2,281,444 | 114,195,986 | 13,015,374 | 442,879 | 5,732,354 | 9,504,945 | 15,237,298 | - | - | - | |
| | 2018 | 5,390,879 | 125,979,854 | 25,061,396 | 2,842,131 | 123,137,724 | 17,468,949 | 476,544 | 7,179,034 | 15,237,298 | 22,416,332 | 32,596,021 | (2,494,857) | 32,596,021 | |
| | 2019 | 3,112,000 | 175,037,382 | 25,749,780 | 3,645,787 | 171,391,595 | 57,626,158 | 683,248 | 22,176,378 | 22,416,332 | 44,592,711 | 30,357,616 | (2,579,269) | 27,628,036 | |
| Oct 2018 - Sep 2019 | | 4,150,592 | 486,292,404 | 25,640,161 | 218,188,132 | 268,104,272 | 240,898 | 1,839,906 | (142,322) | 64,484,548 | 64,342,226 | 32,596,021 | (4,430,121) | 29,705,852 | |

PSEG - Solar 4 All

Revenue Requirements Calculation

(\$000's)

Actuals through March 2018

| | | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) | |
|----------------|--|--------------------|------------|----------------|-----------|-----------|----------------------|-----------|-----------|------------|------------|----------------------------------------------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|------------|
| | | Expenses | | | | | Revenue from Sale of | | | | | ITC | | | | | |
| | | Return Requirement | O&M | Administrative | Rent | Insurance | Other | Energy | Capacity | SRECs | Other | Amortization | Tax Gross-up | Tax Assoc. w/50% ITC Basis Reduction | Excess Deferred Tax Flow Through Gross-up | Revenue Requirements | |
| Oct 2017 | | 2,009,350 | 610,259 | 67,904 | 109,241 | 20,825 | (257,299) | 224,181 | 152,069 | 5,210,605 | - | 632,716 | 436,965 | 223,270 | - | (1,761,820) | |
| Nov 2017 | | 1,994,294 | 345,332 | 81,928 | 109,900 | 18,673 | (148,246) | 131,566 | 146,711 | (19,475) | - | 630,822 | 435,656 | 220,726 | - | 3,399,650 | |
| Dec 2017 | | 1,978,352 | 131,992 | 72,086 | 203,327 | 19,220 | 1,303 | 130,046 | 151,784 | 3,019,316 | - | 626,472 | 432,652 | 217,352 | - | 355,297 | |
| Jan 2018 | | 1,700,263 | 246,290 | 92,277 | 143,611 | 20,492 | 1,830 | 176,872 | 151,682 | (21,675) | 1 | 622,956 | 243,585 | 122,292 | - | 3,232,463 | |
| Feb 2018 | | 1,685,616 | 493,103 | 79,698 | 89,694 | 20,177 | - | 446,628 | 137,154 | - | 2 | 619,864 | 242,375 | 121,638 | - | 3,111,704 | |
| Mar 2018 | | 1,670,621 | 393,416 | 137,698 | 198,377 | 20,177 | 3,600 | 168,304 | 151,925 | 3,259,670 | - | 617,653 | 241,511 | 121,112 | - | 164,879 | |
| Apr 2018 | | 1,656,001 | 364,000 | 72,641 | 112,114 | 21,152 | - | 198,597 | 149,218 | (17,625) | - | 617,155 | 241,316 | 121,498 | - | 3,214,847 | |
| May 2018 | | 1,642,564 | 349,371 | 72,641 | 96,573 | 21,152 | 342,000 | 226,353 | 154,192 | - | - | 617,445 | 241,430 | 121,714 | - | 3,462,997 | |
| Jun 2018 | | 1,631,850 | 305,421 | 72,641 | 204,111 | 21,152 | 270,000 | 219,428 | 103,036 | 5,432,854 | - | 622,040 | 243,226 | 123,474 | - | (1,924,013) | |
| Jul 2018 | | 1,623,055 | 299,556 | 72,641 | 112,114 | 21,152 | 290,000 | 217,481 | 106,471 | - | - | 626,052 | 244,795 | 123,035 | - | 3,425,884 | |
| Aug 2018 | | 1,614,731 | 322,597 | 72,641 | 96,573 | 21,152 | 145,000 | 207,193 | 106,471 | - | - | 630,939 | 246,706 | 124,644 | - | 3,302,040 | |
| Sept 2018 | | 1,607,024 | 328,952 | 72,641 | 205,455 | 21,152 | 77,000 | 184,832 | 103,036 | 5,138,842 | - | 636,407 | 248,844 | 127,171 | - | (1,755,245) | |
| Oct 2018 | | 1,625,308 | 331,185 | 72,641 | 112,418 | 21,152 | 835,000 | 160,863 | 106,471 | - | - | 640,194 | 250,325 | 127,782 | (814,187) | 1,203,364 | |
| Nov 2018 | | 1,623,640 | 297,066 | 72,641 | 96,573 | 21,152 | 860,000 | 109,459 | 103,036 | - | - | 638,685 | 249,735 | 125,806 | (80,852) | 3,838,756 | |
| Dec 2018 | | 1,610,417 | 259,461 | 72,641 | 208,549 | 21,152 | - | 101,684 | 106,471 | 3,136,443 | - | 635,660 | 248,552 | 124,376 | (80,485) | (98,185) | |
| Jan 2019 | | 1,596,508 | 276,751 | 74,820 | 113,363 | 21,302 | - | 125,707 | 106,471 | - | - | 635,836 | 248,621 | 124,631 | (84,130) | 2,908,425 | |
| Feb 2019 | | 1,582,464 | 276,751 | 74,820 | 97,696 | 21,302 | - | 144,992 | 96,167 | - | - | 635,652 | 248,549 | 124,629 | (84,129) | 2,869,969 | |
| Mar 2019 | | 1,568,161 | 326,345 | 74,820 | 209,163 | 21,302 | 150,000 | 193,037 | 106,471 | 3,909,835 | - | 635,685 | 248,562 | 124,604 | (84,110) | (801,735) | |
| Apr 2019 | | 1,555,809 | 385,115 | 74,820 | 115,148 | 21,302 | 170,000 | 205,701 | 103,036 | - | - | 638,312 | 249,589 | 124,968 | (84,097) | 3,072,777 | |
| May 2019 | | 1,547,944 | 370,337 | 74,820 | 99,248 | 21,302 | 90,000 | 235,305 | 106,471 | - | - | 644,094 | 251,850 | 126,295 | (84,084) | 2,929,974 | |
| Jun 2019 | | 1,540,242 | 325,738 | 74,820 | 209,442 | 21,302 | 75,000 | 231,555 | 52,800 | 5,670,465 | - | 647,537 | 253,196 | 127,281 | (84,073) | (2,628,190) | |
| Jul 2019 | | 1,528,731 | 319,680 | 74,820 | 115,148 | 21,302 | - | 232,145 | 54,560 | - | - | 649,400 | 253,925 | 128,462 | (84,056) | 2,862,342 | |
| Aug 2019 | | 1,514,729 | 345,627 | 74,820 | 99,248 | 21,302 | - | 220,952 | 54,560 | - | - | 650,365 | 254,302 | 128,158 | (84,031) | 2,871,302 | |
| Sept 2019 | | 1,498,586 | 349,677 | 74,820 | 210,820 | 21,302 | - | 194,459 | 52,800 | 5,459,650 | - | 650,183 | 254,231 | 127,478 | (84,006) | (2,461,562) | |
| | | | | | | | | | | | | Refer to WP_SS 2a through 2d.xlsx "State Rebate and ITC" Worksheet Row 791 | Refer to WP_SS 2a through 2d.xlsx "State Rebate and ITC" Worksheet Row 792 | (Col 3 - Col 7) * [Tax Rate] * [Rev. Conv. Fac.] | (Col 12 * Revenue Conversion Factor) | Col 3 + Col 12 + Col 15 + Col 16 + Col 17 + Col 18 + Col 19 + Col 20 - Col 21 - Col 22 - Col 23 - Col 24 - Col 25 - Col 26 + Col 27 + Col 28 | |
| | | 2017 | 24,611,550 | 3,996,720 | 892,001 | 1,630,186 | 227,679 | (133,577) | 2,555,960 | 1,842,176 | 18,269,213 | - | 7,722,587 | 5,333,350 | 2,693,918 | - | 23,927,489 |
| | | 2018 | 19,691,090 | 3,990,419 | 963,443 | 1,676,163 | 251,212 | 2,824,430 | 2,417,694 | 1,479,164 | 16,928,509 | 3 | 7,525,052 | 2,942,401 | 1,484,541 | (975,524) | 21,179,490 |
| | | 2019 | 18,433,305 | 3,927,334 | 897,845 | 1,697,975 | 255,627 | 485,000 | 2,174,101 | 895,256 | 18,330,199 | - | 7,735,921 | 3,024,854 | 1,518,485 | (1,008,530) | 17,217,224 |
| Oct 2018 - Sep | | 18,792,540 | 3,863,732 | 891,308 | 1,686,817 | 255,175 | 2,180,000 | 2,155,858 | 1,049,314 | 18,176,393 | - | 7,701,602 | 3,011,435 | 1,514,469 | (1,732,240) | 16,567,238 | |

**PSE&G Solar 4 All Program--Settlement
Revenue Requirements Calculation**

(\$000's)

Centralized Segment (Segments 1a & 1b)

Actual results through March 2018

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
|----------------|-----------|--------------------|--------------------|--------------------------------------------------------|--------------------------|---------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------|
| | | Program Investment | Gross Plant | Depreciation Expense | Accumulated Depreciation | Net Plant | Tax Depreciation | Book Deprec. Tax Basis | Deferred Tax Exp | Beginning Accumulated Deferred Income Tax | Ending Accumulated Deferred Income Tax | Prorated Excess Deferred Tax Balance | Excess Deferred Tax Flow Through | Prorated Excess Deferred Tax Ending Balance | Average Net Investment | Return Requirement |
| Oct 2017 | | - | 168,943,292 | 670,565 | 60,340,185 | 108,603,106 | 101,774 | 569,364 | (178,205) | 37,601,690 | 37,423,485 | - | - | - | 71,425,802 | 705,451 |
| Nov 2017 | 49 | 168,943,340 | 670,566 | 61,010,751 | 107,932,589 | 101,778 | 569,365 | (165,397) | 37,423,485 | 37,258,087 | - | - | - | - | 70,927,062 | 700,525 |
| Dec 2017 | | 168,943,340 | 666,657 | 61,677,408 | 107,265,932 | 101,778 | 566,042 | (151,071) | 37,258,087 | 37,107,016 | - | - | - | - | 70,416,709 | 695,484 |
| Jan 2018 | | 168,943,340 | 662,747 | 62,340,155 | 106,603,185 | 21,385 | 562,719 | (117,198) | 25,546,492 | 25,429,294 | 11,560,524 | - | - | 11,560,524 | 69,886,141 | 598,228 |
| Feb 2018 | | 168,943,340 | 662,747 | 63,002,903 | 105,940,437 | 21,385 | 562,736 | (109,176) | 25,429,294 | 25,320,118 | 11,560,524 | - | - | 11,560,524 | 69,336,581 | 593,524 |
| Mar 2018 | 1,479 | 168,944,819 | 662,760 | 63,665,663 | 105,279,156 | 21,410 | 562,763 | (100,290) | 25,320,118 | 25,219,828 | 11,560,524 | - | - | 11,560,524 | 68,779,299 | 588,753 |
| Apr 2018 | 135,000 | 169,079,819 | 665,062 | 64,330,725 | 104,749,094 | 23,965 | 563,732 | (91,419) | 25,219,828 | 25,128,409 | 11,560,524 | - | - | 11,560,524 | 68,279,482 | 584,475 |
| May 2018 | 315,000 | 169,394,819 | 668,521 | 64,999,246 | 104,395,572 | 30,670 | 566,164 | (81,899) | 25,128,409 | 25,046,510 | 11,560,524 | - | - | 11,560,524 | 67,924,349 | 581,435 |
| Jun 2018 | 515,000 | 169,909,819 | 678,544 | 65,677,791 | 104,232,028 | 43,199 | 571,904 | (72,450) | 25,046,510 | 24,974,060 | 11,560,524 | - | - | 11,560,524 | 67,742,991 | 579,883 |
| Jul 2018 | 209,000 | 170,118,819 | 682,014 | 66,359,804 | 103,759,014 | 49,131 | 577,647 | (63,746) | 24,974,060 | 24,910,315 | 11,560,524 | - | - | 11,560,524 | 67,492,809 | 577,741 |
| Aug 2018 | 435,000 | 170,553,819 | 689,264 | 67,049,068 | 103,504,751 | 63,948 | 582,211 | (53,979) | 24,910,315 | 24,856,336 | 11,560,524 | - | - | 11,560,524 | 67,188,033 | 575,132 |
| Sept 2018 | 900,000 | 171,453,819 | 704,262 | 67,753,330 | 103,700,488 | 102,265 | 591,684 | (43,130) | 24,856,336 | 24,813,206 | 11,560,524 | - | - | 11,560,524 | 67,207,324 | 575,297 |
| Oct 2018 | 899,092 | 172,352,911 | 717,760 | 68,471,090 | 103,881,821 | 153,304 | 603,817 | (119,466) | 24,810,277 | 24,010,810 | 11,560,524 | (696,584) | - | 10,921,193 | 68,479,752 | 586,189 |
| Nov 2018 | 135,000 | 172,487,911 | 720,008 | 69,191,098 | 103,296,812 | 164,799 | 610,522 | (111,098) | 24,010,810 | 23,899,713 | 10,921,193 | - | - | 10,863,115 | 68,741,901 | 588,433 |
| Dec 2018 | - | 172,487,911 | 717,210 | 69,908,308 | 102,579,602 | 164,799 | 610,290 | (103,709) | 23,899,713 | 23,796,004 | 10,863,115 | (69,352) | - | 10,811,054 | 68,253,265 | 584,251 |
| Jan 2019 | - | 172,487,911 | 717,145 | 70,625,453 | 101,862,458 | 81,905 | 609,073 | (114,479) | 23,796,004 | 23,681,525 | 10,811,054 | (71,073) | - | 10,763,737 | 67,694,871 | 579,471 |
| Feb 2019 | - | 172,487,911 | 717,072 | 71,342,525 | 101,145,386 | 81,905 | 609,014 | (106,731) | 23,681,525 | 23,574,794 | 10,763,737 | (71,066) | - | 10,721,876 | 67,132,956 | 574,661 |
| Mar 2019 | - | 172,487,911 | 716,945 | 72,059,470 | 100,428,441 | 81,905 | 608,929 | (98,151) | 23,574,794 | 23,476,643 | 10,721,876 | (71,055) | - | 10,686,056 | 66,557,229 | 569,732 |
| Apr 2019 | 25,000 | 172,512,911 | 717,350 | 72,776,820 | 99,736,091 | 82,378 | 609,048 | (89,804) | 23,476,643 | 23,386,839 | 10,686,056 | (71,048) | - | 10,656,080 | 65,979,457 | 564,787 |
| May 2019 | 185,000 | 172,697,911 | 720,337 | 73,497,156 | 99,200,754 | 86,317 | 610,492 | (80,862) | 23,386,839 | 23,305,977 | 10,656,080 | (71,042) | - | 10,632,140 | 65,477,905 | 560,493 |
| Jun 2019 | 210,000 | 172,907,911 | 723,756 | 74,220,912 | 98,686,998 | 91,426 | 613,219 | (72,290) | 23,305,977 | 23,233,687 | 10,632,140 | (71,032) | - | 10,614,041 | 65,050,954 | 556,839 |
| Jul 2019 | 410,000 | 173,317,911 | 730,565 | 74,951,477 | 98,366,433 | 103,063 | 617,574 | (62,920) | 23,233,687 | 23,170,766 | 10,614,041 | (71,026) | - | 10,601,977 | 64,716,480 | 553,976 |
| Aug 2019 | 232,000 | 173,549,911 | 734,402 | 75,685,879 | 97,864,031 | 110,965 | 622,107 | (54,203) | 23,170,766 | 23,116,564 | 10,601,977 | (71,023) | - | 10,595,945 | 64,372,607 | 551,032 |
| Sept 2019 | - | 173,549,911 | 734,369 | 76,420,249 | 97,129,662 | 110,965 | 623,727 | (46,312) | 23,116,564 | 23,070,251 | 10,595,945 | (71,020) | - | 10,595,750 | 63,807,592 | 546,195 |
| | | Program Assumption | Program Assumption | Refer to WP_SS 2a through 2d.xlsx "Bk Depr" Worksheets | Prior Month + Col 3 | Col 2 - Col 4 | Refer to WP_SS 2a through 2d.xlsx "Sched-IS and BS" Worksheet Row 119 | Refer to WP_SS 2a through 2d.xlsx "Sched-IS and BS" Worksheet Row 127 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 71 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 75 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 77 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 92 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 86 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 94 | (Prior Col 5 - Col 9 - Col 11 + Col 5 - Col 13 - Col 10)/2 | Col 14* Monthly Pre Tax WACC |
| 2009 | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2010 | | 52,656,897 | 52,656,897 | 429,279 | 429,279 | 52,227,618 | 30,814,404 | 220,974 | 12,497,416 | - | 16,039,523 | - | - | - | - | 488,998 |
| 2011 | | 79,873,611 | 132,530,508 | 5,219,061 | 5,648,340 | 126,882,168 | 30,349,602 | 564,428 | 12,167,244 | 16,039,523 | 39,607,774 | - | - | - | - | 7,231,292 |
| 2012 | | 28,207,315 | 160,737,823 | 8,862,691 | 14,511,031 | 146,226,791 | 4,578,754 | 673,186 | 1,599,649 | 39,607,774 | 43,614,590 | - | - | - | - | 11,389,511 |
| 2013 | | 7,683,445 | 168,421,268 | 9,731,476 | 24,242,508 | 144,178,760 | 3,138,752 | 707,591 | 996,000 | 43,614,590 | 44,516,173 | - | - | - | - | 11,714,707 |
| 2014 | | 509,071 | 168,930,339 | 10,138,538 | 34,381,046 | 134,549,293 | 410,958 | 720,036 | (126,468) | 44,516,173 | 43,394,814 | - | - | - | - | 11,321,304 |
| 2015 | | 85,615 | 169,015,954 | 10,077,438 | 44,458,484 | 124,557,471 | 347,526 | 674,616 | (133,616) | 43,394,814 | 41,479,768 | - | - | - | - | 10,324,091 |
| 2016 | (75,242) | 168,940,713 | 9,040,018 | 53,498,502 | 115,442,211 | 199,983 | 592,176 | (121,627) | 41,479,768 | 39,443,407 | - | - | - | - | - | 9,425,914 |
| 2017 | 2,628 | 168,943,340 | 8,178,906 | 61,677,408 | 107,265,932 | 101,778 | 566,042 | (151,071) | 39,443,407 | 37,107,016 | - | - | - | - | - | 8,625,578 |
| 2018 | 3,544,571 | 172,487,911 | 8,230,900 | 69,908,308 | 102,579,602 | 164,799 | 610,290 | (103,709) | 25,546,492 | 23,796,004 | - | - | (835,439) | - | - | 7,013,341 |
| 2019 | 1,062,000 | 173,549,911 | 8,713,373 | 78,621,681 | 94,928,229 | 110,965 | 623,018 | (119,582) | 23,796,004 | 22,050,446 | - | - | (852,312) | - | - | 6,695,552 |
| Oct 2018 - Sep | | 2,096,092 | 173,549,911 | 8,666,918 | 76,420,249 | 97,129,662 | 110,965 | 623,727 | (46,312) | 23,116,564 | 23,070,251 | - | (1,474,825) | - | - | 6,816,058 |

PSE&G Solar 4 All Program--Settlement
Revenue Requirements Calculation

Schedule SS - 2a

Page 2 of 2

(\$000's)

Centralized Segment (Segments 1a & 1b)

Actual results through March 2018

| | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) | |
|----------------|-----------|----------------|-----------|-----------|-------------|----------------------|----------|------------|---------|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| | Expenses | | | | | Revenue from Sale of | | | | | ITC | | | | |
| | O&M | Administrative | Rent | Insurance | Other | Energy | Capacity | SRECs | Other | Amortization | Tax Gross-up | Tax Assoc. w/50% ITC Basis Reduction | Excess Deferred Tax Flow Through Gross-up | Revenue Requirements | |
| Oct 2017 | 115,341 | 34,454 | 81,528 | 17,337 | (260,404) | 110,993 | 69,068 | 2,728,843 | - | 202,403 | 139,783 | 69,891 | - | (1,816,927) | |
| Nov 2017 | 73,790 | 38,894 | 10,896 | 15,723 | (148,246) | 61,362 | 66,635 | (10,199) | - | 202,403 | 139,783 | 69,891 | - | 972,056 | |
| Dec 2017 | 6,035 | 39,089 | 177,094 | 15,905 | 1,303 | 57,863 | 68,939 | 1,513,072 | - | 200,057 | 138,163 | 69,486 | - | (307,041) | |
| Jan 2018 | 83,204 | 46,462 | 81,825 | 17,029 | 1,830 | 76,824 | 68,893 | (10,862) | 1 | 200,057 | 78,225 | 39,113 | - | 1,117,300 | |
| Feb 2018 | 196,334 | 40,481 | 21,793 | 17,029 | - | 213,096 | 62,294 | - | 2 | 200,069 | 78,230 | 39,106 | - | 1,012,323 | |
| Mar 2018 | 88,420 | 67,874 | 187,990 | 17,029 | 3,600 | 77,590 | 69,003 | 1,460,677 | - | 200,077 | 78,233 | 39,100 | - | (230,053) | |
| Apr 2018 | 111,033 | 30,399 | 83,566 | 17,957 | - | 96,262 | 67,725 | (8,832) | - | 200,745 | 78,494 | 39,622 | - | 1,097,719 | |
| May 2018 | 101,429 | 30,399 | 11,169 | 17,957 | 125,000 | 110,288 | 69,983 | - | - | 201,767 | 78,894 | 40,023 | - | 1,115,002 | |
| Jun 2018 | 64,570 | 30,399 | 177,366 | 17,957 | - | 107,336 | 47,244 | 2,646,430 | - | 204,748 | 80,059 | 41,698 | - | (1,495,400) | |
| Jul 2018 | 58,130 | 30,399 | 83,566 | 17,957 | 290,000 | 106,233 | 48,818 | - | - | 205,778 | 80,462 | 40,809 | - | 1,339,323 | |
| Aug 2018 | 75,877 | 30,399 | 11,169 | 17,957 | 145,000 | 100,978 | 48,818 | - | - | 207,932 | 81,304 | 41,859 | - | 1,147,624 | |
| Sept 2018 | 83,159 | 30,399 | 178,427 | 17,957 | 77,000 | 88,304 | 47,244 | 2,491,541 | - | 212,386 | 83,046 | 44,020 | - | (1,212,000) | |
| Oct 2018 | 85,886 | 30,399 | 83,870 | 17,957 | 835,000 | 74,879 | 48,818 | - | - | 216,390 | 84,612 | 44,553 | (272,374) | 1,007,957 | |
| Nov 2018 | 56,999 | 30,399 | 11,169 | 17,957 | 860,000 | 50,066 | 47,244 | - | - | 217,058 | 84,873 | 42,811 | (27,177) | 1,831,854 | |
| Dec 2018 | 19,394 | 30,399 | 181,521 | 17,957 | - | 45,362 | 48,818 | 1,435,889 | - | 216,219 | 84,545 | 41,807 | (27,118) | (334,764) | |
| Jan 2019 | 18,367 | 31,311 | 83,870 | 18,496 | - | 54,494 | 48,818 | - | - | 216,199 | 84,537 | 42,258 | (27,791) | 988,005 | |
| Feb 2019 | 18,367 | 31,311 | 11,169 | 18,496 | - | 65,768 | 44,094 | - | - | 216,177 | 84,528 | 42,252 | (27,788) | 903,906 | |
| Mar 2019 | 58,338 | 31,311 | 181,521 | 18,496 | - | 90,029 | 48,818 | 1,772,991 | - | 216,139 | 84,513 | 42,236 | (27,784) | (692,751) | |
| Apr 2019 | 113,291 | 31,311 | 85,655 | 18,496 | 20,000 | 98,578 | 47,244 | - | - | 216,259 | 84,560 | 42,348 | (27,781) | 1,047,767 | |
| May 2019 | 103,579 | 31,311 | 11,448 | 18,496 | 90,000 | 113,074 | 48,818 | - | - | 217,146 | 84,907 | 42,951 | (27,778) | 1,015,849 | |
| Jun 2019 | 66,204 | 31,311 | 181,800 | 18,496 | 75,000 | 112,038 | 23,760 | 2,729,080 | - | 218,162 | 85,304 | 43,221 | (27,775) | (1,570,524) | |
| Jul 2019 | 59,571 | 31,311 | 85,655 | 18,496 | - | 112,612 | 24,552 | - | - | 220,184 | 86,095 | 44,181 | (27,772) | 981,512 | |
| Aug 2019 | 77,644 | 31,311 | 11,448 | 18,496 | - | 106,855 | 24,552 | - | - | 221,323 | 86,541 | 43,909 | (27,771) | 930,176 | |
| Sept 2019 | 85,114 | 31,311 | 182,888 | 18,496 | - | 90,796 | 23,760 | 2,615,879 | - | 221,313 | 86,537 | 43,263 | (27,770) | (1,495,439) | |
| | | | | | | | | | | Refer to WP_SS 2a through 2d.xlsx "State Rebate and ITC" Worksheet Row 791 | Refer to WP_SS 2a through 2d.xlsx "State Rebate and ITC" Worksheet Row 792 | (Col 3 - Col 7) * [Tax Rate] * [Rev. Conv. Fac.] | (Col 12 * Revenue Conversion Factor) | Col 3 + Col 12 + Col 15 + Col 16 + Col 17 + Col 18 + Col 19 + Col 20 - Col 21 - Col 22 - Col 23 - Col 24 - Col 25 - Col 26 + Col 27 + Col 28 | |
| 2009 | - | 52,148 | - | - | - | - | - | - | - | - | - | - | - | 52,148 | |
| 2010 | - | 657,657 | - | - | - | - | - | - | - | 125,665 | 86,787 | 43,590 | - | 1,407,072 | |
| 2011 | 226,295 | 1,032,703 | 537,356 | 856 | - | 283,911 | 3,660 | 4,796,794 | - | 1,580,348 | 1,091,415 | 519,012 | - | 7,010,448 | |
| 2012 | 694,688 | 937,584 | 936,571 | 278,148 | 130,459 | 1,632,894 | 164,967 | 4,199,327 | - | 2,662,119 | 1,838,505 | 920,789 | - | 13,652,628 | |
| 2013 | 850,338 | 839,666 | 977,974 | 274,488 | 340,270 | 1,919,230 | 455,327 | 6,124,398 | - | 2,928,969 | 2,022,796 | 999,881 | - | 12,278,081 | |
| 2014 | 996,157 | 662,253 | 909,871 | 295,356 | 829,302 | 2,317,996 | 659,090 | 7,876,194 | - | 3,042,008 | 2,100,863 | 1,050,360 | - | 10,206,990 | |
| 2015 | 734,616 | 353,758 | 1,025,285 | 356,440 | (1,267,874) | 1,542,469 | 678,743 | 10,440,216 | 615,909 | 3,024,129 | 2,088,515 | 1,042,609 | - | 4,256,381 | |
| 2016 | 1,069,205 | 487,952 | 1,081,444 | 293,292 | (887,254) | 1,203,232 | 782,858 | 11,879,948 | - | 2,722,122 | 1,879,944 | 938,779 | - | 2,981,245 | |
| 2017 | 785,216 | 437,586 | 1,064,715 | 191,242 | (136,682) | 1,272,176 | 836,699 | 8,949,121 | - | 2,465,596 | 1,702,783 | 855,721 | - | 4,775,909 | |
| 2018 | 1,024,433 | 428,408 | 1,113,430 | 212,700 | 2,337,430 | 1,147,220 | 674,902 | 8,014,843 | 3 | 2,483,226 | 970,976 | 494,520 | (326,669) | 6,401,884 | |
| 2019 | 766,642 | 375,731 | 1,118,928 | 221,949 | 185,000 | 1,019,758 | 407,281 | 8,597,749 | - | 2,626,341 | 1,026,936 | 516,161 | (333,266) | 3,729,692 | |
| Oct 2018 - Sep | 762,753 | 372,995 | 1,112,014 | 220,332 | 1,880,000 | 1,014,550 | 479,298 | 8,553,840 | - | 2,612,571 | 1,021,552 | 515,789 | (576,677) | 4,613,547 | |

PSE&G Solar 4 All Program--Settlement

Revenue Requirements Calculation

(\$000's)

Neighborhood Segment (Segment 2)

Actuals through March 2018

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
|------------------|------------|---------------------------|--------------------|-----------------------------|---------------------------------|------------------|-------------------------|------------------------------|-------------------------|--------------------------------------------------|-----------------------------------------------|-------------------------------------------------------|-----------------------------------------|----------------------------------------------------|-------------------------------|---------------------------|
| | | <u>Program Investment</u> | <u>Gross Plant</u> | <u>Depreciation Expense</u> | <u>Accumulated Depreciation</u> | <u>Net Plant</u> | <u>Tax Depreciation</u> | <u>Book Deprec Tax Basis</u> | <u>Deferred Tax Exp</u> | <u>Beginning Accumulated Deferred Income Tax</u> | <u>Ending Accumulated Deferred Income Tax</u> | <u>Prorated Excess Deferred Tax Beginning Balance</u> | <u>Excess Deferred Tax Flow Through</u> | <u>Prorated Excess Deferred Tax Ending Balance</u> | <u>Average Net Investment</u> | <u>Return Requirement</u> |
| Oct 2017 | - | 277,608,057 | 1,278,222 | 93,679,396 | 183,928,661 | 342,532 | 1,080,818 | (280,507) | 62,924,253 | 62,643,746 | - | - | - | - | 121,783,772 | 1,202,821 |
| Nov 2017 | - | 277,608,057 | 1,267,569 | 94,946,965 | 182,661,091 | 342,532 | 1,074,125 | (257,040) | 62,643,746 | 62,386,706 | - | - | - | - | 120,779,650 | 1,192,904 |
| Dec 2017 | - | 277,608,057 | 1,260,319 | 96,207,284 | 181,400,772 | 342,532 | 1,071,300 | (234,506) | 62,386,706 | 62,152,199 | - | - | - | - | 119,761,479 | 1,182,847 |
| Jan 2018 | - | 277,608,057 | 1,250,715 | 97,457,999 | 180,150,058 | 119,077 | 1,063,136 | (202,905) | 42,738,196 | 42,535,291 | 19,414,003 | - | - | 19,414,003 | 118,724,668 | 1,016,288 |
| Feb 2018 | - | 277,608,057 | 1,239,226 | 98,697,225 | 178,910,832 | 119,077 | 1,053,371 | (186,590) | 42,535,291 | 42,348,701 | 19,414,003 | - | - | 19,414,003 | 117,674,446 | 1,007,298 |
| Mar 2018 | 895 | 277,608,952 | 1,230,308 | 99,927,533 | 177,681,419 | 119,092 | 1,045,791 | (169,460) | 42,348,701 | 42,179,242 | 19,414,003 | - | - | 19,414,003 | 116,618,151 | 998,256 |
| Apr 2018 | - | 277,608,952 | 1,224,614 | 101,152,147 | 176,456,805 | 119,092 | 1,040,985 | (153,551) | 42,179,242 | 42,025,691 | 19,414,003 | - | - | 19,414,003 | 115,552,643 | 989,135 |
| May 2018 | - | 277,608,952 | 1,221,305 | 102,373,453 | 175,235,499 | 119,092 | 1,038,172 | (137,603) | 42,025,691 | 41,888,088 | 19,414,003 | - | - | 19,414,003 | 114,475,260 | 979,913 |
| Jun 2018 | - | 277,608,952 | 1,219,976 | 103,593,429 | 174,015,523 | 119,092 | 1,037,042 | (122,477) | 41,888,088 | 41,765,611 | 19,414,003 | - | - | 19,414,003 | 113,384,659 | 970,577 |
| Jul 2018 | - | 277,608,952 | 1,219,624 | 104,813,052 | 172,795,900 | 119,092 | 1,036,743 | (106,991) | 41,765,611 | 41,658,620 | 19,414,003 | - | - | 19,414,003 | 112,279,593 | 961,118 |
| Aug 2018 | - | 277,608,952 | 1,218,872 | 106,031,924 | 171,577,028 | 119,092 | 1,036,104 | (91,478) | 41,658,620 | 41,567,142 | 19,414,003 | - | - | 19,414,003 | 111,159,580 | 951,530 |
| Sept 2018 | - | 277,608,952 | 1,218,572 | 107,250,496 | 170,358,456 | 119,092 | 1,035,849 | (76,518) | 41,567,142 | 41,490,624 | 19,414,003 | - | - | 19,414,003 | 110,024,856 | 941,817 |
| Oct 2018 | - | 277,608,952 | 1,218,237 | 108,468,733 | 169,140,219 | 119,092 | 1,035,564 | (242,692) | 40,274,645 | 40,031,953 | 19,414,003 | (1,219,746) | - | 18,294,510 | 110,741,782 | 947,954 |
| Nov 2018 | - | 277,608,952 | 1,214,209 | 109,682,941 | 167,926,011 | 119,092 | 1,032,140 | (226,909) | 40,031,953 | 39,805,044 | 18,294,510 | (120,683) | - | 18,193,665 | 110,370,529 | 944,776 |
| Dec 2018 | - | 277,608,952 | 1,206,938 | 110,889,879 | 166,719,073 | 119,092 | 1,025,960 | (210,096) | 39,805,044 | 39,594,948 | 18,193,665 | (119,896) | - | 18,103,662 | 109,473,883 | 937,101 |
| Jan 2019 | - | 277,608,952 | 1,203,620 | 112,093,499 | 165,515,453 | 37,238 | 1,023,140 | (213,463) | 39,594,948 | 39,381,484 | 18,103,662 | (127,005) | - | 18,019,108 | 108,567,662 | 929,343 |
| Feb 2019 | - | 277,608,952 | 1,203,676 | 113,297,175 | 164,311,777 | 37,238 | 1,023,187 | (198,859) | 39,381,484 | 39,182,625 | 18,019,108 | (127,011) | - | 17,944,293 | 107,649,860 | 921,487 |
| Mar 2019 | - | 277,608,952 | 1,203,318 | 114,500,493 | 163,108,459 | 37,238 | 1,022,883 | (182,622) | 39,182,625 | 39,000,003 | 17,944,293 | (126,972) | - | 17,880,285 | 106,706,515 | 913,412 |
| Apr 2019 | - | 277,608,952 | 1,203,076 | 115,703,568 | 161,905,384 | 37,238 | 1,022,677 | (166,934) | 39,000,003 | 38,833,070 | 17,880,285 | (126,946) | - | 17,826,725 | 105,736,880 | 905,112 |
| May 2019 | - | 277,608,952 | 1,202,832 | 116,906,401 | 160,702,551 | 37,238 | 1,022,470 | (150,730) | 38,833,070 | 38,682,340 | 17,826,725 | (126,920) | - | 17,783,954 | 104,740,923 | 896,586 |
| Jun 2019 | - | 277,608,952 | 1,202,663 | 118,109,063 | 159,499,889 | 37,238 | 1,022,326 | (135,063) | 38,682,340 | 38,547,277 | 17,783,954 | (126,901) | - | 17,751,621 | 103,718,624 | 887,835 |
| Jul 2019 | - | 277,608,952 | 1,202,362 | 119,311,425 | 158,297,527 | 37,238 | 1,022,071 | (118,865) | 38,547,277 | 38,428,412 | 17,751,621 | (126,869) | - | 17,730,070 | 102,670,017 | 878,859 |
| Aug 2019 | - | 277,608,952 | 1,201,850 | 120,513,276 | 157,095,676 | 37,238 | 1,021,636 | (102,657) | 38,428,412 | 38,325,755 | 17,730,070 | (126,813) | - | 17,719,300 | 101,594,832 | 869,656 |
| Sept 2019 | - | 277,608,952 | 1,201,272 | 121,714,548 | 155,894,404 | 37,238 | 1,021,144 | (86,979) | 38,325,755 | 38,238,777 | 17,719,300 | (126,751) | - | 17,718,953 | 100,493,648 | 860,229 |
| 2009 | 9,402,648 | 9,402,648 | 66,618 | 66,618 | 9,336,030 | 1,172,415 | 33,301 | 1,286,018 | - | 1,748,751 | - | - | - | - | - | 100,672 |
| 2010 | 99,253,986 | 108,656,634 | 2,911,320 | 2,977,938 | 105,678,696 | 20,036,271 | 384,896 | 7,509,709 | 1,748,751 | 24,416,630 | - | - | - | - | - | 5,599,436 |
| 2011 | 76,096,113 | 184,752,747 | 7,565,202 | 10,543,141 | 174,209,607 | 16,047,593 | 654,404 | 6,288,118 | 24,416,630 | 50,076,405 | - | - | - | - | - | 12,969,914 |
| 2012 | 60,632,862 | 245,385,609 | 10,853,398 | 21,396,538 | 223,989,071 | 7,264,058 | 904,140 | 2,598,041 | 50,076,405 | 61,791,470 | - | - | - | - | - | 17,311,170 |
| 2013 | 24,785,820 | 270,171,429 | 14,140,471 | 35,537,009 | 234,634,420 | 4,479,422 | 1,025,380 | 1,410,976 | 61,791,470 | 68,018,868 | - | - | - | - | - | 19,948,864 |
| 2014 | 1,570,429 | 271,741,858 | 14,636,228 | 50,173,237 | 221,568,621 | 1,443,045 | 1,041,605 | 163,988 | 68,018,868 | 69,273,103 | - | - | - | - | - | 18,884,747 |
| 2015 | 1,801,377 | 273,543,234 | 14,868,983 | 65,042,220 | 208,501,014 | 1,407,662 | 1,063,602 | 140,549 | 69,273,103 | 68,125,971 | - | - | - | - | - | 17,345,781 |
| 2016 | 3,729,493 | 277,272,728 | 15,515,014 | 80,557,234 | 196,715,493 | 757,357 | 1,119,919 | (62,046) | 68,125,971 | 65,975,951 | - | - | - | - | - | 16,137,109 |
| 2017 | 335,329 | 277,608,057 | 15,650,050 | 96,207,284 | 181,400,772 | 342,532 | 1,071,300 | (234,506) | 65,975,951 | 62,152,199 | - | - | - | - | - | 14,764,602 |
| 2018 | 895 | 277,608,952 | 14,682,594 | 110,889,879 | 166,719,073 | 119,092 | 1,025,960 | (210,096) | 42,738,196 | 39,594,948 | - | (1,460,324) | - | - | - | 11,645,761 |
| 2019 | - | 277,608,952 | 14,424,944 | 125,314,822 | 152,294,129 | 37,238 | 1,019,442 | (228,909) | 39,594,948 | 36,278,128 | - | (1,522,055) | - | - | - | 10,651,410 |
| Oct 2018 - Sep : | - | 277,608,952 | 14,464,052 | 121,714,548 | 155,894,404 | 37,238 | 1,021,144 | (86,979) | 38,325,755 | 38,238,777 | - | (2,602,511) | - | - | - | 10,892,350 |

Program Assumption Program Assumption Refer to WP_SS 2a through 2d.xlsx "Bk Depn" Worksheets Prior Month + Col 3 Col 2 - Col 4 Refer to WP_SS 2a through 2d.xlsx "Sched-IS and BS" Worksheet Row 119 Refer to WP_SS 2a through 2d.xlsx "Sched-IS and BS" Worksheet Row 127 Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 71 Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 75 Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 77 Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 92 Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 86 Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 94 (Prior Col 5 - Col 9 - Col 11 + Col 5 - Col 13 - Col 10)/2 Col 14* Monthly Pre Tax WACC

PSE&G Solar 4 All Program--Settlement Revenue Requirements Calculation

Schedule SS - 2b

Page 2 of 2

(\$000's)

Neighborhood Segment (Segment 2)

Actuals through March 2018

| | | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) |
|-----------|--|----------|----------------|--------|-----------|-------|----------------------|----------|-----------|-------|--------------|--------------|--------------------------------------------|-------------------------------------------------|-------------------------|
| | | Expenses | | | | | Revenue from Sale of | | | | ITC | | | | |
| | | O&M | Administrative | Rent | Insurance | Other | Energy | Capacity | SRECs | Other | Amortization | Tax Gross-up | Tax Assoc. w/50% ITC Basis Reduction | Excess Deferred Tax Flow Through Gross-up | Revenue Requirements |
| Oct 2017 | | 490,580 | 20,259 | 15,750 | 477 | 3,105 | 97,652 | 71,526 | 2,099,110 | - | 381,317 | 263,344 | 136,331 | - | 234,595 |
| Nov 2017 | | 255,536 | 25,526 | 31,597 | 477 | - | 61,103 | 69,006 | (7,845) | - | 378,955 | 261,713 | 133,596 | - | 2,144,274 |
| Dec 2017 | | 126,720 | 18,655 | 15,750 | 477 | - | 65,738 | 71,392 | 1,294,140 | - | 376,961 | 260,336 | 130,540 | - | 666,741 |
| Jan 2018 | | 156,889 | 26,328 | 49,500 | 470 | - | 89,517 | 71,344 | (9,291) | - | 373,192 | 145,923 | 73,346 | - | 1,902,849 |
| Feb 2018 | | 293,368 | 22,503 | - | 470 | - | 205,171 | 64,511 | - | - | 370,068 | 144,702 | 72,672 | - | 1,851,085 |
| Mar 2018 | | 295,632 | 41,323 | (97) | 470 | - | 80,205 | 71,458 | 1,617,020 | - | 367,842 | 143,831 | 72,149 | - | 357,684 |
| Apr 2018 | | 236,614 | 29,879 | 16,261 | 470 | - | 88,082 | 69,883 | (7,554) | - | 366,675 | 143,375 | 71,802 | - | 1,908,313 |
| May 2018 | | 236,614 | 29,879 | 16,261 | 470 | - | 99,843 | 72,213 | - | - | 365,856 | 143,055 | 71,608 | - | 1,875,083 |
| Jun 2018 | | 236,614 | 29,879 | 16,261 | 470 | - | 96,096 | 47,694 | 2,394,632 | - | 365,878 | 143,063 | 71,530 | - | (502,056) |
| Jul 2018 | | 236,614 | 29,879 | 16,261 | 470 | - | 96,257 | 49,283 | - | - | 365,645 | 142,972 | 71,509 | - | 1,881,317 |
| Aug 2018 | | 236,614 | 29,879 | 16,261 | 470 | - | 92,491 | 49,283 | - | - | 365,427 | 142,887 | 71,465 | - | 1,875,003 |
| Sept 2018 | | 236,614 | 29,879 | 16,261 | 470 | - | 84,950 | 47,694 | 2,307,591 | - | 365,465 | 142,902 | 71,447 | - | (433,541) |
| Oct 2018 | | 236,614 | 29,879 | 16,261 | 470 | - | 76,279 | 49,283 | - | - | 365,226 | 142,808 | 71,428 | (476,938) | 190,562 |
| Nov 2018 | | 236,614 | 29,879 | 16,261 | 470 | - | 53,220 | 47,694 | - | - | 363,048 | 141,957 | 71,191 | (47,189) | 1,739,610 |
| Dec 2018 | | 236,614 | 29,879 | 16,261 | 470 | - | 50,331 | 49,283 | 1,516,179 | - | 360,863 | 141,102 | 70,765 | (46,881) | 213,492 |
| Jan 2019 | | 255,254 | 30,775 | 16,875 | - | - | 63,876 | 49,283 | - | - | 361,058 | 141,179 | 70,570 | (49,661) | 1,714,376 |
| Feb 2019 | | 255,254 | 30,775 | 16,875 | - | - | 70,310 | 44,514 | - | - | 360,896 | 141,116 | 70,574 | (49,663) | 1,705,131 |
| Mar 2019 | | 255,254 | 30,775 | 16,875 | - | - | 90,739 | 49,283 | 1,896,384 | - | 360,843 | 141,095 | 70,553 | (49,648) | (224,778) |
| Apr 2019 | | 255,254 | 30,775 | 16,875 | - | - | 93,740 | 47,694 | - | - | 360,751 | 141,059 | 70,538 | (49,638) | 1,661,804 |
| May 2019 | | 255,254 | 30,775 | 16,875 | - | - | 106,256 | 49,283 | - | - | 360,697 | 141,038 | 70,524 | (49,627) | 1,639,026 |
| Jun 2019 | | 255,254 | 30,775 | 16,875 | - | - | 102,265 | 24,720 | 2,548,408 | - | 360,649 | 141,019 | 70,514 | (49,620) | (889,666) |
| Jul 2019 | | 255,254 | 30,775 | 16,875 | - | - | 102,444 | 25,544 | - | - | 360,517 | 140,967 | 70,497 | (49,607) | 1,648,674 |
| Aug 2019 | | 257,754 | 30,775 | 16,875 | - | - | 98,432 | 25,544 | - | - | 360,342 | 140,899 | 70,466 | (49,586) | 1,645,761 |
| Sept 2019 | | 255,254 | 30,775 | 16,875 | - | - | 90,406 | 24,720 | 2,455,845 | - | 360,170 | 140,831 | 70,433 | (49,561) | (813,446) |

Col 3 + Col 12 +
Col 15
+ Col 16 + Col 17
+ Col 18 + Col 19 +
Col 20 - Col 21 -
Col 22 - Col 23 -
Col 24 - Col 25 -
Col 26 + Col 27 +
Col 28

| | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Refer to WP_SS 2a through 2d.xlsx "State Rebate and ITC" Worksheet Row 791 | Refer to WP_SS 2a through 2d.xlsx "State Rebate and ITC" Worksheet Row 792 | (Col 3 - Col 7) * [Tax Rate] * [Rev. Conv. Fac.] | (Col 12 * Revenue Conversion Factor) | + Col 18 + Col 19 + Col 20 - Col 21 - Col 22 - Col 23 - Col 24 - Col 25 - Col 26 + Col 27 + Col 28 |
|------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|--------------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| 2009 | - | 170,521 | - | - | - | - | - | - | - | - | 19,985 | 13,936 | 6,968 | - | 310,857 |
| 2010 | 300,000 | 219,835 | - | - | - | 69,310 | - | - | - | - | 873,274 | 604,670 | 301,592 | - | 7,784,929 |
| 2011 | 866,536 | 368,960 | - | - | - | 1,804,451 | 8,265 | 9,162,213 | - | - | 2,269,683 | 1,567,482 | 783,699 | - | 7,742,219 |
| 2012 | 1,045,713 | 518,159 | - | - | - | 1,139,838 | 132,517 | 3,725,345 | - | - | 3,324,062 | 2,295,654 | 996,404 | - | 20,107,429 |
| 2013 | 2,662,393 | 354,541 | - | - | - | 1,762,990 | 452,892 | 5,662,962 | - | - | 4,204,438 | 2,903,657 | 1,580,751 | - | 23,700,081 |
| 2014 | 3,452,665 | 433,731 | - | - | - | 2,330,923 | 665,662 | 7,330,443 | - | - | 4,390,650 | 3,032,258 | 1,519,623 | - | 21,177,058 |
| 2015 | 2,725,981 | 255,193 | - | - | - | 1,533,712 | 681,564 | 9,820,407 | - | - | 4,465,199 | 3,083,742 | 1,540,316 | - | 17,151,629 |
| 2016 | 2,574,991 | 306,741 | 1,251 | - | - | 1,041,243 | 801,874 | 10,306,973 | - | - | 4,663,103 | 3,220,419 | 1,607,014 | - | 16,108,508 |
| 2017 | 3,099,588 | 272,830 | 208,096 | 5,247 | 3,105 | 1,108,575 | 866,472 | 8,061,675 | - | - | 4,684,318 | 3,235,070 | 1,638,387 | - | 17,685,795 |
| 2018 | 2,875,415 | 359,064 | 195,756 | 5,640 | - | 1,112,443 | 689,624 | 7,818,577 | - | - | 4,395,185 | 1,718,579 | 860,910 | (571,007) | 12,859,401 |
| 2019 | 3,069,128 | 369,304 | 202,500 | - | - | 1,009,840 | 416,394 | 8,514,130 | - | - | 4,325,245 | 1,691,231 | 845,758 | (595,145) | 11,489,003 |

Oct 2018 - Sep 2019: 3,009,628 366,615 200,659 1,410 - 998,298 486,846 8,416,816 - 4,335,060 1,695,069 848,052 (1,017,618) 10,230,547

PSE&G Solar 4 All Program--Settlement

Revenue Requirements Calculation

(\$000's)

UEZ Solar (Segment 1c)

Actual through March 2018

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
|---------------------|--|--------------------|--------------------|--------------------------------------------------------|--------------------------|---------------|------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------------------------------|
| | | Program Investment | Gross Plant | Depreciation Expense | Accumulated Depreciation | Net Plant | Tax Depreciation | Book Deprec Tax Basis | Deferred Tax Exp | Beginning Accumulated Deferred Income Tax | Ending Accumulated Deferred Income Tax | Prorated Excess Deferred Tax Beginning Balance | Excess Deferred Tax Flow Through | Prorated Excess Deferred Tax Ending Balance | Average Net Investment | Return Requirement |
| Oct 2017 | | 119,876 | 31,144,376 | 162,378 | 15,655,674 | 15,488,702 | 39,029 | 137,693 | (37,864) | 5,294,868 | 5,257,004 | - | - | - | 10,234,017 | 101,078 |
| Nov 2017 | | 92,706 | 31,237,082 | 164,187 | 15,819,862 | 15,417,221 | 46,923 | 139,226 | (33,159) | 5,257,004 | 5,223,846 | - | - | - | 10,212,537 | 100,866 |
| Dec 2017 | | 1,046 | 31,238,128 | 164,958 | 15,984,819 | 15,253,309 | 47,101 | 139,870 | (30,963) | 5,223,846 | 5,192,883 | - | - | - | 10,126,901 | 100,020 |
| Jan 2018 | | 51,172 | 31,289,300 | 165,367 | 16,150,187 | 15,139,113 | 12,358 | 140,219 | (27,648) | 3,571,388 | 3,543,740 | 1,621,494 | - | 1,621,494 | 10,017,152 | 85,747 |
| Feb 2018 | | 3,992 | 31,293,292 | 165,827 | 16,316,014 | 14,977,278 | 12,419 | 140,610 | (25,811) | 3,543,740 | 3,517,929 | 1,621,494 | - | 1,621,494 | 9,905,866 | 84,795 |
| Mar 2018 | | 1,750 | 31,295,042 | 165,875 | 16,481,889 | 14,813,153 | 12,449 | 140,651 | (23,700) | 3,517,929 | 3,494,229 | 1,621,494 | - | 1,621,494 | 9,767,642 | 83,611 |
| Apr 2018 | | - | 31,295,042 | 166,428 | 16,648,316 | 14,646,725 | 12,449 | 140,663 | (21,658) | 3,494,229 | 3,472,571 | 1,621,494 | - | 1,621,494 | 9,625,045 | 82,391 |
| May 2018 | | 17,500 | 31,312,542 | 166,574 | 16,814,890 | 14,497,652 | 12,822 | 140,787 | (19,506) | 3,472,571 | 3,453,065 | 1,621,494 | - | 1,621,494 | 9,487,876 | 81,217 |
| Jun 2018 | | 323,000 | 31,635,542 | 169,400 | 16,984,290 | 14,651,252 | 20,680 | 143,193 | (16,709) | 3,453,065 | 3,436,356 | 1,621,494 | - | 1,621,494 | 9,508,247 | 81,391 |
| Jul 2018 | | 649,500 | 32,285,042 | 177,493 | 17,161,782 | 15,123,259 | 39,115 | 150,084 | (13,275) | 3,436,356 | 3,423,081 | 1,621,494 | - | 1,621,494 | 9,836,043 | 84,197 |
| Aug 2018 | | 597,000 | 32,882,042 | 187,875 | 17,349,658 | 15,532,384 | 59,449 | 158,925 | (10,221) | 3,423,081 | 3,412,860 | 1,621,494 | - | 1,621,494 | 10,288,356 | 88,069 |
| Sept 2018 | | 197,000 | 33,079,042 | 194,487 | 17,544,145 | 15,534,896 | 67,836 | 164,555 | (8,377) | 3,412,860 | 3,404,483 | 1,621,494 | - | 1,621,494 | 10,503,474 | 89,910 |
| Oct 2018 | | 4,500 | 33,083,542 | 196,167 | 17,740,312 | 15,343,230 | 68,091 | 165,985 | (25,949) | 3,256,660 | 3,230,711 | 1,621,494 | (165,915) | 1,469,216 | 10,650,022 | 91,165 |
| Nov 2018 | | - | 33,083,542 | 196,204 | 17,936,516 | 15,147,025 | 68,091 | 166,017 | (24,388) | 3,230,711 | 3,206,322 | 1,469,216 | - | 1,455,354 | 10,564,326 | 90,431 |
| Dec 2018 | | - | 33,083,542 | 196,204 | 18,132,720 | 14,950,821 | 68,091 | 166,017 | (22,767) | 3,206,322 | 3,183,555 | 1,455,354 | (16,589) | 1,442,901 | 10,404,857 | 89,066 |
| Jan 2019 | | - | 33,083,542 | 196,204 | 18,328,925 | 14,754,617 | 48,883 | 166,017 | (25,366) | 3,183,555 | 3,158,189 | 1,442,901 | (17,080) | 1,431,530 | 10,244,632 | 87,694 |
| Feb 2019 | | - | 33,083,542 | 196,204 | 18,525,129 | 14,558,413 | 48,883 | 166,017 | (23,631) | 3,158,189 | 3,134,558 | 1,431,530 | (17,080) | 1,421,469 | 10,083,642 | 86,316 |
| Mar 2019 | | 25,000 | 33,108,542 | 196,412 | 18,721,541 | 14,387,000 | 49,309 | 166,195 | (21,664) | 3,134,558 | 3,112,893 | 1,421,469 | (17,080) | 1,412,859 | 9,931,817 | 85,017 |
| Apr 2019 | | 525,000 | 33,633,542 | 200,996 | 18,922,537 | 14,711,005 | 59,243 | 170,097 | (18,780) | 3,112,893 | 3,094,113 | 1,412,859 | (17,080) | 1,405,653 | 10,036,243 | 85,911 |
| May 2019 | | 1,000,000 | 34,633,542 | 213,704 | 19,136,241 | 15,497,301 | 80,531 | 180,918 | (15,345) | 3,094,113 | 3,078,769 | 1,405,653 | (17,080) | 1,399,898 | 10,614,936 | 90,864 |
| Jun 2019 | | 500,000 | 35,133,542 | 226,204 | 19,362,445 | 15,771,097 | 92,695 | 191,562 | (13,538) | 3,078,769 | 3,065,230 | 1,399,898 | (17,079) | 1,395,546 | 11,164,478 | 95,568 |
| Jul 2019 | | - | 35,133,542 | 230,326 | 19,592,771 | 15,540,771 | 92,695 | 195,072 | (12,343) | 3,065,230 | 3,052,887 | 1,395,546 | (17,075) | 1,392,645 | 11,202,779 | 95,896 |
| Aug 2019 | | - | 35,133,542 | 230,282 | 19,823,053 | 15,310,488 | 92,695 | 195,035 | (10,658) | 3,052,887 | 3,042,229 | 1,392,645 | (17,070) | 1,391,196 | 10,986,151 | 94,042 |
| Sept 2019 | | - | 35,133,542 | 230,282 | 20,053,336 | 15,080,206 | 92,695 | 195,035 | (9,031) | 3,042,229 | 3,033,198 | 1,391,196 | (17,070) | 1,391,149 | 10,766,461 | 92,161 |
| | | Program Assumption | Program Assumption | Refer to WP_SS 2a through 2d.xlsx "BK Depr" Worksheets | Prior Month + Col 3 | Col 2 - Col 4 | Refer to WP_SS 2a through 2d.xlsx "Sched--IS and BS" Worksheet Row 119 | Refer to WP_SS 2a through 2d.xlsx "Sched--IS and BS" Worksheet Row 127 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 71 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 75 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 77 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 92 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 86 | Refer to WP_SS 2a through 2d.xlsx "Taxes" Worksheet Row 94 | (Prior Col 5 - Col 9 - Col 11 + Col 5 - Col 13 - Col 10)/2 | Col 14* Monthly Pre Tax WACC |
| 2009 | | 29,237 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2010 | | 25,602,959 | 13,723,851 | 238,570 | 238,570 | 13,485,281 | 6,775,483 | 77,378 | 2,169,253 | - | 4,136,558 | - | - | - | - | 240,416 |
| 2011 | | 4,765,353 | 30,397,549 | 2,356,047 | 2,594,617 | 27,802,932 | 1,354,418 | 170,339 | 483,696 | 4,136,558 | 8,673,298 | - | - | - | - | 2,494,697 |
| 2012 | | 117,349 | 30,514,898 | 2,418,573 | 5,013,189 | 25,501,709 | 93,273 | 170,922 | (31,720) | 8,673,298 | 8,252,780 | - | - | - | - | 2,160,388 |
| 2013 | | 4,806 | 30,519,704 | 2,419,901 | 7,433,090 | 23,086,614 | 50,241 | 171,052 | (49,351) | 8,252,780 | 7,659,527 | - | - | - | - | 1,936,918 |
| 2014 | | 54,192 | 30,573,896 | 2,422,187 | 9,855,277 | 20,718,619 | 40,510 | 171,357 | (53,451) | 7,659,527 | 7,008,746 | - | - | - | - | 1,727,289 |
| 2015 | | 1,074 | 30,574,970 | 2,365,549 | 12,220,826 | 18,354,144 | 29,163 | 152,391 | (50,339) | 7,008,746 | 6,330,328 | - | - | - | - | 1,523,673 |
| 2016 | | (932) | 30,574,038 | 1,860,651 | 14,081,477 | 16,492,561 | 10,747 | 130,608 | (38,112) | 6,330,328 | 5,757,132 | - | - | - | - | 1,349,182 |
| 2017 | | 664,090 | 31,238,128 | 1,903,342 | 15,984,819 | 15,253,309 | 47,101 | 139,870 | (30,963) | 5,757,132 | 5,192,883 | - | - | - | - | 1,221,370 |
| 2018 | | 1,845,413 | 33,083,542 | 2,147,901 | 18,132,720 | 14,950,821 | 68,091 | 166,017 | (22,767) | 3,571,388 | 3,517,929 | - | (199,094) | - | - | 1,031,989 |
| 2019 | | 2,050,000 | 35,133,542 | 2,611,463 | 20,744,183 | 14,389,358 | 92,695 | 195,035 | (23,847) | 3,183,555 | 2,825,377 | - | (204,902) | - | - | 1,086,344 |
| Oct 2018 - Sep 2019 | | 2,054,500 | 35,133,542 | 2,509,190 | 20,053,336 | 15,080,206 | 92,695 | 195,035 | (9,031) | 3,042,229 | 3,033,198 | - | (352,786) | - | - | 1,084,132 |

**PSE&G Solar 4 All Program--Settlement
Revenue Requirements Calculation**

Schedule SS - 2c

Page 2 of 2

(\$000's)

UEZ Solar (Segment 1c)

Actual through March 2018

| | | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) | |
|-----------|--|----------|----------------|--------|-----------|---------|----------------------|----------|---------|-------|--------------|--------------|--------------------------------------------|-------------------------------------------------|-------------------------|--|
| | | Expenses | | | | | Revenue from Sale of | | | | | ITC | | | | |
| | | O&M | Administrative | Rent | Insurance | Other | Energy | Capacity | SRECs | Other | Amortization | Tax Gross-up | Tax Assoc. w/50% ITC Basis Reduction | Excess Deferred Tax Flow Through Gross-up | Revenue Requirements | |
| Oct 2017 | | 4,338 | 13,192 | 11,963 | 3,011 | - | 15,536 | 11,475 | 382,652 | - | 48,996 | 33,838 | 17,048 | - | (179,488) | |
| Nov 2017 | | 16,006 | 17,508 | 67,406 | 2,473 | - | 9,100 | 11,070 | (1,430) | - | 49,464 | 34,161 | 17,239 | - | 283,320 | |
| Dec 2017 | | (763) | 14,342 | 10,483 | 2,838 | - | 6,445 | 11,453 | 212,103 | - | 49,454 | 34,154 | 17,326 | - | (4,404) | |
| Jan 2018 | | 6,197 | 19,487 | 12,286 | 2,993 | - | 10,531 | 11,446 | (1,523) | - | 49,707 | 19,436 | 9,834 | - | 212,314 | |
| Feb 2018 | | 3,401 | 16,714 | 67,902 | 2,678 | - | 28,362 | 10,349 | - | - | 49,727 | 19,444 | 9,860 | - | 243,296 | |
| Mar 2018 | | 9,365 | 28,501 | 10,483 | 2,678 | - | 10,508 | 11,464 | 181,973 | - | 49,735 | 19,447 | 9,863 | - | 37,249 | |
| Apr 2018 | | 16,354 | 12,363 | 12,286 | 2,725 | - | 14,253 | 11,610 | (1,238) | - | 49,735 | 19,447 | 10,075 | - | 208,814 | |
| May 2018 | | 11,328 | 12,363 | 69,143 | 2,725 | 217,000 | 16,221 | 11,997 | - | - | 49,822 | 19,481 | 10,083 | - | 472,912 | |
| Jun 2018 | | 4,237 | 12,363 | 10,483 | 2,725 | 270,000 | 15,995 | 8,099 | 391,792 | - | 51,414 | 20,104 | 10,247 | - | 73,443 | |
| Jul 2018 | | 4,812 | 12,363 | 12,286 | 2,725 | - | 14,991 | 8,369 | - | - | 54,629 | 21,361 | 10,717 | - | 205,244 | |
| Aug 2018 | | 10,107 | 12,363 | 69,143 | 2,725 | - | 13,723 | 8,369 | - | - | 57,581 | 22,515 | 11,320 | - | 279,413 | |
| Sept 2018 | | 9,179 | 12,363 | 10,766 | 2,725 | - | 11,578 | 8,099 | 339,710 | - | 58,556 | 22,896 | 11,704 | - | (109,704) | |
| Oct 2018 | | 8,685 | 12,363 | 12,286 | 2,725 | - | 9,705 | 8,369 | - | - | 58,579 | 22,905 | 11,801 | (64,875) | 4,845 | |
| Nov 2018 | | 3,453 | 12,363 | 69,143 | 2,725 | - | 6,172 | 8,099 | - | - | 58,579 | 22,905 | 11,804 | (6,487) | 267,292 | |
| Dec 2018 | | 3,453 | 12,363 | 10,766 | 2,725 | - | 5,991 | 8,369 | 184,375 | - | 58,579 | 22,905 | 11,804 | (6,487) | 23,087 | |
| Jan 2019 | | 3,130 | 12,734 | 12,618 | 2,807 | - | 7,337 | 8,369 | - | - | 58,579 | 22,905 | 11,804 | (6,678) | 206,043 | |
| Feb 2019 | | 3,130 | 12,734 | 69,652 | 2,807 | - | 8,914 | 7,559 | - | - | 58,579 | 22,905 | 11,804 | (6,678) | 260,932 | |
| Mar 2019 | | 12,753 | 12,734 | 10,766 | 2,807 | 150,000 | 12,269 | 8,369 | 240,459 | - | 58,702 | 22,953 | 11,816 | (6,678) | 115,795 | |
| Apr 2019 | | 16,570 | 12,734 | 12,618 | 2,807 | 150,000 | 13,383 | 8,099 | - | - | 61,301 | 23,970 | 12,082 | (6,678) | 363,207 | |
| May 2019 | | 11,504 | 12,734 | 70,925 | 2,807 | - | 15,975 | 8,369 | - | - | 66,251 | 25,905 | 12,820 | (6,678) | 275,099 | |
| Jun 2019 | | 4,280 | 12,734 | 10,766 | 2,807 | - | 17,252 | 4,320 | 392,977 | - | 68,726 | 26,873 | 13,545 | (6,678) | (168,001) | |
| Jul 2019 | | 4,855 | 12,734 | 12,618 | 2,807 | - | 17,088 | 4,464 | - | - | 68,700 | 26,863 | 13,785 | (6,675) | 232,156 | |
| Aug 2019 | | 10,229 | 12,734 | 70,925 | 2,807 | - | 15,666 | 4,464 | - | - | 68,700 | 26,863 | 13,782 | (6,675) | 295,365 | |
| Sept 2019 | | 9,309 | 12,734 | 11,057 | 2,807 | - | 13,257 | 4,320 | 387,926 | - | 68,700 | 26,863 | 13,782 | (6,675) | (152,677) | |

Col 3 + Col 12 +
Col 15
+ Col 16 + Col 17
+ Col 18 + Col 19 +
Col 20 - Col 21 -
Col 22 - Col 23 -
Col 24 - Col 25 -
Col 26 + Col 27 +
Col 28

| | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Refer to WP_SS 2a through 2d.xlsx "State Rebate and ITC" Worksheet Row 791 | Refer to WP_SS 2a through 2d.xlsx "State Rebate and ITC" Worksheet Row 792 | (Col 3 - Col 7) * [Tax Rate] * [Rev. Conv. Fac.] | (Col 12 * Revenue Conversion Factor) | + Col 18 + Col 19 + Col 20 - Col 21 - Col 22 - Col 23 - Col 24 - Col 25 - Col 26 + Col 27 + Col 28 |
|------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------------------------------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------|--------------------------------------|----------------------------------------------------------------------------------------------------|
| 2009 | - | 76,628 | - | - | - | - | - | - | - | - | - | - | - | - | 76,628 |
| 2010 | - | 80,304 | - | - | - | - | - | - | - | - | 69,672 | 48,117 | 24,825 | - | 466,325 |
| 2011 | 45,344 | 149,210 | 382,383 | - | - | 82,570 | 915 | 1,682,779 | - | - | 700,339 | 483,666 | 262,521 | - | 2,739,932 |
| 2012 | 142,012 | 313,551 | 315,824 | 45,280 | - | 262,221 | 26,506 | 789,297 | - | - | 725,338 | 500,931 | 254,155 | - | 3,345,491 |
| 2013 | 132,965 | 254,412 | 324,058 | 44,688 | 1,776 | 293,238 | 67,782 | 974,552 | - | - | 725,946 | 501,351 | 253,837 | - | 2,805,686 |
| 2014 | 204,694 | 193,559 | 260,216 | 48,084 | 888 | 313,422 | 91,273 | 1,123,774 | - | - | 726,683 | 501,860 | 254,068 | - | 2,353,973 |
| 2015 | 128,738 | 173,246 | 339,703 | 49,887 | 392 | 215,181 | 101,370 | 1,482,964 | - | - | 709,640 | 490,090 | 248,204 | - | 1,830,147 |
| 2016 | 106,232 | 208,920 | 318,276 | 50,832 | - | 172,816 | 130,544 | 1,645,897 | - | - | 561,058 | 387,476 | 190,241 | - | 1,186,545 |
| 2017 | 111,916 | 181,585 | 357,375 | 31,190 | - | 175,209 | 139,005 | 1,258,416 | - | - | 572,673 | 395,498 | 199,809 | - | 1,465,785 |
| 2018 | 90,571 | 175,971 | 366,977 | 32,872 | 487,000 | 158,031 | 114,638 | 1,095,089 | - | - | 646,641 | 252,846 | 129,111 | (77,848) | 1,918,205 |
| 2019 | 91,564 | 152,810 | 376,547 | 33,678 | 300,000 | 144,502 | 71,581 | 1,218,320 | - | - | 784,335 | 306,686 | 156,566 | (80,119) | 1,998,528 |

Oct 2018 - Sep 2019 91,351 151,698 374,143 33,433 300,000 143,009 83,169 1,205,736 - 753,972 294,814 150,627 (137,944) 1,723,143

**PSE&G Solar 4 All Program--Settlement
Revenue Requirements Calculation**

(\$000's)

NONE

Actual through
March 2018

| | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) |
|-----------|----------|----------------|------|-----------|-------|----------------------|----------|-------|-------|--------------|--------------|--------------------------------------------|-------------------------------------------------|-------------------------|
| | Expenses | | | | | Revenue from Sale of | | | | ITC | | | | |
| | O&M | Administrative | Rent | Insurance | Other | Energy | Capacity | SRECs | Other | Amortization | Tax Gross-up | Tax Assoc. w/50% ITC Basis Reduction | Excess Deferred Tax Flow Through Gross-up | Revenue Requirements |
| Oct 2017 | | | | | | | | | | | | | | |
| Nov 2017 | | | | | | | | | | | | | | |
| Dec 2017 | | | | | | | | | | | | | | |
| Jan 2018 | | | | | | | | | | | | | | |
| Feb 2018 | | | | | | | | | | | | | | |
| Mar 2018 | | | | | | | | | | | | | | |
| Apr 2018 | | | | | | | | | | | | | | |
| May 2018 | | | | | | | | | | | | | | |
| Jun 2018 | | | | | | | | | | | | | | |
| Jul 2018 | | | | | | | | | | | | | | |
| Aug 2018 | | | | | | | | | | | | | | |
| Sept 2018 | | | | | | | | | | | | | | |
| Oct 2018 | | | | | | | | | | | | | | |
| Nov 2018 | | | | | | | | | | | | | | |
| Dec 2018 | | | | | | | | | | | | | | |
| Jan 2019 | | | | | | | | | | | | | | |
| Feb 2019 | | | | | | | | | | | | | | |
| Mar 2019 | | | | | | | | | | | | | | |
| Apr 2019 | | | | | | | | | | | | | | |
| May 2019 | | | | | | | | | | | | | | |
| Jun 2019 | | | | | | | | | | | | | | |
| Jul 2019 | | | | | | | | | | | | | | |
| Aug 2019 | | | | | | | | | | | | | | |
| Sept 2019 | | | | | | | | | | | | | | |

| | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Refer to WP_SS 2a through 2d.xlsx "State Rebate and ITC" Worksheet Row 791 | Refer to WP_SS 2a through 2d.xlsx "State Rebate and ITC" Worksheet Row 792 | (Col 3 - Col 7) * [Tax Rate] * [Rev. Conv. Fac.] | (Col 12 * Revenue Conversion Factor) | Col 3 + Col 12 + Col 15 + Col 16 + Col 17 + Col 18 + Col 19 + Col 20 - Col 21 - Col 22 - Col 23 - Col 24 - Col 25 - Col 26 + Col 27 + Col 28 |
|------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------------------------------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| 2009 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2010 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2011 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2012 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2013 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2014 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2015 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2016 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2017 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2018 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2019 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

Oct 2018 - S

PSE&G Solar4All Program
Electric SGIP Under/(Over) Calculation

Actuals through March 2018

Schedule SS-S4A-3

Page 1 of 4

| | <u>Oct-17</u> | <u>Nov-17</u> | <u>Dec-17</u> | <u>Jan-18</u> | <u>Feb-18</u> | <u>Mar-18</u> |
|-------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <u>RGGI SGIP Under/(Over) Calculation (\$000)</u> | | | | | | |
| (1) SGIP RGGI Revenue | 1,134,286 | 1,065,025 | 1,273,092 | 1,315,852 | 1,117,752 | 1,170,396 |
| (2) Revenue Requirements (excl. WACC Cost) | <u>(1,761,820)</u> | <u>3,399,650</u> | <u>355,297</u> | <u>3,232,463</u> | <u>3,111,704</u> | <u>164,879</u> |
| (3) Monthly Under/(Over) Recovery | (2,896,106) | 2,334,625 | (917,795) | 1,916,611 | 1,993,952 | (1,005,517) |
| (4) Deferred Balance | (2,597,114) | (262,490) | (1,180,285) | 736,326 | 2,730,278 | 1,724,761 |
| (5) Monthly Interest Rate | 0.0942% | 0.0942% | 0.1183% | 0.1183% | 0.1183% | 0.1458% |
| (6) After Tax Monthly Interest Expense/(Credit) | (640) | (796) | (505) | (189) | 1,475 | 2,335 |
| (7) Cumulative Interest | (21,984) | (22,781) | (23,286) | (23,474) | (22,000) | (19,665) |
| (8) Balance Added to Subsequent Year's Revenue Requirements | | | | | | |
| (9) Net Sales - kWh (000) | | | | 3,481,168 | 3,142,619 | 3,226,260 |
| (10) | | | | | | |
| (11) Total Incremental WACC Cost | - | - | - | - | - | - |
| (12) Average Net of Tax Deferred Balance | - | - | - | - | - | - |

PSE&G Solar4All Program
Electric SGIP Under/(Over) Calculation

Actuals through March 2018

Schedule SS-S4A-3
Page 2 of 4

| | <u>Apr-18</u> | <u>May-18</u> | <u>Jun-18</u> | <u>Jul-18</u> | <u>Aug-18</u> | <u>Sep-18</u> | <u>Oct-18</u> |
|-------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <u>RGGI SGIP Under/(Over) Calculation (\$000)</u> | | | | | | | |
| (1) SGIP RGGI Revenue | 1,018,938 | 1,141,657 | 1,362,077 | 1,608,872 | 1,573,265 | 1,232,688 | 1,557,774 |
| (2) Revenue Requirements (excl. WACC Cost) | 3,214,847 | 3,462,997 | (1,924,013) | 3,425,884 | 3,302,040 | (1,755,245) | 1,203,364 |
| (3) Monthly Under/(Over) Recovery | 2,195,909 | 2,321,340 | (3,286,090) | 1,817,012 | 1,728,775 | (2,987,933) | (354,410) |
| (4) Deferred Balance | 3,920,670 | 6,242,010 | 2,955,919 | 4,772,931 | 6,501,706 | 3,513,772 | 3,168,017 |
| (5) Monthly Interest Rate | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% |
| (6) After Tax Monthly Interest Expense/(Credit) | 2,959 | 5,327 | 4,822 | 4,051 | 5,910 | 5,250 | 3,503 |
| (7) Cumulative Interest | (16,705) | (11,378) | (6,556) | (2,505) | 3,405 | 8,655 | 3,503 |
| (8) Balance Added to Subsequent Year's Revenue Requirements | | | | | | | |
| (9) Net Sales - kWh (000) | 2,799,280 | 3,136,419 | 3,741,971 | 4,419,978 | 4,322,158 | 3,386,507 | 3,211,905 |
| (10) | | | | | | | |
| (11) Total Incremental WACC Cost | | | | | | | |
| (12) Average Net of Tax Deferred Balance | | | | | | | |

PSE&G Solar4All Program
Electric SGIP Under/(Over) Calculation

Actuals through March 2018

Schedule SS-S4A-3

Page 3 of 4

| | <u>Nov-18</u> | <u>Dec-18</u> | <u>Jan-19</u> | <u>Feb-19</u> | <u>Mar-19</u> |
|-------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <u>RGGI SGIP Under/(Over) Calculation (\$000)</u> | | | | | |
| (1) SGIP RGGI Revenue | 1,401,180 | 1,635,150 | 1,700,747 | 1,528,527 | 1,601,898 |
| (2) Revenue Requirements (excl. WACC Cost) | <u>3,838,756</u> | <u>(98,185)</u> | <u>2,908,425</u> | <u>2,869,969</u> | <u>(801,735)</u> |
| (3) Monthly Under/(Over) Recovery | 2,437,576 | (1,733,334) | 1,207,678 | 1,341,442 | (2,403,632) |
| (4) Deferred Balance | 5,605,593 | 3,872,259 | 5,079,937 | 6,421,379 | 4,017,746 |
| (5) Monthly Interest Rate | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% |
| (6) After Tax Monthly Interest Expense/(Credit) | 4,599 | 4,968 | 4,693 | 6,029 | 5,472 |
| (7) Cumulative Interest | 8,102 | 13,070 | 17,763 | 23,792 | 29,264 |
| (8) Balance Added to Subsequent Year's Revenue Requirements | | | | | |
| (9) Net Sales - kWh (000) | 2,889,032 | 3,371,442 | 3,506,694 | 3,151,603 | 3,302,882 |
| (10) | | | | | |
| (11) Total Incremental WACC Cost | | | | | |
| (12) Average Net of Tax Deferred Balance | | | | | |

PSE&G Solar4All Program
Electric SGIP Under/(Over) Calculation

Actuals through March 2018

Schedule SS-S4A-3
Page 4 of 4

| | <u>Apr-19</u> | <u>May-19</u> | <u>Jun-19</u> | <u>Jul-19</u> | <u>Aug-19</u> | <u>Sep-19</u> | |
|-------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------------------------------------------|
| (1) SGIP RGGI Revenue | 1,388,005 | 1,474,592 | 1,851,817 | 2,165,359 | 2,107,356 | 1,668,017 | S4A Rate * Row 9 |
| (2) Revenue Requirements (excl. WACC Cost) | 3,072,777 | 2,929,974 | (2,628,190) | 2,862,342 | 2,871,302 | (2,461,562) | SS-S4A-2, Col 24 |
| (3) Monthly Under/(Over) Recovery | 1,684,772 | 1,455,383 | (4,480,007) | 696,983 | 763,947 | (4,129,578) | Row 2 - Row 1 |
| (4) Deferred Balance | 5,702,518 | 7,157,901 | 2,677,893 | 3,374,876 | 4,138,823 | 9,244 | Prev Row 4 + Row 3 |
| (5) Monthly Interest Rate | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | Annual Interest Rate / 12 |
| (6) After Tax Monthly Interest Expense/(Credit) | 5,095 | 6,741 | 5,156 | 3,173 | 3,939 | 2,174 | (Prev Row 4 + Row 4) / 2 * (1 - Tax Rate) * Row 5 |
| (7) Cumulative Interest | 34,359 | 41,101 | 46,256 | 49,429 | 53,368 | 55,542 | Prev Row 7 + Row 6 |
| (8) Balance Added to Subsequent Year's Revenue Requirements | | | | | | | Row 4 + Row 7 + Row 11 |
| (9) Net Sales - kWh (000) | 2,861,867 | 3,040,395 | 3,818,180 | 4,464,658 | 4,345,063 | 3,439,210 | |
| (10) | | | | | | | |
| (11) Total Incremental WACC Cost | | | | | | | Prev Row 11 + Row 10 |
| (12) Average Net of Tax Deferred Balance | | | | | | | (Prev Row 4 + Row 4) / 2 * (1 - Tax Rate) |

SOLAR-4-ALL
ACTUAL REVENUES BY RATE CLASS

Schedule SS-S4A-4

| | Solar-4-ALL Rate | 0.000364 | 0.000364 | 0.000364 | 0.000364 | 0.000364 | 0.000364 |
|------------------------------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
| RESIDENTIAL SALES | | | | | | | |
| RS (4400110) | | \$307,563 | \$309,928 | \$393,909 | \$423,643 | \$321,530 | \$346,013 |
| RS-HTG (4400210) | | \$2,191 | \$4,034 | \$6,025 | \$7,272 | \$4,754 | \$5,353 |
| WH (4400310) | | \$30 | \$33 | \$36 | \$34 | \$40 | \$35 |
| RLM (4400410) | | \$4,899 | \$4,732 | \$6,208 | \$6,512 | \$5,132 | \$5,588 |
| WHS (4400510) | | \$1 | \$0 | \$1 | \$1 | \$1 | \$1 |
| TOTAL RESIDENTIAL | | \$314,683 | \$318,727 | \$406,178 | \$437,461 | \$331,456 | \$356,989 |
| COMMERCIAL SALES | | | | | | | |
| WH & WHS (4420110) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| GLP (4420310) | | \$214,427 | \$196,645 | \$223,962 | \$236,699 | \$213,548 | \$218,375 |
| GLP-MDO (4420310) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SL-PRI (4440110) | | \$5,150 | \$5,327 | \$6,027 | \$5,105 | \$5,750 | \$4,695 |
| LPLP (4420510) | | \$80,717 | \$70,155 | \$84,241 | \$79,621 | \$73,689 | \$78,491 |
| LPLS (4420510) | | \$193,667 | \$173,634 | \$206,733 | \$209,291 | \$189,003 | \$195,702 |
| LPLSH (4420510) | | \$104,875 | \$96,788 | \$106,562 | \$108,417 | \$97,985 | \$100,222 |
| LPLSO (4420510) | | \$389 | \$407 | \$491 | \$419 | \$424 | \$424 |
| LPLSR (4420510) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420710) | | \$90,860 | \$76,066 | \$92,004 | \$93,430 | \$77,116 | \$87,107 |
| HTS-HV (4420710) | | \$7,381 | \$10,013 | \$10,685 | \$11,990 | \$9,236 | \$12,287 |
| HS (4421210) | | \$232 | \$429 | \$743 | \$936 | \$710 | \$679 |
| TOTAL COMMERCIAL | | \$697,698 | \$629,463 | \$731,447 | \$745,908 | \$667,462 | \$697,982 |
| INDUSTRIAL SALES | | | | | | | |
| GLP (4420410) | | \$8,958 | \$8,097 | \$9,427 | \$9,850 | \$9,121 | \$9,301 |
| GLP-MDO (4420410) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| LPLP (4420610) | | \$18,649 | \$15,915 | \$21,403 | \$18,780 | \$16,348 | \$18,692 |
| LPLS (4420610) | | \$18,987 | \$18,192 | \$19,348 | \$19,738 | \$20,211 | \$18,464 |
| LPLSH (4420610) | | \$14,508 | \$16,577 | \$14,167 | \$15,725 | \$15,603 | \$16,320 |
| LPLSO (4420610) | | \$54 | \$54 | \$9 | \$85 | \$16 | \$66 |
| LPLSR (4420610) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420810) | | \$51,718 | \$46,967 | \$52,556 | \$50,162 | \$45,279 | \$42,310 |
| HTS-HV (4420810) | | \$332 | \$1,165 | \$2,089 | \$4,283 | \$789 | (\$346) |
| HS (4421110) | | \$11 | \$15 | \$18 | \$26 | \$19 | \$19 |
| HEP (4421010) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| EHEP (4421010) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL INDUSTRIAL | | \$113,217 | \$106,982 | \$119,017 | \$118,649 | \$107,387 | \$104,825 |
| PUB STREET AND HWY LIGHTING SALES | | | | | | | |
| SL-PUB (4440310) | | \$7,206 | \$8,539 | \$14,914 | \$12,133 | \$9,802 | \$9,126 |
| BPL-POF (4440310) | | \$606 | \$340 | \$385 | \$628 | \$493 | \$491 |
| GLP-T&S (4440410) | | \$875 | \$973 | \$1,150 | \$1,071 | \$1,153 | \$984 |
| TOTAL ST. LIGHT. | | \$8,687 | \$9,852 | \$16,450 | \$13,833 | \$11,447 | \$10,600 |
| TOTAL REVENUES | | \$1,134,286 | \$1,065,025 | \$1,273,092 | \$1,315,852 | \$1,117,752 | \$1,170,396 |

PSE&G Solar 4 All Extension Proposed Rate Calculations

(\$'s Unless Specified)

Schedule SS-S4AE-1

Actuals through March 2018

SUT Rate 6.625%

| <u>Line</u> | <u>Date(s)</u> | | <u>Electric</u> | <u>Source/Description</u> |
|-------------|-----------------|------------------------------------------------|-----------------|-----------------------------------|
| 1 | Oct 18 - Sep 19 | Revenue Requirements | 3,347,729 | SS-3, Col 25 |
| 2 | Sep-18 | (Over) / Under Recovered Balance | 5,617,803 | SS-7, Line 4, Col 1 |
| 3 | Sep-18 | Cumulative Interest Exp / (Credit) | <u>89,016</u> | SS-7, Line 7, Col 1 |
| 4 | Oct 18 - Sep 19 | Total Target Rate Revenue | 9,054,547 | Line 1 + Line 2 + Line 3 |
| 5 | Oct 18 - Sep 19 | Forecasted kWh (000) | 41,402,930 | |
| 6 | | Calculated Rate w/o SUT (\$/kWh) | 0.000219 | (Line 4 / (Line 5*1,000)) [Rnd 6] |
| 7 | | Public Notice Rate w/o SUT (\$/kWh) | 0.000219 | Line 6 |
| 8 | | Existing Rate w/o SUT (\$/kWh) | 0.000005 | |
| 9 | | Proposed Rate w/o SUT (\$/kWh) | 0.000219 | Line 7 |
| 10 | | Proposed Rate w/ SUT (\$/kWh) | 0.000234 | (Line 9 * (1 + SUT Rate)) [Rnd6] |
| 11 | | Difference in Proposed and Previous Rate | 0.000214 | (Line 9 - Line 8) |
| 12 | | Resultant S4AEII Revenue Increase / (Decrease) | 8,860,227 | (Line 5 * Line 11 * 1,000) |

**PSE&G Solar 4 All Extension
Revenue Requirements Calculation**

Solar 4 All Extension: Total Program

Actuals through March 2018

| | (1) | (2) | (3) | (4) | (5) | (7) Plant | | | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
|--------|--------------------|-------------|----------------------|--------------------------|-------------|------------------|-------------------|---------------------------|-------------------------------------------|----------------------------------------|------------------------------------------------|----------------------------------|---------------------------------------------|------------------------|--------------------|
| | Program Investment | Gross Plant | Depreciation Expense | Accumulated Depreciation | Net Plant | Tax Depreciation | Book Deprec Basis | Prorated Deferred Tax Exp | Beginning Accumulated Deferred Income Tax | Ending Accumulated Deferred Income Tax | Prorated Excess Deferred Tax Beginning Balance | Excess Deferred Tax Flow Through | Prorated Excess Deferred Tax Ending Balance | Average Net Investment | Return Requirement |
| Oct-17 | 180,442 | 127,771,436 | 727,756 | 17,348,887 | 110,422,549 | 1,053,567 | 621,435 | 169,951 | 28,787,546 | 28,957,497 | - | - | - | 80,866,193 | 753,337 |
| Nov-17 | 327,194 | 127,790,126 | 727,843 | 18,076,730 | 109,713,396 | 1,055,105 | 621,509 | 163,897 | 28,957,497 | 29,121,393 | - | - | - | 79,929,153 | 744,608 |
| Dec-17 | (330,538) | 130,338,919 | 738,805 | 18,815,535 | 111,523,384 | 1,514,068 | 629,907 | 305,341 | 29,121,393 | 29,426,734 | - | - | - | 80,226,368 | 747,377 |
| Jan-18 | 32,484 | 130,371,402 | 749,814 | 19,565,349 | 110,806,054 | 807,710 | 638,345 | 50,165 | 19,662,145 | 19,712,310 | 9,764,589 | - | 9,764,589 | 80,837,349 | 649,734 |
| Feb-18 | 113,300 | 130,484,703 | 750,313 | 20,315,662 | 110,169,041 | 809,433 | 638,766 | 51,015 | 19,712,310 | 19,763,325 | 9,764,589 | - | 9,764,589 | 80,351,993 | 645,833 |
| Mar-18 | 63,602 | 130,548,305 | 750,927 | 21,066,588 | 109,481,716 | 810,495 | 639,285 | 51,745 | 19,763,325 | 19,815,070 | 9,764,589 | - | 9,764,589 | 79,638,444 | 640,098 |
| Apr-18 | 119,540 | 130,548,305 | 751,663 | 21,818,252 | 108,730,053 | 810,495 | 639,477 | 52,312 | 19,815,070 | 19,867,382 | 9,764,589 | - | 9,764,589 | 78,866,922 | 633,897 |
| May-18 | 6,028 | 130,548,305 | 751,663 | 22,569,915 | 107,978,390 | 810,495 | 639,477 | 52,935 | 19,867,382 | 19,920,316 | 9,764,589 | - | 9,764,589 | 78,062,636 | 627,432 |
| Jun-18 | 275,544 | 130,548,305 | 751,663 | 23,321,578 | 107,226,726 | 810,495 | 639,477 | 53,537 | 19,920,316 | 19,973,854 | 9,764,589 | - | 9,764,589 | 77,257,736 | 620,963 |
| Jul-18 | - | 130,548,305 | 751,663 | 24,073,242 | 106,475,063 | 810,495 | 639,477 | 54,160 | 19,973,854 | 20,028,014 | 9,764,589 | - | 9,764,589 | 76,452,224 | 614,488 |
| Aug-18 | - | 130,548,305 | 751,663 | 24,824,905 | 105,723,400 | 810,495 | 639,477 | 54,783 | 20,028,014 | 20,082,797 | 9,764,589 | - | 9,764,589 | 75,646,090 | 608,009 |
| Sep-18 | - | 130,548,305 | 751,663 | 25,576,568 | 104,971,737 | 810,495 | 639,477 | 55,385 | 20,082,797 | 20,138,182 | 9,764,589 | - | 9,764,589 | 74,839,342 | 601,525 |
| Oct-18 | - | 130,548,305 | 751,663 | 26,328,232 | 104,220,073 | 810,495 | 639,477 | 48,676 | 20,138,182 | 20,199,935 | 9,764,589 | (208,929) | 9,555,661 | 74,108,359 | 595,649 |
| Nov-18 | 225,000 | 130,548,305 | 751,663 | 27,079,895 | 103,468,410 | 810,495 | 639,477 | 49,278 | 20,199,935 | 20,267,890 | 9,555,661 | (20,893) | 9,534,768 | 73,422,630 | 590,138 |
| Dec-18 | 75,000 | 130,548,305 | 751,663 | 27,831,558 | 102,716,747 | 810,495 | 639,477 | 49,901 | 20,267,890 | 20,317,791 | 9,534,768 | (20,893) | 9,513,875 | 72,642,269 | 583,866 |
| Jan-19 | 70,000 | 130,548,305 | 751,663 | 28,583,221 | 101,965,083 | 567,421 | 639,477 | (6,216) | 20,317,791 | 20,311,575 | 9,513,875 | (32,524) | 9,481,351 | 71,895,472 | 577,863 |
| Feb-19 | 740,000 | 130,548,305 | 751,663 | 29,334,885 | 101,213,420 | 567,421 | 639,477 | (2,994) | 20,311,575 | 20,308,580 | 9,481,351 | (32,524) | 9,448,827 | 71,180,938 | 572,120 |
| Mar-19 | 65,000 | 130,548,305 | 751,663 | 30,086,548 | 100,461,757 | 567,421 | 639,477 | 573 | 20,308,580 | 20,309,153 | 9,448,827 | (32,524) | 9,416,303 | 70,463,010 | 566,350 |
| Apr-19 | 690,000 | 130,548,305 | 751,663 | 30,838,211 | 99,710,093 | 567,421 | 639,477 | 4,025 | 20,309,153 | 20,313,178 | 9,416,303 | (32,524) | 9,383,778 | 69,741,571 | 560,551 |
| May-19 | 112,500 | 130,548,305 | 751,663 | 31,589,875 | 98,958,430 | 567,421 | 639,477 | 7,592 | 20,313,178 | 20,320,771 | 9,383,778 | (32,524) | 9,351,254 | 69,016,623 | 554,724 |
| Jun-19 | 112,500 | 130,548,305 | 751,663 | 32,341,538 | 98,206,767 | 567,421 | 639,477 | 11,045 | 20,320,771 | 20,331,815 | 9,351,254 | (32,524) | 9,318,730 | 68,288,166 | 548,869 |
| Jul-19 | 337,500 | 130,548,305 | 751,663 | 33,093,201 | 97,455,103 | 567,421 | 639,477 | 14,612 | 20,331,815 | 20,346,427 | 9,318,730 | (32,524) | 9,286,206 | 67,556,198 | 542,986 |
| Aug-19 | 900,000 | 130,548,305 | 751,663 | 33,844,865 | 96,703,440 | 567,421 | 639,477 | 18,179 | 20,346,427 | 20,364,606 | 9,286,206 | (32,524) | 9,253,682 | 66,820,664 | 537,074 |
| Sep-19 | 562,500 | 130,548,305 | 751,663 | 34,596,528 | 95,951,777 | 567,421 | 639,477 | 21,631 | 20,364,606 | 20,386,237 | 9,253,682 | (32,524) | 9,221,158 | 66,081,620 | 531,134 |

| | Program Assumption | Program Assumption | Refer to each Segment "BK Depr" Worksheets | Prior Month + Col 3 | Col 2 - Col 4 | Refer to each Segment "Tax Depr" Worksheets | Refer to each Segment "Tax Depr" Worksheets | (Col 6 - Col 7) * [Income Tax Rate] | Refer to each Segment "Taxes" Worksheets | Refer to each Segment "Taxes" Worksheets | Refer to each Segment "Taxes" Worksheets | Refer to each Segment "Taxes" Worksheets | Refer to each Segment "Taxes" Worksheets | (Prev Col 5 - Col 9 + Col 5 - Col 10) / 2 - Cumulative Col 12 | Col 14 * Monthly Pre Tax WACC |
|-----------------|--------------------|--------------------|--------------------------------------------|---------------------|---------------|---------------------------------------------|---------------------------------------------|-------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|---------------------------------------------------------------|-------------------------------|
| 2013 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2014 | 47,914,395 | 48,722,404 | 139,679 | 139,679 | 48,582,725 | 22,023,066 | 118,711 | 8,947,929 | - | 8,947,929 | - | - | - | 16,402,495 | 152,803 |
| 2015 | 48,533,501 | 641,565,665 | 3,548,800 | 23,728,432 | 617,837,232 | 28,349,236 | 3,005,060 | 10,353,096 | 116,555,975 | 126,909,071 | - | - | - | 430,841,655 | 4,013,655 |
| 2016 | 27,010,547 | 1,191,944,530 | 6,459,812 | 85,382,933 | 1,108,561,596 | 25,175,781 | 5,494,342 | 7,714,940 | 245,923,954 | 253,638,894 | - | - | - | 784,329,969 | 7,549,051 |
| 2017 | 4,528,459 | 1,529,982,887 | 8,667,244 | 177,817,749 | 1,352,165,138 | 12,726,406 | 7,435,139 | 1,840,291 | 334,934,449 | 336,774,739 | - | - | - | 1,005,894,926 | 9,370,764 |
| 2018 | 910,498 | 1,566,339,153 | 9,016,023 | 284,371,743 | 1,281,967,409 | 9,722,097 | 7,671,693 | 623,893 | 239,481,647 | 240,105,541 | 116,736,323 | (250,715) | 116,485,609 | 922,125,996 | 7,411,632 |
| 2019 | 4,640,000 | 1,576,830,876 | 9,056,643 | 392,673,499 | 1,184,157,377 | 7,733,452 | 7,705,036 | 243,228 | 243,367,574 | 243,610,802 | 112,019,908 | (384,780) | 111,635,127 | 823,989,392 | 6,622,854 |
| Oct 18 - Sep 19 | 3,890,000 | 1,566,579,657 | 9,019,960 | - | - | 7,538,277 | 7,673,728 | 216,302 | - | - | 113,309,025 | -543,432 | 112,765,593 | - | 6,761,326 |

**PSE&G Solar 4 All Extension
Revenue Requirements Calculation**

Solar 4 All Extension: Total Program

Actuals through March 2018

| | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) |
|-----------------|----------|----------------|-----------|-----------|-------|----------------------|----------|------------|-------|--------------|--------------|--------------------------------------|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Expenses | | | | | Revenue from Sale of | | | | ITC | | Excess Deferred Tax Flow | | |
| | O&M | Administrative | Rent | Insurance | Other | Energy | Capacity | SRECs | Other | Amortization | Tax Gross-up | Tax Assoc. w/50% ITC Basis Reduction | Through Gross-up | Revenue Requirements |
| Oct-17 | 62,031 | 87,152 | 583,881 | 20,032 | - | 148,355 | 53,405 | 1,782,385 | - | 218,085 | 150,614 | 73,427 | - | (45,228) |
| Nov-17 | 46,937 | 73,181 | - | 20,032 | - | 81,191 | 51,572 | (6,662) | - | 218,124 | 150,640 | 73,436 | - | 1,191,171 |
| Dec-17 | 28,979 | 25,433 | - | 20,032 | - | 79,890 | 53,305 | 981,883 | - | 223,944 | 154,659 | 75,207 | - | 142,152 |
| Jan-18 | 22,244 | 38,403 | 583,933 | 22,195 | - | 105,960 | 53,294 | (7,049) | - | 224,010 | 87,591 | 43,586 | - | 1,646,102 |
| Feb-18 | 42,009 | 34,484 | - | 22,195 | - | 266,430 | 48,263 | - | - | 224,238 | 87,680 | 43,616 | - | 911,839 |
| Mar-18 | 20,563 | 56,596 | - | 22,195 | - | 103,591 | 53,305 | 3,281,458 | - | 224,372 | 87,733 | 43,653 | - | (2,216,426) |
| Apr-18 | 76,642 | 48,461 | 606,893 | 22,195 | - | 127,032 | 51,687 | 17,800 | - | 224,372 | 87,733 | 43,866 | - | 1,674,994 |
| May-18 | 76,642 | 48,461 | - | 22,195 | - | 144,370 | 53,410 | - | - | 224,372 | 87,733 | 43,866 | - | 1,060,376 |
| Jun-18 | 76,642 | 48,461 | - | 22,195 | - | 143,773 | 37,471 | 3,535,639 | - | 224,372 | 87,733 | 43,866 | - | (2,465,196) |
| Jul-18 | 76,642 | 48,461 | 603,395 | 22,195 | - | 144,859 | 38,720 | - | - | 224,372 | 87,733 | 43,866 | - | 1,665,028 |
| Aug-18 | 76,642 | 48,461 | 9,099 | 22,195 | - | 137,873 | 38,720 | - | - | 224,372 | 87,733 | 43,866 | - | 1,071,239 |
| Sep-18 | 76,642 | 48,461 | - | 22,195 | - | 115,828 | 37,471 | 3,394,153 | - | 224,372 | 87,733 | 43,866 | - | (2,315,204) |
| Oct-18 | 76,642 | 48,461 | 603,395 | 22,195 | - | 99,291 | 38,720 | - | - | 224,372 | 87,733 | 43,866 | (81,694) | 1,401,134 |
| Nov-18 | 76,642 | 48,461 | 9,099 | 22,195 | - | 67,314 | 37,471 | - | - | 224,372 | 87,733 | 43,866 | (8,169) | 1,096,113 |
| Dec-18 | 76,642 | 48,461 | - | 22,195 | - | 58,168 | 38,720 | 1,914,169 | - | 224,372 | 87,733 | 43,866 | (8,169) | (825,530) |
| Jan-19 | 23,007 | 49,915 | 603,471 | 22,861 | - | 57,099 | 38,720 | - | - | 224,372 | 87,733 | 43,866 | (12,717) | 1,619,481 |
| Feb-19 | 23,007 | 49,915 | 9,099 | 22,861 | - | 78,896 | 34,973 | - | - | 224,372 | 87,733 | 43,866 | (12,717) | 1,001,317 |
| Mar-19 | 63,330 | 49,915 | - | 22,861 | - | 113,540 | 38,720 | 2,125,041 | - | 224,372 | 87,733 | 43,866 | (12,717) | (1,136,661) |
| Apr-19 | 73,138 | 49,915 | 618,480 | 22,861 | - | 125,240 | 37,471 | - | - | 224,372 | 87,733 | 43,866 | (12,717) | 1,600,417 |
| May-19 | 95,419 | 49,915 | 9,099 | 22,861 | - | 142,357 | 38,720 | - | - | 224,372 | 87,733 | 43,866 | (12,717) | 989,125 |
| Jun-19 | 52,489 | 49,915 | - | 22,861 | - | 141,751 | 24,240 | 3,486,030 | - | 224,372 | 87,733 | 43,866 | (12,717) | (2,539,704) |
| Jul-19 | 27,513 | 49,915 | 618,480 | 22,861 | - | 142,813 | 25,048 | - | - | 224,372 | 87,733 | 43,866 | (12,717) | 1,532,077 |
| Aug-19 | 82,057 | 49,915 | 9,326 | 22,861 | - | 135,919 | 25,048 | - | - | 224,372 | 87,733 | 43,866 | (12,717) | 978,450 |
| Sep-19 | 74,163 | 49,915 | - | 22,861 | - | 114,209 | 24,240 | 3,346,297 | - | 224,372 | 87,733 | 43,866 | (12,717) | (2,368,490) |
| | | | | | | | | | | | | | | Col 3 + Col 12 + Col 15 + Col 16 + Col 17 + Col 18 + Col 19 - Col 20 - Col 21 - Col 22 - Col 23- Col 24 - Col 25 + Col 26 + Col 27 |
| 2013 | - | 144,842 | - | - | - | - | - | - | - | - | - | - | - | 144,842 |
| 2014 | - | 384,984 | - | - | - | - | - | - | - | 83,796 | 57,871 | 14,481 | - | 550,281 |
| 2015 | 22,914 | 497,508 | 952,473 | 48,434 | - | 932,306 | 249,239 | - | - | 1,096,577 | 757,315 | 375,516 | - | 6,423,863 |
| 2016 | 307,718 | 520,236 | 1,716,024 | 98,460 | - | 1,203,077 | 344,731 | 13,531,816 | - | 1,963,918 | 1,356,315 | 666,770 | - | (1,081,787) |
| 2017 | 266,954 | 689,791 | 2,227,802 | 250,814 | - | 1,633,527 | 486,550 | 5,838,484 | - | 2,614,043 | 1,805,302 | 850,913 | - | 9,946,375 |
| 2018 | 774,598 | 565,631 | 2,415,813 | 266,340 | - | 1,514,487 | 527,251 | 12,136,169 | - | 2,691,967 | 1,052,597 | 525,652 | (98,033) | 2,704,470 |
| 2019 | 668,416 | 598,975 | 2,495,760 | 274,330 | - | 1,273,445 | 361,515 | 10,844,700 | - | 2,697,090 | 1,054,600 | 528,497 | (150,455) | 3,478,892 |
| Oct 18 - Sep 19 | 744,050 | 594,614 | 2,480,448 | 272,333 | - | 1,276,596 | 402,089 | 10,871,537 | - | 2,692,463 | 1,052,791 | 526,395 | -212,489 | 3,347,729 |

| | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Refer to each Segment *State Rebate and ITC* Worksheet Row 791 | Col 25 * [Tax Rate] * [Rev. Conv. Fac.] | (Col 3 - Col 7) * [Tax Rate] * [Rev. Conv. Fac.] | (Col 12) * [Tax Rate] * [Rev. Conv. Fac.] | Col 3 + Col 12 + Col 15 + Col 16 + Col 17 + Col 18 + Col 19 - Col 20 - Col 21 - Col 22 - Col 23- Col 24 - Col 25 + Col 26 + Col 27 |
|-----------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------------------------------------------------|-----------------------------------------|--------------------------------------------------|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| 2013 | - | 144,842 | - | - | - | - | - | - | - | - | - | - | - | - | 144,842 |
| 2014 | - | 384,984 | - | - | - | - | - | - | - | - | 83,796 | 57,871 | 14,481 | - | 550,281 |
| 2015 | 22,914 | 497,508 | 952,473 | 48,434 | - | 932,306 | 249,239 | - | - | 1,096,577 | 757,315 | 375,516 | - | 6,423,863 | |
| 2016 | 307,718 | 520,236 | 1,716,024 | 98,460 | - | 1,203,077 | 344,731 | 13,531,816 | - | 1,963,918 | 1,356,315 | 666,770 | - | (1,081,787) | |
| 2017 | 266,954 | 689,791 | 2,227,802 | 250,814 | - | 1,633,527 | 486,550 | 5,838,484 | - | 2,614,043 | 1,805,302 | 850,913 | - | 9,946,375 | |
| 2018 | 774,598 | 565,631 | 2,415,813 | 266,340 | - | 1,514,487 | 527,251 | 12,136,169 | - | 2,691,967 | 1,052,597 | 525,652 | (98,033) | 2,704,470 | |
| 2019 | 668,416 | 598,975 | 2,495,760 | 274,330 | - | 1,273,445 | 361,515 | 10,844,700 | - | 2,697,090 | 1,054,600 | 528,497 | (150,455) | 3,478,892 | |
| Oct 18 - Sep 19 | 744,050 | 594,614 | 2,480,448 | 272,333 | - | 1,276,596 | 402,089 | 10,871,537 | - | 2,692,463 | 1,052,791 | 526,395 | -212,489 | 3,347,729 | |

**PSE&G Solar 4 All Extension
Revenue Requirements Calculation**

Solar 4 All Extension: Segment 1 - Landfills / Brownfields

Actuals through March 2018

| | (1) | (2) | (3) | (4) | (5) | (6) | | | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
|--------|-----------|-------------|---------|------------|------------|--------------------|-------------|----------------------|------------|------------|-----------|-----------|------|-----------|------|------------|---------|
| | | | | | | Plant | | | | | | | | | | | |
| | | | | | | Program Investment | Gross Plant | Depreciation Expense | | | | | | | | | |
| Oct-17 | 4,183 | 113,919,267 | 606,124 | 15,512,703 | 98,406,564 | 855,266 | 517,928 | 133,247 | 26,040,348 | 26,173,595 | - | - | - | - | - | 72,115,752 | 671,819 |
| Nov-17 | 9,396 | 113,928,663 | 606,161 | 16,118,864 | 97,809,798 | 856,026 | 517,960 | 128,951 | 26,173,595 | 26,302,547 | - | - | - | - | - | 71,385,299 | 665,015 |
| Dec-17 | (449,040) | 113,479,623 | 606,087 | 16,724,951 | 96,754,672 | 812,757 | 516,960 | 110,314 | 26,302,547 | 26,412,861 | - | - | - | - | - | 70,439,721 | 656,206 |
| Jan-18 | 7,937 | 113,487,560 | 606,007 | 17,330,957 | 96,156,602 | 634,461 | 515,956 | 37,222 | 17,685,378 | 17,722,601 | 8,727,483 | - | - | 8,727,483 | - | 69,781,760 | 560,874 |
| Feb-18 | 7,614 | 113,495,173 | 606,051 | 17,937,009 | 95,558,165 | 634,575 | 515,991 | 38,136 | 17,722,601 | 17,760,736 | 8,727,483 | - | - | 8,727,483 | - | 69,388,232 | 557,711 |
| Mar-18 | 7,954 | 113,503,128 | 606,097 | 18,543,106 | 94,960,022 | 634,704 | 516,026 | 39,146 | 17,760,736 | 17,799,882 | 8,727,483 | - | - | 8,727,483 | - | 68,751,301 | 552,592 |
| Apr-18 | - | 113,503,128 | 606,630 | 19,149,736 | 94,353,391 | 634,704 | 516,045 | 40,101 | 17,799,882 | 17,839,984 | 8,727,483 | - | - | 8,727,483 | - | 68,109,291 | 547,432 |
| May-18 | - | 113,503,128 | 606,630 | 19,756,366 | 93,746,761 | 634,704 | 516,045 | 41,093 | 17,839,984 | 17,881,076 | 8,727,483 | - | - | 8,727,483 | - | 67,462,064 | 542,230 |
| Jun-18 | - | 113,503,128 | 606,630 | 20,362,996 | 93,140,131 | 634,704 | 516,045 | 42,052 | 17,881,076 | 17,923,128 | 8,727,483 | - | - | 8,727,483 | - | 66,813,861 | 537,020 |
| Jul-18 | - | 113,503,128 | 606,630 | 20,969,627 | 92,533,501 | 634,704 | 516,045 | 43,043 | 17,923,128 | 17,966,171 | 8,727,483 | - | - | 8,727,483 | - | 66,164,684 | 531,802 |
| Aug-18 | - | 113,503,128 | 606,630 | 21,576,257 | 91,926,871 | 634,704 | 516,045 | 44,034 | 17,966,171 | 18,010,205 | 8,727,483 | - | - | 8,727,483 | - | 65,514,515 | 526,576 |
| Sep-18 | - | 113,503,128 | 606,630 | 22,182,887 | 91,320,241 | 634,704 | 516,045 | 44,993 | 18,010,205 | 18,055,199 | 8,727,483 | - | - | 8,727,483 | - | 64,863,371 | 521,342 |
| Oct-18 | - | 113,503,128 | 606,630 | 22,789,517 | 90,713,610 | 634,704 | 516,045 | 34,314 | 18,009,738 | 18,044,053 | 8,727,483 | (153,506) | - | 8,573,977 | - | 64,339,300 | 517,130 |
| Nov-18 | - | 113,503,128 | 606,630 | 23,396,147 | 90,106,980 | 634,704 | 516,045 | 35,274 | 18,044,053 | 18,079,326 | 8,573,977 | (15,351) | - | 8,558,626 | - | 63,782,304 | 512,653 |
| Dec-18 | - | 113,503,128 | 606,630 | 24,002,777 | 89,500,350 | 634,704 | 516,045 | 36,265 | 18,079,326 | 18,115,591 | 8,558,626 | (15,351) | - | 8,543,276 | - | 63,155,255 | 507,613 |
| Jan-19 | - | 113,503,128 | 606,630 | 24,609,408 | 88,893,720 | 448,945 | 516,045 | (6,464) | 18,115,591 | 18,109,127 | 8,543,276 | (25,708) | - | 8,517,568 | - | 62,554,254 | 502,783 |
| Feb-19 | - | 113,503,128 | 606,630 | 25,216,038 | 88,287,090 | 448,945 | 516,045 | (3,619) | 18,109,127 | 18,105,508 | 8,517,568 | (25,708) | - | 8,491,860 | - | 61,978,373 | 498,154 |
| Mar-19 | - | 113,503,128 | 606,630 | 25,822,668 | 87,680,460 | 448,945 | 516,045 | (469) | 18,105,508 | 18,105,040 | 8,491,860 | (25,708) | - | 8,466,152 | - | 61,399,495 | 493,501 |
| Apr-19 | - | 113,503,128 | 606,630 | 26,429,298 | 87,073,829 | 448,945 | 516,045 | 2,580 | 18,105,040 | 18,107,620 | 8,466,152 | (25,708) | - | 8,440,444 | - | 60,817,517 | 488,824 |
| May-19 | - | 113,503,128 | 606,630 | 27,035,928 | 86,467,199 | 448,945 | 516,045 | 5,730 | 18,107,620 | 18,113,350 | 8,440,444 | (25,708) | - | 8,414,736 | - | 60,232,439 | 484,121 |
| Jun-19 | - | 113,503,128 | 606,630 | 27,642,558 | 85,860,569 | 448,945 | 516,045 | 8,779 | 18,113,350 | 18,122,129 | 8,414,736 | (25,708) | - | 8,389,028 | - | 59,644,263 | 479,394 |
| Jul-19 | - | 113,503,128 | 606,630 | 28,249,189 | 85,253,939 | 448,945 | 516,045 | 11,929 | 18,122,129 | 18,134,058 | 8,389,028 | (25,708) | - | 8,363,321 | - | 59,052,986 | 474,641 |
| Aug-19 | - | 113,503,128 | 606,630 | 28,855,819 | 84,647,309 | 448,945 | 516,045 | 15,079 | 18,134,058 | 18,149,137 | 8,363,321 | (25,708) | - | 8,337,613 | - | 58,458,560 | 469,863 |
| Sep-19 | - | 113,503,128 | 606,630 | 29,462,449 | 84,040,679 | 448,945 | 516,045 | 18,128 | 18,149,137 | 18,167,265 | 8,337,613 | (25,708) | - | 8,311,905 | - | 57,861,034 | 465,061 |

| Program Assumption | Program Assumption | Refer to WP_SS 1.xls "Bk Depr" Worksheets | Prior Month + Col 3 | Col 2 - Col 4 | Refer to WP_SS 1.xls "Sched-IS and BS" Worksheet Row 115 | Refer to WP_SS 1.xls "Sched-IS and BS" Worksheet Row 123 | Refer to "Taxes" Worksheet Row 50 | Refer to "Taxes" Worksheet Row 54 | Refer to "Taxes" Worksheet Row 56 | Refer to "Taxes" Worksheet Row 108 | Refer to "Taxes" Worksheet Row 102 | Refer to "Taxes" Worksheet Row 110 | (Prev Col 5 - Col 9 + Col 5 - Col 10) / 2 - Cumulative Col 12 | Col 14 Monthly Pre Tax WACC | | |
|--------------------|--------------------|-------------------------------------------|---------------------|---------------|----------------------------------------------------------|----------------------------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|------------------------------------|------------------------------------|------------------------------------|---------------------------------------------------------------|-----------------------------|-------------|-----------|
| 2013 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| 2014 | 47,914,395 | 48,722,404 | 139,679 | 139,679 | 48,582,725 | 22,023,066 | 118,711 | 8,947,929 | - | 8,947,929 | - | - | - | 16,402,495 | 152,803 | |
| 2015 | 43,218,423 | 636,519,509 | 3,528,583 | 23,708,215 | 612,811,294 | 26,027,542 | 2,987,876 | 9,411,704 | 116,555,975 | 125,967,679 | - | - | - | 429,516,447 | 4,001,310 | |
| 2016 | 19,817,083 | 1,113,212,367 | 5,839,985 | 81,651,892 | 1,031,560,475 | 20,874,356 | 4,967,311 | 6,508,261 | 233,428,965 | 239,937,226 | - | - | - | 734,881,196 | 7,032,433 | |
| 2017 | 411,541 | 1,364,254,537 | 7,216,703 | 160,860,544 | 1,203,393,993 | 10,067,153 | 6,200,758 | 1,399,108 | 306,534,449 | 307,933,556 | - | - | - | 893,552,181 | 8,324,196 | |
| 2018 | 23,505 | 1,362,014,008 | 7,277,827 | 247,997,383 | 1,114,016,626 | 7,616,077 | 6,192,373 | 475,673 | 214,722,280 | 215,197,953 | 104,407,429 | (184,207) | - | 104,223,223 | 798,125,939 | 6,414,976 |
| 2019 | - | 1,362,037,531 | 7,228,689 | 335,299,608 | 1,026,737,922 | 5,387,345 | 6,149,292 | 23,532 | 216,837,284 | 216,860,816 | 100,822,589 | (302,986) | - | 100,519,603 | 712,832,120 | 5,729,422 |
| Oct 18 - Sep 19 | - | 1,362,037,531 | 7,279,562 | - | - | 5,944,621 | 6,192,534 | 157,526 | - | - | 101,824,084 | (415,578) | - | 101,408,507 | - | 5,893,739 |

**PSE&G Solar 4 All Extension
Revenue Requirements Calculation**

Solar 4 All Extension: Segment 1 - Landfills / Brownfields

Actuals through March 2018

| | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) |
|-----------------|----------|----------------|-----------|-----------|-------|----------------------|----------|------------|-------|----------------------|-----------------------------------------|--------------------------------------------------|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| | Expenses | | | | | Revenue from Sale of | | | | ITC | | | | |
| | O&M | Administrative | Rent | Insurance | Other | Energy | Capacity | SRECs | Other | Amortization | Tax Gross-up | Tax Assoc. w/50% ITC Basis Reduction | Excess Deferred Tax Flow Through Gross-up | Revenue Requirements |
| Oct-17 | 57,051 | 78,179 | 557,349 | 19,122 | - | 148,355 | 53,405 | 1,782,385 | - | 181,832 | 125,576 | 60,910 | - | (240,999) |
| Nov-17 | 44,205 | 10,955 | - | 19,122 | - | 81,191 | 51,572 | (6,662) | - | 181,847 | 125,587 | 60,913 | - | 972,836 |
| Dec-17 | 16,392 | 17,972 | - | 19,122 | - | 79,890 | 53,305 | 981,883 | - | 181,134 | 125,094 | 61,552 | - | (43,976) |
| Jan-18 | 30,392 | 27,854 | 556,939 | 20,716 | - | 105,960 | 53,294 | (7,049) | - | 181,147 | 70,831 | 35,211 | - | 1,433,812 |
| Feb-18 | 34,270 | 23,361 | - | 20,716 | - | 266,430 | 48,263 | - | - | 181,158 | 70,835 | 35,215 | - | 710,637 |
| Mar-18 | 12,715 | 42,635 | - | 20,716 | - | 103,591 | 53,305 | 3,281,458 | - | 181,171 | 70,841 | 35,219 | - | (2,420,392) |
| Apr-18 | 62,239 | 26,294 | 570,863 | 20,716 | - | 120,856 | 51,687 | 17,800 | - | 181,171 | 70,841 | 35,420 | - | 1,427,239 |
| May-18 | 62,239 | 26,294 | - | 20,716 | - | 137,291 | 53,410 | - | - | 181,171 | 70,841 | 35,420 | - | 850,816 |
| Jun-18 | 62,239 | 26,294 | - | 20,716 | - | 136,649 | 37,471 | 3,362,097 | - | 181,171 | 70,841 | 35,420 | - | (2,499,911) |
| Jul-18 | 62,239 | 26,294 | 570,863 | 20,716 | - | 137,681 | 38,720 | - | - | 181,171 | 70,841 | 35,420 | - | 1,425,551 |
| Aug-18 | 62,239 | 26,294 | - | 20,716 | - | 131,116 | 38,720 | - | - | 181,171 | 70,841 | 35,420 | - | 856,027 |
| Sep-18 | 62,239 | 26,294 | - | 20,716 | - | 110,316 | 37,471 | 3,228,539 | - | 181,171 | 70,841 | 35,420 | - | (2,355,697) |
| Oct-18 | 62,239 | 26,294 | 570,863 | 20,716 | - | 94,692 | 38,720 | - | - | 181,171 | 70,841 | 35,420 | (60,023) | 1,240,340 |
| Nov-18 | 62,239 | 26,294 | - | 20,716 | - | 64,254 | 37,471 | - | - | 181,171 | 70,841 | 35,420 | (6,002) | 888,862 |
| Dec-18 | 62,239 | 26,294 | - | 20,716 | - | 55,596 | 38,720 | 1,827,055 | - | 181,171 | 70,841 | 35,420 | (6,002) | (935,824) |
| Jan-19 | 14,330 | 27,082 | 570,863 | 21,337 | - | 55,744 | 38,720 | - | - | 181,171 | 70,841 | 35,420 | (10,052) | 1,396,210 |
| Feb-19 | 14,330 | 27,082 | - | 21,337 | - | 77,133 | 34,973 | - | - | 181,171 | 70,841 | 35,420 | (10,052) | 803,077 |
| Mar-19 | 49,036 | 27,082 | - | 21,337 | - | 109,607 | 38,720 | 2,064,998 | - | 181,171 | 70,841 | 35,420 | (10,052) | (1,268,088) |
| Apr-19 | 62,430 | 27,082 | 585,135 | 21,337 | - | 120,256 | 37,471 | - | - | 181,171 | 70,841 | 35,420 | (10,052) | 1,381,360 |
| May-19 | 76,932 | 27,082 | - | 21,337 | - | 136,609 | 38,720 | - | - | 181,171 | 70,841 | 35,420 | (10,052) | 788,423 |
| Jun-19 | 41,030 | 27,082 | - | 21,337 | - | 135,971 | 24,240 | 3,345,399 | - | 181,171 | 70,841 | 35,420 | (10,052) | (2,582,487) |
| Jul-19 | 16,055 | 27,082 | 585,135 | 21,337 | - | 136,997 | 25,048 | - | - | 181,171 | 70,841 | 35,420 | (10,052) | 1,316,484 |
| Aug-19 | 67,473 | 27,082 | - | 21,337 | - | 130,465 | 25,048 | - | - | 181,171 | 70,841 | 35,420 | (10,052) | 784,522 |
| Sep-19 | 62,693 | 27,082 | - | 21,337 | - | 109,768 | 24,240 | 3,212,505 | - | 181,171 | 70,841 | 35,420 | (10,052) | (2,416,061) |
| | | | | | | | | | | Refer to WP_SS 1.xls | Col 25 * [Tax Rate] * [Rev. Conv. Fac.] | (Col 3 - Col 7) * [Tax Rate] * [Rev. Conv. Fac.] | (Col 12) * [Tax Rate] * [Rev. Conv. Fac.] | Col 3 + Col 12 + Col 15 + Col 16 + Col 17 + Col 18 + Col 19 - Col 20 - Col 21 - Col 22 - Col 23 - Col 24 - Col 25 + Col 26 + Col 27 |
| 2013 | - | 139,637 | - | - | - | - | - | - | - | - | - | - | - | 139,637 |
| 2014 | - | 260,124 | - | - | - | - | - | - | - | 83,796 | 57,871 | 14,481 | - | 425,420 |
| 2015 | 22,914 | 332,605 | 952,473 | 48,434 | - | 932,306 | 249,239 | - | - | 1,084,447 | 748,938 | 373,422 | - | 6,244,811 |
| 2016 | 265,806 | 397,936 | 1,680,652 | 92,820 | - | 1,203,077 | 344,731 | 13,531,816 | - | 1,767,409 | 1,220,603 | 602,684 | - | (2,155,317) |
| 2017 | 214,345 | 520,762 | 2,128,271 | 239,894 | - | 1,633,527 | 486,550 | 5,838,484 | - | 2,177,303 | 1,503,682 | 701,629 | - | 7,706,254 |
| 2018 | 637,526 | 330,492 | 2,269,528 | 248,592 | - | 1,464,432 | 527,251 | 11,709,900 | - | 2,174,018 | 850,072 | 424,427 | (72,027) | 621,460 |
| 2019 | 523,124 | 324,988 | 2,326,266 | 256,050 | - | 1,226,026 | 361,515 | 10,440,882 | - | 2,143,531 | 838,151 | 422,059 | (118,472) | 1,379,035 |
| Oct 18 - Sep 19 | 591,025 | 322,621 | 2,311,995 | 254,185 | - | 1,227,092 | 402,089 | 10,449,957 | - | 2,174,055 | 850,086 | 425,043 | (162,497) | 1,396,817 |

**PSE&G Solar 4 All Extension
Revenue Requirements Calculation**

Solar 4 All Extension: Segment 2 - Pilots - Grid Security

Actuals through March 2018

| (1) | (2) | (3) | (4) | (5) | (6) (7) (8) | | | (9) | (10) | (11) | (12) | (13) | (14) | (15) | |
|-----------------------|-------------|-------------------------|-----------------------------|-----------|------------------|----------------------|--------------------------|--------------------------|-----------------------|---------------------------------|-----------------------------|------------------------------------|---------------------------|-----------------------|--------|
| | | | | | Plant | | | | | | | | | | |
| Program Investment | Gross Plant | Depreciation Expense | Accumulated Depreciation | Net Plant | Tax Depreciation | Book Deprec Basis | Tax Prorated Deferred | Beginning Accumulated | Ending Accumulated | Prorated Excess Deferred Tax | Excess Deferred Tax Flow | Prorated Excess Deferred Tax | Average Net Investment | Return Requirement | |
| | | | | | | | | Deferred Income | Deferred Income | Balance | Through | Ending Balance | | | |
| Oct-17 | 176,260 | 13,852,169 | 121,632 | 1,836,184 | 12,015,985 | 198,301 | 103,506 | 36,704 | 2,747,198 | 2,783,902 | - | - | 8,750,440 | 81,518 | |
| Nov-17 | 317,799 | 13,861,463 | 121,682 | 1,957,866 | 11,903,597 | 199,079 | 103,549 | 34,945 | 2,783,902 | 2,818,847 | - | - | 8,543,853 | 79,593 | |
| Dec-17 | 118,501 | 16,859,296 | 132,718 | 2,090,584 | 14,768,712 | 701,311 | 112,947 | 195,026 | 2,818,847 | 3,013,873 | - | - | 9,786,647 | 91,171 | |
| Jan-18 | 24,547 | 16,883,843 | 143,807 | 2,234,391 | 14,649,451 | 173,249 | 122,389 | 12,943 | 1,976,766 | 1,989,709 | 1,037,107 | - | 1,037,107 | 11,055,590 | 88,860 |
| Feb-18 | 105,686 | 16,989,529 | 144,262 | 2,378,653 | 14,610,876 | 174,858 | 122,776 | 12,879 | 1,989,709 | 2,002,588 | 1,037,107 | - | 1,037,107 | 10,963,761 | 88,122 |
| Mar-18 | 55,648 | 17,045,177 | 144,829 | 2,523,482 | 14,521,695 | 175,791 | 123,259 | 12,599 | 2,002,588 | 2,015,188 | 1,037,107 | - | 1,037,107 | 10,887,143 | 87,506 |
| Apr-18 | 119,540 | 17,045,177 | 145,033 | 2,668,516 | 14,376,662 | 175,791 | 123,433 | 12,210 | 2,015,188 | 2,027,398 | 1,037,107 | - | 1,037,107 | 10,757,631 | 86,465 |
| May-18 | 6,028 | 17,045,177 | 145,033 | 2,813,549 | 14,231,628 | 175,791 | 123,433 | 11,842 | 2,027,398 | 2,039,240 | 1,037,107 | - | 1,037,107 | 10,600,572 | 85,203 |
| Jun-18 | 275,544 | 17,045,177 | 145,033 | 2,958,582 | 14,086,595 | 175,791 | 123,433 | 11,485 | 2,039,240 | 2,050,726 | 1,037,107 | - | 1,037,107 | 10,443,875 | 83,943 |
| Jul-18 | - | 17,045,177 | 145,033 | 3,103,615 | 13,941,562 | 175,791 | 123,433 | 11,117 | 2,050,726 | 2,061,843 | 1,037,107 | - | 1,037,107 | 10,287,541 | 82,687 |
| Aug-18 | - | 17,045,177 | 145,033 | 3,248,648 | 13,796,529 | 175,791 | 123,433 | 10,749 | 2,061,843 | 2,072,591 | 1,037,107 | - | 1,037,107 | 10,131,575 | 81,433 |
| Sep-18 | - | 17,045,177 | 145,033 | 3,393,681 | 13,651,496 | 175,791 | 123,433 | 10,392 | 2,072,591 | 2,082,983 | 1,037,107 | - | 1,037,107 | 9,975,971 | 80,182 |
| Oct-18 | - | 17,045,177 | 145,033 | 3,538,714 | 13,506,463 | 175,791 | 123,433 | 14,361 | 2,160,197 | 2,174,558 | 1,037,107 | (55,423) | 981,684 | 9,769,059 | 78,519 |
| Nov-18 | 225,000 | 17,045,177 | 145,033 | 3,683,748 | 13,361,430 | 175,791 | 123,433 | 14,005 | 2,174,558 | 2,188,563 | 981,684 | (5,542) | 976,141 | 9,640,325 | 77,485 |
| Dec-18 | 75,000 | 17,045,177 | 145,033 | 3,828,781 | 13,216,396 | 175,791 | 123,433 | 13,637 | 2,188,563 | 2,202,200 | 976,141 | (5,542) | 970,599 | 9,487,014 | 76,252 |
| Jan-19 | 70,000 | 17,045,177 | 145,033 | 3,973,814 | 13,071,363 | 118,476 | 123,433 | 248 | 2,202,200 | 2,202,448 | 970,599 | (6,816) | 963,783 | 9,341,218 | 75,080 |
| Feb-19 | 740,000 | 17,045,177 | 145,033 | 4,118,847 | 12,926,330 | 118,476 | 123,433 | 624 | 2,202,448 | 2,203,072 | 963,783 | (6,816) | 956,967 | 9,202,565 | 73,966 |
| Mar-19 | 65,000 | 17,045,177 | 145,033 | 4,263,880 | 12,781,297 | 118,476 | 123,433 | 1,042 | 2,203,072 | 2,204,114 | 956,967 | (6,816) | 950,150 | 9,063,515 | 72,848 |
| Apr-19 | 690,000 | 17,045,177 | 145,033 | 4,408,913 | 12,636,264 | 118,476 | 123,433 | 1,445 | 2,204,114 | 2,205,559 | 950,150 | (6,816) | 943,334 | 8,924,055 | 71,728 |
| May-19 | 112,500 | 17,045,177 | 145,033 | 4,553,947 | 12,491,231 | 118,476 | 123,433 | 1,862 | 2,205,559 | 2,207,421 | 943,334 | (6,816) | 936,518 | 8,784,184 | 70,603 |
| Jun-19 | 112,500 | 17,045,177 | 145,033 | 4,698,980 | 12,346,198 | 118,476 | 123,433 | 2,266 | 2,207,421 | 2,209,687 | 936,518 | (6,816) | 929,702 | 8,643,903 | 69,476 |
| Jul-19 | 337,500 | 17,045,177 | 145,033 | 4,844,013 | 12,201,164 | 118,476 | 123,433 | 2,683 | 2,209,687 | 2,212,369 | 929,702 | (6,816) | 922,886 | 8,503,212 | 68,345 |
| Aug-19 | 900,000 | 17,045,177 | 145,033 | 4,989,046 | 12,056,131 | 118,476 | 123,433 | 3,100 | 2,212,369 | 2,215,469 | 922,886 | (6,816) | 916,069 | 8,362,104 | 67,211 |
| Sep-19 | 562,500 | 17,045,177 | 145,033 | 5,134,079 | 11,911,098 | 118,476 | 123,433 | 3,503 | 2,215,469 | 2,218,973 | 916,069 | (6,816) | 909,253 | 8,220,585 | 66,073 |

| | Program Assumption | Program Assumption | Refer to WP_SS 1.xls "Bk Depr" Worksheets | Prior Month + Col 3 | Col 2 - Col 4 | Refer to WP_SS 1.xls "Sched-IS and BS" Worksheet Row 115 | Refer to WP_SS 1.xls "Sched-IS and BS" Worksheet Row 123 | Refer to "Taxes" Worksheet Row 50 | Refer to "Taxes" Worksheet Row 54 | Refer to "Taxes" Worksheet Row 56 | Refer to "Taxes" Worksheet Row 108 | Refer to "Taxes" Worksheet Row 102 | Refer to "Taxes" Worksheet Row 110 | (Prev Col 5 - Col 9 + Col 5 - Col 10) / 2 - Cumulative Col 12 | Col 14 * Monthly Pre Tax WACC |
|-----------------|--------------------|--------------------|-------------------------------------------|---------------------|---------------|----------------------------------------------------------|----------------------------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|------------------------------------|------------------------------------|------------------------------------|---------------------------------------------------------------|-------------------------------|
| 2013 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2014 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2015 | 5,315,078 | 5,046,156 | 20,217 | 20,217 | 5,025,938 | 2,321,694 | 17,185 | 941,392 | - | 941,392 | - | - | - | 1,325,209 | 12,345 |
| 2016 | 7,193,464 | 78,732,162 | 619,827 | 3,731,041 | 75,001,121 | 4,301,425 | 527,032 | 1,206,679 | 12,494,988 | 13,701,668 | - | - | - | 49,448,773 | 516,617 |
| 2017 | 4,116,919 | 165,728,350 | 1,450,540 | 16,957,205 | 148,771,145 | 2,659,254 | 1,234,381 | 441,183 | 28,400,000 | 28,841,183 | - | - | - | 112,342,745 | 1,046,568 |
| 2018 | 886,993 | 204,325,144 | 1,738,196 | 36,374,360 | 167,950,784 | 2,106,020 | 1,479,320 | 148,220 | 24,759,368 | 24,907,588 | 12,328,894 | (66,508) | 12,262,386 | 124,000,057 | 996,656 |
| 2019 | 4,640,000 | 214,793,346 | 1,827,954 | 57,373,891 | 157,419,455 | 2,346,107 | 1,555,745 | 219,695 | 26,530,291 | 26,749,986 | 11,197,319 | (81,795) | 11,115,524 | 111,157,272 | 893,432 |
| Oct 18 - Sep 19 | 3,890,000 | 204,542,127 | 1,740,398 | - | - | 1,593,657 | 1,481,194 | 58,776 | - | - | 11,484,940 | (127,854) | 11,357,086 | - | 867,587 |

**PSE&G Solar 4 All Extension
Revenue Requirements Calculation**

Solar 4 All Extension: Segment 2 - Pilots - Grid Security

Actuals through March 2018

| | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) |
|-----------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|--------------------|--------------------|--------------------|------------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------------------|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Expenses | | | | | Revenue from Sale of | | | | ITC | | | | |
| | O&M | Administrative | Rent | Insurance | Other | Energy | Capacity | SRECs | Other | Amortization | Tax Gross-up | Tax Assoc. w/50% ITC Basis Reduction | Excess Deferred Tax Flow Through Gross-up | Revenue Requirements |
| Oct-17 | 4,980 | 8,973 | 26,532 | 910 | - | - | - | - | - | 36,254 | 25,037 | 12,518 | - | 195,771 |
| Nov-17 | 2,732 | 62,226 | - | 910 | - | - | - | - | - | 36,277 | 25,053 | 12,523 | - | 218,335 |
| Dec-17 | 12,587 | 7,461 | - | 910 | - | - | - | - | - | 42,810 | 29,565 | 13,655 | - | 186,127 |
| Jan-18 | (8,149) | 10,549 | 26,994 | 1,479 | - | - | - | - | - | 42,863 | 16,760 | 8,375 | - | 212,291 |
| Feb-18 | 7,739 | 11,124 | - | 1,479 | - | - | - | - | - | 43,080 | 16,845 | 8,401 | - | 201,202 |
| Mar-18 | 7,849 | 13,961 | - | 1,479 | - | - | - | - | - | 43,201 | 16,892 | 8,434 | - | 203,966 |
| Apr-18 | 14,404 | 22,167 | 36,030 | 1,479 | - | 6,176 | - | - | - | 43,201 | 16,892 | 8,446 | - | 247,756 |
| May-18 | 14,404 | 22,167 | - | 1,479 | - | 7,079 | - | - | - | 43,201 | 16,892 | 8,446 | - | 209,560 |
| Jun-18 | 14,404 | 22,167 | - | 1,479 | - | 7,123 | - | 173,541 | - | 43,201 | 16,892 | 8,446 | - | 34,715 |
| Jul-18 | 14,404 | 22,167 | 32,532 | 1,479 | - | 7,178 | - | - | - | 43,201 | 16,892 | 8,446 | - | 239,476 |
| Aug-18 | 14,404 | 22,167 | 9,099 | 1,479 | - | 6,757 | - | - | - | 43,201 | 16,892 | 8,446 | - | 215,211 |
| Sep-18 | 14,404 | 22,167 | - | 1,479 | - | 5,512 | - | 165,614 | - | 43,201 | 16,892 | 8,446 | - | 40,493 |
| Oct-18 | 14,404 | 22,167 | 32,532 | 1,479 | - | 4,598 | - | - | - | 43,201 | 16,892 | 8,446 | (21,671) | 160,795 |
| Nov-18 | 14,404 | 22,167 | 9,099 | 1,479 | - | 3,060 | - | - | - | 43,201 | 16,892 | 8,446 | (2,167) | 207,251 |
| Dec-18 | 14,404 | 22,167 | - | 1,479 | - | 2,571 | - | 87,114 | - | 43,201 | 16,892 | 8,446 | (2,167) | 110,294 |
| Jan-19 | 8,677 | 22,832 | 32,608 | 1,523 | - | 1,355 | - | - | - | 43,201 | 16,892 | 8,446 | (2,665) | 223,271 |
| Feb-19 | 8,677 | 22,832 | 9,099 | 1,523 | - | 1,763 | - | - | - | 43,201 | 16,892 | 8,446 | (2,665) | 198,240 |
| Mar-19 | 14,294 | 22,832 | - | 1,523 | - | 3,933 | - | 60,043 | - | 43,201 | 16,892 | 8,446 | (2,665) | 131,427 |
| Apr-19 | 10,708 | 22,832 | 33,345 | 1,523 | - | 4,985 | - | - | - | 43,201 | 16,892 | 8,446 | (2,665) | 219,057 |
| May-19 | 18,487 | 22,832 | 9,099 | 1,523 | - | 5,748 | - | - | - | 43,201 | 16,892 | 8,446 | (2,665) | 200,702 |
| Jun-19 | 11,458 | 22,832 | - | 1,523 | - | 5,781 | - | 140,631 | - | 43,201 | 16,892 | 8,446 | (2,665) | 42,783 |
| Jul-19 | 11,458 | 22,832 | 33,345 | 1,523 | - | 5,816 | - | - | - | 43,201 | 16,892 | 8,446 | (2,665) | 215,593 |
| Aug-19 | 14,584 | 22,832 | 9,326 | 1,523 | - | 5,454 | - | - | - | 43,201 | 16,892 | 8,446 | (2,665) | 193,927 |
| Sep-19 | 11,470 | 22,832 | - | 1,523 | - | 4,441 | - | 133,792 | - | 43,201 | 16,892 | 8,446 | (2,665) | 47,571 |
| | | | | | | | | | | | | | | Col 3 + Col 12 + Col 15 + Col 16 + Col 17 + Col 18 + Col 19 - Col 20 - Col 21 - Col 22 - Col 23 - Col 24 - Col 25 + Col 26 + Col 27 |
| | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Refer to WP_SS 1.xls "State Rebate and ITC" Worksheet Row 791 | Col 25 * [Tax Rate] * [Rev. Conv. Fac.] | (Col 3 - Col 7) * [Tax Rate] * [Rev. Conv. Fac.] | (Col 12) * [Tax Rate] * [Rev. Conv. Fac.] | |
| 2013 | - | 1,661 | - | - | - | - | - | - | - | - | - | - | - | 1,661 |
| 2014 | - | 66,428 | - | - | - | - | - | - | - | - | - | - | - | 66,428 |
| 2015 | - | 122,752 | - | - | - | - | - | - | - | 12,130 | 8,377 | 2,094 | - | 136,901 |
| 2016 | 41,911 | 122,300 | 35,371 | 5,640 | - | - | - | - | - | 196,509 | 135,712 | 64,086 | - | 1,073,531 |
| 2017 | 52,609 | 169,029 | 99,532 | 10,920 | - | - | - | - | - | 436,740 | 301,620 | 149,284 | - | 2,240,121 |
| 2018 | 137,071 | 235,139 | 146,285 | 17,748 | - | 50,055 | - | 426,269 | - | 517,949 | 202,525 | 101,224 | (26,005) | 2,083,010 |
| 2019 | 145,292 | 273,987 | 169,494 | 18,280 | - | 47,419 | - | 403,818 | - | 553,559 | 216,449 | 106,438 | (31,983) | 2,099,856 |
| Oct 18 - Sep 19 | 153,025 | 271,992 | 168,453 | 18,147 | - | 49,504 | - | 421,580 | - | 518,407 | 202,705 | 101,352 | (49,993) | 1,950,912 |

**PSE&G Solar 4 All Extension
Revenue Requirements Calculation**

Solar 4 All Extension: Segment 2 - Pilots - Underutilized Government Facilities

Actuals through March 2018

| | (1) | (2) | (3) | (4) | (5) | (6) (7) (8) | | | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
|-----------------|-------------------|--------------------|---------------------|---------------------|------------------|---------------------|--------------------|-----------------|--------------------|--------------------|------------------------|------------------------|------------------------|--------------------|--------------------|
| | | | | | | Plant | | | | | | | | | |
| | | | | | | | | | <u>Beginning</u> | <u>Ending</u> | <u>Prorated Excess</u> | | <u>Prorated Excess</u> | | |
| | <u>Program</u> | <u>Gross Plant</u> | <u>Depreciation</u> | <u>Accumulated</u> | <u>Net Plant</u> | <u>Tax</u> | <u>Book Deprec</u> | <u>Prorated</u> | <u>Accumulated</u> | <u>Accumulated</u> | <u>Deferred Tax</u> | <u>Excess Deferred</u> | <u>Deferred Tax</u> | <u>Average Net</u> | <u>Return</u> |
| | <u>Investment</u> | | <u>Expense</u> | <u>Depreciation</u> | | <u>Depreciation</u> | <u>Tax Basis</u> | <u>Deferred</u> | <u>Deferred</u> | <u>Income</u> | <u>Beginning</u> | <u>Through</u> | <u>Ending Balance</u> | <u>Investment</u> | <u>Requirement</u> |
| | | | | | | | | <u>Tax Exp</u> | <u>Income Tax</u> | <u>Tax</u> | <u>Balance</u> | | | | |
| Oct-17 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Nov-17 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Dec-17 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Jan-18 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Feb-18 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mar-18 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Apr-18 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| May-18 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Jun-18 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Jul-18 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Aug-18 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sep-18 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Oct-18 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Nov-18 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Dec-18 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Jan-19 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Feb-19 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mar-19 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Apr-19 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| May-19 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Jun-19 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Jul-19 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Aug-19 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sep-19 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2013 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2014 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2015 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2016 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2017 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2018 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2019 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Oct 18 - Sep 19 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | |
|--|--------------------|--------------------|-------------------------------------------|---------------------|---------------|----------------------------------------------------------|----------------------------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|------------------------------------|------------------------------------|------------------------------------|----------------------------------------------------------------|-------------------------------|
| | Program Assumption | Program Assumption | Refer to WP_SS 1.xls "Bk Depr" Worksheets | Prior Month + Col 3 | Col 2 - Col 4 | Refer to WP_SS 1.xls "Sched-IS and BS" Worksheet Row 115 | Refer to WP_SS 1.xls "Sched-IS and BS" Worksheet Row 123 | Refer to "Taxes" Worksheet Row 50 | Refer to "Taxes" Worksheet Row 54 | Refer to "Taxes" Worksheet Row 56 | Refer to "Taxes" Worksheet Row 108 | Refer to "Taxes" Worksheet Row 102 | Refer to "Taxes" Worksheet Row 110 | (Prev Col 5 - Col 9 + Col 5 - Col 10) / 2 - Cumulative Col 12 | Col 14 * Monthly Pre Tax WACC |
|--|--------------------|--------------------|-------------------------------------------|---------------------|---------------|----------------------------------------------------------|----------------------------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|------------------------------------|------------------------------------|------------------------------------|----------------------------------------------------------------|-------------------------------|

PSE&G Solar 4 All Extension

Under/(Over) Calculation

| Tariff Rate (excl SUT) | 0.000005 | 0.000005 | 0.000005 | 0.000005 | 0.000005 | 0.000005 |
|-------------------------------------------------------------|------------------|-----------------|------------------|----------------|------------------|----------------|
| | 52 | 53 | 54 | 55 | 56 | 57 |
| <u>GPRC S4AE Under/(Over) Calculation</u> | <u>Sep-17</u> | <u>Oct-17</u> | <u>Nov-17</u> | <u>Dec-17</u> | <u>Jan-18</u> | <u>Feb-18</u> |
| (1) SGIEP GPRC Revenue | 17,262 | 15,581 | 14,629 | 17,488 | 18,075 | 15,354 |
| (2) Revenue Requirements (excluding Incremental WACC) | <u>1,064,963</u> | <u>(45,228)</u> | <u>1,191,171</u> | <u>142,152</u> | <u>1,646,102</u> | <u>911,839</u> |
| (3) Monthly Under/(Over) Recovery | 1,047,701 | (60,809) | 1,176,542 | 124,664 | 1,628,028 | 896,485 |
| (4) Deferred Balance | 3,503,191 | 3,442,382 | 4,618,924 | 4,743,588 | 6,371,616 | 7,268,101 |
| (5) Monthly Interest Rate | 0.0942% | 0.0942% | 0.0942% | 0.1183% | 0.1183% | 0.1183% |
| (6) After Tax Monthly Interest Expense/(Credit) | 2,806 | 3,270 | 3,796 | 5,539 | 6,576 | 8,070 |
| (7) Cumulative Interest | (5,355) | (2,084) | 1,711 | 7,251 | 13,827 | 21,897 |
| (8) Balance Added to Subsequent Year's Revenue Requirements | 3,497,836 | 3,440,298 | 4,620,635 | 4,750,839 | 6,385,443 | 7,289,998 |
| (9) Net Sales - kWh (000) | | | | | 3,481,168 | 3,142,619 |
| (10) Incremental Interest From WACC Change | | | | | | |
| (11) Cumulative Incremental Interest | | | | | | |
| (12) Average Net of Tax Deferred Balance | 2,979,341 | 3,472,787 | 4,030,653 | 4,681,256 | 5,557,602 | 6,819,858 |

PSE&G Solar 4 All Extension

Under/(Over) Calculation

| Tariff Rate (excl SUT) | 0.000005 | 0.000005 | 0.000005 | 0.000005 | 0.000005 | 0.000005 |
|-------------------------------------------------------------|--------------------|------------------|------------------|--------------------|------------------|------------------|
| | 58 | 59 | 60 | 61 | 62 | 63 |
| <u>GPRC S4AE Under/(Over) Calculation</u> | <u>Mar-18</u> | <u>Apr-18</u> | <u>May-18</u> | <u>Jun-18</u> | <u>Jul-18</u> | <u>Aug-18</u> |
| (1) SGIEP GPRC Revenue | 16,077 | 13,996 | 15,682 | 18,710 | 22,100 | 21,611 |
| (2) Revenue Requirements (excluding Incremental WACC) | <u>(2,216,426)</u> | <u>1,674,994</u> | <u>1,060,376</u> | <u>(2,465,196)</u> | <u>1,665,028</u> | <u>1,071,239</u> |
| (3) Monthly Under/(Over) Recovery | (2,232,503) | 1,660,998 | 1,044,693 | (2,483,906) | 1,642,928 | 1,049,628 |
| (4) Deferred Balance | 5,035,598 | 6,696,596 | 7,741,290 | 5,257,384 | 6,900,311 | 7,949,939 |
| (5) Monthly Interest Rate | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% |
| (6) After Tax Monthly Interest Expense/(Credit) | 8,971 | 8,555 | 10,528 | 9,478 | 8,865 | 10,828 |
| (7) Cumulative Interest | 30,869 | 39,423 | 49,951 | 59,429 | 68,294 | 79,122 |
| (8) Balance Added to Subsequent Year's Revenue Requirements | 5,066,467 | 6,736,020 | 7,791,241 | 5,316,813 | 6,968,606 | 8,029,062 |
| (9) Net Sales - kWh (000) | 3,226,260 | 2,799,280 | 3,136,419 | 3,741,971 | 4,419,978 | 4,322,158 |
| (10) Incremental Interest From WACC Change | | | | | | |
| (11) Cumulative Incremental Interest | | | | | | |
| (12) Average Net of Tax Deferred Balance | 6,151,849 | 5,866,097 | 7,218,943 | 6,499,337 | 6,078,848 | 7,425,125 |

PSE&G Solar 4 All Extension

Under/(Over) Calculation

| Tariff Rate (excl SUT) | 0.000005 | 0.000219 | 0.000219 | 0.000219 | 0.000219 | 0.000219 | 0.000219 |
|-------------------------------------------------------------|--------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| | 64 | 65 | 66 | 67 | 68 | 69 | 70 |
| <u>GPRC S4AE Under/(Over) Calculation</u> | <u>Sep-18</u> | <u>Oct-18</u> | <u>Nov-18</u> | <u>Dec-18</u> | <u>Jan-19</u> | <u>Feb-19</u> | <u>Mar-19</u> |
| (1) SGIEP GPRC Revenue | 16,933 | 703,407 | 632,698 | 738,346 | 767,966 | 690,201 | 723,331 |
| (2) Revenue Requirements (excluding Incremental WACC) | <u>(2,315,204)</u> | <u>1,401,134</u> | <u>1,096,113</u> | <u>(825,530)</u> | <u>1,619,481</u> | <u>1,001,317</u> | <u>(1,136,661)</u> |
| (3) Monthly Under/(Over) Recovery | (2,332,136) | 697,727 | 463,415 | (1,563,876) | 851,515 | 311,116 | (1,859,992) |
| (4) Deferred Balance | 5,617,803 | 6,404,546 | 6,867,961 | 5,304,086 | 6,155,601 | 6,466,717 | 4,606,724 |
| (5) Monthly Interest Rate | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% |
| (6) After Tax Monthly Interest Expense/(Credit) | 9,893 | 8,766 | 9,678 | 8,875 | 8,356 | 9,204 | 8,074 |
| (7) Cumulative Interest | 89,016 | 8,766 | 18,444 | 27,320 | 35,676 | 44,879 | 52,954 |
| (8) Balance Added to Subsequent Year's Revenue Requirements | 5,706,819 | 6,413,312 | 6,886,405 | 5,331,405 | 6,191,277 | 6,511,596 | 4,659,678 |
| (9) Net Sales - kWh (000) | 3,386,507 | 3,211,905 | 2,889,032 | 3,371,442 | 3,506,694 | 3,151,603 | 3,302,882 |
| (10) Incremental Interest From WACC Change | | | | | | | |
| (11) Cumulative Incremental Interest | | | | | | | |
| (12) Average Net of Tax Deferred Balance | 6,783,871 | 6,011,174 | 6,636,254 | 6,086,023 | 5,729,843 | 6,311,159 | 5,536,721 |

PSE&G Solar 4 All Extension

Under/(Over) Calculation

| Tariff Rate (excl SUT) | 0.000219 | 0.000219 | 0.000219 | 0.000219 | 0.000219 | 0.000219 | |
|-------------------------------------------------------------|------------------|----------------|--------------------|------------------|----------------|--------------------|------------------------------------------------------|
| | 71 | 72 | 73 | 74 | 75 | 76 | |
| <u>GPRC S4AE Under/(Over) Calculation</u> | <u>Apr-19</u> | <u>May-19</u> | <u>Jun-19</u> | <u>Jul-19</u> | <u>Aug-19</u> | <u>Sep-19</u> | |
| (1) SGIEP GPRC Revenue | 626,749 | 665,847 | 836,181 | 977,760 | 951,569 | 753,187 | SGIEP Rate * Row 9 |
| (2) Revenue Requirements (excluding Incremental WACC) | <u>1,600,417</u> | <u>989,125</u> | <u>(2,539,704)</u> | <u>1,532,077</u> | <u>978,450</u> | <u>(2,368,490)</u> | From SS-S4AE-3, Col 25 |
| (3) Monthly Under/(Over) Recovery | 973,668 | 323,278 | (3,375,885) | 554,317 | 26,881 | (3,121,677) | Row 2 - Row 1 |
| (4) Deferred Balance | 5,580,392 | 5,903,670 | 2,527,785 | 3,082,102 | 3,108,983 | (12,694) | Prev Row 4 + Row 3 |
| (5) Monthly Interest Rate | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | Monthly Interest Rate |
| (6) After Tax Monthly Interest Expense/(Credit) | 7,428 | 8,374 | 6,148 | 4,091 | 4,514 | 2,258 | (Prev Row 4 + Row 4) / 2 * (1 - Tax Rate) * Row 5 |
| (7) Cumulative Interest | 60,382 | 68,756 | 74,904 | 78,994 | 83,509 | 85,766 | Prev Row 7 + Row 6 |
| (8) Balance Added to Subsequent Year's Revenue Requirements | 5,640,774 | 5,972,426 | 2,602,688 | 3,161,096 | 3,192,491 | 73,072 | Row 4 + Row 7 + Row 11 |
| (9) Net Sales - kWh (000) | 2,861,867 | 3,040,395 | 3,818,180 | 4,464,658 | 4,345,063 | 3,439,210 | |
| (10) Incremental Interest From WACC Change | | | | | | | |
| (11) Cumulative Incremental Interest | | | | | | | Prev Row 11 + Row 10 |
| (12) Average Net of Tax Deferred Balance | 5,093,558 | 5,742,031 | 4,215,728 | 2,804,943 | 3,095,542 | 1,548,144 | (Prev Row 4 + Row 4) / 2 * (1 - Tax Rate) |

SOLAR-4-ALL Extension
ACTUAL REVENUES BY RATE CLASS

Schedule SS-S4AE-4E

| | Solar-4-ALL Ext Rate | 0.000005 | 0.000005 | 0.000005 | 0.000005 | 0.000005 | 0.000005 |
|------------------------------------------|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
| RESIDENTIAL SALES | | | | | | | |
| RS (4400110) | | \$4,225 | \$4,257 | \$5,411 | \$5,819 | \$4,417 | \$4,753 |
| RS-HTG (4400210) | | \$30 | \$55 | \$83 | \$100 | \$65 | \$74 |
| WH (4400310) | | \$0 | \$0 | \$0 | \$0 | \$1 | \$0 |
| RLM (4400410) | | \$67 | \$65 | \$85 | \$89 | \$70 | \$77 |
| WHS (4400510) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL RESIDENTIAL | | \$4,323 | \$4,378 | \$5,579 | \$6,009 | \$4,553 | \$4,904 |
| COMMERCIAL SALES | | | | | | | |
| WH & WHS (4420110) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| GLP (4420310) | | \$2,945 | \$2,701 | \$3,076 | \$3,251 | \$2,933 | \$3,000 |
| GLP-MDO (4420310) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SL-PRI (4440110) | | \$71 | \$73 | \$83 | \$70 | \$79 | \$64 |
| LPLP (4420510) | | \$1,109 | \$964 | \$1,157 | \$1,094 | \$1,012 | \$1,078 |
| LPLS (4420510) | | \$2,660 | \$2,385 | \$2,840 | \$2,875 | \$2,596 | \$2,688 |
| LPLSH (4420510) | | \$1,441 | \$1,329 | \$1,464 | \$1,489 | \$1,346 | \$1,377 |
| LPLSO (4420510) | | \$5 | \$6 | \$7 | \$6 | \$6 | \$6 |
| LPLSR (4420510) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420710) | | \$1,248 | \$1,045 | \$1,264 | \$1,283 | \$1,059 | \$1,197 |
| HTS-HV (4420710) | | \$101 | \$138 | \$147 | \$165 | \$127 | \$169 |
| HS (4421210) | | \$3 | \$6 | \$10 | \$13 | \$10 | \$9 |
| TOTAL COMMERCIAL | | \$9,584 | \$8,646 | \$10,047 | \$10,246 | \$9,168 | \$9,588 |
| INDUSTRIAL SALES | | | | | | | |
| GLP (4420410) | | \$123 | \$111 | \$129 | \$135 | \$125 | \$128 |
| GLP-MDO (4420410) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| LPLP (4420610) | | \$256 | \$219 | \$294 | \$258 | \$225 | \$257 |
| LPLS (4420610) | | \$261 | \$250 | \$266 | \$271 | \$278 | \$254 |
| LPLSH (4420610) | | \$199 | \$228 | \$195 | \$216 | \$214 | \$224 |
| LPLSO (4420610) | | \$1 | \$1 | \$0 | \$1 | \$0 | \$1 |
| LPLSR (4420610) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420810) | | \$710 | \$645 | \$722 | \$689 | \$622 | \$581 |
| HTS-HV (4420810) | | \$5 | \$16 | \$29 | \$59 | \$11 | (\$5) |
| HS (4421110) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HEP (4421010) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| EHEP (4421010) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL INDUSTRIAL | | \$1,555 | \$1,470 | \$1,635 | \$1,630 | \$1,475 | \$1,440 |
| PUB STREET AND HWY LIGHTING SALES | | | | | | | |
| SL-PUB (4440310) | | \$99 | \$117 | \$205 | \$167 | \$135 | \$125 |
| BPL-POF (4440310) | | \$8 | \$5 | \$5 | \$9 | \$7 | \$7 |
| GLP-T&S (4440410) | | \$12 | \$13 | \$16 | \$15 | \$16 | \$14 |
| TOTAL ST. LIGHT. | | \$119 | \$135 | \$226 | \$190 | \$157 | \$146 |
| TOTAL REVENUES | | \$15,581 | \$14,629 | \$17,488 | \$18,075 | \$15,354 | \$16,077 |

PSE&G Solar Loan II Program

Proposed Rate Calculations

(\$'s Unless Specified)

Schedule SS-SLII-1

Actual results through March 2018

SUT Rate 6.625%

| <u>Line</u> | <u>Date(s)</u> | | <u>Electric</u> | <u>Source/Description</u> |
|-------------|------------------------|----------------------------------------------|-----------------|-----------------------------------|
| 1 | Oct 2018 - Sep 2019 | Revenue Requirements | 9,351,214 | SS-SLII-2, Col 21 |
| 2 | Sep-18 | (Over) / Under Recovered Balance | 10,110,225 | SS-SLII-3, Line 4, Col 107 |
| 3 | Sep-18 | Cumulative Interest Exp / (Credit) | 58,687 | SS-SLII-3, Line 7, Col 107 |
| 4 | Oct 2018 - Sep 2019 | Total Target Rate Revenue | 19,520,126 | Line 1 + Line 2 + Line 3 |
| 5 | Oct 2018 - Sep 2019 | Forecasted kWh (000) | 41,402,930 | |
| 6 | | Updated Calculated Rate w/o SUT (\$/kWh) | 0.000471 | (Line 4 / (Line 5*1,000)) [Rnd 6] |
| 7 | | Public Notice Rate w/o SUT (\$/kWh) | 0.000471 | Line 6 |
| 8 | | Existing Rate w/o SUT (\$/kWh) | 0.000038 | |
| 9 | | Proposed Rate w/o SUT (\$/kWh) | 0.000471 | Line 6 |
| 10 | | Proposed Rate w/ SUT (\$/kWh) | 0.000502 | (Line 9 * (1 + SUT Rate)) [Rnd 6] |
| 11 | | Difference in Proposed and Previous Rate | 0.000433 | (Line 9 - Line 8) |
| 12 | | Resultant SLII Revenue Increase / (Decrease) | 17,927,469 | (Line 5 * Line 11 * 1,000) |

PSE&G Solar Loan II Program
Electric Revenue Requirements Calculation - Summary

Actual data through March 2018

| | |
|----------------------|----------|
| Annual Pre-Tax WACC | 10.2721% |
| Monthly Pre-Tax WACC | 0.8560% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|-----------------------------|----------------------------------------|----------------------------------------|-----------------------|------------------------------------------------|--------------------|----------------------------------------|----------------------------------------------------------------|--------------------|---------------------------------------|---------------------------------------|-------------------------|---------------------------------------|
| | | | | <u>Return</u> | <u>Incremental</u> | | <u>Return</u> | <u>Incremental</u> | | | | |
| | <u>Total Loan</u> | | <u>Total Net Loan</u> | <u>Requirement</u> | <u>Return</u> | | <u>Requirement</u> | <u>Return</u> | <u>Loan Accrued</u> | <u>Loan Interest</u> | <u>Net Loan</u> | <u>Loan Principal</u> |
| | <u>Outstanding</u> | <u>SREC</u> | <u>Investment</u> | <u>On Net Loan</u> | <u>On Net Loan</u> | <u>Net Plant</u> | <u>on Plant</u> | <u>Plant</u> | <u>Interest</u> | <u>Paid</u> | <u>Accrued Interest</u> | <u>Paid / Amortized</u> |
| | <u>Balance</u> | <u>Inventory</u> | | <u>Investments</u> | <u>Investments</u> | <u>Investment</u> | <u>Investment</u> | <u>Investment</u> | | | | |
| Monthly Calculations | | | | | | | | | | | | |
| Oct-17 | 107,353,052 | 1,313,640 | 108,666,691 | 1,156,179 | - | - | - | - | 1,017,577 | 1,017,577 | - | 1,195,553 |
| Nov-17 | 106,599,986 | 2,305,410 | 108,905,396 | 1,071,478 | - | - | - | - | 974,553 | 974,553 | - | 753,066 |
| Dec-17 | 106,346,370 | 728,452 | 107,074,822 | 1,091,775 | - | - | - | - | 1,000,750 | 1,000,750 | - | 253,616 |
| Jan-18 | 106,572,559 | 1,178,007 | 107,750,565 | 947,742 | - | - | - | - | 998,883 | 772,694 | 226,189 | - |
| Feb-18 | 106,322,215 | 1,843,877 | 108,166,091 | 861,249 | - | - | - | - | 904,277 | 1,130,466 | (226,189) | 24,155 |
| Mar-18 | 106,261,792 | 620,945 | 106,882,737 | 955,156 | - | - | - | - | 999,352 | 999,352 | - | 60,423 |
| Apr-18 | 105,792,464 | 1,476,714 | 107,269,177 | 915,127 | - | - | - | - | 980,615 | 1,102,711 | (122,095) | 348,692 |
| May-18 | 104,722,401 | 2,680,763 | 107,403,163 | 918,811 | - | - | - | - | 976,661 | 1,210,595 | (233,934) | 836,129 |
| Jun-18 | 103,410,653 | 4,022,543 | 107,433,196 | 919,440 | - | - | - | - | 967,278 | 1,083,703 | (116,425) | 1,195,322 |
| Jul-18 | 101,670,975 | 1,587,982 | 103,258,957 | 919,609 | - | - | - | - | 955,644 | 1,004,785 | (49,141) | 1,690,537 |
| Aug-18 | 99,961,289 | 3,149,212 | 103,110,501 | 884,602 | - | - | - | - | 940,110 | 951,398 | (11,288) | 1,698,398 |
| Sep-18 | 98,281,545 | 4,684,944 | 102,966,489 | 882,694 | - | - | - | - | 924,845 | 927,503 | (2,657) | 1,677,087 |
| Oct-18 | 96,767,916 | 1,426,634 | 98,194,550 | 881,251 | - | - | - | - | 909,818 | 910,987 | (1,169) | 1,512,460 |
| Nov-18 | 95,596,043 | 2,644,686 | 98,240,729 | 840,726 | - | - | - | - | 896,369 | 894,608 | 1,761 | 1,173,634 |
| Dec-18 | 94,787,755 | 3,641,407 | 98,429,162 | 841,661 | - | - | - | - | 885,998 | 884,003 | 1,995 | 810,282 |
| Jan-19 | 94,598,398 | 628,881 | 95,227,279 | 842,309 | - | - | - | - | 878,978 | 841,066 | 37,912 | 227,269 |
| Feb-19 | 94,518,649 | 1,191,300 | 95,709,949 | 814,881 | - | - | - | - | 877,538 | 793,003 | 84,535 | 164,284 |
| Mar-19 | 94,220,234 | 1,881,836 | 96,102,070 | 819,672 | - | - | - | - | 877,124 | 889,519 | (12,395) | 286,020 |
| Apr-19 | 93,660,230 | 844,569 | 94,504,799 | 822,126 | - | - | - | - | 874,734 | 941,695 | (66,962) | 493,043 |
| May-19 | 92,512,497 | 2,034,824 | 94,547,321 | 809,440 | - | - | - | - | 869,954 | 911,871 | (41,917) | 1,105,816 |
| Jun-19 | 91,130,822 | 3,358,212 | 94,489,034 | 809,464 | - | - | - | - | 859,778 | 864,299 | (4,521) | 1,377,153 |
| Jul-19 | 89,319,450 | 1,571,053 | 90,890,503 | 808,879 | - | - | - | - | 847,446 | 849,041 | (1,596) | 1,809,777 |
| Aug-19 | 87,554,373 | 3,105,531 | 90,659,904 | 778,717 | - | - | - | - | 831,155 | 831,443 | (287) | 1,764,790 |
| Sep-19 | 85,809,545 | 4,620,154 | 90,429,699 | 776,116 | - | - | - | - | 815,263 | 814,956 | 308 | 1,745,136 |
| | From Sched SS-SLII- 2a Col 11 | From Sched SS- SLII-2a Col 15 | Col 1 + Col 2 | From Sched SS-SLII- 2a Col 3 + Col 16 | N/A | From Sched SS- SLII-2a Col 27 | (Prior Col 6 + Col 6) / 2 * [Monthly Pre Tax WACC] | N/A | From Sched SS-SLII- 2a Col 4 | From Sched SS-SLII- 2a Col 7 | Col 9 - Col 10 | From Sched SS-SLII- 2a Col 8 |
| Annual Summary | | | | | | | | | | | | |
| 2009 | - | - | - | - | - | - | - | - | - | - | - | - |
| 2010 | 2,777,016 | 48,555 | 2,825,571 | 60,936 | 2,777 | - | - | - | 48,898 | 46,496 | 2,402 | 7,495 |
| 2011 | 42,844,081 | 845,457 | 43,689,538 | 1,878,439 | - | - | - | - | 1,563,058 | 1,557,935 | 5,123 | 1,481,200 |
| 2012 | 120,592,422 | 2,823,621 | 123,416,043 | 9,860,826 | - | - | - | - | 8,760,459 | 8,767,985 | (7,525) | 4,238,456 |
| 2013 | 143,451,463 | 876,999 | 144,328,462 | 15,920,445 | - | - | - | - | 14,359,337 | 14,359,337 | - | 9,075,175 |
| 2014 | 139,655,964 | 571,508 | 140,227,473 | 17,175,082 | - | - | - | - | 15,660,127 | 15,571,101 | 89,026 | 7,984,416 |
| 2015 | 129,738,612 | 718,491 | 130,457,103 | 16,285,954 | - | - | - | - | 14,915,459 | 15,004,485 | (89,026) | 9,828,327 |
| 2016 | 117,131,636 | 875,048 | 118,006,684 | 15,003,954 | - | - | - | - | 13,761,319 | 13,761,319 | 0 | 12,606,977 |
| 2017 | 106,346,370 | 728,452 | 107,074,822 | 13,638,094 | - | - | - | - | 12,479,169 | 12,479,169 | - | 10,785,266 |
| 2018 | 94,787,755 | 3,641,407 | 98,429,162 | 10,768,069 | - | - | - | - | 11,339,851 | 11,872,806 | (532,955) | 11,027,119 |
| Oct 2018 - Sep 2019 | | | | 9,845,241 | - | - | - | - | 10,424,156 | 10,426,492 | (2,336) | 12,469,664 |

PSE&G Solar Loan II Program
Electric Revenue Requirements Calculation - Summary

Schedule SS-SLII-2

Page 2 of 2

Actual data through March 2018

| | |
|----------------------|----------|
| Annual Pre-Tax WACC | 10.2721% |
| Monthly Pre-Tax WACC | 0.8560% |

| | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (19a) | (20) | (21) | (21) |
|-----------------------------|---------------------------|------------------------------------|-------------------------|-------------------------------------|------------------------------------|----------------------------------|-------------------------------------|------------------------------|--------------------------------------------|-------------------------------|-----------------------------|
| | <u>Plant Depreciation</u> | <u>Depreciation / Amortization</u> | <u>O&M Expenses</u> | <u>SREC Value Credited to Loans</u> | <u>Gain / (Loss) on SREC Sales</u> | <u>SREC Disposition Expenses</u> | <u>SREC Call Option Net Benefit</u> | <u>SREC Floor Price Cost</u> | <u>Net Proceeds from the Sale of SRECs</u> | <u>Cash Payments to Loans</u> | <u>Revenue Requirements</u> |
| Monthly Calculations | | | | | | | | | | | |
| Oct-17 | - | 1,195,553 | 54,730 | 2,209,535 | (622,005) | - | - | 895,895 | 691,634 | 3,595 | 1,711,232 |
| Nov-17 | - | 753,066 | 40,397 | 1,705,125 | - | 16,776 | - | 713,354 | 974,995 | 22,494 | 867,452 |
| Dec-17 | - | 253,616 | 45,870 | 1,249,840 | (30,215) | - | - | 521,388 | 698,237 | 4,526 | 688,498 |
| Jan-18 | - | - | 50,373 | 769,305 | - | 16,333 | - | 320,900 | 432,071 | 3,389 | 336,466 |
| Feb-18 | - | 24,155 | 45,764 | 1,138,630 | - | - | - | 472,760 | 665,870 | 15,991 | 475,495 |
| Mar-18 | - | 60,423 | 55,870 | 1,050,595 | 222,134 | - | - | 426,650 | 846,079 | 9,180 | 216,190 |
| Apr-18 | - | 348,692 | 37,849 | 1,451,403 | - | - | - | 598,804 | 852,599 | - | 571,165 |
| May-18 | - | 836,129 | 37,849 | 2,046,724 | - | - | - | 842,878 | 1,203,846 | - | 822,877 |
| Jun-18 | - | 1,195,322 | 37,849 | 2,279,026 | - | - | - | 937,398 | 1,341,628 | - | 927,409 |
| Jul-18 | - | 1,690,537 | 37,849 | 2,695,322 | (5,563) | 20,373 | - | 1,107,710 | 1,561,677 | - | 1,135,459 |
| Aug-18 | - | 1,698,398 | 37,849 | 2,649,796 | - | - | - | 1,088,703 | 1,561,093 | - | 1,071,044 |
| Sep-18 | - | 1,677,087 | 37,849 | 2,604,589 | - | - | - | 1,069,264 | 1,535,326 | - | 1,064,962 |
| Oct-18 | - | 1,512,460 | 37,849 | 2,423,447 | - | 23,761 | - | 996,864 | 1,402,822 | - | 1,029,907 |
| Nov-18 | - | 1,173,634 | 37,849 | 2,068,242 | - | - | - | 850,258 | 1,217,984 | - | 832,464 |
| Dec-18 | - | 810,282 | 37,089 | 1,694,285 | - | - | - | 697,840 | 996,446 | - | 690,591 |
| Jan-19 | - | 227,269 | 38,830 | 1,068,335 | - | 18,468 | - | 439,774 | 610,093 | - | 460,402 |
| Feb-19 | - | 164,284 | 38,830 | 957,287 | - | - | - | 394,930 | 562,357 | - | 371,103 |
| Mar-19 | - | 286,020 | 38,830 | 1,175,539 | - | - | - | 485,047 | 690,492 | - | 466,425 |
| Apr-19 | - | 493,043 | 38,830 | 1,434,738 | - | 9,544 | - | 590,471 | 834,723 | - | 586,238 |
| May-19 | - | 1,105,816 | 38,830 | 2,017,687 | - | - | - | 827,801 | 1,189,886 | - | 806,116 |
| Jun-19 | - | 1,377,153 | 38,830 | 2,241,452 | - | - | - | 918,693 | 1,322,760 | - | 907,208 |
| Jul-19 | - | 1,809,777 | 38,830 | 2,658,818 | - | 17,032 | - | 1,088,493 | 1,553,293 | - | 1,105,789 |
| Aug-19 | - | 1,764,790 | 38,830 | 2,596,232 | - | - | - | 1,062,531 | 1,533,701 | - | 1,048,923 |
| Sep-19 | - | 1,745,136 | 38,830 | 2,560,091 | - | - | - | 1,046,364 | 1,513,727 | - | 1,046,047 |

| | From Sched SS-SLII-2a Col 21 | Col 12 + Col 13 | From Sched SS-SLII-2a Col 29 | From Sched SS-SLII-2a Col 5 | From Sched SS-SLII-2a Col 14 | From Sched SS-SLII-2a Col 17 | From Sched SS-SLII-2a Col 18 | From Sched SS-SLII-2a Col 19 | Col 16 + Col 17 - Col 18 + Col 19 - Col 19a | From Sched SS-SLII-2a Col 6 | Col 4 + Col 7 - Col 11 + Col 14 + Col 15 - Col 20 - Col 21 |
|--|------------------------------|-----------------|------------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|------------------------------|---------------------------------------------|-----------------------------|------------------------------------------------------------|
|--|------------------------------|-----------------|------------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|------------------------------|---------------------------------------------|-----------------------------|------------------------------------------------------------|

Annual Summary

| | | | | | | | | | | | |
|----------------------------|---|------------|-----------|------------|-------------|--------|---|------------|------------|-----------|------------|
| 2009 | - | - | 53,479 | - | - | - | - | - | - | - | 53,479 |
| 2010 | - | 7,495 | 1,006,890 | 53,992 | 549 | - | - | - | 54,541 | - | 1,018,378 |
| 2011 | - | 1,481,200 | 1,486,592 | 3,039,135 | (874,640) | 3,520 | - | 39,757 | 2,121,218 | - | 2,719,890 |
| 2012 | - | 4,238,456 | 1,111,986 | 12,988,697 | (6,153,262) | 71,730 | - | 1,960,970 | 4,802,734 | 17,745 | 10,398,315 |
| 2013 | - | 9,075,175 | 1,482,594 | 23,266,745 | (5,028,885) | 92,678 | - | 10,580,239 | 7,564,943 | 167,767 | 18,745,504 |
| 2014 | - | 7,984,416 | 612,789 | 23,149,155 | 366,647 | 95,357 | - | 11,475,712 | 11,944,733 | 406,362 | 13,332,166 |
| 2015 | - | 9,828,327 | 494,614 | 24,101,790 | 3,634,339 | 93,286 | - | 11,180,406 | 16,462,436 | 731,022 | 9,504,462 |
| 2016 | - | 12,606,977 | 370,992 | 24,908,878 | 2,228,455 | 96,115 | - | 8,629,589 | 18,411,629 | 1,459,418 | 8,110,876 |
| 2017 | - | 10,785,266 | 482,927 | 22,822,933 | (196,450) | 65,740 | - | 8,558,867 | 14,001,876 | 441,502 | 10,462,909 |
| 2018 | - | 11,027,119 | 491,887 | 22,871,364 | 216,572 | 60,468 | - | 9,410,029 | 13,617,439 | 28,560 | 9,174,030 |
| Oct 2018 - Sep 2019 | - | 12,469,664 | 462,256 | 22,896,156 | - | 68,806 | - | 9,399,066 | 13,428,284 | - | 9,351,214 |

**PSE&G Solar Loan II Program
Electric Revenue Requirements Calculation - Detail**

Actual data through March 2018

| | |
|----------------------|----------|
| Annual Pre-Tax WACC | 10.2721% |
| Monthly Pre-Tax WACC | 0.8560% |

| | (1) | (2) | (3) | (3a) | (3b) | (4) | 4a | 4b | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) |
|----------------------|--------------------|--------------------|------------------------------------------|-----------------------------------------------------------|------------------------------------------------------------|----------------------------------------|-----------------------------------------|-----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|--------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|
| | Loan Amount Issued | Capitalized Plant | Return On Total Outstanding Loan Balance | Loan Interest Rate to WACC Differential Cost - Commercial | Loan Interest Rate to WACC Differential Cost - Residential | Loan Accrued Interest - Commercial | Loan Accrued Interest - Residential | Loan Accrued Interest - Residential | SREC Value Credited to Loans | Cash Payments to Loans | Loan Interest Paid | Loan Principal Paid / Amortized | Loan Accrued Interest Balance | Loan Principal Balance | Total Loan Outstanding Balance | Value of SREC Transferred to PSE&G | SREC Auction Sales | Gain / (Loss) on SREC Sales |
| Monthly Calculations | | | | | | | | | | | | | | | | | | |
| Oct-17 | - | - | 1,089,660 | 45,109 | 26,974 | 1,017,577 | 984,818 | 32,759 | 2,209,535 | 3,595 | 1,017,577 | 1,195,553 | - | 107,353,052 | 107,353,052 | 1,313,640 | 4,488,534 | (622,005) |
| Nov-17 | - | - | 1,043,054 | 43,234 | 25,267 | 974,553 | 943,865 | 30,687 | 1,705,125 | 22,494 | 974,553 | 753,066 | - | 106,599,986 | 106,599,986 | 991,771 | - | - |
| Dec-17 | - | - | 1,070,483 | 44,432 | 25,302 | 1,000,750 | 970,020 | 30,729 | 1,249,840 | 4,526 | 1,000,750 | 253,616 | - | 106,346,370 | 106,346,370 | 728,452 | 2,275,195 | (30,215) |
| Jan-18 | - | - | 927,554 | (88,843) | 17,513 | 998,883 | 968,704 | 30,179 | 769,305 | 3,389 | 772,694 | - | 226,189 | 106,346,370 | 106,572,559 | 449,555 | - | - |
| Feb-18 | - | - | 839,398 | (80,470) | 15,591 | 904,277 | 877,410 | 26,867 | 1,138,630 | 15,991 | 1,130,466 | 24,155 | - | 106,322,215 | 106,322,215 | 665,870 | - | - |
| Mar-18 | - | - | 927,264 | (88,983) | 16,895 | 999,352 | 970,238 | 29,114 | 1,050,595 | 9,180 | 999,352 | 60,423 | - | 106,261,792 | 106,261,792 | 620,945 | 2,066,011 | 222,134 |
| Apr-18 | - | - | 909,619 | (87,343) | 16,347 | 980,615 | 952,446 | 28,169 | 1,451,403 | - | 1,102,711 | 348,692 | 417,807 | 105,374,656 | 105,792,464 | 852,720 | - | - |
| May-18 | - | - | 905,589 | (87,041) | 15,969 | 976,661 | 949,144 | 27,517 | 2,046,724 | - | 1,210,595 | 836,129 | 183,874 | 104,538,527 | 104,722,401 | 1,204,049 | - | - |
| Jun-18 | - | - | 896,429 | (86,267) | 15,419 | 967,278 | 940,708 | 26,569 | 2,279,026 | - | 1,083,703 | 1,195,322 | 67,448 | 103,343,205 | 103,410,653 | 1,341,780 | - | - |
| Jul-18 | - | - | 885,201 | (85,291) | 14,847 | 955,644 | 930,060 | 25,584 | 2,695,322 | - | 1,004,785 | 1,690,537 | 18,307 | 101,652,668 | 101,670,975 | 1,587,982 | 4,016,980 | (5,563) |
| Aug-18 | - | - | 870,309 | (83,973) | 14,172 | 940,110 | 915,689 | 24,421 | 2,649,796 | - | 951,398 | 1,698,398 | 7,019 | 99,954,270 | 99,961,289 | 1,561,230 | - | - |
| Sep-18 | - | - | 855,674 | (82,678) | 13,507 | 924,845 | 901,571 | 23,275 | 2,604,589 | - | 927,503 | 1,677,087 | 4,361 | 98,277,183 | 98,281,545 | 1,535,732 | - | - |
| Oct-18 | - | - | 841,295 | (81,399) | 12,877 | 909,818 | 887,629 | 22,189 | 2,423,447 | - | 910,987 | 1,512,460 | 3,192 | 96,764,724 | 96,767,916 | 1,426,634 | 4,684,944 | - |
| Nov-18 | - | - | 828,338 | (80,267) | 12,237 | 896,369 | 875,283 | 21,086 | 2,068,242 | - | 894,608 | 1,173,634 | 4,953 | 95,591,090 | 95,596,043 | 1,218,052 | - | - |
| Dec-18 | - | - | 818,307 | (79,400) | 11,709 | 885,998 | 865,821 | 20,177 | 1,694,285 | - | 884,003 | 810,282 | 6,948 | 94,780,807 | 94,787,755 | 996,721 | - | - |
| Jan-19 | - | - | 811,388 | (78,830) | 11,240 | 878,978 | 859,610 | 19,368 | 1,068,335 | - | 841,066 | 227,269 | 44,860 | 94,553,538 | 94,598,398 | 628,881 | 3,641,407 | - |
| Feb-19 | - | - | 809,767 | (78,741) | 10,970 | 877,538 | 858,635 | 18,903 | 957,287 | - | 793,003 | 164,284 | 129,395 | 94,389,254 | 94,518,649 | 562,419 | - | - |
| Mar-19 | - | - | 809,085 | (78,744) | 10,705 | 877,124 | 858,677 | 18,447 | 1,175,539 | - | 889,519 | 286,020 | 117,000 | 94,103,234 | 94,220,234 | 690,536 | - | - |
| Apr-19 | - | - | 806,530 | (78,578) | 10,374 | 874,734 | 856,857 | 17,877 | 1,434,738 | - | 941,695 | 493,043 | 50,038 | 93,610,191 | 93,660,230 | 844,569 | 1,881,836 | - |
| May-19 | - | - | 801,736 | (78,201) | 9,983 | 869,954 | 852,751 | 17,203 | 2,017,687 | - | 911,871 | 1,105,816 | 8,121 | 92,504,375 | 92,512,497 | 1,190,255 | - | - |
| Jun-19 | - | - | 791,912 | (77,347) | 9,481 | 859,778 | 843,441 | 16,337 | 2,241,452 | - | 864,299 | 1,377,153 | 3,600 | 91,127,222 | 91,130,822 | 1,323,388 | - | - |
| Jul-19 | - | - | 780,085 | (76,302) | 8,941 | 847,446 | 832,039 | 15,406 | 2,658,818 | - | 849,041 | 1,809,777 | 2,005 | 89,317,445 | 89,319,450 | 1,571,053 | 3,358,212 | - |
| Aug-19 | - | - | 764,579 | (74,905) | 8,328 | 831,155 | 816,805 | 14,351 | 2,596,232 | - | 831,443 | 1,764,790 | 1,717 | 87,552,656 | 87,554,373 | 1,534,478 | - | - |
| Sep-19 | - | - | 749,470 | (73,539) | 7,746 | 815,263 | 801,916 | 13,348 | 2,560,091 | - | 814,956 | 1,745,136 | 2,025 | 85,807,520 | 85,809,545 | 1,514,623 | - | - |
| Annual Summary | Program Assumption | Program Assumption | Col 3a + Col 3b + Col 4 | WP-SS-SLII-2.xlsx 'LoansC' wksht Col 32 | WP-SS-SLII-2.xlsx 'LoansR' wksht Col 32 | WP-SS-SLII-2.xlsx 'Loans' wksht Col 11 | WP-SS-SLII-2.xlsx 'LoansC' wksht Col 11 | WP-SS-SLII-2.xlsx 'LoansR' wksht Col 11 | WP-SS-SLII-2.xlsx 'Loans' wksht Col 13 | WP-SS-SLII-2.xlsx 'Loans' wksht Col 14 | WP-SS-SLII-2.xlsx 'Loans' wksht Col 16 | WP-SS-SLII-2.xlsx 'Loans' wksht Col 17 | WP-SS-SLII-2.xlsx 'Loans' wksht Col 18 | WP-SS-SLII-2.xlsx 'Loans' wksht Col 19 | Col 9 + Col 10 | WP-SS-SLII-2.xlsx 'SREC Inv.' wksht Col 23 | WP-SS-SLII-2.xlsx 'SREC Inv.' wksht Col 25 | WP-SS-SLII-2.xlsx 'SREC Inv.' wksht Col 26 |
| 2009 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2010 | 2,782,109 | - | 60,507 | 1,773 | 9,836 | 48,898 | 53,992 | - | 46,496 | 7,495 | 2,402 | 2,774,614 | 2,777,016 | 53,992 | 5,986 | 549 | - | - |
| 2011 | 41,543,142 | - | 1,817,521 | 60,823 | 193,640 | 1,563,058 | 3,039,135 | - | 1,557,935 | 1,481,200 | 7,525 | 42,836,556 | 42,844,081 | 2,999,378 | 1,327,835 | (874,640) | - | - |
| 2012 | 81,994,323 | - | 9,674,670 | 371,055 | 543,155 | 8,760,459 | 12,988,697 | 17,745 | 8,767,985 | 4,238,456 | - | 120,592,422 | 120,592,422 | 11,024,961 | 2,893,534 | (6,153,262) | - | - |
| 2013 | 31,934,216 | - | 15,696,279 | 617,716 | 719,226 | 14,359,337 | 23,266,745 | 167,767 | 14,359,337 | 9,075,175 | - | 143,451,463 | 143,451,463 | 12,686,506 | 9,604,243 | (5,028,885) | - | - |
| 2014 | 4,099,892 | - | 17,018,163 | 679,565 | 678,471 | 15,660,127 | 23,149,155 | 406,362 | 15,571,101 | 7,984,416 | 89,026 | 139,566,939 | 139,655,964 | 11,673,443 | 12,345,581 | 366,647 | - | - |
| 2015 | - | - | 16,146,776 | 580,911 | 580,405 | 14,915,459 | 24,101,790 | 731,022 | 15,004,485 | 9,828,327 | - | 129,738,612 | 129,738,612 | 12,921,384 | 16,408,740 | 3,634,339 | - | - |
| 2016 | - | - | 14,834,651 | 604,238 | 469,094 | 13,761,319 | 24,908,878 | 1,459,418 | 13,761,319 | 12,606,977 | - | 117,131,636 | 117,131,636 | 16,279,582 | 18,351,480 | 2,228,455 | - | - |
| 2017 | - | - | 13,387,511 | 551,769 | 356,573 | 12,479,169 | 22,822,933 | 441,502 | 12,479,169 | 10,785,266 | - | 106,346,370 | 106,346,370 | 14,264,065 | 14,214,211 | (196,450) | - | - |
| 2018 | - | - | 10,504,978 | (1,011,955) | 177,082 | 11,339,851 | 22,871,364 | 28,560 | 11,872,806 | 11,027,119 | 6,948 | 94,780,807 | 94,787,755 | 13,461,269 | 10,767,935 | 216,572 | - | - |
| Oct 2018 - Sep 2019 | - | - | 9,612,493 | (936,253) | 124,590 | 10,424,156 | 22,896,156 | - | 10,426,492 | 12,469,664 | - | - | - | - | 13,501,609 | 13,566,399 | - | - |

**PSE&G Solar Loan II Program
Electric Revenue Requirements Calculation - Detail**

Actual data through March 2018

| | |
|----------------------|----------|
| Annual Pre-Tax WACC | 10.2721% |
| Monthly Pre-Tax WACC | 0.8560% |

| | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) | (30) | (31) |
|-----------------------------|-----------------------------------------|--------------------------------------------|--------------------------------------------|-------------------------------------|----------------------------------------|----------------------------|----------------------------------------------------------------|---------------------------------|------------------|--------------------------------------|-------------------------------------|----------------------------------------|-----------------------------|----------------------------------------------------|-------------------------|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|
| | <u>SREC Inventory</u> | <u>Return on SREC Inventory</u> | <u>SREC Disposition Expenses</u> | <u>SREC Call Option Net Benefit</u> | <u>SREC Floor Price Cost</u> | <u>Gross Plant</u> | <u>Plant Depreciation</u> | <u>Accumulated Depreciation</u> | <u>Net Plant</u> | <u>Tax Depreciation</u> | <u>Deferred Income Tax</u> | <u>Accumulated Deferred Income Tax</u> | <u>Net Plant Investment</u> | <u>Return Requirement on Plant Investment</u> | <u>O&M Expenses</u> | <u>Revenue Requirements</u> | <u>Alternative Revenue Requirements Calculation</u> |
| Monthly Calculations | | | | | | | | | | | | | | | | | |
| Oct-17 | 1,313,640 | 66,518 | - | - | 895,895 | - | - | - | - | - | - | - | - | - | 54,730 | 1,711,232 | 1,711,232 |
| Nov-17 | 2,305,410 | 28,424 | 16,776 | - | 713,354 | - | - | - | - | - | - | - | - | - | 40,397 | 867,452 | 867,452 |
| Dec-17 | 728,452 | 21,292 | - | - | 521,388 | - | - | - | - | - | - | - | - | - | 45,870 | 688,498 | 688,498 |
| Jan-18 | 1,178,007 | 20,189 | 16,333 | - | 320,900 | - | - | - | - | - | - | - | - | - | 50,373 | 336,466 | 336,466 |
| Feb-18 | 1,843,877 | 21,850 | - | - | 472,760 | - | - | - | - | - | - | - | - | - | 45,764 | 475,495 | 475,495 |
| Mar-18 | 620,945 | 27,892 | - | - | 426,650 | - | - | - | - | - | - | - | - | - | 55,870 | 216,190 | 216,190 |
| Apr-18 | 1,476,714 | 5,508 | - | - | 598,804 | - | - | - | - | - | - | - | - | - | 37,849 | 571,165 | 571,165 |
| May-18 | 2,680,763 | 13,222 | - | - | 842,878 | - | - | - | - | - | - | - | - | - | 37,849 | 822,877 | 822,877 |
| Jun-18 | 4,022,543 | 23,011 | - | - | 937,398 | - | - | - | - | - | - | - | - | - | 37,849 | 927,409 | 927,409 |
| Jul-18 | 1,587,982 | 34,409 | 20,373 | - | 1,107,710 | - | - | - | - | - | - | - | - | - | 37,849 | 1,135,459 | 1,135,459 |
| Aug-18 | 3,149,212 | 14,293 | - | - | 1,088,703 | - | - | - | - | - | - | - | - | - | 37,849 | 1,071,044 | 1,071,044 |
| Sep-18 | 4,684,944 | 27,020 | - | - | 1,069,264 | - | - | - | - | - | - | - | - | - | 37,849 | 1,064,962 | 1,064,962 |
| Oct-18 | 1,426,634 | 39,956 | 23,761 | - | 996,864 | - | - | - | - | - | - | - | - | - | 37,849 | 1,029,907 | 1,029,907 |
| Nov-18 | 2,644,686 | 12,388 | - | - | 850,258 | - | - | - | - | - | - | - | - | - | 37,849 | 832,464 | 832,464 |
| Dec-18 | 3,641,407 | 23,353 | - | - | 697,840 | - | - | - | - | - | - | - | - | - | 37,089 | 690,591 | 690,591 |
| Jan-19 | 628,881 | 30,921 | 18,468 | - | 439,774 | - | - | - | - | - | - | - | - | - | 38,830 | 460,402 | 460,402 |
| Feb-19 | 1,191,300 | 5,114 | - | - | 394,930 | - | - | - | - | - | - | - | - | - | 38,830 | 371,103 | 371,103 |
| Mar-19 | 1,881,836 | 10,588 | - | - | 485,047 | - | - | - | - | - | - | - | - | - | 38,830 | 466,425 | 466,425 |
| Apr-19 | 844,569 | 15,596 | 9,544 | - | 590,471 | - | - | - | - | - | - | - | - | - | 38,830 | 586,238 | 586,238 |
| May-19 | 2,034,824 | 7,703 | - | - | 827,801 | - | - | - | - | - | - | - | - | - | 38,830 | 806,116 | 806,116 |
| Jun-19 | 3,358,212 | 17,552 | - | - | 918,693 | - | - | - | - | - | - | - | - | - | 38,830 | 907,208 | 907,208 |
| Jul-19 | 1,571,053 | 28,795 | 17,032 | - | 1,088,493 | - | - | - | - | - | - | - | - | - | 38,830 | 1,105,789 | 1,105,789 |
| Aug-19 | 3,105,531 | 14,138 | - | - | 1,062,531 | - | - | - | - | - | - | - | - | - | 38,830 | 1,048,923 | 1,048,923 |
| Sep-19 | 4,620,154 | 26,646 | - | - | 1,046,364 | - | - | - | - | - | - | - | - | - | 38,830 | 1,046,047 | 1,046,047 |
| | Prior Col 15 + Col 12 - Col 13 - Col 14 | WP-SS-SLII-2.xlsx 'SREC Inv.' wksht Col 28 | WP-SS-SLII-2.xlsx 'SREC Inv.' wksht Col 29 | Included in Col 14 | WP-SS-SLII-2.xlsx 'Loans' wksht Col 36 | Prior Month Col 19 + Col 2 | 1/120 of Each Prior 120 Months of Col 2 (10 year amortization) | Prior Col 21 + Col 20 | Col 19 - Col 21 | See WP-SS-SLII-1.xlsx 'AmortE' wksht | (Col 23 - Col 20) * Income Tax Rate | Prior Col 25 + Col 24 | Col 22 - Col 25 | (Prior Col 26 + Col 26) / 2 * Monthly Pre Tax WACC | Program Assumption | Col 3 - Col 4 - Col 5 - Col 6 + Col 7 + Col 8 - Col 14 + Col 16 + Col 17 - Col 18 + Col 18a + Col 20 + Col 27 + Col 28 | 3a + 3b - 14 + 16 + 17 - 18 + 18a + 20 + 27 + 28 |
| Annual Summary | | | | | | | | | | | | | | | | | |
| 2009 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 53,479 | 53,479 | 53,479 |
| 2010 | 48,555 | 429 | - | - | - | - | - | - | - | - | - | - | - | - | 1,006,890 | 1,018,378 | 1,018,378 |
| 2011 | 845,457 | 60,918 | 3,520 | - | 39,757 | - | - | - | - | - | - | - | - | - | 1,486,592 | 2,719,890 | 2,719,890 |
| 2012 | 2,823,621 | 186,155 | 71,730 | - | 1,960,970 | - | - | - | - | - | - | - | - | - | 1,111,986 | 10,398,315 | 10,398,315 |
| 2013 | 876,999 | 224,167 | 92,678 | - | 10,580,239 | - | - | - | - | - | - | - | - | - | 1,482,594 | 18,745,504 | 18,745,504 |
| 2014 | 571,508 | 156,920 | 95,357 | - | 11,475,712 | - | - | - | - | - | - | - | - | - | 612,789 | 13,332,166 | 13,332,166 |
| 2015 | 718,491 | 139,178 | 93,286 | - | 11,180,406 | - | - | - | - | - | - | - | - | - | 494,614 | 9,504,462 | 9,504,462 |
| 2016 | 875,048 | 169,302 | 96,115 | - | 8,629,589 | - | - | - | - | - | - | - | - | - | 370,992 | 8,110,876 | 8,110,876 |
| 2017 | 728,452 | 250,584 | 65,740 | - | 8,558,867 | - | - | - | - | - | - | - | - | - | 482,927 | 10,462,909 | 10,462,909 |
| 2018 | 3,641,407 | 263,092 | 60,468 | - | 9,410,029 | - | - | - | - | - | - | - | - | - | 491,887 | 9,174,030 | 9,174,030 |
| Oct 2018 - Sep 2019 | | 232,749 | 68,806 | - | 9,399,066 | - | - | - | - | - | - | - | - | - | 462,256 | 9,351,214 | 9,351,214 |

PSE&G Solar Loan II Program
(Over)/Under Calculation

| Existing / Forecasted SLII Rate (w/o SUT) | | 0.000038 | 0.000038 | 0.000038 | 0.000038 | 0.000038 | 0.000038 | 0.000038 |
|--------------------------------------------------|---------------------------------------------------------|------------------|------------------|----------------|----------------|----------------|----------------|----------------|
| | | (95) | (96) | (97) | (98) | (99) | (100) | (101) |
| <u>GPRC SLII (Over)/Under Calculation</u> | | <u>Sep-17</u> | <u>Oct-17</u> | <u>Nov-17</u> | <u>Dec-17</u> | <u>Jan-18</u> | <u>Feb-18</u> | <u>Mar-18</u> |
| (1) | Solar Loan II GPRC Revenue | 131,192 | 118,414 | 111,184 | 132,905 | 137,369 | 116,688 | 122,184 |
| (2) | Revenue Requirements | <u>1,182,582</u> | <u>1,711,232</u> | <u>867,452</u> | <u>688,498</u> | <u>336,466</u> | <u>475,495</u> | <u>216,190</u> |
| (3) | Monthly (Over)/Under Recovery | 1,051,390.1 | 1,592,817.9 | 756,268.0 | 555,592.8 | 199,096.7 | 358,807.0 | 94,006.1 |
| (4) | Deferred Balance | 1,789,359 | 3,382,177 | 4,138,445 | 4,694,038 | 4,893,135 | 5,251,942 | 5,345,948 |
| (5) | Monthly Interest Rate | 0.094% | 0.094% | 0.094% | 0.118% | 0.118% | 0.118% | 0.146% |
| (6) | After Tax Monthly Interest Expense/(Credit) | 703.9 | 1,440.3 | 2,094.5 | 3,091.1 | 4,077.9 | 4,315.2 | 5,555.4 |
| (7) | Cumulative Interest | (8,849) | (7,409) | (5,314) | (2,223) | 1,855 | 6,170 | 11,726 |
| (8) | Balance Added to Subsequent Year's Revenue Requirements | 1,780,511 | 3,374,769 | 4,133,131 | 4,691,815 | 4,894,990 | 5,258,112 | 5,357,674 |
| (9) | Net Sales - kWh (000) | | | | | | | |
| (10) | Average Net of Tax Deferred Balance | 747,457.5 | 1,529,482.0 | 2,224,224.2 | 2,612,207.0 | 3,446,109.4 | 3,646,647.8 | 3,809,411.5 |

PSE&G Solar Loan II Program
(Over)/Under Calculation

| Existing / Forecasted SLII Rate (w/o SUT) | | 0.000038 | 0.000038 | 0.000038 | 0.000038 | 0.000038 | 0.000038 | 0.000471 |
|--------------------------------------------------|---------------------------------------------------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|
| | | (102) | (103) | (104) | (105) | (106) | (107) | (108) |
| <u>GPRC SLII (Over)/Under Calculation</u> | | <u>Apr-18</u> | <u>May-18</u> | <u>Jun-18</u> | <u>Jul-18</u> | <u>Aug-18</u> | <u>Sep-18</u> | <u>Oct-18</u> |
| (1) | Solar Loan II GPRC Revenue | 106,373 | 119,184 | 142,195 | 167,959 | 164,242 | 128,687 | 1,512,807 |
| (2) | Revenue Requirements | <u>571,165</u> | <u>822,877</u> | <u>927,409</u> | <u>1,135,459</u> | <u>1,071,044</u> | <u>1,064,962</u> | <u>1,029,907</u> |
| (3) | Monthly (Over)/Under Recovery | 464,792.3 | 703,693.0 | 785,214.5 | 967,500.2 | 906,802.1 | 936,274.6 | (482,900.3) |
| (4) | Deferred Balance | 5,810,740 | 6,514,433 | 7,299,648 | 8,267,148 | 9,173,950 | 10,110,225 | 9,686,012 |
| (5) | Monthly Interest Rate | 0.146% | 0.146% | 0.146% | 0.146% | 0.146% | 0.146% | 0.146% |
| (6) | After Tax Monthly Interest Expense/(Credit) | 5,848.3 | 6,460.8 | 7,241.3 | 8,160.1 | 9,142.6 | 10,108.7 | 8,538.2 |
| (7) | Cumulative Interest | 17,574 | 24,035 | 31,276 | 39,436 | 48,579 | 58,687 | 8,538 |
| (8) | Balance Added to Subsequent Year's Revenue Requirements | 5,828,314 | 6,538,468 | 7,330,924 | 8,306,584 | 9,222,529 | 10,168,912 | 9,694,550 |
| (9) | Net Sales - kWh (000) | 2,799,280 | 3,136,419 | 3,741,971 | 4,419,978 | 4,322,158 | 3,386,507 | 3,211,905 |
| (10) | Average Net of Tax Deferred Balance | 4,010,271.6 | 4,430,283.6 | 4,965,471.4 | 5,595,484.7 | 6,269,202.7 | 6,931,696.6 | 5,854,736.9 |

PSE&G Solar Loan II Program
(Over)/Under Calculation

| Existing / Forecasted SLII Rate (w/o SUT) | | 0.000471 | 0.000471 | 0.000471 | 0.000471 | 0.000471 | 0.000471 | 0.000471 |
|--------------------------------------------------|---------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | (109) | (110) | (111) | (112) | (113) | (114) | (115) |
| <u>GPRC SLII (Over)/Under Calculation</u> | | <u>Nov-18</u> | <u>Dec-18</u> | <u>Jan-19</u> | <u>Feb-19</u> | <u>Mar-19</u> | <u>Apr-19</u> | <u>May-19</u> |
| (1) | Solar Loan II GPRC Revenue | 1,360,734 | 1,587,949 | 1,651,653 | 1,484,405 | 1,555,658 | 1,347,939 | 1,432,026 |
| (2) | Revenue Requirements | <u>832,464</u> | <u>690,591</u> | <u>460,402</u> | <u>371,103</u> | <u>466,425</u> | <u>586,238</u> | <u>806,116</u> |
| (3) | Monthly (Over)/Under Recovery | (528,269.6) | (897,358.2) | (1,191,250.6) | (1,113,301.8) | (1,089,232.8) | (761,701.0) | (625,909.6) |
| (4) | Deferred Balance | 9,157,742 | 8,260,384 | 7,069,133 | 5,955,832 | 4,866,599 | 4,104,898 | 3,478,988 |
| (5) | Monthly Interest Rate | 0.146% | 0.146% | 0.146% | 0.146% | 0.146% | 0.146% | 0.146% |
| (6) | After Tax Monthly Interest Expense/(Credit) | 8,127.4 | 7,512.5 | 6,611.7 | 5,617.7 | 4,667.7 | 3,869.4 | 3,270.9 |
| (7) | Cumulative Interest | 16,666 | 24,178 | 30,790 | 36,407 | 41,075 | 44,944 | 48,215 |
| (8) | Balance Added to Subsequent Year's Revenue Requirements | 9,174,408 | 8,284,562 | 7,099,923 | 5,992,239 | 4,907,674 | 4,149,842 | 3,527,203 |
| (9) | Net Sales - kWh (000) | 2,889,032 | 3,371,442 | 3,506,694 | 3,151,603 | 3,302,882 | 2,861,867 | 3,040,395 |
| (10) | Average Net of Tax Deferred Balance | 5,573,040.2 | 5,151,410.8 | 4,533,704.7 | 3,852,133.3 | 3,200,733.7 | 2,653,320.0 | 2,242,934.2 |

PSE&G Solar Loan II Program
(Over)/Under Calculation

| Existing / Forecasted SLII Rate (w/o SUT) | | 0.000471 | 0.000471 | 0.000471 | 0.000471 | |
|--------------------------------------------------|---------------------------------------------------------|----------------|------------------|------------------|------------------|------------------------------------------------------|
| | | (116) | (117) | (118) | (119) | |
| <u>GPRC SLII (Over)/Under Calculation</u> | | <u>Jun-19</u> | <u>Jul-19</u> | <u>Aug-19</u> | <u>Sep-19</u> | |
| (1) | Solar Loan II GPRC Revenue | 1,798,363 | 2,102,854 | 2,046,525 | 1,619,868 | SL II Rate * Row 9 |
| (2) | Revenue Requirements | <u>907,208</u> | <u>1,105,789</u> | <u>1,048,923</u> | <u>1,046,047</u> | From SS-SLII-2, Col 21 |
| (3) | Monthly (Over)/Under Recovery | (891,154.3) | (997,064.7) | (997,602.0) | (573,820.9) | Row 2 - Row 1 |
| (4) | Deferred Balance | 2,587,834 | 1,590,769 | 593,167 | 19,346 | Prev Row 4 + Row 3 |
| (5) | Monthly Interest Rate | 0.146% | 0.146% | 0.146% | 0.146% | Annual Interest Rate / 12 |
| (6) | After Tax Monthly Interest Expense/(Credit) | 2,616.6 | 1,802.2 | 941.9 | 264.2 | (Prev Row 4 + Row 4) / 2 * (1 - Tax Rate) * Row 5 |
| (7) | Cumulative Interest | 50,832 | 52,634 | 53,576 | 53,840 | Prev Row 7 + Row 6 |
| (8) | Balance Added to Subsequent Year's Revenue Requirements | 2,638,666 | 1,643,403 | 646,743 | 73,186 | Row 4 + Row 7 + Row 11 |
| (9) | Net Sales - kWh (000) | 3,818,180 | 4,464,658 | 4,345,063 | 3,439,210 | |
| (10) | Average Net of Tax Deferred Balance | 1,794,262.5 | 1,235,821.7 | 645,899.1 | 181,150.7 | (Prev Row 4 + Row 4) / 2 * (1 - Tax Rate) |

SOLAR LOAN II ACTUAL REVENUES BY RATE CLASS

Schedule SS-SLII-4E

| | Solar Loan II Rate | | | | | |
|------------------------------------------|--------------------|------------------|------------------|------------------|------------------|------------------|
| | 0.000038 | 0.000038 | 0.000038 | 0.000038 | 0.000038 | 0.000038 |
| | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
| RESIDENTIAL SALES | | | | | | |
| RS (4400110) | \$32,108 | \$32,355 | \$41,122 | \$44,226 | \$33,566 | \$36,122 |
| RS-HTG (4400210) | \$229 | \$421 | \$629 | \$759 | \$496 | \$559 |
| WH (4400310) | \$3 | \$3 | \$4 | \$4 | \$4 | \$4 |
| RLM (4400410) | \$511 | \$494 | \$648 | \$680 | \$536 | \$583 |
| WHS (4400510) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL RESIDENTIAL | \$32,852 | \$33,274 | \$42,403 | \$45,669 | \$34,603 | \$37,268 |
| COMMERCIAL SALES | | | | | | |
| WH & WHS (4420110) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| GLP (4420310) | \$22,385 | \$20,529 | \$23,381 | \$24,710 | \$22,294 | \$22,797 |
| GLP-MDO (4420310) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SL-PRI (4440110) | \$538 | \$556 | \$629 | \$533 | \$600 | \$490 |
| LPLP (4420510) | \$8,426 | \$7,324 | \$8,794 | \$8,312 | \$7,693 | \$8,194 |
| LPLS (4420510) | \$20,218 | \$18,127 | \$21,582 | \$21,849 | \$19,731 | \$20,430 |
| LPLSH (4420510) | \$10,948 | \$10,104 | \$11,125 | \$11,318 | \$10,229 | \$10,463 |
| LPLSO (4420510) | \$41 | \$42 | \$51 | \$44 | \$44 | \$44 |
| LPLSR (4420510) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420710) | \$9,485 | \$7,941 | \$9,605 | \$9,754 | \$8,051 | \$9,094 |
| HTS-HV (4420710) | \$770 | \$1,045 | \$1,115 | \$1,252 | \$964 | \$1,283 |
| HS (4421210) | \$24 | \$45 | \$78 | \$98 | \$74 | \$71 |
| TOTAL COMMERCIAL | \$72,837 | \$65,713 | \$76,360 | \$77,870 | \$69,680 | \$72,866 |
| INDUSTRIAL SALES | | | | | | |
| GLP (4420410) | \$935 | \$845 | \$984 | \$1,028 | \$952 | \$971 |
| GLP-MDO (4420410) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| LPLP (4420610) | \$1,947 | \$1,661 | \$2,234 | \$1,961 | \$1,707 | \$1,951 |
| LPLS (4420610) | \$1,982 | \$1,899 | \$2,020 | \$2,061 | \$2,110 | \$1,928 |
| LPLSH (4420610) | \$1,515 | \$1,731 | \$1,479 | \$1,642 | \$1,629 | \$1,704 |
| LPLSO (4420610) | \$6 | \$6 | \$1 | \$9 | \$2 | \$7 |
| LPLSR (4420610) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420810) | \$5,399 | \$4,903 | \$5,487 | \$5,237 | \$4,727 | \$4,417 |
| HTS-HV (4420810) | \$35 | \$122 | \$218 | \$447 | \$82 | (\$36) |
| HS (4421110) | \$1 | \$2 | \$2 | \$3 | \$2 | \$2 |
| HEP (4421010) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| EHEP (4421010) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL INDUSTRIAL | \$11,819 | \$11,168 | \$12,425 | \$12,386 | \$11,211 | \$10,943 |
| PUB STREET AND HWY LIGHTING SALES | | | | | | |
| SL-PUB (4440310) | \$752 | \$891 | \$1,557 | \$1,267 | \$1,023 | \$953 |
| BPL-POF (4440310) | \$63 | \$35 | \$40 | \$66 | \$51 | \$51 |
| GLP-T&S (4440410) | \$91 | \$102 | \$120 | \$112 | \$120 | \$103 |
| TOTAL ST. LIGHT. | \$907 | \$1,029 | \$1,717 | \$1,444 | \$1,195 | \$1,107 |
| TOTAL REVENUES | \$118,414 | \$111,184 | \$132,905 | \$137,369 | \$116,688 | \$122,184 |

PSE&G Solar Loan III Program

Proposed Rate Calculations

(\$'s Unless Specified)

Schedule SS-SLIII-1

Actual results through March 2018

SUT Rate 6.625%

| <u>Line</u> | <u>Date(s)</u> | | <u>Electric</u> | <u>Source/Description</u> |
|-------------|------------------------|-----------------------------------------------|-----------------|-----------------------------------|
| 1 | Oct 2018 - Sep 2019 | Revenue Requirements | 321,994 | SS-SLIII-2, Col 22 |
| 2 | Sep-18 | (Over) / Under Recovered Balance | (1,217,134) | SS-SLIII-3, Line 4, Col 69 |
| 3 | Sep-18 | Cumulative Interest Exp / (Credit) | (4,595) | SS-SLIII-3, Line 7, Col 69 |
| 4 | Oct 2018 - Sep 2019 | Total Target Rate Revenue | (899,735) | Line 1 + Line 2 + Line 3 |
| 5 | Oct 2018 - Sep 2019 | Forecasted kWh (000) | 41,402,930 | |
| 6 | | Calculated Rate w/o SUT (\$/kWh) | (0.000022) | (Line 4 / (Line 5*1,000)) [Rnd 6] |
| 7 | | Public Notice Rate w/o SUT (\$/kWh) | (0.000022) | Line 6 |
| 8 | | Existing Rate w/o SUT (\$/kWh) | 0.000048 | |
| 9 | | Proposed Rate w/o SUT (\$/kWh) | (0.000022) | Line 6 |
| 10 | | Proposed Rate w/ SUT (\$/kWh) | (0.000023) | (Line 9 * (1 + SUT Rate)) [Rnd 6] |
| 11 | | Difference in Proposed and Previous Rate | (0.000070) | (Line 9 - Line 8) |
| 12 | | Resultant SLIII Revenue Increase / (Decrease) | (2,898,205) | (Line 5 * Line 11 * 1,000) |

PSE&G Solar Loan III Program
Electric Revenue Requirements Calculation - Summary

Schedule SS-SLIII-2

Page 1 of 2

Actual data through March 2018

| | |
|----------------------|---------|
| Annual Pre-Tax WACC | 9.6451% |
| Monthly Pre-Tax WACC | 0.8038% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|-----------------------------|---------------------------------------|-------------------------------|----------------------------------|------------------------------------------------|---------------------------------------------------------------|-------------------------------|----------------------------------------------------|-----------------------------------------------------------|------------------------------|------------------------------|----------------------------------|----------------------------------------|
| | <u>Total Loan Outstanding Balance</u> | <u>SREC Inventory</u> | <u>Total Net Loan Investment</u> | <u>Return Requirement Net Loan Investments</u> | <u>Incremental Return Requirement On Net Loan Investments</u> | <u>Net Plant Investment</u> | <u>Return Requirement on Plant Investment</u> | <u>Incremental Return Requirement on Plant Investment</u> | <u>Loan Accrued Interest</u> | <u>Loan Interest Paid</u> | <u>Net Loan Accrued Interest</u> | <u>Loan Principal Paid / Amortized</u> |
| Monthly Calculations | | | | | | | | | | | | |
| Oct-17 | 19,609,060 | 333,353 | 19,942,413 | 192,185 | 183,405 | - | - | - | 183,405 | 183,405 | - | 199,213 |
| Nov-17 | 19,527,531 | 644,795 | 20,172,326 | 183,713 | 180,555 | - | - | - | 180,555 | 180,555 | - | 181,073 |
| Dec-17 | 21,031,887 | 207,982 | 21,239,869 | 191,914 | 190,615 | - | - | - | 190,615 | 190,615 | - | 32,920 |
| Jan-18 | 21,098,177 | 381,596 | 21,479,773 | 174,054 | 172,304 | - | - | - | 199,707 | 190,908 | 8,799 | - |
| Feb-18 | 28,674,171 | 600,114 | 29,274,285 | 171,656 | 168,775 | - | - | - | 195,616 | 204,415 | (8,799) | 39,129 |
| Mar-18 | 30,711,588 | 423,335 | 31,134,923 | 244,433 | 239,863 | - | - | - | 278,009 | 278,009 | - | 146,479 |
| Apr-18 | 30,415,841 | 919,123 | 31,334,964 | 249,940 | 246,465 | - | - | - | 285,665 | 330,895 | (45,231) | 203,453 |
| May-18 | 33,846,067 | 1,532,956 | 35,379,023 | 282,450 | 274,758 | - | - | - | 318,458 | 335,949 | (17,491) | 321,138 |
| Jun-18 | 48,234,452 | 2,296,851 | 50,531,303 | 402,979 | 390,624 | - | - | - | 452,752 | 348,339 | 104,413 | 470,250 |
| Jul-18 | 47,602,303 | 1,016,994 | 48,619,297 | 406,161 | 387,684 | - | - | - | 449,344 | 569,688 | (120,344) | 511,804 |
| Aug-18 | 46,961,733 | 2,036,287 | 48,998,020 | 391,204 | 382,603 | - | - | - | 443,455 | 458,934 | (15,479) | 625,091 |
| Sep-18 | 46,680,959 | 2,993,298 | 49,674,257 | 396,235 | 379,839 | - | - | - | 440,251 | 439,989 | 262 | 577,674 |
| Oct-18 | 46,255,885 | 809,039 | 47,064,924 | 399,141 | 375,198 | - | - | - | 434,872 | 432,637 | 2,235 | 427,310 |
| Nov-18 | 45,964,965 | 1,487,871 | 47,452,836 | 378,374 | 371,781 | - | - | - | 430,912 | 429,195 | 1,717 | 292,636 |
| Dec-18 | 46,666,815 | 1,940,774 | 48,607,589 | 387,774 | 375,466 | - | - | - | 435,183 | 415,841 | 19,342 | 66,873 |
| Jan-19 | 46,674,909 | 400,653 | 47,075,562 | 390,576 | 375,084 | - | - | - | 434,740 | 391,933 | 42,807 | 34,713 |
| Feb-19 | 46,588,160 | 889,713 | 47,477,873 | 378,243 | 375,149 | - | - | - | 434,816 | 438,553 | (3,737) | 83,012 |
| Mar-19 | 51,438,053 | 1,477,630 | 52,915,683 | 422,042 | 414,598 | - | - | - | 480,538 | 503,712 | (23,174) | 121,728 |
| Apr-19 | 50,968,720 | 893,893 | 51,862,613 | 424,993 | 413,434 | - | - | - | 479,189 | 515,981 | (36,792) | 432,541 |
| May-19 | 50,401,971 | 1,874,939 | 52,276,910 | 417,243 | 409,661 | - | - | - | 474,816 | 476,823 | (2,007) | 564,742 |
| Jun-19 | 55,095,376 | 3,012,735 | 58,108,111 | 463,528 | 448,364 | - | - | - | 519,675 | 520,174 | (499) | 688,065 |
| Jul-19 | 54,317,272 | 1,219,306 | 55,536,578 | 467,035 | 442,830 | - | - | - | 513,260 | 513,259 | 1 | 778,105 |
| Aug-19 | 53,532,095 | 2,438,194 | 55,970,289 | 446,886 | 436,576 | - | - | - | 506,011 | 506,507 | (495) | 784,682 |
| Sep-19 | 59,660,490 | 3,591,665 | 63,252,155 | 504,460 | 484,826 | - | - | - | 561,936 | 560,974 | 962 | 660,826 |
| | From Sched SS-SLIII-3a Col 11 | From Sched SS-SLIII-3a Col 15 | From Col 1 + Col 2 | From Sched SS-SLIII-3a Col 3 + Col 16 | N/A | From Sched SS-SLIII-3a Col 27 | (Prior Col 6 + Col 6) / 2 * [Monthly Pre Tax WACC] | N/A | From Sched SS-SLIII-3a Col 4 | From Sched SS-SLIII-3a Col 7 | Col 9 - Col 10 | From Sched SS-SLIII-3a Col 8 |
| Annual Summary | | | | | | | | | | | | |
| 2013 | - | - | - | - | - | - | - | - | - | - | - | - |
| 2014 | 2,580,716 | 15,546 | 2,596,262 | 11,511 | - | - | - | - | 11,203 | 11,203 | - | 10,732 |
| 2015 | 6,209,596 | 97,643 | 6,307,239 | 557,823 | - | - | - | - | 545,415 | 545,415 | - | 648,875 |
| 2016 | 11,204,285 | 373,507 | 11,577,792 | 890,269 | - | - | - | - | 865,227 | 865,227 | - | 1,757,754 |
| 2017 | 21,031,887 | 207,982 | 21,239,869 | 1,916,984 | 554,574 | - | - | - | 1,866,040 | 1,866,040 | - | 2,473,115 |
| 2018 | 46,666,815 | 1,940,774 | 48,607,589 | 3,884,401 | 3,765,362 | - | - | - | 4,364,222 | 4,434,799 | (70,576) | 3,681,838 |
| 2019 | 65,357,539 | 2,658,689 | 68,016,228 | 5,449,461 | 5,280,491 | - | - | - | 6,120,332 | 6,101,771 | 18,561 | 5,281,117 |
| Oct 2018 - Sep 2019 | | | | 5,080,297 | 4,922,969 | - | - | - | 5,705,947 | 5,705,589 | 359 | 4,935,232 |

PSE&G Solar Loan III Program
Electric Revenue Requirements Calculation - Summary

Schedule SS-SLIII-2

Page 2 of 2

Actual data through March 2018

| | |
|----------------------|---------|
| Annual Pre-Tax WACC | 9.6451% |
| Monthly Pre-Tax WACC | 0.8038% |

| | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (19a) | (20) | (21) | (22) |
|-----------------------------|-----------------------------------------|--------------------------------|-----------------------------------------|----------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|---------------------------------------------------------|----------------------------------------|---------------------------------------------------------------------------|
| | Plant Depreciation | Depreciation / Amortization | O&M Expenses | SREC Value Credited to Loans | Gain / (Loss) on SREC Sales | SREC Disposition Expenses | SREC Call Option Net Benefit | SREC Floor Price Cost | Net Proceeds from the Sale of SRECs | Cash Payments to Loans | Revenue Requirements |
| Monthly Calculations | | | | | | | | | | | |
| Oct-17 | - | 199,213 | 103,959 | 383,295 | (276,315) | - | - | 49,943 | 57,037 | (677) | 438,997 |
| Nov-17 | - | 181,073 | 140,308 | 362,738 | - | - | - | 51,296 | 311,442 | (1,110) | 194,762 |
| Dec-17 | - | 32,920 | 34,881 | 223,623 | 36,849 | - | - | 22,487 | 237,985 | (87) | 21,818 |
| Jan-18 | - | - | 123,022 | 191,237 | - | - | - | 17,622 | 173,614 | (329) | 114,992 |
| Feb-18 | - | 39,129 | (259,531) | 243,915 | - | - | - | 25,397 | 218,518 | (371) | (258,095) |
| Mar-18 | - | 146,479 | 1,393 | 433,164 | 75,932 | - | - | 9,829 | 499,267 | (8,676) | (98,285) |
| Apr-18 | - | 203,453 | 60,147 | 534,348 | - | - | - | 36,928 | 497,420 | - | 61,350 |
| May-18 | - | 321,138 | 56,492 | 657,087 | - | - | - | 43,254 | 613,833 | - | 63,738 |
| Jun-18 | - | 470,250 | 56,492 | 818,588 | - | - | - | 54,693 | 763,895 | - | 61,412 |
| Jul-18 | - | 511,804 | 64,936 | 1,081,492 | (42,368) | - | - | 64,498 | 974,626 | - | 128,620 |
| Aug-18 | - | 625,091 | 56,492 | 1,084,025 | - | - | - | 64,732 | 1,019,293 | - | 68,973 |
| Sep-18 | - | 577,674 | 56,492 | 1,017,664 | - | - | - | 60,653 | 957,011 | - | 73,128 |
| Oct-18 | - | 427,310 | 64,936 | 859,946 | - | - | - | 50,907 | 809,039 | - | 80,113 |
| Nov-18 | - | 292,636 | 56,492 | 721,832 | - | - | - | 43,000 | 678,832 | - | 46,954 |
| Dec-18 | - | 66,873 | 55,979 | 482,714 | - | - | - | 29,811 | 452,903 | - | 38,382 |
| Jan-19 | - | 34,713 | 21,894 | 426,646 | - | - | - | 25,993 | 400,653 | - | 3,723 |
| Feb-19 | - | 83,012 | 13,450 | 521,564 | - | - | - | 32,504 | 489,060 | - | (10,618) |
| Mar-19 | - | 121,728 | 13,450 | 625,440 | - | - | - | 37,523 | 587,917 | - | (7,524) |
| Apr-19 | - | 432,541 | 24,814 | 948,522 | - | - | - | 54,629 | 893,893 | - | 25,248 |
| May-19 | - | 564,742 | 13,450 | 1,041,565 | - | - | - | 60,519 | 981,046 | - | 16,396 |
| Jun-19 | - | 688,065 | 13,450 | 1,208,239 | - | - | - | 70,443 | 1,137,796 | - | 27,746 |
| Jul-19 | - | 778,105 | 24,814 | 1,291,364 | - | - | - | 72,058 | 1,219,306 | - | 50,648 |
| Aug-19 | - | 784,682 | 13,450 | 1,291,189 | - | - | - | 72,301 | 1,218,888 | - | 26,625 |
| Sep-19 | - | 660,826 | 13,450 | 1,221,799 | - | - | - | 68,328 | 1,153,471 | - | 24,302 |
| | From Sched SS-SLIII- 3a Col 21 | Col 12 + Col 13 | From Sched SS-SLIII- 3a Col 29 | From Sched SS-SLIII- 3a Col 5 | From Sched SS-SLIII- 3a Col 14 | From Sched SS- SLIII-3a Col 17 | From Sched SS- SLIII-3a Col 18 | From Sched SS-SLIII- 3a Col 19 | Col 16 + Col 17 - Col 18 + Col 19 - Col 19a | From Sched SS- SLIII-3a Col 6 | Col 4 + Col 7 - Col 11 + Col 14 + Col 15 - Col 20 - Col 21 |
| Annual Summary | | | | | | | | | | | |
| 2013 | - | - | 375,770 | - | - | - | - | - | - | - | 375,770 |
| 2014 | - | 10,732 | 1,328,996 | 21,935 | - | - | - | 6,389 | 15,546 | - | 1,335,693 |
| 2015 | - | 648,875 | 1,434,146 | 1,194,290 | 65,897 | - | - | 26,952 | 1,233,235 | - | 1,407,608 |
| 2016 | - | 1,757,754 | 1,157,290 | 2,622,980 | (110,615) | - | - | 34,923 | 2,477,442 | - | 1,327,871 |
| 2017 | - | 2,473,115 | 745,780 | 4,343,130 | (194,708) | - | - | 233,269 | 3,915,153 | (3,975) | 1,224,702 |
| 2018 | - | 3,681,838 | 393,341 | 8,126,012 | 33,563 | - | - | 501,325 | 7,658,251 | (9,376) | 381,280 |
| 2019 | - | 5,281,117 | 168,753 | 11,382,888 | - | - | - | 642,169 | 10,740,719 | - | 140,052 |
| Oct 2018 - Sep 2019 | - | 4,935,232 | 329,628 | 10,640,821 | - | - | - | 618,017 | 10,022,804 | - | 321,994 |

**PSE&G Solar Loan III Program
Electric Revenue Requirements Calculation - Detail**

Actual data through March 2018

| | |
|----------------------|---------|
| Annual Pre-Tax WACC | 9.6451% |
| Monthly Pre-Tax WACC | 0.8038% |

| (1) | (2) | (3) | (3a) | (3b) | (4) | 4a | 4b | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) |
|-----------------------------|--------------------|------------------------------------------|-----------------------------------------------------------|------------------------------------------------------------|----------------------------------------|-----------------------------------------|-----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|--------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|
| Loan Amount Issued | Capitalized Plant | Return On Total Outstanding Loan Balance | Loan Interest Rate to WACC Differential Cost - Commercial | Loan Interest Rate to WACC Differential Cost - Residential | Loan Accrued Interest | Loan Accrued Interest - Commercial | Loan Accrued Interest - Residential | SREC Value Credited to Loans | Cash Payments to Loans | Loan Interest Paid | Loan Principal Paid / Amortized | Loan Accrued Interest Balance | Loan Principal Balance | Total Loan Outstanding Balance | Value of SREC Transferred to PSE&G | SREC Auction Sales | Gain / (Loss) on SREC Sales |
| Monthly Calculations | | | | | | | | | | | | | | | | | |
| Oct-17 | 784,821 | - | 183,405 | - | Oct - 183,405 | 144,961 | 38,444 | 383,295 | (677) | 183,405 | 199,213 | - | 19,609,060 | 19,609,060 | 333,353 | 1,390,511 | (276,315) |
| Nov-17 | 99,544 | - | 180,555 | - | Nov - 180,555 | 142,451 | 38,103 | 362,738 | (1,110) | 180,555 | 181,073 | - | 19,527,531 | 19,527,531 | 311,442 | - | - |
| Dec-17 | 1,537,277 | - | 190,615 | - | Dec - 190,615 | 150,941 | 39,675 | 223,623 | (87) | 190,615 | 32,920 | - | 21,031,887 | 21,031,887 | 201,136 | 674,799 | 36,849 |
| Jan-18 | 57,491 | - | 172,304 | (21,942) | Jan - 199,707 | 159,914 | 39,792 | 191,237 | (329) | 190,908 | - | 8,799 | 21,089,378 | 21,089,177 | 173,614 | - | - |
| Feb-18 | 7,623,922 | - | 168,775 | (21,751) | Feb - 195,616 | 158,520 | 37,096 | 243,915 | (371) | 204,415 | 39,129 | - | 28,674,171 | 28,674,171 | 218,518 | - | - |
| Mar-18 | 2,183,896 | - | 239,863 | (32,299) | Mar - 278,009 | 235,391 | 42,618 | 433,164 | (8,676) | 278,009 | 146,479 | - | 30,711,588 | 30,711,588 | 423,335 | 676,046 | 75,932 |
| Apr-18 | 30,580,905 | - | 246,465 | (33,416) | Apr - 285,665 | 243,517 | 42,148 | 534,348 | - | 330,895 | 203,453 | 38,388 | 30,377,453 | 30,415,841 | 497,420 | - | - |
| May-18 | 3,757,333 | - | 274,758 | (37,735) | May - 318,458 | 274,995 | 43,462 | 657,087 | - | 335,949 | 321,138 | 32,419 | 33,813,648 | 33,846,067 | 613,833 | - | - |
| Jun-18 | 14,753,795 | - | 390,624 | (55,687) | Jun - 452,752 | 405,818 | 46,933 | 818,588 | - | 348,339 | 470,250 | 137,258 | 48,097,194 | 48,234,452 | 763,895 | - | - |
| Jul-18 | - | - | 387,684 | (55,303) | Jul - 449,344 | 403,019 | 46,325 | 1,081,492 | - | 569,688 | 511,804 | 16,914 | 47,585,389 | 47,602,303 | 1,016,994 | 2,254,483 | (42,368) |
| Aug-18 | - | - | 382,603 | (54,579) | Aug - 443,455 | 397,741 | 45,714 | 1,084,025 | - | 458,934 | 625,091 | 1,434 | 46,960,298 | 46,961,733 | 1,019,293 | - | - |
| Sep-18 | 296,639 | - | 379,839 | (54,226) | Sep - 440,251 | 395,170 | 45,081 | 1,017,664 | - | 439,989 | 577,674 | 1,696 | 46,679,263 | 46,680,959 | 957,011 | - | - |
| Oct-18 | - | - | 375,198 | (53,567) | Oct - 434,872 | 390,370 | 44,501 | 859,946 | - | 432,637 | 427,310 | 3,932 | 46,251,953 | 46,255,885 | 809,039 | 2,993,298 | - |
| Nov-18 | - | - | 371,781 | (53,084) | Nov - 430,912 | 386,849 | 44,062 | 721,832 | - | 429,195 | 292,636 | 5,648 | 45,959,317 | 45,964,965 | 678,832 | - | - |
| Dec-18 | 749,381 | - | 375,466 | (53,550) | Dec - 435,183 | 390,248 | 44,935 | 482,714 | - | 415,841 | 66,873 | 24,990 | 46,641,825 | 46,666,815 | 452,903 | - | - |
| Jan-19 | - | - | 375,084 | (53,507) | Jan - 434,740 | 389,931 | 44,809 | 426,646 | - | 391,933 | 34,713 | 67,797 | 46,607,112 | 46,674,909 | 400,653 | 1,940,774 | - |
| Feb-19 | - | - | 375,149 | (53,526) | Feb - 434,816 | 390,069 | 44,746 | 521,564 | - | 438,553 | 83,012 | 64,060 | 46,524,100 | 46,588,160 | 489,060 | - | - |
| Mar-19 | 4,994,795 | - | 414,598 | (59,825) | Mar - 480,538 | 435,971 | 44,567 | 625,440 | - | 503,712 | 121,728 | 40,886 | 51,397,167 | 51,438,053 | 587,917 | - | - |
| Apr-19 | - | - | 413,434 | (59,673) | Apr - 479,189 | 434,870 | 44,319 | 948,522 | - | 515,981 | 432,541 | 4,094 | 50,964,626 | 50,968,720 | 893,893 | 1,477,630 | - |
| May-19 | - | - | 409,661 | (59,140) | May - 474,816 | 430,985 | 43,831 | 1,041,565 | - | 476,823 | 564,742 | 2,087 | 50,399,884 | 50,401,971 | 981,046 | - | - |
| Jun-19 | 5,381,969 | - | 448,364 | (64,948) | Jun - 519,675 | 473,308 | 46,367 | 1,208,239 | - | 520,174 | 688,065 | 1,588 | 55,093,788 | 55,095,376 | 1,137,796 | - | - |
| Jul-19 | - | - | 442,830 | (64,165) | Jul - 513,260 | 467,600 | 45,660 | 1,291,364 | - | 513,259 | 778,105 | 1,589 | 54,315,683 | 54,317,272 | 1,219,306 | 3,012,735 | - |
| Aug-19 | - | - | 436,576 | (63,268) | Aug - 506,011 | 461,068 | 44,943 | 1,291,189 | - | 506,507 | 784,682 | 1,093 | 53,531,002 | 53,532,095 | 1,218,888 | - | - |
| Sep-19 | 6,788,258 | - | 484,826 | (70,696) | Sep - 561,936 | 515,200 | 46,736 | 1,221,799 | - | 560,974 | 660,826 | 2,055 | 59,658,435 | 59,660,490 | 1,153,471 | - | - |
| Program Assumption | Program Assumption | Col 3a + Col 3b + Col 4 | WP-SS-SLIII-2.xls 'LoansC' wksht Col 32 | WP-SS-SLIII-2.xls 'LoansR' wksht Col 32 | WP-SS-SLIII-2.xls 'Loans' wksht Col 11 | WP-SS-SLIII-2.xls 'LoansC' wksht Col 11 | WP-SS-SLIII-2.xls 'LoansR' wksht Col 11 | WP-SS-SLIII-2.xls 'Loans' wksht Col 13 | WP-SS-SLIII-2.xls 'Loans' wksht Col 14 | WP-SS-SLIII-2.xls 'Loans' wksht Col 16 | WP-SS-SLIII-2.xls 'Loans' wksht Col 17 | WP-SS-SLIII-2.xls 'Loans' wksht Col 18 | WP-SS-SLIII-2.xls 'Loans' wksht Col 19 | Col 9 + Col 10 | WP-SS-SLIII-2.xls 'SREC Inv.' wksht Col 23 | WP-SS-SLIII-2.xls 'SREC Inv.' wksht Col 25 | WP-SS-SLIII-2.xls 'SREC Inv.' wksht Col 26 |
| Annual Summary | | | | | | | | | | | | | | | | | |
| 2013 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2014 | 2,591,448 | - | 11,203 | - | 11,203 | - | - | 21,935 | - | 11,203 | 10,732 | - | 2,580,716 | 2,580,716 | 15,546 | - | - |
| 2015 | 4,277,755 | - | 545,415 | - | 545,415 | - | - | 1,194,290 | - | 545,415 | 648,875 | - | 6,209,596 | 6,209,596 | 1,167,338 | 1,151,138 | 65,897 |
| 2016 | 6,752,443 | - | 865,227 | - | 865,227 | - | - | 2,622,980 | - | 865,227 | 1,757,754 | - | 11,204,285 | 11,204,285 | 2,588,058 | 2,201,579 | (110,615) |
| 2017 | 12,300,717 | - | 1,866,040 | - | 1,866,040 | - | - | 4,343,130 | (3,975) | 1,866,040 | 2,473,115 | - | 21,031,887 | 21,031,887 | 4,110,873 | 4,081,690 | (194,708) |
| 2018 | 60,003,363 | - | 3,765,362 | (527,139) | 3,464,222 | - | - | 8,126,012 | (9,376) | 4,434,799 | 3,681,838 | 24,990 | 46,641,825 | 46,666,815 | 7,624,687 | 5,923,827 | 33,563 |
| 2019 | 23,953,281 | - | 5,280,491 | (765,034) | 4,748,077 | - | - | 11,382,888 | - | 6,101,771 | 5,281,117 | 43,551 | 65,313,988 | 65,357,539 | 10,740,719 | 10,022,804 | - |
| Oct 2018 - Sep 2019 | 17,914,404 | - | 4,922,969 | (708,951) | 4,214,018 | - | - | 10,640,821 | - | 5,705,589 | 4,935,232 | - | - | - | 10,022,804 | 9,424,437 | - |

PSE&G Solar Loan III Program
Electric Revenue Requirements Calculation - Detail

Actual data through March 2018

| | |
|----------------------|---------|
| Annual Pre-Tax WACC | 9.6451% |
| Monthly Pre-Tax WACC | 0.8038% |

| | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) | (30) |
|-----------------------------|-----------------------------------------|--------------------------------------|--------------------------------------|------------------------------|----------------------------------|----------------------------|----------------------------------------------------------------|--------------------------|-----------------|-------------------------------------|-------------------------------------|---------------------------------|----------------------|----------------------------------------------------|--------------------|-----------------------------------------------------------------------------------------------------------------------|
| | SREC Inventory | Return on SREC Inventory | SREC Disposition Expenses | SREC Call Option Net Benefit | SREC Floor Price Cost | Gross Plant | Plant Depreciation | Accumulated Depreciation | Net Plant | Tax Depreciation | Deferred Income Tax | Accumulated Deferred Income Tax | Net Plant Investment | Return Requirement on Plant Investment | O&M Expenses | Revenue Requirements |
| Monthly Calculations | | | | | | | | | | | | | | | | |
| Oct-17 | 333,353 | 8,781 | - | - | 49,943 | - | - | - | - | - | - | - | - | - | 103,959 | 438,997 |
| Nov-17 | 644,795 | 3,158 | - | - | 51,296 | - | - | - | - | - | - | - | - | - | 140,308 | 194,762 |
| Dec-17 | 207,982 | 1,299 | - | - | 22,487 | - | - | - | - | - | - | - | - | - | 34,881 | 21,818 |
| Jan-18 | 381,596 | 1,750 | - | - | 17,622 | - | - | - | - | - | - | - | - | - | 123,022 | 114,992 |
| Feb-18 | 600,114 | 2,881 | - | - | 25,397 | - | - | - | - | - | - | - | - | - | (259,531) | (258,095) |
| Mar-18 | 423,335 | 4,571 | - | - | 9,829 | - | - | - | - | - | - | - | - | - | 1,393 | (98,285) |
| Apr-18 | 919,123 | 3,474 | - | - | 36,928 | - | - | - | - | - | - | - | - | - | 60,147 | 61,350 |
| May-18 | 1,532,956 | 7,691 | - | - | 43,254 | - | - | - | - | - | - | - | - | - | 56,492 | 63,738 |
| Jun-18 | 2,296,851 | 12,354 | - | - | 54,693 | - | - | - | - | - | - | - | - | - | 56,492 | 61,412 |
| Jul-18 | 1,016,994 | 18,477 | - | - | 64,498 | - | - | - | - | - | - | - | - | - | 64,936 | 128,620 |
| Aug-18 | 2,036,287 | 8,600 | - | - | 64,732 | - | - | - | - | - | - | - | - | - | 56,492 | 68,973 |
| Sep-18 | 2,993,298 | 16,396 | - | - | 60,653 | - | - | - | - | - | - | - | - | - | 56,492 | 73,128 |
| Oct-18 | 809,039 | 23,943 | - | - | 50,907 | - | - | - | - | - | - | - | - | - | 64,936 | 80,113 |
| Nov-18 | 1,487,871 | 6,593 | - | - | 43,000 | - | - | - | - | - | - | - | - | - | 56,492 | 46,954 |
| Dec-18 | 1,940,774 | 12,308 | - | - | 29,811 | - | - | - | - | - | - | - | - | - | 55,979 | 38,382 |
| Jan-19 | 400,653 | 15,491 | - | - | 25,993 | - | - | - | - | - | - | - | - | - | 21,894 | 3,723 |
| Feb-19 | 889,713 | 3,094 | - | - | 32,504 | - | - | - | - | - | - | - | - | - | 13,450 | (10,618) |
| Mar-19 | 1,477,630 | 7,444 | - | - | 37,523 | - | - | - | - | - | - | - | - | - | 13,450 | (7,524) |
| Apr-19 | 893,893 | 11,560 | - | - | 54,629 | - | - | - | - | - | - | - | - | - | 24,814 | 25,248 |
| May-19 | 1,874,939 | 7,582 | - | - | 60,519 | - | - | - | - | - | - | - | - | - | 13,450 | 16,396 |
| Jun-19 | 3,012,735 | 15,164 | - | - | 70,443 | - | - | - | - | - | - | - | - | - | 13,450 | 27,746 |
| Jul-19 | 1,219,306 | 24,206 | - | - | 72,058 | - | - | - | - | - | - | - | - | - | 24,814 | 50,648 |
| Aug-19 | 2,438,194 | 10,310 | - | - | 72,301 | - | - | - | - | - | - | - | - | - | 13,450 | 26,625 |
| Sep-19 | 3,591,665 | 19,634 | - | - | 68,328 | - | - | - | - | - | - | - | - | - | 13,450 | 24,302 |
| | Prior Col 15 + Col 12 - Col 13 - Col 14 | WP-SS-SLIII-2.xls 'SREC Inv.' Col 28 | WP-SS-SLIII-2.xls 'SREC Inv.' Col 29 | Included in Col 14 | WP-SS-SLIII-2.xls 'Loans' Col 36 | Prior Month Col 19 + Col 2 | 1/120 of Each Prior 120 Months of Col 2 (10 year amortization) | Prior Col 21 + Col 20 | Col 19 - Col 21 | See WP-SS-SLIII-1.xls 'Amort' wksht | (Col 23 - Col 20) * Income Tax Rate | Prior Col 25 + Col 24 | Col 22 - Col 25 | (Prior Col 26 + Col 26) / 2 * Monthly Pre Tax WACC | Program Assumption | Col 3 - Col 4 - Col 5 - Col 6 + Col 7 + Col 8 - Col 14 + Col 16 + Col 17 - Col 18 + Col 19 + Col 21 + Col 28 + Col 29 |
| Annual Summary | | | | | | | | | | | | | | | | |
| 2013 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 375,770 | 375,770 |
| 2014 | 15,546 | 308 | - | - | 6,389 | - | - | - | - | - | - | - | - | - | 1,328,996 | 1,335,693 |
| 2015 | 97,643 | 12,408 | - | - | 26,952 | - | - | - | - | - | - | - | - | - | 1,434,146 | 1,407,608 |
| 2016 | 373,507 | 25,042 | - | - | 34,923 | - | - | - | - | - | - | - | - | - | 1,157,290 | 1,327,871 |
| 2017 | 207,982 | 50,945 | - | - | 233,269 | - | - | - | - | - | - | - | - | - | 745,780 | 1,224,702 |
| 2018 | 1,940,774 | 119,038 | - | - | 501,325 | - | - | - | - | - | - | - | - | - | 393,341 | 381,280 |
| 2019 | 2,658,689 | 168,970 | - | - | 642,169 | - | - | - | - | - | - | - | - | - | 168,753 | 140,052 |
| Oct 2018 - Sep 2019 | | 157,328 | - | - | 618,017 | - | - | - | - | - | - | - | - | - | 329,628 | 321,994 |

PSE&G Solar Loan III Program
(Over)/Under Calculation

| Existing / Forecasted SLIII Rate (w/o SUT) | 0.0000480 | 0.0000480 | 0.0000480 | 0.0000480 | 0.0000480 | 0.0000480 | 0.0000480 |
|-------------------------------------------------------------|----------------|----------------|---------------|----------------|------------------|-----------------|---------------|
| | 58 | 59 | 60 | 61 | 62 | 63 | 64 |
| <u>GPRC SLIII (Over)/Under Calculation (\$000)</u> | <u>Oct-17</u> | <u>Nov-17</u> | <u>Dec-17</u> | <u>Jan-18</u> | <u>Feb-18</u> | <u>Mar-18</u> | <u>Apr-18</u> |
| (1) Solar Loan III GPRC Revenue | 149,576 | 140,443 | 167,880 | 173,519 | 147,396 | 154,338 | 134,365 |
| (2) Revenue Requirements (excluding Incremental WACC) | <u>438,997</u> | <u>194,762</u> | <u>21,818</u> | <u>114,992</u> | <u>(258,095)</u> | <u>(98,285)</u> | <u>61,350</u> |
| (3) Monthly (Over)/Under Recovery | 289,421 | 54,320 | (146,063) | (58,527) | (405,491) | (252,623) | (73,016) |
| (4) Deferred Balance | 180,733 | 235,053 | 88,990 | 30,463 | (375,028) | (627,651) | (700,667) |
| (5) Monthly Interest Rate | 0.0942% | 0.0942% | 0.1183% | 0.1183% | 0.1183% | 0.1458% | 0.1458% |
| (6) After Tax Monthly Interest Expense/(Credit) | 20 | 116 | 113 | 51 | (147) | (526) | (696) |
| (7) Cumulative Interest | 1,493 | 1,609 | 1,723 | 1,773 | 1,627 | 1,101 | 405 |
| (8) Balance Added to Subsequent Year's Revenue Requirements | 182,227 | 236,662 | 90,713 | 32,236 | (373,401) | (626,549) | (700,262) |
| (9) Net Sales - kWh (000) | | | | | | | 2,799,280 |
| (10) Average Net of Tax Deferred Balance | 21,307.3 | 122,968.6 | 95,835.6 | 42,937.2 | (123,854.0) | (360,412.8) | (477,463.7) |

PSE&G Solar Loan III Program
(Over)/Under Calculation

| Existing / Forecasted SLIII Rate (w/o SUT) | 0.0000480 | 0.0000480 | 0.0000480 | 0.0000480 | 0.0000480 | -0.0000220 | -0.0000220 |
|-------------------------------------------------------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|
| | 65 | 66 | 67 | 68 | 69 | 70 | 71 |
| <u>GPRC SLIII (Over)/Under Calculation (\$000)</u> | <u>May-18</u> | <u>Jun-18</u> | <u>Jul-18</u> | <u>Aug-18</u> | <u>Sep-18</u> | <u>Oct-18</u> | <u>Nov-18</u> |
| (1) Solar Loan III GPRC Revenue | 150,548 | 179,615 | 212,159 | 207,464 | 162,552 | (70,662) | (63,559) |
| (2) Revenue Requirements (excluding Incremental WACC) | <u>63,738</u> | <u>61,412</u> | <u>128,620</u> | <u>68,973</u> | <u>73,128</u> | <u>80,113</u> | <u>46,954</u> |
| (3) Monthly (Over)/Under Recovery | (86,811) | (118,203) | (83,539) | (138,491) | (89,425) | 150,775 | 110,513 |
| (4) Deferred Balance | (787,477) | (905,680) | (989,219) | (1,127,710) | (1,217,134) | (1,070,954) | (960,442) |
| (5) Monthly Interest Rate | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% |
| (6) After Tax Monthly Interest Expense/(Credit) | (780) | (888) | (993) | (1,110) | (1,229) | (987) | (876) |
| (7) Cumulative Interest | (375) | (1,263) | (2,256) | (3,366) | (4,595) | (987) | (1,863) |
| (8) Balance Added to Subsequent Year's Revenue Requirements | (787,852) | (906,943) | (991,475) | (1,131,075) | (1,221,729) | (1,071,941) | (962,305) |
| (9) Net Sales - kWh (000) | 3,136,419 | 3,741,971 | 4,419,978 | 4,322,158 | 3,386,507 | 3,211,905 | 2,889,032 |
| (10) Average Net of Tax Deferred Balance | (534,913.3) | (608,605.4) | (681,121.3) | (760,929.9) | (842,854.1) | (676,702.1) | (600,785.3) |

PSE&G Solar Loan III Program
(Over)/Under Calculation

| Existing / Forecasted SLIII Rate (w/o SUT) | -0.0000220 | -0.0000220 | -0.0000220 | -0.0000220 | -0.0000220 | -0.0000220 | -0.0000220 |
|-------------------------------------------------------------|---------------|---------------|-----------------|----------------|---------------|---------------|---------------|
| | 72 | 73 | 74 | 75 | 76 | 77 | 78 |
| <u>GPRC SLIII (Over)/Under Calculation (\$000)</u> | <u>Dec-18</u> | <u>Jan-19</u> | <u>Feb-19</u> | <u>Mar-19</u> | <u>Apr-19</u> | <u>May-19</u> | <u>Jun-19</u> |
| (1) Solar Loan III GPRC Revenue | (74,172) | (77,147) | (69,335) | (72,663) | (62,961) | (66,889) | (84,000) |
| (2) Revenue Requirements (excluding Incremental WACC) | <u>38,382</u> | <u>3,723</u> | <u>(10,618)</u> | <u>(7,524)</u> | <u>25,248</u> | <u>16,396</u> | <u>27,746</u> |
| (3) Monthly (Over)/Under Recovery | 112,554 | 80,870 | 58,717 | 65,139 | 88,209 | 83,284 | 111,746 |
| (4) Deferred Balance | (847,888) | (767,017) | (708,300) | (643,161) | (554,952) | (471,668) | (359,922) |
| (5) Monthly Interest Rate | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% |
| (6) After Tax Monthly Interest Expense/(Credit) | (780) | (697) | (636) | (583) | (517) | (443) | (359) |
| (7) Cumulative Interest | (2,643) | (3,339) | (3,976) | (4,559) | (5,075) | (5,518) | (5,877) |
| (8) Balance Added to Subsequent Year's Revenue Requirements | (850,531) | (770,357) | (712,276) | (647,720) | (560,028) | (477,186) | (365,799) |
| (9) Net Sales - kWh (000) | 3,371,442 | 3,506,694 | 3,151,603 | 3,302,882 | 2,861,867 | 3,040,395 | 3,818,180 |
| (10) Average Net of Tax Deferred Balance | (534,813.4) | (477,608.2) | (436,325.3) | (399,694.8) | (354,342.1) | (303,623.0) | (245,942.7) |

PSE&G Solar Loan III Program
(Over)/Under Calculation

| Existing / Forecasted SLIII Rate (w/o SUT) | -0.0000220 | -0.0000220 | -0.0000220 | |
|-------------------------------------------------------------|---------------|---------------|---------------|------------------------------------------------------|
| | 79 | 80 | 81 | |
| <u>GPRC SLIII (Over)/Under Calculation (\$000)</u> | <u>Jul-19</u> | <u>Aug-19</u> | <u>Sep-19</u> | |
| (1) Solar Loan III GPRC Revenue | (98,222) | (95,591) | (75,663) | SL III Rate * Row 9 |
| (2) Revenue Requirements (excluding Incremental WACC) | <u>50,648</u> | <u>26,625</u> | <u>24,302</u> | From SS-SLIII-2, Col 22 |
| (3) Monthly (Over)/Under Recovery | 148,870 | 122,216 | 99,964 | Row 2 - Row 1 |
| (4) Deferred Balance | (211,052) | (88,835) | 11,129 | Prev Row 4 + Row 3 |
| (5) Monthly Interest Rate | 0.1458% | 0.1458% | 0.1458% | Monthly Interest Rate |
| (6) After Tax Monthly Interest Expense/(Credit) | (246) | (129) | (34) | (Prev Row 4 + Row 4) / 2 * (1 - Tax Rate) * Row 5 |
| (7) Cumulative Interest | (6,123) | (6,252) | (6,286) | Prev Row 7 + Row 6 |
| (8) Balance Added to Subsequent Year's Revenue Requirements | (217,175) | (95,088) | 4,843 | Row 4 + Row 7 + Row 11 |
| (9) Net Sales - kWh (000) | 4,464,658 | 4,345,063 | 3,439,210 | |
| (10) Average Net of Tax Deferred Balance | (168,865.5) | (88,691.6) | (22,981.6) | (Prev Row 4 + Row 4) / 2 * (1 - Tax Rate) |

**SOLAR LOAN III
ACTUAL REVENUES BY RATE CLASS**

Schedule SS-SLIII-4E

| | Solar Loan III Rate | 0.000048 | 0.000048 | 0.000048 | 0.000048 | 0.000048 | 0.000048 |
|------------------------------------------|---------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
| RESIDENTIAL SALES | | | | | | | |
| RS (4400110) | | \$40,558 | \$40,870 | \$51,944 | \$55,865 | \$42,400 | \$45,628 |
| RS-HTG (4400210) | | \$289 | \$532 | \$795 | \$959 | \$627 | \$706 |
| WH (4400310) | | \$4 | \$4 | \$5 | \$4 | \$5 | \$5 |
| RLM (4400410) | | \$646 | \$624 | \$819 | \$859 | \$677 | \$737 |
| WHS (4400510) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL RESIDENTIAL | | \$41,497 | \$42,030 | \$53,562 | \$57,687 | \$43,709 | \$47,075 |
| COMMERCIAL SALES | | | | | | | |
| WH & WHS (4420110) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| GLP (4420310) | | \$28,276 | \$25,931 | \$29,533 | \$31,213 | \$28,160 | \$28,797 |
| GLP-MDO (4420310) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SL-PRI (4440110) | | \$679 | \$702 | \$795 | \$673 | \$758 | \$619 |
| LPLP (4420510) | | \$10,644 | \$9,251 | \$11,109 | \$10,500 | \$9,717 | \$10,350 |
| LPLS (4420510) | | \$25,538 | \$22,897 | \$27,261 | \$27,599 | \$24,923 | \$25,807 |
| LPLSH (4420510) | | \$13,830 | \$12,763 | \$14,052 | \$14,297 | \$12,921 | \$13,216 |
| LPLSO (4420510) | | \$51 | \$54 | \$65 | \$55 | \$56 | \$56 |
| LPLSR (4420510) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420710) | | \$11,982 | \$10,031 | \$12,132 | \$12,320 | \$10,169 | \$11,487 |
| HTS-HV (4420710) | | \$973 | \$1,320 | \$1,409 | \$1,581 | \$1,218 | \$1,620 |
| HS (4421210) | | \$31 | \$57 | \$98 | \$123 | \$94 | \$90 |
| TOTAL COMMERCIAL | | \$92,004 | \$83,006 | \$96,455 | \$98,362 | \$88,017 | \$92,042 |
| INDUSTRIAL SALES | | | | | | | |
| GLP (4420410) | | \$1,181 | \$1,068 | \$1,243 | \$1,299 | \$1,203 | \$1,227 |
| GLP-MDO (4420410) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| LPLP (4420610) | | \$2,459 | \$2,099 | \$2,822 | \$2,476 | \$2,156 | \$2,465 |
| LPLS (4420610) | | \$2,504 | \$2,399 | \$2,551 | \$2,603 | \$2,665 | \$2,435 |
| LPLSH (4420610) | | \$1,913 | \$2,186 | \$1,868 | \$2,074 | \$2,058 | \$2,152 |
| LPLSO (4420610) | | \$7 | \$7 | \$1 | \$11 | \$2 | \$9 |
| LPLSR (4420610) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420810) | | \$6,820 | \$6,193 | \$6,930 | \$6,615 | \$5,971 | \$5,579 |
| HTS-HV (4420810) | | \$44 | \$154 | \$276 | \$565 | \$104 | (\$46) |
| HS (4421110) | | \$1 | \$2 | \$2 | \$3 | \$2 | \$2 |
| HEP (4421010) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| EHEP (4421010) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL INDUSTRIAL | | \$14,930 | \$14,108 | \$15,695 | \$15,646 | \$14,161 | \$13,823 |
| PUB STREET AND HWY LIGHTING SALES | | | | | | | |
| SL-PUB (4440310) | | \$950 | \$1,126 | \$1,967 | \$1,600 | \$1,293 | \$1,203 |
| BPL-POF (4440310) | | \$80 | \$45 | \$51 | \$83 | \$65 | \$65 |
| GLP-T&S (4440410) | | \$115 | \$128 | \$152 | \$141 | \$152 | \$130 |
| TOTAL ST. LIGHT. | | \$1,146 | \$1,299 | \$2,169 | \$1,824 | \$1,510 | \$1,398 |
| TOTAL REVENUES | | \$149,576 | \$140,443 | \$167,880 | \$173,519 | \$147,396 | \$154,338 |

PSE&G Energy Efficiency Economic Extension Program

Proposed Rate Calculations

Schedule SS-EEEext-1

Actual results through 3/31/2018

(\$'s Unless Specified)

SUT Rate 6.625%

| <u>Line</u> | <u>Dates(s)</u> | | <u>Electric</u> | <u>Gas</u> | <u>Source/Description</u> |
|-------------|--------------------|-------------------------------------------------------|-----------------|----------------|-----------------------------------|
| 1 | Oct 18 - Sep 19 | Revenue Requirements | 3,727,234 | 1,990,457 | SS-2E/G, Col 22 |
| 2 | Sep-18 | (Over) / Under Recovered Balance | (1,731,128) | 119,051 | - SS-3E/G, Col 5 |
| 3 | Sep-18 | Cumulative Interest Exp / (Credit) | <u>(3,612)</u> | <u>(2,960)</u> | - SS-3E/G, Col 10 |
| 4 | Oct 18 - Sep 19 | Total Target Rate Revenue | 1,992,494 | 2,106,549 | Line 1 + Line 2 + Line 3 |
| 5 | Oct 18 - Sep 19 | Forecasted kWh / Therms (000) | 41,402,930 | 2,907,666 | |
| 6 | | Calculated Rate w/o SUT (\$/kWh or \$/Therm) | 0.000048 | 0.000724 | (Line 4 / (Line 5*1,000)) [Rnd 6] |
| 7 | | Public Notice Rate w/o SUT (\$/kWh or \$/Therm) | 0.000048 | 0.000724 | Line 6 |
| 8 | | Existing Rate w/o SUT (\$/kWh or \$/Therm) | 0.000280 | 0.001618 | |
| 9 | | Proposed Rate w/o SUT (\$/kWh or \$/Therm) | 0.000048 | 0.000724 | Line 7 |
| 10 | | Proposed Rate w/ SUT (\$/kWh or \$/Therm) | 0.000051 | 0.000772 | (Line 9 * (1 + SUT Rate)) [Rnd 6] |
| 11 | | Difference in Proposed and Previous Rate | (0.000232) | (0.000894) | (Line 9 - Line 7) |
| 12 | | Resultant EEE Extension Revenue Increase / (Decrease) | (9,605,480) | (2,599,454) | (Line 5 * Line 11 * 1,000) |

**PSE&G Energy Efficiency Economic Extension Program
Electric Revenue Requirements Calculation**

Actual results through March 2018

| | | |
|-----------------|---------|---------|
| Monthly WACC | 0.9877% | 0.8560% |
| Income tax rate | 40.85% | 28.11% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|----------------------------|---------------------------|--------------------------------------------------|-------------------------------|---------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------|------------------|---------------------------------------------------|----------------------------------------|-----------------------------------|
| | <u>Program Investment</u> | <u>Capitalized IT Costs</u> | <u>Gross Plant</u> | <u>Program Investment Amortization</u> | <u>IT Cost Amortization</u> | <u>Accumulated Amortization</u> | <u>Net Plant</u> | <u>Tax Depreciation</u> | <u>Book Depreciation Tax Basis</u> | <u>Deferred Income Tax</u> |
| Monthly Calculation | | | | | | | | | | |
| Oct-17 | - | - | 64,199,421 | 1,021,810 | - | 49,385,881 | 14,813,540 | - | 712,763 | (291,164) |
| Nov-17 | - | - | 64,199,421 | 1,009,162 | - | 50,395,043 | 13,804,378 | - | 702,863 | (287,120) |
| Dec-17 | - | - | 64,199,421 | 927,400 | - | 51,322,443 | 12,876,978 | - | 639,682 | (261,310) |
| Jan-18 | - | - | 64,199,421 | 922,789 | - | 52,245,232 | 11,954,189 | - | 636,011 | (178,783) |
| Feb-18 | - | - | 64,199,421 | 916,369 | - | 53,161,601 | 11,037,820 | - | 631,086 | (177,398) |
| Mar-18 | - | - | 64,199,421 | 901,498 | - | 54,063,099 | 10,136,322 | - | 619,265 | (174,076) |
| Apr-18 | - | - | 64,199,421 | 872,585 | - | 54,935,684 | 9,263,737 | - | 596,305 | (167,621) |
| May-18 | - | - | 64,199,421 | 849,052 | - | 55,784,736 | 8,414,685 | - | 575,825 | (161,864) |
| Jun-18 | - | - | 64,199,421 | 815,245 | - | 56,599,981 | 7,599,440 | - | 542,018 | (152,361) |
| Jul-18 | - | - | 64,199,421 | 762,580 | - | 57,362,562 | 6,836,860 | - | 507,473 | (142,651) |
| Aug-18 | - | - | 64,199,421 | 710,022 | - | 58,072,584 | 6,126,837 | - | 457,896 | (128,715) |
| Sep-18 | - | - | 64,199,421 | 660,889 | - | 58,733,473 | 5,465,948 | - | 429,457 | (120,720) |
| Oct-18 | - | - | 64,199,421 | 631,033 | - | 59,364,507 | 4,834,915 | - | 403,673 | (113,472) |
| Nov-18 | - | - | 64,199,421 | 592,644 | - | 59,957,151 | 4,242,271 | - | 371,629 | (104,465) |
| Dec-18 | - | - | 64,199,421 | 443,824 | - | 60,400,974 | 3,798,447 | - | 240,963 | (67,735) |
| Jan-19 | - | - | 64,199,421 | 430,214 | - | 60,831,189 | 3,368,232 | - | 262,186 | (73,700) |
| Feb-19 | - | - | 64,199,421 | 402,585 | - | 61,233,774 | 2,965,647 | - | 239,183 | (67,234) |
| Mar-19 | - | - | 64,199,421 | 383,697 | - | 61,617,471 | 2,581,950 | - | 223,114 | (62,717) |
| Apr-19 | - | - | 64,199,421 | 355,749 | - | 61,973,220 | 2,226,201 | - | 199,211 | (55,998) |
| May-19 | - | - | 64,199,421 | 309,413 | - | 62,282,633 | 1,916,788 | - | 158,949 | (44,681) |
| Jun-19 | - | - | 64,199,421 | 261,734 | - | 62,544,367 | 1,655,054 | - | 116,433 | (32,729) |
| Jul-19 | - | - | 64,199,421 | 244,073 | - | 62,788,440 | 1,410,981 | - | 101,277 | (28,469) |
| Aug-19 | - | - | 64,199,421 | 216,355 | - | 63,004,795 | 1,194,626 | - | 96,263 | (27,060) |
| Sep-19 | - | - | 64,199,421 | 186,922 | - | 63,191,717 | 1,007,704 | - | 72,770 | (20,456) |
| | Program Assumption | See WP-SS-EEEext-1.xlsx 'ITCap-E' wksht (Col 12) | Prior Month + (Col 1 + Col 2) | 1/60 of each Prior 60 Months from Col 1 (5 year amortization) | See WP-SS-EEEext-1.xlsx 'AmortE' wksht (5 & 10 yr Amort) (Row 1562) | Prior Month + (Col 4 + Col 5) | Col 3 - Col 6 | See WP-SS-EEEext-1.xlsx 'AmortE' wksht (Row 1573) | See WP-SS-EEEext-1.xlsx 'AmortE' wksht | (Col 8 - Col 9) * Income Tax Rate |
| Annual Summary | | | | | | | | | | |
| 2012 | 8,555,418 | - | 8,555,418 | 369,204 | - | 369,204 | 8,186,214 | 6,625,205 | 285,987 | 2,589,571 |
| 2013 | 29,014,589 | - | 37,570,006 | 3,761,353 | - | 4,130,557 | 33,439,450 | 23,923,168 | 2,989,627 | 8,551,351 |
| 2014 | 21,239,272 | - | 58,809,278 | 9,631,225 | - | 13,761,782 | 45,047,496 | 11,904,925 | 7,364,576 | 1,854,732 |
| 2015 | 5,283,198 | - | 64,092,476 | 12,253,642 | - | 26,015,425 | 38,077,051 | 2,647,508 | 9,173,108 | (2,665,707) |
| 2016 | 106,945 | - | 64,199,421 | 12,836,338 | - | 38,851,763 | 25,347,659 | (94,156) | 9,007,348 | (3,717,965) |
| 2017 | - | - | 64,199,421 | 12,470,681 | - | 51,322,443 | 12,876,978 | - | 8,715,242 | (3,560,176) |
| 2018 | - | - | 64,199,421 | 9,078,531 | - | 60,400,974 | 3,798,447 | - | 6,011,601 | (1,689,861) |
| 2019 | - | - | 64,199,421 | 3,208,659 | - | 63,609,633 | 589,788 | - | 1,636,653 | (460,063) |
| Oct 18 - Sep 19 | - | - | - | 4,458,244 | - | - | - | - | 2,485,651 | (698,717) |

**PSE&G Energy Efficiency Economic Extension Program
Electric Revenue Requirements Calculation**

Actual results through March 2018

| | | |
|-----------------|---------|---------|
| Monthly WACC | 0.9877% | 0.8560% |
| Income tax rate | 40.85% | 28.11% |

| | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) |
|----------------------------|------------------------------------------------------------|----------------------------------------------------|------------------------------------------------------|-----------------------------------------------------------|-------------------------|----------------------------------------------------|----------------------------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------------------------|---------------------------------------------------------------------|
| | <u>Accumulated</u> <u>Deferred Income</u> <u>Tax</u> | <u>Excess Deferred</u> <u>Reg Liab Transfer</u> | <u>Excess</u> <u>Deferred Flow</u> <u>Thru</u> | <u>Excess</u> <u>Deferred Ending</u> <u>Balance</u> | <u>Net Investment</u> | <u>Return</u> <u>Requirement</u> | <u>Program</u> <u>Investment</u> <u>Repayments</u> | <u>Administrative</u> <u>costs</u> | <u>Net Capacity</u> <u>Revenue</u> | <u>Tax Adjustment</u> | <u>Excess</u> <u>Deferred Tax</u> <u>Gross Up</u> | <u>Revenue</u> <u>Requirements</u> |
| Monthly Calculation | | | | | | | | | | | | |
| Oct-17 | 3,600,236 | - | - | - | 11,213,304 | 114,359 | (157,085) | 6 | 24,732 | 104,947 | - | 1,108,769 |
| Nov-17 | 3,313,116 | - | - | - | 10,491,262 | 107,185 | (285,054) | - | (16,954) | 14,672 | - | 829,011 |
| Dec-17 | 3,051,806 | - | - | - | 9,825,172 | 100,330 | (142,828) | - | (12,357) | 100,063 | - | 972,608 |
| Jan-18 | 1,921,248 | 951,775 | - | 951,775 | 9,081,166 | 80,919 | (134,598) | - | (16,414) | 59,504 | - | 912,200 |
| Feb-18 | 1,743,850 | - | - | 951,775 | 8,342,194 | 74,572 | (105,511) | - | (10,189) | 70,294 | - | 945,534 |
| Mar-18 | 1,569,775 | - | - | 951,775 | 7,614,772 | 68,296 | (134,598) | - | (18,288) | 57,727 | - | 874,635 |
| Apr-18 | 1,402,153 | - | - | 951,775 | 6,909,809 | 62,165 | (163,685) | - | (13,043) | 44,026 | - | 802,048 |
| May-18 | 1,240,289 | - | - | 951,775 | 6,222,621 | 56,207 | (132,446) | - | (13,562) | 55,047 | - | 814,298 |
| Jun-18 | 1,087,928 | - | - | 951,775 | 5,559,737 | 50,428 | (132,446) | - | (2,438) | 55,047 | - | 785,836 |
| Jul-18 | 945,277 | - | - | 951,775 | 4,939,808 | 44,938 | (132,446) | - | (2,604) | 47,962 | - | 720,430 |
| Aug-18 | 816,562 | - | - | 951,775 | 4,358,500 | 39,797 | (132,446) | - | (2,604) | 46,796 | - | 661,565 |
| Sep-18 | 695,842 | - | - | 951,775 | 3,818,331 | 34,997 | (124,878) | - | (2,438) | 41,664 | - | 610,234 |
| Oct-18 | 582,370 | - | (79,315) | 872,460 | 3,380,085 | 30,809 | (124,878) | - | (2,604) | 40,072 | (31,013) | 464,106 |
| Nov-18 | 477,905 | - | (79,315) | 793,146 | 2,971,220 | 27,184 | (124,878) | - | (2,438) | 37,591 | (31,013) | 419,775 |
| Dec-18 | 410,170 | - | (79,315) | 713,831 | 2,674,446 | 24,163 | (5,908) | - | (2,604) | 77,011 | (31,013) | 426,158 |
| Jan-19 | 336,470 | - | (79,315) | 634,517 | 2,397,246 | 21,707 | (5,247) | - | (2,221) | 63,650 | (31,013) | 397,776 |
| Feb-19 | 269,235 | - | (79,315) | 555,202 | 2,141,210 | 19,425 | (5,247) | - | (1,723) | 61,841 | (31,013) | 366,553 |
| Mar-19 | 206,518 | - | (79,315) | 475,888 | 1,899,545 | 17,294 | (155) | - | (2,221) | 62,730 | (31,013) | 351,018 |
| Apr-19 | 150,520 | - | (79,315) | 396,573 | 1,679,109 | 15,317 | (155) | - | (2,055) | 61,148 | (31,013) | 319,676 |
| May-19 | 105,839 | - | (79,315) | 317,258 | 1,493,691 | 13,580 | (155) | - | (2,221) | 58,773 | (31,013) | 269,062 |
| Jun-19 | 73,110 | - | (79,315) | 237,944 | 1,344,001 | 12,145 | (155) | - | - | 56,754 | (31,013) | 220,151 |
| Jul-19 | 44,641 | - | (79,315) | 158,629 | 1,207,711 | 10,921 | (155) | - | - | 55,774 | (31,013) | 200,286 |
| Aug-19 | 17,581 | - | (79,315) | 79,315 | 1,097,730 | 9,867 | (155) | - | - | 46,897 | (31,013) | 162,636 |
| Sep-19 | (2,875) | - | (79,315) | (0) | 1,010,578 | 9,024 | (155) | - | - | 44,574 | (31,013) | 130,037 |
| | Prior Month + Col 10 | See WP-SS-EEExt-1.xlsx 'AmortE' wksht | Col 12 / 12 Months starting Oct18 | Prior Col 14 + Col 12 + Col 13 | Col 7 - Col 11 - Col 14 | (Prior Col 15 + Col 15) / 2 * Monthly Pre Tax WACC | Program Assumption | Program Assumption | See WP-MCM-EEExt-1.xlsx | See WP-SS-EEExt-1.xlsx 'AmortE' wksht | Col 12 * (1/(1-Tax Rate) -1) | Col 4 + Col 5 + Col 13 + Col 14 + Col 15 + Col 16 + Col 17 + Col 18 |
| Annual Summary | | | | | | | | | | | | |
| 2012 | 2,589,571 | - | - | - | 5,596,643 | 114,718 | - | 761,016 | - | 57,471 | - | 1,302,408 |
| 2013 | 11,140,922 | - | - | - | 22,298,527 | 1,268,116 | (756,221) | 1,507,244 | 32,953 | 10,708 | - | 5,824,153 |
| 2014 | 12,995,655 | - | - | - | 32,051,841 | 3,150,685 | (3,914,411) | 2,142,835 | (64,203) | (1,137,972) | - | 9,808,160 |
| 2015 | 10,329,947 | - | - | - | 27,747,104 | 3,406,263 | (5,174,358) | 799,501 | (156,226) | (1,446,030) | - | 9,682,792 |
| 2016 | 6,611,983 | - | - | - | 18,735,676 | 2,759,260 | (4,858,513) | 60,109 | (71,959) | (711,006) | - | 10,014,228 |
| 2017 | 3,051,806 | - | - | - | 9,825,172 | 1,683,523 | (3,020,741) | 8,949 | (220,266) | 507,395 | - | 11,429,540 |
| 2018 | 410,170 | - | (237,944) | - | 2,674,446 | 594,475 | (1,448,720) | - | (89,227) | 632,743 | (93,039) | 8,436,819 |
| 2019 | (49,893) | - | (713,831) | - | 639,681 | 149,855 | (12,046) | - | (10,440) | 609,966 | (279,118) | 2,953,046 |
| Oct 18 - Sep 19 | | | (951,775) | | | 211,436 | (267,243) | - | (18,086) | 666,816 | (372,157) | 3,727,234 |

**PSE&G Energy Efficiency Economic Extension Program
Gas Revenue Requirements Calculation**

Actual results through March 2018

| | | |
|-----------------|--------|--------|
| Monthly WACC | 0.988% | 0.856% |
| Income tax rate | 40.85% | 28.11% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|----------------------------|---------------------------|-----------------------------|-------------------------------|------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------|------------------|---------------------------------------------------|---------------------------------------------------|-----------------------------------|
| | <u>Program Investment</u> | <u>Capitalized IT Costs</u> | <u>Gross Plant</u> | <u>Program Investment Amortization</u> | <u>IT Cost Amortization</u> | <u>Accumulated Amortization</u> | <u>Net Plant</u> | <u>Tax Depreciation</u> | <u>Book Depreciation Tax Basis</u> | <u>Deferred Income Tax</u> |
| Monthly Calculation | | | | | | | | | | |
| Oct-17 | - | - | 30,674,871 | 480,845 | - | 23,604,866 | 7,070,005 | - | 313,872 | (128,217) |
| Nov-17 | - | - | 30,674,871 | 472,835 | - | 24,077,701 | 6,597,170 | - | 307,577 | (125,645) |
| Dec-17 | - | - | 30,674,871 | 428,076 | - | 24,505,778 | 6,169,094 | - | 272,918 | (111,487) |
| Jan-18 | - | - | 30,674,871 | 427,029 | - | 24,932,807 | 5,742,065 | - | 272,089 | (76,484) |
| Feb-18 | - | - | 30,674,871 | 423,359 | - | 25,356,165 | 5,318,706 | - | 269,261 | (75,689) |
| Mar-18 | - | - | 30,674,871 | 414,587 | - | 25,770,752 | 4,904,119 | - | 262,283 | (73,728) |
| Apr-18 | - | - | 30,674,871 | 404,336 | - | 26,175,088 | 4,499,784 | - | 254,170 | (71,447) |
| May-18 | - | - | 30,674,871 | 390,776 | - | 26,565,864 | 4,109,007 | - | 240,950 | (67,731) |
| Jun-18 | - | - | 30,674,871 | 374,368 | - | 26,940,232 | 3,734,639 | - | 224,542 | (63,119) |
| Jul-18 | - | - | 30,674,871 | 350,540 | - | 27,290,772 | 3,384,099 | - | 208,631 | (58,646) |
| Aug-18 | - | - | 30,674,871 | 320,962 | - | 27,611,734 | 3,063,138 | - | 179,384 | (50,425) |
| Sep-18 | - | - | 30,674,871 | 300,632 | - | 27,912,366 | 2,762,505 | - | 168,788 | (47,446) |
| Oct-18 | - | - | 30,674,871 | 283,527 | - | 28,195,894 | 2,478,978 | - | 152,135 | (42,765) |
| Nov-18 | - | - | 30,674,871 | 264,497 | - | 28,460,391 | 2,214,481 | - | 137,177 | (38,560) |
| Dec-18 | - | - | 30,674,871 | 210,300 | - | 28,670,691 | 2,004,181 | - | 90,132 | (25,336) |
| Jan-19 | - | - | 30,674,871 | 203,981 | - | 28,874,671 | 1,800,200 | - | 102,905 | (28,927) |
| Feb-19 | - | - | 30,674,871 | 194,757 | - | 29,069,428 | 1,605,443 | - | 97,861 | (27,509) |
| Mar-19 | - | - | 30,674,871 | 188,368 | - | 29,257,797 | 1,417,075 | - | 92,698 | (26,057) |
| Apr-19 | - | - | 30,674,871 | 177,203 | - | 29,435,000 | 1,239,871 | - | 84,073 | (23,633) |
| May-19 | - | - | 30,674,871 | 158,199 | - | 29,593,199 | 1,081,672 | - | 65,744 | (18,481) |
| Jun-19 | - | - | 30,674,871 | 135,878 | - | 29,729,077 | 945,794 | - | 46,534 | (13,081) |
| Jul-19 | - | - | 30,674,871 | 129,195 | - | 29,858,272 | 816,599 | - | 40,130 | (11,281) |
| Aug-19 | - | - | 30,674,871 | 113,935 | - | 29,972,208 | 702,664 | - | 36,405 | (10,233) |
| Sep-19 | - | - | 30,674,871 | 102,742 | - | 30,074,949 | 599,922 | - | 27,948 | (7,856) |
| | Program Assumption | | Prior Month + (Col 1 + Col 2) | 1/60 of each Prior Months from Col 1 (5 year amortization) | See WP-SS-EEEExt-1.xlsx 'AmortG' wksht (5 & 10 yr Amort) (Row 1562) | Prior Month + (Col 4 + Col 5) | Col 3 - Col 6 | See WP-SS-EEEExt-1.xlsx 'AmortG' wksht (Row 1573) | See WP-SS-EEEExt-1.xlsx 'AmortG' wksht (Row 1569) | (Col 8 - Col 9) * Income Tax Rate |
| Annual Summary | | | | | | | | | | |
| 2012 | 4,990,287 | - | 4,990,287 | 229,928 | - | 229,928 | 4,760,360 | 3,879,345 | 179,112 | 1,511,545 |
| 2013 | 13,066,590 | - | 18,056,877 | 1,970,061 | - | 2,199,989 | 15,856,888 | 10,967,167 | 1,591,341 | 3,830,025 |
| 2014 | 9,408,314 | - | 27,465,191 | 4,485,997 | - | 6,685,986 | 20,779,204 | 3,879,376 | 3,376,482 | 205,432 |
| 2015 | 3,080,708 | - | 30,545,899 | 5,783,790 | - | 12,469,776 | 18,076,123 | 1,656,136 | 4,137,596 | (1,013,676) |
| 2016 | 128,972 | - | 30,674,871 | 6,130,955 | - | 18,600,731 | 12,074,140 | (127,563) | 4,058,576 | (1,710,038) |
| 2017 | - | - | 30,674,871 | 5,905,046 | - | 24,505,778 | 6,169,094 | - | 3,871,769 | (1,581,618) |
| 2018 | - | - | 30,674,871 | 4,164,913 | - | 28,670,691 | 2,004,181 | - | 2,459,540 | (691,377) |
| 2019 | - | - | 30,674,871 | 1,648,977 | - | 30,319,668 | 355,204 | - | 674,399 | (189,574) |
| Oct 18 - Sep 19 | - | - | | 2,162,583 | - | | | - | 973,742 | (273,719) |

**PSE&G Energy Efficiency Economic Extension Program
Gas Revenue Requirements Calculation**

Actual results through March 2018

| | | |
|-----------------|---------|---------|
| Monthly WACC | 0.9877% | 0.8560% |
| Income tax rate | 40.85% | 28.11% |

| | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) |
|----------------------------|------------------------------------------------------------|----------------------------------------------------|--------------------------------------------|-------------------------------------------------|-------------------------|----------------------------------------------------|----------------------------------------------------------|---------------------------------------|-----------------------------------|----------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------------------|
| | <u>Accumulated</u> <u>Deferred Income</u> <u>Tax</u> | <u>Beginning Balance</u> <u>Excess Deferred</u> | <u>Excess Deferred</u> <u>Flow Thru</u> | <u>Excess Deferred</u> <u>Ending Balance</u> | <u>Net Investment</u> | <u>Return</u> <u>Requirement</u> | <u>Program</u> <u>Investment</u> <u>Repayments</u> | <u>Administrative</u> <u>costs</u> | <u>Capacity</u> <u>Revenue</u> | <u>Tax Adjustment</u> | <u>Excess</u> <u>Deferred Tax</u> <u>Gross Up</u> | <u>Revenue</u> <u>Requirements</u> |
| Monthly Calculation | | | | | | | | | | | | |
| Oct-17 | 1,478,802 | - | - | - | 5,591,203 | 56,964 | (114,885) | 3 | - | 35,973 | - | 458,901 |
| Nov-17 | 1,353,157 | - | - | - | 5,244,013 | 53,508 | (180,808) | - | - | (10,739) | - | 334,797 |
| Dec-17 | 1,241,671 | - | - | - | 4,927,423 | 50,230 | (91,653) | - | - | 43,858 | - | 430,511 |
| Jan-18 | 777,943 | 387,243 | - | 387,243 | 4,576,878 | 40,678 | (81,179) | - | - | 28,842 | - | 415,371 |
| Feb-18 | 702,254 | - | - | 387,243 | 4,229,209 | 37,690 | (66,194) | - | - | 34,371 | - | 429,226 |
| Mar-18 | 628,526 | - | - | 387,243 | 3,888,350 | 34,743 | (81,179) | - | - | 27,811 | - | 395,962 |
| Apr-18 | 557,079 | - | - | 387,243 | 3,555,461 | 31,860 | (96,163) | - | - | 21,116 | - | 361,149 |
| May-18 | 489,348 | - | - | 387,243 | 3,232,416 | 29,052 | (78,440) | - | - | 27,913 | - | 369,302 |
| Jun-18 | 426,230 | - | - | 387,243 | 2,921,166 | 26,337 | (78,440) | - | - | 27,913 | - | 350,179 |
| Jul-18 | 367,583 | - | - | 387,243 | 2,629,273 | 23,756 | (78,440) | - | - | 24,817 | - | 320,673 |
| Aug-18 | 317,159 | - | - | 387,243 | 2,358,736 | 21,349 | (78,440) | - | - | 24,688 | - | 288,558 |
| Sep-18 | 269,712 | - | - | 387,243 | 2,105,550 | 19,107 | (68,807) | - | - | 24,649 | - | 275,581 |
| Oct-18 | 226,947 | - | (32,270) | 354,973 | 1,897,058 | 17,131 | (68,807) | - | - | 24,472 | (12,618) | 211,435 |
| Nov-18 | 188,387 | - | (32,270) | 322,703 | 1,703,391 | 15,410 | (68,807) | - | - | 22,880 | (12,618) | 189,092 |
| Dec-18 | 163,051 | - | (32,270) | 290,432 | 1,550,698 | 13,928 | (7,519) | - | - | 44,047 | (12,618) | 215,867 |
| Jan-19 | 134,124 | - | (32,270) | 258,162 | 1,407,914 | 12,663 | (6,678) | - | - | 36,911 | (12,618) | 201,988 |
| Feb-19 | 106,615 | - | (32,270) | 225,892 | 1,272,936 | 11,474 | (6,678) | - | - | 35,276 | (12,618) | 189,941 |
| Mar-19 | 80,558 | - | (32,270) | 193,622 | 1,142,895 | 10,340 | (197) | - | - | 37,331 | (12,618) | 190,953 |
| Apr-19 | 56,925 | - | (32,270) | 161,351 | 1,021,595 | 9,264 | (197) | - | - | 36,338 | (12,618) | 177,720 |
| May-19 | 38,445 | - | (32,270) | 129,081 | 914,146 | 8,285 | (197) | - | - | 36,074 | (12,618) | 157,473 |
| Jun-19 | 25,364 | - | (32,270) | 96,811 | 823,620 | 7,438 | (197) | - | - | 34,857 | (12,618) | 133,087 |
| Jul-19 | 14,083 | - | (32,270) | 64,541 | 737,975 | 6,684 | (197) | - | - | 34,748 | (12,618) | 125,541 |
| Aug-19 | 3,850 | - | (32,270) | 32,270 | 666,544 | 6,011 | (197) | - | - | 30,238 | (12,618) | 105,099 |
| Sep-19 | (4,006) | - | (32,270) | (0) | 603,929 | 5,438 | (197) | - | - | 29,168 | (12,618) | 92,262 |
| | Prior Month + Col 10 | See WP-SS-EEEExt-1.xlsx 'AmortG' wkshst | Col 12 / 12 Months starting Oct18 | Prior Col 14 + Col 12 + Col 13 | Col 7 - Col 11 - Col 14 | (Prior Col 15 + Col 15) / 2 * Monthly Pre Tax WACC | Program Assumption | Program Assumption | N/A | See WP-SS-EEEExt-1.xlsx 'AmortG' wkshst (Row 1589) | Col 12 * (1/(1-Tax Rate) -1) | Col 4 + Col 5 + Col 13 + Col 14 + Col 15 + Col 16 + Col 17 + Col 18 |
| Annual Summary | | | | | | | | | | | | |
| 2012 | 1,511,545 | - | - | - | 3,248,814 | 72,242 | - | 287,616 | - | 35,094 | - | 624,879 |
| 2013 | 5,341,570 | - | - | - | 10,515,318 | 660,848 | (234,465) | 702,723 | - | 99,625 | - | 3,198,791 |
| 2014 | 5,547,002 | - | - | - | 15,232,202 | 1,456,914 | (1,663,232) | 978,429 | - | (382,406) | - | 4,875,702 |
| 2015 | 4,533,326 | - | - | - | 13,542,797 | 1,631,975 | (2,593,060) | 530,802 | - | (653,922) | - | 4,699,586 |
| 2016 | 2,823,288 | - | - | - | 9,250,852 | 1,356,649 | (3,026,500) | 29,628 | - | (658,932) | - | 3,831,799 |
| 2017 | 1,241,671 | - | - | - | 4,927,423 | 834,755 | (2,027,724) | 4,448 | - | 3,835 | - | 4,720,360 |
| 2018 | 163,051 | - | (96,811) | - | 1,550,698 | 311,041 | (852,413) | - | - | 333,520 | (37,854) | 3,822,396 |
| 2019 | (26,523) | - | (290,432) | - | 381,727 | 89,892 | (15,331) | - | - | 375,079 | (113,563) | 1,694,621 |
| Oct 18 - Sep 19 | | | (387,243) | | | 124,064 | (159,871) | - | - | 402,342 | (151,418) | 1,990,457 |

**PSE&G Energy Efficiency Economic Extension Program
Electric Over/(Under) Calculation**

Schedule SS-EEEExt-3E

| | | |
|----------------------------------|--------|----------|
| Tax Rate effective | 40.85% | 28.11% |
| Existing Rate / Therms (w/o SUT) | | 0.000280 |
| Proposed Rate /Therms (w/o SUT) | | 0.000048 |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|-----------------------------|----------------------------------------------------------|-----------------------------------|------------------------------------------------------------|------------------------------------|-------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------|-------------------------|--------------------------------|
| | <u>Over / (Under) Recovery Beginning Balance</u> | <u>Electric Revenues</u> | <u>Revenue Requirement Excluding WACC Cost</u> | <u>Over / (Under) Recovery</u> | <u>Over / (Under) Recovery Ending Balance</u> | <u>Over / (Under) Average Monthly Balance</u> | <u>Interest Rate (Annualized)</u> | <u>Interest On Over / (Under) Average Monthly Balance</u> | <u>Interest Roll-In</u> | <u>Cumulative Interest</u> |
| Monthly Calculations | | | | | | | | | | |
| Oct-17 | 219,142 | 872,527 | 1,108,769 | (236,242) | (17,100) | 101,021 | 1.13% | 56 | - | (101) |
| Nov-17 | (17,100) | 819,250 | 829,011 | (9,761) | (26,861) | (21,980) | 1.13% | (12) | - | (113) |
| Dec-17 | (26,861) | 979,302 | 972,608 | 6,694 | (20,167) | (23,514) | 1.42% | (16) | - | (129) |
| Jan-18 | (20,167) | 1,012,193 | 912,200 | 99,993 | 79,826 | 29,830 | 1.42% | 25 | - | (104) |
| Feb-18 | 79,826 | 859,809 | 945,534 | (85,725) | (5,899) | 36,964 | 1.42% | 31 | - | (73) |
| Mar-18 | (5,899) | 900,305 | 874,635 | 25,670 | 19,771 | 6,936 | 1.75% | 7 | - | (65) |
| Apr-18 | 19,771 | 783,798 | 802,048 | (18,249) | 1,522 | 10,646 | 1.75% | 11 | - | (54) |
| May-18 | 1,522 | 878,197 | 814,298 | 63,900 | 65,421 | 33,471 | 1.75% | 35 | - | (19) |
| Jun-18 | 65,421 | 1,047,752 | 785,836 | 261,916 | 327,337 | 196,379 | 1.75% | 206 | - | 187 |
| Jul-18 | 327,337 | 1,237,594 | 720,430 | 517,164 | 844,501 | 585,919 | 1.75% | 614 | - | 801 |
| Aug-18 | 844,501 | 1,210,204 | 661,565 | 548,639 | 1,393,140 | 1,118,821 | 1.75% | 1,173 | - | 1,974 |
| Sep-18 | 1,393,140 | 948,222 | 610,234 | 337,988 | 1,731,128 | 1,562,134 | 1.75% | 1,638 | - | 3,612 |
| Oct-18 | 1,734,740 | 154,171 | 464,106 | (309,934) | 1,424,805 | 1,579,773 | 1.75% | 1,656 | 3,612 | 1,656 |
| Nov-18 | 1,424,805 | 138,674 | 419,775 | (281,102) | 1,143,704 | 1,284,255 | 1.75% | 1,346 | - | 3,003 |
| Dec-18 | 1,143,704 | 161,829 | 426,158 | (264,329) | 879,375 | 1,011,539 | 1.75% | 1,060 | - | 4,063 |
| Jan-19 | 879,375 | 168,321 | 397,776 | (229,455) | 649,920 | 764,647 | 1.75% | 802 | - | 4,865 |
| Feb-19 | 649,920 | 151,277 | 366,553 | (215,276) | 434,644 | 542,282 | 1.75% | 569 | - | 5,433 |
| Mar-19 | 434,644 | 158,538 | 351,018 | (192,479) | 242,165 | 338,404 | 1.75% | 355 | - | 5,788 |
| Apr-19 | 242,165 | 137,370 | 319,676 | (182,306) | 59,859 | 151,012 | 1.75% | 158 | - | 5,946 |
| May-19 | 59,859 | 145,939 | 269,062 | (123,123) | (63,264) | (1,703) | 1.75% | (2) | - | 5,945 |
| Jun-19 | (63,264) | 183,273 | 220,151 | (36,878) | (100,142) | (81,703) | 1.75% | (86) | - | 5,859 |
| Jul-19 | (100,142) | 214,304 | 200,286 | 14,018 | (86,125) | (93,134) | 1.75% | (98) | - | 5,761 |
| Aug-19 | (86,125) | 208,563 | 162,636 | 45,927 | (40,198) | (63,161) | 1.75% | (66) | - | 5,695 |
| Sep-19 | (40,198) | 165,082 | 130,037 | 35,045 | (5,153) | (22,676) | 1.75% | (24) | - | 5,671 |
| | (Prior Col 5) + (Col 9) | Forecasted kWh * Proposed Rate | See Revenue Requirements Schedule for Details | Col 2 - Col 3 | Col 1 + Col 4 | (Col 1 + Col 5) / 2 | PSE&G CP/STD Wght Avg Rate from Previous Month | (Col 6 * (Col 7) / 12)*net of tax rate | | Prior Month + Col 8 - Col 9 |

**PSE&G Energy Efficiency Economic Extension Program
Gas Over/(Under) Calculation**

Schedule SS-EEEext-3G

| | | |
|----------------------------------|--------|----------|
| Tax Rate effective | 40.85% | 28.11% |
| Existing Rate / Therms (w/o SUT) | | 0.001618 |
| Proposed Rate /Therms (w/o SUT) | | 0.000724 |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|----------------------------|----------------------------------------------------------|---------------------|------------------------------------------------------------|------------------------------------|-------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------|-------------------------|--------------------------------|
| | <u>Over / (Under) Recovery Beginning Balance</u> | <u>Gas Revenues</u> | <u>Revenue Requirement Excluding WACC Cost</u> | <u>Over / (Under) Recovery</u> | <u>Over / (Under) Recovery Ending Balance</u> | <u>Over / (Under) Average Monthly Balance</u> | <u>Interest Rate (Annualized)</u> | <u>Interest On Over / (Under) Average Monthly Balance</u> | <u>Interest Roll-In</u> | <u>Cumulative Interest</u> |
| Monthly Calculation | | | | | | | | | | |
| Oct-17 | (225,642) | 146,090 | 458,901 | (312,811) | (538,453) | (382,047) | 1.13% | (213) | - | 867 |
| Nov-17 | (538,453) | 358,459 | 334,797 | 23,662 | (514,791) | (526,622) | 1.13% | (293) | - | 574 |
| Dec-17 | (514,791) | 753,217 | 430,511 | 322,705 | (192,085) | (353,438) | 1.42% | (247) | - | 326 |
| Jan-18 | (192,085) | 820,580 | 415,371 | 405,210 | 213,124 | 10,519 | 1.42% | 9 | - | 335 |
| Feb-18 | 213,124 | 608,114 | 429,226 | 178,888 | 392,013 | 302,569 | 1.42% | 257 | - | 593 |
| Mar-18 | 392,013 | 624,903 | 395,962 | 228,941 | 620,954 | 506,483 | 1.75% | 531 | - | 1,124 |
| Apr-18 | 620,954 | 358,552 | 361,149 | (2,597) | 618,357 | 618,655 | 1.75% | 650 | - | 1,773 |
| May-18 | 618,357 | 207,013 | 369,302 | (162,289) | 456,068 | 537,213 | 1.75% | 563 | - | 2,337 |
| Jun-18 | 456,068 | 186,269 | 350,179 | (163,911) | 292,158 | 374,113 | 1.75% | 392 | - | 2,729 |
| Jul-18 | 292,158 | 156,565 | 320,673 | (164,108) | 128,050 | 210,104 | 1.75% | 220 | - | 2,949 |
| Aug-18 | 128,050 | 166,006 | 288,558 | (122,552) | 5,498 | 66,774 | 1.75% | 70 | - | 3,019 |
| Sep-18 | 5,498 | 151,032 | 275,581 | (124,549) | (119,051) | (56,777) | 1.75% | (60) | - | 2,960 |
| Oct-18 | (116,092) | 110,501 | 211,435 | (100,934) | (217,026) | (166,559) | 1.75% | (175) | 2,960 | (175) |
| Nov-18 | (217,026) | 199,650 | 189,092 | 10,559 | (206,468) | (211,747) | 1.75% | (222) | - | (397) |
| Dec-18 | (206,468) | 297,561 | 215,867 | 81,694 | (124,774) | (165,621) | 1.75% | (174) | - | (570) |
| Jan-19 | (124,774) | 351,254 | 201,988 | 149,267 | 24,492 | (50,141) | 1.75% | (53) | - | (623) |
| Feb-19 | 24,492 | 320,781 | 189,941 | 130,840 | 155,333 | 89,912 | 1.75% | 94 | - | (529) |
| Mar-19 | 155,333 | 276,541 | 190,953 | 85,587 | 240,920 | 198,126 | 1.75% | 208 | - | (321) |
| Apr-19 | 240,920 | 161,208 | 177,720 | (16,512) | 224,408 | 232,664 | 1.75% | 244 | - | (77) |
| May-19 | 224,408 | 90,487 | 157,473 | (66,986) | 157,422 | 190,915 | 1.75% | 200 | - | 123 |
| Jun-19 | 157,422 | 84,590 | 133,087 | (48,497) | 108,925 | 133,173 | 1.75% | 140 | - | 263 |
| Jul-19 | 108,925 | 70,261 | 125,541 | (55,281) | 53,644 | 81,284 | 1.75% | 85 | - | 348 |
| Aug-19 | 53,644 | 74,176 | 105,099 | (30,923) | 22,721 | 38,183 | 1.75% | 40 | - | 388 |
| Sep-19 | 22,721 | 68,142 | 92,262 | (24,120) | (1,399) | 10,661 | 1.75% | 11 | - | 399 |
| | (Prior Col 5) + (Col 9) | | See Revenue Requirements Schedule for Details | Col 2 - Col 3 | Col 1 + Col 4 | (Col 1 + Col 5) / 2 | PSE&G CP/STD Wght Avg Rate from Previous Month | (Col 6 * (Col 7) / 12)*net of tax rate | | Prior Month + Col 8 - Col 9 |

**ELECTRIC EEE EXTENSION
ACTUAL REVENUES BY RATE CLASS**

Schedule SS-EEExt-4E

| | Electric-EEE Ext Rate: 0.000280 0.000280 0.000280 0.000280 0.000280 0.000280 | | | | | |
|------------------------------------------|------------------------------------------------------------------------------|------------------|------------------|--------------------|------------------|------------------|
| | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
| RESIDENTIAL SALES | | | | | | |
| RS (4400110) | \$236,587 | \$238,406 | \$303,007 | \$325,879 | \$247,331 | \$266,163 |
| RS-HTG (4400210) | \$1,685 | \$3,103 | \$4,635 | \$5,594 | \$3,657 | \$4,118 |
| WH (4400310) | \$23 | \$25 | \$27 | \$26 | \$31 | \$27 |
| RLM (4400410) | \$3,768 | \$3,640 | \$4,775 | \$5,009 | \$3,947 | \$4,299 |
| WHS (4400510) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL RESIDENTIAL | \$242,064 | \$245,174 | \$312,445 | \$336,509 | \$254,966 | \$274,607 |
| COMMERCIAL SALES | | | | | | |
| WH & WHS (4420110) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| GLP (4420310) | \$164,944 | \$151,265 | \$172,278 | \$182,076 | \$164,268 | \$167,980 |
| GLP-MDO (4420310) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SL-PRI (4440110) | \$3,961 | \$4,098 | \$4,636 | \$3,927 | \$4,423 | \$3,612 |
| LPLP (4420510) | \$62,090 | \$53,965 | \$64,801 | \$61,247 | \$56,684 | \$60,378 |
| LPLS (4420510) | \$148,975 | \$133,564 | \$159,025 | \$160,993 | \$145,387 | \$150,540 |
| LPLSH (4420510) | \$80,673 | \$74,452 | \$81,971 | \$83,397 | \$75,373 | \$77,094 |
| LPLSO (4420510) | \$299 | \$313 | \$378 | \$322 | \$326 | \$326 |
| LPLSR (4420510) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420710) | \$69,892 | \$58,512 | \$70,772 | \$71,869 | \$59,320 | \$67,005 |
| HTS-HV (4420710) | \$5,677 | \$7,703 | \$8,219 | \$9,223 | \$7,105 | \$9,452 |
| HS (4421210) | \$179 | \$330 | \$571 | \$720 | \$546 | \$522 |
| TOTAL COMMERCIAL | \$536,691 | \$484,203 | \$562,652 | \$573,776 | \$513,432 | \$536,909 |
| INDUSTRIAL SALES | | | | | | |
| GLP (4420410) | \$6,891 | \$6,228 | \$7,252 | \$7,577 | \$7,016 | \$7,155 |
| GLP-MDO (4420410) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| LPLP (4420610) | \$14,345 | \$12,242 | \$16,464 | \$14,446 | \$12,576 | \$14,378 |
| LPLS (4420610) | \$14,605 | \$13,994 | \$14,883 | \$15,183 | \$15,547 | \$14,203 |
| LPLSH (4420610) | \$11,160 | \$12,752 | \$10,898 | \$12,096 | \$12,002 | \$12,554 |
| LPLSO (4420610) | \$42 | \$42 | \$7 | \$65 | \$13 | \$51 |
| LPLSR (4420610) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420810) | \$39,783 | \$36,128 | \$40,428 | \$38,586 | \$34,830 | \$32,546 |
| HTS-HV (4420810) | \$255 | \$896 | \$1,607 | \$3,295 | \$607 | (\$266) |
| HS (4421110) | \$9 | \$11 | \$14 | \$20 | \$15 | \$15 |
| HEP (4421010) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| EHEP (4421010) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL INDUSTRIAL | \$87,090 | \$82,294 | \$91,551 | \$91,268 | \$82,605 | \$80,635 |
| PUB STREET AND HWY LIGHTING SALES | | | | | | |
| SL-PUB (4440310) | \$5,543 | \$6,568 | \$11,473 | \$9,333 | \$7,540 | \$7,020 |
| BPL-POF (4440310) | \$466 | \$262 | \$296 | \$483 | \$379 | \$378 |
| GLP-T&S (4440410) | \$673 | \$749 | \$884 | \$824 | \$887 | \$757 |
| TOTAL ST. LIGHT. | \$6,682 | \$7,579 | \$12,653 | \$10,641 | \$8,805 | \$8,154 |
| TOTAL REVENUES | \$872,527 | \$819,250 | \$979,302 | \$1,012,193 | \$859,809 | \$900,305 |

**GAS-EEE EXTENSION
ACTUAL REVENUES BY RATE CLASS**

Schedule SS-EEExt-4G

Gas-EEE EXT Rate: 0.001618 0.001618 0.001618 0.001618 0.001618 0.001618

| | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| CSRSRGH | \$67,284 | \$218,334 | \$382,976 | \$433,222 | \$290,546 | \$326,039 |
| CSRSG | \$5,343 | \$11,993 | \$20,968 | \$23,495 | \$16,863 | \$18,650 |
| RSGHM | \$1,018 | \$3,524 | \$6,556 | \$8,262 | \$5,636 | \$5,950 |
| RSGM | \$387 | \$936 | \$1,597 | \$1,550 | \$1,108 | \$1,388 |
| TOTAL RESIDENTIAL | \$74,032 | \$234,786 | \$412,097 | \$466,529 | \$314,154 | \$352,026 |
| CSGS-HTG | \$9,239 | \$26,932 | \$55,476 | \$66,724 | \$40,130 | \$48,749 |
| CSGS | \$2,685 | \$4,200 | \$6,730 | \$7,374 | \$5,564 | \$6,341 |
| CSLV | \$13,587 | \$35,773 | \$62,232 | \$77,184 | \$56,941 | \$63,610 |
| CSUVNG | \$2 | \$1 | \$1 | \$1 | \$1 | \$1 |
| CFG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| ISG | \$1,462 | \$231 | \$1,389 | \$2,156 | \$720 | \$2,420 |
| CIG | \$5,028 | \$4,934 | \$5,410 | \$4,343 | \$4,224 | \$5,439 |
| CEG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGS | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGSH | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPLV | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL COMMERCIAL | \$32,003 | \$72,072 | \$131,239 | \$157,783 | \$107,579 | \$126,561 |
| CSGS-HTG | \$225 | \$1,050 | \$2,201 | \$3,117 | \$1,863 | \$1,979 |
| CSGS | \$62 | \$171 | \$347 | \$369 | \$254 | \$286 |
| CSLV | \$399 | \$2,367 | \$4,234 | \$6,357 | \$5,102 | \$4,692 |
| ISG | -\$874 | \$814 | -\$163 | \$85 | \$1,655 | -\$546 |
| CIG | \$423 | \$374 | \$1,363 | \$1,321 | \$1,402 | \$820 |
| CO-GEN | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| UVNG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| CFG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGS | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGSH | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPLV | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL INDUSTRIAL | \$236 | \$4,776 | \$7,983 | \$11,249 | \$10,277 | \$7,232 |
| CSSLG | \$33 | -\$34 | \$129 | \$13 | \$59 | \$35 |
| TOTAL REVENUE COMM./TRANS | \$106,304 | \$311,600 | \$551,448 | \$635,575 | \$432,069 | \$485,853 |
| FTRSGH | \$2,717 | \$7,517 | \$15,510 | \$22,939 | \$16,305 | \$13,130 |
| FTRSG | \$318 | \$513 | \$973 | \$1,364 | \$1,062 | \$850 |
| FTRSGHM | \$47 | \$142 | \$313 | \$473 | \$323 | \$269 |
| FTRSGM | \$23 | \$44 | \$78 | \$106 | \$79 | \$70 |
| TOTAL RESIDENTIAL | \$3,105 | \$8,216 | \$16,873 | \$24,882 | \$17,769 | \$14,319 |
| FTGSH (G489.110) | \$2,862 | \$7,122 | \$14,498 | \$19,081 | \$12,719 | \$12,574 |
| FTGS | \$908 | \$1,433 | \$2,296 | \$2,925 | \$2,196 | \$2,059 |
| FTGFG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FTUVNG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FTLV (G489.120) | \$30,237 | \$62,415 | \$94,589 | \$105,339 | \$78,795 | \$98,211 |
| TSG-F (G489.100) | \$1,148 | \$687 | \$1,468 | \$3,103 | \$761 | \$2,738 |
| TSG-NF (G489.200) | -\$15,841 | -\$51,955 | \$50,434 | \$10,629 | \$44,107 | -\$12,451 |
| CSG - Non Power | | | | | | |
| TOTAL COMMERCIAL | \$19,314 | \$19,702 | \$163,286 | \$141,078 | \$138,578 | \$103,131 |
| FTGSH (G489.110) | \$70 | \$245 | \$514 | \$784 | \$539 | \$509 |
| FTGS | \$21 | \$42 | \$85 | \$126 | \$104 | \$90 |
| FTLV (G489.120) | \$5,584 | \$8,416 | \$10,508 | \$10,197 | \$10,498 | \$10,183 |
| TSG-F (G489.100) | \$2,561 | \$1,215 | \$1,542 | \$2,217 | \$2,562 | \$1,859 |
| TSG-NF (G489.200) | \$9,076 | \$8,917 | \$8,904 | \$5,805 | \$5,794 | \$8,926 |
| CSG - Non Power | | | | | | |
| CONTRACT COGEN | | | | | | |
| TOTAL INDUSTRIAL | \$17,312 | \$18,834 | \$21,552 | \$19,129 | \$19,497 | \$21,566 |
| FTSLG | \$54 | \$107 | \$57 | -\$83 | \$201 | \$33 |
| TOTAL TRANS. REVENUE | \$39,786 | \$46,859 | \$201,769 | \$185,006 | \$176,045 | \$139,050 |
| TOTAL REVENUES | \$146,090 | \$358,459 | \$753,217 | \$820,580 | \$608,114 | \$624,903 |

PSE&G EEE Extension II Program Proposed Rate Calculations

Schedule SS-EEEXII-1

Actual results through 3/31/2018

(\$'s Unless Specified)

SUT Rate 6.625%

| <u>Line</u> | <u>Date(s)</u> | | <u>Electric</u> | <u>Gas</u> | <u>Source/Description</u> |
|-------------|--------------------|----------------------------------------------------------|-----------------|----------------|-----------------------------------|
| 1 | Oct 18 - Sep 19 | Revenue Requirements | 3,548,507 | 2,483,551 | SS-2E/G, Col 22 |
| 2 | Sep-18 | (Over) / Under Recovered Balance | (1,628,388) | (1,888,217) | - SS-3E/G, Col 5 |
| 3 | Sep-18 | Cumulative Interest Exp / (Credit) | <u>(4,900)</u> | <u>(7,338)</u> | - SS-3E/G, Col 10 |
| 4 | Oct 18 - Sep 19 | Total Target Rate Revenue | 1,915,220 | 587,996 | Line 1 + Line 2 + Line 3 |
| 5 | Oct 18 - Sep 19 | Forecasted kWh / Therms (000) | 41,402,930 | 2,907,666 | |
| 6 | | Calculated Rate w/o SUT (\$/kWh or \$/Therm) | 0.000046 | 0.000202 | (Line 4 / (Line 5*1,000)) [Rnd 6] |
| 7 | | Public Notice Rate w/o SUT (\$/kWh or \$/Therm) | 0.000046 | 0.000202 | Line 6 |
| 8 | | Existing Rate w/o SUT (\$/kWh or \$/Therm) | 0.000142 | 0.001147 | |
| 9 | | Proposed Rate w/o SUT (\$/kWh or \$/Therm) | 0.000046 | 0.000202 | Line 7 |
| 10 | | Proposed Rate w/ SUT (\$/kWh or \$/Therm) | 0.000049 | 0.000215 | (Line 9 * (1 + SUT Rate)) [Rnd 6] |
| 11 | | Difference in Proposed and Previous Rate | (0.000096) | (0.000945) | (Line 9 - Line 8) |
| 12 | | Resultant EEE Extension II Revenue Increase / (Decrease) | (3,974,681) | (2,747,745) | (Line 5 * Line 11 * 1,000) |

**PSE&G EEE Extension II Program
Electric Revenue Requirements Calculation**

Actual Results through 3/31/2018

| | | |
|---------------|-----------|-----------|
| Monthly WACC | 0.890370% | 0.765730% |
| Inc. tax rate | 40.85% | 28.11% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|-----------------------------|---------------------------|-------------------------------|--------------------------------------|---------------------------------------------------------------------|----------------------------------------------|--------------------------------------|----------------------|----------------------------------------------|----------------------------------------------|------------------------------------------|
| | <u>Program Investment</u> | <u>Capitalized IT Costs</u> | <u>Gross Plant</u> | <u>Program Investment Amortization</u> | <u>IT Cost Amortization</u> | <u>Accumulated Amortization</u> | <u>Net Plant</u> | <u>Tax Depreciation</u> | <u>Book Depreciation Tax Basis</u> | <u>Deferred Income Tax</u> |
| Monthly Calculations | | | | | | | | | | |
| Oct-17 | 3,087,092 | - | 36,660,726 | 433,726 | 3,795 | 4,253,469 | 32,407,257 | 3,021,437 | 366,481 | 1,084,549 |
| Nov-17 | 3,042,434 | - | 39,703,160 | 469,946 | 3,795 | 4,727,210 | 34,975,950 | 1,934,496 | 389,433 | 631,158 |
| Dec-17 | 5,983,551 | - | 45,686,712 | 541,179 | 3,795 | 5,272,184 | 40,414,528 | 1,552,455 | 407,836 | 467,577 |
| Jan-18 | 91,395 | - | 45,778,107 | 542,267 | 3,795 | 5,818,246 | 39,959,861 | (450,722) | 402,422 | (239,819) |
| Feb-18 | 59,231 | - | 45,837,337 | 542,972 | 3,795 | 6,365,013 | 39,472,325 | 122,198 | 403,828 | (79,166) |
| Mar-18 | 102,916 | - | 45,940,253 | 544,197 | 3,795 | 6,913,005 | 39,027,249 | 106,973 | 405,053 | (83,790) |
| Apr-18 | 1,447,059 | - | 47,387,313 | 561,424 | 3,795 | 7,478,224 | 39,909,089 | 1,368,860 | 421,301 | 266,359 |
| May-18 | 2,303,876 | - | 49,691,189 | 588,851 | 3,795 | 8,070,870 | 41,620,319 | 2,287,867 | 448,489 | 517,049 |
| Jun-18 | 1,853,307 | - | 51,544,496 | 610,914 | 3,795 | 8,685,579 | 42,858,916 | 1,450,906 | 465,714 | 276,938 |
| Jul-18 | 1,505,414 | - | 53,049,909 | 628,836 | 3,795 | 9,318,210 | 43,731,699 | 367,432 | 470,040 | (28,843) |
| Aug-18 | 866,742 | - | 53,916,652 | 639,154 | 3,795 | 9,961,159 | 43,955,492 | 870,800 | 480,358 | 109,753 |
| Sep-18 | 1,240,604 | - | 55,157,256 | 653,923 | 3,795 | 10,618,878 | 44,538,378 | 1,134,963 | 493,821 | 180,225 |
| Oct-18 | 1,678,906 | - | 56,836,162 | 673,910 | 3,795 | 11,296,583 | 45,539,579 | 1,315,463 | 509,433 | 226,575 |
| Nov-18 | 980,202 | - | 57,816,364 | 685,579 | 3,795 | 11,985,957 | 45,830,406 | (1,074,724) | 496,590 | (441,696) |
| Dec-18 | 550,172 | - | 58,366,536 | 692,129 | 3,795 | 12,681,881 | 45,684,655 | 160,041 | 498,447 | (95,126) |
| Jan-19 | 20,556 | - | 58,387,092 | 692,374 | 3,795 | 13,378,050 | 45,009,042 | (671,652) | 490,423 | (326,659) |
| Feb-19 | 397,708 | - | 58,784,800 | 697,108 | 3,795 | 14,078,954 | 44,705,847 | 400,139 | 495,157 | (26,710) |
| Mar-19 | 492,332 | - | 59,277,132 | 702,969 | 3,795 | 14,785,718 | 44,491,414 | 494,763 | 501,018 | (1,758) |
| Apr-19 | 63,250 | - | 59,340,382 | 703,722 | 3,795 | 15,493,235 | 43,847,146 | 65,681 | 501,771 | (122,585) |
| May-19 | 647,679 | - | 59,988,061 | 711,433 | 3,795 | 16,208,463 | 43,779,597 | 650,110 | 509,482 | 39,531 |
| Jun-19 | 308,933 | - | 60,296,994 | 715,111 | 3,795 | 16,927,369 | 43,369,625 | (1,762,737) | 488,468 | (632,814) |
| Jul-19 | - | - | 60,296,994 | 715,111 | 3,795 | 17,646,275 | 42,650,719 | 2,431 | 488,468 | (136,625) |
| Aug-19 | 1,188 | - | 60,298,182 | 715,125 | 3,795 | 18,365,195 | 41,932,988 | (786,053) | 479,081 | (355,629) |
| Sep-19 | 99,266 | - | 60,397,448 | 716,306 | 3,795 | 19,085,296 | 41,312,152 | (3,218,180) | 440,741 | (1,028,523) |
| Annual Summary | <u>Program Assumption</u> | <u>See WP-SS-EEEXII-1.xls</u> | <u>Prior Month + (Col 1 + Col 2)</u> | <u>1/84 of each Prior 84 Months from Col 1 (7year amortization)</u> | <u>See WP-SS-EEEXII-1.xls 'AmortE' wksht</u> | <u>Prior Month + (Col 4 + Col 5)</u> | <u>Col 3 - Col 6</u> | <u>See WP-SS-EEEXII-1.xls 'AmortE' wksht</u> | <u>See WP-SS-EEEXII-1.xls 'AmortE' wksht</u> | <u>(Col 8 - Col 9) * Income Tax Rate</u> |
| 2015 | 1,174,327 | - | 1,174,327 | 18,175 | - | 18,175 | 1,156,152 | 1,174,327 | 18,175 | 472,288 |
| 2016 | 18,991,622 | 188,932 | 20,354,881 | 998,621 | 14,170 | 1,030,966 | 19,323,915 | 15,295,962 | 874,889 | 5,891,008 |
| 2017 | 25,293,051 | 38,780 | 45,686,712 | 4,200,523 | 40,695 | 5,272,184 | 40,414,528 | 17,575,126 | 3,402,801 | 5,789,395 |
| 2018 | 12,679,824 | - | 58,366,536 | 7,364,155 | 45,542 | 12,681,881 | 45,684,655 | 7,660,056 | 5,495,497 | 608,458 |
| 2019 | 2,215,735 | - | 60,582,271 | 8,524,582 | 45,542 | 21,252,005 | 39,330,265 | (6,502,684) | 5,660,085 | (3,418,954) |
| Oct 18 - Sep 19 | 5,240,192 | | | 8,420,876 | 45,542 | | | | | |

**PSE&G EEE Extension II Program
Electric Revenue Requirements Calculation**

Actual Results through 3/31/2018

| | | |
|---------------|-----------|-----------|
| Monthly WACC | 0.890370% | 0.765730% |
| Inc. tax rate | 40.85% | 28.11% |

| | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) |
|-----------------------------|----------------------|---------------------------------------|-----------------------------------|--------------------------------|-------------------------|----------------------------------------------------|-------------------------------|---------------------------------------------------|----------------------|---------------------------------------|------------------------------|------------------------------------------------------------------------------|
| | <u>Accumulated</u> | <u>Excess Deferred</u> | <u>Excess</u> | <u>Excess Deferred</u> | <u>Net Investment</u> | <u>Return</u> | <u>Program</u> | <u>Fixed</u> | <u>Net Capacity</u> | <u>Tax Adjustment</u> | <u>Excess Deferred</u> | <u>Revenue</u> |
| | <u>Income Tax</u> | <u>Req Liab Transfer</u> | <u>Deferred Flow</u> | <u>Ending Balance</u> | | <u>Requirement</u> | <u>Investment</u> | <u>Administrative</u> | <u>Revenue</u> | | <u>Tax Gross Up</u> | <u>Requirements</u> |
| | | | <u>Thru</u> | | | | <u>Repayments</u> | <u>Allowance</u> | | | | |
| Monthly Calculations | | | | | | | | | | | | |
| Oct-17 | 11,053,956 | - | - | - | 21,353,301 | 183,156 | (114,677) | 162,226 | (48,647) | (30,136) | - | 589,443 |
| Nov-17 | 11,685,114 | - | - | - | 23,290,836 | 198,749 | (75,002) | 162,226 | (2,730) | 6,427 | - | 763,411 |
| Dec-17 | 12,152,691 | - | - | - | 28,261,837 | 229,505 | (207,048) | 162,226 | (9,195) | (48,281) | - | 672,180 |
| Jan-18 | 8,122,780 | 3,790,093 | - | 3,790,093 | 28,046,989 | 215,587 | (166,700) | 162,226 | (5,807) | (9,017) | - | 742,351 |
| Feb-18 | 8,043,613 | - | - | 3,790,093 | 27,638,619 | 213,201 | (171,654) | 162,226 | (1,078) | (11,228) | - | 738,234 |
| Mar-18 | 7,959,823 | - | - | 3,790,093 | 27,277,333 | 210,254 | (211,270) | 162,226 | (4,086) | (26,719) | - | 678,397 |
| Apr-18 | 8,226,182 | - | - | 3,790,093 | 27,892,815 | 211,227 | (266,145) | 162,226 | (3,851) | (47,793) | - | 620,883 |
| May-18 | 8,743,231 | - | - | 3,790,093 | 29,086,995 | 218,156 | (267,669) | 127,240 | (4,137) | (48,295) | - | 617,941 |
| Jun-18 | 9,020,168 | - | - | 3,790,093 | 30,048,655 | 226,410 | (265,576) | 127,240 | (5,057) | (45,585) | - | 652,141 |
| Jul-18 | 8,991,325 | - | - | 3,790,093 | 30,950,281 | 233,544 | (228,674) | 127,240 | (5,383) | (25,839) | - | 733,519 |
| Aug-18 | 9,101,079 | - | - | 3,790,093 | 31,064,321 | 237,432 | (228,841) | 127,240 | (5,383) | (25,904) | - | 747,494 |
| Sep-18 | 9,281,303 | - | - | 3,790,093 | 31,466,982 | 239,410 | (247,049) | 127,240 | (5,057) | (32,514) | - | 739,749 |
| Oct-18 | 9,507,878 | - | (315,841) | 3,474,252 | 32,557,449 | 245,127 | (247,049) | 127,240 | (5,383) | (30,803) | (123,498) | 327,499 |
| Nov-18 | 9,066,182 | - | (315,841) | 3,158,411 | 33,605,814 | 253,316 | (247,049) | 127,240 | (5,057) | (21,218) | (123,498) | 357,266 |
| Dec-18 | 8,971,056 | - | (315,841) | 2,842,569 | 33,871,029 | 258,345 | (251,940) | 127,240 | (5,383) | (21,296) | (123,498) | 363,552 |
| Jan-19 | 8,644,397 | - | (315,841) | 2,526,728 | 33,837,916 | 259,234 | (258,065) | 127,240 | (4,670) | (20,457) | (123,498) | 360,111 |
| Feb-19 | 8,617,687 | - | (315,841) | 2,210,887 | 33,877,272 | 259,258 | (286,490) | 127,240 | (3,694) | (31,572) | (123,498) | 326,305 |
| Mar-19 | 8,615,929 | - | (315,841) | 1,895,046 | 33,980,438 | 259,803 | (285,759) | 127,240 | (4,670) | (31,286) | (123,498) | 332,754 |
| Apr-19 | 8,493,344 | - | (315,841) | 1,579,205 | 33,774,597 | 259,410 | (295,631) | 127,240 | (4,345) | (35,146) | (123,498) | 319,706 |
| May-19 | 8,532,875 | - | (315,841) | 1,263,364 | 33,983,359 | 259,421 | (295,048) | 19,787 | (4,670) | (34,918) | (123,498) | 220,460 |
| Jun-19 | 7,900,061 | - | (315,841) | 947,523 | 34,522,041 | 262,283 | (292,640) | 19,787 | 2,299 | (24,322) | (123,498) | 246,973 |
| Jul-19 | 7,763,436 | - | (315,841) | 631,682 | 34,255,601 | 263,326 | (291,083) | 19,787 | 2,236 | (23,713) | (123,498) | 250,120 |
| Aug-19 | 7,407,807 | - | (315,841) | 315,841 | 34,209,340 | 262,128 | (315,365) | 19,787 | 2,236 | (29,532) | (123,498) | 218,836 |
| Sep-19 | 6,379,284 | - | (315,841) | 0 | 34,932,868 | 264,721 | (324,854) | 19,787 | 2,299 | (17,789) | (123,498) | 224,926 |
| Annual Summary | Prior Month + Col 10 | See WP-SS-EEEXII-1.xls 'AmortE' wksht | Col 12 / 12 Months starting Oct18 | Prior Col 14 + Col 12 + Col 13 | Col 7 - Col 11 - Col 14 | (Prior Col 15 + Col 15) / 2 * Monthly Pre Tax WACC | Program Investment Repayments | See Attachment 5 - Fixed Administrative Allowance | Net Capacity Revenue | See WP-SS-EEEXII-1.xls 'AmortE' wksht | Col 13 * (1/(1-Tax Rate) -1) | Col 4 + Col 5 + Col 13 + Col 16 + Col 17 + Col 18 + Col 19 + Col 20 + Col 21 |
| 2015 | 472,288 | - | - | - | 683,864 | 4,864 | - | 1,297,808 | - | - | - | 1,320,847 |
| 2016 | 6,363,296 | - | - | - | 12,960,619 | 412,904 | (310,225) | 1,946,712 | - | (119,009) | - | 2,943,173 |
| 2017 | 12,152,691 | - | - | - | 28,261,837 | 1,850,324 | (1,591,920) | 1,946,712 | (54,721) | (520,382) | - | 5,871,230 |
| 2018 | 8,971,056 | - | (947,523) | 2,842,569 | 33,871,029 | 2,762,009 | (2,799,616) | 1,666,824 | (55,661) | (346,210) | (370,495) | 7,319,025 |
| 2019 | 5,552,102 | - | (2,842,569) | | 33,778,164 | 3,143,100 | (3,719,993) | 667,256 | (6,208) | (316,703) | (1,111,485) | 4,383,521 |
| Oct 18 - Sep 19 | | - | (3,790,093) | | | 3,106,374 | (3,390,973) | 989,615 | (28,802) | (322,053) | (1,481,979) | 3,548,507 |

**PSE&G EEE Extension II Program
Gas Revenue Requirements Calculation**

Actual Results through 3/31/2018

| | | |
|---------------|-----------|-----------|
| Monthly WACC | 0.890370% | 0.765730% |
| Inc. tax rate | 40.85% | 28.11% |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|-----------------------------|---------------------------|-------------------------------------------------|-------------------------------|--------------------------------------------------------------|---------------------------------------|---------------------------------|------------------|--------------------------------------------------|--------------------------------------------------|----------------------------|
| | <u>Program Investment</u> | <u>Capitalized IT Costs</u> | <u>Gross Plant</u> | <u>Program Investment Amortization</u> | <u>IT Cost Amortization</u> | <u>Accumulated Amortization</u> | <u>Net Plant</u> | <u>Tax Depreciation</u> | <u>Book Depreciation Tax Basis</u> | <u>Deferred Income Tax</u> |
| Monthly Calculations | | | | | | | | | | |
| Oct-17 | 1,685,573 | - | 17,648,018 | 208,935 | 1,625 | 1,962,177 | 15,685,841 | 1,684,592 | 186,929 | 611,795 |
| Nov-17 | 2,018,260 | - | 19,666,278 | 232,962 | 1,625 | 2,196,764 | 17,469,515 | 1,289,247 | 202,244 | 444,041 |
| Dec-17 | 3,998,708 | - | 23,664,986 | 280,566 | 1,625 | 2,478,954 | 21,186,032 | 1,077,566 | 215,039 | 352,342 |
| Jan-18 | 34,311 | - | 23,699,297 | 280,974 | 1,625 | 2,761,553 | 20,937,744 | (234,373) | 212,228 | (125,539) |
| Feb-18 | 44,678 | - | 23,743,975 | 281,506 | 1,625 | 3,044,683 | 20,699,292 | 49,515 | 212,797 | (45,898) |
| Mar-18 | 82,073 | - | 23,826,048 | 282,483 | 1,625 | 3,328,791 | 20,497,257 | 83,809 | 213,774 | (36,533) |
| Apr-18 | 1,028,963 | - | 24,855,010 | 294,733 | 1,625 | 3,625,148 | 21,229,862 | 1,026,370 | 225,972 | 224,992 |
| May-18 | 1,606,889 | - | 26,461,899 | 313,862 | 1,625 | 3,940,635 | 22,521,264 | 1,592,208 | 244,906 | 378,727 |
| Jun-18 | 1,373,368 | - | 27,835,267 | 330,212 | 1,625 | 4,272,471 | 23,562,796 | 1,042,549 | 257,296 | 220,734 |
| Jul-18 | 1,141,255 | - | 28,976,522 | 343,798 | 1,625 | 4,617,894 | 24,358,628 | 381,632 | 261,819 | 33,680 |
| Aug-18 | 630,797 | - | 29,607,319 | 351,308 | 1,625 | 4,970,826 | 24,636,493 | 632,534 | 269,328 | 102,097 |
| Sep-18 | 905,896 | - | 30,513,215 | 362,092 | 1,625 | 5,334,543 | 25,178,672 | 817,879 | 279,044 | 151,466 |
| Oct-18 | 1,190,346 | - | 31,703,561 | 376,263 | 1,625 | 5,712,430 | 25,991,130 | 947,083 | 290,299 | 184,622 |
| Nov-18 | 717,246 | - | 32,420,807 | 384,802 | 1,625 | 6,098,857 | 26,321,951 | (854,275) | 280,108 | (318,875) |
| Dec-18 | 441,145 | - | 32,861,952 | 390,053 | 1,625 | 6,490,534 | 26,371,417 | 180,089 | 282,231 | (28,712) |
| Jan-19 | 16,819 | - | 32,878,770 | 390,254 | 1,625 | 6,882,413 | 25,996,358 | (550,482) | 275,665 | (232,230) |
| Feb-19 | 271,811 | - | 33,150,581 | 393,489 | 1,625 | 7,277,526 | 25,873,054 | 272,851 | 278,901 | (1,701) |
| Mar-19 | 379,433 | - | 33,530,014 | 398,006 | 1,625 | 7,677,157 | 25,852,856 | 380,473 | 283,418 | 27,282 |
| Apr-19 | 51,750 | - | 33,581,764 | 398,622 | 1,625 | 8,077,405 | 25,504,359 | 52,791 | 284,034 | (65,003) |
| May-19 | 494,692 | - | 34,076,456 | 404,512 | 1,625 | 8,483,541 | 25,592,915 | 495,733 | 289,924 | 57,853 |
| Jun-19 | 206,775 | - | 34,283,231 | 406,973 | 1,625 | 8,892,139 | 25,391,092 | (1,174,919) | 275,924 | (407,832) |
| Jul-19 | - | - | 34,283,231 | 406,973 | 1,625 | 9,300,736 | 24,982,494 | 1,041 | 275,924 | (77,270) |
| Aug-19 | 792 | - | 34,284,023 | 406,983 | 1,625 | 9,709,344 | 24,574,679 | (524,615) | 269,666 | (223,273) |
| Sep-19 | 79,968 | - | 34,363,991 | 407,935 | 1,625 | 10,118,903 | 24,245,088 | (2,379,296) | 241,329 | (736,658) |
| Annual Summary | | | | | | | | | | |
| 2015 | 783,412 | - | 783,412 | 12,496 | - | 12,496 | 770,916 | 783,412 | 12,496 | 314,919 |
| 2016 | 8,815,064 | 80,875 | 9,679,351 | 451,707 | 6,066 | 470,269 | 9,209,081 | 6,824,649 | 413,332 | 2,619,023 |
| 2017 | 13,969,036 | 16,600 | 23,664,986 | 1,991,265 | 17,420 | 2,478,954 | 21,186,032 | 10,364,089 | 1,677,106 | 3,548,633 |
| 2018 | 9,196,965 | - | 32,861,952 | 3,992,085 | 19,495 | 6,490,534 | 26,371,417 | 5,665,019 | 3,029,801 | 740,760 |
| 2019 | 1,642,378 | - | 34,504,330 | 4,842,403 | 19,495 | 11,352,432 | 23,151,898 | (4,562,391) | 3,160,885 | (2,171,013) |
| Oct 18 - Sep 19 | 3,850,776 | - | | 4,764,865 | 19,495 | | | | | |
| | Program Assumption | See WP-SS-EEEXII-1.xls 'ITCap-G' wksht (Col 12) | Prior Month + (Col 1 + Col 2) | 1/84 of each Prior 84 Months from Col 1 (7year amortization) | See WP-SS-EEEXII-1.xls 'AmortG' wksht | Prior Month + (Col 4 + Col 5) | Col 3 - Col 6 | See WP-SS-EEEXII-1.xls 'AmortG' wksht (Row 1573) | See WP-SS-EEEXII-1.xls 'AmortG' wksht (Row 1569) | Deferred Income Tax |

**PSE&G EEE Extension II Program
Gas Revenue Requirements Calculation**

Actual Results through 3/31/2018

| | | |
|---------------|-----------|-----------|
| Monthly WACC | 0.890370% | 0.765730% |
| Inc. tax rate | 40.85% | 28.11% |

| | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) |
|-----------------------------|------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------|-------------------------------------------------|-------------------------|----------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------|---------------------------------------|--------------------------------------------------|-----------------------------------------------|------------------------------------------------------------------------------|
| | <u>Accumulated</u> <u>Deferred</u> <u>Income Tax</u> | <u>Excess Deferred</u> <u>Reg Liab</u> <u>Transfer</u> | <u>Excess Deferred</u> <u>Flow Thru</u> | <u>Excess Deferred</u> <u>Ending Balance</u> | <u>Net Investment</u> | <u>Return</u> <u>Requirement</u> | <u>Program</u> <u>Investment</u> <u>Repayments</u> | <u>Fixed</u> <u>Administrative</u> <u>Allowance</u> | <u>Net Capacity</u> <u>Revenue</u> | <u>Tax Adjustment</u> | <u>Excess Deferred</u> <u>Tax Gross Up</u> | <u>Revenue</u> <u>Requirements</u> |
| Monthly Calculations | | | | | | | | | | | | |
| Oct-17 | 5,686,192 | - | - | - | 9,999,649 | 85,191 | (30,981) | 92,446 | - | (5,077) | - | 352,139 |
| Nov-17 | 6,130,233 | - | - | - | 11,339,282 | 94,998 | (28,893) | 92,446 | - | 2,382 | - | 395,520 |
| Dec-17 | 6,482,575 | - | - | - | 14,703,457 | 115,938 | (37,039) | 92,446 | - | 20,796 | - | 474,332 |
| Jan-18 | 4,335,297 | 2,021,738 | - | 2,021,738 | 14,580,709 | 112,119 | (43,267) | 92,446 | - | 10,598 | - | 454,495 |
| Feb-18 | 4,289,399 | - | - | 2,021,738 | 14,388,155 | 110,912 | (72,454) | 92,446 | - | (829) | - | 413,206 |
| Mar-18 | 4,252,866 | - | - | 2,021,738 | 14,222,653 | 109,541 | (98,239) | 92,446 | - | (10,911) | - | 376,944 |
| Apr-18 | 4,477,858 | - | - | 2,021,738 | 14,730,266 | 110,851 | (125,999) | 92,446 | - | (21,746) | - | 351,909 |
| May-18 | 4,856,585 | - | - | 2,021,738 | 15,642,941 | 116,288 | (117,996) | 72,509 | - | (18,540) | - | 367,748 |
| Jun-18 | 5,077,319 | - | - | 2,021,738 | 16,463,739 | 122,925 | (105,496) | 72,509 | - | (12,104) | - | 409,670 |
| Jul-18 | 5,110,998 | - | - | 2,021,738 | 17,225,891 | 128,986 | (103,554) | 72,509 | - | (7,801) | - | 435,563 |
| Aug-18 | 5,213,095 | - | - | 2,021,738 | 17,401,659 | 132,577 | (103,691) | 72,509 | - | (7,854) | - | 446,473 |
| Sep-18 | 5,364,562 | - | - | 2,021,738 | 17,792,372 | 134,746 | (116,856) | 72,509 | - | (12,584) | - | 441,531 |
| Oct-18 | 5,549,184 | - | (168,478) | 1,853,260 | 18,588,686 | 139,290 | (116,856) | 72,509 | - | (11,444) | (65,877) | 227,032 |
| Nov-18 | 5,230,309 | - | (168,478) | 1,684,782 | 19,406,860 | 145,472 | (116,856) | 72,509 | - | (4,120) | (65,877) | 249,075 |
| Dec-18 | 5,201,597 | - | (168,478) | 1,516,304 | 19,653,517 | 149,549 | (120,394) | 72,509 | - | (4,280) | (65,877) | 254,706 |
| Jan-19 | 4,969,367 | - | (168,478) | 1,347,825 | 19,679,166 | 150,591 | (124,477) | 72,509 | - | (3,231) | (65,877) | 252,914 |
| Feb-19 | 4,967,666 | - | (168,478) | 1,179,347 | 19,726,041 | 150,869 | (146,900) | 72,509 | - | (11,999) | (65,877) | 225,237 |
| Mar-19 | 4,994,948 | - | (168,478) | 1,010,869 | 19,847,039 | 151,511 | (146,861) | 72,509 | - | (11,984) | (65,877) | 230,450 |
| Apr-19 | 4,929,946 | - | (168,478) | 842,391 | 19,732,023 | 151,534 | (156,244) | 72,509 | - | (15,653) | (65,877) | 218,038 |
| May-19 | 4,987,798 | - | (168,478) | 673,913 | 19,931,204 | 151,857 | (156,213) | 11,276 | - | (15,641) | (65,877) | 163,059 |
| Jun-19 | 4,579,967 | - | (168,478) | 505,435 | 20,305,691 | 154,053 | (156,087) | 11,276 | - | (9,155) | (65,877) | 174,330 |
| Jul-19 | 4,502,697 | - | (168,478) | 336,956 | 20,142,841 | 154,863 | (156,005) | 11,276 | - | (9,123) | (65,877) | 175,254 |
| Aug-19 | 4,279,424 | - | (168,478) | 168,478 | 20,126,777 | 154,178 | (172,648) | 11,276 | - | (13,180) | (65,877) | 153,878 |
| Sep-19 | 3,542,767 | - | (168,478) | - | 20,702,321 | 156,320 | (179,008) | 11,276 | - | (4,214) | (65,877) | 159,577 |
| Annual Summary | Prior Month + Col 10 | See WP-SS-EEEXII-1.xls 'AmortG' wksht | Col 12 / 12 Months starting Oct18 | Prior Col 14 + Col 12 + Col 13 | Col 7 - Col 11 - Col 14 | (Prior Col 15 + Col 15) / 2 * Monthly Pre Tax WACC | Program Investment Repayments | See Attachment 5 - Fixed Administrative Allowance | N/A | See WP-SS-EEEXII-1.xls 'AmortG' wksht (Row 1589) | Col 13 * (1/(1-Tax Rate) -1) | Col 4 + Col 5 + Col 13 + Col 16 + Col 17 + Col 18 + Col 19 + Col 20 + Col 21 |
| 2015 | 314,919 | - | - | - | 455,997 | 3,405 | - | 739,568 | - | - | - | 755,469 |
| 2016 | 2,933,942 | - | - | - | 6,275,139 | 179,891 | (27,279) | 1,109,352 | - | 11,852 | - | 1,731,589 |
| 2017 | 6,482,575 | - | - | - | 14,703,457 | 855,755 | (332,129) | 1,109,352 | - | (379) | - | 3,641,284 |
| 2018 | 5,201,597 | - | (505,435) | 1,516,304 | 19,653,517 | 1,513,254 | (1,241,658) | 949,856 | - | (101,616) | (197,632) | 4,428,350 |
| 2019 | 3,030,584 | - | (1,516,304) | - | 20,121,314 | 1,847,598 | (2,024,826) | 380,244 | - | (126,616) | - | 2,829,099 |
| Oct 18 - Sep 19 | | | (2,021,738) | | 237,842,166 | 1,810,088 | (1,748,549) | 563,943 | - | (114,025) | (790,528) | 2,483,551 |

**PSE&G EEE Extension II Program
Electric Over/(Under) Calculation**

Schedule SS-EEEXII-3E

| | | |
|-------------------------------|----------|--------|
| Tax Rate effective | 40.85% | 28.11% |
| Existing Rate / kWh (w/o SUT) | 0.000142 | |
| Proposed Rate / kWh (w/o SUT) | 0.000046 | |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|---------------------------------|----------------------------------------------------------|--------------------------------|------------------------------------------------------------|------------------------------------|-------------------------------------------------------|-------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------|-------------------------|--------------------------------|
| | <u>Over / (Under) Recovery Beginning Balance</u> | <u>Electric Revenues</u> | <u>Revenue Requirement Excluding WACC Cost</u> | <u>Over / (Under) Recovery</u> | <u>Over / (Under) Recovery Ending Balance</u> | <u>Over / (Under) Average Monthly Balance</u> | <u>Interest Rate (Annualized)</u> | <u>Interest On Over / (Under) Average Monthly Balance</u> | <u>Interest Roll-In</u> | <u>Cumulative Interest</u> |
| Monthly Calculations | | | | | | | | | | |
| Oct-17 | 810,283 | 442,496 | 589,443 | (146,947) | 663,336 | 736,810 | 1.13% | 410 | - | 2,403 |
| Nov-17 | 663,336 | 415,477 | 763,411 | (347,934) | 315,402 | 489,369 | 1.13% | 273 | - | 2,676 |
| Dec-17 | 315,402 | 496,646 | 672,180 | (175,534) | 139,868 | 227,635 | 1.42% | 159 | - | 2,835 |
| Jan-18 | 139,868 | 513,327 | 742,351 | (229,024) | (89,156) | 25,356 | 1.42% | 22 | - | 2,857 |
| Feb-18 | (89,156) | 436,046 | 738,234 | (302,188) | (391,344) | (240,250) | 1.42% | (204) | - | 2,653 |
| Mar-18 | (391,344) | 456,583 | 678,397 | (221,814) | (613,158) | (502,251) | 1.75% | (527) | - | 2,126 |
| Apr-18 | (613,158) | 397,498 | 620,883 | (223,385) | (836,543) | (724,850) | 1.75% | (760) | - | 1,366 |
| May-18 | (836,543) | 445,372 | 617,941 | (172,569) | (1,009,112) | (922,827) | 1.75% | (967) | - | 399 |
| Jun-18 | (1,009,112) | 531,360 | 652,141 | (120,781) | (1,129,893) | (1,069,503) | 1.75% | (1,121) | - | (723) |
| Jul-18 | (1,129,893) | 627,637 | 733,519 | (105,882) | (1,235,776) | (1,182,834) | 1.75% | (1,240) | - | (1,963) |
| Aug-18 | (1,235,776) | 613,746 | 747,494 | (133,747) | (1,369,523) | (1,302,649) | 1.75% | (1,366) | - | (3,328) |
| Sep-18 | (1,369,523) | 480,884 | 739,749 | (258,865) | (1,628,388) | (1,498,955) | 1.75% | (1,571) | - | (4,900) |
| Oct-18 | (1,633,288) | 147,748 | 327,499 | (179,751) | (1,813,039) | (1,723,163) | 1.75% | (1,807) | (4,900) | (1,807) |
| Nov-18 | (1,813,039) | 132,895 | 357,266 | (224,371) | (2,037,410) | (1,925,224) | 1.75% | (2,018) | - | (3,825) |
| Dec-18 | (2,037,410) | 155,086 | 363,552 | (208,465) | (2,245,875) | (2,141,642) | 1.75% | (2,245) | - | (6,070) |
| Jan-19 | (2,245,875) | 161,308 | 360,111 | (198,803) | (2,444,678) | (2,345,276) | 1.75% | (2,459) | - | (8,529) |
| Feb-19 | (2,444,678) | 144,974 | 326,305 | (181,332) | (2,626,009) | (2,535,343) | 1.75% | (2,658) | - | (11,187) |
| Mar-19 | (2,626,009) | 151,933 | 332,754 | (180,821) | (2,806,830) | (2,716,420) | 1.75% | (2,848) | - | (14,035) |
| Apr-19 | (2,806,830) | 131,646 | 319,706 | (188,060) | (2,994,891) | (2,900,861) | 1.75% | (3,041) | - | (17,076) |
| May-19 | (2,994,891) | 139,858 | 220,460 | (80,602) | (3,075,493) | (3,035,192) | 1.75% | (3,182) | - | (20,258) |
| Jun-19 | (3,075,493) | 175,636 | 246,973 | (71,337) | (3,146,830) | (3,111,161) | 1.75% | (3,262) | - | (23,520) |
| Jul-19 | (3,146,830) | 205,374 | 250,120 | (44,745) | (3,191,575) | (3,169,202) | 1.75% | (3,323) | - | (26,843) |
| Aug-19 | (3,191,575) | 199,873 | 218,836 | (18,963) | (3,210,538) | (3,201,056) | 1.75% | (3,356) | - | (30,199) |
| Sep-19 | (3,210,538) | 158,204 | 224,926 | (66,723) | (3,277,260) | (3,243,899) | 1.75% | (3,401) | - | (33,599) |
| | (Prior Col 5) + (Col 9) | Forecasted kWh * Proposed Rate | See Revenue Requirements Schedule for Details | Col 2 - Col 3 | Col 1 + Col 4 | (Col 1 + Col 5) / 2 | | (Col 6 * (Col 7) / 12)*net of tax rate | | Prior Month + Col 8 - Col 9 |

**PSE&G EEE Extension II Program
Gas Over/(Under) Calculation**

Schedule SS-EEEXII-3G

| | | |
|----------------------------------|----------|--------|
| Tax Rate effective | 0.4085 | 28.11% |
| Existing Rate / Therms (w/o SUT) | 0.001147 | |
| Proposed Rate /Therms (w/o SUT) | 0.000202 | |

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|-----------------------------|----------------------------------------------------------|---------------------|------------------------------------------------------------|------------------------------------|-------------------------------------------------------|-------------------------------------------------------|------------------------------------------------|-------------------------------------------------------------------|-------------------------|--------------------------------|
| | <u>Over / (Under) Recovery Beginning Balance</u> | <u>Gas Revenues</u> | <u>Revenue Requirement Excluding WACC Cost</u> | <u>Over / (Under) Recovery</u> | <u>Over / (Under) Recovery Ending Balance</u> | <u>Over / (Under) Average Monthly Balance</u> | <u>Interest Rate (Annualized)</u> | <u>Interest On Over / (Under) Average Monthly Balance</u> | <u>Interest Roll-In</u> | <u>Cumulative Interest</u> |
| Monthly Calculations | | | | | | | | | | |
| Oct-17 | (184,826) | 103,563 | 352,139 | (248,576) | (433,402) | (309,114) | 1.13% | (172) | - | 465 |
| Nov-17 | (433,402) | 254,112 | 395,520 | (141,408) | (574,810) | (504,106) | 1.13% | (281) | - | 184 |
| Dec-17 | (574,810) | 533,955 | 474,332 | 59,623 | (515,188) | (544,999) | 1.42% | (381) | - | (198) |
| Jan-18 | (515,188) | 581,709 | 454,495 | 127,214 | (387,973) | (451,580) | 1.42% | (384) | - | (582) |
| Feb-18 | (387,973) | 431,092 | 413,206 | 17,887 | (370,086) | (379,030) | 1.42% | (322) | - | (904) |
| Mar-18 | (370,086) | 442,994 | 376,944 | 66,050 | (304,036) | (337,061) | 1.75% | (353) | - | (1,258) |
| Apr-18 | (304,036) | 254,177 | 351,909 | (97,731) | (401,768) | (352,902) | 1.75% | (370) | - | (1,628) |
| May-18 | (401,768) | 146,752 | 367,748 | (220,996) | (622,764) | (512,266) | 1.75% | (537) | - | (2,165) |
| Jun-18 | (622,764) | 132,046 | 409,670 | (277,624) | (900,388) | (761,576) | 1.75% | (798) | - | (2,963) |
| Jul-18 | (900,388) | 110,989 | 435,563 | (324,574) | (1,224,962) | (1,062,675) | 1.75% | (1,114) | - | (4,077) |
| Aug-18 | (1,224,962) | 117,682 | 446,473 | (328,791) | (1,553,753) | (1,389,357) | 1.75% | (1,457) | - | (5,534) |
| Sep-18 | (1,553,753) | 107,067 | 441,531 | (334,464) | (1,888,217) | (1,720,985) | 1.75% | (1,804) | - | (7,338) |
| Oct-18 | (1,895,555) | 30,830 | 227,032 | (196,201) | (2,091,757) | (1,993,656) | 1.75% | (2,090) | (7,338) | (2,090) |
| Nov-18 | (2,091,757) | 55,704 | 249,075 | (193,371) | (2,285,128) | (2,188,442) | 1.75% | (2,294) | - | (4,384) |
| Dec-18 | (2,285,128) | 83,021 | 254,706 | (171,685) | (2,456,813) | (2,370,970) | 1.75% | (2,486) | - | (6,870) |
| Jan-19 | (2,456,813) | 98,002 | 252,914 | (154,912) | (2,611,725) | (2,534,269) | 1.75% | (2,657) | - | (9,527) |
| Feb-19 | (2,611,725) | 89,500 | 225,237 | (135,737) | (2,747,463) | (2,679,594) | 1.75% | (2,809) | - | (12,336) |
| Mar-19 | (2,747,463) | 77,156 | 230,450 | (153,294) | (2,900,757) | (2,824,110) | 1.75% | (2,961) | - | (15,297) |
| Apr-19 | (2,900,757) | 44,978 | 218,038 | (173,060) | (3,073,817) | (2,987,287) | 1.75% | (3,132) | - | (18,429) |
| May-19 | (3,073,817) | 25,246 | 163,059 | (137,813) | (3,211,630) | (3,142,723) | 1.75% | (3,295) | - | (21,724) |
| Jun-19 | (3,211,630) | 23,601 | 174,330 | (150,729) | (3,362,358) | (3,286,994) | 1.75% | (3,446) | - | (25,170) |
| Jul-19 | (3,362,358) | 19,603 | 175,254 | (155,651) | (3,518,009) | (3,440,184) | 1.75% | (3,607) | - | (28,777) |
| Aug-19 | (3,518,009) | 20,695 | 153,878 | (133,183) | (3,651,193) | (3,584,601) | 1.75% | (3,758) | - | (32,535) |
| Sep-19 | (3,651,193) | 19,012 | 159,577 | (140,565) | (3,791,758) | (3,721,475) | 1.75% | (3,902) | - | (36,436) |
| | (Prior Col 5) + (Col 9) | | See Revenue Requirements Schedule for Details | Col 2 - Col 3 | Col 1 + Col 4 | (Col 1 + Col 5) / 2 | PSE&G CP/STD Wght Avg Rate from Previous Month | (Col 6 * (Col 7) / 12)*net of tax rate | | Prior Month + Col 8 - Col 9 |

ELECTRIC EEE EXTENSION II ACTUAL REVENUES BY RATE CLASS

Schedule SS-EEEXII-4E

Electric-EEE Ext II Rate: 0.000142 0.000142 0.000142 0.000142 0.000142 0.000142

| | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
|------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| RESIDENTIAL SALES | | | | | | |
| RS (4400110) | \$119,983 | \$120,906 | \$153,668 | \$165,267 | \$125,432 | \$134,983 |
| RS-HTG (4400210) | \$855 | \$1,574 | \$2,350 | \$2,837 | \$1,855 | \$2,088 |
| WH (4400310) | \$12 | \$13 | \$14 | \$13 | \$16 | \$14 |
| RLM (4400410) | \$1,911 | \$1,846 | \$2,422 | \$2,540 | \$2,002 | \$2,180 |
| WHS (4400510) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL RESIDENTIAL | \$122,761 | \$124,338 | \$158,454 | \$170,658 | \$129,304 | \$139,265 |
| COMMERCIAL SALES | | | | | | |
| WH & WHS (4420110) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| GLP (4420310) | \$83,650 | \$76,713 | \$87,370 | \$92,338 | \$83,307 | \$85,190 |
| GLP-MDO (4420310) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SL-PRI (4440110) | \$2,009 | \$2,078 | \$2,351 | \$1,992 | \$2,243 | \$1,832 |
| LPLP (4420510) | \$31,488 | \$27,368 | \$32,863 | \$31,061 | \$28,747 | \$30,620 |
| LPLS (4420510) | \$75,551 | \$67,736 | \$80,648 | \$81,647 | \$73,732 | \$76,345 |
| LPLSH (4420510) | \$40,913 | \$37,758 | \$41,571 | \$42,294 | \$38,225 | \$39,097 |
| LPLSO (4420510) | \$152 | \$159 | \$191 | \$164 | \$166 | \$165 |
| LPLSR (4420510) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420710) | \$35,445 | \$29,674 | \$35,892 | \$36,448 | \$30,084 | \$33,981 |
| HTS-HV (4420710) | \$2,879 | \$3,906 | \$4,168 | \$4,678 | \$3,603 | \$4,793 |
| HS (4421210) | \$91 | \$167 | \$290 | \$365 | \$277 | \$265 |
| TOTAL COMMERCIAL | \$272,179 | \$245,560 | \$285,345 | \$290,986 | \$260,384 | \$272,290 |
| INDUSTRIAL SALES | | | | | | |
| GLP (4420410) | \$3,495 | \$3,159 | \$3,678 | \$3,843 | \$3,558 | \$3,628 |
| GLP-MDO (4420410) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| LPLP (4420610) | \$7,275 | \$6,209 | \$8,349 | \$7,326 | \$6,378 | \$7,292 |
| LPLS (4420610) | \$7,407 | \$7,097 | \$7,548 | \$7,700 | \$7,885 | \$7,203 |
| LPLSH (4420610) | \$5,660 | \$6,467 | \$5,527 | \$6,135 | \$6,087 | \$6,367 |
| LPLSO (4420610) | \$21 | \$21 | \$3 | \$33 | \$6 | \$26 |
| LPLSR (4420610) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420810) | \$20,176 | \$18,322 | \$20,503 | \$19,569 | \$17,664 | \$16,505 |
| HTS-HV (4420810) | \$129 | \$455 | \$815 | \$1,671 | \$308 | (\$135) |
| HS (4421110) | \$4 | \$6 | \$7 | \$10 | \$7 | \$7 |
| HEP (4421010) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| EHEP (4421010) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL INDUSTRIAL | \$44,167 | \$41,735 | \$46,430 | \$46,286 | \$41,893 | \$40,893 |
| PUB STREET AND HWY LIGHTING SALES | | | | | | |
| SL-PUB (4440310) | \$2,811 | \$3,331 | \$5,818 | \$4,733 | \$3,824 | \$3,560 |
| BPL-POF (4440310) | \$237 | \$133 | \$150 | \$245 | \$192 | \$191 |
| GLP-T&S (4440410) | \$341 | \$380 | \$448 | \$418 | \$450 | \$384 |
| TOTAL ST. LIGHT. | \$3,389 | \$3,843 | \$6,417 | \$5,396 | \$4,466 | \$4,135 |
| TOTAL REVENUES | \$442,496 | \$415,477 | \$496,646 | \$513,327 | \$436,046 | \$456,583 |

**GAS-EEE EXTENSION II
ACTUAL REVENUES BY RATE CLASS**

Schedule SS-EEEXII-4 4G

Gas-EEE EXT II Rate: 0.001147 0.001147 0.001147 0.001147 0.001147 0.001147

| | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| CSRSGH | \$47,697 | \$154,777 | \$271,492 | \$307,111 | \$205,968 | \$231,129 |
| CSRS | \$3,788 | \$8,502 | \$14,864 | \$16,656 | \$11,955 | \$13,221 |
| RSRGM | \$722 | \$2,498 | \$4,648 | \$5,857 | \$3,996 | \$4,218 |
| RSGM | \$275 | \$664 | \$1,132 | \$1,099 | \$785 | \$984 |
| TOTAL RESIDENTIAL | \$52,481 | \$166,440 | \$292,135 | \$330,722 | \$222,704 | \$249,551 |
| CSGS-HTG | \$6,550 | \$19,092 | \$39,327 | \$47,301 | \$28,448 | \$34,558 |
| CSGS | \$1,904 | \$2,978 | \$4,771 | \$5,228 | \$3,944 | \$4,495 |
| CSLV | \$9,632 | \$25,359 | \$44,116 | \$54,716 | \$40,365 | \$45,093 |
| CSUVNG | \$1 | \$1 | \$1 | \$1 | \$1 | \$1 |
| CFG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| ISG | \$1,036 | \$164 | \$985 | \$1,528 | \$510 | \$1,715 |
| CIG | \$3,564 | \$3,498 | \$3,835 | \$3,079 | \$2,995 | \$3,856 |
| CEG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGS | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGSH | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPLV | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL COMMERCIAL | \$22,687 | \$51,092 | \$93,035 | \$111,852 | \$76,263 | \$89,719 |
| CSGS-HTG | \$160 | \$744 | \$1,560 | \$2,210 | \$1,321 | \$1,403 |
| CSGS | \$44 | \$121 | \$246 | \$262 | \$180 | \$203 |
| CSLV | \$283 | \$1,678 | \$3,001 | \$4,506 | \$3,617 | \$3,326 |
| ISG | -\$620 | \$577 | -\$115 | \$60 | \$1,174 | -\$387 |
| CIG | \$300 | \$265 | \$966 | \$936 | \$994 | \$582 |
| CO-GEN | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| UVNG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| CFG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGS | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPGSH | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| MPLV | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL INDUSTRIAL | \$167 | \$3,386 | \$5,659 | \$7,975 | \$7,286 | \$5,126 |
| CSSLG | \$23 | -\$24 | \$92 | \$10 | \$42 | \$25 |
| TOTAL REVENUE COMM./TRANS | \$75,359 | \$220,893 | \$390,921 | \$450,559 | \$306,294 | \$344,421 |
| FTRSGH | \$1,926 | \$5,329 | \$10,995 | \$16,261 | \$11,559 | \$9,308 |
| FTRSG | \$226 | \$364 | \$690 | \$967 | \$753 | \$603 |
| FTRSGHM | \$34 | \$101 | \$222 | \$335 | \$229 | \$191 |
| FTRSGM | \$16 | \$31 | \$55 | \$75 | \$56 | \$49 |
| TOTAL RESIDENTIAL | \$2,201 | \$5,825 | \$11,961 | \$17,639 | \$12,597 | \$10,151 |
| FTGSH (G489.110) | \$2,029 | \$5,049 | \$10,278 | \$13,526 | \$9,016 | \$8,913 |
| FTGS | \$643 | \$1,016 | \$1,628 | \$2,074 | \$1,556 | \$1,460 |
| FTGFG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FTUVNG | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FTLV (G489.120) | \$21,435 | \$44,246 | \$67,054 | \$74,675 | \$55,858 | \$69,622 |
| TSG-F (G489.100) | \$814 | \$487 | \$1,041 | \$2,200 | \$539 | \$1,941 |
| TSG-NF (G489.200) | -\$11,229 | -\$36,831 | \$35,752 | \$7,535 | \$31,268 | -\$8,827 |
| CSG - Non Power | | | | | | |
| TOTAL COMMERCIAL | \$13,692 | \$13,966 | \$115,753 | \$100,010 | \$98,238 | \$73,110 |
| FTGSH (G489.110) | \$50 | \$174 | \$364 | \$556 | \$382 | \$361 |
| FTGS | \$15 | \$30 | \$60 | \$89 | \$74 | \$64 |
| FTLV (G489.120) | \$3,959 | \$5,966 | \$7,449 | \$7,228 | \$7,442 | \$7,219 |
| TSG-F (G489.100) | \$1,816 | \$861 | \$1,093 | \$1,572 | \$1,816 | \$1,318 |
| TSG-NF (G489.200) | \$6,434 | \$6,321 | \$6,312 | \$4,115 | \$4,107 | \$6,328 |
| CSG - Non Power | | | | | | |
| CONTRACT COGEN | | | | | | |
| TOTAL INDUSTRIAL | \$12,273 | \$13,351 | \$15,278 | \$13,561 | \$13,821 | \$15,288 |
| FTSLG | \$38 | \$76 | \$41 | -\$59 | \$143 | \$24 |
| TOTAL TRANS. REVENUE | \$28,204 | \$33,218 | \$143,034 | \$131,150 | \$124,798 | \$98,572 |
| TOTAL REVENUES | \$103,563 | \$254,112 | \$533,955 | \$581,709 | \$431,092 | \$442,994 |

PSE&G Solar 4 All Extension II Proposed Rate Calculations

(\$'s Unless Specified)

Schedule SS-S4AEII-1

Actuals through March 2018

SUT Rate 6.625%

| <u>Line</u> | <u>Date(s)</u> | | <u>Electric</u> | <u>Source/Description</u> |
|-------------|--------------------|------------------------------------------------|-----------------|-----------------------------------|
| 1 | Oct 18 - Sep 19 | Revenue Requirements | 28,685 | SS-3, Col 25 |
| 2 | Sep-18 | (Over) / Under Recovered Balance | (387,569) | SS-7, Line 4, Col 1 |
| 3 | Sep-18 | Cumulative Interest Exp / (Credit) | <u>(4,777)</u> | SS-7, Line 7, Col 1 |
| 4 | Oct 18 - Sep 19 | Total Target Rate Revenue | (363,660) | Line 1 + Line 2 + Line 3 |
| 5 | Oct 18 - Sep 19 | Forecasted kWh (000) | 41,402,930 | |
| 6 | | Calculated Rate w/o SUT (\$/kWh) | (0.000009) | (Line 4 / (Line 5*1,000)) [Rnd 6] |
| 7 | | Public Notice Rate w/o SUT (\$/kWh) | (0.000009) | Line 6 |
| 8 | | Existing Rate w/o SUT (\$/kWh) | 0.000011 | |
| 9 | | Proposed Rate w/o SUT (\$/kWh) | (0.000009) | Line 7 |
| 10 | | Proposed Rate w/ SUT (\$/kWh) | (0.000010) | (Line 9 * (1 + SUT Rate)) [Rnd6] |
| 11 | | Difference in Proposed and Previous Rate | (0.000020) | (Line 9 - Line 8) |
| 12 | | Resultant S4AEII Revenue Increase / (Decrease) | (828,059) | (Line 5 * Line 11 * 1,000) |

**PSE&G Solar 4 All Extension II
Revenue Requirements Calculation**

(\$000's)

Solar 4 All Extension: Seg1-Landfill

Actuals through March 2018

| | (1) | (2) | (3) | (4) | (5) | (6) (7) (8) Plant | | | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
|--------|---------------------------|--------------------|-----------------------------|---------------------------------|------------------|-------------------------|------------------------------|----------------------------------|--------------------------------------------------|-----------------------------------------------|---------------------------------------------|-----------------------------------------|----------------------------------------------------|-------------------------------|---------------------------|
| | <u>Program Investment</u> | <u>Gross Plant</u> | <u>Depreciation Expense</u> | <u>Accumulated Depreciation</u> | <u>Net Plant</u> | <u>Tax Depreciation</u> | <u>Book Deprec Tax Basis</u> | <u>Prorated Deferred Tax Exp</u> | <u>Beginning Accumulated Deferred Income Tax</u> | <u>Ending Accumulated Deferred Income Tax</u> | <u>Prorated Excess Deferred Tax Balance</u> | <u>Excess Deferred Tax Flow Through</u> | <u>Prorated Excess Deferred Tax Ending Balance</u> | <u>Average Net Investment</u> | <u>Return Requirement</u> |
| Oct-17 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Nov-17 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Dec-17 | 2,018 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Jan-18 | 13 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Feb-18 | 1,013 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mar-18 | 55 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Apr-18 | 65 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| May-18 | 1,054 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Jun-18 | 187 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Jul-18 | 3,320 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Aug-18 | 4,680 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sep-18 | 2,489 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Oct-18 | 5,475 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Nov-18 | 4,407 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Dec-18 | 5,762 | 15,507 | 40 | 40 | 15,467 | 5,715 | 34 | 1,255 | - | 1,255 | - | - | - | 7,106 | 53 |
| Jan-19 | 2,437 | 16,633 | 83 | 123 | 16,510 | 271 | 70 | 46 | 1,255 | 1,301 | - | - | - | 14,423 | 107 |
| Feb-19 | 3,339 | 16,633 | 86 | 208 | 16,425 | 271 | 73 | 43 | 1,301 | 1,344 | - | - | - | 14,569 | 109 |
| Mar-19 | 4,692 | 18,003 | 89 | 298 | 17,706 | 322 | 76 | 48 | 1,344 | 1,392 | - | - | - | 15,121 | 113 |
| Apr-19 | 2,207 | 44,266 | 162 | 460 | 43,805 | 1,400 | 138 | 187 | 1,392 | 1,579 | - | - | - | 28,694 | 214 |
| May-19 | 19 | 44,266 | 232 | 692 | 43,574 | 1,400 | 197 | 153 | 1,579 | 1,732 | - | - | - | 41,348 | 308 |
| Jun-19 | 1,262 | 45,546 | 234 | 926 | 44,620 | 1,469 | 200 | 137 | 1,732 | 1,869 | - | - | - | 41,499 | 309 |
| Jul-19 | 1,606 | 46,765 | 240 | 1,166 | 45,599 | 1,545 | 204 | 118 | 1,869 | 1,987 | - | - | - | 42,673 | 318 |
| Aug-19 | 363 | 46,765 | 242 | 1,408 | 45,356 | 1,545 | 206 | 91 | 1,987 | 2,077 | - | - | - | 43,225 | 322 |
| Sep-19 | 363 | 46,765 | 242 | 1,651 | 45,114 | 1,545 | 206 | 65 | 2,077 | 2,142 | - | - | - | 42,905 | 320 |

| | Program Assumption | Program Assumption | Refer to WP_SS 1.xls "Bk Depr" Worksheets | Prior Month + Col 3 | Col 2 - Col 4 | Refer to WP_SS 1.xls "Sched-IS and BS" Worksheet Row 115 | Refer to WP_SS 1.xls "Sched-IS and BS" Worksheet Row 123 | Refer to "Taxes" Worksheet Row 50 | Refer to "Taxes" Worksheet Row 54 | Refer to "Taxes" Worksheet Row 56 | Refer to "Taxes" Worksheet Row 108 | Refer to "Taxes" Worksheet Row 102 | Refer to "Taxes" Worksheet Row 110 | (Prev Col 5 - Col 9 + Col 5 - Col 10) / 2 | Col 11 * Monthly Pre Tax WACC |
|-------------|--------------------|--------------------|-------------------------------------------|---------------------|---------------|----------------------------------------------------------|----------------------------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|------------------------------------|------------------------------------|------------------------------------|--------------------------------------------|-------------------------------|
| 2017 | 2,018 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2018 | 28,520 | 15,507 | 40 | 40 | 15,467 | 5,715 | 34 | 1,255 | - | 1,255 | - | - | - | 7,106 | 53 |
| 2019 | 18,609 | 468,913 | 2,347 | 13,350 | 455,564 | 14,959 | 1,998 | 1,989 | 27,500 | 29,489 | - | - | - | 407,088 | 3,033 |
| Oct18-Sep19 | 31,933 | 341,147 | 1,651 | 6,972 | 334,175 | 15,483 | 1,405 | 2,142 | 14,535 | 16,677 | - | - | - | 291,562 | 2,172 |

PSE&G Solar 4 All Extension II
Revenue Requirements Calculation

(\$000's)

Solar 4 All Extension: Seg1-Landfill

Actuals through March 2018

| | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) |
|-------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|--------------------|--------------------|--------------------|---------------------------------------------------------------|-----------------------------------------|--------------------------------------------------|-------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| | Expenses | | | | | Revenue from Sale of | | | | ITC | | | | |
| | O&M | Administrative | Rent | Insurance | Other | Energy | Capacity | SRECs | Other | Amortization | Tax Gross-up | Tax Assoc. w/50% ITC Basis Reduction | Excess Deferred Tax Flow Through Gross-up | Revenue Requirements |
| Oct-17 | - | 21 | - | - | - | - | - | - | - | - | - | - | - | 21 |
| Nov-17 | - | 4 | - | - | - | - | - | - | - | - | - | - | - | 4 |
| Dec-17 | - | 3 | - | - | - | - | - | - | - | - | - | - | - | 3 |
| Jan-18 | - | 7 | - | - | - | - | - | - | - | - | - | - | - | 7 |
| Feb-18 | - | 37 | - | - | - | - | - | - | - | - | - | - | - | 37 |
| Mar-18 | - | 6 | - | - | - | - | - | - | - | - | - | - | - | 6 |
| Apr-18 | - | 46 | - | - | - | - | - | - | - | - | - | - | - | 46 |
| May-18 | - | 46 | - | - | - | - | - | - | - | - | - | - | - | 46 |
| Jun-18 | - | 46 | - | - | - | - | - | - | - | - | - | - | - | 46 |
| Jul-18 | - | 46 | - | - | - | - | - | - | - | - | - | - | - | 46 |
| Aug-18 | - | 46 | - | - | - | - | - | - | - | - | - | - | - | 46 |
| Sep-18 | - | 46 | - | - | - | - | - | - | - | - | - | - | - | 46 |
| Oct-18 | - | 46 | - | - | - | - | - | - | - | - | - | - | - | 46 |
| Nov-18 | - | 46 | - | - | - | - | - | - | - | - | - | - | - | 46 |
| Dec-18 | 14 | 46 | 34 | 2 | - | 17 | - | 142 | - | 24 | 9 | 2 | - | (1) |
| Jan-19 | 18 | 40 | 36 | 2 | - | 22 | - | - | - | 25 | 10 | 5 | - | 234 |
| Feb-19 | 20 | 40 | 36 | 2 | - | 23 | - | - | - | 25 | 10 | 5 | - | 238 |
| Mar-19 | 25 | 40 | 38 | 2 | - | 30 | - | 628 | - | 28 | 11 | 5 | - | (384) |
| Apr-19 | 55 | 40 | 84 | 5 | - | 65 | - | - | - | 69 | 27 | 9 | - | 409 |
| May-19 | 60 | 40 | 84 | 5 | - | 71 | - | - | - | 69 | 27 | 13 | - | 576 |
| Jun-19 | 59 | 40 | 87 | 5 | - | 69 | - | 1,726 | - | 70 | 28 | 14 | - | (1,146) |
| Jul-19 | 61 | 40 | 89 | 5 | - | 72 | - | - | - | 72 | 28 | 14 | - | 595 |
| Aug-19 | 60 | 40 | 89 | 5 | - | 71 | - | - | - | 72 | 28 | 14 | - | 602 |
| Sep-19 | 59 | 40 | 89 | 5 | - | 69 | - | 1,786 | - | 72 | 28 | 14 | - | (1,186) |
| | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Program Assumption | Refer to WP_SS 1.xls "State Rebate and ITC" Worksheet Row 791 | Col 22 * [Tax Rate] * [Rev. Conv. Fac.] | (Col 3 - Col 7) * [Tax Rate] * [Rev. Conv. Fac.] | (Col 12) * [Tax Rate] * [Rev. Conv. Fac.] | Col 3 + Col 12 + Col 13 + Col 14 + Col 15 + Col 16 + Col 17 - Col 18 - Col 19 - Col 20 - Col 21 - Col 22 - Col 23 + Col 24 |
| 2017 | - | 85 | - | - | - | - | - | - | - | - | - | - | - | 85 |
| 2018 | 14 | 462 | 34 | 2 | - | 17 | - | 142 | - | 24 | 9 | 2 | - | 415 |
| 2019 | 556 | 476 | 916 | 54 | - | 655 | - | 5,523 | - | 722 | 282 | 136 | - | 336 |
| Oct18-Sep19 | 431 | 495 | 666 | 39 | - | 508 | - | 4,281 | - | 526 | 206 | 96 | - | 29 |

PSE&G Solar 4 All Extension II
Under/(Over) Calculation

| | | | | | | |
|-------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Tariff Rate (excl SUT) | 0.000011 | 0.000011 | 0.000011 | 0.000011 | 0.000011 | 0.000011 |
| <u>GPRC S4AE II Under/(Over) Calculation</u> | | | | | | |
| | <u>Sep-17</u> | <u>Oct-17</u> | <u>Nov-17</u> | <u>Dec-17</u> | <u>Jan-18</u> | <u>Feb-18</u> |
| (1) S4AEII GPRC Revenue | 37,977 | 34,278 | 32,185 | 38,473 | 39,765 | 33,778 |
| (2) Revenue Requirements (excluding Incremental WACC) | <u>4,380</u> | <u>20,736</u> | <u>3,511</u> | <u>3,234</u> | <u>6,528</u> | <u>36,659</u> |
| (3) Monthly Under/(Over) Recovery | (33,596) | (13,542) | (28,674) | (35,239) | (33,237) | 2,881 |
| (4) Deferred Balance | (286,043) | (299,585) | (328,259) | (363,498) | (396,734) | (393,854) |
| (5) Monthly Interest Rate | 0.0942% | 0.0942% | 0.0942% | 0.1183% | 0.1183% | 0.1183% |
| (6) After Tax Monthly Interest Expense/(Credit) | (150) | (163) | (175) | (242) | (323) | (336) |
| (7) Cumulative Interest | (602) | (765) | (940) | (1,182) | (1,505) | (1,842) |
| (8) Balance Added to Subsequent Year's Revenue Requirements | (286,645.0) | (300,350.2) | (329,198.8) | (364,679.8) | (398,239.8) | (395,695.3) |
| (9) Net Sales - kWh (000) | | | | | 3,481,168 | 3,142,619 |
| (10) Incremental Interest From WACC Change | | | | | | |
| (11) Cumulative Incremental Interest | | | | | | |
| (12) Average Net of Tax Deferred Balance | (159,258) | (173,199) | (185,685) | (204,587) | (224,839) | (233,816) |

PSE&G Solar 4 All Extension II
Under/(Over) Calculation

Schedule SS-S4AEII-3
Page 2 of 4

| Tariff Rate (excl SUT) | 0.000011 | 0.000011 | 0.000011 | 0.000011 | 0.000011 | 0.000011 |
|-------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <u>GPRC S4AE II Under/(Over) Calculation</u> | | | | | | |
| | <u>Mar-18</u> | <u>Apr-18</u> | <u>May-18</u> | <u>Jun-18</u> | <u>Jul-18</u> | <u>Aug-18</u> |
| (1) S4AEII GPRC Revenue | 35,369 | 30,792 | 34,501 | 41,162 | 48,620 | 47,544 |
| (2) Revenue Requirements (excluding Incremental WACC) | <u>6,451</u> | <u>45,845</u> | <u>45,845</u> | <u>45,845</u> | <u>45,845</u> | <u>45,845</u> |
| (3) Monthly Under/(Over) Recovery | (28,918) | 15,053 | 11,345 | 4,684 | (2,774) | (1,698) |
| (4) Deferred Balance | (422,772) | (407,719) | (396,374) | (391,690) | (394,464) | (396,163) |
| (5) Monthly Interest Rate | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% |
| (6) After Tax Monthly Interest Expense/(Credit) | (428) | (435) | (422) | (413) | (412) | (414) |
| (7) Cumulative Interest | (2,270) | (2,705) | (3,127) | (3,540) | (3,952) | (4,366) |
| (8) Balance Added to Subsequent Year's Revenue Requirements | (425,041.8) | (410,423.7) | (399,500.4) | (395,229.7) | (398,416.1) | (400,528.8) |
| (9) Net Sales - kWh (000) | 3,226,260 | 2,799,280 | 3,136,419 | 3,741,971 | 4,419,978 | 4,322,158 |
| (10) Incremental Interest From WACC Change | | | | | | |
| (11) Cumulative Incremental Interest | | | | | | |
| (12) Average Net of Tax Deferred Balance | (241,517) | (245,618) | (237,810) | (233,070) | (232,505) | (233,828) |

PSE&G Solar 4 All Extension II
Under/(Over) Calculation

| | | | | | | | |
|-------------------------------------------------------------|---------------|---------------|---------------|---------------|----------------|----------------|------------------|
| Tariff Rate (excl SUT) | 0.000011 | -0.000009 | -0.000009 | -0.000009 | -0.000009 | -0.000009 | -0.000009 |
| <u>GPRC S4AE II Under/(Over) Calculation</u> | | | | | | | |
| | <u>Sep-18</u> | <u>Oct-18</u> | <u>Nov-18</u> | <u>Dec-18</u> | <u>Jan-19</u> | <u>Feb-19</u> | <u>Mar-19</u> |
| (1) S4AEII GPRC Revenue | 37,252 | (28,907) | (26,001) | (30,343) | (31,560) | (28,364) | (29,726) |
| (2) Revenue Requirements (excluding Incremental WACC) | <u>45,845</u> | <u>45,845</u> | <u>45,845</u> | <u>(951)</u> | <u>234,077</u> | <u>237,937</u> | <u>(383,612)</u> |
| (3) Monthly Under/(Over) Recovery | 8,594 | 74,753 | 71,847 | 29,392 | 265,637 | 266,301 | (353,886) |
| (4) Deferred Balance | (387,569) | (317,593) | (245,746) | (216,354) | 49,283 | 315,584 | (38,302) |
| (5) Monthly Interest Rate | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% |
| (6) After Tax Monthly Interest Expense/(Credit) | (411) | (370) | (295) | (242) | (88) | 191 | 145 |
| (7) Cumulative Interest | (4,777) | (370) | (665) | (907) | (995) | (803) | (658) |
| (8) Balance Added to Subsequent Year's Revenue Requirements | (392,345.8) | (317,962.8) | (246,411.3) | (217,261.4) | 48,288.4 | 314,780.9 | (38,959.7) |
| (9) Net Sales - kWh (000) | 3,386,507 | 3,211,905 | 2,889,032 | 3,371,442 | 3,506,694 | 3,151,603 | 3,302,882 |
| (10) Incremental Interest From WACC Change | | | | | | | |
| (11) Cumulative Incremental Interest | | | | | | | |
| (12) Average Net of Tax Deferred Balance | (231,788) | (208,552) | (166,608) | (136,666) | (49,411) | 107,910 | 82,006 |

PSE&G Solar 4 All Extension II
Under/(Over) Calculation

| | | | | | | | |
|-----------------------------------------------------------------------|----------------|----------------|--------------------|----------------|----------------|--------------------|------------------------------------------------------|
| Tariff Rate (excl SUT) | -0.000009 | -0.000009 | -0.000009 | -0.000009 | -0.000009 | -0.000009 | |
| <u>GPRC S4AE II Under/(Over) Calculation</u> | | | | | | | |
| | <u>Apr-19</u> | <u>May-19</u> | <u>Jun-19</u> | <u>Jul-19</u> | <u>Aug-19</u> | <u>Sep-19</u> | |
| (1) S4AEII GPRC Revenue | (25,757) | (27,364) | (34,364) | (40,182) | (39,106) | (30,953) | S4AEII Rate * Row 9 |
| (2) Revenue Requirements (excluding Incremental WACC) | <u>408,821</u> | <u>575,530</u> | <u>(1,145,692)</u> | <u>594,897</u> | <u>601,800</u> | <u>(1,185,813)</u> | From SS-S4AEII-3, Col 24 |
| (3) Monthly Under/(Over) Recovery | 434,578 | 602,894 | (1,111,328) | 635,079 | 640,905 | (1,154,860) | Row 2 - Row 1 |
| (4) Deferred Balance | 396,277 | 999,170 | (112,158) | 522,921 | 1,163,827 | 8,966 | Prev Row 4 + Row 3 |
| (5) Monthly Interest Rate | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | 0.1458% | Monthly Interest Rate |
| (6) After Tax Monthly Interest Expense/(Credit) | 188 | 731 | 465 | 215 | 884 | 615 | (Prev Row 4 + Row 4) / 2 * (1 - Tax Rate) * Row 5 |
| (7) Cumulative Interest Balance Added to Subsequent Year's Revenue | (470) | 261 | 726 | 941 | 1,825 | 2,440 | Prev Row 7 + Row 6 |
| (8) Requirements | 395,806.1 | 999,431.3 | (111,432.0) | 523,862.5 | 1,165,652.0 | 11,406.4 | Row 4 + Row 7 + Row 11 |
| (9) Net Sales - kWh (000) | 2,861,867 | 3,040,395 | 3,818,180 | 4,464,658 | 4,345,063 | 3,439,210 | |
| (10) Incremental Interest From WACC Change | | | | | | | |
| (11) Cumulative Incremental Interest | | | | | | | Prev Row 11 + Row 10 |
| (12) Average Net of Tax Deferred Balance | 105,871 | 412,703 | 262,334 | 121,483 | 498,856 | 346,853 | (Prev Row 4 + Row 4) / 2 * (1 - Tax Rate) |

SOLAR-4-ALL Extension II
ACTUAL REVENUES BY RATE CLASS

Schedule SS-S4AExt-II-4

| | Solar-4-ALL Ext Rate | 0.000011 | 0.000011 | 0.000011 | 0.000011 | 0.000011 | 0.000011 |
|------------------------------------------|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
| RESIDENTIAL SALES | | | | | | | |
| RS (4400110) | | \$9,294 | \$9,366 | \$11,904 | \$12,802 | \$9,717 | \$10,456 |
| RS-HTG (4400210) | | \$66 | \$122 | \$182 | \$220 | \$144 | \$162 |
| WH (4400310) | | \$1 | \$1 | \$1 | \$1 | \$1 | \$1 |
| RLM (4400410) | | \$148 | \$143 | \$188 | \$197 | \$155 | \$169 |
| WHS (4400510) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL RESIDENTIAL | | \$9,510 | \$9,632 | \$12,275 | \$13,220 | \$10,017 | \$10,788 |
| COMMERCIAL SALES | | | | | | | |
| WH & WHS (4420110) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| GLP (4420310) | | \$6,480 | \$5,943 | \$6,768 | \$7,153 | \$6,453 | \$6,599 |
| GLP-MDO (4420310) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SL-PRI (4440110) | | \$156 | \$161 | \$182 | \$154 | \$174 | \$142 |
| LPLP (4420510) | | \$2,439 | \$2,120 | \$2,546 | \$2,406 | \$2,227 | \$2,372 |
| LPLS (4420510) | | \$5,853 | \$5,247 | \$6,247 | \$6,325 | \$5,712 | \$5,914 |
| LPLSH (4420510) | | \$3,169 | \$2,925 | \$3,220 | \$3,276 | \$2,961 | \$3,029 |
| LPLSO (4420510) | | \$12 | \$12 | \$15 | \$13 | \$13 | \$13 |
| LPLSR (4420510) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420710) | | \$2,746 | \$2,299 | \$2,780 | \$2,823 | \$2,330 | \$2,632 |
| HTS-HV (4420710) | | \$223 | \$303 | \$323 | \$362 | \$279 | \$371 |
| HS (4421210) | | \$7 | \$13 | \$22 | \$28 | \$21 | \$21 |
| TOTAL COMMERCIAL | | \$21,084 | \$19,022 | \$22,104 | \$22,541 | \$20,171 | \$21,093 |
| INDUSTRIAL SALES | | | | | | | |
| GLP (4420410) | | \$271 | \$245 | \$285 | \$298 | \$276 | \$281 |
| GLP-MDO (4420410) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| LPLP (4420610) | | \$564 | \$481 | \$647 | \$568 | \$494 | \$565 |
| LPLS (4420610) | | \$574 | \$550 | \$585 | \$596 | \$611 | \$558 |
| LPLSH (4420610) | | \$438 | \$501 | \$428 | \$475 | \$472 | \$493 |
| LPLSO (4420610) | | \$2 | \$2 | \$0 | \$3 | \$0 | \$2 |
| LPLSR (4420610) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HTS-SUB (4420810) | | \$1,563 | \$1,419 | \$1,588 | \$1,516 | \$1,368 | \$1,279 |
| HTS-HV (4420810) | | \$10 | \$35 | \$63 | \$129 | \$24 | (\$10) |
| HS (4421110) | | \$0 | \$0 | \$1 | \$1 | \$1 | \$1 |
| HEP (4421010) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| EHEP (4421010) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL INDUSTRIAL | | \$3,421 | \$3,233 | \$3,597 | \$3,586 | \$3,245 | \$3,168 |
| PUB STREET AND HWY LIGHTING SALES | | | | | | | |
| SL-PUB (4440310) | | \$218 | \$258 | \$451 | \$367 | \$296 | \$276 |
| BPL-POF (4440310) | | \$18 | \$10 | \$12 | \$19 | \$15 | \$15 |
| GLP-T&S (4440410) | | \$26 | \$29 | \$35 | \$32 | \$35 | \$30 |
| TOTAL ST. LIGHT. | | \$263 | \$298 | \$497 | \$418 | \$346 | \$320 |
| TOTAL REVENUES | | \$34,278 | \$32,185 | \$38,473 | \$39,765 | \$33,778 | \$35,369 |

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 65

B.P.U.N.J. No. 15 ELECTRIC

Superseding

XXX Revised Sheet No. 65

GREEN PROGRAMS RECOVERY CHARGE

**Charge
(per kilowatthour)**

Component:

| | |
|----------------------------------------------------------|-------------------------------------------|
| Carbon Abatement Program..... | \$ 0.000050 <u>0.000023</u> |
| Energy Efficiency Economic Stimulus Program..... | \$ 0.000064 <u>(0.000073)</u> |
| Demand Response Program..... | (\$ 0.000085) <u>0.000298</u> |
| Solar Generation Investment Program..... | \$ 0.000364 <u>0.000485</u> |
| Solar Loan II Program..... | \$ 0.000038 <u>0.000471</u> |
| Energy Efficiency Economic Extension Program..... | \$ 0.000280 <u>0.000048</u> |
| Solar Generation Investment Extension Program..... | \$ 0.000005 <u>0.000219</u> |
| Solar Loan III Program..... | \$ 0.000048 <u>(0.000022)</u> |
| Energy Efficiency Economic Extension Program II..... | \$ 0.000142 <u>0.000046</u> |
| Solar Generation Investment Extension II Program..... | \$ 0.000011 <u>(0.000009)</u> |
| Energy Efficiency 2017 Program..... | \$ 0.000089 <u>0.000089</u> |
| Sub-total per kilowatthour..... | \$ 0.001006 <u>0.001575</u> |
| | |
| Charge including New Jersey Sales and Use Tax (SUT)..... | \$ 0.001073 <u>0.001679</u> |

GREEN PROGRAMS RECOVERY CHARGE

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs. The charge will be reset nominally on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under- or over- recovered balances. The interest rates shall be reset each month.

Date of Issue:

Issued by SCOTT S. JENNINGS, Vice President Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102
Filed pursuant to Order of Board of Public Utilities dated
in Docket No.

Effective:

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 65

B.P.U.N.J. No. 15 ELECTRIC

**Superseding
XXX Revised Sheet No. 65**

GREEN PROGRAMS RECOVERY CHARGE

**Charge
(per kilowatthour)**

Component:

| | |
|--------------------------------------------------------|--------------------|
| Carbon Abatement Program | \$ 0.000023 |
| Energy Efficiency Economic Stimulus Program | (\$ 0.000073) |
| Demand Response Program | \$ 0.000298 |
| Solar Generation Investment Program | \$ 0.000485 |
| Solar Loan II Program | \$ 0.000471 |
| Energy Efficiency Economic Extension Program | \$ 0.000048 |
| Solar Generation Investment Extension Program | \$ 0.000219 |
| Solar Loan III Program | (\$ 0.000022) |
| Energy Efficiency Economic Extension Program II | \$ 0.000046 |
| Solar Generation Investment Extension II Program | (\$ 0.000009) |
| Energy Efficiency 2017 Program | \$ <u>0.000089</u> |
| Sub-total per kilowatthour | \$ 0.001575 |

Charge including New Jersey Sales and Use Tax (SUT) \$ 0.001679

GREEN PROGRAMS RECOVERY CHARGE

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs. The charge will be reset nominally on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under- or over- recovered balances. The interest rates shall be reset each month.

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Effective:

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 44

B.P.U.N.J. No. 15 GAS

Superseding

XXX Revised Sheet No. 44

GREEN PROGRAMS RECOVERY CHARGE

**CHARGE APPLICABLE TO
RATE SCHEDULES RSG, GSG, LVG, SLG,
TSG-F, TSG-NF, CIG, CSG
(per Therm)**

Component:

| | |
|-----------------------------------------------------------------------------|---------------------------------------|
| Carbon Abatement Program..... | \$0.001446 <u>0.000783</u> |
| Energy Efficiency Economic Stimulus Program..... | 0.000450 <u>(0.000485)</u> |
| Energy Efficiency Economic Extension Program..... | 0.001618 <u>0.000724</u> |
| Energy Efficiency Economic Extension Program II..... | 0.001147 <u>0.000202</u> |
| Energy Efficiency 2017 Program..... | <u>0.000902</u> |
| Green Programs Recovery Charge..... | \$0.005563 <u>0.002126</u> |
| | |
| Green Programs Recovery Charge including New Jersey Sales and Use Tax (SUT) | \$0.005932 |
| | <u>0.002267</u> |

Green Programs Recovery Charge

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs. The charge will be reset nominally on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under- or over- recovered balances. The interest rate shall be reset each month.

See Section 16 of the Standard Terms and Conditions for exemptions from this charge.

Date of Issue:

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80 Park Plaza, Newark, New Jersey 07102
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Effective:

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 44

B.P.U.N.J. No. 15 GAS

Superseding

XXX Revised Sheet No. 44

GREEN PROGRAMS RECOVERY CHARGE

**CHARGE APPLICABLE TO
RATE SCHEDULES RSG, GSG, LVG, SLG,
TSG-F, TSG-NF, CIG, CSG
(per Therm)**

Component:

| | |
|------------------------------------------------------|------------|
| Carbon Abatement Program | \$0.000783 |
| Energy Efficiency Economic Stimulus Program..... | (0.000485) |
| Energy Efficiency Economic Extension Program..... | 0.000724 |
| Energy Efficiency Economic Extension Program II..... | 0.000202 |
| Energy Efficiency 2017 Program | 0.000902 |
| Green Programs Recovery Charge | \$0.002126 |

Green Programs Recovery Charge including New Jersey Sales and Use Tax (SUT).....\$0.002267

Green Programs Recovery Charge

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs. The charge will be reset nominally on an annual basis. Interest at the weighted average of the interest rates on PSE&G's commercial paper and bank credit lines utilized in the prior month will be accrued monthly on any under- or over- recovered balances. The interest rate shall be reset each month.

See Section 16 of the Standard Terms and Conditions for exemptions from this charge.

Date of Issue:

Issued by SCOTT S. JENNINGS, Vice President Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102
Filed pursuant to Order of Board of Public Utilities dated
in Docket No.

Effective:

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed changes in the Carbon Abatement Program, Energy Efficiency Economic Stimulus Program, Demand Response Program, Solar Generation Investment Program (Solar 4 All), Solar Loan II Program, Energy Efficiency Economic Extension Program, Solar Generation Investment Extension Program, Solar Loan III Program, Energy Efficiency Economic Extension Program II, and Solar Generation Investment Extension Program II components of the electric Green Programs Recovery Charge (GPRC) on typical residential electric bills, if approved by the Board, is illustrated below:

| Residential Electric Service | | | | | |
|-------------------------------------|------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Summer kWhr Use Is: | And Your Annual kWhr Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 200 | 1,920 | \$343.32 | \$344.56 | \$1.24 | 0.36% |
| 450 | 4,320 | 736.12 | 738.76 | 2.64 | 0.36 |
| 750 | 7,200 | 1,215.76 | 1,220.16 | 4.40 | 0.36 |
| 803 | 7,800 | 1,316.80 | 1,321.53 | 4.73 | 0.36 |
| 1,360 | 13,160 | 2,224.92 | 2,232.84 | 7.92 | 0.36 |

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (2) Same as (1) except includes changes in the Carbon Abatement Program, Energy Efficiency Economic Stimulus Program, Demand Response Program, Solar Generation Investment Program (Solar 4 All), Solar Loan II Program, Energy Efficiency Economic Extension Program, Solar Generation Investment Extension Program, Solar Loan III Program, Energy Efficiency Economic Extension Program II, and Solar Generation Investment Extension Program II components of the GPRC.

| Residential Electric Service | | | | | |
|-------------------------------------|--------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-------------------------------------------|-----------------------------------|
| If Your Annual kWhr Use Is: | And Your Monthly Summer kWhr Use Is: | Then Your Present Monthly Summer Bill (3) Would Be: | And Your Proposed Monthly Summer Bill (4) Would Be: | Your Monthly Summer Bill Change Would Be: | And Your Percent Change Would Be: |
| 1,920 | 200 | \$35.33 | \$35.46 | \$0.13 | 0.37% |
| 4,320 | 450 | 76.47 | 76.75 | 0.28 | 0.37 |
| 7,200 | 750 | 127.90 | 128.36 | 0.46 | 0.36 |
| 7,800 | 803 | 137.35 | 137.84 | 0.49 | 0.36 |
| 13,160 | 1,360 | 236.69 | 237.51 | 0.82 | 0.35 |

- (3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (4) Same as (3) except includes changes in the Carbon Abatement Program, Energy Efficiency Economic Stimulus Program, Demand Response Program, Solar Generation Investment Program (Solar 4 All), Solar Loan II Program, Energy Efficiency Economic Extension Program, Solar Generation Investment Extension Program, Solar Loan III Program, Energy Efficiency Economic Extension Program II, and Solar Generation Investment Extension Program II components of the GPRC.

TYPICAL RESIDENTIAL GAS BILL IMPACTS

The effect of the proposed change in the Carbon Abatement Program, Energy Efficiency Economic Stimulus Program, Energy Efficiency Economic Extension Program and Energy Efficiency Economic Extension Program II components of the gas Green Programs Recovery Charge (GPRC) on typical residential gas bills, if approved by the Board, is illustrated below:

| Residential Gas Service | | | | | |
|--------------------------------------|-------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Winter Therm Use Is: | And Your Annual Therm Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 25 | 180 | \$210.34 | \$209.70 | (\$0.64) | (0.30)% |
| 50 | 360 | 350.73 | 349.43 | (1.30) | (0.37) |
| 100 | 610 | 558.56 | 556.36 | (2.20) | (0.39) |
| 159 | 1,000 | 870.44 | 866.79 | (3.65) | (0.42) |
| 165 | 1,010 | 879.16 | 875.40 | (3.76) | (0.43) |
| 200 | 1,224 | 1,050.55 | 1,046.07 | (4.48) | (0.43) |
| 300 | 1,836 | 1,540.92 | 1,534.22 | (6.70) | (0.43) |

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2018 and assumes that the customer receives commodity service from Public Service.
- (2) Same as (1) except includes changes in the Carbon Abatement Program, Energy Efficiency Economic Stimulus Program, Energy Efficiency Economic Extension Program and Energy Efficiency Economic Extension Program II components of the GPRC.

| 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 Percent Change Would Be: |
| 180 | 25 | \$26.06 | \$25.97 | (\$0.09) | (0.35)% |
| 360 | 50 | 46.30 | 46.11 | (0.19) | (0.41) |
| 610 | 100 | 88.48 | 88.12 | (0.36) | (0.41) |
| 1,010 | 165 | 142.23 | 141.62 | (0.61) | (0.43) |
| 1,224 | 200 | 171.18 | 170.44 | (0.74) | (0.43) |
| 1,836 | 300 | 253.84 | 252.74 | (1.10) | (0.43) |

- (3) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2018 and assumes that the customer receives commodity service from Public Service.
- (4) Same as (3) except includes changes in the Carbon Abatement Program, Energy Efficiency Economic Stimulus Program, Energy Efficiency Economic Extension Program and Energy Efficiency Economic Extension Program II components of the GPRC.

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed change in the electric Carbon Abatement Program component of the Green Programs Recovery Charge (GPRC) on typical residential electric bills, if approved by the Board, is illustrated below:

| Residential Electric Service | | | | | |
|-------------------------------------|------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Summer kWhr Use Is: | And Your Annual kWhr Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 200 | 1,920 | \$343.32 | \$343.32 | \$0.00 | 0.00% |
| 450 | 4,320 | 736.12 | 736.00 | (0.12) | (0.02) |
| 750 | 7,200 | 1,215.76 | 1,215.60 | (0.16) | (0.01) |
| 803 | 7,800 | 1,316.80 | 1,316.57 | (0.23) | (0.02) |
| 1,360 | 13,160 | 2,224.92 | 2,224.52 | (0.40) | (0.02) |

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (2) Same as (1) except includes changes in the Carbon Abatement Program component of the GPRC.

| Residential Electric Service | | | | | |
|-------------------------------------|--------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-------------------------------------------|-----------------------------------|
| If Your Annual kWhr Use Is: | And Your Monthly Summer kWhr Use Is: | Then Your Present Monthly Summer Bill (3) Would Be: | And Your Proposed Monthly Summer Bill (4) Would Be: | Your Monthly Summer Bill Change Would Be: | And Your Percent Change Would Be: |
| 1,920 | 200 | \$35.33 | \$35.33 | \$0.00 | 0.00% |
| 4,320 | 450 | 76.47 | 76.46 | (0.01) | (0.01) |
| 7,200 | 750 | 127.90 | 127.88 | (0.02) | (0.02) |
| 7,800 | 803 | 137.35 | 137.33 | (0.02) | (0.01) |
| 13,160 | 1,360 | 236.69 | 236.65 | (0.04) | (0.02) |

- (3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (4) Same as (3) except includes changes in the Carbon Abatement Program component of the GPRC.

TYPICAL RESIDENTIAL GAS BILL IMPACTS

The effect of the proposed change in the gas Carbon Abatement Program component of the Green Programs Recovery Charge (GPRC) on typical residential gas bills, if approved by the Board, is illustrated below:

| Residential Gas Service | | | | | |
|--------------------------------------|-------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Winter Therm Use Is: | And Your Annual Therm Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 25 | 180 | \$210.34 | \$210.18 | (\$0.16) | (0.08)% |
| 50 | 360 | 350.73 | 350.47 | (0.26) | (0.07) |
| 100 | 610 | 558.56 | 558.14 | (0.42) | (0.08) |
| 159 | 1,000 | 870.44 | 869.74 | (0.70) | (0.08) |
| 165 | 1,010 | 879.16 | 878.44 | (0.72) | (0.08) |
| 200 | 1,224 | 1,050.55 | 1,049.71 | (0.84) | (0.08) |
| 300 | 1,836 | 1,540.92 | 1,539.66 | (1.26) | (0.08) |

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2018 and assumes that the customer receives commodity service from Public Service.
- (2) Same as (1) except includes changes in the Carbon Abatement Program component of the GPRC.

| 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 Percent Change Would Be: |
| 180 | 25 | \$26.06 | \$26.04 | (\$0.02) | (0.08)% |
| 360 | 50 | 46.30 | 46.26 | (0.04) | (0.09) |
| 610 | 100 | 88.48 | 88.41 | (0.07) | (0.08) |
| 1,010 | 165 | 142.23 | 142.11 | (0.12) | (0.08) |
| 1,224 | 200 | 171.18 | 171.04 | (0.14) | (0.08) |
| 1,836 | 300 | 253.84 | 253.63 | (0.21) | (0.08) |

- (3) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2018 and assumes that the customer receives commodity service from Public Service.
- (4) Same as (3) except includes changes in the Carbon Abatement Program component of the GPRC.

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed change in the electric Energy Efficiency Economic Stimulus Program component of the Green Programs Recovery Charge (GPRC) on typical residential electric bills, if approved by the Board, is illustrated below:

| Residential Electric Service | | | | | |
|-------------------------------------|------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Summer kWhr Use Is: | And Your Annual kWhr Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 200 | 1,920 | \$343.32 | \$343.08 | (\$0.24) | (0.07)% |
| 450 | 4,320 | 736.12 | 735.48 | (0.64) | (0.09) |
| 750 | 7,200 | 1,215.76 | 1,214.80 | (0.96) | (0.08) |
| 803 | 7,800 | 1,316.80 | 1,315.64 | (1.16) | (0.09) |
| 1,360 | 13,160 | 2,224.92 | 2,222.92 | (2.00) | (0.09) |

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (2) Same as (1) except includes changes in the Energy Efficiency Economic Stimulus Program component of the GPRC.

| Residential Electric Service | | | | | |
|-------------------------------------|--------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-------------------------------------------|-----------------------------------|
| If Your Annual kWhr Use Is: | And Your Monthly Summer kWhr Use Is: | Then Your Present Monthly Summer Bill (3) Would Be: | And Your Proposed Monthly Summer Bill (4) Would Be: | Your Monthly Summer Bill Change Would Be: | And Your Percent Change Would Be: |
| 1,920 | 200 | \$35.33 | \$35.31 | (\$0.02) | (0.06)% |
| 4,320 | 450 | 76.47 | 76.41 | (0.06) | (0.08) |
| 7,200 | 750 | 127.90 | 127.80 | (0.10) | (0.08) |
| 7,800 | 803 | 137.35 | 137.23 | (0.12) | (0.09) |
| 13,160 | 1,360 | 236.69 | 236.49 | (0.20) | (0.08) |

- (3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (4) Same as (3) except includes changes in the Energy Efficiency Economic Stimulus Program component of the GPRC.

TYPICAL RESIDENTIAL GAS BILL IMPACTS

The effect of the proposed change in the gas Energy Efficiency Economic Stimulus Program component of the Green Programs Recovery Charge (GPRC) on typical residential gas bills, if approved by the Board, is illustrated below:

| Residential Gas Service | | | | | |
|--------------------------------------|-------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Winter Therm Use Is: | And Your Annual Therm Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 25 | 180 | \$210.34 | \$210.14 | (\$0.20) | (0.10)% |
| 50 | 360 | 350.73 | 350.41 | (0.32) | (0.09) |
| 100 | 610 | 558.56 | 557.94 | (0.62) | (0.11) |
| 159 | 1,000 | 870.44 | 869.45 | (0.99) | (0.11) |
| 165 | 1,010 | 879.16 | 878.12 | (1.04) | (0.12) |
| 200 | 1,224 | 1,050.55 | 1,049.35 | (1.20) | (0.11) |
| 300 | 1,836 | 1,540.92 | 1,539.08 | (1.84) | (0.12) |

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2018 and assumes that the customer receives commodity service from Public Service.
- (2) Same as (1) except includes changes in the Energy Efficiency Economic Stimulus Program component of the GPRC.

| 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 Percent Change Would Be: |
| 180 | 25 | \$26.06 | \$26.03 | (\$0.03) | (0.12)% |
| 360 | 50 | 46.30 | 46.25 | (0.05) | (0.11) |
| 610 | 100 | 88.48 | 88.38 | (0.10) | (0.11) |
| 1,010 | 165 | 142.23 | 142.06 | (0.17) | (0.12) |
| 1,224 | 200 | 171.18 | 170.98 | (0.20) | (0.12) |
| 1,836 | 300 | 253.84 | 253.54 | (0.30) | (0.12) |

- (3) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2018 and assumes that the customer receives commodity service from Public Service.
- (4) Same as (3) except includes changes in the Energy Efficiency Economic Stimulus Program component of the GPRC.

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed change in the electric Demand Response Program component of the Green Programs Recovery Charge (GPRC) on typical residential electric bills, if approved by the Board, is illustrated below:

| Residential Electric Service | | | | | |
|-------------------------------------|------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Summer kWhr Use Is: | And Your Annual kWhr Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 200 | 1,920 | \$343.32 | \$344.16 | \$0.84 | 0.24% |
| 450 | 4,320 | 736.12 | 737.92 | 1.80 | 0.24 |
| 750 | 7,200 | 1,215.76 | 1,218.76 | 3.00 | 0.25 |
| 803 | 7,800 | 1,316.80 | 1,319.99 | 3.19 | 0.24 |
| 1,360 | 13,160 | 2,224.92 | 2,230.24 | 5.32 | 0.24 |

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (2) Same as (1) except includes changes in the Demand Response Program component of the GPRC.

| Residential Electric Service | | | | | |
|-------------------------------------|--------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-------------------------------------------|-----------------------------------|
| If Your Annual kWhr Use Is: | And Your Monthly Summer kWhr Use Is: | Then Your Present Monthly Summer Bill (3) Would Be: | And Your Proposed Monthly Summer Bill (4) Would Be: | Your Monthly Summer Bill Change Would Be: | And Your Percent Change Would Be: |
| 1,920 | 200 | \$35.33 | \$35.42 | \$0.09 | 0.25% |
| 4,320 | 450 | 76.47 | 76.66 | 0.19 | 0.25 |
| 7,200 | 750 | 127.90 | 128.21 | 0.31 | 0.24 |
| 7,800 | 803 | 137.35 | 137.68 | 0.33 | 0.24 |
| 13,160 | 1,360 | 236.69 | 237.24 | 0.55 | 0.23 |

- (3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (4) Same as (3) except includes changes in the Demand Response Program component of the GPRC.

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed change in the electric Solar Generation Investment Program (Solar 4 All) component of the Green Programs Recovery Charge (GPRC) on typical residential electric bills, if approved by the Board, is illustrated below:

| Residential Electric Service | | | | | |
|-------------------------------------|------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Summer kWhr Use Is: | And Your Annual kWhr Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 200 | 1,920 | \$343.32 | \$343.60 | \$0.28 | 0.08% |
| 450 | 4,320 | 736.12 | 736.68 | 0.56 | 0.08 |
| 750 | 7,200 | 1,215.76 | 1,216.72 | 0.96 | 0.08 |
| 803 | 7,800 | 1,316.80 | 1,317.80 | 1.00 | 0.08 |
| 1,360 | 13,160 | 2,224.92 | 2,226.56 | 1.64 | 0.07 |

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (2) Same as (1) except includes changes in the Solar Generation Investment Program component of the GPRC.

| Residential Electric Service | | | | | |
|-------------------------------------|--------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-------------------------------------------|-----------------------------------|
| If Your Annual kWhr Use Is: | And Your Monthly Summer kWhr Use Is: | Then Your Present Monthly Summer Bill (3) Would Be: | And Your Proposed Monthly Summer Bill (4) Would Be: | Your Monthly Summer Bill Change Would Be: | And Your Percent Change Would Be: |
| 1,920 | 200 | \$35.33 | \$35.36 | \$0.03 | 0.08% |
| 4,320 | 450 | 76.47 | 76.53 | 0.06 | 0.08 |
| 7,200 | 750 | 127.90 | 128.00 | 0.10 | 0.08 |
| 7,800 | 803 | 137.35 | 137.46 | 0.11 | 0.08 |
| 13,160 | 1,360 | 236.69 | 236.86 | 0.17 | 0.07 |

- (3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (4) Same as (3) except includes changes in the Solar Generation Investment Program component of the GPRC.

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed change in the electric Solar Generation Investment Extension Program component of the Green Programs Recovery Charge (GPRC) on typical residential electric bills, if approved by the Board, is illustrated below:

| Residential Electric Service | | | | | |
|-------------------------------------|------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Summer kWhr Use Is: | And Your Annual kWhr Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 200 | 1,920 | \$343.32 | \$343.76 | \$0.44 | 0.13% |
| 450 | 4,320 | 736.12 | 737.12 | 1.00 | 0.14 |
| 750 | 7,200 | 1,215.76 | 1,217.44 | 1.68 | 0.14 |
| 803 | 7,800 | 1,316.80 | 1,318.60 | 1.80 | 0.14 |
| 1,360 | 13,160 | 2,224.92 | 2,227.92 | 3.00 | 0.13 |

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (2) Same as (1) except includes changes in the Solar Generation Investment Extension Program component of the GPRC.

| Residential Electric Service | | | | | |
|-------------------------------------|--------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-------------------------------------------|-----------------------------------|
| If Your Annual kWhr Use Is: | And Your Monthly Summer kWhr Use Is: | Then Your Present Monthly Summer Bill (3) Would Be: | And Your Proposed Monthly Summer Bill (4) Would Be: | Your Monthly Summer Bill Change Would Be: | And Your Percent Change Would Be: |
| 1,920 | 200 | \$35.33 | \$35.38 | \$0.05 | 0.14% |
| 4,320 | 450 | 76.47 | 76.58 | 0.11 | 0.14 |
| 7,200 | 750 | 127.90 | 128.08 | 0.18 | 0.14 |
| 7,800 | 803 | 137.35 | 137.53 | 0.18 | 0.13 |
| 13,160 | 1,360 | 236.69 | 237.00 | 0.31 | 0.13 |

- (3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (4) Same as (3) except includes changes in the Solar Generation Investment Extension Program component of the GPRC.

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed change in the electric Solar Loan II Program component of the Green Programs Recovery Charge (GPRC) on typical residential electric bills, if approved by the Board, is illustrated below:

| Residential Electric Service | | | | | |
|-------------------------------------|------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Summer kWhr Use Is: | And Your Annual kWhr Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 200 | 1,920 | \$343.32 | \$344.20 | \$0.88 | 0.26% |
| 450 | 4,320 | 736.12 | 738.08 | 1.96 | 0.27 |
| 750 | 7,200 | 1,215.76 | 1,219.16 | 3.40 | 0.28 |
| 803 | 7,800 | 1,316.80 | 1,320.38 | 3.58 | 0.27 |
| 1,360 | 13,160 | 2,224.92 | 2,230.96 | 6.04 | 0.27 |

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (2) Same as (1) except includes changes in the Solar Loan II Program component of the GPRC.

| Residential Electric Service | | | | | |
|-------------------------------------|--------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-------------------------------------------|-----------------------------------|
| If Your Annual kWhr Use Is: | And Your Monthly Summer kWhr Use Is: | Then Your Present Monthly Summer Bill (3) Would Be: | And Your Proposed Monthly Summer Bill (4) Would Be: | Your Monthly Summer Bill Change Would Be: | And Your Percent Change Would Be: |
| 1,920 | 200 | \$35.33 | \$35.43 | \$0.10 | 0.28% |
| 4,320 | 450 | 76.47 | 76.68 | 0.21 | 0.27 |
| 7,200 | 750 | 127.90 | 128.25 | 0.35 | 0.27 |
| 7,800 | 803 | 137.35 | 137.72 | 0.37 | 0.27 |
| 13,160 | 1,360 | 236.69 | 237.32 | 0.63 | 0.27 |

- (3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (4) Same as (3) except includes changes in the Solar Loan II Program component of the GPRC.

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed change in the electric Solar Loan III Program component of the Green Programs Recovery Charge (GPRC) on typical residential electric bills, if approved by the Board, is illustrated below:

| Residential Electric Service | | | | | |
|-------------------------------------|------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Summer kWhr Use Is: | And Your Annual kWhr Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 200 | 1,920 | \$343.32 | \$343.20 | (\$0.12) | (0.03)% |
| 450 | 4,320 | 736.12 | 735.76 | (0.36) | (0.05) |
| 750 | 7,200 | 1,215.76 | 1,215.24 | (0.52) | (0.04) |
| 803 | 7,800 | 1,316.80 | 1,316.21 | (0.59) | (0.04) |
| 1,360 | 13,160 | 2,224.92 | 2,223.88 | (1.04) | (0.05) |

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (2) Same as (1) except includes changes in the Solar Loan III Program component of the GPRC.

| Residential Electric Service | | | | | |
|-------------------------------------|--------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-------------------------------------------|-----------------------------------|
| If Your Annual kWhr Use Is: | And Your Monthly Summer kWhr Use Is: | Then Your Present Monthly Summer Bill (3) Would Be: | And Your Proposed Monthly Summer Bill (4) Would Be: | Your Monthly Summer Bill Change Would Be: | And Your Percent Change Would Be: |
| 1,920 | 200 | \$35.33 | \$35.32 | (\$0.01) | (0.03)% |
| 4,320 | 450 | 76.47 | 76.44 | (0.03) | (0.04) |
| 7,200 | 750 | 127.90 | 127.85 | (0.05) | (0.04) |
| 7,800 | 803 | 137.35 | 137.29 | (0.06) | (0.04) |
| 13,160 | 1,360 | 236.69 | 236.59 | (0.10) | (0.04) |

- (3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (4) Same as (3) except includes changes in the Solar Loan III Program component of the GPRC.

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed change in the electric Energy Efficiency Economic Extension Program component of the Green Programs Recovery Charge (GPRC) on typical residential electric bills, if approved by the Board, is illustrated below:

| Residential Electric Service | | | | | |
|-------------------------------------|------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Summer kWhr Use Is: | And Your Annual kWhr Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 200 | 1,920 | \$343.32 | \$342.92 | (\$0.40) | (0.12)% |
| 450 | 4,320 | 736.12 | 735.04 | (1.08) | (0.15) |
| 750 | 7,200 | 1,215.76 | 1,214.00 | (1.76) | (0.14) |
| 803 | 7,800 | 1,316.80 | 1,314.86 | (1.94) | (0.15) |
| 1,360 | 13,160 | 2,224.92 | 2,221.64 | (3.28) | (0.15) |

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (2) Same as (1) except includes changes in the Energy Efficiency Economic Extension Program component of the GPRC.

| Residential Electric Service | | | | | |
|-------------------------------------|--------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-------------------------------------------|-----------------------------------|
| If Your Annual kWhr Use Is: | And Your Monthly Summer kWhr Use Is: | Then Your Present Monthly Summer Bill (3) Would Be: | And Your Proposed Monthly Summer Bill (4) Would Be: | Your Monthly Summer Bill Change Would Be: | And Your Percent Change Would Be: |
| 1,920 | 200 | \$35.33 | \$35.29 | (\$0.04) | (0.11)% |
| 4,320 | 450 | 76.47 | 76.36 | (0.11) | (0.14) |
| 7,200 | 750 | 127.90 | 127.72 | (0.18) | (0.14) |
| 7,800 | 803 | 137.35 | 137.15 | (0.20) | (0.15) |
| 13,160 | 1,360 | 236.69 | 236.35 | (0.34) | (0.14) |

- (3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (4) Same as (3) except includes changes in the Energy Efficiency Economic Extension Program component of the GPRC.

TYPICAL RESIDENTIAL GAS BILL IMPACTS

The effect of the proposed change in the gas Energy Efficiency Economic Extension Program component of the Green Programs Recovery Charge (GPRC) on typical residential gas bills, if approved by the Board, is illustrated below:

| Residential Gas Service | | | | | |
|--------------------------------------|-------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Winter Therm Use Is: | And Your Annual Therm Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 25 | 180 | \$210.34 | \$210.14 | (\$0.20) | (0.10)% |
| 50 | 360 | 350.73 | 350.41 | (0.32) | (0.09) |
| 100 | 610 | 558.56 | 557.98 | (0.58) | (0.10) |
| 159 | 1,000 | 870.44 | 869.49 | (0.95) | (0.11) |
| 165 | 1,010 | 879.16 | 878.16 | (1.00) | (0.11) |
| 200 | 1,224 | 1,050.55 | 1,049.41 | (1.14) | (0.11) |
| 300 | 1,836 | 1,540.92 | 1,539.14 | (1.78) | (0.12) |

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2018 and assumes that the customer receives commodity service from Public Service.
- (2) Same as (1) except includes changes in the Energy Efficiency Economic Extension Program component of the GPRC.

| 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 Percent Change Would Be: |
| 180 | 25 | \$26.06 | \$26.03 | (\$0.03) | (0.12)% |
| 360 | 50 | 46.30 | 46.25 | (0.05) | (0.11) |
| 610 | 100 | 88.48 | 88.39 | (0.09) | (0.10) |
| 1,010 | 165 | 142.23 | 142.07 | (0.16) | (0.11) |
| 1,224 | 200 | 171.18 | 170.99 | (0.19) | (0.11) |
| 1,836 | 300 | 253.84 | 253.55 | (0.29) | (0.11) |

- (3) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2018 and assumes that the customer receives commodity service from Public Service.
- (4) Same as (3) except includes changes in the Energy Efficiency Economic Extension Program component of the GPRC.

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed change in the electric Energy Efficiency Economic Extension Program II component of the Green Programs Recovery Charge (GPRC) on typical residential electric bills, if approved by the Board, is illustrated below:

| Residential Electric Service | | | | | |
|-------------------------------------|------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Summer kWhr Use Is: | And Your Annual kWhr Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 200 | 1,920 | \$343.32 | \$343.16 | (\$0.16) | (0.05)% |
| 450 | 4,320 | 736.12 | 735.72 | (0.40) | (0.05) |
| 750 | 7,200 | 1,215.76 | 1,215.08 | (0.68) | (0.06) |
| 803 | 7,800 | 1,316.80 | 1,316.00 | (0.80) | (0.06) |
| 1,360 | 13,160 | 2,224.92 | 2,223.56 | (1.36) | (0.06) |

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (2) Same as (1) except includes changes in the Energy Efficiency Economic Extension Program II component of the GPRC.

| Residential Electric Service | | | | | |
|-------------------------------------|--------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-------------------------------------------|-----------------------------------|
| If Your Annual kWhr Use Is: | And Your Monthly Summer kWhr Use Is: | Then Your Present Monthly Summer Bill (3) Would Be: | And Your Proposed Monthly Summer Bill (4) Would Be: | Your Monthly Summer Bill Change Would Be: | And Your Percent Change Would Be: |
| 1,920 | 200 | \$35.33 | \$35.31 | (\$0.02) | (0.06)% |
| 4,320 | 450 | 76.47 | 76.43 | (0.04) | (0.05) |
| 7,200 | 750 | 127.90 | 127.83 | (0.07) | (0.05) |
| 7,800 | 803 | 137.35 | 137.27 | (0.08) | (0.06) |
| 13,160 | 1,360 | 236.69 | 236.55 | (0.14) | (0.06) |

- (3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (4) Same as (3) except includes changes in the Energy Efficiency Economic Extension Program II component of the GPRC.

TYPICAL RESIDENTIAL GAS BILL IMPACTS

The effect of the proposed change in the gas Energy Efficiency Economic Extension Program II component of the Green Programs Recovery Charge (GPRC) on typical residential gas bills, if approved by the Board, is illustrated below:

| Residential Gas Service | | | | | |
|--------------------------------------|-------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Winter Therm Use Is: | And Your Annual Therm Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 25 | 180 | \$210.34 | \$210.14 | (\$0.20) | (0.10)% |
| 50 | 360 | 350.73 | 350.41 | (0.32) | (0.09) |
| 100 | 610 | 558.56 | 557.94 | (0.62) | (0.11) |
| 159 | 1,000 | 870.44 | 869.44 | (1.00) | (0.11) |
| 165 | 1,010 | 879.16 | 878.12 | (1.04) | (0.12) |
| 200 | 1,224 | 1,050.55 | 1,049.31 | (1.24) | (0.12) |
| 300 | 1,836 | 1,540.92 | 1,539.08 | (1.84) | (0.12) |

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2018 and assumes that the customer receives commodity service from Public Service.
- (2) Same as (1) except includes changes in the Energy Efficiency Economic Extension Program II component of the GPRC.

| 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 Percent Change Would Be: |
| 180 | 25 | \$26.06 | \$26.03 | (\$0.03) | (0.12)% |
| 360 | 50 | 46.30 | 46.25 | (0.05) | (0.11) |
| 610 | 100 | 88.48 | 88.38 | (0.10) | (0.11) |
| 1,010 | 165 | 142.23 | 142.06 | (0.17) | (0.12) |
| 1,224 | 200 | 171.18 | 170.97 | (0.21) | (0.12) |
| 1,836 | 300 | 253.84 | 253.54 | (0.30) | (0.12) |

- (3) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2018 and assumes that the customer receives commodity service from Public Service.
- (4) Same as (3) except includes changes in the Energy Efficiency Economic Extension Program II component of the GPRC.

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed change in the electric Solar Generation Investment Extension Program II component of the Green Programs Recovery Charge (GPRC) on typical residential electric bills, if approved by the Board, is illustrated below:

| Residential Electric Service | | | | | |
|-------------------------------------|------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|
| If Your Monthly Summer kWhr Use Is: | And Your Annual kWhr Use Is: | Then Your Present Annual Bill (1) Would Be: | And Your Proposed Annual Bill (2) Would Be: | Your Annual Bill Change Would Be: | And Your Percent Change Would Be: |
| 200 | 1,920 | \$343.32 | \$343.32 | \$0.00 | 0.00% |
| 450 | 4,320 | 736.12 | 736.00 | (0.12) | (0.02) |
| 750 | 7,200 | 1,215.76 | 1,215.64 | (0.12) | (0.01) |
| 803 | 7,800 | 1,316.80 | 1,316.62 | (0.18) | (0.01) |
| 1,360 | 13,160 | 2,224.92 | 2,224.56 | (0.36) | (0.02) |

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (2) Same as (1) except includes changes in the Solar Generation Investment Extension Program II component of the GPRC.

| Residential Electric Service | | | | | |
|-------------------------------------|--------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-------------------------------------------|-----------------------------------|
| If Your Annual kWhr Use Is: | And Your Monthly Summer kWhr Use Is: | Then Your Present Monthly Summer Bill (3) Would Be: | And Your Proposed Monthly Summer Bill (4) Would Be: | Your Monthly Summer Bill Change Would Be: | And Your Percent Change Would Be: |
| 1,920 | 200 | \$35.33 | \$35.33 | \$0.00 | 0.00% |
| 4,320 | 450 | 76.47 | 76.46 | (0.01) | (0.01) |
| 7,200 | 750 | 127.90 | 127.89 | (0.01) | (0.01) |
| 7,800 | 803 | 137.35 | 137.33 | (0.02) | (0.01) |
| 13,160 | 1,360 | 236.69 | 236.66 | (0.03) | (0.01) |

- (3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
- (4) Same as (3) except includes changes in the Solar Generation Investment Extension Program II component of the GPRC.

NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY CUSTOMERS

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF CHANGES IN ITS ELECTRIC GREEN PROGRAMS RECOVERY CHARGE AND ITS GAS GREEN PROGRAMS RECOVERY CHARGE; ("2018 PSE&G Green Programs Cost Recovery Filing")

Notice of a Filing and Notice of Public Hearings

BPU Docket Nos. XXXXXXXXXX and XXXXXXXXXX

TAKE NOTICE that Public Service Electric and Gas Company (Public Service, the Company) filed a Petition with the New Jersey Board of Public Utilities (Board, BPU) in June 2018 requesting a resetting of the Company's electric and gas Green Programs Recovery Charge (GPRC). Approval of this filing would increase annual rates to be paid by the Company's electric customers by \$23.6 million and decrease annual rates to be paid by the Company's gas customers by \$10.0 million. These changes are the result of adjustments in the various applicable components in the separate electric and gas Green Programs Recovery Charges: Carbon Abatement Programs, Energy Efficiency Economic Stimulus Programs, Energy Efficiency Economic Extension Program and Energy Efficiency Economic Extension Program II for both electric and gas, and for electric only, the Demand Response Program, Solar Generation Investment Program (Solar 4 All), Solar Loan II Program, Solar Generation Investment Extension Program, Solar Loan III Program and Solar Generation Investment Extension II Program. The proposed electric and gas GPRC, if approved by the Board, are shown in Table #1.

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

Under the Company's proposal, a typical residential electric customer using 750 kilowatt-hours per summer month and 7,200 kilowatt-hours on an annual basis would see an increase in the annual bill from \$1,215.76 to \$1,220.16, or \$4.40 or approximately 0.36%.

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 a decrease in the annual bill from \$558.56 to \$556.36, or \$2.20 or approximately 0.39%. Moreover, under the Company's proposal, a typical residential gas heating customer using 165 therms per month during the winter months and 1,010 therms on an annual basis would see a decrease in the annual bill from \$879.16 to \$875.40, or \$3.76 or approximately 0.43%.

The Board has the statutory authority pursuant to N.J.S.A. 48:2-21, to establish the GPRC to levels it finds just and reasonable. Therefore, the Board may establish the Green Programs Recovery 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.

Copies of the Company's filing are available for review at the Company's Customer Service Centers, online at the PSEG website 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 on the Company's filing have been scheduled 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 1, 2018
Time 1
Location 1
Location 1 Overflow
Room 1
Room 1 Overflow
Address 1
City 1, New Jersey Zip 1

Date 2, 2018
Time 2
Location 2
Location 2 Overflow
Room 2
Room 2 Overflow
Address 2
City 2, New Jersey Zip 2

Date 3, 2018
Time 3
Location 3
Location 3 Overflow
Room 3
Room 3 Overflow
Address 3
City 3, New Jersey Zip 3

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 to the Board's Secretary at the following address.

Customers may file written comments with the Secretary of the Board of Public Utilities at 44 South Clinton Avenue, Third Floor, Suite 314, P.O. Box 350, Trenton, New Jersey, 08625-0350 ATTN: Secretary Aida Camacho-Welch whether or not they attend the public hearings. To review PSE&G's rate filing, visit <http://www.pseg.com/pseandgfilings>.

Table # 1
COMPONENTS OF THE GREEN PROGRAMS RECOVERY CHARGE (GPRC)

| | Electric Charges | | Gas Charges | |
|---------------------------------------------------|----------------------------------|-----------------------------|-----------------------------------|------------------------------|
| | Previous \$/kWhr (Including SUT) | New \$/kWhr (Including SUT) | Previous \$/Therm (Including SUT) | New \$/Therm (Including SUT) |
| Carbon Abatement Program | \$0.000053 | \$0.000025 | \$0.001542 | \$0.000835 |
| Energy Efficiency Economic Stimulus Program | 0.000068 | (0.000078) | 0.000480 | (0.000517) |
| Demand Response Program | (0.000091) | 0.000318 | - | - |
| Solar Generation Investment Program (Solar 4 All) | 0.000388 | 0.000517 | - | - |
| Solar Loan II Program | 0.000041 | 0.000502 | - | - |
| Energy Efficiency Economic Extension Program | 0.000299 | 0.000051 | 0.001725 | 0.000772 |
| Solar Generation Investment Extension Program | 0.000005 | 0.000234 | - | - |
| Solar Loan III Program | 0.000051 | (0.000023) | - | - |
| Energy Efficiency Economic Extension Program II | 0.000151 | 0.000049 | 0.001223 | 0.000215 |
| Solar Generation Investment Extension II Program | 0.000012 | (0.000010) | - | - |
| Energy Efficiency 2017 Program | 0.000095 | 0.000095 | 0.000962 | 0.000962 |
| Green Programs Recovery Charge(1) | 0.001073 | 0.001679 | 0.005932 | 0.002267 |

(1) Total GPRC may not add due to rounding

**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 Percent Change Would Be: |
|-----------------------------|--------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-------------------------------------------|-------------------------------------------|
| 1,920 | 200 | \$35.33 | \$35.46 | \$0.13 | 0.37% |
| 4,320 | 450 | 76.47 | 76.75 | 0.28 | 0.37 |
| 7,200 | 750 | 127.90 | 128.36 | 0.46 | 0.36 |
| 7,800 | 803 | 137.35 | 137.84 | 0.49 | 0.36 |
| 13,160 | 1,360 | 236.69 | 237.51 | 0.82 | 0.35 |

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect June 1, 2018 and assumes that the customer receives BGS-RSCP service from Public Service.
(2) Same as (1) except includes the proposed change in the Green Programs Recovery Charge (GPRC).

**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 Monthly Percent Change Would Be: |
|------------------------------|---------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-------------------------------------------|-------------------------------------------|
| 180 | 25 | \$26.06 | \$25.97 | (\$0.09) | (0.35)% |
| 360 | 50 | 46.30 | 46.11 | (0.19) | (0.41) |
| 610 | 100 | 88.48 | 88.12 | (0.36) | (0.41) |
| 1,010 | 165 | 142.23 | 141.62 | (0.61) | (0.43) |
| 1,224 | 200 | 171.18 | 170.44 | (0.74) | (0.43) |
| 1,836 | 300 | 253.84 | 252.74 | (1.10) | (0.43) |

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2018 and assumes that the customer receives BGSS-RSG commodity service from Public Service.
(2) Same as (1) except includes proposed change in the Green Programs Recovery Charge (GPRC).

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PUBLIC SERVICE ELECTRIC AND GAS COMPANY