

Matthew M. Weissman
Managing Counsel - State Regulatory



RECEIVED
MAIL ROOM

DEC 23 2019

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

Law Department
PSEG Services Corporation
80 Park Plaza – T5, Newark, New Jersey 07102-4194
tel : 973-430-7052 fax: 973-430-5983
email: matthew.weissman@pseg.com



VIA ELECTRONIC & OVERNIGHT MAIL

December 20, 2019

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

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

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

Dear Secretary Camacho-Welch:

Pursuant to the Board's January 6, 2003 Order Approving BGSS Price Structure under Docket No. GX01050304, and paragraph 9 of the BGSS Pricing Proposal appended as Attachment A to and approved in that Order, Public Service Electric and Gas Company ("Public Service" or the "Company") hereby files an original and ten copies of this notice of a BGSS-RSG rate reduction of 2 cents per therm (including New Jersey Sales and Use Tax, SUT) for its BGSS-RSG customers to be effective January 1, 2020. This self-implementing rate reduction will reduce the Company's BGSS-RSG Commodity Charge from \$0.340127 per therm (including New Jersey Sales and Use Tax, SUT) to \$0.320127 per therm (including SUT) as set forth on the enclosed tariff sheet (Attachment 2). As a result of this BGSS-RSG rate reduction, a typical residential gas heating customer using a total of 1,040 therms annually and receiving supply from Public Service would see a reduction of \$20.80 or 2.32% on an annual basis.

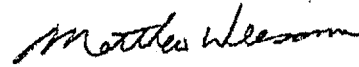
Case Mgmt
list copied

Attached are the following documents in support of this notice:

- The Company's current tariff sheet, Fourth Revised Sheet No. 54, Basic Gas Supply Service-RSG, (Attachment 1)
- The Company's Revised tariff sheet, Fifth Revised Sheet No. 54, Basic Gas Supply Service-RSG, (Attachment 2)
- A comparison of Typical Residential Gas Bills (Attachment 3)

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

Very truly yours,



Matthew M. Weissman

Attachments

C Service List (Electronic)

BPU

Aida Camacho-Welch
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton NJ 08625-0350
aida.camacho@bpu.nj.gov

BPU

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

DAG

Geoffrey Gersten
NJ Dept. of Law & Public Safety
Division of Law
124 Halsey Street, 5th Flr.
P.O. Box 45029
Newark NJ 07101
(973) 648-3510
geoffrey.gersten@dol.lps.state.nj.us

PSE&G

Matthew M. Weissman Esq.
PSEG Services Corporation
80 Park Plaza, T5
P.O. Box 570
Newark NJ 07102
(973) 430-7052
matthew.weissman@pseg.com

Rate Counsel

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

Rate Counsel Consultant

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

BPU

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

BPU

Stacy Peterson
Board of Public Utilities
44 South Clinton Avenue
3rd Floor, Suite 314
P.O. Box 350
Trenton NJ 08625-0350
(609) 292-4517
stacy.peterson@bpu.nj.gov

DAG

Emma Xiao DAG
NJ Dept of Law & Public Safety
Division of Law
124 Halsey Street, 2nd Floor
Newark NJ 07101
emma.xiao@law.njoag.gov

Rate Counsel

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

Rate Counsel

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

BPU

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

BPU

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

PSE&G

Justin Incardone Esq.
PSEG Services Corporation
80 Park Plaza, T5
P.O. Box 570
Newark NJ 07102
(973) 430-6163
justin.incardone@pseg.com

Rate Counsel

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

Rate Counsel

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

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

Fourth Revised Sheet No. 54

Superseding

B.P.U.N.J. No. 16 GAS

Third Revised Sheet No. 54

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

Estimated Non-Gulf Coast Cost of Gas	\$ 0.060364
Estimated Gulf Coast Cost of Gas	0.254380
Adjustment to Gulf Coast Cost of Gas	0.000000
Prior period (over) or under recovery	<u>(0.002130)</u>
Adjusted Cost of Gas	0.312614
Commodity Charge after application of losses: (Loss Factor = 2.0%).....	\$ 0.318994
Commodity Charge including New Jersey Sales and Use Tax (SUT)	<u>\$ 0.340127</u>

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

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

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

Effective	BGSS-RSG Credit (per therm)	BGSS-RSG Credit including SUT (per therm)
April 1, 2018 through April 30, 2018	(\$0.140680)	(\$0.150000)
May 1, 2018	\$0.000000	\$0.000000

Date of Issue: November 22, 2019

Effective: December 1, 2019

Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102

Filed pursuant to Order of Board of Public Utilities dated November 13, 2019
in Docket No. GR19060766

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

Fifth Revised Sheet No. 54

B.P.U.N.J. No. 16 GAS

Superseding

Fourth Revised Sheet No. 54

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

Estimated Non-Gulf Coast Cost of Gas	\$ 0.060450
Estimated Gulf Coast Cost of Gas	0.235911
Adjustment to Gulf Coast Cost of Gas	0.000000
Prior period (over) or under recovery.....	<u>(0.002130)</u>
Adjusted Cost of Gas	0.294231
Commodity Charge after application of losses: (Loss Factor = 2.0%).....	\$ 0.300236
Commodity Charge including New Jersey Sales and Use Tax (SUT)	<u>\$ 0.320127</u>

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

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

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

Effective	BGSS-RSG Credit (per therm)	BGSS-RSG Credit including SUT (per therm)
April 1, 2018 through April 30, 2018	(\$0.140680)	(\$0.150000)
May 1, 2018	\$0.000000	\$0.000000

Date of Issue: December 23, 2019

Effective: January 1, 2020

Issued by SCOTT S. JENNINGS, SVP - Corporate Planning, Strategy and Utility Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102

Filed pursuant to Order of Board of Public Utilities dated January 6, 2003 and September 11, 2019
in Docket Nos. GX01050304 and GR19060699

TYPICAL RESIDENTIAL GAS BILL IMPACTS

The effect of the proposed change in the Basic Gas Supply Service RSG (BGSS-RSG) charge 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	170	\$230.36	\$226.96	(\$3.40)	(1.48%)
50	340	357.16	350.36	(6.80)	(1.90)
100	610	567.94	555.74	(12.20)	(2.15)
159	1,000	870.17	850.17	(20.00)	(2.30)
172	1,040	895.22	874.42	(20.80)	(2.32)
200	1,210	1,024.42	1,000.22	(24.20)	(2.36)
300	1,816	1,485.80	1,449.48	(36.32)	(2.44)

(1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect December 1, 2019 and assumes that the customer receives commodity service from Public Service.

(2) Same as (1) except includes change in the BGSS-RSG.

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:
170	25	\$27.80	\$27.30	(\$0.50)	(1.80%)
340	50	46.94	45.94	(1.00)	(2.13)
610	100	86.30	84.30	(2.00)	(2.32)
1,040	172	142.24	138.80	(3.44)	(2.42)
1,210	200	163.97	159.97	(4.00)	(2.44)
1,816	300	241.66	235.66	(6.00)	(2.48)

(3) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect December 1, 2019 and assumes that the customer receives commodity service from Public Service.

(4) Same as (3) except includes change in the BGSS-RSG.