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May 27, 2021

In The Matter of the Petition of
Public Service Electric and Gas Company
for Approval of the Recovery of Associated Costs
Related to the Community Solar Energy Pilot Program ("Pilot Program")

BPU Docket No. _____

VIA BPU E-FILING SYSTEM & ELECTRONIC MAIL

Aida Camacho-Welch, Secretary
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

Dear Secretary Camacho-Welch:

Enclosed for filing on behalf of petitioner Public Service Electric and Gas Company is the Petition, Testimony of Stephen Swetz, and Supporting Schedules in the above-referenced proceeding.

Please be advised that workpapers are being provided via electronic version only.

Very truly yours,

A handwritten signature in blue ink that reads "Matthew Weissman".

Matthew M. Weissman

C Attached Service List (via e-mail)

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05/27/2021

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**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE PETITION OF)
PUBLIC SERVICE ELECTRIC AND GAS)
COMPANY FOR APPROVAL OF THE) BPU DOCKET NO. [_____])
RECOVERY OF COSTS RELATED TO THE)
COMMUNITY SOLAR ENERGY PILOT)
PROGRAM (“PILOT PROGRAM”))

VERIFIED PETITION

Public Service Electric and Gas Company (“PSE&G,” the “Company,” or “Petitioner”), 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 as follows:

INTRODUCTION

1. Petitioner is a public utility providing service to approximately 2.3 million electric and 1.8 million gas customers in an area having a population in excess of six million persons. Petitioner’s service territory extends from the Hudson River opposite New York City, southwest to the Delaware River at Trenton and south to Camden, New Jersey.

2. Petitioner 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 service pursuant to N.J.S.A. 48:2-13, *et seq.*

3. The Clean Energy Act of 2018, P.L. 2018, c. 17 (the “Clean Energy Act”) provided for the establishment of a "Community Solar Energy Pilot Program" (the “Pilot Program”) which would:

permit customers of an electric public utility to participate in a solar energy project that is remotely located from their properties but is within their electric public utility service territory to allow for a credit to the customer's utility bill equal to the electricity generated that is attributed to the customer's participation in the solar energy project.¹

4. Section 5(e) of the Clean Energy Act further provides: “Subject to review by the board, an electric public utility shall be entitled to full and timely cost recovery for all costs incurred in implementation and compliance with this section.”

5. In accordance with the Clean Energy Act, the Board subsequently adopted rules known as the Community Solar Energy Pilot Program Rules (the “Program Rules”), which provided in part: “Electric distribution companies shall, subject to review and approval by the Board, be entitled to full cost recovery for any incremental costs incurred in implementation, compliance, and administration of the Pilot Program.”²

6. PSE&G is filing this Petition seeking Board approval to recover certain incremental costs associated with the implementation, compliance, and administration of the Pilot Program (the “Incremental Costs”).

COMMUNITY SOLAR ENERGY PILOT PROGRAM COSTS

7. As set forth in the testimony of Stephen Swetz, PSE&G is proposing to recover the revenue requirements associated with the Incremental Costs of the Pilot Program, which costs include (a) investments in information technology (“IT Investment”), (b) Rate Credits (as defined in the testimony) associated with the Pilot Program, and (c) the Pilot Program O&M expenses, all as reasonable and prudently incurred by the Company.

¹ The Clean Energy Act of 2018 is codified at N.J.S.A. 48:3-87.11.

² N.J.A.C. § 14:8-9.3(d).

REQUEST FOR COST RECOVERY

8. In accordance with the Clean Energy Act and the Program Rules, each EDC “shall be entitled ... to full cost recovery for any incremental costs incurred in implementation, compliance, and administration of the Pilot Program.” Consistent with the Program Rules, PSE&G is seeking BPU approval to recover the actual revenue requirements from March 2020 through April 2021 in the amount of approximately \$429,000 (the “Revenue Requirements”) associated with the Incremental Costs, which amount is supported by Attachment 2, Schedule SS-CSEP-3 attached hereto. The Company proposes to recover these actual costs in the initial rate period beginning October 1, 2021 and ending September 30, 2022.

9. PSE&G proposes to recover the Revenue Requirements associated with the Pilot Program via a new component of the Company’s existing electric Green Program Recovery Charges (GPRC) to be designated the Community Solar Energy Program (“CSEP”) component.

10. Attachment 2 is the testimony of Stephen Swetz supporting the Revenue Requirement and rate calculations.

11. The annual average bill impacts of the requested rate increase are set forth in Attachment 2, Schedule SS-CSEP-7. The annual impact of the proposed rates to the typical residential electric customer using 740 kilowatt-hours in a summer month and 6,920 kilowatt-hours annually is an increase of \$0.04 or approximately 0.00%.

12. Attachment 1 is a draft Form of Notice of Filing and of Public Hearings (Form of Notice). This Form of Notice will be placed in newspapers having a circulation within the Company’s electric service territory upon scheduling of public hearing dates. Public hearings will be held telephonically. A Notice will be served on the County Executives and Clerks of all

municipalities within the Company's electric service territory upon scheduling of public hearing dates.

13. In accordance with the Board's Covid-19 order,³ notice of this filing, the Petition, testimony, and schedules 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, N.J. 08625 by electronic mail. Electronic copies of the Petition, testimony, and schedules will also be sent to the persons identified on the service list provided with this filing.

14. PSE&G requests that the Board find that the proposed rates, as calculated in, Attachment 2, Schedule SS-CSEP-2, are just and reasonable, and that PSE&G should be authorized to implement the proposed rates as set forth herein, effective October 1, 2021 upon issuance of a written BPU order.

15. 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 compared to the proposed rates based upon the Board's decision.

³ *See In the matter of the New Jersey Board of Public Utilities' Response to the Covid-19 Pandemic for a Temporary Waiver of the Requirements for Certain Non-Essential Obligations*, Docket No. EO20030254, dated March 19, 2020.

COMMUNICATIONS

16. 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 retain jurisdiction of this matter and review and expeditiously issue an order approving this Petition specifically finding that:

1. PSE&G is authorized to recover all Incremental Costs identified herein associated with the Pilot Program, as such costs are reflected in this Petition and accompanying materials, along with anticipated updates of data; and

2. The rates as calculated in Attachment 2, Schedule SS-CSEP-2, are just and reasonable and may be implemented for service rendered on and after October 1, 2021.

Respectfully submitted,

PUBLIC SERVICE ELECTRIC AND GAS COMPANY



DATED: May 27 2021

By:

Matthew M. Weissman
Managing Counsel, State Regulatory
PSEG Services Corp.
80 Park Plaza, T5G
P. O. Box 570
Newark, New Jersey 07102
Phone: (973) 430-7052

[illegible]

Stephen Swetz of full age, being duly sworn according to law, on his oath deposes
and says:

1. I am Stephen Swetz, Sr. Director - Corporate Rates and Revenue Requirements for PSEG Services Corporation.
2. I have read the annexed Petition and the matters contained therein, and they are true to the best of my knowledge and belief.

Robert Smith

Sworn to and Subscribed to
Before me this 27th day of
May 2021

Michele D. Falcao

MICHELE D. FALCAO
Notary Public, State of New Jersey
My Commission Expires
November 14, 2021

NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY ELECTRIC CUSTOMERS

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF THE RECOVERY OF ASSOCIATED COSTS RELATED TO THE COMMUNITY SOLAR ENERGY PILOT PROGRAM ("PILOT PROGRAM")

Notice of Filing

BPU Docket No. _____

TAKE NOTICE that, in May 2021, Public Service Electric and Gas Company ("Public Service," "PSE&G," or "Company") filed a petition and supporting documentation with the New Jersey Board of Public Utilities ("Board" or "BPU") requesting approval of the recovery of associated costs related to the Community Solar Energy Pilot Program (the "Pilot Program").

PSE&G is proposing to recover approximately \$429,000 in revenue associated with costs related to the Pilot Program for the period March 1, 2020 through April 30, 2021. Costs included but were not limited to: (a) investments in information technology ("IT Investment"), (b) Rate Credits of the Pilot Program, and (c) the Pilot Program O&M expenses, reasonable and prudently incurred by the Company.

The Company proposes to recover all Pilot Program costs through the Community Solar Energy Program ("CSEP") as a new separate component of the electric Green Programs Recovery Charge ("GPRC"). The CSEP component will be applicable to all electric rate schedules and would be reviewed and modified in an annual filing.

Under this proposal, the Company would defer any over/under recovery of the monthly actual revenue requirements compared to actual revenues. 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. The proposed electric GPRC, if approved by the Board, is shown in Table #1.

The approximate effect of the proposed increase on typical electric residential monthly bills, if approved by the Board, is illustrated in Table #2.

Based on the filing, a typical residential electric customer using 740 kilowatt-hours per summer month and 6,920 kilowatt-hours on an annual basis would see an initial increase in the annual bill from \$1,285.88 to \$1,285.92, or \$0.04 or approximately 0.00%.

Any rate adjustments with resulting changes in bill impacts found by the Board to be just and reasonable as the result of the Company's filing may be modified and/or allocated by the Board in accordance 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 described charges may increase or decrease based upon the Board's decision.

The Company's filing is available for review online at the PSEG website at <http://www.pseg.com/pseandgfilings>.

**Table # 1
GPRC Charge**

	CSEP Component of the GPRC		Total GPRC	
	Present \$/kWhr (Incl. SUT)	Proposed \$/kWhr (Incl. SUT)	Present \$/kWhr (Incl. SUT)	Proposed \$/kWhr (Incl. SUT)
GPRC Electric	\$0.000000	\$0.000012	\$0.002340	\$0.002352

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:
1,732	185	\$38.06	\$38.07	\$0.01	0.03%
3,464	370	71.21	71.21	0.00	0.00
6,920	740	139.35	139.36	0.01	0.01
7,800	803	151.49	151.50	0.01	0.01
12,500	1,337	254.37	254.38	0.01	0.00

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect May 1, 2021 and assumes that the customer receives BGS-RSCP service from Public Service Electric and Gas Company.
- (2) Same as (1) except includes the CSEP component of the GPRC.

Danielle Lopez
Associate Counsel - Regulatory

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY ELECTRIC CUSTOMERS

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF THE RECOVERY OF ASSOCIATED COSTS RELATED TO THE COMMUNITY SOLAR ENERGY PILOT PROGRAM ("PILOT PROGRAM")

Notice of Filing And Notice of Public Hearings

BPU Docket No. _____

TAKE NOTICE that, in May 2021, Public Service Electric and Gas Company ("Public Service," "PSE&G," or "Company") filed a petition and supporting documentation with the New Jersey Board of Public Utilities ("Board" or "BPU") requesting approval of the recovery of associated costs related to the Community Solar Energy Pilot Program (the "Pilot Program").

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Based on the filing, a typical residential electric customer using 740 kilowatt-hours per summer month and 6,920 kilowatt-hours on an annual basis would

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Any rate adjustments with resulting changes in bill impacts found by the Board to be just and reasonable as the result of the Company's filing may be modified and/or allocated by the Board in accordance 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 described charges may increase or decrease based upon the Board's decision.

The Company's filing is available for review online at the PSEG website at <http://www.pseg.com/pseandgfilings>.

Please take further notice that due to the COVID-19 pandemic, telephonic public hearings have been scheduled on the following date and times so that members of the public may present their views on the Company's filing.

Date:

Time:

Dial In:

Access Code:

Representatives from the Company, Board Staff, and the New Jersey Division of Rate Counsel will participate in the public hearings. Members of the public are invited to listen, and if they choose, express their views on this filing. Such comments will be made part of the final record of the proceeding to be considered by the Board. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters, 48 hours prior to the above hearings to the Board Secretary at board.secretary@bpu.nj.gov.

The Board will also accept written and emailed comments. Although both will be given equal consideration, the preferred method of transmittal is via email to ensure timely receipt while the Board continues to work remotely due to the COVID-19 pandemic. Emailed comments may be filed with the Secretary of the Board, in pdf or Word format to board.secretary@bpu.nj.gov or through the Board's External Access Portal after obtaining a MyNewJersey Portal ID. Once an account is established, you will need an authorization code which can be obtained upon request by emailing the Board's IT Helpdesk at BPUITHELPDESK@bpu.nj.gov. Detailed instructions

for e-Filing can be found on the Board's home page at <https://www.nj.gov/bpu/agenda/efiling>.

Written comments may be submitted to the Board Secretary, Aida Camacho-Welch, at the Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, NJ 08625-0350.

All comments should include the name of the petitioner and the docket number. Written and emailed comments will be provided the same weight as statements made at the hearings.

**Table # 1
GPRC Charge**

	CSEP Component of the GPRC		Total GPRC	
	Present \$/kWhr (Incl. SUT)	Proposed \$/kWhr (Incl. SUT)	Present \$/kWhr (Incl. SUT)	Proposed \$/kWhr (Incl. SUT)
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12,500	1,337	254.37	254.38	0.01	0.00

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect May 1, 2021 and assumes that the customer receives BGS-RSCP service from Public Service Electric and Gas Company.
- (2) Same as (1) except includes the CSEP component of the GPRC.

Danielle Lopez
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PUBLIC SERVICE ELECTRIC AND GAS COMPANY

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

**IN THE MATTER OF THE PETITION OF
PUBLIC SERVICE ELECTRIC AND GAS COMPANY
FOR APPROVAL OF THE RECOVERY OF
ASSOCIATED COSTS RELATED TO THE
COMMUNITY SOLAR ENERGY PILOT PROGRAM
("PILOT PROGRAM")**

BPU Docket No. _____

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY
DIRECT TESTIMONY
OF
STEPHEN SWETZ
SR. DIRECTOR – CORPORATE RATES
AND REVENUE REQUIREMENTS**

MAY 27, 2021

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY
DIRECT TESTIMONY
OF
STEPHEN SWETZ
SR. DIRECTOR – CORPORATE RATES AND REVENUE REQUIREMENTS**

1 **Q. Please state your name and professional title.**

2 A. My name is Stephen Swetz and I am the Sr. Director – Corporate Rates and Revenue
3 Requirements for PSEG Services Corporation. My credentials are set forth in the attached
4 Schedule SS-CSEP-1.

5 **Q. What is the purpose of your direct testimony in this proceeding?**

6 A. The purpose of this testimony is to support Public Service Electric and Gas Company's
7 ("PSE&G" or the "Company") proposed methodology for recovery of its share of the costs
8 related to Community Solar Energy Pilot Program (the "Pilot Program") including projected
9 bill impacts. My testimony provides details of the proposed calculations and recovery
10 mechanisms.

11 **COST RECOVERY MECHANISM**

12 **Q. Please briefly describe PSE&G's proposed cost recovery of the Pilot Program**

13 A. PSE&G is proposing to recover the revenue requirements associated with the costs of
14 the Pilot Program. Costs included but not limited to (a) investments in information technology
15 ("IT Investment"), (b) Rate Credits of the Pilot Program, and (c) the Pilot Program O&M
16 expenses, reasonable and prudently incurred by the Company.

17 PSE&G is proposing that the Board of Public Utilities ("Board" or "BPU") authorize
18 the recovery of the revenue requirements in accordance with the Clean Energy Act of 2018,

1 P.L. 2018, c. 17, the Pilot Program regulations (see N.J.A.C. § 14:8-9.3(d)) and Section 13 of
2 L. 2007, c.340 of N.J.S.A. 48:3-98.1 et seq.

3 The details of the costs proposed to be recovered, as well as the mechanism for such
4 recovery, are set forth in this testimony.

5 **Calculation of the Revenue Requirements**

6 **Q. How does PSE&G propose to calculate the revenue requirements on a monthly**
7 **basis?**

8 A. The revenue requirements associated with the costs of the Pilot Program would be
9 expressed as:

$$\begin{aligned} 10 \quad & \text{Revenue Requirements} = (\text{IT Net Investment} * \text{Cost of Capital}) + \text{Amortization} + \text{Rate} \\ 11 \quad & \text{Credits} + \text{O\&M Expenses} \end{aligned}$$

12 **Q. Please describe the components and defined terms in PSE&G's proposed**
13 **monthly revenue requirement calculation.**

14 A. The following is a description of each term proposed in PSE&G's revenue requirement
15 calculation.

16 Cost of Capital – This is PSE&G's overall weighted average cost of capital (WACC) for the
17 Pilot Program. PSE&G shall earn a return on its net investment in the Pilot Program based upon
18 an authorized return on equity (ROE) and capital structure including income tax effects. The
19 Company's initial cost of capital for the Pilot Program will be based on the ROE, long-term debt
20 rate and capital structure approved in the Company's most recent base rate case. Any change in
21 the WACC authorized by the Board in a subsequent base rate case will be reflected in the
22 subsequent monthly revenue requirement calculations. Any changes to current tax rates would

1 be reflected in an adjustment to the Pre-Tax WACC. See Schedule SS-CSEP-6 for the calculation
2 of the current Pre-Tax WACC. Any change in the WACC authorized by the Board in a
3 subsequent electric, gas, or combined base rate case will be reflected in the appropriate
4 corresponding subsequent monthly revenue requirement calculations. Any change in the revenue
5 requirement resulting from the change in the WACC will not be included in the monthly interest
6 calculation for over and under recoveries until the date of the next scheduled annual true-up.

7 Net Investment – This is the net balance of:

8 1) Capitalized IT Costs, less the associated accumulated amortization; and

9 2) Accumulated Deferred Income Tax (ADIT)

10 Amortization – The Amortization is comprised of the amortization of the capitalized IT costs.
11 The amortization will be based on a monthly vintaging methodology instead of the mass
12 property accounting typically used for utility property.

13 Rate Credits – The aggregate dollar credit that is given to the Community Solar participants.
14 The credits will be calculated in accordance with the approved methodology set forth in the
15 Board's order dated August 7, 2019 in Docket No. QO18060646.

16 O&M Expenses - the Company is seeking to recover an administrative allowance, which will
17 be comprised of the incremental costs incurred in implementation, compliance, and
18 administration of the Pilot Program. These include IT O&M, Administrative and Other
19 Expenses.

20 **Q. What are the revenue requirements for the initial rate recovery period?**

1 A. The revenue requirements for the initial rate period through April 2021 is \$429,000
2 (the “Revenue Requirements”). See Schedule SS-CSEP-3.

3 **Q. Please describe the monthly detailed revenue requirement calculations.**

4 A. The monthly detailed calculation of the Revenue Requirements for the initial period
5 from March 2020 along with monthly calculations through April 2021 for the Pilot Program is
6 based upon the costs shown in Schedule SS-CSEP-3 and is available in the electronic
7 workpapers (WP-SS-CSEP-1.xlsx, worksheet “RevReqE”).

8 **Method for Cost Recovery**

9 **Q. Please describe the cost recovery mechanism.**

10 A. PSE&G proposes to recover the Revenue Requirements associated with the Pilot
11 Program via a new component of the Company’s existing electric Green Program Recovery
12 Charges (GPRC) to be designated the Community Solar Energy Program (“CSEP”) component
13 or rate.

14 **Q. When is the anticipated implementation of this charge?**

15 A. The cost recovery mechanism, as proposed as part of this testimony, is intended to be
16 effective October 1, 2021 upon issuance of a Board Order.

17 **Q. How does the Company propose to recover costs for the Pilot Program for the**
18 **initial rate period?**

19 A. For the initial rate period, the Company proposes to recover actual unrecovered costs
20 plus interests through April 30, 2021 commencing October 1, 2021 through September 30,
21 2022. The calculation of the proposed CSEP rate is shown in Schedule SS-CSEP-2. The

1 Revenue Requirements (Line 4) for the initial period is divided by the Forecasted Sales (Line
2 5) to determine the CSEP rate (Line 6) without the New Jersey Energy Sales and Use Tax
3 (SUT) applied.

4 **Q. How does the Company anticipate updating the CSEP rate for subsequent rate**
5 **periods?**

6 A. For subsequent rate periods, the Company proposes to update the CSEP rate on an
7 annual basis incorporating new actuals and a true-up of the revenue collection. The calculation
8 of the subsequent CSEP rate will be similar to the methodology used for the initial rate period.

9 **Q. How will the Company account for any over- or under-recoveries?**

10 A. Under this proposal, the Company would defer any over/under recovery of the monthly
11 actual Revenue Requirements compared to actual revenues. In calculating the monthly interest
12 on net over and under recoveries, the interest rate shall be based upon the Company's interest
13 rate obtained on its commercial paper and/or bank credit lines utilized in the preceding month.
14 If both commercial paper and bank credit lines have been utilized, the weighted average of
15 both sources of capital shall be used. In the event that neither commercial paper nor bank
16 credit lines were utilized in the preceding month, the last calculated rate will be used. The
17 interest rate shall not exceed PSE&G's overall rate of return as authorized by the Board in
18 calculating revenue requirements for the corresponding period. The interest amount charged
19 to the Pilot Program deferred balance will be computed using the methodology set forth in
20 Schedule SS-CSEP-4. The calculation of monthly interest shall be based on the net of tax
21 average monthly balance, consistent with the methodology set forth in Schedule SS-CSEP-4.
22 Simple interest shall accrue on any under and over recovered balances, and shall be included

1 in the deferred balances at the end of each reconciliation period. Near the end of the initial and
2 each subsequent recovery period, the corresponding electric deferred balance would be
3 included for the succeeding period for purpose of setting the revised CSEP rate.

4 **Projected Bill Impacts**

5 **Q. Please describe the calculation of the bill impacts for the Pilot Program.**

6 A. An estimate of rate and bill impacts of the Pilot Program has been prepared as Schedule
7 SS-CSEP-7. The calculations of CSEP rate without SUT were previously described in the
8 Method of Cost Recovery section above. The CSEP rate with SUT (Line 10 of Schedule SS-
9 CSEP-2) is determined by multiplying each CSEP rate without SUT (Line 6) by one plus the
10 current SUT rate (6.625%) This Rate Impact Analysis uses current rates for calculating the
11 percentage change for all major rate classes. The May 1, 2021 current average rates for all of
12 these rate classes are shown in Schedule SS-CSEP-5. In addition, the typical residential
13 electric annual bill calculations are also shown in Schedule SS-CSEP-5.

14 **Q. What are the bill impacts for the initial rate recovery period?**

15 A. The expected increase from the Pilot Program for the initial recovery period would be
16 \$0.000011 per kWh without SUT (\$0.000012 per kWh with SUT).

17 PSE&G's typical residential electric customer using 740 kWh in a summer month and
18 6,920 kWh annually would experience an initial increase in their annual bill from \$1,285.88 to
19 \$1,285.92 or \$0.04, or approximately 0.00% (based upon Delivery Rates and BGS-RSCP
20 charges in effect May 1, 2021 assuming that the customer receives BGS-RSCP service from
21 PSE&G).

1 **Q. Does this conclude your testimony at this time?**

2 **A. Yes, it does.**

SCHEDULE INDEX

Schedule SS-CSEP-1	Credentials
Schedule SS-CSEP-2	Proposed Rate Calculation
Schedule SS-CSEP-3	Revenue Requirements Calculation
Schedule SS-CSEP-4	Electric Over / Under Balance Calculation
Schedule SS-CSEP-5	Rate Impact Analysis
Schedule SS-CSEP-6	WACC
Schedule SS-CSEP-7	Residential Bill Impacts
Schedule SS-CSEP-8	Tariff Sheets

ELECTRONIC WORKPAPER INDEX

WP-SS-CSEP-1.xlsx

**CREDENTIALS
OF
STEPHEN SWETZ
SR. DIRECTOR-CORPORATE RATES AND REVENUE REQUIREMENTS**

My name is Stephen Swetz and I am employed by PSEG Services Corporation. I am the Sr. Director - Corporate Rates and Revenue Requirements where my main responsibility is to contribute to the development and implementation of electric and gas rates for Public Service Electric and Gas Company (PSE&G, the Company).

WORK EXPERIENCE

I have over 30 years of experience in Rates, Financial Analysis and Operations for three Fortune 500 companies. Since 1991, I have worked in various positions within PSEG. I have spent most of my career contributing to the development and implementation of PSE&G electric and gas rates, revenue requirements, pricing and corporate planning with over 20 years of direct experience in Northeastern retail and wholesale electric and gas markets.

As Sr. Director of Corporate Rates and Revenue Requirements, I have submitted pre-filed direct cost recovery testimony as well as oral testimony to the New Jersey Board of Public Utilities and the New Jersey Office of Administrative Law for base rate cases, as well as a number of clauses including infrastructure investments, renewable energy, and energy efficiency programs. A list of my prior testimonies can be found on pages 3 and 4 of this document. I have also contributed to other filings including

1 unbundling electric rates and Off-Tariff Rate Agreements. I have had a leadership role in
2 various economic analyses, asset valuations, rate design, pricing efforts and cost of service
3 studies.

4 I am an active member of the American Gas Association's Rate and Strategic
5 Issues Committee, the Edison Electric Institute's Rates and Regulatory Affairs Committee
6 and the New Jersey Utility Association (NJUA) Finance and Regulatory Committee.

7 **EDUCATIONAL BACKGROUND**

8 I hold a B.S. in Mechanical Engineering from Worcester Polytechnic
9 Institute and an MBA from Fairleigh Dickinson University.

LIST OF PRIOR TESTIMONIES

Company	Utility	Docket	Testimony	Date	Case / Topic
Public Service Electric & Gas Company	E		written	May-21	Community Solar Energy Program
Public Service Electric & Gas Company	E/G	GR20120763	written	Dec-20	Remediation Adjustment Charge-RAC 27
Public Service Electric & Gas Company	E	ER20120736	written	Nov-20	The Second Energy Strong Program (Energy Strong II)
Public Service Electric & Gas Company	E/G	ER20100685 & GR20100686	written	Oct-20	Tax Adjustment Clauses (TACs)
Public Service Electric & Gas Company	E	ER20100658	written	Oct-20	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER20060467 & GR20060468	written	Jun-20	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, EE17, S4All, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	G	GR20060470	written	Jun-20	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	G	GR20060384	written	Jun-20	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E	ER20040324	written	Apr-20	Transitional Renewable Energy Certificate Program (TREC)
Public Service Electric & Gas Company	E/G	GR20010073	written	Jan-20	Remediation Adjustment Charge-RAC 27
Public Service Electric & Gas Company	G	GR19120002	written	Dec-19	Gas System Modernization Program II (GSMPII) - Second Roll-In
Public Service Electric & Gas Company	E/G	ER19091302 & GR19091303	written	Aug-19	Tax Adjustment Clauses (TACs)
Public Service Electric & Gas Company	E/G	ER19070850	written	Jul-19	Societal Benefits Charge (SBC) / Cost Recovery
Public Service Electric & Gas Company	E/G	ER19060764 & GR19060765	written	Jun-19	Green Programs Recovery Charge (GPRC)-Including CA, DR, EEE, EEE Ext, S4All, S4AEXT, S4AEXT II, SLII, SLIII / Cost Recovery
Public Service Electric & Gas Company	G	GR19060766	written	Jun-19	Gas System Modernization Program II (GSMPII) - First Roll-In
Public Service Electric & Gas Company	G	GR19060761	written	Jun-19	Weather Normalization Charge / Cost Recovery
Public Service Electric & Gas Company	E	ER19060741	written	Jun-19	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
Public Service Electric & Gas Company	E/G	EO18060629 - GO18060630	oral	Jun-19	Energy Strong II / Revenue Requirements & Rate Design
Public Service Electric & Gas Company	G	GR19060698	written	May-19	Margin Adjustment Charge (MAC) / Cost Recovery
Public Service Electric & Gas Company	E	ER19040523	written	May-19	Non-Utility Generation Charge (NGC) / Cost Recovery
Public Service Electric & Gas Company	E/G	EO18101113 - GO18101112	oral	May-19	Clean Energy Future - Energy Efficiency Program Approval
Public Service Electric & Gas Company	E	ER19040530	written	Apr-19	Madison 4kV Substation Project (Madison & Marshall)
Public Service Electric & Gas Company	E/G	EO18101113 - GO18101112	written	Dec-18	Clean Energy Future - Energy Efficiency Program Approval
Public Service Electric & Gas Company	E/G	GR18121258	written	Nov-18	Remediation Adjustment Charge-RAC 26
Public Service Electric & Gas Company	G	GR18070831	written	Jul-18	Gas System Modernization Program (GSMP) - Third Roll-In
Public Service Electric & Gas Company	E/G	ER18070688 - GR18070689	written	Jun-18	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	ER18060681	written	Jun-18	Solar Pilot Recovery Charge (SPRC-Solar Loan I) / Cost Recovery
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	ER18040358 - GR18040359	written	Mar-18	Energy Strong / Revenue Requirements & Rate Design - Eighth Roll-in
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 - Seventh Roll-in
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/G	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

LIST OF PRIOR TESTIMONIES

Company	Utility	Docket	Testimony	Date	Case / Topic
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
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 Community Solar Energy Program Proposed Rate Calculations

(\$'s Unless Specified)

Actual results through 4/30/2021

Current SUT Rate 6.625%

<u>Line</u>	<u>Date(s)</u>		<u>Electric</u>	<u>Source/Description</u>
1	Mar 20 - Apr 21	Revenue Requirements	427,878	SS-CSEP-3, Col 13
2	Apr-21	(Over) / Under Recovered Balance	427,878	-SS-CSEP-4, Col 7
3	Apr-21	Cumulative Interest Exp / (Credit)	<u>1,494</u>	SS-CSEP-4, Col 12
4	Oct 21 - Sep 22	Total Target Rate Revenue	429,373	Line 2 + Line 3
5	Oct 21 - Sep 22	Forecasted kWh (000)	39,665,976	
6		Calculated Rate w/o SUT (\$/kWh)	0.000011	(Line 4 / (Line 5*1,000)) [Rnd 6]
7		Public Notice Rate w/o SUT (\$/kWh)	0.000011	
8		Existing Rate w/o SUT (\$/kWh)	0.000000	
9		Proposed Rate w/o SUT (\$/kWh)	0.000011	Line 7
10		Proposed Rate w/ SUT (\$/kWh)	0.000012	(Line 9 * (1 + SUT Rate)) [Rnd 6]
11		Difference in Proposed and Previous Rate	0.000011	(Line 9 - Line 8)
12		Resultant CS Revenue Increase / (Decrease)	429,186	(Line 5 * Line 11 * 1,000)

**PSE&G Community Solar Energy Program
Electric Revenue Requirements Calculation**

Effective Date 11/1/2018	
Monthly WACC effective	0.751400%
Inc. tax rate effective	28.11%

Actual results through 4/30/2021

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	<u>Capitalized IT</u>	<u>Gross Plant</u>	<u>IT Cost</u>	<u>Accumulated</u>	<u>Net Plant</u>	<u>Tax Depreciation</u>	<u>Deferred Income</u>	<u>Accumulated</u>
	<u>Costs</u>		<u>Amortization</u>	<u>Amortization</u>			<u>Tax</u>	<u>Tax</u>
Monthly Calculation								
Jan-20	-	-	-	-	-	-	-	-
Feb-20	-	-	-	-	-	-	-	-
Mar-20	-	-	-	-	-	-	-	-
Apr-20	-	-	-	-	-	-	-	-
May-20	-	-	-	-	-	-	-	-
Jun-20	-	-	-	-	-	-	-	-
Jul-20	-	-	-	-	-	-	-	-
Aug-20	-	-	-	-	-	-	-	-
Sep-20	-	-	-	-	-	-	-	-
Oct-20	-	-	-	-	-	-	-	-
Nov-20	-	-	-	-	-	-	-	-
Dec-20	-	-	-	-	-	-	-	-
Jan-21	-	-	-	-	-	-	-	-
Feb-21	-	-	-	-	-	-	-	-
Mar-21	524,000	524,000	7,278	7,278	516,722	7,278	-	-
Apr-21	63,850	587,850	15,442	22,720	565,129	15,442	-	-
May-21	-	587,850	16,329	39,049	548,800	16,329	-	-
Jun-21	-	587,850	16,329	55,378	532,471	16,329	-	-
Jul-21	-	587,850	16,329	71,708	516,142	16,329	-	-
Aug-21	-	587,850	16,329	88,037	499,813	16,329	-	-
Sep-21	-	587,850	16,329	104,366	483,484	16,329	-	-
Oct-21	-	587,850	16,329	120,695	467,155	16,329	-	-
Nov-21	-	587,850	16,329	137,024	450,825	16,329	-	-
Dec-21	-	587,850	16,329	153,353	434,496	16,329	-	-
Jan-22	-	587,850	16,329	169,683	418,167	16,329	-	-
Feb-22	-	587,850	16,329	186,012	401,838	16,329	-	-
Mar-22	-	587,850	16,329	202,341	385,509	16,329	-	-
Apr-22	-	587,850	16,329	218,670	369,180	16,329	-	-
May-22	-	587,850	16,329	234,999	352,850	16,329	-	-
Jun-22	-	587,850	16,329	251,328	336,521	16,329	-	-
Jul-22	-	587,850	16,329	267,657	320,192	16,329	-	-
Aug-22	-	587,850	16,329	283,987	303,863	16,329	-	-
Sep-22	-	587,850	16,329	300,316	287,534	16,329	-	-
	See WP-SS- CSEP-1.xlsx 'ITCap-E' wksht	Prior Month + (Col 1 + Col 2)	See WP-SS- CSEP-1.xlsx 'AmortE' wksht	Prior Month + (Col 3 + Col 4)	Col 2 - Col 4	See WP-SS- CSEP-1.xls 'AmortE' wksht	See WP-SS- CSEP-1.xls 'AmortE' wksht	Prior Month + Col 7
Annual Summary								
2020	-	-	-	-	-	-	-	-
2021	587,850	587,850	153,353	153,353	16,329	153,353	-	16,329
Mar 20 - Apr 21	587,850		22,720			22,720	-	

**PSE&G Community Solar Energy Program
Electric Revenue Requirements Calculation**

Schedule SS-CSEP-3
Page 2 of 2

Actual results through 4/30/2021

	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
	<u>Net Investment</u>	<u>Return Requirement</u>	<u>IT O&M Expenses</u>	<u>Administrative Expenses</u>	<u>Rate Credits</u>	<u>Other Expenses</u>	<u>Revenue Requirements</u>	<u>Return Requirement at Previous WACC</u>	<u>Impact of Change in WACC</u>	<u>Revenue Requirement at Previous WACC</u>
Monthly Calculation										
Jan-20	-	-	-	-	-	-	-	-	-	-
Feb-20	-	-	-	-	-	-	-	-	-	-
Mar-20	-	-	-	-	-	-	-	-	-	-
Apr-20	-	-	830	-	-	-	830	-	-	830
May-20	-	-	1,211	-	-	-	1,211	-	-	1,211
Jun-20	-	-	4,687	-	-	-	4,687	-	-	4,687
Jul-20	-	-	50,242	-	-	-	50,242	-	-	50,242
Aug-20	-	-	54,008	-	-	-	54,008	-	-	54,008
Sep-20	-	-	79,906	-	-	-	79,906	-	-	79,906
Oct-20	-	-	43,355	-	-	-	43,355	-	-	43,355
Nov-20	-	-	30,662	-	-	-	30,662	-	-	30,662
Dec-20	-	-	61,348	-	-	-	61,348	-	-	61,348
Jan-21	-	-	2,480	-	-	-	2,480	-	-	2,480
Feb-21	-	-	9,741	-	4,311	-	14,053	-	-	14,053
Mar-21	516,722	1,941	12,888	-	7,270	-	29,377	-	-	29,377
Apr-21	565,129	4,065	4,285	-	31,927	-	55,719	-	-	55,719
May-21	548,800	4,185	-	-	-	-	20,514	-	-	20,514
Jun-21	532,471	4,062	-	-	-	-	20,391	-	-	20,391
Jul-21	516,142	3,940	-	-	-	-	20,269	-	-	20,269
Aug-21	499,813	3,817	-	-	-	-	20,146	-	-	20,146
Sep-21	483,484	3,694	-	-	-	-	20,023	-	-	20,023
Oct-21	467,155	3,572	-	-	-	-	19,901	-	-	19,901
Nov-21	450,825	3,449	-	-	-	-	19,778	-	-	19,778
Dec-21	434,496	3,326	-	-	-	-	19,655	-	-	19,655
Jan-22	418,167	3,203	-	-	-	-	19,533	-	-	19,533
Feb-22	401,838	3,081	-	-	-	-	19,410	-	-	19,410
Mar-22	385,509	2,958	-	-	-	-	19,287	-	-	19,287
Apr-22	369,180	2,835	-	-	-	-	19,165	-	-	19,165
May-22	352,850	2,713	-	-	-	-	19,042	-	-	19,042
Jun-22	336,521	2,590	-	-	-	-	18,919	-	-	18,919
Jul-22	320,192	2,467	-	-	-	-	18,796	-	-	18,796
Aug-22	303,863	2,345	-	-	-	-	18,674	-	-	18,674
Sep-22	287,534	2,222	-	-	-	-	18,551	-	-	18,551
	Col 5 + Col 8	(Prior Col 9 + Col 9) / 2 * Monthly Pre Tax WACC	PS Inputs	Input	PS Inputs	Input	Col 3 + Col 10 + Col 11 + Col 12 + Col 13 + Col 14	(Prior Col 9 + Col 9) / 2 * Monthly Pre Tax WACC	Col 16 - Col 10	Col 15 + Col 17
Annual Summary										
2020	-	-	326,250	-	-	-	326,250	-	-	326,250
2021	16,329	36,051	29,394	-	43,509	-	262,307	-	-	262,307
Mar 20 - Apr 21		6,006	355,643	-	43,509	-	427,878	-	-	427,878

**PSE&G Community Solar Energy Program
Electric Over/(Under) Calculation**

Tax Rate effective 1/1/18	28.11%
Previous Tax Rate	40.85%
Existing Rate / kWh (w/o SUT)	0.000000
Proposed Rate / kWh (w/o SUT)	0.000011

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	<u>Over / (Under)</u> <u>Recovery Beginning</u> <u>Balance</u>	<u>Electric</u> <u>Revenues</u>	<u>Revenue</u> <u>Requirement</u>	<u>Rate Case</u> <u>WACC Differential</u> <u>Cost</u>	<u>Revenue</u> <u>Requirement</u> <u>Excluding WACC</u> <u>Cost</u>	<u>Over / (Under)</u> <u>Recovery</u>	<u>Over / (Under)</u> <u>Recovery Ending</u> <u>Balance</u>	<u>Over / (Under)</u> <u>Average Monthly</u> <u>Balance</u>	<u>Interest Rate</u> <u>(Annualized)</u>	<u>Interest On Over /</u> <u>(Under) Average</u> <u>Monthly Balance</u>	<u>Interest Roll-In</u>	<u>Cumulative</u> <u>Interest</u>
Monthly Calculation												
Jan-20	-	-	-		-	-	-	-	1.95%	-	-	-
Feb-20	-	-	-		-	-	-	-	1.80%	-	-	-
Mar-20	-	-	-		-	-	-	-	1.80%	-	-	-
Apr-20	-	-	830		830	(830)	(830)	(415)	1.80%	(0)	-	(0)
May-20	(830)	-	1,211		1,211	(1,211)	(2,041)	(1,436)	2.47%	(2)	-	(3)
Jun-20	(2,041)	-	4,687		4,687	(4,687)	(6,728)	(4,384)	2.14%	(6)	-	(8)
Jul-20	(6,728)	-	50,242		50,242	(50,242)	(56,970)	(31,849)	2.14%	(41)	-	(49)
Aug-20	(56,970)	-	54,008		54,008	(54,008)	(110,978)	(83,974)	2.14%	(108)	-	(157)
Sep-20	(110,978)	-	79,906		79,906	(79,906)	(190,885)	(150,931)	2.14%	(193)	-	(350)
Oct-20	(190,885)	-	43,355		43,355	(43,355)	(234,240)	(212,562)	2.14%	(273)	-	(623)
Nov-20	(234,240)	-	30,662		30,662	(30,662)	(264,901)	(249,571)	2.14%	(320)	-	(943)
Dec-20	(264,901)	-	61,348		61,348	(61,348)	(326,250)	(295,576)	2.14%	(379)	-	(1,322)
Jan-21	(326,250)	-	2,480	-	2,480	(2,480)	(328,729)	(327,489)	0.28%	(55)	-	(1,377)
Feb-21	(328,729)	-	14,053	-	14,053	(14,053)	(342,782)	(335,755)	0.18%	(36)	-	(1,413)
Mar-21	(342,782)	-	29,377	-	29,377	(29,377)	(372,159)	(357,470)	0.18%	(39)	-	(1,451)
Apr-21	(372,159)	-	55,719	-	55,719	(55,719)	(427,878)	(400,019)	0.18%	(43)	-	(1,494)
May-21	(427,878)	-	20,514	-	20,514	(20,514)	(448,393)	(438,135)	0.18%	(47)	-	(1,542)
Jun-21	(448,393)	-	20,391	-	20,391	(20,391)	(468,784)	(458,588)	0.18%	(49)	-	(1,591)
Jul-21	(468,784)	-	20,269	-	20,269	(20,269)	(489,053)	(478,918)	0.18%	(52)	-	(1,643)
Aug-21	(489,053)	-	20,146	-	20,146	(20,146)	(509,199)	(499,126)	0.18%	(54)	-	(1,697)
Sep-21	(509,199)	-	20,023	-	20,023	(20,023)	(529,222)	(519,211)	0.18%	(56)	-	(1,753)
Oct-21	(529,222)	32,253	19,901	-	19,901	12,353	(516,870)	(523,046)	0.18%	(56)	-	(1,809)
Nov-21	(516,870)	30,465	19,778	-	19,778	10,687	(506,183)	(511,526)	0.18%	(55)	-	(1,864)
Dec-21	(506,183)	35,596	19,655	-	19,655	15,941	(490,242)	(498,212)	0.18%	(54)	-	(1,918)
Jan-22	(490,242)	37,261	19,533	-	19,533	17,729	(472,513)	(481,378)	0.18%	(52)	-	(1,970)
Feb-22	(472,513)	32,734	19,410	-	19,410	13,324	(459,189)	(465,851)	0.18%	(50)	-	(2,020)
Mar-22	(459,189)	33,326	19,287	-	19,287	14,039	(445,150)	(452,170)	0.18%	(49)	-	(2,069)
Apr-22	(445,150)	29,749	19,165	-	19,165	10,585	(434,566)	(439,858)	0.18%	(47)	-	(2,116)
May-22	(434,566)	33,251	19,042	-	19,042	14,210	(420,356)	(427,461)	0.18%	(46)	-	(2,162)
Jun-22	(420,356)	37,736	18,919	-	18,919	18,817	(401,539)	(410,948)	0.18%	(44)	-	(2,207)
Jul-22	(401,539)	45,319	18,796	-	18,796	26,523	(375,016)	(388,278)	0.18%	(42)	-	(2,248)
Aug-22	(375,016)	45,925	18,674	-	18,674	27,251	(347,765)	(361,391)	0.18%	(39)	-	(2,287)
Sep-22	(347,765)	35,569	18,551	-	18,551	17,018	(330,747)	(339,256)	0.18%	(37)	-	(2,324)
	(Prior Col 7) + (Col 11)	Forecasted kWh * Proposed Rate	See Revenue Requirements Schedule for Details		See Revenue Requirements Schedule for Details	Col 2 - Col 5	Col 1 + Col 6	(Col 1 + Col 7) / 2		(Col 8 * (Col 9) / 12)*net of tax rate		Prior Month + Col 10 - Col 11

PSE&G Community Solar Energy Program
Electric GPRC Recovery Charge (GPRC) - Rate Impact Analysis

6.625% SUT Rate effective 1/1/2018
39,665,976 kWh Sales (000) - Oct 21 - Sep 22

6,920 Avg RS kWh / yr.
740 Avg RS kWh / Summer Month
495 Avg RS kWh / Winter Month

0.002340 Current electric GPRC (\$/kWh)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Current	Electric CS Revenue Requirements	Electric CS w/o SUT (\$/kWh)	Electric CS w/ SUT (\$/kWh) ³	Class Average Rate w/SUT - \$/kWh ¹							Typical RS GPRC (\$)			Change in RS Typical Annual Bill (\$'s)	RS Typical Annual Bill (\$'s) ⁴	% Change in RS Typical Annual Bill
				RS	RHS	RLM	GLP	LPL-S	LPL-P	HTS-S	Summer Monthly Bill	Winter Monthly Bill	Annual Bill			
				0.185821	0.142019	0.183815	0.168150	0.130586	0.104529	0.089556	1.73	1.16	16.20		1,285.88	
Oct 21 - Sep 22	429,373	0.000011	0.000012	0.185833	0.142031	0.183827	0.168162	0.130598	0.104541	0.089568	1.74	1.16	16.24	\$0.04	1,285.92	0.00%
Total	429,373															
	From Schedule SS-EE17-3E Col 18	Col 1 / [kWh Sales] (Rnd to 6 dec.)	Col 2 * (1 + SUT Rate) Rnd 6	Current Class Avg Rate + Col 3 for Each Rate Class (Col 4 thru Col 11)							(Cur. eGPRC + Col 3) * Avg RS kWh Sum Mo Rnd 2	(Cur. eGPRC + Col 3) * Avg RS kWh Win Mo Rnd 2	(4 * Col 11) + (8 * Col 12)	Col 13 - Current Col 13	Current Col 15 + Col 14	Col 14 / Current Col 15 Rnd 4
				% Change from Current Class Average Rate w/SUT												
			Oct 21 - Sep 22	RS	RHS	RLM	GLP	LPL-S	LPL-P	HTS-S						
				0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%						

¹ All customers assumed to have BGS Supply

² Initial Rate period is October 2021 to September 2022 for Community Solar

³ SUT is assumed at the current SUT rate effective January 1, 2018 through the life of the Program

⁴ The rates are based on a typical residential bill as of May 1, 2021

Public Service Electric and Gas Company
Weighted Average Cost of Capital

\$ Millions

November 1, 2018 Forward

	Amount	Percent	Embedded Cost	Weighted Cost	Pre-Tax Weighted Cost	After-Tax Weighted Cost
Long-Term Debt	\$ 8,958	45.53%	3.96%	1.80%	1.80%	1.30%
Customer Deposits	92	0.47%	0.87%	0.00%	0.00%	0.00%
Common Equity	10,623	54.00%	9.60%	5.18%	7.21%	5.18%
Total	<u>\$ 19,674</u>	<u>100.00%</u>		<u>6.99%</u>	<u>9.02%</u>	<u>6.48%</u>

0.751400%

Federal Income Tax	21.00%
State NJ Business Incm Tax	9.00%
Fed Benefit of State Tax Deduction	<u>-1.89%</u>
Tax Rate	28.11%

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed Community Solar Energy Program (CSEP) component 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:
185	1,732	\$364.40	\$364.44	\$0.04	0.01%
370	3,464	669.56	669.56	0.00	0.00
740	6,920	1,285.88	1,285.92	0.04	0.00
803	7,800	1,443.61	1,443.69	0.08	0.01
1,337	12,500	2,301.16	2,301.28	0.12	0.01

- (1) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect May 1, 2021 and assumes that the customer receives BGS-RSCP service from Public Service.
(2) Same as (1) except includes the proposed CSEP 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:
1,732	185	\$38.06	\$38.07	\$0.01	0.03%
3,464	370	71.21	71.21	0.00	0.00
6,920	740	139.35	139.36	0.01	0.01
7,800	803	151.49	151.50	0.01	0.01
12,500	1,337	254.37	254.38	0.01	0.00

- (3) Based upon current Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect May 1, 2021 and assumes that the customer receives BGS-RSCP service from Public Service.
(4) Same as (3) except includes the proposed CSEP component of the GPRC.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 65

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

**Superseding
XXX Revised Sheet No. 65**

GREEN PROGRAMS RECOVERY CHARGE

**Charge
(per kilowatthour)**

Component:

Carbon Abatement Program	\$0.000016
Energy Efficiency Economic Stimulus Program.....	(0.000003)
Solar Generation Investment Program	0.000784
Solar Loan II Program	0.000075
Energy Efficiency Economic Extension Program.....	(0.000039)
Solar Generation Investment Extension Program	0.000097
Solar Loan III Program	(0.000089)
Energy Efficiency Economic Extension Program II.....	0.000259
Solar Generation Investment Extension II Program	(0.000002)
Energy Efficiency 2017 Program	0.000454
Clean Energy Act Studies	0.000009
Transition Renewable Energy Certificate Program.....	0.000532
Clean Energy Future - Energy Efficiency Program.....	0.000102
<u>Community Solar Energy Program.....</u>	<u>0.000011</u>
Sub-total per kilowatthour	<u>\$0.0022060-0.002195</u>

Charge including New Jersey Sales and Use Tax (SUT).....~~\$0.0023520-0.002340~~

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:

Effective:

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
in Docket Nos.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

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

XXX Revised Sheet No. 65

**Superseding
XXX Revised Sheet No. 65**

GREEN PROGRAMS RECOVERY CHARGE

**Charge
(per kilowatthour)**

Component:

Carbon Abatement Program	\$0.000016
Energy Efficiency Economic Stimulus Program.....	(0.000003)
Solar Generation Investment Program	0.000784
Solar Loan II Program	0.000075
Energy Efficiency Economic Extension Program.....	(0.000039)
Solar Generation Investment Extension Program	0.000097
Solar Loan III Program	(0.000089)
Energy Efficiency Economic Extension Program II.....	0.000259
Solar Generation Investment Extension II Program	(0.000002)
Energy Efficiency 2017 Program	0.000454
Clean Energy Act Studies	0.000009
Transition Renewable Energy Certificate Program.....	0.000532
Clean Energy Future - Energy Efficiency Program.....	0.000102
Community Solar Energy Program.....	<u>0.000011</u>
Sub-total per kilowatthour	<u>\$0.002206</u>

Charge including New Jersey Sales and Use Tax (SUT).....\$0.002352

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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