

Matthew M. Weissman  
Managing Counsel - State Regulatory

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



April 26, 2021

In The Matter of the Petition of  
Public Service Electric and Gas Company  
to Revise its Weather Normalization Charge  
for the 2021-2022 Annual Period  
BPU Docket No. GR21060952

**VIA ELECTRONIC MAIL**

Carmen Diaz, Acting Secretary  
Board of Public Utilities  
44 South Clinton Avenue  
P.O. Box 350  
Trenton, New Jersey 08625-0350

Dear Acting Secretary Diaz:

Attached please find the fully executed Stipulation in the above-referenced matter. The following parties have signed the Stipulation: Public Service Electric and Gas Company, the Staff of the New Jersey Board of Public Utilities, and the New Jersey Division of Rate Counsel.

Consistent with the Order issued by the New Jersey Board of Public Utilities ("BPU or Board") in connection with In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this filing is being electronically filed with the Secretary of the Board. No paper copies will follow.

If you have any questions, please do not hesitate to contact me. Thank you for your consideration in this matter.

Very truly yours,

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

Matthew M. Weissman

c: Attached Service List (E-Mail)

STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF	)	STIPULATION FOR
PUBLIC SERVICE ELECTRIC AND GAS	)	FINAL WEATHER
COMPANY TO REVISE ITS WEATHER	)	NORMALIZATION CHARGE
NORMALIZATION CHARGE	)	BPU Docket No. GR21060952
FOR THE 2021-2022 ANNUAL PERIOD	)	

APPEARANCES:

**Matthew M. Weissman**, Esq., Managing Counsel, State Regulatory, and **Katherine E. Smith**, Esq., Associate General Regulatory Counsel, for the Petitioner, Public Service Electric and Gas Company

**Maura Caroselli**, Esq. Managing Attorney – Gas and **Sarah H. Steindel**, Esq., Assistant Deputy Rate Counsel, for the New Jersey Division of Rate Counsel (**Brian O. Lipman**, Esq., Director)

**Matko Ilic**, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Matthew J. Platkin**, Acting Attorney General of New Jersey)

On June 30, 2021, Public Service Electric and Gas Company (“PSE&G” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) requesting approval to refund customers \$1,835,733 over the 2021-2022 Winter Period (*i.e.*, October 1-May 31) (“2021 WNC Petition”). The Weather Normalization Charge (“WNC”) will be recovered from PSE&G gas customers receiving service under the following Rate Schedules: Residential Service (“RSG”), General Service (“GSG”), and Large Volume Gas (“LVG”) during the 2021-2022 Winter Period.

As part of its 2021 WNC Petition, PSE&G proposed a WNC rate of (\$0.001120) per balancing therm including New Jersey Sales and Use Tax (“SUT”).

The WNC Tariff was first approved by the Board on July 9, 2010 as part of the Stipulation of Settlement of PSE&G's 2009 base rate case.<sup>1</sup> The BPU approved the 2020-2021 PSE&G WNC tariff rate of \$0.000000 per balancing therm (with SUT) on November 18, 2020.<sup>2</sup>

In calculating the proposed WNC, PSE&G represents that it utilized calculations required by the July 2010 Order and as reflected in its WNC Tariff. Specifically, PSE&G is required to calculate, at the end of each Winter Period, the level by which margin revenues differed from what would have resulted if normal weather had occurred. The base level of normal degree days for the 2021-2022 Winter Period is defined in PSE&G's WNC Tariff. As approved by the Board, any excess or deficiency is to be credited or recovered in the following year during the Winter Period through the WNC.

In accordance with the WNC Tariff, PSE&G represents that it trued-up the Degree Day Consumption Factors utilized in the determination of the proposed WNC at the end of the Winter Period. In addition, the revised WNC tariff sheets developed by PSE&G and included in the 2021 WNC Petition reflect updated Degree Day Consumption Factors for the 2021-2022 Winter Period.

These calculations establish a margin revenue deficiency of \$31,244,886 for the 2020-2021 Winter Period. In calculating the 2021-2022 WNC request for recovery, PSE&G represents that it has made four (4) adjustments to the margin revenue deficiency in accordance with the WNC tariff. Specifically, the Company has:

---

<sup>1</sup> I/M/O the Petition of PSE&G for Approval of an Increase in Electric and Gas Rates and for Changes in the Tariffs for Electric and Gas Service, Docket No. GR09050422, Order dated July 18, 2010 (July 2010 Order).

<sup>2</sup> I/M/O the Petition of PSE&G to Revise Its Weather Normalization Charge for the 2020-2021 Annual Period, Docket No. GR20060470, Order dated November 18, 2020.

- a. Applied the WNC Tariff Earnings Test to the calculated margin revenue deficiency as a result of the warmer than normal 2020-2021 Winter Period;
- b. Included the remaining 2019-2020 WNC refund balance that was not fully refunded to customers over the 2020-2021 Winter Period due to lower usage from higher than normal temperatures;
- c. Included amounts collected from customers as a result of a provisional WNC rate in effect for October and November 2020, that should now be refunded over the 2021-2022 Winter Period; and
- d. Included interest due on amounts collected from customers as described in item c. above due to the provisional WNC rate in effect during October and November 2020.

PSE&G, Board Staff, and the New Jersey Division of Rate Counsel (“Rate Counsel”) (collectively, “Parties”), the only parties to this proceeding, discussed certain matters at issue herein. By Order dated September 14, 2021<sup>3</sup>, the Board approved a Provisional Settlement and a provisional rate of (\$0.001120) per balancing therm including SUT, effective October 1, 2021. The parties further agreed that as the remaining over/under balance approaches zero, PSE&G will make a compliance filing in this docket to set the WNC rate to zero and roll any remaining over or under recovered balance, including interest, from the upcoming 2021-2022 Winter Period into the Company’s initial Gas Conservation Incentive Program (“CIP”) filing, as established in the September 2020 Order for rates scheduled to be in effect on October 1, 2022.<sup>4</sup>

In accordance with above, on April 20, 2022 the Company made a compliance filing setting the WNC rate to zero effective May 1, 2022. The current balance is estimated to be less than

---

<sup>3</sup> I/M/O the Petition of PSE&G to Revise Its Weather Normalization Charge for the 2021-2022 Annual Period, Docket No. GR21060952, Order dated September 14, 2021.

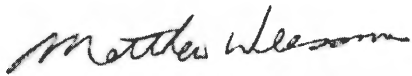
<sup>4</sup> I/M/O the Petition of PSE&G for Approval of its Clean Energy Future – Energy Efficiency Program on a Regulated Basis, Docket Nos. GO18101112 and EO18101113, Board Order dated September 23, 2020 (“September 2020 Order”).

\$100,000. The remaining balance as of April 30, 2022, including interest, will be transferred to the Company's Gas CIP to be recovered/refunded in the Company's initial CIP filing.

**NOW THEREFORE, THE PARTIES STIPULATE AND AGREE AS FOLLOWS:**

- 1) The Parties request that the BPU approve as final the WNC rate of (\$0.001050) per balancing therm excluding SUT, (\$0.001120) per balancing therm including SUT, effective October 1, 2021 through April 30, 2022.
- 2) The Parties also request that the BPU approve as final the WNC rate of \$0.000000 per balancing therm including SUT, effective upon Board approval. Details of the balances rolled into the Company's Gas Conservation Incentive Program ("CIP") balance will be subject to review in the Company's initial CIP filing to be made by June 1, 2022 in accordance with the September 2020 Order.
- 3) The Parties agree that this Settlement for final WNC rates reflects mutually balancing interests and contains interdependent provisions and, therefore, is intended to be accepted and approved in its entirety. In the event any particular aspect of this Settlement is not accepted and approved in its entirety by the Board, this Settlement shall be null and void, and the Parties shall be placed in the same position that they were in immediately prior to its execution.
- 4) The Parties further agree that a Board Order approving this Settlement will become effective upon the service of said Order, or upon such date after the service thereof as the Board may specify, in accordance with N.J.S.A. 48:2-40.
- 5) The Parties further agree that this Settlement for the final WNC rates was made exclusively for the purpose of this proceeding, and that this Settlement, in total or by specific item, is in no way binding upon them in any other proceeding, except to enforce the terms of this Settlement.

PUBLIC SERVICE ELECTRIC AND GAS  
COMPANY

BY:   
Matthew M. Weissman  
Managing Counsel - State Regulatory

DATED: April 25, 2022

MATTHEW J. PLATKIN  
ACTING ATTORNEY GENERAL OF  
NEW JERSEY  
Attorney for the Staff of the Board of Public  
Utilities

BY:   
Matko Ilic  
Deputy Attorney General

DATED: April 26, 2022

NEW JERSEY DIVISION OF RATE COUNSEL,  
BRIAN O. LIPMAN, DIRECTOR

BY:   
Sarah H. Steindel  
Assistant Deputy Rate Counsel

DATED: April 26, 2022

**BPU**

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

**DAG**

Pamela Owen  
NJ Dept of Law & Public Safety  
Division of Law, Public Utilities Section  
R.J. Hughes Justice Complex  
25 Market Street, P.O. Box 112  
Trenton NJ 08625  
Pamela.Owen@law.njoag.gov

**PSE&G**

Katherine E. Smith  
PSEG Services Corporation  
80 Park Plaza, T5  
P.O. Box 570  
Newark NJ 07102  
(973) 430-6996  
katherine.smith@pseg.com

**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**

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

**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**

Michele Falcao  
PSEG Services Corporation  
80 Park Plaza, T5  
P.O. Box 570  
Newark NJ 07102  
(973) 430-6119  
michele.falcao@pseg.com

**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**

Maura Caroselli Esq.  
Division of Rate Counsel  
140 East Front Street  
4th Floor  
Trenton NJ 08625  
mcaroselli@rpa.nj.gov

**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

**DAG**

Matko Ilic  
NJ Dept. of Law and Public Safety  
Richard J. Hughes Justice Complex  
Public Utilities Section  
25 Market Street, P.O. Box 112  
Trenton NJ 08625  
matko.ilic@law.njoag.gov

**PSE&G**

Bernard Smalls  
PSEG Services Corporation  
80 Park Plaza-T5  
Newark NJ 07102-4194  
(973) 430-5930  
bernard.smalls@pseg.com

**PSE&G**

Caitlyn White  
PSEG Services Corporation  
80 Park Plaza, T-5  
P.O. Box 570  
Newark NJ 07102  
(973)-430-5659  
caitlyn.white@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