



June 28, 2013

In The Matter of the Petition of
Public Service Electric and Gas Company
for Approval of Changes in its
Electric Green Programs Recovery Charges
and its Gas Green Programs Recovery Charges
“2013 PSE&G Green Programs Cost Recovery Filing”

BPU Docket No. _____

VIA ELECTRONIC MAIL & OVERNIGHT MAIL DELIVERY

Kristi Izzo, Secretary
Board of Public Utilities
44 South Clinton Avenue
CN 350
Trenton, New Jersey 08625-0350

Dear Secretary Izzo:

Enclosed please find an original and ten 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 that reads "Alexander C. Stern".

Attachment

(Hard Copy and CD)

- C Elizabeth Ackerman
- Jerome May
- Alice Bator
- Stacy Peterson
- Michael Winka
- Caroline Vachier
- 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) BPU Docket No. _____
RECOVERY CHARGES AND ITS GAS)
GREEN PROGRAMS RECOVERY CHARGES;)
(“2013 PSE&G Green Programs Cost Recovery Filing”)

Public Service Electric and Gas Company (“PSE&G,” “the Company,” “Public Service,” “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, 48:2-21.1, and N.J.S.A. 48:3-98.1, as follows:

INTRODUCTION

1. Petitioner is a public utility engaged in the distribution of electricity and the provision of electric 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 2.1 million electric and 1.8 million gas customers in an area having a population of approximately 6 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. 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 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 eight Board-approved energy efficiency, demand response, and solar energy programs (collectively, “Green Programs”). This filing addresses six of the eight the Programs. The six Programs are: (1) the Carbon Abatement Program (“CA”); (2) the Energy Efficiency Economic Stimulus Program (“EEE”); (3) EEE Extension; (4) the Demand Response Program (“DR”); (5) the Solar 4 All Program (“S4A”); and (6) the Solar Loan II Program (“SLII”).²

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 Programs through its electric and gas RGGI Recovery Charges (hereinafter referred to as the Green Programs Recovery Charges “GPRC”). There is a separate component of the GPRC for each of the six Programs.³

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 (“SLI”) 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. In the past, the Board has determined it appropriate to case manage the cost recovery filings for PSE&G’s Green Programs and the SL I Program together.

³ The gas GPRC only includes components for the CA, EEE and EEE Extension Programs. On May 31, 2013 the Board approved PSE&G’s Solar 4 All Extension and Solar Loan III Programs which are not part of this current filing, but were added to the GPRC effective June 1, 2013.

5. On May 29, 2013 the Board issued final orders approving resolutions of the 2012 PSE&G Green Programs Annual Cost Recovery Proceeding (hereinafter “2013 Green Programs Order”) and the 2012 SLI Program Annual Cost Recovery Proceeding (hereinafter “2013 SLI Order”).⁴ The Orders provided for Public Service to make its next Green Programs and SLI Program cost recovery filings with actual data from December 1, 2012 to March 31, 2013 and forecasted data through September 30, 2014 as soon as such data is available, but no later than July 1, 2013.⁵

CARBON ABATEMENT PROGRAM

6. On June 23, 2008, PSE&G filed a Petition with the Board seeking approval of the CA Program.⁶ 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.

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

⁴ *In the Matter of the Petition of Public Service Electric and Gas Company for Approval of Changes in its Electric Regional Greenhouse Gas Initiative (RGGI) Recovery Charges and its Gas RGGI Recovery Charges 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, BPU Docket Nos. ER12070606 and GR12070605; and*

In the Matter of the Petition of Public Service Electric and Gas Company for Approval of Changes in its Solar Pilot Recovery Charge (SPRC) for its Solar Loan I Program; and for Changes in the Tariff for Electric Service, B.P.U.-N.J. No. 15 Pursuant to N.J.S.A. 48:2-21 and 2-21.1, BPU Docket No. ER12070599., Orders dated May 29, 2013.

⁵ 2013 Green Programs Order at 5, ¶11. 2013 SLI Program Order at 3, ¶9.

⁶ *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-*

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

9. 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 Installation Sub-Program
- d. Large Business Best Practices and Technology Demonstration Sub-Program
- e. Hospital Efficiency – Retrofit Sub-Program and New Construction Sub-Program

10. 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.⁷

* * *

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

98.1, BPU Docket No. EO08060426.

⁷ 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.⁸

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

11. 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. Additional details about the Program status and proposed rates and bill impacts are discussed below under the heading "Supporting Testimony."

ENERGY EFFICIENCY ECONOMIC STIMULUS PROGRAM

12. On January 21, 2009, the Company filed a Petition with the Board seeking approval of the EEE Program, which comprises eight energy efficiency subprograms.⁹

13. 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.

⁸ CA Joint Position, ¶14. The Joint Position also specifies the methodology for calculating interest on net over- and under-recoveries. *See* Joint Position, ¶15.

⁹ *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.

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

- a. Residential Whole House Efficiency Sub-Program
- b. Residential Multi-Family Housing Sub-Program
- c. Small Business Direct Installation 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

15. 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 (“RRC”). 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.¹⁰

* * *

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

¹⁰ 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 1 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 22.¹¹

16. 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. Additional details about the Program status and proposed rates and bill impacts are discussed below under the heading "Supporting Testimony."

EEE EXTENSION PROGRAM

17. 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 (Multi-Family, Municipal and Hospital) which 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.¹²

¹¹ EEE Stipulation, ¶¶22-23.

¹² *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(Multi-Family, Hospitals and Municipal/Non-Profit Direct Install), BPU Docket No. EO11010030.*

18. 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 aggressive energy reduction goals. The Hospital Efficiency, Residential Multi-Family 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.

19. On July 1, 2011, the Company, Board Staff, Rate Counsel and 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").

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

	<u>\$Millions</u>
A. Residential Segment	
Residential Multi-Family 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

21. 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 RRC. 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 RRC annual true up petition ("Annual Filing").¹³

* * *

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 will use the overall cost of capital utilized to set rates in the

¹³ EEE Extension Order at ¶22.

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 1 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 23.¹⁴

22. The Company is successfully implementing the EEE 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. Additional details about the Program status and proposed rates and bill impacts are discussed below under the heading "Supporting Testimony."

DEMAND RESPONSE PROGRAM

23. In response to the Board's July 1, 2008 Order, on August 5, 2008 PSE&G filed a Petition for approval of a DR Program.¹⁵ On August 21, 2008 PSE&G filed supplemental testimony and schedules.

24. 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.

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

¹⁴ EEE Extension Order at ¶¶23-24.

¹⁵ *I/M/O the Petition of Public Service Electric and Gas Company for Approval of a Demand Response Program*

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

26. 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 (RRC) mechanism to be filed annually by the Company.¹⁶

* * *

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.¹⁷

* * *

[T]he Demand Response component of the RRC will be reviewed, true-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

and An Associated Cost Recovery Mechanism, et al., BPU Docket No. EO08080544.

¹⁶ DR Settlement Agreement, ¶8.

¹⁷ DR Settlement Agreement, ¶9

were based on projected Program costs) and actual revenue 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 RRC 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 RRC 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 RRC 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.¹⁸

27. In an Order dated July 31, 2009, the Board approved the Settlement and authorized PSE&G to implement the Residential AC Cycling and Small Commercial AC

¹⁸ DR Settlement Agreement, ¶¶10 and 11.

Cycling Sub-Programs. The Board also approved the cost recovery mechanism and PSE&G implemented the rates for the DR component of the GPRC on August 3, 2009.

28. The Company is filing this Petition in compliance with prior Board orders to reset the DR component of the GPRC. Additional details about the Program status and proposed rates and bill impacts are discussed below under the heading “Supporting Testimony.”

SOLAR 4 ALL PROGRAM

29. 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 Program, and an associated rate recovery mechanism.¹⁹ The Petition proposed several different segments of a utility-owned solar photovoltaic generation program.

30. 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.

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

¹⁹ *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.

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 RRC ("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-up for actuals and an estimate of the revenue requirements for the upcoming year.²⁰

* * *

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.

²⁰ S4A Settlement Agreement, ¶34.

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 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.²¹

32. 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.

33. 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. Additional details about the Program status and proposed rates and bill impacts are discussed below under the heading "Supporting Testimony."

²¹ S4A Settlement Agreement, ¶¶36 and 37.

SOLAR LOAN II PROGRAM

34. 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.²² Building on its successful Solar Loan I Program, PSE&G proposed a new program for 40 MW of additional loans for the installation of solar photovoltaic systems, along with any unused capacity from Solar Loan I.

35. 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 ²³

36. 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 RRC (“SLP”). The SLP will be applicable to all electric rate schedules on an equal cents per kilowatt-hour basis for recovery of costs

²² *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.

²³ 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.

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.²⁴

* * *

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

²⁴ SLII Settlement Agreement, ¶36.

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.²⁵

37. 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 (known as the "SLP") on November 10, 2009.

38. In addition, as discussed in prior GPRC cost recovery proceedings, PSE&G continues to utilize a third-party inspector to inspect 100% of the loan program projects to determine compliance with the New Jersey Clean Energy Program requirements. As Board Staff and Rate Counsel have noted, inspection of each installation is an important part of the SLII Program, to help prevent fraud and help ensure that the repayment of the loan amount can be covered to the greatest extent possible by the Solar Renewable Energy Certificate ("SRECs") generated by the system. PSE&G covers the cost of the

²⁵ SLII Settlement Agreement, ¶¶38 and 39.

inspection in its SLII Program administrative costs that are eligible for recovery through the GPRC.

39. The Company is successfully implementing the SLII Program and is filing this Petition in compliance with prior Board orders to reset the SLP component of the GPRC. Additional details about the Program status and proposed rates and bill impacts are discussed below under the heading “Supporting Testimony.”

SUPPORTING TESTIMONY

40. In support of this Petition, the Company is presenting the Direct Testimony of Terrence J. Moran, Director Market Strategy and Development in the Renewables and Energy Solutions Group at PSE&G. Mr. Moran’s Direct Testimony is attached hereto as Attachment A. Mr. Moran describes the status of the CA, EEE, EEE Extension, S4A, SLII and DR Programs. Mr. Moran’s testimony and schedules also discuss and quantify the administrative costs the Company seeks to recover through the GPRC for these Programs pursuant to their respective Orders and Settlements.

41. PSE&G is also presenting the Direct Testimony of Stephen Swetz, Director - Corporate Rates and Revenue Requirements. Mr. Swetz’s testimony and schedules, attached hereto as Attachment B, develop the revenue requirements for each of the six Programs and the proposed GPRC rates.

42. The proposed rates for the combined components of the electric and gas GPRCs for the period October 1, 2013 through September 30, 2014 are designed to recover approximately \$111.1 million (electric) and \$18.8 million (gas) in revenue on an annual basis. The resulting net combined annual revenue impacts on the Company's electric and gas customers are decreases of \$0.7 million (electric) and 0.8 million (gas). The cumulative proposed rate impacts for the electric GPRC rate would be a decrease from \$0.002871 per kWh (including SUT) to \$0.002852 per kWh (including SUT). The cumulative proposed changes for the gas GPRC (which includes only the CA, EEE and EEE Extension components), would be a decrease from \$0.007484 per therm (including SUT) to \$0.007168 per therm (including SUT). The proposed changes to each of the six GPRC components are described in Mr. Swetz's testimony and schedules (see Attachment B).

43. As a result of the proposed rates set forth in Attachment C, PSE&G's class average residential electric customers using 780 kWh in a summer month and 7,360 kWh annually would experience a decrease in their annual bill from \$1,364.80 to \$1,364.64, or \$0.16, or approximately 0.01% (based on Delivery Rates and Basic Generation Service Fixed Pricing [BGS-FP] charges in effect June 1, 2013 and assuming that the customer receives BGS-FP service from PSE&G). PSE&G's class average residential gas heating customers using 160 therms in a winter month and 1,050 therms annually would experience a decrease in their annual bill from \$1,107.06 to \$1,106.74 or \$0.32, or

approximately 0.03% (based on current Delivery Rates and Basic Gas Supply Service [BGSS-RSG] charges in effect June 1, 2013 and assuming that 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 class average customers, as well as for other typical customer usage patterns.

44. The Company is proposing to implement the revised GPRC rates on or before October 1, 2013 until the Board approves new GPRC rates.

45. 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, 2013, upon issuance of a written BPU order.

46. 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.

47. 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.

48. 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 six Programs. These documents are designated as Appendices A-CA/EEE, A-EEE Ext, A-DR, A-S4A, and A-SLII.

49. PSE&G requests that the Board issue an order finding that the actual Program costs through March 31, 2013 for each of the six Green Programs are reasonable and appropriate for recovery through the GPRC.

50. PSE&G also requests that the Board issue an order approving the proposed rates on or before October 1, 2013. 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, 2013.

51. 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, 2013 for each of the six Green Programs are reasonable and appropriate for recovery through the GPRC;

2. PSE&G is authorized to recover all costs requested herein associated with the Carbon Abatement, Energy Efficiency Economic Stimulus, EEE Extension, Demand Response, Solar 4 All, and Solar Loan II Programs; and

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, 2013.

Respectfully submitted,

PUBLIC SERVICE ELECTRIC AND GAS COMPANY



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DATED: June 28, 2013
Newark, New Jersey

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

**In the Matter of the Petition of
Public Service Electric and Gas Company
for Approval of Changes in its
Electric Green Programs Recovery Charges
and its Gas Green Programs Recovery Charges;
("2013 GREEN PROGRAMS")**

BPU Docket No. _____

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY
DIRECT TESTIMONY
OF
TERRENCE J. MORAN
DIRECTOR OF MARKET STRATEGY
AND DEVELOPMENT**

ATTACHMENT A

June 28, 2013

1 **PUBLIC SERVICE ELECTRIC AND GAS COMPANY**
2 **DIRECT TESTIMONY**
3 **OF**
4 **TERRENCE J. MORAN**
5 **DIRECTOR OF MARKET STRATEGY**
6 **AND DEVELOPMENT**

7 My name is Terrence J. Moran and I am the Director of Market Strategy and
8 Development for Public Service Electric and Gas Company (“PSE&G,” the “Company”). I
9 have primary management and oversight responsibility over the design and planning of
10 renewable energy, energy efficiency, and demand response programs. My credentials are
11 included as Schedule TJM-1. The purpose of this testimony is to support the Company’s
12 request for recovery of costs incurred implementing PSE&G’s Solar 4 All (“S4A”) Program;
13 Solar Loan II (“SLII”) Program; five Carbon Abatement (“CA”) sub-programs; eight Energy
14 Efficiency Economic (“EEE”) Stimulus sub-programs; and three Energy Efficiency
15 Economic Extension (“EEE Extension”) sub-programs. I also provide testimony to support
16 the recovery of costs associated with the Company’s Demand Response Programs, including
17 the PSE&G Residential Central Air Conditioner Cycling Sub-Program and the Small
18 Commercial Air Conditioner Cycling Sub-Program (collectively the “DR Program”). The
19 Programs are described in greater detail below.

1

SOLAR 4 ALL PROGRAM

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

3 As approved by Board Order dated August 3, 2009 in Docket No.
 4 EO09020125, the total size of the Program is 80 MW and the Company’s investment was
 5 estimated to be approximately \$514.6 million. The S4A Program consists of two segments:
 6 Segment 1, which is comprised of three sub-segments: (i) Segment 1a (25 MW) for solar
 7 systems installed on PSE&G-owned sites; (ii) Segment 1b (10 MW) for solar systems
 8 installed on third-party sites; and (iii) Segment 1c (5 MW) for solar systems installed on sites
 9 in municipalities that host Urban Enterprise Zones (“UEZs”), including publicly-owned sites;
 10 and Segment 2 (40 MW), where PSE&G is installing small distributed solar systems on
 11 utility and street light poles in PSE&G’s service territory.

12 In Segment 1 solar systems are 500 kW or larger. In Segment 2 PSE&G is
 13 installing pole-mounted solar units of approximately 200 watts dc each.

14 Table S4A-1 below shows the total Program size and segment sizes as well as
 15 the scheduled targets for reporting year capacity as set forth in the Board Order.

TABLE S4A -1 – Reporting Year Capacity						
PROGRAM SEGMENT	PROGRAM SIZE (MW - DC)					TOTAL PROGRAM
	2009-2010	2010 - 2011	2011-2012	2012-2013	2013-2014	
1a – PSE&G Sites	-	15	10			25
1b – 3 rd Party Sites	2	3.1	4.9			10
1c – UEZ sites	2.5	2.5				5
2-Neighborhood Solar	7.6	10.4	13.3	8.7		40
Total – Year	12.1	31	28.2	8.7	0	80

16

1 For Segment 1a, PSE&G used a competitive solicitation to hire one or more
2 contractors for the development of the solar systems on PSE&G-owned sites. PSE&G
3 reserved the right to use its own workforce to install the systems on those sites and was also
4 able to contract the work out to qualified contractors. For Segment 1b, solar developers
5 proposed sites/projects to PSE&G, subject to the requirements and time limitations set forth
6 in the Program Rules. Thereafter, PSE&G contracted with developers for the development
7 of systems and with host sites for the use of those sites. All contracted installation work has
8 been subject to the provisions of the NJ Prevailing Wage laws or the equivalent of the
9 prevailing wage for the county where the work is being performed.

10 For Segment 1c, projects in any municipality that contains a UEZ, PSE&G
11 used a competitive procurement process to hire one or more contractors for the development
12 of these systems. All contracted installation work has been subject to the provisions of the NJ
13 Prevailing Wage laws or the equivalent of the prevailing wage for the county where the work
14 is being performed.

15 For Segment 2, PSE&G used a competitive solicitation process to procure the
16 pole-mounted solar units.

17 Other program features established at the outset of the S4A Program included:
18 PSE&G will own the solar systems; PSE&G will sell the energy generated by the systems
19 and the capacity of the systems into the appropriate PJM market and the proceeds of those
20 sales will be used to reduce the revenue requirements of the program; PSE&G will sell the
21 SRECs generated by each project and use the net proceeds to reduce the program revenue

1 requirement; and PSE&G will return Investment Tax Credit (“ITC”) benefits it receives to
2 ratepayers in accordance with Federal Income Tax Law.

3

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

5 Through March 31, 2013, 39 MW-dc from 23 projects was in-service for
6 Segment 1 with 1 additional project under development, and 37 MW-dc was in-service for
7 Segment 2. The status of each segment and sub-segment is described in more detail below.

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

10 As referenced above, the original estimated investment was \$514.6 million to
11 complete the S4A Program. However, as a result of a competitive procurement process and
12 prudent cost management efforts, PSE&G has successfully minimized program costs. The
13 current estimated investment to complete the S4A Program is approximately \$457 million.

14 Segment 1a Results – PSE&G issued solicitations on August 14, 2009,
15 January 14, 2010, September 4, 2010, and January 14, 2011 to develop projects on properties
16 owned by PSE&G. PSE&G entered into Engineering, Procurement and Construction
17 (“EPC”) contracts with eight (8) different firms to develop projects of various sizes. A total
18 of 16 MW-dc is in-service in this segment, and another 1 MW-dc is under development.
19 PSE&G anticipates that the last site, Southern Division HQ, will be in-service by October
20 2013. The following table shows the status of each of the projects and the name of the EPC
21 contractor utilized.

Site	Municipality	EPC Contractor	System Size MW-dc	Status
Linden	Linden	Advanced Solar Products	3.197	In-Service
Yardville	Hamilton	American Capital Energy	4.302	In-Service
Silver Lake	Edison	JF Creamer	2.018	In-Service
Trenton	Trenton	SunEdison	1.264	In-Service
Central Division HQ	Somerset	Solis	0.916	In-Service
Edison Training & Development Center	Edison	Henkles & McCoy	0.71	In-Service
Thorofare	West Deptford	SunEdison	0.712	In-Service
Hackensack	Hackensack	JF Creamer	1.064	In-Service
Metro HQ	Clifton	Adema Technologies	0.733	In-Service
Southern Div HQ	Moorestown	Vanguard	1.095	Under Construction

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Segment 1b Results - On October 12, 2009 PSE&G published an open season solicitation on its website and kept the solicitation open for 60 days. As a result of the solicitation, PSE&G received 50 bids totaling 60 MW-dc. PSE&G rank-ordered the proposals according to a number of criteria and entered into discussions on EPC contracts and site licenses for 5 projects. On November 12, 2010, PSE&G initiated a second open season solicitation, which resulted in 21 bids totaling 54 MW-dc.

On May 16, 2011, the BPU issued an Order waiving the Program requirement that PSE&G sell the energy generated into the PJM markets, and allowed PSE&G to enter into a bilateral supply contract with a TPS to sell part of the energy to be generated by the Kearny Landfill Solar Farm. The contract price under the bilateral supply contract with the TPS will equal the price that PSE&G would receive if the energy had been sold in the

1 applicable PJM market. PSE&G will sell the remaining energy from the Project in the PJM
2 markets as required by the Program Stipulation. On January 25, 2012 PSE&G entered into a
3 Power Purchase and Sale agreement with South Jersey Energy Company to sell part of the
4 energy from the Kearny Landfill Solar Farm as provided for in the Board Order and energy
5 sales initiated on February 8, 2012.

6 The following table shows the status of each of the projects and the name of
7 the EPC contractor utilized for these projects.

Site	Municipality	EPC Contractor	System Size MW-dc	Status
CPP Bayonne	Bayonne	Advanced Solar Products	1.746	In-Service
Matrix – Stults Rd	South Brunswick	Pro-Tech	2.981	In-Service
Rider	Lawrenceville	Alteris	0.739	In-Service
Mill Creek	Burlington	Juwi	3.822	In-Service
NJMC/Kearny Landfill	Kearny	Sundurance	3.001	In-Service
Summit Associates	Edison	Advanced Solar Products	2.2240	In-Service
BlackRock-Matrix	South Brunswick	Pro-Tech	2.97	In-Service
Food Bank	Hillside	Mercury	1.073	In-Service

8

9 Segment 1c Results - On July 29, 2009, PSE&G sought interest from various
10 potential host sites in municipalities that host UEZs. PSE&G qualified the potential sites,
11 and selected five schools in Newark and two warehouses in Perth Amboy. PSE&G issued an
12 RFP on September 3, 2009 to identify EPC contractors to develop these sites. Construction
13 started in June 2010 and the all projects are now in service:

Site	Municipality	EPC Contractor	System Size MW-dc	Status
Barringer High School	Newark	Mercury	0.644	In-Service
New Central High School	Newark	LB Electric	0.501	In-Service
Camden Street Elementary School	Newark	ALM Electric	0.914	In-Service
Camden Street Middle School				
Park Elementary School	Newark	Mercury	0.546	In-Service
Matrix Buildings A and B	Perth Amboy	enXco	2.869	In-Service

1

2

A summary of all Segment 1 projects installed or under construction is contained in Schedule TJM-S4A-1. A summary of the capacity of Solar Systems installed in Segment 1 is contained in Schedule TJM-S4A-2, and the Actual and Scheduled Installations by Quarter is shown in Schedule TJM-S4A-3.

6

Segment 2 Results - Subsequent to a competitive solicitation, PSE&G entered into a contract with Petra Solar of South Plainfield on July 29, 2009 to provide up to 40 MW of solar panels to be installed on PSE&G-owned poles. In early September of 2009, the first units were shipped by Petra and installations began on PSE&G poles. Concurrently, PSE&G contracted with two firms to perform inspection work to assess the PSE&G poles for feasibility of installing solar panels. On October 15, 2009, PSE&G entered into a contract with Riggs-Distler for installation. Through March 31, 2013, 168,806 pole-attached units had been installed, which is equivalent to 37 MW.

14

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

16

1 Segment 2 of the Solar 4 All program. The Segment 2 build-out is expected to be completed
2 by the end of June 2013.

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

7 **Operations & Maintenance – Segment 1**

8 PSE&G issued an RFP to hire a firm to provide a solar monitoring system for
9 its Segment 1 solar farms. On August 18, 2010, PSE&G entered into a contract with Noveda
10 Technologies, based in Branchburg, NJ. The Noveda system enables PSE&G to monitor the
11 operation of its solar facilities, through the use of in field sensors, cameras, and
12 communication equipment which transmit data to a web-based platform. The system allows
13 alerts to be issued to assist with troubleshooting efforts. This system also allows for plant
14 diagnostics and analysis to assess performance of the solar generators.

15 PSE&G also issued an RFP to hire a firm to provide O&M services for the
16 solar facilities in Segment 1. On May 1, 2011, PSE&G entered into a 5-year contract with
17 Vanguard Energy Partners LLC to provide O&M services which include performing
18 scheduled maintenance on solar equipment, responding to monitoring system alerts related to
19 operation and performance of equipment, coordinating repairs of equipment, and completing
20 other maintenance related tasks as needed.

21 Effective January 3, 2012, PSE&G purchased insurance to provide property,
22 business interruption and liability coverage for its Segment 1 solar facilities.

1 **Operations – Segment 2**

2 Petra Solar’s SunWave system provides PSE&G with the ability to monitor
3 the status of each installed solar unit once communications system installations are
4 completed. As of March 31, 2013, approximately 150,077 solar units out of 168,806
5 installed units were reporting data through the communications system. Note that there can
6 be a several month lag between the time panels are installed and when the communication
7 network is established. Through a combination of revenue-grade meters on units located
8 throughout the electric service territory and the data collected through Petra Solar’s
9 communication system, the Segment 2 program receives credits from energy, capacity and
10 SREC sales as further described in this testimony.

11 Petra Solar has upgraded its monitoring system; it is currently being used for
12 Segment 2 to assess project performance and identify units which require field inspections.

13 **Site Leases**

14 PSE&G has entered into 16 site lease agreements under Segments 1b and 1c
15 of the program for the use of land and roof space, as applicable, for the installation of solar
16 electric generating facilities. These site leases provide a rental payment to host sites during
17 the construction period and for a twenty-year period starting from the commercial operation
18 date. The table below lists the sites with lease agreements:

Site	Property Owner	System Size MW-dc	Status
CPP Bayonne	CenterPoint Properties	1.746	In-Service
Matrix – Stults Rd	Matrix Development Group	2.981	In-Service
Rider	Rider University	0.739	In-Service
Mill Creek	Judith Tucci	3.822	In-Service
NJMC/Kearny Landfill	NJ Meadowlands Commission	3.001	In-Service
Raritan Center – 45 Fernwood Avenue	Summit Associates Inc.	1.034	In-Service
Raritan Center – 110 Newfield Avenue	Summit Associates Inc.	1.190	In-Service
BlackRock-Matrix	Granite South Brunswick, LLC	2.970	In-Service
Food Bank	Community Food Bank of NJ	1.073	In-Service
Barringer High School	Newark Public Schools	0.644	In-Service
New Central High School	Newark Public Schools	0.501	In-Service
Camden Street Elementary School	Newark Public Schools	0.914	In-Service
Camden Street Middle School			
Park Elementary School	Newark Public Schools	0.546	In-Service
Matrix Building A	Matrix Development Group	1.688	In-Service
Matrix Building B	Matrix Development Group	1.171	In-Service

1

2

Capacity Sales

3

4

5

6

7

In Energy Year 2012-2013 PSE&G bid 23.2 MWs AC of solar capacity into the PJM RPM market, which reflects a solar capacity adjustment factor of 38% as required by PJM. PSE&G has received a total of \$177,935 in capacity payments for Solar 4 All solar generators from the period December 1, 2012 through March 31, 2013. The table below provides summary of the total capacity payments received during that period.

Month	Capacity Payment
December 2012	\$ 45,696
January 2013	\$ 45,587
February 2013	\$ 41,175
March 2013	\$ 45,587
Total	\$ 178,045

1 **Energy Generated for Sales**

2 A total of 17,705 MWh have been generated for the period December 1, 2012
3 through March 31, 2013. Schedule TJM-S4A-4 shows the actual generation through March
4 2013 and estimated MWh generation for future periods by segment. Calendar Year 2012
5 generation exceeded PSE&G’s planned generation. Generation for the period January 2013
6 through March 2013 was below planned due to weather conditions and the fact that several
7 solar plants were undergoing restoration due to Superstorm Sandy.

8 **Energy Sales**

9 A total of \$ \$725,403 in energy sales revenue has been generated by the
10 program for the period December 1, 2012 through March 31, 2013. The table below
11 provides energy sales received during that period.

Month	Energy Sales
December 2012	\$ 170,472
January 2013	\$ 117,891
February 2013	\$ 217,797
March 2013	\$ 261,140
Totals	\$ 767,299

12

13 **SRECs Received Under the Program**

14 A total of 15,066 SRECs have been issued for generation for the period
15 December 1, 2012 through March 31, 2013. Schedule TJM-S4A-5 shows the SRECs
16 received under the Program by Energy Year.

17 **SRECs Auctioned Under the Program**

18 During the period December 1, 2012 through March 31, 2013, one SREC
19 auction was held in March 2013. A total of 22,620 Solar 4 All SRECs were auctioned for

1 total gross revenue from sales of \$2,533,666. The net proceeds of these auctions are credited
 2 to ratepayers. The table below provides a summary of the Solar 4 All SREC auction activity
 3 through March 2013.

Solar 4 All - SREC Auctions Payments December 2012 – March 2013

Auction Period	SREC Energy Year (EY)	Total SRECs Sold	Auction Payment
March 2013	EY 2013	22,620	\$ 2,533,666
Grand Total		22,620	\$ 2,533,666

4
5

Emission Reductions

6 Schedule TJM-S4A-6 shows the estimated emissions reductions by segment
 7 under the Program.

8

Reporting

9 PSE&G began filing monthly capacity reports in December 2009. At the
 10 request of BPU Staff, an enhanced monthly report has been recently developed. The first
 11 filing of this enhanced report (“Solar 4 All Monthly Program Activity Report”) was issued on
 12 June 1, 2012, for the period ending April 2012.

13

14 **C. Solar 4 All Expenses**

15 The total Solar 4 All expenses in this filing are based upon actual costs for the
 16 period December 1, 2012 through March 31, 2013 and projected costs through September 30,
 17 2014. For Segment 1, the total actual Administrative Costs for the period December 1, 2012
 18 through March 31, 2013 were \$1,318,691. For Segment 2 the corresponding amount was

1 \$513,159. Additional detail, including forecasted costs through 2014, is contained in
2 Schedule TJM-S4A-8.

3 In accord with the Board's December 15, 2011 PSE&G Green Programs cost
4 recovery Order at BPU Docket No. ER10100737 from program inception through 2013, the
5 total operating expenses for Solar 4 All (including O&M costs, administrative costs, rent and
6 insurance), are capped at \$23.3 million. Schedule TJM-S4A-8 shows the actual annual
7 administrative costs through March 31, 2013 and forecasted administrative costs for the
8 balance of 2013. The current projection is that the Program will be below the allowed cap.
9 Accordingly, the GPRC Administrative Costs shown in Schedule TJM-S4A-7 have been
10 incorporated into the revenue requirements contained in the testimony and supporting
11 schedules of Stephen Swetz.

12

13 **D. Issues & Discussion**

14 Within Segment 1, five solar plants sustained significant damage from storm
15 surge, winds, and lightning due to Superstorm Sandy. The sites were 1) Linden, 2) Bayonne,
16 3) Raritan Center, 4) Central HQ, and 5) Mill Creek. Additionally, several other sites
17 sustained minor damages to exterior fences, solar panels, racking, cable trays, and trees. As
18 of March 31, 2013, all but one of the plants has been returned to full capacity. For Segment
19 2, approximately 300 panels were damaged due to utility poles coming down during the
20 storm. No pole attached units were blown off racking as a result of the storm.

21 Through March 2013, Solar 4 All storm-related expenses have totaled
22 \$247,592. PSE&G currently estimates that the cost of all Solar 4 All storm-related repairs

1 will be \$3,194,786 and has included this additional amount in the forecast period. These
2 costs are accounted for separately from the electric and gas distribution storm costs reported
3 in Docket AX13030196.

4 The solar facilities are insured by Lloyds of London with a deductible.
5 PSE&G is interacting with the carrier pursuant to its insurance policy and is seeking
6 reimbursement of costs incurred to restore the solar facilities to pre-storm conditions and
7 operations. PSE&G is currently estimating that, net of deductibles and other non-
8 reimbursable expenses, the insurance payments will total \$2,994,785.79, which has been
9 included in the forecast. Additionally, PSE&G is seeking reimbursement of lost revenue
10 attributable to business interruption from the insurance carrier.

11 The following is a summary of the damage to the five solar plants.

12 **Linden**

13 Linden suffered damage as a result of flooding from the storm surge
14 submersing the entire solar array and equipment pads under brackish water. Inverters,
15 combiner boxes, solar panels, racking, cables, monitoring equipment, meters, and electrical
16 connectors suffered damages and have been replaced. Restoration efforts also included
17 cleaning and testing switchgear and transformers, and commissioning the facility upon full
18 restoration.

19 **Bayonne**

20 The Bayonne solar facility suffered damage from flooding (storm surge)
21 impacting the equipment pad housing inverters, switchgear, monitoring equipment, and

1 transformers. Inverters and monitoring equipment were replaced, and the switchgear and
2 transformers were cleaned.

3 **Raritan Center**

4 The Raritan Center solar facility suffered damage from flooding (storm surge)
5 impacting the equipment pad housing 2 of the 5 inverters, DC and AC disconnects,
6 switchgear, and transformer. Inverters, and disconnects were replaced and switchgear and
7 transformers were cleaned. Electrical cable trays were twisted, and roof damage was
8 sustained by high winds and has been fixed.

9 **PSE&G Central Division Headquarters**

10 Central HQ sustained roof damage due to high winds, and solar panels and
11 combiner boxes required replacement and repair caused by those winds.

12 **Mill Creek Solar**

13 Mill Creek sustained damages from wind which dislodged solar panels from
14 racking and from a lightning strike which damaged DC cables and combiner and re-combiner
15 boxes. Equipment, cables, and combiner boxes have been restored.

16 Additionally, the following sites sustained minor damage:

Site	Damage
Silver Lake	<ul style="list-style-type: none"> • Twenty feet (20') of fence damaged by fallen trees • Trees cut and cleared
Yardville	<ul style="list-style-type: none"> • 2 Panels dislodged from racking and were damaged • Sections of racking replaced and repaired • 3 trees blown over exposing and destroying the root system
Matrix Stults Road	<ul style="list-style-type: none"> • Solar Panel wind shields and racking damage
Rider	<ul style="list-style-type: none"> • Approximately 300 feet of fence wrap replaced and repaired

17
18 A matrix of Minimum Filing Requirements is included in Appendix A-S4A.

19

1 **SOLAR LOAN II PROGRAM**

2 **A. Description**

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

11 PSE&G provides loans to solar photovoltaic developers or customers for a
12 portion of a project’s cost. Non-residential borrowers will repay the loan over a 15-year
13 period by providing Solar Renewable Energy Certificates (“SRECs”) (or an equivalent
14 amount of cash) to PSE&G. For loans to residential customers the repayment period is 10
15 years.

16 The SRECs, for purposes of this Program, have an established floor value for
17 the loan repayment period that varies according to system size and date of application as
18 described in Schedule TJM-SLII-1. The higher of the relevant floor price or the SREC
19 Market Price at the time the SREC is transferred to PSE&G is applied toward loan
20 repayment. For purposes of loan repayment, the SREC Market Price means the average
21 monthly cumulative weighted price of SRECs as published on the New Jersey Clean Energy

1 Program (“NJCEP”) website or the successor posting location during the calendar month
2 preceding the month the payment is credited to the loan.

3 If a loan is paid off early, PSE&G retains the right to purchase SRECs through
4 a call option. The call option price is 75% of the then current market value of SRECs.

5 The interest rate for loans in the non-residential segment is 11.3092%, and the
6 interest rate for loans in the residential segment is 6.5%.

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

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

17

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

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

1 Through March 31, 2013, loans valued at \$137 million were issued,
2 representing 777 closed loans for 48.9MW, and there were 121 pending applications,
3 representing 9.2MW. PSE&G is continuing to assess credit for projects from the pool of
4 applications received prior to December 31, 2011, up to the 58.83 MW program size.

5 Through March 31, 2013, 49,437 SRECs have been received under the Solar
6 Loan II Program.

7

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

9 The Solar Loan II Program monthly administrative costs for the period
10 December 1, 2012 through March 31, 2013 along with projections through September 30,
11 2014 are shown on Schedule TJM-SLII-2. This Schedule details Solar Loan I Program and
12 Solar Loan II Program Total Common Costs (column 1), the Solar Loan II Program's share
13 of Common Costs (column 2), Solar Loan II Program Direct Administrative costs (column
14 3), Total Solar Loan II Program Administrative (O&M) Costs (column 4), Solar Loan II Fees
15 from Borrowers (column 5) and Solar Loan II Net Recoverable Administrative Costs
16 (column 6).

17 Certain administrative costs are common to both Solar Loan I and Solar Loan
18 II. Such costs are allocated to the Solar Loan I Program and the Solar Loan II Program in
19 accordance with the formula established in the Solar Loan II Program Settlement. Based on
20 Exhibit C in the Solar Loan II Program Board Order, dated November 10, 2009 in Docket
21 No. EO09030249, resources for program management of both the Solar Loan I Program and
22 the Solar Loan II Program were initially allocated to the Programs on a pro-rata basis based

1 on the total program sizes of 30MW and 51MW. Currently the Solar Loan II Program
2 receives 73% (59/81) of the total Common Costs after capacity reallocations from Solar Loan
3 I to Solar Loan II. The total allocated Solar Loan II Common Costs for the period December
4 1, 2012 through March 31, 2013 were \$127,801 and the total Direct Administrative Costs
5 were \$670,430. Fees collected from borrowers for this period were \$408,354, resulting in a
6 Net Recoverable Administrative cost of \$389,878 for the period.

7 Schedule TJM-SLII-3 shows the Program administrative cost details allocated
8 to the categories used by the BPU for the NJCEP. Administration and Program Development
9 includes the costs to manage the program along with program tracking and reporting. Rebate
10 Processing, Inspections and Other QC Expenditures include the cost of PSE&G incremental
11 employees and contractors engaged in the administration of the loan program, including
12 program application processing, SREC processing and the cost of credit information acquired
13 through Experian, along with other costs associated with program administration. In addition
14 to the standard NJCEP categories, the schedule also shows the application and administrative
15 fees received from borrowers as a credit in a separate column. For the period December 1,
16 2012 through March 31, 2013, Administration and Program Developments costs were
17 \$229,867; Rebate Processing, Inspections and Other QC Expenditures were \$560,164;
18 Marketing and Sales costs were \$8,201; and Application and Administrative Fees received
19 were \$408,354. As indicated above, the Net Total Administrative costs for the period were
20 \$389,878.

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 TJM-SLII-4 provides a summary of the
3 annual program cap, as adjusted for volume cost rollover, along with the administrative
4 expenses incurred for program years 2009 through 2014. As noted in the Schedule, the Total
5 Costs (column 6) are below the Adjusted Annual Program Cap in all years. Accordingly, the
6 administrative costs shown in Schedule TJM-SLII-2 have been incorporated into the revenue
7 requirements contained in the testimony and supporting schedules of Stephen Swetz.

8

9 **D. Additional Program Information**

10 **Loans Closed by Segment**

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

13 **Capacity of Solar Systems by Segment**

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

16 **Energy Generated**

17 Schedule TJM-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 TJM-SLII-8 shows the number of loans closed by quarter.

1 **Emission Reductions**

2 Schedule TJM-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 TJM-SLII-10 shows the actual SRECs received by segment through
6 March 31, 2013 for the Solar Loan II Program.

7

8 **E. Issues and Discussions**

9 **Loan Defaults**

10 As of March 31, 2013 there have been no defaults by any borrower in the
11 Solar Loan II Program.

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

14

15

1 **CA, EEE AND EEE EXTENSION PROGRAMS**

2 As previously indicated, PSE&G's energy efficiency programs consist of five
3 CA sub-programs; eight EEE sub-programs; and three EEE Extension sub-programs.

4 There is overlap in the actual work done under the various programs. Three
5 of the Carbon Abatement sub-programs (Residential Whole House Efficiency, Small
6 Business Direct Install, and Hospital Efficiency) are identical to three of the EEE Stimulus
7 sub-programs, and those three EEE Stimulus sub-programs provide additional funding for the
8 three previously approved Carbon Abatement sub-programs. Additionally, these three
9 Carbon Abatement and EEE Stimulus sub-programs provide identical customer benefits and
10 have been operated as single sub-programs utilizing the same sub-program management,
11 marketing, and operational resources. In addition, three of the EEE Stimulus sub-programs
12 (Hospital Efficiency, Multi-Family Housing and Municipal Direct Install) are the same as the
13 three EEE Extension sub-programs.

14 The EEE Extension sub-programs provide additional funding for the three
15 previously approved EEE Stimulus sub-programs. As to the CA and EE sub-programs noted
16 above, these three EEE Stimulus and EEE Extension sub-programs have been operated as
17 single sub-programs utilizing the same sub-program management, marketing, and operational
18 resources. Recognizing the coordinated implementation of the CA, EEE, and EEE Extension
19 Programs, there are not separate sections within this testimony for the Carbon Abatement and
20 EEE Stimulus Residential Whole House Efficiency, Small Business Direct Install, and
21 Hospital Efficiency Sub-Programs. There also are not separate sections for the EEE Stimulus
22 and EEE Extension Hospital Efficiency, Multifamily Housing and Municipal Direct Install

1 Sub-Programs. However, sub-program results have been tracked separately and those results
2 are provided in separate Schedules attached to this testimony. All of these sub-programs are
3 described in greater detail below.

4

5 **A. CARBON ABATEMENT AND EEE STIMULUS RESIDENTIAL WHOLE**
6 **HOUSE EFFICIENCY SUB-PROGRAM**

7

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

9

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

1 **Whole House Sub-Program Status**

2 The original Whole House Sub-Program was approved on December 16, 2008
3 and began operation in February 2009. Subsequently, additional sub-program funding was
4 approved by the BPU’s Order on July 16, 2009, approving the EEE Stimulus Program. In
5 the third quarter 2011, PSE&G stopped accepting applications for the sub-program. Program-
6 to-date through March 2013, the Whole House Sub-Program had 12,696 participants. The
7 sub-program is now closed to new applications and the last Tier Three installation was
8 completed in January 2013.

9 The CA and EEE Whole House Sub-Program participants are detailed in
10 Schedules TJM-CA-3 and TJM-EEE-3.

11 **Whole House Sub-Program Budget**

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

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

16 The CA and EEE Whole House Sub-Program energy savings are detailed in
17 Schedules TJM-CA-4E, 4G, 5E and 5G and TJM-EEE-4E, 4G, 5E and 5G.

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

19 The CA and EEE Whole House Sub-Program emissions impacts are detailed
20 in Schedules TJM-CA, EEE & Ext 6 and 7.

1 **B. CARBON ABATEMENT RESIDENTIAL PROGRAMMABLE THERMOSTAT**
2 **INSTALLATION SUB-PROGRAM**

3
4 **Thermostat Sub-Program Description**

5 The Carbon Abatement Residential Programmable Thermostat Installation
6 Sub-Program (Thermostat Sub-Program) was designed to reduce carbon emissions by
7 lowering the energy consumption of residential customers, capture lost opportunities for
8 energy efficiency savings, and educate consumers about the benefits of energy efficient
9 equipment.

10 During routine utility-related gas service calls, PSE&G service technicians
11 replace existing standard thermostats with programmable thermostats. Old thermostats
12 containing mercury are properly disposed of by PSE&G. The service technicians also
13 provide each customer with five compact fluorescent light bulbs (“CFLs”) if needed. The
14 Thermostat Sub-Program is targeted at all residential customers residing in 25 UEZ
15 municipalities in PSE&G’s service territory. A participant must be a PSE&G customer of
16 record with a separately metered gas account. Only customers calling for a routine in-home
17 gas service call are offered the Thermostat Sub-Program. Although eligible participants may
18 have a PSE&G Worryfree Service Contract, that is not a criteria for inclusion in the
19 Thermostat Sub-Program.

20 **Thermostat Sub-Program Status**

21 In 2009, the Thermostat Sub-Program was implemented in the 25 UEZ
22 municipalities in PSE&G’s service territory. Under this sub-program to date through March
23 2013, 19,642 programmable thermostats have been installed for residential customers. In

1 addition, approximately 495,000 CFLs have been provided to customers residing in UEZ
2 municipalities under the sub-program. The sub-program is now closed. The CA Thermostat
3 Sub-Program participants for the twelve months ending March 31, 2013 are detailed in
4 Schedule TJM-CA-3.

5 **Thermostat Sub-Program Energy Savings**

6 The CA Thermostat Sub-Program energy savings are detailed in Schedules
7 TJM-CA-4E, 4G, 5E and 5G.

8 **Thermostat Sub-Program Emission Reductions**

9 The CA Thermostat Sub-Program emissions impacts are detailed in Schedules
10 TJM-CA, EEE & Ext 6 and 7.

11

12 **C. EEE STIMULUS AND EEE EXTENSION RESIDENTIAL MULTI-FAMILY**
13 **HOUSING SUB-PROGRAM**

14

15 **Multi-Family Sub-Program Description**

16 The objective of the EEE Stimulus and EEE Extension Residential Multi-
17 Family Housing Sub-Program (“Multi-Family Sub-Program”) is to increase energy
18 efficiency and reduce carbon emissions of existing residential multifamily housing
19 developments. The Multi-Family Sub-Program was initially developed in cooperation with
20 the New Jersey Housing and Mortgage Finance Agency (“NJHMFA”) to address the unique
21 needs of NJHMFA’s affordable housing multifamily projects. The sub-program evolved out
22 of a discussion facilitated by the Governor’s Staff among BPU Staff, Rate Counsel,

1 NJHMFA, and PSE&G. NJHMFA and PSE&G agreed to work together to develop a
2 multifamily housing program.

3 This sub-program focuses on providing cost-effective retrofit energy
4 efficiency opportunities to this customer group. The Multi-Family Sub-Program provides
5 customers with an energy audit of their building(s) at no cost. All measures that have a
6 simple payback of 15 years or less are screened for retrofit or replacement
7 opportunities. PSE&G has incorporated a flexible audit structure for its Multi-Family
8 Housing Sub-Program to allow the use of more cost effective Level I walk-through audits, as
9 defined by the American Society of Heating, Refrigerating and Air-Conditioning Engineers
10 (“ASHRAE”) for smaller, simpler projects with limited measures. Based on PSE&G’s
11 experience with this sub-program, a Level I audit may adequately provide building owners
12 with information required to invest in cost-saving energy efficiency measures and maintain
13 sub-program eligibility. More complex projects undergo a Level II or III ASHRAE audit.

14 For NJHMFA financed projects, the energy efficiency upgrade plan is
15 reviewed and approved by PSE&G and NJHMFA. The sub-program buys-down project
16 costs by seven years but not to less than two years, and remaining costs are provided by
17 PSE&G and repaid interest free on the PSE&G bill, or in one payment if the customer
18 chooses.

19 In connection with the EEE Extension Program, PSE&G has been continuing
20 to fund energy efficiency initiatives in multi-family dwellings in cooperation with the
21 NJHMFA to address the unique needs of NJHMFA's affordable housing multifamily
22 projects. The sub-program as originally developed contemplated a ten-year repayment

1 period for eligible customers to repay their contribution to their energy efficiency project.
2 Consistent with the Board’s July 14, 2011 approval Order in BPU Docket No. EO11010030
3 to further facilitate Multi-Family Housing Sub-Program participation by entities other than
4 NJHMFA, Public Service has also been providing funding for non-NJHMFA participants.
5 However, pursuant to the July 14, 2011 Board Order, non-NJHMFA participants in the
6 Multi-Family Housing Sub-Program were to have three years to repay their contribution to
7 their projects while NJHMFA participants would continue to have ten years to repay their
8 contribution. During the course of sub-program implementation, PSE&G inadvertently
9 afforded non-NJHMFA participants five years to repay their contribution. In the 2012-2013
10 Green Programs Cost Recovery Proceeding, PSE&G agreed that it would, in this annual cost
11 recovery filing, correct its revenue requirement model to reflect a three-year repayment for
12 ratemaking purposes even though actual payments are received by the Company over five
13 years. Carrying costs related to the delay in repayment will not be charged to ratepayers.

14 **Multi-Family Sub-Program Status**

15 This sub-program was jointly marketed by NJHMFA and PSE&G. The sub-
16 program was quickly subscribed and had a substantial waiting list of applications and/or
17 completed audits. However, contractor bidding and construction for the NJHMFA financed
18 projects were delayed by the need for NJHMFA’s Deputy Attorney General (“DAG”) review
19 and approval of the sub-program customer agreements. Once the issues were fully resolved
20 the multifamily projects began to advance through the planning and construction phases
21 throughout 2011. In total, through March 2013, 126 project applications have been received.
22 Of those, 91 have had an energy audit and represent 712 buildings with 17,655 living units.

1 For those 91 projects, 12 projects have been completed, 11 are in construction, 22 are
2 proceeding through the sales cycle, 17 were closed because there were no viable energy
3 conservation measures (“ECMs”), 3 were closed because the customer was not interested in
4 moving forward and 26 are on hold due to lack of additional program funding. Of the 35
5 applications that have not had an IGA, 23 are on hold, 11 had a “walk through” audit where
6 we determined there was no opportunity and 1 customer decided not to move forward.

7 The EEE and EEE Extension Multi-Family Sub-Programs are operated as one
8 program where a project can begin the process with an energy audit funded under the EEE
9 sub-program and complete construction under the EEE Extension sub-program.

10 The number of EEE and EEE Extension Multi-Family Sub-Program
11 participants for the twelve months ending March 31, 2013 are detailed in Schedule TJM-
12 EEE-3 and TJM-Ext-3.

13 **Multi-Family Energy Savings**

14 The Multi-Family Sub-Program energy savings are detailed in Schedules
15 TJM-EEE-4E, 4G, 5E and 5G and TJM-Ext-4E, 4G, 5E and 5G.

16 **Multi-Family Emission Reductions**

17 The Multi-Family Sub-Program emissions impacts are detailed in Schedules
18 TJM-CA, EEE & Ext 6 and 7.

1 **D. CARBON ABATEMENT AND EEE STIMULUS SMALL BUSINESS DIRECT**
2 **INSTALL SUB-PROGRAM**

3
4 **Small Business Sub-Program Description**

5 The Carbon Abatement and EEE Stimulus Small Business Direct Install Sub-
6 Program (“Small Business Sub-Program”) is designed to reduce carbon emissions by
7 lowering the energy consumption of small businesses. It provides seamless service to small
8 business customers, from opportunity identification, to direct installation of measures,
9 through repayment of the customer’s share of the project cost as a part of their PSE&G bill.
10 The Small Business Sub-Program identifies all cost-effective energy efficiency retrofit
11 opportunities and provides direct installation and financial incentives to encourage the
12 replacement of existing equipment with high efficiency alternatives. PSE&G offers a walk-
13 through energy evaluation to eligible businesses and provides a report of recommended
14 energy savings improvements. The Small Business Sub-Program initially provides 100% of
15 the cost to install the recommended energy savings improvements. 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 if they choose. Eligible energy savings
18 improvements available through the Small Business Sub-Program include all energy-using
19 systems such as lighting, controls, refrigeration, HVAC, motors, and variable speed drives.
20 Customers participating in the Small Business Sub-Program may not have received or
21 applied for incentives under the NJCEP Program for the same measures.

22 The Small Business Sub-Program is targeted at small businesses located in 25
23 UEZ municipalities in PSE&G’s service territory. Both owner occupied and leased facilities

1 are eligible for the Small Business Sub-Program, but landlord approval must be obtained for
2 leased facilities.

3 **Small Business Sub-Program Status**

4 The CA and EEE Small Business Sub-Program completed the EEE funding in
5 2010 and the CA funding in 2012. Sub-program to date through March 2013, there have
6 been 642 projects completed.

7 The CA and EEE Small Business Sub-Program participants for the twelve
8 months ending March 31, 2013 are detailed in Schedules TJM-CA-3 and TJM-EEE-3.

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

10 The Small Business Sub-Program energy savings are detailed in Schedules
11 TJM-CA-4E, 4G, 5E and 5G and TJM-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 TJM-CA, EEE & Ext 6 and 7.

15

16 **E. EEE STIMULUS AND EEE EXTENSION MUNICIPAL DIRECT INSTALL**
17 **SUB-PROGRAM**

18

19 **Municipal Sub-Program Description**

20 The objective of the EEE Stimulus and EEE Extension Direct Install Sub-
21 Program for Government and Non-Profit Facilities (Municipal Sub-Program) is to rapidly
22 acquire durable savings in energy and peak demand usage among municipal and other
23 government entities, non-profit entities, and green manufacturing projects. The sub-program

1 provides seamless service to its target audience from opportunity identification to direct
2 installation of measures, through financing of the customer's share of the project cost as a
3 part of its PSE&G bill. The Municipal Sub-Program identifies all cost-effective energy
4 efficiency retrofit opportunities and provides direct installation and financial incentives to
5 encourage the replacement of existing equipment with high efficiency alternatives. PSE&G
6 offers a walk-through energy evaluation to eligible facilities and provides a report of
7 recommended energy savings improvements. The Municipal Sub-Program initially provides
8 100% of the cost to install the recommended energy savings improvements. Upon
9 completion of the work the customer must repay 20% of the total cost to PSE&G in one
10 payment or over two years, interest free, on their PSE&G bill. The EEE Stimulus Municipal
11 Sub-Program was originally open to eligible customers with annual peak demands of less
12 than 200 kW. Customers with annual peak demands in excess of 200 kW were eligible for
13 an investment grade audit if the complexity of the facility required that level of analysis. In
14 its EEE Extension filing, PSE&G requested and was granted a modification to sub-program
15 participation criteria. The EEE Extension Municipal Sub-Program targets facilities with
16 annual peak demands of 150 kW or less. Facilities with annual peak demands in excess of
17 150kW will be considered for sub-program participation on a case-by-case basis. Eligible
18 energy savings improvements available through the Municipal Sub-Program include energy-
19 using systems such as lighting, controls, refrigeration, HVAC, motors, and variable speed
20 drives. Customers participating in the Municipal Sub-Program may not have received or
21 applied for incentives under the NJCEP Program for the same measures.

1 **Municipal Sub-Program Status**

2 The EEE Stimulus Municipal Sub-Program (and subsequently the EEE
3 Extension Municipal Sub-Program) began operation throughout PSE&G’s electric and gas
4 service territory in July 2009. This sub-program utilizes the same program management and
5 operational resources as the Small Business Sub-Program.

6 As of July 2010, the Municipal Sub-Program was fully subscribed and there
7 was a waiting list of 800 applications in queue. PSE&G subsequently filed the EEE
8 Extension sub-program to address the customer backlog, as well as any potential new sub-
9 program applicants. Sub-program to date through March 2013 there has been 226 projects
10 completed.

11 The EEE Municipal Sub-Program participants for the twelve months ending
12 March 31, 2013 are detailed in TJM-EEE-3 and TJM-Ext-3.

13 **Municipal Sub-Program Energy Savings**

14 The Municipal Sub-Program energy savings are detailed in Schedules TJM-
15 EEE-4E, 4G, 5E and 5G and TJM-Ext-4E, 4G, 5E and 5G.

16 **Municipal Sub-Program Emission Reductions**

17 The Municipal Sub-Program emissions impacts are detailed in Schedules
18 TJM-CA, EEE & Ext 6 and 7.

1 **F. CARBON ABATEMENT LARGE BUSINESS BEST PRACTICES AND**
2 **TECHNOLOGY DEMONSTRATION WAREHOUSE PILOT SUB-PROGRAM**

3
4 **Warehouse Pilot Sub-Program Description**

5 The Carbon Abatement Large Business Best Practices and Technology
6 Demonstration Warehouse Pilot Sub-Program (“Warehouse Pilot Sub-Program”) was
7 designed to reduce carbon emissions by lowering the energy consumption of warehouse
8 facilities in PSE&G’s electric service territory. The Warehouse Pilot Sub-Program was
9 targeted to warehouses and the installation of integrated lighting systems. PSE&G, working
10 with General Electric (“GE”) and Orion Energy Services, provided a holistic warehouse
11 lighting system for high-bay applications that included advanced fixtures with high-intensity
12 fluorescent lighting, day lighting “light pipes” with automated controls, fixture level lighting
13 controls, and real-time measurement and verification of performance. In combination, this
14 lighting system provides energy savings, while maintaining existing lighting levels in the
15 warehouse facility. The Warehouse Pilot Sub-Program focused on the delivery of an
16 integrated system that provides a higher level of energy savings, and tracks and reports on the
17 resulting energy savings.

18 All audit and installation work was performed by Orion Energy Services.
19 PSE&G addressed the first costs bias through the incentive design. PSE&G pays a lighting
20 system incentive to the customer that effectively reduces the simple payback period for the
21 system to two years for projects with a pay back of seven years or less. Orion Energy
22 Services was not paid by PSE&G for the audits performed or for developing customer
23 proposals. Payment terms for the cost of the work to be performed are determined by Orion

1 Energy Services and the customer. GE or Orion Energy Services may provide financing for
2 qualifying customers if requested by the customer. A performance baseline for each project
3 was established during the audit phase. Customers participating in the Warehouse Pilot Sub-
4 Program may not have received, or applied for, incentives under the NJCEP for the same
5 measures.

6 **Warehouse Pilot Sub-Program Status**

7 Following its introduction in January 2009, the Warehouse Pilot Sub-Program
8 identified 317 potentially eligible customers. Of these, 263 customers qualified for the sub-
9 program and were contacted by PSE&G. Twenty-one customers completed lighting audits,
10 developed facility baselines, and received proposals for installation of the Integrated Lighting
11 System. The original target goal for the pilot sub-program was 18 participants; however the
12 pilot installation phase concluded with a total of five warehouse projects participating. The
13 lighting installations were completed in 2010 and the completed projects received their first
14 of three annual sub-program incentive payments in 2011 and a second payment in 2012.
15 Final annual payments will be made in 2013.

16 The Warehouse Pilot Sub-Program participants for the twelve months ending
17 March 31, 2013 are detailed in Schedule TJM-CA-3.

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

19 The Technology Pilot Sub-Program energy savings are detailed in Schedules
20 TJM-CA 4E and 5E.

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

2 The Technology Pilot Sub-Program emissions impacts are detailed in
3 Schedules TJM-CA, EEE & Ext 6 and 7.

4

5 **G. CARBON ABATEMENT, EEE STIMULUS AND EEE EXTENSION HOSPITAL**
6 **EFFICIENCY SUB-PROGRAM**

7

8 **Hospital Sub-Program Description**

9 The Carbon Abatement, EEE Stimulus and EEE Extension Hospital
10 Efficiency Sub-Program (“Hospital Sub-Program”) is designed to reduce carbon emissions
11 by lowering the energy consumption of hospitals. The Hospital Sub-Program assists
12 hospitals to address energy savings opportunities in both new construction and retrofit
13 projects. The Hospital Sub-Program assists hospitals to address energy savings opportunities
14 on a whole facility basis, rather than “quick payback” lighting applications only.

15 The Hospital Sub-Program is targeted to existing hospitals and hospital new
16 construction in PSE&G’s electric and/or gas service territory. The Hospital Sub-Program is
17 targeted specifically to in-patient hospitals and other in-patient medical facilities that operate
18 24 hours a day, 7 days a week. Hospitals receive an Investment Grade Audit (“IGA”) of
19 their hospital campus at no cost. Audit results identify all energy conservation measures
20 appropriate to the hospital facility based on its operating parameters. It determines the
21 potential savings derived through a variety of recommended measures and technologies
22 targeting HVAC, humidification, building envelope, motors, lighting, and other energy
23 consuming equipment. Energy efficiency measures with a payback of 15 years or less are

1 considered for incentives under the Hospital Sub-Program. The Hospital Sub-Program
2 provides an incentive by buying down the project payback by seven years, down to a level
3 not less than two years. PSE&G reviews the hospital facility audit results with the customer
4 to establish baseline performance information and projected savings, and assists the customer
5 in preparing bid-ready documents to facilitate the preparation of a project Scope of Work, to
6 be used to obtain contractor cost estimates for ECM installation. Hospitals are responsible
7 for obtaining services for the installation of the approved measures from qualified service
8 providers. Based on the audit results, overall project cost-effectiveness, and approved project
9 pricing, PSE&G enters into contracts with hospitals to provide funding of eligible measures.

10 **Hospital Sub-Program Status**

11 There are approximately 52 acute care hospitals located within PSE&G's
12 electric and/or gas service territory plus more than twenty more regional, local, or specialty
13 hospitals. PSE&G Large Customer Support managers contacted every acute care hospital to
14 announce the Hospital Sub-Program, explain the benefits, provide them the opportunity to
15 participate in the Hospital Sub-Program, and assist them through the application process. As
16 of the end of March 2013, 56 applications have been received for the Hospital Sub-Program;
17 52 IGAs have been performed, nine projects have entered the construction phase, seven
18 projects are in the engineering/bidding phase and 19 projects have been completed. In
19 addition, eight additional IGAs are underway. The Hospital Sub-Program was designed to
20 overcome barriers to energy efficiency retrofits in a critical customer and market sector. As
21 projects have been completed, knowledge of the advantages of the sub-program has spread
22 throughout the healthcare sector. Hospitals that initially thought they could not afford the

1 energy efficiency improvements are now applying to the sub-program and starting their
2 projects and other eligible sectors such as nursing homes and rehabilitation facilities have
3 also participated in the sub-program. The sub-programs are operated as one program where
4 a project can begin the process with an IGA funded under the EEE Stimulus sub-program
5 and complete construction under the EEE Extension sub-program. This is the same process
6 where projects could receive initial funding under Carbon Abatement and complete under
7 EEE Stimulus. For example, the Carbon Abatement Program funded all of the IGAs
8 completed or in progress during 2009 and the initial Stage One incentive payments for some
9 of the Hospital Sub-Program projects. After the Carbon Abatement Program funding was
10 allocated, customers that completed their IGAs and moved to the RFP stage were eligible for
11 funding under the EEE Stimulus Hospital Sub-Program.

12 There were 12 hospital projects in queue that were not funded through either
13 the Carbon Abatement or EEE Stimulus Programs and 5 of which are now being funded
14 through the EEE Extension Program. The CA and EEE Hospital Sub-Program participants
15 for the twelve months ending March 31, 2013 are detailed in Schedules TJM-CA-3, EEE-3
16 and Ext-3.

17 **Hospital Sub-Program Budget**

18 The entire CA and EEE Stimulus investment funding for the Hospital Sub-
19 Program has been committed and PSE&G expects that the EEE Extension funding will be
20 nearing full commitment in 2013. Incentive payments will be made as the approved projects
21 progress. If a project is not completed, then the committed funding will become available for
22 another project in queue for funding.

1 In furtherance of its Green Programs, PSE&G conducts, on an ongoing basis,
2 audits, investigations and special control reviews of the PSE&G Green Programs to
3 reasonably ensure compliance with laws, regulations and program requirements. As a result
4 of one of these reviews, PSE&G has determined the need to make a cost recovery adjustment
5 in this filing associated with energy efficiency initiatives undertaken as part of one project
6 within the Hospital Sub-Program. In connection with the project, two milestone payments
7 totaling \$2.618 million were prematurely made. Additionally, because the project ultimately
8 was completed significantly below budget, one of the two milestone payments resulted in an
9 overpayment of \$312,764.00. Accordingly, in this filing, Mr. Swetz has adjusted the revenue
10 requirement schedules as if these payments were made correctly, ensuring ratepayers are not
11 impacted by these premature/over payments.

12 **Hospital Sub-Program Energy Savings**

13 The Hospital Sub-Program energy savings are detailed in Schedules TJM-
14 EEE-4E, 4G, 5E and 5G and Ext-4E, 4G, 5E and 5G.

15 **Hospital Sub-Program Emission Reductions**

16 The Hospital Sub-Program emissions impacts are detailed in Schedules TJM-
17 CA, EEE & Ext 6 and 7.

18

19 **H. EEE STIMULUS DATA CENTER EFFICIENCY SUB-PROGRAM**

20 **Data Center Sub-Program Description**

21 The EEE Stimulus Data Center Efficiency Sub-Program (“Data Center Sub-
22 Program”) is designed to reduce carbon emissions by lowering the energy consumption of

1 data center facilities where natural gas and/or electricity are provided by PSE&G. The Data
2 Center Sub-Program conducts facility audits for existing data centers and performs a design
3 review for proposed new data center sites. Audits consist of meeting the data center
4 management team, reviewing the overall operation of the data center, and collecting
5 information regarding the energy consuming devices. The audit considers the comprehensive
6 analysis of all of the technologies associated with the data center, and also addresses
7 redundancies needed for reliability and provides a report of recommendations with potential
8 energy and cost savings opportunities. The audit determines the potential savings from the
9 upgrade or replacement of existing equipment. It addresses a variety of measures and
10 technologies, including HVAC, humidification, building envelope, lighting, and other energy
11 consuming equipment. It also determines the potential savings from the modification and
12 optimization of existing systems and equipment, including HVAC, humidification and other
13 energy consuming equipment. PSE&G pays for the cost of the audit for an existing data
14 center and the design review for a new data center facility. Based on the audit results,
15 PSE&G enters into contracts with data centers to provide funding of eligible measures based
16 on reduction in total natural gas and electricity usage and/or demand. Energy efficiency
17 measures that have received incentives from other ratepayer funded programs such as the
18 NJCEP are not eligible for incentives under the Data Center Sub-Program for the same
19 measures.

20 Data centers obtain services for the installation of the approved measures from
21 qualified service providers subject to approval by PSE&G. Based on funding availability,
22 PSE&G provides up-front funding for approved cost-effective projects and system changes

1 and, if necessary, provides three progress payments: one-third at initial contract, one-third at
2 50% completion and one-third after project completion, final inspection and project cost true-
3 up. The total cost of the energy efficiency measures, less the financial incentive will be
4 repaid through the data center's PSE&G bill over a three year period. For data centers that
5 require significant mechanical equipment upgrades/replacement, energy efficiency measures
6 with a payback of 15 years or less are considered for incentives under this sub-program.
7 PSE&G will provide an incentive by buying down the payback by seven years, to a level not
8 less than two years. Data centers that only require modification and optimization of existing
9 HVAC systems that have a payback of two years or less are considered for incentives under
10 this sub-program. PSE&G provides an incentive of one-half the cost of all modification and
11 changes recommended by the audit.

12 **Data Center Sub-Program Status**

13 PSE&G hired two contractors through a competitive bidding process who
14 began providing sub-program services during the second quarter 2010. Prior to completing
15 the hiring process, PSE&G Large Customer Support and Area Development personnel
16 contacted large data centers in the PSE&G electric and/or gas service territory to present the
17 sub-program to potential participants. By the end of July 2010, there were 16 applications in
18 hand and ultimately a total of eight sub-program participants. Audits for all of the data
19 center projects have been completed. As of March 2013, two of the eight projects cancelled
20 before project construction began, four of the remaining six projects were completed, and the
21 last two projects are expected to complete by the end of 2013.

1 The Data Center Sub-Program participants for the twelve months ending
2 March 31, 2013 are detailed in Schedule TJM-EEE-3.

3 **Data Center Sub-Program Budget**

4 The entire funding for the Data Center Sub-Program was committed by the
5 end of 2010; however, based on sub-program drop outs, not all committed funding will be
6 spent. Incentive payments have been made as the approved projects progressed and moved
7 towards completion.

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

9 The Data Center Sub-Program energy savings are detailed in Schedule TJM-
10 EEE - 4E, 4G, 5E and 5G.

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

12 The Data Center Sub-Program emissions impacts are detailed in Schedule
13 TJM-CA, EEE & Ext 6 and 7.

14

15 **I. EEE STIMULUS BUILDING COMMISSIONING O&M SUB-PROGRAM**

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

17 The primary objective of the EEE Stimulus Building Commissioning O&M
18 Sub-Program (the “Retro-Commissioning Sub-Program”) is to motivate non-residential
19 customers to reduce energy use through improvements to the manner in which facilities are
20 operated and maintained. This sub-program is a pilot that offers technical and financial
21 assistance to identify and implement low cost tune-ups and adjustments that improve the
22 efficiency of a building’s operating systems by bringing them to the intended operation or

1 design specifications and/or maximizing current operating conditions, with a focus on
2 building controls and HVAC systems. Energy conservation measures identified by
3 commissioning activities typically represent no-cost to low-cost measures that may be
4 accomplished with minimal capital investment.

5 In order to develop a significant amount of data that can be analyzed and then
6 used to address a larger target market, the Retro-Commissioning Sub-Program (the “RCx
7 Sub-Program”) is concentrated on one high energy use business sector. The target customer
8 for the RCx Sub-Program pilot was food sales facilities (grocery stores/supermarkets) in
9 excess of 30,000 SF that are PSE&G electric and/or gas customers and in which the primary
10 systems have not exceeded their anticipated design service life for HVAC – 20 years,
11 refrigeration – 15 years, and lighting systems - 15 years.

12 Since this is a pilot, the sub-program provides 100% of the cost to develop the
13 participants' RCx plan and the cost of implementing a pilot list of low-cost improvements to
14 demonstrate the value of RCx efforts. The RCx Sub-Program contracted the New Jersey
15 Institute of Technology's (“NJIT”) Center for Architecture and Building Science Research
16 (“CABSR”) to provide sub-program design and implementation services, including pilot
17 design and administration, documentation of ECMs, anticipated savings and resulting M&V
18 measured savings, and pilot evaluation. In addition, two engineering firms were selected
19 through a competitive bid process to deliver sub-program services.

20 **Retro-Commissioning Sub-Program Status**

21 The RCx Sub-Program completed the initial RCx services to the sub-program
22 participants in 2011 with 35 supermarkets participating. All participants have completed the

1 RCx implementation phase including the ASHRAE Tier I (Walk-Thru) energy audit with
2 report, EnergyStar benchmarking, and completion of on-site RCx upgrades based on the RCx
3 pilot reports specifying recommended retro-fit/direct install measures with potential savings
4 and estimated costs. All 35 supermarkets have now completed a one year M&V phase of the
5 pilot and energy usage data were collected monthly. NJIT's CABS R has developed a report
6 of the sub-program that reviews the merits and challenges of the sub-program, potential
7 models for wider implementation, and the potential savings attributable to further sub-
8 program expansion. Projects have been implemented and all services were completed by Q1
9 2013.

10 The EEE Retro-Commissioning Sub-Program participants for the twelve
11 months ending March 31, 2013 are detailed in Schedule TJM-EEE-3.

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

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

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

16 The Retro-Commissioning Sub-Program emissions impacts are detailed in
17 Schedules TJM-CA, EEE & Ext 6 and 7.

18

19 **J. EEE STIMULUS TECHNOLOGY DEMONSTRATION SUB-PROGRAM**

20 **Technology Demonstration Sub-Program Description**

21 The EEE Stimulus Technology Demonstration Sub-Program is comprised of a
22 number of technology and site-specific demonstration projects designed to measure the

1 potential for energy savings for various technologies and applications. The sub-program was
2 also designed to measure the replicability/applicability of numerous technologies and the
3 potential for expansion to other projects. This sub-program provides support for the State’s
4 goals including economic development and brownfield redevelopment. The sub-program
5 provides grant funding to test emerging energy savings technologies not currently covered by
6 existing programs. It is geared toward testing and proving new technologies for next
7 generation energy efficiency programs. This sub-program may also provide funding for
8 market research to understand consumer behavior and receptivity toward adopting new
9 approaches to energy efficiency. The sub-program was open to all New Jersey organizations,
10 and the project or facility must be located in PSE&G electric and/or gas service territory. If
11 it is a market research project, the sponsoring organization must be located within New
12 Jersey.

13 The sub-program provides grant funding for demonstration and proof of
14 concept projects for innovative technologies that will enhance and improve the efficiency and
15 sustainability of New Jersey energy generation and consumption. The goal of the sub-
16 program is to facilitate and accelerate the commercialization of products and services that
17 will benefit the New Jersey energy sector within the next two years. New or refined energy-
18 related processes and energy-related “best management practices” (“BMPs”) are also eligible
19 under this sub-program. New Jersey based companies and organizations that are funded
20 under the sub-program must have a product, service, or process that is based on a qualifying
21 technology, that could be commercially available within two years, and that addresses a New
22 Jersey market need. This sub-program was not designed to provide grant funding to

1 renewable energy projects. Incentives are structured as grants, with a minimum grant of
2 \$50,000. Subject to funding availability, sub-program grants are approved for up to 100% of
3 the project cost with no repayment requirements. PSE&G engaged the Rutgers Center for
4 Energy, Environment and Economic Policy (“Rutgers CEEEP”) to assist in developing and
5 managing the sub-program project selection process.

6 **Technology Demonstration Sub-Program Status**

7 The level of participation in the sub-program was driven by the characteristics
8 of, and the level of, requested support from the mix of proposed projects. Twelve
9 participants were estimated for the purpose of the sub-program filing. Some participants
10 were identified during sub-program development and were funded after the sub-program was
11 approved by the BPU Order. The remaining funding was opened up to the market as a
12 whole, with solicitations also going out to New Jersey academic and entrepreneurial
13 organizations identified by Rutgers CEEEP.

14 During the general solicitation period administered by Rutgers CEEEP, the
15 sub-program received 109 Letters of Intent (“LOI”). These were reviewed initially by a joint
16 committee consisting of two Rutgers CEEEP members and two PSE&G members. The
17 committee accepted 24 of the 109 LOI proposals and invited them to proceed to the full
18 application stage. Although there were multiple reasons for submittals not advancing to the
19 full application stage, the two most frequent were that the proposed project was not a new
20 technology (i.e., a demonstration of an existing commercial technology or expansion of an
21 existing business), or proposed a generation project, in most cases renewable generation,
22 without an energy efficiency component.

1 Twenty-three of the 24 entities invited to submit applications did so. Those
2 applications were then reviewed for technical feasibility by academic experts from outside of
3 New Jersey that were vetted and selected by Rutgers CEEEP. The sub-program ultimately
4 awarded grants to a total of 18 projects. One small project withdrew and one project was
5 removed from the sub-program. One project sponsor had to find a replacement host site for its
6 demonstration project and consequently was delayed in starting the project. The grant
7 funding is still committed and will be paid later in 2013.

8 The EEE Technology Demonstration Sub-Program participants to date are
9 detailed in Schedule TJM-EEE-3.

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

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

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

14 The Technology Demonstration Sub-Program emissions impacts are detailed
15 in Schedules TJM-CA, EEE & Ext 6 and 7.

16

17 **K. General Comments Applying to All CA, EEE and EEE Extension Sub-Programs**

18 **Green Jobs**

19 Schedule TJM-CA, EEE & Ext-1 details the green jobs associated with
20 implementation of the CA, EEE Stimulus and EEE Extension sub-programs.

1 **PJM Capacity Market**

2 PSE&G is required by the BPU to bid energy efficiency attributes, derived as
3 a result of implementing PSE&G’s energy efficiency sub-programs, into the PJM Reliability
4 Pricing Model (“RPM”) auctions. Accordingly, PSE&G offered and cleared 13.9 MW
5 Unforced Capacity (“UCAP”) of EE Resources to PJM in the First Incremental Auction for
6 Delivery Year 2013-2014, 9.0 MW UCAP of EE Resources in the Third Incremental Auction
7 for Delivery Year 2012-2013, and 8.4 MW UCAP of EE Resources in the First Incremental
8 Auction for Delivery Year 2014-2015. PSE&G has also offered and cleared 4.3 MW UCAP
9 of EE Resources in the Base Residual Auction (“BRA”) for Delivery Year 2015-2016 and
10 1.0 MW UCAP of EE Resources in the Base Residual Auction for Delivery Year 2016-2017.

11 Measurement and Verification (“M&V”) Plans are submitted and are subject
12 to approval by PJM before EE Resources can be offered into RPM auctions. The M&V
13 Plans are followed in each respective delivery year in order to validate the installations and
14 values of demand reduction. The results of carrying out the M&V Plan, the Post-Installation
15 M&V Report, are submitted and are subject to approval by PJM, allowing for anticipated
16 capacity payments.

17 PSE&G modified sub-program documents, including sub-program customer
18 applications, in order to inform customers that PSE&G was retaining ownership of the
19 energy efficiency capacity (“EE Resources”) for the purpose of offering them into the PJM
20 RPM auctions. For the Small Business and Municipal Direct Install Sub-Program customers
21 who had already participated in those sub-programs and completed their projects prior to the
22 BPU Order requiring PSE&G to offer EE Resources to PJM, PSE&G notified those

1 customers via United States mail that the Company retained ownership rights to the EE
2 Resources only for the purpose of offering EE Resources to PJM.

3

4 **L. Program Reporting**

5 In 2010, PSE&G issued an RFP to procure a tracking system for program,
6 application and measure data for its energy efficiency programs. TrakSmart, a commercial
7 software system offered by Nexant, was selected through the RFP process. The TrakSmart
8 system was placed in service in March 2013 when it was deemed functionally complete for
9 program management, at a value of \$1,184,744, which includes payments made to Nexant
10 (\$1,045,310) as well as capitalized IT costs and AFUDC. PSE&G is presently working with
11 AEG to provide a phased completion of the data uploads to IMS (the BPU's data
12 management system). Additional costs are included in the forecast period to account for
13 potential enhancements to the system to provide additional data to the IMS System.

1 **DEMAND RESPONSE SUB-PROGRAMS**

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

3 The Residential Central Air Conditioner Cycling Sub-Program (“Residential
4 A/C Cycling Sub-Program”) is targeted to residential customers with central air conditioning
5 in PSE&G’s electric service territory. The total sub-program investment was projected to be
6 \$60.2 million from 2009 through 2013.

7 **Legacy Participants**

8 The Residential A/C Cycling Sub-Program was designed to replace the
9 existing equipment in the legacy Residential A/C Cycling Sub-Program (marketed as the
10 PSE&G “Cool Customer” Program). The plan was to migrate the legacy sub-program
11 participants who had load control switches installed on their central air-conditioning units to
12 a newer version of the Residential A/C Cycling Sub-Program over a five-year period. The
13 newer version of the sub-program included the use of two new load control devices. Legacy
14 customers who chose to opt-out of the new sub-program would be dropped from the
15 Residential A/C Cycling Sub-Program as the new sub-program would no longer support the
16 older load control technology. Customers who agreed to migrate to the new version of the
17 sub-program were provided with two options: (1) receive a new load control switch and
18 continue to receive ongoing incentive payments of \$4 for each summer month, June through
19 September, plus a \$1 per cycling event incentive; or (2) receive a new load control
20 thermostat. Either the new load control switch or the new load control thermostat would
21 cycle the air-conditioning unit. For customers selecting option 2, the customer incentive was
22 the thermostat itself plus a one-time \$50 signing bonus with no further incentives over the

1 life of the sub-program. In addition to the legacy customers with load control devices
2 installed on their central air condition units, there was also a small set of legacy sub-program
3 participants who had load control thermostats installed. Customers having the older
4 technology thermostats were offered a new load control thermostat upon their migration to
5 the new version of the sub-program.

6 **New Participants**

7 The new version of the Residential A/C Cycling Sub-Program was also made
8 available to new sub-program participants (i.e., customers not already enrolled in the legacy
9 sub-program). For each new device enrolled, the incremental kW impact is estimated to be
10 0.74 kW (or the then-PJM established and allowed demand response value per device).
11 Similar to the migrating legacy sub-program participants, new participants were given the
12 choice of a load control cycling switch or a thermostat. If the new participant chose a switch,
13 they received monthly incentive payments of \$4 for the each of the summer months, June
14 through September, plus \$1 per cycling event. If the new participant chose a thermostat, the
15 customer incentive was the thermostat itself plus a \$50 one-time signing bonus with no
16 further incentives over the life of the sub-program.

17 **Residential A/C Cycling Sub-Program Status**

18 PSE&G replaced 73,227 legacy load control devices from 2009 through
19 March 2013. Table DR-1 below shows the actual number of load control devices installed
20 from 2009 through March 31, 2013 and the anticipated number of devices from April 1, 2013
21 through 2014.

1

TABLE DR-1

DR Program Total Installations							
	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast
Calendar Year	2009	2010	2011	2012	2013	2014	Total
Migrating Legacy	7,294	16,493	33,808	14,890	742	0	73,227
New Res Switch	0	220	1,690	3,662	1,958	815	8,345
New Res T-Stat	0	9	8,763	20,831	18,526	8,051	56,180
New Commercial	0	2	589	787	428	179	1,985
Total Installations	7,294	16,724	44,850	40,170	21,654	9,045	139,737
Cumulative Installations	7,294	24,018	68,868	109,038	130,692	139,737	

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In the 2009 through 2011 time period, PSE&G concentrated on migrating legacy sub-program participants to the new sub-program. In 2011 PSE&G also began focusing on obtaining new participants. The planned migration schedule was escalated in order to be in compliance with the Federal Communications Commission (“FCC”) 12.5 kHz narrowbanding mandate deadline of January 1, 2013.¹ The FCC narrowbanding mandate requires that licensees in the private land mobile VHF and UHF bands, which have traditionally employed systems that operate on channel bandwidths of 25 kHz, convert to equipment designed to operate on channel bandwidths of 12.5 kHz or less or that meets a specific efficiency standard. The new standard meant that any equipment that was not capable of operating on channels of 12.5 kHz or less had to be replaced.

Approximately 98% of the 127,747 legacy devices of record were examined and offered the opportunity to receive the new load control equipment and continue

¹ FCC Narrowbanding Mandate, A Public Safety Guide for Compliance, Chapter 2, Page 6.

1 participation in the new version of the Residential A/C Cycling Sub-Program. The
2 breakdown of this 127,747 is as follows:

- 3 • 73,277 moved to the new program
- 4 • 51,938 either no longer had devices installed or chose to opt out
- 5 • 2,532 were removed from the system after the customer did not respond

6 In addition, the A/C Cycling Sub-Program has experienced attrition among new participants,
7 with a dropout rate of approximately 1% per year.

8 **Residential A/C Cycling Sub-Program Evaluation Results**

9 In 2011 PSE&G initiated a Residential A/C Cycling Sub-Program
10 certification study in order to meet the PJM requirement for an update of the average switch
11 operability rate that reflected the percentage of all active switches that both received the
12 control test signal and operated as a result.² PJM requires that a switch operability study be
13 conducted as part of a Measurement and Verification (“M&V”) process, and the results must
14 be updated every five years. For sub-program participants, 87.1% of the switches and 100%
15 of the thermostats received the test signals. In addition, initial small commercial customer
16 results indicated a kW capacity value of approximately 1.0 kW rather than the 1.66 kW (PJM
17 default value) assumed by the sub-program. The availability factors and revised small
18 commercial kW capacity value as a result of the 2011 M&V study will continue to be in
19 effect until the next M&V study, which is scheduled to occur in 2016.

² PJM Manual 19: Load Forecasting and Analysis, Revision 19, Effective February 23, 2012, Attachment A: Load Drop Estimate Guidelines, Page 28.

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

2 The Small Commercial Air Conditioner Cycling Sub-Program (“SC A/C
3 Cycling Sub-Program”) is targeted to small commercial customers with central air
4 conditioning who are on the PSE&G electric rate schedule GLP. Enrolled customers receive
5 load control thermostats that are owned by the Company. For each new participant enrolled,
6 the incremental kW impact is estimated to be 1.00 kW (or the then PJM established and
7 allowed demand response credit per device). Currently Small Commercial customers make
8 up less than 2% of the total customers enrolled in the program with the balance being
9 Residential.

10 **SC A/C Cycling Sub-Program Status**

11 PSE&G has had limited success marketing to small commercial customers.
12 Only 1,451 load control devices have been installed at small commercial locations through
13 March 31, 2013.

14
15 **C. DR Participation in PJM Markets**

16 PJM announced that after the Energy Year which ended May 31, 2012, the
17 Interruptible Load for Reliability (“ILR”) option in the RPM would no longer exist. Until
18 that time, PSE&G had selected the ILR option as an alternative to offering its DR program
19 into the BRA. PSE&G nominated ICAP of 64 MW for the ILR option in the last year that it
20 was eligible to do so - the Energy Year that began on June 1, 2011 and ended on May 31,
21 2012.

1 In anticipation of the sun-setting of the ILR option, the Company began
2 participating in the BRA three years in advance of the delivery year that ILR would no longer
3 be an option. Therefore in 2009, PSE&G offered and cleared 62 MW ICAP into the BRA for
4 the Energy Year that runs from June 1, 2012 to May 31, 2013. In 2010, the Company offered
5 and cleared 120 MW (ICAP) into the BRA for the Energy Year that runs from June 1, 2013
6 to May 31, 2014, based on projected installations in the Board Order approving the
7 Program. For the Energy Year that runs from June 1, 2014 to May 31, 2015, PSE&G in 2011
8 offered and cleared 161 MW (ICAP) in the BRA. In addition to offers made in the BRA,
9 PSE&G also offered an additional 10 MW (ICAP) in the 2nd 2012/13 Incremental Auction
10 based on additional customer participation in the A/C cycling program following NJBPU
11 approval of the PSE&G program and subsequent marketing efforts. However, due to the
12 combined effects of the approximately 41% drop in the number of legacy switches, the
13 reduced residential switch availability, the reduction in small commercial kW per control
14 point, and the attrition of new sub-program participants, PSE&G only offered and cleared
15 88.0 MW (ICAP) for the Energy Year that runs from June 1, 2015 to May 31,
16 2016. Additionally, PSE&G offered and cleared 94.6 MW (ICAP) for the Energy Year that
17 runs from June 1, 2016 to May 31, 2017. The capacity revenue flowing from these
18 nominations, which is calculated based on the full unforced capacity (UCAP), is reflected in
19 the revenue requirements calculation in the Testimony and Schedules of Mr. Swetz.

20 Since the primary purpose of the sub-program is to support electric reliability,
21 PSE&G purchased 6 MW of capacity in the Third Incremental Auction for the 2012 to 2013
22 Energy Year to ensure the committed capacity would be available. In subsequent

1 Incremental Auctions, PSE&G also purchased 36 MW, and 15 MW (ICAP) for the delivery
2 years ending in 2014 and 2015 respectively. PSE&G will reevaluate its forecasts of available
3 capacity based on recent marketing trends, to determine if there is a need to purchase
4 additional capacity to ensure that the committed capacity will be available in the delivery
5 years ending in 2014 and 2015.

6 As a result of FERC Order 745, PJM was required to modify its Demand
7 Response Program. Under the new PJM rules governing economic cycling, all demand
8 response participation in the Energy Market will be cleared in the Day-Ahead Market or
9 through real-time dispatch by PJM to enable PJM to effectively maintain power balance.
10 Since the new rules require that the resources must be offered in either the day-ahead or real
11 time PJM Energy Markets in order for a Curtailment Service Provider to be paid by PJM,
12 PSE&G offered existing Demand Response in both the day-ahead and real time markets in
13 August and September of 2012, using the LMP Price of \$250 and a minimum interruption of
14 six hours. In 2012 no “economic cycling events” were implemented. PSE&G plans to
15 separately request BPU authorization to discontinue DR participation in the day-ahead or real
16 time PJM Energy Markets due to the potential for increased cycling events, which would
17 increase the likelihood of customers opting out of the program, which in turn would reduce
18 the available MW capacity during emergency cycling events.

1 **D. DR Program Curtailment Operations**

2 PSE&G initiated load control cycling events zero times during the summer of
3 2012. On September 21, 2012, a Cycling Test was performed, lasting approximately one
4 hour.

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6 **E. DR Program Budgets**

7 Total Demand Response Sub-Program budgets can be found in the electronic
8 work paper WP-TJM-DR-1.xlsx.

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CONCLUSION

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PSE&G is seeking cost recovery for the various initiatives described above that were undertaken pursuant to appropriate approvals from the Board. The Company's initiatives were undertaken to help New Jersey meet its New Jersey Energy Master Plan goal of reducing energy consumption by 20% by 2020, and to benefit New Jersey's economy through both sustaining and creating employment opportunities through the promotion of renewable energy and energy efficiency.

This concludes my testimony at this time.

SCHEDULE INDEX

1	Schedule TJM-1	Credentials of Terrence J. Moran
2	Schedule TJM-S4A-1	Solar Systems Installed by Segment
3	Schedule TJM-S4A-2	Capacity Solar Systems Installed by Segment
4	Schedule TJM-S4A-3	Actual and Scheduled Installations by Quarter
5	Schedule TJM-S4A-4	Estimated kWh Generated
6	Schedule TJM-S4A-5	SRECs Received Under Program by Energy Year
7	Schedule TJM-S4A-6	Emissions Reductions
8	Schedule TJM-S4A-7	Recoverable Administrative Costs by Segment
9	Schedule TJM-S4A-8	Program Administrative Cost Cap
10	Schedule TJM-SLII-1	Revised Floor Price Schedule (\$/SREC)
11	Schedule TJM-SLII-2	Recoverable Administrative Cost
12	Schedule TJM-SLII-3	Recoverable Administrative Cost (O&M) Detail by BPU Category
13	Schedule TJM-SLII-4	Program Administrative Cost Cap
14	Schedule TJM-SLII-5	Number of Loans Closed by Segment
15	Schedule TJM-SLII-6	Capacity of Solar System for Loans Closed by Segment
16	Schedule TJM-SLII-7	Actual kWh Generated by Segment for Closed Loans
17	Schedule TJM-SLII-8	Number of Loans Closed by Quarter
18	Schedule TJM-SLII-9	Emission Reduction by Segment
19	Schedule TJM-SLII-10	SRECs by Segment
20	Schedule TJM-CA & EEE-1	Employment by Sub-Program
21	Schedule TJM-CA-2	Budgeted versus Actual Program Costs
22	Schedule TJM-CA-3	Number of Program Participants
23	Schedule TJM-CA-4E	Annual Electric Demand and Energy Savings
24	Schedule TJM-CA-4G	Annual Gas Demand and Energy Savings
25	Schedule TJM-CA-5E	Lifetime Electric Demand and Energy Savings
26	Schedule TJM-CA-5G	Lifetime Gas Demand and Energy Savings
27		

1	Schedule TJM-CA, EEE & Ext-6	Annual Emissions Reductions
2	Schedule TJM-CA, EEE & Ext-7	Lifetime Emissions Reductions
3	Schedule TJM-CA-8	Participant Costs
4	Schedule TJM-EEE-2	Budgeted versus Actual Program Costs
5	Schedule TJM-EEE-3	Number of Program Participants
6	Schedule TJM-EEE-4E	Annual Electric Demand and Energy Savings
7	Schedule TJM-EEE-4G	Annual Gas Demand and Energy Savings
8	Schedule TJM-EEE-5E	Lifetime Electric Demand and Energy Savings
9	Schedule TJM-EEE-5G	Lifetime Gas Demand and Energy Savings
10	Schedule TJM-EEE-8	Participant Costs
11	Schedule TJM-Ext-1	Non Applicable
12	Schedule TJM-Ext-2	Budgeted versus Actual Program Costs
13	Schedule TJM-Ext-3	Number of Program Participants
14	Schedule TJM-Ext-4E	Annual Electric Demand and Energy Savings
15	Schedule TJM-Ext-4G	Annual Gas Demand and Energy Savings
16	Schedule TJM-Ext-5E	Lifetime Electric Demand and Energy Savings
17	Schedule TJM-Ext-5G	Lifetime Gas Demand and Energy Savings
18	Schedule TJM-Ext-8	Participant Costs

19

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ELECTRONIC WORKPAPER INDEX

21	WP-TJM-CA-1.xls	Support for CA Revenue Requirement
22	WP-TJM-EEE-1.xls	Support for EEE Revenue Requirement
23	WP-TJM-Ext-1.xls	Support for EEE Extension Revenue Requirement
24	WP-TJM-DR-1.xls	Support for DR Revenue Requirement

1 policy issues, energy markets, customer end-use technologies, and utility operations.
2 Areas of expertise include retail access processes and policy, energy market
3 operations, and energy analytics. I have served on the Executive Committee of the
4 Retail Electric Quadrant in the North American Energy Standards Board (NAESB),
5 and participate in the American Gas Association and Electric Power Research
6 Institute's Sustainability groups. I have previously prepared and presented testimony
7 to the New Jersey Board of Public Utilities as the Company's policy witness in the
8 Solar Loan III and Solar 4 All Extension proceedings, and I have represented the
9 Company in various working groups and forums at the NJ BPU, PJM and NAESB. I
10 also currently serve as an instructor in the Continuing Education Department at
11 Bergen Community College, teaching courses on Sustainability and Alternative
12 Energy and (energy) Economics.

SOLAR 4 ALL

SCHEDULE TJM-S4A-1

SOLAR 4 ALL Solar Systems Installed by Segment

	Projects 2009 Actual	Projects 2010 Actual	Projects 2011 Actual	Projects 2012 Actuals	Jan-Mar 13 Projects 2013 Actuals	Apr 13 -Dec13 Projects 2013 Forecast	Projects Total
SEGMENT 1A	-	5	2	2		1	10
SEGMENT 1B	-	1	5	2		-	8
SEGMENT 1C	-	3	3	-		-	6
	0	9	10	4	0	1	24

	2009 Solar Units	2010 Solar Units	2011 Solar Units	Actuals-2012 Solar Units	Jan-Mar 13 Actuals Solar Units	Apr 13 -Dec13 Forecast Solar Units	Total
Actuals	5,153	67,038	50,754	42,933	9,639		175,517
Forecast 2013						5,980	5,980
	5,153	67,038	50,754	42,933	9,639	5,980	181,497

SOLAR 4 ALL

SCHEDULE TJM-S4A-2

SOLAR 4 ALL Capacity Solar Systems Installed by Segment

	MW 2009 Actual	MW 2010 Actual	MW 2011 Actual	MW 2012 Actuals	Jan 13-Mar 13 MW 2013 Actuals	Apr 13 -Dec13 MW 2013 Forecast	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
	MW 2009 Actual	MW 2010 Actual	MW 2011 Actual	MW 2012 Actuals	Jan 13-Mar 13 MW 2013 Actuals	Apr 13 -Dec13 MW 2013 Forecast	MW Total
SEGMENT 2							
Actuals	1.0	13.7	11.4	10.2	2.3		38.6
Forecast 2013						1.4	1.4
Total	1.0	13.7	11.4	10.2	2.3	1.4	40.0
Total Solar 4 All	1.0	27.0	31.1	16.0	2.3	2.5	80.0

SOLAR 4 ALL

SCHEDULE TJM-S4A-3

SOLAR 4 ALL Actual and 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	Forecast MW 2nd Qtr 2013	Forecast MW 3rd Qtr 2013	Forecast 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	1.4	-	-	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	1.4	-	-	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	1.4	-	1.1	80.0

SOLAR 4 ALL

SCHEDULE TJM-S4A-4

SOLAR 4 ALL Estimated kWh Generated

	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	
	2009	2010	2011	2012	Jan 13-Mar 13 Actuals	Apr 13 -Dec13 2013	2014	2015	2016
SEGMENT 1A	-	413,198	14,688,693	17,037,010	2,679,882	13,304,836	17,352,710	17,265,869	17,179,462
SEGMENT 1B	-	4,933	5,138,300	22,493,115	3,863,928	16,609,887	21,663,292	21,554,879	21,447,008
SEGMENT 1C	-	304,731	5,819,309	6,493,724	1,107,425	4,830,783	6,300,504	6,268,973	6,237,600
SEGMENT 2	102,356	9,735,154	22,711,314	35,339,231	8,168,194	35,671,933	46,623,708	46,390,380	46,158,220
Total	102,356	10,458,017	48,357,616	81,363,081	15,749,430	70,417,438	91,940,214	91,480,101	91,022,290

SOLAR 4 ALL

SCHEDULE TJM-S4A-5

SOLAR 4 ALL SREC's Received under Program by Energy Year

	Seg 1A	Seg 1B	Seg 1C	Seg2	Seg2 BTM	Total SRECS
Energy Year 2010	-	-	-	-	1,506	1,506
Energy Year 2011	5,672	566	2,267	5,670	8,334	22,509
Energy Year 2012	16,543	12,684	6,515	20,183	9,116	65,041
Energy Year 2013	12,310	16,982	4,784	24,216	-	58,292
Total SRECS	34,525	30,232	13,566	50,069	18,956	147,348

SOLAR 4 ALL

SCHEDULE TJM-S4A-6

SOLAR 4 ALL Emissions Reductions*

	<u>SEGMENT 1A</u>	<u>SEGMENT 1B</u>	<u>SEGMENT 1C</u>	<u>SEGMENT 2</u>	<u>TOTAL</u>
Displaced CO2 (metric tons/year)	10,273	12,796	3,769	25,595	52,433
Displaced NOx (metric tons/year)	19	24	7	47	97
Displaced SO2 (metric tons/year)	44	55	16	109	224

* NJBPU Clean Energy Program protocols

SOLAR 4 ALL
Recoverable Administrative Costs by Segment

Month	Yr	Segment 1					Total
		O&M	Administrative	Rent	Insurance	Other	
December	2012	(70,756)	81,826	152,472	-	130,459	294,001
January	2013	146,342	82,698	81,394	26,598	15,395	352,427
February	2013	90,042	78,040	70,995	26,598	87,921	353,597
March	2013	39,282	71,134	167,836	26,598	13,818	318,667
Total for Recovery Period		204,911	313,699	472,696	79,794	247,592	1,318,691
April	2013	106,242	78,918	110,080	27,083	1,475,914	1,798,237
May	2013	106,242	87,918	110,378	27,083	(750,234)	(418,613)
June	2013	106,242	87,918	110,773	27,083	160,288	492,304
July	2013	106,242	87,918	110,773	27,083	160,288	492,304
August	2013	106,242	87,918	110,773	27,083	160,288	492,304
September	2013	106,242	87,918	110,773	26,649	160,288	491,870
October	2013	106,242	92,918	110,870	29,251	160,288	499,569
November	2013	106,242	92,918	111,105	29,251	160,288	499,805
December	2013	106,242	92,918	111,909	28,185	(1,735,002)	(1,395,747)
January	2014	116,375	102,210	112,356	28,594	0	359,535
February	2014	116,375	102,210	112,730	28,594	0	359,909
March	2014	116,375	102,210	112,730	28,594	0	359,909
April	2014	116,375	102,210	112,860	28,594	0	360,039
May	2014	116,375	102,210	113,166	28,594	0	360,344
June	2014	116,375	102,210	113,486	28,594	0	360,665
July	2014	116,375	102,210	113,486	28,594	0	360,665
August	2014	116,375	102,210	113,486	28,594	0	360,665
September	2014	116,375	102,210	113,486	28,594	0	360,665
October	2014	116,375	102,210	113,586	28,594	0	360,764
November	2014	116,375	102,210	113,828	28,594	0	361,006
December	2014	116,375	102,210	114,655	28,594	0	361,834
Total for Period		2,352,680	2,023,780	2,357,289	591,875	(47,592)	7,278,033

Month	Yr	Segment 2					Total
		O&M	Administrative	Rent	Insurance	Other	
December	2012	89,581	38,325				127,906
January	2013	83,028	26,174				109,203
February	2013	115,311	27,179				142,490
March	2013	109,852	23,709				133,561
Total for Recovery Period		397,772	115,387	-	-	-	513,159
April	2013	67,327	25,709			0	93,035
May	2013	161,077	29,709			0	190,786
June	2013	236,077	29,709			0	265,786
July	2013	236,077	33,709			0	269,786
August	2013	286,077	33,709			0	319,786
September	2013	411,077	33,709			0	444,786
October	2013	436,077	33,709			0	469,786
November	2013	436,077	33,709			0	469,786
December	2013	436,077	33,709			0	469,785
January	2014	410,730	37,080			0	447,809
February	2014	410,730	37,080			0	447,809
March	2014	410,730	37,080			0	447,809
April	2014	410,730	37,080			0	447,809
May	2014	410,730	37,080			0	447,809
June	2014	410,730	37,080			0	447,809
July	2014	410,730	37,080			0	447,809
August	2014	410,730	37,080			0	447,809
September	2014	410,730	37,080			0	447,809
October	2014	410,730	37,080			0	447,809
November	2014	410,730	37,080			0	447,809
December	2014	410,730	37,080			0	447,810
Total for Period		7,634,702	732,333	-	-	-	8,367,034

Total Solar 4 All							
Month	Yr	O&M	Administrative	Rent	Insurance	Other	Total
December	2012	18,825	120,151	152,472	-	130,459	421,907
January	2013	229,371	108,872	81,394	26,598	15,395	461,630
February	2013	205,353	105,219	70,995	26,598	87,921	496,086
March	2013	149,134	94,843	167,836	26,598	13,818	452,228
Total for Recovery Period		602,683	429,086	472,696	79,794	247,592	1,831,850
April	2013	173,569	104,627	110,080	27,083	1,475,914	1,891,273
May	2013	267,319	117,627	110,378	27,083	(750,234)	(227,828)
June	2013	342,319	117,627	110,773	27,083	160,288	758,090
July	2013	342,319	121,627	110,773	27,083	160,288	762,090
August	2013	392,319	121,627	110,773	27,083	160,288	812,090
September	2013	517,319	121,627	110,773	26,649	160,288	936,656
October	2013	542,319	126,627	110,870	29,251	160,288	969,355
November	2013	542,319	126,627	111,105	29,251	160,288	969,591
December	2013	542,319	126,627	111,909	28,185	(1,735,002)	(925,962)
January	2014	527,105	139,289	112,356	28,594	-	807,344
February	2014	527,105	139,289	112,730	28,594	-	807,719
March	2014	527,105	139,289	112,730	28,594	-	807,719
April	2014	527,105	139,289	112,860	28,594	-	807,849
May	2014	527,105	139,289	113,166	28,594	-	808,154
June	2014	527,105	139,289	113,486	28,594	-	808,474
July	2014	527,105	139,289	113,486	28,594	-	808,474
August	2014	527,105	139,289	113,486	28,594	-	808,474
September	2014	527,105	139,289	113,486	28,594	-	808,474
October	2014	527,105	139,289	113,586	28,594	-	808,574
November	2014	527,105	139,289	113,828	28,594	-	808,816
December	2014	527,105	139,289	114,655	28,594	-	809,643
Total for Period		9,987,382	2,756,113	2,357,289	591,875	(47,592)	15,645,067

SOLAR 4 ALL

SCHEDULE TJM-S4A-8

SOLAR 4 ALL Program Administrative Cost Cap

Year	Segment 1	Segment 2	Total	Program Cap	Difference
2009	128,775	170,522	299,297	299,297	-
2010	786,712	471,088	1,257,800	1,257,800	-
2011	2,494,158	1,115,490	3,609,648	3,901,909	292,261
2012	3,794,116	1,563,872	5,357,988	9,330,863	3,972,875
Actuals Jan-Mar 2013	1,024,691	385,253	1,409,944		
Forecast Apr- Dec 2013	2,952,032	2,993,321	5,945,353	8,510,111	1,154,814
Total	11,180,484	6,699,546	17,880,030	23,299,980	5,419,950
2014	4,326,001	5,373,714	9,699,714		

Note:

The above table contains actuals through 3/31/13 and forecast thereafter.

SCHEDULE TJM-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

SOLAR LOAN II: RECOVERABLE ADMINISTRATIVE COST (O&M)

		(1)	(2)	(3)	(4)	(5)	
Month	Yr	Solar Loan I and Solar Loan II Total Common Costs ¹	Solar Loan II Allocation of Common Costs ^{2,3}	Solar Loan II Direct Administrative (O&M) Costs	Application and Administrative Fees	Total Solar Loan II Recoverable Administrative (O&M) Costs	
December	2012	28,948	21,025	143,810	(162,993)	1,842	Actuals
January	2013	48,062	34,907	201,196	(55,187)	180,916	
February	2013	48,087	34,926	165,414	(137,088)	63,252	
March	2013	50,865	36,943	160,010	(53,085)	143,868	
April	2013	49,677	36,080	175,000	(78,326)	132,755	Forecast
May	2013	55,000	39,947	175,000	(64,947)	150,000	
June	2013	55,000	39,947	175,000	(64,947)	150,000	
July	2013	55,000	39,947	175,000	(64,947)	150,000	
August	2013	55,000	39,947	175,000	(64,947)	150,000	
September	2013	55,000	39,947	175,000	(64,947)	150,000	
October	2013	55,000	39,947	175,000	(64,947)	150,000	
November	2013	55,000	39,947	175,000	(64,947)	150,000	
December	2013	55,000	39,947	175,000	(64,947)	150,000	
January	2014	60,000	43,578	185,000	(78,578)	150,000	
February	2014	60,000	43,578	185,000	(78,578)	150,000	
March	2014	60,000	43,578	185,000	(78,578)	150,000	
April	2014	60,000	43,578	-	-	43,578	
May	2014	60,000	43,578	-	-	43,578	
June	2014	60,000	43,578	-	-	43,578	
July	2014	60,000	43,578	-	-	43,578	
August	2014	60,000	43,578	-	-	43,578	
September	2014	60,000	43,578	-	-	43,578	
October	2014	60,000	43,578	-	-	43,578	
November	2014	60,000	43,578	-	-	43,578	
December	2014	60,000	43,578	-	-	43,578	

Notes: ¹ Actuals through March 2013, projections thereafter.

² Based on Exhibit C in the Solar Loan II Board Order (Docket No.EO09030249), resources for program management of both Solar Loan I and Solar Loan II (Common Costs) will be allocated to Solar Loan I and Solar Loan II on a pro-rata basis based on the size of each program.

SCHEDULE TJM-SLII-3

SOLAR LOAN II: RECOVERABLE ADMINISTRATIVE COST (O&M) DETAIL BY BPU CATEGORY

Month	Yr	Administration and Program Development Expenditures	Rebate Processing, Inspections and Other QC Expenditures ²	Evaluation and Related Research Expenditures	Marketing & Sales	Training Expenditures	Application and Administrative Fees	Total
December	2012	16,724	127,086	-	-	-	(162,993)	(19,183)
January	2013	29,270	166,155	-	5,771	-	(55,187)	146,009
February	2013	40,069	124,471	-	874	-	(137,088)	28,326
March	2013	16,003	142,452	-	1,556	-	(53,085)	106,925
April	2013	30,000	145,000	-	-	-	(78,326)	96,674
May	2013	30,000	145,000	-	-	-	(64,947)	110,054
June	2013	30,000	145,000	-	-	-	(64,947)	110,054
July	2013	30,000	145,000	-	-	-	(64,947)	110,054
August	2013	30,000	145,000	-	-	-	(64,947)	110,054
September	2013	30,000	145,000	-	-	-	(64,947)	110,054
October	2013	30,000	145,000	-	-	-	(64,947)	110,054
November	2013	30,000	145,000	-	-	-	(64,947)	110,054
December	2013	30,000	145,000	-	-	-	(64,947)	110,054
January	2014	35,000	150,000	-	-	-	(78,578)	106,422
February	2014	35,000	150,000	-	-	-	(78,578)	106,422
March	2014	35,000	150,000	-	-	-	(78,578)	106,422
April	2014	-	-	-	-	-	-	-
May	2014	-	-	-	-	-	-	-
June	2014	-	-	-	-	-	-	-
July	2014	-	-	-	-	-	-	-
August	2014	-	-	-	-	-	-	-
September	2014	-	-	-	-	-	-	-
October	2014	-	-	-	-	-	-	-
November	2014	-	-	-	-	-	-	-
December	2014	-	-	-	-	-	-	-

¹ Actuals through March 2013, projections thereafter.

² 2013 Rebate Processing includes program roll-over dollars as specified in the board order

SOLAR LOAN II
Program Administrative Cost Cap

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Year	Annual Program Cap	Volume Rollover Amount	Adjusted Annual Program Cap	Total Recoverable Expenses	Over / (Under)	Expenses Eligible for Rollover	Volume Related Expenses (Labor & Other)	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	3,096,091	4,016,851	1,720,791	2,296,060	-	2,101,620	994,471
2014	948,082	994,471	1,942,553	842,202	1,100,351	-	555,000	439,471

Column Definitions:

- (1) Total administrative cost cap from the board order, Exhibit C
- (2) Allowed rollover costs from prior year - column 8
- (3) Column 1 + 2
- (4) Total actual and forecast annual program expenses (actual through 3/13, forecast thereafter)
- (5) Column 3 - 4
- (6) Program expense eligible to rollover to future years
- (7) Volume related expenses eligible for rollover credit
- (8) Rollover credit to be applied to the following year's program cap

SOLAR LOAN II
Number of Loans Closed by Segment
through March 31, 2013

Segment	Loans
Residential	626
Small Non-Residential	81
Large Non-Residential	48
Very Large Non-Residential	22
Total	<u>777</u>

SOLAR LOAN II
Capacity of Solar System for Loans Closed by Segment
through March 31, 2013

Segment	kW Closed
Residential	4,835.97
Small Non-Residential	6,534.06
Large Non-Residential	14,739.19
Very Large Non-Residential	22,871.63
Total	48,980.85

SOLAR LOAN II
Actual kWh Generated by Segment for Closed Loans
through March 31, 2013

Segment	kWh
Residential	7,294,212
Small Non-Residential	5,277,844
Large Non-Residential	17,977,297
Very Large Non-Residential	24,614,542
	55,163,895

SOLAR LOAN II
Number of Loans Closed by Quarter
through March 31, 2013

2009	Closed Loans
1st Qtr.	-
2nd Qtr.	-
3rd Qtr.	-
4th Qtr.	-
Total 2009	-
2010	
1st Qtr.	-
2nd Qtr.	1
3rd Qtr.	13
4th Qtr.	35
Total 2010	49
2011	
1st Qtr.	39
2nd Qtr.	67
3rd Qtr.	76
4th Qtr.	118
Total 2011	300
2012	
1st Qtr.	100
2nd Qtr.	104
3rd Qtr.	91
4th Qtr.	66
Total 2012	361
2013	
1st Qtr.	67
2nd Qtr.	-
3rd Qtr.	-
4th Qtr.	-
Total 2013	67
Total Program	777

SOLAR LOAN II
Emission Reduction by Segment
through March 31, 2012

Metric Tons

Segment	CO2	NOx	SO2
Residential	5,029	9	22
Small Non-Residential	3,639	7	16
Large Non-Residential	12,977	23	53
Very Large Non-Residential	16,971	31	73
Total	38,616	70	164

SCHEDULE TJM-SLII-10

**SOLAR LOAN II
SRECs by Segment
through March 31, 2013**

Segment	SRECs
Residential	6,500
Small Non-Residential	4,445
Large Non-Residential	16,152
Very Large Non-Residential	22,340
Total	49,437

Public Service Electric and Gas Company
Carbon Abatement & Energy Efficiency Economic Stimulus Programs Employment by Sub-Program
Reporting Period: 1Q2013

Program	Source of Job	Job Classification	Full Time Equivalents Between October 1, 2012 and December 31, 2012	Additional FTEs on Project	Full Time Equivalents Between January 1, 2013 and March 31, 2013
Whole House	PSE&G Employee	Program Manager	1.08	(0.67)	0.41
	PSE&G Contract Employees	Program / Operations Managers	0.22	0.28	0.50
	PSE&G Field Employees	Energy Assistants/Field Work	0.00	-	0.00
	Sub-Contractor	Engineering/Field Work	0.00	-	0.00
Subtotal		1.30	(0.39)	0.91	
Small Business	PSE&G Employee	Program Manager	0.16	0.04	0.20
	PSE&G Contract Employees	Program / Operations Managers	0.19	(0.02)	0.17
	Sub-Contractor	Sr. Staff / Administrator	0.00	-	0.00
	Sub-Contractor	Program Sales	0.00	-	0.00
	Sub-Contractors	Project Management	0.00	-	0.00
	Sub-Contractor	Engineering / Field Work	0.00	-	0.00
Sub-Contractor	Clerical	0.00	-	0.00	
Subtotal		0.35	0.03	0.37	
Municipal	PSE&G Employee	Program Manager	0.27	0.03	0.29
	PSE&G Contract Employees	Program / Operations Managers	0.18	(0.12)	0.06
	Sub-Contractor	Sr. Staff / Administrator	0.00	-	0.00
	Sub-Contractor	Program Sales	0.00	-	0.00
	Sub-Contractors	Project Management	0.00	-	0.00
	Sub-Contractor	Engineering / Field Work	0.00	-	0.00
Sub-Contractor	Clerical	0.00	-	0.00	
Subtotal		0.45	(0.09)	0.36	
Hospital	PSE&G Employee	Program Manager	0.47	0.20	0.67
	PSE&G Contractors	Program / Operations Managers	0.09	0.08	0.17
	Sub-Contractors	Sr. Staff / Administrator	0.13	(0.12)	0.00
	Sub-Contractors	Project Management	0.01	(0.01)	0.00
	Sub-Contractors	Engineering/Field Work	0.00	-	0.00
	Customer Contractors	Estimated Construction Labor	11.85	(11.83)	0.02
Subtotal		12.55	(11.68)	0.87	
Multifamily	PSE&G Employee	Program Manager	0.61	(0.04)	0.57
	PSE&G Contractors	Program / Operations Managers	0.22	0.08	0.30
	Sub-Contractors	Sr. Staff / Administrator	0.19	(0.19)	0.00
	Sub-Contractors	Project Management	0.19	0.37	0.56
	Sub-Contractors	Engineer / Field Work	4.06	(1.22)	2.84
	Customer Contractors	Estimated Construction Labor	9.43	(8.84)	0.59
Subtotal		14.70	(9.84)	4.86	
Warehouse	PSE&G Employee	Program Manager	0.38	(0.38)	0.00
	PSE&G Employee	Program / Operations Managers	0.00	-	0.00
Subtotal		0.38	(0.38)	0.00	
Data Centers	PSE&G Employee	Program Manager	0.84	(0.13)	0.71
	PSE&G Contractors	Program / Operations Managers	0.00	-	0.00
	Sub-Contractors	Sr. Staff / Administrator	0.03	-	0.03
	Sub-Contractors	Project Management	0.00	-	0.00
	Sub-Contractors	Engineer / Field Work	0.18	-	0.18
	Customer Contractors	Estimated Construction Labor	4.98	(4.95)	0.02
Subtotal		6.02	(5.08)	0.93	
Retro-Commissioning	PSE&G Contract Employees	Program Manager	0.04	(0.02)	0.02
	Sub-Contractor	Program/Operations Managers	0.00	0.26	0.26
Subtotal		0.04	0.24	0.28	
Technology Demonstration	PSE&G Contract Employees	Program/Operations Managers	0.06	0.13	0.19
	Sub-Contractors	Sr. Staff / Administrator	4.52	(4.52)	0.00
	Sub-Contractors	Project Management	2.65	(2.65)	0.00
	Sub-Contractors	Engineer / Field Work	20.13	(18.72)	1.41
Subtotal		27.37	(25.76)	1.60	
Total			63.15	(52.96)	10.19

**Carbon Abatement
Budgeted Versus Actual Program Costs
For the Period April 2012 - March 2013**

	Admin/Program Dev	Marketing & Sales	Training	Incentives, Direct Cost	Inspections & QC	Evaluation	Total
Actual	\$ 30,857	\$ 26,500	\$ -	\$ 4,414,872	\$ 301,380	\$ 15,657	\$ 4,789,266
Budget	\$ 131,920	\$ 191,643	\$ 28,920	\$ 7,620,000	\$ 208,255	\$ 2,712	\$ 8,183,450
Over/(Under)	\$ (101,063)	\$ (165,143)	\$ (28,920)	\$ (3,205,128)	\$ 93,125	\$ 12,944	\$ (3,394,184)

Schedule TJM-CA-3

Number of Program Participants
 Reporting Period: April 2012 - March 2013
 PSE&G Energy Efficiency Programs

Carbon Abatement	# of Participants		
	Actual	Commitments	Actual + Commitments
Carbon Abatement			
Residential Whole House	596	-	596
Residential Programmable Thermostat	9,627	-	9,627
Small Business Direct Install	1	-	1
Hospital Efficiency	-	-	-
Large Business Technology Demo - Warehouses	-	-	-

Notes:

-1- Financial commitments, as reflected in this report, represent signed agreements with customers. However, customer commitments are created upon receipt of customer applications which commit PSE&G to proceed with financing ECM measures to the extent program funding remains available

-2- Financial commitments are provided for programs that have long project development cycle times.

-3- Hospital Efficiency Participants, Savings and Emissions are reported under EEE

-4- EEE Whole House Participants, Savings and Emissions are reported under CA

**Annual Electric Demand and Energy Savings for
PSE&G Energy Efficiency Programs**

Reporting Period: April 2012 - March 2013

Program	Annual Savings					
	Installed		Committed		Installed and Committed	
	KW	MWh	KW	MWh	KW	MWh
Carbon Abatement						
Residential Whole House	21	277	-	-	21	277
Residential Programmable Thermostat	113	2,362	-	-	113	2,362
Small Business Direct Install	6	41	-	-	6	41
Hospital Efficiency	-	-	-	-	-	-
Large Business Technology Demo - Warehouses	-	-	-	-	-	-
Sub-Total: Carbon Abatement	140	2,680	0	0	140	2,680

Notes:

- 1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- EEE Whole House Participants, Savings and Emissions are reported under CA

**Annual Gas Demand and Energy Savings for
PSE&G Energy Efficiency Programs**

Reporting Period: April 2012 - March 2013

	Annual Savings		
	Installed	Committed	Installed and Committed
	DTh	DTh	DTh
Carbon Abatement			
Residential Whole House	12,611	-	12,611
Residential Programmable Thermostat	3,490	-	3,490
Small Business Direct Install	-	-	-
Hospital Efficiency	-	-	-
Large Business Technology Demo - Warehouses	-	-	-
Sub-Total: Carbon Abatement	16,101	0	16,101

Notes:

- 1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- EEE Whole House Participants, Savings and Emissions are reported under CA

**Lifetime Electric Demand and Energy Savings for
PSE&G Energy Efficiency Programs**

Statewide Total Reporting Period: April 2012 - March 2013	Lifetime Savings					
	Installed		Committed		Installed and Committed	
	KW	MWh	KW	MWh	KW	MWh
Carbon Abatement						
Residential Whole House	21	2,190	-	-	21	2,190
Residential Programmable Thermostat	113	15,120	-	-	113	15,120
Small Business Direct Install	6	615	-	-	6	615
Hospital Efficiency	-	-	-	-	-	-
Large Business Technology Demo - Warehouses	-	-	-	-	-	-
Sub-Total: Carbon Abatement	140	17,925	0	0	140	17,925

Notes:

- 1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- EEE Whole House Participants, Savings and Emissions are reported under CA

Lifetime Gas Demand and Energy Savings for
PSE&G Energy Efficiency Programs

Reporting Period: April 2012 - March 2013

Program	Lifetime Savings		
	Installed	Committed	Installed and Committed
	DTh	DTh	DTh
Carbon Abatement			
Residential Whole House	265,770	-	265,770
Residential Programmable Thermostat	3,490	-	3,490
Small Business Direct Install	-	-	-
Hospital Efficiency	-	-	-
Large Business Technology Demo - Warehouses	-	-	-
Sub-Total: Carbon Abatement	269,260	-	269,260

Notes:

- 1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- EEE Whole House Participants, Savings and Emissions are reported under CA

**Annual Emissions Reductions for
PSE&G Energy Efficiency Programs**

**Reporting Period: April 2012 - March 2013
(Metric Tons)**

Program	CO2	NOX	SO2	Hg
Carbon Abatement				
Residential Whole House	881	1	1	0.00001
Residential Programmable Thermostat	1,993	3	8	0.00004
Small Business Direct Install	31	0	0	0.00000
Hospital Efficiency	-	-	-	-
Large Business Technology Demo - Warehouses	-	-	-	-
Sub-Total: Carbon Abatement	2,905	4	9	0.00005
EEE Stimulus				
Residential Whole House	-	-	-	-
Residential Multi-Family Housing	2,017	4	9	0.00005
Small Business Direct Install	152	0	1	0.00000
Government Direct Install	-	-	-	-
Hospital Efficiency	7,392	12	27	0.00015
Data Center Efficiency	1,100	2	5	0.00003
Building Retro-Commissioning	-	-	-	-
Technology Demonstration	-	-	-	-
Sub-Total: EEE Stimulus	10,662	18	41	0.00023
Ext				
Residential Multi-Family Housing	-	-	-	0.00000
Municipal Direct Install	1,384	3	6	0.00003
Hospital Efficiency	324	0	-	0.00000
Sub-Total: Ext	1,708	3	6	0.00003
TOTAL - All Programs	13,567	23	50	0.00028

Notes:

- 1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- EEE Whole House Participants, Savings and Emissions are reported under CA

**Lifetime Emissions Reductions for
PSE&G Energy Efficiency Programs**

Reporting Period: April 2012 - March 2013
(Metric Tons)

Program	CO2	NOX	SO2	Hg
Carbon Abatement				
Residential Whole House	15,781	14	7	0.00004
Residential Programmable Thermostat	11,781	22	50	0.00028
Small Business Direct Install	472	1	2	0.00001
Hospital Efficiency	-	-	-	-
Large Business Technology Demo - Warehouses	-	-	-	-
Sub-Total: Carbon Abatement	28,033	37	59	0.0003
EEE Stimulus				
Residential Whole House	-	-	-	-
Residential Multi-Family Housing	35,342	65	151	0.00085
Small Business Direct Install	2,285	4	10	0.00005
Government Direct Install	-	-	-	-
Hospital Efficiency	162,379	272	583	0.00328
Data Center Efficiency	16,220	30	69	0.00039
Building Retro-Commissioning	-	-	-	-
Technology Demonstration	-	-	-	-
Sub-Total: EEE Stimulus	216,227	371	814	0.0046
Ext				
Residential Multi-Family Housing	-	-	-	0.00000
Municipal Direct Install	20,791	38	89	0.00050
Hospital Efficiency	8,124	6	-	0.00000
Sub-Total: Ext	28,915	45	89	0.00050
TOTAL - All Programs	273,176	452	961	0.0054

Notes:

- 1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- EEE Whole House Participants, Savings and Emissions are reported under CA

Schedule TJM-CA-8

Participants Costs for Reporting Period: April 2012 - March 2013
PSE&G Energy Efficiency Programs

Carbon Abatement	Electric	Gas	Total
Residential Whole House	(124,583)	(833,747)	(958,330)
Residential Programmable Thermostat	-	-	-
Small Business Direct Install	(327,256)	-	(327,256)
Hospital Efficiency	-	-	-
Large Business Technology Demo - Warehouses	-	-	-
Total	\$ (451,839)	\$ (833,747)	\$ (1,285,586)

Notes:

- Participant Costs are Repayments Billed to Customers during the time period. They offset program Incentives and Administrative costs and are therefore negative.

**Economic Energy Efficiency Stimulus Program
Budgeted Versus Actual Program Costs
For the Period April 2012 - March 2013**

	Admin/Program Dev	Marketing & Sales	Training	Incentives, Direct Cost	Inspections & QC	Evaluation	Total
Actual	\$496,779	\$39,541	\$13,944	\$12,844,167	\$887,830	\$229,785	\$14,512,047
Budget	\$1,501,575	\$106,292	\$12,438	\$19,300,000	\$849,416	\$42,932	\$21,812,652
Over/(Under)	(\$1,004,796)	(\$66,751)	\$1,507	(\$6,455,833)	\$38,415	\$186,853	(\$7,300,606)

Notes:

-1- The Actual "Incentives, Direct Cost" shown here does not reflect a \$312,764 adjustment to cost recovery Program Investment - Attachment B, due to the timing of the adjustment relative to previous cost recovery.

Number of Program Participants
Reporting Period: April 2012- March 2013
PSE&G Energy Efficiency Programs

EEE Stimulus	# of Participants		
	Actual	Commitments	Actual & Commitments
Residential Whole House	-	-	-
Residential Multi-Family Housing	11	2	13
Small Business Direct Install	1	-	1
Government Direct Install	-	-	-
Hospital Efficiency	2	-	2
Data Center Efficiency	1	1	2
Building Retro-Commissioning	-	-	-
Technology Demonstration	-	-	-
	15	3	18

Notes:

-1- Financial commitments, as reflected in this report, represent signed agreements with customers. However, customer commitments are created upon receipt of customer applications which commit PSE&G to proceed with financing ECM measures to the extent program funding remains available

-2- Financial commitments are provided for programs that have long project development cycle times.

-3- Hospital Efficiency Participants, Savings and Emissions are reported under EEE

-4- EEE Whole House Participants, Savings and Emissions are reported under CA

**Annual Electric Demand and Energy Savings for
PSE&G Energy Efficiency Programs**

Reporting Period: April 2012 - March 2013	Annual Savings					
	Installed		Committed		Installed and Committed	
	KW	MWh	KW	MWh	KW	MWh
Program						
EEE Stimulus						
Residential Whole House	-	-	-	-	-	-
Residential Multi-Family Housing	300	2,636	207	1,913	507	4,549
Small Business Direct Install	35	199	-	-	35	199
Government Direct Install	-	-	-	-	-	-
Hospital Efficiency	3,024	8,235	-	-	3,024	8,235
Data Center Efficiency	164	1,437	180	2,478	344	3,915
Building Retro-Commissioning	-	-	-	-	-	-
Technology Demonstration	-	-	-	-	-	-
Sub-Total: EEE Stimulus	3,523	12,507	387	4,391	3,910	16,898

Notes:

- 1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- EEE Whole House Participants, Savings and Emissions are reported under CA

**Annual Gas Demand and Energy Savings for
PSE&G Energy Efficiency Programs**

Reporting Period: April 2012 - March 2013

	Annual Savings		
	Installed	Committed	Installed and Committed
	DTh	DTh	DTh
EEE Stimulus			
Residential Whole House	-	-	-
Residential Multi-Family Housing	-	4,522	4,522
Small Business Direct Install	-	-	-
Government Direct Install	-	-	-
Hospital Efficiency	20,543	-	20,543
Data Center Efficiency	-	-	-
Building Retro-Commissioning	-	-	-
Technology Demonstration	-	-	-
EEE Stimulus	20,543	4,522	25,065

Notes:

- 1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- EEE Whole House Participants, Savings and Emissions are reported under CA

**Lifetime Electric Demand and Energy Savings for
PSE&G Energy Efficiency Programs**

Reporting Period: April 2012 - March 2013	Lifetime Savings					
	Installed		Committed		Installed and Committed	
	KW	MWh	KW	MWh	KW	MWh
Program						
EEE Stimulus						
Residential Whole House	-	-	-	-	-	-
Residential Multi-Family Housing	300	46,084	207	29,156	507	75,240
Small Business Direct Install	35	2,980	-	-	35	2,980
Government Direct Install	-	-	-	-	-	-
Hospital Efficiency	3,024	177,916	-	-	3,024	177,916
Data Center Efficiency	164	21,150	180	38,354	344	59,504
Building Retro-Commissioning	-	-	-	-	-	-
Technology Demonstration	-	-	-	-	-	-
Sub-Total: EEE Stimulus	3,523	248,130	387	67,510	3,910	315,640

Notes:

- 1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- EEE Whole House Participants, Savings and Emissions are reported under CA

**Lifetime Gas Demand and Energy Savings for
PSE&G Energy Efficiency Programs**

Reporting Period: April 2012 - March 2013

Program	Lifetime Savings		
	Installed	Committed	Installed and Committed
	DTh	DTh	DTh
EEE Stimulus			
Residential Whole House	-	-	-
Residential Multi-Family Housing	-	81,629	81,629
Small Business Direct Install	-	-	-
Government Direct Install	-	-	-
Hospital Efficiency	487,643	-	487,643
Data Center Efficiency	-	-	-
Building Retro-Commissioning	-	-	-
Technology Demonstration	-	-	-
EEE Stimulus	487,643	81,629	569,272

Notes:

- 1- Hospital Efficiency Participants, Savings and Emissions are reported under EEE
- 2- EEE Whole House Participants, Savings and Emissions are reported under CA

Participant Costs
Reporting Period: April 2012 - March 2013
PSE&G Energy Efficiency Programs

EEE Stimulus	Electric	Gas	Total
Residential Whole House	\$ (129,877)	\$ (86,585)	\$ (216,461)
Residential Multi-Family Housing	\$ (69,482)	\$ (46,322)	\$ (115,804)
Small Business Direct Install	\$ (1,386,749)	\$ (154,083)	\$ (1,540,832)
Government Direct Install	\$ (1,359,019)	\$ (151,002)	\$ (1,510,021)
Hospital Efficiency	\$ (3,384,629)	\$ (2,256,419)	\$ (5,641,048)
Data Center Efficiency	\$ (482,560)	\$ (120,640)	\$ (603,200)
Building Retro-Commissioning			\$ -
Technology Demonstration			\$ -
Total	(6,812,315)	(2,815,050)	(9,627,366)

Notes:

- Participant Costs are Repayments Billed to Customers during the time period. They offset program Administrative and Incentive costs and are therefore negative.

Schedule TJM-Ext-2

**Economic Energy Efficiency Extension Program
Budgeted Versus Actual Program Costs
For the Period April 2012 - March 2013**

	Admin/Program Dev	Marketing & Sales	Training	Incentives, Direct Cost	Inspections & QC	Evaluation	Total
Actual	\$525,529	\$5,857	\$0	\$15,909,206	\$847,018	\$0	\$17,287,610
Budget	\$1,723,545	\$0	\$0	\$48,580,995	\$1,522,170	\$0	\$51,826,710
Over/(Under)	(\$1,198,015)	\$5,857	\$0	(\$32,671,789)	(\$675,152)	\$0	(\$34,539,100)

**Number of Program Participants
Reporting Period: April 2012 - March 2013
PSE&G Energy Efficiency Programs**

Ext	# of Participants		
	Actual	Commitments	Actual & Commitments
Residential Multi-Family Housing	-	2	2
Municipal Direct Install	26	-	26
Hospital Efficiency	1	6	7
Sub-Total Ext	27	8	35

Notes:

-1- Financial commitments, as reflected in this report, represent signed agreements with customers. However, customer commitments are created upon receipt of customer applications which commit PSE&G to proceed with financing ECM measures to the extent program funding remains available

-2- Financial commitments are provided for programs that have long project development cycle times.

**Annual Electric Demand and Energy Savings for
PSE&G Energy Efficiency Programs**

Reporting Period: April 2012 - March 2013	Annual Savings					
	Installed		Committed		Installed and Committed	
	KW	MWh	KW	MWh	KW	MWh
Ext						
Residential Multi-Family Housing	-	-	(210)	(174)	(210)	(174)
Municipal Direct Install	431	1,808	-	-	431	1,808
Hospital Efficiency	-	-	536	8,414	536	8,414
Sub-Total: Ext	431	1,808	326	8,240	757	10,048

Notes:

- Negative savings in the Multi-Family Housing Program are due to two projects with large absorption chillers that have substantial gas savings, but cause an increase in electricity usage as a result.

- Emissions are reported under CAEEE

**Annual Gas Demand and Energy Savings for
PSE&G Energy Efficiency Programs**

Reporting Period: April 2012 - March 2013

	Annual Savings		
	Installed	Committed	Installed and Committed
	DTh	DTh	DTh
Ext			
Residential Multi-Family Housing	-	34,593	34,593
Municipal Direct Install	-	-	-
Hospital Efficiency	6,111	56,172	62,283
Ext	6,111	90,765	96,876

**Lifetime Electric Demand and Energy Savings for
PSE&G Energy Efficiency Programs**

Reporting Period: April 2012 - March 2013	Lifetime Savings					
	Installed		Committed		Installed and Committed	
	KW	MWh	KW	MWh	KW	MWh
Ext						
Residential Multi-Family Housing	-	-	(210)	(5,395)	(210)	(5,395)
Municipal Direct Install	431	27,110	-	-	431	27,110
Hospital Efficiency	-	-	536	166,759	536	166,759
Sub-Total: Ext	431	27,110	326	161,364	757	188,474

Notes:

- Negative savings in the Multi-Family Housing Program are due to two projects with large absorption chillers that have substantial gas savings, but in fact cause an increase in electricity usage as a result.

- Emissions are reported under CAEEE

Lifetime Gas Demand and Energy Savings for
PSE&G Energy Efficiency Programs

Reporting Period: April 2012 - March 2013

Program	Lifetime Savings		
	Installed	Committed	Installed and Committed
	DTh	DTh	DTh
Ext			
Residential Multi-Family Housing	-	864,825	864,825
Municipal Direct Install	-	-	-
Hospital Efficiency	152,768	1,196,654	1,349,422
Ext	152,768	2,061,479	2,214,247

Participant Costs
Reporting Period: April 2012 - March 2013
PSE&G Energy Efficiency Programs

Ext	Electric	Gas	Total
Residential Multi-Family Housing	-	-	-
Municipal Direct Install	-	-	-
Hospital Efficiency	-	-	-
Total	-	-	-

Notes:

- Participant Costs are Repayments Billed to Customers during the time period. Due to long project lead-times, repayments for the EEE Extension program first appear in April 2013.

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

**In the Matter of the Petition of
Public Service Electric and Gas Company
for Approval of Changes in its
Electric Green Programs Recovery Charges
and its Gas Green Programs Recovery Charges;
("2013 GREEN PROGRAMS")**

BPU Docket No. _____

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

ATTACHMENT B

June 28, 2013

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

6 My name is Stephen Swetz and I am the Director – Corporate Rates and
7 Revenue Requirements for PSEG Services Corporation. My credentials are set forth
8 in detail in Schedule SS-1.

9
10 **SCOPE OF TESTIMONY**

11 The purpose of my testimony is to support the Company’s filing for
12 recovery of the costs related to six programs that correspond to the six of the eight
13 components of PSE&G’s RGGI Programs through the RGGI Recovery Charges
14 (hereinafter collectively referred to as PSE&G’s “Green Programs” and Green
15 Programs Recovery Charges “GPRC”). These six 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 Loan II Program (“SLII”)
- 21 6. EEE Extension (“EEEext”)

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

9

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

11 ***Section 1 - General***

12 The recovery period includes actual costs incurred from December 1,
13 2012 through March 31, 2013, and forecasted costs from April 1, 2013 through
14 September 30, 2014 for each of the six programs.

15 The assumptions for all Program expenditures are contained in
16 supporting electronic workpapers, which are being provided on a CD with this filing.

17 The weighted average cost of capital (“WACC”) utilized to determine
18 the return requirement for all six programs is shown on Schedule SS-GPRC-1. For
19 the Carbon Abatement Program, the return requirement is based on the WACC at the
20 time the program was approved, as shown on Schedule SS-GPRC-1. For the five
21 other RGGI programs, the return requirement is based on the latest WACC authorized

1 by the Board. Schedule SS-GPRC-1a reflects the latest WACC approved by the
2 Board on June 7, 2010 and July 9, 2010 for electric and gas, respectively.

3 In addition, the six programs have minimum filing requirements
4 (“MFRs”) to provide supporting documentation for the interest rate used to calculate
5 monthly over / under interest. The monthly interest rates are shown for these
6 programs in each programs’ corresponding “over / under balance” schedules attached
7 herein. The supporting calculations for each month’s over / under interest rate is
8 included in electronic workpaper WP-SS-GPRC-3.xls

9 Also, a listing of the electronic workpapers supporting all calculations
10 and schedules provided can be found in the “Electronic Workpaper Index” at the end
11 of this Testimony.

12

13 ***Section 2 - Carbon Abatement***

14 Based on the Company’s projected revenue requirements for the
15 October 1, 2013 through September 30, 2014 of \$1,945,022 and \$2,483,502 for
16 electric and gas, respectively, plus the under (over) collected balance with interest at
17 September 30, 2013 of \$721,121 and \$1,831,505, the CA components electric and gas
18 GPRC’s Total Target Rate Revenue are \$1,223,901 and \$4,315,006 for electric and
19 gas, respectively, including interest. The rates proposed for the CA components of
20 the GPRC’s for the period October 1, 2013 through September 30, 2014 are designed

1 to recover these amounts on an annual basis. The resultant net annual revenue
2 impacts on the Company's electric and gas customers are decreases of \$1.7 million
3 and \$2.7 million, electric and gas, respectively.

4 Tax Adjustment – PSE&G's Tax Department has indicated that
5 according to current Internal Revenues Service regulations, the portion of an
6 investment that will be repaid by the participant must be treated as a loan for tax
7 purposes and therefore is not tax deductible. Since the inception of the program,
8 100% of the investments were deducted for taxes. Therefore, the corresponding CA
9 revenue requirement schedules have been adjusted to account for the correct tax
10 treatment. While the revised tax treatment affects monthly revenue requirements,
11 100% of the participant repayments are returned to the ratepayers.

12 In support of my Testimony, I relied upon the Board-approved cost
13 recovery mechanism as described in my Direct Testimony submitted in the original
14 Program filing and associated revenue requirements, see Decision and Order
15 Approving Joint Position, BPU Docket No. EO08060426 dated December 16, 2008,
16 modified for the inclusion of capacity revenues generated from offering CA project
17 capacity into the PJM Reliability Pricing Model ("RPM") auctions as an offset to
18 revenue requirements. Attached are the following schedules that have been prepared
19 in support of the Company's request:

- 1 1. Schedule SS-CA-1 is a summary setting forth the proposed rate calculations
- 2 for October 1, 2013 through September 30, 2014.
- 3 2. Schedule SS-CA-2E sets forth the electric revenue requirements.
- 4 3. Schedule SS-CA-3E sets forth the electric over/under recovered balance and
- 5 associated interest rate calculations.
- 6 4. Schedule SS-CA-4E shows the actual monthly electric revenue by rate class.
- 7 5. Schedule SS-CA-2G sets forth the gas revenue requirements.
- 8 6. Schedule SS-CA-3G sets forth the gas over/under recovered balance and
- 9 associated interest rate calculations.
- 10 7. Schedule SS-CA-4G shows the actual monthly gas revenue by rate class.

11 The proposed rate impacts for the CA component of the electric GPRC
12 rate would decrease from \$0.000068 per kWh (without SUT) to \$ 0.000029 per kWh
13 (without SUT). The proposed changes for the CA component of the gas GPRC would
14 decrease it from \$0.002483 per therm (without SUT) to \$ 0.001537 per therm
15 (without SUT). See Schedule SS-CA-1. As a result of the proposed decrease to the
16 CA component of electric GPRC set forth in Schedule SS-CA-1, PSE&G's class
17 average residential electric customers using 780 kWh in a summer month and 7,360
18 kWh annually would experience a decrease in their annual bill from \$1,364.80 to
19 \$1,364.52, or \$0.28, or approximately 0.02%. (Based upon Delivery Rates and Basic
20 Generation Service Fixed Pricing [BGS-FP] charges in effect June 1, 2013 and

1 assumes that the customer receives BGS-FP service from PSE&G.) As a result of the
2 proposed decrease to the CA component of gas GPRC set forth in Schedule SS-CA-1,
3 PSE&G's class average residential gas heating customers using 160 therms in a
4 winter month and 1,050 therms annually would experience a decrease in their annual
5 bill from \$1,107.06 to \$1,105.98, or \$1.08, approximately 0.10% (based upon
6 Delivery Rates and Basic Gas Supply Service [BGSS-RSG] charges in effect June 1,
7 2013 and assumes that the customer receives BGSS service from PSE&G.) The
8 residential customer bill impacts comparing the current and proposed delivery charges
9 are included in Attachment D, pages 3-4 for the aforementioned class average
10 customers, as well as other typical customer usage patterns.

11

12 *Section 3 – Economic Energy Efficiency Stimulus*

13 Based on the Company's projected revenue requirements for the
14 October 1, 2013 through September 30, 2014 of \$20,629,950 and \$8,630,353 for
15 electric and gas, respectively, plus the under (over) collected balance with interest at
16 September 30, 2013 of (\$1,122,530) and \$2,598,897, the EEE components electric
17 and gas GPRC's Total Target Rate Revenue are \$19,507,420 and \$11,229,250 for
18 electric and gas, respectively, including interest. As discussed in the testimony of
19 Terrence J. Moran, certain premature/over payments were made in connection with
20 one energy efficiency project within the Hospital Sub-program. I have prepared the

1 revenue requirement schedules as if those payments were made correctly, ensuring
2 ratepayers are not impacted. The rates for the proposed EEE components of the
3 electric and gas GPRC's for the period October 1, 2013 through September 31, 2014
4 are designed to recover these amounts on an annual basis. The resultant net annual
5 revenue impacts on the Company's electric and gas customers are a decrease of \$0.3
6 million to electric customers and an increase of \$1.0 million to gas customers million,
7 respectively.

8 Tax Adjustment – Consistent with my testimony in the Carbon
9 Abatement section above a similar adjustment has been incorporated in the
10 corresponding EEE revenue requirement schedules.

11 In support of my Testimony, I relied upon the written Board Decision
12 and Order Approving Stipulation, BPU Docket No. EO09010056 dated July 16, 2009
13 for the cost recovery mechanism of the EEE Program, modified for the inclusion of
14 capacity revenues generated from offering EEE project capacity into the PJM RPM
15 auctions as an offset to revenue requirements per the Board Order approving the 2010
16 RGGI cost recovery filing in Docket Nos. ER10100737 and ER09100824. Attached
17 hereto are the following schedules that have been prepared in support of the
18 Company's request:

- 19 1. Schedule SS-EEE-1 is a summary setting forth the proposed rate calculations
20 for December 1, 2012 through September 30, 2014.

- 1 2. Schedule SS-EEE-2E sets forth the electric revenue requirements.
- 2 3. Schedule SS-EEE-3E sets forth the electric over/under recovered balance and
- 3 associated interest rate calculations.
- 4 4. Schedule SS-EEE-4E shows the actual monthly electric revenue by rate class.
- 5 5. Schedule SS-EEE-2G sets forth the gas revenue requirements.
- 6 6. Schedule SS-EEE-3G sets forth the gas over/under recovered balance and
- 7 associated interest rate calculations.
- 8 7. Schedule SS-EEE-4G shows the actual monthly gas revenue by rate class.

9 The proposed rate impacts for the EEE component of the electric GPRC
10 rate would decrease it from \$0.000466 per kWh (without SUT) to \$0.000458 per kWh
11 (without SUT). The proposed changes for the EEE component of the gas GPRC
12 would increase it from \$0.003633 per therm (without SUT) to \$0.004000 per therm
13 (without SUT). See Schedule SS-EEE-1. As a result of the proposed decrease to the
14 EEE component of electric GPRC set forth in Schedule SS-EEE-1, PSE&G's class
15 average residential electric customers using 780 kWh in a summer month and 7,360
16 kWh annually would experience a decrease in their annual bill from \$1,364.80 to
17 \$1,364.76, or \$0.04, or approximately 0.00%. (Based upon Delivery Rates and Basic
18 Generation Service Fixed Pricing [BGS-FP] charges in effect June 1, 2013 and
19 assumes that the customer receives BGS-FP service from PSE&G.) As a result of the
20 proposed increase to the EEE component of gas GPRC set forth in Schedule SS-EEE-

1 1, PSE&G's class average residential gas heating customers using 160 therms in a
2 winter month and 1,050 therms annually would experience an increase in their annual
3 bill from \$1,107.06 to \$1,107.44, or \$0.38, or approximately 0.03% (Based upon
4 Delivery Rates and Basic Gas Supply Service [BGSS-RSG] charges in effect June 1,
5 2013 and assumes that the customer receives BGSS service from PSE&G.) The
6 residential customer bill impacts comparing the current and proposed delivery charges
7 are included in Attachment D, pages 5-6 for the aforementioned class average
8 customers, as well as other typical customer usage patterns.

9

10 ***Section 4 – Demand Response***

11 Based on the Company's projected revenue requirements for the
12 October 1, 2013 through September 30, 2014 of \$2,892,550 plus the under (over)
13 collected balance with interest at September 30, 2013 of \$1,351,073, the electric DR
14 component GPRC's Total Target Rate Revenue is \$4,243,624 including interest. The
15 resultant net annual revenue impact on the Company's electric customers is a \$6.2
16 million decrease.

17 In support of my Testimony, I relied upon the Board Decision and Order
18 Approving Stipulation, BPU Docket No. EO08080544 dated July 31, 2009 for the
19 cost recovery mechanism of the DR Program. Attached hereto are the following
20 schedules that have been prepared in support of the Company's request:

- 1 1. Schedule SS-DR-1 is a summary setting forth the proposed rate calculations
2 for October 1, 2013 through September 30, 2014.
- 3 2. Schedule SS-DR-2 sets forth the revenue requirements.
- 4 3. Schedule SS-DR-2a sets forth the revenue requirements for the Residential
5 A/C Cycling Sub-Program.
- 6 4. Schedule SS-DR-2b sets forth the revenue requirements for the Small
7 Commercial A/C Cycling Sub-Program.
- 8 5. Schedule SS-DR-3 sets forth the over/under recovered balance and associated
9 interest rate calculations.
- 10 6. Schedule SS-DR-4 shows the actual monthly electric revenue by rate class.
- 11 7. Schedule SS-DR-5 shows the results of the Total Resource Cost (“TRC”) and
12 Ratepayer Impact (“RIM”) cost-effectiveness tests on the DR Program based
13 on actual results through March 2013

14 The proposed rate impacts for the DR component of the electric GPRC
15 rate would decrease it from \$0.000246 per kWh (without SUT) to \$0.000100 per kWh
16 (without SUT). As a result of the proposed decrease to the DR component of electric
17 GPRC set forth in Schedule SS-DR-1, PSE&G’s class average residential electric
18 customers using 780 kWh in a summer month and 7,360 kWh annually would
19 experience a decrease in their annual bill from \$1,364.80 to \$1,363.68, or \$1.12, or
20 approximately 0.08 %. (Based upon Delivery Rates and BGS-FP charges in effect

1 June 1, 2013 and assumes that the customer receives BGS-FP service from PSE&G.)
2 The residential customer bill impacts comparing the current and proposed delivery
3 charges are included in Attachment D, page 7 for the aforementioned class average
4 customers as well as other typical customer usage patterns.

5

6 *Section 5 – Solar 4 All*

7 Based on the Company’s projected revenue requirements for the
8 October 1, 2013 through September 30, 2014 of \$25,927,070 plus the under (over)
9 collected balance with interest at September 30, 2013 of \$29,193,955, the S4A
10 component GPRC’s Total Target Rate Revenue is \$55,121,025 including interest.
11 The rate proposed for the S4A component of the electric GPRC for the period October
12 1, 2013 through September 30, 2014 is designed to recover these amounts on an
13 annual basis. The resultant net annual revenue impact on the Company’s electric
14 customers is a \$1.9 million decrease.

15 In support of my Testimony, I relied upon the Board Decision and Order
16 Approving Stipulation, BPU Docket No. EO09020125 dated August 3, 2009 for the
17 cost recovery mechanism of the S4A Program. Attached are the following schedules
18 that have been prepared in support of the Company’s request:

- 19 1. Schedule SS-S4A-1 is a summary setting forth the proposed rate calculations
20 for October 1, 2013 through September 30, 2014.

- 1 2. Schedule SS-S4A-2 sets forth the revenue requirements.
- 2 3. Schedule SS-S4A-2a sets forth the revenue requirements for the Centralized
- 3 Segments (1a & 1b).
- 4 4. Schedule SS-S4A-2b sets forth the revenue requirements for the Neighborhood
- 5 Segment (2).
- 6 5. Schedule SS-S4A-2c sets forth the revenue requirements for the UEZ Segment
- 7 (1c).
- 8 6. Schedule SS-S4A-3 sets forth the over/under recovered balance and associated
- 9 interest rate calculations.
- 10 7. Schedule SS-S4A-4 shows the actual monthly electric revenue by rate class.

11 The proposed rate impacts for the S4A component of the electric GPRC
12 rate would decrease it from \$0.001340 per kWh (without SUT) to \$0.001295 per kWh
13 (without SUT). As a result of the proposed decrease to the S4A component of electric
14 GPRC set forth in Schedule SS-S4A-1, PSE&G's class average residential electric
15 customers using 780 kWh in a summer month and 7,360 kWh annually would
16 experience a decrease in their annual bill from \$1,364.80 to \$1,364.48, or \$0.32, or
17 approximately 0.02%. (Based upon Delivery Rates and BGS-FP charges in effect
18 June 1, 2013 and assumes that the customer receives BGS-FP service from PSE&G.)
19 The residential customer bill impacts comparing the current and proposed delivery

1 charges are included in Attachment D, page 8 for the aforementioned class average
2 customers as well as other typical customer usage patterns.

3

4 ***Section 6 - Solar Loan II***

5 Based on the Company's projected revenue requirements for the
6 October 1, 2013 through September 30, 2014 of \$13,176,225 plus the under (over)
7 collected balance with interest at September 30, 2013 of \$11,713,221, the SLII
8 component GPRC's Total Target Rate Revenue is \$24,889,446 including interest.
9 The rate proposed for the SLII component of the electric GPRC for the period
10 October 1, 2013 through September 30, 2014 is designed to recover these amounts on
11 an annual basis. The resultant net annual revenue impact on the Company's electric
12 customers is a \$7.2 million increase.

13 In support of my Testimony, I relied upon the Board Decision and Order
14 Approving Stipulation, BPU Docket No. EO09030249 dated November 10, 2009 for
15 the cost recovery mechanism of the SLII Program. For the forecasted period, SREC
16 prices for the months of December 2013 through September 2014 are assumed to be
17 \$200. Attached are the following schedules that have been prepared in support of the
18 Company's request:

- 19 1. Schedule SS-SLII-1 is a summary setting forth the proposed rate calculations
20 for October 1, 2013 through September 30, 2014.

- 1 2. Schedule SS-SLII-2 sets forth the summary revenue requirements.
- 2 3. Schedule SS-SLII-2a sets forth the detailed revenue requirements.
- 3 4. Schedule SS-SLII-3 sets forth the over/under recovered balance and associated
- 4 interest rate calculations.
- 5 5. Schedule SS-SLII-4 shows the actual monthly revenue by rate class.

6 The proposed rate impacts for the SLII component of the electric GPRC
7 rate would increase it from \$0.000415 per kWh (without SUT) to \$0.000585 per kWh
8 (without SUT). As a result of the proposed increase to the SLII component of electric
9 GPRC set forth in Schedule SS-SLII-1, PSE&G's class average residential electric
10 customers using 780 kWh in a summer month and 7,360 kWh annually would
11 experience an increase in their annual bill from \$1,364.80 to \$1,366.16 or \$1.36, or
12 approximately 0.10%. (Based upon current Delivery Rates and BGS-FP charges in
13 effect June 1, 2013 and assumes that the customer receives BGS-FP service from
14 PSE&G.) The residential customer bill impacts comparing the current and proposed
15 delivery charges are included in Attachment D, page 9 for the aforementioned class
16 average customers as well as other typical customer usage patterns.

17

18 ***Section 7 – EEE Extension***

19 Based on the Company's projected revenue requirements for the
20 October 1, 2013 through September 30, 2014 of \$9,783,215 and \$4,780,066 for

1 electric and gas, respectively, plus the under (over) collected balance with interest at
2 September 30, 2013 of (\$3,708,890) and (\$1,518,295), the EEEext components
3 electric and gas GPRC's Total Target Rate Revenue are \$6,074,324 and \$3,261,771
4 for electric and gas, respectively, including interest. The rates for the proposed
5 EEEext components of the electric and gas GPRC's for the period October 1, 2013
6 through September 31, 2014 are designed to recover these amounts on an annual
7 basis. The resultant net annual revenue impacts on the Company's electric and gas
8 customers are an increase of \$2.1 million to electric customers and an increase of \$0.8
9 million to gas customers.

10 Tax Adjustment – Consistent with my testimony in the Carbon
11 Abatement section above a similar adjustment has been incorporated in the
12 corresponding EEEext revenue requirement schedules.

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 hereto are the
16 following 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, 2013 through September 30, 2014.
- 19 2. Schedule SS-EEEext-2E sets forth the electric revenue requirements.

- 1 3. Schedule SS-EEEext-3E sets forth the electric over/under recovered balance
2 and associated interest rate calculations.
- 3 4. Schedule SS-EEEext-4E shows the actual monthly electric revenue by rate
4 class.
- 5 5. Schedule SS-EEEext-2G sets forth the gas revenue requirements.
- 6 6. Schedule SS-EEEext-3G sets forth the gas over/under recovered balance and
7 associated interest rate calculations.
- 8 7. Schedule SS-EEEext-4G shows the actual monthly gas revenue by rate class.

9 The proposed rate impacts for the EEEext component of the electric
10 GPRC rate would increase it from \$.000093 per kWh (without SUT) to \$0.000143 per
11 kWh (without SUT). The proposed changes for the EEEext component of the gas
12 GPRC would increase it from \$0.000878 per therm (without SUT) to \$0.001162 per
13 therm (without SUT). See Schedule SS-EEEext-1. As a result of the proposed
14 increase to the EEEext component of electric GPRC set forth in Schedule SS-EEEext-
15 1, PSE&G's class average residential electric customers using 780 kWh in a summer
16 month and 7,360 kWh annually would experience an increase in their annual bill from
17 \$1,364.80 to \$1,365.20, or \$0.40, or approximately 0.03%. (Based upon Delivery
18 Rates and BGS-FP charges in effect June 1, 2013 and assumes that the customer
19 receives BGS-FP service from PSE&G.) As a result of the proposed increase to the
20 EEEext component of gas GPRC set forth in Schedule SS-EEEext-1, PSE&G's class

1 average residential gas heating customers using 160 therms in a winter month and
2 1,050 therms annually would experience an increase in their annual bill from
3 \$1,107.06 to \$1,107.40, or \$0.34., or approximately 0.03%. (Based upon Delivery
4 Rates and BGSS-RSG charges in effect June 1, 2013 and assumes that the customer
5 receives BGSS service from PSE&G.) The residential customer bill impacts
6 comparing the current and proposed delivery charges are included in Attachment D,
7 pages 10-11 for the aforementioned class average customers, as well as other typical
8 customer usage patterns.

9

10 ***Section 8 – Cumulative Rate Impacts and Rate Implementation***

11 The proposed rates for the combined components of the electric and gas
12 GPRCs for the period October 1, 2013 through September 30, 2014 are designed to
13 recover approximately \$111.1 million and \$18.8 million, respectively, in revenue on
14 an annual basis. The resultant net combined annual revenue impacts on the
15 Company’s electric and gas customers are decreases of \$0.7 million and \$0.8 million,
16 respectively.

17 The cumulative proposed rate impacts for the change in these six
18 components of the electric GPRC rate would be a decrease from \$0.002683 per kWh
19 without SUT (\$0.002871 per kWh including SUT) to \$0.002665 per kWh without
20 SUT (\$0.002852 per kWh including SUT). The cumulative proposed changes for the

1 gas GPRC (which includes only the CA, EEE and EEEext components) would be a
2 decrease from \$0.006994 per therm without SUT (\$0.007484 per therm including
3 SUT) to \$0.006699 per therm without SUT (\$0.007168 per therm including SUT).
4 See Attachment C (electric and gas Tariff Sheets) which are incorporated herein by
5 reference.¹ As a result of the proposed decrease to the electric GPRC as shown in
6 Attachment C, page 1, PSE&G's class average residential electric customers using
7 780 kWh in a summer month and 7,360 kWh annually would experience a decrease in
8 their annual bill from \$1,364.80 to \$1,364.64, or \$0.16, or approximately \$0.01%
9 (Based upon Delivery Rates and BGS-FP charges in effect June 1, 2013 and assumes
10 that the customer receives BGS-FP service from PSE&G). As a result of the
11 proposed increase to the gas GPRC set forth in Attachment C, page 3, PSE&G's class
12 average residential gas heating customers using 160 therms in a winter month and
13 1,050 therms annually would experience a decrease in their annual bill from
14 \$1,107.06 to \$1,106.74, or \$0.32, or approximately 0.03%. (Based upon current
15 Delivery Rates and BGSS-RSG charges in effect June 1, 2013 and assumes that the
16 customer receives BGSS service from PSE&G). The residential customer bill impacts
17 comparing the current and proposed delivery charges are included in Attachment D,
18 pages 1-2 for the aforementioned class average customers as well as other typical
19 customer usage patterns.

¹ PSE&G Green Programs tariff sheets have been red-lined to reflect the name change from RGGI Recovery Charges to Green Programs Recovery Charges.

1 According to Board Orders, the proposed rates, as set forth in the tariff
2 sheets in Attachment C, are just and reasonable and PSE&G respectfully requests
3 authorization to implement the proposed rates as set forth herein, on October 1, 2013
4 either provisionally or as final rates, upon issuance of a written Board Order.

5 This concludes my testimony at this time.

Schedule Index

- Schedule SS-1 Credentials of Stephen Swetz
- Schedule SS-GPRC-1 WACC - Initial RGGI
- Schedule SS-GPRC-1a WACC - 2010 Base Rate Case Result
- 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-DR-1 Proposed Rate Calculations - DR
- Schedule SS-DR-2 Revenue Requirements Calculations - DR
- Schedule SS-DR-2a Revenue Requirements Calculations – DR – Residential
- Schedule SS-DR-2b Revenue Requirements Calculations – DR - Small Comm.
- Schedule SS-DR-3 Over / Under Recovered Balance Calculation - DR
- Schedule SS-DR-4 Component Revenue by Rate Class – DR
- Schedule SS-DR-5 Cost-Effectiveness Analysis – DR
- Schedule SS-S4A-1 Proposed Rate Calculations - S4A
- Schedule SS-S4A-2 Revenue Requirements Calculations - S4A

Schedule Index (cont.)

- 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-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-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

▪ **Electronic Work Paper Index**

WP-SS-GPRC-1.xls WACC Calculations – GPRC

WP-SS-GPRC-2.xls GPRC Component Revenues by Rate Class

WP-SS-GPRC-3.xls Over / Under Balance Monthly Interest Rate
Calculation Detail

WP-SS-GPRC-4.xls GPRC Proposed Rate Calculations

WP-SS-CA-1.xls Actual and Forecasted Revenue Requirements,
Over / Under Balance and Rate Calculations – CA

WP-TJM-CA-1.xls Program Assumptions – CA

WP-SS-EEE-1.xls Actual and Forecasted Revenue Requirements,
Over / Under Balance and Rate Calculations – EEE

WP-TJM-EEE-1.xls Program Assumptions – EEE

WP-SS-DR-1.xls Actual and Forecasted Revenue Requirements,
Over / Under Balance and Rate Calculations – DR

WP-TJM-DR-1.xls Program Assumptions – DR

WP-SS-S4A-1.xls Actual and Forecasted Revenue Requirements,
Over / Under Balance and Rate Calculations – S4A

WP-TJM-S4A-1.xls Program Assumptions – S4A

WP-SS-SLII-1.xls Actual and Forecasted Revenue Requirements,
Over / Under Balance and Rate Calculations – SLII

WP-SS-SLII-2.xls Forecasted Revenue Requirement Inputs

WP-TJM-SLII-1.xls Program Assumptions – SLII

WP-SS-EEEext-1.xls Actual and Forecasted Revenue Requirements,
Over / Under Balance and Rate Calculations –
EEEext

WP-TJM-EEEext-1.xls Program Assumptions – EEEext

1 PSE&G electric and gas rates. I have submitted pre-filed direct cost recovery
2 testimony in the latest electric and gas base rate case processed by the New Jersey
3 Board of Public Utilities as well as oral testimony to the New Jersey Office of
4 Administrative Law. In addition, I have submitted pre-filed direct cost recovery
5 testimony on behalf of the Company for the Carbon Abatement, Demand Response,
6 Solar 4 All, Solar 4 All Extension, and Solar Loan I, II and III Programs, as well as
7 the Margin Adjustment Charge (MAC), the electric and gas Societal Benefits Charge
8 (SBC) and Non-utility Generation Charge (NGC) rate to the New Jersey Board of
9 Public Utilities. I have also contributed to other filings that the Company has made to
10 the New Jersey Board of Public Utilities; including the Capital Economic Stimulus
11 Infrastructure Investment Program and the Economic Energy Efficiency Stimulus
12 Program, as well as unbundling electric rates and Off-Tariff Rate Agreements. I have
13 had a leadership role in various economic analyses, asset valuations, rate design and
14 pricing efforts and participated in electric and gas marginal cost studies

15 I am an active member of the American Gas Association's Rate and
16 Strategic Issues Committee and the Edison Electric Institute's Rates and Regulatory
17 Affairs Committee. I am also a member of the New Jersey Utility Association
18 (NJUA) Finance and Regulatory Committee.

PSE&G Green Programs Recovery Charge Filing
Weighted Average Cost of Capital (WACC)

Schedule SS-GPRC-1

Initial GPRC

	<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	50.6434%	6.1900%	3.1348%	1.0000	3.1348%	
Customer Deposits	<u>0.6831%</u>	2.9400%	<u>0.0201%</u>	1.0000	<u>0.0201%</u>	
Sub-total	51.3265%		3.1549%		3.1549%	2%
Preferred Stock	1.2708%	5.0300%	0.0639%	1.6973	0.1085%	0.0639%
Common Equity	<u>47.4027%</u>	10.0000%	<u>4.7403%</u>	1.6973	<u>8.0458%</u>	<u>4.7403%</u>
Total	100.0000%		7.9591%		11.3092%	6.6629%
Monthly WACC			0.66326%		0.9424%	

Reflects a tax rate of 41.084%

PSE&G Green Programs Recovery Charge Filing

Weighted Average Cost of Capital (WACC)

2010 Base Rate Case Result

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 40.850%

Carbon Abatement Program Proposed Rate Calculations

(\$'s Unless Specified)

Schedule SS-CA-1

Actual results through 3/31/2013
SUT Rate 7%

<u>Line</u>		<u>Electric</u>	<u>Gas</u>	<u>Source/Description</u>	
1	Oct 13 - Sep 14	Revenue Requirements	1,945,022	2,483,502	SS-2E/G, Col 18
2	Sep-13	Under/(Over) Recovered Balance	(720,958)	1,824,576	- SS-3E/G, Col 5
3	Sep-13	Cumulative Interest Exp / (Credit)	<u>(163)</u>	<u>6,929</u>	- SS-3E/G, Col 10
4	Oct 13 - Sep 14	Total Target Rate Revenue	1,223,901	4,315,006	Line 1 + Line 2 + Line 3
5	Oct 13 - Sep 14	Forecasted kWh / Therms (000)	42,562,084	2,807,584	
6		Proposed Rate w/o SUT (\$/kWh or \$/Therm)	0.000029	0.001537	(Line 4 / (Line 5 *1,000)) [Rnd 6]
7		Proposed Rate w/ SUT (\$/kWh or \$/Therm)	0.000031	0.001645	(Line 6 * (1 + SUT Rate)) [Rnd 6]
8		Existing Rate w/o SUT (\$/kWh or \$/Therm)	0.000068	0.002483	
9		Difference in Proposed and Existing Rate	(0.000039)	(0.000946)	(Line 6 - Line 8)
10		Resultant CA Revenue Increase	(1,659,921)	(2,655,974)	(Line 5 * Line 6 * 1,000)

**Carbon Abatement Program
Electric Revenue Requirements Calculation**

Actual results through March 2013

Monthly WACC effective 07/01/2010	0.942430%
Inc. tax rate effective 07/01/2010	41.084%

	(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										
Dec-12	128,585	-	15,169,987	126,417	-	3,584,237	11,585,750	(1,311,630)	(114,218)	(491,945)
Jan-13	11,759	-	15,181,746	126,515	-	3,710,751	11,470,994	9,486	114,494	(43,142)
Feb-13	26,265	-	15,208,011	126,733	-	3,837,485	11,370,526	25,625	114,707	(36,599)
Mar-13	49,743	224,376	15,482,130	127,148	1,870	3,966,502	11,515,628	49,638	116,953	(27,656)
Apr-13	-	-	15,482,130	127,148	3,740	4,097,390	11,384,740	4,373	118,822	(47,020)
May-13	-	-	15,482,130	127,148	3,740	4,228,278	11,253,853	4,488	118,822	(46,973)
Jun-13	-	-	15,482,130	127,148	3,740	4,359,165	11,122,965	4,488	118,822	(46,973)
Jul-13	60,000	24,417	15,566,547	127,648	4,168	4,490,981	11,075,566	65,301	119,751	(22,370)
Aug-13	-	24,417	15,590,964	127,648	4,604	4,623,233	10,967,731	6,278	120,187	(46,798)
Sep-13	-	24,417	15,615,380	127,648	5,048	4,755,929	10,859,451	7,499	120,631	(46,479)
Oct-13	-	24,417	15,639,797	127,648	5,500	4,889,077	10,750,720	9,127	121,083	(45,996)
Nov-13	-	24,417	15,664,214	127,648	5,961	5,022,686	10,641,528	11,568	121,543	(45,182)
Dec-13	94,667	24,417	15,783,297	128,437	6,430	5,157,553	10,625,745	111,119	122,802	(4,800)
Jan-14	-	-	15,783,297	128,437	6,430	5,292,420	10,490,877	9,890	122,802	(46,389)
Feb-14	-	-	15,783,297	128,437	6,430	5,427,287	10,356,010	9,890	122,802	(46,389)
Mar-14	-	-	15,783,297	128,437	6,430	5,562,154	10,221,143	9,890	122,802	(46,389)
Apr-14	-	-	15,783,297	128,437	6,430	5,697,021	10,086,276	9,890	122,802	(46,389)
May-14	-	-	15,783,297	128,437	6,430	5,831,889	9,951,409	9,890	122,802	(46,389)
Jun-14	-	-	15,783,297	128,437	6,430	5,966,756	9,816,542	9,890	122,802	(46,389)
Jul-14	-	-	15,783,297	128,437	6,430	6,101,623	9,681,674	9,890	122,802	(46,389)
Aug-14	-	-	15,783,297	128,437	6,430	6,236,490	9,546,807	9,890	122,802	(46,389)
Sep-14	-	-	15,783,297	128,437	6,430	6,371,357	9,411,940	9,890	122,802	(46,389)

See WP-TJM-CA-1.xlsx 'Total CA' wksht	See WP-TJM-CA-1.xlsx 'Total CA' wksht	Prior Month + (Col 1 + Col 2)	See WP-SS-CA-1(Tax Chg).xlsx 'AmortE' wksht	See WP-SS-CA-1(Tax Chg).xlsx 'AmortE' wksht	Prior Month + (Col 4 + Col 5)	Col 3 - Col 6	See WP-SS-CA-1(Tax Chg).xlsx 'AmortE' wksht	See WP-SS-CA-1(Tax Chg).xlsx 'AmortE' wksht	(Col 8 - Col 9) * Income Tax Rate
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Annual Summary

2009	7,808,831	-	7,808,831	175,447	-	175,447	7,633,384	7,808,831	175,447	3,136,099
2010	718,111	-	8,526,942	801,006	-	976,453	7,550,489	718,111	801,006	(34,056)
2011	5,400,028	-	13,926,970	1,135,283	-	2,111,736	11,815,234	5,400,028	1,135,283	1,752,128
2012	1,243,017	-	15,169,987	1,472,501	-	3,584,237	11,585,750	(197,199)	1,231,866	(587,117)
2013	242,434	370,876	15,783,297	1,528,516	44,800	5,157,553	10,625,745	308,989	1,428,617	(459,988)
Total Oct-13 - Sep-14	94,667	73,250		1,539,664		75,764		220,824	1,470,645	(513,476)

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments	15,041,402	-	15,041,402	3,457,820	-	3,457,820	11,583,582	13,608,071	3,229,187	4,264,061
Without Adjustments	15,041,402	-	15,041,402	3,457,820	-	3,457,820	11,583,582	15,041,402	3,457,820	4,758,999
Difference	-	-	-	-	-	-	-	(1,433,331)	(228,633)	(494,938)

**Carbon Abatement Program
Electric Revenue Requirements Calculation**

Actual results through March 2013

Monthly WACC effective 07/01/2010	0.942430%
Inc. tax rate effective 07/01/2010	41.084%

	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(18)
	<u>Accumulated Deferred Income Tax</u>	<u>Net Investment</u>	<u>Return Requirement</u>	<u>Program Investment Repayments</u>	<u>Administrative costs</u>	<u>Capacity Revenue</u>	<u>Tax Adjustment</u>	<u>Lost Revenues</u>	<u>Revenue Requirements</u>
Monthly Calculations									
Dec-12	4,267,054	7,318,696	162,383	(34,462)	73,209	-	(302,327)	-	25,220
Jan-13	4,223,912	7,247,082	68,636	(34,611)	337	-	(15,753)	-	145,123
Feb-13	4,187,314	7,183,213	67,998	(34,589)	6,416	-	(15,734)	-	150,825
Mar-13	4,159,658	7,355,970	68,511	(34,714)	(1,608)	4,143	(15,794)	-	149,555
Apr-13	4,112,637	7,272,103	68,930	(34,736)	7,338	1,855	(15,809)	-	158,465
May-13	4,065,664	7,188,189	68,139	(83,135)	7,338	1,855	(49,559)	-	75,526
Jun-13	4,018,691	7,104,274	67,348	(77,733)	7,338	(6,147)	(45,792)	-	75,902
Jul-13	3,996,321	7,079,245	66,835	(68,693)	7,338	(6,414)	(39,488)	-	91,393
Aug-13	3,949,523	7,018,208	66,429	(60,759)	7,338	(6,414)	(33,956)	-	104,890
Sep-13	3,903,044	6,956,408	65,850	(53,881)	7,338	(6,147)	(29,159)	-	116,697
Oct-13	3,857,048	6,893,672	65,264	(48,419)	7,338	(6,414)	(25,350)	-	125,567
Nov-13	3,811,866	6,829,663	64,666	(41,245)	7,338	(6,147)	(20,348)	-	137,873
Dec-13	3,807,066	6,818,679	64,313	(37,572)	7,338	(6,414)	(17,786)	-	144,746
Jan-14	3,760,677	6,730,200	63,844	(33,293)	1,937	(6,764)	(14,803)	-	145,789
Feb-14	3,714,288	6,641,722	63,011	(28,588)	1,937	(5,964)	(11,522)	-	153,741
Mar-14	3,667,900	6,553,244	62,177	(19,050)	1,937	(6,764)	(4,871)	-	168,295
Apr-14	3,621,511	6,464,765	61,343	(17,671)	1,937	(6,498)	(3,909)	-	170,069
May-14	3,575,122	6,376,287	60,509	(13,057)	1,937	(6,764)	(691)	-	176,800
Jun-14	3,528,733	6,287,808	59,675	(11,381)	1,937	(8,187)	477	-	177,388
Jul-14	3,482,345	6,199,330	58,841	(9,331)	1,937	(8,510)	1,907	-	179,711
Aug-14	3,435,956	6,110,851	58,007	(7,920)	1,937	(8,510)	2,891	-	181,272
Sep-14	3,389,567	6,022,373	57,174	(6,146)	1,937	(8,187)	4,127	-	183,771
	Prior Month + Col 10	Col 7 - Col 11	(Prior Col 12 + Col 12) / 2 * Monthly Pre Tax WACC	See WP-TJM- CA-1.xlsx 'Total CA' wksht	See WP-TJM- CA-1.xlsx 'Total CA' wksht	See WP-TJM- CA-1.xlsx 'Total CA' wksht	See WP-SS-CA- 1(Tax Chg).xlsx 'AmortE' wksht		= Col 4 + Col 5 + Col 13 + Col 14 + Col 15 + Col 16 + Col 17 + Col 18

**Annual
Summary**

2009	3,136,099	4,497,284	93,276	-	581,177	-	-	-	849,899
2010	3,102,043	4,448,446	493,653	(47,739)	62,199	-	-	-	1,309,119
2011	4,854,171	6,961,063	641,678	(178,501)	497,248	-	-	-	2,095,708
2012	4,267,054	7,318,696	886,588	(447,942)	217,180	-	(302,327)	-	1,826,001
2013	3,807,066	6,818,679	802,919	(610,087)	71,185	(36,242)	(324,530)	-	1,476,562
Total Oct-13 - Sep-14			738,824	(273,672)	39,444	(85,124)	(89,878)	-	1,945,022

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments	4,264,061	7,319,521	2,046,217	(639,720)	1,284,595	-	(286,664)	-	5,862,248
Without Adjustments	4,758,999	6,824,583	1,952,812	(639,720)	1,284,595	-	-	-	6,055,507
Difference	(494,938)	494,938	93,405	-	-	-	(286,664)	-	(193,259)

**Carbon Abatement Program
Gas Revenue Requirements Calculation**

Actual results through March 2013

Monthly WACC effective 07/01/2010	0.942430%
Inc. Tax rate effective 07/01/2010	41.084%

	(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										
Dec-12	308,646	-	29,527,605	246,063	-	5,624,992	23,902,614	(4,004,911)	(428,485)	(1,469,339)
Jan-13	77,939	-	29,605,545	246,713	-	5,871,704	23,733,840	62,726	210,640	(60,769)
Feb-13	21,741	-	29,627,286	246,894	-	6,118,598	23,508,687	17,457	210,785	(79,427)
Mar-13	155,290	364,526	30,147,101	248,188	3,038	6,369,824	23,777,277	131,844	214,861	(34,107)
Apr-13	-	-	30,147,101	248,188	6,075	6,624,088	23,523,013	6,526	217,892	(86,838)
May-13	-	-	30,147,101	248,188	6,075	6,878,351	23,268,750	7,291	217,892	(86,524)
Jun-13	-	-	30,147,101	248,188	6,075	7,132,615	23,014,486	7,291	217,892	(86,524)
Jul-13	-	17,250	30,164,351	248,188	6,378	7,387,181	22,777,170	7,866	218,195	(86,412)
Aug-13	-	17,250	30,181,601	248,188	6,686	7,642,055	22,539,546	8,556	218,503	(86,255)
Sep-13	-	17,250	30,198,851	248,188	7,000	7,897,243	22,301,608	9,418	218,817	(86,029)
Oct-13	-	17,250	30,216,101	248,188	7,319	8,152,751	22,063,351	10,568	219,136	(85,688)
Nov-13	-	17,250	30,233,351	248,188	7,645	8,408,583	21,824,768	12,293	219,461	(85,113)
Dec-13	-	17,250	30,250,601	248,188	7,976	8,664,748	21,585,853	15,743	219,793	(83,832)
Jan-14	-	-	30,250,601	248,188	7,976	8,920,912	21,329,689	12,481	219,793	(85,172)
Feb-14	-	-	30,250,601	248,188	7,976	9,177,077	21,073,524	12,481	219,793	(85,172)
Mar-14	-	-	30,250,601	248,188	7,976	9,433,251	20,817,360	12,481	219,793	(85,172)
Apr-14	-	-	30,250,601	248,188	7,976	9,689,406	20,561,195	12,481	219,793	(85,172)
May-14	-	-	30,250,601	248,188	7,976	9,945,570	20,305,031	12,481	219,793	(85,172)
Jun-14	-	-	30,250,601	248,188	7,976	10,201,735	20,048,866	12,481	219,793	(85,172)
Jul-14	-	-	30,250,601	248,188	7,976	10,457,899	19,792,702	12,481	219,793	(85,172)
Aug-14	-	-	30,250,601	248,188	7,976	10,714,064	19,536,537	12,481	219,793	(85,172)
Sep-14	-	-	30,250,601	248,188	7,976	10,970,228	19,280,373	12,481	219,793	(85,172)
	See WP-TJM-CA-1.xlsx 'Total CA' wksht	See WP-TJM-CA-1.xlsx 'Total CA' wksht	Prior Month + (Col 1 + Col 2)	See WP-SS-CA-1(Tax Chg).xlsx 'AmortG' wksht	See WP-SS-CA-1(Tax Chg).xlsx 'AmortG' wksht	Prior Month + (Col 4 + Col 5)	Col 3 - Col 6	See WP-SS-CA-1(Tax Chg).xlsx 'AmortG' wksht	See WP-SS-CA-1(Tax Chg).xlsx 'AmortG' wksht	(Col 8 - Col 9) * Income Tax Rate
Annual Summary										
2009	6,989,201	-	6,989,201	192,206	-	192,206	6,796,995	6,989,201	192,206	2,792,477
2010	4,215,111	-	11,204,312	803,315	-	995,521	10,208,791	4,215,111	803,315	1,401,702
2011	13,088,505	-	24,292,817	1,862,179	-	2,857,700	21,435,117	13,088,505	1,862,179	4,612,224
2012	5,234,789	-	29,527,605	2,767,291	-	5,624,992	23,902,614	921,232	2,092,743	(481,304)
2013	254,970	468,026	30,250,601	2,975,488	64,268	8,664,748	21,585,853	297,577	2,603,868	(947,517)
Total Oct-13 - Sep-14	-	51,750		2,978,258	94,728			150,930	2,636,530	(1,021,184)

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments	29,218,960	-	29,218,960	5,378,928	-	5,378,928	23,840,032	24,951,480	4,740,326	8,303,550
Without Adjustments	29,218,960	-	29,218,960	5,378,928	-	5,378,928	23,840,032	29,218,960	5,378,928	9,794,439
Difference	-	-	-	-	-	-	-	(4,267,480)	(638,602)	(1,490,888)

**Carbon Abatement Program
Gas Revenue Requirements Calculation**

Actual results through March 2013

Monthly WACC effective 07/01/2010	0.942430%
Inc. tax rate effective 07/01/2010	41.084%

	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(18)
<u>Monthly Calculations</u>	<u>Accumulated Deferred Income Tax</u>	<u>Net Investment</u>	<u>Return Requirement</u>	<u>Program Investment Repayments</u>	<u>Administrative costs</u>	<u>Capacity Revenue</u>	<u>Tax Adjustment</u>	<u>Lost Revenues</u>	<u>Revenue Requirements</u>
Dec-12	8,325,100	15,577,514	408,169	(65,352)	8,761	-	(244,454)	-	353,187
Jan-13	8,264,331	15,469,509	146,298	(67,493)	3,495	-	(21,910)	-	307,104
Feb-13	8,184,904	15,323,784	145,103	(67,557)	1,302	-	(21,930)	-	303,812
Mar-13	8,150,797	15,626,480	145,842	(68,395)	6,080	-	(22,336)	-	312,417
Apr-13	8,063,959	15,459,054	146,480	(68,546)	9,500	-	(22,436)	-	319,262
May-13	7,977,435	15,291,314	144,900	(334,988)	9,500	-	(208,235)	-	(134,558)
Jun-13	7,890,912	15,123,574	143,320	(324,020)	9,500	-	(200,587)	-	(117,523)
Jul-13	7,804,500	14,972,670	141,818	(294,038)	9,500	-	(179,679)	-	(67,832)
Aug-13	7,718,245	14,821,301	140,394	(271,255)	9,500	-	(163,792)	-	(30,279)
Sep-13	7,632,216	14,669,392	138,965	(252,365)	9,500	-	(150,619)	-	669
Oct-13	7,546,528	14,516,823	137,530	(225,291)	9,500	-	(131,739)	-	45,508
Nov-13	7,461,415	14,363,353	136,088	(202,972)	9,500	-	(116,176)	-	82,273
Dec-13	7,377,583	14,208,271	134,634	(185,494)	9,500	-	(103,988)	-	110,816
Jan-14	7,292,411	14,037,278	133,097	(167,648)	3,897	-	(91,543)	-	133,967
Feb-14	7,207,238	13,866,286	131,486	(154,298)	3,897	-	(82,234)	-	155,015
Mar-14	7,122,066	13,695,294	129,874	(116,798)	3,897	-	(56,084)	-	217,053
Apr-14	7,036,894	13,524,302	128,263	(103,526)	3,897	-	(46,829)	-	237,968
May-14	6,951,721	13,353,309	126,651	(87,380)	3,897	-	(35,570)	-	263,763
Jun-14	6,866,549	13,182,317	125,040	(76,165)	3,897	-	(27,749)	-	281,187
Jul-14	6,781,377	13,011,325	123,428	(62,446)	3,897	-	(18,183)	-	302,861
Aug-14	6,696,205	12,840,333	121,817	(53,003)	3,897	-	(11,598)	-	317,278
Sep-14	6,611,032	12,669,340	120,205	(41,133)	3,897	-	(3,321)	-	335,812

Prior Month + Col 10	Col 7 - Col 11	(Prior Col 12 + Col 12) / 2 * Monthly Pre Tax WACC	See WP-TJM- CA-1.xlsx 'Total CA' wksht	See WP-TJM- CA-1.xlsx 'Total CA' wksht	See WP-SS- CA-1(Tax Chg).xlsx 'AmortG' wksht	= Col 4 + Col 5 + Col 13 + Col 14 + Col 15 + Col 16 + Col 17 + Col 18
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<u>Annual Summary</u>									
2009	2,792,477	4,004,517	105,889	-	1,214,132	-	-	-	1,512,227
2010	4,194,180	6,014,611	485,765	-	23,270	-	-	-	1,312,349
2011	8,806,403	12,628,713	1,082,780	(237,900)	727,563	-	-	-	3,434,623
2012	8,325,100	15,577,514	1,825,044	(787,204)	308,568	-	(244,454)	-	3,869,246
2013	7,377,583	14,208,271	1,701,370	(2,362,413)	96,382	-	(1,343,427)	-	1,131,669
Total Oct-13 - Sep-14			1,548,113	(1,476,154)	63,571	-	(725,015)	-	2,483,502

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments	8,303,550	15,536,481	3,352,864	(959,752)	2,264,772	-	(223,948)	-	9,812,865
Without Adjustments	9,794,439	14,045,593	3,091,309	(959,752)	2,264,772	-	-	-	9,775,257
Difference	(1,490,888)	1,490,888	261,555	-	-	-	(223,948)	-	37,607

**Carbon Abatement Program
Electric Over/(Under) Calculation**

Tax Rate effective 07/01/10	41.084%
Existing Rate / kWh (w/o SUT)	\$0.000068
Proposed Rate / kWh (w/o SUT)	\$0.000029

	(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										
Dec-12	(125,668)	144,213	25,220	118,993	(6,675)	(66,172)	0.31%	18	37	(43)
Jan-13	(6,675)	153,382	145,123	8,259	1,584	(2,546)	0.34%	(0)		(44)
Feb-13	1,584	145,557	150,825	(5,268)	(3,684)	(1,050)	0.27%	(0)		(44)
Mar-13	(3,684)	147,481	149,555	(2,074)	(5,758)	(4,721)	0.28%	(1)		(44)
Apr-13	(5,758)	129,108	158,465	(29,356)	(35,114)	(20,436)	0.27%	(3)		(47)
May-13	(35,114)	149,630	75,526	74,104	38,990	1,938	0.27%	0		(47)
Jun-13	38,990	251,420	75,902	175,518	214,508	126,749	0.27%	17		(30)
Jul-13	214,508	292,140	91,393	200,747	415,254	314,881	0.27%	41		11
Aug-13	415,254	291,280	104,890	186,390	601,644	508,449	0.27%	66		77
Sep-13	601,644	236,010	116,697	119,313	720,958	661,301	0.27%	86		163
Oct-13	720,958	96,660	125,567	(28,907)	692,051	706,504	0.27%	92		256
Nov-13	692,051	90,280	137,873	(47,593)	644,457	668,254	0.27%	87		343
Dec-13	644,457	96,100	144,746	(48,646)	595,811	620,134	0.27%	81		424
Jan-14	595,811	106,880	145,789	(38,909)	556,903	576,357	0.27%	75		499
Feb-14	556,903	97,240	153,741	(56,501)	500,402	528,652	0.27%	69		568
Mar-14	500,402	98,030	168,295	(70,265)	430,137	465,269	0.27%	61		628
Apr-14	430,137	88,870	170,069	(81,199)	348,938	389,537	0.27%	51		679
May-14	348,938	93,320	176,800	(83,480)	265,458	307,198	0.27%	40		719
Jun-14	265,458	110,410	177,388	(66,978)	198,479	231,968	0.27%	30		750
Jul-14	198,479	130,850	179,711	(48,861)	149,619	174,049	0.27%	23		772
Aug-14	149,619	124,070	181,272	(57,202)	92,417	121,018	0.27%	16		788
Sep-14	92,417	101,590	183,771	(82,181)	10,235	51,326	0.27%	7		795
	(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

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments								9	1,473	(43)
Without Adjustments								(18)	1,436	(232)
Difference								28	37	188

**Carbon Abatement Program
Gas Over/(Under) Calculation**

Schedule SS-CA-3G

Tax Rate effective 07/01/10	41.084%
Existing Rate / kWh (w/o SUT)	\$0.002483
Proposed Rate / kWh (w/o SUT)	\$0.001537

	(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										
Dec-12	(2,922,461)	262,603	353,187	(90,584)	(3,013,045)	(2,967,753)	0.31%	(450)	(252)	(3,571)
Jan-13	(3,013,045)	315,378	307,104	8,274	(3,004,772)	(3,008,909)	0.34%	(495)		(4,067)
Feb-13	(3,004,772)	308,035	303,812	4,222	(3,000,549)	(3,002,661)	0.27%	(404)		(4,471)
Mar-13	(3,000,549)	275,752	312,417	(36,665)	(3,037,214)	(3,018,882)	0.28%	(417)		(4,888)
Apr-13	(3,037,214)	151,568	319,262	(167,694)	(3,204,908)	(3,121,061)	0.27%	(407)		(5,295)
May-13	(3,204,908)	87,906	(134,558)	222,465	(2,982,443)	(3,093,676)	0.27%	(404)		(5,699)
Jun-13	(2,982,443)	225,578	(117,523)	343,102	(2,639,342)	(2,810,893)	0.27%	(367)		(6,065)
Jul-13	(2,639,342)	223,695	(67,832)	291,527	(2,347,815)	(2,493,578)	0.27%	(325)		(6,391)
Aug-13	(2,347,815)	279,223	(30,279)	309,502	(2,038,313)	(2,193,064)	0.27%	(286)		(6,677)
Sep-13	(2,038,313)	214,406	669	213,737	(1,824,576)	(1,931,445)	0.27%	(252)		(6,929)
Oct-13	(1,824,576)	244,793	45,508	199,285	(1,625,291)	(1,724,934)	0.27%	(225)		(7,154)
Nov-13	(1,625,291)	408,523	82,273	326,249	(1,299,042)	(1,462,167)	0.27%	(191)		(7,344)
Dec-13	(1,299,042)	631,243	110,816	520,426	(778,616)	(1,038,829)	0.27%	(136)		(7,480)
Jan-14	(778,616)	699,769	133,967	565,802	(212,814)	(495,715)	0.27%	(65)		(7,545)
Feb-14	(212,814)	657,971	155,015	502,956	290,142	38,664	0.27%	5		(7,540)
Mar-14	290,142	552,926	217,053	335,874	626,016	458,079	0.27%	60		(7,480)
Apr-14	626,016	349,916	237,968	111,948	737,964	681,990	0.27%	89		(7,391)
May-14	737,964	180,075	263,763	(83,688)	654,276	696,120	0.27%	91		(7,300)
Jun-14	654,276	142,425	281,187	(138,762)	515,514	584,895	0.27%	76		(7,224)
Jul-14	515,514	143,974	302,861	(158,887)	356,627	436,070	0.27%	57		(7,167)
Aug-14	356,627	170,667	317,278	(146,611)	210,015	283,321	0.27%	37		(7,130)
Sep-14	210,015	132,976	335,812	(202,837)	7,179	108,597	0.27%	14		(7,116)
	(Prior Col 5) + (Col 9)	Forecasted Therms * 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

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments								(434)	953	(2,938)
Without Adjustments								(442)	701	(3,571)
Difference								(7)	(252)	(633)

**ELECTRIC CARBON ABATEMENT
ACTUAL REVENUES BY RATE CLASS**

Schedule SS-CA-4E

	Electric Carbon Abt Rate	0.000045	0.000045	0.000045	0.000045
		Dec-12	Jan-13	Feb-13	Mar-13
RESIDENTIAL SALES					
RS (4400110)		\$43,595	\$49,685	\$42,311	\$43,465
RS-HTG (4400210)		\$761	\$1,080	\$953	\$878
WH (4400310)		\$8	\$9	\$14	\$6
RLM (4400410)		\$803	\$901	\$754	\$801
WHS (4400510)		\$0	\$0	\$0	\$0
TOTAL RESIDENTIAL		\$45,166	\$51,675	\$44,031	\$45,150
COMMERCIAL SALES					
WH & WHS (4420110)		\$0	\$0	\$0	\$0
GLP (4420310)		\$27,510	\$25,505	\$26,433	\$27,542
GLP-MDO (4420310)		\$0	\$0	\$0	\$0
SL-PRI (4440110)		\$796	\$752	\$650	\$633
LPLP (4420510)		\$10,091	\$11,124	\$9,591	\$10,533
LPLS (4420510)		\$25,731	\$27,358	\$29,219	\$27,869
LPLSH (4420510)		\$8,598	\$9,563	\$8,928	\$9,483
LPLSO (4420510)		\$50	\$59	\$50	\$67
LPLSR (4420510)		\$0	\$0	\$0	\$0
HTS-SUB (4420710)		\$8,757	\$8,831	\$9,404	\$8,062
HTS-HV (4420710)		\$630	\$589	\$931	\$1,455
HS (4421210)		\$97	\$133	\$127	\$112
TOTAL COMMERCIAL		\$82,259	\$83,913	\$85,332	\$85,757
INDUSTRIAL SALES					
GLP (4420410)		\$1,140	\$1,235	\$1,210	\$1,261
GLP-MDO (4420410)		\$0	\$0	\$0	\$0
LPLP (4420610)		\$2,533	\$2,683	\$1,584	\$2,937
LPLS (4420610)		\$3,127	\$3,391	\$3,124	\$3,527
LPLSH (4420610)		\$834	\$928	\$864	\$903
LPLSO (4420610)		\$0	\$1	\$2	\$1
LPLSR (4420610)		\$0	\$0	\$0	\$0
HTS-SUB (4420810)		\$7,319	\$6,017	\$7,234	\$6,118
HTS-HV (4420810)		\$128	\$2,090	\$725	\$607
HS (4421110)		\$2	\$3	\$3	\$3
HEP (4421010)		\$0	\$0	\$0	\$0
EHEP (4421010)		\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL		\$15,085	\$16,349	\$14,746	\$15,357
PUB STREET AND HWY LIGHTING SALES					
SL-PUB (4440310)		\$1,490	\$1,242	\$1,235	\$1,024
BPL-POF (4440310)		\$72	\$63	\$63	\$54
GLP-T&S (4440410)		\$140	\$141	\$149	\$140
TOTAL ST. LIGHT.		\$1,703	\$1,446	\$1,447	\$1,217
TOTAL REVENUES		\$144,213	\$153,382	\$145,557	\$147,481

**GAS CARBON ABATEMENT
ACTUAL REVENUES BY RATE CLASS**

Schedule SS-CA-4G

Gas Carbon Abt Rate 0.000731 0.000731 0.000731 0.000731

	Dec-12	Jan-13	Feb-13	Mar-13
CSRSGH	\$122,738	\$152,937	\$147,848	\$128,859
CSRSG	\$6,494	\$7,964	\$7,471	\$6,843
RSGHM	\$2,276	\$2,757	\$2,772	\$2,460
RSGM	\$471	\$614	\$561	\$526
TOTAL RESIDENTIAL	\$131,979	\$164,271	\$158,653	\$138,688
CSGS-HTG	\$17,028	\$22,718	\$23,113	\$18,225
CSGS	\$2,247	\$2,723	\$2,713	\$2,466
CSLV	\$21,500	\$27,754	\$26,824	\$24,264
CSUVNG	\$0	\$0	\$0	\$0
CFG	\$0	\$0	\$0	\$0
ISG	\$1,714	\$2,061	\$1,341	\$1,275
CIG	\$3,126	\$2,240	\$2,118	\$2,939
CEG	\$0	\$0	\$0	\$0
MPGS	\$0	\$0	\$0	\$0
MPGSH	\$0	\$0	\$0	\$0
MPLV	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL	\$45,615	\$57,495	\$56,109	\$49,168
CSGS-HTG	\$518	\$1,375	\$1,077	\$864
CSGS	\$346	\$123	\$125	\$119
CSLV	\$2,206	\$2,598	\$2,308	\$2,486
ISG	\$361	\$556	\$635	-\$156
CIG	\$1,789	\$1,607	\$1,655	\$1,254
CO-GEN	\$0	\$0	\$0	\$0
UVNG	\$0	\$0	\$0	\$0
CFG	\$0	\$0	\$0	\$0
MPGS	\$0	\$0	\$0	\$0
MPGSH	\$0	\$0	\$0	\$0
MPLV	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL	\$5,220	\$6,259	\$5,801	\$4,567
CSSLG	\$45	\$39	\$1	\$7
TOTAL REVENUE COMM./TRANS	\$182,859	\$228,065	\$220,564	\$192,430
FTRSGH	\$12,237	\$16,163	\$15,919	\$14,593
FTRSG	\$690	\$895	\$803	\$818
FTRSGHM	\$275	\$327	\$339	\$342
FTRSGM	\$48	\$71	\$64	\$70
TOTAL RESIDENTIAL	\$13,250	\$17,456	\$17,125	\$15,823
FTGSH (G489.110)	\$5,204	\$7,074	\$6,731	\$5,890
FTGS	\$957	\$1,292	\$1,119	\$1,066
FTGFG	\$0	\$0	\$0	\$0
FTUVNG	\$0	\$0	\$0	\$0
FTLV (G489.120)	\$32,010	\$40,394	\$38,446	\$37,968
TSG-F (G489.100)	\$1,021	\$2,035	\$825	\$1,100
TSG-NF (G489.200)	\$10,586	-\$4,213	-\$87	\$1,243
TSG 2,4,6	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL	\$49,778	\$46,582	\$47,035	\$47,267
FTGSH (G489.110)	\$134	\$352	\$250	\$236
FTGS	-\$2	\$72	\$55	\$47
FTLV (G489.120)	\$3,372	\$4,371	\$4,286	\$3,781
TSG-F (G489.100)	\$844	\$705	\$1,390	\$1,008
TSG-NF (G489.200)	\$12,368	\$17,775	\$17,329	\$15,161
TSG 2,4,6	\$0	\$0	\$0	\$0
CONTRACT COGEN	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL	\$16,716	\$23,275	\$23,310	\$20,233
FTSLG	\$0	\$0	\$0	\$0
TOTAL TRANS. REVENUE	\$79,744	\$87,312	\$87,471	\$83,322
TOTAL REVENUES	\$262,603	\$315,378	\$308,035	\$275,752

PSE&G Energy Efficiency Economic Stimulus Program

Proposed Rate Calculations

Schedule SS-EEE-1

(\$'s Unless Specified)

Actual results through 3/31/2013
SUT Rate 7%

<u>Line</u>		<u>Electric</u>	<u>Gas</u>	<u>Source/Description</u>
1	Oct-13 to Sep-14			
	Revenue Requirements	20,629,950	8,630,353	SS-2E/G, Col 19
2	Sep-13			
	Under / (Over) Recovered Balance	(1,125,362)	2,594,167	- SS-3E/G, Col 5
3	Sep-13			
	Cumulative Interest Exp / (Credit)	<u>2,832</u>	<u>4,730</u>	- SS-3E/G, Col 10
4	Sep-14			
	Total Target Rate Revenue	19,507,420	11,229,250	Line 1 + Line 2 + Line 3
5	Oct-13 to Sep-14			
	Forecasted kWh (000)	42,562,084	2,807,584	
6				
	Proposed Rate w/o SUT (\$/kWh)	0.000458	0.004000	(Line 4 / (Line 5*1,000)) [Rnd 6]
7				
	Proposed Rate w/ SUT (\$/kWh)	0.000490	0.004280	(Line 6 * (1 + SUT Rate)) [Rnd 6]
8				
	Existing Rate w/o SUT (\$/kWh)	0.000466	0.003633	
9				
	Difference in Proposed and Existing Rate	(0.000008)	0.000367	(Line 6 - Line 8)
10				
	Resultant EEE Revenue Increase	(340,497)	1,030,383	(Line 5 * Line 9 * 1,000)

**PSE&G Energy Efficiency Economic Stimulus Program
Electric Revenue Requirements Calculation**

Actual results through March 2013

Monthly WACC effective 07/01/2010	0.987670%
Inc. tax rate effective 07/01/2010	40.850%

	(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										
Dec-12	1,464,046	-	108,655,957	1,474,924	-	43,639,052	65,016,905	(23,962,297)	(8,651,619)	(6,254,412)
Jan-13	131,271	-	108,787,229	1,813,120	-	45,452,173	63,335,056	93,879	1,388,725	(528,945)
Feb-13	102,886	-	108,890,115	1,814,835	-	47,267,008	61,623,107	102,167	1,390,428	(526,255)
Mar-13	13,012	423,174	109,326,301	1,815,052	3,526	49,085,587	60,240,714	16,934	1,394,095	(562,570)
Apr-13	(8,584)	-	109,317,717	1,814,909	7,053	50,907,549	58,410,169	3,562	1,397,540	(569,440)
May-13	144,769	-	109,462,487	1,817,322	7,053	52,731,923	56,730,563	111,995	1,399,266	(525,850)
Jun-13	349,460	-	109,811,947	1,823,146	7,053	54,562,123	55,249,824	258,379	1,403,431	(467,754)
Jul-13	349,460	29,167	110,190,574	1,828,971	7,565	56,398,658	53,791,916	259,352	1,408,108	(469,267)
Aug-13	349,460	29,167	110,569,201	1,834,795	8,085	58,241,538	52,327,663	260,518	1,412,794	(470,705)
Sep-13	349,460	29,167	110,947,828	1,840,619	8,616	60,090,773	50,857,055	261,977	1,417,489	(472,027)
Oct-13	349,460	29,167	111,326,455	1,846,444	9,156	61,946,372	49,380,083	263,921	1,422,195	(473,155)
Nov-13	349,460	29,167	111,705,082	1,852,268	9,706	63,808,347	47,896,736	266,838	1,426,910	(473,890)
Dec-13	1,429,460	29,167	113,163,709	1,876,092	10,267	65,694,706	47,469,003	1,126,742	1,445,871	(130,364)
Jan-14	-	-	113,163,709	1,876,092	10,267	67,581,065	45,582,644	15,951	1,445,871	(584,122)
Feb-14	-	-	113,163,709	1,876,092	10,267	69,467,425	43,696,285	15,951	1,445,871	(584,122)
Mar-14	-	-	113,163,709	1,876,092	10,267	71,353,784	41,809,925	15,951	1,445,871	(584,122)
Apr-14	-	-	113,163,709	1,876,092	10,267	73,240,143	39,923,566	15,951	1,445,871	(584,122)
May-14	-	-	113,163,709	1,876,092	10,267	75,126,502	38,037,207	15,951	1,445,871	(584,122)
Jun-14	-	-	113,163,709	1,876,092	10,267	77,012,862	36,150,847	15,951	1,445,871	(584,122)
Jul-14	-	-	113,163,709	1,876,092	10,267	78,899,221	34,264,488	15,951	1,445,871	(584,122)
Aug-14	-	-	113,163,709	1,876,035	10,267	80,785,524	32,378,186	15,951	1,447,839	(584,926)
Sep-14	-	-	113,163,709	1,875,545	10,267	82,671,336	30,492,373	15,951	1,456,369	(588,411)

See WP-TJM- EEE-1.xlsx 'Total EEE' wksht	See WP-TJM- EEE-1.xlsx 'Total EEE' wksht	Prior Month + (Col 1 + Col 2)	See WP-SS- EEE-1(Tax Chg).xlsx 'AmortE' wksht	See WP-SS-EEE- 1(Tax Chg).xlsx 'AmortE' wksht	Prior Month + (Col 4 + Col 5)	Col 3 - Col 6	See WP-SS- EEE-1(Tax Chg).xlsx 'AmortE' wksht	See WP-SS- EEE-1(Tax Chg).xlsx 'AmortE' wksht	(Col 8 - Col 9) *
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Annual Summary

2009	3,361,515	-	3,361,515	69,420	-	69,420	3,292,095	3,361,515	69,420	1,352,524
2010	67,065,101	-	70,426,616	6,431,471	-	6,500,891	63,925,724	67,065,101	6,431,471	24,829,946
2011	29,017,655	-	99,444,271	16,671,354	-	23,172,246	76,272,025	29,017,655	16,671,354	4,974,653
2012	9,211,686	-	108,655,957	20,466,807	-	43,639,052	65,016,905	(16,214,657)	10,340,264	(10,847,685)
2013	3,909,578	598,174	113,163,709	21,977,573	78,080	65,694,706	47,469,003	3,026,262	16,906,852	(5,670,221)
Total Oct-13 - Sep-14	2,128,381	87,500		22,459,030		121,533		1,801,062	17,320,281	(6,339,601)

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments	107,004,252	-	107,004,252	41,828,120	-	41,828,120	65,176,133	82,107,421	32,125,349	20,417,676
Without Adjustments	107,191,911	-	107,191,911	42,164,129	-	42,164,129	65,027,782	107,191,911	42,164,129	26,563,849
Difference	(187,659)	-	(187,659)	(336,009)	-	(336,009)	148,350	(25,084,490)	(10,038,779)	(6,146,173)

**PSE&G Energy Efficiency Economic Stimulus Program
Electric Revenue Requirements Calculation**

Actual results through March 2013

Monthly WACC effective 07/01/2010	0.987670%
Inc. Tax rate effective 07/01/2010	40.850%

	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
<u>Monthly Calculations</u>	<u>Accumulated Deferred Income Tax</u>	<u>Net Investment</u>	<u>Return Requirement</u>	<u>Program Investment Repayments</u>	<u>Administrative costs</u>	<u>Net Capacity Revenue</u>	<u>Tax Adjustment</u>	<u>Lost Revenues</u>	<u>Revenue Requirements</u>
Dec-12	14,163,264	44,707,468	2,137,605	(468,875)	170,009	(681)	261,067	-	3,574,049
Jan-13	19,780,492	43,554,564	435,869	(459,975)	47,751	(680)	(24,572)	-	1,811,513
Feb-13	19,254,238	42,368,869	424,320	(1,013,682)	89,451	(608)	(406,963)	-	907,353
Mar-13	18,691,667	41,549,047	414,416	(514,356)	19,948	47,029	(62,068)	-	1,723,548
Apr-13	18,122,228	40,287,941	404,140	(462,838)	47,333	1,033	(26,531)	-	1,785,098
May-13	17,596,377	39,134,186	392,214	(1,250,890)	55,164	18,300	(570,299)	-	468,863
Jun-13	17,128,624	38,121,200	381,514	(1,113,449)	55,164	(47,578)	(474,234)	-	631,616
Jul-13	16,659,357	37,132,559	371,629	(806,477)	55,164	(49,798)	(261,087)	-	1,145,966
Aug-13	16,188,652	36,139,011	361,841	(697,101)	55,164	(49,798)	(184,405)	-	1,328,581
Sep-13	15,716,625	35,140,430	352,003	(603,890)	55,164	(47,578)	(118,886)	-	1,486,048
Oct-13	15,243,470	34,136,612	342,114	(589,602)	55,164	(49,798)	(107,873)	-	1,505,605
Nov-13	14,769,581	33,127,155	332,172	(582,835)	55,164	(47,578)	(102,053)	-	1,516,843
Dec-13	14,639,216	32,829,787	325,718	(567,794)	55,164	(49,798)	(87,920)	-	1,561,730
Jan-14	14,055,094	31,527,550	317,819	(533,500)	32,785	(56,387)	(64,235)	-	1,582,842
Feb-14	13,470,972	30,225,313	304,957	(471,943)	32,785	(49,729)	(21,723)	-	1,680,706
Mar-14	12,886,850	28,923,076	292,095	(369,242)	32,785	(56,387)	49,204	-	1,834,816
Apr-14	12,302,728	27,620,839	279,234	(377,671)	32,785	(54,168)	43,383	-	1,809,923
May-14	11,718,605	26,318,602	266,372	(365,841)	32,785	(56,387)	51,553	-	1,814,842
Jun-14	11,134,483	25,016,364	253,510	(363,786)	32,785	(52,962)	52,972	-	1,808,878
Jul-14	10,550,361	23,714,127	240,648	(359,962)	32,785	(55,141)	55,613	-	1,800,303
Aug-14	9,965,435	22,412,751	227,791	(312,980)	32,785	(55,141)	86,661	-	1,865,418
Sep-14	9,377,024	21,115,349	214,957	(312,980)	32,785	(52,962)	80,432	-	1,848,044
	Prior Month + Col 10	Col 7 - Col 11	(Prior Col 12 + Col 12) / 2 * Monthly Pre Tax WACC	See WP-TJM- EEE-1.xlsx 'Total EEE' wksht	See WP-TJM- EEE-1.xlsx 'Total EEE' wksht	See WP-TJM- EEE-1.xlsx 'Total EEE' wksht	See WP-SS- EEE-1(Tax Chg).xlsx 'AmortE' wksht		= Col 4 + Col 5 + Col 13 + Col 14 + Col 15 + Col 16 + Col 17 + Col 18
Annual Summary									
2009	1,352,524	1,939,570	13,496	-	826,424	-	-	-	909,340
2010	26,182,470	37,743,255	1,881,647	(214,069)	4,047,353	-	-	-	12,146,403
2011	31,157,122	45,114,903	4,742,668	(3,402,377)	2,608,703	-	-	-	20,620,349
2012	14,163,264	44,707,468	6,680,806	(6,132,078)	1,497,705	(4,703)	261,067	-	22,769,604
2013	14,639,216	32,829,787	4,537,951	(8,662,891)	645,795	(276,853)	(2,426,890)	-	15,872,765
Total Oct-13 - Sep-14			3,397,388	(5,208,135)	460,558	(636,437)	36,013	-	20,629,950

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments	20,417,676	44,758,456	12,876,803	(9,279,648)	8,810,176	(4,022)	292,216	-	54,523,645
Without Adjustments	26,563,849	38,463,933	11,181,012	(9,279,648)	8,810,176	(4,022)	-	-	52,871,647
Difference	(6,146,173)	6,294,523	1,695,791	-	-	-	292,216	-	1,651,998

**PSE&G Energy Efficiency Economic Stimulus Program
Electric Over/(Under) Calculation**

Schedule SS-EEE-3E

Tax Rate effective 07/01/10 40.850%	
Existing Rate / kWh (w/o SUT)	\$0.000466
Proposed Rate / kWh (w/o SUT)	\$0.000458

	(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										
Dec-12	256,069	1,390,854	3,565,208	(2,174,353)	(1,918,284)	(831,107)	0.31%	(390)	(3,562)	(1,443)
Jan-13	(1,918,284)	1,479,288	1,811,513	(332,225)	(2,250,509)	(2,084,396)	0.34%	(344)		(1,787)
Feb-13	(2,250,509)	1,403,812	907,353	496,459	(1,754,050)	(2,002,279)	0.27%	(270)		(2,058)
Mar-13	(1,754,050)	1,422,374	1,723,548	(301,174)	(2,055,224)	(1,904,637)	0.28%	(264)		(2,322)
Apr-13	(2,055,224)	1,245,176	1,785,098	(539,922)	(2,595,146)	(2,325,185)	0.27%	(305)		(2,627)
May-13	(2,595,146)	1,443,066	468,863	974,203	(1,620,943)	(2,108,045)	0.27%	(276)		(2,903)
Jun-13	(1,620,943)	1,722,953	631,616	1,091,337	(529,606)	(1,075,275)	0.27%	(141)		(3,044)
Jul-13	(529,606)	2,002,047	1,145,966	856,080	326,474	(101,566)	0.27%	(13)		(3,057)
Aug-13	326,474	1,996,135	1,328,581	667,554	994,028	660,251	0.27%	86		(2,970)
Sep-13	994,028	1,617,382	1,486,048	131,334	1,125,362	1,059,695	0.27%	139		(2,832)
Oct-13	1,125,362	1,526,600	1,505,605	20,995	1,146,357	1,135,859	0.27%	149		(2,683)
Nov-13	1,146,357	1,425,761	1,516,843	(91,082)	1,055,275	1,100,816	0.27%	144		(2,539)
Dec-13	1,055,275	1,517,691	1,561,730	(44,039)	1,011,236	1,033,256	0.27%	135		(2,403)
Jan-14	1,011,236	1,687,981	1,582,842	105,139	1,116,376	1,063,806	0.27%	139		(2,264)
Feb-14	1,116,376	1,535,776	1,680,706	(144,930)	971,445	1,043,910	0.27%	137		(2,127)
Mar-14	971,445	1,548,188	1,834,816	(286,628)	684,817	828,131	0.27%	108		(2,019)
Apr-14	684,817	1,403,487	1,809,923	(406,435)	278,382	481,600	0.27%	63		(1,956)
May-14	278,382	1,473,752	1,814,842	(341,089)	(62,707)	107,837	0.27%	14		(1,942)
Jun-14	(62,707)	1,743,711	1,808,878	(65,167)	(127,875)	(95,291)	0.27%	(12)		(1,954)
Jul-14	(127,875)	2,066,523	1,800,303	266,220	138,345	5,235	0.27%	1		(1,954)
Aug-14	138,345	1,959,492	1,865,418	94,074	232,418	185,382	0.27%	24		(1,929)
Sep-14	232,418	1,604,472	1,848,044	(243,572)	(11,154)	110,632	0.27%	14		(1,915)
	(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

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments								(207)	26,512	(1,443)
Without Adjustments								56	30,074	2,003
Difference								(263)	(3,562)	(3,446)

**PSE&G Energy Efficiency Economic Stimulus Program
Gas Revenue Requirements Calculation**

Actual results through March 2013

Monthly WACC effective 07/01/2010	0.987670%
Inc. Tax rate effective 07/01/2010	40.850%

	(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 Amortization¹</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										
Dec-12	822,927	-	47,135,246	561,582	-	17,897,937.47	29,237,309	(10,302,714)	(3,738,639)	(2,681,424)
Jan-13	87,514	-	47,222,760	787,046	-	18,684,983.48	28,537,777	62,586	601,203	(220,025)
Feb-13	68,591	-	47,291,351	788,189	-	19,473,172.66	27,818,178	68,111	602,338	(218,232)
Mar-13	6,803	172,669	47,470,822	788,303	1,439	20,262,914.13	27,207,908	8,110	603,855	(243,362)
Apr-13	(2,948)	-	47,467,874	788,253	2,878	21,054,045.37	26,413,829	1,654	605,264	(246,575)
May-13	96,513	-	47,564,387	789,862	2,878	21,846,785.15	25,717,602	72,474	606,414	(218,114)
Jun-13	232,974	-	47,797,360	793,745	2,878	22,643,407.82	25,153,953	170,064	609,191	(179,383)
Jul-13	232,974	12,500	48,042,834	797,628	3,097	23,444,132.69	24,598,701	170,481	612,187	(180,437)
Aug-13	232,974	12,500	48,288,308	801,511	3,320	24,248,963.66	24,039,344	170,981	615,187	(181,458)
Sep-13	232,974	12,500	48,533,781	805,394	3,548	25,057,904.80	23,475,876	171,606	618,191	(182,430)
Oct-13	232,974	12,500	48,779,255	809,276	3,779	25,870,960.31	22,908,295	172,439	621,200	(183,319)
Nov-13	232,974	12,500	49,024,728	813,159	4,015	26,688,134.57	22,336,594	173,689	624,212	(184,039)
Dec-13	752,974	12,500	49,790,202	825,709	4,255	27,518,098.77	22,272,103	639,707	634,955	1,941
Jan-14	-	-	49,790,202	825,709	4,255	28,348,062.97	21,442,139	6,604	634,955	(256,681)
Feb-14	-	-	49,790,202	825,709	4,255	29,178,027.17	20,612,175	6,604	634,955	(256,681)
Mar-14	-	-	49,790,202	825,709	4,255	30,007,991.37	19,782,211	6,604	634,955	(256,681)
Apr-14	-	-	49,790,202	825,709	4,255	30,837,955.57	18,952,246	6,604	634,955	(256,681)
May-14	-	-	49,790,202	825,709	4,255	31,667,919.77	18,122,282	6,604	634,955	(256,681)
Jun-14	-	-	49,790,202	825,709	4,255	32,497,883.98	17,292,318	6,604	634,955	(256,681)
Jul-14	-	-	49,790,202	825,709	4,255	33,327,848.18	16,462,354	6,604	634,955	(256,681)
Aug-14	-	-	49,790,202	825,676	4,255	34,157,779.22	15,632,423	6,604	636,270	(257,219)
Sep-14	-	-	49,790,202	825,359	4,255	34,987,393.56	14,802,808	6,604	641,965	(259,545)

See WP-TJM- EEE-1.xlsx 'Total EEE' wksht	See WP-TJM- EEE-1.xlsx 'Total EEE' wksht	Prior Month + (Col 1 + Col 2)	See WP-SS- EEE-1(Tax Chg).xlsx 'AmortG' wksht	See WP-SS-EEE- 1(Tax Chg).xlsx 'AmortG' wksht	Prior Month + (Col 4 + Col 5)	Col 3 - Col 6	See WP-SS- EEE-1(Tax Chg).xlsx 'AmortG' wksht	See WP-SS- EEE-1(Tax Chg).xlsx 'AmortG' wksht	(Col 8 - Col 9) *
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Annual Summary										
2009	1,914,901	-	1,914,901	38,917	-	38,917	1,875,984	1,914,901	38,917	770,729
2010	26,127,860	-	28,042,761	2,583,920	-	2,622,837	25,419,924	26,127,860	2,583,920	9,641,351
2011	13,494,764	-	41,537,525	6,630,334	-	9,253,171	32,284,355	13,494,764	6,630,334	2,776,079
2012	5,597,721	-	47,135,246	8,644,767	-	17,897,937	29,237,309	(5,527,920)	4,344,546	(4,032,902)
2013	2,407,287	247,669	49,790,202	9,588,075	32,087	27,518,099	22,272,103	1,881,900	7,354,198	(2,235,434)
Total Oct-13 - Sep-14	1,218,921	37,500		9,879,142	50,347			1,045,275	7,603,286	(2,678,948)

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments	46,187,213	-	46,187,213	17,112,350	-	17,112,350	29,074,863	35,342,517	12,997,557	9,127,916
Without Adjustments	46,312,319	-	46,312,319	17,336,356	-	17,336,356	28,975,963	46,312,319	17,336,356	11,836,681
Difference	(125,106)	-	(125,106)	(224,006)	-	(224,006)	98,900	(10,969,802)	(4,338,799)	(2,708,765)

**PSE&G Energy Efficiency Economic Stimulus Program
Gas Revenue Requirements Calculation**

Actual results through March 2013

Monthly WACC effective 07/01/2010	0.987670%
Inc. Tax rate effective 07/01/2010	40.850%

	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
<u>Monthly Calculations</u>	<u>Accumulated Deferred Income Tax</u>	<u>Net Investment</u>	<u>Return Requirement</u>	<u>Program Investment Repayments</u>	<u>Administrative costs</u>	<u>Capacity Revenue</u>	<u>Tax Adjustment</u>	<u>Lost Revenues</u>	<u>Revenue Requirements</u>
Dec-12	6,446,492	22,889,717	895,695	(219,689)	14,225	-	892,338	-	2,144,151
Jan-13	8,935,231	19,602,546	195,976	(216,190)	21,406	-	(20,959)	-	767,279
Feb-13	8,716,999	19,101,179	191,133	(369,472)	38,701	-	(126,812)	-	521,739
Mar-13	8,473,637	18,734,271	186,845	(233,231)	10,631	-	(32,697)	-	721,289
Apr-13	8,227,063	18,186,766	182,329	(227,503)	22,644	-	(28,754)	-	739,847
May-13	8,008,948	17,708,653	177,264	(570,312)	35,501	-	(265,188)	-	170,005
Jun-13	7,829,565	17,324,388	173,005	(552,622)	35,501	-	(252,207)	-	200,300
Jul-13	7,649,128	16,949,574	169,257	(366,898)	35,501	-	(123,179)	-	515,406
Aug-13	7,467,669	16,571,675	165,540	(336,981)	35,501	-	(101,753)	-	567,138
Sep-13	7,285,239	16,190,637	161,792	(321,062)	35,501	-	(89,996)	-	595,176
Oct-13	7,101,920	15,806,374	158,012	(312,864)	35,501	-	(83,571)	-	610,134
Nov-13	6,917,882	15,418,712	154,200	(312,452)	35,501	-	(82,522)	-	611,902
Dec-13	6,919,823	15,352,280	151,958	(309,384)	35,501	-	(78,989)	-	629,051
Jan-14	6,663,142	14,778,997	148,799	(289,107)	17,287	-	(64,985)	-	641,958
Feb-14	6,406,461	14,205,714	143,137	(257,022)	17,287	-	(42,827)	-	690,539
Mar-14	6,149,779	13,632,431	137,475	(203,228)	17,287	-	(5,676)	-	775,821
Apr-14	5,893,098	13,059,148	131,812	(203,610)	17,287	-	(5,939)	-	769,514
May-14	5,636,417	12,485,865	126,150	(200,153)	17,287	-	(3,553)	-	769,695
Jun-14	5,379,736	11,912,582	120,488	(198,987)	17,287	-	(2,747)	-	766,006
Jul-14	5,123,055	11,339,299	114,826	(198,562)	17,287	-	(2,453)	-	761,062
Aug-14	4,865,836	10,766,586	109,167	(167,241)	17,287	-	18,246	-	807,390
Sep-14	4,606,292	10,196,517	103,523	(167,241)	17,287	-	14,095	-	797,278

Prior Month + Col 10	Col 7 - Col 11	(Prior Col 12 + Col 12) / 2 * Monthly Pre Tax WACC	See WP-TJM-EEE-1.xlsx 'Total EEE' wksht	See WP-TJM-EEE-1.xlsx 'Total EEE' wksht	See WP-TJM-EEE-1.xlsx 'Total EEE' wksht	See WP-SS-EEE-1(Tax Chg).xlsx 'AmortG' wksht	= Col 4 + Col 5 + Col 13 + Col 14 + Col 15 + Col 16 + Col 17 + Col 18
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<u>Annual Summary</u>								
2009	770,729	1,105,255	7,481	-	277,488	-	-	323,886
2010	10,412,080	15,007,845	754,117	(30,715)	2,028,283	-	-	5,335,605
2011	13,188,159	19,096,196	1,880,197	(491,873)	1,081,085	-	-	9,099,743
2012	6,446,492	22,889,717	2,865,907	(2,485,545)	660,212	-	892,338	10,577,679
2013	6,919,823	15,352,280	2,067,311	(4,128,973)	377,391	-	(1,286,626)	6,649,265

Total Oct-13 - Sep-14			1,599,547	(2,819,849)	262,086	-	(340,921)	-	8,630,353
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Impact of Adjustments Referenced in Testimony Reflected in December 2012

<u>With Adjustments</u>								
Without Adjustments	9,127,916	19,946,947	5,310,025	(2,788,444)	4,032,843	-	916,000	24,582,774
Difference	(2,708,765)	2,807,665	698,018	-	-	-	916,000	1,390,012

**PSE&G Energy Efficiency Economic Stimulus Program
Gas Over/(Under) Calculation**

Tax Rate effective 07/01/10 40.850%	
Existing Rate / kWh (w/o SUT)	\$0.003633
Proposed Rate / kWh (w/o SUT)	\$0.004000

	(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										
Dec-12	(1,616,032)	858,578	2,140,915	(1,282,337)	(2,898,369)	(2,257,200)	0.31%	(561)	(2,197)	(1,958)
Jan-13	(2,898,369)	1,031,125	767,279	263,846	(2,634,523)	(2,766,446)	0.34%	(457)		(2,416)
Feb-13	(2,634,523)	1,007,117	521,739	485,378	(2,149,144)	(2,391,834)	0.27%	(323)		(2,739)
Mar-13	(2,149,144)	901,571	721,289	180,282	(1,968,862)	(2,059,003)	0.28%	(286)		(3,024)
Apr-13	(1,968,862)	495,551	739,847	(244,296)	(2,213,158)	(2,091,010)	0.27%	(274)		(3,298)
May-13	(2,213,158)	287,409	170,005	117,404	(2,095,754)	(2,154,456)	0.27%	(282)		(3,581)
Jun-13	(2,095,754)	330,055	200,300	129,755	(1,965,999)	(2,030,876)	0.27%	(266)		(3,846)
Jul-13	(1,965,999)	327,299	515,406	(188,106)	(2,154,105)	(2,060,052)	0.27%	(270)		(4,116)
Aug-13	(2,154,105)	408,544	567,138	(158,593)	(2,312,699)	(2,233,402)	0.27%	(293)		(4,409)
Sep-13	(2,312,699)	313,707	595,176	(281,468)	(2,594,167)	(2,453,433)	0.27%	(321)		(4,730)
Oct-13	(2,594,167)	637,066	610,134	26,932	(2,567,235)	(2,580,701)	0.27%	(338)		(5,068)
Nov-13	(2,567,235)	1,063,169	611,902	451,267	(2,115,969)	(2,341,602)	0.27%	(307)		(5,375)
Dec-13	(2,115,969)	1,642,792	629,051	1,013,741	(1,102,227)	(1,609,098)	0.27%	(211)		(5,586)
Jan-14	(1,102,227)	1,821,129	641,958	1,179,171	76,943	(512,642)	0.27%	(67)		(5,653)
Feb-14	76,943	1,712,352	690,539	1,021,813	1,098,756	587,850	0.27%	77		(5,576)
Mar-14	1,098,756	1,438,975	775,821	663,154	1,761,910	1,430,333	0.27%	187		(5,388)
Apr-14	1,761,910	910,647	769,514	141,133	1,903,043	1,832,476	0.27%	240		(5,148)
May-14	1,903,043	468,640	769,695	(301,056)	1,601,987	1,752,515	0.27%	230		(4,919)
Jun-14	1,601,987	370,658	766,006	(395,348)	1,206,639	1,404,313	0.27%	184		(4,735)
Jul-14	1,206,639	374,687	761,062	(386,375)	820,264	1,013,451	0.27%	133		(4,602)
Aug-14	820,264	444,155	807,390	(363,235)	457,029	638,646	0.27%	84		(4,519)
Sep-14	457,029	346,065	797,278	(451,213)	5,815	231,422	0.27%	30		(4,488)
	(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

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments								(465)	13,596	(1,958)
Without Adjustments								(248)	15,793	955
Difference								(217)	(2,197)	(2,913)

**ELECTRIC EEE
ACTUAL REVENUES BY RATE CLASS**

Schedule SS-EEE-4E

	Electric EEE Rate			
	0.000434	0.000434	0.000434	0.000434
	Dec-12	Jan-13	Feb-13	Mar-13
RESIDENTIAL SALES				
RS (4400110)	\$420,446	\$479,187	\$408,062	\$419,198
RS-HTG (4400210)	\$7,337	\$10,412	\$9,189	\$8,466
WH (4400310)	\$73	\$86	\$132	\$60
RLM (4400410)	\$7,746	\$8,688	\$7,273	\$7,724
WHS (4400510)	\$1	\$2	\$1	\$2
TOTAL RESIDENTIAL	\$435,604	\$498,374	\$424,659	\$435,450
COMMERCIAL SALES				
WH & WHS (4420110)	\$1	\$1	\$0	\$1
GLP (4420310)	\$265,318	\$245,978	\$254,928	\$265,624
GLP-MDO (4420310)	\$0	\$0	\$0	\$0
SL-PRI (4440110)	\$7,679	\$7,250	\$6,271	\$6,109
LPLP (4420510)	\$97,319	\$107,285	\$92,496	\$101,587
LPLS (4420510)	\$248,166	\$263,851	\$281,799	\$268,777
LPLSH (4420510)	\$82,920	\$92,229	\$86,107	\$91,461
LPLSO (4420510)	\$480	\$572	\$482	\$647
LPLSR (4420510)	\$0	\$0	\$0	\$0
HTS-SUB (4420710)	\$84,453	\$85,169	\$90,700	\$77,754
HTS-HV (4420710)	\$6,074	\$5,677	\$8,978	\$14,033
HS (4421210)	\$936	\$1,284	\$1,221	\$1,082
TOTAL COMMERCIAL	\$793,346	\$809,295	\$822,982	\$827,074
INDUSTRIAL SALES				
GLP (4420410)	\$10,992	\$11,914	\$11,671	\$12,160
GLP-MDO (4420410)	\$0	\$0	\$0	\$0
LPLP (4420610)	\$24,433	\$25,877	\$15,274	\$28,328
LPLS (4420610)	\$30,162	\$32,705	\$30,134	\$34,019
LPLSH (4420610)	\$8,045	\$8,954	\$8,334	\$8,712
LPLSO (4420610)	\$4	\$8	\$18	\$12
LPLSR (4420610)	\$0	\$0	\$0	\$0
HTS-SUB (4420810)	\$70,588	\$58,030	\$69,766	\$59,009
HTS-HV (4420810)	\$1,239	\$20,157	\$6,993	\$5,851
HS (4421110)	\$19	\$26	\$29	\$25
HEP (4421010)	\$0	\$0	\$0	\$0
EHEP (4421010)	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL	\$145,483	\$157,672	\$142,219	\$148,114
PUB STREET AND HWY LIGHTING SALES				
SL-PUB (4440310)	\$14,373	\$11,982	\$11,909	\$9,872
BPL-POF (4440310)	\$699	\$607	\$609	\$516
GLP-T&S (4440410)	\$1,350	\$1,358	\$1,434	\$1,347
TOTAL ST. LIGHT.	\$16,422	\$13,947	\$13,953	\$11,735
TOTAL REVENUES	\$1,390,854	\$1,479,288	\$1,403,812	\$1,422,374

**GAS EEE
ACTUAL REVENUES BY RATE CLASS**

Schedule SS-EEE-4G

Gas EEE Rate 0.00239 0.00239 0.00239 0.00239

	Dec-12	Jan-13	Feb-13	Mar-13
CSRSGH	\$401,292	\$500,026	\$483,388	\$421,305
CSRSG	\$21,231	\$26,037	\$24,427	\$22,374
RSGHM	\$7,442	\$9,015	\$9,065	\$8,042
RSGM	\$1,540	\$2,007	\$1,835	\$1,719
TOTAL RESIDENTIAL	\$431,504	\$537,084	\$518,715	\$453,440
CSGS-HTG	\$55,672	\$74,277	\$75,569	\$59,585
CSGS	\$7,347	\$8,902	\$8,869	\$8,062
CSLV	\$70,295	\$90,740	\$87,702	\$79,331
CSUVNG	\$0	\$0	\$0	\$0
CFG	\$0	\$0	\$0	\$0
ISG	\$5,603	\$6,737	\$4,385	\$4,167
CIG	\$10,221	\$7,324	\$6,924	\$9,608
CEG	\$0	\$0	\$0	\$0
MPGS	\$0	\$0	\$0	\$0
MPGSH	\$0	\$0	\$0	\$0
MPLV	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL	\$149,139	\$187,981	\$183,448	\$160,753
CSGS-HTG	\$1,694	\$4,497	\$3,521	\$2,826
CSGS	\$1,132	\$401	\$410	\$390
CSLV	\$7,212	\$8,495	\$7,546	\$8,127
ISG	\$1,180	\$1,818	\$2,077	-\$509
CIG	\$5,849	\$5,253	\$5,412	\$4,099
CO-GEN	\$0	\$0	\$0	\$0
UVNG	\$0	\$0	\$0	\$0
CFG	\$0	\$0	\$0	\$0
MPGS	\$0	\$0	\$0	\$0
MPGSH	\$0	\$0	\$0	\$0
MPLV	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL	\$17,067	\$20,464	\$18,966	\$14,933
CSSLG	\$147	\$129	\$4	\$23
TOTAL REVENUE COMM./TRANS	\$597,857	\$745,658	\$721,132	\$629,150
FTRSGH	\$40,007	\$52,843	\$52,049	\$47,710
FTRSG	\$2,257	\$2,927	\$2,627	\$2,675
FTRSGHM	\$899	\$1,068	\$1,108	\$1,119
FTRSGM	\$156	\$233	\$208	\$227
TOTAL RESIDENTIAL	\$43,320	\$57,071	\$55,991	\$51,732
FTGSH (G489.110)	\$17,015	\$23,128	\$22,008	\$19,259
FTGS	\$3,129	\$4,225	\$3,658	\$3,486
FTGFG	\$0	\$0	\$0	\$0
FTUVNG	\$0	\$0	\$0	\$0
FTLV (G489.120)	\$104,657	\$132,069	\$125,699	\$124,135
TSG-F (G489.100)	\$3,339	\$6,652	\$2,698	\$3,596
TSG-NF (G489.200)	\$34,609	-\$13,776	-\$283	\$4,063
TSG 2,4,6	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL	\$162,749	\$152,298	\$153,780	\$154,538
FTGSH (G489.110)	\$438	\$1,151	\$818	\$771
FTGS	-\$5	\$235	\$181	\$153
FTLV (G489.120)	\$11,023	\$14,291	\$14,014	\$12,362
TSG-F (G489.100)	\$2,758	\$2,306	\$4,543	\$3,295
TSG-NF (G489.200)	\$40,437	\$58,114	\$56,657	\$49,569
TSG 2,4,6	\$0	\$0	\$0	\$0
CONTRACT COGEN	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL	\$54,652	\$76,098	\$76,213	\$66,151
FTSLG	\$0	\$0	\$0	\$0
TOTAL TRANS. REVENUE	\$260,721	\$285,467	\$285,985	\$272,421
TOTAL REVENUES	\$858,578	\$1,031,125	\$1,007,117	\$901,571

PSE&G Demand Response Program Proposed Rate Calculations

(\$'s Unless Specified)

Schedule SS-DR-1

Actual results through 3/31/2013

SUT Rate 7%

<u>Line</u>	<u>Date(s)</u>		<u>Electric</u>	<u>Source/Description</u>
1	Oct-13 to Sep-14	Revenue Requirements	2,892,550	SS-DR-2, Col 20
2	Sep-13	Under / (Over) Recovered Balance	1,350,017	SS-DR-3, Line 4, Col 50
3	Sep-13	Cumulative Interest Exp / (Credit)	<u>1,056</u>	SS-DR-3, Line 7, Col 50
4	Sep-14	Total Target Rate Revenue	4,243,624	Line 1 + Line 2 + Line 3
5	Oct-13 to Sep-14	Forecasted kWh (000)	42,562,084	
6		Proposed Rate w/o SUT (\$/kWh)	0.000100	(Line 4 / (Line 5*1,000)) [Rnd 6]
7		Proposed Rate w/ SUT (\$/kWh)	0.000107	(Line 6 * (1 + SUT Rate)) [Rnd 6]
8		Existing Rate w/o SUT (\$/kWh)	0.000246	
9		Difference in Proposed and Existing Rate	(0.000146)	(Line 6 - Line 8)
10		Resultant DR Revenue Increase	(6,214,064)	(Line 5 * Line 9 * 1,000)

PSE&G Demand Response Program (Res AC & Small Comm. Cycling Only)
Revenue Requirements Summary
(\$'s unless otherwise noted)

Actual data through March 2013											Current WACC
					Annual Pre-Tax WACC	11.8520%					
					Monthly Pre-Tax WACC	0.98767%					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Program Investment	Capitalized IT Costs	Gross Plant	Program Investment Amortization / Depreciation	IT Cost Amortization	Accumulated Amortization	Net Plant	Tax Depreciation	Deferred Income Tax	Accumulated Deferred Income Tax	Net Investment	
Monthly Calculation											
Dec-12	305,152	-	26,674,285	220,056	-	3,506,818	23,167,467	1,004,163	320,308	6,225,299	16,942,167
Jan-13	433,878	-	27,108,162	224,093	-	3,730,911	23,377,251	149,659	(30,406)	6,194,893	17,182,358
Feb-13	375,846	-	27,484,009	227,467	-	3,958,378	23,525,630	166,250	(25,007)	6,169,886	17,355,744
Mar-13	155,867	-	27,639,875	229,683	-	4,188,061	23,451,814	173,818	(22,821)	6,147,065	17,304,749
Apr-13	580,320	-	28,220,195	232,750	-	4,420,811	23,799,384	205,127	(11,284)	6,135,781	17,663,603
May-13	906,750	-	29,126,945	238,946	-	4,659,758	24,467,188	260,161	8,666	6,144,447	18,322,741
Jun-13	725,400	-	29,852,345	245,747	-	4,905,505	24,946,840	310,479	26,443	6,170,890	18,775,951
Jul-13	725,400	-	30,577,745	251,792	-	5,157,297	25,420,448	369,183	47,954	6,218,844	19,201,604
Aug-13	816,230	-	31,393,975	258,216	-	5,415,512	25,978,463	448,448	77,710	6,296,554	19,681,909
Sep-13	544,050	-	31,938,025	263,883	-	5,679,396	26,258,630	514,490	102,373	6,398,927	19,859,703
Oct-13	647,280	-	32,585,305	268,847	-	5,948,243	26,637,062	619,254	143,141	6,542,068	20,094,994
Nov-13	334,800	-	32,920,105	272,939	-	6,221,182	26,698,923	700,536	174,673	6,716,741	19,982,182
Dec-13	223,200	-	33,143,305	275,264	-	6,496,446	26,646,859	808,912	217,995	6,934,736	19,712,123
Jan-14	429,939	-	33,573,244	277,986	-	6,774,432	26,798,812	164,725	(46,267)	6,888,470	19,910,343
Feb-14	429,939	-	34,003,183	281,568	-	7,056,000	26,947,183	168,634	(46,134)	6,842,336	20,104,847
Mar-14	644,909	-	34,648,092	286,047	-	7,342,047	27,306,044	175,083	(45,329)	6,797,007	20,509,037
Apr-14	752,393	-	35,400,485	291,869	-	7,633,917	27,766,569	183,443	(44,292)	6,752,715	21,013,854
May-14	644,909	-	36,045,394	297,691	-	7,931,608	28,113,786	191,504	(43,377)	6,709,338	21,404,448
Jun-14	-	-	36,045,394	300,378	-	8,231,986	27,813,408	191,504	(44,475)	6,664,863	21,148,545
Jul-14	-	-	36,045,394	300,378	-	8,532,364	27,513,029	191,504	(44,475)	6,620,388	20,892,642
Aug-14	-	-	36,045,394	300,378	-	8,832,743	27,212,651	191,504	(44,475)	6,575,913	20,636,738
Sep-14	-	-	36,045,394	300,378	-	9,133,121	26,912,273	191,504	(44,475)	6,531,438	20,380,835
	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	38,741	38,741	981,379
2010	3,734,136	-	4,762,829	243,690	-	252,263	4,510,566	3,089,439	1,162,593	1,201,334	3,309,233
2011	10,573,865	-	15,336,695	1,001,411	-	1,253,674	14,083,020	9,525,145	3,481,620	4,682,954	9,400,067
2012	11,337,590	-	26,674,285	2,253,144	-	3,506,818	23,167,467	6,028,776	1,542,346	6,225,299	16,942,167
2013	6,469,021	-	33,143,305	2,989,629	-	6,496,446	26,646,859	4,726,316	709,437	6,934,736	19,712,123
2014	2,902,088	-	36,045,394	3,537,809	-	10,034,256	26,011,138	2,223,921	(536,723)	6,398,013	19,613,125
Total	36,045,394	-	36,045,394	-	-	-	-	36,045,394	0	-	-
Total Oct-13 - Sep-14	4,107,368	-	3,453,725	-	-	-	-	3,778,109	-	-	-

Note: Totals may not foot due to rounding

PSE&G Demand Response Program (Res AC & Small Comm. Cycling Only)

Schedule SS-DR-2

Revenue Requirements Summary

Page 2 of 2

(\$'s unless otherwise noted)

Actual data through March 2013

Annual Pre-Tax WACC 11.8520%
 Monthly Pre-Tax WACC 0.98767%

	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
	<u>Return Requirement</u>	<u>DR Revenue Credited to Customers</u>	<u>Customer Incentives</u>	<u>Administrative costs</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 Incl. Legacy Res A/C Program</u>
Monthly Calculation									
Dec-12	168,494	291,931	43,786	321,338	461,743	-	-	-	461,743
Jan-13	168,519	291,927	72,116	85,536	258,337	-	-	-	258,337
Feb-13	170,561	263,623	38,550	70,500	243,456	-	-	-	243,456
Mar-13	171,166	291,910	33,698	891,260	1,033,897	-	-	-	1,033,897
Apr-13	172,686	282,689	83,300	493,393	699,440	-	-	-	699,440
May-13	177,713	292,111	130,150	712,915	967,613	-	-	-	967,613
Jun-13	183,206	776,953	411,772	590,960	654,732	-	-	-	654,732
Jul-13	187,546	802,851	412,941	590,960	640,388	-	-	-	640,388
Aug-13	192,020	802,851	427,266	652,041	726,692	-	-	-	726,692
Sep-13	195,270	776,953	389,091	469,002	540,293	-	-	-	540,293
Oct-13	197,310	958,642	167,165	538,423	213,104	-	-	-	213,104
Nov-13	197,915	776,953	48,050	328,282	70,233	-	-	-	70,233
Dec-13	196,024	802,851	32,050	253,233	(46,280)	-	-	-	(46,280)
Jan-14	195,670	802,851	59,650	338,511	68,964	-	-	-	68,964
Feb-14	197,609	725,156	59,650	338,511	152,182	-	-	-	152,182
Mar-14	200,566	802,851	89,450	478,187	251,398	-	-	-	251,398
Apr-14	205,055	776,953	104,350	548,025	372,346	-	-	-	372,346
May-14	209,476	802,851	89,450	478,187	271,953	-	-	-	271,953
Jun-14	210,142	490,340	317,367	59,155	396,703	-	-	-	396,703
Jul-14	207,614	506,684	317,316	59,155	377,779	-	-	-	377,779
Aug-14	205,087	506,684	317,265	59,155	375,201	-	-	-	375,201
Sep-14	202,559	490,340	317,214	59,155	388,967	-	-	-	388,967
	Cumulative Programs	Cumulative Programs	Cumulative Programs	Cumulative Programs	Cumulative Programs	Program Assumption	Program Assumption	Program Assumption	Col 16 + Col 17 + Col 18 - Col 19
Annual Summary									
2009	4,624	-	-	38,700	51,897	719,564	377,101	891,566	256,996
2010	228,273	302,448	272,264	1,193,353	1,635,133	2,256,153	201,490	1,919,077	2,173,699
2011	816,038	911,584	1,430,374	4,100,610	6,436,849	773,248	273,602	1,908,640	5,575,059
2012	1,758,186	2,468,187	2,305,090	4,541,864	8,390,097	89,007	113,179	655,279	7,937,004
2013	2,209,938	7,120,314	2,246,147	5,676,506	6,001,906	-	-	-	6,001,906
2014	2,426,289	7,617,012	1,747,362	2,595,507	2,689,955	-	-	-	2,689,955
Total	15,912,351	110,370,850	23,849,677	28,243,164	(6,320,265)	3,837,972	965,372	-	(6,891,483)
Total Oct-13 - Sep-14		8,443,157	1,918,977	3,537,979	2,892,550	-	-	-	2,892,550

PSE&G Demand Response Program
Residential A/C Cycling Revenue Requirements Calculation
(\$'s unless otherwise noted)

Schedule SS-DR-2a

Actual data through March 2013

Annual Pre-Tax WACC 11.8520%
Monthly Pre-Tax WACC 0.98767%

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Program Investment	Capitalized IT Costs	Gross Plant	Program Investment Amortization / Depreciation	IT Cost Amortization	Accumulated Amortization	Net Plant	Tax Depreciation	Deferred Income Tax	Accumulated Deferred Income Tax	Net Investment	Return Requirement on Current WACC	DR Revenue Credited to Customers	Customer Incentives	Administrative costs	Revenue Requirements	
Monthly Calculations																
Dec-12	309,158	-	26,395,336	217,769	-	3,477,769	22,917,567	996,274	318,019	6,156,619	16,760,949	166,662	287,737	43,786	291,876	432,355
Jan-13	430,844	-	26,826,181	221,756	-	3,699,525	23,126,655	148,174	(30,059)	6,126,560	17,000,095	166,724	287,732	72,116	83,008	255,871
Feb-13	369,967	-	27,196,148	225,093	-	3,924,618	23,271,529	164,505	(24,750)	6,101,810	17,169,719	168,743	259,835	38,550	66,763	239,313
Mar-13	151,761	-	27,347,908	227,267	-	4,151,885	23,196,023	171,873	(22,628)	6,079,181	17,116,841	169,319	287,716	33,698	846,772	989,340
Apr-13	568,540	-	27,916,448	230,268	-	4,382,153	23,534,295	202,547	(11,324)	6,067,857	17,466,438	170,784	278,574	83,300	476,224	682,003
May-13	888,460	-	28,804,908	236,339	-	4,618,492	24,186,416	256,471	8,224	6,076,081	18,110,335	175,691	287,860	130,150	691,396	945,716
Jun-13	711,140	-	29,516,048	243,004	-	4,861,496	24,654,552	305,800	25,652	6,101,733	18,552,818	181,055	761,424	399,974	572,134	634,744
Jul-13	711,140	-	30,227,188	248,930	-	5,110,427	25,116,762	363,350	46,740	6,148,474	18,968,288	185,292	786,804	400,798	572,134	620,350
Aug-13	799,800	-	31,026,988	255,226	-	5,365,652	25,661,336	441,019	75,897	6,224,370	19,436,966	189,659	786,804	414,726	631,765	704,571
Sep-13	533,200	-	31,560,188	260,780	-	5,626,432	25,933,756	505,744	100,068	6,324,438	19,609,318	192,824	761,424	376,288	452,455	520,924
Oct-13	634,260	-	32,194,448	265,644	-	5,892,077	26,302,372	608,400	140,016	6,464,454	19,837,918	194,804	939,481	167,165	520,426	208,558
Nov-13	327,980	-	32,522,428	269,654	-	6,161,730	26,360,698	688,027	170,905	6,635,360	19,725,338	195,377	761,424	48,050	314,428	66,085
Dec-13	218,860	-	32,741,288	271,932	-	6,433,662	26,307,626	794,296	213,386	6,848,745	19,458,881	193,505	786,804	32,050	241,036	(48,281)
Jan-14	421,597	-	33,162,885	274,601	-	6,708,263	26,454,622	162,511	(45,789)	6,802,956	19,651,666	193,142	786,804	59,650	328,226	68,814
Feb-14	421,597	-	33,584,482	278,114	-	6,986,377	26,598,105	166,344	(45,658)	6,757,298	19,840,807	195,028	710,662	59,650	328,226	150,355
Mar-14	632,075	-	34,216,557	282,504	-	7,268,881	26,947,675	172,664	(44,870)	6,712,429	20,235,247	197,910	786,804	89,450	465,002	248,061
Apr-14	737,313	-	34,953,870	288,210	-	7,557,092	27,396,778	180,857	(43,854)	6,668,575	20,728,204	202,292	761,424	104,350	533,390	366,818
May-14	632,075	-	35,585,944	293,916	-	7,851,007	27,734,937	188,758	(42,957)	6,625,617	21,109,319	206,608	786,804	89,450	465,002	268,172
Jun-14	-	-	35,585,944	296,550	-	8,147,557	27,438,387	188,758	(44,033)	6,581,584	20,856,803	207,243	479,049	302,652	54,257	381,652
Jul-14	-	-	35,585,944	296,550	-	8,444,107	27,141,838	188,758	(44,033)	6,537,551	20,604,286	204,749	495,018	302,616	54,257	363,154
Aug-14	-	-	35,585,944	296,550	-	8,740,656	26,845,288	188,758	(44,033)	6,493,518	20,351,770	202,255	495,018	302,580	54,257	360,624
Sep-14	-	-	35,585,944	296,550	-	9,037,206	26,548,739	188,758	(44,033)	6,449,485	20,099,253	199,761	479,049	302,544	54,257	374,062
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 'AmortResAC' wksh	See WP-SS-DR-1.xls 'AmortResAC' wksh	Prior Month + Col 9	Col 7 - Col 10	(Prior Col 11 + Col 11) / 2 * 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	1,028,693	-	1,028,693	8,572	-	8,572	1,020,120	102,869	38,741	38,741	981,379	4,624	-	-	32,446	45,643
2010	3,729,624	-	4,758,317	243,550	-	252,122	4,506,195	3,085,561	1,161,066	1,199,807	3,306,387	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	4,631,634	9,306,507	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	1,524,984	6,156,619	16,760,949	1,738,837	2,439,227	2,271,655	4,111,636	7,912,052
2013	6,345,952	-	32,741,288	2,955,893	-	6,433,662	26,307,626	4,650,206	692,127	6,848,745	19,458,881	2,183,778	6,985,883	2,196,865	5,468,543	5,819,196
Total	35,585,944	-	35,585,944	-	-	-	-	35,585,944	0	-	-	15,707,210	108,149,457	23,027,480	25,915,859	(7,912,964)
Total Oct-13 - Sep-14	4,025,756	-	3,410,773	-	-	-	-	3,716,887	-	-	-	8,268,343	1,860,207	3,412,764	2,808,076	-

Note: Totals may not foot due to rounding

PSE&G Demand Response Program
Small Commercial A/C Cycling Revenue Requirements Calculation

Schedule SS-DR-2b

(\$'s unless otherwise noted)

Actual data through March 2013

Annual Pre-Tax WACC
 Monthly Pre-Tax WACC
 Current WACC
 11.85200%
 0.9888%

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	Program Investment	Capitalized IT Costs	Gross Plant	Program Investment Amortization / Depreciation	IT Cost Amortization	Accumulated Amortization	Net Plant	Tax Depreciation	Deferred Income Tax	Accumulated Deferred Income Tax	Net Investment	Return Requirement	DR Revenue Credited to Customers	Customer Incentives	Administrative costs	Revenue Requirements
Monthly Calculations																
Dec-12	(4,006)	-	278,948	2,288	-	29,049	249,900	7,890	2,288	68,681	181,219	1,832	4,194	-	29,462	29,388
Jan-13	3,033	-	281,982	2,337	-	31,386	250,596	1,486	(348)	68,333	182,263	1,795	4,194	-	2,528	2,466
Feb-13	5,879	-	287,861	2,374	-	33,760	254,101	1,745	(257)	68,076	186,025	1,819	3,788	-	3,737	4,143
Mar-13	4,106	-	291,967	2,416	-	36,176	255,791	1,944	(193)	67,883	187,908	1,847	4,194	-	44,489	44,557
Apr-13	11,780	-	303,747	2,482	-	38,658	265,089	2,580	40	67,923	197,166	1,902	4,115	-	17,168	17,437
May-13	18,290	-	322,037	2,607	-	41,265	280,772	3,690	442	68,366	212,406	2,023	4,252	-	21,519	21,897
Jun-13	14,260	-	336,297	2,743	-	44,008	292,289	4,679	791	69,157	223,132	2,151	15,529	11,798	18,826	19,988
Jul-13	14,260	-	350,557	2,862	-	46,870	303,687	5,833	1,214	70,370	233,316	2,254	16,047	12,143	18,826	20,037
Aug-13	16,430	-	366,987	2,990	-	49,860	317,127	7,429	1,813	72,184	244,943	2,362	16,047	12,540	20,276	22,121
Sep-13	10,850	-	377,837	3,103	-	52,964	324,874	8,746	2,305	74,489	250,385	2,446	15,529	12,803	16,547	19,370
Oct-13	13,020	-	390,857	3,203	-	56,166	334,691	10,853	3,125	77,614	257,077	2,506	19,161	-	17,997	4,545
Nov-13	6,820	-	397,677	3,286	-	59,452	338,225	12,509	3,768	81,382	256,844	2,538	15,529	-	13,854	4,148
Dec-13	4,340	-	402,017	3,332	-	62,784	339,233	14,616	4,610	85,991	253,242	2,519	16,047	-	12,196	2,000
Jan-14	8,342	-	410,359	3,385	-	66,169	344,190	2,215	(478)	85,513	258,677	2,528	16,047	-	10,285	151
Feb-14	8,342	-	418,701	3,454	-	69,623	349,078	2,290	(475)	85,038	264,040	2,581	14,494	-	10,285	1,827
Mar-14	12,834	-	431,535	3,543	-	73,166	358,369	2,419	(459)	84,579	273,791	2,656	16,047	-	13,185	3,337
Apr-14	15,080	-	446,615	3,659	-	76,825	369,790	2,586	(438)	84,140	285,650	2,763	15,529	-	14,635	5,528
May-14	12,834	-	459,449	3,775	-	80,600	378,849	2,747	(420)	83,720	295,129	2,868	16,047	-	13,185	3,782
Jun-14	-	-	459,449	3,829	-	84,429	375,020	2,747	(442)	83,278	291,742	2,898	11,290	14,715	4,898	15,050
Jul-14	-	-	459,449	3,829	-	88,258	371,192	2,747	(442)	82,836	288,355	2,865	11,666	14,700	4,898	14,625
Aug-14	-	-	459,449	3,829	-	92,086	367,363	2,747	(442)	82,394	284,968	2,831	11,666	14,685	4,898	14,577
Sep-14	-	-	459,449	3,829	-	95,915	363,534	2,747	(442)	81,952	281,582	2,798	11,290	14,670	4,898	14,905
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 'AmortSmCAC' wksht	Prior Month + Col 9	Col 7 - Col 10	(Prior Col 11 + Col 11) / 2 * 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	1,526	1,526	2,845	112	-	-	145,466	145,719
2011	145,424	-	149,936	4,916	-	5,056	144,880	126,807	49,793	51,319	93,560	3,883	-	6,580	474,277	489,656
2012	129,012	-	278,948	23,992	-	29,049	249,900	66,493	17,362	68,681	181,219	19,350	28,960	33,435	430,229	478,046
2013	123,069	-	402,017	33,735	-	62,784	339,233	76,111	17,310	85,991	253,242	26,160	134,432	49,283	207,963	182,710
2014	57,432	-	459,449	44,617	-	107,401	352,048	31,485	(5,365)	80,626	271,421	32,981	163,503	58,770	95,864	68,729
Total	459,449	-	459,449	459,449	-	-	-	459,449	0	-	-	-	2,221,245	822,197	2,255,447	1,520,989
Total Oct-13 - Sep-14	81,612	-	-	42,952	-	-	-	61,223	-	-	-	-	174,814	58,770	125,216	84,475

Note: Totals may not foot due to rounding

PSE&G DR Program
Electric & Gas Under/(Over) Calculation

Existing/Proposed DR Rate (w/o SUT)	0.000122	0.000122	0.000122	0.000122	0.000122	0.000122
<u>RGGI DR Under/(Over) Calculation (\$000)</u>	<u>Dec-12</u>	<u>Jan-13</u>	<u>Feb-13</u>	<u>Mar-13</u>	<u>Apr-13</u>	<u>May-13</u>
(1) DR RGGI Revenue	391.0	415.8	394.6	399.8	350.0	405.7
(2) Revenue Requirements	<u>461.7</u>	<u>258.3</u>	<u>243.5</u>	<u>1,033.9</u>	<u>699.4</u>	<u>967.6</u>
(3) Monthly Under/(Over) Recovery	70.8	(157.5)	(151.2)	634.1	349.4	562.0
(4) Deferred Balance	1,423.8	1,266.3	1,115.1	1,749.2	2,098.6	2,660.5
(5) Monthly Interest Rate	0.02573%	0.02794%	0.02283%	0.02347%	0.02214%	0.02214%
(6) After Tax Monthly Interest Expense/(Credit)	0.2	0.2	0.2	0.2	0.3	0.3
(7) Cumulative Interest Balance Added to Subsequent Year's Revenue	0.2	0.4	0.6	0.8	1	1.4
(8) Requirements	1,424.0	1,266.7	1,115.7	1,750.0	2,099.6	2,661.9
(9) Net Sales - kWh (000)						3,325,038
(10) Average Net of Tax Deferred Balance	821.2	795.6	704.3	847.1	1,138.0	1,407.5

PSE&G DR Program
Electric & Gas Under/(Over) Calculation

Existing/Proposed DR Rate (w/o SUT)	0.000246	0.000246	0.000246	0.000246	0.00010	0.00010
<u>RGGI DR Under/(Over) Calculation (\$000)</u>	<u>Jun-13</u>	<u>Jul-13</u>	<u>Aug-13</u>	<u>Sep-13</u>	<u>Oct-13</u>	<u>Nov-13</u>
(1) DR RGGI Revenue	909.5	1,056.9	1,053.8	853.8	333.3	311.3
(2) Revenue Requirements	<u>654.7</u>	<u>640.4</u>	<u>726.7</u>	<u>540.3</u>	<u>213.1</u>	<u>70.2</u>
(3) Monthly Under/(Over) Recovery	(254.8)	(416.5)	(327.1)	(313.5)	(120.2)	(241.1)
(4) Deferred Balance	2,407.1	1,990.6	1,663.5	1,350.0	1,229.8	988.7
(5) Monthly Interest Rate	0.02214%	0.02214%	0.02214%	0.02214%	0.02214%	0.02214%
(6) After Tax Monthly Interest Expense/(Credit)	0.3	0.3	0.2	0.2	0.2	0.1
(7) Cumulative Interest Balance Added to Subsequent Year's Revenue	0.3	0.6	0.9	1.1	1.2	1.4
(8) Requirements	2,407.4	1,991.2	1,664.4	1,351.1	1,231.0	990.1
(9) Net Sales - kWh (000)	3,697,325	4,296,237	4,283,552	3,470,777	3,333,189	3,113,016
(10) Average Net of Tax Deferred Balance	1,498.7	1,300.6	1,080.7	891.3	763.0	656.1

PSE&G DR Program
Electric & Gas Under/(Over) Calculation

Existing/Proposed DR Rate (w/o SUT)	0.00010	0.00010	0.00010	0.00010	0.00010	0.00010	0.00010
<u>RGGI DR Under/(Over) Calculation (\$000)</u>	<u>Dec-13</u>	<u>Jan-14</u>	<u>Feb-14</u>	<u>Mar-14</u>	<u>Apr-14</u>	<u>May-14</u>	<u>Jun-14</u>
(1) DR RGGI Revenue	331.4	368.6	335.3	338.0	306.4	321.8	380.7
(2) Revenue Requirements	<u>(46.3)</u>	<u>69.0</u>	<u>152.2</u>	<u>251.4</u>	<u>372.3</u>	<u>272.0</u>	<u>396.7</u>
(3) Monthly Under/(Over) Recovery	(377.7)	(299.6)	(183.1)	(86.6)	65.9	(49.8)	16.0
(4) Deferred Balance	611.1	311.5	128.3	41.7	107.6	57.8	73.8
(5) Monthly Interest Rate	0.02214%	0.02214%	0.02214%	0.02214%	0.02214%	0.02214%	0.02214%
(6) After Tax Monthly Interest Expense/(Credit)	0.1	0.1	0.0	0.0	0.0	0.0	0.0
(7) Cumulative Interest Balance Added to Subsequent Year's Revenue	1.5	1.5	1.6	1.6	1.6	1.6	1.6
(8) Requirements	612.6	313.0	129.9	43.3	109.2	59.4	75.4
(9) Net Sales - kWh (000)	3,313,736	3,685,547	3,353,223	3,380,322	3,064,383	3,217,800	3,807,229
(10) Average Net of Tax Deferred Balance	473.1	272.8	130.1	50.3	44.2	48.9	38.9

PSE&G DR Program
Electric & Gas Under/(Over) Calculation

Existing/Proposed DR Rate (w/o SUT)	0.00010	0.00010	0.00010	
<u>RGGI DR Under/(Over) Calculation (\$000)</u>	<u>Jul-14</u>	<u>Aug-14</u>	<u>Sep-14</u>	
(1) DR RGGI Revenue	451.2	427.8	350.3	DR Rate * Row 9
(2) Revenue Requirements	<u>377.8</u>	<u>375.2</u>	<u>389.0</u>	From SS-2, Col 20
(3) Monthly Under/(Over) Recovery	(73.4)	(52.6)	38.6	Row 2 - Row 1
(4) Deferred Balance	0.3	(52.3)	(13.6)	Prev Row 4 + Row 3
(5) Monthly Interest Rate	0.02214%	0.02214%	0.02214%	Annual Interest Rate / 12
(6) After Tax Monthly Interest Expense/(Credit)	0.0	(0.0)	(0.0)	(Prev Row 4 + Row 4) / 2 (1 - Tax Rate) * Row 5
(7) Cumulative Interest Balance Added to Subsequent Year's Revenue	1.6	1.6	1.6	Prev Row 7 + Row 6
(8) Requirements	2.0	(50.7)	(12.0)	Row 4 + Row 7 + 11
(9) Net Sales - kWh (000)	4,512,058	4,278,366	3,503,214	
(10) Average Net of Tax Deferred Balance	21.9	(15.4)	(19.5)	(Prev Row 4 + Row 4) / 2 * (1 - Tax Rate)

**DEMAND RESPONSE
ACTUAL REVENUES BY RATE CLASS**

Schedule SS-DR-4

	Demand Resp Rate	0.000122	0.000122	0.000122	0.000122
		Dec-12	Jan-13	Feb-13	Mar-13
RESIDENTIAL SALES					
RS (4400110)		\$118,190	\$134,702	\$114,709	\$117,839
RS-HTG (4400210)		\$2,063	\$2,927	\$2,583	\$2,380
WH (4400310)		\$21	\$24	\$37	\$17
RLM (4400410)		\$2,178	\$2,442	\$2,045	\$2,171
WHS (4400510)		\$0	\$0	\$0	\$0
TOTAL RESIDENTIAL		\$122,451	\$140,096	\$119,374	\$122,408
COMMERCIAL SALES					
WH & WHS (4420110)		\$0	\$0	\$0	\$0
GLP (4420310)		\$74,582	\$69,146	\$71,662	\$74,669
GLP-MDO (4420310)		\$0	\$0	\$0	\$0
SL-PRI (4440110)		\$2,159	\$2,038	\$1,763	\$1,717
LPLP (4420510)		\$27,357	\$30,158	\$26,001	\$28,557
LPLS (4420510)		\$69,761	\$74,170	\$79,215	\$75,555
LPLSH (4420510)		\$23,309	\$25,926	\$24,205	\$25,710
LPLSO (4420510)		\$135	\$161	\$135	\$182
LPLSR (4420510)		\$0	\$0	\$0	\$0
HTS-SUB (4420710)		\$23,740	\$23,942	\$25,496	\$21,857
HTS-HV (4420710)		\$1,707	\$1,596	\$2,524	\$3,945
HS (4421210)		\$263	\$361	\$343	\$304
TOTAL COMMERCIAL		\$223,014	\$227,498	\$231,345	\$232,495
INDUSTRIAL SALES					
GLP (4420410)		\$3,090	\$3,349	\$3,281	\$3,418
GLP-MDO (4420410)		\$0	\$0	\$0	\$0
LPLP (4420610)		\$6,868	\$7,274	\$4,294	\$7,963
LPLS (4420610)		\$8,479	\$9,194	\$8,471	\$9,563
LPLSH (4420610)		\$2,262	\$2,517	\$2,343	\$2,449
LPLSO (4420610)		\$1	\$2	\$5	\$3
LPLSR (4420610)		\$0	\$0	\$0	\$0
HTS-SUB (4420810)		\$19,843	\$16,313	\$19,612	\$16,588
HTS-HV (4420810)		\$348	\$5,666	\$1,966	\$1,645
HS (4421110)		\$5	\$7	\$8	\$7
HEP (4421010)		\$0	\$0	\$0	\$0
EHEP (4421010)		\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL		\$40,896	\$44,323	\$39,979	\$41,636
PUB STREET AND HWY LIGHTING SALES					
SL-PUB (4440310)		\$4,040	\$3,368	\$3,348	\$2,775
BPL-POF (4440310)		\$196	\$171	\$171	\$145
GLP-T&S (4440410)		\$380	\$382	\$403	\$379
TOTAL ST. LIGHT.		\$4,616	\$3,920	\$3,922	\$3,299
TOTAL REVENUES		\$390,977	\$415,837	\$394,620	\$399,838

PSE&G Demand Response Program

Cost-Effectiveness Analysis¹

(\$'s unless otherwise noted)

Figure 1 - Detailed Cost-Effectiveness Calculation - No Energy Price Reduction Benefit Scenario

Sub Program	Total A/C Cycling			Residential + Legacy A/C Cycling			Residential A/C Cycling			Legacy A/C Cycling			Small Commercial A/C Cycling		
	TRC Costs	RIM/Utility Costs	Benefits	TRC Costs	RIM/Utility Costs	Benefits	TRC Costs	RIM/Utility Costs	Benefits	TRC Costs	RIM/Utility Costs	Benefits	TRC Costs	RIM/Utility Costs	Benefits
2009	428,998	1,148,562	891,566	422,744	1,142,308	891,566	45,643	45,643	0	377,101	1,096,665	891,566	6,254	6,254	0
2010	1,866,807	4,395,224	2,221,525	1,721,088	4,249,505	2,221,525	1,519,598	1,791,862	302,448	201,490	2,457,643	1,919,077	145,719	145,719	0
2011	6,191,661	8,395,283	2,820,224	5,708,585	7,905,627	2,820,224	5,434,983	6,858,777	911,584	273,602	1,046,850	1,908,640	483,076	489,656	0
2012	8,666,373	11,060,470	3,123,466	8,192,803	10,553,465	3,094,506	8,079,624	10,351,279	2,439,227	113,179	202,186	655,279	473,570	507,005	28,960
2013	10,876,073	13,122,220	7,120,314	10,608,214	12,805,079	6,985,883	10,608,214	12,805,079	6,985,883	0	0	0	267,859	317,141	134,432
2014	8,559,605	10,306,967	7,617,012	8,386,143	10,074,735	7,453,509	8,386,143	10,074,735	7,453,509	0	0	0	173,462	232,232	163,503
2015	6,357,849	7,700,105	5,511,531	6,233,677	7,517,882	5,390,834	6,233,677	7,517,882	5,390,834	0	0	0	124,173	182,223	120,697
2016	6,180,401	7,520,100	6,821,011	6,029,102	7,311,471	6,679,575	6,029,102	7,311,471	6,679,575	0	0	0	151,299	208,629	141,437
2017	5,720,378	7,058,054	8,267,399	5,601,628	6,882,544	8,097,536	5,601,628	6,882,544	8,097,536	0	0	0	118,750	175,510	169,863
2018	5,422,674	6,760,350	8,452,409	5,306,218	6,587,134	8,279,181	5,306,218	6,587,134	8,279,181	0	0	0	116,455	173,215	173,229
2019	5,124,006	6,461,682	8,452,409	5,009,666	6,290,582	8,279,181	5,009,666	6,290,582	8,279,181	0	0	0	114,340	171,100	173,229
2020	4,610,478	5,948,154	8,475,210	4,498,274	5,779,190	8,301,514	4,498,274	5,779,190	8,301,514	0	0	0	112,204	168,964	173,696
2021	3,762,223	5,099,899	8,452,409	3,626,599	4,907,515	8,279,181	3,626,599	4,907,515	8,279,181	0	0	0	135,623	192,383	173,229
2022	2,203,827	3,541,503	8,452,409	2,118,041	3,398,957	8,279,181	2,118,041	3,398,957	8,279,181	0	0	0	85,786	142,546	173,229
2023	1,398,746	2,736,422	8,452,409	1,322,102	2,603,018	8,279,181	1,322,102	2,603,018	8,279,181	0	0	0	76,644	133,404	173,229
2024	841,386	2,179,062	8,475,210	773,954	2,054,870	8,301,514	773,954	2,054,870	8,301,514	0	0	0	67,432	124,192	173,696
2025	792,405	2,072,750	6,878,054	724,107	1,950,122	6,737,091	724,107	1,950,122	6,737,091	0	0	0	68,298	122,628	140,963
2026	964,906	1,786,598	4,078,557	864,218	1,651,020	3,994,949	864,218	1,651,020	3,994,949	0	0	0	100,688	135,578	83,607
2027	838,194	1,201,235	1,181,561	765,032	1,112,623	1,157,327	765,032	1,112,623	1,157,327	0	0	0	73,162	88,612	24,234
2028	287,433	287,433	579	262,192	262,192	564	262,192	262,192	564	0	0	0	25,241	25,241	15
Total	81,094,423	108,782,072	115,745,265	78,174,386	105,039,838	113,524,020	77,209,014	100,236,494	108,149,457	965,372	4,803,344	0	2,920,037	3,742,234	2,221,245
NPV	49,078,174	65,352,256	57,962,095	47,272,347	63,143,071	56,902,173	46,434,410	58,963,594	52,335,872	837,936	4,179,477	4,566,300	1,805,828	2,209,185	1,059,922
B/C Ratios	1.18	0.89		1.20	0.90		1.13	0.89		5.45	1.09		0.59	0.48	

¹Notes:

TRC Costs = Revenue Requirements excluding DR Revenue Credited to Customers and Customer Incentive Payments

RIM/Utility Costs = TRC Costs + Customer Incentive Payments

Benefits = DR Revenues Refunded to Customers

PSE&G Solar 4 All Program Proposed Rate Calculations

(\$'s Unless Specified)

Schedule SS-S4A-1

Actual results through 3/31/2013

SUT Rate 7%

<u>Line</u>	<u>Date(s)</u>		<u>Electric</u>	<u>Source/Description</u>
1	Oct-13 to Sep-14	Revenue Requirements	25,927,070	SS-S4A-2, Col 24
2	Sep-13	Under / (Over) Recovered Balance	29,175,373	SS-S4A-3, Line 4, Col 51
3	Sep-13	Cumulative Interest Exp / (Credit)	<u>18,582</u>	SS-S4A-3, Line 7, Col 51
4	Sep-14	Total Target Rate Revenue	55,121,025	Line 1 + Line 2 + Line 3
5	Oct-13 to Sep-14	Forecasted kWh / therms (000)	42,562,084	
6		Proposed Rate w/o SUT (\$/kWh)	0.001295	(Line 4 / (Line 5*1,000)) [Rnd 6]
7		Proposed Rate w/ SUT (\$/kWh)	0.001386	(Line 6 * (1 + SUT Rate)) [Rnd 6]
8		Existing Rate w/o SUT (\$/kWh)	<u>0.001340</u>	
9		Difference in Proposed and Existing Rate	(0.000045)	(Line 6 - Line 8)
10		Resultant S4A Revenue Increase	(1,915,294)	(Line 5 * Line 9 * 1,000)

**PSE&G Solar 4 All Program
Revenue Requirements Calculation**

Schedule SS-S4A-2

Page 1 of 2

Actuals Through March 2013

	(1)	(2)	(3)	(4)	(5)	(6) (7) (8)			(9)	(10)
						Plant				
			<u>Depreciation</u>	<u>Accumulated</u>		<u>Book Deprec Tax</u>			<u>Accumulated</u>	<u>Net Investment</u>
	<u>Program Investment</u>	<u>Gross Plant</u>	<u>Expense</u>	<u>Depreciation</u>	<u>Net Plant</u>	<u>Tax Depreciation</u>	<u>Basis</u>	<u>Deferred Tax Exp</u>	<u>Deferred Tax</u>	
Dec 2012	3,728,267	433,141,082	2,019,313	40,553,081	392,588,001	11,617,715	1,759,610	4,027,036	112,675,821	279,912,179
Jan 2013	6,061,463	438,939,225	2,082,594	42,635,675	396,303,549	1,981,085	1,780,145	82,084	112,757,906	283,545,644
Feb 2013	5,069,230	443,740,017	2,104,688	44,740,363	398,999,654	2,055,294	1,797,122	105,463	112,863,369	286,136,285
Mar 2013	3,575,762	447,172,266	2,121,853	46,862,216	400,310,050	2,113,643	1,809,279	124,333	112,987,702	287,322,348
Apr 2013	1,266,115	448,348,380	2,133,904	48,996,120	399,352,261	2,173,823	1,813,444	147,215	113,134,916	286,217,344
May 2013	1,262,745	449,718,732	2,139,261	51,135,381	398,583,351	2,245,126	1,818,410	174,313	113,309,230	285,274,121
Jun 2013	329,849	453,516,418	2,434,118	53,569,499	399,946,919	2,336,225	1,834,925	204,781	113,514,011	286,432,908
Jul 2013	511,269	453,516,418	2,175,499	55,744,998	397,771,421	2,336,225	1,834,925	204,781	113,718,792	284,052,628
Aug 2013	434,849	453,516,418	2,175,499	57,920,497	395,595,922	2,336,225	1,834,925	204,781	113,923,573	281,672,348
Sep 2013	274,849	453,516,418	2,175,499	60,095,995	393,420,423	2,336,225	1,834,925	204,781	114,128,354	279,292,068
Oct 2013	1,166,137	460,490,283	2,199,863	62,295,858	398,194,425	3,012,259	1,864,445	468,882	114,597,236	283,597,189
Nov 2013	-	460,490,283	2,210,229	64,506,088	395,984,196	3,012,259	1,864,445	468,882	115,066,118	280,918,078
Dec 2013	-	460,490,283	2,210,229	66,716,317	393,773,966	3,012,259	1,864,445	468,882	115,534,999	278,238,967
Jan 2014	-	460,490,283	2,210,229	68,926,546	391,563,737	1,867,920	1,864,445	1,419	115,536,419	276,027,317
Feb 2014	-	460,490,283	2,210,229	71,136,775	389,353,508	1,867,920	1,864,445	1,419	115,537,838	273,815,670
Mar 2014	-	460,490,283	2,210,229	73,347,004	387,143,279	1,867,920	1,864,445	1,419	115,539,257	271,604,021
Apr 2014	-	460,490,283	2,210,229	75,557,234	384,933,050	1,867,920	1,864,445	1,419	115,540,677	269,392,373
May 2014	-	460,490,283	2,210,229	77,767,463	382,722,820	1,867,920	1,864,445	1,419	115,542,096	267,180,724
Jun 2014	-	460,490,283	2,210,229	79,977,692	380,512,591	1,867,920	1,864,445	1,419	115,543,515	264,969,076
Jul 2014	-	460,490,283	2,210,229	82,187,921	378,302,362	1,867,920	1,864,445	1,419	115,544,935	262,757,427
Aug 2014	-	460,490,283	2,210,229	84,398,150	376,092,133	1,867,920	1,864,445	1,419	115,546,354	260,545,779
Sep 2014	-	460,490,283	2,210,229	86,608,380	373,881,904	1,867,920	1,864,445	1,419	115,547,774	258,334,130
	<u>Program Assumption</u>	<u>Program Assumption</u>	Refer to WP_SS 2a.xls to WP_SS 2d.xls "Bk Depr" Worksheets	Prior Month + Col 3	Col 2 - Col 4	Refer to WP_SS 2a.xls to WP_SS 2d.xls "Sched-IS and BS" Worksheet Row 116	Refer to WP_SS 2a.xls to WP_SS 2d.xls "Sched-IS and BS" Worksheet Row 124	(Col 6 - Col 7) * [Income Tax Rate]	Prior + Col 8	Col 5 - Col 9
Annual Summary										
2009	12,513,163	9,402,648	66,618	66,618	9,336,030	1,598,450	56,625	633,443	633,443	8,702,587
2010	191,030,792	174,465,301	3,572,716	3,639,334	170,825,967	110,229,154	3,036,647	43,795,038	44,428,481	126,397,486
2011	159,974,801	344,725,295	14,997,163	18,636,497	326,088,798	142,665,723	12,746,227	53,061,607	97,490,089	228,598,709
2012	76,998,392	433,141,082	21,916,584	40,553,081	392,588,001	55,885,991	18,711,615	15,185,733	112,675,821	279,912,179
2013	19,952,268	460,490,283	26,163,236	66,716,317	393,773,966	28,950,646	21,951,434	2,859,178	115,534,999	278,238,967
2014	-	370,662,345	26,522,750	93,239,067	277,423,278	22,415,037	22,373,343	17,032	115,552,032	161,871,246
Total Oct-13 - Sep-14	1,166,137		26,512,384	86,608,380	373,881,904	25,848,054	22,373,343	1,419,419	115,547,774	258,334,130

**PSE&G Solar 4 All Program
Revenue Requirements Calculation**

Actuals Through March 2013

	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
		Expenses					Revenue from Sale of				ITC		Tax Assoc. w/50%	Revenue
	Return Requirement	O&M	Administrative	Rent	Insurance	Other	Energy	Capacity	SRECs	Other	Amortization	Tax Gross-up	ITC Basis Reduction	Requirements
Dec 2012	2,749,829	18,824	120,152	152,472	-	130,459	170,472	45,696	(84,446)	-	621,170	428,991	179,356	4,188,522
Jan 2013	2,782,550	229,371	108,872	81,394	26,598	15,395	117,891	45,587	-	-	628,418	433,996	208,877	4,309,758
Feb 2013	2,813,287	205,353	105,219	70,995	26,598	87,921	217,797	41,175	-	-	634,410	438,134	212,410	4,294,955
Mar 2013	2,831,937	149,134	94,843	167,836	26,598	13,818	261,140	45,587	2,508,210	-	638,701	441,098	215,869	1,727,152
Apr 2013	2,832,338	173,569	104,627	110,080	27,083	1,475,914	980,258	44,117	-	-	640,171	442,113	221,315	4,972,172
May 2013	2,822,223	267,319	117,627	110,378	27,083	(750,234)	1,091,519	45,587	-	-	641,924	443,323	221,585	2,732,888
Jun 2013	2,823,287	342,319	117,627	110,773	27,083	160,288	1,025,786	91,985	-	-	647,752	447,349	413,813	4,216,436
Jul 2013	2,817,255	342,319	121,627	110,773	27,083	160,288	1,034,679	95,051	4,324,794	-	647,752	447,349	235,207	(559,574)
Aug 2013	2,793,746	392,319	121,627	110,773	27,083	160,288	1,024,929	95,051	-	-	647,752	447,349	235,207	3,801,460
Sep 2013	2,770,237	517,319	121,627	110,773	26,649	160,288	996,559	91,985	-	-	647,752	447,349	235,207	3,933,953
Oct 2013	2,779,742	542,319	126,627	110,870	29,251	160,288	940,284	95,051	5,135,396	-	658,171	454,544	231,645	(1,102,842)
Nov 2013	2,787,772	542,319	126,627	111,105	29,251	160,288	670,021	91,985	-	-	658,171	454,544	238,804	4,331,674
Dec 2013	2,761,311	542,319	126,627	111,909	28,185	(1,735,002)	641,835	95,051	-	-	658,171	454,544	238,804	2,434,781
Jan 2014	2,737,159	527,105	139,289	112,356	28,594	-	794,892	95,051	4,335,252	-	658,171	454,544	238,804	(344,375)
Feb 2014	2,715,315	527,105	139,289	112,730	28,594	-	851,998	85,853	-	-	658,171	454,544	238,804	3,921,501
Mar 2014	2,693,471	527,105	139,289	112,730	28,594	-	1,033,453	95,051	-	-	658,171	454,544	238,804	3,709,003
Apr 2014	2,671,628	527,105	139,289	112,860	28,594	-	1,013,891	91,985	3,708,454	-	658,171	454,544	238,804	1,464
May 2014	2,649,784	527,105	139,289	113,166	28,594	-	1,118,639	95,051	-	-	658,171	454,544	238,804	3,580,566
Jun 2014	2,627,940	527,105	139,289	113,486	28,594	-	1,051,272	66,336	-	-	658,171	454,544	238,804	3,655,125
Jul 2014	2,606,096	527,105	139,289	113,486	28,594	-	1,060,386	68,547	5,111,436	-	658,171	454,544	238,804	(1,489,479)
Aug 2014	2,584,253	527,105	139,289	113,486	28,594	-	1,050,393	68,547	-	-	658,171	454,544	238,804	3,610,105
Sep 2014	2,562,409	527,105	139,289	113,486	28,594	-	1,021,319	66,336	-	-	658,171	454,544	238,804	3,619,547
	(Prior Col 10 + Col 10) / 2 * Monthly Pre Tax WACC	Program Assumption	Program Assumption	Program Assumption	Program Assumption	Refer to WP_SS 2a.xls to WP_SS 2d.xls "State Rebate and ITC" Worksheet Row 791	Col 21 * [Tax Rate] * [Rev. Conv. Fac.]	(Col 3 - Col 7) * [Tax Rate] * [Rev. Conv. Fac.]	Col 3 + Col 11 + Col 12 + Col 13 + Col 14 + Col 15 + Col 16 - Col 17 - Col 18 - Col 19 - Col 20 - Col 21 - Col 22 + Col 23					
2009	100,672	-	299,298	-	-	-	-	-	-	-	19,985	13,936	6,968	439,633
2010	6,317,565	300,000	957,796	-	-	-	69,310	-	-	-	1,068,612	739,573	371,009	9,641,591
2011	22,499,181	1,138,175	1,550,873	919,739	856	-	2,170,931	12,840	15,641,785	-	4,502,928	3,109,799	1,554,535	17,222,238
2012	30,620,109	1,882,413	1,769,294	1,252,395	323,428	130,459	3,034,953	323,990	8,713,968	-	6,605,679	4,561,995	2,213,406	36,867,501
2013	33,615,686	4,245,978	1,393,575	1,317,657	328,545	69,542	9,002,698	878,214	11,968,400	-	7,749,145	5,351,692	2,908,742	35,092,813
2014	31,404,219	6,325,261	1,671,473	1,359,856	343,124	-	11,304,340	936,186	18,266,184	-	7,898,054	5,454,531	2,865,652	26,633,040
Total Oct-13 - Sep-14	32,176,881	6,370,903	1,633,485	1,351,673	344,030	(1,414,425)	11,248,385	1,014,845	18,290,537	-	7,898,054	5,454,531	2,858,493	25,927,070

**PSE&G Solar 4 All Program
Revenue Requirements Calculation
Centralized Segment (Segments 1a & 1b)**

Schedule SS-S4A-2a

Page 1 of 2

Actuals Through March 2013

		(1)	(2)	(3)	(4)	(5)	(6) (7) (8)			(9)	(10)	
								Plant				
		<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 Basis</u>	<u>Deferred Tax Exp</u>	<u>Accumulated Deferred Tax</u>	<u>Net Investment</u>	
Dec	2012	710,074	157,319,740	784,536	14,143,350	143,176,390	4,424,363	690,311	1,525,360	42,644,847	100,531,543	
Jan	2013	263,321	157,319,740	812,131	14,955,481	142,364,260	557,460	690,311	(54,270)	42,590,577	99,773,682	
Feb	2013	268,438	157,319,740	812,131	15,767,612	141,552,129	557,460	690,311	(54,270)	42,536,308	99,015,821	
Mar	2013	143,513	157,319,740	812,131	16,579,742	140,739,998	557,460	690,311	(54,270)	42,482,038	98,257,960	
Apr	2013	90,000	157,319,740	812,131	17,391,873	139,927,867	557,460	690,311	(54,270)	42,427,768	97,500,099	
May	2013	93,450	157,520,797	812,616	18,204,490	139,316,308	561,453	691,136	(52,976)	42,374,792	96,941,515	
Jun	2013	329,849	161,318,483	690,546	18,895,036	142,423,447	652,551	707,651	(22,508)	42,352,284	100,071,163	
Jul	2013	511,269	161,318,483	810,270	19,705,306	141,613,177	652,551	707,651	(22,508)	42,329,776	99,283,401	
Aug	2013	434,849	161,318,483	810,270	20,515,576	140,802,907	652,551	707,651	(22,508)	42,307,268	98,495,639	
Sept	2013	274,849	161,318,483	810,270	21,325,846	139,992,637	652,551	707,651	(22,508)	42,284,760	97,707,877	
Oct	2013	1,166,137	168,292,348	834,634	22,160,480	146,131,868	1,328,585	737,171	241,592	42,526,352	103,605,516	
Nov	2013	-	168,292,348	845,000	23,005,480	145,286,868	1,328,585	737,171	241,592	42,767,945	102,518,923	
Dec	2013	-	168,292,348	845,000	23,850,481	144,441,868	1,328,585	737,171	241,592	43,009,537	101,432,330	
Jan	2014	-	168,292,348	845,000	24,695,481	143,596,867	577,916	737,171	(65,056)	42,944,482	100,652,386	
Feb	2014	-	168,292,348	845,000	25,540,481	142,751,867	577,916	737,171	(65,056)	42,879,426	99,872,441	
Mar	2014	-	168,292,348	845,000	26,385,482	141,906,867	577,916	737,171	(65,056)	42,814,370	99,092,496	
Apr	2014	-	168,292,348	845,000	27,230,482	141,061,866	577,916	737,171	(65,056)	42,749,315	98,312,552	
May	2014	-	168,292,348	845,000	28,075,482	140,216,866	577,916	737,171	(65,056)	42,684,259	97,532,607	
Jun	2014	-	168,292,348	845,000	28,920,483	139,371,866	577,916	737,171	(65,056)	42,619,203	96,752,663	
Jul	2014	-	168,292,348	845,000	29,765,483	138,526,865	577,916	737,171	(65,056)	42,554,148	95,972,718	
Aug	2014	-	168,292,348	845,000	30,610,483	137,681,865	577,916	737,171	(65,056)	42,489,092	95,192,773	
Sept	2014	-	168,292,348	845,000	31,455,484	136,836,865	577,916	737,171	(65,056)	42,424,036	94,412,829	
		<u>Program Assumption</u>	<u>Program Assumption</u>	Refer to WP_SS 2a.xls "Bk Depr" Worksheets	Prior Month + Col 3	Col 2 - Col 4	Refer to WP_SS 2a.xls "Sched--IS and BS" Worksheet Row 116	Refer to WP_SS 2a.xls "Sched--IS and BS" Worksheet Row 124	(Col 6 - Col 7) * [Income Tax Rate]	Prior + Col 8	Col 5 - Col 9	
Annual Summary												
2009		3,081,278	-	-	-	-	-	-	-	-	-	
2010		66,173,847	52,084,816	422,826	422,826	51,661,990	39,200,040	359,402	15,866,401	19,341,940	35,795,590	
2011		79,113,335	129,574,999	5,075,914	5,498,740	124,076,259	60,346,212	4,339,884	22,878,585	259,705,056	85,331,273	
2012		16,327,347	157,319,740	8,644,610	14,143,350	143,176,390	16,923,618	7,376,834	3,899,861	476,626,299	100,531,543	
2013		3,575,674	168,292,348	9,707,131	23,850,481	144,441,868	9,387,252	8,494,497	364,690	509,989,406	101,432,330	
Total Oct-13 - Sep 14		1,166,137		10,129,638	31,455,484	136,836,865	9,187,001	8,846,055	139,276	42,424,036	94,412,829	

**PSE&G Solar 4 All Program
Revenue Requirements Calculation
Centralized Segment (Segments 1a & 1b)**

Actuals Through March 2013

		(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
		Return Requirement	Expenses					Revenue from Sale of				ITC		Tax Assoc. w/50% ITC Basis Reduction	Revenue Requirements
			O&M	Administrative	Rent	Insurance	Other	Energy	Capacity	SRECs	Other	Amortization	Tax Gross-up		
Dec	2012	974,594	(45,410)	57,779	125,899	-	130,459	72,772	19,192	(44,056)	-	243,639	168,261	65,073	1,633,122
Jan	2013	989,177	121,139	59,437	54,821	22,874	15,395	51,198	19,578	-	-	243,639	168,261	84,131	1,676,426
Feb	2013	981,691	73,523	55,350	44,057	22,874	87,921	94,804	17,623	-	-	243,639	168,261	84,131	1,637,350
Mar	2013	974,206	33,863	49,532	140,897	22,874	12,736	116,147	20,022	1,208,753	-	243,639	168,261	84,131	373,548
Apr	2013	966,721	89,228	57,316	83,141	23,291	1,475,666	419,827	15,278	-	-	243,639	168,261	84,131	2,744,620
May	2013	960,220	89,228	63,316	83,439	23,291	(749,296)	463,200	15,787	-	-	243,930	168,463	83,896	475,331
Jun	2013	972,917	89,228	63,316	83,752	23,291	158,948	435,305	32,884	-	-	249,759	172,488	(11,813)	1,179,749
Jul	2013	984,482	89,228	63,316	83,752	23,291	158,948	439,079	33,980	1,851,615	-	249,759	172,488	70,871	(462,763)
Aug	2013	976,701	89,228	63,316	83,752	23,291	158,948	434,941	33,980	-	-	249,759	172,488	70,871	1,385,209
Sept	2013	968,921	89,228	63,316	83,752	22,918	158,948	422,903	32,884	-	-	249,759	172,488	70,871	1,390,190
Oct	2013	994,155	89,228	68,316	83,752	25,565	158,948	399,022	33,980	2,181,273	-	260,178	179,683	67,309	(732,229)
Nov	2013	1,017,914	89,228	68,316	83,839	25,565	158,948	284,332	32,884	-	-	260,178	179,683	74,469	1,606,202
Dec	2013	1,007,182	89,228	68,316	84,646	24,648	(1,729,754)	272,371	33,980	-	-	260,178	179,683	74,469	(282,477)
Jan	2014	997,964	98,150	75,148	85,090	24,591	-	337,323	33,980	1,841,627	-	260,178	179,683	74,469	(452,379)
Feb	2014	990,261	98,150	75,148	85,090	24,591	-	361,556	30,692	-	-	260,178	179,683	74,469	1,360,599
Mar	2014	982,558	98,150	75,148	85,090	24,591	-	438,559	33,980	-	-	260,178	179,683	74,469	1,272,605
Apr	2014	974,855	98,150	75,148	85,220	24,591	-	430,258	32,884	1,576,432	-	260,178	179,683	74,469	(302,003)
May	2014	967,151	98,150	75,148	85,525	24,591	-	474,709	33,980	-	-	260,178	179,683	74,469	1,221,484
Jun	2014	959,448	98,150	75,148	85,846	24,591	-	446,121	24,488	-	-	260,178	179,683	74,469	1,252,181
Jul	2014	951,745	98,150	75,148	85,846	24,591	-	449,988	25,304	2,171,370	-	260,178	179,683	74,469	(931,576)
Aug	2014	944,041	98,150	75,148	85,846	24,591	-	445,748	25,304	-	-	260,178	179,683	74,469	1,236,331
Sept	2014	936,338	98,150	75,148	85,846	24,591	-	433,410	24,488	-	-	260,178	179,683	74,469	1,241,782
		(Prior Col 10 + Col 10) / 2 * Monthly Pre Tax WACC	Program Assumption	Program Assumption	Program Assumption	Program Assumption	Refer to WP_SS 2a.xls "State Rebate and ITC" Worksheet Row 791	Col 21 * [Tax Rate] * [Rev. Conv. Fac.]	(Col 3 - Col 7) * [Tax Rate] * [Rev. Conv. Fac.]	Col 3 + Col 11 + Col 12 + Col 13 + Col 14 + Col 15 + Col 16 - Col 17 - Col 18 - Col 19 - Col 20 - Col 21 - Col 22 + Col 23					
Annual Summary	2009	-	-	52,148	-	-	-	-	-	-	-	-	-	-	52,148
	2010	477,713	-	657,657	-	-	-	-	-	-	-	125,665	86,787	43,802	1,389,546
	2011	7,034,570	226,295	1,032,703	537,356	856	-	283,911	3,660	4,796,794	-	1,532,906	1,058,651	508,315	6,740,087
	2012	11,150,150	694,688	937,584	936,571	278,148	130,459	1,632,894	164,967	4,199,327	-	2,603,588	1,798,083	875,548	13,248,898
	2013	11,794,288	1,031,574	743,163	993,602	283,776	69,542	3,833,129	322,860	5,241,641	-	2,998,058	2,070,510	837,466	10,991,157
Total Oct-13 - Sep-14		11,723,613	1,151,037	881,278	1,021,636	297,094	(1,411,858)	4,773,395	365,944	7,770,702	-	3,122,137	2,156,201	886,464	6,490,522

**PSE&G Solar 4 All Program
Revenue Requirements Calculation
Neighborhood Segment (Segment 2)**

Actuals Through March 2013

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
				<u>Depreciation</u>	<u>Accumulated</u>		Plant			<u>Accumulated</u>	
		<u>Program Investment</u>	<u>Gross Plant</u>	<u>Expense</u>	<u>Depreciation</u>	<u>Net Plant</u>	<u>Tax Depreciation</u>	<u>Book Deprec Tax Basis</u>	<u>Deferred Tax Exp</u>	<u>Deferred Tax</u>	<u>Net Investment</u>
Dec	2012	2,988,302	245,306,444	1,033,207	21,396,538	223,909,905	7,100,546	898,264	2,533,632	61,782,900	162,127,005
Jan	2013	5,798,143	251,104,587	1,068,806	22,465,344	228,639,242	1,373,803	918,799	185,869	61,968,770	166,670,473
Feb	2013	4,800,792	255,905,379	1,090,899	23,556,244	232,349,135	1,448,012	935,777	209,248	62,178,018	170,171,117
Mar	2013	3,431,735	259,337,114	1,108,063	24,664,307	234,672,807	1,506,352	947,931	228,115	62,406,133	172,266,674
Apr	2013	1,176,115	260,513,228	1,120,113	25,784,420	234,728,809	1,566,532	952,096	250,997	62,657,130	172,071,678
May	2013	1,169,295	261,682,523	1,124,985	26,909,405	234,773,118	1,633,843	956,237	276,802	62,933,932	171,839,186
Jun	2013	-	261,682,523	1,542,214	28,451,618	233,230,905	1,633,843	956,237	276,802	63,210,734	170,020,171
Jul	2013	-	261,682,523	1,163,598	29,615,216	232,067,307	1,633,843	956,237	276,802	63,487,536	168,579,771
Aug	2013	-	261,682,523	1,163,598	30,778,814	230,903,709	1,633,843	956,237	276,802	63,764,338	167,139,371
Sept	2013	-	261,682,523	1,163,598	31,942,412	229,740,111	1,633,843	956,237	276,802	64,041,140	165,698,971
Oct	2013	-	261,682,523	1,163,598	33,106,010	228,576,513	1,633,843	956,237	276,802	64,317,942	164,258,571
Nov	2013	-	261,682,523	1,163,598	34,269,608	227,412,915	1,633,843	956,237	276,802	64,594,744	162,818,172
Dec	2013	-	261,682,523	1,163,598	35,433,206	226,249,317	1,633,843	956,237	276,802	64,871,546	161,377,772
Jan	2014	-	261,682,523	1,163,598	36,596,804	225,085,719	1,253,703	956,237	121,515	64,993,060	160,092,659
Feb	2014	-	261,682,523	1,163,598	37,760,402	223,922,121	1,253,703	956,237	121,515	65,114,575	158,807,547
Mar	2014	-	261,682,523	1,163,598	38,924,000	222,758,524	1,253,703	956,237	121,515	65,236,089	157,522,434
Apr	2014	-	261,682,523	1,163,598	40,087,598	221,594,926	1,253,703	956,237	121,515	65,357,604	156,237,322
May	2014	-	261,682,523	1,163,598	41,251,196	220,431,328	1,253,703	956,237	121,515	65,479,118	154,952,209
Jun	2014	-	261,682,523	1,163,598	42,414,794	219,267,730	1,253,703	956,237	121,515	65,600,633	153,667,097
Jul	2014	-	261,682,523	1,163,598	43,578,392	218,104,132	1,253,703	956,237	121,515	65,722,147	152,381,984
Aug	2014	-	261,682,523	1,163,598	44,741,989	216,940,534	1,253,703	956,237	121,515	65,843,662	151,096,872
Sept	2014	-	261,682,523	1,163,598	45,905,587	215,776,936	1,253,703	956,237	121,515	65,965,177	149,811,759
Annual Summary				Refer to WP_SS 2b.xls "Bk Depr" Worksheets	Prior Month + Col 3	Col 2 - Col 4	Refer to WP_SS 2b.xls "Sched-IS and BS" Worksheet Row 116	Refer to WP_SS 2b.xls "Sched-IS and BS" Worksheet Row 124	(Col 6 - Col 7) * [Income Tax Rate]	Prior + Col 8	Col 5 - Col 9
	2009	12,581,523	9,402,648	66,618	66,618	9,336,030	1,598,450	56,625	633,443	850,094	8,702,587
	2010	104,732,117	108,656,634	2,911,320	2,977,938	105,678,696	60,704,229	2,474,622	23,793,694	73,865,405	81,251,559
	2011	69,157,433	184,752,747	7,565,202	10,543,141	174,209,607	69,245,048	6,430,422	25,649,268	399,376,377	124,133,202
	2012	64,633,513	245,306,444	10,853,398	21,396,538	223,909,905	37,941,271	9,284,000	11,706,495	647,336,379	162,127,005
Total Oct-13 - Sep-14		-	-	13,963,175	45,905,587	215,776,936	16,184,852	11,474,848	1,924,037	65,965,177	149,811,759

**PSE&G Solar 4 All Program
Revenue Requirements Calculation
Neighborhood Segment (Segment 2)**

Actuals Through March 2013

		(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
		Return Requirement	Expenses					Revenue from Sale of				ITC		Tax Assoc. w/50% ITC Basis Reduction	Revenue Requirements
			O&M	Administrative	Rent	Insurance	Other	Energy	Capacity	SRECs	Other	Amortization	Tax Gross- up		
Dec	2012	1,604,136	89,580	38,325	-	-	-	86,077	23,351	(33,201)	-	317,034	218,949	93,194	2,246,231
Jan	2013	1,623,716	83,028	26,174	-	-	-	58,755	22,913	-	-	324,282	223,955	103,597	2,275,417
Feb	2013	1,663,441	115,311	27,179	-	-	-	107,941	20,670	-	-	330,274	228,093	107,131	2,316,982
Mar	2013	1,691,076	109,852	23,709	-	-	-	124,714	21,990	1,115,832	-	334,564	231,055	110,590	1,215,135
Apr	2013	1,700,462	67,327	25,709	-	-	-	492,635	23,369	-	-	336,034	232,071	116,035	1,945,537
May	2013	1,698,351	161,077	29,709	-	-	-	553,519	24,148	-	-	337,496	233,080	116,540	1,982,419
Jun	2013	1,688,220	236,077	29,709	-	-	-	520,185	48,855	-	-	337,496	233,080	404,685	2,761,288
Jul	2013	1,672,124	236,077	33,709	-	-	-	524,695	50,484	2,175,690	-	337,496	233,080	143,207	(72,730)
Aug	2013	1,657,897	286,077	33,709	-	-	-	519,750	50,484	-	-	337,496	233,080	143,207	2,143,678
Sept	2013	1,643,671	411,077	33,709	-	-	-	505,364	48,855	-	-	337,496	233,080	143,207	2,270,466
Oct	2013	1,629,445	436,077	33,709	-	-	-	476,827	50,484	2,602,442	-	337,496	233,080	143,207	(294,293)
Nov	2013	1,615,218	436,077	33,709	-	-	-	339,774	48,855	-	-	337,496	233,080	143,207	2,432,604
Dec	2013	1,600,992	436,077	33,709	-	-	-	325,481	50,484	-	-	337,496	233,080	143,207	2,431,042
Jan	2014	1,587,532	410,730	37,080	-	-	-	403,097	50,484	2,196,765	-	337,496	233,080	143,207	121,225
Feb	2014	1,574,840	410,730	37,080	-	-	-	432,056	45,598	-	-	337,496	233,080	143,207	2,281,224
Mar	2014	1,562,147	410,730	37,080	-	-	-	524,073	50,484	-	-	337,496	233,080	143,207	2,171,628
Apr	2014	1,549,454	410,730	37,080	-	-	-	514,153	48,855	1,878,209	-	337,496	233,080	143,207	292,275
May	2014	1,536,762	410,730	37,080	-	-	-	567,272	50,484	-	-	337,496	233,080	143,207	2,103,045
Jun	2014	1,524,069	410,730	37,080	-	-	-	533,109	32,371	-	-	337,496	233,080	143,207	2,142,627
Jul	2014	1,511,376	410,730	37,080	-	-	-	537,731	33,450	2,590,058	-	337,496	233,080	143,207	(465,824)
Aug	2014	1,498,684	410,730	37,080	-	-	-	532,664	33,450	-	-	337,496	233,080	143,207	2,116,608
Sept	2014	1,485,991	410,730	37,080	-	-	-	517,920	32,371	-	-	337,496	233,080	143,207	2,119,739
Annual Summary		(Prior Col 10 + Col 10) / 2 * Monthly Pre Tax WACC	Program Assumption	Program Assumption	Program Assumption	Program Assumption	WP_SS 2b.xls "State Rebate and ITC" Worksheet Page 704	Col 21 * [Tax Rate] * [Rev. Conv. Fac.]	(Col 3 - Col 7) * [Tax Rate] * [Rev. Conv. Fac.]	+ Col 12 + Col 13 + Col 14 + Col 15 + Col 16 - Col 17 - Col 18 - Col 19 Col 20 - Col 21					
	2009	100,672	-	170,521	-	-	-	-	-	-	-	19,985	13,936	6,968	310,857
	2010	5,599,436	300,000	219,835	-	-	-	69,310	-	-	-	873,274	604,670	302,383	7,785,720
	2011	12,969,914	866,536	368,960	-	-	-	1,804,451	8,265	9,162,213	-	2,269,683	1,567,482	783,699	7,742,219
	2012	17,309,533	1,045,713	518,159	-	-	-	1,139,838	132,517	3,725,345	-	3,276,706	2,262,949	1,083,853	20,273,301
Total Oct-13 - Sep-14		18,676,511	5,004,800	434,842	-	-	-	5,704,157	527,371	9,267,474	-	4,049,946	2,796,962	1,718,481	17,451,899

**PSE&G Solar 4 All Program
Revenue Requirements Calculation
UEZ Solar (Segment 1c)**

Actuals Through March 2013

		(1)	(2)	(3)	(4)	(5)	Plant			(9)	(10)
		<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>Accumulated Deferred Tax</u>	<u>Net Investment</u>
Dec	2012	29,891	30,514,898	201,570	5,013,193	25,501,705	92,806	171,034	(31,956)	8,248,074	17,253,631
Jan	2013	-	30,514,898	201,657	5,214,850	25,300,048	49,822	171,034	(49,515)	8,198,559	17,101,489
Feb	2013	-	30,514,898	201,657	5,416,508	25,098,390	49,822	171,034	(49,515)	8,149,043	16,949,347
Mar	2013	514	30,515,412	201,659	5,618,166	24,897,245	49,831	171,037	(49,513)	8,099,531	16,797,714
Apr	2013	-	30,515,412	201,660	5,819,826	24,695,585	49,831	171,037	(49,513)	8,050,018	16,645,567
May	2013	-	30,515,412	201,660	6,021,487	24,493,925	49,831	171,037	(49,513)	8,000,505	16,493,420
Jun	2013	-	30,515,412	201,358	6,222,844	24,292,567	49,831	171,037	(49,513)	7,950,993	16,341,574
Jul	2013	-	30,515,412	201,631	6,424,475	24,090,936	49,831	171,037	(49,513)	7,901,480	16,189,456
Aug	2013	-	30,515,412	201,631	6,626,106	23,889,305	49,831	171,037	(49,513)	7,851,967	16,037,338
Sep	2013	-	30,515,412	201,631	6,827,737	23,687,674	49,831	171,037	(49,513)	7,802,455	15,885,220
Oct	2013	-	30,515,412	201,631	7,029,368	23,486,043	49,831	171,037	(49,513)	7,752,942	15,733,101
Nov	2013	-	30,515,412	201,631	7,230,999	23,284,412	49,831	171,037	(49,513)	7,703,429	15,580,983
Dec	2013	-	30,515,412	201,631	7,432,630	23,082,781	49,831	171,037	(49,513)	7,653,917	15,428,865
Jan	2014	-	30,515,412	201,631	7,634,261	22,881,150	36,301	171,037	(55,040)	7,598,877	15,282,273
Feb	2014	-	30,515,412	201,631	7,835,892	22,679,520	36,301	171,037	(55,040)	7,543,838	15,135,682
Mar	2014	-	30,515,412	201,631	8,037,523	22,477,889	36,301	171,037	(55,040)	7,488,798	14,989,091
Apr	2014	-	30,515,412	201,631	8,239,154	22,276,258	36,301	171,037	(55,040)	7,433,758	14,842,499
May	2014	-	30,515,412	201,631	8,440,785	22,074,627	36,301	171,037	(55,040)	7,378,719	14,695,908
Jun	2014	-	30,515,412	201,631	8,642,416	21,872,996	36,301	171,037	(55,040)	7,323,679	14,549,316
Jul	2014	-	30,515,412	201,631	8,844,047	21,671,365	36,301	171,037	(55,040)	7,268,640	14,402,725
Aug	2014	-	30,515,412	201,631	9,045,678	21,469,734	36,301	171,037	(55,040)	7,213,600	14,256,134
Sept	2014	-	30,515,412	201,631	9,247,309	21,268,103	36,301	171,037	(55,040)	7,158,561	14,109,542
Annual Summary				Refer to WP_SS 2c.xls "Bk Depr" Worksheets	Prior Month + Col 3	Col 2 - Col 4	Refer to WP_SS 2c.xls "Sched--IS and BS" Worksheet Row 116	Refer to WP_SS 2c.xls "Sched--IS and BS" Worksheet Row 124	(Col 6 - Col 7) * [Income Tax Rate]	Prior + Col 8	Col 5 - Col 9
2009		29,237	-	-	-	-	-	-	-	-	-
2010		25,602,959	13,723,851	238,570	238,570	13,485,281	10,324,885	202,623	4,134,944	6,352,960	9,350,337
2011		4,765,353	30,397,549	2,356,047	2,594,617	27,802,932	13,074,462	1,975,921	4,533,754	77,320,185	19,134,235
2012		117,349	30,514,898	2,418,577	5,013,193	25,501,705	1,021,103	2,050,782	(420,624)	101,268,920	17,253,631
2013		514	30,515,412	2,419,437	7,432,630	23,082,781	597,950	2,052,435	(594,157)	95,114,839	15,428,865
2014		-	30,515,412	2,419,571	9,852,201	20,663,210	435,611	2,052,440	(660,475)	87,553,915	15,282,273
Total Oct-13 - Sep-14		-		2,419,571	9,247,309	21,268,103	476,200	2,052,440	(643,894)	7,158,561	14,109,542

**PSE&G Solar 4 All Program
Revenue Requirements Calculation
UEZ Solar (Segment 1c)**

Actuals Through March 2013

		(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
		Return Requirement	Expenses					Revenue from Sale of				ITC		Tax Assoc. w/50%	Revenue Requirements
			O&M	Administrative	Rent	Insurance	Other	Energy	Capacity	SRECs	Other	Amortization	Tax Gross-up	ITC Basis Reduction	
Dec	2012	171,099	(25,346)	24,048	26,573	-	-	11,623	3,153	(7,190)	-	60,497	41,780	21,089	309,170
Jan	2013	169,657	25,204	23,261	26,573	3,724	-	7,938	3,096	-	-	60,497	41,780	21,149	357,915
Feb	2013	168,155	16,519	22,691	26,938	3,724	-	15,052	2,882	-	-	60,497	41,780	21,149	340,622
Mar	2013	166,655	5,419	21,602	26,938	3,724	1,082	20,279	3,576	183,625	-	60,498	41,781	21,148	138,469
Apr	2013	165,155	17,014	21,602	26,938	3,792	248	67,796	5,470	-	-	60,498	41,781	21,149	282,014
May	2013	163,652	17,014	24,602	26,938	3,792	(938)	74,800	5,652	-	-	60,498	41,781	21,149	275,139
Jun	2013	162,151	17,014	24,602	27,021	3,792	1,340	70,295	10,246	-	-	60,498	41,781	20,940	275,398
Jul	2013	160,650	17,014	24,602	27,021	3,792	1,340	70,905	10,587	297,489	-	60,498	41,781	21,129	(24,081)
Aug	2013	159,147	17,014	24,602	27,021	3,792	1,340	70,237	10,587	-	-	60,498	41,781	21,129	272,574
Sep	2013	157,645	17,014	24,602	27,021	3,731	1,340	68,292	10,246	-	-	60,498	41,781	21,129	273,296
Oct	2013	156,142	17,014	24,602	27,118	3,686	1,340	64,436	10,587	351,680	-	60,498	41,781	21,129	(76,320)
Nov	2013	154,640	17,014	24,602	27,266	3,686	1,340	45,915	10,246	-	-	60,498	41,781	21,129	292,869
Dec	2013	153,137	17,014	24,602	27,263	3,537	(5,248)	43,984	10,587	-	-	60,498	41,781	21,129	286,216
Jan	2014	151,662	18,225	27,062	27,266	4,003	-	54,473	10,587	296,860	-	60,498	41,781	21,129	(13,220)
Feb	2014	150,214	18,225	27,062	27,640	4,003	-	58,386	9,563	-	-	60,498	41,781	21,129	279,678
Mar	2014	148,767	18,225	27,062	27,640	4,003	-	70,821	10,587	-	-	60,498	41,781	21,129	264,770
Apr	2014	147,319	18,225	27,062	27,640	4,003	-	69,480	10,246	253,813	-	60,498	41,781	21,129	11,192
May	2014	145,871	18,225	27,062	27,640	4,003	-	76,658	10,587	-	-	60,498	41,781	21,129	256,037
Jun	2014	144,423	18,225	27,062	27,640	4,003	-	72,042	9,477	-	-	60,498	41,781	21,129	260,316
Jul	2014	142,975	18,225	27,062	27,640	4,003	-	72,666	9,793	350,008	-	60,498	41,781	21,129	(92,079)
Aug	2014	141,527	18,225	27,062	27,640	4,003	-	71,982	9,793	-	-	60,498	41,781	21,129	257,165
Sept	2014	140,080	18,225	27,062	27,640	4,003	-	69,989	9,477	-	-	60,498	41,781	21,129	258,026
Annual Summary		(Prior Col 10 + Col 10) / 2 * Monthly Pre Tax WACC	Program Assumption	Program Assumption	Program Assumption	Program Assumption	Refer to WP_SS 2c.xls "State Rebate and ITC" Worksheet Row 791	Col 21 * [Tax Rate] * [Rev. Conv. Fac.]	(Col 3 - Col 7) * [Tax Rate] * [Rev. Conv. Fac.]	Col 3 + Col 11 + Col 12 + Col 13 + Col 14 + Col 15 + Col 16 - Col 17 - Col 18 - Col 19 - Col 20 - Col 21 - Col 22 + Col 23					
	2009	-	-	76,628	-	-	-	-	-	-	-	-	-	-	76,628
	2010	240,416	-	80,304	-	-	-	-	-	-	-	69,672	48,117	24,825	466,325
	2011	2,494,697	45,344	149,210	382,383	-	-	82,570	915	1,682,779	-	700,339	483,666	262,521	2,739,932
	2012	2,160,426	142,012	313,551	315,824	45,280	-	262,221	26,506	789,297	-	725,385	500,963	254,005	3,345,303
	2013	1,936,785	200,270	285,971	324,055	44,769	3,187	619,929	93,762	832,795	-	725,969	501,367	253,458	2,694,110
	2014	1,724,390	218,697	324,745	331,914	48,037	-	774,667	119,172	1,250,704	-	725,971	501,368	253,547	1,949,020
Total Oct-13 - Sep-14		1,776,757	215,065	317,365	330,036	46,936	(2,567)	770,832	121,530	1,252,361	-	725,971	501,368	253,547	1,984,648

PSE&G Solar4All Program
Electric SGIP Under/(Over) Calculation

Existing / Forecasted Rate	0.000432	0.000432	0.000432	0.000432	0.000432	0.000432
	42	43	44	45	46	47
<u>RGGI SGIP Under/(Over) Calculation (\$000)</u>	<u>Dec-12</u>	<u>Jan-13</u>	<u>Feb-13</u>	<u>Mar-13</u>	<u>Apr-13</u>	<u>May-13</u>
(1) SGIP RGGI Revenue	1,384,445	1,472,471	1,397,343	1,415,819	1,303,985	1,436,416
(2) Revenue Requirements	4,188,522	4,309,758	4,294,955	1,727,152	4,972,172	2,732,888
(3) Monthly Under/(Over) Recovery	2,804,078	2,837,287	2,897,611	311,333	3,668,187	1,296,472
(4) Deferred Balance	27,818,239	30,655,527	33,553,138	33,864,471	37,532,658	38,829,131
(5) Monthly Interest Rate	0.0257%	0.0279%	0.0228%	0.0235%	0.0235%	0.0235%
(6) After Tax Monthly Interest Expense/(Credit)	4,021	4,832	4,336	4,679	4,955.15	5,299.71
(7) Cumulative Interest Balance Added to Subsequent Year's Revenue	32,040	36,872	41,208	45,887	50,841.85	56,141.57
(8) Requirements	27,850,279	30,692,398	33,594,346	33,910,358	37,583,500	38,885,272
(9) Net Sales - kWh (000)	3,377,652	3,630,298	3,347,269	3,292,877	3,018,483	3,325,038
(10) Average Net of Tax Deferred Balance	15,625,182.74	17,293,616.34	18,989,712.57	19,938,758.00	21,115,701.14	22,583,999.05

PSE&G Solar4All Program
Electric SGIP Under/(Over) Calculation

Existing / Forecasted Rate	0.00134	0.00134	0.00134	0.00134	0.001295	0.001295
	48	49	50	51	52	53
<u>RGGI SGIP Under/(Over) Calculation (\$000)</u>	<u>Jun-13</u>	<u>Jul-13</u>	<u>Aug-13</u>	<u>Sep-13</u>	<u>Oct-13</u>	<u>Nov-13</u>
(1) SGIP RGGI Revenue	4,954,415	5,756,958	5,739,959	4,650,842	4,316,479	4,031,355
(2) Revenue Requirements	<u>4,216,436</u>	<u>(559,574)</u>	<u>3,801,460</u>	<u>3,933,953</u>	<u>(1,102,842)</u>	<u>4,331,674</u>
(3) Monthly Under/(Over) Recovery	(737,979)	(6,316,532)	(1,938,499)	(716,889)	(5,419,321)	300,319
(4) Deferred Balance	38,147,293	31,830,761	29,892,262	29,175,373	23,756,052	24,056,371
(5) Monthly Interest Rate	0.0235%	0.0235%	0.0235%	0.0235%	0.0235%	0.0235%
(6) After Tax Monthly Interest Expense/(Credit)	5,342.37	4,856.66	4,283.74	4,099.45	3,673.58	3,318.31
(7) Cumulative Interest	5,342.37	10,199.03	14,482.77	18,582.23	22,255.81	25,574.12
(8) Balance Added to Subsequent Year's Revenue Requirements	38,152,635	31,840,960	29,906,745	29,193,955	23,778,308	24,081,945
(9) Net Sales - kWh (000)	3,697,325	4,296,237	4,283,552	3,470,777	3,333,189	3,113,016
(10) Average Net of Tax Deferred Balance	22,765,777.24	20,696,009.37	18,254,583.96	17,469,253.12	15,654,469.13	14,140,524.26

PSE&G Solar4All Program
Electric SGIP Under/(Over) Calculation

Existing / Forecasted Rate	0.001295	0.001295	0.001295	0.001295	0.001295	0.001295
	54	55	56	57	58	59
<u>RGGI SGIP Under/(Over) Calculation (\$000)</u>	<u>Dec-13</u>	<u>Jan-14</u>	<u>Feb-14</u>	<u>Mar-14</u>	<u>Apr-14</u>	<u>May-14</u>
(1) SGIP RGGI Revenue	4,291,288	4,772,784	4,342,424	4,377,517	3,968,376	4,167,051
(2) Revenue Requirements	<u>2,434,781</u>	<u>(344,375)</u>	<u>3,921,501</u>	<u>3,709,003</u>	<u>1,464</u>	<u>3,580,566</u>
(3) Monthly Under/(Over) Recovery	(1,856,508)	(5,117,158)	(420,923)	(668,514)	(3,966,912)	(586,485)
(4) Deferred Balance	22,199,864	17,082,705	16,661,782	15,993,268	12,026,357	11,439,871
(5) Monthly Interest Rate	0.0235%	0.0235%	0.0235%	0.0235%	0.0235%	0.0235%
(6) After Tax Monthly Interest Expense/(Credit)	3,210.31	2,726.32	2,341.96	2,266.35	1,944.64	1,628.62
(7) Cumulative Interest	28,784.42	31,510.74	33,852.70	36,119.04	38,063.68	39,692.30
(8) Balance Added to Subsequent Year's Revenue Requirements	22,228,648	17,114,216	16,695,635	16,029,387	12,064,420	11,479,564
(9) Net Sales - kWh (000)	3,313,736	3,685,547	3,353,223	3,380,322	3,064,383	3,217,800
(10) Average Net of Tax Deferred Balance	13,680,281.41	11,617,819.73	9,979,932.13	9,657,731.16	8,286,804.07	6,940,136.87

PSE&G Solar4All Program
Electric SGIP Under/(Over) Calculation

	Existing / Forecasted Rate	0.001295	0.001295	0.001295	0.001295	
		60	61	62	63	
	<u>RGGI SGIP Under/(Over) Calculation (\$000)</u>	<u>Jun-14</u>	<u>Jul-14</u>	<u>Aug-14</u>	<u>Sep-14</u>	
(1)	SGIP RGGI Revenue	4,930,362	5,843,115	5,540,484	4,536,662	SGIP Rate * Row 9
(2)	Revenue Requirements	<u>3,655,125</u>	<u>(1,489,479)</u>	<u>3,610,105</u>	<u>3,619,547</u>	SS-2, Col 26
(3)	Monthly Under/(Over) Recovery	(1,275,237)	(7,332,595)	(1,930,379)	(917,115)	Row 2 - Row 1
(4)	Deferred Balance	10,164,634	2,832,040	901,660	(15,455)	Prev Row 4 + Row 3
(5)	Monthly Interest Rate	0.0235%	0.0235%	0.0235%	0.0235%	Annual Interest Rate / 12 (Prev Row 4 + Row 4) / 2 *
(6)	After Tax Monthly Interest Expense/(Credit)	1,499.41	902.00	259.13	61.50	(1 - Tax Rate) * Row 5
(7)	Cumulative Interest	41,191.71	42,093.71	42,352.84	42,414.35	Prev Row 7 + Row 6
(8)	Balance Added to Subsequent Year's Revenue Requirements	10,205,826	2,874,133	944,013	26,959	Row 4 + Row 7 + Row 11
(9)	Net Sales - kWh (000)	3,807,229	4,512,058	4,278,366	3,503,214	
(10)	Average Net of Tax Deferred Balance	6,389,532.46	3,843,766.24	1,104,241.66	262,095.03	(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	0.000432	0.000432	0.000432	0.000432
		Dec-12	Jan-13	Feb-13	Mar-13
RESIDENTIAL SALES					
RS (4400110)		\$418,508	\$476,978	\$406,182	\$417,266
RS-HTG (4400210)		\$7,303	\$10,364	\$9,147	\$8,427
WH (4400310)		\$73	\$86	\$132	\$60
RLM (4400410)		\$7,711	\$8,648	\$7,240	\$7,689
WHS (4400510)		\$1	\$2	\$1	\$2
TOTAL RESIDENTIAL		\$433,596	\$496,077	\$422,702	\$433,444
COMMERCIAL SALES					
WH & WHS (4420110)		\$1	\$1	\$0	\$1
GLP (4420310)		\$264,095	\$244,845	\$253,753	\$264,400
GLP-MDO (4420310)		\$0	\$0	\$0	\$0
SL-PRI (4440110)		\$7,644	\$7,216	\$6,242	\$6,080
LPLP (4420510)		\$96,871	\$106,790	\$92,069	\$101,118
LPLS (4420510)		\$247,022	\$262,635	\$280,500	\$267,539
LPLSH (4420510)		\$82,538	\$91,804	\$85,711	\$91,039
LPLSO (4420510)		\$478	\$569	\$480	\$644
LPLSR (4420510)		\$0	\$0	\$0	\$0
HTS-SUB (4420710)		\$84,064	\$84,776	\$90,282	\$77,396
HTS-HV (4420710)		\$6,046	\$5,651	\$8,937	\$13,969
HS (4421210)		\$932	\$1,278	\$1,215	\$1,077
TOTAL COMMERCIAL		\$789,690	\$805,565	\$819,190	\$823,263
INDUSTRIAL SALES					
GLP (4420410)		\$10,941	\$11,860	\$11,617	\$12,104
GLP-MDO (4420410)		\$0	\$0	\$0	\$0
LPLP (4420610)		\$24,321	\$25,758	\$15,204	\$28,197
LPLS (4420610)		\$30,023	\$32,554	\$29,995	\$33,862
LPLSH (4420610)		\$8,008	\$8,913	\$8,295	\$8,672
LPLSO (4420610)		\$4	\$8	\$18	\$12
LPLSR (4420610)		\$0	\$0	\$0	\$0
HTS-SUB (4420810)		\$70,263	\$57,762	\$69,445	\$58,737
HTS-HV (4420810)		\$1,233	\$20,065	\$6,961	\$5,824
HS (4421110)		\$19	\$26	\$29	\$25
HEP (4421010)		\$0	\$0	\$0	\$0
EHEP (4421010)		\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL		\$144,813	\$156,946	\$141,563	\$147,432
PUB STREET AND HWY LIGHTING SALES					
SL-PUB (4440310)		\$14,306	\$11,927	\$11,854	\$9,827
BPL-POF (4440310)		\$696	\$604	\$607	\$514
GLP-T&S (4440410)		\$1,344	\$1,352	\$1,428	\$1,340
TOTAL ST. LIGHT.		\$16,346	\$13,882	\$13,888	\$11,681
TOTAL REVENUES		\$1,384,445	\$1,472,471	\$1,397,343	\$1,415,819

PSE&G Solar Loan II Program

Proposed Rate Calculations

(\$'s Unless Specified)

Schedule SS-SL2-1

Actual results through 3/31/2013

SUT Rate 7%

<u>Line</u>	<u>Date(s)</u>		<u>Electric</u>	<u>Source/Description</u>
1	Oct-13 to Sep-14	Revenue Requirements	13,176,225	SS-SL2-2, Col 21
2	Sep-13	Under / (Over) Recovered Balance	11,706,811	SS-SL2-3, Line 4, Col 47
3	Sep-13	Cumulative Interest Exp / (Credit)	<u>6,410</u>	SS-SL2-3, Line 7, Col 47
4	Sep-14	Total Target Rate Revenue	24,889,446	Line 1 + Line 2 + Line 3
5	Oct-13 to Sep-14	Forecasted kWh (000)	42,562,084	
6		Proposed Rate w/o SUT (\$/kWh)	0.000585	(Line 4 / (Line 5*1,000)) [Rnd 6]
7		Proposed Rate w/ SUT (\$/kWh)	0.000626	(Line 8 * (1 + SUT Rate)) [Rnd 6]
8		Existing Rate w/o SUT (\$/kWh)	0.000415	
9		Difference in Proposed and Existing Rate	0.000170	(Line 8 - Line 10)
10		Resultant SL2 Revenue Increase	7,235,554	(Line 5 * Line 11 * 1,000)

**PSE&G Solar Loan II Program
Electric Revenue Requirements Calculation - Summary**

Schedule SS-SL2-2

Page 1 of 2

Actual data through March 2013

	(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 On 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												
Dec-12	120,592,422	2,823,621	123,416,043	1,191,715		-	-		1,070,709	1,110,257	(39,548)	268,118
Jan-13	123,157,569	3,269,440	126,427,010	1,242,058		-	-		1,108,827	741,618	367,209	-
Feb-13	130,541,426	3,857,284	134,398,710	1,157,081		-	-		1,029,815	926,870	102,945	-
Mar-13	131,813,555	634,484	132,448,039	1,347,653		-	-		1,204,926	1,103,018	101,908	-
Apr-13	133,448,269	1,688,020	135,136,288	1,294,751		-	-		1,178,032	1,750,093	(572,062)	175,380
May-13	132,878,131	2,684,138	135,562,270	1,335,354		-	-		1,203,194	1,510,861	(307,667)	261,669
Jun-13	139,333,945	3,800,138	143,134,084	1,406,863		-	-		1,260,853	1,567,653	(306,801)	424,722
Jul-13	138,198,486	1,342,400	139,540,886	1,413,574		-	-		1,257,356	1,498,967	(241,611)	893,848
Aug-13	137,006,321	2,712,600	139,718,921	1,378,863		-	-		1,247,335	1,406,734	(159,398)	1,032,766
Sep-13	142,567,782	4,074,600	146,642,382	1,443,067		-	-		1,295,782	1,329,255	(33,473)	1,096,825
Oct-13	141,613,622	1,259,200	142,872,822	1,448,192		-	-		1,288,735	1,280,314	8,421	962,581
Nov-13	140,874,506	2,393,200	143,267,706	1,411,273		-	-		1,280,324	1,327,612	(47,287)	691,828
Dec-13	147,212,839	3,339,800	150,552,639	1,480,845		-	-		1,334,954	1,289,925	45,029	398,455
Jan-14	147,473,029	601,200	148,074,229	1,486,669		-	-		1,332,945	998,767	334,178	73,988
Feb-14	147,796,986	1,169,400	148,966,386	1,462,189		-	-		1,335,638	958,736	376,902	52,944
Mar-14	151,307,039	1,866,800	153,173,839	1,504,635		-	-		1,369,694	1,179,174	190,520	64,491
Apr-14	151,177,067	843,400	152,020,467	1,512,232		-	-		1,371,597	1,417,017	(45,419)	84,553
May-14	150,421,736	2,038,800	152,460,536	1,501,973		-	-		1,370,720	1,868,991	(498,271)	257,060
Jun-14	149,450,635	3,352,600	152,803,235	1,505,922		-	-		1,364,188	1,703,869	(339,681)	631,421
Jul-14	148,051,402	1,550,200	149,601,602	1,509,206		-	-		1,355,662	1,470,763	(115,101)	1,284,132
Aug-14	146,704,934	3,064,000	149,768,934	1,478,347		-	-		1,343,273	1,397,913	(54,640)	1,291,827
Sep-14	145,374,230	4,562,400	149,936,630	1,479,262		-	-		1,331,316	1,335,022	(3,706)	1,326,998
	From Sched SS-SL2- 2a Col 11	From Sched SS- SL2-2a Col 15	Col 1 + Col 2	From Sched SS-SL2- 2a Col 3 + Col 16	N/A	From Sched SS- SL2-2a Col 27	(Prior Col 6 + Col 6) / 2 * [Monthly Pre Tax WACC]	N/A	From Sched SS-SL2- 2a Col 4	From Sched SS-SL2- 2a Col 7	Col 9 - Col 10	From Sched SS-SL2- 2a Col 8
Annual Summary												
2009	-	-	-	-		-	-		-	-	-	-
2010	2,777,016	48,555	2,825,571	60,936		-	-		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	147,212,839	3,339,800	150,552,639	16,359,574		-	-		14,690,132	15,732,920	(1,042,788)	5,938,073
Total Oct-13 - Sep-14				17,780,743		-	-		16,079,045	16,228,102	(149,056)	7,120,279

**PSE&G Solar Loan II Program
Electric Revenue Requirements Calculation - Summary**

Schedule SS-SL2-2

Page 2 of 2

Actual data through March 2013

	(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											
Dec-12	-	268,118	1,842	1,378,375	-	35,745	-	513,358	829,272	-	671,951
Jan-13	-	-	180,916	740,835	-	-	-	295,016	445,819	783	609,163
Feb-13	-	-	63,252	926,510	-	-	-	339,067	587,443	360	529,585
Mar-13	-	-	143,868	1,085,850	(2,144,856)	17,184	-	454,806	(1,530,995)	17,168	2,903,440
Apr-13	-	175,380	132,755	1,924,695	-	-	-	871,159	1,053,536	778	1,120,634
May-13	-	261,669	150,000	1,772,530	-	-	-	779,130	993,400	-	1,061,290
Jun-13	-	424,722	150,000	1,992,375	-	-	-	876,375	1,116,000	-	1,172,385
Jul-13	-	893,848	150,000	2,392,815	(6,738)	21,195	-	1,050,415	1,314,467	-	1,384,567
Aug-13	-	1,032,766	150,000	2,439,500	-	-	-	1,069,300	1,370,200	-	1,350,828
Sep-13	-	1,096,825	150,000	2,426,080	-	-	-	1,064,080	1,362,000	-	1,361,365
Oct-13	-	962,581	150,000	2,242,895	-	23,282	-	983,695	1,235,918	-	1,316,433
Nov-13	-	691,828	150,000	2,019,440	-	-	-	885,440	1,134,000	-	1,166,388
Dec-13	-	398,455	150,000	1,688,380	-	-	-	741,780	946,600	-	1,037,671
Jan-14	-	73,988	150,000	1,072,755	-	24,676	-	471,555	576,524	-	799,955
Feb-14	-	52,944	150,000	1,011,680	-	-	-	443,480	568,200	-	720,031
Mar-14	-	64,491	150,000	1,243,665	-	-	-	546,265	697,400	-	831,206
Apr-14	-	84,553	43,578	1,501,570	-	16,881	-	658,170	826,519	-	859,263
May-14	-	257,060	43,578	2,126,050	-	-	-	930,650	1,195,400	-	1,105,481
Jun-14	-	631,421	43,578	2,335,290	-	-	-	1,021,490	1,313,800	-	1,206,802
Jul-14	-	1,284,132	43,578	2,754,895	-	21,441	-	1,204,695	1,528,759	-	1,423,258
Aug-14	-	1,291,827	43,578	2,689,740	-	-	-	1,175,940	1,513,800	-	1,354,592
Sep-14	-	1,326,998	43,578	2,662,020	-	-	-	1,163,620	1,498,400	-	1,355,144
	From Sched SS-SL2- 2a Col 21	Col 12 + Col 13	From Sched SS-SL2- 2a Col 29	From Sched SS-SL2- 2a Col 5	From Sched SS-SL2- 2a Col 14	From Sched SS- SL2-2a Col 17	From Sched SS- SL2-2a Col 18	From Sched SS-SL2- 2a Col 19	Col 16 + Col 17 - Col 18 + Col 19 - Col 19a	From Sched SS- SL2-2a 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	-	5,938,073	1,720,791	21,651,905	(2,151,594)	61,661	-	9,410,263	10,028,388	19,088	15,013,749
Total Oct-13 - Sep-14	-	7,120,279	1,161,468	23,348,380	-	86,280	-	10,226,780	13,035,320	-	13,176,225

**PSE&G Solar Loan II Program
Electric Revenue Requirements Calculation - Detail**

Actual data through March 2013

	(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	Rate to WACC Differential Cost -	Rate to WACC Differential Cost -	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																			
Dec-12	7,992,520	-	1,171,719	45,982	55,028	1,070,709	1,003,878	66,831	1,378,375	-	1,110,257	268,118	-	120,592,422	120,592,422	865,017	-	-	
Jan-13	2,197,939	-	1,213,490	47,616	57,048	1,108,827	1,039,542	69,284	740,835	783	741,618	-	367,209	122,790,361	123,157,569	445,819	-	-	
Feb-13	7,280,912	-	1,127,165	44,215	53,135	1,029,815	965,282	64,533	926,510	360	926,870	-	470,154	130,071,273	130,541,426	587,843	-	-	
Mar-13	1,170,220	-	1,317,357	51,819	60,612	1,204,926	1,131,312	73,614	1,085,850	17,168	1,103,018	-	572,062	131,241,493	131,813,555	631,444	1,709,388	(2,144,856)	
Apr-13	2,382,155	-	1,288,224	50,647	59,546	1,178,032	1,105,713	72,318	1,924,695	778	1,750,093	175,380	-	133,448,269	133,448,269	1,053,536	-	-	
May-13	-	-	1,318,013	54,217	60,602	1,203,194	1,129,593	73,601	1,772,530	-	1,510,861	261,669	897,907	131,980,224	132,878,131	993,400	-	-	
Jun-13	7,184,645	-	1,380,354	56,907	62,594	1,260,853	1,184,853	76,000	1,992,375	-	1,567,653	424,722	593,798	138,740,147	139,333,945	1,116,000	-	-	
Jul-13	-	-	1,376,120	56,734	62,030	1,257,356	1,182,051	75,304	2,392,815	-	1,498,967	893,848	352,187	137,846,299	138,198,486	1,342,400	-	3,793,400	
Aug-13	-	-	1,364,905	56,298	61,273	1,247,335	1,172,951	74,384	2,439,500	-	1,406,734	1,032,766	192,789	136,813,533	137,006,321	1,370,200	-	-	
Sep-13	6,691,759	-	1,416,200	58,632	61,786	1,295,782	1,220,795	74,987	2,426,080	-	1,329,255	1,096,825	159,315	142,408,467	142,567,782	1,362,000	-	-	
Oct-13	-	-	1,408,091	58,295	61,061	1,288,735	1,214,577	74,158	2,242,895	-	1,280,314	962,581	167,736	141,445,886	141,613,622	1,259,200	4,074,600	-	
Nov-13	-	-	1,398,638	57,933	60,381	1,280,324	1,207,021	73,304	2,019,440	-	1,327,612	691,828	120,449	140,754,058	140,874,506	1,134,000	-	-	
Dec-13	6,691,759	-	1,456,447	60,462	61,032	1,334,954	1,260,830	74,124	1,688,380	-	1,289,925	398,455	165,478	147,047,361	147,212,839	946,600	-	-	
Jan-14	-	-	1,453,939	60,449	60,546	1,332,945	1,259,441	73,504	1,072,755	-	998,767	73,988	499,656	146,973,373	147,473,029	601,200	3,339,800	-	
Feb-14	-	-	1,456,539	60,590	60,310	1,335,638	1,262,390	73,247	1,011,680	-	958,736	52,944	876,558	146,920,429	147,796,986	568,200	-	-	
Mar-14	3,384,024	-	1,492,637	62,171	60,772	1,369,694	1,295,898	73,796	1,243,665	-	1,179,174	64,491	1,067,078	150,239,961	151,307,039	697,400	-	-	
Apr-14	-	-	1,494,379	62,308	60,473	1,371,597	1,298,179	73,418	1,501,570	-	1,417,017	84,553	1,021,658	150,155,408	151,177,067	843,400	1,866,800	-	
May-14	-	-	1,493,095	62,288	60,086	1,370,720	1,297,772	72,948	2,126,050	-	1,868,991	257,060	523,388	149,898,349	150,421,736	1,195,400	-	-	
Jun-14	-	-	1,485,635	62,013	59,433	1,364,188	1,292,033	72,155	2,335,290	-	1,703,869	631,421	183,707	149,266,928	149,450,635	1,313,800	-	-	
Jul-14	-	-	1,476,044	61,644	58,738	1,355,662	1,284,352	71,310	2,754,895	-	1,470,763	1,284,132	68,605	147,982,796	148,051,402	1,550,200	3,352,600	-	
Aug-14	-	-	1,462,251	61,098	57,880	1,343,273	1,272,978	70,295	2,689,740	-	1,397,913	1,291,827	13,965	146,890,969	146,704,934	1,513,800	-	-	
Sep-14	-	-	1,448,928	60,575	57,037	1,331,316	1,262,068	69,247	2,662,020	-	1,335,022	1,326,998	10,259	145,363,971	145,374,230	1,498,400	-	-	
	Program Assumption	Program Assumption	Col 3a + Col 3b + Col 4	WP-SS-SL2-2.xls 'LoansC' wksht Col 32	WP-SS-SL2-2.xls 'LoansR' wksht Col 32	WP-SS-SL2-2.xls 'Loans' wksht Col 11	WP-SS-SL2-2.xls 'LoansC' wksht Col 11	WP-SS-SL2-2.xls 'LoansR' wksht Col 11	WP-SS-SL2-2.xls 'Loans' wksht Col 13	WP-SS-SL2-2.xls 'Loans' wksht Col 14	WP-SS-SL2-2.xls 'Loans' wksht Col 16	WP-SS-SL2-2.xls 'Loans' wksht Col 17	WP-SS-SL2-2.xls 'Loans' wksht Col 18	WP-SS-SL2-2.xls 'Loans' wksht Col 19	Col 9 + Col 10	WP-SS-SL2-2.xls 'SREC Inv.' wksht Col 23	WP-SS-SL2-2.xls 'SREC Inv.' wksht Col 25	WP-SS-SL2-2.xls 'SREC Inv.' wksht Col 26	
Annual Summary																			
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	33,599,388	-	16,065,004	653,774	721,098	14,690,132	-	-	21,651,905	19,088	15,732,920	5,938,073	165,478	147,047,361	147,212,839	12,242,442	9,577,388	(2,151,594)	
2014	3,384,024	-	13,263,445	553,137	535,276	12,175,032	-	-	17,397,665	-	12,330,251	5,067,414	-	-	-	9,781,800	8,559,200	-	
Total Oct-13 - Sep-14	10,075,783	-	17,526,621	-	-	16,079,045	-	-	23,348,380	-	16,228,102	7,120,279	-	13,121,600	12,633,800	-	-	-	

**PSE&G Solar Loan II Program
Electric Revenue Requirements Calculation - Detail**

Actual data through March 2013

	(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																	
Dec-12	2,823,621	19,996	35,745	-	513,358	-	-	-	-	-	-	-	-	-	1,842	671,951	671,951
Jan-13	3,269,440	28,568	-	-	295,016	-	-	-	-	-	-	-	-	-	180,916	609,163	609,163
Feb-13	3,857,284	29,916	-	-	339,067	-	-	-	-	-	-	-	-	-	63,252	529,585	529,585
Mar-13	634,484	30,295	17,184	-	454,806	-	-	-	-	-	-	-	-	-	143,868	2,903,440	2,903,440
Apr-13	1,688,020	6,527	-	-	871,159	-	-	-	-	-	-	-	-	-	132,755	1,120,634	1,120,634
May-13	2,684,138	17,342	-	-	779,130	-	-	-	-	-	-	-	-	-	150,000	1,061,290	1,061,290
Jun-13	3,800,138	26,510	-	-	876,375	-	-	-	-	-	-	-	-	-	150,000	1,172,385	1,172,385
Jul-13	1,342,400	37,454	21,195	-	1,050,415	-	-	-	-	-	-	-	-	-	150,000	1,384,567	1,384,567
Aug-13	2,712,600	13,958	-	-	1,069,300	-	-	-	-	-	-	-	-	-	150,000	1,350,828	1,350,828
Sep-13	4,074,600	26,867	-	-	1,064,080	-	-	-	-	-	-	-	-	-	150,000	1,361,365	1,361,365
Oct-13	1,259,200	40,101	23,282	-	983,695	-	-	-	-	-	-	-	-	-	150,000	1,316,433	1,316,433
Nov-13	2,393,200	12,635	-	-	885,440	-	-	-	-	-	-	-	-	-	150,000	1,166,388	1,166,388
Dec-13	3,339,800	24,398	-	-	741,780	-	-	-	-	-	-	-	-	-	150,000	1,037,671	1,037,671
Jan-14	601,200	32,729	24,676	-	471,555	-	-	-	-	-	-	-	-	-	150,000	799,955	799,955
Feb-14	1,169,400	5,651	-	-	443,480	-	-	-	-	-	-	-	-	-	150,000	720,031	720,031
Mar-14	1,866,800	11,998	-	-	546,265	-	-	-	-	-	-	-	-	-	150,000	831,206	831,206
Apr-14	843,400	17,853	16,881	-	658,170	-	-	-	-	-	-	-	-	-	43,578	859,263	859,263
May-14	2,038,800	8,878	-	-	930,650	-	-	-	-	-	-	-	-	-	43,578	1,105,481	1,105,481
Jun-14	3,352,600	20,287	-	-	1,021,490	-	-	-	-	-	-	-	-	-	43,578	1,206,802	1,206,802
Jul-14	1,550,200	33,162	21,441	-	1,204,695	-	-	-	-	-	-	-	-	-	43,578	1,423,258	1,423,258
Aug-14	3,064,000	16,096	-	-	1,175,940	-	-	-	-	-	-	-	-	-	43,578	1,354,592	1,354,592
Sep-14	4,562,400	30,334	-	-	1,163,620	-	-	-	-	-	-	-	-	-	43,578	1,355,144	1,355,144
	Prior Col 15 + Col 12 - Col 13 - Col 14	WP-SS-SL2-2.xls 'SREC Inv.' wksh Col 28	WP-SS-SL2-2.xls 'SREC Inv.' wksh Col 29	Included in Col 14	WP-SS-SL2-2.xls 'Loans' wksh 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-1.xls 'AmortE' wksh	(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 18 + 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	3,339,800	294,569	61,661	-	9,410,263	-	-	-	-	-	-	-	-	-	1,720,791	15,013,749	15,013,749
2014	-	176,988	62,998	-	7,615,865	-	-	-	-	-	-	-	-	-	711,468	9,655,733	9,655,733
Total Oct-13 - Sep-14		254,121	86,280	-	10,226,780	-	-	-	-	-	-	-	-	-	1,161,468	13,176,225	13,176,225

PSE&G Solar Loan II Program
Under/(Over) Calculation

Existing / Forecasted Rate	0.000067	0.000067	0.000067	0.000067	0.000067	0.000067
	<u>Dec-12</u>	<u>Jan-13</u>	<u>Feb-13</u>	<u>Mar-13</u>	<u>Apr-13</u>	<u>May-13</u>
(1) Solar Loan II RGGI Revenue	214,717	228,369	216,718	219,583	192,228	222,778
(2) Revenue Requirements	671,951	609,163	529,585	2,903,440	1,120,634	1,061,290
(3) Monthly Under/(Over) Recovery	457,234	380,794	312,867	2,683,857	928,406	838,512
(4) Deferred Balance	7,816,813	8,197,607	8,510,474	11,194,331	12,122,737	12,961,250
(5) Monthly Interest Rate	0.02573%	0.02794%	0.02284%	0.02347%	0.02214%	0.02214%
(6) After Tax Monthly Interest Expense/(Credit)	1,155	1,323	1,128	1,368	1,527	1,642
(7) Cumulative Interest Balance Added to Subsequent Year's Revenue	4,802	6,125	7,254	8,621	10,148	11,791
(8) Requirements	7,821,615	8,203,732	8,517,728	11,202,952	12,132,886	12,973,040
(9) Net Sales - kWh (000)					3,018,483	3,325,038
(10) Incremental Interest From WACC Change						
(11) Cumulative Incremental Interest ¹						
(12) Average Net of Tax Deferred Balance	4,488,418	4,736,265	4,941,415	5,827,696	6,896,023	7,418,589

¹ Cumulative Incremental Interest is added to the revenue requirements in 1/1/11.

PSE&G Solar Loan II Program
Under/(Over) Calculation

Existing / Forecasted Rate	0.000415	0.000415	0.000415	0.000415	0.000585	0.000585	0.000585
<u>RGGI SLII Under/(Over) Calculation</u>	<u>Jun-13</u>	<u>Jul-13</u>	<u>Aug-13</u>	<u>Sep-13</u>	<u>Oct-13</u>	<u>Nov-13</u>	<u>Dec-13</u>
(1) Solar Loan II RGGI Revenue	1,534,390	1,782,939	1,777,674	1,440,373	1,949,915	1,821,114	1,938,536
(2) Revenue Requirements	<u>1,172,385</u>	<u>1,384,567</u>	<u>1,350,828</u>	<u>1,361,365</u>	<u>1,316,433</u>	<u>1,166,388</u>	<u>1,037,671</u>
(3) Monthly Under/(Over) Recovery	(362,004)	(398,371)	(426,846)	(79,008)	(633,481.9)	(654,726.1)	(900,864.7)
(4) Deferred Balance	12,611,036	12,212,665	11,785,819	11,706,811	11,073,329.0	10,418,602.9	9,517,738.2
(5) Monthly Interest Rate	0.02214%	0.02214%	0.02214%	0.02214%	0.02214%	0.02214%	0.02214%
(6) After Tax Monthly Interest Expense/(Credit)	1,674	1,625	1,571	1,538	1,492	1,407	1,305
(7) Cumulative Interest Balance Added to Subsequent Year's Revenue Requirements	1,674	3,300	4,871	6,410	7,901	9,308	10,614
(8)	12,612,710	12,215,965	11,790,690	11,713,220	11,081,230.1	10,427,911.3	9,528,352.0
(9) Net Sales - kWh (000)	3,697,325	4,296,237	4,283,552	3,470,777	3,333,189	3,113,016	3,313,736
(10) Incremental Interest From WACC Change							
(11) Cumulative Incremental Interest ¹							
(12) Average Net of Tax Deferred Balance	7,563,003	7,341,609	7,097,551	6,947,945	6,737,226	6,356,239	5,896,173

¹ Cumulative Incremental Interest is added to the revenue requirements in 1/1/11.

SOLAR-4-ALL
ACTUAL REVENUES BY RATE CLASS

Schedule SS-SL2-4

	Solar-4-ALL Rate	0.000432	0.000432	0.000432	0.000432
		Dec-12	Jan-13	Feb-13	Mar-13
RESIDENTIAL SALES					
RS (4400110)		\$418,508	\$476,978	\$406,182	\$417,266
RS-HTG (4400210)		\$7,303	\$10,364	\$9,147	\$8,427
WH (4400310)		\$73	\$86	\$132	\$60
RLM (4400410)		\$7,711	\$8,648	\$7,240	\$7,689
WHS (4400510)		\$1	\$2	\$1	\$2
TOTAL RESIDENTIAL		\$433,596	\$496,077	\$422,702	\$433,444
COMMERCIAL SALES					
WH & WHS (4420110)		\$1	\$1	\$0	\$1
GLP (4420310)		\$264,095	\$244,845	\$253,753	\$264,400
GLP-MDO (4420310)		\$0	\$0	\$0	\$0
SL-PRI (4440110)		\$7,644	\$7,216	\$6,242	\$6,080
LPLP (4420510)		\$96,871	\$106,790	\$92,069	\$101,118
LPLS (4420510)		\$247,022	\$262,635	\$280,500	\$267,539
LPLSH (4420510)		\$82,538	\$91,804	\$85,711	\$91,039
LPLSO (4420510)		\$478	\$569	\$480	\$644
LPLSR (4420510)		\$0	\$0	\$0	\$0
HTS-SUB (4420710)		\$84,064	\$84,776	\$90,282	\$77,396
HTS-HV (4420710)		\$6,046	\$5,651	\$8,937	\$13,969
HS (4421210)		\$932	\$1,278	\$1,215	\$1,077
TOTAL COMMERCIAL		\$789,690	\$805,565	\$819,190	\$823,263
INDUSTRIAL SALES					
GLP (4420410)		\$10,941	\$11,860	\$11,617	\$12,104
GLP-MDO (4420410)		\$0	\$0	\$0	\$0
LPLP (4420610)		\$24,321	\$25,758	\$15,204	\$28,197
LPLS (4420610)		\$30,023	\$32,554	\$29,995	\$33,862
LPLSH (4420610)		\$8,008	\$8,913	\$8,295	\$8,672
LPLSO (4420610)		\$4	\$8	\$18	\$12
LPLSR (4420610)		\$0	\$0	\$0	\$0
HTS-SUB (4420810)		\$70,263	\$57,762	\$69,445	\$58,737
HTS-HV (4420810)		\$1,233	\$20,065	\$6,961	\$5,824
HS (4421110)		\$19	\$26	\$29	\$25
HEP (4421010)		\$0	\$0	\$0	\$0
EHEP (4421010)		\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL		\$144,813	\$156,946	\$141,563	\$147,432
PUB STREET AND HWY LIGHTING SALES					
SL-PUB (4440310)		\$14,306	\$11,927	\$11,854	\$9,827
BPL-POF (4440310)		\$696	\$604	\$607	\$514
GLP-T&S (4440410)		\$1,344	\$1,352	\$1,428	\$1,340
TOTAL ST. LIGHT.		\$16,346	\$13,882	\$13,888	\$11,681
TOTAL REVENUES		\$1,384,445	\$1,472,471	\$1,397,343	\$1,415,819

PSE&G Energy Efficiency Economic Extension Program

Proposed Rate Calculations

Actual results through 3/31/2013

Schedule SS-EEEext-1

(\$'s Unless Specified)

SUT Rate 7%

<u>Line</u>		<u>Electric</u>	<u>Gas</u>	<u>Source/Description</u>	
1	Oct 13 - Sep 14	Revenue Requirements	9,783,215	4,780,066	SS-2E/G, Col 19
2	Sep-13	Under/(Over) Recovered Balance	(3,697,311)	(1,512,727)	- SS-3E/G, Col 5
3	Sep-13	Cumulative Interest Exp / (Credit)	<u>(11,579)</u>	<u>(5,568)</u>	- SS-3E/G, Col 10
4	Oct 13 - Sep 14	Total Target Rate Revenue	6,074,324	3,261,771	Line 1 + Line 2 + Line 3
5	Oct 13 - Sep 14	Forecasted kWh / Therms (000)	42,562,084	2,807,584	
6		Proposed Rate w/o SUT (\$/kWh or \$/Therm)	0.000143	0.001162	(Line 4 / (Line 5 *1,000)) [Rnd 6]
7		Proposed Rate w/ SUT (\$/kWh or \$/Therm)	0.000153	0.001243	(Line 6 * (1 + SUT Rate)) [Rnd 6]
8		Existing Rate w/o SUT (\$/kWh or \$/Therm)	0.000093	0.000878	
9		Difference in Proposed and Existing Rate	0.000050	0.000284	(Line 6 - Line 8)
10		Resultant EEE ext Revenue Increase	2,128,104	797,354	(Line 5 * Line 9 * 1,000)

**PSE&G Energy Efficiency Economic Extension Program
Electric Revenue Requirements Calculation**

Actual Results thru March 2013

Monthly WACC effective 07/01/2010	0.987670%
Inc. tax rate effective 07/01/2010	40.850%

	(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 Amortization¹</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										
Dec-12	4,905,745	-	8,555,418	142,590	-	369,204	8,186,214	2,975,532	59,373	1,191,251
Jan-13	276,677	-	8,832,095	147,202	-	516,405	8,315,690	220,277	114,091	43,377
Feb-13	385,167	-	9,217,262	153,621	-	670,026	8,547,236	295,523	119,017	72,103
Mar-13	892,277	-	10,109,539	168,492	-	838,518	9,271,021	709,210	130,837	236,265
Apr-13	4,060,072	-	14,169,612	236,160	-	1,074,679	13,094,933	3,702,900	192,552	1,433,977
May-13	1,533,800	-	15,703,412	261,724	-	1,336,402	14,367,010	1,227,449	213,009	414,398
Jun-13	1,533,800	-	17,237,212	287,287	-	1,623,689	15,613,523	1,203,687	233,071	396,497
Jul-13	1,533,800	-	18,771,012	312,850	-	1,936,539	16,834,473	1,203,687	253,132	388,302
Aug-13	1,533,800	-	20,304,812	338,414	-	2,274,953	18,029,859	1,203,687	273,194	380,107
Sep-13	4,129,761	-	24,434,573	407,243	-	2,682,196	21,752,377	3,244,351	327,266	1,191,629
Oct-13	4,129,761	-	28,564,333	476,072	-	3,158,268	25,406,066	3,244,351	381,339	1,169,540
Nov-13	4,129,761	-	32,694,094	544,902	-	3,703,169	28,990,925	3,244,351	435,411	1,147,452
Dec-13	4,129,761	-	36,823,855	613,731	-	4,316,900	32,506,955	3,244,351	489,484	1,125,363
Jan-14	1,831,167	-	38,655,022	644,250	-	4,961,151	33,693,871	1,283,432	510,874	315,590
Feb-14	1,831,167	-	40,486,189	674,770	-	5,635,921	34,850,268	1,283,432	532,265	306,852
Mar-14	1,831,167	-	42,317,356	705,289	-	6,341,210	35,976,146	1,283,432	553,655	298,114
Apr-14	1,831,167	-	44,148,523	735,809	-	7,077,019	37,071,504	1,283,432	575,046	289,376
May-14	1,831,167	-	45,979,690	766,328	-	7,843,347	38,136,343	1,283,432	596,437	280,638
Jun-14	1,831,167	-	47,810,857	796,848	-	8,640,194	39,170,662	1,283,432	617,827	271,900
Jul-14	1,831,167	-	49,642,024	827,367	-	9,467,561	40,174,462	1,283,432	639,218	263,162
Aug-14	1,831,167	-	51,473,191	857,887	-	10,325,448	41,147,743	1,283,432	660,608	254,424
Sep-14	2,802,276	-	54,275,466	904,591	-	11,230,039	43,045,427	2,254,541	698,184	635,772

See WP-TJM-EEEext-1.xlsx 'Total EEEext' wksht	See WP-TJM-EEEext-1.xlsx 'Total EEEext' wksht	Prior Month + (Col 1 + Col 2)	See WP-SS-EEEext-1(Tax Chg).xlsx 'AmortE' wksht	See WP-SS-EEEext-1(Tax Chg).xlsx 'AmortE' wksht	Prior Month + (Col 4 + Col 5)	Col 3 - Col 6	See WP-SS-EEEext-1(Tax Chg).xlsx 'AmortE' wksht	See WP-SS-EEEext-1(Tax Chg).xlsx 'AmortE' wksht	(Col 8 - Col 9) * Income Tax Rate
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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	28,268,437	-	36,823,855	3,947,697	-	4,316,900	32,506,955	22,743,824	3,162,404	7,999,010
Total Oct-13 - Sep-14	29,840,894	-	51,270,600	-	-	82,700,227	-	-	6,690,348	6,358,182

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments	3,649,673	-	13,596,793	226,613	-	697,288	12,899,505	2,834,335	175,567	1,086,107
Without Adjustments	3,649,673	-	13,596,793	226,613	-	697,288	12,899,505	3,649,673	226,613	1,398,320
Difference	-	-	-	-	-	-	-	(815,338)	(51,047)	(312,213)

**PSE&G Energy Efficiency Economic Extension Program
Electric Revenue Requirements Calculation**

Actual Results thru March 2013

	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
<u>Monthly Calculations</u>	<u>Accumulated Deferred Income Tax</u>	<u>Net Investment</u>	<u>Return Requirement</u>	<u>Program Investment Repayments</u>	<u>Administrative costs</u>	<u>Net Capacity Revenue</u>	<u>Tax Adjustment</u>	<u>Lost Revenues</u>	<u>Revenue Requirements</u>
Dec-12	1,402,961	6,783,253	49,357	-	(2,023)	-	57,471	-	247,395
Jan-13	2,632,948	5,682,742	55,702	-	102,649	-	22,866	-	328,419
Feb-13	2,705,051	5,842,185	56,914	-	65,258	-	23,898	-	299,691
Mar-13	2,941,316	6,329,705	60,109	-	100,431	-	26,005	-	355,037
Apr-13	4,375,293	8,719,640	74,319	(21,477)	169,382	2,945	15,285	-	476,614
May-13	4,789,692	9,577,318	90,357	(62,025)	169,382	2,945	(9,193)	-	453,189
Jun-13	5,186,188	10,427,334	98,790	(68,309)	169,382	2,945	(9,733)	-	480,362
Jul-13	5,574,490	11,259,982	107,100	(81,602)	169,382	2,945	(15,113)	-	495,562
Aug-13	5,954,597	12,075,262	115,238	(91,557)	169,382	2,945	(18,189)	-	516,232
Sep-13	7,146,226	14,606,151	131,762	(102,411)	169,382	2,945	(15,494)	-	593,427
Oct-13	8,315,766	17,090,299	156,528	(113,265)	169,382	2,945	(12,798)	-	678,865
Nov-13	9,463,218	19,527,707	180,833	(124,118)	169,382	2,945	(10,102)	-	763,840
Dec-13	10,588,581	21,918,374	204,675	(154,927)	169,382	2,945	(21,188)	-	814,618
Jan-14	10,904,171	22,789,700	220,784	(185,736)	163,312	1,334	(36,161)	-	807,784
Feb-14	11,211,023	23,639,246	229,282	(216,545)	218,767	1,334	(51,133)	-	856,476
Mar-14	11,509,137	24,467,009	237,566	(247,354)	163,312	1,334	(66,106)	-	794,042
Apr-14	11,798,513	25,272,992	245,634	(264,861)	163,312	1,334	(71,892)	-	809,335
May-14	12,079,150	26,057,193	253,486	(282,368)	163,312	1,334	(77,678)	-	824,414
Jun-14	12,351,050	26,819,612	261,124	(299,876)	163,312	(5,864)	(83,465)	-	832,079
Jul-14	12,614,212	27,560,250	268,547	(317,383)	163,312	(6,104)	(89,251)	-	846,488
Aug-14	12,868,636	28,279,107	275,754	(334,891)	163,312	(6,104)	(95,037)	-	860,921
Sep-14	13,504,408	29,541,020	285,536	(352,398)	163,312	(5,864)	(100,824)	-	894,354

Prior Month + Col 10	Col 7 - Col 11	(Prior Col 12 + Col 12) / 2 * Monthly Pre Tax WACC	See WP-TJM-EEEExt-1.xlsx 'Total EEEExt' wksht	See WP-TJM-EEEExt-1.xlsx 'Total EEEExt' wksht	See WP-TJM-EEEExt-1.xlsx 'Total EEEExt' wksht	See WP-SS-EEEExt-1(Tax Chg).xlsx 'AmortE' wksht	= Col 4 + Col 5 + Col 13 + Col 14 + Col 15 + Col 16 + Col 17 + Col 18
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<u>Annual Summary</u>									
2012	1,402,961	6,783,253	114,718	-	761,016	-	57,471	-	1,302,408
2013	10,588,581	21,918,374	1,332,326	(819,690)	1,792,778	26,501	(23,755)	-	6,255,856
Total Oct-13 - Sep-14	137,207,864			(2,893,721)	2,033,408	(8,430)	(715,635)	-	9,783,215

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments	4,082,839	8,816,667	75,539	-	763,039	-	35,254	-	1,100,444
Without Adjustments	5,269,448	7,630,057	65,361	-	763,039	-	-	-	1,055,013
Difference	(1,186,609)	1,186,609	10,178	-	-	-	35,254	-	45,432

**PSE&G Energy Efficiency Economic Extension Program
Gas Revenue Requirements Calculation**

Actual Results thru March 2013

Monthly WACC effective 07/01/2010	0.987670%
Inc. Tax rate effective 07/01/2010	40.850%

	(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 Amortization¹</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										
Dec-12	2,685,531	-	4,990,287	83,171	-	229,928	4,760,360	1,574,589	32,356	630,002
Jan-13	62,845	-	5,053,133	84,219	-	314,147	4,738,986	49,728	65,485	(6,437)
Feb-13	220,221	-	5,273,354	87,889	-	402,036	4,871,318	169,681	68,313	41,409
Mar-13	526,312	-	5,799,666	96,661	-	498,697	5,300,969	418,674	75,290	140,272
Apr-13	1,715,358	-	7,515,024	125,250	-	623,947	6,891,076	1,587,083	101,742	606,762
May-13	798,700	-	8,313,724	138,562	-	762,510	7,551,214	623,644	112,136	208,951
Jun-13	798,700	-	9,112,424	151,874	-	914,383	8,198,041	626,930	122,585	206,025
Jul-13	798,700	-	9,911,124	165,185	-	1,079,569	8,831,555	626,930	133,034	201,757
Aug-13	798,700	-	10,709,824	178,497	-	1,258,066	9,451,758	626,930	143,482	197,488
Sep-13	1,500,066	-	12,209,890	203,498	-	1,461,564	10,748,326	1,169,423	162,973	411,135
Oct-13	1,500,066	-	13,709,956	228,499	-	1,690,063	12,019,893	1,169,423	182,463	403,173
Nov-13	1,500,066	-	15,210,022	253,500	-	1,943,564	13,266,459	1,169,423	201,954	395,211
Dec-13	1,500,066	-	16,710,089	278,501	-	2,222,065	14,488,024	1,169,423	221,444	387,249
Jan-14	952,167	-	17,662,256	294,371	-	2,516,436	15,145,820	675,662	232,705	180,948
Feb-14	952,167	-	18,614,423	310,240	-	2,826,676	15,787,746	675,662	243,966	176,348
Mar-14	952,167	-	19,566,590	326,110	-	3,152,786	16,413,804	675,662	255,227	171,748
Apr-14	952,167	-	20,518,757	341,979	-	3,494,765	17,023,991	675,662	266,488	167,148
May-14	952,167	-	21,470,924	357,849	-	3,852,614	17,618,310	675,662	277,749	162,547
Jun-14	952,167	-	22,423,091	373,718	-	4,226,332	18,196,758	675,662	289,010	157,947
Jul-14	952,167	-	23,375,258	389,588	-	4,615,920	18,759,338	675,662	300,271	153,347
Aug-14	952,167	-	24,327,425	405,457	-	5,021,377	19,306,048	675,662	311,532	148,747
Sep-14	1,539,808	-	25,867,233	431,121	-	5,452,498	20,414,736	1,263,303	332,587	380,198
	See WP-TJM-EEExt-1.xlsx 'Total EEExt' wksht	See WP-TJM-EEExt-1.xlsx 'Total EEExt' wksht	Prior Month + (Col 1 + Col 2)	See WP-SS-EEExt-1(Tax Chg).xlsx 'AmortG' wksht	See WP-SS-EEExt-1(Tax Chg).xlsx 'AmortG' wksht	Prior Month + (Col 4 + Col 5)	Col 3 - Col 6	See WP-SS-EEExt-1(Tax Chg).xlsx 'AmortG' wksht	See WP-SS-EEExt-1(Tax Chg).xlsx 'AmortG' wksht	(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	11,719,801	-	16,710,089	1,992,137	-	2,222,065	14,488,024	9,407,291	1,590,900	3,192,996
Total Oct-13										
- Sep-14	13,657,343	-		3,990,934	-			10,176,868	3,115,397	2,884,611

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments	2,304,756	-	8,805,384	146,756	-	454,870	8,350,514	1,799,810	114,456	688,467
Without Adjustments	2,304,756	-	8,805,384	146,756	-	454,870	8,350,514	2,304,756	146,756	881,543
Difference	-	-	-	-	-	-	-	(504,947)	(32,300)	(193,076)

**PSE&G Energy Efficiency Economic Extension Program
Gas Revenue Requirements Calculation**

Actual Results thru March 2013

	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
	<u>Accumulated Deferred Income Tax</u>	<u>Net Investment</u>	<u>Return Requirement</u>	<u>Program Investment Repayments</u>	<u>Administrative costs</u>	<u>Capacity Revenue</u>	<u>Tax Adjustment</u>	<u>Lost Revenues</u>	<u>Revenue Requirements</u>
Monthly Calc:									
Dec-12	760,938	3,999,422	29,761	-	25,916	-	35,094	-	173,943
Jan-13	1,505,109	3,233,877	32,014	-	54,409	-	12,938	-	183,580
Feb-13	1,546,518	3,324,800	32,389	-	36,325	-	13,520	-	170,123
Mar-13	1,686,790	3,614,179	34,267	-	50,043	-	14,759	-	195,730
Apr-13	2,293,552	4,597,525	40,552	(4,800)	68,895	-	12,920	-	242,818
May-13	2,502,503	5,048,711	47,636	(33,586)	68,895	-	(4,945)	-	216,562
Jun-13	2,708,528	5,489,513	52,041	(36,752)	68,895	-	(5,154)	-	230,903
Jul-13	2,910,284	5,921,271	56,350	(40,734)	68,895	-	(5,927)	-	243,769
Aug-13	3,107,773	6,343,985	60,570	(45,828)	68,895	-	(7,468)	-	254,666
Sep-13	3,518,908	7,229,419	67,030	(50,854)	68,895	-	(7,133)	-	281,436
Oct-13	3,922,081	8,097,812	75,691	(55,880)	68,895	-	(6,798)	-	310,407
Nov-13	4,317,292	8,949,167	84,184	(60,906)	68,895	-	(6,464)	-	339,209
Dec-13	4,704,541	9,783,482	92,508	(70,898)	68,895	-	(9,558)	-	359,448
Jan-14	4,885,489	10,260,330	98,983	(80,890)	81,352	-	(13,276)	-	380,540
Feb-14	5,061,837	10,725,909	103,637	(90,882)	110,897	-	(16,994)	-	416,899
Mar-14	5,233,585	11,180,219	108,180	(100,873)	81,352	-	(20,712)	-	394,057
Apr-14	5,400,732	11,623,259	112,612	(108,917)	81,352	-	(23,085)	-	403,941
May-14	5,563,280	12,055,030	116,932	(116,961)	81,352	-	(25,457)	-	413,715
Jun-14	5,721,227	12,475,531	121,140	(125,005)	81,352	-	(27,829)	-	423,377
Jul-14	5,874,574	12,884,764	125,238	(133,048)	81,352	-	(30,202)	-	432,928
Aug-14	6,023,321	13,282,727	129,224	(141,092)	81,352	-	(32,574)	-	442,367
Sep-14	6,403,519	14,011,217	134,787	(149,136)	81,352	-	(34,947)	-	463,177
	Prior Month + Col 10	Col 7 - Col 11	(Prior Col 12 + Col 12) / 2 * Monthly Pre Tax WACC	See WP-TJM- EEEExt-1.xlsx 'Total EEEExt' wksht	See WP-TJM- EEEExt-1.xlsx 'Total EEEExt' wksht	See WP-TJM- EEEExt-1.xlsx 'Total EEEExt' wksht	See WP-SS- EEEExt-1(Tax Chg).xlsx 'AmortG' wksht		= Col 4 + Col 5 + Col 13 + Col 14 + Col 15 + Col 16 + Col 17 + Col 18
Annual Sumn									
2012	760,938	3,999,422	72,242	-	287,616	-	35,094	-	624,879
2013	4,704,541	9,783,482	675,235	(400,238)	760,829	-	690	-	3,028,652
Total Oct-13 - Sep-14			1,303,117	(1,234,487)	968,399	-	(247,897)	-	4,780,066

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With									
Adjustments	2,660,577	5,689,937	48,941	-	261,699	-	22,307	-	479,703
Without									
Adjustments	3,411,185	4,939,329	42,481	-	261,699	-	-	-	450,936
Difference	(750,608)	750,608	6,460	-	-	-	22,307	-	28,767

**PSE&G Energy Efficiency Economic Extension Program
Electric Over/(Under) Calculation**

Schedule SS-EEExt-3E

Tax Rate effective 07/01/10	40.850%
Existing Rate / kWh (w/o SUT)	\$0.000093
Proposed Rate / kWh (w/o SUT)	\$0.000143

Year	(1) <u>Over / (Under) Recovery Beginning Balance</u>	(2) <u>Electric Revenues</u>	(3) <u>REVENUE Requirement Excluding WACC Cost</u>	(4) <u>Over / (Under) Recovery</u>	(5) <u>Over / (Under) Recovery Ending Balance</u>	(6) <u>Over / (Under) Average Monthly Balance</u>	(7) <u>Interest Rate (Annualized)</u>	(8) <u>Interest On Over / (Under) Average Monthly Balance</u>	(9) <u>Interest Roll-In</u>	(10) <u>Cumulative Interest</u>	
Monthly Calculations											
2012	Dec-12	4,566,079	317,269	247,395	69,873	4,635,953	4,601,016	0.31%	694	-	6,243
2013	Jan-13	4,635,953	337,441	328,419	9,023	4,644,975	4,640,464	0.34%	767		7,010
2013	Feb-13	4,644,975	320,224	299,691	20,533	4,665,509	4,655,242	0.27%	629		7,638
2013	Mar-13	4,665,509	324,458	355,037	(30,579)	4,634,930	4,650,219	0.28%	645		8,284
2013	Apr-13	4,634,930	284,038	476,614	(192,576)	4,442,354	4,538,642	0.27%	594		8,878
2013	May-13	4,442,354	329,180	453,189	(124,009)	4,318,344	4,380,349	0.27%	574		9,452
2013	Jun-13	4,318,344	343,850	480,362	(136,512)	4,181,832	4,250,088	0.27%	557		10,009
2013	Jul-13	4,181,832	399,550	495,562	(96,012)	4,085,820	4,133,826	0.27%	541		10,550
2013	Aug-13	4,085,820	398,370	516,232	(117,862)	3,967,959	4,026,889	0.27%	527		11,077
2013	Sep-13	3,967,959	322,780	593,427	(270,647)	3,697,311	3,832,635	0.27%	502		11,579
2013	Oct-13	3,697,311	476,650	678,865	(202,215)	3,495,097	3,596,204	0.27%	471		12,050
2013	Nov-13	3,495,097	445,160	763,840	(318,680)	3,176,416	3,335,757	0.27%	437		12,487
2013	Dec-13	3,176,416	473,860	814,618	(340,758)	2,835,659	3,006,038	0.27%	394		12,881
2014	Jan-14	2,835,659	527,030	807,784	(280,754)	2,554,905	2,695,282	0.27%	353		13,234
2014	Feb-14	2,554,905	479,510	856,476	(376,966)	2,177,939	2,366,422	0.27%	310		13,544
2014	Mar-14	2,177,939	483,390	794,042	(310,652)	1,867,288	2,022,614	0.27%	265		13,809
2014	Apr-14	1,867,288	438,210	809,335	(371,125)	1,496,162	1,681,725	0.27%	220		14,029
2014	May-14	1,496,162	460,150	824,414	(364,264)	1,131,898	1,314,030	0.27%	172		14,201
2014	Jun-14	1,131,898	544,430	832,079	(287,649)	844,249	988,074	0.27%	129		14,330
2014	Jul-14	844,249	645,220	846,488	(201,268)	642,981	743,615	0.27%	97		14,428
2014	Aug-14	642,981	611,810	860,921	(249,111)	393,870	518,426	0.27%	68		14,496
2014	Sep-14	393,870	500,960	894,354	(393,394)	477	197,173	0.27%	26		14,522
		(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

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments									675	913	6,243
Without Adjustments									681	913	5,563
Difference									(6)	-	680

**PSE&G Energy Efficiency Economic Extension Program
Gas Over/(Under) Calculation**

Schedule SS-EEEExt-3G

Tax Rate effective 07/01/10	40.850%
Existing Rate / kWh (w/o SUT)	\$0.000878
Proposed Rate / kWh (w/o SUT)	\$0.001162

Year	(1) <u>Over / (Under) Recovery Beginning Balance</u>	(2) <u>Gas Revenues</u>	(3) <u>Revenue Requirement Excluding WACC Cost</u>	(4) <u>Over / (Under) Recovery</u>	(5) <u>Over / (Under) Recovery Ending Balance</u>	(6) <u>Over / (Under) Average Monthly Balance</u>	(7) <u>Interest Rate (Annualized)</u>	(8) <u>Interest On Over / (Under) Average Monthly Balance</u>	(9) <u>Interest Roll-In</u>	(10) <u>Cumulative Interest</u>	
Monthly Calculations											
2012	Dec-12	1,944,007	283,438	173,943	109,495	2,053,503	1,998,755	0.31%	300	-	2,970
2013	Jan-13	2,053,503	340,401	183,580	156,821	2,210,324	2,131,913	0.34%	352		3,323
2013	Feb-13	2,210,324	332,475	170,123	162,352	2,372,676	2,291,500	0.27%	309		3,632
2013	Mar-13	2,372,676	297,631	195,730	101,901	2,474,577	2,423,626	0.28%	336		3,969
2013	Apr-13	2,474,577	163,594	242,818	(79,223)	2,395,353	2,434,965	0.27%	319		4,288
2013	May-13	2,395,353	11,300	216,562	(205,262)	2,190,091	2,292,722	0.27%	300		4,588
2013	Jun-13	2,190,091	79,770	230,903	(151,133)	2,038,958	2,114,524	0.27%	277		4,865
2013	Jul-13	2,038,958	79,100	243,769	(164,669)	1,874,289	1,956,623	0.27%	256		5,121
2013	Aug-13	1,874,289	98,730	254,666	(155,936)	1,718,353	1,796,321	0.27%	235		5,356
2013	Sep-13	1,718,353	75,810	281,436	(205,626)	1,512,727	1,615,540	0.27%	212		5,568
2013	Oct-13	1,512,727	185,070	310,407	(125,337)	1,387,390	1,450,058	0.27%	190		5,758
2013	Nov-13	1,387,390	308,850	339,209	(30,359)	1,357,030	1,372,210	0.27%	180		5,938
2013	Dec-13	1,357,030	477,230	359,448	117,782	1,474,812	1,415,921	0.27%	185		6,123
2014	Jan-14	1,474,812	529,040	380,540	148,500	1,623,312	1,549,062	0.27%	203		6,326
2014	Feb-14	1,623,312	497,440	416,899	80,541	1,703,853	1,663,582	0.27%	218		6,544
2014	Mar-14	1,703,853	418,020	394,057	23,963	1,727,816	1,715,834	0.27%	225		6,768
2014	Apr-14	1,727,816	264,540	403,941	(139,401)	1,588,415	1,658,115	0.27%	217		6,986
2014	May-14	1,588,415	136,140	413,715	(277,575)	1,310,840	1,449,627	0.27%	190		7,176
2014	Jun-14	1,310,840	107,680	423,377	(315,697)	995,143	1,152,992	0.27%	151		7,327
2014	Jul-14	995,143	108,850	432,928	(324,078)	671,065	833,104	0.27%	109		7,436
2014	Aug-14	671,065	129,030	442,367	(313,337)	357,728	514,397	0.27%	67		7,503
2014	Sep-14	357,728	100,530	463,177	(362,647)	(4,919)	176,405	0.27%	23		7,526

(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
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Annual Summary

2013	2,449,961	3,028,652	(578,691)		3,153
2014	3,262,420	5,294,450	(2,032,030)		1,260

Impact of Adjustments Referenced in Testimony Reflected in December 2012

With Adjustments					280	312	2,970
Without Adjustments					284	312	2,679
Difference					(4)	-	291

ELECTRIC EEE EXTENSION ACTUAL REVENUES BY RATE CLASS

	Electric-EEE Rate: 0.000099 0.000099 0.000099 0.000099				
	Dec-12	Jan-13	Feb-13	Mar-13	
RESIDENTIAL SALES					
RS (4400110)	\$95,908	\$109,308	\$93,083	\$95,623	
RS-HTG (4400210)	\$1,674	\$2,375	\$2,096	\$1,931	
WH (4400310)	\$17	\$20	\$30	\$14	
RLM (4400410)	\$1,767	\$1,982	\$1,659	\$1,762	
WHS (4400510)	\$0	\$0	\$0	\$0	
TOTAL RESIDENTIAL	\$99,366	\$113,684	\$96,869	\$99,331	
COMMERCIAL SALES					
WH & WHS (4420110)	\$0	\$0	\$0	\$0	
GLP (4420310)	\$60,522	\$56,110	\$58,152	\$60,592	
GLP-MDO (4420310)	\$0	\$0	\$0	\$0	
SL-PRI (4440110)	\$1,752	\$1,654	\$1,431	\$1,393	
LPLP (4420510)	\$22,200	\$24,473	\$21,099	\$23,173	
LPLS (4420510)	\$56,609	\$60,187	\$64,281	\$61,311	
LPLSH (4420510)	\$18,915	\$21,038	\$19,642	\$20,863	
LPLSO (4420510)	\$109	\$131	\$110	\$148	
LPLSR (4420510)	\$0	\$0	\$0	\$0	
HTS-SUB (4420710)	\$19,265	\$19,428	\$20,690	\$17,736	
HTS-HV (4420710)	\$1,386	\$1,295	\$2,048	\$3,201	
HS (4421210)	\$214	\$293	\$279	\$247	
TOTAL COMMERCIAL	\$180,971	\$184,609	\$187,731	\$188,664	
INDUSTRIAL SALES					
GLP (4420410)	\$2,507	\$2,718	\$2,662	\$2,774	
GLP-MDO (4420410)	\$0	\$0	\$0	\$0	
LPLP (4420610)	\$5,574	\$5,903	\$3,484	\$6,462	
LPLS (4420610)	\$6,880	\$7,460	\$6,874	\$7,760	
LPLSH (4420610)	\$1,835	\$2,042	\$1,901	\$1,987	
LPLSO (4420610)	\$1	\$2	\$4	\$3	
LPLSR (4420610)	\$0	\$0	\$0	\$0	
HTS-SUB (4420810)	\$16,102	\$13,237	\$15,914	\$13,461	
HTS-HV (4420810)	\$283	\$4,598	\$1,595	\$1,335	
HS (4421110)	\$4	\$6	\$7	\$6	
HEP (4421010)	\$0	\$0	\$0	\$0	
EHEP (4421010)	\$0	\$0	\$0	\$0	
TOTAL INDUSTRIAL	\$33,186	\$35,967	\$32,442	\$33,786	
PUB STREET AND HWY LIGHTING SALES					
SL-PUB (4440310)	\$3,279	\$2,733	\$2,716	\$2,252	
BPL-POF (4440310)	\$159	\$138	\$139	\$118	
GLP-T&S (4440410)	\$308	\$310	\$327	\$307	
TOTAL ST. LIGHT.	\$3,746	\$3,181	\$3,183	\$2,677	
TOTAL REVENUES	\$317,269	\$337,441	\$320,224	\$324,458	

**GAS-EEE EXTENSION
ACTUAL REVENUES BY RATE CLASS**

Schedule SS-EEEExt-4G

Gas-EEE EXT Rate: 0.000789 0.000789 0.000789 0.000789

	Dec-12	Jan-13	Feb-13	Mar-13
CSRS GH	\$132,477	\$165,071	\$159,579	\$139,084
CSRS G	\$7,009	\$8,595	\$8,064	\$7,386
RS GHM	\$2,457	\$2,976	\$2,992	\$2,655
RS GM	\$508	\$662	\$606	\$568
TOTAL RESIDENTIAL	\$142,450	\$177,305	\$171,241	\$149,692
CSGS-HTG	\$18,379	\$24,521	\$24,947	\$19,671
CSGS	\$2,425	\$2,939	\$2,928	\$2,661
CSLV	\$23,206	\$29,956	\$28,953	\$26,189
CSUVNG	\$0	\$0	\$0	\$0
CFG	\$0	\$0	\$0	\$0
ISG	\$1,850	\$2,224	\$1,447	\$1,376
CIG	\$3,374	\$2,418	\$2,286	\$3,172
CEG	\$0	\$0	\$0	\$0
MPGS	\$0	\$0	\$0	\$0
MPGSH	\$0	\$0	\$0	\$0
MPLV	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL	\$49,235	\$62,057	\$60,561	\$53,069
CSGS-HTG	\$559	\$1,484	\$1,162	\$933
CSGS	\$374	\$132	\$135	\$129
CSLV	\$2,381	\$2,805	\$2,491	\$2,683
ISG	\$390	\$600	\$686	-\$168
CIG	\$1,931	\$1,734	\$1,787	\$1,353
CO-GEN	\$0	\$0	\$0	\$0
UVNG	\$0	\$0	\$0	\$0
CFG	\$0	\$0	\$0	\$0
MPGS	\$0	\$0	\$0	\$0
MPGSH	\$0	\$0	\$0	\$0
MPLV	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL	\$5,634	\$6,756	\$6,261	\$4,930
CSSLG	\$49	\$43	\$1	\$8
TOTAL REVENUE COMM./TRANS	\$197,368	\$246,161	\$238,064	\$207,698
FTRSGH	\$13,207	\$17,445	\$17,183	\$15,750
FTRSG	\$745	\$966	\$867	\$883
FTRSGHM	\$297	\$352	\$366	\$370
FTRSGM	\$52	\$77	\$69	\$75
TOTAL RESIDENTIAL	\$14,301	\$18,840	\$18,484	\$17,078
FTGSH (G489.110)	\$5,617	\$7,635	\$7,265	\$6,358
FTGS	\$1,033	\$1,395	\$1,208	\$1,151
FTGFG	\$0	\$0	\$0	\$0
FTUVNG	\$0	\$0	\$0	\$0
FTLV (G489.120)	\$34,550	\$43,599	\$41,496	\$40,980
TSG-F (G489.100)	\$1,102	\$2,196	\$891	\$1,187
TSG-NF (G489.200)	\$13,274	-\$5,159	-\$93	\$1,341
TSG 2,4,6	\$0	\$0	\$0	\$0
TOTAL COMMERCIAL	\$55,577	\$49,667	\$50,767	\$51,017
FTGSH (G489.110)	\$145	\$380	\$270	\$255
FTGS	-\$2	\$78	\$60	\$50
FTLV (G489.120)	\$3,639	\$4,718	\$4,627	\$4,081
TSG-F (G489.100)	\$910	\$761	\$1,500	\$1,088
TSG-NF (G489.200)	\$11,500	\$19,796	\$18,704	\$16,364
TSG 2,4,6	\$0	\$0	\$0	\$0
CONTRACT COGEN	\$0	\$0	\$0	\$0
TOTAL INDUSTRIAL	\$16,193	\$25,733	\$25,160	\$21,838
FTSLG	\$0	\$0	\$0	\$0
TOTAL TRANS. REVENUE	\$86,071	\$94,240	\$94,411	\$89,933
TOTAL REVENUES	\$283,438	\$340,401	\$332,475	\$297,631

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 2

B.P.U.N.J. No. 15 ELECTRIC

**Superseding
XXX Sheet No. 2**

TABLE OF CONTENTS

Title Page Sheet No. 1
Table of Contents Sheet Nos. 2 and 3
Territory Served Sheet Nos. 4 to 7, inclusive
Standard Terms and Conditions Sheet Nos. 8 to 42, inclusive
Regulation for Residential Underground Extensions Sheet Nos. 48 to 52, inclusive
Societal Benefits Charge Sheet Nos. 57 to 59, inclusive
Non-utility Generation Charge Sheet No. 60
Securitization Transition Charges Sheet No. 62
System Control Charge Sheet No. 63
Solar Pilot Recovery Charge Sheet No. 64
~~Green Programs~~ RGGI Recovery Charge Sheet No. 65
Capital Adjustment Charges Sheet Nos. 66 to 68, inclusive
Commercial and Industrial Energy Pricing (CIEP) Standby Fee Sheet No. 73
Basic Generation Service
 • Fixed Pricing Electric Supply Charges
 ○ BGS Energy Charges Sheet Nos. 75 and 76
 ○ BGS Capacity Charges and Transmission Charges Sheet No. 79
 ○ BGS Reconciliation Charges Sheet No. 81
 • Commercial And Industrial Energy Pricing Electric Supply Charges
 ○ BGS Energy Charges, Capacity Charges and
 Transmission Charges Sheet Nos. 82 and 83
 ○ BGS Reconciliation Charges Sheet No. 84
Third Party Supplier Sheet No. 87
Transitional Energy Facility Assessment Unit Tax Sheet No. 89

Date of Issue:

Issued by DANIEL J. CREGG, 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
B.P.U.N.J. No. 15 ELECTRIC

XXX Revised Sheet No. 65
Superseding
XXX Revised Sheet No. 65

GREEN PROGRAMS~~RGGI~~ RECOVERY CHARGE

**Charge
(per kilowatthour)**

Component:

Carbon Abatement Program	\$ 0.0000680 <u>0.000029</u>
Demand Response Working Group Modified Program	\$ 0.000000
Energy Efficiency Economic Stimulus Program.....	\$ 0.0004660 <u>0.000458</u>
Demand Response Program	\$ 0.0002460 <u>0.000100</u>
Solar Generation Investment Program	\$ 0.0013490 <u>0.001295</u>
Solar Loan II Program	\$ 0.0004150 <u>0.000585</u>
Energy Efficiency Economic Extension Program.....	\$ 0.0000930 <u>0.000143</u>
Solar Generation Investment Extension Program	\$ 0.000035
Solar Loan III Program	\$ 0.000020
Sub-total per kilowatthour	\$ 0.0026830 <u>0.002665</u>
Charge including New Jersey Sales and Use Tax (SUT).....	\$ 0.0028740 <u>0.002852</u>

GREEN PROGRAMS~~RGGI~~ RECOVERY CHARGE

This charge is designed to recover the revenue requirements associated with the PSE&G ~~Regional Greenhouse Gas Initiative (RGGI) Green Pp~~ programs. The charge will be reset nominally on an annual basis. For the Demand Response Working Group Modified Program, ~~the~~ interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances. For all other programs, 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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80 Park Plaza, Newark, New Jersey 07102
Filed pursuant to Order of Board of Public Utilities dated
in Docket No.

Effective:

Modification to each Electric Rate Schedule under Delivery Charges:

GREEN PROGRAMS~~RGGI~~ RECOVERY CHARGE

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs~~Regional Greenhouse Gas Initiative (RGGI) programs~~. Refer to the Green Programs ~~RGGI~~ Recovery Charge sheet of this Tariff for the current charge.

Modification in each Electric Rate Schedule under Delivery Charges after ~~RGGI~~ Green Programs Recovery Charge:

RS, RHS, RLM, WH, and WHS:

The Distribution Charges, Societal Benefits Charge, Non-utility Generation Charge, Securitization Transition Charges, System Control Charge, the Solar Pilot Recovery Charge and the Green Programs ~~RGGI~~ Recovery Charge shall be combined for billing.

HS:

The Distribution Charges, Societal Benefits Charge, Non-utility Generation Charge, Securitization Transition Charges, System Control Charge, the Solar Pilot Recovery Charge and the RGGI Green Programs Recovery Charge shall be combined for billing. The CIEP Standby Fee shall also be combined with these charges where applicable.

GLP and LPL:

The Distribution Kilowatthour Charge, the Non-utility Generation Charge, the System Control Charge, the Solar Pilot Recovery Charge and the RGGI Green Programs Recovery Charge shall be combined for billing. The CIEP Standby Fee shall also be combined with these charges where applicable.

HTS:

The Distribution Kilowatthour Charge, the Non-utility Generation Charge, the System Control Charge, the Solar Pilot Recovery Charge, the RGGI Green Programs Recovery Charge and the CIEP Standby Fee shall be combined for billing.

BPL, BPL-POF and PSAL:

The Distribution Charge, Societal Benefits Charge, Non-utility Generation Charge, Securitization Transition Charges, the System Control Charge, the Solar Pilot Recovery Charge and the RGGI Green Programs Recovery Charge shall be combined for billing.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

**XXX Revised Sheet No. 2
Superseding
XXX Revised Sheet No. 2**

B.P.U.N.J. No. 15 GAS

TABLE OF CONTENTS

Title Page Sheet No. 1
 Table of Contents Sheet No. 2
 Territory Served Sheet Nos. 3 to 6, inclusive
 Standard Terms and Conditions Sheet Nos. 7 to 35, inclusive
 Societal Benefits Charge. Sheet Nos. 41 and 42
 Margin Adjustment Charge Sheet No. 43
~~RGGI-Green Programs~~ Recovery Charge Sheet No. 44
 Weather Normalization Charge Sheet Nos. 45 to 47 inclusive
 Capital Adjustment Charges Sheet Nos. 48 and 49
 Basic Gas Supply Service
 Commodity Charges Applicable to Rate Schedule RSG..... Sheet No. 54
 Commodity Charges Applicable to Rate Schedules GSG, LVG, SLG and CSG Sheet No. 55
 Commodity Charge Applicable to Rate Schedules TSG-NF and CSG Sheet No. 56
 Commodity Charge Applicable to Rate Schedule CIG Sheet No. 57
 Emergency Sales Service Charge Applicable to Rate Schedules
 RSG, GSG, LVG, SLG, TSG-F, TSG-NF and CSG..... Sheet No. 58
 Commodity Charge Applicable to Rate Schedule RSG Off-Peak Use..... Sheet No. 59
 Transitional Energy Facility Assessment Unit Tax..... Sheet No. 62

Delivery Rate Schedules as listed below:

	Rate Schedule	Sheet Nos.
Residential Service	RSG	65-69
General Service	GSG	72-76
Large Volume Service.....	LVG	79-84
Street Lighting Service.....	SLG	87-90
Firm Transportation Gas Service.....	TSG-F	93-96
Non-Firm Transportation Gas Service.....	TSG-NF	99-103
Cogeneration Interruptible Service	CIG	107-111
Contract Service	CSG	112-112F
 Third Party Supplier Requirements.....		 114-121

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 80 Park Plaza, Newark, New Jersey 07102
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PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 36

B.P.U.N.J. No. 15 GAS

Superseding

XXX Revised Sheet No. 36

STANDARD TERMS AND CONDITIONS
(Continued)

16. NEW JERSEY AUTHORIZED EXEMPTIONS

The following exemptions are authorized by the State of New Jersey and are applied in accordance with P.L. 2011, c.9 (the "Long Term Capacity Agreement Pilot Program", "LCAPP Legislation"). The exemptions take effect January 28, 2011.

16.1 Exemptions due to LCAPP Legislation: Electric generators who use natural gas to generate electricity that is sold for resale will be exempt from a societal benefits charge pursuant to N.J.S.A. 48:3-60 or any other charge designed to recover the costs for social, energy efficiency, conservation, environmental or renewable energy on natural gas delivery service or commodity that is used to generate electricity that is sold for resale. This exemption includes the Societal Benefits Charge (SBC) and the ~~RGGI-Green Programs~~ Recovery Charge (~~RGPRC~~). Each customer's exemption will be effective upon completion of an Annual Certification form.

- a) The Annual Certification form shall be a prerequisite for the exemption and shall be furnished to customers of record in December and returned to Public Service by the customer no later than January 15th of each year. The Annual Certification form shall certify the percentage of gas used at their New Jersey generation facilities during the immediately preceding calendar year to generate electricity that was sold for resale. This Certification will serve as the percentage of the customers' throughput that will be exempt from the SBC and the ~~RGGI-Green Programs Recovery Charge~~. This Certification will then be used for the succeeding annual period commencing in February. If the customer fails to return the form, then the SBC and the ~~RGGI-Green Programs Recovery Charge~~ will be assessed on all of the customer's usage until a completed Annual Certification form is received to be effective after the next subsequent meter reading. If the customer returns a completed Annual Certification Form on or before January 15, then adjustments to customer's bills to reflect changes in the percentage of gas used to generate electricity for resale will be made on a prospective basis beginning in February.

17. TERMINATION, CHANGE OR MODIFICATION OF PROVISIONS OF TARIFF

This tariff is subject to the lawful orders of the Board of Public Utilities of the State of New Jersey.

Public Service may at any time and in any manner permitted by law, and the applicable rules and regulations of the Board of Public Utilities of the State of New Jersey, terminate, or change or modify by revision, amendment, supplement, or otherwise, this Tariff or any part thereof, or any revision or amendment hereof or supplement hereto.

Date of Issue:

Issued by DANIEL J. CREGG, Vice President Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102
Filed pursuant to Order of Board of Public Utilities
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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

RGGI-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	\$ <u>0.0024830.001537</u>
Energy Efficiency Economic Stimulus Program.....	<u>0.0036330.004000</u>
Energy Efficiency Economic Extension Program.....	<u>0.0008780.001162</u>
RGGI Recovery Charge.....	\$ <u>0.0069940.006699</u>
RGGI Recovery Charge including New Jersey Sales and Use Tax (SUT)	\$ <u>0.0074840.007168</u>

RGGI-Green Programs Recovery Charge

This charge is designed to recover the revenue requirements associated with the PSE&G ~~Regional Greenhouse Gas Initiative (RGGI) Green P~~ 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.

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80 Park Plaza, Newark, New Jersey 07102
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PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 47

B.P.U.N.J. No. 15 GAS

**Superseding
XXX Revised Sheet No. 47**

**WEATHER NORMALIZATION CHARGE
(Continued)**

II. DETERMINATION OF THE WEATHER NORMALIZATION RATE

At the end of the Winter Period during the Annual Period, a calculation shall be made that determines for all months of the Winter Period the level by which margin revenues differed from what would have resulted if normal weather (as determined by reference to the Degree Day Dead Band) occurred. This calculation is made by multiplying the monthly Degree Day Consumption Factor by the difference between Normal Calendar Month Degree Days as adjusted for the Degree Day Dead Band, and Actual Calendar Month Degree Days and, in turn, multiplying the result by the Margin Revenue Factor. To the extent the Actual Calendar Month Degree Days exceeds Normal Calendar Month Degree Days as adjusted for the Degree Day Dead Band, an excess of margin revenues exist. To the extent Actual Calendar Month Degree Days were less than Normal Calendar Month Degree Days as adjusted for the Degree Day Dead Band, a deficiency of marginal revenue exists. The sum of the monthly calculations represents the total revenue excess or deficiency for the Winter Period. If, at the end of the Winter Period of the Annual Period, the degree day variation from normal weather is less than the Degree Day Dead Band, the weather normalization clause will not be in effect.

The WNC shall not operate to permit the Company to recover any portion of a margin revenue deficiency that will cause the Gas Utility to earn in excess of its allowed rate of return on common equity of 10.3% for the Annual Period; any portion which is not recovered shall not be deferred. For purposes of this section, the Gas Utility's rate of return on common equity shall be calculated by dividing the Gas Utility's regulated jurisdictional net income for the Annual Period by the Gas Utility's average 13 month common equity balance for such Annual Period. The Gas Utility's regulated jurisdictional net income shall be calculated by subtracting from total net income of the Gas Utility net income derived from clause mechanisms (~~RGGI-Green Programs~~, Recovery Charge, Capital Adjustment Charge, etc) that provide for a return on investment outside of base rates.

The total WNC balance at September 30 of the Annual Period shall be divided by the estimated applicable balancing therm sales from the rate schedules subject to this clause for the Annual Period over which this rate will be in effect, multiplied by a factor to adjust for increases in taxes and assessments. The product of this calculation shall be the Weather Normalization Charge. However, the Weather Normalization Charge will at no time exceed three (3%) percent of the then applicable RSG total per therm rate, including RSG-BGSS charges and 63.10% of the Balancing Charge. To the extent that the effect of this rate cap precludes the Company from fully recovering the WNC balance for the Annual Period, the unrecovered balance will be added to the WNC balance used to calculate the weather normalization rate for the next Winter Period. The Weather Normalization Charge, so calculated, will be in effect for the immediately following Annual Period.

III. TRACKING THE OPERATION OF THE WEATHER NORMALIZATION CLAUSE

The revenues billed, or credits applied, net of taxes and assessments, through the application of the Weather Normalization Charge shall be accumulated for each month of the Winter Period when this charge is in effect and applied against the margin revenue excess or deficiency from the immediately preceding Winter Period and any cumulative balances remaining from prior Winter Periods.

The annual filing for the adjustment to the weather normalization charge will be filed by July 1 of each year.

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Modification to each Gas Rate Schedule under Delivery Charges:

GREEN PROGRAMS~~RGGI~~ RECOVERY CHARGE

This charge is designed to recover the revenue requirements associated with the PSE&G ~~Regional Green Programs~~~~Greenhouse Gas Initiative (RGGI) Program per the Board Order in Docket No. E008030164~~. Refer to the ~~RGGI Green Programs~~ Recovery Charge sheet of this Tariff for the current charge.

Modification in RSG, GSG and LVG Rate Schedules under Delivery Charges after Weather Normalization Charge:

RSG

The Societal Benefits Charge, the Margin Adjustment Charge and the ~~RGGI Green Programs~~ Recovery Charge will be combined with the Distribution Charge for billing.

GSG and LVG

The Societal Benefits Charge, the Margin Adjustment Charge and the ~~RGGI Green Programs~~ Recovery Charge will be combined for billing.

Modification in SLG, TSG-F, TSG-NF and CIG Rate Schedules under Delivery Charges after ~~RGGI Green Programs~~ Recovery Charge:

SLG and TSG-F

The Societal Benefits Charge, the Margin Adjustment Charge and the ~~RGGI Green Programs~~ Recovery Charge will be combined for billing.

TSG-NF and CIG

The Societal Benefits Charge and the ~~RGGI Green Programs~~ Recovery Charge will be combined for billing.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 2

B.P.U.N.J. No. 15 ELECTRIC

**Superseding
XXX Sheet No. 2**

TABLE OF CONTENTS

Title Page Sheet No. 1
Table of Contents Sheet Nos. 2 and 3
Territory Served Sheet Nos. 4 to 7, inclusive
Standard Terms and Conditions Sheet Nos. 8 to 42, inclusive
Regulation for Residential Underground Extensions Sheet Nos. 48 to 52, inclusive
Societal Benefits Charge Sheet Nos. 57 to 59, inclusive
Non-utility Generation Charge Sheet No. 60
Securitization Transition Charges Sheet No. 62
System Control Charge Sheet No. 63
Solar Pilot Recovery Charge Sheet No. 64
Green Programs Recovery Charge Sheet No. 65
Capital Adjustment Charges Sheet Nos. 66 to 68, inclusive
Commercial and Industrial Energy Pricing (CIEP) Standby Fee Sheet No. 73
Basic Generation Service
 • Fixed Pricing Electric Supply Charges
 ○ BGS Energy Charges Sheet Nos. 75 and 76
 ○ BGS Capacity Charges and Transmission Charges Sheet No. 79
 ○ BGS Reconciliation Charges Sheet No. 81
 • Commercial And Industrial Energy Pricing Electric Supply Charges
 ○ BGS Energy Charges, Capacity Charges and
 Transmission Charges Sheet Nos. 82 and 83
 ○ BGS Reconciliation Charges Sheet No. 84
Third Party Supplier Sheet No. 87
Transitional Energy Facility Assessment Unit Tax Sheet No. 89

Date of Issue:

Issued by DANIEL J. CREGG, 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
B.P.U.N.J. No. 15 ELECTRIC

XXX Revised Sheet No. 65
Superseding
XXX Revised Sheet No. 65

GREEN PROGRAMS RECOVERY CHARGE

Charge
(per kilowatthour)

Component:

Carbon Abatement Program	\$ 0.000029
Demand Response Working Group Modified Program	0.000000
Energy Efficiency Economic Stimulus Program.....	0.000458
Demand Response Program	0.000100
Solar Generation Investment Program	0.001295
Solar Loan II Program	0.000585
Energy Efficiency Economic Extension Program.....	0.000143
Solar Generation Investment Extension Program	0.000035
Solar Loan III Program	<u>0.000020</u>
Sub-total per kilowatthour	\$ <u>0.002665</u>

Charge including New Jersey Sales and Use Tax (SUT).....\$ 0.002852

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. For the Demand Response Working Group Modified Program, interest at the two-year constant maturity treasury rate plus 60 basis points will be accrued monthly on any under- or over-recovered balances. For all other programs, 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 DANIEL J. CREGG, 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:

Modification to each Electric Rate Schedule under Delivery Charges:

GREEN PROGRAMS RECOVERY CHARGE

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge.

Modification in each Electric Rate Schedule under Delivery Charges after Green Programs Recovery Charge:

RS, RHS, RLM, WH, and WHS:

The Distribution Charges, Societal Benefits Charge, Non-utility Generation Charge, Securitization Transition Charges, System Control Charge, the Solar Pilot Recovery Charge and the Green Programs Recovery Charge shall be combined for billing.

HS:

The Distribution Charges, Societal Benefits Charge, Non-utility Generation Charge, Securitization Transition Charges, System Control Charge, the Solar Pilot Recovery Charge and the Green Programs Recovery Charge shall be combined for billing. The CIEP Standby Fee shall also be combined with these charges where applicable.

GLP and LPL:

The Distribution Kilowatthour Charge, the Non-utility Generation Charge, the System Control Charge, the Solar Pilot Recovery Charge and the Green Programs Recovery Charge shall be combined for billing. The CIEP Standby Fee shall also be combined with these charges where applicable.

HTS:

The Distribution Kilowatthour Charge, the Non-utility Generation Charge, the System Control Charge, the Solar Pilot Recovery Charge, the Green Programs Recovery Charge and the CIEP Standby Fee shall be combined for billing.

BPL, BPL-POF and PSAL:

The Distribution Charge, Societal Benefits Charge, Non-utility Generation Charge, Securitization Transition Charges, the System Control Charge, the Solar Pilot Recovery Charge and the Green Programs Recovery Charge shall be combined for billing.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

**XXX Revised Sheet No. 2
Superseding
XXX Revised Sheet No. 2**

B.P.U.N.J. No. 15 GAS

TABLE OF CONTENTS

Title Page Sheet No. 1
 Table of Contents Sheet No. 2
 Territory Served Sheet Nos. 3 to 6, inclusive
 Standard Terms and Conditions Sheet Nos. 7 to 35, inclusive
 Societal Benefits Charge. Sheet Nos. 41 and 42
 Margin Adjustment Charge Sheet No. 43
 Green Programs Recovery Charge Sheet No. 44
 Weather Normalization Charge Sheet Nos. 45 to 47 inclusive
 Capital Adjustment Charges Sheet Nos. 48 and 49
 Basic Gas Supply Service
 Commodity Charges Applicable to Rate Schedule RSG..... Sheet No. 54
 Commodity Charges Applicable to Rate Schedules GSG, LVG, SLG and CSG Sheet No. 55
 Commodity Charge Applicable to Rate Schedules TSG-NF and CSG Sheet No. 56
 Commodity Charge Applicable to Rate Schedule CIG Sheet No. 57
 Emergency Sales Service Charge Applicable to Rate Schedules
 RSG, GSG, LVG, SLG, TSG-F, TSG-NF and CSG..... Sheet No. 58
 Commodity Charge Applicable to Rate Schedule RSG Off-Peak Use..... Sheet No. 59
 Transitional Energy Facility Assessment Unit Tax..... Sheet No. 62

Delivery Rate Schedules as listed below:

	Rate Schedule	Sheet Nos.
Residential Service	RSG	65-69
General Service	GSG	72-76
Large Volume Service.....	LVG	79-84
Street Lighting Service.....	SLG	87-90
Firm Transportation Gas Service.....	TSG-F	93-96
Non-Firm Transportation Gas Service.....	TSG-NF	99-103
Cogeneration Interruptible Service	CIG	107-111
Contract Service	CSG	112-112F
 Third Party Supplier Requirements.....		 114-121

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 80 Park Plaza, Newark, New Jersey 07102
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PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 36

B.P.U.N.J. No. 15 GAS

Superseding

XXX Revised Sheet No. 36

STANDARD TERMS AND CONDITIONS
(Continued)

16. NEW JERSEY AUTHORIZED EXEMPTIONS

The following exemptions are authorized by the State of New Jersey and are applied in accordance with P.L. 2011, c.9 (the "Long Term Capacity Agreement Pilot Program", "LCAPP Legislation"). The exemptions take effect January 28, 2011.

16.1 Exemptions due to LCAPP Legislation: Electric generators who use natural gas to generate electricity that is sold for resale will be exempt from a societal benefits charge pursuant to N.J.S.A. 48:3-60 or any other charge designed to recover the costs for social, energy efficiency, conservation, environmental or renewable energy on natural gas delivery service or commodity that is used to generate electricity that is sold for resale. This exemption includes the Societal Benefits Charge (SBC) and the Green Programs Recovery Charge (GPRC). Each customer's exemption will be effective upon completion of an Annual Certification form.

- a) The Annual Certification form shall be a prerequisite for the exemption and shall be furnished to customers of record in December and returned to Public Service by the customer no later than January 15th of each year. The Annual Certification form shall certify the percentage of gas used at their New Jersey generation facilities during the immediately preceding calendar year to generate electricity that was sold for resale. This Certification will serve as the percentage of the customers' throughput that will be exempt from the SBC and the Green Programs Recovery Charge. This Certification will then be used for the succeeding annual period commencing in February. If the customer fails to return the form, then the SBC and the Green Programs Recovery Charge will be assessed on all of the customer's usage until a completed Annual Certification form is received to be effective after the next subsequent meter reading. If the customer returns a completed Annual Certification Form on or before January 15, then adjustments to customer's bills to reflect changes in the percentage of gas used to generate electricity for resale will be made on a prospective basis beginning in February.

17. TERMINATION, CHANGE OR MODIFICATION OF PROVISIONS OF TARIFF

This tariff is subject to the lawful orders of the Board of Public Utilities of the State of New Jersey.

Public Service may at any time and in any manner permitted by law, and the applicable rules and regulations of the Board of Public Utilities of the State of New Jersey, terminate, or change or modify by revision, amendment, supplement, or otherwise, this Tariff or any part thereof, or any revision or amendment hereof or supplement hereto.

Date of Issue:

Issued by DANIEL J. CREGG, Vice President Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102
Filed pursuant to Order of Board of Public Utilities
in Docket No.

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PUBLIC SERVICE ELECTRIC AND GAS COMPANY

**XXX Revised Sheet No. 44
Superseding**

B.P.U.N.J. No. 15 GAS

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	\$0.001537
Energy Efficiency Economic Stimulus Program.....	0.004000
Energy Efficiency Economic Extension Program.....	<u>0.001162</u>
RGGI Recovery Charge	\$0.006699
RGGI Recovery Charge including New Jersey Sales and Use Tax (SUT)	<u>\$0.007168</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:

Issued by DANIEL J. CREGG, Vice President Finance – PSE&G
80 Park Plaza, Newark, New Jersey 07102
Filed pursuant to Order of Board of Public Utilities dated
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PUBLIC SERVICE ELECTRIC AND GAS COMPANY

B.P.U.N.J. No. 15 GAS

**XXX Revised Sheet No. 47
Superseding
XXX Revised Sheet No. 47**

**WEATHER NORMALIZATION CHARGE
(Continued)**

II. DETERMINATION OF THE WEATHER NORMALIZATION RATE

At the end of the Winter Period during the Annual Period, a calculation shall be made that determines for all months of the Winter Period the level by which margin revenues differed from what would have resulted if normal weather (as determined by reference to the Degree Day Dead Band) occurred. This calculation is made by multiplying the monthly Degree Day Consumption Factor by the difference between Normal Calendar Month Degree Days as adjusted for the Degree Day Dead Band, and Actual Calendar Month Degree Days and, in turn, multiplying the result by the Margin Revenue Factor. To the extent the Actual Calendar Month Degree Days exceeds Normal Calendar Month Degree Days as adjusted for the Degree Day Dead Band, an excess of margin revenues exist. To the extent Actual Calendar Month Degree Days were less than Normal Calendar Month Degree Days as adjusted for the Degree Day Dead Band, a deficiency of marginal revenue exists. The sum of the monthly calculations represents the total revenue excess or deficiency for the Winter Period. If, at the end of the Winter Period of the Annual Period, the degree day variation from normal weather is less than the Degree Day Dead Band, the weather normalization clause will not be in effect.

The WNC shall not operate to permit the Company to recover any portion of a margin revenue deficiency that will cause the Gas Utility to earn in excess of its allowed rate of return on common equity of 10.3% for the Annual Period; any portion which is not recovered shall not be deferred. For purposes of this section, the Gas Utility's rate of return on common equity shall be calculated by dividing the Gas Utility's regulated jurisdictional net income for the Annual Period by the Gas Utility's average 13 month common equity balance for such Annual Period. The Gas Utility's regulated jurisdictional net income shall be calculated by subtracting from total net income of the Gas Utility net income derived from clause mechanisms (Green Programs Recovery Charge, Capital Adjustment Charge, etc) that provide for a return on investment outside of base rates.

The total WNC balance at September 30 of the Annual Period shall be divided by the estimated applicable balancing therm sales from the rate schedules subject to this clause for the Annual Period over which this rate will be in effect, multiplied by a factor to adjust for increases in taxes and assessments. The product of this calculation shall be the Weather Normalization Charge. However, the Weather Normalization Charge will at no time exceed three (3%) percent of the then applicable RSG total per therm rate, including RSG-BGSS charges and 63.10% of the Balancing Charge. To the extent that the effect of this rate cap precludes the Company from fully recovering the WNC balance for the Annual Period, the unrecovered balance will be added to the WNC balance used to calculate the weather normalization rate for the next Winter Period. The Weather Normalization Charge, so calculated, will be in effect for the immediately following Annual Period.

III. TRACKING THE OPERATION OF THE WEATHER NORMALIZATION CLAUSE

The revenues billed, or credits applied, net of taxes and assessments, through the application of the Weather Normalization Charge shall be accumulated for each month of the Winter Period when this charge is in effect and applied against the margin revenue excess or deficiency from the immediately preceding Winter Period and any cumulative balances remaining from prior Winter Periods.

The annual filing for the adjustment to the weather normalization charge will be filed by July 1 of each year.

Date of Issue:

Issued by DANIEL J. CREGG, 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:

Modification to each Gas Rate Schedule under Delivery Charges:

GREEN PROGRAMS RECOVERY CHARGE

This charge is designed to recover the revenue requirements associated with the PSE&G Green Programs. Refer to the Green Programs Recovery Charge sheet of this Tariff for the current charge.

Modification in RSG, GSG and LVG Rate Schedules under Delivery Charges after Weather Normalization Charge:

RSG

The Societal Benefits Charge, the Margin Adjustment Charge and the Green Programs Recovery Charge will be combined with the Distribution Charge for billing.

GSG and LVG

The Societal Benefits Charge, the Margin Adjustment Charge and the Green Programs Recovery Charge will be combined for billing.

Modification in SLG, TSG-F, TSG-NF and CIG Rate Schedules under Delivery Charges after Green Programs Recovery Charge:

SLG and TSG-F

The Societal Benefits Charge, the Margin Adjustment Charge and the Green Programs Recovery Charge will be combined for billing.

TSG-NF and CIG

The Societal Benefits Charge and the Green Programs Recovery Charge will be combined for billing.

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, and Energy Efficiency Economic Extension Program 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:
170	1,600	\$317.52	\$317.48	(\$0.04)	(0.01%)
415	3,900	731.84	731.80	(0.04)	(0.01)
780	7,360	1,364.80	1,364.64	(0.16)	(0.01)
803	7,800	1,445.32	1,445.18	(0.14)	(0.01)
1,320	12,400	2,301.32	2,301.04	(0.28)	(0.01)

- (1) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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, and Energy Efficiency Economic Extension Program 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:
1,600	170	\$32.90	\$32.89	(\$0.01)	(0.03%)
3,900	415	76.78	76.77	(0.01)	(0.01)
7,360	780	144.56	144.54	(0.02)	(0.01)
7,800	803	149.00	148.98	(0.02)	(0.01)
12,400	1,320	248.47	248.44	(0.03)	(0.01)

- (3) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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, and Energy Efficiency Economic Extension Program 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 and Energy Efficiency Economic Extension Program 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	212	\$275.45	\$275.39	(\$0.06)	(0.02%)
50	424	478.90	478.78	(0.12)	(0.03)
100	660	722.27	722.05	(0.22)	(0.03)
159	1,000	1,062.16	1,061.82	(0.34)	(0.03)
160	1,050	1,107.06	1,106.74	(0.32)	(0.03)
200	1,312	1,365.61	1,365.11	(0.50)	(0.04)
300	1,972	2,015.90	2,015.24	(0.66)	(0.03)

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2013 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 and Energy Efficiency Economic Extension Program 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:
212	25	\$30.56	\$30.55	(\$0.01)	(0.03%)
424	50	55.12	55.11	(0.01)	(0.02)
660	100	106.85	106.82	(0.03)	(0.03)
1,050	160	167.43	167.38	(0.05)	(0.03)
1,312	200	207.81	207.74	(0.07)	(0.03)
1,972	300	308.66	308.56	(0.10)	(0.03)

- (3) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2013 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 and Energy Efficiency Economic Extension Program components of the GPRC.

TYPICAL RESIDENTIAL ELECTRIC BILL IMPACTS

The effect of the proposed change in the Carbon Abatement Program 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:
170	1,600	\$317.52	\$317.48	(\$0.04)	(0.01%)
415	3,900	731.84	731.68	(0.16)	(0.02)
780	7,360	1,364.80	1,364.52	(0.28)	(0.02)
803	7,800	1,445.32	1,444.98	(0.34)	(0.02)
1,320	12,400	2,301.32	2,300.76	(0.56)	(0.02)

- (1) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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:
1,600	170	\$32.90	\$32.89	(\$0.01)	(0.03%)
3,900	415	76.78	76.76	(0.02)	(0.03)
7,360	780	144.56	144.53	(0.03)	(0.02)
7,800	803	149.00	148.96	(0.04)	(0.03)
12,400	1,320	248.47	248.41	(0.06)	(0.02)

- (3) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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 Carbon Abatement Program component 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	212	\$275.45	\$275.23	(\$0.22)	(0.08%)
50	424	478.90	478.50	(0.40)	(0.08)
100	660	722.27	721.61	(0.66)	(0.09)
159	1,000	1,062.16	1,061.16	(1.00)	(0.09)
160	1,050	1,107.06	1,105.98	(1.08)	(0.10)
200	1,312	1,365.61	1,364.25	(1.36)	(0.10)
300	1,972	2,015.90	2,013.88	(2.02)	(0.10)

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2013 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:
212	25	\$30.56	\$30.53	(\$0.03)	(0.10%)
424	50	55.12	55.07	(0.05)	(0.09)
660	100	106.85	106.75	(0.10)	(0.09)
1,050	160	167.43	167.27	(0.16)	(0.10)
1,312	200	207.81	207.60	(0.21)	(0.10)
1,972	300	308.66	308.35	(0.31)	(0.10)

- (3) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2013 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 Energy Efficiency Economic Stimulus Program 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:
170	1,600	\$317.52	\$317.52	\$0.00	0.00%
415	3,900	731.84	731.84	0.00	0.00
780	7,360	1,364.80	1,364.76	(0.04)	0.00
803	7,800	1,445.32	1,445.25	(0.07)	0.00
1,320	12,400	2,301.32	2,301.20	(0.12)	(0.01)

- (1) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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:
1,600	170	\$32.90	\$32.90	\$0.00	0.00%
3,900	415	76.78	76.78	0.00	0.00
7,360	780	144.56	144.55	(0.01)	(0.01)
7,800	803	149.00	148.99	(0.01)	(0.01)
12,400	1,320	248.47	248.46	(0.01)	0.00

- (3) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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 Energy Efficiency Economic Stimulus Program component 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	212	\$275.45	\$275.51	\$0.06	0.02%
50	424	478.90	479.08	0.18	0.04
100	660	722.27	722.55	0.28	0.04
159	1,000	1,062.16	1,062.56	0.40	0.04
160	1,050	1,107.06	1,107.44	0.38	0.03
200	1,312	1,365.61	1,366.09	0.48	0.04
300	1,972	2,015.90	2,016.68	0.78	0.04

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2013 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:
212	25	\$30.56	\$30.57	\$0.01	0.03%
424	50	55.12	55.14	0.02	0.04
660	100	106.85	106.89	0.04	0.04
1,050	160	167.43	167.49	0.06	0.04
1,312	200	207.81	207.89	0.08	0.04
1,972	300	308.66	308.77	0.11	0.04

- (3) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2013 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 Demand Response Program 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:
170	1,600	\$317.52	\$317.24	(\$0.28)	(0.09%)
415	3,900	731.84	731.28	(0.56)	(0.08)
780	7,360	1,364.80	1,363.68	(1.12)	(0.08)
803	7,800	1,445.32	1,444.10	(1.22)	(0.08)
1,320	12,400	2,301.32	2,299.36	(1.96)	(0.09)

- (1) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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:
1,600	170	\$32.90	\$32.87	(\$0.03)	(0.09%)
3,900	415	76.78	76.72	(0.06)	(0.08)
7,360	780	144.56	144.44	(0.12)	(0.08)
7,800	803	149.00	148.87	(0.13)	(0.09)
12,400	1,320	248.47	248.26	(0.21)	(0.08)

- (3) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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 Solar Generation Investment Program (Solar 4 All) 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:
170	1,600	\$317.52	\$317.40	(\$0.12)	(0.04%)
415	3,900	731.84	731.68	(0.16)	(0.02)
780	7,360	1,364.80	1,364.48	(0.32)	(0.02)
803	7,800	1,445.32	1,444.94	(0.38)	(0.03)
1,320	12,400	2,301.32	2,300.68	(0.64)	(0.03)

- (1) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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:
1,600	170	\$32.90	\$32.89	(\$0.01)	(0.03%)
3,900	415	76.78	76.76	(0.02)	(0.03)
7,360	780	144.56	144.52	(0.04)	(0.03)
7,800	803	149.00	148.96	(0.04)	(0.03)
12,400	1,320	248.47	248.41	(0.06)	(0.02)

- (3) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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 Solar Loan II Program 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:
170	1,600	\$317.52	\$317.80	\$0.28	0.09%
415	3,900	731.84	732.56	0.72	0.10
780	7,360	1,364.80	1,366.16	1.36	0.10
803	7,800	1,445.32	1,446.74	1.42	0.10
1,320	12,400	2,301.32	2,303.56	2.24	0.10

(1) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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:
1,600	170	\$32.90	\$32.93	\$0.03	0.09%
3,900	415	76.78	76.86	0.08	0.10
7,360	780	144.56	144.70	0.14	0.10
7,800	803	149.00	149.14	0.14	0.09
12,400	1,320	248.47	248.71	0.24	0.10

(3) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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 Energy Efficiency Economic Extension Program 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:
170	1,600	\$317.52	\$317.64	\$0.12	0.04%
415	3,900	731.84	732.08	0.24	0.03
780	7,360	1,364.80	1,365.20	0.40	0.03
803	7,800	1,445.32	1,445.72	0.40	0.03
1,320	12,400	2,301.32	2,301.92	0.60	0.03

- (1) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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:
1,600	170	\$32.90	\$32.91	\$0.01	0.03%
3,900	415	76.78	76.80	0.02	0.03
7,360	780	144.56	144.60	0.04	0.03
7,800	803	149.00	149.04	0.04	0.03
12,400	1,320	248.47	248.54	0.07	0.03

- (3) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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 Energy Efficiency Economic Extension Program component 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	212	\$275.45	\$275.47	\$0.02	0.01%
50	424	478.90	479.06	0.16	0.03
100	660	722.27	722.43	0.16	0.02
159	1,000	1,062.16	1,062.45	0.29	0.03
160	1,050	1,107.06	1,107.40	0.34	0.03
200	1,312	1,365.61	1,365.99	0.38	0.03
300	1,972	2,015.90	2,016.50	0.60	0.03

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2013 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:
212	25	\$30.56	\$30.56	\$0.00	0.00%
424	50	55.12	55.14	0.02	0.04
660	100	106.85	106.88	0.03	0.03
1,050	160	167.43	167.48	0.05	0.03
1,312	200	207.81	207.87	0.06	0.03
1,972	300	308.66	308.75	0.09	0.03

- (3) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2013 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.

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 CHARGES AND ITS GAS GREEN PROGRAMS RECOVERY CHARGES; (“2013 PSE&G Green Programs Cost Recovery Filing”)

Notice of a Filing And Notice of Public Hearings BPU Docket No. 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 2013 requesting a resetting of the Company’s Electric and Gas RGGI Recovery Charges (hereinafter referred to as the Green Programs Recovery Charges or “GPRC”). Approval of this filing would decrease rates to be paid by the Company’s electric customers by \$0.7 million annually and would decrease rates to be paid by the Company’s gas customers by \$0.8 million annually. 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 and Energy Efficiency Economic Extension Program for both Electric and Gas, and for Electric only, the Demand Response Program, Solar Generation Investment Program (Solar 4 All) and Solar Loan II Program. The proposed electric and gas GPRC, if approved by the Board, are shown in Table #1.

The approximate effect of the proposed increase on typical electric and gas residential monthly bills, if approved by the Board, is illustrated in Tables # 2 and 3.

Based on the filing, a typical residential electric customer using 780 kilowatthours per summer month and 7,360 kilowatthours on an annual basis would see a decrease in the annual bill from \$1,364.80 to \$1,364.64, or \$0.16 or approximately 0.01%.

Under the Company’s proposal, a residential gas heating customer using 100 therms per month during the winter months and 660 therms on an annual basis would see a decrease in the annual bill from \$722.27 to \$722.05, or \$0.22 or approximately 0.03%. Moreover, under the Company’s proposal, a typical residential gas heating customer using 160 therms per month during the winter months and 1,050 therms on an annual basis would see an increase in the annual bill from \$1,107.06 to \$1,106.74, or \$0.32 or approximately 0.03%.

The Board has the statutory authority pursuant to N.J.S.A. 48:2-21, to establish the RGGI Recovery Charges to levels it finds just and reasonable. Therefore, the Board may establish the RGGI 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 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.

Date 1, 2013	Date 2, 2013	Date 3, 2013
Time 1	Time 2	Time 3
Location 1	Location 2	Location 3
Location 1 Overflow	Location 2 Overflow	Location 3 Overflow
Room 1	Room 2	Room 3
Room 1 Overflow	Room 2 Overflow	Room 3 Overflow
Address 1	Address 2	Address 3
City 1, N.J. Zip 1	City 2, N.J. Zip 2	City 3, N.J. 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, no less than 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, Ninth Floor, P.O. Box 350, Trenton, New Jersey, 08625-0350 ATTN: Secretary Kristi Izzo whether or not they attend the public hearings.

**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	0.000073	0.000031	0.002657	0.001645
Demand Response Working Group Modified Program	0.000000	0.000000	-	-
Energy Efficiency Economic Stimulus Program	0.000499	0.000490	0.003887	0.004280
Demand Response Program	0.000263	0.000107	-	-
Solar Generation Investment Program (Solar 4 All)	0.001434	0.001386	-	-
Solar Loan II Program	0.000444	0.000626	-	-
Energy Efficiency Economic Extension Program	0.000100	0.000153	0.000939	0.001243
Solar Generation Investment Extension Program(1)	0.000037	0.000037	-	-
Solar Loan III Program(1)	0.000021	0.000021	-	-
Green Programs Recovery Charge (2)	0.002871	0.002852	0.007484	0.007168

(1) Shaded areas reflect components of the GPRC that are not the subject of this proceeding.
(2) 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:
1,600	170	\$32.90	\$32.89	(\$0.01)	(0.03%)
3,900	415	76.78	76.77	(0.01)	(0.01)
7,360	780	144.56	144.54	(0.02)	(0.01)
7,800	803	149.00	148.98	(0.02)	(0.01)
12,400	1,320	248.47	248.44	(0.03)	(0.01)

- (1) Based upon current Delivery Rates and Basic Generation Service Fixed Pricing (BGS-FP) charges in effect June 1, 2013 and assumes that the customer receives BGS-FP 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:
212	25	\$30.56	\$30.55	(\$0.01)	(0.03%)
424	50	55.12	55.11	(0.01)	(0.02)
660	100	106.85	106.82	(0.03)	(0.03)
1,050	160	167.43	167.38	(0.05)	(0.03)
1,312	200	207.81	207.74	(0.07)	(0.03)
1,972	300	308.66	308.56	(0.10)	(0.03)

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS-RSG) charges in effect June 1, 2013 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).

**Alexander C. Stern, Esq.
Assistant General Regulatory Counsel**

PUBLIC SERVICE ELECTRIC AND GAS COMPANY