

NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY ELECTRIC CUSTOMERS

NOTICE OF FILING AND PUBLIC HEARINGS FOR BASIC GENERATION SERVICE (BGS) CHARGES PROCURED BY PUBLIC SERVICE ELECTRIC AND GAS COMPANY ON BEHALF OF ITS BGS CUSTOMERS AND

NOTICE OF PROPOSED RECOVERY THROUGH ITS BGS CHARGES OF COSTS RESULTING FROM STATEWIDE AUCTION FOR BGS

BPU DOCKET NO. ER23030124

PLEASE TAKE NOTICE that on June 30, 2023, Public Service Electric and Gas Company ("PSE&G" or "Company") filed an annual "Proposal for Basic Generation Service ("BGS") Requirements to be Procured Effective June 1, 2024" with the New Jersey Board of Public Utilities ("Board" or "BPU"), and on July 3, 2023, filed PSE&G's Company Specific Addendum thereto, collectively requesting that the Board approve the procurement of BGS through a statewide competitive auction process with new BGS charges to become effective June 1, 2024 ("Petition"). BGS is the electric generation supply provided to all PSE&G customers who do not purchase their electricity from a third-party supplier.

The Board mandates that the New Jersey Electric Distribution Companies ("EDCs"), including PSE&G, provide BGS in accordance with the requirements of the Electric Discount and Energy Competition Act N.J.S.A. 48:3-49, et seq. ("Act"). BGS is currently procured through a statewide competitive auction process in which all of the EDCs seek competitive offers for BGS supply from electric generation suppliers. In this auction process, electric generation suppliers bid in a descending-clock auction on specified portions of the electric requirements for BGS customers for each of the EDCs. Since 2001, the Board has approved this type of auction and found that this process meets the statutory requirements of the Act. The Company's Petition is available at <https://www.bgs-auction.com/bgs.auction.regproc.asp>.

The final price for PSE&G Basic Generation Service – Residential Small Commercial Pricing ("BGS-RSCP") supply resulting from the BGS-RSCP auction conducted in 2023 was \$0.09311 per kilowatt-hour, for a 36-month supply period. For the Basic Generation Service – Commercial and Industrial Energy Pricing ("BGS-CIEP") auction conducted in 2023, the Generation Capacity Charge cleared at \$330.72 per MW-day.

The final auction clearing prices for the BGS supply procured in the 2024 BGS-RSCP and BGS-CIEP auctions may be higher or lower than the prices obtained in the 2023 auctions. Auction prices are converted to customer charges, which may be higher or lower than current charges, depending on the outcome of the auction consistent with market conditions. BGS rates also include applicable transmission charges set by the Federal Energy Regulatory Commission ("FERC"). BGS-RSCP and BGS-CIEP rates may change to reflect any increases or decreases in these FERC-approved transmission charges.

Under the Petition, the criteria for BGS-CIEP eligibility would be set at a peak load share of 500 kW. Customer classes eligible to be served under the BGS-RSCP rate would include customers served under PSE&G's distribution Rate Schedules RS, RHS, RLM, WH, WHS, HS, BPL, BPL-POF, PSAL, GLP and LPL-Secondary with a peak load share of less than 500 kW. Customers served on Rate Schedules HS, GLP and LPL-Secondary may elect to be served at BGS-CIEP as their default supply option. Additionally, PSE&G customers served under distribution Rate Schedules LPL-Primary, HTS-Subtransmission, HTS-Transmission, HTS-High Voltage, and those LPL-Secondary customers with a peak load share of 500 kW or greater are only eligible to be served under BGS-CIEP. These criteria for BGS-CIEP service are subject to change for this year's procurement at the discretion of the Board.

PLEASE TAKE FURTHER NOTICE that a virtual public hearing is scheduled on the following date and time so that members of the public may present their views on the Petition.

VIRTUAL PUBLIC HEARING

Date: Monday, September 18, 2023
Time: 4:30 p.m.

Dial In: Join Zoom Meeting (<https://pseg.zoom.us/j/92846158128?pwd=cZtZHE5ZTh1Z1FveGlmSVg0R1NuQT09#success>)

Go to www.zoom.com and choose "Join a Meeting" at the top of the web page. When prompted, use Meeting number 928 4615 8128 to access the meeting.

-or-

Join by phone (toll-free):

Dial In: (888) 475-4499

Meeting ID: 928 4615 8128

When prompted, enter the Meeting ID number to access the meeting.

Representatives of the Company, Board Staff, and the New Jersey Division of Rate Counsel will participate in the virtual public hearing. Members of the public are invited to participate by utilizing the link or dial-in information set forth above and may express their views on this filing. All comments will be made part of the final record of the proceeding to be considered by the Board. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, at least 48 hours prior to the above hearing to the Board Secretary at board.secretary@bpu.nj.gov.

Comments may be submitted directly to the specific docket listed above using the "Post Comments" button on the Board's Document Search tool, <https://publicaccess.bpu.state.nj.us>. Comments are considered "public documents" for purposes of the State's Open Public Records Act. Only submit public documents using the "Post Comments" button on the Board's Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. In addition to hard copy submissions, confidential information may be filed electronically via the Board's e-filing system or by email to the Secretary of the Board, Sherri L. Golden. Please include "Confidential Information" in the subject line of any email. Instructions for confidential e-filing are found on the Board's webpage, <https://www.nj.gov/bpu/agenda/efiling/>. Please include the docket number listed above to assist in identifying the matter you are commenting on.

Emailed and/or written comments may also be submitted to:

Sherri L. Golden, Secretary of the Board
44 South Clinton Ave., 1st Floor
PO Box 350
Trenton, NJ 08625-0350
Phone: 609-913-6241
Email: board.secretary@bpu.nj.gov

PLEASE TAKE FURTHER NOTICE that the Board will conduct an additional legislative-type hearing on Monday, September 18, 2023, beginning at 10:00 a.m., regarding the BGS proposals. It is anticipated that the Board will rule on the EDCs' BGS proposals shortly thereafter. The Board's hearing schedules can be found at nj.gov/bpu.



PUBLIC SERVICE ELECTRIC AND GAS COMPANY