

**NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY ELECTRIC CUSTOMERS
IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF ELECTRIC BASE
RATE ADJUSTMENTS PURSUANT TO THE ENERGY STRONG PROGRAM (SEPTEMBER 2017 ES ELECTRIC RATES FILING)**

Notice of a Filing and Notice of Public Hearings | Docket No. ER17101027

TAKE NOTICE that on September 29, 2017, Public Service Electric and Gas Company (Public Service, PSE&G, the Company) filed a Petition and supporting documentation with the New Jersey Board of Public Utilities (Board, BPU) seeking Board approval for electric base rate changes to provide for cost recovery associated with the Company's Energy Strong Program (Energy Strong).

On May 21, 2014, the Board issued an Order approving Energy Strong in Docket Nos. EO13020155 and GO13020156. The Order provided approval to invest up to \$1.0 billion, recovered through future base rate adjustments, to harden its electric infrastructure to make them less susceptible to damage from wind, flying debris and water damage in anticipation of future major storm events and to strengthen the resiliency of PSE&G's delivery system. These investments are anticipated to be made over a three-year period beginning on the effective date of the Board's order, with certain investments anticipated to be made over a five-year period.

Under the Company's proposal, PSE&G seeks Board approval to recover in base rates an estimated annual revenue increase associated with the capitalized investment costs of Energy Strong incurred through November 30, 2017, of approximately \$8.8 million from the Company's electric customers.

For illustrative purposes the estimated Base Rates effective March 1, 2018, including New Jersey Sales and Use Tax (SUT) for residential Rate Schedule RS are shown in Table #1.

Table #2 provides customers with the approximate impact of the proposed increase in rates relating to Energy Strong, if approved by the Board. The annual percentage increase applicable to specific customers will vary according to the applicable rate schedule and the level of the customer's usage.

Under the Company's proposal, a typical residential electric customer using 750 kilowatt-hours per summer month and 7,200 kilowatt-hours on an annual basis would see an increase in the annual bill from \$1,259.04 to \$1,261.32, or \$2.28 or approximately 0.18%. The approximate effect of the proposed increase on typical electric residential monthly bills, if approved by the Board, is illustrated in Table #3.

Any rate adjustments with resulting changes in bill impacts found by the Board to be just and reasonable as the result of the Company's filing may be modified and/or allocated by the Board in accordance with the provisions of N.J.S.A 48:2-21 and for other good and legally sufficient reasons to any class or classes of customers of the Company. Therefore, the described charges may increase or decrease based upon the Board's decision.

Copies of the Company's filing are available for review at the Company's Customer Service Centers, online at the PSEG website at <http://www.pseg.com/pseandgfilings>, 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 have been scheduled on the Company's filing so that members of the public may present their views.

Information provided at the public hearings will become part of the record of this case and will be considered by the Board in making its decision.

November 30, 2017 4:00 and 5:30 PM Bergen County Administration Building Freeholders Public Meeting Room Room 540 1 Bergen County Plaza Hackensack, NJ 07601	December 7, 2017 4:00 and 5:30 PM Burlington County Administration Building Board of Chosen Freeholders Board Room 1 st Floor 49 Rancocas Road Mt. Holly, NJ 08060	December 11, 2017 4:00 and 5:30 PM Middlesex County Administration Building Freeholders Meeting Room 1 st Floor Meeting Room 75 Bayard Street New Brunswick, NJ 08901
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In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters, listening devices or mobility assistance, 48 hours prior to the above hearings to the Board's Secretary at the following address.

Customers may also file written comments with the Secretary of the Board of Public Utilities at 44 South Clinton Avenue, Third Floor, Suite 314, P.O. Box 350, Trenton, New Jersey, 08625-0350 ATTN: Secretary Irene Kim Asbury whether or not they attend the public hearings. To review PSE&G's rate filing, visit <http://www.pseg.com/pseandgfilings>.

**Table #1 - ELECTRIC BASE RATES For Residential Customers Rates
If Effective March 1, 2018**

Electric			Base Rates	
			Charges in Effect September 1, 2017 Including SUT	Proposed Charges in Effect March 1, 2018 Including SUT
RS	Service Charge	per month	\$2.43	\$2.43
	Distribution 0-600, June-September	\$/kWh	0.042326	0.043089
	Distribution 0-600, October-May	\$/kWh	0.035636	0.035636
	Distribution over 600, June- September	\$/kWh	0.046409	0.047172
	Distribution over 600, October-May	\$/kWh	0.035636	0.035636

**Table #2 - Proposed Percentage Change By Customer Class For Electric Service
For Rates If Effective March 1, 2018**

Electric		
	Rate Class	Percent Change
Residential	RS	0.18%
Residential Heating	RHS	0.18
Residential Load Management	RLM	0.15
Water Heating	WH	0.32
Water Heating Storage	WHS	0.04
Building Heating	HS	0.23
General Lighting & Power	GLP	0.16
Large Power & Lighting- Sec.	LPL-S	0.12
Large Power & Lighting- Pri.	LPL-P	0.10
High Tension-Subtr.	HTS-S	0.06
High Tension-HV	HTS-HV	0.06
Body Politic Lighting	BPL	0.56
Body Politic Lighting-POF	BPL-POF	0.21
Private Street & Area Lighting	PSAL	0.56
Overall		0.16

The percent increases noted above are based upon September 1, 2017, Delivery Rates, the applicable Basic Generation Service (BGS) charges, and assumes that customers receive commodity service from Public Service Electric and Gas Company.

Table #3 - Residential Electric Service For Rates If Effective March 1, 2018

If Your Annual kWh Use Is:	And Your Monthly Summer kWh Use Is:	Then Your Present Monthly Summer Bill (1) Would Be:	And Your Proposed Monthly Summer Bill (2) Would Be:	Your Monthly Summer Bill Increase Would Be:	And Your Monthly Summer Percent Increase Would Be:
1,920	200	\$37.15	\$37.30	\$0.15	0.40%
4,320	450	80.55	80.89	0.34	0.42
7,200	750	134.70	135.27	0.57	0.42
7,800	803	144.64	145.25	0.61	0.42
13,160	1,360	249.04	250.07	1.03	0.41

(1) Based upon Delivery Rates and Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) charges in effect September 1, 2017, and assumes that the customer receives BGS-RSCP service from Public Service Electric and Gas Company.

(2) Same as (1) except includes the proposed change for the Energy Strong Program.