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February 23, 2016

**VIA CERTIFIED MAIL**

Mayor and Council  
Borough of Glen Ridge  
825 Bloomfield Avenue  
Glen Ridge, New Jersey 07028

Re: Passaic Valley Sewerage Commission User Charges Issue

Dear Mayor and Governing Body Members:

The Passaic Valley Sewerage Commission ("PVSC") recently became aware of an issue relative to its calculation of municipal user charges for the period 2011 through 2015. In short, due to a data entry error that occurred when the Township of North Bergen was incorporated into the PVSC system in October 2010, North Bergen was undercharged and PVSC's other contributing municipalities collectively overpaid user charges in the same amount as North Bergen's underpayment over the period 2011 through 2015. As outlined in the enclosed spreadsheet, the amount of the overpayment by your municipality to PVSC is \$13,425.91.

On behalf of PVSC's newly-constituted Board of Commissioners, please know that PVSC sincerely regrets and accepts full responsibility for this error. Rest assured that the Board of Commissioners is committed to reimbursing all of PVSC's contributing municipalities in short order. To that end, the Board will consider a resolution authorizing a payment to your municipality in the above amount at its March 10, 2016, Public Meeting.

**Background**

On March 9, 2006, PVSC entered into an agreement with the Township of North Bergen and the North Bergen Municipal Utilities Authority (collectively, "North Bergen") pursuant to which PVSC agreed to accept and treat North Bergen's wastewater. Thereafter, PVSC began to treat North Bergen's wastewater on October 6, 2010.

PVSC allocates non-direct (residential and light commercial) municipal user charges based on a five-year rolling average and a flow measurement year that runs from October 1<sup>st</sup> through September 30<sup>th</sup>. The calendar year 2011 municipal user charges calculated by PVSC were based on the average flow of measurement years 2006 through 2010. As North Bergen did not send its sewage to PVSC for treatment during measurement years 2006 through 2010, PVSC had to input

North Bergen's historical flows for those years into its User Charge computer program in order to simulate a five-year average for North Bergen. Although PVSC staff was able to enter the North Bergen historical flow data for measurement years 2006 through 2009, a computer system data integrity control prevented staff from inputting data for measurement year 2010 since measurement year 2010 was ongoing at that time. Thus, PVSC staff forwarded the data to its computer support consultant and requested that the consultant input the data after the close of the measurement year. Unfortunately, the consultant did not input the data as directed, an error for which PVSC accepts full responsibility.

As a result, beginning in calendar year 2011 and continuing through calendar year 2015, North Bergen's non-direct user charges were calculated based on a five-year average with only four measurement years of data. The error did not become apparent until PVSC calculated the calendar year 2016 user charges (based on measurement years 2011 through 2015), at which time measurement year 2010 data was no longer being used in the five-year average. This resulted in an apparent spike in North Bergen's user charges in 2016 as compared to 2015, which prompted a detailed analytical review of all user charge billings and, in turn, ultimately revealed the fact of the missing measurement year 2010 data.

### **Remedy**

PVSC's first priority is to reimburse all of its contributing municipalities for user charge overpayments over the period 2011 through 2015. A resolution authorizing the reimbursement of the pertinent amounts will be considered at the Board of Commissioners' March 10, 2016, Public Meeting. We anticipate that all payments will be issued that day upon approval by the Board.

Please be assured that PVSC has exhaustively reviewed and verified its system data to ensure that user charge invoices for 2016 were accurately prepared. Furthermore, PVSC intends to retain a computer consultant to evaluate and install additional system safeguards in PVSC's User Charge computer program to flag any data entry errors going forward and prevent a similar issue in the future. Finally, PVSC has begun to explore the next generation computer system that will eventually replace PVSC's legacy software program.

PVSC will continue to take all appropriate steps to remedy this issue as quickly as possible. Please do not hesitate to contact me if you have any questions about the foregoing. Thank you.

Very truly yours,



Gregory A. Tramontozzi  
Executive Director

Enclosure

cc: Michael Rohal, Glen Ridge Municipal Clerk (via e-mail (mjrohal@glenridgenj.org))



February 22, 2016

**FRESHWATER WETLANDS STATEWIDE GENERAL PERMIT #1 APPLICATION  
NOTICE TO COUNTY AND MUNICIPAL OFFICIALS**

**RE: NJDEP DIVISION OF LAND USE REGULATION PROGRAM APPLICATION  
SUBMITTED BY PUBLIC SERVICE ELECTRIC AND GAS COMPANY (PSE&G) IN  
SUPPORT OF REPAIR, REPLACEMENT AND MAINTENANCE OF NATURAL GAS  
DISTRIBUTION AND TRANSMISSION MAINS IN PUBLIC RIGHTS-OF-WAY**

**REGARDING PROPERTY WITHIN THE ENTIRE PSE&G SERVICE AREA ENCOMPASSING  
15 NEW JERSEY COUNTIES AND THEIR 268 MUNICIPALITIES**

Dear County and Municipal Officials:

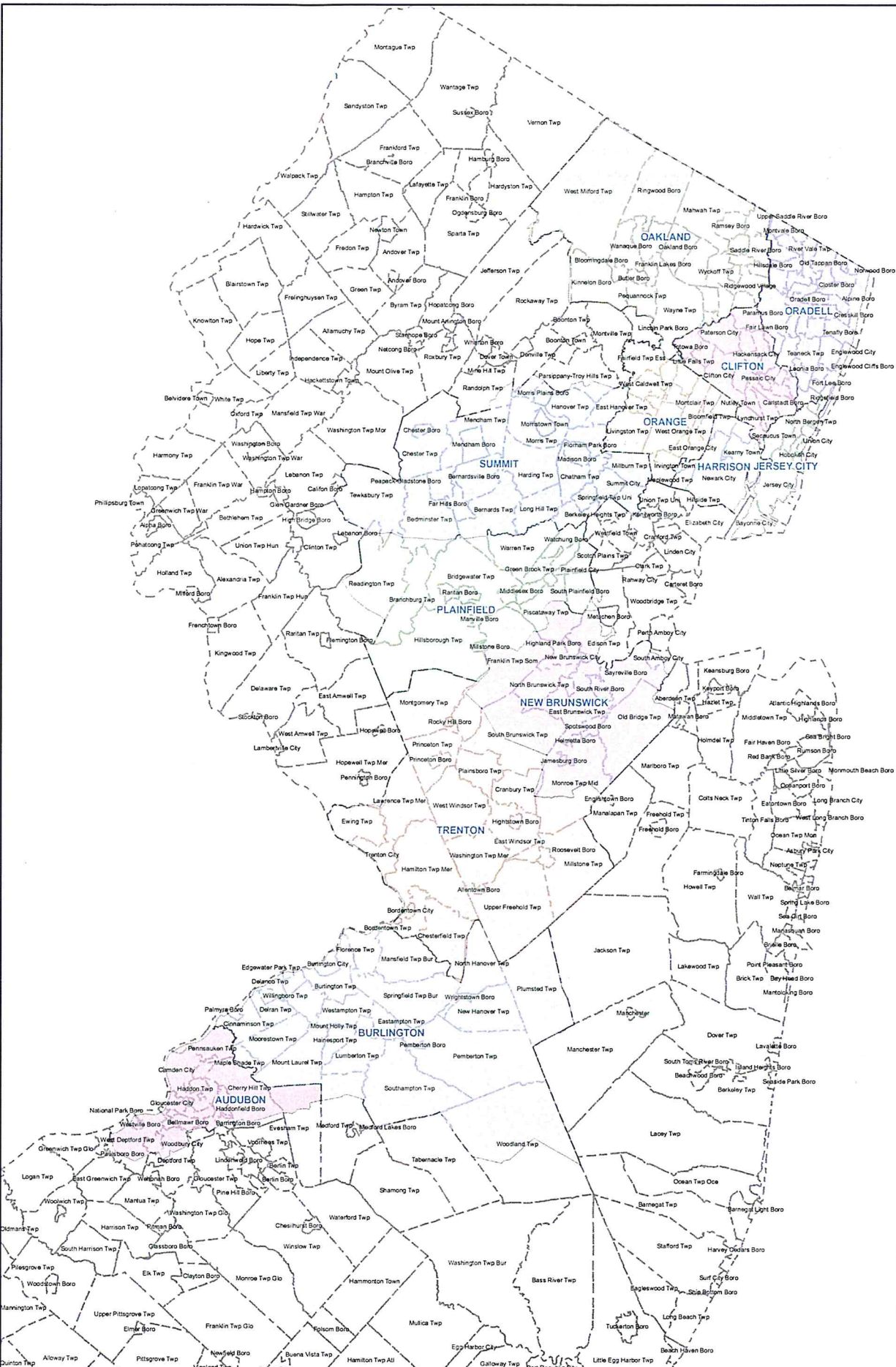
PSE&G is sending you this letter to inform you that PSE&G will be submitting an application for a permit approval to the New Jersey Department of Environmental Protection (NJDEP) under the Freshwater Wetlands Protection Act rules at N.J.A.C. 7:7A. The requested permit approval will authorize PSE&G to conduct regulated activities on the PSE&G Natural Gas Distribution and Transmission Mains in Public Rights-of-Way.

The approval will authorize PSE&G to conduct regulated repair, replacement and maintenance activities on existing public utility structures within freshwater wetlands and state open waters as an integral part of PSE&G's ongoing obligations to provide safe and reliable energy. It will also allow the temporary disturbance of wetlands and state open waters for the purpose of maintenance activities including: access road repair, rehabilitation, replacement, maintenance and/or reconstruction.

The rules governing freshwater wetlands permits and approvals are found in the NJDEP's Freshwater Wetlands Protection Act rules at N.J.A.C. 7:7A. You can view or download these rules on the NJDEP Land Use Regulation Program website at [www.state.nj.us/dep/landuse](http://www.state.nj.us/dep/landuse), or you can find a copy of these rules in the county law library in your county courthouse.

If you would like to inspect a copy of the Freshwater Wetlands Statewide General Permit #1 Application, it will be on file at the Municipal Clerk's Office in all of the municipalities within the PSE&G Natural Gas Distribution and Transmission Service Area; or you can call the NJDEP at (609) 777-0454 to make an appointment to see the application at NJDEP offices in Trenton during normal business hours.

The NJDEP welcomes any comments you may have on the application. If you wish to comment on the application, comments should be submitted to the NJDEP *in writing* within 30 days after



**Gas Service Area**

5

Scale:  
1 inch equals 8 miles  
Printed Date: 12/1/2010

# NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY ELECTRIC AND GAS CUSTOMERS

**IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY TO MODIFY ITS MANUFACTURED GAS PLANT (MGP) REMEDIATION COMPONENT WITHIN ITS ELECTRIC SOCIETAL BENEFITS CHARGE (SBC) AND ITS GAS SBC; DURING THE REMEDIATION ADJUSTMENT CHARGE (RAC) 23 PERIOD, AUGUST 1, 2014, TO JULY 31, 2015**

**Notice of a Filing and Notice of Public Hearings | Docket No. GR15111294 | OAL Docket No. PUC 18642-2015:**

TAKE NOTICE that, on November 5, 2015, 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) in Docket Number GR15111294 requesting an increase in its Manufactured Gas Plant (MGP) Remediation charges, in the Remediation Adjustment Charge (RAC) component of its Societal Benefits Charge (SBC), pursuant to N.J.S.A. 49:2-21 and N.J.S.A. 49:2-21.1. The Company's PAC has been implemented in accordance with prior BPU Orders which allow the Company to recover, through successive 7-year amortizations, reasonable costs incurred in the Company's MGP Program. This Program has been and continues to be carried out under the direction and supervision of the NJDEP. In this filing, the Company seeks an Order finding that its Program costs incurred during the RAC 23 period, August 1, 2014, through July 31, 2015, are reasonable for recovery, and the rates are proposed to be effective on or about March 1, 2016. Included in this filing is one seventh (1/7) of each of RAC 17 through RAC 23 Program costs. The Company requests that the Board increase its current gas RAC rates by \$2.537 million and increase the current electric RAC rates by \$3.185 million, for a total increase of \$5.692 million on an annual basis for customers receiving service under tariff rates.

The new proposed RAC charges for electric and gas customers, if approved by the Board, are shown in Table #1. The allocation to gas contract customers has been incorporated on the basis of the terms of the particular contracts and/or applicable Board Orders, rather than on a volumetric basis.

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 750 kilowatt-hours per summer month and 7,200 kilowatt-hours on an annual basis would see an increase in their annual bill from \$1,231.55 to \$1,231.94, or \$0.20, or approximately 0.02%.

A residential gas heating customer using 133 therms per month during the winter months and 613 therms on an annual basis would see an increase in their annual bill from \$555.17, or \$0.46, or approximately 0.08%. Moreover, under the Company's proposal, a typical residential gas heating customer using 195 therms per month during the winter months and 1,313 therms on an annual basis would see an increase in their annual bill from \$374.15 to \$374.37, or \$0.32, or approximately 0.09%.

The Board has the statutory authority pursuant to N.J.S.A. 49:2-21, to establish the RAC charges to levels it finds just and reasonable. Therefore, the Board may establish the RAC 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, online at the PSE&G Website at <http://www.pseg.com/pseandgfilings> and at the Board of Public Utilities, 44 South Clinton Avenue, Seventh Floor, Trenton, New Jersey 08625-3351.

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.

<b>March 17, 2016</b> 4:30 and 6:30 PM Bergen County Administration Building Learning Center 4th Floor - Room 450 1 Bergen County Plaza Hackensack, New Jersey 07601	<b>March 22, 2016</b> 4:30 and 6:30 PM Middlesex County Administration Building Fredericks Meeting Room 1st Floor Meeting Room 75 Bayard Street New Brunswick, New Jersey 08901	<b>March 24, 2016</b> 4:30 and 6:30 PM Burlington County Administration Building Board of Chosen Freeholders Board Room 1st Floor 49 Parccas Road Mt. Holly, New Jersey 08060
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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 08625-3350, 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 Tariff Rates	Manufactured Gas Plant Remediation Component of the SBC		Total Societal Benefits Charge	
	Present \$/kWhr (Incl. SUT)	Proposed \$/kWhr (Incl. SUT)	Present \$/kWhr (Incl. SUT)	Proposed \$/kWhr (Incl. SUT)
<b>Voltage (Rate Schedule)</b>				
Secondary (RS, RBS, RLM, WH, WHS, HS, GL <sup>3</sup> , LPL-S, BPL, BPL-POF, PS&L)	\$0.000502	\$0.000546	\$0.006544	\$0.008588
Primary (LPL-P)	0.000469	0.000532	0.008402	0.008444
Subtransmission (HTS-S)	0.000478	0.000520	0.008279	0.008320
High Voltage (HTS-HV)	0.000471	0.000513	0.008196	0.008240
<b>Gas Tariff Rates</b>	<b>Present \$/Therm (Incl. SUT)</b>	<b>Proposed \$/Therm (Incl. SUT)</b>	<b>Present \$/Therm (Incl. SUT)</b>	<b>Proposed \$/Therm (Incl. SUT)</b>
Rate Schedule (REG, GSG, LVG, SLG, TSG-F, TSG-NF, CIG)	\$0.009552	\$0.010356	\$0.048635	\$0.049449

**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 Increase Would Be:	And Your Monthly Summer Percent Increase Would Be:
1,920	200	\$30.92	\$30.93	\$0.01	0.03%
4,320	450	04.53	04.52	0.02	0.02
7,200	750	141.27	141.30	0.03	0.02
7,800	803	151.63	151.70	0.04	0.03
13,160	1,360	260.83	260.94	0.06	0.02

(1) Based on present Tariff Rates and Base Gas Supply Service (BSS-BSS) charges in effect November 1, 2015 and assumes that the customer receives BSS-BSS service from Public Service.  
(2) Same as (1) except it does not include the Manufactured Gas Plant Remediation component of SBC.

**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 Increase Would Be:	And Your Monthly Winter Percent Increase Would Be:
180	25	\$25.68	\$25.90	\$0.02	0.08%
360	50	45.69	45.93	0.04	0.09
610	100	86.68	86.96	0.08	0.09
1,010	166	139.57	139.71	0.14	0.10
1,224	200	167.95	168.11	0.16	0.10
1,835	300	248.68	249.22	0.24	0.10

(1) Based on present Delivery Rates and Base Gas Supply Service (BSS-BSS) charges in effect November 1, 2015 and assumes that the customer receives commodity service from Public Service. Does not include any BSS-BSS Bill Credit.  
(2) Same as (1) except it does not include the Manufactured Gas Plant Remediation component of SBC.

Martin C. Rothfeldner  
Associate General Regulatory Counsel

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**