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June 6, 2012

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Informational Filing
Public Service Electric and Gas Company,
Annual True-Up Adjustment, Resubmission
Docket No. ER09-1257-000

Dear Secretary Bose:

Public Service Electric and Gas Company (“PSE&G”), hereby resubmits for informational purposes its annual true-up adjustment (“True-Up Adjustment”) for its transmission formula rate in accordance with its Formula Rate Implementation Protocols (“Protocols”) set forth in Attachment H-10B of the Open Access Transmission Tariff (“OATT”) of PJM Interconnection, L.L.C. (“PJM”).¹

This resubmission supersedes the submission made on June 5, 2012, and is being made solely to correct a value that was inadvertently truncated in the conversion of the Attachment A Excel spreadsheet to PDF form in the June 5, 2012 submission. This resubmission is otherwise identical to the June 5, 2012 submission.

Section 1.b of the Protocols requires PSE&G to annually calculate the true-up of its formula rate on or before June 15th and cause it to be posted on the PJM website (www.PJM.com), and filed with the Commission for informational purposes. In accordance with the Protocols section 1.b, this True-Up Adjustment does not require any Commission action.

¹ PSE&G’s Formula Rate Implementation Protocols were approved by the Commission on September 30, 2008, *Public Service Electric and Gas Company*, 124 FERC ¶ 61,303 (2008), and by *Public Service Electric and Gas Company*, Docket No. ER08-1233-001 (January 13, 2009) (unpublished letter order).

The Honorable Kimberly D. Bose

June 6, 2012

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This 2012 True-Up Adjustment pertains to PSE&G's formula rates in effect for 2011. In accordance with the Protocols, adjustments from this True-Up Adjustment will be incorporated into the Annual Update to be filed by PSE&G on or before October 15, 2012 for its 2013 Rate Year.

As required by section 1.e(i) of the Protocols, this True-Up Adjustment is based upon PSE&G's FERC Form 1 data for the most recent calendar year, and to the extent specified in the Formula Rate, is based upon the books and records of PSE&G consistent with FERC accounting policies. To the extent that PSE&G has used data not otherwise available in the FERC Form 1 for the attached True-Up Adjustment, it has provided supporting documentation as required by section 1.e(ii) of the Protocols.

PSE&G's Annual True-Up Adjustment filing includes two attachments. Attachment A contains a recalculated Appendix A to Attachment H-10A that sets forth PSE&G's ATRR and NITS rate both at page 4. There were no material changes in PSE&G's accounting policies and practices since PSE&G's previous True-Up adjustment filing made on May 26, 2011. Attachment B contains a report for each transmission project listed in PSE&G's formula rate for which the Commission has authorized PSE&G to include CWIP in transmission rate base, in accordance with section 2.b of the Protocols.

As specified in the Protocols, this True-Up Adjustment is subject to review and challenge by Interested Parties. PSE&G is providing this annual True-Up Adjustment to parties identified in the official service list in this docket as well as all Interested Parties who have informed PSE&G that they wish to receive such updates. Additionally, PSE&G has provided this true-up to PJM for posting on its website www.PJM.com.

Thank you for your attention to this informational filing. Please advise if you have any questions.

Very truly yours,

Matthew M. Weissman

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and Gas Company

ATTACHMENT A

Public Service Electric and Gas Company				2011 Actual
ATTACHMENT H-10A				
Formula Rate -- Appendix A		Notes	FERC Form 1 Page # or Instruction	
Shaded cells are input cells				
Allocators				
Wages & Salary Allocation Factor				
1	Transmission Wages Expense	(Note O)	Attachment 5	19,204,416
2	Total Wages Expense	(Note O)	Attachment 5	167,933,428
3	Less A&G Wages Expense	(Note O)	Attachment 5	8,134,902
4	Total Wages Less A&G Wages Expense		(Line 2 - Line 3)	159,798,526
5	Wages & Salary Allocator		(Line 1 / Line 4)	12.0179%
Plant Allocation Factors				
6	Electric Plant in Service	(Note B)	Attachment 5	9,115,561,497
7	Common Plant in Service - Electric		(Line 22)	103,769,307
8	Total Plant in Service		(Line 6 + 7)	9,219,330,804
9	Accumulated Depreciation (Total Electric Plant)	(Note B & J)	Attachment 5	2,675,220,967
10	Accumulated Intangible Amortization - Electric	(Note B)	Attachment 5	521,587
11	Accumulated Common Plant Depreciation & Amortization - Electric	(Note B & J)	Attachment 5	20,594,798
12	Accumulated Common Amortization - Electric	(Note B)	Attachment 5	10,860,330
13	Total Accumulated Depreciation		(Line 9 + Line 10 + Line 11 + Line 12)	2,707,197,682
14	Net Plant		(Line 8 - Line 13)	6,512,133,121
15	Transmission Gross Plant		(Line 31)	2,306,433,351
16	Gross Plant Allocator		(Line 15 / Line 8)	25.0174%
17	Transmission Net Plant		(Line 43)	1,536,774,018
18	Net Plant Allocator		(Line 17 / Line 14)	23.5986%
Plant Calculations				
Plant In Service				
19	Transmission Plant In Service	(Note B)	Attachment 5	2,254,172,553
20	General	(Note B)	Attachment 5	217,354,531
21	Intangible - Electric	(Note B)	Attachment 5	1,431,532
22	Common Plant - Electric	(Note B)	Attachment 5	103,769,307
23	Total General, Intangible & Common Plant		(Line 20 + Line 21 + Line 22)	322,555,370
24	Less: General Plant Account 397 -- Communications	(Note B)	Attachment 5	31,024,080
25	Less: Common Plant Account 397 -- Communications	(Note B)	Attachment 5	5,871,688
26	General and Intangible Excluding Acct. 397		(Line 23 - Line 24 - Line 25)	285,659,603
27	Wage & Salary Allocator		(Line 5)	12.0179%
28	General and Intangible Plant Allocated to Transmission		(Line 26 * Line 27)	34,330,266
29	Account No. 397 Directly Assigned to Transmission	(Note B)	Attachment 5	17,930,533
30	Total General and Intangible Functionalized to Transmission		(Line 28 + Line 29)	52,260,798
31	Total Plant In Rate Base		(Line 19 + Line 30)	2,306,433,351
Accumulated Depreciation				
32	Transmission Accumulated Depreciation	(Note B & J)	Attachment 5	748,939,803
33	Accumulated General Depreciation	(Note B & J)	Attachment 5	103,811,806
34	Accumulated Common Plant Depreciation - Electric	(Note B & J)	Attachment 5	20,594,798
35	Less: Amount of General Depreciation Associated with Acct. 397	(Note B & J)	Attachment 5	22,142,484
36	Balance of Accumulated General Depreciation		(Line 33 + Line 34 - Line 35)	102,264,119
37	Accumulated Intangible Amortization - Electric	(Note B)	(Line 10)	521,587
38	Accumulated General and Intangible Depreciation Ex. Acct. 397		(Line 36 + 37)	102,785,706
39	Wage & Salary Allocator		(Line 5)	12.0179%
40	Subtotal General and Intangible Accum. Depreciation Allocated to Transmission		(Line 38 * Line 39)	12,352,676
41	Accumulated General Depreciation Associated with Acct. 397 Directly Assigned to Transmission	(Note B & J)	Attachment 5	8,366,854
42	Total Accumulated Depreciation		(Lines 32 + 40 + 41)	769,659,333
43	Total Net Property, Plant & Equipment		(Line 31 - Line 42)	1,536,774,018

Public Service Electric and Gas Company ATTACHMENT H-10A			2011 Actual
Formula Rate – Appendix A	Notes	FERC Form 1 Page # or Instruction	
Shaded cells are input cells			
Adjustment To Rate Base			
44	Accumulated Deferred Income Taxes ADIT net of FASB 106 and 109	(Note Q) Attachment 1	-346,596,319
45	CWIP for Incentive Transmission Projects CWIP Balances for Current Rate Year	(Note B & H) Attachment 6	147,126,019
46	Plant Held for Future Use	(Note C & Q) Attachment 5	3,010,207
47	Prepayments	(Note A & Q) Attachment 5	8,251,966
48	Materials and Supplies Undistributed Stores Expense	(Note Q) Attachment 5 (Line 5)	0
49	Wage & Salary Allocator		12,0179%
50	Total Undistributed Stores Expense Allocated to Transmission	(Line 48 * Line 49)	0
51	Transmission Materials & Supplies	(Note N & Q) Attachment 5	4,301,230
52	Total Materials & Supplies Allocated to Transmission	(Line 50 + Line 51)	4,301,230
53	Cash Working Capital Operation & Maintenance Expense	(Line 80)	80,150,098
54	1/8th Rule	1/8	12.5%
55	Total Cash Working Capital Allocated to Transmission	(Line 53 * Line 54)	10,018,762
56	Network Credits Outstanding Network Credits	(Note N & Q) Attachment 5	0
57	Total Adjustment to Rate Base	(Lines 44 + 45 + 46 + 47 + 52 + 55 - 56)	-173,888,135
58	Rate Base	(Line 43 + Line 57)	1,362,885,884
Operations & Maintenance Expense			
59	Transmission O&M	(Note O) Attachment 5	55,958,611
60	Plus Transmission Lease Payments	(Note O) Attachment 5	0
61	Transmission O&M	(Lines 59 + 60)	55,958,611
62	Allocated Administrative & General Expenses Total A&G	(Note O) Attachment 5	173,318,928
63	Plus: Fixed PBOP expense	(Note J) Attachment 5	77,745,482
64	Less: Actual PBOP expense	(Note O) Attachment 5	45,723,622
65	Less Property Insurance Account 924	(Note O) Attachment 5	1,175,109
66	Less Regulatory Commission Exp Account 928	(Note E & O) Attachment 5	10,260,272
67	Less General Advertising Exp Account 930.1	(Note O) Attachment 5	2,189,924
68	Less EPRI Dues	(Note D & O) Attachment 5	0
69	Administrative & General Expenses	Sum (Lines 62 to 63) - Sum (Lines 64 to 68)	191,715,483
70	Wage & Salary Allocator	(Line 5)	12,0179%
71	Administrative & General Expenses Allocated to Transmission	(Line 69 * Line 70)	23,040,162
72	Directly Assigned A&G Regulatory Commission Exp Account 928	(Note G & O) Attachment 5	874,016
73	General Advertising Exp Account 930.1	(Note K & O) Attachment 5	0
74	Subtotal - Accounts 928 and 930.1 - Transmission Related	(Line 72 + Line 73)	874,016
75	Property Insurance Account 924	(Line 65)	1,175,109
76	General Advertising Exp Account 930.1	(Note F & O) Attachment 5	0
77	Total Accounts 928 and 930.1 - General	(Line 75 + Line 76)	1,175,109
78	Net Plant Allocator	(Line 18)	23.5986%
79	A&G Directly Assigned to Transmission	(Line 77 * Line 78)	277,310
80	Total Transmission O&M	(Lines 61 + 71 + 74 + 79)	80,150,098

Public Service Electric and Gas Company				
ATTACHMENT H-10A				
Formula Rate – Appendix A		Notes	FERC Form 1 Page # or Instruction	2011 Actual
Shaded cells are input cells				
Depreciation & Amortization Expense				
Depreciation Expense				
81	Transmission Depreciation Expense Including Amortization of Limited Term Plant	(Note J & O)	Attachment 5	51,905,930
82	General Depreciation Expense Including Amortization of Limited Term Plant	(Note J & O)	Attachment 5	15,856,231
83	Less: Amount of General Depreciation Expense Associated with Acct. 397	(Note J & O)	Attachment 5	1,958,206
84	Balance of General Depreciation Expense		(Line 82 - Line 83)	13,898,025
85	Intangible Amortization	(Note A & O)	Attachment 5	5,050,373
86	Total		(Line 84 + Line 85)	18,948,398
87	Wage & Salary Allocator		(Line 5)	12,017,198
88	General Depreciation & Intangible Amortization Allocated to Transmission		(Line 86 * Line 87)	2,277,198
89	General Depreciation Expense for Acct. 397 Directly Assigned to Transmission	(Note J & O)	Attachment 5	1,775,882
90	General Depreciation and Intangible Amortization Functionalized to Transmission		(Line 88 + Line 89)	4,053,081
91	Total Transmission Depreciation & Amortization		(Lines 81 + 90)	55,959,011
Taxes Other than Income Taxes				
92	Taxes Other than Income Taxes	(Note O)	Attachment 2	8,657,870
93	Total Taxes Other than Income Taxes		(Line 92)	8,657,870
Return \ Capitalization Calculations				
94	Long Term Interest		p117.62.c through 67.c	228,331,712
95	Preferred Dividends	enter positive	p118.29.d	-
Common Stock				
96	Proprietary Capital	(Note P)	Attachment 5	4,535,704,522
97	Less Accumulated Other Comprehensive Income Account 219	(Note P)	Attachment 5	1,024,927
98	Less Preferred Stock		(Line 106)	0
99	Less Account 216.1	(Note P)	Attachment 5	3,263,645
100	Common Stock		(Line 96 - 97 - 98 - 99)	4,531,415,951
Capitalization				
101	Long Term Debt	(Note P)	Attachment 5	4,277,118,269
102	Less Loss on Reacquired Debt	(Note P)	Attachment 5	99,025,773
103	Plus Gain on Reacquired Debt	(Note P)	Attachment 5	0
104	Less ADIT associated with Gain or Loss	(Note P)	Attachment 5	34,843,155
105	Total Long Term Debt		(Line 101 - 102 + 103 - 104)	4,143,249,342
106	Preferred Stock	(Note P)	Attachment 5	0
107	Common Stock		(Line 100)	4,531,415,951
108	Total Capitalization		(Sum Lines 105 to 107)	8,674,665,292
109	Debt %		Total Long Term Debt (Line 105 / Line 108)	47.76%
110	Preferred %		Preferred Stock (Line 106 / Line 108)	0.00%
111	Common %		Common Stock (Line 107 / Line 108)	52.24%
112	Debt Cost		Total Long Term Debt (Line 94 / Line 105)	0.0551
113	Preferred Cost		Preferred Stock (Line 95 / Line 106)	0.0000
114	Common Cost	(Note J)	Common Stock Fixed	0.1168
115	Weighted Cost of Debt		Total Long Term Debt (WCLTD) (Line 109 * Line 112)	0.0263
116	Weighted Cost of Preferred		Preferred Stock (Line 110 * Line 113)	0.0000
117	Weighted Cost of Common		Common Stock (Line 111 * Line 114)	0.0610
118	Rate of Return on Rate Base (ROR)		(Sum Lines 115 to 117)	0.0873
119	Investment Return = Rate Base * Rate of Return		(Line 58 * Line 118)	119,027,513

Public Service Electric and Gas Company				2011 Actual
ATTACHMENT H-10A				
Formula Rate – Appendix A		Notes	FERC Form 1 Page # or Instruction	
Shaded cells are input cells				
Composite Income Taxes				
Income Tax Rates				
120	FIT=Federal Income Tax Rate	(Note I)		35.00%
121	SIT=State Income Tax Rate or Composite			9.00%
122	p	(percent of federal income tax deductible for state purposes)	Per State Tax Code	0.00%
123	T	$T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\}$		40.85%
124	T / (1-T)			69.06%
ITC Adjustment				
125	Amortized Investment Tax Credit	enter negative	(Note O) Attachment 5	-1,079,399
126	1/(1-T)		1 / (1 - Line 123)	169.06%
127	Net Plant Allocation Factor		(Line 18)	23.5986%
128	ITC Adjustment Allocated to Transmission		(Line 125 * Line 126 * Line 127)	-430,640
129	Income Tax Component =	$(T/1-T) * Investment\ Return * (1-(WCLTD/ROR)) =$	[Line 124 * Line 119 * (1- (Line 115 / Line 118))]	57,427,624
130	Total Income Taxes		(Line 128 + Line 129)	56,996,985
Revenue Requirement				
Summary				
131	Net Property, Plant & Equipment		(Line 43)	1,536,774,018
132	Total Adjustment to Rate Base		(Line 57)	-173,888,135
133	Rate Base		(Line 58)	1,362,885,884
134	Total Transmission O&M		(Line 80)	80,150,098
135	Total Transmission Depreciation & Amortization		(Line 91)	55,959,011
136	Taxes Other than Income		(Line 93)	8,657,870
137	Investment Return		(Line 119)	119,027,513
138	Income Taxes		(Line 130)	56,996,985
139	Gross Revenue Requirement		(Sum Lines 134 to 138)	320,791,477
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities				
140	Transmission Plant In Service		(Line 19)	2,254,172,553
141	Excluded Transmission Facilities	(Note B & M)	Attachment 5	0
142	Included Transmission Facilities		(Line 140 - Line 141)	2,254,172,553
143	Inclusion Ratio		(Line 142 / Line 140)	100.00%
144	Gross Revenue Requirement		(Line 139)	320,791,477
145	Adjusted Gross Revenue Requirement		(Line 143 * Line 144)	320,791,477
Revenue Credits & Interest on Network Credits				
146	Revenue Credits	(Note O)	Attachment 3	34,094,468
147	Interest on Network Credits	(Note N & O)	Attachment 5	0
148	Net Revenue Requirement		(Line 145 - Line 146 + Line 147)	286,697,010
Net Plant Carrying Charge				
149	Gross Revenue Requirement		(Line 144)	320,791,477
150	Net Transmission Plant		(Line 19 - Line 32)	1,505,232,750
151	Net Plant Carrying Charge		(Line 149 / Line 150)	21.3118%
152	Net Plant Carrying Charge without Depreciation		(Line 149 - Line 81) / Line 150	17.8634%
153	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes		(Line 149 - Line 81 - Line 119 - Line 130) / Line 150	6.1692%
Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE				
154	Gross Revenue Requirement Less Return and Taxes		(Line 144 - Line 137 - Line 138)	144,766,979
155	Increased Return and Taxes		Attachment 4	188,060,602
156	Net Revenue Requirement per 100 Basis Point increase in ROE		(Line 154 + Line 155)	332,827,582
157	Net Transmission Plant		(Line 19 - Line 32)	1,505,232,750
158	Net Plant Carrying Charge per 100 Basis Point increase in ROE		(Line 156 / Line 157)	22.1114%
159	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation		(Line 156 - Line 81) / Line 157	18.6630%
160	Net Revenue Requirement		(Line 148)	286,697,010
161	True-up amount		Attachment 6	3,835,973
162	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects not paid by other PJM transmission zones		Attachment 7	1,385,386
163	Facility Credits under Section 30.9 of the PJM OATT		Attachment 5	0
164	Net Zonal Revenue Requirement		(Line 160 + 161 + 162 + 163)	291,918,369
Network Zonal Service Rate				
165	1 CP Peak	(Note L)	Attachment 5	10,761.4
166	Rate (\$/MW-Year)		(Line 164 / 165)	27,126
167	Network Service Rate (\$/MW/Year)		(Line 166)	27,126

Public Service Electric and Gas Company ATTACHMENT H-10A		
Formula Rate – Appendix A	Notes	FERC Form 1 Page # or Instruction

2011 Actual

Shaded cells are input cells

Notes

- A Electric portion only
- B Calculated using 13-month average balances.
- C Includes Transmission portion only. At each annual informational filing, Company will identify for each parcel of land an intended use within a 15 year period.
- D Includes all EPRI Annual Membership Dues
- E Includes all Regulatory Commission Expenses
- F Includes Safety related advertising included in Account 930.1
- G Includes Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- H CWIP can only be included if authorized by the Commission.
- I The currently effective income tax rate where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p =$ the percentage of federal income tax deductible for state income taxes.
- J ROE will be supported in the original filing and no change in ROE will be made absent a filing at FERC.
PBOP expense is fixed until changed as the result of a filing at FERC.
Depreciation rates shown in Attachment 8 are fixed until changed as the result of a filing at FERC.
If book depreciation rates are different than the Attachment 8 rates, PSE&G will provide workpapers at the annual update to reconcile formula depreciation expense and depreciation accruals to FERC Form 1 amounts.
- K Education and outreach expenses relating to transmission, for example siting or billing
- L As provided for in Section 34.1 of the PJM OATT; the PJM established billing determinants will not be revised or updated in the annual rate reconciliations.
- M Amount of transmission plant excluded from rates per Attachment 5.
- N Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A.
Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmisison Owner whole on Line 147.
- O Expenses reflect full year plan
- P The projected capital structure shall reflect the capital structure from the FERC Form 1 data. For all other formula rate calculations, the projected capital structure and actual capital structure shall reflect the capital structure from the most recent FERC Form 1 data available.
Calculated using the average of the prior year and current year balances.
- Q Calculated using beginning and year end projected balances.

END

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet - December 31,2011

	Only Transmission Related	Plant Related	Labor Related	Total ADIT	
ADIT- 282	0	(1,528,049,984)	(1,142,245)		From Acct. 282 total, below
ADIT-283	(1,781,312)	(216,342,830)	(27,435,149)		From Acct. 283 total, below
ADIT-190	1,617,015	5,673,120	8,038,154		From Acct. 190 total, below
Subtotal	(164,297)	(1,738,719,694)	(20,539,240)	(1,759,423,230)	
Wages & Salary Allocator			12.0179%	(239,283,918.5)	
Net Plant Allocator		23.5986%			
End of Year ADIT	(164,297)	(410,319,979)	(2,468,384)	(412,946,660)	
End of Previous Year ADIT (from Sheet 1A-ADIT (3))	(164,297)	(278,087,355)	(1,994,326)	(280,245,978)	
Average Beginning and End of Year ADIT	(164,297)	(344,200,667)	(2,231,355)	(346,596,319)	Appendix A, Line 44

Note: ADIT associated with Gain or Loss on Reacquired Debt is included in Column A here and included in Cost of Debt on Appendix A, Line 108
(33,365,887) < From Acct 283, below

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns B-F and each separate ADIT item will be listed, dissimilar items with amounts exceeding \$100,000 will be listed separately.

A	B Total	C Gas, Prod Or Other Related	D Only Transmission Related	E Plant Related	F Labor Related	G Justification
ADIT-190						
Public Utility Realty Tax (PURTA)	1,617,015		1,617,015			Property Taxes for Transmission Switching Stations owned in Pennsylvania
Additional Maintenance Expense	1,348,125	1,348,125				Book estimate accrued expenses, generation related tax
Newark Center Renovations	10,804				10,804	Amort of Renovations of Newark Plaza - General Property
New Jersey Corporate Business Tax(NJCBT)						New Jersey Corporate Income Tax Plant Related- Contra Account of 283 NJCBT
NJCBT - Step Up Basis						New Jersey Corporate Income Tax for Utility - Gets return on but no return of prior book vs tax timing difference
ADIT - Real Estate Taxes	2,509,478			2,509,478		Book estimate accrued and expensed, tax deduction when paid related to plant
Gross Receipts & Franchise Tax(GRAFT)	756,443	756,443				Retail related
Market Transition Charge Revenue	25,708,163	25,708,163				Stranded cost recovery - generation related
Mine Closing Costs	1,357,594	1,357,594				Book estimate accrued and expensed, tax deduction when paid - Generation relate
FIN 47	19,094		19,094			Asset Retirement Obligation - Legal liability for environmental removal costs
Vacation Pay	3,423,114				3,423,114	Vacation pay earned and expensed for books, tax deduction when paid - employees in all function
OPEB	160,982,925				160,982,925	FASB 106 - Post Retirement Obligation, labor related
Deferred Dividend Equivalents	3,255,188				3,255,188	Book accrual of dividends on employee stock options affecting all functions
Deferred Compensation	509,166				509,166	Book estimate accrued and expensed, tax deduction when paid - employees in all function
ADIT - Interest/AFDC Debt	3,163,642			3,163,642		Capitalized Interest - Book vs Tax relates to all plant in all function
ADIT - Unallowable PIP Accrua	(450,789)				(450,789)	Book estimate accrued and expensed, tax deduction when paid - employees in all function
ADIT - Legal Fees	637,144	637,144				Book estimate accrued and expensed, tax deduction when paid - employees in all function
ADIT - Rev of 1985-1993 Settle Int Exp	(3,308,624)	(3,308,624)				Book estimate accrued and expensed, tax deduction when paid / audit settlement - Generation relate
ADIT - Interest on Dismantling & Decommissioning	(1,940,681)	(1,940,681)				Book estimate accrued and expensed, tax deduction when paid / audit settlement - Generation relate
ADIT - SETI Dissolution	60,619		60,619			Book estimate accrued and expensed, tax deduction when paid / audit settlement - Retail relate
Minimum Pension Liability	137,435	137,435				Associated with Pension Liability not in rates
FIN 48 Services Allocation	(981,910)	(981,910)				Uncertain Tax Positions - Assets/(Liabilities) not in rates
Bankruptcies \$ Acct	50,777	50,777				Book estimate accrued and expensed, tax deduction when paid - Generation Relate
Repair Allowance Deferred	(6,001,403)	(6,001,403)				Deferred recovery of lost repair allowance deductions-Retail Relate
Fin Def. Energy competition Act CT	(2,261,098)	(2,261,098)				Restructuring Costs - Generation related
Def Tax Meter Equipment	201,647	201,647				Book estimate accrued and expensed, tax deduction when paid - Retail - Distribution Meter
Unrealized L/G Rabbi Trust	373,519				373,519	Book estimate accrued and expensed, tax deduction when paid for Executive Compensator
Reserve for SECA	(1,111,579)	(1,111,579)				Related to LSE SECA obligations - retail
Estimated Severance Pay Accruals	917,153				917,153	Book estimate accrued and expensed, tax deduction when paid - employees in all function
Federal Taxes Deferred	34,665,721			34,665,721		FASB 109 - deferred tax asset primarily associated with items previously flowed through due to regulatio
Federal Taxes Current	33,159,590			33,159,590		FASB 109 - deferred tax asset primarily associated with items previously flowed through due to regulatio
Fed Taxes Reg Requirement	36,094,989			36,094,989		FASB 109 - deferred tax asset primarily associated with items previously flowed through due to regulation
Subtotal - p234	294,903,259	14,671,745	1,617,015	109,593,420	169,021,079	
Less FASB 109 Above if not separately removed	103,920,300			103,920,300		
Less FASB 106 Above if not separately removed	160,982,925				160,982,925	
Total	30,000,034	14,671,745	1,617,015	5,673,120	8,038,154	

Instructions for Account 190:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- ADIT items related only to Transmission are directly assigned to Column D
- ADIT items related to Plant and not in Columns C & D are included in Column E
- ADIT items related to labor and not in Columns C & D are included in Column F
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet - December 31, 2011

A	B	C	D	E	F	G
ADIT-283	Total	Gas, Prod or Other Related	Transmission Related	Plant	Labor	
Fin 48 Assessment	(7,906,876)	(7,906,876)				Basis difference resulting from accelerated deductions for repairs and indirect costs
Securitization Regulatory Asset	1,092,557,518	1,092,557,518				Generation Related (Securitization of Stranded Costs)
Securitization - Federal	(1,221,997,600)	(1,221,997,600)				Generation Related (Securitization of Stranded Costs)
Securitization - State	(365,173,288)	(365,173,288)				Generation Related (Securitization of Stranded Costs)
Amortization of Hope Creek License Costs	(649,571)	(649,571)				Book vs Tax Difference - Generation Related
Environmental Cleanup Costs	27,161,047	27,161,047				Book estimate accrued and expensed, tax deduction when paid - Manufactured Gas Plant
Company-Owned Life Insurance (COLI)	(3,746,320)	(3,746,320)				Related to Uncertain Tax Position (FIN 48) which will be reclassified and not in rates
New Jersey Corporation Business Tax	(191,686,454)	(8,709,512)		(182,976,942)		New Jersey Corporate Income Tax - Plant Related- Contra Account of 190 NJCBT
NJCBT - Step Up Basis	141,930,838	141,930,838				New Jersey Corporate Income Tax for Utility - Gets return on but no return of prior book vs tax timing difference
Obsolete Material Write Off	5,751,926	5,751,926				Book accrued write-off, tax deduction when actually disposed of - Generation Related
Fuel Cost Adjustment	(35,285,945)	(35,285,945)				Book deferral of Underrecovered Fuel Costs - Retail Related
Accelerated Activity Plan	(90,326,601)	(90,326,601)				Demand Side management and Associated Programs - Retail Related
Take-or-Pay Costs	913,793	913,793				Gas Supply Contracts
Other Contract Cancellations	(7,904,692)	(7,904,692)				Generation Related (Non-Utility Asset/Liability)
Other Computer Software	(18,771,593)				(18,771,593)	Accelerated Amortization of Computer Software - General Plant
Loss on Reacquired Debt	(33,365,887)			(33,365,887)		Tax deduction when reacquired, booked amortizes to expense
Additional Pension Deduction	(94,354,591)	(94,354,591)				Associated with Pension Liability not in rates
Amortization of Peach Bottom HWC	(689,765)	(689,765)				Generation Related (Non-Utility Asset/Liability)
Radioactive Waste Storage Costs	(1,092,677)	(1,092,677)				Generation Related (Non-Utility Asset/Liability)
Severance Pay Costs	(8,522,760)				(8,522,760)	Book estimate accrued and expensed, tax deduction when paid related to all employee
Repair Allowance-Reverse Amortization	(1,100,021)	(1,100,021)				Retail Related - Electric Distribution
Public Utility Realty Tax Assessment (PURPA)	(1,781,312)		(1,781,312)			Property Taxes for Transmission Switching Stations owned in Pennsylvania
Federal Excise Tax Fuel Refunds	(137,133)				(137,133)	Vehicle Fuel Tax - General
Decommissioning and Decontamination Costs	12,603,383	12,603,383				Payments to DOE - Generation Related
Emission Allowance Sales	2,868,153	2,868,153				Sales of Emission Allowances - Generation Related
Interest Expense Adjustment						Generation Related (Non-Utility Asset/Liability)
Capitalization of Study Costs	(2,009,586)	(2,009,586)				Generation Related (Non-Utility Asset/Liability)
Mescalero Radioactive Waste Storage Cost	158,378	158,378				Generation Related (Non-Utility Asset/Liability)
Sale of Call Option	(70)	(70)				Book amortization expensed, tax deduction when occurred - Retail Related - distribution property
Vacation Pay Adjustment	(3,663)	0			(3,663)	Book estimate accrued and expensed, tax deduction when paid relating to all employee
Purchased Power - Audit Settlement	848,006	848,006				Purchased Power Settlements - Generation Related
Crude Oil Refunds	1,570,058	1,570,058				Generation Related (Non-Utility Asset/Liability)
Peach Bottom Interim Fuel Storage	(852,372)	(852,372)				Interim Nuclear Fuel Storage Costs - Generation Related
Amort UCUA Property Loss	15	15				Generation Related (Non-Utility Asset/Liability)
New Network Metering Equipment	(201,674)	(201,674)				New Upgraded Meter Equipments - Retail Related - Distribution Meters
Accounting for Income Taxes (FAS109) - Federal	(43,428,135)			(43,428,135)		FASB 109 - deferred tax liability primarily non-plant related items previously flowed through due to regulation
Accounting for Income Taxes (FAS109) - State	(16,672,959)			(16,672,959)		FASB 109 - deferred tax liability primarily non-plant related items previously flowed through due to regulation
Accounting for Income Taxes (FAS109) - Regulatory Requirement	(198,172,681)			(198,172,681)		FASB 109 - gross-up
Power (Deferred Project Costs)	(2,639,475)	(2,639,475)				
Adi Holding Account	(1,922,994)	(1,922,994)				
Subtotal - p277	(1,064,033,580)	(560,200,515)	(1,781,312)	(474,616,605)	(27,435,149)	
Less FASB 109 Above if not separately removed	(258,273,775)			(258,273,775)		
Less FASB 106 Above if not separately removed						
Total	(865,759,805)	(560,200,515)	(1,781,312)	(216,342,830)	(27,435,149)	

Instructions for Account 283:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- ADIT items related only to Transmission are directly assigned to Column D
- ADIT items related to Plant and not in Columns C & D are included in Column E
- ADIT items related to labor and not in Columns C & D are included in Column F
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet - December 31, 2010

	Only Transmission Related	Plant Related	Labor Related	Total ADIT	
ADIT- 282	0	(1,049,701,698)	(273,418)		From Acct. 282 total, below
ADIT-283	(1,781,312)	(62,048,407)	(25,067,454)		From Acct. 283 total, below
ADIT-190	1,617,015	(66,654,693)	8,746,231		From Acct. 190 total, below
Subtotal	(164,297)	(1,178,404,798)	(16,594,641)		
Wages & Salary Allocator Net Plant Allocator		23.5986%	12.0179%		
End of Year ADIT	(164,297)	(278,087,355)	(1,994,326)	(280,245,978)	

Note: ADIT associated with Gain or Loss on Reacquired Debt is included in Column A here and included in Cost of Debt on Appendix A, Line 108
(34,557,105) < From Acct 283, below

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns B-F and each separate ADIT item will be listed, dissimilar items with amounts exceeding \$100,000 will be listed separately.

A	B Total	C Gas, Prod Or Other Related	D Only Transmission Related	E Plant Related	F Labor Related	G Justification
ADIT-190						
Public Utility Realty Tax (PURTA)		1,617,015	1,617,015			Property Taxes for Transmission Switching Stations owned in Pennsylvania
Additional Maintenance Expense		1,348,125	1,348,125			Book estimate accrued expenses, generation related tax
Newark Center Renovations		10,804			10,804	Amort of Renovations of Newark Plaza - General Property
New Jersey Corporate Business Tax(NJCBT)		(71,510,516)		(71,510,516)		New Jersey Corporate Income Tax Plant Related- Contra Account of 283 NJCBT
NJCBT - Step Up Basis		150,801,919	150,801,919			New Jersey Corporate Income Tax for Utility - Gets return on but no return of prior book vs tax timing differences
ADIT - Real Estate Taxes		2,669,658		2,669,658		Book estimate accrued and expensed, tax deduction when paid related to plant
Gross Receipts & Franchise Tax(GRAFT)		756,443	756,443			Retail related
Market Transition Charge Revenue		46,921,893	46,921,893			Stranded cost recovery - generation related
Mine Closing Costs		1,357,594	1,357,594			Book estimate accrued and expensed, tax deduction when paid - Generation relate
FIN 47		12,863	12,863			Asset Retirement Obligation - Legal liability for environmental removal cost
Vacation Pay		3,625,103			3,625,103	Vacation pay earned and expensed for books, tax deduction when paid - employees in all function
OPFB		154,953,273			154,953,273	FASB 106 - Post Retirement Obligation, labor related
Deferred Dividend Equivalents		3,761,808			3,761,808	Book accrual of dividends on employee stock options affecting all functions
Deferred Compensation		473,527			473,527	Book estimate accrued and expensed, tax deduction when paid - employees in all function
ADIT - Interest/AFDC Deb		2,186,165		2,186,165		Capitalized Interest - Book vs Tax relates to all plant in all function
ADIT - Unallowable PIP Accrua		(1,213,324)			(1,213,324)	Book estimate accrued and expensed, tax deduction when paid - employees in all function
ADIT - Legal Fees		637,144	637,144			Book estimate accrued and expensed, tax deduction when paid - employees in all function
ADIT - Rev of 1985-1993 Settle Int Exp		(3,248,269)	(3,248,269)			Book estimate accrued and expensed, tax deduction when paid / audit settlement - Generation relate
ADIT - Interest on Dismantling & Decommissioning		(1,940,681)	(1,940,681)			Book estimate accrued and expensed, tax deduction when paid / audit settlement - Generation relate
ADIT - SETI Dissolution		60,619	60,619			Book estimate accrued and expensed, tax deduction when paid / audit settlement - Retail relate
Minimum Pension Liability		137,435	137,435			Associated with Pension Liability not in rater
FIN 48 Services Allocation		(728,100)	(728,100)			Uncertain Tax Positions - Assets/(Liabilities) not in rater
Bankruptcies S Acfc		(55,303)	(55,303)			Book estimate accrued and expensed, tax deduction when paid - Generation Relate
Repair Allowance Deferrac		(9,514,503)	(9,514,503)			Deferred recovery of lost repair allowance deductions-Retail Relate
Fin Del Energy competition Act CT		(4,062,698)	(4,062,698)			Restructuring Costs - Generation related
Del Tax Meter Equipment		201,647	201,647			Book estimate accrued and expensed, tax deduction when paid - Retail - Distribution Meter
Unrealized L/G Rabbi Trust		559,820			559,820	Book estimate accrued and expensed, tax deduction when paid for Executive Compensator
Reserve for SECA		(1,111,579)	(1,111,579)			Related to LSE SECA obligations - retail
Estimated Severance Pay Accrual		1,528,493			1,528,493	Book estimate accrued and expensed, tax deduction when paid - employees in all function
Federal Taxes Deferred		25,184,953		25,184,953		FASB 109 - deferred tax asset primarily associated with items previously flowed through due to regulatio
Federal Taxes Current		34,278,918		34,278,918		FASB 109 - deferred tax asset primarily associated with items previously flowed through due to regulatio
Fed Taxes Req Requirement		30,320,435		30,320,435		FASB 109 - deferred tax asset primarily associated with items previously flowed through due to regulation
Subtotal - p234		370,020,681	181,574,549	1,617,015	23,129,613	163,699,504
Less FASB 109 Above if not separately removed				89,784,306		
Less FASB 106 Above if not separately removed		154,953,273				154,953,273
Total		125,283,102	181,574,549	1,617,015	(66,654,693)	8,746,231

Instructions for Account 190:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- ADIT items related only to Transmission are directly assigned to Column D
- ADIT items related to Plant and not in Columns C & D are included in Column E
- ADIT items related to labor and not in Columns C & D are included in Column F
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet - December 31, 2010

A	B	C	D	E	F	G
	Total	Gas, Prod or Other Related	Only Transmission Related	Plant	Labor	
Fin 48	(20,972,340)	(20,972,340)				Uncertain Tax Positions - Assets/(Liabilities) not in rates
Securitization Regulatory Asset	971,947,670	971,947,670				Generation Related (Securitization of Stranded Costs)
Securitization - Federal	(1,292,307,692)	(1,292,307,692)				Generation Related (Securitization of Stranded Costs)
Securitization - State	(365,173,288)	(365,173,288)				Generation Related (Securitization of Stranded Costs)
Amortization of Hope Creek License Costs	(649,571)	(649,571)				Book vs Tax Difference - Generation Related
Environmental Cleanup Costs	21,998,597	21,998,597				Book estimate accrued and expensed, tax deduction when paid - Manufactured Gas Plant
Company-Owned Life Insurance (COLI)	(3,746,320)	(3,746,320)				Related to Uncertain Tax Position (FIN 48) which will be reclassified and not in rates
New Jersey Corporation Business Tax	(27,491,302)			(27,491,302)		New Jersey Corporate Income Tax - Plant Related- Contra Account of 190 NJC/T
Obsolete Material Write Off	5,751,926	5,751,926				Book accrued write-off, tax deduction when actually disposed of - Generation Related
Fuel Cost Adjustment	(64,359,230)	(64,359,230)				Book deferral of Underrecovered Fuel Costs - Retail Related
Accelerated Activity Plan	(58,462,633)	(58,462,633)				Demand Side management and Associated Programs - Retail Related
Take-or-Pay Costs	913,793	913,793				Gas Supply Contracts
Other Contract Cancellations	(7,904,692)	(7,904,692)				Generation Related (Non-Utility Asset/Liability)
Other Computer Software	(13,532,974)				(13,532,974)	Accelerated Amortization of Computer Software - General Plan
Loss on reacquired Debt	(34,557,105)			(34,557,105)		Tax deduction when reacquired, booked amortizes to expense
Additional Pension Deduction	(112,963,065)	(112,963,065)				Associated with Pension Liability not in rates
Amortization of Peach Bottom HWC	(689,765)	(689,765)				Generation Related (Non-Utility Asset/Liability)
Radioactive Waste Storage Costs	(1,092,677)	(1,092,677)				Generation Related (Non-Utility Asset/Liability)
Severance Pay Costs	(11,393,684)				(11,393,684)	Book estimate accrued and expensed, tax deduction when paid related to all employee
Repair Allowance-Reverse Amortization	(1,743,001)	(1,743,001)				Retail Related - Electric Distribution
Public Utility Realty Tax Assessment (PURPA)	(1,781,312)		(1,781,312)			Property Taxes for Transmission Switching Stations owned in Pennsylvania
Federal Excise Tax Fuel Refunds	(137,133)				(137,133)	Vehicle Fuel Tax - Genera
Decommissioning and Decontamination Costs	12,603,383	12,603,383				Payments to DOE - Generation Related
Emission Allowance Sales	2,868,153	2,868,153				Sales of Emission Allowances - Generation Related
Interest Expense Adjustment						Generation Related (Non-Utility Asset/Liability)
Capitalization of Study Costs	(2,009,586)	(2,009,586)				Generation Related (Non-Utility Asset/Liability)
Mescalero Radioactive Waste Storage Costs	158,378	158,378				Generation Related (Non-Utility Asset/Liability)
Sale of Call Option	(70)	(70)				Book amortization expensed, tax deduction when occurred - Retail Related - distribution property
Vacation Pay Adjustment	(3,663)	0			(3,663)	Book estimate accrued and expensed, tax deduction when paid relating to all employee
Purchase Power - Audit Settlement	848,006	848,006				Purchased Power Settlements - Generation Related
Crude Oil Refunds	1,570,058	1,570,058				Generation Related (Non-Utility Asset/Liability)
Peach Bottom Interim Fuel Storage	(11,037,372)	(11,037,372)				Interim Nuclear Fuel Storage Costs - Generation Related
Amort UCLIA Property Loss	15	15				Generation Related (Non-Utility Asset/Liability)
New Network Metering Equipment	(201,674)	(201,674)				New Upgraded Meter Equipments - Retail Related - Distribution Meters
Accounting for Income Taxes (FAS109) - Federa	(33,621,101)			(33,621,101)		FASB 109 - deferred tax liability primarily non-plant related items previously flowed through due to regulation
Accounting for Income Taxes (FAS109) - State	(16,672,959)			(16,672,959)		FASB 109 - deferred tax liability primarily non-plant related items previously flowed through due to regulation
Accounting for Income Taxes (FAS109) - Regulatory Requirements	(200,301,452)			(200,301,452)		FASB 109 - gross-up
iPower (Deferred Project Costs)	(3,770,807)	(3,770,807)				
Adj. Holding Account	(1,922,994)	(1,922,994)				
Subtotal - p277	(1,269,839,483)	(930,346,798)	(1,781,312)	(312,643,919)	(25,067,454)	
Less FASB 109 Above if not separately removed	(250,595,512)			(250,595,512)		
Less FASB 106 Above if not separately removed						
Total	(1,019,243,971)	(930,346,798)	(1,781,312)	(62,048,407)	(25,067,454)	

Instructions for Account 283:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- ADIT items related only to Transmission are directly assigned to Column D
- ADIT items related to Plant and not in Columns C & D are included in Column E
- ADIT items related to labor and not in Columns C & D are included in Column F
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 2 - Taxes Other Than Income Worksheet - December 31, 2011

<i>Other Taxes</i>	<i>Page 263 Col (i)</i>	<i>Allocator</i>	<i>Allocated Amount</i>
Plant Related			
1 Real Estate	18,940,837		
2 Total Plant Related	18,940,837 N/A		7,196,059
Labor Related			
Wages & Salary Allocator			
3 FICA	12,189,754		
4 Federal Unemployment Tax	90,647		
5 New Jersey Unemployment Tax	451,695		
6 New Jersey Workforce Development	(568,477)		
7			
8 Total Labor Related	12,163,619	12.0179%	1,461,811
Other Included			
Net Plant Allocator			
9			
10			
11			
12			
13 Total Other Included	0	23.5986%	0
14 Total Included (Lines 8 + 14 + 19)	31,104,456		8,657,870
Currently Excluded			
15 Corporate Business Tax			
16 TEFA	91,460,318		
17 Use & Sales Tax			
18 Local Franchise Tax			
19 PA Corporate Income Tax			
20 Municipal Utility			
21 Public Utility Fund			
22 Subtotal, Excluded	91,460,318		
23 Total, Included and Excluded (Line 20 + Line 28)	122,564,774		
24 Total Other Taxes from p114.14.g - Actual	122,564,774		
25 Difference (Line 29 - Line 30)	-		

Criteria for Allocation:

- A Other taxes that are incurred through ownership of plant including transmission plant will be allocated based on the Net Plant Allocator. If the taxes are 100% recovered at retail they shall not be included. Real Estate taxes are directly assigned to Transmission.
- B Other taxes that are incurred through ownership of only general or intangible plant will be allocated based on the Wages and Salary Allocator. If the taxes are 100% recovered at retail they shall not be included.
- C Other taxes that are assessed based on labor will be allocated based on the Wages and Salary Allocator.
- D Other taxes except as provided for in A, B and C above, that are incurred and (1) are not fully recovered at retail or (2) are directly or indirectly related to transmission service will be allocated based on the Net Plant Allocator; provided, however, that overheads shall be treated as in footnote B above.
- E Excludes prior period adjustments in the first year of the formula's operation and reconciliation for the first year.

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 3 - Revenue Credit Workpaper - December 31, 2011

Accounts 450 & 451

1 Late Payment Penalties Allocated to Transmission 0

Account 454 - Rent from Electric Property

2 Rent from Electric Property - Transmission Related (Note 2) 695,601

Account 456 - Other Electric Revenues

3 Transmission for Others 0

4 Schedule 1A 4,800,818

5 Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) 0

6 Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner 4,986,235

7 Professional Services (Note 2) 33,573

8 Revenues from Directly Assigned Transmission Facility Charges (Note 1) 22,363,516

9 Rent or Attachment Fees associated with Transmission Facilities (Note 2) 5,843,602

10 Gross Revenue Credits (Sum Lines 1-9) 38,723,345

11 Less line 18 - line 18 (4,628,877)

12 Total Revenue Credits line 10 + line 11 34,094,468

13 Revenues associated with lines 2, 7, and 9 (Note 2) 6,572,776

14 Income Taxes associated with revenues in line 13 2,684,979

15 One half margin (line 13 - line 14)/2 1,943,899

16 All expenses (other than income taxes) associated with revenues in line 13 that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue. -

17 Line 15 plus line 16 1,943,899

18 Line 13 less line 17 4,628,877

Note 1 If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.

Note 2 Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). PSE&G will retain 50% of net revenues consistent with *Pacific Gas and Electric Company*, 90 FERC ¶ 61,314. Note: in order to use lines 13-18, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 4 - Calculation of 100 Basis Point Increase in ROE

A	Return and Taxes with 100 Basis Point increase in ROE		
	100 Basis Point increase in ROE and Income Taxes	Line 27 + Line 42 from below	188,060,602
B	100 Basis Point increase in ROE		1.00%

Return Calculation

		Appendix A Line or Source Reference		
1	Rate Base	(Line 43 + Line 57)	1,362,885,884	
2	Long Term Interest	p117.62.c through 67.c	228,331,712	
3	Preferred Dividends	enter positive	0	
	Common Stock			
4	Proprietary Capital	Attachment 5	4,535,704,522	
5	Less Accumulated Other Comprehensive Income Account 219	p112.15.c	1,024,927	
6	Less Preferred Stock	(Line 106)	0	
7	Less Account 216.1	Attachment 5	3,263,645	
8	Common Stock	(Line 96 - 97 - 98 - 99)	4,531,415,951	
	Capitalization			
9	Long Term Debt	Attachment 5	4,277,118,269	
10	Less Loss on Reacquired Debt	Attachment 5	99,025,773	
11	Plus Gain on Reacquired Debt	Attachment 5	0	
12	Less ADIT associated with Gain or Loss	Attachment 5	34,843,155	
13	Total Long Term Debt	(Line 101 - 102 + 103 - 104)	4,143,249,342	
14	Preferred Stock	Attachment 5	0	
15	Common Stock	(Line 100)	4,531,415,951	
16	Total Capitalization	(Sum Lines 105 to 107)	8,674,665,292	
17	Debt %	Total Long Term Debt	(Line 105 / Line 108)	47.8%
18	Preferred %	Preferred Stock	(Line 106 / Line 108)	0.0%
19	Common %	Common Stock	(Line 107 / Line 108)	52.2%
20	Debt Cost	Total Long Term Debt	(Line 94 / Line 105)	0.0551
21	Preferred Cost	Preferred Stock	(Line 95 / Line 106)	0.0000
22	Common Cost	Common Stock	(Line 114 + 100 basis points)	0.1268
23	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 109 * Line 112)	0.0263
24	Weighted Cost of Preferred	Preferred Stock	(Line 110 * Line 113)	0.0000
25	Weighted Cost of Common	Common Stock	(Line 111 * Line 114)	0.0662
26	Rate of Return on Rate Base (ROR)	(Sum Lines 115 to 117)	0.0926	
27	Investment Return = Rate Base * Rate of Return	(Line 58 * Line 118)	126,146,869	

Composite Income Taxes

	Income Tax Rates			
28	FIT=Federal Income Tax Rate		35.00%	
29	SIT=State Income Tax Rate or Composite		9.00%	
30	p = percent of federal income tax deductible for state purposes	Per State Tax Code	0.00%	
31	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	40.85%	
35	CIT = T / (1-T)		69.06%	
36	1 / (1-T)		169.06%	
	ITC Adjustment			
37	Amortized Investment Tax Credit	enter negative	Attachment 5	-1,079,399
38	1/(1-T)		1 / (1 - Line 123)	169%
39	Net Plant Allocation Factor		(Line 18)	23.5986%
40	ITC Adjustment Allocated to Transmission		(Line 125 * Line 126 * Line 127)	-430,640
41	Income Tax Component =	$CIT=(T/(1-T)) * Investment\ Return * (1-(WCLTD/R)) =$		62,344,373
42	Total Income Taxes			61,913,733

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 5 - Cost Support - December 31, 2011

Property Insurance Expenses

Line #s	Descriptions	Notes	Page #'s & Instructions	End of Year
65	Property Insurance Account 924	(Note O)	p323.185b	1,175,109

Adjustments to A & G Expense

Line #s	Descriptions	Notes	Page #'s & Instructions	End of Year
62	Total A&G Expenses		p323.197b	173,318,928
63	Fixed PBOP expense	(Note J)	Company Records	77,745,482
64	Actual PBOP expense	(Note O)	Company Records	45,723,622

Regulatory Expense Related to Transmission Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	End of Year	Transmission Related
Allocated General & Common Expenses					
66	Regulatory Commission Exp Account 928	(Note E & O)	p323.189b	10,260,272	0
Directly Assigned A&G					
72	Regulatory Commission Exp Account 928	(Note G & O)	p351.11-13h	874,016	874,016

General & Common Expenses

Line #s	Descriptions	Notes	Page #'s & Instructions	End of Year	EPRI Dues
68	Less EPRI Dues	(Note D & O)	p352-353	356,371	

Safety Related Advertising Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	End of Year	Safety Related	Non-safety Related
Directly Assigned A&G						
73	General Advertising Exp Account 930.1	(Note K & O)	p323.191b	2,189,924	0	2,189,924

Education and Out Reach Cost Support

Line #s	Descriptions	Notes	Page #'s & Instructions	End of Year	Education & Outreach	Other
Directly Assigned A&G						
76	General Advertising Exp Account 930.1	(Note K & O)	p323.191b	2,189,924		2,189,924

Depreciation Expense

Line #s	Descriptions	Notes	Page #'s & Instructions	End of Year
Depreciation Expense				
81	Depreciation-Transmission	(Note J & O)	p336.7f	51,905,930
82	Depreciation-General & Common	(Note J & O)	p336.10&11f	15,856,231
83	Depreciation-General Expense Associated with Acct. 39	(Note J & O)	Company Records	1,958,206
85	Depreciation-Intangible	(Note A & O)	p336.1f	5,050,373
89	Transmission Depreciation Expense for Acct. 397	(Note J & O)	Company Records	1,775,882

Direct Assignment of Transmission Real Estate Taxes

Line #s	Descriptions	Notes	Page #'s & Instructions	End of Year	Transmission Related	Non-Transmission
92	Real Estate Taxes - Directly Assigned to Transmission		p263.38i	18,940,837	7,196,059	11,744,778

PSE&G's real estate taxes detail is in an access database which contains a list of the towns PSE&G pays taxes to, which are billed on a quarterly basis for various parcels of property by major classification. Every parcel is associated with a Lot & Block number. These Lot & Blocks are identified to a particular type of property and are labeled. This is the breakout of transmission real estate taxes from total electric.

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 5 - Cost Support - December 31, 2011

Return \ Capitalization

Line #	Descriptions	Notes	Page #'s & Instructions	2010 End of Year	2011 End of Year	Average
96	Proprietary Capital	(Note P)	p112.16.c.d	4,424,787,817	4,646,621,227	4,535,704,522
97	Accumulated Other Comprehensive Income Account 21	(Note P)	p112.15.c.d	395,904	1,653,949	1,024,927
99	Account 216.1	(Note P)	p119.53.c&d	3,210,847	3,316,443	3,263,645
101	Long Term Debt	(Note P)	p112.18.c.d thru 23.c.d	4,283,776,399	4,270,460,139	4,277,118,269
102	Loss on Reacquired Debt	(Note P)	p111.81.c.d	102,136,563	95,914,963	99,025,773
103	Gain on Reacquired Debt	(Note P)	p113.61.c.d	0	0	0
104	ADIT associated with Gain or Loss on Reacquired Debt	(Note P)	p277.3.k (footnote)	36,320,422	33,365,887	34,843,155
106	Preferred Stock	(Note P)	p112.3.c.d	0	0	0

MultiState Workpaper

Line #	Descriptions	Notes	Page #'s & Instructions	State 1	State 2	State 3
Income Tax Rates						
121	SIT=State Income Tax Rate or Composite	(Note I)		NJ	9.00%	

Amortized Investment Tax Credit

Line #	Descriptions	Notes	Page #'s & Instructions	End of Year
125	Amortized Investment Tax Credit	(Note O)	p266.8.f	1,079,399

Excluded Transmission Facilities

Line #	Descriptions	Notes	Page #'s & Instructions	Form 1Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Form 1 Dec	Average
141	Excluded Transmission Facilities	(Note B & M)		0	0	0	0	0	0	0	0	0	0	0	0	0	0

Interest on Outstanding Network Credits Cost Support

Line #	Descriptions	Notes	Page #'s & Instructions	End of Year
147	Interest on Network Credits	(Note N & O)		0

Facility Credits under Section 30.9 of the PJM OATT

Line #	Descriptions	Notes	Page #'s & Instructions	End of Year
163	Revenue Requirement Facility Credits under Section 30.9 of the PJM OATT			0

PJM Load Cost Support

Line #	Descriptions	Notes	Page #'s & Instructions	1 CP Peak
165	Network Zonal Service Rate 1 CP Peak	(Note L)	PJM Data	Enter 10,761.4

**Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 6 - True-up Adjustment for Network Integration Transmission Service - December 31, 2011**

The True-Up Adjustment component of the Formula Rate for each Rate Year beginning with 2010 shall be determined as follows:

- (i) Beginning with 2009, no later than June 15 of each year PSE&G shall recalculate an adjusted Annual Transmission Revenue Requirement for the previous calendar year based on its actual costs as reflected in its Form No. 1 and its books and records for that calendar year, consistent with FERC accounting policies.²
- (ii) PSE&G shall determine the difference between the recalculated Annual Transmission Revenue Requirement as determined in paragraph (i) above, and ATRR based on projected costs for the previous calendar year (True-Up Adjustment Before Interest).
- (iii) The True-Up Adjustment shall be determined as follows:

True-Up Adjustment equals the True-Up Adjustment Before Interest multiplied by $(1+i)^{24}$ months

Where: $i =$ Sum of (the monthly rates for the 10 months ending October 31 of the current year and the monthly rates for the 12 months ending December 31 of the preceding year) divided by 21 months.

Summary of Formula Rate Process including True-Up Adjustment

Month	Year	Action
July	2008	TO populates the formula with Year 2008 estimated data
October	2008	TO populates the formula with Year 2009 estimated data
June	2009	TO populates the formula with Year 2008 actual data and calculates the 2008 True-Up Adjustment Before Interest
October	2009	TO calculates the Interest to include in the 2008 True-Up Adjustment
October	2009	TO populates the formula with Year 2010 estimated data and 2008 True-Up Adjustment
June	2010	TO populates the formula with Year 2009 actual data and calculates the 2009 True-Up Adjustment Before Interest
October	2010	TO calculates the Interest to include in the 2009 True-Up Adjustment
October	2010	TO populates the formula with Year 2011 estimated data and 2009 True-Up Adjustment
June	2011	TO populates the formula with Year 2010 actual data and calculates the 2010 True-Up Adjustment Before Interest
October	2011	TO calculates the Interest to include in the 2010 True-Up Adjustment
October	2011	TO populates the formula with Year 2012 estimated data and 2010 True-Up Adjustment
June	2012	TO populates the formula with Year 2011 actual data and calculates the 2011 True-Up Adjustment Before Interest

¹ - No True-Up Adjustment will be included in the Annual Transmission Revenue Requirement for 2008 or 2009 since the Formula Rate was not in effect for 2006 or 2007.

² - To the extent possible each input to the Formula Rate used to calculate the actual Annual Transmission Revenue Requirement included in the True-Up Adjustment either will be taken directly from the FERC Form No. 1 or will be reconcilable to the FERC Form 1 by the application of clearly identified and supported information. If the reconciliator is provided through a worksheet included in the filed Formula Rate template, the inputs to the worksheet must meet this transparency standard, and doing so will satisfy this transparency requirement for the amounts that are output from the worksheet and input to the main body of the Formula Rate.

Calendar Year Complete for Each Calendar Year beginning in 2009

A	ATRR based on actual costs included for the previous calendar year but excludes the true-up adjustment.	291,918,369
B	ATRR based on projected costs included for the previous calendar year but excludes the true-up adjustment.	296,393,455
C	Difference (A-B)	-4,475,085 <Note: for the first rate year, divide this
D	Future Value Factor $(1+i)^{24}$	1.00000 reconciliation amount by 12 and multiply
E	True-up Adjustment $(C \cdot D)$	-4,475,085 by the number of months and fractional months the rate was in effect.

Where:
 $i =$ average interest rate as calculated below

Interest on Amount of Refunds or Surcharges		Interest 35.19a for	
Month	Yr	Month	Month
January	Year 1	January	0.0000%
February	Year 1	February	0.0000%
March	Year 1	March	0.0000%
April	Year 1	April	0.0000%
May	Year 1	May	0.0000%
June	Year 1	June	0.0000%
July	Year 1	July	0.0000%
August	Year 1	August	0.0000%
September	Year 1	September	0.0000%
October	Year 1	October	0.0000%
November	Year 1	November	0.0000%
December	Year 1	December	0.0000%
January	Year 2	January	0.0000%
February	Year 2	February	0.0000%
March	Year 2	March	0.0000%
April	Year 2	April	0.0000%
May	Year 2	May	0.0000%
June	Year 2	June	0.0000%
July	Year 2	July	0.0000%
August	Year 2	August	0.0000%
September	Year 2	September	0.0000%
Average Interest Rate			0.0000%

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 6A - Project Specific Estimate and Reconciliation Worksheet - December 31, 2011

Estimated Additions - 2011								
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Other Projects PIS (Monthly additions)	Reconductor South Mahwah 345 kV J-3410 Circuit (B1017) (monthly additions)	Reconductor South Mahwah 345 kV K-3411 Circuit (B1018) (monthly additions)	Susquehanna Roseland Breakers (B0489) (monthly additions)	Susquehanna Roseland (B0489) >= 600KV (monthly additions)	Susquehanna Roseland (B0489) < 600KV (monthly additions)	CWIP	CWIP	
	(in service)	(in service)	(in service)	(in service)	(in service)			
Dec			2,662,585			82,871,548	8,615,789	
Jan	2,136,137		1,065,034			3,332,091		
Feb	1,765,971		1,597,551			3,363,522		
Mar	5,241,770		532,517			5,715,992		
Apr	4,634,145		1,065,034			3,983,634		
May	9,324,071		3,352,817			3,054,938		
Jun	47,248,299	18,900,000	430,516			2,993,840		
Jul	6,256,146					76,606,539	18,900,000	
Aug	1,389,233					3,527,889		
Sep	6,129,472					6,038,889		
Oct	9,265,381					6,336,634	496,202	
Nov	17,072,293					4,465,869	12,884,444	
Dec	103,563,542		18,514,000			1,055,526	12,662,877	
Total	214,685,421	18,900,000	18,514,000	7,987,796		130,837,583	34,659,312	

(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)
Other Projects PIS (monthly balances)	Reconductor South Mahwah 345 kV J-3410 Circuit (B1017) (monthly balances)	Reconductor South Mahwah 345 kV K-3411 Circuit (B1018) (monthly balances)	Susquehanna Roseland Breakers (monthly balances)	Susquehanna Roseland >= 600KV (monthly balances)	Susquehanna Roseland < 600KV (monthly balances)	CWIP	CWIP	
	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	
Dec			2,662,585			82,871,548	8,615,789	
Jan	2,136,137		3,727,619			86,303,638	8,615,789	
Feb	3,902,108		5,325,170			89,690,105	8,615,789	
Mar	9,143,578		5,857,637			95,406,097	8,615,789	
Apr	13,778,023		6,922,721			99,389,731	8,615,789	
May	23,102,084		7,455,238			102,444,669	8,615,789	
Jun	70,950,393	18,900,000	7,987,796			105,128,605	8,615,789	
Jul	76,606,539	18,900,000	7,987,796			108,642,577	8,615,789	
Aug	77,984,772	18,900,000	7,987,796			112,170,565	8,615,789	
Sep	84,754,245	18,900,000	7,987,796			119,009,555	8,615,789	
Oct	94,049,626	18,900,000	7,987,796			125,346,189	9,111,991	
Nov	111,121,879	18,900,000	7,987,796			129,812,058	21,996,435	
Dec	214,685,421	18,900,000	18,514,000			130,837,583	34,659,312	
Total	781,655,115	132,300,000	18,514,000			87,865,312	1,387,152,826	151,925,630
Average 13 Month Balance	60,127,317	10,176,923	1,424,154			6,758,870		
Average 13 Month in service 13 Month	3.64	7.00	1.00			11.00		
Average CWIP to Appendix A, line 45							106,704,064	11,686,587

Estimated Transmission Enhancement Charges																
Total Projects	Branchburg (B0130)	Kitany (B0134)	Essex Aldene (B0145)	New Freedom Trans (B0411)	New Freedom Loop (B0488)	Melusen Transformer (B0181)	Branchburg-Flagtown-Sommerville (B0170)	Flagtown-Sommerville Bridgewater (B0170)	Roseland Transformer (B0274)	Wave Trap Branchburg (B0172.2)	Susquehanna Roseland (B0489) >= 500KV CWP	Susquehanna Roseland (B0489) < 500KV CWP	Reconductor Hudson - South Waterford (B0813)	Reconductor South Mahwah 345 kV J-3410 Circuit (B1017)	Reconductor South Mahwah 345 kV K-3411 Circuit (B1018) Breakers	
74,754,680	1,528,160	1,528,160	17,258,470	4,441,046	5,805,850	4,276,941	5,492,268	1,473,114	3,779,841	16,033	20,146,965	2,426,077	2,157,552	2,091,956	266,767	1,468,385

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 7 - Transmission Enhancement Charges Worksheet (TEC) - December 31, 2011

1	New Plant Carrying Charge			
2	Fixed Charge Rate (FCR) if not a CIAC			
	Formula Line			
3	A	152	Net Plant Carrying Charge without Depreciation	17.86%
4	B	159	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	18.66%
5	C		Line B less Line A	0.80%
6	FCR if a CIAC			
7	D	153	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	6.17%
8	The FCR resulting from Formula in a given year is used for that year only.			
9	Therefore actual revenues collected in a year do not change based on cost data for subsequent years			

Details		Branchburg (B0130)			Kittatiny (B0134)			Essex Aldene (B0145)			New Freedom Trans.(B0411)			
10	"Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Yes			Yes			Yes			Yes			
11	Schedule 12 (Yes or No)	Yes			Yes			Yes			Yes			
12	Useful life of the project Life	42.00			42.00			42.00			42.00			
13	"Yes" if the customer has paid a lumpsum payment in the amount of the investment on line 29, otherwise "No"	No			No			No			No			
14	Input the allowed increase in ROE	0			0			0			0			
15	From line 3 above if "No" on line 13 and From line 7 above if "Yes" on line 13	17.8634%			17.8634%			17.8634%			17.8634%			
16	Line 14 plus (line 5 times line 15)/100	17.8634%			17.8634%			17.8634%			17.8634%			
17	Plant in Service Account 101 or 106 if not yet classified - End of year	20,680,597			8,069,022			86,565,629			22,188,863			
18	Line 17 divided by line 12	492,395			192,120			2,061,086			528,306			
19	Months in service for depreciation expense from Year placed in Service (0 if	13.00			13.00			13.00			13.00			
20	CWIP)	2006			2007			2007			2007			
21		Invest Yr	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue
22	W 11.68 % ROE	2006	20,680,597	492,395	4,652,471									
23	W Increased ROE	2006	20,680,597	492,395	4,652,471									
24	W 11.68 % ROE	2007	20,188,202	492,395	4,553,422	8,069,022	80,050	1,703,202	86,565,629	858,786	18,272,191	22,188,863	484,281	4,947,757
25	W Increased ROE	2007	20,188,202	492,395	4,553,422	8,069,022	80,050	1,703,202	86,565,629	858,786	18,272,191	22,188,863	484,281	4,947,757
26	W 11.68 % ROE	2008	19,695,807	492,395	4,454,372	7,988,972	192,120	1,799,169	85,706,843	2,061,086	19,301,739	21,704,582	528,306	4,894,366
27	W Increased ROE	2008	19,695,807	492,395	4,454,372	7,988,972	192,120	1,799,169	85,706,843	2,061,086	19,301,739	21,704,582	528,306	4,894,366
28	W 11.68 % ROE	2009	19,203,412	492,395	4,523,234	7,796,853	192,120	1,828,696	83,645,756	2,061,086	19,618,517	21,176,276	528,306	4,973,254
29	W Increased ROE	2009	19,203,412	492,395	4,523,234	7,796,853	192,120	1,828,696	83,645,756	2,061,086	19,618,517	21,176,276	528,306	4,973,254
30	W 11.68 % ROE	2010	18,711,016	492,395	4,095,968	7,604,733	192,120	1,656,722	81,584,670	2,061,086	17,773,557	20,647,970	528,306	4,504,919
31	W Increased ROE	2010	18,711,016	492,395	4,095,968	7,604,733	192,120	1,656,722	81,584,670	2,061,086	17,773,557	20,647,970	528,306	4,504,919
32	W 11.68 % ROE	2011	18,218,621	492,395	3,746,858	7,412,613	192,120	1,516,263	79,523,584	2,061,086	16,266,692	20,119,663	528,306	4,122,360
33	W Increased ROE	2011	18,218,621	492,395	3,746,858	7,412,613	192,120	1,516,263	79,523,584	2,061,086	16,266,692	20,119,663	528,306	4,122,360

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 7 - Transmission Enhancement Charges Worksheet (TEC) - December 31, 2011

1	New Plant Carrying Charge			
2	Fixed Charge Rate (FCR) if not a C			
		Formula Line		
3	A	152	Net Plant Carrying Charge without Depreciation	17.86%
4	B	159	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	18.66%
5	C		Line B less Line A	0.80%
6	FCR if a CIAC			
7	D	153	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	6.17%
8	The FCR resulting from Formula in a giv			
9	Therefore actual revenues collected in a			

Details		New Freedom Loop (B0498)			Metuchen Transformer (B0161)			Branchburg-Flagtown-Somerville (B0169)			Flagtown Somerville Bridgewater (B0170)			
10	"Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Schedule 12 (Yes or No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes		
11	Useful life of the project	Life	42.00	42.00	42.00	42.00	42	42	42	42.00	42.00	42.00		
12	"Yes" if the customer has paid a lumpsum payment in the amount of the investment on line 29, otherwise "No"	CIAC (Yes or No)	No	No	No	No	No	No	No	No	No	No		
13	Input the allowed increase in ROE	Increased ROE (Basis Points)	0	0	0	0	0	0	0	0	0	0		
14	From line 3 above if "No" on line 13 and From line 7 above if "Yes" on line 13	11.68% ROE	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%		
15	Line 14 plus (line 5 times line 15)/100	FCR for This Project	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%		
16	Plant in Service Account 101 or 106 if not yet classified - End of year	Investment	27,005,442	25,799,055	25,799,055	25,799,055	15,731,554	15,731,554	15,731,554	6,961,495	6,961,495	6,961,495		
17	Line 17 divided by line 12	Annual Depreciation Exp	642,987	614,263	614,263	614,263	374,561	374,561	374,561	165,750	165,750	165,750		
18	Months in service for depreciation expense from Year placed in Service (0 if CWIP)		13.00	13.00	13.00	13.00	13.00	13.00	13.00	8.12	8.12	8.12		
19	Year placed in Service (0 if CWIP)		2008	2009	2009	2009	2009	2009	2009	2008	2008	2008		
20														
21		Invest Yr	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue
22	W 11.68 % ROE	2006												
23	W Increased ROE	2006												
24	W 11.68 % ROE	2007												
25	W Increased ROE	2007												
26	W 11.68 % ROE	2008	24,921,237	88,646	837,584							6,961,495	25,372	239,734
27	W Increased ROE	2008	24,921,237	88,646	837,584							6,961,495	25,372	239,734
28	W 11.68 % ROE	2009	26,916,602	642,982	6,292,837	19,700,217	288,478	2,831,673	15,773,880	234,561	2,302,423	6,936,122	165,750	1,621,657
29	W Increased ROE	2009	26,916,602	642,982	6,292,837	19,700,217	288,478	2,831,673	15,773,880	234,561	2,302,423	6,936,122	165,750	1,621,657
30	W 11.68 % ROE	2010	26,273,620	642,982	5,703,044	25,488,527	613,738	5,522,598	15,539,319	375,568	3,368,301	6,770,372	165,750	1,469,662
31	W Increased ROE	2010	26,273,620	642,982	5,703,044	25,488,527	613,738	5,522,598	15,539,319	375,568	3,368,301	6,770,372	165,750	1,469,662
32	W 11.68 % ROE	2011	25,630,832	642,987	5,221,521	24,896,838	614,263	5,061,682	15,121,425	374,561	3,075,759	6,604,623	165,750	1,345,559
33	W Increased ROE	2011	25,630,832	642,987	5,221,521	24,896,838	614,263	5,061,682	15,121,425	374,561	3,075,759	6,604,623	165,750	1,345,559

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 7 - Transmission Enhancement Charges Worksheet (TEC) - December 31, 2011

1	New Plant Carrying Charge			
2	Fixed Charge Rate (FCR) if not a C			
	Formula Line			
3	A	152	Net Plant Carrying Charge without Depreciation	17.86%
4	B	159	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	18.66%
5	C		Line B less Line A	0.80%
6	FCR if a CIAC			
7	D	153	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	6.17%
8	The FCR resulting from Formula in a giv			
9	Therefore actual revenues collected in a			

Details		Roseland Transformers (B0274)	Wave Trap Branchburg (B0172.2)	Susquehanna Roseland (B0489) >= 500KV CWIP	Susquehanna Roseland (B0489.4) < 500KV CWIP
10	"Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Yes	Yes	Yes	Yes
11	Schedule 12 (Yes or No)	Yes	Yes	Yes	Yes
12	Useful life of the project Life	42.00	42.00	42.00	42.00
13	"Yes" if the customer has paid a lumpsum payment in the amount of the investment on line 29, otherwise "No"	No	No	No	No
14	Input the allowed increase in ROE	0	0	125	125
15	From line 3 above if "No" on line 13 and From line 7 above if "Yes" on line 13	17.8634%	17.8634%	17.8634%	17.8634%
16	Line 14 plus (line 5 times line 15)/100	17.8634%	17.8634%	18.8629%	18.8629%
17	Plant in Service Account 101 or 106 if not yet classified - End of year	21,072,446	27,988	133,618,838	30,831,150
18	Line 17 divided by line 12	501,725	666		
19	Months in service for depreciation expense from Year placed in Service (0 if CWIP)	13.00	13.00	10.72	7.97
20		2009	2008	2014	2014
21		Invest Yr	Ending Depreciation Revenue	Ending Depreciation Revenue	Ending Depreciation Revenue
22	W 11.68 % ROE	2006			
23	W Increased ROE	2006			
24	W 11.68 % ROE	2007			
25	W Increased ROE	2007			
26	W 11.68 % ROE	2008		36,369 577 5,114	8,927,082 819,421
27	W Increased ROE	2008		36,369 577 5,114	8,927,082 858,682
28	W 11.68 % ROE	2009	21,092,458 268,347 2,634,066	35,792 866 8,379	33,993,795 3,927,226 8,601,534 794,647
29	W Increased ROE	2009	21,092,458 268,347 2,634,066	35,792 866 8,379	33,993,795 4,120,411 8,601,534 833,737
30	W 11.68 % ROE	2010	20,797,967 501,579 4,507,079	27,122 666 5,890	83,961,998 10,780,919 10,121,290 1,719,499
31	W Increased ROE	2010	20,797,967 501,579 4,507,079	27,122 666 5,890	83,961,998 11,355,769 10,121,290 1,811,185
32	W 11.68 % ROE	2011	20,302,520 501,725 4,128,443	25,878 666 5,289	133,618,838 19,674,374 30,831,150 3,376,923
33	W Increased ROE	2011	20,302,520 501,725 4,128,443	25,878 666 5,289	133,618,838 20,775,227 30,831,150 3,565,874

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 7 - Transmission Enhancement Charges Worksheet (TEC) - December 31, 2011

1	New Plant Carrying Charge			
2	Fixed Charge Rate (FCR) if not a C			
	Formula Line			
3	A	152	Net Plant Carrying Charge without Depreciation	17.86%
4	B	159	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	18.66%
5	C		Line B less Line A	0.80%
6	FCR if a CIAC			
7	D	153	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	6.17%
8	The FCR resulting from Formula in a giv			
9	Therefore actual revenues collected in a			

Details			Reconductor Hudson - South Waterfront (B0813)	Reconductor South Mahwah J-3410 Circuit (B1017)	Reconductor South Mahwah K-3411 Circuit (B1018)	Susquehanna Roseland Breakers (B0489.5-B0489.15)								
10	"Yes" if a project under PJM OATT Schedule 12, otherwise "No"		Yes	Yes	Yes	Yes								
11	Schedule 12	(Yes or No)	Yes	Yes	Yes	Yes								
12	Useful life of the project		42.00	42.00	42.00	42.00								
	"Yes" if the customer has paid a lumpsum payment in the amount of the investment on line 29, otherwise "No"		No	No	No	No								
13	CIAC	(Yes or No)	No	No	No	No								
14	Input the allowed increase in ROE		0	0	0	125								
	From line 3 above if "No" on line 13 and From line 7 above if "Yes" on line 13		17.8634%	17.8634%	17.8634%	17.8634%								
15	Line 14 plus (line 5 times line 15)/100		17.8634%	17.8634%	17.8634%	18.8629%								
16	FCR for This Project		17.8634%	17.8634%	17.8634%	18.8629%								
17	Plant in Service Account 101 or 106 if not yet classified - End of year		9,158,918	20,623,951	20,511,158	5,857,687								
18	Line 17 divided by line 12		218,069	491,046	488,361	139,469								
19	Months in service for depreciation expense from Year placed in Service (0 if CWIP)		13.00	7.95	1.00	10.82								
20			2010	2011	2011	2011								
21		Invest Yr	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue
22	W 11.68 % ROE	2006												
23	W Increased ROE	2006												
24	W 11.68 % ROE	2007												
25	W Increased ROE	2007												
26	W 11.68 % ROE	2008												
27	W Increased ROE	2008												
28	W 11.68 % ROE	2009												
29	W Increased ROE	2009												
30	W 11.68 % ROE	2010	8,806,222	18,700	169,959							2,662,585	7,802	70,915
31	W Increased ROE	2010	8,806,222	18,700	169,959							2,662,585	7,802	70,915
32	W 11.68 % ROE	2011	9,140,218	218,069	1,850,822	20,623,951	300,198	2,435,793	20,511,158	37,566	284,735	5,849,885	116,061	966,188
33	W Increased ROE	2011	9,140,218	218,069	1,850,822	20,623,951	300,198	2,435,793	20,511,158	37,566	284,735	5,849,885	116,061	1,014,845

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 7 - Transmission Enhancement Charges Worksheet (TEC) - December 31, 2011

1	New Plant Carrying Charge			
2	Fixed Charge Rate (FCR) if not a C			
	Formula Line			
3	A	152	Net Plant Carrying Charge without Depreciation	17.86%
4	B	159	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	18.66%
5	C		Line B less Line A	0.80%
6	FCR if a CIAC			
7	D	153	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	6.17%
8	The FCR resulting from Formula in a giv			
9	Therefore actual revenues collected in a			

Details		Replace Salem 500 kV breakers (B1411)			Burlington - Camden 230kV Conversion (B1156)			Susquehanna Roseland <500kV (B0489.4)			North Central Reliability(West Orange Conversion) (B1154) CWIP			
10	"Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Schedule 12 (Yes or No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes		
11	Useful life of the project	Life	42.00	42.00	42.00	42.00	42.00	42.00	42.00	42.00	42.00	42.00		
12	"Yes" if the customer has paid a lumpsum payment in the amount of the investment on line 29, otherwise "No"	CIAC (Yes or No)	No	No	No	No	No	No	No	No	No	No		
13	Input the allowed increase in ROE	Increased ROE (Basis Points)	0	0	0	0	125	125	125	125	125	125		
14	From line 3 above if "No" on line 13 and From line 7 above if "Yes" on line 13	11.68% ROE	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%	17.8634%		
15	Line 14 plus (line 5 times line 15)/100	FCR for This Project	17.8634%	17.8634%	17.8634%	17.8634%	18.8629%	18.8629%	18.8629%	18.8629%	18.8629%	18.8629%		
16	Plant in Service Account 101 or 106 if not yet classified - End of year	Investment	2,640,253	19,902,939	19,902,939	19,902,939	7,844,331	7,844,331	7,844,331	7,844,331	7,844,331	19,588,655		
17	Line 17 divided by line 12	Annual Depreciation Exp	62,863	473,879	473,879	473,879	186,770	186,770	186,770	186,770	186,770	466,397		
18	Months in service for depreciation expense from Year placed in Service (0 if CWIP)		1.97	4.04	4.04	4.04	7.78	7.78	7.78	7.78	7.78	4.83		
19			2011	2011	2011	2011	2011	2011	2011	2011	2011	2014		
20														
21		Invest Yr	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue
22	W 11.68 % ROE	2006												
23	W Increased ROE	2006												
24	W 11.68 % ROE	2007												
25	W Increased ROE	2007												
26	W 11.68 % ROE	2008												
27	W Increased ROE	2008												
28	W 11.68 % ROE	2009												
29	W Increased ROE	2009												
30	W 11.68 % ROE	2010												
31	W Increased ROE	2010												
32	W 11.68 % ROE	2011	2,640,253	9,537	73,000	19,902,939	147,204	1,150,144	7,844,331	111,778	905,525	19,588,655	1,299,846	1,299,846
33	W Increased ROE	2011	2,640,253	9,537	73,000	19,902,939	147,204	1,150,144	7,844,331	111,778	952,449	19,588,655	1,299,846	1,299,846

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 7 - Transmission Enhancement Charges Worksheet (TEC) - December 31, 2011

1	New Plant Carrying Charge			
2	Fixed Charge Rate (FCR) if not a C			
		Formula Line		
3	A	152	Net Plant Carrying Charge without Depreciation	17.86%
4	B	159	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	18.66%
5	C		Line B less Line A	0.80%
6	FCR if a CIAC			
7	D	153	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	6.17%
8	The FCR resulting from Formula in a giv			
9	Therefore actual revenues collected in a			

Details		Mickleton-Gloucestercamden(B1398- B1398.7) CWIP	Burlington - Camden 230kV Conversion (B1156) CWIP								
10	"Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Yes	Yes								
11	Schedule 12 (Yes or No)	Yes	Yes								
12	Useful life of the project Life	42.00	42.00								
13	"Yes" if the customer has paid a lumpsum payment in the amount of the investment on line 29, Otherwise "No"	No	No								
14	CIAC (Yes or No)	No	No								
15	Input the allowed increase in ROE	0	0								
16	From line 3 above if "No" on line 13 and From line 7 above if "Yes" on line 13	17.8634%	17.8634%								
17	Line 14 plus (line 5 times line 15)/100	17.8634%	17.8634%								
18	Plant in Service Account 101 or 106 if not yet classified - End of year	1,648,851	22,089,378								
19	Line 17 divided by line 12 Months in service for depreciation expense from Year placed in Service (0 if CWIP)	39.258	525,938								
20		2.48	6.18								
21		2015	2014								
22		Invest Yr	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue	Total	Incentive Charged	Revenue Credit
23	W 11.68 % ROE	2006							\$ 4,652,471	\$ 4,652,471	\$ -
24	W Increased ROE	2006							\$ 4,652,471	\$ 4,652,471	\$ -
25	W 11.68 % ROE	2007							\$ 29,476,571	\$ 29,476,571	\$ -
26	W Increased ROE	2007							\$ 29,476,571	\$ 29,476,571	\$ -
27	W 11.68 % ROE	2008							\$ 32,346,385	\$ 32,346,385	\$ 39,261
28	W Increased ROE	2008							\$ 32,346,385	\$ 32,346,385	\$ 39,261
29	W 11.68 % ROE	2009							\$ 51,356,608	\$ 51,356,608	\$ 232,275
30	W Increased ROE	2009							\$ 51,356,608	\$ 51,356,608	\$ 232,275
31	W 11.68 % ROE	2010							\$ 61,349,032	\$ 61,349,032	\$ 666,536
32	W Increased ROE	2010							\$ 61,349,032	\$ 61,349,032	\$ 666,536
33	W 11.68 % ROE	2011	1,648,851		56,106	22,089,378		1,874,440	\$ 78,438,322	\$ 78,438,322	\$ 1,385,386
	W Increased ROE	2011	1,648,851		56,106	22,089,378		1,874,440	\$ 79,823,709	\$ 79,823,709	\$ 1,385,386

Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 8 - Depreciation Rates

<u>Plant Type</u>	<u>PSE&G</u>
Transmission	2.40
Distribution	
High Voltage Distribution	2.49
Meters	2.49
Line Transformers	2.49
All Other Distribution	2.49
General & Common	
Structures and Improvements	1.40
Office Furniture	5.00
Office Equipment	25.00
Computer Equipment	14.29
Personal Computers	33.33
Store Equipment	14.29
Tools, Shop, Garage and Other Tangible Equipment	14.29
Laboratory Equipment	20.00
Communications Equipment	10.00
Miscellaneous Equipment	14.29

ATTACHMENT B

*Public Service Electric and Gas Company
Annual Report of Construction Work In Progress (CWIP) in Transmission Rate Base
Federal Energy Regulatory Commission Authorized Incentive Projects
(per section 2B of PSE&G's Attachment H-10B Formula Rate Implementation Protocols)*

PJM Project #	RTEP Project	Actual Project Cost thru Dec 2011	AFUDC thru Dec 2009	AFUDC thru Dec 2010	AFUDC thru Dec 2011	2011 CWIP Revenue Requirement	Status	Projected In-Service Date
B0489	Build new 500 kV transmission facilities from Pennsylvania - New Jersey border at Bushkill to Roseland (500 kV and above elements of the project)	\$ 133,618,838	\$ 78,361			\$ 20,775,227	Conceptual/Engineering/Permitting	June 2015
B0489.4	Install two Roseland 500/230 kV transformers as part of the Susquehanna - Roseland 500 kV project (below 500 kV elements of the project)	\$ 30,831,150				\$ 3,565,874	Conceptual/Engineering/Permitting	June 2014
B1154	North Central Reliability(West Orange Project)	\$ 19,588,655		\$ 21,495	\$ 74,280	\$ 1,299,846	Pre-Construction	June 2014
B1398-B1398.7	Mickleton - Gloucester-Camden	\$ 1,648,851				\$ 56,106	Pre-Engineering	June 2015
B1156	Burlington - Camden Conversion	\$ 22,089,378		\$ 32,642	\$ 130,975	\$ 1,874,440	Under Construction	June 2014
		\$ 207,776,872	\$ 78,361	\$ 54,138	\$ 205,255	\$ 27,571,494		