

# Helping Your Business Manage Electric Costs and Usage

PRESENTED BY: PSE&G BUSINESS CUSTOMER SOLUTIONS  
SEPTEMBER 30, 2021



**PSE&G**  
*We make things work for you.*

# Agenda

- Kick-off and Welcome
  - Pete Cullen: Business Consultant Pricing, Business Customer Solutions
  - Vashesh “V” Sooknanan: Senior Business Support Specialist
- Main Bill Components
- Generation & Transmission Supply
- Recommendations to Control Your Business’ Energy Costs
- Q&A

# Components of the Bill (GLP)



## Details of your electric charges

Your rate: General Lighting & Power (GLP)

Meter	Usage
Estimated reading Sep 1, 2021	7860
<b>Less</b> Actual reading Aug 3, 2021	7526
<b>Difference</b>	<b>334</b>
Meter multiplier	120
<b>Total kWh</b>	<b>40,080</b>

## Delivery charges

Monthly service charge		\$4.84
Charges for delivering electric to you:		
Annual Demand	86.400 kW x \$3.956134	\$341.81
<i>The highest Measured Demand in any time period in the current month.</i>		
Summer Demand	86.400 kW x \$9.920833	\$857.16
<i>The Measured Demand (excluding off-peak) in each billing month of June through September.</i>		
kWh charges		
For the first	38,640 kWh x \$0.008117	\$313.64
For the next	1,440 kWh x \$0.007632	\$10.99
Societal Benefits	40,080 kWh x \$0.008617	\$345.37
<i>This charge recovers the cost of government mandated programs designed to achieve public policy goals, such as energy conservation.</i>		

**Total electric delivery charges \$1,873.81**

## Supply charges

BGS Capacity		
Generation	76.868 kW x \$5.586720	\$429.44
Transmission	68.775 kW x \$12.829080	\$882.32
Cost of electric supplied by PSE&G:		
Charges		
For the first	38,640 kWh x \$0.050125	\$1,936.83
For the next	1,440 kWh x \$0.039167	\$56.40

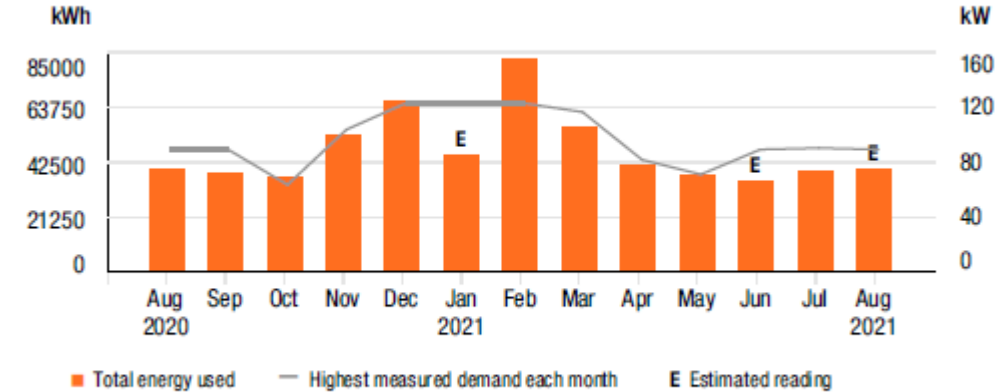
**Total electric supply charges \$3,304.99**



**Total electric charges**

**\$5,178.80**

## Your monthly electric use



Visit MyAccount for more details regarding your energy usage.

### MEASURED DEMAND

Demand kW 86.40

Measured Demand is the maximum use of electricity at any time during a monthly time period, as measured by your meter.

### BILLED DEMAND

Annual Demand kW 86.40

Summer Demand kW 86.40

### SUPPLY CAPACITY

Generation kW 76.868

Transmission kW 68.775

Supply capacity is required to serve the system's annual peak usage. It represents your share of these facilities, in kilowatts (kW). It is calculated based on your peak usage from the previous summer. Supply capacity values are updated periodically throughout the year and are prorated based on your service period.

# Components of the Bill (LPLS)



## Details of your electric charges

Your rate: Large Power & Lighting Secondary (LPLS)

Meter #	Usage
Reading Mar 12, 2021	
On-Peak Actual	15123
Reading Feb 11, 2021	
<b>Less</b> On-Peak Actual	14824
Multiplier	200
Total On kWh	38,329
Total Off kWh	21,408
<b>Total kWh</b>	<b>59,737</b>

### Delivery charges

Monthly service charge		\$370.81
Charges for delivering electric to you:		
Annual Demand	360.400 kW x \$3.761709	\$1,355.72
<i>The highest Measured Demand in any time period in the current month.</i>		
kWh - On-peak	38,329 kWh x \$0.005620	\$215.41
<i>Energy consumed between 8am-10pm, Monday to Friday.</i>		
kWh - Off-peak	21,408 kWh x \$0.005620	\$120.31
<i>Energy consumed outside peak hours.</i>		
Societal Benefits	59,737 kWh x \$0.008694	\$519.35
<i>This charge recovers the cost of government mandated programs designed to achieve public policy goals, such as energy conservation.</i>		
<b>Total electric delivery charges</b>		<b>\$2,581.60</b>

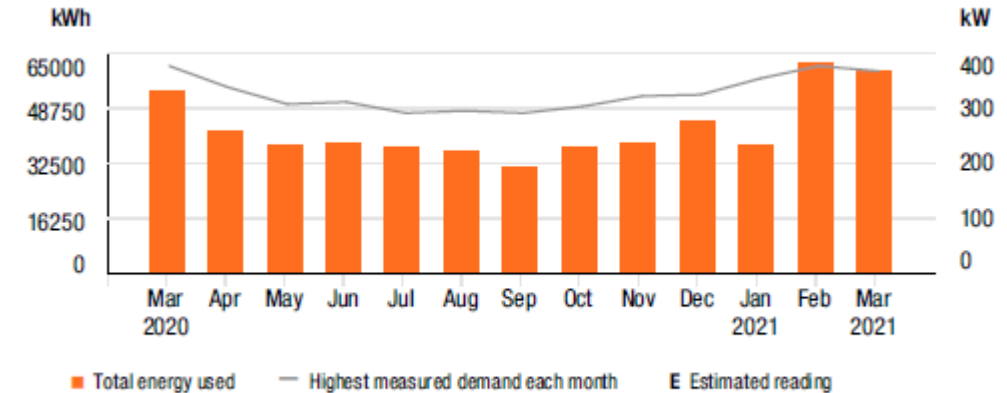
### Supply charges

BGS Capacity		
Generation	7.385 kW x \$5.647935	\$41.71
Transmission	64.539 kW x \$12.674352	\$817.99
Cost of electric supplied by PSE&G:		
On-peak		
For the first	19,283 kWh x \$0.055275	\$1,065.87
For the next	19,046 kWh x \$0.048816	\$929.75
Off-peak		
For the first	13,243 kWh x \$0.048200	\$638.31
For the next	8,165 kWh x \$0.041742	\$340.82
<b>Total electric supply charges</b>		<b>\$3,834.45</b>



**Total electric charges \$6,416.05**

## Your monthly electric use



Visit MyAccount for more details regarding your energy usage.

### MEASURED DEMAND

On-Peak kW	360.40
Off-Peak2 kW	358.40

Measured Demand is the maximum use of electricity at any time during a monthly time period, as measured by your meter.

### BILLED DEMAND

Annual Demand kW	360.40
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### SUPPLY CAPACITY

Generation kW	7.385
Transmission kW	64.539

Supply capacity is required to serve the system's annual peak usage. It represents your share of these facilities, in kilowatts (kW). It is calculated based on your peak usage from the previous summer. Supply capacity values are updated periodically throughout the year and are prorated based on your service period.

# Two Bill Components

## REGULATED BILL

### Delivery

Key component line items:

- Your monthly service charge
- Annual Demand charge (kW) – capacity related
- Summer Demand charge (kW) – capacity related
- kWh Energy Charge

#### Delivery charges

Monthly service charge		\$4.84
Charges for delivering electric to you:		
Annual Demand	84,600 kW x \$3.956147	\$334.69
<i>The highest Measured Demand in any time period in the current month.</i>		
Summer Demand	84,600 kW x \$9.920804	\$839.30
<i>The Measured Demand (excluding off-peak) in each billing month of June through September.</i>		
kWh charges		
For the first	21,360 kWh x \$0.008117	\$173.38
For the next	780 kWh x \$0.007628	\$5.95
Societal Benefits	22,140 kWh x \$0.008617	\$190.78
<i>This charge recovers the cost of government mandated programs designed to achieve public policy goals, such as energy conservation.</i>		
<b>Total electric delivery charges</b>		<b>\$1,548.94</b>

#### Supply charges

BGS Capacity		
Generation	70,538 kW x \$5.586634	\$394.07
Transmission	63,111 kW x \$12.829142	\$809.66
Cost of electric supplied by PSE&G:		
Charges		
For the first	21,360 kWh x \$0.050125	\$1,070.67
For the next	780 kWh x \$0.039167	\$30.55
<b>Total electric supply charges</b>		<b>\$2,304.95</b>



**Total electric charges**

**\$3,853.89**

# Two Bill Components

## DEREGULATED BILL

### Supply

#### Key component line items:

- Generation Capacity Charge (kW)
- Transmission Capacity Charge (kW)
- Energy Charge (kWh)

#### Energy choice options:

- Basic Generation Service (BGS)
- Third Party Supplier (TPS)

#### Delivery charges

Monthly service charge		\$4.84
Charges for delivering electric to you:		
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**Total electric charges**

**\$3,853.89**

# The Difference between kW and kWh

- kW capacity = demand, whereas kWh = energy being used
- kW = your equipment's load on the PSE&G grid
- The more you operate that equipment, the more energy you will use (more kWh), and the higher your bill



## KILOWATT HOUR (kWh)

a unit of energy used or produced. This is what shows up on your bill.



## KILOWATT (kW)

a measurement of capacity: how big your array is.

# Billing Demand (kW)

- Electric meter uses a 30 minute interval for billing purposes
- Bill charges are based on highest interval between meter readings
  - This captures your maximum capacity requirements each billing cycle
  - The single highest value represents the capacity for that billing cycle
- Used For Annual Demand and Summer Demand charges
- Correlates to the size of the equipment needed to meet your business capacity requirements
- Demand Charges cover PSE&G's cost for installing and maintaining infrastructure as required by state and national utility regulators



# Supply Deep Dive

- 3 components of supply for PSE&G BGS (default) supply
  - Generation Capacity (kW)
    - You demonstrated you needed it last summer, so this summer we have it ready for you
    - Resets every June 1<sup>st</sup>
  - Transmission Capacity (kW)
    - You demonstrated you needed it last summer, so this summer we have it ready for you
    - Resets every January 1<sup>st</sup>
  - Commodity (kWh energy)
    - Costs for energy are determined each year at a BGS auction (effective each June 1<sup>st</sup>)
    - Based on your delivery rate and will change seasonally
- Capacity Charge is the cost of electricity to be available and ready for your use based on your facility's prior usage

## Supply charges

BGS Capacity		
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Cost of electric supplied by PSE&G:		
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<b>Total electric supply charges</b>		<b>\$2,304.95</b>

# What is Generation and Transmission Supply?

- Your business' contribution to last summer's peak system capacity
  - Generation Obligation
    - Covers the cost to obtain sufficient generating capacity from the grid to meet your peak summer needs
    - If BGS supply: this is a pass-through cost to pay PSE&G's generating suppliers
  - Transmission Obligation
    - Covers the cost of the transmission lines necessary to move the energy from the generator to the PSE&G distribution system
    - If BGS supply: this is a pass through cost to pay PSE&G's transmission suppliers
    - Prevents brownouts and strengthens the network overall to ensure greater reliability
- PSE&G is neutral on customers going through a third party supplier

## Price to compare

If you want to consider getting your electric supply from another supplier, compare their price with ours. This month, your cost for energy supply is \$2,304.95. This *price to compare* varies month to month, depending on your usage.

## Your PoD ID is:

Your PoD ID is your Point of Delivery identification within PSE&G's system. You will need this number if you are considering enrolling with another supplier.

# What Can You Do? Reduce Demand!

- Recognizing we are at the end of summer, customers now have time to prepare for next summer's peak temperatures
  - Consider energy efficient lighting (i.e., LED)
  - Explore energy efficient HVAC / Motors – rebate programs
  - Current state:
    - PSE&G is a summer peaking utility, any winter peak is secondary
    - Entire grid capacity is therefore based on summer load
  - Grid Operator Load Curtailment Program (get paid to reduce capacity on peak days)
    - Curtailment Service Providers
  - Install Solar as a method of controlling supply capacity charges
- Review Clean Energy Future Energy Efficiency Programs Available here



# What Can You Do? Reduce Demand!

- Since “Smart Meter” (AMI) installation will not be complete for several years, it is very important that PSE&G obtain actual meter readings, especially during May, June, July, August, September and October months
  - Learn more about PSE&G Smart Meter Program [here](#)
- Following “Smart Meter” (AMI) installation: schedule high demand electric operations for off-peak times on hot days
  - Typically 12 Noon - 6 PM everyday of the week



# What Can You Do? Reduce Demand!

- Your next meter read date is provided on each bill
  - Reduce estimated meter readings
  - Sign into MyAccount to submit a photo of your meter on or after your regular reading date if not accessible to a PSE&G employee
  - Call PSE&G to schedule a make up meter reading appointment



**NEXT METER READING** October 1, 2021

## How to contact us



**1-855-BIZ-PSEG (249-7734)**

**Customer Service:** 8am to 5:30pm Mon to Fri,  
Closed on weekends and holidays

**Emergencies / Outages / WorryFree Services:** 24/7  
TTY for the hearing impaired: 1-800-225-0072



Visit [pseg.com/myaccount](https://pseg.com/myaccount) to access your account anytime



**Text us.** Register for MyAlerts by texting **REG** to 4PSEG(47734)  
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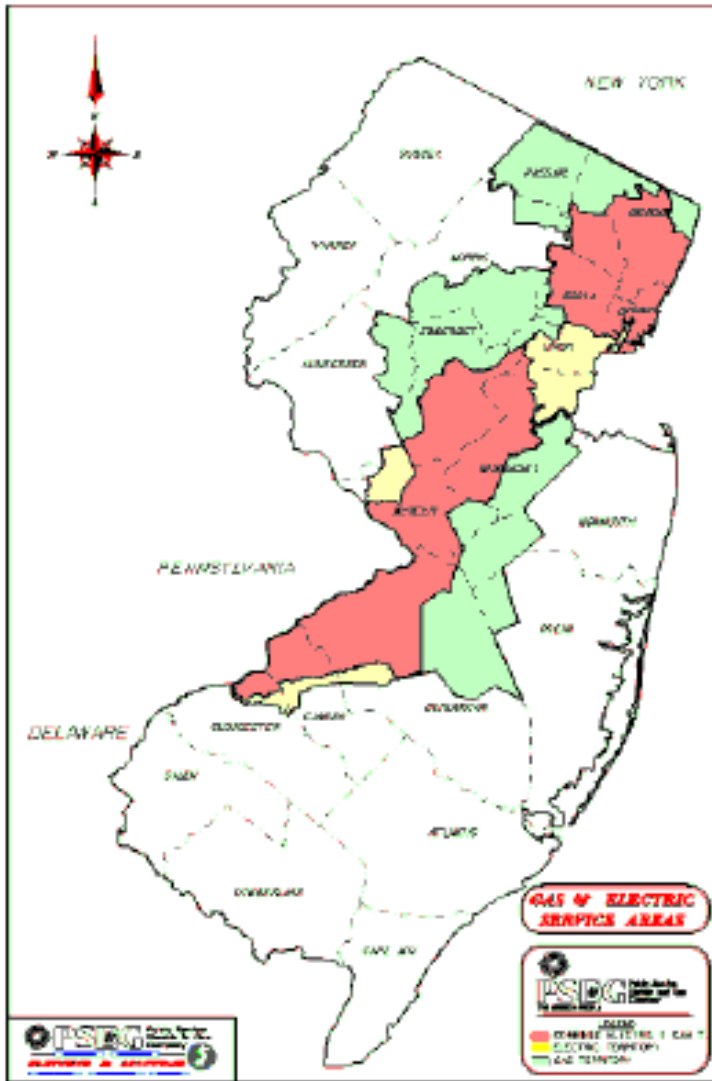
[twitter.com/psegdelivers](https://twitter.com/psegdelivers)

# Takeaways

- Reducing demand = Reducing the next year's Generation Obligation and Transmission capacity costs
- kW capacity = demand **versus** kWh = energy used
- Monitor summer usage on high temperature summer days for potential impact on next year's electric supply bill
- Energy efficient equipment will save kWh and lower demand
- Make every effort to have an actual meter read completed
- Contact PSE&G Ambassador Program for site visit to review your bill [here](#) or email us at [AmbassadorProgram@pseg.com](mailto:AmbassadorProgram@pseg.com)

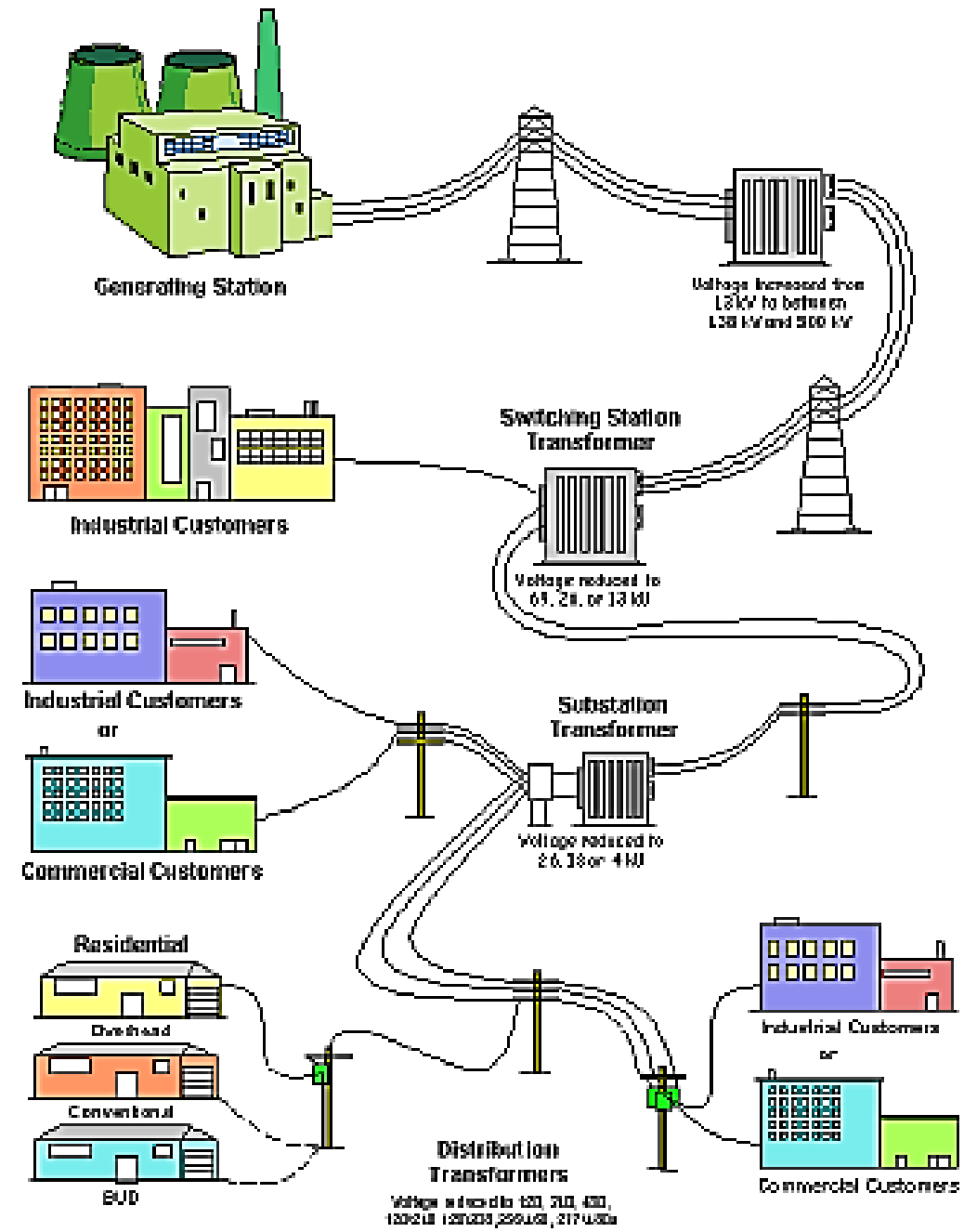
Thank You!  
Q&A

# Utility Overview – Electric and Gas

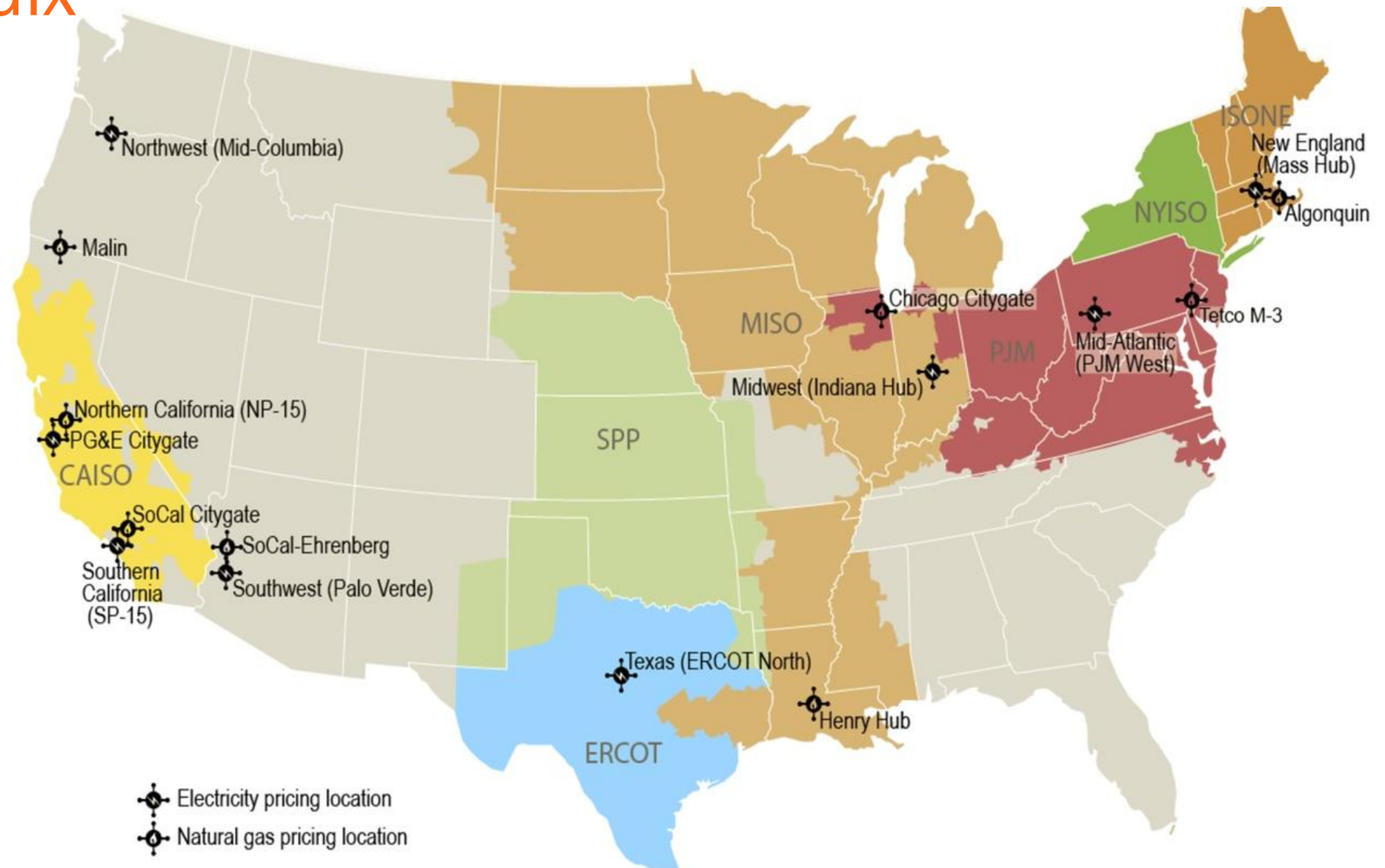


- Utility Overview
  - New Jersey Based
  - Provider of Electric and Gas Service
- Service Territory
  - 323 Municipalities
  - 70% of New Jersey's population
  - 11 County OEM Offices
  - 2.3 million Electric meters
  - 1.9 million Gas meters
  - 2,600 Square Miles
  - ~ 25,000 miles of circuit
  - 18,000 Miles of Main

# Appendix



# Appendix



# Appendix

## Rates at a Glance



### **Summary of Electric and Gas Rate Schedules** **For Commercial and Industrial Customers**

This is a summary of the charges that may apply to you as a customer of PSE&G. It does not replace the PSE&G Tariffs for Electric Service and/or Gas Service. These Tariffs are on file with the New Jersey Board of Public Utilities (BPU). More detailed information can be obtained by visiting our website at [pseg.com/tariffs](https://pseg.com/tariffs). Please retain this insert for future reference.