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PSE&G Cuts Residential Gas Bills for Seventh Straight Year

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Gas bills are half what they were in 2009

(Newark, NJ – Sept. 23, 2016) PSE&G announced today that customers will pay 7.2 percent less this year under new natural gas supply rates approved by the New Jersey Board of Public Utilities. The state's largest utility is reducing its basic gas supply rate to 34 cents from 40 cents – the lowest rate in 16 years. The new rates take effect Oct. 1, 2016.

In addition to new supply rates, the BPU approved other changes to gas bills, including the weather normalization clause which is adjusted each fall. With these adjustments factored in, annual gas bills are down about 3 percent overall, for a savings of $26.40 for the typical customer.

Overall bills are lower even as PSE&G is making significant improvements to make its infrastructure more reliable and resilient.

"When we proposed our Energy Strong program, we said we could begin to make our electric and gas systems more resilient and resistant to extreme weather with minimal impact on customer bills," said Jorge Cardenas, PSE&G vice president of asset management and centralized services. "Thanks to continued low natural gas prices, we have been able to replace vulnerable gas pipes in flood-prone areas and make other critical upgrades and still keep bills stable."

Under the gas rates approved today, a typical residential heating customer* will pay $857 a year, down from $883 based on rates in effect on September 1, 2016 and assuming the customer receives supply service from PSE&G.

Since January 2009, the utility has decreased residential gas bills by 51 percent through supply rate reductions for an annual savings of $854 for PSE&G's typical residential gas heating customer. In addition, PSE&G gave back $152 million to customers -- in the form of bill credits -- during the last winter heating season.

* based on a residential customer using 165 therms in a winter month and, 1,010 therms per year

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