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June 1, 2010

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
Docket No. ER09-1257-___

Dear Secretary Bose:

Public Service Electric and Gas Company (“PSE&G”) hereby submits for informational purposes its annual true-up adjustment (“True-Up Adjustment”) for its transmission formula rate in accordance with its Formula Rate Implementation Protocols¹ (“Protocols”) set forth in Attachment H-10B of the Open Access Transmission Tariff (“OATT”) of PJM Interconnection, L.L.C. (“PJM”). 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.

This 2010 True-Up Adjustment pertains to PSE&G’s formula rates in effect for 2009. 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, 2010 for its 2011 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.

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FERC ¶ 61,303 (2008), and by *Public Service Electric and Gas Company*, Docket No. ER08-1233-001 (January 13, 2009) (unpublished letter order).

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 June 1, 2009. 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,

Gregory Eisenstark

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ATTACHMENT A

Public Service Electric and Gas Company
ATTACHMENT H-10A

Formula Rate -- Appendix A

Notes

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Shaded cells are input cells

Allocators

Wages & Salary Allocation Factor				
1	Transmission Wages Expense	(Note O)	Attachment 5	19,684,689
2	Total Wages Expense	(Note O)	Attachment 5	168,175,143
3	Less A&G Wages Expense	(Note O)	Attachment 5	10,265,483
4	Total Wages Less A&G Wages Expense		(Line 2 - Line 3)	157,909,660
5	Wages & Salary Allocator		(Line 1 / Line 4)	12.4658%
Plant Allocation Factors				
6	Electric Plant in Service	(Note B)	Attachment 5	7,737,587,128
7	Common Plant in Service - Electric		(Line 22)	90,540,626
8	Total Plant in Service		(Line 6 + 7)	7,828,127,754
9	Accumulated Depreciation (Total Electric Plant)	(Note B & J)	Attachment 5	2,569,178,785
10	Accumulated Intangible Amortization - Electric	(Note B)	Attachment 5	2,281,006
11	Accumulated Common Plant Depreciation & Amortization - Electric	(Note B & J)	Attachment 5	28,334,781
12	Accumulated Common Amortization - Electric	(Note B)	Attachment 5	1,931,942
13	Total Accumulated Depreciation		(Line 9 + Line 10 + Line 11 + Line 12)	2,601,726,514
14	Net Plant		(Line 8 - Line 13)	5,226,401,239
15	Transmission Gross Plant		(Line 31)	1,820,421,604
16	Gross Plant Allocator		(Line 15 / Line 8)	23.2549%
17	Transmission Net Plant		(Line 43)	1,092,142,505
18	Net Plant Allocator		(Line 17 / Line 14)	20.8966%

Plant Calculations

Plant In Service				
19	Transmission Plant In Service	(Note B)	Attachment 5	1,769,661,109
20	General	(Note B)	Attachment 5	261,889,026
21	Intangible - Electric	(Note B)	Attachment 5	2,218,596
22	Common Plant - Electric	(Note B)	Attachment 5	90,540,626
23	Total General, Intangible & Common Plant		(Line 20 + Line 21 + Line 22)	354,648,247
24	Less: General Plant Account 397 -- Communications	(Note B)	Attachment 5	60,256,620
25	Less: Common Plant Account 397 -- Communications	(Note B)	Attachment 5	14,984,186
26	General and Intangible Excluding Acct. 397		(Line 23 - Line 24 - Line 25)	279,407,441
27	Wage & Salary Allocator		(Line 5)	12.4658%
28	General and Intangible Plant Allocated to Transmission		(Line 26 * Line 27)	34,830,349
29	Account No. 397 Directly Assigned to Transmission	(Note B)	Attachment 5	15,930,146
30	Total General and Intangible Functionalized to Transmission		(Line 28 + Line 29)	50,760,495
31	Total Plant In Rate Base		(Line 19 + Line 30)	1,820,421,604
Accumulated Depreciation				
32	Transmission Accumulated Depreciation	(Note B & J)	Attachment 5	708,581,767
33	Accumulated General Depreciation	(Note B & J)	Attachment 5	141,816,260
34	Accumulated Common Plant Depreciation - Electric	(Note B & J)	Attachment 5	28,334,781
35	Less: Amount of General Depreciation Associated with Acct. 397	(Note B & J)	Attachment 5	53,852,594
36	Balance of Accumulated General Depreciation		(Line 33 + Line 34 - Line 35)	116,298,447
37	Accumulated Intangible Amortization - Electric	(Note B)	(Line 10)	2,281,006
38	Accumulated General and Intangible Depreciation Ex. Acct. 397		(Line 36 + 37)	118,579,453
39	Wage & Salary Allocator		(Line 5)	12.4658%
40	Subtotal General and Intangible Accum. Depreciation Allocated to Transmission		(Line 38 * Line 39)	14,781,867
41	Accumulated General Depreciation Associated with Acct. 397 Directly Assigned to Transmission	(Note B & J)	Attachment 5	4,915,465
42	Total Accumulated Depreciation		(Lines 32 + 40 + 41)	728,279,099
43	Total Net Property, Plant & Equipment		(Line 31 - Line 42)	1,092,142,505

Public Service Electric and Gas Company				
ATTACHMENT H-10A				
Formula Rate -- Appendix A			Notes	FERC Form 1 Page # or Instruction
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Adjustment To Rate Base				
Accumulated Deferred Income Taxes				
44	ADIT net of FASB 106 and 109	(Note Q)	Attachment 1	-162,042,273
CWIP for Incentive Transmission Projects				
45	CWIP Balances for Current Rate Year	(Note B & H)	Attachment 6	22,495,582
46	Plant Held for Future Use	(Note C & Q)	Attachment 5	4,414,356
Prepayments				
47	Prepayments	(Note A & Q)	Attachment 5	3,214,821
Materials and Supplies				
48	Undistributed Stores Expense	(Note Q)	Attachment 5	0
49	Wage & Salary Allocator		(Line 5)	12.4658%
50	Total Undistributed Stores Expense Allocated to Transmission		(Line 48 * Line 49)	0
51	Transmission Materials & Supplies	(Note N & Q)	Attachment 5	3,497,496
52	Total Materials & Supplies Allocated to Transmission		(Line 50 + Line 51)	3,497,496
Cash Working Capital				
53	Operation & Maintenance Expense		(Line 80)	81,229,000
54	1/8th Rule		1/8	12.5%
55	Total Cash Working Capital Allocated to Transmission		(Line 53 * Line 54)	10,153,625
Network Credits				
56	Outstanding Network Credits	(Note N & Q)	Attachment 5	0
57	Total Adjustment to Rate Base		(Lines 44 + 45 + 46 + 47 + 52 + 55 - 56)	-118,266,394
58	Rate Base		(Line 43 + Line 57)	973,876,111
Operations & Maintenance Expense				
Transmission O&M				
59	Transmission O&M	(Note O)	Attachment 5	53,433,494
60	Plus Transmission Lease Payments	(Note O)	Attachment 5	0
61	Transmission O&M		(Lines 59 + 60)	53,433,494
Allocated Administrative & General Expenses				
62	Total A&G	(Note O)	Attachment 5	226,158,491
63	Plus: Fixed PBOP expense	(Note J)	Attachment 5	77,745,482
64	Less: Actual PBOP expense	(Note O)	Attachment 5	72,958,338
65	Less Property Insurance Account 924	(Note O)	Attachment 5	1,146,403
66	Less Regulatory Commission Exp Account 928	(Note E & O)	Attachment 5	11,510,052
67	Less General Advertising Exp Account 930.1	(Note O)	Attachment 5	4,497,266
68	Less EPRI Dues	(Note D & O)	Attachment 5	0
69	Administrative & General Expenses		Sum (Lines 62 to 63) - Sum (Lines 64 to 68)	213,791,914
70	Wage & Salary Allocator		(Line 5)	12.4658%
71	Administrative & General Expenses Allocated to Transmission		(Line 69 * Line 70)	26,650,854
Directly Assigned A&G				
72	Regulatory Commission Exp Account 928	(Note G & O)	Attachment 5	905,092
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)	905,092
75	Property Insurance Account 924		(Line 65)	1,146,403
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)	1,146,403
78	Net Plant Allocator		(Line 18)	20.8966%
79	A&G Directly Assigned to Transmission		(Line 77 * Line 78)	239,560
80	Total Transmission O&M		(Lines 61 + 71 + 74 + 79)	81,229,000

Public Service Electric and Gas Company
ATTACHMENT H-10A

Formula Rate -- Appendix A

Notes

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Depreciation & Amortization Expense

Depreciation Expense				
81	Transmission Depreciation Expense Including Amortization of Limited Term Plant	(Note J & O)	Attachment 5	40,643,514
82	General Depreciation Expense Including Amortization of Limited Term Plant	(Note J & O)	Attachment 5	24,281,684
83	Less: Amount of General Depreciation Expense Associated with Acct. 397	(Note J & O)	Attachment 5	3,685,673
84	Balance of General Depreciation Expense		(Line 82 - Line 83)	20,596,010
85	Intangible Amortization	(Note A & O)	Attachment 5	160,579
86	Total		(Line 84 + Line 85)	20,756,590
87	Wage & Salary Allocator		(Line 5)	12.4658%
88	General Depreciation & Intangible Amortization Allocated to Transmission		(Line 86 * Line 87)	2,587,473
89	General Depreciation Expense for Acct. 397 Directly Assigned to Transmission	(Note J & O)	Attachment 5	1,625,416
90	General Depreciation and Intangible Amortization Functionalized to Transmission		(Line 88 + Line 89)	4,212,889
91	Total Transmission Depreciation & Amortization		(Lines 81 + 90)	44,856,403

Taxes Other than Income Taxes

92	Taxes Other than Income Taxes	(Note O)	Attachment 2	8,847,870
93	Total Taxes Other than Income Taxes		(Line 92)	8,847,870

Return \ Capitalization Calculations

94	Long Term Interest		p117.62.c through 67.c	195,974,631
95	Preferred Dividends	enter positive	p118.29.d	3,987,876
Common Stock				
96	Proprietary Capital	(Note P)	Attachment 5	4,015,559,296
97	Less Accumulated Other Comprehensive Income Account 219	(Note P)	Attachment 5	3,524,080
98	Less Preferred Stock		(Line 106)	79,523,400
99	Less Account 216.1	(Note P)	Attachment 5	3,941,456
100	Common Stock		(Line 96 - 97 - 98 - 99)	3,928,570,361
Capitalization				
101	Long Term Debt	(Note P)	Attachment 5	3,547,156,489
102	Less Loss on Reacquired Debt	(Note P)	Attachment 5	109,213,413
103	Plus Gain on Reacquired Debt	(Note P)	Attachment 5	0
104	Less ADIT associated with Gain or Loss	(Note P)	Attachment 5	36,995,999
105	Total Long Term Debt		(Line 101 - 102 + 103 - 104)	3,400,947,077
106	Preferred Stock	(Note P)	Attachment 5	79,523,400
107	Common Stock		(Line 100)	3,928,570,361
108	Total Capitalization		(Sum Lines 105 to 107)	7,409,040,838
109	Debt %		Total Long Term Debt (Line 105 / Line 108)	45.90%
110	Preferred %		Preferred Stock (Line 106 / Line 108)	1.07%
111	Common %		Common Stock (Line 107 / Line 108)	53.02%
112	Debt Cost		Total Long Term Debt (Line 94 / Line 105)	0.0576
113	Preferred Cost		Preferred Stock (Line 95 / Line 106)	0.0501
114	Common Cost	(Note J)	Common Stock Fixed	0.1168
115	Weighted Cost of Debt		Total Long Term Debt (WCLTD) (Line 109 * Line 112)	0.0265
116	Weighted Cost of Preferred		Preferred Stock (Line 110 * Line 113)	0.0005
117	Weighted Cost of Common		Common Stock (Line 111 * Line 114)	0.0619
118	Rate of Return on Rate Base (ROR)		(Sum Lines 115 to 117)	0.0889
119	Investment Return = Rate Base * Rate of Return		(Line 58 * Line 118)	86,598,065

Public Service Electric and Gas Company			Notes		FERC Form 1 Page # or Instruction	2009 Actual
ATTACHMENT H-10A						
Formula Rate -- Appendix A						
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Composite Income Taxes						
Income Tax Rates						
120	FIT=Federal Income Tax Rate		(Note I)			35.00%
121	SIT=State Income Tax Rate or Composite					9.36%
122	p	(percent of federal income tax deductible for state purposes)		Per State Tax Code		0.00%
123	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$				41.08%
124	T / (1-T)					69.73%
ITC Adjustment						
125	Amortized Investment Tax Credit	enter negative	(Note O)	Attachment 5		-1,661,766
126	1/(1-T)			1 / (1 - Line 123)		169.73%
127	Net Plant Allocation Factor			(Line 18)		20.8966%
128	ITC Adjustment Allocated to Transmission			(Line 125 * Line 126 * Line 127)		-589,404
129	Income Tax Component =	$(T/(1-T)) * \text{Investment Return} * (1-(WCLTD/ROR)) =$		[Line 124 * Line 119 * (1- (Line 115 / Line 118))]		42,424,494
130	Total Income Taxes			(Line 128 + Line 129)		41,835,090
Revenue Requirement						
Summary						
131	Net Property, Plant & Equipment			(Line 43)		1,092,142,505
132	Total Adjustment to Rate Base			(Line 57)		-118,266,394
133	Rate Base			(Line 58)		973,876,111
134	Total Transmission O&M			(Line 80)		81,229,000
135	Total Transmission Depreciation & Amortization			(Line 91)		44,856,403
136	Taxes Other than Income			(Line 93)		8,847,870
137	Investment Return			(Line 119)		86,598,065
138	Income Taxes			(Line 130)		41,835,090
139	Gross Revenue Requirement			(Sum Lines 134 to 138)		263,366,427
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities						
140	Transmission Plant In Service			(Line 19)		1,769,661,109
141	Excluded Transmission Facilities		(Note B & M)	Attachment 5		0
142	Included Transmission Facilities			(Line 140 - Line 141)		1,769,661,109
143	Inclusion Ratio			(Line 142 / Line 140)		100.00%
144	Gross Revenue Requirement			(Line 139)		263,366,427
145	Adjusted Gross Revenue Requirement			(Line 143 * Line 144)		263,366,427
Revenue Credits & Interest on Network Credits						
146	Revenue Credits		(Note O)	Attachment 3		32,031,470
147	Interest on Network Credits		(Note N & O)	Attachment 5		0
148	Net Revenue Requirement			(Line 145 - Line 146 + Line 147)		231,334,957
Net Plant Carrying Charge						
149	Gross Revenue Requirement			(Line 144)		263,366,427
150	Net Transmission Plant			(Line 19 - Line 32)		1,061,079,342
151	Net Plant Carrying Charge			(Line 149 / Line 150)		24.8206%
152	Net Plant Carrying Charge without Depreciation			(Line 149 - Line 81) / Line 150		20.9902%
153	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes			(Line 149 - Line 81 - Line 119 - Line 130) / Line 150		8.8862%
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)		134,933,273
155	Increased Return and Taxes			Attachment 4		137,197,974
156	Net Revenue Requirement per 100 Basis Point increase in ROE			(Line 154 + Line 155)		272,131,248
157	Net Transmission Plant			(Line 19 - Line 32)		1,061,079,342
158	Net Plant Carrying Charge per 100 Basis Point increase in ROE			(Line 156 / Line 157)		25.6466%
159	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation			(Line 156 - Line 81) / Line 157		21.8163%
160	Net Revenue Requirement			(Line 148)		231,334,957
161	True-up amount			Attachment 6		0
162	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects not paid by other PJM transmission zones			Attachment 7		232,275
163	Facility Credits under Section 30.9 of the PJM OATT			Attachment 5		0
164	Net Zonal Revenue Requirement			(Line 160 + 161 + 162 + 163)		231,567,232
Network Zonal Service Rate						
165	1 CP Peak		(Note L)	Attachment 5		10,654.0
166	Rate (\$/MW-Year)			(Line 164 / 165)		21.735
167	Network Service Rate (\$/MW/Year)			(Line 166)		21.735

Public Service Electric and Gas Company
ATTACHMENT H-10A

Formula Rate -- Appendix A

Notes

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2009 Actual

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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 Transmission 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, 2009

	<i>Only Transmission Related</i>	<i>Plant Related</i>	<i>Labor Related</i>	<i>Total ADIT</i>	
ADIT-282	0	(770,641,870)	(3,526,320)		From Acct. 282 total, below
ADIT-283	(1,781,312)	(85,375,979)	(19,120,172)		From Acct. 283 total, below
ADIT-190	1,617,015	(13,342,645)	7,289,163		From Acct. 190 total, below
Subtotal	(164,297)	(869,360,494)	(15,357,329)		
Wages & Salary Allocator			12.4658%		
Net Plant Allocator		20.8966%			
End of Year ADIT	(164,297)	(181,667,175)	(1,914,413)	(183,745,884)	
End of Previous Year ADIT (from Sheet 1A-ADIT (3))	(164,297)	(139,470,825)	(703,539)	(140,338,661)	
Average Beginning and End of Year ADIT	(164,297)	(160,569,000)	(1,308,976)	(162,042,273)	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
(36,320,422) < 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)	(18,769,801)			(18,769,801)		New Jersey Corporate Income Tax Plant Related- Contra Account of 283 NJCBT
NJCBT - Step Up Basis	159,673,340	159,673,340				New Jersey Corporate Income Tax for Utility - Gets return on but no return of prior book vs tax timing difference
ADIT - Real Estate Taxes	2,769,110			2,769,110		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	17,485,019	17,485,019				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	6,958	6,958				Asset Retirement Obligation - Legal liability for environmental removal cost
Vacation Pay	3,463,293				3,463,293	Vacation pay earned and expensed for books, tax deduction when paid - employees in all function
OPFB	228,781,548				228,781,548	FASB 106 - Post Retirement Obligation, labor related
Deferred Dividend Equivalents	3,117,491				3,117,491	Book accrual of dividends on employee stock options affecting all function
Deferred Compensation	442,786				442,786	Book estimate accrued and expensed, tax deduction when paid - employees in all function
ADIT - Interest/AFDC Deb	2,658,046			2,658,046		Capitalized Interest - Book vs Tax relates to all plant in all function
ADIT - Unallowable PIP Accrua	(792,552)				(792,552)	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 Exr	(3,180,712)	(3,180,712)				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	(412,580)	(412,580)				Uncertain Tax Positions - Assets/(Liabilities) not in rates
Bankruptcies \$ Acfc	(5,236)	(5,236)				Book estimate accrued and expensed, tax deduction when paid - Generation Relate
Repair Allowance Defereec	(12,812,613)	(12,812,613)				Deferred recovery of lost repair allowance deductions-Retail Relate
Fin Def. Energy competition Act CT	(5,750,634)	(5,750,634)				Restructuring Costs - Generation related
Del Tax Meter Equipment	201,673	201,673				Book estimate accrued and expensed, tax deduction when paid - Retail - Distribution Meter
Unrealized L/G Rabbi Trust	366,938				366,938	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	680,403				680,403	Book estimate accrued and expensed, tax deduction when paid - employees in all function
Federal Taxes Deferred	16,422,242			16,422,242		FASB 109 - deferred tax asset primarily associated with items previously flowed through due to regulatio
Federal Taxes Current	34,820,257			34,820,257		FASB 109 - deferred tax asset primarily associated with items previously flowed through due to regulatio
Fed Taxes Req Requirement	24,344,752			24,344,752		FASB 109 - deferred tax asset primarily associated with items previously flowed through due to regulatio
Subtotal - p234	456,382,647	156,450,315	1,617,015	62,244,606	236,070,711	
Less FASB 109 Above if not separately removed	75,587,251			75,587,251		
Less FASB 106 Above if not separately removed	228,781,548				228,781,548	
Total	152,013,848	156,450,315	1,617,015	(13,342,645)	7,289,163	

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, 2009

A	B	C	D	E	F	G
ADIT-283	Total	Gas, Prod or Other Related	Only Transmission Related	Plant	Labor	
Fin 48	(29,247,746)	(29,247,746)				Uncertain Tax Positions - Assets/(Liabilities) not in rates
Securitization Regulatory Asset	886,136,370	886,136,370				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	20,730,168	20,730,168				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	(49,055,557)			(49,055,557)		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	(60,021,485)	(60,021,485)				Book deferral of Underrecovered Fuel Costs - Retail Related
Accelerated Activity Plan	(33,747,118)	(33,747,118)				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	(7,298,609)				(7,298,609)	Accelerated Amortization of Computer Software - General Plan
Loss on Recquired Debt	(36,320,422)			(36,320,422)		Tax deduction when reacquired, booked amortizes to expense
Additional Pension Deduction	(94,987,921)	(94,987,921)				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	(11,680,767)				(11,680,767)	Book estimate accrued and expensed, tax deduction when paid related to all employee
Repair Allowance-Reverse Amortization	(2,347,178)	(2,347,178)				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)
Lightnet Agreement - Audit Settlement						Fiber Optics - Electric Distribution - Retail Related
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	848,012	848,012				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 UCLJA 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	(43,232,034)			(43,232,034)		FASB 109 - deferred tax liability primarily non-plant related items previously flowed through due to regulation
Accounting for Income Taxes (FAS109) - State	(3,529,662)			(3,529,662)		FASB 109 - deferred tax liability primarily non-plant related items previously flowed through due to regulation
Accounting for Income Taxes (FAS109) - Regulatory Requirement	(199,065,808)			(199,065,808)		FASB 109 - gross-up
(Power (Deferred Project Costs)	(7,083,249)	(7,083,249)				
Subtotal - p277	(1,322,587,115)	(970,482,148)	(1,781,312)	(331,203,483)	(19,120,172)	
Less FASB 109 Above if not separately removed	(245,827,504)			(245,827,504)		
Less FASB 106 Above if not separately removed						
Total	(1,076,759,611)	(970,482,148)	(1,781,312)	(85,375,979)	(19,120,172)	

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 31,2008

	<i>Only Transmission Related</i>	<i>Plant Related</i>	<i>Labor Related</i>	<i>Total ADIT</i>	
ADIT-282	0	(645,374,931)	(1,341,259)		From Acct. 282 total, below
ADIT-283	(1,781,312)	(103,630,145)	(13,703,958)		From Acct. 283 total, below
ADIT-190	1,617,015	26,668,694	7,728,773		From Acct. 190 total, below
Subtotal	(164,297)	(722,336,382)	(7,316,444)		
Wages & Salary Allocator			9,615,996		
Net Plant Allocator		19.3083%			
End of Year ADIT	(164,297)	(139,470,825)	(703,539)	(140,338,661)	

Note: ADIT associated with Gain or Loss on Recquired Debt is included in Column A here and included in Cost of Debt on Appendix A, Line 108
 (37,671,575) < 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 (PURA)	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)	20,790,009			20,790,009		New Jersey Corporate Income Tax Plant Related- Contra Account of 283 NJCBT
NJCBT - Step Up Basis	168,544,081	168,544,081				New Jersey Corporate Income Tax for Utility - Gets return on but no return of prior book vs tax timing difference
ADIT - Real Estate Taxes	2,289,737			2,289,737		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	17,485,019	17,485,019				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	1,393	1,393				Asset Retirement Obligation - Legal liability for environmental removal cost
Vacation Pay	3,398,731				3,398,731	Vacation pay earned and expensed for books, tax deduction when paid - employees in all function
OPEB	205,818,263				205,818,263	Fas 106 - Post Retirement Obligation, labor related
Deferred Dividend Equivalents	2,198,151				2,198,151	Book accrual of dividends on employee stock options affecting all function
Deferred Compensation	1,478,821				1,478,821	Book estimate accrued and expensed, tax deduction when paid - employees in all function
ADIT - Interest/AFDC Debt	3,588,948			3,588,948		Capitalized Interest - Book vs Tax relates to all plant in all function
ADIT - Unallowable PIP Accrua	33,970				33,970	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	(3,102,801)	(3,102,801)				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 Allocator	(99,902)	(99,902)				Uncertain Tax Positions - Assets/(Liabilities) not in rates
Bankruptcies \$ Acft	(54,555)	(54,555)				Book estimate accrued and expensed, tax deduction when paid - Generation Relate
Repair Allowance Deferred	(15,908,972)	(15,908,972)				Deferred recovery of lost repair allowance deductions-Retail Relate
Fin Def. Energy competition Act CT	(7,331,974)	(7,331,974)				Restructuring Costs - Generation relate
Def Tax Meter Equipment	(1,578,845)	(1,578,845)				Book estimate accrued and expensed, tax deduction when paid - Retail - Distribution Meter
Unrealized LIG Rabbi Trust	192,111				192,111	Book estimate accrued and expensed, tax deduction when paid for Executive Compensator
SECA Income Reversals Due to Reversals	(1,091,971)	(1,091,971)				Related to LSE SECA obligations - retail
Estimated Servance Pay Accrual	416,185				416,185	Book estimate accrued and expensed, tax deduction when paid - employees in all function
Federal Taxes Deferred	17,153,108			17,153,108		Fas109 - deferred tax asset primarily associated with items previously flowed through due to regulatio
Federal Taxes Current	25,970,476			25,970,476		Fas109 - deferred tax asset primarily associated with items previously flowed through due to regulatio
Fed Taxes Reg Requirement	18,737,691			18,737,691		Fas109 - deferred tax asset primarily associated with items previously flowed through due to regulation
Subtotal - p234	462,912,172	159,218,152	1,617,015	88,529,969	213,547,036	
Less FASB 109 Above if not separately removed	61,861,275			61,861,275		
Less FASB 106 Above if not separately removed					205,818,263	
Total	195,232,634	159,218,152	1,617,015	26,668,694	7,728,773	

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 31,2008

A	B	C	D	E	F	G
	Total	Gas, Prod or Other Related	Only Transmission Related	Plant	Labor	
ADIT-283						
Fin 48	(23,255,626)	(23,255,626)				Uncertain Tax Positions - Assets/(Liabilities) not in rates
Securitization Regulatory Asset	769,450,224	769,450,224				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	22,243,668	22,243,668				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	(65,958,570)			(65,958,570)		New Jersey Corporate Income Tax - Plant Related- Contra Account of 190 NUCBT
Obsolete Material Write Off	5,751,926	5,751,926				Book accrued writeoff, tax deduction when actually disposed of - Generation Related
Fuel Cost Adjustment	(30,104,271)	(30,104,271)				Book deferral of Underrecovered Fuel Costs - Retail Related
Accelerated Activity Plan	(26,057,595)	(26,057,595)				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	(3,573,754)				(3,573,754)	Accelerated Amortization of Computer Software - General Plan
Loss on Reacquired Debt	(37,671,575)			(37,671,575)		Tax deduction when reacquired, booked amortizes to expense
Additional Pension Deduction	(70,723,084)	(70,723,084)				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	(9,989,408)				(9,989,408)	Book estimate accrued and expensed, tax deduction when paid related to all employee
Repair Allowance-Reverse Amortization	(2,914,581)	(2,914,581)				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	(2,001,557)	(2,001,557)				Generation Related (Non-Utility Asset/Liability)
Capitalization of Study Costs	(2,009,586)	(2,009,586)				Generation Related (Non-Utility Asset/Liability)
Budget Billing - Audit Settlement	6	6				Old Unbilled Revenue Issue - Retail Related
Lightnet Agreement - Audit Settlement	123,968	123,968				Fiber Optics - Electric Distribution - Retail Related
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)				(3,663)	Book estimate accrued and expensed, tax deduction when paid relating to all employee
Purchase Power - Audit Settlement	724,038	724,038				Purchased Power Settlements - Generation Related
Crude Oil Refunds	1,570,058	1,570,058				Generation Related (Non-Utility Asset/Liability)
						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	(40,555,693)			(40,555,693)		Fas109 - deferred tax liability primarily non-plant related items previously flowed through due to regulator
Accounting for Income Taxes (FAS109) - State	(3,529,662)			(3,529,662)		Fas109 - deferred tax liability primarily non-plant related items previously flowed through due to regulator
Accounting for Income Taxes (FAS109) - Regulatory Requirement	(201,795,607)			(201,795,607)		Fas109 - gross-up
Subtotal - p277	(1,378,273,188)	(1,013,276,811)	(1,781,312)	(349,511,107)	(13,703,958)	
Less FASB 109 Above if not separately removed	(245,880,962)					
Less FASB 106 Above if not separately removed						
Total	(1,132,392,226)	(1,013,276,811)	(1,781,312)	(103,630,145)	(13,703,958)	

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, 2009

<i>Other Taxes</i>	<i>Page 263 Col (i)</i>	<i>Allocator</i>	<i>Allocated Amount</i>
Plant Related			
1 Real Estate	17,653,192		
2 Total Plant Related	17,653,192 N/A		7,206,101
Labor Related			
Wages & Salary Allocator			
3 FICA	12,263,106		
4 Federal Unemployment Tax	140,738		
5 New Jersey Unemployment Tax	349,584		
6 New Jersey Workforce Development	416,767		
7			
8 Total Labor Related	13,170,195	12.4658%	1,641,769
Other Included			
Net Plant Allocator			
9			
10			
11			
12			
13 Total Other Included	0	20.8966%	0
14 Total Included (Lines 8 + 14 + 19)	30,823,387		8,847,870
Currently Excluded			
15 Corporate Business Tax			
16 TEFA	\$ 89,881,486		
17 Use & Sales Tax			
18 Local Franchise Tax			
19 PA Corporate Income Tax			
20 Municipal Utility			
21 Public Utility Fund			
22 Subtotal, Excluded	89,881,486		
23 Total, Included and Excluded (Line 20 + Line 28)	120,704,873		
24 Total Other Taxes from p114.14.g - Actual	120,704,873		
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, 2009

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)		848,207
Account 456 - Other Electric Revenues		
3 Transmission for Others		0
4 Schedule 1A		4,682,868
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		3,942,643
7 Professional Services (Note 2)		84,867
8 Revenues from Directly Assigned Transmission Facility Charges (Note 1)		21,747,813
9 Rent or Attachment Fees associated with Transmission Facilities (Note 2)		4,695,777
10 Gross Revenue Credits	(Sum Lines 1-9)	<u>36,002,175</u>
11 Less line 18	- line 18	<u>(3,970,704)</u>
12 Total Revenue Credits	line 10 + line 11	<u><u>32,031,470</u></u>
13 Revenues associated with lines 2, 7, and 9 (Note 2)		5,628,851
14 Income Taxes associated with revenues in line 13		2,312,557
15 One half margin (line 13 - line 14)/2		1,658,147
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		1,658,147
18 Line 13 less line 17		3,970,704

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	137,197,974
B	100 Basis Point increase in ROE		1.00%

Return Calculation

		Appendix A Line or Source Reference	
1	Rate Base	(Line 43 + Line 57)	973,876,111
2	Long Term Interest	p117.62.c through 67.c	195,974,631
3	Preferred Dividends	enter positive p118.29.d	3,987,876
	Common Stock		
4	Proprietary Capital	Attachment 5	4,015,559,296
5	Less Accumulated Other Comprehensive Income Account 219	p112.15.c	3,524,080
6	Less Preferred Stock	(Line 106)	79,523,400
7	Less Account 216.1	Attachment 5	3,941,456
8	Common Stock	(Line 96 - 97 - 98 - 99)	3,928,570,361
	Capitalization		
9	Long Term Debt	Attachment 5	3,547,156,489
10	Less Loss on Reacquired Debt	Attachment 5	109,213,413
11	Plus Gain on Reacquired Debt	Attachment 5	0
12	Less ADIT associated with Gain or Loss	Attachment 5	36,995,999
13	Total Long Term Debt	(Line 101 - 102 + 103 - 104)	3,400,947,077
14	Preferred Stock	Attachment 5	79,523,400
15	Common Stock	(Line 100)	3,928,570,361
16	Total Capitalization	(Sum Lines 105 to 107)	7,409,040,838
17	Debt %	Total Long Term Debt (Line 105 / Line 108)	45.9%
18	Preferred %	Preferred Stock (Line 106 / Line 108)	1.1%
19	Common %	Common Stock (Line 107 / Line 108)	53.0%
20	Debt Cost	Total Long Term Debt (Line 94 / Line 105)	0.0576
21	Preferred Cost	Preferred Stock (Line 95 / Line 106)	0.0501
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)	0.0265
24	Weighted Cost of Preferred	Preferred Stock (Line 110 * Line 113)	0.0005
25	Weighted Cost of Common	Common Stock (Line 111 * Line 114)	0.0672
26	Rate of Return on Rate Base (ROR)	(Sum Lines 115 to 117)	0.0942
27	Investment Return = Rate Base * Rate of Return	(Line 58 * Line 118)	91,761,946

Composite Income Taxes

Income Tax Rates			
28	FIT=Federal Income Tax Rate		35.00%
29	SIT=State Income Tax Rate or Composite		9.36%
30	p = percent of federal income tax deductible for state purposes	Per State Tax Code	0.00%
31	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	41.08%
35	CIT = T / (1-T)		69.73%
36	1 / (1-T)		169.73%
ITC Adjustment			
37	Amortized Investment Tax Credit	enter negative Attachment 5	-1,661,766
38	1/(1-T)	1 / (1 - Line 123)	170%
39	Net Plant Allocation Factor	(Line 18)	20.8966%
40	ITC Adjustment Allocated to Transmission	(Line 125 * Line 126 * Line 127)	-589,404
41	Income Tax Component =	CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =	46,025,432
42	Total Income Taxes		45,436,028

O&M Expenses

Line #s	Descriptions	Notes	Page #'s & Instructions	End of Year
59	Transmission O&M	(Note O)	p.321.112b	53,433,494
60	Transmission Lease Payments		p321.96.b	-

Property Insurance Expenses

Line #s	Descriptions	Notes	Page #'s & Instructions	End of Year
65	Property Insurance Account 924	(Note O)	p323.185b	1,146,403

Adjustments to A & G Expense

Line #s	Descriptions	Notes	Page #'s & Instructions	End of Year
62	Total A&G Expenses		p323.197b	226,158,491
63	Fixed PBOP expense	(Note J)	Company Records	77,745,482
64	Actual PBOP expense	(Note O)	Company Records	72,958,338

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	11,510,052	0
Directly Assigned A&G					
72	Regulatory Commission Exp Account 928	(Note G & O)	p351.11-13h	905,092	905,092

General & Common Expenses

Line #s	Descriptions	Notes	Page #'s & Instructions	End of Year	EPRI Dues
68	Less EPRI Dues	(Note D & O)	p352-353	3,995,198	

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	4,497,266	0	4,497,266

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	4,497,266		4,497,266

Depreciation Expense

Line #s	Descriptions	Notes	Page #'s & Instructions	End of Year
Depreciation Expense				
81	Depreciation-Transmission	(Note J & O)	p336.7.f	40,643,514
82	Depreciation-General & Common	(Note J & O)	p336.10&11.f	24,281,684
83	Depreciation-General Expense Associated with Acct. 397	(Note J & O)	Company Records	3,685,673
85	Depreciation-Intangible	(Note A & O)	p336.1.f	160,579
89	Transmission Depreciation Expense for Acct. 397	(Note J & O)	Company Records	1,625,416

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	17,653,192	7,206,101	10,447,091

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

Return \ Capitalization

Line #s	Descriptions	Notes	Page #'s & Instructions	2008 End of Year	2009 End of Year	Average
96	Proprietary Capital	(Note P)	p112.16.c.d	3,729,006,276	4,302,112,315	4,015,559,296
97	Accumulated Other Comprehensive Income Account 219	(Note P)	p112.15.c.d	1,942,117	5,106,042	3,524,080
99	Account 218.1	(Note P)	p119.53.c&d	4,295,618	3,587,293	3,941,456
101	Long Term Debt	(Note P)	p112.18.c.d thru 23.c.d	3,523,706,225	3,570,606,752	3,547,156,489
102	Loss on Reacquired Debt	(Note P)	p111.81.c.d	112,096,023	106,330,803	109,213,413
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)	37,671,575	36,320,422	36,995,999
106	Preferred Stock	(Note P)	p112.3.c.d	79,523,400	79,523,400	79,523,400

MultiState Workpaper

Line #s	Descriptions	Notes	Page #'s & Instructions	State 1	State 2	State 3
121	Income Tax Rates SIT=State Income Tax Rate or Composite	(Note I)		NJ 9.36%		

Amortized Investment Tax Credit

Line #s	Descriptions	Notes	Page #'s & Instructions	End of Year
125	Amortized Investment Tax Credit	(Note O)	p266.8.f	1,661,766

Excluded Transmission Facilities

Line #s	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 #s	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 #s	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 #s	Descriptions	Notes	Page #'s & Instructions	1 CP Peak
165	Network Zonal Service Rate 1 CP Peak	(Note L)	PJM Data	Enter 10,654.0

**Public Service Electric and Gas Company
ATTACHMENT H-10A
Attachment 6 - True-up Adjustment for Network Integration Transmission Service - December 31, 2009**

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	(Year)	TO calculates the Interest to include in the 2009 True-Up Adjustment
October	(Year)	TO populates the formula with Year 2011 estimated data and 2009 True-Up Adjustment
June	(Year)	TO populates the formula with (Year -1) actual data and calculates the (Year-1) True-Up Adjustment Before Interest
October	(Year)	TO calculates the Interest to include in the (Year-1) True-Up Adjustment
October	(Year)	TO populates the formula with (Year +1) estimated data and (Year-1) True-Up Adjustment

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 reconciliation 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.	231,567,232	
B	ATRR based on projected costs included for the previous calendar year but excludes the true-up adjustment.	227,983,090	
C	Difference (A-B)	3,584,143	<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*D)	3,584,143	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 Current Yr		Interest 35.19a for
Month	Yr	Month
January	Year 1	0.0000%
February	Year 1	0.0000%
March	Year 1	0.0000%
April	Year 1	0.0000%
May	Year 1	0.0000%
June	Year 1	0.0000%
July	Year 1	0.0000%
August	Year 1	0.0000%
September	Year 1	0.0000%
October	Year 1	0.0000%
November	Year 1	0.0000%
December	Year 1	0.0000%
January	Year 2	0.0000%
February	Year 2	0.0000%
March	Year 2	0.0000%
April	Year 2	0.0000%
May	Year 2	0.0000%
June	Year 2	0.0000%
July	Year 2	0.0000%
August	Year 2	0.0000%
September	Year 2	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, 2009**

Estimated Additions								
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Other Projects PIS (Monthly additions)	Metuchen Transformer B0161 (monthly additions) (in service)	Branchburg - Flagtown - Somerville (B0169) (monthly additions) (in service)	Flagtown - Somerville - Bridgewater (B0170) (monthly additions) (in service)	Roseland Transformers B0274 (monthly additions) (in service)	New Freedom Loop - B0498 (monthly additions) (in service)		Susquehanna Roseland (B0489) >= 500KV CWIP (monthly additions) (in service)	Susquehanna Roseland (B0489.4) < 500KV CWIP (monthly additions) (in service)
Dec			6,636,048		24,400,700		10,887,621	
Jan	3,494,250	-		125,000			2,450,400	
Feb	2,239,250	1,190,000		125,000	8,393,000		2,210,400	4,000,000
Mar	2,802,650	1,190,000		10,286,600			2,200,400	
Apr	6,823,250						1,400,400	
May	27,079,000	23,320,000	21,705,650				1,532,900	
Jun	84,310,250			10,286,600			1,401,900	
Jul	5,461,250			1,050,500			5,473,500	
Aug	7,155,250						990,500	
Sep	6,994,250						2,190,500	
Oct	6,758,250			1,814,000			2,145,500	
Nov	12,303,250						2,269,000	
Dec	170,882,150	25,700,000	21,705,650	6,636,048	22,637,200	32,793,700	36,193,521	4,000,000

(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)
Other Projects PIS (monthly balances)	Metuchen Transformer B0161 (monthly balances) (in service)	Branchburg - Flagtown - Somerville (B0169) (monthly balances) (in service)	Flagtown - Somerville - Bridgewater (B0170) (monthly balances) (in service)	Roseland Transformers B0274 (monthly balances) (in service)	New Freedom Loop - B0498 (monthly balances) (in service)		Susquehanna Roseland (B0489) >= 500KV (monthly balances) (in service)	Susquehanna Roseland (B0489.4) < 500KV (monthly balances) (in service)
Dec			6,636,048		24,400,700		10,887,621	
Jan	3,494,250	-		125,000	24,400,700		13,338,021	
Feb	5,733,500	1,190,000		250,000	32,793,700		15,548,421	4,000,000
Mar	8,536,150	2,380,000		10,536,600	32,793,700		17,748,821	4,000,000
Apr	15,359,400	2,380,000		10,536,600	32,793,700		19,149,221	4,000,000
May	42,438,400	25,700,000	21,705,650	20,823,200	32,793,700		20,682,121	4,000,000
Jun	126,748,650	25,700,000	21,705,650	20,823,200	32,793,700		22,084,021	4,000,000
Jul	132,209,900	25,700,000	21,705,650	20,823,200	32,793,700		23,134,521	4,000,000
Aug	137,671,150	25,700,000	21,705,650	20,823,200	32,793,700		28,606,021	4,000,000
Sep	144,826,400	25,700,000	21,705,650	20,823,200	32,793,700		29,598,521	4,000,000
Oct	151,820,650	25,700,000	21,705,650	20,823,200	32,793,700		31,779,021	4,000,000
Nov	158,578,900	25,700,000	21,705,650	22,637,200	32,793,700		33,924,521	4,000,000
Dec	170,882,150	25,700,000	21,705,650	22,637,200	32,793,700		36,193,521	4,000,000
Total	1,098,299,500	211,550,000	173,645,200	86,268,624	191,661,800	409,532,100	302,676,371	44,000,000
Average 13 Month Balance	84,484,577	16,273,077	13,357,323	6,636,048	14,743,215	31,502,469		
Average 13 Month in service	6.43	8.23	8.00	13.00	8.47	12.49	8.36	11.00
13 Month Average CWIP to Appendix A, line 45							23,282,798	3,384,615

Estimated Transmission Enhancement Charges												
Total Projects	Branchburg (B0130)	Kitatinny (B0134)	Essex Aldene (B0145)	New Freedom Trans. (B0411)	New Freedom Loop (B0498)	Metuchen Transformer (B0161)	Branchburg - Flagtown - Somerville (B0169)	Flagtown - Somerville - Bridgewater (B0170)	Roseland Transformer (B0274)	Wave Trap Branchburg (B0172.2)	Susquehanna Roseland (B0489) >= 500KV CWIP	Susquehanna Roseland (B0489.4) < 500KV CWIP
54,662,463	4,450,447	1,909,449	18,990,123	4,892,616	7,118,051	3,718,406	3,052,154	1,495,601	3,368,831	0	4,947,559	719,226

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	20.99%
4	B	159	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	21.82%
5	C		Line B less Line A	0.83%
6	FCR if a CIAC			
7	D	153	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	8.89%

The FCR resulting from Formula in a given year is used for that year only.
 Therefore actual revenues collected in a year do not change based on cost data for subsequent years

Details		Branchburg (B0130)	Kittatinny (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	20.9902%	20.9902%	20.9902%	20.9902%
16	Line 14 plus (line 5 times line 15)/100	20.9902%	20.9902%	20.9902%	20.9902%
17	in Service Account 101 or 106 if not yet classified - End of year balance	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	depreciation expense from Attachment 6	13.00	13.00	13.00	13.00
20	Year placed in Service (0 if CWIP)	2006	2007	2007	2007
		Invest Yr	Ending Depreciation Revenue	Ending Depreciation Revenue	Ending Depreciation Revenue
21	W 11.68 % ROE	2006	20,680,597 492,395 4,652,471	2006	20,680,597 492,395 4,652,471
22	W Increased ROE	2006	20,680,597 492,395 4,652,471	2006	20,680,597 492,395 4,652,471
23	W 11.68 % ROE	2007	20,188,202 492,395 4,553,422	2007	20,188,202 492,395 4,553,422
24	W Increased ROE	2007	20,188,202 492,395 4,553,422	2007	20,188,202 492,395 4,553,422
25	W 11.68 % ROE	2008	19,695,807 492,395 4,454,372	2008	19,695,807 492,395 4,454,372
26	W Increased ROE	2008	19,695,807 492,395 4,454,372	2008	19,695,807 492,395 4,454,372
27	W 11.68 % ROE	2009	19,203,412 492,395 4,523,234	2009	19,203,412 492,395 4,523,234
28	W Increased ROE	2009	19,203,412 492,395 4,523,234	2009	19,203,412 492,395 4,523,234
29	W 11.68 % ROE	2010		2010	
30	W Increased ROE	2010		2010	
31	W Increased ROE	2010		2010	

1	New Plant Carrying Charge			
2	Fixed Charge Rate (FCR) if not a CIA			
	Formula Line			
3	A	152	Net Plant Carrying Charge without Depreciation	20.99%
4	B	159	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	21.82%
5	C		Line B less Line A	0.83%
6	FCR if a CIAC			
7	D	153	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	8.89%

The FCR resulting from Formula in a given
 Therefore actual revenues collected in a ye

Details	Roseland Transformers (B0274)	Wave Trap Branchburg (B0172.2)	Susquehanna Roseland (B0489) >= 500KV CWIP	Susquehanna Roseland (B0489.4) < 500KV CWIP												
"Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Yes	Yes	Yes	Yes												
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												
Input the allowed increase in ROE	0	0	125	125												
From line 3 above if "No" on line 13 and From line 7 above if "Yes" on line 13	20.9902%	20.9902%	20.9902%	20.9902%												
Line 14 plus (line 5 times line 15)/100	20.9902%	20.9902%	22.0228%	22.0228%												
in Service Account 101 or 106 if not yet classified - End of year balance	21,092,458	36,369	33,993,795	8,601,534												
Line 17 divided by line 12 depreciation expense from Attachment 6	502,201	866	809,376	204,798												
Year placed in Service (0 if CWIP)	6.95	13.00	7.16	5.72												
	2009	2008	2012	2012												
	Invest Yr	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue	Ending	Depreciation	Revenue	Total	Incentive Charged	Revenue Credit
W 11.68 % ROE	2006													\$ 4,652,471		\$ 4,652,471
W Increased ROE	2006													\$ 4,652,471	\$ 4,652,471	\$ -
W 11.68 % ROE	2007													\$ 29,476,571	\$ 29,476,571	\$ -
W Increased ROE	2007													\$ 29,476,571	\$ 29,476,571	\$ -
W 11.68 % ROE	2008				36,369	577	5,114	8,927,082		819,421				\$ 32,346,385	\$ 32,346,385	\$ -
W Increased ROE	2008				36,369	577	5,114	8,927,082		858,682				\$ 32,346,385	\$ 32,346,385	\$ -
W 11.68 % ROE	2009	21,092,458	268,347	2,634,066	35,792	866	8,379	33,993,795		3,927,226				\$ 51,356,608	\$ 51,356,608	\$ 39,261
W Increased ROE	2009	21,092,458	268,347	2,634,066	35,792	866	8,379	33,993,795		4,120,411			794,647	\$ 51,588,883	\$ 51,588,883	\$ 232,275
W 11.68 % ROE	2010													\$ 51,588,883	\$ 51,588,883	\$ -
W Increased ROE	2010													\$ 51,588,883	\$ 51,588,883	\$ -

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

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding as well as all Interested Parties who have informed PSE&G that they wish to receive such updates.

Dated at Newark, New Jersey, this 1st day of June, 2010.

James E. Wrynn

James E. Wrynn
Paralegal