



## New Jersey Board of Public Utilities

### NEWS RELEASE

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**Contact:**  
Greg Reinert  
609-777-3305

### Christie Administration Announces Residential Natural Gas Customers Will Pay Less To Heat Homes This Winter

- Residential natural gas prices have plummeted over the last six years -

TRENTON, N.J. – The Christie Administration announced that New Jersey’s residential natural gas customers will pay significantly less this winter for natural gas to heat their homes. The New Jersey Board of Public Utilities (Board) approved rate reductions of between 5.7% and 14.3% for most residential natural gas customers. Residential and small business customers of Elizabethtown Gas (ETG), New Jersey Natural Gas (NJNG), Public Service Electric and Gas Company (PSE&G) and South Jersey Gas (SJG) continue to reap the benefits of falling costs for natural gas service.

“Reducing energy costs for all ratepayers is one of the key goals of Governor Chris Christie’s 2011 Energy Master Plan,” said Richard S. Mroz, President of the NJ Board of Public Utilities. “The Energy Master Plan laid out a path to take full advantage of cleaner, cheaper natural gas for use by resident and businesses, to fuel power plants and distributive generation, and as an alternative fuel to diesel and gasoline. Over the past four years, this strategy has produced outstanding results.”

Over the last six years natural gas customers have seen their natural gas costs plummet thanks to the abundance of natural gas and New Jersey’s infrastructure that allows for ratepayers to take advantage of the low cost energy. In fact, when compared to utility bills from the winter of 2009, a typical residential natural gas customer of PSE&G using 100 therms per month this coming winter will benefit from an approximate 48% drop in their monthly bill, from approximately \$167 in 2009 to approximately \$87 after October 1. The typical residential customer of ETG will have experienced a 46% drop in their monthly bill come Oct. 1, from \$171 to \$92. Customers of NJNG and SJG, who use 100 therms per month, will have seen their bills fall by approximately 43% from \$170 to \$97, and approximately 13% from \$141 to \$122, respectively.

“Since 2009 residential ratepayers have seen their monthly natural gas bills fall with each successive year,” said Mroz. “While lower utility bills are certainly good news for both residential and businesses ratepayers, it’s also good news in that lower costs enable the Board to approve the use of a small portion of those savings for pipeline replacement projects that improve safety and reliability while supporting jobs and the State’s economy.”

According to the U.S. Energy Information Administration’s ranking of the state residential retail natural gas prices, New Jersey’s ranking has plummeted in recent years from one of the highest cost states in 2010 to one of the lowest cost states in the first half of 2015. In 2010, New Jersey was ranked as the 17th highest cost state and by the first half of 2015 New Jersey’s ranking has fallen to one of the lowest cost states; fluctuated monthly within the range of 50th lowest cost state and 43rd lowest cost state.

This year’s rate reductions are a result of the Board approving the stipulation for provisional Basic Gas Supply Service (BGSS) rates at its September 11, 2015 agenda meeting. The BGSS serves as a method to pass along changes in wholesale gas costs directly to customers without affecting the gas companies’ income.

New BGSS rates taking effect on October 1, 2015:

ETG - BGSS-P per therm rate will drop from 50.5 cents to 42.0 cents.

PSE&G - BGSS-RSG per therm rate will drop from 45.2 cents to 40.1 cents.

SJG - BGSS-P per therm rate decreases from 65.0 cents to 52.9 cents.

NJNG - BGSS-P per therm rate will be maintained at 48.0 cents, but NJNG will institute a 22.4 cents per therm credit for each month from November 2015 through February 2016.

A typical residential customer who uses 1,000 therms per year will see the following annual savings from the BGSS rate reductions that are effective on October 1, 2015:

**TOTAL NATURAL GAS UTILITY RATE REDUCTIONS**

Utility	Average Annual Savings	% Annual Savings
PSE&G	\$51.00	5.6
ETG	\$84.00	8.4
SJG	\$121.00	8.7**
NJNG	\$141.00*	14.3

\*Reflects intended 22.4 cents per therm credit November through February.

\*\*Reflects only the BGGSS price reduction and not an additional reduction in the company’s Conservation Incentive Program rate component which brings the total annual savings up to 10.3%

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**About the New Jersey Board of Public Utilities (NJBPU)**

*The NJBPU is a state agency and regulatory authority mandated to ensure safe, adequate and proper utility services at reasonable rates for New Jersey customers. Critical services regulated by the NJBPU include natural gas, electricity, water, wastewater, telecommunications and cable television. The Board has general oversight responsibility for monitoring utility service, responding to consumer complaints, and investigating utility accidents. To find out more about the NJBPU, visit our web site at [www.nj.gov/bpu](http://www.nj.gov/bpu), <http://www.bpu.state.nj.us/>*