



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**44 South Clinton Avenue, 3rd Floor, Suite 314**  
**Post Office Box 350**  
**Trenton, New Jersey 08625-0350**  
**[www.nj.gov/bpu/](http://www.nj.gov/bpu/)**

**ENERGY**

IN THE MATTER OF THE PETITION OF NEW JERSEY )	DECISION AND ORDER
NATURAL GAS COMPANY FOR THE ANNUAL REVIEW )	APPROVING INITIAL
AND REVISION OF ITS BASIC GAS SUPPLY )	DECISION AND
SERVICE (BGSS) AND CONSERVATION INCENTIVE )	STIPULATION
PROGRAM (CIP) FACTORS FOR F/Y 2016 )	FOR FINAL RATES
)	
)	DOCKET NO. GR15060644

**Parties of Record:**

**Andrew K. Dembia, Esq.**, for New Jersey Natural Gas Company  
**Stefanie A. Brand, Esq.**, Director, New Jersey Division of Rate Counsel

**BY THE BOARD:**

Pursuant to the generic Order of the New Jersey Board of Public Utilities ("Board") dated January 6, 2003, in Docket No. GX01050304 ("January Order"), each of New Jersey's four gas distribution companies ("GDCs") is directed to submit to the Board by June 1 its annual Basic Gas Supply Service ("BGSS") cost filing for the BGSS year beginning October 1. In addition, the January Order authorizes each GDC to a.) self-implement up to a five (5) percent BGSS increase effective December 1 of the current year and February 1 of the following year with one (1) month's advance notice to the Board and the New Jersey Division of Rate Counsel ("Rate Counsel"); and implement a decrease in its BGSS rate at any time during the year upon five (5) days' notice to the Board and Rate Counsel.

In accordance with the January Order, on May 29, 2015, New Jersey Natural Gas Company ("the Company" or "NJNG") filed with the Board its annual BGSS petition proposing to maintain the June 1, 2015 per therm rate<sup>1</sup> of \$0.4804 and stating its intention to provide a bill credit of \$0.2238 per therm over the months of November 2015 through February 2016, reducing BGSS revenues by \$59.5 million over the bill-credit period. According to the Company, the average residential heating customer could realize a total credit of approximately \$141.00 against BGSS costs, translating to a 14.3% reduction on an annual basis for customers using 1,000 therms per year.

<sup>1</sup> All rates quoted include sales and use tax ("SUT").

The Company also proposed to decrease its balancing charge rate by \$0.0071 per therm, from \$0.0750 to \$0.0679 per therm, to reflect up-dated costs. Supply imbalances occur when transportation customers use more or less gas than the amount they agreed to take from a third party supplier. The balancing charge represents the cost to NJNG's transportation customers for NJNG providing gas from its BGSS portfolio to adjust for transportation customers' over/under consumption. All balancing charge revenues from transportation customers are credited to the BGSS. For sales customers, the balancing charge is included as a component of the delivery charge and deducted from the BGSS charge to provide a BGSS "Price-to-Compare." There is no balancing charge related impact on sales customers' bills, as the balancing charge is deducted from the BGSS price and added to the delivery price.

The petition also included a Conservation Incentive Program ("CIP")<sup>2</sup> proposal seeking approval for the following per therm CIP rates to be effective October 1, 2015: Residential Heating – a credit of \$0.0224, Residential Non-Heating – a credit of \$0.0403, Small General Service – a charge of \$0.0128, and Large General Service – a charge of \$0.0339.

Pursuant to the Board's October 12, 2006 and January 20, 2010 Orders in Docket No. GR05121020, any non-weather related CIP surcharges must be offset by reductions in BGSS related costs. According to the Company's filing, the non-weather related CIP value subject to the BGSS savings comparison is \$5.233 million. As this amount was less than the Company-identified BGSS related reductions of \$13.165 million, the Company maintains that it has met the BGSS savings test. In addition, as the Company's estimated return on equity at September 30, 2015 of 8.8% was less than the 10.3% ceiling, the Company looks to refund to customers the net weather and non-weather margin CIP surplus of \$5.921 million. The Company's proposal translated into an annual increase of \$0.80 (0.08%) for a residential heating customer using 1,000 therms.

After publication of notice in newspapers in general circulation in the Company's service territory, public hearings in this matter were conducted on August 24, 2015 in Freehold Township and August 25, 2015 in Rockaway Township. No members of the public appeared at any of the public hearings, and no written comments were received by the Board, the Company or Rate Counsel.

On September 11, 2015, the Board issued an Order ("September Order") implementing the 2016 annual filing rates on a provisional basis.<sup>3</sup>

On October 27, 2015, the Company notified the Board and Rate Counsel that it was implementing a bill credit of \$0.2640 per therm to its Periodic BGSS customers to be effective from November 1, 2015 through February 29, 2016, reducing BGSS revenues by \$71 million, with the average residential customer realizing a total credit of approximately \$166.01 (over the four month period), translating to an annual bill reduction of 17.0% for customers using 1,000 therms per year.

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<sup>2</sup> The CIP was approved by the Board in Docket No. GR05120120 in Board Orders dated October 12 and December 12, 2006 ("CIP Order"). The CIP encourages the Company to foster customer conservation by allowing it to share in energy related savings due to conservation. The non-weather related CIP surcharges are limited to corresponding decreases in specific supply related costs incorporated in the Company's BGSS rates and subject to return on equity limits.

<sup>3</sup> In re the Petition of New Jersey Natural Gas Company for the Annual Review and Revision of its Basic Gas Supply Service (BGSS) and Conservation Incentive (CIP) Program Factors for Fiscal Year 2016, Docket No. GR15060644 (September 11, 2015).

On November 24, 2015, this matter was transferred to the Office of Administrative Law as a contested case and assigned to Administrative Law Judge (“ALJ”) Margaret M. Monaco.

#### **STIPULATION FOR FINAL RATES<sup>4</sup>**

On February 8, 2016, the Company, Rate Counsel, and Staff (collectively, “the Parties”) entered into a Stipulation for Final Rates (“Stipulation”), wherein the Parties agreed that the current Periodic BGSS rate and the previously approved after-tax per therm provisional rates, as described in Paragraphs 3 and 4 of the Stipulation, should be made final, specifically, the Company’s BGSS rate of \$0.4804 per therm; the Company’s Balancing Charge of \$0.0679 per therm; and the following CIP rates: a credit of \$0.0403 per therm for Group I - Residential Non-Heat customers; a credit of \$0.0224 per therm for Group II - Residential Heat customers; a charge of \$0.0128 per therm for Group III - Small Commercial customers; and a charge of \$0.0339 per therm for Group IV - Large Commercial customers.

On February 9, 2016, ALJ Monaco issued her Initial Decision finding that the Parties voluntarily agreed to the terms of the Stipulation, and that the Stipulation disposed of all matters in controversy and is consistent with the law.

#### **DISCUSSION AND FINDING**

Having reviewed the record in this matter, including ALJ Monaco’s Initial Decision and the Stipulation, the Board **FINDS** that the Parties have voluntarily agreed to the Stipulation, and that the Stipulation fully disposes of all issues in this proceeding and is consistent with the law. The Board **FINDS** the Initial Decision, which adopts the Stipulation to be reasonable, in the public interest, and in accordance with the law. Therefore, the Board **HEREBY ADOPTS** the Initial Decision and the Stipulation, attached hereto, including all attachments and schedules, as its own, incorporating by reference the terms and conditions of the Stipulation, as if they were fully set forth at length herein.

The Board **HEREBY APPROVES** as final the Company’s after-tax per therm Periodic BGSS rate of \$0.4804 per therm; the Company’s balancing charge rate of \$0.0679 per therm, and the following CIP rates: a credit of \$0.0403 per therm, for Group I - Residential Non-Heat customers; a credit of \$0.0224 per therm for Group II - Residential Heat customers; a charge of \$0.0128 per therm for Group III - Small Commercial customers; and a charge of \$0.0339 per therm for Group IV - Large Commercial customers.

The Company’s gas costs will remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

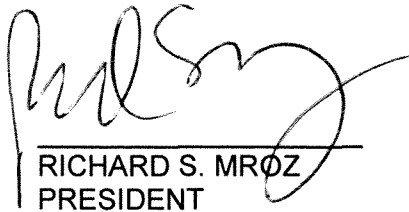
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<sup>4</sup> Although summarized in this Order, the detailed terms of the Stipulation are controlling, subject to the findings and conclusions of this Order.

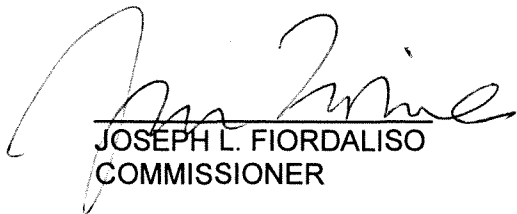
This Order shall be effective on March 5, 2016.

DATED: 2.24.16

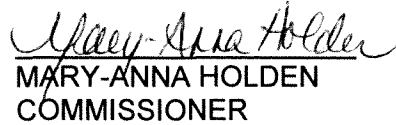
BOARD OF PUBLIC UTILITIES  
BY:



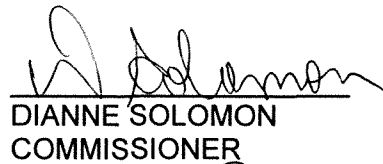
RICHARD S. MROZ  
PRESIDENT



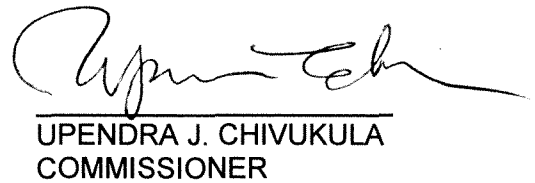
JOSEPH L. FIORDALISO  
COMMISSIONER



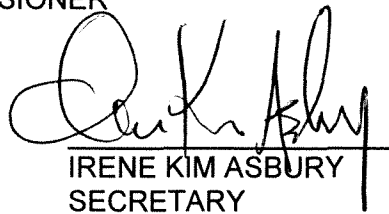
MARY-ANNA HOLDEN  
COMMISSIONER



DIANNE SOLOMON  
COMMISSIONER

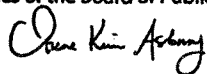


UPENDRA J. CHIVUKULA  
COMMISSIONER

ATTEST: 

IRENE KIM ASBURY  
SECRETARY

I HEREBY CERTIFY that the within  
document is a true copy of the original  
in the files of the Board of Public Utilities



IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY FOR THE  
ANNUAL REVIEW AND REVISION OF ITS BASIC GAS SUPPLY SERVICE (BGSS) AND  
CONSERVATION INCENTIVE PROGRAM (CIP) FACTORS FOR F/Y 2016  
DOCKET NO. GR15060644

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**State of New Jersey**  
OFFICE OF ADMINISTRATIVE LAW

**INITIAL DECISION**

**SETTLEMENT**

OAL DKT. NO. PUC 16173-15

AGENCY DKT. NO. GR15060644

**IN THE MATTER OF THE PETITION  
OF NEW JERSEY NATURAL GAS  
COMPANY FOR THE ANNUAL REVIEW  
AND REVISION OF ITS BASIC GAS SUPPLY  
SERVICE (BGSS) AND ITS CONSERVATION  
INCENTIVE PROGRAM (CIP) FACTORS  
FOR F/Y 2016.**

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**Andrew K. Dembia, Esq.**, for petitioner New Jersey Natural Gas Company

**Felicia Thomas-Friel**, Deputy Rate Counsel, **Sarah H. Steindel, Esq.**, and **Maura Caroselli, Esq.**, Assistant Deputy Rate Counsels, for the New Jersey Division of Rate Counsel (Stefanie Brand, Esq., Director)

**Alex Moreau** and **Christopher Psihoules**, Deputies Attorney General, for the Staff of Board of the New Jersey Public Utilities (John J. Hoffman, Acting Attorney General of New Jersey, attorney)

Record Closed: February 8, 2016

Decided: February 9, 2016

BEFORE **MARGARET M. MONACO, ALJ**:

On June 1, 2015, petitioner, New Jersey Natural Gas Company (NJNG or the Company) filed a petition requesting that the New Jersey Board of Public Utilities (the Board) approve NJNG's 2016 Annual Filing to maintain the Company's periodic Basic Gas Supply Service (BGSS) rate; to approve a decrease to the Company's balancing charge; and to approve changes to the Company's Conservation Incentive Program (CIP) rates, as more particularly set forth in the petition and the attached Stipulation. Public hearings were held on August 24, 2015 in Freehold Township and on August 25, 2015 in Rockaway Township. Subsequently, the parties executed a Stipulation for Provisional Rates. On September 11, 2015, the Board issued an Order adopting the Stipulation and approving, on a provisional basis, the rates more particularly set forth in said Order. The matter was transmitted to the Office of Administrative Law where, on October 9, 2015, it was filed for determination as a contested case. A telephone prehearing conference was held on November 23, 2015, during which the evidentiary hearing was scheduled for April 18, 2016. On February 8, 2016, the attached Stipulation for Final Rates was filed.

I have reviewed the record and terms of the attached Stipulation and **FIND**:

1. The parties have voluntarily agreed to the settlement as evidenced by the signatures of the parties or their representatives.
2. The settlement fully disposes of all issues in controversy and is consistent with law.

I **CONCLUDE** that this agreement meets the requirements of N.J.A.C. 1:1-19.1 and that the settlement should be approved. I approve the settlement and, therefore, **ORDER** that the parties comply with the settlement terms and that these proceedings be concluded.

I hereby **FILE** my initial decision with the **BOARD OF PUBLIC UTILITIES** for consideration.



I hereby **FILE** my initial decision with the **BOARD OF PUBLIC UTILITIES** for consideration.

This recommended decision may be adopted, modified or rejected by the **BOARD OF PUBLIC UTILITIES**, which by law is authorized to make a final decision in this matter. If the Board of Public Utilities does not adopt, modify or reject this decision within forty-five days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with N.J.S.A. 52:14B-10.

February 9, 2016  
DATE

Margaret M. Monaco  
MARGARET M. MONACO, ALJ

Date Received at Agency: February 9, 2016

Date Mailed to Parties: February 9, 2016

jb

**STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES**

**IN THE MATTER OF THE PETITION OF )  
NEW JERSEY NATURAL GAS COMPANY )  
FOR THE ANNUAL REVIEW AND ) BPU DOCKET NO. GR15060644  
REVISION OF ITS BASIC GAS SUPPLY )  
SERVICE (BGSS) AND ITS )  
CONSERVATION INCENTIVE PROGRAM )  
(CIP) FACTORS FOR F/Y 2016 )  
)**

**STIPULATION FOR FINAL RATES**

**APPEARANCES:**

Andrew K. Dembia, Esq., New Jersey Natural Gas Company for the Petitioner, New Jersey Natural Gas Company

Felicia Thomas-Friel, Deputy Rate Counsel, Sarah H. Steindel, Esq. and Maura Caroselli, Esq., Assistant Deputy Rate Counsels, New Jersey Division of Rate Counsel (Stefanie Brand, Esq., Director)

Alex Moreau and Christopher Psihoules, Deputies Attorney General, for the Staff of the New Jersey Board of Public Utilities (John J. Hoffman, Acting Attorney General of New Jersey)

**TO: THE NEW JERSEY BOARD OF PUBLIC UTILITIES**

**BACKGROUND**

1. New Jersey Natural Gas Company ("NJNG" or the "Company") filed a petition in Docket No. GR15060644 on June 1, 2015 ("2016 Annual Filing"), requesting that the New Jersey Board of Public Utilities (the "BPU" or "Board") approve NJNG's 2016 Annual Filing to: 1) maintain the Company's Periodic Basic Gas Supply Service ("BGSS") rate for the period October 1, 2015 through September 30, 2016; 2) approve a decrease to the Company's Balancing Charge; and 3) approve the following changes to the Company's Conservation Incentive Program ("CIP") factors effective October 1, 2015 a decrease to its CIP recovery rate for Group

I Residential Non-Heat customers, and increases in the CIP recovery rates for -Group II Residential Heat , Group III General Service – Small, and Group IV General Service – Large .

2. Specifically, the petition in the 2016 Annual Filing requested that the BPU maintain the existing per therm after-tax Periodic BGSS rate of \$0.4804 that is applicable to residential and small commercial customers subject to the Periodic BGSS Pricing Mechanism. As requested by Board Staff, NJNG's filing reflected market conditions as of May 11, 2015 and was based on a one-year BGSS recovery period. For the October 2015 through September 2016 BGSS year, NJNG's filing included an estimated beginning over-recovery balance of \$5.8 million. The Company's filing further indicated an estimated ending over-recovery balance of \$63.7 million with no change in the Company's BGSS rates. The Company is currently implementing bill credits of (\$0.2640) per therm to its Periodic BGSS customers during the months of November 2015, December 2015, January 2016, and February 2016 with an estimated total of \$76 million.

3. The petition also requested approval of a \$0.0071 per therm decrease to the NJNG after-tax balancing charge, thereby decreasing the per therm after-tax balancing charge from \$0.0750 to \$0.0679. As approved by the Board on October 3, 2008 in BPU Docket No. GR07110889 ("Base Case Order"), NJNG is to adjust its balancing charge in the annual BGSS filing to reflect updated costs. For transportation customers, the balancing charge is a component of the delivery charge, and all balancing charge revenues from transportation customers are credited to BGSS. In order to provide a "Price-to-Compare" for sales customers, the balancing charge is deducted from the BGSS charge and included as a component of the delivery charge in order to provide a "Price-to-Compare". Since the balancing charge is deducted from the BGSS

price, and added to the delivery price, there is no balancing-related impact on a sales customer's bill.

4. Within the 2016 Annual Filing, as authorized by the Board in Docket No. GR05121020 and GR13030185, the Company also submitted its annual CIP rate filing for CIP year 2016, October 1, 2015 through September 30, 2016, requesting that the BPU approve the implementation of updated CIP factors effective October 1, 2015. The requested changes resulted in an overall increase of after-tax revenue of approximately \$1.2 million to the current estimated annual CIP revenue of (\$6.5) million. Specifically, the Company is seeking approval for the following changes to its after-tax per therm CIP factors: 1) a \$0.0076 increase in the current credit rate of (\$0.0327) for Group I Residential Non-Heat customers resulting in the proposed credit of (\$0.0403); 2) a \$0.0008 decrease in the current credit rate of (\$0.0232) resulting in the proposed credit of (\$0.0224) for Group II Residential Heat customers; 3) an increase of \$0.0026 to the current rate of \$0.0102 for Group III Small Commercial customers resulting in the proposed rate of \$0.0128; and 4) an increase of \$0.0053 to the current rate of \$0.0286 resulting in the proposed rate of \$0.0339 for Group IV Large Commercial customers, all effective as of October 1, 2015.

5. Pursuant to the Board's May 21, 2014 Order in Docket No. GR13030185, recovery of any non-weather related CIP surcharges are subject to a BGSS Savings Test under which the Company must have BGSS savings of at least 75 percent of the non-weather related margin deficiency and a Variable Margin Test under which the non-weather related margin deficiency must be less than or equal to 6.5 percent of aggregate variable margins. The Company reported total estimated CIP related margin credit for CIP year 2015, October 1, 2014 through September 30, 2015, of (\$5.9) million with (\$11.2) million margin credit related to

weather and \$5.2 million related to non-weather factors. The amount of the BGSS Savings required to meet the BGSS Savings test is 75 percent of the non-weather change or \$3.9 million. Under the Variable Margin Test, the recovery limitation is \$12.8 million. The Company has identified approximately \$13.2 million in BGSS savings available to offset non-weather related CIP margin deficiency and charges for the October 2015 through September 2016 recovery period. Since the non-weather related CIP margin deficiency, \$5.2 million, is less than the BGSS Savings and the Variable Margin Test recovery limitation, the Company has met both tests. The Company also provided testimony that the margin deficiency will not result in a return on equity in excess of 10.3 percent.

6. The Petition requested an overall increase in the CIP rate of approximately \$0.08 per month, or 0.08 percent, to the average residential heating customer (Group II) using 100 therms per month. The proposed impact to the average residential non-heat customer (Group I) using 25 therms per month from these requested rate changes was a decrease of 0.63 percent per month, to the average small commercial customer (Group III) using 100 therms a month was an increase of 0.23 percent per month, and to the average large commercial customer (Group IV) using 1200 therms a month was a 0.57 percent increase. The above CIP changes result in an increase of after-tax CIP revenues of approximately \$1.2 million.

7. Public hearings on this petition were held on August 24, 2015 in Freehold Township and on August 25, 2015 in Rockaway Township. No members of the public appeared at either hearing nor were any written comments received by the BPU, NJNG or Rate Counsel.

8. NJNG, Board Staff, and the Rate Counsel (collectively, the "Parties") discussed certain matters at issue in this proceeding and determined that additional time was needed to complete the review of NJNG's proposed BGSS rate, balancing charge, and CIP rates. The

Parties also agreed that maintaining the BGSS rate, implementing the requested decrease to the balancing charge, and implementing the above modifications to the CIP rates, on a provisional basis, would be reasonable and accordingly executed a Stipulation for provisional rates. On September 11, 2015, the Board issued an Order ("September 2015 Order") in this proceeding approving the Stipulation and authorizing the Company to: 1) maintain the Company's periodic BGSS rate of \$0.4804 per therm after-tax; 2) decrease the Company's balancing charge to \$0.0679 per therm after-tax; and 3) adjust the following CIP rates to (after-tax basis): (\$0.0403) per therm for Group I Residential Non-Heat customers; (\$0.0224) per therm for Group II Residential Heat customers; \$0.0128 per therm for Group III Small Commercial customers; and, \$0.0339 per therm for Group IV Large Commercial customers. Those rates, effective as of October 1, 2014, were subject to refund with interest, with an opportunity for a full review at the Office of Administrative Law ("OAL"), if necessary, and final approval by the Board.

9. On November 24, 2015, this matter was transmitted to the Office of Administrative Law ("OAL") as a contested case and was assigned to the Honorable Margaret M. Monaco, Administrative Law Judge ("ALJ"). A pre-hearing teleconference was held on November 23, 2015. ALJ Monaco issued a Prehearing Order dated December 9, 2015 establishing the procedural schedule. A telephone status conference was held on January 28, 2016.

10. NJNG has received and responded to all discovery requests that have been propounded in this proceeding by BPU Staff and Rate Counsel.

11. The Parties have discussed this matter and now hereby **STIPULATE AND AGREE** as follows:

### STIPULATED ISSUES

12. The Parties agree that the previously approved provisional rates, as described above in Paragraphs 8, should be deemed by Your Honor and the Board to be final rates. Those rates effective October 1, 2015 are: 1) the Company's Periodic BGSS rate of \$0.4804 per therm after tax; 2) the Company's balancing charge of \$0.0679 per therm after-tax; and 3) the following CIP rates all on an after-tax basis: a credit of (\$0.0403) per therm for Group I Residential Non-Heat customers; a credit of (\$0.0224) per therm for Group II Residential Heat customers; a charge of \$0.0128 per therm for Group III Small Commercial customers; and a charge of \$0.0339 per therm for Group IV Large Commercial customers. As a result of this Stipulation, the rates approved in the September 2015 Order on a provisional basis will be final and remain in effect until further Board Order or further action by the Company in accordance with the Generic Order. The tariff sheets reflecting these rates, which will remain in effect, are attached hereto as Exhibit A.

13. This Stipulation represents a mutual balancing of interests, contains interdependent provisions, and, therefore, is intended to be accepted and approved in its entirety. In the event any particular aspect of this Stipulation is not accepted and approved in its entirety by Your Honor and/or the Board, any Party aggrieved thereby shall not be bound to proceed with this Stipulation and shall have the right to litigate all issues addressed herein to a conclusion. More particularly, in the event this Stipulation is not adopted in its entirety by Your Honor and/or the Board, in any applicable Order(s), then any Party hereto is free to pursue its then

available legal remedies with respect to all issues addressed in this Stipulation as though this Stipulation had not been signed.

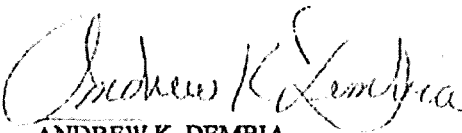
14. The Signatory Parties agree that they consider the Stipulation to be binding on them for all purposes herein.

15. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of these proceedings. Except as expressly provided herein, NJNG, Board Staff, and Rate Counsel shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein. All rates are subject to audit by the Board. The Parties acknowledge that a Board Order adopting the Initial Decision approving this Stipulation will become effective upon the service of said Board Order, or upon such date after the service thereof as the Board may specify, in accordance with N.J.S.A. 48:2-40.




**WHEREFORE**, the Parties do respectfully submit this Stipulation and request that Your Honor issue an Initial Decision and that the Board issue an Order approving it in its entirety, in accordance with the terms hereof.

**NEW JERSEY NATURAL GAS COMPANY  
PETITIONER**

By:   
ANDREW K. DEMBIA  
New Jersey Natural Gas

**DIVISION OF RATE COUNSEL  
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Date: February 3, 2016

**NEW JERSEY NATURAL GAS COMPANY**

*Twenty-Fifth Revised Sheet No. 51*

*BPU No. 8 - Gas*

*Superseding Twenty-Fourth Revised Sheet No. 51*

**SERVICE CLASSIFICATION - RS**

**RESIDENTIAL SERVICE**

**AVAILABILITY**

This service is available to any residential Customer in the territory served by the Company using gas for any domestic purpose. This rate is applicable to individually-metered apartments and to rooming and boarding houses where the number of rental bedrooms is not more than twice the number of bedrooms used by the Customer.

Gas delivered under this schedule may not be used for other than domestic purposes except when such use is incidental to domestic use.

**CHARACTER OF SERVICE**

Firm gas service where Customer may either purchase gas supply from the Company's Rider "A" for Basic Gas Supply Service ("BGSS") or from a Marketer or Broker.

**MONTHLY RATES**

**Customer Charge:**

Customer Charge per meter per month	\$8.25
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**Delivery Charge:**

**Residential Heating**

Delivery Charge per therm	\$0.4726
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**Residential Non-Heating**

Delivery Charge per therm	\$0.4547
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**BGSS Charge:**

BGSS Charge per therm for Sales Customers	See "Rate Summaries" at the end of this Tariff
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These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

**Date of Issue:**

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**NEW JERSEY NATURAL GAS COMPANY**

*Twenty-Second Revised Sheet No. 54*

**BPU No. 8 - Gas**

*Superseding Twenty-First Revised Sheet No. 54*

**SERVICE CLASSIFICATION – DGR**

**DISTRIBUTED GENERATION SERVICE - RESIDENTIAL**

**AVAILABILITY**

This service is available to any residential customer using distributed generation technologies including, but not limited to, microturbines and fuel cells to generate electricity for domestic purposes.

**CHARACTER OF SERVICE**

Firm gas service where Customer may either purchase gas supply from the Company's Rider "A" for Basic Gas Supply Service ("BGSS") or from a Marketer or Broker.

**MONTHLY RATES**

**Customer Charge:**

Customer Charge per meter per month \$8.25

**Delivery Charge:**

November - April \$0.3487

May - October \$0.2916

**BGSS Charge:**

BGSS Charge per therm for Sales Customers See "Rate Summaries" at the end of this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

**MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be the Customer Charge. Where service is taken for less than one month, the minimum charge will be prorated.

**BALANCING CHARGE ADJUSTMENTS**

The Balancing Charge is included in the Delivery Charge and is subject to adjustment in the Company's annual BGSS proceeding. All revenues derived from this Charge will be credited to the BGSS. See Rider "A" for the current Balancing Charge.

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**NEW JERSEY NATURAL GAS COMPANY**

*Twenty-Fifth Revised Sheet No. 56*

*BPU No. 8 - Gas*

*Superseding Twenty-Fourth Revised Sheet No. 56*

**SERVICE CLASSIFICATION – GSS**

**GENERAL SERVICE - SMALL**

**AVAILABILITY**

This service is available to any Customer in the entire territory served by the Company who uses less than 5,000 therms annually and uses gas for all purposes other than residential service and interruptible service. Where the Customer uses the Cooling, Air Conditioning and Pool Heating service (“CAC”), the Company will, upon application by the Customer, meter the space heating and CAC use separately. Street Lighting Service also will be supplied under this schedule.

**CHARACTER OF SERVICE**

Firm gas service where Customer may either purchase gas supply from the Company’s Rider “A” for Basic Gas Supply Service (“BGSS”) or from a Marketer or Broker.

**MONTHLY RATES**

**Customer Charge:**

Customer Charge per meter per month \$25.00

**Delivery Charge:**

Delivery Charge per therm \$0.4666

**BGSS Charge:**

BGSS Charge per therm for Sales Customers See “Rate Summaries” at the end of this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

**MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be the Customer Charge.

Where service is taken for less than one month, the minimum charge will be prorated.

**BALANCING CHARGE ADJUSTMENTS**

The Balancing Charge is included in the Delivery Charge and is subject to adjustment in the Company's annual BGSS proceeding. All revenues derived from this Charge will be credited to the BGSS. See Rider “A” for the current Balancing Charge.

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**NEW JERSEY NATURAL GAS COMPANY**

*Twenty-Fifth Revised Sheet No. 59*

**BPU No. 8 - Gas**

*Superseding Twenty-Fourth Revised Sheet No. 59*

**SERVICE CLASSIFICATION - GSL**

**GENERAL SERVICE - LARGE**

**AVAILABILITY**

This service is available to any Customer in the entire territory served by the Company who uses greater than or equal to 5,000 therms annually and uses gas for all purposes other than residential service and interruptible service. Where the Customer uses the Cooling, Air Conditioning and Pool Heating service ("CAC") under Special Provision 1 applicable to customers purchasing gas supply under Rider "A", the Company will, upon application by the Customer, meter the space heating and CAC use separately.

**CHARACTER OF SERVICE**

Firm gas service where Customer may either purchase gas supply from the Company's Rider "A" for Basic Gas Supply Service ("BGSS") or from a Marketer or Broker.

**MONTHLY RATES**

**Customer Charge:**

Customer Charge per meter per month \$40.00

**Demand Charge:**

Demand Charge per therm applied to HMAD \$1.50

**Delivery Charge:**

Delivery Charge per therm \$0.4237

**BGSS Charge:**

BGSS Charge per therm for Sales Customers See "Rate Summaries" at the end of this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

**MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be the Customer Charge and the Demand Charge.

Where service is taken for less than one month, the minimum charge will be prorated.

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**NEW JERSEY NATURAL GAS COMPANY**

*Twenty-Fifth Revised Sheet No. 65*

*BPU No. 8 - Gas*

*Superseding Twenty-Fourth Revised Sheet No. 65*

**SERVICE CLASSIFICATION - DGC**

**DISTRIBUTED GENERATION SERVICE - COMMERCIAL**

**AVAILABILITY**

This service is available to any commercial customer using distributed generation technologies including, but not limited to, microturbines and fuel cells.

**CONDITIONS PRECEDENT**

If the Customer is served by a Marketer or Broker, the Marketer or Broker assumes the responsibility for all delivery requirements. The Customer also must have clear and marketable title of gas with firm transportation capacity to the Company's distribution systems. If the Company so requests, the Customer must provide such proof. The Customer is responsible for payment of any costs if additional facilities, exclusive of metering facilities, are necessary to provide service. The Company reserves the right to limit new customers served under this service, if it determines that service expansion is detrimental to existing firm customers. The Customer must demonstrate that qualifying electric generation equipment has been installed at its location.

**MONTHLY RATES**

	<u>DGC-Balancing</u>	<u>DGC-FT</u>
<b><u>Customer Charge:</u></b>		
Customer Charge per meter per month	\$40.00	\$40.00
<b><u>Demand Charge:</u></b>		
Demand Charge per therm applied to PBQ	\$0.60	\$0.60
<b><u>Delivery Charge per therm:</u></b>		
November - April	\$0.2584	\$0.1905
May - October	\$0.2256	\$0.1577

The Delivery Charges for DGC-Balancing above include the Balancing Charge as reflected in Rider "A" of this Tariff for customers whose Marketer or Broker deliver gas on their behalf pursuant to paragraph (1) under Minimum Daily Delivery Volumes section of this Service Classification. For DGC-FT customers whose Marketer or Broker deliver gas on their behalf pursuant to paragraph (2) under Minimum Daily Delivery Volumes section of this Service Classification, the DGC-FT Delivery Charges above exclude the Balancing Charge reflected in Rider "A" of this Tariff.

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

**MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be the sum of the Customer Charge and the Demand Charge.

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**NEW JERSEY NATURAL GAS COMPANY**

*Nineteenth Revised Sheet No. 71*

**BPU No. 8 - Gas**

*Superseding Eighteenth Revised Sheet No. 71*

**SERVICE CLASSIFICATION - FC**

**FIRM COGENERATION**

**AVAILABILITY**

This service is applicable to commercial and industrial Customers using gas for the sequential production of electrical and/or mechanical energy and useful thermal energy from the same fuel source as defined in Section 201 of The Public Utility Regulatory Policies Act (PURPA) of 1978.

The Customer must 1) certify that the cogeneration facility is approved by FERC as a "Qualifying Facility"; 2) sign a Service Agreement; and 3) be in compliance with the terms of N.J.S.A. 54:30A-50 to receive service under this classification.

**CHARACTER OF SERVICE**

Firm gas sales or transportation service.

**MONTHLY RATES**

**Customer Charge:**

Customer Charge per meter per month \$49.49

**Demand Charge:**

Demand Charge per therm applied to MDQ \$1.00

**Delivery Charge:**

Delivery Charge per therm \$0.2907

**BGSS Charge:**

BGSS Charge per therm for Sales Customers See "Rate Summaries" at the end of this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

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**NEW JERSEY NATURAL GAS COMPANY**

*Eighty-Ninth Revised Sheet No. 155*

**BPU No. 8 - Gas**

*Superseding Eighty-Eighth Revised Sheet No. 155*

**RIDER "A"**

**BASIC GAS SUPPLY SERVICE - BGSS(Continued)**

**PERIODIC BASIC GAS SUPPLY SERVICE (BGSS) CHARGE<sup>1</sup>**

<u>CLASS</u>	<u>APPLICATION</u>	<u>CHARGE</u>
RS, GSS, and ED sales customers using less than 5,000 therms annually	Included in the Basic Gas Supply Charge	\$0.4804 per therm

**BALANCING CHARGE**

<u>CLASS</u>	<u>APPLICATION</u>	<u>CHARGE</u>
RS, GSS, GSL, DGC, ED	Included in the Delivery Charge	\$0.0679 per therm

**MONTHLY BASIC GAS SUPPLY SERVICE (BGSS) CHARGE<sup>1</sup>**

<u>CLASS</u>	<u>APPLICATION</u>
GSL, FC and ED sales customers using 5,000 therms or greater annually	Included in the Basic Gas Supply Charge

<u>Effective Date</u>	<u>Charge Per Therm</u>
May 1, 2014	\$0.7809
June 1, 2014	\$0.7611
July 1, 2014	\$0.7366
August 1, 2014	\$0.6706
September 1, 2014	\$0.6873
October 1, 2014	\$0.4747
November 1, 2014	\$0.4860
December 1, 2014	\$0.6126
January 1, 2015	\$0.4781
February 1, 2015	\$0.4686
March 1, 2015	\$0.4921
April 1, 2015	\$0.4034
May 1, 2015	\$0.3984

<sup>1</sup> For billing purposes, the Periodic BGSS and Monthly BGSS charges are adjusted for Balancing Charges as presented in the Rate Summaries at the end of this Tariff.

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**NEW JERSEY NATURAL GAS COMPANY**

*Fourteenth Revised Sheet No. 156*

**BPU No. 8 - Gas**

*Superseding Thirteenth Revised Sheet No. 156*

**RIDER "A"**

**BASIC GAS SUPPLY SERVICE - BGSS(Continued)**

**BGSS SAVINGS COMPONENT RELATED TO THE CONSERVATION INCENTIVE PROGRAM (CIP)  
IN RIDER "I"**

<b><u>CLASS</u></b>	<b><u>APPLICATION</u></b>	<b><u>CREDIT</u></b>
RS, GSS, GSL, FC, and ED sales customers	Embedded within the Periodic Basic Gas Supply Charge and the Monthly Basic Gas Supply Charge	(\$0.0270) per therm

**TEMPORARY BGSS RATE CREDIT ADJUSTMENT**

<b><u>CLASS</u></b>	<b><u>APPLICATION</u></b>	<b><u>CREDIT</u></b>
RS, GSS, and ED sales customers using less than 5,000 therms annually	Rate Credit Adjustment effective January 1, 2009 through February 28, 2009	(\$0.1996) per therm
RS, GSS, and ED sales customers using less than 5,000 therms annually	Rate Credit Adjustment effective March 1, 2009 through March 31, 2009	(\$0.2510) per therm
RS, GSS, and ED sales customers using less than 5,000 therms annually	Rate Credit Adjustment effective February 1, 2010 through March 31, 2010	(\$0.2745) per therm
RS, GSS, and ED sales customers using less than 5,000 therms annually	Rate Credit Adjustment effective April 1, 2010 through April 30, 2010	(\$0.6572) per therm
RS, GSS, and ED sales customers using less than 5,000 therms annually	Rate Credit Adjustment effective December 1, 2011 through February 29, 2012 and March 15, 2012 through March 31, 2012	(\$0.4419) per therm

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**NEW JERSEY NATURAL GAS COMPANY**

*Eighth Revised Sheet No. 182*

*BPU No. 8 - Gas*

*Superseding Seventh Revised Sheet No. 182*

**RIDER "I"**

**CONSERVATION INCENTIVE PROGRAM – CIP (Continued)**

The annual filing for the adjustment to the CIP rate shall be concurrent with the annual filing for BGSS. The CIP factor shall be credited/collected on a basis within the Delivery Charge for all service classifications stated above.

The currently effective CIP factor by Customer Class Group are as follows:

Group I (RS non-heating):	(\$0.0403)
Group II (RS heating):	(\$0.0224)
Group III (GSS, ED using less than 5,000 therms annually):	\$0.0128
Group IV (GSL, ED using 5,000 therms or greater annually):	\$0.0339

For the recovery of the October 2014 through September 2015 CIP margin deficiency, the recovery of the margin deficiency associated with non-weather related change in customer usage included in the above factors are offset by the BGSS savings component, as set forth in Rider A. The BGSS savings component is embedded within the Periodic BGSS Charge and the Monthly BGSS Charge.

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**NEW JERSEY NATURAL GAS COMPANY**

*Thirtieth Revised Sheet No. 252*

*BPU No. 8 - Gas*

*Superseding Twenty- Revised Sheet No. 252*

**SUMMARY OF RESIDENTIAL RATE COMPONENTS**

<b><u>Residential Heating Customers</u></b>				
		<u>Bundled</u>	<u>Transport</u>	<u>Reference</u>
		<u>Sales</u>	<u>Sales</u>	
<b><u>Customer Charge</u></b>				
Customer Charge per meter per month		8.25	8.25	
<b><u>Delivery Charge ("DEL") per therm</u></b>				
<i>Transport Rate:</i>				
Pre-tax Base Rate		0.3163	0.3163	
SUT		<u>0.0221</u>	<u>0.0221</u>	Rider B
After-tax Base Rate		0.3384	0.3384	
WNC		0.0000	0.0000	Rider D
CIP		(0.0224)	(0.0224)	Rider I
EE		0.0327	0.0327	Rider F
CNGC		<u>0.0000</u>	<u>0.0000</u>	Rider G
<i>Total Transport Rate</i>	a	<i>0.3487</i>	<i>0.3487</i>	
<i>Balancing Charge</i>	b	<i>0.0679</i>	<i>0.0679</i>	Rider A
<i>Societal Benefits Charge ("SBC"):</i>				
NJ's Clean Energy		0.0257	0.0257	Rider E
RA		0.0134	0.0134	Rider C
USF		<u>0.0169</u>	<u>0.0169</u>	Rider H
<i>Total SBC</i>	c	<i><u>0.0560</u></i>	<i><u>0.0560</u></i>	
<b>Delivery Charge (DEL)</b>	a+b+c=d	<b><u>0.4726</u></b>	<b><u>0.4726</u></b>	
<b><u>Basic Gas Supply Charge ("BGS")</u></b>				
Periodic BGSS	e	0.4804	x	Rider A
Less: Balancing	f	<u>0.0679</u>	x	
<b>BGS</b>	e-f=g	<b><u>0.4125</u></b>	<b>x</b>	

With the exception of the Customer Charge, these rates are on a per-therm basis.

Customer Charge, DEL rate and BGS rate are presented on customer bills.

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**NEW JERSEY NATURAL GAS COMPANY**

*Thirtieth Revised Sheet No. 253*

**BPU No. 8 - Gas**

*Superseding Twenty-Ninth Revised Sheet No. 253*

**SUMMARY OF RESIDENTIAL RATE COMPONENTS**

**Residential Non-Heating Customers**

		<u>Bundled Sales</u>	<u>Transport Sales</u>	<u>Reference</u>
<b><u>Customer Charge</u></b>				
Customer Charge per meter per month		8.25	8.25	
<b><u>Delivery Charge ("DEL") per therm</u></b>				
<i>Transport Rate:</i>				
Pre-tax Base Rate		0.3163	0.3163	
SUT		<u>0.0221</u>	<u>0.0221</u>	Rider B
After-tax Base Rate		0.3384	0.3384	
CIP		(0.0403)	(0.0403)	Rider I
EE		0.0327	0.0327	Rider F
CNGC		<u>0.0000</u>	<u>0.0000</u>	Rider G
<i>Total Transport Rate</i>	a	<i>0.3308</i>	<i>0.3308</i>	
<i>Balancing Charge</i>	b	<i>0.0679</i>	<i>0.0679</i>	Rider A
<i>Societal Benefits Charge ("SBC"):</i>				
NJ's Clean Energy		0.0257	0.0257	Rider E
RA		0.0134	0.0134	Rider C
USF		<u>0.0169</u>	<u>0.0169</u>	Rider H
<i>Total SBC</i>	c	<i><u>0.0560</u></i>	<i><u>0.0560</u></i>	
<b>Delivery Charge (DEL)</b>	a+b+c=d	<b><u>0.4547</u></b>	<b><u>0.4547</u></b>	
<b><u>Basic Gas Supply Charge ("BGS")</u></b>				
Periodic BGSS	e	0.4804	x	Rider A
Less: Balancing	f	<u>0.0679</u>	x	
<b>BGS</b>	e-f=g	<b><u>0.4125</u></b>	x	

With the exception of the Customer Charge, these rates are on a per-therm basis.

Customer Charge, DEL rate and BGS rate are presented on customer bills.

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**NEW JERSEY NATURAL GAS COMPANY**

*Twenty-Eighth Revised Sheet No. 254*

**BPU No. 8 - Gas**

*Superseding Twenty-Seventh Revised Sheet No. 254*

**SUMMARY OF RESIDENTIAL RATE COMPONENTS**

**Residential Distributed Generation Service**

		<u>Nov - Apr</u>	<u>May - Oct</u>	<u>Reference</u>
<b><u>Customer Charge</u></b>				
Customer Charge per meter per month		8.25	8.25	
<b><u>Delivery Charge ("DEL") per therm</u></b>				
<i>Transport Rate:</i>				
Pre-tax Base Rate		0.1795	0.1262	
SUT		<u>0.0126</u>	<u>0.0088</u>	Rider B
After-tax Base Rate		0.1921	0.1350	
EE		<u>0.0327</u>	<u>0.0327</u>	Rider F
<i>Total Transport Rate</i>	a	<i>0.2248</i>	<i>0.1677</i>	
<i>Balancing Charge</i>	b	0.0679	0.0679	Rider A
<i>Societal Benefits Charge ("SBC"):</i>				
NJ's Clean Energy		0.0257	0.0257	Rider E
RA		0.0134	0.0134	Rider C
USF		<u>0.0169</u>	<u>0.0169</u>	Rider H
<i>Total SBC</i>	c	<i>0.0560</i>	<i>0.0560</i>	
<b>Delivery Charge (DEL)</b>	a+b+c=d	<b><u>0.3487</u></b>	<b><u>0.2916</u></b>	
<b><u>Basic Gas Supply Charge ("BGS")</u></b>				
Periodic BGSS	e	0.4804	0.4804	Rider A
Less: Balancing	f	<u>0.0679</u>	<u>0.0679</u>	
<b>BGS</b>	e-f=g	<b><u>0.4125</u></b>	<b><u>0.4125</u></b>	

With the exception of the Customer Charge, these rates are on a per-therm basis.

Customer Charge, DEL rate and BGS rate are presented on customer bills.

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**NEW JERSEY NATURAL GAS COMPANY**

*Thirty-First Revised Sheet No. 255  
Superseding Thirtieth Revised Sheet No. 255*

**BPU No. 8 - Gas**

**SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS**

**General Service - Small (GSS)**

		<u>Bundled Sales</u>	<u>Transport Sales</u>	<u>Reference</u>
<b><u>Customer Charge</u></b>				
Customer Charge per meter per month		25.00	25.00	
<b><u>Delivery Charge ("DEL") per therm</u></b>				
<i>Transport Rate:</i>				
Pre-tax Base Rate		0.2778	0.2778	
SUT		<u>0.0194</u>	<u>0.0194</u>	Rider B
After-tax Base Rate		0.2972	0.2972	
WNC		0.0000	0.0000	Rider D
CIP		0.0128	0.0128	Rider I
EE		0.0327	0.0327	Rider F
CNGC		<u>0.0000</u>	<u>0.0000</u>	Rider G
<i>Total Transport Rate</i>	a	0.3427	0.3427	
<i>Balancing Charge</i>	b	0.0679	0.0679	Rider A
<i>Societal Benefits Charge ("SBC"):</i>				
NJ's Clean Energy		0.0257	0.0257	Rider E
RA		0.0134	0.0134	Rider C
USF		<u>0.0169</u>	<u>0.0169</u>	Rider H
<i>Total SBC</i>	c	<u>0.0560</u>	<u>0.0560</u>	
<b>Delivery Charge (DEL)</b>	a+b+c=d	<b><u>0.4666</u></b>	<b><u>0.4666</u></b>	
<b><u>Basic Gas Supply Charge ("BGS")</u></b>				
Periodic BGSS	e	0.4804	x	Rider A
Less: Balancing	f	<u>0.0679</u>	x	
<b>BGS</b>	e-f=g	<b><u>0.4125</u></b>	x	

With the exception of the Customer Charge, these rates are on a per-therm basis.

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**NEW JERSEY NATURAL GAS COMPANY**

*One Hundred Fourth Revised Sheet No. 256*

**BPU No. 8 - Gas**

*Superseding One Hundred Third Revised Sheet No. 256*

**SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS**

**General Service - Large (GSL)**

		<u>Bundled Sales</u>	<u>Transport Sales</u>	<u>Reference</u>
<b><u>Customer Charge</u></b>				
Customer Charge per meter per month		40.00	40.00	
<b><u>Demand Charge</u></b>				
Demand Charge per month applied to HMAD		1.50	1.50	
<b><u>Delivery Charge ("DEL") per therm</u></b>				
<i>Transport Rate:</i>				
Pre-tax Base Rate		0.2179	0.2179	
SUT		<u>0.0153</u>	<u>0.0153</u>	Rider B
After-tax Base Rate		0.2332	0.2332	
WNC		0.0000	0.0000	Rider D
CIP		0.0339	0.0339	Rider I
EE		0.0327	0.0327	Rider F
CNGC		<u>0.0000</u>	<u>0.0000</u>	Rider G
<i>Total Transport Rate</i>	a	<i>0.2998</i>	<i>0.2998</i>	
<i>Balancing Charge</i>	b	<i>0.0679</i>	<i>0.0679</i>	Rider A
<i>Societal Benefits Charge ("SBC"):</i>				
NJ's Clean Energy		0.0257	0.0257	Rider E
RA		0.0134	0.0134	Rider C
USF		<u>0.0169</u>	<u>0.0169</u>	Rider H
<i>Total SBC</i>	c	<i><u>0.0560</u></i>	<i><u>0.0560</u></i>	
<b>Delivery Charge (DEL)</b>	a+b+c=d	<b><u>0.4237</u></b>	<b><u>0.4237</u></b>	
<b><u>Basic Gas Supply Charge ("BGS")</u></b>				
Monthly BGSS	e	0.3984	X	Rider A
Less: Balancing	f	<u>0.0679</u>	X	
<b>BGS</b>	e-f=g	<b><u>0.3305</u></b>	X	

With the exception of the Customer Charge and Demand charges, these rates are on a per-therm basis.

Customer, Demand, DEL, and BGSS charges are presented on customer bills.

**Date of Issue:**

**Issued by:** *Mark R. Sperduto, Senior Vice President  
Wall, NJ 07719*

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**NEW JERSEY NATURAL GAS COMPANY**

*Twenty-Sixth Revised Sheet No. 258*

**BPU No. 8 - Gas**

*Superseding Twenty-Fifth Revised Sheet No. 258*

**SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS**

**Commercial Distributed Generation Service**

		<u>Nov - Apr</u>	<u>May - Oct</u>	<u>Reference</u>
<b><u>Customer Charge</u></b>				
Customer Charge per meter per month		40.00	40.00	
<b><u>Demand Charge</u></b>				
Demand Charge per therm per month applied to PBQ		0.60	0.60	
<b><u>Delivery Charge ("DEL") per therm</u></b>				
<i>Transport Rate:</i>				
Pre-tax Base Rate		0.0951	0.0645	
SUT		<u>0.0067</u>	<u>0.0045</u>	Rider B
After-tax Base Rate		0.1018	0.0690	
EE		0.0327	0.0327	Rider F
CNGC		<u>0.0000</u>	<u>0.0000</u>	Rider G
<i>Total Transport Rate</i>	a	0.1345	0.1017	
<i>Societal Benefits Charge ("SBC"):</i>				
NJ's Clean Energy		0.0257	0.0257	Rider E
RA		0.0134	0.0134	Rider C
USF		<u>0.0169</u>	<u>0.0169</u>	Rider H
<i>Total SBC</i>	c	<u>0.0560</u>	<u>0.0560</u>	
<b>DGC-FT Delivery Charge (DEL)</b>	<b>a+b=c</b>	<b>0.1905</b>	<b>0.1577</b>	
Balancing Charge	b	<u>0.0679</u>	<u>0.0679</u>	
<b>DGC-Balancing Delivery Charge (DEL)</b>	<b>a+b+c=d</b>	<b><u>0.2584</u></b>	<b><u>0.2256</u></b>	

The Delivery Charges for DGC-Balancing above include the Balancing Charge as reflected in Rider "A" of this Tariff for customers whose Marketer or Broker deliver gas on their behalf pursuant to paragraph (1) under Minimum Daily Delivery Volumes section of Service Classification DGC. For DGC-FT customers whose Marketer or Broker deliver gas on their behalf pursuant to paragraph (2) under Minimum Daily Delivery Volumes section of Service Classification DGC, the DGC-FT Delivery Charges above exclude the Balancing Charge reflected in Rider "A" of this Tariff.

With the exception of the Customer Charge and Demand Charge, these rates are on a per-therm basis.

Customer Charge, Demand Charge, and DEL rate are presented on customer bills.

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**NEW JERSEY NATURAL GAS COMPANY**

*Ninety-Eighth Revised Sheet No. 259*

**BPU No. 8 - Gas**

*Superseding Ninety-Seventh Revised Sheet No. 259*

**SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS**

**Firm Cogeneration (FC)**

		<u>Sales</u>	<u>Transport</u>	<u>Reference</u>
<b><u>Customer Charge</u></b>				
Customer Charge per meter per month		49.49	49.49	
<b><u>Demand Charge</u></b>				
Demand Charge per therm per month applied to MDQ		1.00	1.00	
<b><u>Delivery Charge ("DEL") per therm</u></b>				
<i>Transport Rate:</i>				
Pre-tax Base Rate		0.1253	0.1253	
SUT		<u>0.0088</u>	<u>0.0088</u>	Rider B
After-tax Base Rate		0.1341	0.1341	
EE		<u>0.0327</u>	<u>0.0327</u>	Rider F
<i>Total Transport Rate</i>	a	<i>0.1668</i>	<i>0.1668</i>	
<i>Balancing Charge</i>	b	<i>0.0679</i>	<i>0.0679</i>	Rider A
<i>Societal Benefits Charge ("SBC"):</i>				
NJ's Clean Energy		0.0257	0.0257	Rider E
RA		0.0134	0.0134	Rider C
USF		<u>0.0169</u>	<u>0.0169</u>	Rider H
<i>Total SBC</i>	c	<i>0.0560</i>	<i>0.0560</i>	
<b>Delivery Charge (DEL)</b>	a+b+c=d	<b><u>0.2907</u></b>	<b><u>0.2907</u></b>	
<b><u>Basic Gas Supply Charge ("BGS")</u></b>				
Monthly BGSS	e	0.3984	X	Rider A
Less: Balancing	f	<u>0.0679</u>	X	
<b>BGS</b>	e-f=g	<b><u>0.3305</u></b>	X	

With the exception of the Customer Charge and Demand Charge, these rates are on a per-therm basis.

Customer Charge, Demand Charge, DEL rate and BGS rate are presented on customer bills.

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