



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE GENERIC PROCEEDING TO) ORDER
CONSIDER PROSPECTIVE STANDARDS FOR GAS)
DISTRIBUTION UTILITY RATE DISCOUNTS AND)
ASSOCIATED CONTRACT TERMS AND)
CONDITIONS; PIVOTAL UTILITY HOLDINGS INC.)
d/b/a ELIZABETHTOWN GAS COMPANY'S)
COMPLIANCE FILING TO IMPLEMENT TARIFF) DOCKET NO. GT11090619
CHANGES)

Parties of Record

- Stefanie A. Brand**, Director, Division of Rate Counsel
- Mary Patricia Keefe, Esq.**, Vice President, Regulatory Affairs, Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas Company
- David K. Richter**, Assistant General Regulatory Counsel PSE&G
- Tracey Thayer**, Director, Regulatory Affairs New Jersey Natural Gas
- Ira G. Megdal, Esq.**, Cozen O'Connor, on behalf of South Jersey Gas Company
- Murray E. Bevan**, Bevan, Mosca, Giuditta & Zarillo, P.C., on behalf of the Electric Customer Group
- James H. Laskey**, Norris McLaughlin & Marcus, P.A., on behalf of the Independent Energy Producers of New Jersey
- Jeffrey W. Mayes**, General Counsel, Monitoring Analytics, LLC Independent Market Manager for PJM
- Catherine E. Tamasik**, DeCotiis, FitzPatrick & Cole, LLP, on behalf of North American Energy Alliance / Ocean Peaking Power, LLC
- Steven S. Goldenberg**, Fox Rothschild LLP, on behalf of the New Jersey Large Energy Users Coalition

BY THE BOARD¹

On October 25, 2010, the New Jersey Board of Public Utilities (“Board”) issued a notice opening a review of off-tariff agreements offered by the gas utilities (“GDCs”) to customers with the ability to physically by-pass a GDC’s distribution and/or transmission system, as well as for other economic reasons. After a series of stakeholder meetings and the submission of comments and reply comments, by Order dated August 18, 2011 in Docket No. GR10100761,

¹Commissioner Joseph L. Fiordaliso was the hearing officer in this proceeding.

ability to physically by-pass a GDC's distribution and/or transmission system, as well as for other economic reasons. After a series of stakeholder meetings and the submission of comments and reply comments, by Order dated August 18, 2011, in Docket No. GR10100761, the Board directed the GDCs to file tariffs that set forth the criteria that the company will use to determine whether to offer a discounted rate, as well as the minimum information that a gas customer must provide when requesting a discounted rate from a GDC. Further, the GDCs were to describe the application process.

On September 19, 2011, Elizabethtown Gas Company ("ETG") submitted proposed tariff sheets setting forth new "Section 20" to its General terms and Conditions, which outlines the basis for consideration of discounted rates and the minimum information that a customer must submit when seeking to negotiate a discounted rate. Board staff circulated the proposed tariff sheets to the service list for comment.

In its reply comments, the New Jersey Large Energy Users Coalition ("NJLEUC") characterized proposed Section 20 of the General Terms of the ETG tariff as achieving a balance between the Board's historic approach to negotiating bypass rate agreements while at the same time incorporating the customer minimum information requirements mandated by the August 18, 2011, Order.

Rate Counsel stated, in its comments dated November 28, 2011², that ETG did craft tariff provisions that will apply generally to all customer requests for discounts thus following the direction of the August 18, 2011, Board Order. Rate Counsel mentioned that ETG was the only GDC to attempt to specify any criteria for granting rate discounts for reasons other than physical bypass. Rate Counsel concluded that ETG's Proposed First Revised Sheet No.35 which clarifies non-bypass related circumstances for a rate discount is consistent with the reasoning expressed by the Board in the August 18, 2011, Order.


The Board has reviewed the September filing made by ETG. The proposed tariff outlines the procedure a customer must follow when requesting a discounted rate and clearly states that any agreement reached between the company and the customer remains subject to Board approval.

² Corrected by letter dated 12/2/2011.

Therefore, the Board HEREBY FINDS the proposed tariff is consistent with the August 18, 2011, Order. Accordingly, the Board HEREBY APPROVES the proposed tariff sheets, effective for service rendered on or after April 1, 2012.

DATED: 3/12/2012

BOARD OF PUBLIC UTILITIES
BY:


ROBERT M. HANNA
PRESIDENT


JEANNE M. FOX
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER

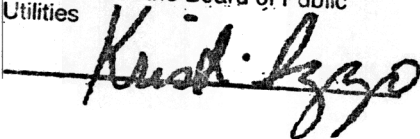

NICHOLAS ASSELTA
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

ATTEST:


KRISTI IZZO
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 A GENERIC PROCEEDING TO CONSIDER PROSPECTIVE
STANDARDS FOR GAS DISTRIBUTION UTILITY RATE DISCOUNTS AND ASSOCIATED
CONTRACT TERMS AND CONDITIONS
BPU DOCKET NOS. GR10100761 & ER10100762

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