



Agenda Date: 3/18/16  
Agenda Item: IIA

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 3<sup>rd</sup> 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 )	ORDER FURTHER SUSPENDING
NATURAL GAS COMPANY FOR APPROVAL OF AN )	INCREASES, CHANGES OR
INCREASE IN GAS BASE RATES AND FOR )	ALTERATIONS IN RATES FOR
CHANGES IN ITS TARIFF FOR GAS SERVICE, )	SERVICE
APPROVAL OF SAFE PROGRAM EXTENSION, AND )	
APPROVAL OF SAFE EXTENSION AND NJ RISE )	
RATE RECOVERY MECHANISMS PURSUANT TO )	
<u>N.J.S.A.</u> 48:2-21, 48:2-21.1 AND FOR CHANGES TO )	
DEPRECIATION RATES FOR GAS PROPERTY )	
PURSUANT TO <u>N.J.S.A.</u> 48:2-18. )	BPU DOCKET NO. GR15111304

**Parties of Record:**

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

**BY THE BOARD:**

On November 13, 2015, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.12, New Jersey Natural Gas Company ("Company" or "NJNG"), a public utility of the State of New Jersey subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"), filed a petition for the authority to: (1) increase its base tariff rates and charges for gas service by \$147.6 million to be effective for gas service provided on or after December 17, 2015; (2) extend its Safety Acceleration and Facility Enhancement ("SAFE") Program; (3) implement its New Jersey Reinvestment in System Enhancements ("NJ RISE") and SAFE extension rate recovery mechanisms; and (4) implement certain other rate and tariff revisions.

According to the petition, the requested increase is necessary to ensure the Company's continued ability to construct, operate and maintain its natural gas system in a safe, adequate and proper manner as required by N.J.S.A. 48:2-23. The Company also states that the additional revenue is needed to provide it with the opportunity to recover operating revenues through base rates sufficient to meet operating expenses, taxes and fixed charges, and provide a reasonable rate of return on the fair value of the Company's property devoted to the provision of service to its customers, i.e. rate base investments.

On January 12, 2016, the Board transmitted this matter to the Office of Administrative Law ("OAL") for hearings, and on January 27, 2016, the Board issued an Order suspending the proposed rates until April 17, 2016.

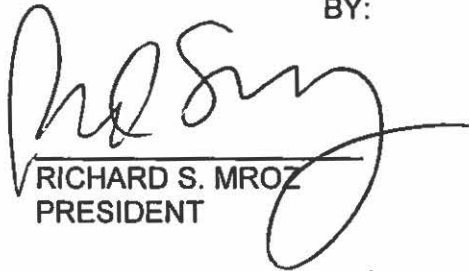
In light of the fact that this matter will not be completed by April 17, 2016, and it appearing that the proposed revisions will increase existing rates and change or alter existing classifications in Company's tariff, it is **HEREBY ORDERED** as follows:

- 1) Pursuant to N.J.S.A. 48:2-21 (d), the proposed revisions are further suspended until August 17, 2016, unless prior to that date the Board makes a determination disposing of the petition;
- 2) NJNG shall, at least ten (10) days prior to the date set for hearing on the petition by the OAL, file with this Board and with the OAL, proof of compliance with the notice provisions of N.J.S.A. 48:2-32.2 and N.J.A.C. 14:1-5.12 (b) and (c), which notice shall include a statement that any relief found by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers on any rate or schedule as the Board may determine; and
- 3) NJNG shall serve copies of this Order upon the OAL, the Division of Rate Counsel (140 East Front Street, 4th Floor, Post Office Box 003, Trenton, NJ 08625), the Clerk of each affected municipality, the Clerk of the Boards of Chosen Freeholders of the affected County, and where appropriate, the executive officer of the affected County within its service area. Service of the petition, notice of hearings and this Order may be made simultaneously. Proof of service of this Order shall be filed with the Board within fifteen (15) days of the date of this Order.

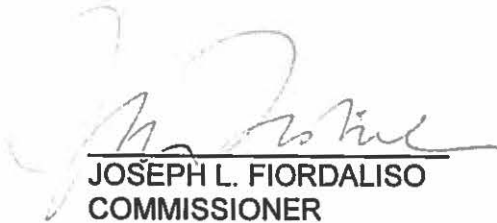
This Order shall be effective on March 28, 2016.

DATED: 3-18-16


BOARD OF PUBLIC UTILITIES  
BY:



RICHARD S. MROZ  
PRESIDENT



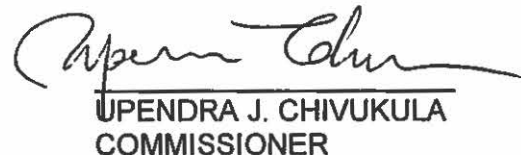
JOSEPH L. FIORDALISO  
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MARY-ANNA HOLDEN  
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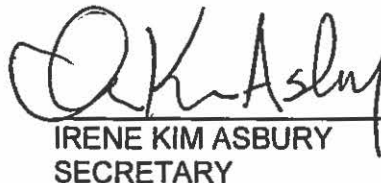


DIANNE SOLOMON  
COMMISSIONER




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 APPROVAL OF AN INCREASE IN GAS BASE RATES AND FOR CHANGES IN ITS TARIFF FOR GAS SERVICE, APPROVAL OF SAFE PROGRAM EXTENSION, AND APPROVAL OF SAFE EXTENSION AND NJ RISE RATE RECOVERY MECHANISMS PURSUANT TO N.J.S.A. 48:2-21, 48:2-21.1 AND FOR CHANGES TO DEPRECIATION RATES FOR GAS PROPERTY PURSUANT TO N.J.S.A. 48:2-18

BPU DOCKET NO. GR15111304

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