



**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/](http://www.nj.gov/bpu/)

ENERGY

IN THE MATTER OF THE PETITION OF SOUTH )  
JERSEY GAS COMPANY FOR APPROVAL OF )  
BASE RATE ADJUSTMENTS PURSUANT TO THE )  
STORM HARDENING AND RELIABILITY )  
PROGRAM ("SHARP II") ) DOCKET NO. GR20050325

**Parties of Record:**

**Stefanie A. Brand, Esq.**, Director, New Jersey Division of Rate Counsel  
**Deborah M. Franco, Esq.**, on behalf of South Jersey Gas Company

BY THE BOARD:

On April 30, 2020, South Jersey Gas Company ("SJG" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") requesting Board approval of base rate adjustments associated with the Company's Storm Hardening and Reliability Program ("SHARP II" or "Program") ("April 2020 Petition"). By this Order, the Board considers a stipulation of settlement ("Stipulation") executed by SJG, Board Staff, and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") intended to resolve the Company's request related to the April 2020 Petition.

**BACKGROUND**

By Order dated August 20, 2014, the Board authorized SJG to invest approximately \$103.5 million [excluding Allowance for Funds Used During Construction ("AFUDC")] in its original Storm Hardening and Reliability Program ("SHARP I") over a three (3) year period ending June 30, 2017.<sup>1</sup> The SHARP Order authorized SJG to replace low pressure mains and associated services with high pressure mains and associated services, eliminate 52 regulator stations, and install excess flow valves ("EFVs") in the municipalities of Atlantic City, Ventnor City, Margate, Longport, Ocean City, Wildwood, North Wildwood, Wildwood Crest, and West Cape May. The SHARP Order also authorized a cost recovery mechanism applicable to SHARP projects through annual base rate adjustments, implemented on a provisional basis, pending a prudence review in future base rate cases.

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<sup>1</sup> In re the Petition of South Jersey Gas Company for Approval of a Storm Hardening and Reliability Program ("SHARP") and Associated Recovery Mechanism, BPU Docket No. GO13090814, Order dated August 20, 2014 ("SHARP Order").

By Order dated May 22, 2018, the Board authorized SJG to implement SHARP II, with an approximate \$100.25 million investment over three (3) years (approximately \$33.4 million, plus or minus 15% per year).<sup>2</sup> The purpose of the Program was to enhance the safety and reliability of the gas distribution system in coastal areas and mitigate potential impacts of major storm events. SHARP II investments included the Company’s proposed pipeline looping projects, including Absecon Island Loop Project, Ocean City Loop Project, and Brigantine Bridge Project, as well as the installation of approximately 20,000 EFVs in coastal areas.

**April 2020 Petition**

In the April 2020 Petition, SJG sought Board approval to recover approximately \$3.8 million, [(including Sales and Use Tax (“SUT”)] in revenue related to approximately \$34.5 SHARP investments placed in service during the period July 1, 2019 through June 30, 2020 (excluding AFUDC). The April 2020 Petition was based upon actual costs for the period July 1, 2019 through March 31, 2020, and projected costs for the period April 1, 2020 through June 30, 2020.

On July 15, 2020, SJG updated to the April 2020 Petition to include actual expenditures through June 30, 2020. The update supported a revenue requirement of approximately \$3.7 million, including SUT, associated with \$33.5 million (excluding AFUDC) of SHARP II investments placed in service through June 30, 2020. A breakdown of the revenue requirement is in the table below.

Revenue Requirement Calculation- Year 2 Roll

Projected Plant in service as of 6-30-2020	\$33,345,465
AFUDC	181,103
Gross Plant in service as of 6-30-2020	33,526,568
Accumulated Depreciation	(461,539)
Rate Base	33,065,029
Accumulated Deferred Tax	(356,525)
Net Rate Base	32,708,504
Rate of Return Net	6.22%
Return Requirement (Net of Tax)	2,033,815
Depreciation Expense, Net of Tax	382,166
Revenue Recovery	2,415,981
Revenue Factor	1.51668
Total Revenue Requirement, including SUT	\$3,664,262
Total Revenue Requirement, excluding SUT	\$3,436,588

After publication of notices in newspapers of general circulation in the Company’s service territory, public hearings in this matter were conducted telephonically on August 19, 2020.<sup>3</sup> No members of the public appeared or provided written comments.

<sup>2</sup> In re the Petition of South Jersey Gas Company for Approval to Continue its Storm Hardening and Reliability Program (“SHARP II”) and Associated Recovery Mechanism, BPU Docket No. GO17111130, Order dated May 22, 2018 (“SHARP II Order”).

<sup>3</sup> Due to the COVID-19 pandemic, public hearings were held telephonically.

## **STIPULATION**

Following the review of the April 2020 Petition, subsequent updates, as well as discovery, the Parties executed the Stipulation, which provides for the following<sup>4</sup>:

14. The revenue requirement associated with the approximately \$33.5 million of SHARP II investments, including AFUDC, to be rolled into base rates shall be \$3,664,262, including SUT. The calculation of this revenue requirement is set forth on Schedule A attached to the Stipulation.
15. The Company may implement the base rates, as set forth on Schedule B, attached to the Stipulation, effective upon Board approval.
16. Pursuant to paragraph 22 of BPU Order Docket No. GO17111130, which approved SHARP II, the Stipulation does not include a prudence review of the expenditures made in connection with SHARP II. A prudence review of all expenditures associated with SHARP II expenditures through June 30, 2020 is being addressed in the Company's base rate case, which is currently pending with the BPU in Docket No. GR20030243. Investments made beyond June 30, 2020 will be reviewed for prudence in the Company's next filed base rate case.

## **DISCUSSION AND FINDINGS**

The Board reviewed the record in this matter, including the April 2020 Petition, updates thereto, and the attached Stipulation, and **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the Stipulation in its entirety, and **HEREBY INCORPORATES** its terms and conditions as though fully set forth herein, subject to any terms and conditions set forth in this Order.

The Board **HEREBY APPROVES** the rate adjustments reflected in the Stipulation on a provisional basis, subject to refund and review for prudence. A prudence review of all expenditures associated with SHARP II expenditures through June 30, 2020 is currently being addressed in the Company's base rate case in BPU in Docket No. GR20030243. Investments made beyond June 30, 2020 will be reviewed for prudence in the Company's future base rate cases. As a result of the Stipulation, a typical residential customer using 100 therms in a winter month would see an increase in their bill of \$1.02, or 0.7%.

The Company is **HEREBY DIRECTED** to file tariff sheets conforming to the terms of this Order by October 1, 2020.

The Company's costs, including those related to SHARP II, will remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions deemed to be appropriate because of any such audit.

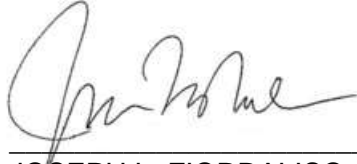
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<sup>4</sup> Although described at some length in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusion in this Order. Paragraphs are numbered to coincide with the Stipulation.

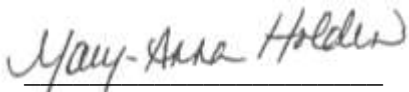
The effective date of this Order is September 30, 2020.

DATED: September 23, 2020

BOARD OF PUBLIC UTILITIES  
BY:



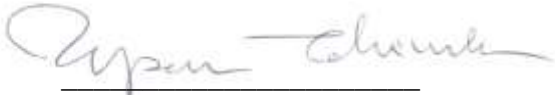
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MARY-ANNA HOLDEN  
COMMISSIONER



DIANNE SOLOMON  
COMMISSIONER



UPENDRA J. CHIVUKULA  
COMMISSIONER



ROBERT M. GORDON  
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH  
SECRETARY

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR APPROVAL  
OF BASE RATE ADJUSTMENTS PURSUANT TO THE STORM HARDENING AND  
RELIABILITY PROGRAM ("SHARP II") - DOCKET NO. GR20050325

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Deborah M. Franco, Esq.  
VP, Clean Energy & Sustainability

August 25, 2020

Aida Camacho-Welch  
Office of the Secretary  
NJ Board of Public Utilities  
44 South Clinton Avenue, 3<sup>rd</sup> Floor  
P.O. Box 350  
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Re: **In the Matter of the Petition of South Jersey Gas Company for Approval of Base Rate Adjustments Pursuant to the Storm Hardening and Reliability Program ("SHARP II") BPU Docket No. GR20050325**

Dear Secretary Camacho-Welch:

Enclosed for filing in the above-referenced proceeding is a Stipulation executed by representatives of South Jersey Gas Company, the Staff of the Board of Public Utilities and the Division of Rate Counsel. It is respectfully requested that the Board consider the Stipulation at its next agenda meeting.

Should you have any questions, please do not hesitate to contact me.

Respectfully,

A handwritten signature in black ink that reads "Deborah M. Franco".

Deborah M. Franco

DMF:cj  
Enclosures

cc: See attached Service List (with enclosures)

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY  
FOR APPROVAL OF BASE RATE ADJUSTMENTS PURSUANT TO THE  
STORM HARDENING AND RELIABILITY PROGRAM (“SHARP II”)  
DOCKET NO. GR20050325**

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**SOUTH JERSEY GAS COMPANY**

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

**IN THE MATTER OF THE PETITION OF** :  
**SOUTH JERSEY GAS COMPANY FOR** : **BPU DOCKET NO. GR20050325**  
**APPROVAL OF BASE RATE ADJUSTMENTS** :  
**PURSUANT TO THE STORM HARDENING** : **STIPULATION OF SETTLEMENT**  
**AND RELIABILITY PROGRAM (“SHARP II”)** :  
:

**APPEARANCES:**

**Deborah M. Franco, Esq.**, VP, Clean Energy and Sustainability, SJI for Petitioner, South Jersey Gas Company

**Felicia Thomas-Friel, Esq.**, Deputy Rate Counsel, **Maura Caroselli, Esq.**, Assistant Deputy Rate Counsel, **Henry M. Ogden**, Assistant Deputy Rate Counsel for the New Jersey Division of Rate Counsel (**Stefanie A. Brand**, Director).

**Terel Klein**, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Gurbir S. Grewal**, Attorney General of New Jersey).

**TO THE HONORABLE COMMISSIONERS OF THE BOARD OF PUBLIC UTILITIES:**

This Stipulation of Settlement addresses the petition filed by South Jersey Gas Company (“SJG” or “Company”) with the New Jersey Board of Public Utilities ( “Board” or “BPU”) on April 30, 2020, and subsequently updated on July 15, 2020, for base rate adjustments to cost recovery associated with the Company’s Storm Hardening and Reliability Program (“SHARP II” or “Program”), (“Petition”). SHARP II was approved by the Board on May 22, 2018 in Docket No. GO17111130.

**I. BACKGROUND**

1. On August 20, 2014, in Docket Nos. AX13030197 and GO13090814, the Board approved the Company’s original Storm Hardening and Reliability Program (“SHARP I”) as a three (3) year program commencing on July 1, 2014 and continuing until June 30, 2017

(“SHARP I Order”). Pursuant to the SHARP I Order, the Company was authorized to invest approximately \$34.5 million per year, plus or minus 15%, excluding Allowance for Funds Used During Construction (“AFUDC”), for a total of \$103.5 million to replace low pressure mains and associated services with high pressure mains and associated services, eliminate 52 regulator stations, and install Excess Flow Valves (“EFVs”) in the coastal regions.

2. On November 2, 2017, the Company petitioned the Board seeking approval of SHARP II, which was a second phase of SHARP I, and to utilize a mechanism to recover costs from ratepayers through an annual SHARP II rate adjustment filing.

3. After notice and public hearings, on March 15, 2018, the Company, Board Staff and the Division of Rate Counsel (collectively, “Parties”) entered into a Stipulation of Settlement (“SHARP II Stipulation”) regarding the Program. By Order dated May 22, 2018 in Docket No. GO17111130, the Board approved SHARP II, including the authorized investments and cost recovery mechanism to be utilized.

4. The SHARP II Stipulation provided that SHARP II would include the Company’s proposed pipeline looping projects, including Absecon Island Loop Project, Ocean City Loop Project, and Brigantine Bridge Project, and installation of approximately 20,000 EFVs in coastal areas (“SHARP II Investments”).

5. The SHARP II Stipulation further provided that the Program would encompass a three (3) year period beginning June 1, 2018 and ending June 30, 2021. The costs of the Program were limited to \$100.25 million or \$33.4 million per year, plus or minus 15%, (the “Program Cost Cap”), excluding AFUDC.

6. The SHARP II Stipulation further provided that non-construction expenditures, such as planning and engineering of SHARP II projects incurred as of June 1, 2018, shall be included in SHARP II Investments for the first year of SHARP II.

7. Pursuant to the SHARP II Stipulation, cost recovery for SHARP II projects is effectuated by an annual adjustment to base distribution rates (“SHARP II Rate Adjustment”) accomplished through the Company’s filing of an annual Revenue Adjustment Filing (“Annual Filing”).

## **II. PROCEDURAL HISTORY**

8. On April 30, 2019, the Company made its first Annual Filing seeking recovery of the revenue requirements associated with SHARP II projects placed into service from June 1, 2018 through June 30, 2019 (“First Annual Filing”). In the First Annual Filing, the Company provided actual SHARP II investment data for the period July 1, 2018 through March 31, 2019, and forecasted data for the period April 1, 2019 through June 30, 2019. Through its subsequent update to the First Annual Filing, the Company sought recovery of SHARP II revenue requirements of approximately \$3.1 million, including Sales and Use Tax (“SUT”) associated with actual SHARP II investments of approximately \$27.5 million, including AFUDC. The Board authorized this base rate adjustment, effective October 1, 2019 in an order dated September 27, 2019 (“September 27 Order”) in BPU Docket No. GR19040529.<sup>1</sup>

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<sup>1</sup> The stipulation approved by the September 27 Order indicated that the Company now expects to install approximately 11,000 EFVs throughout the three year program at a total cost of approximately \$52 million, compared to the original estimated 20,000 EFV installations, reflected in the Stipulation approved in BPU Docket No. GO17111130, at a total cost of approximately \$63 million. The stipulation also indicated that the Company now expects to install 2,100 EFVs as part of Stipulated Base at a total cost of approximately \$10 million, and that the Company increased its forecasted average cost for an installed EFV from approximately \$3,650 to approximately \$4,700 based on actual costs incurred during year one of the SHARP II. Finally, the stipulation indicated that the Company now estimates the cost of the Absecon Island Loop Project to be approximately \$22 million compared to the original forecast of approximately \$14 million due to higher than anticipated construction costs, as well as increased restoration requirements.

9. On April 30, 2020, the Company filed the Petition seeking recovery of the revenue requirements associated with SHARP II projects placed into service from July 1, 2019 through June 30, 2020. The Company provided actual SHARP II investment data for the period July 1, 2019 through March 31, 2020 and forecasted data for the period April 1, 2020 through June 30, 2020.

10. As part of the Petition, the Company sought authority to recover SHARP II revenue requirements of approximately \$3.8 million, including SUT, associated with actual and projected SHARP II investments of approximately \$34.5 million, including AFUDC. The impact of the rates proposed, as applicable to a typical residential heating customer using 100 therms of natural gas during a winter month, amounts to an increase of \$1.05, or 0.7% per month. The SHARP II investments, revenue requirement, and base rate adjustment were supported by the Direct Testimony of Brent Schomber, Vice President of Operations, and Stefany Graham, Director of Rates and Regulatory Affairs.

11. On July 15, 2020, the Company filed an update providing a full year of actual SHARP II investment data through June 30, 2020 (“Update”). Updated schedules supporting a revenue requirement of approximately \$3.7 million (including SUT) associated with approximately \$33.5 million of SHARP II investments, including AFUDC, were provided as well as an updated proposed base rate adjustment. As a result of the Update, the impact of the rates proposed, applicable to a typical residential heating customer using 100 therms of natural gas during a winter month, amounts to \$1.02, or 0.7% per month.

12. Due to the COVID-19 pandemic, following proper notice, public hearings were held in this matter telephonically on August 19, 2020. No members of the public appeared or provided written comments.

### **III. STIPULATED TERMS**

13. Upon review of the Petition, the Update, the accompanying Testimony and Schedules, and the Company's responses to written data requests, and after settlement discussions among the Parties, the Parties STIPULATE AND AGREE as follows:

14. The revenue requirement associated with the approximately \$33.5 million of SHARP II investments, including AFUDC, to be rolled into base rates shall be \$3,664,262, including SUT. The calculation of this revenue requirement is set forth on Schedule A attached hereto.

15. The Company may implement the base rates, as set forth on Schedule B, attached hereto, effective upon Board approval.

16. Pursuant to paragraph 22 of BPU Order Docket No. GO17111130, which approved SHARP II, this stipulation does not include a prudence review of the expenditures made in connection with SHARP II.<sup>2</sup> A prudence review of all expenditures associated with SHARP II expenditures through June 30, 2020 is being addressed in the Company's Base Rate Case, which is currently pending with the BPU in Docket No. GR20030243. Investments made beyond June 30, 2020 will be reviewed for prudence in the Company's next filed base rate case.

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<sup>2</sup> In the Matter of the Petition of South Jersey Gas Company to Continue its Storm Hardening and Reliability Program ("SHARP II"), BPU Docket No. GO17111130 (May 22, 2018).

**IV. MISCELLANEOUS**

17. This Stipulation represents a mutual balancing of interests and, therefore, is intended to be accepted and approved in its entirety. If this Stipulation is not adopted in its entirety by the Board, 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.

18. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, South Jersey, 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. Also, all rates are subject to Board audit.

19. This Stipulation may be executed in as many counterparts as there are signatories of this Stipulation, each of which counterparts shall be an original, but all of which shall constitute one and the same instrument.

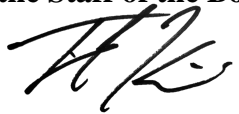
**WHEREFORE**, the Parties hereto respectfully submit this Stipulation and request that the Board issue a Decision and Order approving it in its entirety, in accordance with the terms hereof, as soon as reasonably possible.

**SOUTH JERSEY GAS COMPANY**




By: \_\_\_\_\_  
Deborah M. Franco, Esq.  
VP, Clean Energy and Sustainability

**GURBIR S. GREWAL**  
**ATTORNEY GENERAL OF NEW JERSEY**  
**Attorney for the Staff of the Board of Public Utilities**

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Terel Klein  
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**STEFANIE A. BRAND**  
**DIRECTOR, DIVISION OF RATE COUNSEL**

By:   
\_\_\_\_\_  
Maura Caroselli, Esq.  
Assistant Deputy Rate Counsel

Dated: \_\_\_\_\_ August 25, 2020

**SOUTH JERSEY GAS COMPANY**  
**STORM HARDENING AND RELIABILITY PROGRAM ("SHARP II")**  
**REVENUE REQUIREMENT CALCULATION**  
**Year 2 - Roll-In 10/1/2020**

Line		
No.		
1		
2	Actual Plant in Service as of June 30, 2020	\$33,345,465
3	AFUDC	181,103
4	Gross Plant in Service as of June 30, 2020	<u>33,526,568</u>
5		
6	Accumulated Depreciation	<u>(461,539)</u>
7		
8	Rate Base	33,065,029
9		
10	Accumulated Deferred Tax	<u>(356,525)</u>
11		
12	Net Rate Base	32,708,504
13		
14	Rate of Return - Net	<u>6.22%</u>
15		
16	Return Requirement (Net of Tax)	2,033,815
17		
18	Depreciation Expense, Net of Tax	<u>382,166</u>
19		
20	Revenue Recovery	2,415,981
21		
22	Revenue Factor	<u>1.51668</u>
23		
24	Total Revenue Requirement, including SUT	<u><b>\$3,664,262</b></u>
25		
26	Total Revenue Requirement, excluding SUT	<u><b>\$3,436,588</b></u>



## Schedule B

**SOUTH JERSEY GAS COMPANY  
STORM HARDENING & RELIABILITY PROGRAM ("SHARP II")  
BASE AND TOTAL REVENUES AT PRESENT AND PROPOSED RATES**

<u>Component</u>	<u>Amount</u>	<u>Units</u>	<u>Present Rates (April 1, 2020)</u>		<u>Proposed Rates (Effective October 1, 2020)</u>		
			<u>Rate</u>	<u>Revenue</u>	<u>Rate</u>	<u>Revenue</u>	<u>Increase</u>
			<u>RSG</u>		<u>RSG</u>		
<u>Residential Service</u>							
Customer Charge	4,280,934	Bills	\$ 9.50	\$ 40,668,873	\$ 9.50	\$ 40,668,873	
Distribution Charge	253,181,413	Therms	0.678051	171,669,910	0.687614	174,091,084	
<b>Total Base Revenues</b>				<b>\$ 212,338,783</b>		<b>\$ 214,759,957</b>	<b>1.1%</b>
			<u>GSG</u>		<u>GSG</u>		
<u>General Service (0-100,000 Annual Therms)</u>							
Customer Charge	299,071	Bills	\$ 29.97	\$ 8,963,158	\$ 29.97	\$ 8,963,158	
Distribution Charge	89,582,097	Therms	0.566312	50,731,416	0.573910	51,412,061	
<b>Total Base Revenues</b>				<b>\$ 59,694,574</b>		<b>\$ 60,375,219</b>	<b>1.1%</b>
			<u>GSG-LV</u>		<u>GSG-LV</u>		
<u>General Service Large Volume (100,000 + Annual Therms)</u>							
Customer Charge	2,170	Bills	\$ 150.00	\$ 325,500	\$ 150.00	\$ 325,500	
Demand Charge	212,776	Mcf	9.6086	2,044,479	9.6086	2,044,479	
Distribution Charge	32,241,055	Therms	0.283532	9,141,371	0.287603	9,272,624	
<b>Total Base Revenues</b>				<b>\$ 11,511,350</b>		<b>\$ 11,642,604</b>	<b>1.1%</b>
			<u>CTS</u>		<u>CTS</u>		
<u>Comprehensive Firm Transportation Service</u>							
Customer Charge	555	Bills	\$ 600.00	\$ 333,000	\$ 600.00	\$ 333,000	
Demand Charge	133,720	Mcf	28.6555	3,831,813	28.6555	3,831,813	
Distribution Charge	27,898,657	Therms	0.068773	1,918,674	0.071259	1,988,030	
<b>Total Base Revenues</b>				<b>\$ 6,083,488</b>		<b>\$ 6,152,844</b>	<b>1.1%</b>
			<u>LVS</u>		<u>LVS</u>		
<u>Large Volume Service</u>							
Customer Charge	313	Bills	\$ 900.00	\$ 281,700	\$ 900.00	\$ 281,700	
Demand Charge	349,950	Mcf	15.9588	5,584,782	15.9588	5,584,782	
Distribution Charge	79,591,210	Therms	0.051052	4,063,290	0.052475	4,176,549	
<b>Total Base Revenues</b>				<b>\$ 9,929,773</b>		<b>\$ 10,043,031</b>	<b>1.1%</b>
			<u>EGS</u>		<u>EGS</u>		
<u>Electric Generation Service</u>							
Customer Charge	108	Bills	\$ 63.38	\$ 6,845	\$ 63.38	\$ 6,845	
Demand Charge	8,392	Mcf	7.843	65,820	7.843	65,820	
Distribution Charge (Nov - Mar.)	559,943	Therms	0.135163	75,684	0.137118	76,778	
Distribution Charge (Apr - Oct.)	789,736	Therms	0.105163	83,051	0.107118	84,595	
<b>Total Base Revenues</b>				<b>\$ 231,400</b>		<b>\$ 234,038</b>	<b>1.1%</b>

**SOUTH JERSEY GAS COMPANY  
STORM HARDENING & RELIABILITY PROGRAM ("SHARP II")  
BASE AND TOTAL REVENUES AT PRESENT AND PROPOSED RATES**

<u>Component</u>	<u>Amount</u>	<u>Units</u>	<u>Present Rates (April 1, 2020)</u>		<u>Proposed Rates (Effective October 1, 2020)</u>		
			<u>Rate</u>	<u>Revenue</u>	<u>Rate</u>	<u>Revenue</u>	<u>Increase</u>
			<u>EGS-LV</u>		<u>EGS-LV</u>		
<u>Electric Generation Service - Large Volume</u>							
Customer Charge	84	Bills	\$ 428.32	35,979	\$ 428.32	35,979	
Demand Charge	45,200	Mcf	23.233717	1,050,164	23.507707	1,062,548	
<b>Total Base Revenues</b>				<b>\$ 1,086,143</b>		<b>\$ 1,098,527</b>	<b>1.1%</b>
<hr/>							
			<u>NGV</u>		<u>NGV</u>		
<u>Natural Gas Vehicle Service</u>							
Cust. Charge 0-999 CFH	12	Bills	\$ 37.50	\$ 450	\$ 37.50	\$ 450	
Cust. Charge 1,000-4,999 CFH	-	Bills	75.00	-	75.00	-	
Cust. Charge 5,000-24,999 CFH	12	Bills	200.00	2,400	200.00	2,400	
Cust. Charge 25,000+ CFH	96	Bills	703.47	67,533	703.47	67,533	
Distribution Charge	2,255,851	Therms	0.196474	443,216	0.199070	449,072	
Subtotal Distribution				<b>\$ 513,599</b>		<b>\$ 519,455</b>	<b>1.1%</b>
Compression Charge	983,046	Therms	0.548712	539,409	0.5487120	539,409	
<b>Total Base Revenues</b>				<b>\$ 1,053,008</b>		<b>\$ 1,058,865</b>	
<hr/>							
			<u>GLS</u>		<u>GLS</u>		
<u>Gas Lights Service</u>							
Yard Lights	48	Mantles	\$ 8.818524	\$ 5,079	\$ 8.919074	\$ 5,137	
Street Lights	36	Mantles	\$ 9.506499	4,107	\$ 9.614894	4,154	
<b>Total Base Revenues</b>				<b>\$ 9,186</b>		<b>\$ 9,291</b>	<b>1.1%</b>
<hr/>							
<b>TOTAL SYSTEM BASE DISTRIBUTION REVENUES</b>				<b>\$ 301,937,705</b>		<b>\$ 305,374,376</b>	<b>1.1%</b>
<b>TOTAL SYSTEM INCLUDING OTHER REVENUES</b>				<b>\$ 301,937,705</b>		<b>\$ 305,374,376</b>	<b>1.1%</b>

INCREASE	3,436,670
TARGET INCREASE	<u>3,436,588</u>
Difference	\$82