



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF)	DECISION AND ORDER
ELIZABETHTOWN GAS COMPANY TO (1))	APPROVING STIPULATION FOR
REVISE ITS WEATHER NORMALIZATION)	PROVISIONAL RATES
CLAUSE RATE; (2) REVISE THE CLEAN ENERGY)	
PROGRAM COMPONENT OF ITS SOCIETAL)	
BENEFITS CHARGE RATE; AND (3) REVISE ITS)	
ON-SYSTEM MARGIN SHARING CREDIT)	BPU DOCKET NO. GR21071007

Parties of Record:

Brian O. Lipman, Esq., Acting Director, New Jersey Division of Rate Counsel
Deborah M. Franco, Esq., on behalf of Elizabethtown Gas Company

BY THE BOARD:

On July 23, 2021, Elizabethtown Gas Company ("ETG" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU") seeking approval to revise the rates relating to the review and true-up of its: (1) Weather Normalization Clause ("WNC") rate; (2) New Jersey Clean Energy Program ("CEP") component of the Societal Benefits Charge ("SBC") rate; and (3) On-System Margin Sharing Credit ("OSMC") rate ("July 2021 Petition").¹ By this Order, the Board considers a stipulation of settlement ("Stipulation") executed by ETG, Board Staff ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") requesting that the Board approve changes in the WNC, CEP, and OSMC rates on a provisional basis, subject to refund with interest.

BACKGROUND

The WNC normalizes the financial impact of weather conditions on both the Company and its weather-sensitive ratepayers. An excess margin resulting from a colder than normal Winter Period is returned to ratepayers, while a deficit margin resulting from a warmer than normal Winter

¹ ETG's SBC currently consists of four (4) components: 1) the CEP; 2) the Remediation Adjustment Clause; 3) the Universal Service Fund; and 4) Lifeline. Only the CEP is addressed in this matter. The other components are addressed in separate filings.

Period is recovered from ratepayers.² Variances in actual degree-days from normal for each day are measured and accumulated over the calendar month for each month in the Winter Period. The resulting cumulative degree-day variance determines the adjustment to customers' bill in the following Winter Period.

The CEP was created as a result of the Electric Discount and Energy Competition Act in an effort to promote both energy efficiency and renewable energy programs by offering financial incentives, programs, and services to New Jersey residents, business owners and local governments. The Board annually sets each energy utility's share of the CEP costs to be collected from customers and transferred to the Board as funding for those programs.

The OSMC provides for 80% of the margins generated from certain on-system non-firm sales and transportation services to be credited to firm customers. The OSMC is the rate mechanism by which 80% of the margins generated from on-system non-firm sales and transportation services are flowed back (credited) to the Company's firm sales and residential transportation customers.

JULY 2021 PETITION

ETG filed the July 2021 Petition with accompanying exhibits and pre-filed direct testimony.

WNC

In the July 2021 Petition, ETG sought to modify the current per therm WNC rate from \$0.0000 to \$0.0171.³ The proposed rate was designed to recover a deficiency balance associated with the period October 1, 2020 through May 31, 2021, which was attributable to the overall warmer than normal weather experienced in ETG's service territory during that period as well as recover the prior period deficiency balance. The total revenue deficiency balance is \$5,509,921 which, when divided by projected winter period therm volumes, produces the proposed WNC rate of \$0.0171 per therm.

CEP

In the July 2021 Petition, the Company also proposed to modify the per therm CEP component of its SBC rate from \$0.0280 to \$0.0276. The proposed rate was designed to recover prior period costs, the net costs incurred to provide Board-approved CEP programs for the period ending June 30, 2021, and projected costs for the period ending June 30, 2022, which total \$13,111,335. As a result of a Board Order dated June 24, 2021 in BPU Docket No. QO21040721, which established the statewide funding levels for CEP programs for Fiscal Year 2022, ETG has been allocated \$12,474,243 of CEP funding responsibility for the 12 months ending June 30, 2022.⁴

OSMC

In the July 2021 Petition, ETG sought to increase the per therm OSMC credit rate from \$0.0020 to a credit rate of \$0.0021. The Company's total OSMC balance is \$662,916, which would be credited to firm customers.

² Winter Period refers to the months of October through May.

³ All rates quoted herein include losses and Sales and Use Tax, unless otherwise stated.

⁴ In re the Matter of the Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for Fiscal Year 2022 Clean Energy Program, BPU Docket No. QO21040721, Order dated June 24, 2021.

After publication of notices in newspapers in general circulation in the Company's service territory, public hearings were conducted telephonically on August 25, 2021 at 4:30 pm and 5:30 pm.⁵ No members of the public appeared at the hearings or filed comments to the Board regarding the July 2021 Petition.

STIPULATION

Following an initial review of the July 2021 Petition, the Parties determined that while additional time is needed to complete a comprehensive review of the July 2021 Petition, it is reasonable and in the public interest for the WNC, CEP, and OSMC rates to be modified on a provisional basis, subject to refund. Accordingly, the Parties executed the Stipulation, which provides for the following:⁶

8. The Parties agree that additional time is needed to complete a comprehensive review of the July 2021 Petition and that permitting a WNC rate, CEP component of the SBC rate, and OSMC rate to become effective on a provisional basis is reasonable to permit ETG timely rate changes for WNC, OSMC and CEP, and mitigate the impact of potential excess balances as additional review of the Company's filing takes place.
9. The Parties stipulate and agree that, pending the conclusion of any further review, including at the Office of Administrative Law, if necessary, discussions among the Parties, and a final determination by the Board, and pursuant to N.J.S.A. 48:2-21.1, it would be both reasonable and in the public interest for the Board to authorize ETG to implement: (1) a provisional WNC rate of \$0.0171 per therm to be effective as of October 1, 2021; (2) a provisional CEP component of the SBC rate of \$0.0276 per therm to be effective as of October 1, 2021; and (3) a provisional OSMC credit rate of \$0.0021 per therm to be effective as of October 1, 2021. The total provisional WNC/CEP/OSMC rate of \$0.0426 will increase the monthly bill of a typical residential customer using 100 therms by \$1.66 from \$99.58 to \$101.24, or an increase of 1.7%, as compared to the Company's rates in effect as of July 1, 2021. Based upon rates in effect on May 1, 2021 when the prior WNC rate of \$0.0171 per therm, inclusive of taxes, was in effect, the monthly bill of a residential customer using 100 therms will increase by \$0.47 from \$100.77 to \$101.24, or an increase of 0.5%. There will be an opportunity for full review of the WNC rate, the CEP component of the SBC, and the OSMC at the Office of Administrative Law, if necessary, and final approval by the Board.
10. The Company will submit tariff sheets, in the form attached as Appendix A to the Stipulation, within five (5) days of the effective date of the Board's Order approving the Stipulation.

⁵ The hearings were held telephonically due to the COVID-19 pandemic.

⁶ 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.

DISCUSSION AND FINDINGS

The Board reviewed the record to date in this proceeding, including the July 2021 Petition and the attached Stipulation, and **HEREBY FINDS** the Stipulation to be reasonable 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** on a provisional basis, subject to refund, with interest on any net over-recovered balance, a per therm WNC rate of \$0.0171, a per therm CEP rate of \$0.0276 and an per therm OSMC credit rate of \$0.0021, effective for service rendered on and after October 1, 2021. Based upon the Stipulation, a typical residential heating customer using 100 therms on a monthly basis would see an increase of \$1.66, or approximately 1.7%.

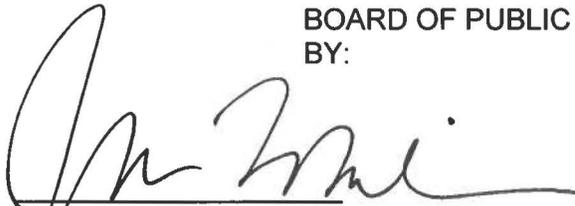
The Board **HEREBY DIRECTS** ETG to file revised tariff sheets conforming to the terms of the Stipulation prior to October 1, 2021.

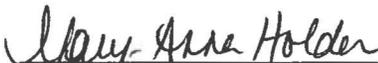
The Company's costs, including those related to the WNC, CEP, and OSMC, remain subject to audit by the Board. This Decision and Order shall not preclude, nor prohibit, the Board from taking any actions determined to be appropriate as a result of any such audit.

The effective date of this Order is September 21, 2021.

DATED: September 14, 2021

BOARD OF PUBLIC UTILITIES
BY:


JOSEPH L. FIORDALISO
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER


ROBERT M. GORDON
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
SECRETARY

IN THE MATTER OF PETITION OF ELIZABETHTOWN GAS COMPANY TO (1) REVISE ITS WEATHER NORMALIZATION CLAUSE RATE; (2) REVISE THE CLEAN ENERGY PROGRAM COMPONENT OF ITS SOCIETAL BENEFITS CHARGE RATE; AND (3) REVISE ITS ON-SYSTEM MARGIN SHARING CREDIT

DOCKET NO. GR21071007

SERVICE LIST

<p><u>Elizabethtown Gas Company</u> 520 Green Lane Union, NJ 07083</p> <p>Deborah M. Franco, Esq. SJI Utilities, Inc. dfranco@sjindustries.com</p> <p>Thomas Kaufmann tkaufmann@sjindustries.com</p> <p>Susan Potanovich spotanovich@sjindustries.com</p> <p>Gary Akmentins gakmentins@sjindustries.com</p> <p>One South Jersey Place Atlantic City, NJ 08401</p> <p>Cindy Capozzoli ccapozzoli@sjindustries.com</p> <p>Carolyn Jacobs cjacobs@sjindustries.com</p> <p><u>New Jersey Division of Rate Counsel</u> 140 East Front Street, 4th Floor Post Office Box 003 Trenton, NJ 08625</p> <p>Brian Lipman, Esq., Acting Director blipman@rpa.nj.gov</p> <p>Sarah H. Steindel, Esq. ssteinde@rpa.nj.gov</p> <p>Kurt Lewandowski, Esq. klewando@rpa.nj.gov</p>	<p><u>Board of Public Utilities:</u> 44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, NJ 08625-0350</p> <p>Aida Camacho-Welch, Board Secretary board.secretary@bpu.nj.gov</p> <p>Robert Brabston, Esq., Executive Director Robert.brabston@bpu.nj.gov</p> <p>Stacy Peterson, Deputy Executive Director stacy.peterson@bpu.nj.gov</p> <p><u>Office of the Chief Counsel</u> Abe Silverman, Esq., General Counsel abe.silverman@bpu.nj.gov</p> <p>Carol Artale, Esq., Deputy General Counsel carol.artale@bpu.nj.gov</p> <p>Heather Weisband, Esq. heather.weisband@bpu.nj.gov</p> <p><u>Division of Energy</u></p> <p>Ryan Moran ryan.moran@bpu.nj.gov</p>
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Deborah M. Franco, Esq.
VP/Rates, Regulatory & Sustainability

September 1, 2021

Aida Camacho-Welch
Office of the Secretary
NJ Board of Public Utilities
44 South Clinton Avenue
P.O. Box 350
Trenton, NJ 08625-0350

Re: In the Matter of the Petition of Elizabethtown Gas Company To (1) Revise Its Weather Normalization Clause Rate; (2) Revise the Clean Energy Program Component of Its Societal Benefits Charge Rate; and (3) Revise Its On-System Margin Sharing Credit BPU Docket No. GR21071007

Dear Secretary Camacho-Welch:

Enclosed for filing in the above-referenced proceeding is a Stipulation executed by representatives of Elizabethtown 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 September 14, 2021 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:slp
Enclosures
cc: Service List (with enclosures)

**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY
TO (1) REVISE ITS WEATHER NORMALIZATION CLAUSE RATE
(2) REVISE THE CLEAN ENERGY PROGRAM COMPONENT OF ITS SOCIETAL BENEFITS
CHARGE RATE (3) REVISE ITS ON-SYSTEM MARGIN SHARING CREDIT
BPU DOCKET NO. GR21071007**

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

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In the Matter of the Petition of Elizabethtown Gas Company to (1) Revise its Weather Normalization Clause Rate; (2) Revise the Clean Energy Program Component of its Societal Benefits Charge Rate; and (3) Revise its On-System Margin Sharing Credit : **BPU Docket No. GR21071007**
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STIPULATION REGARDING PROVISIONAL WNC, CEP, AND OSMC RATES
-----X

APPEARANCES:

Deborah M. Franco, Esq., Vice President, Rates, Regulatory and Sustainability, SJI Utilities, Inc. for Petitioner, Elizabethtown Gas Company

Sarah H. Steindel, Assistant Deputy Rate Counsel, for the Division of Rate Counsel (**Brian O. Lipman, Esq.**, Acting Director)

Terel Klein, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Andrew J. Bruck**, Acting Attorney General of the State of New Jersey)

TO THE HONORABLE COMMISSIONERS OF THE BOARD OF PUBLIC UTILITIES:

I. PROCEDURAL HISTORY

1. On July 23, 2021, Elizabethtown Gas Company (“Elizabethtown” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) in BPU Docket No. GR21071007 seeking authority to revise its Weather Normalization Clause (“WNC”) rate, the Clean Energy Program (“CEP”) component of the Societal Benefits Charge (“SBC”) rate, and its On-System Margin Sharing Credit (“OSMC”) for the period October 1, 2021 through September 30, 2022 (“July 2021 Petition”).

2. The July 2021 Petition provides that Elizabethtown’s current rates in effect for the WNC, CEP, and OSMC were approved on a final basis by the Board in the Company’s 2020 WNC/CEP/OSMC proceeding in BPU Docket No. GR20070501 in an Order dated February 17,

2021.

3. In the July 2021 Petition, Elizabethtown proposed to increase its current WNC rate from \$0.0000 per therm (or a rate of \$0.0171 per therm that was effective October 1, 2020 through May 31, 2021) to \$0.0171 per therm, to be effective October 1, 2021 through May 31, 2022.¹ As set forth in the July 2021 Petition, the rate was designed to recover a deficient balance associated with the period October 1, 2020 through May 31, 2021 that was attributable to the overall warmer than normal weather experienced in Elizabethtown's service territory during this period, as well as recover a prior year deficiency balance. As discussed in the July 2021 Petition, the Company's recently approved Conservation Incentive Program will eventually supersede the WNC.

4. In the July 2021 Petition, Elizabethtown also proposed to modify the current CEP component of its SBC rate from \$0.0280 per therm to \$0.0276 per therm, to become effective October 1, 2021. As set forth in the July 2021 Petition, the Company stated the rate was designed to recover prior period costs, the net actual costs incurred to provide Board-approved CEP programs and carrying costs for the period ending June 30, 2021, and projected costs for the period ending June 30, 2022.

5. In the July 2021 Petition, Elizabethtown proposed to modify its current OSMC from a credit rate of \$0.0020 per therm to a credit rate of \$0.0021 per therm to become effective October 1, 2021. The rate is set in accordance with the mechanisms approved by the Board in Docket Nos. GT8602131, GM9009049, TC94030057, GR9608574, et. al, GR97070552, et al., and Docket Nos. GX99030121, et al., under which margins from certain on-system sales and transportation services are shared between firm sales customers, certain firm transportation customers, and the Company on an 80%/20% basis through a credit, the OSMC, to the transportation rates charged to firm sales

¹ All rates quoted herein are inclusive of all applicable taxes unless otherwise stated.

and all Service Classification RDS customers.

6. As stated in the July 2021 Petition, the overall impact of the proposed adjustments to the WNC, CEP and OSMC rates would increase the monthly bill of a residential customer using 100 therms by \$1.66, from \$99.58 to \$101.24, or an increase of 1.7%, as compared to the rates in effect as of July 1, 2021.

7. Notices setting forth the requested rate change and the date of the public hearings were placed in newspapers having circulation within Elizabethtown's service territory and served upon the appropriate county officials and clerks of all municipalities within the Company's service territory. Due to the COVID-19 pandemic, public hearings concerning the Company's July 2021 Petition were held telephonically on August 25, 2021 at 4:30 pm and 5:30 pm. No members of the public attended the public hearings.

II. STIPULATED TERMS

8. Elizabethtown, Board Staff, and the New Jersey Division of Rate Counsel are the only parties to this proceeding (collectively "Parties"). The Parties agree that additional time is needed to complete a comprehensive review of the July 2021 Petition and that permitting a WNC rate, CEP component of the SBC rate, and OSMC rate to become effective on a provisional basis is reasonable to permit Elizabethtown timely rate changes for WNC, OSMC and CEP, and mitigate the impact of potential excess balances as additional review of the Company's filing takes place.

9. The Parties hereby stipulate and agree that, pending the conclusion of any further review, including at the Office of Administrative Law, if necessary, discussions among the Parties, and a final determination by the Board, and pursuant to N.J.S.A. 48:2-21.1, it would be both reasonable and in the public interest for the Board to authorize Elizabethtown to implement: (1) a provisional WNC rate of \$0.0171 per therm to be effective as of October 1, 2021; (2) a

provisional CEP component of the SBC rate of \$0.0276 per therm to be effective as of October 1, 2021; and (3) a provisional OSMC credit rate of \$0.0021 per therm to be effective as of October 1, 2021. The total provisional WNC/CEP/OSMC rate of \$0.0426 will increase the monthly bill of a typical residential customer using 100 therms by \$1.66 from \$99.58 to \$101.24, or an increase of 1.7%, as compared to the Company's rates in effect as of July 1, 2021. Based upon rates in effect on May 1, 2021 when the prior WNC rate of \$0.0171 per therm, inclusive of taxes, was in effect, the monthly bill of a residential customer using 100 therms will increase by \$0.47 from \$100.77 to \$101.24, or an increase of 0.5%. There will be an opportunity for full review of the WNC rate, the CEP component of the SBC, and the OSMC at the Office of Administrative Law, if necessary, and final approval by the Board.

10. The Company will submit tariff sheets, in the form attached as Appendix A, within five (5) days of the effective date of the Board's Order approving this Stipulation.

11. This Stipulation represents a mutual balancing of interests and therefore is intended to be accepted and approved in its entirety. If the Board does not adopt this Stipulation in its entirety in an Order, then any Party hereto is free to pursue its then available legal remedies with respect to all issues in this Stipulation as though this Stipulation had not been signed.

12. It is the intent of the Parties that the provisions hereof be approved by the Board, as appropriate, as being in the public interest. The Parties further agree that they consider the Stipulation to be binding on them for all purposes herein.

13. 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, the Parties 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.

14. The Parties further acknowledge that a Board Order 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 hereto do respectfully submit this Stipulation to the Board and request the Board to issue a Decision and Order approving this Stipulation in its entirety in accordance with the terms hereof, as soon as reasonably possible.

ELIZABETHTOWN GAS COMPANY

**BRIAN O. LIPMAN
ACTING DIRECTOR, DIVISION OF
RATE COUNSEL**

By: 

Deborah M. Franco
VP, Rates, Regulatory and Sustainability

By: */s/Sarah H. Steindel*
Sarah H. Steindel, Esq.
Assistant Deputy Rate Counsel

**ANDREW J. BRUCK
ACTING ATTORNEY GENERAL OF THE STATE OF NEW JERSEY
Attorney for the Staff of the New Jersey Board of Public Utilities**

By: 

Terel Klein
Deputy Attorney General

Dated: September 1, 2021

RIDER "B"

WEATHER NORMALIZATION CLAUSE ("WNC")

Applicable to all customers in service classifications RDS, SGS and GDS.

October 1, 2021 through May 31, 2022 \$0.0171 per therm

June 1 through September 30 of any year \$0.0000 per therm

The charges applicable under this Rider include provision for the New Jersey Sales and Use Tax, and when billed to customers exempt from this tax shall be reduced by the amount of such tax included therein. In the winter months, October through May, a weather normalization charge shall be applied to the rate quoted in this Tariff under the service classifications shown above, except as may be otherwise provided for in the individual service classification. The weather normalization charge applied in each winter period shall be based on the differences between actual and normal weather during the preceding winter period.

METHOD OF DETERMINING WEATHER NORMALIZATION CHARGE:

The weather normalization charge shall be determined as follows:

I. Definition of Terms as Used Herein

1. Degree Days (DD) - the difference between 65°F and the twenty-four point average temperature for the day, as determined from the records of the National Oceanic and Atmospheric Administration (NOAA) at its weather observation station located at Newark International Airport, when such average falls below 65°F. A day is defined as a period corresponding with the Company's gas sendout day of 10 am to 10 am.

Date of Issue: xx1

Effective: Service Rendered
on and after xx2

Issued by: Christie McMullen, President
520 Green Lane
Union, New Jersey 07083

Filed Pursuant to Order of the Board of Public Utilities
Dated xx3 in Docket No. xx4

RIDER "C"

ON-SYSTEM MARGIN SHARING CREDIT ("OSMC")

Applicable to all Firm Service Classifications that pay the BGSS of Rider A and RDS customers that receive gas supply from a TPS in accordance with the Board's Order in Docket No. GO99030122.

The OSMC is subject to change to reflect the Company's actual recovery of such margins and shall be adjusted annually in its BGSS filing.

(\$0.0021) per therm

The charges applicable under this Rider include provision for the New Jersey Sales and Use Tax, and when billed to customers exempt from this tax shall be reduced by the amount of such tax included therein.

Determination of the OSMC

On or about July 31 of each year, the Company shall file with the Board an OSMC rate filing based on the credits generated from on-system margin sharing during the previous OSMC year July 1 through June 30.

The OSMC shall be calculated by taking the current year's credits, plus the prior year's OSMC over or under recovery balance and dividing the resulting sum by the annual forecasted volumes for the service classifications set forth above. The resulting rate shall be adjusted for all applicable taxes and other similar charges.

Date of Issue: xx1

Effective: Service Rendered
on and after xx2

Issued by: Christie McMullen, President
520 Green Lane
Union, New Jersey 07083

Filed Pursuant to Order of the Board of Public Utilities
Dated xx3 in Docket No. xx4

RIDER "D"

SOCIETAL BENEFITS CHARGE ("SBC")

Applicable to all tariff Service Classifications except those Customers under special contracts that explicitly do not permit the Company to apply increased charges as filed and approved by the BPU and those customers exempted pursuant to the Long-Term Capacity Agreement Pilot Program ("LCAPP"), P.L. 2011, c.9, codified as N.J.S.A. 48:3-60.1. See the LCAPP Exemption Procedures at the end of this Rider.

The SBC is designed to recover the components listed below and any other new programs which the Board determines should be recovered through the Societal Benefits Charge.

<u>SBC Rate Components:</u>		<u>Per Therm</u>
I.	New Jersey Clean Energy Program ("CEP")	\$0.0276
II.	Remediation Adjustment Charge ("RAC")	\$0.0082
III.	<u>Universal Service Fund and Lifeline:</u>	
	1. Universal Service Fund ("USF")	\$0.0059
	2. Lifeline	\$0.0057
	TOTAL	\$0.0474

The charges applicable under this Rider include provision for the New Jersey Sales and Use Tax, and when billed to customers exempt from this tax shall be reduced by the amount of such tax included therein.

I. New Jersey Clean Energy Program Component ("CEP")

The Comprehensive Resource Analysis ("CRA") name was changed to the Clean Energy Program - CEP per Board Order dated January 22, 2003 in Docket No. EX99050347 *et.al*. The CEP is a mechanism that will (1) establish a rate to recover the costs of the Core and Standard Offer Programs in the Company's CEP Plan which was approved by the BPU" in Docket No. GE92020104, and (2) compensate the Company for the revenue erosion resulting from conservation savings created by the Standard Offer Program. The annual recovery period for the CEP is from October 1 through September 30. The CEP recovers program costs and revenue erosion incurred during the previous CEP year ended June 30.

1. CEP program costs include the costs of core programs, standard offer payments and any administrative costs not recovered directly from standard offer providers.

Date of Issue: xx1

Effective: Service Rendered
on and after xx2

Issued by: Christie McMullen, President
520 Green Lane
Union, New Jersey 07083

Filed Pursuant to Order of the Board of Public Utilities
Dated xx3 in Docket No. xx4

REDLINE

RIDER "B"

WEATHER NORMALIZATION CLAUSE ("WNC")

Applicable to all customers in service classifications RDS, SGS and GDS.

October 1, ~~2020~~2021 through May 31, ~~2021~~2022 \$0.0171 per therm

June 1 through September 30 of any year \$0.0000 per therm

The charges applicable under this Rider include provision for the New Jersey Sales and Use Tax, and when billed to customers exempt from this tax shall be reduced by the amount of such tax included therein. In the winter months, October through May, a weather normalization charge shall be applied to the rate quoted in this Tariff under the service classifications shown above, except as may be otherwise provided for in the individual service classification. The weather normalization charge applied in each winter period shall be based on the differences between actual and normal weather during the preceding winter period.

METHOD OF DETERMINING WEATHER NORMALIZATION CHARGE:

The weather normalization charge shall be determined as follows:

I. Definition of Terms as Used Herein

1. Degree Days (DD) - the difference between 65°F and the twenty-four point average temperature for the day, as determined from the records of the National Oceanic and Atmospheric Administration (NOAA) at its weather observation station located at Newark International Airport, when such average falls below 65°F. A day is defined as a period corresponding with the Company's gas sendout day of 10 am to 10 am.

Date of Issue: ~~February 19, 2021~~xx1

Effective: Service Rendered
on and after ~~February 27, 2021~~xx2

Issued by: Christie McMullen, President
520 Green Lane
Union, New Jersey 07083

Filed Pursuant to Order of the Board of Public Utilities
Dated ~~February 17, 2021~~xx3 in Docket No. ~~GR20070501~~xx4

RIDER "C"

ON-SYSTEM MARGIN SHARING CREDIT ("OSMC")

Applicable to all Firm Service Classifications that pay the BGSS of Rider A and RDS customers that receive gas supply from a TPS in accordance with the Board's Order in Docket No. GO99030122.

The OSMC is subject to change to reflect the Company's actual recovery of such margins and shall be adjusted annually in its BGSS filing.

(\$0.~~0020~~0021) per therm

The charges applicable under this Rider include provision for the New Jersey Sales and Use Tax, and when billed to customers exempt from this tax shall be reduced by the amount of such tax included therein.

Determination of the OSMC

On or about July 31 of each year, the Company shall file with the Board an OSMC rate filing based on the credits generated from on-system margin sharing during the previous OSMC year July 1 through June 30.

The OSMC shall be calculated by taking the current year's credits, plus the prior year's OSMC over or under recovery balance and dividing the resulting sum by the annual forecasted volumes for the service classifications set forth above. The resulting rate shall be adjusted for all applicable taxes and other similar charges.

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RIDER "D"

SOCIETAL BENEFITS CHARGE ("SBC")

Applicable to all tariff Service Classifications except those Customers under special contracts that explicitly do not permit the Company to apply increased charges as filed and approved by the BPU and those customers exempted pursuant to the Long-Term Capacity Agreement Pilot Program ("LCAPP"), P.L. 2011, c.9, codified as N.J.S.A. 48:3-60.1. See the LCAPP Exemption Procedures at the end of this Rider.

The SBC is designed to recover the components listed below and any other new programs which the Board determines should be recovered through the Societal Benefits Charge.

<u>SBC Rate Components:</u>		<u>Per Therm</u>
I.	New Jersey Clean Energy Program ("CEP")	\$0. 0280 <u>0276</u>
II.	Remediation Adjustment Charge ("RAC")	\$0.0082
III.	<u>Universal Service Fund and Lifeline:</u>	
	1. Universal Service Fund ("USF")	\$0.0059
	2. Lifeline	<u>\$0.0057</u>
	TOTAL	\$0. 0478 <u>0474</u>

The charges applicable under this Rider include provision for the New Jersey Sales and Use Tax, and when billed to customers exempt from this tax shall be reduced by the amount of such tax included therein.

I. New Jersey Clean Energy Program Component ("CEP")

The Comprehensive Resource Analysis ("CRA") name was changed to the Clean Energy Program - CEP per Board Order dated January 22, 2003 in Docket No. EX99050347 *et.al*. The CEP is a mechanism that will (1) establish a rate to recover the costs of the Core and Standard Offer Programs in the Company's CEP Plan which was approved by the BPU" in Docket No. GE92020104, and (2) compensate the Company for the revenue erosion resulting from conservation savings created by the Standard Offer Program. The annual recovery period for the CEP is from October 1 through September 30. The CEP recovers program costs and revenue erosion incurred during the previous CEP year ended June 30.

1. CEP program costs include the costs of core programs, standard offer payments and any administrative costs not recovered directly from standard offer providers.

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