



Agenda Date: 12/17/25  
Agenda Item: 2E

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 1<sup>st</sup> 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 NEW JERSEY	)	DECISION AND ORDER
NATURAL GAS COMPANY FOR APPROVAL OF THE	)	APPROVING STIPULATION
COST RECOVERY ASSOCIATED WITH ENERGY	)	
EFFICIENCY PROGRAMS	)	DOCKET NO. GR25050319

**Parties of Record:**

**Andrew Dembia, Esq.**, for New Jersey Natural Gas Company  
**Brian O. Lipman, Esq., Director**, New Jersey Division of Rate Counsel

**BY THE BOARD:**

On May 30, 2025, New Jersey Natural Gas Company ("NJNG" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU") seeking to modify the Company's Energy Efficiency ("EE") rate components ("Petition"). By this Decision and Order, the Board considers a stipulation of settlement ("Stipulation") executed by NJNG, the New Jersey Division of Rate Counsel ("Rate Counsel") and Board Staff ("Staff") (collectively, "Parties"), intended to resolve the Company's requests related to the Petition.

**BACKGROUND AND PROCEDURAL HISTORY**

By Order dated July 17, 2009, the Board authorized NJNG to implement three (3) energy efficiency programs: 1) the Home Performance with Energy Star ("HPES") Enhancements; 2) the Enhanced WarmAdvantage Rebate Program; and 3) the Commercial Customer Direct Install Program ("Original Programs").<sup>1</sup> The Original Programs were designed to complement or supplement existing New Jersey Clean Energy Program ("NJCEP") offerings, including the ongoing WarmAdvantage, COOLAdvantage, HPES, Commercial Direct Install, and Smart Start Building programs.

The Original Programs were available to eligible customers for approximately twelve (12) months. In the event there was still program funding available after that period, NJNG could continue to offer the programs through December 31, 2010. By the July 2009 Order, the Board further

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<sup>1</sup> In re the Petition of Energy Efficiency Programs and Associated Cost Recovery Mechanisms AND In re the Petition of New Jersey Natural Gas Company for Approval of Energy Efficiency Programs with an Associated Cost Recovery Mechanism, BPU Docket Nos. EO09010056 and EO09010057, Order dated July 17, 2009 ("July 2009 Order").

authorized NJNG to establish the EE Rate through which it would recover from, or return to, customers all deferred program costs, including rebate costs, customer incentive payments, customer financing costs, and associated reasonable and prudent operations and maintenance expenses. These costs were to be recovered through the Company's Rider G Tariff. The Company was required to submit an annual cost recovery filing to establish future Rider G rates. The annual filing includes updates to the investment levels, operating costs, and reconciled rate recovered to actual cost results.

By Order dated September 24, 2010, the Board authorized NJNG to extend and expand the Original Programs through December 31, 2011.<sup>2</sup> Additionally, by the September 2010 Order, the Board authorized the Company to implement an OPOWER pilot program, an incremental incentive for Combined Heat and Power projects undertaken in conjunction with the NJCEP, and the Fostering Environmental and Economic Development program (collectively, "SAVEGREEN Project" or "SAVEGREEN").

By Order dated January 18, 2012, the Board authorized NJNG to continue its SAVEGREEN Project and implement certain proposed SAVEGREEN Project program changes through the later of December 31, 2012, or twelve (12) months from the date the Order approving the SAVEGREEN extension.<sup>3</sup> Through a series of Orders, the Board authorized NJNG to further extend the SAVEGREEN Project, with modifications, through December 31, 2021.<sup>4</sup>

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<sup>2</sup> In re the Petition of New Jersey Natural Gas for Approval of Regional Greenhouse Gas Initiative Programs and Associated Cost Recovery Mechanisms Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO10030225, Order dated September 24, 2010.

<sup>3</sup> In re the Petition of New Jersey Natural Gas for Approval of Regional Greenhouse Gas Initiative Programs and Associated Cost Recovery Mechanisms Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GR11070425, Order dated January 18, 2012.

<sup>4</sup> In re the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1 and In re the Petition of New Jersey Natural Gas Company for Approval of the Cost Recovery Associated with Energy Efficiency Program, BPU Docket Nos. GO12070640 and GR12070641, Order dated June 21, 2013; In re the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO14121412, Order dated July 23, 2015; In re the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy-Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO14121412, Order dated June 29, 2016; In re the Petition of New Jersey Natural Gas Company for Approval of Existing and New Energy Efficiency Programs and a Class I Renewable Energy Program and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO18030355, Order dated September 17, 2018 ("September 2018 Order").

By Order dated March 3, 2021, the Board authorized NJNG to implement the SAVEGREEN 2020 Program, commencing July 1, 2021, and concluding June 30, 2024, offering a variety of residential, commercial, and industrial EE solutions throughout NJNG's service territory ("Triennium 1").<sup>5</sup> By the March 2021 Order, the Board authorized the implementation of the following programs contained within the Triennium 1 Program:

- Behavioral
- Energy Efficiency Products
- Existing Homes
  - Quick Home Energy Check Up
  - Moderate Income Weatherization
  - Home Performance with Energy Star
- Multi-family
  - Prescriptive and Custom
  - Home Performance with Energy Star
  - Engineered Solutions
- Direct Install
- Energy Solutions for Business
  - Prescriptive and Custom Measures
  - Energy Management
  - Engineered Solutions

The Board further authorized NJNG to recover costs associated with the Triennium 1 Program through a separate rate component of the Company's Rider G Tariff.

By Order dated April 30, 2024, the Board approved a stipulation of settlement to extend the term of the Triennium 1 Program through December 31, 2024.<sup>6</sup>

By Order dated October 30, 2024, the Board authorized NJNG to implement its "Triennium 2 Program," commencing January 1, 2025, thereby continuing to offer residential, commercial, and industrial EE programs throughout its service territory.<sup>7</sup> As a result of the October 2024 Order, NJNG was authorized to implement a Triennium 2 rate of \$0.0255 per therm, effective January 1, 2025. By the October 2024 Order, the Board authorized the implementation of the following Programs for the Company's Triennium 2 Program:

- Residential Behavioral
- Energy Efficiency Products
- Income Qualified

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<sup>5</sup> In re the Petition of New Jersey Natural Gas Company for Approval of Energy Efficiency Program and the Associated Cost Recovery Mechanism Pursuant to the Clean Energy Act, N.J.S.A. 48:3-87.8 et seq. and 48:3-98.1 et seq., BPU Docket Nos. QO19010040 and GO20090622, Order dated March 3, 2021 ("March 2021 Order").

<sup>6</sup> In re the Petition of New Jersey Natural Gas Company for Approval of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to the Clean Energy Act, BPU Docket No. GO20090622, Order dated April 30, 2024.

<sup>7</sup> In re the Petition of New Jersey Natural Gas Company for Approval of New Energy Efficiency, Building Decarbonization Start-Up, and Demand Response Programs and the Associated Cost Recovery Mechanism Pursuant to the Clean Energy Act, N.J.S.A. 48:3-87.8 et seq. and 48:3-98.1 et seq. Second Triennium, BPU Docket No. QO23120868, Order dated October 30, 2024 ("October 2024 Order").

- Whole House
- Multi-family
- Prescriptive / Custom
- Energy Solutions for Business
- Direct Install
- Building Decarbonization Start-Up
- Workforce Development
- Community Based Organization Outreach

### **Petition**

In the Petition, NJNG sought to reconcile the costs associated with the SAVEGREEN programs established from 2013 through 2018 ("2013-2018 Programs"), Triennium 1, and Triennium 2 and to establish a rate to recover those costs as well as the projected EE Rate revenue requirements for the period of October 1, 2025, through September 30, 2026. By the Petition, NJNG requested the following: 1) to decrease the current after tax rate for the 2013-2018 Programs from \$0.0221 per therm to \$0.0176; 2) increase the current after tax Triennium 1 Program rate from \$0.0318 per therm to \$0.0530; and 3) increase the current after tax Triennium 2 Program rate from \$0.0255 per therm to \$0.0340, effective October 1, 2025. According to the Petition, the resulting total proposed after-tax EE rate would increase from \$0.0794 per therm to \$0.1046 per therm.

Through discovery, NJNG provided an update with actual information through June 30, 2025 ("Update"). Based upon the Update, the Company adjusted its request as follows: 1) an updated proposed after-tax per therm rate of \$0.0185 for the 2013-2018 Programs; 2) an updated proposed after-tax per therm rate of \$0.0525 for the Triennium 1 Program; and an updated after-tax per therm rate of \$0.0288 for the Triennium 2 Program.

After publication of notice in newspapers of general circulation in NJNG's service territory, public hearings were scheduled and conducted virtually on August 19, 2025, at 4:30 p.m. and 5:30 p.m. Three (3) members of the public attended both the afternoon and evening hearings. No written comments were received by the Board, NJNG or Rate Counsel.

### **STIPULATION**

Following a review of the Petition, the Update and discovery, the Parties executed the Stipulation, which provides for the following:<sup>8</sup>

11. As provided in the 2013 through 2024 Orders, the Company may only recover prudently incurred costs associated with the SAVEGREEN Programs.
12. As of June 30, 2025, the Company's updated revenue requirement was comprised of \$12.717 million for programs established in 2013 through 2018, resulting in a per therm rate of \$0.0185 including SUT (\$0.0174 excluding SUT), \$35.997 million for Triennium 1 programs and a per therm rate of \$0.0525 including SUT (\$0.0492 excluding SUT), and \$19.740 million for Triennium 2 programs and results in a per therm rate of \$0.0288 including SUT (\$0.0270 excluding SUT).

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<sup>8</sup> Although summarized in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the finding and conclusion in this Order. Paragraphs are lettered and/or numbered to coincide with the Stipulation.

13. The Notice provides a rate of \$0.0176 per therm, including SUT, for the programs established in 2010 through 2018. The Parties agree that NJNG will decrease its existing rate of \$0.0221 per therm (\$0.0208 excluding SUT) to the rate provided in the Notice of \$0.0176 (\$0.0165 excluding SUT) for EE programs established 2010 through 2018 pursuant to the terms of Rider G of the Company's gas tariff, as set forth in Attachment A-1 of the Stipulation. The Parties also agree that the existing rate for the Triennium 1 program of \$0.0318 including SUT (\$0.0298 excluding SUT) is to be increased to \$0.0525 (\$0.0492 excluding SUT), as set forth in Attachment A-2 of the Stipulation, and agree that the existing rate for the Triennium 2 program of \$0.0255 including SUT (\$0.0239 excluding SUT), is to be increased to \$0.0288 including SUT (\$0.0270 excluding SUT) as set forth in Attachment A-3 of the Stipulation. The total EE per therm rate will be \$0.0989 including SUT (\$0.0927 excluding SUT). If approved by the Board, these rates shall be effective upon such approval, and shall remain in effect until changed by a future Board Order.
14. The monthly impact of the overall increased rate, including SUT, on a typical residential heating customer using 100 therms per month is \$1.95, or 1.1%; and the yearly impact on a typical residential customer using 1,000 therms per year is an increase of \$19.50, or 1.1%. The monthly impact of the overall increased rate, including SUT, on a typical residential heating customer using 80.1 therms per month is \$1.56 or 1.1%; and the yearly impact on a typical residential heating customer using 961.4 therms per year will see an increase of \$18.75, or 1.1%. The stipulated rates and resulting impacts to customers are detailed in Attachment B of the Stipulation.
15. The actual costs incurred through June 30, 2025, as shown in Attachments A-1 through A-3 of the Stipulation, were reviewed and deemed prudent and reasonable by the Parties. Actual costs incurred by NJNG starting on July 1, 2025, are subject to review for reasonableness and prudence in future EE rate filings.
16. The Company's next annual EE rate filing will be made on or before June 1, 2026.
17. As authorized by the September 2018 Order, March 2021 Order, and October 2024 Order, any variance between costs and recoveries will accrue interest at a rate equal to the Company's monthly commercial paper rate.<sup>3</sup> If commercial paper was not utilized by the Company in the preceding month, the last calculated rate will be used. The interest rate shall not exceed the Company's rate of return as authorized by the Board in the Company's most recent base rate case, Board Docket No. GR24010071, or until changed by Board Order. Interest on over/under recoveries will be calculated using simple interest, based upon the average beginning, and ending over/under recovery balances of the month, on a net-of-tax basis. The sum of the monthly interest to be collected from or credited to ratepayers will be included in the rate calculated for the next annual EE rate filing.

### **DISCUSSION AND FINDING**

Having carefully reviewed the record in this matter, including the Petition, the Update and the Stipulation, the Board **HEREBY FINDS** that the Stipulation represents a fair and reasonable resolution of the issues; demonstrates that the costs through June 2025 have been reviewed and determined to be both reasonable and prudent; and is therefore in the public interest. Therefore,

the Board **HEREBY ADOPTS** the Stipulation in its entirety and **HEREBY INCORPORATES** by reference its terms and conditions as if fully set forth herein.

Accordingly, the Board **HEREBY APPROVES** a cumulative EE Rate of \$0.0989 per therm including SUT consisting of a rate of \$0.0176 for the 2013-2018 Programs, a rate of \$0.0525 per therm for the Triennium 1 Program and \$0.0288 per therm for the Triennium 2 Program for service rendered on and after January 1, 2026. As a result of the Stipulation, a typical residential heating customer using 100 therms per month would see an overall increase of \$1.95.

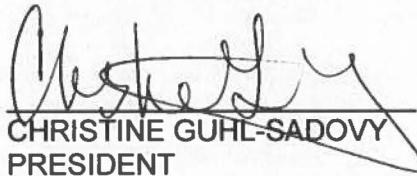
The Board **HEREBY ORDERS** the Company to file the appropriate revised tariff sheets consistent with the terms of this Order prior to January 1, 2026, for service rendered on and after January 1, 2026.

The Company's costs, including those related to the programs described above, remain subject to audit by the Board. This Decision and Order shall not preclude or prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

This Board Order shall be effective on December 24, 2025.

DATED: December 17, 2025

BOARD OF PUBLIC UTILITIES  
BY:

  
CHRISTINE GUHL-SADOVY  
PRESIDENT

  
DR. ZENON CHRISTODOULOU  
COMMISSIONER

  
MICHAEL BANGE  
COMMISSIONER

ATTEST:

  
SHERRI L. LEWIS  
BOARD 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 THE  
COST RECOVERY ASSOCIATED WITH ENERGY EFFICIENCY PROGRAMS

DOCKET NO. GR25050319

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December 3, 2025

***VIA EMAIL***

Honorable Sherri L. Lewis, Secretary  
New Jersey Board of Public Utilities  
44 South Clinton Avenue, 1st Floor  
P.O. Box 350  
Trenton, NJ 08625-0350

Re: In the Matter of the Petition of New Jersey Natural Gas Company  
for Approval Of The Cost Recovery Associated With Energy  
Efficiency Programs

BPU Docket No. GR25050319

Dear Secretary Lewis:

Enclosed for filing please find a fully executed Stipulation of Settlement in the above captioned matter.

In accordance with the Order issued by the Board in connection with I/M/O the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being electronically filed. No paper copies will follow.

Copies of this Stipulation are also being served electronically upon the New Jersey Division of Rate Counsel and the Division of Law.

Kindly acknowledge receipt of this filing via return email acknowledgement.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Andrew K. Dembia'. The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Andrew K. Dembia  
Regulatory Affairs Counsel

AKD:ss  
Enclosures

C: Service List



**IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY  
FOR APPROVAL OF THE COST RECOVERY ASSOCIATED WITH  
ENERGY EFFICIENCY PROGRAMS  
BPU DOCKET NO. GR25050319**

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**IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY  
FOR APPROVAL OF THE COST RECOVERY ASSOCIATED WITH  
ENERGY EFFICIENCY PROGRAMS  
BPU DOCKET NO. GR25050319**

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

**IN THE MATTER OF THE PETITION OF ) STIPULATION OF SETTLEMENT  
NEW JERSEY NATURAL GAS COMPANY )  
FOR APPROVAL OF THE COST )  
RECOVERY ASSOCIATED WITH ENERGY )  
EFFICIENCY PROGRAMS ) BPU DOCKET NO. GR25050319**

**APPEARANCES:**

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

**Maura Caroselli**, Esq., Managing Attorney – Gas, **Mamie W. Purnell**, Esq., Assistant Deputy Rate Counsel and **Michael Lombardi**, Esq., Assistant Deputy Rate Counsel for the New Jersey Division of Rate Counsel (**Brian O. Lipman**, Esq., Director)

**Jordan K. Mitchell**, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Matthew J. Platkin**, Attorney General of New Jersey)

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

**1. BACKGROUND**

1. On May 30, 2025, New Jersey Natural Gas Company (“NJNG” or “Company”) filed a petition in Docket No. GR25050319 with the New Jersey Board of Public Utilities (“Board” or “BPU”) requesting that the Board: 1) decrease the Company’s existing Energy Efficiency (“EE”) rate of \$0.0221 per therm for programs established in 2013 through 2018, to \$0.0176 per therm including Sales and Use Tax (“SUT”); 2) increase the EE rate of \$0.0318 to \$0.0530 for the Triennium 1 program; and 3) increase the EE rate of \$0.0255 to \$0.0340 for the Triennium 2 Program<sup>1</sup> effective October 1, 2025 (“Petition”). The Company submitted the Petition pursuant to the terms of earlier Board Orders, which adopted stipulations entered into by the Company,

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<sup>1</sup> In the Matter of the Petition of New Jersey Natural Gas Company for Approval of New Energy Efficiency, Building Decarbonization Start-Up, And Demand Response Programs and the Associated Cost Recovery Mechanism Pursuant to the Clean Energy Act, N.J.S.A. 48:3-87.8 et seq. and 48:3-98.1 et seq. Second Triennium; BPU Docket No.QO23120868 (“NJNG Triennium 2 Order”).

Board Staff (“Staff”), and the New Jersey Division of Rate Counsel (“Rate Counsel”) (collectively, “Parties”).<sup>2</sup>

2. NJNG’s participation in EE Programs, the costs of which are collected through Rider G of the Company’s gas tariff (Sheet Nos. 171-173), was approved by the Board in the July 2009 Order, and subsequently approved to continue, with modifications, in the 2010 through 2024 Orders.

3. As provided in the Petition, the SAVEGREEN Programs are designed to encourage higher levels of customer participation in NJNG’s service territory. NJNG maintains that the

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<sup>2</sup> In re Energy Efficiency Programs and Associated Cost Recovery Mechanisms and I/M/O the Petition of New Jersey Natural Gas Company for Approval of Energy Efficiency Programs with an Associated Cost Recovery Mechanism, BPU Docket Nos. EO09010056 and GO09010057, Order dated July 17, 2009 (“July 2009 Order”).

In re the Petition of New Jersey Natural Gas for Approval of Regional Greenhouse Gas Initiative Programs and Associated Cost Recovery Mechanisms Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO10030225, Order dated September 24, 2010 (“September 2010 Order”).

In re the Petition of New Jersey Natural Gas for Approval of Regional Greenhouse Gas Initiative Programs and Associated Cost Recovery Mechanisms Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GR11070425, Order dated January 19, 2012 (“January 2012 Order”).

In re the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1; and In re the Petition of New Jersey Natural Gas Company for Approval of the Cost Recovery Associated with Energy Efficiency Program, BPU Docket Nos. GO12070640 and GR12070641, Order dated June 21, 2013 (“June 2013 Order”).

In re the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO14121412, Order dated July 23, 2015 (“July 2015 Order”).

In re the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy-Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO14121412, Order dated June 29, 2016 (“June 2016 Order”).

In re the Petition of New Jersey Natural Gas Company for Approval of Existing and New Energy Efficiency Programs and a Class I Renewable Energy Program and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO18030355, Order dated September 17, 2018 (“September 2018 Order”).

In re the Petition of New Jersey Natural Gas Company for Approval of Energy-Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to the Clean Energy Act, N.J.S.A. 48:3-87.8 et seq. and 48:3-98.1 et seq., BPU Docket Nos. QO19010040 and GO20090622, Order dated March 3, 2021 (“March 2021 Order”).

In re the Petition of New Jersey Natural Gas Company for Approval of Energy-Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to the Clean Energy Act, N.J.S.A. 48:3-87.8 et seq. and 48:3-98.1 et seq., BPU Docket No. GR24060380, Order dated December 18, 2024 (“December 2024 Order”).

Collectively, the September 2010 Order, January 2012 Order, June 2013 Order, July 2015 Order, June 2016 Order, September 2018 Order, March 2021 Order, and October 2024 Order are the “2010 through 2024 Orders.”

SAVEGREEN Programs do not duplicate, nor eliminate, any of the New Jersey Clean Energy Programs (“NJCEP”), but work to increase customer awareness, enhance participation, and support utilization of NJCEP efforts throughout the State.

4. As set forth in the 2013 through 2024 Orders, the Board authorized NJNG to establish a rate to recover SAVEGREEN costs including rebates, customer incentive payments, customer financing, and associated reasonable and prudent incremental operation and maintenance expenses (“Program Costs”). It was agreed that such Program Costs were subject to recovery pursuant to the terms of Rider G.

5. The 2013 through 2024 Orders also required NJNG to submit an annual SAVEGREEN cost recovery filing by June 1 to establish future Rider G rates. The filing usually coincidences with, but is separate from, NJNG’s annual Basic Gas Supply Service filing, and includes updates to the SAVEGREEN investment levels, operating costs, and reconciles rate recoveries to actual cost results.

### **PROCEDURAL HISTORY**

6. NJNG received and responded to all discovery propounded in this proceeding.

7. In response to discovery, on August 7, 2025, NJNG provided updated schedules with actual data through June 30, 2025 (“June 2025 Update”). Based upon the actual activity and anticipated levels of activity of the SAVEGREEN Program through September 30, 2026: 1) the current after-tax per therm rate of \$0.0221 would decrease by \$0.0035 to \$0.0185 per therm for recovery of the SAVEGREEN Program costs approved for programs established in 2013 through 2018; 2) the current after-tax per therm rate of \$0.0318 would increase by \$0.0207 to \$0.0525 per therm for recovery of the Triennium 1 Program costs; and 3) the current after-tax per therm rate of \$0.0255 would increase by \$0.0033 to \$0.0288 per therm for recovery of the Triennium 2

Program costs. As such, the overall EE after-tax per therm rate would increase by \$0.0205 from \$0.0794 to \$0.0999.

8. After publication of notice in newspapers of general circulation in NJNG's service territory ("Notice"), virtual public hearings were held on August 19, 2025, at 4:30 p.m. and 5:30 p.m. Three (3) members of the public attended both hearings but did not comment. Additionally, no written comments were received by the BPU, NJNG, or Rate Counsel.

9. The Parties reviewed the Petition and NJNG's discovery responses, and as a result, entered into this Stipulation of Settlement resolving all issues raised in, or relating to, the Petition ("Stipulation").

10. Based upon and subject to the terms and conditions set forth herein, the Parties STIPULATE AND AGREE as follows:

#### **STIPULATED MATTERS**

11. As provided in the 2013 through 2024 Orders, the Company may only recover prudently incurred costs associated with the SAVEGREEN Programs. .

12. As of June 30, 2025, the Company's updated revenue requirement was comprised of \$12.717 million for programs established in 2013 through 2018, resulting in a per therm rate of \$0.0185 including SUT (\$0.0174 excluding SUT), \$35.997 million for Triennium 1 programs and a per therm rate of \$0.0525 including SUT (\$0.0492 excluding SUT), and \$19.740 million for Triennium 2 programs and results in a per therm rate of \$0.0288 including SUT (\$0.0270 excluding SUT).

13. The Notice provides a rate of \$0.0176 per therm, including SUT, for the programs established in 2010 through 2018. The Parties agree that NJNG will decrease its existing rate of \$0.0221 per therm (\$0.0208 excluding SUT) to the rate provided in the Notice of \$0.0176 (\$0.0165

excluding SUT) for EE programs established 2010 through 2018 pursuant to the terms of Rider G of the Company's gas tariff, as set forth in Attachment A-1. The Parties also agree that the existing rate for the Triennium 1 program of \$0.0318 including SUT (\$0.0298 excluding SUT) is to be increased to \$0.0525 (\$0.0492 excluding SUT), as set forth in Attachment A-2, and agree that the existing rate for the Triennium 2 program of \$0.0255 including SUT (\$0.0239 excluding SUT), is to be increased to \$0.0288 including SUT (\$0.0270 excluding SUT) as set forth in Attachment A-3. The total EE per therm rate will be \$0.0989 including SUT (\$0.0927 excluding SUT). If approved by the Board, these rates shall be effective upon such approval, and shall remain in effect until changed by a future Board Order.

14. The monthly impact of the overall increased rate, including SUT, on a typical residential heating customer using 100 therms per month is \$1.95, or 1.1%; and the yearly impact on a typical residential customer using 1,000 therms per year is an increase of \$19.50, or 1.1%. The monthly impact of the overall increased rate, including SUT, on a typical residential heating customer using 80.1 therms per month is \$1.56 or 1.1%; and the yearly impact on a typical residential heating customer using 961.4 therms per year will see an increase of \$18.75, or 1.1%. The stipulated rates and resulting impacts to customers are detailed in Attachment B.

15. The actual costs incurred through June 30, 2025, as shown in Attachments A-1 through A-3, were reviewed and deemed prudent and reasonable by the Parties. Actual costs incurred by NJNG starting on July 1, 2025, are subject to review for reasonableness and prudence in future EE rate filings.

16. The Company's next annual EE rate filing will be made on or before June 1, 2026.

17. As authorized by the September 2018 Order, March 2021 Order, and October 2024 Order, any variance between costs and recoveries will accrue interest at a rate equal to the

Company's monthly commercial paper rate.<sup>3</sup> If commercial paper was not utilized by the Company in the preceding month, the last calculated rate will be used. The interest rate shall not exceed the Company's rate of return as authorized by the BPU in the Company's most recent base rate case, BPU Docket No. GR24010071, or until changed by Board Order. Interest on over/under recoveries will be calculated using simple interest, based upon the average beginning, and ending over/under recovery balances of the month, on a net-of-tax basis. The sum of the monthly interest to be collected from or credited to ratepayers will be included in the rate calculated for the next annual EE rate filing.

18. 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 aspect of this Stipulation is not accepted and approved in its entirety by 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 the Board in any applicable Order, 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.

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

20. 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, Staff, and Rate Counsel shall not be deemed to have approved,

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<sup>3</sup> September 2018 Order at 7; March 2021 Order at 9.



agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein and, in total or by specific item, is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.

**WHEREFORE**, the Parties hereto do 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.

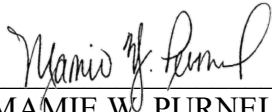
**NEW JERSEY NATURAL GAS COMPANY  
PETITIONER**



By:

\_\_\_\_\_  
ANDREW K. DEMBIA, ESQ.  
Regulatory Affairs Counsel

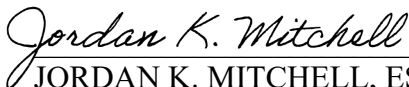
**NEW JERSEY DIVISION OF RATE COUNSEL  
BRIAN O. LIPMAN, DIRECTOR**



By:

\_\_\_\_\_  
MAMIE W. PURNELL, ESQ.  
Assistant Deputy Rate Counsel

**MATTHEW J. PLATKIN  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Staff of the New Jersey Board of Public Utilities**



By:

\_\_\_\_\_  
JORDAN K. MITCHELL, ESQ.  
Deputy Attorney General

Date: December 2, 2025

**New Jersey Natural Gas  
Energy Efficiency Recovery Rates**

(\$000)

Actual Under/(Over) recovery at April 30, 2025	\$ (3,837)
Estimated Revenue Requirements (May 1, 2025 to Sept 30, 2025)	
RGGI	-
EE Extension	-
July 2013 Programs	5
August 2015 Programs	80
SAVEGREEN 2018	5,781
Estimated Recovery	(2,254)
Estimated Interest	\$ (28)
Estimated Under/(Over) recovery at September 30, 2025	\$ (253)
Estimated Revenue Requirements (Oct 2025 through Sept 2026):	
RGGI	\$ -
EE Extension	\$ -
July 2013 Programs	\$ -
August 2015 Programs	\$ 131
SAVEGREEN 2018	\$ 12,186
Total Amount to be Recovered	<b>\$ 12,064</b>

**Per Therm Recovery**

Firm Throughput (000 therms)	<b>731,988</b>
Proposed Pre-tax EE Recovery Rate \$ per Therm	\$ 0.0165
<b>Proposed After-tax EE Recovery Rate \$ per Therm</b>	<b>\$ 0.0176</b>
Current Pre-tax EE Recovery Rate \$ per Therm	\$ 0.0208
<b>Current After-tax EE Recovery Rate \$ per Therm</b>	<b>\$ 0.0221</b>
Pre-tax EE Recovery Rate \$ per Therm Increase/ (Decrease)	\$ (0.0043)
<b>After-tax EE Recovery Rate \$ per Therm Increase/ (Decrease)</b>	<b>\$ (0.0045)</b>

New Jersey Natural Gas  
SAVEGREEN 2020

(\$000)

Under/(over) as of June 30, 2025 \$ 338

Estimated Revenue Requirements from July 1, 2025 to Sept 30, 2025

Rebates	\$ 4,411
On-Bill Repayment Program	1,619
Operation & Maintenance Expenses	259

Total Estimated Revenue Requirements from July 1, 2025 to Sept 30, 2025 \$ 6,288

Estimated Recovery from July 1, 2025 to Sept 30, 2025 \$ (1,824)

Estimated Interest from July 1, 2025 to Sept 30, 2025 \$ 21

Under/(Over) as of September 30, 2025 \$ 4,823

Estimated Revenue Requirements for October 1, 2025 to September 30, 2026

Rebates	\$ 23,806
On-Bill Repayment Program	7,175
Operation & Maintenance Expenses	194

Total Estimated Revenue Requirements for October 1, 2025 to September 30, 2026 31,175

Total Amount to be recovered 35,997

Per Therm Recovery	
Throughput (000 therms)	731,988

Proposed Pre-tax EE Recovery Rate \$ per Therm \$ 0.0492

Proposed After-tax EE Recovery Rate \$ per Therm \$ 0.0525

Current Pre-tax EE Recovery Rate \$ per therm \$ 0.0298

Current After-tax EE Recovery Rate \$ per therm \$ 0.0318

Pre-tax EE Recovery Rate \$ per Therm Increase/ (Decrease) \$ 0.0194

After-tax EE Recovery Rate \$ per Therm Increase/ (Decrease) \$ 0.0207

New Jersey Natural Gas  
SAVEGREEN TRI-2

(\$000)

Under/(over) as of June 30, 2025 \$ (7,390)

**Estimated Revenue Requirements from July 1, 2025 to Sept 30, 2025**

Rebates	\$ 880
On-Bill Repayment Program	406
Operation & Maintenance Expenses	<u>1,885</u>

**Total Estimated Revenue Requirements from July 1, 2025 to Sept 30, 2025** \$ **3,171**

Estimated Recovery from July 1, 2025 to Sept 30, 2025 \$ (1,411)

Estimated Interest from July 1, 2025 to Sept 30, 2025 \$ (54)

**Under/(Over) as of September 30, 2025** \$ **(5,684)**

**Estimated Revenue Requirements for October 1, 2025 to September 30, 2026**

Rebates	\$ 12,872
On-Bill Repayment Program	4,969
Operation & Maintenance Expenses	<u>7,582</u>

**Total Estimated Revenue Requirements for October 1, 2025 to September 30, 20** **25,423**

**Total Amount to be recovered** **19,740**

Per Therm Recovery  
Throughput (000 therms) **731,988**

Proposed Pre-tax EE Recovery Rate \$ per Therm \$ 0.0270

**Proposed After-tax EE Recovery Rate \$ per Therm** \$ **0.0288**

**Current Pre-tax EE Recovery Rate \$ per therm** \$ 0.0239

**Current After-tax EE Recovery Rate \$ per therm** \$ **0.0255**

Pre-tax EE Recovery Rate \$ per Therm Increase/ (Decrease) \$ **0.0031**

**After-tax EE Recovery Rate \$ per Therm Increase/ (Decrease)** \$ **0.0033**

		5/1/2025		10/1/2025		Change	
		Rates		Proposed Rates			
		Pre-tax	Post-tax	Pre-tax	Post-tax	Pre-tax	Post-tax
EE 2013-2018 programs	Delivery Price	\$ 0.0208	\$ 0.0221	\$ 0.0165	\$ 0.0176	\$ (0.0043)	\$ (0.0045)
Triennium 1 Program	Delivery Price	\$ 0.0298	\$ 0.0318	\$ 0.0492	\$ 0.0525	\$ 0.0194	\$ 0.0207
Triennium 2 Program	Delivery Price	\$ 0.0239	\$ 0.0255	\$ 0.0270	\$ 0.0288	\$ 0.0031	\$ 0.0033
Total EE Rate		\$ 0.0745	\$ 0.0794	\$ 0.0927	\$ 0.0989	\$ 0.0182	\$ 0.0195

		5/1/25 Rates		Proposed Rates		Increase	
		25 therm bill					
		Customer Charge	\$12.00	Customer Charge	\$12.00		
		Delivery	\$1,254.7	Delivery	\$31.37		
		BGSS	\$0.3672	BGSS	\$9.18		
		Total	\$1,621.9	Total	\$52.55		
		Customer Charge	\$12.00	Customer Charge	\$12.00		
		Delivery	\$1,274.2	Delivery	\$31.86		
		BGSS	\$0.3672	BGSS	\$9.18		
		Total	\$1,641.4	Total	\$53.04		
		Increase		Increase	\$0.49		
		Increase as a percent		Increase as a percent	0.9%		

		5/1/25 Rates		Proposed Rates		Increase	
		100 therm bill		1000 therm annual bill		80.1 therm bill	
		Customer Charge	\$12.00	Customer Charge	\$12.00	\$12.00	\$144.00
		Delivery	\$1,304.1	Delivery	\$130.41	\$104.46	\$1,253.76
		BGSS	\$0.3672	BGSS	\$36.72	\$29.41	\$353.03
		Total	\$1,671.3	Total	\$179.13	\$145.87	\$1,750.79
		Customer Charge	\$12.00	Customer Charge	\$12.00	\$12.00	\$144.00
		Delivery	\$1,323.6	Delivery	\$132.36	\$106.02	\$1,272.51
		BGSS	\$0.3672	BGSS	\$36.72	\$29.41	\$353.03
		Total	\$1,690.8	Total	\$181.08	\$147.43	\$1,769.54
		Increase		Increase	\$1.95	\$1.56	\$18.75
		Increase as a percent		Increase as a percent	1.1%	1.1%	1.1%

		5/1/25 Rates		Proposed Rates		Increase	
		100 therm bill					
		Customer Charge	\$55.00	Customer Charge	\$55.00		
		Delivery	\$1,135.4	Delivery	\$113.54		
		BGSS	\$0.3672	BGSS	\$36.72		
		Total	\$1,502.6	Total	\$205.26		
		Customer Charge	\$55.00	Customer Charge	\$55.00		
		Delivery	\$1,154.9	Delivery	\$115.49		
		BGSS	\$0.3672	BGSS	\$36.72		
		Total	\$1,522.1	Total	\$207.21		
		Increase		Increase	\$1.95		
		Increase as a percent		Increase as a percent	1.0%		

		5/1/25 Rates		Proposed Rates		Increase	
		1200 therm bill					
		Customer Charge	\$137.50	Customer Charge	\$137.50		
		Demand Charge	\$4.50	Demand Charge	\$432.00		
		Delivery	\$0.8556	Delivery	\$1,026.72		
		BGSS (July 2025)	\$0.5114	BGSS (July 2025)	\$613.68		
		Total	\$1,367.0	Total	\$2,209.90		
		Customer Charge	\$137.50	Customer Charge	\$137.50		
		Demand Charge	\$4.50	Demand Charge	\$432.00		
		Delivery	\$0.8751	Delivery	\$1,050.12		
		BGSS (July 2025)	\$0.5114	BGSS (July 2025)	\$613.68		
		Total	\$1,386.5	Total	\$2,233.30		
		Increase		Increase	\$23.40		
		Increase as a percent		Increase as a percent	1.1%		

**Projected Annual Revenue**

Projected EE annual therms 731,988 (000s)

**Projected Annual Revenue \$ million**

	Current Rates	Proposed Rates	Change
Pre-tax	\$54.53	\$67.84	\$13.3
Post-tax	\$58.12	\$72.39	\$14.3