



Agenda Date: 9/21/11
Agenda Item: 2H

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

ENERGY

IN THE MATTER OF THE PETITION OF NEW JERSEY)
NATURAL GAS COMPANY FOR THE ANNUAL)
REVIEW AND REVISION OF ITS BASIC GAS SUPPLY)
SERVICE (BGSS) AND REVIEW AND REVISION OF)
ITS CONSERVATION INCENTIVE PROGRAM (CIP))
FACTORS FOR FISCAL YEAR 2012)
DECISION AND ORDER
APPROVING STIPULATION
FOR PROVISIONAL RATES
DOCKET NO. GR11060331

Tracey Thayer, Esq., for New Jersey Natural Gas Company
Paul Flanagan Esq., **Litigation Manager**, New Jersey Division of Rate Counsel

BY THE BOARD:

Per the generic Order of the New Jersey Board of Public Utilities ("Board") dated January 6, 2003, in Docket No. GX01050304 ("January BGSS Order"), each of New Jersey's four gas distribution companies ("GDCs") submits to the Board its annual Basic Gas Supply Service ("BGSS") gas cost filing for the BGSS year beginning October 1 by June 1 of that year. In addition, the January BGSS Order authorizes each GDC to self-implement up to a 5% BGSS increase effective December 1 of the current year and February 1 of the following year with one month's advance notice to the Board and the Division of Rate Counsel ("Rate Counsel"). In accordance with the above noted Order, on June 1, 2011, New Jersey Natural Gas Company ("Company," or "NJNG") filed with the Board its annual BGSS petition ("Petition") to establish new BGSS rates for the period October 1, 2011 through September 30, 2012.

The Petition seeks to decrease the BGSS rate applicable to residential and small commercial customers from an after-tax rate of \$0.8346 per therm including taxes to \$0.7116 per therm including taxes, generating a \$55.2 million annual decrease in BGSS revenues to NJNG. The Company's request translates into a monthly bill decrease of approximately \$12.30 or 9.1% for the average residential sales heating customer using 100 therms per month. NJNG's filing is based on market conditions as of May 10, 2011, and is based on a one-year BGSS recovery period.

The Petition also includes a Conservation Incentive Program ("CIP")¹ proposal seeking approval of the following changes to its after-tax per therm CIP rates: (a) an increase from a credit of \$0.0033 to a charge of \$0.0255 for Group I Residential Non-Heat customers, (b) a decrease in the charge from \$0.0179 to \$0.0066 for Group II Residential Heat customers, (c) an increase in the charge from \$0.0339 to \$0.0464 for Group III General Service – Small customers, and (d) an increase in the charge from \$0.0278 to \$0.0391 for Group IV General Service – Large customers effective as of October 1, 2011. These CIP rate changes for the CIP year October 1, 2011 through September 30, 2012 are estimated to generate a net reduction in NJNG's CIP revenues of \$3.02 million to NJNG, which translates to a reduction of approximately \$1.13 (0.8%) per month for the average Residential Heat customer using 100 therms per month.

Pursuant to the Board's October 12, 2006 Order in Docket No. GR05121020, any non-weather related CIP surcharges must be offset by reductions in BGSS related costs. Based on the Company's filing, after adjusting for the colder than normal weather for the period October 2010 through May 2011, the non-weather CIP value to be recovered in the current year is \$8.6 million. Since this amount is less than the NJNG released capacity savings of \$13.1 million, the Company maintains that it has met the BGSS savings test. In addition, as the Company's estimated year-ending September 30, 2011 return on equity of 9.97% is less than the 10.3% ceiling, the Company asserts that it is entitled to recover its CIP deficiency.

The following table summarizes the net BGSS/CIP reduction in revenues for the BGSS/CIP year beginning October 1, 2011 if the rates proposed in the Petition are approved:

Customer Class	BGSS/CIP Revenues (\$Millions)		
	At Current Rates	At Proposed Rates	Billing (Reductions)
Residential Non-Heat	\$2.5	\$2.3	(\$0.2)
Residential Heat	\$358.4	\$301.7	(\$56.7)
General Service - Small	\$22.8	\$20.0	(\$2.8)
General Service - Large	\$3.8	\$5.3	\$1.5
	\$387.5	\$329.3	(\$58.2)

Based on the proposed BGSS and CIP rate changes, a typical Residential Heat customer using 100 therms would see a monthly bill decrease of \$13.43 or 9.9%.

The Company is also proposing to decrease its after-tax balancing charge by \$0.0042 per therm, from \$0.0886 to \$0.0844 to reflect up-dated costs. Supply imbalances occur when transportation customers use more or less gas than the amount they agreed to take from their third party suppliers. The balancing charge represents the cost to NJNG's transportation customers for NJNG providing gas from its BGSS portfolio to adjust for transportation customers' over/under consumption. All balancing charge revenues from transportation customers are credited to the BGSS. For sales customers, the balancing charge is included as

¹ The CIP was approved by the Board in Docket No. GR05120120 in Board Orders dated October 12 and December 12, 2006 ("CIP Order"). The CIP encourages the Company to foster customer conservation by allowing it to share in energy related savings due to conservation. The non-weather related CIP surcharges are limited to corresponding decreases in specific supply related costs incorporated in the Company's BGSS Rates. The CIP surcharge is also subject to a ROE cap of 10.3%.

a component of the delivery charge and deducted from the BGSS charge in order to provide a BGSS "Price-to-Compare."

After publication of notice in newspapers in general circulation in the Company's service territory, on July 26 and July 27, 2011, public hearings in this matter were held in Rockaway and Freehold, respectively. No members of the public appeared at either of the hearings.

THE STIPULATION²

Following a review by, and subsequent discussions among NJNG, Rate Counsel and Board Staff, the only parties to the proceeding at this time (collectively, "the Parties"), determined that additional time is needed to complete a comprehensive review of NJNG's proposed BGSS, CIP and balancing charge rates. However, they also agreed that approval of the proposed rates on a provisional basis is reasonable at this time.

The Parties agreed that the following after-tax rates should be made effective as of October 1, 2011, or as of such a date that the Board so decides, on a provisional basis, subject to refund with interest, an opportunity for a full review at the Office of Administrative Law ("OAL"), if necessary, and final approval by the Board:

	After-Tax Rates Per Therm	
	Proposed	Current
BGSS	\$0.7116	\$0.8346
Balancing Charge Rate	\$0.0844	\$0.0886
CIP:		
Residential - Non-Heat	\$0.0255	(\$0.0033)
Residential - Heat	\$0.0066	\$0.0179
Commercial - Small	\$0.0464	\$0.0339
Commercial - Large	\$0.0391	\$0.0278

The Stipulation represents an overall after-tax per therm decrease of \$0.1343, approximately 9.9 % from rates currently in effect, or \$13.43 per month for a typical Residential Heat customer using 100 therms.

The Company has provided up-dated tariff sheets reflecting the proposed rates agreed to by the Parties.

The Parties recommend that the Board transmit this proceeding to the OAL for an opportunity for a full review of all issues in this matter.

DISCUSSION AND FINDING

The Board, having reviewed the record to-date in this proceeding and the attached Stipulation, **HEREBY FINDS** that, subject to the terms and conditions set forth below, the Stipulation is reasonable, in the public interest and in accordance with the law.

² Although summarized in this Order, the detailed terms of the stipulation control, subject to the findings and conclusions of this Order.

Accordingly, the Board HEREBY ADOPTS the Stipulation as its own, as if fully set forth herein. The Board HEREBY APPROVES on a provisional basis, the Company's implementation of a decrease in the Company's after-tax per-therm BGSS rate to \$0.7116 effective for service on and after October 1, 2011. The Board HEREBY APPROVES on a provisional basis, the Company's implementation of a decrease in the Company's after-tax balancing charge to \$0.0844 per therm effective as of October 1, 2011. The Board HEREBY APPROVES on a provisional basis, the Company's implementation of the following after-tax per therm CIP rates, also as of October 1, 2011: a charge of \$0.0255 for Group I Residential Non-Heat Customers, a charge of \$0.0066 for Group II Residential Heat Customers, a charge of \$0.0464 for Group III General Service - Small Customers, and a charge of \$0.0391 for Group IV General Service - Large Customers. Any net over-recovery on the BGSS, balancing charge and CIP at the end of the BGSS period shall be subject to refund with interest.

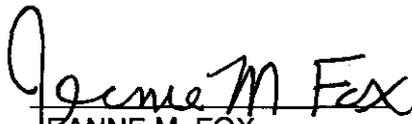
Accordingly, the Board HEREBY ORDERS that this matter be transmitted to the OAL for full review and an Initial Decision, and then returned to the Board for a Final Decision.

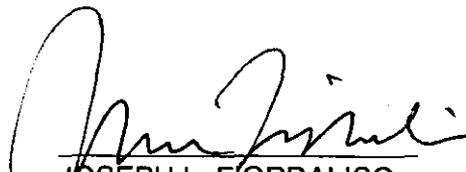
The Company's gas costs will remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

DATED: 9/22/11

BOARD OF PUBLIC UTILITIES
BY:


LEE A. SOLOMON
PRESIDENT


JEANNE M. FOX
COMMISSIONER

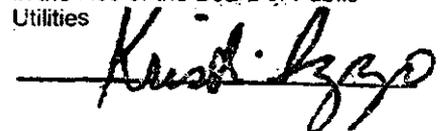

JOSEPH L. FIORDALISO
COMMISSIONER


NICHOLAS ASSELTA
COMMISSIONER

ATTEST:

KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities



In the Matter of the Petition of New Jersey Natural Gas Company
 For the Annual Review and Revision of Its Basic Gas Supply
 Service (BGSS), and Review and Revision of its Conservation
 Incentive Program (CIP) Factors for F/Y 2012
 Docket No. GR11060331
 SERVICE LIST

<p>Sheila DeLucia, Chief Board of Public Utilities 44 South Clinton Avenue, 9th Floor P.O. Box 350 Trenton, New Jersey 08625-0350</p>	<p>Alex Moreau, DAG Department of Law & Public Safety 124 Halsey Street, 5th Floor P.O. Box 45029 Newark, NJ 07101</p>
<p>Henry Rich Board of Public Utilities 44 South Clinton Avenue, 9th Floor P.O. Box 350 Trenton, New Jersey 08625-0350</p>	<p>Felicia Thomas-Friel, Esq. Division of Rate Counsel 31 Clinton Street, 11th Fl P.O. Box 46005 Newark, NJ 07101</p>
<p>Robert Schultheis Board of Public Utilities 44 South Clinton Avenue, 9th Fl P.O. Box 350 Trenton, NJ 08625</p>	<p>Sarah Steindel, Esq. Division of Rate Counsel 31 Clinton Street, 11th Floor P.O. Box 46005 Newark, NJ 07101</p>
<p>Jerome May, Director Energy Division Board of Public Utilities 44 South Clinton Avenue, 9th Floor P.O. Box 350 Trenton, New Jersey 08625-0350</p>	<p>Tracey Thayer, Esq. New Jersey Natural Gas Company 1415 Wyckoff Road P.O. Box 1464 Wall, NJ 07719</p>
<p>Babette Tenzer, DAG Department of Law & Public Safety 124 Halsey Street, 5th Floor P.O. Box 45029 Newark, NJ 07101</p>	<p>Paul Flanagan, Esq. Litigation Manager Division of the Ratepayer Advocate 31 Clinton Street, 11th Floor Post Office Box 46005 Newark, NJ 07101</p>

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

**IN THE MATTER OF THE PETITION OF)
NEW JERSEY NATURAL GAS COMPANY)
FOR THE ANNUAL REVIEW AND) BPU DOCKET NO. GR11060331
REVISION OF ITS BASIC GAS SUPPLY)
SERVICE (BGSS) AND ITS)
CONSERVATION INCENTIVE PROGRAM)
(CIP) FACTORS FOR F/Y 2012)
)**

STIPULATION FOR PROVISIONAL BGSS AND CIP RATES

APPEARANCES:

Tracey Thayer, Esq., New Jersey Natural Gas Company for the Petitioner, New Jersey Natural Gas Company

Sarah H. Steindel, Esq. and Christine M. Juarez, Esq., Assistant Deputy Rate Counsels, New Jersey Division of Rate Counsel (Paul E. Flanagan, Esq., Litigation Manager)

Alex Moreau, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (Paula T. Dow, Attorney General of New Jersey)

TO: THE NEW JERSEY BOARD OF PUBLIC UTILITIES

BACKGROUND

1. New Jersey Natural Gas Company ("NJNG" or the "Company") filed a petition in Docket No. GR11060331 on June 1, 2011 ("June 1 Filing"), requesting that the New Jersey Board of Public Utilities ("BPU" or the "Board") approve NJNG's annual filing to establish new Basic Gas Supply Service ("BGSS") rates for the period October 1, 2011 through September 30, 2012, approve a change to the current balancing charge and approve the implementation of updated Conservation Incentive Program ("CIP") factors effective October 1, 2011.

2. Specifically, the petition requested that the BPU approve a decrease of \$0.1230 per therm after-tax in NJNG's periodic BGSS rate applicable to residential and small commercial customers subject to the Periodic BGSS Pricing Mechanism, effective October 1, 2011, thereby decreasing NJNG's annual BGSS after-tax rate from \$0.8346 per therm to \$0.7116.¹ This requested change represents a BGSS decrease of approximately \$12.30 per month, or 9.1 percent, for the average residential sales heating customer using 100 therms per month. NJNG's filing was based on market conditions as of May 10, 2011 based on a one-year BGSS recovery period. This proposal would decrease after-tax BGSS revenues by \$55.2 million.

3. The petition also requested a \$0.0042 per therm decrease to the NJNG after-tax balancing charge, thereby decreasing the per therm after-tax balancing charge from \$0.0886 to \$0.0844. As approved by the Board on October 3, 2008 in BPU Docket No. GR07110889 ("Base Case Order"), NJNG is authorized to adjust its balancing charge in the annual BGSS filing to reflect updated costs. All balancing charge revenues from transportation customers are credited to BGSS. For sales customers, the balancing charge is deducted from the BGSS charge and included as a component of the delivery charge.

4. Within the June 1 filing, as authorized by the Board in Docket No. GR05121020 the Company submitted its annual CIP filing for CIP year 2012, October 1, 2011 through September 30, 2012, requesting that the BPU approve the implementation of updated CIP factors effective October 1, 2011. In this filing, the Company is seeking approval for the following changes to its after-tax per therm CIP factors: (i) an increase from a credit of \$0.0033 for Group I Residential Non-Heat customers to a charge of \$0.0255; (ii) a decrease in the charge of \$0.0179

¹ The June 1 filing also included testimony, schedules and data that are responsive to and consistent with the Minimum Filing Requirements (MFRs) for annual BGSS filings, pursuant to the Board's generic BGSS Order in Docket No. GX01050304.

to \$0.0066 for Group II Residential Heat customers; iii) an increase in the charge of \$0.0339 to \$0.0464 for Group III Small Commercial customers; and (iv) an increase in the charge of \$0.0278 to \$0.0391 for Group IV Large Commercial customers effective as of October 1, 2011. This proposal will result in an overall after-tax decrease of \$3.02 million to annual CIP-related revenues. Pursuant to the Board's October 12, 2006 and January 20, 2010 Orders in Docket No. GR05121020, any non-weather related CIP surcharges must be at least offset by reductions in related BGSS costs. The Company reported total estimated CIP related revenue for CIP year 2011, October 1, 2010 through September 30, 2011, of \$6.35 million with (\$0.85) million related to colder than normal weather and \$7.2 million non-weather related. The Company has identified \$13.1 million in BGSS savings available to offset non-weather related CIP charges for the October 2011 through September 2012 recovery period.

5. The changes to the BGSS and CIP rates will result in a requested overall decrease of approximately \$13.43 per month, or 9.9 percent, to the average residential heating customer (Group II) using 100 therms per month. The impact to the average residential non-heat customer (Group I) from these requested rate changes will be a decrease of 6.0 percent per month and to the average small commercial customer (Group III) a decrease of 7.4 percent per month. Since the BGSS change does not impact larger commercial customers to whom the monthly BGSS is applicable, the impact of the CIP rate change will result in a 0.9 percent increase to the average Group IV customer. The above CIP changes result in a decrease of after-tax CIP revenues of \$3.02 million and the resulting overall decrease in annual after-tax revenue resulting from the proposed BGSS decrease and CIP-related changes is approximately \$58.2 million.

6. Public hearings on these petitions were held on July 26, 2011 in Rockaway Borough and on July 27, 2011 in Freehold Township. No members of the public appeared at the public hearings.

STIPULATED ISSUES

7. NJNG, Board Staff, and the Division of Rate Counsel ("Rate Counsel") (collectively, the Parties), the only Parties to these proceedings, have discussed certain matters at issue herein. As a result of those discussions, the Parties have determined that additional time is needed to complete the review of NJNG's proposed BGSS rates, the proposed balancing charge, and the proposed CIP rates. However, the Parties also agree that the implementation of decreases to the Company's Periodic BGSS price and balancing charge, along with the above modifications to the CIP rates, on a provisional basis and subject to the terms below, is reasonable at this time.

8. Accordingly, the Parties stipulate and agree that pending the conclusion of any further review and discussions among the Parties, it is both reasonable and in the public interest for the Board to authorize the following proposed rates: 1) the Company's periodic BGSS rate of \$0.7116 per therm after-tax; 2) the Company's balancing charge of \$0.0844 per therm; and 3) the following CIP rates all on an after-tax basis: \$0.0255 per therm for Group I Residential Non-Heat customers, \$0.0066 per therm for Group II Residential Heat customers, \$0.0464 per therm for Group III Small Commercial customers, and \$0.0391 per therm for Group IV Large Commercial customers.

9. It is agreed by the Parties that these rate changes will be effective as of October 1, 2011, or as of such date that the Board so decides. These changes are on a provisional basis,

subject to refund with interest, an opportunity for a full review at the Office of Administrative Law (OAL), if necessary, and final approval by the Board.

10. This Stipulation represents an overall decrease of \$0.1343 per therm after-tax from the rates currently in effect, approximately 9.9 percent, or \$13.43 per month for a typical residential heat sales customer using 100 therms per month. The components of the agreed-upon rates are as follows: BGSS 9.1 percent decrease and CIP 0.8 percent decrease. The overall impact to the average residential non-heat sales customer is a decrease of 6.0 percent (\$2.36/month) and to the average small commercial sales customer these changes represent a decrease of approximately 7.4 percent (\$11.05/month). Large commercial sales customers are not affected by changes in the BGSS charge because they are subject to monthly BGSS market pricing for their natural gas supply. However, delivery rates for these customers are increasing due to the CIP rate change noted above by approximately 0.9 percent or \$13.56/month for a customer using 1200 therms a month. These rate changes will lead to a decrease in annual after-tax revenue to NJNG of approximately \$58.2 million. Attachment A to this Stipulation provides the information from Exhibit E in the June filing, showing the impacts of the agreed-upon rate changes.

11. 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 particular 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(s), 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.

12. The Parties 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 these proceedings. Except as expressly provided herein, NJNG, Board 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. All rates are subject to audit by the Board.

The parties recommend that the Board transmit this proceeding to the OAL for an opportunity for a full review of all issues in this matter.

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
PETITIONER**

By: 
TRACEY THAYER, ESQ.
New Jersey Natural Gas

**~~DIVISION OF RATE COUNSEL~~
PAUL E. FLANAGAN
LITIGATION MANAGER**

By: 
SARAH H. STEINDEL, ESQ.
ASSISTANT DEPUTY RATE COUNSEL

**STAFF OF THE NEW JERSEY BOARD OF PUBLIC UTILITIES
PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY**

By: 
ALEX MOREAU
DEPUTY ATTORNEY GENERAL

Date: August 29, 2011

New Jersey Natural Gas Company
 Net Impact of Proposed Rate Changes
 BPU Docket No. GR11060331
 F/Y 2012

(\$/therm)

Price Impact for Group I - Residential Non-Heating Customers

Component of	Current		Proposed		Change	
	Pre-tax	Post-tax	Pre-tax	Post-tax	Pre-tax	Post-tax
BGSS	\$0.7800	\$0.8346	\$0.6650	\$0.7116	(\$0.1150)	(\$0.1230)
CIP	(0.0031)	(0.0033)	0.0238	0.0255	0.0269	0.0288
NET IMPACT	\$0.7769	\$0.8313	\$0.6888	\$0.7371	(\$0.0881)	(\$0.0942)

Price Impact for Group II - Residential Heating Customers

Component of	Current		Proposed		Change	
	Pre-tax	Post-tax	Pre-tax	Post-tax	Pre-tax	Post-tax
BGSS	\$0.7800	\$0.8346	\$0.6650	\$0.7116	(\$0.1150)	(\$0.1230)
CIP	0.0167	0.0179	0.0062	0.0066	(0.0105)	(0.0113)
NET IMPACT	\$0.7967	\$0.8525	\$0.6712	\$0.7182	(\$0.1255)	(\$0.1343)

Price Impact for Group III - General Service Small Customers

Component of	Current		Proposed		Change	
	Pre-tax	Post-tax	Pre-tax	Post-tax	Pre-tax	Post-tax
BGSS	\$0.7800	\$0.8346	\$0.6650	\$0.7116	(\$0.1150)	(\$0.1230)
CIP	0.0317	0.0339	0.0434	0.0464	0.0117	0.0125
NET IMPACT	\$0.8117	\$0.8685	\$0.7084	\$0.7580	(\$0.1033)	(\$0.1105)

Price Impact for Group IV - General Service Large Customers

Component of	Current		Proposed		Change	
	Pre-tax	Post-tax	Pre-tax	Post-tax	Pre-tax	Post-tax
BGSS	Changes Monthly					
CIP	0.0260	0.0278	0.0365	0.0391	0.0105	0.0113
NET IMPACT	\$0.0260	\$0.0278	\$0.0365	\$0.0391	\$0.0105	\$0.0113

Projected Annual Post-tax BGSS, CIP, and WNC revenue

BGSS projected annual therms	448,826 (000s)
CIP Group I projected annual therms	3,170 (000s)
CIP Group II projected annual therms	447,892 (000s)
CIP Group III projected annual therms	33,047 (000s)
CIP Group IV projected annual therms	135,960 (000s)

	Projected Revenue at Current Rates \$million	Projected Revenue at Proposed Rates \$million	Change \$million
BGSS	\$374.6	\$319.4	(\$55.21)
CIP Group I	(\$0.0)	\$0.08	\$0.09
CIP Group II	\$8.0	\$3.0	(\$5.06)
CIP Group III	\$1.1	\$1.5	\$0.41
CIP Group IV	\$3.8	\$5.3	\$1.54
IMPACT	\$387.5	\$329.3	(\$58.23)

New Jersey Natural Gas Company
Net Impact of Proposed Rate Changes
BPU Docket No. GR11060331
F/Y 2012

	Current			Proposed		
	Residential Non-Heat	Residential Heat	GSS	Residential Non-Heat	Residential Heat	GSS
Pre-tax Periodic BGSS	\$0.7800	\$0.7800	\$0.7800	\$0.6650	\$0.6650	\$0.6650
After-tax Periodic BGSS	\$0.8346	\$0.8346	\$0.8346	\$0.7116	\$0.7116	\$0.7116
Less: Balancing	(\$0.0886)	(\$0.0886)	(\$0.0886)	(\$0.0844)	(\$0.0844)	(\$0.0844)
BGSS Price To Compare	\$0.7460	\$0.7460	\$0.7460	\$0.6272	\$0.6272	\$0.6272

Impact on Residential Non-Heating Customers

25 them bill

Current Prices			
Customer Charge		\$8.25	\$8.25
Delivery		\$0.5069	\$12.67
BGSS		\$0.7460	\$18.65
Total		\$1.2529	\$39.57
Proposed prices- effective 10/1/11			
Customer Charge		\$8.25	\$8.25
Delivery		\$0.5315	\$13.29
BGSS		\$0.6272	\$15.68
Total		\$1.1587	\$37.22
Decrease			(\$2.36)
Decrease as a percent			(6.0%)

Impact on Residential Heating Customers

1000 them annual bill

Current Prices		100 them bill	1000 them annual bill
Customer Charge		\$8.25	\$8.25
Delivery		\$0.5281	\$52.81
BGSS		\$0.7460	\$74.60
Total		\$1.2741	\$135.66
Proposed prices- effective 10/1/11			
Customer Charge		\$8.25	\$8.25
Delivery		\$0.5126	\$51.26
BGSS		\$0.6272	\$62.72
Total		\$1.1398	\$122.23
Decrease			(\$13.43)
Decrease as a percent			(9.9%)

Impact on Commercial GSS Customers

100 them bill

Current Prices			
Customer Charge		\$25.00	\$25.00
Delivery		\$0.4965	\$49.65
BGSS		\$0.7460	\$74.60
Total		\$1.2425	\$149.25
Proposed prices- effective 10/1/11			
Customer Charge		\$25.00	\$25.00
Delivery		\$0.5048	\$50.48
BGSS		\$0.6272	\$62.72
Total		\$1.1320	\$138.20
Decrease			(\$11.05)
Decrease as a percent			(7.4%)

Impact on Commercial GSL Customers

1200 them bill

Current Prices			
Customer Charge		\$40.00	\$40.00
Demand Charge		\$1.50	\$175.50
Delivery		\$0.4299	\$515.88
BGSS (May 2011)		\$0.6304	\$756.48
Total		\$1.0603	\$1,487.86
Proposed prices- effective 10/1/11			
Customer Charge		\$40.00	\$40.00
Demand Charge		\$1.50	\$175.50
Delivery		\$0.4370	\$524.40
BGSS (May 2011)		\$0.6346	\$761.52
Total		\$1.0716	\$1,501.42
Increase			\$13.56
Increase as a percent			0.9%