



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

| | |
|---------------------------------------|-----------------------|
| IN THE MATTER OF THE PETITION OF) | ORDER APPROVING |
| ELIZABETHTOWN GAS COMPANY TO REVISE) | STIPULATION |
| ITS ENERGY EFFICIENCY PROGRAM RIDER) | |
| RATE) | DOCKET NO. GR18080860 |

Parties of Record:

Deborah M. Franco, Esq., Elizabethtown Gas Company
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On August 9, 2018, Elizabethtown Gas Company ("Elizabethtown" or "Company") filed a petition ("August 2018 Petition") with the New Jersey Board of Public Utilities ("Board" or "BPU") requesting authorization to modify its Energy Efficiency Program Rider Rate ("EEP Rate"). By this Order, the Board considers a stipulation of settlement ("Stipulation") executed by Elizabethtown, Board Staff ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") intended to resolve the Company's request to revise its EEP Rate.

BACKGROUND/PROCEDURAL HISTORY

By Order dated August 3, 2009 in Docket Nos. EO09010056 and GO09010060, the Board approved a stipulation authorizing Elizabethtown to administer six (6) energy efficiency programs¹ ("EEPs") for a 17-month period ending on December 31, 2010.² The total projected

¹ Elizabethtown was authorized to offer the following EEPs: 1) Whole House Energy Efficiency Program; 2) Residential Expanded Gas Heating Ventilation and Air Conditioning ("HVAC") and Gas Hot Water Heater Incentive Program; 3) Small Commercial Customer Energy Efficiency Program; 4) Large Commercial Customer Energy Efficiency Program; 5) Combined Heat and Power Program; and 6) Gas Cooling Program.

² In re Energy Efficiency Programs and Associated Cost Recovery Mechanisms AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Approval of Energy Efficiency Programs and a Regional Greenhouse Gas Initiative Cost Recovery Rider, BPU Docket Nos. EO09010056 and GO09010060 (August 3, 2009) ("August 2009 Order")

expenditures, including operating and maintenance ("O&M") expenses were \$14,673,100. The August 2009 Order also authorized the Company to implement a Regional Greenhouse Gas Initiative ("RGGI") Rider Rate to recover the costs associated with the EEPs. Pursuant to the August 2009 Order, the Company was required to submit an annual petition to adjust its RGGI Rider Rate on a calendar basis. The annual filings were to include certain information, including investment levels, operating costs, and employment. Pursuant to the August 2009 Order, the initial RGGI Rider Rate was established as \$0.0082 per therm, including Sales and Use Tax ("SUT").

On July 1, 2010, Elizabethtown filed a petition, Docket No. GO10070446, to reconcile the program costs and recoveries associated with its EEPs. ("2010 RGGI Rider Rate Petition") On October 4, 2010, the Company filed a petition, Docket No. GO10100735, requesting approval to extend the term of the Company's EEPs for an additional three (3) year period. By Order dated January 19, 2011 in Docket Nos. GO10070446 and GO10100735, the Board approved a stipulation authorizing Elizabethtown to extend its EEPs for a one (1) year period ending on December 31, 2011.³ The January 2011 Order also approved a provisional RGGI Rider Rate of \$0.0000, but left open the 2010 RGGI Rider Rate Petition docket to allow for further review of the Company's EEPs and finalizing the provisional RGGI Rider Rate.

On June 30, 2011, Elizabethtown filed a petition, Docket No. GR11070398, to reconcile the program costs and recoveries associated with its EEPs. ("2011 RGGI Rider Rate Petition") The 2011 RGGI Rider Rate Petition requested to decrease the RGGI Rider Rate from \$0.0000 to a credit of \$0.0015 per therm, including SUT. The 2011 RGGI Rider Rate Petition also requested approval to implement a name change from the RGGI Rider Rate to the EEP Rider Rate.

By Order dated November 30, 2011 in Docket No. GO11070399, the Board authorized Elizabethtown to continue the Company's EEPs through April 29, 2012.⁴ The November 2011 Order also approved the continuation of a RGGI Rider Rate of \$0.0000 per therm, including SUT, until changed by order of the Board. By Order dated April 11, 2012 in Docket No. GO11070399, the Board authorized the Company to continue certain EEPs until April 19, 2013.⁵ The April 2012 Order authorized Elizabethtown to offer the following EEPs: 1) Residential Expanded Gas HVAC and Gas Hot Water Heater Incentive Program; 2) Small Commercial Customer Energy Efficiency Program; and 3) Large Commercial Customer Energy Efficiency Program (collectively, "2011 EEPs"). In addition, the April 2012 Order authorized a name change of the RGGI Rider to the EEP Rider, as well as authorized the continuation of the current rate of \$0.0000 per therm, including SUT.

On August 1, 2012, Elizabethtown filed a petition, Docket No. GR12080729, to reconcile the program costs and recoveries associated with its EEPs through June 30, 2012. ("2012 EEP

³ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Regional Greenhouse Gas Initiative Rider Rate AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism and Deferral Accounting Treatment, BPU Docket Nos. GO10070446 and GO10100735 (January 19, 2011) ("January 2011 Order").

⁴ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery, BPU Docket No. GO11070399 (November 30, 2011) ("November 2011 Order").

⁵ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery, BPU Docket No. GO11070399 (April 11, 2012) ("April 2012 Order").

Rate Petition”) The 2012 EEP Rate Petition sought approval of an EEP Rate of \$0.0046 per therm, including SUT. By Order dated December 18, 2013, the Board authorized an EEP Rate of \$0.0042 per therm, including SUT to resolve the 2010 RGGI Rider Rate Petition, the 2011 RGGI Rider Rate Petition and the 2012 EEP Rate Petition.⁶

By Order dated August 21, 2013 in Docket No. GO12100946, the Board authorized the Company to extend the term of the 2011 EEPs through September 1, 2015.⁷ By Order dated December 16, 2015, the Board authorized Elizabethtown to continue to offer its 2011 EEPs through December 31, 2016 within the remaining budget approved in the August 2013 Order.⁸

By Order dated August 19, 2015 in Docket No. GR14091073, the Board approved an EEP Rate of \$0.0054 per therm, including SUT.⁹

By Order dated September 23, 2016 in Docket No. GR16020119, the Board approved an EEP credit rate of \$0.0007 per therm, inclusive of SUT and then-applicable assessments.¹⁰

By Order dated April 21, 2017, Docket No. GR16070618, the Board authorized the Company to extend the term of existing program and several additional proposed programs through December 31, 2018.¹¹ The April 2017 Order authorized Elizabethtown to offer the following EEPs: 1) Residential Gas HVAC and Gas Hot Water Heater Incentive Program; 2) Residential Home Energy Assessment Program; 3) Residential Home Energy Report (Opower) Program; 4) Residential Home Weatherization for Income Qualified Customers Program; and 5) Commercial Steam Trap Survey and Repair Program.

By Order dated August 29, 2018 in Docket No. GR17111146, the Board approved an EEP rate of \$0.0020 per therm, including SUT.¹²

⁶ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Regional Greenhouse Gas Initiative Rider Rate AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Regional Greenhouse Gas Initiative Rider Rate and Rename the Rate to the Energy Efficiency Program Rider Rate AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Energy Efficiency Program Rider Rate, BPU Docket Nos. GO10070446, GR11070398, and GR12080729 (December 18, 2013).

⁷ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket No. GO12100946 (August 21, 2013) (“August 2013 Order”).

⁸ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket Nos. GO12100946 and GO15050504 (December 16, 2015).

⁹ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Energy Efficiency Program Rider Rate, BPU Docket No. GR14091073 (August 19, 2015).

¹⁰ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Energy Efficiency Program Rider Rate, BPU Docket No. GR16020119 (September 23, 2016).

¹¹ In re the Petition of Pivotal Utility Holdings, Inc. for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket Nos. GO15050504 and GR16070618 (April 21, 2017) (“April 2017 Order”).

¹² In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise Its Energy Efficiency Rider Rate, BPU Docket No. GR17111146 (August 29, 2018) (“August 2018 Order”).

By Order dated February 27, 2019 in Docket No. GO18070682, the Board authorized the Company to offer its current EEPs through February 29, 2020.¹³

AUGUST 2018 PETITION

On August 9, 2018, Elizabethtown filed the instant petition with the Board, assigned BPU Docket No. GR18080860, requesting to increase its EEP rider rate from a credit rate of \$0.0007 per therm, including SUT to \$0.0051 per therm, including SUT, effective October 1, 2018.

The August 2018 Petition sought to reconcile EEP costs and cost recoveries for the period commencing July 1, 2017 through June 30, 2018 ("2018 Recovery Period") and to recover forecast revenues for July 1, 2018 through June 30, 2019 ("2019 Recovery Period"). Information for the 2018 Recovery Period included 12 months of actual data through June 30, 2018. Information for the 2019 Recovery Period reflected projected data through June 30, 2019. As reflected in the August 2018 Petition, the proposed EEP Rate of \$0.0051 per therm was designed to recover actual and projected allowable recoverable EEP costs of \$2,187,389 through June 30, 2019. During the discovery process, Elizabethtown updated its schedules and associated revenue requirements to reflect actual data through February 28, 2019.

Subsequent to the filing of the August 2018 Petition, the Board issued the August 2018 Order which authorized the Company to increase its EEP rider rate from a credit of \$0.0007 per therm, including SUT to \$0.0020 per therm, including SUT, effective September 1, 2018.

Public hearings were held in this proceeding on September 20, 2018 in Flemington, New Jersey and on September 24, 2018 in Union, New Jersey. No members of the public attended the public hearings or submitted comments on this filing.

STIPULATION

The Parties have engaged in discovery and discussed the issues in this matter. As a result of those discussions, on April 8, 2019 the Parties executed the Stipulation in this matter. The Stipulation provides for the following:¹⁴

2. **Effective Rate.** As of the effective date, the Company shall implement an EEP rate of \$0.0051 per therm, inclusive of all applicable taxes, and that rate shall remain in effect until changed by order of the Board. A schedule supporting the EEP rate of \$0.0051 per therm as agreed to in the Stipulation is contained in Appendix A of the Stipulation. Upon approval by the Board of the EEP rate reflected in the Stipulation, the Company will file with the Board revised tariff sheets, consistent with the date established by the Board, to reflect the EEP rate of \$0.0051 per therm in the form attached as Appendix B of the Stipulation.

¹³ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket No. GO18070682 (February 27, 2019).

¹⁴ 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 findings and conclusion in this Order. Paragraphs are numbered to coincide with the Stipulation.

3. Issues Resolved. The Stipulation provides for a final EEP rate of \$0.0051 per therm in this proceeding, which amounts to an increase from the current EEP rate of \$0.0020 per therm. All issues related to Elizabethtown's EEP recoverable costs for the period July 1, 2017 through June 30, 2018 are resolved.
4. Rate Impact. The annual bill impact of the stipulated EEP rate of \$0.0051 per therm on a typical residential heating customer using 1,000 therms is an annual increase of \$3.10 from \$967.78 to \$970.88 or 0.3% as compared to the Company's currently effective rates. The proposed rates will increase Elizabethtown's annual revenues by approximately \$1.3 million based on the Company's most recent therm forecast.
5. Future Annual EEP Petitions. Elizabethtown agrees that in order to satisfy the rate impact minimum filing requirements associated with EEP reconciliation filings, with any such future filings made by Elizabethtown, it will continue to provide the information contained in Appendix C of the Stipulation.

DISCUSSION AND FINDING

The Board has carefully reviewed the record in this proceeding, including the August 2018 Petition and the attached Stipulation. The Board **HEREBY FINDS** that the Stipulation is reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the Stipulation as its own, as if fully set forth herein.

The Board **HEREBY APPROVES** an increase in the current EEP rate of \$0.0020 per therm, including SUT to \$0.0051 per therm, including SUT effective for service on or after May 1, 2019. Accordingly, a typical residential heating customer using 1,000 therms on an annual basis would experience an increase in their annual bill of \$3.10, or approximately 0.3%.

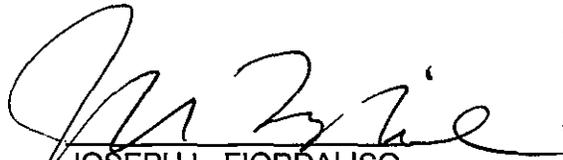
The Board **HEREBY ORDERS** the Company to file revised tariff sheets conforming to the terms of the Stipulation by May 1, 2019.

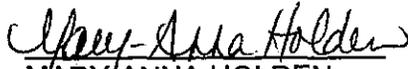
The Company's costs will remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

The effective date of this Order is April 28, 2019.

DATED: 4/18/19

BOARD OF PUBLIC UTILITIES
BY:

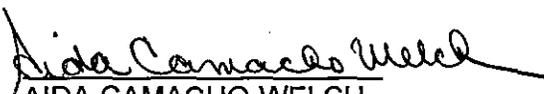

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MARYANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER


ROBERT M. GORDON
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
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 ELIZABETHTOWN GAS COMPANY TO REVISE ITS
ENERGY EFFICIENCY PROGRAM RIDER RATE - BPU DOCKET NO. GR18080860

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Deborah M. Franco, Esq.
Regulatory Affairs Counsel

Via FedEx & Electronic Mail

April 9, 2019

Aida Camacho-Welch, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
P.O. Box 350
Trenton, New Jersey 08625-0350

**Re: *In The Matter Of The Petition Of Elizabethtown Gas Company To Revise Its
Energy Efficiency Program Rider Rate
BPU Docket No. GR18080860***

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.

Please contact the undersigned if you have any questions or require further information.

Sincerely,

/s/ Deborah M. Franco

Deborah M. Franco

cc: Service List Electronically

**IN THE MATTER OF THE PETITION OF
ELIZABETHTOWN GAS COMPANY
TO REVISE ITS ENERGY EFFICIENCY PROGRAM RIDER RATE
BPU DOCKET NO. GR18080860**

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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 | : | BPU Docket No. GR18080860 |
| Revise its Energy Efficiency Program | : | |
| Rider Rate | : | FINAL STIPULATION |
| ----- | X | |

APPEARANCES:

Kenneth T. Maloney (Cullen and Dykman LLP), Attorney for the Petitioner, Elizabethtown Gas Company

Deborah M. Franco, Esq., Regulatory Affairs Counsel, Elizabethtown Gas Company

Brian O. Lipman, Esq., Litigation Manager, **Felicia Thomas-Friel, Esq.,** Managing Attorney Gas, Division of Rate Counsel, and **Kurt S. Lewandowski, Esq.,** Assistant Deputy Rate Counsel, Assistant Deputy Rate Counsel, Division of Rate Counsel (Stefanie A. Brand, Director, Division of Rate Counsel)

Patricia Krogman, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (Gurbir S. Grewal, Attorney General of New Jersey)

BACKGROUND

On August 9, 2018, Elizabethtown Gas Company (“Elizabethtown” or “Company”), filed a Petition (“2018 Petition”) with the New Jersey Board of Public Utilities (“Board” or “BPU”), which was assigned BPU Docket No. GR18080860, requesting to increase its then currently effective Energy Efficiency Program (“EEP”) rider rate from a credit of \$0.0007 per therm to \$0.0051 per therm, inclusive of all applicable taxes effective October 1, 2018. Subsequent to the filing of the 2018 Petition, the Board issued an order approving a Stipulation in BPU Docket No. GR17111146 which authorized the increase of Elizabethtown’s EEP Rider rate from a credit of \$0.0007 per therm to the current rate of \$0.0020 per therm which became effective September 1, 2018.

The 2018 Petition sought to reconcile EEP costs and cost recoveries for the period commencing July 1, 2017 through June 30, 2018 and to recover actual and forecast revenues for

the period July 1, 2018 through June 30, 2019. The EEP rate enables Elizabethtown to recover the cost associated with Elizabethtown's EEP approved by the Board. The Company's EEP consists of a range of rebates and related offers -- including, for example, various customer education and outreach initiatives, as well as an on-line customer Dashboard -- that are designed to encourage customers to conserve energy and to provide them with information on how to lower their gas bills. In accordance with a Board order issued February 27, 2019 in BPU Docket No. GO18070682, Elizabethtown is authorized to offer its current EEP through February 29, 2020.

Public hearings were held in this proceeding on September 20, 2018 in Flemington, New Jersey and on September 24, 2018 in Union, New Jersey. No members of the public attended the public hearings or submitted comments on this filing.

Elizabethtown, Board Staff, and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "the Parties") have engaged in discovery and have resolved all issues in this proceeding in accordance with the Stipulation set forth below.

STIPULATION

Based upon and subject to the terms and conditions set forth herein, the Parties stipulate and agree as follows:

1. **Effective Date.** The Board order adopting 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.

2. **Effective Rate.** As of the Effective Date, the Company shall implement an EEP rate of \$0.0051 per therm, inclusive of all applicable taxes, and that rate shall remain in effect until changed by order of the Board. A schedule supporting the EEP rate of \$0.0051 per therm as agreed to in this Stipulation is contained in Appendix A. Upon approval by the Board of the EEP rate reflected in this Stipulation, the Company will file with the Board revised tariff sheets, consistent

with the date established by the Board, to reflect the EEP rate of \$0.0051 per therm in the form attached as Appendix B hereto.

3. **Issues Resolved.** This Stipulation provides for a final EEP rate of \$0.0051 per therm in this proceeding, which amounts to an increase from the current EEP rate of \$0.0020 per therm. All issues related to Elizabethtown's EEP recoverable costs for the period July 1, 2017 through June 30, 2018 are resolved.

4. **Rate Impact.** The annual bill impact of the stipulated EEP rate of \$0.0051 per therm on a typical residential heating customer using 1,000 therms is an annual increase of \$3.10 from \$967.78 to \$970.88 or 0.3% as compared to the Company's currently effective rates. The proposed rates will increase Elizabethtown's annual revenues by approximately \$1.3 million based on the Company's most recent therm forecast.

5. **Future Annual EEP Petitions.** Elizabethtown agrees that in order to satisfy the rate impact minimum filing requirements associated with EEP reconciliation filings, with any such future filings made by Elizabethtown, it will continue to provide the information contained in Appendix C.

6. **Entirety Of Stipulation.** This Stipulation represents a mutual balancing of interests and, therefore, is intended to be accepted and approved in its entirety. In the event that 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.

7. **Binding Effect.** 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.

8. General Reservation. 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, Elizabethtown, Board Staff, or 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. This Stipulation shall not be cited as precedent except for the purpose of enforcing its terms. All rates remain subject to audit by the Board.

WHEREFORE, the Parties hereto do respectfully submit this Stipulation to the Board of Public Utilities and request the Board to issue a Decision and Order approving this Stipulation in its entirety in accordance with the terms hereof.

ELIZABETHTOWN GAS COMPANY

STEFANIE A. BRAND
DIRECTOR, DIVISION OF
RATE COUNSEL

By: Deborah M. Franco | KB
Deborah M. Franco
Regulatory Affairs Counsel

By: [Signature]
Kurt S. Lewandowski, Esq.
Assistant Deputy Rate Counsel

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

By: [Signature]
~~Patricia Krogman~~ Peter Van Brunt
Deputy Attorney General

Dated: April 8, 2019

Appendix A

Exhibit 1
EEP Schedule
TK-1

ELIZABETHTOWN GAS COMPANY

ENERGY EFFICIENCY PROGRAM ("EEP")

CALCULATION OF THE EEP RATE

October 1, 2018 through September 30, 2019
RECOVERY YEAR - 2019

| | | | | |
|----|--|---------------|------------------|-------------------------------|
| 1 | Prior Year Balance - (Sch. TK-2) | June 30, 2017 | | (\$314,764) |
| | <u>Actual Amounts Through:</u> | June 30, 2018 | | |
| 2 | Current Year O&M Costs (Sch. TK-2) | | | \$365,264 |
| 3 | Current Year Revenue Requirements (Sch. TK-2) | | | \$591,632 |
| 4 | Current Year Recovery Credits (Sch. TK-2) | | | \$311,656 |
| 5 | Current Year Carrying Costs (Sch. TK-2) | | | <u>\$3,725</u> |
| 6 | Proforma Current Year TK-2 Ending Balance (Sum L1-L5) | | | \$957,513 |
| 7 | <u>Projected Recoverables:</u> | June 30, 2019 | | |
| | - Revenue Requirements (Sch. TK-3) | | \$984,314 | |
| | - O&M Costs (Sch. TK-4) | | <u>\$245,562</u> | <u>\$1,229,876</u> |
| 8 | Total Proposed Recoveries (L6+L7) | | | \$2,187,389 |
| 9 | <u>12 Month Projected Normalized Sales and Services:</u> | | | |
| | - Residential and GLS | | 234,387,400 | |
| | - Commercial | | 145,223,714 | |
| | - Industrial | | 73,317,600 | |
| | - NGV | | 97,998 | |
| | - Cogeneration | | 0 | 453,026,712 therms |
| 10 | EEP Rate, before taxes (L8/L9) | | | \$0.0048 /therm |
| 11 | Sales & Use Tax @ | 6.625% | | <u>\$0.0003</u> |
| 12 | EEP Rate (L10+L11) | | | <u><u>\$0.0051</u></u> /therm |

RIDER "E"

ENERGY EFFICIENCY PROGRAM ("EEP")

Applicable to all customers except those customers under special contracts 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 the Societal Benefits Charge ("SBC") Rider "D."

The EEP shall be collected on a per therm basis and shall remain in effect until changed by order of the BPU. The applicable EEP rate is as follows:

~~\$0.0020~~ \$0.0051 per therm

The rate applicable under this Rider includes 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 "Global Warming Act," N.J.S.A. 26-2C-45, or "RGGI Legislation" the State Legislature determined that global warming is a pervasive and dangerous threat that should be addressed through the establishment of a statewide greenhouse gas emissions reduction program. On May 8, 2008, the Board issued an Order (the "RGGI Order") pursuant to N.J.S.A. 48:3-98.1(e). The RGGI Order allowed electric and gas public utilities to offer energy efficiency and conservation programs on a regulated basis. The Company's energy efficiency programs were first authorized pursuant to Board orders issued in Docket Nos. E000010056 and G000010060. They were subsequently extended pursuant to Board orders issued in G010070446, G011070399, G012100946, G015050504 and GR16070618. The Company's current energy efficiency programs are effective through December 31, 2018 and described below.~~

The EEP enables the Company to recover all costs associated with the following energy efficiency programs approved by the Board order dated April 21, 2017 in BPU Docket Nos. GR16070618 and G015050504:

1. Residential gas HVAC and hot water heater incentive programs;
2. Residential home energy assessment program;
3. Residential home weatherization for income qualified customers program;
4. Commercial steam trap survey and repair program; and
5. Enhanced customer education and outreach initiatives designed to encourage customers to conserve energy and lower their gas bills.

Date of Issue: ~~August 30, 2018~~

Effective: Service Rendered
on and after ~~September 1, 2018~~

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

Filed Pursuant to Order of the Board of Public Utilities
Dated ~~August 29, 2018~~ in Docket No. GR17111146

CLEAN

RIDER "E"

ENERGY EFFICIENCY PROGRAM ("EEP")

Applicable to all customers except those customers under special contracts 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 the Societal Benefits Charge ("SBC") Rider "D."

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Date of Issue:

Effective: Service Rendered
on and after

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

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

**ELIZABETHTOWN GAS COMPANY
ENERGY EFFICIENCY PROGRAM (EEP) RATE FILING
MINIMUM FILING REQUIREMENTS (MFR) INDEX**

| Minimum Filing Requirements | Schedule |
|---|--|
| 1. Direct FTE employment impacts as defined in Paragraph 28 of the Stipulation, including a breakdown by sub-program | BJB-5 |
| 2. A monthly revenue requirement calculation based on program expenditures, showing the actual monthly revenue requirement for each of the past twelve months or clause-review period, as well as supporting calculations, including the information related to the tax rate and revenue multiplier used in the revenue requirement calculation | TK-3 |
| 3. For the review period, actual revenues, by month and by rate class recorded under the programs | TK-5 |
| 4. Monthly beginning and ending clause balances, as well as the average balance net of tax for the 12-month period | TK-2 |
| 5. The interest rate used each month for over/under recoveries, and all supporting documentation and calculations for the interest rate | TK-6 |
| 6. The interest expense to be charged or credited to ratepayers each month | TK-2, TK-6 |
| 7. A schedule showing budgeted versus actual program costs by the following categories: administrative (all utility costs), marketing/sales, training, rebates/incentives, including inspections and quality control, program implementation (all contract costs), evaluation, and any other costs | SB-1 |
| 8. The monthly journal entries relating to regulatory asset and O&M expenses for the 12 month review period | SB-1 (is a summary of the expenses as recorded in the Company's books; copies of the actual journal entries can be made available) |
| 9. Supporting details for all administrative costs included in the revenue requirement | SB-1 |
| 10. Information supporting the carrying cost used for the unamortized costs | TK-6 |
| 11. Number of program participants, including a breakdown by sub-program | BJB-1 |
| 12. Estimated demand and energy savings, including a breakdown by sub-program | BJB-3 |
| 13. Emissions reductions from the Program, including a breakdown by sub-program | BJB-4 |
| 14. Estimated free ridership and spillover | Baatz testimony, page 21 |
| 15. Participant costs (net of utility incentives), including a breakdown by sub-program | Baatz testimony, page 20 |
| 16. Results of program evaluations, including a breakdown by sub-program | BJB-6 |
| 17. Separate cost and recovery information for each approved program and extension. | TK-7 |