



Agenda Date: 10/25/19  
Agenda Item: 2C

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 9<sup>th</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 )  
ELIZABETHTOWN GAS TO (1) REVISE ITS WEATHER )  
NORMALIZATION CLAUSE RATE; (2) REVISE THE )  
CLEAN ENERGY PROGRAM COMPONENT OF ITS )  
SOCIAL BENEFITS CHARGE RATE; AND (3) )  
REVISE ITS ON-SYSTEM MARGIN SHARING CREDIT )  
DECISION AND ORDER )  
APPROVING STIPULATION )  
FOR PROVISIONAL RATES )  
DOCKET NO. GR19070873 )

**Parties of Record:**

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

**BY THE BOARD:**

On July 31, 2019, Elizabethtown Gas Company (“Elizabethtown” or “Company”) filed a petition (“2019 Petition”) with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking approval to revise its rates relating to the review and true up of its: (1) Weather Normalization Clause (“WNC”), (2) the New Jersey Clean Energy Program (“CEP”) component of its Societal Benefits Charge (“SBC”),<sup>1</sup> and (3) its On-System Margin Sharing Credit (“OSMC”) rate. By this Decision and Order, the Board considers a stipulation of settlement (“Stipulation”) regarding provisional WNC, CEP, and OSMC rates executed by Elizabethtown, the New Jersey Division of Rate Counsel (“Rate Counsel”) and Board Staff (“Staff”) (collectively, the “Parties”) which requests the Board approve changes in the WNC, CEP, and OSMC rates on a provisional basis, subject to refund with interest.

**BACKGROUND AND PROCEDURAL HISTORY**

The WNC normalizes the financial impact of weather conditions on both the Company and its weather-sensitive ratepayers. An excess margin resulting from a colder than normal Winter Period is returned to ratepayers, while a deficit margin resulting from a warmer than normal Winter Period is recovered from ratepayers.<sup>2</sup> Variances in actual degree-days from normal for

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

<sup>2</sup> Winter Period refers to the months of October through May.

each day are measured and accumulated over the calendar month for each month in the Winter Period. The resulting cumulative degree-day variance determines the adjustment to customers' bill in the following Winter Period.

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

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

## **2019 PETITION**

### **WNC**

The 2019 Petition sought to modify Elizabethtown's current WNC rate from \$0.0000 per therm to a credit rate of \$0.0050 per therm inclusive of all applicable taxes.<sup>3</sup> The rate is designed to credit an excess balance associated with the period October 1, 2018 through May 31, 2019 ("2019 Winter Period") which was attributable to the overall colder than normal weather during that period as well as a prior period deficiency balance. The current recoverable revenue excess balance is \$1,595,770 which is divided by projected winter period therm volumes, and produces a WNC credit rate of \$0.0050 per therm inclusive of applicable taxes

### **CEP**

In the 2019 Petition, the Company proposed to reduce the CEP component of its SBC rate from \$0.0215 per therm inclusive of applicable taxes to \$0.0213 per therm inclusive of applicable taxes. The rate was designed to recover prior period costs, the net costs incurred to provide Board-approved CEP programs for the period ending June 30, 2019, and projected costs for the period ending June 30, 2020, which total \$9,958,369.

### **OSMC**

The 2019 Petition sought to increase the OSMC credit rate from \$0.007 per therm to a credit rate of \$0.0015 per therm inclusive of all applicable taxes (resulting in a decrease in customer charges).

The overall impact of the proposed adjustments to the WNC, CEP and OSMC rates would be a decrease in the monthly bill of a typical residential heating customer using 100 therms by \$0.60, from \$95.35 to \$94.75 or 0.6% using rates expected to be in effect as of November 1, 2019.

As the 2019 Petition sought a decrease in rates, public hearings were not required or conducted.

---

<sup>3</sup> The previous WNC rate of \$0.0194 per therm (including all applicable taxes) was in effect from November 1, 2018 through May 31, 2019.

## **STIPULATION**

Following an initial review of the 2019 Petition, the Parties determined that additional time is needed to complete a review of the 2019 Petition. Accordingly, the Parties executed the Stipulation, which provides for the following:<sup>4</sup>

9. The Parties have determined that, pending the conclusion of any further review and discussions among the parties and a final determination by the Board pursuant to N.J.S.A. 48:2-21.1, it would be both reasonable and in the public interest for the Board to authorize Elizabethtown to implement: (1) a provisional WNC credit rate of \$0.0050 per therm to be effective as of November 1, 2019, inclusive of all applicable taxes; (2) a provisional CEP component of the SBC rate of \$0.0213 per therm to be effective as of November 1, 2019, inclusive of all applicable taxes; and (3) a provisional OSMC credit rate of \$0.0015 per therm to be effective as of November 1, 2019 inclusive of all applicable taxes. The total provisional WNC/CEP/OSMC rate of \$0.0148 will decrease the monthly bill of a typical residential heating customer using 100 therms by \$0.60 from \$95.35 to \$94.75, a decrease of 0.6%, as compared to the Company's rates expected to be in effect as of November 1, 2019. There will be an opportunity for full review of the WNC rate, the CEP component of the SBC, and the OSMC at the Office of Administrative Law, if necessary, and final approval by the Board.

## **DISCUSSION AND FINDINGS**

The Board reviewed the record in this matter to date, including the 2019 Petition and the Stipulation, and **FINDS** it to be 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** on a provisional basis, subject to refund with interest on any net over-recovered balance, WNC credit rate of \$0.0050, CEP per therm rate of \$0.0213 and OSMC per therm credit rate of \$0.0015 (all rates inclusive of all applicable taxes) effective for service rendered on and after November 1, 2019. For a typical residential heating customer using 100 therms in a winter month, the combined monthly impact of these changes represents a decrease of \$0.60 from \$95.35 to \$94.75, or 0.6%, as compared to the Company's rates expected to be in effect as of November 1, 2019.

The Company is **HEREBY DIRECTED** to file the appropriate tariff sheets by November 1, 2019 conforming to the terms and conditions of the Order.

The Company's costs remain subject to audit by the Board. This Decision and Order shall not preclude or prohibit the Board from taking any actions deemed to be appropriate as a result of any such audit.

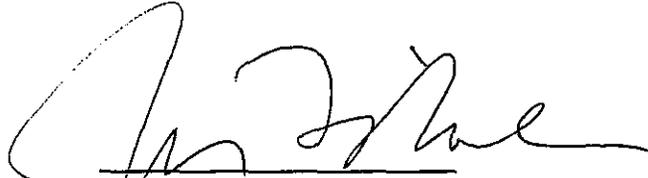
---

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

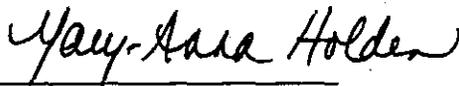
The effective date of this Order is October 25, 2019.

DATED: 10/25/19

BOARD OF PUBLIC UTILITIES  
BY:



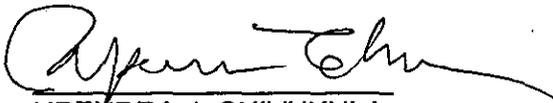
JOSEPH L. FIORDALISO  
PRESIDENT



MARY-ANNA HOLDEN  
COMMISSIONER



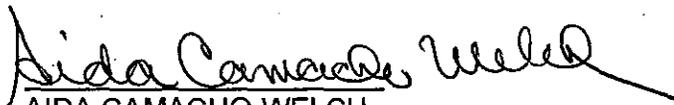
DIANNE SOLOMON  
COMMISSIONER



UPENDRA J. CHIVUKULA  
COMMISSIONER



ROBERT M. GORDON  
COMMISSIONER

ATTEST:   
AIDA CAMACHO-WELCH  
SECRETARY

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 (1) Revise its Weather Normalization Clause Rate; (2) Revise the Clean Energy Program Component of its Societal Benefits Charge Rate; (3) Revise its On-System Margin Sharing Credit  
BPU Docket No. GR19070873

SERVICE LIST

**New Jersey Division of Rate Counsel**

140 East Front Street, 4<sup>th</sup> Floor  
Post Office Box 003  
Trenton, NJ 08625-0003

Stefanie A. Brand, Esq., Director  
[sbrand@rpa.nj.gov](mailto:sbrand@rpa.nj.gov)

Brian Lipman, Esq., Litigation Manager  
[blipman@rpa.nj.gov](mailto:blipman@rpa.nj.gov)

Felicia Thomas-Friel, Esq.  
[ftomas@rpa.nj.gov](mailto:ftomas@rpa.nj.gov)

Sarah Steindel, Esq.  
[sarah.steindel@rpa.nj.gov](mailto:sarah.steindel@rpa.nj.gov)

Shelly Massey  
[shelly.massey@rpa.nj.gov](mailto:shelly.massey@rpa.nj.gov)

**Division of Law**

Department of Law and Public Safety  
Richard J. Hughes Justice Complex  
Public Utilities Section  
25 Market Street, P.O. Box 112  
Trenton, NJ 08625

Geoffrey Gersten, DAG  
[geoffrey.gersten@law.njoag.gov](mailto:geoffrey.gersten@law.njoag.gov)

Patricia Krogman, DAG  
[patricia.krogman@law.njoag.gov](mailto:patricia.krogman@law.njoag.gov)

Pamela Owen, DAG  
[pamela.owen@law.njoag.gov](mailto:pamela.owen@law.njoag.gov)

**Board of Public Utilities**

44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350

Aida Camacho-Welch  
Secretary of the Board  
[board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov)

**Division of Energy**

Stacy Peterson, Director  
[stacy.peterson@bpu.nj.gov](mailto:stacy.peterson@bpu.nj.gov)

Kevin Moss, Bureau Chief  
[kevin.moss@bpu.nj.gov](mailto:kevin.moss@bpu.nj.gov)

Beverly Tyndell  
[beverly.tyndell@bpu.nj.gov](mailto:beverly.tyndell@bpu.nj.gov)

**Counsel's Office**

Heather Weisband, Esq.  
[heather.weisband@bpu.nj.gov](mailto:heather.weisband@bpu.nj.gov)

**Elizabethtown Gas Company**

520 Green Lane  
Union, NJ 07083

Deborah M. Franco, Esq.  
[dfranco@sjindustries.com](mailto:dfranco@sjindustries.com)

Stefany Graham  
[sgraham@sjindustries.com](mailto:sgraham@sjindustries.com)



**ELIZABETHTOWN  
GAS**

Deborah M. Franco, Esq.  
Regulatory Affairs Counsel

520 Green Lane  
Union, NJ 07083  
T: (908) 662-8448  
F: (908) 662-8496  
dfranco@sjindustries.com

October 10, 2019

***VIA ELECTRONIC MAIL AND UPS***

Aida Camacho-Welch  
N.J. Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
P.O. Box 350  
Trenton, NJ 08625-0350

**Re: In the Matter of the Petition of Elizabethtown Gas Company To (1) Revise Its Weather Normalization Clause Rate; (2) Revise the Clean Energy Program Component Of Its Societal Benefits Charge Rate; and (3) Revise Its On-System Margin Sharing Credit  
BPU Docket No. GR19070873**

Dear Secretary Camacho-Welch:

Enclosed for filing in the above proceeding are an original and ten copies of a Stipulation executed by representatives of Elizabethtown Gas Company ("Elizabethtown"), the Staff of the Board of Public Utilities and the Division of Rate Counsel.

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

Respectfully submitted,

Deborah M. Franco

cc: Service List in BPU Docket No. GR19070873

**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY  
TO (1) REVISE ITS WEATHER NORMALIZATION CLAUSE RATE  
(2) REVISE THE CLEAN ENERGY PROGRAM COMPONENT OF ITS SOCIETAL BENEFITS  
CHARGE RATE (3) REVISE ITS ON-SYSTEM MARGIN SHARING CREDIT  
BPU DOCKET NO. GR19070873**

**SERVICE LIST**

Thomas Kaufmann  
Elizabethtown Gas Company  
520 Green Lane  
Union, NJ 07083  
[tkaufmann@sjindustries.com](mailto:tkaufmann@sjindustries.com)

Susan Potanovich  
Elizabethtown Gas Company  
520 Green Lane  
Union, NJ 07083  
[spotanovich@sjindustries.com](mailto:spotanovich@sjindustries.com)

Steve Cocchi  
SJI  
1 South Jersey Place  
Atlantic City, NJ 08401  
[scocchi@sjindustries.com](mailto:scocchi@sjindustries.com)

Deborah M. Franco, Esq.  
SJI Utilities  
520 Green Lane  
Union, NJ 07083  
[dfranco@sjindustries.com](mailto:dfranco@sjindustries.com)

Stefany Graham  
SJI Utilities  
1 South Jersey Place  
Atlantic City, NJ 08401  
[sgraham@sjindustries.com](mailto:sgraham@sjindustries.com)

Kevin Moss  
Board of Public Utilities  
44 South Clinton Avenue  
3<sup>rd</sup> Floor, Suite 314  
P.O. Box 350  
Trenton, NJ 08625-0350  
[Kevin.Moss@bpu.nj.gov](mailto:Kevin.Moss@bpu.nj.gov)

Stacy Peterson  
Board of Public Utilities  
44 South Clinton Avenue  
3<sup>rd</sup> Floor, Suite 314  
P.O. Box 350  
Trenton, NJ 08625-0350  
[Stacy.Peterson@bpu.nj.gov](mailto:Stacy.Peterson@bpu.nj.gov)

Beverly Tyndell  
Board of Public Utilities  
44 South Clinton Avenue  
3<sup>rd</sup> Floor, Suite 314  
P.O. Box 350  
Trenton, NJ 08625-0350  
[Beverly.Tyndell@bpu.nj.gov](mailto:Beverly.Tyndell@bpu.nj.gov)

Heather Weisband, Esq.  
Board of Public Utilities  
44 South Clinton Avenue  
3<sup>rd</sup> Floor, Suite 314  
P.O. Box 350  
Trenton, NJ 08625-0350  
[Heather.Weisband@bpu.nj.gov](mailto:Heather.Weisband@bpu.nj.gov)

Stefanie A. Brand, Director  
Division of Rate Counsel  
140 East Front Street 4th Floor  
P.O. Box 003  
Trenton, NJ 08625  
[smassev@rpa.nj.gov](mailto:smassev@rpa.nj.gov)

Brian Lipman, Esq.  
Division of Rate Counsel  
140 East Front Street 4th Floor  
P.O. Box 003  
Trenton, NJ 08625  
[blipman@rpa.nj.gov](mailto:blipman@rpa.nj.gov)

Sarah Steindel, Esq.  
Division of Rate Counsel  
140 East Front Street 4th Floor  
P.O. Box 003  
Trenton, NJ 08625  
[ssteinde@rpa.nj.gov](mailto:ssteinde@rpa.nj.gov)

Felicia Thomas-Friel, Esq.  
Division of Rate Counsel  
140 East Front Street 4th Floor  
P.O. Box 003  
Trenton, NJ 08625  
[ftomas@rpa.nj.gov](mailto:ftomas@rpa.nj.gov)

Patricia Krogman, DAG  
Dept. of Law & Public Safety  
Division of Law  
124 Halsey Street  
P.O. Box 45029  
Newark, NJ 07101  
[Patricia.Krogman@law.njoag.gov](mailto:Patricia.Krogman@law.njoag.gov)

Caroline Vachier, DAG  
Dept. of Law & Public Safety  
Division of Law  
124 Halsey Street  
P.O. Box 45029  
Newark, NJ 07101  
[Caroline.Vachier@law.njoag.gov](mailto:Caroline.Vachier@law.njoag.gov)

Matko Ilic, DAG  
Dept. of Law & Public Safety  
Richard J. Hughes Justice Complex  
Public Utilities Section  
25 Market Street, P.O. Box 112  
Trenton, NJ 08625  
[Matko.Ilic@law.njoag.gov](mailto:Matko.Ilic@law.njoag.gov)

Robert J. Henkes  
Henkes Consulting  
7 Sunset Road  
Old Greenwich, CT 06870  
[rhenkes@optonline.net](mailto:rhenkes@optonline.net)

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

---

<b>In The Matter Of the Petition Of Elizabethtown Gas Company to (1) Revise its Weather Normalization Clause Rate; (2) Revise the Clean Energy Program Component of its Societal Benefits Charge Rate; and (3) Revise its On-System Margin Sharing Credit</b>	<b>: BPU Docket No. GR19070873 : : : STIPULATION REGARDING : PROVISIONAL WNC, CEP, : AND OSMC RATES</b>
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------

---

**APPEARANCES:**

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

**Brian O. Lipman, Esq.**, Litigation Manager, **Felicia Thomas-Friel**, Managing Attorney Gas, Division of Rate Counsel, **Sarah H. Steindel, Esq.**, 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)

1. On July 31, 2019, Elizabethtown Gas Company (“Elizabethtown” or “Company”) filed a petition (“July 2019 Petition”) with the New Jersey Board of Public Utilities (“Board” or “BPU”) in BPU Docket No. GR19070873 to revise its Weather Normalization Clause (“WNC”) rate, the Clean Energy Program (“CEP”) component of the Societal Benefits Charge (“SBC”) rate, and its On-System Margin Sharing Credit (“OSMC”) for the period October 1, 2019 through September 30, 2020.

2. In its July 2019 Petition, Elizabethtown stated that current rates in effect for the WNC, CEP and OSMC were approved on a provisional basis by the Board in the Company’s 2018 WNC/CEP/OSMC proceeding in BPU Docket No. GR18080852 on October 29, 2018 and made effective November 1, 2018. These rates were made final in accordance with an Order in the same docket dated February 27, 2019.

3. In the July 2019 Petition, Elizabethtown proposed to decrease its current WNC

rate from \$0.0000 per therm (or \$0.0194 per therm that was effective November 1, 2018 through May 31, 2019) inclusive of all applicable taxes to a credit rate of \$0.0050 per therm inclusive of all applicable taxes to become effective October 1, 2019. As set forth in the July 2019 Petition, the rate was designed to credit an excess balance associated with the period October 1, 2018 through May 31, 2019 ("2019 Winter Period") that was attributable to overall colder than normal weather experienced in the Company's service territory during that period, as well as a prior period deficiency balance. As stated in the July 2019 Petition, the current recoverable revenue excess balance is \$1,595,770 which, when divided by projected winter period therm volumes, produces a WNC credit rate of \$0.0050 per therm inclusive of applicable taxes.

4. In the July 2019 Petition, Elizabethtown proposed to modify its current CEP component of the SBC rate from \$0.0215 per therm inclusive of all applicable taxes to \$0.0213 per therm inclusive of all applicable taxes to become effective October 1, 2019. Elizabethtown's CEP allocated funding responsibility for Fiscal Year 2020 CEP level is \$10,637,432. As set forth in the July 2019 Petition, the Company stated the rate was designed to recover prior period costs, the net costs incurred to provide Board-approved CEP programs for the period ending June 30, 2019, and projected costs for the period ending June 30, 2020, totaling \$9,958,369.

5. In the July 2019 Petition, Elizabethtown proposed to modify its current OSMC from a credit rate of \$0.0007 per therm to a credit rate of \$0.0015 per therm inclusive of all applicable taxes to become effective October 1, 2019. The rate is set in accordance with the mechanisms approved by the Board in Docket Nos. GT8602131, GM9009049, TC94030057, GR9608574, GR97070552 et al., and Docket Nos. GX99030121, et al., under which margins from certain on-system sales and transportation services are shared between firm sales customers, certain firm transportation customers and the Company on an 80%/20% basis through

a credit, the OSMC, to the transportation rates charged to firm sales and all Service Classification RDS customers.

6. As stated in the July 2019 Petition, the overall impact of the proposed adjustments to the WNC, CEP and OSMC rates as reflected in the July 2019 Petition would decrease the monthly bill of a typical residential heating customer using 100 therms by \$0.60, from \$95.17 to \$94.57, or a decrease of 0.6%, as compared to the rates in effect as of August 1, 2019, or from \$95.35 to \$94.75 using rates expected to be in effect as of November 1, 2019.

7. Being that all the rates proposed in the July 2019 Petition reflect decreases, public hearings are not required.

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

9. The Parties hereby **STIPULATE AND AGREE** that, pending the conclusion of any further review, including at the Office of Administrative Law, if necessary, discussions among the Parties, and a final determination by the Board, and pursuant to N.J.S.A. 48:2-21.1, it would be both reasonable and in the public interest for the Board to authorize Elizabethtown to implement: (1) a provisional WNC credit rate of \$0.0050 per therm to be effective as of November 1, 2019, inclusive of all applicable taxes; (2) a provisional CEP component of the SBC rate of \$0.0213 per therm to be effective as of November 1, 2019, inclusive of all

applicable taxes; and (3) a provisional OSMC credit rate of \$0.0015 per therm to be effective as of November 1, 2019 inclusive of all applicable taxes. The total provisional WNC/CEP/OSMC rate of \$0.0148 will decrease the monthly bill of a typical residential heating customer using 100 therms by \$0.60 from \$95.35 to \$94.75, a decrease of 0.6%, as compared to the Company's rates expected to be in effect as of November 1, 2019. There will be an opportunity for full review of the WNC rate, the CEP component of the SBC, and the OSMC at the Office of Administrative Law, if necessary, and final approval by the Board.

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

11. This Stipulation represents a mutual balancing of interests and therefore is intended to be accepted and approved in its entirety. 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.

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

13. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, 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.

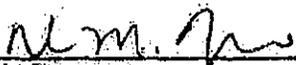
14. The Parties further acknowledge that a Board Order approving this Stipulation

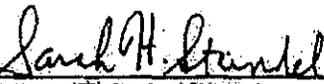
will become effective upon the service of said Board Order, or upon such date after the service thereof as the Board may specify, in accordance with N.J.S.A. 48:2-40.

**WHEREFORE**, the Parties hereto do respectfully submit this Stipulation to the Board 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.

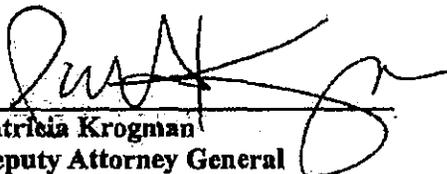
**ELIZABETHTOWN GAS COMPANY**

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

By:   
**Deborah M. Franco  
Regulatory Affairs Counsel**

By:   
**Sarah H. Steindel, 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:   
**Patricia Krogman  
Deputy Attorney General**

Dated: October 8, 2019

ELIZABETHTOWN GAS COMPANY  
B. P. U. NO. 16 – GAS

3rd REVISED SHEET NO. 111

RIDER "B"

WEATHER NORMALIZATION CLAUSE ("WNC")

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

November 1, 2019 through May 31, 2020 (\$0.0050) per therm

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

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

METHOD OF DETERMINING WEATHER NORMALIZATION CHARGE:

The weather normalization charge shall be determined as follows:

I. Definition of Terms as Used Herein

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

Date of Issue: xx1

Effective: Service Rendered  
on and after xx2, 2019

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

Filed Pursuant to Order of the Board of Public Utilities  
Dated xx3, 2019 in Docket No. GR19070873

ELIZABETHTOWN GAS COMPANY  
B. P. U. NO. 16 – GAS

3rd REVISED SHEET NO. 116

---

RIDER "C"

ON-SYSTEM MARGIN SHARING CREDIT ("OSMC")

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

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

(\$0.0015) per therm

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

Determination of the OSMC

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

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

---

Date of Issue: xx1

Effective: Service Rendered  
on and after xx2, 2019

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

Filed Pursuant to Order of the Board of Public Utilities  
Dated xx3, 2019 in Docket No. GR19070873

ELIZABETHTOWN GAS COMPANY  
B. P. U. NO. 16 – GAS

7th REVISED SHEET NO. 117

RIDER "D"

SOCIETAL BENEFITS CHARGE ("SBC")

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

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

<u>SBC Rate Components:</u>		<u>Per Therm</u>
I.	New Jersey Clean Energy Program ("CEP")	\$0.0213
II.	Remediation Adjustment Charge ("RAC")	\$0.0020
III.	<u>Universal Service Fund and Lifeline:</u>	
	1. Universal Service Fund ("USF")	\$0.0066
	2. Lifeline	<u>\$0.0055</u>
	TOTAL	\$0.0354

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

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

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

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

Date of Issue: xx1

Effective: Service Rendered  
on and after xx2, 2019

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

Filed Pursuant to Order of the Board of Public Utilities  
Dated xx3, 2019 in Docket No. GR19070873

**REDLINE**

## RIDER "B"

WEATHER NORMALIZATION CLAUSE ("WNC")

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

~~November 1, 2018~~ November 1, 2019 through May 31, 2019 ~~May 31, 2020~~  
~~\$0.0194~~ (\$0.0050) per therm

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

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

METHOD OF DETERMINING WEATHER NORMALIZATION CHARGE:

The weather normalization charge shall be determined as follows:

I. Definition of Terms as Used Herein

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

Date of Issue: ~~March 8, 2019~~ xx1

Effective: Service Rendered  
on and after ~~March 9~~ xx2, 2019

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

Filed Pursuant to Order of the Board of Public Utilities  
Dated ~~February 27~~ xx3, 2019 in Docket No. GR1808085219070873

ELIZABETHTOWN GAS COMPANY  
B. P. U. NO. 16 – GAS

2nd3rd REVISED SHEET NO. 116

RIDER "C"

ON-SYSTEM MARGIN SHARING CREDIT ("OSMC")

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

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

~~(\$0.0007)~~ (\$0.0015) per therm

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

Determination of the OSMC

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

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

Date of Issue: ~~March 8, 2019~~ xx1

Effective: Service Rendered  
on and after ~~March 9~~ xx2, 2019

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

Filed Pursuant to Order of the Board of Public Utilities  
Dated ~~February 27~~ xx3, 2019 in Docket No. GR4808085219070873

RIDER "D"

SOCIETAL BENEFITS CHARGE ("SBC")

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

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

<u>SBC Rate Components:</u>		<u>Per Therm</u>
I.	New Jersey Clean Energy Program ("CEP")	\$0.02450213
II.	Remediation Adjustment Charge ("RAC")	\$0.0020
III.	<u>Universal Service Fund and Lifeline:</u>	
	1. Universal Service Fund ("USF")	\$0.0066
	2. Lifeline	\$0.0055
	<b>TOTAL</b>	<b>\$0.03560354</b>

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

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

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

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

Date of Issue: ~~September 27, 2019~~xx1

Effective: Service Rendered  
on and after ~~October 1, 2019~~xx2, 2019

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

Filed Pursuant to Order of the Board of Public Utilities  
Dated ~~September 27, 2019~~xx3, 2019 in Docket No. ~~ER19060736~~GR19070873