



**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 NEW JERSEY )  
NATURAL GAS COMPANY FOR APPROVAL OF THE )  
COST RECOVERY ASSOCIATED WITH ENERGY )  
EFFICIENCY PROGRAMS ) ORDER APPROVING  
STIPULATION  
DOCKET NO. GR20060377

**Parties of Record:**

**Andrew Dembia, Esq.**, for New Jersey Natural Gas Company  
**Stefanie A. Brand, Esq.**, Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On May 29, 2020, New Jersey Natural Gas Company ("NJNG" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU") seeking approval to decrease its Energy Efficiency rate ("EE Rate") from \$0.0171 per therm to \$0.0170 per therm ("May 2020 Petition").<sup>1</sup> By this Decision and Order, the Board considers a stipulation of settlement ("Stipulation") executed by NJNG, the New Jersey Division of Rate Counsel ("Rate Counsel") and Board Staff ("Staff") (collectively, "Parties"), intended to resolve the Company's requests related to the May 2020 Petition.

**BACKGROUND AND PROCEDURAL HISTORY**

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

<sup>1</sup> All rates quoted herein include Sales and Use Tax.

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

The Original Programs were available to eligible customers for approximately 12 months. In the event there was still program funding available after that period, NJNG could continue to offer the approved programs through December 31, 2010. NJNG was authorized to establish the EE Rate through which it would recover or return to customers all deferred program costs, including rebate costs, customer incentive payments, customer financing costs, and associated reasonable and prudent operations and maintenance expenses. These costs were to be recovered through the Company's Rider F. The Company was required to submit an annual cost recovery filing to establish future EE Rates. The annual filing includes updates to the investment levels, operating costs, and reconciled rate recovered to actual cost results.

By Order dated September 24, 2010, the Board authorized NJNG to extend and expand the Original Programs through December 31, 2011.<sup>3</sup> In addition to authorizing modifications to the Original Programs, the September 2010 Order authorized the Company to implement an OPOWER pilot program, an incremental incentive for Combined Heat and Power projects undertaken in conjunction with the NJCEP, and the Fostering Environmental and Economic Development ("FEED") program (collectively, "SAVEGREEN Project" or "SAVEGREEN").<sup>4</sup>

By Order dated January 19, 2012, the Board authorized NJNG to continue its existing SAVEGREEN Project and implement certain proposed SAVEGREEN Project program changes through December 31, 2012, or 12 months from the date the Order approving the SAVEGREEN extension was served, whichever was later.<sup>5</sup> Through a series of Orders, the Board authorized NJNG to further extend the SAVEGREEN Project, with modifications, through December 31, 2021.<sup>6</sup>

As part of the current cost recovery mechanism, NJNG is authorized to amortize for recovery of the SAVEGREEN investments in customer rebates, incentive payments and customer financing over a two (2), three (3), five (5) and 10-year period on a straight-line basis, with the rate of return on the unamortized SAVEGREEN investments approved in the previous orders. NJNG computes the rate of return component of its costs, in addition to deducting the accumulated amortization of its investments, by deducting the applicable deferred income taxes related to the amortization of

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

<sup>4</sup> The OPOWER pilot allows customers to obtain information about their specific energy use in comparison to comparable households. The FEED program offers eligible commercial customers an opportunity for customized provisions.

<sup>5</sup> In re the Petition of New Jersey Natural Gas for Approval of Regional Greenhouse Gas Initiative Programs and Associated Cost Recovery Mechanisms Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GR11070425, Order dated January 19, 2012.

<sup>6</sup> In re the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1 and In re the Petition of New Jersey Natural Gas Company for Approval of the Cost Recovery Associated with Energy Efficiency Program, BPU Docket Nos. GO12070640 and GR12070641, Order dated June 21, 2013; In re the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO14121412, Order dated July 23, 2015; In re the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO14121412, Order dated June 29, 2016; and In re the Petition of New Jersey Natural Gas Company for Approval of Existing and New Energy Efficiency Programs and a Class I Renewable Energy Program and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO18030355, Order dated September 17, 2018.

rebates, incentives and financing costs over a two (2), three (3), five (5), and 10-year period for book purposes and over a one (1) year period for tax purposes.

By Order dated October 25, 2019, NJNG's current EE Rate of \$0.0171 was approved by the Board.<sup>7</sup> NJNG was required to submit its annual cost recovery filing by June 1, 2020 to establish future Rider F rates.

**May 2020 Petition**

In the May 2020 Petition, NJNG sought review and approval of the costs associated with the SAVEGREEN Project expenditures. According to the May 2020 Petition, based upon actual information through April 30, 2020, and estimated information for the period May 1, 2020 through September 30, 2021, NJNG anticipated being over recovered at September 30, 2020, by approximately \$0.786 million. Based upon the current and anticipated levels of activity in SAVEGREEN, NJNG estimated the revenue requirement for the period October 2020 through September 2021 to be approximately \$11.334 million.

Rate Counsel and Staff propounded discovery on NJNG, which was responded to by the Company. NJNG subsequently updated its revenue requirement information in the May 2020 Petition to include actual data through July 31, 2020, and estimated data through September 30, 2021 ("July 2020 Update"). The information in the July 2020 Update indicates an anticipated over recovery at September 30, 2020, of approximately \$1.394 million and a revenue requirement for the period October 2020 through September 2021 of approximately \$11.665 million, reflecting an EE rate of \$0.0174 per therm. Based upon the July 2020 Update, the Company modified its request to maintain the existing BPU-approved EE rate of \$0.0171 per therm for recovery of the SAVEGREEN program costs. Below is a breakdown of the revenue requirement included in the July 2020 Update:

Estimated Under/(Over) recovery at Sept 30, 2020 (\$000)	\$(1,394)
Estimated Revenue Requirements (Oct 2020 through Sept 2021):	
RGGI	\$ 4
EE Extension	129
July 2013 Programs	1,010
August 2015 Programs	2,342
SAVEGREEN 2018	<u>9,575</u>
Total Amount to be Recovered	<u><u>\$11,665</u></u>

As the Company did not request an increase in its current EE Rate, public hearings were neither required, nor held.

<sup>7</sup> In re the Petition of New Jersey Natural Gas Company for Approval of the Cost Recovery Associated with Energy Efficiency Program, BPU Docket No. GR19050676, Order dated October 25, 2019.

## **STIPULATION**

Upon review of the May 2020 Petition, the July 2020 Update and subsequent to conducting and reviewing responses to discovery, the Parties executed the Stipulation, which provides for following:<sup>8</sup>

9. The Company is authorized to recover only those costs associated with the SAVEGREEN Programs previously approved in the September 2010, January 2012, June 2013, July 2015, June 2016, October 2017, and September 2018 Orders.
10. Based upon the Company's updated revenue requirement of \$11.67 million, the Parties agree that NJNG will maintain the existing EE Rate of \$0.0171 per therm, which includes SUT (\$0.0160 excluding SUT), pursuant to the terms of Rider F of the Company's gas tariff, as set forth in Attachment A of the Stipulation. The overall bill of the residential heating customer using 100 therms per month will not change and will remain at \$113.10 on a monthly basis, based on rates in effect October 1, 2020. This rate shall be effective upon Board approval, and shall remain in effect until changed by a future Board Order.
11. The Parties agree that actual costs incurred through July 31, 2020, as shown in Attachment B of the Stipulation, have been reviewed and deemed prudent and reasonable by the Parties. Actual costs incurred by NJNG starting on August 1, 2020 are subject to review for reasonableness and prudence in future EE Rate filings.
12. The Parties agree that the Company's next annual EE Rate filing will be made on or about June 1, 2021.
13. As agreed to by the Parties and authorized in the September 2018 Order, any variance between costs and recoveries will accrue interest at a rate equal to the Company's monthly commercial paper rate. In the event that commercial paper was not utilized by the Company in the preceding month, the last calculated rate will be used. The interest rate shall not exceed the Company's rate of return as authorized by the BPU in the Company's most recent base rate case, BPU Docket No. GR19030420, or until changed by Board Order. Interest on over/under recoveries will be calculated using simple interest, based upon the average beginning and ending over/under recovery balances of the month, on a net-of-tax basis. The sum of the monthly interest to be collected from or credited to ratepayers will be included in the rate calculated for the next annual EE Rate filing.

## **DISCUSSION AND FINDING**

The Board carefully reviewed the record, including the May 2020 Petition, the July 2020 Update, as well as the Stipulation. Accordingly, the Board is satisfied and **HEREBY FINDS** that the Stipulation represents a fair and reasonable resolution of the issues, demonstrates that the costs through July 2020 have been reviewed and determined to be both reasonable and prudent, and is therefore in the public interest. The Board **HEREBY ADOPTS** the attached Stipulation as its own, incorporating by reference its terms and conditions as if fully set forth herein.

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<sup>8</sup> Although summarized in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusion in this Order. Each paragraph is numbered to coincide with the Stipulation.

Accordingly, the Board **HEREBY ORDERS** that NJNG maintain its existing EE Rate. As a result of the Board's approval of the Stipulation, a typical residential heating customer will experience no change in their current monthly bill.

The Board **HEREBY ORDERS** the Company to file the appropriate revised tariff sheets consistent with the terms of this Order no later than November 1, 2020.

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

This Board Order shall be effective on October 30, 2020.

DATED: October 28, 2020

BOARD OF PUBLIC UTILITIES  
BY:



JOSEPH L. FIORDALISO  
PRESIDENT



MARY-ANNA HOLDEN  
COMMISSIONER



DIANNE SOLOMON  
COMMISSIONER



UPENDRA J. CHIVUKULA  
COMMISSIONER



ROBERT M. GORDON  
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH  
SECRETARY

IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY FOR  
APPROVAL OF THE COST RECOVERY ASSOCIATED WITH ENERGY EFFICIENCY  
PROGRAMS

BPU DOCKET NO. GR20060377

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October 2, 2020

***VIA ELECTRONIC TRANSMISSION***

The Honorable Aida Camacho-Welch, Secretary  
New Jersey Board of Public Utilities  
44 South Clinton Avenue, 9th Floor  
P.O. Box 350  
Trenton, NJ 08625-0350

Re: In the Matter of the Petition of New Jersey Natural Gas Company For Approval  
of the Cost Recovery Associated with Energy Efficiency Programs  
BPU Docket No. GR20060377

Dear Secretary Camacho-Welch:

Enclosed please find, on behalf of New Jersey Natural Gas Company, a fully  
executed Stipulation of Settlement in the above captioned matter.

Should you have any questions, please do not hesitate to contact me.

Respectfully submitted,

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

Andrew K Dembia, Esq.  
Regulatory Affairs Counsel

AKD/sf  
Encl.  
C: Service List

**IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY  
FOR APPROVAL OF THE COST RECOVERY ASSOCIATED WITH  
ENERGY EFFICIENCY PROGRAMS  
BPU DOCKET NO. GR20060377**

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**IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY  
FOR APPROVAL OF THE COST RECOVERY ASSOCIATED WITH  
ENERGY EFFICIENCY PROGRAMS  
BPU DOCKET NO. GR20060377**

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

<b>IN THE MATTER OF THE PETITION</b>	)	<b>STIPULATION OF</b>
<b>OF NEW JERSEY NATURAL GAS</b>	)	<b>SETTLEMENT</b>
<b>COMPANY FOR APPROVAL OF THE</b>	)	
<b>COST RECOVERY ASSOCIATED WITH</b>	)	<b>BPU DOCKET NO. GR20060377</b>
<b>ENERGY EFFICIENCY PROGRAMS</b>	)	
	)	

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

**APPEARANCES:**

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

**Felicia Thomas-Friel, Esq., Deputy Rate Counsel, and Maura Caroselli, Esq.**, Assistant Deputy Rate Counsel (**Stefanie A. Brand, Esq.**, Director New Jersey Division of Rate Counsel)

**Terel Klein**, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Gurbir S. Grewal**, Attorney General of New Jersey)

1. On May 29, 2020, New Jersey Natural Gas Company (“NJNG” or “Company”) filed a petition (“Petition”) in Docket No. GR20060377 with the New Jersey Board of Public Utilities (“Board” or “BPU”) requesting that the Board decrease the Company’s existing Energy Efficiency (“EE”) rate of \$0.0171 per therm to \$0.0170 per therm [including Sales and Use Tax (“SUT”)] which was established by Board Order dated October 25, 2019 in Docket No. GR19050676. The Company submitted the Petition pursuant to the terms of earlier Board Orders.<sup>1</sup> These Orders adopted stipulations entered into among the Company, Board Staff, and the New Jersey Division of Rate Counsel (“Rate Counsel”) (collectively “Parties”).

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<sup>1</sup> In re Energy Efficiency Programs and Associated Cost Recovery Mechanisms and I/M/O the Petition of New Jersey Natural Gas Company for Approval of Energy Efficiency Programs with an Associated Cost Recovery

Through the course of the proceeding, NJNG updated the information in its Petition to include actuals through July 31 2020. Based upon the actual and anticipated levels of activity in SAVEGREEN, and the projected under recovered balance as of September 30, 2021, the Company modified its request to maintain the existing BPU-approved after-tax EE rate of \$0.0171 per therm for recovery of the SAVEGREEN program costs approved in the September 2010 Order, the January 2012 Order, the June 2013 Order, the July 2015 Order, the June 2016, Order, and the September 2018 Order. Therefore, there is no rate impact to the Company's customers.

### **BACKGROUND**

2. NJNG's participation in energy-efficiency programs, the costs of which are collected through Rider F, was originally approved by the Board in the July 2009 Order and subsequently approved to continue, with modifications, in the September 2010 Order, January 2012 Order, June 2013 Order, July 2015 Order, June 2016 Order, and the approved September 2018 Order.

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Mechanism, BPU Docket Nos. EO09010056 and GO09010057, Order dated July 17, 2009 ("July 2009 Order"); In re the Petition of New Jersey Natural Gas for Approval of Regional Greenhouse Gas Initiative Programs and Associated Cost Recovery Mechanisms Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO10030225, Order dated September 24, 2010 ("September 2010 Order"); In re the Petition of New Jersey Natural Gas for Approval of Regional Greenhouse Gas Initiative Programs and Associated Cost Recovery Mechanisms Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GR11070425, Order dated January 19, 2012 ("January 2012 Order"); In re the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1 and In re the Petition of New Jersey Natural Gas Company for Approval of the Cost Recovery Associated with Energy Efficiency Program, BPU Docket Nos. GO12070640 and GR12070641, Order dated June 21, 2013 ("June 2013 Order"); In re the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO14121412, Order dated July 23, 2015 ("July 2015 Order"); and In re the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy-Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO14121412, Order dated June 29, 2016. ("June 2016 Order"); In re the Petition of New Jersey Natural Gas Company for Approval of Existing and New Energy Efficiency Programs and a Class I Renewable Energy Program and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO18030355, Order dated September 17, 2018 ("September 2018 Order").

3. As provided in the Petition, the SAVEGREEN energy-efficiency and conservation programs are designed to complement and supplement aspects of New Jersey's Clean Energy Program ("NJCEP") in an attempt to encourage higher levels of customer participation in NJNG's service territory. NJNG maintains that the programs do not duplicate or eliminate any of the NJCEP programs; instead they work to increase customer awareness, enhance participation, and support utilization of NJCEP efforts throughout the State.

4. As set forth in the above-cited Board Orders, NJNG was authorized to establish a rate through which it could recover from customers SAVEGREEN costs including rebates, customer incentive payments, customer financing, and associated reasonable and prudent incremental operation and maintenance ("O&M") expenses ("Program Costs"). It was agreed that such Program Costs are subject to recovery pursuant to the terms of Rider F.

5. NJNG must submit an annual SAVEGREEN cost recovery filing by June 1<sup>st</sup> to establish future Rider F rates. The filing has usually been made coincident with, but separate from, NJNG's annual Basic Gas Supply Service filing, and includes updates to the SAVEGREEN investment levels, operating costs, and reconcile rate recoveries to actual cost results.

## **PROCEDURAL HISTORY**

6. NJNG received and responded to all discovery propounded in this proceeding by Board Staff and Rate Counsel.

7. The Parties reviewed the Petition and discovery responses submitted by NJNG. Based upon that review, the Parties entered into this Stipulation, resolving all issues raised in, or relating to, the Company's Petition.

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

## **STIPULATED MATTERS**

9. The Company is authorized to recover only those costs associated with the SAVEGREEN Programs previously approved in the September 2010, January 2012, June 2013, July 2015, June 2016, October 2017, and September 2018 Orders.

10. Based upon the Company's updated revenue requirement of \$11.67 million, the Parties agree that NJNG will maintain the existing EE Rate of \$0.0171 per therm, which includes SUT (\$0.0160 excluding SUT), pursuant to the terms of Rider F of the Company's gas tariff, as set forth in Attachment A. The overall bill of the residential heating customer using 100 therms per month will not change and will remain at \$113.10 on a monthly basis, based on rates in effect October 1, 2020. This rate shall be effective upon Board approval, and shall remain in effect until changed by a future Board Order.

11. The Parties agree that actual costs incurred through July 31, 2020, as shown in Attachment B, have been reviewed and deemed prudent and reasonable by the Parties. Actual costs incurred by NJNG starting on August 1, 2020 are subject to review for reasonableness and prudence in future EE Rate filings.

12. The Parties agree that the Company's next annual EE Rate filing will be made on or about June 1, 2021.

13. As agreed to by the Parties and authorized in the September 2018 Order, any variance between costs and recoveries will accrue interest at a rate equal to the Company's monthly commercial paper rate. In the event that commercial paper was not utilized by the Company in the preceding month, the last calculated rate will be used. The interest rate shall not exceed the Company's rate of return as authorized by the BPU in the Company's most recent base rate case, BPU Docket No. GR19030420, or until changed by Board Order. Interest on over/under recoveries will be calculated using simple interest, based upon the average beginning and ending over/under recovery balances of the month, on a net-of-tax basis. The sum of the monthly interest to be collected from or credited to ratepayers will be included in the rate calculated for the next annual EE Rate filing.

14. 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, 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.

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

16. 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 and, in total or by specific item, is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.

**WHEREFORE**, the Parties hereto do respectfully submit this Stipulation and request that the Board issue a Decision and Order approving it in its entirety, in accordance with the terms hereof, as soon as reasonably possible.

**NEW JERSEY NATURAL GAS COMPANY  
PETITIONER**



By:

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

**NEW JERSEY DIVISION OF RATE COUNSEL  
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By:

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By:

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Date: October 1, 2020

New Jersey Natural Gas Company  
 Net impact of Proposed Rate Changes  
 BPU Docket No. GR20060377  
 F/Y 2021

Attachment A

(\$/therm)

Component of	Current		Proposed		Change	
	Pre-tax	Post-tax	Pre-tax	Post-tax	Pre-tax	Post-tax
EE Delivery Price	0.0160	0.0171	0.0160	0.0171	0.0000	0.0000

<u>Impact on Residential Non-Heating Customers</u>				
25 therm bill				
<b>10/1/20 Rates</b>				
Customer Charge		\$10.14	\$10.14	
Delivery		\$0.6338	\$15.85	
BGSS		\$0.3320	\$8.30	
Total		\$0.9658	\$34.29	
<b>Proposed Rates</b>				
Customer Charge		\$10.14	\$10.14	
Delivery		\$0.6338	\$15.85	
BGSS		\$0.3320	\$8.30	
Total		\$0.9658	\$34.29	
<b>Increase/(Decrease)</b>			\$0.00	
<b>Increase/(Decrease) as a percent</b>			0.00%	
<u>Impact on Residential Heating Customers</u>				
100 therm bill      1,000 therm annual bill				
<b>10/1/20 Rates</b>				
Customer Charge		\$10.14	\$10.14	\$121.68
Delivery		\$0.6976	\$69.76	\$697.60
BGSS		\$0.3320	\$33.20	\$332.00
Total		\$1.0296	\$113.10	\$1,151.28
<b>Proposed Rates</b>				
Customer Charge		\$10.14	\$10.14	\$121.68
Delivery		\$0.6976	\$69.76	\$697.60
BGSS		\$0.3320	\$33.20	\$332.00
Total		\$1.0296	\$113.10	\$1,151.28
<b>Increase/(Decrease)</b>			\$0.00	\$0.00
<b>Increase/(Decrease) as a percent</b>			0.00%	0.00%
<u>Impact on Commercial GSS Customers</u>				
100 therm bill				
<b>10/1/20 Rates</b>				
Customer Charge		\$34.85	\$34.85	
Delivery		\$0.6499	\$64.99	
BGSS		\$0.3320	\$33.20	
Total		\$0.9819	\$133.04	
<b>Proposed Rates</b>				
Customer Charge		\$34.85	\$34.85	
Delivery		\$0.6499	\$64.99	
BGSS		\$0.3320	\$33.20	
Total		\$0.9819	\$133.04	
<b>Increase/(Decrease)</b>			\$0.00	
<b>Increase/(Decrease) as a percent</b>			0.00%	
<u>Impact on Commercial GSL Customers</u>				
1200 therm bill				
<b>10/1/20 Rates</b>				
Customer Charge		\$80.79	\$80.79	
Demand Charge		\$2.63	\$252.48	
Delivery		\$0.4865	\$583.80	
BGSS		\$0.2459	\$295.08	
Total		\$0.7324	\$1,212.15	
<b>Proposed Rates</b>				
Customer Charge		\$80.79	\$80.79	
Demand Charge		\$2.63	\$252.48	
Delivery		\$0.4865	\$583.80	
BGSS		\$0.2459	\$295.08	
Total		\$0.7324	\$1,212.15	
<b>Increase/(Decrease)</b>			\$0.00	
<b>Increase/(Decrease) as a percent</b>			0.00%	

**Projected Annual Revenue**

Projected annual therms      713,730 (000s)

**Projected Annual Revenue \$ million**

	Current Rates	Proposed Rates	Change
Pre-tax	\$11.42	\$11.42	\$0.00
Post-tax	\$12.20	\$12.20	\$0.00

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

(\$000)

Actual Under/(Over) recovery at July 31, 2020	\$ (2,816)
Estimated Revenue Requirements (August 2020 through Sept 2020):	
RGGI	\$ 3
EE Extension	31
July 2013 Programs	432
August 2015 Programs	526
SAVEGREEN 2018	1,048
Estimated Recovery	\$ (617)
Estimated Interest	<u>\$ (1)</u>
Estimated Under/(Over) recovery at September 30, 2020	\$ (1,394)
Estimated Revenue Requirements (Oct 2020 through Sept 2021):	
RGGI	\$ 4
EE Extension	\$ 129
July 2013 Programs	\$ 1,010
August 2015 Programs	\$ 2,342
SAVEGREEN 2018	\$ 9,575
Total Amount to be Recovered	<u><u>\$ 11,665</u></u>
<b><u>Per Therm Recovery</u></b>	
Firm Throughput (000 therms)	<b>713,730</b>
Proposed Pre-tax EE Recovery Rate \$ per Therm	\$ 0.0163
<b>Proposed After-tax EE Recovery Rate \$ per Therm</b>	<b>\$ 0.0174</b>
Current Pre-tax EE Recovery Rate \$ per Therm	\$ 0.0160
<b>Current After-tax EE Recovery Rate \$ per Therm</b>	<b>\$ 0.0171</b>
Pre-tax EE Recovery Rate \$ per Therm Increase/ (Decrease)	\$ 0.0003
<b>After-tax EE Recovery Rate \$ per Therm Increase/ (Decrease)</b>	<b>\$ 0.0003</b>