



Agenda Date: 1/31/24  
Agenda Item: 2G

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 1<sup>st</sup> Floor  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

ENERGY

IN THE MATTER OF THE PETITION OF )  
ELIZABETHTOWN GAS COMPANY TO REVISE ITS )  
ENERGY EFFICIENCY PROGRAM RIDER RATE )  
 )  
 ) DECISION AND ORDER  
 ) APPROVING STIPULATION  
 )  
 ) DOCKET NO. GR23070478

**Parties of Record:**

**Dominick DiRocco, Esq.**, for Elizabethtown Gas Company  
**Brian O. Lipman, Esq., Director**, New Jersey Division of Rate Counsel

BY THE BOARD:

On July 31, 2023, Elizabethtown Gas Company (“Elizabethtown” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) requesting authority to revise its Energy Efficiency (“EE”) Program (“EEP”) Rider rate (“Petition”). By this Decision and Order, the Board considers a stipulation of settlement (“Stipulation”) executed by Elizabethtown, the New Jersey Division of Rate Counsel (“Rate Counsel”), and Board Staff (“Staff”) (collectively, “Parties”), intended to resolve the Petition.

**BACKGROUND AND PROCEDURAL HISTORY**

By Order dated August 3, 2009, the Board authorized Elizabethtown to administer six (6) EEPs for a 17-month period ending December 31, 2010: 1) the Whole House Energy Efficiency Program; 2) the Residential Expanded Gas Heating Ventilation and Air Conditioning (“HVAC”) and Gas Hot Water Heater Incentive Program; 3) the Small Commercial Customer Energy Efficiency Program; 4) the Large Commercial Customer Energy Efficiency Program; 5) the Combined Heat and Power Program; and 6) the Gas Cooling Program (collectively, “Original EEPs”).<sup>1</sup> The total projected expenditures, including operating and maintenance expenses, was \$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 Original EEPs. Pursuant to the August 2009 Order, the Company is required to submit an annual petition to adjust its RGGI Rider Rate on a calendar basis. The annual filings included information

---

<sup>1</sup> In re the 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, Order dated August 3, 2009 (“August 2009 Order”).

regarding investment levels, operating costs, and employment. In the August 2009 Order, the initial RGGI Rate was established at \$0.0082 per therm.<sup>1</sup>

On July 1, 2010, Elizabethtown filed a petition to reconcile program costs and recoveries associated with its Original EEPs ("2010 RGGI Rider Rate Petition"). On October 4, 2010, the Company filed a petition requesting approval to extend the term of the Company's Original EEPs for an additional three (3) year period. By Order dated January 19, 2011, the Board authorized Elizabethtown to extend its Original EEPs for a one (1) year period ending on December 31, 2011.<sup>2</sup> 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 Original EEPs and finalization of a provisional RGGI Rider Rate.

On June 30, 2011, Elizabethtown filed a petition to reconcile program costs and recoveries associated with its Original EEPs ("2011 RGGI Rider Rate Petition"). The 2011 RGGI Rider Rate Petition sought to decrease the RGGI Rider Rate from \$0.0000 to a credit of \$0.0015 per therm. The 2011 RGGI Rider Rate Petition also requested approval to implement a name change from the RGGI Rider Rate to the EEP Rate.

By Order dated November 30, 2011, the Board authorized Elizabethtown to continue the Company's Original EEPs through April 29, 2012.<sup>3</sup> The November 2011 Order also approved the continuation of a RGGI Rider Rate of \$0.0000 per therm until changed by order of the Board. By Order dated April 11, 2012, the Board authorized the Company to continue certain EEPs until April 19, 2013.<sup>4</sup>

---

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

<sup>2</sup> 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, Order dated January 19, 2011 ("January 2011 Order").

<sup>3</sup> 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, Order dated November 30, 2011 ("November 2011 Order").

<sup>4</sup> 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, Order dated April 11, 2012 ("April 2012 Order").

On August 1, 2012, Elizabethtown filed a petition to reconcile program costs and recoveries associated with its EEPs through June 30, 2012 (“2012 EEP Rate Petition”). The 2012 EEP Rate Petition sought approval of an EEP rate of \$0.0046 per therm. By Order dated December 18, 2013, the Board authorized an EEP Rate of \$0.0042 per therm and renamed the RGGI Rider Rate to the EEP Rate, thus resolving the 2010 RGGI Rider Rate Petition, the 2011 RGGI Rider Rate Petition and the 2012 EEP Rate Petition.<sup>5</sup>

By Order dated August 21, 2013, the Board authorized the Company to extend the term of the Original EEPs through September 1, 2015.<sup>6</sup> By Order dated December 16, 2015, the Board authorized Elizabethtown to continue offering its Original EEPs through December 31, 2016 within the remaining budget approved in the August 2013 Order.<sup>7</sup>

By Order dated April 21, 2017, the Board authorized the Company to extend the term of the existing program and several additional proposed programs through December 31, 2018.<sup>8</sup> The April 2017 Order authorized Elizabethtown to offer the following EEPs: 1) the Residential Gas HVAC and Gas Hot Water Heater Incentive Program; 2) the Residential Home Energy Assessment Program; 3) the Residential Home Energy Report (“Opower”) Program; 4) the Residential Home Weatherization for Income Qualified Customers Program; and 5) the Commercial Steam Trap Survey and Repair Program.

By Order dated February 27, 2019, the Board authorized the Company to extend its current EEPs through February 29, 2020.<sup>9</sup> By Order dated February 19, 2020, the Board authorized the Company to extend its current EEPs through December 31, 2021, subject to implementation of a new EE Program with an earlier effective date.<sup>10</sup> By Order dated April 7, 2021, the Board

---

<sup>5</sup> 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, Order dated December 18, 2013.

<sup>6</sup> 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, Order dated August 21, 2013.

<sup>7</sup> 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 AND 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 Nos. GO12100946 and GO15050504, Order dated December 16, 2015.

<sup>8</sup> 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 Nos. GO15050504 and GR16070618, Order dated April 21, 2017 (“April 2017 Order”).

<sup>9</sup> 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, Order dated February 27, 2019.

<sup>10</sup> 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, Order dated February 19, 2020.

authorized Elizabethtown to implement a new EE Program that began on July 1, 2021.<sup>11</sup> Accordingly, Elizabethtown's previous EEP offerings terminated on June 30, 2021.

By Order dated December 21, 2022, the Board authorized the current EEP Rider Rate of \$0.0086 per therm.<sup>12</sup>

### **THE PETITION**

In the Petition, the Company sought to reconcile the costs and cost recoveries for the period commencing July 1, 2022 through June 30, 2023 ("2023 Recovery Period"), and to establish a rate sufficient to recover those costs as well as the projected EEP Rider rate revenue requirements for the period of July 1, 2023 through June 30, 2024 ("2024 Recovery Period").

Specifically, Elizabethtown sought to increase the four (4)-year amortization rate component of the EEP Rider from \$0.0003 per therm to \$0.0006 per therm to recover a balance of \$291,477 and to increase the ten-year amortization rate component of the EEP Rider from \$0.0083 to \$0.0186 per therm to recover a balance of \$8,713,340.

The sum of the proposed components would result in a total per therm EEP Rider rate of \$0.0192. The EEP Rider rate is assessed to all customers except those served under special contracts as filed and approved by the Board and those customers exempt from this charge pursuant to the Long-Term Capacity Agreement Pilot Program, P.L. 2011, c.9.

Through discovery, Elizabethtown provided updated information through November 30, 2024 ("Update"). The Update resulted in a lower 10-year amortization rate component of the EEP Rider than originally proposed in the Petition, based upon updates for actuals through November 2023 and updated forecasted program spending. As a result, the 10-year amortization rate component of the EEP Rider decreased from the proposed per therm rate of \$0.0186 to \$0.0162. The total proposed per therm EEP Rider rate was decreased from \$0.0192 to \$0.0168.

Following public notice published in newspapers of general circulation within Elizabethtown's service territory, two (2) virtual public hearings regarding the Petition were held on December 21, 2023 at 4:30 p.m. and 5:30 p.m. No members of the public virtually attended the hearings, nor submitted written comments to express their views on this finding.

---

<sup>11</sup> In re the Implementation of L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs AND In re the Petition of Elizabethtown Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to the Clean Energy Act and the Establishment of a Conservation Incentive Program, BPU Docket Nos. QO19010040 and GO20090619, Order dated April 7, 2021.

<sup>12</sup> In re the Petition of Elizabethtown Gas Company to Revise its Energy Efficiency Program Rider Rate, BPU Docket No. GR22070464, Order dated December 21, 2022.

## **STIPULATION**

Following a review of the Petition, the Parties executed the Stipulation, which provides the following:<sup>13</sup>

12. As of the effective date, the Company will implement an EEP Rider rate of \$0.0168 per therm, inclusive of all applicable taxes, and that rate shall remain in effect until changed by Order of the Board. The calculation of this rate is set forth in Appendix A, which is attached to the Stipulation.
13. The Company shall accrue interest on under- and over-recovery balances at a rate equal to the weighted average of the Company's monthly commercial paper rate or interest rate on its bank credit lines. Until such time when Elizabethtown has a commercial paper program, the Company will adjust its short-term debt rate to reflect the commercial paper rate proxy reduction of 1.64%. In the event that commercial paper or bank credit lines were not utilized by the Company in the preceding month, the last calculated rate shall be used. The interest on monthly EEP Rider rate under and over recoveries shall be determined by applying the interest rate based upon the Company's weighted interest rate for the corresponding month obtained on its commercial paper and bank credit lines, but shall not exceed the Company's after tax weighted average cost of capital utilized to set rates in its most recent base rate case.
14. The Company agrees that it will include with its EEP filings responses to the minimum filing requirements as set forth in Appendix B to the Stipulation.
15. Upon Board approval of the EEP rate reflected in the Stipulation, the Company will file with the Board a revised tariff sheet to reflect the rate components that result in the total final EEP rate agreed to in the Stipulation. A draft tariff sheet is attached to the Stipulation as Appendix C, which includes actual changes to the tariff.
16. The impact of the EEP Rider rate change from \$0.0086 per therm, inclusive of taxes, to \$0.0168 per therm, inclusive of taxes, will increase the monthly bill of a typical residential heating customer using 100 therms by \$0.82, from \$118.26 to \$119.08, or 0.7% compared to the Company's December 1, 2023 rates.
17. Upon the Board's approval of the Stipulation, all issues related to Elizabethtown's EEP recoverable costs for the period July 1, 2022 through June 30, 2023 are deemed resolved for purposes of this proceeding but remain subject to audit by the Board.

## **DISCUSSION AND FINDINGS**

The Board reviewed the Petition, the Update, and the Stipulation, and **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. The Board **HEREBY ADOPTS** the Stipulation in its entirety, and **HEREBY INCORPORATES** its terms and conditions as fully stated therein, subject to any terms and conditions set forth in this Order.

---

<sup>13</sup> Although summarized in this Order, the detailed terms of the Stipulation are controlling, subject to the findings and conclusions of this Order. Paragraphs are numbered to coincide with the Stipulation.

The Board **HEREBY APPROVES** Elizabethtown's implementation of a revised EEP rider rate of \$0.0168 per therm, effective for service rendered on or after February 15, 2024.

As a result of the approved Stipulation, the impact of the per therm EEP Rider rate change from \$0.0086 to \$0.0168 is an increase to the monthly bill of a typical residential heating customer using 100 therms of \$0.82.

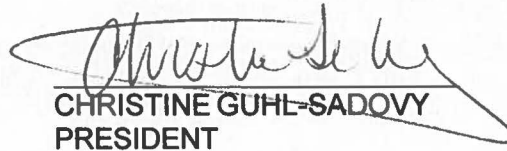
The Board **HEREBY ORDERS** the Company to file the appropriate revised tariff sheets consistent with the terms of this Order by February 15, 2024.

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 February 7, 2024.

DATED: January 31, 2024

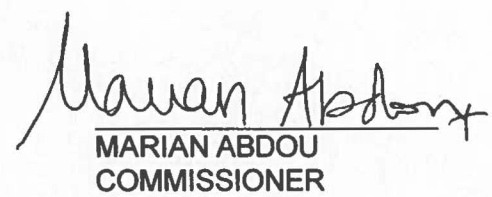
BOARD OF PUBLIC UTILITIES  
BY:



CHRISTINE GUHL-SADOVY  
PRESIDENT



DR. ZENON CHRISTODOULOU  
COMMISSIONER

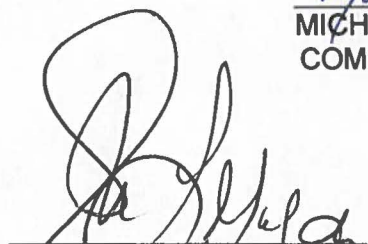


MARIAN ABDOU  
COMMISSIONER



MICHAEL BANGE  
COMMISSIONER

ATTEST:



SHERRIL L. GOLDEN  
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. GR23070478

SERVICE LIST

**ELIZABETHTOWN GAS COMPANY**

520 Green Lane  
Union, NJ 07083

Sheree Kelly, Esq., Regulatory Affairs Counsel  
[skelly@sjindustries.com](mailto:skelly@sjindustries.com)

Thomas Kaufmann  
[tkaufmann@sjindustries.com](mailto:tkaufmann@sjindustries.com)

Susan Potanovich  
[spotanovich@sjindustries.com](mailto:spotanovich@sjindustries.com)

Andrew McNally  
[amcnally@sjindustries.com](mailto:amcnally@sjindustries.com)

Jennifer Weitz  
[jweitz@sjindustries.com](mailto:jweitz@sjindustries.com)

Frank Vetri  
[fvetri@sjindustries.com](mailto:fvetri@sjindustries.com)

One South Jersey Place  
Atlantic City, NJ 08401

Carolyn A. Jacobs  
[cjacobs@sjindustries.com](mailto:cjacobs@sjindustries.com)

Gary Akmentins  
[gakmentins@sjindustries.com](mailto:gakmentins@sjindustries.com)

Cindy Capozzoli  
[ccapozzoli@sjindustries.com](mailto:ccapozzoli@sjindustries.com)

Maureen Minkel  
[mminkel@sjindustries.com](mailto:mminkel@sjindustries.com)

Dominick DiRocco, Esq.  
One South Jersey Plaza  
Folsom, NJ 08037  
[ddirocco@sjindustries.com](mailto:ddirocco@sjindustries.com)

**DIVISION OF RATE COUNSEL**

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

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

Maura Caroselli, Esq., Managing Attorney  
[mcaroselli@rpa.nj.gov](mailto:mcaroselli@rpa.nj.gov)

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

Megan Lupo, Esq.  
[mlupo@rpa.nj.gov](mailto:mlupo@rpa.nj.gov)

Carlena Morrison  
[cmorrison@rpa.nj.gov](mailto:cmorrison@rpa.nj.gov)

**BOARD OF PUBLIC UTILITIES**

44 South Clinton Avenue, 1<sup>st</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350

Sherri L. Golden, Board Secretary  
[board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov)

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

Justin Cederberg  
[justin.cederberg@bpu.nj.gov](mailto:justin.cederberg@bpu.nj.gov)

Carol Artale, Deputy General Counsel  
[carol.artale@bpu.nj.gov](mailto:carol.artale@bpu.nj.gov)

Heather Weisband, Senior Counsel  
[heather.weisband@bpu.nj.gov](mailto:heather.weisband@bpu.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

Terel Klein, DAG  
[terel.klein@law.njoag.gov](mailto:terel.klein@law.njoag.gov)

Matko Ilic, DAG  
[matko.ilic@law.njoag.gov](mailto:matko.ilic@law.njoag.gov)

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

Dominick DiRocco, Esq.  
VP/Rates & Regulatory Affairs

January 9, 2024

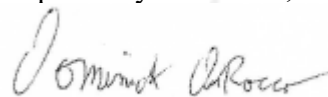
**Electronic Filing**Sherri Golden, Board Secretary  
Office of the Secretary  
NJ Board of Public Utilities  
44 South Clinton Avenue  
P.O. Box 350  
Trenton, NJ 08625-0350**Re: In the Matter of the Petition of Elizabethtown Gas Company To Revise Its Energy Efficiency Program Rider Rate  
BPU Docket No. GR23070478**

Dear Secretary Golden:

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. It is respectfully requested that the Board consider the Stipulation at its next agenda meeting.

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

Respectfully submitted,



Dominick DiRocco, Esq.

DD:slp  
Enclosures  
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. GR23070478**

**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)

Frank Vetri  
**Elizabethtown Gas Company**  
520 Green Lane  
Union, NJ 07083  
[fvetri@sjindustries.com](mailto:fvetri@sjindustries.com)

Gary Akmentins  
**Elizabethtown Gas Company**  
One South Jersey Place  
Atlantic City, NJ 08401  
[gakmentins@sjindustries.com](mailto:gakmentins@sjindustries.com)

Dominick DiRocco, Esq.  
**SJI Utilities, Inc.**  
One South Jersey Plaza  
Folsom, NJ 08037  
[ddirocco@sjindustries.com](mailto:ddirocco@sjindustries.com)

Cindy Capozzoli  
**SJI Utilities, Inc.**  
One South Jersey Place  
Atlantic City, NJ 08401  
[ccapozzoli@sjindustries.com](mailto:ccapozzoli@sjindustries.com)

Sheree Kelly  
**SJI Utilities, Inc.**  
520 Green Lane  
Union, NJ 07083  
[skelly@sjindustries.com](mailto:skelly@sjindustries.com)

Andrew McNally  
**SJI Utilities, Inc.**  
520 Green Lane  
Union, NJ 07083  
[amcnally@sjindustries.com](mailto:amcnally@sjindustries.com)

Jennifer Weitz  
**SJI Utilities, Inc.**  
520 Green Lane  
Union, NJ 07083  
[jweitz@sjindustries.com](mailto:jweitz@sjindustries.com)

Carolyn A. Jacobs  
**SJI Utilities, Inc.**  
One South Jersey Place  
Atlantic City, NJ 08401  
[cjacobs@sjindustries.com](mailto:cjacobs@sjindustries.com)

Maureen Minkel  
**SJI Utilities, Inc.**  
One South Jersey Place  
Atlantic City, NJ 08401  
[mminkel@sjindustries.com](mailto:mminkel@sjindustries.com)

Sara Bluhm  
**Board of Public Utilities**  
44 South Clinton Avenue  
P.O. Box 350  
Trenton, NJ 08625-0350  
[Sara.Bluhm@bpu.nj.gov](mailto:Sara.Bluhm@bpu.nj.gov)

Robert Brabston  
**Board of Public Utilities**  
44 South Clinton Avenue  
P.O. Box 350  
Trenton, NJ 08625-0350  
[Robert.Brabston@bpu.nj.gov](mailto:Robert.Brabston@bpu.nj.gov)

Mahogany Hall  
**Board of Public Utilities**  
44 South Clinton Avenue  
P.O. Box 350  
Trenton, NJ 08625-0350  
[Mahogany.Hall@bpu.nj.gov](mailto:Mahogany.Hall@bpu.nj.gov)

Mike Kammer  
**Board of Public Utilities**  
44 South Clinton Avenue  
P.O. Box 350  
Trenton, NJ 08625-0350  
[Mike.Kammer@bpu.nj.gov](mailto:Mike.Kammer@bpu.nj.gov)

Malike Cummings  
**Board of Public Utilities**  
44 South Clinton Avenue  
P.O. Box 350  
Trenton, NJ 08625-0350  
[Malike.Cummings@bpu.nj.gov](mailto:Malike.Cummings@bpu.nj.gov)

Stacy Peterson  
**Board of Public Utilities**  
44 South Clinton Avenue  
P.O. Box 350  
Trenton, NJ 08625-0350  
[Stacy.Peterson@bpu.nj.gov](mailto:Stacy.Peterson@bpu.nj.gov)

Earl Pierce  
**Board of Public Utilities**  
44 South Clinton Avenue  
P.O. Box 350  
Trenton, NJ 08625-0350  
[Earl.Pierce@bpu.nj.gov](mailto:Earl.Pierce@bpu.nj.gov)

Stacy Richardson  
**Board of Public Utilities**  
44 South Clinton Avenue  
P.O. Box 350  
Trenton, NJ 08625-0350  
[Stacy.Richardson@bpu.nj.gov](mailto:Stacy.Richardson@bpu.nj.gov)

Justin Cederberg  
**Board of Public Utilities**  
44 South Clinton Avenue  
P. O. Box 350  
Trenton, NJ 08625-0350  
[Justin.Cederberg@bpu.nj.gov](mailto:Justin.Cederberg@bpu.nj.gov)

Heather Weisband  
**Board of Public Utilities**  
44 South Clinton Avenue  
P. O. Box 350  
Trenton, NJ 08625-0350  
[Heather.Weisband@bpu.nj.gov](mailto:Heather.Weisband@bpu.nj.gov)

Maura Caroselli, Esq.  
**Division of Rate Counsel**  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
Trenton, NJ 08625  
[mcaroselli@rpa.nj.gov](mailto:mcaroselli@rpa.nj.gov)

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

Megan Lupo, Esq.  
**Division of Rate Counsel**  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
Trenton, NJ 08625  
[mlupo@rpa.nj.gov](mailto:mlupo@rpa.nj.gov)

**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY  
TO REVISE ITS ENERGY EFFICIENCY PROGRAM RIDER RATE  
BPU DOCKET NO. GR23070478**

**SERVICE LIST**

Carlena Morrison, Paralegal  
**Division of Rate Counsel**  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
Trenton, NJ 08625  
[cmorrison@rpa.nj.gov](mailto:cmorrison@rpa.nj.gov)

Mamie Purnell, Esq.  
**Division of Rate Counsel**  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
Trenton, NJ 08625  
[mpurnell@rpa.nj.gov](mailto:mpurnell@rpa.nj.gov)

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

Pamela Owen  
**Department of Law & Public Safety**  
Division of Law  
124 Halsey Street  
P.O. Box 45029  
Newark, NJ 07101  
[Pamela.Owen@law.njoag.gov](mailto:Pamela.Owen@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**

-----:  
**In the Matter of the Petition of** :  
**Elizabethtown Gas Company to** : **BPU Docket No. GR23070478**  
**Revise its Energy Efficiency Program** :  
**Rider Rate** : **FINAL STIPULATION**  
-----:

**APPEARANCES:**

**Dominick DiRocco, Esq.**, Vice President, Rates and Regulatory Affairs, SJI Utilities, Inc. for Petitioner, Elizabethtown Gas Company

**Maura Caroselli, Esq.**, Managing Attorney, Gas and Clean Energy, Assistant Deputy Rate Counsel, **Megan Lupo, Esq.**, and **Mamie W. Purnell, Esq.**, Assistant Deputy Rate Counsel, for the Division of Rate Counsel (**Brian O. Lipman, Esq.**, Director).

**Terel Klein**, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Matthew J. Platkin**, Attorney General of the State of New Jersey).

**TO THE HONORABLE COMMISSIONERS OF THE BOARD OF PUBLIC UTILITIES:**

**I. PROCEDURAL HISTORY**

1. On July 31, 2023, Elizabethtown Gas Company (“Elizabethtown” or “Company”), filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) requesting authority to revise its Energy Efficiency (“EE”) Program (“EEP”) Rider rate (“2023 EEP Petition”).

2. In the 2023 EEP Petition, the Company sought to reconcile the costs and cost recoveries for the period commencing July 1, 2022 through June 30, 2023 (“2023 Recovery Period”) and to establish a rate sufficient to recover those costs as well as the projected EEP Rider rate revenue requirements for the period of July 1, 2023 through June 30, 2024 (“2024 Recovery Period”).

3. The EEP Rider rate enables Elizabethtown to recover the costs associated with Elizabethtown’s EEPs approved by the Board. The Company’s EEP consisted of a range of rebates

and related offers, such as customer education and outreach initiatives, designed to encourage customers to conserve energy and to provide information on how to lower their gas bills.

4. In accordance with a Board Order dated February 19, 2020, Elizabethtown was authorized to offer its four (4)-year amortization EEP through December 31, 2021, subject to the implementation of a new Elizabethtown EEP with an earlier effective date.<sup>1</sup> On April 7, 2021, the Board issued an Order authorizing Elizabethtown to implement a new EEP with a ten-year amortization to begin on July 1, 2021. Accordingly, Elizabethtown's previous EEP was terminated on June 30, 2021.<sup>2</sup>

5. The 2023 EEP Petition sought to increase the four (4)-year amortization rate component of the EEP Rider from \$0.0003 to \$0.0006 per therm, both inclusive of taxes, to recover a balance of \$291,477 and to increase the ten-year amortization rate component of the EEP Rider from \$0.0083 to \$0.0186 per therm, both inclusive of taxes, to recover a balance of \$8,713,340, effective October 1, 2023. The sum of these components results in the total proposed EEP Rider rate increase from \$0.0086 to \$0.0192 per therm, inclusive of taxes. The proposed EEP Rider rate will be assessed to all customers except those served under special contracts as filed and approved by the Board and those customers exempt from this charge pursuant to the Long-Term Capacity Agreement Pilot Program ("LCAPP"), P.L. 2011, c.9. 12.

6. The proposed rate components of the EEP Rider rate of \$0.0192 per therm, inclusive of taxes, was calculated by taking the prior year balance plus current year activity, plus projected recoverable amounts for the 2024 Recovery Period, and dividing the total amount by the

---

<sup>1</sup> 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, Order dated February 19, 2020.

<sup>2</sup> In re the Implementation of L. 2018, C. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO19010040 and In re the Petition of Elizabethtown Gas Company for Approval of New Energy Efficiency Programs and Associated cost Recovery Pursuant to the Clean Energy Act and the Establishment of a Conservation Incentive Program, BPU Docket No. GO20090619, Order dated April 7, 2021.

projected volumes for the 2024 Recovery Period for the service classifications and customers subject to the EEP Rider.

7. As stated in the 2023 EEP Petition, the impact of the proposed change to the EEP Rider rate would increase the monthly bill of a residential customer using 100 therms by \$1.06, from \$103.77 to \$104.83, or an increase of 1.0%, as compared to the rates in effect as of July 1, 2023.

8. The 2023 EEP Petition was updated by the Company's response to discovery request RCR-A-14 ("Update"). This Update resulted in a lower 10-year amortization rate component of the EEP Rider than originally proposed in the 2023 EEP Petition, based upon updates for actuals through November 2023 and updated forecasted program spending. As a result, the 10-year amortization rate component of the EEP Rider decreased from the proposed rate of \$0.0186 per therm, inclusive of taxes, to a rate of \$0.0162 per therm, inclusive of taxes, and the total proposed EEP Rider rate decreased from \$0.0192 per therm, inclusive of taxes, to \$0.0168 per therm, inclusive of taxes. This calculation is shown in Appendix A.

9. The 2023 EEP Petition was not transmitted to the Office of Administrative Law by the Board. Following public notice published in newspapers of general circulation within Elizabethtown's service territory, two (2) virtual public hearings regarding the 2023 EEP Petition were held on December 21, 2023 at 4:30 p.m. and 5:30 p.m. No members of the public virtually attended the hearings, nor submitted written comments to express their views on this finding.

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

## **II. STIPULATED TERMS**

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

**Effective Date**

11. The Parties acknowledge that the EEP Rider rate change will become effective as of the date of a Board Order approving this Stipulation in accordance with N.J.S.A. 48:2-40, or upon such date thereafter as the Board may specify (“Effective Date”).

**Effective Rate**

12. As of the Effective Date, the Company will implement an EEP Rider rate of \$0.0168 per therm, inclusive of taxes, and that rate shall remain in effect until changed by Order of the Board. The calculation of this rate is set forth in Appendix A, which is attached hereto.

13. The Company shall accrue interest on under- and over-recovery balances at a rate equal to the weighted average of the Company’s monthly commercial paper rate or interest rate on its bank credit lines. Until such time when ETG has a commercial paper program, the Company will adjust its short-term debt rate to reflect the commercial paper rate proxy reduction of 1.64%. In the event that commercial paper or bank credit lines were not utilized by the Company in the preceding month, the last calculated rate shall be used. The interest on monthly EEP Rider rate under and over recoveries shall be determined by applying the interest rate based upon the Company’s weighted interest rate for the corresponding month obtained on its commercial paper and bank credit lines but shall not exceed the Company’s after tax weighted average cost of capital utilized to set rates in its most recent base rate case.

14. The Company agrees that it will include with its EEP filings responses to the minimum filing requirements as set forth in Appendix B to this Stipulation.

15. Upon Board approval of the EEP Rider rate reflected in this Stipulation, the Company will file with the Board a revised tariff sheet to reflect the rate components that result in

the total final EEP Rider rate agreed to in this Stipulation. A draft tariff sheet is attached hereto as Appendix C, which includes actual changes to the tariff.

**Rate Impact**

16. The impact of the EEP Rider rate change from \$0.0086 per therm, inclusive of taxes, to \$0.0168 per therm, inclusive of taxes, will increase the monthly bill of a typical residential heating customer using 100 therms by \$0.82, from \$118.26 to \$119.08, or 0.7% compared to the Company's December 1, 2023 rates.

17. Upon the Board's approval of this Stipulation, all issues related to Elizabethtown's EEP recoverable costs for the period July 1, 2022 through June 30, 2023 are deemed resolved for purposes of this proceeding but remain subject to audit by the Board.

**III. MISCELLANEOUS**

18. 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.

19. It is the intent of the Parties that the provisions herein 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.


20. 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

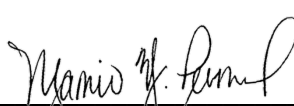
approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein. All rates remain subject to audit by the Board.

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

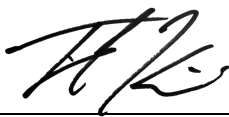
**ELIZABETHTOWN GAS COMPANY**

**BRIAN O. LIPMAN, ESQ.  
DIRECTOR, DIVISION OF  
RATE COUNSEL**

By:   
\_\_\_\_\_  
**Dominick DiRocco**  
**VP, Rates and Regulatory Affairs**

By:   
\_\_\_\_\_  
**Mamie W. Purnell, Esq.**  
**Assistant Deputy Rate Counsel**

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

By:  1/9/24  
\_\_\_\_\_  
**Terel Klein**  
**Deputy Attorney General**

**Dated: January 9, 2024**

**GR23070478 – ETG 2023 EEP**



EEP Schedule TK-1

**ELIZABETHTOWN GAS COMPANY**  
**ENERGY EFFICIENCY PROGRAM ("EEP")**  
**Annual Revenue Requirement (Program Year)**

October 2023 - Sept 2024  
**July 23- Jun 24**  
**Year 3**

**DIRECT PROGRAM INVESTMENTS**

Annual Investment	\$ 11,911,443
Cumulative Investment	<u>\$ 29,781,168</u>
Less Accumulated Amortization	\$ (3,923,203)
Less Accumulated Deferred Tax	\$ (7,268,674)
Net Investment	<u>\$ 18,589,291</u>
Rate of Return (Pre Tax)	8.78%
Required Net Operating Income	<u>\$ 1,333,634</u>
Incremental O&M Pre Tax	\$ 1,195,910
Pre Tax Amortization	\$ 2,385,337
Operating Income	<u>\$ 4,914,881</u>
Revenue Factor	1.00960
Revenue Requirement Excluding SUT	<u>\$ 4,962,081</u>

**LOAN PROGRAM INVESTMENTS**

Annual Investment	\$ 7,979,453
Less Loan Repayments	\$ (2,092,352)
Net Investment	<u>\$ 5,887,101</u>
Cumulative Investment	\$ 13,157,336
Rate of Return (Pre Tax)	8.78%
Required Net Operating Income	<u>\$ 1,136,935</u>
Incremental O&M Pre Tax	\$ 1,569,870
Operating Income	<u>\$ 2,706,805</u>
Revenue Factor	1.00960
Revenue Requirement Excluding SUT	<u><u>\$ 2,732,799</u></u>

**RATE CALCULATION**

	Proposed Rate October 1, 2023
Revenue Requirement For Direct Investments Excluding SUT	\$ 4,962,081
Revenue Requirement For Loans Programs Excluding SUT	\$ 2,732,799
Prior Year (Over)/Under Recovered Deferred Balance Including Carrying Costs	<u>\$ (301,269)</u>
Total Revenue Requirements	\$ 7,393,611
Therms	487,171,609
Rate Per Therm, Excluding SUT	<u>\$ 0.0152</u>
SUT	<u>\$ 0.0010</u>
Rate Per Therm, Including SUT	\$ 0.0162
Legacy Program Rate Per Therm, Including SUT (EEP Schedule TK-1 Legacy)	<u>\$ 0.0006</u>
Total EEP Rate Per Therm, Including SUT	<u><u>\$ 0.0168</u></u>

ELIZABETHTOWN GAS COMPANY  
ENERGY EFFICIENCY PROGRAM ("EEP") - LEGACY

Exhibit 1  
EEP Schedule  
TK-1 Legacy

CALCULATION OF THE LEGACY COMPONENT OF EEP RATE  
through September 30, 2024  
October 1, 2023 RECOVERY YEAR - 2024

1	Prior Year Balance - (Sch. TK-2)	June 30, 2022		(\$945,453)
	<u>Actual Amounts Through:</u>	June 30, 2023		
2	Current Year O&M Costs (Sch. TK-2)			\$0
3	Current Year Revenue Requirements (Sch. TK-2)			\$1,107,781
4	Current Year Recovery Credits (Sch. TK-2)			(\$467,720)
5	Current Year Carrying Costs (Sch. TK-2)			<u>(\$15,059)</u>
6	Current Year TK-2 Ending Balance (Sum L1-L5)			(\$320,451)
7	<u>Projected Recoverables :</u>	June 30, 2024		
	- Revenue Requirements (Sch. TK-3)		\$611,928	
	- O&M Costs (Sch. TK-4)		<u>\$0</u>	<u>\$611,928</u>
8	Total Proposed Recoveries (L6+L7)			\$291,477
9	<u>12 Month Projected Normalized Sales and Services:</u>		<b>Updated with actual sales Oct and Nov 2023</b>	
	- Residential and GLS		249,779,580	
	- Commercial		143,384,644	
	- Industrial		93,875,904	
	- NGV		131,481	
	- Cogeneration		0	487,171,609 therms
10	EEP Rate, before taxes (L8/L9)			\$0.0006 /therm
11	Sales & Use Tax @	6.625%		<u>\$0.0000</u>
12	Legacy Component of EEP Rate (L10+L11)			<u><u>\$0.0006</u></u> /therm

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

<b>Minimum Filing Requirements</b>	<b>Schedule</b>
1. Direct FTE employment impacts as defined in Paragraph 28 of the Stipulation, including a breakdown by sub-program	N/A
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 Legacy
3. For the review period, actual revenues, by month and by rate class recorded under the programs	TK-5 Legacy
4. Monthly beginning and ending clause balances, as well as the average balance net of tax for the 12-month period	TK-2 Legacy
5. The interest rate used each month for over/under recoveries, and all supporting documentation and calculations for the interest rate	TK-6 Legacy
6. The interest expense to be charged or credited to ratepayers each month	TK-2 Legacy, TK-6 Legacy
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	N/A
8. The monthly journal entries relating to regulatory asset and O&M expenses for the 12 month review period	N/A
9. Supporting details for all administrative costs included in the revenue requirement	N/A
10. Information supporting the carrying cost used for the unamortized costs	TK-6 Legacy
11. Number of program participants, including a breakdown by sub-program	N/A
12. Estimated demand and energy savings, including a breakdown by sub-program	N/A
13. Emissions reductions from the Program, including a breakdown by sub-program	N/A
14. Estimated free ridership and spillover	N/A
15. Participant costs (net of utility incentives), including a breakdown by sub-program	N/A
16. Results of program evaluations, including a breakdown by sub-program	N/A
17. Separate cost and recovery information for each approved program and extension.	TK-7 Legacy

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

<b>Minimum Filing Requirements</b>	<b>Schedule</b>
1. Information on direct FTE employment impacts, including a breakdown by each of the Board approved ETG EE programs. The Company will not be responsible for addressing the level of employment activity for HVAC and/or HPES contractors that are hired by customers unless those contractors are hired by ETG.	FV-3
2. A monthly revenue requirement calculation based on EE Program expenditures, including the investment and cost components showing the actual monthly revenue requirement for each of the past 12 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. The utility shall provide electronic copies of such supporting information, with all inputs and formulae intact, where applicable.	TK-1, TK-2, TK-3
3. For the review period, actual clause revenues, by month and by rate class recorded under the EE Program.	TK-5
4. Monthly beginning and ending clause deferred balances related to the EE Program, as well as the average deferred balance, net of tax, for the actual 12-month period and forecast period.	TK-4
5. The interest rate used each month for over/under deferred balance recoveries related to the EE Program, 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-4
7. A schedule showing budgeted versus actual EE 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. To the extent that the Board directs New Jersey's Clean Energy Program to report additional categories, the utility shall provide additional categories, as applicable.	FV-1
8. A schedule showing budgeted versus actual EE Program revenues.	TK-5
9. The monthly journal entries utilized (including the accounts and account numbers) relating to regulatory asset and deferred O&M expenses related to the EE Program for the actual 12-month review period.	TK-7
10. Supporting details for all administrative costs related to the EE Program included in the revenue requirement.	FV-1
11. Information supporting the carrying cost used for the unamortized costs of the EE program.	TK-4
12. Number of program participants for each of the Board approved ETG EE programs, including a breakdown by sub-program, if applicable.	FV-2
13. Estimated demand and energy savings for each of the Board approved ETG EE programs, including a breakdown by sub-program, if applicable.	FV-4
14. Estimated emissions reductions for each of the Board approved ETG EE programs, including a breakdown by sub-program, if applicable.	FV-4

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

<b>Minimum Filing Requirements</b>	<b>Schedule</b>
15. Testimony supporting the annual true-up petition.	Exhibits P-1, P2, P-3
16. If the Company is filing for an increase in rates, the Company shall include a draft public notice with the annual true-up petition and proposed publication dates.	Exhibit B
17. For programs that provide incentives for conversion of energy utilization to natural gas from other energy sources (e.g., converting from electric to gas furnaces), the Company shall identify: i. the number of such projects; ii. an estimate of the increase in annual gas demand and energy associated with these projects; and iii. the avoided use of electricity and/or other fuels.	FV-5
18. In areas where gas and electric service territories overlap, the Company shall provide: i. The number of projects in progress and completed. a. For each project, identify which utility is the lead utility providing the program services and the partner utility with whom the services were coordinated.	FV-6
19. Tariff pages in clean and redline versions.	Tariff Schedule TK-1
20. Net impact of the proposed rate changes.	Case Summary

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 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:

Docket No. <del>GR22070464</del> _____, per a four-year amortization	\$ <del>0.00030.0006</del> per therm
Docket No. <del>GR22070464</del> _____, per a ten-year amortization	\$ <del>0.00830.0162</del> per therm
TOTAL	\$ <del>0.00860.0168</del> 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(c). 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. EO09010056 and GO09010060. They were subsequently extended pursuant to Board orders issued in GO10070446, GO11070399, GO12100946, GO15050504, GR16070618 and GO18070682. The Company's current energy efficiency programs are effective through June 30, 2024. On May 23, 2018, the Clean Energy Act of 2018 ("CEA" or the "Act") was signed into law. The BPU directed utilities to file changes pursuant to Board orders issued in Docket Nos. QO1901040, QO19060748 and QO17091004 Dated June 10, 2020, ("the 2020 Orders"). The EEP enables the Company to recover all costs associated with energy efficiency programs approved by the Board.

Date of Issue: ~~December 28, 2022~~xxx1

Effective: Service Rendered on and after ~~January 1, 2023~~xxx2

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

Filed Pursuant to Order of the Board of Public Utilities  
Dated ~~December 21, 2022~~xxx3 in Docket No. ~~GR22070464~~xxx4

**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 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:

Docket No. GR _____, per a four-year amortization	\$0.0006 per therm
Docket No. GR _____, per a ten-year amortization	\$0.0162 per therm
TOTAL	\$0.0168 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(c)*. 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. EO09010056 and GO09010060. They were subsequently extended pursuant to Board orders issued in GO10070446, GO11070399, GO12100946, GO15050504, GR16070618 and GO18070682. The Company's current energy efficiency programs are effective through June 30, 2024. On May 23, 2018, the Clean Energy Act of 2018 ("CEA" or the "Act") was signed into law. The BPU directed utilities to file changes pursuant to Board orders issued in Docket Nos. QO1901040, QO19060748 and QO17091004 Dated June 10, 2020, ("the 2020 Orders"). The EEP enables the Company to recover all costs associated with energy efficiency programs approved by the Board.

---

Date of Issue: xxx1

Effective: Service Rendered  
on and after xxx2

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

Filed Pursuant to Order of the Board of Public Utilities  
Dated xxx3 in Docket No. xxx4