



Agenda Date: 9/25/24

Agenda Item: 2C

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF NEW JERSEY)	DECISION AND ORDER
NATURAL GAS COMPANY FOR APPROVAL OF A)	APPROVING STIPULATION
BASE RATE ADJUSTMENT PURSUANT TO THE)	
INFRASTRUCTURE INVESTMENT PROGRAM)	DOCKET NO. GR24040207

Parties of Record:

Andrew K. Dembia, Esq., Regulatory Affairs Counsel, New Jersey Natural Gas Company
Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On March 28, 2024, New Jersey Natural Gas Company ("NJNG" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking to adjust the Rider "D": Infrastructure Investment Program ("IIP") tariff component of its base rates to recover the revenue requirement associated with IIP investments as of June 30, 2024 ("Petition"). By this Decision and Order, the Board considers a stipulation of settlement ("Stipulation") executed by Board Staff ("Staff"), the New Jersey Division of Rate Counsel ("Rate Counsel"), and NJNG (collectively, "Parties") intended to resolve the all requests contained within the Petition.

BACKGROUND AND PROCEDURAL HISTORY

On October 28, 2020, the Board authorized NJNG to implement its IIP with the intent to improve the reliability and resiliency of the Company's gas transmission and distribution system through further investment.¹ The October 2020 Order established an IIP investment level of \$150 million to be recovered through the Company's IIP tariff component and authorized the Company to expend at least \$15.1 million, or an average of \$3.0 million per year over the five (5)-year term of the IIP, on similar projects and to maintain annual baseline capital spending levels of \$70 million for the duration of the IIP, which is based upon the Company's historical five (5)-year average of baseline capital spending from 2014 to 2018.

¹ In re the Petition of New Jersey Natural Gas Company for Approval to Implement an Infrastructure Investment Program ("IIP") and Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:3-2A, BPU Docket No. GR19020278, Order dated October 28, 2020 ("October 2020 Order").

The approved IIP projects included in the October 2020 Order are as follows:

1. Reliability and Resiliency Projects (15):	\$58,250,000
2. Replacement and Reinforcement Projects (4):	\$10,750,000
3. Regulator Station Reconstruction Project (1):	\$5,000,000
4. Trunk Line Replacement Projects (2):	\$37,000,000
5. Excess Flow Valves (8,000):	\$20,000,000
6. Regulator Protectors (47,500):	\$19,000,000
Total Investment Amount:	<u>\$150,000,000</u>

Petition

By the Petition, the Company seeks approval to recover the costs of certain IIP-related capital investment costs incurred through June 30, 2024. Specifically, the Company seeks the authority to establish rates to recover an annualized increase in revenue requirement of approximately \$5.65 million associated with the IIP's investment costs. The Company further requested that the Board approve its requested rates, as outlined in the Petition, to be implemented for services rendered on and after October 1, 2024. The Company noted that it based its requested annualized revenue requirement increase, and requisite proposed base rate increase, upon actual expenditures through February 29, 2024, and projected expenditures through June 30, 2024.

On July 26, 2024, the Company provided updated schedules with actual data through June 30, 2024 ("July 2024 Update"). By the July 2024 Update, the Company also updated its requested revenue requirement from approximately \$5.65 million to \$5.35 million.

Following proper notice, two (2) virtual public hearings were held on September 17, 2024 at 4:30 p.m. and 5:30 p.m. No members of the public attended the public hearings. Additionally, no comments were received by the Board.

STIPULATION

Following a review of the March 2024 Petition, the July 2024 Update and discovery responses, the Parties executed the Stipulation which provides for the following:²

9. The Company shall implement the base rates associated with a revenue requirement of \$4.67 million as shown in Attachment A to the Stipulation, and the associated rate design as detailed in Attachment B to the Stipulation. Upon Board approval, the Company shall implement the rates specified in Attachment B to the Stipulation and the rates shall be set forth in Rider D – Infrastructure Investment Program – IIP, of the Company's tariff, BPU No. 11 – Gas, with the IIP Base Rate Charge as a component of the total Delivery Charge on a customer's bill.
10. The impact of the increased rates, including sales and use tax at the current rate, on the typical residential heating customer using 100 therms per month is \$0.71 or approximately 0.5% on a monthly bill. Calculations showing the rate impacts are summarized in Attachment C to the Stipulation.

² Although summarized in this Order, should there be any contradiction between the terms of this summary and the terms of the Stipulation, the terms of the Stipulation control, subject to the findings and conclusions of this Order. Paragraphs are numbered to coincide with the Stipulation.

11. The Parties agree that, pursuant to the terms of the October 2020 Order, NJNG may implement these rates effective October 1, 2024, or upon a date determined by the Board. The rate adjustments proposed in the Stipulation shall be provisional and subject to refund as set forth in the October 2020 Order. Nothing in the Stipulation will preclude any party from raising any objection in the next base rate case relating to the prudence of the IIP projects and the related expenditures.
12. The Company will submit final tariff sheets as determined by the Board before the effective date of rates set forth in the Board's Order in this docket conforming to the agreed-upon rates and terms set forth in the above paragraphs.

DISCUSSION AND FINDINGS

The Board carefully reviewed the record in this proceeding, including the Petition, the July 2024 Update, and the Stipulation. The Board **HEREBY FINDS** the Stipulation to be reasonable, in the public interest and in accordance with the law. Therefore, the Board **HEREBY ADOPTS** the Stipulation in its entirety, and **HEREBY INCORPORATES** its terms and conditions as if fully set forth herein.

The Board **HEREBY APPROVES** the adjustment to the Company's Rider "D" IIP tariff rate reflected in the Stipulation, on a provisional basis, subject to refund with interest and review for prudence in a future NJNG base rate case. As a result of the Stipulation, an average residential customer using approximately 100 therms per month will experience an increase in their monthly bill of \$0.71 or approximately 0.5%.

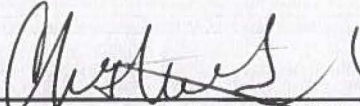
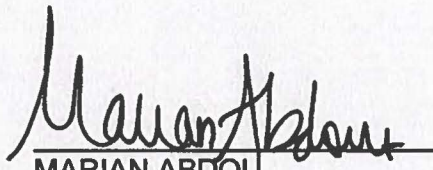
The Board **HEREBY ORDERS** the Company to file the appropriate revised tariff sheets consistent with the terms of this Order by October 1, 2024.

The Company's costs, including those related to the IIP, 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 September 30, 2024.

DATED: September 25, 2024

BOARD OF PUBLIC UTILITIES
BY:


CHRISTINE GUHL-SADOVY
PRESIDENT
DR. ZENON CHRISTODOULOU
COMMISSIONER
MARIAN ABDOU
COMMISSIONER
MICHAEL BANGE
COMMISSIONER

ATTEST:


SHERRILL 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 NEW JERSEY NATURAL GAS COMPANY FOR APPROVAL OF A BASE
RATE ADJUSTMENT PURSUANT TO THE INFRASTRUCTURE INVESTMENT PROGRAM

DOCKET NO. GR24040207

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September 18, 2024

VIA ELECTRONIC DELIVERY

Honorable Sherri L. Golden, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 1st 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 a
Base Rate Adjustment Pursuant to the Infrastructure Investment Program.
BPU Docket No. GR24040207

Dear Secretary Golden:

Enclosed for filing, please find the electronic files containing the Stipulation of Settlement ("Stipulation") on behalf of New Jersey Natural Gas Company for Approval of a Base Rate Adjustment Pursuant to the Infrastructure Investment Program.

Copies of the Stipulation are also being served upon the New Jersey Division of Rate Counsel and the Division of Law.

In accordance with the Order issued by the Board in connection with I/M/O the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being electronically filed. No paper copies will follow.

Respectfully submitted,

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

Andrew K Dembia, Esq.
Regulatory Affairs Counsel

C: Service List

In The Matter Of The Petition Of New Jersey Natural Gas Company
for Approval of a Base Rate Adjustment Pursuant
to the Infrastructure Investment Program.
BPU Docket No. GR24040207

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In The Matter Of The Petition Of New Jersey Natural Gas Company
for Approval of a Base Rate Adjustment Pursuant
to the Infrastructure Investment Program.
BPU Docket No. GR24040207

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

IN THE MATTER OF THE PETITION OF
NEW JERSEY NATURAL GAS COMPANY
FOR APPROVAL OF A BASE RATE
ADJUSTMENT PURSUANT TO THE
INFRASTRUCTURE INVESTMENT
PROGRAM

STIPULATION OF SETTLEMENT
BPU DOCKET NO. GR24040207

APPEARANCES:

Andrew K. Dembia, Esq., Regulatory Affairs Counsel for the Petitioner, New Jersey Natural Gas Company

Maura Caroselli, Esq., Managing Attorney – Gas, **Mamie W. Purnell, Esq.**, Assistant Deputy Rate Counsel and **Megan C. Lupo, Esq.**, Assistant Deputy Rate Counsel, and **Andrew H. Gold, Esq.**, Assistant Deputy Rate Counsel for the New Jersey Division of Rate Counsel (**Brian O. Lipman, Esq.**, Director)

Steven Chaplar, Esq., Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Matthew J. Platkin, Esq.**, Attorney General of New Jersey)

TO: THE NEW JERSEY BOARD OF PUBLIC UTILITIES

On March 28, 2024, New Jersey Natural Gas Company (“NJNG” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking BPU approval to recover the revenue requirements associated with certain gas investment costs of the Infrastructure Investment Program (“IIP”) incurred through June 30, 2024 (“March 2024 Petition”).

BACKGROUND

1. On February 28, 2019, NJNG filed a petition with the Board requesting approval of its IIP (“February 2019 Petition”). The February 2019 Petition included a mechanism for the recovery of capital infrastructure costs invested through its IIP and was filed pursuant to the Board’s rules for utility “Infrastructure Investment and Recovery” to encourage utilities to implement IIPs. These rules are codified at N.J.A.C. 14:3-2A.1 et seq. and became effective

on January 16, 2018.

2. By Order dated October 28, 2020, the Board approved a Stipulation of Settlement (“IIP Stipulation”) setting forth the IIP investment level of \$150 million to be recovered through the stipulated cost recovery mechanism described below.¹ The Company agreed to expend at least \$15.1 million, or an average of \$3.0 million per year, over the five (5)-year term of the IIP, on similar projects and to maintain annual baseline capital spending levels of \$70 million for the duration of the IIP, which is based on the Company’s historical five (5)-year average of baseline capital spending from 2014 to 2018.
3. Pursuant to the October 2020 Order, the estimated IIP investment levels for specific projects, excluding Allowance for Funds Used During Construction (“AFUDC”), are as follows:

<u>PROJECTS</u>	<u>(000’s)</u>
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<u>RELIABILITY AND RESILIENCY PROJECTS (15):</u>	
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Denville-Randolph Reinforcement	\$5,000
Southern Randolph Reinforcement	\$2,500
Flanders Route 206 Reinforcement Loop	\$4,000
Lincoln Park Reinforcement Loop	\$1,000
Mt. Arlington - Jefferson Reinforcement Loop	\$4,000
Netcong-Stanhope Reinforcement Loop	\$18,000
Northern Boonton Reinforcement Loop	\$1,250
Taylortown Reinforcement Loop	\$2,500
Western Randolph Reinforcement Loop	\$6,000
Western Freehold Reinforcement Loop	\$2,500
Bayville-Forked River Reinforcement Loop	\$2,500
Beachwood Reinforcement Loop	\$1,000
Hope Chapel Reinforcement Loop	\$2,500
Southern Jackson Ridgeway Reinforcement Loop	\$1,500
Western Jackson Bowman Reinforcement Loop	\$4,000

<u>REPLACEMENT AND REINFORCEMENT PROJECTS (4):</u>	
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Brielle Pump Line Reinforcement	\$3,000
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¹ In re New Jersey Natural Gas Company – Approval to Implement an Infrastructure Investment Program (“IIP”) and Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:3-2A, BPU Docket No. GR19020278, Order dated October 28, 2020 (“October 2020 Order”).

Toms River East Reinforcement	\$4,000
Joe Parker Reinforcement	\$1,750
Dover Chester Reinforcement	\$2,000

REGULATOR STATION RECONSTRUCTION PROJECT (1):

Cedar Bridge Regulator Station	\$5,000
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TRUNK LINE REPLACEMENT PROJECTS (2):

Denville Trunk Line Replacement	\$25,000
Roxbury Route 46 Trunk Extension	\$12,000

EXCESS FLOW VALVES (8,000):

Excess Flow Valves	\$20,000
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REGULATOR PROTECTORS (47,500):

Vents	\$19,000
	<u>\$150,000</u>

4. As authorized in the October 2020 Order, the Company will allocate the total revenue requirement to each firm customer class based upon the level of distribution revenues from the rate design approved in the Company's most recent base rate case. A volumetric distribution charge will be determined for each class utilizing the billing determinants used to set rates in the Company's most recent base rate case. The Margin Revenue Factor in NJNG's current Conservation Incentive Program tariff will be revised to reflect the IIP annual rate adjustments authorized by this Stipulation of Settlement ("Stipulation"). To the extent a different rate design methodology is adopted in the future for establishing base rates, then that rate design shall be utilized for the IIP Cost Recovery Mechanism in IIP filings subsequent to the adoption of such methodology.

5. By the March 2024 Petition, NJNG sought the authority to establish rates to recover an annualized increase in revenue requirement of \$5.65 million. The proposed revenue requirement increase is associated with the IIPs' investment costs. The Company provided Schedule NJNG-IIP-1, attached to the March 2024 Petition, in support of its

requested annualized increase in revenue requirement. The Company based Schedule NJNG-IIP-1 upon actual expenditures through February 29, 2024, and projected expenditures through June 30, 2024, and was the basis for the proposed increase in base rates.

6. On July 26, 2024, the Company provided updated schedules with actual data through June 30, 2024 (“July 2024 Update”). The updated annual increase in revenue requirement reflected in the July 2024 Update is lower than the increase in annual revenue requirement initially proposed in this matter. The July 2024 Update rates were designed to recover a revenue requirement increase of \$5.35 million.
7. Notice of the March 2024 Petition (“Notice”), including the initially filed revenue requirement increase of \$5.65 million and the date, time, and place of public hearings, was placed in newspapers having a circulation within the Company’s service territory, and served upon the Clerks of the municipalities, the Clerks of the Board of County Commissioners, and the County Executives within the Company’s service territory. In accordance with the Notice, two virtual public hearings were held on September 17, 2024. No members of the public provided comments on these matters at the hearings, and the Board received no written comments in this matter.
8. Upon review of the March 2024 Petition, the July 2024 Update, and responses to discovery, Board Staff (“Staff”), the New Jersey Division of Rate Counsel (“Rate Counsel”), and NJNG (collectively, “Parties”), the only parties to this proceeding, stipulate and agree as follows:

STIPULATED ISSUES

9. The Company shall implement the base rates associated with a revenue requirement of \$4.67 million as shown in Attachment A to this Stipulation, and the associated rate design

as detailed in Attachment B to this Stipulation. Upon Board approval, the Company shall implement the rates specified in Attachment B to this Stipulation and the rates shall be set forth in Rider D – Infrastructure Investment Program – IIP, of the Company’s tariff, BPU No. 11 – Gas, with the IIP Base Rate Charge as a component of the total Delivery Charge on a customer’s bill.

10. The impact of the increased rates, including sales and use tax at the current rate, on the typical residential heating customer using 100 therms per month is \$0.71 or approximately 0.5% on a monthly bill. Calculations showing the rate impacts are summarized in Attachment C.
11. The Parties agree that, pursuant to the terms of the October 2020 Order, NJNG may implement these rates effective October 1, 2024, or upon a date determined by the Board. The rate adjustments proposed herein shall be provisional and subject to refund as set forth in the October 2020 Order. Nothing herein will preclude any party from raising any objection in the next base rate case relating to the prudence of the IIP projects and the related expenditures.
12. The Company will submit final tariff sheets as determined by the Board before the effective date of rates set forth in the Board’s Order in this docket conforming to the agreed-upon rates and terms set forth in the above paragraphs.
13. 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 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, if 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.

14. The Parties agree that they consider the Stipulation to be binding on them for all purposes herein.
15. 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, in total or by specific item. The Parties further agree that this Stipulation is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.
16. 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 respectfully request that the Board issue a Decision and Order approving this Stipulation in its entirety, in accordance with the terms hereof, as soon as reasonably possible in order to implement these rates as of the later of October 1, 2024, or the effective date of the Board Order approving this Stipulation.

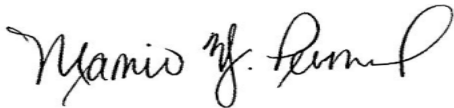
**NEW JERSEY NATURAL GAS COMPANY
PETITIONER**



By:

ANDREW K. DEMBIA, ESQ.
New Jersey Natural Gas

**BRIAN O. LIPMAN, DIRECTOR
NEW JERSEY DIVISION OF RATE COUNSEL**



By:

MAMIE W. PURNELL, ESQ.
ASSISTANT DEPUTY RATE COUNSEL

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



By:

STEVEN CHAPLAR
DEPUTY ATTORNEY GENERAL

Date: September 18, 2024

IIP ENGINEERING PROGRAM**Roll-in Calculation**

Investment End Date

6/30/2024**RATE BASE CALCULATION**

	Total
Gross Plant	\$41,494,578
Accumulated Depreciation	(\$266,213)
Net Plant	\$41,228,365
Accumulated Deferred Taxes	(\$53,200)
Rate Base	\$41,175,165
Rate of Return - Net of Tax (SCHEDULE NJNG-IIP-2)	6.37%
 Return Requirement	 \$2,624,710
Depreciation Exp, net	\$775,969
O&M Credit	(\$71,890)
	<u>\$3,328,789</u>
Revenue Factor (SCHEDULE NJNG-IIP-3)	1.4029
 Total Revenue Requirement	 <u>\$4,669,973</u>

SUPPORT**Gross Plant**

Plant in-service	\$39,652,381
AFUDC - Debt	\$685,149
AFUDC - Equity	\$1,157,048
Total Gross Plant	<u>\$41,494,578</u>

Accumulated Depreciation

Accumulated Depreciation	(\$266,213)
Net Accumulated Depreciation	<u>(\$266,213)</u>

Depreciation Expense (Net of Tax)

Depreciable Plant (xAFUDC-E)	\$40,337,530
AFUDC-E	\$1,157,048
Depreciation Rate	<u>By Asset Class</u>
Depreciation Expense	\$1,092,596
Depreciation Expense Retirements	\$13,212
Tax @ 28.11%	303,415
Depreciation Expense (Net of Tax)	<u>\$775,969</u>

New Jersey Natural Gas Company
Base Rates and Revenues at Present and Proposed Rates

Component (a)	Amount ¹ (b)	Units (c)	Present Rates		Proposed Rates	
			Rate (d)	Revenue (e)	Rate (f)	Revenue (g)
			RS		RS	
Residential Service						
Customer Charge	6,250,626	Bills	\$ 10.32	\$ 64,506,460	\$ 10.32	\$ 64,506,460
Volumetric Charge	506,946,688	Therms	0.5791	293,572,827	0.5858	296,969,370
Total Base Revenues			\$ 358,079,287		\$ 361,475,829	
			GSS		GSS	
General Service Small (less than 5,000 Annual Therms)						
Customer Charge	380,683	Bills	\$ 39.39	\$ 14,995,098	\$ 39.39	\$ 14,995,098
Volumetric Charge	39,584,913	Therms	0.5059	20,026,008	0.5143	20,358,521
Volumetric Charge - A/C	56,128	Therms	0.1096	6,152	0.1106	6,208
Total Base Revenues			\$ 35,027,257		\$ 35,359,827	
			GSL		GSL	
General Service Large (5,000 + Annual Therms)						
Customer Charge	94,586	Bills	\$ 97.54	\$ 9,225,898	\$ 97.54	\$ 9,225,898
Demand Charge	10,678,878	Therms	3.2000	34,172,408	3.2000	34,172,408
Volumetric Charge	135,797,036	Therms	0.3216	43,672,327	0.3277	44,500,689
Volumetric Charge - A/C	133,220	Therms	0.1096	14,601	0.1106	14,734
Total Base Revenues			\$ 87,085,234		\$ 87,913,729	
			FT		FT	
Firm Transportation Service						
Customer Charge	1,517	Bills	\$ 328.25	\$ 497,922	\$ 328.25	\$ 497,922
Demand Charge	2,435,047	Therms	2.3447	5,709,454	2.3447	5,709,454
Volumetric Charge	24,653,234	Therms	0.0818	2,016,635	0.0850	2,095,525
Total Base Revenues			\$ 8,224,011		\$ 8,302,901	

¹ Billing determinants are from Attachment D, Pages 3-5, of the stipulation approved in the Board's November 17, 2021 Order in BPU Docket No. GR21030679.

New Jersey Natural Gas Company
Base Rates and Revenues at Present and Proposed Rates

<u>Component</u>	<u>Amount¹</u>	<u>Units</u>	<u>Present Rates</u>		<u>Proposed Rates</u>	
			<u>Rate</u>	<u>Revenue</u>	<u>Rate</u>	<u>Revenue</u>
(a)	(b)	(c)	(d)	(e)	(f)	(g)
			<u>DGC</u>		<u>DGC</u>	
<u>Distributed Generation - Commercial</u>						
Customer Charge	269	Bills	\$ 97.54	\$ 26,195	\$ 97.54	\$ 26,195
Demand Charge	379,385	Therms	2.2040	836,165	2.2040	836,165
Volumetric Charge - Winter	3,317,249	Therms	0.0726	240,832	0.0744	246,803
Volumetric Charge - Summer	3,455,288	Therms	0.0420	145,122	0.0438	151,342
Total Base Revenues				\$ 1,248,315		\$ 1,260,506

			NGV / CNG		NGV / CNG	
<u>Natural Gas Vehicle / Compressed Natural Gas Service</u>						
Customer Charge	60	Bills	\$	97.54	\$	97.54
Volumetric Charge	1,498,101	Therms		0.2734		0.2771
CNG Charge	824,569	Therms		0.2000		0.2000
Total Base Revenues				\$ 580,347		\$ 585,890

TOTAL SYSTEM BASE DISTRIBUTION REVENUES	\$ 490,244,451	\$ 494,898,682
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Increase	4,654,231
TARGET Increase	4,669,973
Difference	(\$15,742)

¹ Billing determinants are from Attachment D, Pages 3-5, of the stipulation approved in the Board's November 17, 2021 Order in BPU Docket No. GR21030679.

New Jersey Natural Gas Company
Net impact of proposed Rate Changes

<u>Impact on Residential Non-Heating Customers</u>				
			25 therm bill	
9/1/2024				
Customer Charge		\$11.00	\$11.00	
Delivery		\$0.9081	\$22.70	
BGSS		\$0.4290	\$10.73	
	Total	\$1.3371	\$44.43	
Proposed Rates				
Customer Charge		\$11.00	\$11.00	
Delivery		\$0.9152	\$22.88	
BGSS		\$0.4290	\$10.73	
	Total	\$1.3442	\$44.61	
Increase			\$0.18	
Increase as a percent			0.4%	
<u>Impact on Residential Heating Customers</u>				
			100 therm bill	1000 therm annual bill
9/1/2024				
Customer Charge		\$11.00	\$11.00	\$132.00
Delivery		\$0.9614	\$96.14	\$961.40
BGSS		\$0.4290	\$42.90	\$429.00
	Total	\$1.3904	\$150.04	\$1,522.40
Proposed Rates				
Customer Charge		\$11.00	\$11.00	\$132.00
Delivery		\$0.9685	\$96.85	\$968.50
BGSS		\$0.4290	\$42.90	\$429.00
	Total	\$1.3975	\$150.75	\$1,529.50
Increase			\$0.71	\$7.10
Increase as a percent			0.5%	0.5%
<u>Impact on Commercial GSS Customers</u>				
			100 therm bill	
9/1/2024				
Customer Charge		\$42.00	\$42.00	
Delivery		\$0.8523	\$85.23	
BGSS		\$0.4290	\$42.90	
	Total	\$1.2813	\$170.13	
Proposed Rates				
Customer Charge		\$42.00	\$42.00	
Delivery		\$0.8613	\$86.13	
BGSS		\$0.4290	\$42.90	
	Total	\$1.2903	\$171.03	
Increase			\$0.90	
Increase as a percent			0.5%	
<u>Impact on Commercial GSL Customers</u>				
			1200 therm bill	
9/1/2024				
Customer Charge		\$104.00	\$104.00	
Demand Charge		\$3.41	\$327.36	
Delivery		\$0.6306	\$756.72	
BGSS (July 2024)		\$0.3827	\$459.24	
	Total	\$1.0133	\$1,647.32	
Proposed Rates				
Customer Charge		\$104.00	\$104.00	
Demand Charge		\$3.41	\$327.36	
Delivery		\$0.6371	\$764.52	
BGSS (July 2024)		\$0.3827	\$459.24	
	Total	\$1.0198	\$1,655.12	
Increase			\$7.80	
Increase as a percent			0.5%	