



Agenda Date: 4/22/26
Agenda Item: 2D

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

REVENUE AND RATES

IN THE MATTER OF THE PETITION OF)
ELIZABETHTOWN GAS COMPANY TO REVISE ITS) ORDER APPROVING
ENERGY EFFICIENCY PROGRAM RIDER RATE) STIPULATION
)
) DOCKET NO. GR25070459

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, 2025, Elizabethtown Gas Company (“ETG” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking approval to modify its Energy Efficiency (“EE”) Program (“EEP”) Rider rate (“Petition”). By this Decision and Order, the Board considers a stipulation of settlement (“Stipulation”) executed by ETG, the New Jersey Division of Rate Counsel (“Rate Counsel”), and Board Staff (“Staff”) (collectively, “Parties”), intended to resolve the Company’s requests contained in the Petition.

BACKGROUND AND PROCEDURAL HISTORY

By Order dated August 3, 2009, the Board authorized ETG to: 1) administer six (6) EEPs for a seventeen (17)-month period ending December 31, 2010 (collectively, “Original EEPs”), and 2) implement a Regional Greenhouse Gas Initiative (“RGGI”) Rider Rate to recover the costs associated with the Original EEPs.¹ Pursuant to the August 2009 Order, the Company must submit an annual petition seeking to adjust its RGGI Rider Rate on a calendar year basis including information regarding investment levels, operating costs, and employment.

Through a series of orders issued from 2009 through 2019, the Board approved various extensions of, and modifications to, the Original EEPs and the RGGI Rider Rate, including changing the name of the RGGI Rider Rate to the “EEP Rate” and extending the Original EEPs through February 29, 2020.

¹ In re Energy Efficiency Programs and Associated Cost Recovery Mechanisms and In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Approval of Energy Efficiency Programs and a Regional Greenhouse Gas Initiative Cost Recovery Rider, BPU Docket Nos. EO09010056 and GO09010060, Order dated August 3, 2009 (“August 2009 Order”).

By Order dated February 19, 2020, the Board authorized ETG to offer its four (4)-year amortization EEP through December 31, 2021 (“Legacy Programs”), subject to the implementation of a new ETG EEP with an earlier effective date.²

By Order dated April 7, 2021, the Board authorized ETG to implement a new EEP with a ten (10)-year amortization to begin on July 1, 2021 (“Triennium 1”).³ Accordingly, the Company terminated its Legacy Programs on June 30, 2021. By Order dated April 30, 2024, the Board approved an extension of Triennium 1 through December 31, 2024.⁴

By Order dated October 30, 2024, the Board approved a new ETG EEP for the period January 1, 2025 through June 30, 2027 with a ten (10)-year amortization (“Triennium 2”).⁵ Pursuant to the October 2024 Order, the initial Triennium 2 rate component was set at \$0.0102 per therm, effective January 1, 2025.⁶

PETITION

By the Petition, ETG sought to reconcile the EEP costs and cost recoveries for the period commencing July 1, 2024 through June 30, 2025, and establish a rate sufficient to recover those costs and the projected EEP rate revenue requirements for the period of July 1, 2025 through June 30, 2026 (“2026 Recovery Period”).

The EEP Rider rate enables ETG to recover the costs associated with ETG’s EEPs approved by the Board. The Company’s EEP consists 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 customers information on how to lower their gas bills.

By the Petition, ETG requested authorization to: 1) decrease the Legacy Programs component of the EEP Rider rate from \$0.0009 to \$0.0003 per therm; 2) increase the Triennium 1 component of the EEP Rider rate from \$0.0246 to \$0.0316 per therm; and 3) increase the Triennium 2 component of the EEP Rider rate from \$0.0102 to \$0.0210 per therm. The sum of the Legacy Programs, Triennium 1, and Triennium 2 components of the EEP Rider rate results in a total increase in the EEP rate from \$0.0357 to \$0.0529 per therm.

² 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.

³ 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 (“April 2021 Order”).

⁴ 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 Establishment of a Conservation Incentive Program, BPU Docket No. GO20090619, Order dated April 30, 2024.

⁵ In re the Petition of Elizabethtown Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, BPU Docket No. QO23120869, Order dated October 30, 2024 (“October 2024 Order”).

⁶ Unless otherwise noted, all rates quoted herein include Sales and Use Tax (“SUT”).

The Company designed the proposed EEP Rider rate to recover the sum of \$134,942 related to the Legacy program, \$14,741,796 related to Triennium 1, and \$9,791,766 related to Triennium 2. The amounts include prior balances, current year amounts, and projected recoverable amounts. In accordance with the Company's tariff, 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, L. 2011, c. 9.

Following publication of public notice in newspapers of general circulation within ETG's service territory, two (2) virtual public hearings on the Petition were held on January 27, 2026, at 4:30 p.m. and 5:30 p.m. No members of the public attended the hearings, nor submitted written comments to express their views on this filing.

STIPULATION

Following a review of the Petition, conducting discovery, and discussions, the Parties executed the Stipulation, the key elements of which are as follows:⁷

Effective Rate

14. As of the effective date of the Stipulation, the Company will implement a Legacy Programs component of the EEP Rider rate of \$0.0003 per therm, a Triennium 1 component of the EEP Rider rate of \$0.0316 per therm, and a Triennium 2 component of the EEP Rider rate of \$0.0210 per therm. The total EEP Rider rate is \$0.0529 per therm. The EEP Rider rate shall remain in effect unless and until changed by Order of the Board. The calculations of the Legacy Programs, Triennium 1, and Triennium 2 components of the EEP Rider rate are set forth in Appendix A to the Stipulation.
15. 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.
16. The Company agrees that it will include, with its EEP filings, responses to the minimum filing requirements as set forth in Attachment B to the Stipulation.
17. Upon Board approval of the EEP Rider 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 Rider rate agreed to in the Stipulation. A draft tariff sheet is attached to the Stipulation as Appendix C and includes actual changes to the tariff.

⁷ Although summarized in this Order, the detailed terms of the Stipulation control, subject to the findings and conclusions in this Order. Paragraphs are numbered to coincide with the Stipulation.

Rate Impact

18. The impact of the EEP Rider rate change from the current rate of \$0.0357 per therm to \$0.0529 per therm will be to increase the monthly bill of a residential customer using 100 therms by \$1.72, from \$166.07 to \$167.79, or 1.0% compared to the Company's January 1, 2026 rates.
19. Upon the Board's approval of the Stipulation, all issues related to ETG's EEP recoverable costs for the period July 1, 2024, through June 30, 2025, are deemed resolved for the purposes of this proceeding but remain subject to audit by the Board.

DISCUSSION AND FINDINGS

The Board carefully reviewed the record in this proceeding, including the Petition and the attached Stipulation in its entirety. Accordingly, the Board **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. As such, the Board **HEREBY ADOPTS** the attached Stipulation, including all attachments and schedules, as its own, incorporating by reference its terms and conditions as if fully set forth herein.

Accordingly, the Board **HEREBY APPROVES** the following EEP Rider rate components: a 1) Legacy component rate of \$0.0003 per therm; 2) Triennium 1 component rate of \$0.0316 per therm; and 3) Triennium 2 component rate of \$0.0210 per therm. This equates to a total EEP rate of \$0.0529 per therm, effective for service rendered on or after May 1, 2026. As a result of the Stipulation, a typical residential heating customer using 100 therms per month will experience an increase of \$1.72 in their monthly bill.

The Board **HEREBY ORDERS** the Company to file the appropriate revised tariff sheets consistent with the terms of this Order by May 1, 2026.

The Company's costs, including those related to the programs described above, remain subject to audit by the Board. This Decision and Order shall neither preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

This Order shall be effective on April 29, 2026.

DATED: April 22, 2026

BOARD OF PUBLIC UTILITIES
BY:


CHRISTINE GUHL-SADOVY
PRESIDENT



DR. ZENON CHRISTODOULOU
COMMISSIONER


MICHAEL BANGE
COMMISSIONER


EMMA REBHORN
COMMISSIONER


JOSEPH COVIELLO
COMMISSIONER

ATTEST: 
SHERRI L. LEWIS
BOARD 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. GR25070459

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Dominick DiRocco, Esq.
Vice President, Rates & Regulatory Affairs

March 11, 2026

Sherri Lewis, Board Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue
Trenton, NJ 08625

**Re: In the Matter of the Petition of Elizabethtown Gas Company for Approval to Revise
its Energy Efficiency Program Rider Rate
BPU Docket No. GR25070459**

Dear Secretary Lewis:

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 scheduled agenda meeting.

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

Respectfully submitted,

A handwritten signature in black ink that reads "Dominick DiRocco".

Dominick DiRocco

DD:caj
Enclosures

cc: Service List

**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY
TO REVISE ITS ENERGY EFFICIENCY PROGRAM RIDER RATE
BPU DOCKET NO. GR25070459**

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

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In the Matter of the Petition of :
Elizabethtown Gas Company to : **BPU Docket No. GR25070459**
Revise its Energy Efficiency Program :
Rider Rate : **STIPULATION OF SETTLEMENT**
-----:

APPEARANCES:

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

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

Jordan K. Mitchell, Esq., Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Jennifer Davenport**, 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, 2025, Elizabethtown Gas Company (“ETG” 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 (“2025 EEP Petition”).

2. By the 2025 EEP Petition, the Company sought to reconcile the costs and cost recoveries for the period commencing July 1, 2024 through June 30, 2025 (“2025 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, 2025 through June 30, 2026 (“2026 Recovery Period”).

3. The EEP Rider rate enables ETG to recover the costs associated with ETG’s EEPs approved by the Board. The Company’s EEP consists 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. By Order dated August 3, 2009, the Board authorized ETG to: 1) administer six (6) EEPs for a seventeen (17)-month period ending December 31, 2010 (collectively, “Original EEPs”), and 2) implement a Regional Greenhouse Gas Initiative (“RGGI”) Rider Rate to recover the costs associated with the Original EEPs.¹ Pursuant to the August 2009 Order, the Company must submit an annual petition seeking to adjust its RGGI Rider Rate on a calendar year basis, including information regarding investment levels, operating costs, and employment. Through a series of Orders issued from 2009 through 2019, the Board approved various extensions of, and modifications to, the Original EEPs and the RGGI Rider Rate, including changing the name of the RGGI Rider Rate to the EEP Rate and extending the Original EEPs through February 29, 2020.

5. By Order dated February 19, 2020, the Board authorized ETG to offer its four (4)-year amortization EEP through December 31, 2021 (“Legacy”), subject to the implementation of a new ETG EEP with an earlier effective date.² By Order dated April 7, 2021, the Board authorized ETG to implement a new EEP with a ten (10)-year amortization to begin on July 1, 2021 (“Triennium 1”).³ Accordingly, ETG terminated its Legacy EEP on June 30, 2021.⁴ By Order dated April 30, 2024, the Board approved an extension of Triennium 1 through December 31, 2024.⁵

¹ In re Energy Efficiency Programs and Associated Cost Recovery Mechanisms and In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Approval of Energy Efficiency Programs and a Regional Greenhouse Gas Initiative Cost Recovery Rider, BPU Docket Nos. EO09010056 and GO09010060, Order dated August 3, 2009 (“August 2009 Order”).

² 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.

³ 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.

⁴ Id.

⁵ 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 Establishment of a Conservation Incentive Program, BPU Docket No. GO20090619, Order dated April 30, 2024.

6. By Order dated October 30, 2024, the Board approved the Company’s next EEP (“Triennium 2”) for the period January 1, 2025 through June 30, 2027 with a ten (10)-year amortization.⁶ Pursuant to the October 2024 Order, the initial Triennium 2 rate component was approved at \$0.0102 per therm, inclusive of taxes, effective January 1, 2025.⁷

7. By the 2025 EEP Petition, the Company sought to revise the components of its EEP Rider rate as shown below:

	Current	Proposed	Increase/(Decrease)
Legacy	\$0.0009	\$0.0003	(\$0.0006)
Triennium 1	\$0.0246	\$0.0316	\$0.0070
Triennium 2	\$0.0102	\$0.0210	\$0.0108
Total	\$0.0357	\$0.0529	\$0.0172

8. As shown on Appendix A to this stipulation, the EEP Rider rate is designed to recover the sum of \$134,942 related to the Legacy Program, \$14,741,796 related to Triennium 1, and \$9,791,766 related to Triennium 2. The amounts include prior balances, current year amounts, and projected recoverable amounts. In accordance with the Company’s tariff, 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, L. 2011, c.9.

9. The Company calculated each component of the proposed EEP Rider rate by taking the prior year balance plus current year activity, plus projected recoverable amounts for the 2026 Recovery Period, and then dividing the total amount by the projected volumes for the 2026 Recovery Period for the service classifications and customers subject to the EEP Rider.

⁶ In re the Petition of Elizabethtown Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recovery Pursuant to the Clean Energy Act Program, BPU Docket No. QO23120869, Order dated October 30, 2024 (“October 2024 Order”).

⁷ Unless otherwise noted, all rates quoted herein include Sales and Use Tax.

10. As stated in the 2025 EEP Petition, the impact of the proposed changes to the Legacy, Triennium 1 and Triennium 2 components of the EEP Rider rate would increase the monthly bill of a residential customer using 100 therms by \$1.72, from \$158.54 to \$160.26, or an increase of 1.1%, as compared to the rates in effect as of July 1, 2025. The proposed changes would increase the overall annual revenue level of the EEP by \$8.5 million, including taxes.

11. Following public notice published in newspapers of general circulation within ETG's service territory, two (2) virtual public hearings regarding the 2025 EEP Petition were held on January 27, 2026, at 4:30 p.m. and 5:30 p.m. No members of the public attended the hearings, nor submitted written comments to express their views on this filing.

12. ETG, 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

13. 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

14. As of the Effective Date, the Company will implement a Legacy component of the EEP Rider rate of \$0.0003 per therm, a Triennium 1 component of the EEP Rider rate of \$0.0316 per therm, and a Triennium 2 component of the EEP Rider rate of \$0.0210 per therm. The total EEP Rider rate is \$0.0529 per therm. The EEP Rider rate shall remain in effect unless and until

changed by Order of the Board. The calculations of the Legacy, Triennium 1 and Triennium 2 components of the EEP Rider rate are set forth in Appendix A, which is attached hereto.

15. 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.

16. 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.

17. 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

18. The impact of the EEP Rider rate change from the current rate of \$0.0357 per therm to \$0.0529 per therm will be to increase the monthly bill of a residential customer using 100 therms by \$1.72, from \$166.07 to \$167.79, or 1.0% compared to the Company's January 1, 2026 rates.

19. Upon the Board's approval of this Stipulation, all issues related to ETG's EEP recoverable costs for the period July 1, 2024, through June 30, 2025, are deemed resolved for purposes of this proceeding but remain subject to audit by the Board.

III. MISCELLANEOUS

20. 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.


21. 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.

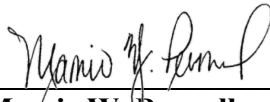
22. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, ETG, Board Staff, or Rate Counsel shall not be deemed to have approved, agreed to, or consented to 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.

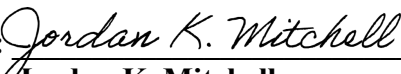
ELIZABETHTOWN GAS COMPANY

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

By: 
Dominick DiRocco
VP, Rates and Regulatory Affairs

By: 
Mamie W. Purnell
Assistant Deputy Rate Counsel

**JENNIFER DAVENPORT
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Staff of the Board of Public Utilities**

By: 
Jordan K. Mitchell
Deputy Attorney General

Dated: March 10, 2026

GR25070459 – ETG 2025 EEP

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

CALCULATION OF THE LEGACY COMPONENT OF EEP RATE
through September 30, 2026
October 1, 2025 RECOVERY YEAR - 2026

1	Prior Year Balance - (Sch. TK-2)	June 30, 2024		\$100,540
	<u>Actual Amounts Through:</u>	June 30, 2025		
2	Current Year O&M Costs (Sch. TK-2)			\$0
3	Current Year Revenue Requirements (Sch. TK-2)			\$326,726
4	Current Year Recovery Credits (Sch. TK-2)			(\$289,315)
5	Current Year Carrying Costs (Sch. TK-2)			<u>\$5,501</u>
6	Current Year TK-2 Ending Balance (Sum L1-L5)			\$143,452
7	<u>Projected Recoverables :</u>	June 30, 2026		
	- Revenue Requirements (Sch. TK-3)		(\$8,510)	
	- O&M Costs (Sch. TK-4)		<u>\$0</u>	<u>(\$8,510)</u>
8	Total Proposed Recoveries (L6+L7)			\$134,942
9	<u>12 Month Projected Normalized Sales and Services:</u>			
	- Residential and GLS		252,662,299	
	- Commercial		151,142,588	
	- Industrial		94,149,493	
	- NGV		86,800	
	- Cogeneration		0	498,041,180 therms
10	EEP Rate, before taxes (L8/L9)			\$0.0003 /therm
11	Sales & Use Tax @	6.625%		<u>\$0.0000</u>
12	Legacy Component of EEP Rate (L10+L11)			<u><u>\$0.0003</u></u> /therm

**ELIZABETHTOWN GAS COMPANY
ENERGY EFFICIENCY PROGRAM ("EEP") - TRIENNium 1
Annual Revenue Requirement (Program Year)**

**EEP Schedule TK-1
T1**

**July 25- Jun 26
Year 5**

DIRECT PROGRAM INVESTMENTS

Annual Investment	\$ -
Cumulative Investment	<u>\$ 50,949,948</u>
Less Accumulated Amortization	\$ (13,700,657)
Less Accumulated Deferred Tax	\$ (10,470,776)
Net Investment	<u>\$ 26,778,516</u>
Rate of Return (Pre Tax)	9.64%
Required Net Operating Income	<u>\$ 2,743,882</u>
Incremental O&M Pre Tax	\$ -
Pre Tax Amortization	\$ 5,113,858
Operating Income	<u>\$ 7,857,740</u>
Revenue Factor	1.01163
Revenue Requirement Excluding SUT	<u>\$ 7,949,118</u>

LOAN PROGRAM INVESTMENTS

Annual Investment	\$ -
Less Loan Repayments	\$ (1,631,625)
Net Investment	<u>\$ (1,631,625)</u>
Cumulative Investment	\$ 10,371,373
Rate of Return (Pre Tax)	8.78%
Required Net Operating Income	<u>\$ 1,074,599</u>
Incremental O&M Pre Tax	\$ -
Operating Income	<u>\$ 1,074,599</u>
Revenue Factor	1.01163
Revenue Requirement Excluding SUT	<u>\$ 1,087,095</u>

RATE CALCULATION

Revenue Requirement For Direct Investments Excluding SUT	\$ 7,949,118
Revenue Requirement For Loans Programs Excluding SUT	\$ 1,087,095
Prior Year (Over)/Under Recovered Deferred Balance Including Carrying Costs	<u>\$ 5,705,583</u>
Total Revenue Requirements	<u>\$ 14,741,796</u>
Therms	498,041,180
Triennium 1 - Rate Per Therm, Excluding SUT	<u>\$ 0.0296</u>
SUT	<u>\$ 0.0020</u>
Triennium 1 - Rate Per Therm, Including SUT	<u><u>\$ 0.0316</u></u>

**ELIZABETHTOWN GAS COMPANY
ENERGY EFFICIENCY PROGRAM ("EEP") - TRIENNIUM 2
Annual Revenue Requirement (Program Year)
and Total EEP Rate (Legacy, T1 and T2)**

**EEP Schedule TK-1
T2**

**July 25 - Jun 26
Year 2**

DIRECT PROGRAM INVESTMENTS

Annual Investment	\$	41,599,138
Cumulative Investment	\$	49,328,705
Less Accumulated Amortization	\$	(2,918,036)
Less Accumulated Deferred Tax	\$	(13,046,039)
Net Investment	\$	33,364,630
Rate of Return (Pre Tax)		9.64%
Required Net Operating Income	\$	1,735,834
Incremental O&M Pre Tax	\$	892,260
Pre Tax Amortization	\$	2,637,849
Operating Income	\$	5,265,942
Revenue Factor		1.011629
Revenue Requirement Excluding SUT	\$	5,327,180

OBR PROGRAM INVESTMENTS

Annual Investment	\$	16,898,555
Less OBR Repayments	\$	(3,055,264)
OBR Write-offs	\$	-
Net Investment	\$	13,843,291
Cumulative Investment	\$	18,418,232
Rate of Return (Pre Tax)		9.64%
Required Net Operating Income	\$	734,344
Incremental O&M Pre Tax	\$	4,597,466
Operating Income	\$	5,331,811
Revenue Factor		1.011629
Revenue Requirement Excluding SUT	\$	5,393,814

OBR Write Offs & Carry Costs
Total

RATE CALCULATION

Revenue Requirement For Direct Investments Excluding SUT	\$	5,327,180
Revenue Requirement For OBRs Programs Excluding SUT	\$	5,393,814
OBR Write-off Recovery	\$	-
Prior Year (Over)/Under Recovered Deferred Balance Including Carrying Costs	\$	(929,229)
Total Revenue Requirements	\$	9,791,766

Therms 498,041,180

Triennium 2 - Rate Per Therm, Excluding SUT \$ 0.0197

SUT \$ 0.0013

Triennium 2 - Rate Per Therm, Including SUT \$ 0.0210

Legacy - Rate Per Therm, Including SUT (EEP Schedule TK-1 Legacy) \$ 0.0003

Triennium 1 - Rate Per Therm, Including SUT (EEP Schedule TK-1 T1) \$ 0.0316

Total EEP Rate Per Therm, Including SUT \$ 0.0529

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

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

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

Minimum Filing Requirements

Schedule

<p>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.</p>	
<p>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.</p>	
<p>3. For the review period, actual clause revenues, by month and by rate class recorded under the EE Program.</p>	
<p>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.</p>	
<p>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.</p>	
<p>6. The interest expense to be charged or credited to ratepayers each month.</p>	
<p>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.</p>	
<p>8. A schedule showing budgeted versus actual EE Program revenues.</p>	
<p>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.</p>	
<p>10. Supporting details for all administrative costs related to the EE Program included in the revenue requirement.</p>	
<p>11. Information supporting the carrying cost used for the unamortized costs of the EE program.</p>	
<p>12. Number of program participants for each of the Board approved ETG EE programs, including a breakdown by sub-program, if applicable.</p>	
<p>13. Estimated demand and energy savings for each of the Board approved ETG EE programs, including a breakdown by sub-program, if applicable.</p>	
<p>14. Estimated emissions reductions for each of the Board approved ETG EE programs, including a breakdown by sub-program, if applicable.</p>	

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

Minimum Filing Requirements

Schedule

15. Testimony supporting the annual true-up petition.	
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.	
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.	
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.	
19. Tariff pages in clean and redline versions.	
20. Net impact of the proposed rate changes.	
21. The impact of the proposed rate changes on the bill of a typical residential customer with workpapers supporting this calculation.	

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:

Legacy	\$0. 0009 <u>0003</u> per therm
Triennium 1	\$0. 0246 <u>0316</u> per therm
Triennium 2	\$0. 0402 <u>0210</u> per therm
TOTAL	\$0. 0357 <u>0529</u> 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, GO18070682, and GO20090619. ~~The Company's current energy efficiency programs are effective through December 31, 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. QO19010040, QO19060748 and QO17091004 dated June 10, 2020, ("the 2020 Orders"). The BPU directed utilities to file changes pursuant to Board orders issued in Docket Nos. QO19010040, QO23030150 and QO17091004 dated May 24, 2023, ("the 2023 Orders"). The Company's current energy efficiency programs were approved in Docket No. QO23120869 and are effective through June 30, 2027. The EEP enables the Company to recover all costs associated with energy efficiency programs approved by the Board.

Date of Issue: ~~April 29, 2025~~xxx1

Effective: Service Rendered on and after ~~May 1, 2025~~xxx2

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

Filed Pursuant to Order of the Board of Public Utilities
Dated ~~April 23, 2025~~xxx3 in Docket No. ~~GR24070552~~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."

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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