



Agenda Date: 9/9/26

Agenda Item: 2A

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

REVENUE AND RATES

IN THE MATTER OF THE PETITION OF	)	DECISION AND ORDER
ELIZABETHTOWN GAS COMPANY FOR APPROVAL	)	APPROVING STIPULATION
OF A RATE ADJUSTMENT PURSUANT TO THE	)	
INFRASTRUCTURE INVESTMENT PROGRAM ("IIP")	)	DOCKET NO. GR26040172

Parties of Record:

Dominick DiRocco, Esq., Vice President, Rates & Regulatory Affairs, SJL Utilities, Inc.
Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On April 30, 2026, Elizabethtown Gas Company ("ETG" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking rate adjustments to recover annualized increases in the Company's revenue requirement associated with the Company's Infrastructure Investment Program Extension ("IIP Extension") ("Petition"). By this Decision and Order, the Board considers a stipulation of settlement ("Stipulation") executed by ETG, Board Staff ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") intended to resolve the Company's requests contained within the Petition.

BACKGROUND AND PROCEDURAL HISTORY

By Order dated July 24, 2024, the Board authorized ETG to invest up to \$120 million in the Company's IIP Extension over an eighteen (18)-month period, from July 1, 2024 through December 31, 2025, to replace up to seventy-five (75) miles of cast iron and bare steel mains and related services, and install excess flow valves on new service lines ("IIP Extension Projects").¹

PETITION

By the Petition, the Company included actual IIP Extension investment data for the final six (6) months of the IIP Extension, which covers the period July 1, 2025 through December 31, 2025

¹ In re the Petition of Elizabethtown Gas Company to Implement an Infrastructure Investment Program ("IIP") and Associated Recovery Mechanism Pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:3-2A, and In re the Petition of Elizabethtown Gas Company to Implement an Infrastructure Investment Program ("IIP") and Associated Recovery Mechanism Pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:3-2A, BPU Docket Nos. GR18101197 and GR23120882, Order dated July 24, 2024 ("IIP Extension Order").

as well as Independent Monitor costs through March 31, 2026. The Company sought to recover an IIP revenue requirement of approximately \$5 million, excluding Sales and Use Tax (“SUT”), associated with actual and projected IIP Extension investments of approximately \$43.54 million of IIP Extension Projects, excluding Allowance for Funds Used During Construction (“AFUDC”) and the cost of the IIP Independent Monitor.

The Company reached the \$120 million spend cap required by the IIP Extension Order during the pendency of this matter, so no update was filed.

Below is a chart setting forth the calculation of the \$5 million revenue requirement.

Revenue Requirement	
	Actuals through December 2026
Plant In Service (excluding AFUDC)	\$43,541,627
Monitor	\$63,000
Advanced Leak Detection (ALD) Report	\$204,283
AFUDC	\$340,345
Total Plant In Service	\$43,787,910
Book Depreciation, half year	(\$420,101)
Deferred Income Tax	(\$343,489)
Rate Base	\$43,024,320
Rate of Return- Net of Tax	6.93%
Return on Rate Base	\$2,981,585
O&M Reduction for Leak Repairs	(\$32,351)
Depreciation Exp. net of tax	\$604,021
Allowable Net Income	\$3,553,255
Revenue Factor	1.407347
Revenue Requirement	\$5,000,663

Following publication of proper notice, two (2) virtual public hearings were held on August 26, 2026 at 4:30 p.m. and 5:30 p.m. One (1) member of the public attended, but did not provide any comments. Additionally, the Board received no written comments on this matter.

STIPULATION

Following a review of the Petition and conducting discovery, the Parties executed the Stipulation, which provides for the following:²

6. The Parties acknowledge that the Company’s tariff will be updated to reflect the proposed IIP and Margin Revenue Factor (“MFR”) rates as shown in Appendix A attached to the Stipulation. The stipulated IIP and MRF rates are calculated in Appendix B to the

² Although summarized herein, 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 in this Order. Paragraphs are numbered to coincide with the Stipulation.

Stipulation. The tariff rates will become effective upon Board approval and shall be provisional, subject to refund, as set forth in the IIP Extension Order. The prudence of the IIP Extension Projects placed in service during the period July 1, 2025 through December 31, 2025 will be reviewed by Board Staff and Rate Counsel in a future ETG base rate proceeding.

Effective Rates

7. Upon Board approval, the Company will implement its IIP and MRF rates as shown in Appendix A to the Stipulation and these rates shall remain in effect until changed by Order of the Board. The impact of the proposed rider rates for a residential customer using 100 therms per month, inclusive of SUT, will result in a monthly bill increase of \$1.33 from \$175.43 to \$176.76, an increase of 0.8%, compared to rates in effect on July 1, 2026.

All Issues Resolved

8. If the Board approves the Stipulation in its entirety, all issues concerning the Petition are deemed resolved for purposes of the proceeding but remain subject to audit by the Board and a prudence review in future base rate cases.

DISCUSSION AND FINDINGS

The Board carefully reviewed the record in this proceeding, including the Petition 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 rates reflected in the Stipulation, on a provisional basis, subject to refund and review for prudence in a future base rate case, effective for services rendered on and after October 1, 2026.

As a result of the Stipulation, a typical residential customer using 100 therms will see an increase in their monthly bill of \$1.33 from \$175.43 to \$176.76 an increase of 0.8%.

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

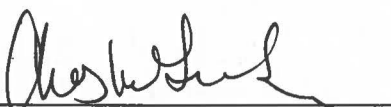
The Company's costs, including those related to the IIP Extension, remain subject to audit by the Board. This Decision and Order shall not preclude, nor prohibit, the Board from taking any actions determined to be appropriate as a result of any such audit.

This Board Order shall be effective on September 16, 2026.

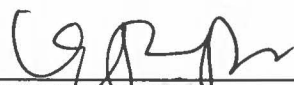
DATED: September 9, 2026

BOARD OF PUBLIC UTILITIES
BY:

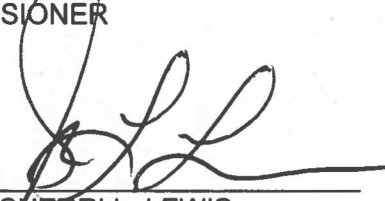

BEN HERTZ-SHARGEL
PRESIDENT


CHRISTINE GUHL-SADOVY
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 FOR APPROVAL OF A RATE
ADJUSTMENT PURSUANT TO THE INFRASTRUCTURE INVESTMENT PROGRAM ("IIP")

DOCKET NO. GR26040172

SERVICE LIST

Board of Public Utilities

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

Sherri L. Lewis, Board Secretary
board.secretary@bpu.nj.gov

Stacy Peterson, Deputy Executive Director
stacy.peterson@bpu.nj.gov

Office of the General Counsel

Ava-Marie Madeam, General Counsel
avamarie.madeam@bpu.nj.gov

Elspeth Faiman Hans, Deputy General Counsel
elspeth.hans@bpu.nj.gov

Michael Hunter, Senior Counsel
michael.hunter@bpu.nj.gov

Division of Revenue and Rates

Anthony DeAnni
anthony.deanni@bpu.nj.gov

New Jersey Division of Rate Counsel

140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625

Brian Lipman, Esq., Director
blipman@rpa.nj.gov

Maura Caroselli, Esq., Managing Attorney
mcaroselli@rpa.nj.gov

Michael Lombardi, Esq.
mlombardi@rpa.nj.gov

Bincy Abraham, Esq.
babraham@rpa.nj.gov

Joy Carter, Paralegal
jcarter@rpa.nj.gov

Rate Counsel Consultant

Robert J Henkes
7 Sunset Road
Old Greenwich, CT 06870
rhenkes13@gmail.com

Elizabethtown Gas Company

1 South Jersey Place
Atlantic City, NJ 08401

Dominick DiRocco, Esq. VP/Rates and Regulatory
dDIRocco@sjindustries.com

William Barkasy
wbarkasy@sjindustries.com

Cindy Capozzoli
ccapozzoli@sjindustries.com

Carolyn Jacobs
cjacobs@sjindustries.com

520 Green Lane
Union, NJ 07083

Christie McMullen
cmcmullen@sjindustries.com

John Gruenling
jgruenling@sjindustries.com

Susan Potanovich
spotanovich@sjindustries.com

Jennifer Weitz
jweitz@sjindustries.com

Sheree L. Kelly, Esq. Regulatory Affairs Counsel
skelly@sjindustries.com

Andrew McNally
amcnally@sjindustries.com

Cullen and Dykman
1101 14th Street, NW
Suite 750
Washington, DC 20005

Kenneth T. Maloney
kmaloney@cullenllp.com

Terrence W. Regan
tregan@cullenllp.com

New Jersey Division of Law

25 Market Street
Post Office Box 112
Trenton, NJ 08625

Terel Klein, DAG, Section Chief
terel.klein@law.njoag.gov

Matko Ilic, DAG
matko.ilic@law.njoag.gov

Elizabeth Van Winkle, DAG
elizabeth.vanwinkle@law.njoag.gov

Rachel Reckeweg
rachel.rekeweg@law.njoag.gov

Tanya Lloyd-Samuel
tanya.lloyd-samuel@law.njoag.gov

Pamela Owen, ASC
pamela.owen@law.njoag.gov



One South Jersey Place
Atlantic City, NJ 08401

T: (609) 561-9000 ext. 4262

ddirocco@sjindustries.com

Dominick DiRocco, Esq.
VP/Rates & Regulatory Affairs

August 27, 2026

Sherri Lewis
Secretary of the Board
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 of a Rate Adjustment Pursuant to the Infrastructure Investment Program ("IIP")
BPU Docket No. GR26040172**

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 September 9, 2026 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". The signature is fluid and cursive, with the first name being more prominent.

Dominick DiRocco

DD/caj
Enclosure

cc: Service List

**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY
FOR APPROVAL OF A RATE ADJUSTMENT PURSUANT TO
THE INFRASTRUCTURE INVESTMENT PROGRAM (“IIP”)
BPU DOCKET NO. GR26040172**

SERVICE LIST

Christie McMullen
Elizabethtown Gas Company
520 Green Lane
Union, NJ 07083
cmcmullen@sjindustries.com

William Barkasy
Elizabethtown Gas Company
One South Jersey Place
Atlantic City, NJ 08401
wbarkasy@sjindustries.com

Sheree Kelly
SJI Utilities, Inc.
520 Green Lane
Union, NJ 07083
skelly@sjindustries.com

Jennifer Weitz
SJI Utilities, Inc.
520 Green Lane
Union, NJ 07083
jweitz@sjindustries.com

Stacy Peterson
Board of Public Utilities
44 South Clinton Avenue
Trenton, NJ 08625
Stacy.Peterson@bpu.nj.gov

Anthony DeAnni
Board of Public Utilities
44 South Clinton Avenue
Trenton, NJ 08625
Anthony.DeAnni@bpu.nj.gov

Nisa Rizvi
Board of Public Utilities
44 South Clinton Avenue
Trenton NJ 08625
Nisa.rizvi@bpu.nj.gov

Michael Lombardi, Esq.
Division of Rate Counsel
140 East Front Street 4th Floor
Post Office Box 003
Trenton, NJ 08625
mlombardi@rpa.nj.gov

Karen Forbes
Division of Rate Counsel
140 East Front Street 4th Floor
Post Office Box 003
Trenton, NJ 08625
kforbes@rpa.nj.gov

John Gruenling
Elizabethtown Gas Company
520 Green Lane
Union, NJ 07083
jgruenling@sjindustries.com

Cindy Capozzoli
SJI Utilities, Inc.
One South Jersey Place
Atlantic City, NJ 08401
ccapozzoli@sjindustries.com

Carolyn A. Jacobs
SJI Utilities, Inc.
One South Jersey Place
Atlantic City, NJ 08401
cjacobs@sjindustries.com

Kenneth T. Maloney
Cullen and Dykman
1101 14th Street, NW
Suite 750
Washington, DC 20005
kmaloney@cullenllp.com

Dean Taklif
Board of Public Utilities
44 South Clinton Avenue
Trenton NJ 08625
Dean.taklif@bpu.nj.gov

Mike Hunter
Board of Public Utilities
44 South Clinton Avenue
Trenton NJ 08625
Michael.Hunter@bpu.nj.gov

Brian O. Lipman, Director
Division of Rate Counsel
140 East Front Street 4th Floor
Post Office Box 003
Trenton, NJ 08625
blipman@rpa.nj.gov

Bincy Abraham, Esq.
Division of Rate Counsel
140 East Front Street 4th Floor
Post Office Box 003
Trenton, NJ 08625
babraham@rpa.nj.gov

Steven Chaplar, DAG
Department of Law & Public Safety
Division of Law
Richard J. Hughes Justice Complex
Public Utilities Section
25 Market Street, P.O. Box 112
Trenton, NJ 08625
Steven.Chaplar@law.njoag.gov

Susan Potanovich
Elizabethtown Gas Company
520 Green Lane
Union, NJ 07083
spotanovich@sjindustries.com

Dominick DiRocco
SJI Utilities, Inc.
One South Jersey Place
Atlantic City, NJ 08401
ddirocco@sjindustries.com

Andrew McNally
SJI Utilities, Inc.
520 Green Lane
Union, NJ 07083
amcnally@sjindustries.com

Terrence W. Regan
Cullen and Dykman
One Battery Park Plaza, 34th Floor
New York, NY 10004
tregan@cullenllp.com

Juan Urena
Board of Public Utilities
44 South Clinton Avenue
Trenton, NJ 08625
Juan.Urena@bpu.nj.gov

David Brown
Board of Public Utilities
44 South Clinton Avenue
Trenton NJ 08625
David.brown@bpu.nj.gov

Maura Caroselli, Esq.
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625
mcaroselli@rpa.nj.gov

Joy Carter
Division of Rate Counsel
140 East Front Street 4th Floor
Post Office Box 003
Trenton, NJ 08625
jcarter@rpa.nj.gov

Pamela Owen, ASC
Department of Law & Public Safety
Division of Law
Richard J. Hughes Justice Complex
Public Utilities Section
25 Market Street, P.O. Box 112
Trenton, NJ 08625
Pamela.Owen@law.njoag.gov

**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY
FOR APPROVAL OF A RATE ADJUSTMENT PURSUANT TO
THE INFRASTRUCTURE INVESTMENT PROGRAM (“IIP”)
BPU DOCKET NO. GR26040172**

SERVICE LIST

Tanya Lloyd-Samuel
Department of Law & Public Safety
Division of Law
Richard J. Hughes Justice Complex
Public Utilities Section
25 Market Street, P.O. Box 112
Trenton, NJ 08625
Tanya.Lloyd-Samuel@law.njoag.gov

Rachel Reckeweg
Department of Law & Public Safety
Division of Law
Richard J. Hughes Justice Complex
Public Utilities Section
25 Market Street, P.O. Box 112
Trenton, NJ 08625
Rachel.Reckeweg@law.njoag.gov

Elizabeth Van Winkle
Department of Law & Public Safety
Division of Law
Richard J. Hughes Justice Complex
Public Utilities Section
25 Market Street, P.O. Box 112
Trenton, NJ 08625
Elizabeth.VanWinkle@law.njoag.gov

Robert J. Henkes
Henkes Consulting
7 Sunset Road
Old Greenwich, CT 06870
rhenkes13@gmail.com

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

IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY FOR APPROVAL OF A RATE ADJUSTMENT PURSUANT TO THE INFRASTRUCTURE INVESTMENT PROGRAM (“IIP”)	x	BPU Docket No. GR26040172 STIPULATION OF SETTLEMENT
	:	
	:	
	:	
	:	
	x	

APPEARANCES:

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

Maura Caroselli, Esq., Deputy Rate Counsel, and **Michael Lombardi, Esq.**, Assistant Deputy Rate Counsel, for the New Jersey Division of Rate Counsel (**Brian O. Lipman, Esq.**, Director)

Elizabeth Van Winkle, Esq., Deputy Attorney General, for 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:

This Stipulation of Settlement (“Stipulation”) addresses the petition filed by Elizabethtown Gas Company (“Elizabethtown” or “Company”) with the New Jersey Board of Public Utilities (“Board” or “BPU”) on April 30, 2026, for rate adjustments related to the cost recovery associated with the Company’s Infrastructure Investment Program (“IIP”) (“Petition”). By Order dated June 12, 2019, the Board approved the IIP.¹ By Order dated July 24, 2024, the Board extended the IIP.²

¹ In re the Petition of Elizabethtown Gas Company to Implement an Infrastructure Investment Program (“IIP”) and Associated Recovery Mechanism Pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:3-2(a), BPU Docket No. GR18101197, Order dated June 12, 2019.

² In re the Petition of Elizabethtown Gas Company to Implement an Infrastructure Investment Program (“IIP”) and Associated Recovery Mechanism Pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:3-2A, BPU Docket Nos. GR18101197 and GR23120882, Order dated July 24, 2024 (“IIP Extension Order”).

I. PROCEDURAL HISTORY

1. By the IIP Extension Order, the Board authorized the Company to extend the IIP for eighteen (18) months commencing July 1, 2024 and continuing until December 31, 2025 (“IIP Period”), except for close-out work. The IIP Extension Order authorized the Company to invest up to \$120 million, excluding Allowance for Funds Used During Construction (“AFUDC”) and Independent Monitor costs, during the IIP Period to replace at least seventy-five (75) miles of low-pressure cast iron pipe and/or steel pipe segments which have been identified as “high risk” in accordance with the Company’s Distribution Integrity Management Plan (“DIMP”) and associated services for all pipe replacement, as well as the installation of excess flow valves where gas service line replacements require them (“IIP Extension Projects”). The Board also approved an associated cost recovery mechanism effectuated by annual rate adjustment filings (“Annual Filings”) made in April of each year with “9&3 Schedules” through June 30 reporting nine (9) months of actual data and three (3) months of projected data; and with “12&0” updates filed no later than July 15 of each year that include twelve (12) months of actual data.

2. On April 30, 2026, the Company filed the Petition, seeking approval of a rate adjustment to provide for the cost recovery associated with IIP Extension Projects placed in-service during the final six (6) months of the IIP Extension which encompasses the period from July 1, 2025 through December 31, 2025, as well as Independent Monitor costs incurred through March 31, 2026. With the Petition, the Company included actual data through March 31, 2026 and reached the \$120 million spending cap by December 31, 2025; therefore, no 12&0 Update was required to be filed. The Company also proposed an update to the Margin Revenue Factor (“MRF”) set forth in the Company’s Weather Normalization Clause, or “Rider B”, to the

Company's tariff. The MRF is used for purposes of calculating the weather-related portion of the Conservation Incentive Program ("CIP") rates in Rider G to the Company's tariff.

3. By the Petition, the Company sought Board authority to recover an IIP revenue requirement of approximately \$5.0 million, excluding Sales and Use Tax ("Tax"), associated with actual IIP Extension Projects of approximately \$43.5 million of plant in service, excluding AFUDC and the cost of the Independent Monitor. The impact of the rates proposed in the Petition for a residential customer using 100 therms per month, inclusive of Tax, amounted to a monthly bill increase of \$1.33, from \$174.37 to \$175.70, an increase of 0.8%, compared to rates in effect on April 1, 2026.

4. The IIP Extension Projects, revenue requirement, and rate adjustment were supported by the direct testimony of Cindy L. Capozzoli, Senior Director, Rates, SJI Utilities, Inc. and John Gruenling, Manager, Engineering Services for Elizabethtown.

5. Notices setting forth the requested rate change and date of the public hearings were placed in newspapers of general circulation within Elizabethtown's service territory and served upon the appropriate county officials and clerks of all municipalities within the Company's service territory. The public hearings were held virtually on August 26, 2026, at 4:30 p.m. and 5:30 p.m. One member of the public attended, but did not provide any comments, and the Board received no written comments regarding this matter.

II. STIPULATED MATTERS

6. Elizabethtown, Board Staff, and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") acknowledge that the Company's tariff will be updated to reflect the proposed IIP and MRF rates as shown in Appendix A attached hereto. The stipulated IIP and MRF rates are calculated in Appendix B attached hereto. The tariff rates will become

effective upon Board approval and shall be provisional, subject to refund, as set forth in the IIP Extension Order.³ The prudence of the IIP Extension Projects placed in service during the period July 1, 2025 through December 31, 2025 will be reviewed by Board Staff and Rate Counsel in a future Elizabethtown base rate proceeding.

Effective Rates

7. Upon Board approval, the Company will implement its IIP and MRF rates as shown in Appendix A to this Stipulation and these rates shall remain in effect until changed by Order of the Board. The impact of the proposed rider rates for a residential customer using 100 therms per month, inclusive of Tax, will result in a monthly bill increase of \$1.33 from \$175.43 to \$176.76, an increase of 0.8%, compared to rates in effect on July 1, 2026.

All Issues Resolved

8. If the Board approves this Stipulation in its entirety, all issues concerning the Petition are deemed resolved for purposes of this proceeding but remain subject to audit by the Board and a prudence review in future base rate cases.

Entirety of Stipulation

9. This Stipulation represents a mutual balancing of interests and, therefore, is intended to be accepted and approved in its entirety. If the Board does not adopt this Stipulation in its entirety by Order, 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.

³ IIP Extension Order at 9.

Binding Effect

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

General Reservation

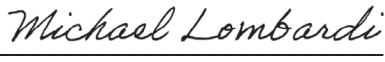
11. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, the Parties shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein. This Stipulation shall not be cited as precedent except for the purpose of enforcing its terms. All rates remain subject to audit by the Board.

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

ELIZABETHTOWN GAS COMPANY

By: 
Dominick DiRocco, Esq.
VP, Rates & Regulatory Affairs

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

By: 
Michael Lombardi, Esq.
Assistant Deputy Rate Counsel

JENNIFER DAVENPORT
ATTORNEY GENERAL OF THE STATE OF NEW JERSEY
Attorney for the Staff of the New Jersey Board of Public Utilities

By: 
Elizabeth Van Winkle, Esq.
Deputy Attorney General

Dated: **8/27/2026**

BPU Docket No.

GR26040172

RIDER "B"

WEATHER NORMALIZATION CLAUSE ("WNC") (continued)

METHOD OF DETERMINING WEATHER NORMALIZATION CHARGE: (continued)

I. Definition of Terms as Used Herein (continued)

6. Degree Day Consumption Factor ("DDCF") - the variable component (use per degree day) of the gas sendout for each month of the winter period normalized for weather and adjusted for lost and unaccounted for gas. The DDCF shall be updated annually in the Company's WNC reconciliation filing annualizing to reflect the change in number of customers that has occurred since the base rate proceeding that established the initial degree day consumption factor in base rate cases. The base number of customers used to establish the normalized use in therms per Customer and the calculated DDCF for purposes of calculating the weather-related portion of the CIP are as follows:

<u>Month</u>	<u>Base Number of Customers</u>	<u>Therms per Degree Day</u>
October	313,804	51,924
November	314,658	62,695
December	315,462	69,188
January	314,902	68,423
February	315,199	65,801
March	315,468	63,989
April	315,682	52,634
May	315,867	54,279

7. Margin Revenue Factor - the weighted average of the Distribution Charges as quoted in the individual service classes to which this clause applies net of applicable taxes and other similar charges and any other revenue charge not retained by the Company that these rates may contain in the future. The weighted average shall be determined by multiplying the margin revenue component of the Distribution Charges from each service class to which this clause applies by each class's percentage of total consumption of all the classes to which this clause applies for the winter period and summing this result for all the classes to which this clause applies. The Margin Revenue Factor shall be redetermined each time base rates or IIP rates are adjusted. The current Margin Revenue Factor is \$0.5970 per therm pre taxes for purposes of calculating the weather-related portion of the CIP.

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

RIDER "F"

INFRASTRUCTURE INVESTMENT PROGRAM ("IIP")

Applicable to all RDS, SGS, GDS, NGV, LVD, EGF and GLS classes and Firm Special Contract customers receiving service through the Company's distribution system. The IIP rate shall be collected on a per therm basis and shall remain in effect until changed by order of the NJBPU.

	Per Therm
RDS Residential	\$0.0535
SGS Small General Service	\$0.0557
GDS General Delivery Service	\$0.0401
GDS Seasonal SP#1 May-Oct	\$0.0048
NGV Natural Gas Vehicles	\$0.0310
LVD Large Volume Demand	\$0.0158
EGF Electric Generation	\$0.0401
GLS Gas Lights	\$0.0509
Firm Special Contracts	\$0.0016

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

The IIP is a five-year program to modernize and enhance the reliability and safety of the Company's gas distribution system by replacing its vintage, at-risk facilities which include aging cast iron mains, unprotected and bare steel mains and services, ductile iron and vintage plastic mains and vintage plastic and copper services. As part of the IIP, Elizabethtown is upgrading its legacy low pressure system to an elevated pressure system, and installing excess flow valves and retiring district regulators that are presently required to operate the existing low pressure system. The costs recovered through the IIP Rider rate include the Company's after-tax weighted average cost of capital as adjusted upward for the revenue expansion factor, depreciation expense and applicable taxes.

Cost recovery under the IIP is contingent on an earnings test. If the product of the earnings test calculation exceeds the Company's most recently approved ROE by fifty (50) basis points or more, cost recovery under the IIP shall not be allowed. Any disallowance resulting from the earnings test will not be charged to customers in a subsequent IIP filing period, but the Company may seek such recovery in a subsequent base rate case.

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

REDLINE

RIDER "B"

WEATHER NORMALIZATION CLAUSE ("WNC") (continued)

METHOD OF DETERMINING WEATHER NORMALIZATION CHARGE: (continued)

I. Definition of Terms as Used Herein (continued)

6. Degree Day Consumption Factor ("DDCF") - the variable component (use per degree day) of the gas sendout for each month of the winter period normalized for weather and adjusted for lost and unaccounted for gas. The DDCF shall be updated annually in the Company's WNC reconciliation filing annualizing to reflect the change in number of customers that has occurred since the base rate proceeding that established the initial degree day consumption factor in base rate cases. The base number of customers used to establish the normalized use in therms per Customer and the calculated DDCF for purposes of calculating the weather-related portion of the CIP are as follows:

<u>Month</u>	<u>Base Number of Customers</u>	<u>Therms per Degree Day</u>
October	313,804	51,924
November	314,658	62,695
December	315,462	69,188
January	314,902	68,423
February	315,199	65,801
March	315,468	63,989
April	315,682	52,634
May	315,867	54,279

7. Margin Revenue Factor - the weighted average of the Distribution Charges as quoted in the individual service classes to which this clause applies net of applicable taxes and other similar charges and any other revenue charge not retained by the Company that these rates may contain in the future. The weighted average shall be determined by multiplying the margin revenue component of the Distribution Charges from each service class to which this clause applies by each class's percentage of total consumption of all the classes to which this clause applies for the winter period and summing this result for all the classes to which this clause applies. The Margin Revenue Factor shall be redetermined each time base rates or IIP rates are adjusted. The current Margin Revenue Factor is ~~\$0.60960~~ 0.5970 per therm pre taxes for purposes of calculating the weather-related portion of the CIP.

Date of Issue: ~~November 25, 2025~~ XXX1

Effective: Service Rendered
on and after ~~December 1,~~
2025XXX2

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

Filed Pursuant to Order of the Board of Public Utilities

Dated ~~November 21, 2025~~ XXX3 in Docket No. ~~GR25040222~~ XXX4

RIDER "F"

INFRASTRUCTURE INVESTMENT PROGRAM ("IIP")

Applicable to all RDS, SGS, GDS, NGV, LVD, EGF and GLS classes and Firm Special Contract customers receiving service through the Company's distribution system. The IIP rate shall be collected on a per therm basis and shall remain in effect until changed by order of the NJBPU.

		Per Therm
RDS	Residential	\$0.0535 \$0.0402
SGS	Small General Service	\$0.0557 \$0.0418
GDS	General Delivery Service	\$0.0401 \$0.0304
GDS	Seasonal SP#1 May-Oct	\$0.0048 \$0.0036
NGV	Natural Gas Vehicles	\$0.0310 \$0.0232
LVD	Large Volume Demand	\$0.0158 \$0.0118
EGF	Electric Generation	\$0.0401 \$0.0304
GLS	Gas Lights	\$0.0509 \$0.0384
Firm Special Contracts		\$0.0016 \$0.0012

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

The IIP is a five-year program to modernize and enhance the reliability and safety of the Company's gas distribution system by replacing its vintage, at-risk facilities which include aging cast iron mains, unprotected and bare steel mains and services, ductile iron and vintage plastic mains and vintage plastic and copper services. As part of the IIP, Elizabethtown is upgrading its legacy low pressure system to an elevated pressure system, and installing excess flow valves and retiring district regulators that are presently required to operate the existing low pressure system. The costs recovered through the IIP Rider rate include the Company's after-tax weighted average cost of capital as adjusted upward for the revenue expansion factor, depreciation expense and applicable taxes.

Cost recovery under the IIP is contingent on an earnings test. If the product of the earnings test calculation exceeds the Company's most recently approved ROE by fifty (50) basis points or more, cost recovery under the IIP shall not be allowed. Any disallowance resulting from the earnings test will not be charged to customers in a subsequent IIP filing period, but the Company may seek such recovery in a subsequent base rate case.

Date of Issue: ~~November 25, 2025~~~~XXX1~~

Effective: Service Rendered
on and after ~~December 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 ~~November 21, 2025~~~~XXX3~~ in Docket No. ~~GR25040222~~~~XXX4~~

ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program Extension ("IIP X")
Weather Normalization Clause ("WNC") Margin Revenue Factor ("MRF")
For Conservation Incentive Program (CIP) to Determine Weather and Non-Weather Amounts

Classes	Distribution Charge, including taxes (\$/ therm) a	less SUT tax 6.625% b	Margin Revenue, Distribution Charge excluding taxes, (\$/ therm) c = a - b	Class Sales for period October through May (therms) * d	Ratio of Class Sales to Total Sales for Period e= d / sum of d	Weighted Margin Revenue in Distribution Rate (\$/ therm) f = c * e
Base Rates						
RDSH	\$0.6991	\$0.0434	\$0.6557	232,220,627	62.662%	\$0.4109
RDSNH	\$0.6991	\$0.0434	\$0.6557	6,800,640	1.835%	\$0.0120
RDS	\$0.6991	\$0.0434	\$0.6557	239,021,267	64.497%	\$0.4229
SGS	\$0.5562	\$0.0346	\$0.5216	23,125,180	6.240%	\$0.0325
GDS	\$0.3457	\$0.0215	\$0.3242	108,446,370	29.263%	\$0.0949
				370,592,817	100.00%	\$0.5503
IIP Rates						
RDSH	\$0.0535	\$0.0033	\$0.0502	232,220,627	62.662%	\$0.0315
RDSNH	\$0.0535	\$0.0033	\$0.0502	6,800,640	1.835%	\$0.0009
RDS	\$0.0535	\$0.0033	\$0.0502	239,021,267	64.497%	\$0.0324
SGS	\$0.0557	\$0.0035	\$0.0522	23,125,180	6.240%	\$0.0033
GDS	\$0.0401	\$0.0025	\$0.0376	108,446,370	29.263%	\$0.0110
				370,592,817	100.00%	\$0.0467
Total WNC- MRF						\$0.5970

* Per the Company's 2024 Rate Case in BPU Docket No. GR24020158, Order dated November 21, 2024, October through May.

ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program Extension (“IIP X”)
Proposed Rates - October 1, 2026

	Current Rates * w/ Tax	2024 Rate Case % of Base Revenues	Target Revenue	Revenue per Proof	2024 Rate Case Distribution Therms	Pre Tax Rates per Proof	Sales Tax 6.625%	Proposed Rates w/ Tax	Incremental Changes w/ Tax
RDS Residential	\$0.0402	66.256788%	\$13,285,973	\$13,283,252	264,606,623	\$0.0502	\$0.0033	\$0.0535	\$0.0133
SGS Small General Service	\$0.0418	6.628081%	\$1,329,079	\$1,330,101	25,480,871	\$0.0522	\$0.0035	\$0.0557	\$0.0139
GDS General Delivery Service	\$0.0301	23.315460%	\$4,675,273	\$4,673,739	124,301,572	\$0.0376	\$0.0025	\$0.0401	\$0.0100
GDS GDS SP#1 May -Oct	\$0.0036	0.000435%	\$87	\$86	19,185	\$0.0045	\$0.0003	\$0.0048	\$0.0012
NGV Natural Gas Vehicles	\$0.0232	0.016891%	\$3,387	\$3,392	116,571	\$0.0291	\$0.0019	\$0.0310	\$0.0078
LVD Large Volume Demand	\$0.0118	3.646968%	\$731,299	\$731,597	49,432,246	\$0.0148	\$0.0010	\$0.0158	\$0.0040
EGF Electric Generation	\$0.0301	0.000000%	\$0	\$0	-	\$0.0376	\$0.0025	\$0.0401	\$0.0100
GLS Gas Lights	\$0.0384	0.000550%	\$110	\$110	2,304	\$0.0477	\$0.0032	\$0.0509	\$0.0125
SPC Firm Spec. Contracts	\$0.0012	0.134827%	\$27,036	\$27,518	18,345,133	\$0.0015	\$0.0001	\$0.0016	\$0.0004
			\$20,052,244	\$20,049,795	482,304,505				
			<i>difference</i>	<i>(\$2,449)</i>	-				

* 2025 IIP Extension Docket No. GR25040222, Order Dated 11-21-25, rates effective 12-1-25.

Schedule CLC-4
6+0

ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program Extension (“IIP X”)
Proof of Revenue - Rider F Rates
Proposed Rates - October 1, 2026
\$20,052,245

	2024 Rate Case		Proposed Rates and Revenue	
	<u>Therms</u>	<u>Target Revenue</u> =Sch TK-3 Rev Alloc	<u>Pre Tax Rates</u> =Target Rev/ Therms	<u>Proof Revenue</u> =Therms * Rates
RDS Residential	264,606,623	\$13,285,973	\$0.0502	\$13,283,252
SGS Small General Service	25,480,871	\$1,329,079	\$0.0522	\$1,330,101
GDS General Delivery Service	124,301,572	\$4,675,273	\$0.0376	\$4,673,739
GDS GDS SP#1 May - Oct	19,185	\$87	\$0.0045	\$86
NGV Natural Gas Vehicles, Distribution	116,571	\$3,387	\$0.0291	\$3,392
LVD Large Volume Demand	49,432,246	\$731,299	\$0.0148	\$731,597
EGF Electric Generation	0	\$0	\$0.0376	\$0
GLS Gas Lights	2,304	\$110	\$0.0477	\$110
SPC Firm Special Contract(s)	18,345,133	\$27,036	\$0.0015	\$27,518
Non IIP Therms		482,304,505		\$20,049,795
		61,768,895	Target	\$20,052,245
		544,073,400	Difference	(\$2,450)