



Agenda Date: 9/24/26

Agenda Item: 2H

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) ORDER APPROVING
ELIZABETHTOWN GAS COMPANY TO REVIEW ITS) STIPULATION FOR PROVISIONAL
PERIODIC BASIC GAS SUPPLY SERVICE RATE AND) RATES
CONSERVATION INCENTIVE PROGRAM RATES)
FOR THE YEAR ENDED SEPTEMBER 30, 2027) DOCKET NO. GR26060277

Parties of Record:

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

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On June 1, 2026, Elizabethtown Gas Company ("Elizabethtown" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU") seeking authorization to: 1) decrease the level of its Periodic Basic Gas Supply Service ("BGSS-P") rate; 2) increase the rate of the Monthly BGSS Capacity Cost Component ("CCC"), a component of the commodity charge for monthly BGSS customers; and 3) change its Conservation Incentive Program ("CIP") rates for the period October 1, 2026 through September 30, 2027 ("Petition"). By this Order, the Board considers a stipulation of settlement ("Provisional Stipulation") executed by Elizabethtown, Board Staff ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") requesting that the Board approve changes in the BGSS-P, Monthly CCC, and CIP rates on a provisional basis, subject to refund with interest.

BACKGROUND/PROCEDURAL HISTORY

By Order dated January 6, 2003, the Board directed each of New Jersey's four (4) gas distribution companies ("GDCs") to submit to the Board, by June 1, their respective annual BGSS gas cost filing for the BGSS year beginning October 1.¹ In addition, the January 2003 BGSS Order authorized each GDC to self-implement up to a five percent (5%) BGSS rate increase effective December 1 of the current year, and February 1 of the following year, with one (1) month advance notice to the Board and Rate Counsel, and implement a decrease in its BGSS rate at any time during the year upon five (5) days' notice to the Board and Rate Counsel.

Petition

By the Petition, Elizabethtown proposed to decrease its per-therm BGSS-P rate from \$0.6962 to \$0.5775.² Elizabethtown identified that the calculated decrease in the BGSS-P rate was due primarily to an overall lowered commodity cost of gas since the Company's December 31, 2025 filing with the Board of a notice to self-implement a BGSS-P increase effective February 1, 2026. Additionally, the Company indicated that commodity costs are projected to stay at relatively low levels through the period covered by the Petition. This was partially offset by the forecasted under-recovery of approximately \$13.2 million on September 30, 2026.

By the Petition, Elizabethtown also proposed to increase its per-therm Monthly BGSS CCC rate from \$0.2274 to \$0.2577, excluding taxes.

By Order dated November 17, 2023, the Board authorized the Company to recover carrying costs accrued on the September 30, 2024 balance over twelve (12) months and to continue to accrue such carrying costs until the BGSS-P under-recovery balance as of September 30, 2024 is fully recovered.³ By the Petition, Elizabethtown stated that the remaining under-recovery balance as of September 30, 2025 is \$9,842,847, including \$897,716 related to carrying costs on the unamortized under-recovery balance. Elizabethtown forecasted net carrying costs due from customers on September 30, 2026 of \$102,090, Elizabethtown proposed to recover this balance on a straight-line basis during the first six (6) months of the BGSS Year, with carrying costs on the September 30, 2024 under-recovery balance continuing to be accrued monthly until such balance is fully amortized. The Company would then include the accrued carrying costs in its next BGSS annual filing.

By the Petition, Elizabethtown also sought Board approval to implement the following per-therm CIP rates effective October 1, 2026:

- A rate of \$0.0364 for Residential Delivery Service ("RDS");
- A rate of (\$0.0361) for Small General Service ("SGS"); and
- A rate of \$0.0100 for General Delivery Service ("GDS").

¹ In re the Provision of Basic Gas Supply Service Pursuant to the Electric Discount and Energy Act, N.J.S.A. 48:3-49 et seq., BPU Docket No. GX01050304, Order dated January 6, 2003 ("January 2003 BGSS Order").

² All rates quoted herein include applicable taxes unless otherwise stated.

³ In re the Petition of Elizabethtown Gas Company to Review Its Periodic Basic Gas Supply Service Rate and Its Conservation Incentive Program Rates for the Year Ended September 30, 2024, BPU Docket No. GR23060335, Order dated November 17, 2023.

On July 15, 2026, Elizabethtown filed amended CIP schedules reflecting actual data from July 1, 2025, through June 30, 2026, which resulted in modifications to the proposed CIP rates ("July 2026 Update"). Based upon the July 2026 Update, the Company modified its proposed CIP rates as follows:

- A rate of \$0.0066 RDS
- A rate of (\$0.0228) for SGS; and
- A rate of (\$0.0007) for GDS

Following publication of notice in newspapers of general circulation in the Company's service territory, virtual public hearings were conducted 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, and the Board received no written comments related to the Petition.

STIPULATION

Following an initial review and discussions, the Parties determined that additional time is needed to complete a comprehensive review of the Petition. Accordingly, the Parties executed the Provisional Stipulation, which provides, in part, as follows:⁴

24. The Parties stipulate and agree that pending the conclusion of further review and discussion among the Parties, it would be both reasonable and in the public interest for the Board to authorize the following BGSS rates on a provisional basis, effective October 1, 2026, or on such other date as the Board deems appropriate: 1) a decrease to the Company's BGSS-P rate of \$0.6962 per therm to \$0.5697 per therm, and 2) an increase to the Company's Monthly BGSS CCC rate from \$0.2056 per therm, excluding taxes, to \$0.2625 per therm, excluding taxes.
25. The proposed provisional BGSS-P rate change translates to a decrease in annual BGSS-P recoveries of approximately \$30.9 million, excluding taxes. The Parties agree that the rate changes are subject to an opportunity for full review at the Office of Administrative Law ("OAL") if necessary, and final approval by the Board, and the provisional BGSS rates are subject to refund with interest.
26. The proposed provisional Updated BGSS-P Rate of \$0.5697 per therm, effective October 1, 2026, will decrease the monthly bill of a residential heating customer using 100 therms of natural gas by \$12.65 from \$175.43 to \$162.78, or 7.2%, as compared to rates in effect on July 1, 2026.
27. Additionally, the Parties stipulate and agree that, pending the conclusion of further review and discussion by the Parties, it would be both reasonable and in the public interest for the Board to authorize the implementation of the following proposed CIP Update rates on a provisional basis: 1) an updated rate of \$0.0066 per therm for RDS customers, a decrease of \$0.0658 per therm from the current rate; 2) an updated credit rate of \$0.0228 per therm for SGS customers, a decrease of \$0.0462 per therm from the current rate; and 3) a credit rate of \$0.0007 per therm for GDS customers, a decrease of \$0.0053 per therm

⁴ Although described at some length in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusion in this Order. Paragraphs are numbered to coincide with the Provisional Stipulation.

from the current rate. It is agreed by the Parties that these rate changes will be effective October 1, 2026, or as of such date that the Board so decides.

28. The proposed provisional CIP Update rate changes translate to a decrease in annual CIP-related recoveries of \$16.7 million, excluding taxes. The Parties agree that the rate changes are subject to an opportunity for full review at the OAL if necessary, and final approval by the Board, and the provisional CIP rates are subject to refund with interest.
29. As compared to rates in effect on July 1, 2026, the CIP Update rate for RDS customers results in a decrease in the monthly bill of a residential heating customer using 100 therms of natural gas of \$6.58, from \$175.43 to \$168.85, or 3.8%.
30. Combining the updated BGSS-P and CIP-related recoveries results in a provisional annual recovery decrease of \$47.6 million, excluding taxes.
31. The impact of the Company's combined proposals on the monthly bill of a residential heating customer using 100 therms of natural gas is a decrease of \$19.23, from \$175.43 to \$156.20, or 11.0%, resulting from Elizabethtown's proposed (1) BGSS-P decrease of \$12.65, or 7.2%; and (2) CIP decrease of \$6.58, or 3.8%, as compared to rates in effect on July 1, 2026.
32. The Company will continue to provide, electronically, to the Parties in this proceeding, on a monthly basis, the following updated information: 1) the BGSS NYMEX update report (also known as S-ECHART-1, an example of which is attached to the Provisional Stipulation as Appendix A); and 2) a monthly report showing the calculation of net cost of gas per therm (known as S-ECHART-2, an example of which is attached to the Provisional Stipulation as Appendix B). S-ECHART-1 is to be completed using information from the first Friday of the month and submitted to the Parties the following Tuesday. S-ECHART-2 is to be submitted to the Parties on approximately the 15th of the following month.
33. The Company will submit tariff sheets in the form attached to the Provisional Stipulation as Appendix C, within five (5) days of the effective date of the Board's Order, should the Board approve the Provisional Stipulation.

DISCUSSION AND FINDINGS

The Board carefully reviewed the record in this proceeding, including the Petition, the CIP Update and the Provisional Stipulation. The Board **HEREBY FINDS** that the Provisional Stipulation is reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the Provisional Stipulation as its own, as if fully set forth herein.

Based upon the Provisional Stipulation, the Board **HEREBY APPROVES**, on a provisional basis, the following per therm BGSS-P Rate and CIP Update rates, effective October 1, 2026.

- a BGSS-P rate of \$0.5697 for BGSS-P
- a Monthly CCC rate of \$0.2625
- CIP Rates
 - \$0.0066 for all RDS;
 - (\$0.0228) for SGS; and
 - (\$0.0007) for GDS.

Any net over-recovered BGSS, Monthly CCC, or CIP balance at the end of the BGSS period shall be subject to refund with interest. The above changes are effective for services rendered on and after October 1, 2026. Based upon the Provisional Stipulation, a typical residential heating customer using 100 therms per month will see a monthly bill decrease of \$19.23.

The Board **HEREBY ORDERS** Elizabethtown to file revised tariff sheets conforming to the terms of the Provisional Stipulation prior to October 1, 2026.

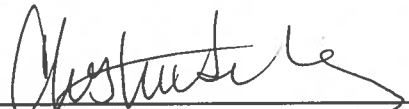
The Company's costs will remain subject to audit by the Board. This Decision and Order shall not preclude or prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

The effective date of this Order is September 24, 2026.

DATED: September 24, 2026

BOARD OF PUBLIC UTILITIES
BY:

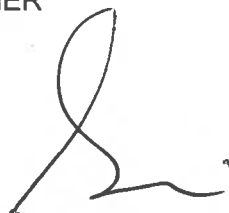

BEN HERTZ-SHARGEL
PRESIDENT


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 TO REVIEW ITS PERIODIC BASIC
GAS SUPPLY SERVICE RATE AND CONSERVATION INCENTIVE PROGRAM RATES FOR THE YEAR ENDED
SEPTEMBER 30, 2027

DOCKET NO. GR26060277

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August 31, 2026

Sherri Lewis, Board Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue
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**Re: In the Matter of the Petition of Elizabethtown Gas Company to Review Its Periodic Basic Gas Supply Service Rate and Conservation Incentive Program Rates For The Year Ended September 30, 2027
BPU Docket No. GR26060277**

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 23, 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".

Dominick DiRocco

DD:caj
Enclosures

cc: Service List

**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY
TO REVIEW ITS PERIODIC BASIC GAS SUPPLY SERVICE RATE AND
CONSERVATION INCENTIVE PROGRAM RATES FOR THE YEAR ENDED
SEPTEMBER 30, 2027
BPU DOCKET NO. GR26060277**

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**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY
TO REVIEW ITS PERIODIC BASIC GAS SUPPLY SERVICE RATE AND
CONSERVATION INCENTIVE PROGRAM RATES FOR THE YEAR ENDED
SEPTEMBER 30, 2027
BPU DOCKET NO. GR26060277**

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

-----X		
In the Matter of the Petition of	:	BPU Docket No. GR26060277
Elizabethtown Gas Company to Review its	:	
Periodic Basic Gas Supply Service Rate and	:	STIPULATION REGARDING
Conservation Incentive Program Rates for the	:	PROVISIONAL BGSS AND CIP
Year Ended September 30, 2027	:	RATES
-----X		

APPEARANCES:

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

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

Elizabeth Van Winkle, 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 June 1, 2026, Elizabethtown Gas Company (“ETG”, or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking authorization to: 1) decrease the level of its Periodic Basic Gas Supply Service (“BGSS-P”) rate; 2) increase the rate of the Monthly BGSS Capacity Cost Component (“CCC”), a component of the commodity charge for monthly BGSS customers; and 3) change its Conservation Incentive Program (“CIP”) rates for the period October 1, 2026 through September 30, 2027 (“Petition”).

2. By the Petition, ETG proposed to decrease its current BGSS-P rate of \$0.6962 per therm to \$0.5775 per therm.¹ As proposed, based upon rates in effect on July 1, 2026, the monthly

¹ All rates quoted herein include all applicable taxes unless otherwise noted.

bill of a residential heating customer using 100 therms of natural gas would decrease by \$11.87 from \$175.43 to \$163.56, or 6.8%. By the Petition, ETG also sought to increase its Monthly BGSS CCC rate from \$0.2056 per therm, excluding taxes, to \$0.2577 per therm, excluding taxes.

3. The proposed BGSS-P rate change translates to a decrease in annual BGSS-P recoveries of approximately \$29.0 million, excluding taxes.

4. By Order dated April 23, 2025, the Board authorized the Company to recover its September 30, 2024 BGSS-P under-recovery balance on a straight-line basis over a period of eighteen (18) months, from October 1, 2024 through March 31, 2026.² By Order dated November 17, 2023, the Board also permitted ETG to recover the carrying costs accrued on the September 30, 2024 BGSS-P under-recovery balance over twelve (12) months, from October 1, 2024 through September 30, 2025, and to continue to accrue such carrying costs until the September 30, 2024 BGSS-P under-recovery balance is fully recovered.³ The November 2023 Order provided that carrying costs will be accrued monthly at an interest rate equal to the interest rate on two (2)-year constant maturity United States Treasury securities as published in the Federal Reserve Statistical Release on the first day of each month, or the closest day thereafter on which rates are published, plus sixty (60) basis points but will not exceed the Company's overall rate of return as authorized by the Board. The calculation of carrying costs on the September 30, 2024 BGSS-P under-recovery balance is contained in the schedules included with the Petition.

5. Since the Company filed the Petition, NYMEX pricing decreased significantly from the NYMEX strip pricing as of May 7, 2026 included in the Petition and Eastern Gas

² In re the Petition of Elizabethtown Gas Company to Review Its Periodic Basic Gas Supply Service Rate and Conservation Incentive Program Rates for the Year Ended September 30, 2025, BPU Docket No. GR24060371, Order dated April 23, 2025.

³ In re the Petition of Elizabethtown Gas Company to Review Its Periodic Basic Gas Supply Service Rate and Conservation Incentive Program Rates for the Year Ended September 30, 2024, BPU Docket No. GR23060335, Order dated November 17, 2023 ("November 2023 Order").

Transmission and Storage (“Eastern Gas”), an interstate pipeline system operator whose infrastructure ETG uses to transport natural gas, filed a rate case with the Federal Energy Regulatory Commission (“FERC”) on June 24, 2026.⁴ The Company subsequently provided updated information to include (1) actual data for May and June 2026; (2) NYMEX strip pricing as of July 10, 2026; (3) forecasted increased demand charges for Eastern Gas, proposed to be implemented effective January 1, 2027; and (4) an updated proposed Monthly BGSS CCC rate of \$0.2625 per therm, excluding taxes (“BGSS Update”).

6. As a result of the BGSS Update, the BGSS-P rate was updated from \$0.5775 per therm in the Petition to \$0.5697 per therm, reflecting a decrease of \$0.1265 per therm from the current level of \$0.6962 per therm (“Updated BGSS-P Rate”). The impact of the Updated BGSS-P Rate on the monthly bill of a residential heating customer using 100 therms of natural gas is a decrease of \$12.65 from \$175.43 to \$162.78, or 7.2%, as compared to rates in effect on July 1, 2026.

7. The proposed Updated BGSS-P Rate change translates to a decrease in annual BGSS-P recoveries of approximately \$30.9 million, excluding taxes.

8. By the Petition, the Company further sought Board approval to implement the following per-therm CIP rates effective October 1, 2026:

- A rate of \$0.0364 for Residential Delivery Service;
- A credit rate of \$0.0361 for Small General Service; and
- A rate of \$0.0100 for General Delivery Service.

9. The proposed CIP rate changes translate to a decrease in annual CIP recoveries of approximately \$9.0 million excluding taxes.

⁴ Eastern Gas Transmission and Storage Inc., Petition, FERC Docket No. RP26-932-000, June 24, 2026

10. On July 15, 2026, the Company updated its per-therm CIP rates to reflect twelve (12) months of actual data (“CIP Update”) to the following amounts:

- A rate of \$0.0066 for Residential Delivery Service;
- A credit rate of \$0.0228 for Small General Service; and
- A credit rate of \$0.0007 for General Delivery Service.

11. As proposed in the CIP Update, the monthly bill of a residential heating customer using 100 therms of natural gas would decrease by \$6.58, from \$175.43 to \$168.85, or 3.8%, as compared to rates in effect on July 1, 2026.

12. The proposed CIP Update rate changes translate to a decrease in annual CIP recoveries of \$16.7 million, excluding taxes.

13. By Order dated April 7, 2021, the Board authorized the Company to implement a CIP designed to recover lost revenues due to the Company’s Energy Efficiency Program (“EEP”). Pursuant to the EEP-CIP Order, recovery of any non-weather-related CIP deficiency requires passing both a Modified BGSS Savings Test and Variable Margin Test.⁵

14. The Modified BGSS Savings Test requires the Company to achieve savings in its costs of providing BGSS to partially offset any recovery of the non-weather-related CIP margin deficiency. To recover non-weather-related CIP deficiencies, the Company must achieve BGSS savings of at least seventy-five percent (75%) of the non-weather-related deficiency. The BGSS savings may originate from any, or all, of the following categories: 1) permanent savings realized from permanent capacity releases or contract terminations; 2) additional BGSS gas cost savings

⁵ In re Implementation of L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs and In the Matter of the Petition of Elizabethtown Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to the Clean Energy Act and the Establishment of a Conservation Incentive Program, BPU Docket Nos. QO19010040 and GO20090619, Order dated April 7, 2021, (“EEP-CIP Order”).

from reductions of capacity on a long-term basis; and 3) avoided capacity costs to meet residential customer growth.

15. The Variable Margin Test limits the recovery on non-weather-related CIP deficiency so as not to exceed 6.5% of total variable margins for each twelve (12)-month period ending June 30, in accordance with the EEP-CIP Order.

16. In computing the non-weather-related CIP value, the margin impact of weather must first be deducted from the total CIP charge or credit. As noted in paragraph (13) above, the non-weather-related CIP component shall be subject to a dual eligibility test comprised of the Modified BGSS Savings Test and the Variable Margin Test. In order to be eligible for recovery, non-weather-related CIP impacts must pass both recovery tests. Amounts that do not pass either or both tests are still recoverable in future years. Based on the CIP Update, the Company indicated that its current period non-weather-related deficient margin was approximately \$22.7 million.

17. According to ETG's CIP Update: (1) its permanent BGSS savings associated with permanently released and/or terminated transportation capacity or storage assets that remain constant after the re-setting of the CIP benchmarks established in future base rate cases (Category One of the Modified BGSS Savings Test) total approximately \$5.0 million per year; (2) BGSS savings realized from gas cost savings from capacity reductions on a long-term basis, contract restructuring, and contract terminations not captured in Category One and reductions in commodity cost of gas supply through purchasing strategies (Category Two of the Modified BGSS Savings Test) total approximately \$1.1 million; and (3) the Company did not have any BGSS savings realized from avoided capacity costs to meet prospective residential customer growth (Category Three of the Modified BGSS Savings Test). Using these values, the total BGSS savings for the 12-month period ending September 30, 2026 are projected to be \$6.1 million.

18. Because the non-weather-related CIP amount is not a credit to customers, the Modified BGSS Savings Test and the Variable Margin Revenue Test are applicable. The total non-weather deficiency, including current year amounts and prior period deferrals, is \$32.5 million. For the Variable Margin Revenue Test, \$15.7 million of the non-weather-related deficiency passes. However, only \$8.1 million of non-weather-related deficiency passes the BGSS Savings Test. Application of the dual pronged test results in the inclusion of \$8.1 million of the non-weather-related deficiency in the amount proposed to be recovered in the current filing, and deferral of the remaining \$24.4 million non-weather-related deficiency to next year's filing.

19. Also pursuant to the EEP-CIP Order and based on the calculations provided by the Company, the CIP will not cause the Company to earn in excess of its allowed rate of return on common equity ("ROE") of 9.6% plus fifty (50) basis points for any twelve (12)-month period ending June 30. Based upon the Company's calculations, the ROE Test will not limit ETG's recovery of the CIP deficiency.

20. Based upon rates in effect on July 1, 2026, the proposed Updated BGSS-P Rate and CIP Update rate changes would decrease the monthly bill of a residential heating customer using 100 therms of natural gas by \$19.23 from \$175.43 to \$156.20, or 11.0%, consisting of a proposed BGSS-P decrease of \$12.65, or 7.2%, and a proposed CIP decrease of \$6.58, or 3.8%.

21. Following public notice published in newspapers of general circulation within ETG's service territory, two (2) virtual public hearings for the Petition were held 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.

22. In accordance with the Board's Generic BGSS Order, New Jersey's four (4) gas distribution companies must submit to the Board, by June 1 each year, their annual BGSS gas cost

filings for the BGSS year beginning in October.⁶ Within the filing, the Company may seek to implement provisional increases in its BGSS rate of up to five percent (5%) to be effective December 1, 2026 and February 1, 2027, with proper notice, if the Company determines that such increases are necessary to permit it to avoid a BGSS under-recovered balance as of September 30, 2027. The self-implementing increases would be provisional and subject to true-up in connection with the next annual BGSS filing. The Company is permitted to decrease its BGSS rate at any time upon five (5) days' notice and the filing of supporting documentation with the Board and the New Jersey Division of Rate Counsel ("Rate Counsel").

II. STIPULATED TERMS

23. The Company, Board Staff, and Rate Counsel, the only parties to this proceeding (collectively, "Parties"), agree that additional time is needed to complete a comprehensive review of the Petition. The Parties also agree that it would be reasonable for the Board to implement the proposed Updated BGSS-P Rate and CIP Update rates, on a provisional basis, subject to refund with interest, and subject to an opportunity for full review at the Office of Administrative Law ("OAL"), if necessary, and final approval by the Board.

24. The Parties further stipulate and agree that pending the conclusion of further review and discussion among the Parties, it would be both reasonable and in the public interest for the Board to authorize the following BGSS rates on a provisional basis, effective October 1, 2026, or on such other date as the Board deems appropriate: 1) a decrease to the Company's BGSS-P rate of \$0.6962 per therm to \$0.5697 per therm, and 2) an increase to the Company's Monthly BGSS CCC rate from \$0.2056 per therm, excluding taxes, to \$0.2625 per therm, excluding taxes.

⁶ In re the Provision of Basic Gas Supply Service Pursuant to the Electric Discount and Energy Competition Act N.J.S.A 48:3-49 et. seq. Order approving the BGSS Price Structure, BPU Docket No. GX01050304, Order dated January 6, 2003.

25. The proposed provisional BGSS-P rate change translates to a decrease in annual BGSS-P recoveries of approximately \$30.9 million, excluding taxes. The Parties agree that the rate changes are subject to an opportunity for full review at the OAL if necessary, and final approval by the Board, and the provisional BGSS rates are subject to refund with interest.

26. The proposed provisional Updated BGSS-P Rate of \$0.5697 per therm, effective October 1, 2026, will decrease the monthly bill of a residential heating customer using 100 therms of natural gas by \$12.65 from \$175.43 to \$162.78, or 7.2%, as compared to rates in effect on July 1, 2026.

27. Additionally, the Parties stipulate and agree that, pending the conclusion of further review and discussion by the Parties, it would be both reasonable and in the public interest for the Board to authorize the implementation of the following proposed CIP Update rates on a provisional basis: 1) an updated rate of \$0.0066 per therm for Residential Delivery Service customers, a decrease of \$0.0658 per therm from the current rate; 2) an updated credit rate of \$0.0228 per therm for Small General Service customers, a decrease of \$0.0462 per therm from the current rate; and 3) a credit rate of \$0.0007 per therm for General Delivery Service customers, a decrease of \$0.0053 per therm from the current rate. It is agreed by the Parties that these rate changes will be effective October 1, 2026, or as of such date that the Board so decides.

28. The proposed provisional CIP Update rate changes translate to a decrease in annual CIP-related recoveries of \$16.7 million, excluding taxes. The Parties agree that the rate changes are subject to an opportunity for full review at the OAL if necessary, and final approval by the Board, and the provisional CIP rates are subject to refund with interest.

29. As compared to rates in effect on July 1, 2026, the CIP Update rate for Residential Delivery Service customers results in a decrease in the monthly bill of a residential heating

customer using 100 therms of natural gas of \$6.58, from \$175.43 to \$168.85, or 3.8%.

30. Combining the updated BGSS-P and CIP-related recoveries results in a provisional annual recovery decrease of \$47.6 million, excluding taxes.

31. The impact of the Company's combined proposals on the monthly bill of a residential heating customer using 100 therms of natural gas is a decrease of \$19.23, from \$175.43 to \$156.20, or 11.0%, resulting from Elizabethtown's proposed (1) BGSS-P decrease of \$12.65, or 7.2%; and (2) CIP decrease of \$6.58, or 3.8%, as compared to rates in effect on July 1, 2026.

32. The Company will continue to provide, electronically, to the Parties in this proceeding, on a monthly basis, the following updated information: 1) the BGSS NYMEX update report (also known as S-ECHART-1, an example of which is attached as Appendix A); and 2) a monthly report showing the calculation of net cost of gas per therm (known as S-ECHART-2, an example of which is attached as Appendix B). S-ECHART-1 is to be completed using information from the first Friday of the month and submitted to the Parties the following Tuesday. S-ECHART-2 is to be submitted to the Parties on approximately the 15th of the following month.

33. The Company will submit tariff sheets in the form attached hereto as Appendix C, within five (5) days of the effective date of the Board's Order, should the Board approve this Stipulation of Settlement ("Stipulation").

III. MISCELLANEOUS

34. 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 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.

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

36. It is specifically understood 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.

37. The Parties further acknowledge that, should a Board Order be entered approving this Stipulation, 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 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, as soon as reasonably possible.

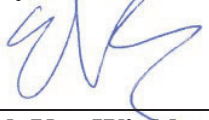
ELIZABETHTOWN GAS COMPANY

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


By: _____
**Dominick DiRocco, Esq.
Vice President, Rates & Regulatory Affairs
SJI Utilities, Inc.**


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
Deputy Attorney General**

Dated: August 31, 2026

GR26060277

Appendix A

S-ECHART-1
BGSS NYMEX Update Report
as of July 10, 2026

Month	a BGSS (see note below)	b NYMEX (7/10/2026 Close)	c = b - a Incr/ (Decr)	% Chg	d Sales forecast (dths)	e Hedged volume (dths)	f = d - e Unhedged volume (dths)	g = c x f Change in value unhedged
Oct-25	\$ 4.063	\$ 2.835	\$ (1.228)		773,779	331,500	442,279	(\$543,119)
Nov-25	\$ 4.364	\$ 3.376	\$ (0.988)		2,077,307	1,437,133	640,174	(\$632,492)
Dec-25	\$ 4.852	\$ 4.424	\$ (0.428)		3,795,284	2,845,602	949,682	(\$406,464)
Jan-26	\$ 5.139	\$ 4.687	\$ (0.452)		5,403,292	4,078,962	1,324,330	(\$598,597)
Feb-26	\$ 4.812	\$ 7.460	\$ 2.648		5,308,892	3,741,742	1,567,150	\$4,149,813
Mar-26	\$ 4.262	\$ 2.969	\$ (1.293)		4,535,903	2,764,238	1,771,665	(\$2,290,763)
Apr-26	\$ 3.897	\$ 3.095	\$ (0.802)		3,320,129	1,550,200	1,769,929	(\$1,419,483)
May-26	\$ 3.889	\$ 2.559	\$ (1.330)		1,685,451	737,300	948,151	(\$1,261,041)
Jun-26	\$ 4.045	\$ 3.040	\$ (1.005)		790,604	270,700	519,904	(\$522,504)
Jul-26	\$ 4.219	\$ 3.231	\$ (0.988)		795,424	320,000	475,424	(\$469,719)
Aug-26	\$ 4.253	\$ 3.012	\$ (1.241)		822,038	331,800	490,238	(\$608,385)
Sep-26	\$ 4.207	\$ 2.958	\$ (1.249)		819,409	332,200	487,209	(\$608,524)
Avg Total \$	\$ 4.334	\$ 3.637	\$ (0.696)	-16.1%	30,127,512	18,741,377	11,386,135	(\$5,211,278)
Oct-26	\$ 4.248	\$ 2.981	\$ (1.267)		781,517	322,000	459,517	(\$582,208)
Nov-26	\$ 4.413	\$ 3.184	\$ (1.229)		2,098,081	1,427,133	670,948	(\$824,595)
Dec-26	\$ 4.770	\$ 3.836	\$ (0.934)		3,833,235	2,755,602	1,077,633	(\$1,006,509)
Jan-27	\$ 5.015	\$ 4.279	\$ (0.736)		5,457,324	3,988,962	1,468,362	(\$1,080,715)
Feb-27	\$ 4.567	\$ 3.848	\$ (0.719)		5,361,980	3,771,742	1,590,238	(\$1,143,381)
Mar-27	\$ 3.883	\$ 3.025	\$ (0.858)		4,581,263	2,704,238	1,877,025	(\$1,610,487)
Apr-27	\$ 3.405	\$ 2.831	\$ (0.574)		3,353,330	1,542,100	1,811,230	(\$1,039,646)
May-27	\$ 3.381	\$ 2.809	\$ (0.572)		1,702,305	750,400	951,905	(\$544,490)
Jun-27	\$ 3.523	\$ 2.939	\$ (0.584)		798,512	329,600	468,912	(\$273,845)
Jul-27	\$ 3.692	\$ 3.146	\$ (0.546)		803,379	329,800	473,579	(\$258,574)
Aug-27	\$ 3.734	\$ 3.206	\$ (0.528)		830,259	361,000	469,259	(\$247,769)
Sep-27	\$ 3.695	\$ 3.179	\$ (0.516)		827,603	372,000	455,603	(\$235,091)
Avg Total \$	\$ 4.027	\$ 3.272	\$ (0.755)	-18.8%	30,428,788	18,654,577	11,774,211	(\$8,847,310)

Footnotes:a : Nymex rate used for annual BGSS periodic rate filing; Oct-2025 to Sept-2027 based on the **5-8-2025 Close** .

b: Nymex rate as of date of the report

c: Increase/Decrease in the Nymex rate compared to rate used for annual BGSS periodic rate filing

d: Sales forecast (includes fuel requirement) at a receipt point/wellhead equivalent volume

e: 'Hedged' volume consists of all fixed price contracts (financial or physical), purchased call option positions, and tentative storage withdrawal volumes (reduced by fuel required for delivery to citygate)

f: 'Unhedged' volume consists of sales volume forecast less 'hedged' volume

g: Not necessarily representative of a change in under/over-recovery value

S-ECHART-2

Elizabethtown Gas Company
Calculation of Net Cost of Gas Per Therm

		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimate	Estimate	Estimate	12 Month
		<u>Oct-25</u>	<u>Nov-25</u>	<u>Dec-25</u>	<u>Jan-26</u>	<u>Feb-26</u>	<u>Mar-26</u>	<u>Apr-26</u>	<u>May-26</u>	<u>Jun-26</u>	<u>Jul-26</u>	<u>Aug-26</u>	<u>Sep-26</u>	Weighted
1	NYMEX - 05/08/25 - Included in BGSS Filing	\$0.4063	\$0.4364	\$0.4852	\$0.5139	\$0.3809	\$0.3399	\$0.3379	\$0.3426	\$0.3606	\$0.3807	\$0.3859	\$0.3825	<u>Average</u>
2	NYMEX - Actual Settlement	\$0.2835	\$0.3376	\$0.4424	\$0.4687	\$0.7460	\$0.2969	\$0.3095	\$0.2559	\$0.3040				
<u>Breakdown of Gross Cost of Gas Per Therm:</u>														
13	Flowing Gas Cost	\$0.2119	\$0.5084	\$0.4510	\$0.5511	\$0.2473	\$0.0376	-\$0.0972	-\$0.0685	-\$0.1713	-\$0.5680	-\$0.5886	-\$0.5564	\$0.2072
14	Gas Withdrawn From Storage Cost	\$0.0227	\$0.0886	\$0.1115	\$0.1128	\$0.0778	\$0.0869	\$0.0231	\$0.0079	\$0.0252	\$0.0027	\$0.0028	\$0.0028	\$0.0753
15	Hedged Volumes Delivered Cost	\$0.4689	\$0.1283	\$0.1066	\$0.1032	\$0.1072	\$0.1535	\$0.2877	\$0.3931	\$0.5149	\$0.5760	\$0.5972	\$0.5617	\$0.1945
16	Pipeline Demand Cost	\$0.9197	\$0.3420	\$0.1567	\$0.1065	\$0.0969	\$0.1341	\$0.2063	\$0.4126	\$0.7080	\$1.1404	\$1.1408	\$1.1208	\$0.2555
17	Storage Demand Cost	\$0.1869	\$0.0714	\$0.0327	\$0.0219	\$0.0194	\$0.0257	\$0.0392	\$0.0810	\$0.1401	\$0.2000	\$0.1997	\$0.1956	\$0.0493
18	Peaking Cost	\$0.0000	\$0.0076	\$0.0035	\$0.0023	\$0.0331	\$0.0031	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0088
19	Weighted Average Fuel Cost	\$0.0283	\$0.0210	\$0.0177	\$0.0199	\$0.0123	\$0.0061	\$0.0087	\$0.0143	\$0.0243	\$0.0432	\$0.0537	\$0.0491	\$0.0170
20	Variable Pipeline Cost	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.1103	\$0.1244	\$0.1194	\$0.0078
21	Other Costs	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
22	Total Gross Cost of Gas Per Therm	\$1.8384	\$1.1671	\$0.8797	\$0.9177	\$0.5941	\$0.4469	\$0.4678	\$0.8404	\$1.2411	\$1.5046	\$1.5300	\$1.4930	\$0.8153

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Weighted Average
	<u>Oct-24</u>	<u>Nov-24</u>	<u>Dec-24</u>	<u>Jan-25</u>	<u>Feb-25</u>	<u>Mar-25</u>	<u>Apr-25</u>	<u>May-25</u>	<u>Jun-25</u>	<u>Jul-25</u>	<u>Aug-25</u>	<u>Sep-25</u>	
23 NYMEX - Actual Settlement	\$0.2585	\$0.2346	\$0.3431	\$0.3514	\$0.3535	\$0.3906	\$0.3950	\$0.3170	\$0.3204	\$0.3261	\$0.3081	\$0.2867	
<u>Breakdown of Gross Cost of Gas Per Therm:</u>													
24 Flowing Gas Cost	\$0.0129	\$0.3417	\$0.2775	\$0.3899	\$0.1860	\$0.1083	-\$0.0483	-\$0.1060	-\$0.1955	-\$0.0852	-\$0.2623	-\$0.2763	\$0.1594
25 Gas Withdrawn From Storage Cost	\$0.0261	\$0.1042	\$0.0960	\$0.0791	\$0.0591	\$0.0423	\$0.0129	\$0.0244	\$0.0413	\$0.0228	\$0.0042	\$0.0105	\$0.0572
26 Hedged Volumes Delivered Cost	\$0.5619	\$0.1984	\$0.1361	\$0.1078	\$0.1260	\$0.1502	\$0.3052	\$0.3796	\$0.4481	\$0.6114	\$0.6952	\$0.6593	\$0.2131
27 Pipeline Demand Cost	\$0.6870	\$0.3057	\$0.1601	\$0.0929	\$0.0923	\$0.1391	\$0.2381	\$0.4769	\$0.6597	\$0.9804	\$1.1570	\$1.0370	\$0.2422
28 Storage Demand Cost	\$0.1521	\$0.0738	\$0.0313	\$0.0185	\$0.0185	\$0.0300	\$0.0485	\$0.0992	\$0.1506	\$0.2202	\$0.2581	\$0.2292	\$0.0520
29 Peaking Cost	\$0.0000	\$0.0097	\$0.0041	\$0.0024	\$0.0025	\$0.0032	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0025
30 Weighted Average Fuel Cost	\$0.0254	\$0.0157	\$0.0129	\$0.0151	\$0.0097	\$0.0082	\$0.0102	\$0.0154	\$0.0159	\$0.0315	\$0.0360	\$0.0253	\$0.0135
31 Variable Pipeline Cost	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
32 Other Costs	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
33 Total Gross Cost of Gas Per Therm	\$1.4654	\$1.0491	\$0.7179	\$0.7056	\$0.4941	\$0.4812	\$0.5666	\$0.8894	\$1.1202	\$1.7811	\$1.8883	\$1.6851	\$0.7400

Footnotes:

- Flowing Gas Cost = Gas purchased for delivery to city gate during month - not injected into storage
- Gas Withdrawn From Storage Cost = Gas withdrawn from storage - includes cost of injection, withdrawal, fees, line loss
- Hedged Volumes Delivered Cost = Hedged Volumes delivered to city gate - not injected into storage
- Pipeline Demand Cost = Fixed Pipeline costs
- Storage Demand Cost = Fixed Storage related costs
- Peaking Cost = Peaking Cost includes peaking services, LNG, Propane, etc...
- Weighted Average Fuel Cost = Commodity x fuel % for each pipeline - represents portion of gas shipped that is retained by pipeline
- Variable Pipeline Cost = Pipeline Charge per therm shipped

S-ECHART-2
Elizabethtown Gas Company
Calculation of Net Cost of Gas Per Therm

	Actual Oct-25	Actual Nov-25	Actual Dec-25	Actual Jan-26	Actual Feb-26	Actual Mar-26	Actual Apr-26	Actual May-26	Actual Jun-26	Estimate Jul-26	Estimate Aug-26	Estimate Sep-26	12 Month Weighted Average
<u>Credits, Refunds, & Recoveries Per Therm:</u>													
1 Asset Management Credits	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
2 Off-system sales	\$0.1915	\$0.0865	\$0.0737	\$0.0491	\$0.0859	\$0.0377	\$0.0526	\$0.1057	\$0.1918	\$0.1401	\$0.1401	\$0.1397	\$0.0767
3 Capacity release	\$0.0778	\$0.0351	\$0.0206	\$0.0132	\$0.0106	\$0.0160	\$0.0257	\$0.0526	\$0.0929	\$0.0380	\$0.0270	\$0.0270	\$0.0231
4 On System Credits to BGSS-P Customers	\$0.2047	\$0.1542	\$0.1611	\$0.1560	\$0.1873	\$0.1603	\$0.1106	\$0.1233	\$0.1328	\$0.2303	\$0.2433	\$0.2382	\$0.1640
5 Supplier Refunds	\$0.0019	\$0.0000	\$0.0294	\$0.0000	\$0.0000	\$0.0000	\$0.2736	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0291
6 Gas for Company Use	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
7 Line Loss	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
8 Transfer to Non BGSS-P Customers	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
9 Over / Under Recovery & Interest to Customers	\$0.8617	\$0.3906	\$0.0629	\$0.1251	-\$0.2964	-\$0.4189	-\$0.6465	-\$0.0933	\$0.1726	\$0.4433	\$0.4667	\$0.4352	-\$0.0761
10 Other	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
11 Total Credits, Refunds, & Recoveries per Therm	\$1.3376	\$0.6664	\$0.3477	\$0.3435	-\$0.0126	-\$0.2048	-\$0.1840	\$0.1882	\$0.5901	\$0.8517	\$0.8771	\$0.8401	\$0.2168
12 Total Net Cost Per Therm(Pg 1 Line 22 - Pg 2 Line 11)	\$0.5008	\$0.5007	\$0.5321	\$0.5742	\$0.6067	\$0.6517	\$0.6518	\$0.6522	\$0.6509	\$0.6529	\$0.6529	\$0.6529	\$0.5985

	Actual Oct-24	Actual Nov-24	Actual Dec-24	Actual Jan-25	Actual Feb-25	Actual Mar-25	Actual Apr-25	Actual May-25	Actual Jun-25	Actual Jul-25	Actual Aug-25	Actual Sep-25	Weighted Average
<u>Credits, Refunds, & Recoveries Per Therm:</u>													
13 Asset Management Credits	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
14 Off-system sales	\$0.0771	\$0.0729	\$0.0602	\$0.0794	\$0.0441	\$0.0393	\$0.0423	\$0.1025	\$0.2062	\$0.3210	\$0.2723	\$0.2352	\$0.0767
15 Capacity release	\$0.0845	\$0.0693	\$0.0063	\$0.0055	\$0.0052	\$0.0078	\$0.0213	\$0.0423	\$0.0770	\$0.0978	\$0.1096	\$0.0906	\$0.0223
16 On System Credits to BGSS-P Customers	\$0.1511	\$0.1380	\$0.1414	\$0.1272	\$0.1272	\$0.1327	\$0.1442	\$0.1383	\$0.1328	\$0.1709	\$0.1783	\$0.1649	\$0.1360
17 Supplier Refunds	\$0.0013	\$0.0000	\$0.0000	\$0.0003	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0006	\$0.0002	\$0.0062	\$0.0002
18 Gas for Company Use	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
19 Line Loss	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
20 Transfer to Non BGSS-P Customers	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
21 Over / Under Recovery & Interest to Customers	\$0.6675	\$0.2685	\$0.0095	-\$0.0075	-\$0.1836	-\$0.1996	-\$0.1420	\$0.1054	\$0.2034	\$0.6893	\$0.8308	\$0.6875	\$0.0044
22 Other	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
23 Total Credits, Refunds, & Recoveries per Therm	\$0.9814	\$0.5486	\$0.2173	\$0.2050	-\$0.0070	-\$0.0198	\$0.0658	\$0.3884	\$0.6193	\$1.2795	\$1.3912	\$1.1842	\$0.2396
24 Total Net Cost Per Therm (Pg 1 Line 33 - Pg 2 Line 23)	\$0.4840	\$0.5005	\$0.5006	\$0.5007	\$0.5010	\$0.5011	\$0.5008	\$0.5010	\$0.5008	\$0.5016	\$0.4970	\$0.5009	\$0.5004

Footnotes:

On System Credits to BGSS-P Customers = Interruptible Sales, Cogeneration, Electric Plant Transfers, Sayerville, Forked River, Ocean Power, etc...

Line Loss = Gross Cost of Gas per Therm x Line Loss Percentage

Indicate that Line 12 equals the projected BGSS-P rate or provide a calculation below that reconciles the two numbers.

RIDER "A"

BASIC GAS SUPPLY SERVICE CHARGE ("BGSS")

This Rider sets forth the method of determining the BGSS which shall be calculated to four (4) decimal places on a per therm basis established in accordance with the Board Order in Docket No. GX01050304 dated January 6, 2003. The BGSS charge is either BGSS-Monthly ("BGSS-M") or BGSS-Periodic ("BGSS-P") and will be applied to a Customer's Service Classification as follows:

1. The BGSS-M shall be applicable to all GDS, NGV, LVD, and EGF customers receiving gas supply from the Company effective on the first of each month as determined below.
2. The BGSS-P shall be applicable to all RDS, SGS, and GLS customers receiving gas supply from the Company.

The BGSS Charge, as defined herein, is designed to recover the cost to the Company of purchased gas or fuel used as a substitute for or supplemental to purchased gas including the cost of storing or transporting said gases or fuel, the cost of financial instruments employed to stabilize gas costs, other charges or credits as may result from the operation of other tariff provisions, and taxes and other similar charges in connection with the purchase and sale of gas.

BGSS per therm rates:

<u>Effective Date</u>	<u>BGSS-M per therm</u>	<u>BGSS-P per therm</u>
August 1, 2025	\$0.5449	\$0.5340
September 1, 2025	\$0.5216	\$0.5340
October 1, 2025	\$0.5181	\$0.5340
November 1, 2025	\$0.5768	\$0.5340
December 1, 2025	\$0.6906	\$0.6132
January 1, 2026	\$0.7192	\$0.6132
February 1, 2026	\$1.0202	\$0.6962
March 1, 2026	\$0.5327	\$0.6962
April 1, 2026	\$0.5463	\$0.6962
May 1, 2026	\$0.4881	\$0.6962
June 1, 2026	\$0.5404	\$0.6962
July 1, 2026	\$0.5611	\$0.6962
August 1, 2026	\$0.5061	\$0.6962
September 1, 2026	*	\$0.6962
October 1, 2026	*	\$0.5697

*To be determined

Date of Issue: ~~July 30, 2026xxx1~~

Effective: Service Rendered
on and after ~~August 1, 2026xxx2~~

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

Filed Pursuant to Order of the Board of Public Utilities
Dated ~~January 6, 2003xxx3~~ in Docket No. ~~GX01050304xxx4~~

RIDER "A"

BASIC GAS SUPPLY SERVICE CHARGE ("BGSS")
(continued)

PPA-P shall be the Company's actual cumulative (over) or under recovery of gas costs associated with the operation of the BGSS divided by the projected BGSS-P firm gas sales for the remainder of the Period. ~~In the initial transition to the BGSS-P, the per therm rate derived from the Company's estimated BGSS under or (over) recovery balance at May 31, 2003 with applicable interest thereon divided by the Company's projected BGSS firm sales for the period ending May 31, 2004, shall be the PPA-P.~~ The over under recovery of gas costs shall be the cost of gas, as previously defined, less:

1. Supplier or Pipeline refunds;
2. Gas cost recoveries from the implementation of the BGSS-P;
3. Gas cost recoveries from the implementation of the BGSS-M;
4. Other gas cost recoveries or credits to the BGSS derived from sales or services as set forth in the applicable service classifications of the tariff;
5. Interest on the cumulative (over) under recovery of cost from the preceding BGSS Year ending September 30 but only when the interest is a credit. Interest being calculated on the cumulative (over) under recovery for each month of the prior period on the average of the beginning and ending monthly balance at a rate equivalent to the Company's allowed overall rate of return.

TF shall be the factors to adjust the calculated rate for appropriate taxes and other similar charges.

The BGSS-P shall be in effect until changed by succeeding BGSS-P rate filings.

The Company shall have the discretion to implement up to two (2) self-implementing BGSS-P rate changes, one to be implemented December 1 and the other to be implemented February 1 upon written notice to the Staff of the Board of Public Utilities and the Division of Rate Counsel of the approximate amount of that increase based on current market conditions by the first of the month preceding the self-implementation dates, November 1 and January 1 respectively. Each requested rate change shall not be for an increase of greater than five percent (5%) of the average rate based on a typical 100 therm per month residential total bill. The notice shall contain the information necessary to derive the components of the BGSS-P as set forth above. The Public Notice for the annual filing shall include the specific rate change sought to be implemented on October 1, a paragraph indicating that the rate is subject to self-implementing rate changes on December 1 and February 1 subject to the aforementioned 5% cap and an estimate of the impact from the two (2) possible five percent (5%) increases on a 100 therm residential bill.

In accordance with the Board Order in Docket No. GX01050304 dated January 6, 2003 the Company shall have the discretion to return any over recovered balances to customers through a current bill credit or BGSS-P rate reduction upon five (5) days notice to the Staff of the Board of Public Utilities and the Division of Rate Counsel to the BPU and RC.

Date of Issue: ~~November 26, 2024~~xxx1

Effective: Service Rendered
on and after ~~December 1,~~
2024xxx2

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, 2024~~xxx3 in Docket No. ~~GR24020158~~xxx54

RIDER "A"

BASIC GAS SUPPLY SERVICE CHARGE ("BGSS")
(continued)

~~from the two (2) possible five percent (5%) increases on a 100 therm residential bill. Upon establishing the initial BGSS-P, one self-implementing rate change to the BGSS-P for an increase not greater than five percent (5%) of the average rate based on a typical 100 therm per month residential total bill shall be permitted effective March 1, 2003 upon written notice made to the BPU and RC by February 1, 2003.~~

~~In accordance with the Board Order in Docket No. GX01050304 dated January 6, 2003 the Company shall have the discretion to return any over recovered balances to customers through a current bill credit or BGSS-P rate reduction upon five (5) days notice to the BPU and RC.~~

II. The BGSS-M Commodity Charge shall be determined as follows:

The BGSS-M Commodity Charge shall consist of a Gas Cost Component ("GCC"), a Capacity Cost Component ("CCC"), ~~a Prior Period Adjustment ("PPA")~~ and a Tax Factor ("TF") as follows:

$$\text{BGSS-M} = (\text{GCC-M} + \text{CCC-M} + \text{PPA-M}) \times (\text{TF})$$

Where:

GCC-M rate per therm shall be the arithmetic average of (i) the NYMEX Henry Hub gas contracts closing price for the last trading day prior to each respective month and (ii) the weighted-average of the estimated Inside FERC prices for the respective locations where purchases of gas for the ensuing month are projected to be made, as adjusted for the variable cost of fuel and transportation to the city gate delivery points of the Company.

CCC-M shall be the same as the CCC-P rate per therm as established each year in the Company's annual BGSS-P filing.

~~**PPA-M** rate per therm in the initial transition to the BGSS-M shall be the estimated BGSS under or (over) recovery balance at May 31, 2003 with applicable interest thereon divided by the projected BGSS firm sales for the period ending May 31, 2004. This rate shall continue in effect on a monthly basis until the deferred balance, which initially shall be set equal to the PPA-M times the projected BGSS-M firm sales for the period ending May 31, 2004, becomes positive as an over recovery at which time the PPA-M shall cease to be a component of the BGSS-M starting in the subsequent month, and any over recovery in the deferred balance shall be credited to the BGSS-P.~~

TF shall be the factors to adjust the calculated rate for appropriate taxes and other similar charges.

The BGSS-M will be filed within two (2) business days after the monthly close of the NYMEX Henry Hub gas contracts and shall be in effect for the entirety of the subsequent month and thereafter until changed by succeeding BGSS-M rate filings. The BGSS-M price shall be posted on the Company's website within two (2) to four (4) days of the rate being filed with the BPU.

The Company shall make an annual BGSS filing on or before June 1 of each year. The filing shall provide for a review of the actual costs and recoveries for the previous period ending April 30 and projections of costs and recoveries through September 30. The filing shall also propose a new BGSS-P rate to be implemented on October 1. The proposed BGSS-P rate shall be based upon the projected cost of purchased gas and storage utilization to serve projected demand for gas service for the period October 1 through September 30 and an adjustment to recover or credit

Appendix C

prior period under or over recovered gas costs as projected to exist on the preceding September 30. The Company shall provide the basis for its projected costs and the NYMEX projection of monthly gas prices for the projected period. In its annual filing the Company shall calculate the CCC-P component, as defined above, of the BGSS-P rate. Adjustments, if any, resulting from the Board's review of this filing shall be made following a Board Order.

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.

Date of Issue: ~~November 26, 2024~~xxx1

Effective: Service Rendered
on and after ~~December 1,~~
~~2024~~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, 2024~~xxx3 in Docket No. ~~GR24020158~~xxx4

RESERVED FOR FUTURE USE**RIDER "A"****BASIC GAS SUPPLY SERVICE CHARGE ("BGSS")**
(continued)

~~The BGSS-M will be filed two (2) business days after the monthly close of the NYMEX Henry Hub gas contracts and shall be in effect for the entirety of the subsequent month and thereafter until changed by succeeding BGSS-M rate filings. The BGSS-M price shall be posted on the Company's WEB site within two (2) to four (4) days of the rate being filed with the BPU.~~

~~The Company shall make an annual BGSS filing on or before June 1 of each year. The filing shall provide for a review of the actual costs and recoveries for the previous period ending April 30 and projections of costs and recoveries through September 30. The filing shall also propose a new BGSS-P rate to be implemented on October 1. The proposed BGSS-P rate shall be based upon the projected cost of purchased gas and storage utilization to serve projected demand for gas service for the period October 1 through September 30 and an adjustment to recover or credit prior period under or over recovered gas costs as projected to exist on the preceding September 30. The Company shall provide the basis for its projected costs and the NYMEX projection of monthly gas prices for the projected period. In its annual filing the Company shall calculate the CCC-P component, as defined above, of the BGSS-P rate. Adjustments, if any, resulting from the Board's review of this filing shall be made following a Board Order.~~

~~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.~~

Date of Issue: ~~November 26, 2024~~xxx1

Effective: Service Rendered
on and after ~~December 1,~~
~~2024~~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, 2024~~xxx3 in Docket No. ~~GR24020158~~xxx4

RIDER "G"

CONSERVATION INCENTIVE PROGRAM ("CIP")

Applicable to all Customers served under RDS, SGS and GDS rate classes.

The CIP shall be collected on a per therm basis and shall remain in effect until changed by order of the BPU. The applicable CIP rates are as follows:

RDS	SGS	GDS
\$0. 07240066 per therm	(\$0.02340228) per therm	(\$0.00460:0007) per therm

The rates 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 annual filing for the adjustment to the CIP rate shall be concurrent with the annual filing for BGSS. The CIP factor shall be credited/collected on a per therm basis for the service classifications stated above. The level of BGSS savings referenced in (d) in this Rider shall be identified in the annual CIP filing, and serve as an offset to the non-weather related portion of the CIP charge provided in (f) in this Rider. The Periodic and Monthly BGSS rates identified in Rider "A" to this tariff shall include the BGSS savings, as applicable.

- (a) This Rider shall be utilized to adjust the Company's revenues in cases wherein the Actual Usage per Customer experienced during Monthly Periods varies from the Baseline Usage per Customer ("BUC"). This adjustment will be effectuated through a credit or surcharge applied to customers' bills during the Adjustment Period. The credit or surcharge will also be adjusted to reflect prior year under recoveries or over recoveries pursuant to this CIP.

Date of Issue: ~~May 28, 2026xxx1~~

Effective: Service Rendered
on and after ~~May 28, 2026xxx2~~

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

Filed Pursuant to Order of the Board of Public Utilities
Dated ~~May 21, 2026xxx3~~ in Docket No. ~~GR25050315xxx4~~