NOTICE TO NEW JERSEY NATURAL GAS COMPANY CUSTOMERS Docket No. GR18091055

NOTICE OF SOCIETAL BENEFITS CHARGE FILING AND PUBLIC HEARING

TO OUR CUSTOMERS:

PLEASE TAKE NOTICE that on September 20, 2018, New Jersey Natural Gas ("NJNG" or the "Company") filed its annual Societal Benefits Charge ("SBC") petition with the New Jersey Board of Public Utilities ("Board") for a price adjustment for all applicable service customers. Pursuant to its filing, NJNG requested that the Board permit NJNG to increase its overall SBC rate which would include increases to the Remediation Adjustment ("RA") and the New Jersey Clean Energy Program ("NJCEP") factors effective April 1, 2019. No change is proposed to the existing Universal Service Fund ('USF") rate which would remain at the current Board-approved statewide rate.

The RA rate provides recovery of actual costs incurred by NJNG for the clean-up of former manufactured gas plant sites. The NJCEP rate is designed to recover costs incurred for NJNG's share of statewide energy efficiency and renewable energy expenditures. The USF is a fund established by the Board to provide affordable access to electricity and natural gas to residential customers in New Jersey. The overall SBC rate is comprised of the above components.

If the Board approves the requested price adjustment, the impact will result in an overall increase of approximately \$0.49 per month or 0.50 percent for a residential heating customer using 100 therms per month. The above-referenced proposal will not result in any profit for NJNG.

If approved by the Board, the impact of the proposed changes to the RA and NJCEP factors on typical natural gas bills is illustrated below:

| | | Total Bill | | | |
|-----------------------------------|---------------------------|---------------------------------------|---|------------------------|---------------------|
| Customer Type | Therm Level (Usage) | Monthly Bill as of October 1, 2018 | Proposed Monthly Bill as of April 1, 2019 | Net Dollar Increase | Percent Increase |
| Residential Heat Sales | 100 | \$97.89 | \$98.38 | \$0.49 | 0.50% |
| Residential Non-Heat Sales | 25 | \$32.16 | \$32.28 | \$0.12 | 0.37% |
| General Service Small | 100 | \$110.46 | \$110.95 | \$0.49 | 0.44% |
| General Service Large | 1200 | \$1,231.77 | \$1,237.65 | \$5.88 | 0.48% |

The Board has the statutory authority to establish the RA and NJCEP factors at levels it finds just and reasonable. Therefore, the Board may establish the RA and NJCEP factors at levels other than those proposed by NJNG. NJNG's SBC costs addressed in this petition will remain subject to audit by the Board, and Board approval shall not preclude or prohibit the Board from taking any such actions deemed appropriate as a result of any such audit.

PLEASE TAKE NOTICE that public hearings have been scheduled for the following dates, times and places:

February 12, 2019 at 4:30 and 5:30 RM. Rockaway Township Municipal Building Conference Room 65 Mt. Hope Road Rockaway Township, New Jersey 07866-1698

February 13, 2019 at 4:30 and 5:30 P.M. Freehold Township Municipal Building Conference Room One Municipal Plaza, Schanck Road Freehold, New Jersey 07728-3099

The public is invited to attend and interested persons will be permitted to make a statement of their views on the proposed rate changes. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, including interpreter, listening devices or mobility assistance, 48 hours prior to this hearing. Regardless of whether they attend the hearing, members of the public may submit written comments concerning the petition to the BPU by addressing them to Aida Camacho-Welch, Secretary, New Jersey Board of Public Utilities, 44 South Clinton Avenue, 3rd Floor, Suite 314, P.O. Box 350 Trenton, NJ 08625-0350. Copies of the Company's filing can be reviewed either at the NJNG Customer Service Centers listed on the Company Web site, www.njng.com, or at the New Jersey Board of Public Utilities, 44 South Clinton Avenue, 7th Floor, P.O. Box 350 Trenton, NJ 08625-0350.

New Jersey Natural Gas Company Andrew K. Dembia, Esq. AP-GC10126366-02