

**NEW JERSEY NATURAL GAS COMPANY  
NOTICE OF FILING AND PUBLIC HEARING**

**IN THE MATTER OF THE ESTABLISHMENT OF  
A UNIVERSAL SERVICE FUND PURSUANT TO  
SECTION 12 OF THE ELECTRIC DISCOUNT AND  
ENERGY COMPETITION ACT OF 1999  
BPU DOCKET NO. EX00020091**

**IN THE MATTER OF THE PETITION OF  
NEW JERSEY NATURAL GAS COMPANY  
2021/2022 ANNUAL COMPLIANCE FILING FOR  
THE UNIVERSAL SERVICE FUND PROGRAM FACTOR  
WITHIN THE SOCIETAL BENEFITS CHARGE RATE  
BPU DOCKET NO. ER21060939**

**TO OUR CUSTOMERS:**

**PLEASE TAKE NOTICE** that, pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49, et seq., the Universal Service Fund (“USF”) program was established by the New Jersey Board of Public Utilities (the “Board”), to provide funds to assist qualifying low-income individuals in paying their energy bills. Pursuant to Orders of the Board dated April 30, 2003, July 16, 2003 and June 22, 2005, the State’s electric and gas public utilities’ Societal Benefits Charge (“SBC”) includes recovery of funding for the USF program through uniform statewide rates. The SBC also includes funding for the Lifeline Program which provides assistance with heating costs to qualifying elderly and disabled persons.

The State of New Jersey’s Department of Community Affairs is the Administrator of the USF Program. The New Jersey Department of Human Services is the Administrator of the Lifeline programs and authorizes the disbursement of benefits to eligible customers in the respective programs.

New Jersey Natural Gas Company (“NJNG” or “Company”) made a compliance filing with the Board on June 25, 2021, requesting authority to implement an increase related to the statewide USF/Lifeline program charge, as described below, to be effective on October 1, 2021 (“Filing”). Based upon the results and available estimates known to date for the 2020/2021 USF program year, and the available estimates for the 2021/2022 USF Program year, it is anticipated that the USF rates will be set to collect \$215.5 million, of which \$159.1 million would be recovered through electric rates with the remaining \$56.4 million recovered through gas rates on a statewide basis. The current after-tax USF/Lifeline program charge for natural gas customers is \$0.0116 per therm. As proposed, the USF component would increase by \$0.0074 per therm and the Lifeline component would remain at \$0.0053 per therm. The proposed after-tax USF/Lifeline program charge will increase to \$0.0190 to recover approximately \$56.4 million for the statewide natural gas USF program and \$23.9 million for the Lifeline program. The proposed increases include the projected costs of an expansion of the USF program ordered by the Board in an Order dated June 24, 2021, under BPU docket number AO20060471. The above request will not result in any profit to the Company. The revenues received under the proposed USF/Lifeline charge are designed to permit the Company to recover only its costs for the USF and Lifeline programs. Actual program costs will be reconciled with the revenues received through the USF/Lifeline program charge in the next annual filing scheduled to be made no later than July 1, 2022.

The proposed statewide charges for natural gas customers are as follows:

<b>Universal Service/Lifeline Fund Components of Societal Benefits Charge</b>				
	<b>Present</b>	<b>Present (Incl. Sales and Use Tax)</b>	<b>Proposed</b>	<b>Proposed (Incl. Sales and Use Tax)</b>
USF- per therm	\$0.0055	\$0.0059	\$0.0125	\$0.0133
Lifeline- per therm	\$0.0053	\$0.0057	\$0.0053	\$0.0057
Total USF/Lifeline	\$0.0108	\$0.0116	\$0.0178	\$0.0190

If approved by the Board, the impact of the proposed changes in the USF/Lifeline Charge on typical natural gas bills is illustrated below:

Customer Type	Therm Level	Rates		Increase	
		Bill as of July 1, 2021	Proposed Bill as of October 1, 2021	Amount	Percent
<b>Residential Heat Sales</b>	100	\$116.31	\$117.05	\$0.74	0.6%
<b>Residential Non-Heat Sales</b>	25	\$35.09	\$35.27	\$0.18	0.5%
<b>General Service Small</b>	100	\$136.25	\$136.99	\$0.74	0.5%
<b>General Service Large</b>	1200	\$1,462.11	\$1,470.99	\$8.88	0.6%

Based on the Filing, a typical residential natural gas customer using 100 therms per month would see an increase in their monthly bill from \$116.31 to \$117.05, or \$0.74 or approximately 0.6 percent.

The Board has the statutory authority to establish the USF and Lifeline charges at levels it finds just and reasonable. Therefore, the Board may establish the USF and Lifeline charges at levels other than those proposed by NJNG.

**PLEASE TAKE FURTHER NOTICE** that, due to the COVID-19 Pandemic, a telephonic public hearing will be conducted on the following date and times so that members of the public may present their views on the Company’s Filing. Information provided at the public hearings will become part of the record and considered by the Board in making its decision.

Date: August 23, 2021

Time 1: 4:30pm

Time 2: 5:30pm

Dial-In: 1-888-619-1583

Access Code: 819208

Copies of NJNG’s Filing can be reviewed on the Company’s website, [www.njng.com/regulatory](http://www.njng.com/regulatory) in the “Filings & Updates” subsection of the “Regulatory Info.”

Representatives of the Company, the Board’s Staff and the New Jersey Division of Rate Counsel will participate in the telephonic public hearing. Members of the public are invited to participate by utilizing the Dial-In and Access Code information set forth above, and may express their views on this Filing. The Board is also accepting written and emailed comments, with the preferred method of transmittal being email while Board Staff continues to work remotely due to the COVID-19 Pandemic. Email comments should be submitted to: [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov), or through the Board’s External Access Portal after obtaining a MyNewJersey Portal ID. Once an account is established, you will need an authorization code, which can be obtained upon request by emailing the Board’s IT Helpdesk at [ITHELPDESK@bpu.nj.gov](mailto:ITHELPDESK@bpu.nj.gov). Detailed instructions for e-Filing can be found on the Board’s home page at <https://www.nj.gov/bpu/agenda/efiling>. Written comments may be submitted to the Board Secretary, Aida Camacho, at the Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, NJ 08625-0350. Please include the name of the petition and the docket number when submitting comments. Written and emailed comments will be provided the same weight as statements made at the hearings.

**New Jersey Natural Gas Company**  
Andrew Dembia, Esq.