

September 30, 2024

VIA EMAIL

Honorable Sherri L. Golden, Secretary New Jersey Board of Public Utilities 44 South Clinton Avenue, 1st Floor P.O. Box 350 Trenton, NJ 08625-0350

Re: IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY FOR THE ANNUAL REVIEW AND REVISION OF SOCIETAL BENEFITS CHARGE FACTORS FOR REMEDIATION YEAR 2024 BPU Docket No. GR24090772

Dear Secretary Golden:

Enclosed herewith for filing, please find the petition of New Jersey Natural Gas Company ("NJNG") for the Annual Review and Revision of its Societal Benefits Charge ("SBC") Factors.

In accordance with the Order issued by the Board in connection with I/M/O the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being electronically filed. No paper copies will follow.

Copies of this Petition, including the supporting exhibits and testimonies, also are being served electronically upon the New Jersey Division of Rate Counsel and the Division of Law.

Kindly acknowledge receipt of this filing via return email.

Respectfully submitted,

Andrew K. Dembia

Regulatory Affairs Counsel

AKD:ss Enclosures

C: Service List

IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY FOR THE ANNUAL REVIEW AND REVISION OF SOCIETAL BENEFITS CHARGE (SBC) FACTORS FOR REMEDIATION YEAR 2024 DOCKET NO. GR24090772

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IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY FOR THE ANNUAL REVIEW AND REVISION OF SOCIETAL BENEFITS CHARGE (SBC) FACTORS FOR REMEDIATION YEAR 2024 DOCKET NO. GR24090772

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STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION)	
OF NEW JERSEY NATURAL GAS)	PETITION
COMPANY FOR THE ANNUAL REVIEW)	
AND REVISION OF SOCIETAL BENEFITS)	BPU DOCKET NO. GR24090772
CHARGE FACTORS FOR)	
REMEDIATION YEAR 2024)	

TO: THE HONORABLE COMMISSIONERS OF THE NEW JERSEY BOARD OF PUBLIC UTILITIES

New Jersey Natural Gas Company ("Petitioner", "NJNG" or the "Company") hereby requests that the New Jersey Board of Public Utilities (the "Board" or "BPU") approve, pursuant to N.J.S.A. 48:2-21, the Company's filing related to its Societal Benefits Charge ("SBC") factors. The factors included in this filing are the Remediation Adjustment ("RA") rate and the New Jersey Clean Energy Program ("NJCEP") rate. The Company is requesting in this filing that the Board: (1) increase the Company's per therm after-tax RA rate; (2) increase the NJCEP per therm after-tax rate; and (3) approve the remediation expenditures incurred by the Company through June 30, 2024 ("Remediation Year 2024"), to be effective April 1, 2025, or as of the effective date of the Board Order in this proceeding.

- 1. Petitioner is a corporation duly organized under the laws of the State of New Jersey and is a public utility engaged in the sale, distribution and transportation of natural gas subject to the jurisdiction of the Board. Petitioner's principal business office is located at 1415 Wyckoff Road, Wall, New Jersey 07719.
- 2. Communications and correspondence relating to this Petition should be sent to:

Mark G. Kahrer, Senior Vice President - Regulatory Affairs Andrew K. Dembia, Esq., Regulatory Affairs Counsel New Jersey Natural Gas Company 1415 Wyckoff Road, P.O. Box 1464 Wall, New Jersey 07719

MKahrer@njng.com ADembia@njng.com

- 3. The SBC was established within the Electric Discount and Energy Competition Act ("EDECA"), N.J.S.A. 48:3-49 et seq., for the recovery by natural gas and electric utilities of costs associated with Manufactured Gas Plant ("MGP") remediation, consumer education, assistance to low-income customers including the USF, and renewable and energy-efficiency programs now provided through the NJCEP.
- 4. Pursuant to a Board Order dated March 30, 2001, approving the Stipulation in Docket Nos. GX99030121 and GO99030123 (the "Unbundling Order"), NJNG received approval to implement and assess an SBC as a non-by-passable charge applicable to the Company's customers. ¹
- 5. This Petition (Exh. P-1) is accompanied and supported by the following Pre-filed Direct Testimonies and Exhibits that are attached hereto and made part of this Petition:
 - Exh. P-2 Direct Testimony of William Lindner Director, Environmental Services Remediation Activities
 - Exh. P-3 Direct Testimony of Marianne Harrell Manager, Rates and Tariff Proposed Revenue Increases for the RA and NJCEP factors
 - Exh. P-4 Redlined NJNG Gas Service Tariff sheets
 - Exh. P-5 SBC rate impacts on NJNG's customers
 - Exh. P-6 Proposed form of Public Notice

¹ Pursuant to legislation signed into law on January 28, 2011, <u>N.J.S.A.</u>48:3-60.1, natural gas commodity and delivery service charges for natural gas that is used to generate electricity for resale are not to include SBC charges.

Additional information responsive to the fifteen (15) minimum filing requirements ("MFRs") for RA filings, approved by the BPU in Docket No. GR04121565, will be provided at a later date under separate cover.

- 6. As part of the settlement of the Company's base rate case in BPU Docket No. GR91081383J, and subsequently approved in the Unbundling Order noted above, the Board approved and established the RA clause as the cost recovery method by which the Company is permitted to recover its actual Remediation Costs, on a deferred basis, over a rolling-seven year period. Remediation Costs include all investigation, testing, land acquisition if appropriate, remediation and/or litigation costs and expenses, and other liabilities specifically relating to MGP facility sites, disposal sites, or sites to which material may have migrated, as a result of the earlier operation or decommissioning of MGP sites.
- 7. On June 27, 2024, in BPU Docket No. QO24040223, the Board established each utility's level of expenditures for the statewide NJCEP for July 2024 through June 2025. NJNG's annual funding obligation is approximately \$20.05 million.
- 8. The Company proposes to increase the current after-tax per therm RA rate of \$0.0262 to \$0.0296 as well as the current after-tax per therm NJCEP rate of \$0.0325 to \$0.0348. The combined increase of \$0.0057 will increase the overall bill of the average residential sales heating customer using 80.1 therms per month by \$0.46, or 0.37%. A typical residential sales heating customer using 100 therms per month will see an increase of \$0.57, or 0.38%.
- 9. The Company also requests the approval of the remediation expenditures incurred by the Company for Remediation Year 2024. The Company requests these rates and expenditures be approved effective April 1, 2025, or as of the effective date of the Board Order in this proceeding.

Exhibit P-1 Page 4 of 5

10. Due to the COVID-19 Pandemic, NJNG has electronically served notice and a copy of this

filing, together with a copy of the annexed exhibits and supporting schedules being filed herewith,

upon the New Jersey Division of Rate Counsel and the Department of Law and Public Safety.

Copies of this Petition and supporting exhibits and schedules will also be sent electronically to the

persons identified on the service list provided with this filing. Moreover, copies of the Company's

filing will be available on the Company's website at: www.njng.com.

WHEREFORE, NJNG respectfully requests that the Board:

Approve as of April 1, 2025, or as of the effective date of the Board Order in this 1.

proceeding, NJNG's request to increase its RA Factor;

2. Approve as of April 1, 2025, or as of the effective date of the Board Order in this

proceeding, NJNG's request to increase its NJCEP Factor;

3. Approve Remediation Year 2024 costs through June 30, 2024 as just and

reasonable;

4. Grant final approval of the Company's proposals included in this Petition; and

5. Grant such other relief, as the Board deems just, reasonable and necessary.

Respectfully submitted,

NEW JERSEY NATURAL GAS COMPANY

Andrew K. Dembia, Esq.

Date: September 30, 2024

STATE OF NEW JERSEY) COUNTY OF MONMOUTH)

VERIFICATION

MARK G. KAHRER of full age, being duly sworn according to law, on his oath deposes and says:

- 1. I am Senior Vice President, Regulatory Affairs for New Jersey Natural Gas Company, the Petitioner in the foregoing Petition.
- 2. I have read the annexed Petition, along with the Schedules and Exhibits attached thereto, and the matters and things contained therein are true to the best of my knowledge and belief.

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Mark G. Kahrer Senior Vice President, Regulatory Affairs

Sworn and subscribed to before me this 30th day of September 2024

ANDREW K. DEMBIA, Esq. ATTORNEY AT LAW STATE OF NEW JERSEY

NEW JERSEY NATURAL GAS COMPANY

DIRECT TESTIMONY OF WILLIAM LINDNER DIRECTOR OF ENVIRONMENTAL SERVICES

- 1 Q. PLEASE STATE YOUR NAME, CURRENT POSITION AND BUSINESS
- 2 ADDRESS.

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- 3 A. My name is William Lindner. I am the Director Environmental Services ("ES")
- for New Jersey Natural Gas Company ("NJNG" or the "Company"). My business
- 5 address is 1415 Wyckoff Road, Wall, New Jersey 07719.

6 O. PLEASE DESCRIBE YOUR EDUCATION AND BUSINESS EXPERIENCE.

A. I have a Bachelor's degree in Geology from Rutgers University. I have a Master's degree in Environmental Policy from NJIT. In February 2023, I was hired by NJNG as the Director of Environmental Services. Prior to that, I worked for 33 years at the New Jersey Department of Environmental Protection ("NJDEP"). I worked for 17 years (1990 -2007) as a contaminant hydrogeologist within the Site Remediation I oversaw the remediation of many types of contaminated sites, including: Two Texas Eastern Gas Pipeline Compressor Stations and various associated valve stations, PSE&G coal gas sites, Superfund Sites and hundreds of other contaminated sites throughout NJ. In 2008, I became a project manager in the Office of Brownfield Reuse where I oversaw the remediation and redevelopment of several Brownfield Development Areas (BDAs) throughout the state. In 2013, I was selected by the Deputy Commissioner to oversee a team of 25 DEP staff reassigned to Superstorm Sandy Recovery. My team reviewed 18,000 Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) Program applications from homeowners and small businesses which allowed them to proceed in reconstruction. In 2016, I returned to the newly named Office of Brownfield and Community Revitalization and became the Administrator of the Office before leaving NJDEP in 2023 to work at NJNG.

5 Q. WHAT ARE YOUR PRIMARY DUTIES AND RESPONSIBILITIES AS 6 NJNG'S DIRECTOR OF ENVIRONMENTAL SERVICES?

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A.

As the Director of Environmental Services for NJNG, I develop department initiatives and strategies in support of corporate policies to ensure that the Company is aligned with its commitment to environmental responsibility. leadership and direction to my staff to implement and oversee environmental programs, properly manage the remediation of NJNG manufactured gas plant ("MGP") sites, and to comply with all applicable State, Federal and local environmental laws, regulations, and guidance. I develop and manage my department's operating budget, which includes ongoing remedial activities at each of the Company's former MGP sites and oversee the preparation of environmental liability cost estimates for external reporting purposes. On behalf of the Company, I participate as a member of trade organizations and discussion forums focused on work related to NJNG operations, and I develop and maintain relationships with state regulators and local stakeholders to establish good working relationships relative to the remediation of the Company's MGP sites. I also negotiate contracts for necessary services, and work with the Legal and Purchasing departments to ensure contracts are properly written, cost effective, protective of the Company, and appropriately executed.

1 0.	HAVE	YOU	TESTIFIED	PREVIOUSLY	IIN	REGULATORY
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- 2 **PROCEEDINGS?**
- 3 **A.** No.

4 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS

5 **PROCEEDING?**

- 6 **A.** The purpose of my testimony is to: (1) provide a general overview of the
 7 Company's on-going MGP remediation program; (2) identify and describe the
 8 general nature and categories of expenses incurred by the Company through June
 9 30, 2024 ("Remediation Year 2024"); and (3) provide a brief history of the
 10 Company's former MGP sites and report on key developments relating to ongoing
- remediation activities at those sites.

THE COMPANY'S MGP REMEDIATION PROGRAM

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Q. PLEASE EXPLAIN THE NJDEP'S ROLE IN MGP SITE REMEDIATION.

A. The enactment of the Site Remediation Reform Act ("SRRA") in 2009 established the LSRP program, which transferred the primary oversight responsibility for environmental investigations and cleanups from the NJDEP to LSRPs. An LSRP is an experienced, private-sector environmental professional, licensed by the State of New Jersey and hired by Responsible Parties ("RPs") to direct and oversee environmental investigations and remedial actions in accordance with applicable NJ regulations and guidance. The SRRA also established a 26-point code of conduct for LSRPs, with the highest priority being protection of public health, The 13-member Site Remediation Professional safety, and the environment. Licensing Board oversees the issuance of licenses and monitors the conduct and performance of LSRPs. Regarding the remediation of the Company's MGP sites (i.e., Aberdeen, Atlantic Highlands, Berkley, Freehold, Long Branch, Manchester, and Toms River), LSRPs oversee all phases of site remediation at all NJNG's MGP sites and ensure the work is conducted in accordance with applicable NJDEP regulations and guidance. When all remedial obligations have been met, the LSRP will issue the final remediation document for the site known as a "Response Action Outcome" ("RAO"). Once issued, the NJDEP has three years to audit the LSRP's work. If during this audit the RAO is determined to be deficient in protecting human health and the environment, the NJDEP may invalidate the document; otherwise, the RAO is considered final upon issuance.

1 Q. **PLEASE** DESCRIBE THE **COMPANY'S MGP** REMEDIATION 2 STRATEGY AND YOUR SPECIFIC **ROLE EFFECTIVELY** IN 3 IMPLEMENTING THAT STRATEGY. 4 A. The Company's focus is the protection of human health and the environment. 5 NJNG's remediation strategy includes conventional and innovative engineering 6 approaches and business solutions to cost-effectively investigate, remediate and 7 manage long-term environmental liabilities at the Company's former MGP 8 properties. NJNG is committed to ensuring that expenditures are for remediating 9 MGP-related impact only and not associated with non-MGP related contamination, such as vehicle exhaust, industrial air emissions, discharges from other properties 10 11 and storm water runoff. As part of this approach, the Company seeks to separate 12 MGP related soil/sediment impacts from non-MGP impacts to avoid the cost of 13 remediating contamination from unrelated sources. 14 I am responsible for overseeing all aspects of the Company's MGP remediation 15 program, which includes former MGP sites, disposal sites, or sites to which MGP 16 material may have migrated as a result of the operation or decommissioning of the 17 MGP facilities ("Remediation Costs"). I ensure compliance with all applicable 18 State, Federal and local environmental regulations. I track and monitor costs, 19 including, but not limited to, costs associated with remedial investigations, testing, 20 land acquisition, remedial action and/or other liabilities. I secure the necessary

the work of my staff to encourage remedial progress.

resources to ensure the MGP remediation program functions effectively and direct

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1 THE GENERAL NATURE AND CATEGORIES OF REMEDIATION COSTS

- 2 Q. PLEASE DESCRIBE THE NATURE AND CATEGORIES OF THE
- 3 REMEDIATION COSTS THE COMPANY INCURRED DURING
- 4 REMEDIATION YEAR 2024 IN CONNECTION WITH IMPLEMENTING
- 5 AND MANAGING ITS MGP PROGRAM.
- 6 A. The costs the Company incurred to implement and manage its MGP program during
- Remediation Year 2024 primarily included the following: outside consulting and
- 8 engineering services; outside legal services; community outreach; analytical
- 9 laboratory work; construction services (including construction management);
- health and safety activities; air monitoring and soil sampling; a variety of ancillary
- support services; and incremental internal labor directly associated with MGP
- activities. Third-party services provided to the Company in connection with MGP-
- related activities (such as project management and engineering support services,
- and contractors who provide physical remediation services) are competitively bid
- through NJNG's contractor procurement procedures.
- 16 <u>BACKGROUND AND CURRENT STATUS OF REMEDIATION EFFORTS</u>
- 17 <u>AT NJNG's MGP SITES</u>
- 18 Q. PLEASE PROVIDE A BRIEF BACKGROUND OF THE ATLANTIC
- 19 **HIGHLANDS SITE.**
- 20 A. The Atlantic Highlands site was first occupied in 1910 by the Atlantic Highlands
- 21 Gas Company ("AHGC"). In 1913, AHGC was merged with and consolidated into
- 22 Standard Gas Company ("SGC"), which had previously acquired the assets of the
- Matawan & Keyport Gas Light Co. (a.k.a. Aberdeen) in 1899, and the Freehold

Gas Light Company in 1916. In the early 1920s, SGC was placed into receivership 2 and in 1922 was purchased and reorganized into a new entity known as County Gas 3 Company ("CGC"). In 1929, Public Service Corporation of NJ acquired CGC and in 1948, a group of investors bought CGC from Public Service Corp. of NJ. In 4 5 1952, when CGC acquired the gas assets of JCP&L, CGC became New Jersey 6 Natural Gas Company. The Atlantic Highlands site operated as a carbureted water gas manufacturing facility from 1910 until 1949, when manufacturing operations 8 were discontinued. Coal and coke were used as feedstock to produce the carbureted 9 water gas. Demolition activities at this site were completed around 1981. NJNG 10 currently uses the Atlantic Highlands site as an Energy Delivery Operations Division Service Center.

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- 12 Q. PLEASE SUMMARIZE THE KEY EVENTS THAT OCCURRED DURING 13 REMEDIATION **YEAR** 2024 IN **CONNECTION** WITH **MGP**
- 14 REMEDIATION ACTIVITIES AT THE ATLANTIC HIGHLANDS SITE.
- 15 A tentative verbal agreement was reached with the property owner to perform the A. 16 remaining soil remediation at the Julian Ice ("AOC-3") property. The written 17 remediation agreement is being finalized for signature/execution. NJNG submitted 18 biennial inspection reports/documents for the engineering controls (i.e., soil caps)
- 19 at these restricted-use soil remedy properties: AOC-1A/1B/1C/6A and 6G.
- 20 Q. WHAT IS THE STATUS OF THE REMEDIATION WORK UNDERWAY 21 AT THE ATLANTIC HIGHLANDS SITE?
- 22 A. NJNG continues to operate and maintain the long-term ground water treatment 23 system to ensure the required control/containment of the groundwater impact

- area. NJNG continues to recover free-product at the AOC-1, AOC-1F, and AOC-
- 2 2 properties.
- 3 Efforts continue to obtain the required property owner signatures to
- 4 complete/submit the permit application for collecting the necessary pre-design soil
- 5 samples to complete the design documents for the Monmouth County Bayshore
- 6 Outfall Authority (MCBOA) Pipeline remediation project.

7 Q. WHAT ARE THE NEXT STEPS REGARDING FUTURE REMEDIATION

8 AT THE ATLANTIC HIGHLANDS SITE?

- 9 A. NJNG will prepare/submit the Remedial Action Work Plan "RAWP" and permit
- applications and complete the design documents for the Julian Ice and the MCBOA
- pipeline remediation projects.

12 Q. PLEASE PROVIDE A BRIEF BACKGROUND OF THE LONG BRANCH

- 13 **SITE.**
- 14 A. The Long Branch site first operated as a gas manufacturing facility for the Long
- Branch Gas and Light Company ("LBGLC") from approximately 1860-1870. In
- 16 1895, LBGLC merged into Consolidated Gas Companies. The site was purchased
- and operated by Jersey Central Power & Light Company ("JCP&L") from 1925
- until 1952 and was included in the sale of all JCP&L gas operations to NJNG in
- 19 1952. Although exact information is not available, it is likely that either carbureted
- water or oil gas was manufactured at this site. All manufacturing operations ceased
- 21 in 1961. A portion of the former site was leased to the City of Long Branch from
- 22 1966 until 1976 for use as a park and, in 1976, NJNG donated the property to the
- 23 City of Long Branch. Demolition of plant-related structures was completed around

1		1983. At that time, another portion of the site was sold to private parties. The
2		demolition of several plant structures on that portion of the site was completed in
3		1991. Numerous investigation activities, multiple phases of on- and offsite-soil
4		remedial excavation, creek cleanup and restoration activities were completed
5		through 2015.
6	Q.	PLEASE SUMMARIZE THE KEY EVENTS THAT OCCURRED DURING
7		REMEDIATION YEAR 2024 IN CONNECTION WITH MGP
8		REMEDIATION ACTIVITIES AT THE LONG BRANCH SITE.
9	A.	Semi-annual soil cap inspections and quarterly groundwater sampling were
10		performed in accordance with the NJDEP requirements.
11	Q.	WHAT IS THE STATUS OF THE REMEDIATION WORK UNDERWAY
12		AT THE LONG BRANCH SITE?
13	A.	NJNG continues to prepare the Remedial Action Report ("RAR") for the completed
14		groundwater remedy. Semi-annual soil cap inspections and quarterly groundwater
15		monitoring continues in accordance with the NJDEP requirements.
16	Q.	WHAT ARE THE NEXT STEPS REGARDING FUTURE REMEDIATION
17		AT THE LONG BRANCH SITE?
18	A.	NJNG will continue groundwater sampling, site restoration monitoring activities,
19		and prepare and submit biennial certification reports, as required by the NJDEP.
20	Q.	PLEASE PROVIDE A BRIEF BACKGROUND OF THE FREEHOLD SITE.
21	A.	In 1857, the Freehold Gas and Light Company incorporated and began operations
22		in Freehold Borough. In 1916, the Freehold Gas and Light Company merged with
23		Standard Gas Company ("SGC"), shut down gas manufacturing operations, and

- 1 began receiving gas piped from the Atlantic Highlands MGP. In the early 1920s, 2 SGC was placed into receivership; in 1922, it was purchased and reorganized into 3 a new entity known as County Gas Company ("CGC"). In 1929, Public Service Corporation of NJ acquired CGC and in 1948, a group of investors bought CGC 4 5 from Public Service Corp. of NJ. In 1952, CGC became New Jersey Natural Gas 6 Company. In November 2017, a NJDEP representative contacted NJNG and 7 reported that a third-party LSRP doing work in the Borough of Freehold discovered 8 a MGP site on a historic Sanborn Fire Insurance map. Since the historic map 9 indicated the Freehold site received gas from the Atlantic Highlands MGP, the 10 NJDEP asked if NJNG had a link to one or both of those sites. After an initial 11 investigation, NJNG discovered the operational history described above and that 12 MGP operations at the Freehold former MGP ceased in 1916.
- 13 Q. PLEASE SUMMARIZE THE KEY EVENTS THAT OCCURRED DURING
 14 REMEDIATION YEAR 2024 IN CONNECTION WITH MGP
- 15 REMEDIATION ACTIVITIES AT THE FREEHOLD SITE.
- 16 A. NJNG completed additional soil and groundwater sampling as part of the Phase IV
 17 and Phase V Remedial Investigation ("RI") field work for the site.
- 18 Q. WHAT IS THE STATUS OF THE REMEDIATION WORK UNDERWAY
 19 AT THE FREEHOLD SITE?
- A. Additional RI work is required by the NJDEP to fully delineate the horizontal and vertical extent of contamination.
- Q. WHAT ARE THE NEXT STEPS REGARDING FUTURE REMEDIATION
 AT THE FREEHOLD SITE?

- 1 A. NJNG will continue the collection of RI samples to fully delineate the extent of the
- 2 identified onsite and offsite MGP soil and groundwater impacts.
- 3 Q. PLEASE PROVIDE A BRIEF BACKGROUND OF THE ABERDEEN MGP
- 4 SITE.
- 5 A. After conducting research on the nature of the Freehold site, NJNG continued its
- 6 investigation into the operations of the former SGC from which NJNG's
- 7 predecessor CGC purchased assets in 1922. NJNG discovered that as part of SGC's
- 8 operations, a former MGP known as the Matawan & Keyport Gas Light Co.
- 9 operated in Aberdeen, N.J ("Aberdeen MGP"). The Aberdeen MGP ceased
- operations in 1910 when the Atlantic Highlands MGP was brought online and
- began to supply gas to the Aberdeen site. NJNG contacted the NJDEP to discuss
- the former Aberdeen MGP and reached an agreement that NJNG would proceed in
- performing a Preliminary Assessment/Site Investigation ("PA/SI").
- 14 Q. PLEASE SUMMARIZE THE KEY EVENTS THAT OCCURRED DURING
- 15 REMEDIATION YEAR 2024 IN CONNECTION WITH MGP
- 16 REMEDIATION ACTIVITIES AT THE ABERDEEN SITE.
- 17 A. The work plan for the remaining RI fieldwork at the former MGP Lot 10 property
- 18 was completed. Additionally, the collection of soil, ground water, and vapor
- intrusion samples was completed at the adjacent Lot 1 & Lot 9 properties.
- 20 Q. WHAT IS THE STATUS OF THE REMEDIATION WORK UNDERWAY
- 21 AT THE ABERDEEN SITE?

- 1 A. The NJDEP issued the permit to collect the RI soil and groundwater samples at the
- 2 adjacent Garden State Parkway property. Preparation to start the sample collection
- 3 fieldwork is underway.
- 4 Q. WHAT ARE THE NEXT STEPS REGARDING FUTURE REMEDIATION
- 5 AT THE ABERDEEN SITE?
- 6 A. NJNG will continue the collection of RI samples to fully delineate the extent of the
- 7 identified onsite and offsite MGP soil and groundwater impacts.
- 8 Q. PLEASE PROVIDE A BRIEF BACKGROUND OF THE MANCHESTER
- 9 SITE.
- 10 A. As a result of the dismantling of the Company's Long Branch and Atlantic
- Highlands plants in the mid-1970s, materials were delivered to an asphalt recycling
- facility identified as South Brunswick Asphalt ("SBA"). SBA operated in three
- locations, including Berkeley Township and Manchester Township.
- 14 Q. PLEASE SUMMARIZE THE KEY EVENTS THAT OCCURRED DURING
- 15 REMEDIATION YEAR 2024 IN CONNECTION WITH MGP
- 16 REMEDIATION ACTIVITIES AT THE MANCHESTER SITE.
- 17 A. Monitoring of groundwater impacts from the former coal tar soil pile was
- conducted in accordance with the semi-annual groundwater sampling schedule
- included in the Classification Exception Area for the site. The Groundwater
- 20 Monitoring Summary Report for February 2024 was completed.
- 21 Q. WHAT IS THE STATUS OF THE REMEDIATION WORK UNDERWAY
- 22 AT THE MANCHESTER SITE?

- 1 **A.** NJNG is continuing to collect additional groundwater data as required for the selected Natural Attenuation ground water remedy.
- 3 Q. WHAT ARE THE NEXT STEPS REGARDING FUTURE REMEDIATION
- 4 AT THE MANCHESTER SITE?
- 5 A. A groundwater RAR will be prepared and submitted to the NJDEP. The Company
- will continue the semi-annual groundwater sampling events. **Q. PLEASE**
- 7 PROVIDE A BRIEF BACKGROUND OF THE TOMS RIVER SITE.
- 8 A. The Toms River site was operated as a coal gas plant from approximately 1900 to 9 1911 by the Toms River and Island Heights Electric and Power Company. The site 10 was sold to the Ocean County Gas Company in 1911 and operated by them until 11 1928 when the site was purchased by JCP&L. Gas manufacturing operations 12 ceased in 1950. Although exact information is not available, it is likely that either 13 carbureted water or oil gas was manufactured at the Toms River site. This site was 14 included in the sale of all JCP&L gas operations to NJNG in 1952. Demolition 15 activities at this site were completed around 1975. From 1952 until 1989, NJNG 16 used this site as an Energy Delivery Operations Division Service Center but ceased 17 operations at the site in 1989 when the Company relocated the Division Offices. 18 This cessation of operations triggered the Environmental Cleanup Responsibility 19 Act ("ECRA"), requiring the submittal of an Initial Notice to the NJDEP.

1	Q.	PLEASE SUMMARIZE THE KEY EVENTS THAT OCCURRED DURING
2		REMEDIATION YEAR 2024 IN CONNECTION WITH MGP
3		REMEDIATION ACTIVITIES AT THE TOMS RIVER SITE.
4	A.	NJNG finalized/executed a written agreement with Ocean County regarding its
5		reimbursement to NJNG for drainage improvement materials as part of the AOC-6
6		remediation project. The Toms River Municipal Utilities Authority "TR MUA"
7		AOC-4 adopted a resolution to allow a restricted-use soil remedy.
8	Q.	WHAT IS THE STATUS OF THE REMEDIATION WORK UNDERWAY
9		AT THE TOMS RIVER SITE?
10	A.	The remediation project at the Herflicker Boulevard AOC-6 property is currently
11		on track for completion by July 31, 2024. Groundwater sampling and free-product
12		recovery events continue.
13	Q.	WHAT ARE THE NEXT STEPS REGARDING FUTURE REMEDIATION
14		AT THE TOMS RIVER SITE?
15	A.	NJNG collected the necessary pre-design soil samples, initiated the permit
16		application process, and began the RAWP in preparation for the upcoming AOC-
17		4/83 Iron Street AOC-7 remediation project.
18	Q.	PLEASE PROVIDE A BRIEF BACKGROUND OF THE BERKELEY SITE.
19	A.	The Berkeley MGP site has been identified as a MGP location as a result of coal
20		tar material disposal from the Long Branch and Atlantic Highlands MGP facilities
21		in the late 1970s and 1980s.

1 Q. WHAT IS THE STATUS OF THE REMEDIATION WORK UNDERWAY

AT THE BERKELEY MGP SITE?

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3 A. There is no activity underway at the Berkeley property since NJNG is not 4 considered the Person Responsible for Conducting the Remediation ("PRCR"), and 5 the Company has not had any recent communication with the property owner. 6 Pursuant to NJDEP regulations, any person who executes or is otherwise subject to 7 a memorandum of agreement, memorandum of understanding, administrative 8 consent order, remediation agreement, or administrative order to remediate a 9 contaminated site is considered the PRCR. Thus, without the property owner's 10 consent, which has not been forthcoming, the Company is unable to initiate or 11 conduct remediation activities at this time.

12 Q. WHAT ARE NATURAL RESOURCE DAMAGES?

13 **A.** The term Natural Resource Damages ("NRD") refers to claims that arise from
14 alleged releases of hazardous substances that have resulted in injuries to natural
15 resources (such as loss or impairment of ecological function) or the deprivation of
16 natural resource services (such as water supply, recreation or ecological services)
17 with respect to resources owned by, managed by, or otherwise within the
18 trusteeship or co-trusteeship of the State of New Jersey.

19 Q. HAVE ANY FORMAL NRD CLAIMS BEEN MADE OR FILED AGAINST

THE COMPANY?

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A. To date, no formal NRD claims have been filed against the Company by the NJDEP. However, a separate Environmental Justice ("EJ") petition filed on behalf of the Concerned Citizens Coalition in Long Branch includes NRD claims. The EJ petition is active and being enforced by the NJDEP. The NJDEP has stated that

they will explore Long Branch-related NRD claims upon the completion of remediation activities in Long Branch. NJNG anticipates that NRD claims may also be filed for each of its MGP sites since there are potential groundwater impacts at each location. NJNG cannot predict whether the NJDEP will impose additional or modified remediation-related requirements in the future. Subject to that caveat, NJNG is not currently aware of any material events relating to NJDEP directives, or otherwise, which could have an impact on the Company's NRD liability. As a result of prior settlement discussions with BPU Staff and Rate Counsel, no NRD expenses have been included for recovery in this filing.

10 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

NEW JERSEY NATURAL GAS COMPANY

DIRECT TESTIMONY OF MARIANNE HARRELL MANAGER – RATES AND TARIFF

1 Q. PLEASE STATE YOUR NAME, CURRENT POSITION AND BUSINESS

2 **ADDRESS?**

A. My name is Marianne Harrell, and I am the Manager Rates and Tariff for New Jersey Natural Gas Company ("NJNG" or the "Company"). My business address is 1415 Wyckoff Road, Wall, New Jersey 07719.

6 Q. PLEASE DESCRIBE YOUR EDUCATION AND BUSINESS EXPERIENCE.

- 7 A. I received a Bachelor of Arts degree in Communications from Seton Hall 8 University. I received a Master of Business Administration degree from Georgian 9 Court College. In July 1986, I accepted a position in Human Resources at NJNG. 10 In 1987, I served as a Staff Assistant to the Corporate Secretary, where I was 11 responsible for the budget, managing preferred stock and bondholder relations, and coordinating numerous trustee, federal and state filings with the financial 12 13 department. In 1992, I accepted a position as Regulatory Analyst where I was responsible for managing the annual gas remediation filing, tariff and rate 14 administration, bill verification, and the preparation of various regulatory filings 15 16 with the Board of Public Utilities and other external agencies. I was promoted to Regulatory Analyst II in January 2008, and Senior Rate Analyst in January 2014 17 18 where I assumed responsibility for analysis and preparation of the Company's 19 annual Societal Benefits Charge (SBC) and Universal Service Fund filings. 20 Additionally, I provided department oversight for the bill verification process and 21 certain regulatory reporting requirements. In January 2023, I was promoted to 22 Manager - Rates and Tariff. In this role, I perform specialized day-to-day 23 operations concerning rates and regulatory matters involving utility pricing, 24 regulatory filings, tariff administration and internal controls.
- Q. HAVE YOU PREVIOUSLY TESTIFIED IN STATE REGULATORY PROCEEDINGS?
- 27 **A.** No, I have not previously testified in state regulatory proceedings.

1 Q. WHAT ARE YOUR RESPONSIBILITIES WITH RESPECT TO THIS **PROCEEDING?** 2

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A. I am responsible for: 1) supporting the schedules contained in the Company's SBC filing, including the Remediation Adjustment ("RA") component of the SBC, which sets forth and summarizes actual remediation expenditures incurred by the Company through June 2024 ("Remediation Year 2024") for the remediation at former NJNG manufactured gas plant ("MGP") sites; 2) supporting the interest calculation on unrecovered deferred MGP expenditure balances; 3) calculating the proposed RA factor necessary to recover the MGP expenditure balance, including interest; and 4) addressing the rates for the other clauses within the SBC, including the New Jersey Clean Energy Program ("NJCEP") and the Universal Service Fund ("USF"). In this SBC filing, NJNG is petitioning the Board: (1) for approval of the RA expenditures Remediation Year 2024 as prudent and reasonable; (2) to increase the after-tax RA rate of \$0.0262 per therm to \$0.0296 per therm; and (3) to increase the after-tax NJCEP of \$0.0325 per therm to \$0.0348 per therm effective April 1, 2025, or as of the date of a Board Order in this proceeding approving these proposed rates.

I. HISTORY OF NJNG'S REMEDIATION ADJUSTMENT CLAUSE

PLEASE DESCRIBE THE HISTORY OF NJNG'S REMEDIATION 19 Q. ADJUSTMENT CLAUSE.

As part of the settlement of the Company's base rate case filing in Docket No. GR91081383J, NJNG was authorized in June 1992 to recover Remediation Costs on a deferred basis, over a rolling seven (7)-year period and subject to BPU approval. As defined in the Company's BPU-approved tariff, "Remediation Costs" includes costs associated with all investigation, testing, land acquisition if appropriate, remediation and/or litigation costs and expenses, or other liabilities, excluding personal injury claims, specifically relating to former MGP facility sites, disposal sites, or sites to which material may have migrated, as a result of the earlier operation or decommissioning of MGP sites. Examples of Remediation Costs the Company has previously included for recovery in SBC filings include: soil disposal and replacement, installation and maintenance of long-term groundwater treatment facilities, estuary development, site engineering and construction, consulting, community outreach, legal expenses and certain incremental payroll costs directly relating to the remediation of former MGP sites, disposal sites, or sites to which material may have migrated since operation of these MGP sites. Based on the above settlement, the total annual charge for such Remediation Costs during any Recovery Year is not permitted to exceed five percent (5.0%) of the Company's total revenues from natural gas sales during the preceding Remediation Year (July through the following June).

Q. HOW IS THE NJNG RA FACTOR CURRENTLY DERIVED AND CALCULATED?

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The Company is currently authorized by the BPU to calculate its RA factor using a methodology that permits the Company to recover one-seventh of the actual Remediation Costs the Company incurs each Remediation Year, until fully amortized, plus any prior year Remediation Cost under- or over-recoveries net of any accumulated deferred third-party recoverable costs. In addition, pursuant to the BPU's "Order Adopting Initial Decision and Stipulation" dated October 5, 2004, in Docket No. GR03030200, the Company is required to calculate and is permitted to recover monthly carrying costs on its unamortized MGP expenditure balances using the methodology set forth on Original Sheet No. 164 dated October 1, 2016, of the Company's Tariff. The referenced methodology provides, in pertinent part, that the Company shall calculate carrying costs on any under- or over-recovered RA cost balances, net of the deferred income taxes associated with those balances, using the same interest rate, which rate will be adjusted each August 31 based upon the seven (7)-year constant maturity Treasury rate, shown in the Federal Reserve Statistical Release, plus 60 basis points. Interest applicable to the Company's unamortized RA balance shall be calculated and will accrue monthly and shall be rolled into the RA balance commencing each October 1. The impact and effect of this carrying cost methodology is set forth in Attachment A, Schedule 5, addressed in further detail below.

1			II. DESCRIPTION OF SUPPORTING RA SCHEDULES
2	Q.	PLE.	ASE PROVIDE A BRIEF EXPLANATION OF ATTACHMENT A,
3		SCH	EDULES 1 THROUGH 5, WHICH SUPPORT THE COMPANY'S
4		PRO	POSED REMEDIATION ADJUSTMENT IN THIS FILING.
5	A.	Sche	dule 1 – Summary of Site Expenses for Remediation Year 2024.
6		Sche	dule 1 provides a summary of actual RA expenditures, by MGP site and cost
7		categ	ory, of approximately \$19.31 million for the Remediation Year 2024. A
8		sumn	nary of actual MGP expenses by vendor for Remediation Year will be
9		provi	ded subsequently in the Minimum Filing Requirements ("MFRs").
10		Sche	dule 2 – Amortization of Recoverable Costs
11		Sche	dule 2 provides the amortization calculation and recognizes the applicable
12		sever	n-year recovery period for the year end periods June 2018 through June 2024.
13		The	actual expenditures to be recovered for Remediation Years ended June 30,
14		2018	, through June 30, 2024, is approximately \$115.63 million in total, and one-
15		sever	nth of the cost is approximately \$16.52 million.
16		Sche	dule 3 - Remediation Adjustment Factor
17		Sche	dule 3 provides the calculation of the pre-tax and after-tax RA Factor for the
18		2023	/2024 Recovery Year. The amount to be recovered is the sum of the following:
19		(1)	The Remediation Year amortizations from year end periods June 2018
20			through June 2024 of approximately \$16.52 million, per Schedule 2; plus
21		(2)	The March 31, 2025 estimated under-recovery amount of approximately
22			\$1.73 million comprised of the variance of actual recoveries through March
23			31, 2024, to the estimated recoveries included in the current rate, the
24			approved amount to be recovered from the Company's prior SBC filing in
25			Docket No. GR23090672, and expected recoveries through March 31,
26			2025; plus
27		(3)	Interest of approximately \$2.37 million from Schedule 5.
28		(4)	The resulting net total amount of \$20.62 million to be recovered is then
29			divided by the projected therm sales of natural gas for the twelve months

ending March 31, 2026, which yields a pre-tax RA factor of \$0.0278 per therm (\$0.0296 per therm after-tax).

Schedule 4 - Annual Cap Calculation

Schedule 4 calculates the limitation on the annual recovery of NJNG's remediation costs. The Company's total annual amortization to be collected from customers during a prospective Recovery Year may not exceed five percent (5.0%) of the Company's total gas revenues collected from customers during the preceding Remediation Year. Schedule 4 shows that the total amount of approximately \$20.62 million projected to be recovered is less than the five percent (5.0%) revenue cap of approximately \$42.73 million based on the \$854.51 million in gas revenues for Remediation Year 2024.

Schedule 5 – Remediation Interest Calculation

Schedule 5 calculates interest for the period beginning October 2023 and ending September 2024 on the Company's monthly average balance of deferred remediation costs using the methodology approved by the Board in Docket No. GR09010076, dated April 28, 2010. The October 31, 2023, deferred balance includes interest that has been rolled-in from Remediation Year 2023. The column on Schedule 5 labeled "Net of Tax" reflects the offset of deferred taxes based on the above-mentioned Board approved methodology. Effective September 1, 2024, the SBC annual interest rate was modified pursuant to the Board Order in Docket No. GR09010076.

Q. WHAT IS THE PROPOSED AFTER-TAX RA FACTOR FOR THIS FILING?

As shown on Attachment A, Schedule 3, the Company is proposing to increase the current after-tax RA Factor from \$0.0262 per therm to \$0.0296 per therm, effective April 1, 2025, or as of the date of a Board Order in this proceeding.

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III. OTHER SBC COMPONENTS

Q. PLEASE EXPLAIN NJNG'S NEW JERSEY CLEAN ENERGY PROGRAM FUNDING OBLIGATION.

5 Annually, the BPU issues an order to update NJNG's NJCEP funding obligations, A. 6 and the Company must provide the approved level of NJCEP funding to the State 7 Treasurer regardless of actual customer usage. Any shortfall or excess in recovery 8 is carried in the Company's NJCEP deferred account balance to be included in the 9 future year's rate calculations. Attachment B includes the monthly NJCEP funding 10 obligation for July 2024 through June 2025 based on the approved funding 11 obligation in the BPU Order, dated June 27, 2024, in Docket No. QO24040223. 12 NJNG's annual funding obligation is approximately \$20.05 million. Attachment B also includes estimated NJCEP recovery through March 2025 to determine the 13 14 amount to be recovered from April 2025 through March 2026.

Q. WHAT IS THE PROPOSED AFTER-TAX NJCEP FACTOR FOR THIS FILING?

17 **A.** The Company proposes to increase its after-tax NJCEP Factor of \$0.0325 per therm to \$0.0348 per therm effective April 1, 2025, or as the date of a Board Order in this proceeding. The proposed rate recovers estimated NJCEP funding levels through March 2026. Supporting documentation for this factor is presented in Attachment B.

22 Q. WHAT IS THE AFTER-TAX USF FACTOR FOR THIS FILING?

A. The after-tax USF factor included in this SBC filing is \$0.0276 per therm. This statewide USF factor was approved in the Board's September 25, 2024, Order in Docket No. ER24070486, and becomes effective on October 1, 2024.

IV. OVERALL PROPOSED PRICE CHANGES

Q. WHAT IS THE PROPOSED AFTER-TAX SBC BILLING FACTOR FOR THIS SBC FILING AND THE IMPACT ON CUSTOMERS?

29 **A.** The Company is proposing to increase its after-tax RA rate from \$0.0262 to \$0.0296 per therm as well as its after-tax NJCEP rate from \$0.0325 to \$0.0348 per

therm effective April 1, 2025, or as of the date of a Board Order in this proceeding.

This results in a proposed overall SBC after-tax rate, (inclusive of the RA, NJCEP and USF) of \$0.0920 per therm. The proposed RA and NJCEP rates will increase the overall bill of the average residential sales heating customer using 80.1 therms per month by \$0.46, or 0.37%. A typical residential sales heating customer using 100 therms per month will see an increase of \$0.57, or 0.38%.

7 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

8 **A.** Yes.

NEW JERSEY NATURAL GAS COMPANY SOCIETAL BENEFITS CHARGE (SBC) REMEDIATION ADJUSTMENT RIDER REMEDIATION YEAR 2024

SUMMARY OF SITE EXPENSES July 2023 - June 2024

NO.		CONSULTING	REMEDIATION	LEGAL	OTHER	REMEDIATION EXPENSES	PARTY EXPENSES	RECOVERY COST
1	Aberdeen	\$594,985.69	\$121,520.51	\$0.00	\$150.00	\$716,656.20	\$0.00	\$716,656.20
2	Atlantic Highlands	\$1,000,596.78	\$1,115,270.72	\$473.00	\$105,646.14	\$2,221,986.64	\$0.00	\$2,221,986.64
3	Berkeley	\$19,189.75	\$14,389.55	\$0.00	\$150.00	\$33,729.30	\$0.00	\$33,729.30
4	Freehold	\$294,614.06	\$206,226.39	\$0.00	\$553.10	\$501,393.55	\$0.00	\$501,393.55
5	Long Branch	\$311,142.70	\$257,171.75	\$0.00	\$62,240.05	\$630,554.50	\$0.00	\$630,554.50
6	Manchester	\$4,763.12	\$97,127.52	\$0.00	\$150.00	\$102,040.64	\$0.00	\$102,040.64
7	Toms River	\$1,350,604.15	\$13,849,680.15	\$4,075.25	(\$96,871.88)	\$15,107,487.67	\$0.00	\$15,107,487.67
	TOTALS	\$3,575,896.25	\$15,661,386.59	\$4,548.25	\$72,017.41	\$19,313,848.50	\$0.00	\$19,313,848.50

Exhibit P-3 Attachment A Schedule 2 Page 2 of 5

NEW JERSEY NATURAL GAS COMPANY SOCIETAL BENEFITS CHARGE (SBC) REMEDIATION ADJUSTMENT RIDER REMEDIATION YEAR 2024

AMORTIZATION OF RECOVERABLE COSTS

Actual Expenditures

ANNUAL RECOVERY SUMMARY:

Annual Amortization of Period Costs (seven years)

TOTAL	YE 6/30/2024	YE 6/30/2023	YE 6/30/2022	YE 6/30/2021	YE 6/30/2020	YE 6/30/2019	YE 6/30/2018
\$115,631,813	\$19,313,849	\$10,890,614	\$34,710,450	\$9,937,330	\$10,986,911	\$12,115,897	\$17,676,763
\$16,518,831	\$2,759,121	\$1,555,802	\$4,958,636	\$1,419,619	\$1,569,559	\$1,730,842	\$2,525,252

NEW JERSEY NATURAL GAS COMPANY SOCIETAL BENEFITS CHARGE (SBC) REMEDIATION ADJUSTMENT RIDER REMEDIATION YEAR 2024

REMEDIATION ADJUSTMENT FACTOR

	REMEDIATION ADJUSTMEN	TACTOR			
Line 1	AMORTIZATION (Per Schedule 2)	_	\$16,518,831		
	Total Amortization			\$16,518,831	a
2	PRIOR YEARS' RECONCILIATION				
	Recovery: April 1, 2023 to March 31, 2024 (Estimate included in current rate) April 1, 2023 to March 31, 2024 (Actual) Under-Recovery BPU Order - Docket No.GR23090672 (Effective April 1, 2024) April 1, 2024 to March 31, 2025 (Actuals through August 31, 2024)	\$15,324,845 \$13,865,184 \$1,459,661 \$18,172,068 \$17,900,690			
	Under-Recovery	\$271,378	\$1,731,039		
	Total Under-Recovery			1,731,039	b
3	INTEREST CALCULATION (Per Schedule 5)				
	Interest (October 1, 2023 - August 31, 2024)*			\$ 2,367,173	c
4	TOTAL TO BE RECOVERED			\$20,617,043	a+b+c
5	THERM SALE PROJECTION (April 2025 - March 2026)				
	PROJECTED THERM SALES: FIRM SALES FIRM TRANSPORTATION INTERRUPTIBLE TRANSPORTATION TOTAL PROJECTED THERM SALES	607,207,728 119,638,144 14,781,465		741,627,337	
	PROPOSED PRE-TAX RA FACTOR PER THERM PROPOSED AFTER-TAX RA FACTOR PER THERM			\$0.0278 \$0.0296	
	CURRENT PRE-TAX RA FACTOR PER THERM CURRENT AFTER-TAX RA FACTOR PER THERM			\$0.0246 \$0.0262	
	Increase			\$0.0034	

^{* 11} months actual 1 month estimated

Exhibit P-3 Attachment A Schedule 4 Page 4 of 5

NEW JERSEY NATURAL GAS COMPANY SOCIETAL BENEFITS CHARGE (SBC) REMEDIATION ADJUSTMENT RIDER REMEDIATION YEAR 2024

ANNUAL CAP CALCULATION

GAS REVENUES-REMEDIATION YEAR 2024 \$ 854,509,565 5% CAP \$42,725,478 TOTAL TO BE RECOVERED \$20,617,043

^{*} Revenues based on Remediation Year July 1, 2023 - June 30, 2024

NEW JERSEY NATURAL GAS COMPANY SOCIETAL BENEFITS CHARGE (SBC) REMEDIATION ADJUSTMENT RIDER REMEDIATION YEAR 2024

REMEDIATION INTEREST CALCULATION

	Deferred			Average	Monthly	Monthly
Month-Year	Balance	Deferred Taxes	Net of Tax	Balance	Rate (1)	Interest (2)
09/30/23			46,366,388			
10/31/23	66,943,696	(18,817,873)	48,125,823	47,246,105	0.399%	188,591
11/30/23	66,926,461	(18,813,028)	48,113,433	48,119,628	0.399%	192,078
12/31/23	66,492,948	(18,691,168)	47,801,780	47,957,607	0.399%	191,431
01/31/24	66,117,423	(18,585,608)	47,531,815	47,666,798	0.399%	190,270
02/29/24	66,454,192	(18,680,273)	47,773,919	47,652,867	0.399%	190,214
03/31/24	68,083,026	(19,138,139)	48,944,887	48,359,403	0.399%	193,035
04/30/24	69,461,900	(19,525,740)	49,936,160	49,440,524	0.399%	197,350
05/31/24	71,116,825	(19,990,939)	51,125,886	50,531,023	0.399%	201,703
06/30/24	72,565,255	(20,398,093)	52,167,162	51,646,524	0.399%	206,156
07/31/24	73,552,608	(20,675,638)	52,876,970	52,522,066	0.399%	209,651
08/31/24	74,751,682	(21,012,698)	53,738,984	53,307,977	0.399%	212,788
09/30/24	74,751,682	(21,012,698)	53,738,984	53,738,984	0.361%	193,908 Estim
Total					[\$ 2,367,173

⁽¹⁾ Monthly rate is 1/12 of the Seven-Year Constant Maturity Treasury rate plus 60 basis points adjusted each August 31.

⁽²⁾ Monthly interest is accumulated and added to the balance at the beginning of October.

NEW JERSEY NATURAL GAS COMPANY SOCIETAL BENEFITS CHARGE (SBC) NEW JERSEY'S CLEAN ENERGY PROGRAM ADJUSTMENT CLAUSE

NEW JERSEY CLEAN ENERGY ADJUSTMENT CLAUSE CALCULATION

		Estimated Balance (\$ 000)
NJ Clean Energy Underrecov	ery Balance @ August 31, 2024	\$6,028
Board Approved Amounts fo	r September 2024 to March 2025	\$16,137
Recovery for September 2024	through March 2025	(\$18,025)
Estimated balance at Ma	arch 31, 2025	\$4,139
Board Approved Amounts fo	r April 2025 to March 2026	\$20,054
Estimated Amount to be Re	covered	\$24,193
4/25 Signature Sales Firm Sales	ected 5-3/26 ales 507,208 19,638 14,781	
Total	741,627	741,627
	overy Rate \$ per Therm as Calculated ecovery Rate \$ per Therm as Calculated	\$0.0326 \$0.0348
	ergy Recovery Rate \$ per Therm nergy Recovery Rate \$ per Therm	\$0.0305 \$0.0325
	Energy Recovery Rate \$ per Therm Increase n Energy Recovery Rate \$ per Therm Increase	\$0.0021 \$0.0023

Per 6/27/2024 Order in BPU Docket No. QO24040223. Assumes approved contributions through June 2025 and estimates for July 2025 through March 2026 period based on approved amounts from prior period (July 2024 through March 2025).

SERVICE CLASSIFICATION - RS

<u>RESIDENTIAL SERVICE</u>

AVAILABILITY

This service is available to any residential Customer in the territory served by the Company using gas for any domestic purpose. This rate is applicable to individually-metered apartments and to rooming and boarding houses where the number of rental bedrooms is not more than twice the number of bedrooms used by the Customer.

Gas delivered under this schedule may not be used for other than domestic purposes except when such use is incidental to domestic use.

CHARACTER OF SERVICE

Firm gas service where Customer may either purchase gas supply from the Company's Rider "A" for Basic Gas Supply Service ("BGSS") or from a Third Party Supplier.

MONTHLY RATES

Customer Charge:

Customer Charge per meter per month

\$11.00

Delivery Charge:

Residential Heating

Delivery Charge per therm

\$1.04471.0390

Residential Non-Heating

Delivery Charge per therm

\$0.99539896

BGSS Charge:

BGSS Charge per therm for Sales Customers

See "Rate Summaries" at the end of this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

Date of Issue: September 26, 2024

Issued by: Mark G. Kahr

20252024

Mark G. Kahrer, Senior Vice President

Effective for service rendered on and after <u>AprilOctober</u> 1,

<u>SERVICE CLASSIFICATION – DGR</u>

DISTRIBUTED GENERATION SERVICE - RESIDENTIAL

AVAILABILITY

This service is available to any residential customer using distributed generation technologies including, but not limited to, microturbines and fuel cells to generate electricity for domestic purposes.

CHARACTER OF SERVICE

Firm gas service where Customer may either purchase gas supply from the Company's Rider "A" for Basic Gas Supply Service ("BGSS") or from a Third Party Supplier.

MONTHLY RATES

Customer Charge:

Customer Charge per meter per month

\$11.00

<u> Delivery Charge:</u>

November - April

\$0.50955038

May - October

\$0.45624505

BGSS Charge:

BGSS Charge per therm for Sales Customers

See "Rate Summaries" at the end of this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the Customer Charge. Where service is taken for less than one month, the minimum charge will be prorated.

BALANCING CHARGE ADJUSTMENTS

The Balancing Charge is included in the Delivery Charge and is subject to adjustment in the Company's annual BGSS proceeding. All revenues derived from this Charge will be credited to the BGSS. See Rider "A" for the current Balancing Charge.

Date of Issue: September 26, 2024

Issued by: Mark G. Kahrer, Senior Vice President

202<u>5</u>4

Wall, NJ 07719

SERVICE CLASSIFICATION – GSS

GENERAL SERVICE - SMALL

AVAILABILITY

This service is available to any Customer in the entire territory served by the Company who uses less than 5,000 therms annually and uses gas for all purposes other than residential service and interruptible service. Where the Customer uses the Cooling, Air Conditioning and Pool Heating service ("CAC") under Special Provision I.2, the Company may, upon application by the Customer, meter the space heating and CAC use separately. Street Lighting Service also will be supplied under this schedule (Special Provision II.1).

CHARACTER OF SERVICE

Firm gas service where Customer may either purchase gas supply from the Company's Rider "A" for Basic Gas Supply Service ("BGSS") or from a Third Party Supplier.

MONTHLY RATES

Customer Charge:

Customer Charge per meter per month

\$42.00

Delivery Charge:

Delivery Charge per therm

\$0.92919234

BGSS Charge:

BGSS Charge per therm for Sales Customers

See "Rate Summaries" at the end of this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the Customer Charge.

Where service is taken for less than one month, the minimum charge will be prorated.

BALANCING CHARGE ADJUSTMENTS

The Balancing Charge is included in the Delivery Charge and is subject to adjustment in the Company's annual BGSS proceeding. All revenues derived from this Charge will be credited to the BGSS. See Rider "A" for the current Balancing Charge.

Date of Issue: September 26, 2024

Issued by: Mark G. Kahrer, Senior Vice President

202<mark>5</mark>4

Wall, NJ 07719

SERVICE CLASSIFICATION - GSS

GENERAL SERVICE - SMALL (continued)

SPECIAL PROVISIONS

I. Applicable to All Customers Under This Service Classification

1. Annual Review

The Company shall review, at least once a year, each GSS Customer's annual usage based on the most recent twelve (12) months of billing information to determine if the General Service - Large ("GSL") Service Classification is applicable to the Customer. If the Customer's normalized annual usage is greater than or equal to 5,500 therms, the customer will be switched to GSL prospectively.

2. Air Conditioning and Pool Heating

Upon separate application, GSS Customers who have installed and are using gas air conditioning and/or pool heating equipment will be billed on the above Monthly Rates and will be billed a credit of (\$0.4801) per therm for all monthly consumption of gas for services rendered between May 1 and September 30 of each year. This credit is the difference between the delivery charge for service rendered between May 1 and September 30 of each year under this Special Provision of \$0.44904433 per therm, which includes \$0.1106 per therm margin, all appropriate riders, taxes, assessments and surcharges, and the delivery charge for Service Classification GSS.

Commercial Air Conditioning and Pool Heating ("CAC") customers will be separately metered, except, at the Company's sole discretion, existing Customers may use the same meter for their cooling, air conditioning or pool heating load and their space heating load as long as there is minimal base load during the period air conditioning rates are in effect.

Where a CAC Customer uses gas under this service classification in a direct-fired chiller/heater and the heating load is metered through the same meter as the cooling, air conditioning or pool heating load, and further, where the gas used for heating is billed separately, the GSS Customer Charge shall be waived, provided the Customer pays the Customer Charge under its heating service in all twelve (12) months of the year.

3. Veterans' Organization Service

Pursuant to N.J.S.A 48:2-21.41, when natural gas service is delivered to a customer that is a Veterans' Organization, serving the needs of veterans of the armed forces, the customer may apply and be eligible for billing under this Special Provision.

a. Each customer shall be eligible for billing under this Special Provision upon submitting an Application for Veterans' Organization Service under this Service Classification and by qualifying as a "Veterans' Organization" as defined by N.J.S.A. 48:2-21.41 as "an organization dedicated to serving the needs of veterans of the armed forces that: is chartered under federal law, qualifies as a tax exempt organization under paragraph (19) of subsection (c) of section 501 of the federal Internal Revenue Code of 1986, 26 U.S.C. s.501 (c)(19), or that is organized as a corporation under the 'New Jersey Nonprofit Corporation Act,' N.J.S.15A:1-1 et seq." Under N.J.S.A. 48: 2-21.41, a qualified Veterans' Organization shall be charged the residential rate for service delivered to the property where the Veterans' Organization primarily operates, if the residential rate is lower than the commercial rate for service at that property.

Date of Issue: September 26, 2024

Mark G. Kahrer, Senior Vice President

Issued by: 20252024

Wall, NJ 07719

SERVICE CLASSIFICATION - GSS

GENERAL SERVICE - SMALL (continued)

The Customer shall furnish satisfactory proof of eligibility of service under this Special Provision to the Company. Once proof of eligibility is determined by the Company, service under this Special Provision shall begin with the next billing cycle following receipt of the Application.

b. The Customer will continue to be billed on this Service Classification. At least once annually, the Company shall review eligible customers' Customer Charges and Delivery Charges under this Special Provision for all relevant periods. If the comparable Customer Charges and Delivery Charges under Service Classification Residential Service (RS) are lower than the charges under their current Service Classification, a credit in the amount of the difference will be applied to the Customer's next bill.

4. Metering

An Automated Meter Reading (AMR) device will not be required for this service. However, the Company reserves the right to install an AMR device at its own expense. Should the Company decide to install an AMR, the Customer shall furnish the necessary infrastructure to support the AMR, including, but not limited to, an electrical supply and phone line, or data plan, for the operation of the device, in an area acceptable to the Company.

When a remote meter reading device is requested by the Customer, it shall be installed at the Customer's expense if the installation is deemed feasible by the Company.

Should the Company decide to install an AMR or a Customer request an AMR, the installation shall be in accordance with Paragraph 6.10 of the Standard Terms and Conditions.

II. Applicable to All Customers Purchasing Gas Supply Under Rider "A" BGSS

1. Street Lighting Service

Street Lighting Service is not subject to Rider "I" of this Tariff. The delivery charge per therm for Street Lighting Service is \$0.87828725 per therm.

III. Applicable to All Customers Purchasing Gas Supply from a Third Party Supplier

1. Additional Requirements

Service is subject to the terms and conditions of the Third Party Supplier Requirements section of this Tariff (Service Classification – TPS) and Section 10 of the Company's Standard Terms and Conditions.

TERMS AND CONDITIONS

Service is subject to the Company's Standard Terms and Conditions of this Tariff.

Date of Issue: September 26, 2024

Issued by: Mark G. Kahrer, Senior Vice President

<u>2025</u>2024

Wall, NJ 07719

<u>Eighth</u>Seventh Revised Sheet No. 58 Superseding SeventhSixth Revised Sheet No. 58

SERVICE CLASSIFICATION - GSL

GENERAL SERVICE - LARGE

<u>AVAILABILITY</u>

This service is available to any Customer in the entire territory served by the Company who uses greater than or equal to 5,000 therms annually and uses gas for all purposes other than residential service and interruptible service. Where the Customer uses the Cooling, Air Conditioning and Pool Heating service ("CAC") under Special Provision I.4, the Company may, upon application by the Customer, meter the space heating and CAC use separately.

CHARACTER OF SERVICE

Firm gas service where Customer may either purchase gas supply from the Company's Rider "A" for Basic Gas Supply Service ("BGSS") or from a Third Party Supplier.

MONTHLY RATES

Customer Charge:

Customer Charge per meter per month \$104.00

Demand Charge:

Demand Charge per therm applied to HMAD \$3.41

Delivery Charge:

Delivery Charge per therm \$0.71597102

BGSS Charge:

BGSS Charge per therm for Sales Customers See "Rate Summaries" at the end of this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the Customer Charge and the Demand Charge.

Where service is taken for less than one month, the minimum charge will be prorated.

BALANCING CHARGE ADJUSTMENTS

The Balancing Charge is included in the Delivery Charge and is subject to adjustment in the Company's annual BGSS proceeding. All revenues derived from this Charge will be credited to the BGSS. See Rider "A" for the current Balancing Charge.

Date of Issue: September 26, 2024

Issued by: Mark G. Kahrer, Senior Vice President

<u>2025</u>2024

Wall, NJ 07719

BPU No. 11 - Gas

Eighth Seventh Revised Sheet No. 59 Superseding Seventh Sixth Revised Sheet No. 59

SERVICE CLASSIFICATION - GSL

GENERAL SERVICE - LARGE (continued)

SPECIAL PROVISIONS

I. Applicable to All Customers in this Service Classification

1. Determination of Demand

The highest monthly average daily usage (HMAD) that occurs in any billing period will be used to calculate the Demand Charge. The HMAD shall be determined based upon the Customer's highest normalized average daily usage for a month in the most recent twenty-four (24) month period. Estimated data may be used when actual data is not available. At least once a year, the Company shall review and modify, if necessary, each GSL customer's HMAD based upon the most recent twenty-four (24) months of billing information. Any modification will be on a prospective basis. The Company reserves the right to determine the HMAD for any Customer by actually metering daily usage.

2. Metering

An Automated Meter Reading (AMR) device with daily meter reads will not be required for this service. However, the Company reserves the right to install an AMR if it believes such a device will provide a more accurate HMAD than the Determination of Demand set forth above. Should the Company decide to install an AMR, the Customer shall furnish the necessary infrastructure to support the AMR, including, but not limited to, an electrical supply and phone line, or data plan, for the operation of the device, in an area acceptable to the Company.

When a remote meter reading device is requested by the Customer, it shall be installed at the Customer's expense if the installation is deemed feasible by the Company.

Should the Company decide to install an AMR or a Customer request an AMR, the installation shall be in accordance with Paragraph 6.10 of the Standard Terms and Conditions.

3. Annual Review

The Company shall review, at least once a year, each GSL customer's annual usage based on the most recent twelve (12) months of billing information to determine if the General Service - Small ("GSS") Service Classification is applicable to the Customer. If the Customer's normalized annual usage is less than or equal to 4,500 therms, the Customer will be switched to GSS prospectively.

4. Air Conditioning and Pool Heating

Upon separate application, GSL Customers who have installed and are using gas air conditioning and/or pool heating equipment will be billed on the above Monthly Rates and will be billed a credit of (\$0.2669) per therm for all monthly consumption of gas for services rendered between May 1 and September 30 of each year. This credit is the difference between the delivery charge for service rendered between May 1 and September 30 of each year under this Special Provision of \$0.44904433 per therm which includes \$0.1106 per therm margin, all appropriate riders, taxes, assessments and surcharges, and the delivery charge for Service Classification GSL.

Commercial Air Conditioning and Pool Heating ("CAC") Customers will be separately metered, except, at the Company's sole discretion, existing Customers may use the same meter for their cooling, air conditioning or pool heating load and their space heating load as long as there is minimal base load during the period air conditioning rates are in effect.

Date of Issue: September 26, 2024

Issued by: Mark G. Kahrer, Senior Vice President

20252024

Wall, NJ 07719

<u>SERVICE CLASSIFICATION - FT</u>

FIRM TRANSPORTATION SERVICE

<u>AVAILABILITY</u>

This service is available to any customer who would otherwise qualify for service under Service Classifications GSS, GSL, IS, or NGV. The Company may require the Customer to provide to the Company's satisfaction, proof of a firm gas supply having marketable title of gas with firm transportation capacity to the Company's distribution systems.

MONTHLY RATES

Customer Charge:

Customer Charge per meter per month \$350.00

Demand Charge:

Demand Charge per therm applied to MDQ \$2.50

Delivery Charge:

Delivery Charge per therm \$0.23202263

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the Customer Charge and the Demand Charge.

Where service is taken for less than one month, the minimum charge will be prorated.

Date of Issue: September 26, 2024

Issued by: Mark G. Kahrer, Senior Vice President

20252024

Wall, NJ 07719

SERVICE CLASSIFICATION - DGC

DISTRIBUTED GENERATION SERVICE - COMMERCIAL

AVAILABILITY

This service is available to any commercial customer using distributed generation technologies including, but not limited to, microturbines and fuel cells.

CONDITIONS PRECEDENT

If the Customer is served by a Third Party Supplier, the Third Party Supplier assumes the responsibility for all delivery requirements. The Company may require the Customer to provide, to the Company's satisfaction, proof of a firm gas supply having marketable title of gas with firm transportation capacity to the Company's distribution systems. The Customer is responsible for payment of any costs if additional facilities, exclusive of metering facilities, are necessary to provide service. The Company reserves the right to limit new customers served under this service, if it determines that service expansion is detrimental to existing firm customers. The Customer must demonstrate that qualifying electric generation equipment has been installed at its location.

MONTHLY RATES

	DGC-Balancing	<u>DGC-FT</u>
Customer Charge: Customer Charge per meter per month	\$104.00	\$104.00
<u>Demand Charge:</u> Demand Charge per therm applied to PBQ	\$2.35	\$2.35
Delivery Charge per therm:		
November - April	\$0. <u>4091</u> 4 034	\$0. <u>2207</u> 2150
May - October	\$0. <u>3765</u> 3708	\$0. <u>1881</u> 1824
BGSS Charge per therm for Sales Customers	See "Rate Summaries" at the end of this Tariff	N/A

The Delivery Charges for DGC-Balancing above include the Balancing Charge as reflected in Rider "A" of this Tariff for customers whose Third Party Supplier delivers gas on their behalf pursuant to paragraph (3) under Deliveries to Company's Designated Delivery Meters section of Service Classification TPS. For DGC-FT customers whose Third Party Supplier delivers gas on their behalf pursuant to paragraph (1) under Deliveries to Company's Designated Delivery Meters section of Service Classification TPS, the DGC-FT Delivery Charges above exclude the Balancing Charge reflected in Rider "A" of this Tariff.

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

Date of Issue: September 26, 2024

Mark G. Kahrer, Senior Vice President

Issued by: <u> 2025</u>2024

Wall, NJ 07719

SERVICE CLASSIFICATION - EGS

ELECTRIC GENERATION SERVICE

<u>AVAILABILITY</u>

This service is available to any existing or new customer who uses greater than or equal to 10,000 therms daily for the sole purpose of generating electricity.

MONTHLY RATES

Customer Charge:

Without SUT With SUT \$877.26 Customer Charge per month \$935.38

Demand Charge:

Without SUT With SUT Demand Charge per therm \$1.5132 \$1.6134

applied to MDQ

Delivery Charge:

With SUT Without SUT \$0.14641407 Delivery Charge per therm

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, applicable taxes, assessments or similar charges lawfully imposed by the Company. Natural gas used to generate electricity that is sold for resale by customers served under this Service Classification is exempt from Riders B, C, E and H and shall not be billed for such charges. In order to qualify for this exemption, a customer who uses natural gas to generate electricity for resale must complete an Annual Certification form, provided by the Company, to certify the percentage of natural gas used at the customer's New Jersey generation facilities during the previous calendar year to generate electricity that was sold for resale. For a new customer or a customer with less than twelve months of usage history, estimates supported by engineering and operational plans may be used to determine the percentage of natural gas used to generate electricity sold for resale.

See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the Customer Charge and the Demand Charge.

September 26, 2024 Date of Issue:

Issued by: Mark G. Kahrer, Senior Vice President

20252024

Wall, NJ 07719

<u>SERVICE CLASSIFICATION - NGV</u>

<u>NATURAL GAS VEHICLE SERVICE</u>

AVAILABILITY

This service is available to any residential or commercial customer for the purpose of fueling natural gas vehicles at Company owned and operated compressed natural gas ("CNG") re-fueling facilities ("Company facilities") and at separately metered Customer owned and operated CNG re-fueling facilities ("Customer owned facilities").

CONDITIONS PRECEDENT

The Customer must sign a service agreement which sets forth the vehicles to be served to be eligible for this service.

DEFINITION OF TERM USED HEREIN

"GGE" is the Gasoline Gallon Equivalent for converting a price per therm of natural gas to a price per gallon of gasoline. The GGE shall be determined in accordance with local standards.

CHARACTER OF SERVICE

Firm sales gas service where Customer who uses Company facilities purchases gas supply pursuant to the Company's Rider "A" for Basic Gas Supply Service ("BGSS"). Firm sales or transportation gas service where Customer who uses Customer owned facilities purchases gas supply pursuant to the Company's Rider "A" for BGSS or from a Third Party Supplier, respectively.

LICENSING, PERMITS AND LEGAL REQUIREMENTS

Customers installing CNG re-fueling facilities on their premises must meet all applicable licensing, permitting and other legal requirements associated with owning and operating CNG refueling facilities. The failure of the customer to comply with this provision may result in the Company suspending or terminating gas service to such facilities without further liability.

MONTHLY RATES

	Gas Available at	Customer Owned
	Company Facilities	Facilities
Customer Charge:		
Residential Customer Charge per meter per month	N/A	\$11.00
Commercial Customer Charge per meter per month	N/A	\$104.00
<u>Delivery Charge:</u>		
Delivery Charge per therm	\$0. <u>4369</u> 4 312	\$0. <u>4369</u> 4 312
	(\$0. <u>546</u> 539 per	(\$0. <u>546</u> 539 per
	GGE)	GGE)

Date of Issue: September 26, 2024

Issued by: Mark G. Kahrer, Senior Vice President

<u> 2025</u>2024

Wall, NJ 07719

<u>SERVICE CLASSIFICATION - IS</u>

INTERRUPTIBLE SERVICE

AVAILABILITY

This service is applicable to Commercial and Industrial Customers whose minimum connected load is not less than 150 therms per hour, provided that gas is used only at locations where the Company has 1) adequate distribution facilities and 2) an adequate supply of natural gas. Customers will be required to specify that they have alternate fuel facilities installed in operating condition with an adequate fuel supply, as discussed in Special Provision 1.

CHARACTER OF SERVICE

Interruptible gas sales and transportation service.

MONTHLY RATES

Customer Charge:

Customer Charge per meter per month \$572.98

Delivery Charge:

Customers with Alternate Fuel

Delivery Charge per therm \$0.19411884

Customers without Alternate Fuel

Delivery Charge per therm \$0.43494292

BGSS Charge:

BGSS Charge per therm for Sales Customers See "Rate Summaries" at the end of this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

MINIMUM MONTHLY CHARGE

The minimum monthly charge applicable shall be the Customer Charge. Where service is taken for less than one month, the minimum charge will be prorated.

Date of Issue: September 26, 2024

Issued by: Mark G. Kahrer, Senior Vice President

20252024

Wall, NJ 07719

SERVICE CLASSIFICATION - CNG

COMPRESSED NATURAL GAS

AVAILABILITY

This service is available to any customer who would otherwise qualify for service under Service Classifications RS, GSS, GSL, FT, IS, or NGV and who will utilize natural gas for the purpose of fueling natural gas vehicles at Company owned compressed natural gas re-fueling facilities operated by the Customer on its property ("Host Customer").

Availability of this Service Classification is subject to the terms and conditions approved in BPU Docket No. GR11060361. This Service Classification is closed.

CONDITIONS PRECEDENT

The Host Customer must sign an Agreement with the Company. The Host Customer must provide assurance that it will use initially at least twenty (20) percent of the re-fueling facility's capacity. The Host Customer must agree to provide the general public with reasonable access to a re-fueling facility for purposes of fueling the general public's natural gas vehicles.

<u>DEFINITION OF TERM USED HEREIN</u>

"GGE" is the Gasoline Gallon Equivalent for converting a price per therm of natural gas to a price per gallon of gasoline. The GGE shall be determined in accordance with local standards.

CHARACTER OF SERVICE

Firm gas service where Host Customer may purchase gas supply pursuant to the Company's Rider "A" for Basic Gas Supply Service ("BGSS"), from the Company through a contract, or from a Third Party Supplier.

MONTHLY RATES

Customer Charge:

Customer Charge per meter per month \$104.00

Delivery Charge:

Delivery Charge per therm \$0.65016444 (\$0.813806 per GGE)

BGSS Charge:

Monthly BGSS Charge per therm for Sales Customers See "Rate Summaries" at the end of

without a gas supply contract this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the Customer Charge.

Date of Issue: September 26, 2024 Effective for service rendered on and after AprilOctober 1, Issued by: Mark G. Kahrer, Senior Vice President

20252024

Eighth Seventh Revised Sheet No. 99

BPU No. 11 - Gas

Superseding Seventh Sixth Revised Sheet No. 99

<u>SERVICE CLASSIFICATION - CNG</u> <u>COMPRESSED NATURAL GAS</u>

Where service is taken for less than one month, the minimum charge will be prorated.

Date of Issue: September 26, 2024

Issued by: Mark G. Kahrer, Senior Vice President 20252024

Effective for service rendered on and after <u>April October</u> 1,

Fourth Third Revised Sheet No. 165

BPU No. 11 - Gas

Superseding ThirdSecond Revised Sheet No. 165

RIDER "C"

REMEDIATION ADJUSTMENT (RA) (continued)

III. TRACKING THE OPERATION OF THE REMEDIATION ADJUSTMENT CLAUSE

The revenues billed, net of taxes and assessments through the application of the Remediation Adjustment factor shall be accumulated for each month and be applied against the total amortized Remediation Costs calculated for that year. Any over or under collection at the end of the Recovery Year will be included in the determination of the following year's RA factor.

In accordance with P.L. 1997, c. 162, as amended by P.L. 2006, c. 44, P.L. 2009, c. 240, and P.L. 2016, c. 57, the charges applicable under this Rider include provision for the New Jersey Sales and Use Tax ("SUT") and when billed to customers exempt from this tax, as set forth in Rider "B", shall be reduced by the amount of such tax included therein.

The RA factor shall be collected through the SBC on a per-therm basis within the Delivery Charge for all service classifications to which Rider "A" applies. The RA factor is set forth below:

\$0.02960262

Date of Issue: March 25, 2024

Issued by: Mark G. Kahrer, Senior Vice President

Wall, NJ 07719

<u>RIDER "E"</u>

NEW JERSEY'S CLEAN ENERGY PROGRAM (continued)

4. The total NJ's Clean Energy Program costs to be recovered, as determined per paragraphs (1), (2) and (3) shall then be divided by the total volume of prospective jurisdictional therm sales (per paragraph (3)), and the result carried to four (4) decimal places. Such result shall constitute the NJ's Clean Energy Program factor effective for service rendered commencing the effective date of approval, and continuing in effect until the effective date of any subsequent annual or other filing of a revision of modification thereof.

The net amount shall be maintained in a separate deferred account. In the event that the Company determines that an existing NJ's Clean Energy Program rate, if left unchanged, would result in a material over- or under-collection of amounts incurred or expected to be incurred during the current NJ's Clean Energy Program Recovery Year, the Company may file with the BPU for approval of an interim revision of the NJ's Clean Energy Program rate. Such interim revision shall be designed to minimize or eliminate the over- or under-collection expected to result absent such revision either over: (a) the remaining billing months of the current NJ's Clean Energy Program Recovery Year or (b) over such other time period as the BPU shall determine.

The Company shall calculate carrying costs on the average monthly balances of under-or over-recovery of deferred costs, and the deferred tax benefit associated with those balances, using the same interest rate, which will be adjusted each August 31 based upon the seven-year constant maturity Treasury rate, shown in the Federal Reserve Statistical Release, plus 60 basis points. Interest will accrue on a monthly basis and shall be rolled into the balance each October 1.

In accordance with P.L. 1997, c. 162, as amended by P.L. 2006, c. 44, P.L. 2009, c. 240, and P.L. 2016, c. 57, the charges applicable under this Rider include provision for the New Jersey Sales and Use Tax ("SUT") and when billed to customers exempt from this tax, as set forth in Rider SUT, shall be reduced by the amount of such tax included therein.

The NJ's Clean Energy Program factor shall be collected through the SBC on a per therm basis within the Delivery Charge for all service classifications to which this Rider "E" applies. The NJ's Clean Energy Program factor is as set forth below:

\$0.03480325

Date of Issue: March 25, 2024

Issued by: Mark G. Kahrer, Senior Vice President

Wall, NJ 07719

Effective for service rendered on and after April 1, 202<u>5</u>4

SUMMARY OF RESIDENTIAL RATE COMPONENTS

Residential Heating Customers

Customer Charge		Bundled Sales	<u>Transport</u>	Reference
Customer Charge per meter per month		11.00	11.00	
Delivery Charge ("DEL") per therm				
Pre-tax Base Rate		0.5701	0.5701	
Pre-tax IIP Base Rate		0.0157	0.0157	Rider D
Total Pre-tax Base Rate (Margin Revenue	Factor)	0.5858	0.5858	
SUT		0.0388	0.0388	Rider B
After-tax Base Rate		0.6246	0.6246	
CIP		0.0903	0.0903	Rider I
EE		<u>0.0494</u>	<u>0.0494</u>	Rider F
Subtotal	a	0.7643	0.7643	
Balancing Charge	b	0.1884	0.1884	Rider A
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0. 0325 <u>03</u> 48	0. 0325 <u>034</u>	Rider E
RA		$0.\frac{48}{026202}$	$\frac{8}{0.0262029}$	Rider C
		<u>96</u>	<u>6</u>	
USF		<u>0.0276</u>	0.0276	Rider H
Total SBC	c	<u>0.086309</u>	<u>0.0863092</u>	
		<u>20</u>	<u>0</u>	
Delivery Charge (DEL)	a+b+c=d	<u>1.044703</u> <u>90</u>	<u>1.0447039</u> <u>0</u>	
Basic Gas Supply Charge ("BGS")		0.2452		D:1 .
BGS	e	<u>0.3672</u>	X	Rider A

With the exception of the Customer Charge, these rates are on a per-therm basis.

Total Customer Charge, DEL rate and BGS rate are presented on customer bills.

Date of Issue: Issued by:

September 26, 2024

Mark G. Kahrer, Senior Vice President

Effective for service rendered on and after April October 1,

20252024 Wall, NJ 07719

<u>Tenth</u> Ninth Revised Sheet No. 253 Superseding Ninth Eighth Revised Sheet No. 253

SUMMARY OF RESIDENTIAL RATE COMPONENTS

Residential Non-Heating Customers

<u>Customer Charge</u> Customer Charge per meter per month		Bundled Sales 11.00	<u>Transport</u> 11.00	Reference
Customer Charge per meter per month		11.00	11.00	
Delivery Charge ("DEL") per therm				
Pre-tax Base Rate		0.5701	0.5701	
Pre-tax IIP Base Rate		<u>0.0157</u>	<u>0.0157</u>	Rider D
Total Pre-tax Base Rate (Margin Revenue Fa	ctor)	0.5858	0.5858	
SUT		<u>0.0388</u>	0.0388	Rider B
After-tax Base Rate		0.6246	0.6246	
CIP		0.0409	0.0409	Rider I
EE		<u>0.0494</u>	<u>0.0494</u>	Rider F
Subtotal	a	0.7149	0.7149	
Balancing Charge	b	0.1884	0.1884	Rider A
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0.032503	0 <u>.0325</u> 0348	Rider E
RA		4 <u>8</u> 0. 0262 <u>02</u> 96	0. 0262 0296	Rider C
USF		0.0276	0.0276	Rider H
Total SBC	c	<u>0.086309</u> <u>20</u>	<u>0.08630920</u>	
Delivery Charge (DEL)	a+b+c=d	<u>0.9896</u> 99 <u>53</u>	<u>0.9896</u> 9953	
Basic Gas Supply Charge ("BGS") BGS	e	0.3672	x	Rider A

With the exception of the Customer Charge, these rates are on a per-therm basis.

Total Customer Charge, DEL rate and BGS rate are presented on customer bills.

Date of Issue: September 26, 2024
Issued by: Mark G. Kahrer, Se

Mark G. Kahrer, Senior Vice President

20252024

Wall, NJ 07719

<u>SUMMARY OF RESIDENTIAL RATE COMPONENTS</u>

Residential Distributed Generation Service

		Nov - Apr	May - Oct	Reference
Customer Charge per meter per month		11.00	11.00	
Delivery Charge ("DEL") per therm				
Pre-tax Base Rate		0.1685	0.1185	
Pre-tax IIP Base Rate		0.0000	0.0000	Rider D
Total Pre-tax Base Rate		0.1685	0.1185	
SUT		0.0112	0.0079	Rider B
After-tax Base Rate		0.1797	0.1264	
EE		<u>0.0494</u>	0.0494	Rider F
Subtotal	a	0.2291	0.1758	
2.0010.00	-	V.=2>1	0.17,00	
Balancing Charge	b	0.1884	0.1884	Rider A
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0. 0325 0348	0. 0325 <u>0348</u>	Rider E
RA		0. 0262 0296	0.02620296	Rider C
USF		<u>0.0276</u>	0.0276	Rider H
Total SBC	c	<u>0.0863</u> 0920	0.08630920	
Delivery Charge (DEL)	a+b+c=d	<u>0.5038</u> 5095	<u>0.4505</u> 4562	
Basic Gas Supply Charge ("BGS") BGS	e	0.3672	<u>0.3672</u>	Rider A

With the exception of the Customer Charge, these rates are on a per-therm basis.

Total Customer Charge, DEL rate and BGS rate are presented on customer bills.

Date of Issue: Issued by: 20252024 September 26, 2024

Mark G. Kahrer, Senior Vice President

Wall, NJ 07719

General Service - Small (GSS)

		Bundled Sales	<u>Transport</u>	Reference
Customer Charge			•	
Customer Charge per meter per month		42.00	42.00	
Delivery Charge ("DEL") per therm				
Pre-tax Base Rate		0.4944	0.4944	
Pre-tax IIP Base Rate		<u>0.0199</u>	0.0199	Rider D
Total Pre-tax Base Rate (Margin Reven	ue Factor)	0.5143	0.5143	
SUT	·	<u>0.0341</u>	0.0341	Rider B
After-tax Base Rate		0.5484	0.5484	
CIP		0.0509	0.0509	Rider I
EE		0.0494	0.0494	Rider F
EE.		0.0171	0.0171	Trider 1
Subtotal	a	0.6487	0.6487	
Balancing Charge	b	0.1884	0.1884	Rider A
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0. 0325 <u>034</u>	0. 0325 <u>0348</u>	Rider E
RA		0. 0262 029	0.02620296	Rider C
USF		<u>6</u> 0.0276	0.0276	Rider H
Total SBC	c	<u>0.0863092</u>	<u>0.08630920</u>	
		<u>0</u>		
Delivery Charge (DEL)	a+b+c=d	<u>0.9234</u> 929	<u>0.9234</u> 9291	
		<u>1</u>		
Basic Gas Supply Charge ("BGS")		0.2672		5.1 .
BGS	e	<u>0.3672</u>	X	Rider A

With the exception of the Customer Charge, these rates are on a per-therm basis.

Total Customer Charge, DEL rate and BGS rate are presented on customer bills.

Date of Issue: September 26, 2024

Mark G. Kahrer, Senior Vice President

Issued by: 20252024

Wall, NJ 07719

General Service - Large (GSL)

Custom on Change		Bundled Sales	Transport	Reference
<u>Customer Charge</u> Customer Charge per meter per month		104.00	104.00	
<u>Demand Charge</u> Demand Charge per month applied to H	MAD	3.41	3.41	
Delivery Charge ("DEL") per therm		0.2122	0.2122	
Pre-tax Base Rate Pre-tax IIP Base Rate		0.3133 <u>0.0144</u>	0.3133 0.0144	Rider D
The tax III Base Rate		0.0111	0.0111	reder D
Total Pre-tax Base Rate (Margin Revenue	ue Factor)	0.3277	0.3277	
SUT		<u>0.0217</u>	<u>0.0217</u>	Rider B
After-tax Base Rate		0.3494	0.3494	
CIP		0.0367	0.0367	Rider I
EE		0.0494	0.0494	Rider F
Subtotal	a	0.4355	0.4355	
Balancing Charge	b	0.1884	0.1884	Rider A
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0. 0325 <u>034</u>	0. 0325 <u>034</u>	Rider E
RA		$\frac{8}{0.0262029}$	$\frac{8}{0.0262029}$	Rider C
Tu I		6 6	6	rader c
USF		<u>0.0276</u>	0.0276	Rider H
Total SBC	С	<u>0.0863092</u> <u>0</u>	<u>0.0863092</u> <u>0</u>	
Delivery Charge (DEL)	a+b+c=d	<u>0.7102</u> 715 <u>9</u>	<u>0.7102</u> 715 <u>9</u>	
Basic Gas Supply Charge ("BGS")				
BGS	e	<u>\$0.3827</u>	X	Rider A

With the exception of the Customer Charge and Demand charges, these rates are on a per-therm basis.

Total Customer, Total Demand, DEL, and BGS charges are presented on customer bills.

Date of Issue: September 26, 2024

Mark G. Kahrer, Senior Vice President

Issued by: **20252024**

Wall, NJ 07719

FIRM TRANSPORTATION (FT)

		<u>Transport</u>	Reference
Customer Charge Customer Charge per meter per month		350.00	
<u>Demand Charge</u> Demand Charge per therm per month a	applied to MDQ	2.50	
Delivery Charge ("DEL") per therm Pre-tax Base Rate Pre-tax IIP Base Rate		0.0775 0.0075	Rider D
Total Pre-tax Base Rate SUT		0.0850 <u>0.0056</u>	Rider B
After-tax Base Rate EE		0.0906 <u>0.0494</u>	Rider F
Subtotal	a	0.1400	
Societal Benefits Charge ("SBC"): NJ's Clean Energy RA USF		0. 0325 <u>0348</u> 0. 0262 <u>0296</u> <u>0.0276</u>	Rider E Rider C Rider H
Total SBC	b	<u>0.08630920</u>	
Delivery Charge (DEL)	a+b=c	<u>0.2263</u> 2320	

With the exception of the Customer Charge and Demand charges, these rates are on a per-therm basis.

Total Customer, Total Demand, and DEL, charges are presented on customer bills.

Date of Issue: Issued by:

September 26, 2024

Mark G. Kahrer, Senior Vice President

Effective for service rendered on and after AprilOctober 1,

20252024

Commercial Distributed Generation Service - DGC-Balancing

Custom on Change		Nov - Apr	May - Oct	Reference
<u>Customer Charge</u> Customer Charge per meter per month		104.00	104.00	
<u>Demand Charge</u> Demand Charge per therm per month applied	d to PBQ	2.35	2.35	
Delivery Charge ("DEL") per therm		0.0=04		
Pre-tax Base Rate Pre-tax IIP Base Rate		0.0701 <u>0.0043</u>	0.0395 0.0043	Rider D
Total Pre-tax Base Rate		0.0744	0.0438	
SUT		0.0049	0.0029	Rider B
After-tax Base Rate EE		0.0793 <u>0.0494</u>	0.0467 <u>0.0494</u>	Rider F
Subtotal	a	0.1287	0.0961	
Societal Benefits Charge ("SBC"): NJ's Clean Energy		0. 0325 0348	0.0325034	Rider E
RA		0.02620296	0.0262029 6	Rider C
USF		0.0276	0.0276	Rider H
Total SBC	b	<u>0.08630920</u>	<u>0.0863092</u> <u>0</u>	
Balancing Charge	c	<u>0.1884</u>	<u>0.1884</u>	
DGC-Balancing Delivery Charge (DEL)	a+b+c=d	<u>0.4034</u> 4091	<u>0.3708</u> 376 <u>5</u>	
Basic Gas Supply Charge ("BGS") BGS	e	<u>\$0.3827</u>	<u>\$0.3827</u>	Rider A

The Delivery Charges for DGC-Balancing above include the Balancing Charge as reflected in Rider "A" of this Tariff for customers whose Third Party Supplier delivers gas on their behalf pursuant to paragraph (3) under Deliveries to Company's Designated Delivery Meters section of Service Classification TPS.

With the exception of the Customer Charge and Demand Charge, these rates are on a per-therm basis.

Total Customer Charge, Total Demand Charge, DEL, and BGS charges are presented on customer bills.

Date of Issue: September 26, 2024

Issued by: Mark G. Kahrer, Senior Vice President

20252024

Wall, NJ 07719

Commercial Distributed Generation Service – DGC-FT

		Nov - Apr	May - Oct	Reference
<u>Customer Charge</u> Customer Charge per meter per month		104.00	104.00	
Demand Charge				
Demand Charge per therm per month applied	to PBQ	2.35	2.35	
Delivery Charge ("DEL") per therm				
Pre-tax Base Rate		0.0701	0.0395	
IIP Pre-tax Base Rate		0.0043	0.0043	Rider D
Total Pre-tax Base Rate		0.0744	0.0438	
SUT		<u>0.0049</u>	0.0029	Rider B
After-tax Base Rate		0.0793	0.0467	
EE		0.0494	<u>0.0494</u>	Rider F
Subtotal	a	0.1287	0.0961	
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0. 0325 0348	0. 0325 0348	Rider E
RA		0.02620296	0.02620296	Rider C
USF		0.0276	0.0276	Rider H
Total SBC	b	<u>0.08630920</u>	<u>0.08630920</u>	
DGC-FT Delivery Charge (DEL)	a+b=c	<u>0.2150</u> 2207	<u>0.1824</u> 1881	

For DGC-FT customers whose Third Party Supplier delivers gas on their behalf pursuant to paragraph (1) under Deliveries to Company's Designated Delivery Meters section of Service Classification TPS, the DGC-FT Delivery Charges above exclude the Balancing Charge reflected in Rider "A" of this Tariff.

With the exception of the Customer Charge and Demand Charge, these rates are on a per-therm basis.

Total Customer Charge, Total Demand Charge, and DEL rate are presented on customer bills

Date of Issue: September 26, 2024

Mark G. Kahrer, Senior Vice President Issued by: <u> 2025</u>2024

Electric Generation Service (EGS)

Customer Charge		Without <u>SUT</u>	With <u>SUT</u>	Reference
Customer Charge per meter per month		877.26	935.38	
<u>Demand Charge</u> Demand Charge per therm per month a	applied to MDQ	1.5132	1.6134	
<u>Delivery Charge ("DEL") per therm</u> Pre-tax Base Rate SUT		0.0047 <u>0.0000</u>	0.0047 <u>0.0003</u>	Rider B
Delivery Charge excluding Riders C, E, F and H	a	0.0047	0.0050	
E, r and ri EE	b	<u>0.0464</u>	0.0494	Rider F
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0. 0305 <u>0326</u>	0.032503	Rider E
RA		0. 0246 <u>0278</u>	0. 0262 02	Rider C
USF		0.0259	96 0.0276	Rider H
Total SBC	С	<u>0.0810</u> 0863	0. 0863 09 20	
Delivery Charge (DEL) including Riders C, E, F and H	a+b+c=d	<u>0.1321</u> 1374	<u>0.1407</u> 14 <u>64</u>	

With the exception of the Customer Charge and Demand charges, these rates are on a per-therm basis.

Customer, Demand, and DEL charges are presented on customer bills.

Date of Issue: Issued by: 20252024 September 26, 2024

Mark G. Kahrer, Senior Vice President

Effective for service rendered on and after <u>AprilOctober</u> 1,

Eighth Seventh Revised Sheet No. 260

BPU No. 11 - Gas

Superseding SeventhSixth Revised Sheet No. 260

SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS

Natural gas used to generate electricity that is sold for resale by customers served under this Service Classification is exempt from Riders B, C, E, F, and H and shall not be billed for such charges subject to the Customer's submission of an Annual Certification form.

Date of Issue: September 26, 2024

Issued by: Mark G. Kahrer, Senior Vice President

20252024

Wall, NJ 07719

Forty-<u>Second</u>First Revised Sheet No. 261
Superseding Forty-FirstFortieth Revised Sheet No. 261

SUMMARY OF INTERRUPTIBLE RATE COMPONENTS

INTERRUPTIBLE SALES AND TRANSPORTATION

With Alternate Fuel

Customer Charge		Bundled Sales	Transport	Reference
Customer Charge per meter per month		572.98	572.98	
Delivery Charge ("DEL") per therm				
Pre-tax Base Rate SUT		0.0494 0.0033	0.0494 <u>0.0033</u>	Rider B
After-tax Base Rate EE		0.0527 <u>0.0494</u>	0.0527 <u>0.0494</u>	Rider F
Subtotal	a	0.1021	0.1021	
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0. 0325 <u>034</u>	0.03250348	Rider E
RA		$0.\frac{8}{0.262}$ 029	0. 0262 0296	Rider C
USF		$0.0\overline{276}$	0.0276	Rider H
Total SBC	ь	<u>0.0863</u> 092 <u>0</u>	<u>0.08630920</u>	
Delivery Charge (DEL)	a+b=c	<u>0.1884</u> 194 <u>1</u>	<u>0.1884</u> 1941	
Basic Gas Supply Charge ("BGS")				
Monthly BGSS	d	\$0.5093	X	Rider A
BGS	d	<u>\$0.5093</u>	X	

With the exception of the Customer Charge, these rates are on a per-therm basis.

Customer Charge, DEL rate and BGS rate are presented on customer bills.

Date of Issue: September 26, 2024

Issued by: 20252024

Mark G. Kahrer, Senior Vice President

Effective for service rendered on and after <u>AprilOctober</u> 1,

Forty-<u>SecondFirst</u> Revised Sheet No. 262 Superseding Forty-FirstFortieth Revised Sheet No. 262

SUMMARY OF INTERRUPTIBLE RATE COMPONENTS

INTERRUPTIBLE SALES AND TRANSPORTATION

Without Alternate Fuel

		Bundled Sales	Transport	Reference
Customer Charge		·	<u>-</u>	
Customer Charge per meter per month		572.98	572.98	
Delivery Charge ("DEL") per therm				
Pre-tax Base Rate		0.2753	0.2753	
SUT		0.0182	<u>0.0182</u>	Rider B
After-tax Base Rate		0.2935	0.2935	
EE		0.0494	<u>0.0494</u>	Rider F
Subtotal	a	0.3429	0.3429	
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0. 0325 <u>034</u> 8	0. 0325 <u>0348</u>	Rider E
RA		0. 0262 029	0.02620296	Rider C
USF		$\frac{\underline{6}}{0.0276}$	0.0276	Rider H
Total SBC	b	<u>0.0863092</u> <u>0</u>	<u>0.08630920</u>	
Delivery Charge (DEL)	a+b=c	<u>0.4292</u> 434 <u>9</u>	<u>0.4292</u> 4349	
Basic Gas Supply Charge ("BGS")				
Monthly BGSS	d	\$0.5093	X	Rider A
BGS	d	<u>\$0.5093</u>	X	

With the exception of the Customer Charge, these rates are on a per-therm basis.

Customer Charge, DEL rate and BGS rate are presented on customer bills.

Date of Issue: Issued by: 20252024 September 26, 2024

Mark G. Kahrer, Senior Vice President

Effective for service rendered on and after <u>April October</u> 1,

Compressed Natural Gas (CNG)

Customer Charge		Bundled Sales	Transport	Reference
Customer Charge per meter per month		104.00	104.00	
Delivery Charge ("DEL") per therm				
Pre-tax Base Rate		0.2683	0.2683	
IIP Pre-tax Base Rate		0.0088	0.0088	Rider D
CNG Charge		0.2000	0.2000	
Total Pre-tax Base Rate		0.4771	0.4771	Rider D
SUT		<u>0.0316</u>	0.0316	Rider B
After-tax Base Rate		0.5087	0.5087	
EE		0.0494	0.0494	Rider F
Subtotal	a	0.5581	0.5581	
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0. 0325 034	0.03250348	Rider E
RA		0.0262029	0.02620296	Rider C
USF		$0.0\overline{276}$	0.0276	Rider H
Total SBC	b	<u>0.0863092</u> <u>0</u>	<u>0.08630920</u>	
Delivery Charge (DEL)	a+b=c	<u>0.6444</u> 650 <u>1</u>	<u>0.6444</u> 6501	
Basic Gas Supply Charge ("BGS") Monthly BGSS	d	\$0.5093	X	Rider A
BGS	d	<u>\$0.5093</u>	X	

With the exception of the Customer Charge, these rates are on a per-therm basis.

Total Customer, DEL, and BGSS charges are presented on customer bills.

Date of Issue: September 26, 2024

Mark G. Kahrer, Senior Vice President

Effective for service rendered on and after April October 1,

Issued by: 20252024

SUMMARY OF RESIDENTIAL AND FIRM COMMERCIAL RATE COMPONENTS

Natural Gas Vehicles (NGV)

Gas Available at Company Facilities

				Reference
Delivery Charge ("DEL") Pre-tax Base Rate IIP Pre-tax Base Rate		\$ per therm 0.2683 0.0088	\$ per GGE	Rider D
Total Pre-tax Base Rate SUT		0.2771 0.0184		Rider B
After-tax Base Rate EE		0.2955 0.0494		Rider F
Subtotal	a	0.3449		
Societal Benefits Charge ("SBC"): NJ's Clean Energy RA USF		0. 0325 <u>0348</u> 0. 0262 <u>0296</u> <u>0.0276</u>		Rider E Rider C Rider H
Total SBC	b	<u>0.08630920</u>		
Delivery Charge (DEL)	a+b=c	0.43124369	0. 539 <u>546</u>	
Compression Charge	d	0.4958	0.620	
Monthly Basic Gas Supply Charge ("BGS")	e	<u>0.5093</u>	0.637	Rider A
Total Variable Charge	c+d+e=f	<u>1.4363</u> 4420	1.796803	
New Jersey Motor Vehicle Fuel Tax Federal Excise Fuel Tax * Federal Excise Fuel Tax Credit *	g h i		0.000 0.185 (0.517)	
Total Price	$\begin{array}{c} f+g+h+i \\ =j \end{array}$		1. 46 4 <u>471</u>	

^{*}Adjusted to reflect Internal Revenue Service GGE Conversion.

Date of Issue: September 26, 2024

Mark G. Kahrer, Senior Vice President

Issued by: **20252024**

Wall, NJ 07719

Forty-<u>Second First</u> Revised Sheet No. 265 Superseding Forty-First Fortieth Revised Sheet No. 265

SUMMARY OF RESIDENTIAL AND FIRM COMMERCIAL RATE COMPONENTS

Natural Gas Vehicles (NGV)

Customer Owned Facilities

Customer Owned Pacifics							
Customer Charge				Reference			
Residential Customer Charge per month		11.00					
Commercial Customer Charge per meter per month		104.00					
Delivery Charge ("DEL")		\$ per therm	\$ per GGE				
Pre-tax Base Rate		0.2683					
IIP Pre-tax Base Rate		0.0088		Rider D			
T. 15 5 5		0.0554					
Total Pre-tax Base Rate		0.2771					
SUT		<u>0.0184</u>		Rider B			
After-tax Base Rate		0.2955					
EE		0.2933		Rider F			
EE		<u>0.0494</u>		Kidel F			
Subtotal	a	0.3449					
a I D A GI ((GDGW)							
Societal Benefits Charge ("SBC"):							
NJ's Clean Energy		0.03250348		Rider E			
RA		0. 0262 0296		Rider C			
USF		0.0276		Rider H			
T . 1 CD C		0.00630030					
Total SBC	b	<u>0.08630920</u>					
Delivery Chause (DEL)	a+b=c	0.42124260	0.520546				
Delivery Charge (DEL)	a+b=c	0.4 312 4369	0. 539 <u>546</u>				
Monthly Basic Gas Supply Charge ("BGS")	d	0.5093	0.637	Rider A			
Total Variable Charge	c+d=e	<u>0.9405</u> 9462	1. 176 183				

Customer, DEL, and BGS charges are presented on customer bills for Firm Sales Gas Service. Customer and DEL charges are presented on customer bills for Firm Transport Gas Service

Date of Issue: September 26, 2024

Issued by: Mark G. Kahrer, Senior Vice President

20252024

Wall, NJ 07719

New Jersey Natural Gas Company Net impact of Proposed Rate Changes

10/1/24 Rates

Component of

(\$/therm)

Proposed 4/1/25 Rates

Change

Pre-tax

0.0032

0.0021

0.0000

0.0053

Post-tax 0.0034

0.0023

0.0000

0.0057

	•	Pre-tax	Post-tax	Pre-tax	Post-tax
RAC	Delivery Price	0.0246	0.0262	0.0278	0.0296
NJCEP	Delivery Price	0.0305	0.0325	0.0326	0.0348
USF	Delivery Price	0.0259	0.0276	0.0259	0.0276
Total SBC	=	0.0810	0.0863	0.0863	0.0920
Impact on	Residential Non-Hea	ting Custor	<u>ners</u>	25 therm bill	
10/1/24 Rat	tes			25 therm bill	
	Customer Charge		\$11.00	\$11.00	
	Delivery		\$0.9896	\$24.74	
	BGSS	_	\$0.3672	\$9.18	
		Total	\$1.3568	\$44.92	
Proposed .	4/1/25 Rates				
г горозса	Customer Charge		\$11.00	\$11.00	
	Delivery		\$0.9953	\$24.88	
	BGSS		\$0.3672	\$9.18	
		Total	\$1.3625	\$45.06	
	1			00.44	
	Increase Increase as a perce	nt		\$0.14 0.31%	
	<u> </u>				
mpact on	Residential Heating	Customers			1000 therm
				100 therm bill	annual bill
10/1/24 Ra			***	***	****
	Customer Charge		\$11.00	\$11.00	\$132.0
	Delivery BGSS		\$1.0390 \$0.3673	\$103.90	\$1,039.0 \$367.2
	БССС	Total -	\$0.3672 \$1.4062	\$36.72 \$151.62	\$1,538.2
		Total	ψ1.4002	ψ151.02	ψ1,330.2
Proposed 4	4/1/25 Rates				
	Customer Charge		\$11.00	\$11.00	\$132.0
	Delivery		\$1.0447	\$104.47	\$1,044.7
	BGSS	-	\$0.3672	\$36.72	\$367.2
		Total	\$1.4119	\$152.19	\$1,543.9
	Increase			\$0.57	\$5.70
	Increase as a perce	nt		0.38%	0.379
Impact on	Commercial GSS Cu	stomers			
10/1/24 Rat	toe			100 therm bill	
10/1/24 1\a	Customer Charge		\$42.00	\$42.00	
	Delivery		\$0.9234	\$92.34	
	BGSS		\$0.3672	\$36.72	
		Total	\$1.2906	\$171.06	
_					
Proposed 4	4/1/25 Rates Customer Charge		\$42.00	¢42.00	
	Delivery		\$42.00 \$0.9291	\$42.00 \$92.91	
	BGSS		\$0.3672	\$36.72	
	Воос	Total -	\$1.2963	\$171.63	
			,		
	Increase			\$0.57	
	Increase as a perce	nt		0.33%	
Impact on	Commercial GSL Cu	stomers		1200 therm bill	
10/1/24 Rat	tes			1200 tilettii bill	
	Customer Charge		\$104.00	\$104.00	
	Demand Charge		\$3.41	\$327.36	
	Delivery		\$0.7102	\$852.24	
	BGSS (Sept 2024)	Total -	\$0.3209 \$1.0311	\$385.08 \$1,668.68	
		Total	\$1.0311	φ1,000.08	
Proposed -	4/1/25 Rates				
	Customer Charge		\$104.00	\$104.00	
	Demand Charge		\$3.41	\$327.36	
	Delivery		\$0.7159	\$859.08	
	BGSS (Sept 2024)		\$0.3209	\$385.08	
		Total	\$1.0368	\$1,675.52	

Increase

Projected Annual Revenue
Projected SBC annual therms

Increase as a percent

741,627 (000s)

\$6.84

0.41%

	10/1/2	4 Rates	Proposed 4/1/	25 Rates	Cha	nge
	Pre-tax	Post-tax	Pre-tax	Post-tax	Pre-tax	Post-tax
RAC	\$18.2	\$19.4	\$20.6	\$22.0	\$2.4	\$2.
NJCEP	\$22.6	\$24.1	\$24.2	\$25.8	\$1.6	\$1.
USF	\$19.2	<u>\$20.5</u>	<u>\$19.2</u>	\$20.5	\$0.0	\$0.0
Total Pre-tax	\$60.1	\$64.0	\$64.0	\$68.2	\$3.9	\$4.2

NOTICE TO NEW JERSEY NATURAL GAS COMPANY CUSTOMERS

IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY FOR THE ANNUAL REVIEW AND REVISION OF SOCIETAL BENEFITS CHARGE FACTORS FOR REMEDIATION YEAR 2024

BPU Docket No. GR24090772

PLEASE TAKE NOTICE that on September 30, 2024, New Jersey Natural Gas Company ("NJNG" or the "Company") filed its annual Societal Benefits Charge ("SBC") petition with the New Jersey Board of Public Utilities ("Board") seeking a price adjustment for all applicable service customers ("Petition"). According to the Petition, 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, 2025.

The RA rate provides recovery of actual costs incurred by NJNG for the environmental 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.

If the Board approves the requested price adjustment, the impact will result in an overall increase of approximately \$0.57 per month or 0.38 percent for a residential heating customer using 100 therms per month.

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:

		Tota			
Customer Type	Monthly Usage (Therms)	Monthly Bill as of October 1, 2024	Proposed Monthly Bill as of April 1, 2025	Net Dollar Increase	Percent Increase
Residential Heat Sales	100	\$151.62	\$152.19	\$0.57	0.38%
Residential Non-Heat Sales	25	\$44.92	\$45.06	\$0.14	0.31%
General Service Small	100	\$171.06	\$171.63	\$0.57	0.33%
General Service Large	1200	\$1,668.68	\$1,675.52	\$6.84	0.41%

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 because of any such audit.

PLEASE TAKE FURTHER NOTICE that virtual public hearings will be conducted on the following date and times so that members of the public may present their views on the Petition:

VIRTUAL PUBLIC HEARINGS

Date:

Hearing Times 4:30 pm and 5:30 pm

LOCATION

Zoom Virtual Webinar

Join:https://us06web.zoom.us/j/2458136397?pwd=VUJpK1V0aDYxZDllZUIwaElOWDFRZz09

Meeting ID: 245 813 6397

Passcode: 819208

Dial-In Number: +1 646 876 9923

Members of the public are invited to participate and express their views on the Petition by utilizing the Zoom Virtual Webinar link or the Dial-In Number set forth above.

Representatives of the Company, Board's Staff and the New Jersey Division of Rate Counsel will participate in the virtual public hearings. All comments will become part of the final record in this proceeding to be considered by the Board. In order to encourage full participation in this opportunity for public comment, please submit any requests for accommodations, such as interpreters, or listening assistance, 48 hours prior to the above hearing to the Board Secretary at board.secretary@bpu.nj.gov.

The Board is also accepting written and electronic comments. Comments may be submitted directly to the specific docket number listed above using the "Post Comments" button on the Board's Public Document Search tool at https://publicaccess.bpu.state.nj.us/. Comments are considered public documents for purposes of the State's Open Public Records Act. Only documents that are intended to be public should be submitted using the "Post Comments" button on the Board's Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. In addition to hard copy submissions, confidential information may also be filed electronically via the Board's e-filing system or by email to the Secretary of the Board, Sherri L. Golden. Please include "Confidential Information" in the subject line of any email. Instructions for confidential e-filing are found on the Board's webpage at https://www.nj.gov/bpu/agenda/efiling/.

Emailed and/or written comments may also be submitted to:

Sherri L. Golden, Secretary of the Board 44 South Clinton Ave., 1st Floor

PO Box 350

Trenton, NJ 08625-0350 Phone: 609-292-1599

Email: board.secretary@bpu.nj.gov