

NOTICE TO NEW JERSEY NATURAL GAS COMPANY CUSTOMERS

In the Matter of the Petition of New Jersey Natural Gas Company for Approval of a Base Rate Adjustment Pursuant to the IIP Program

DOCKET NO. GR22040247

NOTICE OF FILING AND PUBLIC HEARINGS**TO OUR CUSTOMERS:**

PLEASE TAKE NOTICE that on March 31, 2022, New Jersey Natural Gas Company (“NJNG”, or the “Company”) filed a petition and supporting documentation with the New Jersey Board of Public Utilities (“Board”, or “BPU”) seeking Board approval for base rate changes to provide for cost recovery associated with the Company’s Infrastructure Investment Program (“IIP”).

On October 28, 2020, the Board issued an Order in Docket No GR19020278 (“October 2020 Order”) approving the IIP. The October 2020 Order provided approval for NJNG to invest up to \$150 million, excluding Allowance for Funds Used During Construction (“AFUDC”), to be recovered through base rate adjustments in order to undertake twenty-two infrastructure projects as well as installing excess flow valves and regulator protectors aimed at making the Company’s distribution system more safe, reliable and resilient.

The IIP projects consist of 15 reliability and resilience projects, four replacement and reinforcement projects, one regulator station reconstruction project, two trunk line replacement projects, 8,000 excess flow valves and 47,500 regulator protector vents.

The Company’s rate filing includes a request for recovery in base rates of the actual costs associated with the IIP projects through June 30, 2022, consisting of prudently-incurred capital expenditures, including actual costs of engineering, design and construction, cost of removal (net of salvage), property acquisition, actual labor, materials overheads and capitalized AFUDC.

At this time, the Company is requesting BPU approval to adjust base rates effective October 1, 2022 to recover approximately \$28.9 million of IIP investment costs made through June 30, 2022, resulting in a base rate increase of approximately \$3.16 million. If the proposed rates are approved by the Board, the impact to the typical residential heating customer using 100 therms in a month is an increase of \$0.49, or 0.4 percent.

The impact of the Company’s filing, requested to be effective on October 1, 2022, or as of the date of the Final Board Order in this proceeding, on a typical residential customer (both heat and non-heat), a typical general service small customer and a typical general service large customer on a monthly basis is estimated to be as follows based on the usage levels shown below:

Customer Type	Therm Level	Total Bill		Increase	
		Bill as of July 1, 2022	Proposed Bill	Amount	Percent
Residential Heat Sales	100	\$136.21	\$136.70	\$0.49	0.4%
Residential Non-Heat Sales	25	\$39.81	\$39.93	\$0.12	0.3%
General Service – Small	100	\$159.11	\$159.71	\$0.60	0.4%
General Service – Large	1200	\$2,118.44	\$2,123.60	\$5.16	0.2%

The Board has the statutory authority to approve the requested changes to base rates at levels it finds just and reasonable. Therefore, the Board may establish the new rates at levels other than those proposed by NJNG.

PLEASE TAKE ADDITIONAL NOTICE that due to the COVID-19 Pandemic, virtual public hearings will be conducted on the following date and times so that members of the public may present their views on the Company’s filing at the virtual public hearing as noted below:

VIRTUAL PUBLIC HEARINGS

Date: August 15, 2022

Public Hearing 1: 4:30 pm

Public Hearing 2: 5:30 pm

Location: Zoom Virtual Webinar

Join: <https://us06web.zoom.us/j/2458136397?pwd=VUJpK1V0aDYxZDIIZUIwaEiOWDFRZz09>

Meeting ID: 245 813 6397

Passcode: 819208

Dial-In Number: +1 646 876 9923

Copies of NJNG’s March 31, 2022 filing can be reviewed on the Company’s website, www.njng.com/regulatory in the “Filings & Updates” subsection of the “Regulatory Info”.

Representatives of the Company, Board Staff, and the New Jersey Division of Rate Counsel will participate in the virtual public hearings. Members of the public are invited to participate by utilizing the link or dial-in information set forth above, and may express their views on the March 31, 2022 filing. All comments will be made part of the final record of the proceeding to be considered by the Board. In order to encourage full participation in these opportunities for public comment, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, 48 hours prior to the above hearings to the Board Secretary at boardsecretary@bpu.nj.gov

The Board is also accepting written and/or electronic comments. While all comments will be given equal consideration and will be made part of the final record of this proceeding, the preferred method of transmittal is via the Board’s Public Document Search tool <https://publicaccess.bpu.state.nj.us/>. Search for the docket number listed above, and post by utilizing the “Post Comments” button. Emailed comments may also be filed with the Secretary of the Board, in pdf or Word format, to boardsecretary@bpu.nj.gov

Written comments may be submitted to the Acting Board Secretary, Carmen D. Diaz, at the Board of Public Utilities, 44 South Clinton Avenue, 1st Floor, P.O. Box 350, Trenton, New Jersey 08625-0350. All emailed or mailed comments should include the name of the petition and the docket number.

All comments are considered “public documents” for purposes of the State’s Open Public Records Act. Commenters may identify information that they seek to keep confidential by submitting them in accordance with the confidentiality procedures set forth in N.J.A.C. 14:1-12.3.