



August 23, 2024

Via Electronic Mail

To: The Office of the County Clerk, Municipal Clerk and County Administrator

RE: In the Matter of the Establishment of a Universal Service Fund Pursuant to Section 12 of the Electric Discount and Energy Competition Act of 1999.
BPU Docket No. EX00020091

In the Matter of the Petition of New Jersey Natural Gas Company 2024/2025 Annual Compliance Filing for the Universal Service Fund Program Factor within the Societal Benefits Charge Rate
BPU Docket No. ER24070486

Pursuant to N.J.S.A. 48:2-2-21 and 48:2-21.1, New Jersey Natural Gas Company (the "Company" or "NJNG") made a compliance filing on June 28, 2024 with the Board requesting authority to implement an increase related to the statewide USF/Lifeline program component of the SBC, as described below, to be effective on October 1, 2024 ("Filing"). The current after-tax USF/Lifeline program charge for natural gas customers is \$0.0177 per therm. Based on the Filing, the proposed USF component would increase by \$0.0101 per therm and the proposed Lifeline component would decrease by \$0.0002 per therm. The proposed after-tax USF/Lifeline program charge would increase to \$0.0276 to recover approximately \$92.7 million for the statewide natural gas USF program and \$25.3 million for the Lifeline program. The above request will not result in any profit to the Company. The revenues received under the proposed USF/Lifeline charge are designed to recover only costs for the USF and Lifeline programs and are remitted to the State by the Company. Actual program costs will be reconciled with the revenues received through the USF/Lifeline program charge in the next annual filing scheduled to be made no later than July 1, 2025. Copies of NJNG's Filing can be reviewed on the Company's website, www.njng.com/regulatory in the "Filings & Updates" subsection of the "Regulatory Info."

Please be further advised that the Company hereby serves upon you the attached Notice of Public Hearings in the above referenced matter. The virtual public hearings are re-scheduled for September 17, 2024 at 4:30 P.M. and 5:30 P.M. with the following Log-In instructions.

Location: Zoom Virtual Meeting

Join by holding down control button and clicking on below link:

<https://us06web.zoom.us/j/2458136397?pwd=VUJpK1V0aDYxZDlIZUIwaElOWDFRZz09>

Meeting ID: 245 813 6397

Dial-In Phone Number: 1-646-876-9923

Access Code: 819208

Respectfully,

A handwritten signature in blue ink that reads 'Andrew K. Dembia'.

Andrew K. Dembia, Esq.
Regulatory Affairs Counsel

AKD:ss
Attachments

NEW JERSEY NATURAL GAS COMPANY
NOTICE OF FILING AND PUBLIC HEARING

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

IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY 2024/2025 ANNUAL COMPLIANCE FILING
FOR THE UNIVERSAL SERVICE FUND PROGRAM FACTOR WITHIN THE SOCIETAL BENEFITS CHARGE RATE
BPU DOCKET NO. ER24070486

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

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

On June 28, 2024, New Jersey Natural Gas Company ("NJNG" or the "Company") made a compliance filing with the Board requesting authority to implement an increase related to the statewide USF/Lifeline program component of the SBC, as described below, to be effective on October 1, 2024 ("Filing"). The current after-tax USF/Lifeline program charge for natural gas customers is \$0.0177 per therm. Based on the Filing, the proposed USF component would increase by \$0.0101 per therm and the proposed Lifeline component would decrease by \$0.0002 per therm. The proposed after-tax USF/Lifeline program charge would increase to \$0.0276 to recover approximately \$92.7 million for the statewide natural gas USF program and \$25.3 million for the Lifeline program. The above request will not result in any profit to the Company. The revenues received under the proposed USF/Lifeline charge are designed to recover only costs for the USF and Lifeline programs and are remitted to the State by the Company. Actual program costs will be reconciled with the revenues received through the USF/Lifeline program charge in the next annual filing scheduled to be made no later than July 1, 2025. Copies of NJNG's Filing can be reviewed on the Company's website, www.njng.com/regulatory in the "Filings & Updates" subsection of the "Regulatory Info."

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

Universal Service/Lifeline Fund Components of Societal Benefits Charge				
	Present	Present (Incl. Sales and Use Tax)	Proposed	Proposed (Incl. Sales and Use Tax)
USF- per therm	\$0.0108	\$0.0115	\$0.0203	\$0.0216
Lifeline- per therm	\$0.0058	\$0.0062	\$0.0056	\$0.0060
Total USF/Lifeline	\$0.0166	\$0.0177	\$0.0259	\$0.0276

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

Customer Type	Therm Level	Rates		Increase	
		Bill as of June 1, 2024	Proposed Bill as of October 1, 2024	Amount	Percent
Residential Heat Sales	100	\$150.04	\$151.03	\$0.99	0.7%
Residential Non-Heat Sales	25	\$44.43	\$44.68	\$0.25	0.6%
General Service – Small	100	\$170.13	\$171.12	\$0.99	0.6%
General Service – Large	1200	\$1,675.16	\$1,687.04	\$11.88	0.7%

Based on this Filing, a typical residential heat natural gas customer using 100 therms per month would see an increase in their monthly bill from \$150.04 to \$151.03, or \$0.99 or approximately 0.7 percent.

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

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

VIRTUAL PUBLIC HEARINGS

Date: September 17, 2024

Hearing Times: 4:30 p.m. and 5:30 p.m.

LOCATION: Zoom Virtual Webinar

Join: <https://us06web.zoom.us/j/2458136397?pwd=VUJkV1k0aDYxZDl1UWwEQU9ld0FRZz09>

Meeting ID: 245 813 6397

Passcode: 819208

Dial-In: +1 646 876 9923

Representatives of the Company, Board's Staff and the New Jersey Division of Rate Counsel will participate in the virtual public hearings.

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. 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

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