

ANNUAL REPORT

OF

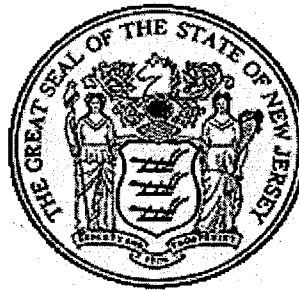
NEW JERSEY NATURAL GAS COMPANY

NAME OF RESPONDENT

1415 WYCKOFF ROAD, P.O. BOX 1464, WALL, N.J. 07719

ADDRESS OF RESPONDENT

TO THE



STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES
TWO GATEWAY CENTER
NEWARK, NEW JERSEY 07102

FOR THE YEAR ENDED DECEMBER 31, 2010

Name of Officer in charge of correspondence

with the Board regarding this report GLENN C. LOCKWOOD, EXECUTIVE VICE
PRESIDENT & CHIEF FINANCIAL OFFICER

Official Title EXECUTIVE VICE Office Address 1415 WYCKOFF ROAD
PRESIDENT & CHIEF FINANCIAL OFFICER WALL, N.J. 07719

Name and Address of Registered Agent _____

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year of Report Dec. 31, 2010
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GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Glenn Lockwood, Executive Vice President & Chief Financial Officer
1415 Wyckoff Road, P.O. Box 1464
Wall, NJ 07719

2. Provide the name of the State under the laws of which respondent is incorporated and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Incorporated under the laws of the State of New Jersey, March 14, 1922 under Acts Concerning Corporation, To Wit, Chapter 26, Laws of 1881 and Chapter 127 of the Laws of 1897.

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver trustee, (b) date of such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not applicable

4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.

Respondent distributes and transports natural gas in the State of New Jersey.
Respondent also participates in capacity management and off-system sales programs to wholesale customers.

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1) Yes...Enter the date when such independent accountant was initially engaged: _____
(2) No

CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have read this New Jersey Board of Public Utilities ("Board") Annual Financial Report which is prescribed by the Federal Energy Regulatory Commission ("FERC") and adopted by the Board. Based on my knowledge this report does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances such statements were made, not misleading with respect to the period covered by this report.

Based on my knowledge the financial statements, and other financial information (Comparative Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, Statement of Cash Flows, Statement of Accumulated Comprehensive Income and Hedging Activities, and Notes to the Financial Statements) included in this report conform in all material respects with the FERC's Uniform System of Accounts, as of, and for, the periods presented in this report.

I am responsible for establishing and maintaining internal accounting controls as defined by the FERC. I have designed such internal accounting controls to ensure that material information relating to the respondent and its subsidiaries, to the extent that the respondent has subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared. I have evaluated the effectiveness of internal accounting controls as of a date within 90 days prior to the period in which this report (evaluation date). I have presented in this report my conclusions about the effectiveness of the internal accounting controls based on my evaluation as of the evaluation date.

I have disclosed, based on my most recent evaluation, to the respondent's auditors and the audit committee or persons performing similar functions, to the extent that respondent has an audit committee or persons performing similar functions, that all significant deficiencies in the design or operation of internal accounting control which could adversely affect the respondent's ability to record, process, summarize and report financial data and have identified for the respondent's auditors any material weaknesses in disclosure controls and procedures and any fraud, whether or not material, that involves management or other employees who have a significant role in the respondent's internal accounting controls.

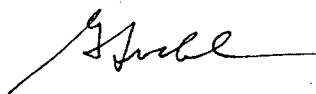
I have indicated in this report whether or not there were significant changes in internal accounting control and procedures or in other factors that could significantly affect internal accounting controls and procedures subsequent to the date of my most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

In addition, I have examined the remaining schedules contained in this report; to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respect to the Uniform System of Accounts.

15 Name: GLENN LOCKWOOD

16 Title: EXECUTIVE VICE PRESIDENT
& CHIEF FINANCIAL OFFICER

17 Signature:



18 Date Signed: 3/29/11

Name of Respondent:

This Report is:
 An Original
 A Resubmission

Annual Report for the
 Year ended
 December 31, 2010

LIST OF SCHEDULES (Gas Utility)

Enter in Remarks column the terms "none", "not applicable", or "NA" as appropriate, where no information or amounts have been reported for certain pages. Please do not omit pages where the responses are none, "not applicable" or "NA".

Line #	Title of Schedule	Reference Page No.	Revised on	Remarks
	<u>BALANCE SHEET SUPPORTING SCHEDULES:</u> <u>ASSETS AND OTHER DEBITS: (Continued)</u>			
32	Advances for Gas Prior to Initial Deliveries or Commission Certification	229	Ed.12-87	
33	Prepayments (Acct. 165)	230a	Ed.12-96	
34	Extraordinary Property Losses (Acct. 182.1)	230b	Ed.12-96	
35	Unrecovered Plant & Regulatory Study Costs (182.2)	230c	Ed.12-96	
36	Preliminary Survey and Investigation Charges	231	Ed.12-88	
37	Other Regulatory Assets (Acct. 182.3)	232	Rev 12 - 07	
38	Miscellaneous Deferred Debits (Acct. 186)	233	Ed.12-96	
39	Accumulated Deferred Income Taxes (Acct. 190)	234 - 235	Rev 12 - 07	
	<u>BALANCE SHEET SUPPORTING SCHEDULES:</u> <u>LIABILITIES AND OTHER CREDITS:</u>			
40	Capital Stock (Acct. 201 and 204)	250-251	Ed.12-96	
41	Capital Stock: Subscribed, Liability for Conversion, Premium on and Installments Received on Capital Stock	252	Ed.12-96	
42	Other Paid-In Capital (Acct. 208-211 inc.)	253	Ed.12-96	
43	Discount On Capital Stock (Acct. 213)	254	Ed.12-96	
44	Capital Stock Expense (Acct. 214)	254	Ed.12-96	
45	Securities Issued/Assumed & Refunded/Retired	255.1	Ed.12-96	
46	Long-Term Debt (Acct. 221, 222, 223 & 224)	256-257	Ed.12-96	
47	Unamortized Debt Expense, Premium and Discount on Long-Term Debt	258-259	Ed.12-96	
48	Unamortized Loss and Gain on Reacquired Debt	260	Ed.12-96	
49	Reconciliation of Reported Net Income With Taxable Income For Federal Income Taxes	261	Ed.12-96	
50	Taxes Accrued, Prepaid and Charged During the Year - Distribution of Taxes Charged	262a-263b	Rev. 12 - 07	
51	Investment Tax Credits Generated and Utilized	264-265	Ed.12-88/12-89	
52	Accumulated Deferred Investment Tax Credits	266-267	Ed.12-88/12-89	
53	Miscellaneous Current and Accrued Liabilities	268	Ed.12-96	
54	Other Deferred Credits (Acct. 253)	269	Ed.12-96	
55	Undelivered Gas Obligations Under Sales Agreements. Accumulated Deferred Income Taxes:	270-271	Ed.12-86/12-89	
56	Accelerated Amortization Property (Acct. 281)	272-273	Ed.12-89	
57	Other Property (Acct. 282)	274-275	Rev. 12 - 07	
58	Other	276-277	Rev. 12 - 07	
59	Other Regulatory Liabilities (Acct. 254)	278	Rev. 12 - 07	
60	Monthly Quantity & Revenue Data by Rate Schedule	299 - 299a	New 12 - 08	

Name of Respondent:

This Report is:
 An Original
 A Resubmission

Annual Report for the
 Year ended
 December 31, 2010

LIST OF SCHEDULES (Gas Utility)

Enter in Remarks column the terms "none", "not applicable", or "NA" as appropriate, where no information or amounts have been reported for certain pages. Please do not omit pages where the responses are none, "not applicable" or "NA".

Line #	Title of Schedule	Reference Page No.	Revised on	Remarks
	<u>INCOME ACCOUNT SUPPORTING SCHEDULES:</u>			
61	Gas Operating Revenues (Acct. 400)	300-301 301A-301B	Rev. 12 - 07 Ed.12-96&3-98	
	Revenues from Transportation of Gas of Others Thru:			
62	- Gathering Facilities (Acct. 489.1)	302-303	Ed.12-96	
63	- Transmission Facilities (Acct. 489.2)	304-305	Ed.12-96	
64	Revenues from Storing Gas of Others(Acct.489.4)	306-307	Ed.12-96	
65	Other Gas Revenues (Acct. 495)	308	Ed.12-96	
66	Sales for Resale Natural Gas (Acct. 483)	310-311	Ed.12-88	
67	Revenues from Transportation of Gas of Others:	312-313	Ed.12-88	
	- Natural Gas (Acct. 489)			
68	Discounted and Negotiated Rate Services	313	New 12 - 07	
69	Sales of Products Extracted from Natural Gas(490)	315	Ed.12-86	
70	Revenues from Natural Gas Processed by Others(491)	315	Ed.12-86	
71	Gas Operation and Maintenance Expenses	316-325	Ed.12-89/12-96	
72	Exploration and Development Expenses	326	Ed.12-88	
73	Abandoned Lease (Acct. 797)	326	Ed.12-88	
74	Gas Purchases (Acct 800 through 805.1)	327-327A	Ed.12-89/12-96	
75	Exchange and Imbalance Transactions	328	Ed.12-96	
76	Exchange Gas Transactions (Acct. 806)	329-329B	Ed.12-88	
77	Summary of Gas Account	G329C	BPU Schedule	
78	Gas Used In Utility Operations	331	Ed.12-96	
79	Transmission & Compression of Gas by Others	332	Ed.12-96	
80	Other Gas Supply Expenses (Acct. 813)	334	Ed.12-96	
81	Miscellaneous General Expenses (Acct. 930.2)	335	Ed.12-96	
82	Depreciation, Depletion & Amortization of Gas Plant	336-338	Ed.12-96	
83	Income from Utility Plant Leased to Others	339	Ed.12-86	
84	Particulars Concerning Certain Income	340	Ed.12-96	
	Deductions and Interest Charges Account			
85	Distribution Type Sales By States	341-342	Ed.12-88	
86	Residential & Commercial Space Heating Customers	343	Ed.12-88	
87	Interruptible, Off Peak, and Firm Sales to Distribution System Industrial Customers	343	Ed.12-88	
88	Field and Main Line Industrial Sales of Natural Gas	344-347	Ed.12-87/12-89	
89	Number of Gas Department Employees	348	Ed.12-88	

Name of Respondent:

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Annual Report for the
 Year ended
 December 31, 2010

LIST OF SCHEDULES (Gas Utility)

Enter in Remarks column the terms "none", "not applicable", or "NA" as appropriate, where no information or amounts have been reported for certain pages. Please do not omit pages where the responses are none, "not applicable" or "NA".

Line #	Title of Schedule	Reference Page No.	Revised on	Remarks
	<u>COMMON SECTION:</u>			
90	Regulatory Commission Expenses (Acct. 928)	350-351	Ed.12-96	
91	Employee Pensions and Benefits (Acct. 926)	352	New 12 - 07	
92	Research, Development & Demonstration Activities	352-353	Ed.12-87/12-89	
93	Distribution of Salaries And Wages	354-355	Ed.12-96 Rev.	
94	Charges for Outside Professional & Consultative Svc.	357	Ed.12-96 Rev.	
95	Transactions with Associated (Affiliated) Companies	358	New 12 - 07	
	<u>GAS PLANT STATISTICAL DATA</u>			
96	Natural Gas Reserves And Land Acreage	500-501	Ed.12-89	
97	Changes in Estimated Natural Gas Reserves	503	Ed.12-89	
98	Changes in Estimated Hydrocarbon Reserves and Costs, and Net Relizable Value	504-505	Ed.12-87/12-88	
99	Natural Gas Production & Gathering Statistics	506	Ed.12-88	
100	Products Extraction Operations-Natural Gas	507	Ed.12-88	
101	Compressor Stations	508-509	Rev 12 - 07	
102	Gas and Oil Wells	510	Ed.12-87	
103	Field and Storage Lines	511	Ed.12-87	
104	Gas Storage Projects	512-513	Ed.12-96	
105	Transmission Lines	514	Ed.12-96	
106	Liquefied Petroleum Gas Operations	516-517	Ed.12-86/12-89	
107	Transmission System Peak Deliveries	518	Ed.12-96	
108	Auxiliary Peaking Facilities	519	Ed.12-96	
109	Gas Account - Natural Gas	520	Rev 12 - 07	
110	Shipper Supplied Gas for the current quarter	521 - 521a	New 12 - 07	
111	System Maps	522.1	Ed.12-96	
112	System Load Statistics	523	Ed. 2-97	
113	Distribution Mains	524		
114	Services / Meters	525	Ed.12-96	
115	Footnote Reference	551	Ed.12-96	
116	Footnote Text	552	Ed.12-96	
117	Index	Index 1 To Index 4	Ed.12-96	
	Stockholders' Reports: Check Appropriate Box) <input type="checkbox"/> Four Copies will be submitted. <input type="checkbox"/> No Annual Report to Stockholder is prepared.			

<p style="text-align: center;">NAME OF RESPONDENT New Jersey Natural Gas Company</p>	<p style="text-align: center;">This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission</p>	<p style="text-align: center;">Date of Report <i>April 30, 2011</i></p>	<p style="text-align: center;">Year of Report Dec. 31, 2010</p>
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GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Thomas Campo, Controller
1415 Wyckoff Road, P.O. Box 1464
Wall, NJ 07719

2. Provide the name of the State under the laws of which respondent is incorporated and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Incorporated under the laws of the State of New Jersey, March 14, 1922 under Acts Concerning Corporation, To Wit, Chapter 26, Laws of 1881 and Chapter 127 of the Laws of 1897.

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver trustee, (b) date of such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not applicable

4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.

Respondent distributes and transports natural gas in the State of New Jersey.
Respondent also participates in capacity management and off-system sales programs to wholesale customers.

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) Yes...Enter the date when such independent accountant was initially engaged: _____
(2) No

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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CONTROL OVER RESPONDENT

1. Report in column (a) the names of all corporations, partnerships, business trusts, and similar organizations that directly, indirectly, or jointly held control (see page 103 for definition of control) over the respondent at the end of the year. If control is in a holding company organization, report in a footnote the chain of organization.

2. If control is held by trustees, state in a footnote the names of trustees, the names of beneficiaries for whom the trust is maintained, and the purpose of the trust.

3. In column (b) designate type of control over the respondent. Report an "M" if the company is the main parent of controlling company having ultimate control over the respondent. Otherwise, report a "D" for direct, an "I" for indirect, or "j" for joint control.

Line No.	Company Name	Type of Control	State of Incorporation	Percent Voting Stock Owned
	(a)	(b)	(c)	(d)
1	New Jersey Natural Gas Company is a subsidiary of New Jersey Resources Corporation ("Resources").		New Jersey	100.000%
2				
3				
4				
5				

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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CORPORATIONS CONTROLLED BY RESPONDENT

- | | |
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| <p>1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.</p> <p>2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.</p> | <p>3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.</p> <p>4. In column (b) designate type of control of the respondent as "D" for direct, an "I" for indirect, or a "J" for joint control.</p> |
|--|--|

DEFINITIONS

- | | |
|--|---|
| <p>1. See the Uniform System of Accounts for a definition of control.</p> <p>2. Direct control is that which is exercised without interposition of an intermediary.</p> <p>3. Indirect control is that which is exercised by the interposition of an intermediary that exercises direct control.</p> | <p>4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.</p> |
|--|---|

Line No.	Name of Company Controlled (a)	Type of Control (b)	Kind of Business (c)	Percent Voting Stock Owned (d)	Footnote Reference (e)
1	None				
2					
3					
4					
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NAME OF RESPONDENT NEW JERSEY NATURAL GAS COMPANY	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy-making functions.

2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and date the change in incumbency was made.

3. Utilities which are required to file the same data with the Securities and Exchange Commission, may substitute a copy of item 4 of Regulation S-K (identified as this page). The substituted page(s) should be the same size as this page.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Chairman of the Board & CEO	Laurence M. Downes	(a)
2	Executive VP & Chief Operating Officer	Kathleen T. Ellis	(a)
3	Senior VP & General Counsel	Mariellen Dugan	(a)
4	Corporate Secretary	Rhonda M. Figueroa	(a)
5	Treasurer	William Foley	(a)
6	VP - Customer Services	Kathleen F. Kerr	
7	VP - Energy Delivery	Craig A. Lynch	
8	VP - Marketing	Thomas J. Massaro, Jr.	
9	Senior VP - Energy Services	Joseph P. Shields (Term May 2010)	
10	VP - Regulatory & External Affairs	Mark R. Sperduto	
11	Chief of Staff	Linda B. Kellner	
12	VP - Corporate Services	Deborah G. Zilai	(a)
13	VP - Internal Auditing	George C. Smith, Jr.	(a)
14	VP - Gas Supply & Energy Services	Ginger P. Richman	(a)
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17			
18	(a) Salary paid by either NJ Resources Corp. or		
19	NJR Service Corp.		
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NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
DIRECTORS			
1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.			
2. Designate members of the Executive Committee by an asterisk and the Chairman of the Executive Committee by a double asterisk.			
Name (and Title) of Director (a)	Principal Business Address (b)	No. of Directors Meetings During Yr. (c)	Fees During Year (d)
Laurence M. Downes * President and CEO Lawrence R. Codey ** Donald L. Correll M. William Howard, Jr. Alfred C. Koeppel * (Lead Director) Jane M. Kenny	New Jersey Resources Corp. 1415 Wyckoff Road Wall, NJ 07719 100 Flyway Drive Kiawah Island, SC 29455 746 Wooded Trail Franklin Lakes, NJ 07417 P.O. Box 6676 Lawrenceville, NJ 08648 141 Glimmer Glass Circle Manasquan, NJ 08736 235 Grant Avenue Highland Park, NJ 08904	6 6 6 6 6 6	 \$7,500 \$7,500 \$7,500 \$12,500 \$7,500

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NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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SECURITY HOLDERS AND VOTING POWERS

1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stock holders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes that each could cast on that date if a meeting were held. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust etc.), duration of trust and principal holders of beneficiary interests in the trust. If the Company did not close the stock book or did not compile a list of stockholders within one year prior to the end of the year, or if since it compiled the previous list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement how such security became vested with voting rights and give other important details concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.

3. If any class of issue of security has any special privileges in the election of directors, trustees or managers or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish details concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets any officer, director, associated company, or any of the 10 largest security holders is entitled to purchase. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants or rights were issued on a prorata basis.

1. Give date of the latest closing of the stock book prior to end of year, and, state in a footnote, the purpose of such closing: <p style="text-align: center;">Not Applicable</p>	2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy Total: 3,214,923 By Proxy: 0	3. Give the date and place of such meeting: January 23, 2008 The Casino at Georgian Court University 900 Lakewood Avenue Lakewood, New Jersey 08701
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Line No.	Name (title) and Address of Security Holder (a)	VOTING SECURITIES			
		Number of votes as of (date):			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes of all voting securities	3,214,923	3,214,923		
5	TOTAL number of security holders				
6	TOTAL votes of security holders listed below	3,214,923	3,214,923		
7	NEW JERSEY RESOURCES CORPORATION	3,214,923	3,214,923		
8	1415 Wyckoff Road				
9	Wall, NJ 07719				
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Footnotes:
 Item 1 Security Holders in trust - NONE
 Item 2 Voting rights for securities other than stock - NONE
 Item 3 Securities with special privileges - NONE

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give details concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Answer each inquiry. Enter "none" or "not applicable" where applicable. If the answer is given elsewhere in the report, refer to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration and state from whom the franchise rights were acquired. If the franchise rights were acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of any operating unit or system: Briefly describe the property, and the related transactions, and cite Commission authorization, if any was required. Give date journal entries called for by Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and cite Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service.

Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.

6. Obligations incurred or assumed by respondent as a guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Cite Commission authorization if any was required.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. Estimated increase or decrease in annual revenues caused by important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.

New Jersey Natural Gas Company, for the purposes of this report, is referred to as "the Company".

1. Franchises

The franchises for Lincoln Park Borough and Manasquan were approved and renewed on October 25, 2007.
The West Long Branch franchise was approved and renewed on August 20, 2008.
All franchise rights were renewed without payment of consideration.

2, 3, 4, 6, 7, 9 and 10 None

5. a) See pages 514 and 524 for details of all transmission and distribution system activity for the year.
- b) See pages 300-301 for details of revenues and volumes by class of service.

8. On January 30, 2008, the Company reached an agreement with its union, IBEW Local 1820, to extend its collective bargaining agreement for three years, beginning December 8, 2008. This agreement provides for, among other things, annual wage increases of 4.0, 3.5, and 3.5 percent annual impact, effective December 8, 2008, 2009, and 2010, respectively.

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IMPORTANT CHANGES DURING THE YEAR

9. LEGAL AND REGULATORY PROCEEDINGS

A. STATE-General

New Jersey Natural Gas Company (the Company) is subject to the jurisdiction of the New Jersey Board of Public Utilities (BPU) with respect to a wide range of matters, such as rates, the issuance of securities, the adequacy of service, the manner of keeping its accounts and records, the sufficiency of natural gas supply, pipeline safety and the sale or encumbrance of its properties.

Energy Deregulation Legislation

The Electric Discount and Energy Competition Act (EDECA) is the legal framework for New Jersey's public utility and wholesale energy landscape. The Company is required, pursuant to a written order by the BPU under EDECA, to have its retail markets open to competition from third-party natural gas suppliers. Customers can choose the supplier of their natural gas commodity in the Company's service territory.

As required by EDECA, the Company has restructured its prices to segregate its rates into two primary components, the commodity portion, which represents the wholesale cost of natural gas, including the cost for interstate pipeline capacity to bring the gas to the Company's service territory, and the delivery portion, which represents the transportation of the commodity portion through the Company's gas distribution system to the end-use customer. The Company earns no utility gross margin on the commodity portion of its natural gas sales. The Company earns utility gross margin through the delivery of natural gas to its customers, regardless of whether it or a third-party supplier provides the wholesale natural gas commodity.

Under EDECA, the BPU is required to audit the state's energy utilities every two years. The primary purpose of the audit is to ensure that utilities and their affiliates offering unregulated retail services do not have any unfair competitive advantage over nonaffiliated providers of similar retail services. A combined competitive services and management audit of the Company commenced in November 2006, and a final report on findings and recommendations was approved by the BPU on January 28, 2009. The BPU's management audit order requires that the implementation of all recommendations be completed within two years of the date of the order.

Base Rate Order

In October 2008, the BPU unanimously approved and made effective certain changes in the design of the Company's base rates. As a result, the Company received a revenue increase in its base rates of \$32.5 million, which was inclusive of an approximate \$13 million impact of a change to the Conservation Incentive Program (CIP) baseline usage rate. Other changes included an allowed rate of return of 7.76 percent that incorporates a return on equity component of 10.3 percent and a reduction to the Company's depreciation expense component.

Conservation Incentive Program (CIP)

The CIP is designed to decouple the link between customer usage and the Company's utility gross margin to allow the Company to encourage its customers to conserve energy. In addition to permitting the Company to recover utility gross margin variations related to customer usage, the CIP similarly serves as a tracking mechanism that allows the Company to mitigate the impact of weather on its gross margin. Recovery of such utility gross margin variations (filed for annually and recovered in the year following the end of the CIP usage year) is subject to additional conditions, including an earnings test and an evaluation of Basic Gas Supply Service (BGSS) related savings. As a result, the Weather Normalization Clause (WNC) that was previously in effect as a weather recovery mechanism has been suspended pending the continuation of the CIP.

As of September 30, 2010, the Company has accrued \$15.9 million under the CIP to be recovered from residential and commercial customers, which includes \$9 million related to the weather component of the CIP and \$6.9 million related to the usage component of the CIP.

The following are the Company's BPU filings and results during fiscal 2009 and 2010 related to CIP:

October 2008 - The BPU provisionally approved, effective October 3, 2008, the Company's CIP petition filed in May 2008 requesting an additional \$6.8 million and modification to its CIP recovery rates. The additional amount brought the total recovery requested to \$22.4 million and included amounts accrued and estimated through September 30, 2008.

April 2009 - The Company submitted a proposal to extend its CIP mechanism, as currently structured, until October 1, 2010. The extension was requested due to the continuing nature of energy efficiency programs at the state and federal levels in concert with the issuance of the economic stimulus programs. As a result of no action taken by the BPU as of September 30, 2009, the CIP remained in effect for an additional year or until a final order was issued by the BPU.

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June 2009 - The BPU issued their final order approving the Company's recovery of \$6.8 million of CIP rates for fiscal 2008. In addition, the Company filed its annual BGSS and CIP filing (2010 BGSS/CIP filing) for recoverable CIP amounts for fiscal 2009, requesting approval to modify its CIP recovery rates effective October 1, 2009, resulting in total annual recovery requested for fiscal 2009 of \$6.9 million, representing amounts accrued and estimated through September 30, 2009. The Company also included a request to reduce the WNC rate to facilitate recovery of its remaining balance in fiscal 2010. The rates included in the filing were provisionally approved on September 16, 2009.

December 2009 - The Company submitted a petition requesting approval from the BPU for an extension of its CIP mechanism, as currently structured, through September 30, 2013. On January 20, 2010, the BPU approved an extension to the Company's CIP through September 30, 2013.

In addition, the Company and NJR Energy Services (NJRES) entered into an asset management agreement that began in January 2010 and ends in March 2013. Under the terms of this agreement, the Company released certain transportation and storage contracts to NJRES for the entire term of the agreement. The Company also sold approximately 1 Bcf of natural gas in storage at cost to NJRES. In return, The Company will have the option to purchase index priced gas from NJRES at the Company's city gate and other delivery locations to maintain operational reliability. These capacity release payments provide BGSS savings pursuant to the terms of the CIP as approved in the January 20, 2010, BPU Board Order, and reduces costs to the Company's BGSS customers.

June 2010 - The BPU issued their final order approving the Company's recovery of \$6.9 million of CIP rates for fiscal 2009. In addition, the Company filed its annual BGSS and CIP filing (2011 BGSS/CIP/WNC filing) for recoverable CIP amounts for fiscal 2010, requesting approval to modify its CIP recovery rates effective October 1, 2010, resulting in total annual recovery requested for fiscal 2010 of \$12.1 million, an increase of \$5.2 million. The request represents recovery of amounts accrued and estimated through September 30, 2010. The request results in an increase of 0.7 percent for the average residential heating customer, which is offset by a BGSS decrease of 3.5 percent as discussed below. The Company also included a request to maintain the current Weather Normalization Clause (WNC) rate through December 31, 2010, and transfer any remaining WNC balance to the BGSS balance.

September 2010 - The BPU approved, on a provisional basis, a 3.5 percent decrease for the average residential heating customer related to the BGSS rate effective September 16, 2010, an increase to the Company's pre-tax balancing charge, effective October 1, 2010, a 0.7 percent increase related to the CIP rates effective October 1, 2010, the continuation of the current WNC rate through December 31, 2010, and the transfer of any remaining WNC balance to the BGSS balance.

Basic Gas Supply Service (BGSS)

The Company is allowed to recover the commodity cost of its gas purchased for sale to its customers through the BGSS rate component of its customers' bills. The Company is required to make an annual filing by June 1 of each year for review of its BGSS rate with the BPU. At that time the Company may also request a potential rate change to be effective at the beginning of the following fiscal year. The Company is allowed to make two interim filings during the fiscal year to subsequently increase residential and small commercial customer BGSS rates up to 5 percent on a self-implementing and provisional basis, after proper notice and BPU action on the June filing. Such increases, if any, are subject to subsequent BPU review and final approval.

The cost of the wholesale natural gas commodity passed through to customers can fluctuate significantly based on many factors associated with supply and demand in the marketplace. In addition to the annual and interim filings to adjust BGSS rates, the Company is permitted to refund or credit back a portion of the commodity cost previously collected from customers when the natural gas commodity cost decreases in comparison to amounts projected or adjusted as a component of the BGSS rates. Before implementing a refund or credit, proper notification and supporting documentation is filed with the BPU. Refundable amounts may also be subject to interest.

The following are the Company's BGSS filings during fiscal 2009 and 2010 related to its requested rate adjustments and refunds to its residential and small commercial customers:

December 2008 - The Company provided notice that it would implement a \$30 million BGSS-related rate credit that would lower residential and small commercial sales customers' bills in January and February 2009. This rate credit was due primarily to a decline in wholesale commodity costs subsequent to the October 2008 BGSS price change. On February 20, 2009, the Company provided notice to the BPU that its BGSS-related rate credit would be extended through March 31, 2009, to reduce BGSS charges by an additional \$15 million.

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June 2009 - The Company proposed a decrease of 17.6 percent for the average residential heating customer in its 2010 BGSS/CIP filing of which 15.7 percent was due to the reduction in commodity costs based on the continuing decline in the wholesale natural gas market. The balance of the rate change is related to changes to the CIP rate, as previously discussed, and a minor reduction to the rate related to collecting the remaining balance under the WNC. In September 2009, the BPU approved on a provisional basis a stipulation in that case which included a decrease of approximately 19 percent to the average residential heating customer of which 17.2 percent is due to the reduction to the BGSS price and the balance of rate change was related to the CIP and WNC rates as previously discussed.

October 2009 - The Company provided refunds of approximately \$37.4 million to residential and small commercial customers due to the decline in the wholesale price of natural gas.

January 2010 - The Company notified the BPU that bill credits would be provided to residential and small commercial customers, based on individual customer usage, in February 2010 and March 2010. The Company provided credits of approximately \$35.3 million.

March 2010 - The Company notified the BPU that it would extend the BGSS bill credit for residential and small commercial customers through April 30, 2010. The Company provided credits of approximately \$15.2 million.

May 2010 - The Company provided refunds of approximately \$22.5 million to residential and small commercial customers due to the decline in the wholesale price of natural gas.

June 2010 - The BPU approved the June 2009 provisional BGSS rate reduction of 17.2 percent on a final basis. In addition, the Company filed its annual BGSS and CIP filing (2011 BGSS/CIP/WNC filing) requesting a decrease of 2.8 percent for the average residential heating customer of which 3.5 percent was due to the reduction in commodity costs. The balance of the rate change of 0.7 percent is related to changes to the CIP rate, as previously discussed.

September 2010 - The BPU approved, on a provisional basis, a 3.5 percent decrease for the average residential heating customer related to the BGSS rate effective September 16, 2010, an increase to the Company's pre-tax balancing charge, effective October 1, 2010, a 0.7 percent increase related to the CIP rates effective October 1, 2010, the continuation of the current WNC rate through December 31, 2010, and the transfer of any remaining WNC balance to the BGSS balance.

In addition, the Company and NJRES entered into an asset management agreement that began in November 2010 and ends in October 2014. Under the terms of this agreement, The Company released certain transportation contracts to NJRES for the entire term of the agreement. In return, the Company will have the option to purchase index priced gas from NJRES at the Company's city gate to maintain operational reliability. These capacity release payments are included in the Company's capacity release incentive and reduce costs to the Company's BGSS customers.

Other Incentive Programs

The Company is eligible to receive financial incentives for reducing BGSS costs through a series of utility gross margin-sharing programs that include Off-System Sales, Capacity Release, Storage Incentive and Financial Risk Management (FRM) programs. In October 2008, the BPU approved an extension of the incentive programs through October 31, 2011, and provides for an increase to the FRM program's annual cost limitation from \$3.2 million to \$6.4 million, an annual update to the FRM volume limitations and an increase to the annual Storage Incentive program volumes from 18 Bcf to 20 Bcf, effective the date of the Board Order. The Storage Incentive program volumes were subsequently increased to 23 Bcf in April 2010 to reflect the acquisition of additional storage.

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IMPORTANT CHANGES DURING THE YEAR

Societal Benefits Clause (SBC)

The SBC is comprised of three primary riders that allow the Company to recover costs associated with the following programs:

USF, which is a permanent statewide program for all natural gas and electric utilities for the benefit of income-eligible customers, Manufactured Gas Plant (MGP) Remediation, and the NJCEP, which is a statewide program designed to promote energy efficiency and renewable energy that all state utilities are required to fund. Recovery of SBC program costs is subject to BPU approval based on annual filings that include an updated report of expenditures incurred each year.

The following is a summary of regulatory actions during fiscal 2009 and 2010 related to SBC:

October 2008 - The BPU released a final Order in the NJCEP, updating state utilities' funding obligations for the period from January 1, 2009, to December 31, 2012. As a result, the Company recorded an obligation and a corresponding regulatory asset at a present value of \$44.3 million in the Balance Sheets. As of September 30, 2010, the Company had a \$30.9 million obligation remaining.

January 2009 - The Company filed an application (January 2009 SBC filing) regarding its SBC to increase its MGP factor and its NJCEP factor while maintaining its effective rate on USF. This filing, if approved, will result in an overall increase of approximately 0.48 percent per month for an average residential bill.

June 2009 - Natural gas utilities in the State of New Jersey collectively filed with the BPU to decrease the statewide USF rate, which was approved by the BPU on a provisional basis, effective October 12, 2009. The USF change decreased the average monthly bill of a residential heating customer by 0.6 percent.

In addition, the BPU approved the recovery of MGP remediation expenditures incurred through June 30, 2007, resulting in an expected total annual recovery of \$17.7 million.

March 2010 - The Company, BPU Staff and Rate Counsel executed a Settlement for the January 2009 SBC filing to allow for an increase in the MGP and NJCEP factors, while maintaining the current statewide USF factor. The new MGP factor recovers MGP incurred costs through September 30, 2008, resulting in an expected total annual recovery of approximately \$20 million. The Stipulation was approved by the BPU in a Final Decision and Order on April 28, 2010.

June 2010 - The Company filed an application (June 2010 SBC filing) regarding its SBC to maintain the current MGP factor approved in April 2010 and to maintain the current NJCEP. In addition, natural gas utilities in the State of New Jersey collectively filed with the BPU to increase the statewide USF rate to be effective October 1, 2010. If approved, the USF change would result in an overall increase to the average monthly bill of a residential heating customer by 0.03 percent.

October 2010 - The BPU approved the Company's USF rate, effective November 1, 2010. The BPU Order approves the recovery of the USF program year budget and the recovery of deferred USF administrative costs.

Economic Stimulus

In January 2009, the Company filed two petitions with the BPU seeking approval to implement programs designed to both stimulate the state and local economy through infrastructure investments and encourage energy efficiency. The Accelerated Infrastructure Program (AIP) was approved in April 2009, and allows the Company to expedite 14 previously planned infrastructure projects, with a cost of approximately \$70.8 million. The projects are designed to maintain safe and reliable service to the Company's customers while creating the opportunity for approximately 75 to 100 new jobs. Approved as a 2-year program, the AIP will be funded through an annual adjustment to customers' base rates. An increase in base rates of \$4.17 million was approved on September 16, 2010. The second filing, for an Energy Efficiency (EE) Program and associated cost recovery mechanism, requested BPU approval to implement various programs to encourage energy efficiency for residential and commercial customers. The Company proposed to recover the EE Program costs of \$21.1 million, if fully subscribed, over a 4-year period through a clause mechanism similar to the SBC. The BPU approved the EE Program in July 2009. A true-up to actual EE Program investments and costs is to be filed with the BPU on an annual basis. In June 2010, the Company filed its annual EE Program filing, which includes a request to maintain the current EE Rider rate in anticipation of the implementation of the RGGI Program discussed below. Both the AIP and EE Programs include the recovery of the Company's overall weighted average cost of capital on these investments.

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On March 29, 2010, the Company filed for approval of its Regional Greenhouse Gas Initiative (RGGI) Program with the BPU. The RGGI Program included a request for the recovery of a series of energy-efficiency and solar energy programs for residential and commercial customers through which enhanced rebates and incentives are provided to eligible customers. The RGGI Programs were designed to run for 3 years and if fully subscribed as proposed, the investment would be approximately \$102 million to be recovered through the Company's current Energy-Efficiency Rider.

On June 1, 2010, the Company filed for approval of its AIP expenditures in compliance with the April 2009 order. The request included the recovery of capital improvement projects for the period August 2009 through August 31, 2010. The revenue request of \$5.24 million would result in an increase to base rate revenue, which is allocated to customer classes in the manner approved in the October 2008 base rate order. The Company's AIP filing included a request to increase base rates effective October 1, 2010. A settlement was reached and approved by the Board on September 16, 2010 in the amount of \$4.17 million.

On September 16, 2010, the BPU approved a RGGI Stipulation allowing the Company to offer certain residential and commercial energy-efficiency programs for up to \$9.6 million for an initial period of 12 months, effective January 1, 2011. The recovery of these energy-efficiency investments will be over a 5-year period. Other incentive programs initially included in the March 2010 RGGI petition related to air conditioning, water heating and solar incentives will be reserved for future RGGI discussions. The September 16, 2010, BPU Order also approved an OPower pilot program (energy usage information) for a 3-year period, a commercial program for combined heat and power (CHP) and a program to Foster Environmental and Economic Development (FEED). The BPU Order also approved an on-bill financing program, effective January 1, 2011, with recovery over a 10-year period from customers. The approved program costs will be subject to deferred accounting and recovery of energy-efficient investments will include the Company's overall weighted cost of capital.

On October 20, 2010, the Company filed a petition with the BPU for approval of an extension to the Company's Accelerated Energy Infrastructure Investment Program (AIP II) for capital investments to be made through August 31, 2012, in the amount of \$52.2 million. The proposed AIP II includes 9 incremental capital projects and the Company is requesting approval from the BPU for the recovery of capital expenditures through base rates. The AIP II recovery of capital investments includes the Company's overall weighted cost of capital.

Legal Proceedings

Manufactured Gas Plant Remediation

The Company is responsible for the remedial cleanup of five MGP sites, dating back to gas operations in the late 1800s and early 1900s, which contain contaminated residues from former gas manufacturing operations. The Company is currently involved in administrative proceedings with the New Jersey Department of Environmental Protection (NJDEP), as well as participating in various studies and investigations by outside consultants to determine the nature and extent of any such contaminated residues and to develop appropriate programs of remedial action, where warranted, under Administrative Consent Orders or Memoranda of Agreement with the NJDEP.

The Company may, subject to BPU approval, recover its remediation expenditures, including carrying costs, over rolling 7-year periods pursuant to a RA approved by the BPU. In June 2009, the BPU approved \$17.7 million in eligible costs to be recovered annually for MGP remediation expenditures incurred through June 30, 2007. In April 2010, the BPU approved the recovery of the remediation expenditures incurred through September 30, 2008, increasing the expected annual recovery to approximately \$20 million. As of September 30, 2010, \$75.7 million of previously incurred remediation costs, net of recoveries from customers and insurance proceeds, are included in regulatory assets on the Balance Sheet.

In September 2010, the Company updated an environmental review of the MGP sites, including a review of potential liability for investigation and remedial action. The Company estimated at the time of the review that total future expenditures to remediate and monitor the 5 MGP sites for which it is responsible, including potential liabilities for Natural Resource Damages that might be brought by the NJDEP for alleged injury to groundwater or other natural resources concerning these sites, will be \$201.6 million. The Company's estimate of these liabilities is based upon known facts, existing technology and enacted laws and regulations in place when the review was completed. However, the Company expects actual costs to differ from these estimates. Where it is probable that costs will be incurred, and the information is sufficient to establish a range of possible liability, the Company accrues the best estimated amount in the range. If no point within the range is more likely than the other, it is the Company's policy to accrue the lower end of the range. Accordingly, the Company has recorded an MGP remediation liability and a corresponding regulatory asset of \$201.6 million on the Balance Sheet, based on the best estimate. The actual costs to be incurred by the Company are dependent upon several factors, including final determination of remedial action, changing technologies and governmental regulations, the ultimate ability of other responsible parties to pay and any insurance recoveries.

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The Company will continue to seek recovery of MGP-related costs through the RA. If any future regulatory position indicates that the recovery of such costs is not probable, the related cost would be charged to income in the period of such determination. However, because recovery of such costs is subject to BPU approval, there can be no assurance as to the ultimate recovery through the RA or the impact on the Company's results of operations, financial position or cash flows, which could be material.

General

The Company is party to various other claims, legal actions and complaints arising in the ordinary course of business. In the Company's opinion, the ultimate disposition of these matters will not have a material adverse effect on its financial condition, results of operations or cash flows.

11. EFFECT ON ANNUAL REVENUES CAUSED BY IMPORTANT RATE CHANGES

NJNG's Operating revenues decreased by \$21.9 million, or 2.2 percent for the calendar year ended December 31, 2010, as compared with the calendar year ended December 31, 2009, primarily as a result of:

- a decrease in Operating revenue related to firm sales, as a result an decrease in BGSS rates approved by the BPU
- a decrease in Operating revenue due to a combination of refunds and bill credits. NJNG extends these credits and refunds to it's customers to manage the recovery of it's gas costs during periods when wholesale natural gas costs are declining in comparison to established rate included in NJNG's BGSS tariff
- a decrease in Operating revenue due to lower therm usage primarily to customer conservation and weather being warmer than the prior year
- a decrease in Operating related to off system sales as a result of lower average sales prices due to change in the wholesale price of natural gas
- a decrease in Operating revenue related to interruptible sales due to a decrease in sales to electric co-generation customers
- a decrease in Gas purchases related to increased amounts earned through the financial risk management (FRM) and Capacity release incentive programs due primarily to lower NYMEX market prices in comparison to published benchmark Price, resulting in additional opportunities to purchase call options that were below the established quarterly FRM benchmark Pricing levels.
- a decrease in Gas purchases related to increased amounts received though the storage incentive program due primarily to the timing of the incentive margins during the program's injection period compared with the same period in the prior fiscal year

The total number of the company's customers in 2010 was over 490,400.

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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Reference Page number (b)	Balance at End of Current Year (in dollars) (c)	Balance at End of Previous Year (in dollars) (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200 - 201	1,455,326,717	\$ 1,409,547,537
3	Construction Work in Progress (107)	200 - 201	92,382,898	42,552,906
4	TOTAL Utility Plant (Total of lines 2 and 3)	200 - 201	1,547,709,615	1,452,100,443
5	(Less) Accum. Provision for Depr., Amort., Depl. (108, 111, 115)		(473,517,556)	(455,406,970)
6	Net Utility Plant (Total of line 4 less 5)		1,074,192,059	996,693,473
7	Nuclear fuel (120. 1 thru 120.4 and 120.6)			
8	(Less) Accum. Provision for Amort., of Nuclear Fuel Assemblies (120.5)			
9	Nuclear Fuel (Total of line 7 less 8)			
10	Net Utility Plant (Total of lines 6 and 9)		1,074,192,059	996,693,473
11	Utility Plant Adjustments (116)	122		
12	Gas stored-Based Gas (117.1)	220		
13	System Balancing Gas (117.2)	220		
14	Gas Stored in Reservoirs and pipelines - Noncurrent (117.3)	220		
15	Gas Owned to System Gas (117.4)	220		
16	OTHER PROPERTY AND INVESTMENTS			
17	Nonutility Property (121)			
18	(Less) Accum. Provision for Depreciation and Amortization (122)			
19	Investments in Associated Companies (123)	222-223		
20	Investments in Subsidiary Companies (123.1)	224 - 225	432	432
21	(For Cost of Account 123.1 See Footnote Page 224, line 40)			
22	Noncurrent Portion of Allowances			
23	Other Investments (124)	222 - 223		
24	Special Funds (125)			
25	Depreciation Fund (126)			
26	Amortization Fund - Federal (127)			
27	Other Special Funds (128)			
28	Long-Term Portion of Derivative Assets (175)			
29	Long-Term Portion of Derivative Assets - Hedges (176)			
30	Total Other Property and Investments (Total of lines 17-20,22-29)		432	432
31	CURRENT AND ACCRUED ASSETS			
32	Cash (131)		2,601,538	9,786,214
33	Special Deposits (132-134)		435,259	264,000
34	Working Funds (135)		34,150	36,140
145				
35	Temporary Cash Investments (136)	222 - 223		
36	Notes Receivable (141)			
151				
37	Customer Accounts Receivable (142)		17,214,478	21,912,242
38	Other Accounts Receivable (143)		3,151,728	5,023,859
39	(Less) Accum. Provision for Uncollectible Accounts - Credit (144)		(3,440,428)	(3,133,711)
40	Notes Receivable from Associated Companies (146)			
41	Accounts Receivable From Associated Companies (146)			
42	Fuel Stock (151)			
43	Fuel Stock Expenses Undistributed (152)			

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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (Continued)				
Line No.	Title of Account (a)	Reference Page number (b)	Balance at End of Current Year (in dollars) (c)	Balance at End of Previous Year (in dollars) (d)
44	Residual (Elec) and Extracted Products (Gas) (153)			
45	Plant Materials and Operating Supplies (154)		4,386,967	5,205,246
46	Merchandise (155)		-	-
47	Other Materials and Supplies (156)		83,349	86,264
48	Nuclear Material Held for Sale (157)			
49	Allowances (158.1 and 158.2)			
50	(Less) Noncurrent Portion of Allowances			
51	Stores Expense Undistributed (163)			
52	Gas Stored Underground-Current (164.1)	220	\$ 129,523,227	\$ 134,645,322
53	Liquefied Natural Gas Stored and Held for Processing (164.2 thru 164.3)	220	8,993,917	8,853,214
54	Prepayments (165)	230	4,591,859	5,161,215
55	Advances for Gas (166 thru 167)			
56	Interest and Dividends Receivable (171)			
57	Rents Receivable (172)			
58	Accrued Utility Revenues (173)		79,726,459	79,103,416
59	Miscellaneous Current and Accrued Assets (174)			
60	Derivative Instrument Assets (175)		11,424,310	2,853,349
61	(Less) Long-Term Portion of Derivative Instrument Assets (175)		-	-
62	Derivative Instrument Assets Hedges (176)		27,322,398	10,226,531
63	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)			
64	TOTAL Current and Accrued Assets (Total of lines 32 thru 63)		286,049,211	280,023,301
65	DEFERRED DEBITS			
66	Unamortized Debt Expenses (181)	258-259	6,984,511	7,368,461
67	Extraordinary Property Losses (182.1)	230		
68	Unrecovered Plant and Regulatory Study Costs (182.2)	230		
69	Other Regulatory Assets (182.3)	232	415,238,818	345,448,979
70	Preliminary Survey and Investigation Charges (Electric)(183)			
71	Preliminary Survey and Investigation Charges (Gas)(183.2)			
72	Clearing Accounts (184)			
73	Temporary Facilities (185)			
74	Miscellaneous Deferred Debits (186)	233	1,227,239	782,381
75	Deferred Losses from Disposition of Utility (187)			
76	Research, Development, and Demonstration Expend. (188)			
77	Unamortized Losses on Reacquired Debt (189)			
78	Accumulated Deferred Income Taxes (190)	234 - 235	2,319,289	2,319,289
79	Unrecovered Purchased Gas Costs (191)		24,750,600	(13,851,688)
80	TOTAL Deferred Debits (Total of lines 66 thru 79)		450,520,457	342,067,422
81	TOTAL Assets and Other Debits (Total of lines 10-15,30,64, and 80)		\$ 1,810,762,159	\$ 1,618,784,628

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Reference number (b)	Page	Current Year End of Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL				
2	Common Stock Issued (201)	250 - 251		\$ 16,074,615	\$ 16,074,615
3	Preferred Stock Issued (204)	250 - 251		-	-
4	Capital Stock Subscribed (202, 205)	252			
5	Stock Liability for Conversion (203, 206)	252			
6	Premium on Capital Stock (207)	252		11,269,176	11,269,176
7	Other Paid-in Capital (208 - 211)	253		351,753,056	351,753,056
8	Installments Received on Capital Stock (212)	252			
9	(Less) Discount on Capital Stock (213)	254			
10	(Less) Capital Stock Expense (214)	254			
11	Retained Earnings ((215, 215. 1, 216)	118-119			
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119		251,354,919	223,459,051
13	(Less) Reacquired Capital Stock (217)	250-251			
14	Accumulated Other Comprehensive Income (219)	118-119;117A&B		-	-
15	TOTAL Proprietary Capital (Total of lines 2 thru 14)			630,451,766	602,555,898
16	LONG TERM DEBT				
17	Bonds (221)	256-257		269,845,000	269,845,000
18	(Less) Reacquired Bonds (222)	256-257			
19	Advances from Associated Companies (223)	256-257			
20	Other Long Term Debt (224)	256-257		60,000,000	60,000,000
21	Unamortized Premium on Long Term Debt (225)	258-259			
22	(Less) Unamortized Discount on Long Term Debt Dr. (226)	258-259			
23	(Less) Current Portion of Long Term Debt			-	-
24	TOTAL Long Term Debt (Total of lines 16 thru 22)			329,845,000	329,845,000
25	OTHER NONCURRENT LIABILITIES				
26	Obligations Under Capital Leases - Noncurrent (227)			52,604,808	58,566,886
27	FAS 109			(13,859,787)	(11,559,281)
28	Accumulated Provision for Property Insurance (228.1)			-	-
29	Accumulated Provision for Injuries and Damages (228.2)			1,305,000	1,921,482
30	Accumulated Provision for Pensions and Benefits (228.3)			1,417,967	1,316,739
31	Accumulated Miscellaneous Operating Provisions (228.4)			-	-
32	Accumulated Provision for Rate Refunds (229)			-	-

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS (CONTINUED))

Line No.	Title of Account	Reference Page number	Current Year End of Year Balance	Prior Year End Balance 12/31
(a)	(b)	(c)	(d)	
33	Long-Term Portion of Derivative Instrument Liabilities		\$ -	\$ -
34	Long-Term Portion of Derivative Instrument Liabilities - Hedges		-	-
35	Asset Retirement Obligations (230)		26,131,347	25,450,181
36	TOTAL Other Noncurrent Liabilities (Total of lines 26 thru 34)		67,599,335	75,696,008
37	CURRENT AND ACCRUED LIABILITIES			
38	Current Portion of Long Term Debt		-	20,000,000
39	Notes Payable (231)		57,000,000	
40	Accounts Payable (232)		95,980,888	102,652,541
41	Notes Payable to Associated Companies (233)			
42	Accounts Payable to Associated Companies (234)		2,122,467	2,680,355
43	Customer Deposits (235)		6,344,304	6,228,257
44	Taxes Accrued (236)	262-263	10,751,837	(21,182,563)
45	Interest Accrued (237)		4,439,617	4,766,408
46	Dividends Declared (238)		14,867,191	14,147,593
47	Matured Long - Term Debt (239)			
48	Matured Interest (240)		-	-
49	Tax Collections Payable (241)	268	76,962	76,504
50	Miscellaneous Current and Accrued Liabilities (242)	268	42,238,469	29,703,027
51	Obligations Under Capital Leases - Current (243)		12,059,557	7,169,335
52	Derivative Instrument Liabilities (244)		11,424,310	2,853,349
53	(Less) Long Term Portion of Derivative Instrument Liabilities		-	-
54	Derivative Instrument Liabilities-Hedges (245)			
55	(Less) Long Term Portion of Derivative Instrument Liabilities-Hedges			
56	TOTAL Current and Accrued Liabilities (Total of lines 37 thru 54)		257,305,602	169,094,806
57	DEFERRED CREDITS			
58	Customer Advances for Construction (252)		2,600,680	1,636,588
59	Accumulated Deferred Investment Tax Credits (255)		2,942,004	3,090,520
60	Deferred Gains from Disposition of Utility Plant (256)			
61	Other Deferred Credits (253)	269	40,314,156	41,092,589
62	Other Regulatory Liabilities (254)	278	201,600,000	146,700,000
63	Unamortized Gain on Reacquired Debt (257)	260	-	-
64	Accumulated Deferred Income Taxes - Accelerated Amortization (281)		-	-
65	Accumulated Deferred Income Taxes - Other Property (282)	275	191,068,569	165,435,337
66	Accumulated Deferred Income Taxes - Other (283)	277	87,035,047	83,637,882
67	TOTAL Deferred Credits (Total of lines 57 thru 65)		525,560,456	441,592,916
68	TOTAL Liabilities and Other Credits (Total of lines 15,24,35,55 and 66)		\$ 1,810,762,159	\$ 1,618,784,628

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STATEMENT OF INCOME FOR THE YEAR

1. Enter in column (e) the operations for the reporting quarter and in column (f) the balance for the same three month period for the prior year. Do not report annual amounts in these columns.
2. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the current year quarter/annual.
3. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility and in (l) the quarter to date amounts for other utility function for the prior year quarter.
4. If additional columns are needed place them in a footnote.

Line No.	Title of Account (a)	Reference Page number (b)	TOTAL	TOTAL	Current Three	Prior Three Months
			Current Year to Date Balance For Quarter Year (c)	Prior Year to Date Balance For Quarter Year (d)	Months Ended Quarterly Only No Fourth Quarter (e)	Ended Quarterly Only No Fourth Quarter (e)
1	UTILITY OPERATING INCOME					
2	Gas Operating Revenues (400)	300-301	\$ 989,364,937	\$ 1,002,669,685		
3	Operating Expenses					
4	Operation Expenses (401)	317-325	768,302,916	780,008,185		
5	Maintenance Expenses (402)	317-325	9,076,999	9,669,701		
6	Depreciation Expense (403)	336-338	32,027,237	29,916,119		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-338	-	-		
8	Amortization and Depletion of Utility Plant (404-405)	336-338				
9	Amortization of Utility Plant Acu. Adjustment (406)					
10	Amort. of Prop. Losses, Unrecovered Plant and Reg. Study Costs (407.1)					
11	Amortization of Conversion Expenses (407.2)					
12	Regulatory Debits (407.3)					
13	(Less) Regulatory Credits (407.4)	262-263				
14	Taxes Other than Income Taxes (408.1)	262-263	56,847,436	63,592,187		
15	Income Taxes - Federal (409.1)	262-263	12,896,285	(6,883,808)		
16	Income Taxes-Other (409.1)	262-263	3,377,954	(284,780)		
17	Provision of Deferred Federal Income Taxes (410.1)		19,176,641	37,393,863		
	Provision of Deferred State Income Taxes (410.1)		2,235,625	9,428,727		
18	(Less) Provision for Deferred Income Taxes-Credit (411.1)					
19	Investment Tax Credit Adjustment-Net (411.4)	261B	(321,708)	(321,708)		
20	(Less) Gains from Disposition of Utility Plant (411.6)					
21	Losses from Disposition of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances ((411.9)					
24	Accretion Expense (411.10)					
25	Total Utility Operating Expenses (Total of lines 4 thru 24)		\$ 903,619,385	\$ 922,518,486		
26	Net Utility Operating Income (Total of lines 2 less 25) (Carry forward to page 116, line 27)		\$ 85,745,552	\$ 80,151,199		

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STATEMENT OF INCOME (CONTINUED)

Line No.	Elec. Utility Current Year to Date (in dollars) (f)	Elec. Utility Previous Year to Date (in dollars) (g)	Gas Utility Current Year to Date (in dollars) (h)	Gas Utility Previous Year to Date (in dollars) (i)	Other Utility Current Year to Date (in dollars) (j)	Other Utility Previous Year to Date (in dollars) (k)
1						
2			\$ 989,364,937	\$ 1,002,669,685		
3						
4			768,302,916	780,008,185		
5			9,076,999	9,669,701		
6			32,027,237	29,916,119		
7			-	-		
8						
9						
10						
11						
12						
13						
14			56,847,436	63,592,187		
15			12,896,285	(6,883,808)		
16			3,377,954	(284,780)		
17			19,176,641	37,393,863		
18			2,235,625	9,428,727		
19			(321,708)	(321,708)		
20						
21						
22						
23						
24						
25			\$ 903,619,385	\$ 922,518,486		
26			\$ 85,745,552	\$ 80,151,199		

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New Jersey Natural Gas Company

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STATEMENT OF INCOME (Continued)

Line No.	Title of Account (a)	Reference Page number (b)	Total Current Year to Date Balances for Quarter/Year (c)	Total Prior Year to Date Balances for Quarter/Year	Current Three Months Ended Quarterly Only No Fourth Quarter	Prior Three Months Ended Quarterly Only No Fourth Quarter (d)
27	Net Utility Operating Income (Carried forward from page 114)		85,745,552	80,151,199	\$ -	\$ -
28	OTHER INCOME AND DEDUCTIONS					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues from Merchandising, Jobbing and Contract Work (415)				-	-
32	(Less) Costs and Expenses of Merchandising, Job & Contract Work (416)				-	-
33	Revenues from Nonutility Operations (417)		1,406,710	1,845,863	-	-
34	(Less) Expenses of Nonutility Operations (417.1)				-	-
35	Nonoperating Rental Income (418)					
36	Equity in Earnings of Subsidiary Companies (418.1)					
37	Interest and Dividend Income (419)		2,153,459	1,147,522	-	-
38	Allowance for Other Funds Used During Construction (419.1)					
39	Miscellaneous Nonoperating Income (421)		161,872	739,137	-	-
40	Gain on Disposition of Property (412.1)					
41	TOTAL Other Income (Total of lines 31 thru 40)		3,722,041	3,732,522	-	-
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)					
44	Miscellaneous Amortization (425)					
45	Donations (426.1)	340	(778,807)	(51,149)	-	-
46	Life Insurance (426.2)	340			-	-
47	Penalties (426.2)					
48	Expenditures for Certain Civic, Political and Related Activities (426.4)					
49	Other Deductions (426.5)				-	-
50	TOTAL Other Income Deductions (Total of lines 43-49)		(778,807)	(51,149)	-	-
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other than Income Taxes (408.2)					
53	Income Taxes-Federal (409.2)	261A&B	(947,202)	(1,161,957)		
54	Income Taxes-Other - State (409.2)		(261,944)	(342,829)		
55	Provision for Deferred Income Taxes (410.2)				-	-
56	(Less) Provision for Deferred Income Taxes-Credit (411.2)				-	-
57	Investment Taxes Credit Adjustments - Net (411.5)					
58	(Less) Investment Tax credits (420)				-	-
59	Total Taxes on Other Income and Deductions (Total of lines 52-58)		(1,209,146)	(1,504,786)	-	-
60	Net Other Income and Deductions (Total of lines 41,50,59)		1,734,088	2,176,587		
61	INTEREST CHARGES					
62	Interest on Long Term Debt (427)		15,372,493	15,499,279		
63	Amortization of Debt Disc. and Expense (428)	258-259	463,377	559,497		
64	Amortization of Loss on Reacquired Debt (428.1)				-	-
65	(Less) Amortization of Premium on Debt-Credit (429)				-	-
66	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)				-	-
67	Interest on Debt to Associated Companies (430)				-	-

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STATEMENT OF INCOME (Continued)

Line No.	Title of Account (a)	Reference Page number (b)	Total Year to Balance Current Date for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only Fourth Quarter (f)
68	Other Interest Expense (431)		1,408,944	1,079,444		
69	(Less) Allowance for Borrowed Funds Used During Construction-Credit (432)		(861,925)	(641,373)		
70	Net Interest Charges (Total of lines 62 thru 69)		16,382,889	16,496,847		
71	Income Before Extraordinary Items (Total of lines 27,60 and 70)		71,096,751	65,830,939		
72	EXTRAORDINARY ITEMS					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions ((435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes - Federal and Other (409.3) (Tax Benefit of Stock)		0	0		
77	Extraordinary Items after Taxes (Total of line 75 less line 76)					
78	Net Income (Total of lines 71 and 77)		71,096,751	65,830,939		

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STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME AND HEDGING ACTIVITIES

- 1 Report in columns (b) (c) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate
- 2 Report in columns (f) and (g) the amounts of other categories of other cash flow hedges
- 3 For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote

Line No.	Item (a)	Unrealized Gains and losses on available-for-sale securities (b)	Minimum Pension liability Adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at beginning of Preceding Year		0	0	0
2	Preceding Year Reclassification from Account 219 to Net Income		0		
3	Preceding Year Changes in Fair Value		(24,105)		
4	Total (lines 2 and 3)	0	(24,105)	0	0
5	Balance of Account 219 at End of Preceding Year/Beginning of Current Year	0	(24,105)	0	0
6	Current Year Relcassification from Account 219 to Net Income				
7	Current Year Changes in Fair Vlaue		0		
8	Total (lines 6 and 7)	0	0	0	0
9	Balance of Account 219 at End of Current Year	0	(24,105)	0	0

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STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME AND HEDGING ACTIVITIES(continued)

Line No.	Other Cash Flow Hedges: Interest Cap (f)	Other Cash Flow Hedges (Specify) (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from page 116, Line72) (i)	Total Comprehensive Income (j)
5	24,105	0	24,105		
6			0		
7	0		(24,105)		
8	0	0	(24,105)		
9	24,105	0	0		
6			0		
7	0		0		
8	0	0	0		
9	24,105	0	0		

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STATEMENT OF RETAINED EARNINGS

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.
5. Show dividends for each class and series of capital stock

Line No.	Item (a)	Contra Primary Account Affected (b)	Year to Date Balance (c)	Previous Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS			
1	Balance-Beginning of Period		223,459,051	\$ 208,960,702
2	Changes (Identify by prescribed retained earnings accounts)			
3	Adjustments to Retained Earnings (Account 439) (FIN 48 Tax Adjustment)			
4	Balance Transferred from Income		71,096,751	65,830,939
5	Tax Benefit of Stock		(266,351)	603,829
6	Adjustments to Retained Earnings See details on lines 25 & 26 below		-	24,105
7	Appropriations of Retained Earnings (Account 436)			
8				
9	Dividends Declared- Preferred Stock (Account 437)			
10				
11	Dividends Declared Common Stock (Account 438)		(42,934,532)	(51,960,524)
12	(Less) Dividends paid		-	-
13	Transfers from Account 216.1, Unappropriated Undistributed Subsidiary Earnings		-	-
14	Balance End of Period (Total of lines 1,4,5,6,8,10,12 and 13)		251,354,919	223,459,051
15	APPROPRIATED RETAINED EARNINGS (Account 215)			
16	TOTAL Appropriated Retained Earnings (Account 215) (footnote details)		-	-
17	APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account			
18	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account			
19	TOTAL Appropriated Retained Earnings (Accounts 215,215.1) Total of lines			
20	TOTAL Retained Earnings (Accounts 215, 215.1, 216) Total of lines 14 and 1			
21	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216, 1) & OCI (Account 219)		223,459,051	223,459,051
	Report only on an annual Basis no Quarterly			
22	Balance-Beginning of Year (Debit or Credit)		223,459,051	208,960,702
23	Equity in Earnings for Year (Credit) (Account 418.1)		71,096,751	65,830,939
24	(Less) Dividends Received (Debit)		(42,934,532)	(51,960,524)
25	Adjustments to Retained Earnings (Account 439) (FIN 48 Tax Adjustment)		-	-
26	Other Changes (Other Comprehensive Income - Page 117A)		-	24,105
27	Tax Benefit of Stock		(266,351)	603,829
28	Balance End of Year		251,354,919	223,459,051

Footnotes to items above; line references shown:

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[Next page is 120]

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STATEMENT OF CASH FLOWS

1. Information about noncash investing and financing activities should be provided on page 122. Provide also on page 122 a reconciliation between "Cash and Cash Equivalents at "End of Year" with related amounts on the balance sheet.
2. Under "Other" specify significant amounts and group others.
3. Operating Activities Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 122 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

Line No.	DESCRIPTION (See instructions for Explanation of Codes) (a)	Current Year Amount (b)	Previous Year Amount (c)
1	Net Cash Flow from Operating Activities		
2	Net Income (line 72(c) on page 116)	\$ 71,096,751	\$ 65,830,939
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	32,027,237	29,916,119
5	Amortization of (Specify)		
5.01	Deferred Rate Case Items	301,453	301,453
5.02	Other	(838,191)	22,392,793
6	Deferred Income Taxes (Net)	29,030,397	44,151,179
7	Investment Tax Credit Adjustments (Net)	(148,516)	(191,785)
8	Net (Increase) Decrease in Receivables	6,253,569	33,049,626
9	Net (Increase) Decrease in Inventory	5,802,586	19,093,537
10	Net Increase (Decrease) in Allowances Inventory		
11	Net Increase (Decrease) in Payables and Accrued Expenses	24,936,414	(39,351,416)
12	Net Increase (Decrease) in Other Regulatory Assets (see footnote 1)	(15,191,292)	(18,735,266)
13	Net (Increase) Decrease in Regulatory Liabilities (see footnote 1)	681,166	681,752
14	(Less) Allowance for Other Funds Used During Construction		
15	(Less) Undistributed Earnings from Subsidiary Companies		
16	Other: Other Working Capital Changes	12,651,489	(2,127,228)
16.01	Customer Advances for Construction	964,092	(128,211)
16.02	Other , Net (see footnote 1, 2 and 3)	2,085,930	1,386,323
17	Net Cash Provided by (Used in) Operating Activities		
18	(Totals of lines 2 thru 16)	169,653,086	156,269,815
19			
20	Cash Flows from Investment Activities:		
21	Construction and Acquisition of Plant (including land):		
22	Gross Additions to Utility Plant (Less Nuclear Fuel)	(51,073,322)	(56,105,718)
23	Gross Additions to Capital Leases (see footnote 2)		
24	Gross Additions to Common Utility Plant		
25	Gross Additions to Nonutility Plant		
26	(Less) Allowance for Other Funds Used During Construction		
27	Other: Cost of Removal	(8,623,661)	(8,090,972)
27.01	Net (Increase)/Decrease in Construction Work in Progress	(49,829,992)	(14,977,887)
27.02			
28	Cash Outflows for Plant (Total of lines 22 thru 27.)	(109,526,975)	(79,174,577)
29			
30	Acquisition of Other Noncurrent Assets (d) Deferred Debits & Gas Costs (see footnote 1)	(38,602,288)	16,828,441
31	Proceeds from Disposal of Noncurrent Assets (d)		
32			
33	Investments in and Advances to Assoc. and Subsidiary Companies		
34	Contributions and Advances from Assoc. and Subsidiary Companies		
35	Disposition of Investments in (and Advances to)		
36	Associated and Subsidiary Companies		
37			
38	Purchase of Investment Securities (a)		
39	Proceeds from Sales of Investment Securities (a)		

1. Regulatory Assets & Regulatory Liabilities were reclassified from other net line 16.02 and deferred debits line 30.
2. Other net line 16.02 was increased by the Capital Lease of meters line 56.
3. Other net line 16.02 was reduced by the Broker Margin accounts line 47.

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STATEMENT OF CASH FLOWS (Continued)

4. Investing Activities: Include at Other (Lines 27) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on page 122. Do not include on this statement the dollar amount of leases capitalized per U.S. A. General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on page 122.

5. Codes Used:
 (a) Net Proceeds or payments.
 (b) Bonds, Debentures, and other long-term debt.
 (c) Include Commercial paper
 (d) Identify separate such items as investments fixed assets, intangible, etc.
 6. Enter on page 122 clarifications and explanations.
 7. At lines 5, 16, 27, 47, 56, 58, and 65, add rows as necessary to report all data. Number the extra rows in sequence, 5.01, 5.02, etc.

Line No.	DESCRIPTION (See instructions for Explanation of Codes) (a)	Current Year Amount (b)	Previous Year Amount (c)
40	Loans Made or Purchased		
41	Collection on Loans		
42			
43	Net (Increase) Decrease in Receivable		
44	Net (Increase) Decrease in Inventory		
45	Net (Increase) Decrease in Allowances Held for Speculation		
46	Net (Increase) Decrease in Payables and Accrued Expenses		
47	Other: (Increase) Decrease in broker margin accounts	(17,095,867)	64,657,667
47.01			
47.02			
48	Net Cash Provided by (Used in) Investing Activities		
49	(Total of lines 28 thru 47)	(165,225,130)	2,311,531
50			
51	Cash Flows from Financing Activities:		
52	Proceeds from Issuance of:		
53	Long-Term Debt (b)	-	(20,000,000)
54	Preferred Stock		
55	Common Stock		
56	Other: Capital Meter Lease	5,821,514	4,854,686
56.01	Contributions from Parent	(266,351)	85,603,829
57	Net Increase (Decrease) in short-term Debt (c)	-	(203,550,000)
58	Other:		
58.01			
58.02			
59	Cash Provided by Outside Sources (Total of lines 53 thru 58)	5,555,163	(133,091,485)
60			
61	Payments for Retirements of:		
62	Long-Term Debt (b)	37,000,000	20,000,000
63	Preferred Stock		
64	Common Stock		
65	Other: Capital Leases	(11,783,592)	(7,151,229)
65.01			
66			
67			
68	Dividends on Preferred Stock	-	-
69	Dividends on Common Stock	(42,214,934)	(50,257,315)
70	Net Cash Used in Financing Activities		
71	Total of Lines 59 thru 69	(11,443,363)	(170,500,029)
72			
73	Net Increase (Decrease) in Cash and Cash Equivalents		
74	Total of Lines 18, 49 and 71	(7,015,407)	(11,918,683)
75			
76	Cash and Cash Equivalents at Beginning of Year	10,086,354	22,005,037
77			
78	Cash and Cash Equivalents at End of Year	\$ 3,070,947	\$ 10,086,354

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[Next page is 122]

Name of Respondent New Jersey Natural Gas Company	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
	<input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Apr. 30, 2011	Dec. 31, 2010

NOTES TO FINANCIAL STATEMENTS

1. Provide important disclosures regarding the Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, and Statement of Cash Flow, or any account thereof. Classify the disclosures according to each financial statement, providing a subheading for each statement except where a disclosure is applicable to more than one statement. The disclosures must be on the same subject matters and in the same level of detail that would be required if the respondent issued general purpose financial statements to the public or shareholders.
2. Furnish details as to any significant contingent assets or liabilities existing at year end, and briefly explain any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or a claim for refund of income taxes of a material amount initiated by the utility. Also, briefly explain any dividends in arrears on cumulative preferred stock.
3. Furnish details on the respondent's pension plans, post-retirement benefits other than pension (PBOP) plans, and post-employment benefit plans as required by Instruction no. 1 and, in addition, disclose for each individual plan the current year's cash contributions. Furnish details on the accounting for the plans and any changes in the method of accounting for them. Include details on the accounting for transition obligations or assets, gains or losses, the amounts deferred and the expected recovery periods. Also, disclose any current year's plan or trust curtailments, terminations, transfers, or reversions of assets.
4. Where Account 189, Unamortized Loss on Recquired Debt, and 257, Unamortized Gain on Recquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Explain concisely any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. Disclose details on any significant financial changes during the reporting year to the respondent or the respondent's consolidated group that directly affect the respondent's gas pipeline operations, including: sales, transfers or mergers of affiliates, investments in new partnerships, sales of gas pipeline facilities or the sale of ownership interests in the gas pipeline to limited partnerships, investments in related industries (i.e. production, gathering) major pipeline investments, acquisitions by the parent corporation(s), and distributions of capital.
7. Explain concisely unsettled rate proceedings where a contingency exists such that the company may need to refund a material amount to the utility's customers of that the utility may receive a material refund with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects and explain the major factors that affect the rights of the utility to retain such revenues or to recover amounts paid with respect to power and gas purchases.
8. Explain concisely significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and summarize the adjustments made to balance sheet, income, and expense accounts.
9. Explain concisely only those significant changes in accounting methods made during the year which had an effect on net income, including, the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.
10. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
11. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recent completed year in such items as; accounting principles and practices; estimates inherent in the preparation of the financial statements, status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However, where material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year-end may not have occurred.
12. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

Regulatory Assets & Liabilities

Under cost-based regulation, regulated utility enterprises generally are permitted to recover their operating expenses and earn a reasonable return on their utility investment.

The Company maintains its accounts in accordance with the Federal Energy Regulatory Commission (FERC) Uniform System of Accounts as prescribed by the BPU and in accordance with the *Regulated Operations* Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). As a result of the impact of the ratemaking process and regulatory actions of the BPU, the Company is required to recognize the economic effects of rate regulation. Accordingly, the Company capitalizes or defers certain costs that are expected to be recovered from its customers as regulatory assets and recognizes certain obligations representing probable future expenditures as regulatory liabilities in the Balance Sheets

Gas in Storage

Gas in storage is reflected at average cost in the Balance Sheets, and represents natural gas and liquefied natural gas that will be utilized in the ordinary course of business.

Demand Fees

The Company enters into capacity contracts with storage providers and pipeline companies, for the right to store and transport natural gas utilizing their respective assets, during fixed time periods generally ranging from 1 to 5 years. As a result, the Company incurs demand charges, which are based on established rates as regulated by FERC. Demand fees of \$98.6 million and \$83.2 million for fiscal years ended September 30, 2010 and 2009, respectively, which are net of fees received for capacity releases, are included in its weighted average cost of gas. The demand charges are expensed as a component of gas purchases in the Statements of Operations based on Basic Gas Supply Service (BGSS) sales and recovered as part of its wholesale gas commodity component of its BGSS tariff.

Respondent New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Apr. 30, 2011	Year of Report Dec. 31, 2010
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NOTES TO FINANCIAL STATEMENTS

Derivative Instruments

Derivative instruments associated with natural gas commodity contracts are recorded in accordance with the *Derivatives and Hedging* Topic of the ASC, under which the Company records the fair value of derivatives, held as assets and liabilities. The Company's derivatives used to economically hedge its natural gas purchasing activities are recoverable through its BGSS, a component of its tariff. Accordingly, the offset to the change in fair value of these derivatives is recorded as a Regulatory asset or liability in the Balance Sheets.

The Company has not designated any derivatives as fair value hedges as of September 30, 2010 and 2009.

Fair values of exchange-traded instruments, including futures, swaps and certain options, are based on actively quoted market prices. Fair values are subject to change in the near term and reflect management's best estimate based on various factors. In establishing the fair value of commodity contracts that do not have quoted prices, such as physical contracts, and over-the-counter options and swaps, and certain embedded derivatives, management uses available market data and pricing models to estimate fair values. Estimating fair values of instruments that do not have quoted market prices requires management's judgment in determining amounts, which could reasonably be expected to be received from, or paid to, a third party in settlement of the instruments. These amounts could be materially different from amounts that might be realized in an actual sale transaction.

Revenues

Revenues from the sale of natural gas to customers of the Company are recognized in the period that gas is delivered and consumed by customers, including an estimate for unbilled revenue.

Natural gas sales to individual customers are based on their meter readings, which are performed on a systematic basis throughout the month. At the end of each month, the amount of natural gas delivered to each customer after the last meter reading is estimated, and the Company recognizes unbilled revenues related to these amounts. The unbilled revenue estimates are based on monthly send-out amounts, estimated customer usage by customer type, weather effects, unaccounted-for gas and the most current tariff rates.

The Company has elected and continues to elect the normal scope exception related to its off-system sales of natural gas and consequently recognizes the revenue at settlement of the contract for delivery of natural gas. Derivative instruments that do not qualify for the normal scope exception are recorded at fair value in the Balance Sheets with corresponding changes in fair value also being recorded in the Balance Sheets as regulatory assets or liabilities.

Gas Purchases

The Company's tariff includes a component for BGSS, which is designed to allow the Company to recover the cost of natural gas through rates charged to its customers and is normally revised on an annual basis. As part of computing its BGSS rate, the Company projects its cost of natural gas, net of supplier refunds, the impact of hedging activities and credits from nonfirm sales and transportation activities, and recovers or refunds the difference, if any, of such projected costs compared with those included in current rates. Any underrecoveries or overrecoveries are either refunded to customers or deferred and, subject to BPU approval, reflected in the BGSS rates in subsequent years.

Income Taxes

The Company computes income taxes using the liability method, whereby deferred income taxes are generally determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect in the years in which the differences are expected to reverse. See *Note 10. Income Taxes*.

Investment tax credits (ITCs) have been deferred and are being amortized as a reduction to the tax provision over the average lives of the related equipment in accordance with regulatory treatment.

Capitalized and Deferred Interest

Included in the Balance Sheets are capitalized amounts associated with the debt and equity components of the Company's Allowance for funds used during construction, (AFUDC), which are recorded in utility plant. Corresponding amounts recognized in interest expense and other income, as appropriate, in the Statements of Operations are as follows:

Respondent New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Apr. 30, 2011	Year of Report Dec. 31, 2010
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NOTES TO FINANCIAL STATEMENTS

Derivative Instruments

Derivative instruments associated with natural gas commodity contracts are recorded in accordance with the *Derivatives and Hedging* Topic of the ASC, under which the Company records the fair value of derivatives, held as assets and liabilities. The Company's derivatives used to economically hedge its natural gas purchasing activities are recoverable through its BGSS, a component of its tariff. Accordingly, the offset to the change in fair value of these derivatives is recorded as a Regulatory asset or liability in the Balance Sheets.

The Company has not designated any derivatives as fair value hedges as of September 30, 2010 and 2009.

Fair values of exchange-traded instruments, including futures, swaps and certain options, are based on actively quoted market prices. Fair values are subject to change in the near term and reflect management's best estimate based on various factors. In establishing the fair value of commodity contracts that do not have quoted prices, such as physical contracts, and over-the-counter options and swaps, and certain embedded derivatives, management uses available market data and pricing models to estimate fair values. Estimating fair values of instruments that do not have quoted market prices requires management's judgment in determining amounts, which could reasonably be expected to be received from, or paid to, a third party in settlement of the instruments. These amounts could be materially different from amounts that might be realized in an actual sale transaction.

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Investment tax credits (ITCs) have been deferred and are being amortized as a reduction to the tax provision over the average lives of the related equipment in accordance with regulatory treatment.

Capitalized and Deferred Interest

Included in the Balance Sheets are capitalized amounts associated with the debt and equity components of the Company's Allowance for funds used during construction, (AFUDC), which are recorded in utility plant. Corresponding amounts recognized in interest expense and other income, as appropriate, in the Statements of Operations are as follows:

Respondent New Jersey Natural Gas Company	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
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NOTES TO FINANCIAL STATEMENTS

(\$ in thousands)	September 30,	
	2010	2009
AFUDC:		
Debt	\$ 978	\$ 748
Equity	2,165	568
Weighted average rate	7.39 %	4.33 %
Total capitalized costs	\$ 3,143	\$ 1,316
Net weighted average rate	7.39 %	4.33 %

Effective October 3, 2008, the Company's base rates include the ability for the Company to recover the cost of debt and equity associated with construction work in progress (CWIP).

Pursuant to a BPU order, the Company is permitted to recover carrying costs on uncollected balances related to Societal Benefits Clause (SBC) program costs, which include New Jersey Clean Energy Program (NJCEP), Remediation Adjustment (RA) and Universal Service Fund (USF) expenditures. See Note 3. Regulation. Accordingly, other income included \$1.7 million and \$2 million of deferred interest related to these SBC program costs in fiscal 2010 and 2009, respectively.

Sales Tax Accounting

Sales tax and Transitional Energy Facilities Assessment (TEFA) are collected from customers and presented in both operating revenues and operating expenses on the Statements of Operations as follows:

(Millions)	September 30,	
	2010	2009
Sales Tax	\$ 40,600	\$ 57,800
TEFA	8,300	8,900
Total	\$ 48,900	\$ 66,700

Statements of Cash Flows

For purposes of reporting cash flows, all temporary investments with original maturities of three months or less are considered cash equivalents.

Utility Plant and Depreciation

Regulated property, plant and equipment are stated at original cost. Costs include direct labor, materials and third-party construction contractor costs, AFUDC and certain indirect costs related to equipment and employees engaged in construction. Upon retirement, the cost of depreciable regulated property, plus removal costs less salvage, is charged to accumulated depreciation with no gain or loss recorded.

Depreciation is computed on a straight-line basis for financial statement purposes, using rates based on the estimated average lives of the various classes of depreciable property. The composite rate of depreciation was 2.24 percent of average depreciable property in fiscal 2010 and 2.34 percent in fiscal 2009. See Note 3. Regulation.

Property, plant and equipment was comprised of the following as of September 30, 2010 and 2009:

(Thousands)	Estimated Useful Lives	2010	2009
Property Classifications			
Distribution Facilities	38 to 74 years	\$ 1,229,695	\$ 1,157,585
Transmission Facilities	35 to 56 years	186,213	181,908
Storage Facilities	34 to 47 years	42,105	40,969
All other property	5 to 35 years	67,335	58,483
		1,525,348	1,438,945
Accumulated depreciation and amortization		(411,159)	(393,275)
Property, plant and equipment, net		\$ 1,114,189	\$ 1,045,670

Name of Respondent New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Apr. 30, 2011	Year of Report Dec. 31, 2010
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NOTES TO FINANCIAL STATEMENTS

Recent Updates to the Accounting Standards Codification (ASC)

Topic 715, Compensation-Retirement Benefits:

On December 30, 2008, the FASB issued guidance that requires additional disclosures surrounding postretirement benefit plans to provide users of financial statements information related to a company's plan assets, investment policies and strategies and significant concentrations of risk. Disclosures will include information related to the fair value of plan assets, including inputs and valuation techniques that are used to measure plan assets and the effect of Level 3 measurements on changes in plan assets. The guidance became effective for the Company on September 30, 2010. As it is a disclosure only standard, it had no impact on the Company's statement of financial position, results of operations or cash flows upon adoption.

Topic 820, Fair Value Measurements and Disclosures:

In August 2009, the FASB issued additional guidance for measuring the fair value of liabilities and clarifies that the quoted price for the identical liability, when traded as an asset in an active market, is a Level 1 measurement, providing there are no adjustments to the quoted price. Alternatively, when no quoted price is available, the ASU affirms the use of other permitted valuation techniques. The guidance became effective for the Company on October 1, 2009. There was no impact to the Company's statement of financial position, results of operations or cash flows upon adoption.

In January 2010, the FASB issued guidance expanding the requirement to disclose information about significant transfers into and out of Level 3 to all 3 levels of the fair value hierarchy. In addition, it requires a description of the valuation techniques and inputs used to determine Level 2 and Level 3 fair values and provides additional guidance on determining an appropriate level of disaggregation into classes of assets and liabilities in fair value disclosures. The guidance became effective for the Company on January 1, 2010. There was no impact to the Company's statement of financial position, results of operations or cash flows upon adoption.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Company to make estimates that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosure of contingencies during the reporting period. On a monthly basis, the Company evaluates its estimates, including those related to the calculation of the fair value of derivative instruments, unbilled revenues, allowance for doubtful accounts, provisions for depreciation and amortization, regulatory assets and liabilities, income taxes, pensions and other postemployment benefits, contingencies related to environmental matters and litigation and asset retirement obligations, which are evaluated on an annual basis. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources.

The Company has legal, regulatory and environmental proceedings during the normal course of business, which can result in loss contingencies. When evaluating the potential for a loss, the Company will establish a reserve if a loss is probable and can be estimated, in which case it is the Company's policy to accrue the full amount of such estimate. Where the information is sufficient only to establish a range of probable liability, and no point within the range is more likely than any other, it is the Company's policy to accrue the lower end of the range. In the normal course of business, estimated amounts are subsequently adjusted to actual results that may differ from estimates.

Impairment of Long-Lived Assets

The Company reviews the carrying amount of an asset for possible impairment whenever events or changes in circumstances indicate that such amount may not be recoverable. For the fiscal years ended September 30, 2010 and 2009, no circumstances indicating impairment were identified.

Asset Retirement Obligations (ARO)

The Company recognizes a liability for its AROs based on the fair value of the liability when incurred, which is generally upon acquisition, construction, development and/or through the normal operation of the asset. Concurrently, the Company also capitalizes an asset retirement cost by increasing the carrying amount of the related asset by the same amount as the liability. In periods subsequent to the initial measurement, the Company is required to recognize changes in the liability resulting from the passage of time (accretion) or due to revisions to either timing or the amount of the originally estimated cash flows to settle the conditional asset retirement obligation.

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	<input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Apr. 30, 2011	Dec. 31, 2010

NOTES TO FINANCIAL STATEMENTS

First Mortgage Bonds

The Company's mortgage secures its First Mortgage Bonds and represents a lien on substantially all of its property, including natural gas supply contracts. Certain indentures supplemental to the mortgage include restrictions as to cash dividends and other distributions on the Company's common stock that apply as long as certain series of First Mortgage Bonds are outstanding. Under the most restrictive provision, all of the Company's retained earnings were available for distributions at September 30, 2010.

The Company enters into loan agreements with the New Jersey Economic Development Authority (the EDA) under which the EDA issues tax-exempt bonds, and the proceeds are loaned to the Company to fund capital expenditures for certain portions of its natural gas service territory. To secure its loans from the EDA, the Company issues First Mortgage Bonds to the EDA with interest rates and maturity dates identical to those of the EDA Bonds.

The Company is obligated with respect to loan agreements securing six series of variable rate bonds totaling \$97 million of variable-rate debt backed by securities issued by the New Jersey Economic Development Authority (EDA). The EDA bonds are commonly referred to as auction-rate securities (ARS) and have an interest rate reset every 7 or 35 days, depending upon the applicable series. On those dates an auction is held for the purposes of determining the interest rate of the securities. The interest rate associated with the Company's variable-rate debt are based on the rates of the related EDA ARS. As of September 30, 2010, all of the auctions surrounding the EDA ARS have failed, resulting in those bonds bearing interest at their maximum rates, as defined as the lesser of (i) 175 percent of 30-day LIBOR or (ii) 10 to 12 percent per annum, as applicable to such series ARS. While the failure of the ARS auctions does not signify or constitute a default on the Company, the EDA ARS does impact the Company's borrowing costs of the variable-rate debt. As of September 30, 2010, the 30-day LIBOR rate was 0.26 percent. As such, the Company currently has a weighted average interest rate of 0.46 percent as of September 30, 2010, compared with a weighted average interest rate of 0.44 percent as of September 30, 2009.

On November 1, 2008, upon maturity, the Company redeemed its \$30 million, 6.27 percent, Series X First Mortgage bonds.

On October 1, 2010, upon maturity, the Company redeemed its \$20 million Series CC First Mortgage bonds.

Capital Leases

The Company's master lease agreement for its headquarters building has a 25.5-year term with two 5-year renewal options. The present value of the agreement's minimum lease payments is reflected as both a capital lease asset and a capital lease obligation, which are included in utility plant and long-term debt, respectively, in the Balance Sheets.

The Company received \$4.9 million and \$6.3 million for fiscal years 2010 and 2009, respectively, in connection with the sale-leaseback of its natural gas meters. This sale-leaseback program is expected to be continued on an annual basis.

Contractual commitments for lease payments as of the fiscal year end are as follows (in millions):

Fiscal years ended September 30,	Lease Payments
2011	\$ 14.6
2012	8.6
2013	9.0
2014	8.0
2015	7.9
Thereafter	30.5
Subtotal	78.6
Less: interest component	(18.3)
Total	\$ 60.3

Name of Respondent New Jersey Natural Gas Company	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
	<input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Apr. 30, 2010	Dec. 31, 2009

NOTES TO FINANCIAL STATEMENTS

Pension and Postemployment Plans

The Company has two noncontributory defined pension plans covering substantially all employees, including officers. Benefits are based on each employee's years of service and compensation. The Company's funding policy is to contribute annually to these plans at least the minimum amount required under the Employee Retirement Income Security Act (ERISA) of 1974, as amended, and not more than can be deducted for federal income tax purposes. Plan assets consist of equity securities, fixed-income securities and short-term investments. The Company contributed \$2.4 million and \$25.6 million in aggregate to the plans in fiscal 2010 and 2009, respectively.

The Company also provides two primarily noncontributory medical and life insurance plans for eligible retirees and dependents. Medical benefits, which make up the largest component of the plans, are based upon an age and years-of-service vesting schedule and other plan provisions. Funding of these benefits is made primarily into Voluntary Employee Beneficiary Association trust funds. The Company contributed \$4.8 million and \$1.5 million in aggregate to these plans in fiscal 2010 and 2009, respectively.

The Company has two trustee, noncontributory defined benefit retirement plans covering regular represented and nonrepresented employees with more than one year of service. All non-represented employees hired on or after October 1, 2009, are covered by an enhanced defined contribution plan instead of the defined benefit plan.

Defined benefit plan benefits are based on years of service and average compensation during the highest 60 consecutive months of employment.

The Company also maintains an unfunded nonqualified pension equalization plan (PEP) that was established to provide employees with the full level of benefits as stated in the qualified plan without reductions due to various limitations imposed by the provisions of federal income tax laws and regulations. There were no plan assets in the nonqualified plan due to the nature of the plan.

The Company provides postemployment medical and life insurance benefits to employees who meet certain eligibility requirements.

The Company's funding policy for its pension plans is to contribute at least the minimum amount required by the Employment Retirement Income Security Act of 1974, as amended. In fiscal 2010 and 2009, the Company had no minimum funding requirements; however, The Company made discretionary contributions to the pension plans during fiscal 2010 and 2009 totaling \$2.5 million and \$25.7 million, respectively. The Company elected to make these discretionary tax-deductible contributions to improve the funded status of the pension plans. The Company does not expect to be required to make additional contributions to fund the pension plans over the next three fiscal years based on current actuarial assumptions; however, funding requirements are uncertain and can depend significantly on changes in actuarial assumptions, returns on plan assets and changes in the demographics of eligible employees and covered dependents. In addition, as in the past, the Company may elect to make contributions in excess of the minimum required amount to the plans.

There are no Federal requirements to pre-fund OPEB benefits. However, the Company is required to fund certain amounts due to regulatory agreements with the BPU. The Company contributed \$4.8 million and \$1.5 million, respectively, in fiscal 2010 and 2009 and estimates that it will contribute between \$5.5 million to \$6.6 million annually over the next five years. Additional contributions may vary based on market conditions and various assumptions.

The Company's OPEB plans provide prescription drug benefits that are actuarially equivalent to those provided by Medicare Part D, for which the Company qualifies for federal subsidies. As a result of the Patient Protection and Affordable Care Act, which was enacted in March 2010, beginning in fiscal year 2014 the tax deduction available to the Company will be reduced to the extent its drug expenses are reimbursed under the Medicare Part D retiree drug subsidy program. Accordingly, the Company recorded a non-cash, after-tax adjustment of approximately \$2.4 million. In addition, the regulatory asset was grossed up by \$1.6 million associated with the recovery of income taxes.

The following summarizes the changes in the funded status of the plans and the related liabilities recognized in the Balance Sheets

Name of Respondent
New Jersey Natural Gas Company

This Report is:
 An Original
 A Resubmission

Date of Report
(Mo, Da, Yr)
Apr. 30, 2010

Year of Report
Dec. 31, 2009

NOTES TO FINANCIAL STATEMENTS

(Thousands)	Pension ⁽¹⁾		OPEB	
	2010	2009	2010	2009
Change in Benefit Obligation				
Benefit obligation at beginning of year	\$ 100,524	\$ 77,268	\$ 59,590	\$ 40,605
Service cost	2,629	1,772	1,944	1,197
Interest cost	6,142	5,833	3,664	3,078
Plan participants' contributions	39	39	8	4
Actuarial loss	9,887	19,904	3,950	16,438
Benefits paid, net of retiree subsidies received	(4,429)	(4,292)	(1,730)	(1,732)
Benefit obligation at end of year	\$ 114,792	\$ 100,524	\$ 67,426	\$ 59,590
Change in plan assets				
Fair value of plan assets at beginning of year	\$ 82,290	\$ 61,434	\$ 21,528	\$ 22,046
Actual return on plan assets	10,604	(574)	2,660	(142)
Employer contributions	2,453	25,683	4,784	1,518
Benefits paid, net of plan participants' contributions	(4,390)	(4,253)	(1,845)	(1,894)
Fair value of plan assets at end of year	\$ 90,957	\$ 82,290	\$ 27,127	\$ 21,528
Funded status	\$ (23,835)	\$ (18,234)	\$ (40,299)	\$ (38,062)
Amounts recognized in the Balance Sheets				
Postemployment employee benefit liability				
Current	\$ (41)	\$ (83)	\$ (97)	\$ (79)
Non-current	(23,794)	(18,151)	(40,202)	(37,983)
Total	\$ (23,835)	\$ (18,234)	\$ (40,299)	\$ (38,062)

Includes the Company's Pension Equalization Plan.

The Company recognizes a liability for its underfunded benefit plans as required by the *Compensation - Retirement Benefits* Topic of the ASC and records the offset to regulatory assets.

The following table summarizes the amounts recognized in regulatory assets:

	Pension	OPEB
Balance at September 30, 2008	\$ 30,827	\$ 20,505
Amounts arising during the period:		
Net actuarial loss (gain)	26,832	18,516
Amounts amortized to net periodic costs:		
Net actuarial (loss)	(480)	(883)
Prior service cost	(39)	(68)
Net transition obligation	—	(286)
Balance at September 30, 2009⁽¹⁾	\$ 57,140	\$ 37,784
Amounts arising during the period:		
Net actuarial loss (gain)	7,669	3,162
Amounts amortized to net periodic costs:		
Net actuarial (loss)	(2,205)	(1,842)
Prior service cost	(39)	(68)
Net transition obligation	—	(286)
Balance at September 30, 2010⁽¹⁾	\$ 62,565	\$ 38,750

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Amounts included in regulatory assets expected to be recognized as components of net periodic benefit cost in fiscal 2011 are as follows:

<i>(Thousands)</i>	Pension		OPEB
Net actuarial gain (loss)	\$	3,087	\$ 2,063
Prior service (cost) credit		35	68
Net transition obligation		—	286
Total	\$	3,122	\$ 2,417

The accumulated benefit obligation (ABO) for the pension plans, including the Pension Equalization Plan exceeded the fair value of plan assets. The projected benefit and accumulated benefit obligations and the fair value of plan assets are as follows:

<i>(Thousands)</i>	Pension	
	2010	2009
Projected benefit obligation	\$ 114,792	\$ 100,524
Accumulated benefit obligation	\$ 102,319	\$ 87,951
Fair value of plan assets	\$ 90,957	\$ 82,290

The components of the net periodic cost for pension benefits, including the Company's Pension Equalization Plan, and OPEB costs (principally health care and life insurance) for employees and covered dependents were as follows:

<i>(Thousands)</i>	Pension		OPEB	
	2010	2009	2010	2009
Service cost	\$ 2,630	\$ 1,772	\$ 1,944	\$ 1,197
Interest cost	6,142	5,833	3,664	3,078
Expected return on plan assets	(8,386)	(6,654)	(1,872)	(1,936)
Recognized actuarial loss	2,205	480	1,842	883
Prior service cost amortization	39	39	68	69
Recognized net initial obligation	—	—	286	286
Net periodic cost	\$ 2,630	\$ 1,470	\$ 5,932	\$ 3,577

The weighted average assumptions used to determine benefit costs during the fiscal year and obligations as of September 30, are as follows:

	Pension		OPEB	
	2010	2009	2010	2009
Benefit costs:				
Discount rate	6.25 %	7.75 %	6.25 %	7.75 %
Expected asset return	8.25 %	9.00 %	8.25 %	9.00 %
Compensation increase	3.75 %	3.75 %	3.75 %	3.75 %
Obligations:				
Discount rate	5.50 %	6.25 %	5.50 %	6.25 %
Compensation increase	2.50/3.25%	3.75 %	2.50/3.25%	3.75 %

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In selecting an assumed discount rate, the Company uses a modeling process that involves selecting a portfolio of high-quality corporate debt issuances (AA- or better) whose cash flows (via coupons or maturities) match the timing and amount of the Company's expected future benefit payments. The Company considers the results of this modeling process, as well as overall rates of return on high-quality corporate bonds and changes in such rates over time, in determination of its assumed discount rate.

Information relating to the assumed health care cost trend rate (HCCTR) used to determine expected OPEB benefits as of September 30, and the effect of a 1 percent change in the rate, are as follows:

(\$ in thousands)	2010	2009
HCCTR	8.0 %	8.0 %
Ultimate HCCTR	5.0 %	5.0 %
Year ultimate HCCTR reached	2,018	2,018

Effect of a 1 percentage point increase in the HCCTR on:

Year-end benefit obligation	\$ 11,764	\$ 10,102
Total service and interest cost	\$ 1,154	\$ 795

Effect of a 1 percentage point decrease in the HCCTR on:

Year-end benefit obligation	\$ (9,434)	\$ (8,129)
Total service and interest costs	\$ (906)	\$ (631)

The Company's investment objective is a long-term real rate of return on assets before permissible expenses that is approximately 6 percent greater than the assumed rate of inflation as measured by the Consumer price Index. The expected long-term rate of return is based on the asset categories in which the Company invests and the current expectations and historical performance for these categories.

The mix and targeted allocation of the pension and OPEB plans' assets are as follows:

Asset Allocation	2011 Target Allocation	Assets at September 30,	
		2010 (1)	2009
U.S. equity securities	39 %	39 %	53 %
International equity securities	20	21	18
Fixed income	41	40	29
Total	100 %	100 %	100 %

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid during the following years:

(Thousands)	Pension		OPEB
2011	\$ 4,767	\$ 2,077	
2012	\$ 5,030	\$ 2,235	
2013	\$ 5,250	\$ 2,395	
2014	\$ 5,495	\$ 2,660	
2015	\$ 5,715	\$ 2,858	
2016-2020	\$ 33,398	\$ 19,460	

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The Company's OPEB plans provide prescription drug benefits that are actuarially equivalent to those provided by Medicare Part D. Therefore, under the Medicare Prescription Drug, Improvement and Modernization Act of 2003 the Company qualifies for federal subsidies.

The estimated subsidy payments are:

Fiscal Year	Estimated Subsidy Payment (Thousands)
2011	\$ 152
2012	\$ 169
2013	\$ 184
2014	\$ 195
2015	\$ 210
2016-2020	\$ 1,268

In September 2006, the FASB issued new authoritative guidance which provides enhanced guidance for using fair value to measure assets and liabilities. Effective October 1, 2008, the pension and OPEB plans adopted this guidance, which defines fair value, establishes a framework for measuring fair value under accounting principles generally accepted in the United States of America, and enhances disclosures about fair value measurements. The adoption of this guidance had no material effect on the Plan's financial statements but expanded disclosures about fair value measurements.

Pension assets held in the Master Trust, measured at fair value are summarized as follows:

(Thousands)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
As of September 30, 2010:				
Assets:				
Money market funds	\$ 7,477	\$ —	\$ —	\$ 7,477
Registered Investment Companies-				
Equity Funds:				
Large Cap Fund	13,800	—	—	13,800
Large Cap Index Fund	13,421	—	—	13,421
Small Cap Fund	4,884	—	—	4,884
World Equity Ex-US Fund	17,471	—	—	17,471
Fixed Income Funds:				
Emerging Markets Debt Fund	4,230	—	—	4,230
High Yield Bond Fund	8,354	—	—	8,354
Long Duration Fund	21,320	—	—	21,320
Total assets at fair value	\$ 90,957	\$ —	\$ —	\$ 90,957

OPEB assets held in the Master Trust, measured at fair value are summarized as follows:

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<i>(Thousands)</i>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
As of September 30, 2010:				
Assets:				
Money market funds	\$ 6	\$ —	\$ —	\$ 6
Registered Investment Companies-				
Equity Funds:				
Large Cap Fund	4,354	—	—	4,354
Large Cap Index Fund	4,385	—	—	4,385
Small Cap Fund	1,624	—	—	1,624
World Equity Ex-US Fund	5,315	—	—	5,315
Fixed Income Funds:				
Core Fixed Income Fund	7,072	—	—	7,072
Emerging Markets Debt Fund	1,443	—	—	1,443
High Yield Bond Fund	2,928	—	—	2,928
Total assets at fair value	\$ 27,127	\$ —	\$ —	\$ 27,127

The Plan had no Level 2 and Level 3 fair value measurements during the year and there have been no changes in valuation methodologies as of September 30, 2010. The following is a description of the valuation methodologies used for assets measured at fair value:

Money Market funds: Represents bank balances and money market funds which are valued based on the net asset value of shares held at year end.

Registered Investment Companies: Equity and fixed income funds valued at the net asset value ("NAV") of shares held by the plan at year end as reported on the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Defined Contribution Plan

The Company participates in NJR's Employees' Retirement Savings Plan (Savings Plan) to eligible employees. The Company matches 50 percent of participants' contributions up to 6 percent of base compensation.

The amount expensed and contributed for the matching provision of the Savings Plan was \$888,000 in fiscal 2010 and \$860,000 in fiscal 2009.

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
FOR DEPRECIATION, AMORTIZATION AND DEPLETION

Line No.	Item (a)	TOTAL (b)
1	UTILITY PLANT	
2	In Service	
3	Plant in Service (Classified)	\$ 1,348,194,929
4	Property Under Capital Leases	101,946,974
5	Plant Purchased or Sold	
6	ARO Fixed Asset	5,184,814
7	Experimental Plant Unclassified	
8	TOTAL Utility Plant (Total of Lines 3 thru 7)	1,455,326,717
9	Leased to Others	
10	Held for Future Use	
11	Construction Work in Progress	92,382,898
12	Acquisition Adjustments	
13	TOTAL Utility Plant (Total of lines 8 thru 12)	1,547,709,615
14	Accumulated Provision for Depreciation, Amortization, & Depletion	(473,517,556)
15	Net Utility Plant (Total of Lines 13 and 14)	\$ 1,074,192,059
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION	
17	In Service:	
18	Depreciation	\$ 456,944,188
19	Amortization and Depletion of Producing Natural Gas Land and Land Rights	
20	Amortization of Underground Storage Land and Land Rights	
21	Amortization of Other Utility Plant	16,573,368
22	TOTAL in service (Total of lines 18 thru 21)	473,517,556
23	Leased to Others	
24	Depreciation	
25	Amortization and Depletion	
26	TOTAL Leased to Others (Total of lines 24 and 25)	
27	Held for future Use	
28	Depreciation	
29	Amortization	
30	TOTAL Held for Future Use (Total of Lines 28 and 29)	
31	Abandonment of Leases (Natural Gas)	
32	Amortization of Plant Acquisition Adjustment	
33	TOTAL Accum. Provisions (Should agree with line 14 above) (Total of lines 22, 26, 30, 31, and 32)	\$ 473,517,556

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION,
AMORTIZATION AND DEPLETION (Continued)

Electric (c)	Gas (d)	Other (Specify) (e)	Common (f)	Line No.
				1
				2
	\$ 1,348,194,929			3
	101,946,974			4
				5
	5,184,814			6
				7
	1,455,326,717			8
				9
				10
	92,382,898			11
				12
	1,547,709,615			13
	(473,517,556)			14
	\$ 1,074,192,059			15
				16
				17
	\$ 456,944,188			18
				19
				20
	16,573,368			21
	473,517,556			22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
	\$ 473,517,556			33

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GAS PLANT IN SERVICE (ACCOUNTS 101, 102, 103, AND 106)

- | | |
|---|--|
| 1. Report below the original cost of gas plant in service according to the prescribed accounts.
2. In addition to Account 101, Gas Plant in Service (Classified), this page and the next include account 102, Gas Plant Purchased or Sold, Account 103, Experimental Gas Plant Unclassified and Account 106, Completed Construction Not Classified-Gas.
3. Include in column (c) and (d), as appropriate corrections of additions and retirements for the current or preceding year.
4. Enclose in parenthesis credit adjustments of plant accounts to indicate the negative effect of such accounts.
5. Classify Account 106 according to prescribed accounts, on an | estimated basis if necessary , and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year's unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), |
|---|--|

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	INTANGIBLE PLANT		
2	301 Organization	\$ 14,004	
3	302 Franchises and Consents	8,016	
4	303 Miscellaneous Intangible Plant		
5	TOTAL Intangible Plant (Enter Total of Lines 2 thru 4)	22,020	
6	PRODUCTION PLANT		
7	Natural Gas Production and Gathering Plant		
8	325.1 Producing Land	3,593	
9	325.2 Producing Leaseholds	-	
10	325.3 Gas Rights		
11	325.4 Rights-Of-Way	-	
12	325.5 Other Land and Land Rights		
13	326 Gas Well Structure		
14	327 Field Compressor Station Structure		
15	328 Fields Measuring and Regulating Station Equipment		
16	329 Other Structures		
17	330 Producing Gas Wells - Well Construction		
18	331 Producing Gas Wells - Well Equipment		
19	332 Field Lines		
20	333 Field Compressor Station Equipment		
21	334 Field Measuring and Regulating Station Equipment		
22	335 Drilling and Cleaning Equipment		
23	336 Purification Equipment		
24	337 Other Equipment		
25	338 Unsuccessful Exploration and Development Costs		
26	TOTAL Production and Gathering Plant (Enter Total of lines 8 thru 25)	\$ 3,593	
27	PRODUCTS EXTRACTION PLANT		
28	340 Land and Land Rights		
29	341 Structures and Improvements		
30	342 Extraction and Refining Equipment		
31	343 Pipe Lines		
32	344 Extracted Products Storage Equipment		
33	345 Compressor Equipment		

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GAS PLANT IN SERVICE (ACCOUNTS 101, 102, 103, AND 106) (Continued)

including the reversals of the prior years tentative account distribution of these amounts. Careful observance of the above instructions and the texts of Account 101 and 106 will avoid serious omissions of respondent's reported amount for plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for

depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits to primary account classifications.

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform system of Accounts, give date of such filing.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
			\$ 14,004	2
			8,016	3
				4
			22,020	5
				6
				7
			3,593	8
			-	9
				10
			-	11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
\$	-		\$ 3,593	26
				27
				28
				29
				30
				31
				32
				33

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GAS PLANT IN SERVICE (ACCOUNTS 101, 102, 103, AND 106) (Continued)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
34	346 Gas Measuring and Regulating Equipment		
35	347 Other Equipment		
36	TOTAL Products Extraction Plant (Enter Total of lines 28 thru 35)		
37	TOTAL Natural Gas Production Plant (Enter Total of lines 26 and 36)	3,593	
38	Manufactured Gas Production Plant (Submit Supplementary Statement)		
39	TOTAL Production Plant (Enter Total of lines 37 and 38)	3,593	
40	NATURAL GAS STORAGE AND PROCESSING PLANT		
41	Underground Storage Plant		
42	350.1 Land		
43	350.2 Rights-of-Way		
44	351 Structures and Improvement		
45	352 Wells		
46	352.1 Storage Leaseholds and Rights		
47	352.2 Reservoirs		
48	352.3 Non-Recoverable Natural Gas		
49	353 Lines		
50	354 Compressor Station Equipment		
51	355 Measuring and Regulating Equipment		
52	356 Purification Equipment		
53	357 Other Equipment		
54	TOTAL Underground Storage Plant (Enter Total of lines 42 thru 53)		
55	Other Storage Plant		
56	360 Land and Land Rights	\$ 281,917	
57	361 Structures and Improvements	3,141,910	\$ 7,337
58	362 Gas Holders	10,261,680	70,129
59	363 Purification Equipment	-	
60	363.1 Liquefaction Equipment	-	
61	363.2 Vaporizing Equipment	12,499,491	999,444
62	363.3 Compressor Equipment	3,433,327	-
63	363.4 Measuring and Regulating Equipment	5,572,217	59,177
64	363.5 Other Equipment	5,778,470	-
65	TOTAL Other Storage Plant (Enter Total of lines 56 thru 64)	40,969,012	1,136,087
66	Base Load Liquefied Natural Gas Terminating and Processing Plant		
67	364.1 Land and Land Rights		
68	364.2 Structure and Improvements		
69	364.3 LNG Processing Terminal Equipment		
70	364.4 LNG Transportation Equipment		
71	364.5 Measuring and Regulating Equipment		
72	364.6 Compressor Station Equipment		
73	364.7 Communication Equipment		
74	364.8 Other Equipment		
75	TOTAL Base load Liquefied Nat'l Gas, Terminating and Processing Plant (lines 67 thru 74)		-
76	TOTAL Nat'l Gas Storage and Processing Plant (Total of lines 54, 65 and 75)	40,969,012	1,136,087
77	TRANSMISSION PLANT		
78	365.1 Land and Land Rights	502,289	
79	365.2 Rights-of-Way	4,568,368	-
80	366 Structures and Improvements	918,473	

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GAS PLANT IN SERVICE (ACCOUNTS 101, 102, 103, AND 106) (Continued)

Retirements (d)	Adjustment (e)	Transfer (f)	Balance at End of Year (g)	Line No.
				34
				35
				36
-			3,593	37
				38
-			3,593	39
				40
				41
				42
				43
				44
				45
				46
				47
				48
				49
				50
				51
				52
				53
				54
				55
			\$ 281,917	56
-	-		3,149,247	57
-	-		10,331,809	58
-	-		-	59
-	-		-	60
-	-		13,498,935	61
-	-		3,433,327	62
-	-		5,631,394	63
-	-		5,778,470	64
-	-		42,105,099	65
				66
				67
				68
				69
				70
				71
				72
				73
				74
				75
-			42,105,099	76
				77
			502,289	78
			4,568,368	79
			918,473	80

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GAS PLANT IN SERVICE (ACCOUNTS 101, 102, 103, AND 106) (Continued)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
3	367 Mains	148,047,594	1,124,676
82	368 Compressor Station Equipment		-
83	369 Measuring and Regulating Station Equipment	27,870,761	3,571,671
84	370 Communication Equipment		-
85	371 Other Equipment		-
86	TOTAL Transmission Plant (Enter Totals of lines 78 thru 85)	181,907,485	4,696,347
87	DISTRIBUTION PLANT		
88	374 Land and Land Rights	2,122,009	-
89	375 Structures and Improvements	14,831,135	438,292
90	376 Mains	509,112,998	17,169,289
91	377 Compressor Station Equipment		-
92	378 Measuring and Regulating Station Equipment - General	20,193,444	247,870
93	379 Measuring and Regulating Station Equipment - City Gate		-
94	380 Services	420,769,519	14,961,440
95	381 Meters	51,027,692	2,960,954
96	382 Meter Installations	2,786,706	-
97	383 House Regulators	4,204,654	-
98	384 House Regulator Installations	421,841	-
99	385 Industrial Measuring and Regulating Station Equipment	1,276,841	-
100	386 Other Property on Customer's Premises		-
101	387 Other Equipment	237,879	24,063
102	TOTAL Distribution Plant (Enter Total of lines 88 thru 101)	1,026,984,717	35,801,908
103	GENERAL PLANT		
104	389 Land and Land Rights	15,707	
105	390 Structures and Improvements	3,306,258	1,612,946
106	391 Office Furniture and Equipment	43,945,476	7,525,153
107	392 Transportation Equipment	555,820	-
108	393 Stores Equipment	304,578	-
109	394 Tools, Shop, and Garage Equipment	7,626,148	247,367
110	395 Laboratory Equipment	260,256	-
111	396 Power Operated Equipment	338,869	-
112	397 Communication Equipment	2,130,150	-
113	398 Miscellaneous Equipment		-
114	Subtotal (Enter Total of lines 104 thru 113)	58,483,262	9,385,466
115	399 Other Tangible Property		-
116	TOTAL General Plant (Enter Total of lines 114 thru 115)	58,483,262	9,385,466
117	TOTAL (Accounts 101 and 106)	1,308,370,089	51,019,808
118	Gas Plant Purchased (See Instruction 8)	0	
119	(Less) Gas Plant Sold (See Instruction 8)	0	
120	Experimental Gas Plant Unclassified		(A)
121	TOTAL Gas Plant in Service (Enter Total of lines 117 thru 120)	\$ 1,308,370,089	\$ 51,019,808

Note (A):

Transfers from CWIP to UPIS
Other Additions, Net

\$ 51,019,808

\$51,019,808

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GAS PLANT IN SERVICE (ACCOUNTS 101, 102, 103, AND 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
47,767	-		149,124,503		81
-	-				82
342,786	-		31,099,646		83
-	-				84
-	-				85
390,553	-	-	186,213,279		86
-	-				87
-	-		2,122,009		88
-	-		15,269,427		89
381,428	-		525,900,859		90
-	-				91
287,747	-		20,153,567		92
-	-				93
2,224,722	-		433,506,237		94
1,675,235	(5,900,826.00)		46,412,585		95
304,262	-		2,482,444		96
13	-		4,204,641		97
-	-		421,841		98
-	-		1,276,841		99
-	-				100
-	-		261,942		101
4,873,407	(5,900,826)	-	1,052,012,392		102
-	-				103
-	-		15,707		104
-	-		4,919,204		105
-	-		51,470,629		106
-	-		555,820		107
-	-		304,578		108
30,182	-		7,843,333		109
-	-		260,256		110
-	-		338,869		111
-	-		2,130,150		112
-	-				113
30,182	-	-	67,838,546		114
-	-				115
30,182	-	-	67,838,546		116
5,294,142	(5,900,826)	-	1,348,194,929		117
-	-				118
-	-				119
-	-				120
5,294,142	\$ (5,900,826)	\$ -	\$ 1,348,194,929		121

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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Gas Property and Capacity Leased from Others

- Report below the information called for concerning gas property and capacity leased from others for gas operations.
- For all leases in which the average annual lease payment over the initial term of the lease exceeds \$500,000, describe in column (c), if applicable: the property or capacity leased. Designate associated companies with an asterisk in column (b).

Line No.	Name of Lessor (a)	(b)	Description of Lease (c)	Lease Payment for Current Year (d)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16	NOT APPLICABLE			
17				
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31				
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42				
43				
44				
45	Total			

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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- For all leases in which the average lease income over the initial term of the lease exceeds \$500,000 provide in column (c), a description of each facility or leased capacity that is classified as gas plant in service, and is leased to others for gas operations.
- In column (d) provide the lease payments received from others.
- Designate associated companies with an asterisk in column (b).

Line No.	Name of Lessor (a)	(b)	Description of Lease [c]	Lease Payment for Current Year (d)
1				
2				
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15				
16			NOT APPLICABLE	
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44				
45	Total			

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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Gas Plant Held for Future Use (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$1,000,000 or more. Group other items of property held for future use.
2. For property having an original cost of \$1,000,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included in this Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1				
2				
3				
4				
5				
6				
7				
8				
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10				
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12				
13				
14				
15				
16	NOT APPLICABLE			
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43				
44				
45	Total			

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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PRODUCTION PROPERTIES HELD FOR FUTURE USE (Account 105.1)

1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.1.

Line No.	Description and Location of Property (a)	Date Originally Included in this Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	Natural Gas Lands, Leaseholds, and Gas Rights Held for Future Utility Use (Per Pages 500-501)			
2				
3				
4				
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14				
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17				
18	NOT APPLICABLE			
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46	Total			

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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CONSTRUCTION WORK IN PROGRESS-GAS (ACCOUNT 107)

- | | |
|--|--|
| 1 Report below descriptions and balances at end of year of projects in process of construction (Account 107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, | and Demonstration (See Account 107 of the Uniform System of Accounts)
3. Minor Projects (Less than \$1,000,000) may be grouped. |
|--|--|

Line No.	Description of Project (a)	Construction Work in Progress - Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1			
2	Approximately 297 projects less than \$1,000,000	\$ 84,527,695	\$ 27,894,139
3			
4	6110-5275 Flanders AIP Project	2,381,064	
5			
6	6120-5434 Rt. 36 AIP West	1,668,641	
7			
8	6120-5450 Rt 36 AIP Leonardo	1,734,893	
9			
10	6140-6223 Rt 35 AIP Bay Head to Brick	2,070,604	
11			
12	6140-6225 Whiting Backbone - Section "G"	2,878,764	
13			
14	6140-6227 Whiting Backbone - Section "K"	2,051,398	
15			
16	6140-6228 Bass River Backbone AIP	1,880,687	
17			
18	6190-8057 GIS Project - Phase #2	2,863,683	
19			
20	6190-8203 Toms River Loop AIP Project	11,558,813	
21			
22	6190-8204 Hillard Ave - Stafford Twp	3,303,869	
23			
24	6190-8208 Lakewood Sta - Clearstream	1,092,903	
25			
26	6190-8209 Rt 70 16" - AIP	2,708,477	
27			
28	6190-8213 East End Franklin Line	4,598,909	
29			
30	6190-8124 Thatcher Line	2,880,001	
31			
32	6190-8215 Hanover Line	8,530,796	
33			
34	6190-8328 Panasonic Laptops	2,135,939	
35			
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45		\$ 92,382,898	\$ 27,894,139

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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CONSTRUCTION OVERHEADS-GAS

- | | |
|--|--|
| <p>1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.</p> <p>2. On page 218 furnish information concerning construction overheads.</p> <p>3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather should explain on page</p> | <p>218 the accounting procedures employed and the amounts of engineering , supervision and administrative costs, etc., which are directly charged to construction.</p> <p>4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.</p> |
|--|--|

Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)	Total Cost of Construction to Which Overheads Were Charged (Exclusive of Overhead Charges) (c)
1			
2	Engineering:		
3	Labor	5,512,180	
4	Other	1,743,154	
5	AFUDC	2,462,199	
6	Stores - Labor and Other	1,371,242	
7			
8	Total Cost of Construction to which Overheads were Charged:		51,019,806
9			
10			
11			
12			
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45			
46	Total		

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GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.
2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the Uniform System of Accounts.
3. Where a net-of tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

Overheads

- (a) The nature and extent of work that the overhead charges are intended to cover are supervisory and administrative costs relating to preparing construction documents and overseeing construction work in addition to ordering and maintaining construction materials.
- (b) The applicable portion of payroll and the general expense of engineers, operating supervisors and other personnel related to construction projects are charged to an "Overhead Clearing Account"
- (c) The overhead is distributed monthly based on the proportion of monthly expenditures each project has incurred in relation to total expenditures
- (d, e) The overhead rates have been applied uniformly to all types of construction in the past twelve months
- (f) The overhead is indirectly assigned to the applicable projects

Accounting for funds used during construction

The Company accrues AFUDC on all work orders with a construction period greater than one month, using its monthly short-term debt rate. As of 10/1/07 This amount includes a cost of Equity component as well.

1. Components of Formula (Derived from actual book balances and actual cost rates):

Title (a)	Amount (b)	Capitalization Ratio (Percent) (c)	Cost Rate Percentage (d)
[1] Average Short-Term Debt	15,750,000		
[2]. Short-Term Interest			2.90%
3. Long-Term Debt	398,259,607	N/A	5.44%
4. Preferred Stock	N/A	N/A	
5. Common Equity	626,424,341	N/A	10.30%
6. Total Capitalization			
7. Average Construction Work in Progress Balance	62,456,184		
2. Gross Rate for Borrowed Funds $s(S/W)+d((D/(D+P+C))(1-(S/W)))$	5.09%		
3. Rate for Other Funds $(1-(S/W))(p(P/(D+P+C))+c((C/(D+P+C))))$	10.30%		
4. Weighed Average Rate Actually Used for the Year	1/09 - 12/09		
a. Rate for Borrowed Funds	5.09%		
b. Rate for Other Funds	10.30%		

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ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (ACCOUNT 108)

- | | |
|--|--|
| <p>1. Explain in a footnote any important adjustments during year.
 2. Explain in a footnote any difference between the amount for book cost of plant retired, line 10, column (c), and that reported for gas plant in service, page 204-209, column (d), excluding retirements of nondepreciable property.
 3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a :</p> | <p>significant amount of plant retired at year end which has not been recorded and /or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
 4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.
 5. At lines 7 and 14, add rows as necessary to report all data. Additional rows should be numbered in sequence. e.g., 7.01, 7.02, etc.</p> |
|--|--|

Line No.	Item(a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others(e)
Section A. BALANCES AND CHANGES DURING YEAR					
1	Balance Beginning of Year	\$ 436,910,492	\$ 436,910,492		
2	Depreciation Provisions for Year, charged to				
3	(403) Depreciation Expense	31,565,128	31,565,128		
	Add 403, 1	-	-		
4	(413) Expense of Gas Plant Lease to Others				
5	Transportation Expenses - Clearing				
6	Other Clearing Accounts	(1,649,009)	(1,649,009)		
7	Other Clearing (Specify): (Footnote details):				
7.01					
8	TOTAL Deprec. Prov. for Year (Total of lines 3 thru 8)	29,916,119	29,916,119		
9	Net Charges for Plant Retired:				
10	Book Cost of Plant Retired	(3,328,669)	(3,328,669)		
11	Cost of Removal	(8,090,972)	(8,090,972)		
12	Salvage (Credit)	-	-		
13	TOTAL Net Changes for Plant Ret (Total of lines 10 thru 14)	(11,419,641)	(11,419,641)		
14	Other Debit or Credit Items(FAS 143)	-	-		
14.01	Book Cost of Asset Retirement Costs				
15	Balance End of Year (Total of lines 1,10,15,16, and 18)	\$ 455,406,970	\$ 455,406,970		
Section B. BALANCES AT END OF YEAR ACCORDING TO FUNCTIONAL CLASSIFICATIONS					
16	Productions - manufactured Gas				
17	Production and Gathering - Natural Gas	\$ 55,050	\$ 55,050		
18	Products Extraction - Natural Gas				
19	Underground Gas Storage				
20	Other Storage Plant	22,852,897	22,852,897		
21	Base Load LNG Terminaling and Processing Plant				
22	Transmission	36,927,834	36,927,834		
23	Distribution	348,492,332	348,492,332		
24	General	47,078,857	47,078,857		
25	TOTAL (Total of lines 16 thru 24)	\$ 455,406,970	\$ 455,406,970		

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GAS STORED (ACCOUNTS 117.1, 117.2, 117.3, 117.4 , 164.1, 164.2, AND 164.3)

1. If during the year adjustments were made to the stored gas inventory reported in column (d), (f), (g), and (h) (such as to correct cumulative inaccuracies of gas measurements), explain in a footnote the reason for the adjustments, the Dth and dollar amount of adjustment, and account charged or credited.

2. Report in column (a) all encroachments during the year upon the volumes designated as base gas, column (b), and system balancing gas, column (c) , and gas property recoverable in the plant accounts
3. State in a footnote the basis of segregation of inventory between current and noncurrent portions. Also, state in a footnote the method used to report storage (i.e. fixed asset method or inventory method).

Line No.	Description (a)	(Account 117.1) (b)	(Account 117.2) (c)	Noncurrent (Account 117.3) (d)	(Account 117.4) (e)	Current (Account 164.1) (f)	LNG (Account 164.2) (g)	LNG (Account 164.3) (h)	Total (i)
1	Balance at Beginning of Year					\$ 134,645,322	\$ 8,853,214		
2	Gas Delivered to Storage					160,598,080	5,495,154		
3	Gas Withdrawn from Storage					165,720,175	5,354,452		
4	Other Debits and Credits								
5	Balance at End of Year					\$ 129,523,227	\$ 8,993,917		
6	Dth					17,140,871	898,664		
7	Amount per Dth					7.556397017	10.00809888		

Pipelines

GSS	946,734	300069
GSS-TET	2,911,899	600031
GSS	337,375	300119
GSS	2,075,799	300120
SS	1,785,595	412004
SS-1	3,120,153	400188
SS-2	588,120	.3970
CYNOG	1,467,853	00138FS
CYNOG	-	00139FS
ANR	1,879,520	112493
STECKMAN	1,914,443	920029
Pipeline OBA's	113,380	

17,140,871

LNG

Stafford	88,511
Howell	766,545
	<u>855,056</u>
BTU Factor X	1.051
	<u>898,664</u>

Item 3

Gas delivered to and withdrawn from storage is valued at an average cost.

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NONUTILITY PROPERTY (Account 121)

- | | |
|--|--|
| <p>1. Give a brief description and state the location of non-utility property included in Account 121.</p> <p>2. Designate with an asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.</p> <p>3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.</p> <p>4. List separately all property previously devoted to public service and give date of transfer to Account 121, <i>Nonutility Property</i>. These items are separate and dis-</p> | <p>tinct from those allowed to be grouped under instruction No. 5.</p> <p>5. Minor items (5% of the Balance at the End of the Year, for Account 121) may be grouped.</p> <p>6. Natural gas companies which have oil property should report such property by State, classified as to (a) oil lands and land rights, (b) oil wells, and (c) other oil property. Gasoline plants and other plants for the recovery of products from natural gas are classifiable as gas plant and should be reported as such and not shown as <i>Nonutility Property</i>.</p> |
|--|--|

Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales, Transfers, etc. (c)	Balance at End of Year (d)
1				
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17				
18	NOT APPLICABLE			
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ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY (Account 122)

Report below the information called for concerning depreciation and amortization of nonutility property.

Line No.	Item (a)	Amount (b)
1	Balance, Beginning of Year	
2	Accounts for Year, Charged to	
3	(417) Income from Nonutility Operations	
4	(418) Nonoperating Rental Income	
5	Other Accounts (Specify):	
6		
7	Total Accruals for Year (Enter Total of lines 3 thru 6)	
8	Net Charges for Plant Retired	
9	Book Cost of Plant Retired	
10	Cost of Removal	
11	Salvage (Credit)	
12	Total Net Charges (Enter Total of Lines 9 thru 11)	
13	Other Debit or Credit Items (Describe):	
14		
15	Balance, End of Year (Enter Total of Lines 1, 7, 12, and 14)	

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INVESTMENTS (ACCOUNT 123, 124, AND 136)

1. Report below investments in accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments.

2. Provide a subheading for each account and list there-under the information called for:

(a) Investment in Securities - List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant

to authorization by the Board of Directors, and included in account 124, Other investments state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes.

(b) Investment Advances - Report separately for each person or company the amounts of loans or investment advances that are properly includable in Account 123. Include advances subject to current repayment in Account 145 and 146. With respect to each advance, show whether the advance is a note or open account.

Line No.	Description of Investment (a)	*	Book Cost at Beginning of Year (if book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference. (c)	Purchases or Additions During Year (d)
1	Not Applicable			
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Please Note: There were no investments in the Accounts 123, 124 or 136 during the calendar year.

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INVESTMENTS (ACCOUNT 123, 124, AND 136) (Continued)

List each note, giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.
 3. Designate with an asterisk in column (b) any securities notes or accounts that were pledged, and in a footnote state the name of pledges and purpose of the pledge.
 4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and the security acquired, designate such fact in a footnote and cite commission, date of authorization, and case or docket number.

5. Report in column (h) interest and dividend revenues from investments including such revenues from securities disposed of during the year.
 6. In column (i) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost and the selling price thereof, not including any dividend or interest adjustment incredible in column (h)

Sales or Other Dispositions during Year (e)	Principal Amount of No. of Shares at End of Year (f)	Book Cost at Beginning of Year (if book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference). (g)	Revenues for Year (h)	Gain or Loss for Investment Disposed of (i)	Line No.
					1
					2
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INVESTMENTS IN SUBSIDIARY COMPANIES (ACCOUNT 123.1)

1. Report below investments in Account 123.1, Investments in Subsidiary Companies.
2. Provide a subheading for each company and list thereunder the information called for below. Subtotal by company and give a total in columns (e), (f), (g) and (h).
(a) Investments in Securities -List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate
- (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance, show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	Boundary Gas, Inc.	10/14/1980		\$ 349
2	Alberta Northeast, Inc.	1/31/1987		83
3				
4				
5				
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40	Total Cost of Account 123.1	\$432.00	Total	\$ 432

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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INVESTMENTS IN SUBSIDIARY COMPANIES (ACCOUNT 123.1) (Continued)

4. Designate in a footnote, any securities, notes, or accounts that were pledged, and state the name of pledge and purpose of the pledge.

5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of commission, date of authorization, and case or docket number

6. Report in column (f) interest and dividend revenues from investments including such revenues from securities disposed of during the year.

7. In column (h) report each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment for the other amount at which carried in the books of account if different from cost), and the selling price thereof, not including interest adjustments includible in column (f)

8. Report on Line 40, column (a) the total cost of Account 123.1.

Equity in Subsidiary Earnings for the Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss for Investment Disposed of (h)	Line No.
		\$ 349		1
		83		2
				3
				4
				5
				6
				7
				8
				9
				10
				11
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				39
		\$ 432	-	40

Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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GAS PREPAYMENTS UNDER PURCHASE AGREEMENTS

1. Report below the information called for concerning gas prepayments as defined in the text of Account 165, Prepayments. (Report advances on page 229.)

2. If any prepayment at beginning of year (or incurred during year) was cancelled, forfeited, or applied to another purpose, state in a footnote gas volume and dollar amount, period when such prepayment was incurred, and accounting disposition of prepayment amount. Give a concise explanation of circumstances causing forfeiture or other disposition of the prepayment.

Line No.	Name of Vendor (Designate associated companies with an asterisk) (a)	Seller FERC Rate Schedule No. (b)	BALANCE BEGINNING OF YEAR	
			Mcf (14.73 psia AT 60°f) (c)	Amount (d)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11	NOT APPLICABLE			
12				
13				
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39				
40				
41				
42	Total			

Name of Respondent New Jersey Natural Gas Company	This Report is:	Date of Report	Year of Report
	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2011	Dec. 31, 2010

GAS PREPAYMENTS UNDER PURCHASE AGREEMENTS (continued)

3. If for any reason a take or pay situation is in controversy, list in the columns below the amount of those prepayment claims which have not been paid, together with footnote notation that the amount is in controversy (and any explanation the respondent chooses to make).

4. If any prepayment was determined other than by reference to amounts per Mcf or demand-commodity factors, furnish in a footnote a concise explanation of basis of computation.

BALANCE END OF YEAR			PREPAYMENTS IN CURRENT YEAR			Line No.
Mcf (14.73 psia at 60°f) (e)	Amount (f)	Cents Per Mcf (g)	Mcf (14.73 psia at 60°f) (h)	Percent of Year's required take (i)	Make-up Period expiration date (j))	
	NOT APPLICABLE					1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 35 36 37 38 39 40 41 42

Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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ADVANCES FOR GAS PRIOR TO INITIAL DELIVERIES OR COMMISSION CERTIFICATION
(Accounts 124, 166, and 167)

1. Report below the information called for concerning all advances for gas, as defined in the text of Account 166, Advances for Gas Exploration, Development and Production, and 167, Other Advances for Gas, whether reported in Accounts 166, 167, or reclassified to account 124, Other investments. List Account 124 items first.

2. In column (a), give the date the advance was made, the payee (designate associated companies with an asterisk) a brief statement of the purpose, (exploration, development, production, general loan, etc.) and the estimated date of repayment. Do not use the term indefinite in reporting

estimated date of repayment. If advances are made to a payee in connection with different projects with different arrangements for repayments, use separate lines for reporting; otherwise all advances may be grouped by payee, subject to the requirements of instruction 3 below.

3. If the beginning balance shown in column (c) does not agree with the prior year's ending balance, column (g), provide a detailed explanation in a footnote. Show all Advances made during the year in column (d) and all repayments of other credits in column (e). Report amounts shown in column (e) separately by account, as reported in column (f).

Line No.	Date of Advance, Payee, Purpose and Estimated Date of Repayment (a)	Account Number (124, 166 or 167) (b)	Balance at Beginning of Year (c)	Advances During Year (d)	Repayments or Other Credits During Year (e)	Accounts Charged (f)	Balance at End of Year (g)
1							
2							
3							
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NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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PREPAYMENTS (ACCOUNT 165)

1. Report below the particulars (details) on each prepayment.

Line No.	NATURE OF PREPAYMENT	Balance at End of Year (in dollars) (b)
1	Prepaid Insurance Auto, EDP, General Liability, Property, Health	\$ 2,489,107
2	Prepaid Rents Computer Leases	831,815
3	Commerical Paper (\$9382);Prepaid Commitment Fees (1,244,164)	868,232
4	Miscellaneous Prepayments; Association Dues; Postage; Meter Leasing , Auto Lease	402,705
5		
6	TOTAL	\$ 4,591,859

Line No.	Description of Extraordinary Loss (Include the date of loss, the date of Commission Authorization to use account 182.1 and period of amortization ((mo, yr, to mo, yr) Add rows as necessary to report all data.	Balance at the Beginning of Year (b)	Total Amount of Loss (c)	Losses Recognized During Year (d)	WRITTEN OFF DURING YEAR		Balance at End of Year (g)
					Account Charged (e)	Amount (f)	
7	(a)						
8							
9							
10							
11							
12							
13							
14							
15	TOTAL						

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (ACCOUNT 182.2)

Line No.	Description of Unrecovered Plant and regulatory Study Costs (Include in the description of costs, the date of commission authorization to use Account 182.2 and period of amortization (mo, yr to mo, yr) Add rows as necessary to report all data. Number rows in sequence beginning with the next row after the last row number used for extraordinary property losses.	Balance at Beginning of Year (b)	Total Amount of Charges (c)	Costs Recognized During Year (d)	WRITTEN OFF DURING YEAR		Balance at End of Year (g)
					Account Charged (e)	Amount (f)	
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26	TOTAL						

Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec 31, 2010
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PRELIMINARY SURVEY AND INVESTIGATION CHARGES (Account 183)

1. Report below particulars (details) concerning the cost of plans, surveys, and investigations made for the purpose of determining the feasibility of projects under contemplation. investigation *Charges*, and Account 183.2, Other *Preliminary Survey and Investigation Charges*.
 2. For gas companies, report separately amounts included in Account 183.1, *Preliminary Natural Gas Survey and* 3. Minor items (less than \$250,000) may be grouped by classes.

Line No.	Description and Purpose of Project (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
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8		NOT APPLICABLE				
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44	TOTAL					

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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OTHER REGULATORY ASSETS (ACCOUNT 182.3)

- | | |
|---|---|
| 1. Report below the details called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts).
2. For regulatory assets being amortized, show period of amortization in column (a). | 3. Minor items (5% of the Balance at End of Year for Account 182.3 or amounts less than \$250,000, whichever is less) may be grouped by classes.
4. Report separately any "Deferred Regulatory Commission Expenses" that are also reported on pages 350-351, Regulatory Commission Expenses. |
|---|---|

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Year (b)	Debits (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Rate Case Expenditures	\$ 593,481	\$ 17		\$ 157,680	\$ 435,818
2	Management Audit Expenditures	621,187	-		166,668	454,519
3	Clean Energy Program (a)	10,954,874	11,004,597	908	9,071,099	12,888,372
4	Post Retirement Benefits	1,136,901	-	926	301,453	835,448
5	Remediation Expenditures	81,461,705	10,777,045	735	18,006,633	74,232,117
6	Projected Remediation Expenditures (b)	146,700,000	54,900,000		-	201,600,000
7	Transp Education/Implementation	-	-	905	-	-
8	State Consumer Education	-	-	903	-	-
9	Universal Service Fund	(414,025)	1,188,932	905	-	774,907
10	Lifeline	(552,226)	-	905	44,158	(596,384)
11	Conservation Program	1,712,718	-	905	938,070	774,648
12						
13	FAS 158 - Pension/OPEB	95,047,780	10,273,530		-	105,321,310
14	Pipeline Integrity Deferred Costs	448,349	699,679		-	1,148,028
15	Energy Efficient Program	(127,408)	6,413,122		-	6,285,714
16	CIP - Current Year	4,159,422	-		4,151,670	7,752
17	WNC, CIP - Prior Year	3,706,221	7,370,348		-	11,076,569
18						
19						
20						
21						
22	(a) Amortization pursuant to Clean Energy factor described					
23	on page 108d.					
24						
25	(b) This amount refers to total future estimated expenditures to					
26	remediate and monitor three MGP sites.					
27	This amount also appears as a regulatory liability on page 278.					
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40	TOTAL	\$ 345,448,979	\$ 102,627,270		\$ 32,837,431	\$ 415,238,818

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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MISCELLANEOUS DEFERRED DEBITS (ACCOUNT 186)

1. Report below the details called for concerning miscellaneous deferred debits. 2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor items (less than \$250,000) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account charged (d)	Amount (e)	
1	Cash Surrender Value - Supplementary Life Ins	\$ 787,042	\$ 62,175	182	-	849,217
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39	Miscellaneous & Billing Work in Progress	(4,661)				378,022
40	TOTAL	\$ 782,381				\$ 1,227,239

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[Next page is 234]

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ACCUMULATED DEFERRED INCOME TAXES (ACCOUNT 190)

1. Report the information called for below concerning the respondent's accounting for deferred Income Taxes.

2. At Other (Specify), include deferrals relating to other income and deductions.

3. At lines 4 and 6, add rows as necessary to report all data. Number the additional rows in sequence 4.01, 4.02, etc. and 6.01, 6.02, etc.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING THE YEAR	
			Amounts Debited to Account 410.0 (c)	Amounts Credited to Accounts 411.1 (d)
1	Account 190			
2	Electric			
3	Gas	\$2,319,289	\$0	-
4	Other (Define)			
5	TOTAL (Total of lines 2 thru 4)	2,319,289	-	-
6	Other (Specify)			
6				
6				
7	TOTAL Account 190 (Total of lines 5 thru 6.7)	2,319,289	-	-
8	Classification of TOTAL			
9	Federal Income Tax	\$2,319,289	\$0	\$0
10	State Income Tax			
11	Local Income Tax			

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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CAPITAL STOCK (ACCOUNTS 201 AND 204)

1. Report below the details called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock.

2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

3. Give details concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Chapter (b)	Par or stated Value Per Share (c)	Call Price at End of year (d)
1	Account 201 Common Stock		\$5.00	
2		4,750,000		
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NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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CAPITAL STOCK (ACCOUNTS 201 AND 204) (Continued)

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.
5. State in a footnote if any capital stock that has been nominally issued is nominally outstanding at end of year.

6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged stating name of pledgee and purpose of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				
		AS REQUIRED STOCK (Account 21.7)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
3,214,923	\$ 16,074,615					1
						2
						3
						4
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**CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION,
PREMIUM ON CAPITAL STOCK, AND INSTALLMENTS RECEIVED ON CAPITAL STOCK**
(ACCOUNTS 202, 203, 205, 206, 207, AND 212)

- | | |
|---|--|
| 1. Show for each of the above accounts the amounts applying to each class and series of capital stock.
2. For account 202, <i>Common Stock Subscribed</i> , and Account 205, <i>Preferred Stock Subscribed</i> , show the subscription price and the balance due on each class at the end of year. | 3. Describe in a footnote the agreement and transactions under which a conversion liability existed under Account 203, <i>Common Stock Liability for Conversion</i> , or Account 206, <i>Preferred Stock Liability for conversion</i> , at the end of year.
4. For Premium on Account 207, <i>Capital Stock</i> , designate with an asterisk in column (b), any amounts representing the excess of consideration received over stated values of stocks without par value. |
|---|--|

Line No.	Name of Account and Description of Item (a)	* (b)	Number of Shares (c)	Amount (d)
1	Account 207 - Premium on capital stock		3,214,923	\$ 11,269,176
2	Common stock par value \$5.00			
3				
4				
5	Accounts 202, 203, 205, 206 and 212			
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40				\$ 11,269,176

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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OTHER PAID-IN CAPITAL (ACCOUNTS 208-211)

1. Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as a total of all accounts for reconciliation with the balance sheet, page 112. Explain changes made in any account during the year and give the accounting entries effecting such change.

(a) *Donations Received from Stockholders (Account 208)* - State amount and briefly explain the origin and purpose of each donation.

(b) *Reduction in Par or Stated Value of Capital Stock (Account 209)* State amount and briefly explain the capital changes that gave rise to amounts reported under the caption including identification with the class and series of stock to which related.

(c) *Gain or Resale of Cancellation of Reacquired Capital Stock (Account 210)* Report balance at end of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.

(d) *Miscellaneous Paid-In Capital (Account 211)* - Classify amounts included in this account according to captions that, together with brief explanations, disclose the general nature of the transactions that gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	Account 208 - Donations received from stockholders	
2	The donations represent the flow-through of funds generated from the issuance of	
3	New Jersey Resources Corporation common stock through public sales,	
4	and other contributions.	\$ 351,753,056
5		
6		
7		
8	Accounts 209, 210 and 211	
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11		
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40		\$ 351,753,056

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DISCOUNT ON CAPITAL STOCK (ACCOUNT 213)

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. Use as many rows as necessary to report all data.

2. If any changes occurred during the year in the balances with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off during the year and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1	None	
2		
3		
4		
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12		
13		
14		
15	TOTAL	-

CAPITAL STOCK EXPENSE (ACCOUNT 214)

1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. Use as many rows as necessary to report all data. Number the rows in sequence starting from the last row number used for Discount on Capital Stock above.

2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off of capital stock expenses, and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
16	None	
17		
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28		
29	TOTAL	-

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year Ending Dec. 31, 2010
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**SECURITIES ISSUED OR ASSUMED &
SECURITIES REFUNDED OR RETIRED DURING THE YEAR**

1. Furnish a supplemental statement briefly describing security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses and related gains or losses. Identify as to Commission authorization numbers and dates.

2. Provide details showing the full accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses and gain or losses relating to securities retired or refunded including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.

3. Include in the identification of each class and series of security as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.

4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, cite the Commission authorization for different accounting and state the accounting method.

5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as details of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

New Jersey Natural Gas enters into loan agreements with the New Jersey Economic Development Authority (EDA) under which the EDA issues tax-exempt bonds, and the proceeds are loaned to the company to fund capital expenditures for certain portions of its natural gas service territory. To secure its loans from the EDA, New Jersey Natural Gas issues First Mortgage Bonds to the EDA with interest rates and maturity dates identical to those of the EDA Bonds

New Jersey Natural Gas is obligated with respect to the loan agreements securing six series of variable rate bonds totaling \$97 million of variable-rate debt backed by securities issued by the EDA. The EDA Bonds are commonly referred to as auction-rate securities (ARS) and have reset an interest rate every 7 or 35 days, depending upon the applicable series. On those dates an auction is held for the purposes of determining the interest rate of the securities. The interest rate associated with NJNG's variable-rate debt are based on the rates of the related EDA ARS. As of September 30, 2010, all of the auctions surrounding EDA ARS have failed, resulting in those bonds bearing interest at their maximum rates, as defined as the lesser of (i) 175 percent of 30 day LIBOR or (ii) 10 to 12 percent per annum, as applicable to such series ARS. While the failure of the ARS auctions does not signify or constitute a default on the company, the EDA ARS does not impact NJNG's borrowing costs of the variable rate debt. As of September 30, 2010, the 30 day LIBOR rate was .26 percent. As such, NJNG has weighted average interest rate of .46 percent as of September 30, 2010 compared with a weighted average interest rate of .44 percent as of September 30, 2009

In May 2008, NJNG issued \$125 million of 5.6 percent senior notes due May 15, 2018 in the private placement market pursuant to a note purchase agreement. The notes are secured until the release date (which is the date at which the security provided by the pledge under NJNG's mortgage indenture would no longer be available to holders of any outstanding series of NJNG's senior secured notes and such indebtedness would become senior unsecured indebtedness) by an equal amount of NJNG first mortgage bonds (Series LL), and interest is payable on the Notes semi-annually. The proceeds from the Notes were used to refinance short-term debt and will fund capital expenditure requirements.

On October 1, 2010, upon Maturity, New Jersey Natural Gas redeemed its Series \$20 Million CC First Mortgage Bonds

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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LONG -TERM DEBT (ACCOUNTS 221, 222, 223 AND 224)

1. Report by Balance Sheet Account the details concerning long-term debt included in Account 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.
2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
3. For Advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.

Line No.	Class and Series of Obligation and Name of Stock Exchange (a)	Nominal Date of Issue (b)	Date of Maturity	Outstanding (Total amount outstanding without reduction for amounts held by respondent) (d)
1	Account 221-Bonds			
2	First Mortgage Bonds:			
3				
4				
5				
6				
7	Series W Docket GF93060218	08/01/93	08/01/23	\$ -
8	Series X Docket GF93060260	11/01/93	11/01/08	-
9	Series Y Docket GF94070317	08/01/94	08/01/24	-
10	Series Z Docket GF93060260	10/01/94	10/01/04	-
11	Series AA Docket GF95030133	08/01/95	08/01/30	25,000,000
12	Series BB Docket GF95030133	08/01/95	08/01/30	16,000,000
13	Series CC Docket GF93060260	10/01/95	10/01/10	-
14	Series DD Docket GF97070504	09/01/97	09/01/27	13,500,000
15	Series EE Docket GF97100763	01/01/98	01/01/28	9,545,000
16	Series FF Docket GF97100763	01/01/98	01/01/28	15,000,000
17	Series GG Docket GF980020082	04/01/98	04/01/33	18,000,000
18	Series HH Docket GF03030223	12/01/03	12/01/38	12,000,000
19	Series II Docket GF05060544	10/01/05	08/01/23	10,300,000
20	Series JJ Docket GF05060544	10/01/05	08/01/24	10,500,000
21	Series KK Docket GF05060544	10/01/05	10/01/40	15,000,000
22	Series LL Docket Private Placement	05/15/2008	05/15/18	125,000,000
23				
24				
25	Other Long-Term Debt Obligations			
26	Private Placement Docket GF03030223	03/15/04	03/15/14	60,000,000
27				
28	Interest on capital meter lease			
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				\$ 329,845,000

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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LONG -TERM DEBT (ACCOUNTS 22, 222, 223 AND 224) (Continued)

5. In a supplemental statement, give explanatory details for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.
7. If the respondent has any long-term securities that have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total Account 427 Interest on Long-Term Debt and Account 430. Interest on Debt to Associated Companies.
9. Give details concerning any long-term debt authorized by a regulatory commission but not yet issued.

INTEREST FOR YEAR		HELD BY RESPONDENT			Redemption Price Per \$100 at End of Year	Line No.
Rate (in %)	Amount	Reacquired Bonds (Account 222)	Sinking and Other Funds			
(e)	(f)	(g)	(h)			
						1
						2
						3
						4
						6
Series W	5.380%	\$ -	-	-	(1)	7
Series X	6.270%	-	-	-	(1)	8
Series Y	6.250%	-	-	-	(1)	9
					(1)	10
Series AA	Variable	119,861	-	-	(1)	11
Series BB	Variable	76,711	-	-	(1)	12
Series CC	6.880%	1,031,247	-	-	(1)	13
Series DD	Variable	64,725	-	-	(1)	14
Series EE	Variable	46,189	-	-	(1)	15
Series FF	Variable	72,130	-	-	(1)	16
Series GG	Variable	86,555	-	-	(1)	17
Series HH	5.000%	600,000	-	-	(1)	18
Series II	4.500%	463,500	-	-	(1)	19
Series JJ	4.600%	483,000	-	-	(1)	20
Series KK	4.900%	735,000	-	-	(1)	21
Series LL	5.600%	6,999,996	-	-	(1)	22
						23
						24
						25
		2,893,365				26
(1) Redemption provision not yet in effect.		1,700,214				27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
		\$ 15,372,493	\$ -	\$ -		40

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year Ending Dec. 31, 2010
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UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (ACCOUNTS 181, 225,226)

- | | |
|--|--|
| <p>1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, details of expense, premium or discount applicable to each class and series of long-term debt.</p> | <p>2. Show premium amounts by enclosing the figures in parentheses.
3. In column (b) show the principal amount of bonds or other long term debt originally issued.
4. In column (c) show the expense, premium or discount with respect to the amount at bonds or other long-term debt originally issued.</p> |
|--|--|

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total Expense Premium or discount (1) (c)	AMORTIZATION PERIOD	
				Date From (d)	Date To (e)
1	First Mortgage Bonds:				
2					
3					
4					
10	Series AA	\$ 25,000,000	1,999,965	8/1/1995	8/1/2030
11	Series BB	16,000,000	772,872	8/1/1995	8/1/2030
12	Series CC	20,000,000	530,103	10/1/1995	10/1/2010
13	Series DD	13,500,000	1,363,270	9/1/1997	9/1/2027
14	Series EE	9,545,000	610,016	01/01/98	1/1/2028
15	Series FF	15,000,000	1,018,468	01/01/98	1/1/2028
16	Series GG	18,000,000	484,107	04/01/98	4/1/2033
17	Series HH	12,000,000	813,334	01/01/04	12/31/2038
18	Series II	10,300,000	212,812	10/1/2005	8/1/2023
19	Series JJ	10,500,000	216,867	10/1/2005	8/1/2024
20	Series KK	15,000,000	377,982	10/1/2005	10/1/2040
21	Series LL	125,000,000	621,398	5/15/2008	5/15/2018
22	Series W/Y				
23	EDA Auction (for bonds AA, BB, DD, EE, FF, GG)		818,962	various	various
24	Private Placement	60,000,000	424,271	3/15/2004	3/15/2014
25					
26					
27	Notes:				
28					
29	(1) Figures include debt expense and redemption premium costs.				
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

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UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (ACCOUNTS 181, 225,226)

(Cont.)

5. Furnish in a footnote details regarding the treatment of UNAMORTIZED debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the commission's authorization of treatment other than as specified by the Uniform System of Accounts.

6. Identify separately undisposed amounts applicable to issues which were redeemed in prior years.

7. Explain any debits and credits other than amortization debited to Account 428. Amortization of Debt Discount and Expense, of credited to Account 429, Amortization of Premium on Debt-credit.

Balances at beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance at End of Year (i)	Line No.
				1
				2
				3
				4
\$ 1,222,146	\$ -	\$ 59,617	\$ 1,162,530	10
210,816	-	10,284	200,532	11
25,829	-	25,829	0	12
567,867	-	32,296	535,572	13
370,249	-	20,665	349,584	14
618,121	-	34,500	583,621	15
323,757	-	13,975	309,782	16
879,938	3,500	30,590	852,848	17
146,215	-	10,452	135,763	18
416,073	69,878	30,820	455,130	19
869,310	6,050	31,318	844,042	20
495,664	-	59,480	436,184	21
436,833	-	30,126	406,707	22
604,015	-	30,691	573,324	23
181,628	-	42,736	138,892	24
			-	25
				26
\$ 7,368,461	\$ 79,428	\$ 463,377	\$ 6,984,512	27
				28
				29
Reconciliation to Amortization Expense:				30
Less: Equity adjustment to Other Comprehensive Income		-		31
Less: Fee included with interest expense		-		32
				33
				34
				35
Balance of A/C 428 on page 116		463,377		36
				37
				38
				39
				40

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year Ending Dec. 31, 2010
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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (ACCOUNTS 189, 257)

- | | |
|---|--|
| <p>1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt. details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.</p> <p>2. In column (c) show the principal amount of bonds or other long-term debt reacquired.</p> | <p>3. In column (d) show the net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts.</p> <p>4. Show loss amounts by enclosing the figures in parenthesis</p> <p>5. Explain in a footnote any debits or credits other than amortization debited to Account 428.1, <i>Amortization of Loss on reacquired Debt</i>, or credited to Account 429.1, <i>Amortization of Gain on Reacquired Debt-Credit</i>.</p> |
|---|--|

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal of Debt Reacquired (c)	Net Gain or Net Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	Account 257				\$ -	\$ -
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
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40						

NONE

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year Ending Dec. 31, 2010
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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal Income Tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even through there is no taxable income for the year. Indicate clearly the nature of such amount.

2. If the utility is a member of a group that files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax among the group members.

Line No.	DETAILS (a)	Amount (b)
1		
2	Net Income for the year (Page 116)	
3	Reconciling Items for the Year	
4		
5	Taxable Income Not Reported on Books	
6		
7		
8		
9	See pages 261A 261 B	
10		
11		
12		
13		
14	Income recorded on Books not Included on Return	
15		
16		
17		
18		
19	Deductions on Return not Charged Against Book Income	
20		
21		
22		
23		
24		
25		
26		
27	Federal Tax Net Income	
28	Show Computation of Tax	
29		
30		
31		
32		
33		
34		
35		

NAME OF RESPONDENT
New Jersey Natural Gas Company

This Report is:
 An Original
 A Resubmission

Date of Report
April 30, 2011

Year of Report
Dec. 31, 2010

1 NET INCOME FOR THE YEAR (PAGE 116)

\$ 71,096,751

2 RECONCILING ITEMS FOR THE YEAR

3 FEDERAL INCOME TAXES AS PROVIDED

30,804,016

101,900,767

4 TAXABLE INCOME NOT REPORTED ON BOOKS:

-
-

9 DEDUCTIONS REPORTED ON BOOKS NOT DEDUCTED FOR RETURN:

COST OF REMOVAL

(2,730,461)

CIAC

616,818

CAPITALIZED INTEREST EXPENSE

(252,948)

TRAVEL & ENTERTAINMENT

167,171

GCUA

(38,602,288)

CONSTRUCTION DEPOSITS

964,092

GENERAL ACCRUALS: INVENTORIES, BENEFITS, OTHERS

688,480

COAL GAS ADJUSTMENTS

992,837

PENSION PLAN

4,934,396

(33,221,903)

BALANCE CARRIED FORWARD

68,678,864

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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BALANCE BROUGHT FORWARD	68,678,864
14 INCOME REPORTED ON BOOKS NOT INCLUDED IN RETURN: LIFE INSURANCE ADJUSTMENT, NET	(40,050)
	<u>(40,050)</u>
19 DEDUCTIONS ON RETURN NOT CHARGED AGAINST BOOK INCOME:	
CORS PRE ACRS	5,674,080
401K RESTRUCTURING	1,303,107
MEDICARE MODERNIZATION	1,162,099
AFUDC Equity	(2,138,412)
PROPERTY RELATED ADJUSTMENTS	22,913,380
CONSERVATION PROGRAM	(2,280,609)
BAD DEBT RESERVE	306,717
OPEB BENEFITS	742,923
FLOW THROUGH DEPRECIATION	716,061
APB 23 ADJUSTMENT	(17,409)
MISC. AUDIT ADJS; GN/LS DISPOSITIONS; ETC.	(135,008)
	<u>28,246,929</u>
	<u>40,471,985</u>
27 FEDERAL TAX NET INCOME	
28 COMPUTATION OF TAX: TAX AT 35%	14,165,195
	(321,708)
INVESTMENT TAX CREDIT RESTRUCTURE OF 401K/ESOP	-
	<u>(321,708)</u>
	<u>\$ 13,843,487 (a)</u>
CURRENT TAX PROVISION (PAGE 114)	
(a) Income Taxes - Federal (409.1) - Line 15, Page 114	12,896,285
Income Taxes - Federal (409.2) - Line 53, Page 116	947,202
Current Tax Provision	<u>\$ 13,843,487</u>
	0

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged directly to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both column (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to the portion of prepaid taxes charged to current year and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR	
		Taxes Accrued (b)	Prepaid Taxes (c)
1	Federal Income Tax - current year (26310)	\$ 3,395,383	
2	Federal Income Tax - prior year (26320)	(5,020,050)	
3	Old Age Benefits (FICA) (26430)	(16,753)	
4	Federal Unemployment Tax (FUI) (26440)	1,740	
5	State Unemployment Tax (SUI) (26450)	3,920	
6	Sales and Use Tax (26460)	41,173	
7	TEFA Tax Payable (26415)	226,173	
8	N.J. C.B.T. Tax - Current (26425)	(2,834,331)	
9	N.J. Sales Tax - Revenue (26465)	(16,979,819)	
10	FIN 48 - Current (26330)	-	
11			
12			
13			
14			
15	TOTAL	\$ (21,182,563)	\$ -

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)

Line No.	Electric (Account 408.1, 409.1)	Gas (Account 408.1, 409.1)	Other Utility Department (Account 408.1, 409.1)	Other Income and Deductions (Account 408.1, 409.2)
	(i)	(j)	(k)	(l)
1	Federal Income Tax	\$ 12,896,285	\$ -	\$ 947,202
2	Old Age Benefits (FICA)	3,529,613		
3	Federal Unemployment Tax (FUI)	35,713		
4	State Unemployment Tax (SUI)	208,752		
5	Miscellaneous State Taxes	28,694		
6	Sales and Use Tax	233,632		
7	Tax Credit Transfer	(730,472)		
8	Real Estate Tax	618,249		
9	TEFA Tax	8,650,560		
10	Excise Tax	16,530		
11	N.J. Sales Tax Expense - Revenue	44,256,165		
12	N.J. Corporate Business Tax	3,377,954		\$ 261,944
13	FIN 48 - Current			
14				
15	TOTAL	\$ 73,121,675	\$ -	\$ 1,209,146

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid, tax account in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how the tax accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Item under \$250,000 may be grouped.

Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments * (f)	BALANCE AT END OF YEAR		
			Tax Accrued (Account 236) (g)	Prepaid Taxes (Included in Acct. 165) (h)	Line No.
\$ 12,896,285	\$ 9,397,293	\$ 16,056,902	\$ 22,951,277	26310	1
-	-	343,246	(4,676,804)	26320	2
3,529,613	5,576,619	2,030,111	(33,648)	26430	3
35,713	50,534	14,146	1,065	26440.03188	4
208,752	331,110	101,295	(17,143)	26450	5
431,997	438,130	-	35,040	26460.NJ	6
8,650,560	9,070,772	-	(194,039)	26415	7
3,639,898	7,447,037	1,285,822	(5,355,648)	26425	8
44,256,165	29,234,611	-	(1,958,264)	26465	9
-	-	-	-	26330	10
-	-	-	-		11
-	-	-	-		12
-	-	-	-		13
-	-	-	-		14
\$ 73,648,983	\$ 61,546,106	\$ 19,831,522	\$ 10,751,837		15

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)

Extraordinary Items (Account 409.3) (m)	Other Utility Opn. Income (Account 408.1, 409.1) (n)	Adjustment to Ret. Earnings (Account 439) (o)	Other (p)	Line No.
				1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14

* Federal Income Tax Adjustments are comprised of the net of a reclassification between current and prior year tax reserve. Remaining adjustments relate to intercompany cost allocations and timing differences.

Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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INVESTMENT TAX CREDITS GENERATED AND UTILIZED

1. Prepare this page regardless of the method of accounting adopted for the investment tax credits. By footnote state the method of accounting adopted, and whether the company has consented or is required by another Commission to pass the tax credits on to customers.
2. As Indicated in column (a), show each year's activities from 1962 through the year covered by this report, identifying the data by the indicated percentages.
3. Report in columns (b) and (e) the amount of investment tax credits generated from properties acquired for use in utility operations. Report in columns (c) and (f) the amount of such generated credits utilized in computing the annual income taxes. Also explain by footnote any adjustments to

- columns (b) through (f) such as corrections, etc., or carry back of unused credits. Such adjustments should be carried back or forward to the applicable years.
4. Report in column (d), the weighted-average useful life of all properties used in computing the investment tax credits in column (b). Also, show in this column for the year 1971 and thereafter, the option exercised [(1) rate base treatment, (2) ratable flow through, or (3) flow through] for rate purposes in accordance with section 46 (f) of the Internal Revenue Code.
 5. Show by footnote (page 551, Footnotes) any unused credits available at end of each year for carrying forward as a reduction of taxes in subsequent years.

Line No.	Year (a)	Gas			Other Departments or Operations	
		Generated (b)	Utilized (c)	Weighted Average Life of Property (d)	Generated (e)	Utilized (f)
1	1962-78					
2	3%					
3	4%					
4	7%					
5	10%					
6	11%					
7						
8	1979					
9	3%					
10	4%					
11	7%					
12	10%					
13	11%					
14						
15	1980					
16	3%					
17	4%					
18	7%					
19	10%					
20	11%					
21						
22						
23	1981					
24	3%					
25	4%					
26	6%					
27	7%					
28	10%					
29	11%					
30						
31						
32	1982					
33	3%					
34	4%					
35	6%					
36	7%					
37	10%					
38	11%					
39						
40						

NOT APPLICABLE

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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INVESTMENT TAX CREDITS GENERATED AND UTILIZED (Continued)

Line No.	Year (a)	Generated (b)	Utilized (c)	Weighted Average Life of Property (d)	Generated (e)	Utilized (f)
41	1,983					
42	3%					
43	4%					
44	6%					
45	7%					
46	8%					
47	10%	NOT APPLICABLE				
48	11%					
49						
50						
51	1,984					
52	3%					
53	4%					
54	6%					
55	7%					
56	8%					
57	10%					
58	11%					
59						
60						
61	1,985					
62	3%					
63	4%					
64	6%					
65	7%					
66	8%					
67	10%					
68	11%					
69						
70						
71	1,986					
72	3%					
73	4%					
74	6%					
75	7%					
76	8%					
77	11%					
78						
79	1,987					
80	10%					
81						
82	1,988					
83	10%					
84						
85	1,989					
86	10%					
87						

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: (1) <input type="checkbox"/> x An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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PRODUCTION PROPERTIES HELD FOR FUTURE USE (Account 105.1)

Report below information applicable to Account 255.
When appropriate, segregate the balances and transactions
by utility and nonutility operations. Explain by footnote any

correction adjustments to the account balance shown in col-
umn (g). Include in column (1) the average period over which
the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocation to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Gas Utility						
2	3%						
3	4%						
4	7%						
5	10%						
6							
7							
8	TOTAL						
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL						
10							
11							
12				NOT APPLICABLE			
13							
14							
15							
16							
17							
18							
19							
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Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (Continued)

Balance at End Of Year (h)	Average Period Of Allocation To Income (i)	Adjustment Explanation	Line No.
		NOT APPLICABLE	1
			2
			3
			4
			5
			6
			7
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			14
			15
			16
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NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year Ending Dec. 31, 2010
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MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (ACCOUNT 242)

1. Describe and report the amount of other current and accrued liabilities at the end of the year. 2. Minor items (less than \$250,000) may be grouped under appropriate title.

Line No.	Item (a)	Balance at End of Year (b)
1	Pension	\$ 23,952,176
2	Vacation Reserve	2,008,395
3	BPU Assessment	748,867
4	S&P Fringe Benefits	232,965
6	Commitment fees	269,443
7	Excess Pension Benefits	875,916
8	Clean Energy - Current	12,888,372
9	Tax Collections Payable	49,010
10	Vehicle Lease Obligation	483,637
11	Other	806,650
12		
13		
14		
15		
16		
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18		
19		
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44		
45	TOTAL	\$ 42,315,431

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year Ending Dec. 31, 2010
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OTHER DEFERRED CREDITS (ACCOUNT 253)

1. Report below the details called for concerning other deferred credits. 2. For any deferred credit being amortized, show the period of amortization.
 3. Minor items (less than \$250,000) may be grouped by classes.

Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Miscellaneous	(200)	131	482	-	(682)
2	OPEB Medicare Receivable	(3,597,748)	143	2,691,987	-	(6,289,735)
3	OPEB FAS106 & FAS 158 Reserve	43,075,462	131	2,379,594	5,901,518	46,597,386
4	REG Liability PEP	1,615,075	143	1,607,888	-	7,187
5						
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7						
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44						
45	TOTAL	\$ 41,092,589		\$ 6,679,951	\$ 5,901,518	\$ 40,314,156

Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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UNDELIVERED GAS OBLIGATIONS UNDER SALES AGREEMENTS

1. Report below the information called for concerning obligations to customers under take or pay clauses of gas sale agreements. If any of the obligations are included in an account other than 253, Other *Deferred Credits*, show the account in which included and on page 266 of this report show the aggregate dollar amount with notation that details are reported on this page. Explain why

any take or pay obligations were not included in Account 253.

2. If any obligation at the beginning of year (or which arose during the year) was cancelled, forfeited by the customer, or applied to another purpose, state in a footnote gas volume and dollar amount, period when such obligation arose, accounting entries, and give a concise explanation

Line No.	Name of Customer (Designate associated companies with an asterisk) (a)	Respondent's FERC Rate Schedule No. (b)	BALANCE AT BEGINNING OF YEAR	
			Mcf (14.73 psia at 60 °F) (c)	Amount (d)
1	NOT APPLICABLE			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
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43				
44				
45				
46	TOTAL			

Name of Respondent New Jersey Natural Gas Company	This Report is:	Date of Report	Year of Report
	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2011	Dec. 31, 2010

UNDELIVERED GAS OBLIGATIONS UNDER SALES AGREEMENTS (Continued)

of circumstances causing forfeiture or other disposition of the take or pay obligation.

3. If for any reason a take or pay situation is in controversy, list the amount of those prepayment claims which have not been paid, together with footnote notation that the amount is in controversy (and any explanation the respondent chooses to make).

4. If any delivery obligation was determined other than by reference to amounts per Mcf or demand-commodity factors, furnish a concise explanation of basis of computation in a footnote.

BALANCE AT END OF YEAR		UNDELIVERED GAS FOR CURRENT YEAR			Make-Up Period Expiration Date (j)	Line No.
Mcf (14.73 psia at 60°F) (e)	Amount (f)	Cents Per Mcf (g)	Mcf (14.73 psia at 60°F) (h)	Percent of Year's Required Delivery (i)		
			NOT APPLICABLE			1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
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Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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ACCUMULATED DEFERRED INCOME TAXES – ACCELERATED AMORTIZATION PROPERTY (Account 281)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating

to amortizable property
2. For Other (Specify), include deferrals relating to other

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amount Credited to Account 411.1 (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities			
5	Other			
6	NOT APPLICABLE			
7				
8	TOTAL Electric (Enter Total of Lines 3 thru 7)			
9	Gas			
10	Defense Facilities			
11	Pollution Control Facilities			
12	Other			
13				
14				
15	TOTAL Gas (Enter Total of lines 10 thru 14)			
16	Other (Specify)			
17	TOTAL (Acct 281) (Total of lines 8, 15 and 16)			
18	Classification of TOTAL			
19	Federal Income Tax			
20	State Income Tax			
21	Local Income Tax			

NOTES

Name of Respondent	This Report is:	Date of Report	Year of Report
New Jersey Natural Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2011	Dec. 31, 2010

ACCUMULATED DEFERRED INCOME TAXES – ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)

Income and deductions.
3. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
							2
							3
							4
							5
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							8
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							10
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NOT APPLICABLE

NOTES (Continued)

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (ACCOUNT 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization. 2. For other, include deferrals relating to other income and deductions.

Line No.	Account subdivisions (a)	Balance at Beginning of Year (b)	Amounts Debited to Account 410.1 (c)	Amounts Credited to Account (411.1) (d)
1	Account 282			
2	Electric			
3	Gas	\$ 165,435,337	\$ -	\$ 25,633,232
4	Other (Define)			
5	Total (Enter total of lines 2 thru 4)	165,435,337	-	25,633,232
6	Other (Specify)			
6.01				
6.02				
7	Total Account 282 (Enter Total of Lines 5 thru 6.?)	165,435,337	-	25,633,232
8	Classification of TOTAL			
9	Federal Income Tax	\$ 165,435,337	\$ -	\$ 25,633,232
10	State Income Tax			
11	Local Income Tax			

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year Ending Dec. 31, 2010
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (ACCOUNT 282) (Continued)

3. Add rows as necessary to report all data. When rows are added, the additional row numbers should follow in sequence, 4.01, 4.02 and 6.01, 6.02, etc.. Use separate pages as required.

CHANGES DURING THE YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account No. (g)	Amount (h)	Account No. (i)	Amount (j)		
							1
							2
					\$ -	\$ 191,068,569	3
							4
-						191,068,569	5
							6
							6.01
							6.02
-						191,068,569	7
							8
\$ -					\$ -	\$ 191,068,569	9
							10
							11

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year Ending Dec. 31, 2010
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (ACCOUNT 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Accounts 283. 2. For other, include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Gas	\$ 83,637,882	\$ 1,209,146	\$ 4,606,311
4	Other (Define)			
5	Total (Enter total of lines 2 thru 4)	83,637,882	1,209,146	4,606,311
6	Other (Specify)			
6.01				
6.02				
7	TOTAL Account 283 (Total of Lines 5 thru 6.?)	83,637,882	1,209,146	4,606,311
8	Classification of TOTAL			
9	Federal Income Tax	\$ 83,637,882	\$ 1,209,146	\$ 4,606,311
10	State Income Tax			
11	Local Income Tax			

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year Ending Dec. 31, 2010
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (ACCOUNT 283) (Continued)

4. Add rows as necessary to report all data. When rows are added, the additional row numbers should follow in sequence, 4.01, 4.02 and 6.01, 6.02, etc.. Use separate pages as required.

CHANGES DURING THE YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account No. (g)	Amount (h)	(i)	(j)		
							1
							2
			\$ -		\$ -	\$ 87,035,047	3
							4
			-		-	87,035,047	5
							6
							6.01
							6.02
			-		-	87,035,047	7
							8
			\$ -		\$ -	\$ 87,035,047	9
							10
							11

<u>Item 3</u>	
<u>Significant Items</u>	
Non-Property	\$ 57,693,445
NJ C.B.T. Deferred	29,341,602
OCI Taxes - FIT & CBT	-
 Total	 <u>\$ 87,035,047</u>

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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OTHER REGULATORY LIABILITIES (ACCOUNT 254)

1. Report below the details called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).

2. For regulatory liabilities being amortized, show period of amortization in column (a).

3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than \$250,000, whichever is less) may be grouped by classes.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Account Credited (c)	Amount (d)		
1						
2	Remediation Liability (a)	\$ 146,700,000		-	54,900,000	\$ 201,600,000
3						
4	(a) This amount refers to total future estimated expenditures to remediate and monitor three MGP sites.					
5						
6	This amount also appears as a regulatory asset on page 232.					
7						
8						
9	(e) This amount refers to LEGG Remediation Projection.					
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44						
45	TOTAL	\$ 146,700,000		\$ -	\$ 54,900,000	\$ 201,600,000

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[Next page is 299]

Name of Respondent	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report End of 2010
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Monthly Quantity & Revenue Data by Rate Schedule

1. Reference to account numbers in the USofA is provided in parentheses beside applicable data. Quantities must not be adjusted for discounts.
2. Total Quantities and Revenues in whole numbers
3. Report revenues and quantities of gas by rate schedule. Where transportation services are bundled with storage services, reflect only transportation Dth. When reporting storage, report Dth of gas withdrawn from storage and revenues by rate schedule.
4. Revenues in Column (c) include transition costs from upstream pipelines. Revenue (Other) in Column (e) includes reservation charges received by the pipeline plus usage charges; less revenues reflected in Columns (c) and (d). Include in Column (e), revenue for Accounts 490-495.
5. Enter footnotes as appropriate.

Line No.	Item (a)	Month 1 Quantity (b)	Month 1 Revenue Costs and Take-or-Pay (c)	Month 1 Revenue (GRI & ACA) (d)	Month 1 Revenue (Other) (e)	Month 1 Revenue (Total) (f)
1	Total Sales (480-488)					
2	Transportation of Gas for Others (489.2 and 489.3)					
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18	Total Transportation (Other than Gathering)					
19	Storage (489.4)					
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30	Total Storage					
31	Gathering (489.1)					
32	Gathering-Firm					
33	Gathering-Interruptible					
34	Total Gathering (489.1)					
35	Additional Revenues					
36	Products Sales and Extraction (490-492)					
37	Rents (493-494)					
38	Other Gas Revenues (495)					
39	(Less) Provision for Rate Refunds					
40	Total Additional Revenues					
41	Total Operating Revenues (Total of Lines 1,18,30, and 40)					

Name of Respondent	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report End of 2010
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Monthly Quantity & Revenue Data by Rate Schedule

1. Reference to account numbers in the USofA is provided in parentheses beside applicable data. Quantities must not be adjusted for discounts.
2. Total Quantities and Revenues in whole numbers
3. Report revenues and quantities of gas by rate schedule. Where transportation services are bundled with storage services, reflect only transportation Dth. When reporting storage, report Dth of gas withdrawn from storage and revenues by rate schedule.
4. Revenues in Column (c) include transition costs from upstream pipelines. Revenue (Other) in Column (e) includes reservation charges received by the pipeline plus usage charges, less revenues reflected in Columns (c) and (d). Include in Column (e), revenue for Accounts 490-495.
5. Enter footnotes as appropriate.

Line No.	Month 2	Month 2	Month 2	Month 2	Month 2	Month 3	Month 3	Month 3	Month 3	Month 3
	Quantity (g)	Revenue Costs and Take-or-Pay (h)	Revenue (GRI & ACA) (i)	Revenue (Other) (j)	Revenue (Total) (k)	Quantity (l)	Revenue Costs and Take-or-Pay (m)	Revenue (GRI & ACA) (n)	Revenue (Other) (o)	Revenue (Total) (p)
1										
2										
3										
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NAME OF RESPONDENT	New Jersey Natural Gas Company	<input checked="" type="checkbox"/> This Report is: An Original A Resubmission	Date of Report April 30, 2011	Year of Report 2010	Dec. 31
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MONTHLY QUANTITY & REVENUE DATA BY RATE SCHEDULE

	QUANTITY 1ST QTR	REVENUE 1ST QTR	QUANTITY 2ND QTR	REVENUE 2ND QTR	QUANTITY 3RD QTR	REVENUE 3RD QTR	QUANTITY 4TH QTR	REVENUE 4TH QTR	
Residential	1,055,992	1,675,992	536,660	957,312	813,159	1,555,259	1,084,458	1,786,143	
Residential Space Heat	204,381,242	242,551,399	45,825,298	34,714,669	26,295,652	44,877,345	135,596,523	182,772,155	
Apt Space Heat LLF	88,077	116,215	24,162	19,510	16,843	30,674	93,186	125,230	
Apt Space Heat HLF	2,155,267	2,660,064	651,783	841,567	350,031	567,391	1,939,377	2,157,210	
Comm Gen LLF	553,295	705,437	180,884	238,216	259,932	423,726	403,200	590,521	
Comm Gen HLF	1,258,727	1,594,462	574,990	725,550	721,519	900,041	1,286,797	1,444,630	
Ind Gen LLF	11,199	12,792	206	(344)	171	586	819	1,391	
Ind Gen HLF	180,305	222,483	51,227	70,853	35,071	57,273	171,920	194,671	
CSH LLF	13,800,628	16,818,810	1,804,499	1,933,925	844,991	2,596,525	6,415,598	9,455,269	
CSH HLF	19,601,985	24,528,292	5,017,092	7,096,703	3,581,006	5,887,106	14,818,265	17,160,757	
SSH LLF	146,786	166,167	4,374	708	778	1,927	11,985	15,652	
SSH HLF	2,942,096	3,617,720	537,353	786,475	73,009	290,165	1,341,766	1,546,496	
CAC LLF	19,809	25,307	11,422	9,024	26,685	21,320	22,317	30,595	
CAC HLF	172,254	223,000	48,576	63,237	25,017	42,448	181,064	206,110	
Firm Co-Generation	1,162	2,252	1,383	2,033	-	-	-	-	
Street Lighting	783	976	783	952	781	1,119	783	1,095	
Misc Revenue	-	188,730	-	-	-	(478,685)	-	604,382	
NJR Asset Management	-	8,046,803	-	-	-	-	-	-	
Weather Norm	-	(28,509)	-	(6,608)	-	(4,027)	-	(19,869)	
CIP Current	-	3,071,244	-	6,262,035	-	2,217,749	-	7,753	
CIP Prior	-	(3,259,034)	-	(804,619)	-	(539,891)	-	(3,884,708)	
Residential Transp. Heat	7,797,902	3,659,734	1,846,652	1,153,916	1,044,503	873,208	7,219,929	3,696,109	
Residential Transp. non-heat	42,527	31,238	19,557	21,032	21,642	22,309	52,468	37,650	
Firm Transp LLF	2,682,353	833,023	639,849	396,891	871,476	416,676	2,158,642	700,120	
Firm Transp HLF	1,478,947	451,160	1,448,723	453,165	1,457,057	458,830	1,470,032	461,674	
CTB LLF	-	-	-	-	-	-	-	-	
CTB HLF	29,084,005	12,430,854	9,001,136	5,795,130	6,670,764	5,233,426	27,260,395	12,355,687	
SCR LLF	2,712,106	1,299,823	541,757	474,813	378,153	446,991	1,923,825	1,098,478	
SCR HLF	-	-	-	-	-	-	-	-	
DGSS	-	-	-	-	-	-	-	-	
OPP	195,653	227,201	5,512,482	744,522	14,532,286	1,600,791	1,438,727	375,369	
Transportation Revenues	7,081,770	996,073	8,146,524	1,181,428	6,921,333	1,032,692	8,472,548	1,248,326	
MBR Cash Out Revenue	-	-	-	-	-	-	-	-	
IT Transp Co-Gen	431,660	62,365	421,579	61,791	581,564	81,300	548,947	72,685	
IT Cash Out Revenue	-	0	-	-	-	-	-	-	
Marketing/Broker Revenue	-	5,205	-	3,999	-	4,225	-	4,160	
Interruptible	-	-	-	-	-	-	41,530	32,867	
IGS Sharing	-	-	-	-	-	-	-	-	
Sayreville Plant	-	-	22,810	10,606	499,060	308,123	109,220	53,872	
JCP&L Forked River	191,770	109,491	148,670	82,000	919,120	553,204	279,900	292,421	
NGV Vehicles	-	-	-	-	-	-	-	-	
OSS Revenues	-	119,511,431	-	40,556,656	-	72,726,328	-	59,312,341	
Lakewood Cogen On System	1,612,860	-	5,562,210	-	15,791,030	-	3,534,080	-	
OSS	186,459,660	-	89,614,190	-	153,783,660	-	130,006,890	-	
Other Revenues	-	1,143,533	-	1,133,526	-	1,078,723	-	1,105,828	
Storage	-	-	2,300,000	1,238,090	1,949,990	1,116,494	-	-	
Capacity Release	33,300,000	-	69,026,510	-	81,866,600	-	143,139,060	-	
SUBTOTAL	519,440,820	443,701,733	249,523,341	106,218,763	320,332,883	144,401,371	491,024,251	295,043,070	

TOTAL CALENDAR REVENUE

989,364,937 REF 300AB & 301A TOTAL CALENDAR QUANTITY

1,580,321,295

(26,500,180) Less On System Transportation
(327,332,170) Less Capacity Release
(587,964,088) Less STORAGE, OPP, OSS, JCPL EXEMPT
(1,986,295) Less FIRM IT COGEN EXEMPT
(283,149) Less COMM GEN, HEAT & CTB EXEMPTS, AD

636,255,413 Ref Pg 301C

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GAS OPERATING REVENUES

1. Report below natural gas operating revenues for each prescribed account total. The amounts must be consistent with the detailed data on succeeding pages.
2. Revenues in columns (b) and (c) include transition costs from upstream pipelines
2. Other revenues in column (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e). Include in columns (f) and (g) revenues for Accounts 480-495.

Line No.	Total of Account (a)	REVENUES for Transition Costs and Take or Pay		REVENUES for GRI and ACA	
		Amount for Current Year (b)	Amount for Previous Year (c)	Amount for Current Year (d)	Amount for Previous Year (e)
1	480.484 Sales (Firm, Int. JCP&L)	\$ -	\$ -	\$ -	\$ -
2	485 Intracompany Transfers				
3	487 Late Payment Charges				
4	488 Miscellaneous Service Revenues				
5	489.1 Revenues from Transportation of Gas of Others Through Gathering Facilities				
	489.1 Revenues from Transportation of Gas of Others Through Transmission Facilities				
6	489.1 Revenues from Transportation of Gas of Others Through Distribution Facilities (FT, CTB, IT)				
7					
8	489.4 Revenues From Storing Gas of Others				
9	490 Sales of Prod. Ext. from Natural Gas				
10	491 Revenues form Natural Gas Proc. by Others				
11	492 Incidental Gasoline and Oil Sales				
12	493 Rent from Gas Property				
13	494 Interdepartmental Rents				
14	495 Other Gas Revenues				
15	Subtotal:	-	-	\$ -	\$ -
16	469 (Less) Provision for Rate Refunds				
17	TOTAL:	\$ -	\$ -	\$ -	\$ -

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GAS OPERATING REVENUES (Continued)

4. If increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote.

6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.

5. On page 108, include information on major changes during the year, new service, and important rate increases or decreases.

OTHER REVENUES		TOTAL OPERATING REVENUES		DEKATHERM OF NATURAL GAS	
Amount for Current Year (f)	Amount for Previous Year (g)	Amount for Current Year (h)	Amount for Previous Year (i)	Amount for Current Year (j)	Amount for Previous Year (k)
\$ 921,073,315 (6)	\$ 956,790,211 (6)	\$ 921,073,315 (1)	\$ 956,790,211 (1)	1,074,532,260 (2)	96,489,800 (2)
477,273	549,125	477,273	549,125		
1,161,196	1,226,881	1,161,196	1,226,881		
60,504,069 (6)	52,267,779 (6)	60,504,069 (3)	52,267,779 (3)	18,860,965 (4)	13,763,845 (4)
				(5)	(5)
0	0	0	0		
3,137,568	3,142,466	3,137,568	3,142,466		
986,353,421	1,013,976,462	986,353,421	1,013,976,462		
3,011,516	(11,306,777)	3,011,516	(11,306,777)		
\$ 989,364,937	\$ 1,002,669,685	\$ 989,364,937	\$ 1,002,669,685		

- (1) Includes \$74,744,249 unbilled revenues for 2010 and \$75,283,730 unbilled revenues for 2009.
(2) Includes 5,981,265 unbilled dekatherms for 2010 and 5,937,839 unbilled dekatherms for 2009.
(3) Includes \$4,982,210 unbilled revenues for 2010 and \$3,819,685 unbilled revenues for 2009.
(4) Includes 1,575,621 unbilled dekatherms for 2010 and 1,315,746 unbilled dekatherms for 2009.
(5) Totals of columns J & K include 18,860,965 and 535,228 dekatherms for 2010 and 2009, respectively, (see page 301C) of Co-Generation Lakewood, in addition to total dekatherms of gas sold for 2010 (see page 301-A.)
(6) The totals of lines f & g - 1 & 7 ties to Line (f) & (g) 20 on page 301A.

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GAS OPERATION REVENUES (Account 400) (Continued)

- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous year (columns (c), (e) and (g) are not derived from previously reported figures, explain any inconsistencies in a footnote.
- Commercial and Industrial Sales, Account 481, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 200,000 Mcf per year or approximately 800 Mcf per day of normal requirements. (See Account 481 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
- Provide a reconciliation of the total amounts on line 20 and the amounts on lines 1,5,6,7, and 8 of page 301 in the area provided for notes.

Line No.	Customer Class (a)	Operating Revenues			Terms of Gas Sold		Avg. No. of Nat. Gas Customers per Month	
		Amount for Year (b)	Amount for Previous Year (c)	Quantity For Year (d)	Quantity For Previous Year (e)	Number For Year (f)	Number For Previous Year (g)	
1	Residential							
2	Residential Service	\$ 526,720,858	\$ 604,338,712	415,583,113	425,911,710	437,964	438,469	
3	Transportation	9,495,196	6,941,227	18,045,180	13,522,238	17,779	13,739	
4	Cooling & Air Conditioning	3,772	16,156	5,871	16,188			
5	Commercial							
6	Firm	105,602,846	122,636,781	81,951,199	91,915,336	27,266	28,885	
7	Interruptible							
8	Transportation	46,254,624	41,112,618	137,958,548	89,230,679	7,629	5,933	
9	Cooling & Air Conditioning	621,041	676,442	507,144	603,683	70	73	
10	Industrial							
11	Firm							
12	Interruptible	1,442,584	188,835	2,212,080	2,854,249	1	1	
13	Transportation	4,754,249	4,213,934	32,605,925	32,390,774	63	61	
14	Cooling & Air Conditioning							
15	Street & Yard Light Service	4,142	5,021	3,130	3,146	2	2	
16	Uncompressed Vehicular NG							
17	Cogeneration	4,285	11,103	2,545	7,261	1	1	
18	Off-system Sales & Storage	294,461,340	222,528,856	564,114,390	446,081,190	42	33	
19	Other Sales to Public Authorities							
20	Total Natural Gas Service Revenues	\$ 989,364,937	\$ 1,002,669,685	1,252,989,125	1,102,536,454	490,817	487,197	

Please note: Sum (b) Lines 3,8, & 13 = page 301 Line 7(h). Sum (b) Lines 2,4,6,9,12,15,17 & 18 = page 301 Line 1(h). Lines (b) & (c) 20 = Sum of Lines (f) & (g) 1 & 7 on page 301.

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GAS OPERATING REVENUES (Account 400) (Continued)

1. Report by New Jersey Gross Receipts and Franchise Tax Class, the corresponding operating revenues for each tariff schedule. taxable terms of gas and the corresponding operating revenues.
2. Where there is more than one tariff schedule designated in a tax class, identify the names of the individual tariff schedules above the tax class name and provide the taxable terms of gas and the
3. Provide a reconciliation of the total amounts on line 15 and the amounts shown on line 1 of page 301 in the area provided for notes.

Line No.	Tax Class (a)	Terms of Gas Sold		Operating Revenues	
		Quantity For Year (b)	Quantity For Previous Year (c)	Amount for Year (d)	Amount For Previous Year (e)
1	GR-1 Residential	415,477,868	425,911,710	\$ 508,304,014	\$ 604,337,286
2	GR-2 Cooling & Air Conditioning	5,871	16,188	3,772	16,156
3	GR-3 Residential Transportation GNR-1 General Service	18,041,279 81,918,935	13,522,238 92,195,114	9,495,196 105,196,182	6,941,227 120,991,018
4	GNR-2 Large Volume Demand				
5	GNR-3 Firm Cooling & Air Conditioning	426,650	204,924	107,194	180,450
6	GNR-4 Interruptible Service	41,530	2,407	-	-
7	GNR-5 Firm Transportation Service	89,717,980	83,686,844	43,303,187	39,731,673
8	GNR-6 Non-Firm Transportation Service	30,622,175	27,456,807	4,476,108	3,943,538
9	GNR-7 Street Light Service	3,125	3,146	4,142	5,021
10	GNR-8 Contract Service				
11	GNR-9 Limited Term Contract Service				
12	GNR-10 Uncompressed Vehicular NG				
13	GNR-11 General service - Firm Transportation Service				
14	GNR-12 Large Volume - Firm Transportation Service				
15	Total	636,255,413	642,999,378	\$ 670,889,795	\$ 776,146,369

NOTES

NAME OF RESPONDENT
New Jersey Natural Gas Company

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Year Ending
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Reconciliation of Gas Operating Revenues & Therms

PAGES 300 & 301 LINE 10 TO PAGE 301a LINE 15

PAGE	THERMS OF GAS SOLD		OPERATING REVENUES	
	2010	2009	2010	2009
300 - 301 LINE 1 & 7 (Pg 301 Line 1 is in Dth's)	1,252,989,125	1,102,536,454	\$ 989,364,945	\$ 1,002,669,685
Less: Net Write-offs			3,387,539	8,381,624
Tax Exempt Sales:				
General Service	89,372	118,980	115,468	149,873
Firm CAC & Cogen	2,545	7,261	4,285	11,103
Off-System & Interrup svc	587,964,088	452,059,358	298,851,807	224,076,026
Co-Generation Lakewood	26,500,180	5,352,280	-	-
Miscellaneous	2,177,527	1,999,197	16,116,051	(6,095,310)
Page 301-B line 15	636,255,413	642,999,378	670,889,795	776,146,369

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Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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Revenues from Transportation of Gas of Others Through Gathering Facilities (Account 489.1)

1. Report revenues and Dth of gas delivered through gathering facilities by zone of receipt (i.e., state in which gas enters respondent's system)
2. Revenues for penalties including penalties for unauthorized overruns must be reported on page 308.

Line No.	Rate Schedule and Zone of Receipt (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Current Year (d)
1					
2	NOT APPLICABLE				
3					
4					
5					
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Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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Revenues from Transportation of Gas of Others Through Gathering Facilities (Account 489.1)

3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e).
 4. Delivered Dth of gas must not be adjusted for discounting.

Line No.	Other Revenues Amount for Current Year (f)	Other Revenues Amount for Previous Year (g)	Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekathem of Natural Gas Amount for Current Year (j)	Dekathem of Natural Gas Amount for Previous Year (k)
1	NOT APPLICABLE					
2						
3						
4						
5						
6						
7						
8						
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11						
12						
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Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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Revenues from Transportation of Gas of Others Through Transmission Facilities (Account 489.2)

1. Report revenues and Dth of gas delivered by Zone of Delivery by Rate Schedule. Total by Zone of Delivery and for all zones. If respondent does not have separate zones, provide totals by rate schedule.
2. Revenues for penalties including penalties for unauthorized overruns must be reported on page 308.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges for transportation and hub services, less revenues reflected in columns (b) through (e).

Line No.	Zone of Delivery, Rate Schedule (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)
1	NOT APPLICABLE				
2					
3					
4					
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6					
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Name of Respondent New Jersey Natural Gas Company	This Report is:	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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Revenues from Transportation of Gas of Others Through Transmission Facilities (Account 489.2)

4. Delivered Dth of gas must not be adjusted for discounting.
5. Each incremental rate schedule and each individually certificated rate schedule must be separately reported.
6. Where transportation services are bundled with storage services, report total revenues but only transportation Dth.

Line No.	Other Revenues	Other Revenues	Total Operating Revenues	Total Operating Revenues	Dekathem of Natural Gas	Dekathem of Natural Gas
	Amount for Current Year (f)	Amount for Previous Year (g)	Amount for Current Year (h)	Amount for Previous Year (i)	Amount for Current Year (j)	Amount for Previous Year (k)
1	NOT APPLICABLE					
2						
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Revenues from Storing Gas of Others (Account 489.4)

1. Report revenues and Dth of gas withdrawn from storage by Rate Schedule and in total
2. Revenues for penalties including penalties for unauthorized overruns must be reported on page 308.
3. Other revenues in columns (f) and (g) include reservation charges, deliverability charges, injection and withdrawal charges, less revenues reflected in columns (b) through (e).

Line No.	Rate Schedule (a)	Revenues for Transition Costs and Take-or-Pay	Revenues for Transaction Costs and Take-or-Pay	Revenues for GRI and ACA	Revenues for GRI and ACA
		Amount for Current Year (b)	Amount for Previous Year (c)	Amount for Current Year (d)	Amount for Previous Year (e)
1	NOT APPLICABLE				
2					
3					
4					
5					
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Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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Revenues from Storing Gas of Others (Account 489.4)

4. Dth of gas withdrawn from storage must not be adjusted for discounting.
 5. Where transportation services are bundled with storage services, report only Dth withdrawn from storage.

Line No.	Other Revenues	Other Revenues	Total Operating Revenues	Total Operating Revenues	Dekathem of Natural Gas	Dekathem of Natural Gas
	Amount for Current Year (f)	Amount for Previous Year (g)	Amount for Current Year (h)	Amount for Previous Year (i)	Amount for Current Year (j)	Amount for Previous Year (k)
1	NOT APPLICABLE					
2						
3						
4						
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OTHER GAS REVENUES (ACCOUNT 495)

1. For transactions with annual revenues of \$250,000 or more, described for each transaction, commissions on sales of distributions of gas of others compensation of minor or incidental services provided for others, penalties. profit or loss on sales of material and supplies, sales of steam, water or electricity miscellaneous royalties, revenues from dehydration. other processing of gas of others, and gains on settlements of imbalance receivables. Separately report revenues form cash-out penalties.

Line No.	Description of Transaction (b)	Revenues (in dollars) (c)
1	Capacity Reservation charge	\$ 2,610,833
2		
3		
4		
5		
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10		
11		
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14		
15		
16		
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18		
19		
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22		
23		
24		
25		\$ 2,610,833

Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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SALES FOR RESALE NATURAL GAS (Account 483)

<p>1. Report particulars (details) concerning sales of natural gas during the year to other gas utilities and to pipeline companies for resale. Sales to each customer should be subdivided by service classifications, identified in column (c) where applicable, by rate schedule designation contained in the company's tariff.</p> <p>2. Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas.</p> <p>3. In either column a or b, provide separate subheadings and totals for each State in addition to a grand total for all sales to other gas utilities.</p> <p>4. Enter in column b, point of delivery, the name of city or town and State, and such other designation necessary to enable identification on maps of respondent's pipeline system.</p>	<p>5. Designate with an asterisk and footnote any sales which are other than firm sales, i.e., sales for storage, etc.</p> <p>6. Monthly billing demands, as used in column (g) are the number of Mcf in the respective months actually used in computing the demand portion of the customer's bills; such quantity of Mcf is multiplied by the demand portion of the tariff rate. Report in column (g) the sum of the monthly billing demands for the number of months the customer received service or was subject to demand changes.</p> <p>7. Where consolidated bills for more than one point of delivery are rendered under a FERC rate schedule, indicate the several points of delivery in column (b) and report the remainder of the columns on a consolidated basis corresponding to the billing. Where, however, consolidated bills for more than one point of delivery are not rendered under a</p>
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Line No.	Name of Other Gas Utility (Designate associated companies with an asterisk) (a)	Point of Delivery (City, Town or State) (b)	FERC Tariff Rate Schedule Designation (c)	Mcf of Gas Sold (Approx. Btu per Cu. Ft.) (d)	Revenue for Year (See Instr. 5) (e)
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39	NOT APPLICABLE				

Name of Respondent New Jersey Natural Gas Company	This Report is:	Date of Report	Year of Report
	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2011	Dec. 31, 2010

SALES FOR RESALE-NATURAL GAS (Account 483) (Continued)

FERC rate schedule, the required information (columns) shall be furnished for each point of delivery.

8. Designate in a footnote if Btu per cubic foot of gas is different for any delivery point from that shown in the heading of column d.

9. For each firm sale of \$25,000 or more for the year at each point of delivery, shown in column (i) peak day volume of gas, at pressure base indicated in column (d), and in column (h) show the date of such peak delivery. If an estimate is used for any peak day delivery and date thereof for each delivery point if billing is on a non-conjunctive basis, and show the total for

each such customer if billing is on a conjunctive basis.

10. Summarize total sales as follows: A Field sales subdivided by deliveries to (i) interstate pipeline companies and (ii) others; B. Transmission system sales divided by deliveries to (i) interstate pipeline companies, (ii) intrastate pipeline companies and gas utilities for resale under FERC rate schedules, and (iii) others. "Field sales" means sales made from wells, from points along gathering lines in gas field or production areas or from points along transmission lines within fields or production areas. "Transmission sales" means sales made from points along transmission lines not within gas fields or production areas.

11. Enter Mcf at 14.73 psia at 60°F.

Average Revenue Per Mcf (In cents) (f)	Sum of Monthly Billing Demands Mcf (g)	Peak Day Delivery to Customers			Line No.
		Date (h)	Mcf		
			Noncoincidental (i)	Coincidental (j)	
NOT APPLICABLE	NOT APPLICABLE				1
					2
					3
					4
					5
					6
					7
					8
					9
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			31		
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			36		
			37		
			38		
			39		

Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31,2010
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REVENUE FROM TRANSPORTATION OF GAS OF OTHERS – NATURAL GAS (Account 489)

<p>1. Report particulars (details) concerning revenue from transportation or compression (by respondent) of natural gas for others. Subdivide revenue between transportation or compression for interstate pipeline companies and others.</p> <p>2. Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas. Designate with an</p>	<p>asterisk, however, if gas transported or compressed is other than natural gas.</p> <p>3. In column (a) include the names of companies from which revenues were derived, points of receipt and delivery, and names of companies from which gas was received and to which delivered. Also specify the Commission order or regulation authorizing such transaction.</p>
---	---

Line No.	Name of Company and Description of Services Performed (Designate associated companies with an asterisk) (a)	Distance Transported (In miles) (b)
1	NOT APPLICABLE	
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40		
41		
42		
43		
44		
45	TOTAL	

Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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REVENUE FROM TRANSPORTATION OF GAS OF OTHERS – NATURAL GAS (Account 489) (Continued)

<p>4. Designate points of receipt and delivery so that they can be identified on map of the respondent's pipe line system.</p> <p>5. Enter Mcf at 14.73 psia at 60°F.</p> <p>6. Minor items (less than 1,000,000 mcf) may be grouped.</p>	<p>"Note: For transportation provided under Part 284 of Title 18 of the Code of Federal Regulations, report only grand totals for all transportation in columns (b) through (g) for the following regulation sections to be listed in column (a): §284.102, 284.122, 284.222, 284.223(a), 284.223(b) and 284.224. Details for each transportation are reported in separate annual reports required under Part 284 of the Commission's regulations."</p>
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Mcf of Gas Received (c)	Mcf of Gas Delivered (d)	Revenue (e)	Average Revenue Per Mcf of Gas Delivered (in cents) (f)	FERC Tariff Rate Schedule Designation (g)	Line No.
NOT APPLICABLE					1
					2
					3
					4
					5
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				44	
					45

Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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SALES OF PRODUCTS EXTRACTED FROM NATURAL GAS (Account 490)

1. Report particulars (details) concerning sales of gasoline, butane, propane, and other products extracted from natural gas, including sales of any such products which may have been purchased from others for re-sale.	2. If the purchasers are numerous, it is permissible to group the sales by kind of product. Show the number of purchasers grouped. Show separately, however, sales to associated companies or to companies which were associated at the time the applicable sales contracts were made.
---	--

Line No.	Name of Purchaser (Designate associated companies with an asterisk) (a)	Name of Product (b)	Quantity (In gallons) (c)	Amount of Sales (in dollars) (d)	Sales Amount Per Gallon (In cents) (d + c) (e)
1	NOT APPLICABLE				
2					
3					
4					
5					
6					
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12					
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14					
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17					

REVENUES FROM NATURAL GAS PROCESSED BY OTHERS (Account 491)

1. Report particulars (details) concerning royalties and other revenues derived from permission granted to others for the right to remove products from the respondent's natural gas.	2. If the respondent's natural gas is processed by others for removal of saleable products and no revenue therefrom is derived by the respondent, complete only columns (a) and (b) below, and include the date of contract in column (a)
---	---

Line No.	Name of Processor and Description of Transaction (Designate associated companies with an asterisk) (a)	Mcf of Respondent's Gas Processed (14.73 psia at 60°F) (b)	Revenue (In dollars) (c)
1			
2			
3			
4			
5			
6			
7			
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12			
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15			
16			

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year Ending Dec. 31, 2010
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GAS OPERATION AND MAINTENANCE EXPENSES

1. Report operation and maintenance expenses. If the amount for previous year is not derived from previously reported figures, explain in footnotes. 2. Provide in footnotes the source of the index used to determine the price for gas supplied by shippers as reflected on line 74.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. PRODUCTION EXPENSES		
2	A. Manufactured Gas Production		
3	Manufactured Gas Production (Submit Sup Stmt) (These costs relate to LNG)	\$ 18,179,894	\$ 15,981,116
4	B. Natural Gas production		
5	B1. Natural Gas Production and Gathering		
6	Operation		
7	750 Operation Supervision and Engineering		
8	751 Production Maps and Records		
9	752 Gas Well Expenses		
10	753 Field Lines Expenses		
11	754 Field Compressor Station Expenses		
12	755 Field Compressor Station Fuel and Power		
13	756 Field Measuring and Regulating Station Expenses		
14	757 Purification Expenses		
15	758 Gas Well Royalties		
16	759 Other Expenses		
17	760 Rents		
18	TOTAL Operation (Total of Lines 7 thru 17)	None	None
19	Maintenance		
20	761 Maintenance Supervision and Engineering		
21	762 Maintenance of Structures and Improvements		
22	763 Maintenance of Producing Gas Wells		
23	764 Maintenance of Field Lines		
24	765 Maintenance of Field Compressor Station Equipment		
25	766 Maintenance of Field Measuring and Regulating Station Equipment		
26	767 Maintenance of Purification Equipment		
27	768 Maintenance of Drilling and Cleaning Equipment		
28	769 Maintenance of Other Equipment		
29	TOTAL Maintenance (Total of Lines 20 thru 28)		
30	TOTAL Natural Gas Production and Gathering (Total of Lines 18 and 29)	None	None

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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GAS OPERATION AND MAINTENANCE EXPENSES (Continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
31	B2. Products Extraction		
32	Operation		
33	770 Operation Supervision and Engineering		
34	771 Operation Labor		
35	772 Gas Shrinkage		
36	773 Fuel		
37	774 Power		
38	775 Materials		
39	776 Operation Supplies and Expenses		
40	777 Gas Processed by Others		
41	778 Royalties on Products Extracted		
42	779 Marketing Expenses		
43	780 Products Purchased for Resale		
44	781 Variation in Products Inventory		
45	(Less) 782 Extracted Products Used by the Utility-Credit		
46	783 Rents		
47	TOTAL Operation (Total of Lines 33 thru 46)	None	None
48	Maintenance		
49	784 Maintenance Supervision and Engineering		
50	785 Maintenance of Structures and Improvements		
51	786 Maintenance of Extraction and Refining Equipment		
52	787 Maintenance of Pipe Lines		
53	788 Maintenance of Extracted Products Storage Equipment		
54	789 Maintenance of Compressor Equipment		
55	790 Maintenance of Gas Measuring and Regulating Equipment		
56	791 Maintenance of Other Equipment		
57	TOTAL Maintenance (Total of lines 49 thru 56)	None	None
58	TOTAL Products Extraction (Total of Lines 47 and 57)	None	None

NAME OF RESPONDENT New Jersey Natural Gas Company		This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
59	C. Exploration and Development			
60	Operation			
61	795 Delay Rentals			
62	796 Nonproductive Well Drilling			
63	797 Abandoned Leases			
64	798 Other Exploration			
65	TOTAL Exploration and Development (Total of lines 61 thru 64)	None	None	
66	D. Other Gas Supply Expenses			
67	Operation			
68	800 Natural Gas Well Head Purchases			
69	800.1 Natural Gas Well Head Purchases, Intracompany Transfers			
70	801 Natural Gas Field Line Purchases			
71	802 Natural Gas Gasoline Plant Outlet Purchases			
72	803 Natural Gas Transmission Line Purchases	\$ 618,422,590	\$ 630,363,684	
73	804 Natural Gas City Gate Purchases			
74	804.1 Liquefied Natural Gas Purchases			
75	805 Other Gas Purchases	9,406	10,035	
76	(Less) 805.1 Purchased Gas Cost Adjustments			
77	TOTAL Purchased Gas (Total of Lines 68 thru 76)	618,431,996	630,373,719	
78	806 Exchange Gas			
79	Purchased Gas Expenses			
80	807.1 Well Expense-Purchased Gas			
81	807.2 Operation of Purchased Gas measuring Stations			
82	807.3 Maintenance of Purchased Gas Measuring Stations			
83	807.4 Purchased Gas Calculations Expenses	310	619	
84	807.5 Other Purchased Gas Expenses			
85	Total Purchased Gas Expenses (Total of Lines 80 thru 84)	\$ 310	\$ 619	

NAME OF RESPONDENT New Jersey Natural Gas Company		This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
86	808.1 Gas Withdrawn from Storage-Debit	6,441,879	7,455,695	
87	(Less) 808.2 Gas Delivered to Storage-Credit			
88	809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit			
89	(Less) 809.2 Deliveries of Natural Gas for Processing-Credit			
90	Gas Used in Utility Operation -Credit			
91	810 Gas Used for Compressor Station Fuel-Credit			
92	811 Gas Used for Products Extraction-Credit			
93	812 Gas Used for Other Utility Operations-Credits	(743,784)	(1,453,748)	
94	TOTAL Gas Used in Utility Operations-Credit (Total of Lines 91 thru 93)	(743,784)	(1,453,748)	
95	813 Other Gas Supply Expenses	25,405	15,757	
96	TOTAL Other Gas Supply Expense (Total of Lines 77,78,85,86, thru 89,94,95)	624,155,806	636,392,042	
97	TOTAL Production Expenses (Total of Lines 3, 30, 58, 65, and 96)	642,335,700	652,373,158	
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES			
99	A. Underground Storage Expenses			
100	Operation			
101	814 Operation Supervision and Engineering			
102	815 Maps and Records			
103	816 Wells Expenses			
104	817 Lines Expense			
105	818 Compressor Station Expense			
106	819 Compressor Station Fuel and Power			
107	820 Measuring and Regulating Station Expenses			
108	821 Purification Expenses			
109	822 Exploration and Development	-		
110	823 Gas Losses			
111	824 Other Expenses			
112	825 Storage Well Royalties			
113	826 Rents			
114	TOTAL Operation (Total of Lines of 101 thru 113)	\$ -	\$ -	

NAME OF RESPONDENT New Jersey Natural Gas Company		This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
GAS OPERATION AND MAINTENANCE EXPENSES				
Enter in spaces provided the gas operation and maintenance expenses for the year				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
1	PRODUCTION EXPENSE			
2	A. MANUFACTURED GAS PRODUCTION EXPENSES			
3	A1. STEAM PRODUCTION			
4	Operation			
5	700 Operation supervision and engineering			
6	701 Operation labor			
7	702 Boiler fuel			
8	703 Miscellaneous steam expenses			
9	704 Steam transferred - Credit			
10	TOTAL Operation (Enter total on lines 5 thru 9)	None	None	
11	Maintenance			
12	705 Maintenance supervision and engineering			
13	706 Maintenance of structures and improvements			
14	707 Maintenance of boiler plant equipment			
15	708 Maintenance of other steam production plant			
16	TOTAL Maintenance (Enter Total of lines 12 thru 15)			
17	TOTAL Steam Production (Enter Total of lines 10 thru 16)	None	None	
18	A2. MANUFACTURED GAS PRODUCTION - (These costs relate to LNG)			
19	Operation			
20	Production Labor and Expenses			
21	710 Operation supervision and engineering	\$ 77,101	\$ 74,690	
22	711 Steam expense			
23	712 Other power expense			
24	716 Oil gas generating expenses			
25	717 Liquefied petroleum gas process	125	-	
26	718 Other process production expenses			
27	TOTAL Production Labor and Expenses (Enter total of lines 21 thru 26)	77,226	74,690	
28	Gas Fuels			
29	722 Fuel for oil gas			
30	723 Fuel for liquefied petroleum gas process	-	-	
31	724 Other gas fuels			
32	TOTAL Gas Fuels (Enter total of lines 29 thru 30)			
33	Gas Raw Material			
34	727 Oil for oil gas			
35	728 Liquefied petroleum gas	-	-	
36	729 Raw material for other gas processes			
37	730 Residuals produced - Credit			
38	731 Residuals produced - Credit			
39	732 Purification Expenses			
40	733 Gas mixing expenses			
41	734 Duplicate charges - credit			
42	735 Miscellaneous production expenses	18,025,354	15,830,934	
43	736 Rents			
44	TOTAL Gas Raw materials (Enter total of lines 34 thru 43)	18,025,354	15,830,934	
45	TOTAL Operation (Enter total of lines 27,32 and 44)	18,102,580	15,905,624	
46	Maintenance			
47	740 Maintenance supervision and engineering	77,145	75,492	
48	741 Maintenance of structures and improvements	-	-	
49	742 Maintenance of production equipment	169	-	
50	TOTAL Maintenance (Enter total of lines 47 thru 49)	77,314	75,492	
51	TOTAL Manufactured Gas Production (Enter total of lines 45 and 50)	\$ 18,179,894	\$ 15,981,116	

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GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
115	Maintenance			
116	830 Maintenance Supervision and Engineering			
117	831 Maintenance of Structures and Improvements			
118	832 Maintenance of Reservoirs and Wells			
119	833 Maintenance of Lines			
120	834 Maintenance of Compressor Station Equipment			
121	835 Maintenance of Measuring and Regulating Station Equipment			
122	836 Maintenance of Purification Equipment			
123	837 Maintenance of Other Equipment			
124	TOTAL Maintenance (Total of lines 116 thru 123)	-		-
125	TOTAL Underground Storage Expenses (Total of lines 114 thru 124)	-		-
126	B. Other Storage Expenses			
127	Operation			
128	840 Operation Supervision and Engineering	173,531		167,785
129	841 Operation Labor and Expenses	165,634		207,836
130	842 Rents			
131	842.1 Fuel	(9)		157
132	842.2 Power	228,787		237,792
133	842.3 Gas Losses			
134	TOTAL Operation (Total of lines 128 thru 133)	567,943		613,570
135	Maintenance			
136	843.1 Maintenance Supervision and Engineering			
137	843.2 Maintenance of Structures and Improvements	20,926		17,493
138	843.3 Maintenance of Gas Holders	103,648		108,321
139	843.4 Maintenance of Purification Equipment			
140	843.5 Maintenance Liquefaction Equipment			
141	843.6 Maintenance of Vaporizing Equipment	140,090		165,155
142	843.7 Maintenance of Compressor Equipment	128,513		157,666
143	843.8 Maintenance of Measuring and Regulating Equipment	6,487		6,317
144	843.9 Maintenance of Other Equipment	568,811		593,997
145	TOTAL Maintenance (Total of Lines 136 thru 144)	968,475		1,048,949
146	TOTAL Other Storage Expenses (Total of lines 134 thru 145)	\$ 1,536,418		\$ 1,662,519

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2009	Year Ending Dec. 31, 2009
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GAS OPERATION AND MAINTENANCE EXPENSES (Continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
147	C. Liquefied Natural Gas Terminaling and Processing Expenses		
148	Operation		
149	844.1 Operation Supervision and Engineering		
150	844.2 LNG Processing Terminal Labor and Expenses		
151	844.3 Liquefaction Processing Labor and Expenses		
152	844.4 Liquefaction Transportation Labor and Expenses		
153	844.5 Measuring and Regulating Labor and Expenses		
154	844.6 Compressor Station Labor and Expenses		
155	844.7 Communication System Expenses		
156	844.8 System control and Load Dispatching		
157	845.1 Fuel		
158	845.2 Power		
159	845.3 Rents		
160	845.4 Demurrage Changes		
161	(Less) 845.5 Wharfage Receipts-Credit		
162	845.6 Processing Liquefied or Vaporized Gas by Others		
163	846.1 Gas Losses		
164	846.2 Other Expenses		
165	TOTAL Operation (Total of lines 149 thru 164)	None	None
166	Maintenance		
167	847.1 Maintenance Supervision and Engineering		
168	847.2 Maintenance of Structures and Improvements		
169	847.3 Maintenance of LNG Processing Terminal equipment		
170	847.4 Maintenance of LNG Transportation Equipment		
171	847.5 Maintenance of Measuring and Regulating Equipment		
172	847.6 Maintenance of Compressor Station Equipment		
173	847.7 Maintenance of Communication Equipment		
174	847.8 Maintenance of Other Equipment		
175	TOTAL Maintenance (Total of lines 167 thru 174)		
176	TOTAL Liquefied Nat Gas Terminaling and Proc. Exp. (Total of lines 165 and 175)		
177	TOTAL Natural Gas Storage (Total of lines 125, 146, and 176)	\$ 1,536,418	\$ 1,662,519

NAME OF RESPONDENT New Jersey Natural Gas Company		This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
178	3. TRANSMISSION EXPENSES			
179	Operation			
180	850 Operation Supervision and Engineering	\$ 263,584	\$ 240,027	
181	851 System Control and Load Dispatching	441,656	424,969	
182	852 Communication System Expenses			
183	853 Compressor Station Labor and Expenses			
184	854 Gas for Compressor Station Fuel			
185	855 Other Fuel and Power for Compressor Station			
186	856 Mains Expenses	1,855,185	2,096,813	
187	857 Measuring and Regulating Station Expenses	873,660	1,635,026	
188	858 Transmission and Compression of Gas by Others			
189	859 Other Expenses	125,584	85,687	
190	860 Rents	-	-	
191	TOTAL Operation (Total of lines 180 thru 190)	3,559,669	4,482,522	
192	Maintenance			
193	861 Maintenance Supervision and Engineering			
194	862 Maintenance of Structures and Improvements	10,303	1,489	
195	863 Maintenance of Mains	290,366	299,811	
196	864 Maintenance of Compressor Station Equipment			
197	865 Maintenance of Measuring and Regulating Station Equipment	250,450	290,136	
198	866 Maintenance of Communication Equipment			
199	867 Maintenance of Other Equipment			
200	TOTAL Maintenance (Total of lines 193 thru 199)	551,119	591,436	
201	TOTAL Transmission Expenses (Total of lines 191 and 200)	4,110,788	5,073,958	
202	4. DISTRIBUTION EXPENSES			
203	Operation			
204	870 Operation Supervision and Engineering	840,447	1,001,534	
205	871 Distribution Load Dispatching	548,360	660,721	
206	872 Compressor Station Labor and Expenses			
207	873 Compressor Station Fuel and Power			

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GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
208	874 Mains and Services Expenses	4,170,100	3,894,339	
209	875 Measuring and Regulating Station Expenses-General	400,783	414,061	
210	876 Measuring and Regulating Station Expenses-Industrial	187,117	129,769	
211	877 Measuring and Regulating Station Expenses-City Gas Check Station	651	852	
212	878 Meter and House Regulator Expenses	1,913,256	2,150,492	
213	879 Customer Installations Expenses	8,924,675	8,873,709	
214	880 Other Expenses	3,594,984	3,172,371	
215	881 Rents	5,002	-	
216	TOTAL Operation (Total of lines 204 thru 215)	20,585,375	20,297,848	
217	Maintenance			
218	885 Maintenance Supervision and Engineering	694,543	698,705	
219	886 Maintenance of Structures and Improvements	659,880	497,210	
220	887 Maintenance of Mains	2,836,616	3,058,250	
221	888 Maintenance of Compressor Station Equipment			
222	889 Maintenance of Measuring and Regulating Station Equipment-General	877,941	1,385,817	
223	890 Maintenance of Meas. and Reg. Station Equipment-Industrial	37,543	53,558	
224	891 Maintenance of Meas. and Reg. Station Equip-City Gate Check Station	-	-	
225	892 Maintenance of Services	1,213,500	1,258,951	
226	893 Maintenance of Meters and House Regulators	1,191,568	984,502	
227	894 Maintenance of Other Equipment	(36,329)	15,985	
228	TOTAL Maintenance (Total of lines 218 thru 227)	7,475,262	7,952,978	
229	TOTAL Distribution Expenses (Total of lines 216 and 228)	28,060,637	28,250,826	
230	5. CUSTOMER ACCOUNTS EXPENSES			
231	Operation			
232	901 Supervision	559,729	557,249	
233	902 Meter Reading Expenses	4,515,607	4,548,341	
234	903 Customer Records and Collection Expenses	7,738,640	7,701,760	

NAME OF RESPONDENT New Jersey Natural Gas Company		This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
235	904 Uncollectible Accounts	3,615,984	6,209,272	
236	905 Miscellaneous Customer Accounts Expenses	21,780,153	20,833,201	
237	TOTAL Customer Accounts Expenses (Total of lines 232 thru 236)	38,210,113	39,849,823	
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
239	Operation			
240	907 Supervision	-	-	
241	908 Customer Assistance Expenses	12,544,511	11,450,479	
242	909 Informational and Instructional Expenses	199,335	206,999	
243	910 Miscellaneous Customer Service and Informational Expenses	18,500	59,500	
244	TOTAL Customer Service and Information Expenses (Total of lines 240 thru 243)	12,762,346	11,716,978	
245	7. SALES EXPENSES			
246	Operation			
247	911 Supervision	795,380	531,512	
248	912 Demonstrating and Selling Expenses	978,615	1,196,797	
249	913 Advertising Expenses	1,915	241,226	
250	916 Miscellaneous Sales Expenses	(2,120,643)	(1,184,209)	
251	TOTAL Sales Expenses (Total of lines 247 thru 250)	(344,733)	785,326	
252	8. ADMINISTRATIVE AND GENERAL EXPENSES			
253	Operation			
254	920 Administrative and General Salaries	15,760,508	16,945,504	
255	921 Office Supplies and Expenses	4,636,893	4,526,935	
256	(Less) 922 Administrative Expenses Transferred-credit	(70,628)	(84,154)	
257	923 Outside Services Employed	7,167,777	8,892,134	
258	924 Property Insurance	187,604	183,903	
259	925 Injuries and Damages	3,499,405	3,293,486	
260	926 Employee Pensions and Benefits	15,128,946	11,864,807	
261	927 Exchange Requirements	-	-	
262	928 Regulatory Commission Expenses	1,723,929	1,922,393	
263	(Less) 929 Duplicate Charges-Credit	-	-	
264	930.1 General Advertising Expenses	187,816	172,571	
265	930.2 Miscellaneous General Expenses	827,556	698,893	
266	931 Rents	1,654,011	1,547,980	
267	TOTAL Operation (Total of lines 254 thru 266)	50,703,817	49,964,452	
268	Maintenance			
269	935 Maintenance of General Plant	4,829	846	
270	TOTAL Administrative and General Expenses (Total of lines 267 and 269)	50,708,646	49,965,298	
271	TOTAL Gas O&M Expenses (Total of lines 97,177,201,229,237,244,251 and 270)	\$ 777,379,915	\$ 789,677,886	

Name of Respondent New Jersey Natural Gas Company	This Report is:	Date of Report	Year of Report
	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2011	Dec. 31, 2010

**EXPLORATION AND DEVELOPMENT EXPENSES (Accounts 795, 796, 798)
(Except Abandoned Leases, Account 797)**

1. Report below exploration and development costs for the year, exclusive of Account 797, *Abandoned Leases*, according to the prescribed accounts shown by the column headings.
2. Provide subheadings and subtotals for exploration and development costs for each State.

3. Explain in a footnote any difference between the amounts reported in column(f) and the amount shown on page 231, *Preliminary Survey and Investigation Charges*, for clearance to Account 796 during the year from Account 183.1, *Preliminary Natural Gas Survey and Investigation Charges*.

Line No.	Field (a)	County (b)	D____y Rentals (Account 796) (c)	Nonproductive Well Drilling (Account 796)		Other Exploration Costs (Accounts 796) (f)	Total (g)
				Number Of Wells (d)	Amount (e)		
1			NOT APPLICABLE				
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25							
26							
27	TOTAL						

ABANDONED LEASES (Account 797)

1. Report below particulars (details) concerning the provision for the year to cover probable loss on abandonment of natural gas leases included in Account 105, *Gas Plant Held for Future Use* which have never been productive.
2. Explain the basis of determining the year's provision and state whether the basis is the same as that used for the preceding year.

If the year's total provision is comprised of separate determinations with respect to certain groups or classes of leases. Show separately the determinations for each such group or class. If the provision was so determined that component amounts may be identified by territories, fields, or counties, show the component amounts identified as such.

Line No.	Item (a)	Amount (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10	TOTAL	

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year of Report Dec. 31, 2010
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GAS PURCHASES (Accounts 800, 800.1, 802, 803, 804, 804.1, 805, 805.1)

- | | |
|--|--|
| 1. Provide totals for the following accounts.
800 Natural Gas Well Head Purchases
800.1 Natural Gas Well Head Purchases Intracompany Transfers
801 Natural Gas Field Line Purchases
802 Natural Gas Gasoline Plant Outlet Purchases
803 Natural Gas Transmission Line Purchase
804 Natural Gas City Gate Purchases
804.1 Liquefied Natural Gas Purchases
805 Other Gas Purchases
805.1 Purchase Gas Cost Adjustment | The totals shown in columns (b) and (c) should agree with the books of account. Reconcile any differences in a footnote.
2. State in column (b) the volume of purchased gas as finally measured for the purpose of determining the amount payable for the gas. Include current year receipts of make-up gas that was paid for in prior years.
3. State in column (c) the dollar amount (omit cents) paid and previously paid for the volumes of gas shown in column (b).
4. State in column (d) the average cost per MCF to the nearest hundredth of a cent. (Average means column (c) divided by column (b) multiplied by 100. |
|--|--|

Line No.	Amount Title (a)	Gas Purchased - Mcf (14.73 pa 60°F) (b)	Cost of Gas (in dollars) (c)	Average Cost Per MCF (To nearest .01 of a cent) (d)
01	800 - Natural Gas Well Head Purchases			
02	800.1 - Natural Gas Well Head Purchases Intracompany Transfers			
03	801 - Natural Gas Field Line Purchases			
04	802 - Natural Gas Gasoline Plant Outlet Purchases			
05	803 - Natural Gas Transmission Line Purchases - column © ties to pg 319, Line 72.	126,267,314	\$618,422,590	\$ 4.8977
06	804 - Natural Gas City Gate Purchases			
07	804.1 - Liquefied Natural Gas Purchases			
08	805 - Other Gas Purchases	1,603	\$9,406	\$ 5.8677
09	805.1 Purchased Gas Cost Adjustment			
10	TOTAL (Enter Total of lines 01 thru 9)	126,268,917	\$ 618,431,996	\$ 4.8977

Notes to Gas Purchases

NAME OF RESPONDENT
New Jersey Natural Gas Company

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GAS PURCHASES (Accounts 800, 800.1, 802, 803, 804, 804.1, 805, 805.1)

Line No.	Supplier/Producer (a)	Net Dth Purchased (b)	Total \$'s (c)	Per Dth (d)
1	1	1,269,307	6,204,450	4.8881
2	2	0	948,944	
3	5	768,915	3,996,667	5.1978
4	12	0	8,888,560	
5	17	0	1,522,531	
6	19	0	108,561	
7	21	15,056,138		0.0000
8	30	0	732,356	
9	35	13,700	58,754	4.2886
10	41	98,000	415,419	4.2390
11	49	1,603	9,405	5.8673
12	54	0	3,429,236	
13	55	28,548	82,520,914	2,890.6023
14	56	0	1,014	
15	58	0	2,726,220	
16	65	293,149	1,464,589	4.9961
17	67	1,429,842	5,989,690	4.1891
18	72	800	3,741	4.6763
19	76	81,000	406,335	5.0165
20	86	19,600	79,482	4.0552
21	89	575,000	4,922,164	8.5603
22	97	222,892	1,113,182	4.9943
23	116	546,693	2,865,628	5.2417
24	123	4,211,465	18,380,239	4.3643
25	127	161,550	770,360	4.7686
26	129	13,300	53,405	4.0154
27	144	1,293,244	5,593,325	4.3250
28	145	5,458,585	23,946,680	4.3870
29	152	179,000	873,437	4.8795
30	161	271,234	1,072,678	3.9548
31	163	0	155	
32	174	854,300	4,069,290	4.7633
33	176	5,400	21,250	3.9352
34	207	30,700	145,996	4.7556
35	210	2,225,090	10,354,987	4.6537
36	216	210,000	1,025,876	4.8851
37	219	0	33,646	
38	221	114,200	675,447	5.9146
39	222	346,746	1,483,329	4.2779
40	224	20,907,497	91,290,799	4.3664
41	226	258,750	696,786	2.6929
42	228	8,300	40,009	4.8204
43	230	0	7,129,123	
44	231	205,649	898,500	4.3691
45	232	3,980,628	17,317,554	4.3505
46	234	457,602	1,921,648	4.1994
47	239	709,732	3,157,461	4.4488

NAME OF RESPONDENT
New Jersey Natural Gas Company

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GAS PURCHASES (Accounts 800, 800.1, 802, 803, 804, 804.1, 805, 805.1)

Line No.	Supplier/Producer (a)	Net Dth Purchased (b)	Total \$'s (c)	Per Dth (d)
48	240	2,524,740	12,999,555	5.1489
49	241	3,799,740	16,931,641	4.4560
50	242	18,500	68,662	3.7115
51	243	0	3,878,175	
52	245	0	62,000	
53	246	654,037	2,733,456	4.1794
54	247	7,700	34,041	4.4209
55	248	3,601,903	18,901,972	5.2478
56	253	328,528	1,467,472	4.4668
57	258	3,828,420	29,051,599	7.5884
58	259	93,000	494,983	5.3224
59	264	1,200	5,288	4.4063
60	265	382,461	1,517,734	3.9683
61	266	22,000	95,147	4.3249
62	267	90,774	396,068	4.3632
63	272	672,116	2,914,455	4.3362
64	274	1,237,664	5,744,694	4.6416
65	275	58,500	338,736	5.7904
66	282	185,700	856,784	4.6138
67	283	477,603	2,794,713	5.8515
68	284	1,920,501	12,751,559	6.6397
69	285	591,200	2,115,062	3.5776
70	293	379,300	1,812,155	4.7776
71	298	7,800	51,660	6.6231
72	302	193,770	837,757	4.3235
73	305	168,800	742,593	4.3992
74	308	390,696	1,574,619	4.0303
75	309	150,220	623,455	4.1503
76	312	1,900	8,280	4.3579
77	313	222,280	1,058,982	4.7642
78	314	244,600	1,319,836	5.3959
79	317	62,736	339,430	5.4104
80	319	7,588	38,353	5.0544
81	328	20,500	122,402	5.9708
82	329	438	1,958	4.4700
83	331	4,000	19,200	4.8000
84	332	0	5,985	
85	334	2,749,952	11,193,341	4.0704
86	335	0	516,790	
87	336	0	3,268,483	
88	337	0	532,450	
89	338	494,700	1,989,584	4.0218
90	340	555,634	3,416,973	6.1497
91	342	6,969,214	32,465,451	4.6584
92	345	1,136,385	4,866,585	4.2825
93	346	6,971,469	32,816,308	4.7072
94	347	39,205	188,437	4.8064

NAME OF RESPONDENT
New Jersey Natural Gas Company

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Date of Report
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Year of Report
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GAS PURCHASES (Accounts 800, 800.1, 802, 803, 804, 804.1, 805, 805.1)

Line No.	Supplier/Producer (a)	Net Dth Purchased (b)	Total \$'s (c)	Per Dth (d)
95	348	224,347	1,013,474	4.5174
96	349	555,394	13,165,188	
97	350	395,911	1,624,772	4.1039
98	351	7,518	39,770	5.2900
99	353	1,657,000	7,616,857	4.5968
100	356	3,800	17,480	4.6000
101	357	2,010,356	8,519,730	4.2379
102	358	0	10,809,000	
103	359	45,600	230,616	5.0574
104	360	524,400	2,913,001	5.5549
105	361	24,894	139,419	5.6005
106	362	14,539,589	64,675,550	4.4482
107	363	10,000	59,313	5.9313
108		63,100	575,825	9.1256
109		7,316	35,227	4.8150
110		0	1,731	
111		13,900	57,616	4.1451
112		0	450	
113		0	1,311	
114		3,000	12,600	4.2000
115		233,500	973,065	4.1673
116		4,300	19,751	4.5933
117		2,900	13,137	
118		0	6,974,131	
119		1,259,380	4,816,869	3.8248
120		566,280	2,784,178	4.9166
121		900,000	3,918,750	4.3542
122		0	78	
123		240,200	954,138	3.9723
124		0	365,700	
125		0	6,430,450	

Pipeline Purchases/Gross Payables 126,868,318 674,083,858

Capacity Release Credits (14,017,938)
Adjustments - Cashouts, Imbalances, BGSS over/under & sharing, etc. (46,756,019)

Withdrawals from Storage (1) 22,720,104 \$165,720,175
Injections into storage (2) (23,319,505) -\$160,598,080
Liquefaction - -

TOTAL PIPELINE SENDOUT/PURCHASES 126,268,917 618,431,996 (3)

LNG 522,028
Unaccounted for Gas (370,209)
Company Use (106,544)
Transportation Volumes (18,860,965)
Total Sales per Page 301 107,453,226

(1) Net Dth Column to page 512, Line 28-B
(2) Net Dth Column to page 512, Line 14-B
(3) Total Pipeline Sendout/Purchases in \$ to page 319, Line 77-B, and page 327, Line 10-C

Name of Respondent New Jersey Natural Gas Company	This Report is:	Date of Report	Year of Report
	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2011	Dec. 31, 2010

EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas)

- was received or paid in performance of gas exchange services.
3. List individually net transactions occurring during the year for each rate schedule.
4. Indicate points of receipt and delivery of gas so that they may be readily identified on a map of the respondent's pipeline system.

Exchange Gas Delivered			Excess Mcf Received or Delivered (h)	Debit (Credit) Account 806 (i)	Line No.
Point of Delivery (City, state, etc.) (e)	Mcf (f)	Debit (Credit) Account 174 (g)			
Not Applicable					1
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Name of Respondent New Jersey Natural Gas Company	This Report is:	Date of Report	Year of Report
	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2011	Dec. 31, 2010

EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas) (Continued)

- was received or paid in performance of gas exchange services.
3. List individually net transactions occurring during the year for each rate schedule.
4. Indicate points of receipt and delivery of gas so that they may be readily identified on a map of the respondent's pipeline system.

Exchange Gas Delivered			Excess Mcf Received or Delivered (h)	Debit (Credit) Account 806 (i)	Line No.
Point of Delivery (City, state, etc.) (e)	Mcf (f)	Debit (Credit) Account 174 (g)			
Not Applicable					1
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Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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EXCHANGE GAS TRANSACTIONS (Account 806, Exchange Gas) (Continued)

5. Furnish any additional explanations needed to further explain the accounting for exchange gas transactions.

6. Report the pressure base of measurement of gas volumes at 14/73 psia at 60oF.

Line No.	Name of Company (Designate associated companies with an asterisk) (a)	Changes Paid or Payable by Respondent		Revenues Received or Relievable by Respondent		FERC Tariff Rate Schedule Identification (f)
		Amount (b)	Amount (c)	Amount (d)	Amount (e)	
1						
2						
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44						
45	TOTAL					

NOT APPLICABLE

NAME OF RESPONDENT
New Jersey Natural Gas Company

This Report is:
 An Original
 A Resubmission

Date of Report
(Mo, Da, Yr)
Apr. 30, 2011

Year Ending
Dec. 31, 2010

SUMMARY OF GAS ACCOUNT

1. Report below the specified information called for on the schedule.

Line No.	Item (a)	Therms	
		(a)	(b)
1	Gas on hand, produced and purchased:		
2	On hand at beginning of year		
3	Local Storage	8,583,500	
4	Underground Storage (inventory)	167,683,480	
5	TOTAL on hand at beginning of year		176,266,980
6	Production (gross)		
7	Liquefied Petroleum Gas		
8	Synthetic Natural Gas		
9	Other		
10	TOTAL Production		
11	Purchases:		
12	Natural Gas	1,268,683,180	
13	Refinery Gas		
14			
15			
16			
17	TOTAL Purchases (Page G327)	1,268,683,180	
18	Less:		
19	Pipeline Retentions		
20	Utility Operations		
21	Weighted Avg. Factor		
22	PLUS: CAPACITY RELEASE & OTHER	330,728,340	
23	TOTAL Purchases (net)		1,599,411,520
24	TOTAL Gas Available for Distribution:		1,775,678,500
25			
26	Disposition of Total Gas Available for Distribution:		
27	Sales (Page G301)	1,590,515,620	
28	Gas Used by Respondent	1,065,440	
29	Gas Unaccounted For	3,702,090	
30	TOTAL Gas Disposition (page G523)		1,595,283,150
31			
32	On hand at end of year:		
33	Local Storage	8,986,640	
34	Underground Storage (inventory)	171,408,710	
35	TOTAL Gas on hand at end of year		180,395,350
36	TOTAL Gas Disposition and on hand at end of year		1,775,678,500

Line No. 27	SALES:		
	ON SYSTEM SALES	510,417,870	
	OFF SYSTEM SALES	564,114,390	
	PAGE 301 LINE 1	<u>1,074,532,260</u>	1,595,283,150
	PAGE 301 LINE 7	188,609,650	0
	PAGE 301C LINE 1	1,263,141,910	
	CAPACITY RELEASE	327,373,710	
	TOTAL of Line No. 27	<u>1,590,515,620</u>	

Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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Transmission and Compression of Gas by Others (Account 858)

1. Report below details concerning gas transported or compressed for respondent by others equaling more than 1,000,000 Dth and amounts of payments for such services during the year. Minor items (less than 1,000,000) Dth may be grouped. Also, include in column (c) amounts paid as transition costs to an upstream pipeline.
2. In column (a) give name of companies, points of delivery and receipt of gas. Designate points of delivery and receipt so that they can be identified readily on a map of respondent's pipeline system.
3. Designate associated companies with an asterisk in column (b).

Line No.	Name of Company and Description of Service Performed (a)	* (b)	Amount of Payment (in dollars) (c)	Dth of Gas Delivered (d)
1				
2	NOT APPLICABLE			
3				
4				
5				
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13				
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21				
22				
23				
24				
25	Total			

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year Ending Dec. 31, 2010
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OTHER GAS SUPPLY EXPENSES (ACCOUNT 813)

1. Report other gas supply expenses by descriptive titles that clearly indicate the nature of such expenses. Show maintenance expenses, revaluation of monthly encroachments recorded in Account 117.4, and losses on settlements of imbalances and gas losses not associated with storage separately. Indicate the functional classification and purpose of property to which any expenses relate. List separately items of \$250,000 or more.

Line No.	Description (a)	Amount (in dollars) (b)
1	Other Gas Supply Exp. - Payroll Charges	\$ 25,405
2	Miscellaneous Expenses	-
3		
4		
5		
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24		
25		\$ 25,405

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year Ending Dec. 31, 2010
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MISCELLANEOUS GENERAL EXPENSES (ACCOUNT 930.21)

1. Provide the information requested below on miscellaneous general expenses.

2. For Other Expenses, show the (a) purpose, (b) recipient and (c) amount of such items. List separately amounts of \$250,000 or more, however, amounts fees than \$250,000 may be grouped if the number of items of so grouped is shown.

Line No.	Description (a)	Amount (in dollars) (b)
1	Industry Association Dues.	\$ 679,320
2	Experimental and general research expenses. a. Gas Research Institute (GRI) b. Other - IGT	-
3	Publishing and distributing information and reports to stockholders, trustee, registrar, and transfer agent fees and expenses; and other expenses of servicing outstanding securities of the respondent.	
4	Miscellaneous Vendors	148,236
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25	TOTAL	\$ 827,556

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DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (ACCOUNTS 403,404.1,404.2,404.3,405)
(Except Amortization of Acquisition Adjustment)

1. Report in section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.
2. Report in Section B, column (b) all depreciable or amortizable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate in a footnote the manner in which column (b) balances are

Section A. Summary of Depreciation, Depletion and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (c)	Amortization of Underground Storage Land and Land Rights (Account 404.2) (d)
1	Intangible Plant			
2	Production plant, manufactured gas			
3	Production and gathering plant, natural gas	\$ -		
4	Products extraction plant			
5	Underground gas storage plant			
6	Other storage plant	1,197,722		
7	Base load LNG terminaling and processing plant			
8	Transmission plant	4,890,517		
9	Distribution plant	23,237,769		
10	General plant	2,701,229		
11	Common plant-gas			
12	TOTAL	\$ 32,027,237		

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (ACCOUNTS 403,404.1,404.2,404.3,405)
(Except Amortization of Acquisition Adjustment) (Continued)

obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used

to determine depreciation charges, shown in a footnote any revisions made to estimated gas reserves.
3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in a footnote the amounts and nature of the provisions and the plant item to which related.

Section A. Summary of Depreciation, Depletion and Amortization Charges

Amortization of Other Limited-Term Gas Plant (Account 404.3) (e)	Amortization of Other Gas Plant (Account 405) (f)	Total (b to f) (g)	Functional Classification (f)	Line No.
			Intangible Plant	1
			Production plant, manufactured gas	2
		\$ -	Production and gathering plant	3
			Products extraction plant	4
			Underground gas storage plant	5
		1,197,722	Other storage plant	6
			Base load LNG terminaling & process	7
		4,890,517	Transmission plant	8
		23,237,769	Distribution plant	9
		2,701,229	General plant	10
			Common plant-gas	11
		\$ 32,027,237	TOTAL	12

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DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Continued)

4. Add rows as necessary to complete report all data. Number the addition rows in sequence as 2.01, 2.02, 3.01, 3.02, etc

Section B. Factors Used in Estimating Depreciation Charges

Line No.	Functional Classification (a)	Plant Bases (thousands) (b)	Applied Depreciation of Amortization Rates (percent) (c)
1	Production and gathering plant		
2	Offshore		
3	Onshore		
4	Underground gas storage plant		
5	Transmission plant		
6	Offshore		
7	Onshore		
8	General plant		
9			
10			
11			
12			
13			
14			
15	TOTAL		

Depreciation is computed on a straight line basis at the end of each fiscal year by applying rates approved by the BPU to the average annual balance of each plant account. The schedule at page 338A lists approved rates for all plant accounts effective October 3, 2008. in accordance with Board Order in Docket # GR07110889.

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
NEW JERSEY NATURAL GAS COMPANY DEPRECIATION RATES FOR GAS PLANT EFFECTIVE JANUARY 1, 2010 - DECEMBER 31, 2010			
Account	Description	Rate	
PRODUCTION PLANT			
305.00	Structures & Improvements	0.00%	
311.00	Liquid Petroleum Gas Equipment	0.00%	
OTHER STORAGE PLANT			
361.00	Structures & Improvements	3.21%	
362.00	Gas Holders	3.06%	
363.20	Vaporizing Equipment	2.93%	
363.30	Compressor Equipment	2.57%	
363.40	Measuring & Regulating Equipment	2.73%	
363.50	Other Equipment	2.59%	
TRANSMISSION PLANT			
366.00	Structures & Improvements	3.12%	
367.00	Mains	2.71%	
369.00	Measuring & Regulating Equipment	2.71%	
DISTRIBUTION PLANT			
375.01	Structures & Improvements	1.83%	
376.00	Mains - Steel	1.56%	
376.26	Mains - Plastic	2.37%	
378.00	Measuring & Regulating Equipment	4.81%	
380.01	Services - Steel	2.22%	
381.21	Services - Plastic	2.35%	
381.01	Meters	2.06%	
382.02	Meters - Installations	2.73%	
383.00	House Regulators	10 Year Amort	
384.00	House Regulator Installations	10 Year Amort	
385.00	Industrial Measuring & Regulating Equipment	2.37%	
387.00	Other Equipment	6.46%	
GENERAL PLANT			
390.02	Leasehold Improvements	3.27%	
391.01	Furniture Fixtures & Equipment	25 Year Amort	
391.02	Information Systems	5.62%	
391.01	Data Handling Equipment	3.45%	
391.04	Computer Software	20.05%	
393.00	Stores Equipment	35 Year Amort	
394.00	Tools, Shop & Garage Equipment	20 Year Amort	
395.00	Laboratory Equipment	35 Year Amort	
396.00	Power Operated Equipment	3.72%	
397.00	Communication Equipment	3.13%	

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year Ending Dec. 31, 2010
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INCOME FROM UTILITY PLANT LEASED TO OTHERS (Account 412 and 413)

1. Report below the following information with respect to utility property leased to others constituting an operating unit or system.

2. For each lease show; (1) name of lessee and description and location of the leased property; (2) revenues; (3) operating expenses classified as to operation, maintenance, depreciation, rents, amortization; and (4) net income from lease for year. Arrange amounts so that deductions appear as a subtraction from revenues, and income as the remainder.

3. Provide a subheading and total for each utility department in addition to a total for all utility departments.

4. Furnish particulars (details) of the method of determining the annual rental for the property.

5. Designate with an asterisk associated companies.

Line No.	
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6	NOT APPLICABLE
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NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report <i>April 30, 2011</i>	Year Ending Dec. 31, 2010
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PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts.

- (a) Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization, charges for the year, and the period of amortization.
- (b) Miscellaneous Income Deductions-Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations: 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts.

Amounts of less than \$250,000 may be grouped by classes within the above accounts.

- (c) Interest on Debt to Associated Companies (Account 430)-For each associated company that incurred interest on debt during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.
- (d) Other Interest Expense (Account 431) - Report details including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	Account 426 - Miscellaneous Income Deductions	
2		
3	Account 426.1 - Donations	
4	NJ Shares Program	\$ 777,675
5	Matching Gifts and Other Miscellaneous	1,132
6		
7		<u>\$ 778,807</u>
8		
9		
10	Account 431 - Other Interest Expense	
11	Commercial Paper 0.26%	\$ 60,196
12	Bank Notes	-
13	Customer Deposits 0.43%	35,571
14	Commitment and Remarketing Fees	1,311,747
15	Miscellaneous	1,430
16		<u>\$ 1,408,944</u>
17		
18		
19		
20		
21		
22	Accounts 425, 426.2, 426.3, 426.4, 426.5, and 430.	None
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Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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DISTRIBUTION TYPE SALES BY STATES

1. Report in total for each State, sales by classes of service. Report main line sales to residential and commercial consumers in total by states. Do not include field and main line sales to industrial consumers; these should be reported on pages 306-308, Field and Main Line industrial Sales of Natural Gas.

Line No.	Name of State (a)	Total Residential, Commercial and Industrial		Residential
		Operating Revenues (Total of (d), (f) and (h)) (b)	Mcf (14.73 psia at 60°F (Total of (e), (g) and (i)) (c)	Operating Revenues (d)
1	NOT APPLICABLE			
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Name of Respondent New Jersey Natural Gas Company	This Report is:	Date of Report	Year of Report
	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2011	Dec. 31, 2010

DISTRIBUTION TYPE SALES BY STATES (Continued)

2. Provide totals for sales within each State. the components of mixed gas, i.e., whether natural and oil refinery gasses, natural and color oven gasses, etc., and specify the approximate percentage of natural gas in the mixture.
3. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas. State in a footnote

Residential (Continued)		Commercial		Industrial		Line No.
Mcf (14.73 paid at 60°F)	Operating Revenues	Mcf (14.73 paid at 60°F)	Operating Revenues	Mcf (14.73 paid at 60°F)		
NOT APPLICABLE						1
						2
						3
						4
						5
						6
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Name of Respondent New Jersey Natural Gas Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
RESIDENTIAL AND COMMERCIAL SPACE HEATING CUSTOMERS				
A residential space heating customer is a customer whose major fuel for heating is gas.				
Line No.	Item (a)	Residential (b)	Commercial (c)	
1	Average Number of Space Heating Customers for the Year (Estimate if not known. Designate with an asterisk if estimated.)			
2	For Space Heating Only, Estimated Average Mcf (14.73 psia at 60°F) Per Customer for the Year			
3	Number of Space Heating Customers Added During the Year			
4	Number of Unfilled Applications for Space Heating at End of Year			
INTERRUPTIBLE, OFF PEAK, AND FIRM SALES TO DISTRIBUTION SYSTEM INDUSTRIAL CUSTOMERS				
1. Report below the average number of interruptible, off peak, and firm industrial customers on local distribution systems of the respondent, and the Mcf of gas sales to these customers for the year. 2. Interruptible customers are those to whom service may be interrupted under terms of the customer's gas contract, or to whom service is required to be interrupted, regardless of contractual arrangements in emergency periods, by law,		ordinances, directive, or other requirement of government authority. State in a footnote the basis on which interruptible customers are reported. 3. Off peak sales are seasonal and other sales which do not occur during wintertime demands. 4. Report pressure base of gas volumes at 14.73 psia at 60°F.		
Line No.	Item (a)	Number/Amount (b)		
1	Interruptible Customers			
2	Average Number of Customers for the Year			
3	Mcf of Gas Sales for the Year			
4	Off Peak Customers			
5	Average Number of Customers for the Year			
6	Mcf of Gas Sales for the Year			
7	Firm Customers			
8	Average Number of Customers for the Year			
9	Mcf of Gas Sales for the Year			
10	TOTAL Industrial Customers			
11	Average Number of Customers for the Year			
12	Mcf of Gas Sales for the Year			

Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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FIELD AND MAIN LINE INDUSTRIAL SALES OF NATURAL GAS

- | | |
|---|---|
| <p>1. report below particulars (details) concerning sales of natural gas to industrial customers served other than from local distribution systems operated by the respondent. Classify between field sales and transmission sales and further subdivide these sales between sales subject to FERC certification and sales not requiring a FERC certificate. Include also any field and mail line sales, classified as Other Sales to Public Authorities and indicate such inclusion in a footnote. Field sales means sales made from wells, from points along gathering lines in gas field or production areas or from points along transmission lines within field or production areas. Transmission sales means sales made from points along transmission lines not within gas fields or production areas.</p> | <p>2. Natural gas means either natural gas unmixed, or any mixture of any natural and manufactured gas. Designate with an asterisk, however, any sales of mixed gas. In a footnote state the component of mixed gas, i.e., natural and refinery gases, natural and coke oven gases etc., and specify the approximate percentage of natural gas in the mixture.</p> <p>3. Report separately sales to each field and mail line industrial consumer to which sales of 50,000 Mcf or more were made during the year, grouped and totaled by State. Report other sales in total for each State, showing number of sales grouped.</p> <p>4. Provide separate grand totals for each State in addition to a grand total for all field and main line industrial sales.</p> |
|---|---|

Line No.	Name of Customer (Designate associated companies with an asterisk) (a)	Latest Effective Docket Number in Which Delivery Was Authorized (b)	Point of Delivery (State and county, or city) (c)	Type of Sale (See instr. 6) (d)	Approx. Btu Per Cu. Ft. (e)
1	NOT APPLICABLE				
2					
3					
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Name of Respondent New Jersey Natural Gas Company	This Report is:	Date of Report	Year of Report
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FIELD AND MAIN LINE INDUSTRIAL SALES OF NATURAL GAS (Continued)

5. designate the entries in point of delivery, column (c), that they can be readily identified on map of the respondent's pipe line system.
6. For column (d), use the following codes to designate type of sale: Firm 1: Off peak 2: Interruptible 3: Other 4. Define by appropriate footnote, the meaning of each term in describing the type of sale, indicating specifically any order of priority in service between types of sale and among sales of the same type.
7. On each line following an entry in column (h), itemize separately the adjustment portion of the entry in column (h) (for example, purchased gas, tax, Btu or other rate adjustments). The difference between columns (g) and (h) should be the revenues resulting from the base contract rate named in the docket number entered in

- column (b). Show the effect of purchased gas, tax, Btu, or other rate adjustment provision as the quotient of the total annual revenues received for the year from the application of each rate adjustment provision divided by the annual volume of gas delivered.
8. For each sale of 50,000 Mcf or more per year at each point of delivery, show (a) in column (l) the noncoincidental peak day volume of delivery at pressure base indicated, (b) in column (m) the coincidental system peak day volume of delivery at pressure base indicated and (c) in column (k) the dates of the noncoincidental peak day deliveries. In a footnote state the date of the entire system peak day coincidental delivery. If an estimate is used for any peak day delivery, state the basis for such estimate in a footnote.

Mcf Sold (14.73 psia at 60°F) (f)	REVENUE				PEAK DAY DELIVERY TO CUSTOMERS			Line No.
	Total (To Nearest Dollar) (g)	Portion Due to Adjustments) (Itemize) (h)	Cents per Mcf (To nearest hundredth)		Date (Noncoin.) (k)	Mcf (14.73 psia at 60°F)		
			Total (i)	Portion Due to Adjustments (j)		Noncoincidental (l)	Coincidental (m)	
		NOT APPLICABLE						1
								2
								3
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Name of Respondent	This Report is:	Date of Report	Year of Report
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FIELD AND MAIN LINE INDUSTRIAL SALES OF NATURAL GAS (Continued)

Line No.	Name of Customer (Designate associated companies with an asterisk)	Latest Effective Docket Number in which Delivery was Authorized	Point of Delivery (State and county, or city)	Type of Sale (See instr. 6)	Approx. Btu Per Cu. Ft.
(a)	(b)	(c)	(d)	(e)	
40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90	NOT APPLICABLE				

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FIELD AND MAIN LINE INDUSTRIAL SALES OF NATURAL GAS (Continued)

Mcf Sold (14.73 psia at 60°F) (f)	REVENUE				PEAK DAY DELIVERY TO CUSTOMERS			Line No.
	Total (To Nearest Dollar) (g)	Portion Due to Adjustments) (Itemize) (h)	Cents per Mcf (To nearest hundredth)		Date (Noncoin.) (k)	Mcf (14.73 psia at 60°F)		
			Total (i)	Portion Due to Adjustments (j)		Noncoincidental (l)	Coincidental (m)	
		NOT APPLICABLE						40
								41
								42
								43
								44
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Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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NUMBER OF GAS DEPARTMENT EMPLOYEES

1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.
2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special

- construction employees in a footnote.
3. The number of employees assigned to the gas Department from joint functions or combination utilities May be determined by accurate, on the base of employee equivalents. Show the estimated number of equivalent employees attributed to the gas department from joint functions.

1. Payroll Period Ended (Date)	10/27/2010
2. Total Regular Full-Time Employees	598
3. Total Part-Time and Temporary Employees	5
4. Total Employees	603

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REGULATORY COMMISSION EXPENSES (Account 928)

1. Report below details of regulatory commission expenses incurred during the current year (or in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.

2. In column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise included by the utility.

Line No.	Description (Furnish name of regulatory commission or body the docket number, and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 182.3 at Beginning of Year (e)
1					
2	CUA/CIP Program Cost		-		
3	CIP Discount Adjustment		-		
4					
5	BPU and Rate Counsel Assessment	\$ 1,645,152			
6	<u>Federal Regulatory Proceedings</u>				
7	Legal Services in Connection with		-		
8	Various FERC Dockets				
9					
10	State Regulatory Expenses		78,777		
11					
12					
13					
14					
15					
16					
17					
18					
19					
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21					
22					
23					
24					
25	TOTAL	\$ 1,645,152	\$ 78,777	\$ -	\$ -

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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REGULATORY COMMISSION EXPENSES (Continued)

3. show in column (k) any expenses incurred in prior years that are being amortized. List in column (a) the period of amortization.
 4. Identify separately all annual charge adjustments (ACA).
 5. List in column (f), (g), and (h) expenses incurred during year which were charges currently to income, plant, or other accounts.
 6. Minor items (less than \$250,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR			Deferred in Account 182.3 End of Year	Line No.
CHARGED CURRENTLY TO			Deferred to Account 182.3	Contra Account	Amount		
Department (f)	Account No. (g)	Amount (h)	(i)	(j)	(k)	(l)	
	928	-					1
	928	-					2
	928	1,645,152					3
	928	-					4
	928	78,777					5
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		\$ 1,723,929	\$ -		\$ -	\$ -	25

1,723,929

Name of Respondent New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year of Report Dec. 31, 2010
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

- | | |
|--|--|
| <p>1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) projects initiated, continued, or concluded during the year. Report also support given to others during the year for jointly-sponsored projects, (identify recipient regardless of affiliation.) For any R, D & D work carried on by the respondent in which there is a sharing of costs with others, show separately the respondent's cost for the year and cost chargeable to others. (See definition of research, development, and demonstration in Uniform System of Accounts.)</p> <p>2. Indicate in column (a) the applicable classification, as shown below. Classifications:</p> <p style="margin-left: 20px;">A. Gas R, D & D Performed Internally</p> <p style="margin-left: 40px;">(1) Pipeline</p> <p style="margin-left: 60px;">a. Design</p> <p style="margin-left: 60px;">b. Efficiency</p> | <p>(2) Compressor Station</p> <p style="margin-left: 20px;">a. Design</p> <p style="margin-left: 20px;">b. Efficiency</p> <p>(3) System Planning, Engineering, and Operation</p> <p>(4) Transmission Control and Dispatching</p> <p>(5) LNG Storage and Transportation</p> <p>(6) Underground Storage</p> <p>(7) Other Storage</p> <p>(8) New appliances and New Uses</p> <p>(9) Gas Exploration, Drilling, Production, and Recovery</p> <p>(10) Coal Gasification</p> <p>(11) Synthetic Gas</p> <p>(12) Environmental Research</p> <p>(13) Other (Classify and Include Items in Excess of \$5,000.)</p> <p>(14) Total Cost incurred</p> |
|--|--|

Line No.	Classification (a)	Description (b)
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NOT APPLICABLE	This Report is:	Date of Report	Year of Report
Name of Respondent	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2011	Dec. 31, 2010
New Jersey Natural Gas Company			

RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

- B. Gas, R, D & D performed Externally
- (1) Research Support to American Gas Association
 - (2) Research Support to Others (Classify)
 - (3) Total Cost incurred
3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$5,000 by classifications and indicate the number of items grouped. Under other, (A.(13) and B.(2)) classify items by type of R, D & D activity.
- NOT APPLICABLE
4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107 (Construction Work in Progress) first. Show in column (f) the amounts related to the account charged in column (e).
 5. Show in column (g) the total unamortized accumulation of costs of projects. This total must equal the balance in Account 188 Research, Development, and Demonstration Expenditures outstanding at the end of the year.
 6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d) and (f) with such amounts identified by "Est."
 7. Report separately research and related testing facilities operated by the respondent.

Costs Incurred Internally Current Year (c)	Costs Incurred Internally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
					1
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NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments. Construction, Plant Removals, and other Accounts and enter such amounts in the appropriate lines and columns provided.

In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 74.01, 74.02, etc..

Line No.	Classification	Direct Payroll Distribution	Allocation Payroll Charged for Clearing Accounts	Total
1	Electric			
2	Operation			
3	Production			
4	Transmission			
5	Distribution			
6	Customer Accounts			
7	Customer Service and Informational			
8	Sales			
9	Administrative and General			
10	TOTAL Operation (Total of lines 3 thru 9)			
11	Maintenance			
12	Production			
13	Transmission			
14	Distribution			
15	Administrative and General			
16	TOTAL Maintenance (Total of lines 12 thru 15)			
17	TOTAL Operation and Maintenance			
18	Production (Total of lines 3 thru 12)			
19	Transmission (Total of lines 4 and 13)			
20	Distribution (Total of lines 5 thru 14)			
21	Customer Accounts (line 6)			
22	Customer Service and Informational (line 7)			
23	Sales (line 8)			
24	Administrative and General (Total of lines 9 and 15)			
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)			
26	Gas			
27	Operation			
28	Production - Manufactured Gas (Relates to LNG)	\$ 95,935	\$ -	\$ 95,935
29	Production - Natural Gas (Including Exploration and Development)	-	-	-
30	Other Gas Supply	11,025	245,590	256,615
31	Storage, LNG Terminating and Processing	249,870	16,564	266,434
32	Transmission	1,024,017	15,404	1,039,421
33	Distribution	13,122,541	561,071	13,683,612
34	Customer Accounts	10,106,018	168,824	10,274,842
35	Customer Service and Informational	647,854	-	647,854
36	Sales	1,541,374	5,170	1,546,544
37	Administrative and General	4,894,161	8,777	4,902,938
38	TOTAL Operation (Total of lines 28 thru 37)	31,692,795	1,021,400	32,714,195
39	Maintenance			
40	Production - Manufactured Gas	77,239	-	77,239
41	Production - Natural Gas (including Exploration and Development)	-	-	-
42	Other Gas Supply	-	-	-
43	Storage, LNG Terminating and Processing	196,025	-	196,025
44	Transmission	414,448	15,365	429,813
45	Distribution	7,467,326	266,541	7,733,867
46	Administrative/General	-	-	-
47	TOTAL Maintenance (Total of lines 40 thru 46)	8,155,038	281,906	8,436,944

NAME OF RESPONDENT
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 A Resubmission

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DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation Payroll Charged for Clearing Accounts (c)	Total (d)
48	Gas (Continued)			
49	Total Operation and Maintenance			
50	Production - Manufactured Gas (Total of lines 28 and 40)	173,174	-	173,174
51	Production - Natural Gas (including Expl. and Dev.) lines 29 & 40	-	-	-
52	Other Gas Supply (Total of lines 30 and 42)	11,025	245,590	256,615
53	Storage, LNG Terminaling and Processing (Total of lines 31 & 43)	445,895	16,564	462,459
54	Transmission (Total of lines 32 and 44)	1,438,465	30,769	1,469,234
55	Distribution (Total of lines 33 and 45)	20,589,867	827,612	21,417,479
56	Customer Accounts (Total of line 34)	10,106,018	168,824	10,274,842
57	Customer Service and Informational (Total of line 35)	647,854	-	647,854
58	Sales (Total of line 36)	1,541,374	5,170	1,546,544
59	Administrative and General (Total of lines 37 and 46)	4,894,161	8,777	4,902,938
60	TOTAL Operations & Maintenance	39,847,833	1,303,306	41,151,139
61	Operation and Maintenance - Other Utility Dept.			-
62	TOTAL ALL Utility Dept. (Total of lines 25, 59, and 61)	39,847,833	1,303,306	41,151,139
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant			-
66	Gas Plant	986,834	5,065,573	6,052,407
67	Other			-
68	TOTAL Construction (Total of lines 65 thru 67)	986,834	5,065,573	6,052,407
69	Plant Removal (By Utility Departments)			
70	Electric Plant			
71	Gas Plant	838,520	533,335	1,371,855
72	Other			-
73	TOTAL Plant Removal (Total of lines 70 thru 72)			-
74	Other Accounts (specify)	838,520	533,335	1,371,855
74.1				
74.2				
74.3				
74.4				
74.5				
74.6				
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74.13				
74.14				
74.15				
74.16				
74.17				
74.18				
74.19				
75	TOTAL Other Accounts			
76	TOTAL SALARIES AND WAGES	\$ 41,673,187	\$ 6,902,214	\$ 48,575,401

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation partnership, organization of

any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$250,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain civic, Political and Related Activities.

(a) Name of person or organization rendering services.

(b) Total charges for the year.

2. Designate associated companies with a asterisk in column (b).

Line No.	Description (a)	(b)	Amount (in dollars) (c)
1	Area Wide Protection; Kent OH	Traffic Control Services	880,709
2	Panther Technologies, Medford, NJ	Engineering Services	536,014
3	EN Engineering LLC; Chicago Il	Engineering Services	287,176
4	Connell Foley LLP; Roseland, NJ	Legal Services	266,327
5	Creamer Environmental Inc; Hackensack, NJ	Construction Services	269,615
6	Environmental Resources Management Inc; Philadelphia, PA	Construction Services	1,464,685
7	Gray Supply Company; Randolph, NJ	Construction Services	22,197,167
8	JF Kiely Construction; Long Branch, NJ	Construction Services	30,216,354
9	Utiliquet LLC; Atlanta, GA	Markout Contractor	2,017,101
10	Napp Grecco Co, Newark NJ	Construction Services	4,227,147
11	Marino Tortorell & Boyle PC, Chatam, NJ	Legal Services	569,065
12	AWT Environmental Services, Inc; Sayerville, NJ	Construction Services	
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NATURAL GAS RESERVES AND LAND ACREAGE

- 1 Report below particulars (details) concerning the remaining recoverable saleable gas reserves and natural gas land acreage at end of year. Designate gas reserves on acreage acquired before October 8, 1969, and reserves on acreage acquired after October 7, 1969.
- 2 Classify the gas reserves and related land and land rights and costs under the sub-headings; (A) Producing Gas Lands, and (B) Non-producing Gas Lands. Provide a total for each classification.
3. For producing gas lands, report the required information alphabetically by State, County, or offshore area, and field.

If the field name is not assigned, report as "unnamed." identify offshore fields according to their location in State or Federal domains by using the letter "S" for State domain, and "F" for Federal domain in column (a). For column (b), enter the zone number if applicable. The land, household, and gas rights costs so reported should agree with the amounts carried under Account 101, *Gas Plant in Service*, and as reported for Accounts 325.1, 325.2, and 325.3 on pages 204-205. In column (e) show for each field the year and remaining recoverable saleable gas reserves available to respondent from owned lands, leaseholds and gas rights.

Line No.	OFFSHORE AREA		Name of Field or Block (c)	Name of State/ County/Offshore Area (d)	Recoverable Gas Reserves (Thousands Mcf) (e)	Owned Lands
	Domain (a)	Zone (b)				Acres (f)
1			A. PRODUCING GAS LANDS	NOT APPLICABLE		
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40	TOTAL					

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NATURAL GAS RESERVES AND LAND ACREAGE

4. For non-producing gas lands, report the required information alphabetically by State, County, or offshore area by blocks. Report offshore lands in the same manner as producing gas lands. The land, leasehold, and gas rights costs reported should agree with the amounts carried under Accounts 105, Gas Plant Held for Future Use, and 105.1, Production Properties held for Future Use, and reported in total on pages 214 and 215. Do not report estimates of gas reserves (column (e) for unproven fields; however, if the company made estimates for such lands and normally includes such estimates in stating its reserve position in connection with proposed financing and for managerial and other purposes, include such estimates on this page.

- 5. Report the cost of lands, leaseholds, and gas rights in accordance with the provisions of the Uniform System of Accounts for Natural Gas Companies.
- 6. For columns (j) and (k), do not duplicate acreages reported for owned lands and leaseholds. Designate with an asterisk royalty interests separately owned.
- 7. Indicate by footnote whether acres reported are gross acres or net acres based on proportion of ownership in jointly owned tracts.
- 8. Do not include oil mineral interests in the cost of acreage reported.
- 9. Report volumes on a pressure base of 14.73 psia at 60°F.

OWNED LANDS (Cont.)	LEASEHOLDS		OWNED GAS RIGHTS		TOTAL		Line No.
Cost (g)	Acres (h)	Cost (i)	Acres (j)	Cost (k)	Acres (l)	Cost (m)	
				NOT APPLICABLE			1
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TOTAL							40

NAME OF RESPONDENT
New Jersey Natural Gas Company

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CHANGES IN ESTIMATED NATURAL GAS RESERVES

1. Report below changes (made during the year) in estimated recoverable natural gas reserves of the respondent on acreage acquired before October 8, 1969.

2. In explanations of revisions of basic reserve estimates, identify the changes with the production areas, fields, and horizons as shown on pages 500-501, natural gas reserves. State the type of studies by which change in the reserve estimates was determined, and furnished such other pertinent explanations as appropriate.

3. For any important changes in the estimated reserves due to purchases, sales, or exchanges of natural gas lands, leaseholds, or gas rights, furnish below a brief explanation of the transactions and the Mcf of gas reserves involved.

4. The gas reserves and changes therein to be reported in column (d) are those associated with lands, lease holds, and gas rights included in Account 105, Gas Plant Held for Future Use. (See Gas Plant Accounts instruction 7Gof the U.S. of A.). Do not report estimates of gas reserves for unproven fields; however, if the company has made estimates for such lands and normally

includes such estimates in stating its reserve position in connection with proposed financing and for managerial and other purposes, include such estimates on this page and on pages 500-501. Indicate in a footnote the inclusion of such reserve estimates.

5. If the respondent submitted estimates of natural gas reserves to the Commission during the year in connection with any proceeding, such as an application for certificate of convenience and necessity, state in a footnote the amount of such reserve estimate, date of submission and docket number of case with respect to which submitted. Explain that the estimates submitted may differ in amount with the reserves shown on this page and state the estimated amount of difference and the reasons for the difference.

6. Submit each additional information as may be appropriate concerning the size and dependability of natural gas reserves associated with lands, leaseholds, and gas rights owned by the respondent for which reserve estimates are not reported on this page or on pages 500-501.

7. Report pressure base of gas volumes at 14.73 psia at 60°F.

Line No.	Item	Total Gas Reserves (Thousands Mcf)	Reserves of Lands, Leaseholds, and Gas Rights in Service (Thousands Mcf)	Reserves of Lands, Leaseholds, and Gas Rights Held for Future Use (Thousands Mcf)
	(a)	(b)	(c)	(d)
1	Estimated Natural Gas Reserves at Beginning of Year			
2	ADDITIONS			
3	Purchases and Exchanges of Lands, Leaseholds, and Gas Rights			
4	Transfer from Reserves Held for Future Use			
5	Upward Revision of Basic Reserve Estimates (Explain)			
6	Other increases (Explain in a footnote)			
7	TOTAL Additions (Enter Total of lines 3 thru 6)			
8	DEDUCTIONS			
9	Natural Gas Production During Year			
10	Sales and Exchanges of Lands, Leaseholds, and Gas Rights			
11	Transfer of Reserves Held for Future Use to Reserves in Service			
12	Download Revision of Estimates of Recoverable Natural Gas Reserves (Explain)			
13	Other Decreases Explain)			
14	TOTAL Deductions (Enter Total of lines 9 thru 13)			
15	Est. Nat. Gas Reserves at End of Year (Total of lines 1, 7, and 14)			

Notes to Changes in Estimated Natural Gas Reserves

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CHANGES IN ESTIMATED HYDROCARBON RESERVES AND COSTS, AND NET REALIZABLE VALUE

1. Report changes during the year in recoverable saleable reserves of the respondent located on acreage acquired after October 7, 1963. Have the reported reserves attested to every three years by an independent appraiser. File the attestation with the Commission along with this report. If the reserves, at the time the reserve determination is made, significantly differ from those reported on this page, file a reconciliation and explanation of such differences along with the attestation.

2. For any important changes in the estimated reserves due to purchases, sales, or exchanges of land, leaseholds, or rights, furnish on page 505 a brief explanation of the transactions and

reserves involved. Also, explain the criteria used to estimate the net realizable value of reserves.

3. For column (d), report the reserves and changes associated with lands, leaseholds, and rights included in Account 105.1, Production Properties Held for Future Use. (See Gas Plant Accounts Instruction 7G of the U.S. of A.)

4. Report pressure base of gas volumes at 14.73 psia at 60°F.

5. For line 16 base the net realizable value of hydrocarbon reserves on the current selling price of the hydrocarbon reserves less estimated costs of extraction, completion, and disposal.

Line No.	Items (a)	Total Reserves Gas (Thousands Mcf) (b)	In Service Gas (Thousands Mcf) (c)	Held for Future Use Gas (Thousands Mcf) (d)	Total Reserves Oil and Liquids (Barrels) (e)	Total Reserves Oil and Liquids (Barrels) (f)
1	Estimated Recoverable Reserves at Beginning of Year					
2	ADDITIONS					
3	Purchases and Exchanges of Lands, Leaseholds, and Rights					
4	Transfers from Reserves Held for Future Use					
5	Upward Revision of Basic Reserve Estimates (Explain in a footnote)		NOT APPLICABLE			
6	Other Increases (Explain in a footnote)					
7	TOTAL Additions (Lines 3 thru 6)					
8	DEDUCTIONS					
9	Production During Year					
10	Sales and Exchanges of Lands, Leaseholds, and Rights					
11	Transfers of Reserves Held for Future Use to Reserves in Service					
12	Downward Revision of Estimates of Recoverable Reserves (Explain in a footnote)					
13	Other Decreases (Explain in a footnote)					
14	TOTAL Deductions (Lines 9 thru 13)					
15	Estimates Recoverable Reserves at End of Year (Enter Total of lines 1,7, and 14)					
16	Net Realizable Value at End of Reporting Year (Explain on page 505): \$					

NOTES

<p style="text-align: center;">NAME OF RESPONDENT New Jersey Natural Gas Company</p>	<p>This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission</p>	<p>Date of Report <i>April 30, 2011</i></p>	<p>Year Ending Dec. 31, 2010</p>
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CHANGES IN ESTIMATED HYDROCARBON RESERVES AND COSTS, AND NET REALIZABLE VALUE (Continued)

Explain below items for which explanations are required on page 504, Changes in Estimated Hydrocarbon Reserves and Costs, and Net Realizable Value. For line 16 on page 504, explain the criteria used to estimate such value and provide an explanation of any significant revision in the value of the reserves, other than from the addition of new reserves.

NOT APPLICABLE

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NATURAL GAS PRODUCTION AND GATHERING STATISTICS

- | | |
|--|--|
| <p>1. The items of plant costs and expenses, lines 1 to 25, represent contributions of accounts prescribed in the Uniform System of Accounts.</p> <p>2. Plant costs, line 2 to 13 of column (b), should agree with the Gas Production and Gathering Plant entry reported on page 204, Gas Plant in service.</p> <p>3. Expenses, lines 15 to 25 in column (b) should agree with the total Gas Production and Gathering expenses reported on page 320.</p> | <p>4. Report the pressure base at 14.73 psia at 60°F.</p> <p>5. In column (c) show costs and expenses relating to leases acquired on or before October 7, 1969.</p> <p>6. In column (d) show costs and expenses relating to leases acquired on or after October 8, 1969.</p> <p>7. In column (e) show cost and expense relating to the gathering system.</p> |
|--|--|

Line No.	Item (a)	Total (c, d and e) (b)	Total Cost and Expenses		
			Old (c)	New (d)	Gathering (e)
1	Production and Gathering Plant				
2	Natural Gas Producing Land, Leaseholds and Gas Rights		NOT APPLICABLE		
3	Rights-of-Way				
4	Other Land and Land Rights				
5	Gas Wells				
6	Field Lines				
7	Field Compressor Standards				
8	Field Measuring and Regulating Stations				
9	Drilling and Cleaning Equipment				
10	Purification Plant				
11	Other Plant and Equipment				
12	Unsuccessful Exploration & Development Costs				
13	TOTAL Production and Gathering Plant (Enter Total of lines 2 thru 12)				
14	Production and Gathering Expenses (Except Depreciation, Depletion and Taxes)				
15	Supervision and Engineering				
16	Production Maps and Records				
17	Gas Well Expenses				
18	Field Line Expenses				
19	Field Compressor Station Expenses				
20	Field Measuring and Regulating Station Expenses				
21	Purification Expenses				
22	Mtce. of Drilling and Cleaning Equipment				
23	Gas Well Royalties				
24	Other Expenses				
25	Rents (Other Than Delay Rentals)				
26	TOTAL Operation and Maintenance Expenses, (Enter Total of lines 15 thru 25)				
27	Amortization and Depletion Expenses				
28	Depreciation Expenses				
29	Taxes (Other Than Income)				
30	TOTAL (Enter Total of lines 27 thru 29)				
31	Gas Produced (in Mcf)				

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New Jersey Natural Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 30, 2011	Dec. 31, 2010

PRODUCTS EXTRACTION OPERATIONS - NATURAL GAS

1. Report below particulars (detail) of operation by the respondent for recovery of gasoline, butane, propane, etc., from natural gas.

2. If the respondent received any gas from others for extraction of products, attach a supplemental statement giving particulars (details) of such transactions, State (a) name of company from which such gas was received, (b) name of station in which the gas was processed, (c) Mcf (14.73 psia at 60°F) of gas received, (d) amount paid for the privilege of extracting products,

and (a) account to which amount was charged. Minor quantities of gas received for processing may be reported in total for each extraction plant. Designate with an asterisk associated companies.

3. Report expenses relating to operation and maintenance of products extraction facilities, excluding those expenses not so related, such as royalties, marketing expense, products purchased for sales, inventory variations, credits for products used, and including rents and maintenance related to extraction plant facilities.

Line No.	Item (a)	Total/Item (in Dollars) (b)
	NOT APPLICABLE	
1	COST OF PLANT	
2	Land and Land Rights	
3	Structures	
4	Equipment	
5	TOTAL Plant (Enter Total of lines 2 thru 4)	
6	EXPENSES	
7	Supervision and Labor	
8	Gas Shrinkage	
9	Fuel	
10	Power	
11	Other	
12	Maintenance	
13	Rents	
14	TOTAL Expenses (Enter Total of lines 7 thru 13)	
15	For Line 9, Do Fuel Costs Include Gas Used from Company's Own Supply?	<input type="checkbox"/> Yes <input type="checkbox"/> No
16	OPERATING AND STATISTICAL DATA	
17	Products Extracted	
18	Gasoline (Gallons)	
19	Butane (Gallons)	
20	Propane (Gallons)	
21	Other	
22	Gasoline in Storage at End of Year (Gallons)	
23	Gas Processed Data	
24	Respondent's Gas processed Inputs (Mcf)	
25	Gas of Others Processed (Mcf)	
26	Shrinkage of Gas Processed (Mcf)	
27	Gas Used for Fuel (Mcf)	
28	Pressure Base of Measuring Mcf if Different from 14.73 psia at 60°F	
29	Type of Extraction Process	
30	Capacities	
31	Gas Treating Capacity (Mcf Per Day)	
32	Gasoline Output Capacity (Gallons Per Day)	
33	Gasoline Storage Capacity (Gallons)	
34	Statistics	
35	Average Mcf Per Gallon of Gasoline	
36	Plant Investment Per Mcf Daily Treating Capacity	
37	Expenses Per Gallon of Product Recovered	
38	Extracted Products Used by Respondent (Specify in a footnote product, quantity, and use)	

NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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Compressor Stations

1. Report below details concerning compressor stations. Use the following subheadings: field compressor stations, products extraction compressor stations, underground storage compressor stations, transmission compressor stations, distribution compressor stations, and other compressor stations.
2. For column (a), indicate the production area where such stations are used. Group relatively small field compressor stations by production area. Show the number of stations grouped, identify any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of respondent's title, and percent of ownership it jointly owned.

Line No.	Name of Station and Location (a)	Number of Units at Station (b)	Certificated Horsepower for Each Station (c)	Plant Cost (d)
1				
2				
3				
4	Not Applicable			
5				
6				
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Compressor Stations

Designate any station that was not operated during the past year. State in a footnote whether the book cost of such station has been retired in the books of account, or what disposition of the station and its book cost are contemplated. Designate any compressor units in transmission compressor stations installed and put into operation during the year and show in a footnote each unit's size and the date the unit was placed in operation.
 3. For column (e), include the type of fuel or power, if other than natural gas. If two types of fuel or power are used, show separate entities for natural gas and the other fuel or power.

Line No.	Expenses (except depreciation and taxes) Fuel or Power (e)	Expenses (except depreciation and taxes) Other (f)	Gas for Compressor Fuel in Dth (g)	Operation Data Total Compressor Hours of Operation During Year (h)	Operation Data Number of Compressors Operated at Time of Station Peak (i)	Date of Station Peak (j)
1				NOT APPLICABLE		
2						
3						
4						
5						
6						
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NAME OF RESPONDENT New Jersey Natural Gas Company	This Report is: (1) An Original (2) A Resubmission	Date of Report April 30, 2011	Year Ending Dec. 31, 2010
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GAS AND OIL WELLS

1. Report below the particulars (details) concerning gas and oil wells of the respondent which are either producing or capable of production.
 2. Report the required information alphabetically by states. List wells located offshore separately.
 3. For column (a), under separate headings, list gas wells first, oil wells second, and combination wells third. Combination wells are wells producing or capable of production from one or more oil reservoirs and also from one or more gas reservoirs. Enter totals for each of the head-

ings (gas wells, oil wells, combination wells). Designate any wells not operated during the past year, and in a footnote state whether the book cost of such wells, or any portion thereof, has been retired in the books of account, or what disposition of the wells and their book cost is contemplated.
 4. In column (f), report wells reclassified during the year as oil wells, gas wells, or combination wells. Show additions in black and deductions enclosed in parentheses. The total additions equal the total deductions.

Line No.	Location of Wells (a)	Number of wells Beginning of Year (b)	ADDITIONS DURING YEAR			Wells Reclassified (f)	REDUCTIONS DURING YEAR		Number of Wells at End of Year (i)
			Successful Wells Drilled (c)	Wells Purchased (d)	Total (c + d) (e)		Wells Abandoned (g)	Wells Sold (h)	
1	NOT APPLICABLE								
2									
3									
4									
5									
6									
7									
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<p style="text-align: center;">NAME OF RESPONDENT New Jersey Natural Gas Company</p>	<p style="text-align: center;">This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission</p>	<p style="text-align: center;">Date of Report <i>April 30, 2011</i></p>	<p style="text-align: center;">Year Ending Dec. 31, 2010</p>
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FIELD AND STORAGE LINES

- | | |
|---|--|
| <p>1. Report below the total miles of pipe composing gathering systems and those of underground gas storage projects operated by the respondent during the year.</p> <p>2. Provide separate subheadings and totals for gathering system field lines and underground storage lines.</p> <p>3. Report information on gathering system field lines by State.</p> | <p>4. If any field lines or storage lines were not operated during the past year; provide particulars (details) of such lines in a footnote. State whether the book cost of such lines or any portion thereof has been retired in the books of account, or what disposition of the lines and their book cost is contemplated.</p> <p>5. Report miles of pipe to the nearest tenth of a mile.</p> |
|---|--|

Line No.	Designation (Identification) of Gathering System and Production Area or Storage Area (a)	Total Miles of Pipe (b)
1	NOT APPLICABLE	
2		
3		
4		
5		
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GAS STORAGE PROJECTS

1. Report injections and withdrawals of gas for all storage projects used by respondent.

Line No.	Item	Gas Belonging to Respondent (Dth) (B)	Gas Belonging to Others (Dth) (C)	Total Amount (Dth) (D)
STORAGE OPERATIONS (in Dth)				
1	Gas Delivered to Storage			
2	January	(11,946)		(11,946)
3	February	16,600		16,600
4	March	(44,167)		(44,167)
5	April	4,429,003		4,429,003
6	May	4,396,121		4,396,121
7	June	3,382,667		3,382,667
8	July	3,751,556		3,751,556
9	August	2,524,820		2,524,820
10	September	3,895,087		3,895,087
11	October	829,972		829,972
12	November	64,536		64,536
13	December	85,256		85,256
14	TOTAL (Total of lines 2 thru 13)	23,319,505	(a)	23,319,505
15	Gas Withdrawn From Storage			
16	January	6,914,505		6,914,505
17	February	5,603,203		5,603,203
18	March	2,364,255		2,364,255
19	April	64,985		64,985
20	May	96,254		96,254
21	June	6,737		6,737
22	July	7,860		7,860
23	August	37,458		37,458
24	September	13,805		13,805
25	October	30,742		30,742
26	November	1,101,986		1,101,986
27	December	6,478,314		6,478,314
28	TOTAL (Total of lines 16 thru 27)	22,720,104	(b)	22,720,104

(a) Equals Injections Into Storage, Page 327B.

(b) Equals Withdrawals from Storage, Page 327B.

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GAS STORAGE PROJECTS (Continued)

1. On line 4, enter the total storage capacity certified by FERC. 2. Report total amount in dth or other unit, as applicable on lines 2,3,4,7. If quantity is converted from Mcf to Dth, provide conversion factor in a footnote.

Line No.	Item (a)	Total Amount (b)
STORAGE OPERATIONS		
1	Top of Working Gas End of Year	
2	Cushion Gas (including Native Gas)	
3	Total Gas in Reservoir (Total of lines 1 and 2)	
4	Certified Storage capacity	924,000
5	Number of Injection - Withdrawal Wells	
6	Number of Observation Wells	
7	Maximum Days' Withdrawal from Storage	
8	Dare of Maximum Day's Withdrawal	
9	LNG Terminal Companies (in Dth)	
10	Number of Tanks	3
11	Capacity of Tanks	924,000
12	LNG Volume	
13	Received at "Ship Rail"	
14	Transferred to Tanks	
15	Withdrawn from Tanks	
16	"Boil Off" Vaporization Loss	

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TRANSMISSION LINES

1. Report below, by state, the total miles of transmission lines of each transmission system operated by respondent at end of year.
 2. Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk, in column (b) and in a footnote state the name of owner, or co-owner, nature of respondent's title and percent ownership if jointly owned.

3. Report separately any line that was not operated during the past year. Enter in a footnote the details and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the line and its book costs are contemplated.
 4. Report the number of miles of pipe to one decimal point.

Line No.	Designation (Identification) of Line or Group of Lines (a)	*	Total Miles of Pipe (c)
1	8" and under		4.14
2	10"		35.37
3	12"		77.05
4	14"		
5	16"		56.16
6	20"		15.89
7	24"		5.25
8	30"		19.71
9			
10			
11			
12			
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25	TOTAL		213.57

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LIQUEFIED PETROLEUM GAS OPERATIONS

- | | |
|--|---|
| <p>1. Report the information called for below concerning plants which produce gas from liquefied petroleum gas (LPG).</p> <p>2. For column (a), give city and State or such other designation necessary to locate plant on a map of the respondent's system.</p> <p>3. For columns (b) and ©, the plant cost and operation and</p> | <p>maintenance expense of any liquefied petroleum gas installation which is only an adjunct of a manufactured gas plant, may include or exclude (as appropriate) the plant cost and expenses of any plant used jointly with the manufactured gas facilities on the basis of predominant use. Indicate in a footnote how the plant cost and expenses for the liquefied petroleum plant described above are reported.</p> |
|--|---|

Line No.	Location of Plant and Year Installed (City, state, etc.) (a)	Cost of Plant (Land struct. Equip.) (b)	Expenses	
			Oper. Maintenance, Plants, etc. (c)	Cost of LPG Used (d)
1	NOT APPLICABLE			
2				
3				
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LIQUEFIED PETROLEUM GAS OPERATIONS (Continued)

Designate any plant held under a title other than full ownership and in a footnote state name of owner or co-owner, nature of respondent's title, and percent ownership if jointly owned.

4. For column (g) report the Mcf that is mixed with natural gas or which is substituted for deliveries normally made from natural gas. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas or mixture of natural gas and gasified LPG.

5. If any plant was not operated during the past year, give particulars (details) in a footnote, and state whether the book cost of such plant, or any portion thereof, has been retired in the books of account, or what disposition of the plant and its book cost is contemplated.

6. Report pressure base of gas at 14.73 psia at 60°F. Indicate the Btu content in a footnote.

Gallons of LPG Used (e)	Gas Produced		LPG Storage Cap. Gallons (h)	Function of Plant (Base load, Peaking, etc.) (i)	Line No.
	Amount of Mcf (f)	Amount of Mcf Mixed with Natural Gas (g)			
			NOT APPLICABLE		1
					2
					3
					4
					5
					6
					7
					8
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					10
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Transmission System Peak Deliveries

1. Report below the total transmission system deliveries of gas (in Dth), excluding deliveries to storage, for the period of system peak deliveries indicated below, during the 12 months embracing the heating season overlapping the year's end for which this report is submitted. The season's peak normally will be reached before the due date of this report, April 30, which permits inclusion of the peak information required on this page. Add rows as necessary to report all data. Number additional rows 6.01, 6.02, etc.

Line No.	Description	Dth of Gas Delivered to Interstate Pipelines	Dth of Gas Delivered to Others	Total (b) + (c)
	NOT APPLICABLE	(b)	(c)	(d)
	SECTION A: SINGLE DAY PEAK DELIVERIES			
1				
2	Volumes of Gas Transported			
3	No-Notice Transportation			
4	Other Firm Transportation			
5	Interruptible Transportation			
6				
7	TOTAL			
8	Volumes of Gas Withdrawn from Storage under Storage Contract			
9	No-Notice Storage			
10	Other Firm Storage			
11	Interruptible Storage			
12				
13	TOTAL			
14	Other Operational Activities			
15	Gas Withdrawn from Storage for System Operations			
16	Reduction in Line Pack			
17				
18	TOTAL			
19	SECTION B: CONSECUTIVE THREE-DAY PEAK DELIVERIES			
20				
21	Volumes of Gas Transported			
22	No-Notice Transportation			
23	Other Firm Transportation			
24	Interruptible Transportation			
25				
26	TOTAL			
27	Volumes of Gas Withdrawn from Storage under storage Contract			
28	No-Notice Storage			
29	Other Firm Storage			
30	Interruptible Storage			
31				
32	TOTAL			
33	Other Optional Activities			
34	Gas Withdrawn from Storage for System Operations			
35	Reduction in Line Pack			
36				
37	TOTAL			

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AUXILIARY PEAKING FACILITIES

1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc.

2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted.

For other facilities, report the rated maximum daily delivery capacities.

3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform system of Accounts.

Line No.	Location of Facility (a)	Type of Facility (b)	Maximum Daily Delivery Capacity of Facility Dth (c)	Cost of Facility (in dollars) (d)	Was Facility Operated on Day of Highest Transmission Peak Delivery?	
					Yes (e)	No (f)
1	<u>LNG PLANT</u>					
2						
3	Howell Twp., NJ	Peaking	150,000		Yes	
4	Stafford Twp., NJ	Peaking	20,000		Yes	
5						
6						
7						
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GAS ACCOUNT - NATURAL GAS

1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent.
2. Natural gas means either natural unmixed or any mixture of natural and manufactured gas.
3. Enter in column (c) the Dth as reported in the schedules indicated for the items of receipts and deliveries.
4. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.
5. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose. Use copies of pages 520.
6. Also indicate by footnote the quantities of gas not subject to Commission regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline (2) the quantities that the reporting pipeline

transported or sold through its local distribution facilities or intrastate facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through any of the intrastate portion of the reporting pipeline, and (3) the gathering line quantities that were not designed for intrastate market or that were not transported through any interstate portion of the reporting pipelines.

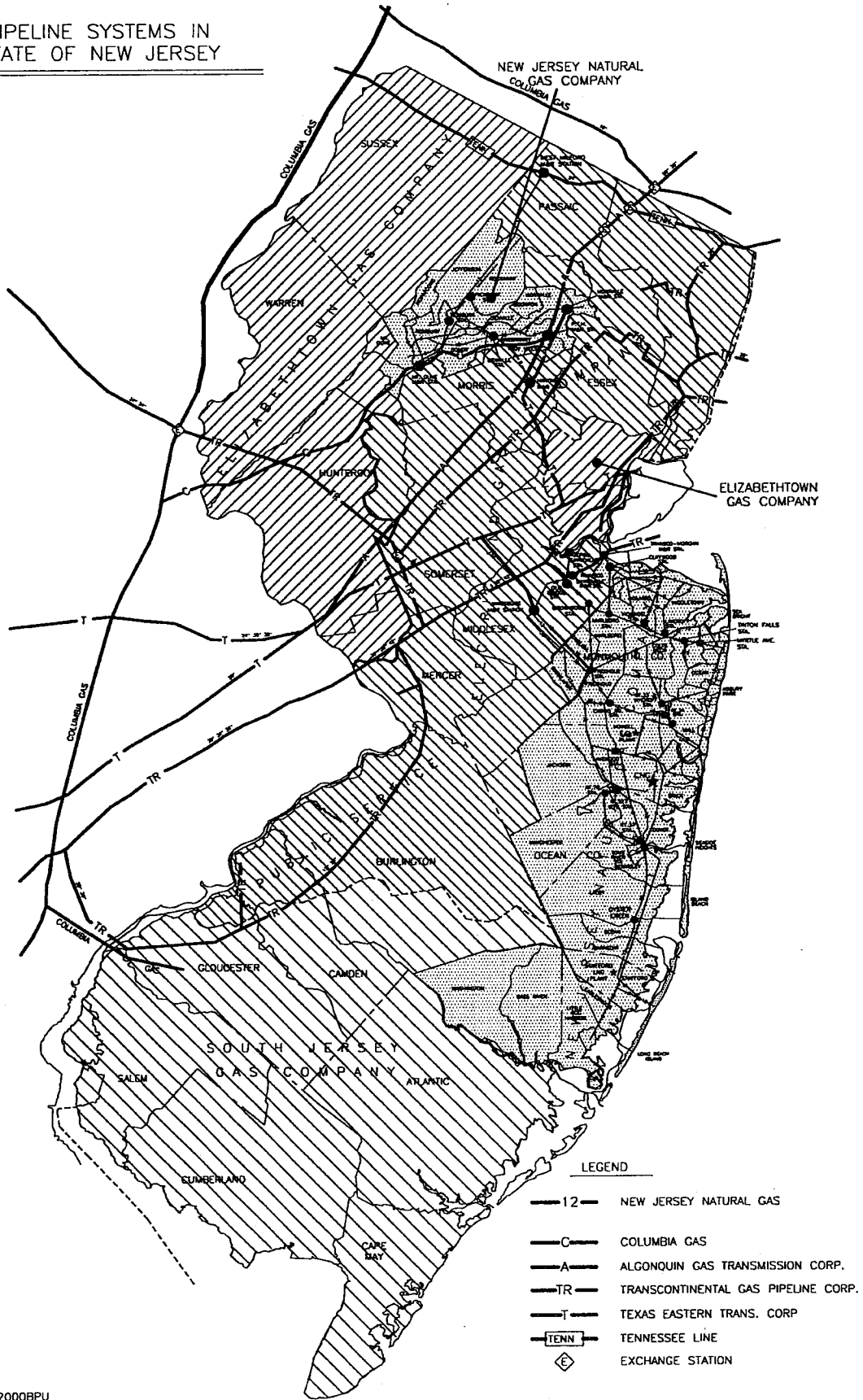
7. Also indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline, during the reporting year and also reported as sales, transportation and compression volumes by the reporting pipeline during the same reporting year (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities.

8. Also indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional rows as necessary to report all data, numbered 14.01, 14.02, etc.

01 NAME OF SYSTEM

Line No.	Item (a)	Ref Page No. (b)	Amount of Dth (c)
2	GAS RECEIVED		
3	Gas Purchases (accounts 800-805)	327 C	126,868,318
4	Gas of Others Received for Gathering (Account 489.1)	305	
5	Gas of Others received for Transmission (Account 489.2)	301	
6	Gas of Others Received for Distribution (Account 489.3)	307	
7	Gas of Others Received for Contract Storage (Account 489.4)	328	
8	Exchanged Gas Received from Others (Account 806)	328	
9	Gas Received as Imbalances (Account 806)	332	
10	Receipt of Respondent's Gas Transported by Others (Account 856)		
11	Other Gas Withdrawn from Storage (Explain) Withdrawn from Underground Storage	512	22,720,104
12	Gas Received from Shippers as Compressor Station Fuel		
13	Gas Received from Shippers as Lost and Unaccounted for		
14	Other Receipts (Specify) Gas Received from LNG Storage	327 C	522,028
15	Total Receipts (Total of lines 3 thru 14)		150,110,450
16	GAS DELIVERED		
17	Gas Sales (Account 480-484)		68,887,474
18	Deliveries of Gas Gathered of Others (Account 489.1)	303	
19	Deliveries of Gas Transported for Others (Account 489.2)	305	
20	Deliveries of Gas Distributed for Others (Account 489.3)	301	
21	Deliveries of Contract Storage Gas (Account 489.4)	307	
22	Exchange Gas Delivered to Others (Account 806)	328	
23	Gas Delivered as Imbalances (Account 806)	328	
24	Deliveries of Gas to Others for Transportation (Account 858)	332	
25	Other Gas Delivered to Storage (Explain) Gas Delivered to Underground Storage	512	23,319,505
26	Gas Used for Compressor Station Fuel	509	
27	Gas Delivered from LNG Storage, NG used by Respondent & Out of State Sales		57,533,262
28	Total Deliveries (Total of lines 17 thru 27.7)		149,740,241
29	GAS UNACCOUNTED FOR		
30	Production System Losses		
31	Gathering System Losses		
32	Transmission System Losses		
33	Distribution System Losses	327 C	370,209
34	Storage System Losses		
35	Other Losses (Specify)		
36	Total Unaccounted for (Total of lines 30 thru 35)		370,209
37	Total Deliveries & Unaccounted for (Total of lines 28 and 36)		150,110,450

PIPELINE SYSTEMS IN
STATE OF NEW JERSEY



LEGEND

- 12— NEW JERSEY NATURAL GAS
- C— COLUMBIA GAS
- A— ALGONQUIN GAS TRANSMISSION CORP.
- TR— TRANSCONTINENTAL GAS PIPELINE CORP.
- T— TEXAS EASTERN TRANS. CORP.
- TENN— TENNESSEE LINE
- ◊ EXCHANGE STATION

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SYSTEM LOAD STATISTICS

1. Report below the information specified.
2. Maximum daily production capacity means the maximum number of therms which can be produced, purified, etc.

Line No.	(a)	Dth (b)
1	Maximum Send-out in Any Other Day	571,853
2	Date of Such Maximum	1/2/2010
3	Maximum Send-out in Any Consecutive 3-days	1,639,862
4	Date of Such Maximum	1/2 - 1/4/2010
5	Maximum Daily Production Capacity	
6	
7	
8	
9	
10	
11	Manufactured Gas	
12	
13	Maximum Daily Purchase Capacity	360,050
14	Total Maximum Daily Production and Purchase Capacity	890,159
15	Maximum Holder Capacity	
16	Monthly Send-out; January	21,517,801
17	February	17,911,376
18	March	13,762,392
19	April	7,933,894
20	May	8,511,684
21	June	8,569,729
22	July	11,738,068
23	August	11,215,251
24	September	9,119,994
25	October	11,504,994
26	November	16,500,296
27	December	21,242,838
28	Total (Page 329 C)	159,528,315

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DISTRIBUTION MAINS

Report below information called for with respect to distribution mains.

Line No.	Size (Inches) (a)	Kind of Pipe (b)	Feet in Use Beginning of Year (c)	Net Change Inc. or (Dec) (d)	Feet in Use End of Year (e)
1	2" & under	Steel	10,830,601	(40,094)	10,790,507
2	2.5	Cast Iron	131,524	(23,233)	108,291
3	3	Wrought Iron	423,339		423,339
4	4		3,669,141	(29,092)	3,640,049
5	5		-	-	-
6	6		3,064,312	(15,868)	3,048,444
7	8		696,537	22,946	719,483
8	10		43,318	-	43,318
9	12		398,162	(3,868)	394,294
10	14		-		-
11	16		91,271		91,271
12	20+		20,947	22,449	43,396
13			-	-	-
14	Subtotal		<u>19,369,152</u>	<u>(66,760)</u>	<u>19,302,392</u>
15	2	Plastic	11,404,081	271,206	11,675,287
16	4		3,601,151	92,783	3,693,934
17	6 - 8		932,124	49,464	981,588
18	8		-	22,293	22,293
19	10 - 12		<u>154,873</u>		<u>154,873</u>
20	Subtotal		<u>16,092,229</u>	<u>435,746</u>	<u>16,527,975</u>
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36		Total Feet	35,461,381	368,986	35,830,367
		Total Miles (to 0.1)	6,716.17	69.88	6,786.05

NAME OF RESPONDENT
New Jersey Natural Gas Company

This Report is:
 An Original
 A Resubmission

Date of Report
April 30, 2011

Year Ending
Dec. 31, 2010

SERVICES

1. Report below the information relating to complete services.
2. Extensions of stub services to connect to customer's premises are to be treated as additions to active services and deductions from inactive services for future use.

Line No.	ITEM	TOTAL
1	Total complete services first of year -----	456,057
2		
3	Installed during year -----	7,709
4		
5	Purchased during year -----	0
6		
7		
8		
9	Total -----	463,766
10		
11	Retired during year -----	(2,723)
12	Installed during year -----	0
13	Extensions of incomplete services during year -----	0
14		
15	Total deductions during year -----	(2,723)
16	Total end of year -----	461,043

METERS

1. Report below the specified information.

LINE NO.	ITEM	TOTAL
21	Number at beginning of year -----	501,556
22	Acquired during year -----	20,468
23	Total -----	522,024
24	Retired during year -----	(17,201)
25	Number at end of year -----	504,823
26		
27	Meters in stock -----	1,759
28	Locked meters in customers' premises -----	9,973
29	Regular meters in customers' use -----	494,788
30	Meters in company's use -----	62
31	Total end of year -----	506,582

Notes

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FOOTNOTE TEXT

Footnote
No.
(a)

Footnote Text
(b)

NOT APPLICABLE