

NOTICE TO NEW JERSEY NATURAL GAS COMPANY CUSTOMERS

NOTICE OF PUBLIC HEARINGS

In The Matter of the Petition of New Jersey Natural Gas Company For Approval of a Base Rate Adjustment Pursuant to the IIP Programs

Docket No. GR23040207

PLEASE TAKE NOTICE that on March 30, 2023, New Jersey Natural Gas Company (“NJNG”, or the “Company”) filed a petition and supporting documentation (“Petition”) with the New Jersey Board of Public Utilities (“Board”, or the “BPU”) seeking Board approval for base rate changes to provide for cost recovery associated with the Company’s Infrastructure Investment Program (“IIP”).

By Order dated October 28, 2020, the BPU approved the Company’s IIP filed February 28, 2019, finding investigation into prudent, cost-efficient, and effective opportunities to enhance utility infrastructure to be critical.¹ The October 2020 Order approved NJNG’s request to invest up to \$150 million, excluding Allowance for Funds Used During Construction (“AFUDC”), to be recovered through base rate adjustments, to undertake 22 infrastructure projects and install Excess Flow Valves and Regulator Protectors aimed at making the Company’s distribution system more resilient.

The IIP is a series of capital investment projects that promote enhanced reliability and safety through facility enhancements. The IIP consists of 15 reliability and resilience projects, four (4) replacement and reinforcement projects, one (1) regulator station reconstruction project, two (2) trunk line replacement projects, 8,000 excess flow valves, and 47,500 regulator protector vents.

The Company’s rate filing includes a request for recovery in base rates of the actual costs associated with the IIP projects through June 30, 2023, consisting of prudently incurred capital expenditures, including actual costs of engineering, design and construction, cost of removal (net of salvage), property acquisition, actual labor, materials overheads, and capitalized AFUDC.

At this time, the Company requests BPU approval to adjust base rates, effective October 1, 2023, to recover approximately \$31.1 million in IIP investment costs made through June 30, 2023, resulting in a base rate increase of approximately \$3.52 million. If the proposed rates are approved by the Board, the impact to the typical residential heating customer using 100 therms per month is a monthly bill increase of \$0.54, or 0.4 percent.

The Petition’s monthly impact, as of the date of a Final Board Order in this proceeding, on a typical residential customer (both heat and non-heat), a typical general service small customer, and a typical general service large customer is estimated based on the usage levels shown in Table 1, included as Attachment A below.

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

Copies of NJNG’s March 30, 2023 filing can be reviewed on the Company’s website, www.njng.com/regulatory in the “Filings & Updates” subsection of the “Regulatory Info” section.

PLEASE TAKE FURTHER NOTICE that, due to the COVID-19 pandemic, virtual public hearings are scheduled for the following date and times so that members of the public may present their views on the Petition:

Date: August 23, 2023

Times: 4:30 pm and 5:30 pm

¹In re the Petition of New Jersey Natural Gas Company for Approval to Implement an Infrastructure Investment Program (“IIP”) and Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:3-2A, BPU Docket No. GR19020278, Order dated October 28, 2020 (“October 2020 Order”).

Location: Zoom Virtual Webinar

Join:<https://us06web.zoom.us/j/2458136397?pwd=VUJpK1V0aDYxZDIlZUIwaElOWDFRZz09>

Meeting ID: 245 813 6397

Passcode: 819208

Dial-In Number: +1 646 876 9923

Representatives of the Company, Board Staff, and the New Jersey Division of Rate Counsel will participate in the virtual public hearings. Members of the public may participate by utilizing the link or Dial-In number set forth above and express their views on this matter. To encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, 48 hours prior to the above hearings to the Secretary of the Board at board.secretary@bpu.nj.gov.

Comments may be submitted directly to the specific docket listed above using the “Post Comments” button on the Board’s [Public Document Search](#). Comments are considered public documents for purposes of the State’s Open Public Records Act. Only public documents should be submitted using the “Post Comments” button on the Board’s Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. Due to the COVID-19 pandemic, certain rules requiring paper submissions have been temporarily waived. In addition to hard copy submissions, confidential information may also be filed electronically via the Board’s e-filing system or by email to the Secretary of the Board. Please include “Confidential Information” in the subject line of any email. Instructions for confidential e-filing are found on the Board’s webpage: <https://www.nj.gov/bpu/agenda/efiling/>.

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

Secretary of the Board

44 South Clinton Ave., 1st Floor

PO Box 350

Trenton, NJ 08625-0350

Phone: 609-913-6241

Email: board.secretary@bpu.nj.gov

ATTACHMENT A

Table 1: The Petition’s Projected Impact on Certain Customer Classes

Customer Type	Therm Level	Total Bill		Increase	
		Bill as of March 1, 2023	Proposed Bill	Amount	Percent
Residential Heat Sales	100	\$ 150.78	\$ 151.32	\$ 0.54	0.4 %
Residential Non-Heat Sales	25	\$ 45.06	\$ 45.19	\$ 0.13	0.3%
General Service – Small	100	\$ 171.21	\$ 171.88	\$ 0.67	0.4 %
General Service – Large	1200	\$ 1,700.36	\$ 1,706.24	\$ 5.88	0.3%

New Jersey Natural Gas Company

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