

An AGL Resources Company

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2015 JUL 6 RM 10 09 ORIGINAL

NJ BPU MAILROOM



July 2, 2015

Irene Kim Asbury, Secretary State of New Jersey Board of Public Utilities 44 S. Clinton Avenue Trenton, New Jersey 08625

Re: In the Matter of The Request of Pivotal Utility Holdings, Inc. d/b/a
Elizabethtown Gas To Refund Its Current Clean Energy Program
Overteevery Balance Through A Bill Credit To Customers

BPU Dkt. No. GR 15070769

Dear Secretary Asbury:

Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas ("Elizabethtown" or "Company") hereby submits this letter petition by which it requests the Board of Public Utilities ("Board") to issue an order permitting Elizabethtown to provide a bill credit to its customers to enable the Company to refund its estimated Clean Energy Program ("CEP") overrecovery balance of \$6.9 million. Elizabethtown respectfully requests the Board to act on this request at its earliest convenience.

The CEP was created through the Electric Discount and Energy Competition Act in an effort to promote energy efficiency and renewable energy programs by offering financial incentives, programs and services to New Jersey residents. Elizabethtown assesses a CEP rate as a component of its Societal Benefits Charge to enable the Company to recover its allocated share of the costs of the CEP.

Elizabethtown's current CEP rate is \$0.0244 per therm. Elizabethtown filed a petition on July 18, 2014 in Docket No. GR14070755 seeking to reduce its CEP rate from \$0.0385 per therm to \$0.0244 per therm. Elizabethtown's proposed rate was approved by Order dated February 11, 2015 and became effective February 23, 2015. Because of the passage of time

<sup>&</sup>lt;sup>1</sup> I/M/O The Petition of Pivotal Utility Holdings Inc. d/b/a Elizabethtown Gas To (1) Revise Its Weather Normalization Clause Rate, (2) Revise The Clean Energy Component Of Its Societal Benefits Charge Rate; and (3) Revise Its On-System Margin Sharing, BPU Docket No. GR14070755, "Decision And Order Adopting Initial Decision And Approving Stipulation" (February 11, 2015).



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between the filing of the current CEP rate and its effectiveness, Elizabethtown estimates it will have a CEP overrecovery balance of \$6.9 million as of June 30, 2015. The Company submits that it would be in the public interest for Elizabethtown to refund this overrecovery balance to its customers at this time by means of a bill credit. Elizabethtown proposes to determine each customer's credit on the basis of historical usage for the 12 month period ending June 30, 2015. Using this methodology the Company estimates that this will result in a total credit of \$14.00 to a residential heating customer that used 1,000 therms during the period ending June 30, 2015.

Elizabethtown requests the Board to grant such waivers of its regulations as may be necessary to accept this letter petition and to approve this request as expeditiously as possible. Elizabethtown plans to make its annual filing to update its CEP rate in July 2015<sup>2</sup> and would like to receive approval to make the refund before revising its CEP rate so that it can propose a CEP rate that will reflect the Company's best estimate of its ongoing CEP cost responsibility, Elizabethtown is authorized to state that the Division of Rate Counsel does not object to this proposed refund subject to its right to review the appropriateness of the refund in the proceedings concerning the CEP filing that the Company will make in July 2015.

Please contact the undersigned if you have any questions.

Respectfully submitted,

Mary Patricia Keefe

Vice President, Regulatory Affairs

Mary Patricia Keefe

And Business Support

## Enclosures

cc:

Richard Mroz, President
Joseph L. Fiordaliso, Commissioner
Mary-Anna Holden, Commissioner
Dianne Solomon, Commissioner
Upendra Chivukula, Commissioner
Jerome May, Director, Division of Energy
Stefanie A. Brand, Director, Rate Counsel
Parties to BPU Docket No. GR14070755 (see attached service list)

<sup>&</sup>lt;sup>2</sup> The Company's July 2015 filing will reflect a reconciliation of CEP costs and cost recoveries for the twelve months ending June 30, 2015 and projections of CEP costs and cost recoveries for the twelve months ending June 30, 2016. Approval of the proposed CEP refund at this time will not prejudice the rights of any party to review and/or challenge the CEP costs, cost recoveries and projections reflected in the Company's July 2015 filing.

## IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS TO (1) REVISE ITS WEATHER NORMALIZATION CLAUSE RATE (2) REVISE THE CLEAN ENERGY PROGRAM COMPONENT OF ITS SOCIETAL BENEFITS CHARGE RATE (3) REVISE ITS ON-SYSTEM MARGIN SHARING CREDIT

## **BPU DOCKET NO. GR14070755**

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