



July 22, 2020

VIA EMAIL

The Honorable Aida Camacho-Welch, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

Re: In The Matter Of The Petition Of New Jersey Natural Gas Company for Approval of Base Rate Adjustment Pursuant to the NJ RISE and SAFE II Programs
BPU Docket No. GR20030279

Dear Secretary Camacho-Welch:

Enclosed please find updated schedules and proposed tariff sheets of New Jersey Natural Gas Company (NJNG) for Approval of a Base Rate Adjustment Pursuant to its NJ RISE And SAFE II Programs.

Copies are also being served upon the New Jersey Division of Rate Counsel and the Division of Law.

Kindly acknowledge receipt of this filing by return email.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Andrew K. Dembia'. The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Andrew K Dembia, Esq.
Regulatory Affairs Counsel

C: Service List

**In The Matter Of The Petition Of New Jersey Natural Gas Company for Approval
of a Base Rate Adjustment Pursuant to the NJ RISE and SAFE II Programs**

BPU Docket No. GR20030279

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**In The Matter Of The Petition Of New Jersey Natural Gas Company for Approval
of a Base Rate Adjustment Pursuant to the NJ RISE and SAFE II Programs**

BPU Docket No. GR20030279

SERVICE LIST

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**NJ RISE PROGRAM
Roll-in Calculation**

Investment End Date 6/30/2020

RATE BASE CALCULATION

| | Total |
|---|------------------|
| Gross Plant | \$8,076,644 |
| Accumulated Depreciation | (\$79,152) |
| Net Plant | \$7,997,492 |
| Accumulated Deferred Taxes | (\$31,864) |
| Rate Base | \$7,965,628 |
| Rate of Return - Net of Tax (SCHEDULE NJNG-NJ RISE-2) | 6.45% |
| | |
| Return Requirement | \$513,902 |
| Depreciation Exp, net | \$143,269 |
| | \$657,171 |
| Revenue Factor (SCHEDULE NJNG-NJ RISE-3) | 1.3995 |
| | |
| Total Revenue Requirement | \$919,711 |

SUPPORT

Gross Plant

| | |
|--------------------------|--------------------|
| Plant in-service | \$7,901,575 |
| AFUDC - Debt | \$45,845 |
| AFUDC - Equity | \$129,223 |
| Total Gross Plant | \$8,076,644 |

Accumulated Depreciation

| | |
|-------------------------------------|-------------------|
| Accumulated Depreciation | (\$79,152) |
| Net Accumulated Depreciation | (\$79,152) |

Depreciation Expense (Net of Tax)

| | |
|--|------------------|
| Depreciable Plant (xAFUDC-E) | \$7,947,421 |
| AFUDC-E | \$129,223 |
| Depreciation Rate | By Asset Class |
| Depreciation Expense | \$199,290 |
| Tax @ 28.11% | 56,020 |
| Depreciation Expense (Net of Tax) | \$143,269 |

NJ RISE PROGRAM

Weighted Average Cost of Capital (WACC)

| SAFE Extension Capital Structure | | | | | | |
|----------------------------------|---------|-------|---------------|------------|---------|--|
| Type | Ratio | Cost | Weighted Cost | Net of Tax | Pre-tax | |
| Long-Term Debt | 46.00% | 3.83% | 1.76% | 1.27% | 1.76% | |
| Common Equity | 54.00% | 9.60% | 5.18% | 5.18% | 7.21% | |
| | 100.00% | | 6.95% | 6.45% | 8.97% | |

| | |
|------------------------------|--------|
| Total | |
| Federal Income Tax | 21.00% |
| State NJ Business Income Tax | 9.00% |
| Tax Rate | 28.11% |

NJ RISE PROGRAM
Revenue Factor Calculation

| | |
|-------------------------------------|----------------------|
| Revenue Increase | 100.0000 |
| Uncollectible Rate | 0.3230 |
| BPU Assessment Rate | 0.2311 |
| Rate Counsel Assessment Rate | <u>0.0553</u> |
| Income before State of NJ Bus. Tax | 99.3906 |
| State of NJ Bus. Income Tax @ 9.00% | <u>8.9452</u> |
| Income Before Federal Income Taxes | 90.4454 |
| Federal Income Taxes @ 21% | <u>18.9935</u> |
| Return | <u>71.4519</u> |
| Revenue Factor | <u><u>1.3995</u></u> |

SAFE II PROGRAM
Roll-in Calculation

SCHEDULE NJNG-SAFE II-1
UPDATE

Investment End Date

6/30/2020

RATE BASE CALCULATION

| | Total |
|--|--------------------|
| Gross Plant | \$47,011,709 |
| Accumulated Depreciation | \$11,260,918 |
| Net Plant | \$58,272,626 |
| Accumulated Deferred Taxes | (\$242,663) |
| Rate Base | \$58,029,964 |
| Rate of Return - After-Tax (SCHEDULE NJNG-SAFE II-2) | 6.45% |
| Return Requirement | \$3,743,797 |
| Depreciation Exp, net | \$706,001 |
| O&M Credit - Leak Repair, net | (\$71,890) |
| | \$4,377,908 |
| Revenue Factor (SCHEDULE NJNG-SAFE II-3) | 1.3995 |
| Total Revenue Requirement | \$6,126,882 |

SUPPORT

Gross Plant

| | |
|--------------------------|---------------------|
| Plant in-service | \$46,844,299 |
| AFUDC - Debt | \$43,533 |
| AFUDC - Equity | \$123,876 |
| Total Gross Plant | \$47,011,709 |

Accumulated Depreciation

| | |
|-------------------------------------|---------------------|
| Accumulated Depreciation | (\$630,862) |
| Cost of Removal | \$11,891,780 |
| Net Accumulated Depreciation | \$11,260,918 |

Depreciation Expense (Net of Tax)

| | |
|--|------------------|
| Depreciable Plant (xAFUDC-E) | \$46,887,832 |
| AFUDC-E | \$123,876 |
| Depreciation Rate | Various |
| Depreciation Expense | \$1,151,739 |
| Depreciation Expense Retirements | \$169,682 |
| Tax @ 28.11% | 276,056 |
| Depreciation Expense (Net of Tax) | \$706,001 |

SAFE II PROGRAM

Weighted Average Cost of Capital (WACC)

| SAFE II Capital Structure | | | | | |
|---------------------------|---------|-------|---------------|------------|---------|
| Type | Ratio | Cost | Weighted Cost | Net of Tax | Pre-tax |
| Long-Term Debt | 46.00% | 3.83% | 1.76% | 1.27% | 1.76% |
| Common Equity | 54.00% | 9.60% | 5.18% | 5.18% | 7.21% |
| | 100.00% | | 6.95% | 6.45% | 8.97% |

| | |
|------------------------------|--------|
| Federal Income Tax | 21.00% |
| State NJ Business Income Tax | 9.00% |
| Tax Rate | 28.11% |

SAFE II PROGRAM
Revenue Factor Calculation

SCHEDULE NJNG-SAFE II-3
UPDATE

| | |
|-------------------------------------|----------------------|
| Revenue Increase | 100.0000 |
| Uncollectible Rate | 0.3230 |
| BPU Assessment Rate | 0.2311 |
| Rate Counsel Assessment Rate | <u>0.0553</u> |
| Income before State of NJ Bus. Tax | 99.3906 |
| State of NJ Bus. Income Tax @ 9.00% | <u>8.9452</u> |
| Income Before Federal Income Taxes | 90.4454 |
| Federal Income Taxes @ 21% | <u>18.9935</u> |
| Return | <u>71.4519</u> |
| Revenue Factor | <u><u>1.3995</u></u> |

New Jersey Natural Gas Company
 Base Rates and Revenues at Present and Proposed Rates

| Component (a) | Amount (b) | Units (c) | Present Rates | | Proposed Rates | |
|----------------------------|---------------|--------------|---------------|-----------------------|----------------|-----------------------|
| | | | Rate (d) | Revenue (e) | Rate (f) | Revenue (g) |
| | | | <u>RS</u> | | <u>RS</u> | |
| <u>Residential Service</u> | | | | | | |
| Customer Charge | 6,263,031 | Bills | \$ 9.38 | \$ 58,747,230 | \$ 9.51 | \$ 59,561,424 |
| Volumetric Charge | 497,800,520 | Therms | 0.4599 | 228,938,459 | 0.4690 | 233,468,444 |
| Total Base Revenues | | | | \$ 287,685,689 | | \$ 293,029,868 |

| | | | <u>GSS</u> | | <u>GSS</u> | |
|--|------------|--------|------------|----------------------|------------|----------------------|
| <u>General Service Small (less than 5,000 Annual Therms)</u> | | | | | | |
| Customer Charge | 374,620 | Bills | \$ 31.89 | \$ 11,946,646 | \$ 32.68 | \$ 12,242,596 |
| Volumetric Charge | 38,058,355 | Therms | 0.4057 | 15,440,275 | 0.4153 | 15,805,635 |
| Volumetric Charge - A/C | 35,502 | Therms | 0.0884 | 3,138 | 0.0900 | 3,195 |
| Total Base Revenues | | | | \$ 27,390,059 | | \$ 28,051,426 |

| | | | <u>GSL</u> | | <u>GSL</u> | |
|--|-------------|--------|------------|----------------------|------------|----------------------|
| <u>General Service Large (5,000 + Annual Therms)</u> | | | | | | |
| Customer Charge | 98,929 | Bills | \$ 73.50 | \$ 7,271,282 | \$ 75.77 | \$ 7,495,850 |
| Demand Charge | 10,794,865 | Therms | 2.4000 | 25,907,677 | 2.4688 | 26,650,363 |
| Volumetric Charge | 130,573,781 | Therms | 0.2707 | 35,346,323 | 0.2711 | 35,398,552 |
| Volumetric Charge - A/C | 184,780 | Therms | 0.0884 | 16,335 | 0.0900 | 16,630 |
| Total Base Revenues | | | | \$ 68,541,615 | | \$ 69,561,396 |

| | | <u>FT</u> | | <u>FT</u> | |
|------------------------------------|-------------------|---------------------|------------|---------------------|------------|
| <u>Firm Transportation Service</u> | | | | | |
| Customer Charge | 1,426 Bills | \$ 254.42 | \$ 362,803 | \$ 254.42 | \$ 362,803 |
| Demand Charge | 2,445,253 Therms | 1.8592 | 4,546,215 | 1.8592 | 4,546,215 |
| Volumetric Charge | 24,988,966 Therms | 0.0748 | 1,869,175 | 0.0748 | 1,869,175 |
| Total Base Revenues | | \$ 6,778,192 | | \$ 6,778,192 | |

| | | <u>DGC</u> | | <u>DGC</u> | |
|--|------------------|-------------------|-----------|-------------------|-----------|
| <u>Distributed Generation - Commercial</u> | | | | | |
| Customer Charge | 240 Bills | \$ 75.00 | \$ 18,000 | \$ 77.31 | \$ 18,554 |
| Demand Charge | 362,993 Therms | 1.7800 | 646,127 | 1.8238 | 662,026 |
| Volumetric Charge - Winter | 3,288,610 Therms | 0.0615 | 202,249 | 0.0616 | 202,578 |
| Volumetric Charge - Summer | 2,881,523 Therms | 0.0309 | 89,039 | 0.0310 | 89,327 |
| Total Base Revenues | | \$ 955,416 | | \$ 972,486 | |

| | | <u>NGV / CNG</u> | | <u>NGV / CNG</u> | |
|---|------------------|-------------------|----------|-------------------|----------|
| <u>Natural Gas Vehicle / Compressed Natural Gas Service</u> | | | | | |
| Customer Charge | 60 Bills | \$ 75.00 | \$ 4,500 | \$ 77.70 | \$ 4,662 |
| Volumetric Charge | 1,393,441 Therms | 0.2014 | 280,639 | 0.2050 | 285,655 |
| Total Base Revenues | | \$ 285,139 | | \$ 290,317 | |

| | | |
|--|-----------------------|-----------------------|
| TOTAL SYSTEM BASE DISTRIBUTION REVENUES | \$ 391,636,111 | \$ 398,683,686 |
|--|-----------------------|-----------------------|

| | |
|-----------------|-----------|
| Increase | 7,047,576 |
| TARGET Increase | 7,046,593 |
| Difference | \$983 |

NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 51
Superseding Original Sheet No. 51

SERVICE CLASSIFICATION - RS

RESIDENTIAL SERVICE

AVAILABILITY

This service is available to any residential Customer in the territory served by the Company using gas for any domestic purpose. This rate is applicable to individually-metered apartments and to rooming and boarding houses where the number of rental bedrooms is not more than twice the number of bedrooms used by the Customer.

Gas delivered under this schedule may not be used for other than domestic purposes except when such use is incidental to domestic use.

CHARACTER OF SERVICE

Firm gas service where Customer may either purchase gas supply from the Company's Rider "A" for Basic Gas Supply Service ("BGSS") or from a Third Party Supplier.

MONTHLY RATES

Customer Charge:

Customer Charge per meter per month ~~\$10.00~~10.14

Delivery Charge:

Residential Heating

Delivery Charge per therm ~~\$0.67~~120.6809

Residential Non-Heating

Delivery Charge per therm ~~\$0.73~~230.7420

BGSS Charge:

BGSS Charge per therm for Sales Customers See "Rate Summaries" at the end of this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

Date of Issue: ~~November 13, 2019~~
Issued by: Mark G. Kahrer, Vice President
~~15, 2020~~2019
Wall, NJ 07719

**Effective for service rendered on
and after ~~October 1,~~November**

NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 53
Superseding Original Sheet No. 53

SERVICE CLASSIFICATION – DGR

DISTRIBUTED GENERATION SERVICE - RESIDENTIAL

AVAILABILITY

This service is available to any residential customer using distributed generation technologies including, but not limited to, microturbines and fuel cells to generate electricity for domestic purposes.

CHARACTER OF SERVICE

Firm gas service where Customer may either purchase gas supply from the Company’s Rider “A” for Basic Gas Supply Service (“BGSS”) or from a Third Party Supplier.

MONTHLY RATES

Customer Charge:

Customer Charge per meter per month ~~\$10.00~~10.14

Delivery Charge:

November - April \$0.3526

May - October \$0.2993

BGSS Charge:

BGSS Charge per therm for Sales Customers See “Rate Summaries” at the end of this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the Customer Charge. Where service is taken for less than one month, the minimum charge will be prorated.

BALANCING CHARGE ADJUSTMENTS

The Balancing Charge is included in the Delivery Charge and is subject to adjustment in the Company's annual BGSS proceeding. All revenues derived from this Charge will be credited to the BGSS. See Rider “A” for the current Balancing Charge.

Date of Issue: ~~November 13, 2019~~
Issued by: ~~Mark G. Kahrer, Vice President~~
~~15, 2020~~2019
Wall, NJ 07719

**Effective for service rendered on
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NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 55
Superseding Original Sheet No. 55

SERVICE CLASSIFICATION – GSS

GENERAL SERVICE - SMALL

AVAILABILITY

This service is available to any Customer in the entire territory served by the Company who uses less than 5,000 therms annually and uses gas for all purposes other than residential service and interruptible service. Where the Customer uses the Cooling, Air Conditioning and Pool Heating service (“CAC”) under Special Provision I.2, the Company may, upon application by the Customer, meter the space heating and CAC use separately. Street Lighting Service also will be supplied under this schedule (Special Provision II.1).

CHARACTER OF SERVICE

Firm gas service where Customer may either purchase gas supply from the Company’s Rider “A” for Basic Gas Supply Service (“BGSS”) or from a Third Party Supplier.

MONTHLY RATES

Customer Charge:

Customer Charge per meter per month ~~\$34.00~~34.85

Delivery Charge:

Delivery Charge per therm ~~\$0.58470~~.5949

BGSS Charge:

BGSS Charge per therm for Sales Customers See “Rate Summaries” at the end of this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the Customer Charge.

Where service is taken for less than one month, the minimum charge will be prorated.

BALANCING CHARGE ADJUSTMENTS

The Balancing Charge is included in the Delivery Charge and is subject to adjustment in the Company's annual BGSS proceeding. All revenues derived from this Charge will be credited to the BGSS. See Rider “A” for the current Balancing Charge.

Date of Issue: ~~November 13, 2019~~
Issued by: Mark G. Kahrer, Vice President
~~15, 2020~~2019
Wall, NJ 07719

**Effective for service rendered on
and after ~~October 1~~November**

NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 56
Superseding Original Sheet No. 56

SERVICE CLASSIFICATION - GSS

GENERAL SERVICE - SMALL (continued)

SPECIAL PROVISIONS

I. Applicable to All Customers Under This Service Classification

1. Annual Review

The Company shall review, at least once a year, each GSS Customer's annual usage based on the most recent twelve (12) months of billing information to determine if the General Service – Large ("GSL") Service Classification is applicable to the Customer. If the Customer's normalized annual usage is greater than or equal to 5,500 therms, the customer will be switched to GSL.

2. Air Conditioning and Pool Heating

Upon separate application, GSS Customers who have installed and are using gas air conditioning and/or pool heating equipment will be billed on the above Monthly Rates and will be billed a credit of (~~\$0.31790.3255~~) per therm for all monthly consumption of gas for services rendered between May 1 and September 30 of each year. This credit is the difference between the delivery charge for service rendered between May 1 and September 30 of each year under this Special Provision of ~~\$0.26770.2694~~ per therm, which includes ~~\$0.08840.0900~~ per therm margin, all appropriate riders, taxes, assessments and surcharges, and the delivery charge for Service Classification GSS.

Commercial Air Conditioning and Pool Heating ("CAC") customers will be separately metered, except, at the Company's sole discretion, existing Customers may use the same meter for their cooling, air conditioning or pool heating load and their space heating load as long as there is minimal base load during the period air conditioning rates are in effect.

Where a CAC Customer uses gas under this service classification in a direct-fired chiller/heater and the heating load is metered through the same meter as the cooling, air conditioning or pool heating load, and further, where the gas used for heating is billed separately, the GSS Customer Charge shall be waived, provided the Customer pays the Customer Charge under its heating service in all twelve (12) months of the year.

3. Veterans' Organization Service

Pursuant to N.J.S.A 48:2-21.41, when natural gas service is delivered to a customer that is a Veterans' Organization, serving the needs of veterans of the armed forces, the customer may apply and be eligible for billing under this Special Provision.

a. Each customer shall be eligible for billing under this Special Provision upon submitting an Application for Veterans' Organization Service under this Service Classification and by qualifying as a "Veterans' Organization" as defined by N.J.S.A. 48:2-21.41 as "an organization dedicated to serving the needs of veterans of the armed forces that: is chartered under federal law, qualifies as a tax exempt organization under paragraph (19) of subsection (c) of section 501 of the federal Internal Revenue Code of 1986, 26 U.S.C. s.501 (c)(19), or that is organized as a corporation under the 'New Jersey Nonprofit Corporation Act,' N.J.S.15A:1-1 et seq." Under N.J.S.A. 48: 2-21.41, a qualified Veterans' Organization shall be charged the residential rate for service delivered to the property where the Veterans' Organization primarily operates, if the residential rate is lower than the commercial rate for service at that property.

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~~15, 2020~~2019
Wall, NJ 07719

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NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 57
Superseding Original Sheet No. 57

SERVICE CLASSIFICATION - GSS

GENERAL SERVICE - SMALL (continued)

The Customer shall furnish satisfactory proof of eligibility of service under this Special Provision to the Company. Once proof of eligibility is determined by the Company, service under this Special Provision shall begin with the next billing cycle following receipt of the Application.

- b. The Customer will continue to be billed on this Service Classification. At least once annually, the Company shall review eligible customers' Customer Charges and Delivery Charges under this Special Provision for all relevant periods. If the comparable Customer Charges and Delivery Charges under Service Classification Residential Service (RS) are lower than the charges under their current Service Classification, a credit in the amount of the difference will be applied to the Customer's next bill.

II. *Applicable to All Customers Purchasing Gas Supply Under Rider "A" BGSS*

1. Street Lighting Service

Street Lighting Service is not subject to Rider "I" of this Tariff. The delivery charge per therm for Street Lighting Service is \$~~0.60550~~0.6157 per therm.

III. *Applicable to All Customers Purchasing Gas Supply from a Third Party Supplier*

1. Metering

An Automated Meter Reading (AMR) device will not be required for this service.

2. Additional Requirements

Service is subject to the terms and conditions of the Third Party Supplier Requirements section of this Tariff (Service Classification – TPS) and Section 10 of the Company's Standard Terms and Conditions.

TERMS AND CONDITIONS

Service is subject to the Company's Standard Terms and Conditions of this Tariff.

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~~15, 2020~~2019
Wall, NJ 07719

**Effective for service rendered on
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NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No.58
Superseding Original Sheet No. 58

SERVICE CLASSIFICATION - GSL

GENERAL SERVICE - LARGE

AVAILABILITY

This service is available to any Customer in the entire territory served by the Company who uses greater than or equal to 5,000 therms annually and uses gas for all purposes other than residential service and interruptible service. Where the Customer uses the Cooling, Air Conditioning and Pool Heating service (“CAC”) under Special Provision I.4, the Company may, upon application by the Customer, meter the space heating and CAC use separately.

CHARACTER OF SERVICE

Firm gas service where Customer may either purchase gas supply from the Company’s Rider “A” for Basic Gas Supply Service (“BGSS”) or from a Third Party Supplier.

MONTHLY RATES

Customer Charge:

Customer Charge per meter per month **\$78.3780.79**

Demand Charge:

Demand Charge per therm applied to HMAD **\$2.562.63**

Delivery Charge:

Delivery Charge per therm **\$0.45720.4577**

BGSS Charge:

BGSS Charge per therm for Sales Customers See “Rate Summaries” at the end of this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the Customer Charge and the Demand Charge.
Where service is taken for less than one month, the minimum charge will be prorated.

Date of Issue: ~~November 13, 2019~~
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~~15, 2020~~2019
Wall, NJ 07719

**Effective for service rendered on
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NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 59
Superseding Original Sheet No. 59

SERVICE CLASSIFICATION - GSL

GENERAL SERVICE - LARGE (continued)

BALANCING CHARGE ADJUSTMENTS

The Balancing Charge is included in the Delivery Charge and is subject to adjustment in the Company's annual BGSS proceeding. All revenues derived from this Charge will be credited to the BGSS. See Rider "A" for the current Balancing Charge.

SPECIAL PROVISIONS

I. Applicable to All Customers in this Service Classification

1. Determination of Demand

The highest monthly average daily usage (HMAD) that occurs in any billing period will be used to calculate the Demand Charge. The HMAD shall be determined based upon the Customer's highest normalized average daily usage for a month in the most recent twenty-four (24) month period. Estimated data may be used when actual data is not available. At least once a year, the Company shall review and modify, if necessary, each GSL customer's HMAD based upon the most recent twenty-four (24) months of billing information. The Company reserves the right to determine the HMAD for any Customer by actually metering daily usage.

2. Metering

An Automated Meter Reading (AMR) device with daily meter reads will not be required for this service. However, the Company reserves the right to install an AMR if it believes such a device will provide a more accurate HMAD than the Determination of Demand set forth above. Should the Company decide to install an AMR, the Customer shall furnish the necessary infrastructure to support the AMR, including, but not limited to, an electrical supply and phone line, or data plan, for the operation of the device, in an area acceptable to the Company.

3. Annual Review

The Company shall review, at least once a year, each GSL customer's annual usage based on the most recent twelve (12) months of billing information to determine if the General Service - Small ("GSS") Service Classification is applicable to the Customer. If the Customer's normalized annual usage is less than or equal to 4,500 therms, the Customer will be switched to GSS.

4. Air Conditioning and Pool Heating

Upon separate application, GSL Customers who have installed and are using gas air conditioning and/or pool heating equipment will be billed on the above Monthly Rates and will be billed a credit of (~~\$0.18950.1883~~) per therm for all monthly consumption of gas for services rendered between May 1 and September 30 of each year. This credit is the difference between the delivery charge for service rendered between May 1 and September 30 of each year under this Special Provision of ~~\$0.26770.2694~~ per therm which includes ~~\$0.08840.0900~~ per therm margin, all appropriate riders, taxes, assessments and surcharges, and the delivery charge for Service Classification GSL.

Commercial Air Conditioning and Pool Heating ("CAC") Customers will be separately metered, except, at the Company's sole discretion, existing Customers may use the same meter for their cooling, air conditioning or pool heating load and their space heating load as long as there is minimal base load during the period air conditioning rates are in effect.

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~~15, 2020~~2019
Wall, NJ 07719

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NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 64
Superseding Original Sheet No. 64

SERVICE CLASSIFICATION - DGC

DISTRIBUTED GENERATION SERVICE - COMMERCIAL

AVAILABILITY

This service is available to any commercial customer using distributed generation technologies including, but not limited to, microturbines and fuel cells.

CONDITIONS PRECEDENT

If the Customer is served by a Third Party Supplier, the Third Party Supplier assumes the responsibility for all delivery requirements. The Company may require the Customer to provide, to the Company's satisfaction, proof of a firm gas supply having marketable title of gas with firm transportation capacity to the Company's distribution systems. The Customer is responsible for payment of any costs if additional facilities, exclusive of metering facilities, are necessary to provide service. The Company reserves the right to limit new customers served under this service, if it determines that service expansion is detrimental to existing firm customers. The Customer must demonstrate that qualifying electric generation equipment has been installed at its location.

MONTHLY RATES

| | <u>DGC-Balancing</u> | <u>DGC-FT</u> |
|---|---|---------------------------|
| <u>Customer Charge:</u> | | |
| Customer Charge per meter per month | \$79.9782.43 | \$79.9782.43 |
| <u>Demand Charge:</u> | | |
| Demand Charge per therm applied to PBQ | \$1.901.94 | \$1.901.94 |
| <u>Delivery Charge per therm:</u> | | |
| November - April | \$0.23850.2386 | \$0.12970.1298 |
| May - October | \$0.20580.2060 | \$0.09700.0972 |
| <u>BGSS Charge:</u> | | |
| BGSS Charge per therm for Sales Customers | See "Rate Summaries" at the end of this Tariff | N/A |

The Delivery Charges for DGC-Balancing above include the Balancing Charge as reflected in Rider "A" of this Tariff for customers whose Third Party Supplier delivers gas on their behalf pursuant to paragraph (3) under Deliveries to Company's Designated Delivery Meters section of Service Classification TPS. For DGC-FT customers whose Third Party Supplier delivers gas on their behalf pursuant to paragraph (1) under Deliveries to Company's Designated Delivery Meters section of Service Classification TPS, the DGC-FT Delivery Charges above exclude the Balancing Charge reflected in Rider "A" of this Tariff.

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

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NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 76
Superseding Original Sheet No. 76

SERVICE CLASSIFICATION - NGV

NATURAL GAS VEHICLE SERVICE

AVAILABILITY

This service is available to any residential or commercial customer for the purpose of fueling natural gas vehicles at Company owned and operated compressed natural gas (“CNG”) re-fueling facilities (“Company facilities”) and at separately metered Customer owned and operated CNG re-fueling facilities (“Customer owned facilities”).

CONDITIONS PRECEDENT

The Customer must sign a service agreement which sets forth the vehicles to be served to be eligible for this service.

DEFINITION OF TERM USED HEREIN

“GGE” is the Gasoline Gallon Equivalent for converting a price per therm of natural gas to a price per gallon of gasoline. The GGE shall be determined in accordance with local standards.

CHARACTER OF SERVICE

Firm sales gas service where Customer who uses Company facilities purchases gas supply pursuant to the Company’s Rider “A” for Basic Gas Supply Service (“BGSS”). Firm sales or transportation gas service where Customer who uses Customer owned facilities purchases gas supply pursuant to the Company’s Rider “A” for BGSS or from a Third Party Supplier, respectively.

LICENSING, PERMITS AND LEGAL REQUIREMENTS

Customers installing CNG re-fueling facilities on their premises must meet all applicable licensing, permitting and other legal requirements associated with owning and operating CNG refueling facilities. The failure of the customer to comply with this provision may result in the Company suspending or terminating gas service to such facilities without further liability.

MONTHLY RATES

| | Gas Available at Company Facilities | Customer Owned Facilities |
|---|---|---|
| <u>Customer Charge:</u> | | |
| Residential Customer Charge per meter per month | N/A | \$10.00 <u>10.14</u> |
| Commercial Customer Charge per meter per month | N/A | \$79.97 <u>82.85</u> |
| <u>Delivery Charge:</u> | | |
| Delivery Charge per therm | \$0.2788 <u>0.2827</u> (\$ 0.3490 <u>0.353</u> per GGE) | \$0.2788 <u>0.2827</u> (\$ 0.3490 <u>0.353</u> per GGE) |

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NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 97
Superseding Original Sheet No. 97

SERVICE CLASSIFICATION - CNG

COMPRESSED NATURAL GAS

AVAILABILITY

This service is available to any customer who would otherwise qualify for service under Service Classifications RS, GSS, GSL, FT, IS, or NGV and who will utilize natural gas for the purpose of fueling natural gas vehicles at Company owned compressed natural gas re-fueling facilities operated by the Customer on its property ("Host Customer").

Availability of this Service Classification is subject to the terms and conditions approved in BPU Docket No. GR11060361. This Service Classification is closed.

CONDITIONS PRECEDENT

The Host Customer must sign an Agreement with the Company. The Host Customer must provide assurance that it will use initially at least twenty (20) percent of the re-fueling facility's capacity. The Host Customer must agree to provide the general public with reasonable access to a re-fueling facility for purposes of fueling the general public's natural gas vehicles.

DEFINITION OF TERM USED HEREIN

"GGE" is the Gasoline Gallon Equivalent for converting a price per therm of natural gas to a price per gallon of gasoline. The GGE shall be determined in accordance with local standards.

CHARACTER OF SERVICE

Firm gas service where Host Customer may purchase gas supply pursuant to the Company's Rider "A" for Basic Gas Supply Service ("BGSS"), from the Company through a contract, or from a Third Party Supplier.

MONTHLY RATES

Customer Charge:

Customer Charge per meter per month **\$79.9782.85**

Delivery Charge:

Delivery Charge per therm **\$0.49210.4959**
(\$0.6150.620 per GGE)

BGSS Charge:

Monthly BGSS Charge per therm for Sales Customers without a gas supply contract See "Rate Summaries" at the end of this Tariff

These rates are inclusive of all applicable taxes and riders and are subject to adjustment for all other applicable riders, taxes, assessments or similar charges lawfully imposed by the Company. See Rate Summaries at the end of this Tariff for a summary of components incorporated in these rates.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the Customer Charge.

Where service is taken for less than one month, the minimum charge will be prorated.

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15, 20202019
Wall, NJ 07719

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NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 179
Superseding Original Sheet No. 179

RIDER "I"

CONSERVATION INCENTIVE PROGRAM – CIP (continued)

7. **Customer Class Group** – For purposes of determining and applying the CIP, customers shall be aggregated into four separate recovery class groups. The Customer Class Groups shall be as follows:

- Group I: RS (non-heating customers only)
- Group II: RS (heating customers only)
- Group III: GSS, ED using less than 5,000 therms annually
- Group IV: GSL, ED using 5,000 therms or greater annually

8. **Forecast Annual Usage** – the Forecast Annual Usage (“FAU”) shall be the projected total annual throughput for all customers within the applicable Customer Class Group. The FAU shall be estimated based on normal weather.

9. **Incremental Large Customer Count Adjustment** – the Company shall maintain a list of incremental commercial and industrial customers added to its system on or after September 1, 2019 whose connected load is greater than that typical for the Company’s average commercial and industrial customer. For purposes of the CIP, large incremental customers shall be those customers whose connected load exceeds 5,500 cubic feet per hour (“CFH”). A new customer at an existing location previously connected to NJNG’s facilities shall not be considered an incremental customer. The Actual Number of Customers for the Customer Class Group shall be adjusted to reflect the impact of all such incremental commercial or industrial customers. Specifically, the Incremental Large Customer Count Adjustment for the applicable month shall equal the aggregate connected load for all active customers that exceed the 5,500 CFH threshold divided by 2,750 CFH less the number of active customers, rounded to the nearest whole number.

10. **Margin Revenue Factor** – the Margin Revenue Factor (“MRF”) shall be the weighted-average margin rate as quoted in the individual service classes to which the CIP applies. The MRFs by Customer Class Group are as follows:

| | |
|---|-----------------------|
| Group I (RS non-heating): | <u>\$0.45990.4690</u> |
| Group II (RS heating): | <u>\$0.45990.4690</u> |
| Group III (GSS, ED using less than 5,000 therms annually) | <u>\$0.40570.4153</u> |
| Group IV (GSL, ED using 5,000 therms or greater annually) | <u>\$0.27070.2711</u> |

The MRF shall be reset each time new base rates are placed into effect.

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NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 252
Superseding Original Sheet No. 252

SUMMARY OF RESIDENTIAL RATE COMPONENTS

Residential Heating Customers

| | | <u>Bundled</u> | <u>Transport</u> | <u>Reference</u> |
|---|---------|---------------------------------|---------------------------------|------------------|
| | | <u>Sales</u> | | |
| <u>Customer Charge</u> | | | | |
| Customer Charge per meter per month | | 10.00 <u>10.14</u> | 10.00 <u>10.14</u> | |
| | | <u>4</u> | | |
| <u>Delivery Charge ("DEL") per therm</u> | | | | |
| Pre-tax Base Rate | | 0.4599 <u>0.4690</u> | 0.4599 <u>0.4690</u> | |
| | | <u>690</u> | | |
| SUT | | 0.0305 <u>0.0311</u> | 0.0305 <u>0.0311</u> | Rider B |
| | | <u>311</u> | | |
| After-tax Base Rate | | 0.4904 <u>0.5001</u> | 0.4904 <u>0.5001</u> | |
| | | <u>001</u> | | |
| CIP | | 0.0079 | 0.0079 | Rider I |
| EE | | <u>0.0171</u> | <u>0.0171</u> | Rider F |
| | | | | |
| <i>Subtotal</i> | a | 0.5154 <u>0.5251</u> | 0.5154 <u>0.5251</u> | |
| | | <u>251</u> | | |
| <i>Balancing Charge</i> | b | 0.1088 | 0.1088 | Rider A |
| <i>Societal Benefits Charge ("SBC"):</i> | | | | |
| NJ's Clean Energy | | 0.0222 | 0.0222 | Rider E |
| RA | | 0.0127 | 0.0127 | Rider C |
| USF | | <u>0.0121</u> | <u>0.0121</u> | Rider H |
| | | | | |
| <i>Total SBC</i> | c | <u>0.0470</u> | <u>0.0470</u> | |
| | | | | |
| Delivery Charge (DEL) | a+b+c=d | 0.6712 <u>0.6809</u> | 0.6712 <u>0.6809</u> | |
| | | <u>809</u> | | |
| <u>Basic Gas Supply Charge ("BGS")</u> | | | | |
| BGS | e | <u>0.3753</u> | x | Rider A |

With the exception of the Customer Charge, these rates are on a per-therm basis.

Customer Charge, DEL rate and BGS rate are presented on customer bills.

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~~15, 2020~~2019
Wall, NJ 07719

Effective for service rendered on and after ~~October 1, 2019~~
November

NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 253
Superseding Original Sheet No. 253

SUMMARY OF RESIDENTIAL RATE COMPONENTS

Residential Non-Heating Customers

| <u>Customer Charge</u> | | <u>Bundled Sales</u> | <u>Transport</u> | <u>Reference</u> |
|---|---------|-------------------------------------|---------------------------------|------------------|
| Customer Charge per meter per month | | 10.00 <u>10.1</u> 4 | 10.00 <u>10.14</u> | |
| <u>Delivery Charge ("DEL") per therm</u> | | | | |
| Pre-tax Base Rate | | 0.4599 <u>0.4</u> 690 | 0.4599 <u>0.4690</u> | |
| SUT | | 0.0305 <u>0.0</u> 311 | 0.0305 <u>0.0311</u> | Rider B |
| After-tax Base Rate | | 0.4904 <u>0.5</u> 001 | 0.4904 <u>0.5001</u> | |
| CIP | | 0.0690 | 0.0690 | Rider I |
| EE | | <u>0.0171</u> | <u>0.0171</u> | Rider F |
| <i>Subtotal</i> | a | 0.5765 <u>0.5</u> 862 | 0.5765 <u>0.5862</u> | |
| <i>Balancing Charge</i> | b | 0.1088 | 0.1088 | Rider A |
| <i>Societal Benefits Charge ("SBC"):</i> | | | | |
| NJ's Clean Energy | | 0.0222 | 0.0222 | Rider E |
| RA | | 0.0127 | 0.0127 | Rider C |
| USF | | <u>0.0121</u> | <u>0.0121</u> | Rider H |
| <i>Total SBC</i> | c | <u>0.0470</u> | <u>0.0470</u> | |
| Delivery Charge (DEL) | a+b+c=d | 0.7323 <u>0.7</u> 420 | 0.7323 <u>0.7420</u> | |
| <u>Basic Gas Supply Charge ("BGS")</u> | | | | |
| BGS | e | <u>0.3753</u> | x | Rider A |

With the exception of the Customer Charge, these rates are on a per-therm basis.

Customer Charge, DEL rate and BGS rate are presented on customer bills.

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~~15, 2020~~2019
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and after ~~October 1,~~November**

NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 254
Superseding Original Sheet No. 254

SUMMARY OF RESIDENTIAL RATE COMPONENTS

Residential Distributed Generation Service

| | | <u>Nov - Apr</u> | <u>May - Oct</u> | <u>Reference</u> |
|---|---------|-------------------------------|-------------------------------|------------------|
| <u>Customer Charge</u> | | | | |
| Customer Charge per meter per month | | 10.00 <u>10.14</u> | 10.00 <u>10.14</u> | |
| <u>Delivery Charge ("DEL") per therm</u> | | | | |
| Pre-tax Base Rate | | 0.1685 | 0.1185 | |
| SUT | | <u>0.0112</u> | <u>0.0079</u> | Rider B |
| After-tax Base Rate | | 0.1797 | 0.1264 | |
| EE | | <u>0.0171</u> | <u>0.0171</u> | Rider F |
| <i>Subtotal</i> | a | <i>0.1968</i> | <i>0.1435</i> | |
| <i>Balancing Charge</i> | b | <i>0.1088</i> | <i>0.1088</i> | Rider A |
| <i>Societal Benefits Charge ("SBC"):</i> | | | | |
| NJ's Clean Energy | | 0.0222 | 0.0222 | Rider E |
| RA | | 0.0127 | 0.0127 | Rider C |
| USF | | <u>0.0121</u> | <u>0.0121</u> | Rider H |
| <i>Total SBC</i> | c | <u>0.0470</u> | <u>0.0470</u> | |
| Delivery Charge (DEL) | a+b+c=d | <u>0.3526</u> | <u>0.2993</u> | |
| <u>Basic Gas Supply Charge ("BGS")</u> | | | | |
| BGS | e | <u>0.3753</u> | <u>0.3753</u> | Rider A |

With the exception of the Customer Charge, these rates are on a per-therm basis.

Customer Charge, DEL rate and BGS rate are presented on customer bills.

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Wall, NJ 07719

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November

NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 255
Superseding Original Sheet No. 255

SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS

General Service - Small (GSS)

| | | <u>Bundled</u> <u>Sales</u> | <u>Transport</u> | <u>Reference</u> |
|---|---------|--------------------------------|---------------------|------------------|
| <u>Customer Charge</u> | | | | |
| Customer Charge per meter per month | | <u>34.0034.8</u> <u>5</u> | <u>34.0034.85</u> | |
| <u>Delivery Charge ("DEL") per therm</u> | | | | |
| Pre-tax Base Rate | | <u>0.40570.4</u> <u>153</u> | <u>0.40570.4153</u> | |
| SUT | | <u>0.02690.0</u> <u>275</u> | <u>0.02690.0275</u> | Rider B |
| After-tax Base Rate | | <u>0.43260.4</u> <u>428</u> | <u>0.43260.4428</u> | |
| CIP | | (0.0208) | (0.0208) | Rider I |
| EE | | <u>0.0171</u> | <u>0.0171</u> | Rider F |
| <i>Subtotal</i> | a | <u>0.42890.4</u> <u>391</u> | <u>0.42890.4391</u> | |
| <i>Balancing Charge</i> | b | 0.1088 | 0.1088 | Rider A |
| <i>Societal Benefits Charge ("SBC"):</i> | | | | |
| NJ's Clean Energy | | 0.0222 | 0.0222 | Rider E |
| RA | | 0.0127 | 0.0127 | Rider C |
| USF | | <u>0.0121</u> | <u>0.0121</u> | Rider H |
| <i>Total SBC</i> | c | <u>0.0470</u> | <u>0.0470</u> | |
| Delivery Charge (DEL) | a+b+c=d | <u>0.58470.5</u> <u>949</u> | <u>0.58470.5949</u> | |
| <u>Basic Gas Supply Charge ("BGS")</u> | | | | |
| BGS | e | <u>0.3753</u> | x | Rider A |

With the exception of the Customer Charge, these rates are on a per-therm basis.

Customer Charge, DEL rate and BGS rate are presented on customer bills.

Date of Issue: ~~November 13, 2019~~
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~~15, 2020~~2019
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Effective for service rendered on
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NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

**~~NinthEighth~~ Revised Sheet No. 256
~~EighthSeventh~~ Revised Sheet No. 256**

SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS

General Service - Large (GSL)

| | | <u>Bundled Sales</u> | <u>Transport</u> | <u>Reference</u> |
|---|---------|------------------------------------|-------------------------|------------------|
| <u>Customer Charge</u> | | | | |
| Customer Charge per meter per month | | 78.3780.7 <u>9</u> | 78.3780.79 | |
| <u>Demand Charge</u> | | | | |
| Demand Charge per month applied to HMAD | | 2.562.63 | 2.562.63 | |
| <u>Delivery Charge ("DEL") per therm</u> | | | | |
| Pre-tax Base Rate | | 0.27070.2 <u>711</u> | 0.27070.2711 | |
| SUT | | 0.01790.0 <u>180</u> | 0.01790.0180 | Rider B |
| After-tax Base Rate | | 0.28860.2 <u>891</u> | 0.28860.2891 | |
| CIP | | (0.0043) | (0.0043) | Rider I |
| EE | | <u>0.0171</u> | <u>0.0171</u> | Rider F |
| <i>Subtotal</i> | a | 0.30140.3 <u>019</u> | 0.30140.3019 | |
| <i>Balancing Charge</i> | b | 0.1088 | 0.1088 | Rider A |
| <i>Societal Benefits Charge ("SBC"):</i> | | | | |
| NJ's Clean Energy | | 0.0222 | 0.0222 | Rider E |
| RA | | 0.0127 | 0.0127 | Rider C |
| USF | | <u>0.0121</u> | <u>0.0121</u> | Rider H |
| <i>Total SBC</i> | c | <u>0.0470</u> | <u>0.0470</u> | |
| Delivery Charge (DEL) | a+b+c=d | 0.45720.4 <u>577</u> | 0.45720.4577 | |
| <u>Basic Gas Supply Charge ("BGS")</u> | | | | |
| BGS | e | <u>0.3064</u> | X | Rider A |

With the exception of the Customer Charge and Demand charges, these rates are on a per-therm basis.

Customer, Demand, DEL, and BGS charges are presented on customer bills.

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NEW JERSEY NATURAL GAS COMPANY

Ninth~~Eighth~~ Revised Sheet No. 258

BPU No. 10 - Gas

Superseding ~~Eighth~~~~Seventh~~ Revised Sheet No. 258**SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS****Commercial Distributed Generation Service – DGC-Balancing**

| | | <u>Nov - Apr</u> | <u>May - Oct</u> | <u>Reference</u> |
|--|---------|---------------------------------|---------------------------------|------------------|
| <u>Customer Charge</u> | | | | |
| Customer Charge per meter per month | | 79.97 <u>82.43</u> | 79.97 <u>82.43</u> | |
| <u>Demand Charge</u> | | | | |
| Demand Charge per therm per month applied to PBQ | | 1.90 <u>1.94</u> | 1.90 <u>1.94</u> | |
| <u>Delivery Charge (“DEL”) per therm</u> | | | | |
| Pre-tax Base Rate | | 0.0615 <u>0.0616</u> | 0.0309 <u>0.0310</u> | |
| SUT | | <u>0.0041</u> | 0.0020 <u>0.0021</u> | Rider B |
| After-tax Base Rate | | 0.0656 <u>0.0657</u> | 0.0329 <u>0.0331</u> | |
| EE | | <u>0.0171</u> | <u>0.0171</u> | Rider F |
| <i>Subtotal</i> | a | 0.0827 <u>0.0828</u> | 0.0500 <u>0.0502</u> | |
| <u>Societal Benefits Charge (“SBC”):</u> | | | | |
| NJ’s Clean Energy | | 0.0222 | 0.0222 | Rider E |
| RA | | 0.0127 | 0.0127 | Rider C |
| USF | | <u>0.0121</u> | <u>0.0121</u> | Rider H |
| <i>Total SBC</i> | b | <u>0.0470</u> | <u>0.0470</u> | |
| Balancing Charge | c | <u>0.1088</u> | <u>0.1088</u> | |
| DGC-Balancing Delivery Charge (DEL) | a+b+c=d | 0.2385 <u>0.2386</u> | 0.2058 <u>0.2060</u> | |
| <u>Basic Gas Supply Charge (“BGS”)</u> | | | | |
| BGS | e | <u>0.3064</u> | <u>0.3064</u> | Rider A |

The Delivery Charges for DGC-Balancing above include the Balancing Charge as reflected in Rider “A” of this Tariff for customers whose Third Party Supplier delivers gas on their behalf pursuant to paragraph (3) under Deliveries to Company’s Designated Delivery Meters section of Service Classification TPS.

With the exception of the Customer Charge and Demand Charge, these rates are on a per-therm basis.

Customer Charge, Demand Charge, DEL, and BGS charges are presented on customer bills.

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NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

First Revised Sheet No. 259
Superseding Original Sheet No. 259

SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS

Commercial Distributed Generation Service – DGC-FT

| | | <u>Nov - Apr</u> | <u>May - Oct</u> | <u>Reference</u> |
|--|-------|-------------------------|-------------------------|------------------|
| <u>Customer Charge</u> | | | | |
| Customer Charge per meter per month | | 79.9782.43 | 79.9782.43 | |
| <u>Demand Charge</u> | | | | |
| Demand Charge per therm per month applied to PBQ | | 1.901.94 | 1.901.94 | |
| <u>Delivery Charge (“DEL”) per therm</u> | | | | |
| Pre-tax Base Rate | | 0.06150.0616 | 0.03090.0310 | |
| SUT | | <u>0.0041</u> | 0.00200.0021 | Rider B |
| After-tax Base Rate | | 0.06560.0657 | 0.03290.0331 | |
| EE | | <u>0.0171</u> | <u>0.0171</u> | Rider F |
| <i>Subtotal</i> | a | 0.08270.0828 | 0.05000.0502 | |
| <i>Societal Benefits Charge (“SBC”):</i> | | | | |
| NJ’s Clean Energy | | 0.0222 | 0.0222 | Rider E |
| RA | | 0.0127 | 0.0127 | Rider C |
| USF | | <u>0.0121</u> | <u>0.0121</u> | Rider H |
| <i>Total SBC</i> | b | <u>0.0470</u> | <u>0.0470</u> | |
| DGC-FT Delivery Charge (DEL) | a+b=c | 0.12970.1298 | 0.09700.0972 | |

For DGC-FT customers whose Third Party Supplier delivers gas on their behalf pursuant to paragraph (1) under Deliveries to Company’s Designated Delivery Meters section of Service Classification TPS, the DGC-FT Delivery Charges above exclude the Balancing Charge reflected in Rider “A” of this Tariff.

With the exception of the Customer Charge and Demand Charge, these rates are on a per-therm basis.

Customer Charge, Demand Charge, and DEL rate are presented on customer bills

Date of Issue: ~~November 13, 2019~~
Issued by: ~~Mark G. Kahrer, Vice President~~
~~15, 20202019~~ ~~Wall, NJ 07719~~

Effective for service rendered on and after ~~October 1~~ **November**

NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

~~Ninth Eighth~~ Revised Sheet No. 263
~~Superseding Eighth Seventh~~ Revised Sheet No. 263

SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS

Compressed Natural Gas (CNG)

| | | <u>Bundled Sales</u> | <u>Transport</u> | <u>Reference</u> |
|---|-------|------------------------------------|-------------------------|------------------|
| <u>Customer Charge</u> | | | | |
| Customer Charge per meter per month | | 79.9782.8 <u>5</u> | 79.9782.85 | |
| <u>Delivery Charge ("DEL") per therm</u> | | | | |
| Pre-tax Base Rate | | 0.20140.2 <u>050</u> | 0.20140.2050 | |
| CNG Charge | | 0.2000 | 0.2000 | |
| SUT | | 0.02660.0 <u>268</u> | 0.02660.0268 | Rider B |
| After-tax Base Rate | | 0.42800.4 <u>318</u> | 0.42800.4318 | |
| EE | | <u>0.0171</u> | <u>0.0171</u> | Rider F |
| <i>Subtotal</i> | a | 0.44510.4 <u>489</u> | 0.44510.4489 | |
| <i>Societal Benefits Charge ("SBC"):</i> | | | | |
| NJ's Clean Energy | | 0.0222 | 0.0222 | Rider E |
| RA | | 0.0127 | 0.0127 | Rider C |
| USF | | <u>0.0121</u> | <u>0.0121</u> | Rider H |
| <i>Total SBC</i> | b | <u>0.0470</u> | <u>0.0470</u> | |
| Delivery Charge (DEL) | a+b=c | 0.49210.4 <u>959</u> | 0.49210.4959 | |
| <u>Basic Gas Supply Charge ("BGS")</u> | | | | |
| Monthly BGSS | d | 0.4152 | X | Rider A |
| BGS | d | <u>0.4152</u> | X | |

With the exception of the Customer Charge, these rates are on a per-therm basis.

Customer, DEL, and BGSS charges are presented on customer bills.

Date of Issue: ~~June 29, 2020~~
Issued by: ~~Mark G. Kahrer, Vice President~~
~~Wall, NJ 07719~~

Effective for service rendered on
and after ~~October~~ July 1, 2020

NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

~~NinthEighth~~ Revised Sheet No. 264
~~EighthSeventh~~ Revised Sheet No. 264

SUMMARY OF RESIDENTIAL AND FIRM COMMERCIAL RATE COMPONENTS

Natural Gas Vehicles (NGV)

Gas Available at Company Facilities

Reference

| <u>Delivery Charge ("DEL")</u> | | \$ per therm | \$ per GGE | |
|--|---------------|---------------------------------|--------------------------------|---------|
| Pre-tax Base Rate | | 0.20140 <u>0.205</u> | | |
| SUT | | <u>0</u> | | |
| | | 0.01330 <u>0.013</u> | | Rider B |
| | | <u>6</u> | | |
| After-tax Base Rate | | 0.21470 <u>0.218</u> | | |
| EE | | <u>6</u> | | |
| | | <u>0.0171</u> | | Rider F |
| <i>Subtotal</i> | a | 0.23180 <u>0.235</u> | | |
| | | <u>7</u> | | |
| <i>Societal Benefits Charge ("SBC"):</i> | | | | |
| NJ's Clean Energy | | 0.0222 | | Rider E |
| RA | | 0.0127 | | Rider C |
| USF | | <u>0.0121</u> | | Rider H |
| <i>Total SBC</i> | b | <u>0.0470</u> | | |
| Delivery Charge (DEL) | a+b=c | 0.27880 <u>0.282</u> | 0.3490 <u>0.353</u> | |
| | | <u>7</u> | | |
| Compression Charge | d | 0.4958 | 0.620 | |
| Monthly Basic Gas Supply Charge ("BGS") | e | <u>0.4152</u> | <u>0.519</u> | Rider A |
| Total Variable Charge | c+d+e=f | 1.22731 <u>1.193</u> | 1.5351 <u>1.492</u> | |
| | | <u>7</u> | | |
| New Jersey Motor Vehicle Fuel Tax | g | | 0.000 | |
| Federal Excise Fuel Tax * | h | | 0.185 | |
| Federal Excise Fuel Tax Credit * | i | | <u>(0.517)</u> | |
| Total Price | f+g+h+i =j | | 1.2031 <u>1.160</u> | |

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Wall, NJ 07719

Effective for service rendered on and after ~~October~~July 1, 2020

NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

~~NinthEighth~~ Revised Sheet No. 264
Superseding ~~EighthSeventh~~ Revised Sheet No. 264

SUMMARY OF RESIDENTIAL AND FIRM COMMERCIAL RATE COMPONENTS

Natural Gas Vehicles (NGV)

*Adjusted to reflect Internal Revenue Service GGE Conversion.

Date of Issue: ~~June 29, 2020~~
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Wall, NJ 07719

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and after ~~October~~ July 1, 2020

Filed pursuant to Order of the Board of Public Utilities entered in
Docket No. GR~~20030279~~19050675

NEW JERSEY NATURAL GAS COMPANY

BPU No. 10 - Gas

~~Ninth~~^{Eighth} Revised Sheet No. 265
~~Eighth~~^{Seventh} Revised Sheet No. 265

SUMMARY OF RESIDENTIAL AND FIRM COMMERCIAL RATE COMPONENTS

Natural Gas Vehicles (NGV)

Customer Owned Facilities

Reference

Customer Charge

| | |
|--|-----------------------------------|
| Residential Customer Charge per month | 10.00 ^{10.14} |
| Commercial Customer Charge per meter per month | 79.97 ^{82.85} |

Delivery Charge ("DEL")

\$ per therm \$ per GGE

| | | | |
|---------------------|-----------------------------------|-----------------------------------|---------|
| Pre-tax Base Rate | 0.201 ^{0.20} | | |
| | <u>50</u> | | |
| SUT | 0.0133 ^{0.01} | | Rider B |
| | <u>36</u> | | |
| After-tax Base Rate | 0.214 ^{0.21} | | |
| | <u>86</u> | | |
| EE | <u>0.0171</u> | | Rider F |
| <i>Subtotal</i> | a | 0.2318 ^{0.23} | |
| | | <u>57</u> | |

Societal Benefits Charge ("SBC"):

| | | | |
|-------------------|---------------|--|---------|
| NJ's Clean Energy | 0.0222 | | Rider E |
| RA | 0.0127 | | Rider C |
| USF | <u>0.0121</u> | | Rider H |

Total SBC b 0.0470

Delivery Charge (DEL) a+b=c ~~0.2788~~^{0.28} ~~0.3490~~^{0.353}
27

Monthly Basic Gas Supply Charge ("BGS") d 0.4152 0.519 Rider A

Total Variable Charge c+d=e ~~0.7315~~^{0.69} ~~0.9150~~^{0.872}
79

Customer, DEL, and BGS charges are presented on customer bills for Firm Sales Gas Service.
Customer and DEL charges are presented on customer bills for Firm Transport Gas Service

Date of Issue: ~~June 29, 2020~~
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Wall, NJ 07719

**Effective for service rendered on
and after ~~October~~^{July} 1, 2020**

New Jersey Natural Gas Company
Net impact of Proposed Rate Changes

| Impact on Residential Non-Heating Customers | | | | 25 therm bill | |
|--|------------------------------|-----------------|--|----------------|--|
| Current Rates | | | | | |
| | Customer Charge | \$10.00 | | \$10.00 | |
| | Delivery | \$0.7323 | | \$18.31 | |
| | BGSS | \$0.3753 | | \$9.38 | |
| | Total | <u>\$1.1076</u> | | <u>\$37.69</u> | |
| Proposed Rates- effective 10/1/20 | | | | | |
| | Customer Charge | \$10.14 | | \$10.14 | |
| | Delivery | \$0.7420 | | \$18.55 | |
| | BGSS | \$0.3753 | | \$9.38 | |
| | Total | <u>\$1.1173</u> | | <u>\$38.07</u> | |
| | Increase | | | \$0.38 | |
| | Increase as a percent | | | 1.0% | |

| Impact on Residential Heating Customers | | | | 100 therm bill | 1000 therm annual bill |
|--|------------------------------|-----------------|--|-----------------|------------------------|
| Current Rates | | | | | |
| | Customer Charge | \$10.00 | | \$10.00 | \$120.00 |
| | Delivery | \$0.6712 | | \$67.12 | \$671.20 |
| | BGSS | \$0.3753 | | \$37.53 | \$375.30 |
| | Total | <u>\$1.0465</u> | | <u>\$114.65</u> | <u>\$1,166.50</u> |
| Proposed Rates- effective 10/1/20 | | | | | |
| | Customer Charge | \$10.14 | | \$10.14 | \$121.68 |
| | Delivery | \$0.6809 | | \$68.09 | \$680.90 |
| | BGSS | \$0.3753 | | \$37.53 | \$375.30 |
| | Total | <u>\$1.0562</u> | | <u>\$115.76</u> | <u>\$1,177.88</u> |
| | Increase | | | \$1.11 | \$11.38 |
| | Increase as a percent | | | 1.0% | 1.0% |

| Impact on Commercial GSS Customers | | | | 100 therm bill | |
|---|------------------------------|-----------------|--|-----------------|--|
| Current Rates | | | | | |
| | Customer Charge | \$34.00 | | \$34.00 | |
| | Delivery | \$0.5847 | | \$58.47 | |
| | BGSS | \$0.3753 | | \$37.53 | |
| | Total | <u>\$0.9600</u> | | <u>\$130.00</u> | |
| Proposed Rates- effective 10/1/20 | | | | | |
| | Customer Charge | \$34.85 | | \$34.85 | |
| | Delivery | \$0.5949 | | \$59.49 | |
| | BGSS | \$0.3753 | | \$37.53 | |
| | Total | <u>\$0.9702</u> | | <u>\$131.87</u> | |
| | Increase | | | \$1.87 | |
| | Increase as a percent | | | 1.4% | |

| Impact on Commercial GSL Customers | | | | 1200 therm bill | |
|---|------------------------------|-----------------|--|-------------------|--|
| Current Rates | | | | | |
| | Customer Charge | \$78.37 | | \$78.37 | |
| | Demand Charge | \$2.56 | | \$245.76 | |
| | Delivery | \$0.4572 | | \$548.64 | |
| | BGSS (July 2020) | \$0.3064 | | \$367.68 | |
| | Total | <u>\$0.7636</u> | | <u>\$1,240.45</u> | |
| Proposed Rates- effective 10/1/20 | | | | | |
| | Customer Charge | \$80.79 | | \$80.79 | |
| | Demand Charge | \$2.63 | | \$252.48 | |
| | Delivery | \$0.4577 | | \$549.24 | |
| | BGSS (July 2020) | \$0.3064 | | \$367.68 | |
| | Total | <u>\$0.7641</u> | | <u>\$1,250.19</u> | |
| | Increase | | | \$9.74 | |
| | Increase as a percent | | | 0.8% | |