

August 23, 2024

Via Electronic Mail

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

Re: In the Matter of the Petition of New Jersey Natural Gas Company for Approval of a Base Rate Adjustment Pursuant to the Infrastructure Investment Program BPU Docket No. GR24040207

Pursuant to N.J.S.A. 48:2-2-21 and 48:2-21.1, New Jersey Natural Gas Company (the "Company" or "NJNG") hereby advises you that on March 28, 2024 the Company filed a request with the New Jersey Board of Public Utilities for approval of a Base Rate Adjustment Pursuant to the Infrastructure Investment Program. A complete copy of the Company's filing is available for review on NJNG's website at <u>www.njng.com</u>.

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

Location: Zoom Virtual Meeting

Join by holding down control button and clicking on below link: https://us06web.zoom.us/j/2458136397?pwd=VUJpK1V0aDYxZDllZUIwaElOWDFRZz09

Meeting ID: 245 813 6397

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

Access Code: 819208

Respectfully,

Andrew K. Dembia, Esq. Regulatory Affairs Counsel

AKD:ss Attachments

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. GR24040207

PLEASE TAKE NOTICE that on March 28, 2024, 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, and acknowledged that replacement of aging infrastructure should mitigate damage to the system as well as enhance public safety.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. The IIP was 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, as approved, 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 October 2020 Order also authorized the Company to make annual filings with the Board to recover the actual costs associated with the IIP projects through June 30, 2024, and to earn an return on and a return of those investments through annual adjustments to rates.

At this time, the Company requests BPU approval to adjust base rates, effective October 1, 2024, to recover approximately \$41.9 million in IIP investment costs made through June 30, 2024, resulting in a base rate increase of approximately \$5.65 million. If the proposed rates are approved by the Board, the impact on the monthly bill of a typical residential heating customer using 100 therms per month is an increase of \$0.86, or .0.6 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 the Petition 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 virtual public hearings are scheduled for the following date and times so that members of the public may present their views on the Petition:

VIRTUAL PUBLIC HEARINGS Date: September 17, 2024 Hearing Times: 4:30 pm and 5:30 pm

Location: Zoom Virtual Webinar Join: https://us06web.zoom.us/i/2458136397?pwd=VUJpK1V0aDYxZDIIZUIwaEl0WDFRZz09 Meeting ID: 245 813 6397 Passcode: 819208 Dial-In Number: +1 646 876 9923

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

Members of the public are invited to participate and express their views on the Petition by utilizing the Zoom Virtual Webinar link or the Dial-In Number set forth above. All comments will become part of the final record in this proceeding to be considered by the Board. In order to encourage full participation in this opportunity for public comment, please submit any requests for accommodations, such as interpreters, or listening assistance, 48 hours prior to the above hearing to the Board Secretary at <u>board.secretary@bpu.ni.gov</u>.

The Board is also accepting written and electronic comments. Comments may be submitted directly to the specific docket number listed above using the "Post Comments" button on the Board's Public Document Search tool at <u>https://publicaccess.pou.state.ni.u/s</u>. Comments are considered public documents for purposes of the State's Open Public Records Act. Only documents that are intended to be public should be submitted using the "Post Comments" button on the Board's Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. In addition to hard copy submissions, confidential information may also be filed electronically via the Board's e-filing system or by email to the Secretary of the Board's Nebpage at <u>https://www.ni.gov/bpu/agenda/efiling/</u>.

Emailed and/or written comments may also be submitted to: Sherri L. Golden, Secretary of the Board 44 South Clinton Ave., 1st Floor P0 Box 350 Trenton, NJ 08625-0350 Phone: 609-292-1599 Email: board.secretarv@bpu.ni.qov

ATTACHMENT A

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

		Total Bill		Increase	
Customer Type	Therm Level	Bill as of June 1, 2024	Proposed Bill	Amount	Percent
Residential Heat Sales	100	\$150.04	\$150.90	\$0.86	0.6%
Residential Non-Heat Sales	25	\$44.43	\$44.65	\$0.22	0.5%
General Service – Small	100	\$170.13	\$171.22	\$1.09	0.6%
General Service – Large	1200	\$1,675.16	\$1,684.76	\$9.60	0.6%

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

¹ In 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").