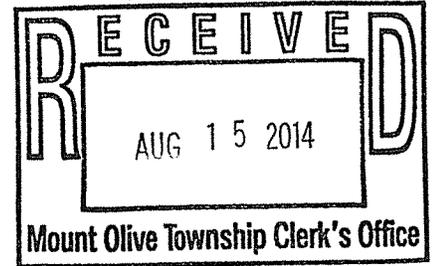




New Jersey  
Natural Gas

August 13, 2014



To: County Clerk, Municipal Clerk and County Administrator

RE: IN THE MATTER OF THE ESTABLISHMENT OF A UNIVERSAL SERVICE FUND  
PURSUANT TO SECTION 12 OF THE ELECTRIC DISCOUNT AND  
ENERGY COMPETITION ACT OF 1999  
BPU DOCKET NO. EX00020091

IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY  
2014/2015 ANNUAL COMPLIANCE FILING FOR THE UNIVERSAL SERVICE FUND  
PROGRAM FACTOR WITHIN THE SOCIETAL BENEFITS CHARGE RATE  
BPU DOCKET NO. ER14060613

IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY  
FOR APPROVAL OF RATES AND CERTAIN TARIFF MODIFICATIONS RELATED TO  
NATURAL GAS VEHICLES SET FORTH IN THE COMPANY'S TARIFF FOR GAS SERVICE  
BPU DOCKET NO. GR14040358

IN THE MATTER OF NEW JERSEY NATURAL GAS COMPANY'S ANNUAL REVIEW AND  
REVISION OF ITS BASIC GAS SUPPLY SERVICE (BGSS) AND CONSERVATION  
INCENTIVE PROGRAM (CIP) FACTORS FOR F/Y 2015  
BPU DOCKET NO. GR14060537

Pursuant to N.J.S.A. 48:2-32.6, New Jersey Natural Gas Company hereby serves upon you the Notice of Public Hearing in the above referenced matters. The subject hearings are scheduled for the following times and locations:

September 9, 2014, 4:30 and 5:30 pm  
Rockaway Township Municipal Bldg  
Mt. Hope Road  
Rockaway, NJ 07866

September 3, 2014, 4:30 and 5:30 pm  
Freehold Township Municipal Building  
65 One Municipal Plaza, Schank Road  
Freehold, NJ 07728-3099

Very truly yours,

A handwritten signature in cursive that reads "Andrew K. Dembia".

Andrew K. Dembia, Esq.  
Regulatory Affairs Counsel

AKD:fk  
Enclosure

C: Edward Beslow, BPU  
Bethany Roque-Romaine

**NEW JERSEY NATURAL GAS COMPANY  
NOTICE OF FILING AND PUBLIC HEARING**

**IN THE MATTER OF THE ESTABLISHMENT OF  
A UNIVERSAL SERVICE FUND PURSUANT TO  
SECTION 12 OF THE ELECTRIC DISCOUNT AND  
ENERGY COMPETITION ACT OF 1999  
BPU DOCKET NO. EX00020091**

**IN THE MATTER OF THE PETITION OF  
NEW JERSEY NATURAL GAS COMPANY  
2014/2015 ANNUAL COMPLIANCE FILING FOR  
THE UNIVERSAL SERVICE FUND PROGRAM FACTOR  
WITHIN THE SOCIETAL BENEFITS CHARGE RATE  
BPU DOCKET NO. ER14060613**

**TO OUR CUSTOMERS:**

**PLEASE TAKE NOTICE** that, pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49, et seq., the Universal Service Fund (“USF”) program was established by the New Jersey Board of Public Utilities (the “Board”), to provide funds to assist qualifying low-income individuals in paying their energy bills. Pursuant to Orders of the Board dated April 30, 2003, July 16, 2003 and June 22, 2005, the State’s electric and gas public utilities’ Societal Benefits Charge includes recovery of funding for the USF program through uniform statewide rates. The Societal Benefits Charge also includes funding for the Lifeline Program which incorporates funds for the Work First NJ program.

The State of New Jersey’s Department of Community Affairs is the Administrator of the USF Program and the New Jersey Department of Human Services is the Administrator of the Lifeline programs and authorizes the disbursement of benefits to eligible customers in the respective programs.

New Jersey Natural Gas Company (“NJNG” or the “Company”) made a compliance filing with the Board on June 20, 2014, requesting authority to implement an increase related to the statewide USF/Lifeline program charge, as described below, to be effective on October 1, 2014. The current after-tax USF/Lifeline program charge for natural gas customers is \$0.0126 per therm. The USF component is increasing by \$0.0046 per therm and the Lifeline component is decreasing by \$0.0002 per therm. The proposed after-tax USF/Lifeline program charge will increase to \$0.0044 to recover approximately \$47.1 million for the statewide natural gas USF program and \$24.9 million for the Lifeline programs. The above request will not result in any profit to the Company. The revenues received under the proposed USF charge are designed to permit the Company to recover only its costs for the USF and Lifeline program. Actual program costs will be reconciled with the revenues received through the USF program charge in the next annual filing scheduled to be made no later than July 1, 2015. A copy of the filing is available at [www.njng.com/regulatory](http://www.njng.com/regulatory).

The proposed statewide charges for natural gas customers are as follows:

<b>Universal Service/Lifeline Fund Components of Societal Benefits Charge</b>				
	<b>Present</b>	<b>Present (Incl. Sales and Use Tax)</b>	<b>Proposed</b>	<b>Proposed (Incl. Sales and Use Tax)</b>
USF- per therm	\$0.0061	\$0.0065	\$0.0104	\$0.0111
Lifeline- per therm	\$0.0057	\$0.0061	\$0.0055	\$0.0059
Total USF/Lifeline	\$0.00118	\$0.0126	\$0.0159	\$0.0170

If approved by the Board, the impact of the proposed changes in the USF/Lifeline Charge on typical natural gas bills is illustrated below:

Customer Type	Therm Level	Rates		Increase	
		Bill as of June 1, 2014	Proposed Bill as of October 1, 2014	Amount	Percent
<b>Residential Heat Sales</b>	100	\$109.80	\$110.24	\$0.44	0.40%
<b>Residential Non-Heat Sales</b>	25	\$33.16	\$33.27	\$0.11	0.33%
<b>General Service Small</b>	100	\$125.84	\$126.28	\$0.44	0.35%
<b>General Service Large</b>	1200	\$1,617.82	\$1,623.10	\$5.28	0.33%

Based on this filing, a typical residential natural gas customer using 100 therms per month would see an increase in their monthly bill from \$109.80 to \$110.24, or \$0.44 or approximately 0.40 percent.

The Board has the statutory authority to establish the USF and Lifeline charges at levels it finds just and reasonable. Therefore, the Board may establish the USF and Lifeline charges at levels other than those proposed by NJNG.

Copies of the Company's June 20, 2014 filing can be reviewed either at the NJNG Customer Service Centers listed on the Company Web site, [www.njng.com](http://www.njng.com), or at the New Jersey Board of Public Utilities, 9<sup>th</sup> Floor, 44 South Clinton Avenue P.O. Box 350 Trenton, NJ 08625-0350.

**PLEASE TAKE NOTICE** that the following date, time and location for public hearings have been scheduled on the above filing so that members of the public may present their views:

September 9, 2014 at 4:30 and 5:30 P.M.  
Rockaway Township Municipal Building  
Conference Room  
65 Mt. Hope Road  
Rockaway Township, New Jersey 07866-1698

September 3, 2014 at 4:30 and 5:30 P.M.  
Freehold Township Municipal Building  
Conference Room  
One Municipal Plaza, Schanck Road  
Freehold, New Jersey 07728-3099

The public is invited to attend and interested persons will be permitted to testify and/or make a statement of their views on the proposed rate changes. **In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, including interpreter, listening devices or mobility assistance, 48 hours prior to this hearing.** Regardless of whether they attend the hearing, members of the public may submit written comments concerning the petition to the BPU by addressing them to: Kristi Izzo, Secretary, New Jersey Board of Public Utilities, 44 South Clinton Avenue, 9<sup>th</sup> Floor, P.O. Box 350 Trenton, NJ 08625-0350.

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

**NOTICE TO NEW JERSEY NATURAL GAS CUSTOMERS**  
**Docket No. GR14040358**  
**NOTICE OF FILING AND PUBLIC HEARINGS**

**TO OUR CUSTOMERS:**

**PLEASE TAKE NOTICE** that on April 14, 2014, New Jersey Natural Gas (NJNG or the Company) filed with the New Jersey Board of Public Utilities (BPU) for approval of certain modifications to the Company's current Tariff related to Natural Gas Vehicles (NGVs).

The proposed NGV rates and Tariff modifications provide customers with refueling opportunities at Company-owned Compressed Natural Gas (CNG) facilities located at Company locations. In addition, the proposed rates and Tariff modifications will allow a customer to install CNG facilities at Customer-owned locations. The proposed rates and Tariff modifications also provide for the Company to install CNG facilities to be operated by the customer at a customer location. These proposed rates and Tariff modifications will allow those customers interested in taking advantage of the CNG re-fueling opportunities in the Company's service territory to be able to evaluate their options and determine the best approach to refuel NGV's based upon their particular circumstances. The proposed rates and Tariff modifications provide the necessary information for customers to evaluate the various refueling service options, installation costs and the requirements for owning and/or operating CNG re-fueling facilities.

At this time, the Company is requesting BPU approval of the proposed Tariff modifications, including updated rates and charges. Specifically, NJNG's proposed NGV Tariff rates and modifications set forth the new customer charges for those customers who fuel their NGV(s) under one of the following options:

- (i) Gas available at Company facilities
- (ii) Customer who uses customer facilities, or
- (iii) Customer who uses Company facilities at customer location.

The proposed NGV rates and Tariff modifications also include the monthly minimum customer charge; the applicable taxes, assessments and surcharges; the specifications for metering of the CNG service; and, the reimbursement of the Company's incremental costs associated with rendering this service. In addition, the rates and Tariff modifications include:

- (i) the requirements for and obligations of a customer regarding the installation of the requisite facilities for a Company-owned and Customer operated CNG facility
- (ii) the calculation of the main extension cost for the Customer-owned re-fueling facilities and:
- (iii) the requirements for and obligations of a customer who contracts with a Marketer or Broker for the supply of natural gas for NGV re-fueling purposes, as well as the daily balancing limitations and charges.

The proposed rates and Tariff modifications will have no adverse impact on the rates charged or services provided to NJNG customers served under other service classifications.

The proposed Tariff rates for NGV Service are as follows:

	Gas Available at Company Facilities	Customer who uses Customer Facilities	Customer who uses Company Facilities at Customer Location
Customer Charge per month	N/A	\$50.00	\$50.00
Delivery Charge per therm	\$0.2724	\$0.2724	\$0.2724
Compression Charge per therm	\$0.4976	N/A	N/A(See below for Compression Charge
Maintenance Fee	N/A	N/A	\$0.2247

For a customer using company facilities at the customer's location, the customer shall pay a monthly compression charge if their extension cost exceeds ten (10) times the annual distribution revenue. The monthly compression charge per \$1 million of the Extension Cost that exceeds ten (10) times the annual distribution revenue is as follows:

Term of Agreement	Monthly Compression Charge per \$1 million
60 months	\$24,777
120 months	\$14,453
180 months	\$11,137
240 months	\$9,569

Tariff rates will be adjusted to include applicable state and federal fuel and excise taxes. Customers who purchase gas supply from the Company will be charged the Monthly Basic Gas Supply Service (BGSS) Charge pursuant to the Company's Tariff.

**PLEASE TAKE FURTHER NOTICE** that the Board has scheduled public hearings on this petition at the following date, times and place:

**September 9, 2014 at 4:30 and 5:30 pm**  
 Rockaway Township Municipal Bldg  
 65 Mt. Hope Road  
 Rockaway, NJ 07866

**September 3, 2014 at 4:30 and 5:30 pm**  
 Freehold Township Municipal Building  
 One Municipal Plaza, Schank Road  
 Freehold, NJ 07728-3099

The public is invited to attend, and interested persons will be permitted to testify and/or make a statement of their views on the proposed rates and tariff modifications. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, including interpreter, listening devices or mobility assistance, 48 hours prior to these hearings to the Board Secretary at the address below. Regardless of whether they attend the hearing, members of the public may submit written comments concerning the petition to the Board by addressing them to: Kristi Izzo, Secretary, New Jersey Board of Public Utilities, 44 South Clinton Avenue, 9<sup>th</sup> Floor, P.O. Box 350, Trenton, New Jersey, 08625-0350. Copies of the NJNG filing can be reviewed at the NJNG Customer Service Centers, the addresses of which are located on the NJNG bill, or at the New Jersey Board of Public Utilities, 9<sup>th</sup> Floor, 44 South Clinton Avenue, P.O. Box 350, Trenton, New Jersey, 08625-0350. A copy of the filing is available at [www.njng.com/regulatory](http://www.njng.com/regulatory).

New Jersey Natural Gas

Andrew K. Dembia, Esq.

**NOTICE TO NEW JERSEY NATURAL GAS CUSTOMERS**  
**Docket No. GR14060537**

**NOTICE OF FILING AND PUBLIC HEARING**

**TO OUR CUSTOMERS:**

**PLEASE TAKE NOTICE** that on June 2, 2014, New Jersey Natural Gas (“NJNG” or the “Company”) filed its 2014–2015 Basic Gas Supply Service (“BGSS”) petition pursuant to the “Order Approving BGSS Price Structure” issued by the New Jersey Board of Public Utilities (“Board”) on January 6, 2003, in Docket No. GX01050304 (“Generic BGSS Order”). At that time, NJNG also filed for Board approval of proposed price decreases related to the Conservation Incentive Program (“CIP”) and the Balancing Charge. Pursuant to its filing, NJNG requested that the Board permit NJNG to maintain its BGSS rate and decrease its CIP factors effective October 1, 2014. The impact of the CIP rate change for a residential heating customer using an average of 100 therms per month will be a **decrease of (\$4.72) per month or (4.3) percent**. A copy of the filing is available at [www.njng.com/regulatory](http://www.njng.com/regulatory).

Additionally, NJNG requested that the Board permit NJNG to decrease its Balancing Charge applicable to transportation customers receiving their natural gas supply from a third party supplier by \$0.0113 per therm effective October 1, 2014. The impact of the Balancing Charge decrease for a residential heating transportation customer transporting an average of 100 therms per month will be a decrease of (\$1.13) per month, or (1.0) percent. All Balancing Charge revenues from transportation customers are credited to BGSS recoveries. For sales customers, there is no impact from the Balancing Charge change since the Balancing Charge is included as a component of the delivery charge and deducted from the BGSS charge in order to provide a BGSS “Price-to-Compare.”

The effect of the Company’s request for the price adjustments to be effective October 1, 2014, on natural gas bills for the applicable customer classes is estimated to be as follows:

Customer Type	Therm Level	Total Bill		Bill Impact			% Impact		
		Bill as of May 1, 2014	Proposed Bill as of October 1, 2014	BGSS	CIP	Net (Decrease)	BGSS	CIP	Net (Decrease)
Residential Heat Sales	100	\$109.80	\$105.08	\$0.00	(\$4.72)	(\$4.72)	0.0%	(4.3%)	(4.3%)
Residential Non-Heat Sales	25	\$33.16	\$32.23	\$0.00	(\$0.93)	(\$0.93)	0.0%	(2.8%)	(2.8%)
General Service - Small	100	\$125.84	\$121.05	\$0.00	(\$4.79)	(\$4.79)	0.0%	(3.8%)	(3.8%)
General Service - Large	1200	\$1,641.58	\$1,607.74	\$0.00	(\$33.84)	(\$33.84)	0.0%	(2.1%)	(2.1%)

**TAKE FURTHER NOTICE** that future changes in NJNG’s price for BGSS service may occur if NJNG elects to adjust its BGSS rates upward by filing timely notice with the Board Staff and the New Jersey Division of Rate Counsel (“Rate Counsel”), pursuant to the Generic BGSS Order. Any such self-implementing increase will be limited to a maximum of 5 percent of the total residential bill, effective December 1, 2014, and to a maximum of 5 percent of the total residential bill, effective February 1, 2015. Further, these self-implementing increases will be provisional and subject to true-up in connection with the next annual BGSS filing. Pursuant to the Generic BGSS Order, NJNG is permitted to decrease its BGSS rate at any time upon five days notice and the filing of supporting documentation with the Board of Public Utilities and Rate Counsel.

If both of the above mentioned self-implementing adjustments were to be put into place as of the requested effective dates, the effect on typical residential and general service - small natural gas bills is estimated to be as follows:

Customer Type	Therm Level	Total Bill		Increase	
		Bill as of October 1, 2014	Proposed Bill Including December and February BGSS 5 Percent Increases	Amount	Percent
Residential Heat Sales	100	\$105.08	\$115.85	\$10.77	10.3%
Residential Non-Heat Sales	25	\$32.23	\$34.91	\$2.68	8.3%
General Service - Small	100	\$121.05	\$131.82	\$10.77	8.9%

The Board has the statutory authority to establish the BGSS, CIP and Balancing charges at levels it finds just and reasonable. Therefore, the Board may establish the BGSS, CIP and Balancing charges at levels other than those proposed by NJNG. NJNG's natural gas costs addressed in this petition will remain subject to audit by the Board, and Board approval shall not preclude or prohibit the Board from taking any such actions deemed appropriate as a result of any such audit.

**PLEASE TAKE NOTICE** that public hearings on the petition have been scheduled at the following dates, times and places:

September 9, 2014 at 4:30 and 5:30 pm.  
 Rockaway Township Municipal Building  
 Conference Room  
 65 Mt. Hope Road  
 Rockaway, NJ 07866

September 3, 2014 at 4:30 and 5:30 p.m.  
 Freehold Township Municipal Building  
 Conference Room  
 One Municipal Plaza, Schanck Road  
 Freehold, NJ 07728-3099

The public is invited to attend, and interested persons will be permitted to testify and/or make a statement of their views on the proposed rate changes. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, including interpreter, listening devices or mobility assistance, 48 hours prior to this hearing to the Board Secretary at the address below. Regardless of whether they attend the hearing, members of the public may submit written comments concerning the petition to the Board by addressing them to: Kristi Izzo, Secretary, New Jersey Board of Public Utilities, 44 South Clinton Avenue, 9<sup>th</sup> Floor, P.O. Box 350, Trenton, NJ 08625-0350. Copies of NJNG's June 2, 2014, filing can be reviewed either at the NJNG Customer Service Centers listed on the Company Web site, [www.njng.com](http://www.njng.com), or at the New Jersey Board of Public Utilities, 44 South Clinton Avenue, 9<sup>th</sup> Floor, Trenton, NJ 08625-0350.

Andrew K. Dembia, Esq.  
 New Jersey Natural Gas