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State of New Jersey
DIVISION OF RATE COUNSEL
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CHRIS CHRISTIE
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KIM GUADAGNO
Lt. Governor

STEFANIE A. BRAND
Director

September 29, 2014

Via Electronic Mail and US Regular Mail

Andrew K. Dembia, Esq.
Cozen O'Connor
LibertyView, Suite 300
457 Haddonfield Road
Cherry Hill, NJ 08002

Re: In the Matter of the 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

Dear Mr. Dembia:

Enclosed please find the Division of Rate Counsel's discovery requests **RCR-A-14**
through RCR-A-15 in the above-referenced matter.

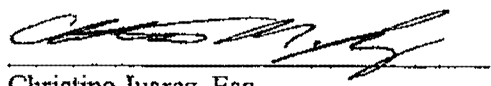
Pursuant to N.J.A.C. 1:1-10.4, please respond to the requests and submit copies of the documents
requested herein in a timely manner, no later than within fifteen (15) days or submit a schedule of
reasonable compliance within fifteen (15) days from receipt of this letter.

Please note that all discovery requests are of a continuing nature and should be updated, if
necessary, over the course of the proceeding. Also, provide a designation on each response identifying the
witness sponsoring the answer and finally, please provide the response on three-hole punch paper.

Your prompt handling of this request is appreciated. If you have any questions, please call me at
(609) 984-1460.

Very truly yours,

Stefanie A. Brand
Director, Division of Rate Counsel

By: 
Christine Juarez, Esq.
Assistant Deputy Rate Counsel

CJ/sm
c: Service list
Enclosure

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I/M/O the Petition of New Jersey Natural Gas Company 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

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IN THE MATTER OF THE 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.: GRI4060537

RCR-A-14. (a) Exhibit C to the Petition, page 10 shows a current Pre-tax CIP recovery rate of 0.0543 for Group III – General Service Small. Please provide a worksheet showing the derivation of this rate based on the after-tax rate of 0.0581 and a tax gross-up factor of 1.072845 (SUT and PUA taxes).

(b) Exhibit C, to the Petition, page 13 shows a current Pre-tax recovery rate of 0.0531 for Group IV – General Service Large. Please provide a worksheet showing the derivation of this rate based on the after-tax rate of 0.0568 and a tax gross-up factor of 1.072845 (SUT and PUA taxes).

RCR-A-15. With regard to the Company's August 28, 2014 notification to implement a decrease in its BGSS factor from the current rate of \$0.5356 per therm to \$0.4804 per therm inclusive of sales tax, please provide the following information:

- a. All relevant exhibits and schedules in support of the derivation of the newly proposed factor of \$0.4804. These exhibits and schedules should clearly indicate the extent of actual and the extent of projected data used in the calculations.
- b. A worksheet showing support for the claim that the reduction from \$0.5356 to \$0.4804 results in a 5 percent decrease for a residential heating sales customer using 100 therms/month.
- c. A worksheet showing support for the claim that the reduction from \$0.5356 to \$0.4804 combined with the proposed CIP decrease results in an overall decrease in a residential heating customer's annual bill of \$102.40, or 9.2 percent.

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