



July 28, 2016

Ms. Irene Kim-Asbury, Secretary N.J. Board of Public Utilities 44 South Clinton Ave, 3<sup>rd</sup> Floor, Suite 314 Post Office Box 350 Trenton, New Jersey 08625-0350 RECEIVED

AUG 0 3 2016

BOARD OF PUBLIC UTILITIES MAIL ROOM

Re:

New Jersey Natural Gas Company

Monthly Basic Gas Supply Service ("BGSS"),

Interruptible Sales Pricing and Compressed Natural Gas (CNG)

Docket No. GR15060644

Natural Gas Vehicles (NGV) GR15070861

Dear Ms. Kim-Asbury:

Enclosed please find four (4) copies of the Company's filing for August 2016.

The prices are as follows:

Monthly BGSS, Interruptible Sales, CNG & NGV
General Service – Large & Firm Cogeneration
Firm Cogeneration Pre-Tax
\$0.3091

The cash out rates, which are based on the Natural Gas Weekly spot prices for June are as follows:

Per Therm

Negative imbalances

\$0.200

Positive imbalances

\$0.166

Jane a

If you have any questions, please call me at (732) 938-1257.

Very truly yours,

Marianne Harrell

Senior Rate Analyst

MH:jpc Enclosures

C: Alice Bator, BPU Eric Hartsfield, BPU Stefanie A. Brand, RC Felicia Thomas-Friel, RC

1415 Wyckoff Road P.O. Box 1464 Wall, NJ 07719 Phone: 800-221-0051 www.njng.com

## RIDER "A"

## BASIC GAS SUPPLY SERVICE - BGSS (Continued)

## PERIODIC BASIC GAS SUPPLY SERVICE (BGSS) CHARGE<sup>1</sup>

<u>CLASS</u> <u>APPLICATION</u> <u>CHARGE</u>

RS, GSS, and ED sales customers using Included in the Basic Gas Supply Charge

less than 5,000 therms annually \$0.4804 per therm

**BALANCING CHARGE** 

<u>CLASS</u> <u>APPLICATION</u> <u>CHARGE</u>

RS, GSS, GSL, DGC, ED Included in the Delivery Charge \$0.0679 per therm

## MONTHLY BASIC GAS SUPPLY SERVICE (BGSS) CHARGE<sup>1</sup>

#### .

<u>CLASS</u> <u>APPLICATION</u>

GSL, FC and ED sales customers using 5,000 therms or greater annually

Included in the Basic Gas Supply Charge

5,000 therms or greater annually

Effective Date	Charge Per Therm
August 1, 2015	\$0.3854
September 1, 2015	\$0.3745
October 1, 2015	\$0.3718
November 1, 2015	\$0.3760
December 1, 2015	\$0.4117
January 1, 2016	\$0.3815
February 1, 2016	\$0.3908
March 1, 2016	\$0.3459
April 1, 2016	\$0.3669
May 1, 2016	\$0.3789
June 1, 2016	\$0.3886
July 1, 2016	\$0.4567
August 1, 2016	\$0.3770

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<sup>&</sup>lt;sup>1</sup> For billing purposes, the Periodic BGSS and Monthly BGSS charges are adjusted for Balancing Charges as presented in the Rate Summaries at the end of this Tariff.

## SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS

#### General Service - Large (GSL)

	•	Bundled Sales	Transport Sales	Reference
Customer Charge				
Customer Charge per meter per mont	h	40.00	40.00	
Demand Charge				
Demand Charge per month applied to	to HMAD	1.50	1.50	
Delivery Charge ("DEL") per therm				
Transport Rate:				
Pre-tax Base Rate		0.2185	0.2185	
SUT		<u>0.0153</u>	<u>0.0153</u>	Rider B
After-tax Base Rate		0.2338	0.2338	
WNC		0.0000	0.0000	Rider D
CIP		0.0339	0.0339	Rider I
EE		0.0327	0.0327	Rider F
CNGC	*	0.0000	<u>0.0000</u>	Rider G
Total Transport Rate	a	0.3004	0.3004	
Balancing Charge	ь	0.0679	0.0679	Rider A
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0.0167	0.0167	Rider E
RA	•	0.0146	0.0146	Rider C
USF		0.0108	0.0108	Rider H
Total SBC	c	<u>0.0421</u>	<u>0.0421</u>	
Delivery Charge (DEL)	a+b+c=d	<u>0.4104</u>	<u>0.4104</u>	
Basic Gas Supply Charge ("BGS")				
Monthly BGSS	e	0.3770	X	Rider A
Less: Balancing	f	<u>0.0679</u>	X	
BGS	e-f=g	<u>0.3091</u>	X	

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

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

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# SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS

#### Firm Cogeneration (FC)

		Sales	Transport	Reference
Customer Charge per meter per month		49.49	49.49	·
<u>Demand Charge</u> Demand Charge per therm per month applied				
to MDQ		1.00	1.00	
Delivery Charge ("DEL") per therm				
Transport Rate: Pre-tax Base Rate		0.1253	0.1253	
SUT		<u>0.0088</u>	0.0088	Rider B
After-tax Base Rate		0.1341	0.1341	
EE		<u>0.0327</u>	0.0327	Rider F
Total Transport Rate	a	0.1668	0.1668	
Balancing Charge	ь	0.0679	0.0679	Rider A
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0.0167	0.0167	Rider E
RA		0.0146	0.0146	Rider C
USF		<u>0.0108</u>	<u>0.0108</u>	Rider H
Total SBC	c	<u>0.0421</u>	<u>0.0421</u>	
Delivery Charge (DEL)	a+b+c=d	<u>0.2768</u>	0.2768	
Basic Gas Supply Charge ("BGS")				
Monthly BGSS	e	0.3770	X	Rider A
Less: Balancing	f	<u>0.0679</u>	X	
BGS	e-f=g	0.3091	X	

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

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

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## SUMMARY OF INTERRUPTIBLE RATE COMPONENTS

#### **INTERRUPTIBLE SALES AND TRANSPORTATION**

#### With Alternate Fuel

		Bundled Sales	Transport Sales	Reference
<u>Customer Charge</u> Customer Charge per meter per month		575.00	575.00	
Delivery Charge ("DEL") per therm				
Transport Rate:				
Pre-tax Base Rate		0.0494	0.0494	
SUT		0.0035	<u>0.0035</u>	Rider B
After-tax Base Rate		0.0529	0.0529	
EE		<u>0.0327</u>	0.0327	Rider F
Total Transport Rate	a	0.0856	0.0856	
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0.0167	0.0167	Rider E
RA		0.0146	0.0146	Rider C
USF		<u>0.0108</u>	0.0108	Rider H
Total SBC	b	<u>0.0421</u>	<u>0.0421</u>	
Delivery Charge (DEL)	a+b=c	<u>0.1277</u>	<u>0.1277</u>	
Basic Gas Supply Charge ("BGS")				
Monthly BGSS	d	0.3770	X	Rider A
BGS	d	<u>0.3770</u>	X	

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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#### SUMMARY OF INTERRUPTIBLE RATE COMPONENTS

#### INTERRUPTIBLE SALES AND TRANSPORTATION

#### Without Alternate Fuel

		Bundled _Sales_	Transport Sales	Reference
Customer Charge				
Customer Charge per meter per month		575.00	575.00	
Delivery Charge ("DEL") per therm				
Transport Rate:				
Pre-tax Base Rate		0.2753	0.2753	
SUT		<u>0.0193</u>	0.0193	Rider B
After-tax Base Rate		0.2946	0.2946	
EE		<u>0.0327</u>	0.0327	Rider F
Total Transport Rate	a	0.3273	0.3273	
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0.0167	0.0167	Rider E
RA		0.0146	0.0146	Rider C
USF		<u>0.0108</u>	0.0108	Rider H
Total SBC	b	<u>0.0421</u>	<u>0.0421</u>	
Delivery Charge (DEL)	a+b=c	<u>0.3694</u> .	<u>0.3694</u>	
Basic Gas Supply Charge ("BGS")				
Monthly BGSS	d	0.3770	X	Rider A
BGS	d	<u>0.3770</u>	X	

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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## SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS

## Compressed Natural Gas (CNG)

Customer Charge		Bundled Sales	Transport Sales	Reference
Customer Charge per meter per month		50.00	50.00	
Delivery Charge ("DEL") per therm Transport Rate:				
Pre-tax Base Rate		0.1448	0.1448	
CNG Charge		0.2000	0.2000	D'I D
SUT		<u>0.0241</u>	<u>0.0241</u>	Rider B
After-tax Base Rate		0.3689	0.3689	
EE		0.0327	0.0327	Rider F
Total Transport Rate	a	0.4016	0.4016	
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0.0167	0.0167	Rider E
RA		0.0146	0.0146	Rider C
USF		<u>0.0108</u>	0.0108	Rider H
Total SBC	b	<u>0.0421</u>	<u>0.0421</u>	
Delivery Charge (DEL)	a+b=c	<u>0.4437</u>	<u>0.4437</u>	
Basic Gas Supply Charge ("BGS")		•		
Monthly BGSS	d	0.3770	X	Rider A
BGS	d	<u>0.3770</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.

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# SUMMARY OF RESIDENTIAL AND FIRM COMMERCIAL RATE COMPONENTS

#### Natural Gas Vehicles (NGV)

#### Gas Available at Company Facilities

	<i>y</i> 121 waawa 22			Reference
Delivery Charge ("DEL")		\$ per therm	\$ per GGE	
Transport Rate:		φ per therm	\$ per GGL	
Pre-tax Base Rate		0.1448		
SUT		0.0101		Rider B
301		<u>0.0101</u>		Kidel D
After-tax Base Rate		0.1549		
EE		0.0327		Rider F
		<u> </u>		H-1-11-1-1
Total Transport Rate	a	0.1876		
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0.0167		Rider E
RA	•	0.0146		Rider C
USF		0.0108		Rider H
		2.222		
Total SBC	b	<u>0.0421</u>	•	•
Delivery Charge (DEL)	a+b=c	<u>0.2297</u>	0.2871	
Compression Charge		0.4976	0.6220	
Monthly Basic Gas Supply Charge ("BGS")		<u>0.3770</u>	0.4713	Rider A
Total Variable Charge		1.1043	1.3804	
New Jersey Motor Vehicle Fuel Tax			0.0000	
Federal Excise Fuel Tax *			0.1806	
Federal Excise Fuel Tax Credit *				
reueral excise ruei rax Cieuit			(0.5165)	
Total Price			1.0445	
			<del></del>	

<sup>\*</sup>Adjusted to reflect Internal Revenue Service GGE Conversion.

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#### SUMMARY OF RESIDENTIAL AND FIRM COMMERCIAL RATE COMPONENTS

## Natural Gas Vehicles (NGV)

Customer	Owned	<b>Facilities</b>

Customer	, which I do			Reference
Customer Charge				
Residential Customer Charge per month		\$8.25		
Commercial Customer Charge per meter per month		\$50.00		
		de de	<b>.</b>	
Delivery Charge ("DEL")		\$ per therm	\$ per GGE	
Transport Rate:		0.1440		
Pre-tax Base Rate		0.1448		n!! n
SUT		<u>0.0101</u>		Rider B
After-tax Base Rate		0.1549		
EE		0.0327		Rider F
Total Transport Rate	a	0.1876		
2 Court XV Unidp CV X XUIV	-	012070		
Societal Benefits Charge ("SBC"):				
NJ's Clean Energy		0.0167		Rider E
RA		0.0146		Rider C
USF		0.0108		Rider H
Total SBC	b	<u>0.0421</u>		
Delivery Charge (DEL)	a+b=c	<u>0.2297</u>	0.2871	
Monthly Basic Gas Supply Charge ("BGS")		0.3770	0.4713	Rider A
Total Variable Charge		0.6067	0.7584	

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.

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# NATURAL GAS WEEK Weekly Index Prices June , 2016

6/13/2016	1.66	L
6/20/2016	1.75	
6/27/2016	2.00	Н
7/4/2016	1.98	

#### New Jersey Natural Gas Company Monthly BGSS Charge Calculation Aug-16

Commodity Price Supply Price Average Variable and Fuel Monthly BGSS Commodity <sup>1</sup>	\$1.2476 <u>\$0.0862</u>	\$1.3338	
Pipeline, Storage, and Supplier Demand Charges			
Fixed Charges \$(000) <sup>2</sup>	114,047		
Sales BCF <sup>3</sup>	52.3		
Fixed Charge \$ per Dth		\$2.1803	
Pre-tax Monthly BGSS Charge		\$3.5141	per Dth
Pre-tax Monthly BGSS Charge		\$0.3514	per therm
BPU/RC Assessment Factor		1.002421	
Monthly BGSS Charge including assessments		\$0.3523	
7% Sales Tax		<u>\$0.0247</u>	
After-tax Monthly BGSS Charge		\$0.3770	per therm

- 1 The Monthly BGSS Commodity Price is calculated based on a forecast of the average cost of natural gas delivered to NJNG's citygate assuming the supply is priced at NYMEX and estimated basis pricing for respective locations where gas is purchased. For illustrative purposes, the Supply price and average Variable and Fuel costs are presented as components of the Monthly BGSS Commodity price.
- <sup>2</sup> The Fixed Charges for the twelve months ending September 2016 are the Natural Gas Demand charges included in NJNG's 2016 BGSS filing, BPU Docket No. GR15060644.
- <sup>3</sup> The Sales for the twelve months ending September 2016 are the Total Firm Sales included in NJNG's 2016 BGSS filing, BPU Docket No. GR15060644.
- <sup>4</sup> As shown on Tariff Sheet No. 256, the After-tax Monthly BGSS Charge is reduced by the appropriate balancing charge to determine the BGSS prices that customers will be billed.

# Henry Hub Natural Gas Futures Settlements

View a	another	product	▼

Quotes	Settlements	Volume	Time & Sales	Contract Specs	Margins	Calendar
Futur	es Optio	ns				,
Trade [	Date: Wednesd	lay, 27 Jul 20	016 (Final) ▼			

All market data contained within the CME Group website should be considered as a reference only and should not be used as validation against, nor as a complement to, real-time market data feeds.

Month	Open	High	Low	Last	Change	Settle	Estimated Volume	Prior Day Open Interest
AUG 16	2.691	2.750	2.654	2.680	~.040	2.672	13,341	6,000
SEP 16	2.661	2.720	2.645	2.666	017	2.660	132,740	263,829
OCT 16	2.696	2.763	2.692	2.713	013	2.709	49,260	113,052
NOV 16	2.889	2.941	2.880	2.897	012	2.897	40,801	86,865
DEC 16	3.160	3.199	3.148	3.160	011	3.164	15,618	55,814
JAN 17	3.283	3.324	3.276	3.281	013	3.288	18,474	115,310
FEB 17	3.271	3.309	3.265	3.275	015	3.275	4,549	30,660
MAR 17	3.226	3.261	3.217	3.226	016	3.228	9,117	63,272
APR 17	2.990	3.019	2.984	2.990	014	2.992	10,722	54,933
MAY 17	2.975	2.995	2.965	2.970	012	2.972	3,801	21,434
JUN 17	2.998	3.029	2.971	3.005A	010	3.008	2,727	21,082
JLY 17	3.039	3.060	3.031	3.036B	010	3.040	2,420	13,358
AUG 17	3.046	3.071	3.041	3.046B	009	3.051	2,638	15,005
SEP 17	3.000	3.049	3.000	3.026B	009	3.031	1,465	9,356
OCT 17	3,055	3.071	3.041	3.048	009	3.051	2,469	21,862
NOV 17	3.098	3.127	3.098	3.105A	008	3.109	455	9,408
DFC 17	3 231	3 262	3 231	3 239A	- 008	3 243	444	14 528