



BOARD OF PUBLIC UTILITIES

November 16, 2017

NOV 17 2017

VIA FEDERAL EXPRESS

MAIL RECEIVED

Honorable Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 3rd Floor
Suite 314
P.O. Box 350
Trenton, NJ 08625-0350



Re: IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS
PETITION COMPANY FOR THE ANNUAL REVIEW AND REVISION OF
SOCIETAL BENEFITS CHARGE FACTORS FOR REMEDIATION YEARS 2016
AND 2017

BPU DOCKET NO. GR1711 1182

Dear Secretary Asbury:

Enclosed herewith for filing, please find an original and ten (10) copies of the Petition of New Jersey Natural Gas Company ("NJNG") for the Annual Review and Revision of its Societal Benefits Charge ("SBC") Factors.

A copy of the Petition is being served upon the New Jersey Division of Rate Counsel and the Division of Law.

Kindly acknowledge receipt of this filing by date stamping the enclosed copy of this letter and returning same in the self-addressed, stamped envelope.

Respectfully submitted,

Andrew K. Dembia
Regulatory Affairs Counsel

Cms
Legal
DAG
RAA
S. Peterson
T. Waller
S. Sumliner
Energy TUC

AKD:fk
Enclosures

C: Service List

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

NOV 17 2017

IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY FOR THE ANNUAL REVIEW AND REVISION OF SOCIETAL BENEFITS CHARGE FACTORS FOR REMEDATION YEARS 2016 AND 2017)))))))	PETITION BPU DOCKET NO. GR1711
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**TO: THE HONORABLE COMMISSIONERS OF
THE NEW JERSEY BOARD OF PUBLIC UTILITIES**

New Jersey Natural Gas Company (“Petitioner”, “NJNG” or the “Company”) hereby requests that the New Jersey Board of Public Utilities (the “Board” or “BPU”) approve, pursuant to N.J.S.A. 48:2-21, the Company’s filing related to its Societal Benefits Charge (“SBC”) factors. The factors included in the SBC are the Remediation Adjustment (“RA”) rate, the statewide Universal Service Fund (“USF”) rate,¹ and the New Jersey Clean Energy Program (“NJCEP”) rate. The Company is requesting in this filing that the Board: (1) decrease the Company’s per therm after-tax RA rate; (2) increase the NJCEP per therm after-tax rate; and (3) approve the remediation expenditures incurred by the Company for the period July 1, 2015 through June 30, 2017 (“Remediation Years 2016 and 2017”), to be effective April 1, 2018, or as of the effective date of the Board Order in this proceeding. These rate changes result in an overall decrease of approximately 0.10 percent to the average residential heating customers’ monthly bill.

1. Petitioner is a corporation duly organized under the laws of the State of New Jersey and is a public utility engaged in the sale, distribution and transportation of natural gas subject to the

¹ USF is a fund established by the Board to support affordable electric and natural gas heating service for eligible residential customers in New Jersey. The statewide USF rates are addressed in annual filings submitted simultaneously by New Jersey’s natural gas and electric utilities. The current after-tax natural gas USF factor of \$0.0087 per therm was approved by the Board in its September 22, 2017 Order in Docket No. ER17060676.

5. This Petition (Exh. P-1) is accompanied and supported by the following Pre-filed Direct Testimonies and Exhibits that are attached hereto and made part of this Petition:

- Exh. P-2 Direct Testimony of John Raspa – Director – Environmental Services – Remediation Activities
- Exh. P-3 Direct Testimony of James M. Corcoran, NJNG Manager-Revenue Requirements – Proposed Revenue Increase for the RA and NJCEP factors
- Exh. P-4 Red-lined NJNG Gas Service Tariff sheets
- Exh. P-5 SBC rate impacts on NJNG's customers
- Exh. P-6 Proposed form of Public Notice

Additional information responsive to the fifteen (15) minimum filing requirements (“MFRs”) for RA filings, approved by the BPU in Docket No. GR04121565, will be provided at a later date under separate cover.

6. As part of the settlement of the Company’s base rate case in BPU Docket No. GR91081383J, and subsequently approved in the Unbundling Order noted above, the Board approved and established the RA clause as the cost recovery method by which the Company is permitted to recover its actual Remediation Costs, on a deferred basis, over a rolling-seven year period. Remediation Costs include all investigation, testing, land acquisition if appropriate, remediation and/or litigation costs and expenses, and other liabilities specifically relating to MGP facility sites, disposal sites, or sites to which material may have migrated, as a result of the earlier operation or decommissioning of MGP sites.

7. On June 30, 2017, in BPU Docket No. QO17050464, the Board established each utility’s level of expenditures for the statewide NJCEP for July 2017 through June 2018. NJNG’s annual funding obligation is \$15.1 million.

will be available at NJNG's Customer Service Centers and on the Company's website at: www.njng.com.

11. The Company respectfully requests that this matter be retained by the Board and that a Commissioner be designated as Presiding Officer to set a procedural schedule, rule on Motions, and conduct any evidentiary hearings, if necessary, as expeditiously as possible.

WHEREFORE, NJNG respectfully requests that the Board:

1. Approve as of April 1, 2018, or as of the effective date of the Board Order in this proceeding, NJNG's request to decrease its RA Factor;
2. Approve as of April 1, 2018, or as of the effective date of the Board Order in this proceeding, NJNG's request to increase its NJCEP Factor;
3. Approve Remediation Year costs for the period July 1, 2015 through June 30, 2017;
4. Grant final approval of the Company's proposals included in this Petition;
5. Retain this matter and designate a Commissioner as Presiding Officer to set a procedural schedule, rule on Motions, and conduct any evidentiary hearings, if necessary, as expeditiously as possible; and
6. Grant such other relief, as the Board deems just, reasonable and necessary.

Respectfully submitted,

NEW JERSEY NATURAL GAS COMPANY

By: 

Andrew K. Dembia, Esq.


Date: November 16, 2017

STATE OF NEW JERSEY)
COUNTY OF MONMOUTH)

VERIFICATION

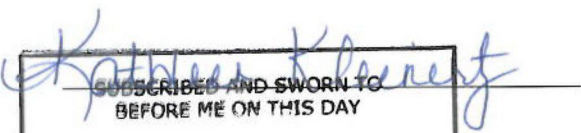
MARK G. KAHRER of full age, being duly sworn according to law, on his oath deposes and says:

1. I am Vice President, Regulatory Affairs for New Jersey Natural Gas Company, the Petitioner in the foregoing Petition.
2. I have read the annexed Petition, along with the Schedules and Exhibits attached thereto, and the matters and things contained therein are true to the best of my knowledge and belief.



Mark G. Kahrer

Sworn and subscribed to
before me this 16th day
of November 2017



SUBSCRIBED AND SWORN TO
BEFORE ME ON THIS DAY

NOV 16 2017

KATHLEEN KLEINERTZ
NOTARY PUBLIC, STATE OF NEW JERSEY
MY COMMISSION EXPIRES 08/30/2021

