



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF)	ORDER APPROVING
ELIZABETHTOWN GAS COMPANY TO REVISE)	STIPULATION
ITS ENERGY EFFICIENCY PROGRAM RIDER)	
RATE)	DOCKET NO. GR19070872

Parties of Record:

Deborah M. Franco, Esq., Elizabethtown Gas Company
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On July 31, 2019, Elizabethtown Gas Company ("Elizabethtown" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU") requesting authorization to modify its Energy Efficiency Program ("EEP") Rider Rate ("EEP Rate"). ("July 2019 Petition") By this Order, the Board considers a stipulation of settlement ("Stipulation") executed by Elizabethtown, Board Staff ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") intended to resolve the Company's request to revise its EEP Rate.

BACKGROUND/PROCEDURAL HISTORY

By Order dated August 3, 2009 in Docket Nos. EO09010056 and GO09010060, the Board approved a stipulation authorizing Elizabethtown to administer six (6) energy efficiency programs¹ ("EEPs") for a 17-month period ending on December 31, 2010.² The total projected expenditure, including operating and maintenance ("O&M") expenses, was \$14,673,100. The August 2009

¹ Elizabethtown was authorized to offer the following EEPs: 1) Whole House Energy Efficiency Program; 2) Residential Expanded Gas Heating Ventilation and Air Conditioning ("HVAC") and Gas Hot Water Heater Incentive Program; 3) Small Commercial Customer Energy Efficiency Program; 4) Large Commercial Customer Energy Efficiency Program; 5) Combined Heat and Power Program; and 6) Gas Cooling Program.

² In re Energy Efficiency Programs and Associated Cost Recovery Mechanisms AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Approval of Energy Efficiency Programs and a Regional Greenhouse Gas Initiative Cost Recovery Rider, BPU Docket Nos. EO09010056 and GO09010060, (August 3, 2009). ("August 2009 Order")

Order also authorized the Company to implement a Regional Greenhouse Gas Initiative (“RGGI”) Rider Rate to recover the costs associated with the EEPs. Pursuant to the August 2009 Order, the Company was required to submit an annual petition to adjust its RGGI Rider Rate on a calendar basis. The annual filings were to include certain information, including investment levels, operating costs, and employment. Pursuant to the August 2009 Order, the initial RGGI Rider Rate was established as \$0.0082 per therm.³

On July 1, 2010, Elizabethtown filed a petition, Docket No. GO10070446, to reconcile the program costs and recoveries associated with its EEPs (“2010 RGGI Rider Rate Petition”). On October 4, 2010, the Company filed a petition, Docket No. GO10100735, requesting approval to extend the term of the Company’s EEPs for an additional three (3) year period. By Order dated January 19, 2011, in Docket Nos. GO10070446 and GO10100735, the Board approved a stipulation authorizing Elizabethtown to extend its EEPs for a one (1) year period ending on December 31, 2011.⁴ The January 2011 Order also approved a provisional RGGI Rider Rate of \$0.0000, but left open the 2010 RGGI Rider Rate Petition docket to allow for further review of the Company’s EEPs and finalization of the provisional RGGI Rider Rate.

On June 30, 2011, Elizabethtown filed a petition, Docket No. GR11070398, to reconcile the program costs and recoveries associated with its EEPs (“2011 RGGI Rider Rate Petition”). The 2011 RGGI Rider Rate Petition requested to decrease the RGGI Rider Rate from \$0.0000 to a credit of \$0.0015 per therm. The 2011 RGGI Rider Rate Petition also requested approval to implement a name change from the RGGI Rider Rate to the EEP Rate.

By Order dated November 30, 2011, in Docket No. GO11070399, the Board authorized Elizabethtown to continue the Company’s EEPs through April 29, 2012.⁵ The November 2011 Order also approved the continuation of a RGGI Rider Rate of \$0.0000 per therm, until changed by order of the Board. By Order dated April 11, 2012, in Docket No. GO11070399, the Board authorized the Company to continue certain EEPs until April 19, 2013.⁶ The April 2012 Order authorized Elizabethtown to offer the following EEPs: 1) Residential Expanded Gas HVAC and Gas Hot Water Heater Incentive Program; 2) Small Commercial Customer Energy Efficiency Program; and 3) Large Commercial Customer Energy Efficiency Program (collectively, “2011 EEPs”). In addition, the April 2012 Order authorized a name change of the RGGI Rider to the EEP Rate, as well as authorized the continuation of the current rate of \$0.0000 per therm.

On August 1, 2012, Elizabethtown filed a petition, Docket No. GR12080729, to reconcile the program costs and recoveries associated with its EEPs through June 30, 2012 (“2012 EEP Rate Petition”). The 2012 EEP Rate Petition sought approval of an EEP Rate of \$0.0046 per therm. By Order dated December 18, 2013, the Board authorized an EEP Rate of \$0.0042 per therm to

³ All rates quoted herein include Sales and Use Tax, and any applicable assessments.

⁴ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Regional Greenhouse Gas Initiative Rider Rate AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism and Deferral Accounting Treatment, BPU Docket Nos. GO10070446 and GO10100735, (January 19, 2011). (“January 2011 Order”)

⁵ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery, BPU Docket No. GO11070399, (November 30, 2011). (“November 2011 Order”)

⁶ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery, BPU Docket No. GO11070399, (April 11, 2012). (“April 2012 Order”)

resolve the 2010 RGGI Rider Rate Petition, the 2011 RGGI Rider Rate Petition and the 2012 EEP Rate Petition.⁷

By Order dated August 21, 2013, in Docket No. GO12100946, the Board authorized the Company to extend the term of the 2011 EEPs through September 1, 2015.⁸ By Order dated December 16, 2015, the Board authorized Elizabethtown to continue to offer its 2011 EEPs through December 31, 2016 within the remaining budget approved in the August 2013 Order.⁹

By Order dated August 19, 2015, in Docket No. GR14091073, the Board approved an EEP Rate of \$0.0054 per therm.¹⁰ By Order dated September 23, 2016, in Docket No. GR16020119, the Board approved an EEP credit rate of \$0.0007 per therm.¹¹

By Order dated April 21, 2017, Docket No. GR16070618, the Board authorized the Company to extend the term of existing program and several additional proposed programs through December 31, 2018.¹² The April 2017 Order authorized Elizabethtown to offer the following EEPs: 1) Residential Gas HVAC and Gas Hot Water Heater Incentive Program; 2) Residential Home Energy Assessment Program; 3) Residential Home Energy Report (Opower) Program; 4) Residential Home Weatherization for Income Qualified Customers Program; and 5) Commercial Steam Trap Survey and Repair Program.

By Order dated August 29, 2018 in Docket No. GR17111146, the Board approved an EEP rate of \$0.0020 per therm.¹³ By Order dated February 27, 2019, in Docket No. GO18070682, the Board authorized the Company to extend its current EEPs through February 29, 2020.¹⁴

⁷ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Regional Greenhouse Gas Initiative Rider Rate AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Regional Greenhouse Gas Initiative Rider Rate and Rename the Rate to the Energy Efficiency Program Rider Rate AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Energy Efficiency Program Rider Rate, BPU Docket Nos. GO10070446, GR11070398, and GR12080729, (December 18, 2013).

⁸ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket No. GO12100946, (August 21, 2013).

⁹ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket Nos. GO12100946 and GO15050504, (December 16, 2015).

¹⁰ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Energy Efficiency Program Rider Rate, BPU Docket No. GR14091073, (August 19, 2015).

¹¹ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Energy Efficiency Program Rider Rate, BPU Docket No. GR16020119, (September 23, 2016).

¹² In re the Petition of Pivotal Utility Holdings, Inc. for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket Nos. GO15050504 and GR16070618, (April 21, 2017) ("April 2017 Order").

¹³ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise Its Energy Efficiency Rider Rate, BPU Docket No. GR17111146, (August 29, 2018).

¹⁴ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket No. GO18070682, (February 27, 2019).

By Order dated April 18, 2019, in Docket No. GR18080860, the Board approved an EEP rate of \$0.0051 per therm.¹⁵

By Order dated February 19, 2020, in Docket No. GO18070682, the Board authorized the Company to extend its current EEPs through December 31, 2021.¹⁶

JULY 2019 PETITION

On July 31, 2019, Elizabethtown filed the July 2019 Petition with the Board requesting authorization to modify its EEP Rate.

The July 2019 Petition sought to reconcile EEP costs and cost recoveries for the period commencing July 1, 2018 through June 30, 2019 and to recover forecasted revenues for the July 1, 2019 through June 30, 2020 and included 11 months of actual data and one (1) month of estimated data. Elizabethtown sought an annual revenue requirement of \$3,220,675, resulting in an increase in its current per therm EEP Rate of \$0.0051 to \$0.0074.

Through the course of the proceeding, Elizabethtown made several updates to its schedules and associated revenue requirements to reflect actual data through October 31, 2019 and an update to the carrying cost rate for over / under recoveries. As a result of the updates, the Company's updated revenue requirement was reduced to \$3,167,485, which produced a proposed EEP per therm rate of \$0.0073.

Public hearings were held in this proceeding on November 18, 2019 in Flemington, New Jersey and on November 25, 2019 in Union, New Jersey. One (1) member of the public attended, speaking against the rate increase in this particular petition and expressed their concerns about rate hikes occurring across the state. All comments were transcribed by the court reporter and are part of the record.

STIPULATION

The Parties have engaged in discovery and discussed the issues in this matter. As a result of those discussions, the Parties executed the Stipulation in this matter. The Stipulation provides for the following:¹⁷

- A. The Parties acknowledge that the EEP rate change will become effective as of the effective date of a Board Order approving the Stipulation in accordance with N.J.S.A. 48:2-40 or upon such date thereafter as the Board may specify. ("Effective Date")

¹⁵ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise Its Energy Efficiency Rider Rate, BPU Docket No. GR18080860, (April 18, 2019).

¹⁶ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket No. GO18070682, (February 19, 2020).

¹⁷ Although summarized in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusion in this Order. Paragraphs are numbered to coincide with the Stipulation.

- B. As of the Effective Date, the Company will implement an EEP rate of \$0.0073 per therm, inclusive of all applicable taxes, and that rate shall remain in effect until changed by Order of the Board. The calculation of this rate is set forth in Appendix A attached to the Stipulation.
- C. The Company agrees that it will include with its EEP filings responses to the minimum filing requirements as set forth in Appendix B to the Stipulation.
- D. Upon approval by the Board of the EEP rate reflected in the Stipulation, the Company will file with the Board a revised tariff sheet to reflect the EEP rate of \$0.0073 per therm, inclusive of all applicable taxes, as agreed to in the Stipulation. A draft tariff sheet is attached to the Stipulation as Appendix C, which includes actual changes to the tariff.
- E. The rate impact of the EEP rate change from \$0.0051 per therm to \$0.0073 per therm will increase the monthly bill of a typical residential heating customer using 100 therms by \$0.22, from \$104.13 to \$104.35, or an increase of 0.2%, as compared to the Company's January 1, 2020 rates.
- F. Upon the Board's approval of the Stipulation, all issues related to Elizabethtown's EEP recoverable costs for the period July 1, 2018 through June 30, 2019 are deemed resolved for purposes of this proceeding but remain subject to audit by the Board.

DISCUSSION AND FINDING

The Board carefully reviewed the record in this proceeding, including the July 2019 Petition and the attached Stipulation. The Board is persuaded that the costs through October 2019 have been reviewed and deemed to be reasonable and prudent. The Board **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the Stipulation as its own, as if fully set forth herein.

The Board **HEREBY APPROVES** an increase in Elizabethtown's per therm EEP Rate to \$0.0073, effective for service rendered on or after April 1, 2020. As a result of the Stipulation, a typical residential heating customer using 100 therms in a winter month would experience an increase in their monthly bill of \$0.22, or approximately 0.2%.

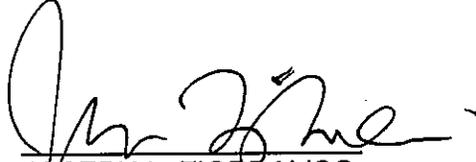
The Board **HEREBY ORDERS** the Company to file revised tariff sheets conforming to the terms of the Stipulation by April 1, 2020.

The Company's costs, including those related to its EEPs, will remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

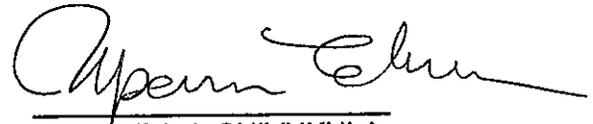
The effective date of this Order is March 19, 2020.

DATED: 3/9/20

BOARD OF PUBLIC UTILITIES
BY:


JOSEPH L. FIORDALISO
PRESIDENT


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER


ROBERT M. GORDON
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public Utilities.

IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY TO REVISE ITS
ENERGY EFFICIENCY PROGRAM RIDER RATE
BPU DOCKET NO. GR19070872

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February 20, 2020

VIA UNITED PARCEL SERVICE & ELECTRONIC MAIL

Aida Camacho-Welch, Secretary New Jersey
Board of Public Utilities
44 S. Clinton Ave., 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

**Re: In the Matter of the Petition of Elizabethtown Gas Company to Revise its Energy Efficiency Program Rider Rate
BPU Docket No. GR19070872**

Dear Secretary Camacho-Welch:

Enclosed for filing and consideration by the New Jersey Board of Public Utilities is a Stipulation to resolve the above-referenced proceeding.

Please direct any inquiries to the undersigned. Thank you for your consideration.

Respectfully yours,

A handwritten signature in black ink that reads "Deborah M. Franco".

Deborah M. Franco

cc: Service List (electronic only)

**IN THE MATTER OF THE PETITION OF
ELIZABETHTOWN GAS COMPANY
TO REVISE ITS ENERGY EFFICIENCY PROGRAM RIDER RATE
BPU DOCKET NO. GR19070872**

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**IN THE MATTER OF THE PETITION OF
ELIZABETHTOWN GAS COMPANY
TO REVISE ITS ENERGY EFFICIENCY PROGRAM RIDER RATE
BPU DOCKET NO. GR19070872**

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

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In the Matter of the Petition of :
Elizabethtown Gas Company to : **BPU Docket No. GR19070872**
Revise its Energy Efficiency Program :
Rider Rate : **FINAL STIPULATION**
-----X

APPEARANCES:

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Matko Ilic, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (Gurbir S. Grewal, Attorney General of New Jersey)

BACKGROUND

1. On July 31, 2019, Elizabethtown Gas Company (“Elizabethtown” or “Company”), filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) in BPU Docket No. GR19070872 to revise its Energy Efficiency Program (“EEP”) rider rate. (“2019 EEP Petition”)

2. The 2019 EEP Petition proposed to increase the Company’s EEP rate from \$0.0051 per therm to \$0.0074 per therm, inclusive of all applicable taxes.¹

3. The 2019 EEP Petition sought to reconcile EEP costs and cost recoveries for the period commencing July 1, 2018 through June 30, 2019 and to recover actual and forecast revenues for the period July 1, 2019 through June 30, 2020. The EEP rate enables Elizabethtown to recover the cost associated with Elizabethtown’s EEPs approved by the Board. The

¹ The Company’s EEP rate of \$0.0051 per therm was approved by Board Order dated April 18, 2019, in BPU Docket No. GR18080860.

Company's EEP consists of a range of rebates and related offers -- including, for example, various customer education and outreach initiatives -- that are designed to encourage customers to conserve energy and to provide them with information on how to lower their gas bills. In accordance with a Board order issued February 27, 2019, in BPU Docket No. GO18070682, Elizabethtown is authorized to offer its current EEP through February 29, 2020. On January 16, 2020, Elizabethtown filed a letter Petition to extend its EEP through December 31, 2021, which was approved by the Board at its February 19, 2020 meeting.

4. In response to discovery request S-ETG-EE-6, as well as updates throughout this proceeding, the amounts in the 2019 EEP Petition were updated with actual data through October 31, 2019 including an update to the carrying cost rate for over / under recoveries; resulting in a decrease in the proposed revenue recovery from \$3,220,675 to \$3,167,485 and yields a lower EEP rate per therm than the originally proposed EEP rate which was based on actual data through May 2019 and an estimate for June 2019. The update supports a decrease in the EEP rate from the proposed rate of \$0.0074 per therm to \$0.0073 per therm, the calculation of which is shown on Appendix A, and is the rate the Company is seeking here.

5. The 2019 EEP Petition was retained by the Board and public hearings were held in this proceeding on November 18, 2019, in Flemington, New Jersey, and on November 25, 2019, in Union, New Jersey. One (1) member of the public attended the November 18, 2019 hearing to offer general comments about the cost of gas.

6. Elizabethtown, Board Staff, and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") have engaged in discovery and have resolved all issues in this proceeding in accordance with the stipulation of settlement ("Stipulation") set forth below.

STIPULATED MATTERS

Based upon and subject to the terms and conditions set forth herein, the Parties stipulate and agree as follows:

Effective Date

A. The Parties acknowledge that the EEP rate change will become effective as of the effective date of a Board Order approving this Stipulation in accordance with N.J.S.A. 48:2-40 or upon such date thereafter as the Board may specify. (“Effective Date”)

Effective Rate

B. As of the Effective Date, the Company will implement an EEP rate of \$0.0073 per therm, inclusive of all applicable taxes, and that rate shall remain in effect until changed by Order of the Board. The calculation of this rate is set forth in Appendix A which is attached to this Stipulation.

C. The Company agrees that it will include with its EEP filings responses to the minimum filing requirements as set forth in Appendix B to this Stipulation.

D. Upon approval by the Board of the EEP rate reflected in this Stipulation, the Company will file with the Board a revised tariff sheet to reflect the EEP rate of \$0.0073 per therm, inclusive of all applicable taxes, as agreed to in this Stipulation. A draft tariff sheet is attached hereto as Appendix C, which includes actual changes to the tariff.

Rate Impact

E. The rate impact of the EEP rate change from \$0.0051 per therm to \$0.0073 per therm will increase the monthly bill of a typical residential heating customer using 100 therms by \$0.22, from \$104.13 to \$104.35, or an increase of 0.2%, as compared to the Company’s January 1, 2020 rates.

All Issues Resolved

F. Upon the Board's approval of this Stipulation, all issues related to Elizabethtown's EEP recoverable costs for the period July 1, 2018 through June 30, 2019 are deemed resolved for purposes of this proceeding but remain subject to audit by the Board.

Entirety of Stipulation

G. This Stipulation represents a mutual balancing of interests and, therefore, is intended to be accepted and approved in its entirety. In the event that the Board does not adopt this Stipulation in its entirety in an Order, then any Party hereto is free to pursue its then-available legal remedies with respect to all issues in this Stipulation as though this Stipulation had not been signed.

Binding Effect

H. It is the intent of the Parties that the provisions hereof be approved by the Board, as appropriate, as being in the public interest. The Parties further agree that they consider the Stipulation to be binding on them for all purposes herein.

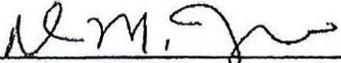
General Reservation

I. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, Elizabethtown, Board Staff, or Rate Counsel shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein. All rates remain subject to audit by the Board.

WHEREFORE, the Parties hereto do respectfully submit this Stipulation to the Board and request the Board to issue a Decision and Order approving this Stipulation in its entirety in accordance with the terms hereof.

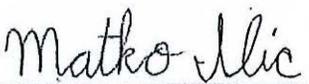
ELIZABETHTOWN GAS COMPANY

**STEFANIE A. BRAND
DIRECTOR, DIVISION OF
RATE COUNSEL**

By: 
**Deborah M. Franco
Director, Regulatory Affairs Counsel**

By: 
**Kurt S. Lewandowski, Esq.
Assistant Deputy Rate Counsel**

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ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the New Jersey Board of Public Utilities**

By: 
**Matko Ilic
Deputy Attorney General**

Dated: February 20, 2020

Docket No. GR19070872

ELIZABETHTOWN GAS COMPANY
ENERGY EFFICIENCY PROGRAM ("EEP")

EEP Schedule
TK-1 Revised

CALCULATION OF THE EEP RATE
through September 30, 2020
October 1, 2019 RECOVERY YEAR - 2020
Based on actuals through October 2019

1	Prior Year Balance - (Sch. TK-2)	June 30, 2018		\$957,513
	<u>Actual Amounts Through:</u>	June 30, 2019		
2	Current Year O&M Costs (Sch. TK-2)			\$282,295
3	Current Year Revenue Requirements (Sch. TK-2)			\$1,016,564
4	Current Year Recovery Credits (Sch. TK-2)			(\$878,103)
5	Current Year Carrying Costs (Sch. TK-2) *			<u>\$23,238</u>
6	Proforma Current Year TK-2 Ending Balance (Sum L1-L5)			\$1,401,507
7	<u>Projected Recoverables :</u>	June 30, 2020		
	- Revenue Requirements (Sch. TK-3)		\$1,459,111	
	- O&M Costs (Sch. TK-4)		<u>\$306,867</u>	<u>\$1,765,978</u>
8	Total Proposed Recoveries (L6+L7)			\$3,167,485
9	<u>12 Month Projected Normalized Sales and Services:</u>			
	- Residential and GLS		229,558,502	
	- Commercial		145,173,955	
	- Industrial		91,286,536	
	- NGV		126,053	
	- Cogeneration		0	466,145,046 therms
10	EEP Rate, before taxes (L8/L9)			\$0.0068 /therm
11	Sales & Use Tax @	6.625%		<u>\$0.0005</u>
12	EEP Rate (L10+L11)			<u><u>\$0.0073</u></u> /therm

* Carrying costs have been calculated using a commercial paper proxy rate.

**ELIZABETHTOWN GAS COMPANY
ENERGY EFFICIENCY PROGRAM (EEP) RATE FILING
MINIMUM FILING REQUIREMENTS (MFR) INDEX**

Minimum Filing Requirements	Schedule
1. Direct FTE employment impacts as defined in Paragraph 28 of the Stipulation, including a breakdown by sub-program	BJB-5
2. A monthly revenue requirement calculation based on program expenditures, showing the actual monthly revenue requirement for each of the past twelve months or clause-review period, as well as supporting calculations, including the information related to the tax rate and revenue multiplier used in the revenue requirement calculation	TK-3
3. For the review period, actual revenues, by month and by rate class recorded under the programs	TK-5
4. Monthly beginning and ending clause balances, as well as the average balance net of tax for the 12-month period	TK-2
5. The interest rate used each month for over/under recoveries, and all supporting documentation and calculations for the interest rate	TK-6
6. The interest expense to be charged or credited to ratepayers each month	TK-2, TK-6
7. A schedule showing budgeted versus actual program costs by the following categories: administrative (all utility costs), marketing/sales, training, rebates/incentives, including inspections and quality control, program implementation (all contract costs), evaluation, and any other costs	GM-1
8. The monthly journal entries relating to regulatory asset and O&M expenses for the 12 month review period	GM-1 (is a summary of the expenses as recorded in the Company's books; copies of the actual journal entries can be made available)
9. Supporting details for all administrative costs included in the revenue requirement	GM-1
10. Information supporting the carrying cost used for the unamortized costs	TK-6
11. Number of program participants, including a breakdown by sub-program	BJB-1
12. Estimated demand and energy savings, including a breakdown by sub-program	BJB-3
13. Emissions reductions from the Program, including a breakdown by sub-program	BJB-4
14. Estimated free ridership and spillover	Exhibit P-3 - Baatz testimony, page 22
15. Participant costs (net of utility incentives), including a breakdown by sub-program	Exhibit P-3 - Baatz testimony, page 20
16. Results of program evaluations, including a breakdown by sub-program	BJB-6
17. Separate cost and recovery information for each approved program and extension.	TK-7

RIDER "E"

ENERGY EFFICIENCY PROGRAM ("EEP")

Applicable to all Customers except those Customers under special contracts as filed and approved by the BPU and those customers exempted pursuant to the Long-Term Capacity Agreement Pilot Program ("LCAPP"), P.L. 2011 c.9, codified as N.J.S.A. 48:3-60.1. See the LCAPP Exemption Procedures at the end of the SBC, Rider "D."

The EEP shall be collected on a per therm basis and shall remain in effect until changed by order of the BPU. The applicable EEP rate is as follows:

\$0.~~0051~~0073 per therm

The rate applicable under this Rider includes provision for the New Jersey Sales and Use Tax, and when billed to customers exempt from this tax shall be reduced by the amount of such tax included therein.

In the "Global Warming Act," N.J.S.A.26-2C-45. or "RGGI Legislation" the State Legislature determined that global warming is a pervasive and dangerous threat that should be addressed through the establishment of a statewide greenhouse gas emissions reduction program. On May 8, 2008, the Board issued an Order (the "RGGI Order") pursuant to N.J.S.A. 48:3-98.1(c). The RGGI Order allowed electric and gas public utilities to offer energy efficiency and conservation programs on a regulated basis. The Company's energy efficiency programs were first authorized pursuant to Board orders issued in Docket Nos. EO09010056 and GO09010060. They were subsequently extended pursuant to Board orders issued in GO10070446, GO11070399, GO12100946, GO15050504, ~~and GR16070618~~ and GO18070682. The Company's current energy efficiency programs are effective through ~~December 31, 2018~~ December 31, 2021 and described below.

The EEP enables the Company to recover all costs associated with the following energy efficiency programs approved by the Board order dated ~~April 21, 2017~~ February 19, 2020 in BPU Docket Nos. ~~GR16070618 and GO15050504~~ GO18070682:

1. Residential gas HVAC and hot water heater incentive programs;
2. Residential home energy assessment program;
3. Residential home weatherization for income qualified customers program;
4. Commercial steam trap survey and repair program; and
5. Enhanced customer education and outreach initiatives designed to encourage customers to conserve energy and lower their gas bills.

Date of Issue: ~~November 14, 2019~~ xx2

Effective: Service Rendered
on and after ~~November 15,~~
~~2019~~ xx3

Issued by: Christie McMullen, President
520 Green Lane
Union, New Jersey 07083

Filed Pursuant to Order of the Board of Public Utilities
Dated ~~November 13, 2019~~ xx4 in Docket No. ~~GR19040486~~ GR19070872

CLEAN

RIDER "E"

ENERGY EFFICIENCY PROGRAM ("EEP")

Applicable to all Customers except those Customers under special contracts as filed and approved by the BPU and those customers exempted pursuant to the Long-Term Capacity Agreement Pilot Program ("LCAPP"), P.L. 2011 c.9, codified as N.J.S.A. 48:3-60.1. See the LCAPP Exemption Procedures at the end of the SBC, Rider "D."

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\$0.0073 per therm

The rate applicable under this Rider includes provision for the New Jersey Sales and Use Tax, and when billed to customers exempt from this tax shall be reduced by the amount of such tax included therein.

In the "Global Warming Act," *N.J.S.A.26-2C-45*. or "RGGI Legislation" the State Legislature determined that global warming is a pervasive and dangerous threat that should be addressed through the establishment of a statewide greenhouse gas emissions reduction program. On May 8, 2008, the Board issued an Order (the "RGGI Order") pursuant to *N.J.S.A. 48:3-98.1(c)*. The RGGI Order allowed electric and gas public utilities to offer energy efficiency and conservation programs on a regulated basis. The Company's energy efficiency programs were first authorized pursuant to Board orders issued in Docket Nos. EO09010056 and GO09010060. They were subsequently extended pursuant to Board orders issued in GO10070446, GO11070399, GO12100946, GO15050504, GR16070618 and GO18070682. The Company's current energy efficiency programs are effective through December 31, 2021 and described below.

The EEP enables the Company to recover all costs associated with the following energy efficiency programs approved by the Board order dated February 19, 2020 in BPU Docket No. GO18070682:

1. Residential gas HVAC and hot water heater incentive programs;
2. Residential home energy assessment program;
3. Residential home weatherization for income qualified customers program;
4. Commercial steam trap survey and repair program; and
5. Enhanced customer education and outreach initiatives designed to encourage customers to conserve energy and lower their gas bills.

Date of Issue: xx2

Effective: Service Rendered
on and after xx3

Issued by: Christie McMullen, President
520 Green Lane
Union, New Jersey 07083

Filed Pursuant to Order of the Board of Public Utilities
Dated xx4 in Docket No. GR19070872