



July 30, 2020

The Honorable Aida Camacho-Welch, Secretary  
N.J. Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350

Re: New Jersey Natural Gas Company  
Universal Service Fund  
Quarterly Report  
June 2020  
BPU Docket No. EX00020091

Dear Secretary Camacho-Welch:

Pursuant to the above, enclosed is the New Jersey Natural Gas Company's Universal Service Fund report for the quarter end June 30, 2020. Electronic copies of the attached schedules have already been provided to Richard Lambert and Peter Hilerio.

If you have any questions or comments, please call Marianne Harrell at (732) 938-1257.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Mark G. Kahrer', with a long horizontal flourish extending to the right.

Mark G. Kahrer  
Vice President – Regulatory Affairs

MH

Attachments

C: *(via email)*  
Alice Bator, BPU  
Maureen Clerc, BPU  
Paul Flanagan, BPU  
William Foley, BPU  
Richard Lambert, BPU  
Stefanie Brand, RC  
Sarah Steindel, RC

STATE OF NEW JERSEY )

SS :

COUNTY OF MONMOUTH )

**VERIFICATION**

MARK G. KAHRER, being duly sworn according to law, upon his oath, deposes and says that:

1. I am the Vice President of Regulatory Affairs for New Jersey Natural Gas Company and I am authorized to make this affidavit on behalf of New Jersey Natural Gas Company.
2. The attached schedules correctly portray the information set forth therein, to the best of my knowledge and belief.



MARK G. KAHRER

Sworn and subscribed before me this  
30th day of July 2020



Andrew K. Dembia

ATTORNEY AT LAW

STATE OF NEW JERSEY









**New Jersey Natural Gas Company  
USF/ Lifeline Billing and Remittance Summary**

USF/Lifeline Billing							USF/Lifeline Remittance						
		Units		USF		Total USF/Lifeline Billing	USF		Lifeline		Total USF/Lifeline Remittance		
		Billed		Rate	Billing		Rate	Billing	Remittance	Date		Remittance	Date
Oct-19	a	28,517,804		\$0.006200	\$176,810.38	\$0.005200	\$148,292.58	\$325,102.96	\$176,810.00	11/14/19	\$148,293.00	11/14/19	\$325,103
Nov-19	a	79,315,477		\$0.006200	\$491,755.96	\$0.005200	\$412,440.48	\$904,196	\$491,756.00	12/11/19	\$412,440.00	12/11/19	\$904,196
Dec-19	a	113,275,852		\$0.006200	\$702,310.28	\$0.005200	\$589,034.43	\$1,291,345	\$702,310.00	01/13/20	\$589,034.00	01/13/20	\$1,291,344
Jan-20	a	111,862,290		\$0.006200	\$693,546.20	\$0.005200	\$581,683.91	\$1,275,230	\$693,546.00	02/14/20	\$581,684.00	02/14/20	\$1,275,230
Feb-20	a	94,707,107		\$0.006200	\$587,184.06	\$0.005200	\$492,476.96	\$1,079,661	\$587,184.00	03/12/20	\$492,477.00	03/12/20	\$1,079,661
Mar-20	a	72,845,011		\$0.006200	\$451,639.07	\$0.005200	\$378,794.06	\$830,433	\$451,639.00	04/10/20	\$378,794.00	04/10/20	\$830,433
Apr-20	a	58,756,037		\$0.006200	\$364,287.43	\$0.005200	\$305,531.39	\$669,819	\$364,287.00	05/14/20	\$305,531.00	05/14/20	\$669,818
May-20	a	32,158,508		\$0.006200	\$199,382.75	\$0.005200	\$167,224.24	\$366,607	\$199,383.00	06/09/20	\$167,224.00	06/10/20	\$366,607
Jun-20	a	24,661,902		\$0.006200	\$152,805.61	\$0.005200	\$128,159.54	\$280,965	\$152,806.00	07/13/20	\$128,160.00	07/13/20	\$280,966
Jul-20	e	19,685,969		\$0.006200	\$122,053.01	\$0.005200	\$102,367.04	\$224,420	\$122,053.00		\$102,367.00		\$224,420
Aug-20	e	19,749,360		\$0.006200	\$122,446.03	\$0.005200	\$102,696.67	\$225,143	\$122,446.00		\$102,697.00		\$225,143
Sep-20	e	19,337,416		\$0.006200	\$119,891.98	\$0.005200	\$100,554.56	\$220,447	\$119,892.00		\$100,555.00		\$220,447
Total		674,872,734			\$4,184,112.76		\$3,509,255.86	\$7,693,369	\$4,184,112.00		\$3,509,256.00		\$7,693,368

Date Submitted: 7/30/2020
Prepared By: Marianne Harrell
Phone No.: 732-938-1257
E-mail: mharrell@njng.com

**New Jersey Natural Gas Company  
Calculation of USF Recovery**

	USF Credits Issued <sup>1</sup>	Fresh Start Forgiveness Granted	Total USF Benefits Provided	Admin and Other Credits	Total Due From Trust Fund	USF Funds Received From Trust Fund		Under/(Over) Recovery for the Month	Cumulative Under/Over Recovery excl. interest	
						Amount	Date			
Sep-19	a								\$1,016,793	
Oct-19	a	\$198,530	\$4,471	\$203,001	\$0	\$203,001	\$111,428	10/1/19 & 10/29/2019	\$91,573	\$1,108,367
Nov-19	a	\$166,742	\$4,058	\$170,801	\$0	\$170,801	\$0		\$170,801	\$1,279,167
Dec-19	a	\$189,814	\$3,751	\$193,565	\$0	\$193,565	\$98,141	12/19/19	\$95,424	\$1,374,592
Jan-20	a	\$200,673	\$3,613	\$204,286	\$0	\$204,286	\$635,412	1/13/20 & 1/31/2020	(\$431,126)	\$943,466
Feb-20	a	\$174,746	\$2,469	\$177,215	\$0	\$177,215	\$0		\$177,215	\$1,120,681
Mar-20	a	\$208,332	\$2,637	\$210,969	\$0	\$210,969	\$461,990	03/04/20	(\$251,021)	\$869,660
Apr-20	a	\$200,287	\$5,873	\$206,159	\$0	\$206,159	\$0		\$206,159	\$1,075,819
May-20	a	\$192,454	\$4,578	\$197,031	\$0	\$197,031	\$739,355	5/13/20 & 5/26/20	(\$542,323)	\$533,495
Jun-20	a	\$214,413	\$4,803	\$219,216	\$0	\$219,216	\$339,605	6/8/20 & 6/25/20	(\$120,389)	\$413,107
Jul-20	e	\$214,413	\$4,803	\$219,216	\$0	\$219,216	\$119,223		(\$120,389)	\$292,718
Aug-20	e	\$214,413	\$4,803	\$219,216	\$0	\$219,216	\$100,821		\$118,394	\$411,112
Sep-20	e	\$214,413	\$4,803	\$219,216	\$0	\$219,216	\$95,918		\$123,297	\$534,410
Total		\$2,389,230	\$50,661	\$2,439,891	\$0	\$2,439,891	\$2,701,894		(\$482,384)	

<sup>1</sup> Actual customer credits are based on the calendar month. Since the timing of cycle billing for a particular month may cross months, customer credits reported will vary from the credits in each cycle billing period.

Date Submitted: 7/30/2020 Prepared By: Marianne Harrell Phone No.: 732-938-1257 E-mail: mharrell@njng.com
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**New Jersey Natural Gas Company  
Calculation of USF Interest**

		<b>Beg Balance</b>	<b>Customer Benefits<sup>1</sup></b>	<b>Admin and Other Credits</b>	<b>Sub-Total</b>	<b>Amt Received From Trust Fund<sup>3</sup></b>	<b>Underrecovery Balance</b>	<b>Average Balance Net of Tax</b>	<b>Rate</b>	<b>Interest on Avg Balance</b>	<b>Cumulative Interest<sup>2,3</sup></b>	<b>Underrecovery and Interest Balance</b>
Sep-19	a						\$1,016,793					\$1,016,793
Oct-19	a	\$1,016,793	\$203,001	\$0	\$1,219,795	\$96,638	\$1,123,157	\$769,205	2.16%	\$1,385	\$1,385	\$1,124,542
Nov-19	a	\$1,123,157	\$170,801	\$0	\$1,293,958	\$0	\$1,293,958	\$868,832	2.16%	\$1,564	\$2,948	\$1,296,906
Dec-19	a	\$1,293,958	\$193,565	\$0	\$1,487,523	\$98,141	\$1,389,382	\$964,526	2.21%	\$1,776	\$4,725	\$1,394,107
Jan-20	a	\$1,389,382	\$204,286	\$0	\$1,593,668	\$635,412	\$958,256	\$843,858	2.18%	\$1,533	\$6,258	\$964,514
Feb-20	a	\$958,256	\$177,215	\$0	\$1,135,471	\$0	\$1,135,471	\$752,590	1.96%	\$1,229	\$7,487	\$1,142,958
Mar-20	a	\$1,135,471	\$210,969	\$0	\$1,346,440	\$461,990	\$884,450	\$726,061	1.44%	\$871	\$8,358	\$892,809
Apr-20	a	\$884,450	\$206,159	\$0	\$1,090,609	\$0	\$1,090,609	\$709,935	0.83%	\$491	\$8,849	\$1,099,459
May-20	a	\$1,090,609	\$197,031	\$0	\$1,287,641	\$739,355	\$548,286	\$589,101	0.80%	\$393	\$9,242	\$557,528
Jun-20	a	\$548,286	\$219,216	\$0	\$767,502	\$339,605	\$427,897	\$350,889	0.74%	\$216	\$9,458	\$437,356
Jul-20	e	\$427,897	\$219,216	\$0	\$647,113	\$119,223	\$527,889	\$343,557	0.83%	\$238	\$9,696	\$537,586
Aug-20	e	\$527,889	\$219,216	\$0	\$747,105	\$100,821	\$646,284	\$422,057	0.83%	\$292	\$9,988	\$656,272
Sep-20	e	\$646,284	\$219,216	\$0	\$865,500	\$95,918	\$769,581	\$508,933	0.83%	\$352	\$10,340	\$779,921

<sup>1</sup> Benefits include monthly customer credits and Fresh Start Forgiveness granted. Actual customer credits are based on the calendar month. Since the timing of cycle billing for a particular month may cross months, customer credits reported will vary from the credits in each cycle billing period.

<sup>2</sup> The Cumulative Interest should be added to the underrecovery balance at the end of the program year in order to determine the USF factor for the next program year.

<sup>3</sup> The amount received in October 2019 has been reduced by the prior year's interest.

Date Submitted: 7/30/2020 Prepared By: Marianne Harrell Phone No.: 732-938-1257 E-mail: mharrell@njng.com
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