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Deborah M. Franco, Esq.
VP/Rates, Regulatory & Sustainability

June 1, 2022

Electronic Filing

Carmen D. Diaz, Acting Board Secretary
and Acting Custodian
New Jersey Board of Public Utilities
44 South Clinton Avenue
P. O. Box 350
Trenton, NJ 08625-0350

**Re: In the Matter of the Petition of Elizabethtown Gas Company to Review Its Basic Gas Supply Service Rate and Its Conservation Incentive Program Rates
BPU Docket No. _____**

Dear Acting Board Secretary and Acting Custodian Diaz:

Enclosed herewith is Elizabethtown Gas Company's ("Company") Petition to Review its Basic Gas Supply Service Rate ("BGSS-P") and its Conservation Incentive Rates ("CIP"), which has been filed electronically today utilizing the Board's e-filing Program. In accordance with the New Jersey Board of Public Utilities ("BPU") March 19, 2020 and June 10, 2020 Orders issued in BPU Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

As discussed in the attached testimony, by this filing, the Company is seeking to adjust its BGSS-P rate due to a rise in the market prices for gas that have increased since the Company's last filing in 2021 and which are projected to stay at relatively high levels throughout the period covered by this Petition. The impact on the BGSS-P rate has been slightly offset by a credit in the proposed CIP rates. The Company has taken all reasonable steps to reduce its gas costs and manage the recent volatility experienced in the natural gas commodities market. The Company's efforts to reduce costs and manage volatility have included (1) continuing to execute its Gas Procurement Strategy and Plan on file with the Board, (2) maximizing credits to firm customers through the outsourcing of its gas supply and upstream capacity management and (3) employing its gas storage resources to reduce the Company's exposure to some of the volatility associated with wintertime price swings. The Company will continue to monitor market conditions and look for opportunities to lower costs and benefit our customers.

Please do not hesitate to contact me with any questions you may have. Thank you for your attention to this matter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Deborah M. Franco". The signature is fluid and cursive, with the first name being the most prominent.

Deborah M. Franco

DMF:slp
Enclosures

cc: Service list (electronically)



**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY
TO REVIEW ITS PERIODIC BASIC GAS SUPPLY SERVICE RATE AND
ITS CONSERVATION INCENTIVE PROGRAM RATES
BPU DOCKET NO. _____**

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

IN THE MATTER OF THE PETITION OF :
ELIZABETHTOWN GAS COMPANY TO :
REVIEW ITS PERIODIC BASIC GAS :
SUPPLY SERVICE RATE AND ITS :
CONSERVATION INCENTIVE PROGRAM :
RATES : **BPU DOCKET NO. _____**

CASE SUMMARY, PETITION, TESTIMONY AND SCHEDULES

June 1, 2022

credits to firm customers through the outsourcing of its gas supply and upstream capacity management and (3) employing its gas storage resources to reduce the Company's exposure to some of the volatility associated with wintertime price swings. The Company will continue to monitor market conditions and look for opportunities to lower costs and benefit our customers.

The increase in the BGSS-P rate is slightly offset by a decrease in the current CIP rates from \$0.0000 per therm to the following CIP rates, inclusive of applicable taxes:

RDS	SGS	GDS
(\$0.0023) per therm	(\$0.0556) per therm	(\$0.0076) per therm

The CIP program is an incentive-based conservation program. It requires Elizabethtown to limit its recovery from customers of non-weather-related margin revenue loss to the level of BGSS cost reductions Elizabethtown is able to achieve.

The proposed BGSS-P and CIP rate changes will increase the bill of a residential customer using 100 therms by \$23.69 from \$110.59 to \$134.28, an increase of 21.4% based on rates in effect June 1, 2022.

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

-----X
In The Matter Of The Petition Of Elizabethtown : **Docket No.** _____
Gas Company To Review Its Periodic Basic Gas :
Supply Service Rate And Its Conservation :
Incentive Program Rates : **PETITION**
-----X

To The Honorable Board of Public Utilities:

Petitioner, Elizabethtown Gas Company (“Petitioner” or “Company”), a public utility corporation duly organized under the laws of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities (“Board”), respectfully states:

Background

1. Petitioner's principal business office is located at 520 Green Lane, Union, New Jersey, 07083.

2. Communications and correspondence concerning these proceedings should be sent as follows:

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3. Petitioner is engaged in the business of transmission and distribution of natural and mixed gas to approximately 306,000 customers in its service territory located principally in Hunterdon, Mercer, Middlesex, Morris, Sussex, Union and Warren Counties.

Periodic Basic Gas Supply Service

4. Pursuant to the terms of the Basic Gas Supply Service (“BGSS”) clause contained in Petitioner’s tariff as approved by the Board’s Order dated March 30, 2001 in BPU Docket No. GX99030121 and GO99030122, and as modified by the Board’s Orders dated December 7, 2001 in Docket No. GR01110771, *et al.*, November 22, 2002 in Docket No. GR02040245, January 6, 2003 in Docket No. GX01050304 and December 17, 2009 in Docket No. GR09030195, Petitioner proposes to increase the current Periodic BGSS (“BGSS-P”) rate and submits this filing to account for the actual and forecasted gas costs and BGSS rates for the twelve (12) month period from October 1, 2021 through September 30, 2022 (“Base BGSS Year”). The Base BGSS Year consists of actual data for the seven (7) months ended April 30, 2022 and projected data for the period from May 1, 2022 through September 30, 2022. In addition, presented in this filing is the forecast for the period from October 1, 2022 through September 30, 2023 (“the BGSS Year”). The information and data contained in this Petition and in the supporting Exhibits and Schedules are intended to comply with the "Annual BGSS Minimum Filing Requirements" (“MFRs”) adopted by the Board’s Order dated June 20, 2003 in Docket No. GR02120945, *et al* and revised by the Board’s Order dated May 22, 2018 in Docket No. GR17060590, *et al* (“MFR Settlement”).

5. In accordance with the Board’s Order dated January 6, 2003 in Docket No. GX01050304 as amended by the Board’s Order dated December 17, 2009 in Docket No. GR09030195, Petitioner recovers gas costs from its residential, small commercial and gas light sales service classes through the BGSS-P rate. Petitioner recovers gas costs from its firm large

commercial, industrial and electric generation customers through the assessment of the Monthly BGSS (“BGSS-M”) rate. Under Petitioner’s tariff, the BGSS-P rate consists of a gas cost component (“GCC-P”) and a capacity cost component (“CCC-P”) and is adjusted to reflect the projected beginning over or underrecovery balance from the prior period. The CCC-P established in this proceeding is also used to determine the Monthly BGSS-M rate. However, BGSS-M rates are not established in this proceeding; they are established on a monthly basis.

6. In Petitioner’s last annual BGSS-P filing in BPU Docket No. GR21060876, a BGSS-P rate of \$0.4254 per therm inclusive of tax was approved on a provisional basis on November 17, 2021. The BGSS-P rate was adjusted to \$0.4798 per therm inclusive of tax when the Company exercised a self-implementing 5% increase, as authorized by the Board’s Order dated November 17, 2021 in BPU Docket No. GX01050304, effective December 1, 2021. The BGSS-P rate of \$0.4798 per therm inclusive of tax was approved on a final basis by the Board’s Order dated March 23, 2022 in BPU Docket No. 21060876, effective March 30, 2022.

7. Petitioner proposes to increase its current BGSS-P rate of \$0.4798 per therm to \$0.7190 per therm, inclusive of tax.

8. Petitioner projects that its recoverable gas costs at the calculated rate would be approximately \$57.6 million higher than the level recoverable through its current BGSS-P rate in the BGSS Year. Petitioner’s proposed BGSS-P rate is based on a CCC-P of \$0.2289 per therm, excluding tax, which also will be used to establish BGSS-M rates. Petitioner projects that it will begin the BGSS Year with a gas cost underrecovery balance of approximately \$0.7 million.

9. As discussed by Company witness Leonard J. Willey, the calculated increase in the BGSS-P rate is due primarily to the rise in commodity gas costs that have increased since the Company’s last BGSS filing in 2021 and which are projected to stay at relatively high levels

throughout the period covered by this filing. Specifically, since the Company's last filing there has been a 38% increase in the NYMEX May 10, 2022 strip for the winter period November through March in this filing as compared to these months in last year's update filing using the NYMEX strip as of October 21, 2021 upon which current rates are predicated. These additional costs were partially offset by credits to firm customers as a result of the outsourcing of Petitioner's gas supply and upstream capacity management to South Jersey Resources Group LLC ("SJRG") in accordance with the Board's Order dated June 22, 2018 in BPU Docket No. GM17121309 ("June 2018 Order"). In its June 2018 Order, the Board authorized Elizabethtown to enter into the asset management agreement with SJRG for a term ending March 31, 2022. The Board authorized the Company to extend its agreement with SJRG for an additional two-year term, April 1, 2022 through March 31, 2024, while Petitioner transitions its gas supplier/asset manager function to in-house, in accordance with the Board's Order dated March 23, 2022 in BPU Docket No. GR21040723 ("March 2022 Order").

10. Petitioner has taken all reasonable steps to reduce its gas costs and manage the recent volatility experienced in the natural gas commodities market. As discussed by Company witness Willey, Petitioner's efforts to reduce costs and manage volatility have included (1) continuing to execute its Gas Procurement Strategy and Plan on file with the Board, (2) maximizing credits to firm customers through the outsourcing of its gas supply and upstream capacity management with SJRG (as noted above) and (3) employing its gas storage resources to reduce Petitioner's exposure to some of the volatility associated with wintertime price swings. Petitioner's purchases of gas supply have been effectuated at prices consistent with market conditions as required by *N.J.S.A.* 48:3-58(t). The Company will continue to monitor market conditions and look for opportunities to lower costs and benefit our customers.

Conservation Incentive Program

11. Pursuant to the terms of the Conservation Incentive Program (“CIP”) clause approved by the Board’s Order dated April 7, 2021 in combined Docket Nos. QO19010040 and GO20090619 (“EEP-CIP Order”), Petitioner proposes to decrease the current CIP rates and submits this annual CIP cost recovery filing to account for actual and estimated data for the twelve (12) month period from July 1, 2021 through June 30, 2022 (“CIP Annual Period”). The CIP Annual Period consists of actual data for the ten (10) months ended April 30, 2022 and estimated data for the period May 1, 2022 through June 30, 2022. The information and data contained in this Petition and in the supporting CIP Exhibits and Schedules are intended to comply with the requirements of the EEP-CIP Order.

12. As discussed by Company Witness Kaufmann, the results of both the Modified BGSS Savings Test and Variable Margin Test indicate the Company is not subject to a disallowance for the CIP Annual Period ended June 30, 2022.

13. Pursuant to the EEP-CIP Order, the CIP will not operate to cause the Company to earn in excess of its allowed rate of return on common equity of 9.6% plus 50 basis points for any twelve-month period ending June 30th. The results of the Earnings Test indicate the Company is not subject to a disallowance for the CIP Annual Period ended June 30, 2022.

14. As discussed by Company Witness Vetri, the Company is committed to providing annual shareholder funding of CIP programs in the amount of \$384,000 by September 30, 2022.

15. Petitioner proposes to decrease its current CIP rates set at \$0.0000 per therm for the period from October 1, 2021 through September 30, 2022 to the following CIP rates, inclusive of tax, effective October 1, 2022:

RDS	SGS	GDS
(\$0.0023) per therm	(\$0.0556) per therm	(\$0.0076) per therm

Supporting Testimony

16. Annexed hereto and made a part of this Petition is the testimony of Company witness Thomas Kaufmann, Manager of Rates and Tariffs for Petitioner, which Petitioner suggests be marked as Exhibit P-1. The BGSS and CIP schedules listed below are attached and referred to in Exhibit P-1, which Petitioner suggests be marked as indicated. Where noted, the following schedules contain information responsive to the BGSS MFRs set forth in the BGSS MFR Settlement:

(a) BGSS Schedules TK-1 to TK-11 present data for the BGSS year ending September 30, 2022 (these schedules provide data responsive to MFRs 4, 5, 6, 7, 10, 11, 12, 13, and 15);

(b) CIP Schedules TK-1 to TK-6 support the calculations of the CIP margin excess or deficiency and the Modified BGSS Savings Test, Variable Margin Test and Earnings Test for the CIP Annual Period ending June 30, 2022; and

(c) Tariff Schedule TK-1 sets forth the revised tariff sheets to implement the proposed rates for both BGSS (this schedule provides data responsive to MFR 1) and CIP.

17. Also annexed hereto and made a part of this Petition is the testimony of Company witness Leonard Willey, Manager - Gas Supply, which Petitioner suggests be marked as Exhibit P-2. The BGSS schedules listed below are attached and referred to in Exhibit P-2, which Petitioner suggests be marked as indicated.

(a) Schedules LJW-1 through LJW-15 support the calculated BGSS-P rate and reflect projected data for the period from October 1, 2022 through September 30, 2023 (these schedules provide data responsive to MFRs 2, 4, 5, 6, 7, 8, 11, 12 and 17);

(b) Schedule LJW-16 presents historical and estimated supply and demand requirements with Design Peak Day for Petitioner for the period from November 2018 through October 2027 (this schedule provides data responsive to MFR 14); and

(c) Schedule LJW-17 presents changes to firm transportation and storage contracts (this schedule provides data responsive to MFR 18) ; and

(d) Schedule LJW-18 presents the BGSS savings used in the calculation of the Modified BGSS Savings Test on CIP Schedule TK-4.

18. Also annexed hereto and made a part of this Petition is the testimony of Company witness Frank Vetri, Manager – Energy Efficiency Programs, which Petitioner suggests be marked as Exhibit P-3. The CIP schedule listed below is attached and referred to in Exhibit P-3, which Petitioner suggests be marked as indicated.

(a) Schedule FJV-1

Miscellaneous

19. Petitioner is serving notice and a copy of this Petition, together with a copy of the exhibits and schedules annexed hereto on the Director, Division of Rate Counsel via electronic mail in lieu of submitting hard copies. In accordance with the BPU's March 19, 2020 and June 10, 2020 Orders issued in BPU Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

20. Similarly, Petitioner is also serving this notice and a copy of this Petition on the Department of Law and Public Safety via electronic mail in lieu of submitting hard copies which can be provided at a later time, if needed.

21. In accordance with MFR 3 and to expedite consideration of this matter, Petitioner is attaching as Appendix A, a form of public notice, setting forth the proposed combined impact

of BGSS-P and CIP rates on typical gas bills at various winter therm utilization levels. As discussed in the notice, and in accordance with the Board's January 6, 2003 Order in BPU Docket No. GX01050304, Petitioner's form of notice provides notice to the public that Petitioner may seek to implement provisional increases to the BGSS-P rate of up to 5% of a 100 therm residential total bill to be effective on December 1, 2022 and February 1, 2023. Petitioner may submit such provisional increases if they are necessary to permit Petitioner to avoid a BGSS underrecovery balance at September 30, 2023.

WHEREFORE, Petitioner respectfully requests that the Board (1) accept Petitioner's filing to become effective as of October 1, 2022, (2) approve Petitioner's request to increase its current BGSS-P rate from \$0.4798 per therm to \$0.7190 per therm, inclusive of tax, (3) approve Petitioner's request to decrease the current CIP rates from \$0.0000 per therm to the following CIP rates, inclusive of applicable taxes:

RDS	SGS	GDS
(\$0.0023) per therm	(\$0.0556) per therm	(\$0.0076) per therm

and (4) grant such other relief as the Board may deem just and proper.

Respectfully submitted,

Elizabethtown Gas Company



By: _____

Deborah M. Franco
VP/Rates, Regulatory & Sustainability
SJI Utilities, Inc.

Dated: June 1, 2022

VERIFICATION

I, Cindy Capozzoli, of full age, being duly sworn according to law, upon my oath, depose and say:

1. I am Director, Rates of SJI Utilities Inc., the parent company to Elizabethtown Gas Company (“Company”) and I am authorized to make this verification on behalf of the Company.

2. I have reviewed the within petition and the information contained therein is true according to the best of my knowledge, information and belief.

Cindy Capozzoli

Cindy Capozzoli
Director, Rates

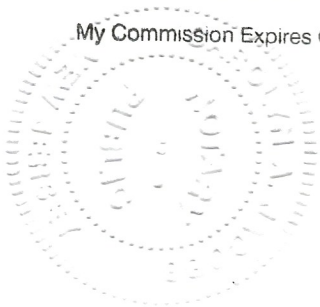
Sworn to and subscribed
before me this 1st day
of June 2022

Carolyn A. Jacobs

CAROLYN A. JACOBS

NOTARY PUBLIC OF NEW JERSEY

My Commission Expires October 28, 2023



NOTICE OF PUBLIC HEARINGS

**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY
TO REVIEW ITS BASIC GAS SUPPLY SERVICE RATE
AND CONSERVATION INCENTIVE PROGRAM RATES
BPU Docket No. _____**

PLEASE TAKE NOTICE that on June 1, 2022, Elizabethtown Gas Company (“Elizabethtown” or “Company”), filed a petition with the New Jersey Board of Public Utilities (“BPU” or “Board”) in Docket No. GR _____ to review its Periodic Basic Gas Supply Service (“BGSS-P”) rate and Conservation Incentive Program (“CIP”) rates (“Petition”). The Petition proposes to increase the current BGSS-P rate from \$0.4798 per therm to \$0.7190 per therm, inclusive of applicable taxes, and decrease CIP rates from \$0.0000 per therm to the following CIP rates per therm, inclusive of applicable taxes:

<u>Residential</u> <u>Delivery Service</u> (\$0.0023)	<u>Small General</u> <u>Service</u> (\$0.0556)	<u>General Delivery</u> <u>Service</u> (\$0.0076)
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The proposed BGSS-P and CIP rate changes will increase the bill of a residential customer using 100 therms by \$23.69 from \$110.59 to \$134.28, an increase of 21.4% based on rates in effect June 1, 2022.

If approved, the effect of the Company's Petition on typical residential gas bills is illustrated below:

<u>Consumption in</u> <u>Therms</u>	<u>Present Bill</u> <u>June 1, 2022</u>	<u>Proposed Bill</u> <u>October 1, 2022</u>	<u>Proposed Change</u>	<u>Percent Change</u>
10	\$20.06	\$22.43	\$2.37	11.8%
50	\$60.30	\$72.14	\$11.84	19.6%
100	\$110.59	\$134.28	\$23.69	21.4%
250	\$261.48	\$320.70	\$59.22	22.6%

The BGSS-P component of the Petition was filed pursuant to an Order issued by the Board on January 6, 2003, Docket No. GX01050304, wherein the proposed rate may be subject to self-implementing rate increases upon thirty days written notice to the BPU and the New Jersey Division of Rate Counsel (“Rate Counsel”). Any such self-implementing rate increases will be limited to a maximum of five percent (5%) of the total residential bill using 100 therms, effective December 1, 2022, and to a maximum of five percent (5%) of the total residential bill using 100 therms, effective February 1, 2023. Should it become necessary to apply both the December 1st and February 1st self-implementing increases, the cumulative impact of these increases on typical residential gas bills is illustrated below:

<u>Consumption</u> <u>in Therms</u>	<u>Proposed Bill</u> <u>October 1, 2022</u>	<u>Potential Bill</u> <u>Dec. and Feb. 1st Inc.</u>	<u>Potential</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
10	\$22.43	\$23.81	\$1.38	6.2%
50	\$72.14	\$79.02	\$6.88	9.5%
100	\$134.28	\$148.04	\$13.76	10.2%
250	\$320.70	\$355.10	\$34.40	10.7%

These self-implementing increases will be provisional and subject to review in connection with the next annual BGSS filing. Elizabethtown is permitted to decrease its BGSS-P rate at any time upon five (5) days notice and the filing of supporting documentation with the Board and Rate Counsel.

The Board has the statutory authority to establish Elizabethtown's rates at levels it finds just and reasonable as well as to establish the effective date of such rates. Therefore, the BPU may establish the rates at levels and/or an effective date other than those proposed by Elizabethtown.

PLEASE TAKE FURTHER NOTICE that due to the COVID-19 Pandemic, virtual-telephonic public hearings have been scheduled on the following date and times below so that members of the public may present their views on the Company's Petition:

Date: TBD

Hearing Times: 4:30 p.m. and 5:30 p.m.

Members of the public may present their views on the Petition during the public hearing by dialing the toll-free telephone number listed below, followed by entering the listed passcode when prompted.

Dial In: 866-984-3163

Conference ID: TBD

Copies of Elizabethtown's Petition can be reviewed on the Company's website at www.elizabethtowngas.com/rates-and-tariff under regulatory information. The Petition is also available to review online through the Board's website, <https://publicaccess.bpu.state.nj.us> where you can search by the above-captioned docket number. The Petition and Board file may also be reviewed at the Board located at 44 South Clinton Avenue, 1st Floor, Trenton, NJ, with an appointment. To make an appointment, please call (609) 913-6298.

Representatives of the Company, Board Staff and Rate Counsel will participate in the virtual-telephonic public hearings. Members of the public are invited to participate by utilizing the Dial-In and Conference ID set forth above and may express their views on this Petition. All comments will be made part of the final record of the proceeding and will be considered by the Board. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters or listening assistance, 48 hours prior to the above hearings to the Board Secretary at board.secretary@bpu.nj.gov.

The Board will also accept written and/or electronic comments. While all comments will be given equal consideration and will be made part of the final record of this proceeding, the preferred method of transmittal is via the Board's Public Document Search tool. Search for the docket number listed above, and post by utilizing the "Post Comments" button. Emailed comments may also be filed with the Secretary of the Board, in pdf or Word format, to board.secretary@bpu.nj.gov.

Written comments may be submitted to the Acting Board Secretary, Carmen D. Diaz, at the Board of Public Utilities, 44 South Clinton Avenue, 1st Floor, Post Office Box 350, Trenton, NJ 08625-0350. All emailed or mailed comments should include the name of the Petition and the docket number. All comments are considered "public documents" for purposes of the State's Open Public Records Act. Commenters may identify information that they seek to keep confidential by submitting them in accordance with the confidentiality procedures set forth in N.J.A.C. 14:1-12.3.

Elizabethtown Gas Company
Christie McMullen – President and Chief Operating Officer

**Elizabethtown Gas Company
2022 / 2023 BGSS Filing**

MINIMUM FILING REQUIREMENT (MFR) INDEX

<u>Minimum Filing Requirement</u>	<u>Schedule(s)</u>
1. Motion, Supporting Testimony & Tariff Modifications	Petition, Testimony, TK-12
2. Computation of Proposed BGSS Rates	LJW-1, LJW-3
3. Public Notice with Proposed Impact on Bills	Petition
4. Actual and Forecasted Refund Amounts	TK-3, LJW-9
5. Cost of Gas Sendout by Component	TK-2, TK-5, TK-7, LJW-2, LJW-4, LJW-6, LJW-7, LJW-10, LJW-11
6. BGSS Contribution and Credit Offsets	TK-3, TK-4, LJW-9, LJW-12
7. Over/Under Recovery Comparisons	TK-1, TK-6, LJW-3
8. Wholesale Gas Pricing Assumptions	LJW-7, LJW-13
9. GCUA Recoveries and Balances	not applicable
10. Historical Service Interruptions	TK-9
11. Gas Price Hedging Activities	TK-11, LJW-14
12. Storage Gas Volumes, Prices and Utilization	TK-7, LJW-10
13. Affiliate Gas Supply Transactions	TK-8
14. Projected Supply and Demand Data with Design Peak Day	LJW-16
15. Actual Peak Day Supply and Demand	TK-10
16. Capacity Contract Changes	Testimony - L J Willey pgs. 16, 18
17. FERC Pipeline Activities	LJW-15
18. Changes to Firm Transportation and Storage Contracts	LJW-17

**ELIZABETHTOWN GAS COMPANY
DIRECT TESTIMONY OF
THOMAS KAUFMANN**

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 **A.** My name is Thomas Kaufmann. My business address is 520 Green Lane, Union,
4 New Jersey 07083.

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 **A.** I am employed by Elizabethtown Gas Company (“Elizabethtown” or “Company”) as
7 Manager of Rates and Tariffs.

8 **Q. WHAT IS THE SCOPE OF YOUR DUTIES AT ELIZABETHTOWN?**

9 **A.** I am responsible for designing and developing rates and rate schedules for regulatory
10 filings with the New Jersey Board of Public Utilities (“Board”) and internal
11 management purposes. I also oversee daily rate department functions, including tariff
12 administration, monthly parity pricing, competitive analyses and preparation of
13 management reports.

14 **Q. PLEASE DESCRIBE YOUR PROFESSIONAL QUALIFICATIONS AND**
15 **BUSINESS EXPERIENCE.**

16 **A.** In June 1977, I graduated from Rutgers University, Newark, N.J. with a
17 Bachelor of Arts degree in Business Administration, majoring in accounting and
18 economics. In July 1979, I graduated from Fairleigh Dickinson University, Madison,
19 N.J. with a Masters of Business Administration, majoring in finance.

20 My professional responsibilities have encompassed financial analysis,
21 accounting, planning, and pricing in manufacturing and energy services companies
22 in both regulated and unregulated industries. In 1977, I was employed by Allied

1 Chemical Corp. as a staff accountant. In 1980, I was employed by Celanese Corp. as
2 a financial analyst. In 1981, I was employed by Suburban Propane as a Strategic
3 Planning Analyst, promoted to Manager of Rates and Pricing in 1986 and to Director
4 of Acquisitions and Business Analysis in 1990. In 1993, I was employed by
5 Concurrent Computer as Manager, Pricing Administration. In 1996, I joined NUI
6 Utilities Inc., now part of South Jersey Industries, Inc., as a Rate Analyst, was
7 promoted to Manager of Regulatory Support in August 1997, Manager of Regulatory
8 Affairs in February 1998, and named Manager of Rates and Tariffs in July 1998.

9 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

10 **A.** In connection with the Company's petition to review its Periodic Basic Gas Supply
11 Service ("BGSS-P") charge, the purpose of my testimony is to support the annual
12 reconciliation of gas costs and recoveries for the period from October 1, 2021 through
13 September 30, 2022 ("Base BGSS Year"). Company Witness Leonard J. Willey
14 testimony supports the projected period from October 1, 2022 through September 30,
15 2023 ("BGSS Year"). I will also discuss the calculation of the proposed Conservation
16 Incentive Program ("CIP") rates to be charged to the Company's customer classes
17 subject to the CIP proposed to become effective October 1, 2022.

18 **Q. DO YOU SPONSOR ANY SCHEDULES AS PART OF YOUR TESTIMONY?**

19 **A.** Yes. My testimony includes the following schedules which were prepared under my
20 supervision and direction. BGSS Schedules TK-1 to TK-11 present data for the Base
21 BGSS Year. These schedules contain information responsive to a number of the
22 Minimum Filing Requirements ("MFRs") that were required by the Board's Order
23 dated June 20, 2003 in Docket Nos. GR02120945 et al. and revised by the Board's
24 Order dated May 22, 2018 in Docket No. GR17060590, et al. Specifically, they

1 provide information responsive to MFRs 4, 5, 6, 7, 10, 11, 12, 13, and 15. CIP
2 Schedules TK-1 to TK-5, and TK-6 if filing to recover a deficiency, present data used
3 to calculate the proposed CIP rates. Tariff Schedule TK-1 consists of revised tariff
4 sheets in redlined and clean form necessary to implement the proposed BGSS-P and
5 CIP rates.

6 **II. BGSS**

7 **Q. WHAT ARE THE RESULTS FOR THE BASE BGSS YEAR?**

8 **A.** BGSS Schedules TK-1 through TK-7 present the actual and projected data that
9 support the results for the Base BGSS Year. Based on actual data through April 2022
10 and projections for the period from May 2022 through September 2022, the Company
11 projects that the BGSS clause will be under-recovered by \$719,944 as of September
12 30, 2022.

13 **Q. HOW WERE THE PROJECTIONS FOR THE PERIOD MAY THROUGH**
14 **SEPTEMBER 2022 DEVELOPED?**

15 **A.** The prices for gas were developed employing the same methodology described by
16 Mr. Willey for the projected BGSS Year. The purchase quantities reflect the projected
17 sales requirements based upon normal 10-year weather and planned storage
18 injections in preparation for the upcoming winter. Gas cost recoveries were projected
19 by applying the current BGSS rate, excluding taxes, to the projected level of firm
20 sales that will be subject to the BGSS-P rate. For firm commercial sales subject to
21 the Monthly Basic Gas Supply Service (“BGSS-M”) rate, gas cost recoveries were
22 developed using a projection of the BGSS-M rates based on the forecast of gas prices.
23 Other gas cost recoveries and credits to gas costs were projected in the same manner

1 as set forth in the BGSS Year. Mr. Willey discusses the Company's sales forecast in
2 his testimony.

3 **Q. PLEASE EXPLAIN BGSS SCHEDULE TK-1.**

4 **A.** BGSS Schedule TK-1 is a reconciliation of gas costs and recoveries for the Base BGSS
5 Year.

6 BGSS Schedule TK-1 is presented in three sections: 1) recoverable costs, 2) gas
7 cost recoveries, and 3) the difference between these amounts, which represents the over
8 or under recovery of gas costs.

9 Recoverable costs are the costs of the gas delivered less supplier refunds, credits
10 and other adjustments.

11 Gas cost recoveries represent the cost of gas that the Company has recovered
12 through firm and non-firm sales. Firm recoveries are broken down among recoveries
13 from monthly and periodic firm sales. If the gas cost recoveries are greater than the
14 recoverable costs the Company has incurred, the Company is over-recovered.
15 Conversely, if the gas cost recoveries are less than the recoverable costs, the Company
16 is under-recovered. The elements of BGSS Schedule TK-1 are explained in more detail
17 below.

18 Recoverable Costs

19 This section presents the components of net recoverable costs that the Company
20 has incurred. Column 1 of BGSS Schedule TK-1 presents the gas sendout, in dollars,
21 for each month. These amounts, as detailed in BGSS Schedule TK-2, represent the
22 dollar value of gas that flowed into the Company's distribution system during the months
23 indicated.

1 Column 2 of BGSS Schedule TK-1 presents refunds received from suppliers,
2 off-system sales and capacity release credits, and other credits and charges. Refunds
3 from suppliers are generally made as a result of actions taken by the Federal Energy
4 Regulatory Commission ("FERC"). The detail of these amounts, including related
5 FERC docket numbers, are listed on BGSS Schedule TK-3. Off-system sales and
6 capacity release credits to the BGSS-P are detailed on BGSS Schedule TK-4.

7 Also included in Column 2 of BGSS Schedule TK-1 are amounts associated
8 with credits received by the Company under the terms of the Asset Management and
9 Agency Agreement with South Jersey Resources Group LLC ("SJRG"). The
10 agreement with SJRG is described more fully by Mr. Willey. Under the agreement,
11 the Company has designated SJRG as its agent to manage its capacity. In addition to
12 certain credits being realized by the Company under long-term capacity release
13 agreements, Elizabethtown receives a negotiated fee from SJRG as compensation for
14 permitting the supplier to act as its asset manager and gas supplier. The amounts in
15 Column 2 of BGSS Schedule TK-1 reflect asset management fee credits received
16 and/or projected to be received from SJRG during the Base BGSS Year.

17 Column 3 of BGSS Schedule TK-1 presents the monthly totals of net
18 recoverable costs which are equal to gas sendout (Column 1) less supplier refunds,
19 credits and other adjustments of recoverable costs (Column 2).

20 Gas Cost Recoveries

21 Columns 4 through 8 on BGSS Schedule TK-1 present the recoveries from
22 customers of the Company's recoverable gas costs during the Base BGSS Year, as
23 shown in more detail on BGSS Schedule TK-5.

1 Column 4 presents recoveries of gas costs from sales to residential and small
2 commercial customers that are subject to the BGSS-P rate. Column 5 presents
3 recoveries of gas costs from sales to the Company’s larger commercial customers who
4 are subject to the BGSS-M rate. Column 6 presents the monthly totals of the gas cost
5 recoveries from firm sales. Column 7 presents recoveries of gas costs from sales to non-
6 firm customers. Column 8 presents the monthly totals of the gas cost recoveries from
7 firm and non-firm sales.

8 (Over) Under Recovery

9 Column 9 of BGSS Schedule TK-1 presents the monthly (over) or under-
10 recovery of gas costs, which is the difference between net recoverable costs (Column 3)
11 and total gas cost recoveries (Column 8).

12 Column 10 of BGSS Schedule TK-1 is the accumulation of the monthly
13 amounts from Column 9 added to the preceding month's cumulative balance. The
14 October 1, 2021 beginning balance of \$1,033,546 is the carry-forward balance of the
15 actual over-recovery of gas costs during the BGSS period from October 1, 2020 through
16 September 30, 2021. The carry forward balance also includes interest due to customers
17 for the period, if any, from over-recovered balances. Interest was due to customers for
18 the BGSS period ending September 30, 2021 in the amount of \$274,420. During the
19 Base BGSS Year, the Company is projecting that no interest will be due to customers
20 as shown on BGSS Schedule TK-6, which is more fully discussed below.

21 **Q. PLEASE EXPLAIN BGSS SCHEDULE TK-2.**

22 **A.** BGSS Schedule TK-2 is a statement of combined gas sendout for the Base BGSS Year.
23 This schedule supports the amounts shown in Column 1 of BGSS Schedule TK-1.

Exhibit P-1

1 Columns 1 and 2 of BGSS Schedule TK-2, page 1, reflect the monthly total
2 quantity and cost, respectively, of gas and fuel purchased (natural gas and liquefied
3 natural gas (“LNG”)) in the periods indicated. Column 1 shows the quantities purchased
4 in dekatherms. Column 3 shows the average rate.

5 Columns 4, 5 and 6 of BGSS Schedule TK-2, page 1, show the adjustment to
6 the prior month’s ending inventory balance, the total inventory at the beginning of each
7 month, and the total at the end of each month, respectively, all in dekatherms. Column
8 9 reflects the quantities of gas sendout in dekatherms and is calculated by adding the
9 purchases for the month (Column 1) to the adjusted beginning inventory balance
10 (Column 5) and subtracting the ending inventory balance (Column 6). The adjustment
11 to the beginning inventory (Column 4) is then added or subtracted from this calculated
12 amount, as it is also included in the ending inventory balance. The result represents the
13 gas sendout quantity for the month.

14 **Q. HOW IS THE DOLLAR AMOUNT OF SENDOUT CALCULATED?**

15 **A.** For each type of inventory (natural gas and LNG), an average monthly relief rate is
16 applied to the total of the withdrawal volumes to arrive at the sendout dollars. The
17 balances and activity in each of these types of storage are detailed in BGSS Schedule
18 TK-7. The dollar amount presented in Column 10 of BGSS Schedule TK-2, page 1,
19 includes the cost of sendout for all inventory withdrawals, demand costs and the cost of
20 gas and fuel delivered directly to the city gate.

21 Column 11 of BGSS Schedule TK-2, page 1, presents the composite average
22 monthly rate. It is computed by dividing the total dollars of sendout (Column 10) by
23 the total volumes of gas sendout (Column 9).

24 **Q. PLEASE EXPLAIN BGSS SCHEDULE TK-6.**

1 **A.** BGSS Schedule TK-6 is a computation of interest on the cumulative (over) or under-
2 recovery for the Base BGSS Year. Interest on the cumulative (over) or under-
3 recovery was computed on the average of the beginning and ending balances for each
4 month, using a rate equivalent to one-twelfth of Elizabethtown's authorized annual
5 rate of return of 7.131%. The cumulative (over) or under-recovery amounts used in
6 these calculations are from Column 10 of BGSS Schedule TK-1. The schedule shows
7 a projected interest amount of \$49,064 due the Company. Since the Company is not
8 entitled to collect interest on BGSS balances, no interest will be charged or credited
9 for this period.

10 **Q.** **HAS THE COMPANY INCLUDED THE AMOUNT OF INTEREST SET**
11 **FORTH ON SCHEDULE TK-6 IN THE DERIVATION OF THE PROPOSED**
12 **BGSS-P RATE?**

13 **A.** No. As noted above, the Company is not entitled to collect interest on BGSS-P
14 balances; therefore, we have not included the interest set forth on BGSS Schedule
15 TK-6 in the derivation of the BGSS-P rate.

16 **Q.** **HAS THE COMPANY CONDUCTED ANY GAS SUPPLY OR CAPACITY**
17 **TRANSACTIONS WITH AFFILIATES DURING THE BASE BGSS YEAR?**

18 **A.** Yes. As I noted previously, the Company entered into a gas supply and asset
19 management agreement with SJRG. As discussed by Mr. Willey, the agreement with
20 SJRG permits Elizabethtown to purchase firm gas supply requirements at prices
21 consistent with market conditions. The Company's net purchases from SJRG are set
22 forth on BGSS Schedule TK-8.

23 **Q.** **HAS THE COMPANY HEDGED OR PRICE PROTECTED IN THE BASE**
24 **BGSS YEAR?**

1 A. Yes. BGSS Schedule TK-11 presents the projected normal firm requirements that
2 underlie the targets set out in the Gas Procurement Strategy & Plan (“GPS&P”) and
3 the breakout of the price-protected quantity. Mr. Willey discusses the GPS&P in
4 greater detail.

5 **Q. DOES THE COMPANY INCLUDE ANY COSTS ASSOCIATED WITH THE**
6 **USE OF FINANCIAL INSTRUMENTS TO REDUCE PRICE VOLATILITY**
7 **IN RECOVERABLE COSTS IN THE BGSS?**

8 A. Yes. In accordance with its tariff, the Company includes any transaction costs
9 associated with its hedging activities in its gas purchase costs in the BGSS.

10 **Q. HAS THE COMPANY IMPLEMENTED ANY SERVICE INTERRUPTIONS**
11 **OVER THE LAST 12 MONTHS?**

12 A. Yes, the Company did implement service interruptions as shown on BGSS Schedule
13 TK-9.

14 **Q. PLEASE DESCRIBE BGSS SCHEDULE TK-10.**

15 A. BGSS Schedule TK-10 sets forth the supply/demand balance on the five (5) days in
16 which the largest throughput was experienced in Elizabethtown’s system during each
17 of the last three (3) winters.

18 **III. CIP**

19 **Q. PLEASE DESCRIBE THE CIP.**

20 A. The Company's CIP is a rate mechanism which, in general, mitigates the effects of
21 both weather and non-weather related variations in the base use per customer
22 (“BUC”) per the Company’s tariff which were set in the Company’s most recent base
23 rate case in the Board’s Order dated November 13, 2019 in BPU Docket No.
24 GR19040486, (“2019 Rate Case”), for the Residential Delivery Service (“RDS”),

1 Small General Service (“SGS”), and General Delivery Service (“GDS”) classes. The
2 CIP mechanism enables ETG to promote energy conservation and efficiency by
3 providing recovery of any margin revenue deficiencies caused by the resulting
4 reduction in customer usage. The CIP rate is either a credit to the customer to refund
5 excess margin or a surcharge to collect a margin deficiency. The collection of a
6 margin revenue deficiency is subject to offsetting BGSS savings, a cap on non-
7 weather-related deficiencies and an earnings test.

8 **Q. HOW ARE THE CIP RATES CALCULATED?**

9 **A.** As set forth in the Company's tariff, the Company’s CIP is filed concurrently with
10 the annual BGSS filing which includes CIP Schedules TK-1 through TK-6 presenting
11 the actual and projected data that support the results for the CIP annual period ending
12 June 30th. As shown on CIP Schedule TK-1, line 7, the total CIP revenue excess/
13 deficiency class balances are the sum of the weather-related and non-weather-related
14 excesses or deficiencies by customer class for the current annual period, adjusted for
15 any current year disallowance or deferral, and including any prior period carryover
16 excess/deficiency balance, which in this filing is the Weather Normalization Clause
17 (“WNC”) residual true-up balance. The CIP rates for each class are derived by
18 dividing the Total CIP revenue excess/deficiency balance by the applicable projected
19 class therms, and adjusted for sales tax to derive the CIP per therm rates by customer
20 class. Based on actual data through April 2022 and projections through June 2022,
21 the Company projects a total net CIP margin revenue excess of \$2,592,486 for the
22 CIP annual period ending June 2022. Projected amounts will be updated for 12-month
23 actuals through June 30th, when the data becomes available.

1 **Q. HOW WERE THE CIP MARGIN EXCESSES OR DEFICIENCIES**
2 **CALCULATED?**

3 **A.** CIP Schedule TK-2 shows the results of the operation of the CIP, by customer class,
4 during the CIP annual period. CIP Schedule TK-2 calculates, the total CIP margin
5 excess or deficiency by multiplying the result obtained from subtracting the BUC
6 from the actual therms per customer, and then multiplying the resulting therm
7 difference by the pre-tax distribution and Infrastructure Investment Program (“IIP”)
8 rates. The total is broken down into weather and non- weather margins, for testing
9 for non-weather disallowances discussed later in my testimony.

10 **Q. WERE THERE ANY LARGE CUSTOMER ADJUSTMENTS MADE TO GDS**
11 **CUSTOMER COUNTS ON SCHEDULE TK-2?**

12 **A.** No.

13 **Q. HOW WAS THE WEATHER PORTION OF THE CIP SHOWN ON CIP**
14 **SCHEDULE TK-2, FOR THE RDS, SGS AND GDS CLASSES**
15 **CALCULATED?**

16 **A.** The weather portion of the CIP is calculated on CIP Schedule TK-3, page 1. The
17 calculated total is allocated to the CIP classes based on each classes
18 weighted margin revenue portion of the margin revenue factor rate in the 2019 Rate
19 Case.

20 **Q. HOW ARE THE UPDATED MONTHLY DEGREE DAY CONSUMPTION**
21 **FACTORS SHOWN ON CIP SCHEDULE TK-3, PAGE 2 DEVELOPED?**

22 **A.** CIP Schedule TK-3, page 2 presents the development of the monthly Degree Day
23 Consumption Factors that will be utilized to separate the weather and non-weather
24 components in future filings of the CIP. The current CIP filing factors are from the

1 2021 WNC filing. The normalized use in therms per customer is based on the
2 normalized projected heat load and base number of customers approved in the
3 Company’s 2019 Rate Case. These factors are multiplied by the customer counts, as
4 of May 31, 2022, for those classes subject to the WNC clause. In this filing the count
5 is projected but will be actual when the CIP is updated to actuals through June 30th.
6 The resulting Annualized Normalized Projected Heat Load is then divided by the
7 normal heating degree days, deriving the new monthly Degree Day Consumption
8 Factors. It should be noted that except for updates in the base number of customers
9 and adjustments to account for the existence of a leap year (when necessary), the
10 information used to update the monthly Degree Day Consumption Factors is derived
11 in the Company’s 2019 Rate Case.

12 **Q. THE CIP HAS SUPERSEDED THE WNC. HOW HAS THE CLOSURE OF**
13 **THE WNC BEEN FACTORED INTO THIS FILING?**

14 **A.** In the Board’s Order dated April 7, 2021 in Docket Nos. QO19010040 and
15 GO20090619 (“EEP-CIP Order”), the Company received approval to implement a
16 CIP designed to recover lost revenues due to the Company’s Energy Efficiency
17 Program (“EEP”). The Board directed the Company to end the WNC mechanism by
18 including any over/under WNC true-up balance calculated on CIP Schedule TK-3,
19 page 3, and setting the existing WNC rate to zero effective June 1, 2022.

20 **Q. ARE THERE ANY RESTRICTIONS ON THE RECOVERY OF NON-**
21 **WEATHER CIP DEFICIENCIES?**

22 **A.** Yes, recovery of any non-weather-related CIP deficiency requires passing both a
23 Modified BGSS Savings Test and a Variable Margin Test (“Dual Tests”).

1 The Modified BGSS Savings Test shown on CIP Schedule TK-4 limits
2 recovery of the non-weather-related CIP margin deficiency to the amount of BGSS
3 savings from: (1) permanent savings realized from permanent capacity releases or
4 contract terminations; (2) additional BGSS gas cost savings from reductions of
5 capacity on a long-term basis; and (3) avoided capacity costs to meet residential
6 customer growth. Recovery of the non-weather deficiency through the CIP is
7 achieved by showing BGSS savings of at least 75% of the total deficiency.

8 The Variable Margin Test as shown on CIP Schedule TK-5 calculates the
9 variable margin by multiplying the product of the actual customer count times the
10 BUC times the pre-tax margin rates, and limits recovery of non-weather CIP
11 deficiency so as not to exceed 4.0 percent of total variable margins for the year ending
12 June 30th. The 4.0 percent cap applies for the CIP annual period of July 1, 2021, to
13 June 30, 2022, and thereafter the recoverable non-weather CIP is limited to 6.5
14 percent per Board Order in Docket Nos. Q019010040 and GO10090619.

15 Projected amounts will be updated for actuals when the data becomes
16 available. Any deficiency amounts that exceed either of the above tests may be
17 deferred for future recovery subject to the earnings test addressed later in my
18 testimony.

19 **Q. WHAT WERE THE RESULTS OF THE NON-WEATHER ELIGIBILITY**
20 **TESTS?**

21 **A.** The Company's Dual Tests are shown on CIP Schedules TK-4 and TK-5 and both
22 tests indicate no disallowance.

23 **Q. IS THERE AN EARNINGS TEST FOR THE CIP?**

24 **A.** Yes.

1 **Q. PLEASE EXPLAIN THE EARNINGS TEST THAT IS APPLICABLE TO**
 2 **THE CIP AS SHOWN ON CIP SCHEDULE TK-6.**

3 **A.** The CIP will not operate to cause the Company to earn in excess of its allowed rate
 4 of return on common equity of 9.6% plus 50 basis points for any twelve-month period
 5 ending June 30th per the EEP-CIP Order. CIP Schedule TK-6 shows the calculation
 6 of projected Regulated Jurisdictional Net Income Excess / (Deficiency) for the year
 7 ending June 30th as compared to the CIP Margin Revenue Excess / (Deficiency) and
 8 the disallowance, if any. For purposes of this calculation, the amounts presented
 9 include ten months of actual income through April 30th and two months of projected
 10 income through June 30th. Projected amounts will be updated for actuals when the
 11 data becomes available.

12 **Q. PLEASE EXPLAIN THE RESULT OF THIS EARNINGS TEST.**

13 **A.** The test of earnings shows that the Regulated Jurisdictional Net Income for the period
 14 ending June 30th is projected to be lower than the Allowed Return on Common Equity
 15 resulting in no disallowance. As per the tariff, had there been a disallowance, this
 16 amount would not be subject to deferral.

17 **Q. WHAT ARE THE PROPOSED CIP RATES?**

18 **A.** The following table shows the proposed CIP rates¹ as calculated on CIP Schedule
 19 TK-1:

RDS	SGS	GDS
(\$0.0023) per therm	(\$0.0556) per therm	(\$0.0076) per therm

21
 22 **IV. TARIFF SHEETS**

¹ All rates quoted herein are inclusive of all applicable taxes.

1 **Q. WHAT CHANGES TO THE COMPANY'S TARIFF ARE REQUIRED BY**
2 **THE COMPANY'S FILING?**

3 **A.** Tariff Schedule TK-1 consists of the revised tariff sheet that sets forth the proposed
4 BGSS-P charge of \$0.7190 per therm, the calculation of which is shown on Mr.
5 Willey's Schedule LJW-1. In addition, Tariff Schedule TK-1 includes the revised
6 tariff sheets that support the proposed CIP rates as well as a housekeeping item on
7 Sheet No. 125.4 to indicate the earnings test is based on an allowed ROE in the
8 Company's 2019 Rate Case plus 50 basis points per the EEP-CIP Order. The
9 Company also revised Sheet 125.5 to clarify a definition.

10 **Q. WHAT IS THE OVERALL IMPACT OF THE PROPOSED BGSS-P AND CIP**
11 **RATES ON A RESIDENTIAL CUSTOMER CONSUMING 100 THERMS**
12 **PER MONTH?**

13 **A.** The proposed BGSS-P and CIP rate changes will increase the bill of a residential
14 customer using 100 therms by \$23.69 from \$110.59 to \$134.28, an increase of 21.4%
15 based on rates in effect June 1, 2022.

16 **Q. IS THE COMPANY RESERVING THE RIGHT TO INCREASE BGSS-P**
17 **RATES LATER IN THE BGSS YEAR?**

18 **A.** Yes. Although the Company does not project that it will need to increase its BGSS-
19 P rate during the BGSS Year, the Company reserves the right, in accordance with its
20 tariff, to implement increases to the BGSS-P rate of up to 5% of a 100 therm
21 residential total bill in December 2022 and February 2023, respectively.

22 **Q. WHAT IS THE OVERALL IMPACT ON A RESIDENTIAL CUSTOMER**
23 **CONSUMING 100 THERMS PER MONTH IF THE TWO PERIODIC**

1 **ADJUSTMENTS FOR DECEMBER AND FEBRUARY WERE**
2 **IMPLEMENTED AT THEIR MAXIMUM LEVELS?**

3 **A.** The proposed incremental increase to the BGSS-P charge from two such periodic
4 adjustments implemented at the maximum 5% allowed levels in December and
5 February would be \$0.1134 per therm. These changes would increase the monthly
6 bill for a residential customer consuming 100 therms by \$11.34 from that proposed
7 for October 1st.

8 **Q.** **DOES THIS CONCLUDE YOUR TESTIMONY?**

9 **A.** Yes, it does.

Elizabethtown Gas Company
Statement of Annual Reconciliation of Gas Costs and Recoveries
For the Period October 1, 2021 through September 30, 2022

Period	Recoverable Costs			Gas Cost Recoveries					(Over) Under Recovery	
	Gas Sendout	Less Supplier Refunds, Credits & Other (a)	Net Recoverable Costs (C.1-2)	From Firm Sales			From Non Firm Sales	Total Recoveries (C. 6+7)	Monthly (Over)Under Recovery (C. 3-8)	Cumulative (Over) Under Recovery
				Periodic	Monthly	Total				
Over-recovery at October 1, 2021										
Oct-21	\$5,052,182	\$68,110	\$4,984,072	\$2,072,083	\$1,507,163	\$3,579,246	\$105	\$3,579,351	\$1,404,721	\$371,165
Nov-21	\$16,644,866	\$68,110	\$16,576,756	\$4,835,789	\$3,057,506	\$7,893,295	\$4,286	\$7,897,581	\$8,679,175	\$9,050,340
Dec-21	\$18,874,147	\$1,113,825	\$17,760,322	\$12,709,027	\$6,440,681	\$19,149,708	\$3,975	\$19,153,683	(\$1,393,361)	\$7,656,979
Jan-22	\$30,994,594	\$51,325	\$30,943,269	\$19,462,122	\$7,322,874	\$26,784,996	\$3,242	\$26,788,238	\$4,155,031	\$11,812,010
Feb-22	\$25,350,399	\$51,325	\$25,299,074	\$22,475,257	\$8,002,344	\$30,477,601	\$4,702	\$30,482,303	(\$5,183,229)	\$6,628,781
Mar-22	\$20,640,986	\$10,338,434	\$10,302,552	\$18,141,303	\$6,581,877	\$24,723,180	\$2,880	\$24,726,060	(\$14,423,508)	(\$7,794,727)
Apr-22	\$15,074,725	\$1,094,929	\$13,979,796	\$11,916,729	\$4,360,597	\$16,277,326	\$476	\$16,277,802	(\$2,298,006)	(\$10,092,733)
May-22 *	\$15,333,983	\$53,731	\$15,280,252	\$6,424,762	\$4,044,069	\$10,468,831	\$0	\$10,468,831	\$4,811,421	(\$5,281,312)
Jun-22 *	\$9,024,653	\$964,498	\$8,060,155	\$3,274,622	\$2,940,733	\$6,215,355	\$20	\$6,215,375	\$1,844,780	(\$3,436,532)
Jul-22 *	\$7,561,785	\$53,731	\$7,508,054	\$2,357,787	\$2,928,780	\$5,286,567	\$10	\$5,286,577	\$2,221,477	(\$1,215,055)
Aug-22 *	\$6,742,766	\$53,731	\$6,689,035	\$1,904,531	\$2,855,931	\$4,760,462	\$0	\$4,760,462	\$1,928,573	\$713,518
Sep-22 *	\$7,390,880	\$2,025,301	\$5,365,579	\$2,555,342	\$2,803,811	\$5,359,153	\$0	\$5,359,153	\$6,426	\$719,944
	<u>\$178,685,966</u>	<u>\$15,937,050</u>	<u>\$162,748,916</u>	<u>\$108,129,354</u>	<u>\$52,846,366</u>	<u>\$160,975,720</u>	<u>\$19,696</u>	<u>\$160,995,416</u>	<u>\$1,753,500</u>	
								Interest Expense (Sch TK-6)		\$0
								Opening Balance, Sch LJW-3		<u>\$719,944</u>

* Forecast

(a) Includes energy management fees, as well as actual shared margins, if any, received in May but reflected in March and a September estimate.

(b) Represents opening balance as of September 30th, including interest due to customers in the amount of \$274,420.

Elizabethtown Gas Company
Statement of Combined Gas Sendout
For the Period October 1, 2021 through September 30, 2022

	(1)	(2)	(3=2/1)	(4)	(5)	(6)	(7)	(8=7/6)	(9)	(10)	(11=10/9)
	Purchases			Inventory (Dth's)					Sendout		
Period	Dth's	Amount	Average Rate	Adjustment	Adjusted Beginning	Ending	Ending Amount	Average Rate	Dth's	Amount	Average Rate
Beginning Inventory						8,012,018	\$20,398,746	\$2.5460			
Oct-21	2,087,090	\$9,953,636	\$4.7691	35,485	8,047,503	9,007,476	\$25,300,200	\$2.8088	1,091,632	\$5,052,182	\$4.62810
Nov-21	2,585,630	\$13,319,220	\$5.1512	12	9,007,488	7,802,431	\$21,974,554	\$2.8164	3,790,675	\$16,644,866	\$4.39100
Dec-21	3,279,859	\$15,402,658	\$4.6961	(11,937)	7,790,494	6,458,017	\$18,503,065	\$2.8651	4,624,273	\$18,874,147	\$4.08154
Jan-22	5,180,903	\$24,668,130	\$4.7614	(19,306)	6,438,711	4,274,597	\$12,176,601	\$2.8486	7,364,323	\$30,994,594	\$4.20875
Feb-22	4,032,153	\$20,756,953	\$5.1479	(32,229)	4,242,368	2,587,588	\$7,583,155	\$2.9306	5,719,162	\$25,350,399	\$4.43254
Mar-22	2,240,283	\$16,860,428	\$7.5260	(29,163)	2,558,425	1,230,287	\$3,802,597	\$3.0908	3,597,584	\$20,640,986	\$5.73746
Apr-22	3,184,835	\$19,581,710	\$6.1484	14,546	1,244,833	1,947,247	\$8,309,582	\$4.2673	2,467,875	\$15,074,725	\$6.10838
May-22	* 3,098,958	\$23,083,205	\$7.4487	-	1,947,247	3,065,716	\$16,058,804	\$5.2382	1,980,489	\$15,333,983	\$7.74252
Jun-22	* 2,251,065	\$16,186,862	\$7.1908	-	3,065,716	4,195,657	\$23,221,013	\$5.5345	1,121,124	\$9,024,653	\$8.04965
Jul-22	* 2,076,929	\$15,061,895	\$7.2520	-	4,195,657	5,362,873	\$30,721,123	\$5.7285	909,713	\$7,561,785	\$8.31228
Aug-22	* 1,964,332	\$14,204,567	\$7.2312	-	5,362,873	6,529,893	\$38,182,924	\$5.8474	797,312	\$6,742,766	\$8.45687
Sep-22	* 2,137,473	\$15,223,172	\$7.1220	-	6,529,894	7,730,609	\$46,015,216	\$5.9523	936,757	\$7,390,880	\$7.88986
	<u>34,119,510</u>	<u>\$204,302,436</u>		<u>(42,592)</u>					<u>34,400,919</u>	<u>\$178,685,966</u>	

* Forecast

Elizabethtown Gas Company
Statement of Combined Gas Sendout
For the Period October 1, 2021 through September 30, 2022

	(1)	(2)	(3)	(4=3/1)	(5)	(6)	(7)	(8=7/5)
	<u>Purchases</u>				<u>Sendout</u>			
<u>Period</u>	<u>Dth's</u>	<u>Demand</u>	<u>Commodity</u>	<u>Average Commodity Rate \$/dth</u>	<u>Dth's</u>	<u>Demand</u>	<u>Commodity</u>	<u>Average Commodity Rate \$/dth</u>
Oct-21	2,087,090	\$5,016,294	\$4,937,342	\$2.3657	1,091,632	\$5,016,294	\$35,888	\$0.0329
Nov-21	2,585,630	\$5,369,659	\$7,949,561	\$3.0745	3,790,675	\$5,369,659	\$11,275,207	\$2.9745
Dec-21	3,279,859	\$5,599,675	\$9,802,983	\$2.9888	4,624,273	\$5,599,675	\$13,274,472	\$2.8706
Jan-22	5,180,903	\$5,678,773	\$18,989,357	\$3.6653	7,364,323	\$5,678,773	\$25,315,821	\$3.4376
Feb-22	4,032,153	\$5,202,011	\$15,554,942	\$3.8577	5,719,162	\$5,202,011	\$20,148,388	\$3.5230
Mar-22	2,240,283	\$7,101,733	\$9,758,695	\$4.3560	3,597,584	\$7,101,733	\$13,539,253	\$3.7634
Apr-22	3,184,835	\$6,118,822	\$13,462,888	\$4.2272	2,467,875	\$6,118,822	\$8,955,903	\$3.6290
May-22	* 3,098,958	\$6,059,656	\$17,023,549	\$5.4933	1,988,352	\$6,059,656	\$9,274,327	\$4.6643
Jun-22	* 2,251,065	\$5,979,724	\$10,207,138	\$4.5344	1,132,135	\$5,979,724	\$3,044,929	\$2.6895
Jul-22	* 2,076,929	\$6,062,486	\$8,999,409	\$4.3330	921,092	\$6,062,486	\$1,499,299	\$1.6277
Aug-22	* 1,964,332	\$6,059,461	\$8,145,106	\$4.1465	808,690	\$6,059,461	\$683,305	\$0.8450
Sep-22	* 2,137,473	\$5,979,724	\$9,243,448	\$4.3245	946,684	\$5,979,724	\$1,411,156	\$1.4906
	34,119,510	\$70,228,018	\$134,074,418	\$3.9296	34,452,477	\$70,228,018	\$108,457,948	\$3.1480

* Forecast

**Elizabethtown Gas Company
Supplier Refunds
For the Period October 1, 2021 through September 30, 2022**

<u>Period</u>	<u>Suppliers</u>	<u>Docket Number</u>	<u>Refund Amounts</u>	<u>Total</u>
Oct-21			\$0	\$0
Nov-21			\$0	\$0
Dec-21			\$0	\$0
Jan-22			\$0	\$0
Feb-22			\$0	\$0
Mar-22			\$0	\$0
Apr-22	Columbia Gas Transmission	RP20-1060	\$1,042,438	\$1,042,438
May-22	*		\$0	\$0
Jun-22	*		\$0	\$0
Jul-22	*		\$0	\$0
Aug-22	*		\$0	\$0
Sep-22	*		\$0	\$0
			Total	<u><u>\$1,042,438</u></u>

* Forecast

**Elizabethtown Gas Company
Off System Sales and Capacity Release Credits
For the Period October 1, 2021 through September 30, 2022**

Period	Off System Sales				Capacity Release			
	Volumes Dths	Margin Rate	Total Margin	Credit to BGSS	Volumes Dths	Average Rate	Total Amount	Credit To BGSS
Oct-21					195,145	\$0.4106	\$80,129	\$68,110
Nov-21					188,850	\$0.4243	\$80,129	\$68,110
Dec-21					195,145	\$0.3094	\$60,382	\$51,325
Jan-22					195,145	\$0.3094	\$60,382	\$51,325
Feb-22					176,260	\$0.3426	\$60,382	\$51,325
Mar-22					195,145	\$0.3094	\$60,382	\$51,325
Apr-22					188,850	\$0.3270	\$61,754	\$52,491
May-22	*			\$0	195,145	\$0.3239	\$63,213	\$53,731
Jun-22	*			\$0	188,850	\$0.3239	\$61,174	\$51,998
Jul-22	*			\$0	195,145	\$0.3239	\$63,213	\$53,731
Aug-22	*			\$0	195,145	\$0.3239	\$63,213	\$53,731
Sep-22	*			\$0	188,850	\$0.3239	\$61,174	\$51,998
	<u>-</u>	#DIV/0!	<u>\$0</u>	<u>\$0</u>	<u>2,297,675</u>	<u>\$0.3375</u>	<u>\$775,527</u>	<u>\$659,200</u>

* Forecast

**Elizabethtown Gas Company
Gas Costs Recovered Through Sales
For the Period October 1, 2021 through September 30, 2022**

<u>Period</u>	<u>Firm</u>						
	<u>Periodic</u>		<u>Monthly</u>		<u>Total</u>		
	<u>Dth</u>	<u>\$</u>	<u>Dth</u>	<u>\$</u>	<u>Dth</u>	<u>\$</u>	
Oct-21	586,808	\$2,072,083	214,626	\$1,507,163	801,434	\$3,579,246	
Nov-21	1,365,910	\$4,835,789	379,423	\$3,057,506	1,745,333	\$7,893,295	
Dec-21	3,245,102	\$12,709,027	836,891	\$6,440,681	4,081,993	\$19,149,708	
Jan-22	4,336,341	\$19,462,122	1,148,775	\$7,322,874	5,485,116	\$26,784,996	
Feb-22	4,999,695	\$22,475,257	1,091,602	\$8,002,344	6,091,297	\$30,477,601	
Mar-22	4,043,695	\$18,141,303	906,892	\$6,581,877	4,950,587	\$24,723,180	
Apr-22	2,660,994	\$11,916,729	626,808	\$4,360,597	3,287,802	\$16,277,326	
May-22	*	1,427,763	\$6,424,762	431,137	\$4,044,069	1,858,900	\$10,468,831
Jun-22	*	727,713	\$3,274,622	309,518	\$2,940,733	1,037,231	\$6,215,355
Jul-22	*	523,967	\$2,357,787	305,591	\$2,928,780	829,558	\$5,286,567
Aug-22	*	423,240	\$1,904,531	298,644	\$2,855,931	721,884	\$4,760,462
Sep-22	*	567,869	\$2,555,342	294,642	\$2,803,811	862,511	\$5,359,153
TOTAL	<u>24,909,097</u>	<u>\$108,129,354</u>	<u>6,844,549</u>	<u>\$52,846,366</u>	<u>31,753,646</u>	<u>\$160,975,720</u>	

* Forecast

**Elizabethtown Gas Company
Gas Costs Recovered Through Sales
For the Period October 1, 2021 through September 30, 2022**

Period	Non-Firm								Total Amount Credited To BGSS
	IS		CS		CSI		Total		
	Dth	\$	Dth	\$	Dth	\$	Dth	\$	
Oct-21	7	\$56	-	\$0	6	\$49	13	\$105	\$3,579,351
Nov-21	453	\$3,690	-	\$0	73	\$596	526	\$4,286	\$7,897,581
Dec-21	479	\$3,603	-	\$0	50	\$372	529	\$3,975	\$19,153,683
Jan-22	595	\$3,615	-	\$0	(50)	(\$373)	545	\$3,242	\$26,788,238
Feb-22	563	\$4,702	-	\$0	-	\$0	563	\$4,702	\$30,482,303
Mar-22	435	\$2,880	-	\$0	-	\$0	435	\$2,880	\$24,726,060
Apr-22	64	\$476	-	\$0	-	\$0	64	\$476	\$16,277,802
May-22 *	0	\$0	-	\$0	0	\$0	-	\$0	\$10,468,831
Jun-22 *	1	\$10	-	\$0	1	\$10	2	\$20	\$6,215,375
Jul-22 *	0	\$0	-	\$0	1	\$10	1	\$10	\$5,286,577
Aug-22 *	0	\$0	-	\$0	0	\$0	-	\$0	\$4,760,462
Sep-22 *	0	\$0	-	\$0	0	\$0	-	\$0	\$5,359,153
TOTAL	2,597	\$19,032	-	\$0	81	\$664	2,678	\$19,696	\$160,995,416

* Forecast

**Elizabethtown Gas Company
 Computation of Interest on Cumulative (Over) Under Recovery
 For the Period October 1, 2021 through September 30, 2022**

Period	Beginning	Ending	Average Balance	Monthly Interest Rate (a)	Computed Interest (Expense)	Cumulative Computed Interest (Expense)
Oct-21	(\$1,033,556)	\$371,165	(\$331,196)	0.5943%	(\$1,968)	(\$1,968)
Nov-21	\$371,165	\$9,050,340	\$4,710,753	0.5943%	\$27,996	\$26,028
Dec-21	\$9,050,340	\$7,656,979	\$8,353,660	0.5943%	\$49,646	\$75,674
Jan-22	\$7,656,979	\$11,812,010	\$9,734,495	0.5943%	\$57,852	\$133,526
Feb-22	\$11,812,010	\$6,628,781	\$9,220,396	0.5943%	\$54,797	\$188,323
Mar-22	\$6,628,781	(\$7,794,727)	(\$582,973)	0.5943%	(\$3,465)	\$184,858
Apr-22	(\$7,794,727)	(\$10,092,733)	(\$8,943,730)	0.5943%	(\$53,153)	\$131,705
May-22 *	(\$10,092,733)	(\$5,281,312)	(\$7,687,023)	0.5943%	(\$45,684)	\$86,021
Jun-22 *	(\$5,281,312)	(\$3,436,532)	(\$4,358,922)	0.5943%	(\$25,905)	\$60,116
Jul-22 *	(\$3,436,532)	(\$1,215,055)	(\$2,325,794)	0.5943%	(\$13,822)	\$46,294
Aug-22 *	(\$1,215,055)	\$713,518	(\$250,769)	0.5943%	(\$1,490)	\$44,804
Sep-22 *	\$713,518	\$719,944	\$716,731	0.5943%	\$4,260	\$49,064

* Forecast
 (a) Based on an authorized rate of return of 7.131%.

Elizabethtown Gas Company
Statement of Injections and Withdrawals - Natural Gas Inventory
For the Period October 1, 2021 through September 30, 2022

Period	Injections		Inventory (Dth's)			Withdrawals			Ending Inventory	
	Dth's	Amount	Adjustment	Adjusted Beginning	Ending	Sendout	Average Rate	Cost of Sendout from Storage	Ending Inventory (Dth's)	Ending Inventory (\$)
Beginning Inventory									7,857,265	\$19,306,033
Oct-21	1,092,579	\$5,186,980	35,485	7,892,750	8,857,287	92,557	\$2.73670	\$253,300	8,857,287	\$24,239,713
Nov-21	(7,178)	(\$95,344)	12	8,857,299	7,646,854	1,203,255	\$2.72814	\$3,282,652	7,646,854	\$20,861,717
Dec-21	134,460	\$588,226	(11,937)	7,634,917	6,298,455	1,482,859	\$2.75660	\$4,087,644	6,298,455	\$17,362,299
Jan-22	60,931	\$213,538	(19,306)	6,279,149	4,191,911	2,167,475	\$2.76376	\$5,990,388	4,191,911	\$11,585,449
Feb-22	74,885	\$348,013	(32,229)	4,159,682	2,508,063	1,758,733	\$2.79682	\$4,918,860	2,508,063	\$7,014,602
Mar-22	88,946	\$379,872	(29,163)	2,478,900	1,160,647	1,436,362	\$2.84730	\$4,089,759	1,160,647	\$3,304,715
Apr-22	951,253	\$5,493,478	14,546	1,175,193	1,881,102	230,798	\$4.16601	\$961,506	1,881,102	\$7,836,687
May-22	* 1,122,432	\$7,777,556	-	1,881,102	3,003,534	-	\$5.19862	\$0	3,003,534	\$15,614,243
Jun-22	* 1,134,043	\$7,191,534	-	3,003,534	4,137,577	-	\$5.51187	\$0	4,137,577	\$22,805,777
Jul-22	* 1,171,846	\$7,533,212	-	4,137,577	5,309,423	-	\$5.71418	\$0	5,309,423	\$30,338,989
Aug-22	* 1,171,846	\$7,496,299	-	5,309,423	6,481,269	-	\$5.83764	\$0	6,481,269	\$37,835,288
Sep-22	* 1,152,785	\$7,300,357	-	6,481,269	7,634,054	-	\$5.91241	\$0	7,634,054	\$45,135,645
					0					

* Forecast

Elizabethtown Gas Company
Statement of Injections and Withdrawals - LNG Inventory
For the Period October 1, 2021 through September 30, 2022

Period	Injections		Inventory (Dth's)		Withdrawals			Ending Inventory	
	Dth's	Amount	Beginning	Ending	Dth's	Average Relief Rate (a)	Amount	Ending Inventory (Dth's)	Ending Inventory (\$)
Beginning Inventory								154,753	\$1,092,712
Oct-21	-	\$0	154,753	150,189	4,564	\$7.06101	\$32,226	150,189	\$1,060,486
Nov-21	12,178	\$100,918	150,189	155,577	6,790	\$7.15296	\$48,568	155,577	\$1,112,836
Dec-21	8,950	\$63,425	155,577	159,562	4,965	\$7.14935	\$35,496	159,562	\$1,140,765
Jan-22	-	\$0	159,562	82,686	76,876	\$7.14935	\$549,614	82,686	\$591,151
Feb-22	-	\$0	82,686	79,525	3,161	\$7.14935	\$22,599	79,525	\$568,552
Mar-22	-	\$0	79,525	69,640	9,885	\$7.14935	\$70,671	69,640	\$497,881
Apr-22	-	\$0	69,640	66,145	3,495	\$7.14935	\$24,987	66,145	\$472,894
May-22	*	\$0	66,145	62,182	3,963	\$7.14935	\$28,334	62,182	\$444,560
Jun-22	*	\$0	62,182	58,080	4,102	\$7.14934	\$29,325	58,080	\$415,235
Jul-22	*	\$0	58,080	53,450	4,630	\$7.14936	\$33,103	53,450	\$382,132
Aug-22	*	\$0	53,450	48,625	4,825	\$7.14934	\$34,499	48,624	\$347,633
Sep-22	*	\$575,670	48,625	96,556	4,801	\$9.10951	\$43,734	96,555	\$879,569

* Forecast

(a) The actual average relief rate is calculated by dividing the total of the monthly beginning inventory and injection dollars by the associated volumes.

Elizabethtown Gas Company
Statement of Intercompany Transactions
For the Period October 1, 2021 through September 30, 2022

<u>Affiliate</u>	<u>Period</u>	<u>Volumes (Dth)</u>	<u>Cost</u>	<u>Price per Dth</u>	<u>Description of terms</u>
Net Gas Purchases:					
South Jersey Resources	Oct-21	2,053,429	\$9,062,049	Various	System Normal Requirements
South Jersey Resources	Nov-21	2,629,868	\$12,091,376	Various	System Normal Requirements
South Jersey Resources	Dec-21	3,232,898	\$12,963,928	Various	System Normal Requirements
South Jersey Resources	Jan-22	5,108,116	\$20,391,499	Various	System Normal Requirements
South Jersey Resources	Feb-22	3,587,083	\$18,945,199	Various	System Normal Requirements
South Jersey Resources	Mar-22	2,529,390	\$11,842,825	Various	System Normal Requirements
South Jersey Resources	Apr-22	3,362,526	\$17,749,572	Various	System Normal Requirements

Elizabethtown Gas Company
Statement of Historical Service Interruptions
For the Period October 1, 2021 through September 30, 2022

Service Class	Dates Curtailed (Date Off - Date On)	Number of Customers	Reason
IS, CS & CSI	1/14 - 1/16, 1/29 - 1/31	1	Operational

Note: Interruption due to System Gas Supply Protection because of cold weather.

Elizabethtown Gas Company

**Actual Peak Day Demand and Supply
November 2019 through March 2022**

Year	Date	Temp.	Demand					Supply Source							
			Firm Demand ¹ (Dths)	LAUF ² (Dths)	Interruptible Demand (Dths)	Transport Demand (Dths)	Total Throughput (Dths)	Total Supply (Dths)	Storage (Dths)	Pipeline (Dths)	PEAKING				TPS Deliveries (dths)
											Contracted (dths)	Mechanical (dths)	3rd Party (dths)	Take-Back (dths)	
2019-2020	1	19-Dec-19	23	248,160	7,335	23	104,018	359,536	55,063	231,186	0	28	0	0	73,259
	2	20-Jan-20	26	244,104	7,060	22	94,902	346,088	73,581	165,282	0	49	0	0	107,176
	3	18-Dec-19	25	239,045	7,008	20	97,433	343,506	46,296	224,822	0	77	0	0	72,311
	4	14-Feb-20	23	236,980	6,965	19	97,440	341,404	67,877	178,443	0	8,066	0	0	87,018
	5	17-Jan-20	25	235,197	6,881	20	95,218	337,316	80,820	150,406	0	35	0	0	106,055
2020-2021	1	29-Jan-21	20	310,138	7,871	0	67,828	385,837	91,828	218,163	0	147	0	0	75,699
	2	31-Jan-21	24	271,152	7,080	0	68,832	347,064	52,842	218,163	0	147	0	0	75,912
	3	28-Jan-21	25	284,861	7,322	0	66,735	358,918	90,673	194,041	0	147	0	0	74,057
	4	18-Dec-20	25	242,436	6,413	0	65,517	314,366	21,130	221,189	0	117	0	0	71,930
	5	8-Feb-21	25	251,510	6,803	0	75,171	333,484	82,024	169,343	0	143	0	0	81,974
2021-2022	1	29-Jan-22	14	318,092	8,236	0	77,406	403,734	104,428	198,418	3,678	6,068	0	5,500	85,642
	2	21-Jan-22	16	311,962	8,175	0	80,620	400,757	105,862	200,012	0	6,088	0	0	88,795
	3	15-Jan-22	13	312,102	8,150	0	79,247	399,499	101,877	190,575	0	14,150	0	5,500	87,397
	4	11-Jan-22	18	319,744	8,074	0	67,965	395,783	91,267	213,796	0	14,681	0	0	76,039
	5	14-Feb-22	21	307,550	7,805	0	67,252	382,607	107,935	183,446	16,111	58	0	0	75,057

¹ Firm Demand has been reduced by an estimation of the commercial transportation volumes that are included in the data set.

² Assumes Lost and Unaccounted For of 2.04%.

**Elizabethtown Gas Company
Hedging Report**

	Normal Firm Requirements (Dth)	Price Protected (Dth)
	<hr/>	<hr/>
Oct-2021	1,179,680	1,250,000
Nov-2021	3,182,627	1,260,000
Dec-2021	4,340,761	1,210,000
Jan-2022	5,497,362	1,600,000
Feb-2022	4,416,166	1,140,000
Mar-2022	3,568,843	1,150,000
Apr-2022	1,798,482	1,430,000
May-2022	749,463	900,000
Jun-2022	668,386	810,000
Jul-2022	600,072	870,000
Aug-2022	602,450	880,000
Sep-2022	684,388	880,000
	<hr/>	<hr/>
	27,288,680	13,380,000

ELIZABETHTOWN GAS COMPANY
Conservation Incentive Program ("CIP")

CIP Schedule TK-1

Calculation of the CIP Rates

	RDS	SGS	GDS	Total
1 Non-Weather:				
Current Period - Margin Revenue Excess / (Deficiency), (TK-2)	\$6,531,549	\$1,675,534	\$2,456,810	10,663,893
Prior Year Non-Weather Test Deferral Carry Forward, if applicable	\$0	\$0	\$0	\$0
Current Period - Margin Revenue Excess / (Deficiency), (TK-2)	\$6,531,549	\$1,675,534	\$2,456,810	10,663,893
Greater of the BGSS or Variable Test Deferral, if applicable (TK-4 or TK-5)	\$0	\$0	\$0	\$0
Total Non-Weather	\$6,531,549	\$1,675,534	\$2,456,810	\$10,663,893
2 Weather: Current Period - Margin Revenue Excess / (Deficiency), (TK-2)	(\$5,930,662)	(\$446,395)	(\$1,594,263)	(\$7,971,320)
3 Total Current Year Weather and Non-Weather, pre ROE disallowance if any (L1+L2)	\$600,887	\$1,229,139	\$862,547	\$2,692,573
4 Current Year ROE Earnings Test Disallowance, if applicable (TK-6)	0	0	0	\$0
5 Current Year Total (L3+L4)	\$600,887	\$1,229,139	\$862,547	\$2,692,573
6 Prior Year Recovery / (Refund) Results:				
WNC 2021-2022, Final True-Up Roll-In to CIP (TK-3)	(\$74,465)	(\$5,605)	(\$20,017)	(\$100,087)
Prior Period - True-Up Balance, Excess / (Deficient), (TK-2)	\$0	\$0	\$0	\$0
Current Period Recovered / (Refunded), (TK-2)	\$0	\$0	\$0	\$0
Prior Year Excess / (Deficiency) Balances Carry Over	(\$74,465)	(\$5,605)	(\$20,017)	(\$100,087)
7 Total CIP Revenue Excess / (Deficiency) Balance (L5+L6)	\$526,422	\$1,223,534	\$842,530	\$2,592,486
8 Projected Normalized Sales and Services (Forecast Sch. TK-1 CIP)	241,272,344	23,506,444	119,096,803	therms
9 CIP Charge - Recoverable / (Credit - Refundable) Rate, before tax <u>rate sign multiplier</u> (L7/ L8)*-1	(\$0.0022)	(\$0.0521)	(\$0.0071)	/therm
10 Plus Sales Tax	6.625%	(\$0.0001)	(\$0.0035)	(\$0.0005)
11 CIP Charge - Recoverable / (Credit - Refundable) Rate (L9+L10)	(\$0.0023)	(\$0.0556)	(\$0.0076)	/therm

ELIZABETHTOWN GAS COMPANY
Conservation Incentive Program ("CIP")
Actual vs. CIP Base Therm Use per Customer and Margin Excess / (Deficiency)
Residential Delivery Service

CIP Schedule TK-2
Consisting of 3 pages

a	Actual	Actual	Actual	Base Use	Therm	Pre-Tax	Total	Break Out of Total Margin:		Current	True-Up
	Accounting	Customer *	Therms	Per Cust.	Excess/	Margin	Margin	TK-3 Weather	Non-Weather		
	Therms	Count	Per Cust.	(BUC)	(Deficiency)	& IIP Rates	(Deficiency)	Excess /	Excess /	Recovery	Excess/
	b	c	d=b/c	e	f=d-e	g=c*f	h=c*f*g	i	j=h-i	(Refund)**	(Deficiency)
Beginning Balance >>>											
Jul-21	4,391,968	278,779	15.8	14.1	1.7	\$0.4307	\$204,119		\$204,119	\$0	\$0
Aug-21	4,468,542	279,761	16.0	14.1	1.9	\$0.4307	\$228,937		\$228,937	\$0	\$0
Sep-21	4,851,197	279,607	17.4	15.1	2.3	\$0.4307	\$276,981		\$276,981	\$0	\$0
Oct-21	8,137,780	279,373	29.1	39.0	(9.9)	\$0.4510	(\$1,247,373)	(\$2,474,972)	\$1,227,599	\$0	\$0
Nov-21	28,162,780	280,575	100.4	85.4	15.0	\$0.4510	\$1,898,090	\$182,294	\$1,715,796	\$0	\$0
Dec-21	31,992,346	281,162	113.8	140.2	(26.4)	\$0.4510	(\$3,347,627)	(\$4,022,832)	\$675,205	\$0	\$0
Jan-22	51,617,195	282,208	182.9	174.8	8.1	\$0.4510	\$1,030,934	\$2,656,892	(\$1,625,958)	\$0	\$0
Feb-22	38,052,419	282,203	134.8	149.6	(14.8)	\$0.4510	(\$1,883,649)	(\$651,687)	(\$1,231,962)	\$0	\$0
Mar-22	29,166,910	283,034	103.1	118.5	(15.4)	\$0.4510	(\$1,965,784)	(\$1,650,930)	(\$314,854)	\$0	\$0
Apr-22	17,926,808	283,387	63.3	57.9	5.4	\$0.4510	\$690,161	\$30,573	\$659,588	\$0	\$0
May-22	13,567,134	283,387	47.9	22.5	25.4	\$0.4510	\$3,246,311	\$0	\$3,246,311	\$0	\$0
Jun-22	6,890,255	283,387	24.3	12.8	11.5	\$0.4510	\$1,469,787		\$1,469,787	\$0	\$0
Total	239,225,334		848.8	844.0	4.8		\$600,887	(\$5,930,662)	\$6,531,549	\$0	\$0

* Customer counts are based on monthly accounting report, adjusted to include counts of meters flowing gas without a current customer of record.

** Individual customer billings at the tariff rate yields the dollars recovered, inclusive of rate proration or cancel/rebills, if any.

ELIZABETHTOWN GAS COMPANY
Conservation Incentive Program ("CIP")
Actual vs. CIP Base Therm Use per Customer and Margin Excess / (Deficiency)
Small General Service - SGS

CIP Schedule TK-2
Consisting of 3 pages

a	Actual	Actual	Actual	Base Use	Therm	Pre-Tax	Total	Break Out of Total Margin:		Current	True-Up	
	Accounting	Customer *	Therms	Per Cust.	Excess/	Margin	Margin	TK-3 Weather	Non-Weather			Period
	Therms	Count	Per Cust.	(BUC)	(Deficiency)	& IIP Rates	(Deficiency)	Excess /	Excess /	Recovery	Excess/	
	b	c	d=b/c	e	f=d-e	g=c*f	h=c*f*g	i	j=h-i	(Refund) **	(Deficiency)	
<u>Beginning Balance >>></u>		Relink to new "March" margin report										\$0
Jul-21	241,634	17,088	14.1	17.5	(3.4)	\$0.3787	(\$22,002)		(\$22,002)	\$0	\$0	
Aug-21	355,454	17,033	20.9	18.0	2.9	\$0.3787	\$18,706		\$18,706	\$0	\$0	
Sep-21	304,639	17,001	17.9	23.3	(5.4)	\$0.3787	(\$34,767)		(\$34,767)	\$0	\$0	
Oct-21	639,495	17,045	37.5	54.5	(17.0)	\$0.4012	(\$116,254)	(\$186,288)	\$70,034	\$0	\$0	
Nov-21	2,456,989	17,144	143.3	117.0	26.3	\$0.4012	\$180,896	\$13,721	\$167,175	\$0	\$0	
Dec-21	3,448,565	17,198	200.5	217.5	(17.0)	\$0.4012	(\$117,297)	(\$302,794)	\$185,497	\$0	\$0	
Jan-22	5,801,557	17,257	336.2	277.7	58.5	\$0.4012	\$405,025	\$199,981	\$205,044	\$0	\$0	
Feb-22	4,355,844	17,270	252.2	231.4	20.8	\$0.4012	\$144,117	(\$49,052)	\$193,169	\$0	\$0	
Mar-22	2,915,719	17,236	169.2	164.0	5.2	\$0.4012	\$35,958	(\$124,264)	\$160,222	\$0	\$0	
Apr-22	1,750,091	17,164	102.0	71.3	30.7	\$0.4012	\$211,406	\$2,301	\$209,105	\$0	\$0	
May-22	1,417,010	17,164	82.6	31.8	50.8	\$0.4012	\$349,819	\$0	\$349,819	\$0	\$0	
Jun-22	771,349	17,164	44.9	19.7	25.2	\$0.4012	\$173,532		\$173,532	\$0	\$0	
Total	<u>24,458,346</u>		<u>1,421.3</u>	<u>1,243.7</u>	<u>177.6</u>		<u>\$1,229,139</u>	<u>(\$446,395)</u>	<u>\$1,675,534</u>	<u>\$0</u>	<u>\$0</u>	

* Customer counts are based on monthly accounting report.

** Individual customer billings at the tariff rate yields the dollars recovered, inclusive of rate proration or cancel/rebills, if any.

ELIZABETHTOWN GAS COMPANY
Conservation Incentive Program ("CIP")
Actual vs. CIP Base Therm Use per Customer and Margin Excess / (Deficiency)
General Delivery Service - GDS

CIP Schedule TK-2
Consisting of 3 pages

a	Actual	Actual	Actual	Base Use	Therm	Pre-Tax	Total	Break Out of Total Margin:		Current	True-Up
	Accounting	Customer *	Therms	Per Cust.	Excess/	Margin	Margin	TK-3 Weather	Non-Weather		
	Therms	Count	Per Cust.	(BUC)	(Deficiency)	& IIP Rates	(Deficiency)	Excess /	Excess /	Recovery	Excess/
	b	c	d=b/c	e	f=d-e	g=c*f	h=c*f*g	i	j=h-i	(Refund) **	(Deficiency)
<u>Beginning Balance >>></u>											
Jul-21	3,393,070	6,383	531.6	526.5	5.1	\$0.2288	\$7,448		\$7,448	\$0	\$0
Aug-21	3,268,848	6,384	512.0	531.2	(19.2)	\$0.2288	(\$28,045)		(\$28,045)	\$0	\$0
Sep-21	3,480,600	6,384	545.2	602.0	(56.8)	\$0.2288	(\$82,965)		(\$82,965)	\$0	\$0
Oct-21	4,653,200	6,428	723.9	1,143.8	(419.9)	\$0.2421	(\$653,456)	(\$665,315)	\$11,859	\$0	\$0
Nov-21	12,858,581	6,479	1,984.7	1,801.4	183.3	\$0.2421	\$287,518	\$49,004	\$238,514	\$0	\$0
Dec-21	15,400,784	6,499	2,369.7	2,670.3	(300.6)	\$0.2421	(\$472,966)	(\$1,081,406)	\$608,440	\$0	\$0
Jan-22	23,862,006	6,523	3,658.1	3,201.7	456.4	\$0.2421	\$720,755	\$714,218	\$6,537	\$0	\$0
Feb-22	17,806,767	6,564	2,712.8	2,700.7	12.1	\$0.2421	\$19,229	(\$175,185)	\$194,414	\$0	\$0
Mar-22	14,622,791	6,562	2,228.4	2,198.0	30.4	\$0.2421	\$48,295	(\$443,798)	\$492,093	\$0	\$0
Apr-22	10,238,139	6,564	1,559.7	1,292.9	266.8	\$0.2421	\$423,984	\$8,219	\$415,765	\$0	\$0
May-22	6,522,371	6,564	993.7	781.5	212.2	\$0.2421	\$337,216	\$0	\$337,216	\$0	\$0
Jun-22	4,432,676	6,564	675.3	514.5	160.8	\$0.2421	\$255,534		\$255,534	\$0	\$0
Total	<u>120,539,833</u>		<u>18,495.1</u>	<u>17,964.5</u>	<u>530.6</u>		<u>\$862,547</u>	<u>(\$1,594,263)</u>	<u>\$2,456,810</u>	<u>\$0</u>	<u>\$0</u>

* Customer counts are based on monthly accounting report plus, per the Tariff, adjustment for large customers added after the most recent rate case

** Individual customer billings at the tariff rate yields the dollars recovered, inclusive of rate proration or cancel/rebills, if any.

ELIZABETHTOWN GAS COMPANY
Weather Normalization Margin Calculation for CIP use
Without The Dead Band *

Month	Actual	Normal ^(a)	% (Warmer) / Colder Normal	% (Warmer) / Colder Normal	Season % (Warmer) / Colder Normal	Degree Day Consumption Factor ^(b)	Variance in Therms	Margin Revenue Factor ^(c)	Margin Revenue Excess / (Deficiency)	Allocation per 2019 Rate Case to :		
	Calendar Degree Days	Calendar Degree Days								RDS 74.4%	SGS 5.6%	GDS 20.0%
Oct-21	80	244	(164)	(67.2%)	(67.2%)	53,183	(8,722,012)	\$0.3814	(\$3,326,575)	(\$2,474,972)	(\$186,288)	(\$665,315)
Nov	526	516	10	1.9%	(20.3%)	64,242	642,420	\$0.3814	\$245,019	\$182,294	\$13,721	\$49,004
Dec	628	828	(200)	(24.2%)	(22.3%)	70,884	(14,176,800)	\$0.3814	(\$5,407,032)	(\$4,022,832)	(\$302,794)	(\$1,081,406)
Jan-22	1,132	998	134	13.4%	(8.5%)	69,874	9,363,116	\$0.3814	\$3,571,092	\$2,656,892	\$199,981	\$714,218
Feb	796	829	(33)	(4.0%)	(7.4%)	69,594	(2,296,602)	\$0.3814	(\$875,924)	(\$651,687)	(\$49,052)	(\$175,185)
Mar	600	689	(89)	(12.9%)	(8.3%)	65,371	(5,818,019)	\$0.3814	(\$2,218,992)	(\$1,650,930)	(\$124,264)	(\$443,798)
Apr	357	355	2	0.6%	(7.6%)	53,871	107,742	\$0.3814	\$41,093	\$30,573	\$2,301	\$8,219
May	<u>120</u>	<u>120</u>	<u>0</u>	0.0%	(7.4%)	<u>55,709</u>	<u>0</u>	\$0.3814	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total	4,239	4,579	(340)				<u>(20,900,155)</u>		<u>(\$7,971,319)</u>	(\$5,930,662)	(\$446,395)	(\$1,594,263)

(a) Degree Days as set forth in Tariff.

(b) Degree Day Consumption Factor from the prior year calculation on Sch. TK-4.

(c) Margin Revenue Factor as set forth in Tariff.

*For CIP the Dead Band is 0.0% of the Monthly Normal Calendar Degree Days

ELIZABETHTOWN GAS COMPANY
Weather Normalization Therms per HDD for CIP use

Development of the Normalized Degree Day Consumption Usage Factor
October 2022 through May 2023

<u>Month</u>	<u>Normalized Heat Load (1) (therms)</u>	<u>Base Number of Customers (2)</u>	<u>Therms Per Customer</u>	<u>Number of Customers (3)</u>	<u>Annualized Projected Heat Load (therms)</u>	<u>Normal HDDs (4)</u>	<u>Annualized Consumption Therms Per HDD</u>
<u>a</u>	<u>b</u>	<u>c</u>	<u>d=b/c</u>	<u>e</u>	<u>f=d*e</u>	<u>g</u>	<u>h=f/g</u>
				Estimate May 2022			
Oct-22	12,586,818	293,159	42.93512	306,000	13,138,147	244	53,845
Nov	32,226,642	293,834	109.67635	306,000	33,560,963	516	65,041
Dec	57,214,418	294,633	194.18876	306,000	59,421,761	828	71,765
Jan-23	68,077,503	295,059	230.72505	306,000	70,601,865	998	70,743
Feb	56,372,689	295,322	190.88550	306,000	58,410,963	829	70,460
Mar	44,032,417	295,477	149.02147	306,000	45,600,570	689	66,184
Apr	18,674,159	295,126	63.27521	306,000	19,362,214	355	54,541
May	6,513,470	294,483	22.11832	306,000	6,768,206	120	56,402

- 1) Based on determinants used in the calculation of Therms per Degree Day approved in the 2019 base rate case, with a non-leap year HDD pattern for the months of February through May.
- 2) Base number of customers as approved in the 2019 base rate case.
- 3) Current Year May 31st customer count for those classes subject to the WNC clause.
- 4) 20-year 1999-2019 monthly normal heating degree days (base 65°F); represents a non leap-year pattern.

ELIZABETHTOWN GAS COMPANY
Weather Normalization Clause (WNC) True-Up for CIP use

Calculation of Prior Year Recovery Balance
June 30, 2022

1	Prior Year Excess / (Deficient) Revenues at June 30, 2021		(\$5,347,919)
2	Prior Year Excess / (Deficient) Balance		(\$162,002)
3	Adjusted Excess / (Deficient) Revenues (L1+L2)		(\$5,509,921)
4	Current Recovery / (Refund) to RDS , SGS and GDS Customer Classes:		
		<u>Therms*</u>	<u>Rate w/o Tax*</u>
	July-21	-	\$
	August-21	-	\$
	September-21	-	\$
	October-21	10,211,866	\$
	November-21	22,543,813	\$
	December-21	48,601,444	\$
	January-22	65,066,621	\$
	February-22	71,269,101	\$
	March-22	58,150,863	\$
	April-22	38,837,286	\$
esti.	May-22	21,506,515	\$
esti.	June-22	-	\$
		336,187,509	\$5,409,834
5	Total Excess / (Deficient) Revenues (L3+L4)		(\$100,087)

* Therms and Rates are shown when a WNC rate is in effect. The WNC rate, when approved, is not in effect during the non-winter months of June - September, however, activity can occur in all periods for customer billing adjustments and in the case of June recoveries/(refunds) from pro-rating and billing May consumption in June when a rate is in effect. The rate presented is derived from dividing that amount by the therms in months when a WNC rate is in effect, as such rounding differences to the tariff / billing rate may result.

**ELIZABETHTOWN GAS COMPANY
Conservation Incentive Program ("CIP")**

CIP Schedule TK-4

**BGSS Savings Test
Applicable to Non-Weather Margin Revenue Deficiencies**

	<u>Total</u>
BGSS Savings (Schedule LJW-18)	<u><u>(\$3,051,292)</u></u>
Non-Weather: Current Period - Margin Revenue Excess / (Deficiency), (TK-1)	\$10,663,893
BGSS Saving per 75% Factor:	<u>75%</u>
Current Period - Margin Revenue Excess / (Deficiency), (TK-2)	<u>\$7,997,920</u>
BGSS Savings Test Disallowance, applicable for Deficiency Only	<u><u>\$0</u></u>

ELIZABETHTOWN GAS COMPANY
Conservation Incentive Program ("CIP")

Variable Margin Test Per Base Use per Customer
Applicable to Non-Weather Margin Revenue Deficiencies

	RDS	SGS	GDS	<u>Total</u>
<u>Variable Margins: customer count * BUC * pre-tax margin rates:</u>				
Jul-21	\$1,692,989	\$113,246	\$768,917	\$2,575,152
Aug-21	\$1,698,952	\$116,107	\$775,902	\$2,590,961
Sep-21	\$1,818,444	\$150,012	\$879,317	\$2,847,773
Oct-21	\$4,913,892	\$372,696	\$1,780,003	\$7,066,591
Nov-21	\$10,806,458	\$804,746	\$2,825,615	\$14,436,819
Dec-21	\$17,777,929	\$1,500,715	\$4,201,471	\$23,480,115
Jan-22	\$22,247,811	\$1,922,658	\$5,056,183	\$29,226,652
Feb-22	\$19,040,124	\$1,603,307	\$4,291,802	\$24,935,233
Mar-22	\$15,126,328	\$1,134,074	\$3,491,875	\$19,752,277
Apr-22	\$7,400,056	\$490,986	\$2,054,605	\$9,945,647
May-22	\$2,875,670	\$218,981	\$1,241,916	\$4,336,567
Jun-22	\$1,635,936	\$135,658	\$817,615	\$2,589,209
Total	<u>\$107,034,589</u>	<u>\$8,563,186</u>	<u>\$28,185,221</u>	<u>\$143,782,996</u>
	74.4%	6.0%	19.6%	
Margin Revenue Test Variable, Percentage Cap:				<u>(4.00%)</u>
Margin Revenue Test Recovery Cap, on Non-Weather CIP Deficiency				<u>(\$5,751,320)</u>
Non-Weather: Current Period - Margin Revenue (Deficiency Only), (TK-1)				<u>\$0</u>
Margin Revenue Test Deferral, if applicable deferred for future recovery.				<u>\$0</u>
Allocation of Test Deferral to a future Period, if any:				
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
				-

Variable Margin calculations per Board Order Dated April 7, 2021 in Docket Nos. QO19010040 and GO20090619.

ELIZABETHTOWN GAS COMPANY
Conservation Incentive Program ("CIP")
CIP Excess No Test Required
Actual / Estimate
July-21 Through June-22

<u>Regulated Jurisdictional Net Income Excess / (Deficiency):</u>		
	Net Income (including Booked CIP margin revenue, net of tax) (1)	\$52,027,894
	less: non-recurring items, income / (loss) net of tax (1)	\$7,879,153
	less: CIP Margin Revenue Excess / (Deficiency) net of tax	\$1,935,690
1	Net Income (excluding CIP margin revenue, net of tax) *	<u>\$42,213,051</u>
2	Less: Non-firm Sales & Transportation margins, net of tax	\$167,548
	Off-system Sales & Capacity Release, net of tax	\$77,627
	Amort. of Pension/OPEB Regulatory Assets, net of tax **	\$2,883,008
	Energy Efficiency Program margins, net of tax	\$839,607
3	Infrastructure Investment Program net of tax	<u>\$7,256,417</u>
		\$11,224,207
4	Regulated Jurisdictional Net Income	\$30,988,844
5	Average Thirteen Month Common Equity ***	\$618,771,258
6	Rate of Return on Equity, 2019 Rate Case, plus 50 basis points	<u>10.10%</u>
7	Allowed Return (L5*L6)	<u>\$62,495,897</u>
8	Regulated Jurisdictional Net Income Excess / (Deficiency) (L7-L 4)	<u><u>(\$31,507,053)</u></u>
<u>Net Booked CIP Margin Revenue Excess / (Deficiency):</u>		
9	Total of RDS, SGS & GDS Margin Revenues	\$2,692,573
10	Less: Corporate Business Tax 9.0%	\$242,332
11	Federal Income Tax 21.0%	<u>\$514,551</u>
12	Net CIP Margin Revenue Excess / (Deficiency) (L9-L10-L11)	<u><u>1,935,690</u></u>
<u>Revenue Disallowance:</u>		
13	Net Income Disallowance, (L8-L12) {Occurs when a Deficiency on L12 exceeds a Deficiency on L8.}	\$0
14	Tax Gross Up Factor	28.11%
15	Grossed Up Net Income Disallowance, (L13/(1-L14))	<u>\$0</u>
16	CIP Revenue Disallowance, (smaller of absolute L9 and L15)	<u><u>\$0</u></u>

* Net Income is adjusted to exclude non-jurisdictional allocated income taxes and to exclude interest and related income tax amounts of non-jurisdictional acquisition adjustment amounts.

** Represents the amortization of the Pension and Other Post-Employment Benefits regulatory assets consistent with the BPU Order approving the acquisition of NUI by AGL Resources Inc. dated 11-17-2004. The amortization was not recorded in the books and records consistent with Generally Accepted Accounting Principles and therefore is included as an adjustment above to reflect the expense for regulatory reporting purposes.

*** Common Equity is adjusted to exclude non-jurisdictional acquisition adjustment amounts.

(1) Excludes UTUA 2018 Extraordinary Item booked in September 2021.

RIDER "A"

BASIC GAS SUPPLY SERVICE CHARGE ("BGSS")

This Rider sets forth the method of determining the BGSS which shall be calculated to four (4) decimal places on a per therm basis established in accordance with the Board Order in Docket No. GX01050304 dated January 6, 2003. The BGSS charge is either BGSS-Monthly ("BGSS-M") or BGSS-Periodic ("BGSS-P") and will be applied to a Customer's Service Classification as follows:

1. The BGSS-M shall be applicable to all GDS, NGV, LVD, and EGF customers receiving gas supply from the Company effective on the first of each month as determined below.
2. The BGSS-P shall be applicable to all RDS, SGS, and GLS customers receiving gas supply from the Company.

The BGSS Charge, as defined herein, is designed to recover the cost to the Company of purchased gas or fuel used as a substitute for or supplemental to purchased gas including the cost of storing or transporting said gases or fuel, the cost of financial instruments employed to stabilize gas costs, other charges or credits as may result from the operation of other tariff provisions, and taxes and other similar charges in connection with the purchase and sale of gas.

BGSS per therm rates:

<u>Effective Date</u>	<u>BGSS-M per therm</u>	<u>BGSS-P per therm</u>
June 1, 2021	\$0.5184	\$0.3783
July 1, 2021	\$0.5874	\$0.3783
August 1, 2021	\$0.6340	\$0.3783
September 1, 2021	\$0.6695	\$0.3783
October 1, 2021	\$0.8299	\$0.3783
November 1, 2021	\$0.8692	\$0.3783
December 1, 2021	\$0.8022	\$0.4798
January 1, 2022	\$0.6475	\$0.4798
February 1, 2022	\$0.8912	\$0.4798
March 1, 2022	\$0.7067	\$0.4798
April 1, 2022	\$0.7902	\$0.4798
May 1, 2022	\$1.0001	\$0.4798
June 1, 2022	\$1.1786	\$0.4798
July 1, 2022	*	\$0.4798
August 1, 2022	*	\$0.4798
September 1, 2022	*	\$0.4798
October 1, 2022 (Proposed BGSS-P rate)	*	\$0.7190

* To be determined

Date of Issue: ~~May 27, 2022~~xxx1

Effective: Service Rendered on and after ~~June 1, 2022~~xxx2

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

Filed Pursuant to Order of the Board of Public Utilities
Dated ~~January 6, 2003~~xxx3 in Docket No. ~~GX01050304~~xxx4

ELIZABETHTOWN GAS COMPANY
B. P. U. NO. 17 – GAS

1ST REVISED ORIGINAL SHEET NO. 125.2

RIDER "G"

CONSERVATION INCENTIVE PROGRAM ("CIP")

Applicable to all Customers served under RDS, SGS and GDS rate classes.

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

RDS	SGS	GDS
\$0.0000 (\$0.0023) per therm	\$0.0000 (\$0.0556) per therm	\$0.0000 (\$0.0076) per therm

The rates applicable under this Rider include 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.

The annual filing for the adjustment to the CIP rate shall be concurrent with the annual filing for BGSS. The CIP factor shall be credited/collected on a per therm basis for the service classifications stated above. The level of BGSS savings referenced in (d) in this Rider shall be identified in the annual CIP filing, and serve as an offset to the non-weather related portion of the CIP charge provided in (f) in this Rider. The Periodic and Monthly BGSS rates identified in Rider "A" to this tariff shall include the BGSS savings, as applicable.

- (a) This Rider shall be utilized to adjust the Company’s revenues in cases wherein the Actual Usage per Customer experienced during Monthly Periods varies from the Baseline Usage per Customer (“BUC”). This adjustment will be effectuated through a credit or surcharge applied to customers’ bills during the Adjustment Period. The credit or surcharge will also be adjusted to reflect prior year under recoveries or over recoveries pursuant to this CIP.

Date of Issue: ~~June 21, 2021~~xxx1

Effective: Service Rendered on and after ~~July 1, 2021~~xxx2

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

Filed Pursuant to Order of the Board of Public Utilities
Dated ~~April 7, 2021~~xxx3 in Docket Nos. ~~QO19010040 and GO20090619~~xxx4

RIDER "G"

CONSERVATION INCENTIVE PROGRAM ("CIP")
(continued)

- (d) Recovery of any Deficiency in accordance with Paragraph (c), above, associated with non-weather-related changes in customer usage will be limited to the level of BGSS savings achieved pursuant to Board orders issued in Docket Nos. QO1901040, QO19060748 and QO17091004 Dated June 10, 2020. The value of the weather-related changes in customer usage shall be calculated in accordance with WNC Rider of this tariff without a dead band which result shall be allocated to applicable classes by the Company.
- (e) Except as limited by Paragraph (d), above, the amount to be surcharged or credited to the Customer Class Group shall equal the aggregate Deficiency or Excess for all months during the Annual Period determined in accordance with the provisions herein, divided by the Forecast Annual Usage ("FAU") for the Customer Class Group.
- (f) The CIP shall not operate to cause the Company to earn in excess of its allowed rate of return on common equity of 9.6% plus 50 basis points for any twelve-month period ending June 30; any revenue which is not recovered will not be deferred. For purposes of this paragraph the Company's rate of return on common equity shall be calculated by dividing the Company's net income for such annual period by the Company's average 13 month common equity balance for such annual period, all data as reflected in the Company's monthly reports to the Board of Public Utilities. The Company's regulated jurisdictional net income shall be calculated by subtracting from total net income (1) margins retained by the Company from non-firm sales and transportation services, net of associated taxes, (2) margins retained in the provision of sales in accordance with the Board Order pertaining to Docket No. GR90121391J and GM90090949, net of associated taxes and (3) net income derived from unregulated activities conducted by Elizabethtown and (4) the Energy Efficiency Program and (5) the Infrastructure Investment Program.

Date of Issue: June 21, 2021xxx1Effective: Service Rendered
on and after July 1, 2021xxx2Issued by: Christie McMullen, President
520 Green Lane
Union, New Jersey 07083Filed Pursuant to Order of the Board of Public Utilities
Dated April 7, 2021xxx3 in Docket Nos. QO19010040 and GO20090619xxx4

RIDER "G"

CONSERVATION INCENTIVE PROGRAM ("CIP")
(continued)

- (g) As used in this Rider, the following terms shall have the meanings ascribed to them herein:
- (i) Actual Number of Customers ("ANC") – shall be determined on a monthly basis for each of the Customer Class Groups to which the CIP Clause applies, plus any Incremental Large Customer Count Adjustment for the Customer Class Group.
 - (ii) Actual Usage per Customer ("AUC") – shall be determined in terms on a monthly basis for each of the Customer Class Groups to which the CIP applies. The AUC shall equal the aggregate actual booked sales for the month as recorded on the Company's books divided by the Actual Number of Customers for the corresponding month.
 - (iii) Adjustment Period – shall be the ~~calendar year beginning immediately following the conclusion of the Annual Period~~period that BPU-approved rates are in effect.
 - (iv) Annual Period – shall be the twelve consecutive months from July 1 of one calendar year through June 30 of the following calendar year.
 - (v) Baseline Usage per Customer ("BUC") – shall be the average normalized consumption per customer by month derived from the Company's most recent base rate case and stated in terms on a monthly basis for each Customer Class Group to which the CIP applies. The BUC shall be rounded to the nearest one tenth of one therm.
 - (vi) Customer Class Group – For purposes of determining and applying the CIP, customers shall be aggregated into three separate recovery class groups, RDS, SGS and GDS.
 - (vii) Forecast Annual Usage ("FAU") – shall be the projected total annual throughput for all customers within the applicable Customer Class Group. The FAU shall be estimated on normal weather.

Date of Issue: ~~June 21, 2021~~xxx1Effective: Service Rendered
on and after ~~July 1, 2021~~xxx2Issued by: Christie McMullen, President
520 Green Lane
Union, New Jersey 07083

Filed Pursuant to Order of the Board of Public Utilities

Dated ~~April 7, 2021~~xxx4 in Docket Nos. ~~QO19010040 and GO20090619~~xxx4

**ELIZABETHTOWN GAS COMPANY
DIRECT TESTIMONY OF
LEONARD J. WILLEY**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 **A.** My name is Leonard J. Willey. My business address is 520 Green Lane, Union,
3 New Jersey 07083.

4 **Q. WHAT IS YOUR POSITION WITH ELIZABETHTOWN GAS COMPANY?**

5 **A.** I am employed as Manager, Gas Supply by Elizabethtown Gas Company
6 (“Elizabethtown” or “Company”).

7 **Q. WHAT ARE YOUR PROFESSIONAL QUALIFICATIONS?**

8 **A.** I received a Bachelor of Arts degree in Computer Science from Rutgers, The State
9 University of New Jersey with a minor in Economics in 1991. I have been
10 employed by Elizabethtown since September 1983 and have held a number of
11 positions in the planning and gas supply procurement area. During my tenure with
12 Elizabethtown, I have attended the American Gas Association’s (AGA) “Demand
13 Modeling and Forecasting” seminar, the Institute of Gas Technology’s “Energy
14 Modeling” seminar, the Institute for Professional Education (IPE) courses “Applied
15 Time Series: Analysis and Forecasting” and “Forecasting: Methods and
16 Applications”. In addition, I have attended various conferences and seminars on
17 topics and issues related to my job function. I am formerly a member of the AGA’s
18 Statistics and Load Forecasting Methods Committee.

1 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

2 **A.** My testimony supports the Company’s calculated Periodic Basic Gas Supply
3 Service (“BGSS-P”) rate of \$0.7190 per therm.¹ Schedules LJW-1 through LJW-
4 17 provide support for the Company’s calculation. My testimony also provides
5 support for the capacity cost component (“CCC-M”) charge used in setting the
6 Monthly Basic Gas Supply Service (“BGSS-M”) rates charged to our large
7 commercial and industrial sales customers. The Company proposes to establish a
8 new CCC-M charge at \$0.2289 per therm, excluding taxes, effective October 1,
9 2021. Schedule LJW-18 provides support for the BGSS Savings Test discussed
10 later in my testimony.

11 **Q. DO YOU SPONSOR ANY SCHEDULES AS PART OF YOUR**
12 **TESTIMONY?**

13 **A.** Yes. My testimony includes the following schedules which were prepared under
14 my supervision and direction:

15 (i) Schedules LJW-1 through LJW-15 support the calculated BGSS-P rate and
16 reflect projected data for the period October 1, 2022 through September 30,
17 2023. These schedules provide information responsive to Minimum Filing
18 Requirements (“MFR”) numbers 2, 4, 5, 6, 7, 8, 11, 12 and 17;

19 (ii) Schedule LJW-16 presents the historical and estimated supply and demand
20 requirements for Elizabethtown for the period November 2019 through
21 October 2027. This schedule provides information responsive to MFR 14;

¹ All rates included herein are inclusive of all applicable taxes, unless otherwise noted.

1 (iii) Schedule LJW-17 presents changes to the
2 Company's portfolio of firm transportation and storage contracts through
3 the period ending September 30, 2023. This schedule provides information
4 responsive to MFR 18; and

5 (iv) Schedule LJW-18 presents the BGSS savings used in the calculation of the
6 Modified BGSS Savings Test on CIP Schedule TK-4.

7 **Q. PLEASE EXPLAIN HOW THE COMPANY RECOVERS GAS COSTS**
8 **THROUGH THE BGSS CLAUSE.**

9 **A.** The Company recovers gas costs from its residential, small commercial and
10 gaslight sales customers through the BGSS-P rate, which is established in this
11 proceeding. The Company recovers gas costs from its large commercial, industrial
12 and electric generation customers through its BGSS-M rates, which are established
13 monthly. The BGSS-P rate is derived by determining the sum of the commodity
14 gas cost component ("GCC-P"), the capacity cost component ("CCC-P"), adding
15 an amount to adjust for prior period under or over-recoveries and adjusting the
16 resulting rate for applicable taxes. The capacity cost component is also used in the
17 determination of the monthly BGSS-M rate. However, BGSS-M rates are
18 established monthly; they are not established in this proceeding. In addition, for
19 certain non-firm service classifications, gas cost recovery rates are established by
20 tariff. Information concerning these rates is set forth on Schedule LJW-11.

21 **Q. HAVE THERE BEEN ANY CHANGES IN ELIZABETHTOWN'S ASSET**
22 **MANAGER AND PRIMARY SUPPLIER OF NATURAL GAS SINCE THE**
23 **COMPANY'S LAST FILING?**

1 **A.** No, South Jersey Resources Group LLC (“SJRG”), the Company’s affiliate,
2 continues to be its upstream capacity manager and principal supplier of natural gas
3 under a two (2) year asset management agreement for the term April 1, 2022
4 through March 31, 2024 (“SJRG AMA”), which was authorized by the New Jersey
5 Board of Public Utilities (“BPU” or “Board”) by Order dated March 23, 2022 in
6 BPU Docket No. GR21040723. I describe the SJRG AMA in more detail below.

7 As part of the Board Order, the Company will transition the gas supply
8 function in-house and will retain control of certain assets, to be phased out of the
9 SJRG AMA, that will be managed by the utility.

10 **Q. HAS THE USE OF AN ASSET MANAGER IN GENERAL, AND SJRG, IN**
11 **PARTICULAR, AFFECTED ELIZABETHTOWN’S GAS PURCHASING**
12 **GOALS AND OBJECTIVES?**

13 **A.** No. Elizabethtown’s goal in purchasing gas is to obtain reliable sources of supply
14 at market-sensitive prices. Elizabethtown believes that by purchasing commodity
15 gas supplies at market prices and minimizing its fixed cost of purchasing gas to the
16 level no greater than that needed to assure reliability, Elizabethtown is able to
17 purchase gas for BGSS customers at the lowest reasonable level. The Company
18 has been able to accomplish this goal throughout the BGSS period under its
19 arrangement with SJRG. The prices that Elizabethtown has committed to pay for
20 gas under its arrangement with SJRG have been, and will continue to be, consistent
21 with market conditions.

22 **Q. WHAT IS THE COMPANY’S PROJECTED SALES QUANTITY FOR THE**
23 **BGSS PERIOD OCTOBER 1, 2022 THROUGH SEPTEMBER 30, 2023?**

1 **A.** Schedule LJW-4 sets forth the sales level projected for the period October 1, 2022
2 through September 30, 2023 (“the BGSS Year”). The projection was developed
3 using a 10-year normal weather pattern based on the historical period of January 1,
4 2012 through December 1, 2021 and adding estimated growth in the markets
5 served. Schedule LJW-6 presents the projected level of gas purchases and storage
6 activity necessary to serve the sales demand projection.

7 **Q. HAVE THERE BEEN ANY CHANGES TO THE METHODOLOGY USED**
8 **TO FORECAST THE SALES QUANTITIES UNDERLYING THE**
9 **COMPANY’S FILING SINCE THE COMPANY’S PREVIOUS BGSS-P**
10 **FILING?**

11 **A.** No, the forecast methodology used this year is the same as that used last year and
12 is based on regression analysis; historical data was normalized for weather and then
13 regressed against econometric variables. Additionally, the underlying historical
14 weather data used to develop the 10-year normal, while still based on a rolling 10-
15 year approach, uses a more current 10-year period (December 1, 2012 through
16 December 31, 2021) than the 10-year period (January 1, 2011 through December
17 31, 2020) used for last year’s filing.

18 **Q. IS THE COMPANY PROJECTING A CHANGE IN SALES GROWTH**
19 **FROM THE PRIOR YEAR?**

20 **A.** Yes. The BGSS demand forecast for 2022-2023 reflects a slight increase in overall
21 throughput of sales and transportation demand relative to last year’s forecast. Total
22 sales demand is projected to increase modestly when compared to last year’s

1 numbers related to new, incremental growth and customer migration between sales
2 and transportation services.

3 **Q. HOW WAS THE GAS SUPPLY FORECAST DISPLAYED IN SCHEDULE**
4 **LJW-6 DEVELOPED?**

5 **A.** The Company developed and utilized an Excel based model to forecast the best mix
6 of gas purchases, storage and peaking supply needed to enable the Company to
7 meet its forecast sendout of natural gas for the BGSS Year. The model emulates
8 the gas supply process employed on a monthly and daily basis to meet customer
9 demands. The choice of natural gas supply is developed from the sources defined
10 to be available. The results obtained through use of the model are presented on
11 Schedule LJW-6.

12 **Q. PLEASE EXPLAIN HOW ELIZABETHTOWN PLANS TO MEET ITS**
13 **SUPPLY REQUIREMENTS IN THE BGSS YEAR.**

14 **A.** As noted above, Elizabethtown has entered into a contract with SJRG to provide
15 Elizabethtown with firm supply up to the amount of capacity that SJRG is managing
16 under the agreement. In addition to this supply, Elizabethtown retains control of
17 all of its peaking assets as well as several market-area storage assets used to balance
18 its system as well as certain Tennessee Gas Pipeline contracts.

19 **Q. PLEASE DESCRIBE THE SJRG AMA.**

20 **A.** The SJRG AMA involves two contracts: an Asset Management and Agency
21 Agreement and a Gas Purchase and Sale Agreement. Under the terms of the
22 agreements, which are confidential, Elizabethtown has for all interstate pipeline and
23 storage capacity designated SJRG as its agent and where appropriate, has released

1 assets -- upstream pipeline transportation and storage contracts -- to SJRG. SJRG
2 also acts as agent for Elizabethtown under certain pre-existing supply contracts.
3 SJRG has the right to utilize all of Elizabethtown's upstream contracts as long as it
4 meets its supply obligations to Elizabethtown.

5 Under the SJRG AMA, SJRG is responsible for supplying Elizabethtown's
6 firm gas requirements up to the limit of the pipeline capacity covered by the
7 agreement. However, the contracts provide Elizabethtown with the flexibility to
8 dispatch gas to the Company's city gate in a best-cost manner. Elizabethtown
9 continues to maintain responsibility for the sourcing and dispatching of its gas
10 supply. Based on published natural gas index pricing and available pipeline
11 capacity and storage levels, Elizabethtown directs SJRG to the purchase points for
12 the Company's supply and designates the pipeline contracts under which SJRG is
13 to deliver natural gas supplies to Elizabethtown's city gate. SJRG is then required
14 to deliver the aggregate quantities of natural gas nominated by the Company. SJRG
15 is not required to physically flow gas in the same manner as it is nominated by
16 Elizabethtown, or to use the pipeline capacity designated by the Company;
17 however, SJRG is required to deliver the total nominated volumes and to bill the
18 Company using the published index pricing and associated pipeline tariff rates in
19 accordance with the Company's nominations.

20 Likewise, with regard to storage gas, Elizabethtown nominates to SJRG the
21 daily utilization of gas being injected and withdrawn from storage. Under the SJRG
22 AMA, Elizabethtown's market area storage contracts, other than those designated
23 as under the control of Elizabethtown, are to be refilled ratably during the seven-

1 month period April through October to a level equal to nearly 100% of capacity at
2 October 31. Those storage assets under the control of Elizabethtown will be filled
3 in accordance with the explicit direction of the Company. The Company is
4 invoiced based on the published index prices associated with its nominations to
5 SJRG for each storage contract. However, for those storage assets subject to ratable
6 fill, actual physical monthly flows may differ from the Company's nominations to
7 SJRG so long as the storages are filled as directed by the Company at October 31.
8 Historically, Elizabethtown has filled its market area storage to between 90% -
9 100% of capacity in order to allow a cushion for storage injections necessary to
10 balance pipeline transportation quantities if a warmer than normal start of winter
11 occurs.

12 **Q. DOES THE SJRG AMA REQUIRE SJRG TO COMPENSATE**
13 **ELIZABETHTOWN FOR ACTING AS ITS ASSET MANAGER?**

14 **A.** Yes. SJRG is required to pay a minimum annual fee to Elizabethtown and SJRG
15 and Elizabethtown share any margins derived by SJRG in accordance with a
16 formula set forth in the agreement. That formula provides that a percentage of all
17 margins earned by SJRG will be credited to the Company's customers if the total
18 margins earned are between certain amounts annually.

19 **Q. HOW HAS THE SJRG AMA AFFECTED THE COST OF GAS**
20 **PURCHASED FOR BGSS CUSTOMERS?**

21 **A.** The SJRG AMA permits Elizabethtown to obtain gas supplies at prices consistent
22 with market conditions. The Company continues to be responsible for sourcing gas
23 purchases and deliveries with the objective of minimizing costs without affecting

1 reliability of supply. The commodity cost of gas supply is based on published index
2 prices. Pipeline tariff rates paid for transportation, fuel and storage remain in
3 accordance with existing contracts. There are no other charges from SJRG to ETG
4 under the SJRG AMA. These aspects of the Company's agreement with SJRG,
5 coupled with the fee that SJRG is paying to Elizabethtown for the right to act as its
6 asset manager and natural gas supplier, have helped Elizabethtown realize an
7 overall cost to BGSS customers that is reasonable and consistent with market
8 conditions.

9 **Q. PLEASE EXPLAIN HOW THE FORECASTS OF PRICES FOR GAS**
10 **SUPPLIES AND SERVICES PROVIDED IN SCHEDULE LJW-7 WERE**
11 **DEVELOPED.**

12 **A.** In preparing Schedule LJW-7, Elizabethtown personnel reviewed current rates filed
13 by the Company's pipeline suppliers with the Federal Energy Regulatory
14 Commission ("FERC") to determine the likely level of rates for storage and
15 transportation services during the BGSS Year. The forecast rates include the
16 Annual Charge Adjustment ("ACA"), and any other surcharges approved by the
17 FERC.

18 The majority of the Company's sources of gas supply during the BGSS Year
19 have spot-related or index-based pricing terms that are market sensitive. The
20 projected commodity prices reflected on Schedule LJW-7 for these supply contracts
21 are based on the prices posted by the New York Mercantile Exchange ("NYMEX")
22 for the BGSS Year as established using the actual NYMEX Futures settlement
23 prices as closed on May 10,2022. The prices for these contracts also reflect the

1 impact of financial hedging transactions that have been put in place to mitigate
2 price volatility under the Company's Gas Procurement Strategy and Plan
3 ("GPS&P"), which is discussed more fully below. Schedule LJW-13 presents the
4 detailed calculation of the "spot commodity price" that is utilized on Schedule
5 LJW-7. Prices for winter peaking supply are based on contracts in place.

6 **Q. PLEASE EXPLAIN HOW THE COMPANY DEVELOPS ITS FORECAST**
7 **OF COMMODITY GAS COSTS.**

8 **A.** Because the majority of the Company's sources of natural gas supply have spot-
9 related or index-based pricing terms, the price of most of the natural gas purchased
10 by the Company is forecasted using the NYMEX settlement prices for the BGSS
11 Year as the starting point. To determine the forecast price for each receipt point
12 where the Company projects to purchase supplies, a forecast basis representing the
13 difference between the index price at the individual receipt points and the NYMEX
14 settlement prices is added to the NYMEX settlement prices mentioned previously.
15 Those gas supply sources that are not based on spot prices or index-based pricing
16 are priced in accordance with the pricing provisions of the applicable contracts. All
17 variable costs associated with transporting the purchased gas from its point of
18 purchase to the city gate, which include the cost of the gas retained for fuel or
19 shrinkage and the variable tariff charges applied by the transporting pipelines, are
20 added to determine the cost of gas. Finally, the impacts of any hedging transactions
21 that have been put into place to mitigate price volatility are reflected to arrive at the
22 total commodity cost of gas.

1 **Q. HOW DOES ELIZABETHTOWN DETERMINE THE CAPACITY COST**
2 **COMPONENT OF THE BGSS-P RATE?**

3 **A.** The capacity cost component of the BGSS-P rate is determined by dividing the
4 Company's fixed capacity costs of purchasing natural gas, as set forth on Schedule
5 LJW-8, by the projected quantities to be delivered to BGSS-P and BGSS-M
6 customers, as set forth on Schedule LJW-5, page 2. The resulting CCC-P
7 component is set forth on Schedule LJW-8.

8 **Q. PLEASE DESCRIBE THE CURRENT STATE OF THE NATURAL GAS**
9 **MARKET.**

10 **A.** Natural gas costs are trending significantly higher than last year and have moved to
11 an unprecedentedly level not seen since 2006-2007. Price differentials between
12 traditional supply basins located in the South and shale basins located in the
13 Northeast continue to narrow as new capacity is brought online to deliver those
14 supplies to market. I expect market pricing to maintain a pattern of significant
15 volatility coupled with an ever more extreme pricing during near design peak
16 weather conditions during the period covered by this filing.

17 With respect to the NYMEX, settlement prices at the Henry Hub are \$4.413
18 per dekatherm higher this May compared to a year ago. For the 5-month period
19 January through May, the average NYMEX settlement price for 2022 was \$2.7736
20 per dekatherm higher than for the same period in 2021. When compared to forward
21 pricing for the 5-month period January through May 2023, the average NYMEX
22 settlement price is \$3.3740 or 124% higher than the average price for the same
23 period in 2021.

1 Significant price volatility is anticipated during the BGSS period with
2 fundamentals such as weather, availability of pipeline firm transportation capacity
3 to markets and production and storage inventory levels continuing to play a role in
4 setting prices. Normal to mild summer temperatures, National storage inventory
5 levels as reported by the Energy Information Administration and the resulting
6 demand needed to refill storage to the levels that have been achieved over the last
7 several years, economic influences such as inflation driven demand destruction and
8 continued growth in shale production could support a minor price pull back or, at a
9 minimum, maintain the current level of summer pricing. At the same time however,
10 there are other factors that could send prices higher than current levels. Factors such
11 as continued coal-fired and nuclear-powered electric generation retirements,
12 warmer-than-normal summer weather causing increased electric demand, and/or
13 projections of shortages or problems with primary fuel sources for electric
14 generation, such as nuclear outages, could easily cause market prices for natural
15 gas to rise during the summer and fall seasons. Moreover, if the start to the coming
16 winter is colder than normal and gas production has not shown any significant
17 growth, prices could increase.

18 These factors, as well as the timing of additional gas production from
19 unconventional sources, and new, incremental transportation capacity with the
20 ability to move stranded Marcellus and Utica shale gas to markets will continue to
21 drive prices. The impact of these factors on future prices and the timing of any
22 changes in prices, supply and/or demand are elusive and uncertain. The uncertainty

1 surrounding many of the factors that influence the short-term price of natural gas is
2 one of the reasons for volatility in natural gas prices.

3 **Q. WHAT STEPS DOES THE COMPANY TAKE TO HOLD ITS GAS COSTS**
4 **TO THE LOWEST REASONABLE LEVEL AND MANAGE PRICE**
5 **VOLATILITY?**

6 **A.** Elizabethtown employs various measures to obtain the lowest reasonable costs and
7 manage volatility including (1) employing its gas storage resources to reduce
8 exposure to some of the volatility associated with wintertime price swings; (2)
9 continuing to execute its GPS&P, which includes financial hedging strategies, on
10 file with the Board; and (3) providing credits to firm customers as a result of the
11 Company's outsourcing of its gas supply and upstream capacity management to
12 SJRG, as discussed above.

13 **Q. PLEASE EXPLAIN HOW ELIZABETHTOWN'S GAS STORAGE**
14 **RESOURCES AND GPS&P HELP TO ASSURE THAT ELIZABETHTOWN**
15 **OBTAINS REASONABLY PRICED COMMODITY SUPPLIES TO MEET**
16 **ITS SYSTEM REQUIREMENTS?**

17 **A.** The Company secures the majority of its natural gas commodity requirements at
18 the market prices in effect at the time the gas is needed. This assures that over the
19 long term, natural gas is purchased at the lowest reasonable cost, assuming that the
20 market for natural gas is truly open and competitive. However, purchasing natural
21 gas in this manner exposes the Company and its customers to price volatility. To
22 some extent, Elizabethtown is able to mitigate price instability during the winter
23 period through the use of storage. While the primary function of storage is to

1 provide a reliable, cost-effective means to meet the increased demands for natural
2 gas service in the winter, it also allows the Company to mitigate price volatility.
3 Because storage is filled in the non-winter, off-peak months, the price of storage
4 gas is unaffected by movements in the winter month prices. Elizabethtown has
5 9,226,821 dth of storage capacity, which is capable of satisfying approximately
6 46% of the Company's winter natural gas requirements for BGSS-P customers.
7 The Company's projected use of various storage inventories is detailed on
8 Schedules LJW-2 and LJW-10.

9 However, the natural price hedging aspects of storage, while significant, do not
10 provide the desired level of price volatility mitigation, especially during periods of
11 extreme natural gas price movements in an upward trending market. To further
12 enable the Company to mitigate volatility, the Company has implemented the
13 GPS&P. The GPS&P has the following stated objectives: 1) assure that any actions
14 taken to manage gas costs are not detrimental to gas supply reliability, 2) reduce
15 the risk of upward gas commodity price volatility, 3) preserve opportunities to take
16 advantage of declines in gas prices, and 4) allow for flexibility to adjust to market
17 changes. The focus of the GPS&P is on managing the purchased costs of natural
18 gas over rolling time frames. However, the GPS&P also establishes the framework
19 for an ongoing natural gas procurement process. Schedule LJW-14 contains the
20 four most recent quarterly filings the Company has submitted to the BPU on the
21 operation of the GPS&P.

22 **Q. HOW DOES THE GPS&P WORK?**

1 **A.** The plan sets forth a strategy to be employed to price-protect natural gas purchases.
2 It describes the price protection methods that can be used and the level of price
3 protection to be put in place. It establishes a base level of price protection for a
4 portion of firm natural gas supply requirements which is carried out in a formulaic
5 manner irrespective of where the market is at any given time.

6 **Q.** **WHAT IMPACT WILL THE IMPLEMENTATION OF THE GPS&P AND**
7 **THE COMPANY’S USE OF STORAGE HAVE ON ELIZABETHTOWN’S**
8 **GAS PURCHASES FOR THE 2022-2023 BGSS YEAR?**

9 **A.** As a result of implementing the GPS&P and its re-fill of storage, the Company will
10 have price-protected approximately 69% of its BGSS-P projected winter natural
11 gas purchase requirements for the BGSS Year. Page 1 of Schedule LJW-14 presents
12 the current level of price protection the Company has put in place under its GPS&P
13 for the projected BGSS period.

14 **Q.** **WHAT LEVEL OF PIPELINE REFUNDS IS THE COMPANY**
15 **FORECASTING FOR THE BGSS YEAR?**

16 **A.** As reflected on Schedule LJW-9, the Company is not projecting any pipeline
17 refunds for this BGSS Year. Refunds generally result from final decisions
18 involving Elizabethtown’s pipelines in rate proceedings and storage projects before
19 the FERC. Shippers of both Texas Eastern Transmission (“Tetco”) and Eastern
20 Gas Transmission & Storage (“EGT&S”) are in settlement negotiations and the
21 timing and amount of any refund is uncertain at this time.

22 **Q.** **WILL THE COMPANY ENTER INTO ANY SEASONAL SUPPLY OR**
23 **CAPACITY CONTRACTS FOR THE UPCOMING BGSS YEAR?**

1 **A.** Yes, the Company plans to enter into contracts for additional bundled peaking
2 supplies for the 2022-2023 winter. The Company has identified the need for winter
3 peaking supply above the level of capacity currently under contract and plans to
4 secure these contracts through negotiations with vendors who respond to request
5 for proposal solicitations made by the Company. For the last several years, the
6 Company has used seasonal contracts as a means of meeting a portion of its
7 requirements for winter firm natural gas supply. The short-term nature of these
8 contracts allows the Company to adjust its supply portfolio from year to year as its
9 loads and load profiles change.

10 **Q. HAS THE COMPANY MADE ANY OTHER CHANGES IN ITS COMPANY**
11 **PORTFOLIO?**

12 **A.** Yes. The Company has terminated two agreements effective March 31, 2022, one
13 was a firm transportation capacity contract with Gulf South Pipeline and the second
14 was a firm transportation capacity contract with National Fuel Gas Supply Corp.
15 (“NFGSC”). Both contracts were upstream assets that did not deliver supply
16 directly to the Company. Schedule LJW-17 sets forth a summary of changes to the
17 Company’s portfolio of interstate pipeline firm transportation and storage contracts.

18 **Q. DOES THE COMPANY HAVE ANY GAS SUPPLY OR CAPACITY**
19 **TRANSACTIONS WITH AFFILIATES IN EFFECT OR PLANNED FOR**
20 **THE PROJECTED BGSS PERIOD?**

21 **A.** Yes. SJRG is an affiliate of the Company and provides gas supply and capacity
22 management services under the terms that I previously described.

1 **Q. WHAT LEVEL OF MARGIN REVENUES DOES THE COMPANY**
2 **FORECAST FOR OFF-SYSTEM SALES AND CAPACITY RELEASE IN**
3 **THE BGSS YEAR?**

4 **A.** The Company is projecting to generate approximately \$328,000 in off-system sales
5 using the assets that will remain with the utility of which approximately \$279,000
6 will be credited to the BGSS clause under the 85%/15% sharing mechanism that is
7 in effect.

8 The Company also forecasts \$961,553 of capacity release credits under an
9 arrangement that was in place prior to the SJRG AMA. Of this total, \$817,319 is
10 projected to be credited to the BGSS clause under the 85%/15% sharing mechanism
11 that is in effect.

12 **Q. WILL THE COMPANY IMPLEMENT A CONSERVATION INCENTIVE**
13 **PROGRAM SIMILAR TO EXISTING PROGRAMS IN THE STATE?**

14 **A.** Yes, by order dated April 1, 2021 in Docket No. GO20090619, the Board approved
15 implementation of a Conservation Incentive Program (“CIP”) that includes a BGSS
16 Savings Test which will become effective with the CIP accrual year beginning
17 October 1, 2021. The BGSS Savings Test comprises three categories of savings:
18 (1) Category One captures permanent savings associated with permanently released
19 and/or terminated transportation capacity or storage assets that remain constant
20 after the re-setting of the CIP benchmarks established in future base rate cases; (2)
21 Category Two captures gas cost savings from capacity reductions through long
22 term (i.e. greater than 1 year) releases, contract restructuring and contract
23 terminations not captured in Category One and reductions in commodity cost of gas

1 supply through purchasing strategies; and (3) Category Three captures savings
2 associated with avoided capacity costs to meet prospective residential customer
3 growth.

4 **Q. PLEASE EXPLAIN THE COMPANY'S CURRENT AND ANTICIPATED**
5 **BGSS SAVINGS RELATED TO THE CIPS.**

6 **A.** The Company's BGSS savings detailed on Schedule LJW-18 are used for the BGSS
7 Savings Test on CIP Schedule TK-4. For the Company's first CIP accrual year
8 starting October 1, 2021, the BGSS savings for Category One amount to \$2,188,818
9 associated with the terminations of two Transco contracts, storage and firm
10 transportation, and a Texas Gas firm transportation contract.

11 Projected Category Two savings for the BGSS Year total \$862,474 associated
12 with the termination of a National Fuel Gas Supply firm transportation contract
13 having 11,090 dt/day of firm capacity and the Gulf South Pipeline firm
14 transportation contract having 15,000 dt/day of firm capacity.

15 **Q. HAS ELIZABETHTOWN BEEN INVOLVED IN ANY FEDERAL ENERGY**
16 **REGULATORY COMMISSION ("FERC") ACTIVITIES OR**
17 **PROCEEDINGS ASSOCIATED WITH ITS PIPELINE SERVICE**
18 **PROVIDERS?**

19 **A.** Yes. Elizabethtown participates in such proceedings to ensure that the costs and
20 services it receives from its pipeline service providers remain reasonable and
21 continue to meet its needs in an economic manner. Schedule LJW-15 sets forth a
22 summary of the FERC proceedings that Elizabethtown has substantively
23 participated in during the past few years.

1 **Q. WHAT BGSS-P CHARGE IS THE COMPANY PROPOSING?**

2 **A.** The proposed BGSS-P rate is \$0.7190 per therm to be effective commencing
3 October 1, 2022. The calculation of the proposed BGSS-P rate is set forth on
4 Schedule LJW-1 and results in a decrease to the current BGSS-P rate.

5 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

6 **A.** Yes, it does.

Elizabethtown Gas Company
Calculation of Charge for Periodic Basic Gas Supply Service
October 1, 2022 through September 30, 2023

1.	Beginning Inventory, October 1, 2022	(Schedule LJW-2)	\$46,015,214
2.	Plus Projected Purchases <i>October 1, 2022 through September 30, 2023</i>	(Schedule LJW-2)	\$236,799,972
3.	Plus: Estimated Under Recovery from September 30, 2022	(Schedule TK-1)	\$719,944
4.	Less: Estimated Interest on monthly over recoveries during the period	(Schedule TK-6)	\$0
5.	Less: Projected Ending Inventory for September 30, 2023	(Schedule LJW-2)	\$30,658,881
6.	Less: Projected Credits, Refunds, etc. <i>October 1, 2022 through September 30, 2023</i>	(Schedule LJW-3)	\$10,124,995
7.	Less: Projected Gas Cost Recoveries from System Sales not subject to the recoverable unit Gas Cost of the BGSS Periodic	(Schedule LJW-5)	\$68,817,040
8.	Less: Projected Recoveries for the portion of October 2021 sales sent out in September 2021	(Schedule LJW-5, pg. 3)	\$1,514,673
9.	Net Recoverable Gas Costs		<u>\$172,419,541</u>
10.	Applicable Therm Sales, October 1, 2021 through September 30, 2022	(Schedule LJW-4, pg. 4)	255,705,089 Therms
11.	Recoverable Unit Gas Cost Through BGSS-P		\$0.674291 per thm
12.	Levelized BGSS-P (rounded to nearest 1/10000 of a dollar)		\$0.6743 per thm
13.	Plus: 6.625% Sales Tax		\$0.0447
14.	Total Levelized BGSS-P		<u>\$0.7190</u> per thm

Elizabethtown Gas Company

Statement of Gas Sendout For the Projected Period October 1, 2022 through September 30, 2023

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	PURCHASES			INVENTORY VOLUMES		SENDOUT		
PERIOD	Amount	Dth	Average Rate (col 1/2)	Beginning Dth	Ending Dth	Dth (col 2+4-5)	\$	Average Rate (col 7/6)
Oct 2022	\$15,262,244	2,360,598	\$6.46542	7,679,051	8,895,880	1,143,768	\$7,326,763	\$6.40581
Nov 2022	\$13,124,862	1,738,550	\$7.54931	8,895,880	8,107,434	2,526,996	\$17,735,332	\$7.01835
Dec 2022	\$22,460,193	2,950,088	\$7.61340	8,107,434	6,244,490	4,813,032	\$33,547,590	\$6.97016
Jan 2023	\$38,563,943	3,389,934	\$11.37602	6,244,490	3,577,494	6,056,930	\$53,125,726	\$8.77106
Feb 2023	\$30,249,270	4,007,450	\$7.54826	3,577,494	1,401,722	6,183,222	\$42,925,379	\$6.94223
Mar 2023	\$26,251,683	3,815,300	\$6.88063	1,401,722	209,511	5,007,511	\$33,365,854	\$6.66316
Apr 2023	\$24,458,720	4,958,289	\$4.93290	209,511	1,424,874	3,742,926	\$19,461,415	\$5.19952
May 2023	\$15,990,734	3,232,219	\$4.94729	1,424,874	2,675,805	1,981,288	\$11,552,738	\$5.83092
Jun 2023	\$12,795,775	2,362,667	\$5.41582	2,675,805	3,891,736	1,146,736	\$8,617,732	\$7.51501
Jul 2023	\$12,524,832	2,170,667	\$5.77004	3,891,736	5,147,807	914,596	\$8,151,742	\$8.91294
Aug 2023	\$12,406,116	2,111,386	\$5.87582	5,147,807	6,403,683	855,510	\$8,066,369	\$9.42873
Sep 2023	\$12,711,602	2,204,807	\$5.76540	6,403,683	7,653,090	955,400	\$8,279,665	\$8.66618
TOTAL	\$236,799,972	35,301,955	\$6.70784			35,327,915	\$252,156,305	\$7.13759
BEGINNING INVENTORY	\$46,015,214	7,679,051	\$5.99231					
	\$282,815,186	42,981,005	\$6.58000					
ENDING INVENTORY	\$30,658,881	7,653,090	\$4.00608					

Elizabethtown Gas Company

Statement of Gas Sendout For the Projected Period October 1, 2022 through September 30, 2023

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	PURCHASES				SENDOUT			
PERIOD	Dth	Demand	Commodity	Average Commodity Rate (col 3/1)	Dth	Demand	Commodity	Average Commodity Rate (col 7/5)
Oct 2022	2,360,598	\$6,077,196	\$9,185,048	\$3.89098	1,143,768	\$6,077,196	\$1,249,567	\$1.09250
Nov 2022	1,738,550	\$6,346,344	\$6,778,518	\$3.89895	2,526,996	\$6,346,344	\$11,388,988	\$4.50693
Dec 2022	2,950,088	\$7,059,059	\$15,401,133	\$5.22057	4,813,032	\$7,059,059	\$26,488,531	\$5.50350
Jan 2023	3,389,934	\$7,049,984	\$31,513,959	\$9.29633	6,056,930	\$7,049,984	\$46,075,742	\$7.60711
Feb 2023	4,007,450	\$6,802,248	\$23,447,022	\$5.85086	6,183,222	\$6,802,248	\$36,123,131	\$5.84212
Mar 2023	3,815,300	\$6,995,606	\$19,256,076	\$5.04707	5,007,511	\$6,995,606	\$26,370,248	\$5.26614
Apr 2023	4,958,289	\$6,749,807	\$17,708,913	\$3.57158	3,742,926	\$6,749,807	\$12,711,608	\$3.39617
May 2023	3,232,219	\$6,068,823	\$9,921,911	\$3.06969	1,981,288	\$6,068,823	\$5,483,915	\$2.76785
Jun 2023	2,362,667	\$5,989,087	\$6,806,687	\$2.88093	1,146,736	\$5,989,087	\$2,628,645	\$2.29228
Jul 2023	2,170,667	\$6,071,849	\$6,452,984	\$2.97281	914,596	\$6,071,849	\$2,079,893	\$2.27411
Aug 2023	2,111,386	\$6,068,823	\$6,337,292	\$3.00148	855,510	\$6,068,823	\$1,997,546	\$2.33492
Sep 2023	2,204,807	\$5,989,087	\$6,722,514	\$3.04903	955,400	\$5,989,087	\$2,290,578	\$2.39751
TOTAL	35,301,955	\$77,267,914	\$159,532,058	\$4.51907	35,327,915	\$77,267,914	\$174,888,391	\$4.95043

Elizabethtown Gas Company

Statement of (Over) Under Recoveries of Gas Costs For the Projected Period October 1, 2022 through September 30, 2023 Based on BGSS-P Rate Effective Oct 1, 2022

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	RECOVERABLE COSTS			GAS COST RECOVERIES			(OVER) UNDER RECOVERY		
		<u>LESS</u>							
PERIOD	GAS SENDOUT	SUPPLIER REFUNDS CREDITS & OTHER	NET RECOVERABLE COSTS (COL 1-2)	BGSS-P FIRM SALES	BGSS-M FIRM SALES	NON-FIRM SALES	TOTAL RECOVERIES (COL 4+5+6)	MONTHLY (OVER) UNDER RECOVERY (COL 3-7)	CUMULATIVE (OVER) UNDER RECOVERY
BALANCE BEGINNING OCTOBER 1, 2022									\$719,944 ¹
Oct 2022	\$7,326,763	\$109,637	\$7,217,126	\$4,248,249	\$3,019,253	\$388	\$7,267,890	(\$50,764)	\$669,180
Nov 2022	\$17,735,332	\$82,996	\$17,652,336	\$12,232,260	\$6,167,208	\$1,272	\$18,400,740	(\$748,404)	(\$79,224)
Dec 2022	\$33,547,590	\$982,333	\$32,565,257	\$24,466,308	\$10,070,799	\$5,368	\$34,542,475	(\$1,977,218)	(\$2,056,442)
Jan 2023	\$53,125,726	\$110,808	\$53,014,918	\$31,199,098	\$12,233,695	\$5,995	\$43,438,788	\$9,576,130	\$7,519,688
Feb 2023	\$42,925,379	\$83,872	\$42,841,507	\$31,919,758	\$11,775,512	\$5,085	\$43,700,355	(\$858,848)	\$6,660,840
Mar 2023	\$33,365,854	\$5,477,038	\$27,888,816	\$25,517,740	\$8,923,528	\$1,528	\$34,442,796	(\$6,553,980)	\$106,860
Apr 2023	\$19,461,415	\$57,780	\$19,403,635	\$18,935,299	\$5,088,697	\$1,457	\$24,025,453	(\$4,621,818)	(\$4,514,958)
May 2023	\$11,552,738	\$71,060	\$11,481,678	\$9,684,445	\$2,939,490	\$0	\$12,623,935	(\$1,142,257)	(\$5,657,215)
Jun 2023	\$8,617,732	\$979,505	\$7,638,227	\$5,092,056	\$2,150,180	\$14	\$7,242,250	\$395,977	(\$5,261,238)
Jul 2023	\$8,151,742	\$65,933	\$8,085,809	\$3,555,254	\$2,169,738	\$7	\$5,724,999	\$2,360,810	(\$2,900,428)
Aug 2023	\$8,066,369	\$64,990	\$8,001,379	\$3,204,535	\$2,140,265	\$0	\$5,344,800	\$2,656,579	(\$243,849)
Sep 2023	<u>\$8,279,665</u>	<u>\$2,039,043</u>	<u>\$6,240,622</u>	<u>\$3,879,311</u>	<u>\$2,117,561</u>	<u>\$0</u>	<u>\$5,996,872</u>	<u>\$243,750</u>	<u>(\$99)</u>
TOTALS	\$252,156,305	\$10,124,995	\$242,031,310	\$173,934,313	\$68,795,926	\$21,114	\$242,751,353	(\$720,043)	

¹ Represents projected (over) / under-recovery position as of Sept. 30, 2020 as shown on Schedule TK-1.

Elizabethtown Gas Company

Statement of (Over) Under Recoveries of Gas Costs For the Projected Period October 1, 2022 through September 30, 2023 Assuming Current BGSS-P Rate

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	RECOVERABLE COSTS			GAS COST RECOVERIES				(OVER) UNDER RECOVERY	
		LESS SUPPLIER	NET				TOTAL	MONTHLY	CUMULATIVE
PERIOD	GAS SENDOUT	REFUNDS CREDITS & OTHER	RECOVERABLE COSTS (COL 1-2)	BGSS-P FIRM SALES	BGSS-M FIRM SALES	NON- FIRM SALES	RECOVERIES (COL 4+5+6)	(OVER) UNDER RECOVERY (COL 3-7)	(OVER) UNDER RECOVERY
BALANCE BEGINNING OCTOBER 1, 2022									\$719,944 ¹
Oct 2022	\$7,326,763	\$53,731	\$7,273,032	\$3,338,924	\$3,019,253	\$388	\$6,358,565	\$914,467	\$1,634,411
Nov 2022	\$17,735,332	\$51,998	\$17,683,334	\$8,163,197	\$6,167,208	\$1,272	\$14,331,677	\$3,351,657	\$4,986,068
Dec 2022	\$33,547,590	\$966,231	\$32,581,359	\$16,327,587	\$10,070,799	\$5,368	\$26,403,754	\$6,177,605	\$11,163,673
Jan 2023	\$53,125,726	\$53,731	\$53,071,995	\$20,820,713	\$12,233,695	\$5,995	\$33,060,403	\$20,011,592	\$31,175,265
Feb 2023	\$42,925,379	\$48,532	\$42,876,847	\$21,301,646	\$11,775,512	\$5,085	\$33,082,243	\$9,794,604	\$40,969,869
Mar 2023	\$33,365,854	\$5,468,968	\$27,896,886	\$17,029,260	\$8,923,528	\$1,528	\$25,954,316	\$1,942,570	\$42,912,439
Apr 2023	\$19,461,415	\$51,998	\$19,409,417	\$12,636,469	\$5,088,697	\$1,457	\$17,726,623	\$1,682,794	\$44,595,233
May 2023	\$11,552,738	\$53,731	\$11,499,007	\$6,462,913	\$2,939,490	\$0	\$9,402,403	\$2,096,604	\$46,691,837
Jun 2023	\$8,617,732	\$964,498	\$7,653,234	\$3,398,183	\$2,150,180	\$14	\$5,548,377	\$2,104,857	\$48,796,694
Jul 2023	\$8,151,742	\$53,731	\$8,098,011	\$2,372,598	\$2,169,738	\$7	\$4,542,343	\$3,555,668	\$52,352,362
Aug 2023	\$8,066,369	\$53,731	\$8,012,638	\$2,138,546	\$2,140,265	\$0	\$4,278,811	\$3,733,827	\$56,086,189
Sep 2023	<u>\$8,279,665</u>	<u>\$2,025,301</u>	<u>\$6,254,364</u>	<u>\$2,588,858</u>	<u>\$2,117,561</u>	<u>\$0</u>	<u>\$4,706,419</u>	<u>\$1,547,945</u>	<u>\$57,634,134</u>
TOTALS	<u>\$252,156,305</u>	<u>\$9,846,181</u>	<u>\$242,310,124</u>	<u>\$116,578,894</u>	<u>\$68,795,926</u>	<u>\$21,114</u>	<u>\$185,395,934</u>	<u>\$56,914,190</u>	

¹ Represents projected (over) / under-recovery position as of Sept. 30, 2020 as shown on Schedule TK-1.

Elizabethtown Gas Company
Projected Normalized Sales & Services

October 1, 2022 through September 30, 2023

Summary (in Therms)

	(1)	(2)	(3)
	<u>TOTAL SALES</u>	<u>TOTAL SERVICES</u>	<u>TOTAL THROUGHPUT</u>
Oct 2022	10,524,414	10,999,352	21,523,765
Nov 2022	24,439,107	13,283,200	37,722,307
Dec 2022	46,452,012	17,944,496	64,396,508
Jan 2023	58,504,108	20,185,865	78,689,973
Feb 2023	59,511,906	20,965,436	80,477,342
Mar 2023	48,198,844	18,564,107	66,762,951
Apr 2023	35,408,873	15,992,368	51,401,241
May 2023	18,697,303	12,774,468	31,471,771
Jun 2023	10,702,187	11,697,445	22,399,632
Jul 2023	8,431,790	11,171,088	19,602,878
Aug 2023	7,872,370	11,267,192	19,139,562
Sep 2023	8,850,832	10,413,866	19,264,698
TOTAL	<u><u>337,593,746</u></u>	<u><u>175,258,883</u></u>	<u><u>512,852,629</u></u>

**Elizabethtown Gas Company
Projected Normalized Sales**

October 1, 2022 through September 30, 2023

Sales (in Therms)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
	Firm Sales		Non- Firm Sales						
	BGSS-P	BGSS-M							
	RDS, SGS, GLS	GDS, LVD, EGF, NGV	IS	CS System	CS Spec Prov #3	CSI	Special Contract	TOTAL SALES	
Oct 2022	7,420,029	3,103,992	383	0	0	10	0	10,524,414	
Nov 2022	18,140,922	6,296,925	1,260	0	0	0	0	24,439,107	
Dec 2022	36,284,495	10,162,259	5,248	0	0	10	0	46,452,012	
Jan 2023	46,269,485	12,228,804	5,808	0	0	10	0	58,504,108	
Feb 2023	47,338,253	12,168,557	5,086	0	0	10	0	59,511,906	
Mar 2023	37,843,810	10,353,322	1,713	0	0	0	0	48,198,844	
Apr 2023	28,081,792	7,325,028	2,043	0	0	10	0	35,408,873	
May 2023	14,362,412	4,334,891	0	0	0	0	0	18,697,303	
Jun 2023	7,551,719	3,150,447	10	0	0	10	0	10,702,187	
Jul 2023	5,272,581	3,159,199	0	0	0	10	0	8,431,790	
Aug 2023	4,752,451	3,119,920	0	0	0	0	0	7,872,370	
Sep 2023	5,753,171	3,097,661	0	0	0	0	0	8,850,832	
TOTAL	259,071,118	78,501,005	21,551	0	0	72	0	337,593,746	

**Elizabethtown Gas Company
Projected Normalized Services**

October 1, 2022 through September 30, 2023

Services (in Therms)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Interruptible Transportation Service			Contract Service - Special Provision #4	Firm Transportation Services				
	LVD	IS	CSI	CS-4	RDS	SGS	GDS	LVD	TOTAL SERVICES
Oct 2022	4,388,177	856,536	0	0	86,528	64,198	2,116,888	3,487,025	10,999,352
Nov 2022	4,148,107	877,545	0	77,000	212,543	65,246	4,060,600	3,842,158	13,283,200
Dec 2022	4,768,618	1,095,946	0	0	393,178	68,107	7,308,203	4,310,443	17,944,496
Jan 2023	4,996,308	1,133,988	0	0	498,353	206,571	9,143,838	4,206,807	20,185,865
Feb 2023	4,523,731	1,081,087	0	0	483,345	428,619	9,139,992	5,308,662	20,965,436
Mar 2023	4,605,031	1,054,376	0	0	384,671	552,979	7,752,013	4,215,037	18,564,107
Apr 2023	4,512,477	836,942	0	284	266,651	607,541	6,009,618	3,758,856	15,992,368
May 2023	4,255,529	830,006	0	0	145,496	466,798	3,352,030	3,724,609	12,774,468
Jun 2023	4,151,364	825,640	0	210,607	77,132	293,328	2,559,441	3,579,935	11,697,445
Jul 2023	4,152,091	826,638	0	108,276	55,708	118,144	2,292,995	3,617,236	11,171,088
Aug 2023	4,250,739	780,085	0	279,050	50,138	64,754	2,202,223	3,640,203	11,267,192
Sep 2023	4,203,791	587,366	0	0	55,840	64,465	2,137,975	3,364,429	10,413,866
TOTAL	52,955,962	10,786,155	0	675,217	2,709,581	3,000,752	58,075,816	47,055,400	175,258,883

Elizabethtown Gas Company

Development of Applicable Therm Sales

For the Period of October 1, 2022 through September 30, 2023

	<u>Therms</u>
TOTAL Firm Sales - RDS, SGS, GLS (October 2022 - September 2023)	259,071,118
LESS: Firm Sales - RDS, SGS, GLS from October 2022 sendout subject to current recoverable unit gas costs	<u>3,366,029</u>
APPLICABLE THERM SALES - October 1, 2022 through September 30, 2023	<u><u>255,705,089</u></u>

Elizabethtown Gas Company
Gas Cost Recoveries Summary

	FIRM GAS COST RECOVERIES	NON-FIRM GAS COST RECOVERIES
Oct 2022	\$7,267,502	\$388
Nov 2022	\$18,399,468	\$1,272
Dec 2022	\$34,537,107	\$5,368
Jan 2023	\$43,432,793	\$5,995
Feb 2023	\$43,695,270	\$5,085
Mar 2023	\$34,441,268	\$1,528
Apr 2023	\$24,023,996	\$1,457
May 2023	\$12,623,935	\$0
Jun 2023	\$7,242,236	\$14
Jul 2023	\$5,724,992	\$7
Aug 2023	\$5,344,800	\$0
Sep 2023	\$5,996,872	\$0
Total	<u>\$242,730,239</u>	<u>\$21,114</u>

Note: For details of October, see page 3 of this schedule.

Elizabethtown Gas Company
Firm Sales Gas Cost Recoveries

	BGSS-P			BGSS-M			Total Firm Sales	
	RDS, SGS & GLS			GDS, LVD, EGF & NGV				
	Sales	Applicable Recoverable Unit Gas	Gas Cost	Sales	Gas Cost	Gas Cost	Firm Sales	Gas Cost
(in Therms)	Cost ²	Recovery	(in Therms)	Recovery Rate ³	Recovery	(in Therms)	Recovery	
Oct 2022	(1) 7,420,029	\$0.572538	\$4,248,249	3,103,992	\$0.972700	\$3,019,253	10,524,021	\$7,267,502
Nov 2022	18,140,922	\$0.674291	\$12,232,260	6,296,925	\$0.979400	\$6,167,208	24,437,847	\$18,399,468
Dec 2022	36,284,495	\$0.674291	\$24,466,308	10,162,259	\$0.991000	\$10,070,799	46,446,754	\$34,537,107
Jan 2023	46,269,485	\$0.674291	\$31,199,098	12,228,804	\$1.000400	\$12,233,695	58,498,289	\$43,432,793
Feb 2023	47,338,253	\$0.674291	\$31,919,758	12,168,557	\$0.967700	\$11,775,512	59,506,810	\$43,695,270
Mar 2023	37,843,810	\$0.674291	\$25,517,740	10,353,322	\$0.861900	\$8,923,528	48,197,132	\$34,441,268
Apr 2023	28,081,792	\$0.674291	\$18,935,299	7,325,028	\$0.694700	\$5,088,697	35,406,820	\$24,023,996
May 2023	14,362,412	\$0.674291	\$9,684,445	4,334,891	\$0.678100	\$2,939,490	18,697,303	\$12,623,935
Jun 2023	7,551,719	\$0.674291	\$5,092,056	3,150,447	\$0.682500	\$2,150,180	10,702,166	\$7,242,236
Jul 2023	5,272,581	\$0.674291	\$3,555,254	3,159,199	\$0.686800	\$2,169,738	8,431,780	\$5,724,992
Aug 2023	4,752,451	\$0.674291	\$3,204,535	3,119,920	\$0.686000	\$2,140,265	7,872,370	\$5,344,800
Sep 2023	5,753,171	\$0.674291	\$3,879,311	3,097,661	\$0.683600	\$2,117,561	8,850,832	\$5,996,872
Total	<u>259,071,119</u>		<u>\$173,934,313</u>	<u>78,501,005</u>		<u>\$68,795,926</u>	<u>337,572,124</u>	<u>\$242,730,239</u>

Notes:

- (1) For details of October (RDS, SGS, GLS), see page 3 of this schedule.
- (2) Recoverable Unit Gas Cost that underlies the BGSS rate in effect at the time of the sale.
- (3) Gas Cost Recovery rate is calculated in accordance with the methodology described in the respective service classifications as approved by the BPU in Docket No. GX01050304.

Elizabethtown Gas Company
Gas Cost Recoveries
October Firm BGSS-P Sales (RDS, SGS, GLS)

	(1)	(2)	(3) = (1) - (2)
Billing Cycle	Estimated Sales/Billing Cycle 10/1/2022 (Therms)	Sales for Service Rendered Prior to 10/1/2022 (Therms)	Estimated Sales for Service Rendered After 10/1/2022 (Therms)
1	193,319	186,875	6,444
2	360,767	315,671	45,096
3	224,225	189,190	35,035
4	494,936	392,535	102,401
5	259,207	196,640	62,567
6	551,718	399,520	152,198
7	206,836	133,443	73,393
8	392,500	230,086	162,414
9	250,055	137,961	112,094
10	458,137	236,967	221,170
11	326,388	157,567	168,821
12	372,843	156,354	216,489
13	283,625	97,802	185,823
14	426,720	132,430	294,290
15	398,899	110,041	288,858
16	606,040	146,286	459,754
17	369,832	71,580	298,252
18	365,224	37,782	327,442
19	358,520	24,726	333,794
20	364,615	12,573	352,042
21	155,623	0	155,623
Total	<u>7,420,029</u>	<u>3,366,029</u>	<u>4,054,000</u>
Applicable Recoverable Unit Gas Cost		\$0.449988 /th	\$0.674291 /th
Gas Cost Recovery		<u>\$1,514,673</u>	<u>\$2,733,576</u>
Total Gas Cost Recovery for October 2022	<u>\$4,248,249</u>		

**Elizabethtown Gas Company
Non-Firm Sales Gas Cost Recoveries**

	<u>IS</u>			<u>CSI</u>			<u>CS</u>			<u>Total Non-Firm Sales</u>	
	<u>Sales</u>	<u>Applicable Recoverable Unit Gas Cost</u>	<u>Gas Cost Recovery</u>	<u>Sales</u>	<u>Applicable Recoverable Unit Gas Cost</u>	<u>Gas Cost Recovery</u>	<u>Sales</u>	<u>Applicable Recoverable Unit Gas Cost</u>	<u>Gas Cost Recovery</u>	<u>Sales</u>	<u>Gas Cost Recovery</u>
	(Therms)			(Therms)			(Therms)			(Therms)	
Oct 2022	383	\$0.987700	\$378	10	\$0.972700	\$10	0	\$0.987700	\$0	393	\$388
Nov 2022	1,260	\$1.009400	\$1,272	0	\$0.979400	\$0	0	\$1.009400	\$0	1,260	\$1,272
Dec 2022	5,248	\$1.021000	\$5,358	10	\$0.991000	\$10	0	\$1.021000	\$0	5,258	\$5,368
Jan 2023	5,808	\$1.030400	\$5,985	10	\$1.000400	\$10	0	\$1.030400	\$0	5,819	\$5,995
Feb 2023	5,086	\$0.997700	\$5,075	10	\$0.967700	\$10	0	\$0.997700	\$0	5,096	\$5,085
Mar 2023	1,713	\$0.891900	\$1,528	0	\$0.861900	\$0	0	\$0.891900	\$0	1,713	\$1,528
Apr 2023	2,043	\$0.709700	\$1,450	10	\$0.694700	\$7	0	\$0.709700	\$0	2,053	\$1,457
May 2023	0	\$0.693100	\$0	0	\$0.678100	\$0	0	\$0.693100	\$0	0	\$0
Jun 2023	10	\$0.697500	\$7	10	\$0.682500	\$7	0	\$0.697500	\$0	21	\$14
Jul 2023	0	\$0.701800	\$0	10	\$0.686800	\$7	0	\$0.701800	\$0	10	\$7
Aug 2023	0	\$0.701000	\$0	0	\$0.686000	\$0	0	\$0.701000	\$0	0	\$0
Sep 2023	0	\$0.698600	\$0	0	\$0.683600	\$0	0	\$0.698600	\$0	0	\$0
Total	<u>21,551</u>		<u>\$21,053</u>	<u>72</u>		<u>\$61</u>	<u>0</u>		<u>\$0</u>	<u>21,623</u>	<u>\$21,114</u>

Elizabethtown Gas Company
Supply/Demand Balance
(in MDth's)

	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	TOTAL
<u>Sendout</u>													
Firm	1,052.4	2,443.8	4,644.7	5,849.8	5,950.7	4,819.7	3,540.7	1,869.7	1,070.2	843.2	787.2	885.1	33,757.2
Non-Firm	0.0	0.1	0.5	0.6	0.5	0.2	0.2	0.0	0.0	0.0	0.0	0.0	2.2
Net Gas Sendout	1,052.4	2,443.9	4,645.2	5,850.4	5,951.2	4,819.9	3,540.9	1,869.7	1,070.2	843.2	787.2	885.1	33,759.4
<u>Firm Supplies</u>	1,418.0	256.2	1,488.2	2,302.6	1,612.4	948.4	1,645.8	1,645.7	1,609.6	1,584.7	1,534.1	1,533.4	17,578.9
<u>Spot Supplies</u>	942.6	1,482.1	1,461.3	988.7	2,384.1	2,865.8	3,311.8	1,586.3	752.9	584.7	577.3	671.4	17,608.8
<u>Other</u>													
Take-back Peaking Supply	0.0	0.0	0.0	19.6	9.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	29.4
Peaking Supplies	0.0	0.0	0.0	78.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	78.0
Total Supplemental Gas	0.0	0.0	0.0	97.6	9.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	107.4
TOTAL GAS PURCHASES	2,360.5	1,738.3	2,949.5	3,388.8	4,006.2	3,814.2	4,957.6	3,232.0	2,362.5	2,169.3	2,111.3	2,204.7	35,295.0
<u>On-Site LNG Activity</u>													
LNG Refill	(52.7)	(19.8)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(30.8)	(103.3)
LNG (Boil-off)	4.3	4.0	3.6	3.5	3.1	3.5	3.6	4.0	4.1	4.6	4.8	4.8	47.9
LNG Peaking	0.0	0.0	0.0	21.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	21.2
<u>Storage Activity</u>													
Injections	(1,178.6)	0.0	0.0	0.0	0.0	0.0	(1,262.1)	(1,287.6)	(1,230.8)	(1,271.8)	(1,271.8)	(1,234.3)	(8,737.0)
Withdrawals	0.0	803.0	1,853.8	2,440.5	2,121.2	1,187.6	0.0	0.0	0.0	0.0	0.0	0.0	8,406.0
<u>Fuel Retainage</u>	(91.2)	(82.8)	(167.2)	(205.4)	(230.8)	(186.5)	(201.3)	(111.3)	(76.4)	(70.1)	(68.2)	(70.3)	(1,561.6)
<u>Net System Supply</u>	1,042.3	2,442.6	4,639.7	5,648.7	5,899.7	4,818.7	3,497.7	1,837.1	1,059.4	832.0	776.1	874.2	33,368.2

Elizabethtown Gas Company
Detail Support of Projected Demand Charges included in the June 1, 2021 BGSS Filing

SCHEDULE LJW-7

		Cost Type	Billing Determinant			Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023	Aug-2023	Sep-2023	TOTAL		
BUNDLED PEAKING		Demand					\$130,000	\$890,720	\$890,720	\$890,720	\$890,720	\$760,720						\$3,383,200.00		
	PSEG Exchange	Reservation	1				\$192,087											\$192,087.00		
		Subtotal Supply / Exchange					\$0.00	\$322,087.00	\$890,720.00	\$890,720.00	\$890,720.00	\$890,720.00	\$760,720.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,575,287.00	
		Contract No.	Cost Type	Billing Determinant			Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023	Aug-2023	Sep-2023	TOTAL	
STORAGE	COL FSS	207297	Demand	3,644			\$2,59200	\$2,59200	\$2,59200	\$2,59200	\$2,59200	\$2,59200	\$2,67800	\$2,67800	\$2,67800	\$2,67800	\$2,67800	\$2,67800	\$115,223.28	
			Capacity		230,168			\$0,04670	\$0,04670	\$0,04670	\$0,04670	\$0,04670	\$0,04670	\$0,04830	\$0,04830	\$0,04830	\$0,04830	\$0,04830	\$0,04830	\$131,195.76
								\$20,194.09	\$20,194.09	\$20,194.09	\$20,194.09	\$20,194.09	\$20,194.09	\$20,875.75	\$20,875.75	\$20,875.75	\$20,875.75	\$20,875.75	\$20,875.75	\$20,875.75
EGT&S GSS (#1)	5F2468	Demand	10,826			\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$422,837.58	
		Capacity		645,244			\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$246,225.11
							\$55,755.22	\$55,755.22	\$55,755.22	\$55,755.22	\$55,755.22	\$55,755.22	\$55,755.22	\$55,755.22	\$55,755.22	\$55,755.22	\$55,755.22	\$55,755.22	\$55,755.22	\$669,062.69
EGT&S GSS (#2)	5F2469	Demand	16,667			\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$650,973.02	
		Capacity		1,666,666			\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$635,999.75
							\$107,247.73	\$107,247.73	\$107,247.73	\$107,247.73	\$107,247.73	\$107,247.73	\$107,247.73	\$107,247.73	\$107,247.73	\$107,247.73	\$107,247.73	\$107,247.73	\$107,247.73	\$1,286,972.77
EGT&S GSS-TE	600050	Demand	23,190			\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$3,25480	\$905,745.74	
		Capacity		2,387,206			\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$0,03180	\$910,957.81
							\$151,391.96	\$151,391.96	\$151,391.96	\$151,391.96	\$151,391.96	\$151,391.96	\$151,391.96	\$151,391.96	\$151,391.96	\$151,391.96	\$151,391.96	\$151,391.96	\$151,391.96	\$1,816,703.55
Petal (Hattiesburg)	5904	Demand	10,000			\$0,58000	\$0,58000	\$0,58000	\$0,58000	\$0,58000	\$0,58000	\$0,58000	\$0,58000	\$0,58000	\$0,58000	\$0,58000	\$0,58000	\$0,58000	\$69,600.00	
		Capacity		100,000			\$0,20500	\$0,20500	\$0,20500	\$0,20500	\$0,20500	\$0,20500	\$0,20500	\$0,20500	\$0,20500	\$0,20500	\$0,20500	\$0,20500	\$0,20500	\$246,000.00
							\$26,300.00	\$26,300.00	\$26,300.00	\$26,300.00	\$26,300.00	\$26,300.00	\$26,300.00	\$26,300.00	\$26,300.00	\$26,300.00	\$26,300.00	\$26,300.00	\$26,300.00	\$315,600.00
Stagecoach	166	Demand	3,040																	
		Capacity		304,000			\$0,11930	\$0,11930	\$0,11930	\$0,11930	\$0,11930	\$0,11930	\$0,11930	\$0,11930	\$0,11930	\$0,11930	\$0,11930	\$0,11930	\$0,11930	\$435,206.40
							\$36,267.20	\$36,267.20	\$36,267.20	\$36,267.20	\$36,267.20	\$36,267.20	\$36,267.20	\$36,267.20	\$36,267.20	\$36,267.20	\$36,267.20	\$36,267.20	\$36,267.20	\$435,206.40
Arlington (Steuben)	5	Demand	5,556			\$4,36380	\$4,36380	\$4,36380	\$4,36380	\$4,36380	\$4,36380	\$4,36380	\$4,36380	\$4,36380	\$4,36380	\$4,36380	\$4,36380	\$4,36380	\$290,943.27	
		Capacity		500,000			\$0,04190	\$0,04190	\$0,04190	\$0,04190	\$0,04190	\$0,04190	\$0,04190	\$0,04190	\$0,04190	\$0,04190	\$0,04190	\$0,04190	\$0,04190	\$251,400.00
							\$45,195.27	\$45,195.27	\$45,195.27	\$45,195.27	\$45,195.27	\$45,195.27	\$45,195.27	\$45,195.27	\$45,195.27	\$45,195.27	\$45,195.27	\$45,195.27	\$45,195.27	\$542,343.27
TE SS-1	400258	Demand	3,646			\$9,63400	\$9,63400	\$9,63400	\$9,63400	\$9,63400	\$9,63400	\$9,63400	\$9,63400	\$9,63400	\$9,63400	\$9,63400	\$9,63400	\$9,63400	\$421,506.77	
		Capacity		31,659			\$0,45990	\$0,45990	\$0,45990	\$0,45990	\$0,45990	\$0,45990	\$0,45990	\$0,45990	\$0,45990	\$0,45990	\$0,45990	\$0,45990	\$0,45990	\$174,719.69
							\$49,685.54	\$49,685.54	\$49,685.54	\$49,685.54	\$49,685.54	\$49,685.54	\$49,685.54	\$49,685.54	\$49,685.54	\$49,685.54	\$49,685.54	\$49,685.54	\$49,685.54	\$596,226.46
TN FS-MA	339377	Demand	1,014			\$1,28010	\$1,28010	\$1,28010	\$1,28010	\$1,28010	\$1,28010	\$1,28010	\$1,28010	\$1,28010	\$1,28010	\$1,28010	\$1,28010	\$1,28010	\$15,576.26	
		Capacity		100,485			\$0,01750	\$0,01750	\$0,01750	\$0,01750	\$0,01750	\$0,01750	\$0,01750	\$0,01750	\$0,01750	\$0,01750	\$0,01750	\$0,01750	\$0,01750	\$21,101.85
							\$3,056.51	\$3,056.51	\$3,056.51	\$3,056.51	\$3,056.51	\$3,056.51	\$3,056.51	\$3,056.51	\$3,056.51	\$3,056.51	\$3,056.51	\$3,056.51	\$3,056.51	\$36,678.11
TR GSS	9213011	Demand	27,604			\$0,13161	\$0,13161	\$0,13161	\$0,13161	\$0,13161	\$0,13161	\$0,13161	\$0,13161	\$0,13161	\$0,13161	\$0,13161	\$0,13161	\$0,13161	\$1,326,031.29	
		Capacity		1,759,955			\$0,00097	\$0,00097	\$0,00097	\$0,00097	\$0,00097	\$0,00097	\$0,00097	\$0,00097	\$0,00097	\$0,00097	\$0,00097	\$0,00097	\$0,00097	\$623,112.07
							\$165,543.68	\$160,203.56	\$165,543.68	\$165,543.68	\$149,523.33	\$165,543.68	\$160,203.56	\$165,543.68	\$160,203.56	\$165,543.68	\$165,543.68	\$160,203.56	\$165,543.68	\$1,949,143.36
TR LSS	9213012	Demand	8,000			\$0,20004	\$0,20004	\$0,20004	\$0,20004	\$0,20004	\$0,20004	\$0,20004	\$0,20004	\$0,20004	\$0,20004	\$0,20004	\$0,20004	\$0,20004	\$584,116.80	
		Capacity		600,000			\$0,00100	\$0,00100	\$0,00100	\$0,00100	\$0,00100	\$0,00100	\$0,00100	\$0,00100	\$0,00100	\$0,00100	\$0,00100	\$0,00100	\$0,00100	\$219,000.00
							\$68,209.92	\$66,009.60	\$68,209.92	\$68,209.92	\$61,608.96	\$68,209.92	\$66,009.60	\$68,209.92	\$66,009.60	\$68,209.92	\$68,209.92	\$66,009.60	\$68,209.92	\$803,116.80
TR S-2	9213010	Demand	7,267			\$0,30468	\$0,30468	\$0,30468	\$0,30468	\$0,30468	\$0,30468	\$0,30468	\$0,30468	\$0,30468	\$0,30468	\$0,30468	\$0,30468	\$0,30468	\$808,149.99	
		Capacity		54,432			\$0,01490	\$0,01490	\$0,01490	\$0,01490	\$0,01490	\$0,01490	\$0,01490	\$0,01490	\$0,01490	\$0,01490	\$0,01490	\$0,01490	\$0,01490	\$296,028.43
							\$90,754.39	\$93,779.54	\$93,779.54	\$84,704.10	\$93,779.54	\$90,754.39	\$93,779.54	\$90,754.39	\$93,779.54	\$93,779.54	\$90,754.39	\$93,779.54	\$93,779.54	\$1,104,178.42
TR LNG	9213335	Demand	38,950			\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$1,466,599.93	
		Capacity		154,951			\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$1,124,355.45
							\$220,053.74	\$212,955.24	\$220,053.74	\$220,053.74	\$198,758.22	\$220,053.74	\$212,955.24	\$220,053.74	\$212,955.24	\$220,053.74	\$220,053.74	\$212,955.24	\$220,053.74	\$2,590,955.38

Elizabethtown Gas Company
Detail Support of Projected Demand Charges included in the June 1, 2021 BGSS Filing

SCHEDULE LJW-7

	Contract No.	Cost Type	Billing Determinant			Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023	Aug-2023	Sep-2023	TOTAL
			Demand	Other	Capacity													
STORAGE																		
TR WSS	9213322	Demand	35,923			\$0.03102	\$0.03102	\$0.03102	\$0.03102	\$0.03102	\$0.03102	\$0.03102	\$0.03102	\$0.03102	\$0.03102	\$0.03102	\$0.03102	\$406,730.98
		Capacity		3,412,638		\$0.00033	\$0.00033	\$0.00033	\$0.00033	\$0.00033	\$0.00033	\$0.00033	\$0.00033	\$0.00033	\$0.00033	\$0.00033	\$0.00033	\$411,052.25
						\$69,455.56	\$67,215.06	\$69,455.56	\$69,455.56	\$62,734.06	\$69,455.56	\$67,215.06	\$69,455.56	\$67,215.06	\$69,455.56	\$69,455.56	\$67,215.06	\$817,783.23
TR ESS (Eminence Enhancement Proj.)	9213323	Demand	29,822			\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$272,125.75
		Demand	29,822			\$0.01401	\$0.01401	\$0.01401	\$0.01401	\$0.01401	\$0.01401	\$0.01401	\$0.01401	\$0.01401	\$0.01401	\$0.01401	\$0.01401	\$152,499.27
		Capacity		250,075		\$0.00346	\$0.00346	\$0.00346	\$0.00346	\$0.00346	\$0.00346	\$0.00346	\$0.00346	\$0.00346	\$0.00346	\$0.00346	\$0.00346	\$315,819.72
		Capacity		250,075		\$0.00140	\$0.00140	\$0.00140	\$0.00140	\$0.00140	\$0.00140	\$0.00140	\$0.00140	\$0.00140	\$0.00140	\$0.00140	\$0.00140	\$127,788.33
						\$73,740.34	\$71,361.62	\$73,740.34	\$73,740.34	\$66,604.18	\$73,740.34	\$71,361.62	\$73,740.34	\$71,361.62	\$73,740.34	\$73,740.34	\$71,361.62	\$868,233.07
		Subtotal Storage				\$1,182,851.17	\$1,166,618.15	\$1,185,876.32	\$1,176,800.88	\$1,128,101.81	\$1,182,851.17	\$1,167,299.80	\$1,183,532.83	\$1,167,299.80	\$1,186,557.97	\$1,183,532.83	\$1,167,299.80	\$14,078,622.55
FIRM TRANSPORT CAPACITY																		
COL SST	207195	Demand	3,644			\$9.73400	\$9.73400	\$9.73400	\$9.73400	\$9.73400	\$9.73400							\$212,824.18
			1,822									\$9.88500	\$9.88500	\$9.88500	\$9.88500	\$9.88500	\$9.88500	\$108,062.82
						\$35,470.70	\$35,470.70	\$35,470.70	\$35,470.70	\$35,470.70	\$35,470.70	\$18,010.47	\$18,010.47	\$18,010.47	\$18,010.47	\$18,010.47	\$18,010.47	\$320,887.00
COL FTS	207204	Demand	12,736			\$9.85300	\$9.85300	\$9.85300	\$9.85300	\$9.85300	\$9.85300	\$10.00400	\$10.00400	\$10.00400	\$10.00400	\$10.00400	\$10.00400	\$1,517,392.51
						\$125,487.81	\$125,487.81	\$125,487.81	\$125,487.81	\$125,487.81	\$125,487.81	\$127,410.94	\$127,410.94	\$127,410.94	\$127,410.94	\$127,410.94	\$127,410.94	\$1,517,392.51
COL NTS	207205	Demand	10,000			\$9.98100	\$9.98100	\$9.98100	\$9.98100	\$9.98100	\$9.98100	\$10.13100	\$10.13100	\$10.13100	\$10.13100	\$10.13100	\$10.13100	\$1,206,720.00
						\$99,810.00	\$99,810.00	\$99,810.00	\$99,810.00	\$99,810.00	\$99,810.00	\$101,310.00	\$101,310.00	\$101,310.00	\$101,310.00	\$101,310.00	\$101,310.00	\$1,206,720.00
COL FTS		Demand	33,000			\$9.85300	\$9.85300	\$9.85300	\$9.85300	\$9.85300	\$9.85300	\$10.00400	\$10.00400	\$10.00400	\$10.00400	\$10.00400	\$10.00400	\$3,931,686.00
						\$325,149.00	\$325,149.00	\$325,149.00	\$325,149.00	\$325,149.00	\$325,149.00	\$330,132.00	\$330,132.00	\$330,132.00	\$330,132.00	\$330,132.00	\$330,132.00	\$3,931,686.00
DTI ST	200748	Demand	5,522			\$1.22230	\$1.22230	\$1.22230	\$1.22230	\$1.22230	\$1.22230	\$1.22230	\$1.22230	\$1.22230	\$1.22230	\$1.22230	\$1.22230	\$80,994.49
						\$6,749.54	\$6,749.54	\$6,749.54	\$6,749.54	\$6,749.54	\$6,749.54	\$6,749.54	\$6,749.54	\$6,749.54	\$6,749.54	\$6,749.54	\$6,749.54	\$80,994.49
DTI FT	200750	Demand	17,120			\$9.44070	\$9.44070	\$9.44070	\$9.44070	\$9.44070	\$9.44070	\$9.44070	\$9.44070	\$9.44070	\$9.44070	\$9.44070	\$9.44070	\$1,939,497.41
						\$161,624.78	\$161,624.78	\$161,624.78	\$161,624.78	\$161,624.78	\$161,624.78	\$161,624.78	\$161,624.78	\$161,624.78	\$161,624.78	\$161,624.78	\$161,624.78	\$1,939,497.41
DTI FTNN	5E4115	Demand	6,444			\$7.00580	\$7.00580	\$7.00580	\$7.00580	\$7.00580	\$7.00580	\$7.00580	\$7.00580	\$7.00580	\$7.00580	\$7.00580	\$7.00580	\$541,744.50
						\$45,145.38	\$45,145.38	\$45,145.38	\$45,145.38	\$45,145.38	\$45,145.38	\$45,145.38	\$45,145.38	\$45,145.38	\$45,145.38	\$45,145.38	\$45,145.38	\$541,744.50
GS FTS	49785	Demand	15,000			TERMINATED												
NFG EFT	E12398	Demand	11,090			TERMINATED												
NFG FT	F12397	Demand	15,805			\$4.93750	\$4.93750	\$4.93750	\$4.93750	\$4.93750	\$4.93750	\$4.93750	\$4.93750	\$4.93750	\$4.93750	\$4.93750	\$4.93750	\$936,446.25
		Greenhouse Gas & Pipe Safety				\$0.04260	\$0.04260	\$0.04260	\$0.04260	\$0.04260	\$0.04260	\$0.04260	\$0.04260	\$0.04260	\$0.04260	\$0.04260	\$0.04260	\$8,079.52
						\$78,710.48	\$78,710.48	\$78,710.48	\$78,710.48	\$78,710.48	\$78,710.48	\$78,710.48	\$78,710.48	\$78,710.48	\$78,710.48	\$78,710.48	\$78,710.48	\$944,525.77
TR FT (Sentinel)	9213318	Demand	5,000			\$0.64346	\$0.64346	\$0.64346	\$0.64346	\$0.64346	\$0.64346	\$0.64346	\$0.64346	\$0.64346	\$0.64346	\$0.64346	\$0.64346	\$1,174,314.50
	9213318	Demand	5,000			\$0.64189	\$0.64189	\$0.64189	\$0.64189	\$0.64189	\$0.64189	\$0.64189	\$0.64189	\$0.64189	\$0.64189	\$0.64189	\$0.64189	\$1,171,449.25
TR FT (Sentinel)	9213317	Demand	5,000			\$0.89346	\$0.89346	\$0.89346	\$0.89346	\$0.89346	\$0.89346	\$0.89346	\$0.89346	\$0.89346	\$0.89346	\$0.89346	\$0.89346	\$1,630,564.50
						\$337,715.55	\$326,821.50	\$337,715.55	\$337,715.55	\$305,033.40	\$337,715.55	\$326,821.50	\$337,715.55	\$326,821.50	\$337,715.55	\$337,715.55	\$326,821.50	\$3,976,328.25
TE FT-1	911518	Demand	5,000			\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$726,840.00
						\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$726,840.00

Elizabethtown Gas Company
Detail Support of Projected Demand Charges included in the June 1, 2021 BGSS Filing

SCHEDULE LJW-7

	Contract No.	Cost Type	Billing Determinant		Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023	Aug-2023	Sep-2023	TOTAL		
			Demand	Other															
FIRM TRANSPORT CAPACITY																			
TE FT-1	911520	Demand	1,348		\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$347,800.18	
		Demand	760		\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$31,418.40	
		Demand	212		\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$9,428.06	
		Demand	366		\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$52,067.16
		Demand	416		\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$28,020.10
					\$39,061.16	\$39,061.16	\$39,061.16	\$39,061.16	\$39,061.16	\$39,061.16	\$39,061.16	\$39,061.16	\$39,061.16	\$39,061.16	\$39,061.16	\$39,061.16	\$39,061.16	\$468,733.90	
TE FTS-7	911513	Demand	14,298		\$9.19900	\$9.19900	\$9.19900	\$9.19900	\$9.19900	\$9.19900	\$9.19900	\$9.19900	\$9.19900	\$9.19900	\$9.19900	\$9.19900	\$9.19900	\$1,578,327.62	
					\$131,527.30	\$131,527.30	\$131,527.30	\$131,527.30	\$131,527.30	\$131,527.30	\$131,527.30	\$131,527.30	\$131,527.30	\$131,527.30	\$131,527.30	\$131,527.30	\$131,527.30	\$131,527.30	\$131,527.30
TE FTS-5	911512	Demand	16,666		\$7.48200	\$7.48200	\$7.48200	\$7.48200	\$7.48200	\$7.48200	\$7.48200	\$7.48200	\$7.48200	\$7.48200	\$7.48200	\$7.48200	\$7.48200	\$1,496,340.14	
					\$124,695.01	\$124,695.01	\$124,695.01	\$124,695.01	\$124,695.01	\$124,695.01	\$124,695.01	\$124,695.01	\$124,695.01	\$124,695.01	\$124,695.01	\$124,695.01	\$124,695.01	\$124,695.01	\$124,695.01
TE CDS	911522	Demand	20,220		\$21.72400	\$21.72400	\$21.72400	\$21.72400	\$21.72400	\$21.72400	\$21.72400	\$21.72400	\$21.72400	\$21.72400	\$21.72400	\$21.72400	\$21.72400	\$5,271,111.36	
		Demand	11,397		\$3.66800	\$3.66800	\$3.66800	\$3.66800	\$3.66800	\$3.66800	\$3.66800	\$3.66800	\$3.66800	\$3.66800	\$3.66800	\$3.66800	\$3.66800	\$3,668.00	
		Demand	3,174		\$3.92900	\$3.92900	\$3.92900	\$3.92900	\$3.92900	\$3.92900	\$3.92900	\$3.92900	\$3.92900	\$3.92900	\$3.92900	\$3.92900	\$3.92900	\$3,929.00	
		Demand	5,496		\$12.07800	\$12.07800	\$12.07800	\$12.07800	\$12.07800	\$12.07800	\$12.07800	\$12.07800	\$12.07800	\$12.07800	\$12.07800	\$12.07800	\$12.07800	\$12,078.00	
		Demand	6,239		\$5.83600	\$5.83600	\$5.83600	\$5.83600	\$5.83600	\$5.83600	\$5.83600	\$5.83600	\$5.83600	\$5.83600	\$5.83600	\$5.83600	\$5.83600	\$5,836.00	\$5,836.00
					\$596,325.61	\$596,325.61	\$596,325.61	\$596,325.61	\$596,325.61	\$596,325.61	\$596,325.61	\$596,325.61	\$596,325.61	\$596,325.61	\$596,325.61	\$596,325.61	\$596,325.61	\$7,155,907.37	
TE FT-1	911517	Demand	5,394		\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$21.50100	\$1,391,716.73	
		Demand	3,040		\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3.44500	\$3,445.00	
		Demand	847		\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3.70600	\$3,706.00	
		Demand	1,466		\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11.85500	\$11,855.00	
		Demand	1,664		\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5.61300	\$5,613.00	\$5,613.00
					\$156,307.64	\$156,307.64	\$156,307.64	\$156,307.64	\$156,307.64	\$156,307.64	\$156,307.64	\$156,307.64	\$156,307.64	\$156,307.64	\$156,307.64	\$156,307.64	\$156,307.64	\$1,875,691.66	
TE FTS-8	911511	Demand	8,469		\$8.77300	\$8.77300	\$8.77300	\$8.77300	\$8.77300	\$8.77300	\$8.77300	\$8.77300	\$8.77300	\$8.77300	\$8.77300	\$8.77300	\$8.77300	\$891,582.44	
					\$74,298.54	\$74,298.54	\$74,298.54	\$74,298.54	\$74,298.54	\$74,298.54	\$74,298.54	\$74,298.54	\$74,298.54	\$74,298.54	\$74,298.54	\$74,298.54	\$74,298.54	\$74,298.54	\$74,298.54
TE FT-1	911519	Demand	5,000		\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$726,840.00	
					\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$60,570.00	\$726,840.00	
TE FT-1	911523	Demand	20,000		\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$12.11400	\$2,907,360.00	
					\$242,280.00	\$242,280.00	\$242,280.00	\$242,280.00	\$242,280.00	\$242,280.00	\$242,280.00	\$242,280.00	\$242,280.00	\$242,280.00	\$242,280.00	\$242,280.00	\$242,280.00	\$2,907,360.00	
TE FTS	911510	Demand	1,520		\$6.78500	\$6.78500	\$6.78500	\$6.78500	\$6.78500	\$6.78500	\$6.78500	\$6.78500	\$6.78500	\$6.78500	\$6.78500	\$6.78500	\$6.78500	\$123,758.40	
					\$10,313.20	\$10,313.20	\$10,313.20	\$10,313.20	\$10,313.20	\$10,313.20	\$10,313.20	\$10,313.20	\$10,313.20	\$10,313.20	\$10,313.20	\$10,313.20	\$10,313.20	\$10,313.20	\$10,313.20
TGP FT-AQ (Capacity Release)	354014	Demand	3,000		\$21.90000	\$21.90000	\$21.90000	\$21.90000	\$21.90000	\$21.90000	\$21.90000	\$21.90000	\$21.90000	\$21.90000	\$21.90000	\$21.90000	\$21.90000	\$788,400.00	
					\$65,700.00	\$65,700.00	\$65,700.00	\$65,700.00	\$65,700.00	\$65,700.00	\$65,700.00	\$65,700.00	\$65,700.00	\$65,700.00	\$65,700.00	\$65,700.00	\$65,700.00	\$65,700.00	\$65,700.00
TGP FT-AQ (Capacity Release)	361582	Demand	6,000		\$21.59580	\$21.59580	\$21.59580	\$21.59580	\$21.59580	\$21.59580	\$21.59580	\$21.59580	\$21.59580	\$21.59580	\$21.59580	\$21.59580	\$21.59580	\$1,554,897.60	
					\$129,574.80	\$129,574.80	\$129,574.80	\$129,574.80	\$129,574.80	\$129,574.80	\$129,574.80	\$129,574.80	\$129,574.80	\$129,574.80	\$129,574.80	\$129,574.80	\$129,574.80	\$129,574.80	\$129,574.80
TGP FT-A	339378	Demand	1,000		\$5.00740	\$5.00740	\$5.00740	\$5.00740	\$5.00740	\$5.00740	\$5.00740	\$5.00740	\$5.00740	\$5.00740	\$5.00740	\$5.00740	\$5.00740	\$60,088.80	
		PS & GHG Surcharge			\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$585.60
						\$5,056.20	\$5,056.20	\$5,056.20	\$5,056.20	\$5,056.20	\$5,056.20	\$5,056.20	\$5,056.20	\$5,056.20	\$5,056.20	\$5,056.20	\$5,056.20	\$5,056.20	\$60,674.40
TGP FT-G	339380	Demand	1,067		\$15.84340	\$15.84340	\$15.84340	\$15.84340	\$15.84340	\$15.84340	\$15.84340	\$15.84340	\$15.84340	\$15.84340	\$15.84340	\$15.84340	\$15.84340	\$202,858.89	
		Demand	640		\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14,348.00	
		Demand	1,341		\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14.34800	\$14,348.00	
		PS & GHG Surcharge			\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$785.29
							\$45,477.04	\$45,477.04	\$45,477.04	\$45,477.04	\$45,477.04	\$45,477.04	\$45,477.04	\$45,477.04	\$45,477.04	\$45,477.04	\$45,477.04	\$45,477.04	\$45,477.04

Elizabethtown Gas Company
Detail Support of Projected Demand Charges included in the June 1, 2021 BGSS Filing

SCHEDULE LJW-7

	Contract No.	Cost Type	Billing Determinant		Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023	Aug-2023	Sep-2023	TOTAL
			Demand	Other													
FIRM TRANSPORT CAPACITY																	
TGP FT-G	339379	Demand	1,014		\$4.87470	\$4.87470	\$4.87470	\$4.87470	\$4.87470	\$4.87470	\$4.87470	\$4.87470	\$4.87470	\$4.87470	\$4.87470	\$4.87470	\$59,315.35
		PS & GHG Surcharge			\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$0.04880	\$593.80
					\$4,992.43	\$4,992.43	\$4,992.43	\$4,992.43	\$4,992.43	\$4,992.43	\$4,992.43	\$4,992.43	\$4,992.43	\$4,992.43	\$4,992.43	\$4,992.43	\$59,909.15
TR FT	9213324	Demand	361		\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$72,099.17
		Demand	1,081		\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$201,942.31
					\$23,274.76	\$22,523.96	\$23,274.76	\$23,274.76	\$21,022.36	\$23,274.76	\$22,523.96	\$23,274.76	\$22,523.96	\$23,274.76	\$23,274.76	\$22,523.96	\$274,041.49
TR FT	9213320	Demand	308		\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$63,028.27
		Demand	451		\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$90,074.04
		Demand	1,052		\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$196,524.80
					\$29,694.36	\$28,736.48	\$29,694.36	\$29,694.36	\$26,820.71	\$29,694.36	\$28,736.48	\$29,694.36	\$28,736.48	\$29,694.36	\$29,694.36	\$28,736.48	\$349,627.11
TR FT	9213321	Demand	334				\$1.04766	\$1.04766	\$1.04766								\$1,049.76
		Demand	492				\$1.02357	\$1.02357	\$1.02357								\$1,510.79
		Demand	1,141				\$0.96035	\$0.96035	\$0.96035								\$3,287.28
		Demand		767			\$0.10329	\$0.10329	\$0.10329								\$7,130.11
							\$62,883.43	\$62,883.43	\$56,797.93								\$182,564.79
TR FT	9213319	Demand	440		\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$90,040.39
		Demand	647		\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$129,219.29
		Demand	1,501		\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$280,402.79
					\$42,437.09	\$41,068.15	\$42,437.09	\$42,437.09	\$38,330.27	\$42,437.09	\$41,068.15	\$42,437.09	\$41,068.15	\$42,437.09	\$42,437.09	\$41,068.15	\$499,662.47
TR FT	9213336	Demand	6,973			\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810							\$134,879.44
						\$26,797.24	\$27,690.48	\$27,690.48	\$25,010.76	\$27,690.48							\$134,879.44
TR FT	9213453	Demand	13,218		\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$0.56065	\$2,704,895.17
		Demand	19,439		\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$0.54718	\$3,882,370.69
		Demand	45,098		\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$0.51181	\$8,424,786.69
		Demand		767		\$0.10329	\$0.10329	\$0.10329	\$0.10329	\$0.10329	\$0.10329	\$0.10329	\$0.10329	\$0.10329	\$0.10329	\$0.10329	\$21,786.44
					\$1,277,452.17	\$1,236,244.04	\$1,274,996.24	\$1,274,996.24	\$1,151,609.51	\$1,277,452.17	\$1,236,244.04	\$1,277,452.17	\$1,236,244.04	\$1,277,452.17	\$1,277,452.17	\$1,236,244.04	\$15,033,838.99
TR FT	9213334	Demand	5,175		\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$7,955.01
					\$20,550.44	\$19,887.53	\$20,550.44	\$20,550.44	\$18,561.69	\$20,550.44	\$19,887.53	\$20,550.44	\$19,887.53	\$20,550.44	\$20,550.44	\$19,887.53	\$241,964.89
TR FT	9213332	Demand	15,000		\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$23,058.00
					\$59,566.50	\$57,645.00	\$59,566.50	\$59,566.50	\$53,802.00	\$59,566.50	\$57,645.00	\$59,566.50	\$57,645.00	\$59,566.50	\$59,566.50	\$57,645.00	\$701,347.50
TR FT	9213329	Demand	17,595		\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$27,047.03
					\$69,871.50	\$67,617.59	\$69,871.50	\$69,871.50	\$63,109.75	\$69,871.50	\$67,617.59	\$69,871.50	\$67,617.59	\$69,871.50	\$69,871.50	\$67,617.59	\$822,680.62
TR FT	9213333	Demand	15,615		\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$24,003.38
					\$62,008.73	\$60,008.45	\$62,008.73	\$62,008.73	\$56,007.88	\$62,008.73	\$60,008.45	\$62,008.73	\$60,008.45	\$62,008.73	\$62,008.73	\$60,008.45	\$730,102.75
TR FT	9213338	Demand	500		\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$768.60
					\$1,985.55	\$1,921.50	\$1,985.55	\$1,985.55	\$1,793.40	\$1,985.55	\$1,921.50	\$1,985.55	\$1,921.50	\$1,985.55	\$1,985.55	\$1,921.50	\$23,378.25
TR FT	9213337	Demand	11,090		\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$0.12810	\$17,047.55
					\$44,039.50	\$42,618.87	\$44,039.50	\$44,039.50	\$39,777.61	\$44,039.50	\$42,618.87	\$44,039.50	\$42,618.87	\$44,039.50	\$44,039.50	\$42,618.87	\$518,529.59
TE FT	911570	Demand	30,000		\$10.0284	\$10.0284	\$10.0284	\$10.0284	\$10.0284	\$10.0284	\$10.0284	\$10.0284	\$10.0284	\$10.0284	\$10.0284	\$10.0284	\$3,610,224.00
					\$300,852.00	\$300,852.00	\$300,852.00	\$300,852.00	\$300,852.00	\$300,852.00	\$300,852.00	\$300,852.00	\$300,852.00	\$300,852.00	\$300,852.00	\$300,852.00	\$3,610,224.00
		Subtotal Firm Transport			\$4,894,344.76	\$4,857,638.89	\$4,982,462.74	\$4,982,462.74	\$4,783,425.89	\$4,922,035.24	\$4,821,787.56	\$4,885,290.67	\$4,821,787.56	\$4,885,290.67	\$4,885,290.67	\$4,821,787.56	\$58,543,604.93
		TOTAL DEMAND COSTS			\$6,077,195.93	\$6,346,344.04	\$7,059,059.06	\$7,049,983.62	\$6,802,247.70	\$6,995,606.41	\$6,749,807.37	\$6,068,823.49	\$5,989,087.37	\$6,071,848.64	\$6,068,823.49	\$5,989,087.37	\$76,197,514.48

Elizabethtown Gas Company
Estimated Gas Purchases
October 1, 2022 through September 30, 2023
(\$'000)

		Purchases MDth	Purchase Cost		Total Cost
			Commodity	Demand	
Oct 2022		2,360.6	\$9,185.0	\$6,077.2	\$15,262.2
Nov 2022		1,738.6	\$6,778.5	\$6,346.3	\$13,124.9
Dec 2022		2,950.1	\$15,401.1	\$7,059.1	\$22,460.2
Jan 2023		3,389.9	\$31,514.0	\$7,050.0	\$38,563.9
Feb 2023		4,007.5	\$23,447.0	\$6,802.2	\$30,249.3
Mar 2023		3,815.3	\$19,256.1	\$6,995.6	\$26,251.7
Apr 2023		4,958.3	\$17,708.9	\$6,749.8	\$24,458.7
May 2023		3,232.2	\$9,921.9	\$6,068.8	\$15,990.7
Jun 2023		2,362.7	\$6,806.7	\$5,989.1	\$12,795.8
Jul 2023		2,170.7	\$6,453.0	\$6,071.8	\$12,524.8
Aug 2023		2,111.4	\$6,337.3	\$6,068.8	\$12,406.1
Sep 2023		2,204.8	\$6,722.5	\$5,989.1	\$12,711.6
TOTAL	[A]	35,302.0	\$159,532.1	\$77,267.9	\$236,800.0
Beginning Inventory		7,679.1	\$46,015.2		\$46,015.2
Ending Inventory		7,653.1	\$30,658.9		\$30,658.9
Net Change	[B]	26.0	\$15,356.3		\$15,356.3
TOTAL	[A + B]	35,327.9	174,888.4	77,267.9	\$252,156.3
AVERAGE COST			\$4.9504 ⁽¹⁾	\$2.1872 ⁽²⁾	\$7.1376
CCC-P & CCC-M ⁽³⁾		\$0.2289 /therm			

Notes:

⁽¹⁾ Computed by dividing the sum of the total purchase dollars plus the change in the value of inventory by the sum of the total volume purchased plus the volumetric change in inventory.

⁽²⁾ Computed by dividing the total purchase dollars by the sum of the total volume purchased plus the volumetric change in inventory.

⁽³⁾ See Schedule LJW-8 pg 2 for further details.

**Elizabethtown Gas Company
Capacity Cost Component
(CCC-P & CCC-M)**

Projected Annual Demand Costs

(Schedule LJW-8 pg. 1)

\$77,267,914

Projected Annual Firm Sales Quantities subject to the BGSS

(Schedule LJW-5 pg. 2, sum of RDS, SGS & GLS and GDS, LVD & EGF)

337,572,124 Therms

CCC-P & CCC-M (rounded to the nearest 1/10000 of a dollar)

\$0.2289 /Therm

Elizabethtown Gas Company
Supplier Refunds
For the period October 1, 2022 through September 30, 2023

<u>MONTH</u>	<u>SUPPLIER</u>	<u>DOCKET NUMBER</u>	<u>REFUND</u>	<u>TOTAL</u>
Oct 2022			\$0	\$0
Nov 2022			\$0	\$0
Dec 2022			\$0	\$0
Jan 2023			\$0	\$0
Feb 2023			\$0	\$0
Mar 2023			\$0	\$0
Apr 2023			\$0	\$0
May 2023			\$0	\$0
Jun 2023			\$0	\$0
Jul 2023			\$0	\$0
Aug 2023			\$0	\$0
Sep 2023			\$0	\$0
			Total	\$0

Elizabethtown Gas Company
Statement of Injections and Withdrawals - Pipeline Storage
For the period October 1, 2022 through September 30, 2023

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	<u>Injections</u>		<u>Inventory (Dth)</u>		<u>Withdrawals</u>			<u>Ending Inventory</u>	
<u>Period</u>	<u>Amount</u>	<u>Dth</u>	<u>Beginning</u>	<u>Ending</u>	<u>Sendout (Dth)</u>	<u>Average Relief Rate</u>	<u>Cost of Sendout from Storage</u>	<u>Ending Inventory (Dth)</u>	<u>Ending Inventory (\$)</u>
Beginning Inventory								7,634,054	\$45,135,645
Oct 2022	\$7,401,456	1,125,825	7,634,054	8,759,879	0		\$0	8,759,879	\$52,537,101
Nov 2022	\$0	0	8,759,879	7,962,133	797,747	\$6.0007	\$4,787,053	7,962,133	\$47,750,048
Dec 2022	\$0	0	7,962,133	6,117,547	1,844,586	\$5.9912	\$11,051,368	6,117,547	\$36,698,680
Jan 2023	\$0	0	6,117,547	3,746,926	2,370,621	\$6.0393	\$14,316,889	3,746,926	\$22,381,791
Feb 2023	\$0	0	3,746,926	1,634,921	2,112,006	\$5.9874	\$12,645,510	1,634,921	\$9,736,281
Mar 2023	\$0	0	1,634,921	451,970	1,182,951	\$5.9849	\$7,079,871	451,970	\$2,656,410
Apr 2023	\$5,032,681	1,230,966	451,970	1,682,936	0		\$0	1,682,936	\$7,689,091
May 2023	\$4,477,179	1,266,457	1,682,936	2,949,393	0		\$0	2,949,393	\$12,166,270
Jun 2023	\$4,218,598	1,230,809	2,949,393	4,180,202	0		\$0	4,180,202	\$16,384,868
Jul 2023	\$4,418,870	1,271,837	4,180,202	5,452,039	0		\$0	5,452,039	\$20,803,738
Aug 2023	\$4,387,456	1,271,837	5,452,039	6,723,876	0		\$0	6,723,876	\$25,191,194
Sep 2023	\$4,231,266	1,203,529	6,723,876	7,927,405	0		\$0	7,927,405	\$29,422,460

Elizabethtown Gas Company
Statement of Injections and Withdrawals - Onsite LNG
For the period October 1, 2022 through September 30, 2023

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Injections		Inventory (Dth)		Withdrawals			Ending Inventory	
<u>Period</u>	<u>Amount</u>	<u>Dth</u>	<u>Beginning</u>	<u>Ending</u>	<u>Sendout (Dth)</u>	<u>Average Relief Rate</u>	<u>Cost of Sendout from Storage</u>	<u>Ending Inventory (Dth)</u>	<u>Ending Inventory (\$)</u>
Beginning Inventory								96,555	\$879,569
Oct 2022	\$575,670	52,732	96,555	145,014	4,272	\$9.1095	\$41,645	145,014	\$1,413,594
Nov 2022	\$215,678	19,774	145,014	160,834	3,954	\$9.8870	\$39,095	160,834	\$1,590,176
Dec 2022	\$0	-	160,834	157,190	3,644	\$9.8870	\$36,029	157,190	\$1,554,147
Jan 2023	\$0	-	157,190	132,421	24,769	\$9.8870	\$244,894	132,421	\$1,309,253
Feb 2023	\$0	-	132,421	129,326	3,095	\$9.8870	\$30,599	129,326	\$1,278,655
Mar 2023	\$0	-	129,326	125,857	3,469	\$9.8870	\$34,300	125,857	\$1,244,354
Apr 2023	\$0	-	125,857	122,279	3,578	\$9.8870	\$35,376	122,279	\$1,208,978
May 2023	\$0	-	122,279	118,316	3,963	\$9.8870	\$39,183	118,316	\$1,169,795
Jun 2023	\$0	-	118,316	114,214	4,102	\$9.8870	\$40,555	114,214	\$1,129,240
Jul 2023	\$0	-	114,214	109,584	4,630	\$9.8870	\$45,780	109,584	\$1,083,460
Aug 2023	\$0	-	109,584	104,758	4,825	\$9.8870	\$47,709	104,758	\$1,035,750
Sep 2023	\$246,080	30,760	104,758	130,718	4,801	\$9.4587	\$45,410	130,718	\$1,236,420

**Elizabethtown Gas Company
2022-2023 BGSS Forecast**

Calculation of Non-Firm Gas Cost Recovery Rates

	(1)	(2)	(3) (1) + (2)	(4) (1) + (2)	(5) (1)
	BGSS-M	Tariff	IS	CS	CSI
	<u>\$/Thm</u>	<u>\$/Thm</u>	<u>\$/Thm</u>	<u>\$/Thm</u>	<u>\$/Thm</u>
Oct 2022	\$0.9727	\$0.0150	\$0.987700	\$0.987700	\$0.972700
Nov 2022	\$0.9794	\$0.0300	\$1.009400	\$1.009400	\$0.979400
Dec 2022	\$0.9910	\$0.0300	\$1.021000	\$1.021000	\$0.991000
Jan 2023	\$1.0004	\$0.0300	\$1.030400	\$1.030400	\$1.000400
Feb 2023	\$0.9677	\$0.0300	\$0.997700	\$0.997700	\$0.967700
Mar 2023	\$0.8619	\$0.0300	\$0.891900	\$0.891900	\$0.861900
Apr 2023	\$0.6947	\$0.0150	\$0.709700	\$0.709700	\$0.694700
May 2023	\$0.6781	\$0.0150	\$0.693100	\$0.693100	\$0.678100
Jun 2023	\$0.6825	\$0.0150	\$0.697500	\$0.697500	\$0.682500
Jul 2023	\$0.6868	\$0.0150	\$0.701800	\$0.701800	\$0.686800
Aug 2023	\$0.6860	\$0.0150	\$0.701000	\$0.701000	\$0.686000
Sep 2023	\$0.6836	\$0.0150	\$0.698600	\$0.698600	\$0.683600

Elizabethtown Gas Company
Off System Sales and Capacity Release

For the Projected Period October 1, 2022 through September 30, 2023

	Off-System Sales *				Capacity Release			
	Volumes (Dth)	Rate (\$/Dth)	Total Margins (\$)	BGSS Credits (\$)	Volumes (Dth)	Rate (\$/Dth)	Total Margins (\$)	BGSS Credits (\$)
Oct 2022	42,330	\$1.55380	\$65,772	\$55,906	195,145	\$0.32393	\$63,213	\$53,731
Nov 2022	42,330	\$0.86154	\$36,469	\$30,998	188,850	\$0.32393	\$61,174	\$51,998
Dec 2022	42,330	\$0.44751	\$18,943	\$16,102	195,145	\$0.32393	\$63,213	\$53,731
Jan 2023	22,500	\$2.98443	\$67,150	\$57,077	195,145	\$0.32393	\$63,213	\$53,731
Feb 2023	22,500	\$1.84786	\$41,577	\$35,340	176,260	\$0.32393	\$57,096	\$48,532
Mar 2023	22,500	\$0.42194	\$9,494	\$8,070	195,145	\$0.32393	\$63,213	\$53,731
Apr 2023	22,500	\$0.30231	\$6,802	\$5,782	188,850	\$0.32393	\$61,174	\$51,998
May 2023	50,000	\$0.40773	\$20,387	\$17,329	195,145	\$0.32393	\$63,213	\$53,731
Jun 2023	50,000	\$0.35310	\$17,655	\$15,007	188,850	\$0.32393	\$61,174	\$51,998
Jul 2023	50,000	\$0.28710	\$14,355	\$12,202	195,145	\$0.32393	\$63,213	\$53,731
Aug 2023	50,000	\$0.26491	\$13,245	\$11,259	195,145	\$0.32393	\$63,213	\$53,731
Sep 2023	69,830	\$0.23152	\$16,167	\$13,742	188,850	\$0.32393	\$61,174	\$51,998
Total	486,820		\$328,016	\$278,814	2,297,675		\$744,283	\$632,641

* There are no projected off-system sales margins in the projected BGSS year; the Company is operating under the terms of the current gas asset agency agreement with South Jersey Resources Group through March 31, 2022.

**Elizabethtown Gas Company
 Calculation of Spot Purchase Commodity Price
 For the period October 1, 2022 through September 30, 2023**

	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Total
NYMEX Settle/Futures (\$/dth)	\$7.3910	\$7.4570	\$7.5710	\$7.6630	\$7.3420	\$6.3020	\$4.6590	\$4.4960	\$4.5390	\$4.5810	\$4.5740	\$4.5500	
NYMEX to Pipeline Rcpt Pt Basis (\$/dth)													
Columbia	(\$0.4235)	(\$0.2932)	(\$0.2474)	(\$0.2203)	(\$0.2988)	(\$0.2452)	(\$0.2106)						
Canadian													
El Paso (Tennessee) - weighted avg.	(\$1.4651)	(\$0.5446)	(\$0.5438)	(\$0.4534)	(\$0.5349)	(\$0.5063)	(\$0.5709)	(\$1.0181)	(\$1.1011)	(\$1.0638)	(\$1.1617)	(\$1.3765)	
Enbridge (Texas Eastern) - weighted avg.	(\$1.2559)			(\$0.1055)	(\$0.4769)	(\$0.4545)	(\$0.4518)	(\$0.6963)	(\$0.8927)				
EGT&S (DETI)	(\$1.3409)	(\$0.7474)	(\$0.6405)	(\$0.5664)	(\$0.5594)	(\$0.4717)	(\$0.5039)						
National Fuel													
Williams (Transco) - weighted avg.			(\$0.0858)	\$0.0687	(\$0.1296)	(\$0.0767)	(\$0.0625)						
Williams (Transco) Leidy	(\$1.3741)	(\$0.8145)	(\$0.6908)		(\$0.7213)	(\$0.5514)	(\$0.5843)	(\$0.9510)	(\$1.0252)	(\$0.9824)	(\$1.0785)	(\$1.2783)	
Gulf South				(\$0.1146)									
Purchase Point Commodity (\$/dth)													
Columbia Spot	\$6.9675	\$7.1638	\$7.3236	\$7.4427	\$7.0432	\$6.0568	\$4.4484						
Canadian Spot													
El Paso (Tennessee) Spot	\$5.9259	\$6.9124	\$7.0272	\$7.2096	\$6.8071	\$5.7957	\$4.0881	\$3.4779	\$3.4379	\$3.5172	\$3.4123	\$3.1735	
Enbridge (Texas Eastern) Spot	\$6.1351			\$7.5575	\$6.8651	\$5.8475	\$4.2072	\$3.7997	\$3.6463				
EGT&S (DETI) Spot	\$6.0501	\$6.7096	\$6.9305	\$7.0966	\$6.7826	\$5.8303	\$4.1551						
National Fuel Spot													
Williams (Transco) Spot			\$7.4852	\$7.7317	\$7.2124	\$6.2253	\$4.5965						
Williams (Transco) Leidy Spot	\$6.0169	\$6.6425	\$6.8802		\$6.6207	\$5.7506	\$4.0747	\$3.5450	\$3.5138	\$3.5986	\$3.4955	\$3.2717	
Gulf South				\$7.5484									
SPOT Purchases (dth)													
Columbia Spot	31,507	76,226	83,919	134,365	184,974	78,945	61,119	0	0	0	0	0	651,055
Canadian Spot	0	0	0	0	0	0	0	0	0	0	0	0	0
El Paso (Tennessee) Spot	38,633	72,246	104,578	87,378	119,073	161,753	152,954	65,356	33,017	25,395	22,249	26,566	909,198
Enbridge (Texas Eastern) Spot	452,508	0	0	104,733	476,962	593,739	1,244,326	832,579	50,348	0	0	0	3,755,195
EGT&S (DETI) Spot	103,294	193,664	200,506	32,340	181,102	197,583	94,194	0	0	0	0	0	1,002,683
National Fuel Spot	0	0	0	0	0	0	0	0	0	0	0	0	0
Williams (Transco) Spot	0	0	612,591	515,762	1,281,200	1,022,330	1,148,657	0	0	0	0	0	4,580,540
Williams (Transco) Leidy Spot	263,877	1,120,165	459,738	0	140,746	811,429	641,695	709,466	669,566	559,257	555,013	614,051	6,545,003
Gulf South Spot	0	0	0	75,149	0	0	0	0	0	0	0	0	75,149
Total Spot Purchases	889,819	1,462,301	1,461,332	949,727	2,384,057	2,865,779	3,342,945	1,607,401	752,931	584,652	577,262	640,617	17,518,823
SPOT Purchases													
Columbia Spot	\$219,523	\$546,066	\$614,591	\$1,000,035	\$1,302,800	\$478,154	\$271,879	\$0	\$0	\$0	\$0	\$0	\$4,433,048
Canadian Spot	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
El Paso (Tennessee) Spot	\$228,937	\$499,390	\$734,887	\$629,958	\$810,544	\$937,474	\$625,292	\$227,300	\$113,509	\$89,319	\$75,920	\$84,308	\$5,056,838
Enbridge (Texas Eastern) Spot	\$2,776,161	\$0	\$0	\$791,516	\$3,274,391	\$3,471,893	\$5,235,090	\$3,163,531	\$183,584	\$0	\$0	\$0	\$18,896,166
EGT&S (DETI) Spot	\$624,934	\$1,299,405	\$1,389,598	\$229,504	\$1,228,334	\$1,151,977	\$391,382	\$0	\$0	\$0	\$0	\$0	\$6,315,134
National Fuel Spot	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Williams (Transco) Spot	\$0	\$0	\$4,585,359	\$3,987,699	\$9,240,463	\$6,364,310	\$5,279,836	\$0	\$0	\$0	\$0	\$0	\$29,457,666
Williams (Transco) Leidy Spot	\$1,587,713	\$7,440,719	\$3,163,068	\$0	\$931,839	\$4,666,225	\$2,614,739	\$2,515,086	\$2,352,707	\$2,012,520	\$1,940,032	\$2,008,970	\$31,233,619
Gulf South Spot	\$0	\$0	\$0	\$567,258	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$567,258
Total Spot Purchases	\$5,437,268	\$9,785,580	\$10,487,502	\$7,205,969	\$16,788,370	\$17,070,034	\$14,418,218	\$5,905,918	\$2,649,801	\$2,101,839	\$2,015,952	\$2,093,278	\$95,959,730
SPOT WACOG at Purchase Point													
Unit Cost (before Hedging Impact)	\$6.1105	\$6.6919	\$7.1767	\$7.5874	\$7.0419	\$5.9565	\$4.3130	\$3.6742	\$3.5193	\$3.5950	\$3.4923	\$3.2676	\$5.4775
Hedging Program													
Hedged Volume (dth)	1,190,000	1,120,000	1,250,000	1,590,000	1,150,000	1,180,000	1,520,000	1,000,000	910,000	800,000	730,000	680,000	13,120,000
Total Cost	\$3,323,420	\$3,372,760	\$4,064,910	\$5,453,680	\$4,025,760	\$4,004,500	\$4,559,770	\$3,080,180	\$2,943,880	\$2,676,170	\$2,501,390	\$2,363,320	\$42,369,740
Weighted Avg. Unit Cost	\$2.7928	\$3.0114	\$3.2519	\$3.4300	\$3.5007	\$3.3936	\$2.9998	\$3.0802	\$3.2350	\$3.3452	\$3.4266	\$3.4755	\$3.2294
WACOG vs. NYMEX Diff.	(\$4.5982)	(\$4.4456)	(\$4.3191)	(\$4.2330)	(\$3.8413)	(\$2.9084)	(\$1.6592)	(\$1.4158)	(\$1.3040)	(\$1.2358)	(\$1.1474)	(\$1.0745)	
Total \$ Impact	(\$4,091,566)	(\$4,979,072)	(\$5,398,875)	(\$4,020,194)	(\$4,417,495)	(\$3,431,912)	(\$2,521,984)	(\$1,415,800)	(\$981,822)	(\$722,513)	(\$662,350)	(\$688,343)	(\$33,331,926)
Total Spot Purchases	\$5,437,268	\$9,785,580	\$10,487,502	\$7,205,969	\$16,788,370	\$17,070,034	\$14,418,218	\$5,905,918	\$2,649,801	\$2,101,839	\$2,015,952	\$2,093,278	\$95,959,730
Total Hedging Program Impact	(\$4,091,566)	(\$4,979,072)	(\$5,398,875)	(\$4,020,194)	(\$4,417,495)	(\$3,431,912)	(\$2,521,984)	(\$1,415,800)	(\$981,822)	(\$722,513)	(\$662,350)	(\$688,343)	(\$33,331,926)
Total Spot Purchases adj. for Hedging	\$1,345,702	\$4,806,508	\$5,088,627	\$3,185,775	\$12,370,875	\$13,638,122	\$11,896,234	\$4,490,118	\$1,667,979	\$1,379,326	\$1,353,602	\$1,404,935	\$62,627,804
SPOT WACOG at Purchase Point													
Unit Cost (after Hedging Impact)	\$1.5123	\$3.2869	\$3.4822	\$3.3544	\$5.1890	\$4.7590	\$3.5586	\$2.7934	\$2.2153	\$2.3592	\$2.3449	\$2.1931	\$3.5749

Elizabethtown Gas Company
Calculation of Spot Purchase Commodity Price
For the period October 1, 2021 through September 30, 2022

	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Total
NYMEX Settle/Futures (\$/dth)	\$4.0210	\$4.1090	\$4.2780	\$4.3680	\$4.2760	\$4.0010	\$3.3350	\$3.2450	\$3.2910	\$3.3430	\$3.3600	\$3.3510	
NYMEX to Pipeline Rcpt Pt Basis (\$/dth)													
Columbia	\$1.4505	\$0.7319	\$0.8800	\$0.8975	\$0.8161	\$0.8963	\$0.5135						
Canadian				\$1.3518									
El Paso (Tennessee) - weighted avg.	\$0.8650	\$0.5288	\$0.6485	\$0.6775	\$0.8782	\$0.7183	(\$0.0981)	(\$0.2740)	(\$0.2830)	(\$0.2940)	(\$0.3070)	(\$0.3160)	
Enbridge (Texas Eastern) - weighted avg.	\$0.5721			\$0.9963		\$0.9402	\$0.3005	\$0.0681					
EGT&S (DETI)	\$0.4261	\$0.2238	\$0.4474	\$0.5150	\$0.5220	\$0.6468	\$0.1935						
National Fuel													
Williams (Transco) - weighted avg.		\$0.9590	\$0.9916	\$1.1010	\$0.9676	\$1.0327	\$0.6223						
Williams (Transco) Leidy	\$0.9150	\$0.2760	\$0.3380			\$0.5510	(\$0.2130)	(\$0.2240)	(\$0.2330)	(\$0.2440)	(\$0.2570)	(\$0.2660)	
Gulf South				\$0.9973									
Purchase Point Commodity (\$/dth)													
Columbia Spot	\$5.4715	\$4.8409	\$5.1580	\$5.2655	\$5.0921	\$4.8973	\$3.8485						
Canadian Spot				\$5.7198									
El Paso (Tennessee) Spot	\$4.8860	\$4.6378	\$4.9265	\$5.0455	\$5.1542	\$4.7193	\$3.2369	\$2.9710	\$3.0080	\$3.0490	\$3.0530	\$3.0350	
Enbridge (Texas Eastern) Spot	\$4.5931			\$5.3643		\$4.9412	\$3.6355	\$3.3131					
EGT&S (DETI) Spot	\$4.4471	\$4.3328	\$4.7254	\$4.8830	\$4.7980	\$4.6478	\$3.5285						
National Fuel Spot													
Williams (Transco) Spot		\$5.0680	\$5.2696	\$5.4690	\$5.2436	\$5.0337	\$3.9573						
Williams (Transco) Leidy Spot	\$4.9360	\$4.3850	\$4.6160			\$4.5520	\$3.1220	\$3.0210	\$3.0580	\$3.0990	\$3.1030	\$3.0850	
Gulf South				\$5.3653									
SPOT Purchases (dth)													
Columbia Spot	31,507	76,226	83,919	134,365	184,974	78,767	60,981	0	0	0	0	0	650,739
Canadian Spot	0	0	0	33,618	0	0	0	0	0	0	0	0	33,618
El Paso (Tennessee) Spot	51,997	74,585	63,244	97,489	66,635	80,247	92,226	33,070	25,689	22,053	20,099	23,084	650,418
Enbridge (Texas Eastern) Spot	323,868	0	0	209,465	0	13,175	644,830	74,314	0	0	0	0	1,265,652
EGT&S (DETI) Spot	101,397	193,664	200,506	64,679	181,102	199,977	95,335	0	0	0	0	0	1,036,660
National Fuel Spot	0	0	0	0	0	0	0	0	0	0	0	0	0
Williams (Transco) Spot	0	956,639	1,164,595	1,038,125	1,281,200	1,017,524	418,125	0	0	0	0	0	5,876,208
Williams (Transco) Leidy Spot	824,100	1,468,654	366,319	0	0	835,196	619,513	585,616	518,041	520,191	529,186	580,094	6,846,910
Gulf South Spot	0	0	0	75,149	0	0	0	0	0	0	0	0	75,149
Total Spot Purchases	1,332,869	2,769,768	1,878,583	1,652,890	1,713,911	2,224,866	1,931,010	693,000	543,730	542,244	549,285	603,178	16,435,354
SPOT Purchases													
Columbia Spot	\$172,389	\$369,001	\$432,857	\$707,498	\$941,901	\$385,744	\$234,682	\$0	\$0	\$0	\$0	\$0	\$3,244,072
Canadian Spot	\$0	\$0	\$0	\$192,290	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$192,290
El Paso (Tennessee) Spot	\$254,057	\$345,908	\$311,572	\$491,883	\$343,448	\$378,711	\$298,527	\$98,251	\$77,273	\$67,240	\$61,362	\$70,060	\$2,798,292
Enbridge (Texas Eastern) Spot	\$1,487,572	\$0	\$0	\$1,123,630	\$0	\$65,100	\$2,344,249	\$246,206	\$0	\$0	\$0	\$0	\$5,266,757
EGT&S (DETI) Spot	\$450,923	\$839,109	\$947,476	\$315,829	\$868,924	\$929,446	\$336,390	\$0	\$0	\$0	\$0	\$0	\$4,688,097
National Fuel Spot	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Williams (Transco) Spot	\$0	\$4,848,225	\$6,136,999	\$5,677,462	\$6,718,078	\$5,121,898	\$1,654,629	\$0	\$0	\$0	\$0	\$0	\$30,157,291
Williams (Transco) Leidy Spot	\$4,067,758	\$6,440,048	\$1,690,929	\$0	\$0	\$3,801,812	\$1,934,120	\$1,769,146	\$1,584,169	\$1,612,072	\$1,642,064	\$1,789,590	\$26,331,707
Gulf South Spot	\$0	\$0	\$0	\$403,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$403,200
Total Spot Purchases	\$6,432,699	\$12,842,291	\$9,519,833	\$8,911,791	\$8,872,351	\$10,682,711	\$6,802,596	\$2,113,603	\$1,661,442	\$1,679,312	\$1,703,426	\$1,859,650	\$73,081,705
SPOT WACOG at Purchase Point													
Unit Cost (before Hedging Impact)	\$4.8262	\$4.6366	\$5.0676	\$5.3916	\$5.1767	\$4.8015	\$3.5228	\$3.0499	\$3.0556	\$3.0970	\$3.1012	\$3.0831	\$4.4466
Hedging Program													
Hedged Volume (dth)	1,250,000	1,260,000	1,210,000	1,600,000	1,140,000	1,150,000	1,430,000	900,000	810,000	770,000	700,000	660,000	12,880,000
Total Cost	\$3,116,880	\$3,248,350	\$3,371,070	\$4,677,630	\$3,317,290	\$3,227,030	\$3,492,480	\$2,170,200	\$1,992,150	\$1,935,830	\$1,776,850	\$1,669,290	\$33,995,050
Weighted Avg. Unit Cost	\$2.4935	\$2.5781	\$2.7860	\$2.9235	\$2.9099	\$2.8061	\$2.4423	\$2.4113	\$2.4594	\$2.5141	\$2.5384	\$2.5292	\$2.6394
WACOG vs. NYMEX Diff.	(\$1.5275)	(\$1.5309)	(\$1.4920)	(\$1.4445)	(\$1.3661)	(\$1.1949)	(\$0.8927)	(\$0.8337)	(\$0.8316)	(\$0.8289)	(\$0.8216)	(\$0.8218)	
Total \$ Impact	(\$1,909,375)	(\$1,928,934)	(\$1,805,320)	(\$2,311,200)	(\$1,557,354)	(\$1,374,135)	(\$1,276,561)	(\$577,754)	(\$452,166)	(\$449,466)	(\$451,293)	(\$495,692)	(\$14,589,250)
Total Spot Purchases	\$6,432,699	\$12,842,291	\$9,519,833	\$8,911,791	\$8,872,351	\$10,682,711	\$6,802,596	\$2,113,603	\$1,661,442	\$1,679,312	\$1,703,426	\$1,859,650	\$73,081,705
Total Hedging Program Impact	(\$1,909,375)	(\$1,928,934)	(\$1,805,320)	(\$2,311,200)	(\$1,557,354)	(\$1,374,135)	(\$1,276,561)	(\$577,754)	(\$452,166)	(\$449,466)	(\$451,293)	(\$495,692)	(\$14,589,250)
Total Spot Purchases adj. for Hedging	\$4,523,324	\$10,913,357	\$7,714,513	\$6,600,591	\$7,314,997	\$9,308,576	\$5,526,035	\$1,535,849	\$1,209,276	\$1,229,846	\$1,252,133	\$1,363,958	\$58,492,455
SPOT WACOG at Purchase Point													
Unit Cost (after Hedging Impact)	\$3.3937	\$3.9402	\$4.1066	\$3.9934	\$4.2680	\$4.1838	\$2.8617	\$2.2162	\$2.2240	\$2.2681	\$2.2796	\$2.2613	\$3.5589

Elizabethtown Gas Company Hedging Report

	Normal Firm Requirements (Dth)	Current Protected Position (Dth)
Oct 2022	776,963	1,210,000
Nov 2022	1,881,977	1,150,000
Dec 2022	3,739,092	1,270,000
Jan 2023	4,549,179	1,600,000
Feb 2023	4,853,770	1,140,000
Mar 2023	3,918,483	1,170,000
Apr 2023	2,928,854	1,490,000
May 2023	1,490,695	990,000
Jun 2023	801,936	950,000
Jul 2023	567,991	840,000
Aug 2023	512,825	770,000
Sep 2023	646,125	720,000
Total	26,667,889	13,300,000

Note:

Normal firm requirements exclude demand of BGSS-M customers.

Elizabethtown Gas Company

Hedging Report

Status as of June 30, 2021

Gas Flow Month	Price Hedged		Total Quantity Price Protected Dth	ETG - GPS&P Guidelines		
	Quantity Dth	\$/Dth		Min Quantity Dth	Max Quantity Dth	Current Pct. of Min
Jan-21						
Feb-21						
Mar-21						
Apr-21						
May-21						
Jun-21						
Jul-21						
Aug-21	830,000	\$2.4232	830,000	820,000	1,650,000	101.2%
Sep-21	870,000	\$2.4358	870,000	860,000	1,730,000	101.2%
Oct-21	1,250,000	\$2.4935	1,250,000	1,200,000	2,390,000	104.2%
Nov-21	1,260,000	\$2.5781	1,260,000	1,180,000	2,360,000	106.8%
Dec-21	1,210,000	\$2.7860	1,210,000	1,240,000	2,480,000	97.6%
Total	5,420,000	\$2.5584	5,420,000	5,300,000	10,610,000	102.3%
Jan-22	1,600,000	\$2.9235	1,600,000	1,530,000	3,060,000	104.6%
Feb-22	1,140,000	\$2.9099	1,140,000	1,150,000	2,290,000	99.1%
Mar-22	1,150,000	\$2.8061	1,150,000	1,170,000	2,330,000	98.3%
Apr-22	1,430,000	\$2.4423	1,430,000	1,530,000	3,060,000	93.5%
May-22	900,000	\$2.4113	900,000	1,000,000	2,010,000	90.0%
Jun-22	810,000	\$2.4594	810,000	960,000	1,930,000	84.4%
Jul-22	870,000	\$2.5476	870,000	930,000	1,860,000	93.5%
Aug-22	800,000	\$2.5704	800,000	930,000	1,860,000	86.0%
Sep-22	730,000	\$2.5535	730,000	970,000	1,940,000	75.3%
Oct-22	890,000	\$2.5892	890,000	1,160,000	2,320,000	76.7%
Nov-22	720,000	\$2.6702	720,000	1,190,000	2,390,000	60.5%
Dec-22	720,000	\$2.8134	720,000	1,250,000	2,500,000	57.6%
Total	11,760,000	\$2.6587	11,760,000	13,770,000	27,550,000	85.4%
Jan-23	820,000	\$2.9246	820,000	1,540,000	3,080,000	53.2%
Feb-23	480,000	\$2.8886	480,000	1,160,000	2,310,000	41.4%
Mar-23	390,000	\$2.7460	390,000	1,180,000	2,350,000	33.1%
Apr-23	360,000	\$2.4631	360,000	1,540,000	3,090,000	23.4%
May-23	160,000	\$2.4651	160,000	1,010,000	2,030,000	15.8%
Jun-23	80,000	\$2.5458	80,000	970,000	1,940,000	8.2%
Jul-23				940,000	1,880,000	
Aug-23				940,000	1,880,000	
Sep-23				980,000	1,960,000	
Oct-23				1,170,000	2,340,000	
Nov-23				1,200,000	2,410,000	
Dec-23				1,260,000	2,520,000	
Total	2,290,000	\$2.7687	2,290,000	13,890,000	27,790,000	16.5%

Quantities stated above do not include natural hedging that emanates from storage. Based on the Company's injection plan for the 2021/2022 winter period, total storage supplies available for withdrawal totaled 8,479,960 dth. Adding this quantity to the hedged quantities for the November 2021 through March 2022 winter period of 6,360,000 dth results in a total hedged quantity of 14,839,960 dth or 70.6% of the normal winter firm sales requirement of 21,005,760 dth.

Elizabethtown Gas Company
Hedging Report
Status as of September 30, 2021

Gas Flow Month	Price Hedged		Total Quantity Price Protected Dth	ETG - GPS&P Guidelines		
	Quantity Dth	\$/Dth		Min Quantity Dth	Max Quantity Dth	Current Pct. of Min
Jan-21						
Feb-21						
Mar-21						
Apr-21						
May-21						
Jun-21						
Jul-21						
Aug-21						
Sep-21						
Oct-21						
Nov-21	1,260,000	\$2.5781	1,260,000	1,180,000	2,360,000	106.8%
Dec-21	1,210,000	\$2.7860	1,210,000	1,240,000	2,480,000	97.6%
Total	2,470,000	\$2.6799	2,470,000	2,420,000	4,840,000	102.1%
Jan-22	1,600,000	\$2.9235	1,600,000	1,530,000	3,060,000	104.6%
Feb-22	1,140,000	\$2.9099	1,140,000	1,150,000	2,290,000	99.1%
Mar-22	1,150,000	\$2.8061	1,150,000	1,170,000	2,330,000	98.3%
Apr-22	1,430,000	\$2.4423	1,430,000	1,530,000	3,060,000	93.5%
May-22	900,000	\$2.4113	900,000	1,000,000	2,010,000	90.0%
Jun-22	810,000	\$2.4594	810,000	960,000	1,930,000	84.4%
Jul-22	870,000	\$2.5476	870,000	930,000	1,860,000	93.5%
Aug-22	880,000	\$2.6147	880,000	930,000	1,860,000	94.6%
Sep-22	880,000	\$2.6613	880,000	970,000	1,940,000	90.7%
Oct-22	1,190,000	\$2.7928	1,190,000	1,160,000	2,320,000	102.6%
Nov-22	1,020,000	\$2.9070	1,020,000	1,190,000	2,390,000	85.7%
Dec-22	1,050,000	\$3.0576	1,050,000	1,250,000	2,500,000	84.0%
Total	12,920,000	\$2.7272	12,920,000	13,770,000	27,550,000	93.8%
Jan-23	1,220,000	\$3.1700	1,220,000	1,540,000	3,080,000	79.2%
Feb-23	750,000	\$3.1374	750,000	1,160,000	2,310,000	64.7%
Mar-23	690,000	\$2.9954	690,000	1,180,000	2,350,000	58.5%
Apr-23	740,000	\$2.6658	740,000	1,540,000	3,090,000	48.1%
May-23	440,000	\$2.6673	440,000	1,010,000	2,030,000	43.6%
Jun-23	310,000	\$2.7584	310,000	970,000	1,940,000	32.0%
Jul-23	240,000	\$2.8743	240,000	940,000	1,880,000	25.5%
Aug-23	160,000	\$2.9829	160,000	940,000	1,880,000	17.0%
Sep-23	90,000	\$3.1012	90,000	980,000	1,960,000	9.2%
Oct-23				1,170,000	2,340,000	
Nov-23				1,200,000	2,410,000	
Dec-23				1,260,000	2,520,000	
Total	4,640,000	\$2.9601	4,640,000	13,890,000	27,790,000	33.4%

Quantities stated above do not include natural hedging that emanates from storage. Based on the Company's injection plan for the 2021/2022 winter period, total storage supplies available for withdrawal totaled 8,479,960 dth. Adding this quantity to the hedged quantities for the November 2021 through March 2022 winter period of 6,360,000 dth results in a total hedged quantity of 14,839,960 dth or 70.6% of the normal winter firm sales requirement of 21,005,760 dth.

Elizabethtown Gas Company
Hedging Report
Status as of December 31, 2021

Gas Flow Month	Price Hedged		Total Quantity Price Protected Dth	ETG - GPS&P Guidelines		
	Quantity Dth	\$/Dth		Min Quantity Dth	Max Quantity Dth	Current Pct. of Min
Jan-21						
Feb-21						
Mar-21						
Apr-21						
May-21						
Jun-21						
Jul-21						
Aug-21						
Sep-21						
Oct-21						
Nov-21						
Dec-21						
Total						
Jan-22						
Feb-22	1,140,000	\$2.9099	1,140,000	1,150,000	2,290,000	99.1%
Mar-22	1,150,000	\$2.8061	1,150,000	1,170,000	2,330,000	98.3%
Apr-22	1,430,000	\$2.4423	1,430,000	1,530,000	3,060,000	93.5%
May-22	900,000	\$2.4113	900,000	1,000,000	2,010,000	90.0%
Jun-22	810,000	\$2.4594	810,000	960,000	1,930,000	84.4%
Jul-22	870,000	\$2.5476	870,000	930,000	1,860,000	93.5%
Aug-22	880,000	\$2.6147	880,000	930,000	1,860,000	94.6%
Sep-22	880,000	\$2.6613	880,000	970,000	1,940,000	90.7%
Oct-22	1,190,000	\$2.7928	1,190,000	1,160,000	2,320,000	102.6%
Nov-22	1,120,000	\$3.0114	1,120,000	1,190,000	2,390,000	94.1%
Dec-22	1,250,000	\$3.2519	1,250,000	1,250,000	2,500,000	100.0%
Total	11,620,000	\$2.7383	11,620,000	12,240,000	24,490,000	94.9%
Jan-23	1,590,000	\$3.4300	1,590,000	1,540,000	3,080,000	103.2%
Feb-23	1,050,000	\$3.4319	1,050,000	1,160,000	2,310,000	90.5%
Mar-23	990,000	\$3.2628	990,000	1,180,000	2,350,000	83.9%
Apr-23	1,130,000	\$2.8599	1,130,000	1,540,000	3,090,000	73.4%
May-23	680,000	\$2.8396	680,000	1,010,000	2,030,000	67.3%
Jun-23	560,000	\$2.9518	560,000	970,000	1,940,000	57.7%
Jul-23	470,000	\$3.0566	470,000	940,000	1,880,000	50.0%
Aug-23	400,000	\$3.1483	400,000	940,000	1,880,000	42.6%
Sep-23	330,000	\$3.2088	330,000	980,000	1,960,000	33.7%
Oct-23	290,000	\$3.2899	290,000	1,170,000	2,340,000	24.8%
Nov-23	200,000	\$3.3701	200,000	1,200,000	2,410,000	16.7%
Dec-23	110,000	\$3.5759	110,000	1,260,000	2,520,000	8.7%
Total	7,800,000	\$3.1896	7,800,000	13,890,000	27,790,000	56.2%

Quantities stated above do not include natural hedging that emanates from storage. Based on the Company's injection plan for the 2021/2022 winter period, total storage supplies available for withdrawal totaled 8,479,960 dth. Adding this quantity to the hedged quantities for the November 2021 through March 2022 winter period of 6,360,000 dth results in a total hedged quantity of 14,839,960 dth or 70.6% of the normal winter firm sales requirement of 21,005,760 dth.

Elizabethtown Gas Company

Hedging Report

Status as of March 31, 2022

Gas Flow Month	Price Hedged		Total Quantity Price Protected Dth	ETG - GPS&P Guidelines		
	Quantity Dth	\$/Dth		Min Quantity Dth	Max Quantity Dth	Current Pct. of Min
Jan-22						
Feb-22						
Mar-22						
Apr-22						
May-22	900,000	\$2.4113	900,000	1,000,000	2,010,000	90.0%
Jun-22	810,000	\$2.4594	810,000	960,000	1,930,000	84.4%
Jul-22	870,000	\$2.5476	870,000	930,000	1,860,000	93.5%
Aug-22	880,000	\$2.6147	880,000	930,000	1,860,000	94.6%
Sep-22	880,000	\$2.6613	880,000	970,000	1,940,000	90.7%
Oct-22	1,190,000	\$2.7928	1,190,000	1,160,000	2,320,000	102.6%
Nov-22	1,120,000	\$3.0114	1,120,000	1,190,000	2,390,000	94.1%
Dec-22	1,250,000	\$3.2519	1,250,000	1,250,000	2,500,000	100.0%
Total	7,900,000	\$2.7573	7,900,000	8,390,000	16,810,000	94.2%
Jan-23	1,590,000	\$3.4300	1,590,000	1,540,000	3,080,000	103.2%
Feb-23	1,150,000	\$3.5007	1,150,000	1,160,000	2,310,000	99.1%
Mar-23	1,180,000	\$3.3936	1,180,000	1,180,000	2,350,000	100.0%
Apr-23	1,520,000	\$2.9998	1,520,000	1,540,000	3,090,000	98.7%
May-23	920,000	\$2.9686	920,000	1,010,000	2,030,000	91.1%
Jun-23	810,000	\$3.0810	810,000	970,000	1,940,000	83.5%
Jul-23	700,000	\$3.1767	700,000	940,000	1,880,000	74.5%
Aug-23	630,000	\$3.2507	630,000	940,000	1,880,000	67.0%
Sep-23	580,000	\$3.2959	580,000	980,000	1,960,000	59.2%
Oct-23	580,000	\$3.3706	580,000	1,170,000	2,340,000	49.6%
Nov-23	500,000	\$3.4903	500,000	1,200,000	2,410,000	41.7%
Dec-23	420,000	\$3.7278	420,000	1,260,000	2,520,000	33.3%
Total	10,580,000	\$3.2816	10,580,000	13,890,000	27,790,000	76.2%
Jan-24	390,000	\$3.9170	390,000	1,560,000	3,110,000	25.0%
Feb-24	190,000	\$3.8973	190,000	1,170,000	2,330,000	16.2%
Mar-24	100,000	\$3.7200	100,000	1,190,000	2,380,000	8.4%
Apr-24				1,560,000	3,110,000	
May-24				1,020,000	2,050,000	
Jun-24				980,000	1,960,000	
Jul-24				950,000	1,890,000	
Aug-24				950,000	1,900,000	
Sep-24				990,000	1,980,000	
Oct-24				1,180,000	2,360,000	
Nov-24				1,210,000	2,430,000	
Dec-24				1,270,000	2,550,000	
Total	680,000	\$3.8825	680,000	14,030,000	28,050,000	4.8%

Quantities stated above do not include natural hedging that emanates from storage. Based on the Company's injection plan for the 2022/2023 winter period, total storage supplies available for withdrawal totaled 8,479,960 dth. Adding this quantity to the hedged quantities for the November 2022 through March 2023 winter period of 6,290,000 dth results in a total hedged quantity of 14,839,960 dth or 69.9% of the normal winter firm sales requirement of 21,118,492 dth.

Elizabethtown Gas Company

FERC Pipeline Activities

Cash-Out Price Changes (Docket No. RP20-614) and Disposition of Cash-Out Costs and Revenues (Docket No. RP20-618)

On May 26, 2021, Transco filed with the Commission a Stipulation and Agreement ("Agreement") in Transco's cash-out proceedings in Docket Nos. RP20-614, RP20-618, and RP21-24. The Agreement is intended to resolve all issues in the cash-out proceedings, and it is Transco's understanding that all participants in the proceedings either support or do not oppose approval of the Agreement. Accordingly, to the best of Transco's knowledge, the Agreement represents an uncontested settlement of all issues in these proceedings. Initial comments on the Agreement are due by June 15, 2021, and the date for filing reply comments on the Agreement is June 25, 2021.

On October 29, 2021, Transco notified interested customers and other entities of the commencement of a review of Section 15 (Disposition of Cash-Out Costs and Revenues) and Section 43 (System Management Gas) of the General Terms and Conditions of Transco's Tariff and other system inventory costs, for the purposes set forth in the Stipulation and Agreement filed by Transco on May 26, 2021 in Docket Nos. RP20-614-000 and RP20-618-000, and subsequently approved by the Commission, without modification, on July 30, 2021

On May 26, 2021, Transco filed with the Commission a Stipulation and Agreement ("Agreement") in Transco's cash-out proceedings in Docket Nos. RP20-614, RP20-618, and RP21-24. The Agreement is intended to resolve all issues in the cash-out proceedings, and it is Transco's understanding that all participants in the proceedings either support or do not oppose approval of the Agreement. Accordingly, to the best of Transco's knowledge, the Agreement represents an uncontested settlement of all issues in these proceedings. Initial comments on the Agreement are due by June 15, 2021, and the date for filing reply comments on the Agreement is June 25, 2021.

Rate Schedule LSS and SS-2 Tracker Filing (Docket No. RP22-728-000)

On March 29, 2022, Transco filed revised tariff records to track the fuel retention percentage change attributable to storage service purchased from National Fuel Gas Supply Corporation under its Rate Schedule SS-1, which Transco uses to provide service under its Rate Schedules LSS and SS-2. On April 25, 2022, pursuant to authority delegated to the Director, Division of Pipeline Regulation, the tariff records are accepted, effective April 1, 2022, as requested.

Rate Schedule GSS, LSS, SS-2 Tracker Filing (Docket No. RP22-84-000)

On October 26, 2021, Transco filed revised tariff records in order to track third party rate changes attributable to storage services purchased from Eastern Gas Transmission and Storage, Inc. and National Fuel Gas Supply Corporation. The effective date of the revised Rate Schedule GSS, LSS and SS-2 rates is November 1, 2021. On November 16, 2021, the Commission accepted the tariff records, as requested.

GSS and LSS Fuel Tracker (Docket No. RP22-323-000)

On November 15, 2021, Transco submitted its Rate Schedules GSS and LSS Tracking filing to track the fuel retention percentage attributable to storage service purchased from Eastern Gas Transmission and Storage under its Rate Schedule GSS, which is included in Transco's Rate Schedules GSS and LSS fuel retention percentages. The proposed effective date is November 1, 2021.

Reservation Charge Crediting Provisions Storage Rate Schedules (Docket No. RP21-686-000)

On March 31, 2021, Transco submitted a filing to revise the provisions that set forth the reservation charge credits due customers under storage Rate Schedules GSS, S-2, LG-A, and LNG when Transco orders the interruption of firm storage service under the provisions of Section 11.3 of the General Terms and Conditions of Transco's tariff. The proposed provisions are similar to provisions accepted by the FERC for inclusion in Transco's storage Rate Schedules ESS, EESWS, WSS-Open Access, LSS, and SS-2. On April 30, 2021, the Commission issued an Order Accepting Tariff Records Subject to Conditions, effective May 1, 2021.

Rate Schedules LSS and SS-2 Third Party Fuel Tracker Filing (Docket No. RP21-643-000)

Transco filed revised tariff records in Docket No. RP21-643-000 to track third-party fuel retention percentages attributable to storage services purchased from National Fuel Gas Supply Corporation under its Rate Schedule SS-1. The effective date of the revised LSS and SS-2 fuel percentages is April 1, 2021.

Rate Schedule S-2 Tracker Filing (Docket No. RP22-536) On February 2, 2022

Transco submitted a filing to track rate changes included in Texas Eastern's January 31, 2022 Motion to Place Suspended Revised Tariff Records into Effect in Docket Nos. RP21-1001-000, -001 ("Motion Filing"), which, among other things, included revised rates under Texas Eastern's Rate Schedule X-28 which Transco uses to render service under its Rate Schedule S-2. The revised rates have an effective date of February 1, 2022. On February 23, 2022, the Commission accepted the tariff records, as requested.

Rate Schedule S-2 Penalty Disbursement (Docket No. RP21-1050-000)

On August 10, 2021, Transco received its portion of the penalty disbursement for storage service purchased under Texas Eastern's Rate Schedule X-28 which is used by Transco to provide service to its customers under its Rate Schedule S-2. Transco refunded the amount received from Texas Eastern, with interest, to its Rate Schedule S-2 customers on August 26, 2021.

Rate Schedule S-2 Tracker Filing (Docket No. RP21-976-000)

On July 27, 2021, Transco filed a revised tariff record in order to track rate changes attributable to storage services purchased from Texas Eastern Transmission, LP under its Rate Schedule X28 which are included in the rates and charges payable under Transco's Rate Schedule S-2. The effective date of Transco's revised tariff record is August 1, 2021. Flow Through of Eastern Gas Transmission and Storage, Inc. Penalty Sharing (Docket No. RP21-988-000) On June 30, 2021, Transco received a refund from

Rate Schedule S-2 OFO Penalty Refund (Docket No. RP21-892-000)

On March 25, 2021, Texas Eastern filed an OFO Penalty Disbursement Report under Docket No. RP21-648-000. On May 10, 2021, Transco received its portion of the penalty disbursement for storage service

purchased under Texas Eastern's Rate Schedule X-28. Pursuant to the provisions of Section 26.2(b) of Transco's General Terms and Conditions, Transco refunded the amount received from Texas Eastern, with interest, to its Rate Schedule S-2 customers on June 8, 2021.

Rate Schedule S-2 Tracker Filing (Docket No. RP21-644-000)

Transco filed revised tariff records to correct tracked rate changes attributable to storage services purchased from Texas Eastern Transmission, LP under its Rate Schedule X-28 which are included in the rates and charges payable under Transco's Rate Schedule S-2. The effective dates of Transco's revised S-2 rates are December 1, 2020 and February 1, 2021.

Annual Electric Power Tracker Filing (Docket No. RP22-669-000)

Pursuant to Section 41 of Transco's GT&C, Transco submitted revised tariff records on March 1, 2022, to reflect net changes in the Transmission Electric Power ("TEP") rates. The TEP rates are designed to recover transmission electric power costs for electric compressors and gas coolers located at Transco's compressor station locations. The tariff records were approved on March 29, 2022, effective April 1, 2022.

Annual Penalty Revenue Sharing Report (Docket No. RP22-94-000) On October 28, 2021

Transco submitted a Revenue Sharing Report of Penalty Dollars for the annual period ending July 31, 2021. The amount of penalty and interest shared was \$1,078,063.65.

OEP/DG2E/Gas 2 Transcontinental Gas Pipe Line Company, LLC Regional Energy Access Expansion Docket No. CP21-94

On May 6, 2022, the Federal Energy Regulatory Commission ("Commission") issued an environmental information request to Transcontinental Gas Pipe Line Company, LLC ("Transco") to assist the Commission in its analysis of Transco's certificate application in the above-referenced docket. Transco files a response document pertaining to the request.

Regional Energy Access Expansion Draft Environmental Impact Statement (Docket No. CP21-94-000)

On March 2, 2022, the Commission issued a Notice of Availability of the Draft Environmental Impact Statement ("EIS") for the Regional Energy Access Expansion Project. The draft EIS assesses the potential environmental effects of the construction and operation of the Project in accordance with the requirements of the National Environmental Policy Act (NEPA). FERC staff concludes that approval of the proposed Project, with the mitigation measures recommended in the EIS, would result in some adverse environmental impacts; however, with the exception of climate change impacts, those impacts would not be significant. Comments are due at FERC on or before 5:00pm Eastern Time on April 25, 2022.

Regional Energy Access Notice of Environmental Impact Statement (Docket No. CP21-94)

On March 26, 2021, Transco submitted its 7(c) application for the Regional Energy Access Expansion Project. The Project is an incremental expansion of Transco's existing pipeline system that will enable Transco to provide an additional 829,400 dt/day of firm transportation service from northeastern Pennsylvania to multiple delivery points along Transco's Leidy Line in Pennsylvania, Transco's mainline at the Station 210 Zone 6 Pooling Point in Mercer County, New Jersey, and multiple delivery points in Transco's Zone 6 in New Jersey, Pennsylvania, and Maryland. On October 19, 2021, the Commission

issued a notice of intent to prepare an environmental impact statement that will discuss the environmental impacts of the Expansion Project.

Regional Energy Access Expansion 7(c) Application (Docket No. CP21-94)

On March 26, 2021, Transco submitted its 7(c) application for the Regional Energy Access Expansion Project. The Project is an incremental expansion of Transco's existing pipeline system that will enable Transco to provide an additional 829,400 dt/day of firm transportation service from northeastern Pennsylvania to multiple delivery points along Transco's Leidy Line in Pennsylvania, Transco's mainline at the Station 210 Zone 6 Pooling Point in Mercer County, New Jersey, and multiple delivery points in Transco's Zone 6 in New Jersey, Pennsylvania, and Maryland. On April 9, 2021, the Commission issued a Notice of Application. The deadline for filing a motion to intervene was 5:00 p.m. Eastern Time on April 30, 2021. The deadline for filing comments was April 30, 2021.

On March 26, 2021, Transco submitted its 7(c) application for the Regional Energy Access Expansion Project. The Project is an incremental expansion of Transco's existing pipeline system that will enable Transco to provide an additional 829,400 dt/day of firm transportation service from northeastern Pennsylvania to multiple delivery points along Transco's Leidy Line in Pennsylvania, Transco's mainline at the Station 210 Zone 6 Pooling Point in Mercer County, New Jersey, and multiple delivery points in Transco's Zone 6 in New Jersey, Pennsylvania, and Maryland.

Columbia Gas Transmission General Rate Case Filing

July 31, 2020, Columbia submitted a general rate case filing pursuant to section 4 of the Natural Gas Act (the "Rate Case"). On October 29, 2021, Columbia filed the Settlement, which resolved all outstanding issues in the Rate Case.³ On November 12, 2021, Columbia submitted a Renewed Unopposed Motion to Place Settlement Rates Into Effect ("Renewed Motion") to implement the reduced settlement rates agreed to in the Settlement ("Settlement Rates") on an interim basis, effective December 1, 2021, in advance of and pending final Commission approval of the Settlement. On November 16, 2021, the Chief Judge issued an Order granting the Renewed Motion and authorizing Columbia to implement the Settlement Rates, effective December 1, 2021.⁴ On February 25, 2022, the Commission issued its Order Approving Settlement with Modification (the "Order").⁵ The Order cleared the seven-day notice period without notice or objection and was, Pursuant to Settlement section IV.A.1(b), deemed accepted on March 7, 2022 and effective February 25, 2022.⁶ Article VI of the Settlement establishes the Period I and Period II Settlement Rates for all Columbia transportation and storage services and states that Columbia shall, within sixty (60) days after the effective date of the Settlement, provide a refund to all non-contesting shippers (each a "Settling Party") via a lump sum payment or in the form selected by the shipper, for the period of February 1, 2021 through November 30, 2021 ("Settlement Refund").⁷ The Settlement Refund shall equal the difference between the rates collected from each Settling Party under each contract and the Period I Settlement Rates applicable to the service received by such Settling Party, plus interest at the applicable FERC interest rate.⁸ The settlement resolved all outstanding issues in root Docket Nos. RP20-1060-000, RP20-1159-000, RP21-565- 000, RP21-687-000, and all sub-dockets thereof The Settlement resolved all outstanding issues in root Docket Nos. RP20-1060-000, RP20-1159-000, RP21-565- 000, RP21-687-000, and all sub-dockets thereof.

Texas Eastern Transmission General Rate Case Filing (Docket No.'s RP21-1001/RP21-1188)

July 30, 2021, Texas Eastern Transmission submitted a general rate case filing (Docket No. RP21-1001) pursuant to section 4 of the Natural Gas Act (the “Rate Case”). Interveners protested the filing and on August 31, 2021 the Federal Energy Regulatory Commission agreed with intervenors and rejected Texas Eastern’s filing stating that “...Texas Eastern’s filing as unjust and unreasonable and contrary to the Commission’s regulations. As discussed below, Texas Eastern’s inclusion in its proposed rates of an unsubstantiated increase in its income tax allowance renders its rate filing unlawful.” On September 28, 2021, Texas Eastern filed a general rate case filing (Docket No. RP21-1188) pursuant to section 4 of the Natural Gas Act (the “Rate Case”). The pipeline, FERC staff and intervenors are current in settlement negotiations.

Eastern Gas Transmission & Storage General Rate Case Filing (Docket No. RP21-1187)

July 30, 2021, Eastern Gas Transmission & Storage (“EGT&S”) submitted a general rate case filing (Docket No. RP21-1187) pursuant to section 4 of the Natural Gas Act (the “Rate Case”). Interveners protested the filing and the pipeline, FERC staff and intervenors are current in settlement negotiations.

Elizabethtown Gas Company
Historical and Estimated Supply and Demand Requirements

All figures in MDth unless otherwise noted

REQUIREMENTS	2019-2020 ACTUALS			2020-2021 ACTUALS			2021-2022 ACTUALS/ESTIMATE ⁴		
	Non			Non			Non		
	Heating	Heating	Annual	Heating	Heating	Annual	Heating	Heating	Annual
FIRM									
<i>Residential</i>	17,311	6,444	23,755	17,259	5,857	23,116	17,112	6,251	23,363
<i>Commercial</i>	5,255	1,817	7,072	5,397	1,852	7,249	5,719	2,208	7,927
<i>Industrial</i>	254	382	636	393	467	860	744	884	1,628
<i>Company Use</i>	150	101	252	149	101	250	157	106	263
<i>Unacct. For</i> ⁵	505	192	698	510	182	692	522	208	730
Total Firm Requirements (Normal)	23,476	8,936	32,411	23,707	8,459	32,166	24,254	9,657	33,911
DESIGN WINTER INCREMENT	N/A		N/A	N/A		N/A	N/A		N/A
TOTAL FIRM REQUIREMENTS (Design)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
AVAILABLE FOR NON-FIRM SERVICE ¹	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CAPACITY									
Pipeline Deliverability (delivering pipe)									
<i>Transco</i>	21,363	28,538	49,901	21,503	28,538	50,041	21,503	28,538	50,041
<i>Texas Eastern</i>	4,841	13,258	18,099	9,417	13,258	22,675	9,417	13,258	22,675
<i>Columbia Gas</i>	2,483	3,518	6,001	2,499	3,518	6,017	2,499	3,518	6,017
<i>Tennessee</i>	611	866	1,477	615	866	1,481	1,527	2,150	3,677
Total Pipeline Deliverability	29,298	46,180	75,478	34,034	46,180	80,214	34,946	47,464	82,410
Storage Deliverability									
<i>Storage Capacity</i>	9,244		0	9,244		0	9,244		0
<i>Emergency Reserve</i> ²	400	400	0	400	400	0	400	400	0
<i>(Injections)/Withdrawals</i>	8,844	(8,844)	0	8,844	(8,844)	0	8,844	(8,844)	0
Peaking Deliverability									
On-System:									
<i>LNG</i>	135	0	135	135	0	135	135	0	135
Via Pipeline:									
<i>Cogeneration Recall</i>	761	0	761	761	0	761	761	0	761
<i>LGA</i>	155	0	155	155	0	155	155	0	155
<i>Other</i>	525	0	525	1,155	0	1,155	225	0	225
Total Peaking Capacity	1,576	0	1,576	2,206	0	2,206	1,276	0	1,276
TOTAL AVAILABLE CAPACITY	39,718	37,336	77,054	45,084	37,336	82,420	45,066	38,620	83,686
SUPPLY									
<i>Long Term Firm Supply</i>									
<i>Seasonal or Annual Firm Supply</i>									
<i>Other</i> ³									
TOTAL GAS SUPPLY CONTRACTS									

Heating Season - Nov 1 through Mar 31, Non-heating Season - April 1 through Oct 31, Annual Period - Nov 1 through Oct 31.

Forecast based on 10 year normal weather (2012 - 2021)

¹ Values listed in "Available For Non-firm Service" represent capacity available to Elizabethtown within its Firm Contract capabilities that can be used to provide Interruptible service over the course of a design winter. Additional sales to interruptible markets could be made to the degree actual weather conditions are warmer than design conditions.

² Reserve for colder than normal weather in April.

³ Spot purchases or new firm supplies.

⁴ Actuals through April 2020.

⁵ Seasonal Lost and Unaccounted for values are prorated from the annual.

Elizabethtown Gas Company
Historical and Estimated Supply and Demand Requirements

All figures in MDth unless otherwise noted

REQUIREMENTS	2022-2023 ESTIMATE			2023-2024 ESTIMATE			2024-2025 ESTIMATE		
	Non Heating			Non Heating			Non Heating		
	Heating	Heating	Annual	Heating	Heating	Annual	Heating	Heating	Annual
FIRM									
<i>Residential</i>	17,497	6,318	23,815	17,834	6,559	24,393	18,190	6,794	24,984
<i>Commercial</i>	5,912	2,290	8,202	6,221	2,444	8,665	6,536	2,601	9,137
<i>Industrial</i>	849	884	1,733	849	885	1,734	850	886	1,736
<i>Company Use</i>	161	109	270	166	112	278	171	116	287
<i>Unacct. For</i> ⁴	537	211	748	552	220	772	566	229	795
Total Firm Requirements (Normal)	24,956	9,812	34,768	25,622	10,220	35,842	26,314	10,625	36,939
DESIGN WINTER INCREMENT	3,631	0	3,631	3,730		3,730	3,831		3,831
TOTAL FIRM REQUIREMENTS (Design)	28,587	9,812	38,399	29,352	10,220	39,572	30,145	10,625	40,770
AVAILABLE FOR NON-FIRM SERVICE ¹	15,193	28,808	44,001	14,429	28,400	42,828	13,636	27,994	41,630
CAPACITY									
Pipeline Deliverability (delivering pipe)									
<i>Transco</i>	21,503	28,538	50,041	21,503	28,538	50,041	21,503	28,538	50,041
<i>Texas Eastern</i>	9,417	13,258	22,675	9,417	13,258	22,675	9,417	13,258	22,675
<i>Columbia Gas</i>	2,499	3,518	6,017	2,499	3,518	6,017	2,499	3,518	6,017
<i>Tennessee</i>	1,517	2,150	3,667	1,517	2,150	3,667	1,517	2,150	3,667
Total Pipeline Deliverability	34,936	47,464	82,400	34,936	47,464	82,400	34,936	47,464	82,400
Storage Deliverability									
<i>Storage Capacity</i>	9,244		0	9,244		0	9,244		0
<i>Emergency Reserve</i> ²	400	400	0	400	400	0	400	400	0
<i>(Injections)/Withdrawals</i>	8,844	(8,844)	0	8,844	(8,844)	0	8,844	(8,844)	0
Peaking Deliverability									
On-System:									
<i>LNG</i>	135	0	135	135	0	135	135	0	135
Via Pipeline:									
<i>Cogeneration Recall</i>	336	0	336	336	0	336	336	0	336
<i>LGA</i>	155	0	155	155	0	155	155	0	155
<i>Other</i>	1,170	0	1,170	1,215	0	1,215	1,275	0	1,275
Total Peaking Capacity	1,796	0	1,796	1,841	0	1,841	1,901	0	1,901
TOTAL AVAILABLE CAPACITY	45,576	38,620	84,196	45,621	38,620	84,241	45,681	38,620	84,301
SUPPLY									
<i>Long Term Firm Supply</i>									
<i>Seasonal or Annual Firm Supply</i>									
<i>Other</i> ³	16,112	18,656	34,768	16,777	19,064	35,842	17,469	19,470	36,939
TOTAL GAS SUPPLY CONTRACTS	16,112	18,656	34,768	16,777	19,064	35,842	17,469	19,470	36,939
DESIGN PEAK DAY									
	2022-2023 ESTIMATE			2023-2024 ESTIMATE			2024-2025 ESTIMATE		
	Dth per Day			Dth per Day			Dth per Day		
DEMAND:									
<i>Firm Sales</i>		511,193			514,608			517,735	
<i>LAUF</i>		10,646			10,717			10,782	
<i>Interruptible Sales</i>		0			0			0	
<i>Transportation Service</i>		121,969			122,413			123,210	
TOTAL THROUGHPUT		643,808			647,738			651,727	
SUPPLY:									
<i>Storage & Seasonal</i>		117,776			117,776			117,776	
<i>Pipeline Transport</i>		272,311			272,311			272,311	
Peaking									
<i>Contracted</i>		38,950			38,950			38,950	
<i>Mechanical</i>		25,000			25,000			25,000	
<i>3rd Party</i>		78,000			81,000			85,000	
<i>Take-back</i>		16,095			16,095			16,095	
<i>TPS Deliveries</i>		112,954			113,589			114,332	
TOTAL SUPPLY		661,086			664,721			669,464	

Heating Season - Nov 1 through Mar 31, Non-heating Season - April 1 through Oct 31, Annual Period - Nov 1 through Oct 31.

Forecast based on 10 year normal weather (2012 - 2021)

¹ Values listed in "Available For Non-firm Service" represent capacity available to Elizabethtown within its Firm Contract capabilities that can be used to provide Interruptible service over the course of a design winter. Additional sales to interruptible markets could be made to the degree actual weather conditions are warmer than design conditions.

² Reserve for colder than normal weather in April.

³ Spot purchases or new firm supplies.

⁴ Seasonal Lost and Unaccounted for values are prorated from the annual.

Elizabethtown Gas Company
Historical and Estimated Supply and Demand Requirements

All figures in MDth unless otherwise noted

REQUIREMENTS	2025-2026 ESTIMATE			2026-2027 ESTIMATE		
	Non			Non		
	Heating	Heating	Annual	Heating	Heating	Annual
FIRM						
<i>Residential</i>	18,519	7,052	25,571	18,847	7,321	26,168
<i>Commercial</i>	6,851	2,762	9,613	7,164	2,914	10,078
<i>Industrial</i>	851	886	1,737	851	886	1,737
<i>Company Use</i>	176	119	295	181	122	304
<i>Unacct. For</i> ⁴	581	238	819	595	247	842
Total Firm Requirements (Normal)	26,978	11,057	38,035	27,638	11,491	39,129
DESIGN WINTER INCREMENT	3,926		3,926	4,024		4,024
TOTAL FIRM REQUIREMENTS (Design)	30,904	11,057	41,961	31,662	11,491	43,153
AVAILABLE FOR NON-FIRM SERVICE ¹	12,876	27,563	40,439	12,118	27,129	39,247
CAPACITY						
Pipeline Deliverability (delivering pipe)						
<i>Transco</i>	21,503	28,538	50,041	21,503	28,538	50,041
<i>Texas Eastern</i>	9,417	13,258	22,675	9,417	13,258	22,675
<i>Columbia Gas</i>	2,499	3,518	6,017	2,499	3,518	6,017
<i>Tennessee</i>	1,517	2,150	3,667	1,517	2,150	3,667
Total Pipeline Deliverability	34,936	47,464	82,400	34,936	47,464	82,400
Storage Deliverability						
<i>Storage Capacity</i>	9,244		0	9,244		0
<i>Emergency Reserve</i> ²	400	400	0	400	400	0
<i>(Injections)/Withdrawals</i>	8,844	(8,844)	0	8,844	(8,844)	0
Peaking Deliverability						
On-System:						
<i>LNG</i>	135	0	135	135	0	135
Via Pipeline:						
<i>Cogeneration Recall</i>	336	0	336	336	0	336
<i>LGA</i>	155	0	155	155	0	155
<i>Other</i>	1,320	0	1,320	1,365	0	1,365
Total Peaking Capacity	1,946	0	1,946	1,991	0	1,991
TOTAL AVAILABLE CAPACITY	45,726	38,620	84,346	45,771	38,620	84,391
SUPPLY						
<i>Long Term Firm Supply</i>						
<i>Seasonal or Annual Firm Supply</i>						
<i>Other</i> ³	18,134	19,901	38,035	18,794	20,335	39,129
TOTAL GAS SUPPLY CONTRACTS	18,134	19,901	38,035	18,794	20,335	39,129
DESIGN PEAK DAY						
	2025-2026 ESTIMATE		2026-2027 ESTIMATE			
	Dth per Day		Dth per Day			
DEMAND:						
<i>Firm Sales</i>		520,779		523,724		
<i>LAUF</i>		10,846		10,907		
<i>Interruptible Sales</i>		0		0		
<i>Transportation Service</i>		123,968		124,706		
TOTAL THROUGHPUT		655,593		659,337		
SUPPLY:						
<i>Storage & Seasonal</i>		117,776		117,776		
<i>Pipeline Transport</i>		272,311		272,311		
<i>Peaking</i>						
<i>Contracted</i>		38,950		38,950		
<i>Mechanical</i>		25,000		25,000		
<i>3rd Party</i>		88,000		91,000		
<i>Take-back</i>		16,095		16,095		
<i>TPS Deliveries</i>		115,052		115,743		
TOTAL SUPPLY		673,184		676,875		

Heating Season - Nov 1 through Mar 31, Non-heating Season - April 1 through Oct 31, Annual Period - Nov 1 through Oct 31.

Forecast based on 10 year normal weather (2012 - 2021)

¹ Values listed in "Available For Non-firm Service" represent capacity available to Elizabethtown within its Firm Contract capabilities that can be used to provide Interruptible service over the course of a design winter. Additional sales to interruptible markets could be made to the degree actual weather conditions are warmer than design conditions.

² Reserve for colder than normal weather in April.

³ Spot purchases or new firm supplies.

⁴ Seasonal Lost and Unaccounted for values are prorated from the annual.

Elizabethtown Gas Company
Changes to Firm Transportation and Storage Contracts

	Tariff Service	Old Contract No.	New Contract No.	FERC Certificate	DCQ (dth/day)	MSQ (dth)	Termination Date	Evergreen/Rollover (Y/N)	Recent Action Taken
ARLINGTON STORAGE COMPANY	FSS-SB	EGC_SB00005FSS-A	EGC_SB00005FSS-A	284	5,556	500,000	3/31/2023	Y	No change
COLUMBIA GAS TRANSMISSION	NTS	39275	207205	284	12,736		10/31/2025	Y	No change
	SST	78749	207195	284	3,644		3/31/2023	N	No change
	FSS	78480	207297	284	3,644	230,168	3/31/2023	N	No change
	FTS	92061	207204	284	10,000		10/31/2025	Y	No change
	FTS		234594	284	33,000		10/31/2041	N	No change
DOMINION ENERGY TRANSMISSION	FTNN	100115	5E4115	284	6,444		3/31/2026		No change
	FT	200394	200748	7c	5,522		Evergreen	Y	Term extended per Evergreen Roll-over
	FT	200397	200750	284	17,120		Evergreen	Y	Term extended per Evergreen Roll-over
	GSS	300165	5F2468	284	10,826	645,244	3/31/2026	Y	No change
	GSS	300167	5F2469	284	16,667	1,666,666	3/31/2027	Y	No change
	GSS (TE)	600044	600050	7c	23,190	2,387,206	Evergreen	Y	Term extended per Evergreen Roll-over
GULF SOUTH	FSS-P	5904	49786	284	10,000	100,000	Evergreen	Y	Term extended per Evergreen Roll-over
	FTS	34691	49785	284	15,000		3/31/2022	N	Terminated effective 3/31/2022
NATIONAL FUEL GAS SUPPLY	EFT	E00526	E12398	284	11,090		3/31/2022	Y	Terminated effective 3/31/2022
	FT	F01642	F12397	284	15,805		11/1/2022	Y	Term extended per Evergreen Roll-over
STAGECOACH PIPELINE & STORAGE COMPANY	FSS	PUHI00166FS	PUHI00166FS	284	3,040	304,000	3/31/2024	N	No change
TEXAS EASTERN TRANSMISSION	FTS	330837	911510	7c	1,520		Evergreen	Y	Term extended per Evergreen Roll-over
	FTS-8	331013	911511	7c	8,469		Evergreen	Y	Term extended per Evergreen Roll-over
	FTS-5	331501	911512	7c	16,666		Evergreen	Y	Term extended per Evergreen Roll-over
	FTS-7	331720	911513	7c	14,298		Evergreen	Y	Term extended per Evergreen Roll-over
	SS-1	400196	400258	284	3,646	379,911	Evergreen	Y	Term extended per Evergreen Roll-over
	CDS	800217	911522	284	20,220		10/31/2023	Y	No change
	FT-1	800392	911520	284	1,348		Evergreen	Y	Term extended per Evergreen Roll-over
	FT-1	830029	911523	284	20,000		Evergreen	Y	Term extended per Evergreen Roll-over
	FT-1	910080	911518	284	5,000		3/31/2022	Y	Term extended per Evergreen Roll-over
	FT-1	910081	911519	284	5,000		3/31/2022	Y	Term extended per Evergreen Roll-over
	FT-1	910333	911517	284	5,394		Evergreen	Y	Term extended per Evergreen Roll-over
	FT-1		911570	284	30,000		11/30/2034	Y	No change
TENNESSEE GAS PIPELINE	FT-G	597	339380	284	3,048		10/31/2024	Y	No change
	FT-G	603	339379	284	1,014		10/31/2024	Y	No change
	FT-A	959	339378	284	1,000		4/30/2022	Y	No change
	FS-MA	8703	339377	284	1,014	100,485	3/31/2023	Y	No change
	FT-AQTGP		354014	284	3,000		10/31/2026	N	No change
	FT-AQTGP		361582	284	6,000		10/31/2026	N	No change
TRANSCONTINENTAL GAS PIPE LINE COMPANY	GSS	1000739	9213011	7c	27,604	1,759,955	3/31/2023	Y	No change
	LSS	1000741	9213012	7c	8,000	600,000	3/31/2023	Y	No change
	S-2	1000742	9213010	7c	7,267	653,186	Evergreen	Y	Term extended per Evergreen Roll-over
	FT	1002230	9213320	284	1,811		Evergreen	Y	Term extended per Evergreen Roll-over
	FT	1003686	9213453	284	77,755		Evergreen	Y	Term extended per Evergreen Roll-over
	FT	1003832	9213334	284	5,175		Evergreen	Y	Term extended per Evergreen Roll-over
	FT	1005014	9213321	284	1,967		Evergreen	Y	Term extended per Evergreen Roll-over
	FT	1010431	9213319	284	2,588		Evergreen	Y	Term extended per Evergreen Roll-over
	FT	1010445	9213324	284	1,442		Evergreen	Y	Term extended per Evergreen Roll-over
	FT	1011995	9213332	284	15,000		Evergreen	Y	Term extended per Evergreen Roll-over
	FT	1011997	9213329	284	17,595		Evergreen	Y	Term extended per Evergreen Roll-over
	FT	1011998	9213333	284	15,615		Evergreen	Y	Term extended per Evergreen Roll-over
	LNG	1032229	9213335	284	38,950	154,951	6/30/2022	Y	Term extended per Evergreen Roll-over
	WSS-OA	1041432	9213322	284	35,923	3,412,638	Evergreen	Y	Term extended per Evergreen Roll-over
	FT	1044821	9213336	284	6,973		Evergreen	Y	Term extended per Evergreen Roll-over
	ESS	9050547	9213323	284	29,822	250,075	9/30/2029	Y	No change
	FT	9077828	9213318	284	10,000		10/31/2029	Y	No change
	FT	9090630	9213317	284	5,000		11/18/2029	Y	No change
	FT	9158868	9213337	284	11,090		6/30/2022	Y	Term extended per Evergreen Roll-over
	FT	9159808	9213338	284	500		6/30/2022	Y	Term extended per Evergreen Roll-over

**Elizabethtown Gas Company
Conservation Incentive Program - BGSS Savings**

Category 1	Tariff	Contract No.	DCQ		BGSS Savings
					10/1/2021 through 9/30/2022
Texas Gas Transmission	FT	7474	17,927	10/31/2017	\$1,859,621
Transcontinental Gas Pipe Line	SS-1	1044824	6,973	3/31/2011	\$218,334
Transcontinental Gas Pipe Line	FT	1003960	2,940	10/31/2004	\$110,862
					<u>\$2,188,818</u>

Category 2	Tariff	Contract No.	DCQ	Termination Date	BGSS Savings
					10/1/2021 through 9/30/2022
Gulf South Pipeline	FTS	49785	15,000	3/31/2022	\$521,550
National Fuel Gas Supply Corp.	EFT	E12398	11,090	3/31/2022	\$340,924
					<u>\$862,474</u>
				Total	<u>\$3,051,292</u>

**ELIZABETHTOWN GAS COMPANY
DIRECT TESTIMONY OF
FRANK VETRI**

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 **A.** My name is Frank Vetri. My business address is 520 Green Lane, Union, New Jersey
4 07083.

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 **A.** I am employed by Elizabethtown Gas Company (“Elizabethtown”, “ETG” or “Company”) as
7 Manager – Energy Efficiency Programs.

8 **Q. WHAT IS THE SCOPE OF YOUR DUTIES AT ELIZABETHTOWN?**

9 **A.** I am responsible for the management of the Company’s Energy Efficiency Programs (“EE
10 Programs”). I also serve as the Senior Program Manager of the New Jersey Comfort
11 Partners Program Working Group supporting program administration. In addition, I
12 manage the efforts of the Company to promote conservation goals and energy efficiency
13 initiatives.

14 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND BUSINESS EXPERIENCE.**

15 **A.** In May 2008, I graduated from Rutgers University located in New Brunswick, N.J. with a
16 Bachelor of Arts degree in Economics. In 2011, I joined PSE&G’s Renewables and Energy
17 Solutions Department where I would eventually manage the Comfort Partners and Smart
18 Thermostat Marketplace programs. I joined Elizabethtown’s Energy Efficiency
19 Department in August 2019 managing the Company’s EE Program suite.

20 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

1 A. The purpose of my testimony is to explain and provide support for the background of the
2 Conservation Incentive Program (“CIP”), an overview of ETG’s CIP program activity
3 during the past year, an update on CIP expenditures and plans for future CIP initiatives.

4 **Q. DO YOU SPONSOR ANY SCHEDULES AS PART OF YOUR TESTIMONY?**

5 A. Yes. My testimony includes the following schedules which were prepared under my
6 supervision:

7 (i) Schedule FJV-1 contains the Company’s Quarterly CIP Report of Expenses for the
8 current CIP year from July 2021 through June 2022 (“2021-2022 CIP Year”).

9 **Q. HOW IS THE BALANCE OF YOUR TESTIMONY ORGANIZED?**

10 A. The balance of my testimony is organized as follows:

11 Section II: CIP Background

12 Section III: Current CIP Programs

13 Section IV: Current CIP Year Program Expenditures

14 Section V: Future CIP Initiatives

15 **II. CIP BACKGROUND**

16 **Q. PLEASE DESCRIBE THE COMPANY’S CIP.**

17 A. On April 17, 2021, the BPU approved the CIP in BPU Docket Nos. QO19010040 &
18 GO20090619. The CIP is designed to decouple the link between customer usage and
19 ETG’s gross margin to allow ETG to encourage its customers to conserve energy. The CIP
20 contains a tariff mechanism that addresses gross margin variations along with a
21 commitment from ETG to actively promote customer conservation. To meet the
22 commitment, the Company agreed to promote energy-efficiency and conservation
23 activities and contribute \$384,000 annually to CIP initiatives.

1 **III. CURRENT CIP PROGRAMS**

2 **Q. PLEASE PROVIDE A BRIEF OVERVIEW OF THE CURRENT CIP PROGRAMS.**

3 **A.** The current CIP programs consist of the following Company initiatives:

4 **Sponsorships and Associations**

- 5 • Sustainable Jersey and Environmental Defense Fund (“EDF”) Fellow – ETG
6 sponsors Sustainable Jersey, which is a network and movement of municipalities,
7 schools and school districts working collectively to bring about a sustainable New
8 Jersey. Acting with state agencies, non-profit organizations, foundations, academia
9 and industry, Sustainable Jersey researches best practices for what communities
10 could and should do to contribute to a sustainable future. ETG funded an EDF
11 Climate Corps Fellow to work at the municipal and school district level to help
12 reduce their energy usage. Sustainable Jersey will pair the EDF Fellow with
13 municipalities and school districts to provide expertise and support for evaluation,
14 planning and implementation of projects that will help improve the energy
15 performance of their respective buildings.
- 16 • EmPowered Schools - ETG has partnered with the Alliance to Save Energy’s
17 EmPowered Schools program, which is a year-long, STEM-based curriculum
18 program that teaches students about energy efficiency. In addition, the program
19 also positions students to lead energy-saving campaigns in their schools, homes and
20 communities. Through the Elizabethtown and EmPowered Schools partnership, the
21 program is in ten schools across the Company’s service territory.

- Funds are also expended for work with organizations that actively support energy conservation and energy efficiency, including breakthrough technologies that have the potential to provide significant savings for our customers.

Public Outreach

To help customers increase their energy efficiency engagement, ETG engages customers through Conserve which is a free, online energy efficiency resource conveniently located on the ETG website. Conserve offers tips and information to help customers decrease their energy consumption, lower their energy bills and reduce their impact on the environment. Conserve features new content on an ongoing basis, within topic categories that focus generally on saving energy and money (*Go Green & Save*), home and family (*Together at Home*), community programs and reader input (*Community*), special features and multimedia (*Spotlight*) and energy-saving products and services (*Smart Energy PartnersSM*). In addition to energy-saving tips, ideas and solutions, Conserve provides games, puzzles and other content to engage children and families.

To celebrate Earth Day on April 22, 2022, and promote conservation, ETG featured special banner ads on the Company’s website and included energy efficiency program information in the customer newsletter, emails and on social media.

To create awareness of ETG’s energy efficiency programs and the Conserve website, the Company is including bill messaging and advertising in community newspapers, on local radio and in transit rail stations.

ETG has also worked to engage more customers in energy-efficiency programs and provide conservation education by offering prizes for engaging with the Company’s home energy portal.

1 **IV. CURRENT CIP YEAR PROGRAM EXPENSES**

2 **Q. PLEASE PROVIDE AN OVERVIEW OF THE CURRENT CIP YEAR PROGRAM**
3 **EXPENSES.**

4 **A.** The Quarterly CIP Report of Expenses is attached hereto as Schedule FJV-1. Year to date
5 through April 2022, Elizabethtown invested \$330,320 in its CIP programs. With the
6 Company's enhanced involvement in Sustainable Jersey, EmPowered Schools and cost-
7 effective media promotions, ETG projects that it will spend approximately \$384,000 by
8 the conclusion of the 2021-2022 CIP Year.

9 **V. FUTURE CIP INITIATIVES**

10 **Q. DOES THE COMPANY HAVE PLANS FOR ADDITIONAL CIP INITIATIVES?**

11 **A.** Yes. ETG plans to expand its partnership with EmPowered Schools and increase the
12 number of schools for the 2022/2023 school year. ETG will continue to explore ideas for
13 CIP programs, looking to identify new services and offers that complement existing
14 programs administered by both ETG and the New Jersey Clean Energy Program.

15 **Q. PLEASE BRIEFLY SUMMARIZE YOUR TESTIMONY.**

16 **A.** My testimony has provided an overview of the programs in effect during the 2021-2022
17 CIP Year. All of Elizabethtown's CIP programs are designed to complement current energy
18 policies articulated by the Board of Public Utilities and the State of New Jersey and are
19 intended to motivate customers to efficiently use energy and reduce their costs.

20 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

21 **A.** Yes.

Elizabethtown Gas Company
Docket Numbers QO19010040 & GO20090619

Quarterly CIP Report of Expenses

Program Name	1st Quarter 7/1/21 - 9/30/21	2nd Quarter 10/1/21 - 12/31/21	3rd Quarter 1/1/22 - 3/31/22	4th Quarter* 4/1/22 - 6/30/22	Annual Total
Public Sector Outreach		\$15,065	\$10,000	\$134,815	\$159,880
Sponsorships & Associations	\$95,441	\$75,000			\$170,441
Total CIP Expenses	\$95,441	\$90,065	\$10,000	\$134,815	\$330,320

**4th quarter column captures expenses through April 2022*