

NOTICE OF PUBLIC HEARINGS

IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY FOR APPROVAL OF A RATE ADJUSTMENT PURSUANT TO THE INFRASTRUCTURE INVESTMENT PROGRAM (“IIP”) BPU Docket No. GR22040316

PLEASE TAKE NOTICE that on April 29, 2022, as modified on July 15, 2022, Elizabethtown Gas Company (“Elizabethtown” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board”) seeking approval to increase rates associated with the Company’s Infrastructure Investment Program (“IIP”) (“Petition”). The Board approved the IIP and the associated cost recovery mechanism on June 12, 2019 in Docket No. GR18101197 (“Order”). The Order authorized the Company to invest up to \$300 million, over a five-year period commencing July 1, 2019 and ending June 30, 2024, to replace up to 250 miles of cast iron and bare steel mains and related services, as well as the installation of excess flow valves on new service lines (“IIP Projects”). The Order also authorized the Company to make annual filings with the Board to recover the costs associated with the IIP Projects investments and to earn a return on and a return of those investments through annual adjustments to rates. This Petition seeks Board approval to recover \$6.3 million of revenue requirements associated with approximately \$57.7 million of IIP Projects placed in-service from July 1, 2021 through June 30, 2022 with an October 1, 2022 rate effective date. The IIP Projects are intended to enhance distribution safety and reliability to the benefit of Elizabethtown’s customers, to help support the environment, and to facilitate economic development and employment in New Jersey.

If the proposed rate increase is approved by the Board, effective October 1, 2022, the per therm rates, inclusive of taxes, to all firm customers served under Service Classifications RDS, SGS, GDS, NGV, LVD, EGF, and GLS including certain firm, Board approved special contract customers served under the Company's firm rate classes would be as follows:

		Current Rates per Therm	Proposed Rates per Therm	Change per Therm
RDS	Residential	\$0.0427	\$0.0621	\$0.0194
SGS	Small General Service	\$0.0471	\$0.0685	\$0.0214
GDS	General Delivery Service	\$0.0280	\$0.0408	\$0.0128
GDS	Seasonal SP#1 May-Oct	\$0.0154	\$0.0223	\$0.0069
NGV	Natural Gas Vehicles	\$0.0761	\$0.1107	\$0.0346
LVD	Large Volume Demand	\$0.0134	\$0.0195	\$0.0061
EGF	Electric Generation	\$0.0088	\$0.0128	\$0.0040
GLS	Gas Lights, per mantel	\$0.0395	\$0.0575	\$0.0180
Firm Special Contracts		\$0.0022	\$0.0032	\$0.0010

The impact of the proposed rate increase to rates in effect on July 1, 2022 for a residential customer using 100 therms is an increase to the customer's monthly bill of \$1.94 from \$110.59 to \$112.53, or an increase of approximately 1.8%.

If the Board were to approve the Company’s base rate case rate filing in BPU Docket No. GR21121254 prior to the approval of the proposed IIP rates in this proceeding, then the current IIP rates would be set to zero since they will be incorporated into the distribution rates upon approval

of that case. The proposed IIP rates would be re-calculated based solely on the period July 1, 2021, to June 30, 2022 and would be as follows:

		<u>Proposed Rates per Therm Upon Rate Case Approval</u>
RDS	Residential	\$0.0193
SGS	Small General Service	\$0.0213
GDS	General Delivery Service	\$0.0127
GDS	Seasonal SP#1 May-Oct	\$0.0069
NGV	Natural Gas Vehicles	\$0.0345
LVD	Large Volume Demand	\$0.0061
EGF	Electric Generation	\$0.0041
GLS	Gas Lights, per mantel	\$0.0179
Firm Special Contracts		\$0.0010

The Board has the statutory authority to approve and establish these tariff classifications and rates at levels it finds just and reasonable as well as to establish the effective date of such rates. Therefore, the Board may establish these rates at levels and/or an effective date other than those proposed by Elizabethtown. Elizabethtown's costs addressed in the Petition will remain subject to audit by the Board and Board approval shall not preclude or prohibit the Board from taking any such actions deemed appropriate as a result of any such audit.

Any assistance required by customers in ascertaining the impact of the proposed rate increase will be provided by the Company upon request.

PLEASE TAKE FURTHER NOTICE that due to the COVID-19 Pandemic, virtual public hearings are scheduled on the following date and times so that members of the public may present their views on the Petition at the virtual public hearing as noted below:

Date: August 30, 2022

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

Microsoft Teams Meeting ID: 260 276 430 37

Passcode: meCmyA

(Access the Microsoft Teams App or Microsoft Teams on the web. On the left side of the screen, click the "Teams" icon. Select "Join or 'create a team". Press "Join" and enter the Meeting ID and Passcode when prompted.)

or

Dial In: 866-984-3163

Conference ID: 692 568 722 followed by the # sign

A copy of this Notice of Filing and Public Hearings in this matter is being served upon the clerk, executive or administrator of each municipality and county within the Company's service territory.

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.

Representatives of the Company, Board Staff and the New Jersey Division of Rate Counsel (who represents the interests of New Jersey ratepayers in this proceeding) will participate in the virtual public hearings. Members of the public are invited to participate by utilizing the link or Dial-In Number 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 Secretary, Carmen D. Diaz, at the Board of Public Utilities, 44 South Clinton Avenue, 1st Floor, P.O. Box 350, Trenton, New Jersey 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