

April 26, 2023

Sherri Golden, Secretary N.J. Board of Public Utilities 44 South Clinton Avenue, 1<sup>st</sup> Floor Post Office Box 350 Trenton, NJ 08625-0350

Re: New Jersey Natural Gas Company

Universal Service Fund

Quarterly Report March 2023

BPU Docket No. EX00020091

#### Dear Secretary Golden:

Pursuant to the above, attached is the New Jersey Natural Gas Company's Universal Service Fund report for the quarter ended March 31, 2023. Electronic copies of the attached schedules have already been provided to Richard Lambert.

In accordance with the Order issued by the Board in connection with I/M/O the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being electronically filed. No paper copies will follow. Thank you.

If you have any questions or comments, please email Marianne Harrell at MHarrell@njng.com.

Very truly yours,

Mark G. Kahrer

Senior Vice President – Regulatory Affairs, Marketing and Energy Efficiency

MH

#### Attachments

C: Alice Bator, BPU
Robert Brabston, BPU
Paul Buhagiar, BPU
Maureen Clerc, BPU
Richard Lambert, BPU
Tony Iskander, BPU
Elizabeth Lawrence, BPU
Maura Caroselli, RC
Brian Lipman, RC
Sarah Steindel, RC

STATE OF NEW JERSEY )

SS :

COUNTY OF MONMOUTH )

## **VERIFICATION**

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

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

MARK G. KAHRER

Sworn and subscribed before me this

26th day of April 2023

Andrew K. Dembia

ATTORNEY AT LAW

STATE OF NEW JERSEY

# **New Jersey Natural Gas USF 2nd Quarter Report 2023**

		1		_		1		ī		T		T	T	1	
16,720	Average														
\$5.00 to \$25.00	\$25.01 to \$50.00				*	Greater than \$150.00	Total								
\$208,228	\$333,059	\$390,009	\$305,788	\$208,055	\$121,452	\$130,353	\$1,696,943								
26,342	8,996	6,323	3,548	1,876	895	765	48,745								
Less Than \$5.00	\$5.00 to \$25.00					\$200.01 to \$300.00						\$3000.01 to \$4000.00	\$4000.01 to \$5000.00	\$5000.01 and Greater	Total
\$4	\$18,932	\$17,546	\$17,143	\$14,545	\$38,356	\$15,041	\$6,963	\$3,367	\$1,610	\$0	\$0	\$0	\$0	\$0	\$133,508
64	1,541	497	284	171	296	66	20	8	3	0	0	0	0	0	2,950
\$1.00 to \$50.00	\$50.01 to \$100.00			-	-	Total									
\$160,183	\$764,729	\$1,381,973	\$1,613,913	\$1,422,139	\$3,043,880	\$8,386,817									
5,277	9,971	11,078	9,295	6,376	8,341	50,338									
3															
0 to25%	26% to 50%	51% to 75%													
30362	4866	2227	717	5252	4865	48289									
62.88%	10.08%	4.61%	1.48%	10.88%	10.07%										
0 to25%	26% to 50%	51% to 75%													
41825	489	345	75	5117	437	48288									
86.62%	1.01%	0.71%	0.16%	10.60%	0.90%										
35															
	\$5.00 to \$25.00 \$208,228 26,342  Less Than \$5.00 \$4 64  \$1.00 to \$50.00 \$160,183 5,277  3  0 to25% 30362 62.88%  0 to25% 41825 86.62%	\$25.00 \$50.00 \$208,228 \$333,059 26,342 8,996  Less Than \$5.00 to \$5.00 \$4 \$18,932 64 1,541  \$1.00 to \$50.01 to \$50.00 \$100.00 \$160,183 \$764,729 5,277 9,971  3 0 to25% 26% to 50% 30362 4866 62.88% 10.08%  0 to25% 26% to 50% 41825 489	\$5.00 to \$25.01 to \$50.01 to \$75.00  \$208,228 \$333,059 \$390,009  26,342 8,996 6,323  Less Than \$5.00 to \$25.01 to \$50.00  \$4 \$18,932 \$17,546  64 1,541 497  \$1.00 to \$50.01 to \$100.01 to \$150.00  \$160,183 \$764,729 \$1,381,973  5,277 9,971 11,078  3  0 to 25% 26% to 50% 51% to 75%  30362 4866 2227  62.88% 10.08% 4.61%  0 to 25% 26% to 50% 51% to 75%  41825 489 345  86.62% 1.01% 0.71%	\$5.00 to \$25.01 to \$50.01 to \$75.01 to \$25.00 \$50.00 \$75.00 \$100.00 \$305,788 \$26,342 \$8,996 6,323 3,548 \$35.00 \$50.00 \$50.00 \$50.00 \$75.00 \$100.00 \$25.00 \$50.00 \$75.00 \$100.00 \$100.00 \$100.00 \$100.00 \$100.00 \$150.00 \$100.0	\$5.00 to \$25.01 to \$50.01 to \$100.00 \$125.00  \$208,228 \$333,059 \$390,009 \$305,788 \$208,055  26,342 8,996 6,323 3,548 1,876  Less Than \$5.00 to \$25.01 to \$50.01 to \$75.01 to \$100.00  \$4 \$18,932 \$17,546 \$17,143 \$14,545  64 1,541 497 284 171  \$1.00 to \$50.01 to \$100.01 to \$150.00 \$200.00 \$250.00  \$160,183 \$764,729 \$1,381,973 \$1,613,913 \$1,422,139  5,277 9,971 11,078 9,295 6,376  0 to25% 26% to 50% 51% to 75% 76% to 90% 100%  41825 489 345 75 5117  86.62% 1.01% 0.71% 0.16% 10.60%	\$5.00 to \$25.00 \$50.00 \$75.00 \$100.00 \$125.00 \$150.00 \$150.00 \$150.00 \$125.00 \$150.00 \$150.00 \$150.00 \$150.00 \$150.00 \$150.00 \$150.00 \$150.00 \$150.00 \$150.00 \$150.00 \$150.00 \$150.00 \$150.00 \$150.00 \$100.00 \$100.00 \$100.00 \$100.00 \$100.00 \$100.00 \$150.00 \$150.00 \$100.00 \$150.00 \$100.00	\$5.00 to \$25.01 to \$50.01 to \$75.00 \$100.00 \$125.00 \$150.00 \$100.00 \$1	\$5.00 to \$25.01 to \$75.00 \$75.01 to \$100.01 to \$125.00 \$150.00 \$75.00 \$100.00 \$125.00 \$150.00	\$5.00 to \$25.01 to \$75.00 \$309,009 \$305,788 \$208,055 \$121,452 \$130,353 \$1,696,943 \$26,342 8,996 6,323 3,548 1,876 895 765 48,745 \$40,001 to \$50.00 \$25.00 \$50.00 \$75.00 \$100.00 \$75.00 \$100.00 \$100.00 \$200.00 \$300.00 \$400.00 \$500.00 \$300.00 \$400.00	\$5.00 to \$25.00 \$50.00 \$50.00 \$75.00 \$50.00 \$75.00 \$100.00 \$125.00 \$150.00 \$150.00 \$150.00 \$150.00 \$100.00 \$100.00 \$100.00 \$100.00 \$150.00 \$150.00 \$100.00 \$150.00 \$150.00 \$100.00 \$150.00 \$100.00 \$15	\$5.00 to \$25.01 to \$75.01 to \$75.01 to \$100.00 \$150.00	\$5.00 to \$50.00 \$25.01 to \$75.00 \$100.00 \$75.00 \$100.00 \$100.00 \$100.00 \$150.00 \$100.0	\$5.00 to \$25.00 to \$25.01 to \$75.00 \$100.00 \$100.00 \$125.00 to \$190.00 \$100.00 \$125.00 \$100.00 \$125.00 \$100.00 \$125.00 \$100.00 \$120.00 \$100.00	\$5.00 to \$55.00 to \$75.00 to \$75.00 to \$100.00	\$25.00 to \$25.01 to \$30.01 to \$75.00 to \$75.00 to \$152.01 to \$152.

# **USF Report January 2023**

Number of USF Customers	16,271															
	-,															
Distribution of Benefit	\$5.00 to \$25.00	\$25.01 to \$50.00	\$50.01 to \$75.00	\$75.01 to \$100.00	\$100.01 to \$125.00	\$125.010 to \$150.00	Greater than \$150.00	Total								
Dollars	\$69,022	\$109,456	\$127,701	\$98,582	\$67,275	\$37,756	\$38,567	\$548,358								
Number of Customers	8,744	2,956	2,071	1,144	607	278	227	16,027								
Distribution of Fresh Start	Less Than \$5.00	\$5.00 to \$25.00	\$25.01 to \$50.00	\$50.01 to \$75.00	\$75.01 to \$100.00	\$100.01 to \$200.00	\$200.01 to \$300.00	\$300.01 to \$400.00		\$500.01 to \$1000.00		\$2000.01 to \$3000.00	\$3000.01 to	4000.01 to \$5000.00	\$5000.01 and Greater	Total
Arrearage Forgiveness Dollars	\$5.00 \$1.18	\$7,231.04	\$6,626.07	\$6,652.48			\$5,199.72	\$2,674.53	\$869.23	\$1000.00	\$2000.00	\$3000.00	\$4000.00	\$5000.00	Greater	\$49,939.07
Number of Customers	په ۱۳ ۱۳		190	109	70	. ,	23		φουθ.23 2							1,119
Number of Gustomers	17	303	130	103	70	110	20									1,113
Distribution of Customer bills	\$1.00 to \$50.00	\$50.01 to \$100.00	\$100.01 to \$150.00	\$150.01 to \$200.00	\$200.01 to \$250.00	\$250.01 and greater	Total									
Bill Dollars	\$39,323	\$168,332	\$392,864	\$599,225	\$575,042	\$1,319,345	\$3,094,133									
Number of Customers	1,340	2,179	3,114	3,435	2,577	3,695	16,340									
Number of Customer Terminated for Non-Payment	2															
Distribution of Bills paid	0 to25%	26% to 50%	51% to 75%	76% to 90%	91% to 100%	Greater than 100%										
Number of customer	11476	1547	624	218	904	1289	16,058									
Distribution of Ossetsman Character	71.47%	9.63%	3.89%	1.36%	5.63%	8.03%	100.00%									
Distribution of Customer Share Paid	0 to25%	26% to 50%	51% to 75%	76% to 90%	91% to 100%	Greater than 100%										
Number of Customers	14966	99	58	19	816	100	16,058									
%	93.20%	0.62%	0.36%	0.12%	5.08%	0.62%	100.00%									
Number of customer participating in Comfort Partners	10															

# **USF Report February 2023**

Number of USF Customers	16,910															
	\$5.00 to \$25.00	\$25.01 to \$50.00					Greater than \$150.00	Total								
Dollars	\$57,102	\$96,989	\$113,980	\$90,713	\$61,253	\$35,103	\$36,347	\$491,486								
Number of Customers	7,077	2,618	1,845	1,054	553	259	214	13,620								
Distribution of Fresh Start				*			\$200.01 to \$300.00	\$300.01 to \$400.00		\$500.01 to \$1000.00		\$2000.01 to \$3000.00	\$3000.01 to \$4000.00	4000.01 to \$5000.00	\$5000.01 and Greater	Total
Arrearage Forgiveness Dollars	\$0.85	\$5,290	\$5,128	\$4,710	\$4,246	\$8,484	\$4,512	\$351	\$869	\$1,073	\$0	\$0	\$0	\$0	\$0	\$34,664.20
Number of Customers	15	439	141	78	52	64	19	1	2	2	0	0	0	0	0	813
					\$200.01 to \$250.00	\$250.01 and greater	Total									
Bill Dollars	\$42,043	\$169,421	\$406,469	\$627,886	\$630,759	\$1,309,428	\$3,186,005									
Number of Customers	1,409	2,222	3,206	3,603	2,825	3,695	16,960									
Number of Customer Terminated for Non-Payment	1															
Distribution of Bills paid		26% to 50%	51% to 75%	76% to 90%	91% to 100%	Greater than 100%										
Number of customer	9,923	1,633	779	253	1,513	1,847	15,948									
	62.22%	10.24%	4.88%	1.59%	9.49%											
Distribution of Customer Share Paid	0 to25%	26% to 50%	51% to 75%	76% to 90%	91% to 100%	Greater than 100%										
Number of Customers	14,012	151	95	16	1,534	140	15,948									
%	87.86%	0.95%	0.60%	0.10%	9.62%	0.88%										
Number of customer participating in Comfort Partners	10															

# **USF Report March 2023**

Number of USF Customers	16,980															
Distribution of Benefit	\$5.00 to \$25.00	\$25.01 to \$50.00					Greater than \$150.00	Total								
Dollars	\$82,105	\$126,615	\$148,328	\$116,493	\$79,527	\$48,593	\$55,439	\$657,100								
Number of Customers	10,521	3,422	2,407	1,350	716	358	324	19,098								
											\$1000.01	\$2000.01	\$3000.01		\$5000.01	
Distribution of Fresh Start	Less Than \$5.00	\$5.00 to \$25.00				\$100.01 to \$200.00	\$200.01 to \$300.00	\$300.01 to \$400.00	400.01 to \$500.00	\$500.01 to \$1000.00	to \$2000.00	to \$3000.00	to \$4000.00	4000.01 to \$5000.00	and Greater	Total
Arrearage Forgiveness Dollars	\$2.21	\$6,411.20	\$5,792.10	\$5,780.59	\$4,255.04	\$15,230.82	\$5,328.47	\$3,938.39	\$1,628.80	\$536.67						\$48,904.29
Number of Customers	32	517	166	97	49	117	24	11	4	1						1,018
	m1 00 to	\$50.01 to	\$100.01 to	\$150.01 to	\$200.01 to	\$250.01 and										
Distribution of Customer bills	\$1.00 to \$50.00	\$100.00			\$250.00	greater	Total									
Bill Dollars	\$78,817.17	\$426,976.37	\$582,639.78	\$386,801.20	\$216,337.83	\$415,106.05	\$2,106,678									
Number of Customers	2,528	5,570	4,758	2,257	974	951	17,038									
Number of Customer Terminated																
for Non-Payment	0															
Distribution of Bills paid	0 to25%	26% to 50%	51% to 75%	76% to 90%	91% to 100%	Greater than 100%										
Number of customer	8,963	1,686	824	246	2,835	1,729	16,283									
	55.05%	10.35%	5.06%	1.51%	17.41%	10.62%	100.00%									
Distribution of Customer Share Paid	0 to25%	26% to 50%	51% to 75%	76% to 90%	91% to 100%	Greater than 100%										
Number of Customers	12,847	239	192	40	2,767	197	16,282									
%	78.90%	1.47%	1.18%	0.25%	16.99%	1.21%	100.00%			_	_			_		
Number of customer participating in Comfort Partners	15															

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

#### **USF/Lifeline Billing**

#### **USF/Lifeline Remittance**

	_						Total					Total
		Units	USF		Lifeline		USF/Lifeline	USF		Lifeline		USF/Lifeline
	Į	Billed	Rate	Billing	Rate	Billing	Billing	Remittance	Date	Remittance	Date	Remittance
Oct-22	а	36,639,190	\$0.010400	\$381,047.57	\$0.005200	\$190,523.79	\$571,571	\$381,048.00	11/14/22	\$190,524.00	11/14/22	\$571,572
Nov-22	а	64,702,292	\$0.010400	\$672,903.83	\$0.005200	\$336,451.92	\$1,009,356	\$672,904.00	12/14/22	\$336,452.00	12/14/22	\$1,009,356
Dec-22	а	117,237,548	\$0.010400	\$1,219,270.49	\$0.005200	\$609,635.25	\$1,828,906	\$1,219,270.00	01/17/23	\$609,635.00	01/17/23	\$1,828,905
Jan-23	а	97,910,791	\$0.010400	\$1,018,272.23	\$0.005200	\$509,136.11	\$1,527,408	\$1,018,272.00	02/17/23	\$509,136.00	02/17/23	\$1,527,408
Feb-23	а	93,304,141	\$0.010400	\$970,363.07	\$0.005200	\$485,181.53	\$1,455,545	\$970,363.00	03/14/23	\$485,182.00	03/14/23	\$1,455,545
Mar-23	а	90,294,440	\$0.010400	\$939,062.18	\$0.005200	\$469,531.09	\$1,408,593	\$939,034.00 *	04/14/23	\$469,517.00 *	04/14/23	\$1,408,551
Apr-23	е	48,444,016	\$0.010400	\$503,817.77	\$0.005200	\$251,908.88	\$755,727	\$503,818.00		\$251,909.00		\$755,727
May-23	е	27,464,085	\$0.010400	\$285,626.48	\$0.005200	\$142,813.24	\$428,440	\$285,626.00		\$142,813.00		\$428,439
Jun-23	е	20,867,934	\$0.010400	\$217,026.52	\$0.005200	\$108,513.26	\$325,540	\$217,027.00		\$108,513.00		\$325,540
Jul-23	е	20,578,904	\$0.010400	\$214,020.60	\$0.005200	\$107,010.30	\$321,031	\$214,021.00		\$107,010.00		\$321,031
Aug-23	е	20,075,783	\$0.010400	\$208,788.14	\$0.005200	\$104,394.07	\$313,182	\$208,788.00		\$104,394.00		\$313,182
Sep-23	е	20,354,610	\$0.010400	\$211,687.94	\$0.005200	\$105,843.97	\$317,532	\$211,688.00		\$105,844.00		\$317,532
Total		657,873,733		\$6,841,886.82		\$3,420,943.41	\$10,262,830	\$6,841,859.00		\$3,420,929.00		\$10,262,788

<sup>\*</sup>February therms were adjusted (decrease of 2,655 therms) after the remittances were sent to the BPU which resulted in a USF remittance decrease of \$28 and Lifeline remittance decrease of \$14 in March remittances.

Date Submitted: 4/26/2023 Prepared By: Marianne Harrell E-mail: mharrell@njng.com

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

		USF Credits Issued <sup>1</sup>	Fresh Start Forgiveness Granted	Total USF Benefits Provided	Admin and Other Credits	Total Due From Trust Fund		Funds om Trust Fund Date	Under/(Over) Recovery for the Month	Cumulative Under/Over Recovery excl. interest
Sep-22	а									(\$991,953)
Oct-22	а	\$487,644	\$51,861	\$539,504	\$0	\$539,504	\$338,580	10/7/2022&10/26/22	\$200,924	(\$791,029)
Nov-22	а	\$505,722	\$52,924	\$558,646	\$0	\$558,646	\$0		\$558,646	(\$232,383)
Dec-22	а	\$540,412	\$62,824	\$603,236	\$0	\$603,236	\$282,729	12/01/22	\$320,507	\$88,125
Jan-23	а	\$541,346	\$52,555	\$593,901	\$0	\$593,901	\$1,247,953	1/5/2023&1/30/23	\$593,901	\$682,026
Feb-23	а	\$483,831	\$35,087	\$518,918	\$0	\$518,918	\$0		(\$1,369,405)	(\$687,379)
Mar-23	а	\$650,270	\$50,639	\$700,909	\$0	\$700,909	\$1,888,324	3/6/2023&3/28/23	(\$1,187,414)	(\$1,874,794)
Apr-23	е	\$650,270	\$50,639	\$700,909	\$0	\$700,909	\$600,982		\$99,927	(\$1,774,866)
May-23	е	\$650,270	\$50,639	\$700,909	\$0	\$700,909	\$322,444		\$378,466	(\$1,396,401)
Jun-23	е	\$650,270	\$50,639	\$700,909	\$0	\$700,909	\$182,801		\$518,109	(\$878,292)
Jul-23	е	\$650,270	\$50,639	\$700,909	\$0	\$700,909	\$138,897		\$562,012	(\$316,280)
Aug-23	е	\$650,270	\$50,639	\$700,909	\$0	\$700,909	\$136,973		\$563,936	\$247,656
Sep-23	е	\$650,270	\$50,639	\$700,909	\$0	\$700,909	\$133,624		\$567,285	\$814,940
Total		\$7,110,843	\$609,728	\$7,720,571	\$0	\$7,720,571	\$5,273,308		\$1,806,893	

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

Date Submitted: 4/26/2023 Prepared By: Marianne Harrell E-mail: mharrell@njng.com

### New Jersey Natural Gas Company Calculation of USF Interest

		Beg Balance	Customer Benefits <sup>1</sup>	Admin and Other Credits	Sub-Total	Amt Received From Trust Fund <sup>3</sup>	Underrecovery Balance	Average Balance Net of Tax	Rate	Interest on Avg Balance	Cumulative Interest <sup>2 3</sup>	Underrecovery and Interest Balance
	а						(\$991,953)					(\$991,953)
Oct-22	а	(\$991,953)	\$539.504	\$0	(\$452,448)	\$338,580	(\$791,029)	(\$640,893)	4.72%	(\$2,521)	(\$2,521)	(\$793,550)
Nov-22	а	(\$791,029)	\$558,646	\$0	(\$232,383)	\$0	(\$232,383)	(\$367,865)	5.14%	(\$1,576)	(\$4,097)	(\$236,479)
Dec-22	а	(\$232,383)	\$603,236	\$0	\$370,854	\$282,729	\$88,125	(\$51,854)	4.85%	(\$210)	(\$4,306)	\$83,818
Jan-23	а	\$88,125	\$593,901	\$0	\$682,026	\$1,247,953	(\$565,928)	(\$171,746)	5.00%	(\$716)	(\$5,022)	(\$570,949)
Feb-23	а	(\$565,928)	\$518,918	\$0	(\$47,009)	\$0	(\$47,009)	(\$220,320)	4.69%	(\$861)	(\$5,883)	(\$52,892)
Mar-23	а	(\$47,009)	\$700,909	\$0	\$653,900	\$1,888,324	(\$1,234,424)	(\$460,611)	5.49%	(\$2,107)	(\$7,990)	(\$1,242,414)
Apr-23	е	(\$1,234,424)	\$700,909	\$0	(\$533,514)	\$600,982	(\$1,134,496)	(\$851,508)	5.49%	(\$3,896)	(\$11,886)	(\$1,146,382)
May-23	е	(\$1,134,496)	\$700,909	\$0	(\$433,587)	\$322,444	(\$756,030)	(\$679,550)	5.49%	(\$3,109)	(\$14,995)	(\$771,025)
Jun-23	е	(\$756,030)	\$700,909	\$0	(\$55,121)	\$182,801	(\$237,922)	(\$357,276)	5.49%	(\$1,635)	(\$16,629)	(\$254,551)
Jul-23	е	(\$237,922)	\$700,909	\$0	\$462,987	\$138,897	\$324,090	\$30,973	5.49%	\$142	(\$16,488)	\$307,602
Aug-23	е	\$324,090	\$700,909	\$0	\$1,024,999	\$136,973	\$888,026	\$435,695	5.49%	\$1,993	(\$14,494)	\$873,532
Sep-23	е	\$888,026	\$700,909	\$0	\$1,588,935	\$133,624	\$1,455,311	\$842,312	5.49%	\$3,854	(\$10,641)	\$1,444,670

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

Date Submitted: 4/26/2023 Prepared By: Marianne Harrell E-mail: mharrell@njng.com

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

<sup>&</sup>lt;sup>3</sup> The amount received in October 2022 has not been reduced by the prior year's interest.