



December 1, 2023

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

Basic Gas Supply Service  
(BGSS) Report  
October 2023  
Docket No. GR23060348

Dear Secretary Golden:

In this letter New Jersey Natural Gas Company (the "Company") is submitting its Basic Gas Supply Service ("BGSS") report for October 2023.

The underlying gas cost projections are based on the November 22, 2023 NYMEX and result in a projected September 30, 2024 is an overrecovery of approximately \$13.7 million.

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.

If you have any questions, please contact me at [ttrebino@njng.com](mailto:ttrebino@njng.com).

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Tina M. Trebino', is written over a light blue horizontal line.

Tina M. Trebino  
Director – Rates and Tariff

Enclosures

C (via e-mail):

Stacy Peterson, BPU  
Jacqueline Galka, BPU  
Scott Sumliner, BPU  
Maura Caroselli, RC

Alice Bator, BPU  
William Barkasy, BPU  
Brian Lipman, RC  
Carlena Morrison, RC

**NEW JERSEY NATURAL GAS COMPANY**  
**BASIC GAS SUPPLY SERVICE**  
**ADJUSTMENT CLAUSE**  
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Note: Calculations are normally rounded to the nearest thousand, therefore, all lines and columns may not add due to minor variations in roundings.

**REPORT FOR THE MONTH OF: October 2023**

**NEW JERSEY NATURAL GAS COMPANY  
UNDER/(OVER) RECOVERED GAS COSTS  
BGSS YEAR 2024**

**SCHEDULE 1**

	Actual	Estimate											
	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	TOTAL
1. Under/(Over) Recovered Gas Costs Beg. of Period	(30,638)	(28,029)	(29,553)	(31,515)	(32,363)	(23,561)	(9,909)	(10,237)	(10,993)	(11,477)	(12,691)	(13,440)	(30,638)
2. Net Cost Appl. To BGSS Sales (Sch 2a)	13,906	32,609	55,850	73,809	71,383	58,590	22,797	11,125	7,297	7,248	7,018	6,909	368,541
3. BGSS Recoveries (Sch 2b)	(9,663)	(23,557)	(38,579)	(47,629)	(41,073)	(32,250)	(17,299)	(9,155)	(6,027)	(5,986)	(5,686)	(5,699)	(242,603)
4. Under/(Over) Rec. Gas Costs - Current Period (L.2 - L.3)	4,244	9,052	17,271	26,180	30,310	26,340	5,498	1,970	1,270	1,261	1,332	1,211	125,938
Adjustments													
5. Storage Incentive (Sch.4j)	2,154	529	0	0	0	0	185	418	473	456	496	687	5,398
6. Off-System Sales (Sch.4e)	(166)	(2,438)	(5,651)	(10,676)	(7,347)	(1,315)	(122)	0	(157)	(866)	(594)	(124)	(29,455)
7. Capacity Rel. (Sch.4f )	(154)	(592)	(612)	(533)	(499)	(533)	0	0	0	0	0	0	(2,924)
8. Supplier Ref. and Misc. Adj.(Sch.5)	0	0	0	0	0	0	0	0	0	0	0	0	0
9. Balancing Credits and Penalty Charges (Sch.4g)	(3,468)	(8,064)	(12,957)	(15,806)	(13,650)	(10,826)	(5,877)	(3,130)	(2,058)	(2,053)	(1,969)	(1,985)	(81,843)
10. Environmental Attributes (Sch. 4k)	0	(11)	(12)	(13)	(12)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(138)
11. Total Debits and Credits (L.5 through L.10)	(1,634)	(10,576)	(19,232)	(27,028)	(21,508)	(12,687)	(5,826)	(2,726)	(1,754)	(2,476)	(2,080)	(1,435)	(108,963)
12. Under/(Over) Recov.Gas Costs. End of Period (L.'s.1,4,&11)	(28,029)	(29,553)	(31,515)	(32,363)	(23,561)	(9,909)	(10,237)	(10,993)	(11,477)	(12,691)	(13,440)	(13,664)	(13,664)

**NEW JERSEY NATURAL GAS COMPANY**  
**GAS COSTS AND RECOVERIES**  
**BGSS YEAR 2024**  
**\$(000) & (000)THERMS**

	Actual		Estimate										TOTAL
	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	
<b>COST OF GAS-CURRENT PERIOD</b>													
	<b>SCHEDULE 2a</b>												
Total Gas Costs <sup>1</sup>	16,597	42,659	68,777	88,403	84,954	71,681	38,535	26,208	22,222	22,724	22,549	18,306	523,616
<b>REDUCTIONS TO COST OF GAS</b>													
Sayreville (Sch. 4b)	0	2	1	0	0	0	0	0	7	4	17	0	32
Forked Rv. (Sch. 4c)	18	14	5	0	0	2	18	6	15	57	84	1	219
Off System Sales (Sch.4e)	891	10,730	13,642	15,222	14,158	13,717	15,719	15,078	14,903	15,415	15,430	11,396	156,301
Capacity Release (Sch. 4f)	(182)	(697)	(720)	(627)	(587)	(627)	0	0	0	0	0	0	(3,440)
Storage Incentive Sales	1,918	0	0	0	0	0	0	0	0	0	0	0	1,918
Company Use Gas	45	0	0	0	0	0	0	0	0	0	0	0	45
Total Reductions	2,690	10,049	12,927	14,594	13,572	13,092	15,738	15,084	14,925	15,476	15,530	11,397	155,075
Net Cost Appl.To BGSS Sales (Sch.1.,L.2)	13,906	32,609	55,850	73,809	71,383	58,590	22,797	11,125	7,297	7,248	7,018	6,909	368,541
<b>GAS COST RECOVERIES</b>													
	<b>SCHEDULE 2b</b>												
BGSS Sales	24,341	58,408	94,619	115,704	99,887	78,917	42,483	22,544	14,802	14,663	13,957	14,191	594,516
Monthly BGSS Sales (GSL, DGC)	2,942	6,256	9,498	11,374	9,884	8,165	4,775	2,731	1,906	1,965	1,963	1,905	63,364
Monthly BGSS Sales (IS, CNG, NGV)	76	66	62	69	65	62	79	69	73	82	85	85	873
Periodic BGSS Sales	21,324	52,085	85,059	104,261	89,938	70,690	37,628	19,744	12,823	12,616	11,909	12,201	530,280
Recovery Rate \$ per Therm:													
Periodic BGSS Rate	0.4023	0.4023	0.4023	0.4023	0.4023	0.4023	0.4023	0.4023	0.4023	0.4023	0.4023	0.4023	0.4023
Monthly BGSS Sales (GSL, DGC)	0.3563	0.4105	0.4552	0.4961	0.4908	0.4624	0.4433	0.4299	0.4345	0.4402	0.4323	0.3920	
Monthly BGSS Sales (IS, CNG, NGV)	0.4750	0.5292	0.5739	0.6148	0.6095	0.5811	0.5620	0.5486	0.5532	0.5589	0.5510	0.5107	
Recoveries:													
Periodic BGSS	8,579	20,954	34,219	41,944	36,182	28,439	15,138	7,943	5,159	5,076	4,791	4,909	213,331
Monthly BGSS(GSL, DGC)	1,048	2,568	4,324	5,643	4,851	3,776	2,117	1,174	828	865	849	747	28,788
Monthly BGSS (IS, CNG, NGV)	36	35	36	42	40	36	45	38	40	46	47	43	483
Total BGSS Recovery (Sch. 1, L. 3))	9,663	23,557	38,579	47,629	41,073	32,250	17,299	9,155	6,027	5,986	5,686	5,699	242,603

<sup>1</sup> Total Gas Costs equals the sum of Total Allocated Costs on Schedule 2c and the non-production Company Use Gas. The non-production Company Use Gas is included in Total Gas Costs and removed in the Reduction to Gas Costs on Schedule 2a for no impact to the BGSS.

**NEW JERSEY NATURAL GAS COMPANY**  
**TOTAL GAS COSTS**  
**BGSS YEAR 2024**

**SCHEDULE 2c**

	Actual	Estimate										
	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24
<b>MDth</b>												
Beginning of Month Storage Balance	29,103	34,011	34,277	26,674	16,889	7,821	2,433	5,372	10,425	15,313	20,365	25,679
Commodity Purchases	9,521	11,641	7,636	7,578	6,340	8,277	14,394	14,757	13,589	13,993	14,199	13,788
Sub-total of Available Supplies	A	38,625	45,652	41,913	34,252	23,229	16,098	16,828	20,129	24,014	29,306	39,468
Less volumes with assigned cost allocations												
Off System Sales, Electric Gen, Other	2,032	5,558	5,738	5,735	5,365	5,736	7,209	7,443	7,211	7,470	7,488	7,200
Monthly BGSS Sales (GSL, DGC)	294	626	950	1,137	988	817	478	273	191	196	196	191
Monthly BGSS Sales (IS, CNG, NGV)	8	7	6	7	7	6	8	7	7	8	8	8
FEED Sales	0	0	0	0	0	0	0	0	0	0	0	0
Company Use Non Prod Sales	2	2	4	6	4	3	2	2	1	2	2	1
Sub-total of Assigned Cost Allocations	B	2,335	6,193	6,697	6,885	6,364	6,562	7,696	7,724	7,410	7,676	7,400
Allocation WACOG Volume	C = A - B	36,289	39,459	35,216	27,367	16,865	9,536	9,132	12,405	16,604	21,630	32,067
<i>volume available for allocation</i>												
<b>\$000</b>												
Beginning of Month Storage Balance	102,677	116,510	117,374	91,606	58,151	27,326	9,141	16,030	27,516	38,850	50,828	63,686
Beginning of Month WACOG Inventory	72,348	79,299	69,998	63,828	48,837	29,054	9,161	12,349	22,563	34,824	47,331	62,897
Commodity Purchases	22,982	17,365	19,836	22,862	17,514	16,455	32,134	31,252	29,338	30,554	34,316	24,044
Demand Charges	14,702	16,857	17,003	17,096	16,832	17,148	16,478	16,656	16,478	16,656	16,656	16,478
Sub-total of Available Supplies	D	212,710	230,030	224,210	195,391	141,334	89,983	66,914	76,288	95,895	120,883	167,105
Less volumes with assigned cost allocations												
Off System Sales, Electric Gen, Other	2,827	10,746	13,648	15,222	14,158	13,719	15,738	15,084	14,925	15,476	15,530	11,397
Monthly BGSS Sales (GSL, DGC)	1,048	2,568	4,324	5,643	4,851	3,776	2,117	1,174	828	865	849	747
Monthly BGSS Sales (IS, CNG, NGV)	36	35	36	42	40	36	45	38	40	46	47	43
GSL, DGC Sales Balancing	349	745	1,133	1,358	1,180	973	568	323	224	231	231	224
Sub-total of Assigned cost allocations	E	4,260	14,095	19,140	22,265	20,229	18,504	18,467	16,618	16,018	16,618	12,411
Allocation WACOG Costs	F = D - E	208,449	215,935	205,070	173,126	121,105	71,479	48,447	59,670	79,878	104,265	154,694
<i>\$ available for allocation</i>												
\$/Dth WACOG	G = F / C	5.7441	5.4723	5.8233	6.3260	7.1807	7.4959	5.3051	4.8103	4.8107	4.8204	4.8240
<b>MDth</b>												
Periodic BGSS Sales	2,132	5,209	8,506	10,426	8,994	7,069	3,763	1,974	1,282	1,262	1,191	1,220
CoUse & UFG	7	11	18	29	20	25	20	19	7	5	4	2
Periodic BGSS Sales & CoUse & UFG	H	2,140	5,220	8,524	10,455	9,014	7,094	3,783	1,994	1,290	1,267	1,222
<i>volume to be allocated</i>												
Periodic BGSS (\$/Therm WACOG * Periodic BGSS volume)	I = G * H	12,291	28,564	49,637	66,138	64,725	53,177	20,068	9,590	6,204	6,106	5,892
<i>allocated cost</i>												
Plus assigned cost allocations												
Off System Sales, Electric Gen, Other	2,827	10,746	13,648	15,222	14,158	13,719	15,738	15,084	14,925	15,476	15,530	11,397
Monthly BGSS Sales (GSL, DGC)	1,048	2,568	4,324	5,643	4,851	3,776	2,117	1,174	828	865	849	747
Monthly BGSS Sales (IS, CNG, NGV)	36	35	36	42	40	36	45	38	40	46	47	43
GSL, DGC Sales Balancing	349	745	1,133	1,358	1,180	973	568	323	224	231	231	224
COG Adjustment	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total of Assigned cost allocations	J	4,260	14,095	19,140	22,265	20,229	18,504	18,467	16,618	16,018	16,618	12,411
<b>Total Allocated Costs (Sch 2a Total Gas Costs)</b>	<b>K = I + J</b>	<b>16,552</b>	<b>42,659</b>	<b>68,777</b>	<b>88,403</b>	<b>84,954</b>	<b>71,681</b>	<b>38,535</b>	<b>26,208</b>	<b>22,222</b>	<b>22,724</b>	<b>18,306</b>
<b>End of Month Storage Balance</b>												
End of Month Storage Balance	L	116,859	117,374	91,606	58,151	27,326	9,141	16,030	27,516	38,850	50,828	63,686
Total Allocated Costs & Storage Balances	M = K+L	133,411	160,032	160,383	146,554	112,280	80,822	54,565	53,724	61,072	73,552	92,330

**NEW JERSEY NATURAL GAS COMPANY  
THERM SALES  
BGSS YEAR 2024  
(000)THERMS**

**SCHEDULE 3**

	Actual		Estimate										TOTAL
	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	
Residential BGSS Sales	20,160	48,895	79,184	96,784	83,625	65,987	35,436	18,772	12,285	12,064	11,357	11,667	496,215
Total Residential Sales	20,160	48,895	79,184	96,784	83,625	65,987	35,436	18,772	12,285	12,064	11,357	11,667	496,215
C&I Monthly BGSS Sales (GSL, DGC)	2,942	6,256	9,498	11,374	9,884	8,165	4,775	2,731	1,906	1,965	1,963	1,905	63,364
C&I Monthly BGSS Sales (CNG, NGV, IS)	76	66	62	69	65	62	79	69	73	82	85	85	873
C&I Periodic BGSS Sales	1,164	3,191	5,875	7,477	6,313	4,703	2,192	972	538	553	552	535	34,064
Total Commercial & Industrial Sales	4,181	9,513	15,435	18,920	16,263	12,931	7,046	3,772	2,517	2,599	2,599	2,525	98,301
Total Firm Sales	24,341	58,408	94,619	115,704	99,887	78,917	42,483	22,544	14,802	14,663	13,957	14,191	594,516
Interruptible IGS (Sch. 4a)	0	0	0	0	0	0	0	0	0	0	0	0	0
Sayreville (Sch. 4b)	0	10	6	0	0	0	1	1	35	19	80	0	152
Forked River (Sch. 4c)	90	73	20	0	0	10	84	28	71	277	404	4	1,061
Off System Sales (Sch. 4e)	7,812	55,500	57,350	57,350	53,650	57,350	72,000	74,400	72,000	74,400	74,400	72,000	728,212
Storage Incentive Sales	12,416	0	0	0	0	0	0	0	0	0	0	0	12,416
Total Non-Firm Sales	20,318	55,583	57,376	57,350	53,650	57,360	72,085	74,429	72,106	74,697	74,884	72,004	741,841
Total Sales	44,659	113,991	151,995	173,054	153,537	136,277	114,568	96,973	86,907	89,359	88,841	86,195	1,336,358
Firm Transportation	1,744	2,380	2,084	2,274	2,031	1,923	1,510	1,156	1,123	1,128	1,143	1,069	19,564
GSS Transportation	248	649	1,147	1,450	1,226	921	442	208	123	128	128	123	6,792
GSL Transportation	3,953	7,613	11,356	13,550	11,775	9,707	5,714	3,271	2,274	2,350	2,350	2,274	76,189
NGV Transport	59	70	67	66	46	43	46	49	52	62	58	57	675
DGC Balancing	82	74	76	76	73	76	73	75	72	75	75	71	898
DGC Firm Transportation	456	373	397	403	387	381	367	356	351	348	348	346	4,512
Residential Transportation	534	1,401	2,243	2,716	2,346	1,864	1,024	488	278	288	288	278	13,749
Interruptible Transportation	1,347	1,410	1,364	1,165	1,103	1,126	1,255	1,315	1,269	1,159	1,167	1,113	14,794
Lakewood Cogen	5,427	888	160	296	142	291	516	955	2,700	7,200	7,543	1,848	27,968
Ocean Peaking Power	2,440	846	59	122	99	155	262	566	3,069	7,588	7,023	1,382	23,612
Red Oak	0	23,437	12,198	6,883	3,362	7,894	16,076	17,011	22,055	37,082	36,963	19,653	202,614
Total Transportation	16,290	39,141	31,151	29,003	22,589	24,382	27,286	25,450	33,368	57,406	57,085	28,216	391,368
Total Mtherms	60,950	153,132	183,147	202,057	176,127	160,659	141,854	122,422	120,275	146,766	145,926	114,411	1,727,725

**NEW JERSEY NATURAL GAS COMPANY  
MARGIN SHARING FROM STORAGE INCENTIVE  
AND SAYREVILLE / FORKED RIVER GAS COST SUMMARY  
BGSS YEAR 2024  
\$(000) & (000)THERMS**

	<b>Actual</b>		<b>Estimate</b>										<b>TOTAL</b>
	<b>Oct-23</b>	<b>Nov-23</b>	<b>Dec-23</b>	<b>Jan-24</b>	<b>Feb-24</b>	<b>Mar-24</b>	<b>Apr-24</b>	<b>May-24</b>	<b>Jun-24</b>	<b>Jul-24</b>	<b>Aug-24</b>	<b>Sep-24</b>	
<b>SAYREVILLE</b>	<b>SCHEDULE 4b</b>												
Therm Sales (Sch. 3)	0	10	6	0	0	0	1	1	35	19	80	0	152
Rate per therm		0.19334	0.23786				0.21832	0.20266	0.20699	0.20719	0.20739		n/a
Cost of Gas (Sch. 2a)	0	2	1	0	0	0	0	0	7	4	17	0	32
<b>FORKED RIVER</b>	<b>SCHEDULE 4c</b>												
Therm Sales (Sch. 3)	90	73	20	0	0	10	84	28	71	277	404	4	1,061
Rate per therm	0.19721	0.19334	0.23786			0.23917	0.21832	0.20266	0.20699	0.20719	0.20739	0.15828	n/a
Cost of Gas (Sch.2a)	18	14	5	0	0	2	18	6	15	57	84	1	219
<b>Storage Incentive</b>	<b>SCHEDULE 4j</b>												
Storage Gain (Loss)	10,772	2,644	0	0	0	0	925	2,088	2,367	2,278	2,478	3,436	26,988
NJNG Sharing @ 20% (Sch.1, L.5)	2,154	529	0	0	0	0	185	418	473	456	496	687	5,398





**NEW JERSEY NATURAL GAS COMPANY  
SUPPLIER REFUNDS AND  
MISCELLANEOUS ADJUSTMENTS  
BGSS YEAR 2024  
\$(000)**

**SCHEDULE 5**

(Sch 1. LINE 8)

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Opening balance BGSS Interest Sch 6	2,004	2,004
Adjustments to BGSS opening balance are captured on Schedule 1		
OCT 2023	0	0
NOV 2023	0	0
DEC 2023	0	0
JAN 2024	0	0
FEB 2024	0	0
MAR 2024	0	0
APR 2024	0	0
MAY 2024	0	0
JUN 2024	0	0
JUL 2024	0	0
AUG 2024	0	0
SEP 2024	0	0
		<hr/>
TOTALS		<u><u>2,004</u></u>

**NEW JERSEY NATURAL GAS COMPANY  
BGSS YEAR 2024**

**COMPUTATION OF INTEREST ON UNDER/(OVER) RECOVERED BALANCES**

DATE	COMBINED BALANCE	\$(000) AVERAGE BALANCE	ANNUAL RATE	SCHEDULE 6 ANNUAL RATE
				6.84%
SEP 2023	(30,638)			
OCT 2023	(28,029)	(29,334)	0.5700%	(167)
NOV 2023	(29,553)	(28,791)	0.5700%	(164)
DEC 2023	(31,515)	(30,534)	0.5700%	(174)
JAN 2024	(32,363)	(31,939)	0.5700%	(182)
FEB 2024	(23,561)	(27,962)	0.5700%	(159)
MAR 2024	(9,909)	(16,735)	0.5700%	(95)
APR 2024	(10,237)	(10,073)	0.5700%	(57)
MAY 2024	(10,993)	(10,615)	0.5700%	(61)
JUN 2024	(11,477)	(11,235)	0.5700%	(64)
JUL 2024	(12,691)	(12,084)	0.5700%	(69)
AUG 2024	(13,440)	(13,066)	0.5700%	(74)
SEP 2024	(13,664)	(13,552)	0.5700%	(77)
				<u>(1,343)</u>
				<u><u>(1,343)</u></u>
TOTAL INTEREST TO BE CREDITED TO CUSTOMER				<u><u>(1,343)</u></u>