



February 7, 2024

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

Basic Gas Supply Service
(BGSS) Report
December 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 December 2023.

The underlying gas cost projections are based on the January 11, 2024 NYMEX and result in a projected September 30, 2024 overrecovery of approximately \$7.7 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 via email at adembia@njng.com.

Very truly yours,

A handwritten signature in blue ink that reads 'Andrew K. Dembia'.

Andrew K. Dembia
Regulatory Affairs Counsel

Enclosures

C (via e-mail):

Stacy Peterson, BPU
Jacqueline Galka, BPU
Brian Lipman, RC
Carlena Morrison, RC

Alice Bator, BPU
William Barkasy, BPU
Maura Caroselli, RC

NEW JERSEY NATURAL GAS COMPANY
BASIC GAS SUPPLY SERVICE
ADJUSTMENT CLAUSE
B P U D O C K E T N O. GR23060348 BGSS YEAR 2024

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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: December 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)	(29,750)	(28,580)	(23,828)	(10,513)	(5,556)	(5,493)	(5,739)	(6,001)	(7,113)	(7,742)	(30,638)
2. Net Cost Appl. To BGSS Sales (Sch 2a)	13,906	38,087	48,279	73,925	72,382	51,383	23,217	11,817	7,619	7,526	7,354	7,249	362,742
3. BGSS Recoveries (Sch 2b)	(9,663)	(25,479)	(31,459)	(47,101)	(41,357)	(32,138)	(17,264)	(9,164)	(6,034)	(5,993)	(5,693)	(5,730)	(237,074)
4. Under/(Over) Rec. Gas Costs - Current Period (L.2 - L.3)	4,244	12,607	16,819	26,824	31,025	19,244	5,953	2,653	1,585	1,532	1,661	1,519	125,668
Adjustments													
5. Storage Incentive (Sch.4j)	2,154	682	444	0	0	0	122	244	381	287	286	674	5,274
6. Off-System Sales (Sch.4e)	(166)	(5,633)	(4,741)	(5,641)	(3,549)	(2,916)	(122)	0	(157)	(866)	(594)	(124)	(24,508)
7. Capacity Rel. (Sch.4f)	(154)	(592)	(621)	(612)	(499)	(533)	0	0	0	0	0	0	(3,012)
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)	(8,766)	(10,712)	(15,806)	(13,650)	(10,826)	(5,877)	(3,130)	(2,058)	(2,053)	(1,969)	(1,985)	(80,300)
10. Environmental Attributes (Sch. 4k)	0	(19)	(19)	(13)	(12)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(153)
11. Total Debits and Credits (L.5 through L.10)	(1,634)	(14,329)	(15,649)	(22,072)	(17,710)	(14,288)	(5,890)	(2,900)	(1,846)	(2,645)	(2,289)	(1,448)	(102,699)
12. Under/(Over) Recov. Gas Costs. End of Period (L.'s.1,4,&11)	(28,029)	(29,750)	(28,580)	(23,828)	(10,513)	(5,556)	(5,493)	(5,739)	(6,001)	(7,113)	(7,742)	(7,670)	(7,670)

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

	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
COST OF GAS-CURRENT PERIOD													
	SCHEDULE 2a												
Total Gas Costs ¹	16,597	47,920	60,065	79,508	80,166	54,789	28,828	14,966	12,041	7,526	7,354	10,029	419,788
REDUCTIONS TO COST OF GAS													
Sayreville (Sch. 4b)	0	0	0	0	0	0	0	0	7	0	0	0	7
Forked Rv. (Sch. 4c)	18	0	0	0	0	2	17	5	14	0	0	1	56
Off System Sales (Sch.4e)	891	10,482	12,469	6,303	8,371	4,032	5,594	3,144	4,402	0	0	2,779	58,466
Capacity Release (Sch. 4f)	(182)	(697)	(730)	(720)	(587)	(627)	0	0	0	0	0	0	(3,543)
Storage Incentive Sales	1,918	0	0	0	0	0	0	0	0	0	0	0	1,918
Company Use Gas	45	48	48	0	0	0	0	0	0	0	0	0	141
Total Reductions	2,690	9,834	11,786	5,583	7,784	3,407	5,611	3,150	4,422	0	0	2,779	57,046
Net Cost Appl.To BGSS Sales (Sch.1.,L.2)	13,906	38,087	48,279	73,925	72,382	51,383	23,217	11,817	7,619	7,526	7,354	7,249	362,742
GAS COST RECOVERIES													
	SCHEDULE 2b												
BGSS Sales	24,341	63,184	77,598	115,930	100,087	79,089	42,593	22,617	14,865	14,726	14,015	14,252	583,299
Monthly BGSS Sales (GSL, DGC)	2,942	6,329	7,351	11,513	10,006	8,270	4,843	2,761	1,921	1,981	1,979	1,920	61,817
Monthly BGSS Sales (IS, CNG, NGV)	76	65	61	69	65	62	79	69	73	82	85	85	870
Periodic BGSS Sales	21,324	56,790	70,187	104,349	90,016	70,757	37,670	19,787	12,872	12,664	11,952	12,247	520,612
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	0.4339	0.4415	0.5099	0.4399	0.4265	0.4223	0.4249	0.4311	0.4237	0.3955	
Monthly BGSS Sales (IS, CNG, NGV)	0.4750	0.5292	0.5526	0.5602	0.6286	0.5586	0.5452	0.5410	0.5436	0.5498	0.5424	0.5142	
Recoveries:													
Periodic BGSS	8,579	22,847	28,236	41,979	36,213	28,465	15,155	7,960	5,178	5,095	4,808	4,927	209,442
Monthly BGSS(GSL, DGC)	1,048	2,598	3,189	5,083	5,102	3,638	2,066	1,166	816	854	838	760	27,159
Monthly BGSS (IS, CNG, NGV)	36	34	34	38	41	35	43	37	39	45	46	44	473
Total BGSS Recovery (Sch. 1, L. 3))	9,663	25,479	31,459	47,101	41,357	32,138	17,264	9,164	6,034	5,993	5,693	5,730	237,074

¹ 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
MDth													
	Beginning of Month Storage Balance	29,103	34,172	30,222	25,317	16,252	7,858	4,762	7,200	11,453	16,341	21,223	25,475
	Commodity Purchases	9,521	9,896	11,404	5,490	4,716	6,757	9,544	8,165	8,671	10,864	9,349	8,346
A	Sub-total of Available Supplies	<u>38,625</u>	<u>44,068</u>	<u>41,626</u>	<u>30,807</u>	<u>20,968</u>	<u>14,615</u>	<u>14,306</u>	<u>15,366</u>	<u>20,124</u>	<u>27,205</u>	<u>30,572</u>	<u>33,822</u>
Less volumes with assigned cost allocations													
	Off System Sales, Electric Gen, Other	2,032	7,730	8,815	2,911	3,054	1,931	2,847	1,644	2,286	4,504	3,694	1,737
	Monthly BGSS Sales (GSL, DGC)	294	633	735	1,151	1,001	827	484	276	192	198	198	192
	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	2	6	4	3	2	2	1	2	2	1
B	Sub-total of Assigned Cost Allocations	<u>2,335</u>	<u>8,372</u>	<u>9,559</u>	<u>4,075</u>	<u>4,065</u>	<u>2,767</u>	<u>3,341</u>	<u>1,929</u>	<u>2,487</u>	<u>4,712</u>	<u>3,902</u>	<u>1,939</u>
C = A - B	Allocation WACOG Volume	<u>36,289</u>	<u>35,697</u>	<u>32,068</u>	<u>26,732</u>	<u>16,903</u>	<u>11,848</u>	<u>10,964</u>	<u>13,437</u>	<u>17,637</u>	<u>22,493</u>	<u>26,670</u>	<u>31,883</u>
		<i>volume available for allocation</i>											
\$000													
	Beginning of Month Storage Balance	102,677	116,859	103,406	85,261	54,924	27,026	16,809	22,358	32,507	44,120	55,996	66,275
	Beginning of Month WACOG Inventory	72,348	79,299	76,033	68,941	48,815	30,174	14,013	16,572	26,409	38,426	50,754	66,205
	Commodity Purchases	22,982	14,829	18,701	12,051	16,803	11,273	20,466	18,305	19,201	15,083	16,437	16,585
	Demand Charges	14,702	16,325	16,448	16,994	16,823	17,139	16,469	16,647	16,469	16,647	16,647	16,469
D	Sub-total of Available Supplies	<u>212,710</u>	<u>227,311</u>	<u>214,589</u>	<u>183,247</u>	<u>137,365</u>	<u>85,612</u>	<u>67,758</u>	<u>73,882</u>	<u>94,586</u>	<u>114,276</u>	<u>139,835</u>	<u>165,535</u>
Less volumes with assigned cost allocations													
	Off System Sales, Electric Gen, Other	2,827	10,482	12,469	6,303	8,371	4,034	5,611	3,150	4,422	0	0	2,779
	Monthly BGSS Sales (GSL, DGC)	1,048	2,598	3,189	5,083	5,102	3,638	2,066	1,166	816	854	838	760
	Monthly BGSS Sales (IS, CNG, NGV)	36	34	34	38	41	35	43	37	39	45	46	44
	GSL, DGC Sales Balancing	349	751	873	1,358	1,180	973	568	323	224	231	231	224
E	Sub-total of Assigned cost allocations	<u>4,260</u>	<u>13,866</u>	<u>16,565</u>	<u>12,783</u>	<u>14,693</u>	<u>8,680</u>	<u>8,288</u>	<u>4,676</u>	<u>5,502</u>	<u>1,130</u>	<u>1,116</u>	<u>3,807</u>
F = D - E	Allocation WACOG Costs	<u>208,449</u>	<u>213,445</u>	<u>198,024</u>	<u>170,464</u>	<u>122,672</u>	<u>76,932</u>	<u>59,470</u>	<u>69,206</u>	<u>89,084</u>	<u>113,145</u>	<u>138,719</u>	<u>161,728</u>
		<i>\$ available for allocation</i>											
G = F / C	\$/Dth WACOG	5.7441	5.9794	6.1752	6.3768	7.2573	6.4934	5.4239	5.1505	5.0509	5.0303	5.2013	5.0725
MDth													
	Periodic BGSS Sales	2,132	5,679	7,019	10,435	9,002	7,076	3,767	1,979	1,287	1,266	1,195	1,225
	CoUse & UFG	7	8	18	29	20	25	20	19	7	5	4	2
H	Periodic BGSS Sales & CoUse & UFG	<u>2,140</u>	<u>5,687</u>	<u>7,037</u>	<u>10,464</u>	<u>9,022</u>	<u>7,101</u>	<u>3,787</u>	<u>1,998</u>	<u>1,295</u>	<u>1,271</u>	<u>1,199</u>	<u>1,227</u>
		<i>volume to be allocated</i>											
I = G * H	Periodic BGSS (\$/Therm WACOG * Periodic BGSS volume)	<u>12,291</u>	<u>34,006</u>	<u>43,452</u>	<u>66,725</u>	<u>65,472</u>	<u>46,109</u>	<u>20,540</u>	<u>10,290</u>	<u>6,539</u>	<u>6,395</u>	<u>6,238</u>	<u>6,222</u>
		<i>allocated cost</i>											
Plus assigned cost allocations													
	Off System Sales, Electric Gen, Other	2,827	10,482	12,469	6,303	8,371	4,034	5,611	3,150	4,422	0	0	2,779
	Monthly BGSS Sales (GSL, DGC)	1,048	2,598	3,189	5,083	5,102	3,638	2,066	1,166	816	854	838	760
	Monthly BGSS Sales (IS, CNG, NGV)	36	34	34	38	41	35	43	37	39	45	46	44
	GSL, DGC Sales Balancing	349	751	873	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
J	Sub-total of Assigned cost allocations	<u>4,260</u>	<u>13,866</u>	<u>16,565</u>	<u>12,783</u>	<u>14,693</u>	<u>8,680</u>	<u>8,288</u>	<u>4,676</u>	<u>5,502</u>	<u>1,130</u>	<u>1,116</u>	<u>3,807</u>
K = I + J	Total Allocated Costs (Sch 2a Total Gas Costs)	<u>16,552</u>	<u>47,872</u>	<u>60,017</u>	<u>79,508</u>	<u>80,166</u>	<u>54,789</u>	<u>28,828</u>	<u>14,966</u>	<u>12,041</u>	<u>7,526</u>	<u>7,354</u>	<u>10,029</u>
MDth													
L	End of Month Storage Balance	116,859	103,406	85,630	54,924	27,026	16,809	22,358	32,507	44,120	55,996	66,275	77,519
M = K+L	Total Allocated Costs & Storage Balances	<u>133,411</u>	<u>151,279</u>	<u>145,647</u>	<u>134,432</u>	<u>107,191</u>	<u>71,598</u>	<u>51,186</u>	<u>47,473</u>	<u>56,160</u>	<u>63,521</u>	<u>73,629</u>	<u>87,548</u>
N = D - M	Current Month WACOG Inventory Balance	79,299	76,033	68,941	48,815	30,174	14,013	16,572	26,409	38,426	50,754	66,205	77,988

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

SCHEDULE 3

	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
Residential BGSS Sales	20,160	53,208	65,675	96,886	83,713	66,057	35,476	18,800	12,315	12,092	11,381	11,694	487,459
Total Residential Sales	20,160	53,208	65,675	96,886	83,713	66,057	35,476	18,800	12,315	12,092	11,381	11,694	487,459
C&I Monthly BGSS Sales (GSL, DGC)	2,942	6,329	7,351	11,513	10,006	8,270	4,843	2,761	1,921	1,981	1,979	1,920	61,817
C&I Monthly BGSS Sales (CNG, NGV, IS)	76	65	61	69	65	62	79	69	73	82	85	85	870
C&I Periodic BGSS Sales	1,164	3,582	4,511	7,463	6,303	4,700	2,194	986	556	572	571	553	33,153
Total Commercial & Industrial Sales	4,181	9,976	11,923	19,044	16,374	13,032	7,117	3,817	2,550	2,634	2,634	2,558	95,840
Total Firm Sales	24,341	63,184	77,598	115,930	100,087	79,089	42,593	22,617	14,865	14,726	14,015	14,252	583,299
Interruptible IGS (Sch. 4a)	0	0	0	0	0	0	0	0	0	0	0	0	0
Sayreville (Sch. 4b)	0	0	0	0	0	0	1	1	35	19	80	0	137
Forked River (Sch. 4c)	90	2	0	0	0	10	84	28	71	277	404	4	969
Off System Sales (Sch. 4e)	7,812	77,298	88,153	29,112	30,535	19,296	28,388	16,411	22,755	44,748	36,458	17,368	418,336
Storage Incentive Sales	12,416	0	0	0	0	0	0	0	0	0	0	0	12,416
Total Non-Firm Sales	20,318	77,300	88,153	29,112	30,535	19,306	28,474	16,440	22,860	45,045	36,942	17,372	431,858
Total Sales	44,659	140,484	165,752	145,043	130,622	98,395	71,066	39,057	37,726	59,771	50,958	31,625	1,015,157
Firm Transportation	1,744	2,063	2,080	2,892	2,629	2,583	2,094	1,795	1,678	1,542	1,600	1,640	24,340
GSS Transportation	248	733	928	1,476	1,249	940	452	215	129	133	133	129	6,764
GSL Transportation	3,953	8,486	9,972	13,647	11,858	9,770	5,742	3,274	2,269	2,345	2,345	2,269	75,930
NGV Transport	59	70	64	66	46	43	46	49	52	62	58	57	672
DGC Balancing	82	100	54	76	73	76	73	75	72	75	75	71	901
DGC Firm Transportation	456	439	397	403	387	381	367	356	351	348	348	346	4,578
Residential Transportation	534	1,413	1,753	2,647	2,286	1,816	998	476	271	280	280	271	13,026
Interruptible Transportation	1,347	1,401	1,225	1,165	1,103	1,126	1,255	1,315	1,269	1,159	1,167	1,113	14,646
Lakewood Cogen	5,427	78	122	296	142	291	516	955	2,700	7,200	7,543	1,848	27,119
Ocean Peaking Power	2,440	1,748	83	122	99	155	262	566	3,069	7,588	7,023	1,382	24,537
Red Oak	0	4,456	14,315	6,883	3,362	7,894	16,076	17,011	22,055	37,082	36,963	19,653	185,751
Total Transportation	16,290	20,987	30,992	29,675	23,233	25,076	27,882	26,086	33,915	57,813	57,535	28,779	378,264
Total Mtherms	60,950	161,471	196,744	174,718	153,855	123,470	98,948	65,143	71,641	117,584	108,493	60,404	1,393,421

**NEW JERSEY NATURAL GAS COMPANY
MARGIN SHARING FROM STORAGE INCENTIVE
AND SAYREVILLE / FORKED RIVER GAS COST SUMMARY
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	
SAYREVILLE	SCHEDULE 4b												
Therm Sales (Sch. 3)	0	0	0	0	0	0	1	1	35	19	80	0	137
Rate per therm							0.19707	0.19158	0.19344	0.00000	0.00000		n/a
Cost of Gas (Sch. 2a)	0	0	0	0	0	0	0	0	7	0	0	0	7
FORKED RIVER	SCHEDULE 4c												
Therm Sales (Sch. 3)	90	2	0	0	0	10	84	28	71	277	404	4	969
Rate per therm	0.19721	0.24000				0.20895	0.19707	0.19158	0.19344	0.00000	0.00000	0.16000	n/a
Cost of Gas (Sch.2a)	18	0	0	0	0	2	17	5	14	0	0	1	56
Storage Incentive	SCHEDULE 4j												
Storage Gain (Loss)	10,772	3,409	2,218	0	0	0	608	1,218	1,905	1,436	1,432	3,371	26,370
NJNG Sharing @ 20% (Sch.1, L.5)	2,154	682	444	0	0	0	122	244	381	287	286	674	5,274

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

SCHEDULE 5

(Sch 1. LINE 8)

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 style="width: 50%; margin-left: auto; margin-right: 0;"/>	
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	(29,750)	(28,890)	0.5700%	(165)
DEC 2023	(28,580)	(29,165)	0.5700%	(166)
JAN 2024	(23,828)	(26,204)	0.5700%	(149)
FEB 2024	(10,513)	(17,170)	0.5700%	(98)
MAR 2024	(5,556)	(8,035)	0.5700%	(46)
APR 2024	(5,493)	(5,525)	0.5700%	(31)
MAY 2024	(5,739)	(5,616)	0.5700%	(32)
JUN 2024	(6,001)	(5,870)	0.5700%	(33)
JUL 2024	(7,113)	(6,557)	0.5700%	(37)
AUG 2024	(7,742)	(7,427)	0.5700%	(42)
SEP 2024	(7,670)	(7,706)	0.5700%	(44)
				<u>(1,010)</u>
				<u><u>(1,010)</u></u>
TOTAL INTEREST TO BE CREDITED TO CUSTOMER				<u><u>(1,010)</u></u>