



March 1, 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
January 2024
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 January 2024.

The underlying gas cost projections are based on the February 8, 2024 NYMEX and result in a projected September 30, 2024 over-recovery of approximately \$29.5 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
BPU DOCKET NO. 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: January 2024

**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)	(39,456)	(29,166)	(25,324)	(26,311)	(27,067)	(27,749)	(28,786)	(29,469)	(30,638)											
2. Net Cost Appl. To BGSS Sales (Sch 2a)	13,906	38,087	48,279	69,945	72,725	49,830	22,010	11,280	7,367	7,308	7,165	7,069	354,971											
3. BGSS Recoveries (Sch 2b)	(9,663)	(25,479)	(31,459)	(41,123)	(40,439)	(31,656)	(17,012)	(9,030)	(5,957)	(5,915)	(5,621)	(5,656)	(229,011)											
4. Under/(Over) Rec. Gas Costs - Current Period (L.2 - L.3)	4,244	12,607	16,819	28,822	32,286	18,174	4,998	2,250	1,410	1,393	1,544	1,413	125,960											
Adjustments																								
5. Storage Incentive (Sch.4j)	2,154	682	444	0	0	0	90	177	221	157	203	564	4,690											
6. Off-System Sales (Sch.4e)	(166)	(5,633)	(4,741)	(24,114)	(7,761)	(2,960)	(185)	(40)	(242)	(521)	(447)	(51)	(46,861)											
7. Capacity Rel. (Sch.4f)	(154)	(592)	(621)	(1,660)	(573)	(533)	0	0	0	0	0	0	(4,133)											
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)	(13,904)	(13,650)	(10,826)	(5,877)	(3,130)	(2,058)	(2,053)	(1,969)	(1,985)	(78,399)											
10. Environmental Attributes (Sch. 4k)	0	(19)	(19)	(19)	(12)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(159)											
11. Total Debits and Credits (L.5 through L.10)	(1,634)	(14,329)	(15,649)	(39,697)	(21,996)	(14,332)	(5,985)	(3,006)	(2,092)	(2,430)	(2,227)	(1,485)	(124,862)											
12. Under/(Over) Recov. Gas Costs. End of Period (L.'s.1,4,&11)	(28,029)	(29,750)	(28,580)	(39,456)	(29,166)	(25,324)	(26,311)	(27,067)	(27,749)	(28,786)	(29,469)	(29,540)	(29,540)											

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	96,878	77,709	52,103	26,061	13,625	10,824	7,308	7,165	9,224	425,479
REDUCTIONS TO COST OF GAS													
Sayreville (Sch. 4b)	0	0	0	0	0	0	0	0	5	0	0	0	6
Forked Rv. (Sch. 4c)	18	0	0	0	0	1	12	4	11	0	0	0	47
Off System Sales (Sch.4e)	891	10,482	12,469	28,828	5,658	2,899	4,039	2,341	3,441	0	0	2,154	73,202
Capacity Release (Sch. 4f)	(182)	(697)	(730)	(1,953)	(674)	(627)	0	0	0	0	0	0	(4,863)
Storage Incentive Sales	1,918	0	0	0	0	0	0	0	0	0	0	0	1,918
Company Use Gas	45	48	48	58	0	0	0	0	0	0	0	0	199
Total Reductions	2,690	9,834	11,786	26,933	4,984	2,273	4,051	2,345	3,457	0	0	2,155	70,508
Net Cost Appl.To BGSS Sales (Sch.1.,L.2)	13,906	38,087	48,279	69,945	72,725	49,830	22,010	11,280	7,367	7,308	7,165	7,069	354,971
GAS COST RECOVERIES													
	SCHEDULE 2b												
BGSS Sales	24,341	63,184	77,598	101,302	100,087	79,089	42,593	22,617	14,865	14,726	14,015	14,252	568,671
Monthly BGSS Sales (GSL, DGC)	2,942	6,329	7,351	9,186	10,006	8,270	4,843	2,761	1,921	1,981	1,979	1,920	59,490
Monthly BGSS Sales (IS, CNG, NGV)	76	65	61	60	65	62	79	69	73	82	85	85	861
Periodic BGSS Sales	21,324	56,790	70,187	92,056	90,016	70,757	37,670	19,787	12,872	12,664	11,952	12,247	508,319
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	
Monthly BGSS Sales (GSL, DGC)	0.3563	0.4105	0.4339	0.4415	0.4188	0.3820	0.3754	0.3752	0.3863	0.3932	0.3889	0.3586	
Monthly BGSS Sales (IS, CNG, NGV)	0.4750	0.5292	0.5526	0.5602	0.5375	0.5007	0.4941	0.4939	0.5050	0.5119	0.5076	0.4773	
Recoveries:													
Periodic BGSS	8,579	22,847	28,236	37,034	36,213	28,465	15,155	7,960	5,178	5,095	4,808	4,927	204,497
Monthly BGSS(GSL, DGC)	1,048	2,598	3,189	4,056	4,191	3,159	1,818	1,036	742	779	770	689	24,075
Monthly BGSS (IS, CNG, NGV)	36	34	34	33	35	31	39	34	37	42	43	41	439
Total BGSS Recovery (Sch. 1, L. 3))	9,663	25,479	31,459	41,123	40,439	31,656	17,012	9,030	5,957	5,915	5,621	5,656	229,011

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	25,467	16,093	7,758	4,724	7,163	11,416	16,303	21,186	25,438
	Commodity Purchases	9,521	9,896	11,404	11,805	4,775	6,819	9,544	8,165	8,671	10,864	9,349	8,346
A	Sub-total of Available Supplies	38,625	44,068	41,626	37,272	20,867	14,577	14,268	15,328	20,087	27,168	30,535	33,784
Less volumes with assigned cost allocations													
	Off System Sales, Electric Gen, Other	2,032	7,730	8,815	10,839	3,054	1,931	2,847	1,644	2,286	4,504	3,694	1,737
	Monthly BGSS Sales (GSL, DGC)	294	633	735	919	1,001	827	484	276	192	198	198	192
	Monthly BGSS Sales (IS, CNG, NGV)	8	7	6	6	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	5	4	3	2	2	1	2	2	1
B	Sub-total of Assigned Cost Allocations	2,335	8,372	9,559	11,768	4,065	2,767	3,341	1,929	2,487	4,712	3,902	1,939
C = A - B	Allocation WACOG Volume	36,289	35,697	32,068	25,503	16,803	11,810	10,927	13,400	17,600	22,456	26,632	31,846
<i>volume available for allocation</i>													
\$000													
	Beginning of Month Storage Balance	102,677	116,859	103,406	85,630	53,993	26,472	16,530	21,240	30,690	42,157	53,751	63,731
	Beginning of Month WACOG Inventory	72,348	79,299	76,033	68,941	56,543	31,009	13,336	15,687	25,732	37,997	50,497	66,076
	Commodity Purchases	22,982	14,829	18,701	37,883	8,041	7,472	16,624	16,445	18,057	14,726	16,048	15,594
	Demand Charges	14,702	16,325	16,448	15,222	16,613	17,015	16,498	16,676	16,498	16,676	16,676	16,498
D	Sub-total of Available Supplies	212,710	227,311	214,589	207,676	135,190	81,969	62,988	70,047	90,978	111,556	136,972	161,900
Less volumes with assigned cost allocations													
	Off System Sales, Electric Gen, Other	2,827	10,482	12,469	28,828	5,658	2,900	4,051	2,345	3,457	0	0	2,155
	Monthly BGSS Sales (GSL, DGC)	1,048	2,598	3,189	4,056	4,191	3,159	1,818	1,036	742	779	770	689
	Monthly BGSS Sales (IS, CNG, NGV)	36	34	34	33	35	31	39	34	37	42	43	41
	GSL, DGC Sales Balancing	349	751	873	1,090	1,180	973	568	323	224	231	231	224
E	Sub-total of Assigned cost allocations	4,260	13,866	16,565	34,008	11,063	7,064	6,476	3,738	4,461	1,052	1,044	3,108
F = D - E	Allocation WACOG Costs	208,449	213,445	198,024	173,669	124,127	74,905	56,512	66,310	86,518	110,504	135,928	158,791
<i>\$ available for allocation</i>													
G = F / C	\$/Dth WACOG	5.7441	5.9794	6.1752	6.8097	7.3874	6.3426	5.1717	4.9487	4.9158	4.9210	5.1039	4.9863
MDth													
	Periodic BGSS Sales	2,132	5,679	7,019	9,206	9,002	7,076	3,767	1,979	1,287	1,266	1,195	1,225
	CoUse & UFG	7	8	18	18	20	25	20	19	7	5	4	2
H	Periodic BGSS Sales & CoUse & UFG	2,140	5,687	7,037	9,224	9,022	7,101	3,787	1,998	1,295	1,271	1,199	1,227
<i>volume to be allocated</i>													
I = G * H	Periodic BGSS (\$/Therm WACOG * Periodic BGSS volume)	12,291	34,006	43,452	62,813	66,645	45,039	19,585	9,887	6,364	6,256	6,121	6,116
<i>allocated cost</i>													
Plus assigned cost allocations													
	Off System Sales, Electric Gen, Other	2,827	10,482	12,469	28,828	5,658	2,900	4,051	2,345	3,457	0	0	2,155
	Monthly BGSS Sales (GSL, DGC)	1,048	2,598	3,189	4,056	4,191	3,159	1,818	1,036	742	779	770	689
	Monthly BGSS Sales (IS, CNG, NGV)	36	34	34	33	35	31	39	34	37	42	43	41
	GSL, DGC Sales Balancing	349	751	873	1,090	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	4,260	13,866	16,565	34,008	11,063	7,064	6,476	3,738	4,461	1,052	1,044	3,108
K = I + J	Total Allocated Costs (Sch 2a Total Gas Costs)	16,552	47,872	60,017	96,821	77,709	52,103	26,061	13,625	10,824	7,308	7,165	9,224
L	End of Month Storage Balance	116,859	103,406	85,630	54,313	26,472	16,530	21,240	30,690	42,157	53,751	63,731	74,664
M = K+L	Total Allocated Costs & Storage Balances	133,411	151,279	145,647	151,133	104,181	68,632	47,301	44,315	52,981	61,059	70,896	83,889
N = D - M	Current Month WACOG Inventory Balance	79,299	76,033	68,941	56,543	31,009	13,336	15,687	25,732	37,997	50,497	66,076	78,011

**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	53,208	65,675	85,652	83,713	66,057	35,476	18,800	12,315	12,092	11,381	11,694	476,225
Total Residential Sales	20,160	53,208	65,675	85,652	83,713	66,057	35,476	18,800	12,315	12,092	11,381	11,694	476,225
C&I Monthly BGSS Sales (GSL, DGC)	2,942	6,329	7,351	9,186	10,006	8,270	4,843	2,761	1,921	1,981	1,979	1,920	59,490
C&I Monthly BGSS Sales (CNG, NGV, IS)	76	65	61	60	65	62	79	69	73	82	85	85	861
C&I Periodic BGSS Sales	1,164	3,582	4,511	6,404	6,303	4,700	2,194	986	556	572	571	553	32,094
Total Commercial & Industrial Sales	4,181	9,976	11,923	15,650	16,374	13,032	7,117	3,817	2,550	2,634	2,634	2,558	92,446
Total Firm Sales	24,341	63,184	77,598	101,302	100,087	79,089	42,593	22,617	14,865	14,726	14,015	14,252	568,671
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	108,390	30,535	19,296	28,388	16,411	22,755	44,748	36,458	17,368	497,614
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	108,390	30,535	19,306	28,474	16,440	22,860	45,045	36,942	17,372	511,136
Total Sales	44,659	140,484	165,752	209,692	130,622	98,395	71,066	39,057	37,726	59,771	50,958	31,625	1,079,806
Firm Transportation	1,744	2,063	2,080	2,234	2,629	2,583	2,094	1,795	1,678	1,542	1,600	1,640	23,681
GSS Transportation	248	733	928	1,303	1,249	940	452	215	129	133	133	129	6,591
GSL Transportation	3,953	8,486	9,972	12,297	11,858	9,770	5,742	3,274	2,269	2,345	2,345	2,269	74,579
NGV Transport	59	70	64	63	46	43	46	49	52	62	58	57	669
DGC Balancing	82	100	54	56	73	76	73	75	72	75	75	71	880
DGC Firm Transportation	456	439	397	530	387	381	367	356	351	348	348	346	4,704
Residential Transportation	534	1,413	1,753	2,241	2,286	1,816	998	476	271	280	280	271	12,621
Interruptible Transportation	1,347	1,401	1,225	1,144	1,103	1,126	1,255	1,315	1,269	1,159	1,167	1,113	14,625
Lakewood Cogen	5,427	78	122	112	142	291	516	955	2,700	7,200	7,543	1,848	26,935
Ocean Peaking Power	2,440	1,748	83	715	99	155	262	566	3,069	7,588	7,023	1,382	25,130
Red Oak	0	4,456	14,315	15,404	3,362	7,894	16,076	17,011	22,055	37,082	36,963	19,653	194,271
Total Transportation	16,290	20,987	30,992	36,098	23,233	25,076	27,882	26,086	33,915	57,813	57,535	28,779	384,687
Total Mtherms	60,950	161,471	196,744	245,790	153,855	123,470	98,948	65,143	71,641	117,584	108,493	60,404	1,464,494

**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							0.14227	0.14262	0.15124	0.00000	0.00000		n/a
Cost of Gas (Sch. 2a)	0	0	0	0	0	0	0	0	5	0	0	0	6
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				0.15023	0.14227	0.14262	0.15124	0.00000	0.00000	0.12404	n/a
Cost of Gas (Sch.2a)	18	0	0	0	0	1	12	4	11	0	0	0	47
Storage Incentive	SCHEDULE 4j												
Storage Gain (Loss)	10,772	3,409	2,218	0	0	0	448	884	1,105	783	1,014	2,819	23,451
NJNG Sharing @ 20% (Sch.1, L.5)	2,154	682	444	0	0	0	90	177	221	157	203	564	4,690

**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/>
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	(39,456)	(34,018)	0.5700%	(194)
FEB 2024	(29,166)	(34,311)	0.5700%	(196)
MAR 2024	(25,324)	(27,245)	0.5700%	(155)
APR 2024	(26,311)	(25,817)	0.5700%	(147)
MAY 2024	(27,067)	(26,689)	0.5700%	(152)
JUN 2024	(27,749)	(27,408)	0.5700%	(156)
JUL 2024	(28,786)	(28,267)	0.5700%	(161)
AUG 2024	(29,469)	(29,127)	0.5700%	(166)
SEP 2024	(29,540)	(29,504)	0.5700%	(168)
				<u>(1,993)</u>
				<u><u>(1,993)</u></u>
TOTAL INTEREST TO BE CREDITED TO CUSTOMER				<u><u>(1,993)</u></u>