



April 3, 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
February 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 February 2024.

The underlying gas cost projections are based on the March 14, 2024 NYMEX and result in a projected September 30, 2024 overrecovery of approximately \$35.7 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

INDEX :

Schedule 1.	Under/(Over) Recovered Gas Costs
Schedule 2a.	Gas Costs
Schedule 2b.	Gas Cost Recoveries
Schedule 2c.	WACOG
Schedule 3.	Total Therm Sales
Schedule 4a.	N/A
Schedule 4b.	Sayreville Sales
Schedule 4c.	Forked River Sales
Schedule 4d.	N/A
Schedule 4e.	Income Sharing Derived from Off System Sales
Schedule 4f.	Income Sharing Derived from Capacity Release
Schedule 4g.	Balancing Credits and Penalty Charges
Schedule 4h.	N/A
Schedule 4i.	N/A
Schedule 4j.	Storage Incentive
Schedule 4k.	Environmental Attributes
Schedule 5.	Supplier Refunds and Miscellaneous Adjustments
Schedule 6.	Computation of Interest on Under/(Over) Recovered Balances
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: February 2024

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

SCHEDULE 1

	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	
1. Under/(Over) Recovered Gas Costs Beg. of Period	(30,638)	(28,029)	(29,750)	(28,580)	(39,456)	(34,437)	(33,586)	(34,350)	(35,071)	(35,482)	(35,768)	(35,801)	(30,638)
2. Net Cost Appl. To BGSS Sales (Sch 2a)	13,906	38,087	48,279	69,945	60,606	47,159	22,242	11,545	7,850	8,116	7,866	7,749	343,348
3. BGSS Recoveries (Sch 2b)	(9,663)	(25,479)	(31,459)	(41,123)	(34,793)	(31,410)	(17,000)	(9,038)	(5,985)	(5,970)	(5,688)	(5,728)	(223,336)
4. Under/(Over) Rec. Gas Costs - Current Period (L.2 - L.3)	4,244	12,607	16,819	28,822	25,813	15,749	5,242	2,507	1,865	2,146	2,178	2,020	120,012
Adjustments													
5. Storage Incentive (Sch.4j)	2,154	682	444	0	479	264	30	33	12	2	(35)	232	4,297
6. Off-System Sales (Sch.4e)	(166)	(5,633)	(4,741)	(24,114)	(8,891)	(3,710)	(147)	(119)	(217)	(369)	(194)	(128)	(48,428)
7. Capacity Rel. (Sch.4f)	(154)	(592)	(621)	(1,660)	(573)	(612)	0	0	0	0	0	0	(4,212)
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)	(11,792)	(10,826)	(5,877)	(3,130)	(2,058)	(2,053)	(1,969)	(1,985)	(76,540)
10. Environmental Attributes (Sch. 4k)	0	(19)	(19)	(19)	(17)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(164)
11. Total Debits and Credits (L.5 through L.10)	(1,634)	(14,329)	(15,649)	(39,697)	(20,795)	(14,897)	(6,006)	(3,228)	(2,276)	(2,432)	(2,211)	(1,893)	(125,048)
12. Under/(Over) Recov. Gas Costs. End of Period (L's.1,4,&11)	(28,029)	(29,750)	(28,580)	(39,456)	(34,437)	(33,586)	(34,350)	(35,071)	(35,482)	(35,768)	(35,801)	(35,673)	(35,673)

**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	
SCHEDULE 2a													
COST OF GAS-CURRENT PERIOD													
Total Gas Costs ¹	16,597	47,920	60,065	96,878	66,820	48,868	26,251	13,903	11,666	16,707	15,104	10,549	431,328
REDUCTIONS TO COST OF GAS													
Sayreville (Sch. 4b)	0	0	0	0	1	0	0	0	6	4	16	0	26
Forked Rv. (Sch. 4c)	18	0	0	0	0	1	12	4	12	53	79	1	180
Off System Sales (Sch.4e)	891	10,482	12,469	28,828	6,844	2,428	3,997	2,354	3,799	8,535	7,143	2,800	90,570
Capacity Release (Sch. 4f)	(182)	(697)	(730)	(1,953)	(674)	(720)	0	0	0	0	0	0	(4,956)
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	43	0	0	0	0	0	0	0	242
Total Reductions	2,690	9,834	11,786	26,933	6,214	1,709	4,009	2,358	3,817	8,591	7,237	2,801	87,980
Net Cost Appl.To BGSS Sales (Sch.1.,L.2)	13,906	38,087	48,279	69,945	60,606	47,159	22,242	11,545	7,850	8,116	7,866	7,749	343,348
SCHEDULE 2b													
GAS COST RECOVERIES													
BGSS Sales	24,341	63,184	77,598	101,302	86,136	79,089	42,593	22,617	14,865	14,726	14,015	14,252	554,719
Monthly BGSS Sales (GSL, DGC)	2,942	6,329	7,351	9,186	8,065	8,270	4,843	2,761	1,921	1,981	1,979	1,920	57,549
Monthly BGSS Sales (IS, CNG, NGV)	76	65	61	60	61	62	79	69	73	82	85	85	857
Periodic BGSS Sales	21,324	56,790	70,187	92,056	78,010	70,757	37,670	19,787	12,872	12,664	11,952	12,247	496,313
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	0.4187	0.3525	0.3729	0.3778	0.4003	0.4196	0.4215	0.3946	0.3946
Monthly BGSS Sales (IS, CNG, NGV)	0.4750	0.5292	0.5526	0.5602	0.5374	0.4712	0.4916	0.4965	0.5190	0.5383	0.5402	0.5133	0.5133
Recoveries:													
Periodic BGSS	8,579	22,847	28,236	37,034	31,383	28,465	15,155	7,960	5,178	5,095	4,808	4,927	199,667
Monthly BGSS(GSL, DGC)	1,048	2,598	3,189	4,056	3,377	2,915	1,806	1,043	769	831	834	758	23,225
Monthly BGSS (IS, CNG, NGV)	36	34	34	33	33	29	39	34	38	44	46	44	444
Total BGSS Recovery (Sch. 1, L. 3))	9,663	25,479	31,459	41,123	34,793	31,410	17,000	9,038	5,985	5,970	5,688	5,728	223,336

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	16,202	10,383	7,912	10,581	14,929	18,617	21,639	25,891	
	Commodity Purchases	9,521	9,896	11,404	11,805	13,463	7,375	9,775	8,260	7,471	9,004	9,349	8,051	
A	Sub-total of Available Supplies	38,625	44,068	41,626	37,272	29,666	17,759	17,687	18,841	22,400	27,621	30,988	33,943	
Less volumes with assigned cost allocations														
	Off System Sales, Electric Gen, Other	2,032	7,730	8,815	10,839	10,675	1,931	2,847	1,644	2,286	4,504	3,694	1,737	
	Monthly BGSS Sales (GSL, DGC)	294	633	735	919	807	827	484	276	192	198	198	192	
	Monthly BGSS Sales (IS, CNG, NGV)	8	7	6	6	6	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	2	3	2	2	1	2	2	1	
B	Sub-total of Assigned Cost Allocations	2,335	8,372	9,559	11,768	11,490	2,767	3,341	1,929	2,487	4,712	3,902	1,939	
	Allocation WACOG Volume	C = A - B	36,289	35,697	32,068	25,503	18,176	14,991	14,345	16,913	19,913	22,909	27,086	32,004
	<i>volume available for allocation</i>													
\$000														
	Beginning of Month Storage Balance	102,677	116,859	103,406	85,630	54,313	34,984	26,966	32,684	43,060	53,019	61,698	72,938	
	Beginning of Month WACOG Inventory	72,348	79,299	76,033	68,941	56,543	38,006	20,282	22,601	32,667	45,053	57,596	72,867	
	Commodity Purchases	22,982	14,829	18,701	37,883	13,284	6,204	17,778	17,657	17,500	21,241	24,927	16,930	
	Demand Charges	14,702	16,325	16,448	15,222	16,110	16,922	16,510	16,688	16,510	16,688	16,688	16,510	
D	Sub-total of Available Supplies	212,710	227,311	214,589	207,676	140,250	96,116	81,536	89,630	109,738	136,000	160,909	179,245	
Less volumes with assigned cost allocations														
	Off System Sales, Electric Gen, Other	2,827	10,482	12,469	28,828	6,845	2,430	4,009	2,358	3,817	8,591	7,237	2,801	
	Monthly BGSS Sales (GSL, DGC)	1,048	2,598	3,189	4,056	3,377	2,915	1,806	1,043	769	831	834	758	
	Monthly BGSS Sales (IS, CNG, NGV)	36	34	34	33	33	29	39	34	38	44	46	44	
	GSL, DGC Sales Balancing	349	751	873	1,090	957	973	568	323	224	231	231	224	
E	Sub-total of Assigned cost allocations	4,260	13,866	16,565	34,008	11,212	6,348	6,422	3,758	4,848	9,698	8,348	3,826	
	Allocation WACOG Costs	F = D - E	208,449	213,445	198,024	173,669	129,038	89,768	75,114	85,871	104,890	126,303	152,560	175,419
	<i>\$ available for allocation</i>													
	\$/Dth WACOG	G = F / C	5.7441	5.9794	6.1752	6.8097	7.0995	5.9880	5.2361	5.0773	5.2674	5.5133	5.6325	5.4812
MDth														
	Periodic BGSS Sales	2,132	5,679	7,019	9,206	7,801	7,076	3,767	1,979	1,287	1,266	1,195	1,225	
	CoUse & UFG	7	8	18	18	26	25	20	19	7	5	4	2	
H	Periodic BGSS Sales & CoUse & UFG	2,140	5,687	7,037	9,224	7,827	7,101	3,787	1,998	1,295	1,271	1,199	1,227	
	<i>volume to be allocated</i>													
	Periodic BGSS (\$/Therm WACOG * Periodic BGSS volume)	I = G * H	12,291	34,006	43,452	62,813	55,565	42,520	19,829	10,144	6,819	7,009	6,755	6,723
	<i>allocated cost</i>													
Plus assigned cost allocations														
	Off System Sales, Electric Gen, Other	2,827	10,482	12,469	28,828	6,845	2,430	4,009	2,358	3,817	8,591	7,237	2,801	
	Monthly BGSS Sales (GSL, DGC)	1,048	2,598	3,189	4,056	3,377	2,915	1,806	1,043	769	831	834	758	
	Monthly BGSS Sales (IS, CNG, NGV)	36	34	34	33	33	29	39	34	38	44	46	44	
	GSL, DGC Sales Balancing	349	751	873	1,090	957	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	11,212	6,348	6,422	3,758	4,848	9,698	8,348	3,826	
	Total Allocated Costs (Sch 2a Total Gas Costs)	K = I + J	16,552	47,872	60,017	96,821	66,777	48,868	26,251	13,903	11,666	16,707	15,104	10,549
End of Month Storage Balance		L	116,859	103,406	85,630	54,313	35,467	26,966	32,684	43,060	53,019	61,698	72,938	84,182
Total Allocated Costs & Storage Balances		M = K+L	133,411	151,279	145,647	151,133	102,244	75,834	58,935	56,962	64,685	78,405	88,042	94,731
Current Month WACOG Inventory Balance		N = D - M	79,299	76,033	68,941	56,543	38,006	20,282	22,601	32,667	45,053	57,596	72,867	84,514

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	85,652	72,506	66,057	35,476	18,800	12,315	12,092	11,381	11,694	465,017
Total Residential Sales	20,160	53,208	65,675	85,652	72,506	66,057	35,476	18,800	12,315	12,092	11,381	11,694	465,017
C&I Monthly BGSS Sales (GSL, DGC)	2,942	6,329	7,351	9,186	8,065	8,270	4,843	2,761	1,921	1,981	1,979	1,920	57,549
C&I Monthly BGSS Sales (CNG, NGV, IS)	76	65	61	60	61	62	79	69	73	82	85	85	857
C&I Periodic BGSS Sales	1,164	3,582	4,511	6,404	5,504	4,700	2,194	986	556	572	571	553	31,296
Total Commercial & Industrial Sales	4,181	9,976	11,923	15,650	13,630	13,032	7,117	3,817	2,550	2,634	2,634	2,558	89,702
Total Firm Sales	24,341	63,184	77,598	101,302	86,136	79,089	42,593	22,617	14,865	14,726	14,015	14,252	554,719
Interruptible IGS (Sch. 4a)	0	0	0	0	0	0	0	0	0	0	0	0	0
Sayreville (Sch. 4b)	0	0	0	0	4	0	1	1	35	19	80	0	141
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	106,747	19,296	28,388	16,411	22,755	44,748	36,458	17,368	573,826
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	106,751	19,306	28,474	16,440	22,860	45,045	36,942	17,372	587,352
Total Sales	44,659	140,484	165,752	209,692	192,887	98,395	71,066	39,057	37,726	59,771	50,958	31,625	1,142,071
Firm Transportation	1,744	2,063	2,080	2,234	1,991	2,583	2,094	1,795	1,678	1,542	1,600	1,640	23,043
GSS Transportation	248	733	928	1,303	1,121	940	452	215	129	133	133	129	6,463
GSL Transportation	3,953	8,486	9,972	12,297	10,219	9,770	5,742	3,274	2,269	2,345	2,345	2,269	72,940
NGV Transport	59	70	64	63	49	43	46	49	52	62	58	57	672
DGC Balancing	82	100	54	56	(52)	76	73	75	72	75	75	71	756
DGC Firm Transportation	456	439	397	530	465	381	367	356	351	348	348	346	4,782
Residential Transportation	534	1,413	1,753	2,241	1,933	1,816	998	476	271	280	280	271	12,268
Interruptible Transportation	1,347	1,401	1,225	1,144	1,007	1,126	1,255	1,315	1,269	1,159	1,167	1,113	14,529
Lakewood Cogen	5,427	78	122	112	117	291	516	955	2,700	7,200	7,543	1,848	26,909
Ocean Peaking Power	2,440	1,748	83	715	63	155	262	566	3,069	7,588	7,023	1,382	25,095
Red Oak	0	4,456	14,315	15,404	7,720	7,894	16,076	17,011	22,055	37,082	36,963	19,653	198,630
Total Transportation	16,290	20,987	30,992	36,098	24,633	25,076	27,882	26,086	33,915	57,813	57,535	28,779	386,087
Total Mtherms	60,950	161,471	196,744	245,790	217,520	123,470	98,948	65,143	71,641	117,584	108,493	60,404	1,528,159

**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	
	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	
SAYREVILLE	SCHEDULE 4b													
Therm Sales (Sch. 3)	0	0	0	0	4	0	1	1	35	19	80	0	141	
Rate per therm					0.18797		0.14081	0.14343	0.16695	0.19072	0.19591		n/a	
Cost of Gas (Sch. 2a)	0	0	0	0	1	0	0	0	6	4	16	0	26	
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				0.12585	0.14081	0.14343	0.16695	0.19072	0.19591	0.16121	n/a	
Cost of Gas (Sch.2a)	18	0	0	0	0	1	12	4	12	53	79	1	180	
Storage Incentive	SCHEDULE 4j													
Storage Gain (Loss)	10,772	3,409	2,218	0	2,393	1,322	149	167	58	12	(177)	1,161	21,486	
NJNG Sharing @ 20% (Sch.1, L.5)	2,154	682	444	0	479	264	30	33	12	2	(35)	232	4,297	

**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	
TOTALS		2,004	

**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
SEP 2023	(30,638)			6.84%
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	(34,437)	(36,946)	0.5700%	(211)
MAR 2024	(33,586)	(34,011)	0.5700%	(194)
APR 2024	(34,350)	(33,968)	0.5700%	(194)
MAY 2024	(35,071)	(34,710)	0.5700%	(198)
JUN 2024	(35,482)	(35,276)	0.5700%	(201)
JUL 2024	(35,768)	(35,625)	0.5700%	(203)
AUG 2024	(35,801)	(35,784)	0.5700%	(204)
SEP 2024	(35,673)	(35,737)	0.5700%	(204)
				<u>(2,301)</u>
TOTAL	INTEREST TO BE CREDITED TO CUSTOMER			<u><u>(2,301)</u></u>