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Dominick DiRocco, Esq.
Vice President, Rates & Regulatory Affairs

September 3, 2024

Via Electronic Filing

Sherri L. Golden
Secretary of the Board
NJ Board of Public Utilities
44 South Clinton Avenue
P. O. Box 350
Trenton, NJ 08625-0350

Re: In the Matter of the Petition of Elizabethtown Gas Company for Approval of a Rate Adjustment Pursuant to the Infrastructure Investment Program (“IIP”) BPU Docket No. GR24040281

Dear Secretary Golden:

Enclosed for filing in the above-referenced proceeding is a Stipulation executed by representatives of Elizabethtown Gas Company, the Staff of the Board of Public Utilities and the Division of Rate Counsel. It is respectfully requested that the Board consider the Stipulation at its September 25, 2024 agenda meeting.

Should you have any questions, please do not hesitate to contact me.

Respectfully submitted,

A handwritten signature in black ink that reads "Dominick DiRocco".

Dominick DiRocco

DD:slp
Enclosures

cc: Service List

**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY
FOR APPROVAL OF A RATE ADJUSTMENT PURSUANT TO THE
INFRASTRUCTURE INVESTMENT PROGRAM (“IIP”)
BPU DOCKET NO. GR24040281**

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1. By the IIP Order, the Board authorized the Company to implement the IIP for five (5) years commencing July 1, 2019 and continuing until June 30, 2024. The Board further permitted the Company to invest up to \$300 million, excluding Accumulated Funds Used During Construction (“AFUDC”), over the five (5) years to replace up to 250 miles of cast iron and bare steel mains and related services, as well as the installation of excess flow valves and new service lines. The Board also approved an associated cost recovery mechanism effectuated by annual rate adjustment filings (“Annual Filings”) made in April of each year with “9&3 Schedules” through June 30 reporting nine (9) months of actual data and three (3) months of projected data; and with “12&0” updates filed by July 15th of each year including twelve (12) months of actual data.

2. In the Company’s most recent rate case effective on September 1, 2022, the first and second years’ IIP, per actual amounts through June 30, 2021, were rolled into base rates at which time the IIP Rider F was set to zero.² The Company’s third Annual Filing for the period July 1, 2021 through June 30, 2022 was made effective on October 1, 2022, inclusive of an update of the Margin Revenue Factor (“MRF”).³ The Company’s fourth Annual Filing for the period July 1, 2022 through June 30, 2023 was made effective on October 1, 2023, inclusive of an update of the MRF.⁴

3. The Company filed the Petition seeking approval of a rate adjustment to provide for the cost recovery associated with IIP projects placed in-service from July 1, 2023 through June 30, 2024, as well as certain IIP non-construction expenditures, such as planning and engineering of IIP projects. By the Petition, the Company provided actual IIP investment data for the period

² In re the Petition of Elizabethtown Gas Company for Approval of Increased Base Tariff Rates and Charges for Gas Service, Changes to Depreciation Rates, and Other Tariff Revisions, BPU Docket No. GR21121254, Order dated August 17, 2022.

³ In re the Petition of Elizabethtown Gas Company for Approval of a Rate Adjustment Pursuant to the Infrastructure Investment Program (IIP), BPU Docket No. GR22040316, Order dated September 28, 2022.

⁴ In re the Petition of Elizabethtown Gas Company for Approval of a Rate Adjustment Pursuant to the Infrastructure Investment Program (IIP), BPU Docket No. GR23040270, Order dated September 27, 2023.

July 1, 2023 through March 31, 2024 and forecasted data for the period April 1, 2024 through June 30, 2024.

4. By the Petition, the Company sought the authority to recover an IIP revenue requirement of approximately \$6.3 million, excluding sales and use tax, associated with actual and projected IIP investments of approximately \$57.6 million of plant in service, excluding AFUDC and the cost of the IIP Independent Monitor. The impact of the rates proposed in the Petition for a residential customer using 100 therms, inclusive of sales and use tax, amounted to a monthly bill increase of \$1.76, or 1.3%, as compared to rates in effect on April 1, 2024. The IIP investments, revenue requirement, and rate adjustment were supported by the direct testimony of Thomas Kaufmann, Manager, Rates and Tariffs and Michael Scacifero, Senior Director, Engineering Services.

5. The Company filed the July 2024 Update with a full year of actual IIP investment data through June 30, 2024 that supported a revenue requirement of approximately \$6.2 million, excluding sales and use tax, associated with approximately \$57.6 million of plant in service, excluding AFUDC and the cost of the IIP Independent Monitor. As a result of the July 2024 Update, the impact of the proposed rider rate for a residential customer using 100 therms, inclusive of sales and use tax, amounted to a monthly bill increase of \$1.74 from \$138.93 to \$140.67, or 1.3%, based upon rates in effect on July 1, 2024. In addition, the Company proposed to update its tariff to modify the MRF for purposes of calculating the weather-related portion of its Conservation Incentive Program to reflect the proposed increased rates.

6. Notices setting forth the requested rate change and the date of the public hearings were placed in newspapers having circulation within ETG's service territory and served upon the appropriate county officials and clerks of all municipalities within the Company's service territory.

The public hearings were held virtually on August 27, 2024, at 4:30 p.m. and 5:30 p.m. No members of the public attended the public hearings or submitted written comments to the Board.

II. STIPULATED MATTERS

7. ETG, Board Staff, and the New Jersey Division of Rate Counsel (“Rate Counsel”) are the only parties to this proceeding (collectively, “Parties”). The Parties acknowledge that the Company’s tariff will be updated to reflect the proposed IIP and MRF rates as shown in Appendix A attached hereto. The stipulated IIP and MRF rates are calculated in Appendix B attached hereto. The tariff rates will become effective upon Board approval and shall be provisional, subject to refund, as set forth in the IIP Order.⁵ The prudence of the IIP projects placed in service during the period July 1, 2023 through June 30, 2024 will be reviewed by the Board and Rate Counsel in a future ETG base rate proceeding.

Effective Rates

8. Upon Board approval, the Company will implement its IIP and MRF rates as shown in Appendix A to this Stipulation and these rates shall remain in effect until changed by Order of the Board. The impact of the proposed rider rates for a residential customer using 100 therms, inclusive of sales and use tax, results in a monthly bill increase of \$1.74 from \$138.93 to \$140.67, or 1.3%, based upon rates in effect on July 1, 2024.

Future Filings

9. The Company’s future Annual Filings for cost recovery shall continue to comply with the IIP Order.

10. The Parties agree to use a rate base earnings test as approved by the Board’s Order dated August 17, 2022 in the Company’s most recent base rate case in BPU Docket No. GR21121254.

⁵ IIP Order at 9.

All Issues Resolved

11. If the Board approves this Stipulation in its entirety, all issues concerning the IIP, and the costs recovered through this clause, are deemed resolved for purposes of this proceeding but remain subject to audit by the Board.

Entirety of Stipulation

12. This Stipulation represents a mutual balancing of interests and, therefore, is intended to be accepted and approved in its entirety. If the Board does not adopt this Stipulation in its entirety by Order, any Party hereto is free to pursue its then-available legal remedies with respect to all issues in this Stipulation as though this Stipulation had not been signed.

Binding Effect

13. It is the intent of the Parties that the provisions hereof be approved by the Board as appropriate because they are in the public interest. The Parties further agree that they consider this Stipulation to be binding on them for all purposes herein.


General Reservation

14. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, the Parties shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein. This Stipulation shall not be cited as precedent except for the purpose of enforcing its terms. All rates remain subject to audit by the Board.


WHEREFORE, the Parties hereto do respectfully submit this Stipulation and request that the Board issue a Decision and Order approving it in its entirety, in accordance with the terms hereof.

ELIZABETHTOWN GAS COMPANY

**BRIAN O. LIPMAN,
DIRECTOR,
DIVISION OF RATE COUNSEL**


By: 

Dominick DiRocco, Esq.
Vice President, Rates & Regulatory Affairs

By: 

Andrew H. Gold, Esq.
Assistant Deputy Rate Counsel

**MATTHEW J. PLATKIN
ATTORNEY GENERAL OF THE STATE OF NEW JERSEY
Attorney for the Staff of the New Jersey Board of Public Utilities**

By: 

Steven Chaplar, Esq.
Deputy Attorney General

Dated: August 30, 2024

BPU Docket No. GR24040281

RIDER "B"

WEATHER NORMALIZATION CLAUSE ("WNC") (continued)

METHOD OF DETERMINING WEATHER NORMALIZATION CHARGE: (continued)

I. Definition of Terms as Used Herein (continued)

6. Degree Day Consumption Factor ("DDCF") - the variable component (use per degree day) of the gas sendout for each month of the winter period normalized for weather and adjusted for lost and unaccounted for gas. The DDCF shall be updated annually in the Company's WNC reconciliation filing annualizing to reflect the change in number of customers that has occurred since the base rate proceeding that established the initial degree day consumption factor in base rate cases. The base number of customers used to establish the normalized use in therms per Customer and the calculated DDCF for purposes of calculating the weather-related portion of the CIP are as follows:

<u>Month</u>	<u>Base Number of Customers</u>	<u>Therms per Degree Day</u>
October	293,159	51,818
November	293,834	62,593
December	294,633	69,064
January	295,059	68,081
February	295,322	67,808
March	295,477	63,693
April	295,126	52,489
May	294,483	54,279

7. Margin Revenue Factor - the weighted average of the Distribution Charges as quoted in the individual service classes to which this clause applies net of applicable taxes and other similar charges and any other revenue charge not retained by the Company that these rates may contain in the future. The weighted average shall be determined by multiplying the margin revenue component of the Distribution Charges from each service class to which this clause applies by each class's percentage of total consumption of all the classes to which this clause applies for the winter period and summing this result for all the classes to which this clause applies. The Margin Revenue Factor shall be redetermined each time base rates or IIP rates are adjusted. The current Margin Revenue Factor is \$0.5068 per therm pre taxes for purposes of calculating the weather-related portion of the CIP.

Date of Issue: XXX1

Effective: Service Rendered
on and after XXX2

Issued by: Christie McMullen, President
520 Green Lane
Union, New Jersey 07083

Filed Pursuant to Order of the Board of Public Utilities
Dated XXX3 in Docket No. XXX4

RIDER "F"

INFRASTRUCTURE INVESTMENT PROGRAM ("IIP")

Applicable to all RDS, SGS, GDS, NGV, LVD, EGF and GLS classes and Firm Special Contract customers receiving service through the Company's distribution system. The IIP rate shall be collected on a per therm basis and shall remain in effect until changed by order of the NJBPU.

		Per Therm
RDS	Residential	\$0.0525
SGS	Small General Service	\$0.0562
GDS	General Delivery Service	\$0.0412
GDS	Seasonal SP#1 May-Oct	\$0.0047
NGV	Natural Gas Vehicles	\$0.0964
LVD	Large Volume Demand	\$0.0148
EGF	Electric Generation	\$0.0412
GLS	Gas Lights	\$0.0496
	Firm Special Contracts	\$0.0023

The charges applicable under this Rider include provision for the New Jersey Sales and Use Tax, and when billed to customers exempt from this tax shall be reduced by the amount of such tax included therein.

The IIP is a five-year program to modernize and enhance the reliability and safety of the Company's gas distribution system by replacing its vintage, at-risk facilities which include aging cast iron mains, unprotected and bare steel mains and services, ductile iron and vintage plastic mains and vintage plastic and copper services. As part of the IIP, Elizabethtown is upgrading its legacy low pressure system to an elevated pressure system, and installing excess flow valves and retiring district regulators that are presently required to operate the existing low pressure system. The costs recovered through the IIP Rider rate include the Company's after-tax weighted average cost of capital as adjusted upward for the revenue expansion factor, depreciation expense and applicable taxes.

Cost recovery under the IIP is contingent on an earnings test. If the product of the earnings test calculation exceeds the Company's most recently approved ROE by fifty (50) basis points or more, cost recovery under the IIP shall not be allowed. Any disallowance resulting from the earnings test will not be charged to customers in a subsequent IIP filing period, but the Company may seek such recovery in a subsequent base rate case.

Date of Issue: XXX1

Effective: Service Rendered
on and after XXX2

Issued by: Christie McMullen, President
520 Green Lane
Union, New Jersey 07083

Filed Pursuant to Order of the Board of Public Utilities
Dated XXX3 in Docket No. XXX4

REDLINE

RIDER "B"

WEATHER NORMALIZATION CLAUSE ("WNC") (continued)METHOD OF DETERMINING WEATHER NORMALIZATION CHARGE: (continued)I. Definition of Terms as Used Herein (continued)

6. Degree Day Consumption Factor ("DDCF") - the variable component (use per degree day) of the gas sendout for each month of the winter period normalized for weather and adjusted for lost and unaccounted for gas. The DDCF shall be updated annually in the Company's WNC reconciliation filing annualizing to reflect the change in number of customers that has occurred since the base rate proceeding that established the initial degree day consumption factor in base rate cases. The base number of customers used to establish the normalized use in therms per Customer and the calculated DDCF for purposes of calculating the weather-related portion of the CIP are as follows:

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Date of Issue: ~~September 29, 2023~~ XXX1Effective: Service Rendered
on and after ~~October 1,~~
~~2023~~ XXX2Issued by: Christie McMullen, President
520 Green Lane
Union, New Jersey 07083

Filed Pursuant to Order of the Board of Public Utilities

Dated ~~September 27, 2023~~ XXX3 in Docket No. ~~GR23040270~~ XXX4

RIDER "F"

INFRASTRUCTURE INVESTMENT PROGRAM ("IIP")

Applicable to all RDS, SGS, GDS, NGV, LVD, EGF and GLS classes and Firm Special Contract customers receiving service through the Company's distribution system. The IIP rate shall be collected on a per therm basis and shall remain in effect until changed by order of the NJBPU.

	Per Therm
	<u>\$0.0525</u>
RDS Residential	<u>\$0.0351</u>
	<u>\$0.0562</u>
SGS Small General Service	<u>\$0.0375</u>
	<u>\$0.0412</u>
GDS General Delivery Service	<u>\$0.0275</u>
	<u>\$0.0047</u>
GDS Seasonal SP#1 May-Oct	<u>\$0.0031</u>
	<u>\$0.0964</u>
NGV Natural Gas Vehicles	<u>\$0.0644</u>
	<u>\$0.0148</u>
LVD Large Volume Demand	<u>\$0.0099</u>
	<u>\$0.0412</u>
EGF Electric Generation	<u>\$0.0275</u>
	<u>\$0.0496</u>
GLS Gas Lights	<u>\$0.0333</u>
	<u>\$0.0023</u>
Firm Special Contracts	<u>\$0.0016</u>

The charges applicable under this Rider include provision for the New Jersey Sales and Use Tax, and when billed to customers exempt from this tax shall be reduced by the amount of such tax included therein.

The IIP is a five-year program to modernize and enhance the reliability and safety of the Company's gas distribution system by replacing its vintage, at-risk facilities which include aging cast iron mains, unprotected and bare steel mains and services, ductile iron and vintage plastic mains and vintage plastic and copper services. As part of the IIP, Elizabethtown is upgrading its legacy low pressure system to an elevated pressure system, and installing excess flow valves and retiring district regulators that are presently required to operate the existing low pressure system. The costs recovered through the IIP Rider rate include the Company's after-tax weighted average cost of capital as adjusted upward for the revenue expansion factor, depreciation expense and applicable taxes.

Cost recovery under the IIP is contingent on an earnings test. If the product of the earnings test calculation exceeds the Company's most recently approved ROE by fifty (50) basis points or more, cost recovery under the IIP shall not be allowed. Any disallowance resulting from the earnings test will not be charged to customers in a subsequent IIP filing period, but the Company may seek such recovery in a subsequent base rate case.

Date of Issue: ~~September 29, 2023~~XXX1Effective: Service Rendered
on and after ~~October 1, 2023~~XXX2

Issued by: Christie McMullen, President

520 Green Lane
Union, New Jersey 07083

Filed Pursuant to Order of the Board of Public Utilities

Dated ~~September 27, 2023~~XXX3 in Docket No. ~~GR23040270~~XXX4

ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program ("IIP")
Weather Normalization Clause ("WNC") Margin Revenue Factor ("MRF")
For Conservation Incentive Program (CIP) to Determine Weather and Non-Weather Amounts

Classes	Distribution Charge, including taxes (\$/ therm) a	less SUT tax 6.625% b	Margin Revenue, Distribution Charge excluding taxes, (\$/ therm) c = a - b	Class Sales for period October through May (therms) * d	Ratio of Class Sales to Total Sales for Period e= d / sum of d	Weighted Margin Revenue in Distribution Rate (\$/ therm) f = c * e
Base Rates						
RDS	\$0.5797	\$0.0360	\$0.5437	230,385,391	65.807%	\$0.3578
SGS	\$0.4522	\$0.0281	\$0.4241	22,131,332	6.321%	\$0.0268
GDS	\$0.2895	\$0.0180	\$0.2715	97,580,084	27.872%	\$0.0757
				350,096,807	100.00%	\$0.4603
IIP Rates						
RDS	\$0.0525	\$0.0033	\$0.0492	230,385,391	65.807%	\$0.0324
SGS	\$0.0562	\$0.0035	\$0.0527	22,131,332	6.321%	\$0.0033
GDS	\$0.0412	\$0.0026	\$0.0386	97,580,084	27.872%	\$0.0108
				350,096,807	100.000%	\$0.0465
					Total WNC- MRF	\$0.5068

* Therms per the Company's most recent approved Rate Case.

ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program (“IIP”)
Proposed Rates - Oct 1, 2024

Summary of Years 3, 4 & 5 (Years 1&2 Rolled Into 2021 Rate Case Base Rates)

	Year 3 & 4							Years	Year 5
	Current	2021 Rate Case	Revenue	Revenue	2021 Rate Case	Pre Tax	Sales Tax	3- 5	Rate
	Rates	% of Base	Requirement	per Proof	Distribution	Rates	6.625%	Rates	Changes
	w/ Tax	Revenues			Therms	per Proof		w/ Tax	w/ Tax
Residential	\$0.0351	66.325001%	\$12,420,481	\$12,420,205	252,443,185	\$0.0492	\$0.0033	\$0.0525	\$0.0174
Small General Service	\$0.0375	6.693284%	\$1,253,431	\$1,253,208	23,780,038	\$0.0527	\$0.0035	\$0.0562	\$0.0187
General Delivery Service	\$0.0275	22.952551%	\$4,298,254	\$4,298,361	111,356,509	\$0.0386	\$0.0026	\$0.0412	\$0.0137
GDS SP#1 May -Oct	\$0.0031	0.000769%	\$144	\$144	32,668	\$0.0044	\$0.0003	\$0.0047	\$0.0016
Natural Gas Vehicles	\$0.0644	0.022968%	\$4,301	\$4,299	47,552	\$0.0904	\$0.0060	\$0.0964	\$0.0320
Large Volume Demand	\$0.0099	3.846146%	\$720,256	\$718,304	51,676,578	\$0.0139	\$0.0009	\$0.0148	\$0.0049
Electric Generation	\$0.0275	0.000000%	\$0	\$0	-	\$0.0386	\$0.0026	\$0.0412	\$0.0137
Gas Lights	\$0.0333	0.000660%	\$124	\$124	2,664	\$0.0465	\$0.0031	\$0.0496	\$0.0163
Firm Spec. Contracts	\$0.0016	0.158620%	<u>\$29,704</u>	<u>\$29,948</u>	13,612,932	\$0.0022	\$0.0001	\$0.0023	\$0.0007
			\$18,726,695	\$18,724,593					

Appendix B

**ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program ("IIP")**

**Proof of Revenue
Summary of Years 3, 4 & 5 (Years 1&2 Rolled Into 2021 Rate Case Base Rates)
\$18,726,695**

	Determinants 2021 Rate Case		Approved Rider F Rates Pre Tax		Proposed Rider F Rates Pre Tax	
	Amount	Units	Rates	Revenue	Rates	Revenue Proof
<small>IIP Dkt. No. GR22040316, Eff. 10-01-22</small>						
<hr/>						
<u>Residential Service</u>	285,133	Customers	RDS		RDS	
Customer Charge	3,421,596	Bills	\$0.00	\$0	\$0.00	\$0
Rider F Charge	252,443,185	Therms	\$0.0181	<u>\$4,569,222</u>	\$0.0492	<u>\$12,420,205</u>
Total Base Rate Revenues				<u>\$4,569,222</u>		<u>\$12,420,205</u>
<hr/>						
SGS						
<u>Small General Service</u>	17,312	Customers	SGS		SGS	
Customer Charge	207,744	Bills	\$0.00	\$0	\$0.00	\$0
Rider F Charge	23,780,038	Therms	\$0.0200	<u>\$475,601</u>	\$0.0527	<u>\$1,253,208</u>
Total Base Rate Revenues				<u>\$475,601</u>		<u>\$1,253,208</u>
<hr/>						
GDS						
<u>General Delivery Service</u>	6,585	Customers	GDS		GDS	
Customer Charge	79,020	Bills	\$0.00	\$0	\$0.00	\$0
Demand Charge	22,336,313	Therms	\$0.000	\$0	\$0.000	\$0
Rider F Charge	111,356,509	Therms	\$0.0119	\$1,325,142	\$0.0386	\$4,298,361
SP#1 DG/AC (SP#1 Nov- Apr)	inc above					
SP#1 DG/AC (SP#1 May - Oct)	32,668	Therms	\$0.0065	\$212	\$0.0044	\$144
Economic Development Discont (SP#2)	inc above					
Total Base Rate Revenues	111,389,177	Total Rider F Therms		<u>\$1,325,142</u>		<u>\$4,298,505</u>
<hr/>						
EGF						
<u>Electric Generation Firm Service</u>	0	Customers	EGF		EGF	
<i>If Zero Therms, Set Rider F Equal to GDS</i>						
Customer Charge	0	Bills	\$0.00	\$0	\$0.00	\$0
Demand Charge	0	Therms	\$0.000	\$0	\$0.000	\$0
Rider F Charge	0	Therms	\$0.0038	<u>\$0</u>	\$0.0386	<u>\$0</u>
Total Base Rate Revenues				<u>\$0</u>		<u>\$0</u>
<hr/>						
LVD						
<u>Large Volume Demand</u>	50	Customers	LVD		LVD	
Customer Charge	600	Bills	\$0.00	\$0	\$0.00	\$0
Demand Charge	4,507,025	Therms	\$0.000	\$0	\$0.000	\$0
Rider F Charge	51,676,578	Therms	\$0.0057	<u>\$294,556</u>	\$0.0139	<u>\$718,304</u>
Total Base Rate Revenues				<u>\$294,556</u>		<u>\$718,304</u>
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ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program ("IIP")

Proof of Revenue
Summary of Years 3, 4 & 5 (Years 1&2 Rolled Into 2021 Rate Case Base Rates)
\$18,726,695

	Determinants 2021 Rate Case		Approved Rider F Rates Pre Tax		Proposed Rider F Rates Pre Tax	
	Amount	Units	Rates	Revenue	Rates	Revenue Proof
IIP Dkt. No. GR22040316, Eff. 10-01-22						
			NGV		NGV	
<u>Natural Gas Vehicles</u>		1 Customers 12 Bills	<i>re-set allocation, to be only on the Dist.Chg</i>			
Rider F Charge	47,552	Therms	\$0.0324	\$1,541	\$0.0904	\$4,299
Fueling Charge	47,552	Therms	\$0.0000	\$0	\$0.0000	\$0
Facilities Charge	47,552	Therms	\$0.0000	\$0	\$0.0000	\$0
Total Base Rate Revenues			\$0.0324	\$1,541	\$0.0904	\$4,299
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			GLS		GLS	
<u>Gas Lights Service</u>		7 Customers 84 Bills				
Service Charge			\$0.27		\$0.68	
Rider F Charge	2,664	Therms	\$0.0168	\$45	\$0.0465	\$124
Total Base Rate Revenues				\$45		\$124
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Total Firm Rate Class	439,339,194	Therms		\$6,666,107		\$18,694,645
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			CSI		CSI	
<u>Closed Tariff 2 Kean Meters Left Interruptible Cogeneration Sales Service</u>						
Service Charge		12 Bills	\$0.00	\$0	\$0.00	\$0
Distribution Charge, retain 20%		70 Therms	\$0.0000		\$0.0000	
Total Base Rate Revenues				\$0		\$0
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			IS		IS	
<u>Interruptible Sales Service</u>						
Service Charge		12 Bills	\$0.00	\$0	\$0.00	\$0
Demand Charge	9,444	Therms	\$0.0000	\$0	\$0.0000	\$0
Distribution Charge, retain 20%	21,741	Therms	\$0.0000		\$0.0000	
Total Base Rate Revenues				\$0		\$0

Appendix B

**ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program ("IIP")**

**Proof of Revenue
Summary of Years 3, 4 & 5 (Years 1&2 Rolled Into 2021 Rate Case Base Rates)
\$18,726,695**

Determinants	2021 Rate Case		Approved Rider F Rates Pre Tax		Proposed Rider F Rates Pre Tax	
	<u>Amount</u>	<u>Units</u>	<u>Rates</u>	<u>Revenue</u>	<u>Rates</u>	<u>Revenue Proof</u>
<small>IIP Dkt. No. GR22040316, Eff. 10-01-22</small>						
			<u>ITS-IS</u>		<u>ITS-IS</u>	
<u>Interruptible Transportation Service</u>	10 Customers					
Service Charge	120	Bills	\$0.00	\$0	\$0.00	\$0
Demand Chg., retain 1st \$0.08/ 20% thereafter	289,000	Therms	\$0.000	\$0 *	\$0.000	\$0
Distribution Charge, retain 20%	2,050,698	Therms	\$0.0000		\$0.0000	
Total Base Rate Revenues			\$0		\$0	
<small>*Amount is the 1st \$0.08 per therm</small>						
			<u>ITS-CSI</u>		<u>ITS-CSI</u>	
<u>Interruptible Cogeneration</u>	No Customers					
<u>Transportation Service</u>	0 Customers					
Service Charge	0	Bills	\$0.00	\$0	\$0.00	\$0
Demand Charge, retain 20%	0	Therms	\$0.000		\$0.000	
Distribution Charge, retain 20%	0	Therms	\$0.0000		\$0.0000	
Total Base Rate Revenues			\$0		\$0	
			<u>ITS-LVD</u>		<u>ITS-LVD</u>	
<u>Interruptible LVD Sales Service</u>	35 Customers					
Service Charge	420	Bills	\$0.00	\$0	\$0.00	\$0
Demand Charge	4,277,425	Therms	\$0.000	\$0	\$0.000	\$0
Distribution Charge	35,980,038	Therms	\$0.0000	\$0	\$0.0000	\$0
Total Base Rate Revenues			\$0		\$0	
	<i>FYI w/ Flex Therms</i>	36,417,630				
Total Interruptible Rate Class Revenues			\$0		\$0	
TOTAL SYSTEM BASE DISTRIBUTION REVENUES			\$6,666,107		\$18,694,645	
Other Revenues						
Special Contracts Firm			\$12,252		\$29,948	
Special Contracts Interruptible and ITS-LVD Flex			\$0		\$0	
Other Revenues			\$0		\$0	
Total Other Revenues			\$12,252		\$29,948	
			Yrs 3 & 4 Previously			Yrs 3, 4 & 5
			Approved *	Change	Total	
IIP REVENUES, per Approved and Proposed Rates			\$12,519,497	\$6,205,096	\$18,724,593	
Total Target Change (TK-3)			\$12,508,737	\$6,217,958	\$18,726,695	
Difference			\$10,760	(\$12,862)	(\$2,102)	

* Docket. No. GR22040316, Dated 9-28-22 Effective on: 10-1-22.