



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF)
ELIZABETHTOWN GAS COMPANY TO REVISE) ORDER APPROVING STIPULATION
ITS ENERGY EFFICIENCY PROGRAM RIDER)
RATE) DOCKET NO. GR20070503

Parties of Record:

Deborah M. Franco, Esq., Elizabethtown Gas Company
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On July 31, 2020, Elizabethtown Gas Company ("Elizabethtown" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU") requesting authorization to modify its Energy Efficiency Program ("EEP") Rider Rate ("EEP Rate") ("July 2020 Petition"). By this Order, the Board considers a stipulation of settlement ("Stipulation") executed by Elizabethtown, Board Staff ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") intended to resolve the Company's request to revise its EEP Rate.

BACKGROUND/PROCEDURAL HISTORY

By Order dated August 3, 2009, the Board approved a stipulation authorizing Elizabethtown to administer six (6) energy efficiency programs ("EEPs") for a 17-month period ending on December 31, 2010.¹ Elizabethtown was authorized to offer the following EEPs: 1) Whole House Energy Efficiency Program; 2) Residential Expanded Gas Heating Ventilation and Air Conditioning ("HVAC") and Gas Hot Water Heater Incentive Program; 3) Small Commercial Customer Energy Efficiency Program; 4) Large Commercial Customer Energy Efficiency Program; 5) Combined Heat and Power Program; and 6) Gas Cooling Program (collectively, "Original EEPs"). The total projected expenditures, including operating and maintenance ("O&M") expenses, was \$14,673,100. The August 2009 Order also authorized the Company to implement a Regional Greenhouse Gas Initiative ("RGGI") Rider Rate to recover the costs associated with the Original EEPs. Pursuant to the August 2009 Order, the Company was required to submit an annual

¹ In re Energy Efficiency Programs and Associated Cost Recovery Mechanisms AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Approval of Energy Efficiency Programs and a Regional Greenhouse Gas Initiative Cost Recovery Rider, BPU Docket Nos. EO09010056 and GO09010060, Order dated August 3, 2009 ("August 2009 Order").

petition to adjust its RGGI Rider Rate on a calendar basis. The annual filings were to include certain information, including investment levels, operating costs, and employment. Pursuant to the August 2009 Order, the initial RGGI Rider Rate was established as \$0.0082 per therm.²

On July 1, 2010, Elizabethtown filed a petition, Docket No. GO10070446, to reconcile the program costs and recoveries associated with its Original EEPs ("2010 RGGI Rider Rate Petition"). On October 4, 2010, the Company filed a petition, Docket No. GO10100735, requesting approval to extend the term of the Company's Original EEPs for an additional three (3) year period. By Order dated January 19, 2011, the Board approved a stipulation authorizing Elizabethtown to extend its Original EEPs for a one (1) year period ending on December 31, 2011.³ The January 2011 Order also approved a provisional RGGI Rider Rate of \$0.0000, but left open the 2010 RGGI Rider Rate Petition docket to allow for further review of the Company's Original EEPs and finalization of the provisional RGGI Rider Rate.

On June 30, 2011, Elizabethtown filed a petition, Docket No. GR11070398, to reconcile the program costs and recoveries associated with its Original EEPs ("2011 RGGI Rider Rate Petition"). The 2011 RGGI Rider Rate Petition requested to decrease the RGGI Rider Rate from \$0.0000 to a credit of \$0.0015 per therm. The 2011 RGGI Rider Rate Petition also requested approval to implement a name change from the RGGI Rider Rate to the EEP Rate.

By Order dated November 30, 2011, the Board authorized Elizabethtown to continue the Company's Original EEPs through April 29, 2012.⁴ The November 2011 Order also approved the continuation of a RGGI Rider Rate of \$0.0000 per therm until changed by order of the Board. By Order dated April 11, 2012, the Board authorized the Company to continue certain EEPs until April 19, 2013.⁵

On August 1, 2012, Elizabethtown filed a petition, Docket No. GR12080729, to reconcile the program costs and recoveries associated with its EEPs through June 30, 2012 ("2012 EEP Rate Petition"). The 2012 EEP Rate Petition sought approval of an EEP Rate of \$0.0046 per therm. By Order dated December 18, 2013, the Board authorized an EEP Rate of \$0.0042 per therm to resolve the 2010 RGGI Rider Rate Petition, the 2011 RGGI Rider Rate Petition and the 2012 EEP Rate Petition.⁶

² All rates quoted herein include Sales and Use Tax, and any applicable assessments.

³ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Regional Greenhouse Gas Initiative Rider Rate AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism and Deferral Accounting Treatment, BPU Docket Nos. GO10070446 and GO10100735, Order dated January 19, 2011 ("January 2011 Order").

⁴ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery, BPU Docket No. GO11070399, Order dated November 30, 2011 ("November 2011 Order").

⁵ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery, BPU Docket No. GO11070399, Order dated April 11, 2012 ("April 2012 Order").

⁶ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Regional Greenhouse Gas Initiative Rider Rate AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Regional Greenhouse Gas Initiative Rider Rate and Rename the Rate to the Energy Efficiency Program Rider Rate AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Energy Efficiency Program Rider Rate, BPU Docket Nos. GO10070446, GR11070398, and GR12080729, Order dated December 18, 2013.

By Order dated August 21, 2013, the Board authorized the Company to extend the term of the 2011 EEPs through September 1, 2015.⁷ By Order dated December 16, 2015, the Board authorized Elizabethtown to continue to offer its 2011 EEPs through December 31, 2016 within the remaining budget approved in the August 2013 Order.⁸

By Order dated August 19, 2015, the Board approved an EEP Rate of \$0.0054 per therm.⁹ By Order dated September 23, 2016, the Board approved an EEP credit rate of \$0.0007 per therm.¹⁰

By Order dated April 21, 2017, the Board authorized the Company to extend the term of existing program and several additional proposed programs through December 31, 2018.¹¹ The April 2017 Order authorized Elizabethtown to offer the following EEPs: 1) Residential Gas HVAC and Gas Hot Water Heater Incentive Program; 2) Residential Home Energy Assessment Program; 3) Residential Home Energy Report (Opower) Program; 4) Residential Home Weatherization for Income Qualified Customers Program; and 5) Commercial Steam Trap Survey and Repair Program.

By Order dated August 29, 2018, the Board approved an EEP rate of \$0.0020 per therm.¹² By Order dated February 27, 2019, the Board authorized the Company to extend its current EEPs through February 29, 2020.¹³

By Order dated April 18, 2019, the Board approved an EEP rate of \$0.0051 per therm.¹⁴

By Order dated February 19, 2020, the Board authorized the Company to extend its current EEPs through December 31, 2021, subject to implementation of a new EE Program with an earlier effective date.¹⁵

⁷ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket No. GO12100946, Order dated August 21, 2013.

⁸ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket Nos. GO12100946 and GO15050504, Order dated December 16, 2015.

⁹ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Energy Efficiency Program Rider Rate, BPU Docket No. GR14091073, Order dated August 19, 2015.

¹⁰ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Energy Efficiency Program Rider Rate, BPU Docket No. GR16020119, Order dated September 23, 2016.

¹¹ In re the Petition of Pivotal Utility Holdings, Inc. for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket Nos. GO15050504 and GR16070618, Order dated April 21, 2017 (“April 2017 Order”).

¹² In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise Its Energy Efficiency Rider Rate, BPU Docket No. GR17111146, Order dated August 29, 2018.

¹³ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket No. GO18070682, Order dated February 27, 2019.

¹⁴ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise Its Energy Efficiency Rider Rate, BPU Docket No. GR18080860, Order dated April 18, 2019.

¹⁵ In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket No. GO18070682, Order dated February 19, 2020.

By Order dated March 9, 2020, the Board approved an EEP rate of \$0.0073 per therm.¹⁶

By Order dated April 7, 2021, the Board authorized Elizabethtown to implement a new EE Program that will begin July 1, 2021.¹⁷ Accordingly, Elizabethtown's current EEPs will terminate June 30, 2021.

JULY 2020 PETITION

On July 31, 2020, Elizabethtown filed the July 2020 Petition with the Board requesting authorization to modify its EEP Rate.

The July 2020 Petition sought to reconcile EEP costs and cost recoveries for the period commencing July 1, 2019 through June 30, 2020, and to recover forecasted revenues for July 1, 2020 through June 30, 2021, and included 12 months of actual data. Elizabethtown sought an annual revenue requirement of \$2,967,091, resulting in a decrease in its current per therm EEP Rate from \$0.0073 to \$0.0067.

Through the course of the proceeding, Elizabethtown made several updates to its schedules and associated revenue requirements to reflect actual data through January 31, 2021, and an update to the carrying cost rate for over / under recoveries. As a result of the updates, the Company's updated revenue requirement was reduced to \$2,727,321, which produced a proposed per therm EEP Rate of \$0.0062.

As the Company requested a rate decrease in the July 2020 Petition, public hearings were not required.

STIPULATION

The Parties engaged in discovery, and as a result, the Parties executed the Stipulation in this matter. The Stipulation provides as follows:¹⁸

- A. The Parties acknowledge that the EEP Rate change will become effective as of the effective date of a Board Order approving the Stipulation in accordance with N.J.S.A. 48:2-40, or upon such date thereafter as the Board may specify. ("Effective Date")
- B. As of the Effective Date, the Company will implement an EEP Rate of \$0.0062 per therm, inclusive of all applicable taxes, and that rate shall remain in effect until changed by Order of the Board. The calculation of this rate is set forth in Appendix A attached to the Stipulation.

¹⁶ In re the Petition of Elizabethtown Gas Company to Revise Its Energy Efficiency Program Rider Rate, BPU Docket No. GR19070872, Order dated March 9, 2020.

¹⁷ In re the Implementation of L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs AND In re the Petition of Elizabethtown Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to the Clean Energy Act and the Establishment of a Conservation Incentive Program, BPU Docket Nos. QO19010040 and GO20090619, Order dated April 7, 2021.

¹⁸ Although summarized in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusion in this Order. Paragraphs are numbered to coincide with the Stipulation.

- C. The Company shall accrue interest on under- and over-recovery balances at a rate equal to the weighted average of the Company's monthly commercial paper rate or interest rate on its bank credit lines. Until such time when Elizabethtown has a commercial paper program, the Company will adjust its short-term debt rate to reflect the commercial paper rate proxy reduction of 1.64%. In the event that commercial paper or bank credit lines were not utilized by the Company in the preceding month, the last calculated rate shall be used. The interest on monthly EEP Rate under and over recoveries shall be determined by applying the interest rate based upon the Company's weighted interest rate for the corresponding month obtained on its commercial paper and bank credit lines, but shall not exceed the Company's after tax weighted average cost of capital utilized to set rates in its most recent base rate case.
- D. The Company agrees that it will include with its EEP filings responses to the minimum filing requirements as set in Appendix B to the Stipulation.
- E. Upon approval by the Board of the EEP Rate reflected in the Stipulation, the Company will file with the Board a revised tariff sheet to reflect the EEP Rate of \$0.0062 per therm, inclusive of all applicable taxes, as agreed to in the Stipulation. A draft tariff sheet is attached to the Stipulation as Appendix C, which includes actual changes to the tariff.
- F. The rate impact of the EEP Rate change from \$0.0073 per therm to \$0.0062 per therm will decrease the monthly bill of a typical residential heating customer using 100 therms by \$0.11, from \$100.77 to \$100.66, or a decrease of 0.1%, as compared to the Company's May 1, 2021 rates.
- G. Upon the Board's approval of the Stipulation, all issues related to Elizabethtown's EEP recoverable costs for the period July 1, 2019 through June 30, 2020 are deemed resolved for purposes of this proceeding, but remain subject to audit by the Board.

DISCUSSION AND FINDING

The Board carefully reviewed the record in this proceeding, including the July 2020 Petition and the attached Stipulation. The Board is persuaded that the costs through January 2021 were reviewed and deemed to be reasonable and prudent. The Board **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the Stipulation as its own, as if fully set forth herein.

The Board **HEREBY APPROVES** a decrease in Elizabethtown's per therm EEP Rate to \$0.0062, effective for service rendered on or after July 1, 2021. As a result of the Stipulation, a typical residential heating customer using 100 therms per month would experience a decrease in their monthly bill of \$0.11, or approximately 0.1%.

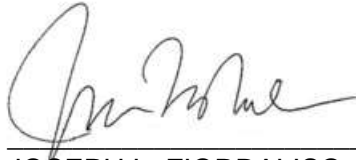
The Board **HEREBY ORDERS** the Company to file revised tariff sheets conforming to the terms of the Stipulation by July 1, 2021.

The Company's costs, including those related to its EEPs, will remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

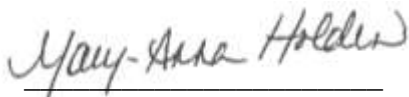
The effective date of this Order is June 16, 2021.

DATED: June 9, 2021

BOARD OF PUBLIC UTILITIES
BY:



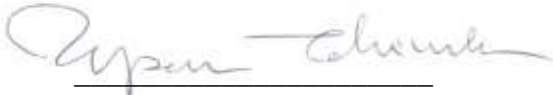
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PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH
SECRETARY

IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY TO REVISE ITS
ENERGY EFFICIENCY PROGRAM RIDER RATE
BPU DOCKET NO. GR20070503

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May 19, 2021

Aida Camacho-Welch
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NJ Board of Public Utilities
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**Re: In the Matter of the Petition of Elizabethtown Gas Company to Revise its Energy Efficiency Program Rider Rate
BPU Docket No. GR20070503**

Dear Secretary Camacho-Welch:

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 next agenda meeting.

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

Respectfully,

A handwritten signature in black ink that reads "Deborah M. Franco".

Deborah M. Franco

DMF:slp
Enclosures
cc: See attached Service List (with enclosures)

**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY
TO REVISE ITS ENERGY EFFICIENCY PROGRAM RIDER RATE
BPU DOCKET NO. GR20070503**

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**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY
TO REVISE ITS ENERGY EFFICIENCY PROGRAM RIDER RATE
BPU DOCKET NO. GR20070503**

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**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

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In the Matter of the Petition of :
Elizabethtown Gas Company to : **BPU Docket No. GR20070503**
Revise its Energy Efficiency Program :
Rider Rate : **FINAL STIPULATION**
-----X

APPEARANCES:

Deborah M. Franco, Esq., Vice President, Rates, Regulatory and Sustainability, SJI Utilities, Inc. on behalf of Elizabethtown Gas Company

Brian O. Lipman, Esq., Litigation Manager, **Felicia Thomas-Friel, Esq.**, Managing Attorney Gas, and **Kurt S. Lewandowski, Esq.**, Assistant Deputy Rate Counsel, Division of Rate Counsel (Stefanie A. Brand, Director, Division of Rate Counsel)

Terel Klein, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (Gurbir S. Grewal, Attorney General of New Jersey)

BACKGROUND

1. On July 31, 2020, Elizabethtown Gas Company (“Elizabethtown” or “Company”), filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) in BPU Docket No. GR20070503 to revise its Energy Efficiency Program (“EEP”) rider rate (“2020 EEP Petition”).

2. The 2020 EEP Petition proposed to decrease the Company’s EEP rate from \$0.0073 per therm to \$0.0067 per therm, inclusive of all applicable taxes.¹

3. The 2020 EEP Petition sought to reconcile EEP costs and cost recoveries for the period commencing July 1, 2019 through June 30, 2020 and to recover actual and forecast revenues for the period July 1, 2020 through June 30, 2021. The EEP rate enables Elizabethtown to recover the cost associated with Elizabethtown’s EEPs approved by the Board. The Company’s EEP consists of a range of rebates and related offers -- including, for example,

¹ The Company’s EEP rate of \$0.0073 per therm was approved by Board Order dated March 9, 2020, in BPU Docket No. GR19070872.

various customer education and outreach initiatives -- that are designed to encourage customers to conserve energy and to provide information on how to lower their gas bills. In accordance with a Board Order issued on February 19, 2020 in BPU Docket No. GO18070682, Elizabethtown is authorized to offer its current EEP through December 31, 2021, subject to an implementation of a new Elizabethtown Energy Efficiency (“EE”) Program with an earlier effective date. In accordance with a Board Order issued on April 7, 2021 in BPU Docket Nos. QO19010040 and GO20090619, the Board authorized Elizabethtown to implement a new EE Program that will begin on July 1, 2021. Accordingly, Elizabethtown’s current EEP will terminate on June 30, 2021.

4. In response to discovery request RCR-A-14, the amounts in the 2020 EEP Petition were updated with actual data through January 31, 2021, resulting in a decrease in the proposed revenue recovery from \$2,967,091 to \$2,727,321, which yields a lower EEP rate per therm than the originally proposed EEP rate. In response to discovery request RCR-A-15, the Company agreed to update the calculation to its short-term debt rate less 1.64% as a proxy commercial paper rate for the July 2020 through June 2021 period. These updates support a decrease in the EEP rate from the proposed rate of \$0.0067 per therm to \$0.0062 per therm, the calculation of which is shown on Appendix A.

5. As the Company requested a rate decrease in the 2020 EEP Petition, public hearings were not required.

6. Elizabethtown, Board Staff, and the New Jersey Division of Rate Counsel (“Rate Counsel”) (collectively, “Parties”) engaged in discovery and resolved all issues in this proceeding in accordance with the stipulation of settlement (“Stipulation”) set forth below.

STIPULATED MATTERS

Based upon and subject to the terms and conditions set forth herein, the Parties stipulate and agree as follows:

Effective Date

A. The Parties acknowledge that the EEP rate change will become effective as of the effective date of a Board Order approving this Stipulation in accordance with N.J.S.A. 48:2-40, or upon such date thereafter as the Board may specify. (“Effective Date”)

Effective Rate

B. As of the Effective Date, the Company will implement an EEP rate of \$0.0062 per therm, inclusive of all applicable taxes, and that rate shall remain in effect until changed by Order of the Board. The calculation of this rate is set forth in Appendix A which is attached to this Stipulation.

C. The Company shall accrue interest on under- and over-recovery balances at a rate equal to the weighted average of the Company’s monthly commercial paper rate or interest rate on its bank credit lines. Until such time when ETG has a commercial paper program, the Company will adjust its short-term debt rate to reflect the commercial paper rate proxy reduction of 1.64%. In the event that commercial paper or bank credit lines were not utilized by the Company in the preceding month, the last calculated rate shall be used. The interest on monthly EEP Rider rate under and over recoveries shall be determined by applying the interest rate based upon the Company’s weighted interest rate for the corresponding month obtained on its commercial paper and bank credit lines, but shall not exceed the Company’s after tax weighted average cost of capital utilized to set rates in its most recent base rate case.

D. The Company agrees that it will include with its EEP filings responses to the minimum filing requirements as set forth in Appendix B to this Stipulation.

E. Upon approval by the Board of the EEP rate reflected in this Stipulation, the Company will file with the Board a revised tariff sheet to reflect the EEP rate of \$0.0062 per therm, inclusive of all applicable taxes, as agreed to in this Stipulation. A draft tariff sheet is attached hereto as Appendix C, which includes actual changes to the tariff.

Rate Impact

F. The rate impact of the EEP rate change from \$0.0073 per therm to \$0.0062 per therm will decrease the monthly bill of a typical residential heating customer using 100 therms by \$0.11, from \$100.77 to \$100.66, or a decrease of 0.1%, as compared to the Company's May 1, 2021 rates.

All Issues Resolved

G. Upon the Board's approval of this Stipulation, all issues related to Elizabethtown's EEP recoverable costs for the period July 1, 2019 through June 30, 2020 are deemed resolved for purposes of this proceeding, but remain subject to audit by the Board.

Entirety of Stipulation

H. This Stipulation represents a mutual balancing of interests and, therefore, is intended to be accepted and approved in its entirety. In the event that the Board does not adopt this Stipulation in its entirety in an Order, then 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

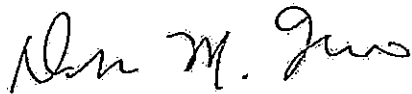
I. It is the intent of the Parties that the provisions hereof be approved by the Board, as appropriate, as being in the public interest. The Parties further agree that they consider the Stipulation to be binding on them for all purposes herein.

General Reservation

J. 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, Elizabethtown, Board Staff, or Rate Counsel 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. All rates remain subject to audit by the Board.


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

ELIZABETHTOWN GAS COMPANY

By: 

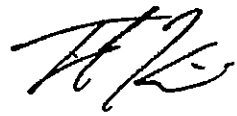
Deborah M. Franco
Vice President, Rates, Regulatory
and Sustainability

STEFANIE A. BRAND
DIRECTOR, DIVISION OF
RATE COUNSEL

By: 

Kurt S. Lewandowski, Esq.
Assistant Deputy Rate Counsel

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the New Jersey Board of Public Utilities

By: 

Terel Klein
Deputy Attorney General

Dated: May 19, 2021

ELIZABETHTOWN GAS COMPANY
ENERGY EFFICIENCY PROGRAM ("EEP")

CALCULATION OF THE EEP RATE
through September 30, 2021
October 1, 2020 RECOVERY YEAR - 2021
Based on actuals through January 2021

1	Prior Year Balance - (Sch. TK-2)	June 30, 2019		\$1,401,507
	<u>Actual Amounts Through:</u>	June 30, 2020		
2	Current Year O&M Costs (Sch. TK-2)			\$199,035
3	Current Year Revenue Requirements (Sch. TK-2)			\$1,410,730
4	Current Year Recovery Credits (Sch. TK-2)			(\$2,271,650)
5	Current Year Carrying Costs (Sch. TK-2)			<u>\$16,897</u>
6	Current Year TK-2 Ending Balance (Sum L1-L5)			\$756,519
7	<u>Projected Recoverables :</u>	June 30, 2021		
	- Revenue Requirements (Sch. TK-3)		\$1,512,738	
	- O&M Costs (Sch. TK-4)		<u>\$458,064</u>	<u>\$1,970,802</u>
8	Total Proposed Recoveries (L6+L7)			\$2,727,321
9	<u>12 Month Projected Normalized Sales and Services:</u>			
	- Residential and GLS		231,643,700	
	- Commercial		146,789,724	
	- Industrial		93,919,157	
	- NGV		161,250	
	- Cogeneration		0	472,513,831 therms
10	EEP Rate, before taxes (L8/L9)			\$0.0058 /therm
11	Sales & Use Tax @	6.625%		<u>\$0.0004</u>
12	EEP Rate (L10+L11)			<u><u>\$0.0062</u></u> /therm

**ELIZABETHTOWN GAS COMPANY
ENERGY EFFICIENCY PROGRAM (EEP) RATE FILING
MINIMUM FILING REQUIREMENTS (MFR) INDEX**

Minimum Filing Requirements	Schedule
1. Direct FTE employment impacts as defined in Paragraph 28 of the Stipulation, including a breakdown by sub-program	BJB-5
2. A monthly revenue requirement calculation based on program expenditures, showing the actual monthly revenue requirement for each of the past twelve months or clause-review period, as well as supporting calculations, including the information related to the tax rate and revenue multiplier used in the revenue requirement calculation	TK-3
3. For the review period, actual revenues, by month and by rate class recorded under the programs	TK-5
4. Monthly beginning and ending clause balances, as well as the average balance net of tax for the 12-month period	TK-2
5. The interest rate used each month for over/under recoveries, and all supporting documentation and calculations for the interest rate	TK-6
6. The interest expense to be charged or credited to ratepayers each month	TK-2, TK-6
7. A schedule showing budgeted versus actual program costs by the following categories: administrative (all utility costs), marketing/sales, training, rebates/incentives, including inspections and quality control, program implementation (all contract costs), evaluation, and any other costs	FV-1
8. The monthly journal entries relating to regulatory asset and O&M expenses for the 12 month review period	FV-1 (is a summary of the expenses as recorded in the Company's books; copies of the actual journal entries can be made available)
9. Supporting details for all administrative costs included in the revenue requirement	FV-1
10. Information supporting the carrying cost used for the unamortized costs	TK-6
11. Number of program participants, including a breakdown by sub-program	BJB-1
12. Estimated demand and energy savings, including a breakdown by sub-program	BJB-3
13. Emissions reductions from the Program, including a breakdown by sub-program	BJB-4
14. Estimated free ridership and spillover	Exhibit P-3 - Baatz testimony, page 21
15. Participant costs (net of utility incentives), including a breakdown by sub-program	Exhibit P-3 - Baatz testimony, pages 19-20
16. Results of program evaluations, including a breakdown by sub-program	BJB-6
17. Separate cost and recovery information for each approved program and extension.	TK-7

RIDER "E"

ENERGY EFFICIENCY PROGRAM ("EEP")

Applicable to all customers except those customers under special contracts as filed and approved by the BPU and those customers exempted pursuant to the Long-Term Capacity Agreement Pilot Program ("LCAPP"), P.L. 2011 c.9, codified as N.J.S.A. 48:3-60.1. See the LCAPP Exemption Procedures at the end of the Societal Benefits Charge ("SBC") Rider "D."

The EEP shall be collected on a per therm basis and shall remain in effect until changed by order of the BPU. The applicable EEP rate is as follows:

~~\$0.0073~~0.0062 per therm

The rate applicable under this Rider includes 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.

In the "Global Warming Act," N.J.S.A.26-2C-45. or "RGGI Legislation" the State Legislature determined that global warming is a pervasive and dangerous threat that should be addressed through the establishment of a statewide greenhouse gas emissions reduction program. On May 8, 2008, the Board issued an Order (the "RGGI Order") pursuant to N.J.S.A. 48:3-98.1(c). The RGGI Order allowed electric and gas public utilities to offer energy efficiency and conservation programs on a regulated basis. The Company's energy efficiency programs were first authorized pursuant to Board orders issued in Docket Nos. EO09010056 and GO09010060. They were subsequently extended pursuant to Board orders issued in GO10070446, GO11070399, GO12100946, GO15050504, GR16070618 and GO18070682. The Company's current energy efficiency programs are effective through December 31, 2021 and described below.

The EEP enables the Company to recover all costs associated with the following energy efficiency programs approved by the Board order dated February 19, 2020 in BPU Docket No. GO18070682:

1. Residential gas HVAC and hot water heater incentive programs;
2. Residential home energy assessment program;
3. Residential home weatherization for income qualified customers program;
4. Commercial steam trap survey and repair program; and
5. Enhanced customer education and outreach initiatives designed to encourage customers to conserve energy and lower their gas bills.

Date of Issue: ~~March 16, 2020~~

Effective: Service Rendered
on and after ~~April 1, 2020~~

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

Filed Pursuant to Order of the Board of Public Utilities
Dated ~~March 9, 2020~~ in Docket No. ~~GR19070872~~

CLEAN

RIDER "E"

ENERGY EFFICIENCY PROGRAM ("EEP")

Applicable to all customers except those customers under special contracts as filed and approved by the BPU and those customers exempted pursuant to the Long-Term Capacity Agreement Pilot Program ("LCAPP"), P.L. 2011 c.9, codified as N.J.S.A. 48:3-60.1. See the LCAPP Exemption Procedures at the end of the Societal Benefits Charge ("SBC") Rider "D."

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5. Enhanced customer education and outreach initiatives designed to encourage customers to conserve energy and lower their gas bills.

Date of Issue:

Effective: Service Rendered
on and after

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

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