

PIVOTAL UTILITY HOLDINGS, INC. D/B/A ELIZABETHTOWN GAS
NOTICE OF PUBLIC HEARINGS

TO OUR CUSTOMERS:

On August 11, 2017, Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas (“Company” or ”Elizabethtown”) filed a petition with the New Jersey Board of Public Utilities (“Board”) in Docket No. GR17080874 to revise its Weather Normalization Clause (“WNC”), its Clean Energy Program (“CEP”) component of the Societal Benefit Charge (“SBC”), and its On-System Margin Sharing Credit (“OSMC”). The Company has petitioned the Board to establish a WNC rate of \$0.0232 per therm, a CEP rate of \$0.0251 per therm, and an OSMC credit rate of (\$0.0047) per therm to be effective October 1, 2017. The WNC allows the Company to implement surcharges or credits during the months of October through May to compensate for weather-related changes in customer usage from the previous winter period. The CEP component of the SBC recovers the costs of statewide energy efficiency and renewable energy programs mandated by the Board. The OSMC rate is designed to flow back to the Company’s firm customers, including residential customers, the margins received by the Company from on-system sales and transportation services. Below is a comparison between the Company’s currently approved rates that will be in effect as of October 1, 2017 pursuant to the Board’s July 26, 2017 Order in BPU Docket No. GR16080786 and the rates proposed by the Company’s filing, inclusive of taxes:

	Approved Rates	Proposed Rates	Increase/(Decrease)
	<u>per Therm</u>	<u>per Therm</u>	<u>per Therm</u>
WNC	\$0.0229	\$0.0232	\$0.0003
CEP	\$0.0252	\$0.0251	(\$0.0001)
OSMC	<u>(\$0.0135)</u>	<u>(\$0.0047)</u>	<u>\$0.0088</u>
Total	\$0.0346	\$0.0436	\$0.0090

The proposed rates are subject to Board approval and may be higher or lower depending on the Board's final determination and the date on which such rates are made effective. The combined effect of the Company's filing on a monthly bill of a typical residential customer using an average of 100 therms per month is illustrated below:

<u>Consumption in</u> <u>Therms</u>	<u>Current Bill</u>	<u>Proposed Bill</u>	<u>WNC, SBC & OSMC</u> <u>Change in Bill</u>	<u>Percent Change</u>
100	\$90.24	\$91.14	\$0.90	1.0%

Any assistance required by customers in ascertaining the impact of the proposed rate increase will be provided by the Company on request.

The Board has the statutory authority to establish the aforementioned rates at levels it finds just and reasonable. Therefore, the Board may establish these rates at levels other than those proposed by the Company. Copies of the petition are available for inspection at the Company’s offices located at 520 Green Lane, Union, New Jersey, online at Elizabethtown’s website: www.elizabethtowngas.com/rates-and-tariff under regulatory information, and at the Board of Public Utilities, 44 South Clinton Avenue, 7th Floor, Trenton, New Jersey.

PLEASE TAKE NOTICE that public hearings have been scheduled on the above mentioned petition at the following times and places:

Wednesday, September 13, 2017
 4:30 p.m. and 5:30 p.m.
 Liberty Hall Corporate Center, 1085 Morris Avenue, Union, New Jersey 07083

Thursday, September 14, 2017
 4:30 p.m. and 5:30 p.m.
 Hunterdon County Complex, Route 12, Building #1, Flemington, New Jersey 08822

The public is invited to attend and interested persons will be permitted to make a statement of their views on the proposed increases. Information provided at the public hearings will become part of the record of this case and will be considered by the Board in making its decision. In order to encourage full participation in this opportunity for public comment, please submit requests for needed accommodations, including an interpreter, listening devices and/or mobility assistance, 48 hours prior to these hearings. In addition, members of the public may submit written comments concerning the petition to the Board regardless of whether they attend the hearing by addressing them to: Irene Kim Asbury, Secretary, Board of Public Utilities, 44 South Clinton Avenue, 3rd Floor, Suite 314, P.O. Box 350, Trenton, New Jersey 08625-0350. Hearings will continue, if necessary, on such additional dates and at such locations as the Board or Office of Administrative Law may designate in order to ensure that all interested persons may be heard.

Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas
Brian MacLean –President