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Vice President, Rates & Regulatory Affairs

July 15, 2024

Electronic Filing

Sherri L. Golden, Secretary of the Board
New Jersey 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:

With regard to the above-referenced matter, enclosed herewith is the submission of Elizabethtown Gas Company’s 12&0 Update Schedules.

In accordance with the New Jersey Board of Public Utilities (“BPU”) March 19, 2020 and June 10, 2020 Orders issued in BPU Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

If you have any questions, please feel free to contact me directly.

Respectfully submitted,



Dominick DiRocco

Enclosures
cc: Service List (electronically)

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

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

12&0 UPDATE SCHEDULES

July 15, 2024

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

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

Elizabethtown Gas Company ("Elizabethtown" or the "Company") files this Petition for approval of a rate adjustment pursuant to the Company’s Infrastructure Investment Program (“IIP”), which was approved by the New Jersey Board of Public Utilities (“BPU”) on June 12, 2019 in BPU Docket No. GR18101197. With the IIP, Elizabethtown is authorized to invest up to \$300 million in the Company’s gas distribution system over the five (5) year period, July 1, 2019 through June 30, 2024, 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 on new service lines (“IIP Projects”). This filing reflects investments associated with in-service IIP Projects during Year 5 of the IIP, which is the period July 1, 2023 through June 30, 2024.

Cost recovery for IIP Projects is effectuated by an annual rate adjustment effective on October 1. The present Petition seeks Board approval to recover the revenue requirements associated with IIP Projects placed in service during the period July 1, 2023 through June 30, 2024, through a rate adjustment to take effect on October 1, 2024.

If approved by the Board, the impact of the proposed rate adjustment to rates in effect on July 1, 2024 for a residential heating customer using 100 therms is a monthly increase of \$1.74 from \$138.93 to \$140.67 an increase of 1.3%.

IIP
12 & 0 UPDATE

Schedules
of
THOMAS KAUFMANN

ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program ("IIP")
Revenue Requirement and Residential Bill Impact

June 2024
Proposed Oct 1

Plant In Service (excl AFUDC)	\$57,612,000
Monitor	\$60,000
Advanced Leak Detection (ALD) Report	\$0
AFUDC	\$375,413
Total Plant In Service	<u>\$58,047,413</u>
Book Depreciation, half year	(\$623,200)
Deferred Income Tax	<u>(\$436,711)</u>
Rate Base	\$56,987,502
Rate of Return - net of tax	<u>6.3100%</u>
	\$3,595,911
O&M Red. for Leak Repairs - per Stip, net of tax	(\$64,701)
Advanced Leak Detection expense, net of tax, if any	\$0
Depreciation Exp, net of tax	<u>\$896,037</u>
Allowable Net Income	\$4,427,247
Revenue Factor	<u>1.404475</u>
Current Revenue Requirement	\$6,217,958
Previously Approved, Yrs. 3 & 4	\$12,508,737
Cumulative Revenue Requirement, Year 3 Forward	<u>\$18,726,695</u>
CBT Rate, see Sch 9	9.000%
FIT Rate, See Sch 9	21.000%
Net Tax Rate	28.110%
Average Book Depreciation Rate	2.15%
Tax Depreciation Rate	3.750%
Bonus Depreciation Rate	0%
Half Year Book Depreciation	\$623,200
Tax Bonus Depreciation	\$0
Tax Depreciation	\$2,176,778
Deferred Income Tax Credit, (Bk - Tax)* Tax Rate	(\$436,711)
O&M Red. for Leak Repairs - per Stip	(\$90,000)
Advanced Leak Detection expense	\$0
<u>Residential 1,000 Therm Current Period Bill Impact:</u>	
Rate Increase Per Therm w/ SUT, Schedule TK-2	\$0.0174
Annual Increase, w/tax	1,000 \$17.40
Current Bill as of Date	<u>7/1/2024</u>
1,000 Therm Bill at Current Rates	\$1,410.30
1,000 Therm Bill plus IIP Annual Increase	\$1,427.70
% Increase from Current 1,000 Therm Bill	1.2%

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					

ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program ("IIP")
Revenue Requirement Allocation, Plant In-Service
June 2024

Schedule TK-3
12+0

Revenue Requirement, see below	\$18,726,695	Allocation per 2021 Rate Case		Allocation
		Base Revenues	Overall %	
Residential		\$170,956,081	66.325001%	\$12,420,481
Small General Service		\$17,252,282	6.693284%	\$1,253,431
General Delivery Service		\$59,161,373	22.952551%	\$4,298,254
GDS SP#1 May - Oct		\$1,983	0.000769%	\$144
Natural Gas Vehicles		\$59,202	0.022968%	\$4,301
Large Volume Demand		\$9,913,639	3.846146%	\$720,256
Electric Generation		\$0	0.000000%	\$0
Gas Lights		\$1,700	0.000660%	\$124
Firm Base Rate Revenues		\$257,346,260	99.841379%	\$18,696,991
Firm Special Contract(s)		\$408,852	0.158620%	\$29,704
Total Firm Revenues		\$257,755,112	100.00%	\$18,726,695
Interruptible Revenues		\$7,397,323		
Other Revenues		\$995,456		
TOTAL REVENUES		\$266,147,891		\$18,726,695

allocation rounding

\$0

Revenue Requirements:

	<u>Included Above</u>	
June 2020	\$0	\$6,830,571 Docket No. GR20050327, Dated: 9-30-20, Effective on: 10-1-20 *
June 2021	\$0	\$7,063,912 Docket No. GR21040747, Dated: 9-14-21, Effective on: 10-1-21 *
June 2022	\$6,300,195	Docket. No. GR22040316, Dated 9-28-22 Effective on: 10-1-22 **
June 2023	\$6,208,542	Docket. No. GR23040270, Dated 9-27-23 Effective on: 10-1-23 **
June 2024	\$6,217,958	
June 2025	\$0	
Total	<u><u>\$18,726,695</u></u>	

Notes:

* Years 1&2, June 2020 and 2021, rolled into base rates in BPU Docket No. GR21121254, Dated 8-17-22, Effective 9-1-22.

** Years 3&4, June 2022 and 2023, will be rolled into base rates upon approval BPU Docket No. GR24020158, at which time the IIP rates will be recalculated to the revenue requirement of June 2024.

ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program ("IIP")

Schedule TK-4
 Consisting of 3 Pages
 12+0

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
<u>IIP Dkt. No. GR22040316, Eff. 10-01-22</u>						
Residential Service						
	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				\$4,569,222		\$12,420,205
<hr/>						
Small General Service						
	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				\$475,601		\$1,253,208
<hr/>						
General Delivery Service						
	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	<u>\$1,325,142</u>	\$0.0386	<u>\$4,298,361</u>
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		\$1,325,142		\$4,298,505
<hr/>						
Electric Generation Firm Service						
	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				\$0		\$0
<hr/>						
Large Volume Demand						
	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				\$294,556		\$718,304

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

Schedule TK-4
Consisting of 3 Pages
12+0

**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>
			<u>NGV</u>		<u>NGV</u>	
<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
			<u>GLS</u>		<u>GLS</u>	
<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
Total Firm Rate Class	439,339,194	Therms		\$6,666,107		\$18,694,645
			<u>CSI</u>		<u>CSI</u>	
<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
			<u>IS</u>		<u>IS</u>	
<u>Interruptible Sales Service</u>						
Service Charge		12 Bills	\$0.00	\$0	\$0.00	\$0
Demand Charge	9,444	Therms	\$0.000	\$0	\$0.000	\$0
Distribution Charge, retain 20%	21,741	Therms	\$0.0000		\$0.0000	
Total Base Rate Revenues				\$0		\$0

ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program ("IIP")

Schedule TK-4
 Consisting of 3 Pages
 12+0

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>
<u>IIP Dkt. No. GR22040316, Eff. 10-01-22</u>						
			<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
*Amount is the 1st \$0.08 per therm						
			<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
IIP REVENUES, per Approved and Proposed Rates				Approved *	Change	Total
				\$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.

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”)
Earnings Test

	January-23	Through	December-23	
Net Income:				
1 Net Income (including IIP and CIP margin revenue, net of tax)			\$29,556,133	
less: non-recurring items, income / (loss) net of tax (1)			\$0	
Net Income after adjustment			<u>\$29,556,133</u>	
2 Less:				
Non-firm Sales & Transportation margins, net of tax			\$126,310	
Off-system Sales & Capacity Release, net of tax			\$168,075	
Energy Efficiency Program margins, net of tax			<u>\$3,100,528</u>	
			\$3,394,913	
3 Regulated Jurisdictional Net Income (L1-L2)				<u>\$26,161,220</u>
4 Common Equity Balances, per Rate Base				
		<u>December-22</u>	<u>December-23</u>	<u>Average</u>
Rate Base		\$1,527,284,968	\$1,694,257,116	1,610,771,042
Equity %, 2021 Rate Case				<u>52.00%</u>
Average Equity				<u>\$837,600,942</u>
5 ROE (L3/L4)				<u>3.12%</u>
Rate of Return on Equity, 2021 Rate Case			9.60%	
ROE Test: Rate Case plus 50 Basis Points			<u>0.50%</u>	<u>10.10%</u>

(1) no adjustments.

ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program (“IIP”)
Statement of Rate Base

<u>Line No.</u>	<u>December-22</u>	<u>December-23</u>
1 Utility Plant In Service	\$2,129,710,048	\$2,351,244,886
2 Accumulated Depreciation, Utility Retirement WIP	(\$353,043,593)	(\$387,965,477)
3 Acquisition Adjustment	(\$160,000,000)	(\$160,000,000)
4 Amortization of Acquisition Adjustment	\$49,999,988	\$65,999,984
5 Net Utility Plant	<u>\$1,666,666,443</u>	<u>\$1,869,279,393</u>
6		
7 Pension/OPEB	\$34,558,342	\$26,263,347
8 Cash Working Capital ⁽¹⁾	\$28,234,763	\$28,234,763
9 Inventories ⁽²⁾		
10 Natural Gas Stored Underground and LNG	\$26,790,542	\$16,686,677
11 Materials & Supplies incl. Fleet Fuel and Propane Inv.	\$451,402	\$436,854
12 Customer Deposits ⁽²⁾	(\$4,842,610)	(\$4,917,509)
13 Customer Advances ⁽²⁾	(\$1,779,506)	(\$1,677,027)
14 Deferred Income Taxes:		
15 Excess Protected ADIT	(\$77,679,017)	(\$76,472,657)
16 Federal Income Tax	(\$98,653,685)	(\$111,204,240)
17 NJ CBT	(\$46,461,706)	(\$52,372,485)
18 Consolidated Tax Adjustment ⁽¹⁾	\$0	\$0
19		
20 Total Rate Base	<u>\$1,527,284,968</u>	<u>\$1,694,257,116</u>

⁽¹⁾ December 2021 Equals the approved level in Docket No. GR19040486.

December 2022 Equals the approved level in Docket No. GR21121254.

⁽²⁾ Represents thirteen month averages of account balances.

ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program ("IIP")
Actual / Projected In-Service Expenditures

Schedule TK-7
12+0

Periods:	In-Service Credits in June per \$1.2 million Mileage Cap.			In-Service			In-Service Credits in June due to Mileage Cap.			In-Service
	Mains	Services	IIP Program	Monitor	ALD Study	In-Service Pre AFUDC	AFUDC Mains	AFUDC Services	AFUDC Total	Total with AFUDC
12 mos Ending										
Jun-24	\$35,643,536	\$21,968,464	\$57,612,000	\$60,000	\$0	\$57,672,000	\$359,636	\$15,777	\$375,413	\$58,047,413
Monthly Spending:										
Jul-23	\$2,650,792	\$3,142,997	\$5,793,789	\$5,000		\$5,798,789	\$351	\$446	\$797	\$5,799,586
Aug-23	\$4,709,184	\$2,969,950	\$7,679,134	\$5,000		\$7,684,134	\$16,220	\$1,971	\$18,191	\$7,702,325
Sep-23	\$2,398,978	\$1,972,126	\$4,371,104	\$5,000		\$4,376,104	\$11,352	\$1,931	\$13,283	\$4,389,387
Oct-23	\$3,923,862	\$4,268,870	\$8,192,732	\$5,000		\$8,197,732	\$40,214	\$2,857	\$43,071	\$8,240,803
Nov-23	\$3,148,109	\$2,253,401	\$5,401,510	\$5,000		\$5,406,510	\$13,530	\$3,901	\$17,431	\$5,423,941
Dec-23	\$1,268,837	\$1,923,443	\$3,192,280	\$5,000		\$3,197,280	\$28,855	\$557	\$29,412	\$3,226,692
Jan-24	\$7,093,298	\$3,372,073	\$10,465,371	\$5,000		\$10,470,371	\$156,075	\$1,711	\$157,786	\$10,628,157
Feb-24	\$2,946,834	\$4,289,458	\$7,236,292	\$5,000		\$7,241,292	\$44,932	\$7,003	\$51,935	\$7,293,227
Mar-24	\$2,473,717	\$4,002,735	\$6,476,452	\$5,000		\$6,481,452	\$27,495	\$1,575	\$29,070	\$6,510,522
Apr-24	\$13,119,745	\$2,827,902	\$15,947,647	\$5,000		\$15,952,647	\$131,315	\$1,604	\$132,919	\$16,085,566
May-24	\$12,268,524	\$3,826,095	\$16,094,619	\$5,000		\$16,099,619	\$126,284	\$3,067	\$129,351	\$16,228,970
Jun-24	(\$20,358,344)	(\$12,880,586)	(\$33,238,930)	\$5,000		(\$33,233,930)	(\$236,987)	(\$10,846)	(\$247,833)	(\$33,481,763)

ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program (“IIP”)
Annualized Depreciation

Schedule TK-8
12+0

	Rates		In-Service Depreciation		Monitor	ALD Study	Depreciation Expense	AFUDC Depreciation		Full Year Depreciation Expense W/ AFUDC
	Mains	Services	Mains	Services				Mains	Services	
	376	380	376	380	376	376	Pre AFUDC	376	380	
End Date										
Jun-24			595,246	643,678	1,008	0	1,239,932	6,006	462	1,246,400
Monthly Spending:										
Jul-23	1.67%	2.93%	44,268	92,090	84	0	136,442	6	13	136,461
Aug-23	1.67%	2.93%	78,643	87,020	84	0	165,747	271	58	166,076
Sep-23	1.67%	2.93%	40,063	57,783	84	0	97,930	190	57	98,177
Oct-23	1.67%	2.93%	65,528	125,078	84	0	190,690	672	84	191,446
Nov-23	1.67%	2.93%	52,573	66,025	84	0	118,682	226	114	119,022
Dec-23	1.67%	2.93%	21,190	56,357	84	0	77,631	482	16	78,129
Jan-24	1.67%	2.93%	118,458	98,802	84	0	217,344	2,606	50	220,000
Feb-24	1.67%	2.93%	49,212	125,681	84	0	174,977	750	205	175,932
Mar-24	1.67%	2.93%	41,311	117,280	84	0	158,675	459	46	159,180
Apr-24	1.67%	2.93%	219,100	82,858	84	0	302,042	2,193	47	304,282
May-24	1.67%	2.93%	204,884	112,105	84	0	317,073	2,109	90	319,272
Jun-24	1.67%	2.93%	(339,984)	(377,401)	84	0	(717,301)	(3,958)	(318)	(721,577)

ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program ("IIP")
Weighted Average Cost of Capital ("WACC")

Rate Case Effective 9-1-22	Capitalization		CBT at	9%
	Ratios	Rate	FIT at	21%
			Cost %	After Tax
				28.110%
Long Term Debt	48.00%	3.830%	1.84%	1.32%
Common Equity	52.00%	9.600%	4.99%	4.99%
Total Capitalization	100.00%		6.83%	6.31%

**ELIZABETHTOWN GAS COMPANY
Infrastructure Investment Program (“IIP”)
Revenue Expansion Factor**

		Rate Case 9/1/2022
Revenue Increase		100.000%
Uncollectible Accounts Percentage		0.6858%
BPU Assessments / BPU & RC		0.2189%
RC Assessments		0.0538%
Income before Corporate Business Tax		99.0415%
NJ Corporate Business Tax @	9.0%	8.9137%
Income before Federal Income Taxes		90.1278%
Federal Income Taxes @	21.0%	18.9268%
Return		71.2010%
Revenue Factor (100% / Return %)		1.404475
Rounding to Settlement Factor		-
Settlement Revenue Factor		1.404475

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 XXX2Issued by: Christie McMullen, President
520 Green Lane
Union, New Jersey 07083Filed Pursuant to Order of the Board of Public Utilities
Dated XXX3 in Docket No. XXX4
ELIZABETHTOWN GAS COMPANY

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

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
RDS	Residential	\$0.0525 \$0.0351
SGS	Small General Service	\$0.0562 \$0.0375
GDS	General Delivery Service	\$0.0412 \$0.0275
GDS	Seasonal SP#1 May-Oct	\$0.0047 \$0.0034
NGV	Natural Gas Vehicles	\$0.0964 \$0.0644
LVD	Large Volume Demand	\$0.0148 \$0.0099
EGF	Electric Generation	\$0.0412 \$0.0275
GLS	Gas Lights	\$0.0496 \$0.0333
	Firm Special Contracts	\$0.0023 \$0.0016

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.

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Date of Issue: ~~September 29, 2023~~ ~~XXX1~~

Effective: 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~~

IIP
12 & 0 UPDATE

Schedules
of

MICHAEL P. SCACIFERO