



September 22, 2026

Via Electronic Mail

To: The Office of the County Clerk, Municipal Clerk and County Administrator

Re: In the Matter of the Petition of New Jersey Natural Gas Company for Approval of an Increase in Gas Base Rates and for Changes in its Tariff for Gas Service, Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1; for Changes to Depreciation Rates for Gas Property Pursuant to N.J.S.A. 48:2-18; and Other Requested Relief
BPU Docket No. GR26060278 and OAL Docket. No.: PUC 10904-2026 S

Pursuant to N.J.S.A. 48:2-2-21 and 48:2-21.1, New Jersey Natural Gas Company ("Company" or "NJNG") hereby advises you that on June 1, 2026 the Company filed a request with the New Jersey Board of Public Utilities ("BPU") requesting an increase in the Company's base rate charges for natural gas service ("Base Rate Petition"). NJNG's Base Rate Petition states that the requested rate increase is necessary to support the Company's ability to continue to operate and maintain its natural gas distribution system in a safe, adequate, and proper manner. In the Base Rate Petition, the Company requested a natural gas revenue increase of \$157.56 million, including a change in the Company's overall rate of return to 7.60 percent, which also includes a proposed return on common equity of 10.10 percent. The impact of this request on the average residential heating customer using 100 therms per month is a \$23.70 increase in the customer's monthly bill, or approximately 12.8 percent.

Included in the Base Rate Petition is a request pursuant to N.J.S.A. 48:2-18 to change certain depreciation rates based upon a depreciation study. The Company proposed that the requested changes in its depreciation rates be approved for implementation simultaneously with the effective date of the proposed new natural gas rates.

A complete copy of the Base Rate Petition is available for review on NJNG's website at <https://www.njng.com/regulatory/filings.aspx>. Please be further advised that the Company hereby serves upon you the enclosed Notice of Public Hearings and the BPU Order Suspending Increases, Changes or Alterations in Rates in the above referenced matter.

The virtual public hearings are scheduled for October 20, 2026 at 4:30 p.m. and 5:30 p.m. with the following log-in instructions.

Location: Zoom Virtual Webinar

Join by holding down control button and clicking on below link:

<https://oal-nj-gov.zoomgov.com/j/1658863946?pwd=ExM3b9txL4qgleE7buYrChPBUzkUbh.1>

Meeting ID: 165 886 3946

Passcode: 109696

One tap mobile

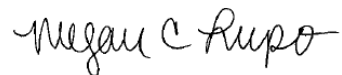
+16692545252,,1658863946#,,,*109696# US (San Jose)

+16468287666,,1658863946#,,,*109696# US (New York)

In accordance with the Order issued by the Board in connection with In re the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order (March 19, 2020), this document is being electronically filed. No paper copies will follow.

Please feel free to reach me via email at mlupo@njng.com, if you have any questions.

Respectfully,

A handwritten signature in black ink that reads "Megan C Lupo". The signature is written in a cursive, flowing style.

Megan C. Lupo, Esq.
Assistant Regulatory Affairs Counsel

MCL:ss
Enclosures

NOTICE OF FILING AND PUBLIC HEARINGS TO NEW JERSEY NATURAL GAS COMPANY CUSTOMERS

IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY FOR APPROVAL OF AN INCREASE IN GAS BASE RATES, FOR CHANGES IN ITS TARIFF FOR GAS SERVICE PURSUANT TO N.J.S.A. 48:2-21 AND N.J.S.A. 48:2-21.1, FOR CHANGES TO DEPRECIATION RATES FOR GAS PROPERTY PURSUANT TO N.J.S.A. 48:2-18 AND OTHER REQUESTED RELIEF OAL Docket No. PUC 10904-2026; BPU Docket No. GR26060278

PLEASE TAKE NOTICE that on June 1, 2026, New Jersey Natural Gas Company (“NJNG” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) requesting an increase in the Company’s base rate charges for natural gas service (“Base Rate Petition”). NJNG’s Base Rate Petition states that the requested rate increase is necessary to support the Company’s ability to continue to operate and maintain its natural gas distribution system in a safe, adequate, and proper manner. In the Base Rate Petition, the Company requested a natural gas revenue increase of \$157.56 million, including a change in the Company’s overall rate of return to 7.60 percent, which also includes a proposed return on common equity of 10.10 percent. The Company states that a large portion of the requested increase is attributable to its recently completed and planned capital investments of \$950 million through October 2026. The impact of this request on the average residential heating customer using 100 therms per month is a \$23.70 increase in the customer’s monthly bill, or approximately 12.8 percent. Monthly bill impacts for residential and other customers are shown on the table below.

Included in the Base Rate Petition is a request pursuant to N.J.S.A. 48:2-18 to change certain depreciation rates based upon a Depreciation Study. The Company proposed that the requested changes in its depreciation rates be approved for implementation simultaneously with the effective date of the proposed new natural gas rates.

The effect of the total proposed rate changes on the typical residential, general service small and general service large monthly bill for natural gas service is estimated as shown in the table below. The estimated bills shown below are based upon current NJNG delivery rates and the applicable Basic Gas Supply Service charges and assume that customers receive commodity service from NJNG.

Customer Type	Therm Level (Usage)	Total Bill		Net Dollar Increase	Percent Increase
		Monthly Bill as of 1-May-26	Monthly Bill with Proposed Base Rate Increase		
Residential Heat	100	\$185.80	\$209.50	\$23.70	12.8%
Residential Non-Heat	25	\$53.93	\$60.79	\$6.86	12.7%
General Service Small	100	\$210.36	\$241.24	\$30.88	14.7%
General Service Large	1200	\$2,154.58	\$2,426.92	\$272.34	12.6%

The Company proposes other changes to its tariff including, but not limited to, an increase in its Balancing Charge, and changes to reflect current operating requirements and Board regulations.

Any rate increase found by the Board to be just and reasonable may be allocated by the Board and applied to any class or classes of customers or any rate schedule or rate schedules as the Board may determine. Accordingly, the final rates approved by the Board in this proceeding for any rate class or classes may be higher or lower than those set forth herein.

A copy of this Notice of Filing and Public Hearings on this matter is being served upon the clerk, executive or administrator of each municipality and county within the Company's service territory. The Base Rate Petition and this Notice have also been sent to the New Jersey Division of Rate Counsel ("Rate Counsel"), who will represent the interests of New Jersey ratepayers in this proceeding. Copies of NJNG's June 1, 2026 filing can be reviewed on the Company's website, www.njng.com/regulatory in the "Filings & Updates" subsection of the "Regulatory Info" section listed.

PLEASE TAKE FURTHER NOTICE that virtual public hearings will be conducted on the following date and times so that members of the public may present their views on the Company's filing.

VIRTUAL PUBLIC HEARINGS

Date: October 20, 2026

Hearing Times: 4:30 pm and 5:30 pm

LOCATION

Zoom Virtual Webinar

Join: <https://oal-nj-gov.zoomgov.com/j/1600262423?pwd=Z1ZEVTl6c3lYSGxtRFNHQzJjZEdnUT09>

Meeting ID: 165 886 3946

Passcode: 109696

Dial-In Number: 833-568-8864 (Toll-free)

Administrative Law Judge Jacob Gertsman from the Office of Administrative Law will preside over the public hearings. Members of the public are invited to attend and express their views on the proposed rate increase. Such comments will be made a part of the final record in the proceeding. Whether or not you attend the public hearings, written comments may be submitted to Hon. Jacob Gertsman, ALJ, Office of Administrative Law, P.O. Box 049, Trenton, NJ 08625-0049. Please include OAL Docket No. PUC 10904-2026 and BPU Docket No. GR26060278 in your comment letter. Written and emailed comments will be provided the same weight as statements made at the hearings.

Representatives of the Company, the Board's Staff and Rate Counsel will participate in the virtual public hearings. Members of the public are invited to participate by utilizing the Meeting ID or the Dial-In Number set forth above and may express their views on the Base Rate Petition. All comments will be made as part of the final record of the proceeding to be considered by the Board. To encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters, or listening assistance, forty-eight (48) hours prior to the above hearing to the Board Secretary at board.secretary@bpu.nj.gov.

The Board also is accepting written and electronic comments. Comments may be submitted directly to the specific docket listed above using the "Post Comments" button on the Board's Public Document Search tool at <https://publicaccess.bpu.state.nj.us/>. Comments are considered public documents for purposes of the State's Open Public Records Act. Only public documents should be submitted using the "Post Comments" button on the Board's Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. In addition to hard copy submissions,

confidential information may also be filed electronically via the Board's e-filing system or by email to the Secretary of the Board. Please include "Confidential Information" in the subject line of any email. Instructions for confidential e-filing are found on the Board's webpage at <https://www.nj.gov/bpu/agenda/efiling/>.

Emailed and/or written comments may also be submitted to:
Secretary of the Board
44 South Clinton Ave., 1st Floor
PO Box 350
Trenton, NJ 08625-0350
Phone: 609-913-6241
Email: board.secretary@bpu.nj.gov

**New Jersey Natural Gas Company
Andrew K. Dembia, Esq.**



Agenda Date: 6/30/26

Agenda Item: IIA

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

REVENUE AND RATES

IN THE MATTER OF THE PETITION OF NEW JERSEY)
NATURAL GAS COMPANY FOR APPROVAL OF AN)
INCREASE IN GAS BASE RATES, FOR CHANGES IN)
ITS TARIFF FOR GAS SERVICE PURSUANT TO)
N.J.S.A. 48:2-21 AND N.J.S.A. 48:2-21.1, FOR)
CHANGES TO DEPRECIATION RATES FOR GAS)
PROPERTY PURSUANT TO N.J.S.A. 48:2-18 AND)
OTHER REQUESTED RELIEF) BPU DOCKET NO. GR26060278

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Andrew K. Dembia, Esq., New Jersey Natural Gas Company

BY THE BOARD:

BACKGROUND AND PROCEDURAL HISTORY

On June 1, 2026, New Jersey Natural Gas Company ("NJNG" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking approval of an increase in its current base rates for gas service of approximately \$157.56 million, excluding Sales and Use Tax ("SUT"), to be effective for gas service provided on and after July 1, 2026 ("Petition"). The Company also seeks Board approval, pursuant to N.J.S.A. 48:2-18, to implement new depreciation rates.

In the Petition, the Company argued that current natural gas distribution rates are not sufficient at their current level. The Company alleged that, if left unchanged, the current base rates will 1) impair NJNG's ability to meet operating and maintenance expenses, taxes, and fixed charges, and 2) impair NJNG's ability to earn a reasonable rate of return on the fair value of the Company's property. As such, the Company sought Board approval to increase existing rates and change or alter existing classifications in the Company's tariff.

In the Petition, NJNG sought Board authority to:

- Implement a return on equity of 10.10%;
- Increase rates and charges for natural gas service that would result from the proposed amendments to the Company's tariff;
- Update the underlying inventory related costs of its Balancing Charge rate;

- Incorporate the results of its cost-of-service study supporting the implementation of new base rates;
- Revise its existing depreciation rates;
- Update its tariff for certain modifications and revisions;
- Recover regulatory assets recorded on the Company's balance sheet, including amortization of these assets;
- Approval of the Company's request for deferred accounting treatment for the Monmouth County Reclamation Center Renewable Natural Gas project and authorize it to create a regulatory asset for the costs related to this project.

Additionally, NJNG requested that the Board retain this matter and designate a Commissioner as Presiding Officer to set a procedural schedule, rule on motions, and conduct any evidentiary hearings, if necessary, as expeditiously as possible.

DISCUSSION AND FINDINGS

Having reviewed NJNG's request for the Board to retain this matter, the Board **HEREBY DENIES** this request. The Board **FURTHER DIRECTS** Board Staff to transmit this matter to the Office of Administrative Law ("OAL") for hearing as a contested matter.

Because the proposed revisions, if approved, will likely increase existing rates and change or alter existing classifications in the NJNG's tariff, the Board **HEREBY ORDERS** as follows:

- (1) Pursuant to N.J.S.A. 48:2-21(d), and consistent with N.J.A.C. 14:1-5.12, the proposed revisions are suspended until November 1, 2026, unless, prior to that date, the Board makes a determination disposing of the Petition or enters an Order further suspending the proposed revisions;
- (2) NJNG shall, at least ten (10) days prior to the date set for hearing on the Petition by the OAL, file with this Board, and with the OAL, proof of compliance with the notice provisions of N.J.S.A. 48:2-32.2 and N.J.A.C. 14:1-5.12(b) and (c), which notice shall include a statement that any relief found by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers on any rate or schedule as the Board may determine; and
- (3) NJNG shall serve copies of this Order upon the OAL, the New Jersey Division of Rate Counsel, the clerk of each affected municipality, the clerk of the Boards of County Commissioners of each affected county, and, where appropriate, the executive officer of the affected county within its service area. Proof of service of this Order shall be filed with the Board.

This Order shall be effective on June 30, 2026.

DATED: June 30, 2026

BOARD OF PUBLIC UTILITIES
BY:


CHRISTINE GUHL-SADOVY
PRESIDENT

ABSTAINED

DR. ZENON CHRISTODOULOU
COMMISSIONER


MICHAEL BANGE
COMMISSIONER


EMMA REBHORN
COMMISSIONER


JOSEPH COVIELLO
COMMISSIONER

ATTEST:


SHERRI L. LEWIS
BOARD SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public Utilities.

IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY FOR APPROVAL OF AN INCREASE IN GAS BASE RATES, FOR CHANGES IN ITS TARIFF FOR GAS SERVICE PURSUANT TO N.J.S.A. 48:2-21 AND N.J.S.A. 48:2-21.1, FOR CHANGES TO DEPRECIATION RATES FOR GAS PROPERTY PURSUANT TO N.J.S.A. 48:2-18 AND OTHER REQUESTED RELIEF

BPU DOCKET NO. GR26060278

SERVICE LIST

Board of Public Utilities

44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, NJ 08625-0350

Sherri L. Lewis, Secretary
board.secretary@bpu.nj.gov

Stacy Peterson, Deputy Executive Director
stacy.peterson@bpu.nj.gov

Cindy Bianco
cindy.bianco@bpu.nj.gov

Office of the General Counsel

Ava-Marie Madeam, General Counsel
avamarie.madeam@bpu.nj.gov

Elspeth Faiman Hans, Deputy General Counsel
elspeth.hans@bpu.nj.gov

Heather Weisband, Senior Counsel
heather.weisband@bpu.nj.gov

Economist's Office

Benjamin Witherell, Chief Economist
benjamin.witherell@bpu.nj.gov

Jackie O'Grady
jackie.ograde@bpu.nj.gov

John Borrmann
john.borrmann@bpu.nj.gov

Farhana Rahman
farhana.rahman@bpu.nj.gov

Peter Taunov
peter.taunov@bpu.nj.gov

Division of Reliability and Security

Frank Gaffney, Director
francis.gaffney@bpu.nj.gov

NJBPU, cont'd

Division of Revenue and Rates

Justin Cederberg
Justin.cederberg@bpu.nj.gov

Anthony DeAnni
anthony.deanni@bpu.nj.gov

Kyle Felton
kyle.felton@bpu.nj.gov

Jesse Flax
jesse.flax@bpu.nj.gov

Jacqueline Galka
jacqueline.galka@bpu.nj.gov

Nicholas Gorglione
nicholas.gorglione@bpu.nj.gov

Patrick Holzbaur
patrick.holzbaur@bpu.nj.gov

Kofi Ocansey
kofi.ocansey@bpu.nj.gov

Andrew Tuzzo
andrew.tuzzo@bpu.nj.gov

Dari Urban
dari.urban@bpu.nj.gov

Vivek Patel
vivek.patel@bpu.nj.gov

Division of Customer Assistance

Richard Lambert, Director
richard.lambert@bpu.nj.gov

Maureen Clerc
maureen.clerc@bpu.nj.gov

Anthony Visco
anthony.visco@bpu.nj.gov

Eudys Toure
eudys.toure@bpu.nj.gov

NJBPU, con't'd

Division of Engineering

Dean Taklif, Director
dean.taklif@bpu.nj.gov

John Masiello, Deputy Director
john.masiello@bpu.nj.gov

Diana Rosario
diana.rosario@bpu.nj.gov

Christopher Oprysk
Christopher.oprysk@bpu.nj.gov

Nisa Rizvi
nisa.rizvi@bpu.nj.gov

New Jersey Division of Rate Counsel

140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625

Brian Lipman, Esq., Director
blipman@rpa.nj.gov

Maura Caroselli, Esq., Managing Attorney
mcaroselli@rpa.nj.gov

New Jersey Division of Law

25 Market Street
Post Office Box 112
Trenton, NJ 08625

Terel Klein, DAG, Section Chief
terel.klein@law.njoag.gov

Pamela Owen, ASC, DAG
pamela.owen@law.njoag.gov

Matko Ilic, DAG
matko.ilic@law.njoag.gov

Elizabeth VanWinkle, DAG
elizabeth.vanwinkle@law.njoag.gov

Rachel Reckeweg
rachel.reckeweg@law.njoag.gov

Tanya Lloyd-Samuel
tanya.lloyd-samuel@law.njoag.gov

New Jersey Natural Gas Company-Petitioner

1415 Wyckoff Road
P.O. Box 1464
Wall, NJ 07719

Andrew Dembia, Esq., Regulatory Affairs Counsel
adembia@njng.com

Anne-Marie Peracchio, Vice President,
Regulatory Affairs and Energy Efficiency
aperacchio@njng.com

Tina Trebino, Managing Director, Regulatory Affairs
ttrebino@njng.com

James Corcoran, Director, Revenue Requirements
jcorcoran@njng.com

Judy DeSalvatore, Director, Rates and Tariff
jdesalvatore@njng.com

Marianne Harrell, Manager, Rates and Tariff
mharrell@njng.com

Justin Bates, Manager, Revenue Requirements
jbates@njng.com

Christopher Micak, Senior Rate & Regulatory Analyst
cmicak@njng.com

Ryan Moran, Sr. Regulatory Analyst
rmoran@njng.com

Mary Lou Pardey, Regulatory & Legislative Policy
Analyst
mpardey@njng.com

Susan Sette, Regulatory Case Coordinator
ssette@njng.com

Colleen Shaw, Administrative Assistant II
cshaw@njng.com

Consultants for Petitioner

Colleen A. Foley, Esq.
Saul Ewing LLP
One Riverfront Plaza, Suite 1520
1037 Raymond Boulevard
Newark, NJ 07102
colleen.foley@saulewing.com

Saul Ewing LLP
1500 Market Street
Centre Square West, 38th Fl.
Philadelphia, PA 19102

Courtney L. Schultz, Esq.
courtney.schultz@saulewing.com

Jennifer Creswell
jennifer.creswell@saulewing.com

Consultants for Petitioner, cont'd

Dr. Ronald E. White, Ph.D., President
Foster Associates Consultants, LLC
17595 S. Tamiami Trail, Suite 260
Fort Myers, FL 33908
r.white@fosterfm.com

Dr. Kim Katereggia; M.D.
Foster Associates Consultants, LLC
17595 S. Tamiami Trail, Suite 260
Fort Myers, FL 33908
k.katereggia@fosterfm.com

Lynnette Jay
Executive Assistant/Office Manager
Foster Associates Consultants, LLC
17595 S. Tamiami Trail, Suite 260
Fort Myers, FL 33908
l.jay@fosterfm.com

Harold Walker, III
Manager, Financial Studies,
Gannett Fleming
1010 Adams Avenue
Audubon, Pennsylvania 19403
hwalker@gfnet.com

ScottMadden, Inc.
1900 West Park Drive, Suite 250
Westborough, MA 01581

Dylan W. D'Ascendis
ddascendis@scottmadden.com

Adam Perry
aperry@scottmadden.com

Daniel P. Yardley, Principal
Yardley & Associates
2409 Providence Hills Drive
Matthews, NC 28105
dan@yardleyassociates.com