



Elizabethtown Gas™

An **AGL Resources** Company

300 Connell Drive, Suite 3000
Berkeley Heights, NJ 07922

908 289 5000 phone
www.elizabethtowngas.com

Via Electronic Mail and FedEx

October 3, 2011

Kristi Izzo, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

***Re: In the Matter of the Petition of Pivotal Utility Holdings, Inc.
d/b/a Elizabethtown Gas for Approval To Revise Its Base Rates to
Recover the Costs of Its Utility Infrastructure Enhancement Program
and Related Tariff Revisions - BPU Docket No. GR11060360***

Dear Secretary Izzo:

In compliance with the New Jersey Board of Public Utilities' ("Board") May 16, 2011 Order ("May 16 Order") in BPU Docket Nos. GO10120969 and GR09030195, enclosed for filing on behalf of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas ("Elizabethtown" or "Company"), are an original and ten copies of the Supplemental Petition being submitted to update the June 15, 2011 Petition ("June 15 Petition") filed previously in this proceeding. In the June 15 Petition, the Company requested authority to roll into and recover through base rates the costs associated with Elizabethtown's Utility Infrastructure Enhancement ("UIE") I and II Projects by increasing base distribution rates revenue by approximately \$8.2 million ("UIE Revenue Adjustment").

The May 16 Order requires the Company to supplement the June 15 Petition with an update for actual results when that information becomes available. This filing reflects such updated actual information through August 31, 2011. The updated information demonstrates that the Company's actual spending through August 31, 2011 supports a revenue increase of approximately \$95,000 more than the revenue increase presented in the June 15 Petition. In a September 22, 2011 Board Order ("September 22 Order") issued in this proceeding, the Board authorized the Company to implement the \$8.1 million UIE Revenue Adjustment effective October 1, 2011. This Supplemental Petition demonstrates and respectfully requests that the UIE Revenue Adjustment approved by the September 22 Order be approved and implemented on a final basis in an amount equal to \$8.3 million instead of \$8.2 million.

Kindly acknowledge receipt and filing of the enclosures by date stamping the enclosed copy of this letter and returning it in the envelope provided for that purpose. Please contact the undersigned if you have any questions.

Respectfully submitted,

/s/ Mary Patricia Keefe

Mary Patricia Keefe, Esq.
Vice President, Regulatory Affairs
And Assistant Corporate Secretary

Enclosures

cc: Lee A. Soloman, President
Jeanne M. Fox, Commissioner
Nicholas V. Asselta, Commissioner
Joseph L. Fiordaliso, Commissioner
Richard J. Jackson, Executive Director
Jerome May, Director, Division of Energy
Sheila DeLucia, Division of Energy
Jacqueline Galka, Division of Energy
Stefanie A. Brand, Director, Rate Counsel
Attached Service List

**IN THE MATTER OF THE PETITION OF
PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
FOR APPROVAL TO REVISE ITS BASE RATES TO RECOVER THE
COSTS OF ITS UTILITY INFRASTRUCTURE ENHANCEMENT PROGRAM
AND RELATED TARIFF REVISIONS
BPU DOCKET NO. GR11060360**

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P.O. Box 46005
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**IN THE MATTER OF THE PETITION OF
PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
FOR APPROVAL TO REVISE ITS BASE RATES TO RECOVER THE
COSTS OF ITS UTILITY INFRASTRUCTURE ENHANCEMENT PROGRAM
AND RELATED TARIFF REVISIONS
BPU DOCKET NO. GR11060360**

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Dunkirk, MD 20754-9500

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

-----X
In the Matter of the Petition of Pivotal Utility : **Docket No. GR11060360**
Holdings, Inc. d/b/a Elizabethtown Gas for Approval :
To Revise its Base Rates to Recover the Costs of Its :
Utility Infrastructure Enhancement Program and : **SUPPLEMENTAL**
Related Tariff Revisions : **PETITION**
-----X

To The Honorable Board of Public Utilities:

Introduction

Petitioner, Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas (“Petitioner,” “Company” or “Elizabethtown”), a public utility corporation duly organized under the laws of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities (“Board”), respectfully states:

1. Petitioner’s principal business office is located at 300 Connell Drive, Suite 3000, Berkeley Heights, New Jersey 07922.
2. Communications and correspondence concerning these proceedings should be sent as follows:

Mary Patricia Keefe, Esq.
Vice President, Regulatory Affairs
and Assistant Corporate Secretary
Pivotal Utility Holdings, Inc.
d/b/a Elizabethtown Gas
300 Connell Drive, Suite 3000
Berkeley Heights, New Jersey 07922
Tel. No. (908) 771-8220
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mkeefe@aglresources.com

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dfranco@cullydyk.com

3. Petitioner is engaged in the business of transmission and distribution of natural and mixed gas to approximately 275,000 customers within its service territory located principally in Hunterdon, Mercer, Middlesex, Morris, Sussex, Union and Warren Counties.

4. In accordance with the Board's May 16, 2011 Order ("May 16 Order") in Docket Nos. GO10120969 and GR09030195 approving a May 5, 2011 Stipulation among Elizabethtown, Board Staff and the Division of Rate Counsel ("Rate Counsel"), Petitioner submits this Supplemental Petition to update the information contained in the Company's June 15, 2011 Petition ("June 15 Petition") filed previously in this proceeding. The contents of the June 15 Petition as well as the relief requested therein, are incorporated herein, as updated by this Supplemental Petition.

5. Pursuant to the June 15 Petition, Petitioner requested authority to roll into and recover through base distribution rates the costs associated with the Company's Utility Infrastructure Enhancement I and II Projects. The June 15 Petition proposed to recover the costs of the UIE I and II Projects by increasing Elizabethtown's base distribution revenues by \$8,158,992 annually or 5.9% from \$137,879,719 to \$146,038,711 effective October 1, 2011 ("UIE Revenue Adjustment"). The June 15 Petition proposed to implement the UIE Revenue Adjustment through a uniform percentage increase in base distribution rate revenues of 6.3% to the RDS, SGS, GDS, LVD, EGF, GLS and FTS

classes, as well as certain firm Board-approved special contract customers served under the terms of the Company's firm rate classes.

6. Elizabethtown's UIE I and II Projects consist of certain accelerated investments in various gas distribution infrastructure-related projects that are outside the scope of Elizabethtown's normal capital budget. The UIE I and II Projects were developed in connection with the State's initiative to stimulate the economy, enhance the reliability, safety and system integrity of Elizabethtown's distribution system, promote energy efficiency and preserve the environment. Pursuant to the April 28, 2009 BPU Order in Docket Nos. EO09010049 and GO09010053 *et al.*, as supplemented by the May 16 Order, Elizabethtown was authorized to complete the UIE I and II Projects at a projected cost of approximately \$68.3 million and \$40.1 million, respectively.

7. Public hearings concerning this proceeding were held on August 22, 2011 in Flemington, New Jersey and on August 23, 2011 in Rahway, New Jersey. No members of the public appeared and commented on the filing.

8. On September 22, 2011 in this proceeding, the Board approved ("September 22 Order") a September 2, 2011 Provisional Stipulation ("September 2 Stipulation") among Petitioner, Board Staff and Rate Counsel authorizing the Company to implement the UIE Revenue Adjustment of \$8,158,992 on a provisional basis, subject to refund with interest.

9. The May 16 Order requires Petitioner to supplement the June 15 Petition with an update for actual results through August 31, 2011 when such information becomes available. Attached to and made a part of this Supplemental Petition are the following schedules that contain the updated information required by the May 16 Order, as well as

the Affidavits of Thomas Kaufmann and Michael P. Scacifero. As explained below, this information reflects that the Company's actual UIE spending through August 31, 2011 supports a base distribution rates revenue increase that is \$94,919 more than the base distribution rate revenue increase presented in the June 15 Petition:

- (a) Supplemental Tariff Schedule TK-1 consists of revised tariff sheets in redlined and clean form which reflect the revised Distribution Charge rates;
- (b) Supplemental UIE I Schedule TK-1 sets forth the calculation of the proposed revenue requirement associated with the UIE I rate base as of May 31, 2011 derived using the methodology and factors approved in Appendices B & C of the May 5 Stipulation approved by the May 16 Order;
- (c) Supplemental UIE I Schedule TK-2 sets forth the calculation of the rate base as of May 31, 2011;
- (d) Supplemental UIE I Schedule TK-3 sets forth the actual capital spending and capitalized in-service expenditures, which excludes removal costs, from which the UIE I rate base is derived;
- (e) Supplemental UIE II Schedule TK-1 sets forth the calculation of the proposed revenue requirement associated with the UIE II capital spending, excluding removal costs, to derive a rate base as of August 31, 2011 using the methodology and factors

reflected in Appendices B & C of the May 5 Stipulation approved by the May 16 Order;

- (f) Supplemental UIE II Schedule TK-2 sets forth the calculation of the accumulated deferred income tax credit;
- (g) Supplemental UIE II Schedule TK-3 sets forth the actual and projected capital spending, excluding removal costs, as well as in-service expenditures to which the Allowance for Funds Used During Construction (“AFUDC”) to which the Weighted Average Capital Cost (“WACC”) rate applies;
- (h) Supplemental UIE II Schedule TK-4 sets forth the calculation of the AFUDC applicable to in-service capital;
- (i) Supplemental Revenue Allocation Schedule TK-1 sets forth the allocation of the UIE I and UIE II revenue requirements;
- (j) Supplemental Proof of Revenue Schedule TK-1 sets forth the calculation of the distribution charge rates, pre-assessments and taxes;
- (k) Supplemental Distribution Rate Schedule TK-1 sets forth the rates including assessments and taxes;
- (l) Supplemental WNC Margin Revenue Factor Schedule TK-1 sets forth the updated margin revenue factor used in the Company’s weather normalization clause based on the proposed applicable distribution charges;

- (m) Supplemental Revenue Collection Schedule TK-1 sets forth revenues, by month, collected from ratepayers pursuant to the tariff;
- (n) Supplemental UIE I Schedule MPS-1 contains a description of the UIE I projects, including capital spending, miles of pipe and new jobs as of May 31, 2011;
- (o) Supplemental UIE II Schedule MPS-1 contains a description of the UIE II Projects, including a projected timeline, capital spending, miles of pipe and new jobs reflecting actual information as of August 31, 2011 and forecast information through October 2012;
- (p) Supplemental UIE II Schedule MPS-2 contains actual/projected UIE II capital spending;
- (q) Supplemental UIE II Schedule MPS-3 future filing(s) will contain a description, along with corresponding plant accounts, of the actual expenses for the UIE II Projects as of August 31, 2011 when Construction Work In Progress (“CWIP”) In-Service amounts are transferred to the Company’s plant books in October 2011; and
- (r) Supplemental UIE II Schedule MPS-4 contains non-UIE actual/budgeted capital expenditures for 2011.

10. As indicated above, these updated schedules demonstrate that the Company’s actual spending through August 31, 2011 supports a revenue increase of

\$94,919 more than the revenue increase presented in the June 15 Petition. As reflected in Supplemental UIE II Schedules MPS-1, 2 and 3, this increase is primarily due to the fact that the Company's construction progress on UIE II Projects has been somewhat ahead of schedule, resulting in an increase in UIE II-related expenditures for the period ending August 31, 2011.

11. As reflected in Supplemental Proof of Revenue Schedule TK-1, the UIE Revenue Adjustment presented in the June 15 Petition of \$8,158,992 has been updated to \$8,253,911, an increase of \$94,919 or 6.0% over the base distribution revenue increase presented in the June 15 Petition and implemented pursuant to the September 22 Order approving the September 2 Stipulation. Accordingly, by this Supplemental Petition, Petitioner respectfully requests that the provisional UIE Revenue Adjustment approved by the September 22 Order be approved and implemented on a final basis in an amount equal to \$8,253,911. .

12. Petitioner estimates that its proposed updated UIE Revenue Adjustment of \$8,253,911 will have the effect of increasing the monthly bill of a typical residential heating customer using 100 therms by \$2.67 or 2.1% as compared to Petitioner's currently effective provisional rates in effect pursuant to UIE Revenue Adjustment of \$8,158,992 implemented pursuant to the September 22 Order approving the September 2 Stipulation.

13. Petitioner is serving notice and a copy of this filing upon Rate Counsel, 31 Clinton Street, Newark, NJ, as well as all parties reflected on the most recent service list to this proceeding.

14. WHEREFORE, for all the foregoing reasons, Petitioner respectfully requests (a) that the Board approve the relief requested in the Company's June 15 Petition, as supplemented herein, specifically, that the provisional UIE Revenue Adjustment approved by the September 22 Order be approved and implemented on a final basis in an amount equal to \$8,253,911; and (b) grant such other and further relief as may be required to protect Petitioner's interests.

Respectfully submitted,

/s/ Mary Patricia Keefe

By:

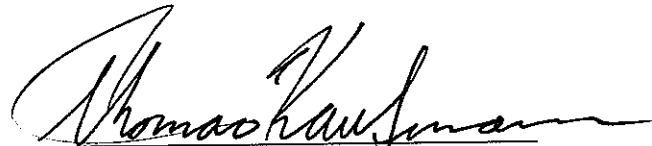
Mary Patricia Keefe, Esq.
Vice President, Regulatory Affairs
And Assistant Corporate Secretary
Pivotal Utility Holdings, Inc.
d/b/a Elizabethtown Gas
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October 3, 2011

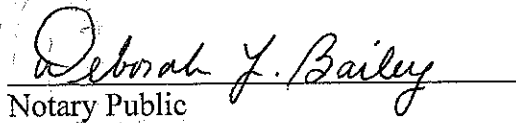
STATE OF NEW JERSEY)
)
COUNTY OF UNION) ss:

I, Thomas Kaufmann, being duly sworn according to law, upon his oath, deposes and says:

1. I am the Manager of Rates and Tariffs for the Petitioner in the foregoing Petition and I am authorized to make this Affidavit on behalf of the Petitioner.
2. The statements made in the foregoing Petition and the Exhibits and Schedules submitted therewith correctly portray the information set forth therein, to the best of my knowledge, information and belief.


Thomas Kaufmann
Manager, Rates and Tariffs

Sworn to and subscribed to before me this
3RD day of OCTOBER, 2011.


Notary Public

DEBORAH Y. BAILEY
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Sept. 8, 2015

STATE OF NEW JERSEY)
)
COUNTY OF UNION) ss:

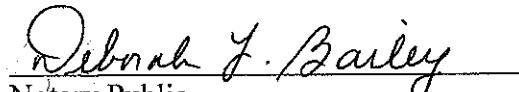
I, Michael P. Scacifero, being duly sworn according to law, upon his oath, deposes and says:

1. I am the Manager of Engineering Design for the Petitioner in the foregoing Petition and I am authorized to make this Affidavit on behalf of the Petitioner.
2. The statements made in the foregoing Petition and the Exhibits and Schedules submitted therewith correctly portray the information set forth therein, to the best of my knowledge, information and belief.



Michael P. Scacifero
Manager, Engineering Design

Sworn to and subscribed to before me this
3RD day of OCTOBER, 2011.



Notary Public

DEBORAH Y. BAILEY
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Sept. 8, 2015

ELIZABETHTOWN GAS
 B. P. U. NO. 14 – GAS
 CANCELLING
 B. P. U. NO. 13 – GAS

ORIGINAL _____ REVISED SHEET NO. 36

SERVICE CLASSIFICATION - RESIDENTIAL DELIVERY SERVICE (RDS)

APPLICABLE TO USE OF SERVICE FOR:

All residential purposes in individual residences and in individual flats, individual apartments in multiple family buildings, only where each individual flat or individual apartment is served through its own separate meter and religious institutions where the total rated input capacity of all gas utilization equipment does not exceed 500,000 BTU per hour. The rate is not available for hotels, nor for recognized rooming or boarding houses where the number of rented bedrooms is more than twice the number of bedrooms used by Customer. This rate is not applicable for industrial or commercial use of gas. In residential premises, use for purposes other than residential will be permitted only where such use is incidental to Customer's own residential use. Service for heating and/or cooling of premises will be rendered at this rate. Service to detached outbuildings or outside appliances appurtenant to the residence will be included in this rate provided Customer installs the necessary piping so that the gas used in such facilities may be measured by the meter located at the residence.

Service will be provided if Gas Company's facilities are suitable.

CHARACTER OF SERVICE:

Continuous, however, customers may either purchase gas supply from a Third Party Supplier ("TPS") or the Company's Rider "A", Basic Gas Supply Service ("BGSS")

*CHARGES PER MONTH:

	<u>Gas Supply from BGSS</u>	<u>Gas Supply from TPS</u>
Service Charge	\$8.00	\$8.00
Distribution Charge per Therm	\$0.33410.3074	\$0.33410.3074
Commodity Charge	Per Rider "A"	Per TPS Agreement

* The charges set forth in this Service Classification include sales and use tax and assessments and will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A customer that receives gas supply from a TPS will be charged for commodity according to any agreement between the customer and the TPS.

Date of Issue: ~~December 17, 2009~~

Effective: Service Rendered
 on and after ~~December 17, 2009~~

Issued by: Jodi Gidley
 Sr. Vice President, Mid-Atlantic Operations
 300 Connell Drive, Suite 3000
 Berkeley Heights, New Jersey 07922

Filed Pursuant to Order of the Board of Public Utilities
 Dated ~~December 17, 2009~~ in Docket No. ~~GR09030195~~

ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
CANCELLING
B. P. U. NO. 13 – GAS

ORIGINAL _____ REVISED SHEET NO. 37

SERVICE CLASSIFICATION - RESIDENTIAL DELIVERY SERVICE (RDS)
(continued)

MINIMUM MONTHLY CHARGE:

Service Charge.

TERM OF PAYMENT:

All bills are due upon presentation.

TERM OF CONTRACT:

One year, and thereafter until terminated by five (5) days written notice.

STANDARD TERMS AND CONDITIONS:

This Service Classification is subject to the Standard Terms and Conditions of this Tariff.

SPECIAL PROVISIONS I & II:

I. SPECIAL PROVISIONS, APPLICABLE TO ALL CUSTOMERS RECEIVING SERVICE UNDER THIS SERVICE CLASSIFICATION

1. Gas Air Conditioning and Distributive Generation

Upon separate application, Customers who have installed and are using gas air conditioning equipment, having a rated capacity of not less than 2 tons of refrigeration, and or who have installed a separate meter for distributed generation equipment shall be billed a Distribution Charge of ~~\$0.2164~~~~\$0.1897~~ per therm in the period extending from Customer's meter reading taken in the ordinary course of business in May through October.

Where, in Gas Company's opinion, it is impractical to provide separate metering for distributed generation equipment, Gas Company may estimate the use of gas for Distributive Generation during the foregoing period of May to October. During all other periods, the Distribution Charge per therm stated in this service classification shall apply.

Date of Issue: ~~December 17, 2009~~

Effective: Service Rendered
on and after ~~December 17, 2009~~

Issued by: Jodi Gidley
Sr. Vice President, Mid-Atlantic Operations
300 Connell Drive, Suite 3000
Berkeley Heights, New Jersey 07922

Filed Pursuant to Order of the Board of Public Utilities
Dated ~~December 17, 2009~~ in Docket No. ~~GR09030195~~

ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
CANCELLING
B. P. U. NO. 13 – GAS

FIRST-REVISED SHEET NO. 40

SERVICE CLASSIFICATION - SMALL GENERAL SERVICE (SGS)

APPLICABLE TO USE OF SERVICE FOR:

Small General Service is available to those customers whose annual weather normalized usage as determined by the Company is less than 3,000 therms per year and where Gas Company's facilities are suitable and the quantity of gas is available for the service desired. In August of each year the Company shall re-determine each customer's eligibility based on their annual normalized usage.

CHARACTER OF SERVICE:

Continuous.

*CHARGES PER MONTH:

Service Charge	\$16.15
Distribution Charge per Therm	\$0.34500 0.3114
Commodity Charge	Per Rider "A"

* The charges set forth in this Service Classification include sales and use tax and assessments and will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company.

MINIMUM MONTHLY CHARGE:

The Service Charge.

TERM OF PAYMENT:

All bills are due upon presentation. Should the Customer fail to make payment in full, the Company may, within the time period specified in and in accordance with Section 7.10 of the Standard Terms and Conditions of this Tariff, assess late payment charges.

TERM OF CONTRACT:

One year, and thereafter until terminated by five (5) days written notice.

Date of Issue: ~~November 10, 2010~~

Effective: Service Rendered
on and after ~~December 17, 2009~~

Issued by: Jodi Gidley
Sr. Vice President, Mid-Atlantic Operations
300 Connell Drive, Suite 3000
Berkeley Heights, New Jersey 07922

Filed Pursuant to Order of the Board of Public Utilities
Dated ~~December 17, 2009~~ in Docket No. ~~GR09030195~~

ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
CANCELLING
B. P. U. NO. 13 – GAS

ORIGINAL _____ REVISED SHEET NO. 41

SERVICE CLASSIFICATION - SMALL GENERAL SERVICE (SGS)

(continued)

STANDARD TERMS AND CONDITIONS:

This Service Classification is subject to the Standard Terms and Conditions of this Tariff.

I. SPECIAL PROVISIONS, APPLICABLE TO ALL CUSTOMERS RECEIVING SERVICE UNDER THIS SERVICE CLASSIFICATION

1. Gas Cooling & Refrigeration and Distributed Generation Under 12kW

Upon separate application, Customers who have installed a separate meter for gas cooling equipment having a rated capacity of not less than two (2) tons but less than ten (10) tons of refrigeration and or distributed generation equipment having a rated capacity under twelve (12) kW will be separately metered for such service and will be billed at the above rates, except that the applicable Distribution Charges will be billed at a rate of ~~\$0.15980-1260~~ per therm in the period extending from Customer's meter reading taken in the ordinary course of business in May through October. Where, in the Gas Company's opinion, it is impractical to provide separate metering, Gas Company may estimate the use of gas for other than distributed generation and water heating during the foregoing period of May to October. During all other periods, the Distribution Charge per therm stated in this service classification shall apply.

2. Economic Development Service (EDS)

Any new customer employing a minimum of ten (10) employees, who locates in or expands a new or vacant building within the Company's service territory and enters into a GDS service agreement and (2) any existing customer who expands into a new or vacant building within the Company's service territory and is a party to a GDS service agreement shall be eligible for an EDS discount. For new customers, this building must be new or have been vacant for a minimum of three (3) months. For existing customers, the space utilized for operations must expand by more than 5,000 square feet. Gas used subject to the EDS discount for existing customers will be calculated by the Company and will be based solely on the customer's incremental usage. This service is offered to any eligible customer for a period of five (5) years from the date of the initial Service Agreement under this service. The EDS Customers shall receive a fifty (50) percent pre tax discount in this Service Class's Distribution Charge during the period of eligibility.

Date of Issue: ~~December 17, 2009~~

Effective: Service Rendered
on and after ~~December 17, 2009~~

Issued by: Jodi Gidley
Sr. Vice President, Mid-Atlantic Operations
300 Connell Drive, Suite 3000
Berkeley Heights, New Jersey 07922

Filed Pursuant to Order of the Board of Public Utilities
Dated ~~December 17, 2009~~ in Docket No. GR09030195

ELIZABETHTOWN GAS
 B. P. U. NO. 14 – GAS
 CANCELLING
 B. P. U. NO. 13 – GAS

ORIGINAL _____ REVISED SHEET NO. 42

SERVICE CLASSIFICATION - GENERAL DELIVERY SERVICE (GDS)

APPLICABLE TO USE OF SERVICE FOR:

General Delivery Service where Gas Company's facilities are suitable and the quantity of gas is available for the service desired.

CHARACTER OF SERVICE:

Continuous, however, customers may either purchase gas supply from a Third Party Supplier ("TPS") or the Company's Rider "A", Basic Gas Supply Service ("BGSS").

*CHARGES PER MONTH:

	<u>Gas Supply from BGSS</u>	<u>Gas Supply from TPS</u>
Service Charge	\$20.00	\$20.00
Demand Charge per DCQ	\$0.811	\$0.811
Distribution Charge per Therm	\$0.21280.1944	\$0.21280.1944
Commodity Charge	Per Rider "A"	Per TPS Agreement

* The charges set forth in this Service Classification include sales and use tax and assessments and will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A customer that receives gas supply from a TPS will be charged for commodity according to any agreement between the customer and the TPS.

DETERMINATION OF THE DEMAND CHARGE QUANTITY (DCQ)

The DCQ will be determined by the Customer's maximum daily requirements in terms of therm units per day. The DCQ level shall be the highest actual daily metered consumption registered from an approved automatic meter reading device at Customer's premises within a period of not less than two years, but up to three years immediately preceding the Customer obtaining service or renewing a Service Agreement under this Service Classification if such information is available. Otherwise DCQ shall be set equal to the product of (1) the highest winter monthly consumption for the most recent winter (October through April), normalized for weather, divided by the applicable number of days in the respective billing month, and (2) 1.36, provided that DCQ shall not be less than the highest non-winter month consumption divided by the applicable number of days in the respective billing month. For process loads, the Company may base the DCQ on historical consumption. If historical consumption information is not available,

Date of Issue: ~~December 17, 2009~~

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 on and after ~~December 17, 2009~~

Issued by: Jodi Gidley
 Sr. Vice President, Mid-Atlantic Operations
 300 Connell Drive, Suite 3000
 Berkeley Heights, New Jersey 07922

Filed Pursuant to Order of the Board of Public Utilities
 Dated ~~December 17, 2009~~ in Docket No. ~~GR09030195~~

ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
CANCELLING
B. P. U. NO. 13 – GAS

ORIGINAL _____ REVISED SHEET NO. 44

SERVICE CLASSIFICATION - GENERAL DELIVERY SERVICE (GDS)
(continued)

SPECIAL PROVISIONS SECTIONS I & II:

I. SPECIAL PROVISIONS, APPLICABLE TO ALL CUSTOMERS RECEIVING SERVICE UNDER THIS SERVICE CLASSIFICATION

1. Distributive Generation Under 12 kW and Gas Cooling & Refrigeration, 2 tons to under 10 Tons

Upon separate application, Customers who have installed a separate meter for distributed generation equipment having a rated capacity under twelve (12) kW and/or gas cooling equipment having a rated capacity of not less than two (2) tons but less than ten (10) tons of refrigeration will be separately metered for such service and will be billed at the above rates, except that the applicable Distribution Charges will be billed at a rate of ~~\$0.13000-1113~~ per therm in the period extending from Customer's meter reading taken in the ordinary course of business in May through October. Where, in the Gas Company's opinion, it is impractical to provide separate metering, Gas Company may estimate the use of gas for other than distributed generation and water heating during the foregoing period of May to October. During all other periods, the Distribution Charge per therm stated in this service classification shall apply.

2. Distributed Generation of 12 kW or More and Gas Cooling & Refrigeration of 10 Tons or More

Under separate application Customers who are using gas for distributive generation with a rated capacity of twelve (12) kW or more, and/or gas cooling equipment with a rated capacity of ten (10) tons or more, and where gas consumed is separately metered, will be billed at the above rates, except that the applicable Distribution Charges will be billed at a rate of ~~\$0.06100-0423~~ per therm commencing with the first meter reading taken in the ordinary course of business in May and concluding with the meter reading taken in the ordinary course of business in October. During all other periods, the Distribution and Commodity Charge per therm stated in this service classification shall apply.

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Issued by: Jodi Gidley,
Sr. Vice President, Mid-Atlantic Operations
300 Connell Drive, Suite 3000
Berkeley Heights, New Jersey 07922

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ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
CANCELLING
B. P. U. NO. 13 – GAS

ORIGINAL _____ REVISED SHEET NO. 50

SERVICE CLASSIFICATION - LARGE VOLUME DEMAND (LVD)

The signing of a service agreement is a condition precedent to receiving service under this classification. The Service Agreement will include the Customer's Demand Charge Quantity (DCQ).

APPLICABLE TO USE OF SERVICE FOR:

Applicable to Commercial and Industrial Users, when daily demand is not less than 2,000 therms per day up to the maximum daily demands as set forth in the Service Agreement, provided that all firm gas service is supplied under this rate, Gas Company's facilities are suitable, and the required quantity of gas is available for the service desired. The consumption of gas in different locations will not be combined for billing purposes.

CHARACTER OF SERVICE:

Continuous.

*CHARGE PER MONTH:

Service Charge	\$481.86
Demand Charge per DCQ	\$1.036
Distribution Charge per Therm	\$0.04600-0371
Commodity Charge	Per Rider "A"

*The charges set forth in this Service Classification include sales and use tax and assessments and will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company.

DETERMINATION OF THE DEMAND CHARGE QUANTITY ("DCQ"):

The DCQ will be determined by the Customer's maximum daily requirements in terms of therms per day and included in the Service Agreement.

The DCQ level shall be the highest actual daily metered consumption registered from an approved automatic meter reading device at Customer's premises within a period of not less than two years, but up to three years immediately preceding the Customer obtaining service or renewing a Service Agreement under this Service Classification if such information is available. Otherwise DCQ shall be set equal to the product of (1) the highest winter monthly consumption for the most recent winter (October through April), normalized for weather, divided by the applicable

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300 Connell Drive, Suite 3000
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Dated ~~December 17, 2009~~ in Docket No. GR09030195

ELIZABETHTOWN GAS
 B. P. U. NO. 14 – GAS
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 B. P. U. NO. 13 – GAS

ORIGINAL _____ REVISED SHEET NO. 53

SERVICE CLASSIFICATION – ELECTRIC GENERATION FIRM SERVICE (EGF)

All customers must sign a Service Agreement. Service will be restricted to the maximum annual and hourly requirements, and the location and equipment specified in the Agreement.

APPLICABLE TO USE OF SERVICE FOR:

Available to customers who utilize natural gas for Qualifying Cogeneration, as defined below, Distributive Generation, Micro Turbine and Fuel Cells at facilities with a rated production of over 500 Kilowatts (kW). Customers have the option of taking service under this Service Classification or negotiating a sales and/or transportation service contract which will be filed with the New Jersey Board of Public Utilities.

A Qualifying Cogeneration Facility is one that meets the Federal Energy Regulatory Commission (FERC) certification of qualifying status for the sequential production of electrical and/or mechanical energy and useful thermal energy from the same fuel source by a facility as defined in Section 201 of the Regulatory Policies Act of 1978.

CHARACTER OF SERVICE:

Continuous

*CHARGE PER MONTH:

	<u>Tax-Exempt ⁽¹⁾</u>	<u>Taxable ⁽²⁾</u>
Service Charge	\$52.37	\$56.04
Demand Charge per DCQ	\$0.741	\$0.793
Distribution Charge per Therm	\$0.01480-0069	\$0.01580-0074
Commodity Charge	Per Rider "A"	Per Rider "A"

* The charges set forth in this Service Classification include sales and use tax, unless noted tax-exempt, and assessments and will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company.

- (1) Tax-Exempt rates apply to cogeneration facilities that are in compliance with the terms of N.J.S.A. 54:30A-50.
- (2) Taxable rates apply to customers, unless specifically exempted by law, entering Service Agreements with the Company after 3/10/97.

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Issued by: Jodi Gidley
 Sr. Vice President, Mid-Atlantic Operations
 300 Connell Drive, Suite 3000
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ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
CANCELLING
B.P.U. NO. 13 – GAS

FIRST-REVISED SHEET NO. 56

SERVICE CLASSIFICATION - GAS LIGHT SERVICE (GLS)

This Service Classification is limited to un-metered Gas Lights whose cost of maintenance and repair shall be the responsibility of Customer.

APPLICABLE TO USE OF SERVICE FOR:

Customers who have the gas supply for their outdoor lighting fixtures connected directly to the gas service pipe without being metered.

CHARACTER OF SERVICE:

Continuous.

CHARGE PER MONTH:

The Distribution Charge for this service shall be at the flat rate of ~~\$6.305-93~~ per Mantel Equivalent, inclusive of taxes and assessments, for each .02 therms of hourly input rating of the lighting fixtures. Input ratings shall be those of the manufacturer of the gas lighting fixtures or as determined by actual test or calculation made by Gas Company. The rate set forth above will be adjusted for the Periodic Basic Gas Supply Service Charge (BGSS-P) of this Tariff as well as all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. Per Therm charges shall be determined by the Company using the following factors times the applicable rates noted above:

Mantel Equivalents = fixture input rating / .02 therms of hourly input
Un Metered Billing Therms = Mantel Equivalents * .02 * 24 hours * 365 / 12

MINIMUM MONTHLY CHARGE:

Flat rate as shown above.

TERM OF PAYMENT:

All bills are due upon presentation. Should a non-residential GLS Customer fail to make payment in full, the Company may, within the time period specified in and in accordance with Section 7.10 of the Standard Terms and Conditions of this Tariff, assess late payment charges.

Date of Issue: ~~November 10, 2010~~

Effective: Service Rendered
on and after ~~December 17, 2009~~

Issued by: Jodi Gidley
Sr. Vice President, Mid-Atlantic Operations
300 Connell Drive, Suite 3000
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ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
CANCELLING
B. P. U. NO. 13 – GAS

ORIGINAL _____ REVISED SHEET NO. 76

SERVICE CLASSIFICATION – FIRM TRANSPORTATION SERVICE (FTS)

The signing of a Service Agreement and possession by the Customer of a fully executed contract to purchase gas from a third party are conditions precedent to receiving service under this Service Classification.

APPLICABLE TO USE OF SERVICE FOR:

Customers with a Demand Charge Quantity (DCQ) in excess of 2,000 therms per day.

CHARACTER OF SERVICE:

This service will be offered on a Firm basis subject to curtailment provisions as set forth in Section 17 of the Standard Terms and Conditions of this Tariff.

The availability of service to be offered for contract under this Service Classification shall be determined at the sole discretion of the Company and will be offered on a first come first served basis.

*CHARGE PER MONTH:

	<u>Tax-Exempt</u>	<u>Taxable</u>
Service Charge	\$175.17	\$187.43
Demand Charge per DCQ	\$0.758	\$0.811
Distribution Charge per Therm	\$0.06690-0586	\$0.07160-0627

*The charges set forth above include sales and use tax, unless noted tax exempt, and assessments, and will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company.

DETERMINATION OF THE DEMAND CHARGE QUANTITY (DCQ):

The DCQ will be determined by the Customer's maximum daily requirements in terms of therms per day and included in the Service Agreement.

The DCQ level shall be the highest actual daily metered consumption registered from an approved automatic meter reading device at Customer's premises within a period of not less than two years, but up to three years immediately preceding the Customer obtaining service or renewing a Service Agreement under this Service Classification if such information is available. Otherwise Daily Contract Demand shall be set equal to the product of (1) the highest winter monthly consumption for the most recent winter (October through April) divided by the applicable

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300 Connell Drive, Suite 3000
Berkeley Heights, New Jersey 07922

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Dated ~~December 17, 2009~~ in Docket No. ~~GR09030195~~

ELIZABETHTOWN GAS
 B. P. U. NO. 14 – GAS
 CANCELLING
 B. P. U. NO. 13 – GAS

ORIGINAL _____ REVISED SHEET NO. 105

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 - 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 monthly factors 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 initial monthly degree day consumption factor and current monthly degree day consumption factor of therms per degree day are as follows:

<u>Month</u>	<u>Base Number of Customers</u>	<u>Therms per Degree Day</u>
October	270,827	45,255
November	271,439	52,406
December	272,283	57,992
January	273,306	60,057
February	273,936	58,851
March	274,159	56,402
April	273,907	43,295
May	273,032	40,476

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 assessments 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 tail block 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 are adjusted. The current Margin Revenue Factor is \$0.27310-2504 per therm.

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Issued by: Jodi Gidley Sr. Vice President, Mid-Atlantic Operations 300 Connell Drive, Suite 3000 Berkeley Heights, New Jersey 07922	

ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
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~~FIRST REVISED SHEET NO. 118~~
~~SUPERSEDING~~
~~ORIGINAL~~ REVISED SHEET NO. 118

RIDER "F"

UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

Applicable to all RDS, SGS, GDS, LVD, EGF, GLS and FTS customers receiving service through the Company's distribution system. The UIE shall be collected on a per therm basis and shall remain in effect until changed by order of the NJBPU. By Order issued May 16, 2011 in BPU Docket Nos. GO10120969 and GR09030195, the Board approved a Stipulation dated May 5, 2011 under which the balance of the UIE would be closed to the BGSS-P when reconciled to a near zero balance.

\$0.0116 per therm

In accordance with P.L. 1997, c. 162, 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.

On October 16, 2008, ~~Governor Jon S. Corzine~~ the State proposed a comprehensive economic stimulus plan to address the economic crisis facing New Jersey. As part of this program the utilities of New Jersey have been encouraged to accelerate prudent and reasonable capital investment projects to support economic development and job growth within their respective service territories. Elizabethtown has identified infrastructure investments described below as projects that will enhance the reliability, safety and system integrity of Elizabethtown's distribution system while promoting energy efficiency and preservation of the environment. The UIE will enable the Company to recover the incremental revenue requirement associated with the accelerated capital investments with the following projects:

- (1) The replacement of 29 miles of elevated pressure ten to twelve-inch cast iron main in Union and Middlesex counties;
- (2) The replacement of 42 miles of low pressure four-inch cast iron main;
- (3) The construction of a pipeline interconnect between Franklin Township and Sparta Township to eliminate a current one-way feed that serves 4,500 customers;
- (4) The construction of a pipeline interconnect between Washington Township and the Town of Newton in order to eliminate the dependency of 7,500 customers on a single source of interstate natural gas pipeline supply.

Date of Issue: ~~January 1, 2010~~

Effective: Service Rendered
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Issued by: Jodi Gidley
Sr. Vice President, Mid-Atlantic Operations
300 Connell Drive, Suite 3000
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Dated ~~December 22, 2009~~ in Docket No. ~~GR09110925~~

CLEAN

ELIZABETHTOWN GAS
 B. P. U. NO. 14 – GAS
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 B. P. U. NO. 13 – GAS

REVISED SHEET NO. 36

SERVICE CLASSIFICATION - RESIDENTIAL DELIVERY SERVICE (RDS)

APPLICABLE TO USE OF SERVICE FOR:

All residential purposes in individual residences and in individual flats, individual apartments in multiple family buildings, only where each individual flat or individual apartment is served through its own separate meter and religious institutions where the total rated input capacity of all gas utilization equipment does not exceed 500,000 BTU per hour. The rate is not available for hotels, nor for recognized rooming or boarding houses where the number of rented bedrooms is more than twice the number of bedrooms used by Customer. This rate is not applicable for industrial or commercial use of gas. In residential premises, use for purposes other than residential will be permitted only where such use is incidental to Customer's own residential use. Service for heating and/or cooling of premises will be rendered at this rate. Service to detached outbuildings or outside appliances appurtenant to the residence will be included in this rate provided Customer installs the necessary piping so that the gas used in such facilities may be measured by the meter located at the residence.

Service will be provided if Gas Company's facilities are suitable.

CHARACTER OF SERVICE:

Continuous, however, customers may either purchase gas supply from a Third Party Supplier ("TPS") or the Company's Rider "A", Basic Gas Supply Service ("BGSS")

*CHARGES PER MONTH:

	<u>Gas Supply from BGSS</u>	<u>Gas Supply from TPS</u>
Service Charge	\$8.00	\$8.00
Distribution Charge per Therm	\$0.3341	\$0.3341
Commodity Charge	Per Rider "A"	Per TPS Agreement

* The charges set forth in this Service Classification include sales and use tax and assessments and will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A customer that receives gas supply from a TPS will be charged for commodity according to any agreement between the customer and the TPS.

Date of Issue:

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 on and after

Issued by: Jodi Gidley
 Sr. Vice President, Mid-Atlantic Operations
 300 Connell Drive, Suite 3000
 Berkeley Heights, New Jersey 07922

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 Dated in Docket No.

ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
CANCELLING
B. P. U. NO. 13 – GAS

_____ REVISED SHEET NO. 37

SERVICE CLASSIFICATION - RESIDENTIAL DELIVERY SERVICE (RDS)
(continued)

MINIMUM MONTHLY CHARGE:

Service Charge.

TERM OF PAYMENT:

All bills are due upon presentation.

TERM OF CONTRACT:

One year, and thereafter until terminated by five (5) days written notice.

STANDARD TERMS AND CONDITIONS:

This Service Classification is subject to the Standard Terms and Conditions of this Tariff.

SPECIAL PROVISIONS I & II:

I. SPECIAL PROVISIONS, APPLICABLE TO ALL CUSTOMERS RECEIVING SERVICE UNDER THIS SERVICE CLASSIFICATION

1. Gas Air Conditioning and Distributive Generation

Upon separate application, Customers who have installed and are using gas air conditioning equipment, having a rated capacity of not less than 2 tons of refrigeration, and or who have installed a separate meter for distributed generation equipment shall be billed a Distribution Charge of \$0.2164 per therm in the period extending from Customer's meter reading taken in the ordinary course of business in May through October.

Where, in Gas Company's opinion, it is impractical to provide separate metering for distributed generation equipment, Gas Company may estimate the use of gas for Distributive Generation during the foregoing period of May to October. During all other periods, the Distribution Charge per therm stated in this service classification shall apply.

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Issued by: Jodi Gidley
Sr. Vice President, Mid-Atlantic Operations
300 Connell Drive, Suite 3000
Berkeley Heights, New Jersey 07922

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Dated _____ in Docket No. _____

ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
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REVISSED SHEET NO. 40

SERVICE CLASSIFICATION - SMALL GENERAL SERVICE (SGS)

APPLICABLE TO USE OF SERVICE FOR:

Small General Service is available to those customers whose annual weather normalized usage as determined by the Company is less than 3,000 therms per year and where Gas Company's facilities are suitable and the quantity of gas is available for the service desired. In August of each year the Company shall re-determine each customer's eligibility based on their annual normalized usage.

CHARACTER OF SERVICE:

Continuous.

*CHARGES PER MONTH:

Service Charge	\$16.15
Distribution Charge per Therm	\$0.3450
Commodity Charge	Per Rider "A"

* The charges set forth in this Service Classification include sales and use tax and assessments and will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company.

MINIMUM MONTHLY CHARGE:

The Service Charge.

TERM OF PAYMENT:

All bills are due upon presentation. Should the Customer fail to make payment in full, the Company may, within the time period specified in and in accordance with Section 7.10 of the Standard Terms and Conditions of this Tariff, assess late payment charges.

TERM OF CONTRACT:

One year, and thereafter until terminated by five (5) days written notice.

Date of Issue:

Effective: Service Rendered
on and after

Issued by: Jodi Gidley
Sr. Vice President, Mid-Atlantic Operations
300 Connell Drive, Suite 3000
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ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
CANCELLING
B. P. U. NO. 13 – GAS

_____ REVISED SHEET NO. 41

SERVICE CLASSIFICATION - SMALL GENERAL SERVICE (SGS)

(continued)

STANDARD TERMS AND CONDITIONS:

This Service Classification is subject to the Standard Terms and Conditions of this Tariff.

I. SPECIAL PROVISIONS, APPLICABLE TO ALL CUSTOMERS RECEIVING SERVICE UNDER THIS SERVICE CLASSIFICATION

1. Gas Cooling & Refrigeration and Distributed Generation Under 12kW

Upon separate application, Customers who have installed a separate meter for gas cooling equipment having a rated capacity of not less than two (2) tons but less than ten (10) tons of refrigeration and or distributed generation equipment having a rated capacity under twelve (12) kW will be separately metered for such service and will be billed at the above rates, except that the applicable Distribution Charges will be billed at a rate of \$0.1598 per therm in the period extending from Customer's meter reading taken in the ordinary course of business in May through October. Where, in the Gas Company's opinion, it is impractical to provide separate metering, Gas Company may estimate the use of gas for other than distributed generation and water heating during the foregoing period of May to October. During all other periods, the Distribution Charge per therm stated in this service classification shall apply.

2. Economic Development Service (EDS)

Any new customer employing a minimum of ten (10) employees, who locates in or expands a new or vacant building within the Company's service territory and enters into a GDS service agreement and (2) any existing customer who expands into a new or vacant building within the Company's service territory and is a party to a GDS service agreement shall be eligible for an EDS discount. For new customers, this building must be new or have been vacant for a minimum of three (3) months. For existing customers, the space utilized for operations must expand by more than 5,000 square feet. Gas used subject to the EDS discount for existing customers will be calculated by the Company and will be based solely on the customer's incremental usage. This service is offered to any eligible customer for a period of five (5) years from the date of the initial Service Agreement under this service. The EDS Customers shall receive a fifty (50) percent pre tax discount in this Service Class's Distribution Charge during the period of eligibility.

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Sr. Vice President, Mid-Atlantic Operations
300 Connell Drive, Suite 3000
Berkeley Heights, New Jersey 07922

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Dated _____ in Docket No. _____

ELIZABETHTOWN GAS
 B. P. U. NO. 14 – GAS
 CANCELLING
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REVISED SHEET NO. 42

SERVICE CLASSIFICATION - GENERAL DELIVERY SERVICE (GDS)

APPLICABLE TO USE OF SERVICE FOR:

General Delivery Service where Gas Company's facilities are suitable and the quantity of gas is available for the service desired.

CHARACTER OF SERVICE:

Continuous, however, customers may either purchase gas supply from a Third Party Supplier ("TPS") or the Company's Rider "A", Basic Gas Supply Service ("BGSS").

*CHARGES PER MONTH:

	<u>Gas Supply from BGSS</u>	<u>Gas Supply from TPS</u>
Service Charge	\$20.00	\$20.00
Demand Charge per DCQ	\$0.811	\$0.811
Distribution Charge per Therm	\$0.2128	\$0.2128
Commodity Charge	Per Rider "A"	Per TPS Agreement

* The charges set forth in this Service Classification include sales and use tax and assessments and will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A customer that receives gas supply from a TPS will be charged for commodity according to any agreement between the customer and the TPS.

DETERMINATION OF THE DEMAND CHARGE QUANTITY (DCQ)

The DCQ will be determined by the Customer's maximum daily requirements in terms of therm units per day. The DCQ level shall be the highest actual daily metered consumption registered from an approved automatic meter reading device at Customer's premises within a period of not less than two years, but up to three years immediately preceding the Customer obtaining service or renewing a Service Agreement under this Service Classification if such information is available. Otherwise DCQ shall be set equal to the product of (1) the highest winter monthly consumption for the most recent winter (October through April), normalized for weather, divided by the applicable number of days in the respective billing month, and (2) 1.36, provided that DCQ shall not be less than the highest non-winter month consumption divided by the applicable number of days in the respective billing month. For process loads, the Company may base the DCQ on historical consumption. If historical consumption information is not available,

Date of Issue:

Effective: Service Rendered
 on and after

Issued by: Jodi Gidley
 Sr. Vice President, Mid-Atlantic Operations
 300 Connell Drive, Suite 3000
 Berkeley Heights, New Jersey 07922

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ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
CANCELLING
B. P. U. NO. 13 – GAS

_____ REVISED SHEET NO. 44

SERVICE CLASSIFICATION - GENERAL DELIVERY SERVICE (GDS)
(continued)

SPECIAL PROVISIONS SECTIONS I & II:

I. SPECIAL PROVISIONS, APPLICABLE TO ALL CUSTOMERS RECEIVING SERVICE UNDER THIS SERVICE CLASSIFICATION

1. Distributive Generation Under 12 kW and Gas Cooling & Refrigeration, 2 tons to under 10 Tons

Upon separate application, Customers who have installed a separate meter for distributed generation equipment having a rated capacity under twelve (12) kW and/or gas cooling equipment having a rated capacity of not less than two (2) tons but less than ten (10) tons of refrigeration will be separately metered for such service and will be billed at the above rates, except that the applicable Distribution Charges will be billed at a rate of \$0.1300 per therm in the period extending from Customer's meter reading taken in the ordinary course of business in May through October. Where, in the Gas Company's opinion, it is impractical to provide separate metering, Gas Company may estimate the use of gas for other than distributed generation and water heating during the foregoing period of May to October. During all other periods, the Distribution Charge per therm stated in this service classification shall apply.

2. Distributed Generation of 12 kW or More and Gas Cooling & Refrigeration of 10 Tons or More

Under separate application Customers who are using gas for distributive generation with a rated capacity of twelve (12) kW or more, and/or gas cooling equipment with a rated capacity of ten (10) tons or more, and where gas consumed is separately metered, will be billed at the above rates, except that the applicable Distribution Charges will be billed at a rate of \$0.0610 per therm commencing with the first meter reading taken in the ordinary course of business in May and concluding with the meter reading taken in the ordinary course of business in October. During all other periods, the Distribution and Commodity Charge per therm stated in this service classification shall apply.

Date of Issue:

Effective: Service Rendered
on and after

Issued by: Jodi Gidley,
Sr. Vice President, Mid-Atlantic Operations
300 Connell Drive, Suite 3000
Berkeley Heights, New Jersey 07922

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

ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
CANCELLING
B. P. U. NO. 13 – GAS

REVISED SHEET NO. 50

SERVICE CLASSIFICATION - LARGE VOLUME DEMAND (LVD)

The signing of a service agreement is a condition precedent to receiving service under this classification. The Service Agreement will include the Customer's Demand Charge Quantity (DCQ).

APPLICABLE TO USE OF SERVICE FOR:

Applicable to Commercial and Industrial Users, when daily demand is not less than 2,000 therms per day up to the maximum daily demands as set forth in the Service Agreement, provided that all firm gas service is supplied under this rate, Gas Company's facilities are suitable, and the required quantity of gas is available for the service desired. The consumption of gas in different locations will not be combined for billing purposes.

CHARACTER OF SERVICE:

Continuous.

*CHARGE PER MONTH:

Service Charge	\$481.86
Demand Charge per DCQ	\$1.036
Distribution Charge per Therm	\$0.0460
Commodity Charge	Per Rider "A"

*The charges set forth in this Service Classification include sales and use tax and assessments and will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company.

DETERMINATION OF THE DEMAND CHARGE QUANTITY ("DCQ"):

The DCQ will be determined by the Customer's maximum daily requirements in terms of therms per day and included in the Service Agreement.

The DCQ level shall be the highest actual daily metered consumption registered from an approved automatic meter reading device at Customer's premises within a period of not less than two years, but up to three years immediately preceding the Customer obtaining service or renewing a Service Agreement under this Service Classification if such information is available. Otherwise DCQ shall be set equal to the product of (1) the highest winter monthly consumption for the most recent winter (October through April), normalized for weather, divided by the applicable

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 B. P. U. NO. 13 – GAS

REVISED SHEET NO. 53

SERVICE CLASSIFICATION – ELECTRIC GENERATION FIRM SERVICE (EGF)

All customers must sign a Service Agreement. Service will be restricted to the maximum annual and hourly requirements, and the location and equipment specified in the Agreement.

APPLICABLE TO USE OF SERVICE FOR:

Available to customers who utilize natural gas for Qualifying Cogeneration, as defined below, Distributive Generation, Micro Turbine and Fuel Cells at facilities with a rated production of over 500 Kilowatts (kW). Customers have the option of taking service under this Service Classification or negotiating a sales and/or transportation service contract which will be filed with the New Jersey Board of Public Utilities.

A Qualifying Cogeneration Facility is one that meets the Federal Energy Regulatory Commission (FERC) certification of qualifying status for the sequential production of electrical and/or mechanical energy and useful thermal energy from the same fuel source by a facility as defined in Section 201 of the Regulatory Policies Act of 1978.

CHARACTER OF SERVICE:

Continuous

*CHARGE PER MONTH:

	<u>Tax-Exempt</u> ⁽¹⁾	<u>Taxable</u> ⁽²⁾
Service Charge	\$52.37	\$56.04
Demand Charge per DCQ	\$0.741	\$0.793
Distribution Charge per Therm	\$0.0148	\$0.0158
Commodity Charge	Per Rider "A"	Per Rider "A"

* The charges set forth in this Service Classification include sales and use tax, unless noted tax-exempt, and assessments and will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company.

- (1) Tax-Exempt rates apply to cogeneration facilities that are in compliance with the terms of N.J.S.A. 54:30A-50.
- (2) Taxable rates apply to customers, unless specifically exempted by law, entering Service Agreements with the Company after 3/10/97.

Date of Issue: _____ Effective: Service Rendered
 on and after

Issued by: Jodi Gidley
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 Berkeley Heights, New Jersey 07922

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ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
CANCELLING
B. P. U. NO. 13 – GAS

REVISED SHEET NO. 56

SERVICE CLASSIFICATION - GAS LIGHT SERVICE (GLS)

This Service Classification is limited to un-metered Gas Lights whose cost of maintenance and repair shall be the responsibility of Customer.

APPLICABLE TO USE OF SERVICE FOR:

Customers who have the gas supply for their outdoor lighting fixtures connected directly to the gas service pipe without being metered.

CHARACTER OF SERVICE:

Continuous.

CHARGE PER MONTH:

The Distribution Charge for this service shall be at the flat rate of \$6.30 per Mantel Equivalent, inclusive of taxes and assessments, for each .02 therms of hourly input rating of the lighting fixtures. Input ratings shall be those of the manufacturer of the gas lighting fixtures or as determined by actual test or calculation made by Gas Company. The rate set forth above will be adjusted for the Periodic Basic Gas Supply Service Charge (BGSS-P) of this Tariff as well as all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. Per Therm charges shall be determined by the Company using the following factors times the applicable rates noted above:

Mantel Equivalents = fixture input rating / .02 therms of hourly input
Un Metered Billing Therms = Mantel Equivalents *.02 * 24 hours * 365 / 12

MINIMUM MONTHLY CHARGE:

Flat rate as shown above.

TERM OF PAYMENT:

All bills are due upon presentation. Should a non-residential GLS Customer fail to make payment in full, the Company may, within the time period specified in and in accordance with Section 7.10 of the Standard Terms and Conditions of this Tariff, assess late payment charges.

Date of Issue:

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Issued by: Jodi Gidley
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Berkeley Heights, New Jersey 07922

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B. P. U. NO. 14 – GAS
CANCELLING
B. P. U. NO. 13 – GAS

REVISED SHEET NO. 76

SERVICE CLASSIFICATION – FIRM TRANSPORTATION SERVICE (FTS)

The signing of a Service Agreement and possession by the Customer of a fully executed contract to purchase gas from a third party are conditions precedent to receiving service under this Service Classification.

APPLICABLE TO USE OF SERVICE FOR:

Customers with a Demand Charge Quantity (DCQ) in excess of 2,000 therms per day.

CHARACTER OF SERVICE:

This service will be offered on a Firm basis subject to curtailment provisions as set forth in Section 17 of the Standard Terms and Conditions of this Tariff.

The availability of service to be offered for contract under this Service Classification shall be determined at the sole discretion of the Company and will be offered on a first come first served basis.

*CHARGE PER MONTH:

	<u>Tax-Exempt</u>	<u>Taxable</u>
Service Charge	\$175.17	\$187.43
Demand Charge per DCQ	\$0.758	\$0.811
Distribution Charge per Therm	\$0.0669	\$0.0716

*The charges set forth above include sales and use tax, unless noted tax exempt, and assessments, and will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company.

DETERMINATION OF THE DEMAND CHARGE QUANTITY (DCQ):

The DCQ will be determined by the Customer's maximum daily requirements in terms of therms per day and included in the Service Agreement.

The DCQ level shall be the highest actual daily metered consumption registered from an approved automatic meter reading device at Customer's premises within a period of not less than two years, but up to three years immediately preceding the Customer obtaining service or renewing a Service Agreement under this Service Classification if such information is available. Otherwise Daily Contract Demand shall be set equal to the product of (1) the highest winter monthly consumption for the most recent winter (October through April) divided by the applicable

Date of Issue:

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Issued by: Jodi Gidley
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REVISED SHEET NO. 105

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 - 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 monthly factors 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 initial monthly degree day consumption factor and current monthly degree day consumption factor of therms per degree day are as follows:

<u>Month</u>	<u>Base Number of Customers</u>	<u>Therms per Degree Day</u>
October	270,827	45,255
November	271,439	52,406
December	272,283	57,992
January	273,306	60,057
February	273,936	58,851
March	274,159	56,402
April	273,907	43,295
May	273,032	40,476

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 assessments 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 tail block 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 are adjusted. The current Margin Revenue Factor is \$0.2731 per therm.

Date of Issue: _____ Effective: Service Rendered
 on and after

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ELIZABETHTOWN GAS
B. P. U. NO. 14 – GAS
CANCELLING
B. P. U. NO. 13 – GAS

REVISED SHEET NO. 118

RIDER "F"

UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

Applicable to all RDS, SGS, GDS, LVD, EGF, GLS and FTS customers receiving service through the Company's distribution system. The UIE shall be collected on a per therm basis and shall remain in effect until changed by order of the NJBPU. By Order issued May 16, 2011 in BPU Docket Nos. GO10120969 and GR09030195, the Board approved a Stipulation dated May 5, 2011 under which the balance of the UIE would be closed to the BGSS-P when reconciled to a near zero balance.

\$0.0116 per therm

In accordance with P.L. 1997, c. 162, 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.

On October 16, 2008, the State proposed a comprehensive economic stimulus plan to address the economic crisis facing New Jersey. As part of this program the utilities of New Jersey have been encouraged to accelerate prudent and reasonable capital investment projects to support economic development and job growth within their respective service territories. Elizabethtown has identified infrastructure investments described below as projects that will enhance the reliability, safety and system integrity of Elizabethtown's distribution system while promoting energy efficiency and preservation of the environment. The UIE will enable the Company to recover the incremental revenue requirement associated with the accelerated capital investments with the following projects:

- (1) The replacement of 29 miles of elevated pressure ten to twelve-inch cast iron main in Union and Middlesex counties;
- (2) The replacement of 42 miles of low pressure four-inch cast iron main;
- (3) The construction of a pipeline interconnect between Franklin Township and Sparta Township to eliminate a current one-way feed that serves 4,500 customers;
- (4) The construction of a pipeline interconnect between Washington Township and the Town of Newton in order to eliminate the dependency of 7,500 customers on a single source of interstate natural gas pipeline supply.

Date of Issue:

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

PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
 UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

UIE Phase I Ending May 31, 2011 (UIE-I)

REVENUE ADJUSTMENT

October 1, 2011

Rate Base as of May 31, 2011, TK-2		\$49,697,579
Rate of Return - net of tax		6.53%
		<u>\$3,245,252</u>
Annual Depreciation Expense, see below	\$984,647	
Depreciation Exp, Tax / After Tax	<u>\$402,228</u>	\$582,419
Allowable Net Income		<u>\$3,827,671</u>
Revenue Factor, per UIE II Stipulation		<u>1.72431</u>
Revenue Requirement		<u><u>\$6,600,091</u></u>
Depreciable Balance, TK-3		\$65,643,150
Depreciation Rate		<u>1.500%</u>
Depreciation Expense		<u><u>\$ 984,647</u></u>

PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

UIE Phase I Ending May 31, 2011 (UIE-I)
Rate Base Roll -In

a	Capitalized Expenditures MPS-2 b	Gross Plant In Service c	Average Gross Plant In Service d	Avg. Book Deprec. % Rate e	Monthly Deprec. f (note 1)	Accum. Deprec. g= cum of f	Accum. Deferred Income Tax h (note 2)	Rate Base i=c-g-h
Begin Balance		\$0				\$0		\$0
Apr-09	\$0	\$0	\$0	2.14%	\$0	\$0	\$0	\$0
May-09	\$0	\$0	\$0	2.14%	\$0	\$0	\$0	\$0
Jun-09	\$562,835	\$562,835	\$281,418	2.14%	\$0	\$0	\$116,088	\$446,747
Jul-09	\$9,211	\$572,046	\$567,441	2.14%	\$1,020	\$1,020	\$118,534	\$452,492
Aug-09	\$573,249	\$1,145,295	\$858,671	2.14%	\$3,065	\$4,085	\$236,738	\$904,472
Sep-09	\$135,071	\$1,280,366	\$1,212,831	2.14%	\$2,765	\$6,850	\$266,031	\$1,007,485
Oct-09	\$2,303,606	\$3,583,972	\$2,432,169	2.14%	\$18,715	\$25,565	\$740,335	\$2,818,072
Nov-09	\$1,034,772	\$4,618,744	\$4,101,358	2.14%	\$15,618	\$41,183	\$860,249	\$3,717,312
Dec-09	\$5,220,565	\$9,839,309	\$7,229,027	1.83%	\$56,004	\$97,187	\$2,082,119	\$7,660,003
Jan-10	\$1,229,078	\$11,068,387	\$10,453,848	1.50%	\$12,299	\$109,486	\$2,115,156	\$8,843,745
Feb-10	\$441,880	\$11,510,267	\$11,289,327	1.50%	\$12,299	\$121,785	\$2,156,856	\$9,231,626
Mar-10	\$1,871,842	\$13,382,109	\$12,446,188	1.50%	\$12,299	\$134,084	\$2,238,926	\$11,009,099
Apr-10	\$2,470,657	\$15,852,766	\$14,617,438	1.50%	\$12,299	\$146,383	\$2,380,201	\$13,326,182
May-10	\$19,927,806	\$35,780,572	\$25,816,669	1.50%	\$12,299	\$158,682	\$3,058,705	\$32,563,185
Jun-10	\$5,167,275	\$40,947,847	\$38,364,210	1.50%	\$12,299	\$170,981	\$3,896,413	\$36,880,453
Jul-10	\$5,166,101	\$46,113,948	\$43,530,898	1.50%	\$57,643	\$228,624	\$4,895,564	\$40,989,760
Aug-10	\$4,497,529	\$50,611,477	\$48,362,713	1.50%	\$68,887	\$297,511	\$6,083,032	\$44,230,934
Sep-10	\$5,838,982	\$56,450,459	\$53,530,968	1.50%	\$85,161	\$382,672	\$7,718,535	\$48,349,252
Oct-10	\$3,415,190	\$59,865,649	\$58,158,054	1.50%	\$87,640	\$470,312	\$9,380,816	\$50,014,521
Nov-10	\$3,197,020	\$63,062,669	\$61,464,159	1.50%	\$94,814	\$565,126	\$11,692,044	\$50,805,499
Dec-10	\$1,199,598	\$64,262,267	\$63,662,468	1.50%	\$87,826	\$652,952	\$14,485,963	\$49,123,352
Jan-11	\$297,043	\$64,559,310	\$64,410,789	1.50%	\$80,328	\$733,280	\$14,548,228	\$49,277,802
Feb-11	\$26,141	\$64,585,451	\$64,572,381	1.50%	\$80,328	\$813,608	\$14,611,464	\$49,160,379
Mar-11	\$13,382	\$64,598,833	\$64,592,142	1.50%	\$80,328	\$893,936	\$14,675,246	\$49,029,651
Apr-11	\$877,311	\$65,476,144	\$65,037,489	1.50%	\$80,328	\$974,264	\$14,778,849	\$49,723,031
May-11	\$167,006	\$65,643,150	\$65,559,647	1.50%	\$80,328	\$1,054,592	\$14,890,979	\$49,697,579

(1) Book Depreciation is calculated based on each month's Capitalized Expenditures using current Board-approved depreciation rate and the half year methodology, for the first year when placed in service. The first year's capital depreciation is booked in July through December.

(2) Tax Depreciation is based on Depreciable property times the applicable Modified Accelerated Cost Recovery System (MACRS) rate and Bonus Depreciation in 2011.

PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

UIE Phase I Ending May 31, 2011 (UIE-I)
UIE Actual Capital Spending and Capitalized In-Service Expenditures

	Actual Capital Spending					Actual Capitalized In-Service Expenditures (1)				
	Project 1 10"&12" EP	Project 2 4 "LP	Project 3 Franklin - Sparta	Project 4 Washington Newton	Act./ Proj. Capital Spending	Project 1 10"&12" EP	Project 2 4 "LP	Project 3 Franklin - Sparta	Project 4 Washington Newton	Total Actual In-Service Expenditures
Apr-09	\$0	\$2,880			\$2,880	\$0	\$0	\$0	\$0	\$0
May-09	\$5,524	\$95,733			\$101,257	\$0	\$0	\$0	\$0	\$0
Jun-09	\$287,538	\$732,018	\$144,170		\$1,163,726	\$198,955	\$363,880	\$0	\$0	\$562,835
Jul-09	\$247,255	\$283,169	\$7,021		\$537,445	\$0	\$9,211	\$0	\$0	\$9,211
Aug-09	\$90,193	\$677,819	\$1,142,073	\$167,737	\$2,077,822	\$30,078	\$543,171	\$0	\$0	\$573,249
Sep-09	\$904,765	\$1,383,137	\$1,792,818	\$2,255,336	\$6,336,056	\$37,713	\$97,358	\$0	\$0	\$135,071
Oct-09	\$35,699	\$177,316	\$2,207,475	\$126,920	\$2,547,410	\$865,203	\$1,438,403	\$0	\$0	\$2,303,606
Nov-09	\$229,349	\$369,118	\$286,625	(\$2,177,989)	(\$1,292,897)	\$238,759	\$796,013	\$0	\$0	\$1,034,772
Dec-09	\$1,869,436	\$2,678,491	(\$451,230)	\$4,071,495	\$8,168,192	\$48,658	\$253,355	\$4,918,552	\$0	\$5,220,565
Total 2009	\$3,669,759	\$6,399,681	\$5,128,952	\$4,443,499	\$19,641,891	\$1,419,366	\$3,501,391	\$4,918,552	\$0	\$9,839,309
Jan-10	\$87,998	\$477,268	\$60,681	(\$90,462)	\$535,485	\$365,681	\$604,552	\$258,845	\$0	\$1,229,078
Feb-10	\$432,004	\$919,614	\$24,034	\$807,784	\$2,183,436	\$52,574	\$357,551	\$31,755	\$0	\$441,880
Mar-10	\$90,818	(\$173,809)	\$725	\$2,448,135	\$2,365,869	\$1,179,553	\$687,775	\$4,514	\$0	\$1,871,842
Apr-10	\$103,498	\$794,832	\$3,336	\$4,077,491	\$4,979,157	\$589,641	\$1,877,871	\$3,145	\$0	\$2,470,657
May-10	\$2,905,711	\$3,369,170	\$142,189	\$3,284,966	\$9,702,036	\$2,407,409	\$2,679,442	\$129,289	\$14,711,666	\$19,927,806
Jun-10	\$3,112,866	\$1,463,505	\$147,502	\$1,581,889	\$6,305,762	\$2,335,886	\$1,179,320	\$16,104	\$1,635,965	\$5,167,275
Jul-10	\$3,858,513	\$1,790,911	\$34,825	\$486,201	\$6,170,450	\$2,306,320	\$2,279,696	\$174,151	\$405,934	\$5,166,101
Aug-10	\$3,247,015	\$1,322,146	\$181,828	\$94,953	\$4,845,942	\$2,998,803	\$955,573	\$171,188	\$371,965	\$4,497,529
Sep-10	\$2,285,446	\$2,218,051	\$117,898	\$1,378,735	\$6,000,130	\$2,942,997	\$1,621,919	\$88,966	\$1,185,100	\$5,838,982
Oct-10	\$2,046,730	\$329,684	\$37,858	\$313,414	\$2,727,686	\$2,392,388	\$500,873	\$48,471	\$473,458	\$3,415,190
Nov-10	\$206,703	(\$74,501)	\$119,988	\$46,076	\$298,266	\$1,985,865	\$833,868	\$110,656	\$266,631	\$3,197,020
Dec-10	\$344,368	\$598,999	\$9,508	\$846,008	\$1,798,883	\$386,677	\$314,650	\$47,193	\$451,078	\$1,199,598
Total 2010	\$18,721,670	\$13,035,870	\$880,372	\$15,275,190	\$47,913,102	\$19,943,794	\$13,893,090	\$1,084,277	\$19,501,797	\$54,422,958
Incep. to Date	\$22,391,429	\$19,435,551	\$6,009,324	\$19,718,689	\$67,554,993	\$21,363,160	\$17,394,481	\$6,002,829	\$19,501,797	\$64,262,267
Jan-11	\$27,629	\$97	\$7,682	\$0	\$35,408	\$74,838	\$34,577	\$0	\$187,628	\$297,043
Feb-11	(\$464)	(\$1,807)	\$5	(\$15,058)	(\$17,324)	\$9,212	\$802	\$0	\$16,127	\$26,141
Mar-11	\$3,695	\$4,152	\$467	\$1,458	\$9,772	\$3,879	\$2,941	\$6,562	\$0	\$13,382
Apr-11	\$29	\$8	\$2,006	\$777,112	\$779,155	\$303	\$205,408	\$1,561	\$670,039	\$877,311
May-11	\$33,013	\$5	\$2,291	\$2,835	\$38,144	\$40,112	\$9,426	\$10,335	\$107,133	\$167,006
Jun-11	\$0	\$0	\$0	\$0	\$0					
Jul-11	\$0	\$0	\$0	\$0	\$0					
Aug-11	\$0	\$0	\$0	\$0	\$0					
Sep-11	\$0	\$0	\$0	\$0	\$0					
Oct-11	\$0	\$0	\$0	\$0	\$0					
Nov-11	\$0	\$0	\$0	\$0	\$0					
Dec-11	\$0	\$0	\$0	\$0	\$0					
Total 2011	\$63,902	\$2,455	\$12,451	\$766,347	\$845,155	\$128,344	\$253,154	\$18,458	\$980,927	\$1,380,883
Grand Total	\$22,455,331	\$19,438,006	\$6,021,775	\$20,485,036	\$68,400,148	\$21,491,504	\$17,647,635	\$6,021,287	\$20,482,724	\$65,643,150

(1) Amounts that recorded on the Company's plant books when placed in service and used to derive the Monthly Revenue Requirement

PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

UIE Phase II as of August 31, 2011 (UIE-II)

REVENUE ADJUSTMENT

	Base Rate Adj October 1, 2011	Base Rate Adj January 1, 2013	Base Rate Adj January 1, 2013 Total
Capitalizable Costs - CWIP thru August 31, 2011 (est) *	\$7,833,536	(\$7,833,536)	\$0
Capitalizable Costs - In Service August 31 (est) **	\$6,524,422	\$26,397,943	\$32,922,365
Accumulated Depreciation	(\$58,099)	(\$361,039)	(\$419,138)
In-Service CWIP AFUDC TK-4	\$40,380	\$1,267,735	\$1,308,115
	<u>\$14,340,239</u>	<u>\$19,471,103</u>	<u>\$33,811,342</u>
Deferred Income Tax Credits	(\$704,873)	(\$8,741,924)	(\$9,446,797)
Rate Base	<u>\$13,635,366</u>	<u>\$10,729,179</u>	<u>\$24,364,545</u>
Rate of Return - net of tax	6.53%	6.53%	6.53%
	<u>\$890,389</u>	<u>\$700,615</u>	<u>\$1,591,005</u>
Depreciation Exp, net of tax	\$68,731	\$289,647	\$358,378
Allowable Net Income	\$959,120	\$990,262	\$1,949,383
Revenue Factor, per UIE II Stipulation	1.72431	1.72431	1.72431
Revenue Requirement	<u>\$1,653,820</u>	<u>\$1,707,519</u>	<u>\$3,361,341</u>
Depreciation Expense			
Depreciable Balance as of 8/31/2011	\$6,524,422	\$26,397,943	\$32,922,365
In-Service CWIP AFUDC TK-4	\$40,380	\$1,267,735	\$1,308,115
Depreciable Balance	<u>\$6,564,802</u>	<u>\$27,665,678</u>	<u>\$34,230,480</u>
Composite Depreciation Rate, per May 16 Order	1.770%	1.77%	1.77%
Depreciation Expense	<u>\$116,197</u>	<u>\$489,683</u>	<u>\$605,880</u>

* Includes applicable AFUDC at FERC rates.

** Includes AFUDC at FERC rates prior to being in-service.

PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

Supplemental
UIE II Schedule
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UIE Phase II as of August 31, 2011 (UIE-II)
Accumulated Deferred Income Tax Credit

	<u>Monthly Eligible Investment</u>	<u>Cumulative Eligible Investment</u>	<u>Monthly Book Depreciation @ 1.77%</u>	<u>Monthly Tax Depreciation</u>	<u>Difference</u>	<u>Deferred Income Taxes @ 40.85%</u>	<u>Accumulated Deferred Income Taxes</u>
Jan-11	\$0	\$0	\$0	-	-	-	-
Feb-11	\$0	\$0	\$0	-	-	-	-
Mar-11	\$0	\$0	\$0	-	-	-	-
Apr-11	\$0	\$0	\$0	-	-	-	-
May-11	\$0	\$0	\$0	-	-	-	-
Jun-11	\$597,525	\$597,525	\$0	85,361	85,361	34,870	34,870
Jul-11	\$2,215,056	\$2,812,581	\$4,148	454,537	450,389	183,984	218,854
Aug-11	\$3,752,221	\$6,564,802	\$15,217	1,204,981	1,189,764	486,019	704,873
Sep-11	\$4,436,209	\$11,001,011	\$29,313	2,314,033	2,284,720	933,308	1,638,181
Oct-11	\$2,129,855	\$13,130,866	\$28,792	3,023,985	2,995,193	1,223,536	2,861,717
Nov-11	\$4,899,716	\$18,030,582	\$55,503	5,473,843	5,418,340	2,213,392	5,075,109
Dec-11	\$503,106	\$18,533,688	\$31,047	5,976,949	5,945,902	2,428,901	7,504,010
Jan-12	\$76,202	\$18,609,890	\$27,337	3,294	(24,043)	(9,822)	7,494,188
Feb-12	\$878,902	\$19,488,792	\$27,337	44,742	17,405	7,110	7,501,298
Mar-12	\$683,944	\$20,172,736	\$27,337	80,222	52,885	21,604	7,522,902
Apr-12	\$387,468	\$20,560,204	\$27,337	102,555	75,218	30,727	7,553,629
May-12	\$791,042	\$21,351,246	\$27,337	153,849	126,512	51,680	7,605,309
Jun-12	\$1,347,601	\$22,698,847	\$27,337	253,716	226,379	92,476	7,697,785
Jul-12	\$1,366,561	\$24,065,408	\$35,497	371,867	336,370	137,407	7,835,192
Aug-12	\$7,221,388	\$31,286,796	\$56,800	1,121,086	1,064,286	434,761	8,269,953
Sep-12	\$2,768,660	\$34,055,456	\$58,400	1,480,146	1,421,746	580,783	8,850,736
Oct-12	\$175,024	\$34,230,480	\$51,266	1,510,411	1,459,145	596,061	9,446,797

(1) Book Depreciation is calculated based on each month's in-service expenditures using the Board approved average depreciation rate for this filing and the Company's half year methodology, for the first year when placed in service. The first year's depreciation is booked in July through December.

(2) Tax Depreciation is based on Depreciable property times the applicable Modified Accelerated Cost Recovery System (MACRS) rate and Bonus Depreciation in 2011.

Update 10-1-11 UIE II at August 2011.xls

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PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

Supplemental
UIE II Schedule
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UIE II Actual / Projected Capital Spending and Capitalized In-Service Expenditures

	Actual / Projected Capital Spending - w/o Removal Costs							Actual / Projected Capitalizable In-Service Expenditures (1)						
	Project 1 10 & 12" EP	Project 2 4" LP	Project 3 Franklin - Sparta Upgrade	Project 4 ERW Transmission	Before WACC AFUDC Estimates **	WACC AFUDC Estimates **	Act./ Proj. Capital Spending	Project 1 10 & 12" EP	Project 2 4" LP	Project 3 Franklin - Sparta Upgrade	Project 4 ERW Transmission	Before WACC AFUDC Estimates **	AFUDC Estimates **	Total Actual In-Service Expenditures
Jan-11	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0		\$0	\$0
Feb-11	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0		\$0	\$0
Mar-11	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0		\$0	\$0
Apr-11	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0		\$0	\$0
May-11	\$76,501	\$115,410	\$0	\$0	\$191,911	-	\$191,911	\$0	\$0	\$0	\$0		\$0	\$0
Jun-11	\$339,416	\$598,494	\$27,500	\$0	\$965,410	-	\$965,410	\$98,169	\$471,856	\$27,500	\$0	\$597,525	-	\$597,525
Jul-11	\$2,168,718	\$1,011,122	\$469,608	\$3,855	\$3,653,303	-	\$3,653,303	\$639,450	\$1,105,998	\$469,608	\$0	\$2,215,056	-	\$2,215,056
Aug-11	\$7,183,677	\$1,040,722	\$1,326,829	\$36,486	\$9,587,714	-	\$9,587,714	\$1,466,418	\$958,974	\$1,326,829	\$0	\$3,752,221	-	\$3,752,221
Sep-11	* \$1,100,000	\$500,000	\$100,000	\$20,000	\$1,720,000	12,246	\$1,732,246	\$3,823,963	\$500,000	\$100,000	\$0	\$4,423,963	12,246	\$4,436,209
Oct-11	* \$1,100,000	\$300,000	\$100,000	\$20,000	\$1,520,000	34,045	\$1,554,045	\$1,695,810	\$300,000	\$100,000	\$0	\$2,095,810	34,045	\$2,129,855
Nov-11	* \$300,000	\$200,000	\$100,000	\$20,000	\$620,000	55,214	\$675,214	\$4,544,502	\$200,000	\$100,000	\$0	\$4,844,502	55,214	\$4,899,716
Dec-11	* \$0	\$200,000	\$0	\$10,000	\$210,000	74,186	\$284,186		\$428,920	\$0	\$0	\$428,920	74,186	\$503,106
Total 2011	\$12,268,312	\$3,965,748	\$2,123,937	\$110,341	\$18,468,338	175,691	\$18,644,029	\$12,268,312	\$3,965,748	\$2,123,937	\$0	\$18,357,997	175,691	\$18,533,688
Jan-12	* \$500,000	\$200,000	\$100,000	\$0	\$800,000	76,202	\$876,202	\$0	\$0	\$0	\$0	\$0	76,202	\$76,202
Feb-12	* \$500,000	\$0	\$100,000	\$730,000	\$1,330,000	78,902	\$1,408,902	\$500,000	\$200,000	\$100,000	\$0	\$800,000	78,902	\$878,902
Mar-12	* \$200,000	\$0	\$100,000	\$250,000	\$550,000	83,944	\$633,944	\$500,000	\$0	\$100,000	\$0	\$600,000	83,944	\$683,944
Apr-12	* \$700,000	\$0	\$0	\$1,000,000	\$1,700,000	87,468	\$1,787,468	\$200,000	\$0	\$100,000	\$0	\$300,000	87,468	\$387,468
May-12	* \$1,000,000	\$250,000	\$0	\$1,000,000	\$2,250,000	91,042	\$2,341,042	\$700,000	\$0	\$0	\$0	\$700,000	91,042	\$791,042
Jun-12	* \$1,000,000	\$260,352	\$0	\$1,000,000	\$2,260,352	97,601	\$2,357,953	\$1,000,000	\$250,000	\$0	\$0	\$1,250,000	97,601	\$1,347,601
Jul-12	* \$1,000,000	\$0	\$0	\$1,000,000	\$2,000,000	106,209	\$2,106,209	\$1,000,000	\$260,352	\$0	\$0	\$1,260,352	106,209	\$1,366,561
Aug-12	* \$1,694,396	\$0	\$0	\$1,000,000	\$2,694,396	131,047	\$2,825,443	\$1,000,000	\$0	\$0	\$6,090,341	\$7,090,341	131,047	\$7,221,388
Sep-12	* \$0	\$0	\$0	\$909,659	\$909,659	164,605	\$1,074,264	\$1,694,396	\$0	\$0	\$909,659	\$2,604,055	164,605	\$2,768,660
Oct-12	* \$0	\$0	\$0	\$0	\$0	175,024	\$175,024	\$0	\$0	\$0	\$0	\$0	175,024	\$175,024
Nov-12	*						\$0							\$0
Dec-12	*						\$0							\$0
Total 2012	\$6,594,396	\$710,352	\$300,000	\$6,889,659	\$14,494,407	\$1,092,044	\$15,586,451	\$6,594,396	\$710,352	\$300,000	\$7,000,000	\$14,604,748	\$1,092,044	\$15,696,792
Incep. to Date	\$18,862,708	\$4,676,100	\$2,423,937	\$7,000,000	\$32,962,745	\$1,267,735	\$34,230,480	\$18,862,708	\$4,676,100	\$2,423,937	\$7,000,000	\$32,962,745	\$1,267,735	\$34,230,480

* Projected Costs.

** WACC AFUDC included in actual amounts by project but shown separately for projected months.

(1) Actual amounts through August 31, 2011 and October 31, 2012 to be recorded on the Company's plant books when base rates are adjusted.

PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

Supplemental
UIE II Schedule
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UIE Phase II as of August 31, 2011 (UIE-II)
Allowance for Funds Used During Construction for (AFUDC)
WACC Applicable Expenditures

	<u>Beginning Balance</u>	<u>Monthly Expenditures **</u>	<u>Ending Balance</u>	<u>Avg Balance</u>	<u>AFUDC WACC Rate</u>	<u>WACC AFUDC</u>	<u>Allocations</u>	<u>Ending Balance</u>
Jan-11	\$0	\$0	\$0	\$0				
Feb-11	\$0	\$0	\$0	\$0				
Mar-11	\$0	\$0	\$0	\$0				
Apr-11	\$0	\$0	\$0	\$0				
May-11	\$0	\$0	\$0	\$0	7.64%	\$0	\$0	\$0
Jun-11	\$0	\$491,818	\$491,818	\$245,909	7.64%	\$1,566	\$103,037	\$596,421
Jul-11	\$596,421	\$1,909,933	\$2,506,354	\$1,551,388	7.64%	\$9,877	\$256,321	\$2,772,552
Aug-11	\$2,772,552	\$3,544,914	\$6,317,466	\$4,545,009	7.64%	\$28,937	\$218,399	\$6,564,802
						<u>\$40,380</u>		
<u>Restart</u>								
Sep-11	* \$0	\$3,846,924	\$3,846,924	\$1,923,462	7.64%	\$12,246	\$577,039	\$4,436,209
Oct-11	* \$4,436,209	\$1,822,443	\$6,258,652	\$5,347,431	7.64%	\$34,045	\$273,367	\$6,566,064
Nov-11	* \$6,566,064	\$4,212,610	\$10,778,674	\$8,672,369	7.64%	\$55,214	\$631,892	\$11,465,780
Dec-11	* \$11,465,780	\$372,974	\$11,838,754	\$11,652,267	7.64%	\$74,186	\$55,946	\$11,968,886
Jan-12	* \$11,968,886	\$0	\$11,968,886	\$11,968,886	7.64%	\$76,202	\$0	\$12,045,088
Feb-12	* \$12,045,088	\$695,652	\$12,740,740	\$12,392,914	7.64%	\$78,902	\$104,348	\$12,923,990
Mar-12	* \$12,923,990	\$521,739	\$13,445,729	\$13,184,860	7.64%	\$83,944	\$78,261	\$13,607,934
Apr-12	* \$13,607,934	\$260,870	\$13,868,804	\$13,738,369	7.64%	\$87,468	\$39,130	\$13,995,402
May-12	* \$13,995,402	\$608,696	\$14,604,098	\$14,299,750	7.64%	\$91,042	\$91,304	\$14,786,444
Jun-12	* \$14,786,444	\$1,086,957	\$15,873,401	\$15,329,923	7.64%	\$97,601	\$163,043	\$16,134,045
Jul-12	* \$16,134,045	\$1,095,958	\$17,230,003	\$16,682,024	7.64%	\$106,209	\$164,394	\$17,500,606
Aug-12	* \$17,500,606	\$6,165,514	\$23,666,120	\$20,583,363	7.64%	\$131,047	\$924,827	\$24,721,994
Sep-12	* \$24,721,994	\$2,264,396	\$26,986,390	\$25,854,192	7.64%	\$164,605	\$339,659	\$27,490,654
Oct-12	* \$27,490,654	\$0	\$27,490,654	\$27,490,654	7.64%	\$175,024	\$0	\$27,665,678
						<u>\$1,267,735</u>		
						May - August 2011		\$6,564,802
						September - October 2011		\$27,665,678
						Total UIE II Expenditures		<u>\$34,230,480</u>

* Projected

** Excludes current month AFUDC and Allocations which are added to the subsequent month's opening balance.

**PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")**

**UIE Revenue Allocation Based On Post Firm 2009 Rate Case Revenue Percentages
Proposed Rate Change October 1, 2011**

	UIE I	\$6,600,091	2009 Post Rate Case		UIE Allocation	Proposed	
	UIE II	\$1,653,820	Base Revenues	Overall %		Revenues	% Chg
	Total UIE	\$8,253,911					
Residential			\$85,009,572	65.81587%	\$5,432,383	\$90,441,955	6.4%
Small General Service			\$5,234,939	4.05298%	\$334,529	\$5,569,468	6.4%
General Delivery Service			\$33,804,887	26.17233%	\$2,160,241	\$35,965,128	6.4%
Electric Generation			\$42,553	0.03295%	\$2,720	\$45,273	6.4%
Large Volume Demand			\$0	0.00000%	\$0	\$0	0.0%
Firm Transportation			\$4,151,786	3.21438%	\$265,312	\$4,417,098	6.4%
Gas Lights			\$12,100	0.00937%	\$773	\$12,873	6.4%
Firm Base Rate Revenues			\$128,255,837	99.29788%	\$8,195,958	\$136,451,795	6.4%
Special Contract Firm			\$906,881	0.70212%	\$57,953	\$964,834	6.4%
Total Firm Revenues			\$129,162,718	100.000000%	\$8,253,911	\$137,416,629	6.4%
Interruptible and Other Revenues not subject to UIE			\$8,717,001		\$0	\$8,717,001	0.0%
TOTAL REVENUES			\$137,879,719		\$8,253,911	\$146,133,630	6.0%

**PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")**

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**Proof of Revenues
Proposed Rate Change October 1, 2011**

Base Rate Revenues at Present and Proposed Rates

<u>Component</u>	<u>Amount</u>	<u>Units</u>	<u>Present Rates</u>		<u>Proposed Rates</u>		
			<u>Rate</u>	<u>Revenue</u>	<u>Rate</u>	<u>Revenue Proof</u>	<u>Increase</u>
			<u>RDS</u>		<u>RDS</u>		
<u>Residential Service</u>							
Customer Charge	3,026,052	Bills	\$7.47	\$22,604,608	\$7.47	\$22,604,608	
Distribution Charge	217,953,367	Therms	\$0.2867	\$62,487,230	\$0.3116	\$67,914,269	
Distribution Charge (Air Conditioning)	21,633	Therms	\$0.1769	\$3,827	\$0.2018	\$4,366	
Revenue Adjustment				(\$86,093)		(\$86,093)	
Total Base Rate Revenues				\$85,009,572		\$90,437,150	6.4%
			<u>SGS</u>		<u>SGS</u>		
<u>Small General Service</u>							
Customer Charge	142,108	Bills	\$15.06	\$2,140,146	\$ 15.06	\$2,140,146	
Distribution Charge	10,657,000	Therms	\$0.2904	\$3,094,793	\$0.3218	\$3,429,423	
Distribution Charge (Air Conditioning)	0	Therms	\$0.1176	\$0	\$0.1490	\$0	
Total Base Rate Revenues				\$5,234,939		\$5,569,569	6.4%
			<u>GDS</u>		<u>GDS</u>		
<u>General Delivery Service</u>							
Customer Charge	111,465	Bills	\$18.65	\$2,078,822	\$18.65	\$2,078,822	
Demand Charge	12,456,805	Therms	\$0.756	\$9,417,345	\$0.756	\$9,417,345	
Distribution Charge	123,252,529	Therms	\$0.1810	\$22,308,708	\$0.1985	\$24,465,627	
Distribution Charge (Sm. A/C, Dist. G)	0	Therms	\$0.1038	\$0	\$0.1213	\$0	
Distribution Charge (Lg. A/C, Dist. Ge)	305	Therms	\$0.0394	\$12	\$0.0569	\$17	
Total Base Rate Revenues				\$33,804,887		\$35,961,811	6.4%
			<u>EGF</u>		<u>EGF</u>		
<u>Electric Generation Firm Service</u>							
Customer Charge	60	Bills	\$52.27	\$3,136	\$52.27	\$3,136	
Demand Charge	50,040	Therms	\$0.740	\$37,030	\$0.740	\$37,030	
Distribution Charge, tariff rate	345,968	Therms	\$0.0069	\$2,387	\$0.0148	\$5,120	
Total Base Rate Revenues				\$42,553		\$45,286	6.4%

PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
 UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

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Proof of Revenues
 Proposed Rate Change October 1, 2011

Base Rate Revenues at Present and Proposed Rates

<u>Component</u>	<u>Amount</u>	<u>Units</u>	<u>Present Rates</u>		<u>Proposed Rates</u>		
			<u>Rate</u>	<u>Revenue</u>	<u>Rate</u>	<u>Revenue Proof</u>	<u>Increase</u>
			<u>LVD</u>		<u>LVD</u>		
<u>Large Volume Demand</u>							
Customer Charge	0	Bills	\$449.44	\$0	\$449.44	\$0	
Demand Charge	0	Therms	\$0.966	\$0	\$0.966	\$0	
Distribution Charge	0	Therms	\$0.0346	\$0	\$0.0429	\$0	
Total Base Rate Revenues				\$0		\$0	
			<u>FTS</u>		<u>FTS</u>		
<u>Firm Transportation Service</u>							
Customer Charge	522	Bills	\$174.82	\$91,256	\$174.82	\$91,256	
Demand Charge	2,891,904	Therms	\$0.756	\$2,186,279	\$0.756	\$2,186,279	
Distribution Charge	32,038,468	Therms	\$0.0585	\$1,874,251	\$0.0668	\$2,140,170	
Total Base Rate Revenues				\$4,151,786		\$4,417,705	6.4%
			<u>GLS</u>		<u>GLS</u>		
<u>Gas Lights Service</u>							
Service Charge	2,188	Mantles	\$5.53	\$12,100	\$5.88	\$12,865	
Distribution Charge	31,939	Therms	\$0.00	\$0	\$0.00	\$0	
Total Base Rate Revenues				\$12,100		\$12,865	6.4%
Total Firm Rate Class Revenues	384,300,904	Therms		\$128,255,837		\$136,444,386	6.4%

PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

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Proof of Revenues
Proposed Rate Change October 1, 2011

Base Rate Revenues at Present and Proposed Rates

<u>Component</u>	<u>Amount</u>	<u>Units</u>	<u>Present Rates</u>		<u>Proposed Rates</u>		
			<u>Rate</u>	<u>Revenue</u>	<u>Rate</u>	<u>Revenue Proof</u>	<u>Increase</u>
			<u>IS</u>		<u>IS</u>		
<u>Interruptible Sales Service</u>							
Service Charge	24	Bills	\$333.13	\$7,995	\$333.13	\$7,995	
Demand Charge	136,296		\$0.076	\$10,358	\$0.076	\$10,358	
Distribution Charge	0	Therms	\$0.0000	\$0	\$0.0000	\$0	
Total Base Rate Revenues				\$18,353		\$18,353	0.0%
			<u>IS-CSI</u>		<u>IS-CSI</u>		
<u>Interruptible Cogeneration Sales Service</u>							
Service Charge	12	Bills	\$101.20	\$1,214	\$101.20	\$1,214	
Demand Charge	0		\$0.000	\$0	\$0.000	\$0	
Distribution Charge	0	Therms	\$0.0000	\$0	\$0.0000	\$0	
Total Base Rate Revenues				\$1,214		\$1,214	0.0%
			<u>ITS-IS</u>		<u>ITS-IS</u>		
<u>Interruptible Transportation Service</u>							
Service Charge	206	Bills	\$589.50	\$121,437	\$589.50	\$121,437	
Demand Charge	522,468		\$0.076	\$39,708	\$0.076	\$39,708	
Distribution Charge	0	Therms	\$0.0000	\$0	\$0.0000	\$0	
Total Base Rate Revenues				\$161,145		\$161,145	0.0%
			<u>ITS-CSI</u>		<u>ITS-CSI</u>		
<u>Interruptible Cogeneration Transportation Service</u>							
Service Charge	0	Bills	\$589.50	\$0	\$589.50	\$0	
Demand Charge	0		\$0.000	\$0	\$0.000	\$0	
Distribution Charge	0	Therms	\$0.0000	\$0	\$0.0000	\$0	
Total Base Rate Revenues				\$0		\$0	

PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

Supplemental
Proof of Revenues Schedule TK-1
Page 4 of 4

Proof of Revenues
Proposed Rate Change October 1, 2011

Base Rate Revenues at Present and Proposed Rates

<u>Component</u>	<u>Amount</u>	<u>Units</u>	<u>Present Rates</u>		<u>Proposed Rates</u>		
			<u>Rate</u>	<u>Revenue</u>	<u>Rate</u>	<u>Revenue Proof</u>	<u>Increase</u>
			<u>ITS-LVD</u>		<u>ITS-LVD</u>		
<u>Interruptible LVD Sales Service</u>							
Service Charge	496	Bills	\$589.50	\$292,392	\$589.50	\$292,392	
Demand Charge	5,147,520	Therms	\$0.293	\$1,508,223	\$0.293	\$1,508,223	
Distribution Charge	31,557,205	Therms	\$0.0791	\$2,496,175	\$0.0791	\$2,496,175	
Special Contract Revenues		Therms		<u>\$1,592,830</u>		<u>\$1,592,830</u>	
Total Base Rate Revenues				<u>\$5,889,620</u>		<u>\$5,889,620</u>	0.0%
Total Interruptible Rate Class Revenues				<u>\$6,070,332</u>		<u>\$6,070,332</u>	<u>0.0%</u>
				\$0			
TOTAL SYSTEM BASE DISTRIBUTION REVENUES				<u>\$134,326,169</u>		<u>\$142,514,718</u>	<u>6.1%</u>
<u>Other Revenues</u>							
Special Contracts, Firm			\$906,881		<i>per customer</i>	\$964,834	<u>6.4%</u>
Special Contracts, Interruptible			\$70,200			\$70,200	
Special Contracts			<u>\$977,081</u>			<u>\$1,035,034</u>	<u>5.9%</u>
Service Charges			<u>\$2,576,469</u>			<u>\$2,576,469</u>	
Total Other Revenues			<u>\$3,553,550</u>			<u>\$3,611,503</u>	
TOTAL SYSTEM INCLUDING OTHER REVENUES				<u>\$137,879,719</u>		<u>\$146,126,221</u>	<u>6.0%</u>
						<u>(\$7,409)</u>	
				INCREASE FROM 2009 RATE CASE		\$8,246,502	
				TARGET INCREASE		\$8,253,911	
				Difference		<u>(\$7,409)</u>	

**PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")**

**Distribution Rates
Proposed Rate Change October 1, 2011**

	Proposed Pre Tax & <u>Assess.</u>	Rate Case Assess. <u>0.20%</u>	Margin pre SUT <u>w/Assess.</u>	Sales Tax <u>7.00%</u>	Distribution <u>Charge</u>
Residential	\$0.3116	\$0.0006	\$0.3122	\$0.0219	\$0.3341
Small General Service	\$0.3218	\$0.0006	\$0.3224	\$0.0226	\$0.3450
General Delivery Service	\$0.1985	\$0.0004	\$0.1989	\$0.0139	\$0.2128
Electric Generation	\$0.0148	\$0.0000	\$0.0148	\$0.0010	\$0.0158
Large Volume Demand ---- overall % *	\$0.0429	\$0.0001	\$0.0430	\$0.0030	\$0.0460
Firm Transportation	\$0.0668	\$0.0001	\$0.0669	\$0.0047	\$0.0716
Gas Lights ---- per Mantel	\$5.88	\$0.01	\$5.89	\$0.41	\$6.30
Residential AC	\$0.2018	\$0.0004	\$0.2022	\$0.0142	\$0.2164
SGS AC	\$0.1490	\$0.0003	\$0.1493	\$0.0105	\$0.1598
GDS Small AC	\$0.1213	\$0.0002	\$0.1215	\$0.0085	\$0.1300
GDS Large AC	\$0.0569	\$0.0001	\$0.0570	\$0.0040	\$0.0610

* LVD has a rate but no rate case customers / revenue. The rate is being updated by the total percentage change in revenue to the applicable classes

**PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")**

**Weather Normalization Margin Revenue Factor
Proposed Rate Change October 1, 2011**

Classes	Distribution Charge Tail Block Rate, including taxes and (\$/therm) a	less SUT tax and assessments 7.2% b	Margin Revenue, Distribution Charge excluding (\$/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
<u>Rate Case 12-17-09:</u>						
RDS	\$0.3074	\$0.0207	\$0.2867	197,832,100	62.54%	\$0.1793
SGS	\$0.3114	\$0.0210	\$0.2904	9,830,300	3.11%	\$0.0090
GDS S&T / TC	\$0.1941	\$0.0131	\$0.1810	102,482,837	32.40%	\$0.0586
MFS **	\$0.1941	\$0.0131	\$0.1810	<u>6,165,700</u>	<u>1.95%</u>	<u>\$0.0035</u>
				316,310,937	100.00%	<u>\$0.2504</u>
<u>Adjusted for UIE I & II:</u>						
RDS	\$0.3341	\$0.0225	\$0.3116	197,832,100	62.54%	\$0.1949
SGS	\$0.3450	\$0.0232	\$0.3218	9,830,300	3.11%	\$0.0100
GDS	\$0.2128	\$0.0143	\$0.1985	<u>108,648,537</u>	<u>34.35%</u>	<u>\$0.0682</u>
				316,310,937	100.00%	<u>\$0.2731</u>

* Therms per December 17, 2009 Rate Case

** Merged with GDS in December 17, 2009 Rate Case

**PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")**

Revenue Collections

As of August 31, 2011 the Company has not collected any UIE revenues associated with UIE base rate adjustments. The Company will report on revenues collected in the October 2012 Petition.

PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
 UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

Project Timeline for Capital Spending, Miles of Pipe and New Jobs
 (\$Millions)

	<u>Original Mileage</u>	<u>Original Cost Millions</u>	<u>Actual Mileage</u>	<u>Actual Cost Millions</u>
1) The replacement of elevated pressure ten to twelve-inch cast iron main in Union and Middlesex counties:				
9 mos. 2009	16.7	\$14.5	3.4	\$3.7
2010	12.3	\$8.1	14.9	\$18.7
3 mos. 2011	<u>0.0</u>	<u>\$2.6</u>	<u>0.0</u>	<u>\$0.1</u>
Total	29.0	\$25.2	18.3	\$22.5
Estimated number of jobs to be created:				23.0
Number of Jobs created as of May 31, 2011				37.8
2) The replacement of low pressure four-inch cast iron main:				
9 mos. 2009	9.7	\$3.6	11.6	\$6.4
2010	32.2	\$9.6	19.4	\$13.0
3 mos. 2011	<u>0.0</u>	<u>\$2.4</u>	<u>0.0</u>	<u>\$0.0</u>
Total	41.9	\$15.6	31.0	\$19.4
Estimated number of jobs to be created:				15.0
Number of Jobs created as of May 31, 2011				35.1
3) The construction of a pipeline interconnect between Franklin Township and Sparta Township to eliminate a current one-way feed that serves 4,500 customers:				
9 mos. 2009	3.0	\$2.0	6.0	\$5.1
2010	3.0	\$2.8	0.0	\$0.9
3 mos. 2011	<u>0.0</u>	<u>\$0.0</u>	<u>0.0</u>	<u>\$0.0</u>
Total	6.0	\$4.8	6.0	\$6.0
Estimated number of jobs to be created:				12.0
Number of Jobs created as of May 31, 2011				6.9
4) The construction of a pipeline interconnect between Washington Township and the Town of Newton in order to eliminate the dependency of 7,500 customers on a single source of interstate natural gas pipeline supply:				
9 mos. 2009	0.0	\$0.1	0.0	\$4.4
2010	20.0	\$14.7	18.5	\$15.3
3 mos. 2011	<u>0.0</u>	<u>\$0.0</u>	<u>0.0</u>	<u>\$0.8</u>
Total	20.0	\$14.8	18.5	\$20.5
Estimated number of jobs to be created:				15.0
Number of Jobs created as of May 31, 2011				27.2
Number of Jobs created as of May 31, 2011				107.0
Total Original / Actual Costs		\$60.4		\$68.4

Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas
UIE Phase II Projects
Total 2011 & 2012

Supplemental
UIE II Schedule
MPS-1

	Orginal Projection					Actual / Projected				
	<u>Capital Spending</u>	<u>New Main (Miles)</u>	<u>Jobs</u>	<u>Begin Date</u>	<u>End Date</u>	<u>Capital Spending</u>	<u>New Main (Miles)</u>	<u>Actual Jobs as of 8/31/11</u>	<u>Begin Date</u>	<u>End Date</u>
1) EP Cast Iron Projects	\$21.5	10.4	35	May-2011	Aug-2012	\$20.0	10.4	11	May-2011	Aug-2012
2) LP Cast Iron Projects	\$9.6	7.8	19	May-2011	Jun-2012	\$5.1	7.8	10	May-2011	Jun-2012
3) Franklin - Sparta Uprating	\$1.5	0	3	Jun-2011	Dec-2011	\$2.4	0	3	Jun-2011	Mar-2012
4) ERW Transmission	<u>\$7.5</u>	<u>4.5</u>	<u>9</u>	Aug-2011	Sep-2012	<u>\$7.5</u>	<u>4.5</u>	<u>0</u>	Aug-2011	Sep-2012
UIE II Total	\$40.1	22.7	66			\$35.0	22.7	24		
<u>2011</u>										
1) EP Cast Iron Projects	\$11.7	5.0	20			\$13.0	6.8	11.2		
2) LP Cast Iron Projects	\$5.6	4.9	12			\$4.2	7.2	10.1		
3) Franklin - Sparta Uprating	\$1.5	0	3			\$2.1	0	2.7		
4) ERW Transmission	<u>\$0.9</u>	<u>0</u>	<u>0</u>			<u>\$0.1</u>	<u>0</u>	<u>0.1</u>		
Total 2011	\$19.7	9.9	35			\$19.4	14	24.1		
<u>2012</u>										
1) EP Cast Iron Projects	\$9.8	5.4	15			\$7.0	3.6			
2) LP Cast Iron Projects	\$4.0	2.9	7			\$0.9	0.6			
3) Franklin - Sparta Uprating	\$0.0	0	0			\$0.3	0			
4) ERW Transmission	<u>\$6.6</u>	<u>4.5</u>	<u>9</u>			<u>\$7.4</u>	<u>4.5</u>			
Total 2012	\$20.4	12.8	31			\$15.6	8.7	0		

UIE Phase II Quarterly Spending Summary										
	Orginal Projection					Actual / Projected				
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total Cost</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total Cost</u>
1) EP Cast Iron Projects	\$0	\$2,674,484	\$7,106,748	\$1,915,947	\$11,697,179	\$0	\$448,553	\$10,930,960	\$1,633,205	\$13,012,718
2) LP Cast Iron Projects	\$0	\$3,194,279	\$2,366,218	\$0	\$5,560,497	\$0	\$735,087	\$2,685,391	\$808,584	\$4,229,062
3) Franklin - Sparta Uprating	\$0	\$200,000	\$553,000	\$752,000	\$1,505,000	\$0	\$27,500	\$1,896,437	\$205,000	\$2,128,937
4) ERW Transmission	\$0	\$0	\$500,000	\$394,073	\$894,073	\$0	\$0	\$60,341	\$50,000	\$110,341
5) Projected WACC	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,246	\$163,445	\$175,691
Total 2011	\$0	\$6,068,763	\$10,525,966	\$3,062,020	\$19,656,749	\$0	\$1,211,140	\$15,585,375	\$2,860,234	\$19,656,749
1) EP Cast Iron Projects	\$400,000	\$5,505,331	\$3,913,629	\$0	\$9,818,960	\$1,200,000	\$2,900,000	\$2,894,396	\$0	\$6,994,396
2) LP Cast Iron Projects	\$475,582	\$3,536,474	\$0	\$0	\$4,012,056	\$200,000	\$700,352	\$0	\$0	\$900,352
3) Franklin - Sparta Uprating	\$0	\$0	\$0	\$0	\$0	\$300,000	\$0	\$0	\$0	\$300,000
4) ERW Transmission	\$0	\$3,000,000	\$3,595,927	\$0	\$6,595,927	\$980,000	\$3,000,000	\$3,399,659	\$0	\$7,379,659
5) Projected WACC	\$0	\$0	\$0	\$0	\$0	\$239,048	\$276,111	\$401,861	\$175,024	\$1,092,044
Total 2012	\$875,582	\$12,041,805	\$7,509,556	\$0	\$20,426,943	\$2,919,048	\$6,876,463	\$6,695,916	\$175,024	\$16,666,451
UIE II Total	\$40,083,692									\$36,323,200

PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

UIE Actual / Projected Capital Spending Including Removal Costs

	Original Estimated Capital Spending					Actual / Projected Capital Expenditures, Including Removal Costs					
	Project 1 10 & 12" EP	Project 2 4" LP	Project 3 Franklin - Sparta Upgrade	Project 4 ERW Transmission	Act./ Proj. Capital Spending	Project 1 10 & 12" EP	Project 2 4" LP	Project 3 Franklin - Sparta Upgrade	Project 4 ERW Transmission	WACC AFUDC Estimates **	Total Actual In-Service Expenditures
Jan-11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
Feb-11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
Mar-11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
Apr-11	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
May-11	\$780,000	\$1,409,456	\$0	\$0	\$2,189,456	\$76,501	\$116,256	\$0	\$0	-	\$192,757
Jun-11	\$1,894,484	\$1,784,823	\$200,000	\$0	\$3,879,307	\$372,052	\$618,831	\$27,500	\$0	-	\$1,018,383
Jul-11	\$2,337,468	\$1,348,274	\$101,000	\$0	\$3,786,742	\$2,332,174	\$1,058,050	\$469,608	\$3,855	-	\$3,863,687
Aug-11	\$2,855,522	\$1,017,944	\$201,000	\$200,000	\$4,274,466	\$7,398,786	\$1,087,341	\$1,326,829	\$36,486	-	\$9,849,442
Sep-11	\$1,913,758	\$0	\$251,000	\$300,000	\$2,464,758	* \$1,200,000	\$540,000	\$100,000	\$20,000	12,246	\$1,872,246
Oct-11	\$1,584,892	\$0	\$251,000	\$394,073	\$2,229,965	* \$1,200,000	\$340,000	\$100,000	\$20,000	34,045	\$1,694,045
Nov-11	\$297,583	\$0	\$251,000	\$0	\$548,583	* \$400,000	\$240,000	\$105,000	\$20,000	55,214	\$820,214
Dec-11	\$33,472	\$0	\$250,000	\$0	\$283,472	* \$33,205	\$228,584	\$0	\$10,000	74,186	\$345,975
Total 2011	\$11,697,179	\$5,560,497	\$1,505,000	\$894,073	\$19,656,749	\$13,012,718	\$4,229,062	\$2,128,937	\$110,341	\$196,771	\$19,656,749
Jan-12	\$0	\$0	\$0	\$0	\$0	* \$500,000	\$200,000	\$100,000	\$0	76,202	\$876,202
Feb-12	\$0	\$0	\$0	\$0	\$0	* \$500,000	\$0	\$100,000	\$730,000	78,902	\$1,408,902
Mar-12	\$400,000	\$475,582	\$0	\$0	\$875,582	* \$200,000	\$0	\$100,000	\$250,000	83,944	\$633,944
Apr-12	\$1,464,088	\$1,358,542	\$0	\$1,000,000	\$3,822,630	* \$700,000	\$0	\$0	\$1,000,000	87,468	\$1,787,468
May-12	\$2,032,044	\$859,684	\$0	\$1,000,000	\$3,891,728	* \$1,100,000	\$350,000	\$0	\$1,000,000	91,042	\$2,541,042
Jun-12	\$2,009,199	\$1,318,248	\$0	\$1,000,000	\$4,327,447	* \$1,100,000	\$350,352	\$0	\$1,000,000	97,601	\$2,547,953
Jul-12	\$2,056,653	\$0	\$0	\$1,000,000	\$3,056,653	* \$1,100,000	\$0	\$0	\$1,000,000	106,209	\$2,206,209
Aug-12	\$1,856,976	\$0	\$0	\$1,420,000	\$3,276,976	* \$1,794,396	\$0	\$0	\$1,000,000	131,047	\$2,925,443
Sep-12	\$0	\$0	\$0	\$1,175,927	\$1,175,927	* \$0	\$0	\$0	\$1,399,659	164,605	\$1,564,264
Oct-12	\$0	\$0	\$0	\$0	\$0	* \$0	\$0	\$0	\$0	175,024	\$175,024
Nov-12	\$0	\$0	\$0	\$0	\$0	* \$0	\$0	\$0	\$0		\$0
Dec-12	\$0	\$0	\$0	\$0	\$0	* \$0	\$0	\$0	\$0		\$0
Total 2012	\$9,818,960	\$4,012,056	\$0	\$6,595,927	\$20,426,943	\$6,994,396	\$900,352	\$300,000	\$7,379,659	\$1,113,215	\$16,666,451
Incep. to Date	\$21,516,139	\$9,572,553	\$1,505,000	\$7,490,000	\$40,083,692	\$20,007,114	\$5,129,414	\$2,428,937	\$7,490,000	\$1,309,986	\$36,323,200

* Projected

** WACC AFUDC included in actual amounts by project but shown separately for projected months.

Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas
 UIE Phase II Capital Spending as of August 31, 2011

FERC Plant Accounts

	<u>Transmission Main 36700</u>	<u>Transmission M&R 36900</u>	<u>Distribution Main 37600</u>	<u>Distribution M&R 37900</u>	<u>Distribution Services 38000</u>	<u>Distribution Meter Installation 38200</u>	<u>Distribution House Regulators 38300</u>	<u>Dist. House Reg Installation 38400</u>	<u>Project Total</u>
Project 1 EP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Project 2 LP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Project 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Project 4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Program Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

NOTE: Data to be provided when CWIP In-Service amounts are transferred to the Company's Plant Books.

PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
 UTILITY INFRASTRUCTURE ENHANCEMENT ("UIE")

Non-UIE Actual / Budgeted Capital Expenditures

(\$ Millions)

	YTD 8/31/11		Sep '11 - Dec '11		Total Year	
	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>	8+4 <u>Outlook</u>	<u>Budget</u>
Mandatory Capital	\$8.57	\$9.84	\$6.11	\$4.84	\$14.68	\$14.68
System Preservation	\$3.16	\$6.31	\$4.67	\$2.97	\$7.83	\$9.28
Fleet	\$0.03	\$1.60	\$1.70	\$0.13	\$1.73	\$1.73
New Business	\$5.04	\$4.34	\$2.15	\$2.85	\$7.19	\$7.19
Strategic	(\$0.12)	\$0.16	\$0.34	\$0.06	\$0.22	\$0.22
Facilities	\$0.82	\$3.72	\$3.05	\$0.15	\$3.87	\$3.87
IT Projects	<u>\$0.04</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.04</u>	<u>\$0.00</u>
	\$17.54	\$25.97	\$18.02	\$11.00	\$35.56	\$36.97