



NEWS
Release



1 4 1 5 W y c k o f f R o a d P . O . B o x 1 4 6 4 W a l l , N J 0 7 7 1 9

Date: June 1, 2016

Investor Contacts:

Joanne Fairechio

732-378-4967

jfairechio@njresources.com

Dennis Puma

732-938-1229

dpuma@njresources.com

Media Contact:

Michael Kinney

732-938-1031

mkinney@njresources.com

**NEW JERSEY NATURAL GAS ANNOUNCES 9.5 PERCENT DECREASE FOR
RESIDENTIAL HEATING CUSTOMERS
Bill Credits and Lower BGSS Prices Offset Costs Associated with Warmer Winter**

Wall, N.J. — New Jersey Natural Gas (NJNG), the regulated subsidiary of New Jersey Resources (NYSE: NJR), today announced it will provide a bill credit to residential and small commercial sales customers for the 2016-2017 winter season. The announcement comes as NJNG submits its annual Basic Gas Supply Service (BGSS) and Conservation Incentive Program (CIP) filing to the New Jersey Board of Public Utilities (BPU). Pending BPU approval of changes to NJNG's BGSS and CIP rates, the net effect of the bill credits will result in an overall 9.5 percent decrease for the typical residential heating customer using 1,000 therms per year.

“We never stop working to meet our customers’ expectations for safe, reliable service at a competitive price,” said Laurence M. Downes, chairman and CEO of New Jersey Natural Gas. “We are able to provide real savings to our customers for the upcoming heating season as a result of our successful cost control and natural gas purchasing strategies, coupled with continued lower natural gas prices. As always, we remain committed to monitoring the market conditions and identifying opportunities to benefit our customers.”

The full amount of the bill credit will be determined in fall 2016, and NJNG estimates residential heating and small commercial customers will benefit from a total reduction of \$55.5 million from November 2016 through February 2017. The credit will vary based on individual usage and weather patterns over the four months.

NJNG's proposed changes to its BGSS and CIP rates will be effective October 1, 2016, pending BPU approval. In its filings, NJNG is seeking a proposed 5.5 percent decrease related to its BGSS rate and an 8.2 percent increase related to its CIP rate, resulting in a net increase of 2.7 percent. The anticipated CIP rate reflects changes due to the warmer-than-normal temperatures

**NEW JERSEY NATURAL GAS ANNOUNCES 9.5 PERCENT DECREASE
FOR RESIDENTIAL HEATING CUSTOMERS**

Bill Credits and Lower BGSS Prices Offset Costs Associated with Warmer Winter

Page 2 of 2

experienced last winter. Factoring in the proposed bill credit, the typical residential heating customer will realize an annual total savings of \$93, or 9.5 percent.

The BGSS rate currently accounts for approximately 49 percent of a customer's bill and covers the cost to acquire natural gas. NJNG recovers its natural gas costs, without a profit, through the BGSS rate. The CIP is designed to promote conservation and energy-efficiency practices, while normalizing year-to-year fluctuation from changing weather and usage patterns on both customers' bills and NJNG's financial margins. The 2015-16 heating season was 25 percent warmer than the previous year. Since its inception in 2006, CIP has helped NJNG customers realize cost savings of more than \$350 million through reduced energy usage.

About New Jersey Resources

New Jersey Resources (NYSE: NJR) is a Fortune 1000 company, which through its subsidiaries, provides safe and reliable natural gas and clean energy services, including transportation, distribution, asset management and home services. With annual revenues in excess of \$2.7 billion, NJR is comprised of five primary businesses:

- **New Jersey Natural Gas**, NJR's principal subsidiary, operates and maintains over 7,000 miles of natural gas transportation and distribution infrastructure to serve over half a million customers in New Jersey's Monmouth, Ocean and parts of Morris, Middlesex, Sussex and Burlington counties.
- **NJR Energy Services** manages a diversified portfolio of natural gas transportation and storage assets and provides physical natural gas services to its customers across North America.
- **NJR Clean Energy Ventures** invests in, owns and operates solar and onshore wind projects with a total capacity of more than 200 megawatts, providing residential and commercial customers with low-carbon solutions.
- **NJR Midstream** serves customers from local distributors and producers to electric generators and wholesale marketers through its 50 percent equity ownership in the Steckman Ridge natural gas storage facility and its stake in Dominion Midstream Partners, L.P., as well as its 20 percent equity interest in the PennEast Pipeline Project.
- **NJR Home Services** provides heating, central air conditioning, standby generators, solar and other indoor and outdoor comfort products to residential homes and businesses throughout New Jersey.

NJR and its more than 1,000 employees are committed to helping customers save energy and money by promoting conservation and encouraging efficiency through Conserve to Preserve[®] and initiatives such as The SAVEGREEN Project[®] and The Sunlight Advantage[®].

For more information about NJR:

Visit www.njresources.com.

Follow us on Twitter @NJNaturalGas.

"Like" us on facebook.com/NewJerseyNaturalGas.

Download our free NJR investor relations app for iPad, iPhone and Android.

###