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1415 WYCKOFF ROAD, P.O. BOX 1468, WALL, NEW JERSEY 07719 (201) 938-1091

HUGO C. BOTTINO
VICE PRESIDENT
HUMAN RESOURCES

December 8, 1992

Pension and Welfare Benefits Administration
P.O. Box 75212
Washington, D.C. 20013-5212

RE: Notice of Plan of Deferred Compensation

Gentlemen:

This notice is given pursuant to 29 CFR 2520.104-23 and the guidance issued for the Pension and Welfare Benefits Administration Assessment of Civil Penalties - Top Hat Plans, 57 Fed. Reg. 33019 (1992). The undersigned hereby files the following information with respect to its plans of deferred compensation:

1. New Jersey Natural Gas Company
1415 Wyckoff Road
PO Box 1464
Wall, NJ 07719
2. Federal Employer Identification No. (EIN): 21-0621680
3. New Jersey Natural Gas Company maintains deferred compensation plans primarily for the purpose of providing deferred compensation to a select group of management of highly-compensated employees.
4. New Jersey Natural Gas Company maintains 2 of such plans covering a total of 28 employees as follows:

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<u>Name of Plan</u>	<u>Number of Participants</u>
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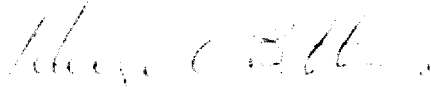
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|---|----|
| 1. New Jersey Natural Gas
Deferred Compensation Plan | 27 |
| 2. New Jersey Natural Gas
Split Dollar Plan | 1 |

We are enclosing a check in the amount of \$1,000 to cover the civil penalty for late disclosure statements for all of these plans under the above described amnesty program.



Kindly date-stamp the enclosed extra copy of this notice and return it to us in the self-addressed, stamped envelope provided.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Hugo C. Bottino".

Hugo C. Bottino
Vice President-Human Resources



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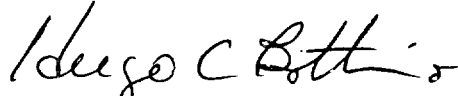
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Very truly yours,

A handwritten signature in cursive script that reads "Hugo C. Bottino". The signature is written in dark ink and is positioned above the typed name.

Hugo C. Bottino

Vice President-Human Resources

**NEW JERSEY NATURAL GAS COMPANY
DEFERRED COMPENSATION POLICY
January 1, 1987**

**CHIEF EXECUTIVE OFFICER
(CEO)**

The Chief Executive Officer (CEO) will be placed at a minimum of \$150,000 in deferred compensation effective upon his election to that office. Thereafter, the CEO will receive an additional \$20,000 on each January 1, until the maximum coverage of \$250,000 is reached.

**CHIEF OPERATING OFFICER
(COO)**

The Chief Operating Officer (COO) will be placed at a minimum of \$100,000 in deferred compensation effective upon his election to that office. Thereafter, the COO will receive an additional \$15,000 on each January 1, until the maximum coverage of \$175,000 is reached.

EXECUTIVE OFFICER

Executive Officers will be placed at a minimum of \$75,000 in deferred compensation effective upon their election and an additional \$10,000 each January 1 thereafter, up to a maximum of \$150,000.

SENIOR OFFICERS

Senior Officers will be placed at a minimum of \$50,000 in deferred compensation effective upon their election and an additional \$10,000 each January 1 thereafter, up to a maximum of \$125,000.

OFFICERS

Officers will be placed at a minimum of \$50,000 in deferred compensation effective upon their election and an additional \$5,000 each January 1 thereafter, up to a maximum of \$100,000.

JUNIOR OFFICERS

Junior Officers will be placed at a minimum of \$20,000 in deferred compensation upon their election and an additional \$5,000 each January 1 thereafter, up to a maximum of \$75,000.

GENERAL

1. Incremental increases in the deferred compensation schedule described above shall not be automatic but subject to the employee's job performance.
2. All deferred compensation will be covered by an agreement approved by the company's general counsel, and signed by the appropriate company officers, and the employee concerned, which agreement shall be the sole determinant of the respective rights and obligations of the parties. Each year an employee who received additional deferred compensation will be given an addendum showing his new amount.
3. Under the Deferred Compensation Agreement, the company agrees to pay the employee upon retirement at age 65 or later, the designated deferred compensation amount in equal monthly installments, over a specified period of time, following actual retirement. The employee has the option of selecting the period of time, within legal restrictions that may possibly exist, but in no event less than five (5) years.
4. The Deferred Compensation Agreement further provides that if the stipulated payments are not made during the employee's retired lifetime, the balance of the monthly installments will be made to the designated beneficiary.
5. The Deferred Compensation Agreement further provides that if the covered employee dies prior to age 65, then the company shall pay to the designated beneficiary, the designated deferred compensation amount paid in equal monthly installments for the period of time designated by the covered employee, selected under paragraph 4 within any legal restrictions that may possibly exist.
6. The Deferred Compensation Agreement further provides that should the covered employee terminate his or her employment prior to age 65, providing the employee has six (6) years under the initial Deferred Compensation Agreement, the company will pay to the covered employee the designated deferred compensation amount, as provided in the "Cumulative Termination Benefit-Schedule A", over a period of 60 months. The said monthly installments will commence as of the first day of the month in which the covered employee shall attain the age of 65. In lieu of the foregoing, the covered employee upon half of the total sum of the applicable "total amount payable" as spelled out in the Deferred Compensation Agreement, upon termination of employment.
7. In the event that the covered employee, with the consent of the Board of Directors, agrees to remain in active employment of the company after his or her 65th birthday, his deferred compensation benefits shall remain the same as existed at the time of his or her 65th birthday, but the payments thereof, shall not commence until his or her actual retirement from active employment with the company.
8. At the discretion of the CEO, any participant who retires at age 65 who has not yet reached the maximum of their eligible benefit under the Deferred Compensation Policy, may be granted an additional allocation to place them at the maximum of their eligible benefits.

NEW JERSEY NATURAL GAS COMPANY

SPLIT-DOLLAR PLAN

In lieu of a supplemental retirement agreement with the President and CEO, the Company has entered into a split-dollar agreement whereby the Company would maintain in effect a life insurance policy obtained by incumbent's former employer. Policy premiums are paid by both the Company and incumbent.

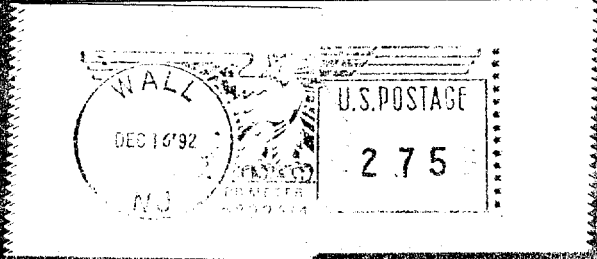
Upon incumbent's retirement at age sixty-five or his earlier termination of employment, incumbent is required to reimburse the Company in full for all payments made in respect of the policy.

In the event of incumbent's earlier death, it is agreed that the Company would be reimbursed from the cash value of the policy. During fiscal 1991, the Company paid policy premiums of \$6,706.

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velope to the
dress

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Labor

Benefits Admin. Services

12/16/92