

**REMARKS OF STEFANIE A. BRAND, ESQ.
DIRECTOR, DIVISION OF RATE COUNSEL,
DEPARTMENT OF THE PUBLIC ADVOCATE
Presented by Sarah H. Steindel, Esq.
Assistant Deputy Public Advocate**

**In the Matter of the Petition of South Jersey Gas Company
to Change the Level of its Societal Benefits Clause (SBC)
and Transportation Initiation Clause (TIC)**

**BPU Docket No. GR07120969
OAL Docket No. PUCRS 00674-2008S**

**PUBLIC HEARING
Voorhees, New Jersey
June 11, 2008
7:00 p.m.**

Good evening. My name is Sarah Steindel, and I am an Assistant Deputy Public Advocate for the Division of Rate Counsel (“Rate Counsel”), New Jersey Department of the Public Advocate (“Public Advocate”). Our office was created by the New Jersey Legislature to represent ratepayers in cases such as this where a utility seeks an increase in rates or change in services.

On December 21, 2007 South Jersey Gas Company (“Company”) filed a Petition with the New Jersey Board of Public Utilities to increase the level of its Societal Benefits Clause (“SBC”) by 1.23 cents per therm. The SBC was

established by the New Jersey legislature to allow electric and natural gas utilities to recover costs incurred for a variety of programs including programs mandated by the board of Public Utilities to promote energy efficiency and renewable energy, and statewide low-income energy bill payment assistance programs. The SBC also includes the Company's Remediation Adjustment Clause ("RAC"), which allows the Company to recover costs associated with the environmental remediation of former manufactured gas plant sites. As part of the same Petition, the Company is also proposing a very small decrease of .01 cent per therm in its Transportation Initiation Clause ("TIC"), which recovers costs associated with Electronic Data Interchange ("EDI"). Taken together, the proposed rate changes would total an increase of \$2.44, or approximately 0.82% on a 200-therm winter heating bill.

Our office is conducting a complete review of the requested rate increase based on information that is being supplied and updated by the Company. We have retained the services of an expert consultant to assist us in our review. Our office is fully aware of the recent increases in energy prices that are having a profound impact on all classes of ratepayers. Rate Counsel's inquiry is focused on the critical issue of whether the Company's proposal allows ratepayers to pay the lowest rates possible consistent with receiving safe, reliable and proper service. However, it is important that you be aware that the ultimate decision regarding all utility matters in New Jersey is made by the Board of Public Utilities.

The purpose of this open public hearing is for you, the customer, to voice your opinion, relate your experiences and offer comments about your Company's rates and service. It is important that you express your views so they may become part of the record on which the Administrative Law Judge and the Board of Public Utilities make their decisions. Rate Counsel also needs to hear your views in order to represent your interests in the legal process. We strongly encourage your participation, which will help us evaluate the Company's proposal and prepare for the evidentiary hearings.

This hearing is being transcribed and your comments will become part of the record. I would like to reiterate the importance of your participation so that Rate Counsel can have a clear record of your concerns and interests.

On behalf of Rate Counsel, thank you for attending this public hearing.