

NOTICE OF FILING AND PUBLIC NOTICE

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR APPROVAL OF BASE RATE ADJUSTMENTS PURSUANT TO THE ACCELERATED INFRASTRUCTURE REPLACEMENT PROGRAM (“AIRP II”)

BPU DOCKET NO. GR21060951

PLEASE TAKE NOTICE that on June 30, 2021, South Jersey Gas Company (“South Jersey” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) in BPU Docket No. GR21060951 seeking approval to increase base rates associated with the Company’s Accelerated Infrastructure Replacement Program (“AIRP II”) (“Petition”).

The Board approved AIRP II and the associated cost recovery mechanism on October 31, 2016 in Docket No. GO16020175 (“Order”). The purpose of AIRP II is to continue to eliminate aging and leak prone materials and enhance the reliability and safety of the Company’s gas distribution system. The Order authorized the Company to invest approximately \$302.5 million over a five (5)-year period, commencing October 1, 2016, and ending September 30, 2021, to replace cast iron and unprotected bare steel mains and associated services. (“AIRP II Investments”).

The Order also authorized South Jersey to make annual filings with the Board to recover the costs associated with AIRP II Investments, and to earn a return of those investments through annual adjustments to base rates. This Petition seeks Board approval to recover the revenue requirements associated with AIRP II Investments placed in-service from July 1, 2020 through September 30, 2021 of approximately \$69 million with a January 1, 2022 rate effective date.

If the proposed increase is approved, this rate would increase the annual bill of a residential heating customer using 100 therms by \$1.89 or 1.2%.

Based upon projections, and assuming approval of AIRP II as proposed by the Company, the subsequent incremental rate and the impact on a residential and general service customer using less than 5,000 therms annually are estimated as follows:

Residential Service (“RSG”)

Therm Level	Bill as of October 1, 2021 ⁽¹⁾	Bill as of January 1, 2022 ⁽²⁾	Dollar Change	Percent Change
25	\$45.73	\$46.20	\$0.47	1.0%
100	\$151.41	\$153.30	\$1.89	1.2%
200	\$292.31	\$296.09	\$3.78	1.3%

General Service (“GSG”) (Using less than 5,000 therms per year)

Therm Level	Bill as of October 1, 2021 ⁽¹⁾	Bill as of January 1, 2022 ⁽²⁾	Dollar Change	Percent Change
500	\$643.46	\$650.96	\$7.50	1.2%
1,000	\$1,249.88	\$1,264.88	\$15.00	1.2%
2,000	\$2,462.71	\$2,492.71	\$30.00	1.2%

(1) Based upon current Delivery Rates and Basic Gas Supply Service (“BGSS”) charges in effect October 1, 2021 and assumes that the customer receives BGSS service from South Jersey.

(2) Same as (1) except includes base rate changes associated with AIRP II.

The following Rate Schedules will also be affected by the Company's proposed base rate increase: General Service – Large Volume (“GSG-LV”), Comprehensive Firm Transportation Service (“CTS”), Large Volume Service (“LVS”), Electric Generation Service (“EGS”), Electric Generation Service – Large Volume (“EGS-LV”), Natural Gas Vehicle Service (“NGV”), Yard Lights Service (“YLS”) and Street Lights Service (“SLS”).

The Board has the statutory authority to establish South Jersey's rates at levels it finds just and reasonable as well as to establish the effective date of such rates. Therefore, the BPU may establish the rates at levels and/or an effective date other than those proposed by South Jersey.

Any assistance required by customers in ascertaining the impact of the proposed rate increase will be provided by the Company upon request.

A copy of the Notice of Filing and Public Hearings on the Petition is being served upon the clerk, executive, or administrator of each municipality and county within the Company's service territory. The Petition and this Notice have also been sent to the New Jersey Division of Rate Counsel (“Rate Counsel”), who will represent the interests of all South Jersey customers in this proceeding. Copies of the Petition are available online at www.southjerseygas.com/About-South-Jersey-Gas/Regulatory-Compliance-Tariff-Information.aspx.

Due to the COVID-19 pandemic, a telephonic public hearing will be conducted on the following day and times so that members of the public may present their views on the Company's Petition.

Date: December 1, 2021

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

Dial In: 1-866-984-3164

Conference ID: 344 194 575 followed by #

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

The Board will also accept electronic and/or written comments. While all comments will be given equal consideration and will be made part of the final record of this proceeding, the preferred method of transmittal is via the Board's Document Search tool. Search for the docket number provided above, and post comments by utilizing the “Post Comments” button. Emailed comments may also be filed with the Secretary of the Board, in pdf or Word format, to board.secretary@bpu.nj.gov.

Written comments may be submitted to the Board Secretary, Aida Camacho-Welch, at the Board of Public Utilities, 44 South Clinton Avenue, 1st Floor, P.O. Box 350, Trenton, NJ 08625-0350. All emailed or mailed comments should include the name of the Petition and the docket number.

All comments are considered “public documents” for purposes of the State's Open Public Records Act. Commenters may identify information that they seek to keep confidential by submitting them in accordance with the confidentiality procedures set forth in N.J.A.C. 14:1-12.3.

SOUTH JERSEY GAS COMPANY

By: Brent Schomber, President and Chief Operations Officer