



STATE OF NEW JERSEY
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625
www.nj.gov/bpu

ENERGY

IN THE MATTER OF THE PETITION OF)
SOUTH JERSEY GAS COMPANY TO CHANGE) DECISION AND ORDER
THE LEVEL OF ITS CONSERVATION INCENTIVE) APPROVING STIPULATION FOR
PROGRAM (CIP) CHARGE FOR THE CIP YEAR) PROVISIONAL CIP RATES
ENDING SEPTEMBER 30, 2012) DOCKET NO. GR11060337
)

Ira G. Megdal, Esq. and Daniel J. Bitonti, Esq., for South Jersey Gas Company (Cozen O'Connor)

Stefanie A. Brand, Esq., Director on behalf of the New Jersey Division of Rate Counsel

BY THE BOARD:

On June 1, 2011, South Jersey Gas Company ("Company" or "SJG") submitted its annual Conservation Incentive Program ("CIP")¹ filing for the 2012 CIP year beginning on October 1, 2011 and ending on September 30, 2012 ("CIP Petition"). The CIP Petition seeks authorization to implement the following CIP rate changes on a per therm after-tax basis, effective as of October 1, 2011: 1) \$0.0507 for Group I Residential Non-Heating customers, a decrease from the current rate of \$0.0949; 2) \$0.0095 for Group II Residential Heat customers, a decrease from the current rate of \$0.0441; 3) \$0.0002 for Group III General Service Gas (GSG) customers, a decrease from the current rate of \$0.0422; and 4) \$0.0018 for Group IV General Service Gas Large Volume (GSG-LV) customers, a decrease from the current rate of \$0.0046.

¹ The CIP was approved by the Board in Docket No. GR05121020 in Board Orders dated October 12, 2006 and January 20, 2010. The CIP encourages the Company to foster customer conservation by allowing it to share in energy related savings due to conservation. The non-weather related CIP surcharges are limited to corresponding decreases in specific supply related costs incorporated in the Company's basic gas supply service ("BGSS") rates. The CIP surcharge is also subject to a return on equity cap of 10%.

Approval of the Company's proposal would result in a \$12,922,824 reduction in revenues to SJG, which takes into account a roll in of the CIP during the last rate case. The average residential heating customer using 100 therms of gas during a heating month would see a decrease of approximately \$3.46 per month or 2.5% in the gas bill. The proposed impact on the average residential non-heat sales customer using 15 therms of gas per month is a decrease of \$0.66 or 2.3% per month. The proposed impact on the average GSG sales customer using 500 therms per month is a decrease of \$21.00 or 3.4%, and on the average GSG-LV customer is a decrease of \$43.81 or 0.3% per month. As proposed, the CIP rates are set to recover \$2,654,101 in CIP related revenues.

After publication of notice in newspapers of general circulation in SJG's service territory, two public hearings in this matter were held on August 10, 2011 in Voorhees, New Jersey. No members of the public appeared at the hearings to provide comments related to the Company's request to revise its CIP rates.

Following a review by, and subsequent discussions among representatives of SJG, the Division of Rate Counsel ("Rate Counsel") and Board Staff, the only parties to this proceeding at this time (collectively, the "Parties"), on September 1, 2011, entered into the attached Stipulation for Provisional CIP Rates. The Parties determined that the rates proposed in the CIP Petition should be implemented on a provisional basis at this time, subject to refund on any net over recovered CIP balance. The Parties recognize that additional time is needed to allow for a comprehensive review of the CIP Petition, and recommend that, pending review and final determination by the Board after an opportunity for full review at the Office of Administrative Law, the Board should authorize on a provisional basis, the Company's CIP rate proposal.

STIPULATION FOR PROVISIONAL CIP RATES²

The key provisions of the Stipulation are as follows:

- 1) The Parties have determined that additional time is needed to complete the review of SJG's proposed CIP rates, and related issues, but agree that implementation of the most recently proposed CIP rate decreases, contained in the CIP Petition, are both reasonable and in the public interest at this time.
- 2) The Parties stipulate and agree that, pending the conclusion of any further review and discussions among the Parties, the Board authorize the implementation of the following provisional CIP rates, on a per therm after tax basis, effective as of October 1, 2011, subject to refund with interest: 1) \$0.0507 for Group I Residential Non-Heating customers, a decrease from the current rate of \$0.0949; 2) \$0.0095 for Group II Residential Heat customers, a decrease from the current rate of \$0.0441; 3) \$0.0002 for Group III General Service Gas (GSG) customers, a decrease from the current rate of \$0.0422; and 4) \$0.0018 for Group IV General Service Gas Large Volume (GSG-LV) customers, a decrease from the current rate of \$0.0046.
- 3) The CIP rates set forth in this Stipulation for Provisional CIP Rates result in a decrease of approximately \$3.46, or 2.5% per month, to the bill of an average residential heating customer using 100 therms of gas during a heating month. The overall bill impact to the average residential non-heat sales customer using 15 therms of gas per month is a

² Although summarized in this Order, the detailed terms of the Stipulation control, subject to the findings and conclusions of this Order.

decrease of \$0.66, or 2.3%. The impact to the average GSG sales customer's bill is a decrease of \$21.00 or 3.4% per month and the impact to the average GSG-LV customer's bill is a decrease of \$43.81 or 0.3% per month.

DISCUSSION AND FINDING

The Board, having carefully reviewed the record to date in this proceeding and the attached Stipulation for Provisional CIP Rates, HEREBY FINDS that, subject to the terms and conditions set forth below, the Stipulation for Provisional CIP Rates is reasonable, in the public interest and in accordance with the law. The Board HEREBY ADOPTS the Stipulation for Provisional CIP Rates as its own, as if fully set forth herein.

The Board HEREBY APPROVES on provisional basis, the Company's implementation of the following after-tax per therm CIP rates: 1) \$0.0507 for Group I Residential Non-Heat Customers; 2) \$0.0095 for Group II Residential Heat Customers; 3) \$0.0002 for Group III General Service Gas Customers and 4) \$0.0018 for Group IV General Service Gas Large Volume customers, effective for service rendered on and after October 1, 2011.

The Board HEREBY ORDERS that the CIP Petition be transmitted to the Office of Administrative Law for full review and an Initial Decision, and then returned to the Board for a Final Decision.

Finally, the Board HEREBY DIRECTS the Company to file the appropriate tariff sheets conforming to the terms and conditions of this Order within five (5) business days from the date of this Order.

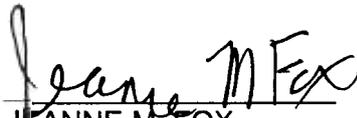
The Company's CIP costs will remain subject to audit by the Board. This Decision and Order

shall not preclude the Board from taking any actions deemed to be appropriate as a result of any such audit.

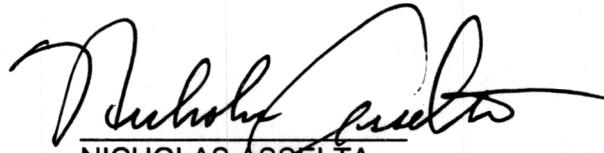
DATED: 9/22/11

BOARD OF PUBLIC UTILITIES
BY:


LEE A. SOLOMON
PRESIDENT

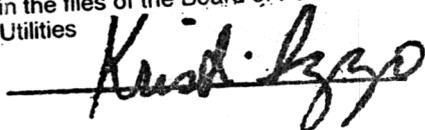

JEANNE M. FOX
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER


NICHOLAS ASSELTA
COMMISSIONER

ATTEST: 
KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public
Utilities



In the Matter of the Petition of South Jersey Gas Company to Change the Level of Its
Conservation Incentive Program (CIP) for the CIP Year Ending 2012
Docket No. GR11060337
Service List

Stephanie Brand, Esq.
Division of Rate Counsel
31 Clinton Street, 11th Floor
P.O. Box 46005
Newark, NJ 07101
sbrand@rpa.state.nj.us

Felicia Thomas-Friel, Esq.
Division of Rate Counsel
31 Clinton Street, 11th Floor
P.O. Box 46005
Newark, NJ 07101
fthomas-friel@rpa.state.nj.us

Henry M. Ogden, Esq.
Division of Rate Counsel
31 Clinton Street, 11th Floor
P.O. Box 46005
Newark, NJ 07101
hogden@rpa.state.nj.us

Samuel A. Pignatelli, Vice President
Rates & Regulatory Affairs
South Jersey Gas Company
One South Jersey Plaza-Route 54
Folsom, NJ 08037
spignatelli@sjindustries.com

Jerome May, Director
Division of Energy
Board of Public Utilities
44 South Clinton Ave, 9th Floor
P.O. Box 350
Trenton, N.J. 08625
jerome.may@bpu.state.nj.us

Sheila DeLucia, Bureau Chief
Division of Energy
Board of Public Utilities
44 South Clinton Ave, 9th Floor
P.O. Box 350
Trenton, N.J. 08625
sheila.delucia@bpu.state.nj.us

Henry Rich, Supervisor
Division of Energy
Board of Public Utilities
44 South Clinton Ave, 9th Floor
P.O. Box 350
Trenton, N.J. 08625
henry.rich@bpu.state.nj.us

Beverly Tyndell, Rate Analyst
Division of Energy
Board of Public Utilities
44 South Clinton Ave, 9th Floor
P.O. Box 350
Trenton, N.J. 08625
beverly.tyndell@bpu.state.nj.us

Ira G. Megdal, Esq.
Cozen O'Connor
457 Haddonfield Road
P.O. Box 5459
Haddonfield, NJ 08002-2220
imegdal@cozen.com

Alex Moreau, Esq.
Babette Tenzer, Esq.
Jennifer Hsia, Esq.
Department of Law & Public Safety
124 Halsey Street
P.O. Box 45029
Newark, NJ 07102
alex.moreau@dol.lps.state.nj.us
babette.tenzer@dol.lps.state.nj.us
jennifer.hsia@dol.lps.state.nj.us

Daniel J. Bitonti, Esq.
Cozen O'Connor
457 Haddonfield Road
P.O. Box 5459
Haddonfield, NJ 08002-2220
dbitonti@cozen.com

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

**IN THE MATTER OF THE PETITION OF : BPU DOCKET NO.
SOUTH JERSEY GAS COMPANY TO CHANGE : GR11060337
THE LEVEL OF ITS CONSERVATION :
INCENTIVE PROGRAM (CIP) CHARGES FOR : STIPULATION FOR
THE CIP YEAR ENDING SEPTEMBER 30, 2012 : PROVISIONAL CIP RATES**

APPEARANCES:

Ira G. Megdal, Esquire and Daniel J. Bitonti, Esquire (Cozen O'Connor, attorneys) for South Jersey Gas Company ("Petitioner")

Felicia Thomas-Friel, Esquire, Deputy Rate Counsel, Henry M. Ogden, Esquire and James Glassen, Assistant Deputy Rate Counsels on behalf of the New Jersey Division of Rate Counsel ("Rate Counsel") (Stefanie A. Brand, Director)

Alex Moreau and Veronica Beke, Deputy Attorneys General, on behalf of the Staff of the Board of Public Utilities ("Staff") (Paula T. Dow, Attorney General of New Jersey)

TO: THE HONORABLE BOARD OF PUBLIC UTILITIES:

I. INTRODUCTION

1. On June 1, 2011, South Jersey Gas Company ("South Jersey," "Company" or "Petitioner") submitted its annual Conservation Incentive Program ("CIP") filing for the period October 1, 2011 through September 30, 2012 ("CIP Year") in the above-referenced docket. That petition requested that the Board of Public Utilities ("Board") approve the implementation of after-tax per therm CIP rates of \$0.0507 for Group I Residential Non-Heat customers, \$0.0095 for Group II Residential Heat customers, \$0.0002 for Group III General Service (GSG) customers and \$0.0018 for Group IV General Service Large Volume (GSG-LV) customers effective October 1, 2011. The requested CIP rates would result in a monthly decrease of \$3.46, or 2.5% per month, to the residential heat customer using 100 therms of gas during a heating

month. The proposed impact on a residential non-heat customer using 15 therms of gas during a month is a decrease of \$0.66 or 2.3% per month. The proposed impact on a GSG customer using 500 therms of gas during a month is a decrease of \$21.00 or 3.4%. The impact on a GSG-LV customer using 15,646 therms of gas a month is a decrease of \$43.81 or 0.3% per month.

2. Pursuant to the Board's October 12, 2006 and January 21, 2010 Orders in Docket No. GR05121020, any non-weather related CIP surcharges must be offset by reductions in BGSS costs. The Company estimates total CIP related revenue of (\$2.7) million, with (\$1.4) million weather related and \$1.3 million non-weather related for the CIP period ending September 2011. Also recovered is a prior year \$4.3 million carry over. Total non-weather related CIP revenue margin totals \$3.0 million. The BGSS savings for the period October 2011 through September 2012 is \$9.7 million.

3. Public hearings on this Petition were held on August 10, 2011, in Voorhees, New Jersey. The public hearings were noticed in newspapers of general circulation within South Jersey's service territory. No members of the public appeared to provide comments relating to the Company's request to decrease its CIP rates.

II. STIPULATED TERMS

4. South Jersey, Board Staff and Rate Counsel (collectively the "Parties"), the only Parties to this proceeding, have discussed certain matters at issue in this proceeding. As a result of those discussions, the Parties have determined that additional time is needed to complete a comprehensive review of South Jersey's proposed CIP rates and other aspects of the Company's CIP petition. However, the Parties agree that the provisional implementation of the proposed CIP rates is reasonable at this time. These rate decreases will be effective as of October 1, 2011, or as of such date that the Board so decides. These changes are on a provisional basis subject to

opportunity for full review at the Office of Administrative Law, if necessary, and final approval by the Board.

5. Accordingly, the Parties stipulate and agree that, pending the conclusion of further review and discussion among the Parties, it would be both reasonable and in the public interest for the Board to authorize the implementation of the following proposed per therm after tax CIP rates: (1) \$0.0507 for Group I Residential Non-Heat customers, a decrease from the current rate of \$0.0949; (2) \$0.0095 for Group II Residential Heat customers, a decrease from the current rate of \$0.0441; (3) \$0.0002 for Group III General Service (GSG) customers, a decrease from the current rate of \$0.0422; and (4) \$0.0018 for Group IV General Service Large Volume (GSG-LV) customers, a decrease in the current rate of \$0.0046. It is agreed by the Parties that these rate changes will be effective as of October 1, 2011, or as of such date that the Board so decides. These changes are on a provisional basis, subject to refund with interest, an opportunity for a full review at the Office of Administrative Law (OAL), if necessary, and final approval by the Board.

6. The CIP rates set forth in this Stipulation result in a decrease of \$3.46, or 2.5% per month, to the residential heating customer using 100 therms of gas a month. The overall impact on a residential non-heat customer using 15 therms of gas a month is a decrease of \$0.66 or 2.3%. The impact on a GSG customer using 500 therms of gas a month is a decrease of \$21.00 or 3.4% and the impact on a GSG-LV customer using 15,646 therms of gas a month is a decrease of \$43.81 or 0.3%.

7. The CIP rates set forth in this Stipulation will result in a total reduction of \$12,922,824 which takes into consideration a roll in of CIP during the last rate case. This will result in a total recovery of \$2,654,101

8. Attached to the Stipulation are the proposed tariff sheets to implement the terms of this Stipulation.

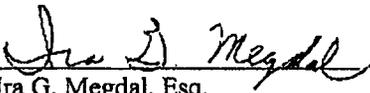
IV. MISCELLANEOUS

9. This Stipulation represents a mutual balancing of interests and, therefore, is intended to be accepted and approved in its entirety. In the event this Stipulation is not adopted in its entirety by the Board, then any party hereto is free to pursue its then available legal remedies with respect to all issues addressed in this Stipulation as though this Stipulation had not been signed.

10. It is specifically understood and agreed that this Stipulation represents a negotiated interim agreement and has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, South Jersey, Staff, or Rate Counsel shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein. Also, all rates are subject to Board audit.

WHEREFORE, the Parties hereto do respectfully submit this Stipulation and request that the Board issue a Decision and Order approving it in its entirety, in accordance with the terms hereof, as soon as reasonably possible.

SOUTH JERSEY GAS COMPANY

By: 
Ira G. Megdal, Esq.
Daniel J. Bitonti, Esq.
Cozen O'Connor

STEFANIE A. BRAND, DIRECTOR
DIVISION OF RATE COUNSEL

By: _____
Henry M. Ogden, Esquire
Assistant Deputy Rate Counsel

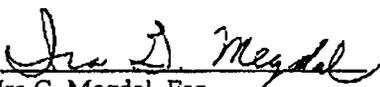
PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the New Jersey Board of Public Utilities

By: 
Alex Moreau
Deputy Attorney General
09/02/11

Dated: _____ September 1, 2011

WHEREFORE, the Parties hereto do respectfully submit this Stipulation and request that the Board issue a Decision and Order approving it in its entirety, in accordance with the terms hereof, as soon as reasonably possible.

SOUTH JERSEY GAS COMPANY

By: 
Ira G. Megdal, Esq.
Daniel J. Bitonti, Esq.
Cozen O'Connor

STEFANIE A. BRAND, DIRECTOR
DIVISION OF RATE COUNSEL

By: 
Henry M. Ogden, Esquire
Assistant Deputy Rate Counsel

PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the New Jersey Board of Public Utilities

By: _____
Alex Moreau
Deputy Attorney General

Dated: September 1, 2011

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 10 - GAS

First Revised Sheet No. 103
Superseding Original Sheet No. 103

**CONSERVATION INCENTIVE PROGRAM
(Continued)**

mechanism. The Deficiency or Excess shall be calculated each month by multiplying the result obtained from subtracting the Baseline Usage per Customer from the Actual Usage per Customer by the actual number of customers, and then multiplying the resulting terms by the Margin Revenue Factor.

- (d) Recovery of any Deficiency in accordance with Paragraph (c), above, associated with non-weather related changes in customer usage will be limited to the level of BGSS savings achieved as provided for in the 2006 Order of the Board of Public Utilities in Docket No. GR05121019. The value of the weather-related changes in customer usage shall be calculated in accordance with Rider F to this tariff.
- (e) Except as limited by Paragraph (d), above, the amount to be surcharged or credited to the Customer Class Group shall equal the aggregate Deficiency or Excess for all months during the Annual Period determined in accordance with the provisions herein, divided by the FAU for the Customer Class Group.
- (f) The currently effective CIP Factor by Customer Class Group are as follows:

	<u>Group I: RSG Non-Heating</u>	<u>Group II: RSG Heating</u>	<u>Group III: GSG</u>	<u>Group IV: GSG-LY</u>
CIP Factors Per Therm	\$0.0473885	\$0.008941+	\$0.0002393	\$0.001743
Applicable Revenue Tax Factor	.0022+9	1.0022+9	1.0022+9	.0022+9
CIP Factors Per Therm	\$0.0474887	\$0.0089412	\$0.0002394	\$0.001743
Applicable NJ Sales Tax Factor	___1.07	___1.07	___1.07	___1.07
CIP Factors Per Therm with NJ Sales Tax	<u>\$0.0507949</u>	<u>\$0.0095441</u>	<u>\$0.000422</u>	<u>\$0.001846</u>

- (g) The CIP shall not operate to cause the Company to earn in excess of its allowed rate of return on common equity of 10.30% for any twelve month period ending September 30; any revenue which is not recovered will not be deferred. For purposes of this paragraph (f), the Company's rate of return on common equity shall be calculated by dividing the Company's net income for such annual period by the Company's average 13 month common equity balance for such annual period, all data as reflected in the Company's monthly reports to the Board of Public Utilities. The Company's net income shall be calculated by subtracting from total net income the Company's share of margins from: (1) Interruptible Sales; (2) Interruptible Transportation; (3) On-System Capacity Release; (4) Off-System Sales and Capacity Release; (5) the Storage Incentive Mechanism, (6) the Energy Efficiency Tracker, and (7) the Capital Investment Recovery Tracker.
- (h) As used in this Rider "M", the following terms shall have the meanings ascribed to them herein:

Issued _____
by South Jersey Gas Company,
E. Graham, President

Effective with service rendered
on and after _____

Filed pursuant to Order in Docket No. GR11060337 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY
 Schedule of Rate Components
 Appendix A - Effective _____

RESIDENTIAL GAS SERVICE (RSG)

	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
RESIDENTIAL FIRM TRANS SERV (RSG FTS) - HEAT CUSTOMER							
Customer Charge	8.3400					0.5838	8.9238
CIP				0.0089	0	0.0006	0.0095
Delivery Charge:							
COST OF SERVICE	0.4031	0.0203		0.0002	0.0000	0.0296	0.4530
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0121	0.0000	0.0008	0.0129
RAC				0.0110	0.0000	0.0008	0.0118
USF				0.0182	0.0000	0.0012	0.0194
Total SBC				0.0413	0.0000	0.0028	0.0441
TAC				0.0000	0.0000	0.0000	0.0000
CIRT				0.0041	0.0000	0.0003	0.0044
EET				0.0022	0.0000	0.0002	0.0024
BSC "J" BS-1			0.0471		0.0001	0.0033	0.0505
BSC "J" BUY-OUT PRICE - Rate set monthly							
Total	0.4031	0.0203	0.0471	0.0478	0.0001	0.0362	0.5546

RESIDENTIAL FIRM SALES SERV (RSG FSS) - HEAT CUSTOMER

Customer Charge	8.3400					0.5838	8.9238
Basic Gas Supply Service (BGSS):			0.6424		0.0012	0.0451	0.6887
CIP				0.0089	0	0.0006	0.0095
Delivery Charge:							
COST OF SERVICE	0.4031	0.0203				0.0296	0.4530
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0121	0.0000	0.0008	0.0129
RAC				0.0110	0.0000	0.0008	0.0118
USF				0.0182	0.0000	0.0012	0.0194
Total SBC				0.0413	0.0000	0.0028	0.0441
TAC				0.0000	0.0000	0.0000	0.0000
CIRT				0.0041	0.0000	0.0003	0.0044
EET				0.0022	0.0000	0.0002	0.0024
BSC "J" BS-1			0.0471		0.0001	0.0033	0.0505
Total	0.4031	0.0203	0.0471	0.0478	0.0001	0.0362	0.5546

SOUTH JERSEY GAS COMPANY
 Schedule of Rate Components
 Appendix A - Effective _____

RESIDENTIAL-FIRM TRANS SERV (RSG-FTS)-NONHEAD CUSTOMER	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	8.3400					0.5838	8.9238
CIP				0.0473	0.0001	0.0033	0.0507
Delivery Charge:							
COST OF SERVICE	0.4031	0.0203		0.0002	0.0000	0.0296	0.4530
TIC						0.0000	0.0002
SBC:							
CLEP				0.0121	0.0000	0.0008	0.0129
RAC				0.0110	0.0000	0.0008	0.0118
USF				0.0182	0.0000	0.0012	0.0194
Total SBC				0.0413	0.0000	0.0028	0.0441
TAC				0.0000	0.0000	0.0000	0.0000
CIRT				0.0041	0.0000	0.0003	0.0044
EET				0.0022	0.0000	0.0002	0.0024
BSC "J" BS-1			0.0471		0.0001	0.0033	0.0505
BSC "J" BUY-OUT PRICE - Rate set monthly							
Total	0.4031	0.0203	0.0471	0.0478	0.0001	0.0362	0.5546
RESIDENTIAL-FIRM SALES SERV (RSG-SSV)-NONHEAT CUSTOMER							
Customer Charge	8.3400					0.5838	8.9238
Basic Gas Supply Service (BGSS):			0.6424		0.0012	0.0451	0.6887
CIP				0.0473	0.0001	0.0033	0.0507
Delivery Charge:							
COST OF SERVICE	0.4031	0.0203				0.0296	0.4530
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0121	0.0000	0.0008	0.0129
RAC				0.0110	0.0000	0.0008	0.0118
USF				0.0182	0.0000	0.0012	0.0194
Total SBC				0.0413	0.0000	0.0028	0.0441
TAC				0.0000	0.0000	0.0000	0.0000
CIRT				0.0041	0.0000	0.0003	0.0044
EET				0.0022	0.0000	0.0002	0.0024
BSC "J" BS-1			0.0471		0.0001	0.0033	0.0505
Total	0.4031	0.0203	0.0471	0.0478	0.0001	0.0362	0.5546

SOUTH JERSEY GAS COMPANY
 Schedule of Rate Components
 Appendix A - Effective _____

<u>GENERAL SERVICE (GSG)</u>							
	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>GENERAL SERVICE-FIRM TRANS (GSG-FTS)</u>							
Customer Charge	22.2500					1.5575	23.8075
CIP				0.0002	0.0000	0.0000	0.0002
Delivery Charge:							
COST OF SERVICE	0.3192	0.0219				0.0239	0.3650
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0121	0.0000	0.0008	0.0129
RAC				0.0110	0.0000	0.0008	0.0118
USF				0.0182	0.0000	0.0012	0.0194
Total SBC				0.0413	0.0000	0.0028	0.0441
TAC				0.0000	0.0000	0.0000	0.0000
CIRT				0.0041	0.0000	0.0003	0.0044
EET				0.0022	0.0000	0.0002	0.0024
BSC "J" BS-1			0.0471		0.0001	0.0033	0.0505
BSC "J" BUY-OUT PRICE - Rate set monthly							
Total		0.0219		0.0478		0.0305	0.4666

SOUTH JERSEY GAS COMPANY
 Schedule of Rate Components
 Appendix A - Effective

<u>GENERAL SERVICE FIRM SALES (GSGFSS)</u> <small>(\$5,000 to \$999,999 Annually)</small>	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	22.2500					1.5575	23.8075
CIP				0.0002	0.0000	0.0000	0.0002
Basic Gas Supply Service (BGSS):			0.6424		0.0012	0.0451	0.6887
Delivery Charge: COST OF SERVICE	0.3192	0.0219				0.0239	0.3650
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0121	0.0000	0.0008	0.0129
RAC				0.0110	0.0000	0.0008	0.0118
USF				0.0182	0.0000	0.0012	0.0194
Total SBC				0.0413	0.0000	0.0028	0.0441
TAC				0.0000	0.0000	0.0000	0.0000
CIRT				0.0041	0.0000	0.0003	0.0044
EET				0.0022	0.0000	0.0002	0.0024
BSC "J" BS-1			0.0471		0.0001	0.0033	0.0505
Total	0.3192	0.0219	0.0471	0.0478	0.0001	0.0305	0.4666

<u>GENERAL SERVICE FIRM SALES (GSGFSS)</u> <small>(\$5,000 to \$999,999 Annually)</small>	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	22.2500					1.5575	23.8075
Basic Gas Supply Service (BGSS):							RATE SET MONTHLY
CIP				0.0002	0.0000	0.0000	0.0002
Delivery Charge: COST OF SERVICE	0.3192	0.0219				0.0239	0.3650
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0121	0.0000	0.0008	0.0129
RAC				0.0110	0.0000	0.0008	0.0118
USF				0.0182	0.0000	0.0012	0.0194
Total SBC				0.0413	0.0000	0.0028	0.0441
TAC				0.0000	0.0000	0.0000	0.0000
CIRT				0.0041	0.0000	0.0003	0.0044
EET				0.0022	0.0000	0.0002	0.0024
BSC "J" BS-1			0.0471		0.0001	0.0033	0.0505
Total	0.3192	0.0219	0.0471	0.0478	0.0001	0.0305	0.4666

SOUTH JERSEY GAS COMPANY
 Schedule of Rate Components
 Appendix A - Effective _____

~~GENERAL SERVICE (V) (GSG-LV)~~

GENERAL SERVICE (V) (GSG-LV)	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	150.0000					10.5000	160.5000
D-1 Demand Charge	8.0000					0.5600	8.5600
CIP				0.0017	0.0000	0.0001	0.0018
Delivery Charge: COST OF SERVICE	0.1699	0.0219				0.0134	0.2052
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0121	0.0000	0.0008	0.0129
RAC				0.0110	0.0000	0.0008	0.0118
USF				0.0182	0.0000	0.0012	0.0194
Total SBC				0.0413	0.0000	0.0028	0.0441
TAC				0.0000	0.0000	0.0000	0.0000
CIRT				0.0041	0.0000	0.0003	0.0044
EET				0.0022	0.0000	0.0002	0.0024
BSC "J" BS-1			0.0471		0.0001	0.0033	0.0505
BSC "J" BUY-OUT PRICE - Rate set monthly							
Total	0.1699	0.0219	0.0471	0.0478	0.0001	0.0200	0.3068

~~GENERAL SERVICE (FIRM SALES) (V) (GSG-LV-SS)~~

GENERAL SERVICE (FIRM SALES) (V) (GSG-LV-SS)	<u>BASE RATE</u>	<u>TEFA</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	150.0000					10.5000	160.5000
D-1 Demand Charge	8.0000					0.5600	8.5600
Basic Gas Supply Service (BGSS):							RATE SET MONTHLY
CIP				0.0017	0.0000	0.0001	0.0018
Delivery Charge: COST OF SERVICE	0.1699	0.0219				0.0134	0.2052
TIC				0.0002	0.0000	0.0000	0.0002
SBC:							
CLEP				0.0121	0.0000	0.0008	0.0129
RAC				0.0110	0.0000	0.0008	0.0118
USF				0.0182	0.0000	0.0012	0.0194
Total SBC				0.0413	0.0000	0.0028	0.0441
TAC				0.0000	0.0000	0.0000	0.0000
CIRT				0.0041	0.0000	0.0003	0.0044
EET				0.0022	0.0000	0.0002	0.0024
BSC "J" BS-1			0.0471		0.0001	0.0033	0.0505
Total	0.1699	0.0219	0.0471	0.0478	0.0001	0.0200	0.3068

SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
Appendix A - Effective _____

Heat Residential Rate Schedule:

	RSG-FSS	RSG-FTS	Difference
BGSS	0.6887	0.0000	0.6887
Cost of Service	0.4530	0.4530	0.0000
CLEP	0.0129	0.0129	0.0000
RAC	0.0118	0.0118	0.0000
TAC	0.0000	0.0000	0.0000
CIP	0.0085	0.0085	0.0000
USF	0.0194	0.0194	0.0000
TIC	0.0002	0.0002	0.0000
CIRT	0.0044	0.0044	0.0000
EET	0.0024	0.0024	0.0000
BSC "J" BS-1	0.0505	0.0505	0.0000
Price to Compare	1.2528	0.6841	0.6887

NonHeat Residential Rate Schedule:

	RSG-FSS	RSG-FTS	Difference
BGSS	0.6887	0.0000	0.6887
CIP	0.0507	0.0507	0.0000
Cost of Service	0.4530	0.4530	0.0000
CLEP	0.0129	0.0129	0.0000
RAC	0.0118	0.0118	0.0000
TAC	0.0000	0.0000	0.0000
USF	0.0194	0.0194	0.0000
TIC	0.0002	0.0002	0.0000
CIRT	0.0044	0.0044	0.0000
EET	0.0024	0.0024	0.0000
BSC "J" BS-1	0.0505	0.0505	0.0000
Price to Compare	1.2940	0.6053	0.6887

GSG
(Under 6,000 therms annually)

	GSG-FSS	GSG-FTS	Difference
BGSS	0.6887	0.0000	0.6887
CIP	0.0002	0.0002	0.0000
Cost of Service	0.3650	0.3650	0.0000
CLEP	0.0129	0.0129	0.0000
RAC	0.0118	0.0118	0.0000
TAC	0.0000	0.0000	0.0000
USF	0.0194	0.0194	0.0000
TIC	0.0002	0.0002	0.0000
CIRT	0.0044	0.0044	0.0000
EET	0.0024	0.0024	0.0000
BSC "J" BS-1	0.0505	0.0505	0.0000
Price to Compare	1.1655	0.4868	0.6887

GSG
(6,000 therms annually or greater)

	GSG-FSS	GSG-FTS	Difference
BGSS	0.6821	0.0000	0.6821
CIP	0.0002	0.0002	0.0000
Cost of Service	0.3650	0.3650	0.0000
CLEP	0.0129	0.0129	0.0000
RAC	0.0118	0.0118	0.0000
TAC	0.0000	0.0000	0.0000
USF	0.0194	0.0194	0.0000
TIC	0.0002	0.0002	0.0000
CIRT	0.0044	0.0044	0.0000
EET	0.0024	0.0024	0.0000
BSC "J" BS-1	0.0505	0.0505	0.0000
Price to Compare	1.0289	0.4608	0.5621

GSG-LV

	GSG-LV-FSS	GSG-LV-FTS	Difference
BGSS	0.6821	0.0000	0.6821
CIP	0.0018	0.0018	0.0000
Cost of Service	0.2052	0.2052	0.0000
CLEP	0.0129	0.0129	0.0000
RAC	0.0118	0.0118	0.0000
TAC	0.0000	0.0000	0.0000
USF	0.0194	0.0194	0.0000
TIC	0.0002	0.0002	0.0000
CIRT	0.0044	0.0044	0.0000
EET	0.0024	0.0024	0.0000
BSC "J" BS-1	0.0505	0.0505	0.0000
Price to Compare	0.8707	0.3086	0.5621