



Agenda Date: 11/21/17
Agenda Item: 2D

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor Suite, 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF SOUTH)
JERSEY GAS COMPANY TO REVISE THE COST)
RECOVERY CHARGE ASSOCIATED WITH ENERGY)
EFFICIENCY PROGRAMS ("EET CHARGE")) DOCKET NO. GR17060673

Parties of Record:

Stacy A. Mitchell, Esq., South Jersey Gas Company
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities ("Board" or "BPU") considers a stipulation of settlement ("Stipulation") executed by South Jersey Gas Company ("SJG" or "Company"), Board Staff ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") intended to resolve the Company's request to revise its Energy Efficiency Tracker ("EET") rate .

BACKGROUND AND PROCEDURAL HISTORY

By Order¹ dated July 24, 2009 ("July 2009 Order"), the Board authorized SJG to implement a number of energy efficiency programs ("EEPs")² over a two-year period to promote energy efficiency and conservation while stimulating the State's economy. The July 2009 Order also authorized the Company to defer and recover all reasonable and prudent costs associated with the EEPs including both Company investments in the EEPs as well as incremental operating and maintenance ("O&M") costs. These costs were to be recovered through the EET.

¹ In re Energy Efficiency Programs and Associated Cost Recovery Mechanisms and In re the Petition of South Jersey Gas Company for Approval of Energy Efficiency Program ("EEP") with an Associated Energy Efficiency Tracker "EET") Pursuant to N.J.S.A. 48:3-98.1; and to Modify Rate Schedule EGS-LV, BPU Docket Nos. E009010056 and G009010059 (July 24, 2009.)

² SJG was authorized to offer the following EEPs: 1) Enhanced Residential Heating, Venting, and Air Conditioning ("HVAC") Rebate Program; 2) Residential Home Performance Finance Energy Efficiency Program; 3) Combined Heat and Power Program; 4) Commercial Customer Direct Install Financing Program; and 5) Non-Residential Energy Efficiency Investment.

The EET cost recovery mechanism provides for two different treatments of the costs. One part allows the Company to earn a return on the investments and recover the amortization of the regulatory asset to be created upon SJG's balance sheet that is associated with the Company's investments in EEP related infrastructure. The other part allows recovery of incremental O&M expenses associated with the EEPs. Pursuant to the July 2009 Order, the Company is required to submit annual EEP cost recovery filings to establish future EET rates. The annual filings were to include certain information including investment levels, operating costs, and employment. Pursuant to the July 2009 Order, the initial EET rate was established as \$0.0024 per therm, including taxes.

On July 9, 2010, the Company submitted its first annual EET filing with the Board which was assigned Docket No. G010070466. Subsequently, on June 1, 2011, SJG submitted its second annual EET which was assigned Docket No. GR11060336. By Order³ dated September 13, 2012, the Board authorized an EET rate of \$0.0096 per therm, including taxes to resolve both the first and second EET filings.

By Order⁴ dated January 19, 2011 ("January 2011 Order"), the Board authorized SJG to extend its EEPs by one year to allow SJG to carryover individual program under-spending until December 31, 2011 as well as to allow SJG's monthly program investment and incremental O&M costs associated with the EEPs to continue until April 30, 2012. In addition, the January 2011 Order authorized the reallocation of money within the EEPs' budget as requested by SJG.

On May 3, 2012, SJG filed a petition in Docket No. G012050363 ("EEP II Proceeding") seeking authorization to implement a new set of EEPs. During the pendency of the EEP II Proceeding, SJG filed another petition in Docket No. G012060492, seeking to extend its current EEPs and the EET through December 31, 2012 to permit the Company to spend the remaining unexpended EEP budget. Pursuant to Board Order⁵ dated August 15, 2012 ("August 2012 Order"), the Board approved a settlement among the Parties authorizing SJG to extend its EEPs within the currently approved budget until the remaining unexpended funds were exhausted or until such time as the Board made a determination in the EEP II Petition, whichever occurred first. The August 2012 Order also authorized a reallocation of money within the EEP budget.

On June 1, 2012, the Company submitted its third annual EET filing with the Board, which was assigned Docket No. GR12060473.

³ In re the Petition of South Jersey Gas Company for Approval of the Cost Recovery Associated with Energy Efficiency Programs (2010) and In re the Petition of South Jersey Gas Company for Approval of the Cost Recovery Associated with Energy Efficiency Programs (2011), BPU Docket Nos. G010070466 and GR11060336 (September 13, 2012.)

⁴ In re the Petition of South Jersey Gas Company for Approval of Energy Efficiency Program ("EEP") with an Associated Energy Efficiency Tracker ("EET") Pursuant to N.J.S.A. 48:3-98.1; and to Modify Rate Schedule EGS-LV BPU Docket No. G010110861 (January 19, 2011.)

⁵ In re the Petition of South Jersey Gas Company for Approval to Extend the Company's Board-Approved Energy Efficiency Programs and to Transfer Funding Amongst the Individual Programs, BPU Docket No. G012060492 (August 15, 2012.)

By Order⁶ dated January 23, 2013, during the pendency of the EEP II Petition and the third annual EET filing, the Board authorized SJG to extend its EEPs through June 2013, along with a budget for the extension. By Order⁷ dated June 21, 2013 ("June 2013 Order"), the Board authorized SJG to continue its Residential Home Performance and Finance Energy Efficiency Program, its Non-Residential Energy Efficiency Investment Program, its Enhanced Residential HVAC Rebate Program and its Commercial Customer Direct Install Financing Program (collectively, "EEP II Programs") through June 2015. Pursuant to the June 2013 Order, an initial rate of \$0.0035, including taxes, associated with the approved EEP II Programs was set ("EET Extension Rate").

On May 31, 2013, the Company submitted its fourth annual EET filing with the Board, which was assigned Docket No. GR13050435. By Order dated September 30, 2014 ("September 2014 Order"), the Board authorized an EET rate of \$0.0134 per therm, including taxes to resolve both the third and fourth EET filings.⁸ When combined with the EET II Extension Rate of \$0.0035 per therm with taxes approved by the Board in the June 2013 Order, the total EET rate in effect for use after October 1, 2014 was \$0.0169 per therm, including taxes.

By petition dated May 30, 2014 in Docket No. GR14050509, SJG submitted its fifth annual EET filing to the Board seeking approval to increase the then existing total EET rate to \$0.015577 per therm, including taxes. However, due to the rate approved in the Board's September 2014 Order, the requested rate of \$0.015577 per therm, reflected a decrease from the current rate of \$0.0169, including taxes. By petition dated June 1, 2015 in Docket No. GR15060643, SJG submitted its sixth annual EET filing to the Board seeking approval to decrease the then current EET rate from \$0.0169 per therm including taxes to \$0.003252 including taxes.

On January 20, 2015, SJG filed a petition with the Board seeking approval to continue its EEPs for a three year period, with a total budget of \$56 million. By Order dated August 19, 2015 ("August 2015 Order"), the Board approved a stipulation between the Parties further extending certain EEPs⁹ offered by SJG.¹⁰ Pursuant to the August 2015 Order, an initial rate of \$0.004494 per therm including taxes was established for the EEP III Extension Programs. When combined with the then current total EET rate of \$0.0169 per therm including taxes, the total EET rate in effect for use after September 1, 2015 was \$0.021394 per therm including taxes.

⁶ In re the Petition of South Jersey Gas Company for Approval of an Energy Efficiency Program ("EEP") with an Associated Energy Efficiency Tracker ("EET") Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. G012050363 (January 23, 2013.)

⁷ In re the Petition of South Jersey Gas Company for Approval of an Energy Efficiency Program ("EEP") with an Associated Energy Efficiency Tracker ("EET") Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. G012050363 (June 21, 2013.)

⁸ In re the Petition of South Jersey Gas Company for Approval of an Increase in the Cost Recovery Associated with Energy Efficiency Programs AND In re the Petition of South Jersey Gas Company for Approval of an Increase in the Cost Recovery Associated with Energy Efficiency Programs, BPU Docket Nos. GR12060473 and GR13050435 (September 30, 2014.)

⁹ The August 2015 Order authorized SJG to offer the following programs: 1) Residential Home Performance and Finance Energy Efficiency Program; 2) Non-Residential Energy Efficiency Investment Program; 3) Enhanced Essential HVAC Rebate Program; 4) Commercial Customer Direct Install Financing Program; and 5) OPOWER pilot program. ("EEP Extension III Programs").

¹⁰ In re the Petition of South Jersey Gas Company for Approval of an Energy Efficiency Program ("EEP") with an Associated Energy Efficiency Tracker ("EET") Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GR15010090 (August 19, 2015.)

By Order¹¹ dated February 24, 2016, the Board authorized a decrease in the EET rate to its current level of \$0.07302 per therm, including taxes to resolve both the fifth and sixth EET filings.

By petition dated June 1, 2016, the Company submitted its seventh annual EET Filing in Docket No. GR16060491 and sought Board approval to decrease its EET rate. By Order¹² dated October 31, 2016, the Board authorized a decrease in the EET rate to \$0.004576¹³ per therm, including taxes to resolve the seventh EET filings.

JUNE 2017 PETITION

On June 23, 2017, SJG filed the instant petition ("June 2017 Petition"), which was assigned Docket No. GR17060673, seeking to increase its EET rate from the current rate of \$0.004571 per therm, including taxes to \$0.009917 per therm, including taxes.

The June 2017 Petition sought to reconcile EEP costs and cost recoveries for the period commencing October 1, 2016 through September 30, 2017 ("2017 Recovery Period"), and to recover forecast revenues for the period October 1, 2017 through September 30, 2018, using the Board-approved weighted average cost of capital ("WACC") in effect at the time the June 2017 Petition was filed. Information for the 2017 Recovery Period included seven months of actual data through April 30, 2017 and five months of projected data through September 30, 2017. As reflected in the June 2017 Petition, the proposed EET Rate of \$0.009917 per therm was designed to recover actual and projected allowable recoverable EEP costs of \$5,434,575, exclusive of taxes through September 30, 2018 as well as return a projected over-recovered balance of \$260,181 at September 30, 2017, for a total revenue requirement of \$5,174,394, exclusive of taxes. As part of discovery, SJG updated its revenue requirement to include actual data through September 30, 2017. The updated revenue requirement would be \$4,782,133 (\$5,464,823 actual and projected expenses through September 2018 and projected over-recovered balance of \$682,690 at September 30, 2017, both exclusive of taxes).

Following notice in newspapers of general circulation within SJG's service territory, and the serving of notice upon affected municipalities and counties within the Company's service area, two (2) public hearings were held in Voorhees, New Jersey on August 29, 2017. No members of the public appeared at either public hearing.

¹¹ In re the Petition of South Jersey Gas Company for Approval of an Increase to the Cost Recovery Charge Associated with Energy Efficiency Programs (2014) and the Petition of South Jersey Gas Company to Revise the Cost Recovery Charge Associated with Energy Efficiency Programs (2015); BPU Docket Nos. GR14050509 and GR15060643 (February 24, 2016.)

¹² In re the Petition of South Jersey Gas Company for Approval of an Increase to the Cost Recovery Charge Associated with Energy Efficiency Programs (2014) and the Petition of South Jersey Gas Company to Revise the Cost Recovery Charge Associated with Energy Efficiency Programs (2016); BPU Docket No. GR16060491 (October 31, 2016.)

¹³ On November 14, 2016 the Secretary of the Board issued a letter under Docket No. ER16111054 to all New Jersey electric and gas utilities, pursuant to P.L. 2016, c. 57, stating that the SUT to be charged to customers for utility service has been changed from seven (7) percent to 6.875 percent effective January 1, 2017. Accordingly, SJG implemented the 6.875 percent SUT rate as of January 1, 2017, making the necessary changes to all of rates and tariffs to reflect that decrease. Accordingly, SJG's current EET Rate is \$0.004571 per therm, including taxes.

STIPULATION

The Parties have engaged in discovery and discussed the issues in this matter. As a result of those discussions, on November 15, 2017, the Parties executed the Stipulation in this matter. The Stipulation provides for the following:¹⁴

38. Based on the Company's updated filing provided on October 20, 2017, with actual data through September 30, 2017 and projected data from October 1, 2017 through September 30, 2018 (as shown in Exhibit A attached to the Stipulation), the Parties agree that SJG's EET rate should increase to a rate of \$0.009166 per therm, including taxes. This rate reflects the Board-approved WACC in effect at the time the June 2017 Petition was filed and represents an increase of \$0.004595 per therm from the current EET rate of \$0.004571 per therm, including taxes. The impact of this increase on the bill of a residential heating customer using 100 therms of natural gas in a winter month is an increase of \$0.46 or 0.4%. Proposed tariff sheets reflecting this EET rate are attached to the Stipulation, in black-lined form, as Exhibit B.
39. Following acceptance of the Stipulation by an Order of the Board, SJG will submit a Compliance Filing incorporating the EET rate approved by the Board within 10 days of such approval.

DISCUSSION AND FINDING

The Board has carefully reviewed the record in this proceeding, including the June 2017 Petition and the attached Stipulation. The Board **HEREBY FINDS** that the Stipulation represents a fair and reasonable resolution of the issues, is in the public interest and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the attached Stipulation as its own, incorporating by reference its terms and conditions as if fully set forth herein.

The Board **HEREBY APPROVES** an increase of the current EET Rate of \$0.004571 per therm (including taxes) to a rate of \$0.009166 per therm (including taxes) effective for service on or after December 1, 2017. Accordingly, a typical residential heating customer using 1,000 therms annually would see an increase in their annual of \$4.60 or 0.46% as compared to the Company's currently effective rates.

The Board **HEREBY ORDERS** the Company to file revised tariff sheets conforming to the terms of the Stipulation by December 1, 2017.

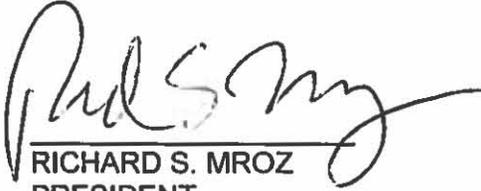
The Company's costs will remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

¹⁴ Although summarized in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusion in this Order.

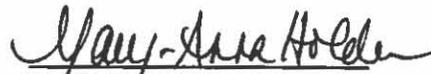
The effective date of this Order is November 30, 2017.

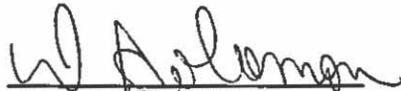
DATED: 11/21/17

BOARD OF PUBLIC UTILITIES
BY:

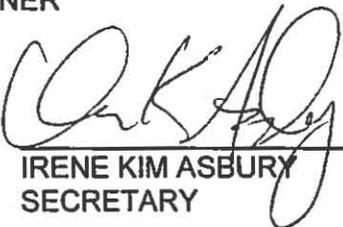

RICHARD S. MROZ
PRESIDENT


JOSEPH L. FIORDALISO
COMMISSIONER

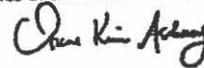

MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST: 
IRENE KIM ASBURY
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 REVISE THE
COST RECOVERY CHARGE ASSOCIATED WITH ENERGY EFFICENCY PROGRAMS
("EET CHARGE") - BPU DOCKET NO. GR17060673

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South Jersey Gas

Stacy A. Mitchell, Esq.
Senior Director, Regulatory Affairs

November 16, 2017

Irene Kim Asbury, Secretary
NJ Board of Public Utilities
44 South Clinton Avenue, 3rd Floor
P. O. Box 350
Trenton, NJ 08625-0350

**Re: In the Matter of the Petition of South Jersey Gas Company to Revise the Cost Recovery Charge Associated with Energy Efficiency Programs ("EET Charge")
BPU Docket No. GR17060673**

Dear Secretary Asbury:

Enclosed please find a fully executed Stipulation of Settlement in the referenced matter.

Please do not hesitate to contact me with any questions you may have. Thank you for your attention to this matter.

Respectfully submitted,

A handwritten signature in cursive script that reads "Stacy Mitchell".

Stacy A. Mitchell

Enclosure

cc: Service List attached

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

IN THE MATTER OF THE PETITION OF : BPU DOCKET NO. GR17060673
SOUTH JERSEY GAS COMPANY TO :
REVISE THE COST RECOVERY CHARGE : **STIPULATION OF SETTLEMENT**
ASSOCIATED WITH ENERGY EFFICIENCY :
PROGRAMS ("EET CHARGE") :

APPEARANCES:

Stacy A. Mitchell, Esquire, Senior Director, Regulatory Affairs for South Jersey Gas Company ("Petitioner").

Felicia Thomas-Friel, Esquire, Deputy Rate Counsel, and **Kurt S. Lewandowski, Esquire**, Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel, Stefanie Brand, Director ("Rate Counsel").

Alex Moreau and Veronica Beke, Deputy Attorneys General, on behalf of the Staff of the Board of Public Utilities ("Staff")(Christopher S. Porrino, Attorney General of the State of New Jersey).

TO THE HONORABLE COMMISSIONERS OF THE BOARD OF PUBLIC UTILITIES:

1. This Stipulation is intended to resolve the outstanding issues in the pending Energy Efficiency Tracker ("EET") true-up proceeding, Docket No. GR17060673, by which South Jersey Gas Company ("South Jersey" or "Company") seeks to increase its EET rate. The parties to this proceeding are South Jersey, the New Jersey Division of Rate Counsel ("Rate Counsel"), and the Staff of the Board of Public Utilities ("Staff") (collectively, "Parties"). Following review and analysis of the Petition, Exhibits and written discovery, the Parties to this proceeding agree and stipulate to the following Procedural History and Stipulated Terms of settlement:

I. EET PROCEDURAL HISTORY

2. On January 26, 2009, pursuant to *N.J.S.A. 48:3-98.1*, South Jersey filed a Petition with the Board in Docket Numbers EO09010056 and GO09010059 seeking approval to develop and implement a number of energy efficiency programs (“EETs”) that were to be made available to South Jersey customers over a two-year period, in order to promote energy efficiency and conservation, while stimulating the State’s economy.

3. At the same time, the Company sought Board approval for an associated EET cost recovery rider mechanism.

4. The EETs were designed to complement and supplement the then existing offerings of New Jersey’s Clean Energy Program (“CEP”) and the Company’s Conservation Incentive Program (“CIP”) in an attempt to encourage higher levels of customer participation in CEP programs in South Jersey’s service territory.

5. According to South Jersey, the proposed EETs were consistent with the focus of *N.J.S.A. 26:2C-45* Regional Greenhouse Gas Initiative Legislation (“RGGI Legislation”), the New Jersey Energy Master Plan and the then existing Governor’s economic stimulus goals, and were geared toward encouraging customers to reduce their overall energy usage. The EETs also had the beneficial effect of creating additional jobs in the energy efficiency market.

6. In an Order dated July 24, 2009 in Docket No. GO09010059 (“July Order”), the Board approved South Jersey’s EETs and the recovery of costs incurred by adopting the terms of a stipulation entered into among the Parties, dated June 29, 2009.

7. The Company was authorized, by virtue of the July Order, to recover all revenue requirements associated with the EETs. Cost recovery was through creation of the EET, which consisted of two parts. The first part of the EET allowed the Company to earn a return on the

investment and recover the amortization of the regulatory asset to be created upon South Jersey's balance sheet. The second part of the EET allowed the Company to recover incremental operating and maintenance ("O&M") expenses associated with the EEPs.

8. Pursuant to the July Order, the initial EET rate was established as \$0.0024 per therm, including Sales and Use Tax ("SUT") and Public Utility Assessment ("PUA") (collectively, "Taxes"). The Company was further required to submit an annual EEP cost recovery filing to establish future EET rates, which was to include information listed as minimum filing requirements set forth in Appendix D of the Stipulation and in the July Order.

9. On July 9, 2010, the Company submitted its First Annual EET Filing with the Board in Docket No. GO10070466. Therein, the Company sought to increase the then existing EET rate to \$0.0078 per therm, including taxes. Following proper notice, public hearings were held on January 13, 2011. No members of the public were in attendance.

10. In the interim, on November 18, 2010, South Jersey filed a Letter Petition in Docket No. GO10110861, seeking modification of three aspects of the July Order:

- a. An extension of one year to allow South Jersey to carryover individual program under-spending until December 31, 2011;
- b. An extension of one year to allow South Jersey's monthly investment and incremental operating and maintenance costs associated with the EEPs to continue until April 30, 2012; and
- c. Approval to reallocate money within the EEP budgets.

11. In its Letter Petition, South Jersey did not seek to modify any EEPs approved by the Board, nor did the Company seek an increase in total funding for the EEPs.

12. The relief sought by way of the Letter Petition was approved by Board Order dated January 19, 2011.

13. On June 1, 2011, the Company submitted its Second Annual EET Filing with the Board in Docket No. GR11060336. Therein, the Company sought to increase the then existing EET rate to \$0.0096 per therm, including taxes. Following proper notice, public hearings were held on August 10, 2011. No members of the public were in attendance.

14. Thereafter, on September 13, 2012, the Board issued an Order approving an increase in the EET rate to \$0.0096 per therm, including taxes, thereby resolving the First and Second Annual EET Filings.

15. On May 3, 2012, a petition was filed by South Jersey to implement a new set of EEPs in Docket No. GO12050363 ("EEP II Petition"), seeking a continuation of its approved EEPs, with certain modifications, and to implement new EEPs.

16. During the pendency of the EEP II Petition, on June 6, 2012, South Jersey filed a Petition in Docket No. GO12060492, seeking to extend the EEP and EET through December 31, 2012 to permit the Company to spend the remaining unexpended EEP funds. Pursuant to Board Order dated August 15, 2012, the Board approved a settlement among the Parties. The Board authorized the extension of the EEPs until the remaining unexpended funds were exhausted or until approval of a new set of EEPs were implemented, whichever occurred first.

17. On June 1, 2012, the Company submitted its Third Annual EET Filing with the Board in Docket No. GR12060473, seeking to increase the EET rate to \$0.0119 per therm, including taxes. Following proper notice, public hearings were held in this matter on August 7, 2013. No members of the public were in attendance.

18. On January 15, 2013, during the pendency of the EEP II Petition and the Third Annual EET Filing, the Parties entered into a stipulation extending the EEP and EET through June 30, 2013 in Docket No. GO12050363. On January 23, 2013, the Board approved the Stipulation, which developed an "Extension Budget" for the period January 2013 through June 2013. The total amount of the Extension Budget was \$2,522,469.

19. On May 31, 2013, the Company submitted its Fourth Annual EET Filing with the Board in Docket No. GR13050435, seeking to increase the EET rate to \$0.0134 per therm, including taxes.

20. On June 14, 2013 the Parties entered into a Stipulation resolving the EEP II Petition, agreeing: (1) that South Jersey could continue its Residential Home Performance and Finance Energy Efficiency Program, the Non-Residential Energy Efficiency Investment Program, the Enhanced Residential HVAC Rebate Program, and the Commercial Customer Direct Install Financing Program through June 2015; and (2) to an initial rate of \$0.0035, including taxes, associated with the approved programs ("EET II Extension Rate"). That stipulation was approved by way of Board Order dated June 21, 2013.

21. On August 21, 2013, the Board entered another Order in Docket No. GO12050363, adopting a supplemental stipulation entered into by the Parties, which clarified the incentive amount South Jersey was authorized to provide through its Commercial Customer Direct Install Financing Program.

22. By Board Order dated September 30, 2014, the Board approved a stipulation entered into among the Parties resolving the Third Annual EET Filing and the Fourth Annual EET Filing. Pursuant thereto, the Parties agreed that the then current EET rate for the original program of \$0.0090, without SUT, or \$0.0096 with SUT, would increase to

\$0.0125 per therm without SUT, or \$0.0134 per therm with SUT, which was requested in the Fourth Annual EET Filing (Docket No. GR13050435). The rate was combined with the EET II Extension Rate of \$0.0158 without SUT, or \$0.0169 with SUT.

23. On May 30, 2014, the Company filed its Fifth Annual EET Filing in Docket No. GR14050509, seeking Board approval to increase the then existing EET rate to \$0.015577 per therm, including taxes. However, due to the rate change that became effective October 1, 2014, pursuant to the Board's approval of the stipulation resolving both the Third and Fourth Annual EET Filings, the requested rate of \$0.015577 per therm, including taxes, reflected a decrease from the then current rate of \$0.0169, including taxes.

24. Following proper notice, public hearings related to the Fifth Annual EET Filing were held on August 19, 2014. No members of the public were in attendance.

25. On January 20, 2015, the Company filed a petition with the Board in Docket No. GR15010090, seeking approval to continue its EEPs for a three-year period, commencing July 1, 2015, with a total budget of approximately \$56 million (the "EEP III Petition").

26. On June 1, 2015, the Company submitted its Sixth Annual EET Filing to the Board in Docket No. GR15060643, seeking approval to decrease the then existing EET rate from \$0.0158 per therm, excluding SUT (or \$0.0169 including SUT), to a rate of \$0.003039 per therm, excluding SUT (or \$0.003252 including SUT).

27. On August 6, 2015, the Parties entered into a stipulation resolving the EEP III Petition (Docket No. GR15010090)(the "EEP III Stipulation"), agreeing that South Jersey could continue its Residential Home Performance and Finance Energy Efficiency Program, Non-Residential Energy Efficiency Investment Program, Enhanced Residential HVAC

Rebate Program, and Commercial Customer Direct Install Financing Program, through August 2017, pursuant to the terms and agreements set forth in the stipulation. The Parties also agreed that the Company could implement the Social Marketing and Education Program (OPOWER).

28. In the EET III Stipulation, the Parties agreed to an initial rate of \$0.004191 per therm, excluding SUT (or \$0.0044944 including SUT), associated with the approved EEP III programs (the "EET III Extension Rate"). This rate was combined with the then current EET rate (EET Rate and EET II Extension Rate) of \$0.0158 per therm, excluding SUT (or \$0.0169 including SUT), as approved by the Board Order dated September 30, 2014, for a total EET rate of \$0.020000 per therm, excluding SUT, (or \$0.021394 including SUT), which went into effect September 1, 2015. The EET III Stipulation was approved by way of Board Order dated August 19, 2015.

29. By Order dated February 24, 2016, the Board approved a stipulation executed by the Parties resolving the Fifth and Sixth Annual EET Filings (Docket Nos. GR14050509 and GR15060643). Pursuant to that stipulation, the Parties agreed that the then current EET rate of \$0.020000 per therm, without SUT (or \$0.023194 per therm, including SUT), should be decreased to \$0.006815 per therm without SUT, (or \$0.007302 per therm, including SUT). This rate was arrived at by combining the current EET rate (which consisted of the EET Rate and EET II Extension Rate), based on actual data through September 30, 2015 and projected data from October 1, 2015 through September 30, 2016 of \$0.002624 per therm, excluding SUT (or \$0.002808 including SUT), with the EET III Extension Rate of \$0.004191 per therm, excluding SUT (or \$0.004494 per therm, including SUT), associated with the Company's EEP III programs, which became effective on September 1, 2015.

30. On June 2, 2016, the Company submitted its Seventh Annual EET Filing to the Board seeking approval to decrease the then current EET rate from \$0.007302 per therm, including taxes, to the rate of \$0.005995 per therm, including taxes. This filing was assigned Docket No. GR16060491.

31. On October 31, 2016, the Board approved a decrease in the EET rate to a level of \$0.004576¹ per therm, including taxes, resolving the Seventh Annual EET Filing.

32. On November 4, 2016, the Company filed a Letter Petition with the Board seeking approval to extend the term of the Company's existing EEPs through December 31, 2018.

33. On January 25, 2017, the Board approved the extended term of the current program to December 31, 2018, with all other aspects of the program remaining unchanged, including the funding and budget level.

II. THE 2017 EET TRUE-UP

34. By petition dated June 22, 2017 (Petition¹), the Company submitted its Eighth Annual EET Filing (Docket No. GR17060673) seeking Board approval to increase the EET rate to \$0.009917 per therm, including taxes. This represents an increase of \$0.005346 per therm from the current EET rate of \$0.004571 per therm, including taxes. The petition was based on actual data through April 30, 2017, and projected data from May 1, 2017 through September 30,

¹ On November 14, 2016 the Secretary of the Board issued a letter under Docket No. ER16111054 to all New Jersey electric and gas utilities, pursuant to P.L. 2016, c. 57, stating that the SUT to be charged to customers for utility service has been changed from seven (7) percent to 6.875 percent effective January 1, 2017. Accordingly, SJG implemented the 6.875 percent SUT rate as of January 1, 2017, making the necessary changes to all of rates and tariffs to reflect that decrease. Accordingly, SJG's current EET Rate is \$0.004571 per therm, including taxes.

2018, using the Board-approved weighted average cost of capital ("WACC") in effect at the time the Petition was filed.

35. Following proper notice, public hearings were held in this matter on August 29, 2017. No members of the public were in attendance.

36. The Parties engaged in discovery in this proceeding and all such discovery has been answered in full by the Company.

37. Specifically, based on the terms and conditions set forth herein, the Parties STIPULATE AND AGREE as follows:

III. STIPULATED MATTERS

38. Based on the Company's updated filing provided on October 20, 2017, with actual data through September 30, 2017 and projected data from October 1, 2017 through September 30, 2018 (as shown in Exhibit A attached hereto), the Parties agree that South Jersey's EET rate should increase to a rate of \$0.009166 per therm, including taxes. This rate reflects the Board-approved WACC in effect at the time the Petition was filed and represents an increase of \$0.004595 per therm from the current EET rate of \$0.004571 per therm, including taxes. The impact of this increase on the bill of a residential heating customer using 100 therms of natural gas in a winter month is an increase of \$0.46 or 0.4%. Proposed tariff sheets reflecting this EET rate are attached hereto, in black-lined form, as Exhibit B.

39. Following acceptance of this Stipulation by an Order of the Board, South Jersey will submit a Compliance Filing incorporating the EET rate approved by the Board within 10 days of such approval.

40. The Parties further acknowledge that a Board Order approving the Stipulation will become effective upon service of said Board Order, or upon such date after the service thereof as the Board may specify, in accordance with *N.J.S.A. 48:2-40*.

IV. MISCELLANEOUS

41. 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. 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, and 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 and, in total or by specific item, is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.

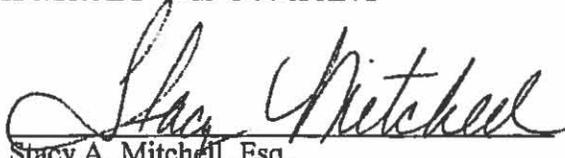
42. Also, all rates are subject to Board audit.

43. This Stipulation may be executed in as many counterparts as there are signatories to this Stipulation each of which counterparts shall be an original, but all of which shall constitute one and the same instrument.

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:


Stacy A. Mitchell, Esq.
Senior Director, Regulatory Affairs

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

By:

Veronica Beke
Deputy Attorney General

STEFANIE A. BRAND
DIRECTOR, DIVISION OF RATE COUNSEL

By:

Kurt S. Lewandowski, Esq.
Assistant Deputy Rate Counsel

Dated: November 14, 2017

SOUTH JERSEY GAS COMPANY

By: _____
Stacy A. Mitchell, Esq.
Senior Director, Regulatory Affairs

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

By: 
Veronica Beke
Deputy Attorney General

STEFANIE A. BRAND
DIRECTOR, DIVISION OF RATE COUNSEL

By: _____
Kurt S. Lewandowski, Esq.
Assistant Deputy Rate Counsel

Dated: November 15, 2017

SOUTH JERSEY GAS COMPANY

By:

Stacy A. Mitchell, Esq.
Senior Director, Regulatory Affairs

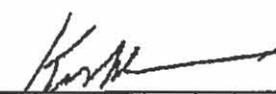
CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

By:

Veronica Beke
Deputy Attorney General

STEFANIE A. BRAND
DIRECTOR, DIVISION OF RATE COUNSEL

By:



Kurt S. Lewandowski, Esq.
Assistant Deputy Rate Counsel

Dated: November 21, 2017

**South Jersey Gas Company
Energy Efficiency Program
2017-2018 Annual True-up Rate Calculation
Actuals as of September 2017**

<u>Revenue Requirement (excluding SUT) for the period Oct '17 - Sep'18</u>	
Original Suite of Programs (Docket No. EO09010059 and GO09010057)	(\$0)
2013 Extension - Direct Program Investments and Loans (Docket No. GO12050363)	\$1,409,835
2015 Extension - Direct Program Investments and Loans (Docket No. GR15010090)	<u>\$4,067,010</u>
Revenue Requirement, excluding SUT	\$5,476,845
Revenue Requirement, excluding SUT and PUA	\$5,464,823
Add: Projected 9/30/2017 Over Recovered Balance Including Carrying Costs	<u>(\$682,690)</u>
Total Revenue Requirement, excluding SUT and PUA	\$4,782,133
Total Therms	<u>558,833,271</u>
EET Rate per Therm, Excluding SUT and PUA	\$0.008557
Applicable PUA Tax Factor	<u>1.0022</u>
EET Factor per Therm, including PUA	\$0.008576
Applicable NJ Sales and Use Tax Factor	<u>1.06875</u>
EET Rate per therm, including SUT and PUA	<u>\$0.009168</u>

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**First Revised Sheet No. 6
Superseding Original Sheet No. 6**

RESIDENTIAL SERVICE (RSG)

APPLICABLE TO USE OF SERVICE FOR:

All residential purposes. Customer may elect Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service RSG, a customer must hold clear and marketable title to gas that is made available for delivery to the customer's residence on the Company's system.

CHARACTER OF SERVICE Firm Sales Service and Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge: \$10.687500 per month

Delivery Charge:

(a) Residential Non-Heating Customers
Firm Sales Service and Firm Transportation Service \$~~8.48366843771~~ per therm

(b) Residential Heating Customers
Firm Sales Service and Firm Transportation Service \$~~9.41068936473~~ per therm

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect Firm Sales Service. See Rider "A" of this Tariff.

APPLICABLE RIDERS:

Basic Gas Supply Service Clause: BGSS charges are depicted in Rider "A" of this Tariff.

Transportation Initiation Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "C" of this Tariff.

Societal Benefits Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.

Temperature Adjustment Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "F" of this Tariff.

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates and Price to Compare

Issued _____
by South Jersey Gas Company,
D. Robbins, Jr., President

Effective with service rendered
on and after _____

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

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**First Revised Sheet No. 14
Superseding Original Sheet No. 14**

GENERAL SERVICE - LARGE VOLUME (GSG-LV)

APPLICABLE TO USE OF SERVICE FOR:

All Commercial and Industrial Customers who would not qualify for any other Rate Schedule (other than Rate Schedule GSG), and who has an annualized usage of 100,000 therms or more,. A customer qualifying for service under Rate Schedule GSG-LV may elect either Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service under this Rate Schedule GSG-LV, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$160.312500 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service⁽²⁾

Demand Charge:

D-1FT: \$11.221875 per Mcf of Contract Demand

Volumetric Charge:

~~\$.412804408209~~ per therm

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect
Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

Line Loss shall be 1.43% as provided in Special Provision (o).

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates and Price to Compare.

⁽²⁾ See Special Provision (p) of this Rate Schedule GSG-LV, regarding appropriate balancing charges.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**First Revised Sheet No. 18
Superseding Original Sheet No. 18**

COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

APPLICABLE TO USE OF SERVICE FOR:

All customers having a Firm Contract Demand, and an average annual daily Firm usage of 100 Mcf per day or more. To be eligible for service under this Rate Schedule CTS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system. Provided, however, that any customer receiving service under this Rate Schedule CTS prior to August 29, 2003 shall continue to be eligible to receive service under this Rate Schedule CTS, notwithstanding the foregoing, if said customer continues to have a Firm Contract Demand of 100 Mcf per day or more. Further provided, however, that if a customer ceases to receive service under this Rate Schedule CTS, and seeks to return to service under this Rate Schedule CTS, said customer must meet all requirements for eligibility as though applying for service in the first instance.

CHARACTER OF SERVICE:

Firm Transportation Service and Limited Firm Transportation Service

MONTHLY RATE: ⁽¹⁾

Firm:

Customer Charge: \$641.250000 per month

Delivery Charges:

Demand Charge: D-IFT: \$33.131250 per Mcf of Contract Demand

Volumetric Charges:

All consumption for customers who elected to transfer from Sales Service to Firm Transportation Service per therm \$136421431826

Limited Firm:

Customer Charge: \$106.875000 per month

Delivery Charges:

Volumetric Charges:

All consumption for customers who elected to transfer from Sales Service to Firm Transportation Service per therm \$129542424947

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**First Revised Sheet No. 25
Superseding Original Sheet No. 25**

LARGE VOLUME SERVICE (LVS)

APPLICABLE TO USE OF SERVICE FOR:

Firm Sales Service and Firm Transportation Service pursuant to this Rate Schedule LVS, shall be available to all Industrial Customers with a Contract Demand and a minimum annualized average use of 200 Mcf per day. To be eligible for Firm Transportation Service under this Rate Schedule LVS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service, Limited Firm Sales Service, Firm Transportation Service, and Limited Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Firm:

Customer Charge:

\$961.875000 per month

Delivery Charge:

Firm Sales Service and Firm Transportation Service

Demand Charge:

D-1FT: \$19.237500 per Mcf of Contract Demand

Volumetric Charge:

\$ ~~1.1656611497~~ per therm

Basic Gas Supply Service ("BGSS") Charge:

Demand Charge:

D-2: \$15.796918 per Mcf of Contract Demand.

Volumetric Charge:

See Rider "A" of this Tariff.

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**First Revised Sheet No. 26
Superseding Original Sheet No. 26**

**LARGE VOLUME SERVICE (LVS)
(Continued)**

Limited Firm:

Customer Charge:

\$106.875000 per month

Delivery Charge:

Firm Sales Service and Firm Transportation

Volumetric Charge:

\$1.97715493420 per therm

Basic Gas Supply Service ("BGSS") Charge:

Applicable to customers who elect Firm Sales Service

Volumetric Charge:

See Rider "A" of this Tariff.

PRICE TO COMPARE:

The Company will provide the Price to Compare for an LVS customer, at said customer's request.

LINE LOSS:

Line Loss shall be 1.43% as provided in Special Provision (h).

MINIMUM BILL:

Sum of monthly Customer Charge and monthly Demand Charges, irrespective of use.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**First Revised Sheet No. 31
Superseding Original Sheet No. 31**

FIRM ELECTRIC SERVICE (FES)

APPLICABLE TO USE OF SERVICE FOR:

All gas that is purchased or transported to generate electricity. Provided, however, that in order to qualify for this Rate Schedule FES, a customer must have a Winter Daily Contract Demand of 1,000 Mcf per day or more, or a Summer Daily Contract Demand of 2,000 Mcf per day or more, or both. To be eligible for Firm Transportation Service under this Rate Schedule FES, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service and Firm Transportation Service.

MONTHLY RATE ⁽¹⁾ ⁽²⁾

WINTER (November – March):

Demand Charge:

- D-1 \$3.096400 per Mcf of Winter Daily Contract Demand
- D-2 \$7.898459 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation customers

Volumetric Charge:

- C-1: \$.067142062547 per therm of consumption
 - C-2: FES Monthly Commodity Rate, pursuant to Rider "A" and Special Provision (x), OR Customer Owned Gas Clause, Rider "D"
 - C-3: \$.174100 per therm of consumption
 - C-4: Escalator Rate – Charge may change monthly pursuant to Standard Gas Service Addendum.
- Minimum Bill:** The monthly D-1 and D-2 charges, irrespective of use.

SUMMER (April – October):

Demand Charge:

- D-1 \$3.096400 per Mcf of Summer Daily Contract Demand
- D-2 \$7.898459 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation customers

Volumetric Charge:

- C-1: \$.067142062547 per therm of consumption
- C-2: FES Monthly Commodity Rate, pursuant to Rider "A" and Special Provision (x), OR Customer Owned Gas Clause, Rider "D"
- C-3: \$.174100 per therm of consumption
- C-4: Escalator Rate – Charge may change monthly pursuant to Standard Gas Service Addendum.

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates.

⁽²⁾ Please refer to Special Provision (p)

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**First Revised Sheet No. 38
Superseding Original Sheet No. 38**

ELECTRIC GENERATION SERVICE (EGS)

APPLICABLE TO USE OF SERVICE FOR:

Residential, commercial and industrial uses for electric generation facilities (excluding back-up generator equipment); all Prime Movers; and all engine driven equipment (whether or not used for electric generation). Provided, however, that in order to be eligible for this Rate Schedule EGS, a customer must have a Firm Daily Contract Demand of less than 200 Mcf per day; provided, however, that a residential EGS customer will have no Firm Daily Contract Demand. To be eligible for Firm Transportation Service under this Rate Schedule EGS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service and Firm Transportation Service

MONTHLY RATE: ⁽¹⁾⁽²⁾

Residential Customer Charge:

\$10.687500 per month

Residential Delivery Charge

Residential Volumetric Charge:

\$ 2.60844256249 per therm

Commercial and Industrial Customer Charge:

\$80.156250 per month

Commercial and Industrial Delivery Charge:

Commercial and Industrial Demand Charge:

D-1 Charge:

\$8.817188 per Mcf of contract

Volumetric Charges:

Winter Season (effective during billing months of November through March):

All Consumption for Firm Sales Service and Firm Transportation Service

\$ 2.64424259829 per therm

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates.

⁽²⁾ See Special Provision (k) of this Rate Schedule EGS, regarding appropriate balancing charges.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**First Revised Sheet No. 39
Superseding Original Sheet No. 39**

**ELECTRIC GENERATION SERVICE (EGS)
(Continued)**

Summer Season (effective during billing months of April through October):

All Consumption for Firm Sales Service and Firm Transportation Service

\$.232361227766 per therm

Basic Gas Supply Service ("BGSS") Charge:

Applicable to customers who elect Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

Line Loss shall be 1.43% as provided in Special Provision (p).

APPLICABLE RIDERS:

Basic Gas Supply Service Clause:	BGSS charges are depicted in Rider "A" of this Tariff.
Societal Benefits Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.
Balancing Service Clause	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "J" of this Tariff. However, also see Special Provision (k) regarding Rider "I".
Energy Efficiency Tracker:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "N" of this Tariff.

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a non-business day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal. A late payment charge shall not be assessed on a residential customer, or on State, county or municipal government entities.

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D. Robbins, Jr., President

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Filed pursuant to Order in Docket No. _____ of the Board of
Public Utilities, State of New Jersey, dated October 20, 2017

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**First Revised Sheet No. 43
Superseding Original Sheet No. 43**

ELECTRIC GENERATION SERVICE -- LARGE VOLUME (EGS-LV)

APPLICABLE TO USE OF SERVICE FOR:

All commercial and industrial electric generation facilities; all Prime Movers and all engine driven equipment (whether or not used for electric generation). Provided, however, that in order to be eligible for this Rate Schedule EGS-LV, a customer must have a Firm Daily Contract Demand of 200 Mcf per day or more. To be eligible for Firm Transportation Service under this Rate Schedule EGS-LVS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service, Firm Transportation Service, Limited Firm Sales Service and Limited Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge:
\$961.875000 per month

FIRM:

Demand Charges: ⁽²⁾

D-1 \$24.752342 per Mcf of Firm Daily Contract Demand.
D-2 \$15.491814 per Mcf of Firm Daily Contract Demand or \$0 for Firm Transportation customers.

Volumetric Charge:

C-1: \$.067142062547 per therm of consumption
C-2: As depicted in the Monthly BGSS Subrider of Rider "A" of this Tariff, OR
Customer Owned Gas Clause, Rider "D"

Minimum Bill: Monthly D-1 and D-2 charges, irrespective of use.

LIMITED FIRM:

Demand Charge:

D-2 \$7.898459 per Mcf of Limited Firm Daily Contract Demand or \$0 for Limited Firm Transportation customers

Volumetric Charge: ⁽²⁾

C-1: \$.067142062547 per therm of consumption
C-2: As depicted in the Monthly BGSS Subrider of Rider "A" of this Tariff, OR
Customer Owned Gas Clause, Rider "D"
C-3 \$.174100 per therm for all consumption within Limited Firm Contract Demand level.³

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates.

⁽²⁾ Please refer to Special Provision (j).

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D. Robbins, Jr., President

Effective with service rendered
on and after _____

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

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**First Revised Sheet No. 60
Superseding Original Sheet No. 60**

NATURAL GAS VEHICLE (NGV)

APPLICABLE TO:

This service will be available to Commercial and Industrial customers who will utilize natural gas, for the purpose of providing vehicle fuel at Company-operated fueling stations or at separately metered customer-operated fueling stations.

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service

COMPRESSED NATURAL GAS VEHICLE SERVICE AT COMPANY OPERATED FUELING STATIONS

This part of the service is available for refueling vehicles with compressed natural gas to customers who refuel at Company operated fueling stations. All service at Company operated fueling stations shall be Firm Sales Service. Provided, however, that in the Company's sole discretion, it may allow for Firm Transportation service for a Customer-specific dedicated dispenser or time fill system (separately metered) at a Company operated fueling station.

Rate for Monthly Consumption

Volumetric Charge

C-1: \$0.067142062547 per therm (\$0.083927078184 GGE*)

Distribution Charge: \$0.227594 per therm (\$0.284492 GGE*)

Compression Charge: \$0.599999 per therm (\$0.749999 GGE*)

Commodity Charges

All consumption for customers who elected Firm Sales Service

Basic Gas Supply Service ("BGSS") Charge:

See Rider "A" of this Tariff.
BGSS rate * GGE Factor 1.25 = GGE

GGE indicates Gasoline Gallon Equivalent. The gasoline gallon equivalent shall be determined in accordance with local standards. The point of sale price to the Customer shall be displayed in gasoline gallon equivalents at public access dispensers at Company operated fueling stations, and shall be calculated as C-1 + Distribution Charge + Compression Charge + New Jersey Motor Vehicle Fuel Tax + Federal Excise Tax + BGSS.

Commodity charges do not include State of New Jersey Motor vehicle fuel tax and Federal Excise Tax. As of July 1, 2011 these taxes were \$0.0525 and \$0.183 per gallon, respectively and shall be charged at the prevailing rate when applicable. The Company is under no obligation to determine if a customer is exempt from taxation.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**First Revised Sheet No. 61
Superseding Original Sheet No. 61**

**NATURAL GAS VEHICLE (NGV)
(Continued)**

NATURAL GAS VEHICLE SERVICE AT CUSTOMER OPERATED FUELING STATIONS

This part of the service is available for the sale of separately metered uncompressed gas for the use of the customer solely as a vehicle fuel as follows:

The customer agrees to obtain and maintain, at its expense, all necessary certificates, licenses and regulatory approvals and pay all taxes levied on the gas compressed for refueling the customer's vehicles;

If the customer provides natural gas for resale as a motor fuel, the customer will be responsible for collecting and paying all applicable taxes on the gas compressed for resale and on the sale thereof and for the metering of such sale in accordance with local standards and regulations; and

The customer must execute a Standard Gas Service Agreement (NGV) for not less than 12 months and must produce evidence of Land Rights.

Rate for Monthly Consumption

Monthly Customer Charge

The monthly customer charge shall be determined in accordance with the maximum delivery capability requested by the customer.

0-999 Cf/hour	\$40.078100
1,000-4,999 Cf/hour	\$80.156300
5,000-24,999 Cf/hour	\$213.750000
25,000 and greater Cf/hour	\$961.875000

Volumetric Charges

C-1: \$0.067142062547 per therm (\$0.083927078184 GGE)

Distribution Charge: \$0.227594 per therm (\$0.284492 GGE)

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect Firm Sales Service See Rider "A" of this Tariff.

Facilities Charge

All consumption for Customers that elect to have the Company construct Compressed Natural Gas ("CNG") fueling facilities located on Customer's property:

C-2: \$0.346463 (\$0.433079 GGE)

The customer shall pay all related motor vehicle taxes directly to the taxing entity. Such taxes shall be incremental to charges paid to the Company for the cost of receiving service under this rate schedule.

Issued _____
by South Jersey Gas Company,
D. Robbins, Jr., President

Effective with service rendered
on and after _____

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

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 – GAS

First Revised Sheet No. 62
Superseding Original Sheet No. 62

NATURAL GAS VEHICLE (NGV)
(Continued)

DELIVERY SERVICE FOR NATURAL GAS VEHICLES

This part of service is available for delivery of customer owned natural gas for use in compression and dispensing equipment at the Customer's premises, as follows:

The customer must purchase under a contract with an initial term of not less than one year an adequate supply of natural gas of a quality acceptable to the Company, and must make arrangements by which such volumes of natural gas can be delivered into the Company's distribution system at the Customer's expense.

By taking service under this part, the Customer warrants that it has good and legal title to all gas supplied to the Company, and agrees to indemnify, defend and hold the Company harmless from any loss, claims or damages in regard to such title.

Rate for Delivery Service

Monthly Customer Charge

The monthly customer charge shall be determined in accordance with the maximum delivery capability requested by the customer.

0-999 Cf/hour	\$40.078100
1,000-4,999 Cf/hour	\$80.156300
5,000-24,999 Cf/hour	\$213.750000
25,000 and greater Cf/hour	\$961.875000

Volumetric Charge

C-1: \$0.067142062547 per therm (\$0.083927078184 GGE)

Distribution Charge: \$0.227594 per therm (\$0.284492 GGE)

Facilities Charge

All consumption for Customers that elect to have the Company construct CNG fueling facilities located on Customer's property:

C-2: \$0.346463 per therm (\$0.433079 GGE)

Sales taxes are not included in the above basic charges. The Company is under no obligation to determine if a customer is exempt from taxation. Customers seeking tax exemption must file verification with the Company.

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SOUTH JERSEY GAS COMPANY

**First Revised Sheet No. 105
Superseding Original Sheet No. 105**

B.P.U.N.J. No. 12 - GAS

**RIDER "N"
ENERGY EFFICIENCY TRACKER ("EET")**

APPLICABLE TO:

Rate Schedule RSG	-	Residential
Rate Schedule GSG	-	General Service
Rate Schedule GSG-LV	-	General Service- Large Volume
Rate Schedule CTS	-	Comprehensive Transportation Service
Rate Schedule LVS	-	Large Volume Service
Rate Schedule FES	-	Firm Electric Service
Rate Schedule EGS	-	Electric Generation Service
Rate Schedule EGS-LV	-	Electric Generation Service- Large Volume
Rate Schedule IGS	-	Interruptible Gas Service
Rate Schedule ITS	-	Interruptible Transportation Service
Rate Schedule NGV	-	Natural Gas Vehicle

This Rider "N" shall be known as the Energy Efficiency Tracker ("EET"). For financial accounting purposes the Company shall record a return on and a return of investments in energy efficiency programs, as approved by the Board at Docket No. GO09010059, in an Order dated July 24, 2009, Docket No. GO12050363, in an Order dated June 21, 2003 and Docket No. GR15010090, in an Order dated August 19, 2015 and recover all incremental operating and maintenance expenses of the programs, subject to the EET. The calculation will use the weighted average cost of capital as identified in the respective Orders referenced above.

The EET rate will be calculated annually using projected data and subject to a true-up at the end of the EET year (September 30th) with simple interest on net over/under recoveries. Interest associated with over recoveries will be credited against the EET, while interest associated with under recoveries will be charged to the EET. The interest on monthly EET under and over recoveries shall be the interest rate based on the Company's weighted interest rate for the corresponding month obtained on its commercial paper and bank credit lines but shall not exceed the Company's weighted average cost of capital utilized to set rates in its most recent base rate case.

This EET will be effectuated through a volumetric rate applied to customers' bills. The Company shall make an annual EET rate filing in June of each year with a proposed implementation of the revised EET rate in October. Included in the filing will be a list of efficiency programs offered and eligible for recovery under the EET.

The Company shall have the discretion to implement a bill credit or a refund at any time during the EET Year with five (5) days notice to the BPU Staff and the Division of Rate Counsel. The Company shall have the discretion to file a self-implementing EET rate reduction at any time with two (2) weeks notice to the BPU Staff and the Division of Rate Counsel.

Rate Schedules subject to this Rider will be charged the following volumetric rate:

EET Rate per therm	<u>\$0.008557004268</u>
Applicable Revenue Tax	<u>\$0.000019000009</u>
Total EET Rate per therm	<u>\$0.008576004277</u>
Applicable NJ Sales Tax	<u>\$0.000590000277</u>
EET Rate per therm with NJ Sales Tax	<u>\$0.009166004571</u>

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

<u>RESIDENTIAL GAS SERVICE INSIDE NON-RETAIL CUSTOMER</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PVA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		10.000000		0.687600	10.687600
DELIVERY CHARGE (per therm):					
Base Rate		0.697621		0.047961	0.745582
TIC	C	(0.000384)	(0.000001)	(0.000026)	(0.000411)
SBC:					
RAC	E, O	0.027230	0.000060	0.001878	0.029168
CLEP	E, K	0.019775	0.000641	0.001294	0.020710
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000000</u>	<u>0.008200</u>
Total BBC		0.054205	0.000101	0.003670	0.057976
CIP	M	(0.013385)	(0.000029)	(0.000623)	(0.014037)
EET	N	0.008567	0.000019	0.000580	0.009166
Balancing Service Charge BS-1	J	0.047100	0.000100	0.003200	0.050400
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
TOTAL DELIVERY CHARGE		0.793704	0.000190	0.054472	0.848366
BS-1 (Applicable To Sales Customers Only)	A	0.318187	0.000700	0.021923	0.340810

SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
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RESIDENTIAL GAS SERVICE (RSG) - HEAVY CUSTOMER					
	RIDER	RATE	PVA	NJ SALES TAX	TARIFF RATE
CUSTOMER CHARGE		10.000000		0.667500	10.667500
DELIVERY CHARGE (per therm):					
Base Rate		0.697621		0.047061	0.744682
TIC	C	(0.000384)	(0.000001)	(0.000026)	(0.000411)
SBC:					
RAC	E, G	0.027230	0.000060	0.001876	0.029166
CLEP	E, K	0.016775	0.000041	0.001284	0.020110
USF	E	<u>0.068200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.068700</u>
Total SBC		0.054206	0.000101	0.003670	0.057876
CIP	M	0.073154	0.000161	0.005040	0.078355
EET	N	0.006557	0.000019	0.000590	0.009166
Balancing Service Charge BS-1	J	0.047100	0.000100	0.003200	0.050400
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.880253	0.000360	0.080435	0.941088
BGRB (Applicable To Sales Customers Only)	A	0.318187	0.000700	0.021923	0.340810

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

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GENERAL SERVICE (GSG)	RIDER	RATE	PLA	NJ SALES TAX	TARIFF RATE
CUSTOMER CHARGE		31.750000		2.182813	32.932813
DELIVERY CHARGE (per therm):					
Base Rate		0.682638		0.040058	0.822692
TIC	C	(0.000384)	(0.000001)	(0.000026)	(0.000411)
SBC:					
RAC	E, G	0.027230	0.000080	0.001878	0.029188
CLEP	E, K	0.018775	0.000041	0.001294	0.020110
USF	E	0.008200	0.000000	0.000000	0.008200
Total SBC		0.054205	0.000101	0.003870	0.058176
CIP	M	0.053225	0.000117	0.003867	0.057100
EET	N	0.008557	0.000019	0.000590	0.009166
Balancing Service Charge DS-1	J	0.047100	0.000100	0.003200	0.050400
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.745340	0.000336	0.051157	0.796833
BQSS: (Applicable To Sales Customers Only using less than 5,000 therms annually)	A	0.318187	0.000700	0.021823	0.340710
BQSS: (Applicable To Sales Customers Only using 5,000 therms annually or greater)	A				RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
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Exhibit B
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GENERATOR CHARGE (M)	RIDER	RATE	P/A	NJ SALES TAX	TARIFF RATE
CUSTOMER CHARGE		150.000000		10.312500	140.312600
D-1 Demand Charge (Mo)		10.500000		0.721875	11.221875
DELIVERY CHARGE (per therm):					
Base Rate		0.289580		0.019909	0.309489
TIC	C	(0.000384)	(0.000001)	(0.000026)	(0.000411)
SBC:					
RAC	E, G	0.027230	0.000080	0.001878	0.029188
CLEP	E, K	0.018775	0.000041	0.001204	0.020110
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC		0.054205	0.000101	0.003670	0.057976
CIP	M	(0.012899)	(0.000028)	(0.000889)	(0.013816)
EET	N	0.008667	0.000019	0.000390	0.009188
Balancing Service Charge BS-1	J	0.047100	0.000100	0.003200	0.050400
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.386169	0.000191	0.028454	0.412804
BGRS: (Applicable Sales Customers Only)	A				RATE SET MONTHLY

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

COMPREHENSIVE TRANSPORTATION SERVICE (GTS)	RIDER	RATE	P/A	NJ SALES TAX	TARIFF RATE
FIRM					
CUSTOMER CHARGE		500.000000		41.250000	841.250000
D-1 Demand Charge (McF)		31.000000		2.131250	33.131250
DELIVERY CHARGE (per therm):					
Base Rate		0.064822		0.004457	0.069279
SBC:					
RAC	E, G	0.027230	0.000080	0.001878	0.029108
CLEP	E, K	0.018775	0.000041	0.001284	0.020110
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC		0.054205	0.000101	0.003670	0.057876
EET	N	0.008557	0.000019	0.000590	0.009166
Total Delivery Charge		0.127584	0.000120	0.008717	0.136421
Balancing Service Charge BS-1	I	0.011800	0.000000	0.000800	0.012600
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002500	0.000000	0.000200	0.002700
BUY-OUT PRICE					RATE SET MONTHLY
LIMITED FIRM					
CUSTOMER CHARGE		100.000000		8.875000	108.875000
DELIVERY CHARGE (per therm):					
Base Rate		0.058400		0.004000	0.062400
SBC:					
RAC	E, G	0.027230	0.000080	0.001878	0.029108
CLEP	E, K	0.018775	0.000041	0.001284	0.020110
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC		0.054205	0.000101	0.003670	0.057876
EET	N	0.008557	0.000019	0.000590	0.009166
Total Delivery Charge		0.121182	0.000120	0.008280	0.129542
Balancing Service Charge BS-1	I	0.011800	0.000000	0.000800	0.012600
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002500	0.000000	0.000200	0.002700
BUY-OUT PRICE					RATE SET MONTHLY

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

LARGE VOLUME SERVICE (LVS)	RICER	RATE	PVA	NJ SALES TAX	TARIFF RATE
FIRM					
CUSTOMER CHARGE		800.000000		61.875000	661.875000
D-1 Demand Charge (Mcf)		16.000000		1.237500	19.237500
D-1 DEMAND BSS (Applicable to Sales Customers Only)	A	14.748296	0.032448	1.016178	16.796918
DELIVERY CHARGE (per therm):					
Base Rate		0.046246		0.003179	0.049424
SBC:					
RAC	E, G	0.027230	0.000060	0.001876	0.029166
CLEP	E, K	0.018775	0.000041	0.001294	0.020110
USF	E	0.058200	0.000000	0.000500	0.058700
Total SBC		0.054205	0.000101	0.003670	0.057976
EET	N	0.008557	0.000019	0.000590	0.009166
Total Delivery Charge		0.109007	0.000120	0.007439	0.116566
Balancing Service Charge BS-1	I	0.011800	0.000000	0.000800	0.012600
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002500	0.000000	0.000200	0.002700
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable Transportation Customers Only)	I				RATE SET MONTHLY
BSS (Applicable Sales Customers Only)	A				RATE SET MONTHLY
LIMITED FIRM					
CUSTOMER CHARGE		100.000000		6.875000	106.875000
DELIVERY CHARGE (per therm):					
Base Rate		0.122174		0.008399	0.130573
SBC:					
RAC	E, G	0.027230	0.000060	0.001876	0.029166
CLEP	E, K	0.018775	0.000041	0.001294	0.020110
USF	E	0.058200	0.000000	0.000500	0.058700
Total SBC		0.054205	0.000101	0.003670	0.057976
EET	N	0.008557	0.000010	0.000590	0.009166
Total Delivery Charge		0.184936	0.000120	0.012659	0.197715
Balancing Service Charge BS-1	I	0.011800	0.000000	0.000800	0.012600
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002500	0.000000	0.000200	0.002700
BUY-OUT PRICE	I				RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
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	RIDER	RATE	PUA	NJ SALES TAX	TARIFF RATE
WINTER					
D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)		2.697200		0.199200	3.096400
D-2 DEMAND BQSS (MCF) (Applicable to Sales Customers Only)	A	7.374148	0.016223	0.508088	7.898459
DELIVERY CHARGE (per therm):					
SBC:					
RAC	E, G	0.027230	0.000080	0.001878	0.029188
CLEP	F, K	0.018775	0.000041	0.001294	0.020110
USF	E	0.008200	0.000000	0.000500	0.008700
Total SBC		0.044205	0.000101	0.003670	0.057978
EET	N	0.008557	0.000019	0.000690	0.009166
Total Delivery Charge		0.062762	0.000120	0.004260	0.067142
C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)		0.162900		0.011200	0.174100
C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)					RATE SET MONTHLY
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportation Customers Only)	I				RATE SET MONTHLY
BQSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY
SUMMER					
D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)		2.697200		0.199200	3.096400
D-2 DEMAND BQSS (MCF) (Applicable to Sales Customers Only)	A	7.374148	0.016223	0.508088	7.898459
SBC:					
RAC	E, G	0.027230	0.000080	0.001878	0.029188
CLEP	F, K	0.018775	0.000041	0.001294	0.020110
USF	E	0.008200	0.000000	0.000500	0.008700
EET	N	0.008557	0.000019	0.000690	0.009166
Total Delivery Charge		0.062762	0.000120	0.004260	0.067142
C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)		0.162900		0.011200	0.174100
C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)					RATE SET MONTHLY
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportation Customers Only)	I				RATE SET MONTHLY
BQSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY

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

REGULATORY INFORMATION FOR RESIDENTIAL	RIDER	RATE	PUA	NJ SALES TAX	TARIFF RATE
CUSTOMER CHARGE		10.000000		0.887500	10.887500
DELIVERY CHARGE (per therm):					
Base Rate		0.134084		0.009218	0.143302
SBC:					
RAC	E, G	0.027230	0.000060	0.001876	0.029166
CLEP	E, K	0.018775	0.000041	0.001284	0.020100
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC		0.054205	0.000101	0.003670	0.057976
EET	N	0.008557	0.000019	0.000590	0.009166
Blending Service Charge BS-1	J	0.047100	0.000100	0.003200	0.050400
Total Delivery Charge		0.243945	0.000220	0.016678	0.260843
BQSS (Applicable To Sales Customers Only)	A	0.318187	0.000700	0.021823	0.340710

SOUTH JERSEY GAS COMPANY
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ELECTRICITY AND GAS SERVICE (MOBILE COMMERCIAL AND RESIDENTIAL)	RIDER	RATE	PIA	NJ SALES TAX	TARIFF RATE
CUSTOMER CHARGE		75.000000		5.156260	60.186280
D-1 DEMAND (MCP)		8.250000		0.587188	8.817188
DELIVERY CHARGE (per therm)					
Base Rate - Winter Season (Nov - Mar)		0.137433		0.009449	0.146882
Base Rate - Summer Season (Apr - Oct)		0.107433		0.007388	0.114819
SBC:					
RAC	E, G	0.027230	0.000080	0.001876	0.029186
CLEP	E, K	0.018778	0.000641	0.001294	0.020110
USF	E	<u>0.009200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC		0.054208	0.000101	0.003670	0.057976
EET	N	0.008657	0.000019	0.000690	0.009366
Balancing Service Charge BS-1	J	0.047100	0.000100	0.003200	0.050400
Total Delivery Charge - Winter Season		0.247265	0.000220	0.016908	0.264393
Total Delivery Charge - Summer Season		0.217265	0.000220	0.014846	0.232351
RRS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
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PRICING GENERATION SERVICE CHARGE	ROER	RATE	PUA	NJ SALES TAX	TARIFF RATE
FIRM					
CUSTOMER CHARGE		000.000000		61.875000	981.875000
D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)		23.100088		1.592258	24.792342
D-2 DEMAND BQ99 (MCF) (Applicable to Sales Customers Only)	A	14.463445	0.031820	0.896549	15.491814
DELIVERY CHARGE (per therm):					
SBC:					
RAC	E, G	0.027230	0.000080	0.001878	0.029108
CLEP	E, K	0.018775	0.000041	0.001294	0.020110
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
		0.054205	0.000101	0.003870	0.057976
EET	N	0.008657	0.000019	0.000590	0.009166
Total Delivery Charge		0.062782	0.000120	0.004260	0.067142
Balancing Service Charge BS-1	I	0.011800	0.000000	0.000800	0.012600
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002500	0.000000	0.000200	0.002700
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportation Customers Only)	I				RATE 9ET MONTHLY
BQ99: (Applicable To Sales Customers Only)	A				RATE 8ET MONTHLY
LIMITED FIRM					
D-2 DEMAND BQ99 (MCF) (Applicable to Sales Customers Only)	A	7.374146	0.016223	0.508088	7.898459
DELIVERY CHARGE (per therm):					
SBC:					
RAC	E, K	0.027230	0.000080	0.001878	0.029108
CLEP	E, G	0.018775	0.000041	0.001294	0.020110
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
		0.054205	0.000101	0.003870	0.057976
EET	N	0.008657	0.000019	0.000590	0.009166
Total Delivery Charge		0.062782	0.000120	0.004260	0.067142
C-3 (Rate is negotiated. Shown here is the benchmark rate.)		0.162000		0.011200	0.174100
Balancing Service Charge BS-1	I	0.011800	0.000000	0.000800	0.012600
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002500	0.000000	0.000200	0.002700
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportation Customers Only)	I				RATE 9ET MONTHLY
BQ99: (Applicable To Sales Customers Only)	A				RATE 8ET MONTHLY

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

YARD LIGHTING SERVICE (YLS)		BURFR	RATE	PVA	NJ SALES TAX	TARIFF RATE
MONTHLY CHARGE / INSTALL			13.749991		0.945312	14.695303
STREET LIGHTING SERVICE (SLS)						
MONTHLY CHARGE / INSTALL			16.779356		1.163581	17.942937
INTERMEDIATE SERVICE (IS)						
Commodity						Rate Set Monthly
SBC:						
RAC		E, K	0.027230	0.000080	0.001875	0.029165
USF		E	0.008200	0.000000	0.000500	0.008700
	Total SBC:		0.035430	0.000080	0.002375	0.037885
EET		N	0.008567	0.000019	0.000590	0.009176

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

	USER	RATE	PWA	NJ SALES TAX	TARIFF RATE
CUSTOMER CHARGE		100.000000		8.875000	108.875000
TRANSPORTATION CHARGE A		0.028400		0.002000	0.030400
SBC:					
RAC	E, K	0.027230	0.000080	0.001878	0.029188
CLEP	E, G	0.018775	0.000041	0.001294	0.020110
USF	E	0.008200	0.000000	0.000500	0.008700
Total SBC:		0.054205	0.000101	0.003670	0.057876
EET	N	0.008557	0.000019	0.000590	0.009166
TRANSPORTATION CHARGE B		0.093200		0.008400	0.091600
SBC:					
RAC	E, K	0.027230	0.000080	0.001878	0.029188
CLEP	E, G	0.018775	0.000041	0.001294	0.020110
USF	E	0.008200	0.000000	0.000500	0.008700
Total SBC:		0.054205	0.000101	0.003670	0.057876
EET	N	0.008557	0.000019	0.000590	0.009166
TRANSPORTATION CHARGE C		0.163200		0.010800	0.174000
SBC:					
RAC	E, K	0.027230	0.000080	0.001878	0.029188
CLEP	E, G	0.018775	0.000041	0.001294	0.020110
USF	E	0.008200	0.000000	0.000500	0.008700
Total SBC:		0.054205	0.000101	0.003670	0.057876
EET	N	0.008557	0.000019	0.000590	0.009166

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

Exhibit B
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		RATE	PUA	NJ SALES TAX	TARIFF RATE
COMPANY OPERATED FUELING STATIONS					
DELIVERY CHARGE (per therm):					
SBC					
RAC	E, K	0.027230	0.000060	0.001876	0.029166
CLEP	E, G	0.018775	0.000041	0.001204	0.020110
USF	E	0.008200	0.000000	0.000500	0.008700
		0.054205	0.000101	0.003670	0.057976
	Total SBC:				
EET	N	0.008557	0.000010	0.000500	0.009166
	Total Delivery Charge	0.062762	0.000120	0.004260	0.067142
	DISTRIBUTION CHARGE	0.212421	0.000632	0.0146410	0.227694
	COMPRESSION CHARGE	0.560000	0.001403	0.036500	0.599899
Balancing Service Charge BS-1	I	0.011800	0.000000	0.000800	0.012600
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002500	0.000000	0.000200	0.002700
Balancing Service Charge BS-1	J	0.047100	0.000100	0.003200	0.050400
RGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY
CUSTOMER OPERATED FUELING STATIONS					
CUSTOMER CHARGE					
	0 - 999 CF/hour	37.600000		2.578100	40.078100
	1,000 - 4,999 CF/hour	75.000000		5.156300	80.166300
	5,000 - 24,999 CF/hour	200.000000		13.750000	213.750000
	25,000 or Greater CF/hour	950.000000		61.875000	1011.875000
DELIVERY CHARGE (per therm):					
SBC					
RAC	E, K	0.027230	0.000060	0.001876	0.029166
CLEP	E, G	0.018775	0.000041	0.001204	0.020110
USF	E	0.008200	0.000000	0.000500	0.008700
		0.054205	0.000101	0.003670	0.057976
	Total SBC:				
EET	N	0.008557	0.000010	0.000500	0.009166
	Total Delivery Charge	0.062762	0.000120	0.004260	0.067142
	DISTRIBUTION CHARGE	0.212421	0.000632	0.014641	0.227694
Balancing Service Charge BS-1	I	0.011800	0.000000	0.000800	0.012600
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002500	0.000000	0.000200	0.002700
Balancing Service Charge BS-1	J	0.047100	0.000100	0.003200	0.050400
RGSR: (Applicable To Retail Customers Only)	A				RATE SET MONTHLY
Facilities Charge (Applicable only to Customers that elect the Company construct Compressed Natural Gas ("CNG") fueling Facilities located on Customer's property)		0.324170		0.022267	0.346437

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

Heat Residential Rate Schedule:

	RSG-FSS	RSG-FTS	Difference
BGSS	0.340810	0.000000	0.340810
Base Rate	0.745582	0.745582	0.000000
CLEP	0.020110	0.020110	0.000000
RAC	0.029188	0.029188	0.000000
CIP	0.078355	0.078355	0.000000
USF	0.008700	0.008700	0.000000
TIC	(0.000411)	(0.000411)	0.000000
EET	0.009188	0.009188	0.000000
BSC "J" BS-1	0.050400	0.050400	0.000000
Price to Compare	1.281878	0.941068	0.340810

NonHeat Residential Rate Schedule:

	RSG-FSS	RSG-FTS	Difference
BGSS	0.340810	0.000000	0.340810
CIP	(0.014347)	(0.014347)	0.000000
Base Rate	0.745582	0.745582	0.000000
CLEP	0.020110	0.020110	0.000000
RAC	0.029188	0.029188	0.000000
USF	0.008700	0.008700	0.000000
TIC	(0.000411)	(0.000411)	0.000000
EET	0.009188	0.009188	0.000000
BSC "J" BS-1	0.050400	0.050400	0.000000
Price to Compare	1.188175	0.848368	0.340810

OSG

(Under \$,000 (terms annually))

	OSG-FSS	OSG-FTS	Difference
BGSS	0.340810	0.000000	0.340810
CIP	0.067010	0.067010	0.000000
Base Rates	0.622882	0.622882	0.000000
CLEP	0.020110	0.020110	0.000000
RAC	0.029188	0.029188	0.000000
USF	0.008700	0.008700	0.000000
TIC	(0.000411)	(0.000411)	0.000000
EET	0.009188	0.009188	0.000000
BSC "J" BS-1	0.050400	0.050400	0.000000
Price to Compare	1.137843	0.798833	0.340810

OSG

(\$,000 (terms annually or greater))

	OSG-FSS	OSG-FTS	Difference
BGSS	0.431337	0.000000	0.431337
CIP	0.057010	0.057010	0.000000
Base Rates	0.622882	0.622882	0.000000
CLEP	0.020110	0.020110	0.000000
RAC	0.029188	0.029188	0.000000
USF	0.008700	0.008700	0.000000
TIC	(0.000411)	(0.000411)	0.000000
EET	0.009188	0.009188	0.000000
BSC "J" BS-1	0.050400	0.050400	0.000000
Price to Compare	1.228170	0.798833	0.431337

OSG-LV

Prior to 7/15/97

	OSG-LV-FSS	OSG-LV-FTS	Difference
BGSS	0.431337	0.000000	0.431337
CIP	(0.013818)	(0.013818)	0.000000
Base Rates	0.309489	0.309489	0.000000
CLEP	0.020110	0.020110	0.000000
RAC	0.029188	0.029188	0.000000
USF	0.008700	0.008700	0.000000
TIC	(0.000411)	(0.000411)	0.000000
EET	0.009188	0.009188	0.000000
BSC "J" BS-1	0.050400	0.050400	0.000000
Price to Compare	0.844141	0.412804	0.431337