



Agenda Date: 9/7/22
Agenda Item: 2D

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
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 LEVEL OF)
ITS BASIC GAS SUPPLY SERVICE (“BGSS”) CHARGE)
AND CONSERVATION INCENTIVE PROGRAM (“CIP”))
CHARGE FOR THE YEAR ENDING SEPTEMBER 30,)
2023) DECISION AND ORDER
APPROVING STIPULATION
FOR PROVISIONAL RATES
DOCKET NO. GR22060364

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Deborah M. Franco, Esq., South Jersey Gas Company

BY THE BOARD:

On June 1, 2022, South Jersey Gas Company (“South Jersey”, or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking approval to: 1) increase the level of its Periodic Basic Gas Supply Service (“BGSS”) charge; 2) increase the level of its Balancing Service Clause (“BSC”) charge associated with its Rider “J” - General Service (BSC-GS); 3) increase the level of its BSC charge associated with its Rider “I” – Large Volume (BSC-LV); and 4) modify the level of its Conservation Incentive Program (“CIP”) rates for the period October 1, 2022 through September 30, 2023 (“2022 BGSS/CIP Petition”). By this Decision and Order, the Board considers a Stipulation for Provisional Rates (“Stipulation”) executed by South Jersey, the New Jersey Division of Rate Counsel (“Rate Counsel”) and Board Staff (“Staff”) (collectively, “Parties”) requesting that the Board approve changes in the Periodic BGSS, BSC, and CIP rates on a provisional basis, subject to refund with interest.

BACKGROUND

By Order dated January 6, 2003 in Docket No. GX01050304, the Board directed each of New Jersey’s four (4) gas distribution companies (“GDCs”) to submit to the Board by June 1 its annual BGSS gas cost filing for the BGSS year beginning October 1.¹ In addition, the January 2003 BGSS Order authorized each GDC to self-implement up to a five percent (5%) BGSS increase

¹ In re the Provision of Basic Gas Supply Service Pursuant to the Electric Discount and Energy Act, N.J.S.A. 48:3-49 et seq. – BGSS Pricing, BPU Docket No. GX01050304, Order dated January 6, 2003 (“January 2003 BGSS Order”).

effective December 1 of the current year and February 1 of the following year with one (1) month's advance notice to the Board and Rate Counsel, and implement a decrease in its BGSS rate at any time during the year upon five (5) days' notice to the Board and Rate Counsel.

2022 BGSS/CIP PETITION

Pursuant to the January 2003 BGSS Order, on June 1, 2022, the Company filed the 2022 BGSS/CIP Petition requesting authority to increase its current Periodic BGSS ("BGSS-P") rate of \$0.502550 per therm to \$0.786191 per therm effective October 1, 2022.² According to 2022 BGSS/CIP Petition, the increase in the proposed BGSS-P rate is due primarily to the rise in the commodity gas costs which are projected to stay at relatively high levels throughout this BGSS year. As a result of the proposed BGSS rate, the Company would recover its projected under-recovered BGSS balance of approximately \$37.1 million projected through September 30, 2022. In determining the proposed rate, South Jersey included a credit to BGSS gas costs of \$33.8 million that was derived from the Board's approved margin sharing formula applicable to off-system sales, interruptible sales and transportation, and capacity releases.

By Board Order dated May 5, 2021, South Jersey was authorized to recover \$24,246,132 related to the resolution of a contract dispute with Antero.³ The May 2021 Order authorized South Jersey to recover the \$24,246,132 through its BGSS rate over a two (2) year period. By Board Order dated November 17, 2021 in BPU Docket No. GR21060881, the Board extended the Antero amortization period through September 2024.⁴ As such, South Jersey's calculation of its proposed BGSS-P rate reflects that fifty (50) percent or \$7,554,035 of the remaining \$15,108,069 of unrecovered Antero costs are to be recovered through this rate and the remaining fifty (50) percent are to be recovered in the Company's 2023-24 BGSS proceeding.

In the 2022 BGSS/CIP Petition, the Company also requested the following BGSS rates:

- i. the gas cost portion of the Company's D-2 charge for Rate Schedule Large Volume Service (LVS) be set at \$16.496647 per Mcf;
- ii. the gas cost portion of the Firm D-2 charge for Rate Schedule Electric Generation Service – Large Volume (EGS-LV) Firm be set at \$16.579139 per Mcf;
- iii. the Limited Firm D-2 charge for Rate Schedule EGS-LV, and the D-2 charge for Rate Schedule Firm Electric Service (FES), be set at \$8.248323 per Mcf;
- iv. the monthly BGSS non-commodity rate applicable to Rate Schedules General Service (GSG), General Service – Large Volume (GSG-LV), Electric General Service (EGS), LVS, EGS-LV and Natural Gas Vehicle (NGV) be set at \$0.155863 per therm;
- v. the Rider "I" BSC-LV charges for Opt-Out be set at \$0.002718 per therm and Non-Opt-Out be set at \$0.086180 per therm; and
- vi. the Rider "J" BSC-GS charge be set at \$0.086180 per therm.

These proposed changes translate to an increase in annual BGSS recoveries of \$85.7 million.

² Unless otherwise noted, all rates quoted herein include and Sales and Use Tax.

³ In re the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service ("BGSS") Charge and Conservation Incentive Program ("CIP") Charges for the Year Ending September 30, 2021, BPU Docket No. GR20060383, Order dated May 5, 2021 ("May 2021 Order").

⁴ In re the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service ("BGSS") Charge and Conservation Incentive Program ("CIP") Charges for the Year Ending September 30, 2022, BPU Docket No. GR21060881, Order dated November 17, 2021.

In the 2022 BGSS/CIP Petition, South Jersey also requested to implement the following per therm CIP rates⁵:

- i. \$0.051829 for Group I Residential Non-Heat customers;
- ii. \$0.029575 for Group II Residential Heat customers;
- iii. \$0.028140 for Group III GSG customers; and
- iv. \$0.012805 for Group IV GSG-LV customers.

The proposed changes translated to an increase in annual CIP recoveries of \$5.6 million.

After notice, public hearings were held on August 24, 2022 at 4:30 p.m. and 5:30 p.m. No members of the public appeared at the hearings or filed written comments with the Board.⁶

STIPULATION

Following review and discussion, the Parties determined that additional time is needed to complete a review of the 2022 BGSS/CIP Petition. Accordingly, the Parties executed the Stipulation, which provides for the following:⁷

19. The Parties agree that additional time is needed to complete a comprehensive review of the 2022 BGSS/CIP Petition. However, the Parties agree that the provisional implementation of the proposed BGSS rates, subject to refund with interest on any net over-recovered BGSS balance, is reasonable at this time. Provisional implementation of the proposed BGSS rates will allow for a full review at the Office of Administrative Law (“OAL”), and final approval by the Board.
20. Accordingly, the Parties stipulate and agree that, pending the conclusion of further review and discussion, it would be both reasonable and in the public interest for the Board to authorize a provisional order to increase the current level of South Jersey’s Periodic BGSS rate \$0.502550 per therm, to \$0.786191 per therm, effective October 1, 2022, or on such other date as the Board deems appropriate. The proposed Periodic BGSS rate of \$0.786191 includes unrecovered gas supply and related costs incurred as a result of the resolution of the contract dispute with Antero of approximately \$7.6 million, which is 50% of the estimated remaining unamortized Antero balance of \$15.1 million at September 30, 2022.
21. The Parties further 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

⁵ The CIP was approved by the Board in Docket No. GR05120119 in Board Orders dated October 12 and December 12, 2006. By Order dated January 10, 2010 in Docket No. GR05120120, the Board extended the CIP. By Order dated May 21, 2014 in Docket No. GR13030185, the Board authorized South Jersey to continue its CIP. The CIP encourages the Company to foster customer conservation by allowing it to recover margins associated with a defined use per customer. The non-weather related CIP surcharges are subject to tests associated with variable margins and reductions in BGSS related costs. Total CIP surcharges are subject to return on equity limits.

⁶ The hearings were held virtually / telephonically due to the COVID-19 pandemic.

⁷ Although summarized in this Order, the detailed terms of the Stipulation are controlling, subject to the findings and conclusions of this Order. Each paragraph is numbered to coincide with the paragraphs in the Stipulation.

the Board to authorize the following BGSS rates on a provisional basis: 1) the gas cost portion of the Company's D-2 charge for Rate Schedule LVS be set at \$16.496647 per Mcf; 2) the gas cost portion of the Firm D-2 charge for Rate Schedule EGS-LV Firm to be set at \$16.579139 per Mcf; 3) the Limited Firm D-2 charge for Rate Schedule EGS-LV and the D-2 charge for Rate Schedule FES, respectively, be set at \$8.248323 per Mcf; 4) the monthly BGSS non-commodity rate applicable to Rate Schedules GSG, GSG-LV, EGS, LVS, EGS-LV and NGV be set at \$0.155863 per therm; 5) the Rider "I" BSC-LV for Opt-Out be set at \$0.002718 per therm, and Non Opt-Out be set at \$0.086180 per therm; and 6) the Rider "J" BSC-GS charge be set at \$0.086180 per therm.

22. The proposed provisional BGSS rate changes translate to an increase in BGSS-related recoveries of \$85.7 million. The Parties agree that the rate changes are subject to an opportunity for a full review at the OAL, and final approval by the Board, and that the provisional BGSS rates are subject to refund with interest. The proposed Periodic BGSS rate of \$0.786191 per therm will increase the bill of a residential heating customer using 100 therms of natural gas during a winter month from \$169.39 to \$197.76, an increase of \$28.36, or 16.7%, as compared to rates in effect on June 1, 2022.
23. Additionally, the Parties stipulate and agree that, pending the conclusion of further review and discussion, it would be both reasonable and in the public interest for the Board to authorize the implementation of the following proposed CIP rates on a provisional basis: (1) a rate of \$0.051829 per therm for Group I Residential Non-Heat customers, an increase from the current credit rate of \$0.006676 per therm; (2) a rate of \$0.029575 per therm for Group II Residential Heat customers, an increase from the current rate of \$0.009715 per therm; (3) a rate of \$0.028140 per therm for Group III GSG customers, an increase from the current rate of \$0.025336 per therm; and (4) a rate of \$0.012805 per therm for Group IV GSG-LV customers, a decrease from the current rate of \$0.015953 per therm. It is agreed by the Parties that these rate changes will be effective as of October 1, 2022, or as of such date that the Board so decides. The proposed provisional CIP rate changes translate to an increase in CIP-related recoveries of \$5.6 million and are subject to an opportunity for a full review at the OAL, and final approval by the Board, and that the provisional CIP rates are to be implemented subject to refund with interest.
24. The proposed CIP rate results in an increase of \$1.99 or 1.2% per month to the residential heating customer using 100 therms. The monthly impact to a residential non-heat customer using 15 therms of natural gas in a month is an increase of \$0.88 or 2.6%. The monthly impact on a GSG customer using 500 therms of gas in a month is an increase of \$1.41 or 0.2%. The monthly impact on a GSG-LV customer using 15,646 therms of gas in a month is an increase of \$128.69 or 0.5%. These changes are in comparison to rates in effect June 1, 2022.
25. Combining the BGSS recoveries increase of \$85.7 million with CIP-related recoveries increase of \$5.6 million results in provisional recoveries increase of \$91.3 million.
26. The impact of the Company's combined proposals on the overall monthly bill for gas service for a residential heating customer using 100 therms in a winter month is an increase of \$31.49, or 18.6%, resulting from South Jersey's proposed: 1) Periodic BGSS increase of \$28.36, or 16.7%; 2) Rider "J" Balancing Service Clause - General Service ("BSC-GS") increase of \$1.14, or 0.7%; and 3) CIP increase of \$1.99, or 1.2%.

27. The Company will submit tariff sheets in the form shown on Exhibit A of the Stipulation within five (5) days of the effective date of the Board's Order, should the Board approve this Stipulation.
28. It is further stipulated and agreed by the Parties that the Company will provide quarterly reports to Board Staff and Rate Counsel documenting expenditures for these programs.
29. The Company agrees to continue to provide electronically to the Parties in this proceeding, on a monthly basis, the following updated information: 1) the BGSS NYMEX Update Report (also known as S-SCHART-1) (attached to the Stipulation as Exhibit B); and 2) a monthly report (also known as S-SCHART-2) showing the calculation of net gas per therm (attached to the Stipulation as Exhibit C). The chart reflected on Exhibit B of the Stipulation is to be completed using information from the first Friday of the month and submitted to the Parties the following Tuesday. The chart reflected on Exhibit C of the Stipulation is to be submitted to the Parties on approximately the 15th of the following month.
31. The Parties recommend to the Board that this matter be transmitted to the OAL for an opportunity for full review of all issues, including the provisional rates if approved by the Board.

DISCUSSION AND FINDINGS

The Board, having carefully reviewed the record to date in this proceeding, including the 2022 BGSS/CIP Petition and the attached Stipulation, **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the Stipulation in its entirety, and **HEREBY INCORPORATES** its terms and conditions as though fully set forth herein, subject to any terms and conditions set forth in this Order.

The Board **HEREBY APPROVES** the following on a provisional basis, subject to refund:

- i. A per therm Periodic BGSS rate of \$0.786191;
- ii. The gas cost portion of the D-2 charge for Rate Schedule LVS of \$16.496647 per Mcf;
- iii. The gas cost portion of the Firm D-2 charge for Rate Schedule EGS-LV Firm of \$16.579139 per Mcf;
- iv. The Limited Firm D-2 for Rate Schedule EGS-LV and the Firm D-2 charge for Rate Schedule FES, respectively, of \$8.248323 per Mcf;
- v. The monthly BGSS non-commodity rate applicable to Rate Schedules GSG, GSG-LV, EGS, LVS, EGS-LV, and NGV of \$0.155863 per therm;
- vi. The Rider "I" Balancing Service Clause – Large Volume ("BSC-LV") charges for Opt-Out of \$0.002718 per therm, and Non Opt-Out of \$0.086180 per therm; and
- vii. The Rider "J" Balancing Service Clause – General Service ("BSC-GS") charge of \$0.086180 per therm.
- viii. The implementation of the following per therm CIP rates:
 - a. a rate of \$0.051829 for RSG non-heating customers;
 - b. a rate of \$0.029575 for RSG heating customers;
 - c. a rate of \$0.028140 for GSG customers; and
 - d. a rate of \$0.012805 for GSG - LV customers.

Any net over-recovered BGSS, BSC, and CIP balance at the end of the BGSS period shall be subject to refund with interest. All rate changes shall be effective for service rendered on and

after October 1, 2022.

Based upon the Stipulation, a typical residential heating customer using 100 therms in a winter month, would see a net monthly increase of approximately \$31.49, or 18.6%.

The Board **HEREBY DIRECTS** South Jersey to file tariffs consistent with the Board's Order by September 30, 2022.

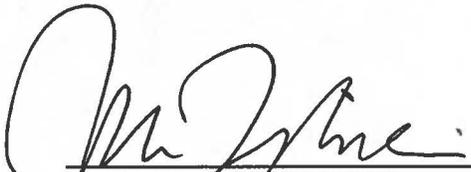
The Board **FURTHER DIRECTS** Staff to transmit this matter to the Office of Administrative Law for a full review of the changes requested by the Company pending final approval by the Board.

The Company's costs, including those related to BGSS, BSC and CIP, remain subject to audit. 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.

This Order shall be effective September 14, 2022.

DATED: September 7, 2022

BOARD OF PUBLIC UTILITIES
BY:

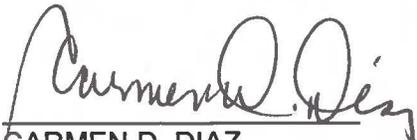

JOSEPH L. FIORDALISO
PRESIDENT

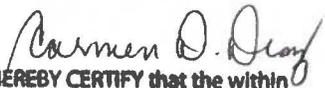

MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


ROBERT M. GORDON
COMMISSIONER


DR. ZENON CHRISTODOULOU
COMMISSIONER

ATTEST: 
CARMEN D. DIAZ
ACTING 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 LEVEL OF ITS BASIC GAS SUPPLY SERVICE ("BGSS") CHARGE AND CONSERVATION INCENTIVE PROGRAM ("CIP") CHARGE FOR THE YEAR ENDING SEPTEMBER 30, 2023

DOCKET NO. GR22060364

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Sheree L. Kelly, Esq.
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August 31, 2022

Carmen Diaz, Acting Secretary
Office of the Secretary
NJ Board of Public Utilities
44 South Clinton Avenue
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**Re: In the Matter of the Petition of South Jersey Gas Company to Revise Its Basic Gas Supply Service Rate and Its Conservation Incentive Program Rate
BPU Docket No. GR22060364**

Dear Acting Secretary Diaz:

Enclosed for filing in the above-referenced proceeding is a Stipulation executed by representatives of South Jersey Gas Company, the Staff of the Board of Public Utilities and the Division of Rate Counsel. This Stipulation replaces the previously filed Stipulation, which contained a typographical error. It is respectfully requested that the Board consider the Stipulation at its next agenda meeting.

Should you have any questions, please do not hesitate to contact me.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sheree L. Kelly".

Sheree L. Kelly, Esq.

Enclosure

cc: See attached Service List

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY
TO REVIEW ITS PERIODIC BASIC GAS SUPPLY SERVICE RATE AND
ITS CONSERVATION INCENTIVE PROGRAM RATES
BPU DOCKET NO. GR22060364**

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

IN THE MATTER OF THE PETITION : BPU DOCKET NO. GR22060364
OF SOUTH JERSEY GAS COMPANY :
TO REVISE THE LEVEL OF ITS BASIC : STIPULATION FOR PROVISIONAL
GAS SUPPLY SERVICE (“BGSS”) : BGSS/CIP RATES
CHARGE AND CONSERVATION :
INCENTIVE PROGRAM (“CIP”) :
CHARGE FOR THE YEAR ENDING :
SEPTEMBER 30, 2023 :

APPEARANCES:

Deborah M. Franco, Esq., Vice President, Rates, Regulatory and Sustainability, SJI Utilities Inc., for Petitioner South Jersey Gas Company.

Maura Caroselli, Esq., Managing Attorney, Gas and Clean Energy, **Sarah H. Steindel, Esq.**, Assistant Deputy Rate Counsel and **Megan Lupo, Esq.**, Assistant Deputy Rate Counsel, for the New Jersey Division of Rate Counsel (**Brian O. Lipman, Esq.**, Director).

Terel Klein, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (Matthew J. Platkin, Acting Attorney General of the State of New Jersey).

TO THE HONORABLE COMMISSIONERS OF THE BOARD OF PUBLIC UTILITIES:

I. PROCEDURAL HISTORY

1. On June 1, 2022, South Jersey Gas Company (“South Jersey” or “Company”) filed a petition (“Petition”), in Docket No. GR22060364, with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking authority to: 1) increase the level of its Periodic Basic Gas Supply Service (“BGSS”) charge; 2) increase the level of its Balancing Service Clause (“BSC”) charge associated with its Rider “J” - General Service (BSC-GS); 3) increase the level of its BSC charge associated with its Rider “I” – Large Volume (BSC-LV); and 4) increase the level of its Conservation Incentive Program (“CIP”) charge for the period October 1, 2022 through September 30, 2023 (“2022-23 BGSS/CIP Year”).

2. In the Petition, the Company proposed to increase the current level of its Periodic BGSS charge of \$0.502550 per therm, to \$0.786191 per therm, an increase of \$0.283641 per therm for the 2022-23 BGSS/CIP Year.¹ The requested Periodic BGSS rate would result in a monthly increase of \$28.36, or 16.7%, for a residential heating customer using 100 therms of natural gas during a winter month.

3. The Company also proposed the following BGSS rates: 1) the gas cost portion of the Company's D-2 charge for Rate Schedule Large Volume Service (LVS) be set at \$16.496647 per Mcf²; 2) the gas cost portion of the Firm D-2 charge for Rate Schedule Electric Generation Service – Large Volume (EGS-LV) Firm be set at \$16.579139 per Mcf; 3) the Limited Firm D-2 charge for Rate Schedule EGS-LV, and the D-2 charge for Rate Schedule Firm Electric Service (FES), be set at \$8.248323 per Mcf; 4) the monthly BGSS non-commodity rate applicable to Rate Schedules General Service (GSG), General Service – Large Volume (GSG-LV), Electric General Service (EGS), LVS, EGS-LV and Natural Gas Vehicle (NGV) be set at \$0.155863 per therm; 5) the Rider "I" BSC-LV charges for Opt-Out be set at \$0.002718 per therm and Non-Opt-Out be set at \$0.086180 per therm; and 6) the Rider "J" BSC-GS charge be set at \$0.086180 per therm.

4. By Order dated May 5, 2021, South Jersey was authorized to recover, through its Periodic BGSS rate over a two-year period, \$24,246,132 of gas supply and related costs incurred as a result of the resolution of a contract dispute with Antero Resources Corporation ("Antero"), one of the Company's gas suppliers.³ By its May 5 Order, the Board approved, on a final basis,

¹ All rates quoted herein include Sales and Use Taxes ("SUT").

² Measurement of natural gas equivalent to 1000 cubic feet.

³ In the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service ("BGSS") Charge and Conservation Incentive Program ("CIP") Charges for the Year Ending September 30, 2021, BPU Docket No. GR20060383, Order dated May 5, 2021 ("May 5 Order").

the Periodic BGSS rate of \$0.275910 per therm, which consisted of 50% or \$12,123,066 recovery of Antero costs within the 2020-21 BGSS/CIP Year. The Board also ordered the remaining 50%, or \$12,123,066, of Antero costs to be recovered in the 2021-22 BGSS/CIP Year. Thus, the May 5 Order approved an amortization of the Antero costs, resulting in full recovery by September 30, 2022. By Board Order dated November 17, 2021 in BPU Docket No. GR21060881, the Board extended the Antero amortization period through September 2024.⁴

5. These proposed rate changes translate to an increase in annual BGSS recoveries of \$85.7 million.

6. The Petition also sought Board approval to implement per therm CIP rates effective October 1, 2022 including the following:

- A rate of \$0.051829 for Group I Residential Non-Heat customers;
- a rate of \$0.029575 for Group II Residential Heat customers;
- a rate of \$0.028140 for Group III GSG customers; and
- a rate of \$0.012805 for Group IV GSG-LV customers.

7. As compared to a current bill calculated based upon rates in effect as of June 1, 2022, the requested CIP rates would result in a monthly increase of \$1.99, or 1.2% for a residential heating customer using 100 therms of natural gas during a winter month. The proposed bill impact on a residential non-heating customer using 15 therms of natural gas during a month is an increase of \$0.88, or 2.6%. The proposed bill impact on a GSG customer using 500 therms of natural gas

⁴ In the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charges for the Year Ending September 30, 2022, BPU Docket No. GR21060881, Order dated November 17, 2021).

during a month is an increase of \$1.41, or 0.2%. The proposed bill impact on a GSG-LV customer using 15,646 therms of natural gas in a month is a decrease of (\$49.25), or (0.2%).

8. These proposed rate changes translate to an increase in annual CIP recoveries of \$5.6 million.

9. Pursuant to the Board's October 12, 2006 and January 21, 2010 Orders in BPU Docket No. GR05121019 any non-weather-related CIP surcharges are required to be offset by reductions in BGSS costs.⁵ In addition, pursuant to the Board's May 21, 2014 CIP Order approving the continuation of the CIP, CIP non-weather-related margin recoveries are subject to a Modified BGSS Savings Test in which only 75% of non-weather-related CIP surcharges are required to be offset by BGSS Savings, and which three categories of BGSS Savings are allowed: 1) permanent savings achieved through permanent capacity releases; 2) gas cost savings from reductions of capacity on a long-term basis; i.e. for periods of at least one year; and 3) savings associated with avoided capacity costs to meet residential customer growth.⁶

10. Also pursuant to the Board's May 21, 2014 CIP Order, a Variable Margin Revenue Test was established under which recoverable non-weather CIP amounts shall not exceed 6.5 percent (6.5%) of aggregate variable margin revenues for the 12-month period which ended on June 30, 2021. Pursuant to the Board's April 7, 2021 Order in BPU Docket Nos. QO19010040 and GO20090618, the recoverable non-weather CIP amounts shall not exceed 4.0 percent (4.0%)

⁵ In re the Matter of Petition of South Jersey Gas Company for Authority to Implement a Conservation and Usage Adjustment, BPU Docket No. GR05121019, Orders dated October 12, 2006 and January 21, 2010 ("October 12, 2006 and January 21, 2010 CIP Orders").

⁶ In re the Petition of New Jersey Natural Gas Company and South Jersey Gas Company for Authority to continue the Conservation Incentive Program, BPU Docket No. GR13030185, Order dated May 21, 2014 ("May 21, 2014 CIP Order").

of the aggregate variable margin revenues under the Variable Margin Revenue Test for the period July 1, 2021 through June 30, 2022.⁷

11. In computing the non-weather CIP value, the margin impact of weather is first to be deducted from the total CIP charge or credit. As noted above, the non-weather-related CIP component shall be subject to a dual eligibility test comprised of the Modified BGSS Savings Test and the Variable Margin Revenue Test. In order to be eligible for recovery, non-weather-related CIP impacts must pass both cost recovery tests. Amounts that do not pass one or both tests may still be recoverable in future years.

12. South Jersey indicates that its non-weather-related excess margin is \$9.6 million. This amount was determined by subtracting the weather-related deficiency component of \$20.9 million from the total CIP deficiency of \$11.3 million. In its Petition, South Jersey seeks to credit \$9.6 million of non-weather-related margin through the CIP in the 2022-23 BGSS/CIP Year, while recovering a weather-related CIP deficiency of \$20.9 million.

13. South Jersey indicates that its permanent BGSS savings realized from the permanent capacity releases or contract terminations (Category One of the Modified BGSS Savings Test) total \$4.3 million per year. BGSS savings realized from gas cost savings from reductions of capacity on a long-term basis (Category Two of the Modified BGSS Savings Test) total \$2.8 million. BGSS savings realized from avoided capacity costs to meet residential customer growth (Category Three of the Modified BGSS Savings Test) total \$0.3 million. Using these values, the

⁷ In re the Implementation of P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs and In re the Petition of South Jersey Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, BPU Docket Nos. QO19010040 and QO020090618, Order dated April 7, 2021.

total BGSS savings for the 2022-23 BGSS/CIP Year is \$7.4 million. Since the non-weather CIP amount is a credit to customers, the Modified BGSS Savings Test and the Variable Margin Revenue Test are not applicable.

14. Pursuant to the Board’s May 21, 2014 CIP Order, it was also agreed that the Company would provide quarterly reports to Board Staff and the New Jersey Division of Rate Counsel (“Rate Counsel”) documenting expenditures for these programs, and the Company has been doing so for the past 15 years.

15. Rider “M” of South Jersey’s tariff contains a Board approved Return-On-Equity (“ROE”) limitation on recoveries from customers pursuant to the CIP, consistent with South Jersey’s former Temperature Adjustment Clause (“ROE Test”). Under this provision, the CIP may not contribute toward earnings in excess of a 9.60% ROE. The Company’s Petition includes a calculation projecting that, after recovery of the CIP margin revenues, the Company’s ROE for the period October 1, 2021 through September 30, 2022 is not anticipated to exceed 9.60%. As a result, the Company’s Petition states that the ROE Test will not act as a limitation on South Jersey’s recovery through the CIP for the forthcoming 2022-23 BGSS/CIP Year. This projected ROE is calculated on Exhibit A to the Petition.

16. The charts below demonstrate the impact of the proposed BGSS and CIP rate changes on the bill of a residential heating customer using 100 therms of natural gas in a month, and 1,000 therms annually, as compared to a bill calculated based on rates in effect on June 1, 2022.

100 Monthly Therms	Current Bill	Proposed Bill	Change (\$)	Change (%)
BGSS	\$169.39	\$197.76	\$28.36	16.7%

Rider “J” BSC	\$169.39	\$170.53	\$1.14	0.7%
CIP	\$169.39	\$171.38	\$1.99	1.2%
Combined	\$169.39	\$200.88	\$31.49	18.6%

1,000 Annual Therms	Current Bill	Proposed Bill	Change (\$)	Change (%)
BGSS	\$1,714.95	\$1,998.59	\$283.64	16.5%
Rider “J” BSC	\$1,714.95	\$1,726.32	\$11.37	0.7%
CIP	\$1,714.95	\$1,734.81	\$19.86	1.2%
Combined	\$1,714.95	\$2,029.82	\$314.87	18.4%

17. Following public notice published in newspapers of general circulation within South Jersey’s service territory, two (2) virtual public hearings for this Petition were held on August 24, 2022 at 4:30 PM and 5:30 PM. No members of the public attended to express their views on this filing. The Board received no written comments regarding this matter.

18. In accordance with the Board’s Generic BGSS Order, New Jersey’s four (4) gas distribution companies are to submit to the Board, by June 1, their annual BGSS gas cost filings for the BGSS year beginning in October.⁸ Within the filing, the Company may seek to implement provisional increases in its BGSS rate of up to 5% to be effective December 1, 2022 and February 1, 2023, if the Company determines that such increases are necessary to permit it to avoid a BGSS under-recovered balance as of September 30, 2023. The self-implementing increases will be provisional and subject to true-up in connection with the next annual BGSS filing. The Company

⁸ In re the Matter of the Provision of Basic Gas Supply Service Pursuant to the Electric Discount and Energy Competition Act N.J.S.A 48:3-49 et. seq. Order approving the BGSS Price Structure, BPU Docket No. GX01050304, Order dated January 6, 2003.

is permitted to decrease its BGSS rate at any time upon five (5) days' notice and the filing of supporting documentation with the Board and Rate Counsel.

II. STIPULATED TERMS

19. South Jersey Gas, Board Staff, and Rate Counsel are the only parties to this proceeding (collectively, "Parties"). The Parties agree that additional time is needed to complete a comprehensive review of the Petition. However, the Parties agree that the provisional implementation of the proposed BGSS rates, subject to refund with interest on any net over-recovered BGSS balance, is reasonable at this time. Provisional implementation of the proposed BGSS rates will allow for a full review at the Office of Administrative Law ("OAL"), and final approval by the Board.

20. Accordingly, the Parties stipulate and agree that, pending the conclusion of further review and discussion, it would be both reasonable and in the public interest for the Board to authorize a provisional order to increase the current level of South Jersey's Periodic BGSS rate \$0.502550 per therm, to \$0.786191 per therm, effective October 1, 2022, or on such other date as the Board deems appropriate. The proposed Periodic BGSS rate of \$0.786191 includes unrecovered gas supply and related costs incurred as a result of the resolution of the contract dispute with Antero of approximately \$7.6 million, which is 50% of the estimated remaining unamortized Antero balance of \$15.1 million at September 30, 2022.

21. The Parties further 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 following BGSS rates on a provisional basis: 1) the gas cost portion of the

Company's D-2 charge for Rate Schedule LVS be set at \$16.496647 per Mcf; 2) the gas cost portion of the Firm D-2 charge for Rate Schedule EGS-LV Firm to be set at \$16.579139 per Mcf; 3) the Limited Firm D-2 charge for Rate Schedule EGS-LV and the D-2 charge for Rate Schedule FES, respectively, be set at \$8.248323 per Mcf; 4) the monthly BGSS non-commodity rate applicable to Rate Schedules GSG, GSG-LV, EGS, LVS, EGS-LV and NGV be set at \$0.155863 per therm; 5) the Rider "I" BSC-LV for Opt-Out be set at \$0.002718 per therm, and Non Opt-Out be set at \$0.086180 per therm; and 6) the Rider "J" BSC-GS charge be set at \$0.086180 per therm.

22. The proposed provisional BGSS rate changes translate to an increase in BGSS-related recoveries of \$85.7 million. The parties agree that the rate changes are subject to an opportunity for a full review at the OAL, and final approval by the Board, and that the provisional BGSS rates are subject to refund with interest. The proposed Periodic BGSS rate of \$0.786191 per therm will increase the bill of a residential heating customer using 100 therms of natural gas during a winter month from \$169.39 to \$197.76, an increase of \$28.36, or 16.7%, as compared to rates in effect on June 1, 2022.

23. Additionally, the Parties stipulate and agree that, pending the conclusion of further review and discussion, it would be both reasonable and in the public interest for the Board to authorize the implementation of the following proposed CIP rates on a provisional basis: (1) a rate of \$0.051829 per therm for Group I Residential Non-Heat customers, an increase from the current credit rate of \$0.006676 per therm; (2) a rate of \$0.029575 per therm for Group II Residential Heat customers, an increase from the current rate of \$0.009715 per therm; (3) a rate of \$0.028140 per therm for Group III GSG customers, an increase from the current rate of \$0.025336 per therm; and (4) a rate of \$0.012805 per therm for Group IV GSG-LV customers, a decrease from the

current rate of \$0.015953 per therm. It is agreed by the Parties that these rate changes will be effective as of October 1, 2022, or as of such date that the Board so decides. The proposed provisional CIP rate changes translate to an increase in CIP-related recoveries of \$5.6 million and are subject to an opportunity for a full review at the OAL, and final approval by the Board, and that the provisional CIP rates are to be implemented subject to refund with interest.

24. The proposed CIP rate results in an increase of \$1.99 or 1.2% per month to the residential heating customer using 100 therms. The monthly impact to a residential non-heat customer using 15 therms of natural gas in a month is an increase of \$0.88 or 2.6%. The monthly impact on a GSG customer using 500 therms of gas in a month is an increase of \$1.41 or 0.2%. The monthly impact on a GSG-LV customer using 15,646 therms of gas in a month is an increase of \$128.69 or 0.5%. These changes are in comparison to rates in effect June 1, 2022.

25. Combining the BGSS recoveries increase of \$85.7 million with CIP-related recoveries increase of \$5.6 million results in provisional recoveries increase of \$91.3 million.

26. The impact of the Company's combined proposals on the overall monthly bill for gas service for a residential heating customer using 100 therms in a winter month is an increase of \$31.49, or 18.6%, resulting from South Jersey's proposed: 1) Periodic BGSS increase of \$28.36, or 16.7%; 2) Rider "J" Balancing Service Clause - General Service ("BSC-GS") increase of \$1.14, or 0.7%; and 3) CIP increase of \$1.99, or 1.2%.

27. The Company will submit tariff sheets in the form attached as Exhibit A within five (5) days of the effective date of the Board's Order, should the Board approve this Stipulation.

28. It is further stipulated and agreed by the Parties that the Company will provide quarterly reports to Board Staff and Rate Counsel documenting expenditures for these programs.

29. The Company agrees to continue to provide electronically to the Parties in this proceeding, on a monthly basis, the following updated information: 1) the BGSS NYMEX Update Report (also known as S-SCHART-1) (attached hereto as Exhibit B); and 2) a monthly report (also known as S-SCHART-2) showing the calculation of net gas per therm (attached hereto as Exhibit C). The chart reflected on Exhibit B is to be completed using information from the first Friday of the month and submitted to the Parties the following Tuesday. The chart reflected on Exhibit C is to be submitted to the Parties on approximately the 15th of the following month.

30. The Parties further acknowledge that, should a Board Order be entered approving this Stipulation, this Stipulation will become effective upon the 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.

31. The Parties recommend to the Board that this matter be transmitted to the OAL for an opportunity for full review of all issues, including the provisional rates if approved by the Board.

III. MISCELLANEOUS

32. 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.

33. 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, Board 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. 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: _____
Deborah M. Franco, Esq.
Vice President, Rates, Regulatory and Sustainability

MATTHEW J. PLATKIN ACTING ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the New Jersey Board of Public Utilities

By:  _____ 8/31/22
Terel Klein, Esq.
Deputy Attorney General

BRIAN O. LIPMAN
DIRECTOR, DIVISION OF RATE COUNSEL

By:  _____
Sarah H. Steindel, Esq.
Assistant Deputy Rate Counsel

Dated: Aug. 31, 2022

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Tenth Revised Sheet No. 6
Superseding Ninth Revised 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: \$10.502563 per month

Delivery Charge:

(a) Residential Non-Heating Customers
Firm Sales Service and Firm Transportation Service \$1.~~069976~~-139854 per therm

(b) Residential Heating Customers
Firm Sales Service and Firm Transportation Service \$1.~~086367~~-117600 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 June 1, 2022
by South Jersey Gas Company,
B. Schomber, President**

**Effective with service rendered
on and after _____**

**Filed pursuant to Order in Docket No. GR22060364 of the Board of
Public Utilities, State of New Jersey, dated _____**

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Tenth Revised Sheet No. 14
Superseding Ninth Revised 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:

\$239.906300 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service⁽²⁾

Demand Charge:

D-1FT: \$13.061563 per Mcf of Contract Demand

Volumetric Charge:

\$~~.566357~~ .574582 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.

**Issued June 1, 2022
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B. Schomber, President**

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Fourth Revised Sheet No. 24
Superseding Third Revised Sheet No. 24**

COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

(Continued)

Provisions of this Rate Schedule CTS for gas delivered, including gas deliveries resulting in imbalances, prior to the implementation of the Rate Schedule GSG-LV Monthly BGSS rate.

In order to be reinstated as an eligible Aggregator/Marketer, following termination of aggregator/ Marketer status for Deficiency Imbalances or Excess Imbalances as set forth above, the Aggregator/Marketer in addition to meeting all other applicable requirements must post and maintain for one (1) year security in a credit facility satisfactory to the Company in an amount equal to two (2) times that which would otherwise be required by the Company. At the conclusion of that year and assuming no additional occurrence of Deficiency Imbalances or Excess Imbalances as described above, the Aggregator/Marketer will be released from its obligation to provide security in excess of that otherwise required by the Company. If an additional Deficiency Imbalance or Excess Imbalance as described above occurs during that one-year period, the Aggregator/Marketer will be disqualified as an Aggregator/Marketer upon the Company's system for an additional one (1) year period. As used in this Paragraph (m), ACD shall mean the aggregate of all Contract Demands, expressed in dekatherms, of all customers served by an Aggregator/Marketer under this Rate Schedule CTS.

- (p) The receipt of gas by the Company for transportation under this Rate Schedule CTS shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will by the Company-wide line loss percentage.
- (q) Customers subscribing to this Rate Schedule CTS may elect the “opt-out” provision provided for in the Standard Gas Service Agreement (LV). Such an “opt-out” customer will have no right or entitlement to have base load gas provided by the Company. Provided, however, that a customer electing the “opt-out” provision shall be eligible to receive balancing services from the Company pursuant to appropriate rate schedules and riders. In the case that an “opt-out” customer cannot provide for its capacity, gas supply, or both, the customer must either discontinue the use of base load gas or have it provided by South Jersey at the incremental price. The incremental price charged to an “opt-out” customer shall be the sum of: (1) the highest commodity cost of gas paid by the Company during the month in which the “opt-out” customer uses “Company” gas; and (2) the higher of the cost of incremental capacity needed to serve the returning “opt-out” customer or the system weighted average cost of capacity, plus other charges which must be paid by customers eligible for South Jersey’s Monthly BGSS charge. The incremental price will be charged to the customer until the effective date of a new Standard Gas Service Agreement.
- (r) An “opt-out” customer will become eligible to purchase base load gas from the Company or transport gas without “opt-out” status, upon six months’ notice to the Company of intention to no longer be an “opt-out” customer, provided that prior to the expiration of the six month notice period, the customer shall have entered into a new Standard Gas Service Agreement which includes the customer’s agreement to purchase base load gas or transport without an “opt-out” status for a term of not less than one year. Upon the effective date of the new Standard Gas Service Agreement, which shall be no sooner than the end of the six month period in said notice, the customer shall no longer be obligated to pay the incremental prices set forth above. However, said customer will then be obligated to pay the higher balancing charge of \$0.~~74807~~86180 per Dt, including taxes. The Company will not have the right to waive this six month notice requirement.

Issued June 1, 2022
by South Jersey Gas Company,
B. Schomber, President

Effective with service rendered
on and after _____

Filed pursuant to Order in Docket No. GR22060364 of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Tenth Revised Sheet No. 25
Superseding Ninth Revised 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:

\$1,119.562500 per month

Delivery Charge:

Firm Sales Service and Firm Transportation Service

Demand Charge:

D-1FT: \$19.992188 per Mcf of Contract Demand

Volumetric Charge:

\$.177231 per therm

Basic Gas Supply Service ("BGSS") Charge:

Demand Charge:

D-2: \$16.~~471655~~496647 per Mcf of Contract Demand.

Volumetric Charge:

See Rider "A" of this Tariff.

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

**Issued June 1, 2022
by South Jersey Gas Company,
B. Schomber, President**

**Effective with service rendered
on and after _____**

**Filed pursuant to Order in Docket No. GR22060364 of the Board of
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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Third Revised Sheet No. 30
Superseding Second Revised Sheet No. 30**

LARGE VOLUME SERVICE (LVS)

(Continued)

- (l) A Firm Transportation Service customer scheduling gas for delivery may not schedule less than one dekatherm of gas for delivery under this Rate Schedule LVS on any day. All scheduling must be done in whole number dekatherms and not in fractions thereof.
- (m) The BGSS D-2 Demand Charge will equal the Company's system weighted average interstate pipeline demand charge plus the system weighted average gas reservation charge both as of October 1 of each year. The BGSS D-2 Demand Charge is subject to annual adjustment, to be made in the same proceeding in which the Company's annual Periodic BGSS Rate is established for the BGSS Year pursuant to Rider "A" of this Tariff. The BGSS D-2 Demand Charge shall not be less than the sum of the following: (1) the demand charge invoiced by Transcontinental Gas Pipe Line Corporation for its FT service; (2) the Pipeline Capacity Factor; and (3) one dollar (\$1.00) per Dt.
- (n) The Pipeline Capacity Factor will recover the difference between the Company's system weighted average pipeline demand cost and the demand cost of Transcontinental Gas Pipe Line Corporation's FT charge.
- (o) Customers subscribing to this Rate Schedule LVS may elect the "opt-out" provision provided for in the Standard Gas Service Agreement (LV). Such an "opt-out" customer will have no right or entitlement to have base load gas provided by the Company. Provided, however, that a customer electing the "opt-out" provision shall be eligible to receive balancing services from the Company pursuant to appropriate rate schedules and riders. In the case that an "opt-out" customer cannot provide for its capacity, gas supply, or both, the customer must either discontinue the use of base load gas or have it provided by South Jersey at the incremental price. The incremental price charged to an "opt-out" customer shall be the sum of: (1) the highest commodity cost of gas paid by the Company during the month in which the "opt-out" customer uses "Company" gas; and (2) the higher of the cost of incremental capacity needed to serve the returning "opt-out" customer or the system weighted average cost of capacity, plus other charges which must be paid by customers eligible for South Jersey's Monthly BGSS charge. The incremental price will be charged to the customer until the effective date of a new Standard Gas Service Agreement.
- (p) An "opt-out" customer will become eligible to purchase base load gas from the Company, or transport gas without "opt-out" status, upon six months' notice to the Company of intention to no longer be an "opt-out" customer, provided that prior to the expiration of the six month notice period, the customer shall have entered into a new Standard Gas Service Agreement which includes the customer's agreement to purchase base load gas or transport without an "opt-out" status for a term of not less than one year. Upon the effective date of the six month period in said notice, the customer shall no longer be obligated to pay the incremental prices set forth above. However, said customer will then be obligated to pay the higher balancing charge of ~~\$0.74807~~ \$0.86180 per Dt, including taxes. The Company will not have the right to waive this six month notice requirement.

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B. Schomber, President

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Ninth Revised Sheet No. 31
Superseding Eighth Revised 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 \$3.089100 per Mcf of Winter Daily Contract Demand
- D-2 \$8.~~235828~~248323 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation

customers

Volumetric Charge:

- C-1: \$.136065 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: \$.173700 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 \$3.089100 per Mcf of Summer Daily Contract Demand
- D-2 \$8.~~235828~~248323 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation

customers

Volumetric Charge:

- C-1: \$.136065 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: \$.173700 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. 13 - GAS

**Tenth Revised Sheet No. 38
Superseding Ninth Revised 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:

\$10.502600 per month

Residential Delivery Charge

Residential Volumetric Charge: ~~\$.359063~~ \$.370436 per therm

Commercial and Industrial Customer Charge:

\$84.233750 per month

Commercial and Industrial Delivery Charge:

Commercial and Industrial Demand Charge:

D-1 Charge: \$8.796563 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

~~\$.359372~~ \$.370745 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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B. Schomber, President**

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Tenth Revised Sheet No. 39
Superseding Ninth Revised 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

\$~~.327384~~338757 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.
2017 Tax Act	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "H" 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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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Tenth Revised Sheet No. 43
Superseding Ninth Revised 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:

\$799.6875 per month

FIRM:

Demand Charges: ⁽²⁾

D-1 \$27.806535 per Mcf of Firm Daily Contract Demand.

D-2 \$16.~~541730~~579139 per Mcf of Firm Daily Contract Demand or \$0 for Firm Transportation customers.

Volumetric Charge:

C-1: \$.112764 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 \$8.~~235828~~248323 per Mcf of Limited Firm Daily Contract Demand or \$0 for Limited Firm Transportation customers

Volumetric Charge: ⁽²⁾

C-1: \$.112764 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 \$.173700 per therm for all consumption within Limited Firm Contract Demand level.¹

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

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

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Fourth Revised Sheet No. 48
Superseding Third Revised Sheet No. 48**

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

base load gas or have it provided by South Jersey at the incremental price. The incremental price charged to an “opt-out” customer shall be the sum of: (1) the highest commodity cost of gas paid by the Company during the month in which the “opt-out” customer uses “Company” gas; and (2) the higher of the cost of incremental capacity needed to serve the returning “opt-out” customer or the system weighted average cost of capacity, plus other charges which must be paid by customers eligible for South Jersey’s Monthly BGSS charge.

- (o) An “opt-out” customer will become eligible to purchase base load gas from the Company, or transport gas without “opt-out” status upon six months’ notice to the Company of intention to no longer be an “opt-out” customer. It will not be necessary for an EGS-LV “opt-out” customer to execute a new Standard Gas Service Agreement in order to purchase base load gas from the Company or transport gas without “opt-out” status. However, the customer must commit to purchase base load gas or transport gas without “opt-out” status for a minimum of one year. At the end of the six month period specified in said notice, the customer shall no longer be obligated to pay the incremental prices set forth above. However, said customer will then be obligated to pay the higher balancing charge of \$0.~~74807~~-86180 per Dt, including taxes. The Company will not have the right to waive this six month notice requirement.
- (p) Customer shall contract for service under the Company’s Standard Gas Service Agreement (EGS).

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Twenty-Fifth Revised Sheet No. 65
Superseding Twenty-Fourth Revised Sheet No. 65**

**RIDER "A"
BASIC GAS SUPPLY SERVICE CLAUSE ("BGSSC")**

APPLICABLE TO:

Rate Schedule RSG	-	Residential Service
Rate Schedule GSG	-	General Service
Rate Schedule GSG-LV	-	General Service – Large Volume
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 NGV	-	Natural Gas Vehicle

APPLICABLE RATES:

Periodic BGSS Subrider (Effective ~~December 1, 2021~~ _____)¹:

<u>Rate Schedule</u>	<u>BGSS Rate Before Taxes (per therm)</u>	<u>BGSS Rate With Taxes (per therm)</u>
RSG	\$0.471325737342	\$0.502550786191
GSG (under 5,000 therms)	\$0.471325737342	\$0.502550786191

Monthly BGSS Subrider (Effective July 1, 2022):

<u>Rate Schedule</u>	<u>BGSS Rate Before Taxes (per therm)</u>	<u>BGSS Rate With Taxes (per therm)</u>
LVS C-2	\$0.765437	\$0.816147
FES	\$0.664309	\$0.708319
EGS	\$0.814535	\$0.868498
EGS-LV Firm C-2	\$0.765228	\$0.815924
EGS-LV Limited Firm C-2	\$0.789986	\$0.842323
GSG-LV	\$0.814535	\$0.868498
GSG (5,000 therms or greater)	\$0.814535	\$0.868498
NGV	\$0.814535	\$0.868498

The above Periodic and Monthly BGSS rates shall include the BGSS cost savings established in Rider "M" to this Tariff.

FILING:

This Subrider shall be applicable to all customers served under Rate Schedules RSG, and those GSG customers who do not meet the "Monthly Threshold". This Periodic BGSS Subrider shall recover gas costs associated with service to customers served under this Subrider.

¹ Reflects currently approved Total BGSS Rate.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Fourth Revised Sheet No. 68
Superseding Third Revised Sheet No. 68**

**RIDER "A"
BASIC GAS SUPPLY SERVICE CLAUSE ("BGSSC")
(Continued)**

The Company will file self-implementing Monthly BGSS rates on the second day following the close of trading of the NYMEX Henry Hub gas contracts for each month. Within each monthly filing, the Company will provide the following:

- (1) Documentation regarding the NYMEX Henry Hub close;
- (2) Supporting schedules that document the actual/projected costs and sales volumes used to derive the monthly gas cost factor; and

MONTHLY FORMULA:

The formula for determining the Monthly BGSS rate shall be the sum of the following:

- (1) The Company will calculate a Commodity Cost which will be comprised of the sum of arithmetic average of
 - (i) the closing price of the NYMEX Henry Hub gas contract for the following month and
 - (ii) the weighted average of the estimated Index Prices, for the respective locations at which the Company purchases its gas, to be published in Inside FERC's Gas Market Report for the remaining BGSS Year. Further, the calculation will not include hedging.
- (2) An estimate shall be made of the variable costs of transportation and fuel and line loss for the subject month, to the extent not included in (1), above
- (3) A Non-Commodity Cost component that includes gas costs other than the Commodity Cost of Gas, including but not limited to all fixed pipeline costs, fixed supplier costs, fixed storage costs, pipeline refunds and similar credits, and other credits directed by the Board. The Non-Commodity Cost component shall be calculated on an equal per-therm basis for the entire BGSS Year. This subparagraph (3) is not applicable to FES customers.

The result of the calculation from the Monthly Formula above shall be adjusted for Rate Schedules LVS and EGS-LV (Firm and Limited Firm) to derive the Monthly BGSS Rates by deducting therefrom the volumetric equivalent of the D-2 charges within the respective Rates Schedules. Said deductions shall be as follows:

<u>Rate Schedule</u>	<u>D-2 Deduction</u>	<u>Including Taxes</u>
LVS		\$.052351052430
EGS-LV Firm		\$.052574052692
EGS-LV Limited Firm		\$.026175026215

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Fourth Revised Sheet No. 86
Superseding Third Revised Sheet No. 86**

**RIDER "I"
BALANCING SERVICE CLAUSE - LARGE VOLUME (BSC-LV)**

APPLICABLE TO:

Rate Schedule GSG-LV	-	General Service-Large Volume
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 ITS	-	Interruptible Transportation Service
Rate Schedule CTS	-	Comprehensive Transportation Service
Rate Schedule NGV	-	Natural Gas Vehicle

This Rider "I" shall be known as the Balancing Service Clause - Large Volume (BSC-LV) and will be applicable to all EGS-LV and FES customers who utilize Rider "D" to this Tariff, and to all LVS and EGS-LV Firm Transportation Service, and ITS customers. This Rider "I" will also be applicable to all Rate Schedule GSG-LV Firm Transportation Service and NGV Firm Transportation customers who have installed electronic meter reading equipment, pursuant to the provisions of Section 6.1 of the General Terms and Conditions of this Tariff and who elect to take their balancing service under this Rider "I", rather than under Rider "J". The Volumetric Charge, under the monthly Rate Section shall be the only element in this Rider applicable to Firm Sales Service customers subscribing to Rate Schedules LVS and EGS-LV.

MONTHLY RATE:

Volumetric Charge:

BS-1: \$0.~~002279~~-002718 per therm for all gas delivered under Rate Schedules LVS, EGS-LV, FES, NGV and CTS who "opt-out" as provided for in the Standard Gas Service Agreements (LV), (FES) and (EGS).

BS-1: \$0.074807-086180 per therm for all gas delivered under Rate Schedules GSG-LV, EGS, and under Rate Schedules LVS, EGS-LV, FES, NGV and CTS who do not "opt-out", including Firm Sales Service customers

Cash-Out Charges and Credits:

To be determined monthly in accordance with the methodology set forth in Paragraphs (12), (13) and (14) of this Rider "I".

DEFINITIONS:

- (1) "Gas Consumption" means the volume of gas utilized by the customer, as measured at the customer's meter. Gas Consumption will be displayed on the Third Party Marketer Portal (the "Portal"). However, the responsibility for balancing shall remain with the customer even if the Portal is inoperative.
- (2) On any day during which gas receipts for a customer's account exceed Gas Consumption, after adjustment to reflect line loss and sales authorized by the Company for this customer, a daily "Excess Imbalance" results. Provided, however, that as to those ITS customers, who had an annualized average use of 27 Mcf per day or less of gas, Daily Excess Imbalances shall be computed on a monthly basis.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Fourth Revised Sheet No. 92
Superseding Third Revised Sheet No. 92**

**RIDER "J"
BALANCING SERVICE CLAUSE - GENERAL SERVICE (BSC-GS)**

APPLICABLE TO:

Rate Schedule RSG	-	Residential Service Gas
Rate Schedule GSG	-	General Service Gas
Rate Schedule GSG-LV	-	General Service Gas – Large Volume
Rate Schedule EGS	-	Electric Generation Service
Rate Schedule NGV	-	Natural Gas Vehicle

This Rider "J" shall be known as the Balancing Service Clause - General Service (BSC-GS) and will be applicable to all RSG Firm Transportation Service customers and GSG Firm Transportation Service customers. This Rider "J" will also be applicable to GSG-LV, NGV and EGS Firm Transportation customers who elect to take balancing service under this Rider "J". Provided, however, that pursuant to the terms of Rider "I" certain GSG-LV, NGV and EGS Firm Transportation Service customers may elect to take balancing service pursuant to Rider "I". The Volumetric Charge, under the Monthly Rate Section, shall be the only element in this Rider applicable to Firm Sales Service customers subscribing to Rate Schedules RSG, GSG, GSG-LV, NGV and EGS.

MONTHLY RATE:

Volumetric Charge:

BS-1: \$.~~074807~~086180 per therm for all gas delivered under the applicable rate schedules in addition to the following:

DCQ AND BUY-OUT CHARGE:

- (1) "Daily Contract Quantity" (DCQ) for all customers except for Rate Schedule RSG Firm Transportation Service customers shall mean a quantity of gas determined annually by the company. The DCQ shall be determined for each of the forthcoming twelve (12) months by dividing the customer's weather-normalized usage for each of the most recent twelve (12) months by the total number of days in each month. The Company may adjust the customer's DCQ during any twelve (12) month period, due to changes in the customer's gas equipment or pattern of usage or other acceptable information provided by the customer. For New Customers, the customer's initial DCQ will be estimated by the Company, based upon the rating of the customer's gas equipment and expected utilization of the equipment. Customer will be obligated to deliver or cause to be delivered to the Company's city gate station the customer's DCQ each day for the customer's account.

The DCQ for Rate Schedule RSG Firm Transportation Service customers shall mean a quantity of gas determined by the Company. The DCQ shall be determined separately for Rate Schedule RSG Firm Transportation Service customers who are heating customers, and for those who are non-heating customers ("Heating Group" and "Non-Heating Group"). The DCQ for both the Heating Group and the Non-Heating Group shall be determined on a Company system-wide, weather normalized basis. The Company will determine the DCQ for each customer in the Heating Group, which will be the same for all members of the Heating Group, and for each customer in the Non-Heating Group, which will be the same for all members of the Non-Heating Group, each month. The Aggregator/Marketer will be obligated to deliver or cause to be delivered to the Company's City Gate Station, each day, the DCQ for each customer within that Aggregator/Marketer's Aggregated Group.

A review of service provided to Rate Schedule RSG Firm Transportation Service customers shall be performed after twelve (12) months service, and every twelve (12) months thereafter. Upon such review, in the

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SOUTH JERSEY GAS COMPANY

**Fourth Revised Sheet No. 102
Superseding Third Revised Sheet No. 102**

B.P.U.N.J. No. 13 - GAS

**RIDER "M"
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 2014 Order of the Board of Public Utilities in Docket No. GR13030185. 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:

	Group I: RSG <u>Non-Heating</u>	Group II: RSG <u>Heating</u>	Group III: <u>GSG</u>	Group IV: <u>GSG-LV</u>
CIP Factors Per Therm	(\$0.006261) <u>486</u> <u>09</u>	\$0.009111 <u>027</u> <u>737</u>	\$0.023762 <u>206</u> <u>392</u>	\$0.014962 <u>0120</u> <u>09</u>
Applicable NJ Sales Tax Factor	<u>1.066250</u>	<u>1.066250</u>	<u>1.066250</u>	<u>1.066250</u>
CIP Factors Per Therm with NJ Sales Tax	<u>\$0.00667605</u> <u>1829</u>	<u>\$0.00971502957</u> <u>5</u>	<u>\$0.025336028</u> <u>140</u>	<u>\$0.0159530128</u> <u>05</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 9.60% for any twelve month period ending September 30; any revenue which is not recovered will not be deferred. For purposes of this paragraph (g), 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, (7) the Accelerated Infrastructure Replacement Program and (8) the Storm Hardening and Reliability Program.
- (h) As used in this Rider "M", the following terms shall have the meanings ascribed to them herein:

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

RESIDENTIAL GAS SERVICE (RSG) - NONHEAT CUSTOMER					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		9.850000		0.652563	10.502563
DELIVERY CHARGE (per therm):					
Base Rate		0.833891		0.055245	0.889136
TIC	C	(0.000052)	0.000000	(0.000003)	(0.000055)
SBC:					
RAC	E, G	0.044935	0.000000	0.002977	0.047912
CLEP	E, K	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC		0.093590	0.000000	0.006221	0.099811
CIP	M	0.048609	0.000000	0.003220	0.051829
EET	N	0.033973	0.000028	0.002253	0.036254
2017 Tax Act	H	(0.021798)	(0.000055)	(0.001448)	(0.023301)
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
TOTAL DELIVERY CHARGE		1.069038	(0.000027)	0.070843	1.139854
BGSS: (Applicable To Sales Customers Only)	A	0.737342	0.000000	0.048849	0.786191

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

RESIDENTIAL GAS SERVICE (RSG) - HEAT CUSTOMER

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		9.850000		0.652563	10.502563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.833891		0.055245	0.889136
TIC	C	(0.000052)	0.000000	(0.000003)	(0.000055)
SBC:					
RAC	E, G	0.044935	0.000000	0.002977	0.047912
CLEP	E, K	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC		0.093590	0.000000	0.006221	0.099811
CIP	M	0.027737	0.000000	0.001838	0.029575
EET	N	0.033973	0.000028	0.002253	0.036254
2017 Tax Act	H	(0.021798)	(0.000055)	(0.001448)	(0.023301)
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		1.048166	(0.000027)	0.069461	1.117600
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.737342	0.000000	0.048849	0.786191

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

GENERAL SERVICE (GSG)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		34.750000		2.302188	37.052188
DELIVERY CHARGE (per therm):					
Base Rate		0.683240		0.045265	0.728505
TIC	C	(0.000052)	0.000000	(0.000003)	(0.000055)
SBC:					
RAC	E, G	0.044935	0.000000	0.002977	0.047912
CLEP	E, K	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC		0.093590	0.000000	0.006221	0.099811
CIP	M	0.026392	0.000000	0.001748	0.028140
EET	N	0.033973	0.000028	0.002253	0.036254
2017 Tax Act	H	(0.021798)	(0.000055)	(0.001448)	(0.023301)
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.896170	(0.000027)	0.059391	0.955534
BGSS: (Applicable To Sales Customers Only using less than 5,000 therms annually)	A	0.737342	0.000000	0.048849	0.786191
BGSS: (Applicable To Sales Customers Only using 5,000 therms annually or greater)	A				RATE SET MONTHLY

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

GENERAL SERVICE-LV (GSG-LV)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		225.000000		14.906300	239.906300
D-1 Demand Charge (Mcf)		12.250000		0.811563	13.061563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.340340		0.022548	0.362888
TIC	C	(0.000052)	0.000000	(0.000003)	(0.000055)
SBC:					
RAC	E, G	0.044935	0.000000	0.002977	0.047912
CLEP	E, K	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC		<u>0.093590</u>	0.000000	0.006221	0.099811
CIP	M	0.012009	0.000000	0.000796	0.012805
EET	N	0.033973	0.000028	0.002253	0.036254
2017 Tax Act	H	(0.021798)	(0.000055)	(0.001448)	(0.023301)
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.538887	(0.000027)	0.035722	0.574582
<u>BGSS: (Applicable Sales Customers Only)</u>	A				RATE SET MONTHLY

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

COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
FIRM					
<u>CUSTOMER CHARGE</u>		750.000000		49.687500	799.687500
<u>D-1 Demand Charge (Mcf)</u>		31.750000		2.103438	33.853438
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.090917		0.006023	0.096940
SBC:					
RAC	E, G	0.044935	0.000000	0.002977	0.047912
CLEP	E, K	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC		0.093590	0.000000	0.006221	0.099811
EET	N	0.033973	0.000028	0.002253	0.036254
2017 Tax Act	H	(0.021798)	(0.000055)	(0.001448)	(0.023301)
Total Delivery Charge		0.196682	(0.000027)	0.013049	0.209704
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002549	0.000000	0.000169	0.002718
BUY-OUT PRICE					RATE SET MONTHLY
LIMITED FIRM					
<u>CUSTOMER CHARGE</u>		100.000000		6.625000	106.625000
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.058400		0.003900	0.062300
SBC:					
RAC	E, G	0.044935	0.000000	0.002977	0.047912
CLEP	E, K	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC		0.093590	0.000000	0.006221	0.099811
EET	N	0.033973	0.000028	0.002253	0.036254
2017 Tax Act	H	(0.021798)	(0.000055)	(0.001448)	(0.023301)
Total Delivery Charge		0.164165	(0.000027)	0.010926	0.175064
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002549	0.000000	0.000169	0.002718
BUY-OUT PRICE					RATE SET MONTHLY

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

LARGE VOLUME SERVICE (LVS)	RIDER	RATE	PUA	NJ SALES TAX	TARIFF RATE
FIRM					
CUSTOMER CHARGE		1,050.000000		69.562500	1,119.562500
D-1 Demand Charge (Mcf)		18.750000		1.242188	19.992188
D-2 DEMAND BGSS(Applicable to Sales Customers Only)	A	15.471650	0.000000	1.024997	16.496647
DELIVERY CHARGE (per therm):					
Base Rate		0.060461		0.004006	0.064467
SBC:					
RAC	E, G	0.044935	0.000000	0.002977	0.047912
CLEP	E, K	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC		0.093590	0.000000	0.006221	0.099811
EET	N	0.033973	0.000028	0.002253	0.036254
2017 Tax Act	H	(0.021798)	(0.000055)	(0.001448)	(0.023301)
Total Delivery Charge		0.166226	(0.000027)	0.011032	0.177231
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002549	0.000000	0.000169	0.002718
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable Transportation Customers Only)	I				RATE SET MONTHLY
BGSS: (Applicable Sales Customers Only)	A				RATE SET MONTHLY
LIMITED FIRM					
CUSTOMER CHARGE		100.000000		6.625000	106.625000
DELIVERY CHARGE (per therm):					
Base Rate		0.132480		0.008777	0.141257
SBC:					
RAC	E, G	0.044935	0.000000	0.002977	0.047912
CLEP	E, K	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC		0.093590	0.000000	0.006221	0.099811
EET	N	0.033973	0.000028	0.002253	0.036254
2017 Tax Act	H	(0.021798)	(0.000055)	(0.001448)	(0.023301)
Total Delivery Charge		0.238245	(0.000027)	0.015803	0.254021
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002549	0.000000	0.000169	0.002718
BUY-OUT PRICE	I				RATE SET MONTHLY

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

FIRM ELECTRIC SALES (FES)	RIDER	RATE	PUA	NJ SALES TAX	TARIFF RATE
WINTER					
D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)		2.897200		0.191900	3.089100
D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)	A	7.735825	0.000000	0.512498	8.248323
DELIVERY CHARGE (per therm):					
SBC:					
RAC	E, G	0.044935	0.000000	0.002977	0.047912
CLEP	E, K	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC		0.093590	0.000000	0.006221	0.099811
EET	N	0.033973	0.000028	0.002253	0.036254
Total Delivery Charge		0.127563	0.000028	0.008474	0.136065
C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)		0.162900		0.010800	0.173700
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 Transportatin Customers Only)	I				RATE SET MONTHLY
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY
SUMMER					
D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)		2.897200		0.191900	3.089100
D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)	A	7.735825	0.000000	0.512498	8.248323
SBC:					
RAC	E, G	0.044935	0.000000	0.002977	0.047912
CLEP	E, K	0.030855	0.000000	0.002044	0.032899
USF	E	0.017800	0.000000	0.001200	0.019000
EET	N	0.033973	0.000028	0.002253	0.036254
Total Delivery Charge		0.127563	0.000028	0.008474	0.136065
C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)		0.162900		0.010800	0.173700
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 Transportatin Customers Only)	I				RATE SET MONTHLY
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY

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

<u>ELECTRIC GENERATION SERVICE (EGS) - RESIDENTIAL</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		9.850000		0.652600	10.502600
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.160837		0.010655	0.171492
SBC:					
RAC	E, G	0.044935	0.000000	0.002977	0.047912
CLEP	E, K	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC		0.093590	0.000000	0.006221	0.099811
EET	N	0.033973	0.000028	0.002253	0.036254
2017 Tax Act	H	(0.021798)	(0.000055)	(0.001448)	(0.023301)
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
Total Delivery Charge		0.347427	-0.000027	0.023036	0.370436
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.737342	0.000000	0.048849	0.786191

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

<u>ELECTRIC GENERATION SERVICE (EGS) - COMMERCIAL/INDUSTRIAL</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		79.000000		5.233750	84.233750
<u>D-1 DEMAND (MCF)</u>		8.250000		0.546563	8.796563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate - Winter Season (Nov - Mar)		0.161126		0.010675	0.171801
Base Rate - Summer Season (Apr - Oct)		0.131126		0.008687	0.139813
SBC:					
RAC	E, G	0.044935	0.000000	0.002977	0.047912
CLEP	E, K	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC		0.093590	0.000000	0.006221	0.099811
EET	N	0.033973	0.000028	0.002253	0.036254
2017 Tax Act	H	(0.021798)	(0.000055)	(0.001448)	(0.023301)
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
Total Delivery Charge - Winter Season		0.347716	(0.000027)	0.023056	0.370745
Total Delivery Charge - Summer Season		0.317716	(0.000027)	0.021068	0.338757
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

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

<u>ELECTRIC GENERATION SERVICE-LV (EGS-LV)</u>	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
FIRM					
CUSTOMER CHARGE		750.000000		49.687500	799.687500
D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)		26.078814		1.727721	27.806535
D-2 DEMAND BGSS (MCF) (Applicable to Sales Customers Only)	A	15.549017	0.000000	1.030122	16.579139
DELIVERY CHARGE (per therm):					
SBC:					
RAC	E, G	0.044935	0.000000	0.002977	0.047912
CLEP	E, K	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
		0.093590	0.000000	0.006221	0.099811
EET	N	0.033973	0.000028	0.002253	0.036254
2017 Tax Act	H	(0.021798)	(0.000055)	(0.001448)	(0.023301)
Total Delivery Charge		0.105765	(0.000027)	0.007026	0.112764
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002549	0.000000	0.000169	0.002718
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY
LIMITED FIRM					
D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)	A	7.735825	0.000000	0.512498	8.248323
DELIVERY CHARGE (per therm):					
SBC:					
RAC	E, K	0.044935	0.000000	0.002977	0.047912
CLEP	E, G	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
		0.093590	0.000000	0.006221	0.099811
EET	N	0.033973	0.000028	0.002253	0.036254
2017 Tax Act	H	(0.021798)	(0.000055)	(0.001448)	(0.023301)
Total Delivery Charge		0.105765	(0.000027)	0.007026	0.112764
C-3 (Rate is negotiated. Shown here is the benchmark rate.)		0.162900		0.010800	0.173700
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002549	0.000000	0.000169	0.002718
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY

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

<u>YARD LIGHTING SERVICE (YLS)</u>	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
MONTHLY CHARGE / INSTALL		15.028092		0.995611	16.023703
STREET LIGHTING SERVICE (SLS)					
MONTHLY CHARGE / INSTALL		18.157166		1.202912	19.360078
INTERRUPTIBLE GAS SALES (IGS)					
Commodity					Rate Set Monthly
SBC:					
RAC	E, K	0.044935	0.000000	0.002977	0.047912
USF	E	0.017800	0.000000	0.001200	0.019000
Total SBC:		0.062735	0.000000	0.004177	0.066912
EET	N	0.033973	0.000028	0.002253	0.036254

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

INTERRUPTIBLE TRANSPORTATION (ITS)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		100.000000		6.625000	106.625000
TRANSPORTATION CHARGE A		0.028400		0.001900	0.030300
SBC:					
RAC	E, K	0.044935	0.000000	0.002977	0.047912
CLEP	E, G	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC:		0.093590	0.000000	0.006221	0.099811
EET	N	0.033973	0.000028	0.002253	0.036254
TRANSPORTATION CHARGE B		0.093200		0.006200	0.099400
SBC:					
RAC	E, K	0.044935	0.000000	0.002977	0.047912
CLEP	E, G	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC:		0.093590	0.000000	0.006221	0.099811
EET	N	0.033973	0.000028	0.002253	0.036254
TRANSPORTATION CHARGE C		0.153200		0.010100	0.163300
SBC:					
RAC	E, K	0.044935	0.000000	0.002977	0.047912
CLEP	E, G	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC:		0.093590	0.000000	0.006221	0.099811
EET	N	0.033973	0.000028	0.002253	0.036254

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

<u>NATURAL GAS VEHICLE (NGV)</u>		<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>COMPANY OPERATED FUELING STATIONS</u>					
<u>DELIVERY CHARGE (per therm):</u>					
SBC					
RAC	E, K	0.044935	0.000000	0.002977	0.047912
CLEP	E, G	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC:		0.093590	0.000000	0.006221	0.099811
EET	N	0.033973	0.000028	0.002253	0.036254
2017 Tax Act	H	(0.021798)	(0.000055)	(0.001448)	(0.023301)
Total Delivery Charge		0.105765	(0.000027)	0.007026	0.112764
<u>DISTRIBUTION CHARGE</u>		0.226977	0.000000	0.0150370	0.242014
<u>COMPRESSION CHARGE</u>		0.613280	0.001678	0.040741	0.655699
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002549	0.000000	0.000169	0.002718
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>CUSTOMER OPERATED FUELING STATIONS</u>					
<u>CUSTOMER CHARGE</u>					
	0 - 999 CF/hour	37.500000		2.484400	39.984400
	1,000 - 4,999 CF/hour	75.000000		4.968800	79.968800
	5,000 - 24,999 CF/hour	220.000000		14.575000	234.575000
	25,000 or Greater CF/hour	925.000000		61.281250	986.281250
<u>DELIVERY CHARGE (per therm):</u>					
SBC					
RAC	E, K	0.044935	0.000000	0.002977	0.047912
CLEP	E, G	0.030855	0.000000	0.002044	0.032899
USF	E	<u>0.017800</u>	<u>0.000000</u>	<u>0.001200</u>	<u>0.019000</u>
Total SBC:		0.093590	0.000000	0.006221	0.099811
EET	N	0.033973	0.000028	0.002253	0.036254
2017 Tax Act	H	(0.021798)	(0.000055)	(0.001448)	(0.023301)
Total Delivery Charge		0.105765	(0.000027)	0.007026	0.112764
<u>DISTRIBUTION CHARGE</u>		0.226977	0.000000	0.015037	0.242014
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002549	0.000000	0.000169	0.002718
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>Facilities Charge (Applicable only to Customers that elect the Company construct Compressed Natural Gas ("CNG") fueling Facilities located on Customer's property)</u>		0.240615		0.015941	0.256556

SOUTH JERSEY GAS COMPANY
Appendix A - Effective _____

Heat Residential Rate Schedule:

	RSG FSS	RSG-FTS	Difference
BGSS	0.786191	0.000000	0.786191
Base Rate	0.889136	0.889136	0.000000
CLEP	0.032899	0.032899	0.000000
RAC	0.047912	0.047912	0.000000
CIP	0.029575	0.029575	0.000000
USF	0.019000	0.019000	0.000000
TIC	(0.000055)	(0.000055)	0.000000
EET	0.036254	0.036254	0.000000
2017 Tax Act	(0.023301)	(0.023301)	0.000000
BSC "J" BS-1	0.086180	0.086180	0.000000
Price to Compare	1.903791	1.117600	0.786191

NonHeat Residential Rate Schedule:

	RSG FSS	RSG-FTS	Difference
BGSS	0.786191	0.000000	0.786191
CIP	0.051829	0.051829	0.000000
Base Rate	0.889136	0.889136	0.000000
CLEP	0.032899	0.032899	0.000000
RAC	0.047912	0.047912	0.000000
USF	0.019000	0.019000	0.000000
TIC	(0.000055)	(0.000055)	0.000000
EET	0.036254	0.036254	0.000000
2017 Tax Act	(0.023301)	(0.023301)	0.000000
BSC "J" BS-1	0.086180	0.086180	0.000000
Price to Compare	1.926045	1.139854	0.786191

GSG
(Under 5,000 therms annually)

	GSG FSS	GSG-FTS	Difference
BGSS	0.786191	0.000000	0.786191
CIP	0.028140	0.028140	0.000000
Base Rates	0.728505	0.728505	0.000000
CLEP	0.032899	0.032899	0.000000
RAC	0.047912	0.047912	0.000000
USF	0.019000	0.019000	0.000000
TIC	(0.000055)	(0.000055)	0.000000
EET	0.036254	0.036254	0.000000
2017 Tax Act	(0.023301)	(0.023301)	0.000000
BSC "J" BS-1	0.086180	0.086180	0.000000
Price to Compare	1.741725	0.955534	0.786191

GSG
(5,000 therms annually or greater)

	GSG FSS	GSG-FTS	Difference
BGSS	0.868498	0.000000	0.868498
CIP	0.028140	0.028140	0.000000
Base Rates	0.728505	0.728505	0.000000
CLEP	0.032899	0.032899	0.000000
RAC	0.047912	0.047912	0.000000
USF	0.019000	0.019000	0.000000
TIC	(0.000055)	(0.000055)	0.000000
EET	0.036254	0.036254	0.000000
2017 Tax Act	(0.023301)	(0.023301)	0.000000
BSC "J" BS-1	0.086180	0.086180	0.000000
Price to Compare	1.824032	0.955534	0.868498

GSG-LV

	Prior to 7/15/97		
	GSG-LV FSS	GSG-LV-FTS	Difference
BGSS	0.868498	0.000000	0.868498
CIP	0.012805	0.012805	0.000000
Base Rates	0.362888	0.362888	0.000000
CLEP	0.032899	0.032899	0.000000
RAC	0.047912	0.047912	0.000000
USF	0.019000	0.019000	0.000000
TIC	(0.000055)	(0.000055)	0.000000
EET	0.036254	0.036254	0.000000
2017 Tax Act	(0.023301)	(0.023301)	0.000000
BSC "J" BS-1	0.086180	0.086180	0.000000
Price to Compare	1.443080	0.574582	0.868498

S-SCHART-1
BGSS NYMEX Update Report
As of August 5, 2022

Exhibit B

Month	<i>a</i>	<i>b</i>	<i>c = b - a</i>	% Chg	<i>d</i>	<i>e</i>	<i>f = d - e</i>	<i>g = c x f</i>
	BGSS 10/21/2021	NYMEX 8/5/2022	Incr/ (Decr)		Sales forecast (dths)	Hedged volume (dths)	Unhedged volume (dths)	Change in value unhedged
Oct-20	\$ 2.101	\$ 2.101	\$ -		1,152,302	640,000	512,302	\$0
Nov-20	\$ 2.996	\$ 2.996	\$ -		2,712,580	1,375,926	1,336,654	\$0
Dec-20	\$ 2.896	\$ 2.896	\$ -		4,663,012	2,824,926	1,838,086	\$0
Jan-21	\$ 2.467	\$ 2.467	\$ -		5,844,362	4,158,818	1,685,544	\$0
Feb-21	\$ 2.760	\$ 2.760	\$ -		4,852,324	3,405,575	1,446,749	\$0
Mar-21	\$ 2.854	\$ 2.854	\$ -		3,801,809	1,800,561	2,001,248	\$0
Apr-21	\$ 2.586	\$ 2.586	\$ -		1,909,784	1,030,000	879,784	\$0
May-21	\$ 2.925	\$ 2.925	\$ -		933,587	450,000	483,587	\$0
Jun-21	\$ 2.984	\$ 2.984	\$ -		600,996	450,000	150,996	\$0
Jul-21	\$ 3.617	\$ 3.617	\$ -		631,841	450,000	181,841	\$0
Aug-21	\$ 4.044	\$ 4.044	\$ -		630,723	450,000	180,723	\$0
Sep-21	\$ 4.370	\$ 4.370	\$ -		631,184	450,000	181,184	\$0
Avg Total	\$ 3.050	\$ 3.050	\$ -	0.0%	28,364,503	17,485,806	10,878,697	\$0
Oct-21	\$ 5.841	\$ 5.841	\$ -		1,318,330	850,000	468,330	\$0
Nov-21	\$ 5.115	\$ 6.202	\$ 1.087		2,813,895	1,464,868	1,349,027	\$1,466,392
Dec-21	\$ 5.346	\$ 5.447	\$ 0.101		4,966,217	2,643,922	2,322,295	\$234,552
Jan-22	\$ 5.461	\$ 4.024	\$ (1.437)		6,248,270	3,500,949	2,747,321	(\$3,947,900)
Feb-22	\$ 5.375	\$ 6.265	\$ 0.890		5,336,109	3,665,745	1,670,364	\$1,486,624
Mar-22	\$ 5.095	\$ 4.568	\$ (0.527)		4,053,727	2,043,068	2,010,659	(\$1,059,617)
Apr-22	\$ 4.027	\$ 5.336	\$ 1.309		2,060,879	880,000	1,180,879	\$1,545,771
May-22	\$ 3.926	\$ 7.267	\$ 3.341		1,034,850	650,000	384,850	\$1,285,784
Jun-22	\$ 3.963	\$ 8.908	\$ 4.945		653,383	620,000	33,383	\$165,079
Jul-22	\$ 4.004	\$ 6.551	\$ 2.547		654,216	540,000	114,216	\$290,908
Aug-22	\$ 4.008	\$ 8.687	\$ 4.679		655,023	530,000	125,023	\$584,983
Sep-22	\$ 3.990	\$ 8.064	\$ 4.074		693,844	650,000	43,844	\$178,620
Avg Total	\$ 4.679	\$ 6.430	\$ 1.751	37.4%	30,488,743	18,038,552	12,450,191	\$2,231,195

Footnotes:

a : Nymex rate used for Notice of Intent to self-implement a Periodic BGSS rate adjustment based on 5% increase in monthly residential customer using 100 therms effective December 1, 2021. Notice of Intent was filed November 18, 2021 - Petition GR21060881

b : Nymex rate as of date of the report

c : Increase/Decrease in the Nymex rate compared to rate used (see footnote a)

d : Sales forecast (includes fuel requirement)

e : 'Hedged' volume consists of all fixed price contracts (financial or physical), purchased call option positions, and tentative storage withdrawal volumes (reduced by fuel required for delivery to citygate)

f : 'Unhedged' volume consists of sales volume forecast less 'hedged' volume

g : Not necessarily representative of a change in under/over-recovery value

South Jersey Gas Company
Calculation of Net Cost of Gas Per Therm

	Actual Oct-21	Actual Nov-21	Actual Dec-21	Actual Jan-22	Actual Feb-22	Actual Mar-22	Actual Apr-22	Actual May-22	Actual Jun-22	Actual Jul-22	Projected Aug-22	Projected Sep-22	Total
1 NYMEX - 10/21/21 - Included in BGSS Notice of Intent *	\$5.841	\$5.115	\$5.346	\$5.461	\$5.375	\$5.095	\$4.027	\$3.926	\$3.963	\$4.004	\$4.008	\$3.990	
2 NYMEX - Actual Settlement	\$5.841	\$6.202	\$5.447	\$4.024	\$6.265	\$4.568	\$5.336	\$7.267	\$8.908	\$6.551	\$0.000	\$0.000	
3 Breakdown of Gross Cost of GasPer Therm:													
4 **Flowing Gas Cost	0.1895	0.7008	0.3741	0.4329	0.2554	0.2160	0.3906	0.3071	(0.1543)	0.4671	0.5260	0.4702	0.3464
5 Gas Withdrawn From Storage Cost	0.0104	0.1221	0.1091	0.1364	0.1018	0.1265	0.0320	0.0177	0.0638	0.0656	0.0169	0.0054	0.0938
6 Hedged Volumes Delivered Cost	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
7 Pipeline Demand Cost	0.9907	0.3266	0.2034	0.1247	0.1102	0.1904	0.2329	0.4209	0.8355	1.0031	1.1165	0.9154	0.2856
8 Storage Demand Cost	0.0023	0.0017	0.0015	0.0015	0.0012	0.0014	0.0022	0.0046	0.0079	0.0095	0.0080	0.0054	0.0023
9 Peaking Cost	0.0031	0.0030	0.0038	0.0114	0.0024	0.0018	0.0008	0.0032	0.0065	0.0089	0.0093	0.0075	0.0046
10 Weighted Average Fuel Cost	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
11 Variable Pipeline Cost	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
12 Other Costs	0.0212	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0346	0.0000	0.0000	0.0000	0.0015
13 Total Gross Cost of Gas Per Therm	\$1.2172	\$1.1541	\$0.6920	\$0.7070	\$0.4711	\$0.5361	\$0.6585	\$0.7536	\$0.7940	\$1.5542	\$1.6768	\$1.4040	\$0.7343
14													
15													
16	Actual	Actual	Weighted										
17	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Average
18 NYMEX - Actual Settlement	\$2.101	\$2.996	\$2.896	\$2.467	\$2.760	\$2.854	\$2.586	\$2.925	\$2.984	\$3.617	\$4.044	\$4.370	
19 Breakdown of Gross Cost of GasPer Therm:													
20 Flowing Gas Cost	0.4002	0.2701	0.2992	0.2219	0.2728	0.1154	0.1717	0.2124	0.2762	0.2388	0.2618	0.2598	0.2264
21 Gas Withdrawn From Storage Cost	0.0134	0.0551	0.0704	0.0668	0.0702	0.0477	0.0156	0.0078	0.0034	0.0080	0.0297	0.0130	0.0492
22 Hedged Volumes Delivered Cost	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
23 Pipeline Demand Cost	1.0581	0.3658	0.1848	0.1220	0.1361	0.1527	0.2303	0.4742	0.8211	0.9557	1.0888	0.9964	0.2821
24 Storage Demand Cost	0.0031	0.0018	0.0020	0.0015	0.0016	0.0011	0.0023	0.0045	0.0064	0.0071	0.0074	0.0066	0.0023
25 Peaking Cost	0.0072	0.0028	0.0057	0.0006	0.0141	0.0017	0.0009	0.0035	0.0066	0.0078	0.0093	0.0077	0.0051
26 Weighted Average Fuel Cost	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
27 Variable Pipeline Cost	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
28 Other Costs	0.0000	(0.0022)	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0628	0.0000	0.0000	0.0413	0.0026
29 Total Gross Cost of Gas Per Therm	\$1.4821	\$0.6934	\$0.5621	\$0.4128	\$0.4948	\$0.3186	\$0.4208	\$0.7024	\$1.1765	\$1.2174	\$1.3971	\$1.3247	\$0.5678

Footnotes:

* Nymex rate used for Notice of Intent to self-implement a Periodic BGSS rate adjustment based on 5% increase in monthly residential customer using 100 therms effective December 1, 2021. Notice of Intent was filed November 18, 2021 - Petition GR21060881

** Flowing Gas Cost = Gas purchased for delivery to city gate during month - not injected into storage. June 2022 resulted in a negative flowing cost of gas per therm as a result of a \$6.9 million hedging gain offsetting gas purchases for the period.

Gas Withdrawn From Storage Cost = Gas withdrawn from storage - includes cost of injection, withdrawal, fees, line loss

Hedged Volumes Delivered Cost = Hedged Volumes delivered to city gate - not injected into storage

Pipeline Demand Cost = Fixed Pipeline costs

Storage Demand Cost = Fixed Storage related costs

Peaking Cost = Peaking Cost includes peaking services, LNG, Propane, etc...

Weighted Average Fuel Cost = Commodity x fuel % for each pipeline - represents portion of gas shipped that is retained by pipeline

Variable Pipeline Cost = Pipeline Charge per therm shipped

South Jersey Gas Company
Calculation of Net Cost of Gas Per Therm

	Actual Oct-21	Actual Nov-21	Actual Dec-21	Actual Jan-22	Actual Feb-22	Actual Mar-22	Actual Apr-22	Actual May-22	Actual Jun-22	Actual Jul-22	Projected Aug-22	Projected Sep-22	Total
Credits, Refunds, & Recoveries Per Therm:													
1 Asset Management Credits													
2 Off-system sales	(\$0.1176)	(\$0.2132)	(\$0.1220)	(\$0.0705)	(\$0.0633)	(\$0.0788)	(\$0.0570)	(\$0.0912)	(\$0.1496)	(\$0.2907)	(\$0.1264)	(\$0.1048)	(\$0.0969)
3 Capacity release	(\$0.0202)	(\$0.0239)	(\$0.0222)	(\$0.0212)	(\$0.0182)	(\$0.0094)	(\$0.0107)	(\$0.0181)	(\$0.0413)	(\$0.0551)	(\$0.0983)	(\$0.0792)	(\$0.0222)
4 On System Credits to BGSS-P Customers	(\$0.0039)	(\$0.0040)	(\$0.0010)	(\$0.0012)	(\$0.0015)	(\$0.0003)	(\$0.0039)	(\$0.0018)	(\$0.0241)	(\$0.0104)	(\$0.0038)	(\$0.0029)	(\$0.0027)
5 Supplier Refunds	(\$0.0021)	(\$0.0073)	(\$0.0006)	\$0.0000	\$0.0000	\$0.0000	(\$0.1402)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	(\$0.0151)
6 Gas for Company Use	(\$0.0007)	(\$0.0003)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0004)	(\$0.0006)	(\$0.0009)	(\$0.0014)	(\$0.0018)	(\$0.0022)	(\$0.0015)	(\$0.0005)
7 Line Loss	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
8 Transfer to Non BGSS-P Customers	(\$0.2519)	(\$0.1671)	(\$0.1917)	(\$0.1521)	(\$0.1484)	(\$0.1741)	(\$0.1833)	(\$0.2320)	(\$0.3634)	(\$0.3724)	(\$0.3402)	(\$0.3221)	(\$0.1898)
9 Other	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
10 Total Credits, Refunds, & Recoveries Per Therm	(\$0.3964)	(\$0.4158)	(\$0.3376)	(\$0.2451)	(\$0.2315)	(\$0.2631)	(\$0.3957)	(\$0.3440)	(\$0.5799)	(\$0.7305)	(\$0.5710)	(\$0.5105)	(\$0.3271)
11 Total Net Cost Per Therm (Page 1 Line 13 less Page 2 Line 10)	\$0.8208	\$0.7384	\$0.3543	\$0.4619	\$0.2396	\$0.2729	\$0.2628	\$0.4096	\$0.2140	\$0.8237	\$1.1057	\$0.8935	\$0.4072

	Actual Oct-20	Actual Nov-20	Actual Dec-20	Actual Jan-21	Actual Feb-21	Actual Mar-21	Actual Apr-21	Actual May-21	Actual Jun-21	Actual Jul-21	Actual Aug-21	Actual Sep-21	Weighted Average
Credits, Refunds, & Recoveries:													
1 Asset Management Credits													
2 Off-system sales	(\$0.1350)	(\$0.1984)	(\$0.1045)	(\$0.0601)	(\$0.0538)	(\$0.0590)	(\$0.0204)	(\$0.0558)	(\$0.1088)	(\$0.1271)	(\$0.1613)	(\$0.1298)	(\$0.0763)
3 Capacity release	(\$0.0144)	(\$0.0152)	(\$0.0093)	(\$0.0075)	(\$0.0093)	(\$0.0054)	(\$0.0048)	(\$0.0105)	(\$0.0174)	(\$0.0239)	(\$0.0239)	(\$0.0234)	(\$0.0096)
4 On System Credits to BGSS-P Customers	(\$0.0036)	(\$0.0017)	(\$0.0009)	(\$0.0006)	(\$0.0009)	(\$0.0008)	(\$0.0010)	(\$0.0026)	(\$0.0026)	(\$0.0028)	(\$0.0036)	(\$0.0030)	(\$0.0012)
5 Supplier Refunds	(\$0.0005)	\$0.0000	(\$0.0002)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	(\$0.0000)	(\$0.0000)	(\$0.0003)	(\$0.0000)	\$0.0000	(\$0.0000)
6 Gas for Company Use	(\$0.0009)	(\$0.0004)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0004)	(\$0.0007)	(\$0.0007)	(\$0.0009)	(\$0.0009)	(\$0.0003)
7 Line Loss	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
8 Transfer to Non BGSS-P Customers	(\$0.2810)	(\$0.1677)	(\$0.1528)	(\$0.1463)	(\$0.1475)	(\$0.1493)	(\$0.1636)	(\$0.1891)	(\$0.2667)	(\$0.2888)	(\$0.3897)	(\$0.2787)	(\$0.1712)
9 Other	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
10 Total Credits, Refunds, & Recoveries	(\$0.4353)	(\$0.3833)	(\$0.2680)	(\$0.2147)	(\$0.2117)	(\$0.2147)	(\$0.1901)	(\$0.2584)	(\$0.3961)	(\$0.4437)	(\$0.5796)	(\$0.4358)	(\$0.2587)
11 Total Net Cost Per Therm (Page 1 Line 29 less Page 2 Line 11)	\$1.0467	\$0.3101	\$0.2941	\$0.1980	\$0.2832	\$0.1039	\$0.2307	\$0.4440	\$0.7803	\$0.7738	\$0.8176	\$0.8889	\$0.3091