



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
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www.nj.gov/bpu/

REVENUE AND RATES

IN THE MATTER OF THE PETITION OF SOUTH)
JERSEY GAS COMPANY TO REVISE THE COST) ORDER APPROVING
RECOVERY CHARGE ASSOCIATED WITH ENERGY) STIPULATION
EFFICIENCY PROGRAMS (“EET CHARGE”)) DOCKET NO. GR25070457

Parties of Record:

Dominick DiRocco, Esq., SJJ Utilities on behalf of South Jersey Gas Company
Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On July 31, 2025, South Jersey Gas Company (“SJG” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking approval of an increase in the Energy Efficiency (“EE”) Tracker (“EET”) rate associated with several of its Energy Efficiency Programs (“EEP”) (“Petition”). By this Decision and Order, the Board considers a stipulation of settlement (“Stipulation”) executed by SJG, the New Jersey Division of Rate Counsel (“Rate Counsel”), and Board Staff (“Staff”) (collectively, “Parties”), intended to resolve all issues in controversy in this matter.

BACKGROUND AND PROCEDURAL HISTORY

By Order dated July 24, 2009, the Board authorized SJG to implement several EEPs over a two (2)-year period to promote energy efficiency and conservation, as well as stimulate New Jersey’s economy.¹ The Board authorized SJG to offer the following EEP programs: 1) the Enhanced Residential Heating, Venting and Air Conditioning (“HVAC”) Rebate Program; 2) the Residential Home Performance Finance Energy Efficiency Program; 3) the Combined Heat and Power Program; 4) the Commercial Customer Direct Install Financing Program; and 5) the Non-Residential Energy Efficiency Investment Program. By the July 2009 Order, the Board further authorized the Company to defer and recover all reasonable and prudent EEP costs, including Company investments in EEPs and incremental operating and maintenance (“O&M”) costs, through the EET.

¹ In re Energy Efficiency Programs and Associated Cost Recovery Mechanisms AND In re the Petition of South Jersey Gas Company for Approval of Energy Efficiency Program (“EEP”) with an Associated Energy Tracker (“EET”) Pursuant to N.J.S.A. 48:3-98.1 and to Modify Rate Schedule EGS-LV, BPU Docket Nos. EO09010056 and GO09010059, Order dated July 24, 2009 (“July 2009 Order”).

The EET cost recovery mechanism provided two (2) cost treatment methods. First, the Company may earn a return on the investments associated with EEPs and recover the amortization of the regulatory asset created in SJG's balance sheet. Second, SJG may recover incremental EEP O&M expenses. Pursuant to the July 2009 Order, the Company must submit annual EEP cost recovery filings to establish future EET rates. The annual filings must include certain information including investment levels, operating costs, and employment data. Pursuant to the July 2009 Order, the initial EET rate was \$0.0024 per therm.²

Through a series of Orders issued between 2011 and 2021, the Board approved various extensions of, and modifications to, the EEPs (collectively, "Legacy Programs") and the EET rate related to the Legacy Programs.³

By Order dated April 7, 2021, the Board authorized SJG to implement its first series of EE and peak demand reduction ("PDR") programs proposed pursuant to the Clean Energy Act of 2018

² All rates quoted herein include Sales and Use Tax and Public Utility Assistance Assessment unless otherwise stated.

³ In re the Petition of South Jersey Company for Approval of Energy Efficiency Program ("EEP") with an Associated Energy Efficiency Tracker ("EET") Pursuant to N.J.S.A. 48:3-98.1 and to Modify Rate Schedule EGS- LV, BPU Docket No. GO10110861, Order dated January 19, 2011; In re the Petition of South Jersey Gas Company for Approval of the Cost Recovery Associated with Energy Efficiency Programs AND In re the Petition of South Jersey Gas Company for Approval of an Increase of the Cost Recovery Associated with Energy Efficiency Programs, BPU Docket Nos. GO10070466 and GR11060336, Order dated September 13, 2012; In re the Petition of South Jersey Gas Company for Approval of an Energy Efficiency Program with an Associated Energy Efficiency Tracker Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO12050363, Order dated January 23, 2013; In re the Petition of South Jersey Gas Company for Approval of an Energy Efficiency Program ("EEP") with an Associated Energy Efficient Tracker ("EET") Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO12050363, Order dated June 21, 2013; In re the Petition of South Jersey Gas Company for Approval of an Increase of the Cost Recovery Associated with Energy Efficient Programs AND In re the Petition of South Jersey Gas Company for Approval of an Increase of the Cost Recovery Charge Associated with Energy Efficient Programs (EET Charge), BPU Docket Nos. GR12060473 and GR13050435, Order dated September 30, 2014; In re the Petition of South Jersey Gas Company for Approval to Continue its Energy Efficiency Programs and Energy Efficiency Tracker Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GR15010090, Order dated August 19, 2015; In re the Petition of South Jersey Gas Company for Approval of an Increase to the Cost Recovery Charge Associated with Energy Efficiency Programs (2014) AND In re Petition of South Jersey Gas Company to Revise the Cost Recovery Charge Associated with Energy Efficiency Programs (2015), BPU Docket Nos. GR14050509 and GR15060643, Order dated February 24, 2016; In re the Petition of South Jersey Gas Company for Approval to Continue its Energy Efficiency Programs and Energy Efficiency Tracker Pursuant to N.J.S.A. 48:3-98.1 AND In re the Petition of South Jersey Gas Company for Approval of an Energy Efficiency Program ("EEP") with an Associated Energy Efficiency Tracker ("EET") Pursuant to N.J.S.A. 48:3-98.1, BPU Docket Nos. GR15010090 and GO12050363, Order dated January 25, 2017; In re the Petition of South Jersey Gas Company to Revise the Cost Recovery Charge Associated with Energy Efficiency Programs ("EET Charge"), BPU Docket No. GR17060673, Order dated November 21, 2017; In re the Petition of South Jersey Gas Company for Approval to Continue its Energy Efficiency Programs ("EEP IV") and Energy Efficiency Tracker Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO18030350, Order dated October 29, 2018; In re the Petition of South Jersey Gas Company for Approval to Revise the Cost Recovery Charge Associated with Energy Efficiency Programs ("EET Charge"), BPU Docket No. GR18060625, Order dated January 17, 2019; In re the Petition of South Jersey Gas Company to Revise the Cost Recovery Charge Associated with Energy Efficiency Programs ("EET Charge"), BPU Docket No. GR19060726, Order dated January 8, 2020; In re the Petition of South Jersey Gas Company for Approval to Revise the Cost Recovery Charge Associated with Energy Efficiency Programs ("EET Charge"), BPU Docket No. GR20060436, Order dated January 27, 2021.

("Triennium 1 EE Programs") and approved the implementation of an associated EET rate of \$0.010827 per therm effective July 1, 2021.⁴ Accordingly, the Legacy Programs were terminated on June 30, 2021.

By Order dated April 30, 2024, the Board approved an extension of the Company's Triennium 1 EE Programs through December 31, 2024.⁵

By Order dated October 30, 2024, the Board approved the Company's second series of EE and PDR programs proposed pursuant to the Clean Energy Act of 2018 running January 1, 2025 through June 30, 2027 ("Triennium 2 EE Programs").⁶ Pursuant to the October 2024 Order, the initial Triennium 2 EE Program rate was approved at \$0.009904 per therm which became effective January 1, 2025.

2025 Petition

By the Petition, SJG sought Board approval to increase its combined per-therm EET Charge related to its Legacy Programs, Triennium 1 EE Programs, and Triennium 2 EE Programs from \$0.059439 to \$0.062165, an increase of \$0.002726.

The total recoveries requested by the Company are approximately \$31.5 million through the EET, including \$6.0 million related to the Legacy Programs, \$12.8 million related to the Triennium 1 Programs, and \$12.7 related to the Triennium 2 Programs.

Following proper notice, two (2) virtual public hearings were held on January 22, 2026. No members of the public attended the Board received no written comments in this matter.

⁴ In re the Implementation of 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 GO20090618, Order dated April 7, 2021.

⁵ 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 No. GO20090618, Order dated April 30, 2024.

⁶ In re the Petition of South Jersey Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, BPU Docket No. QO23120870, Order dated October 30, 2024 ("October 2024 Order").

STIPULATION

Following review of the Petition and conducting discovery, the Parties executed the Stipulation, which provides for the following:⁷

Effective Rate

11. The Parties agree that as of the effective date the Company will implement a Legacy Programs component of the EET Charge of \$0.011775 per therm, a Triennium 1 EE Program component of the EET Charge of \$0.025315 per therm and a Triennium 2 EE Program component of \$0.025075 per therm, for a total EET Charge of \$0.062165 per therm.

Rate Impact

12. The impact of the change in the EET Charge will increase the monthly bill of a residential heating customer using 100 therms by \$0.27, or 0.1%, as compared to rates in effect as of February 1, 2026. Proposed tariff sheets (Sheet No. 105) reflecting this EET Charge are attached, in black-lined form, as Exhibit A to the Stipulation.
13. The Parties agree that any change to the Board-authorized rate of return in a subsequent base rate case will be reflected in the subsequent monthly revenue requirement calculations and captured in the next scheduled annual true-up. The Parties further agree that any change in the revenue requirement resulting from the change in the rate of return will not be included in the monthly interest calculation for over and under-recoveries until the date of the next scheduled annual true up, but in any event no later than October 1 of the subsequent year.
14. The Parties agree that the Company will continue to file an annual petition ("Annual Filing") in July of each year to adjust the EET Charge. Each Annual Filing will contain a reconciliation of its projected EET costs, projected recoveries and actual revenue requirements for the relevant period, including a breakout of expenses, investments and unamortized investments, in addition to the items set forth in the minimum filing requirements. The EET Charge will be subject to full and complete examination in the context of the Annual Filing. The EET Charge will be subject to adjustment and true-up through the deferral process, and any required adjustment will be included in the over/under-recovered balance.
15. In calculating the monthly interest on net over- and under-recoveries, the interest rate shall be based upon the Company's monthly average short-term debt rate obtained on its commercial paper and/or bank credit lines. The interest amount charged or credited to the EET Charge shall be based on the net average monthly balance. The Company shall accrue simple interest with an annual roll-in at the end of each twelve (12)-month period. The interest rate shall not exceed the approved Weighted Average Cost of Capital.

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

DISCUSSIONS AND FINDINGS

The Board, having reviewed the record in this matter including the Petition and Stipulation, **HEREBY FINDS** the Stipulation to be reasonable, in the public interest and in accordance with the law. As such, the Board **HEREBY ADOPTS** the attached Stipulation in its entirety and **HEREBY INCORPORATES** its terms and conditions as if fully set forth herein, subject to any terms and conditions set forth in this Order.

The Board **HEREBY APPROVES** SJG's implementation of a modified total EET rate of \$0.062165 per therm, effective for service rendered on and after May 1, 2026. As a result of the Stipulation, a typical residential heating customer using 100 therms per month will experience a monthly increase of \$0.27 or 0.1%.

The Board **HEREBY ORDERS** the Company to file the appropriate revised tariff sheets consistent with the terms of this Order prior to May 1, 2026.

The Company's costs, including those related to the programs described above, remain subject to audit by the Board. This Decision and Order shall not preclude or prohibit the Board from taking any action determined to be appropriate as a result of any such audit.

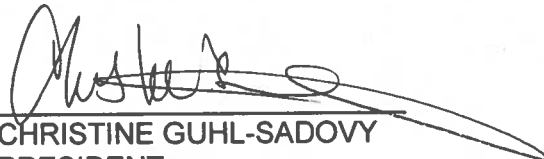
This Order shall be effective on April 29, 2026.

DATED: April 22, 2026

BOARD OF PUBLIC UTILITIES
BY:



DR. ZENON CHRISTODOULOU
COMMISSIONER


CHRISTINE GUHL-SADOVY
PRESIDENT
MICHAEL BANGE
COMMISSIONER
EMMA REBHORN
COMMISSIONER
JOSEPH COVIELLO
COMMISSIONER

ATTEST: 
SHERRI L. LEWIS
BOARD SECRETARY

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR APPROVAL TO REVISE THE
COST RECOVERY CHARGE ASSOCIATED WITH ENERGY EFFICIENCY PROGRAMS ("EET CHARGE")

BPU DOCKET NO. GR25070457

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Dominick DiRocco, Esq.
VP, Rates & Regulatory Affairs

April 8, 2026

Sherri Lewis
Secretary of the Board
New Jersey Board of Public Utilities
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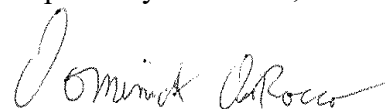
Re: In the Matter of the Petition of South Jersey Gas Company to Revise the Cost Recovery Charge Associated with Energy Efficiency Programs (“EET Charge”) BPU Docket No. GR25070457

Dear Secretary Lewis:

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. It is respectfully requested that the Board consider the Stipulation at its April 22, 2026 agenda meeting.

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

Respectfully submitted,



Dominick DiRocco

DD/caj
Enclosure

cc: Service List

**IN THE MATTER OF THE PETITION OF
SOUTH JERSEY GAS COMPANY TO REVISE
THE COST RECOVERY CHARGE ASSOCIATED WITH ENERGY
EFFICIENCY PROGRAMS (“EET CHARGE”)**

BPU DOCKET NO. GR25070457

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STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF :
SOUTH JERSEY GAS COMPANY TO :
REVISE THE COST RECOVERY CHARGE : **BPU DOCKET NO. GR25070457**
ASSOCIATED WITH ENERGY :
EFFICIENCY PROGRAMS (“EET :
CHARGE”) :

STIPULATION AND AGREEMENT FOR FINAL RATES

APPEARANCES:

Dominick DiRocco, Esq., Vice President, Rates & Regulatory Affairs, SJI Utilities, Inc., on behalf of South Jersey Gas Company, Petitioner.

Maura Caroselli, Esq., Managing Attorney of Gas & Clean Energy, **Mamie W. Purnell, Esq.**, Assistant Deputy Rate Counsel, and **Andrew M. Kuntz, Esq.**, Assistant Deputy Rate Counsel, for the New Jersey Division of Rate Counsel (**Brian O. Lipman, Esq.**, Director, Division of Rate Counsel).

Elizabeth Van Winkle, Esq., Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Jennifer Davenport**, Attorney General of the State of New Jersey).

TO THE HONORABLE COMMISSIONERS OF THE NEW JERSEY BOARD OF PUBLIC UTILITIES:

This stipulation of settlement (“Stipulation”) addresses the petition filed by South Jersey Gas Company (“South Jersey” or “Company”) with the New Jersey Board of Public Utilities (“Board” or “BPU”) on July 31, 2025 seeking authority to increase its Energy Efficiency Tracker (“EET”) charge (“2025 EET Petition”). The parties to this proceeding are South Jersey, the New Jersey Division of Rate Counsel (“Rate Counsel”), and Board Staff (“Staff”) (collectively, “Parties”).

I. EET PROCEDURAL HISTORY

1. By Order dated July 24, 2009, the Board authorized South Jersey to implement several Energy Efficiency Programs (“EETPs”) over a two (2)-year period and to recover all revenue

requirements associated with the EEPs through creation of the EET.¹ The EET consisted of two (2) parts allowing the Company to: 1) earn a return on its investment and to recover the amortization of the regulatory asset to be created upon South Jersey's balance sheet and 2) recover incremental operating and maintenance ("O&M") expenses associated with the EEPs.

2. Pursuant to the July 2009 Order, the initial EET rate was \$0.0024 per therm.² The July 2009 Order also required the Company to submit an annual EEP cost recovery filing to establish future EET rates, including information listed as minimum filing requirements ("MFRs") set forth in Appendix D to the stipulation approved by the July 2009 Order.

3. Through a series of Orders issued between 2011 and 2019, the Board approved various extensions of, and modifications to, the EEPs (collectively, "Legacy Programs") and the EET rate related to the Legacy Programs.

4. By Order dated April 7, 2021, the Board authorized South Jersey to implement its first series of energy efficiency and peak demand reduction programs proposed pursuant to the Clean Energy Act of 2018 ("Triennium 1 EE Programs") and approved the implementation of an associated EET rate of \$0.010827 per therm effective July 1, 2021.³ Accordingly, the Legacy Programs were terminated on June 30, 2021.

5. By Order dated April 30, 2024, the Board approved an extension of the

¹ In re Energy Efficiency Programs and Associated Cost Recovery Mechanisms AND In re the Petition of South Jersey Gas Company for Approval of Energy Efficiency Program ("EEP") with an Associated Energy Tracker ("EET") Pursuant to N.J.S.A. 48:3-98.1; and to Modify Rate Schedule EGS-LV, BPU Docket Nos. EO09010056 and GO09010059, Order dated July 24, 2009 ("July 2009 Order").

² All rates quoted herein include applicable taxes.

³ In re the Implementation of 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 GO20090618, Order dated April 7, 2021.

Company's Triennium 1 EE Programs through December 31, 2024.⁴

6. By Order dated October 30, 2024, the Board approved the Company's second series of energy efficiency and peak demand reduction programs proposed pursuant to the Clean Energy Act of 2018 ("Triennium 2 EE Programs") running January 1, 2025 through June 30, 2027. Pursuant to the October 2024 Order, the initial Triennium 2 EE Programs rate was approved at \$0.009904 per therm, which became effective January 1, 2025.⁵

THE 2025 EET TRUE-UP

7. The Company submitted the 2025 EET Petition seeking Board approval to increase its combined EET Charge related to its Legacy Programs, Triennium 1 EE Programs and Triennium 2 EE Programs from \$0.059439 per therm to \$0.062165 per therm. The proposed rates contained in the 2025 EET Petition represented a decrease for the Legacy Programs component from \$0.017202 per therm to \$0.011775 per therm, a decrease for the Triennium 1 EE Program component from \$0.032333 per therm to \$0.025315 per therm, and an increase for the Triennium 2 EE Program component from \$0.009904 per therm to \$0.025075 per therm. The Company based the 2025 EET Petition upon actual data through June 30, 2025, and projected data from July 1, 2025 through June 30, 2026.

8. Following proper notice, two (2) virtual public hearings were held on this matter on January 22, 2026. No members of the public entered an appearance or commented to express their views on the 2025 EET Petition. No written comments were received by the Board, Rate

⁴ 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 No. GR20090618, Order dated April 30, 2024.

⁵ In re the Petition of South Jersey Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, BPU Docket No. QO23120870, Order dated October 30, 2024 ("October 2024 Order").

Counsel or South Jersey.

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

II. STIPULATED TERMS

Based upon and subject to the terms and conditions set forth herein, the Parties stipulate and agree as follows:

Effective Date

10. The Parties acknowledge that a Board Order approving, rejecting, or modifying this Stipulation shall become effective on the date of said Board Order, or upon such date thereafter as the Board may specify, in accordance with N.J.S.A. 48:2-40 (“Effective Date”).

Effective Rate

11. The Parties hereby agree that as of the Effective Date, the Company will implement a Legacy Programs component of the EET Charge of \$0.011775 per therm, a Triennium 1 EE Program component of the EET Charge of \$0.025315 per therm and a Triennium 2 EE Program component of the EET Charge of \$0.025075 per therm, for a total EET Charge of \$0.062165 per therm.

Rate Impact

12. The impact of the change in the EET Charge will increase the monthly bill of a residential heating customer using 100 therms by \$0.27, or 0.1%, as compared to rates in effect as of February 1, 2026. Proposed tariff sheets (Sheet No. 105) reflecting this EET Charge are attached hereto, in black-lined form, as Exhibit A.

13. The Parties agree that any change in the Board-authorized rate of return in a subsequent base rate case will be reflected in the subsequent monthly revenue requirement

calculations and captured in the next scheduled annual true-up. The Parties further agree that any change in the revenue requirement resulting from the change in the rate of return will not be included in the monthly interest calculation for over- and under-recoveries until the date of the next scheduled annual true up, but in any event no later than October 1 of the subsequent year.

14. The Parties agree that the Company will continue to file an annual petition (“Annual Filing”) in July of each year to adjust the EET Charge. Each Annual Filing will contain a reconciliation of its projected EET costs, projected recoveries, and actual revenue requirements for the relevant period, including a breakout of expenses, investments, and unamortized investments, in addition to the items set forth in the MFRs. The EET Charge will be subject to full and complete examination in the context of the Annual Filing. The EET Charge will be subject to adjustment and true-up through the deferral process, and any required adjustment will be included in the over/under-recovered balance.

15. In calculating the monthly interest on net over- and under-recoveries, the interest rate shall be based upon the Company’s monthly average short-term debt rate obtained on its commercial paper and/or bank credit lines. The interest amount charged or credited to the EET Charge shall be based on the net average monthly balance. The Company shall accrue simple interest with an annual roll-in at the end of each twelve (12)-month period. The interest rate shall not exceed the approved Weighted Average Cost of Capital.

16. Should the Board enter an Order accepting this Stipulation, South Jersey will submit a Compliance Filing incorporating the combined EET Charge approved by the Board within ten (10) days of such approval.

III. MISCELLANEOUS

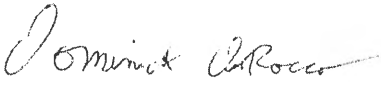
17. This Stipulation represents a mutual balancing of interests and, therefore, is intended to be accepted and approved in its entirety. In the event this Stipulation is not adopted in its entirety by the Board, then any Party hereto is free to pursue its then-available legal remedies with respect to all issues addressed in this Stipulation as though this Stipulation had not been signed. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, the Parties shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein and, in total or by specific item, is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.

18. All rates are subject to Board audit.

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

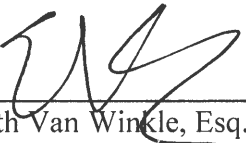
WHEREFORE, the Parties hereto do respectfully submit this Stipulation and request that the Board issue a Decision and Order approving it in its entirety, in accordance with the terms hereof, as soon as reasonably possible.

SOUTH JERSEY GAS COMPANY

By: 


Dominick DiRocco, Esq.
Vice President, Rates & Regulatory Affairs

JENNIFER DAVENPORT
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the New Jersey Board of Public Utilities

By: 

Elizabeth Van Winkle, Esq.
Deputy Attorney General

BRIAN O. LIPMAN, ESQ.
DIRECTOR, DIVISION OF RATE COUNSEL

By: 

Maura Caroselli for Mamie W. Purnell, Esq.
~~Assistant~~ Deputy Rate Counsel

Dated: 4/8/26 GR25070457

SOUTH JERSEY GAS COMPANY

Fifth Revised Sheet No. 105

B.P.U.N.J. No. 14 - GAS

Superseding Fourth Revised Sheet No. 105

**RIDER “N”
ENERGY EFFICIENCY TRACKER (“EET”)**

APPLICABLE TO:

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

This Rider “N” shall be known as the Energy Efficiency Tracker (“EET”). For financial accounting purposes the Company shall record a return on and a return of investments in energy efficiency programs, as approved by the Board at Docket No. GO09010059, in an Order dated July 24, 2009, Docket No. GO12050363, in an Order dated June 21, 2003, Docket No. GR15010090, in an Order dated August 19, 2015, Docket No. GO18030350, in an Order dated October 29, 2018, Docket No. GR20060436 dated January 27, 2021 and Docket No. QO23120870 dated October 30, 2024 and recover all incremental operating and maintenance expenses of the programs, subject to the EET. Docket No. QO23120870 was filed in accordance with the Clean Energy Act of 2018 (“CEA”) and the Board’s Order dated May 24, 2023 in Docket Nos. QO1901040, QO23030150 and QO17091004. Docket No. GO20090618 was filed in accordance with the CEA and the Board’s Order dated June 10, 2020 in Docket Nos. QO19010040, QO19060748 and QO171091004. The calculation will use the rate of return as identified in the respective Orders referenced above.

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

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

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

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

	EEP <u>Legacy Rate</u>	EEP Extension T1 <u>Rate</u>	EEP T2 <u>Rate</u>	Total <u>Tariff Rate</u>
EET Rate per therm	\$0.016133011043	\$0.030324023742	\$0.009289023517	\$0.055746058302
Applicable NJ Sales Tax	\$0.001069000732	\$0.002009001573	\$0.000615001558	\$0.003693003863
EET Rate per therm with NJ Sales Tax	\$0.017202011775	\$0.032333025315	\$0.009904025075	\$0.059439062165

**Issued _____
by South Jersey Gas Company,
B. Schomber, President**

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

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