



Agenda Date: 2/24/16
Agenda Item: 2D

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
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Trenton, New Jersey 08625-0350
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ENERGY

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR APPROVAL OF AN INCREASE TO THE COST RECOVERY CHARGE ASSOCIATED WITH ENERGY EFFICIENCY PROGRAMS (2014))	ORDER ADOPTING STIPULATION
)	
)	DOCKET NO. GR14050509
)	
AND)	
)	
IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY TO REVISE THE COST RECOVERY CHARGE ASSOCIATED WITH ENERGY EFFICIENCY PROGRAMS (2015))	DOCKET NO. GR15060643

Parties of Record:

Ira G. Megdal, Esq., Cozen O'Connor on behalf of South Jersey Gas Company
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities ("Board") considers a stipulation of settlement ("Stipulation") executed by South Jersey Gas Company ("SJG" or the "Company"), the New Jersey Division of Rate Counsel ("Rate Counsel") and Board Staff ("Staff") (collectively, the "Parties") intended to resolve the Company's 2014 and 2015 Energy Efficiency Tracker ("EET") True-Up proceedings in Docket Nos. GR14050509 and GR15060643 respectively.

BACKGROUND AND PROCEDURAL HISTORY

By Order dated July 24, 2009, the Board authorized SJG to implement a number of energy efficiency programs ("EETPs")¹ over a two-year period to promote energy efficiency and

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

conservation while stimulating the State's economy.² ("July 2009 Order") The July 2009 Order also authorized the Company to defer and recover all reasonable and prudent costs associated with the EEPs including both Company investments in the EEPs as well as incremental operating and maintenance ("O&M") costs. These costs were to be recovered through the EET. The EET cost recovery mechanism provides for two different treatments of the costs. One part allows the Company to earn a return on the investments and recover the amortization of the regulatory asset to be created upon SJG's balance sheet that is associated with the Company's investments in EEP related infrastructure. The other part allows recovery of incremental O&M expenses associated with the EEPs. Pursuant to the July 2009 Order, the Company is required to submit annual EEP cost recovery filings to establish future EET rates. The annual filings were to include certain information including investment levels, operating costs, and employment. Pursuant to the July 2009 Order, the initial EET rate was established as \$0.0024 per therm, including taxes.

On July 9, 2010, the Company submitted its first annual EET filing with the Board which was assigned Docket No. GO10070466. Subsequently, on June 1, 2011, SJG submitted its second annual EET which was assigned Docket No. GR11060336. By Order dated September 13, 2012, the Board authorized an EET rate of \$0.0096 per therm, including taxes to resolve both the first and second EET filings.³

By Order dated January 19, 2011, the Board authorized SJG to extend its EEPs by one year to allow SJG to carryover individual program under-spending until December 31, 2011 as well as to allow SJG's monthly program investment and incremental O&M costs associated with the EEPs to continue until April 30, 2012.⁴ ("January 2012 Order") In addition, the January 2012 Order authorized the reallocation of money within the EEPs' budget as requested by SJG.

On May 3, 2012, SJG filed a petition in Docket No. GO12050363 seeking authorization to implement a new set of EEPs. ("EEP II Petition") During the pendency of the EEP II Petition, SJG filed another petition in Docket No. GO12060492, seeking to extend its current EEPs and the EET through December 31, 2012 to permit the Company to spend the remaining unexpended EEP budget. Pursuant to Board Order dated August 15, 2012, the Board approved a settlement among the Parties authorizing SJG to extend its EEPs within the currently approved budget until such time as the Board made a determination in the EEP II Petition.⁵ ("August 2012 Order") The August 2012 Order also authorized a reallocation of money within the EEP budget.

² In re Energy Efficiency Programs and Associated Cost Recovery Mechanisms AND In re the Petition of South Jersey Gas Company for Approval of Energy Efficiency Program ("EEP") with an Associated Energy Efficiency Tracker ("EET") Pursuant to N.J.S.A. 48:3-98.1; and to Modify Rate Schedule EGS-LV, BPU Docket Nos. EO09010056 and GO09010059, Order dated July 24, 2009.

³ In re the Petition of South Jersey Gas Company for Approval of the Cost Recovery Associated with Energy Efficiency Programs (2010) AND In re the Petition of South Jersey Gas Company for Approval of the Cost Recovery Associated with Energy Efficiency Programs (2011); BPU Docket Nos. GO10070466 and GR11060336, Order dated September 13, 2012.

⁴ In re the Petition of South Jersey Gas Company for Approval of Energy Efficiency Program ("EEP") with an Associated Energy Efficiency Tracker ("EET") Pursuant to N.J.S.A. 48:3-98.1; and to Modify Rate Schedule EGS-LV, BPU Docket No. GO10110861, Order dated January 19, 2011.

⁵ In re the Petition of South Jersey Gas Company for Approval to Extend the Company's Board-Approved Energy Efficiency Programs and to Transfer Funding Amongst the Individual Programs, BPU Docket No. GO12060492, Order dated August 15, 2012.

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

By Order dated January 23, 2013, during the pendency of the EEP II Petition and the third annual EET filing, the Board authorized SJG to extend its EEPs through June 2013, along with a budget for the extension.⁶ By Order dated June 21, 2013, the Board authorized SJG to implement an EEP II Program in which SJG could continue its Residential Home Performance and Finance Energy Efficiency Program, its Non-Residential Energy Efficiency Investment Program, its Enhanced Residential HVAC Rebate Program and its Commercial Customer Direct Install Financing Program (collectively, "EEP II Programs") through June 2015.⁷ ("June 2013 Order") Pursuant to the June 2013 Order, an initial rate of \$0.0035, including taxes, associated with the approved EEP II Programs was set (the "EET Extension Rate").

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

By petition dated May 30, 2014 in Docket No. GR14050509, SJG submitted its fifth annual EET filing to the Board seeking approval to increase the then existing total EET rate to \$0.015577 per therm, including taxes. ("2014 Annual EET True Up Petition") However, due to the rate approved in the Board's September 2014 Order, the requested rate of \$.015577 per therm, reflected a decrease from the current rate of \$0.0169, including taxes. The requested rate was based on a revenue requirement (exclusive of tax and assessments) of \$8,528,095 based on actual data through April 2014 and projected data through September 2015. After notice, public hearings were held on August 19, 2014 in this matter. No members of the public attended.

By petition dated June 1, 2015 in Docket No. GR15060643, SJG submitted its sixth annual EET filing to the Board seeking approval to decrease the then current EET rate from \$0.0169 per therm including taxes to \$0.003252 including taxes. ("2015 Annual EET True Up Petition"). The requested rate was based on a revenue requirement (exclusive of tax and assessments) of \$1,692,609 based on actual data through April 2015 and projected data through September 2016. Since the 2015 Annual EET True Up Petition reflected a decrease, public hearings on the petition were not required.

⁶ In re the Petition of South Jersey Gas Company for Approval of an Energy Efficiency Program ("EEP") with an Associated Energy Efficiency Tracker ("EET") Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO12050363, Order dated January 23, 2013.

⁷ In re the Petition of South Jersey Gas Company for Approval of an Energy Efficiency Program ("EEP") with an Associated Energy Efficiency Tracker ("EET") Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO12050363, Order dated June 21, 2013.

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

By Order dated August 19, 2015, the Board approved a stipulation between the Parties further extending certain EEPs⁹ offered by SJG.¹⁰ ("August 2015 Order") Pursuant to the August 2015 Order, an initial rate of \$0.004494 per therm including taxes was established for the EEP III Extension Programs. ("EEP Extension III Rate"). When combined with the then current total EET rate of \$0.0169 per therm including taxes, the total EET rate in effect for use after September 1, 2015 was \$0.021394 per therm including taxes.

As part of discovery, SJG updated its revenue requirement to include actual information through September 30, 2015. The updated information results in a revenue requirement (exclusive of taxes and assessments) of \$1,461,549.

STIPULATION

Following discovery, the Parties met to discuss the issues in this matter. As a result, on February 4, 2016, the Parties executed a Stipulation in this matter. The Stipulation provides the following:¹¹

32. The Parties agree that it would be reasonable and in the public interest to resolve the issues raised in Docket Nos. GR14050509 and GR15060643 by virtue of the Stipulation.
33. The Parties accordingly stipulate and agree that the current EET rate of \$0.020000 per therm, excluding SUT (or \$0.021394 including SUT) shall be decreased to \$0.006815 per therm, excluding SUT (or \$0.007302 including SUT). This EET rate is arrived at by combining the EET rate, based on actual data through September 30, 2015 and projected data from October 1, 2015 through September 30, 2016, as shown in the revised Exhibit schedules, dated January 5, 2016 (RCR-A-17, Revised) and attached to the Stipulation as Exhibit A, submitted by the SJG, of \$0.002624 per therm, excluding SUT (or \$0.002808 including SUT), with the EET III Extension Rate of \$0.004191 per therm, excluding SUT (or \$0.004494 including SUT) associated with the Company's EEP III programs, which became effective on September 1, 2015.
34. The Parties agree that the actual gas EET costs charged to the EEPs prior to October 1, 2015 have been reviewed and deemed prudent and reasonable by the Parties. Actual costs charged to the EEPs after those dates are subject to review for reasonableness and prudence in future SJG's EET adjustment proceedings.

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

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

¹¹ Although described in this Order, should there be a conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusions contained in the Order.

35. The EET rate set forth in the Stipulation results in a decrease of approximately \$1.41, or 1.15%, to the average residential heating customer using 100 therms of gas during a winter month.
36. The rates, as set forth in the tariff sheets attached to the Stipulation as Exhibit B, are just and reasonable and the Parties agree that SJG should be authorized to implement the rates as set forth in the Stipulation in accordance with a written Board Order of approval. Following acceptance of the Stipulation by an Order of the Board, SJG will submit a Compliance Filing incorporating the EET rate approved by the Board within 5 days of such approval.
37. The Parties further acknowledge that a Board Order approving the 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.

DISCUSSION AND FINDING

The Board has carefully reviewed the 2014 and 2015 Annual EET True-Up Petitions and the Stipulation in this matter. Accordingly, the Board **HEREBY FINDS** that the Stipulation represents a fair and reasonable resolution of the issues and is in public interest. The Board **HEREBY ADOPTS** the attached Stipulation as its own, incorporating by reference its terms and conditions as if fully set forth herein.

The Board **HEREBY ORDERS** that the Company's existing EET rate be reduced to \$0.002808 per therm, including taxes, effective for service on or after April 1, 2016. When combined with the EET III Extension Rate of \$0.004494, including taxes, the Company's total approved EET rate will be \$0.007302 per therm, including taxes. As a result a typical residential heating customer using 100 therms of gas during a winter month will see a decrease of approximately \$1.41 or 1.15% in their monthly bill.

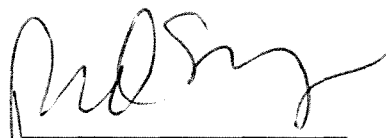
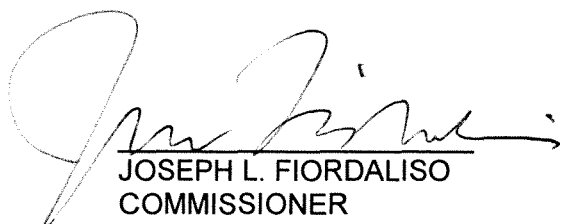


The Board **HEREBY DIRECTS** the Company to file within five (5) days of the effective date of this Order, the appropriate revised tariff sheets consistent with the terms of this Order.

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

The effective date of this Order is March 5, 2016.

DATED: 2-24-16

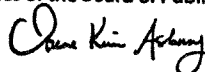
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ATTEST: 

IRENE KIM ASBURY
SECRETARY

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



IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR APPROVAL
OF AN INCREASE TO THE COST RECOVERY CHARGE ASSOCIATED WITH ENERGY
EFFICIENCY PROGRAMS (2014)

AND

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY TO REVISE THE
COST RECOVERY CHARGE ASSOCIATED WITH ENERGY EFFICIENCY PROGRAMS
(2015)

BPU DOCKET NOS. GR14050509 and GR15060643

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

IN THE MATTER OF THE PETITION OF : PETITION
SOUTH JERSEY GAS COMPANY FOR :
APPROVAL OF A DECREASE OF THE : BPU DOCKET NO. GR14050509
COST RECOVERY ASSOCIATED WITH :
ENERGY EFFICIENCY PROGRAMS :

IN THE MATTER OF THE PETITION OF : PETITION
SOUTH JERSEY GAS COMPANY FOR :
APPROVAL OF A DECREASE OF THE : BPU DOCKET NO. GR15060643
COST RECOVERY ASSOCIATED WITH :
ENERGY EFFICIENCY PROGRAMS : **STIPULATION OF SETTLEMENT**

APPEARANCES:

Ira G. Megdal, Esquire and Stacy A. Mitchell, Esquire (Cozen O'Connor, attorneys)
for South Jersey Gas Company ("Petitioner")

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

Alex Moreau, Esquire, Deputy Attorney General, and Veronica Beke, Esquire,
Deputy Attorney General, on behalf of the Staff of the Board of Public Utilities ("Staff")
(John J. Hoffman, Acting Attorney General of the State of New Jersey)

TO: THE HONORABLE BOARD OF PUBLIC UTILITIES:

1. This Stipulation is intended to resolve the outstanding issues in two Energy
Efficiency Tracker ("EET") True-Up proceedings, Docket Nos. GR14050509 and
GR15060643, by which South Jersey Gas Company ("Petitioner," "South Jersey," or the
"Company") seeks to decrease its EET rate. The parties to this proceeding are South Jersey,
the New Jersey Division of Rate Counsel ("Rate Counsel"), and the Staff of the Board of

Public Utilities (“Staff”) (collectively the “Parties”). Following review and analysis of the Petition, Exhibits, and Discovery, the Parties to this proceeding agree and stipulate to the following Procedural History and Stipulated Terms of settlement:

PROCEDURAL HISTORY

2. On January 26, 2009, South Jersey filed a petition with the Board in Docket Numbers GO09010059 and E009010056, seeking approval to develop and implement a number of energy efficiency programs (“EEPs”) that were to be made available to South Jersey customers over a two-year period, in order to promote energy efficiency and conservation, while stimulating the State's economy.

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

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

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

6. In an Order dated July 24, 2009 (the “July Order”), the Board approved South Jersey's EEPs and the recovery of costs incurred by adopting the terms of a

stipulation entered into among the Parties, dated June 29, 2009.

7. The Company was authorized, by virtue of the July Order, to recover all revenue requirements associated with the EEPs. Cost recovery was through the creation of an EET, which consisted of two parts. The first part of the EET allowed the Company to earn a return on the investment and recover the amortization of the regulatory asset to be created upon South Jersey's balance sheet. The second part of the EET allowed the Company to recover incremental operating and maintenance ("O&M") expenses associated with the EEPs.

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

9. On July 9, 2010, the Company submitted its First Annual EET Filing with the Board in Docket No. G010070466. Therein, the Company sought to increase the then existing EET rate to \$0.0078 per therm, including taxes.

10. In the interim, on November 18, 2010, South Jersey filed a Letter Petition with the Board under Docket No. G010110861, seeking modification of three aspects of the July Order:

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

c. Approval to reallocate money within the EEP budgets.

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

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

13. On June 1, 2011, the Company submitted its Second Annual EET Filing with the Board in Docket No. GR11060336. Therein, the Company sought to increase the then existing EET rate to \$0.0096 per therm, including taxes.

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

15. On May 3, 2012, a petition was filed by South Jersey to implement a new set of EEPs in Docket No. GO12050363 (the "EEP II Petition").

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

17. On June 1, 2012, the Company submitted its Third Annual EET Filing with the Board seeking to increase the EET rate to \$0.0119 per therm, including taxes.

This filing was assigned Docket No. GR12060473.

18. The public hearings in Docket No. GR12060473 were noticed in newspapers of general circulation within South Jersey's service territory and were held on August 7, 2013. No members of the public attended.

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

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

21. The public hearings in Docket No. GR13050435 were noticed in newspapers of general circulation within South Jersey's service territory and were held on January 29, 2014. No members of the public attended.

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

Board Order dated June 21, 2013.

23. On September 11, 2014, the Parties entered into a Stipulation resolving the Third Annual EET Filing and Fourth Annual EET Filing. Pursuant to the Stipulation, the Parties agreed that the then current tariff EET rate for the original program of \$0.0090, without sales and use tax ("SUT"), (or \$0.0096 with SUT), should be increased to \$0.0125 per therm without SUT, (or \$0.0134 per therm, including SUT), requested in the Fourth Annual EET Filing (Docket No. GR 13050435). This rate was combined with the EET II Extension Rate of \$0.0033 per therm without Sales and Use Tax, (or \$0.0035 per therm, including SUT), approved in Docket No. GR13050435, for a total EET rate of \$0.0158 without SUT, (or \$0.0169, including SUT). That Stipulation was approved by way of Board Order dated September 30, 2014.

24. On May 30, 2014, the Company submitted its Fifth Annual EET Filing to the Board seeking approval to increase the then existing total EET rate to \$0.015577 per therm, including taxes. However, due to the rate change that became effective October 1, 2014, pursuant to the Board's approval of the Stipulation resolving both the Third Annual EET Filing and Fourth Annual EET Filing, the requested rate of \$0.015577 per therm, including taxes, reflects a decrease from the current rate of \$0.0169, including taxes. This filing was assigned Docket No. GR14050509.

25. The public hearings related to the Fifth Annual EET Filing matter were noticed in newspapers of general circulation within South Jersey's service territory and were held on August 19, 2014. No members of the public attended.

26. On January 20, 2015, the Company filed a Petition with the Board

seeking approval to continue its EEPs for a three-year period, commencing July 1, 2015, with a total budget of approximately \$56 million (the "EEP III Petition"). This filing was assigned Docket No. GR15010090.

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

28. On August 6, 2015, the Parties entered into Stipulation resolving the EEP III Petition (Docket No. GR15010090) (the "EEP III Stipulation"), agreeing that South Jersey could continue its Residential Home Performance and Finance Energy Efficiency Program, Non-Residential Energy Efficiency Investment Program, Enhanced Residential HVAC Rebate Program, and Commercial Customer Direct Install Financing Program, through August 2017, pursuant to the terms and agreements set forth in the Stipulation. The Parties also agreed that the Company could implement the Social Marketing and Education Program (OPOWER).

29. In the EET III Stipulation, the Parties agreed to an initial rate of \$0.004191 per therm, excluding SUT (or \$0.004494 including SUT), associated with the approved EEP III programs (the "EET III Extension Rate"). This rate was combined with the then current total EET Rate (EET Rate and EET II Extension Rate) of \$0.0158 per therm, excluding SUT (or \$0.0169 including SUT), as approved by the Board Order dated September 30, 2014, for a total EET rate of \$0.020000 per therm, excluding SUT (or \$0.021394 including SUT), which went into effect September 1,

2015. The EET III Stipulation was approved by way of Board Order dated August 19, 2015.

30. The Fifth and Sixth Annual EET Filings, as previously submitted, are the matters for which resolution is sought, via this Stipulation.

31. Discovery has been propounded upon Petitioner and all such discovery has been answered in both matters.

STIPULATED TERMS

32. The Parties agree that it would be reasonable and in the public interest to resolve the issues raised in Docket Nos. GR14050509 and GR15060643 by virtue of this Stipulation.

33. The Parties accordingly **STIPULATE AND AGREE** that the current EET rate of \$0.020000 per therm, excluding SUT (or \$0.021394 including SUT) shall be decreased to \$0.006815 per therm, excluding SUT (or \$0.007302 including SUT). This EET rate is arrived at by combining the EET rate, based on actual data through September 30, 2015 and projected data from October 1, 2015 through September 30, 2016, as shown in the revised Exhibit schedules, dated January 5, 2016 (RCR-A-17, Revised) and attached hereto as Exhibit A, submitted by the Petitioner, of \$0.002624 per therm, excluding SUT (or \$0.002808 including SUT), with the EET III Extension Rate of \$0.004191 per therm, excluding SUT (or \$0.004494 including SUT) associated with the Company's EEP III programs, which became effective on September 1, 2015.

34. The Parties agree that the actual gas EET costs charged to the EEPs prior to October 1, 2015 have been reviewed and deemed prudent and reasonable by the Parties. Actual costs charged to the EEPs after those dates are subject to review for reasonableness

and prudence in future South Jersey EET adjustment proceedings.

35. The EET rate set forth in this Stipulation results in a decrease of approximately \$1.41, or 1.15%, to the average residential heating customer using 100 therms of gas during a winter month.

36. The rates, as set forth in the tariff sheets attached hereto as Exhibit B, are just and reasonable and the Parties hereby agree that South Jersey should be authorized to implement the rates as set forth herein in accordance with a written BPU Order of approval. Following acceptance of this Stipulation by an Order of the Board, South Jersey will submit a Compliance Filing incorporating the EET rate approved by the Board within 5 days of such approval.

37. The Parties further acknowledge that a Board Order approving the 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.

MISCELLANEOUS

38. 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.

39. 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, South Jersey, Staff, and Rate Counsel shall not be deemed to have approved, agreed to, or consented to any

principle or methodology underlying or supposed to underlie any agreement provided herein. Also, all rates are subject to Board audit.

40. This Stipulation may be executed in as many counterparts as there are signatories of 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: Ira G. Megdal
Ira G. Megdal, Esq.
Cozen O'Connor

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

By: Alex Moreau
Alex Moreau, Deputy Attorney General

STEFANIE A. BRAND
DIRECTOR, DIVISION OF RATE COUNSEL

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

Dated: 2/4/16

EXHIBIT A

South Jersey Gas Company
Energy Efficiency Program
2015-2016 Annual True-up Rate Calculation

<u>Revenue Requirement (excluding SUT) for the period Oct '15 - Sep'16</u>	
Original Suite of Programs (Docket No. EO09010059 and GO09010057)	\$1,512,887
Extension - Direct Program Investments and Loans (Docket No. GO12050363)	<u>\$1,895,697</u>
Revenue Requirement, excluding SUT	\$3,408,584
Revenue Requirement, excluding SUT and PUA	\$3,401,102
Add: 9/30/2015 Over Recovered Balance Including Carrying Costs	<u>(\$1,939,553)</u>
Total Revenue Requirement, excluding SUT and PUA	\$1,461,549
Total Therms	<u>558,339,173</u>
EET Rate per Therm, Excluding SUT and PUA	\$0.002618
Applicable PUA Tax Factor	<u>1.0022</u>
EET Factor per Therm, including PUA	\$0.002624
Applicable NJ Sales and Use Tax Factor	<u>1.07</u>
EET Rate per therm, including SUT and PUA	<u>\$0.002808</u>

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 11 - GAS **Fourth Revised Sheet No. 6**
Superseding Third 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:		\$9.6300 per month
Delivery Charge:		
(a)	All consumption for customers who elected to transfer from Firm Sales Service to Firm Transportation Service	\$.641202655294 per therm
(b)	All consumption for customers who elect Firm Sales Service	\$.641202655294 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

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J. DuBois, President

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on and after _____

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 11 - GAS

**Fourth Revised Sheet No. 10
Superseding Third Revised Sheet No. 10**

GENERAL SERVICE (GSG)

APPLICABLE TO USE OF SERVICE FOR:

All Commercial and Industrial Customers who would not qualify for any other Rate Schedule. A customer qualifying for service under Rate Schedule GSG may elect either Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service under this Rate Schedule GSG, 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:

\$29.1575 per month

Delivery Charges:

- (a) All consumption for customers who elected to transfer from Sales Service to Firm Transportation Service

All therms \$~~.531711545803~~ per therm

- (b) All consumption for customers who elect Firm Sales Service

All therms \$~~.531711545803~~ 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.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 11 - GAS

**Fourth Revised Sheet No. 14
Superseding Third 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:

\$160.50 per month

Delivery Charges:

- (a) All consumption for customers who elected to transfer from Sales Service to Firm Transportation Service ⁽²⁾

Demand Charge:

D-1FT: \$9.630000 per Mcf of Contract Demand

Volumetric Charge:

C-1FT: \$.333426347548 per therm

- (b) All consumption for customers who elect Firm Sales Service

Demand Charge:

D-1: \$9.630000 per Mcf of Contract Demand

Volumetric Charge:

C-1: \$.333426347548 per therm

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

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

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 11 - GAS

**Fourth Revised Sheet No. 19
Superseding Third Revised Sheet No. 19**

COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE:

Firm Transportation Service and Limited Firm Transportation Service

MONTHLY RATE: ⁽¹⁾

Firm:

Customer Charge: \$642.00 per month

Delivery Charges:

Demand Charge: D-1FT: \$29.3408 per Mcf of Contract Demand

Volumetric Charges:

C-1FT:

All consumption for customers who elected to transfer from Sales Service to Firm

Transportation Service \$.083779097871 per therm

Limited Firm:

Customer Charge: \$107.00 per month

Delivery Charges:

Volumetric Charges:

C-1FT:

All consumption for customers who elected to transfer from Sales Service to Firm

Transportation Service \$.107534121626 per therm

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

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 11 - GAS

**Fourth Revised Sheet No. 27
Superseding Third Revised Sheet No. 27**

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:

\$963.0000 per month

Delivery Charge:

- (a) All consumption for customers who elected to transfer from Firm Sales Service to Firm Transportation Service

Demand Charge:

D-1FT: \$15.926100 per Mcf of Contract Demand

Volumetric Charge:

C-1FT: \$.082024096116 per therm

- (b) All consumption for customers who elect Firm Sales Service

Demand Charge:

D-1: \$15.926100 per Mcf of Contract Demand

Volumetric Charge:

C-1: \$.082024096116 per therm

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

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 11 - GAS

**Fourth Revised Sheet No. 28
Superseding Third Revised Sheet No. 28**

LARGE VOLUME SERVICE (LVS)
(continued)

Basic Gas Supply Service ("BGSS") Charge:

Demand Charge:

D-2: \$16.545047 per Mcf of Contract Demand.

Volumetric Charge:

C-2: See Rider "A" of this Tariff.

Limited Firm:

Customer Charge:

\$107.0000 per month

Delivery Charge:

- (a) All consumption for customers who elected to transfer from Firm Sales Service to Firm Transportation Service

Volumetric Charge:

C-1FT: \$.146234160326 per therm

- (b) All consumption for customers who elect Firm Sales Service

Volumetric Charge:

C-1FT: \$.146234160326 per therm

Basic Gas Supply Service ("BGSS") Charge:

Volumetric Charge:

C-2: See Rider "A" of this Tariff.

PRICE TO COMPARE:

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

LINE LOSS:

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

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 11 - GAS

**Fourth Revised Sheet No. 33
Superseding Third Revised Sheet No. 33**

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 \$3.100000 per Mcf of Winter Daily Contract Demand
- D-2 \$8.272524 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation customers

Volumetric Charge:

- C-1: \$0.45034059426 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: \$.174300 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 \$3.1000 per Mcf of Summer Daily Contract Demand
- D-2 \$8.272524 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation customers

Volumetric Charge:

- C-1: \$0.45034059426 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: \$.174300 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. 11 - GAS

**Fourth Revised Sheet No. 40
Superseding Third Revised Sheet No. 40**

ELECTRIC GENERATION SERVICE (EGS)

APPLICABLE TO USE OF SERVICE FOR:

Residential, commercial and industrial uses for 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, 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:

\$9.630000 per month

Residential Delivery Charge

Residential Volumetric Charge: \$~~226234240326~~ per therm

Commercial and Industrial Customer Charge:

\$26.75 per month

Commercial and Industrial Delivery Charge:

Commercial and Industrial Demand Charge:

D-1 Charge: \$6.955000 per Mcf of contract

Volumetric Charges:

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

All Consumption for Firm Sales Service \$~~219267233359~~ per therm

All Consumption for Firm Transportation Service \$~~219267233359~~ per therm

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

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

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 11 - GAS

**Fourth Revised Sheet No. 41
Superseding Third Revised Sheet No. 41**

ELECTRIC GENERATION SERVICE (EGS)

(Continued)

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

All Consumption for Firm Sales Service \$~~.187167201259~~ per therm

All Consumption for Firm Transportation Service \$~~.187167201259~~ per therm

Basic Gas Supply Service ("BGSS") Charge:

All Consumption 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, pursuant to Rider "E" of this Tariff.
Balancing Service Clause	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "J" of this Tariff. However, also see Special Provision (k) regarding Rider "I".
Energy Efficiency Tracker:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "N" of this Tariff.

TERMS OF PAYMENT:

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

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 11 - GAS

**Fourth Revised Sheet No. 45
Superseding Third Revised Sheet No. 45**

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:

\$192.60 per month

FIRM:

Demand Charges: ⁽²⁾

D-1 \$20.795922 per Mcf of Firm Daily Contract Demand.
D-2 \$15.581692 per Mcf of Firm Daily Contract Demand or \$0 for Firm Transportation customers.

Volumetric Charge:

C-1: \$.045034059426 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 \$8.272524 per Mcf of Limited Firm Daily Contract Demand or \$0 for Limited Firm Transportation customers

Volumetric Charge: ⁽²⁾

C-1: \$.045034059426 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 \$.174300 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. 11 - GAS

**Fourth Revised Sheet No. 62
Superseding Third Revised Sheet No. 62**

NATURAL GAS VEHICLE (NGV)

APPLICABLE TO:

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

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service

COMPRESSED NATURAL GAS VEHICLE SERVICE AT COMPANY OPERATED FUELING STATIONS

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

Rate for Monthly Consumption

Volumetric Charge

C-1: \$0.045034059426 per therm (\$0.056292073907 GGE*)

Distribution Charge: \$0.150352 per therm (\$0.187940 GGE*)

Compression Charge: \$0.582040 per therm (\$0.727550 GGE*)

Commodity Charges

All consumption for customers who elected Firm Sales Service

Basic Gas Supply Service ("BGSS") Charge:

See Rider "A" of this Tariff.

BGSS rate * GGE Factor 1.25 = GGE

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

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

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J. DuBois, President

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on and after _____

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 11 - GAS

**Fourth Revised Sheet No. 63
Superseding Third Revised Sheet No. 63**

**NATURAL GAS VEHICLE (NGV)
(continued)**

NATURAL GAS VEHICLE SERVICE AT CUSTOMER OPERATED FUELING STATIONS

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

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

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

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

Rate for Monthly Consumption

Monthly Customer Charge

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

0-999 Cf/hour	\$40.13
1,000-4,999 Cf/hour	\$80.25
5,000-24,999 Cf/hour	\$214.00
25,000 and greater Cf/hour	\$642.00

Volumetric Charges

C-1: \$0.045034059426 per therm (\$0.0562920739075 GGE)

Distribution Charge: \$0.150352 per therm (\$0.187940 GGE)

Basic Gas Supply Service ("BGSS") Charge:

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

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

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J. DuBois, President

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SOUTH JERSEY GAS COMPANY

Fourth Revised Sheet No. 64

B.P.U.N.J. No. 11 - GAS

Superseding Third Revised Sheet No. 64

**NATURAL GAS VEHICLE (NGV)
(continued)**

DELIVERY SERVICE FOR NATURAL GAS VEHICLES

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

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

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

Rate for Delivery Service

Monthly Customer Charge

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

0-999 Cf/hour	\$40.13
1,000-4,999 Cf/hour	\$80.25
5,000-24,999 Cf/hour	\$214.00
25,000 and greater Cf/hour	\$642.00

Volumetric Charge

C-1: \$0.045034059426 per therm (\$0.0562920739075 GGE)

Distribution Charge: \$0.150352 per therm (\$0.187940 GGE)

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

APPLICABLE RIDERS FOR COMPANY OWNED AND CUSTOMER OWNED STATIONS:

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

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

Balancing Service Clause: All gas transported under this Rate Schedule NGV is subject to balancing requirements pursuant to Rider "I" or Rider "J" of this Tariff.

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by South Jersey Gas Company,
J. DuBois, President

Effective with service rendered
on and after _____

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

SOUTH JERSEY GAS COMPANY

**Second Revised Sheet No. 107
Superseding First Revised Sheet No. 107**

B.P.U.N.J. No. 11 - GAS

RIDER "N"

ENERGY EFFICIENCY TRACKER ("EET")

APPLICABLE TO:

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

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

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

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

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

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

EET Rate per therm	<u>\$0.006809019991</u>
Applicable Revenue Tax	<u>\$0.000015000009</u>
Total EET Rate per therm	<u>\$0.006824020000</u>
Applicable NJ Sales Tax	<u>\$0.000478001394</u>
EET Rate per therm with NJ Sales Tax	<u>\$0.007302021394</u>

Issued _____
by South Jersey Gas Company,
J. DuBois, President

Effective with service rendered
on and after _____

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

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

RESIDENTIAL GAS SERVICE (RSG)

<u>RESIDENTIAL FIRM TRANS SERV (RSG FTS) - HEAT CUSTOMER</u>	<u>BASE RATE</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	9.000000				0.630000	9.630000
CIP			(0.054969)	(0.000121)	(0.003856)	(0.058946)
Delivery Charge:						
COST OF SERVICE	0.509012				0.035631	0.544643
TIC			0.000956	0.000002	0.000067	0.001025
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
TAC			0.000000	0.000000	0.000000	0.000000
EET			0.006809	0.000015	0.000478	0.007302
BSC "J" BS-1		0.047100		0.000100	0.003300	0.050500
BSC "J" BUY-OUT PRICE - Rate set monthly						
Total	0.509012	0.047100	0.042980	0.000172	0.041938	0.641202

RESIDENTIAL FIRM SALES SERV (RSG FSS) - HEAT CUSTOMER

Customer Charge	9.000000				0.630000	9.630000
Basic Gas Supply Service (BGSS):		0.493507		0.001086	0.034621	0.529214
CIP			(0.054969)	(0.000121)	(0.003856)	(0.058946)
Delivery Charge:						
COST OF SERVICE	0.509012				0.035631	0.544643
TIC			0.000956	0.000002	0.000067	0.001025
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
TAC			0.000000	0.000000	0.000000	0.000000
EET			0.006809	0.000015	0.000478	0.007302
BSC "J" BS-1		0.047100		0.000100	0.003300	0.050500
Total	0.509012	0.047100	0.042980	0.000172	0.041938	0.641202

SOUTH JERSEY GAS COMPANY
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<u>RESIDENTIAL FIRM TRANS SERV (RSG FTS) - NONHEAT CUSTOMER</u>	<u>BASE RATE</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PJA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	9.000000				0.630000	9.630000
CIP			(0.093226)	(0.000205)	(0.006540)	(0.099971)
Delivery Charge:						
COST OF SERVICE	0.509012				0.035631	0.544643
TIC			0.000956	0.000002	0.000067	0.001025
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
TAC			0.000000	0.000000	0.000000	0.000000
EET			0.006809	0.000015	0.000478	0.007302
BSC "J" BS-1		0.047100		0.000100	0.003300	0.050500
BSC "J" BUY-OUT PRICE - Rate set monthly						
Total	0.509012	0.047100	0.042980	0.000172	0.041938	0.641202
 <u>RESIDENTIAL FIRM SALES SERV (RSG FSS) - NONHEAT CUSTOMER</u>						
Customer Charge	9.000000				0.630000	9.630000
Basic Gas Supply Service (BGSS):		0.493507		0.001086	0.034621	0.529214
CIP			(0.093226)	(0.000205)	(0.006540)	(0.099971)
Delivery Charge:						
COST OF SERVICE	0.509012				0.035631	0.544643
TIC			0.000956	0.000002	0.000067	0.001025
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
TAC			0.000000	0.000000	0.000000	0.000000
EET			0.006809	0.000015	0.000478	0.007302
BSC "J" BS-1		0.047100		0.000100	0.003300	0.050500
Total	0.509012	0.047100	0.042980	0.000172	0.041938	0.641202

SOUTH JERSEY GAS COMPANY
 Schedule of Rate Components
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GENERAL SERVICE (GSG)

<u>GENERAL SERVICE FIRM TRANS (GSG FTS)</u>	<u>BASE RATE</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	27.250000				1.907500	29.157500
CIP			(0.029561)	(0.000065)	(0.002074)	(0.031700)
Delivery Charge:						
COST OF SERVICE	0.406684				0.028468	0.435152
TIC			0.000956	0.000002	0.000067	0.001025
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
TAC			0.000000	0.000000	0.000000	0.000000
EET			0.006809	0.000015	0.000478	0.007302
BSC "J" BS-1		0.047100		0.000100	0.003300	0.050500
BSC "J" BUY-OUT PRICE - Rate set monthly						
Total	0.406684	0.047100	0.042980	0.000172	0.034775	0.531711

SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
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<u>GENERAL SERVICE FIRM SALES (GSG FSS)</u> - Less than 5,000 Therms Annually	<u>BASE RATE</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	27.250000				1.907500	29.157500
CIP			(0.029561)	(0.000065)	(0.002074)	(0.031700)
Basic Gas Supply Service (BGSS):		0.493507		0.001086	0.034621	0.529214
Delivery Charge: COST OF SERVICE	0.406684				0.028468	0.435152
TIC			0.000956	0.000002	0.000067	0.001025
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
TAC			0.000000	0.000000	0.000000	0.000000
EET			0.006809	0.000015	0.000478	0.007302
BSC "J" BS-1		0.047100		0.000100	0.003300	0.050500
Total	0.406684	0.047100	0.042980	0.000172	0.034775	0.531711
<u>GENERAL SERVICE FIRM SALES (GSG FSS)</u> - 5,000 Therms Annually or Greater						
Customer Charge	27.250000				1.907500	29.157500
Basic Gas Supply Service (BGSS):						RATE SET MONTHLY
CIP			(0.029561)	(0.000065)	(0.002074)	(0.031700)
Delivery Charge: COST OF SERVICE	0.406684				0.028468	0.435152
TIC			0.000956	0.000002	0.000067	0.001025
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
TAC			0.000000	0.000000	0.000000	0.000000
EET			0.006809	0.000015	0.000478	0.007302
BSC "J" BS-1		0.047100		0.000100	0.003300	0.050500
Total	0.406684	0.047100	0.042980	0.000172	0.034775	0.531711

SOUTH JERSEY GAS COMPANY
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GENERAL SERVICE-LV (GSG-LV)

<u>GENERAL SERVICE - LV FTS (GSG-LV-FT)</u>	<u>BASE RATE</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	150.000000				10.500000	160.500000
D-1 Demand Charge	9.000000				0.630000	9.630000
CIP			(0.023768)	(0.000052)	(0.001667)	(0.025487)
Delivery Charge:						
COST OF SERVICE	0.221371				0.015496	0.236867
TIC			0.000956	0.000002	0.000067	0.001025
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
TAC			0.000000	0.000000	0.000000	0.000000
EET			0.006809	0.000015	0.000478	0.007302
BSC "J" BS-1		0.047100		0.000100	0.003300	0.050500
BSC "J" BUY-OUT PRICE - Rate set monthly						
Total	0.221371	0.047100	0.042980	0.000172	0.021803	0.333426

<u>GENERAL SERVICE FIRM SALES- LV (GSG-LV FSS)</u>	<u>BASE RATE</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	150.000000				10.500000	160.500000
D-1 Demand Charge	9.000000				0.630000	9.630000
Basic Gas Supply Service (BGSS):						RATE SET MONTHLY
CIP			(0.023768)	(0.000052)	(0.001667)	(0.025487)
Delivery Charge:						
COST OF SERVICE	0.221371				0.015496	0.236867
TIC			0.000956	0.000002	0.000067	0.001025
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
TAC			0.000000	0.000000	0.000000	0.000000
EET			0.006809	0.000015	0.000478	0.007302
BSC "J" BS-1		0.047100		0.000100	0.003300	0.050500
Total	0.221371	0.047100	0.042980	0.000172	0.021803	0.333426

SOUTH JERSEY GAS COMPANY
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COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

<u>COMPREHENSIVE FIRM TRANS SERV (CTS FTS)</u>	<u>BASE RATE</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>Firm</u>						
Customer Charge	600.000000				42.000000	642.000000
Delivery Charge:						
D-1 DEMAND CHARGE	27.421300				1.919500	29.340800
C-1 FT VOLUMETRIC CHARGE:						
C-1 COST OF SERVICE	0.036210				0.002535	0.038745
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
EET			0.006809	0.000015	0.000478	0.007302
Total C-1 VOLUMETRIC CHARGE	0.036210		0.042024	0.000070	0.005475	0.083779
BS-1 ALL THERMS		0.011800		0.000000	0.000800	0.012600
BS-1 (Opt Out Provision) ALL THERMS		0.002500		0.000000	0.000200	0.002700
BUY-OUT PRICE						RATE SET MONTHLY
<u>Limited Firm</u>						
Customer Charge	100.000000				7.000000	107.000000
Delivery Charge:						
C-1 FT VOLUMETRIC CHARGE:						
C-1 COST OF SERVICE	0.058400				0.004100	0.062500
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
EET			0.006809	0.000015	0.000478	0.007302
Total C-1 VOLUMETRIC CHARGE	0.058400		0.042024	0.000070	0.007040	0.107534
BS-1 ALL THERMS		0.011800		0.000000	0.000800	0.012600
BS-1 (Opt Out Provision) ALL THERMS		0.002500		0.000000	0.000200	0.002700
BUY-OUT PRICE						RATE SET MONTHLY

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LARGE VOLUME SERVICE (LVS)

<u>LARGE VOLUME FIRM TRANS SERV (LVS FTS)</u>	<u>BASE RATE</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>Firm</u>						
Customer Charge	900.000000				63.000000	963.000000
Delivery Charge:						
D-1 DEMAND CHARGE	14.884200				1.041900	15.926100
C-1 VOLUMETRIC CHARGE:						
C-1 COST OF SERVICE	0.034570				0.002420	0.036990
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
EET			0.006809	0.000015	0.000478	0.007302
Total C-1 VOLUMETRIC CHARGE	0.034570		0.042024	0.000070	0.005360	0.082024
BS-1 ALL THERMS		0.011800		0.000000	0.000800	0.012600
BS-1 (Opt Out Provision) ALL THERMS		0.002500		0.000000	0.000200	0.002700
BSC "I" CASH OUT CHARGE/(CREDIT)						RATE SET MONTHLY
<u>Limited Firm</u>						
Customer Charge	100.000000				7.000000	107.000000
Delivery Charge:						
C-1 FT VOLUMETRIC CHARGE:						
C-1 COST OF SERVICE	0.094600				0.006600	0.101200
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
EET			0.006809	0.000015	0.000478	0.007302
Total C-1 VOLUMETRIC CHARGE	0.094600		0.042024	0.000070	0.009540	0.146234
BS-1 ALL THERMS		0.011800		0.000000	0.000800	0.012600
BS-1 (Opt Out Provision) ALL THERMS		0.002500		0.000000	0.000200	0.002700
BUY-OUT PRICE						RATE SET MONTHLY

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<u>LARGE VOLUME FIRM SALES SERV (LVS FSS)</u>	<u>BASE RATE</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Customer Charge	900.000000				63.000000	963.000000
Basic Gas Supply Service (BGSS):						RATE SET MONTHLY
C-2 BGSS						
D-2 DEMAND CHARGE		15.428717		0.033943	1.082386	16.545047
Delivery Charge:						
D-1 DEMAND CHARGE	14.884200				1.041900	15.926100
C-1 VOLUMETRIC CHARGE:						
C-1 COST OF SERVICE	0.034570				0.002420	0.036990
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
EET			0.006809	0.000015	0.000478	0.007302
Total C-1 VOLUMETRIC CHARGE	0.034570	0.000000	0.042024	0.000070	0.005360	0.082024
BS-1 ALL THERMS		0.011800		0.000000	0.000800	0.012600
Limited Firm						
Customer Charge	100.000000				7.000000	107.000000
Delivery Charge:						
C-1 FT VOLUMETRIC CHARGE:						
C-1 COST OF SERVICE	0.094600				0.006600	0.101200
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
EET			0.006809	0.000015	0.000478	0.007302
Total C-1 VOLUMETRIC CHARGE	0.0946	0.000000	0.042024	0.000070	0.009540	0.146234
BS-1 ALL THERMS		0.011800		0.000000	0.000800	0.012600
BS-1 (Opt Out Provision) ALL THERMS		0.002500		0.000000	0.000200	0.002700
BUY-OUT PRICE						RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY
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	<u>BASE RATE</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>ELECTRIC GENERATION SERVICE (EGS)</u>						
<u>Commercial/Industrial</u>						
Customer Charge	25.000000				1.750000	26.750000
D-1 DEMAND	6.500000				0.455000	6.955000
Basic Gas Supply Service (BGSS):						RATE SET MONTHLY
Delivery Charge - Winter Season (Nov - Mar)						
COST OF SERVICE	0.115638				0.008095	0.123733
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
Balancing Charge BSC"J" BS-1		0.047100		0.000100	0.003300	0.050500
EET			0.006809	0.000015	0.000478	0.007302
Total C-1 VOLUMETRIC CHARGE (FSS & FTS)	0.115638	0.047100	0.042024	0.000170	0.014335	0.219267
Delivery Charge - Summer Season (Apr - Oct)						
COST OF SERVICE	0.085638				0.005995	0.091633
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
EET			0.006809	0.000015	0.000478	0.007302
Balancing Charge BSC"J" BS-1		0.047100		0.000100	0.003300	0.050500
Total C-1 VOLUMETRIC CHARGE (FSS & FTS)	0.085638	0.047100	0.042024	0.000170	0.012235	0.187167

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<u>ELECTRIC GENERATION SERVICE (EGS)</u>	<u>BASE RATE</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>Residential</u>						
Customer Charge	9.000000				0.630000	9.630000
Basic Gas Supply Service (BGSS):		0.493507		0.001086	0.034621	0.529214
Delivery Charge						
COST OF SERVICE	0.122100				0.008600	0.130700
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC			0.035215	0.000055	0.002462	0.037732
EET			0.006809	0.000015	0.000478	0.007302
Balancing Charge BSC"J" BS-1		0.047100		0.000100	0.003300	0.050500
Total C-1 VOLUMETRIC CHARGE (FSS & FTS)	0.122100	0.047100	0.042024	0.000170	0.014840	0.226234

SOUTH JERSEY GAS COMPANY
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<u>ELECTRIC GENERATION SERVICE-LV (EGS-LV)</u>	<u>BASE RATE</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>Firm</u>						
Customer Charge	180.000000				12.600000	192.600000
D-1 DEMAND (Rate is negotiated. Shown here is the benchmark rate.)	19.435441				1.360481	20.795922
D-2 DEMAND BGSS(applicable to Sales Customers Only)		14.530362		0.031967	1.019363	15.581692
C-1 CLEP			0.024657	0.000054	0.001730	0.026441
C-1 RAC			0.000458	0.000001	0.000032	0.000491
C-1 USF			0.010100	0.000000	0.000700	0.010800
EET			0.006809	0.000015	0.000478	0.007302
Total C-1 VOLUMETRIC CHARGE			0.042024	0.000070	0.002940	0.045034
C-2 BGSS						RATE SET MONTHLY
BSC "I" CASH OUT CHARGE (CREDIT)						RATE SET MONTHLY
BS-1 ALL THERMS		0.011800		0.000000	0.000800	0.012600
BS-1 (Opt Out Provision) ALL THERMS		0.002500		0.000000	0.000200	0.002700
<u>Limited Firm</u>						
D-2 DEMAND BGSS(applicable to Sales Customers Only)		7.714359		0.016972	0.541193	8.272524
C-1 CLEP			0.024657	0.000054	0.001730	0.026441
C-1 RAC			0.000458	0.000001	0.000032	0.000491
C-1 USF			0.010100	0.000000	0.000700	0.010800
EET			0.006809	0.000015	0.000478	0.007302
Total C-1 VOLUMETRIC CHARGE			0.042024	0.000070	0.002940	0.045034
C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)	0.162900				0.011400	0.174300
C-2 BGSS						RATE SET MONTHLY
BSC "I" CASH OUT CHARGE (CREDIT)						RATE SET MONTHLY
BS-1 ALL THERMS		0.011800		0.000000	0.000800	0.012600
BS-1 (Opt Out Provision) ALL THERMS		0.002500		0.000000	0.000200	0.002700

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<u>FIRM ELECTRIC SALES (FES)</u>	<u>BASE RATE</u>	<u>BGSS</u>	<u>RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Winter						
D-1 DEMAND (Rate is negotiated. Shown here is the benchmark rate.)	2.897200				0.202800	3.100000
D-2 DEMAND BGSS(applicable to Sales Customers Only)		7.714359		0.016972	0.541193	8.272524
C-1 CLEP			0.024657	0.000054	0.001730	0.026441
C-1 RAC			0.000458	0.000001	0.000032	0.000491
C-1 USF			0.010100	0.000000	0.000700	0.010800
EET			0.006809	0.000015	0.000478	0.007302
Total C-1 VOLUMETRIC CHARGE			0.042024	0.000070	0.002940	0.045034
C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)	0.162900				0.011400	0.174300
C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)						RATE SET MONTHLY
C-2 BGSS/COGC						RATE SET MONTHLY
BSC "I" CASH OUT CHARGE (CREDIT)						RATE SET MONTHLY
Summer						
D-1 DEMAND (Rate is negotiated. Shown here is the benchmark rate.)	2.897200				0.202800	3.100000
D-2 DEMAND BGSS(applicable to Sales Customers Only)		7.714359		0.016972	0.541193	8.272524
C-1 CLEP			0.024657	0.000054	0.001730	0.026441
C-1 RAC			0.000458	0.000001	0.000032	0.000491
C-1 USF			0.010100	0.000000	0.000700	0.010800
EET			0.006809	0.000015	0.000478	0.007302
Total C-1 VOLUMETRIC CHARGE			0.042024	0.000070	0.002940	0.045034
C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)	0.162900				0.011400	0.174300
C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)						RATE SET MONTHLY
C-2 BGSS/COGC						RATE SET MONTHLY
BSC "I" CASH OUT CHARGE (CREDIT)						RATE SET MONTHLY

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NATURAL GAS VEHICLE (NGV)

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	<u>BASE RATE</u>	<u>BGSS</u>	<u>RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>Company Operated Fueling Stations</u>						
C-1 CLEP			0.024657	0.000054	0.001730	0.026441
C-1 RAC			0.000458	0.000001	0.000032	0.000491
C-1 USF			0.010100	0.000000	0.000700	0.010800
EET			0.006809	0.000015	0.000478	0.007302
Total C-1 VOLUMETRIC CHARGE	0.000000		0.042024	0.000070	0.002940	0.045034
Distribution Charge:	0.140252			0.000300	0.009800	0.150352
Compression Charge	0.542769			0.001194	0.038077	0.582040
Basic Gas Supply Service (BGSS):						RATE SET MONTHLY
Rider "I" - BS-1 ALL THERMS		0.011800		0.000000	0.000800	0.012600
Rider "I" - BS-1 (Opt Out Provision) ALL THERMS		0.002500		0.000000	0.000200	0.002700
Rider "J" - BS-1		0.047100		0.000100	0.003300	0.050500
<u>Customer Operated Fueling Stations</u>						
Service Charge						
		0 - 999 CF/hour	37.500000		2.625000	40.125000
		1,000 - 4,999 CF/hour	75.000000		5.250000	80.250000
		5,000 - 24,999 CF/hour	200.000000		14.000000	214.000000
		25,000 or Greater CF/hour	600.000000		42.000000	642.000000
C-1 CLEP			0.024657	0.000054	0.001730	0.026441
C-1 RAC			0.000458	0.000001	0.000032	0.000491
C-1 USF			0.010100	0.000000	0.000700	0.010800
EET			0.006809	0.000015	0.000478	0.007302
Total C-1 VOLUMETRIC CHARGE			0.042024	0.000070	0.002940	0.045034
Distribution Charge:	0.140252			0.000300	0.009800	0.150352
Basic Gas Supply Service: (applicable Sales Customers only)						RATE SET MONTHLY
Rider "I" - BS-1 ALL THERMS		0.011800		0.000000	0.000800	0.012600
Rider "I" - BS-1 (Opt Out Provision) ALL THERMS		0.002500		0.000000	0.000200	0.002700
Rider "J" - BS-1		0.047100		0.000100	0.003300	0.050500

SOUTH JERSEY GAS COMPANY
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INTERRUPTIBLE SERVICE, YARD & STREET LIGHTING

	<u>BASE RATE</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>INTERRUPTIBLE TRANSPORTATION (ITS)</u>						
	100.000000				7.000000	107.000000
	0.028400				0.002000	0.030400
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC:			0.035215	0.000055	0.002462	0.037732
EET			0.006809	0.000015	0.000478	0.007302
	0.093200				0.006500	0.099700
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC:			0.035215	0.000055	0.002462	0.037732
EET			0.006809	0.000015	0.000478	0.007302
	0.153200				0.010700	0.163900
SBC:						
CLEP			0.024657	0.000054	0.001730	0.026441
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC:			0.035215	0.000055	0.002462	0.037732
EET			0.006809	0.000015	0.000478	0.007302

SOUTH JERSEY GAS COMPANY
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<u>INTERRUPTIBLE GAS SALES (IGS)</u>	<u>BASE RATE</u>	<u>BGSS</u>	<u>OTHER RIDERS</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
Commodity						Rate Set Monthly
SBC:						
RAC			0.000458	0.000001	0.000032	0.000491
USF			0.010100	0.000000	0.000700	0.010800
Total SBC:			0.010558	0.000001	0.000732	0.011291
EET			0.006809	0.000015	0.000478	0.007302
 <u>YARD LIGHTING SERVICE (YLS)</u>						
MONTHLY CHARGE / INSTALL	7.294754	4.636800			0.835209	12.766763
 <u>STREET LIGHTING SERVICE (SLS)</u>						
MONTHLY CHARGE / INSTALL	7.863853	6.955200			1.037334	15.856387

SOUTH JERSEY GAS COMPANY
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Heat Residential Rate Schedule:

	RSG FSS	RSG-FTS	Difference
BGSS	0.529214	0.000000	0.529214
Cost of Service	0.544643	0.544643	0.000000
CLEP	0.026441	0.026441	0.000000
RAC	0.000491	0.000491	0.000000
TAC	0.000000	0.000000	0.000000
CIP	(0.058946)	(0.058946)	0.000000
USF	0.010800	0.010800	0.000000
TIC	0.001025	0.001025	0.000000
EET	0.007302	0.007302	0.000000
BSC "J" BS-1	0.050500	0.050500	0.000000
Price to Compare	1.111470	0.582256	0.529214

Non-Heat Residential Rate Schedule:

	RSG FSS	RSG-FTS	Difference
BGSS	0.529214	0.000000	0.529214
CIP	(0.099971)	(0.099971)	0.000000
Cost of Service	0.544643	0.544643	0.000000
CLEP	0.026441	0.026441	0.000000
RAC	0.000491	0.000491	0.000000
TAC	0.000000	0.000000	0.000000
USF	0.010800	0.010800	0.000000
TIC	0.001025	0.001025	0.000000
EET	0.007302	0.007302	0.000000
BSC "J" BS-1	0.050500	0.050500	0.000000
Price to Compare	1.070445	0.541231	0.529214

GSG

(Under 5,000 therms annually)

	GSG FSS	GSG-FTS	Difference
BGSS	0.529214	0.000000	0.529214
CIP	(0.031700)	(0.031700)	0.000000
Cost of Service	0.435152	0.435152	0.000000
CLEP	0.026441	0.026441	0.000000
RAC	0.000491	0.000491	0.000000
TAC	0.000000	0.000000	0.000000
USF	0.010800	0.010800	0.000000
TIC	0.001025	0.001025	0.000000
EET	0.007302	0.007302	0.000000
BSC "J" BS-1	0.050500	0.050500	0.000000
Price to Compare	1.029225	0.500011	0.529214

GSG

(5,000 therms annually or greater)

	GSG FSS	GSG-FTS	Difference
BGSS	0.402079	0.000000	0.402079
CIP	(0.031700)	(0.031700)	0.000000
Cost of Service	0.435152	0.435152	0.000000
CLEP	0.026441	0.026441	0.000000
RAC	0.000491	0.000491	0.000000
TAC	0.000000	0.000000	0.000000
USF	0.010800	0.010800	0.000000
TIC	0.001025	0.001025	0.000000
EET	0.007302	0.007302	0.000000
BSC "J" BS-1	0.050500	0.050500	0.000000
Price to Compare	0.902090	0.500011	0.402079

GSG-LV

Prior to 7/15/97

	GSG-LV FSS	GSG-LV-FTS	Difference
BGSS	0.402079	0.000000	0.402079
CIP	(0.025487)	(0.025487)	0.000000
Cost of Service	0.236867	0.236867	0.000000
CLEP	0.026441	0.026441	0.000000
RAC	0.000491	0.000491	0.000000
TAC	0.000000	0.000000	0.000000
USF	0.010800	0.010800	0.000000
TIC	0.001025	0.001025	0.000000
EET	0.007302	0.007302	0.000000
BSC "J" BS-1	0.050500	0.050500	0.000000
Price to Compare	0.710018	0.307939	0.402079