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VP, Clean Energy and Sustainability

June 1, 2020

Electronic Filing

Aida Camacho-Welch
Office of the Secretary
NJ Board of Public Utilities
44 South Clinton Avenue, 3rd Floor
P. O. Box 350
Trenton, NJ 08625-0350

**Re: In the Matter of the Petition of South Jersey Gas Company for Approval to Revise the Rider "H" Rate Associated with the Tax Cuts and Jobs Act of 2017
BPU Docket No. _____**

Dear Ms. Camacho-Welch:

Enclosed, please find copies of South Jersey Gas Company's Petition, Case Summary, Testimony and Schedules in the referenced matter, which have been filed electronically today through the Board's e-filing program. Due to the pandemic, and in accordance with the New Jersey Board of Public Utilities ("BPU") March 19, 2020 and May 20, 2020 Orders issued in BPU Docket No. EO20030254, hard copies are not being provided at this time, but can be provided at a later time, as needed.

If you have any questions, please feel free to contact me directly.

Respectfully,

A handwritten signature in dark ink, appearing to read "Deborah M. Franco".

Deborah M. Franco

DMF:caj
Enclosure

cc: Stefanie A. Brand, Esq., Director (Division of Rate Counsel)
Terel Klein, Esq. (Department of Law)
Stacy Peterson, Director (BPU Staff)

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

**IN THE MATTER OF THE PETITION OF :
SOUTH JERSEY GAS COMPANY FOR :
APPROVAL TO REVISE THE RIDER “H” : BPU DOCKET NO. _____
RATE ASSOCIATED WITH THE TAX :
CUTS AND JOBS ACT OF 2017**

CASE SUMMARY, PETITION, TESTIMONY AND SCHEDULES

June 1, 2020

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

IN THE MATTER OF THE PETITION OF : CASE SUMMARY
SOUTH JERSEY GAS COMPANY FOR : :
APPROVAL TO REVISE THE RIDER “H” : BPU DOCKET NO. _____
RATE ASSOCIATED WITH THE TAX : :
CUTS AND JOBS ACT OF 2017 : :

South Jersey Gas Company (“South Jersey”, “Petitioner,” or the “Company”) files this Petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking approval to adjust its Rider “H” rate, which was initially established on October 1, 2018 by way of Board Order issued on September 17, 2018 in Docket Nos. AX18010001 and GR18030230. Rider “H” is designed to refund the Company’s excess deferred income taxes resulting from the Tax Cuts and Jobs Act of 2017. The proposed rate reflects an increase of the Company’s current credit rate from (\$0.020239) per therm, including taxes, to (\$0.029906) per therm, including taxes, to be effective October 1, 2020.

If approved by the Board, the monthly impact of the proposed increase in the Rider “H” credit rate produces a decrease of the bill of a residential heating customer using 100 therms during a winter month of \$0.97, or 0.7%.

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

IN THE MATTER OF THE PETITION OF : PETITION
SOUTH JERSEY GAS COMPANY FOR :
APPROVAL TO REVISE THE RIDER “H” : BPU DOCKET NO. _____
RATE ASSOCIATED WITH THE TAX :
CUTS AND JOBS ACT OF 2017 :

TO THE HONORABLE COMMISSIONERS OF THE BOARD OF PUBLIC UTILITIES:

Petitioner, South Jersey Gas Company (“South Jersey,” “Petitioner,” or the “Company”), a public utility of the State of New Jersey, with its principal office at One South Jersey Place, Atlantic City, New Jersey, hereby petitions this Honorable Board (“Board” or “BPU”) for authorization to increase its currently effective Rider “H” credit rate associated with the Tax Cuts and Jobs Act of 2017, which was initially established by way of Board Order issued on September 17, 2018 in Docket Nos. AX18010001 and GR18030230 (the “September 2018 Order”). In support of this Petition, South Jersey states as follows:

I. INTRODUCTION

1. South Jersey is engaged in the transmission, distribution, transportation and sale of natural gas within its defined service territory within the State of New Jersey. Said service territory includes all or portions of the following Counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester and Salem. Within its service territory, South Jersey serves approximately 400,000 customers.

2. South Jersey is regulated by the Board for the purposes of ensuring safe, adequate and proper natural gas service pursuant to N.J.S.A. 48:2-23.

3. The purpose of this filing is to reconcile excess deferred income tax (“EDIT”) amortization and customer refunds for the period October 1, 2019 through September 30, 2020

(“Year 2”) and to forecast EDIT amortization and customer refunds for the period October 1, 2020 through September 30, 2021 (“Year 3”).

II. BACKGROUND

4. On December 22, 2017, the President signed into law the Tax Cuts and Jobs Act of 2017 (the “Act”). In response thereto, on January 31, 2018, the Board directed affected utilities to file petitions proposing new rates reflecting the impacts from the Act. *In the Matter of the New Jersey Board of Public Utilities’ Consideration of the Tax Cuts and Jobs Act of 2017*, BPU Docket No. AX18010001 (Order dated January 31, 2018) (the “Board Order”). The most direct and significant impact of the Tax Act “is the reduction in the maximum corporate tax rate from thirty-five percent (35%) to twenty-one percent (21%) taking effect on January 1, 2018.” *Id.*

5. On March 2, 2018, the Company filed a petition in accordance with the Board Order proposing (1) a reduction in base rates of \$25.88 million effective April 1, 2018, (2) a corresponding estimated \$12.88 million refund to customers for the period January 1, 2018 through March 31, 2019, and (3) a remeasurement and adjustment to rates related to the Unprotected EDIT balance of approximately \$27.1 million.

6. On March 26, 2018, the Board issued an Order authorizing the implementation of the Company’s proposed rate reduction on an interim basis, effective April 1, 2018. The Board deferred until a later date a decision on the Company’s proposed refund and other tariff rider. By way of Board Order dated September 17, 2018 (the “September 2018 Order”), interim rates were made final effective October 1, 2018 and a customer refund of approximately \$13.8 million, including interest and excluding tax, was issued on October 14, 2018. The Board also approved

SJG's proposed Rider "H" with an initial credit rate of (\$0.013043) to refund the Company's "Unprotected" EDIT balance over a five (5) year period with interest at the Company's short-term debt rate, effective October 1, 2018. The matter would remain open until the Company submitted a filing to begin amortizing the "Protected" EDIT balance over the amortization period determined by the Average Rate Assumption Method ("ARAM"), no later than March 31, 2019.

7. On March 29, 2019, the Company submitted a compliance filing pursuant to the September 2018 Order, identifying the revised estimated EDIT balances and the proposed amortization and refund mechanism for the "Protected" EDIT balance (the "Compliance Filing"). The Protected EDIT balance reflected a regulatory liability of approximately \$149.5 million (pre-gross up), consisting of a \$181.0 million regulatory liability offset by a \$31.6 million regulatory asset related to the Company's net operating loss ("NOL"). The Company's Unprotected EDIT balance reflected a regulatory liability of approximately \$43.4 million. The Company proposed to refund all excess deferred income tax balances through Rider "H", with the "Unprotected" EDIT and "Protected- NOL" EDIT to be amortized over a five (5) period, and the "Protected" EDIT to be amortized over the remaining lives of the related assets utilizing ARAM. The resolution of this Compliance Filing is discussed below.

8. Pursuant to the September 2018 Order, the Parties agreed that the Company shall submit an annual Rider "H" True-Up Filing on June 1st to establish future Rider "H" rates, effective October 1st of each year.

9. On June 3, 2019, the Company submitted its first annual true-up of Rider H ("2019 True Up Petition"), seeking to modify the then current rate of (\$0.013043) per therm,

including taxes, to a credit rate of (\$0.012207) per therm, including taxes. The proposed rate included the refund of the “Protected” and “Unprotected” EDIT.

10. Following duly noticed public hearings, on May 5, 2020, the Board approved the first Rider “H” Rate Adjustment, with an effective date of June 1, 2020 (“May 2020 Order”). The approved Rider “H” credit rate of (\$0.020239) reflected an increase of (\$0.007196) from the then current credit rate of (\$0.013043) and consists of the “Unprotected” EDIT refund only. The May 2020 Order also resolved all issues related to the Compliance Filing.

11. The “Unprotected” EDIT balance approved by the May 2020 Order reflected the regulatory liability of approximately \$44.7 million (pre-gross up). The balance reflected the proposed amount of \$43.4 million from the Compliance Filing, adjusted for the removal of the following accounts: (1) Charitable Contributions; (2) Restricted Stock; (3) Unrealized Gains/Loss; (4) FIN 48; and (5) CIAC.

12. The “Protected” EDIT balance approved by the May 2020 Order reflected a regulatory liability of approximately \$149.5 million (pre-gross up), consisting of \$181.0 million regulatory liability offset by a \$31.6 million regulatory asset related to the Company’s net operating loss (“NOL”).

13. The May 2020 Order further provided that the “Protected” EDIT Regulatory liability be amortized over the remaining lives of the related assets utilizing ARAM. The “Protected-NOL” EDIT Regulatory asset will be amortized over the average life of the related assets, utilizing the Reverse South Georgia Method. The net “Protected” EDIT will be refunded to customers through a proposed base rate adjustment in the Company’s next base rate case.

14. The Rider “H” credit rate of (\$0.020239) per therm is limited to refunding the “Unprotected” EDIT balance. However, should IRS normalization guidance issued in the future conflict with the terms of the Stipulation of Settlement approved by the Board in the May 2020 Order, Rider “H” may be employed to adjust the amortization of “Protected” EDIT and “Protected-NOL” EDIT, as necessary, for differences between amortization reflected in rates and amounts permitted to be amortized in accordance with the IRS normalization guidance, prior to the effective date of a base rate case.

III. REQUESTED RIDER “H” RATE

15. This filing is being made pursuant to the September 2018 Order. As approved in the May 2020 Order, Rider “H” includes the refund of the Company’s “Unprotected” EDIT, with interest at the Company’s short-term debt rate.

16. Based on the information provided in the Schedules attached to the Direct Testimony of Stefany M. Graham, Director, Rates and Regulatory Affairs, the proposed Rider “H” rate for the period beginning October 1, 2020 and ending September 30, 2021 is (\$0.029906) per therm, including taxes. This proposed credit rate produces an increase in the Company’s current credit rate of (\$0.009667) per therm from the current Rider “H” rate of (\$0.020239) per therm, including taxes. This rate is based on actual information through April 30, 2020 and projected data through September 30, 2021. Petitioner will update this information with actuals as this matter proceeds.

17. The impact of the proposed credit rate on the bill of a residential heating customer using 100 therms of natural gas in a winter month is a decrease of \$0.97, or 0.7%.

IV. MISCELLANEOUS

18. As the proposed change to the Rider “H” Credit reflects a decrease in charges to customers, a form of notice to customers is not required pursuant to N.J.A.C. 14:1-5.11.

19. The Company is serving notice of this filing on the Director, Division of Rate Counsel (“Rate Counsel”) via electronic mail in lieu of providing hard copies. Due to the pandemic, and in accordance with the BPU’s March 19, 2020 and May 20, 2020 Orders issued in BPU Docket No. EO20030254, hard copies cannot be provided at this time, but can be provided at a later time, as needed.

20. Similarly, South Jersey has also served notice of this filing on the Department of Law and Public Safety (“Department of Law”) via electronic mail in lieu of providing hard copies, but hard copies can be provided at a later time, as needed.

21. To the extent necessary, South Jersey Gas respectfully requests a waiver of the need to provide hard copies in connection with this Petition to the Board, Rate Counsel and the Department of Law subject to copies being provided at a later time, as needed.

WHEREFORE, South Jersey Gas Company respectfully requests an Order of the Board:

1. Approving the Company’s continued refund of Unprotected excess deferred income taxes to customers through Rider “H”;
2. Approving South Jersey’s request for the Rider “H” credit rate of (\$0.029906) per therm, including taxes, until the Company submits its next annual Rider “H” True-Up Filing or the Board issues an Order changing such rates; and
3. Granting such other relief, as the Board deems just, reasonable and necessary.

Respectfully submitted,

SOUTH JERSEY GAS COMPANY



By: Deborah M. Franco, Esq.
SJI

Date: June 1, 2020

Communications addressed to the Petition
in this case are to be sent to:

Deborah M. Franco, Esq.
SJI
520 Green Lane
Union, New Jersey 07083
dfranco@sjindustries.com

Dominick DiRocco
Vice President, Rates and Regulatory Affairs
SJI Utilities, Inc.
1 South Jersey Place
Atlantic City, NJ 08401
ddirocco@sjindustries.com

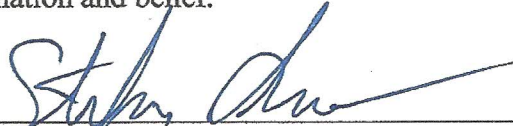
Stefany Graham
Director, Rates and Regulatory Affairs
SJI Utilities, Inc.
1 South Jersey Place
Atlantic City, NJ 08401
sgraham@sjindustries.com

VERIFICATION

I, Stefany M. Graham, of full age, being duly sworn according to law, upon my oath, depose and say:


1. I am Director, Rates & Regulatory Affairs of SJI Utilities Inc., the parent company to South Jersey Gas Company ("Company") and I am authorized to make this verification on behalf of the Company.

2. I have reviewed the within petition and the information contained therein is true according to the best of my knowledge, information and belief.



Stefany M. Graham
Director, Rates & Regulatory Affairs

Sworn to and subscribed
before me this 1st day
of June 2020



CAROLYN A. JACOBS

NOTARY PUBLIC OF NEW JERSEY

My Commission Expires October 28, 2023



**BEFORE THE
NEW JERSEY BOARD OF PUBLIC UTILITIES**

DIRECT TESTIMONY

OF

STEFANY M. GRAHAM

**Director, Rates and Regulatory Affairs
SJI Utilities, Inc.**

**On Behalf of
South Jersey Gas Company**

June 1, 2020

1 **I. INTRODUCTION**

2 **Q. Please state your name, affiliation and business address.**

3 **A.** My name is Stefany M. Graham and I am Director, Rates and Regulatory Affairs for SJI
4 Utilities, Inc. (“SJIU”). My business address is One South Jersey Place, Atlantic City, NJ
5 08401.

6 **Q. Please summarize your educational and professional background.**

7 **A.** I received a Bachelor of Science Degree in Accounting from Pennsylvania State University
8 in 2011 and obtained a Masters in Business Administration Degree with a concentration in
9 Finance from Drexel University in 2015. In October 2014, I joined the Internal Audit
10 Department at South Jersey Industries, Inc. (“SJI”), and subsequently accepted the role of
11 Senior Rate Analyst in the Rates and Revenue Requirement Department in May 2015. In
12 December 2017, I was promoted to Manager, Rates and Regulatory Initiatives for South
13 Jersey Gas Company (“SJG”) and most recently appointed to my current role as Director,
14 Rates and Regulatory Affairs for SJIU overseeing Rates and Regulatory Initiatives for
15 South Jersey Gas (“South Jersey”, “SJG” or the “Company”) and its sister New Jersey
16 public utility, Elizabethtown Gas Company as well as Elkton Gas Company in Maryland.

17 In my current role, I manage the Company’s Rate Department activities, including
18 the preparation and coordination of all rate case, revenue-related and other filings before
19 the New Jersey Board of Public Utilities (“BPU” or the “Board”). Prior to my employment
20 at SJI, I worked for the Big Four public accounting firm of Deloitte, LLP as an auditor for
21 a diverse client base, as well as in the Internal Audit Department at Virtua Health. I am a
22 member of the American Gas Association (“AGA”) and the New Jersey Utilities
23 Association (“NJUA”), where I serve on the Finance and Regulations Committee.

1 **Q. What is the purpose of your testimony?**

2 **A.** The purpose of my testimony is to: (1) identify the Company's excess deferred income tax
3 ("EDIT") balances and related amortization periods; (2) discuss the rate calculation for
4 SJG's Tax Act Rider "H", including a review of actual results for the period October 1,
5 2019 through September 30, 2020 ("Year 2") and projected results for the period October
6 1, 2020 through September 30, 2021 ("Year 3"); and (3) support the proposed Rider "H"
7 rate and revisions to SJG's tariff, to become effective October 1, 2020.

8 **II. EXCESS DEFERRED INCOME TAX ("EDIT")**

9 **Q. Please provide the EDIT balances to be refunded to customers.**

10
11 **A.** The Company's excess deferred income taxes fall into two categories, those restricted to
12 normalization provisions (i.e., "Protected") and those that are not (i.e., "Unprotected").
13 Pursuant to the Board Order dated May 5, 2020 in Docket Nos. AX1801001, GR18030230
14 and GR19060701 (the "May 2020 Order"), the Protected EDIT balance as of December
15 31, 2017 reflects a regulatory liability of approximately \$149.5 million (pre-gross up),
16 consisting of a \$181.0 million regulatory liability offset by a \$31.6 million regulatory asset
17 related to the Company's net operating loss ("NOL"). The Company's Unprotected EDIT
18 balance as of December 31, 2017 reflects a regulatory liability of approximately \$44.7
19 million.

20 **Q. Please describe the amortization period and methodology by which the Company**
21 **will refund the Protected EDIT balance.**

22 **A.** Pursuant to the May 2020 Order, the Protected EDIT Regulatory liability will be amortized
23 over the remaining lives of the related assets utilizing the Average Rate Assumption
24 Method ("ARAM"). The Protected-NOL EDIT Regulatory asset will be amortized over

1 the average life of the related assets, utilizing the Reverse South Georgia Method. The net
2 Protected EDIT will be refunded to customers through a proposed base rate adjustment in
3 the Company's next base rate case. As such, the net Protected EDIT balance is not reflected
4 within the Rider "H" credit rate proposed in this proceeding.

5 **Q. Please describe the amortization period and methodology by which the Company**
6 **will refund the Unprotected EDIT balance.**

7 **A.** Pursuant to the May 2020 Order, the Company will refund the Unprotected EDIT through
8 the existing Rider "H" over the remaining five (5) year amortization period.

9 **Q. Is Rider "H" limited to refunding the Unprotected EDIT balance?**

10 **A.** Yes, however, should IRS normalization guidance issued in the future conflict with the
11 terms of the Stipulation of Settlement approved by the Board in the May 2020 Order, Rider
12 "H" may be employed to adjust the amortization of "Protected" EDIT and "Protected-
13 NOL" EDIT, as necessary, for differences between amortization reflected in rates and
14 amounts permitted to be amortized in accordance with the IRS normalization guidance,
15 prior to the effective date of a base rate case.

16 **III. RIDER "H" RATE CALCULATION**

17 **Q. Please describe the rate mechanism used to refund the Company's Unprotected**
18 **excess deferred income taxes.**

19 **A.** The Company refunds its Unprotected excess deferred income taxes associated with the
20 2017 Tax Cuts and Jobs Act (the "Tax Act") through Rider "H", set forth in the Company's
21 Tariff. Total amortization amounts, including carrying costs, are calculated and recovered
22 through a volumetric charge applicable to all firm throughput. Rider "H" also includes

1 provisions for the treatment of any over or under refunded balances, to be captured through
2 annual true-up filings.

3 **Q. Please summarize the amortization and refund through Rider “H” to date.**

4 **A.** Pursuant to the Board’s Order dated September 17, 2018 in Docket Nos. AX18010001 and
5 GR18030230 (the “September 2018 Order”), the Company established the initial credit rate
6 of (\$0.013043) per therm and began amortizing the Unprotected EDIT on October 1, 2018.
7 In accordance with the September 2018 Order, the Company submitted its first annual true-
8 up filing on June 1, 2019. On May 5, 2020, the Board approved a Rider “H” credit rate of
9 (\$0.020239) per therm, including taxes, reflecting an increase of (\$0.007196) in the then
10 current credit rate of (\$0.013043) per therm, including taxes, effective June 1, 2020. Based
11 on the Unprotected EDIT balance of approximately \$44.7 million, the Company will have
12 amortized approximately \$8.25 million by the end of March 2020, with approximately
13 \$36.4 million to be refunded over the remaining 3.5 years. The Unprotected EDIT balance
14 and amortization calculation is provided herein as Schedule SMG-2.

15 As of April 30, 2020, the Company has refunded approximately \$10.4 million,
16 including interest, to customers through Rider “H”. The monthly amount credited to
17 customers is shown on Schedule SMG-4.

18 **Q. Please describe how the proposed rate is calculated.**

19 **A.** Schedule SMG-1 provides the calculation of the proposed Rider “H” credit rate of
20 (\$0.029906) per therm, including taxes. The rate derivation begins with the annual
21 amortization amount for the Unprotected EDIT and projected carrying costs based on the
22 balance and amortization period discussed above. The projected total over/under refunded
23 balance from Year 2 is then combined with the total projected amortization and carrying

costs for Year 3 to calculate the total customer refund for Year 3. The total customer refund is then divided by the projected annual therms to calculate a credit rate per therm, applicable to all customer classes identified in Rider “H” to the Company’s Tariff.

Q. How has the Company calculated the over/under refunded balance?

A. The Company has calculated the monthly over/under refunded balance by comparing the monthly amortization amount, including applicable carrying costs, to the actual amount credited to customers in the corresponding month. Based on actual information through April 30, 2020, the Company projects an under refunded balance of approximately \$3.8 million as of September 30, 2020, primarily due to lower than forecasted sales during the period January through March 2020. A monthly calculation of the over/under refunded balance is reflected on Schedule SMG-3.

Q. How has the Company calculated carrying costs on the Unprotected EDIT?

A. Pursuant to the September 2018 Order, the Company calculated carrying costs monthly on the unamortized Unprotected EDIT balance utilizing the Company’s monthly average Short-Term Debt rate. The calculation of monthly interest expense is attached hereto as Schedule SMG-4.

Q. What is the basis for the therms used to calculate the rate?

A. The forecasted volumes of 532,916,436 reflected on Schedule SMG-1 represents projected therms used for the annual period from October 1, 2020 through September 30, 2021 (Year 3). These volumes reflect firm consumption for all rate classes that receive the Rider “H” credit. In forecasting its customer consumption, the Company utilizes ten years of historical usage and 20 years of normalized weather data.

1 **IV. RATE AND CUSTOMER BILL IMPACTS**

2 **Q. Please provide the proposed Rider “H” rate, as well as the associated customer bill**
3 **impacts.**

4 **A.** The proposed Rider “H” rate is (\$0.029906) per therm, including taxes, and (\$0.027978)
5 per therm, excluding taxes. This represents an increase of (\$0.009667) per therm from the
6 current Rider “H” credit rate of (\$0.020239) per therm, including taxes. The bill impact
7 for a residential heating customer using 100 therms during a winter month will be a
8 decrease of \$0.97, or 0.7%, as shown on Schedule SMG-5.

9 **Q. Please provide proposed tariff sheets associated with the proposed Rider “H”.**

10 **A.** Please see the attached Schedule SMG-6 for proposed tariff sheets and Rider “H”, in
11 redlined form for review purposes.

12 **Q. Does this conclude your testimony?**

13
14 **A.** Yes, it does.

Schedule SMG-1

**South Jersey Gas Company
Tax Act Rider - Unprotected EDIT
Projected Rate Calculation**

Line No.		Proposed Year 3 Oct 20 - Sept 21
1		
2		
3		
4	Unprotected Excess DFIT Amortization	(\$10,402,047)
5		
6	Projected Carrying Costs	(\$698,133)
7		
8	Beginning Over/(Under) Refunded Balance	(\$3,809,555)
9		
10	Total Refund	<u>(\$14,909,735)</u>
11		
12	Therm Sales Projection	532,916,436
13		
14	Rate Per Therm, Excluding SUT & PUA	\$ (0.027978)
15		
16	Rate Per Therm, Including SUT & PUA	\$ (0.029906)

**South Jersey Gas Company
Tax Act Rider - Unprotected EDIT
Revised Balance and Amortization**

<u>Line No.</u>		
1		
2	Adjusted Unprotected EDIT Balance*	(\$44,659,231)
3		
4	Year 1 Amortization (Oct 2018 - Sept 2019)	\$5,501,377
5		
6	Year 2 Amortization (Oct 2019 - March 2020)	\$2,750,688
7		
8	Total Unamortized Unprotected EDIT Balance as of Mar 2020	<u>(\$36,407,166)</u>
9		
10	Remaining Amortiation Period (Years)	3.5
11		
12	Annual Unprotected EDIT Amortization	<u>(\$10,402,047)</u>
13		
14	Months	12
15		
16	Monthly Unprotected EDIT Amortization, Effective April 1, 2020	<u>(\$866,837)</u>

*Per the May 5, 2020 Order

South Jersey Gas Company
Tax Act Rider - Unprotected EDIT
Monthly Activity

Year 2	Actual Oct-19	Actual Nov-19	Actual Dec-19	Actual Jan-20	Actual Feb-20	Actual Mar-20	Actual Apr-20	Forecast May-20	Forecast Jun-20	Forecast Jul-20	Forecast Aug-20	Forecast Sep-20	Total
Beginning Balance	\$1,334,383	\$1,590,828	\$1,723,077	\$1,491,737	\$1,069,461	\$784,529	\$579,571	\$944,226	\$1,545,485	\$2,107,765	\$2,642,696	\$3,229,104	\$1,334,383
Unprotected EDIT Amortization (5 Years)	\$458,448	\$458,448	\$458,448	\$458,448	\$458,448	\$458,448	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$7,951,712
Interest Expense	\$75,607	\$63,518	\$63,590	\$59,517	\$55,543	\$59,100	\$42,364	\$82,812	\$82,116	\$73,976	\$73,393	\$72,798	\$804,333
Net Credit to Customers	(\$277,610)	(\$389,717)	(\$753,378)	(\$940,241)	(\$798,923)	(\$722,505)	(\$544,546)	(\$348,391)	(\$386,673)	(\$405,883)	(\$353,822)	(\$359,184)	(\$6,280,874)
Net Activity	\$256,445	\$132,249	(\$231,340)	(\$422,276)	(\$284,932)	(\$204,957)	\$364,655	\$601,259	\$562,280	\$534,930	\$586,408	\$580,451	\$2,475,171
Monthly (Over)/Under Refunded Ending Balance	\$1,590,828	\$1,723,077	\$1,491,737	\$1,069,461	\$784,529	\$579,571	\$944,226	\$1,545,485	\$2,107,765	\$2,642,696	\$3,229,104	\$3,809,555	\$3,809,555

Year 3	Forecast Oct-20	Forecast Nov-20	Forecast Dec-20	Forecast Jan-21	Forecast Feb-21	Forecast Mar-21	Forecast Apr-21	Forecast May-21	Forecast Jun-21	Forecast Jul-21	Forecast Aug-21	Forecast Sep-21	Total
Beginning Balance	\$3,809,555	\$4,217,795	\$4,110,387	\$3,362,624	\$1,803,212	\$307,122	(\$920,851)	(\$1,571,286)	(\$1,448,318)	(\$1,145,484)	(\$775,100)	(\$380,490)	\$3,809,555
Unprotected EDIT Amortization (5 Years)	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$10,402,047
Interest Expense	\$71,844	\$69,819	\$66,462	\$67,546	\$62,143	\$57,353	\$53,884	\$52,183	\$50,894	\$49,759	\$48,679	\$47,567	\$698,133
Net Credit to Customers	(\$530,442)	(\$1,044,064)	(\$1,681,062)	(\$2,493,795)	(\$2,425,070)	(\$2,152,163)	(\$1,571,156)	(\$796,053)	(\$614,898)	(\$546,212)	(\$520,906)	(\$533,914)	(\$14,909,735)
Net Activity	\$408,240	(\$107,408)	(\$747,763)	(\$1,559,412)	(\$1,496,090)	(\$1,227,972)	(\$650,435)	\$122,968	\$302,834	\$370,384	\$394,610	\$380,490	(\$3,809,555)
Monthly (Over)/Under Refunded Ending Balance	\$4,217,795	\$4,110,387	\$3,362,624	\$1,803,212	\$307,122	(\$920,851)	(\$1,571,286)	(\$1,448,318)	(\$1,145,484)	(\$775,100)	(\$380,490)	\$0	\$0

South Jersey Gas Company
Tax Act Rider - Unprotected EDIT
Interest Expense

Year	Status	Month	Beginning Balance	Less Amount Credited to Customers	Net Ending Balance	Annual STD Rate	Monthly Interest Expense
1	Actual	Jan-18	\$44,659,231	\$0	\$44,659,231	1.81%	\$67,386
1	Actual	Feb-18	\$44,726,617	\$0	\$44,726,617	1.79%	\$66,877
1	Actual	Mar-18	\$44,793,494	\$0	\$44,793,494	2.06%	\$76,853
1	Actual	Apr-18	\$44,870,347	\$0	\$44,870,347	2.30%	\$86,029
1	Actual	May-18	\$44,956,376	\$0	\$44,956,376	2.24%	\$84,053
1	Actual	Jun-18	\$45,040,429	\$0	\$45,040,429	2.28%	\$85,558
1	Actual	Jul-18	\$45,125,986	\$0	\$45,125,986	2.31%	\$86,914
1	Actual	Aug-18	\$45,212,900	\$0	\$45,212,900	2.27%	\$85,528
1	Actual	Sep-18	\$45,298,428	\$0	\$45,298,428	2.29%	\$86,444
1	Actual	Oct-18	\$45,384,872	(\$181,528)	\$45,203,344	2.46%	\$92,667
1	Actual	Nov-18	\$45,296,011	(\$454,865)	\$44,841,146	2.53%	\$94,540
1	Actual	Dec-18	\$44,935,686	(\$780,244)	\$44,155,442	2.79%	\$102,599
1	Actual	Jan-19	\$44,258,041	(\$959,263)	\$43,298,778	2.85%	\$102,954
1	Actual	Feb-19	\$43,401,731	(\$984,505)	\$42,417,226	2.75%	\$97,298
1	Actual	Mar-19	\$42,514,524	(\$889,315)	\$41,625,209	2.72%	\$94,347
1	Actual	Apr-19	\$41,719,556	(\$582,647)	\$41,136,910	2.73%	\$93,418
1	Actual	May-19	\$41,230,328	(\$316,602)	\$40,913,726	2.70%	\$91,943
1	Actual	Jun-19	\$41,005,669	(\$231,851)	\$40,773,818	2.62%	\$88,989
1	Actual	Jul-19	\$40,862,807	(\$210,104)	\$40,652,703	2.59%	\$87,800
1	Actual	Aug-19	\$40,740,503	(\$206,409)	\$40,534,094	2.42%	\$81,649
1	Actual	Sep-19	\$40,615,743	(\$208,008)	\$40,407,735	2.51%	\$84,503
2	Actual	Oct-19	\$40,492,237	(\$277,610)	\$40,214,627	2.26%	\$75,607
2	Actual	Nov-19	\$40,290,234	(\$389,717)	\$39,900,517	1.91%	\$63,518
2	Actual	Dec-19	\$39,964,035	(\$753,378)	\$39,210,657	1.95%	\$63,590
2	Actual	Jan-20	\$39,274,247	(\$940,241)	\$38,334,006	1.86%	\$59,517
2	Actual	Feb-20	\$38,393,523	(\$798,923)	\$37,594,600	1.77%	\$55,543
2	Actual	Mar-20	\$37,650,143	(\$722,505)	\$36,927,638	1.92%	\$59,100
2	Actual	Apr-20	\$36,986,737	(\$544,546)	\$36,442,191	1.40%	\$42,364
2	Projected	May-20	\$36,484,555	(\$348,391)	\$36,136,164	2.75%	\$82,812
2	Projected	Jun-20	\$36,218,976	(\$386,673)	\$35,832,304	2.75%	\$82,116
2	Projected	Jul-20	\$35,914,419	(\$405,883)	\$35,508,536	2.50%	\$73,976
2	Projected	Aug-20	\$35,582,512	(\$353,822)	\$35,228,690	2.50%	\$73,393
2	Projected	Sep-20	\$35,302,083	(\$359,184)	\$34,942,899	2.50%	\$72,798
3	Projected	Oct-20	\$35,015,697	(\$530,442)	\$34,485,255	2.50%	\$71,844
3	Projected	Nov-20	\$34,557,100	(\$1,044,064)	\$33,513,036	2.50%	\$69,819
3	Projected	Dec-20	\$33,582,854	(\$1,681,062)	\$31,901,792	2.50%	\$66,462
3	Projected	Jan-21	\$31,968,254	(\$2,493,795)	\$29,474,459	2.75%	\$67,546
3	Projected	Feb-21	\$29,542,005	(\$2,425,070)	\$27,116,935	2.75%	\$62,143
3	Projected	Mar-21	\$27,179,077	(\$2,152,163)	\$25,026,914	2.75%	\$57,353
3	Projected	Apr-21	\$25,084,268	(\$1,571,156)	\$23,513,111	2.75%	\$53,884
3	Projected	May-21	\$23,566,996	(\$796,053)	\$22,770,943	2.75%	\$52,183
3	Projected	Jun-21	\$22,823,126	(\$614,898)	\$22,208,229	2.75%	\$50,894
3	Projected	Jul-21	\$22,259,123	(\$546,212)	\$21,712,911	2.75%	\$49,759
3	Projected	Aug-21	\$21,762,669	(\$520,906)	\$21,241,763	2.75%	\$48,679
3	Projected	Sep-21	\$21,290,442	(\$533,914)	\$20,756,528	2.75%	\$47,567

Schedule SMG-5

**South Jersey Gas Company
Residential Heat Customer
Rider "H" Bill Impact**

	6/1/2020 Current	10/1/2020 Proposed
Cost of Service	\$ 0.722972	\$ 0.722972
Balancing Charge	\$ 0.087115	\$ 0.087115
BGSS	\$ 0.447769	\$ 0.447769
CIP	\$ (0.012422)	\$ (0.012422)
EET	\$ 0.016820	\$ 0.016820
2017 Tax Act	\$ (0.020239)	\$ (0.029906)
SBC:		
RAC Rate per Therm	\$ 0.048815	\$ 0.048815
CLEP Rate per Therm	\$ 0.019265	\$ 0.019265
USF Rate per Therm	\$ 0.012100	\$ 0.012100
TIC Rate per Therm	\$ 0.001321	\$ 0.001321
Total Rate per Therm	\$ 1.323516	\$ 1.313849
Applicable Therms	<u>100</u>	<u>100</u>
Total per Therm Charge	\$ 132.35	\$ 131.38
Customer Service Charge	<u>\$ 10.13</u>	<u>\$ 10.13</u>
Total RSG Bill	<u><u>\$ 142.48</u></u>	<u><u>\$ 141.51</u></u>
Dollar (Decrease)/Increase		<u><u>\$ (0.97)</u></u>
Percentage (Decrease)/Increase		<u><u>-0.7%</u></u>

SOUTH JERSEY GAS COMPANY

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

**Fourteenth Revised Sheet No. 6
Superseding Thirteenth Revised Sheet No. 6**

RESIDENTIAL SERVICE (RSG)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE Firm Sales Service and Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge: \$10.129375 per month

Delivery Charge:

(a) Residential Non-Heating Customers
Firm Sales Service and Firm Transportation Service \$.759784769450 per therm

(b) Residential Heating Customers
Firm Sales Service and Firm Transportation Service \$.866080875746 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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SOUTH JERSEY GAS COMPANY

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

**Fourteenth Revised Sheet No. 10
Superseding Thirteenth 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:

\$31.955513 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service

\$ 738337748003 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).

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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SOUTH JERSEY GAS COMPANY

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

**Fourteenth Revised Sheet No. 14
Superseding Thirteenth 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:

\$159.937500 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service⁽²⁾

Demand Charge:

D-1FT: \$10.245170 per Mcf of Contract Demand

Volumetric Charge:

\$~~.471535481201~~ per therm

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect
Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

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

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

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

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SOUTH JERSEY GAS COMPANY

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

**Thirteenth Revised Sheet No. 18
Superseding Twelfth Revised Sheet No. 18**

COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

APPLICABLE TO USE OF SERVICE FOR:

All customers having a Firm Contract Demand, and an average annual daily Firm usage of 100 Mcf per day or more. To be eligible for service under this Rate Schedule CTS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system. Provided, however, that any customer receiving service under this Rate Schedule CTS prior to August 29, 2003 shall continue to be eligible to receive service under this Rate Schedule CTS, notwithstanding the foregoing, if said 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: \$639.750000 per month

Delivery Charges:

Demand Charge: D-1FT: \$30.553927 per Mcf of Contract Demand

Volumetric Charges:

All consumption for customers who elected to
transfer from Sales Service to Firm Transportation Service \$~~.140423450090~~
per therm

Limited Firm:

Customer Charge: \$106.625000 per month

Delivery Charges:

Volumetric Charges:

All consumption for customers who elected to
transfer from Sales Service to Firm Transportation Service \$~~.129394139061~~
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. 12 - GAS

Fifteenth Revised Sheet No. 25
Superseding Fourteenth Revised Sheet No. 25

LARGE VOLUME SERVICE (LVS)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE:

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

MONTHLY RATE: ⁽¹⁾

Firm:

Customer Charge:

\$959.625000 per month

Delivery Charge:

Firm Sales Service and Firm Transportation Service

Demand Charge:

D-1FT: \$17.016071 per Mcf of Contract Demand

Volumetric Charge:

\$~~.121528~~~~+31195~~ per therm

Basic Gas Supply Service ("BGSS") Charge:

Demand Charge:

D-2: \$19.623062 per Mcf of Contract Demand.

Volumetric Charge:

See Rider "A" of this Tariff.

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

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SOUTH JERSEY GAS COMPANY

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

Twelfth Revised Sheet No. 26
Superseding Eleventh Revised Sheet No. 26

LARGE VOLUME SERVICE (LVS)

(Continued)

Limited Firm:

Customer Charge:

\$106.625000 per month

Delivery Charge:

Firm Sales Service and Firm Transportation

Volumetric Charge:

\$ 197362207029 per therm

Basic Gas Supply Service ("BGSS") Charge:

Applicable to customers who elect Firm Sales Service

Volumetric Charge:

See Rider "A" of this Tariff.

PRICE TO COMPARE:

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

LINE LOSS:

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

MINIMUM BILL:

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

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SOUTH JERSEY GAS COMPANY

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

Fourteenth Revised Sheet No. 38
Superseding Thirteenth Revised Sheet No. 38

ELECTRIC GENERATION SERVICE (EGS)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE:

Firm Sales Service and Firm Transportation Service

MONTHLY RATE: ⁽¹⁾⁽²⁾

Residential Customer Charge:

\$10.662500 per month

Residential Delivery Charge

Residential Volumetric Charge: \$.~~297176306842~~ per therm

Commercial and Industrial Customer Charge:

\$67.578925 per month

Commercial and Industrial Delivery Charge:

Commercial and Industrial Demand Charge:

D-1 Charge: \$8.362812 per Mcf of contract

Volumetric Charges:

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

All Consumption for Firm Sales Service and Firm Transportation Service

\$.~~298327307993~~ per therm

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

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

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SOUTH JERSEY GAS COMPANY

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

Fourteenth Revised Sheet No. 39
Superseding Thirteenth Revised Sheet No. 39

ELECTRIC GENERATION SERVICE (EGS)

(Continued)

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

All Consumption for Firm Sales Service and Firm Transportation Service

\$ 266339276005 per therm

Basic Gas Supply Service ("BGSS") Charge:

Applicable to customers who elect Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

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

APPLICABLE RIDERS:

Basic Gas Supply Service Clause:

BGSS charges are depicted in Rider "A" of this Tariff.

Societal Benefits Clause:

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

2017 Tax Act

The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "H" of this Tariff.

Balancing Service Clause

The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "J" of this Tariff. However, also see Special Provision (k) regarding Rider "I".

Energy Efficiency Tracker:

The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "N" of this Tariff.

TERMS OF PAYMENT:

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

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SOUTH JERSEY GAS COMPANY

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

**Fifteenth Revised Sheet No. 43
Superseding Fourteenth Revised Sheet No. 43**

ELECTRIC GENERATION SERVICE – LARGE VOLUME (EGS-LV)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE:

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

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$456.696200 per month

FIRM:

Demand Charges: ⁽²⁾

D-1 \$24.772951 per Mcf of Firm Daily Contract Demand.

D-2 \$21.238498 per Mcf of Firm Daily Contract Demand or \$0 for Firm Transportation customers.

Volumetric Charge:

C-1: \$.~~067094076761~~ 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 \$9.811531 per Mcf of Limited Firm Daily Contract Demand or \$0 for Limited Firm Transportation customers

Volumetric Charge: ⁽²⁾

C-1: \$.~~067094076761~~ per therm of consumption

C-2: As depicted in the Monthly BGSS Subrider of Rider "A" of this Tariff, OR
Customer Owned Gas Clause, Rider "D"

C-3 \$.173700 per therm for all consumption within Limited Firm Contract Demand level.¹

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

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

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SOUTH JERSEY GAS COMPANY

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

**Thirteenth Revised Sheet No. 60
Superseding Twelfth Revised Sheet No. 60**

NATURAL GAS VEHICLE (NGV)

APPLICABLE TO:

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

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service

COMPRESSED NATURAL GAS VEHICLE SERVICE AT COMPANY OPERATED FUELING STATIONS

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

Rate for Monthly Consumption

Volumetric Charge

C-1: \$0.~~067094076761~~ per therm (\$0.~~083868095951~~ GGE*)

Distribution Charge: \$0.210015 per therm (\$0.262519 GGE*)

Compression Charge: \$0.586530 per therm (\$0.733163 GGE*)

Commodity Charges

All consumption for customers who elected Firm Sales Service

Basic Gas Supply Service ("BGSS") Charge:

See Rider "A" of this Tariff.

BGSS rate * GGE Factor 1.25 = GGE

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

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

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SOUTH JERSEY GAS COMPANY

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

**Fourteenth Revised Sheet No. 61
Superseding Thirteenth Revised Sheet No. 61**

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

NATURAL GAS VEHICLE SERVICE AT CUSTOMER OPERATED FUELING STATIONS

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

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

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

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

Rate for Monthly Consumption

Monthly Customer Charge

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

0-999 Cf/hour	\$39.984400
1,000-4,999 Cf/hour	\$79.968800
5,000-24,999 Cf/hour	\$213.250000
25,000 and greater Cf/hour	\$750.074888

Volumetric Charges

C-1: \$0.~~067094076761~~ per therm (\$0.~~083868095951~~ GGE)

Distribution Charge: \$0.210015 per therm (\$0.262519 GGE)

Basic Gas Supply Service ("BGSS") Charge:

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

Facilities Charge

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

C-2: \$0.345653 (\$0.432066 GGE)

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

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Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

Fourteenth Revised Sheet No. 62

B.P.U.N.J. No. 12 – GAS

Superseding Thirteenth Revised Sheet No. 62

NATURAL GAS VEHICLE (NGV)

(Continued)

DELIVERY SERVICE FOR NATURAL GAS VEHICLES

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

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

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

Rate for Delivery Service

Monthly Customer Charge

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

0-999 Cf/hour	\$39.984400
1,000-4,999 Cf/hour	\$79.968800
5,000-24,999 Cf/hour	\$213.250000
25,000 and greater Cf/hour	\$750.074888

Volumetric Charge

C-1: \$0.~~067094076761~~ per therm (\$0.~~083868095951~~ GGE)

Distribution Charge: \$0.210015 per therm (\$0.262519 GGE)

Facilities Charge

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

C-2: \$0.345653 per therm (\$0.432066 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.

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

Effective with service rendered
on and after _____

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

SOUTH JERSEY GAS COMPANY

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

**Third Revised Sheet No. 85
Superseding Second Revised Sheet No. 85**

**RIDER "H"
2017 TAX ACT**

APPLICABLE TO:

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

This Rider "H" shall be known as the 2017 Tax Act Clause. On December 22, 2017, the President signed into law the Tax Cuts and Jobs Act of 2017 (the "Tax Act"). In response thereto, on January 31, 2018, the Board directed utilities to defer with interest the effects of the Tax Act on the books and records of each company effective January 1, 2018. *In the Matter of the New Jersey Board of Public Utilities' Consideration of the Tax Cuts and Jobs Act of 2017*, BPU Docket No. AX18010001 (Order dated January 31, 2018) (the "Board Order").

PURPOSE:

The 2017 Tax Act Clause shall be utilized to refund to customers the "Unprotected" excess deferred income tax balance related to the change in the Federal corporate tax rate from 35% to 21%, resulting from the Tax Act effective January 1, 2018. The total "Unprotected" excess deferred income tax balance shall be refunded to customers over a 5-year period, with interest at the Company's monthly short-term debt rate. This refund will be effectuated through a credit rate applied to customers' bills during the Adjustment Period. The credit rate will also be adjusted to reflect prior year under recoveries or over recoveries pursuant to this 2017 Tax Act Clause.

ANNUAL FILING:

The 2017 Tax Act rate will be effectuated through a volumetric rate applied to customers' bills. The Company shall make an annual true-up filing June 1 of each year, with the rate to be effective the succeeding October 1. The 2017 Tax Act credit will be:

(\$0.~~029906020239~~) per therm

The 2017 Tax Act Clause will remain in effect until the Company's next base rate case, or until such time as the Board, upon petition by any interested party, shall issue an order terminating the 2017 Tax Act Clause.

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

Effective with service rendered
on and after _____

Filed pursuant to Order in Docket No. _____ of the Board of
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SOUTH JERSEY GAS COMPANY
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RESIDENTIAL GAS SERVICE (RSG) - NONHEAT CUSTOMER				
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>
CUSTOMER CHARGE				TARIFF RATE
DELIVERY CHARGE (per therm):				
Base Rate		9.500000		10.129375
TIC	C	0.678051		0.722972
		0.001236	0.000003	0.001321
SBC:				
RAC	E, G	0.045668	0.000114	0.003033
CLEP	E, K	0.018023	0.000045	0.001197
USF	E	0.011400	0.000000	0.000700
		0.075091	0.000159	0.004930
Total SBC				0.080180
CIP	M	(0.111064)	(0.000278)	(0.118718)
EET	N	0.015736	0.000039	0.016820
2017 Tax Act	H	(0.027978)	(0.000070)	(0.029906)
Balancing Service Charge BS-1	J	0.081498	0.000204	0.005413
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J			Rate Set Monthly
		0.712570	0.000057	0.087115
TOTAL DELIVERY CHARGE				0.759784
BGSS: (Applicable To Sales Customers Only)	A	0.418898	0.001049	0.447769

SOUTH JERSEY GAS COMPANY
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<u>RESIDENTIAL GAS SERVICE (RSG) - HEAT CUSTOMER</u>				
<u>CUSTOMER CHARGE</u>	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>
<u>DELIVERY CHARGE (per therm):</u>				<u>TARIFF RATE</u>
Base Rate		9.500000		10.129375
TIC	C	0.678051		0.722972
		0.001236	0.000003	0.001321
SBC:				
RAC	E, G	0.045668	0.000114	0.003033
CLEP	E, K	0.018023	0.000045	0.001197
USF	E	0.011400	0.000000	0.000700
		0.075091	0.000159	0.004930
Total SBC				0.080180
CIP	M	(0.011621)	(0.000029)	(0.012422)
EET	N	0.015736	0.000039	0.016820
2017 Tax Act	H	(0.027978)	(0.000070)	(0.029906)
Balancing Service Charge BS-1	J	0.081498	0.000204	0.087115
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J			Rate Set Monthly
		0.812013	0.000306	0.866080
Total Delivery Charge		0.418898	0.001049	0.447769
<u>BGSS: (Applicable To Sales Customers Only)</u>	A			

<u>GENERAL SERVICE (GSG)</u>		<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>						
<u>DELIVERY CHARGE (per therm):</u>						
Base Rate			29.970000		1.985513	31.955513
TIC		C	0.566312		0.037518	0.603830
SBC:			0.001236	0.000003	0.000082	0.001321
RAC		E, G	0.045668	0.000114	0.003033	0.048815
CLEP		E, K	0.018023	0.000045	0.001197	0.019265
USF		E	0.011400	0.000000	0.000700	0.012100
Total SBC			0.075091	0.000159	0.004930	0.080180
CIP		M	(0.019668)	(0.000049)	(0.001306)	(0.021023)
EET		N	0.015736	0.000039	0.001045	0.016820
2017 Tax Act		H	(0.027978)	(0.000070)	(0.001858)	(0.029906)
Balancing Service Charge BS-1		J	0.081498	0.000204	0.005413	0.087115
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)		J				Rate Set Monthly
Total Delivery Charge			0.692227	0.000286	0.045824	0.738337
BGSS: (Applicable To Sales Customers Only using less than 5,000 therms annually)		A	0.418898	0.001049	0.027822	0.447769
BGSS: (Applicable To Sales Customers Only using 5,000 therms annually or greater)		A				
						RATE SET MONTHLY

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<u>GENERAL SERVICE-LV (GSG-LV)</u>		<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>						
<u>D-1 Demand Charge (Mcf)</u>			150.000000		9.937500	159.937500
<u>DELIVERY CHARGE (per therm):</u>						
Base Rate			9.608600		0.636570	10.245170
TIC		C	0.283532		0.018784	0.302316
			0.001236	0.000003	0.000082	0.001321
SBC:						
RAC		E, G	0.045668	0.000114	0.003033	0.048815
CLEP		E, K	0.018023	0.000045	0.001197	0.019265
USF		E	0.011400	0.000000	0.000700	0.012100
Total SBC			0.075091	0.000159	0.004930	0.080180
C/P		M	0.012806	0.000032	0.000851	0.013689
EET		N	0.015736	0.000039	0.001045	0.016820
2017 Tax Act		H	(0.027978)	(0.000070)	(0.001858)	(0.029906)
Balancing Service Charge BS-1		J	0.081498	0.000204	0.005413	0.087115
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)		J				Rate Set Monthly
Total Delivery Charge			0.441921	0.000367	0.029247	0.471535
<u>BGSS: (Applicable Sales Customers Only)</u>		A				<u>RATE SET MONTHLY</u>

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COMPREHENSIVE TRANSPORTATION SERVICE (CTS)**FIRM****CUSTOMER CHARGE****D-1 Demand Charge (Mcf)****DELIVERY CHARGE (per therm):**

Base Rate

SBC:

RAC
CLEP
USF

Total SBC

EET

2017 Tax Act

Total Delivery Charge

Balancing Service Charge BS-1

Balancing Service Charge BS-1 (Opt Out Provision)

BUY-OUT PRICE

LIMITED FIRM**CUSTOMER CHARGE****DELIVERY CHARGE (per therm):**

Base Rate

SBC:

RAC
CLEP
USF

Total SBC

EET

2017 Tax Act

Total Delivery Charge

Balancing Service Charge BS-1

Balancing Service Charge BS-1 (Opt Out Provision)

BUY-OUT PRICE

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
600.000000				39.750000	639.750000
28.655500				1.898427	30.553927
0.068773				0.004556	0.073329
0.045668	E, G		0.000114	0.003033	0.048815
0.018023	E, K		0.000045	0.001197	0.019265
0.011400	E		0.000000	0.000700	0.012100
0.075091			0.000159	0.004930	0.080180
0.015736	N		0.000039	0.001045	0.016820
(0.027978)	H		(0.000070)	(0.001858)	(0.029906)
0.131622			0.000128	0.008673	0.140423
0.081498	I		0.000204	0.005413	0.087115
0.002570	I		0.000006	0.000171	0.002747
100.000000				6.625000	106.625000
0.058400				0.003900	0.062300
0.045668	E, G		0.000114	0.003033	0.048815
0.018023	E, K		0.000045	0.001197	0.019265
0.011400	E		0.000000	0.000700	0.012100
0.075091			0.000159	0.004930	0.080180
0.015736	N		0.000039	0.001045	0.016820
(0.027978)	H		(0.000070)	(0.001858)	(0.029906)
0.121249			0.000128	0.008017	0.129394
0.081498	I		0.000204	0.005413	0.087115
0.002570	I		0.000006	0.000171	0.002747

RATE SET MONTHLY

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<u>LARGE VOLUME SERVICE (LVS)</u>					
<u>FIRM</u>	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>					
D-1 Demand Charge (Mcf)		900.000000		59.625000	959.625000
		15.958800		1.057271	17.016071
D-2 DEMAND BGSS(Applicable to Sales Customers Only)	A	18.357823	0.045986	1.219252	19.623062
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.051052		0.003382	0.054434
SBC:					
RAC	E, G	0.045668	0.000114	0.003033	0.048815
CLEP	E, K	0.018023	0.000045	0.001197	0.019265
USF	E	0.011400	0.000000	0.000700	0.012100
Total SBC		0.075091	0.000159	0.004930	0.080180
EET	N	0.015736	0.000039	0.001045	0.016820
2017 Tax Act	H	(0.027978)	(0.000070)	(0.001858)	(0.029906)
Total Delivery Charge		0.113901	0.000128	0.007499	0.121528
Balancing Service Charge BS-1	I	0.081498	0.000204	0.005413	0.087115
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002570	0.000006	0.000171	0.002747
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable Transportation Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable Sales Customers Only)</u>					
<u>LIMITED FIRM</u>					
<u>CUSTOMER CHARGE</u>					
D-1 Demand Charge (Mcf)		100.000000		6.625000	106.625000
		0.122174		0.008094	0.130268
SBC:					
RAC	E, G	0.045668	0.000114	0.003033	0.048815
CLEP	E, K	0.018023	0.000045	0.001197	0.019265
USF	E	0.011400	0.000000	0.000700	0.012100
Total SBC		0.075091	0.000159	0.004930	0.080180
EET	N	0.015736	0.000039	0.001045	0.016820
2017 Tax Act	H	(0.027978)	(0.000070)	(0.001858)	(0.029906)
Total Delivery Charge		0.185023	0.000128	0.012211	0.197362
Balancing Service Charge BS-1	I	0.081498	0.000204	0.005413	0.087115
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002570	0.000006	0.000171	0.002747
BUY-OUT PRICE	I				RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY
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<u>FIRM ELECTRIC SALES (FES)</u>	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>WINTER</u>					
<u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u>		2.897200		0.191900	3.089100
<u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u>	A	9.178912	0.022993	0.609626	9.811531
<u>DELIVERY CHARGE (per therm):</u>					
SBC:					
RAC	E, G	0.045668	0.000114	0.003033	0.048815
CLEP	E, K	0.018023	0.000045	0.001197	0.019265
USF	E	0.011400	0.000000	0.000700	0.012100
Total SBC		0.075091	0.000159	0.004930	0.080180
EET	N	0.015736	0.000039	0.001045	0.016820
Total Delivery Charge		0.090827	0.000198	0.005975	0.097000
<u>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</u>		0.162900		0.010800	0.173700
<u>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</u>					RATE SET MONTHLY
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>SUMMER</u>					
<u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u>		2.897200		0.191900	3.089100
<u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u>	A	9.178912	0.022993	0.609626	9.811531
SBC:					
RAC	E, G	0.045668	0.000114	0.003033	0.048815
CLEP	E, K	0.018023	0.000045	0.001197	0.019265
USF	E	0.011400	0.000000	0.000700	0.012100
EET	N	0.015736	0.000039	0.001045	0.016820
Total Delivery Charge		0.090827	0.000198	0.005975	0.097000
<u>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</u>		0.162900		0.010800	0.173700
<u>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</u>					RATE SET MONTHLY
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

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<u>ELECTRIC GENERATION SERVICE (EGS) - RESIDENTIAL</u>		<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>						
<u>DELIVERY CHARGE (per therm):</u>						
Base Rate			10.000000		0.662500	10.662500
			0.134084		0.008883	0.142967
SBC:						
RAC	E, G		0.045668	0.000114	0.003033	0.048815
CLEP	E, K		0.018023	0.000045	0.001197	0.019265
USF	E		0.011400	0.000000	0.000700	0.012100
			0.075091	0.000159	0.004930	0.080180
Total SBC						
EET	N		0.015736	0.000039	0.001045	0.016820
2017 Tax Act	H		(0.027978)	(0.000070)	(0.001858)	(0.029906)
Balancing Service Charge BS-1	J		0.081498	0.000204	0.005413	0.087115
Total Delivery Charge			0.278431	0.000332	0.018413	0.297176
<u>BGSS: (Applicable To Sales Customers Only)</u>		A	0.418898	0.001049	0.027822	0.447769

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ELECTRIC GENERATION SERVICE (EGS) - COMMERCIAL/INDUSTRIAL					Page 9	
	RIDER	RATE	PUA	NJ SALES TAX	TARIFF RATE	
CUSTOMER CHARGE		63.380000		4.198925	67.578925	
D-1 DEMAND (MCF)		7.843200		0.519612	8.362812	
DELIVERY CHARGE (per therm):						
Base Rate - Winter Season (Nov - Mar)		0.135163		0.008955	0.144118	
Base Rate - Summer Season (Apr - Oct)		0.105163		0.006967	0.112130	
SBC:						
RAC	E, G	0.045668	0.000114	0.003033	0.048815	
CLEP	E, K	0.018023	0.000045	0.001197	0.019265	
USF	E	0.011400	0.000000	0.000700	0.012100	
Total SBC		0.075091	0.000159	0.004930	0.080180	
EET	N	0.015736	0.000039	0.001045	0.016820	
2017 Tax Act	H	(0.027978)	(0.000070)	(0.001858)	(0.029906)	
Balancing Service Charge BS-1	J	0.081498	0.000204	0.005413	0.087115	
Total Delivery Charge - Winter Season		0.279510	0.000332	0.018485	0.298327	
Total Delivery Charge - Summer Season		0.249510	0.000332	0.016497	0.266339	
BGSS: (Applicable To Sales Customers Only)	A					RATE SET MONTHLY

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<u>ELECTRIC GENERATION SERVICE-LV (EGS-LV)</u>				
<u>FIRM</u>	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>
<u>CUSTOMER CHARGE</u>				<u>TARIFF RATE</u>
D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)		428.320000		28.376200
		23.233717		1.539234
D-2 DEMAND BGSS (MCF) (Applicable to Sales Customers Only)	A	19.869101	0.049772	1.319625
<u>DELIVERY CHARGE (per therm):</u>				
SBC:				
RAC	E, G	0.045668	0.000114	0.003033
CLEP	E, K	0.018023	0.000045	0.001197
USF	E	0.011400	0.000000	0.000700
		0.075091	0.000159	0.004930
EET	N	0.015736	0.000039	0.001045
2017 Tax Act	H	(0.027978)	(0.000070)	(0.001858)
		0.062849	0.000128	0.004117
Total Delivery Charge				0.067094
Balancing Service Charge BS-1	I	0.081498	0.000204	0.005413
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002570	0.000006	0.000171
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I			
BGSS: (Applicable To Sales Customers Only)	A			RATE SET MONTHLY
				RATE SET MONTHLY
LIMITED FIRM				
D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)	A	9.178912	0.022993	0.609626
<u>DELIVERY CHARGE (per therm):</u>				
SBC:				
RAC	E, K	0.045668	0.000114	0.003033
CLEP	E, G	0.018023	0.000045	0.001197
USF	E	0.011400	0.000000	0.000700
		0.075091	0.000159	0.004930
EET	N	0.015736	0.000039	0.001045
2017 Tax Act	H	(0.027978)	(0.000070)	(0.001858)
		0.062849	0.000128	0.004117
Total Delivery Charge				0.067094
C-3 (Rate is negotiated. Shown here is the benchmark rate.)				0.173700
Balancing Service Charge BS-1	I	0.081498	0.000204	0.005413
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002570	0.000006	0.000171
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I			
BGSS: (Applicable To Sales Customers Only)	A			RATE SET MONTHLY
				RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY
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<u>YARD LIGHTING SERVICE (YLS)</u>	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
MONTHLY CHARGE / INSTALL		13.455324		0.891415	14.346739
<u>STREET LIGHTING SERVICE (SLS)</u>					
MONTHLY CHARGE / INSTALL		16.461699		1.090588	17.552287
<u>INTERRUPTIBLE GAS SALES (IGS)</u>					
Commodity					Rate Set Monthly
SBC:					
RAC	E K	0.045668	0.000114	0.003033	0.048815
USF	E	0.011400	0.000000	0.000700	0.012100
		0.057068	0.000114	0.003733	0.060915
Total SBC:					
EET	N	0.015736	0.000039	0.001045	0.016820

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<u>INTERRUPTIBLE TRANSPORTATION (ITS)</u>		<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>			100.000000		6.625000	106.625000
<u>TRANSPORTATION CHARGE A</u>			0.028400		0.001900	0.030300
SBC:						
RAC		E, K	0.045668	0.000114	0.003033	0.048815
CLEP		E, G	0.018023	0.000045	0.001197	0.019265
USF		E	0.011400	0.000000	0.000700	0.012100
			0.075091	0.000159	0.004930	0.080180
Total SBC:						
EET		N	0.015736	0.000039	0.001045	0.016820
<u>TRANSPORTATION CHARGE B</u>			0.093200		0.006200	0.099400
SBC:						
RAC		E, K	0.045668	0.000114	0.003033	0.048815
CLEP		E, G	0.018023	0.000045	0.001197	0.019265
USF		E	0.011400	0.000000	0.000700	0.012100
			0.075091	0.000159	0.004930	0.080180
Total SBC:						
EET		N	0.015736	0.000039	0.001045	0.016820
<u>TRANSPORTATION CHARGE C</u>			0.153200		0.010100	0.163300
SBC:						
RAC		E, K	0.045668	0.000114	0.003033	0.048815
CLEP		E, G	0.018023	0.000045	0.001197	0.019265
USF		E	0.011400	0.000000	0.000700	0.012100
			0.075091	0.000159	0.004930	0.080180
Total SBC:						
EET		N	0.015736	0.000039	0.001045	0.016820

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<u>NATURAL GAS VEHICLE (NGV)</u>						
<u>COMPANY OPERATED FUELING STATIONS</u>						
<u>DELIVERY CHARGE (per therm):</u>						
SBC						
RAC	E, K	0.045668	0.000114	0.003033	0.048815	
CLEP	E, G	0.018023	0.000045	0.001197	0.019265	
USF	E	0.011400	0.000000	0.000700	0.012100	
Total SBC:		0.075091	0.000159	0.004930	0.080180	
EET	N	0.015736	0.000039	0.001045	0.016820	
2017 Tax Act	H	(0.027978)	(0.000070)	(0.001858)	(0.029906)	
Total Delivery Charge		0.062849	0.000128	0.004117	0.067094	
<u>DISTRIBUTION CHARGE</u>		0.196474	0.000492	0.013049	0.210015	
<u>COMPRESSION CHARGE</u>		0.548712	0.001375	0.0130490	0.210015	
Balancing Service Charge BS-1	I	0.081498	0.000204	0.005413	0.586530	
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002570	0.000006	0.000171	0.087115	
Balancing Service Charge BS-1	J	0.081498	0.000204	0.005413	0.087115	
BGSS: (Applicable To Sales Customers Only)					RATE SET MONTHLY	
<u>CUSTOMER OPERATED FUELING STATIONS</u>						
<u>CUSTOMER CHARGE</u>						
0 - 999 CF/hour		37.500000		2.484400	39.984400	
1,000 - 4,999 CF/hour		75.000000		4.968800	79.968800	
5,000 - 24,999 CF/hour		200.000000		13.250000	213.250000	
25,000 or Greater CF/hour		703.470000		46.604888	750.074888	
<u>DELIVERY CHARGE (per therm):</u>						
SBC						
RAC	E, K	0.045668	0.000114	0.003033	0.048815	
CLEP	E, G	0.018023	0.000045	0.001197	0.019265	
USF	E	0.011400	0.000000	0.000700	0.012100	
Total SBC:		0.075091	0.000159	0.004930	0.080180	
EET	N	0.015736	0.000039	0.001045	0.016820	
2017 Tax Act	H	(0.027978)	(0.000070)	(0.001858)	(0.029906)	
Total Delivery Charge		0.062849	0.000128	0.004117	0.067094	
<u>DISTRIBUTION CHARGE</u>		0.196474	0.000492	0.013049	0.210015	
Balancing Service Charge BS-1	I	0.081498	0.000204	0.005413	0.087115	
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002570	0.000006	0.000171	0.002747	
Balancing Service Charge BS-1	J	0.081498	0.000204	0.005413	0.087115	
BGSS: (Applicable To Sales Customers Only)					RATE SET MONTHLY	
Facilities Charge (Applicable only to Customers that elect the Company construct Natural Gas ("CNG") fueling Facilities located on Customer's property)		0.324176		0.021477	0.345653	

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Heat Residential Rate Schedule:

	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>
BGSS	0.447769	0.000000	0.447769
Base Rate	0.722972	0.722972	0.000000
CLEP	0.019265	0.019265	0.000000
RAC	0.048815	0.048815	0.000000
CIP	(0.012422)	(0.012422)	0.000000
USF	0.012100	0.012100	0.000000
TIC	0.001321	0.001321	0.000000
EET	0.016820	0.016820	0.000000
2017 Tax Act	(0.029906)	(0.029906)	0.000000
BSC "J" BS-1	0.087115	0.087115	0.000000
Price to Compare	1.313850	0.866080	0.447769

NonHeat Residential Rate Schedule:

	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>
BGSS	0.447769	0.000000	0.447769
CIP	(0.118718)	(0.118718)	0.000000
Base Rate	0.722972	0.722972	0.000000
CLEP	0.019265	0.019265	0.000000
RAC	0.048815	0.048815	0.000000
USF	0.012100	0.012100	0.000000
TIC	0.001321	0.001321	0.000000
EET	0.016820	0.016820	0.000000
2017 Tax Act	(0.029906)	(0.029906)	0.000000
BSC "J" BS-1	0.087115	0.087115	0.000000
Price to Compare	1.207554	0.759784	0.447769

GSG

(Under 5,000 therms annually)

	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>
BGSS	0.447769	0.000000	0.447769
CIP	(0.021023)	(0.021023)	0.000000
Base Rates	0.603830	0.603830	0.000000
CLEP	0.019265	0.019265	0.000000
RAC	0.048815	0.048815	0.000000
USF	0.012100	0.012100	0.000000
TIC	0.001321	0.001321	0.000000
EET	0.016820	0.016820	0.000000
2017 Tax Act	(0.029906)	(0.029906)	0.000000
BSC "J" BS-1	0.087115	0.087115	0.000000
Price to Compare	1.186107	0.738337	0.447769

GSG

(5,000 therms annually or greater)

	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>
BGSS	0.323771	0.000000	0.323771
CIP	(0.021023)	(0.021023)	0.000000
Base Rates	0.603830	0.603830	0.000000
CLEP	0.019265	0.019265	0.000000
RAC	0.048815	0.048815	0.000000
USF	0.012100	0.012100	0.000000
TIC	0.001321	0.001321	0.000000
EET	0.016820	0.016820	0.000000
2017 Tax Act	(0.029906)	(0.029906)	0.000000
BSC "J" BS-1	0.087115	0.087115	0.000000
Price to Compare	1.062108	0.738337	0.323771

GSG-LV*Prior to 7/15/97*

	<i>GSG-LV FSS</i>	<i>GSG-LV-FTS</i>	<i>Difference</i>
BGSS	0.323771	0.000000	0.323771
CIP	0.013689	0.013689	0.000000
Base Rates	0.302316	0.302316	0.000000
CLEP	0.019265	0.019265	0.000000
RAC	0.048815	0.048815	0.000000
USF	0.012100	0.012100	0.000000
TIC	0.001321	0.001321	0.000000
EET	0.016820	0.016820	0.000000
2017 Tax Act	(0.029906)	(0.029906)	0.000000
BSC "J" BS-1	0.087115	0.087115	0.000000
Price to Compare	0.795306	0.471535	0.323771