



FOR IMMEDIATE RELEASE

TELEPHONE: 609-561-9000

Media Contact: Barbara Del Duke x4108, bdelduke@sjindustries.com

Investor Relations: Marissa Travaline x4227, mtravaline@sjindustries.com

SOUTH JERSEY GAS FILES TO REDUCE RATES BY 3.7%

Nearby Natural Gas Production Provides Consistent, Lower-Priced Supply.

FOLSOM, NJ, June 1, 2016 – South Jersey Gas, a subsidiary of South Jersey Industries, Inc. (NYSE: SJI), today filed petitions with the New Jersey Board of Public Utilities to change three components of the company's rates that would result in overall savings to residential customers of \$4.39, or 3.7 percent, on their monthly natural gas bills.

SJG filed its annual Basic Gas Supply Service petition, which proposes a decrease of approximately \$17.45 to an average 100-therm monthly residential bill. While South Jersey Gas does not profit from the actual gas commodity used by customers, the BGSS clause enables the utility to annually adjust customer charges in direct response to decreases or increases in gas costs, as needed. Lower wholesale gas prices, coupled with effective gas supply portfolio management by SJG, drove the reduction in rates. This rate reduction complements a \$20 million BGSS bill credit given to customers in January 2016, which resulted in the average residential customer receiving a credit of \$58.00 on their winter natural gas bill.

–more–

Page 2/ South Jersey Gas Files To Reduce Rates By 3.7%

“Our ability to secure a consistent supply of lower-priced natural gas from nearby Marcellus Shale producers has enabled us to provide a rate reduction for our customers for the second year in a row,” said Jeffrey E. DuBois, president of South Jersey Gas. “As a result, annual customer bills today are, on average, at their lowest levels in fifteen years.”

SJG also filed its annual Conservation Incentive Program petition, proposing an increase of approximately \$13.19 to an average 100-therm monthly residential bill. The CIP program encourages customers to use natural gas more efficiently, reduce consumption and also adjusts customer bills to account for weather-related changes in usage. This change to the CIP rate is largely driven by the significantly warmer than normal weather experienced this past winter. This follows three consecutive years of CIP rate decreases due to extremely cold weather. SJG customers have continued to reduce natural gas consumption through energy efficiency measures, and since the CIP was instituted in 2006, SJG’s customers have reduced their natural gas use by 54.5 billion cubic feet and have saved \$575.2 million in energy costs.

In addition, SJG filed a petition seeking a decrease to its Energy Efficiency Tracker rate by approximately \$0.13 on a 100-therm monthly residential bill. SJG’s EET initiatives provide a broad range of incentives that enable residential, commercial and industrial natural gas customers to lower their energy bills through participation in State-approved energy efficiency programs. Becoming more energy efficient is explained online in [Be South Jersey Smart™](#).

“SJG continues to work closely with regulators to structure our energy efficiency programs in a way that complements the NJ Clean Energy Program and encourages customers to conserve energy and lower their bills,” said DuBois. “Switching your home to natural gas from oil, propane or electric today can produce annual savings of up to 70 percent on heating costs,” said DuBois.

ABOUT SOUTH JERSEY GAS

South Jersey Gas, subsidiary of energy services holding company South Jersey Industries (NYSE:SJI), provides natural gas service to approximately 375,000 residential, commercial and industrial customers in Atlantic, Cape May, Cumberland, Salem, and portions of Gloucester, Burlington and Camden counties in New Jersey. Visit www.southjerseygas.com to learn more about South Jersey Gas and its programs.

###