

Understanding how your natural gas bill is calculated can be confusing. Our goal is to help you understand the charges that make up your bill and reassure you that the cost of natural gas is less expensive than other energy sources. While some charges cover the cost of the natural gas itself, others are either necessary so that we can maintain a safe and reliable delivery system for you, or are mandated by the State of New Jersey. All rate changes are approved by the New Jersey Board of Public Utilities before they are implemented.



Two primary parts that make up your SJG natural gas bill:

Keep in mind the basic billing unit for natural gas usage is a therm. The examples below may not reflect the rates shown on your bill. All rates shown on your bill are inclusive of New Jersey Sales and Use taxes.

1 Gas Charges: BGSS (Basic Gas Supply Service)

This is the actual cost of the natural gas you use in your home for heat, water heating, cooking, drying clothes, enjoying the ambiance of a gas fireplace, a generator for back up if there is an electric outage, and more. Every home is different. We work hard to purchase natural gas at the most competitive market price for you. **SJG does not earn a profit on the cost of natural gas. You pay what we pay.**

GAS CHARGES (BGSS)

BGSS	100 Therms x \$0.396655	\$39.67
Total Gas Charges		\$39.67

Total Gas Charges are calculated by multiplying the number of therms you use by the cost per therm. Fluctuations in your energy usage can affect this line item on your bill.

2 Usage Costs: Two charges in this section of your bill

Customer Charge

This charge includes administrative costs (metering, billing, and recordkeeping) and is incurred even if no gas is used. It is currently a monthly charge of \$10.50 per the SJG Tariff and may be prorated based on the number of days in a billing period. The days in a billing period are included on your bill.

USAGE HISTORY - COMPARISON

Month	Energy used (therms)	Days in Period	Average Temperature
March 2024	69.48	29	45.59°
March 2025	145.94	28	43.08°

Delivery Charge

The term Delivery Charge can be confusing because in everyday terms, it suggests a fee for delivering a product or service on a one-time basis. However, for SJG, the Delivery Charge covers the cost to deliver gas to your home **24 hours a day, 7 days a week, 365 days a year** as well as the cost for certain State mandated programs. Specifically, the Delivery Charge includes:

- The cost of building and maintaining a safe and reliable system of infrastructure to transport natural gas.
- The cost of maintaining and enhancing customer service operations, information technology, cybersecurity protections, and more.
- Costs related to State mandated programs such as supporting energy efficiency programs to help customers use less energy or providing financial assistance programs to seniors and income-eligible customers.

Importantly, the Delivery Charge is based on your usage during a billing period. In general, the more natural gas you use, the higher your Delivery Charge will be. This is why it is important to manage your energy usage efficiently.

USAGE COSTS

Customer Charge*		\$10.50
Delivery Charge	100 Therms x \$1.341784	\$134.18
Total Usage Costs		\$144.68

*As noted in the Customer Charge section above, the \$10.50 monthly charge is the SJG Tariff rate and may be prorated depending on the number of days in the billing period.

Guidance & Tips

Help is Available for Customers Struggling to Pay Their Energy Bill:

Utility bill financial assistance is available to help you pay and manage your energy bills.

- For resources and online applications, Visit: southjerseygas.com/EnergyAssistance
- Visit myaccount.southjerseygas.com or speak with a Customer Service Representative about setting up a Payment Arrangement to spread your balance over time, or enroll in the Budget Billing program, which estimates your annual energy costs based on last year's usage and divides them into 12 equal monthly payments.

Save Energy & Money: Reduce the Amount of Energy You Use

Simply put, fluctuations in your energy usage can impact your bill. Remember, minor changes can help save energy and money without sacrificing comfort. Simple things like turning down your thermostat or sealing air leaks and drafts can help. In addition, Energy Efficiency programs, financial incentives, and resources are available to SJG customers:

- Get instant rebates and discounts on smart thermostats and water-saving fixtures: southjerseygasmarketplace.com
- Find easy ways to reduce your energy usage with a quick, online assessment: sjg.energysavvy.com
- For information on money-saving Energy Efficiency programs, exclusively for SJG customers, including special programs for low to moderate income customers: SJGsaveenergy.com
- For simple energy saving tips: southjerseygas.com/Conserve

Natural Gas is Still Your Best Value

Rest assured, natural gas continues to be the most affordable energy source.

Natural Gas vs. Oil	
Annual Heating Cost	
Natural Gas	\$1,254
Oil	\$2,001
You Save with Natural Gas	\$747

Natural Gas vs. Propane	
Annual Heating Cost	
Natural Gas	\$1,254
Propane	\$3,051
You Save with Natural Gas	\$1,797

Natural Gas vs. Electric	
Annual Heating Cost	
Natural Gas	\$1,254
Electric	\$5,320
You Save with Natural Gas	\$4,066

Average annual savings when switching from alternative heat sources and assumes use of high efficiency natural gas equipment. Actual savings vary based on usage and energy sources. Comparisons based on EIA NJ Residential Retail Oil and Propane Pricing as of May 2025 and ACE & PSEG Electric pricing per NJBPU as of June 2025. Availability of natural gas is not guaranteed and contingent upon household proximity to natural gas main.

