

**NOTICE OF FILING OF PETITION
PROPOSING TO CHANGE EXISTING RATE
LEVELS AND OF PUBLIC HEARING**

**IN THE MATTER OF THE 2018/2019 ANNUAL COMPLIANCE FILINGS FOR A
CHANGE IN THE STATEWIDE ELECTRIC AND GAS PERMANENT UNIVERSAL
SERVICE FUND PROGRAM, FACTORS WITHIN THE ELECTRIC AND GAS
SOCIETAL BENEFITS CHARGE RATES
B.P.U. DOCKET NO. EX00020091 and ER18060661**

NOTICE IS HERE BY GIVEN that pursuant to the New Jersey Board of Public Utilities' ("Board") Orders dated April 30, 2003, July 16, 2003, and June 22, 2005, South Jersey Gas Company ("South Jersey" or the "Company") and the State's other electric and gas public utilities' Societal Benefits Charges include recovery of funding for the Universal Service Fund (USF) and Lifeline programs through uniform statewide rates. The USF program was established by the Board, pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49, et seq., to provide funds to assist qualifying low-income individuals in paying their energy bills.

In its September 22, 2017 order, the Board approved, on an interim basis, effective October 1, 2017, USF and Lifeline rates of \$0.0038/therm and \$0.0049/therm respectively, for the 2017/2018 program year. As administrator, the State of New Jersey's Department of Consumer Affairs authorizes the disbursement of USF benefits to eligible customers. Based upon the results known to date for the 2017/2018 USF program year and the available estimates for the 2018/2019 USF program year, it is proposed that the state-wide gas USF rate be set to recover \$26.7 million and the state-wide gas Lifeline rates should be set to recover \$23.9 million.

In accordance with the Board's June 22, 2005 Order, the Company made a filing with the Board on June 22, 2018, requesting an increase to its USF program charge and an increase in its Lifeline program charge, as described below, to become effective on October 1, 2018.

The current USF program charge for customers is \$0.0038 per therm (including taxes). The proposed USF program charge will increase to \$0.0049 per therm (including taxes). This request will not result in any profit to the Company. The revenues received under the proposed USF charge are designed to permit the Company to recover only its costs for the USF program. Actual program costs will be reconciled with the revenues received through the USF program charge in the next scheduled filing to be made no later than July 1, 2019.

The current Lifeline program charge for customers is \$0.0049 per therm (including taxes). The proposed Lifeline program charge, which incorporates funds for the Work First NJ program, proposed to increase to \$0.0054 per therm (including taxes). This request will not result in any profit to the Company. All Lifeline and USF revenues received under these charges are submitted to the State of New Jersey.

If approved by the Board, the impact of the proposed changes in the USF and Lifeline Charges on typical Residential and General Service customers using less than 5,000 therms per year is estimated to be as follows:

Residential Service (RSG)

Therm Level	Bill as of June 22, 2018	Bill as of October 1, 2018	Dollar Increase	Percent Increase
25	\$41.24	\$41.28	\$0.04	0.10%
100	\$133.00	\$133.16	\$0.16	0.12%
200	\$255.34	\$255.66	\$0.32	0.13%

General Service (GSG) (Using less than 5,000 therms per year)

Therm Level	Bill as of June 22, 2018	Bill as of October 1, 2018	Dollar Increase	Percent Increase
500	\$581.11	\$581.91	\$0.80	0.14%
1,000	\$1,128.36	\$1,129.96	\$1.60	0.14%
2,000	\$2,222.87	\$2,226.07	\$3.20	0.14%

The Board has the statutory authority to establish the USF and Lifeline charges at levels it finds just and reasonable. Therefore, the Board may establish the USF and Lifeline charges at levels other than those proposed by South Jersey Gas.

Copies of the Company's filing are available for inspection at the Company offices located at One South Jersey Plaza, Folsom, New Jersey 08037, or at the Board of Public Utilities, 44 South Clinton Avenue, 7th Floor, Trenton, New Jersey 08625-0350. The Company's filing may also be found on the South Jersey Gas Website at www.southjerseygas.com/About-South-Jersey-Gas/Regulatory-Compliance-Tariff-Information.aspx

NOTICE is further given that public hearings have been scheduled at the following date, times, and place on the Company's above-mentioned requests.

August 20, 2018 at 4:30 P.M and 5:30 P.M.

Voorhees Township, Municipal Court

2400 Voorhees Town Center

Voorhees, NJ 08043

(located directly across from Township Library at 203 Laurel Road)

The public is invited to attend and interested persons will be permitted to testify and/or make a statement of their views on the proposed increases. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, including interpreter, listening devices or mobility assistance, 48 hours prior to this hearing. In addition, members of the public may submit written comments concerning the petition to the BPU regardless of whether they attend the hearing by addressing them to: Honorable Aida Camacho, Secretary, Board of Public Utilities, 44 South Clinton Avenue, 3rd Floor Suite 314, P.O. Box 350, Trenton, New Jersey 08625-0350.

SOUTH JERSEY GAS COMPANY

**By: David Robbins, Jr.
President**