

NOTICE OF FILING OF PETITION AND OF PUBLIC HEARING

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR APPROVAL TO CONTINUE ITS ENERGY EFFICIENCY PROGRAMS (“EEP IV”) AND ENERGY EFFICIENCY TRACKER PURSUANT TO N.J.S.A. 48:3-98.1 B.P.U. DOCKET NO. GO18030350

NOTICE IS HEREBY GIVEN that on March 27, 2018, pursuant to N.J.S.A. 48:3-98.1, South Jersey Gas Company (“South Jersey”) filed a Petition with the Board of Public Utilities (“Board”) seeking authorization to continue offering Energy Efficiency Programs and to continue its Energy Efficiency Tracker (“EET”). South Jersey requested that the Board permit South Jersey to continue offering its existing programs, with modifications, and to implement new programs for a five-year period commencing at the date of Board approval. The proposed programs include: (1) the NJCEP Residential Loans/Rebates Program which includes loans and rebates for residents to make home energy efficiency improvements to their systems; (2) the NJCEP Commercial Loans Program which includes loans for commercial customers to install energy-saving measures; (3) the Residential Behavior Program to assist residential customers in understanding their energy use and produce savings through behavioral changes; (4) the Residential Efficient Products Program which encourages customers to invest in energy-saving products and weatherization items; (5) the Residential Home Assessment with Direct Install Program which provides residents with an in-home assessment for a fee and an introduction to low-cost energy measures such as smart thermostats; (6) the Residential Retrofit Weatherization Program which provides free weatherization services and energy education for qualifying moderate-income customers; (7) the C&I Engineered Solutions Program which provides tailored energy efficiency assistance to public service entities; (8) the Education Program to provide energy education for students in public schools; and (9) the Emerging Technologies & Approaches Program which is designed to evaluate, demonstrate, and deploy new and emerging energy-efficiency technologies. South Jersey has also requested that the Board permit South Jersey to recover all costs associated with its Energy Efficiency Programs, and that it be permitted to earn a return on and a return of investments associated with these programs, through its EET. These programs will provide participating customers with increased incentives to conserve energy and aid in reducing their natural gas consumption.

South Jersey proposes to recover the costs, together with an authorized return, associated with the proposed Energy Efficiency Programs through a cost recovery mechanism which will operate in a manner consistent with existing Board-approved mechanisms. South Jersey proposes a total program investment of approximately \$166.7 million over a five-year period and an administrative cost allowance of approximately \$28.7 million. The proposed EET Charge associated with the proposed Energy Efficiency Programs would be applied to all customer classes. If approved by the Board, the impact of the proposed programs on the EET Charge for a typical Residential Heating customer and those General Service customers using less than 5,000 therms per year would be:

RATE IMPACT⁽¹⁾

Typical Annual Bill Impacts

Residential Heat (727 annual therms)

	Year 1	Year 2	Year 3	Year 4	Year 5
Cumulative % Increase from Current Bill	0.8%	1.2%	1.6%	2.1%	2.5%
Cumulative \$ Increase from Current Bill	\$8.33	\$13.23	\$17.47	\$22.12	\$27.09

General Service Small (3,595 annual therms)

	Year 1	Year 2	Year 3	Year 4	Year 5
Cumulative % Increase from Current Bill	0.9%	1.4%	1.9%	2.4%	2.9%
Cumulative \$ Increase from Current Bill	\$41.19	\$65.44	\$86.39	\$109.44	\$134.01

- (1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS) charges in effect October 1, 2017 and assumes that the customer receives BGSS service from South Jersey Gas.

Pursuant to statute, the Board has the authority to approve South Jersey's Petition in a manner that it finds just and reasonable. Therefore, the Board may authorize Energy Efficiency Programs different than those proposed by South Jersey and may authorize an EET Charge different from that proposed by South Jersey.

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. The Company's filing is also located on the Company website at <https://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 and 5:30 PM
Voorhees Township, Municipal Court
2400 Voorhees Town Center
Voorhees, New Jersey 08043
(located directly across from Township Library at 203 Laurel Road)**

The public is invited to attend and make a statement of their views on the proposed increases. Such comments will be made a part of the final record. 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, forty-eight (48) hours prior to these hearings. Written requests and public comments may be submitted to the Board addressed to: 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**