

**South Jersey Gas Company
 Notice of Public Hearings Regarding
 Petition for Approval of New
 Energy Efficiency Programs and Associated Cost Recovery Pursuant to the Clean
 Energy Act
 BPU Docket No. GO20090618**

On September 25, 2020, South Jersey Gas Company (“Company” or “South Jersey”) filed a petition with the New Jersey Board of Public Utilities (“Board”) in Docket No. GO20090618 to establish new Energy Efficiency Programs (“EEPs”) for a three-year term from July 1, 2021 to June 30, 2024 and an associated cost recovery mechanism. The proposed EEPs and cost recovery mechanism are filed in accordance with the Clean Energy Act of 2018 (“CEA”) and the Board’s Order dated June 10, 2020 in Docket Nos. QO19010040, QO19060748, and QO17091004 (“June 2020 Order”). In general, the proposed EEPs provide monetary incentives and customer education to South Jersey’s residential and commercial customers to encourage energy efficiency.

The proposed program budget is \$166.9 million, which is comprised of \$154.1 million of program investment and \$12.8 million of operations and maintenance expenses over the three-year term. South Jersey requests that the Board allow the Company to recover the costs of the EEP program, including a return on and return of the investments associated with the program. It is estimated that South Jersey would recover a total of approximately \$163.2 million from ratepayers and \$55.7 million from loan participants from 2021 through 2037.

The Company recovers the cost of its current EEPs through its Energy Efficiency Tracker Rider (“EET”) rate. The Company’s current EET rate is \$0.016820 per therm. The proposed Year 1 EET rate will be \$0.012673 per therm. This represents an increase of \$0.012673 per therm to the current EET rate of \$0.016820 per therm for a total combined EET rate of \$0.029493 per therm, to be effective upon issuance of a Board Order. The following chart reflects projections of the potential future rates and bill impacts through 2023:

	<u>Current Program</u>	<u>Program Extension</u>	<u>Increase</u>	<u>100 Therm Bill Change</u>
July 1, 2021	\$0.016820	\$0.029493	\$0.012673	\$1.27
July 1, 2022	\$0.016820	\$0.040123	\$0.023303	\$2.33
July 1, 2023	\$0.016820	\$0.055770	\$0.038950	\$3.90

If the proposed EEPs are approved, the effect of the average rate change of \$0.012673 per therm on a typical residential customer using an average of 100 therms per month is illustrated below:

<u>Consumption in Therms</u>	<u>Present Bill</u>	<u>Proposed Bill</u>	<u>Change in Bill</u>	<u>Percent Change</u>
100	\$142.20	\$143.47	\$1.27	0.9%

The Board has the statutory and regulatory authority to approve and establish these tariff classifications and charges at levels it finds just and reasonable. Therefore, the Board may determine and establish these charges at levels other than those proposed by South Jersey.

Any assistance required by customers in ascertaining the impact of the proposed rate increase will be provided by the Company upon request.

Copies of the Petition are available online at www.southjerseygas.com/About-South-Jersey-Gas/Regulatory-Compliance-Tariff-Information.aspx.

PLEASE TAKE NOTICE that, due to the COVID-19 pandemic, a telephonic public hearing will be conducted on the following day and times so that members of the public may present their views on the Company's filing.

Date: January 19, 2021

Public Hearing 1: 4:30pm

Public Hearing 2: 5:30pm

Dial-In: 1-866-984-3164

Conference ID: 700 858 972 followed by #

To attend or participate in the telephonic public hearing, please dial the "Dial In" number above. When prompted, enter the "Conference ID" number listed above.

Representatives from the Company, Board Staff, and Rate Counsel will participate in the telephonic public hearing. Members of the public are invited to participate by utilizing the Dial-In and Conference ID information set forth above and may express their views on this filing. Such comments will be made part of the final record of the proceeding to be considered by the Board. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters, listening devices, or mobility assistance, 48 hours prior to the above hearings to the Board's Secretary at board.secretary@bpu.nj.gov.

The Board will also accept email/written comments. Members of the public may file comments with the Secretary of the Board, whether via email in PDF or Word format to board.secretary@bpu.nj.gov or through the Board's External Access Portal after obtaining a MyNewJersey Portal ID. Once an account is established, you will need an authorization code, which can be obtained upon request by emailing the Board's IT Helpdesk at ITHELPDESK@bpu.nj.gov. Detailed instructions for e-Filing can be found on the Board's homepage at <https://www.nj.gov/bpu/agenda/efiling>. Written comments may also be submitted to the Board Secretary, Aida Camacho, at the Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, NJ 08625-0350. All comments should include the name of the petition and the docket number. While all comments are given equal consideration and will be made part of the final record of the proceeding, the recommended method for the submission of comments is via email or the portal to ensure timely receipt while the Board continues to work remotely due to the COVID-19 pandemic.

Hearings will continue, if necessary, on such additional dates and times as the Board may designate, to ensure that all interested persons are heard.

South Jersey Gas Company
Melissa Orsen, President and Chief Operating Officer